

CITY OF YUMA ARIZONA



# Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2020



# City of Yuma Arizona

# Comprehensive Annual Financial Report

For the Fiscal Year Ended  
June 30, 2020

Prepared by:

## Finance Department

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Vacant  
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Accountants

### *About the Cover:*

The City of Yuma is extremely proud of our dedicated, community-oriented public safety personnel.

The Yuma Police Department, led by Chief of Police Susan M. Smith, proudly serves the community with the goal of reducing crime while also improving the quality of life for all residents.

The Yuma Fire Department, with the leadership of Fire Chief Steve Irr, provides efficient and professional fire, emergency medical and ambulance transport, hazardous materials and technical rescue operations and fire prevention education.

Photos by City of Yuma Media Team

## CITY COUNCIL

**Douglas J. Nicholls**, Mayor  
**Karen Watts**, Deputy Mayor  
**Leslie McClendon**  
**Emilia Lea Shoop**  
**Michael Shelton**  
**Christopher Morris**  
**Gary Knight**

## CITY ADMINISTRATION

**Philip Rodriguez**  
City Administrator

**John D. Simonton**  
Deputy City Administrator

### City Departments

City Attorney  
**Richard W. Files**

City Clerk  
**Lynda L. Bushong**

Community Development  
**Randall Crist**, Interim

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

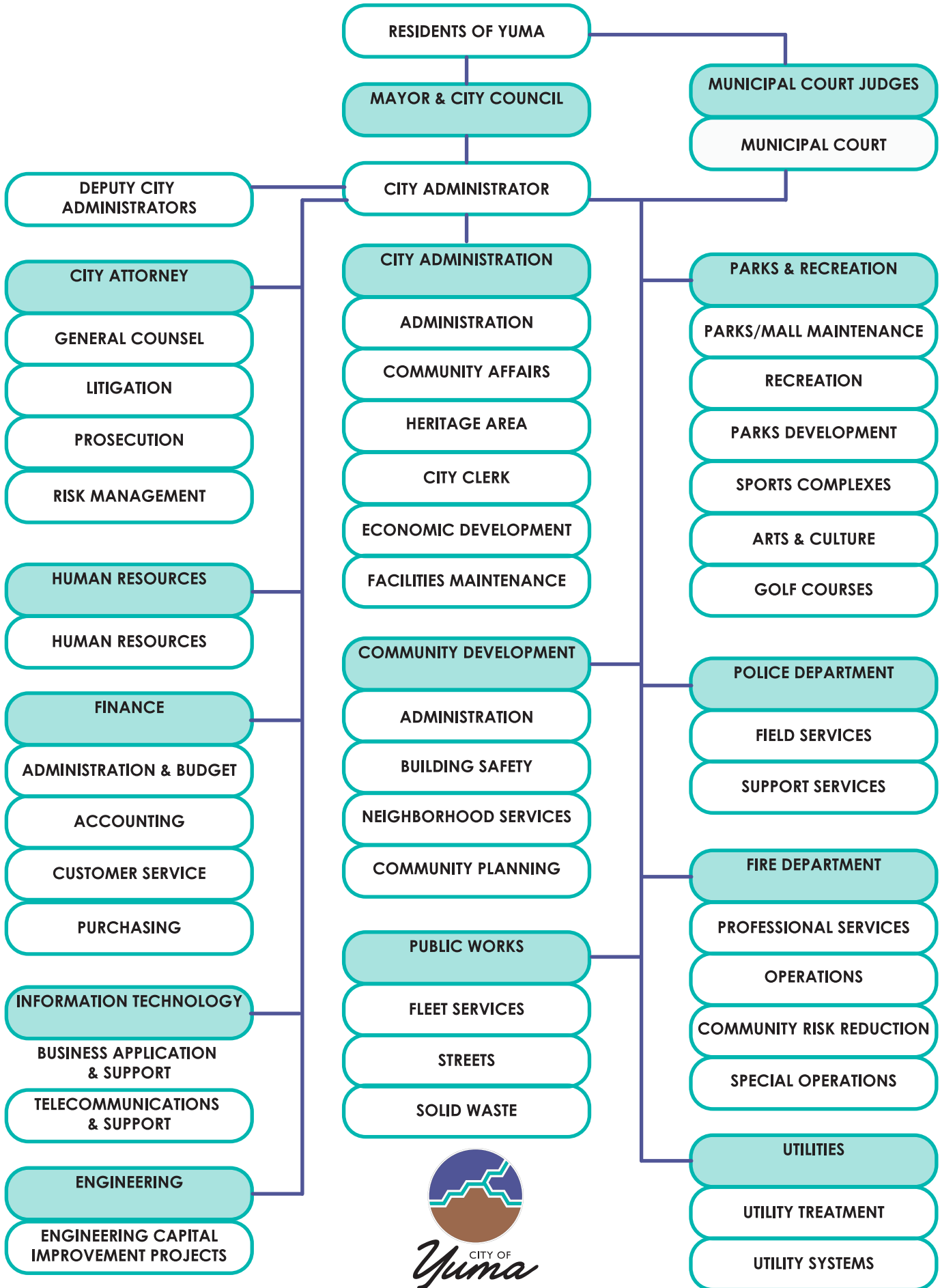
Parks and Recreation  
**Vacant**

Police Department  
**Susan Smith**, Chief

Public Works  
**Joel Olea**

Utilities  
**Jeremy McCall**

# ORGANIZATION CHART



**City of Yuma, Arizona**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For the Year Ended June 30, 2020**

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**City of Yuma, Arizona**  
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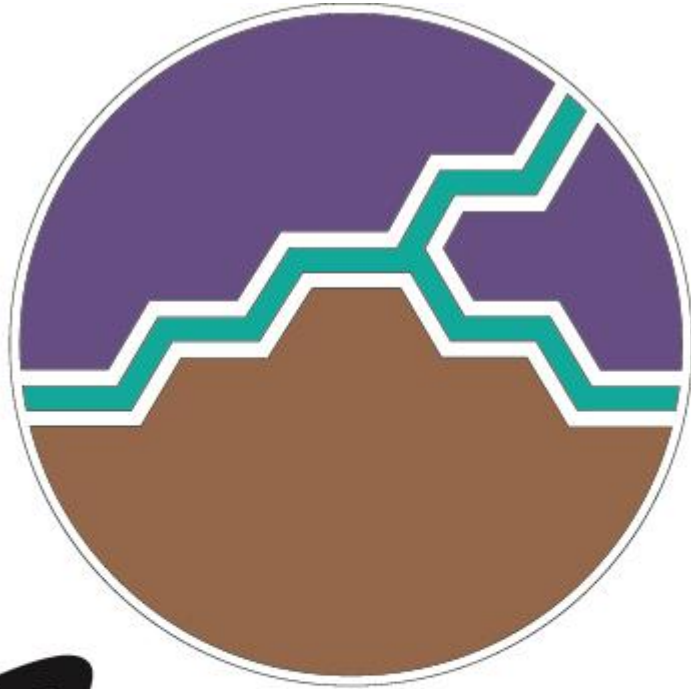
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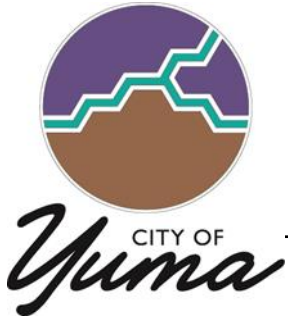
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# **INTRODUCTORY SECTION**



CITY OF  
*Yuma*



December 16, 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, 2020. 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, 2020, 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, 2020, 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 annually<sup>1</sup>. 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 21<sup>st</sup> 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.

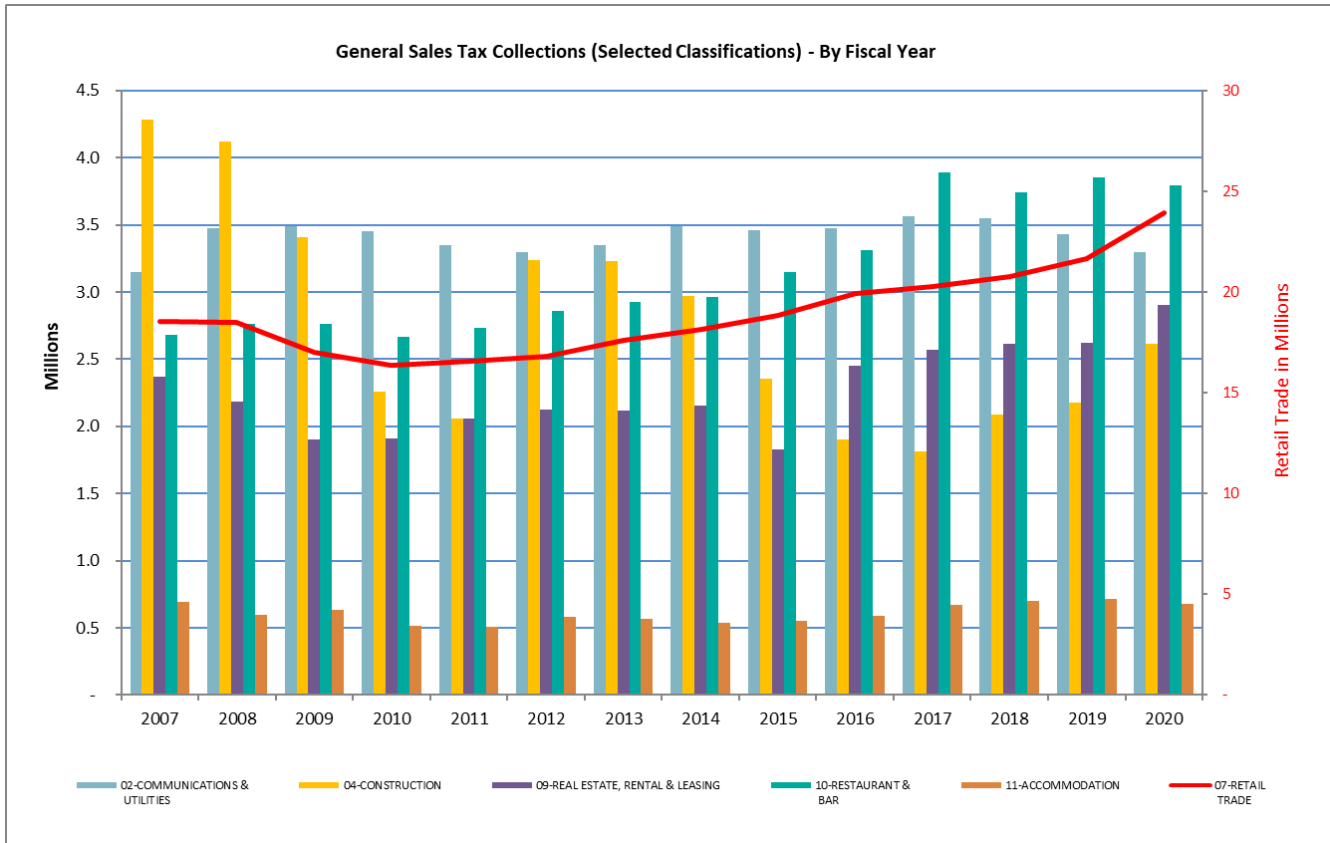
Although manufacturing currently accounts for less than 10% of countywide employment, the City's partnership with the Greater Yuma Economic Development Corporation continues to attract attention

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<sup>1</sup> Source: Greater Yuma Economic Development Corporation

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.

**Economic Growth.** Under normal circumstances, 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 7.9% for fiscal year 2020, which is robust in comparison to previous years. However, the continued unknown overall economic impact of the Coronavirus pandemic, the City does not anticipate this same amount of growth in fiscal year 2021. During the period of development of the fiscal year 2021 budget, the pandemic was in its infancy with no historical precedence as to the economic impact; hence, the City was extremely conservative in estimating sales tax revenues at a loss of 5% of estimated revenues in 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. Unfortunately, with the Coronavirus pandemic, Canada has barred its citizens from travelling to the United States. The City anticipates that this will have a negative impact on 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 to them, with complete reconstruction becoming a necessity. In fiscal year 2021, the City increased the budget for the maintenance of roadways by over 100% in an effort to address the failing roads within residential areas. 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 City Council's strategic vision. The Hilton Hotel and Conference Center continue as the cornerstones of the public/private partnership that is developing the river area. 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. Each year in June, the budget is legally enacted through passage of an ordinance. The ordinance sets the maximum legal expenditure limit for the ensuing fiscal year. Additional expenditures may only be authorized if directly necessitated by a natural or man-made disaster as prescribed in the Arizona State Constitution, Article 9, Section 20. During fiscal year 2020, there were no such supplemental budgetary appropriations authorized. The expenditure appropriations in the adopted budget are by department; however, departmental appropriations may be amended during the year. On the recommendation of the City Manager and with the approval of the City Council, unexpended appropriations may be transferred from one department to another. 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, 2019. This is the thirty-eighth 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

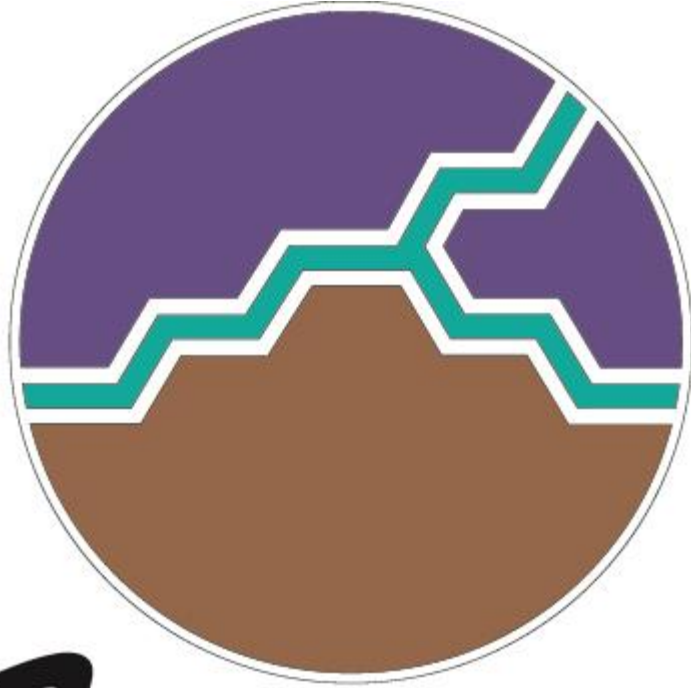
**City of Yuma  
Arizona**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



CITY OF  
*Yuma*

# **FINANCIAL SECTION**

## 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, 2020, 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, 2020, 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.

***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, and net pension liability 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 December 16, 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, Arizona’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  
December 16, 2020



# MANAGEMENT'S DISCUSSION AND ANALYSIS

## (Required Supplementary Information)

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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, 2020. 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

- The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources by \$397.8 million at the close of the fiscal year. Of this amount, \$6.3 million represents unrestricted net position that may be used to meet the City's ongoing obligations to citizens and creditors.
- On a government-wide basis, the City's total net position increased by \$21.9 million for the fiscal year, governmental activities increased \$8.4 million while business-type activities of the City increased \$13.5 million. Total revenues exceeded total expenses in the current year primarily due to an increase in operating grants and contributions and capital grants and contributions of \$10.3 million.
- The City's government-wide net position totaled \$397.8 million at June 30, 2020. Due to implementation of GASB pension standards, while the City has a total positive net position, it includes a deficit unrestricted net position of \$82.6 million in governmental programs but a positive \$88.9 million in business-type activities, for a net positive \$6.3 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

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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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 21-22 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 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

**Nonmajor Governmental Funds:**

Public Safety Tax  
Highway User Revenue  
Grants  
Community Redevelopment  
Two Percent Tax  
Yuma Mall Maintenance  
Capital Projects

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 25 of this report.

**Proprietary funds.** The City of Yuma maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Yuma uses enterprise funds to account for its Water, Wastewater, 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

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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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 29-31 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 32 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 74 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 87.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Analysis 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 \$397.8 million at the close of the fiscal year.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table is a condensed summary of the City's net position for governmental and business-type activities:

Net Position: (millions)	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
	Current and other assets	\$ 105.2	\$ 98.5	\$ 108.1	\$ 98.3	\$ 213.3
Capital assets	303.5	298.8	255.8	263.2	559.3	562.0
Total assets	408.7	397.3	363.9	361.5	772.6	758.8
Pension	31.0	34.1	1.6	1.7	32.6	35.8
Deferred Charges on Refunding	2.4	2.7	4.1	4.5	6.5	7.2
Total Deferred Outflows of Resources	33.4	36.8	5.7	6.2	39.1	43.0
Long-term liabilities outstanding	253.2	253.3	105.6	115.5	358.8	368.8
Other liabilities	32.6	29.1	15.9	16.9	48.5	46.0
Total liabilities	285.8	282.4	121.5	132.4	407.3	414.8
Pension	5.8	9.6	0.8	1.5	6.6	11.1
Total Deferred Inflows of Resources	5.8	9.6	0.8	1.5	6.6	11.1
Net position:						
Net Investment in capital assets	215.7	206.9	158.4	156.2	374.1	363.1
Restricted	17.4	19.6	-	-	17.4	19.6
Unrestricted	(82.6)	(84.4)	88.9	77.6	6.3	(6.8)
Total net position	\$ 150.5	\$ 142.1	\$ 247.3	\$ 233.8	\$ 397.8	\$ 375.9

The largest portion of the City of Yuma's net position reflects its investment in capital assets (e.g., land, buildings, machinery, water and sewer systems, streets and storm drains) 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 \$397.8 million, up \$21.9 million from the prior year. Governmental activities increased \$8.4 million while business-type activities increased \$13.5 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 substantially complete at the end of the fiscal year, governmental activities saw an increase in buildings and a decrease in construction in progress. Unrestricted net position are those assets available to finance programs in the upcoming fiscal year and would increase when the portion of taxes and other revenues exceed operating expenses but are not invested in capital assets.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**Analysis of Changes in Net Position.** Total revenues exceeded total expenses in the current year, resulting in an increase in the City's total net position of \$21.8 million in fiscal year 2020 compared to \$12.8 million in fiscal year 2019. The reasons for this overall increase are explained in the governmental and business-type activities discussion herein and depicted in the table that follows.

Changes in Net Position  (millions)	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 10.6	\$ 12.2	\$ 51.5	\$ 50.5	\$ 62.1	\$ 62.7
Operating grants and contributions	8.9	3.9	-	-	8.9	3.9
Capital grants and contributions	3.8	1.9	10.0	6.6	13.8	8.5
General revenues:						
Property taxes	13.7	13.0	-	-	13.7	13.0
Sales taxes	47.5	44.3	-	-	47.5	44.3
Franchise taxes	3.1	3.2	-	-	3.1	3.2
Intergovernmental, unrestricted	35.5	33.6	-	-	35.5	33.6
Unrestricted investment earnings	1.4	2.0	1.5	2.0	2.9	4.0
Loss on sale of assets	(0.3)	-	-	-	(0.3)	-
<b>Total revenues</b>	<b>124.2</b>	<b>114.1</b>	<b>63.0</b>	<b>59.1</b>	<b>187.2</b>	<b>173.2</b>
<b>Expenses:</b>						
General government	11.0	10.6	-	-	11.0	10.6
Public safety	63.5	61.4	-	-	63.5	61.4
Streets	18.3	17.3	-	-	18.3	17.3
Parks, recreation and culture	14.7	14.6	-	-	14.7	14.6
Environmental health and protection	0.1	0.2	-	-	0.1	0.2
Community design and development	5.0	5.2	-	-	5.0	5.2
Interest on long-term debt	3.4	3.7	-	-	3.4	3.7
Water	-	-	22.8	22.4	22.8	22.4
Wastewater	-	-	18.2	17.4	18.2	17.4
Solid Waste	-	-	4.0	3.7	4.0	3.7
Radio Communications	-	-	2.5	2.0	2.5	2.0
Golf courses	-	-	1.9	1.9	1.9	1.9
<b>Total expenses</b>	<b>116.0</b>	<b>113.0</b>	<b>49.4</b>	<b>47.4</b>	<b>165.4</b>	<b>160.4</b>
Increase/(Decrease) in net position before transfers	8.2	1.1	13.6	11.7	21.8	12.8
Transfers	0.1	0.1	(0.1)	(0.1)	-	-
Increase/(Decrease) in net position	8.3	1.2	13.5	11.6	21.8	12.8
<b>Net Position - July 1</b>	<b>142.1</b>	<b>140.9</b>	<b>233.8</b>	<b>222.2</b>	<b>375.9</b>	<b>363.1</b>
<b>Net Position - June 30</b>	<b>\$ 150.4</b>	<b>\$ 142.1</b>	<b>\$ 247.3</b>	<b>\$ 233.8</b>	<b>\$ 397.7</b>	<b>\$ 375.9</b>

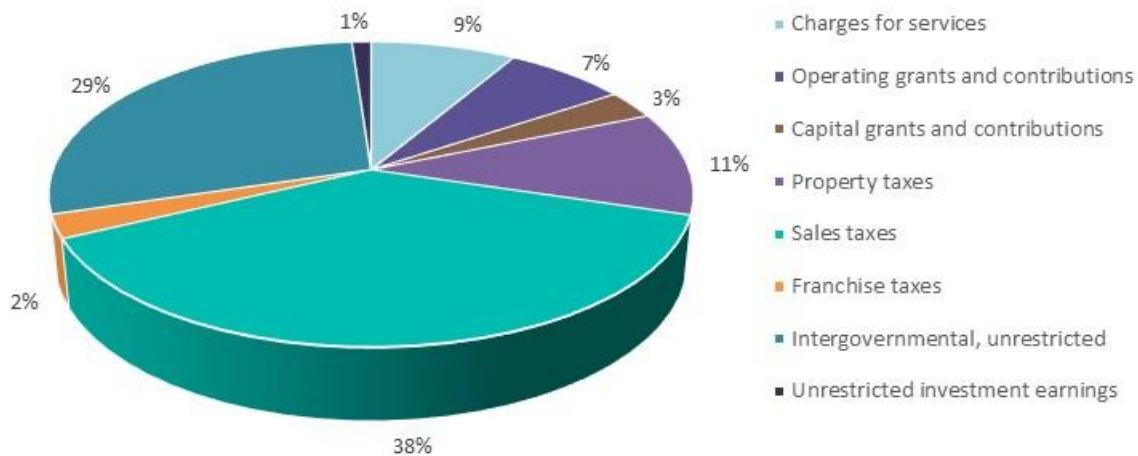
**Governmental Activities**

Revenues

Governmental activities revenues totaled \$124.2 million for fiscal year 2020, a sizable increase in comparison to 2019's \$114.1 million. While Sales Tax and Property Tax revenues increased slightly, the majority of this came from the City's allocation of the AZCares funds received in June 2020 to help offset the fiscal impacts of the Coronavirus pandemic (COVID-19). 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 28.6% 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 8.5% of governmental revenues. Property taxes represent 11.0% 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:

- City Sales taxes increased 7.2% from 2019, which does reflect a continued improvement in the economy over previous years; however, the increase would have been even larger had the City not been impacted by the Coronavirus pandemic. Prior to the pandemic, the City was on track to realize an approximate 12% increase in sales tax year over year.
- Charges for services decreased by \$1.6 million due primarily to decreases in Recreation Fees, as the City was unable to provide many of these services during approximately 1/3 of the year due to COVID-19. The City reduced or eliminated on-site recreation activities such as Camp Awesome and Art Center and Parks and Recreation classes. Additionally, the City did not open any of its pools during the summer months.
- Property taxes increased 5.4% to \$13.7 million as property values have increased and the City Council increased the property tax levy to the maximum allowable by state law.

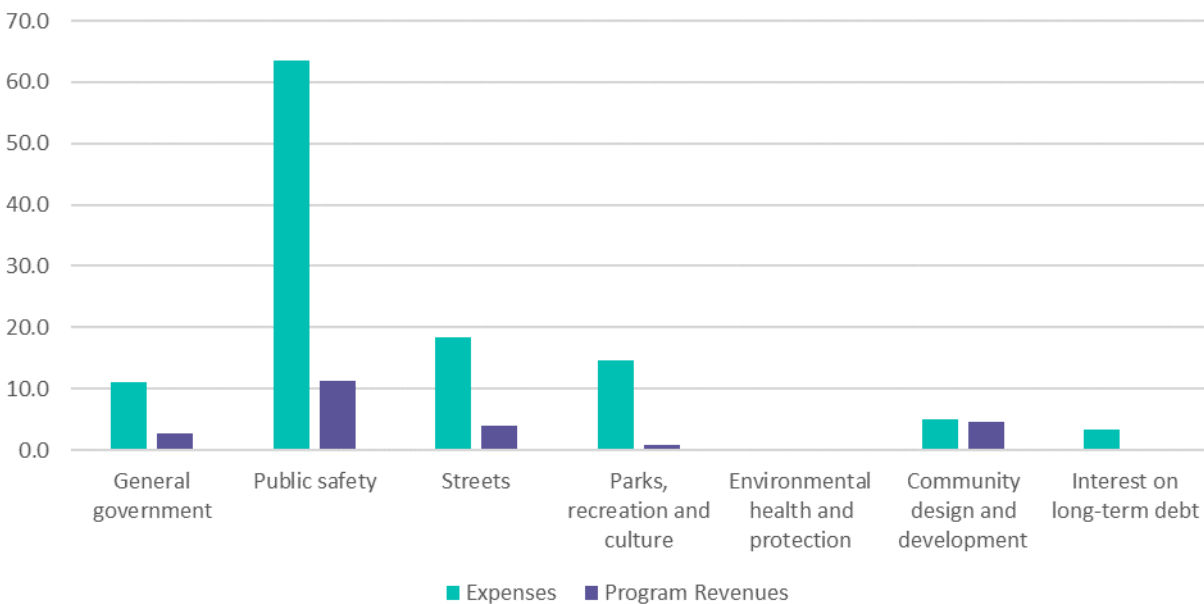
REVENUES - GOVERNMENTAL ACTIVITIES



Expenses

Governmental expenses totaled \$116.0 million for the fiscal year. Of the expenses, 54.7% or \$63.5 million is related to public safety for police, fire and municipal court services. Parks, recreation and culture expenses amounted to \$14.7 million, or 12.7% and Streets was \$18.3 million, or 15.8%, while community design and development expenses amounted to 4.3%. General government expenses came to \$11.0 million, or 9.5%. Interest on long-term debt was \$3.4 million, or 2.9% of governmental expenses. Overall, governmental activities expenses increased \$3.0 million from 2019, driven primarily by a large uptick in Public Safety expenditures related to unfunded pension liability, pay increases for all personnel, as well as approximately \$400 thousand in additional spending for COVID-19 related supplies and equipment, such as personal protective equipment, sanitizing supplies, expanded bandwidth for work-from-home capabilities, and other miscellaneous items.

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.

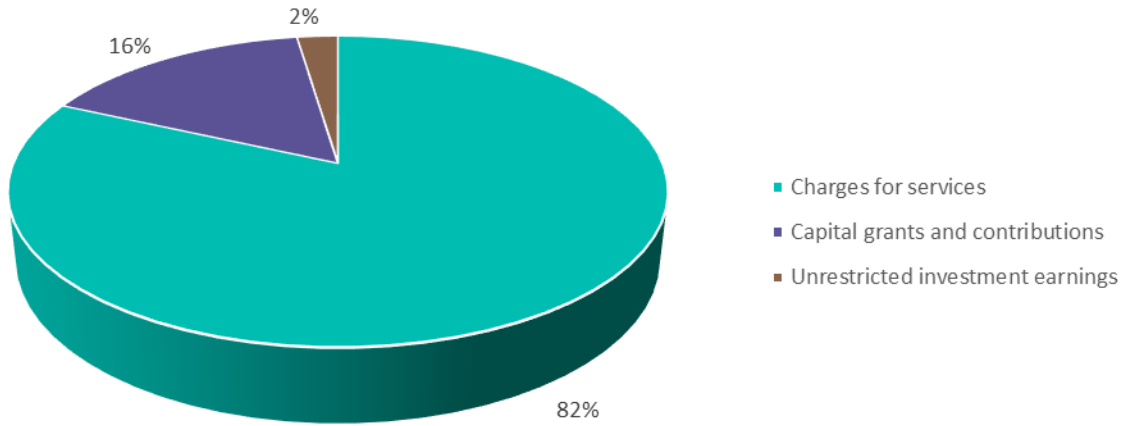
**Business-type activities**

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 \$51.5 million in charges for services, 84.2% 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 \$10.0 million in capital grants and contributions are comprised of capital grants for radio communications, 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 2.4% of revenues for the City's business activities.

