

INDEPENDENT ACCOUNTANT'S REPORT

The Auditor General of the State of Arizona and
The Honorable Mayor and City Council
of the City of Yuma, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of the City of Yuma, Arizona for the year ended June 30, 2015. The City's management is responsible for this report. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Annual Expenditure Limitation Report of the City of Yuma, Arizona referred to above presents, in all material respects, the information prescribed by the uniform expenditure reporting system as described in Note 1.

Heinfeld, Meech & Co., P.C.

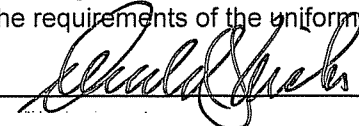
HEINFELD, MEECH & CO., P.C.
CPAs and Business Consultants

March 17, 2016

CITY OF YUMA, ARIZONA
 Expenditure Limitation Report - Part I
 Year Ended June 30, 2015

1.	Economic Estimates Commission expenditure limitation	\$ 122,798,598	
2.	Voter-approved alternative expenditure limitation (Approved _____)	-	
3.	Enter applicable amount from line 1 or line 2		\$ 122,798,598
4.	Amount subject to the expenditure limitation (total amount from Part II, Line C)	98,370,514	
5.	Board-authorized expenditures necessitated by a disaster not declared by the Governor and not approved by the voters (Article IX, Section 20[2][a], Arizona Constitution)	-	
6.	Board-authorized expenditures necessitated by a disaster not declared by the Governor and approved by the voters (Article IX, Section 20[2][b], Arizona Constitution)	-	
7.	Prior-year voter-approved expenditures to exceed the expenditure limitation for the reporting fiscal year (Article IX, Section 20[2][c], Arizona Constitution)	-	
8.	Subtotal	98,370,514	
9.	Board-authorized excess expenditures for the previous fiscal year not approved by the voters (Article IX, Section 20[2][b], Arizona Constitution)	-	
10.	Total adjusted amount subject to the expenditure limitation		<u>98,370,514</u>
11.	Amount under (in excess of) the expenditure limitation (If excess expenditures are reported, provide an explanation)		<u>\$ 24,428,084</u>

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of Chief Fiscal Officer: 

Name and Title: Donald "Pat" Wicks, CPA, Finance Director

Telephone Number : (928)373-5087

Date: March 17, 2016

See accompanying notes to the report

CITY OF YUMA, ARIZONA
Annual Expenditure Limitation Report - Part II
Year Ended June 30, 2015

Description	Governmental Funds	Enterprise Funds	Internal Service Funds	Total
A. Amounts Reported on Reconciliation line D	\$ 95,599,422	\$ 45,047,447	\$ 7,722,224	\$ 148,369,093
B. Less Exclusions Claimed:				
1. Bond Proceeds	-	-	-	-
Debt Service Requirements on Bonded Indebtedness	12,646,359	15,221,243	-	27,867,602
Proceeds of Other Long-Term Obligations	-	-	-	-
Debt Service Requirements on Other Long-Term Obligations	-	-	-	-
2. Dividends, Interest and Gains on Sale of Securities	60,438	153,000	47,927	261,365
3. Trustee or Custodian	-	-	-	-
4. Grants and Aid from Federal Government	3,258,563	557,392	-	3,815,955
5. Grants, Aid, Contributions or gifts from Private Agency, Organizations or Individuals except amounts received In Lieu of Taxes	1,021,774	-	-	1,021,774
6. Amounts Received from the State of Arizona	191,411	-	-	191,411
7. Quasi-External Interfund Transactions	242,000	1,102,126	7,099,602	8,443,728
8. Amounts Accumulated for Purchase of Land, and Purchase or Construction of Buildings or Improvements	432,436	-	-	432,436
9. Highway Users Revenues in Excess of Fiscal Year 1979-80	4,070,078	-	-	4,070,078
10. Contracts with Other Political Subdivisions	855,847	1,295,636	-	2,151,483
11. Refunds, reimbursements and other recoveries	-	-	-	-
12. Voter Approved Exclusions not Identified Above	-	-	-	-
13. Prior Years Carried Forward	1,287,503	455,245	-	1,742,748
14. Total Exclusions Claimed:	<u>24,066,409</u>	<u>18,784,642</u>	<u>7,147,529</u>	<u>49,998,579</u>
C. Amounts subject to the expenditure limitation	<u>\$ 71,533,013</u>	<u>\$ 26,262,805</u>	<u>\$ 574,695</u>	<u>\$ 98,370,514</u>

