

For the Fiscal Year
Ended June 30, 2022



CITY OF
Yuma

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

(ACFR)

YumaAz.gov | 928-373-5000 | 1 City Plaza, Yuma AZ 85364



Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

MISSION

*"We are a strong team dedicated to serving our community,
building relationships and creating opportunities."*

MAYOR AND CITY COUNCIL

Douglas Nichols | Mayor

Leslie McClendon | Vice-Mayor

City Councilmembers

Gary Knight

Chris Morris

Mike Shelton

Ema Lea Shoop

Karen Watts

CITY ADMINISTRATOR, ACTING

Jay Simonton

PREPARED BY THE FINANCE DEPARTMENT

Douglas Allen | Director of Finance

Karla Lobatos | Assistant Finance Director

Teresa Laurent | Budget and Revenue Manager

Robin Wilson | Procurement Manager

Lucy Zavala | Principal Accountant

Maura Luna | Accountant

Ahlya Andrade | Accountant

Cindy Garcia | Accountant

Nora Ebert | Budget Analyst

	<u>EXHIBIT</u>	<u>PAGE</u>
INTRODUCTORY SECTION		
Letter of Transmittal		9
Organization Chart		15
FINANCIAL SECTION		
Independent Auditors' Report		18
Management's Discussion and Analysis		21
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	<i>A-1</i>	39
Statement of Activities	<i>A-2</i>	40
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	<i>B-1</i>	46
Reconciliation of the Balance Sheet - Governmental Funds (Exhibit B-1) to the Government-wide Statement of net position (Exhibit A-1)	<i>B-2</i>	49
Statement of Revenues, Expenditures and Changes in Fund Balances	<i>B-3</i>	50
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-3) to the Government-wide Statement of Activities (Exhibit A-2)	<i>B-4</i>	52
Proprietary Funds:		
Statement of Fund Net Position	<i>C-1</i>	56
Statement of Revenues, Expenses and Changes in Fund Net Position	<i>C-2</i>	60
Statement of Cash Flows	<i>C-3</i>	62
Notes to the Financial Statements		68
Required supplemental information:		
General Employees Retirement Funds:		
Proportionate Share of Pension/OPEB Asset/Liability - Cost Sharing	<i>D-1</i>	114
Proportionate Share of Pension/OPEB Asset/Liability - Agent Plans	<i>D-2</i>	116
Schedule of Pension/OPEB Contributions	<i>D-3</i>	124
Budgetary Comparison Schedules		
General Fund	<i>E-1</i>	130
City Road Tax Fund	<i>E-2</i>	133
American Rescue Plan Act Fund	<i>E-2</i>	134
Notes to the Required Supplemental Information		136

FINANCIAL SECTION (Continued)

EXHIBIT

PAGE

Other supplemental information:

Governmental Funds:

Combining Balance Sheet - Nonmajor Funds

Special Revenue Funds F-1 142

Capital Project Funds F-2 144

Combining Statement of Revenues, Expenditures and Changes in

Fund Balances - Nonmajor Funds

Special Revenue Funds F-3 146

Capital Project Funds F-4 148

Budgetary Comparison Schedules

Nonmajor Governmental Funds - Special Revenue Funds:

Public Safety Tax Fund G-1 152

Highway User Revenue Fund G-2 153

Grants Fund G-3 154

Community Redevelopment Fund G-4 155

Two Percent Tax Fund G-5 156

Yuma Mall Maintenance Fund G-6 157

Maintenance Improvement Districts Fund G-7 158

Nonmajor Governmental Funds - Capital Project Funds

Capital Improvement Projects G-8 159

Parks and Recreation Projects G-9 160

Police Projects G-10 161

Fire Projects G-11 162

General Government Projects G-12 163

Transportation Projects G-13 164

Other Improvement Projects G-14 165

Major Fund not Included in Required Supplemental Information:

Debt Service Fund G-15 168

Enterprise Funds:

Combining Statement of Fund Net Position - Nonmajor Enterprise Funds . H-1 170

Combining Statement of Revenues, Expenses and Changes in

Fund Net Position - Nonmajor Enterprise Funds H-2 171

Combining Statement of Cash Flows - Nonmajor Enterprise Funds H-3 172

Budgetary Comparison Schedules:

Water Fund I-1 174

Wastewater Fund I-2 176

Solid Waste Fund I-3 178

Radio Communication Fund I-4 179

Desert Hills Golf Course Fund I-5 180

FINANCIAL SECTION (Concluded)	<u>EXHIBIT</u>	<u>PAGE</u>
Internal Service Funds:		
Combining Statement of Fund Net Position	<i>J-1</i>	182
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	<i>J-2</i>	184
Combining Statement of Cash Flows	<i>J-3</i>	186
Budgetary Comparison Schedules:		
Equipment Replacement Fund	<i>K-1</i>	191
Equipment Maintenance Fund	<i>K-2</i>	192
Insurance Reserve Fund	<i>K-3</i>	193
Workers Compensation Fund	<i>K-4</i>	194
STATISTICAL SECTION	<u>TABLE</u>	<u>PAGE</u>
<i>Financial trends</i>		
Government-wide: Net Position by Component	<i>A-1</i>	199
Government-wide: Change in Net Position	<i>A-2</i>	200
Governmental Funds: Fund Balances of Governmental Funds	<i>A-3</i>	202
Governmental Funds: Changes in Fund Balances of Governmental Funds ...	<i>A-4</i>	203
<i>Revenue Capacity</i>		
Tax Revenue by Source	<i>B-1</i>	206
Intergovernmental Shared Revenues	<i>B-2</i>	207
Intergovernmental Grants and Other Revenues	<i>B-3</i>	208
<i>Debt Capacity</i>		
Direct and Overlapping Sales Tax Rates	<i>C-1</i>	210
Ratio of Outstanding Debt by Type	<i>C-2</i>	211
Ratio of General Bonded Debt to Assessed Value and per Capita	<i>C-3</i>	212
Computation of Direct and Overlapping Debt	<i>C-4</i>	213
Legal Debt Margin Information	<i>C-5</i>	214
Schedule of Municipal Property Corporation Debt Service Requirements to Maturity and Coverage	<i>C-6</i>	215
Pledged Tax Collections	<i>C-7</i>	216
Pledged Utility Revenue Collections	<i>C-8</i>	217
<i>Demographic & Economic Information</i>		
Demographic and Economic Statistics	<i>D-1</i>	220
Principal Employers	<i>D-2</i>	221
Taxable Sales by Category	<i>D-3</i>	222
<i>Operating Information</i>		
Full-Time Equivalent City Government Employees by Function	<i>E-1</i>	224
Operating Indicators by Function	<i>E-2</i>	225
Capital Asset Statistics by Function	<i>E-3</i>	226
Utility Customer Classes	<i>E-4</i>	227
Number of Utility Accounts by Meter Size	<i>E-5</i>	228
Schedule of Water and Wastewater Rates	<i>E-6</i>	231

INTRODUCTORY SECTION

The *Introductory Section* is intended to familiarize the reader with the City's organization structure, nature and scope of provided services, and specifics of its operating environment. The information in this section should provide adequate background and sufficient context to assist the reader with the financial section of this ACFR. Unlike the *Financial Section*, this section is unaudited.



{This page is intentionally left blank}



January 31, 2023

Honorable Mayor and City Council,
and Citizens of the City of Yuma

The Finance Department is pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Yuma, Arizona for the fiscal year ended June 30, 2022. 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, 2022, 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, 2022, 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 Report.

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

ECONOMIC CONDITION AND OUTLOOK

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

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

Although manufacturing currently accounts for less than 10% of countywide employment, the City's partnership with the Greater Yuma Economic Development Corporation continues to attract attention to the area. More and more companies are calling Yuma home as Yuma has become a strategic location for prominent manufacturing operations on the west coast.

Economic Growth. Under normal circumstances, Yuma's most reliable indicator of the condition of its economy is sales tax. General sales tax saw an increase of 11.2%; 15.6%; and 7.9% for fiscal years 2022; 2021 and 2020, respectively. This is robust growth in comparison to previous years. However, with the unknown overall economic impact of the post-Coronavirus pandemic, supply chain delays, labor markets and inflationary factors, the City anticipates growth, but at lower rates of 4%-6% in fiscal years 2023 and 2024.

