

CITY OF YUMA ARIZONA

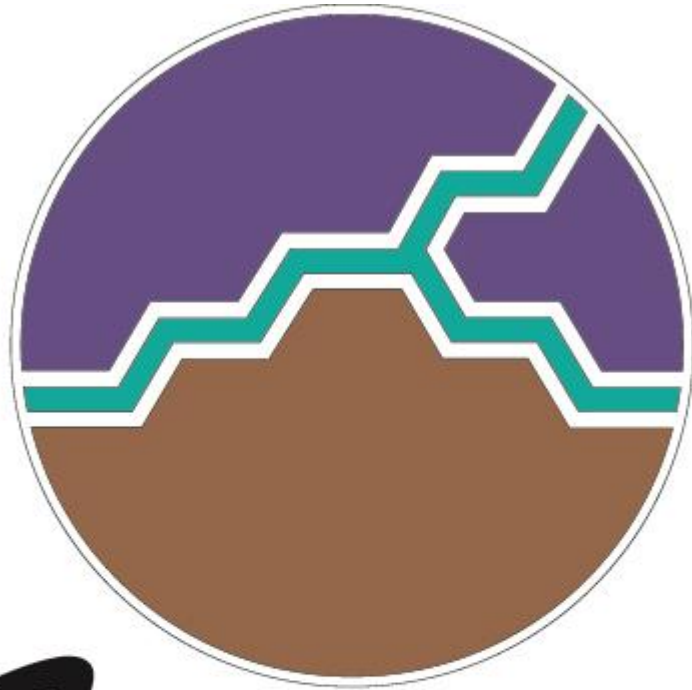


Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2019



CITY OF
Yuma



CITY OF
Yuma

City of Yuma
Arizona

Comprehensive
Annual
Financial
Report

For the Fiscal Year Ended
June 30, 2019

Prepared by:

Finance Department

Lisa Marlin, MBA
Director of Financial Services

Vacant

Accounting Manager

Linda Johnson
Accounting Supervisor

Maura Luna

Lucia Zavala

Vacant
Accountants

About the Cover:

In cooperation with the Yuma Crossing National Heritage Area, the City of Yuma team has worked tirelessly to turn a former city landfill into a beautiful natural reserve full of outdoor recreational opportunities. The West Wetlands features playgrounds, a fishing pond, picnic ramadas, a hummingbird garden, a riverside beach, and natural trails. This bridge is located on one of multiple footpaths and affords citizens a breathtaking view of the Colorado River.

Photo by City of Yuma Media Team

CITY COUNCIL

Douglas J. Nicholls, Mayor
Gary Knight, Deputy Mayor
Leslie McClendon
Jacob Miller
Michael Shelton
Edward C. Thomas
Karen Watts

City Administration

John D. Simonton
Interim City Administrator

Vacant
Deputy City Administrator

City Departments

City Attorney
Richard W. Files

City Clerk
Lynda L. Bushong

Community Development
Laurie L. Lineberry

Engineering
Jeffrey A. Kramer

Finance
Lisa Marlin

Fire Department
Steven Irr, Chief

Human Resources
Monica Welch

Information Technology
Kathleen Fernandez

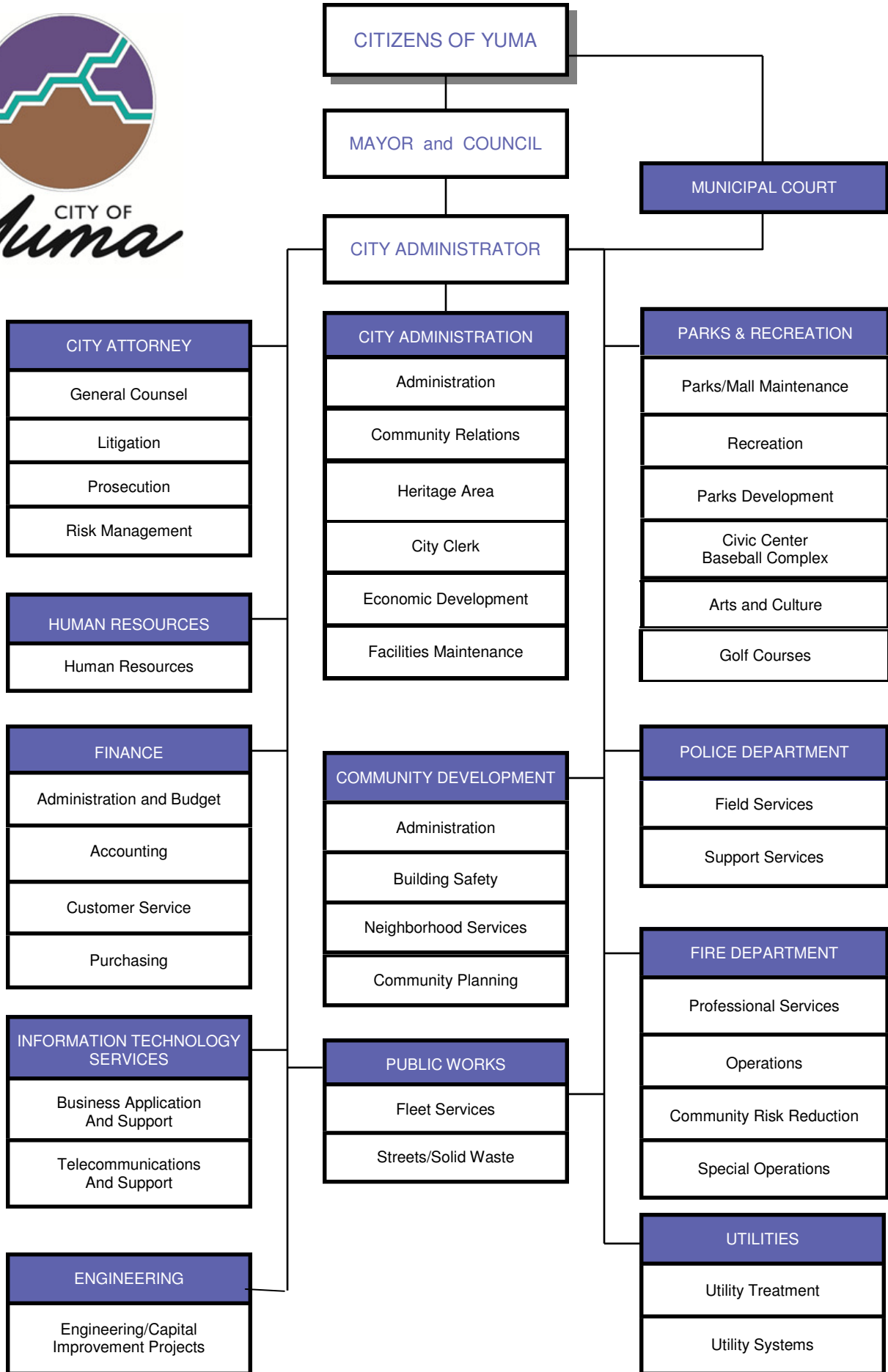
Municipal Court
James F. Coil, Judge

Parks and Recreation
Deborah Wendt

Police Department
Susan Smith, Chief

Public Works
Joel Olea

Utilities
Jeremy McCall



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, 2018

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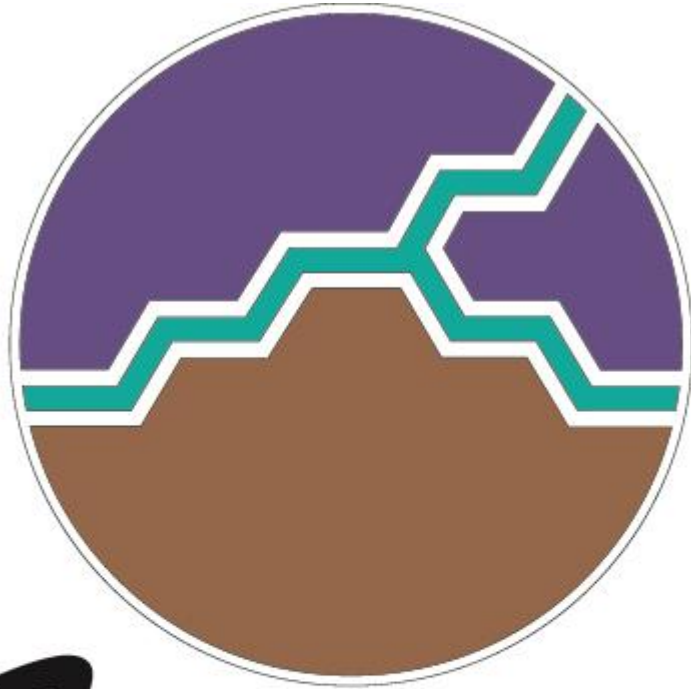
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INTRODUCTORY SECTION



CITY OF
Yuma



March 23, 2020

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, 2019. 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, 2019, 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, 2019, 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

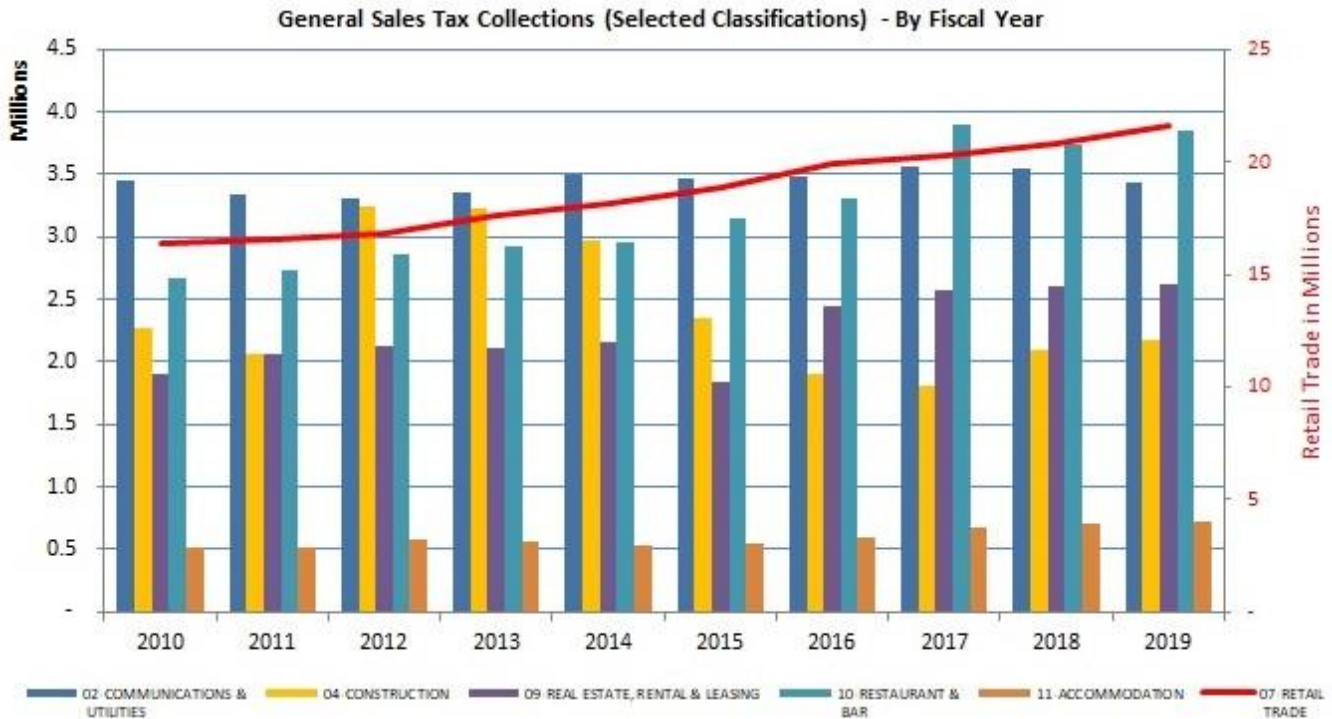
Industrial Expansion. Yuma's economy is based primarily in agriculture, tourism and government, although further diversification continues. Agriculture remains the Yuma area's dominant industry, producing more than \$3.2 billion in revenues annually¹. Several major agricultural companies maintain operations 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. More and more companies are calling Yuma home as Yuma has become a strategic location for prominent manufacturing operations on the west coast.

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 3.0% for fiscal year 2019. Tax data show that Retail Trade, annually the largest segment of the sales tax measure, increased by 4.0% over 2018. Construction sales tax is on the rise, increasing for the second year in a row at 3.8%. When compared to the dramatic decrease over the 2016 and 2017 (19.1% and 4.7%, respectively) a continued increase is a welcome sight. Overall, sales taxes are anticipated conservatively to grow 3.0% for fiscal year 2020.



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

City of Yuma Roadways. The City’s roadways continue to deteriorate due to lack of funding for repair and replacement of a large number of roads. Through many years of HURF sweeps at the state level, the City’s roads have been maintained and repaired on a shoestring budget that does not begin to cover the requirements of maintaining the roads at a “good” or better rating. As roads continue to move from poor to failing, it becomes more of a challenge maintain them, with complete reconstruction becoming a necessity. The City has, and will continue to, try to find new revenue sources to repair and replace the failing roadways within the community.

Downtown redevelopment. Revitalization of the downtown area is a vital component to the heritage of the City. The Hilton Hotel and Conference Center continue as the cornerstones of the public/private partnership that is developing the river area. Ground was broken on a new hotel and several new restaurants have gone into business in the downtown area. Developments that are more recent have emerged with the intent of adding additional restaurant space and office availability, which will add economic value to 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 34 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, 2018. This is the thirty-seventh 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 consolidated 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 and staff members throughout the City, 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,



Lisa Marlin, MBA
Director of Financial Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

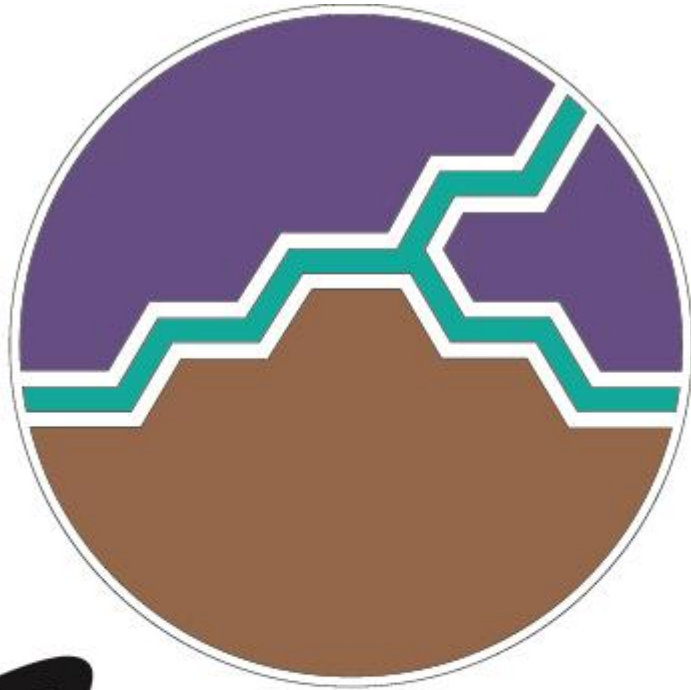
City of Yuma
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

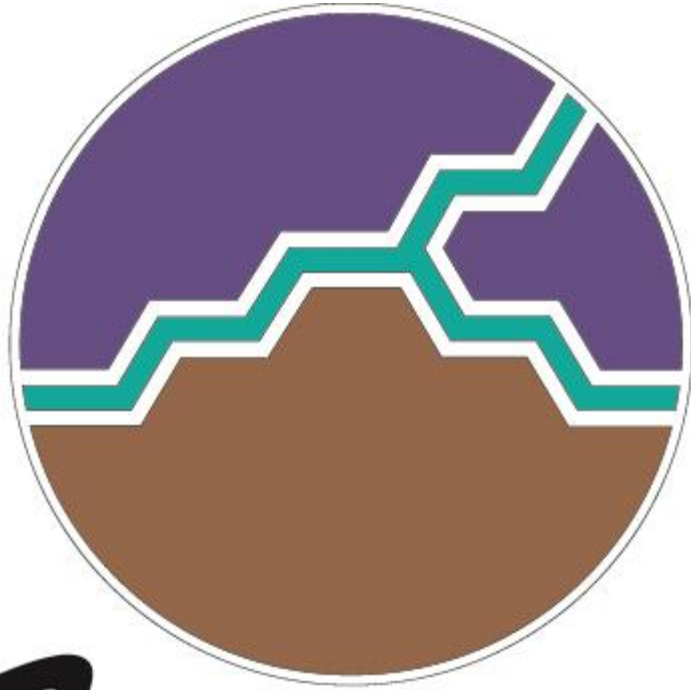
Christopher P. Morrill

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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Yuma, Arizona (the City), as of and for the year ended June 30, 2019, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Yuma, Arizona, as of June 30, 2019, 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 1, the City/Town implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, for the year ended June 30, 2019, 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 plan 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 and Individual Fund Financial Statements and Schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Fund Financial Statements and Schedules 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 and Individual Fund Financial Statements and Schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory Section and Statistical Section 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 March 23, 2020, on our consideration of the 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 solely 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 effectiveness of the City of Yuma's 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 the City of Yuma, Arizona's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Phoenix, Arizona
March 23, 2020

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, 2019. 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 \$12.8 million for the fiscal year, governmental activities increased \$1.1 million while business-type activities of the City increased \$11.6 million
- The City's government-wide net position totaled \$375.9 million at June 30, 2019. Due to implementation of GASB pension standards, while the City has a total positive net position, it includes a deficit unrestricted net position of \$84.4 million in governmental programs but a positive \$77.6 million in business-type activities, for a net negative \$6.7 million in government-wide basis overall.

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.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 86.

Major Governmental Funds:

General
City Road Tax
Debt Service
Capital Projects

Nonmajor Governmental Funds:

Community Redevelopment

Nonmajor Governmental Funds continued:

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

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, Sewer, and Solid Waste Authority and for its Radio Communications and golf courses. 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 Fund
Wastewater Fund

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 109.

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.

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 72 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 86.

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 \$375.9 million at the close of the fiscal year.

Net Position: (millions)	Governmental Activities		Business-type Activities		Total	
	June 30, 2019					
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 98.5	\$ 104.4	\$ 98.3	\$ 89.0	\$ 196.8	\$ 193.4
Capital assets	298.8	290.5	263.2	270.4	562.0	560.9
Total assets	397.3	394.9	361.5	359.4	758.8	754.3
Pension	34.1	36.0	1.7	1.8	35.8	37.8
Deferred Charges on Refunding	2.7	3.0	4.5	4.9	7.2	7.9
Total Deferred Outflows of Resources	36.8	39.0	6.2	6.7	43.0	45.7
Long-term liabilities outstanding	253.3	262.7	115.5	127.1	368.8	389.8
Other liabilities	29.1	22.2	16.9	15.9	46.0	38.1
Total liabilities	282.4	284.9	132.4	143.0	414.8	427.9
Pension	9.6	8.1	1.5	0.9	11.1	9.0
Total Deferred Inflows of Resources	9.6	8.1	1.5	0.9	11.1	9.0
Net position:						-
Net Investment in capital assets	206.9	197.2	156.2	154.2	363.1	351.4
Restricted	19.6	26.1	-	-	19.6	26.1
Unrestricted	(84.4)	(82.4)	77.6	68.0	(6.8)	(14.4)
Total net position	\$ 142.1	\$ 140.9	\$ 233.8	\$ 222.2	\$ 375.9	\$ 363.1

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.

Net position increased to \$375.9 million, up \$12.8 million from the prior year. Governmental activities increased \$1.2 million while business-type activities increased \$11.6 million. Capital asset acquisitions were lower than the depreciation expense this year attributing to the decrease in Capital assets in business-type activities. With the Fleet Maintenance Facility underway, governmental activities saw an increase in construction in progress, which contributed to the increase in capital assets. Unrestricted net position are those assets available to finance programs

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 (millions)	Governmental activities		Business-type activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for services	\$ 12.2	\$ 15.1	\$ 50.5	\$ 48.7	\$ 62.7	\$ 63.8
Operating grants and contributions	3.9	2.0	-	-	3.9	2.0
Capital grants and contributions	1.9	5.0	6.6	8.2	8.5	13.2
General revenues:						
Property taxes	13.0	12.5	-	-	13.0	12.5
Sales taxes	44.3	43.0	-	-	44.3	43.0
Franchise taxes	3.2	3.3	-	-	3.2	3.3
Intergovernmental, unrestricted	33.6	32.6	-	-	33.6	32.6
Unrestricted investment earnings	2.0	1.0	2.0	0.9	4.0	1.9
Total revenues	114.1	114.5	59.1	57.8	173.2	172.3
Expenses:						
General government	10.6	11.5	-	-	10.6	11.5
Public safety	61.4	62.2	-	-	61.4	62.2
Streets	17.3	15.3	-	-	17.3	15.3
Parks, recreation and culture	14.6	15.0	-	-	14.6	15.0
Environmental health and protection	0.2	0.1	-	-	0.2	0.1
Community design and development	5.2	4.4	-	-	5.2	4.4
Interest on long-term debt	3.7	4.1	-	-	3.7	4.1
Water	-	-	22.4	22.2	22.4	22.2
Wastewater	-	-	17.4	17.3	17.4	17.3
Solid Waste	-	-	3.7	3.8	3.7	3.8
Radio Communications	-	-	2.0	1.9	2.0	1.9
Golf courses	-	-	1.9	1.8	1.9	1.8
Total expenses	113.0	112.6	47.4	47.0	160.4	159.6
Increase/(Decrease) in net position before transfers	1.1	1.9	11.7	11.0	12.8	12.7
Transfers	0.1	0.1	(0.1)	(0.1)	-	-
Increase/(Decrease) in net position	1.2	2.0	11.6	10.9	12.8	12.7
Net Position - July 1	140.9	138.9	222.2	211.3	362.9	350.2
Net Position - June 30	\$ 142.1	\$ 140.9	\$ 233.8	\$ 222.2	\$ 375.7	\$ 362.9

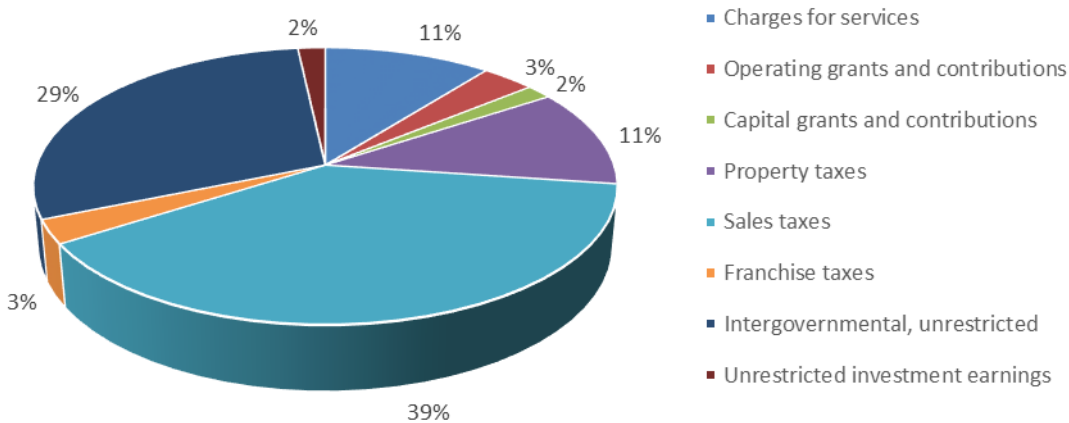
Governmental Activities

Revenues

Governmental activities revenues totaled \$114.1 million for fiscal year 2019, remaining relatively flat in comparison to 2018’s \$114.5 million. While Sales Tax and Property Tax revenues increased slightly, Charges for Services and Capital Grants and Contributions were reduced by a similar amount. Local sales taxes remain the largest revenue source for the City and are comprised of the 1% general sales tax along with a 0.5% road tax and a 0.2% 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 29.4% 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 10.7% of governmental revenues. Property taxes represent 11.4% 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 3.0% from 2018, reflecting a continued improvement in the economy over previous years.
- Charges for services decreased by \$2.9 million due to a variety of decreases in areas such as Building Permits, Auto Lieu Tax, Recreation Fees, Ambulance Services, and Court Fines.
- Property taxes increased 4.0% to \$13.0 million as property values have increased. The City Council did not allow an increase in property tax levy for 2019.

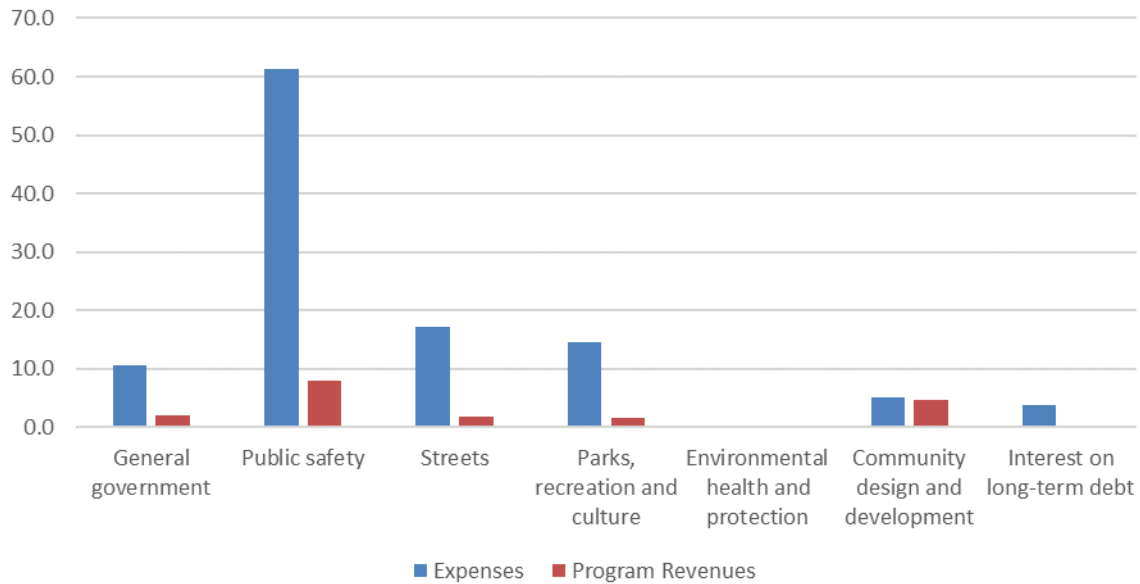
REVENUES - GOVERNMENTAL ACTIVITIES



Expenses

Governmental expenses totaled \$113.0 million for the fiscal year. Of the expenses, 57.0% or \$61.4 million is related to public safety for police, fire and municipal court services. Parks, recreation and culture expenses amounted to \$14.6 million, or 12.9% and Streets was \$17.3 million, or 15.3%, while community design and development expenses amounted to 4.6%. General government expenses came to \$10.6 million, or 9.4%. Interest on long-term debt was \$3.7 million, or 3.3% of governmental expenses. Overall, governmental activities expenses increased \$0.4 million from 2018, driven primarily by a pending lawsuit settlement that was determined to be probable at fiscal year end.

REVENUES AND EXPENSES
GOVERNMENTAL ACTIVITIES



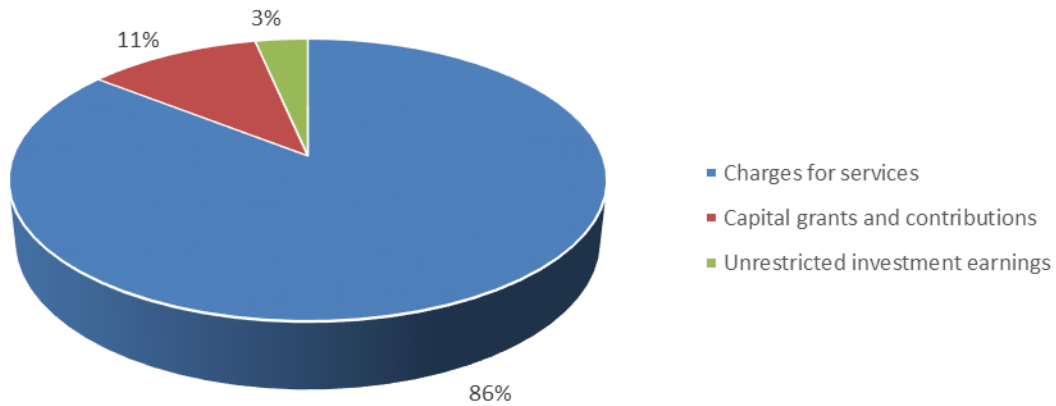
The chart above compares governmental activities with their respective program revenues, if any. Because the ultimate beneficiary of services of these types is often difficult to ascertain or the services apply to a broad spectrum of users (such as in fire protection), user fees are not created and general 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.

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 \$50.5 million in charges for services, 73.0% 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 \$6.6 million in capital grants and 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 3.4% of revenues for the City’s business activities.