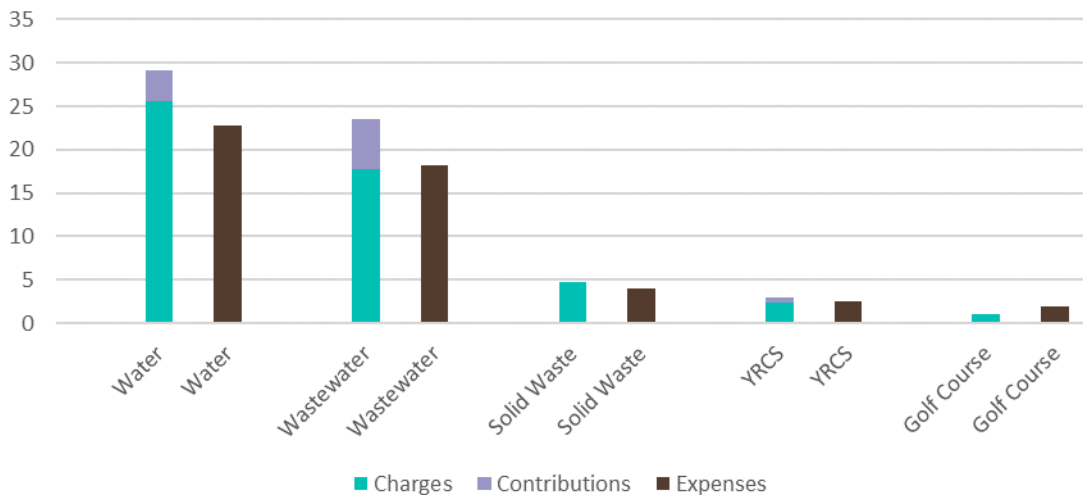
REVENUES - BUSINESS-TYPE ACTIVITIES



Expenses

Water and wastewater services account for 83.0% of the City's business-type activities with solid waste, radio communication and golf courses making up the remaining 17.0%. Water expenses amounted to \$22.8 million while wastewater expenses totaled \$18.2 million. Solid Waste, Radio Communications, and Desert Hills Golf Courses recorded expenses of \$4.0 million, \$2.5 million and \$1.9 million, respectively, for a total of \$8.4 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, 2020, is \$53.4 million, an increase from 2019 of \$3.2 million. A review of some of the more significant funds follows.

### General Fund

The fund balance of the General Fund increased by \$8.3 million for the fiscal year 2020. Revenues increased by \$3.5 million (4.7%). City sales taxes, the city's largest source of General Fund revenues, increased \$1.8 million (7.9%) to \$24.3 million, which is an indicator of the strong economy the City was experiencing prior to COVID-19 negatively impacting privilege tax revenues in the last quarter of the fiscal year. Property taxes increased by \$0.7 million to \$13.4 million. State-shared vehicle registration tax (auto lieu tax) increased 3.6% to \$4.3 million. Total expenditures decreased \$3.9 million to \$66.2 million, due to a portion of Public Safety expenditures recorded to the AZCares grant funding.

### 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 \$0.4 million for the year. In the same manner as general sales tax in the General Fund, sales taxes increased in 2020 by \$0.9 million to \$12.2 million. Operational expenditures decreased by \$4.7 million from 2019, primarily due to fewer road-related CIP projects. The City expended approximately \$5.8 million in capital improvements in 2020, which was comprised of a combination of road repaving and improvements, and completion of the traffic signal upgrade project 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 FY20, the fund balance was \$2.7 million, a decrease of \$1.1 million from FY19. Expenditures increased by \$1.4 million to \$5.3 million.

### Highway User Revenue Fund (HURF)

This fund, which accounts for the expenditure of state-shared gasoline taxes, showed a decrease in fund balance of \$1.2 million for the year, decreasing to \$5.1 million. The City's portion of those taxes increased by 1.7% for the fiscal year to \$8.4 million. All maintenance expenditures for streets and retention basins are made in the HURF Fund. Expenditures increased by \$2.0 million to \$9.9 million.

### 2% Tax Fund

This fund, which accounts for the two-cent sales tax, showed a decrease in fund balance of \$0.7 million, decreasing to \$0.8 million. The tax portion of the revenue in this fund only showed a slight increase of \$0.1 million, while charges for services decreased by \$0.2 million. Operational expenditures decreased by \$0.4 million. This fund was hit the hardest by COVID-19, as hotels, restaurants, and bars were closed or at reduced occupancy for approximately four months by the end of the fiscal year.

### Grants Fund

The City continues to receive much needed assistance from both the state and federal levels. During 2020, revenues increased to \$7.9 million, which is an increase of \$5.5 million due a portion of the total

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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awarded AZCares grant. Second to the AZCares grant, 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 decreased to \$1.4 million for 2020, down from \$1.6 million in 2019.

### Capital Projects Fund

The Capital Projects Fund's fund balance has decreased to \$9.8 million this year and the city continues to expend the proceeds of the 2007 and 2015 bond sales. Capital expenditures in fiscal year 2020 were \$2.5 million.

**Proprietary funds.** The City's enterprise funds posted an overall increase in net position of \$13.6 million for the fiscal year ended June 30, 2020. Results were overall positive between the various funds. Water, Wastewater, Solid Waste Funds, and Radio Communications posted increases while Desert Hills Golf Course Fund posted decreases in net position.

### Water Fund

Operating revenues for the Water Fund increased by \$0.2 million or 0.8% for the year ending June 30, 2020. Operating expenses increased by 4.3%. Operating income decreased to \$5.2 million, while capital contributions increased to \$3.5 million, leading to the fund's net position increase of \$7.0 million.

### Wastewater Fund

The Wastewater Fund operating revenues increased 1.1% from fiscal 2020. Operating expenses increased by 5.5% with income from operations increasing to \$0.5 million. Capital contributions increased to \$5.8 million. The overall increase in the fund's net position was \$6.1 million.

### Radio Communications Fund

Operating revenues increased 16.2% to \$2.3 million. Operating expenses increased 27.8% to \$2.5 million, with the fund's net position increasing to \$2.5 million.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2020, can be found starting on page 77. A summary of that schedule follows:

	Budget		Actual	Variance with Final
	Original	Final		
<b>Revenues and Transfers In</b>				
Taxes	\$ 40.7	\$ 40.7	\$ 41.0	\$ 0.3
Intergovernmental	26.6	26.6	27.1	0.5
Other	9.8	9.8	9.7	(0.1)
<b>Total</b>	<u>77.1</u>	<u>77.1</u>	<u>77.8</u>	<u>0.7</u>
<b>Expenditures and Transfers Out</b>				
Expenditures	75.5	75.5	66.2	9.3
Transfers Out	4.6	4.6	4.6	-
<b>Total</b>	<u>80.1</u>	<u>80.1</u>	<u>70.8</u>	<u>9.3</u>
<b>Change in Fund Balance</b>	<u>\$ (3.0)</u>	<u>\$ (3.0)</u>	<u>\$ 7.0</u>	<u>\$ 10.0</u>

General Fund revenues and transfers in ended the year \$0.7 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 \$1.9 million.

Expenditures for the fund came in at \$9.3 million below budget due in large part to a portion of the Public Safety expenditures being recorded in the Grants Fund. Additionally, much of the contingency budget was not used. The General Fund's anticipated reduction of fund balance decreased from a reduction of \$3.0 million to an increase of \$8.3 million.

**CAPITAL ASSETS**

At June 30, 2020, the City of Yuma's investment in capital assets in both governmental and business-type activities amounted to \$559.3 million, net of depreciation. This includes land, buildings, equipment, improvements and infrastructure (roadways and bridges). Capital assets for governmental activities increased by 1.6% while business-type capital assets decreased by 2.8%. 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**

(In Millions)

	Governmental Activities			Business-type Activities			Total
	July 1, 2019	Net Additions/ Deletions	June 30, 2020	July 1, 2019	Net Additions/ Deletions	June 30, 2020	
Land	\$ 51.8	\$ (0.3)	\$ 51.5	\$ 10.8	\$ -	\$ 10.8	\$ 62.3
Buildings	95.5	12.2	107.7	164.7	-	164.7	272.4
Improvements	67.8	2.2	70.0	287.2	15.0	302.2	372.2
Infrastructure	278.2	17.7	295.9	-	-	-	295.9
Equipment	65.9	3.7	69.6	15.0	0.3	15.3	84.9
Construction in Progress	20.2	(14.8)	5.4	10.3	(8.3)	2.0	7.4
Accumulated Depreciat	(280.6)	(16.0)	(296.6)	(224.8)	(14.4)	(239.2)	(535.8)
<b>Total</b>	<u>\$ 298.8</u>	<u>\$ 4.7</u>	<u>\$ 303.5</u>	<u>\$ 263.2</u>	<u>\$ (7.4)</u>	<u>\$ 255.8</u>	<u>\$ 559.3</u>

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Additional information on capital assets can be found in Note II-E starting on page 47.

### DEBT ADMINISTRATION

At June 30, 2020, after scheduled debt payments, governmental activity debt increased by \$0.2 million due to new capital leasing efforts, while business activity debt decreased by \$9.6 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 \$141.5 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 \$42.5 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 beginning on page 49.

	(Millions)					
	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Yuma Municipal Property Corporation Bonds	\$ 84.4	\$ 91.5	\$ 73.8	\$ 78.0	\$ 158.2	\$ 169.5
Private Placement	-	-	21.1	26.7	21.1	26.7
Net Unamortized						
Premium/Issuance	6.0	6.7	7.1	7.7	13.1	14.4
Improvement Districts	0.4	0.7	-	-	0.4	0.7
Capital Lease	2.7	1.8	0.2	0.1	2.9	1.9
Pension	162.4	155.5	12.7	11.9	175.1	167.4
Compensated Absences	7.9	7.4	1.2	1.3	9.1	8.7
<b>Total Long-Term Debt</b>	<b>\$ 263.8</b>	<b>\$ 263.6</b>	<b>\$116.1</b>	<b>\$ 125.7</b>	<b>\$ 379.9</b>	<b>\$ 389.3</b>

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Yuma County's growth continues to improve at a steady rate. The county grew to an estimated 213,787 with the City of Yuma continuing to represent 46% of the county's population. The City of Yuma has grown to an estimated 98,285 (estimated as of July 1, 2019, the most recent available). Until COVID-19 and the temporary shutdown and/or reduced capacity of restaurants, bars, hotels, and other businesses, the City's economy was continuing to grow along with the population. 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.

Unfortunately, the area's 90,000-plus winter visitors has been reduced to approximately 60,000 due primarily to the fact that Canadians are not permitted to cross the border into the US due to the COVID-19 pandemic. Normally, these visitors add over \$500 million to the economic mix, but that is expected to decrease commensurate with the decline in visitors.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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Two prominent military installations infuse some \$300 million to the economy, however, with the Coronavirus pandemic, military members are often not permitted to eat in local restaurants, are imposed with a curfew, or are quarantined entirely to the base, which has led and will continue to lead to a decrease in revenues for the City.

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 7.9% increase this year.

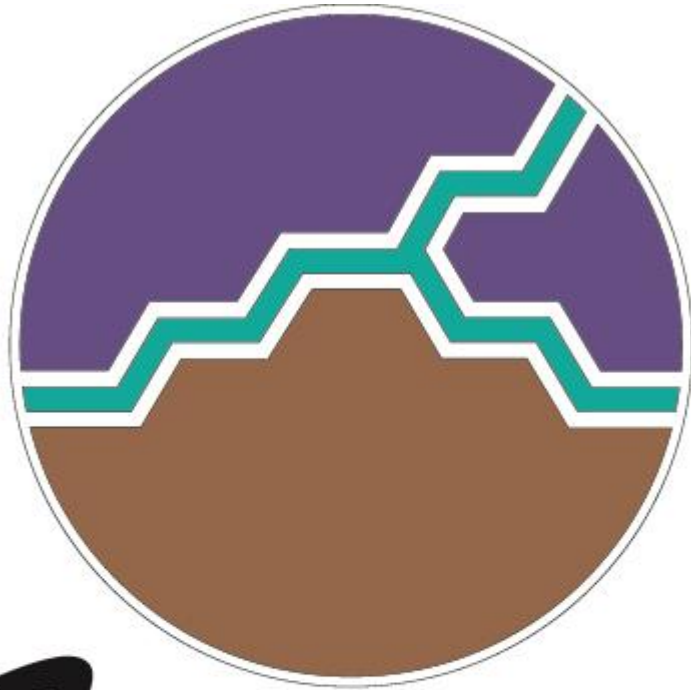
For fiscal year 2021, due to the uncertainty of the timing of the economic recovery from the Coronavirus pandemic, City Council in June 2020 approved a \$237.1 million budget (not including transfers out), which was a \$12.4 million increase from the prior year's budget of \$224.7 million. This increase is due solely to an increase in grant contingency budget of \$23.5 million to allow for any potential federal or state COVID-19 related grants as well as possible award of a large BUILD grant. Without this increase in the Grants Fund, the budget would have decreased by \$11.1 million overall.

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 City of Yuma's Financial Services Department, One City Plaza, Yuma, AZ 85364, telephone (928) 373-5087. The reader may also visit the City's website at [www.yumaaz.gov](http://www.yumaaz.gov) for an electronic version of this report.

# **BASIC FINANCIAL STATEMENTS**



CITY OF  
*Yuma*

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**



**City of Yuma, Arizona**  
Statement of Net Position  
June 30, 2020

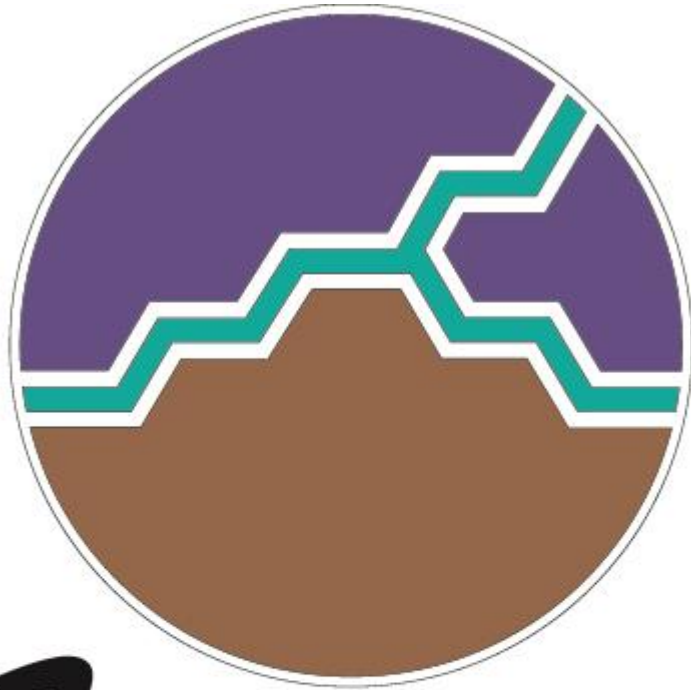
<b><u>Assets</u></b>	Governmental Activities	Business-type Activities	Total
Cash and Investments	\$ 94,290,426	\$ 104,565,688	\$ 198,856,114
Receivables, Net	8,198,186	5,364,405	13,562,591
Internal Balances	2,006,682	(2,006,682)	-
Inventory, at cost	654,623	188,577	843,200
Prepaid Items	17,378	972	18,350
Capital Assets:			
Non-depreciable	56,913,047	12,816,296	69,729,343
Depreciable, Net	246,606,973	243,014,971	489,621,944
Total Assets	<u>408,687,315</u>	<u>363,944,227</u>	<u>772,631,542</u>
<b><u>Deferred Outflows of Resources</u></b>			
Deferred outflows related to pension and other postemployment benefits	30,970,859	1,559,766	32,530,625
Deferred Charges on Refunding	2,378,790	4,146,846	6,525,636
Total Deferred Outflows of Resources	<u>33,349,649</u>	<u>5,706,612</u>	<u>39,056,261</u>
<b><u>Liabilities</u></b>			
Accounts Payable and Deposits	6,523,671	2,859,800	9,383,471
Accrued Liabilities	3,745,326	593,026	4,338,352
Accrued Interest Payable	1,833,269	1,753,799	3,587,068
Unearned Revenue	7,918,562	206,917	8,125,479
Noncurrent Liabilities:			
Due within one year			
Current portion of Accrued Compensated Absences	2,995,434	371,428	3,366,862
Current portion of Debt	7,795,000	10,062,000	17,857,000
Current portion of Claims and Judgements	1,027,720	-	1,027,720
Current portion of Capital Lease	777,578	54,285	831,863
Due in more than one year			
Accrued Compensated Absences	4,888,535	826,075	5,714,610
Pension	162,398,924	12,694,449	175,093,373
Debt	82,953,050	91,960,930	174,913,980
Claims and Judgements	976,930	-	976,930
Capital Lease	1,958,122	128,241	2,086,363
Total Liabilities	<u>285,792,121</u>	<u>121,510,950</u>	<u>407,303,071</u>
<b><u>Deferred Inflows of Resources</u></b>			
Deferred inflows related to pension and other postemployment benefits	5,797,475	828,670	6,626,145
	<u>5,797,475</u>	<u>828,670</u>	<u>6,626,145</u>
<b><u>Net Position</u></b>			
Net Investment in capital assets	215,713,806	158,390,860	374,104,666
Restricted for:			
Debt Service	370,003	-	370,003
Community Development	808,049	-	808,049
Road Maintenance and Construction	12,523,997	-	12,523,997
PS Police equipment and facilities	1,990,754	-	1,990,754
PS Fire equipment and facilities	663,585	-	663,585
Parks, recreation and cultural facilities	1,292,617	-	1,292,617
Unrestricted	(82,915,443)	88,920,359	6,004,916
Total Net Position	<u>\$ 150,447,368</u>	<u>\$ 247,311,219</u>	<u>\$ 397,758,587</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, 2020

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
<b>Government Activities:</b>							
General Government	\$ 10,991,689	\$ 2,741,440	\$ 71,566	\$ 8,092	\$ (8,170,591)	\$ -	\$ (8,170,591)
Public Safety	63,540,689	3,808,689	7,405,744	20,750	(52,305,506)	-	(52,305,506)
Streets	18,272,136	-	31,831	3,808,044	(14,432,261)	-	(14,432,261)
Parks, Recreation and Culture	14,692,607	926,855	-	12,122	(13,753,630)	-	(13,753,630)
Environmental Health and Protection	124,159	-	-	-	(124,159)	-	(124,159)
Community Design and Development	4,933,127	3,157,176	1,381,551	-	(394,400)	-	(394,400)
Interest on Long-Term Debt	3,361,939	-	-	-	(3,361,939)	-	(3,361,939)
<b>Total Governmental Activities</b>	<b>115,916,346</b>	<b>10,634,160</b>	<b>8,890,692</b>	<b>3,849,008</b>	<b>(92,542,486)</b>	<b>-</b>	<b>(92,542,486)</b>
<b>Business-type Activities:</b>							
Water	22,792,348	25,639,887	-	3,506,562	-	6,354,101	6,354,101
Wastewater	18,170,491	17,746,702	-	5,785,414	-	5,361,625	5,361,625
Solid Waste	3,991,565	4,826,372	-	-	-	834,807	834,807
Radio Communications	2,531,216	2,252,455	-	688,376	-	409,615	409,615
Golf Courses	1,930,885	1,025,131	-	-	-	(905,754)	(905,754)
<b>Total Business-type Activities</b>	<b>49,416,505</b>	<b>51,490,547</b>	<b>-</b>	<b>9,980,352</b>	<b>-</b>	<b>12,054,394</b>	<b>12,054,394</b>
<b>Total</b>	<b>\$ 165,332,851</b>	<b>\$ 62,124,707</b>	<b>\$ 8,890,692</b>	<b>\$ 13,829,360</b>	<b>(92,542,486)</b>	<b>12,054,394</b>	<b>(80,488,092)</b>
<b>General Revenues:</b>							
Property taxes					13,725,048	-	13,725,048
Sales taxes					47,456,046	-	47,456,046
Franchise taxes					3,072,824	-	3,072,824
Intergovernmental, unrestricted					35,449,353	-	35,449,353
Unrestricted investment earnings					1,403,985	1,502,296	2,906,281
Loss on sale of assets					(280,419)	-	(280,419)
<b>Total general revenues</b>					<b>100,826,837</b>	<b>1,502,296</b>	<b>102,329,133</b>
Transfers					78,512	(78,512)	-
<b>Total general revenues and transfers</b>					<b>100,905,349</b>	<b>1,423,784</b>	<b>102,329,133</b>
Change in net position					8,362,863	13,478,178	21,841,041
Net position-beginning					142,084,505	233,833,041	375,917,546
<b>Net position-ending</b>					<b>\$ 150,447,368</b>	<b>\$ 247,311,219</b>	<b>\$ 397,758,587</b>

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, 2020

<b><u>Assets</u></b>	<u>General</u>	<u>City Road Tax</u>	<u>Debt Service</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total</u>
Cash and Investments	\$ 30,219,667	\$ 6,771,406	\$ 3,139	\$ 26,973,643	\$ 63,967,855
Cash with Fiscal Agents	-	-	9,263,032	-	9,263,032
Receivables, Net of Allowances for Uncollectibles:					
Accounts Receivable	1,611,847	172,866	34,992	1,167,505	2,987,210
Intergovernmental	1,580,224	291,717	-	1,891,394	3,763,335
Special Assessments	20,169	-	365,000	-	385,169
Delinquent Property Taxes	843,505	-	-	4,507	848,012
Accrued Interest	4,556	14,229	-	11,018	29,803
Due from Other Funds	3,114,186	-	-	-	3,114,186
Inventory, at cost	16,799	-	-	9,889	26,688
Prepaid Items	16,676	7	-	695	17,378
Total Assets and Other Debits	<u>\$ 37,427,629</u>	<u>\$ 7,250,225</u>	<u>\$ 9,666,163</u>	<u>\$ 30,058,651</u>	<u>\$ 84,402,668</u>
<b><u>Liabilities</u></b>					
Accounts Payable	\$ 1,874,506	\$ 1,010,474	\$ -	\$ 1,993,040	\$ 4,878,020
Accrued Payroll, Taxes and Benefits Payable	3,282,314	85,534	-	319,738	3,687,586
Long-Term Debt - Current Portion	-	-	7,430,000	-	7,430,000
Due to Other Funds	-	-	32,891	951,565	984,456
Accrued Interest Payable	-	-	1,833,269	-	1,833,269
Deposits	664,135	15,101	-	70,373	749,609
Unearned Revenues	16,433	35,000	-	7,867,129	7,918,562
Total Liabilities	<u>5,837,388</u>	<u>1,146,109</u>	<u>9,296,160</u>	<u>11,201,845</u>	<u>27,481,502</u>
<b><u>Deferred Inflows of Resources</u></b>					
Unavailable Revenues	2,354,055	-	365,000	812,556	3,531,611
<b><u>Fund Balances:</u></b>					
Nonspendable:					
Inventory	16,799	-	-	9,889	26,688
Prepaid Items	16,676	7	-	695	17,378
Spendable					
Restricted	-	6,104,109	5,003	10,366,844	16,475,956
Committed	-	-	-	7,970,857	7,970,857
Unassigned	29,202,711	-	-	(304,035)	28,898,676
Total Fund Balances	<u>29,236,186</u>	<u>6,104,116</u>	<u>5,003</u>	<u>18,044,250</u>	<u>53,389,555</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 37,427,629</u>	<u>\$ 7,250,225</u>	<u>\$ 9,666,163</u>	<u>\$ 30,058,651</u>	<u>\$ 84,402,668</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, 2020

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

Total Fund Balances per the Balance Sheet-Governmental Funds:		\$ 53,389,555
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		294,839,128
Revenues deferred to later years recognized in year levied in governmental activities.		
Special Assessment/Loan Principal	\$ 1,173,049	
Property Tax	848,012	
Ambulance Billings	<u>1,510,550</u>	
		3,531,611
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	(7,798,805)	
Pension Liability	(137,225,540)	
MPC bonds payable	(76,960,000)	
Improvement District #68	(365,000)	
Leases payable	(2,735,700)	
Net unamortized deferred charges or premiums are not recorded in the governmental funds	<u>(5,993,050)</u>	
		(231,078,095)
Deferred charges on debt refunding are not recognized in the current period		2,378,790
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>27,386,379</u>
Net position - Governmental Activities per the Statement of Net Position		<u><u>\$ 150,447,368</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, 2020

	General	City Road Tax	Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 41,029,065	\$ 12,154,021	\$ -	\$ 10,872,161	\$ 64,055,247
Licenses and Permits	2,221,386	-	-	-	2,221,386
Intergovernmental	27,109,149	-	-	17,468,614	44,577,763
Charges for Services	5,571,436	622,812	-	2,009,038	8,203,286
Fines and Forfeitures	1,010,742	-	-	-	1,010,742
Special Assessments	-	-	350,000	-	350,000
Use of Money and Property	795,671	268,704	30,580	384,749	1,479,704
Contributions and Donations	-	-	-	183,065	183,065
Miscellaneous	136,920	4,783	-	328,490	470,193
Total Revenues	<u>77,874,369</u>	<u>13,050,320</u>	<u>380,580</u>	<u>31,246,117</u>	<u>122,551,386</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	9,782,183	-	-	106,968	9,889,151
Public Safety	44,614,977	632,192	-	10,132,044	55,379,213
Streets	-	2,506,684	-	5,985,149	8,491,833
Parks, Recreation and Culture	7,408,058	-	-	6,285,777	13,693,835
Environmental Health and Protection	-	-	-	76,002	76,002
Community Design and Development	3,646,314	-	-	1,219,817	4,866,131
Capital Outlay	327,154	93,560	-	1,122,550	1,543,264
<b>Capital Projects:</b>					
General Government	83,087	-	-	21,477	104,564
Public Safety	-	-	-	2,280,077	2,280,077
Streets	-	5,772,995	-	5,650,844	11,423,839
Parks, Recreation and Culture	-	-	-	578,269	578,269
<b>Debt Service</b>					
Principal	318,562	43,256	7,780,000	348,566	8,490,384
Interest and Fiscal Agent Fees	-	-	3,681,361	-	3,681,361
Total Expenditures	<u>66,180,335</u>	<u>9,048,687</u>	<u>11,461,361</u>	<u>33,807,540</u>	<u>120,497,923</u>
Revenues Over/(Under) Expenditures	11,694,034	4,001,633	(11,080,781)	(2,561,423)	2,053,463
<b>Other Financing Sources/(Uses):</b>					
Sale of Real Property	-	-	-	61,100	61,100
Capital Lease Agreements	1,217,974	82,250	-	317,353	1,617,577
Transfers In	-	-	11,080,790	108,746	11,189,536
Transfers Out	(4,595,735)	(4,501,840)	-	(2,591,772)	(11,689,347)
Total Other Financing Sources/(Uses)	<u>(3,377,761)</u>	<u>(4,419,590)</u>	<u>11,080,790</u>	<u>(2,104,573)</u>	<u>1,178,866</u>
Net Change in Fund Balances	8,316,273	(417,957)	9	(4,665,996)	3,232,329
Fund Balances - Beginning	20,919,913	6,522,073	4,994	22,710,246	50,157,226
Fund Balances - Ending	<u>\$29,236,186</u>	<u>\$ 6,104,116</u>	<u>\$ 5,003</u>	<u>\$ 18,044,250</u>	<u>\$ 53,389,555</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, 2020