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.

¹ Source: Greater Yuma Economic Development Corporation

LONG-TERM FINANCIAL PLANNING

2021-2025 Strategic Plan. Adopted April 21, 2021, the 2021-2025 Strategic Plan documents the long standing Yuma Vision of “Yuma is a thriving, safe and prosperous community with opportunities powered by innovation, partnerships, collaboration and robust education – a unique place that all generations are proud to share”.

In order for a program or project to be considered for funding, the strategic initiative must align with at least one of the five strategic outcomes:

Safe and Prosperous: Yuma is a safe and prosperous city that supports thriving businesses, access to education, and multi-generational opportunities.

Active and Appealing: Yuma plans and leverages its natural resources, public spaces and cultural amenities to support an active and appealing community.

Connected and Engaged: Yuma is connected and engage through active communication, forward-looking partnerships, and ongoing public involvement.

Unique and Creative: Yuma is a unique and creative community, built on our shared history, sense of place, and civic pride.

Respected and Responsible: Yuma is a trusted steward of City resources; relied upon to provide premier services and regional leadership.

Further and information, including specific programs and projects can be found on the City’s website on the City Administrators Office page at yumaaz.gov.

Annual Budget. 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 2022, 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.

Further information and adopted budget documents can be accessed via the City’s website on the Finance Department page at yumaaz.gov.

AWARDS

As of the date of this letter the City has not received notification from the Government Finance Officers Association (GFOA) regarding the Certificate of Achievement for Excellence in Financial Reporting for the annual comprehensive financial report for the fiscal year ended June 30, 2021. The City believes the prior year annual comprehensive financial report meets the Certificate of Achievement Program's requirements. If awarded, this would be the 40th consecutive year that City has achieved this prestigious award. In order to receive the Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

ACKNOWLEDGMENTS

The presentation of this report would not have been possible without the efficient, effective, dedicated, and supportive services of the entire Finance Department. Their bestowed efforts to enhance procedures, ensure accuracy, improve systems, and conduct extensive research have allowed for the completion of this annual audit and report. Each member of the office has our sincere appreciation for the contributions made in the preparation of this report.

We would like to express our appreciation to all members of the City that assisted and contributed to the preparation of this report. Credit also must be given to the Mayor, City Council and the Administration for their unsurpassable support for maintaining and strengthening the utmost standards of professionalism in the management of the City.