See accompanying notes to the report

CITY OF YUMA, ARIZONA
Annual Expenditure Limitation Report - Reconciliation
Year Ended June 30, 2015

Description	Governmental Funds	Enterprise Funds	Internal Service Funds	Total
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund-based financial statements	\$ 95,599,422	\$ 50,549,661	\$ 8,613,253	\$ 154,762,336
B Subtractions:				
1. Items not requiring the use of Working Capital:				
Depreciation	-	15,393,958	1,793,152	17,187,110
Loss on Disposal of Fixed Assets	-	-	-	-
Loss on Sale of Equipment	-	6,240	74,392	80,632
Claims incurred but not reported (IBNR)	-	-	2,198,599	2,198,599
Pension expense	-	825,878	-	825,878
2. Expenditures of separate legal entities established under Arizona Revised Statutes	-	-	-	-
3. Present Value of Net Minimum Capital Lease and Installment Purchase Contract Payments Recorded as Expenditures at the Inception of the Agreement	-	-	-	-
4. Involuntary court judgements	-	-	-	-
5. Total Subtractions	-	16,226,076	4,066,143	20,292,219
C. Additions:				
1. Principal Payment on Long-Term Debt	-	8,544,841	-	8,544,841
2. Acquisition of Capital Assets	-	1,318,342	1,674,118	2,992,460
3. Claims previously recognized as IBNR	-	-	1,500,996	1,500,996
Pension contributions	-	860,679	-	860,679
Total Additions	-	10,723,862	3,175,114	13,898,976
D. Amounts Reported on Part II, Line A	<u>\$ 95,599,422</u>	<u>\$ 45,047,447</u>	<u>\$ 7,722,224</u>	<u>\$ 148,369,093</u>

See accompanying notes to the report

CITY OF YUMA, ARIZONA
Notes to the Annual Expenditure Limitation Report
For the Year Ended June 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Annual Expenditure Limitation Report (AELR) is presented as prescribed by the Uniform Expenditure Reporting System (UERS), as required by Arizona Revised Statute Section 41-1279.07, which excludes expenditures, expenses or deductions of certain revenues specified in the Arizona Constitution, Article IX, Section 20 from the total expenditures, expenses or deductions reported in fund financial statements.

In accordance with the UERS requirements, a note to the AELR is presented below for any exclusion claimed on Part II and each subtraction or addition in the Reconciliation that cannot be traced directly to an amount reported in the fund financial statements. All references to financial statement amounts in the following notes refer to the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, the Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds, and to the Statement of Cash Flows-Proprietary Funds. Other financial statement references (generally page numbers) refer to the City's comprehensive annual financial report (CAFR) for the year ended June 30, 2015.

NOTE 2 - BOND PROCEEDS

Bonded Indebtedness

The exclusion claimed for bond proceeds relates to the 2007 Municipal Property Corporation Bonds. Portions of these bond issues were expended during the year, with the remaining balance carried forward to future fiscal years.