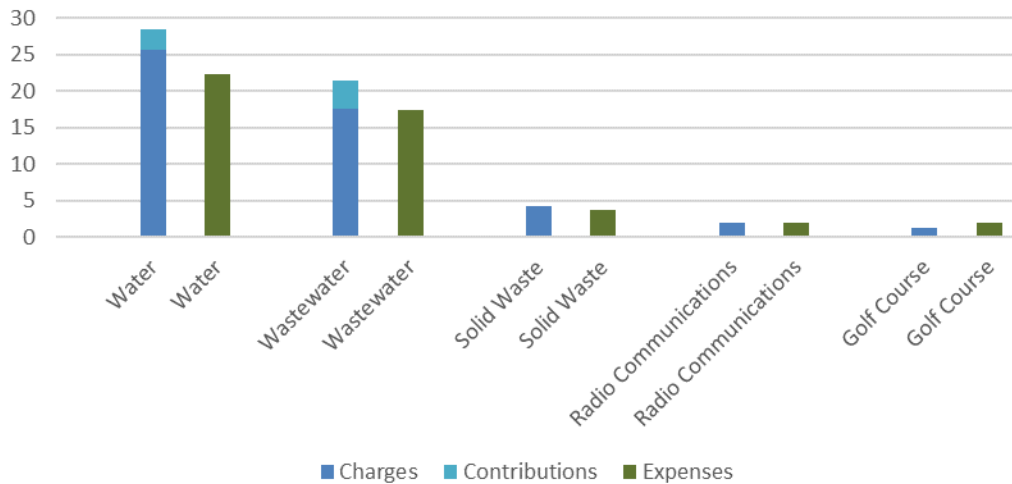
REVENUES - BUSINESS-TYPE ACTIVITIES



Expenses

Water and wastewater services account for 84.0% of the City’s business-type activities with solid waste, radio communication and golf courses making up the remaining 14.5%. Water expenses amounted to \$22.4 million while wastewater expenses totaled \$17.4 million. Solid Waste, Radio Communications, and Desert Hills Golf Courses recorded expenses of \$3.7 million, \$2.0 million and \$1.9 million, respectively, for a total of \$7.6 million.

REVENUES AND EXPENSES
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, 2019, is \$50.2 million, a decrease from 2018 of \$11.6 million. A review of some of the more significant funds follows.

General Fund

The fund balance of the General Fund decreased by \$0.1 million for the fiscal year 2019. Revenues increased by \$1.5 million. City sales taxes, the city's largest source of General Fund revenues, increased \$0.7 million (3.2%) to \$22.5 million, representing an increase primarily in retail sales. Property taxes increased by \$0.3 million to \$12.7 million. State-shared vehicle registration tax (auto lieu tax) increased 4.9% to \$4.1 million. Total expenditures increased \$5.2 million to \$70.0 million. In fiscal year 2018, a large reduction occurred in Public Safety expenditures, primarily due to the credit received from PSPRS for the payout of the Hall and Parker lawsuit settlements. Hence, the increase in fiscal year 2019 can be partially attributed to that difference.

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 decreased by \$6.3 million for the year. In the same manner as general sales tax in the General Fund, sales taxes increased in 2019 by \$0.4 million to \$11.3 million. Operational expenditures increased by \$0.8 million from 2018, primarily due to additional maintenance required on the City's roads. The City expended approximately \$9.7 million in capital improvements in 2019, which was comprised of a combination of road repaving and improvements, traffic signal upgrades and the LED streetlight upgrade project.

Debt Service Fund

Debt Service Fund expenditures remained flat at \$11.5 million.

Public Safety Tax Fund

The Public Safety Tax Fund accounts for the expenditure of the City's .02% sales tax specifically intended to procure public safety equipment. For FY19, the fund balance was \$3.8 million, an increase of \$0.6 million from FY18. Expenditures increased by \$0.6 million to \$3.9 million.

Highway User Revenue Fund (HURF)

This fund, which accounts for the expenditure of state-shared gasoline taxes, showed an increase in fund balance of \$0.5 million for the year, increasing to \$6.3 million. The City's portion of those taxes increased by 4.9% for the fiscal year to \$8.2 million. All maintenance expenditures for streets and retention basins are made in the HURF Fund. Expenditures increased by \$1.2 million to \$7.9 million.

2% Tax Fund

This fund, which accounts for the two-cent sales tax, showed a decrease in fund balance of \$0.9 million, decreasing to \$1.5 million. The tax portion of the revenue in this fund only showed a slight increase of \$0.1 million, while charges for services remained relatively flat. Operational expenditures increased by \$0.7 million.

Grants Fund

The City continues to receive much needed assistance from both the state and federal levels. During 2019, revenues increased to \$2.3 million, which is an increase of \$0.4 million due the addition of new grants and additional funding for recurring grants. Again this year, Homeland Security was the primary source of grants, funding the Operation Stone Garden.

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 increased to \$1.6 million for 2019, up from \$1.1 million in 2018.

Capital Projects Fund

The Capital Projects Fund’s fund balance has decreased to \$11.3 million this year and the city continues to expend the proceeds of the 2007 and 2015 bond sales. Capital expenditures in fiscal year 2019 were \$6.2 million.

Proprietary funds. The City’s enterprise funds posted an overall increase in net position of \$11.6 million for the fiscal year ended June 30, 2019. Results were mixed between the various funds. Water, Wastewater, and Solid Waste Funds posted increases while Radio Communications and Desert Hills Golf Course Funds posted decreases in net position.

Water Fund

Operating revenues for the Water Fund increased by \$0.2 million or 1.1% for the year ending June 30, 2019. Operating expenses increased by 1.0%. Operating income increased to \$5.9 million, while capital contributions decreased to \$2.8 million, leading to the fund’s net position increase of \$6.8 million.

Wastewater Fund

The Wastewater Fund operating revenues increased 0.5% from fiscal 2018. Rate-based charges increased 5.1% to \$17.5 million. Operating expenses increased by 0.5% with income from operations increasing to \$1.2 million. Capital contributions decreased to \$3.9 million. The overall increase in the fund’s net position was \$5.1 million.

Radio Communications Fund

Operating revenues decreased 0.1% to \$1.9 million. Operating expenses increased 0.7% to \$2.0 million, with the fund’s net position decreasing to \$2.0 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2019, can be found starting on page 77. A summary of that schedule follows:

	Budget		Actual	Variance with Final
	Original	Final		
Revenues and Transfers In				
Taxes	\$ 38.4	\$ 38.4	\$ 38.7	\$ 0.3
Intergovernmental	25.3	25.3	25.4	0.1
Other	10.6	10.6	10.3	(0.3)
Total	74.3	74.3	74.4	0.1
Expenditures and Transfers Out				
Expenditures	72.6	72.6	70.0	2.6
Transfers Out	4.6	4.6	4.6	-
Total	77.2	77.2	74.6	2.6
Change in Fund Balance	\$ (2.9)	\$ (2.9)	\$ (0.2)	\$ 2.7

General Fund revenues and transfers ended the year \$0.2 million over budget expectations. While sales tax revenues, intergovernmental tax revenues and interest saw slight increases, those increases were offset by decreases in charges for services. The important revenue source of city sales tax increased by \$0.7 million.

Expenditures for the fund came in at \$2.6 million below budget due in large part by attrition and vacant positions within the City. Additionally, much of the contingency budget was not used. Public Safety showed an increase of \$4.2 million, primarily due to the reduced expenditures in fiscal year 2018 when the PSPRS credits were taken, which makes the increase appear larger than what it actually was. General government showed an increase as well, of \$1.1 million. The General Fund’s anticipated reduction of fund balance decreased from a reduction of \$3.0 million to a decrease of \$0.2 million.

CAPITAL ASSETS

At June 30, 2019, the City of Yuma’s investment in capital assets in both governmental and business-type activities amounted to \$562.0 million, net of depreciation. This includes land, buildings, equipment, and infrastructure (roadways and bridges). Capital assets for governmental activities increased by 2.9% while business-type capital assets decreased by 2.7%. This decrease was due to fewer new assets being acquired and/or constructed than depreciation expense on existing assets in business-type activities.

	Change in Capital Assets						Total
	(In Millions)						
	Governmental Activities			Business-type Activities			
July 1, 2018	Net Additions/ Deletions	June 30, 2019	July 1, 2018	Net Additions/ Deletions	June 30, 2019		
Land	\$ 51.8	\$ -	\$ 51.8	\$ 10.6	\$ 0.2	\$ 10.8	\$ 62.6
Buildings	95.5	-	95.5	164.6	-	164.6	260.1
Improvements	66.7	1.1	67.8	284.7	2.5	287.2	355.0
Infrastructure	273.0	5.2	278.2	-	-	-	278.2
Equipment	61.7	4.2	65.9	14.3	0.8	15.1	81.0
Construction in Progress	8.1	12.1	20.2	6.9	3.4	10.3	30.5
Accumulated Depreciation	(266.3)	(14.3)	(280.6)	(210.7)	(14.0)	(224.7)	(505.3)
Total	\$ 290.5	\$ 8.3	\$ 298.8	\$ 270.4	\$ (7.1)	\$ 263.3	\$ 562.1

Additional information on capital assets can be found in Note II-E starting on page 45.

DEBT ADMINISTRATION

At June 30, 2019, after scheduled debt payments, governmental activity debt decreased by \$9.0 million while business activity debt decreased to \$11.2 million.

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 \$131.6 million. This City currently has no outstanding general obligation debt nor is there any debt outstanding for the other type of issuance. The current debt limit for the other type is \$39.5 million.

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.

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 47-51.

Summary of Long-Term Debt

	(Millions)					
	Governmental activities		Business-type activities		Total	
	2019	2018	2019	2018	2019	2018
Yuma Municipal Property Corporation Bonds	\$ 91.5	\$ 98.3	\$ 78.0	\$ 114.2	\$ 169.5	\$ 212.5
Private Placement Obligations	-	-	26.7	-	26.7	-
Net Unamortized Premium/Issuance Costs	6.7	7.3	7.7	8.3	14.4	15.6
Improvement Districts	0.7	1.0	-	-	0.7	1.0
Capital Lease	1.8	1.1	0.1	-	1.9	1.1
Pension	155.5	157.9	11.9	13.3	167.4	171.2
Compensated Absences	7.4	7.0	1.3	1.1	8.7	8.1
Total Long-Term Debt	\$ 263.6	\$ 272.6	\$125.7	\$ 136.9	\$ 389.3	\$ 409.5

ECONOMIC FACTORS

Yuma County’s growth continues to improve at a steady rate. The county grew to an estimated 212,128 with the City of Yuma continuing to represent 46% of the county’s population. The City of Yuma has grown to an estimated 97,908 (estimated as of July 1, 2018, the most recent available). The City’s economy is primarily based on a triad of agriculture, tourism and military/government spending. Agribusiness continues to lead the economy, contributing \$3.2 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, is on the rise, posting a 3.0% increase this year, compared to its 8-year historic average growth rate of 2.7%. For fiscal year 2020, the City projected General Fund revenues with a conservative 2.0% increase.

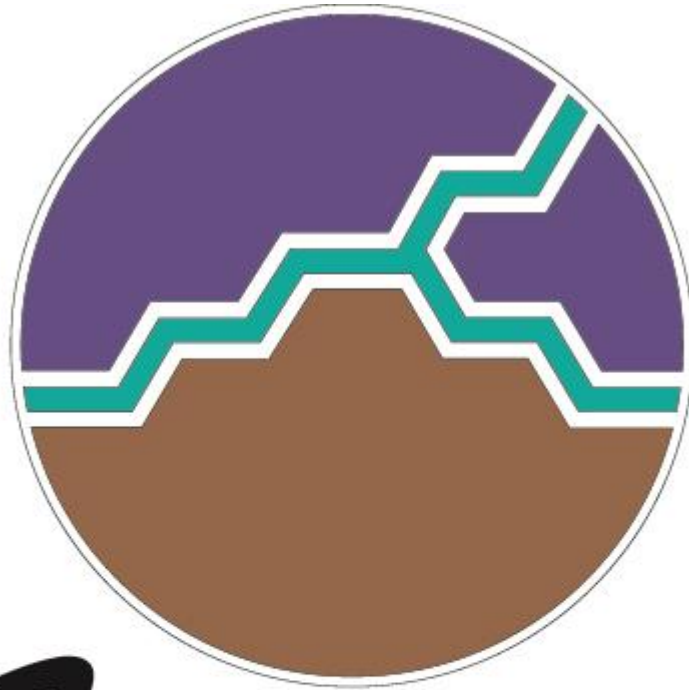
With sales tax statistics continuing to improve, the economy continues to strengthen. During 2019, the following important economic events occurred:

- Ground was broken on one new hotel, with another one in the design phase, indicating an increase in visitors to the area, whether for business or pleasure. One of these is the Home2Suites that will be located in downtown Yuma. As the Yuma International Airport has added a leg to Dallas/Fort Worth, there is an opportunity for more visitors to the area.
- The City has adopted the motto “Open for Business” as a direct reflection of the consistent and diligent work that the City is doing, along with the Greater Yuma Economic Development Corporation (GYEDC), to bring more manufacturing and other businesses to the Yuma region.

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 does skew this statistic; however, more and more farms are challenged to find seasonal workers with the border crisis. The City helps combat this problem as the largest contributor to, and a direct partner of, the GYEDC whose two-fold mission is to encourage new employers to the area and to assist local employers in their expansion efforts.

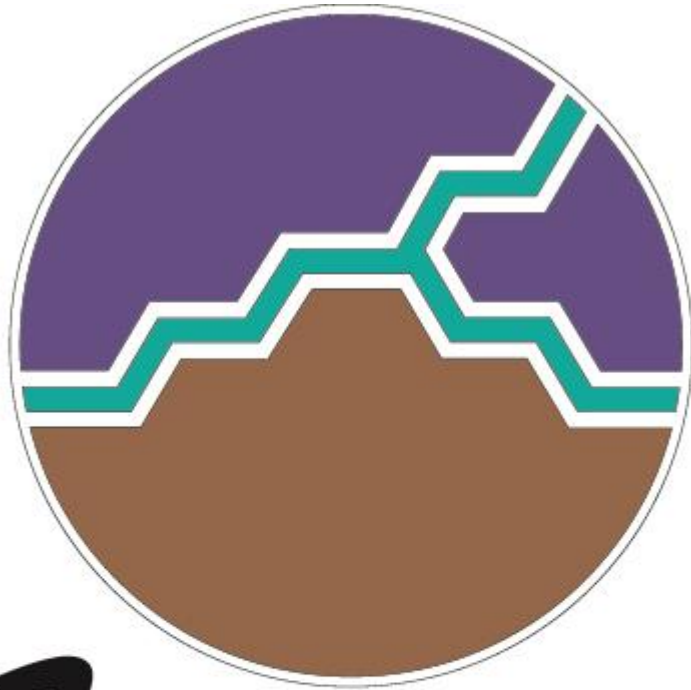
CONTACTING THE CITY’S FINANCIAL MANAGEMENT

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 Lisa Marlin, Director of Financial Services, 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.



CITY OF
Yuma

BASIC FINANCIAL STATEMENTS



CITY OF
Yuma

**GOVERNMENT-WIDE FINANCIAL
STATEMENTS**

City of Yuma, Arizona
Statement of Net Position
June 30, 2019

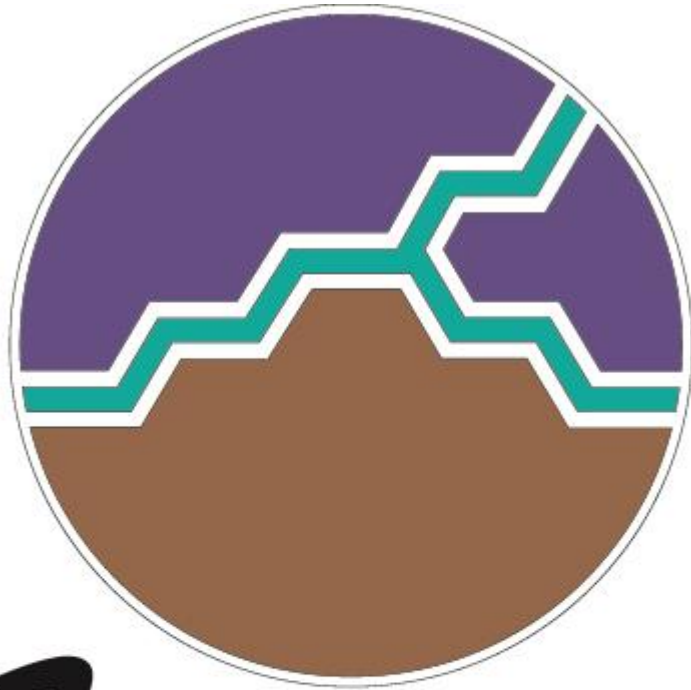
<u>Assets</u>	Governmental Activities	Business-type Activities	Total
Cash and Investments	\$ 84,699,920	\$ 94,616,274	\$ 179,316,194
Receivables, Net	11,764,689	4,911,575	16,676,264
Internal Balances	1,475,191	(1,475,191)	-
Inventory, at cost	523,283	213,155	736,438
Prepaid Items	58,220	8,816	67,036
Capital Assets:			
Non-depreciable	72,031,203	21,066,902	93,098,105
Depreciable, Net	226,727,623	242,088,724	468,816,347
Total Assets	<u>397,280,129</u>	<u>361,430,255</u>	<u>758,710,384</u>
<u>Deferred Outflows of Resources</u>			
Deferred outflows related to pension and other postemployment benefits	34,081,687	1,710,300	35,791,987
Deferred Charges on Refunding	<u>2,725,976</u>	<u>4,533,667</u>	<u>7,259,643</u>
Total Deferred Outflows of Resources	<u>36,807,663</u>	<u>6,243,967</u>	<u>43,051,630</u>
<u>Liabilities</u>			
Accounts Payable and Deposits	8,018,694	4,044,562	12,063,256
Accrued Liabilities	3,515,223	527,531	4,042,754
Accrued Interest Payable	2,018,618	1,900,795	3,919,413
Unearned Revenue	2,771,767	187,391	2,959,158
Noncurrent Liabilities:			
Due within one year			
Current portion of Accrued Compensated Absences	2,517,032	380,713	2,897,745
Current portion of Debt	7,435,000	9,788,000	17,223,000
Current portion of Claims and Judgements	1,092,259	-	1,092,259
Current portion of Capital Lease	383,425	33,718	417,143
Due in more than one year			
Accrued Compensated Absences	4,887,473	935,200	5,822,673
Pension	155,524,024	11,838,387	167,362,411
Debt	91,414,659	102,616,589	194,031,248
Claims and Judgements	1,402,910	-	1,402,910
Capital Lease	1,445,085	101,152	1,546,237
Total Liabilities	<u>282,426,169</u>	<u>132,354,038</u>	<u>414,780,207</u>
<u>Deferred Inflows of Resources</u>			
Deferred outflows related to pension and other postemployment benefits	<u>9,577,118</u>	<u>1,487,143</u>	<u>11,064,261</u>
	<u>9,577,118</u>	<u>1,487,143</u>	<u>11,064,261</u>
<u>Net Position</u>			
Net Investment in capital assets	206,885,288	156,204,054	363,089,342
Restricted for:			
Debt Service	719,994	-	719,994
Community Development	808,048	-	808,048
Road Maintenance and Construction	12,843,785	-	12,843,785
PS Police equipment and facilities	2,812,942	-	2,812,942
PS Fire equipment and facilities	937,647	-	937,647
Parks, recreation and cultural facilities	1,452,416	-	1,452,416
Unrestricted	<u>(84,375,615)</u>	<u>77,628,987</u>	<u>(6,746,628)</u>
Total Net Position	<u>\$ 142,084,505</u>	<u>\$ 233,833,041</u>	<u>\$ 375,917,546</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, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Government Activities:							
General Government	\$ 10,663,774	\$ 2,019,363	\$ 53,886	\$ -	\$ (8,590,525)	\$ -	\$ (8,590,525)
Public Safety	61,365,785	5,762,339	2,164,573	-	(53,438,873)	-	(53,438,873)
Streets	17,311,832	-	-	1,903,769	(15,408,063)	-	(15,408,063)
Parks, Recreation and Culture	14,579,549	1,484,015	1,549	-	(13,093,985)	-	(13,093,985)
Environmental Health and Protection	208,389	5,792	-	-	(202,597)	-	(202,597)
Community Design and Development	5,212,374	2,905,901	1,662,411	-	(644,062)	-	(644,062)
Interest on Long-Term Debt	3,733,037	-	-	-	(3,733,037)	-	(3,733,037)
Total Governmental Activities	113,074,740	12,177,410	3,882,419	1,903,769	(95,111,142)	-	(95,111,142)
Business-type Activities:							
Water	22,398,840	25,593,163	-	2,771,133	-	5,965,456	5,965,456
Wastewater	17,414,914	17,548,656	-	3,862,813	-	3,996,555	3,996,555
Solid Waste	3,705,587	4,243,276	-	-	-	537,689	537,689
Radio Communications	2,042,287	1,938,097	-	-	-	(104,190)	(104,190)
Golf Courses	1,860,775	1,172,678	-	-	-	(688,097)	(688,097)
Total Business-type Activities	47,422,403	50,495,870	-	6,633,946	-	9,707,413	9,707,413
Total	\$ 160,497,143	\$ 62,673,280	\$ 3,882,419	\$ 8,537,715	(95,111,142)	9,707,413	(85,403,729)
General Revenues:							
Property taxes					13,048,187	-	13,048,187
Sales taxes					44,319,675	-	44,319,675
Franchise taxes					3,194,590	-	3,194,590
Intergovernmental, unrestricted					33,580,177	-	33,580,177
Unrestricted investment earnings					2,027,368	2,007,169	4,034,537
Total general revenues					96,169,997	2,007,169	98,177,166
Transfers					77,916	(77,916)	-
Total general revenues and transfers					96,247,913	1,929,253	98,177,166
Change in net position					1,136,771	11,636,666	12,773,437
Net position-beginning					140,947,734	222,196,375	363,144,109
Net position-ending					\$ 142,084,505	\$ 233,833,041	\$ 375,917,546

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, 2019

<u>Assets</u>	General	City Road Tax	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total
Cash and Investments	\$ 22,509,015	\$ 6,988,320	\$ 2,262	\$ 13,606,228	\$ 11,947,831	\$ 55,053,656
Cash with Fiscal Agents	-	-	9,104,992	-	-	9,104,992
Receivables, Net of Allowances for Uncollectibles:						
Accounts Receivable	3,587,308	53,957	15,861	145,518	986,589	4,789,233
Intergovernmental	1,940,147	597,255	-	253,640	2,361,588	5,152,630
Special Assessments	20,169	-	715,000	-	-	735,169
Delinquent Property Taxes	814,703	-	-	-	2,035	816,738
Accrued Interest	34,493	23,387	-	9,791	18,546	86,217
Due from Other Funds	2,760,738	-	-	-	-	2,760,738
Inventory, at cost	30,493	-	-	-	22,011	52,504
Prepaid Items	34,157	200	-	-	1,508	35,865
Total Assets and Other Debits	<u>\$31,731,223</u>	<u>\$7,663,119</u>	<u>\$9,838,115</u>	<u>\$14,015,177</u>	<u>\$15,340,108</u>	<u>\$78,587,742</u>
 <u>Liabilities</u>						
Accounts Payable	\$ 4,366,913	\$ 735,394	\$ 762	\$ 883,150	\$ 1,195,234	\$ 7,181,453
Accrued Payroll, Taxes and Benefits Payable	3,061,968	77,166	-	-	335,483	3,474,617
Long-Term Debt - Current Portion	-	-	7,085,000	-	-	7,085,000
Due to Other Funds	-	-	13,741	-	714,501	728,242
Accrued Interest Payable	-	-	2,018,618	-	-	2,018,618
Deposits	633,279	14,656	-	-	96,029	743,964
Unearned Revenues	11,086	313,830	-	1,806,235	640,616	2,771,767
Total Liabilities	<u>8,073,246</u>	<u>1,141,046</u>	<u>9,118,121</u>	<u>2,689,385</u>	<u>2,981,863</u>	<u>24,003,661</u>
 <u>Deferred Inflows of Resources</u>						
Unavailable Revenues	2,738,064	-	715,000	-	973,791	4,426,855
 <u>Fund Balances:</u>						
Nonspendable:						
Inventory	30,493	-	-	-	22,011	52,504
Prepaid Items	34,157	200	-	-	1,508	35,865
Spendable						
Restricted	-	6,521,873	4,994	4,250,144	11,524,917	22,301,928
Committed	-	-	-	7,075,648	-	7,075,648
Unassigned	20,855,263	-	-	-	(163,982)	20,691,281
Total Fund Balances	<u>20,919,913</u>	<u>6,522,073</u>	<u>4,994</u>	<u>11,325,792</u>	<u>11,384,454</u>	<u>50,157,226</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 31,731,223</u>	<u>\$ 7,663,119</u>	<u>\$ 9,838,115</u>	<u>\$ 14,015,177</u>	<u>\$ 15,340,108</u>	<u>\$ 78,587,742</u>

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, 2019

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

Total Fund Balances per the Balance Sheet-Governmental Funds:		\$ 50,157,226
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		290,614,028
Revenues deferred to later years recognized in year levied in governmental activities.		
Special Assessment/Loan Principal	\$ 1,523,048	
Property Tax	816,737	
Grant Billings	163,707	
Ambulance Billings	<u>1,923,363</u>	
		4,426,855
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	(7,323,888)	
Pension Liability	(131,019,455)	
MPC bonds payable	(84,390,000)	
Improvement District #68	(715,000)	
Leases payable	(1,828,510)	
Net unamortized deferred charges or premiums are not recorded in the governmental funds	<u>(6,659,659)</u>	
		(231,936,512)
Deferred charges on debt refunding are not recognized in the current period		2,725,976
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		<u>26,096,932</u>
Net position - Governmental Activities per the Statement of Net Position		<u><u>\$ 142,084,505</u></u>

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, 2019

	General	City Road Tax	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 38,689,039	\$ 11,262,335	\$ -	\$ -	\$ 10,401,906	\$ 60,353,280
Licenses and Permits	2,087,716	-	-	-	-	2,087,716
Intergovernmental	25,369,025	-	-	209	11,967,125	37,336,359
Charges for Services	6,054,079	41,832	-	1,193,285	967,990	8,257,186
Fines and Forfeitures	1,007,966	-	-	-	-	1,007,966
Special Assessments	-	-	335,000	-	-	335,000
Use of Money and Property	893,062	425,968	51,782	367,394	276,206	2,014,412
Contributions and Donations	-	-	-	-	218,806	218,806
Miscellaneous	275,934	31,022	-	55,966	256,446	619,368
Total Revenues	74,376,821	11,761,157	386,782	1,616,854	24,088,479	112,230,093
Expenditures:						
Current:						
General Government	9,168,258	-	-	-	130,662	9,298,920
Public Safety	49,608,606	596,370	-	-	4,198,474	54,403,450
Streets	-	3,035,116	-	-	6,075,911	9,111,027
Parks, Recreation and Culture	7,365,655	-	-	-	6,665,467	14,031,122
Environmental Health and Protection	-	-	-	-	75,035	75,035
Community Design and Development	3,513,625	-	-	-	1,893,120	5,406,745
Capital Outlay	343,158	393,389	-	-	2,090,153	2,826,700
Capital Projects:						
General Government	-	-	-	2,910	-	2,910
Public Safety	-	-	-	-	146,360	146,360
Streets	-	9,674,703	-	6,208,061	1,289,332	17,172,096
Parks, Recreation and Culture	-	-	-	13,303	1,806	15,109
Environmental Health and Safety	-	-	-	-	63,764	63,764
Debt Service						
Principal	-	-	7,420,000	-	-	7,420,000
Leases	33,717	33,717	-	-	315,990	383,424
Interest and Fiscal Agent Fees	-	-	4,052,459	-	-	4,052,459
Total Expenditures	70,033,019	13,733,295	11,472,459	6,224,274	22,946,074	124,409,121
Revenues Over/(Under) Expenditures	4,343,802	(1,972,138)	(11,085,677)	(4,607,420)	1,142,405	(12,179,028)
Other Financing Sources/(Uses):						
Capital Lease Agreements	168,585	168,585	-	-	842,927	1,180,097
Transfers In	-	-	11,085,628	-	104,969	11,190,597
Transfers Out	(4,594,720)	(4,508,971)	-	(555,252)	(2,169,560)	(11,828,503)
Total Other Financing Sources/(Uses)	(4,426,135)	(4,340,386)	11,085,628	(555,252)	(1,221,664)	542,191
Net Change in Fund Balances	(82,333)	(6,312,524)	(49)	(5,162,672)	(79,259)	(11,636,837)
Fund Balances - Beginning	21,002,246	12,834,597	5,043	16,488,464	11,463,713	61,794,063
Fund Balances - Ending	<u>\$ 20,919,913</u>	<u>\$ 6,522,073</u>	<u>\$ 4,994</u>	<u>\$ 11,325,792</u>	<u>\$ 11,384,454</u>	<u>\$ 50,157,226</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, 2019