Respectfully submitted,

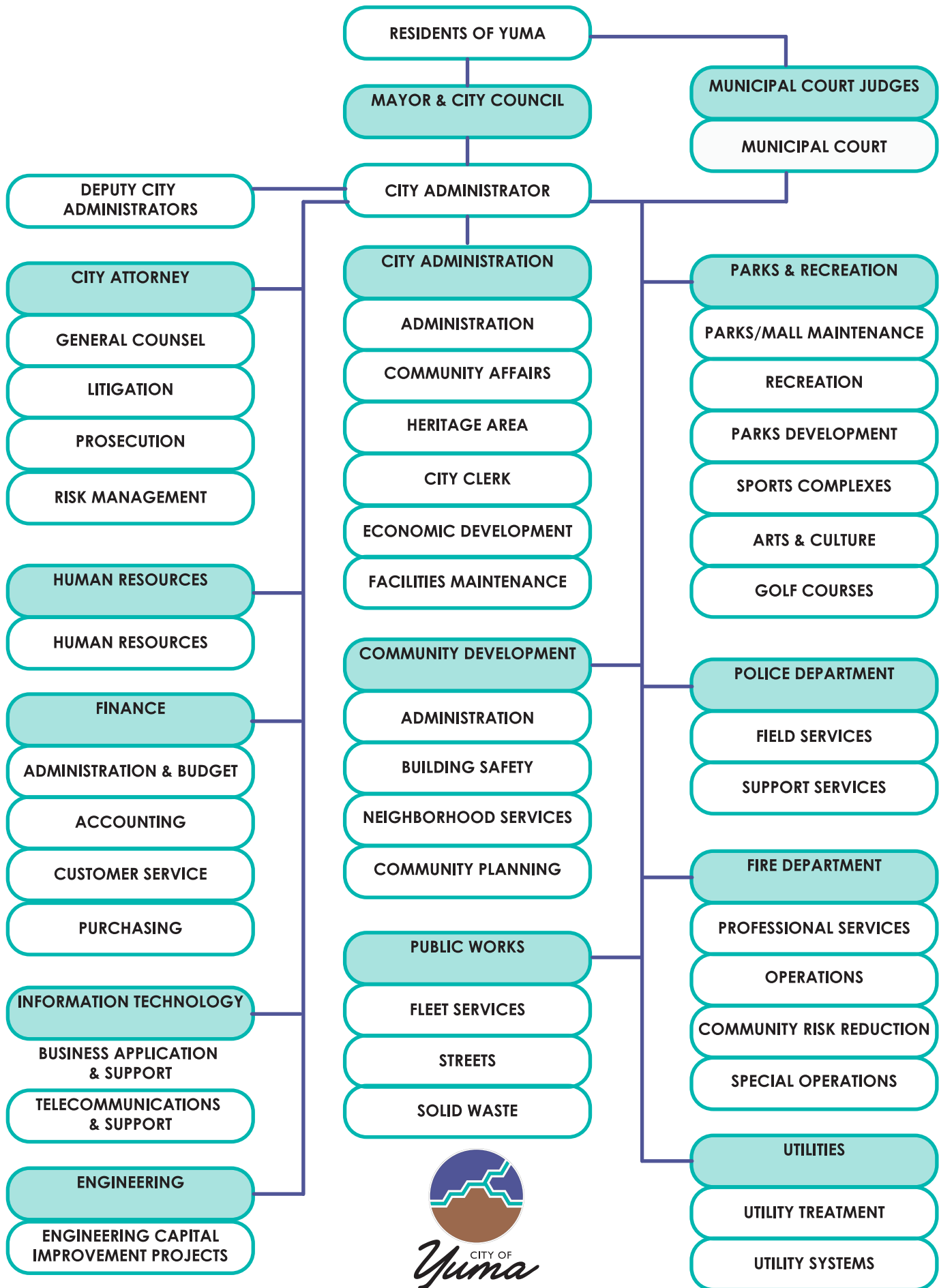


Douglas W. Allen, CPA
Director of Finance



{This page is intentionally left blank}

ORGANIZATION CHART





{This page is intentionally left blank}

FINANCIAL SECTION

The **Financial Section** contains all financial statements and supplemental information required to be disclosed by Generally Accepted Accounting Principles (GAAP), as well as information on all individual funds not reported separately in the basic financial statements. Also in this section is other useful supplementary information that is not required by GAAP to represent a financial overview of the City.



Independent Auditor's Report

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

Report on Audit of Financial Statements

Opinions

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 City of Yuma, Arizona (City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of City of Yuma, Arizona, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87, Leases, for the year ended June 30, 2022, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions

or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, net pension liability information, and other postemployment benefit plan information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2023, on our consideration of City of Yuma, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 City of Yuma, Arizona's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.

Scottsdale, Arizona

January 30, 2023

City of Yuma, Arizona

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

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, 2022. 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 \$472.1 million at the close of the fiscal year. Of this amount, \$25.1 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 \$38.5 million for the fiscal year, governmental activities increased \$23.5 million while business-type activities of the City increased \$15.0 million. Total revenues exceeded total expenses in the current year primarily due to an increase in city sales tax of \$7.2 million, but a combined operating and capital grants and contributions decrease of \$(3.6) million.
- The City's government-wide net position totaled \$472.2 million. Due to implementation of GASB pension and other postemployment benefits (OPEB) standards, while the City has a total positive net position, it includes a deficit unrestricted net position of \$(81.4) million in governmental programs but a positive \$106.5 million in business-type activities, for a net \$25.1 million in government-wide basis overall.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

The government-wide financial statements can be found on pages 39-41 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 eighteen 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 fourteen 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 142.