Fund	Governmental Funds			Enterprise Funds		
	MPC07D	MPC07B	Total	Water	Wastewater	Total
Proceeds carried forward from FY 2014	\$ 2,074,164	\$ 1,440,638	\$ 3,514,802	\$ 4,784,857	\$ 858,449	\$ 5,643,306
Interest carried forward	-	-	-	-	-	-
Interest earnings	-	-	-	-	-	-
Available excludable interest	-	-	-	-	-	-
Miscellaneous revenue: Refund of prior year expenditures	53,280	17,253	70,533			
Less capital expenditures - current fiscal year	883,286	469,242	1,352,528	335,259	119,986	455,245
Net expended proceeds	883,286	469,242	1,352,528	335,259	119,986	455,245
Carryforward to future fiscal years (Note 13)	\$ 1,244,158	\$ 988,650	\$ 2,232,808	\$ 4,449,598	\$ 738,463	\$ 5,188,061
Net expended proceeds	\$ 883,286	\$ 469,242	\$ 1,352,528	\$ 335,259	\$ 119,986	\$ 455,245
Refunds of excludable revenues from prior years (previously excluded)	(53,280)	(17,253)	(70,533)	-	-	-
Net excluded expenditures	\$ 830,006	\$ 451,989	\$ 1,281,995	\$ 335,259	\$ 119,986	\$ 455,245

NOTE 3 - DEBT SERVICE

The exclusion claimed for debt service requirements on bonded indebtedness includes the Debt Service Funds, as shown in the governmental fund-based financial statements as well as Enterprise Funds principal retirement and interest expenditures from the Statement of Cash Flows and the Statement of Revenues, Expenses and Changes in Fund Net Position, respectively:

Bonded Debt:	CAFR Page	Principal	Interest	Total
Governmental Funds:				
MPC and Special Assessment				
District Debt Service Fund	84	\$ 8,080,000	\$ 4,566,359	\$ 12,646,359
Enterprise Funds				
Water Fund	30,29	5,232,886	4,790,987	10,023,873
Wastewater Fund	30,29	3,311,955	1,885,415	5,197,370
Total Enterprise Funds		8,544,841	6,676,402	15,221,243
		\$ 16,624,841	\$ 11,242,761	\$ 27,867,602

CITY OF YUMA, ARIZONA
Notes to the Annual Expenditure Limitation Report
For the Year Ended June 30, 2015

NOTE 4 - INTEREST INCOME

The exclusion claimed for dividends, interest, and gains on sale of securities is entirely from interest on investments. Portions of selected funds revenues have been carried forward to future fiscal years as they were not expended during fiscal year 2014-2015. The following table presents the sources of these revenues:

	<u>CAFR Page</u>	<u>Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>
Governmental Funds				
General Fund	71	\$ 47,095	\$ -	\$ -
Special Revenue Funds				
Local Transportation Assistance	86	-		
Plus amount brought forward from prior years		144		
Less amount transferred to City Road Tax	60	<u>(144)</u>	-	-
Amount carried forward		-		
Highway Users Revenue	88	4,446		
Plus amount brought forward from prior years		424,895		
Less amount expended		<u>-</u>	-	-
Amount carried forward		<u>429,341</u>		
Road Tax	74	29,156		
Plus amount brought forward from prior years		1,709,755		
Amount carried forward		<u>1,738,911</u>		
Public Safety Tax	87	3,832		
Plus amount brought forward from prior years		4,842		
Less current interest expended		666		
Less carryforward expended		<u>4,842</u>	-	-
Amount carried forward		<u>3,166</u>		
Two Percent Tax	91	11,666	-	-
Grants	89	<u>1,677</u>	-	-
Total Special Revenue Funds		<u>13,343</u>		
Capital Projects Fund	85	23,783		
Plus amount brought forward from prior years		2,258,870		
Less amount expended		<u>-</u>		
Amount carried forward		<u>2,282,653</u>		
Enterprise Funds				
Water	97	-	65,164	
Less amount expended			54,949	54,949
Amount brought forward			1,799,475	
Amount carried forward			<u>1,809,690</u>	
Wastewater	98	-	92,583	
Less amount expended			90,586	90,586
Amount brought forward			391,992	
Amount carried forward			<u>393,989</u>	
Solid Waste	99		4,826	
Radio Communication	100	-	2,491	
Desert Hills Golf Course	101	-	148	

CITY OF YUMA, ARIZONA
Notes to the Annual Expenditure Limitation Report
For the Year Ended June 30, 2015