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

Net change in fund balances-governmental funds	\$ 3,232,329
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	31,275
Public safety ambulance revenue	(412,810)
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	(350,000)
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	(14,519,287)
Capital outlay expenditures reported as additions to assets:	
Capital outlay expenditures-governmental funds	15,930,013
Infrastructure maintenance expenditures recorded as capital outlay but not capitalized as asset additions	(652,151)
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	
	8,490,384
Increase in compensated absences expense not recorded in governmental funds	
	(474,917)
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.	
	(6,147,904)
The net effect of miscellaneous transactions involving capital assets (trades of land for rights-of-way) is to decrease net position.	
	(341,519)
Investment earnings of the internal service funds are general revenues on the statement of activities	
	356,270
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	
	578,323
Revenues recognized in government-wide statements for Elected Officials Retirement Plan (EORP) for "on-behalf" contributions are not recognized in governmental activities	
	(58,179)
Governmental funds expenditures related to capital leasing activities are not recorded in the government-wide statements	
	(1,617,577)
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	
	354,854
Contributions of infrastructure assets are not recorded as revenues in the governmental funds	
	3,808,044
Change in net position of governmental activities	\$ 8,362,863

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



**City of Yuma, Arizona**  
Statement of Fund Net Position  
Proprietary Funds  
June 30, 2020

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Water Fund	Wastewater Fund	Other Funds	Totals	Internal Service Funds
<b>Assets</b>					
Current Assets:					
Cash and Investments	\$ 35,164,831	\$ 31,187,615	\$ 4,981,774	\$ 71,334,220	\$ 21,059,539
Receivables, Net of Allowance for Uncollectibles:					
Accounts Receivable	2,918,819	1,533,970	513,646	4,966,435	174,593
Intergovernmental	1,456	203,227	155,971	360,654	12
Accrued Interest	10,930	24,914	1,472	37,316	10,052
Inventory, at cost	68,102	-	120,475	188,577	627,935
Prepaid Expenses	541	401	30	972	-
Total Unrestricted Current Assets	<u>38,164,679</u>	<u>32,950,127</u>	<u>5,773,368</u>	<u>76,888,174</u>	<u>21,872,131</u>
Restricted Assets:					
Cash and Investments:					
Cash with Fiscal Agents	7,631,609	4,180,732	-	11,812,341	-
Advancement for Future Expansion	5,539,582	14,719,412	-	20,258,994	-
Customer Deposits	1,160,133	-	-	1,160,133	-
Total Restricted Current Assets	<u>14,331,324</u>	<u>18,900,144</u>	<u>-</u>	<u>33,231,468</u>	<u>-</u>
Total Current Assets	<u>52,496,003</u>	<u>51,850,271</u>	<u>5,773,368</u>	<u>110,119,642</u>	<u>21,872,131</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	168,021,553	130,862,935	3,341,093	302,225,581	222,733
Equipment	3,550,117	2,621,256	9,129,072	15,300,445	34,532,517
Construction In Progress	1,184,916	849,121	-	2,034,037	-
Less Accumulated Depreciation	<u>(132,096,997)</u>	<u>(92,673,597)</u>	<u>(14,388,865)</u>	<u>(239,159,459)</u>	<u>(26,313,219)</u>
Total Capital Assets	<u>148,556,940</u>	<u>106,090,162</u>	<u>1,184,165</u>	<u>255,831,267</u>	<u>8,680,892</u>
Total Noncurrent Assets	<u>148,556,940</u>	<u>106,090,162</u>	<u>1,184,165</u>	<u>255,831,267</u>	<u>8,680,892</u>
Total Assets	<u>201,052,943</u>	<u>157,940,433</u>	<u>6,957,533</u>	<u>365,950,909</u>	<u>30,553,023</u>
<b>Deferred Outflows of Resources</b>					
Pension Contributions - Current Year	489,302	348,529	197,537	1,035,368	-
Other Pension Items	247,824	176,525	100,049	524,398	-
Deferred Charges on Refunding	3,141,096	1,005,750	-	4,146,846	-
Total Deferred Outflows of Resources	<u>3,878,222</u>	<u>1,530,804</u>	<u>297,586</u>	<u>5,706,612</u>	<u>-</u>
<b>Liabilities</b>					
Current Liabilities Payable from Current Assets:					
Accounts Payable	892,694	459,507	362,618	1,714,819	896,042
Accrued Payroll and Related Taxes	267,294	213,041	112,691	593,026	57,740
Current Portion-Bonds Payable	6,279,987	3,782,013	-	10,062,000	-
Current Portion-Accrued Compensated Absences	157,288	136,592	77,548	371,428	32,517
Current Portion-Capital Leases	16,859	37,426	-	54,285	-
Current Portion-Estimated Claims and Judgements	-	-	-	-	1,027,720
Due to Other Funds	-	-	1,033,384	1,033,384	1,096,346
Accrued Interest Payable	1,309,372	444,427	-	1,753,799	-
Unearned Revenue	-	-	160,897	160,897	-
Total Current Liabilities Payable from Current Assets	<u>8,923,494</u>	<u>5,073,006</u>	<u>1,747,138</u>	<u>15,743,638</u>	<u>3,110,365</u>
Current Liabilities Payable from Restricted Assets:					
Accounts Payable	8,123	7,430	-	15,553	-
Deposits	1,129,428	-	-	1,129,428	-
Unearned Revenue	-	46,020	-	46,020	-
Total Current Liabilities Payable from Restricted Assets	<u>1,137,551</u>	<u>53,450</u>	<u>-</u>	<u>1,191,001</u>	<u>-</u>
Total Current Liabilities	<u>10,061,045</u>	<u>5,126,456</u>	<u>1,747,138</u>	<u>16,934,639</u>	<u>3,110,365</u>
Noncurrent Liabilities:					
Bonds Payable	68,657,880	23,303,050	-	91,960,930	-
Pension Liability	5,999,241	4,273,241	2,421,967	12,694,449	-
Accrued Compensated Absences	381,622	290,421	154,032	826,075	52,647
Estimated Claims and Judgements	-	-	-	-	976,930
Capital Leases	33,717	94,524	-	128,241	-
Total Noncurrent Liabilities	<u>75,072,460</u>	<u>27,961,236</u>	<u>2,575,999</u>	<u>105,609,695</u>	<u>1,029,577</u>
Total Liabilities	<u>85,133,505</u>	<u>33,087,692</u>	<u>4,323,137</u>	<u>122,544,334</u>	<u>4,139,942</u>
<b>Deferred Inflows of Resources</b>					
Pension Investments - Projection/Actual difference	134,842	266,216	150,886	551,944	-
Other Pension Items	256,777	12,732	7,217	276,726	-
Total Deferred Inflows of Resources	<u>391,619</u>	<u>278,948</u>	<u>158,103</u>	<u>828,670</u>	<u>-</u>
<b>Net Position</b>					
Net investment in capital assets	77,327,797	79,878,898	1,184,165	158,390,860	8,680,892
Unrestricted	42,078,244	46,225,699	1,589,714	89,893,657	17,732,189
Total Net Position	<u>\$ 119,406,041</u>	<u>\$ 126,104,597</u>	<u>\$ 2,773,879</u>	<u>248,284,517</u>	<u>\$ 26,413,081</u>
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				(973,298)	
Net position of business-type activities				<u>\$ 247,311,219</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, 2020

	Business-Type Activities-Enterprise Funds				Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Other Funds	Totals	
Operating Revenues:					
Metered Water Sales	\$ 24,314,126	\$ -	\$ -	\$ 24,314,126	\$ -
Commercial Raw Water	145,456	-	-	145,456	-
Wastewater Charges	-	17,662,964	-	17,662,964	-
Meters, Connections and Services	1,112,680	62,726	-	1,175,406	-
Charges for Services	-	-	7,064,943	7,064,943	4,589,609
Green Fees and Concessions	-	-	808,208	808,208	-
Equipment Rental	-	-	212,675	212,675	1,789,896
Miscellaneous Charges	-	-	-	-	1,628,786
Total Operating Revenues	<u>25,572,262</u>	<u>17,725,690</u>	<u>8,085,826</u>	<u>51,383,778</u>	<u>8,008,291</u>
Operating Expenses:					
Operations and Maintenance	12,647,476	10,831,832	8,152,459	31,631,767	5,163,947
Depreciation	7,705,793	6,397,957	296,827	14,400,577	2,600,576
Total Operating Expenses	<u>20,353,269</u>	<u>17,229,789</u>	<u>8,449,286</u>	<u>46,032,344</u>	<u>7,764,523</u>
Operating Income/(Loss)	<u>5,218,993</u>	<u>495,901</u>	<u>(363,460)</u>	<u>5,351,434</u>	<u>243,768</u>
Non-Operating Revenues/(Expenses):					
Interest	703,897	726,810	71,589	1,502,296	356,270
Gain/(Loss) on Disposal of Assets	-	-	-	-	30,984
Interest and Fiscal Agent Fees	(2,448,598)	(855,461)	-	(3,304,059)	-
Miscellaneous Revenues	67,625	21,012	18,132	106,769	-
Total Non-Operating Revenues/(Expenses)	<u>(1,677,076)</u>	<u>(107,639)</u>	<u>89,721</u>	<u>(1,694,994)</u>	<u>387,254</u>
Income/(Loss) before Contributions and Transfers	3,541,917	388,262	(273,739)	3,656,440	631,022
Capital Contributions	3,506,562	5,785,414	688,376	9,980,352	-
Transfers In	-	-	250,000	250,000	582,314
Transfers Out	(59,667)	(66,055)	(202,790)	(328,512)	(3,991)
Change in Net Position	6,988,812	6,107,621	461,847	13,558,280	1,209,345
Net Position - Beginning	<u>112,417,229</u>	<u>119,996,976</u>	<u>2,312,032</u>		<u>25,203,736</u>
Net Position - Ending	<u>\$ 119,406,041</u>	<u>\$ 126,104,597</u>	<u>\$ 2,773,879</u>		<u>\$ 26,413,081</u>
Adjustment for consolidation of internal service fund activities related to enterprise funds				<u>(80,102)</u>	
Change in net position of business-type activities				<u>\$ 13,478,178</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, 2020

	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	\$ 25,570,064	\$ 17,780,102	\$ 7,877,840	\$ 51,228,006	\$ 7,981,081
Cash Paid to Employees	(5,900,271)	(4,705,633)	(2,546,983)	(13,152,887)	(1,030,131)
Cash Paid to Suppliers	(6,719,372)	(7,549,617)	(5,424,137)	(19,693,126)	(1,349,034)
Cash Paid for Operating Expenses	-	-	-	-	(2,585,693)
Other Operating Activity Revenue	67,625	21,012	18,131	106,768	10,452
Net Cash Provided by/(used for) Operating Activities	<u>13,018,046</u>	<u>5,545,864</u>	<u>(75,149)</u>	<u>18,488,761</u>	<u>3,026,675</u>
Cash Flows from Noncapital Financing Activities:					
Cash Received from Other Funds	-	-	938,376	938,376	582,314
Cash Paid to Other Funds	(59,667)	(66,055)	(202,790)	(328,512)	(3,991)
Interfund Borrowing	-	-	451,389	451,389	(354,155)
Net Cash Provided by/(Used for) Noncapital Financing Activities	<u>(59,667)</u>	<u>(66,055)</u>	<u>1,186,975</u>	<u>1,061,253</u>	<u>224,168</u>
Cash Flow from Capital and Related Financing Activities:					
Contributions of Capital	2,840,238	3,311,616	-	6,151,854	-
Acquisition and Construction of Assets	(2,426,653)	(1,509,441)	-	(3,936,094)	(3,149,259)
Proceeds from Sale of Capital Assets	-	-	-	-	43,573
Principal Payments on Bonds	(6,090,763)	(3,697,237)	-	(9,788,000)	-
WIFA - Contracted Loan	-	-	-	-	-
Capital Lease	(16,859)	64,516	-	47,657	-
Interest and Fiscal Agent Fee Payments	(2,723,201)	(934,694)	-	(3,657,895)	-
Net Cash (Used for) Capital and Related Financing Activities	<u>(8,417,238)</u>	<u>(2,765,240)</u>	<u>-</u>	<u>(11,182,478)</u>	<u>(3,105,686)</u>
Cash Flows from Investing Activities:					
Receipt of Interest	741,469	764,791	75,617	1,581,877	373,110
Net Cash Provided by Investing Activities	<u>741,469</u>	<u>764,791</u>	<u>75,617</u>	<u>1,581,877</u>	<u>373,110</u>
Net Increase in Cash and Cash Equivalents	5,282,610	3,479,360	1,187,443	9,949,413	518,267
Cash and Cash Equivalents, July 1	44,213,545	46,608,399	3,794,331	94,616,275	20,541,272
Cash and Cash Equivalents, June 30	<u>\$ 49,496,155</u>	<u>\$ 50,087,759</u>	<u>\$ 4,981,774</u>	<u>\$ 104,565,688</u>	<u>\$ 21,059,539</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(used for) Operating Activities:					
Operating Income/(Loss)	\$ 5,218,993	\$ 495,901	\$ (363,460)	\$ 5,351,434	\$ 243,768
Adjustments to Reconcile Operating Income/(Loss)					
Depreciation and Amortization Expense	7,705,793	6,397,957	296,827	14,400,577	2,600,576
(Increase)/Decrease in Accounts Receivable	(350,657)	26,229	(207,983)	(532,411)	(16,756)
(Increase)/Decrease in Inventories	38,664	-	(14,086)	24,578	(157,156)
(Increase)/Decrease in Prepaid Items	(541)	(401)	8,786	7,844	22,355
Increase/(Decrease) in Accounts Payable	(95,173)	(1,529,063)	159,394	(1,464,842)	802,727
Increase/(Decrease) in Accrued Payroll and Related Taxes	(33,880)	17,044	(36,078)	(52,914)	21,681
Increase in Claims Incurred but Not Reported	-	-	-	-	248,462
(Increase)/Decrease in Customer Dep/Unearned Rev	302,708	-	(3,098)	299,610	-
Decrease in Pension Exp/Def Outflows/Inflows	164,517	117,185	66,417	348,119	-
Increase in Estimated Claims	-	-	-	-	(738,979)
Other Operating Activity Revenue	67,622	21,012	18,132	106,766	-
Total Adjustments	<u>7,799,053</u>	<u>5,049,963</u>	<u>288,311</u>	<u>13,137,327</u>	<u>2,782,910</u>
Net Cash Provided by/(used for) Operating Activities	<u>\$ 13,018,046</u>	<u>\$ 5,545,864</u>	<u>\$ (75,149)</u>	<u>\$ 18,488,761</u>	<u>\$ 3,026,678</u>
Noncash Transactions Affecting Financial Position					
Contributions of Capital Assets	\$ 666,324	\$ 2,473,798	\$ -	\$ 3,140,122	\$ -
Issuance of Capital Lease	-	91,922	-	91,922	-
Total Noncash Transactions Affecting Financial Position	<u>\$ 666,324</u>	<u>\$ 2,565,720</u>	<u>\$ -</u>	<u>\$ 3,232,044</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, 2020

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**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**

The City did not implement any new GASB standards in FY20.

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

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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**C. Government-wide and fund financial statements**

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

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, Capital Projects, Grants,

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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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.

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.

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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

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

**E. Budget Information**

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

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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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.

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



**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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met, provided the revenue is received within 120 days of the end of the fiscal year. Any grant proceeds received after this period are considered unavailable revenue for the reporting period.

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, 2020, the estimated amounts of unbilled revenues for the Water, Wastewater and Solid Waste Enterprise Funds are \$1,059,808, \$622,989, and \$161,752, 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

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 developers' 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

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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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.

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

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

	General	City Road Tax	Debt Service	Other Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ 16,799	\$ -	\$ -	\$ 9,889	\$ 26,688
Prepaid Items	16,676	7	-	695	17,378
Restricted for:					
Debt Service	-	-	5,003	-	5,003
Road Maintenance and Construction	-	6,104,109	-	5,339,324	11,443,433
PS-Police equipment and facilities	-	-	-	1,990,754	1,990,754
PS-Fire equipment and facilities	-	-	-	663,585	663,585
Parks, recreation and cultural facilities	-	-	-	1,292,617	1,292,617
Public works projects	-	-	-	1,080,564	1,080,564
Committed to:					
General government projects	-	-	-	61,438	61,438
Road Maintenance and Construction	-	-	-	1,563,410	1,563,410
PS-Police equipment and facilities	-	-	-	2,791,657	2,791,657
PS-Fire equipment and facilities	-	-	-	1,550,732	1,550,732
Parks, recreation and cultural facilities	-	-	-	1,964,326	1,964,326
Sanitation facilities	-	-	-	2,769	2,769
Public works projects	-	-	-	36,526	36,526
Unassigned:	29,202,711	-	-	(304,035)	28,898,676
Total Fund Balances	<u>\$ 29,236,186</u>	<u>\$ 6,104,116</u>	<u>\$ 5,003</u>	<u>\$ 18,044,250</u>	<u>\$ 53,389,555</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, \$7,061,886, and for the internal service funds, \$67,096, 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 \$480,483, \$377,798, \$87,447, \$77,916 and \$41,638 respectively, and are recorded in those funds and in the business-type activities of the government-wide statements and accrued as earned.

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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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, 2020, the gross amount accumulated in sick pay and related benefits is \$7,592,216 including \$57,050 attributable to Internal Service Funds and \$1,198,824 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, \$754,984, 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 Internal Service Fund is \$18,068, and Water, Wastewater, Solid Waste, Radio Communications, and Desert Hills Golf Course Enterprise Funds of \$58,428, \$49,216, \$11,426, \$6,078 and \$7,074 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 judgments 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, 2020, 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, 2020

**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, 2020, the City's deposits had a carrying value of \$4,621,507 and a bank balance of \$5,095,578. 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, 2020 included petty cash and change fund balances of \$62,240.

**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, 2020, 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, 2020, were as follows:

Investment Type	Fair Value	Investment Maturities in Years			
		< 1 Year	1-2 Years	2-3 Years	3-5 Years
Commercial Paper	\$ 25,424,125	\$ 25,424,125	\$ -	\$ -	\$ -
US Agencies:					
Federal Farm Credit Bank	6,500,129	-	-	-	6,500,129
Federal Home Loan Bank	5,001,846	-	-	-	5,001,846
Federal Home Loan Mtg. Corp.	24,001,614	-	-	16,002,427	7,999,187
Federal National Mtg. Assoc.	4,000,577	-	-	4,000,577	-
Federal Agricultural Mtg. Corp.	5,001,446	-	-	5,001,446	-
Money Market Funds	25,649,119	25,649,119	-	-	-
State Investment Pool 5	98,593,511	98,593,511	-	-	-
Total Value	<u>\$ 194,172,367</u>	<u>\$ 149,666,755</u>	<u>\$ -</u>	<u>\$ 25,004,450</u>	<u>\$ 19,501,162</u>
		77.08%	0.00%	12.88%	10.04%

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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**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, 2020, all investments, with the exception of the State Investment Pool, are rated AA+ by Standard and Poor's and AAA by Moody's. The State Investment Pool 5 was rated AAA/s1+ by Standard and Poor's at year end.

**Concentration of Credit Risk**

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

	<b>Maximum %</b>	<b>Actual %</b>
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%	22.92%
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%	13.09%
Maximum per issuer	10% of total C.P	0%
Repurchase Agreements	100%	0%
Money Market Funds	100%	13.22%
State Investment Pool	100%	50.77%

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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**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, 2020, had a weighted average maturity of 746 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, 2020

The City has the following recurring fair value measurements as of June 30, 2020:

	Fair Value Measurements Using			
June 30, 2020	Quoted Prices in Active Markets for identical Assets (Level 1)	Significant Other Observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	
<b>Investments by fair value level:</b>				
Commerical Paper	\$ 25,424,125	\$ -	\$ 25,424,125	\$ -
US Agencies:				
Federal Farm Credit Bank	6,500,129	6,500,129	-	-
Federal Home Loan Bank	5,001,846	5,001,846	-	-
Federal Home Loan Mtg. Corp.	24,001,614	24,001,614	-	-
Federal National Mtg. Assoc.	4,000,577	4,000,577	-	-
Federal Agricultural Mtg. Corp.	5,001,446	5,001,446	-	-
Total investments by fair value level	69,929,737	\$ 44,505,612	\$ 25,424,125	\$ -
<b>Investments measured at the net asset value (NAV)</b>				
Money Market Funds	\$ 25,649,119			
State Investment Pool 5	98,593,511			
Total investments measured at the NAV	124,242,630			
Total investments measured at fair value	\$ 194,172,367			

**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 2018-19 (Tax Year 2018) and fiscal year 2019-20 (Tax Year 2019), follow:

	Tax Year 2018	Tax Year 2019
Net Limited Assessed Valuation	\$ 540,446,017	\$ 568,366,566
Primary Tax Rate	2.3001	2.3001
Primary Tax Levy	12,430,798	12,928,636
Net Full Cash Assessed Valuation	540,446,017	568,366,566
Secondary Tax Rate/Levy	None	None
Current Tax Collections	12,487,179	13,279,548
Delinquent Tax Collections	277,870	441,631
Delinquent Taxes Outstanding as of June 30	578,101	816,288



**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

**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:

	Accounts	Intergovern- mental	Special Assessment	Delinquent		Total	Per CAFR s/b:
				Property Taxes	Accrued Interest		
General	\$ 1,611,847	\$ 1,580,224	\$ 20,169	\$ 843,505	\$ 4,556	\$ 4,060,301	\$ 4,060,301
City Road Tax	172,866	291,717	-	-	14,229	478,812	478,812
Debt Service	34,992	-	365,000	-	-	399,992	399,992
Water	2,918,819	1,456	-	-	10,930	2,931,205	2,931,205
Wastewater	1,533,970	203,227	-	-	24,914	1,762,111	1,762,111
Other Funds-Governmental	1,167,505	1,891,394	-	4,507	11,018	3,074,424	3,074,424
Other Funds-Enterprise	513,646	155,971	-	-	1,472	671,089	671,089
Internal Service	174,593	12	-	-	10,052	184,657	184,657
<b>Total</b>	<b>\$ 8,128,238</b>	<b>\$ 4,124,001</b>	<b>\$ 385,169</b>	<b>\$ 848,012</b>	<b>\$ 77,171</b>	<b>\$ 13,562,591</b>	<b>\$ 13,562,591</b>

	Allowance Amount	
	2020	2019
Enterprise Funds:		
Solid Waste	\$ 14,619	\$ 20,613
Water	208,298	178,683
Wastewater	106,163	92,713

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

**D. Due from Other Governments (Intergovernmental Receivables)**

Amounts due from other government units at June 30, 2020, are as follows:

	<b>Agencies</b>				<b>Total</b>
	<b>Federal</b>	<b>State</b>	<b>County</b>	<b>Local</b>	
Governmental Funds					
Major Funds					
General	\$ -	\$1,330,483	\$184,359	\$ 65,382	\$ 1,580,224
City Road Tax	-	291,414		303	291,717
Non-major Funds					
Highway User Revenue	-	632,604	-	-	632,604
Public Safety Tax	-	116,526	-	-	116,526
Two Percent Tax	-	119,878	-	-	119,878
Mall Maintenance	-		6,097	-	6,097
Capital Projects	-	251,955		1,685	253,640
Grants	525,668	5,794			531,462
Community Redevelopment	231,187	-	-	-	231,187
Enterprise Funds:					
Major Funds					
Water	-	1,456	-		1,456
Wastewater	111,875	34	-	91,318	203,227
Non-major Funds					
Solid Waste	-	3,021	-	-	3,021
Radio Communications		106,993	43,720	1,509	152,222
Desert Hills Golf Course	-	728	-	-	728
Internal Service Funds					
Equipment Maintenance	-	12	-	-	12
<b>Total</b>	<b>\$ 868,730</b>	<b>\$2,860,898</b>	<b>\$234,176</b>	<b>\$ 160,197</b>	<b>\$ 4,124,001</b>

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

**E. Capital Assets**

Capital asset activity for governmental activities for the year ended June 30, 2020, follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Capital Assets Not Being Depreciated:				
Land	\$ 51,815,147	\$ -	\$ 341,519	\$ 51,473,628
Construction in Progress	20,216,056	13,734,598	28,511,235	5,439,419
Total Capital Assets Not Being Depreciated	72,031,203	13,734,598	28,852,754	56,913,047
Other Capital Assets:				
Buildings	95,487,678	12,186,812	-	107,674,490
Improvements	67,780,959	2,174,222	-	69,955,181
Infrastructure	278,205,319	17,958,247	221,180	295,942,386
Equipment	65,884,825	4,692,521	938,855	69,638,491
Total Other Capital Assets	507,358,781	37,011,802	1,160,035	543,210,548
Less Accumulated Depreciation for:				
Buildings	49,791,586	3,128,730	-	52,920,316
Improvements	44,411,538	1,862,586	-	46,274,124
Infrastructure	135,104,933	7,292,410	221,180	142,176,163
Equipment	51,323,101	4,836,137	926,266	55,232,972
Total Accumulated Depreciation	280,631,158	17,119,863	1,147,446	296,603,575
Other Capital Assets, Net	226,727,623	19,891,939	12,589	246,606,973
Total Capital Assets, Governmental Activities	<u>\$ 298,758,826</u>	<u>\$ 33,626,537</u>	<u>\$ 28,865,343</u>	<u>\$ 303,520,020</u>

Government activities capital assets net of accumulated depreciation at June 30, 2020, include:

Governmental Funds Capital Assets, Net	\$ 294,839,128
Internal Service Funds Capital Assets, Net	8,680,892
Total	<u>\$ 303,520,020</u>

Depreciation was charged to governmental functions as follows:

General Government and Unclassified	\$ 4,088,903
Public Safety	2,162,315
Streets	7,314,605
Parks, Recreation, and Culture	909,657
Environmental Health and Protection	35,106
Community Design and Development	8,701
Assets held by Internal Service Funds are charged based on usage of assets	2,600,576
Total	<u>\$ 17,119,863</u>

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

Capital asset activity for business-type activities for the year ended June 30, 2020, follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Capital Assets Not Being Depreciated:				
Land	\$ 10,782,259	\$ -	\$ -	\$ 10,782,259
Construction in Progress	10,284,643	3,823,364	12,073,970	2,034,037
Total Capital Assets Not Being Depreciated	<u>21,066,902</u>	<u>3,823,364</u>	<u>12,073,970</u>	<u>12,816,296</u>
Other Capital Assets:				
Buildings	164,648,404	-	-	164,648,404
Improvements	287,159,601	15,065,980	-	302,225,581
Equipment	15,039,603	260,842	-	15,300,445
Total Other Capital Assets	<u>466,847,608</u>	<u>15,326,822</u>	<u>-</u>	<u>482,174,430</u>
Less Accumulated Depreciation for:				
Buildings	31,331,636	3,300,659	-	34,632,295
Improvements	180,231,931	10,506,557	-	190,738,488
Equipment	13,195,315	593,361	-	13,788,676
Total Accumulated Depreciation	<u>224,758,882</u>	<u>14,400,577</u>	<u>-</u>	<u>239,159,459</u>
Other Capital Assets, Net	<u>242,088,726</u>	<u>926,245</u>	<u>-</u>	<u>243,014,971</u>
Total Capital Assets, Business-type activities	<u>\$ 263,155,628</u>	<u>\$ 4,749,609</u>	<u>\$ 12,073,970</u>	<u>\$ 255,831,267</u>

Depreciation was charged to programs as follows:

Water	\$ 7,705,793
Wastewater	6,397,957
Solid Waste	470
Radio Communications	191,221
Golf courses	105,136
Total	<u>\$ 14,400,577</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 \$1.1 million.