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

Net change in fund balances-governmental funds	\$ (11,636,837)
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	219,806
Public safety ambulance revenue	(306,734)
Grants revenue	163,707
Loan Payments are recorded as revenues in the funds. In the Statement of Activities, however, these amounts are recorded as a reduction in receivables:	
Special Assessment Principal Payments	(335,000)
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	(13,563,109)
Capital outlay expenditures reported as additions to assets:	
Capital outlay expenditures-governmental funds	20,226,939
Infrastructure maintenance expenditures recorded as capital outlay but not capitalized as asset additions	(523,229)
Governmental funds report debt/lease principal service payments as expenditures. The reduction in liability is recorded on the Statement of Net Position in the government-wide statements	
	7,803,424
Increase in compensated absences expense not recorded in governmental funds	
	(478,228)
Governmental funds report pension contributions as expenditures. GASB 68 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.	
	(866,005)
The net effect of miscellaneous transactions involving capital assets (trades of land for rights-of-way) is to decrease net position.	
	(287,816)
Investment earnings of the internal service funds are general revenues on the statement of activities	
	463,966
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	
	715,822
Revenues recognized in government-wide statements for Elected Officials Retirement Plan (EORP) for "on-behalf" contributions are not recognized in governmental activities	
	(195,168)
Governmental funds expenditures related to capital leasing activities are not recorded in the government-wide statements	
	(1,180,097)
Interest payments accrued in government-wide statements are not recorded in governmental activities until paid	
	319,422
Net revenues of internal service funds in excess of expenses reduce governmental activities expenses on the Statement of Activities	
	(1,307,652)
Contributions of infrastructure assets are not recorded as revenues in the governmental funds	
	1,903,560
Change in net position of governmental activities	\$ 1,136,771

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

City of Yuma, Arizona
Statement of Net Position
Proprietary Funds
June 30, 2019

<u>Assets</u>	Business-Type Activities-Enterprise Funds				Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Other Funds	Totals	
Current Assets:					
Cash and Investments	\$ 30,839,109	\$ 28,620,153	\$ 3,794,331	\$ 63,253,593	\$ 20,541,272
Receivables, Net of Allowance for Uncollectibles:					
Accounts Receivable	2,568,162	1,338,351	450,635	4,357,148	157,837
Intergovernmental	1,456	425,076	10,999	437,531	12
Accrued Interest	48,503	62,896	5,497	116,896	26,853
Inventory, at cost	106,766	-	106,389	213,155	470,779
Prepaid Expenses	-	-	8,816	8,816	22,355
Total Unrestricted Current Assets	<u>33,563,996</u>	<u>30,446,476</u>	<u>4,376,667</u>	<u>68,387,139</u>	<u>21,219,108</u>
Restricted Assets:					
Cash and Investments:					
Cash with Fiscal Agents	7,540,446	4,138,617	-	11,679,063	-
Advancement for Future Expansion	5,044,019	13,849,629	-	18,893,648	-
Customer Deposits	789,970	-	-	789,970	-
Total Restricted Current Assets	<u>13,374,435</u>	<u>17,988,246</u>	<u>-</u>	<u>31,362,681</u>	<u>-</u>
Total Current Assets	<u>46,938,431</u>	<u>48,434,722</u>	<u>4,376,667</u>	<u>99,749,820</u>	<u>21,219,108</u>
Noncurrent Assets:					
Capital Assets:					
Land	1,896,821	8,885,438	-	10,782,259	219,610
Buildings	106,000,530	55,545,009	3,102,865	164,648,404	19,251
Improvements Other than Buildings	162,303,930	121,514,577	3,341,093	287,159,600	222,733
Equipment	3,428,242	2,482,288	9,129,072	15,039,602	32,097,327
Construction In Progress	3,931,436	6,353,207	-	10,284,643	-
Less Accumulated Depreciation	<u>(124,391,204)</u>	<u>(86,275,639)</u>	<u>(14,092,039)</u>	<u>(224,758,882)</u>	<u>(24,414,123)</u>
Total Capital Assets	<u>153,169,755</u>	<u>108,504,880</u>	<u>1,480,991</u>	<u>263,155,626</u>	<u>8,144,798</u>
Total Noncurrent Assets	<u>153,169,755</u>	<u>108,504,880</u>	<u>1,480,991</u>	<u>263,155,626</u>	<u>8,144,798</u>
Total Assets	<u>200,108,186</u>	<u>156,939,602</u>	<u>5,857,658</u>	<u>362,905,446</u>	<u>29,363,906</u>
Deferred Outflows of Resources					
Pension Contributions - Current Year	468,044	333,386	188,955	990,385	-
Other Pension Items	340,223	242,340	137,352	719,915	-
Deferred Charges on Refunding	3,425,954	1,107,713	-	4,533,667	-
Total Deferred Outflows of Resources	<u>4,234,221</u>	<u>1,683,439</u>	<u>326,307</u>	<u>6,243,967</u>	<u>-</u>
Liabilities					
Current Liabilities Payable from Current Assets:					
Accounts Payable	854,612	2,011,734	205,446	3,071,792	93,277
Accrued Payroll and Related Taxes	240,004	191,280	96,247	527,531	40,606
Current Portion-Bonds Payable	6,090,763	3,697,237	-	9,788,000	-
Current Portion-Accrued Compensated Absences	162,986	131,518	86,209	380,713	22,993
Current Portion-Capital Leases	16,859	16,859	-	33,718	-
Estimated Claims and Judgements	-	-	-	-	2,495,169
Due to Other Funds	-	-	581,995	581,995	1,450,501
Accrued Interest Payable	1,411,715	489,080	-	1,900,795	-
Unearned Revenue	-	-	161,771	161,771	-
Total Current Liabilities Payable from Current Assets	<u>8,776,939</u>	<u>6,537,708</u>	<u>1,131,668</u>	<u>16,446,315</u>	<u>4,102,546</u>
Current Liabilities Payable from Restricted Assets:					
Accounts Payable	141,383	4,667	-	146,050	-
Deposits	826,720	-	-	826,720	-
Unearned Revenue	-	25,620	-	25,620	-
Total Current Liabilities Payable from Restricted Assets	<u>968,103</u>	<u>30,287</u>	<u>-</u>	<u>998,390</u>	<u>-</u>
Total Current Liabilities	<u>9,745,042</u>	<u>6,567,995</u>	<u>1,131,668</u>	<u>17,444,705</u>	<u>4,102,546</u>
Noncurrent Liabilities:					
Bonds Payable	75,394,985	27,221,604	-	102,616,589	-
Pension Liability	5,594,676	3,985,071	2,258,640	11,838,387	-
Accrued Compensated Absences	437,093	300,213	197,894	935,200	57,624
Capital Leases	50,576	50,576	-	101,152	-
Total Noncurrent Liabilities	<u>81,477,330</u>	<u>31,557,464</u>	<u>2,456,534</u>	<u>115,491,328</u>	<u>57,624</u>
Total Liabilities	<u>91,222,372</u>	<u>38,125,459</u>	<u>3,588,202</u>	<u>132,936,033</u>	<u>4,160,170</u>
Deferred Inflows of Resources					
Pension Investments - Projection/Actual difference	630,584	449,163	254,574	1,334,321	-
Other Pension Items	72,222	51,443	29,157	152,822	-
Total Deferred Inflows of Resources	<u>702,806</u>	<u>500,606</u>	<u>283,731</u>	<u>1,487,143</u>	<u>-</u>
Net Position					
Net investment in capital assets	76,029,311	78,693,752	1,480,991	156,204,054	8,144,798
Unrestricted	<u>36,387,918</u>	<u>41,303,224</u>	<u>831,041</u>	<u>78,522,183</u>	<u>17,058,938</u>
Total Net Position	<u>\$ 112,417,229</u>	<u>\$ 119,996,976</u>	<u>\$ 2,312,032</u>	<u>234,726,237</u>	<u>\$ 25,203,736</u>
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				(893,196)	
Net position of business-type activities				<u>\$ 233,833,041</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, 2019

	Business-Type Activities-Enterprise Funds				Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Other Funds	Totals	
Operating Revenues:					
Metered Water Sales	\$ 23,889,955	\$ -	\$ -	\$ 23,889,955	\$ -
Commercial Raw Water	132,771	-	-	132,771	-
Wastewater Charges	-	17,449,313	-	17,449,313	-
Meters, Connections and Services	1,339,248	47,167	-	1,386,415	-
Charges for Services	-	-	6,164,703	6,164,703	4,232,938
Green Fees and Concessions	-	-	967,672	967,672	-
Equipment Rental	-	-	187,858	187,858	1,789,896
Miscellaneous Charges	8,050	-	-	8,050	1,528,139
Total Operating Revenues	25,370,024	17,496,480	7,320,233	50,186,737	7,550,973
Operating Expenses:					
Operations and Maintenance	12,006,877	10,095,249	6,981,377	29,083,503	6,632,009
Depreciation	7,514,347	6,229,887	404,591	14,148,825	2,570,221
Total Operating Expenses	19,521,224	16,325,136	7,385,968	43,232,328	9,202,230
Operating Income/(Loss)	5,848,800	1,171,344	(65,735)	6,954,409	(1,651,257)
Non-Operating Revenues/(Expenses):					
Interest	898,075	1,020,667	88,427	2,007,169	463,966
Gain/(Loss) on Disposal of Assets	(185,900)	-	(61,160)	(247,060)	(1,355)
Interest and Fiscal Agent Fees	(2,653,285)	(944,770)	-	(3,598,055)	-
Miscellaneous Revenues	223,139	52,176	33,818	309,133	-
Total Non-Operating Revenues/(Expenses)	(1,717,971)	128,073	61,085	(1,528,813)	462,611
Income/(Loss) before Contributions and Transfers	4,130,829	1,299,417	(4,650)	5,425,596	(1,188,646)
Capital Contributions	2,771,133	3,862,813	-	6,633,946	-
Transfers In	-	-	250,000	250,000	719,813
Transfers Out	(59,546)	(65,920)	(202,450)	(327,916)	(3,991)
Change in Net Position	6,842,416	5,096,310	42,900	11,981,626	(472,824)
Net Position - Beginning	105,574,813	114,900,666	2,269,132		25,676,560
Net Position - Ending	<u>\$ 112,417,229</u>	<u>\$ 119,996,976</u>	<u>\$ 2,312,032</u>		<u>\$ 25,203,736</u>
Adjustment for consolidation of internal service fund activities related to enterprise funds				(344,960)	
Change in net position of business-type activities				<u>\$ 11,636,666</u>	

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, 2019

	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	\$ 25,397,092	\$ 17,537,600	\$ 7,258,302	\$ 50,192,994	\$ 8,119,606
Cash Paid to Employees	(5,682,186)	(4,276,798)	(2,228,443)	(12,187,427)	(1,094,115)
Cash Paid to Suppliers	(6,995,332)	(4,935,831)	(4,853,287)	(16,784,450)	(1,510,700)
Cash Paid for Operating Expenses	-	-	-	-	(2,716,617)
Other Operating Activity Revenue	223,139	52,176	33,818	309,133	11,238
Net Cash Provided by Operating Activities	<u>12,942,713</u>	<u>8,377,147</u>	<u>210,390</u>	<u>21,530,250</u>	<u>2,809,412</u>
Cash Flows from Noncapital Financing Activities:					
Cash Received from Other Funds	-	-	250,000	250,000	719,813
Cash Paid to Other Funds	(59,546)	(65,920)	(202,450)	(327,916)	(3,991)
Interfund Borrowing	-	-	326,547	326,547	83,606
Net Cash Provided by/(Used for) Noncapital Financing Activities	<u>(59,546)</u>	<u>(65,920)</u>	<u>374,097</u>	<u>248,631</u>	<u>799,428</u>
Cash Flow from Capital and Related Financing Activities:					
Contributions of Capital	2,388,743	2,842,064	-	5,230,807	-
Acquisition and Construction of Assets	(1,315,332)	(4,361,051)	(8,609)	(5,684,992)	(3,162,580)
Proceeds from Sale of Capital Assets	-	-	-	-	94,050
Principal Payments on Bonds	(5,925,661)	(3,620,339)	-	(9,546,000)	-
Capital Lease	67,434	67,434	-	134,868	-
Interest and Fiscal Agent Fee Payments	(2,924,493)	(1,022,782)	-	(3,947,275)	-
Net Cash (Used for) Capital and Related Financing Activities	<u>(7,709,309)</u>	<u>(6,094,674)</u>	<u>(8,609)</u>	<u>(13,812,592)</u>	<u>(3,068,530)</u>
Cash Flows from Investing Activities:					
Receipt of Interest	882,664	1,003,539	87,086	1,973,289	457,180
Net Cash Provided by Investing Activities	<u>882,664</u>	<u>1,003,539</u>	<u>87,086</u>	<u>1,973,289</u>	<u>457,180</u>
Net Increase in Cash and Cash Equivalents	<u>6,056,522</u>	<u>3,220,092</u>	<u>662,964</u>	<u>9,939,578</u>	<u>997,490</u>
Cash and Cash Equivalents, July 1	<u>38,157,022</u>	<u>43,388,307</u>	<u>3,131,367</u>	<u>84,676,696</u>	<u>19,543,782</u>
Cash and Cash Equivalents, June 30	<u>\$ 44,213,544</u>	<u>\$ 46,608,399</u>	<u>\$ 3,794,331</u>	<u>\$ 94,616,274</u>	<u>\$ 20,541,272</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities:					
Operating Income/(Loss)	\$ 5,848,800	\$ 1,171,345	\$ (65,735)	\$ 6,954,410	\$ (1,651,257)
Adjustments to Reconcile Operating Income/(Loss)					
Depreciation and Amortization Expense	7,514,347	6,229,887	404,590	14,148,824	2,570,220
(Increase)/Decrease in Accounts Receivable	(31,005)	42,904	(77,432)	(65,533)	579,871
(Increase)/Decrease in Inventories	(6,076)	-	(1,576)	(7,652)	164,069
(Increase)/Decrease in Prepaid Items	5,578	1,569	12,227	19,374	(18,255)
Increase/(Decrease) in Accounts Payable	(412,577)	1,022,047	(14,858)	594,612	(180,203)
Increase in Accrued Payroll and Related Taxes	80,741	148,953	75,262	304,956	6,921
Increase in Due from Other Gov't Units	-	-	514	514	-
Increase in Claims Incurred but Not Reported	-	-	-	-	335,388
Increase in Customer Dep/Unearned Rev	129,335	-	8,928	138,263	-
(Decrease) in Pension Exp/Def Outflows/Inflows	(409,569)	(291,734)	(165,348)	(866,651)	-
Increase in Estimated Claims	-	-	-	-	1,002,658
Other Operating Activity Revenue	223,139	52,176	33,818	309,133	-
Total Adjustments	<u>7,093,913</u>	<u>7,205,802</u>	<u>276,125</u>	<u>14,575,840</u>	<u>4,460,669</u>
Net Cash Provided by Operating Activities	<u>\$ 12,942,713</u>	<u>\$ 8,377,147</u>	<u>\$ 210,390</u>	<u>\$ 21,530,250</u>	<u>\$ 2,809,412</u>
Noncash Transactions Affecting Financial Position					
Contributions of Capital Assets	382,389	1,020,749	-	1,403,138	-
Issuance of Capital Lease	84,293	84,293	-	168,586	-
Total Noncash Transactions Affecting Financial Position	<u>\$ 466,682</u>	<u>\$ 1,105,042</u>	<u>\$ -</u>	<u>\$ 1,571,724</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, 2019

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. 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, 2019, the City implemented the provisions of *GASB Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement requires enhanced note disclosures and clarifies which liabilities governments should include when disclosing information related to debt.

The more significant of the City's accounting policies are described below.

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

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

removed from these 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, 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.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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 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, and Workers Compensation Funds.

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.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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.
- 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 expenses/expenditures in the funds receiving the service. For purposes of government-wide presentation, these latter transactions are eliminated.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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.

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, 2019, the estimated amounts of unbilled revenues for the Water, Wastewater and Solid Waste Enterprise Funds are \$1,037,426, \$612,397, and \$151,301, 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. Donated capital assets, donated works of art and similar items, and capital assets received in service concession arrangements are reported at acquisition value. The City books all acquired assets on a monthly basis and all CIP assets on a quarterly basis.

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

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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) Capital Contributions:

Capital 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.

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.

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.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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

	General	City Road Tax	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total
Fund Balances:						
Nonspendable:						
Inventory	\$ 30,493	\$ -	\$ -	\$ -	\$ 22,011	\$ 52,504
Prepaid Items	34,157	200	-	-	1,508	35,865
Restricted for:						
Debt Service	-	-	4,994	-	-	4,994
Road Maintenance and Construction	-	6,521,873	-	224,367	6,321,912	13,068,152
PS-Police equipment and facilities	-	-	-	-	2,812,942	2,812,942
PS-Fire equipment and facilities	-	-	-	-	937,647	937,647
Parks, recreation and cultural facilities	-	-	-	1,376,570	1,452,416	2,828,986
Public works projects	-	-	-	2,649,207	-	2,649,207
Committed to:						
General government projects	-	-	-	47,687	-	47,687
Road Maintenance and Construction	-	-	-	1,185,914	-	1,185,914
PS-Police equipment and facilities	-	-	-	2,531,022	-	2,531,022
PS-Fire equipment and facilities	-	-	-	1,292,741	-	1,292,741
Parks, recreation and cultural facilities	-	-	-	1,979,617	-	1,979,617
Sanitation facilities	-	-	-	2,726	-	2,726
Public works projects	-	-	-	35,941	-	35,941
Unassigned:	20,855,263	-	-	-	(163,982)	20,691,281
Total Fund Balances	<u>\$ 20,919,913</u>	<u>\$ 6,522,073</u>	<u>\$ 4,994</u>	<u>\$ 11,325,792</u>	<u>\$ 11,384,454</u>	<u>\$ 50,157,226</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, \$6,266,480, and for the internal service funds, \$52,111, 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 \$501,240, \$352,101, \$88,216, \$91,673 and \$54,805 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, 2019, the gross amount accumulated in sick pay and related benefits is \$8,422,692 including \$58,952 attributable to

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

Internal Service Funds and \$1,522,154 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 portion of the major illness leave liability related to governmental fund types, \$1,138,024, 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 \$25,621 and \$2,884, respectively, and Water, Wastewater, Solid Waste, Radio Communications, and Desert Hills Golf Course Enterprise Funds of \$98,838, \$79,629, \$22,475, \$10,198 and \$16,736 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. Primarily, the City uses estimates to determine useful lives of capital assets as well as the estimated claims and judgements in the Insurance Reserve Fund and the Workers Compensation Fund. Actual results could differ from those estimates.

J. Tax Abatement

The City of Yuma has entered into tax abatement agreements as defined by GASB Statement 77. The tax abatements include the abatement of excise tax under Arizona Revised Statutes 42-6201 through 42-6209 relating to Government Property Lease Excise Tax, as incentive to improve property in certain geographic/economic areas of the city. It is the City’s policy to review each agreement individually and in the aggregate annually. For the fiscal year ended June 30, 2019, each agreement and all agreements in the aggregate are deemed immaterial for financial reporting purposes.

K. Deferred Outflows/Inflows of Resources

In addition to the assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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, 2019, the City's deposits had a carrying value of \$2,381,850 and a bank balance of \$2,552,618. 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. Cash on hand at June 30, 2019 included petty cash and change fund balances of \$39,240.

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, 2019, there are no deposits exposed to custodial credit risk.

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.

The City's investment balances at June 30, 2019, were as follows:

Investment Type	Fair Value	Investment Maturities in Years			
		< 1 Year	1-2 Years	2-3 Years	3-5 Years
Commercial Paper	18,928,479	18,928,479	-	-	-
US Agencies:					
Federal Farm Credit Bank	3,099,037	998,735	-	-	2,100,302
Federal Home Loan Bank	14,000,596	5,993,104	-	8,007,492	-
Federal Home Loan Mtg. Corp.	25,028,735	3,996,026	3,988,516	9,146,735	7,897,458
Federal National Mtg. Assoc.	3,995,910	1,995,806	-	-	2,000,104
Federal Agricultural Mtg. Corp.	1,997,770	1,997,770	-	-	-
Money Market Funds	26,675,337	26,675,337	-	-	-
State Investment Pool 5	83,169,239	83,169,239	-	-	-
Total Value	\$ 176,895,103	\$ 143,754,496	\$ 3,988,516	\$ 17,154,227	\$ 11,997,864
		81.27%	2.25%	9.70%	6.78%

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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, 2019, all investments, with the exception of the State Investment Pool, are rated A-1 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%	0%
U.S. Government agencies, instrumentalities and government sponsored enterprises	No more than 80%	22.07%
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%	9.08%
Maximum per issuer	10% of total C.P	0%
Repurchase Agreements	100%	0%
Money Market Funds	100%	15.71%
State Investment Pool	100%	47.69%

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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 four years. The portfolio at June 30, 2019, had a weighted average maturity of 577 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.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

The City has the following recurring fair value measurements as of June 30, 2019:

	Fair Value Measurements Using			
	June 30, 2019	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:				
Commerical Paper	\$ 18,928,479	\$ -	\$ 18,928,479	\$ -
US Agencies:				
Federal Farm Credit Bank	3,099,037	3,099,037	-	-
Federal Home Loan Bank	14,000,596	14,000,596	-	-
Federal Home Loan Mtg. Corp.	25,028,735	25,028,735	-	-
Federal National Mtg. Assoc.	3,995,910	3,995,910	-	-
Federal Agricultural Mtg. Corp.	1,997,770	1,997,770	-	-
Total investments by fair value level	67,050,527	\$ 48,122,048	\$ 18,928,479	\$ -
Investments measured at the net asset value (NAV)				
Money Market Funds	\$ 26,675,337			
State Investment Pool 5	83,169,239			
Total investments measured at the NAV	109,844,576			
Total investments measured at fair value	\$ 176,895,103			

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 2017-18 (Tax Year 2017) and fiscal year 2018-19 (Tax Year 2018), follow:

	Tax Year 2017	Tax Year 2018
Net Limited Assessed Valuation	\$ 538,309,708	\$ 540,446,017
Primary Tax Rate	2.3001	2.3001
Primary Tax Levy	12,381,661	12,430,798
Net Full Cash Assessed Valuation	538,309,708	540,446,017
Secondary Tax Rate/Levy	None	None
Current Tax Collections	12,136,213	12,487,179
Delinquent Tax Collections	214,803	277,870
Delinquent Taxes Outstanding as of June 30	592,212	578,101

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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	\$ 3,587,308	\$ 1,940,147	\$ 20,169	\$ 814,703	\$ 34,493	\$ 6,396,820
City Road Tax	53,957	597,255	-	-	23,387	674,599
Debt Service	15,861	-	715,000	-	-	730,861
Capital Projects	145,518	253,640	-	-	9,791	408,949
Water	2,568,162	1,456	-	-	48,503	2,618,121
Wastewater	1,338,351	425,076	-	-	62,896	1,826,323
Other Funds-Governmental	986,589	2,361,588	-	2,035	18,546	3,368,758
Other Funds-Enterprise	450,635	10,999	-	-	5,497	467,131
Internal Service	157,837	12	-	-	26,853	184,702
Total	\$ 9,304,218	\$ 5,590,173	\$ 735,169	\$ 816,738	\$ 229,966	\$ 16,676,264
	<u>Allowance Amount</u>					
	<u>2019</u>	<u>2018</u>				
Enterprise Funds:						
Solid Waste	\$ 20,613	\$ 11,868				
Water	178,683	137,845				
Wastewater	92,713	66,523				

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

D. Due from Other Governments (Intergovernmental Receivables)

Amounts due from other government units at June 30, 2019, 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	\$ -	\$ 1,686,478	\$ 140,351	\$ 113,318	\$ 1,940,147
City Road Tax	-	596,952	-	303	597,255
Capital Projects	-	251,955		1,685	253,640
Non-major Funds					
Highway User Revenue	-	733,448	-	-	733,448
Public Safety Tax	-	238,700	-	-	238,700
Two Percent Tax	-	291,391	-	-	291,391
Mall Maintenance	-		7,368	-	7,368
Grants	804,465	7,189		15,000	826,654
Community Redevelopment	264,027	-	-	-	264,027
Enterprise Funds:					
Major Funds					
Water	-	1,456	-		1,456
Wastewater	341,637	34	-	83,405	425,076
Non-major Funds					
Solid Waste	-	3,021	-	-	3,021
Radio Communications			849	6,401	7,250
Desert Hills Golf Course	-	728	-	-	728
Internal Service Funds					
Equipment Maintenance	-	12	-	-	12
Total	\$ 1,410,129	\$ 3,811,364	\$ 148,568	\$ 220,112	\$ 5,590,173

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

E. Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2019, follows:

Governmental funds:

	Balance June 30, 2018	Increases	Decreases	Balance June 30, 2019
Capital Assets Not Being Depreciated:				
Land	\$ 51,861,548	\$ 1,000,000	\$ 1,046,401	\$ 51,815,147
Construction in Progress	8,116,048	16,877,009	4,777,001	20,216,056
Total Capital Assets Not Being Depreciated	<u>59,977,596</u>	<u>17,877,009</u>	<u>5,823,402</u>	<u>72,031,203</u>
Other Capital Assets:				
Buildings	95,487,678	-	-	95,487,678
Improvements	66,628,221	1,161,327	8,589	67,780,959
Infrastructure	273,044,281	5,741,622	580,584	278,205,319
Equipment	61,703,709	6,003,004	1,821,888	65,884,825
Total Other Capital Assets	<u>496,863,889</u>	<u>12,905,953</u>	<u>2,411,061</u>	<u>507,358,781</u>
Less Accumulated Depreciation for:				
Buildings	46,661,723	3,129,863	-	49,791,586
Improvements	42,587,871	1,823,667	-	44,411,538
Infrastructure	128,175,031	6,929,902	-	135,104,933
Equipment	48,911,337	4,249,897	1,838,133	51,323,101
Total Accumulated Depreciation	<u>266,335,962</u>	<u>16,133,329</u>	<u>1,838,133</u>	<u>280,631,158</u>
Other Capital Assets, Net	<u>230,527,927</u>	<u>(3,227,376)</u>	<u>572,928</u>	<u>226,727,623</u>
Total Capital Assets, Governmental Activities	<u>\$ 290,505,523</u>	<u>\$ 14,649,633</u>	<u>\$ 6,396,330</u>	<u>\$ 298,758,826</u>

Government activities capital assets net of accumulated depreciation at June 30, 2019, include:

Governmental Funds Capital Assets, Net	\$ 290,614,028
Internal Service Funds Capital Assets, Net	8,144,798
Total	<u>\$ 298,758,826</u>

Depreciation was charged to governmental functions as follows:

General Government and Unclassified	\$ 3,275,294
Public Safety	2,328,811
Streets	6,945,575
Parks, Recreation, and Culture	922,166
Environmental Health and Protection	79,086
Community Design and Development	12,177
Assets held by Internal Service Funds are charged based on usage of assets	<u>2,570,220</u>
Total	<u>\$ 16,133,329</u>

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

Capital asset activity for business-type activities for the year ended June 30, 2019, follows:

Business-type activities:

	Balance June 30, 2018	Increases	Decreases	Balance June 30, 2019
Capital Assets Not Being Depreciated:				—
Land	\$ 10,603,159	\$ 365,000	\$ 185,900	\$ 10,782,259
Construction in Progress	6,905,056	4,816,244	1,436,657	10,284,643
Total Capital Assets Not Being Depreciated	<u>17,508,215</u>	<u>5,181,244</u>	<u>1,622,557</u>	<u>21,066,902</u>
Other Capital Assets:				
Buildings	164,648,404	-	-	164,648,404
Improvements	284,686,988	2,476,112	3,500	287,159,600
Equipment	14,320,140	893,064	173,602	15,039,602
Total Other Capital Assets	<u>463,655,532</u>	<u>3,369,176</u>	<u>177,102</u>	<u>466,847,606</u>
Less Accumulated Depreciation for:				
Buildings	28,030,978	3,300,658	-	31,331,636
Improvements	169,933,384	10,298,547	-	180,231,931
Equipment	12,758,139	549,620	112,444	13,195,315
Total Accumulated Depreciation	<u>210,722,501</u>	<u>14,148,825</u>	<u>112,444</u>	<u>224,758,882</u>
Other Capital Assets, Net	<u>252,933,031</u>	<u>(10,779,649)</u>	<u>64,658</u>	<u>242,088,724</u>
Total Capital Assets, Business-type activities	<u>\$ 270,441,246</u>	<u>\$ (5,598,405)</u>	<u>\$ 1,687,215</u>	<u>\$ 263,155,626</u>

Depreciation was charged to programs as follows:

Water	\$ 7,514,347
Wastewater	6,229,887
Solid Waste	577
Radio Communications	298,878
Golf courses	105,136
Total	<u>\$ 14,148,825</u>

Construction in progress is comprised mainly of Streets, Parks Projects as well as 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 \$6.9 million.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

F. Noncurrent Liabilities

The following changes occurred in noncurrent liabilities during the fiscal year ended June 30, 2019:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Due Within One Year
Governmental activities:					
Yuma Municipal Property Corporation	\$ 98,250,000	\$ -	\$ 6,775,000	\$ 91,475,000	\$ 7,085,000
Improvement District #68	1,050,000	-	335,000	715,000	350,000
Unamortized Premium	7,326,268	-	666,609	6,659,659	-
Capital Lease	1,031,836	1,180,098	383,424	1,828,510	383,425
Pension	157,910,353	-	2,386,329	155,524,024	-
Compensated Absences	6,924,080	731,285	250,860	7,404,505	2,517,032
Total Governmental Activity Noncurrent Liabilities	<u>\$272,492,537</u>	<u>\$ 1,911,383</u>	<u>\$ 10,797,222</u>	<u>\$ 263,606,698</u>	<u>\$10,335,457</u>
Business-type activities:					
Yuma Municipal Property Corporation	\$ 82,015,000	\$ -	\$ 4,045,000	\$ 77,970,000	\$ 4,205,000
Private Placement Obligations	32,218,000	-	5,501,000	26,717,000	5,583,000
Unamortized Premium	8,311,240	-	593,660	7,717,580	-
Capital Lease	-	168,584	33,717	134,867	33,717
Pension	13,327,332	-	1,488,945	11,838,387	-
Compensated Absences	1,146,931	219,217	50,237	1,315,911	380,713
Total Business-type Activity Noncurrent Liabilities	<u>\$137,018,503</u>	<u>\$ 387,801</u>	<u>\$ 11,712,559</u>	<u>\$ 125,693,745</u>	<u>\$10,202,430</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.