Major Funds:

- General Fund
- City Road Tax Fund
- America Rescue Plan Act
- Debt Service

Nonmajor Special Revenue:

- Public Safety Tax
- Highway User Revenue
- Grants
- Community Redevelopment
- Two Percent Tax
- Yuma Mall Maintenance
- Maintenance Improvement Districts

Nonmajor Capital Projects:

- Capital Improvement Projects
- Parks and Recreation Projects
- Police Projects
- Fire Projects
- General Government Projects
- Transportation Projects
- Other 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 130 of this report.

Proprietary funds. The City of Yuma maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Yuma uses enterprise funds to account for its Water, Wastewater, Solid Waste Authority, Radio Communications and Desert Hills 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, workers' compensation and employee health insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Major Enterprise

Funds:

Water Fund

Wastewater Fund

Nonmajor Enterprise

Funds:

Solid Waste

Radio Communications

Desert Hills Golf Course

Nonmajor Internal Service

Funds:

Equipment Replacement

Equipment Maintenance

Insurance Reserve

Employee Benefits Trust

Workers Compensation

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements group major and nonmajor proprietary funds in a manner similar to governmental fund statements. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements, beginning on page 182.

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 beginning on pages 56 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 68 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 114 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 142.

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 \$472.1 million at the close of the fiscal year.

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

CONDENSED STATEMENT OF NET POSITION						(in millions)	
	Governmental Activities		Business-type Activities		Total		
	2022	2021	2022	2021	2022	2021	
ASSETS							
Current and other assets	\$ 166.6	\$ 259.7	\$ 214.2	\$ 121.5	\$ 380.8	\$ 381.2	
Capital assets	296.9	295.7	247.9	248.7	544.8	544.4	
Total assets	463.5	555.4	462.1	370.2	925.6	925.6	
Total deferred outflows of resources	133.0	76.8	6.0	6.3	139.0	83.1	
LIABILITIES							
Current and other liabilities	22.3	22.7	39.2	35.4	61.5	58.1	
Long-term liabilities	351.6	436.2	146.8	78.0	498.4	514.2	
Total liabilities	373.9	458.9	186.0	113.4	559.9	572.3	
Total deferred inflows of resources	28.2	3.4	4.4	0.5	32.6	3.9	
NET POSITION							
Net investment in capital assets	226.2	216.5	171.3	161.6	397.5	378.1	
Restricted	49.6	153.4	-	-	49.6	153.4	
Unrestricted	(81.4)	(200.0)	106.4	101.0	25.0	(99.0)	
TOTAL NET POSITION	\$ 194.4	\$ 169.9	\$ 277.7	\$ 262.6	\$ 472.1	\$ 432.5	

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 \$472.1 million, up \$38.5 million from the prior year. Governmental activities increased \$23.5 million while business-type activities increased \$15.0 million. Capital asset acquisitions were lower than the depreciation expense this year attributing to the increase in Capital assets in both governmental and business-type activities. Unrestricted net position are those assets available to finance programs in the upcoming fiscal year and would increase when the portion of taxes and other revenues exceed operating expenses but are not invested in capital assets.