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

**F. Noncurrent Liabilities**

The following changes occurred in noncurrent liabilities during the fiscal year ended June 30, 2020:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Due Within One Year
<b>Governmental activities:</b>					
Yuma Municipal Property Corporation	\$ 91,475,000	\$ -	\$ 7,085,000	\$ 84,390,000	\$ 7,430,000
Improvement District #68	715,000	-	350,000	365,000	365,000
Unamortized Premium	6,659,659	-	666,609	5,993,050	-
Capital Lease	1,828,510	1,617,577	710,387	2,735,700	777,578
Pension	155,524,024	6,874,900	-	162,398,924	-
Estimated Claims & Judgements	2,495,169	-	490,519	2,004,650	976,930
Compensated Absences	7,404,505	1,062,981	583,517	7,883,969	2,995,434
Total Governmental Activity Noncurrent Liabilities	<u>\$266,101,867</u>	<u>\$ 9,555,458</u>	<u>\$ 9,886,032</u>	<u>\$265,771,293</u>	<u>\$12,544,942</u>
<b>Business-type activities:</b>					
Yuma Municipal Property Corporation	\$ 77,970,000	\$ -	\$ 4,205,000	\$ 73,765,000	\$ 4,395,000
Private Placement Obligations	26,717,000	-	5,583,000	21,134,000	5,667,000
Unamortized Premium	7,717,580	-	593,650	7,123,930	-
Capital Lease	134,867	91,922	44,264	182,525	54,285
Pension	11,838,387	856,062	-	12,694,449	-
Compensated Absences	1,315,911	75,725	194,133	1,197,503	371,428
Total Business-type Activity Noncurrent Liabilities	<u>\$125,693,745</u>	<u>\$ 1,023,709</u>	<u>\$ 10,620,047</u>	<u>\$116,097,407</u>	<u>\$10,487,713</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. In FY20, the City leased a number of vehicles in order to supplement its fleet, a new Audio/Visual system for the City Council Chambers, and launched a PC as a Service program through Dell. All of this equipment was 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	1,829,283	260,508
Less: Accumulated depreciation	(596,462)	(82,915)
Total	<u>\$ 1,232,821</u>	<u>\$ 177,593</u>

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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
2021	\$ 783,629	\$ 54,285
2022	783,628	54,285
2023	783,629	54,284
2024	252,904	19,672
2025	147,406	-
Total minimum lease payments	<u>2,751,196</u>	<u>182,526</u>
Less: amount representing interest	<u>(15,495)</u>	<u>-</u>
Present value of minimum lease payment	<u>\$ 2,735,701</u>	<u>\$ 182,526</u>
Due within one year	<u>\$ 777,578</u>	<u>\$ 54,285</u>

**Bonded Debt - Excluding Refunded Debt**

The following is a description of bonded indebtedness at June 30, 2020. 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.

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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

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, 2020, the pledged revenues described above amounted to \$86,455,102 for governmental activities and \$50,915,616 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, 2020, debt service for governmental activities totaled \$11,461,361 and for business-type activities \$13,572,898, or 13.3% and 26.7% 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	\$ 14,755,000	\$ 162,436
2015 - Sr Lien Excise Rev & Refunding	3.5 - 5.0%	10/21/2015	2035	48,105,000	40,645,000	2,609,551
2015 - Sr Lien Road Tax Refunding	2.0 - 5.0%	10/21/2015	2027	40,280,000	28,990,000	3,221,063
2015 - Sr Lien Utility System Rev Refunding	3.25 - 5.0%	10/21/2015	2032	89,675,000	73,765,000	7,123,931
2016 - Sr Lien Utility System Rev Refunding	1.50%	11/8/2016	2024	37,835,000	21,134,000	-
Total MPC Bonds				<u>\$245,425,000</u>	<u>\$179,289,000</u>	<u>\$ 13,116,980</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.

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The legal borrowing capacity of the City of Yuma at June 30, 2020, follows:

	<b>Water, Etc. (20%)</b>	<b>All Other (6%)</b>
Secondary Assessed Valuation	\$707,725,089	
Legal Limit	\$ 141,545,018	\$ 42,463,505
Outstanding G.O. Debt	-	-
Available Debt Margin	\$ 141,545,018	\$ 42,463,505

**Annual Debt Service Requirements to Maturity**

	Private Placement						
	July 1	Principal	Interest	Total	Principal	Interest	Total
		MPC Bonds 2016 WIFA Refunding			MPC Bonds 2015 Excise		
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	
2025-2029	-	-	-	11,515,000	4,588,175	16,103,175	
2030-2034	-	-	-	15,395,000	2,078,938	17,473,938	
2035-2039	-	-	-	3,435,000	60,112	3,495,112	
	\$ 21,134,000	\$ 623,685	\$ 21,757,685	\$ 40,645,000	\$ 13,618,725	\$ 54,263,725	

	Private Placement						
	July 1	Principal	Interest	Total	Principal	Interest	Total
		MPC Bonds 2015 Road Refunding 2007			MPC Bonds 2015 Series Utility Refunding 2007		
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	
2025-2029	12,020,000	709,250	12,729,250	29,610,000	6,446,536	36,056,536	
2030-2034	-	-	-	20,175,000	986,217	21,161,217	
	\$ 28,990,000	\$ 5,491,250	\$ 34,481,250	\$ 73,765,000	\$ 20,488,693	\$ 94,253,693	

	Private Placement						
	July 1	Principal	Interest	Total	Principal	Interest	Total
		MPC Bonds 2010 Refunding 2001			Improvement District No. 68 Bonds		
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	-	-	-	
2025-2029	2,730,000	61,425	2,791,425	-	-	-	
	\$ 14,755,000	\$ 2,039,772	\$ 16,794,772	\$ 365,000	\$ 17,155	\$ 382,155	



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**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 Plans, however, the plans are not described below based on their 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, 2020, the City reported the following aggregate amounts related to pensions for all plans to which it contributes:

<b>Statement of Net Position and Statement of Activities</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Net pension liabilities	\$ 162,398,924	\$ 12,694,449	\$ 175,093,373
Deferred outflows of resources related to pensions	30,970,859	1,559,766	32,530,625
Deferred inflows of resources related to pensions	5,797,475	828,670	6,626,145
Pension expense	20,044,965	1,383,491	21,428,456
Contributions	13,883,182	1,035,369	14,918,551

**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](http://www.azasrs.gov).

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

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

\*With actuarially reduced benefits

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

**Contributions** – In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2020, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.11 percent (11.94 percent for retirement and 0.17 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 12.11 percent (11.45 percent for retirement, 0.49 percent for health insurance premium benefit, and 0.17 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 10.41 percent (10.29 percent for retirement, 0.05 percent for health insurance premium benefit, and 0.07 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, 2020 were \$3,784,242.

During fiscal year 2020, 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, 2020, the City reported a liability of \$46,397,840 for its proportionate share of the ASRS' net pension liability. The net pension liability was measured as of June 30, 2019. 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, 2018, to the measurement date of June 30, 2019. The City's proportion of the net assets/liability was

**City of Yuma, Arizona**  
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based on the City'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, 2019.

The City's reported liability at June 30, 2020, increased by \$3,128,883 from the City's prior year liability of \$43,268,957 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 \$14,551,163,507. The City's proportion measured as of June 30, 2019, was 0.31886 percent, which was an increase of 0.00861 percent from its proportion measured as of June 30, 2018.

**Pension Expense and Deferred Outflows/Inflows of Resources** – For the year ended June 30, 2020, the City recognized pension expense for ASRS of \$5,056,618. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

<b>ASRS</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 838,189	\$ 8,723
Changes of assumptions or other inputs	196,125	1,847,653
Net difference between projected and actual earnings on pension plan investments	-	1,042,863
Changes in proportion and differences between city contributions and proportionate share of contributions	882,342	129,521
City contributions subsequent to the measurement date	3,784,242	-
<b>Total</b>	<b>\$ 5,700,898</b>	<b>\$ 3,028,760</b>

The \$3,784,242 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, 2021.

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:

<b>Year Ending June 30</b>	<b>Deferred outflow/inflow amortization</b>
2021	\$ (349,856)
2022	(841,281)
2023	(200,274)
2024	(279,307)

**City of Yuma, Arizona**  
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**Actuarial Assumptions** – The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2018
Actuarial roll forward date	June 30, 2019
Actuarial cost method	Entry age normal
Asset Valuation	Fair Value
Investment rate of return	7.5%
Projected salary increases	2.7 - 7.2%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP
Healthcare cost trend rate	Not Applicable

The actuarial assumptions used in June 30, 2018 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:

<b>ASRS</b>	<b>Long-Term</b>	
<b>Asset Class</b>	<b>Target Allocation</b>	<b>Expected Real Rate of Return</b>
Equity	50%	6.09%
Credit	20%	5.36%
Interest rate sensitive bonds	10%	1.62%
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, the same rate that was used as of 6/30/2018. 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

**City of Yuma, Arizona**  
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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 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.

<b>ASRS</b>	<b>1% Decrease (6.5%)</b>	<b>Current Discount Rate (7.5%)</b>	<b>1% Increase (8.5%)</b>
City's proportionate share of the net pension liability	\$ 66,034,873	\$ 46,397,840	\$ 29,986,334

**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](http://www.azasrs.gov)

**Public Safety Personnel Retirement System**

**Plan Description** – City public safety personnel who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit (OPEB) plan (agent plans). The City has chosen not to report the OPEB portion due to immateriality. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and employees who became members on or after July 1, 2017, participate in either agent plans or cost sharing plans (PSPRS Tier 3 Risk Pool). 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](http://www.psprs.com).

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

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**Initial membership date:**

	<b>Before January 1, 2012</b>	<b>On or after January 1, 2012 and before July 1, 2017</b>
<b>Retirement and Disability</b>		
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	
<b>Survivor Benefit</b>		
Retired Members	80% to 100% of retired member's pension benefit	
Active Members	80% to 100% 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.

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**Employees Covered by Benefit Terms** – At June 30, 2020, the following employees were covered by the agent pension plans' benefit terms:

	<b>PSPRS Police</b>	<b>PSPRS Fire</b>
Inactive employees or beneficiaries currently receiving benefits	124	82
Inactive employees entitled to but not yet receiving benefits	50	16
Active employees	135	94
Total	309	192

**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, 2020, are indicated below. Rates are a percentage of active members' annual covered payroll.

	<b>Active member - Pension</b>	<b>City Pension</b>
PSPRS-Police Tier 1 & 2	7.65%	60.06%
PSPRS-Police Tier 3	9.94%	58.20%
PSPRS-Fire Tier 1 & 2	7.65%	66.90%
PSPRS-Fire Tier 3	9.94%	62.33%

For the agent plans, the City's contributions to the pension plan benefit for the year ended June 30, 2020, were:

	<b>Pension</b>
PSPRS-Police Tier 1 & 2	\$ 5,297,685
PSPRS-Police Tier 3	449,550
PSPRS-Fire Tier 1 & 2	4,602,515
PSPRS-Fire Tier 3	631,574

During fiscal year 2020, 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, 2020, the City reported the following net pension liabilities:

	<b>Net Pension Liability</b>
PSPRS Police	\$ 69,834,458
PSPRS Fire	56,494,826

The net pension liabilities were measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total liabilities as of June 30, 2019, reflect changes of actuarial assumptions to decrease the investment rate of return from 7.4 percent to 7.3 percent and update the mortality rates.

**City of Yuma, Arizona**  
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**Pension Actuarial Assumptions** – The total pension liability in the June 30, 2019, measurement was determined using the following actuarial assumptions:

Actuarial cost method	Entry age normal
Asset valuation method	Fair value of assets
Inflation	2.50%
Salary Increases	3.50% to 7.50% including inflation
Tier 1/2 Investment Rate of Return	7.30%
Tier 3 Investment Rate of Return	7.00%
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	<p><b>Active Lives:</b> PubS-2010 Employee mortality, loaded 110% for males and females, projected with future mortality improvements reflected generationally using 75% of scale MP-2018, 100% of active deaths are assumed to be in the line of duty.</p> <p><b>Inactive Lives:</b> PubS-2010 Healthy Retiree mortality, loaded 110% for males and females, projected with future mortality improvements reflected generationally using 75% of scale MP-2018.</p> <p><b>Beneficiaries:</b> PubS-2010 Survivor mortality, projected with future mortality improvements reflected generationally using 75% of scale MP-2018.</p> <p><b>Disabled Lives:</b> PubS-2010 Disabled mortality, projected with future mortality improvements reflected generationally using 75% of scale MP-2018.</p>

Actuarial assumptions used in the June 30, 2019, valuation were based on the results of a 2017 experience study using actual plan experience.

The long-term expected rate of return on PSPRS plan investments was determined to be 7.30 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equity	16%	4.75%
Private credit	16%	5.36%
Non-U.S. equity	14%	5.00%
Private equity	12%	8.40%
GTS	12%	4.01%
Real Estate	10%	4.50%
Real Assets	9%	6.75%
Fixed income	5%	3.00%
Risk Parity	4%	4.01%
Short Term Inv	2%	0.25%
Total	<u>100%</u>	



**City of Yuma, Arizona**  
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**Pension Discount Rates** – The following discount rates were used to measure the total pension liabilities:

	<b>PSPRS Police</b>	<b>PSPRS Fire</b>
Discount rates	7.30%	7.30%

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)**

<b>PSPRS Yuma Police Department</b>	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at June 30, 2019	\$ 115,048,338	\$ 49,797,986	\$ 65,250,352
Changes for the year:			
Service cost	2,037,864	-	2,037,864
Interest on the total pension liability	8,416,772	-	8,416,772
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	537,676	-	537,676
Changes of assumptions or other inputs	2,691,789	-	2,691,789
Contributions-employer	-	5,577,447	(5,577,447)
Contributions-employee	-	906,329	(906,329)
Net investment income	-	2,663,690	(2,663,690)
Benefit payments, including refunds of employee contributions	(6,692,093)	(6,692,093)	-
Administrative expense	-	(47,310)	47,310
Other changes	-	-	-
Net changes	6,992,008	2,408,063	4,583,945
Adjustment to Beginning of Year		(161)	161
Balances at June 30, 2020	\$ 122,040,346	\$ 52,205,888	\$ 69,834,458

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PSPRS Yuma Fire Department	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2019	\$ 90,156,542	\$ 34,219,258	\$ 55,937,284
Changes for the year:			
Service cost	1,579,025	-	1,579,025
Interest on the total pension liability	6,634,098	-	6,634,098
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	(1,504,948)	-	(1,504,948)
Changes of assumptions or other inputs	1,568,402	-	1,568,402
Contributions-employer	-	5,431,590	(5,431,590)
Contributions-employee	-	570,661	(570,661)
Net investment income	-	1,858,386	(1,858,386)
Benefit payments, including refunds of employee contributions	(4,171,191)	(4,171,191)	-
Administrative expense	-	(33,294)	33,294
Other changes	-	(90,731)	90,731
Net changes	4,105,386	3,565,421	539,965
Adjustment to Beginning of Year		(17,577)	17,577
Balances at June 30, 2020	<u>\$ 94,261,928</u>	<u>\$ 37,767,102</u>	<u>\$ 56,494,826</u>

**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	6.30%	7.30%	8.30%
Net pension liability	\$ 86,199,938	\$ 69,834,458	\$ 56,543,307
PSPRS Fire			
Rate	6.30%	7.30%	8.30%
Net pension liability	\$ 68,745,655	\$ 56,494,826	\$ 46,470,741

**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](http://www.psprs.com).

**City of Yuma, Arizona**  
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**Pension Expense** - For the year ended June 30, 2020, the City recognized the following pension expense:

	<b>Pension Expense</b>
PSPRS Police	\$ 9,651,154
PSPRS Fire	7,067,936

**Pension Deferred Outflows/Inflows of Resources**-At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>PSPRS Police</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 551,097	\$ 158,953
Changes of assumptions or other inputs	7,329,442	-
Net difference between projected and actual earnings on pension plan investments	807,285	-
City contributions subsequent to the measurement date	5,747,235	-
Total	\$ 14,435,059	\$ 158,953

<b>PSPRS Fire</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 533,689	\$ 2,903,139
Changes of assumptions or other inputs	5,734,907	-
Net difference between projected and actual earnings on pension plan investments	598,212	-
City contributions subsequent to the measurement date	5,234,089	-
Total	\$ 12,100,897	\$ 2,903,139

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, 2021.

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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

	<b>PSPRS Police</b>		<b>PSPRS Fire</b>
Year ending June 30			
2021	\$ 3,567,399	\$	1,696,670
2022	1,651,182		572,771
2023	1,944,915		717,733
2024	1,365,375		756,953
2025	-		219,542
Thereafter	-		-

**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](http://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:

**City of Yuma, Arizona**  
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	Initial membership date:	
	Before January 1, 2012	On or after January 1, 2012
<b>Retirement and Disability</b>		
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
<b>Survivor Benefit</b>		
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.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 8 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 7 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

**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, 2020, statute required active EORP members to contribute 7.0 or 13.0 percent of the members' annual covered payroll and the City to contribute 61.43 percent of all active EORP members' annual covered payroll. Also, statute required the City to contribute 49.49 percent to EORP of the annual covered payroll of elected officials and judges who were ASRS members and 55.43 percent to EORP of the annual covered payroll of elected officials and judges who were EODCRS

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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members, in addition to the City's required contributions to ASRS and EODCRS for these elected officials and judges. During fiscal year 2020, 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, 2020 was \$152,985.

**Pension Liability** – At June 30, 2020, 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 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	\$	2,366,249
State's proportionate share of the EORP net pension liability associated with the City		222,400
Total	\$	2,588,649

The net pension liability was measured as of June 30, 2019, 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, 2019, reflect changes of actuarial assumptions to decrease the investment rate of return from 7.4 percent to 7.3 percent and update the mortality rates.

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, 2019. The City's proportion measured as of June 30, 2019 was 0.3568 percent, which is slightly lower than its proportion measured as of June 30, 2018.

**Pension expense and deferred outflows/inflows of resources** – For the year ended June 30, 2020, the City recognized total pension expense for EORP of (\$361,130) for the City's proportionate share of the State's appropriation to EORP and designated court fees. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EORP	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 52,756	\$ 2,244
Changes of assumptions or other inputs	7,439	67,243
Net difference between projected and actual earnings on pension plan investments	16,099	-
Changes in proportion and differences between city contributions and proportionate share of contributions	64,492	465,805
City contributions subsequent to the measurement date	152,985	-
Total	\$ 293,771	\$ 535,292

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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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, 2021.

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>
2021	\$ (399,067)
2022	(4,105)
2023	4,494
2024	4,172

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

Actuarial valuation date	June 30, 2019
Actuarial cost method	Entry age normal
Price inflation	2.50%
Salary Increases	3.75%, including inflation
Investment rate of return	7.30%
Retirement Age	Experience-Based Table
Mortality rates	PUBG-2010 Mortality Tables with MP-2018 improvement scale with adjustments to match current experience.
Cost of Living Adjustment	1.75% of benefit

Actuarial assumptions used in the June 30, 2019 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 EORP pension plan investments was determined to be 7.30 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:

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Return Geometric Basis</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
U.S. equity	16%	4.75%	0.76%
Non-U.S. equity	14%	5.00%	0.70%
Private Equity	12%	8.40%	1.00%
Fixed income	5%	3.00%	0.15%
Private Credit	16%	5.36%	0.86%
GTS	12%	4.01%	0.48%
Real assets	9%	6.75%	0.61%
Real estate	10%	4.50%	0.45%
Risk Parity	4%	4.01%	0.16%
Short-term investments	2%	0.25%	0.01%
Total	<u>100%</u>		<u>5.18%</u>
Inflation			2.75%
Expected geometric return			7.93%

**Discount rate** – At June 30, 2019, the discount rate used to measure the EORP total pension liability was 7.30 percent, which was a decrease of 0.10 percent from the discount rates used as of June 30, 2018. 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 7.3 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 (6.3 percent) or 1 percentage point higher (8.3 percent) than the current rate:

<b>EORP</b>	<b>1% Decrease 6.3%</b>	<b>Current Single Discount Rate 7.3%</b>	<b>1% Increase 8.3%</b>
City's proportionate share of the net pension liability	\$ 2,709,711	\$ 2,366,249	\$ 2,073,712

**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, 2020

**H. Interfund Transfers**

	<u>Transfers Out</u>		<u>Transfers In</u>
	<b>Governmental funds - major funds:</b>		
<b>General</b>	Equipment Replacement \$ 381,923	<b>Debt Service</b>	General \$ 4,105,066
	Mall Maintenance 108,746		Public Safety Tax 948,587
	Debt Service 4,105,066		Two Percent Tax 571,097
<b>City Road Tax</b>	Equipment Replacement 11,792		Desert Hills Golf Course 2,103
	Debt Service 4,490,048		Water 59,667
			Wastewater 66,055
			HURF 116,842
			Solid Waste 165,370
			City Road Tax 4,490,048
			Parks and Rec Dev Fee 555,955
	<b>Nonmajor funds:</b>		
<b>Public Safety Tax</b>	Debt Service \$ 948,587	<b>Yuma Mall Maint</b>	General \$ 108,746
<b>Two Percent</b>	Equipment Replacement 137,499		
	Debt Service 571,097		
	Desert Hills Golf Course 250,000		
<b>HURF</b>	Equipment Replacement 11,792		
	Debt Service 116,842		
<b>Capital Projects</b>	Debt Service 555,955		
	<b>Total Governmental Activities</b>		<b>Total Governmental Activities</b>
	<b>\$ 11,689,347</b>		<b>\$ 11,189,536</b>
	<b>Enterprise funds:</b>		
<b>Desert Hills</b>	Equipment Replacement \$ 23,525	<b>Desert Hills</b>	Two Percent Tax \$ 250,000
	Debt Service 2,103		
<b>Solid Waste</b>	Debt Service 165,370		
	Equipment Replacement 11,792		
<b>Water</b>	Debt Service 59,667		
<b>Wastewater</b>	Debt Service 66,055		
	<b>Total Enterprise Funds</b>		<b>Total Enterprise Funds</b>
	<b>\$ 328,512</b>		<b>\$ 250,000</b>
	<b>Internal Service funds:</b>		
<b>Equipment Maintenance</b>	Equipment Replacement \$ 3,991	<b>Equipment Replacement</b>	General \$ 381,923
			HURF 11,792
			City Road Tax 11,792
			Two Percent Tax 137,499
			Desert Hills Golf Course 23,525
			Solid Waste 11,792
			Equipment Maintenance 3,991
	<b>Total Internal Service Funds</b>		<b>Total Internal Service Funds</b>
	<b>\$ 3,991</b>		<b>\$ 582,314</b>
	<b>Total Transfers Out</b>		<b>Total Transfers In</b>
	<b>\$ 12,021,850</b>		<b>\$ 12,021,850</b>

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 \$78,512 are for debt service (\$293,195), 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, 2020

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**I. Interfund Receivables and Payables**

Interfund balances for major funds at June 30, 2020, follow:

Interfund Payable	General
<b>Major Governmental Funds:</b>	
Debt Service Fund	\$ 32,891
<b>Nonmajor Governmental Funds:</b>	
Community Redevelopment Fund	230,244
Grants Fund	721,321
<b>Nonmajor Enterprise Funds:</b>	
Desert Hills Golf Course Fund	1,023,407
Radio Communications Grant Fund	9,977
<b>Internal Service Funds:</b>	
Equipment Maintenance Fund	1,096,346
<b>Total Receivable</b>	<b>\$ 3,114,186</b>

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, \$2,006,682, 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.

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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 liability claims, with an aggregate maximum of \$2,000,000, 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			
	Beginning of Year Liability	Claims and Changes in Estimates	Claim Payments	End of Year Liability	Beginning of Year Liability	Claims and Changes in Estimates	Claim Payments	End of Year Liability
2019-20	\$ 1,094,239	\$ 355,460	\$1,094,440	\$ 355,259	\$ 1,400,930	\$ 1,330,234	\$ 1,081,772	\$1,649,392
2018-19	91,581	1,100,872	98,214	1,094,239	1,065,542	1,327,593	992,205	1,400,930

**K. Construction Commitments**

The City has active construction projects as of June 30, 2020. 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	\$ 8,092,780	\$ 7,863,069	\$ 229,711
Public Safety	491,660	296,743	194,917
Environmental Health	1,758,979	1,673,478	85,501
Streets	7,218,699	6,798,069	420,630
Wastewater	586,974	407,424	179,550
	<u>\$ 18,149,092</u>	<u>\$ 17,038,783</u>	<u>\$ 1,110,309</u>

**L. Deficits in Fund Equity**

At June 30, 2020, 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 \$282,286 June 30, 2020. This has decreased by \$463,647 from the previous fiscal year as the City has appropriately adjusted the internal charges for this fund in order to better cover the expenditures. This was intended to be a gradual approach beginning with Budget Year 2020; the City believes that the deficit will be eliminated in FY2021. The Desert Hills Golf Course Fund, as shown in the Combining Statement of Fund Net Position in Other Supplementary Information, has a deficit balance of \$1,048,797 at June 30, 2020. While the City has been working diligently to expand its tournament base through a variety of new advertising campaigns to increase its revenue, the COVID-19 pandemic forced closure of the golf course for over a quarter of the year, and during its popular season. The Grants Fund is showing a deficit balance of \$304,035 due to expenditures relating to COVID-19 that have

**City of Yuma, Arizona**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2020

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been submitted to Arizona Department of Emergency and Military Affairs under a COVID-19 related grant but have not yet been approved for reimbursement.

**M. Subsequent Events**

On December 16, 2020, City Council approved an Ordinance to move forward with two bond issues, one to refinance the City's Arizona Public Safety Personnel Retirement System (PSPRS) unfunded accrued liability associated with the City's Tier 1 and Tier 2 plan members and the other to refinance the City's current 2010B bond.

The Pledged Revenue Obligation, Taxable Series 2021 bond issue will allow the City to take advantage of 10-year low treasury rates and save money over the next 19 years. The bond is expected to come in at \$159,330,000 (subject to change) and will fully fund the PSPRS pension liability as well as establish a Contingency Reserve Fund to mitigate future actuarial changes that may affect the City's liability in the future. This borrowing will afford the City's taxpayers an approximate net present value savings of \$65,000,000 over the life of the bond, which is expected to mature in 2039.

The Pledged Revenue Obligation, Tax-Exempt Series 2021 Refunding bond issue will take advantage of low borrowing costs to replace a much higher earlier bond issue and save money over the next 5 years. The refunding will mature in 2026 and the estimated net present value savings over the course of the bond is \$948,000.

**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 may have a material adverse effect on the City's financial position at June 30, 2020. As such, the City has recorded a liability of \$250,000 in the Insurance Reserve Fund that is expected to be paid out in FY 2021.