NOTE 4 - INTEREST INCOME (Concluded)

	<u>CAFR Page</u>	<u>Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>
Internal Service Funds				
Equipment Replacement	105			40,198
Insurance Reserve	105			4,756
Amount brought forward			<u>1,306</u>	
Amount carried forward			<u>1,306</u>	-
Workers Compensation	105	-	-	2,973
Total Excludable Interest		<u>\$ 60,438</u>	<u>\$ 153,000</u>	<u>\$ 47,927</u>

NOTE 5 - FEDERAL GRANTS AND AID

During the year the City of Yuma received from the Federal government \$3,815,955. These revenues were expended as follow:

	<u>CAFR Pages</u>	<u>Governmental Funds Special Revenue Funds</u>	<u>Enterprise Funds</u>
Federal Revenues Received:			
Special Revenue Funds:			
Grant Fund	89	\$ 2,316,978	\$ -
Community Redevelopment Fund	90	941,585	-
Enterprise Funds:			
Water Fund	97	-	79,178
Radio Communication Fund	100	-	478,214
Total Federal Revenues		<u>\$ 3,258,563</u>	<u>\$ 557,392</u>

NOTE 6 - GRANTS OR AID FROM PRIVATE AGENCIES, ORGANIZATIONS, INDIVIDUALS

During the year, the City received the following amounts from local agencies or individuals for expenditure as various grants:

Fund:	<u>CAFR Pages</u>	<u>Amount</u>
General Fund:		
Rebanding funds transferred from Grant Fund and expended	60	\$ 218,149
Special Revenue Funds:		
Grant Fund	89	1,021,774
Less Rebanding Funds transferred to General Fund and expended	60	<u>(218,149)</u>
Total contributions		<u>\$ 1,021,774</u>

CITY OF YUMA, ARIZONA
Notes to the Annual Expenditure Limitation Report
For the Year Ended June 30, 2015

NOTE 7 - AMOUNTS RECEIVED FROM THE STATE

During the year the City of Yuma received from the State of Arizona \$191,411. These revenues were expended as follow:

	CAFR Page	Governmental Funds Special Revenue	Enterprise Funds
State Revenues Received:			
Special Revenue Funds:			
Grant Fund	89	\$ 191,411	-

NOTE 8 - QUASI-EXTERNAL INTERFUND TRANSACTIONS

Quasi-external interfund transactions occur between internal service funds and operating funds (internal charges), between and within Enterprise Funds and operating funds (water, wastewater and solid waste charges), and from the General Fund and Enterprise funds (public enterprise in-lieu revenue). Internal service fund revenues that are derived from internal charges to other funds are excludable in the fund recording the revenues. Other internal service fund revenues are only excludable if they are derived from an excludable source. Those other excludable revenues are reported elsewhere. When revenues of an internal services funds exceed expenditures of the fund, the revenues are carried forward to future years for exclusion when the expenditures are made. This is particularly evident in the Equipment Replacement and Insurance Reserve funds where costs are allocated over equipment lives or reserves are built for future risk-related expenses. A recap of excludable revenues of internal service funds follow (the Employee Benefits fund is not listed as none of its revenues are excludable in this section):

	CAFR Page	
Governmental Funds:		
General Fund in-lieu revenue from Water Fund	71	\$ 242,000
Enterprise Funds charges to other funds:		
Total Enterprise Fund Charges		\$ 1,102,126

Restated carryforward from FY 2014:

Original carryforward from FY 2014 report:	\$ 1,164,212
Less duplicated amount pertaining to interest	<u>(1,306)</u>
Restated carryforward from FY 2014:	<u>\$ 1,162,906</u>

Internal Service Funds:

		Equipment Replacement	Equipment Maintenance	Insurance Reserve	Workers Compensation	Employee Benefits	Total
Expenses:							
Expenses per financial statement	105	\$ 2,106,928	\$ 3,525,618	\$ 1,019,873	\$ 1,886,442	\$ -	
Less depreciation	105	1,765,913	27,239	-	-	-	
Less (plus) change in IBNR	Note 12	-	-	(631)	698,234	-	
Plus capital outlay	107	1,674,118	-	-	-	-	
Net expenditures		<u>2,015,133</u>	<u>3,498,379</u>	<u>1,020,504</u>	<u>1,188,208</u>	<u>-</u>	
Excludable Revenues:							
Carryforward from previous report		-	-	1,161,600	-	1,306	
Charges per financial statement	105	1,558,976	3,369,465	1,506,048	2,158,414	-	
Interest income	105	40,198	-	4,756	2,973	-	
Less: Revenues from external agencies		-	(29,822)	-	-	-	
Net excludable revenues		<u>1,599,174</u>	<u>3,339,643</u>	<u>2,672,404</u>	<u>2,161,387</u>	<u>1,306</u>	

CITY OF YUMA, ARIZONA
Notes to the Annual Expenditure Limitation Report
For the Year Ended June 30, 2015

NOTE 8 - QUASI-EXTERNAL INTERFUND TRANSACTIONS (Concluded)

Exclusion: Lesser of expenditures or net revenues	1,599,174	3,339,643	1,020,504	1,188,208	-	
Reduced by:						
Interest revenues excluded in Note 4	105	<u>(40,198)</u>	<u>-</u>	<u>(4,756)</u>	<u>(2,973)</u>	<u>-</u>
Net exclusion		<u>\$ 1,558,976</u>	<u>\$ 3,339,643</u>	<u>\$ 1,015,748</u>	<u>\$ 1,185,235</u>	<u>\$ -</u>
Carryforward:						
Net excludable revenues less exclusion		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,651,900</u>	<u>\$ 973,179</u>	<u>\$ 1,306</u>
Total Exclusions:			Governmental	Enterprise	Internal Service	
In-lieu			Funds	Funds	Funds	
Enterprise Charges			\$ 242,000	-	-	\$ 242,000
Internal Service Fund charges			-	1,102,126	-	1,102,126
			<u>-</u>	<u>-</u>	<u>7,099,602</u>	<u>7,099,602</u>
			<u>\$ 242,000</u>	<u>\$ 1,102,126</u>	<u>\$ 7,099,602</u>	<u>\$ 8,443,728</u>

NOTE 9 - AMOUNTS ACCUMULATED FOR PURCHASE OF LAND AND PURCHASE OR CONSTRUCTION OF BUILDINGS OR IMPROVEMENTS

In 1993, the qualified voters of the City of Yuma approved a transportation excise tax of one-half percent for the construction or improvement of roads within the city limits. Voter-approved revenues of this nature are excludable and are included within the report for the fiscal year ended June 30, 2015. The revenues and expenditures are accounted for in the Road Tax Fund.

	<u>CAFR</u> <u>Page</u>		<u>Amount</u>
Carryforward voter approved sales tax (excludes Interest)			\$ 6,100,449
Road tax revenues current year	74		9,766,802
Transfers of excludible revenues from LTAF	60		144
Excludable expenditures:			
Operational expenditures (current)	74	\$ (3,840,851)	
Capital expenditures	74	(432,436)	
Less: Non-excludable revenues			
Rental income	74	207,264	
Developer charges	74	1,259	
Miscellaneous revenues	74	180,377	
Net excluded expenditures		(3,884,387)	
Transfer of excludable revenues to Debt Service Fund excluded as debt service	60	(4,806,434)	
Total amount expended			<u>(8,690,821)</u>
Fund balance of excludable Road tax revenues (less interest)			<u>\$ 7,176,574</u>
Net increase in excludable sales taxes carried forward			<u>\$ 1,076,125</u>
Excluded expenditures			<u>\$ 432,436</u>

CITY OF YUMA, ARIZONA

Notes to the Annual Expenditure Limitation Report
For the Year Ended June 30, 2015

NOTE 9 - AMOUNTS ACCUMULATED FOR PURCHASE OF LAND AND PURCHASE OR CONSTRUCTION OF BUILDINGS OR IMPROVEMENTS (Concluded)

Similar to Road Tax, in 1994, the voters approved an excise tax addition of two-tenths percent for the acquisition or financing of public safety and criminal justice facilities and a public safety communication system. Voter-approved revenues of this nature are excludable and are included within the report for the year ended June 30, 2015.