In FY18 the City acquired 210 Motorola radios for the Police and Fire departments and in FY19 the City acquired Information Technology Infrastructure, both of which were acquired under the provisions of long-term lease agreements classified as a capital lease purchases.

These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date. Revenues from General Fund, Road Tax Fund, 2% Tax Fund, Public Safety Tax Fund, Water Fund and Wastewater Fund are used to pay these capital lease obligations.

	Governmental Activities	Business-Type Activities
Asset:		
Building and Improvements	\$ -	\$ -
Equipment	1,180,096	168,586
Less: Accumulated depreciation	-	-
Total	<u>\$ 1,180,096</u>	<u>\$ 168,586</u>

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

The future minimum lease obligations and the net present value of these minimum lease payments at year end were as follows:

Year Ending June 30:	Governmental Activities	Business-Type Activities
2020	\$ 383,425	\$ 33,717
2021	383,425	33,717
2022	383,424	33,717
2023	383,425	33,716
2024	147,405	-
2025-26	147,406	-
Total minimum lease payments	1,828,510	134,867
Less: amount representing interest	-	-
Present value of minimum lease payments	<u>\$ 1,828,510</u>	<u>\$ 134,867</u>
Due within one year	<u>\$ 383,425</u>	<u>\$ 33,717</u>

Bonded Debt - Excluding Refunded Debt

The following is a description of bonded indebtedness at June 30, 2019. 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 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

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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, Highway User Revenue Special Revenue Fund, and Capital Projects 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. An additional Utility Series was funded in 2016 to pay of the remaining balance of WIFA Loan Contracts. The water and wastewater system's net revenues were pledged as collateral for each 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
2016 Sr Lien Utility	Net Utility System Revenues	Refunding WIFA Loan Contracts

For the year ended June 30, 2019, the pledged revenues described above amounted to \$82,132,687 for governmental activities and \$50,459,955 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, 2019, debt service for governmental activities totaled \$11,472,459 and for business-type activities \$13,592,894, or 14% and 26% 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	\$ 16,865,000	\$ 194,923
2015 - Sr Lien Excise Rev & Refunding	3.5 - 5.0%	10/21/2015	2035	48,105,000	42,650,000	2,783,521
2015 - Sr Lien Road Tax Refunding	2.0 - 5.0%	10/21/2015	2027	40,280,000	31,960,000	3,681,215
2015 - Sr Lien Utility System Rev Refunding	3.25 - 5.0%	10/21/2015	2032	89,675,000	77,970,000	7,717,580
2016 - Sr Lien Utility System Rev Refunding	1.50%	11/8/2016	2024	37,835,000	26,717,000	-
Total MPC Bonds				<u>\$ 245,425,000</u>	<u>\$ 196,162,000</u>	<u>\$ 14,377,238</u>

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, 2019, follows:

	<u>Water, Etc. (20%)</u>	<u>All Other (6%)</u>
Secondary Assessed Valuation	\$658,235,505	
Legal Limit	\$ 131,647,101	\$ 39,494,130
Outstanding G.O. Debt	-	-
Available Debt Margin	<u>\$ 131,647,101</u>	<u>\$ 39,494,130</u>

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

Annual Debt Service Requirements to Maturity

BONDS AND IMPROVEMENT DISTRICTS						
July 1	Private Placement			Principal	Interest	Total
	Principal	Interest	Total			
	<u>MPC Bonds 2016 WIFA Refunding</u>			<u>MPC Bonds 2015 Excise</u>		
2019	\$ 5,583,000	\$ 358,883	\$ 5,941,883	\$ 2,005,000	\$ 1,694,925	\$ 3,699,925
2020	5,667,000	274,507	5,941,507	2,110,000	1,592,050	3,702,050
2021	5,752,000	188,865	5,940,865	2,210,000	1,484,050	3,694,050
2022	5,838,000	101,940	5,939,940	2,320,000	1,370,800	3,690,800
2023	1,924,000	43,725	1,967,725	1,790,000	1,268,050	3,058,050
2024	1,953,000	14,648	1,967,648	1,870,000	1,176,550	3,046,550
2025	-	-	-	1,960,000	1,080,800	3,040,800
2026	-	-	-	2,050,000	990,800	3,040,800
2027	-	-	-	2,120,000	918,000	3,038,000
2028	-	-	-	2,645,000	846,525	3,491,525
2029	-	-	-	2,740,000	752,050	3,492,050
2030	-	-	-	2,855,000	640,150	3,495,150
2031	-	-	-	2,960,000	534,950	3,494,950
2032	-	-	-	3,070,000	425,450	3,495,450
2033	-	-	-	3,195,000	300,150	3,495,150
2034	-	-	-	3,315,000	178,238	3,493,238
2035	-	-	-	3,435,000	60,112	3,495,112
	<u>\$ 26,717,000</u>	<u>\$ 982,568</u>	<u>\$ 27,699,568</u>	<u>\$ 42,650,000</u>	<u>\$ 15,313,650</u>	<u>\$ 57,963,650</u>
July 1	Private Placement			Principal	Interest	Total
	Principal	Interest	Total			
	<u>MPC Bonds 2015 Road Refunding 2007</u>			<u>MPC Bonds 2015 Series Utility Refunding 2007</u>		
2019	\$ 2,970,000	\$ 1,440,550	\$ 4,410,550	\$ 4,205,000	\$ 3,295,713	\$ 7,500,713
2020	3,110,000	1,288,550	4,398,550	4,395,000	3,080,713	7,475,713
2021	3,250,000	1,129,550	4,379,550	4,600,000	2,855,838	7,455,838
2022	3,390,000	963,550	4,353,550	4,790,000	2,621,088	7,411,088
2023	3,535,000	790,425	4,325,425	4,990,000	2,376,588	7,366,588
2024	3,685,000	609,925	4,294,925	5,205,000	2,121,713	7,326,713
2025	3,845,000	421,675	4,266,675	5,425,000	1,855,963	7,280,963
2026	4,015,000	225,175	4,240,175	5,655,000	1,578,962	7,233,962
2027	4,160,000	62,400	4,222,400	5,920,000	1,289,587	7,209,587
2028	-	-	-	6,200,000	986,587	7,186,587
2029	-	-	-	6,410,000	735,437	7,145,437
2030	-	-	-	6,560,000	540,887	7,100,887
2031	-	-	-	6,720,000	333,287	7,053,287
2032	-	-	-	6,895,000	112,043	7,007,043
	<u>\$ 31,960,000</u>	<u>\$ 6,931,800</u>	<u>\$ 38,891,800</u>	<u>\$ 77,970,000</u>	<u>\$ 23,784,406</u>	<u>\$ 101,754,406</u>

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

July 1	MPC Bonds 2010 Refunding 2001			Improvement District No. 68 Bonds		
	Principal	Interest	Total	Principal	Interest	Total
	2019	\$ 2,110,000	\$ 691,031	\$ 2,801,031	\$ 350,000	\$ 33,605
2020	2,210,000	594,081	2,804,081	365,000	17,155	382,155
2021	2,305,000	502,341	2,807,341	-	-	-
2022	2,400,000	403,800	2,803,800	-	-	-
2023	2,500,000	296,550	2,796,550	-	-	-
2024	2,610,000	181,575	2,791,575	-	-	-
2025	2,730,000	61,425	2,791,425	-	-	-
	<u>\$ 16,865,000</u>	<u>\$ 2,730,803</u>	<u>\$ 19,595,803</u>	<u>\$ 715,000</u>	<u>\$ 50,760</u>	<u>\$ 765,760</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. The City also contributes to the Other Postemployment Benefit Plan, however, the plan is not described below based on its relative insignificance to the financial statements. The plans are component units of the State of Arizona.

Plan Descriptions - The City contributes to four plans, all of which are described below.

At June 30, 2019, 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	\$ 155,524,024	\$ 11,838,387	\$ 167,362,411
Deferred outflows of resources related to pensions	\$ 34,081,687	\$ 1,710,300	\$ 35,791,987
Deferred inflows of resources related to pensions	\$ 9,577,118	\$ 1,487,143	\$ 11,064,261
Pension expense	\$ 16,752,267	\$ 123,734	\$ 16,876,001

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. ASRS is a component unit of the State of Arizona. 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.

City of Yuma, Arizona
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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:	
	<u>Before July 1, 2011</u>	<u>On or after July 1, 2011</u>
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, 2019, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.8 percent (11.64 percent for retirement and 0.16 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 11.8 percent (11.18 percent for retirement, 0.46 percent for health insurance premium benefit, and 0.16 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 10.53 percent (10.41 percent for retirement, 0.06 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, 2019 were \$3,619,826.

During fiscal year 2019, the City paid for ASRS pension contributions as follows: approximately 73 percent from the General Fund, 22 percent from major enterprise funds, and 5 percent from other funds.

Pension Liability – At June 30, 2019, the City reported a liability of \$43,268,957 for its proportionate share of the ASRS' net pension liability. The net pension liability was measured as of June 30, 2018. 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, 2017, to the measurement date of June 30, 2018. The total pension liability as of June 30, 2018 reflects a change in the experience study for the five-year period ended June 30, 2016, including decreasing the discount rate from 8.0 percent to 7.5 percent, changing the projected salary increases from 3-6.75 percent to 2.7-7.2 percent, decreasing the inflation rate from 3 percent to 2.3 percent, and changing the mortality rates. The District's proportion of the

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

net assets/liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2018.

The City's reported liability at June 30, 2019, decreased by \$5,442,044 from the City's prior year liability of \$48,711,007 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 \$13,946,480,755. The City's proportion measured as of June 30, 2018, was 0.31025 percent, which was a decrease of 0.00244 from its proportion measured as of June 30, 2017.

Pension Expense and Deferred Outflows/Inflows of Resources – For the year ended June 30, 2019, the City recognized pension expense for ASRS of \$452,243. At June 30, 2019, 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	\$ 1,192,025	\$ 238,535
Changes of assumptions or other inputs	1,144,976	3,836,387
Net difference between projected and actual earnings on pension plan investments	-	1,040,516
Changes in proportion and differences between city contributions and proportionate share of contributions	294,267	320,025
City contributions subsequent to the measurement date	3,619,826	-
Total	<u>\$ 6,251,094</u>	<u>\$ 5,435,463</u>

The \$3,619,826 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, 2020. 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:

Year Ending June 30	Deferred outflow/inflow amortization
2019	\$ 397,456
2020	(1,156,634)
2021	(1,578,386)
2022	(466,631)

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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

ASRS

Actuarial valuation date	June 30, 2017
Actuarial roll forward date	June 30, 2018
Actuarial cost method	Entry age normal
Asset Valuation	Fair Value
Investment rate of return	7.5%
Projected salary increases	2.7 - 7.2%
Inflation	3.0%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP
Healthcare cost trend rate	Not Applicable

The actuarial assumptions used in June 30, 2017 valuation were based on results from an actuarial experience study for the 5-year period ended June 30, 2016. The purpose of the experience study was to review the actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study which recommended changes, and those changes were effective as of the June 30, 2017 actuarial valuation. The study did not include any analysis of the assumed investment rate of return.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.5 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. On June 29, 2018, the ASRS Board approved updated strategic asset allocation targets, to be effective July 2018. The target allocation and best estimate of geometric real rates of return for each major asset class for all ASRS plans are summarized in the following table:

ASRS	Target	Long-Term
<u>Asset Class</u>	<u>Allocation</u>	<u>Expected Real Rate of Return</u>
Equity	50%	5.50%
Fixed Income	30%	3.83%
Real estate	20%	5.85%
Total	<u>100%</u>	

Discount Rate – The discount rate used to measure the ASRS total pension liability was 7.5 percent, a decrease of 0.5 percent from that used as of 6/30/2017. 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.

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 7.5 percent, as well as what the City’s proportionate share of the net

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate.

ASRS	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City's proportionate share of the net pension liability	\$ 61,680,893	\$ 43,268,957	\$ 27,886,081

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), or employees who become members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Plan (PSDCRP). 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). The City has chosen not to report the OPEB portion due to immateriality. A nine-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.

City of Yuma, Arizona
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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:

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
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%	1.5%-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% to 100% 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 inflation. 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.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

Employees Covered by Benefit Terms – At June 30, 2019, the following employees were covered by the agent pension plans' benefit terms:

	PSPRS Police	PSPRS Fire
Inactive employees or beneficiaries currently receiving benefits	123	80
Inactive employees entitled to but not yet receiving benefits	53	15
Active employees	144	99
Total	320	194

Contributions – 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, 2019, are indicated below. Rates are a percentage of active members' annual covered payroll.

	Active member - Pension	City Pension
PSPRS-Police Tier 1 & 2	7.65%	54.01%
PSPRS-Police Tier 3	9.94%	52.15%
PSPRS-Fire Tier 1 & 2	7.65%	69.17%
PSPRS-Fire Tier 3	9.94%	64.51%

For the agent plans, the City's contributions to the pension plan benefit for the year ended June 30, 2019, were:

	Pension
PSPRS-Police Tier 1 & 2	\$ 5,194,004
PSPRS-Police Tier 3	212,987
PSPRS-Fire Tier 1 & 2	5,013,477
PSPRS-Fire Tier 3	368,606

During fiscal year 2019, the City paid for PSPRS pension contributions as follows: approximately 97 percent from the General Fund, 3 percent from other funds.

Pension Liability (Asset) – At June 30, 2019, the City reported the following net pension liabilities:

	Net Pension Liability
PSPRS Police	\$ 65,250,352
PSPRS Fire	55,937,284

The net pension liabilities were measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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

Actuarial valuation date	June 30, 2018
Actuarial cost method	Entry age normal
Asset valuation method	Fair value of assets
Payroll Growth	3.50%
Price inflation	2.50%
Salary Increases	3.50% to 7.50% including inflation
Investment rate of return	7.40%, net of investment and administrative expenses
Retirement Age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period July 1, 2011 - June 30, 2016
Mortality	RP-2014 mortality tables projected backwards 1 year to 2013 with MP-2016 (110% of female healthy annuitant mortality table). Future mortality improvements are assumed each year using 75% of scale MP-2016.

Actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016. The long-term expected rate of return on PSPRS plan investments was determined to be 7.40 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

PSPRS	Target	Long-Term
Asset Class	Allocation	Expected Real Rate of Return
U.S. equity	16%	7.60%
Private credit	16%	6.75%
Non-U.S. equity	14%	8.70%
Private equity	12%	5.83%
GTS	12%	3.96%
Real Estate	10%	3.75%
Real Assets	9%	4.52%
Fixed income	5%	1.25%
Risk Parity	4%	5.00%
Short Term Inv	2%	0.25%
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	<u>7.40%</u>	<u>7.40%</u>

City of Yuma, Arizona
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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.

Changes in Agent Plans 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, 2018	<u>\$ 111,023,161</u>	<u>\$ 47,395,609</u>	<u>\$ 63,627,552</u>
Changes for the year:			
Service cost	1,865,115	-	1,865,115
Interest on the total pension liability	8,066,846	-	8,066,846
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	(18,200)	-	(18,200)
Changes of assumptions or other inputs	-	-	-
Contributions-employer	-	4,161,523	(4,161,523)
Contributions-employee	-	1,052,451	(1,052,451)
Net investment income	-	3,273,094	(3,273,094)
Benefit payments, including refunds of employee contributions	(5,888,584)	(5,888,584)	-
Administrative expense	-	(50,516)	50,516
Other changes	-	(145,591)	145,591
Net changes	<u>4,025,177</u>	<u>2,402,377</u>	<u>1,622,800</u>
Balances at June 30, 2019	<u>\$ 115,048,338</u>	<u>\$ 49,797,986</u>	<u>\$ 65,250,352</u>

City of Yuma, Arizona
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For the Year Ended June 30, 2019

PSPRS Yuma Fire Department	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2018	\$ 87,224,827	\$ 32,148,440	\$ 55,076,387
Changes for the year:			
Service cost	1,558,380	-	1,558,380
Interest on the total pension liability	6,356,400	-	6,356,400
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	(769,630)	-	(769,630)
Changes of assumptions or other inputs	-	-	-
Contributions-employer	-	3,369,308	(3,369,308)
Contributions-employee	-	732,048	(732,048)
Net investment income	-	2,216,964	(2,216,964)
Benefit payments, including refunds of employee contributions	(4,213,435)	(4,213,435)	-
Administrative expense	-	(34,442)	34,442
Other changes	-	375	(375)
Net changes	2,931,715	2,070,818	860,897
Balances at June 30, 2019	\$ 90,156,542	\$ 34,219,258	\$ 55,937,284

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	6.40%	7.40%	8.40%
Net pension liability	\$ 80,562,224	\$ 65,250,352	\$ 52,797,917
PSPRS Fire			
Rate	6.40%	7.40%	8.40%
Net pension liability	\$ 67,809,150	\$ 55,937,284	\$ 46,232,291

Pension Plan Fiduciary Net Position-Detailed information about the pension plans' fiduciary net position is available in the separately issued PSPRS financial report. The report is available on the PSPRS website at www.psprs.com.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

Pension Expense - For the year ended June 30, 2019, the City recognized the following pension expense:

	Pension Expense
PSPRS Police	\$ 8,490,155
PSPRS Fire	6,171,394

Pension Deferred Outflows/Inflows of Resources-At June 30, 2019, 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	\$ 153,333	\$ 242,463
Changes of assumptions or other inputs	7,664,996	-
Net difference between projected and actual earnings on pension plan investments	1,714,165	1,092,890
City contributions subsequent to the measurement date	5,406,993	-
Total	\$ 14,939,487	\$ 1,335,353

PSPRS Fire	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 719,704	\$ 2,269,782
Changes of assumptions or other inputs	6,212,469	-
Net difference between projected and actual earnings on pension plan investments	1,190,000	754,750
City contributions subsequent to the measurement date	5,382,085	-
Total	\$ 13,504,258	\$ 3,024,532

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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

City of Yuma, Arizona
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**Deferred outflow/inflow
amortization**

	PSPRS Police	PSPRS Fire
Year ending June 30		
2020	\$ 3,061,366	\$ 1,779,131
2021	2,719,125	1,538,024
2022	802,908	414,125
2023	1,096,641	559,087
2024	517,101	598,307
Thereafter	-	208,967

Elected Officials Retirement Plan

Plan Description – Elected officials and judges participate in the Elected Officials Retirement Plan (EORP), ASRS, or the Elected Officials Defined Contribution Retirement System (EODCRS). EORP administers a cost-sharing multiple-employer defined benefit pension plan for elected officials and judges who were members of the plan on December 31, 2013. The EORP pension plan was closed to new members as of January 1, 2014. The PSPRS Board of Trustees governs the EORP according to the provisions of A.R.S. Title 38, Chapter 5, Article 3. The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for the EORP plans. The report is available on PSPRS's website at www.psprs.com.

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

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	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 10 years, age 62 5 years, age 65 any years and age if disabled	10 years, age 62 5 years, age 65 any years and age if disabled
Final average salary is based on	Highest 36 consecutive months of last 10 years	Highest 60 consecutive months of last 10 years
Benefit percent		
Normal Retirement	4% per year of service, not to exceed 80%	3% per year of service, not to exceed 75%
Disability Retirement	80% with 10 or more years of service 40% with 5 to 10 years of service 20% with less than 5 years of service	75% with 10 or more years of service 37.5% with 5 to 10 years of service 18.75% with less than 5 years of service
Survivor Benefit		
Retired Members	75% of retired member's benefit	50% of retired member's benefit
Active Members and Other Inactive Members	75% of disability member benefit	50% of disability member benefit

*With reduced benefits of 0.25% for each month early retirement precedes the member's normal retirement age, with a maximum reduction of 30%.

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on inflation. In addition, the Legislature may enact permanent one-time benefit increases after a Joint Legislative Budget Committee analysis of the increase's effects on the plan.

Contributions – State statutes establish active member and employer contribution requirements. Statute also appropriates \$5 million annually through fiscal year 2043 for the EORP from the State of Arizona to supplement the normal cost plus and amount to amortize the unfunded accrued liability and designates a portion of certain court fees for the EORP. For the year ended June 30, 2019, statute required active EORP members to contribute 7.0 or 13.0 percent of the members' annual covered payroll and the City to contribute 61.50 percent of all active EORP members' annual covered payroll. Also, statute required the City to contribute 49.86 percent to EORP of the annual covered payroll of elected officials and judges who were ASRS members and 55.50 percent to EORP of the annual covered payroll of elected officials and judges who were EODCRS members, in addition to the City's required contributions to ASRS and EODCRS for these elected officials and judges. During fiscal year 2019, the City paid for EORP pension contributions 100% from the General Fund. The City's contributions to the pension plan for the year ended June 30, 2019 was \$152,088.

Pension Liability – At June 30, 2019, the City reported a liability for its proportionate share of the EORP's net pension liability that reflected a reduction for the City's proportionate share of the State's appropriation for EORP. The amount the City recognized as its proportionate share of the net pension liability, the related

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

state support, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the EORP net pension liability	\$ 2,905,818
State's proportionate share of the EORP net pension liability associated with the City	<u>498,477</u>
Total	<u>\$ 3,404,295</u>

The net pension liability was measured as of June 30, 2018, and the total liability used to calculate the net asset or net liability was determined by an actuarial valuation as of that date. The total liabilities as of June 30, 2018, reflect statutory changes in benefit terms for automatic cost-of-living adjustments. The basis for cost-of-living adjustments was changed from excess investment earnings to the change in the consumer price index, limited to a maximum annual increase of 2 percent.

The City's proportion of the net pension liability was based on the City's actual contributions to the plan relative to the total of all participating employers' required contributions for the year ended June 30, 2018. The City's proportion measured as of June 30, 2018 was 0.461 percent, which is slightly higher than its proportion measured as of June 30, 2017.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

Pension expense and deferred outflows/inflows of resources – For the year ended June 30, 2019, the City recognized total pension expense for EORP of (\$567,324) for the City's proportionate share of the State's appropriation to EORP and designated court fees. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EORP	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 45,321
Changes of assumptions or other inputs	18,106	1,209,714
Net difference between projected and actual earnings on pension plan investments	25,216	-
Changes in proportion and differences between city contributions and proportionate share of contributions	901,737	-
City contributions subsequent to the measurement date	152,088	-
Total	\$ 1,097,147	\$ 1,255,035

The amounts reported as deferred outflows of resources related to EORP pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to EORP pensions will be recognized in pension expense as follows:

<u>Year ending June 30</u>	<u>Net Outflow/ (Inflow)</u>
2020	\$ (283,904)
2021	(15,794)
2022	(10,697)
2023	419

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

Actuarial valuation date	June 30, 2018
Actuarial cost method	Entry age normal
Payroll Growth	3.50%
Price inflation	2.50%
Salary Increases	3.75%, including inflation
Asset Valuation Method	Fair Value
Investment rate of return	7.40%
Retirement Age	Experience-Based Table
Mortality rates	RP-2014 tables using MP-2016 improvement scale with adjustments to match current experience.

Actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

The long-term expected rate of return on EORP pension plan investments was determined to be 7.40 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 expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
U.S. equity	16%	7.60%
Private credit	16%	6.75%
Non-U.S. equity	14%	8.70%
GTS	12%	3.96%
Private Equity	12%	5.83%
Real estate	10%	3.75%
Real assets	9%	4.52%
Fixed income	5%	1.25%
Risk Parity	4%	5.00%
Short-term investments	2%	0.25%
Total	100%	

Discount rate – At June 30, 2018, the discount rate used to measure the EORP total pension liability was 7.40 percent, which was an increase of 3.49 from the discount rates used as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate, employer contributions will be made at the actuarially determined rates, and State contributions will be made as currently required by 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 plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s proportionate share of EORP 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 7.4 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 (6.4 percent) or 1 percentage point higher (8.4 percent) than the current rate:

EORP	1% Decrease	Current Single Discount Rate	1% Increase
	6.4%	7.4%	8.4%
City's proportionate share of the net pension liability	\$ 3,336,554	\$ 2,905,818	\$ 2,539,679

Pension plan fiduciary net position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued EORP financial report.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

H. Interfund Transfers

INTERFUND TRANSFERS

	<i>Transfers Out</i>		<i>Transfers In</i>
	Governmental funds - major funds:		
General	Equipment Replacement \$ 381,923	Debt Service	General \$ 4,107,828
	Mall Maintenance 104,969		Public Safety Tax 946,658
	Debt Service 4,107,828		Two Percent Tax 569,508
City Road Tax	Equipment Replacement 11,792		Desert Hills Golf Course 2,099
	Debt Service 4,497,179		Water 59,546
Capital Projects	Debt Service 555,252		Wastewater 65,920
			HURF 116,604
			Solid Waste 165,034
			City Road Tax 4,497,179
			Parks and Rec Dev Fee 555,252
	Nonmajor funds:		
Public Safety Tax	Debt Service \$ 946,658	Yuma Mall Maint	General \$ 104,969
Two Percent	Equipment Replacement 274,998		
	Debt Service 569,508		
	Desert Hills Golf Course 250,000		
HURF	Equipment Replacement 11,792		
	Debt Service 116,604		
	Total Governmental Activities \$ 11,828,503		Total Governmental Activities \$ 11,190,597
	Enterprise funds:		
Desert Hills	Equipment Replacement \$ 23,525	Desert Hills	Two Percent Tax \$ 250,000
	Debt Service 2,099		
Solid Waste	Debt Service 165,034		
	Equipment Replacement 11,792		
Water	Debt Service 59,546		
Wastewater	Debt Service 65,920		
	Total Enterprise Funds \$ 327,916		Total Enterprise Funds \$ 250,000
	Internal Service funds:		
Equipment Maintenance	Equipment Replacement \$ 3,991	Equipment Replacement	General \$ 381,923
			HURF 11,792
			City Road Tax 11,792
			Two Percent Tax 274,998
			Desert Hills Golf Course 23,525
			Solid Waste 11,792
			Equipment Maintenance 3,991
	Total Internal Service Funds \$ 3,991		Total Internal Service Funds \$ 719,813
	Total Transfers Out \$ <u>12,160,410</u>		Total Transfers In \$ <u>12,160,410</u>

The majority of the transfers listed above are for debt service requirements and are recognizable by the fund from which the transfer is made. This includes Enterprise Fund transfers to debt service as the majority of the related bond debt service is governmental in nature and is recorded in the Debt Service Fund rather than within the Enterprise Funds.

Interfund activity is eliminated within the governmental activities column of the Statement of Activities. Only transfers between governmental and business-type activities appear on that statement. The net transfers of \$77,916 are for debt service (\$292,599), payment of Equipment Replacement rent funds (\$35,317), and a transfer to Desert Hills Golf Course from the Two Percent Tax fund \$250,000.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

I. Interfund Receivables and Payables

Interfund balances at June 30, 2019, follow:

Interfund Payable	Interfund Receivable Major Funds	
	General	
Major Governmental Funds:		
Debt Service Fund	\$	13,741
Nonmajor Governmental Funds:		
Community Redevelopment Fund		233,828
Grants Fund		480,673
Nonmajor Enterprise Funds:		
Desert Hills Golf Course Fund		581,995
Internal Service Funds:		
Equipment Maintenance Fund		1,450,501
Total Receivable	\$	2,760,738

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, \$1,475,191, 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, Public Employee Fidelity Bonds, Crime, Cyber Security, Excess Workers Compensation, Liability, Environmental, and Miscellaneous (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 three 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. As the City is self-insured up to \$300,000 for

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

liability claims, the Insurance Reserve Fund manages these claims. Claims exceeding this self-insured limit are covered under the City's Liability Insurance. For the Workers Compensation Fund, the stop-loss thresholds are \$700,000 for public safety employees and \$600,000 for all other employees, after which the City's Excess Workers Compensation Insurance becomes liable for 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 for the past two years are presented below.