**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, 2020**

**Arizona State Retirement System**

	Reporting Fiscal Year (Measurement Date)						2014 through 2011
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
City's proportion of the net pension liability	0.31886%	0.31025%	0.312690%	0.307830%	0.313750%	0.313640%	Information
City's proportionate share of the net pension liability	\$ 46,397,840	\$ 43,268,957	\$ 48,711,007	\$ 49,686,854	\$ 48,871,806	\$ 46,324,403	not available
City's covered payroll	\$ 32,377,692	\$ 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	143.30%	140.30%	160.72%	174.57%	171.83%	167.46%	
Plan fiduciary net position as a percentage of the total pension liability	73.24%	73.40%	69.92%	67.06%	63.85%	69.49%	
Notes							
From GASB68 Reporting - page 132							
Plan fiduciary net position	39,825,142						
Plan pension liability	54,376,305						
Plan fiduciary net position as a percentage of the total pension liability	73.24%						

**Elected Officials Retirement Plan**

	Reporting Fiscal Year (Measurement Date)						2014 through 2011
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
City's proportion of the net pension liability	0.356800%	0.461140%	0.313770%	0.038265%	Information	Information	Information
City's proportionate share of the net pension liability	\$ 2,366,249	\$ 2,905,818	\$ 3,822,739	\$ 2,912,340	not available	not available	not available
City's covered payroll	\$ 247,298	\$ 247,328	\$ 248,957	\$ 247,464			
City's proportionate share of the net pension liability as a percentage of its covered payroll	956.84%	1174.88%	1535.50%	1176.87%			
Plan fiduciary net position as a percentage of the total pension liability	30.14%	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, 2020**

**PSPRS Police**

	Reporting Fiscal Year (Measurement Date)						2014 through 2011
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability							Information not available
Service cost	\$ 2,037,864	\$ 1,865,115	\$ 2,537,434	\$ 2,001,398	\$ 2,064,841	\$ 2,043,247	
Interest on the total pension liability	8,416,772	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	537,676	(18,200)	192,540	29,904	(500,429)	(53,936)	
Changes of assumptions or other inputs	2,691,789	-	3,881,385	3,687,996	-	9,770,998	
Benefit payments, including refunds of employee contributions	(6,692,093)	(5,888,584)	(5,480,859)	(5,713,372)	(5,926,760)	(4,619,148)	
Net change in total pension liability	6,992,008	4,025,177	9,961,339	9,569,060	2,474,041	14,882,091	
Total pension liability - beginning	115,048,338	111,023,161	101,061,822	91,492,762	89,018,721	74,136,630	
Total pension liability - ending (a)	<u>\$ 122,040,346</u>	<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	\$ 5,577,447	\$ 4,161,523	\$ 4,860,230	\$ 4,511,261	\$ 3,321,709	\$ 3,099,353	
Contributions - employee	906,329	1,052,451	1,256,377	1,286,467	1,313,708	1,103,885	
Net investment income	2,663,690	3,273,094	4,981,294	242,213	1,497,736	5,100,174	
Benefit payments, including refunds of employee contributions	(6,692,093)	(5,888,584)	(5,480,859)	(5,713,372)	(5,926,760)	(4,619,148)	
Administrative expense	(47,310)	(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	2,408,063	2,402,377	5,548,276	188,826	62,941	4,562,658	
Plan fiduciary net position - beginning	49,797,986	47,395,609	41,847,333	41,658,507	41,595,566	37,032,908	
Adjustment to Beginning of the Year	(161)						
Plan fiduciary net position - ending (b)	<u>\$ 52,205,888</u>	<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)	\$ 69,834,458	\$ 65,250,352	\$ 63,627,552	\$ 59,214,489	\$ 49,834,255	\$ 47,423,155	

**PSPRS Police**

	Reporting Fiscal Year (Measurement Date)						2014 through 2011
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Plan fiduciary net position as a percentage of the total pension liability	42.78%	43.28%	42.69%	41.41%	45.53%	46.73%	Information not available
Covered payroll	\$ 10,011,096	\$ 10,587,032	\$ 11,327,294	\$ 10,739,726	\$ 10,916,220	\$ 10,475,959	
City's net pension liability as a percentage of covered payroll	697.57%	616.32%	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, 2020**

**PSPRS Fire**

	Reporting Fiscal Year (Measurement Date)						2014 through 2011
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability							Information not available
Service cost	\$ 1,579,025	\$ 1,558,380	\$ 1,753,544	\$ 1,504,175	\$ 1,443,632	\$ 1,511,371	
Interest on the total pension liability	6,634,098	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	(1,504,948)	(769,630)	447,610	(2,260,983)	894,372	(1,120,811)	
Changes of assumptions or other inputs	1,568,402	-	3,928,814	2,732,266	-	6,122,119	
Benefit payments, including refunds of employee contributions	(4,171,191)	(4,213,435)	(4,633,460)	(4,692,861)	(4,395,817)	(3,798,443)	
Net change in total pension liability	4,105,386	2,931,715	8,076,641	6,460,856	3,275,168	8,756,532	
Total pension liability - beginning	90,156,542	87,224,827	79,148,186	72,687,330	69,412,162	60,655,630	
Total pension liability - ending (a)	<u>\$ 94,261,928</u>	<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	\$ 5,431,590	\$ 3,369,308	\$ 3,870,770	\$ 3,700,007	\$ 2,750,517	\$ 2,603,104	
Contributions - employee	570,661	732,048	949,203	947,173	899,220	754,968	
Net investment income	1,858,386	2,216,964	3,407,616	166,820	1,040,382	3,516,237	
Benefit payments, including refunds of employee contributions	(4,171,191)	(4,213,435)	(4,633,460)	(4,692,861)	(4,395,817)	(3,798,443)	
Administrative expense	(33,294)	(34,442)	(30,552)	(24,404)	(25,761)	(28,319)	
Other changes	(90,731)	375	362	(227,494)	(251,349)	949	
Net change in plan fiduciary net position	3,565,421	2,070,818	3,563,939	(130,759)	17,192	3,048,496	
Plan fiduciary net position - beginning	34,219,258	32,148,440	28,584,501	28,715,260	28,698,068	25,649,572	
Adjustment to Beginning of the Year	(17,577)						
Plan fiduciary net position - ending (b)	<u>\$ 37,767,102</u>	<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)	\$ 56,494,826	\$ 55,937,284	\$ 55,076,387	\$ 50,563,685	\$ 43,972,070	\$ 40,714,094	

**PSPRS Fire**

	Reporting Fiscal Year (Measurement Date)						2014 through 2011
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Plan fiduciary net position as a percentage of the total pension liability	40.07%	37.96%	36.86%	36.12%	39.51%	41.34%	Information not available
Covered payroll	\$ 7,780,952	\$ 7,779,859	\$ 7,384,578	\$ 7,592,493	\$ 7,516,425	\$ 7,294,375	
City's net pension liability as a percentage of covered payroll	726.07%	719.00%	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, 2020

**Arizona State Retirement System**

	Reporting Fiscal Year				
	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 3,784,242	\$ 3,619,826	\$ 3,361,607	\$ 3,288,383	\$ 3,129,314
City's contributions in relation to the statutorily required contribution	3,784,242	3,619,826	3,361,607	3,288,383	3,129,314
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 33,050,147	\$ 32,377,693	\$ 30,840,431	\$ 30,307,677	\$ 28,462,610
City's contributions as a percentage of covered payroll	11.45%	11.18%	10.90%	10.85%	10.99%
	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Statutorily required contribution	\$ 3,145,752	\$ 2,960,244	\$ 2,982,796	\$ 2,670,832	\$ 2,490,013
City's contributions in relation to the statutorily required contribution	3,145,752	2,960,244	2,982,796	2,670,832	2,490,013
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 28,442,751	\$ 27,663,180	\$ 27,365,079	\$ 26,665,390	\$ 25,089,177
City's contributions as a percentage of covered payroll	11.06%	10.70%	10.90%	10.02%	9.92%

**Elected Officials Retirement Plan**

	Reporting Fiscal Year				
	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 152,985	\$ 152,088	\$ 58,122	\$ 58,505	\$ 58,154
City's contributions in relation to the statutorily required contribution	152,985	152,088	58,122	58,505	58,154
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 249,039	\$ 247,298	\$ 247,328	\$ 248,957	\$ 247,464
City's contributions as a percentage of covered payroll	61.43%	61.50%	23.50%	23.50%	23.50%

**City of Yuma, Arizona**  
**Required Supplementary Information**  
**Schedule of City Pension Contributions**  
**June 30, 2020**

**PSPRS Police**

	<b>Reporting Fiscal Year</b>				
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Statutorily required contribution	\$ 5,747,235	\$ 5,406,993	\$ 5,656,651	\$ 4,871,869	\$ 4,514,793
City's contributions in relation to the statutorily required contribution	5,747,235	5,406,993	5,656,651	4,871,869	4,514,793
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 9,569,156	\$ 10,011,096	\$ 10,587,032	\$ 11,327,294	\$ 10,739,726
City's contributions as a percentage of covered payroll	60.06%	54.01%	53.43%	43.01%	42.04%
	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Statutorily required contribution	\$ 3,301,671	\$ 3,099,836	\$ 2,542,704	\$ 2,129,675	\$ 1,939,244
City's contributions in relation to the statutorily required contribution	3,301,671	3,099,836	2,542,704	2,129,675	1,939,244
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 10,916,220	\$ 10,475,959	\$ 9,771,656	\$ 9,362,181	\$ 9,319,926
City's contributions as a percentage of covered payroll	30.25%	29.59%	26.02%	22.75%	20.81%

**PSPRS Fire**

	<b>Reporting Fiscal Year</b>				
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Statutorily required contribution	\$ 5,234,089	\$ 5,382,085	\$ 4,625,904	\$ 3,723,304	\$ 3,543,790
City's contributions in relation to the statutorily required contribution	5,234,089	5,382,085	4,625,904	3,723,304	3,543,790
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 7,823,751	\$ 7,780,952	\$ 7,779,859	\$ 7,384,578	\$ 7,592,493
City's contributions as a percentage of covered payroll	66.90%	69.17%	59.46%	50.42%	46.67%
	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Statutorily required contribution	\$ 2,608,314	\$ 2,441,615	\$ 2,475,800	\$ 1,920,172	\$ 1,643,417
City's contributions in relation to the statutorily required contribution	2,608,314	2,441,615	2,475,800	1,920,172	1,643,417
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 7,516,425	\$ 7,294,375	\$ 7,250,887	\$ 6,327,761	\$ 5,951,914
City's contributions as a percentage of covered payroll	34.70%	33.47%	34.14%	30.35%	27.61%

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 General Fund  
 (Non-GAAP Budgetary Basis)  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 18,005,394	\$ 18,005,394	\$ 20,919,913	\$ 2,914,519
Resources (inflows):				
Taxes:				
Property Tax - Primary	13,724,824	13,724,824	13,279,379	(445,445)
Property Tax - Delinquent	185,000	185,000	122,686	(62,314)
City Sales Tax	23,280,408	23,280,408	24,312,176	1,031,768
Public Enterprise In-Lieu	242,000	242,000	242,000	-
Franchise Tax	3,267,327	3,267,327	3,072,824	(194,503)
Total Taxes	<u>40,699,559</u>	<u>40,699,559</u>	<u>41,029,065</u>	<u>329,506</u>
Licenses:				
Business Licenses	259,000	259,000	257,584	(1,416)
Liquor Licenses	30,100	30,100	29,940	(160)
Building Permits	1,741,000	1,741,000	1,861,692	120,692
Alcohol Permits	8,000	8,000	5,544	(2,456)
Animal Licenses	90,000	90,000	66,626	(23,374)
Total Licenses	<u>2,128,100</u>	<u>2,128,100</u>	<u>2,221,386</u>	<u>93,286</u>
Intergovernmental:				
Sales Tax - State	9,500,000	9,500,000	10,116,140	616,140
State Revenue Sharing	12,640,427	12,640,427	12,660,922	20,495
Auto Lieu Tax	4,387,934	4,387,934	4,286,918	(101,016)
Other Governmental Charges	35,000	35,000	45,169	10,169
Total Intergovernmental	<u>26,563,361</u>	<u>26,563,361</u>	<u>27,109,149</u>	<u>545,788</u>
Charges for Services:				
Building Inspection Fees	405,150	405,150	602,779	197,629
Recreation Fees	393,000	393,000	186,285	(206,715)
Police Services	756,500	756,500	531,644	(224,856)
Fire Ambulance Services	4,197,000	4,197,000	4,091,078	(105,922)
Other Charges	77,000	77,000	159,650	82,650
Total Charges for Services	<u>5,828,650</u>	<u>5,828,650</u>	<u>5,571,436</u>	<u>(257,214)</u>
Fines and Forfeitures:				
City Court Fines	1,185,000	1,185,000	1,010,742	(174,258)
Total Fines and Forfeitures	<u>1,185,000</u>	<u>1,185,000</u>	<u>1,010,742</u>	<u>(174,258)</u>
Use of Money and Property:				
Interest	230,000	230,000	487,339	257,339
Rental Receipts	232,984	232,984	308,332	75,348
Total Use of Money and Property	<u>462,984</u>	<u>462,984</u>	<u>795,671</u>	<u>332,687</u>
Miscellaneous				
Sales of Surplus Property	20,100	20,100	19,961	(139)
Other	140,000	140,000	116,959	(23,041)
Total Miscellaneous	<u>160,100</u>	<u>160,100</u>	<u>136,920</u>	<u>(23,180)</u>
Total Revenues	<u>77,027,754</u>	<u>77,027,754</u>	<u>77,874,369</u>	<u>846,615</u>
Other Financing Sources:				
Capital Lease Agreements	-	-	1,217,974	1,217,974
Amounts Available for Appropriation	<u>95,033,148</u>	<u>95,033,148</u>	<u>100,012,256</u>	<u>4,979,108</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, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Charges to Appropriations (outflows):</b>				
<b>General Government:</b>				
Mayor and Council	348,362	350,286	341,287	8,999
Elections	100,000	100,000	113,666	(13,666)
City Administrator	1,081,477	1,020,710	891,711	128,999
Strategic Communications	722,605	736,954	610,355	126,599
Economic Development	343,787	346,110	307,764	38,346
Facilities Maintenance	1,075,474	1,096,729	947,952	148,777
General Government	4,128,742	1,848,004	602,522	1,245,482
City Clerk	339,211	351,694	347,841	3,853
City Attorney	1,229,338	1,262,312	1,142,471	119,841
City Prosecutor	372,980	386,779	376,954	9,825
Finance-Administration	463,622	471,845	469,219	2,626
Accounting	1,260,363	1,295,807	1,274,789	21,018
Customer Services	120,128	123,639	108,983	14,656
Information Technology Services	2,785,907	2,947,187	3,620,861	(673,674)
Purchasing	488,412	504,710	488,891	15,819
Human Resources	1,154,821	1,195,801	1,128,406	67,395
Intragovernmental Charges	(3,938,433)	(3,938,433)	(2,991,489)	(946,944)
Total General Government Operating Expenditures	12,076,796	10,100,134	9,782,183	317,951
Capital Outlay	270,000	270,000	229,981	40,019
Capital Projects	198,392	198,392	83,087	115,305
Debt Service				
Leases	40,375	40,375	318,562	(278,187)
Total General Government Expenditures	12,585,563	10,608,901	10,413,813	195,088
<b>Public Safety:</b>				
Police Administration - Field Operations	23,673,444	24,380,784	17,965,845	6,414,939
Police Animal Control	755,066	764,370	576,568	187,802
Police Support Services	2,355,773	2,418,613	1,636,241	782,372
Police Communication Center	2,757,540	2,808,874	1,860,682	948,192
Fire Administration	840,933	865,671	854,837	10,834
Fire Training	393,326	407,907	350,524	57,383
Fire Suppression	10,790,333	11,244,902	11,783,538	(538,636)
Fire Suppression - Ambulance	4,824,282	5,036,306	5,925,697	(889,391)
Community Risk Reduction	557,035	577,659	534,487	43,172
Facilities Maintenance	1,489,241	1,508,106	1,187,903	320,203
Fire Special Operations	28,500	28,500	24,913	3,587
Municipal Court	1,904,430	1,955,185	1,913,742	41,443
Total Public Safety Operating Expenditures	50,369,903	51,996,877	44,614,977	7,381,900
Capital Outlay	7,800	16,761	67,128	(50,367)
Total Public Safety Expenditures	50,377,703	52,013,638	44,682,105	7,331,533

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, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Parks, Recreation and Culture:</b>				
Parks and Recreation Administration	703,466	733,725	812,932	(79,207)
Parks Maintenance	4,772,208	4,933,616	4,827,403	106,213
Parks Development	149,946	153,011	144,219	8,792
Recreation Administration	671,576	692,056	666,874	25,182
Senior Adult Activities	60,235	60,235	42,203	18,032
Adult Activities	125,783	125,783	97,206	28,577
Youth Activities	334,117	334,117	198,490	135,627
Aquatics	317,285	317,285	186,415	130,870
Yuma Readiness Center	95,988	98,407	89,131	9,276
Facilities Maintenance	1,429,588	1,455,212	1,290,129	165,083
Intragovernmental Charges	-	-	(946,944)	946,944
Total Parks, Recreation and Culture Operating Expenditures	<u>8,660,192</u>	<u>8,903,447</u>	<u>7,408,058</u>	<u>1,495,389</u>
Capital Outlay	<u>6,000</u>	<u>6,000</u>	<u>3,511</u>	<u>2,489</u>
Total Parks, Recreation and Culture Expenditures	<u>8,666,192</u>	<u>8,909,447</u>	<u>7,411,569</u>	<u>1,497,878</u>
<b>Community Design and Development:</b>				
Community Development Administration	569,845	582,389	529,784	52,605
Development Engineering	380,492	394,538	360,627	33,911
Planning and Building Safety	2,528,163	2,592,310	2,421,517	170,793
Neighborhood Services	364,868	371,603	334,386	37,217
Total Community Design and Development Operating Expenditures	<u>3,843,368</u>	<u>3,940,840</u>	<u>3,646,314</u>	<u>294,526</u>
Capital Outlay	<u>-</u>	<u>-</u>	<u>26,534</u>	<u>(26,534)</u>
Total Community Design and Development Expenditures	<u>3,843,368</u>	<u>3,940,840</u>	<u>3,672,848</u>	<u>267,992</u>
Total Operating Expenditures	<u>74,950,259</u>	<u>74,941,298</u>	<u>65,451,532</u>	<u>9,489,766</u>
Capital Outlay	283,800	292,761	327,154	(34,393)
Capital Projects	198,392	198,392	83,087	115,305
Debt Service	40,375	40,375	318,562	(278,187)
Total Expenditures	<u>75,472,826</u>	<u>75,472,826</u>	<u>66,180,335</u>	<u>9,292,491</u>
Transfers Out	4,612,888	4,612,888	4,595,735	17,153
Total Charges to Appropriations	<u>80,085,714</u>	<u>80,085,714</u>	<u>70,776,070</u>	<u>9,309,644</u>
Budgetary Fund Balance, June 30	<u>\$ 14,947,434</u>	<u>\$ 14,947,434</u>	<u>\$ 29,236,186</u>	<u>\$ 14,288,752</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, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,071,894	\$ 6,071,894	\$ 6,522,073	\$ 450,179
Resources (inflows):				
Taxes				
Special Road Sales Tax	11,638,004	11,638,004	12,154,021	516,017
Use of Money and Property				
Rent	133,726	133,726	128,049	(5,677)
Interest	150,000	150,000	140,655	(9,345)
Charges For Services				
Developer Charges	10,000	10,000	622,812	612,812
Miscellaneous				
Other	99,950	99,950	4,783	(95,167)
Total Revenues	<u>12,031,680</u>	<u>12,031,680</u>	<u>13,050,320</u>	<u>1,018,640</u>
Other Financing Sources:				
Capital Lease Agreements	-	-	82,250	
Amounts Available for Appropriation	<u>18,103,574</u>	<u>18,103,574</u>	<u>19,654,643</u>	<u>1,468,819</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Traffic Signals, Signs, and Striping	673,810	684,396	632,192	52,204
Streets				
Engineering	2,422,512	2,470,793	2,044,034	426,759
Street Maintenance	13,190	13,190	13,190	-
Pathways and Trails	382,427	321,147	336,453	(15,306)
Right-Of-Way Management	79,104	81,517	113,007	(31,490)
Capital Outlay	107,500	107,500	93,560	13,940
Debt Service				
Leases	34,375	34,375	43,256	(8,881)
Capital Projects				
Streets	7,606,000	7,606,000	5,772,995	1,833,005
Total Expenditures	<u>11,318,918</u>	<u>11,318,918</u>	<u>9,048,687</u>	<u>2,270,231</u>
Transfers Out	4,504,700	4,504,700	4,501,840	2,860
Total Charges to Appropriations	<u>15,823,618</u>	<u>15,823,618</u>	<u>13,550,527</u>	<u>2,273,091</u>
Budgetary Fund Balance, June 30	<u>\$ 2,279,956</u>	<u>\$ 2,279,956</u>	<u>\$ 6,104,116</u>	<u>\$ 3,824,160</u>

See accompanying notes to this schedule

**City of Yuma, Arizona**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
For the Year Ended June 30, 2020

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**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, 2019, 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, 2019, valuation for PSPRS were based on the results of an actuarial experience study for the 5-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 PSPRS Board adopted the experience study recommended changes which were applied to the June 30, 2017 actuarial valuation. The total liabilities as of June 30, 2019 reflect changes of actuarial assumptions to decrease the investment rate of return from 7.4 percent to 7.3 percent and update the mortality rates.

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 or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. 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. PSPRS also reduced those members' employee contribution rates. These changes are reflected in the plan's OR plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS-required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. 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.

PSPRS allowed the City to phase in the increased contributions for members who were retired as of the law's effective date over three years. As a result, the City's pension contributions were less than the actuarially determined contributions for 2016 and 2017.

The City refunded excess employee contributions to PSPRS members. PSPRS allowed the City to reduce its actual employer contributions for the refund amounts. As a result, the City's pension contributions were less than the actuarially or statutorily determined contributions for 2018.

**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.

**City of Yuma, Arizona**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
For the Year Ended June 30, 2020

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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 two funds. The Debt Service Fund exceeded appropriations by \$900 due primarily to fiscal agent fees. The Workers' Compensation Fund had expenditures over appropriations of \$338,845, due to an unanticipated increase in workers' compensation related claims. In each of these cases, the funds were not significantly impaired by the excess expenditures.



## **OTHER SUPPLEMENTARY INFORMATION**

# NONMAJOR GOVERNMENTAL FUNDS

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## 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.

## Capital Projects Fund

The Capital Projects Fund accounts for 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).

**City of Yuma, Arizona**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2020

<b><u>Assets</u></b>	<b>Special Revenue</b>		
	Public Safety Tax	Highway Users Revenue	Grants
Cash and Investments	\$ 3,440,849	\$ 5,413,921	\$ 5,867,781
Cash with Fiscal Agents			
Receivables (Net of Allowances for Uncollectibles):			
Accounts Receivable	-	53,076	20,015
Intergovernmental	116,526	632,604	531,462
Delinquent Property Taxes	-	-	-
Accrued Interest	243	2,747	137
Inventory, at cost	-	-	-
Prepaid Items	-	-	-
<b>Total Assets</b>	<b><u>\$ 3,557,618</u></b>	<b><u>\$ 6,102,348</u></b>	<b><u>\$ 6,419,395</u></b>
<b><u>Liabilities</u></b>			
Liabilities:			
Accounts Payable	\$ 903,280	\$ 859,754	\$ 6,741
Accrued Payroll, Taxes and Benefits Payable	-	128,806	53,007
Due to Other Funds	-	-	721,321
Deposits	-	-	-
Unearned Revenues	-	-	5,942,361
<b>Total Liabilities</b>	<b><u>903,280</u></b>	<b><u>988,560</u></b>	<b><u>6,723,430</u></b>
<b><u>Deferred Inflows of Resources</u></b>			
Unavailable Revenues	-	-	-
<b><u>Fund Balances:</u></b>			
Nonspendable:			
Inventory	-	-	-
Prepaid Items	-	-	-
Spendable			
Restricted	2,654,338	5,113,788	-
Committed			
Unassigned:	-	-	(304,035)
<b>Total Fund Balances</b>	<b><u>2,654,338</u></b>	<b><u>5,113,788</u></b>	<b><u>(304,035)</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b><u>\$ 3,557,618</u></b>	<b><u>\$ 6,102,348</u></b>	<b><u>\$ 6,419,395</u></b>

Community Redevelopment	Special Revenue			Total Nonmajor Governmental Funds
	Two Percent Tax	Yuma Mall Maintenance	Capital Projects	
\$ 174	\$ 908,076	\$ 1,127	\$ 11,341,715	\$ 26,973,643
817,500	130,901	495	145,518	1,167,505
231,187	119,878	6,097	253,640	1,891,394
-	-	4,507	-	4,507
-	4,702	-	3,189	11,018
-	9,889	-	-	9,889
-	695	-	-	695
<u>\$ 1,048,861</u>	<u>\$ 1,174,141</u>	<u>\$ 12,226</u>	<u>\$ 11,744,062</u>	<u>\$ 30,058,651</u>
\$ 17	\$ 89,325	\$ 2,379	\$ 131,544	\$ 1,993,040
10,551	122,034	5,340	-	319,738
230,244	-	-	-	951,565
-	70,373	-	-	70,373
-	118,533	-	1,806,235	7,867,129
<u>240,812</u>	<u>400,265</u>	<u>7,719</u>	<u>1,937,779</u>	<u>11,201,845</u>
808,049	-	4,507	-	812,556
-	9,889	-	-	9,889
-	695	-	-	695
-	763,292	-	1,835,426	10,366,844
-	-	-	7,970,857	7,970,857
-	-	-	-	(304,035)
<u>-</u>	<u>773,876</u>	<u>-</u>	<u>9,806,283</u>	<u>18,044,250</u>
<u>\$ 1,048,861</u>	<u>\$ 1,174,141</u>	<u>\$ 12,226</u>	<u>\$ 11,744,062</u>	<u>\$ 30,058,651</u>

**City of Yuma, Arizona**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2020

	Special Revenue		
	Public Safety Tax	Highway User Revenue	Grants
Revenues:			
Taxes	\$ 4,859,956	\$ -	\$ -
Intergovernmental	-	8,385,373	7,670,787
Charges for Services	-	-	-
Use of Money and Property	71,004	106,351	-
Contributions/Donations	-	-	183,065
Miscellaneous	4,393	314,452	-
Total Revenues	<u>4,935,353</u>	<u>8,806,176</u>	<u>7,853,852</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Safety	1,868,879	434,140	7,829,025
Streets	-	5,985,149	-
Parks, Recreation and Culture	-	-	155,094
Environmental Health and Protection	-	76,002	-
Community Design and Development	-	-	-
Capital Outlay	899,889	10,078	40,964
Capital Projects			
General Government	-	-	-
Public Safety	2,257,989	-	-
Streets	-	3,380,297	-
Parks, Recreation and Culture	-	-	-
Debt Service:			
Leases	304,671	-	-
Total Expenditures	<u>5,331,428</u>	<u>9,885,666</u>	<u>8,025,083</u>
Revenues Over/(Under) Expenditures	(396,075)	(1,079,490)	(171,231)
Other Financing Sources/(Uses):			
Sale of Real Property	-	-	-
Capital Lease Agreements	248,411	-	-
Transfers In	-	-	-
Transfers Out	(948,587)	(128,634)	-
Total Other Financing Sources/(Uses)	<u>(700,176)</u>	<u>(128,634)</u>	<u>-</u>
Net Changes in Fund Balances	(1,096,251)	(1,208,124)	(171,231)
Fund Balances, Beginning	<u>3,750,589</u>	<u>6,321,912</u>	<u>(132,804)</u>
Fund Balances, Ending	<u>\$ 2,654,338</u>	<u>\$ 5,113,788</u>	<u>\$ (304,035)</u>