	<u>CAFR Page</u>	
Public safety tax revenues in current fiscal year	87	\$ 3,905,392
Net fund balance of excludable Public Safety Tax revenues carried forward		<u>-</u>
Excludable revenues		3,905,392
Nonexcludable operating expenditures	87	\$ (965,983)
Less expenditures of interest	Note 4	5,508
Less expenditures of non excludible revenues	87	29,657
Amounts transferred to Debt Service and expended	60	<u>(2,974,574)</u>
Portion of transfer pertaining to interest (See Note 5)		<u>-</u>
Total amount expended		<u>(3,905,392)</u>
Excludable revenues carried forward (excluding interest)		<u>\$ -</u>

NOTE 10 - HIGHWAY USER REVENUE FUNDS

The following table presents Highway User Revenue Fund (HURF) information used in the report.

	<u>CAFR Page</u>	<u>Amount</u>
Highway user revenues received in current fiscal year	88	\$ 6,908,773
Plus: Carryforward from prior years		456,772
Less: Amount equal to 1979-80 revenues received		<u>(951,904)</u>
Revenues available for exclusion		<u>\$ 6,413,641</u>
Expenditures of HURF in current fiscal year	88	\$ 5,033,279
Less: Interest revenues (Note 4)	88	(4,446)
Less: Expenditures of non-HURF revenues	88	(6,851)
Less: Amount equal to 1979-80 revenues expended		<u>(951,904)</u>
Excludable revenues expended in current fiscal year		<u>\$ 4,070,078</u>
Excluded expenditures limited to revenues available for exclusion		<u>\$ 4,070,078</u>
Carryforward to future years		
Revenues available for exclusion		\$ 6,413,641
Less: Excludable revenues expended in current fiscal year		<u>(4,070,078)</u>
Net unexpended highway user revenues		2,343,563
Less: Interest excluded in Note 4		(4,446)
Less: Transfer to debt service and excluded therein		<u>(103,067)</u>
Highway user revenues carried forward to future fiscal years		<u>2,236,050</u>
Less: Carryforward from prior years (see restated carryforward note below)		<u>(456,772)</u>
Net additional unexpended HURF revenues		<u>\$ 1,779,278</u>

CITY OF YUMA, ARIZONA
Notes to the Annual Expenditure Limitation Report
For the Year Ended June 30, 2015

NOTE 10 - HIGHWAY USER REVENUE FUNDS (Concluded)

Carryforward to future years restated from FY 2014 report:

Prior to the FY 2015 report, the City did not carryforward unexpended, excludible HURF revenues. While constitutional limitation of HURF revenues is limited to the excess of HURF revenues over the 1979-80 fiscal years, unexpended HURF revenues should be carried forward to future years when the revenues are ultimately expended. Accordingly, the carryforward balance from the FY 2014 is restated as follows:

FY 2014 Revenues available for exclusion		\$ 5,324,154
Less: Excludable revenues expended in FY 2014		<u>(4,764,516)</u>
Net unexpended highway user revenues		559,638
Less: Interest excluded in FY 2014 Note 4		(1,274)
Less: FY 2014 transfer to debt service and excluded therein		<u>(101,592)</u>
FY 2014 Highway user revenues carried forward to future fiscal years		456,772
Balance of interest revenues carried forward in FY 2014 report		<u>424,895</u>
Restated FY2014 HURF carryforward		<u>\$ 881,667</u>

NOTE 11 - CONTRACTS WITH OTHER POLITICAL SUBDIVISIONS

The City of Yuma is party to the following contracts with political subdivisions:

	<u>CAFR</u>		<u>Amount</u>
Contract:	<u>Page</u>		
General Fund:			
Police Services to Other Subdivisions	71		\$ 839,760
Grants Fund:			
Yuma County Anti-Racketeering	89		<u>16,087</u>
Total Governmental Funds			<u>\$ 855,847</u>
Enterprise Funds (services billed to other political subdivisions)			
Radio Communications Enterprise Fund:			
Charges for Services	100	\$ 1,738,996	
Plus: Carryforward from prior years		872,088	
Total available excludable revenues		2,611,084	
Less carryforward balance (ending fund balance Fund 405t-Radio Communication Fund)		<u>(1,315,448)</u>	
Total Radio Fund		<u>1,295,636</u>	<u>1,295,636</u>
Total Enterprise Funds			<u>1,295,636</u>
Total Expenditures of Contracts With Other Political Subdivisions			<u>\$ 2,151,483</u>

CITY OF YUMA, ARIZONA
Notes to the Annual Expenditure Limitation Report
For the Year Ended June 30, 2015

NOTE 12 - RECONCILIATION

Items appearing within the Annual Expenditure Limitation Report - Reconciliation:

	<u>CAFR Page</u>	<u>Amount</u>
Principal Payments on Long-Term Enterprise Debt		
Water Fund	30	\$ 5,232,886
Wastewater Fund	30	3,311,955
Total Principal Payments		<u>\$ 8,544,841</u>
Acquisition of Capital Assets		
Enterprise Funds		
(Total Capital Outlay Expenditures)		
Water Fund	30	\$ 276,355
Wastewater Fund	30	903,461
Radio Communications Fund	96	133,094
Desert Hills Golf Course Fund	96	5,432
Total Enterprise		<u>1,318,342</u>
Internal Service Funds		
Equipment Replacement Fund	106	1,674,118
Total Internal Service Fund		<u>1,674,118</u>
Total Acquisition of Fixed Assets		<u>\$ 2,992,460</u>

Incurred but Not Reported Claims

	<u>FYE June 30,</u>		
	<u>2014</u>	<u>2015</u>	<u>Change</u>
Internal Service Funds			
Insurance Reserve Fund	\$ 71,801	\$ 71,170	\$ (631)
Workers Compensation Fund	<u>1,429,195</u>	<u>2,127,429</u>	<u>698,234</u>
	<u>\$ 1,500,996</u>	<u>\$ 2,198,599</u>	<u>\$ 697,603</u>

Pension expense adjustment

	<u>Contributions</u>	<u>Expense</u>	<u>Net</u>	
Enterprise Funds				
Water Fund	\$ 406,746	\$ 390,300	\$ 16,446	97
Wastewater Fund	289,724	278,009	11,715	98
Solid Waste Fund	57,882	55,542	2,340	99
Radio Communication Fund	36,491	35,015	1,476	100
Desert Hills Golf Course Fund	<u>69,836</u>	<u>67,012</u>	2,824	101
Total pension expense adjustment	<u>\$ 860,679</u>	<u>\$ 825,878</u>		

CITY OF YUMA, ARIZONA
Notes to the Annual Expenditure Limitation Report
For the Year Ended June 30, 2015

NOTE 13 - CARRYFORWARDS

"Carryforwards" are excludable revenues that are not expended during the reported fiscal year but carried forward to future fiscal years. Notes 4 (interest Income) and 10 (Highway User Revenue Funds) list excludable revenues that have been carried forward. Conversely, during the year the City expended the proceeds of bonds issued in prior fiscal years which are included in the "balance from prior fiscal year". The expenditure of these excludable revenues is reported separately in Part II of the AELR.