Fiscal Year	Insurance Reserve Fund				Workers Compensation Fund			
	Claims and				Claims and			
	Beginning of Year Liability	Changes in Estimates	Claim Payments	End of Year Liability	Beginning of Year Liability	Changes in Estimates	Claim Payments	End of Year Liability
2018-19	\$ 91,581	\$ 100,872	\$ 98,214	\$ 94,239	\$ 1,065,542	\$ 1,327,593	\$ 992,205	\$ 1,400,930
2017-18	104,145	12,464	25,028	91,581	1,242,198	837,983	1,014,639	1,065,542

K. Construction Commitments

The City has active construction projects as of June 30, 2019. At year-end the government's commitments with contractors for specific projects are as follows:

Construction Commitments	Original Contract	Spent to Date	Remaining Commitment
General Government	\$ 8,470,283	\$ 6,960,598	\$ 1,509,685
Public Safety	6,327	5,354	973
Environmental Health	2,265,738	1,967,074	298,664
Streets	8,388,850	4,175,770	4,213,080
Wastewater	1,508,545	671,934	836,611
	<u>\$ 20,639,743</u>	<u>\$ 13,780,730</u>	<u>\$ 6,859,014</u>

L. Deficits in Fund Equity

At June 30, 2019, 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 \$745,933 June 30, 2019. Beginning with Budget Year 2020, the City began to heavily increase its internal charges and will continue to do so on an annual basis to ultimately eliminate this deficit. The Desert Hills Golf Course Fund, as shown in the Combining Statement of Net Position in Other Supplementary Information, has a deficit balance of \$481,607 at June 30, 2019. The City is working diligently to expand its tournament base, through a variety of new advertising campaigns, to increase its revenue. The Grants Fund and the Community Redevelopment Fund as shown in the Combining Statement of Revenues, Expenditures and Changes in Fund Balance in Other Supplementary Information, report a deficit balance of \$132,804 and \$30,903, respectively. The deficits arose due to pending grant reimbursements. Additional revenues received in fiscal year 2019-20 are expected to eliminate the deficits.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

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 one pending matter will have a material adverse effect on the City's financial position at June 30, 2019. As such, the City has recorded a liability of \$1.0 million in the Insurance Reserve Fund that is expected to be paid out in FY 2020.

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, 2019

Arizona State Retirement System

	Reporting Fiscal Year (Measurement Date)					2014 through 2009
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
City's proportion of the net pension liability	0.31025%	0.312690%	0.307830%	0.313750%	0.313640%	Information not available
City's proportionate share of the net pension liability	\$ 43,268,957	\$ 48,711,007	\$ 49,686,854	\$ 48,871,806	\$ 46,324,403	
City's covered payroll	\$ 30,840,431	\$ 30,307,677	\$ 28,462,610	\$ 28,442,751	\$ 27,663,180	
City's proportionate share of the net pension liability as a percentage of its covered payroll	140.30%	160.72%	174.57%	171.83%	167.46%	
Plan fiduciary net position as a percentage of the total pension liability	73.40%	69.92%	67.06%	63.85%	69.49%	

Elected Officials Retirement Plan

	Reporting Fiscal Year (Measurement Date)					2014 through 2009
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
City's proportion of the net pension liability	0.461140%	0.313770%	0.038265%	Information not available	Information not available	Information not available
City's proportionate share of the net pension liability	\$ 2,905,818	\$ 3,822,739	\$ 2,912,340			
City's covered payroll	\$ 247,298	\$ 248,957	\$ 247,464			
City's proportionate share of the net pension liability as a percentage of its covered payroll	1175.03%	1535.50%	1176.87%			
Plan fiduciary net position as a percentage of the total pension liability	30.40%	19.70%	23.42%			

NOTE: The pension schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

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, 2019

PSPRS Police

	Reporting Fiscal Year (Measurement Date)					2014 through 2009
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability						Information not available
Service cost	\$ 1,865,115	\$ 2,537,434	\$ 2,001,398	\$ 2,064,841	\$ 2,043,247	
Interest on the total pension liability	8,066,846	7,469,258	7,036,487	6,836,389	5,718,621	
Changes of benefit terms	-	1,361,581	2,526,647	-	2,022,309	
Differences between expected and actual experience in the measurement of the pension liability	(18,200)	192,540	29,904	(500,429)	(53,936)	
Changes of assumptions or other inputs	-	3,881,385	3,687,996	-	9,770,998	
Benefit payments, including refunds of employee contributions	(5,888,584)	(5,480,859)	(5,713,372)	(5,926,760)	(4,619,148)	
Net change in total pension liability	4,025,177	9,961,339	9,569,060	2,474,041	14,882,091	
Total pension liability - beginning	111,023,161	101,061,822	91,492,762	89,018,721	74,136,630	
Total pension liability - ending (a)	<u>\$ 115,048,338</u>	<u>\$ 111,023,161</u>	<u>\$ 101,061,822</u>	<u>\$ 91,492,762</u>	<u>\$ 89,018,721</u>	
Plan fiduciary net position						
Contributions - employer	\$ 4,161,523	\$ 4,860,230	\$ 4,511,261	\$ 3,321,709	\$ 3,099,353	
Contributions - employee	1,052,451	1,256,377	1,286,467	1,313,708	1,103,885	
Net investment income	3,273,094	4,981,294	242,213	1,497,736	5,100,174	
Benefity payments, including refunds of employee contributions	(5,888,584)	(5,480,859)	(5,713,372)	(5,926,760)	(4,619,148)	
Administrative expense	(50,516)	(44,476)	(35,254)	(36,917)	(41,075)	
Other changes	(145,591)	(24,290)	(102,489)	(106,535)	(80,531)	
Net change in plan fiduciary net position	2,402,377	5,548,276	188,826	62,941	4,562,658	
Plan fiduciary net position - beginning	47,395,609	41,847,333	41,658,507	41,595,566	37,032,908	
Plan fiduciary net position - ending (b)	<u>\$ 49,797,986</u>	<u>\$ 47,395,609</u>	<u>\$ 41,847,333</u>	<u>\$ 41,658,507</u>	<u>\$ 41,595,566</u>	
City's net pension liability - ending (a) - (b)	\$ 65,250,352	\$ 63,627,552	\$ 59,214,489	\$ 49,834,255	\$ 47,423,155	

PSPRS Police

	Reporting Fiscal Year (Measurement Date)					2014 through 2006
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Plan fiduciary net position as a percentage of the total pension liability	43.28%	42.69%	41.41%	45.53%	46.73%	Information not available
Covered payroll	\$ 10,201,387	\$ 11,327,294	\$ 10,739,726	\$ 10,916,220	\$ 10,475,959	
City's net pension liability as a percentage of covered payroll	680.45%	597.30%	589.66%	481.89%	464.63%	

NOTE: The pension schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

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, 2019

PSPRS Fire

	Reporting Fiscal Year (Measurement Date)					2014 through 2006
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability						Information not available
Service cost	\$ 1,558,380	\$ 1,753,544	\$ 1,504,175	\$ 1,443,632	\$ 1,511,371	
Interest on the total pension liability	6,356,400	5,828,117	5,580,799	5,332,981	4,671,699	
Changes of benefit terms	-	752,016	3,597,460	-	1,370,597	
Differences between expected and actual experience in the measurement of the pension liability	(769,630)	447,610	(2,260,983)	894,372	(1,120,811)	
Changes of assumptions or other inputs	-	3,928,814	2,732,266	-	6,122,119	
Benefit payments, including refunds of employee contributions	(4,213,435)	(4,633,460)	(4,692,861)	(4,395,817)	(3,798,443)	
Net change in total pension liability	2,931,715	8,076,641	6,460,856	3,275,168	8,756,532	
Total pension liability - beginning	87,224,827	79,148,186	72,687,330	69,412,162	60,655,630	
Total pension liability - ending (a)	<u>\$ 90,156,542</u>	<u>\$ 87,224,827</u>	<u>\$ 79,148,186</u>	<u>\$ 72,687,330</u>	<u>\$ 69,412,162</u>	
Plan fiduciary net position						
Contributions - employer	\$ 3,369,308	\$ 3,870,770	\$ 3,700,007	\$ 2,750,517	\$ 2,603,104	
Contributions - employee	732,048	949,203	947,173	899,220	754,968	
Net investment income	2,216,964	3,407,616	166,820	1,040,382	3,516,237	
Benefity payments, including refunds of employee contributions	(4,213,435)	(4,633,460)	(4,692,861)	(4,395,817)	(3,798,443)	
Administrative expense	(34,442)	(30,552)	(24,404)	(25,761)	(28,319)	
Other changes	375	362	(227,494)	(251,349)	949	
Net change in plan fiduciary net position	2,070,818	3,563,939	(130,759)	17,192	3,048,496	
Plan fiduciary net position - beginning	32,148,440	28,584,501	28,715,260	28,698,068	25,649,572	
Plan fiduciary net position - ending (b)	<u>\$ 34,219,258</u>	<u>\$ 32,148,440</u>	<u>\$ 28,584,501</u>	<u>\$ 28,715,260</u>	<u>\$ 28,698,068</u>	
City's net pension liability - ending (a) - (b)	\$ 55,937,284	\$ 55,076,387	\$ 50,563,685	\$ 43,972,070	\$ 40,714,094	

PSPRS Fire

	Reporting Fiscal Year (Measurement Date)					2014 through 2006
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Plan fiduciary net position as a percentage of the total pension liability	37.96%	36.86%	36.12%	39.51%	41.34%	Information not available
Covered payroll	\$ 7,938,958	\$ 7,384,578	\$ 7,592,493	\$ 7,516,425	\$ 7,294,375	
City's net pension liability as a percentage of covered payroll	787.17%	767.63%	672.98%	569.09%	569.78%	

NOTE: The pension schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

City of Yuma, Arizona
 Required Supplementary Information
 Schedule of City Pension Contributions
 June 30, 2019

Arizona State Retirement System

Reporting Fiscal Year

	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 3,619,826	\$ 3,361,607	\$ 3,288,383	\$ 3,129,314	\$ 3,145,752
City's contributions in relation to the statutorily required contribution	3,619,826	3,361,607	3,288,383	3,129,314	3,145,752
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 33,209,414	\$ 30,840,431	\$ 30,307,677	\$ 28,462,610	\$ 28,442,751
City's contributions as a percentage of covered payroll	10.90%	10.90%	10.85%	10.99%	11.06%
	2014	2013	2012	2011	2010
Statutorily required contribution	\$ 2,960,244	\$ 2,982,796	\$ 2,670,832	\$ 2,490,013	\$ 2,471,539
City's contributions in relation to the statutorily required contribution	2,960,244	2,982,796	2,670,832	2,490,013	2,471,539
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 27,663,180	\$ 27,365,079	\$ 26,665,390	\$ 25,089,177	\$ 27,468,735
City's contributions as a percentage of covered payroll	10.70%	10.90%	10.02%	9.92%	9.00%

Elected Officials Retirement Plan

Reporting Fiscal Year

	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 152,088	\$ 58,122	\$ 58,505	\$ 58,154	Information
City's contributions in relation to the statutorily required contribution	152,088	58,122	58,505	58,154	Not Available
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 247,298	\$ 247,328	\$ 248,957	\$ 247,464	
City's contributions as a percentage of covered payroll	61.50%	23.50%	23.50%	23.50%	

City of Yuma, Arizona
 Required Supplementary Information
 Schedule of City Pension Contributions
 June 30, 2019

PSPRS Police

Reporting Fiscal Year

	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 5,406,993	\$ 5,656,651	\$ 4,871,869	\$ 4,514,793	\$ 3,301,671
City's contributions in relation to the statutorily required contribution	5,406,993	5,656,651	4,871,869	4,514,793	3,301,671
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 10,011,096	\$ 10,587,032	\$ 11,327,294	\$ 10,739,726	\$ 10,916,220
City's contributions as a percentage of covered payroll	54.01%	53.43%	43.01%	42.04%	30.25%
	2014	2013	2012	2011	2010
Statutorily required contribution	\$ 3,099,836	\$ 2,542,704	\$ 2,129,675	\$ 1,939,244	\$ 1,857,959
City's contributions in relation to the statutorily required contribution	3,099,836	2,542,704	2,129,675	1,939,244	1,857,959
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 10,475,959	\$ 9,771,656	\$ 9,362,181	\$ 9,319,926	\$ 9,478,243
City's contributions as a percentage of covered payroll	29.59%	26.02%	22.75%	20.81%	19.60%

PSPRS Fire

Reporting Fiscal Year

	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 5,382,085	\$ 4,625,904	\$ 3,723,304	\$ 3,543,790	\$ 2,608,314
City's contributions in relation to the statutorily required contribution	5,382,085	4,625,904	3,723,304	3,543,790	2,608,314
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 7,780,952	\$ 7,779,859	\$ 7,384,578	\$ 7,592,493	\$ 7,516,425
City's contributions as a percentage of covered payroll	69.17%	59.46%	50.42%	46.67%	34.70%
	2014	2013	2012	2011	2010
Statutorily required contribution	\$ 2,441,615	\$ 2,475,800	\$ 1,920,172	\$ 1,643,417	\$ 1,440,670
City's contributions in relation to the statutorily required contribution	2,441,615	2,475,800	1,920,172	1,643,417	1,440,670
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 7,294,375	\$ 7,250,887	\$ 6,327,761	\$ 5,951,914	\$ 5,968,090
City's contributions as a percentage of covered payroll	33.47%	34.14%	30.35%	27.61%	24.14%

City of Yuma, Arizona
 Budgetary Comparison Schedule
 General Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 17,784,755	\$ 17,784,755	\$ 21,002,246	\$ 3,217,491
Resources (inflows):				
Taxes:				
Property Tax - Primary	12,593,215	12,593,215	12,487,206	(106,009)
Property Tax - Delinquent	225,000	225,000	236,743	11,743
City Sales Tax	22,192,695	22,192,695	22,528,500	335,805
Public Enterprise In-Lieu	242,000	242,000	242,000	-
Franchise Tax	3,169,783	3,169,783	3,194,590	24,807
Total Taxes	<u>38,422,693</u>	<u>38,422,693</u>	<u>38,689,039</u>	<u>266,346</u>
Licenses:				
Business Licenses	251,250	251,250	265,997	14,747
Liquor Licenses	29,800	29,800	31,545	1,745
Building Permits	2,014,300	2,014,300	1,701,942	(312,358)
Alcohol Permits	8,000	8,000	8,754	754
Animal Licenses	80,000	80,000	79,478	(522)
Total Licenses	<u>2,383,350</u>	<u>2,383,350</u>	<u>2,087,716</u>	<u>(295,634)</u>
Intergovernmental:				
Sales Tax - State	9,419,335	9,419,335	9,626,546	207,211
State Revenue Sharing	11,650,743	11,650,743	11,565,280	(85,463)
Auto Lieu Tax	4,244,609	4,244,609	4,139,938	(104,671)
Other Governmental Charges	35,000	35,000	37,261	2,261
Total Intergovernmental	<u>25,349,687</u>	<u>25,349,687</u>	<u>25,369,025</u>	<u>19,338</u>
Charges for Services:				
Building Inspection Fees	389,650	389,650	547,788	158,138
Recreation Fees	461,000	461,000	374,633	(86,367)
Police Services	764,500	764,500	725,532	(38,968)
Fire Ambulance Services	4,713,300	4,713,300	4,316,768	(396,532)
Other Charges	112,000	112,000	89,358	(22,642)
Total Charges for Services	<u>6,440,450</u>	<u>6,440,450</u>	<u>6,054,079</u>	<u>(386,371)</u>
Fines and Forfeitures:				
City Court Fines	1,271,000	1,271,000	1,007,966	(263,034)
Total Fines and Forfeitures	<u>1,271,000</u>	<u>1,271,000</u>	<u>1,007,966</u>	<u>(263,034)</u>
Use of Money and Property:				
Interest	100,000	100,000	519,226	419,226
Rental Receipts	192,884	192,884	373,836	180,952
Total Use of Money and Property	<u>292,884</u>	<u>292,884</u>	<u>893,062</u>	<u>600,178</u>
Miscellaneous				
Sales of Surplus Property	20,100	20,100	38,620	18,520
Other	138,000	138,000	237,314	99,314
Total Miscellaneous	<u>158,100</u>	<u>158,100</u>	<u>275,934</u>	<u>117,834</u>
Total Revenues	<u>74,318,164</u>	<u>74,318,164</u>	<u>74,376,821</u>	<u>58,657</u>
Other Financing Sources:				
Capital Lease Agreements	-	-	168,585	168,585
Amounts Available for Appropriation	<u>92,102,919</u>	<u>92,102,919</u>	<u>95,547,652</u>	<u>3,444,733</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, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Charges to Appropriations (outflows):				
General Government:				
Mayor and Council	342,500	342,500	329,724	12,776
Elections	-	-	49,109	(49,109)
City Administrator	877,846	877,846	1,239,668	(361,822)
Strategic Communications	648,426	648,426	570,360	78,066
Economic Development	341,695	341,695	317,742	23,953
Facilities Maintenance	1,076,152	1,076,152	1,039,715	36,437
General Government	2,860,348	2,860,348	743,785	2,116,563
City Clerk	332,186	332,186	338,445	(6,259)
City Attorney	1,222,014	1,222,014	1,085,709	136,305
City Prosecutor	369,879	369,879	360,416	9,463
Finance-Administration	438,636	438,636	455,990	(17,354)
Accounting	1,120,186	1,120,186	1,160,028	(39,842)
Customer Services	111,617	111,617	103,909	7,708
Information Technology Services	3,241,601	3,241,601	2,792,305	449,296
Purchasing	478,781	478,781	458,840	19,941
Human Resources	1,130,065	1,130,065	1,114,002	16,063
Intragovernmental Charges	(2,991,489)	(2,991,489)	(2,991,489)	-
Total General Government Operating Expenditures	11,600,443	11,600,443	9,168,258	2,432,185
Capital Outlay	339,370	339,370	291,862	47,508
Debt Service				
Leases	-	-	33,717	(33,717)
Total General Government Expenditures	11,939,813	11,939,813	9,493,837	2,445,976
Public Safety:				
Police Administration - Field Operations	23,421,594	23,421,594	23,155,219	266,375
Police Animal Control	748,808	748,808	736,274	12,534
Police Support Services	2,172,078	2,172,078	2,024,870	147,208
Police Communication Center	2,499,952	2,499,952	2,392,634	107,318
Fire Administration	825,343	825,343	831,152	(5,809)
Fire Training	379,437	380,493	354,805	25,688
Fire Suppression	11,043,720	11,032,777	11,680,385	(647,608)
Fire Suppression - Ambulance	4,327,956	4,328,435	4,607,698	(279,263)
Community Risk Reduction	529,542	538,950	515,207	23,743
Facilities Maintenance	1,403,475	1,403,475	1,424,132	(20,657)
Fire Special Operations	28,500	28,500	27,736	764
Municipal Court	1,819,387	1,794,387	1,858,494	(64,107)
Total Public Safety Operating Expenditures	49,199,792	49,174,792	49,608,606	(433,814)
Capital Outlay	-	25,000	50,696	(25,696)
Total Public Safety Expenditures	49,199,792	49,199,792	49,659,302	(459,510)

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, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Parks, Recreation and Culture:				
Parks and Recreation Administration	690,926	690,926	703,044	(12,118)
Parks Maintenance	4,747,508	4,747,508	4,594,473	153,035
Parks Development	141,741	141,741	133,670	8,071
Recreation Administration	651,043	651,043	643,985	7,058
Senior Adult Activities	58,619	58,619	50,186	8,433
Adult Activities	138,587	138,587	115,471	23,116
Youth Activities	317,185	317,185	338,815	(21,630)
Aquatics	313,964	313,964	342,374	(28,410)
Yuma Readiness Center	94,799	94,799	82,386	12,413
Facilities Maintenance	1,461,156	1,461,156	1,306,810	154,346
Yuma Art Center	-	-	1,385	(1,385)
Intragovernmental Charges	(946,944)	(946,944)	(946,944)	-
Total Parks, Recreation and Culture Operating Expenditures	<u>7,668,584</u>	<u>7,668,584</u>	<u>7,365,655</u>	<u>302,929</u>
Capital Outlay	<u>-</u>	<u>-</u>	<u>600</u>	<u>(600)</u>
Total Parks, Recreation and Culture Expenditures	<u>7,668,584</u>	<u>7,668,584</u>	<u>7,366,255</u>	<u>302,329</u>
Community Design and Development:				
Community Development Administration	495,615	495,615	560,217	(64,602)
Development Engineering	379,762	379,762	366,677	13,085
Planning and Building Safety	2,627,376	2,627,376	2,291,373	336,003
Neighborhood Services	330,459	330,459	295,358	35,101
Total Community Design and Development Operating Expenditures	<u>3,833,212</u>	<u>3,833,212</u>	<u>3,513,625</u>	<u>319,587</u>
Total Community Design and Development Expenditures	<u>3,833,212</u>	<u>3,833,212</u>	<u>3,513,625</u>	<u>319,587</u>
Total Operating Expenditures	<u>72,302,031</u>	<u>72,277,031</u>	<u>69,656,144</u>	<u>2,620,887</u>
Capital Outlay	<u>339,370</u>	<u>364,370</u>	<u>343,158</u>	<u>21,212</u>
Debt Service	<u>-</u>	<u>-</u>	<u>33,717</u>	<u>(33,717)</u>
Total Expenditures	<u>72,641,401</u>	<u>72,641,401</u>	<u>70,033,019</u>	<u>2,608,382</u>
Transfers Out	<u>4,616,820</u>	<u>4,616,820</u>	<u>4,594,720</u>	<u>22,100</u>
Total Charges to Appropriations	<u>77,258,221</u>	<u>77,258,221</u>	<u>74,627,739</u>	<u>2,630,482</u>
Budgetary Fund Balance, June 30	<u>\$ 14,844,698</u>	<u>\$ 14,844,698</u>	<u>\$ 20,919,913</u>	<u>\$ 6,075,215</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, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 12,569,285	\$ 12,569,285	\$ 12,834,597	\$ 265,312
Resources (inflows):				
Taxes				
Special Road Sales Tax	11,094,462	11,094,462	11,262,335	167,873
Use of Money and Property				
Rent	173,000	173,000	145,625	(27,375)
Interest	80,000	80,000	280,343	200,343
Charges For Services				
Developer Charges	-	-	41,832	41,832
Miscellaneous				
Other	71,000	71,000	31,022	(39,978)
Total Revenues	<u>11,418,462</u>	<u>11,418,462</u>	<u>11,761,157</u>	<u>342,695</u>
Other Financing Sources:				
Capital Lease Agreements	-	-	168,585	
Amounts Available for Appropriation	<u>23,987,747</u>	<u>23,987,747</u>	<u>24,764,339</u>	<u>608,007</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Traffic Signals, Signs, and Striping	591,587	591,587	596,370	(4,783)
Streets				
Engineering	2,292,063	2,251,259	2,117,190	134,069
Street Maintenance	28,019	28,019	13,190	14,829
Pathways and Trails	184,071	184,071	190,289	(6,218)
Right-Of-Way Management	175,527	175,527	714,447	(538,920)
Capital Outlay	195,000	235,804	393,389	(157,585)
Debt Service				
Leases	-	-	33,717	(33,717)
Capital Projects				
Streets	14,409,836	14,409,836	9,674,703	4,735,133
Total Expenditures	<u>17,876,103</u>	<u>17,876,103</u>	<u>13,733,295</u>	<u>4,142,808</u>
Transfers Out	<u>4,513,181</u>	<u>4,513,181</u>	<u>4,508,971</u>	<u>4,210</u>
Total Charges to Appropriations	<u>22,389,284</u>	<u>22,389,284</u>	<u>18,242,266</u>	<u>4,147,018</u>
Budgetary Fund Balance, June 30	<u><u>\$ 1,598,463</u></u>	<u><u>\$ 1,598,463</u></u>	<u><u>\$ 6,522,073</u></u>	<u><u>\$ 4,923,610</u></u>

See accompanying notes to this schedule

City of Yuma, Arizona
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2019

A. Pension Plan Schedule Note

Actuarial Assumptions for Valuations Performed.

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated, which is the most recent actuarial valuation. The actuarial assumptions used are disclosed in the notes to the financial statements.

Factors that Affect Trends.

The actuarial assumptions used in the June 30, 2017, valuation for ASRS were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

The actuarial assumptions used in the June 30, 2018, valuation for PSPRS were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016. Several actuarial assumptions were adjusted as a result of the study, including decreasing wage inflation from 4.0% to 3.5%.

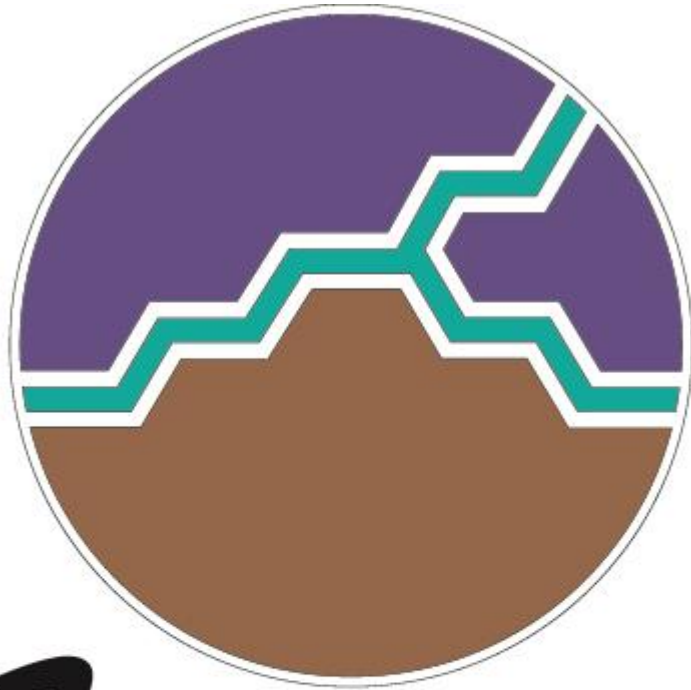
Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. These changes increased the PSPRS-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date.