Community Redevelopment	Special Revenue			Total Nonmajor Governmental Funds
	Two Percent Tax	Yuma Mall Maintenance	Capital Projects	
\$ -	\$ 5,887,893	\$ 124,312	\$ -	\$ 10,872,161
1,412,454	-	-	-	17,468,614
-	719,504	-	1,289,534	2,009,038
-	26,138	-	181,256	384,749
-	-	-	-	183,065
-	7,500	2,145	-	328,490
<u>1,412,454</u>	<u>6,641,035</u>	<u>126,457</u>	<u>1,470,790</u>	<u>31,246,117</u>
-	106,968	-	-	106,968
-	-	-	-	10,132,044
-	-	-	-	5,985,149
-	6,130,683	-	-	6,285,777
-	-	-	-	76,002
984,614	-	235,203	-	1,219,817
-	171,619	-	-	1,122,550
-	-	-	21,477	21,477
-	-	-	22,088	2,280,077
394,437	-	-	1,876,110	5,650,844
<u>2,500</u>	<u>-</u>	<u>-</u>	<u>575,769</u>	<u>578,269</u>
-	43,895	-	-	348,566
<u>1,381,551</u>	<u>6,453,165</u>	<u>235,203</u>	<u>2,495,444</u>	<u>33,807,540</u>
30,903	187,870	(108,746)	(1,024,654)	(2,561,423)
-	-	-	61,100	61,100
-	68,942	-	-	317,353
-	-	108,746	-	108,746
-	(958,596)	-	(555,955)	(2,591,772)
-	(889,654)	108,746	(494,855)	(2,104,573)
30,903	(701,784)	-	(1,519,509)	(4,665,996)
<u>(30,903)</u>	<u>1,475,660</u>	<u>-</u>	<u>11,325,792</u>	<u>22,710,246</u>
<u>\$ -</u>	<u>\$ 773,876</u>	<u>\$ -</u>	<u>\$ 9,806,283</u>	<u>\$ 18,044,250</u>

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,821	\$ 3,821	\$ 4,994	\$ 1,173
Resources (inflows):				
Special Assessments:				
Principal Payments	350,000	350,000	350,000	-
Use of Money and Property:				
Interest	25,380	25,380	30,580	5,200
Total Revenues	<u>375,380</u>	<u>375,380</u>	<u>380,580</u>	<u>5,200</u>
Transfers In	<u>11,084,331</u>	<u>11,084,331</u>	<u>11,080,790</u>	<u>(3,541)</u>
Amounts Available for Appropriation	<u>11,463,532</u>	<u>11,463,532</u>	<u>11,466,364</u>	<u>2,832</u>
Charges to Appropriations (outflows):				
Debt Service:				
Bond Principal	7,780,000	7,780,000	7,780,000	-
Bond Interest	3,674,761	3,674,761	3,674,761	-
Fiscal Agent Fees	5,700	5,700	6,600	(900)
Total Expenditures	<u>11,460,461</u>	<u>11,460,461</u>	<u>11,461,361</u>	<u>(900)</u>
Total Charges to Appropriations	<u>11,460,461</u>	<u>11,460,461</u>	<u>11,461,361</u>	<u>(900)</u>
Budgetary Fund Balance, June 30	<u>\$ 3,071</u>	<u>\$ 3,071</u>	<u>\$ 5,003</u>	<u>\$ 1,932</u>

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Capital Projects Fund  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 8,847,288	\$ 8,847,288	\$ 11,325,792	\$ 2,478,504
Resources (inflows):				
Charges for Services				
Developer Charges	1,275,575	1,275,575	1,289,534	13,959
Use of Money and Property				
Interest	159,900	159,900	181,256	21,356
Sale of Real Property	-	-	61,100	61,100
Total Revenues	<u>1,435,475</u>	<u>1,435,475</u>	<u>1,531,890</u>	<u>35,315</u>
Amounts Available for Appropriation	<u>10,282,763</u>	<u>10,282,763</u>	<u>12,857,682</u>	<u>2,513,819</u>
Charges to Appropriations (outflows):				
Capital Outlay:				
General Government	25,000	25,000	21,477	3,523
Public Safety	120,000	120,000	22,088	97,912
Streets	2,114,000	2,114,000	1,876,110	237,890
Parks, Recreation and Culture	<u>779,000</u>	<u>779,000</u>	<u>575,769</u>	<u>203,231</u>
Total Expenditures	<u>3,038,000</u>	<u>3,038,000</u>	<u>2,495,444</u>	<u>542,556</u>
Transfers Out	<u>555,955</u>	<u>555,955</u>	<u>555,955</u>	-
Total Charges to Appropriations	<u>3,593,955</u>	<u>3,593,955</u>	<u>3,051,399</u>	<u>542,556</u>
Budgetary Fund Balance, June 30	<u>\$ 6,688,808</u>	<u>\$ 6,688,808</u>	<u>\$ 9,806,283</u>	<u>\$ 3,117,475</u>



**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Public Safety Tax Fund  
 For the Year Ended 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,778,721	\$ 3,778,721	\$ 3,750,589	\$ (28,132)
Resources (inflows):				
Taxes				
Public Safety Sales Tax	4,653,681	4,653,681	4,859,956	206,275
Use of Money and Property				
Rent	33,379	33,379	-	(33,379)
Interest	65,000	65,000	71,004	6,004
Miscellaneous				
Other	-	-	4,393	4,393
Total Revenues	<u>4,752,060</u>	<u>4,752,060</u>	<u>4,935,353</u>	<u>183,293</u>
Other Financing Sources:				
Capital Lease Agreements	-	-	248,411	248,411
Amounts Available for Appropriation	<u>8,530,781</u>	<u>8,530,781</u>	<u>8,934,353</u>	<u>403,572</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Police Support Services	1,240,108	1,144,008	1,031,621	112,387
Fire Support Services	939,847	937,234	785,459	151,775
Facility Maintenance	213,972	213,972	51,799	162,173
Capital Outlay	655,755	754,468	899,889	(145,421)
Capital Projects:				
Public Safety	2,675,000	2,675,000	2,257,989	417,011
Debt Service				
Leases	181,500	181,500	304,671	(123,171)
Total Expenditures	<u>5,906,182</u>	<u>5,906,182</u>	<u>5,331,428</u>	<u>574,754</u>
Transfers Out	948,760	948,760	948,587	173
Total Charges to Appropriations	<u>6,854,942</u>	<u>6,854,942</u>	<u>6,280,015</u>	<u>574,927</u>
Budgetary Fund Balance, June 30	<u>\$ 1,675,839</u>	<u>\$ 1,675,839</u>	<u>\$ 2,654,338</u>	<u>\$ 978,499</u>

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Highway User Revenue Fund  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Budgetary Fund Balance, July 1	\$ 5,221,619	\$ 5,221,619	\$ 6,321,912	\$ 1,100,293
Resources (inflows):				
Intergovernmental				
State Gasoline Tax	8,123,924	8,123,924	8,385,373	261,449
Use of Money and Property				
Interest	50,000	50,000	106,351	56,351
Miscellaneous				
Other	-	-	314,452	314,452
Total Revenues	<u>8,173,924</u>	<u>8,173,924</u>	<u>8,806,176</u>	<u>632,252</u>
Amounts Available for Appropriation	<u>13,395,543</u>	<u>13,395,543</u>	<u>15,128,088</u>	<u>1,732,545</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Traffic Signals, Signs, and Striping	541,862	552,418	434,140	118,278
Streets				
Street Maintenance	3,364,611	3,330,109	3,120,899	209,210
Street Lighting	982,614	983,837	655,525	328,312
Street Sweeping	581,419	594,425	594,457	(32)
Storm Drain Maintenance	343,231	331,413	326,904	4,509
Curbs, Gutters, and Sidewalks	448,930	460,812	376,871	83,941
Retention Basin Maintenance	1,087,170	1,085,377	910,493	174,884
Code Enforcement	77,797	79,243	76,002	3,241
Capital Outlay	-	10,000	10,078	(78)
Capital Projects				
Streets	<u>5,530,000</u>	<u>5,530,000</u>	<u>3,380,297</u>	<u>2,149,703</u>
Total Expenditures	<u>12,957,634</u>	<u>12,957,634</u>	<u>9,885,666</u>	<u>3,071,968</u>
Transfers Out	<u>128,655</u>	<u>128,655</u>	<u>128,634</u>	<u>21</u>
Total Charges to Appropriations	<u>13,086,289</u>	<u>13,086,289</u>	<u>10,014,300</u>	<u>3,071,989</u>
Budgetary Fund Balance, June 30	<u>\$ 309,254</u>	<u>\$ 309,254</u>	<u>\$ 5,113,788</u>	<u>\$ 4,804,534</u>

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Grants Fund  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ (132,804)	\$ (132,804)
Resources (inflows):				
Intergovernmental				
Federal Government	10,256,199	10,256,199	7,445,569	(2,810,630)
State Government	462,000	462,000	216,581	(245,419)
County Government	243,300	243,300	8,637	(234,663)
Use of Money and Property				
Contributions/Donations	4,756,041	4,756,041	183,065	(4,572,976)
Total Revenues	<u>15,717,540</u>	<u>15,717,540</u>	<u>7,853,852</u>	<u>(7,863,688)</u>
Amounts Available for Appropriation	<u>15,717,540</u>	<u>15,717,540</u>	<u>7,721,048</u>	<u>(7,996,492)</u>
Charges to Appropriations (outflows):				
Current:				
General Government	146,500	146,500	-	146,500
Public Safety	12,184,053	12,184,053	7,829,025	4,355,028
Parks, Recreation and Culture	282,591	282,591	155,094	127,497
Environmental Health and Protection	200,000	200,000	-	200,000
Capital Outlay	831,396	831,396	40,964	790,432
Capital Projects				
General Government	13,000	13,000	-	13,000
Streets	1,127,000	1,127,000	-	1,127,000
Parks, Recreation and Culture	933,000	933,000	-	933,000
Total Expenditures	<u>15,717,540</u>	<u>15,717,540</u>	<u>8,025,083</u>	<u>7,692,457</u>
Total Charges to Appropriations	<u>15,717,540</u>	<u>15,717,540</u>	<u>8,025,083</u>	<u>7,692,457</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (304,035)</u>	<u>\$ (304,035)</u>

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Community Redevelopment Fund  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ (30,903)	\$ (30,903)
Resources (inflows):				
Intergovernmental				
Federal Government	3,081,377	3,081,377	1,412,454	(1,668,923)
Total Revenues	3,081,377	3,081,377	1,412,454	(1,668,923)
Amounts Available for Appropriation	3,081,377	3,081,377	1,381,551	(1,699,826)
Charges to Appropriations (outflows):				
Current:				
Community Design and Development	3,081,377	3,081,377	984,614	2,096,763
Streets	-	-	394,437	(394,437)
Parks, Recreation and Culture	-	-	2,500	(2,500)
Total Expenditures	3,081,377	3,081,377	1,381,551	1,699,826
Total Charges to Appropriations	3,081,377	3,081,377	1,381,551	1,699,826
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Two Percent Tax Fund  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,454,199	\$ 1,454,199	\$ 1,475,660	\$ 21,461
Resources (inflows):				
Taxes				
Two Percent Tax	6,288,100	6,288,100	5,887,893	(400,207)
Charges for Services				
Rents and Concessions	339,015	339,015	400,345	61,330
Recreation Fees	486,786	486,786	319,159	(167,627)
Use of Money and Property				
Interest	47,265	47,265	26,138	(21,127)
Miscellaneous				
Other	9,120	9,120	7,500	(1,620)
Total Revenues	<u>7,170,286</u>	<u>7,170,286</u>	<u>6,641,035</u>	<u>(529,251)</u>
Other Financing Sources				
Capital Lease Agreements	-	-	68,942	68,942
Amounts Available for Appropriation	<u>8,624,485</u>	<u>8,624,485</u>	<u>8,185,637</u>	<u>(438,848)</u>
Charges to Appropriations (outflows):				
Current:				
Parks, Recreation and Culture				
Administration	335,767	336,380	334,496	1,884
Outside Agencies	750,000	750,000	750,000	-
Civic and Convention Center	2,295,869	2,337,083	2,030,132	306,951
Baseball Complex	679,338	695,014	620,873	74,141
Art Center	932,155	956,104	881,815	74,289
Heritage Events	192,819	193,971	138,100	55,871
Heritage Area Development	585,887	492,457	448,954	43,503
Facilities Maintenance	1,119,705	1,130,531	926,313	204,218
General Government	<u>106,673</u>	<u>106,673</u>	<u>106,968</u>	<u>(295)</u>
Capital Outlay	215,000	215,000	171,619	43,381
Capital Projects:				
Parks, Recreation and Culture	<u>285,000</u>	<u>285,000</u>	<u>-</u>	<u>285,000</u>
Debt Service				
Leases	<u>40,375</u>	<u>40,375</u>	<u>43,895</u>	<u>(3,520)</u>
Total Expenditures	<u>7,538,588</u>	<u>7,538,588</u>	<u>6,453,165</u>	<u>1,085,423</u>
Transfers Out	<u>958,801</u>	<u>958,801</u>	<u>958,596</u>	<u>205</u>
Total Charges to Appropriations	<u>8,497,389</u>	<u>8,497,389</u>	<u>7,411,761</u>	<u>1,085,628</u>
Budgetary Fund Balance, June 30	<u>\$ 127,096</u>	<u>\$ 127,096</u>	<u>\$ 773,876</u>	<u>\$ 646,780</u>

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Yuma Mall Maintenance Fund  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Taxes				
Mall Assessments	120,000	120,000	122,306	2,306
Property Tax - Delinquent	3,500	3,500	2,006	(1,494)
Total Taxes	<u>123,500</u>	<u>123,500</u>	<u>124,312</u>	<u>812</u>
Miscellaneous				
Other	1,980	1,980	2,145	165
Total Revenues	<u>125,480</u>	<u>125,480</u>	<u>126,457</u>	<u>977</u>
Transfers In	<u>125,671</u>	<u>125,671</u>	<u>108,746</u>	<u>(16,925)</u>
Amounts Available for Appropriation	<u>251,151</u>	<u>251,151</u>	<u>235,203</u>	<u>(15,948)</u>
Charges to Appropriations (outflows):				
Current:				
Community Design and Development				
Mall Maintenance	251,151	251,151	235,203	15,948
Total Expenditures	<u>251,151</u>	<u>251,151</u>	<u>235,203</u>	<u>15,948</u>
Total Charges to Appropriations	<u>251,151</u>	<u>251,151</u>	<u>235,203</u>	<u>15,948</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# NONMAJOR ENTERPRISE FUNDS

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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 Fund Net Position  
Nonmajor Proprietary Funds  
June 30, 2020

<b>Assets</b>	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
Current Assets:				
Cash and Investments	\$ 2,029,044	\$ 2,949,030	\$ 3,700	\$ 4,981,774
Receivables, Net of Allowance for Uncollectibles:				
Accounts Receivable	428,150	98	85,398	513,646
Intergovernmental	3,021	152,222	728	155,971
Accrued Interest	820	652	-	1,472
Inventory, at cost	-	77,255	43,220	120,475
Prepaid Expenses	-	30	-	30
Total Current Assets	<u>2,461,035</u>	<u>3,179,287</u>	<u>133,046</u>	<u>5,773,368</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	<u>(382,451)</u>	<u>(8,325,973)</u>	<u>(5,680,441)</u>	<u>(14,388,865)</u>
Capital Assets Net of Depreciation	258	140,050	1,043,857	1,184,165
Total Noncurrent Assets	<u>258</u>	<u>140,050</u>	<u>1,043,857</u>	<u>1,184,165</u>
Total Assets	<u>2,461,293</u>	<u>3,319,337</u>	<u>1,176,903</u>	<u>6,957,533</u>
<b><u>Deferred Outflows of Resources</u></b>				
Pension Contributions - Current Year	69,630	43,897	84,010	197,537
Other Pension Items	35,266	22,233	42,550	100,049
Total Deferred Outflows of Resources	<u>104,896</u>	<u>66,130</u>	<u>126,560</u>	<u>297,586</u>
<b><u>Liabilities</u></b>				
Current Liabilities:				
Accounts Payable	154,576	164,126	43,916	362,618
Accrued Payroll and Related Taxes	53,019	25,538	34,134	112,691
Current Portion-Accrued				
Compensated Absences	31,646	22,093	23,809	77,548
Due to Other Funds	-	9,977	1,023,407	1,033,384
Unearned Revenue	-	56,077	104,820	160,897
Total Current Liabilities Payable from Current Assets	<u>239,241</u>	<u>277,811</u>	<u>1,230,086</u>	<u>1,747,138</u>
Noncurrent Liabilities:				
Pension Liability	853,720	538,215	1,030,032	2,421,967
Accrued Compensated Absences	67,227	61,902	24,903	154,032
Total Long-Term Liabilities	<u>920,947</u>	<u>600,117</u>	<u>1,054,935</u>	<u>2,575,999</u>
Total Liabilities	<u>1,160,188</u>	<u>877,928</u>	<u>2,285,021</u>	<u>4,323,137</u>
<b><u>Deferred Inflows of Resources</u></b>				
Pension Investments - Projection/Actual difference	53,186	33,530	64,170	150,886
Other Pension Items	2,544	1,604	3,069	7,217
Total Deferred Inflows of Resources	<u>55,730</u>	<u>35,134</u>	<u>67,239</u>	<u>158,103</u>
<b><u>Net Position</u></b>				
Net investment in capital assets	258	140,050	1,043,857	1,184,165
Unrestricted (deficit)	1,350,013	2,332,355	(2,092,654)	1,589,714
Total Net Position	<u>\$ 1,350,271</u>	<u>\$ 2,472,405</u>	<u>\$ (1,048,797)</u>	<u>\$ 2,773,879</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, 2020

	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
Operating Revenues:				
Charges for Services	\$ 4,813,355	\$ 2,251,588	\$ -	\$ 7,064,943
Green Fees	-	-	622,180	622,180
Cart and Club Rental	-	-	212,675	212,675
Pro Shop Sales	-	-	139,320	139,320
Restaurant Sales	-	-	46,708	46,708
Total Operating Revenues	<u>4,813,355</u>	<u>2,251,588</u>	<u>1,020,883</u>	<u>8,085,826</u>
Operating Expenses:				
Operations and Maintenance	4,100,302	2,340,600	1,711,557	8,152,459
Depreciation and Amortization	470	191,221	105,136	296,827
Total Operating Expenses	<u>4,100,772</u>	<u>2,531,821</u>	<u>1,816,693</u>	<u>8,449,286</u>
Operating Income/(Loss)	<u>712,583</u>	<u>(280,233)</u>	<u>(795,810)</u>	<u>(363,460)</u>
Non-Operating Revenues/(Expenses):				
Interest	28,558	43,031	-	71,589
Miscellaneous Revenues	13,017	867	4,248	18,132
Net Non-Operating Revenues	<u>41,575</u>	<u>43,898</u>	<u>4,248</u>	<u>89,721</u>
Income/(Loss) before Contributions and Transfers	754,158	(236,335)	(791,562)	(273,739)
Capital Contributions	-	688,376	-	688,376
Transfers In	-	-	250,000	250,000
Transfers Out	(177,162)	-	(25,628)	(202,790)
Change in Net Position	576,996	452,041	(567,190)	461,847
Net Position-beginning	<u>773,275</u>	<u>2,020,364</u>	<u>(481,607)</u>	<u>2,312,032</u>
Net Position-ending	<u>\$ 1,350,271</u>	<u>\$ 2,472,405</u>	<u>\$ (1,048,797)</u>	<u>\$ 2,773,879</u>

**City of Yuma, Arizona**  
Combining Statement of Cash Flows  
Nonmajor Proprietary Funds  
For the Year Ended June 30, 2020

	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
Cash Flow from Operating Activities:				
Cash Received from Customers	\$ 4,732,611	\$ 2,106,841	\$ 1,038,388	\$ 7,877,840
Cash Paid to Employees	(1,145,549)	(545,465)	(855,969)	(2,546,983)
Cash Paid to Suppliers	(2,930,366)	(1,641,320)	(852,451)	(5,424,137)
Other Operating Activity Revenue	13,017	866	4,248	18,131
Net Cash Provided by/(used for) Operating Activities	<u>669,713</u>	<u>(79,078)</u>	<u>(665,784)</u>	<u>(75,149)</u>
Cash Flows from Noncapital Financing Activities:				
Cash Received from Other Funds	-	688,376	250,000	938,376
Cash Paid to Other Funds	(177,162)	-	(25,628)	(202,790)
Interfund Borrowing	-	9,977	441,412	451,389
Net Cash Flows Provided by/ (Used for) Noncapital Financing Activities	<u>(177,162)</u>	<u>698,353</u>	<u>665,784</u>	<u>1,186,975</u>
Cash Flows from Investing Activities:				
Receipt of Interest	30,194	45,423	-	75,617
Net Cash Provided by Investing Activities	<u>30,194</u>	<u>45,423</u>	<u>-</u>	<u>75,617</u>
Net Increase in Cash and Cash Equivalents	522,745	664,698	-	1,187,443
Cash and Cash Equivalents, July 1	<u>1,506,299</u>	<u>2,284,332</u>	<u>3,700</u>	<u>3,794,331</u>
Cash and Cash Equivalents, June 30	<u>\$ 2,029,044</u>	<u>\$ 2,949,030</u>	<u>\$ 3,700</u>	<u>\$ 4,981,774</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(used for) Operating Activities:				
Operating Income/(Loss)	\$ 712,583	\$ (280,233)	\$ (795,810)	\$ (363,460)
Adjustments to Reconcile Operating Income/(Loss)				
Depreciation and Amortization Expense	470	191,221	105,136	296,827
(Increase)/Decrease in Accounts Receivables	(80,744)	(144,745)	17,506	(207,983)
(Increase) in Inventories	-	-	(14,086)	(14,086)
Decrease in Prepaid Items	-	8,786	-	8,786
Increase in Accounts Payable	2,589	148,411	8,394	159,394
(Decrease) in Accrued Wages and Taxes Payable	(1,613)	(18,144)	(16,321)	(36,078)
(Decrease) in Unearned Revenue	-	-	(3,098)	(3,098)
Increase in Pension Exp/Def Outflows/Inflows	23,411	14,760	28,246	66,417
Other Operating Activity Revenue	13,017	866	4,249	18,132
Total Adjustments	<u>(42,870)</u>	<u>201,155</u>	<u>130,026</u>	<u>288,311</u>
Net Cash Provided by/(used for) Operating Activities	<u>\$ 669,713</u>	<u>\$ (79,078)</u>	<u>\$ (665,784)</u>	<u>\$ (75,149)</u>

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Water Enterprise Fund  
 (Non-GAAP Budgetary Basis)  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive
	Original	Final		(Negative)
Resources (inflows):				
Inside City	\$ 24,653,568	\$ 24,653,568	\$ 21,900,604	\$ (2,752,964)
Outside City	1,759,850	1,759,850	2,413,522	653,672
Commercial Raw Water	133,100	133,100	145,456	12,356
Meters, Connections and Services	1,384,916	1,384,916	1,112,680	(272,236)
Capital Contributions:				
System Development	147,950	147,950	151,457	3,507
Capacity Rights	3,762,200	3,762,200	2,688,781	(1,073,419)
Issuance of Capital Lease	17,188	17,188	-	(17,188)
Interest	879,295	879,295	703,897	(175,398)
Miscellaneous	57,578	57,578	67,625	10,047
Total Revenues	<u>32,795,645</u>	<u>32,795,645</u>	<u>29,184,022</u>	<u>(3,611,623)</u>
Transfers In	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Amounts Available for Appropriation	<u>32,805,645</u>	<u>32,805,645</u>	<u>29,184,022</u>	<u>(3,621,623)</u>
Charges to Appropriations (outflows):				
Current:				
Administration	3,124,439	2,933,751	2,806,129	127,622
Treatment	7,429,065	7,522,372	6,453,336	1,069,036
Water Transmission	1,852,087	1,894,484	1,647,879	246,605
Customer Services	981,776	1,027,731	988,045	39,686
Water Transfer	34,637	34,637	33,882	755
Laboratory	358,311	364,666	245,426	119,240
Facilities Maintenance	223,682	223,256	179,944	43,312
Infrastructure Maintenance	-	-	128,316	(128,316)
Capital Outlay:				
Capital Outlay	668,943	672,043	121,874	550,169
Capital Projects	10,702,200	10,702,200	2,344,866	8,357,334
Debt Service:				
Principal Retirement	6,279,986	6,279,986	6,279,987	(1)
Leases	17,188	17,188	16,859	329
Interest and Fiscal Agent Fees	2,620,858	2,620,858	2,620,858	-
Total Expenditures	<u>34,293,172</u>	<u>34,293,172</u>	<u>23,867,401</u>	<u>10,425,771</u>
Transfers Out	<u>69,678</u>	<u>69,678</u>	<u>59,667</u>	<u>10,011</u>
Total Charges to Appropriations	<u>34,362,850</u>	<u>34,362,850</u>	<u>23,927,068</u>	<u>10,435,782</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (1,557,205)</u>	<u>\$ (1,557,205)</u>	<u>5,256,954</u>	<u>\$ 6,814,159</u>
Reconciliation to Change in Net Position:				
Capital Outlay			121,874	
Capital Projects			2,344,866	
Principal Retirement			6,296,846	
Capital Contributions for Developer Additions to System			666,324	
Amortization of Deferred Charges on Refunding			172,260	
Pension Contributions in excess of Expense			(164,519)	
Depreciation and Amortization			<u>(7,705,793)</u>	
Change in Net Position			<u>\$ 6,988,812</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, 2020