	Special Revenue Funds				Capital Projects Fund	Enterprise Funds			Internal Service Funds	Total All Funds
	HURF (restated)	Road Tax	Public Safety	LTAF		Radio	Water	Wastewater		
Carryforward balances from prior fiscal year	\$ 881,667	\$ 7,810,204	\$ 4,842	\$ 144	\$ 5,773,672	\$ 872,088	\$ 6,584,332	\$ 1,250,441	\$ 1,162,906	\$ 24,340,296
Additions to carryforwards:										
Net increase of voter-approved sales taxes (Note 9)	-	1,076,125	-	-	-	-	-	-	-	1,076,125
Quasi-external interfund transactions	-	-	-	-	-	-	-	-	1,464,785	1,464,785
HURF revenues	1,779,278	-	-	-	-	-	-	-	-	1,779,278
Statewide radio project	-	-	-	-	-	443,360	-	-	-	443,360
Interest revenues (see Note 4):										
HURF	4,446	-	-	-	-	-	-	-	-	4,446
City Road Tax	-	29,156	-	-	-	-	-	-	-	29,156
Public Safety Tax	-	-	3,832	-	-	-	-	-	-	3,832
Capital Projects Fund	-	-	-	-	23,783	-	-	-	-	23,783
LTAF revenues transferred	-	-	-	-	-	-	-	-	-	-
Water/Wastewater revenue bond funds	-	-	-	-	-	-	10,215	1,997	-	12,212
Employee Benefits	-	-	-	-	-	-	-	-	-	-
Total additions to carryforwards	<u>1,783,724</u>	<u>1,105,281</u>	<u>3,832</u>	<u>-</u>	<u>23,783</u>	<u>443,360</u>	<u>10,215</u>	<u>1,997</u>	<u>1,464,785</u>	<u>4,836,977</u>
Expenditure of carryforwards:										
Net decrease of voter-approved sales taxes (Note 9)	-	-	-	-	-	-	-	-	-	-
Transferred to Debt Service and expended	-	-	-	-	-	-	-	-	-	-
Transferred to Road Tax and expended	-	-	-	(144)	-	-	-	-	-	(144)
HURF revenues	-	-	-	-	-	-	-	-	-	-
Interest	-	-	(5,508)	-	-	-	-	-	-	(5,508)
MPC 2001 and 2007 bond proceeds	-	-	-	-	(1,281,995)	-	(335,259)	(119,986)	-	(1,737,240)
Total expenditures of carryforwards	<u>-</u>	<u>-</u>	<u>(5,508)</u>	<u>(144)</u>	<u>(1,281,995)</u>	<u>-</u>	<u>(335,259)</u>	<u>(119,986)</u>	<u>-</u>	<u>(1,742,892)</u>
Total revenues carried forward to future years	<u>\$ 2,665,391</u>	<u>\$ 8,915,485</u>	<u>\$ 3,166</u>	<u>\$ -</u>	<u>\$ 4,515,461</u>	<u>\$ 1,315,448</u>	<u>\$ 6,259,288</u>	<u>\$ 1,132,452</u>	<u>\$ 2,627,691</u>	<u>\$ 27,434,382</u>
Recap of carryforwards by type:										
Interest	\$ 429,341	\$ 1,738,911	\$ 3,166	\$ -	\$ 2,282,653	-	\$ 1,809,690	\$ 393,989	\$ 1,306	\$ 6,659,056
HURF revenues	2,236,050	-	-	-	-	-	-	-	-	2,236,050
Local Transportation Assistance revenues	-	-	-	-	-	-	-	-	-	-
Accumulation of voter-approved sales taxes	-	7,176,574	-	-	-	-	-	-	-	7,176,574
Quasi-external transactions	-	-	-	-	-	-	-	-	2,626,385	2,626,385
Contracts with other political subdivision	-	-	-	-	-	1,315,448	-	-	-	1,315,448
Bond proceeds	-	-	-	-	2,232,808	-	4,449,598	738,463	-	7,420,869
Total revenues carried forward to future years	<u>\$ 2,665,391</u>	<u>\$ 8,915,485</u>	<u>\$ 3,166</u>	<u>\$ -</u>	<u>\$ 4,515,461</u>	<u>\$ 1,315,448</u>	<u>\$ 6,259,288</u>	<u>\$ 1,132,452</u>	<u>\$ 2,627,691</u>	<u>\$ 27,434,382</u>