B. 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.

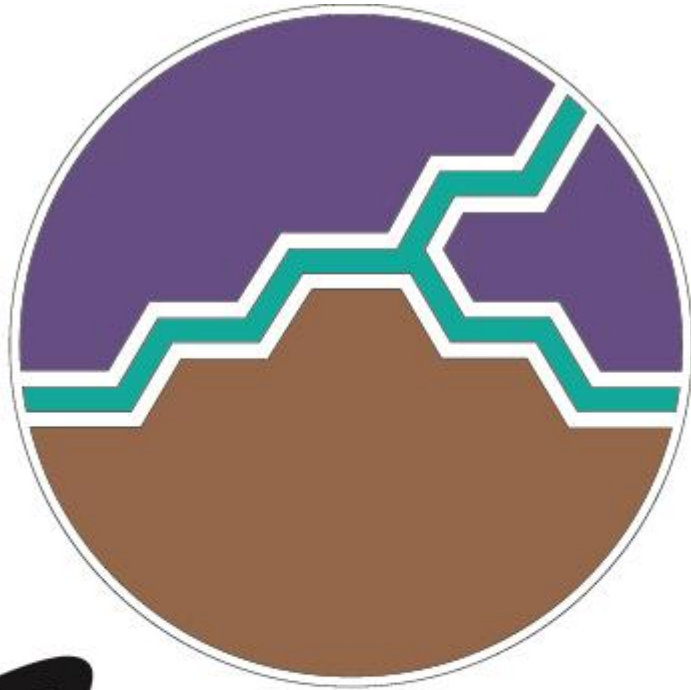
C. Excess of Expenditures Over Appropriations

The City's expenditures exceeded appropriations in four funds. The Debt Service Fund had expenditures exceed appropriations by \$1,650 due to a fiscal agent fee invoice that was missed in fiscal year 2018. The 2% Tax Fund exceeded appropriations by \$248,016 due primarily to unexpected additional resource requirements to replace failing capital assets and an oversight in not budgeting the full amount needed for the transfer out to the Equipment Replacement Fund for the Climatec repayment plan. The Solid Waste Enterprise Fund had expenditures over appropriations of \$95,020, due to unanticipated increases in refuse collection costs. Finally, the Insurance Reserve Internal Service Fund expenditures exceeded appropriations by \$471,238 due to a pending lawsuit settlement that was deemed probable to pay out in fiscal year 2020 by the City Attorney and therefore was booked as an expenditure and a payable within the fund. In each of these cases, the funds were 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, 2019

	Special Revenue		
<u>Assets</u>	Public Safety Tax	Highway Users Revenue	Grants
Cash and Investments	\$ 3,573,836	\$ 6,228,727	\$ 682,033
Receivables (Net of Allowances for Uncollectibles):			
Accounts Receivable	-	27,394	10,824
Intergovernmental	238,700	733,448	826,654
Delinquent Property Taxes	-	-	-
Accrued Interest	4,422	7,761	242
Inventory, at cost	-	-	-
Prepaid Items	-	-	-
Total Assets	\$ 3,816,958	\$ 6,997,330	\$ 1,519,753
<u>Liabilities</u>			
Liabilities:			
Accounts Payable	\$ 66,369	\$ 561,690	\$ 393,267
Accrued Payroll, Taxes and Benefits Payable	-	113,728	79,682
Due to Other Funds	-	-	480,673
Deposits	-	-	-
Unearned Revenues	-	-	566,131
Total Liabilities	66,369	675,418	1,519,753
<u>Deferred Inflows of Resources</u>			
Unavailable Revenues	-	-	132,804
<u>Fund Balances:</u>			
Nonspendable:			
Inventory	-	-	-
Prepaid Items	-	-	-
Spendable			
Restricted	3,750,589	6,321,912	-
Unassigned:	-	-	(132,804)
Total Fund Balances	3,750,589	6,321,912	(132,804)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 3,816,958	\$ 6,997,330	\$ 1,519,753

Special Revenue			Total
Community Redevelopment	Two Percent Tax	Yuma Mall Maintenance	Nonmajor Governmental Funds
\$ -	\$ 1,458,596	\$ 4,639	\$ 11,947,831
817,500	130,706	165	986,589
264,027	291,391	7,368	2,361,588
-	-	2,035	2,035
-	6,121	-	18,546
-	22,011	-	22,011
275	1,233	-	1,508
<u>\$ 1,081,802</u>	<u>\$ 1,910,058</u>	<u>\$ 14,207</u>	<u>\$ 15,340,108</u>
\$ 23,470	\$ 142,937	\$ 7,501	\$ 1,195,234
16,455	120,947	4,671	335,483
233,828	-	-	714,501
-	96,029	-	96,029
-	74,485	-	640,616
<u>273,753</u>	<u>434,398</u>	<u>12,172</u>	<u>2,981,863</u>
<u>838,952</u>	<u>-</u>	<u>2,035</u>	<u>973,791</u>
-	22,011	-	22,011
275	1,233	-	1,508
-	1,452,416	-	11,524,917
(31,178)	-	-	(163,982)
<u>(30,903)</u>	<u>1,475,660</u>	<u>-</u>	<u>11,384,454</u>
<u>\$ 1,081,802</u>	<u>\$ 1,910,058</u>	<u>\$ 14,207</u>	<u>\$ 15,340,108</u>

City of Yuma, Arizona
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue		
	Public Safety Tax	Highway User Revenue	Grants
Revenues:			
Taxes	\$ 4,503,402	\$ -	\$ -
Intergovernmental	-	8,248,413	2,087,204
Charges for Services	-	-	-
Use of Money and Property	92,395	130,536	-
Contributions/Donations	-	-	218,806
Miscellaneous	68,452	164,985	-
Total Revenues	<u>4,664,249</u>	<u>8,543,934</u>	<u>2,306,010</u>
Expenditures:			
Current:			
General Government	-	-	23,989
Public Safety	1,941,510	435,073	1,821,891
Streets	-	6,075,911	-
Parks, Recreation and Culture	-	-	191,737
Environmental Health and Protection	-	75,035	-
Community Design and Development	-	-	-
Capital Outlay	1,511,760	13,714	335,627
Capital Projects			
Public Safety	146,360	-	-
Streets	-	1,289,332	-
Parks, Recreation and Culture	-	-	1,806
Environmental, Health and Safety	-	-	63,764
Debt Service:			
Leases	282,273	-	-
Total Expenditures	<u>3,881,903</u>	<u>7,889,065</u>	<u>2,438,814</u>
Revenues Over/(Under) Expenditures	782,346	654,869	(132,804)
Other Financing Sources/(Uses):			
Capital Lease Agreements	674,341	-	-
Transfers In	-	-	-
Transfers Out	(946,658)	(128,396)	-
Total Other Financing Sources/(Uses)	<u>(272,317)</u>	<u>(128,396)</u>	<u>-</u>
Net Changes in Fund Balances	510,029	526,473	(132,804)
Fund Balances, Beginning	<u>3,240,560</u>	<u>5,795,439</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 3,750,589</u>	<u>\$ 6,321,912</u>	<u>\$ (132,804)</u>

Special Revenue			Total
Community Redevelopment	Two Percent Tax	Yuma Mall Maintenance	Nonmajor Governmental Funds
\$ -	\$ 5,783,438	\$ 115,066	\$ 10,401,906
1,631,508	-	-	11,967,125
-	967,990	-	967,990
-	53,275	-	276,206
-	-	-	218,806
-	12,335	10,674	256,446
<u>1,631,508</u>	<u>6,817,038</u>	<u>125,740</u>	<u>24,088,479</u>
-	106,673	-	130,662
-	-	-	4,198,474
-	-	-	6,075,911
-	6,473,730	-	6,665,467
-	-	-	75,035
1,662,411	-	230,709	1,893,120
-	229,052	-	2,090,153
-	-	-	146,360
-	-	-	1,289,332
-	-	-	1,806
<u>-</u>	<u>-</u>	<u>-</u>	<u>63,764</u>
-	33,717	-	315,990
<u>1,662,411</u>	<u>6,843,172</u>	<u>230,709</u>	<u>22,946,074</u>
(30,903)	(26,134)	(104,969)	1,142,405
-	168,586	-	842,927
-	-	104,969	104,969
-	(1,094,506)	-	(2,169,560)
<u>-</u>	<u>(925,920)</u>	<u>104,969</u>	<u>(1,221,664)</u>
(30,903)	(952,054)	-	(79,259)
<u>-</u>	<u>2,427,714</u>	<u>-</u>	<u>11,463,713</u>
<u>\$ (30,903)</u>	<u>\$ 1,475,660</u>	<u>\$ -</u>	<u>\$ 11,384,454</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,872	\$ 1,872	\$ 5,043	\$ 3,171
Resources (inflows):				
Special Assessments:				
Principal Payments	335,000	335,000	335,000	-
Use of Money and Property:				
Interest	41,478	41,478	51,782	10,304
Total Revenues	<u>376,478</u>	<u>376,478</u>	<u>386,782</u>	<u>10,304</u>
Transfers In	<u>11,093,581</u>	<u>11,093,581</u>	<u>11,085,628</u>	<u>(7,953)</u>
Amounts Available for Appropriation	<u>11,471,931</u>	<u>11,471,931</u>	<u>11,477,453</u>	<u>5,522</u>
Charges to Appropriations (outflows):				
Debt Service:				
Bond Principal	7,420,000	7,420,000	7,420,000	-
Bond Interest	4,045,109	4,045,109	4,045,109	-
Fiscal Agent Fees	5,700	5,700	7,350	(1,650)
Total Expenditures	<u>11,470,809</u>	<u>11,470,809</u>	<u>11,472,459</u>	<u>(1,650)</u>
Total Charges to Appropriations	<u>11,470,809</u>	<u>11,470,809</u>	<u>11,472,459</u>	<u>(1,650)</u>
Budgetary Fund Balance, June 30	<u>\$ 1,122</u>	<u>\$ 1,122</u>	<u>\$ 4,994</u>	<u>\$ 3,872</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Capital Projects Fund
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 16,385,814	\$ 16,385,814	\$ 16,488,464	\$ 102,650
Resources (inflows):				
Intergovernmental				
Arizona Department of Transportation	-	-	209	209
Charges for Services				
Developer Charges	1,151,150	1,151,150	1,193,285	42,135
Use of Money and Property				
Interest	27,830	27,830	367,394	339,564
Miscellaneous	-	-	55,966	55,966
Total Revenues	<u>1,178,980</u>	<u>1,178,980</u>	<u>1,616,854</u>	<u>437,874</u>
Amounts Available for Appropriation	<u>17,564,794</u>	<u>17,564,794</u>	<u>18,105,318</u>	<u>540,524</u>
Charges to Appropriations (outflows):				
Capital Outlay:				
General Government	25,000	25,000	2,910	22,090
Public Safety	-	-	-	-
Streets	8,435,000	8,431,992	6,208,061	2,223,931
Parks, Recreation and Culture	345,000	348,008	13,303	334,705
Total Expenditures	<u>8,805,000</u>	<u>8,805,000</u>	<u>6,224,274</u>	<u>2,580,726</u>
Total Expenditures	8,805,000	8,805,000	6,224,274	2,580,726
Transfers Out	<u>555,252</u>	<u>555,252</u>	<u>555,252</u>	-
Total Charges to Appropriations	<u>9,360,252</u>	<u>9,360,252</u>	<u>6,779,526</u>	<u>2,580,726</u>
Budgetary Fund Balance, June 30	<u>\$ 8,204,542</u>	<u>\$ 8,204,542</u>	<u>\$ 11,325,792</u>	<u>\$ 3,121,250</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Public Safety Tax Fund
 For the Year Ended 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,974,234	\$ 2,974,234	\$ 3,240,560	\$ 266,326
Resources (inflows):				
Taxes				
Public Safety Sales Tax	4,436,275	4,436,275	4,503,402	67,127
Use of Money and Property				
Rent	32,407	32,407	-	(32,407)
Interest	5,000	5,000	92,395	87,395
Miscellaneous				
Other	-	-	68,452	68,452
Total Revenues	<u>4,473,682</u>	<u>4,473,682</u>	<u>4,664,249</u>	<u>190,567</u>
Other Financing Sources:				
Capital Lease Agreements	-	-	674,341	674,341
Amounts Available for Appropriation	<u>7,447,916</u>	<u>7,447,916</u>	<u>8,579,150</u>	<u>1,131,234</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Police Support Services	1,212,073	1,225,668	1,081,817	143,851
Fire Support Services	767,068	767,516	777,723	(10,207)
Facility Maintenance	238,972	238,972	81,970	157,002
Capital Outlay	<u>1,092,653</u>	<u>1,078,610</u>	<u>1,511,760</u>	<u>(433,150)</u>
Capital Projects:				
Public Safety	1,080,000	1,080,000	146,360	933,640
Debt Service				
Leases	-	-	282,273	(282,273)
Total Expenditures	<u>4,390,766</u>	<u>4,390,766</u>	<u>3,881,903</u>	<u>508,863</u>
Transfers Out	<u>947,560</u>	<u>947,560</u>	<u>946,658</u>	<u>902</u>
Total Charges to Appropriations	<u>5,338,326</u>	<u>5,338,326</u>	<u>4,828,561</u>	<u>509,765</u>
Budgetary Fund Balance, June 30	<u>\$ 2,109,590</u>	<u>\$ 2,109,590</u>	<u>\$ 3,750,589</u>	<u>\$ 1,640,999</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Highway User Revenue Fund
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 5,144,326	\$ 5,144,326	\$ 5,795,439	\$ 651,113
Resources (inflows):				
Intergovernmental				
State Gasoline Tax	7,900,000	7,900,000	8,248,413	348,413
Use of Money and Property				
Interest	5,000	5,000	130,536	125,536
Miscellaneous				
Other	9,500	9,500	164,985	155,485
Total Revenues	<u>7,914,500</u>	<u>7,914,500</u>	<u>8,543,934</u>	<u>629,434</u>
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts Available for Appropriation	<u>13,058,826</u>	<u>13,058,826</u>	<u>14,339,373</u>	<u>1,280,547</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Traffic Signals, Signs, and Striping	563,290	574,457	435,073	139,384
Streets				
Street Maintenance	3,399,240	3,399,240	2,981,891	417,349
Street Lighting	1,012,252	1,001,085	922,852	78,233
Street Sweeping	555,626	555,626	566,575	(10,949)
Storm Drain Maintenance	398,048	398,048	263,491	134,557
Curbs, Gutters, and Sidewalks	410,352	410,352	399,133	11,219
Retention Basin Maintenance	1,058,610	1,058,610	941,969	116,641
Code Enforcement	75,872	75,872	75,035	837
Capital Outlay	<u>-</u>	<u>-</u>	<u>13,714</u>	<u>(13,714)</u>
Capital Projects				
Streets	<u>1,335,000</u>	<u>1,335,000</u>	<u>1,289,332</u>	<u>45,668</u>
Total Expenditures	<u>8,808,290</u>	<u>8,808,290</u>	<u>7,889,065</u>	<u>919,225</u>
Transfers Out	<u>128,507</u>	<u>128,507</u>	<u>128,396</u>	<u>111</u>
Total Charges to Appropriations	<u>8,936,797</u>	<u>8,936,797</u>	<u>8,017,461</u>	<u>919,336</u>
Budgetary Fund Balance, June 30	<u>\$ 4,122,029</u>	<u>\$ 4,122,029</u>	<u>\$ 6,321,912</u>	<u>\$ 2,199,883</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Grants Fund
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental				
Federal Government	11,567,443	11,567,443	1,961,633	(9,605,810)
State Government	462,000	462,000	118,261	(343,739)
County Government	243,300	243,300	7,310	(235,990)
Use of Money and Property				
Contributions/Donations	781,041	781,041	218,806	(562,235)
Total Revenues	<u>13,053,784</u>	<u>13,053,784</u>	<u>2,306,010</u>	<u>(10,747,774)</u>
Amounts Available for Appropriation	<u>13,053,784</u>	<u>13,053,784</u>	<u>2,306,010</u>	<u>(10,747,774)</u>
Charges to Appropriations (outflows):				
Current:				
General Government	146,500	146,500	30,991	115,509
Public Safety	10,829,693	10,443,237	1,814,889	8,628,348
Parks, Recreation and Culture	282,591	282,591	191,737	90,854
Environmental Health and Protection	200,000	200,000	-	200,000
Capital Outlay	225,000	611,456	335,627	275,829
Capital Projects				
Streets	1,370,000	1,370,000	-	1,370,000
Parks, Recreation and Culture	-	-	1,806	(1,806)
Environmental Health and Protection	-	-	63,764	(63,764)
Total Expenditures	<u>13,053,784</u>	<u>13,053,784</u>	<u>2,438,814</u>	<u>10,614,970</u>
Total Charges to Appropriations	<u>13,053,784</u>	<u>13,053,784</u>	<u>2,438,814</u>	<u>10,614,970</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (132,804)</u>	<u>\$ (132,804)</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Community Redevelopment Fund
 For the Year Ended June 30, 2019

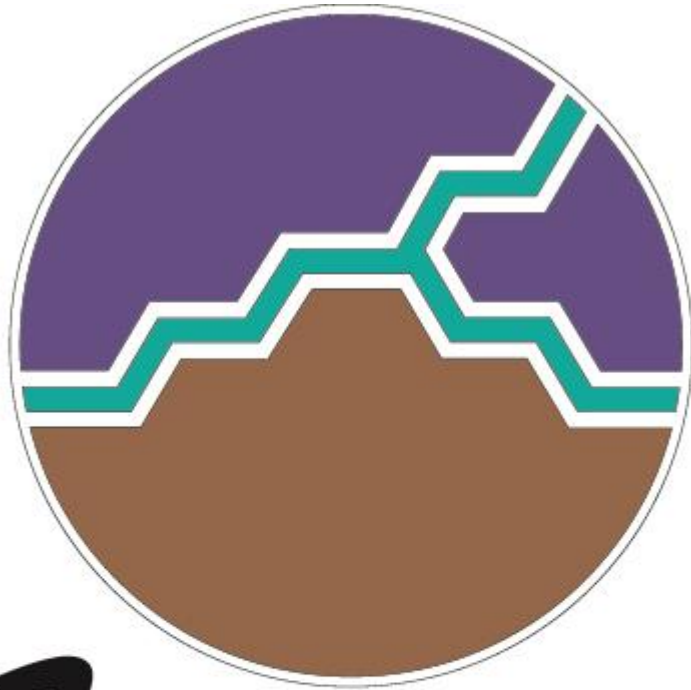
	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental				
Federal Government	2,427,248	2,427,248	1,631,508	(795,740)
Total Revenues	<u>2,427,248</u>	<u>2,427,248</u>	<u>1,631,508</u>	<u>(795,740)</u>
Amounts Available for Appropriation	<u>2,427,248</u>	<u>2,427,248</u>	<u>1,631,508</u>	<u>(795,740)</u>
Charges to Appropriations (outflows):				
Current:				
Community Design and Development	2,427,248	2,427,248	1,662,411	764,837
Total Expenditures	<u>2,427,248</u>	<u>2,427,248</u>	<u>1,662,411</u>	<u>764,837</u>
Total Charges to Appropriations	<u>2,427,248</u>	<u>2,427,248</u>	<u>1,662,411</u>	<u>764,837</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30,903)</u>	<u>\$ (30,903)</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Two Percent Tax Fund
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,797,824	\$ 1,797,824	\$ 2,427,714	\$ 629,890
Resources (inflows):				
Taxes				
Two Percent Tax	5,790,600	5,790,600	5,783,438	(7,162)
Charges for Services				
Rents and Concessions	401,500	401,500	519,071	117,571
Recreation Fees	493,300	490,800	448,919	(41,881)
Use of Money and Property				
Interest	24,000	24,000	53,275	29,275
Miscellaneous				
Other	40,252	42,752	12,335	(30,417)
Total Revenues	<u>6,749,652</u>	<u>6,749,652</u>	<u>6,817,038</u>	<u>67,386</u>
Other Financing Sources				
Capital Lease Agreements	-	-	168,586	168,586
Amounts Available for Appropriation	<u>8,547,476</u>	<u>8,547,476</u>	<u>9,413,338</u>	<u>865,862</u>
Charges to Appropriations (outflows):				
Current:				
Parks, Recreation and Culture				
Administration	342,897	342,897	337,386	5,511
Outside Agencies	750,000	725,000	789,631	(64,631)
Civic and Convention Center	2,268,502	2,253,826	2,226,805	27,021
Baseball Complex	657,642	657,642	625,790	31,852
Art Center	874,125	875,666	951,902	(76,236)
Heritage Events	193,395	191,095	151,803	39,292
Heritage Area Development	483,578	483,578	442,695	40,883
Facilities Maintenance	1,007,299	1,005,758	947,718	58,040
General Government	<u>136,644</u>	<u>136,644</u>	<u>106,673</u>	<u>29,971</u>
Capital Outlay	17,500	59,476	229,052	(169,576)
Debt Service				
Leases	-	-	33,717	(33,717)
Total Expenditures	<u>6,731,582</u>	<u>6,731,582</u>	<u>6,843,172</u>	<u>(111,590)</u>
Transfers Out	<u>958,080</u>	<u>958,080</u>	<u>1,094,506</u>	<u>(136,426)</u>
Total Charges to Appropriations	<u>7,689,662</u>	<u>7,689,662</u>	<u>7,937,678</u>	<u>(248,016)</u>
Budgetary Fund Balance, June 30	<u>\$ 857,814</u>	<u>\$ 857,814</u>	<u>\$ 1,475,660</u>	<u>\$ 617,846</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Yuma Mall Maintenance Fund
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Taxes				
Mall Assessments	106,825	106,825	110,360	3,535
Property Tax - Delinquent	9,000	9,000	4,706	(4,294)
Total Taxes	<u>115,825</u>	<u>115,825</u>	<u>115,066</u>	<u>(759)</u>
Miscellaneous				
Other	-	-	10,674	10,674
Total Revenues	<u>115,825</u>	<u>115,825</u>	<u>125,740</u>	<u>9,915</u>
Transfers In	<u>125,691</u>	<u>125,691</u>	<u>104,969</u>	<u>(20,722)</u>
Amounts Available for Appropriation	<u>241,516</u>	<u>241,516</u>	<u>230,709</u>	<u>(10,807)</u>
Charges to Appropriations (outflows):				
Current:				
Community Design and Development				
Mall Maintenance	241,516	241,516	230,709	10,807
Total Expenditures	<u>241,516</u>	<u>241,516</u>	<u>230,709</u>	<u>10,807</u>
Total Charges to Appropriations	<u>241,516</u>	<u>241,516</u>	<u>230,709</u>	<u>10,807</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



CITY OF
Yuma

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, 2019

<u>Assets</u>	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
Current Assets:				
Cash and Investments	\$ 1,506,299	\$ 2,284,332	\$ 3,700	\$ 3,794,331
Receivables, Net of Allowance for Uncollectibles:				
Accounts Receivable	347,406	325	102,904	450,635
Intergovernmental	3,021	7,250	728	10,999
Accrued Interest	2,454	3,043	-	5,497
Inventory, at cost	-	77,255	29,134	106,389
Prepaid Expenses	-	8,816	-	8,816
Total Current Assets	<u>1,859,180</u>	<u>2,381,021</u>	<u>136,466</u>	<u>4,376,667</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	331,971	8,466,023	331,078	9,129,072
Gross Capital Assets	382,709	8,466,023	6,724,298	15,573,030
Less Accumulated Depreciation	(381,981)	(8,134,752)	(5,575,306)	(14,092,039)
Capital Assets Net of Depreciation	728	331,271	1,148,992	1,480,991
Total Noncurrent Assets	728	331,271	1,148,992	1,480,991
Total Assets	<u>1,859,908</u>	<u>2,712,292</u>	<u>1,285,458</u>	<u>5,857,658</u>
<u>Deferred Outflows of Resources</u>				
Pension Contributions - Current Year	66,605	41,990	80,360	188,955
Other Pension Items	48,415	30,523	58,414	137,352
Total Deferred Outflows of Resources	<u>115,020</u>	<u>72,513</u>	<u>138,774</u>	<u>326,307</u>
<u>Liabilities</u>				
Current Liabilities:				
Accounts Payable	151,986	15,715	37,745	205,446
Accrued Payroll and Related Taxes	42,814	25,807	27,626	96,247
Current Portion-Accrued				
Compensated Absences	28,206	28,597	29,406	86,209
Due to Other Funds	-	-	581,995	581,995
Unearned Revenue	-	56,077	105,694	161,771
Total Current Liabilities Payable from Current Assets	<u>223,006</u>	<u>126,196</u>	<u>782,466</u>	<u>1,131,668</u>
Noncurrent Liabilities:				
Pension Liability	796,149	501,920	960,571	2,258,640
Accrued Compensated Absences	82,485	73,274	42,135	197,894
Total Long-Term Liabilities	<u>878,634</u>	<u>575,194</u>	<u>1,002,706</u>	<u>2,456,534</u>
Total Liabilities	<u>1,101,640</u>	<u>701,390</u>	<u>1,785,172</u>	<u>3,588,202</u>
<u>Deferred Inflows of Resources</u>				
Pension Investments - Projection/Actual difference	89,735	56,572	108,267	254,574
Other Pension Items	10,278	6,479	12,400	29,157
	<u>100,013</u>	<u>63,051</u>	<u>120,667</u>	<u>283,731</u>
<u>Net Position</u>				
Net investment in capital assets	728	331,271	1,148,992	1,480,991
Unrestricted (deficit)	772,547	1,689,093	(1,630,599)	831,041
Total Net Position	<u>\$ 773,275</u>	<u>\$ 2,020,364</u>	<u>\$ (481,607)</u>	<u>\$ 2,312,032</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, 2019

	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
Operating Revenues:				
Charges for Services	\$ 4,227,595	\$ 1,937,108	\$ -	\$ 6,164,703
Green Fees	-	-	687,186	687,186
Cart and Club Rental	-	-	187,858	187,858
Pro Shop Sales	-	-	187,446	187,446
Restaurant Sales	-	-	93,040	93,040
Total Operating Revenues	<u>4,227,595</u>	<u>1,937,108</u>	<u>1,155,530</u>	<u>7,320,233</u>
Operating Expenses:				
Operations and Maintenance	3,666,528	1,681,975	1,632,874	6,981,377
Depreciation and Amortization	577	298,878	105,136	404,591
Total Operating Expenses	<u>3,667,105</u>	<u>1,980,853</u>	<u>1,738,010</u>	<u>7,385,968</u>
Operating Income/(Loss)	<u>560,490</u>	<u>(43,745)</u>	<u>(582,480)</u>	<u>(65,735)</u>
Non-Operating Revenues/(Expenses):				
Interest	32,434	55,993	-	88,427
Gain/(Loss) on Disposal of Assets	-	(61,160)	-	(61,160)
Miscellaneous Revenues	15,681	989	17,148	33,818
Net Non-Operating Revenues	<u>48,115</u>	<u>(4,178)</u>	<u>17,148</u>	<u>61,085</u>
Income/(Loss) before Contributions and Transfers	608,605	(47,923)	(565,332)	(4,650)
Transfers In	-	-	250,000	250,000
Transfers Out	(176,826)	-	(25,624)	(202,450)
Change in Net Position	431,779	(47,923)	(340,956)	42,900
Net Position-beginning	<u>341,496</u>	<u>2,068,287</u>	<u>(140,651)</u>	<u>2,269,132</u>
Net Position-ending	<u>\$ 773,275</u>	<u>\$ 2,020,364</u>	<u>\$ (481,607)</u>	<u>\$ 2,312,032</u>

City of Yuma, Arizona
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended June 30, 2019

	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
Cash Flow from Operating Activities:				
Cash Received from Customers	\$ 4,195,536	\$ 1,947,279	\$ 1,115,487	\$ 7,258,302
Cash Paid to Employees	(925,902)	(531,220)	(771,321)	(2,228,443)
Cash Paid to Suppliers	(2,675,378)	(1,265,672)	(912,237)	(4,853,287)
Other Operating Activity Revenue	15,681	989	17,148	33,818
Net Cash Provided by/(used for) Operating Activities	609,937	151,376	(550,923)	210,390
Cash Flows from Noncapital Financing Activities:				
Cash Received from Other Funds	-	-	250,000	250,000
Cash Paid to Other Funds	(176,826)	-	(25,624)	(202,450)
Interfund Borrowing	-	-	326,547	326,547
Net Cash Flows Provided by/ (Used for) Noncapital Financing Activities	(176,826)	-	550,923	374,097
Cash Flow from Capital and Related Financing Activities:				
Acquisition and Construction of Assets	-	(8,609)	-	(8,609)
Net Cash Used for Capital and Related Financing Activities	-	(8,609)	-	(8,609)
Cash Flows from Investing Activities:				
Receipt of Interest	31,844	55,242	-	87,086
Net Cash Provided by Investing Activities	31,844	55,242	-	87,086
Net Increase in Cash and Cash Equivalents	464,955	198,009	-	662,964
Cash and Cash Equivalents, July 1	1,041,344	2,086,323	3,700	3,131,367
Cash and Cash Equivalents, June 30	\$ 1,506,299	\$ 2,284,332	\$ 3,700	\$ 3,794,331
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(used for) Operating Activities:				
Operating Income/(Loss)	\$ 560,490	\$ (43,745)	\$ (582,480)	\$ (65,735)
Adjustments to Reconcile Operating Income/(Loss)				
Depreciation and Amortization Expense	577	298,878	105,135	404,590
(Increase) in Accounts Receivables	(32,058)	(4,818)	(40,556)	(77,432)
(Increase) in Inventories	-	-	(1,576)	(1,576)
Decrease in Prepaid Items	-	12,227	-	12,227
Increase/(Decrease) in Accounts Payable	82,484	(112,382)	15,040	(14,858)
Increase in Accrued Wages and Taxes Payable	41,047	21,982	12,233	75,262
Increase in Due from Other Gov't Units	-	-	514	514
Increase/(Decrease) in Unearned Revenue	-	14,989	(6,061)	8,928
(Decrease) in Pension Exp/Def Outflows/Inflows	(58,284)	(36,744)	(70,320)	(165,348)
Other Operating Activity Revenue	15,681	989	17,148	33,818
Total Adjustments	49,447	195,121	31,557	276,125
Net Cash Provided by/(used for) Operating Activities	\$ 609,937	\$ 151,376	\$ (550,923)	\$ 210,390