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Resources (inflows):				
Inside City	\$ 14,536,620	\$ 14,536,620	\$ 14,338,576	\$ (198,044)
Outside City	1,174,640	1,174,640	1,131,882	(42,758)
Contractual/Industrial Services	2,247,250	2,247,250	2,192,506	(54,744)
Meters, Connections and Services	67,700	67,700	62,726	(4,974)
Capital Contributions:				
Capacity Rights	3,429,000	3,429,000	3,103,944	(325,056)
Wastewater Interceptor	246,100	246,100	192,652	(53,448)
Wastewater Trunk Line Charges	15,400	15,400	15,020	(380)
Issuance of Capital Lease	17,187	17,187	91,922	74,735
Interest	928,500	928,500	726,810	(201,690)
Miscellaneous	25,909	25,909	21,012	(4,897)
Total Revenues	<u>22,688,306</u>	<u>22,688,306</u>	<u>21,877,050</u>	<u>(811,256)</u>
Amounts Available for Appropriation	<u>22,688,306</u>	<u>22,688,306</u>	<u>21,877,050</u>	<u>(811,256)</u>
Charges to Appropriations (outflows):				
Current:				
Administration	2,010,465	1,879,915	1,772,473	107,442
Treatment	7,373,314	7,440,218	6,708,807	731,411
Pretreatment	429,430	437,825	394,173	43,652
Collection	1,335,638	1,375,724	1,281,436	94,288
Laboratory	301,516	304,483	203,440	101,043
Facilities Maintenance	219,416	218,964	176,372	42,592
Infrastructure Maintenance	-	-	177,945	(177,945)
Capital Outlay:				
Capital Outlay	220,722	233,372	138,967	94,405
Capital Projects	7,675,000	7,675,000	1,478,498	6,196,502
Debt Service:				
Principal Retirement	3,782,014	3,782,014	3,782,013	1
Leases	17,187	17,187	27,406	(10,219)
Interest and Fiscal Agent Fees	890,040	890,040	890,040	-
Total Expenditures	<u>24,254,742</u>	<u>24,254,742</u>	<u>17,031,570</u>	<u>7,223,172</u>
Transfers Out	<u>66,067</u>	<u>66,067</u>	<u>66,055</u>	<u>12</u>
Total Charges to Appropriations	<u>24,320,809</u>	<u>24,320,809</u>	<u>17,097,625</u>	<u>7,223,184</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (1,632,503)</u>	<u>\$ (1,632,503)</u>	<u>4,779,425</u>	<u>\$ 6,411,928</u>
Reconciliation to Change in Net Position:				
Capital Outlay			138,967	
Capital Projects			1,478,498	
Principal Retirement			3,809,419	
Issuance of Capital Leases			(91,922)	
Amortization of Deferred Charges on Refunding			34,579	
Capital Contributions for Subdivider Additions to System			2,473,798	
Pension Contributions in excess of Expense			(117,186)	
Depreciation and Amortization			<u>(6,397,957)</u>	
Change in Net Position			<u>\$ 6,107,621</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, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Service				
Collection Fees	\$ 4,240,600	\$ 4,240,600	\$ 4,813,355	\$ 572,755
Interest	15,000	15,000	28,558	13,558
Miscellaneous				
Other	16,018	16,018	13,017	(3,001)
Total Revenues	<u>4,271,618</u>	<u>4,271,618</u>	<u>4,854,930</u>	<u>583,312</u>
Amounts Available for Appropriation	<u>4,271,618</u>	<u>4,271,618</u>	<u>4,854,930</u>	<u>583,312</u>
Charges to Appropriations (outflows):				
Current:				
Environmental Health and Protection				
Residential Services	3,376,025	3,365,621	3,466,269	(100,648)
Uncontained Waste	396,296	406,303	426,947	(20,644)
Recycling	224,577	224,974	183,674	41,300
Capital Outlay	100,000	100,000	-	100,000
Total Expenditures	<u>4,096,898</u>	<u>4,096,898</u>	<u>4,076,890</u>	<u>20,008</u>
Transfers Out	177,192	177,192	177,162	30
Total Charges to Appropriations	<u>4,274,090</u>	<u>4,274,090</u>	<u>4,254,052</u>	<u>20,038</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (2,472)</u>	<u>\$ (2,472)</u>	<u>600,878</u>	<u>\$ 603,350</u>
Reconciliation to Change in Net Position:				
Pension Contributions in excess of Expense			(23,412)	
Depreciation and Amortization			(470)	
Change in Net Position			<u>\$ 576,996</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, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Service				
Radio Equipment Fees	\$ 846,167	\$ 846,167	\$ 1,142,994	\$ 296,827
Software Fees	965,000	965,000	996,366	31,366
911 Admin Fees	97,914	97,914	112,228	14,314
Intergovernmental:				
State Government	-	696,527	688,376	(8,151)
Budget Authority Reserve	1,000,000	303,473	-	(303,473)
Use of Money and Property				
Interest	50,000	50,000	43,031	(6,969)
Miscellaneous				
Other	-	-	867	867
Total Revenues	<u>2,959,081</u>	<u>2,959,081</u>	<u>2,983,862</u>	<u>24,781</u>
Amounts Available for Appropriation	<u>2,959,081</u>	<u>2,959,081</u>	<u>2,983,862</u>	<u>24,781</u>
Charges to Appropriations (outflows):				
Current:				
Environmental Health				
Radio Communications	1,097,159	1,110,945	741,432	369,513
Radio Software	906,359	891,208	890,048	1,160
911 Administration	102,099	103,464	25,377	78,087
Public Safety	1,000,000	1,000,000	668,983	331,017
Capital Outlay				
Capital Outlay	251,575	251,575	-	251,575
Total Expenditures	<u>3,357,192</u>	<u>3,357,192</u>	<u>2,325,840</u>	<u>1,031,352</u>
Total Charges to Appropriations	<u>3,357,192</u>	<u>3,357,192</u>	<u>2,325,840</u>	<u>1,031,352</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (398,111)</u>	<u>\$ (398,111)</u>	<u>658,022</u>	<u>\$ 1,056,133</u>
Reconciliation to Change in Net Position:				
Pension Contributions in excess of Expense			(14,760)	
Depreciation and Amortization			(191,221)	
Change in Net Position			<u>\$ 452,041</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, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Resources (inflows):</b>				
Green Fees	\$ 699,394	\$ 699,394	\$ 622,180	\$ (77,214)
Cart and Club Rental	175,090	175,090	212,675	37,585
Pro Shop Sales	208,920	208,920	139,320	(69,600)
Restaurant Sales	150,273	150,273	46,708	(103,565)
Miscellaneous	4,223	4,223	4,248	25
Total Revenues	<u>1,237,900</u>	<u>1,237,900</u>	<u>1,025,131</u>	<u>(212,769)</u>
Transfers In	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Amounts Available for Appropriation	<u>1,487,900</u>	<u>1,487,900</u>	<u>1,275,131</u>	<u>(212,769)</u>
<b>Charges to Appropriations (outflows):</b>				
<b>Current:</b>				
Maintenance	1,083,005	1,068,809	1,035,394	33,415
Concession	520,985	535,181	512,268	22,913
Restaurant	800	800	463	337
Facility Maintenance	199,534	199,534	135,185	64,349
Total Expenditures	<u>1,804,324</u>	<u>1,804,324</u>	<u>1,683,310</u>	<u>121,014</u>
Transfers Out	<u>25,629</u>	<u>25,629</u>	<u>25,628</u>	<u>1</u>
Total Charges to Appropriations	<u>1,829,953</u>	<u>1,829,953</u>	<u>1,708,938</u>	<u>121,015</u>
<b>Excess/(Deficiency) of Resources</b>				
Over Charges to Appropriations	<u>\$ (342,053)</u>	<u>\$ (342,053)</u>	<u>(433,807)</u>	<u>\$ (91,754)</u>
<b>Reconciliation to Change in Net Assets:</b>				
Pension Contributions in excess of Expense			(28,247)	
Depreciation and Amortization			<u>(105,136)</u>	
Change in Net Position			<u>\$ (567,190)</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.

# INTERNAL SERVICE FUNDS

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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 Fund Net Position  
Internal Service Funds  
June 30, 2020

<b><u>Assets</u></b>	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
<b>Current Assets:</b>						
Cash and Investments	\$ 11,568,492	\$ -	\$ 3,629,746	\$ 293,845	\$ 5,567,456	\$ 21,059,539
Accounts Receivable	3,963	-	1,418	-	169,212	174,593
Intergovernmental Receivable	-	12	-	-	-	12
Accrued Interest	8,335	-	-	217	1,500	10,052
Inventory, at cost	-	627,935	-	-	-	627,935
Total Current Assets	<u>11,580,790</u>	<u>627,947</u>	<u>3,631,164</u>	<u>294,062</u>	<u>5,738,168</u>	<u>21,872,131</u>
<b>Noncurrent Assets:</b>						
<b>Capital Assets:</b>						
Land	-	219,610	-	-	-	219,610
Buildings	-	19,251	-	-	-	19,251
Improvements Other than Buildings	-	222,733	-	-	-	222,733
Equipment	34,287,028	245,489	-	-	-	34,532,517
Less Accumulated Depreciation	(25,962,831)	(350,388)	-	-	-	(26,313,219)
Total Noncurrent Assets	<u>8,324,197</u>	<u>356,695</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,680,892</u>
Total Assets	<u>\$ 19,904,987</u>	<u>\$ 984,642</u>	<u>\$ 3,631,164</u>	<u>\$ 294,062</u>	<u>\$ 5,738,168</u>	<u>\$ 30,553,023</u>
<b><u>Liabilities</u></b>						
<b>Liabilities:</b>						
<b>Current Liabilities:</b>						
Accounts Payable	\$ 737,409	\$ 27,618	\$ 9,134	\$ 77	\$ 121,804	\$ 896,042
Accrued Payroll, Taxes and Benefits Payable	-	57,740	-	-	-	57,740
Current Portion - Accrued Compensated Absences	-	32,517	-	-	-	32,517
Current Portion - Estimated Claims and Judgements	-	-	287,638	-	740,082	1,027,720
Due to Other Funds	-	1,096,346	-	-	-	1,096,346
Total Current Liabilities Payable	<u>737,409</u>	<u>1,214,221</u>	<u>296,772</u>	<u>77</u>	<u>861,886</u>	<u>3,110,365</u>
<b>Noncurrent Liabilities:</b>						
Estimated Claims and Judgements	-	-	67,621	-	909,309	976,930
Accrued Compensated Absences	-	52,647	-	-	-	52,647
Total Long-Term Liabilities	<u>-</u>	<u>52,647</u>	<u>67,621</u>	<u>-</u>	<u>909,309</u>	<u>1,029,577</u>
Total Liabilities	<u>737,409</u>	<u>1,266,868</u>	<u>364,393</u>	<u>77</u>	<u>1,771,195</u>	<u>4,139,942</u>
<b><u>Net Position</u></b>						
Net investment in capital assets	8,324,197	356,695	-	-	-	8,680,892
Unrestricted (deficit)	10,843,381	(638,921)	3,266,771	293,985	3,966,973	17,732,189
Total Net Position	<u>\$ 19,167,578</u>	<u>\$ (282,226)</u>	<u>\$ 3,266,771</u>	<u>\$ 293,985</u>	<u>\$ 3,966,973</u>	<u>\$ 26,413,081</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, 2020

	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Operating Revenues:						
Charges For Services	\$ -	\$ 2,676,267	\$ 1,913,342	\$ -	\$ -	\$ 4,589,609
Contributions						
City	-	-	-	-	1,561,329	1,561,329
Property Damage Restitution	-	-	40,000	-	-	40,000
Equipment Rental	1,789,896	-	-	-	-	1,789,896
Miscellaneous	5,009	5,444	42	-	16,962	27,457
Total Operating Revenues	<u>1,794,905</u>	<u>2,681,711</u>	<u>1,953,384</u>	<u>-</u>	<u>1,578,291</u>	<u>8,008,291</u>
Operating Expenses:						
Claims Incurred	-	-	105,460	-	1,330,234	1,435,694
Premiums to Insurance Carriers	-	-	872,518	-	172,612	1,045,130
Administration	23,499	2,196,466	398,159	-	64,999	2,683,123
Depreciation	2,583,029	17,547	-	-	-	2,600,576
Total Operating Expenses	<u>2,606,528</u>	<u>2,214,013</u>	<u>1,376,137</u>	<u>-</u>	<u>1,567,845</u>	<u>7,764,523</u>
Operating Income/(Loss)	<u>(811,623)</u>	<u>467,698</u>	<u>577,247</u>	<u>-</u>	<u>10,446</u>	<u>243,768</u>
Non-Operating Revenue/(Expenses):						
Interest	187,505	-	83,988	4,658	80,119	356,270
Gain on the Sale of Assets	30,984	-	-	-	-	30,984
Total Non-Operating Revenues	<u>218,489</u>	<u>-</u>	<u>83,988</u>	<u>4,658</u>	<u>80,119</u>	<u>387,254</u>
Income/(Loss) before Transfers	<u>(593,134)</u>	<u>467,698</u>	<u>661,235</u>	<u>4,658</u>	<u>90,565</u>	<u>631,022</u>
Transfers In	582,314	-	-	-	-	582,314
Transfers Out	-	(3,991)	-	-	-	(3,991)
Net Transfers	<u>582,314</u>	<u>(3,991)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>578,323</u>
Change in Net Position	<u>(10,820)</u>	<u>463,707</u>	<u>661,235</u>	<u>4,658</u>	<u>90,565</u>	<u>1,209,345</u>
Net Position, Beginning	<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>
Net Position, Ending	<u>\$ 19,167,578</u>	<u>\$ (282,226)</u>	<u>\$ 3,266,771</u>	<u>\$ 293,985</u>	<u>\$ 3,966,973</u>	<u>\$ 26,413,081</u>

**City of Yuma, Arizona**  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2020

	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
<b>Cash Flows from Operating Activities:</b>						
Cash Received from Customers	\$ 1,789,896	\$ 2,677,827	\$ 1,953,384	\$ -	\$ 1,559,974	\$ 7,981,081
Cash Paid to Employees	-	(1,009,431)	(20,700)	-	-	(1,030,131)
Cash Paid to Suppliers	703,317	(1,315,694)	(736,657)	-	-	(1,349,034)
Cash Paid For Operating Expenses	-	-	(1,355,437)	-	(1,230,256)	(2,585,693)
Other Operating Activity Revenue	5,008	5,444	-	-	-	10,452
Net Cash Flows Provided by/(used for) Operating Activities	2,498,221	358,146	(159,410)	-	329,718	3,026,675
<b>Cash Flows from Noncapital Financing Activities:</b>						
Cash Received from Other Funds	582,314	-	-	-	-	582,314
Cash Paid to Other Funds	-	(3,991)	-	-	-	(3,991)
Interfund Borrowing	-	(354,155)	-	-	-	(354,155)
Net Cash Flows Provided by/(Used for) Noncapital Financing Activities	582,314	(358,146)	-	-	-	224,168
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Proceeds from Sale of Capital Assets	43,573	-	-	-	-	43,573
Payments for Capital Acquisitions	(3,149,259)	-	-	-	-	(3,149,259)
Net Cash Flows Used for Capital and Related Financing Activities	(3,105,686)	-	-	-	-	(3,105,686)
<b>Cash Flows from Investing Activities:</b>						
Receipt of Interest	196,889	-	88,729	4,933	82,559	373,110
Net Cash Flows Provided by Investing Activities	196,889	-	88,729	4,933	82,559	373,110
Net Increase/(decrease) in Cash and Cash Equivalents	171,738	-	(70,681)	4,933	412,277	518,267
Cash and Cash Equivalents, July 1	11,396,754	-	3,700,427	288,912	5,155,179	20,541,272
Cash and Cash Equivalents, June 30	\$ 11,568,492	\$ -	\$ 3,629,746	\$ 293,845	\$ 5,567,456	\$ 21,059,539
<b>Reconciliation of Operation Income/(Loss) to Net Cash Provided by/(used for) Operating Activities:</b>						
Operating Income/(Loss)	\$ (811,623)	\$ 467,698	\$ 577,247	\$ -	\$ 10,446	\$ 243,768
<b>Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by Operating Activities:</b>						
Depreciation Expense	2,583,029	17,547	-	-	-	2,600,576
(Increase)/Decrease in Accounts Receivable	-	1,561	-	-	(18,317)	(16,756)
Decrease in Inventory	-	(157,156)	-	-	-	(157,156)
Decrease in Prepaid Items	-	4,355	18,000	-	-	22,355
Increase in Claims Incurred	-	-	-	-	248,462	248,462
Increase/(Decrease) in Accounts Payable	726,815	(17,997)	4,779	-	89,127	802,724
Increase/(Decrease) in Payroll Liabilities	-	42,138	(20,457)	-	-	21,681
Increase in Estimated Claims	-	-	(738,979)	-	-	(738,979)
Total Adjustments	3,309,844	(109,552)	(736,657)	-	319,272	2,782,907
Net Cash Provided by/(used for) Operating Activities	\$ 2,498,221	\$ 358,146	\$ (159,410)	\$ -	\$ 329,718	\$ 3,026,675

**City of Yuma, Arizona**  
 Budgetary Comparison Schedule  
 Equipment Replacement Internal Service Fund  
 (Non-GAAP Budgetary Basis)  
 For the Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive
	Original	Final		(Negative)
Resources (inflows):				
Charges for Services	\$ 1,789,897	\$ 1,789,897	\$ 1,789,896	\$ (1)
Interest	-	-	187,505	187,505
Miscellaneous	-	-	5,009	5,009
Total Revenues	<u>1,789,897</u>	<u>1,789,897</u>	<u>1,982,410</u>	<u>192,513</u>
Transfers In	<u>582,314</u>	<u>582,314</u>	<u>582,314</u>	<u>-</u>
Amounts Available for Appropriation	<u>2,372,211</u>	<u>2,372,211</u>	<u>2,564,724</u>	<u>192,513</u>
Charges to Appropriations (outflows):				
Current				
Administration	23,499	23,499	23,499	-
Capital Outlay	3,956,084	3,956,084	3,149,260	806,824
Total Expenditures	<u>3,979,583</u>	<u>3,979,583</u>	<u>3,172,759</u>	<u>806,824</u>
Total Charges to Appropriations	<u>3,979,583</u>	<u>3,979,583</u>	<u>3,172,759</u>	<u>806,824</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ (1,607,372)</u>	<u>\$ (1,607,372)</u>	<u>(608,035)</u>	<u>\$ 999,337</u>
Reconciliation to Change in Net Position:				
Capital Outlay			3,149,260	
Gain/(Loss) on Sale of Assets			30,984	
Depreciation and Amortization			<u>(2,583,029)</u>	
Change in Net Position			<u>\$ (10,820)</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, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 2,678,941	\$ 2,678,941	\$ 2,676,267	\$ (2,674)
Miscellaneous	2,720	2,720	5,444	2,724
Total Revenues	<u>2,681,661</u>	<u>2,681,661</u>	<u>2,681,711</u>	<u>50</u>
Amounts Available for Appropriation	<u>2,681,661</u>	<u>2,681,661</u>	<u>2,681,711</u>	<u>50</u>
Charges to Appropriations (outflows):				
Current				
Administration	2,739,876	2,739,876	2,196,466	543,410
Total Expenditures	<u>2,739,876</u>	<u>2,739,876</u>	<u>2,196,466</u>	<u>543,410</u>
Transfers Out	<u>3,991</u>	<u>3,991</u>	<u>3,991</u>	<u>-</u>
Total Charges to Appropriations	<u>2,743,867</u>	<u>2,743,867</u>	<u>2,200,457</u>	<u>543,410</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ (62,206)</u>	<u>\$ (62,206)</u>	<u>481,254</u>	<u>\$ 543,460</u>
Reconciliation to Change in Net Position:				
Depreciation and Amortization			<u>(17,547)</u>	
Change in Net Position			<u>\$ 463,707</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, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 1,937,973	\$ 1,937,973	\$ 1,913,342	\$ (24,631)
Property Damage Restitution	-	-	40,000	40,000
Miscellaneous	-	-	42	42
Interest	-	-	83,988	83,988
Total Revenues	<u>1,937,973</u>	<u>1,937,973</u>	<u>2,037,372</u>	<u>99,399</u>
Amounts Available for Appropriation	<u>1,937,973</u>	<u>1,937,973</u>	<u>2,037,372</u>	<u>99,399</u>
Charges to Appropriations (outflows):				
Current				
Premiums to Insurance Carriers	930,658	922,482	872,518	49,964
Claims Incurred	272,000	272,000	105,460	166,540
Administration	886,847	895,023	398,159	496,864
Total Expenditures	<u>2,089,505</u>	<u>2,089,505</u>	<u>1,376,137</u>	<u>713,368</u>
Total Charges to Appropriations	<u>2,089,505</u>	<u>2,089,505</u>	<u>1,376,137</u>	<u>713,368</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ (151,532)</u>	<u>\$ (151,532)</u>	<u>661,235</u>	<u>\$ 812,767</u>
Reconciliation to Change in Net Position:				
Change in Net Position			<u>\$ 661,235</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, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Contributions - City	\$ 1,590,900	\$ 1,590,900	\$ 1,561,329	\$ (29,571)
Miscellaneous	-	-	16,962	16,962
Interest	-	-	80,119	80,119
Total Revenues	<u>1,590,900</u>	<u>1,590,900</u>	<u>1,658,410</u>	<u>67,510</u>
Amounts Available for Appropriation	<u>1,590,900</u>	<u>1,590,900</u>	<u>1,658,410</u>	<u>67,510</u>
Charges to Appropriations (outflows):				
Current				
Premiums to Insurance Carriers	212,000	212,000	172,612	39,388
Claims Incurred	975,000	975,000	1,330,234	(355,234)
Administration	42,000	42,000	64,999	(22,999)
Total Expenditures	<u>1,229,000</u>	<u>1,229,000</u>	<u>1,567,845</u>	<u>(338,845)</u>
Total Charges to Appropriations	<u>1,229,000</u>	<u>1,229,000</u>	<u>1,567,845</u>	<u>(338,845)</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ 361,900</u>	<u>\$ 361,900</u>	<u>90,565</u>	<u>\$ (271,335)</u>
Reconciliation to Change in Net Position:				
Change in Net Position			<u>\$ 90,565</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, Arizona**

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
			As restated							
Governmental activities										
Net investment in capital assets	\$ 196,837	\$ 209,377	\$ 208,428	\$ 197,997	\$ 194,763	\$ 193,687	\$ 194,292	\$ 197,164	\$ 206,885	\$ 215,713
Restricted	15,773	24,835	22,456	19,166	23,223	49,652	38,057	26,147	19,572	17,370
Unrestricted	44,357	36,851	39,115	43,244	(68,462)	(91,649)	(91,026)	(82,363)	(84,372)	(82,636)
Total governmental activities net position	<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>	<u>\$ 150,447</u>
Business-type activities										
Net investment in capital assets	\$ 166,782	\$ 164,295	\$ 163,246	\$ 159,458	\$ 147,573	\$ 152,343	\$ 150,899	\$ 154,181	\$ 156,204	\$ 158,390
Restricted	5,556	7,357	9,009	9,009	9,009	2,715	-	-	-	-
Unrestricted	31,699	37,842	43,362	46,877	44,607	49,657	60,405	68,015	77,629	88,921
Total business-type activities net position	<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>	<u>\$ 247,311</u>
Primary government										
Net investment in capital assets	\$ 363,619	\$ 373,672	\$ 371,674	\$ 357,455	\$ 342,336	\$ 346,030	\$ 345,191	\$ 351,345	\$ 363,089	\$ 374,104
Restricted	21,329	32,192	31,465	28,175	32,232	52,367	38,057	26,147	19,572	17,370
Unrestricted	76,056	74,693	82,477	90,121	(23,855)	(41,992)	(30,621)	(14,348)	(6,743)	6,285
Total primary government net position	<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>	<u>\$ 397,758</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)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental activities:										
General government	\$ 9,684	\$ 12,534	\$ 10,345	\$ 10,335	\$ 9,056	\$ 9,102	\$ 8,741	\$ 11,532	\$ 10,664	\$ 10,991
Public Safety	40,232	41,735	43,051	46,585	55,785	55,883	68,133	62,157	61,366	63,540
Streets	14,536	12,741	14,980	25,265	14,964	12,272	16,063	15,301	17,312	18,272
Parks, Recreation and Culture	13,804	14,226	12,787	13,606	14,364	14,219	14,892	14,967	14,580	14,692
Environmental Health and Protection	1,538	804	156	89	178	686	26	95	208	124
Community Design and Development	5,007	4,521	5,134	5,167	4,439	4,331	4,524	4,391	5,212	4,933
Interest on Long-Term Debt	5,803	5,461	5,153	4,781	4,462	4,505	4,400	4,087	3,733	3,361
Total governmental activities expenses	90,604	92,022	91,606	105,828	103,248	100,998	116,779	112,530	113,075	115,913
Business-type activities:										
Water	20,555	23,353	23,227	24,762	25,259	23,337	22,821	22,204	22,398	22,792
Wastewater	13,882	16,191	16,165	17,073	17,253	16,643	16,478	17,293	17,415	18,170
Solid Waste	2,902	2,948	3,213	3,085	3,070	3,347	3,728	3,772	3,706	3,991
Radio Communications	-	-	4,663	4,153	2,623	2,184	2,313	1,845	2,042	2,531
Golf Courses	2,377	2,403	2,469	3,474	2,518	1,864	1,681	1,736	1,861	1,930
Total business-type activities expenses	39,716	44,895	49,737	52,547	50,723	47,375	47,021	46,850	47,422	49,414
Total primary government expenses	\$ 130,320	\$ 136,917	\$ 141,343	\$ 158,375	\$ 153,971	\$ 148,373	\$ 163,800	\$ 159,380	\$ 160,497	\$ 165,327
<b>Program Revenues</b>										
Governmental activities:										
Charges for Services										
Building Inspection Fees	\$ 333	\$ 307	\$ 413	\$ 545	\$ 368	\$ 351	\$ 391	\$ 400	\$ 548	\$ 602
Developer Charges	4,369	1,589	1,419	2,326	1,104	1,458	2,515	1,424	1,235	1,912
Ambulance Services	-	477	3,830	2,490	3,444	4,241	4,261	3,752	4,317	4,091
Police Services	471	567	617	701	840	776	771	597	726	531
Other Charges	6,936	5,775	6,082	5,708	4,283	7,933	5,223	8,925	5,352	3,498
Operating Grants and Contributions	4,968	3,965	3,980	3,305	3,519	2,528	1,876	1,943	3,882	8,890
Capital Grants and Contributions	3,245	19,145	1,744	577	1,481	609	1,817	5,016	1,904	3,849
Total governmental activities program revenues	20,322	31,825	18,085	15,652	15,039	17,896	16,854	22,057	17,964	23,373
Business-type activities:										
Charges for Services										
Metered Water Sales	21,598	20,710	21,233	21,809	20,532	20,999	22,254	23,642	23,890	24,314
Wastewater Charges	14,854	14,485	14,625	14,785	14,400	15,107	16,043	16,581	17,449	17,662
Radio Communications	-	-	1,714	1,564	1,739	1,765	1,948	1,955	1,937	2,251
Solid Waste Charges	3,147	3,266	3,301	3,325	3,351	3,327	3,494	3,603	4,228	4,813
Green Fees and Concessions	1,890	1,919	2,152	2,230	1,789	1,681	1,374	1,257	1,156	1,020
Other Charges	961	775	562	670	960	1,631	2,307	1,693	1,835	1,431
Capital Grants and Contributions	7,391	9,071	7,776	7,044	5,748	6,405	5,911	8,233	6,634	9,980
Total business-type activities program revenues	49,841	50,226	51,363	51,427	48,519	50,915	53,331	56,964	57,129	61,471
Total primary government program revenues	\$ 70,163	\$ 82,051	\$ 69,448	\$ 67,079	\$ 63,558	\$ 68,811	\$ 70,185	\$ 79,021	\$ 75,093	\$ 84,844

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)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (expense)/revenue										
Governmental activities	\$ (70,282)	\$ (60,197)	\$ (73,521)	\$ (90,176)	\$ (88,209)	\$ (83,100)	\$ (99,927)	\$ (90,473)	\$ (95,111)	\$ (92,542)
Business-type activities	10,125	5,331	1,626	(1,120)	(2,204)	3,540	6,322	10,114	9,707	12,054
Total primary government net expense	<u>\$ (60,157)</u>	<u>\$ (54,866)</u>	<u>\$ (71,895)</u>	<u>\$ (91,296)</u>	<u>\$ (90,413)</u>	<u>\$ (79,660)</u>	<u>\$ (93,605)</u>	<u>\$ (80,359)</u>	<u>\$ (85,404)</u>	<u>\$ (80,488)</u>

**General Revenues and Other Changes in Net Position**

Governmental activities:										
Property taxes	\$ 9,986	\$ 10,099	\$ 9,549	\$ 9,451	\$ 9,650	\$ 10,955	\$ 12,354	\$ 12,520	\$ 13,048	\$ 13,725
Sales taxes	34,644	36,304	37,624	37,994	38,283	40,149	41,653	42,999	44,320	47,456
Franchise taxes	3,002	3,059	3,043	3,010	3,095	3,163	3,067	3,266	3,195	3,072
Shared revenues	25,379	23,936	25,917	26,552	29,441	30,272	31,713	32,644	33,580	35,449
Grants and contributions not restricted to specific programs	5,929	-	-	-	-	-	-	-	-	-
Unrestricted investment earnings	1,001	930	796	545	269	449	687	1,022	2,027	1,404
Gain from/(loss on) sale of capital assets	259	-	-	-	-	-	-	-	-	(280)
Transfers	126	(37)	(122)	(730)	(1,323)	280	85	78	78	79
Total governmental activities	<u>80,326</u>	<u>74,291</u>	<u>76,807</u>	<u>76,822</u>	<u>79,415</u>	<u>85,268</u>	<u>89,559</u>	<u>92,529</u>	<u>96,248</u>	<u>100,905</u>
Business-type activities:										
Investment earnings	130	89	26	222	165	265	353	856	2,007	1,502
Transfers	(126)	37	122	730	1,323	(280)	(85)	(78)	(78)	(79)
Total business-type activities	<u>4</u>	<u>126</u>	<u>148</u>	<u>952</u>	<u>1,488</u>	<u>(15)</u>	<u>268</u>	<u>778</u>	<u>1,929</u>	<u>1,423</u>
Total primary government	<u>\$ 80,330</u>	<u>\$ 74,417</u>	<u>\$ 76,955</u>	<u>\$ 77,774</u>	<u>\$ 80,903</u>	<u>\$ 85,253</u>	<u>\$ 89,827</u>	<u>\$ 93,307</u>	<u>\$ 98,177</u>	<u>\$102,328</u>

**Change in Net Position**

Governmental activities	\$ 10,044	\$ 14,095	\$ 3,391	\$ (13,354)	\$ (8,794)	\$ 2,166	\$ (10,368)	\$ 2,056	\$ 1,137	\$ 8,363
Business-type activities	10,128	5,457	1,669	(168)	(715)	3,526	6,590	10,892	11,636	13,477
Total primary government	<u>\$ 20,172</u>	<u>\$ 19,552</u>	<u>\$ 5,060</u>	<u>\$ (13,522)</u>	<u>\$ (9,509)</u>	<u>\$ 5,692</u>	<u>\$ (3,778)</u>	<u>\$ 12,948</u>	<u>\$ 12,773</u>	<u>\$ 21,840</u>

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)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable	103	169	187	178	144	127	118	87	65	33
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	29,202
Total General Fund	<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>	<u>\$ 29,235</u>
All other										
Nonspendable	141	18	19	16	20	17	66	14	24	11
Restricted	2,388	24,834	22,456	19,167	20,280	47,003	35,877	34,501	22,302	16,475
Committed	34,441	11,235	7,252	7,018	7,847	8,655	(5,530)	6,277	7,076	7,971
Assigned	2,037	633	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(164)	(304)
Total all other governmental funds	<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>	<u>\$ 24,153</u>

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

City of Yuma, Arizona

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Taxes	\$ 47,606	\$ 49,450	\$ 50,282	\$ 50,425	\$ 50,991	\$ 54,166	\$ 57,022	\$ 58,720	\$ 60,353	\$ 64,055
Licenses and permits	1,292	1,288	1,723	1,880	1,858	1,932	2,064	2,261	2,088	2,221
Intergovernmental	32,510	33,173	30,780	30,254	32,951	32,947	34,489	35,120	37,336	44,578
Charges for services	7,055	4,160	7,293	7,086	6,846	7,965	9,152	7,741	8,257	8,203
Fines and forfeitures	1,484	1,550	1,526	1,210	1,162	1,298	1,229	1,141	1,008	1,011
Special Assessments	1,039	1,089	1,134	1,183	280	290	305	320	335	350
Use of money and property	1,665	1,365	819	971	643	766	889	1,261	2,015	1,480
Contributions and donations	77	47	69	88	1,021	436	170	497	219	183
Miscellaneous	2,442	493	1,053	456	555	899	1,447	1,573	619	470
Total revenues	95,170	92,615	94,679	93,553	96,307	100,699	106,767	108,634	112,230	122,551
<b>Expenditures</b>										
General government	6,969	9,451	9,409	8,964	7,566	7,875	7,923	8,185	9,306	9,889
Public Safety	36,285	38,475	40,769	42,938	45,692	47,635	51,846	50,260	54,396	55,379
Streets	8,186	7,945	7,662	7,592	7,718	7,551	8,259	7,896	9,111	8,492
Parks, Recreation and Culture	10,171	10,688	10,964	11,200	12,117	12,593	13,182	13,629	14,031	13,694
Environmental Health and Protector	1,556	733	104	72	70	20	50	58	75	76
Community Design and Developme	4,899	4,458	5,134	5,096	4,288	4,237	4,485	4,641	5,407	4,866
Capital Outlay	13,659	12,666	11,792	8,702	5,502	9,321	23,878	10,089	20,227	15,930
Debt Service										
Principal	7,680	8,010	8,350	8,700	8,080	6,565	6,790	7,095	7,804	8,490
Interest and fiscal agent fees	5,858	5,516	5,209	4,885	4,566	3,777	4,720	4,407	4,052	3,681
Issuance Cost	-	-	-	-	-	914	-	-	-	-
Total expenditures	95,263	97,942	99,393	98,149	95,599	100,488	121,133	106,260	124,409	120,497
Excess of revenues over (under) expenditures	(93)	(5,327)	(4,714)	(4,596)	708	211	(14,366)	2,374	(12,179)	2,054
<b>Other financing sources (uses)</b>										
Proceeds from long-term debt	-	-	-	-	-	97,386	-	-	-	-
Sale of real property	-	-	-	-	-	-	-	-	-	61
Payment to Refunded Bond Escrow	-	-	-	-	-	(72,265)	-	-	-	-
Capital Lease Agreements	-	-	-	-	-	-	-	1,032	1,180	1,617
Transfers in	14,675	14,522	12,772	13,474	14,416	13,551	11,255	11,244	11,191	11,189
Transfers out	(14,548)	(14,559)	(12,893)	(14,204)	(13,595)	(10,502)	(11,886)	(11,881)	(11,829)	(11,689)
Total other financing sources (uses)	127	(37)	(121)	(730)	821	28,170	(631)	395	542	1,178
Net change in fund balances	\$ 34	\$ 5,364	\$ (4,835)	\$ (5,326)	\$ 1,529	\$ 3,299	\$ (14,996)	\$ 2,768	\$ (11,637)	\$ 3,232
Debt service as a percentage of noncapital expenditures	16.6%	15.9%	15.5%	15.2%	14.0%	11.3%	11.8%	12.0%	11.4%	11.6%

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
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
2020	13,402,065	24,312,176	12,154,021	4,859,956	5,887,893	3,072,824	242,000	124,312	64,055,247

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
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
2020	10,116,140	12,660,922	4,286,918	8,385,373	-	9,128,410	44,577,763

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	
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
2020	210,839	-	919,426	493,029	7,234,730	28,880	-	-	187,701	53,805	9,128,410

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)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Mining	\$ 6	\$ 44	\$ 20	\$ 24	\$ 34	\$ 38	\$ 68	\$ 83	\$ 66	\$ 126
Construction	121,132	190,490	190,260	174,693	138,657	111,924	106,814	122,990	127,861	193,897
Manufacturing	50,676	38,167	50,539	43,626	51,945	55,173	52,315	51,971	55,240	61,770
Transportation, Communications, and Utilities	197,764	194,646	197,687	206,056	205,300	205,077	210,261	210,856	203,863	195,751
Wholesale Trade	42,580	38,720	36,578	39,897	42,766	51,912	52,872	61,924	69,519	76,524
Retail Trade	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	1,406,646
Restaurants and Bars	160,742	168,358	172,056	174,309	200,951	194,761	224,191	220,133	226,771	223,294
Finance, Insurance and Real Estate	123,876	129,208	129,208	131,450	114,418	151,109	158,526	161,734	161,186	74,841
Hotels and Other Lodging Accommodation	29,507	33,368	32,054	29,049	32,624	33,051	37,630	41,178	42,225	48,829
Services	45,208	45,804	51,404	49,649	49,819	54,437	60,651	62,996	67,925	75,869
Arts, Entertainment, Government and All Others Not Specified	18,434	20,670	22,871	34,656	27,236	23,332	25,774	23,548	24,606	18,554
	<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>	<u>\$2,376,101</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%
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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>
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%
2020	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			
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	2.60%	1,227
2017	-	104,735,000	1,370,000	-	123,755,000	-	-	-	229,860,000	2.06%	1,108
2018	-	98,250,000	1,050,000	-	114,233,000	-	-	-	213,533,000	2.11%	1,007
2019	-	98,134,659	715,000	1,828,510	112,404,580	-	-	134,867	213,217,616	3.67%	997
2020	-	90,383,050	365,000	2,735,702	102,022,920	-	-	182,525	195,689,197	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 133 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>
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%	-
2020	98,285	707,725,089	-	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, 2020**

<u>2020</u> Jurisdiction	Debt Outstanding	Allocable to City of Yuma	
		Percent	Amount
City of Yuma	\$ 93,483,752	100.00%	\$ 93,483,752
Total Direct Debt			<u>\$ 93,483,752</u>
Yuma County	11,459,000	47.30%	5,420,107
Yuma County Jail District	3,786,992	47.30%	1,791,247
Yuma County Library District	31,925,000	47.30%	15,100,525
Yuma County Special Assessment District	2,382,579	47.30%	1,126,960
Yuma County Community College District	45,865,000	46.14%	21,162,111
Yuma Union High School District No. 70	51,685,000	52.30%	27,031,255
Crane Elementary School District No. 13	9,390,000	69.46%	<u>6,522,294</u>
Total Overlapping Debt			<u>\$ 78,154,499</u>
Total Direct and Overlapping Debt			<u>\$ 171,638,251</u>

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, 2020  
(amounts expressed in thousands)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Debt Limit</b>										
Water, Sewer, Lights, Parks (20%)	\$ 146,607	\$ 133,365	\$ 125,160	\$ 126,547	\$ 123,110	\$ 118,350	\$ 131,288	\$ 138,577	\$ 131,647	\$ 141,545
All Others (6%)	43,982	40,010	37,548	37,964	36,933	35,505	39,386	41,573	39,494	42,464
<b>Total net debt applicable to limit</b>										
Water, Sewer, Lights, Parks (20%)	2,765	1,420	-	-	-	-	-	-	-	-
All Others (6%)	-	-	-	-	-	-	-	-	-	-
<b>Legal debt margin</b>										
Water, Sewer, Lights, Parks (20%)	\$ 143,842	\$ 131,945	\$ 125,160	\$ 126,547	\$ 123,110	\$ 118,350	\$ 131,288	\$ 138,577	\$ 131,647	\$ 141,545
All Others (6%)	-	40,010	37,548	37,964	36,933	35,505	39,386	41,573	39,494	42,464
<b>Total net debt applicable to the limit as a percentage of debt limit</b>										
Water, Sewer, Lights, Parks (20%)	1.89%	1.06%	0.00%	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 2020**

		<u>General Obligation Bonds</u>	
		<u>Water, Sewer, Lights, Parks (20%)</u>	<u>All Others (6%)</u>
2020 Tax Year Secondary Assessed Valuation	\$ 707,725	\$ 141,545	\$ 42,464
Outstanding General Obligation Debt:			
Total General Obligation Debt		-	-
		<u>\$ 141,545</u>	<u>\$ 42,464</u>

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

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

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
2019-20 Pledged Taxes	\$ 63,553,232	\$ 74,301,081	\$ 75,707,253		\$ -
2019-20 Net Revenue	-	-	-		21,249,351
Total Taxes/Net Revenue	<u>\$ 63,553,232</u>	<u>\$ 74,301,081</u>	<u>\$ 75,707,253</u>		<u>\$ 21,249,351</u>
2020-21 Debt related to pledge:				Total	
2010 Series B	\$ 2,854,882	\$ -	\$ -	\$ 2,854,882	\$ -
2015 Excise Rev & Refunding	-	3,749,300	-	3,749,300	-
2015 Road Tax Refunding	-	-	4,460,800	4,460,800	-
2015 Utility System Rev Refunding	-	-	-	-	7,570,838
2016 Utility System Rev Refunding	-	-	-	-	5,984,005
Total Debt	<u>\$ 2,854,882</u>	<u>\$ 3,749,300</u>	<u>\$ 4,460,800</u>	<u>\$ 11,064,982</u>	<u>\$ 13,554,843</u>
Coverage	22.3	19.8	17.0		1.6
<b>Required Coverage</b>	<b>3.0</b>	<b>1.5</b>	<b>1.5</b>		<b>1.2</b>
<i>Collective Coverage</i>					
Total 2019-20 Taxes/Net Revenue	<u>\$ 63,553,232</u>	<u>\$ 74,301,081</u>	<u>\$ 75,707,253</u>		<u>\$ 21,249,351</u>
Total 2020-21 Debt	<u>\$ 11,064,982</u>	<u>\$ 11,064,982</u>	<u>\$ 11,064,982</u>		<u>\$ 13,554,843</u>
Coverage	5.7	6.7	6.8		1.6
<b>Required Coverage</b>	<b>3.0</b>	<b>1.5</b>	<b>1.5</b>		<b>1.2</b>

**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									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Local Taxes</b>										
Sales Tax (1%)	\$ 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	\$ 24,312,176
Franchise Fee	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	3,072,824
<b>Intergovernmental Revenues:</b>										
State Revenue Sharing	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	12,660,922
State Sales Tax	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	10,116,140
Auto In-Lieu Tax	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	4,286,918
Emergency Services and Other	55,745	34,252	37,974	23,913	44,062	196,457	31,057	26,679	37,261	45,169
<b>Licenses:</b>										
Business Licenses	302,668	288,133	261,323	250,365	250,957	246,528	250,890	266,406	265,997	257,584
Liquor Licenses	35,131	31,670	32,955	32,560	33,310	33,090	30,140	31,020	31,545	29,940
<b>Fees for Services:</b>										
Building Permits and Inspection Fees	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	2,464,471
Recreation Fees	609,192	546,940	478,911	513,535	544,212	487,166	465,281	416,337	374,633	186,285
Police Services and Other Public Safety Fees	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	4,622,722
<b>Use of Money and Property:</b>										
Investment Income	108,396	53,277	14,717	99,738	47,095	64,755	95,984	217,389	519,226	487,339
<b>Fines, Forfeitures and Penalties:</b>										
City Court Fines	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	1,010,742
<i>Total Series B Pledged Taxes</i>	<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>	<u>63,553,232</u>
<b>Additional Excise Series Pledged Taxes</b>										
City Public Safety Taxes (.2%)	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	4,859,956
City Special Taxes (2%)	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	5,887,893
<i>Total Excise Series Pledged Taxes</i>	<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>	<u>74,301,081</u>
<b>Additional Road Tax Series Pledged Taxes</b>										
City Road Tax (.5%)	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	12,154,021
<i>Total Road Tax Series Pledged Taxe:</i>	<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>	<u>\$ 75,707,253</u>
 <i>Gross Excise Tax Pledged Revenues</i>	<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>	<u>\$ 86,455,102</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
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
2019	213,787	7,818,246	36.6	16.50%	375	48,184,539	1,075	94,687,797

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	2010			2019		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Marine Corps Air Station	6,043	1	6.88%	5,568	1	6.67%
Yuma Union High School District	690	9	0.79%	3,100	2	3.72%
U. S. Army Yuma Proving Ground	1,176	5	1.34%	2,382	3	2.85%
Yuma Regional Medical Center	1,500	2	1.71%	2,300	4	2.76%
Yuma County	1,100	6	1.25%	1,437	5	1.72%
Yuma School District #1	1,200	4	1.37%	1,400	6	1.68%
City of Yuma	864	8	0.98%	1,274	7	1.53%
TRAX	-	-	-	1,125	8	1.35%
Arizona Western College	-	-	-	987	9	1.18%
Advanced Call Center	-	-	-	900	10	1.08%
Convey Health Solutions	-	-	-	900	10	1.08%
Growers Company	1,500	2	1.71%	-	-	-
Salyer American Fresh	1,000	7	1.14%	-	-	-
All other employers	72,735		82.83%	62,064		74.38%
<b>Total</b>	<b>87,808</b>		<b>100.00%</b>	<b>83,437</b>		<b>100.00%</b>

**City of Yuma, Arizona**

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

Function	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government	192	201	192	198	205	208	208	206	216	233
Public Safety										
Police	239	249	258	259	272	276	277	278	276	279
Fire	129	131	125	125	125	131	131	125	134	137
Public Works										
Engineering	33	32	32	24	35	28	28	28	28	27
Maintenance	46	46	46	52	47	48	48	54	52	52
Solid Waste	13	13	13	13	13	13	13	13	14	15
Water	73	73	76	76	69	77	77	77	79	80
Wastewater	49	49	52	52	52	53	53	52	57	55
Parks and recreation	116	116	116	117	124	119	120	123	122	111
<b>Total</b>	<b>890</b>	<b>910</b>	<b>910</b>	<b>916</b>	<b>942</b>	<b>953</b>	<b>955</b>	<b>956</b>	<b>978</b>	<b>989</b>

Source: City of Yuma Annual Budget, Fiscal Year 2019-2020

City of Yuma, Arizona

Operating Indicators by Function  
Last Ten Fiscal Years

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Calls for service*	76,232	NA	76,080	89,027	93,463	90,694	91,603	103,871	103,072	102,723
Case reports	13,535	NA	14,651	12,855	12,905	12,185	12,371	12,899	11,266	10,696
Fire										
Number of calls answered*	12,067	12,037	12,664	12,529	13,191	13,888	14,205	15,200	15,268	15,921
Inspections*	864	NA	1,399	1,460	883	2,448	2,438	1,730	2,096	1,458
Streets										
Streets slurry sealed (miles)	15	10	24	30	30	23	33	27	24	29
Solid Waste										
Refuse collected (tons)	32,638	32,177	32,010	26,650	26,848	25,622	30,710	26,019	27,269	29,063
Parks and recreation										
Ramada rentals	2,554	2,327	2,551	2,097	2,171	1,946	1,625	1,693	1,676	974
Water										
Connections	28,984	29,009	27,396	29,361	29,945	30,400	30,921	33,277	32,191	32,715
Daily treatment capacity (million gallons)	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
Annual quantity processed (billion gallons)	8.4	8.3	8.1	7.1	8.0	7.8	7.8	8.4	8.1	8.3
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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
Public Safety										
Police stations	1	1	2	2	2	2	2	2	2	2
Police vehicles	163	156	172	179	181	194	181	186	169	183
Fire stations	6	6	6	6	6	6	6	6	6	6
Streets										
Streets (miles)	395	420	421	442	448	450	454	457	409	410
Streetlights	5,750	5,753	5,764	6,757	6,757	6,773	6,795	6,848	6,894	6,932
Traffic Signals	50	50	79	79	79	79	81	81	81	77
Solid Waste										
Collection trucks	13	11	11	11	11	11	11	11	11	13
Parks and Recreation										
Parks acreage	607	607	607	620	633	682	682	682	682	682
Parks/Athletic Fields	79	79	79	80	84	90	96	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)	520	525	525	527	527	527	530	533	542	556
Fire hydrants	3,450	3,573	3,646	3,754	3,790	3,831	3,859	3,876	3,996	4,046
Wastewater										
Sanitary sewers (miles)	340	341	350	350	350	362	356	368	379	385
Manholes				5,318	5,318	5,376	5,510	5,643	5,782	5,887

Sources: Various city departments.

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

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

**City of Yuma, Arizona**

**Utility Customer Classes  
Last Five Fiscal Years**

CUSTOMER CLASSES - WATER

Fiscal Year	Residential		Mulit-Family		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
2016	22,446	2,661	507	186	2,337	287	28,424
2017	22,985	2,657	508	185	2,339	283	28,957
2018	23,557	2,676	514	185	2,362	300	29,594
2019	24,054	2,673	517	186	2,371	316	30,117
2020	24,810	2,571	596	195	2,675	317	31,164

CUSTOMER CLASSES -WASTEWATER

Fiscal Year	Residential		Mulit-Family		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
2016	20,424	1,299	477	104	1,672	49	24,025
2017	20,939	1,301	478	103	1,667	47	24,535
2018	21,493	1,316	484	105	1,680	47	25,125
2019	21,981	1,317	487	106	1,683	48	25,622
2020	22,770	1,195	547	116	1,709	41	26,378

Source: City of Yuma Utility Management System

City of Yuma, Arizona

Number of Utility Accounts by Meter Size  
Last Five Fiscal Years

FISCAL YEAR 2020

Meter Size	Residential		Multifamily		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
5/8"	17,500	2,277	94	116	725	131	20,843
3/4"	4,850	201	36	14	428	28	5,557
1"	2,564	108	228	36	866	51	3,853
1 1/2"	30	1	51	4	265	4	355
2"	11	-	248	25	557	27	868
3"	-	-	2	-	18	82	102
4"	-	-	-	-	8	-	8
6"	-	-	6	-	5	1	12
8"	-	-	-	-	2	-	2
Total	24,955	2,587	665	195	2,874	324	31,600

FISCAL YEAR 2019

Meter Size	Residential		Multifamily		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
5/8"	17,256	2,372	77	113	676	126	20,620
3/4"	4,292	192	26	12	334	27	4,883
1"	2,465	108	195	35	691	49	3,543
1 1/2"	29	1	38	3	209	5	285
2"	12	-	179	23	432	26	672
3"	-	-	-	-	12	82	94
4"	-	-	1	-	9	-	10
6"	-	-	1	-	6	1	8
8"	-	-	-	-	2	-	2
Total	24,054	2,673	517	186	2,371	316	30,117

FISCAL YEAR 2018

Meter Size	Residential		Multifamily		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
5/8"	17,224	2,378	76	112	680	127	20,597
3/4"	3,905	191	26	12	327	27	4,488
1"	2,388	106	195	35	686	49	3,459
1 1/2"	28	1	38	3	208	5	283
2"	12	-	177	23	433	27	672
3"	-	-	-	-	13	64	77
4"	-	-	1	-	8	-	9
6"	-	-	1	-	5	1	7
8"	-	-	-	-	2	-	2
Total	23,557	2,676	514	185	2,362	300	29,594

Source: City of Yuma Utility Management System

Continued to next page

City of Yuma, Arizona

Number of Utility Accounts by Meter Size, Continued  
Last Five Fiscal Years

FISCAL YEAR 2017							
Meter Size	Residential		Multifamily		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
5/8"	17,212	2,363	75	113	685	125	20,573
3/4"	3,373	188	26	11	314	26	3,938
1"	2,360	105	195	35	672	49	3,416
1 1/2"	28	1	36	3	209	5	282
2"	12	-	174	23	432	27	668
3"	-	-	-	-	13	50	63
4"	-	-	1	-	7	-	8
6"	-	-	1	-	5	1	7
8"	-	-	-	-	2	-	2
Total	22,985	2,657	508	185	2,339	283	28,957

FISCAL YEAR 2016							
Meter Size	Residential		Multifamily		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
5/8"	17,194	2,368	74	115	692	125	20,568
3/4"	2,883	184	25	11	306	27	3,436
1"	2,329	108	196	34	668	49	3,384
1 1/2"	28	1	36	3	210	5	283
2"	12	-	174	23	435	28	672
3"	-	-	-	-	12	52	64
4"	-	-	1	-	7	-	8
6"	-	-	1	-	5	1	7
8"	-	-	-	-	2	-	2
Total	22,446	2,661	507	186	2,337	287	28,424

Source: City of Yuma Utility Management System



**City of Yuma, Arizona**

**Schedule of Water and Wastewater Rates, Current**

Schedule of Water Rates

	Base Charge			Residential Usage Charge		Multifamily Usage Charge		Commercial & Irrigation Usage Charge	
	Inside the City,	Outside the City,		Inside the City,	Outside the City,	Inside the City,	Outside the City,	Inside the City,	Outside the City,
	\$/mo	\$/mo		\$/100cuft	\$/100cuft	\$/100cuft	\$/100cuft	\$/100cuft	\$/100cuft
5/8" Meter	\$ 17.82	\$ 23.70	0-10 hcf	\$ 1.56	\$ 2.07	\$ 1.56	\$ 2.07	\$ 1.75	\$ 2.29
3/4" Meter	17.82	23.70	11-30 hcf	1.83	2.43	1.83	2.43	1.75	2.29
1" Meter	21.56	28.67	31+ hcf	2.10	2.79	2.10	2.79	1.75	2.29
1 1/2" Meter	27.93	37.15							
2" Meter	34.26	45.57							
3" Meter	62.09	82.58							
4" Meter	93.72	124.65							
6" Meter	172.79	229.81							
8" Meter	251.83	334.93							

Schedule of Wastewater Rates

	Residential Usage Charge		Multifamily Usage Charge		Commercial Usage Charge		Industrial Usage Charge	
	Inside the City,	Outside the City,	Inside the City,	Outside the City,	Inside the City,	Outside the City,	Inside the City,	Outside the City,
	\$/100cuft	\$/100cuft	\$/100cuft	\$/100cuft	\$/100cuft	\$/100cuft	\$/100cuft	\$/100cuft
Base Charge	\$ 36.91	\$ 49.12	\$ 4.74	\$ 6.30	\$ 4.74	\$ 6.30	\$ 2.10	\$ 2.77
Per HCF	-	-	2.10	2.77	2.10	2.77	-	-
BOD per LB	-	-	-	-	-	-	0.30	0.40
TSS per LB	-	-	-	-	-	-	0.30	0.40

Source: City of Yuma Utility Rate Schedules

City of Yuma, Arizona

Pledged Utility Revenue Collections  
Last Nine Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>									
Water Services and Fees	\$ 20,709,880	\$21,232,863	\$21,808,662	\$20,532,303	\$20,999,187	\$ 22,253,718	\$ 23,774,086	\$ 24,022,726	\$24,314,126
Water Non-Rate Revenues	526,605	584,234	750,368	1,159,802	1,760,295	1,814,365	1,973,068	2,692,541	2,181,115
Water Capacity Fees	796,569	1,694,408	2,208,533	1,808,894	2,468,247	2,356,164	2,844,682	2,249,008	2,688,781
Wastewater Services & Charges	12,695,024	13,016,206	13,138,029	12,715,664	13,054,338	14,141,449	14,622,123	15,157,721	15,470,458
Wastewater Non-Rate Revenues	2,271,792	1,872,150	2,006,388	2,097,533	2,478,731	2,978,665	2,739,188	3,693,913	3,302,648
Wastewater Capacity Fees	7,734,514	4,113,507	2,590,632	2,971,288	2,967,309	2,697,843	3,265,751	2,644,046	3,103,944
<b>Total Revenues</b>	<b>\$ 44,734,384</b>	<b>\$42,513,368</b>	<b>\$42,502,612</b>	<b>\$41,285,484</b>	<b>\$43,728,107</b>	<b>\$ 46,242,204</b>	<b>\$ 49,218,898</b>	<b>\$ 50,459,955</b>	<b>\$51,061,072</b>
<b>Operation &amp; Maintenance Expenses</b>									
Water Personnel Expenses	\$ 4,410,289	\$ 4,674,042	\$ 4,701,853	\$ 5,117,665	\$ 5,086,242	\$ 5,317,124	\$ 5,599,289	\$ 5,762,931	\$ 5,750,313
Water Operating Expenses	6,012,925	6,134,689	6,351,040	6,719,414	6,036,712	6,257,214	6,385,247	6,653,517	6,732,644
Wastewater Personnel Expenses	2,996,794	3,282,518	3,413,097	3,806,736	3,831,682	3,984,355	4,123,627	4,425,751	4,723,514
Wastewater Operating Expenses	5,253,208	5,211,460	5,546,584	5,578,954	5,470,374	5,546,650	5,952,725	5,961,232	5,991,132
<b>Total Operation &amp; Maintenance Expenses</b>	<b>\$ 18,673,216</b>	<b>\$19,302,709</b>	<b>\$20,012,574</b>	<b>\$21,222,769</b>	<b>\$20,425,010</b>	<b>\$ 21,105,343</b>	<b>\$ 22,060,888</b>	<b>\$ 22,803,430</b>	<b>\$23,197,603</b>
<b>Net Revenues</b>	<b>\$ 26,061,168</b>	<b>\$23,210,659</b>	<b>\$22,490,038</b>	<b>\$20,062,715</b>	<b>\$23,303,097</b>	<b>\$ 25,136,861</b>	<b>\$ 27,158,010</b>	<b>\$ 27,656,525</b>	<b>\$27,863,469</b>
<b>Debt Service</b>	<b>\$ 15,628,871</b>	<b>\$15,686,579</b>	<b>\$15,710,379</b>	<b>\$15,722,017</b>	<b>\$13,965,217</b>	<b>\$ 13,613,630</b>	<b>\$ 13,428,917</b>	<b>\$ 13,386,053</b>	<b>\$13,572,898</b>
<b>Revenue Debt Service Coverage</b>	1.67	1.48	1.43	1.28	1.67	1.85	2.02	2.07	2.05
<b>Revenue Debt Service Coverage without Capacity Fees</b>	1.12	1.11	1.13	0.97	1.28	1.48	1.57	1.70	1.63

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