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Water Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Inside City	\$ 21,576,202	\$ 21,576,202	\$ 21,450,572	\$ (125,630)
Outside City	2,439,045	2,439,045	2,439,383	338
Commercial Raw Water	130,000	130,000	132,771	2,771
Meters, Connections and Services	1,349,684	1,349,684	1,339,248	(10,436)
Capital Contributions:				
System Development	213,500	213,500	139,736	(73,764)
Capacity Rights	1,600,000	1,600,000	2,249,008	649,008
Issuance of Capital Lease	-	-	84,293	84,293
Interest	139,600	139,600	898,075	758,475
Miscellaneous	91,050	91,050	231,189	140,139
Total Revenues	<u>27,539,081</u>	<u>27,539,081</u>	<u>28,964,275</u>	<u>1,425,194</u>
Amounts Available for Appropriation	<u>27,539,081</u>	<u>27,539,081</u>	<u>28,964,275</u>	<u>1,425,194</u>
Charges to Appropriations (outflows):				
Current:				
Administration	2,947,258	2,947,258	2,946,413	845
Treatment	7,307,614	7,300,539	6,332,102	968,437
Water Transmission	1,851,019	1,851,019	1,715,242	135,777
Customer Services	1,046,281	1,046,281	913,280	133,001
Water Transfer	34,637	34,637	35,371	(734)
Laboratory	350,497	350,497	285,704	64,793
Facilities Maintenance	211,455	211,455	186,190	25,265
Infrastructure Maintenance	-	-	2,144	(2,144)
Capital Outlay:				
Capital Outlay	440,000	447,075	544,650	(97,575)
Capital Projects	5,744,481	5,744,481	795,000	4,949,481
Debt Service:				
Principal Retirement	6,090,763	6,090,763	6,090,763	-
Leases	-	-	16,859	(16,859)
Interest and Fiscal Agent Fees	2,825,545	2,825,545	2,825,545	-
Total Expenditures	<u>28,849,550</u>	<u>28,849,550</u>	<u>22,689,263</u>	<u>6,160,287</u>
Transfers Out	<u>59,603</u>	<u>59,603</u>	<u>59,546</u>	<u>57</u>
Total Charges to Appropriations	<u>28,909,153</u>	<u>28,909,153</u>	<u>22,748,809</u>	<u>6,160,344</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (1,370,072)</u>	<u>\$ (1,370,072)</u>	<u>6,215,466</u>	<u>\$ 7,585,538</u>
Reconciliation to Change in Net Position:				
Capital Outlay			544,650	
Capital Projects			795,000	
Principal Retirement			6,107,622	
Issuance of Capital Leases			(84,293)	
Capital Contributions for Developer Additions to System			382,389	
Amortization of Deferred Charges on Refunding			172,260	
Pension Contributions in excess of Expense			409,569	
Loss on Disposal of Assets			(185,900)	
Depreciation and Amortization			(7,514,347)	
Change in Net Position			<u>\$ 6,842,416</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, 2019

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Resources (inflows):				
Inside City	\$ 13,871,035	\$ 13,871,035	\$ 14,018,854	\$ 147,819
Outside City	1,145,605	1,145,605	1,138,867	(6,738)
Contractual/Industrial Services	2,096,865	2,096,865	2,291,592	194,727
Meters, Connections and Services	40,816	40,816	47,167	6,351
Capital Contributions:				
Capacity Rights	2,940,645	2,940,645	2,644,046	(296,599)
Wastewater Interceptor	246,625	246,625	187,818	(58,807)
Wastewater Trunk Line Charges	15,000	15,000	10,200	(4,800)
Issuance of Capital Lease	-	-	84,293	84,293
Interest	152,900	152,900	1,020,667	867,767
Miscellaneous	17,500	17,500	52,176	34,676
Total Revenues	<u>20,526,991</u>	<u>20,526,991</u>	<u>21,495,680</u>	<u>968,689</u>
Amounts Available for Appropriation	<u>20,526,991</u>	<u>20,526,991</u>	<u>21,495,680</u>	<u>968,689</u>
Charges to Appropriations (outflows):				
Current:				
Administration	1,830,193	1,830,193	1,862,146	(31,953)
Treatment	7,372,008	7,306,020	6,457,762	848,258
Pretreatment	449,053	449,053	390,095	58,958
Collection	1,545,196	1,545,196	1,292,328	252,868
Laboratory	297,294	294,494	199,793	94,701
Facilities Maintenance	225,431	225,431	184,859	40,572
Capital Outlay:				
Capital Outlay	318,386	387,174	339,806	47,368
Capital Projects	7,880,000	7,880,000	4,021,245	3,858,755
Debt Service:				
Principal Retirement	3,697,238	3,697,238	3,697,237	1
Leases	-	-	16,859	(16,859)
Interest and Fiscal Agent Fees	979,347	979,347	979,349	(2)
Total Expenditures	<u>24,594,146</u>	<u>24,594,146</u>	<u>19,441,479</u>	<u>5,152,667</u>
Transfers Out	<u>65,983</u>	<u>65,983</u>	<u>65,920</u>	<u>63</u>
Total Charges to Appropriations	<u>24,660,129</u>	<u>24,660,129</u>	<u>19,507,399</u>	<u>5,152,730</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (4,133,138)</u>	<u>\$ (4,133,138)</u>	<u>1,988,281</u>	<u>\$ 6,121,419</u>
Reconciliation to Change in Net Position:				
Capital Outlay			339,806	
Capital Projects			4,021,245	
Principal Retirement			3,714,096	
Issuance of Capital Leases			(84,293)	
Amortization of Deferred Charges on Refunding			34,579	
Capital Contributions for Subdivider Additions to System			1,020,749	
Pension Contributions in excess of Expense			291,734	
Depreciation and Amortization			<u>(6,229,887)</u>	
Change in Net Position			<u>\$ 5,096,310</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, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Service				
Collection Fees	\$ 4,487,545	\$ 4,487,545	\$ 4,227,595	\$ (259,950)
Interest	7,500	7,500	32,434	24,934
Miscellaneous				
Other	17,000	17,000	15,681	(1,319)
Total Revenues	<u>4,512,045</u>	<u>4,512,045</u>	<u>4,275,710</u>	<u>(236,335)</u>
Amounts Available for Appropriation	<u>4,512,045</u>	<u>4,512,045</u>	<u>4,275,710</u>	<u>(236,335)</u>
Charges to Appropriations (outflows):				
Current:				
Environmental Health and Protection				
Residential Services	3,058,522	3,058,522	3,139,917	(81,395)
Uncontained Waste	387,964	387,964	389,088	(1,124)
Recycling	183,149	183,149	195,807	(12,658)
Total Expenditures	<u>3,629,635</u>	<u>3,629,635</u>	<u>3,724,812</u>	<u>(95,177)</u>
Transfers Out	<u>176,983</u>	<u>176,983</u>	<u>176,826</u>	<u>157</u>
Total Charges to Appropriations	<u>3,806,618</u>	<u>3,806,618</u>	<u>3,901,638</u>	<u>(95,020)</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ 705,427</u>	<u>\$ 705,427</u>	<u>374,072</u>	<u>\$ (331,355)</u>
Reconciliation to Change in Net Position:				
Pension Contributions in excess of Expense			58,284	
Depreciation and Amortization			<u>(577)</u>	
Change in Net Position			<u>\$ 431,779</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, 2019

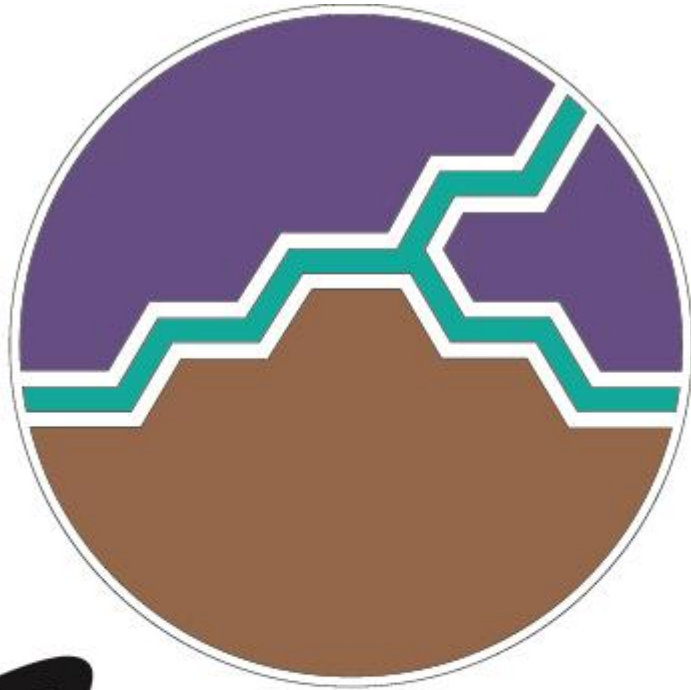
	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Resources (inflows):				
Charges for Service				
Radio Equipment Fees	\$ 885,500	\$ 885,500	\$ 859,663	\$ (25,837)
Software Fees	950,000	950,000	979,469	29,469
911 Admin Fees	107,510	107,510	97,976	(9,534)
Intergovernmental:				
Budget Authority Reserve	1,000,000	1,000,000	-	(1,000,000)
Use of Money and Property				
Interest	6,000	6,000	55,993	49,993
Miscellaneous				
Other	-	-	989	989
Total Revenues	<u>2,949,010</u>	<u>2,949,010</u>	<u>1,994,090</u>	<u>(954,920)</u>
Amounts Available for Appropriation	<u>2,949,010</u>	<u>2,949,010</u>	<u>1,994,090</u>	<u>(954,920)</u>
Charges to Appropriations (outflows):				
Current:				
Environmental Health				
Radio Communications	1,064,220	1,064,220	840,678	223,542
Radio Software	969,321	969,321	869,984	99,337
911 Administration	78,604	78,604	8,057	70,547
Public Safety	1,000,000	1,000,000	-	1,000,000
Capital Outlay				
Capital Outlay	426,500	426,500	8,609	417,891
Total Expenditures	<u>3,538,645</u>	<u>3,538,645</u>	<u>1,727,328</u>	<u>1,811,317</u>
Total Charges to Appropriations	<u>3,538,645</u>	<u>3,538,645</u>	<u>1,727,328</u>	<u>1,811,317</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (589,635)</u>	<u>\$ (589,635)</u>	<u>266,762</u>	<u>\$ 856,397</u>
Reconciliation to Change in Net Position:				
Capital Outlay			8,609	
Pension Contributions in excess of Expense			36,744	
Loss on Disposal of Assets			(61,160)	
Depreciation and Amortization			(298,878)	
Change in Net Position			<u>\$ (47,923)</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, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Green Fees	\$ 947,000	\$ 947,000	\$ 687,186	\$ (259,814)
Cart and Club Rental	206,600	206,600	187,858	(18,742)
Pro Shop Sales	196,500	196,500	187,446	(9,054)
Restaurant Sales	146,000	146,000	93,040	(52,960)
Miscellaneous	2,500	2,500	17,148	14,648
Total Revenues	<u>1,498,600</u>	<u>1,498,600</u>	<u>1,172,678</u>	<u>(325,922)</u>
Transfers In	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Amounts Available for Appropriation	<u>1,748,600</u>	<u>1,748,600</u>	<u>1,422,678</u>	<u>(325,922)</u>
Charges to Appropriations (outflows):				
Current:				
Maintenance	1,015,143	1,015,143	1,030,053	(14,910)
Concession	545,099	545,099	518,493	26,606
Restaurant	-	-	517	(517)
Facility Maintenance	207,470	207,470	154,131	53,339
Total Expenditures	<u>1,767,712</u>	<u>1,767,712</u>	<u>1,703,194</u>	<u>64,518</u>
Transfers Out	<u>25,626</u>	<u>25,626</u>	<u>25,624</u>	<u>2</u>
Total Charges to Appropriations	<u>1,793,338</u>	<u>1,793,338</u>	<u>1,728,818</u>	<u>64,520</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (44,738)</u>	<u>\$ (44,738)</u>	<u>(306,140)</u>	<u>\$ (261,402)</u>
Reconciliation to Change in Net Assets:				
Pension Contributions in excess of Expense			70,320	
Depreciation and Amortization			<u>(105,136)</u>	
Change in Net Position			<u>\$ (340,956)</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, 2019

Assets	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Current Assets:						
Cash and Investments	\$ 11,396,754	\$ -	\$ 3,700,427	\$ 288,912	\$ 5,155,179	\$ 20,541,272
Accounts Receivable	3,963	1,561	1,418	-	150,895	157,837
Intergovernmental Receivable	-	12	-	-	-	12
Accrued Interest	17,718	-	4,740	455	3,940	26,853
Inventory, at cost	-	470,779	-	-	-	470,779
Prepaid Items	-	4,355	18,000	-	-	22,355
Total Current Assets	<u>11,418,435</u>	<u>476,707</u>	<u>3,724,585</u>	<u>289,367</u>	<u>5,310,014</u>	<u>21,219,108</u>
Noncurrent Assets:						
Capital Assets:						
Land	-	219,610	-	-	-	219,610
Buildings	-	19,251	-	-	-	19,251
Improvements Other than Buildings	-	222,733	-	-	-	222,733
Equipment	31,851,838	245,489	-	-	-	32,097,327
Less Accumulated Depreciation	(24,081,282)	(332,841)	-	-	-	(24,414,123)
Total Noncurrent Assets	<u>7,770,556</u>	<u>374,242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,144,798</u>
Total Assets	<u>19,188,991</u>	<u>850,949</u>	<u>3,724,585</u>	<u>289,367</u>	<u>5,310,014</u>	<u>29,363,906</u>
Liabilities						
Liabilities:						
Current Liabilities:						
Accounts Payable	10,593	45,615	4,353	40	32,676	93,277
Accrued Payroll, Taxes and Benefits Payable	-	36,863	3,743	-	-	40,606
Current Portion-Accrued Compensated Absences	-	20,191	2,802	-	-	22,993
Estimated Claims and Judgements	-	-	1,094,239	-	1,400,930	2,495,169
Due to Other Funds	-	1,450,501	-	-	-	1,450,501
Total Current Liabilities Payable	<u>10,593</u>	<u>1,553,170</u>	<u>1,105,137</u>	<u>40</u>	<u>1,433,606</u>	<u>4,102,546</u>
Noncurrent Liabilities:						
Accrued Compensated Absences	-	43,712	13,912	-	-	57,624
Total Long-Term Liabilities	<u>-</u>	<u>43,712</u>	<u>13,912</u>	<u>-</u>	<u>-</u>	<u>57,624</u>
Total Liabilities	<u>10,593</u>	<u>1,596,882</u>	<u>1,119,049</u>	<u>40</u>	<u>1,433,606</u>	<u>4,160,170</u>
Net Position						
Net investment in capital assets	7,770,556	374,242	-	-	-	8,144,798
Unrestricted (deficit)	11,407,842	(1,120,175)	2,605,536	289,327	3,876,408	17,058,938
Total Net Position	<u>\$ 19,178,398</u>	<u>\$ (745,933)</u>	<u>\$ 2,605,536</u>	<u>\$ 289,327</u>	<u>\$ 3,876,408</u>	<u>\$ 25,203,736</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, 2019

	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Operating Revenues:						
Charges For Services	\$ -	\$ 2,307,404	\$ 1,925,534	\$ -	\$ -	\$ 4,232,938
Contributions						
City	-	-	-	-	1,514,285	1,514,285
Equipment Rental	1,789,896	-	-	-	-	1,789,896
Miscellaneous	56	11,182	49	-	2,567	13,854
Total Operating Revenues	<u>1,789,952</u>	<u>2,318,586</u>	<u>1,925,583</u>	<u>-</u>	<u>1,516,852</u>	<u>7,550,973</u>
Operating Expenses:						
Claims Incurred	-	-	100,872	-	1,327,593	1,428,465
Premiums to Insurance Carriers	-	-	798,994	-	163,277	962,271
Administration	23,499	2,464,282	1,704,939	-	48,553	4,241,273
Depreciation	2,551,109	19,112	-	-	-	2,570,221
Total Operating Expenses	<u>2,574,608</u>	<u>2,483,394</u>	<u>2,604,805</u>	<u>-</u>	<u>1,539,423</u>	<u>9,202,230</u>
Operating Income/(Loss)	<u>(784,656)</u>	<u>(164,808)</u>	<u>(679,222)</u>	<u>-</u>	<u>(22,571)</u>	<u>(1,651,257)</u>
Non-Operating Revenue/(Expenses):						
Interest	261,410	-	79,245	5,940	117,371	463,966
Gain on the Sale of Assets	(1,355)	-	-	-	-	(1,355)
Total Non-Operating Revenues	<u>260,055</u>	<u>-</u>	<u>79,245</u>	<u>5,940</u>	<u>117,371</u>	<u>462,611</u>
Income/(Loss) before Transfers	<u>(524,601)</u>	<u>(164,808)</u>	<u>(599,977)</u>	<u>5,940</u>	<u>94,800</u>	<u>(1,188,646)</u>
Transfers In	719,813	-	-	-	-	719,813
Transfers Out	-	(3,991)	-	-	-	(3,991)
Net Transfers	<u>719,813</u>	<u>(3,991)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>715,822</u>
Change in Net Position	195,212	(168,799)	(599,977)	5,940	94,800	(472,824)
Net Position, Beginning	18,983,186	(577,134)	3,205,513	283,387	3,781,608	25,676,560
Net Position, Ending	<u>\$ 19,178,398</u>	<u>\$ (745,933)</u>	<u>\$ 2,605,536</u>	<u>\$ 289,327</u>	<u>\$ 3,876,408</u>	<u>\$ 25,203,736</u>

City of Yuma, Arizona
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2019

	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Cash Flows from Operating Activities:						
Cash Received from Customers	\$ 2,520,912	\$ 2,306,259	\$ 1,925,583	\$ -	\$ 1,366,852	\$ 8,119,606
Cash Paid to Employees	-	(1,003,712)	(90,403)	-	-	(1,094,115)
Cash Paid to Suppliers	(71,548)	(1,393,344)	(45,808)	-	-	(1,510,700)
Cash Paid For Operating Expenses	-	-	(1,514,402)	-	(1,202,215)	(2,716,617)
Other Operating Activity Revenue	56	11,182	-	-	-	11,238
Net Cash Flows Provided by Operating Activities	2,449,420	(79,615)	274,970	-	164,637	2,809,412
Cash Flows from Noncapital Financing Activities:						
Cash Received from Other Funds	719,813	-	-	-	-	719,813
Cash Paid to Other Funds	-	(3,991)	-	-	-	(3,991)
Interfund Borrowing	-	83,606	-	-	-	83,606
Net Cash Flows Provided by/(Used for) Noncapital Financing Activities	719,813	79,615	-	-	-	799,428
Cash Flows from Capital and Related Financing Activities:						
Proceeds from Sale of Capital Assets	94,050	-	-	-	-	94,050
Payments for Capital Acquisitions	(3,162,580)	-	-	-	-	(3,162,580)
Net Cash Flows Used for Capital and Related Financing Activities	(3,068,530)	-	-	-	-	(3,068,530)
Cash Flows from Investing Activities:						
Receipt of Interest	257,173	-	77,849	5,871	116,287	457,180
Net Cash Flows Provided by Investing Activities	257,173	-	77,849	5,871	116,287	457,180
Net Increase in Cash and Cash Equivalents	357,876	-	352,819	5,871	280,924	997,490
Cash and Cash Equivalents, July 1	11,038,878	-	3,347,608	283,041	4,874,255	19,543,782
Cash and Cash Equivalents, June 30	\$ 11,396,754	\$ -	\$ 3,700,427	\$ 288,912	\$ 5,155,179	\$ 20,541,272
Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities:						
Operating (Loss)	\$ (784,656)	\$ (164,808)	\$ (679,222)	\$ -	\$ (22,571)	\$ (1,651,257)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by Operating Activities:						
Depreciation Expense	2,551,108	19,112	-	-	-	2,570,220
(Increase)/Decrease in Accounts Receivable	731,016	(1,145)	-	-	(150,000)	579,871
Decrease in Inventory	-	164,069	-	-	-	164,069
(Increase) in Prepaid Items	-	(550)	(17,705)	-	-	(18,255)
Increase in Claims Incurred	-	-	-	-	335,388	335,388
Increase/(Decrease) in Accounts Payable	(48,048)	(100,865)	(33,110)	-	1,820	(180,203)
Increase in Payroll Liabilities	-	4,572	2,349	-	-	6,921
Increase in Estimated Claims	-	-	1,002,658	-	-	1,002,658
Total Adjustments	3,234,076	85,193	954,192	-	187,208	4,460,669
Net Cash Provided by Operating Activities	\$ 2,449,420	\$ (79,615)	\$ 274,970	\$ -	\$ 164,637	\$ 2,809,412

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Equipment Replacement Internal Service Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 1,761,173	\$ 1,761,173	\$ 1,789,896	\$ 28,723
Interest	45,000	45,000	261,410	216,410
Miscellaneous	-	-	56	56
Total Revenues	<u>1,806,173</u>	<u>1,806,173</u>	<u>2,051,362</u>	<u>245,189</u>
Transfers In	<u>582,314</u>	<u>582,314</u>	<u>719,813</u>	<u>137,499</u>
Amounts Available for Appropriation	<u>2,388,487</u>	<u>2,388,487</u>	<u>2,771,175</u>	<u>382,688</u>
Charges to Appropriations (outflows):				
Current				
Administration	23,499	23,499	23,499	-
Capital Outlay	<u>5,373,179</u>	<u>5,373,179</u>	<u>3,162,579</u>	<u>2,210,600</u>
Total Expenditures	<u>5,396,678</u>	<u>5,396,678</u>	<u>3,186,078</u>	<u>2,210,600</u>
Total Charges to Appropriations	<u>5,396,678</u>	<u>5,396,678</u>	<u>3,186,078</u>	<u>2,210,600</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ (3,008,191)</u>	<u>\$ (3,008,191)</u>	<u>(414,903)</u>	<u>\$ 2,593,288</u>
Reconciliation to Change in Net Position:				
Capital Outlay			3,162,579	
Gain/(Loss) on Sale of Assets			(1,355)	
Depreciation and Amortization			<u>(2,551,109)</u>	
Change in Net Position			<u>\$ 195,212</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, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 2,545,440	\$ 2,545,440	\$ 2,307,404	\$ (238,036)
Miscellaneous	4,000	4,000	11,182	7,182
Total Revenues	<u>2,549,440</u>	<u>2,549,440</u>	<u>2,318,586</u>	<u>(230,854)</u>
Amounts Available for Appropriation	<u>2,549,440</u>	<u>2,549,440</u>	<u>2,318,586</u>	<u>(230,854)</u>
Charges to Appropriations (outflows):				
Current				
Administration	2,700,981	2,700,981	2,464,282	236,699
Total Expenditures	<u>2,700,981</u>	<u>2,700,981</u>	<u>2,464,282</u>	<u>236,699</u>
Transfers Out	<u>3,991</u>	<u>3,991</u>	<u>3,991</u>	<u>-</u>
Total Charges to Appropriations	<u>2,704,972</u>	<u>2,704,972</u>	<u>2,468,273</u>	<u>236,699</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ (155,532)</u>	<u>\$ (155,532)</u>	<u>(149,687)</u>	<u>\$ 5,845</u>
Reconciliation to Change in Net Position:				
Depreciation and Amortization			<u>(19,112)</u>	
Change in Net Position			<u>\$ (168,799)</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, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 1,925,536	\$ 1,925,536	\$ 1,925,534	\$ (2)
Miscellaneous	-	-	49	49
Interest	7,000	7,000	79,245	72,245
Total Revenues	<u>1,932,536</u>	<u>1,932,536</u>	<u>2,004,828</u>	<u>72,292</u>
Amounts Available for Appropriation	<u>1,932,536</u>	<u>1,932,536</u>	<u>2,004,828</u>	<u>72,292</u>
Charges to Appropriations (outflows):				
Current				
Premiums to Insurance Carriers	919,482	919,482	798,994	120,488
Claims Incurred	292,000	292,000	100,872	191,128
Administration	922,085	922,085	1,704,939	(782,854)
Total Expenditures	<u>2,133,567</u>	<u>2,133,567</u>	<u>2,604,805</u>	<u>(471,238)</u>
Total Charges to Appropriations	<u>2,133,567</u>	<u>2,133,567</u>	<u>2,604,805</u>	<u>(471,238)</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ (201,031)</u>	<u>\$ (201,031)</u>	<u>(599,977)</u>	<u>\$ (398,946)</u>
Reconciliation to Change in Net Position:				
Change in Net Position			<u>\$ (599,977)</u>	

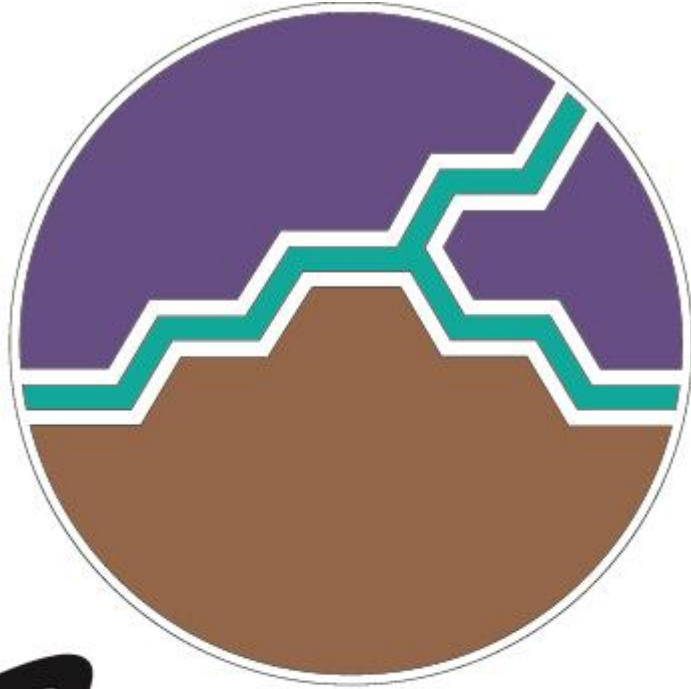
NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Workers Compensation Internal Service Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2019

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Contributions - City	\$ 1,496,000	\$ 1,496,000	\$ 1,514,285	\$ 18,285
Miscellaneous	-	-	2,567	2,567
Interest	18,000	18,000	117,371	99,371
Total Revenues	<u>1,514,000</u>	<u>1,514,000</u>	<u>1,634,223</u>	<u>120,223</u>
Amounts Available for Appropriation	<u>1,514,000</u>	<u>1,514,000</u>	<u>1,634,223</u>	<u>120,223</u>
Charges to Appropriations (outflows):				
Current				
Premiums to Insurance Carriers	212,000	212,000	163,277	48,723
Claims Incurred	975,000	975,000	1,327,593	(352,593)
Administration	42,000	42,000	48,553	(6,553)
Total Expenditures	<u>1,229,000</u>	<u>1,229,000</u>	<u>1,539,423</u>	<u>(310,423)</u>
Total Charges to Appropriations	<u>1,229,000</u>	<u>1,229,000</u>	<u>1,539,423</u>	<u>(310,423)</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ 285,000</u>	<u>\$ 285,000</u>	94,800	<u>\$ (190,200)</u>
Reconciliation to Change in Net Position:				
Change in Net Position			<u>\$ 94,800</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.

STATISTICAL SECTION



CITY OF
Yuma

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	120
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	128
These schedules contain information to help the reader assess the City's most significant local revenue source - sales tax.	
Debt Capacity	130
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	136
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	139
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)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
				As restated						
Governmental activities										
Net investment in capital assets	\$ 192,145	\$ 196,837	\$ 209,377	\$ 208,428	\$ 197,997	\$ 194,763	\$ 193,687	\$ 194,292	\$ 197,164	\$ 206,885
Restricted	14,762	15,773	24,835	22,456	19,166	23,223	49,652	38,057	26,147	19,572
Unrestricted	40,261	44,357	36,851	39,115	43,244	(68,462)	(91,649)	(91,026)	(82,363)	(84,372)
Total governmental activities net position	<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>	<u>\$ 141,323</u>	<u>\$ 140,948</u>	<u>\$ 142,085</u>
Business-type activities										
Net investment in capital assets	\$ 160,883	\$ 166,782	\$ 164,295	\$ 163,246	\$ 159,458	\$ 147,573	\$ 152,343	\$ 150,899	\$ 154,181	\$ 156,204
Restricted	3,754	5,556	7,357	9,009	9,009	9,009	2,715	-	-	
Unrestricted	29,027	31,699	37,842	43,362	46,877	44,607	49,657	60,405	68,015	77,629
Total business-type activities net position	<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>	<u>\$ 211,304</u>	<u>\$ 222,196</u>	<u>\$ 233,833</u>
Primary government										
Net investment in capital assets	\$ 353,028	\$ 363,619	\$ 373,672	\$ 371,674	\$ 357,455	\$ 342,336	\$ 346,030	\$ 345,191	\$ 351,345	\$ 363,089
Restricted	18,516	21,329	32,192	31,465	28,175	32,232	52,367	38,057	26,147	19,572
Unrestricted	69,288	76,056	74,693	82,477	90,121	(23,855)	(41,992)	(30,621)	(14,348)	(6,743)
Total primary government net position	<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>	<u>\$ 352,627</u>	<u>\$ 363,144</u>	<u>\$ 375,918</u>

Source: The source of this information is the City financial records.

City of Yuma, Arizona

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 10,563	\$ 9,684	\$ 12,534	\$ 10,345	\$ 10,335	\$ 9,056	\$ 9,102	\$ 8,741	\$ 11,532	\$ 10,664
Public Safety	39,224	40,232	41,735	43,051	46,585	55,785	55,883	68,133	62,157	61,366
Streets	13,969	14,536	12,741	14,980	25,265	14,964	12,272	16,063	15,301	17,312
Parks, Recreation and Culture	13,863	13,804	14,226	12,787	13,606	14,364	14,219	14,892	14,967	14,580
Environmental Health and Protection	4,905	1,538	804	156	89	178	686	26	95	208
Community Design and Development	4,981	5,007	4,521	5,134	5,167	4,439	4,331	4,524	4,391	5,212
Interest on Long-Term Debt	6,291	5,803	5,461	5,153	4,781	4,462	4,505	4,400	4,087	3,733
Total governmental activities expenses	93,796	90,604	92,022	91,606	105,828	103,248	100,998	116,779	112,530	113,075
Business-type activities:										
Water	20,277	20,555	23,353	23,227	24,762	25,259	23,337	22,821	22,204	22,398
Wastewater	13,673	13,882	16,191	16,165	17,073	17,253	16,643	16,478	17,293	17,415
Solid Waste	-	2,902	2,948	3,213	3,085	3,070	3,347	3,728	3,772	3,706
Radio Communications	-	-	-	4,663	4,153	2,623	2,184	2,313	1,845	2,042
Golf Courses	2,496	2,377	2,403	2,469	3,474	2,518	1,864	1,681	1,736	1,861
Total business-type activities expenses	36,446	39,716	44,895	49,737	52,547	50,723	47,375	47,021	46,850	47,422
Total primary government expenses	\$ 130,242	\$ 130,320	\$ 136,917	\$ 141,343	\$ 158,375	\$ 153,971	\$ 148,373	\$ 163,800	\$ 159,380	\$ 160,497
Program Revenues										
Governmental activities:										
Charges for Services										
Building Inspection Fees	\$ 384	\$ 333	\$ 307	\$ 413	\$ 545	\$ 368	\$ 351	\$ 391	\$ 400	\$ 548
Developer Charges	2,674	4,369	1,589	1,419	2,326	1,104	1,458	2,515	1,424	1,235
Ambulance Services	-	-	477	3,830	2,490	3,444	4,241	4,261	3,752	4,317
Police Services	821	471	567	617	701	840	776	771	597	726
Other Charges	7,491	6,936	5,775	6,082	5,708	4,283	7,933	5,223	8,925	5,352
Operating Grants and Contributions	3,659	4,968	3,965	3,980	3,305	3,519	2,528	1,876	1,943	3,882
Capital Grants and Contributions	5,944	3,245	19,145	1,744	577	1,481	609	1,817	5,016	1,904
Total governmental activities program revenues	20,973	20,322	31,825	18,085	15,652	15,039	17,896	16,854	22,057	17,964
Business-type activities:										
Charges for Services										
Metered Water Sales	21,651	21,598	20,710	21,233	21,809	20,532	20,999	22,254	23,642	23,890
Wastewater Charges	13,699	14,854	14,485	14,625	14,785	14,400	15,107	16,043	16,581	17,449
Radio Communications	-	-	-	1,714	1,564	1,739	1,765	1,948	1,955	1,937
Solid Waste Charges	-	3,147	3,266	3,301	3,325	3,351	3,327	3,494	3,603	4,228
Green Fees and Concessions	1,964	1,890	1,919	2,152	2,230	1,789	1,681	1,374	1,257	1,156
Other Charges	1,041	961	775	562	670	960	1,631	2,307	1,693	1,835
Capital Grants and Contributions	3,969	7,391	9,071	7,776	7,044	5,748	6,405	5,911	8,233	6,634
Total business-type activities program revenues	42,324	49,841	50,226	51,363	51,427	48,519	50,915	53,331	56,964	57,129
Total primary government program revenues	\$ 63,297	\$ 70,163	\$ 82,051	\$ 69,448	\$ 67,079	\$ 63,558	\$ 68,811	\$ 70,185	\$ 79,021	\$ 75,093

Continued on next page

Source: The source of this information is the City financial records.

City of Yuma, Arizona

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (expense)/revenue										
Governmental activities	\$ (72,823)	\$ (70,282)	\$ (60,197)	\$ (73,521)	\$ (90,176)	\$ (88,209)	\$ (83,100)	\$ (99,927)	\$ (90,473)	\$ (95,111)
Business-type activities	5,878	10,125	5,331	1,626	(1,120)	(2,204)	3,540	6,322	10,114	9,707
Total primary government net expense	\$ (66,945)	\$ (60,157)	\$ (54,866)	\$ (71,895)	\$ (91,296)	\$ (90,413)	\$ (79,660)	\$ (93,605)	\$ (80,359)	\$ (85,404)

General Revenues and Other Changes in Net Position

Governmental activities:

Property taxes	\$ 9,498	\$ 9,986	\$ 10,099	\$ 9,549	\$ 9,451	\$ 9,650	\$ 10,955	\$ 12,354	\$ 12,520	\$ 13,048
Sales taxes	34,177	34,644	36,304	37,624	37,994	38,283	40,149	41,653	42,999	44,320
Franchise taxes	3,010	3,002	3,059	3,043	3,010	3,095	3,163	3,067	3,266	3,195
Shared revenues	28,239	25,379	23,936	25,917	26,552	29,441	30,272	31,713	32,644	33,580
Grants and contributions not restricted to specific programs	5,776	5,929	-	-	-	-	-	-	-	-
Unrestricted investment earnings	1,139	1,001	930	796	545	269	449	687	1,022	2,027
Gain from sale of capital assets	-	259	-	-	-	-	-	-	-	-
Transfers	95	126	(37)	(122)	(730)	(1,323)	280	85	78	78
Total governmental activities	81,934	80,326	74,291	76,807	76,822	79,415	85,268	89,559	92,529	96,248

Business-type activities:

Investment earnings	217	130	89	26	222	165	265	353	856	2,007
Transfers	(95)	(126)	37	122	730	1,323	(280)	(85)	(78)	(78)
Total business-type activities	122	4	126	148	952	1,488	(15)	268	778	1,929
Total primary government	\$ 82,056	\$ 80,330	\$ 74,417	\$ 76,955	\$ 77,774	\$ 80,903	\$ 85,253	\$ 89,827	\$ 93,307	\$ 98,177

Change in Net Position

Governmental activities	\$ 9,112	\$ 10,044	\$ 14,095	\$ 3,391	\$ (13,354)	\$ (8,794)	\$ 2,166	\$ (10,368)	\$ 2,056	\$ 1,137
Business-type activities	6,000	10,128	5,457	1,669	(168)	(715)	3,526	6,590	10,892	11,636
Total primary government	\$ 15,112	\$ 20,172	\$ 19,552	\$ 5,060	\$ (13,522)	\$ (9,509)	\$ 5,692	\$ (3,778)	\$ 12,948	\$ 12,773

Source: The source of this information is the City financial records.

City of Yuma, Arizona

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 156	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	18,796	-	-	-	-	-	-	-	-	-
Nonspendable	-	103	169	187	178	144	127	118	87	65
Committed	-	2,383	1,864	935	-	-	-	-	-	-
Assigned	-	88	868	-	-	-	-	-	-	-
Unassigned	-	19,060	15,655	18,693	17,732	17,348	18,218	17,436	20,915	20,855
Total General Fund	<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>	<u>\$ 17,554</u>	<u>\$ 21,002</u>	<u>\$ 20,920</u>
All other										
Governmental funds										
Reserved	\$ 553	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	7,848	-	-	-	-	-	-	-	-	-
Capital projects funds	31,267	-	-	-	-	-	-	-	-	-
Nonspendable	-	141	18	19	16	20	17	66	14	24
Restricted	-	2,388	24,834	22,456	19,167	20,280	47,003	35,877	34,501	22,302
Committed	-	34,441	11,235	7,252	7,018	7,847	8,655	(5,530)	6,277	7,076
Assigned	-	2,037	633	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(164)
Total all other governmental funds	<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>	<u>\$ 30,413</u>	<u>\$ 40,792</u>	<u>\$ 29,238</u>

Source: The source of this information is the City financial records.

Note: 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)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$ 46,561	\$ 47,606	\$ 49,450	\$ 50,282	\$ 50,425	\$ 50,991	\$ 54,166	\$ 57,022	\$ 58,720	\$ 60,353
Licenses and permits	1,413	1,292	1,288	1,723	1,880	1,858	1,932	2,064	2,261	2,088
Intergovernmental	36,984	32,510	33,173	30,780	30,254	32,951	32,947	34,489	35,120	37,336
Charges for services	7,007	7,055	4,160	7,293	7,086	6,846	7,965	9,152	7,741	8,257
Fines and forfeitures	1,437	1,484	1,550	1,526	1,210	1,162	1,298	1,229	1,141	1,008
Special Assessments	817	1,039	1,089	1,134	1,183	280	290	305	320	335
Use of money and property	1,752	1,665	1,365	819	971	643	766	889	1,261	2,015
Contributions and donations	85	77	47	69	88	1,021	436	170	497	219
Miscellaneous	763	2,442	493	1,053	456	555	899	1,447	1,573	619
Total revenues	96,819	95,170	92,615	94,679	93,553	96,307	100,699	106,767	108,634	112,230
Expenditures										
General government	7,740	6,969	9,451	9,409	8,964	7,566	7,875	7,923	8,185	9,299
Public Safety	35,234	36,285	38,475	40,769	42,938	45,692	47,635	51,846	50,260	54,403
Streets	8,195	8,186	7,945	7,662	7,592	7,718	7,551	8,259	7,896	9,111
Parks, Recreation and Culture	10,619	10,171	10,688	10,964	11,200	12,117	12,593	13,182	13,629	14,031
Environmental Health and Protection	4,480	1,556	733	104	72	70	20	50	58	75
Community Design and Development	4,870	4,899	4,458	5,134	5,096	4,288	4,237	4,485	4,641	5,407
Capital Outlay	25,249	13,659	12,666	11,792	8,702	5,502	9,321	23,878	10,089	20,227
Debt Service										
Principal	6,315	7,680	8,010	8,350	8,700	8,080	6,565	6,790	7,095	7,420
Capital Leases	-	-	-	-	-	-	-	-	-	384
Interest and fiscal agent fees	6,764	5,858	5,516	5,209	4,885	4,566	3,777	4,720	4,407	4,052
Issuance Cost	-	-	-	-	-	-	914	-	-	-
Total expenditures	109,466	95,263	97,942	99,393	98,149	95,599	100,488	121,133	106,260	124,409
Excess of revenues over (under) expenditures	(12,647)	(93)	(5,327)	(4,714)	(4,596)	708	211	(14,366)	2,374	(12,179)
Other financing sources (uses)										
Proceeds from long-term debt	30,017	-	-	-	-	-	97,386	-	-	-
Payment to Refunded Bond Escrow	(29,378)	-	-	-	-	-	(72,265)	-	-	-
Capital Lease Agreements	-	-	-	-	-	-	-	-	1,032	1,180
Transfers in	14,564	14,675	14,522	12,772	13,474	14,416	13,551	11,255	11,244	11,191
Transfers out	(14,468)	(14,548)	(14,559)	(12,893)	(14,204)	(13,595)	(10,502)	(11,886)	(11,881)	(11,829)
Total other financing sources (uses)	735	127	(37)	(121)	(730)	821	28,170	(631)	395	542
Net change in fund balances	<u>\$(11,912)</u>	<u>\$ 34</u>	<u>\$ 5,364</u>	<u>\$ (4,835)</u>	<u>\$ (5,326)</u>	<u>\$ 1,529</u>	<u>\$ 3,299</u>	<u>\$(14,996)</u>	<u>\$ 2,768</u>	<u>\$(11,637)</u>
Debt service as a percentage of noncapital expenditures	15.5%	16.6%	15.9%	15.5%	15.2%	14.0%	11.3%	11.8%	12.0%	11.0%

Source: The source of this information is the City financial records.

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
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
2017	12,188,601	21,207,119	10,601,757	4,239,261	5,354,285	3,066,678	251,067	103,720	57,012,488
2018	12,351,625	21,798,752	10,897,505	4,357,520	5,703,452	3,265,901	242,000	100,217	58,716,972
2019	12,723,949	22,528,500	11,262,335	4,503,402	5,783,438	3,194,590	242,000	110,360	60,348,574

Source: The source of this information is the City financial records.

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
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
2017	8,902,248	11,517,228	3,759,665	7,533,420	-	2,776,788	34,489,349
2018	9,121,308	11,755,011	3,940,686	7,826,949	-	2,475,809	35,119,763
2019	9,626,546	11,565,280	4,139,938	8,248,413	-	3,756,182	37,336,359

Source: The source of this information is the City financial records.

*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					Total
	Justice	Interior	Housing/Urban Development (CDBG)	Other HUD	Other	Parks	Commerce	Transportation	Other	Local Government	
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
2017	175,143	-	608,000	223,685	1,049,438	324,488	-	-	353,926	42,109	2,776,788
2018	65,558	-	741,903	332,928	1,013,257	199,879	-	-	103,687	18,597	2,475,809
2019	15,049	-	823,594	807,913	1,946,584	30,958	-	-	87,303	44,781	3,756,182

Source: The source of this information is the City financial records.

City of Yuma, Arizona

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Mining	\$ 82	\$ 6	\$ 44	\$ 20	\$ 24	\$ 34	\$ 38	\$ 68	\$ 83	\$ 66
Construction	118,996	121,132	190,490	190,260	174,693	138,657	111,924	106,814	122,990	127,861
Manufacturing	44,764	50,676	38,167	50,539	43,626	51,945	55,173	52,315	51,971	55,240
Transportation, Communications, and Utilities	207,112	197,764	194,646	197,687	206,056	205,300	205,077	210,261	210,856	203,863
Wholesale Trade	35,334	42,580	38,720	36,578	39,897	42,766	51,912	52,872	61,924	69,519
Retail Trade	962,699	973,426	987,416	1,036,092	1,068,106	1,110,680	1,172,122	1,191,484	1,222,220	1,273,342
Restaurants and Bars	157,024	160,742	168,358	172,056	174,309	200,951	194,761	224,191	220,133	226,771
Finance, Insurance and Real Estate	116,046	123,876	129,208	129,208	131,450	114,418	151,109	158,526	161,734	161,186
Hotels and Other Lodging Accommodation	29,502	29,507	33,368	32,054	29,049	32,624	33,051	37,630	41,178	42,225
Services	43,356	45,208	45,804	51,404	49,649	49,819	54,437	60,651	62,996	67,925
Arts, Entertainment, Government and All Others Not Specified	31,055	18,434	20,670	22,871	34,656	27,236	23,332	25,774	23,548	24,606
	<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>\$ 1,974,430</u>	<u>\$ 2,052,936</u>	<u>\$ 2,120,585</u>	<u>\$ 2,179,633</u>	<u>\$ 2,252,604</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

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>
2010	1.70%	2.00%	1.10%	5.60%
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%	6.60%
2014	1.70%	2.00%	1.10%	5.60%
2015	1.70%	2.00%	1.112%	5.60%
2016	1.70%	2.00%	1.112%	5.60%
2017	1.70%	2.00%	1.112%	5.60%
2018	1.70%	2.00%	1.112%	5.60%
2019	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

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	Capital Leases Payable	Municipal Property Corporation Bonds	General Obligation Bonds	Long-term Contracts Payable	Capital Leases Payable			
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	-	111,010,000	1,675,000	-	89,675,000	-	45,053,649	-	247,413,649	N/A	N/A
2017	-	104,735,000	1,370,000	-	123,755,000	-	-	-	229,860,000	N/A	N/A
2018	-	98,250,000	1,050,000	-	114,233,000	-	-	-	213,533,000	N/A	N/A
2019	-	98,134,659	715,000	1,828,510	112,404,580	-	-	134,867	213,217,616	N/A	N/A

Source: The source of this information is the City financial records.

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**

<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>
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	591,748,335	-	0.0%	-
2017	94,906	656,438,950	-	0.0%	-
2018	95,502	692,885,013	-	0.0%	-
2019	97,908	658,235,505	-	0.0%	-

Source: Yuma County Assessor
US Census Bureau

* Actual 2010, projected by US Census Bureau 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, 2018**

<u>2019</u> Jurisdiction	Debt Outstanding	Allocable to City of Yuma	
		Percent	Amount
City of Yuma	\$ 100,678,169	100.00%	\$ 100,678,169
Total Direct Debt			<u>\$ 100,678,169</u>
Yuma County	12,495,000	47.30%	5,910,135
Yuma County Jail District	4,890,992	47.30%	2,313,439
Yuma County Library District	33,625,000	47.30%	15,904,625
Yuma County Special Assessment District	2,533,463	47.30%	1,198,328
Yuma County Community College District	48,845,000	46.14%	22,537,083
Yuma Union High School District No. 70	55,470,000	52.30%	29,010,810
Crane Elementary School District No. 13	10,840,000	69.46%	<u>7,529,464</u>
Total Overlapping Debt			<u>\$ 84,403,884</u>
Total Direct and Overlapping Debt			<u>\$ 185,082,053</u>

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Source: Yuma County Finance Department Financial Statements
 Arizona Western College Financial Statements
 Crane Elementary School District No. 13 Financial Statements
 Yuma Union High School Dist No. 70 Financial Statements

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

City of Yuma, Arizona

**Legal Debt Margin Information
June 30, 2018
(amounts expressed in thousands)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt Limit										
Water, Sewer, Lights, Parks (20%)	\$ 149,430	\$ 146,607	\$ 133,365	\$ 125,160	\$ 126,547	\$ 123,110	\$ 118,350	\$ 131,288	\$ 138,577	\$ 131,647
All Others (6%)	44,829	43,982	40,010	37,548	37,964	36,933	35,505	39,386	41,573	39,494
Total net debt applicable to limit										
Water, Sewer, Lights, Parks (20%)	4,040	2,765	1,420	-	-	-	-	-	-	-
All Others (6%)	-	-	-	-	-	-	-	-	-	-
Legal debt margin										
Water, Sewer, Lights, Parks (20%)	\$ 145,390	\$ 143,842	\$ 131,945	\$ 125,160	\$ 126,547	\$ 123,110	\$ 118,350	\$ 131,288	\$ 138,577	\$ 131,647
All Others (6%)	44,829	-	40,010	37,548	37,964	36,933	35,505	39,386	41,573	39,494
Total net debt applicable to the limit as a percentage of debt limit										
Water, Sewer, Lights, Parks (20%)	2.70%	1.89%	1.06%	0.00%	0.00%	0.00%	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 2019

		General Obligation Bonds	
		Water, Sewer, Lights, Parks (20%)	All Others (6%)
2018 Tax Year Secondary Assessed Valuation	\$ 658,236	\$ 131,647	\$ 39,494
Outstanding General Obligation Debt:			
Total General Obligation Debt		-	-
		\$ 131,647	\$ 39,494

(1) Under the Arizona Constitution, cities may issue General Obligation Bonds for purposes of water, sewer, artificial light and parks, open space pres 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 no to exceed 6% of secondary assessed valuation.

Source: The source of this information is the City financial records.

City of Yuma, Arizona

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

	2010B Ref 2001B	2015 Excise Rev Ref 2003/2007B	2015 Road Tax Ref 2007D		2015 & 2016 Utility System Revenue
2018-19 Pledged Taxes	\$ 60,583,512	\$ 70,870,352	\$ 71,845,847		\$ -
2018-19 Net Revenue	-	-	-		22,683,120
Total Taxes/Net Revenue	<u>\$ 60,583,512</u>	<u>\$ 70,870,352</u>	<u>\$ 71,845,847</u>		<u>\$ 22,683,120</u>
2019-20 Debt related to pledge:				Total	
2010 Series B	\$ 2,848,281	\$ -	\$ -	\$ 2,848,281	\$ -
2015 Excise Rev & Refunding	-	3,754,800	-	3,754,800	-
2015 Road Tax Refunding	-	-	4,476,300	4,476,300	-
2015 Utility System Rev Refunding	-	-	-	-	7,585,588
2016 Utility System Rev Refunding	-	-	-	-	5,984,010
Total Debt	<u>\$ 2,848,281</u>	<u>\$ 3,754,800</u>	<u>\$ 4,476,300</u>	<u>\$ 11,079,381</u>	<u>\$ 13,569,598</u>
Coverage	21.3	18.9	16.1		1.7
Required Coverage	3.0	1.5	1.5		1.2
<i>Collective Coverage</i>					
Total 2018-19 Taxes/Net Revenue	<u>\$ 60,583,512</u>	<u>\$ 70,870,352</u>	<u>\$ 71,845,847</u>		<u>\$ 22,683,120</u>
Total 2019-20 Debt	<u>\$ 11,079,381</u>	<u>\$ 11,079,381</u>	<u>\$ 11,079,381</u>		<u>\$ 13,569,598</u>
Coverage	5.5	6.4	6.5		1.7
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 & 2016 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.

Source: The source of this information is the City financial records.

City of Yuma, Arizona

Pledged Tax Collections
Last Ten Fiscal Years

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Local Taxes										
Sales Tax (1%)	\$ 17,461,635	\$ 17,635,454	\$ 18,470,938	\$ 19,248,864	\$ 19,517,306	\$ 19,536,924	\$ 20,531,463	\$ 21,207,119	\$ 21,798,752	\$ 22,528,500
Franchise Fee	3,251,794	3,243,939	3,058,634	3,043,054	3,009,904	3,095,540	3,162,691	3,066,678	3,265,901	3,194,590
Intergovernmental Revenues:										
State Revenue Sharing	11,530,342	8,692,400	7,854,670	9,506,288	9,656,745	10,974,954	10,915,452	11,517,228	11,755,011	11,565,280
State Sales Tax	6,553,759	6,856,996	7,272,049	7,600,328	7,507,882	8,285,303	8,576,180	8,902,248	9,121,308	9,626,546
Auto In-Lieu Tax	3,302,490	3,250,436	3,108,562	2,948,529	3,111,124	3,271,810	3,558,978	3,759,665	3,940,686	4,139,938
Emergency Services and Other	44,700	55,745	34,252	37,974	23,913	44,062	196,457	31,057	26,679	37,261
Licenses:										
Business Licenses	315,580	302,668	288,133	261,323	250,365	250,957	246,528	250,890	266,406	265,997
Liquor Licenses	34,130	35,131	31,670	32,955	32,560	33,310	33,090	30,140	31,020	31,545
Fees for Services:										
Building Permits and Inspection Fees	1,435,276	1,319,507	1,170,037	1,751,071	2,036,965	1,829,085	1,916,567	2,099,156	2,264,803	2,249,730
Recreation Fees	628,264	609,192	546,940	478,911	513,535	544,212	487,166	465,281	416,337	374,633
Police Services and Other Public Safety Fees	1,447,064	603,253	1,043,802	4,447,101	3,190,974	4,283,521	4,427,053	5,032,589	4,348,741	5,042,300
Use of Money and Property:										
Investment Income	166,500	108,396	53,277	14,717	99,738	47,095	64,755	95,984	217,389	519,226
Fines, Forfeitures and Penalties:										
City Court Fines	1,436,928	1,484,105	1,549,889	1,526,176	1,209,502	1,161,809	1,298,418	1,228,496	1,140,437	1,007,966
<i>Total Series B Pledged Taxes</i>	<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>	<u>57,686,531</u>	<u>58,593,470</u>	<u>60,583,512</u>
Additional Excise Series Pledged Taxes										
City Public Safety Taxes (.2%)	3,490,546	3,525,292	3,692,304	3,847,810	3,901,471	3,905,392	4,104,199	4,239,261	4,357,520	4,503,402
City Special Taxes (2%)	4,253,079	4,425,556	4,665,296	4,652,121	4,576,061	4,832,187	5,007,109	5,354,285	5,703,452	5,783,438
<i>Total Excise Series Pledged Taxes</i>	<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>	<u>67,280,077</u>	<u>68,654,442</u>	<u>70,870,352</u>
Additional Road Tax Series Pledged Taxes										
City Road Tax (.5%)	8,729,333	8,816,228	9,233,899	9,622,796	9,756,994	9,766,802	10,263,987	10,601,757	10,897,505	11,262,335
<i>Total Road Tax Series Pledged Taxes</i>	<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>	<u>\$ 68,288,288</u>	<u>\$ 69,490,975</u>	<u>\$ 71,845,847</u>
<i>Gross Excise Tax Pledged Revenues</i>	<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>	<u>\$ 77,881,834</u>	<u>\$ 79,551,947</u>	<u>\$ 82,132,687</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.

Source: The source of this information is the City financial records

City of Yuma, Arizona

Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate	Building Permits			
					Commercial		Residential	
					No.	Value	No.	Value
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
2016	201,631	6,436,250	31.3	20.40%	160	15,400,222	448	82,887,676
2017	207,534	4,738,209	22.8	20.50%	186	37,751,401	548	97,990,751
2018	212,128	4,497,114	21.2	17.00%	232	44,304,062	968	88,070,389

Note: Unemployment rate and population presented represents the Yuma Metropolitan Statistical Area and it reflects revised inputs, reestimation, and new statewide controls through 2018.

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)
 2018 data: US Census Bureau ACS S1901

City of Yuma, Arizona

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

Employer	2009			2018		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Marine Corps Air Station	5,586	1	9.51%	5,568	1	6.87%
Yuma Union High School District	950	10	1.62%	3,100	2	3.83%
U. S. Army Yuma Proving Ground	3,000	2	5.11%	2,382	3	2.94%
Yuma Regional Medical Center	2,037	3	3.47%	2,300	4	2.84%
Yuma County	1,400	5	2.38%	1,437	5	1.77%
Yuma Elementary School District #1	1,700	4	2.89%	1,400	6	1.73%
City of Yuma	1,013	8	1.72%	1,274	7	1.57%
TRAX				1,125	8	1.39%
United States Border Patrol	1,064	7	1.81%	1,000	9	1.23%
Arizona Western College				987	10	1.22%
Growers Company	1,200	6	2.04%			0.00%
Salyer American Fresh	1,000	9	1.70%			0.00%
All Other employers				60,424		
Total	18,950		32.27%	80,997		25.40%

2009 Source: Greater Yuma Economic Development Corporation
 2018 Source: Yuma County Chamber of Commerce and Estimates
 Note: Figures presented represent the Yuma Metropolitan Statistical Area.

Full Time and Part Time

City of Yuma, Arizona

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Function										
General government	235	192	201	192	198	205	208	208	206	216
Public Safety										
Police	267	239	249	258	259	272	276	277	278	276
Fire	133	129	131	125	125	125	131	131	125	134
Public Works										
Engineering	41	33	32	32	24	35	28	28	28	28
Maintenance	56	46	46	46	52	47	48	48	54	52
Solid Waste	17	13	13	13	13	13	13	13	13	14
Water	80	73	73	76	76	69	77	77	77	79
Wastewater	51	49	49	52	52	52	53	53	52	57
Parks and recreation	<u>133</u>	<u>116</u>	<u>116</u>	<u>116</u>	<u>117</u>	<u>124</u>	<u>119</u>	<u>120</u>	<u>123</u>	<u>122</u>
Total	1,013	890	910	910	916	942	953	955	956	978

Source: City of Yuma Annual Budget, Fiscal Year 2018-2019

City of Yuma, Arizona

Operating Indicators by Function
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function										
Police										
Calls for service*	83,226	76,232	NA	76,080	89,027	93,463	90,694	91,603	103,871	103,072
Case reports	13,434	13,535	NA	14,651	12,855	12,905	12,185	12,371	12,899	11,266
Fire										
Number of calls answered*	11,565	12,067	12,037	12,664	12,529	13,191	13,888	14,205	15,200	15,268
Inspections*	745	864	NA	1,399	1,460	883	2,448	2,438	1,730	2,096
Streets										
Streets slurry sealed (miles)	2	15	10	24	30	30	23	33	27	24
Solid Waste										
Refuse collected (tons)	33,288	32,638	32,177	32,010	26,650	26,848	25,622	30,710	26,019	27,269
Parks and recreation										
Ramada rentals	2,519	2,554	2,327	2,551	2,097	2,171	1,946	1,625	1,693	1,676
Water										
Connections	28,058	28,984	29,009	27,396	29,361	29,945	30,400	30,921	33,277	32,191
Daily treatment capacity (million gallons)	64.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
Annual quantity processed (billion gallons)	7.5	8.4	8.3	8.1	7.1	8.0	7.8	7.8	8.4	8.1
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

Source: Various city departments.

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

*Numbers presented are for calendar year.

City of Yuma, Arizona

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety										
Police stations	1	1	1	2	2	2	2	2	2	2
Police vehicles	164	163	156	172	179	181	194	181	186	169
Fire stations	6	6	6	6	6	6	6	6	6	6
Streets										
Streets (miles)	389	395	420	421	442	448	450	454	457	409
Streetlights	5,606	5,750	5,753	5,764	6,757	6,757	6,773	6,795	6,848	6,894
Traffic Signals	49	50	50	79	79	79	79	81	81	81
Solid Waste										
Collection trucks	13	13	11	11	11	11	11	11	11	11
Parks and Recreation										
Parks acreage	607	607	607	607	620	633	682	682	682	682
Parks/Athletic Fields	79	79	79	79	80	84	90	96	96	96
Swimming pools	4	4	4	4	4	4	4	4	4	4
Tennis courts	9	9	9	9	9	9	9	9	9	9
Community centers	9	9	9	9	9	9	9	9	9	9
Water										
Water mains (miles)	507	520	525	525	527	527	527	530	533	542
Fire hydrants	3,438	3,450	3,573	3,646	3,754	3,790	3,831	3,859	3,876	3,996
Wastewater										
Sanitary sewers (miles)	342	340	341	350	350	350	362	356	368	379
Manholes					5,318	5,318	5,376	5,510	5,643	5,782

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.