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 \$38.5 million in fiscal year 2022 compared to \$34.8 million in fiscal year 2021. 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 (in millions)						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program revenues:						
Charges for services	\$ 16.9	\$ 11.3	\$ 55.7	\$ 52.7	\$ 72.6	\$ 64.0
Operating grants and contributions	3.8	10.6	-	-	3.8	10.6
Capital grants and contributions	10.9	7.7	10.7	10.6	21.6	18.3
General revenues:						
Property taxes	15.1	14.5	-	-	15.1	14.5
Sales taxes	62.1	54.9	-	-	62.1	54.9
Franchise taxes	3.4	3.2	-	-	3.4	3.2
Intergovernmental, unrestricted	40.7	39.8	-	-	40.7	39.8
Unrestricted investment earnings	(0.9)	0.2	(1.5)	0.2	(2.4)	0.4
Gain (loss) on sale of asset	-	-	-	-	-	-
Total revenues	152.0	142.2	64.9	63.5	216.9	205.7
EXPENSES						
General government	23.1	15.2	-	-	23.1	15.2
Public safety	60.5	65.0	-	-	60.5	65.0
Streets	19.7	20.2	-	-	19.7	20.2
Parks, recreation and culture	11.8	11.3	-	-	11.8	11.3
Environmental health and protection	0.1	0.1	-	-	0.1	0.1
Community development and design	6.8	6.0	-	-	6.8	6.0
Interest on long-term debt	6.4	4.9	-	-	6.4	4.9
Water enterprise	-	-	22.6	22.0	22.6	22.0
Wastewater enterprise	-	-	19.0	17.8	19.0	17.8
Other enterprises	-	-	8.4	8.4	8.4	8.4
Total expenses	128.4	122.7	50.0	48.2	178.4	170.9
Increase (decrease) in net position before transfers	23.6	19.5	14.9	15.3	38.5	34.8
Transfers	(0.1)	-	0.1	-	-	-
Increase (decrease) in net position	23.5	19.5	15.0	15.3	38.5	34.8
Beginning net position-July 1 (as restated)	170.9	150.4	262.7	247.3	433.6	397.7
Ending net position - June 30	\$ 194.4	\$ 169.9	\$ 277.7	\$ 262.6	\$ 472.1	\$ 432.5

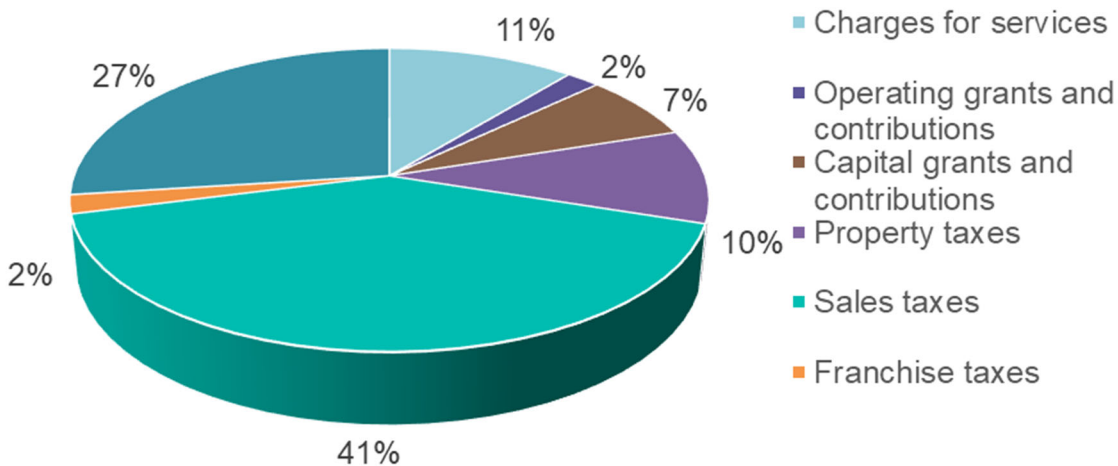
Governmental Activities

Revenues

Governmental activities revenues totaled \$152.0 million for fiscal year 2022, a sizable increase in comparison to 2021's \$142.2 million. The primary increase was in Sales Taxes of \$7.2 million or 13.1% net a notable decrease in Grants and Contributions of \$(3.6) million or (19.4)%. Local sales taxes are 40.9% of total governmental revenues 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 67.6% 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 11.1% of governmental revenues. Property taxes represent 9.9% 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 13.1% from 2021, which does reflect a continued improvement in the economy over previous years; even through the Coronavirus pandemic.
- Charges for services increased by \$5.7 million due primarily to 2021's reduced Recreation Fees, as the City was unable to provide many of these services during approximately 1/3 of the year due to COVID-19. Most of 2021, the City reduced or eliminated on-site recreation activities such as Camp Awesome and Art Center and Parks and Recreation classes. These programs were back in full in 2022.
- Property taxes increased 4.1% to \$15.1 million as property values have increased, the City Council increased the property tax levy to the maximum allowable by state law, plus the onset of new construction.

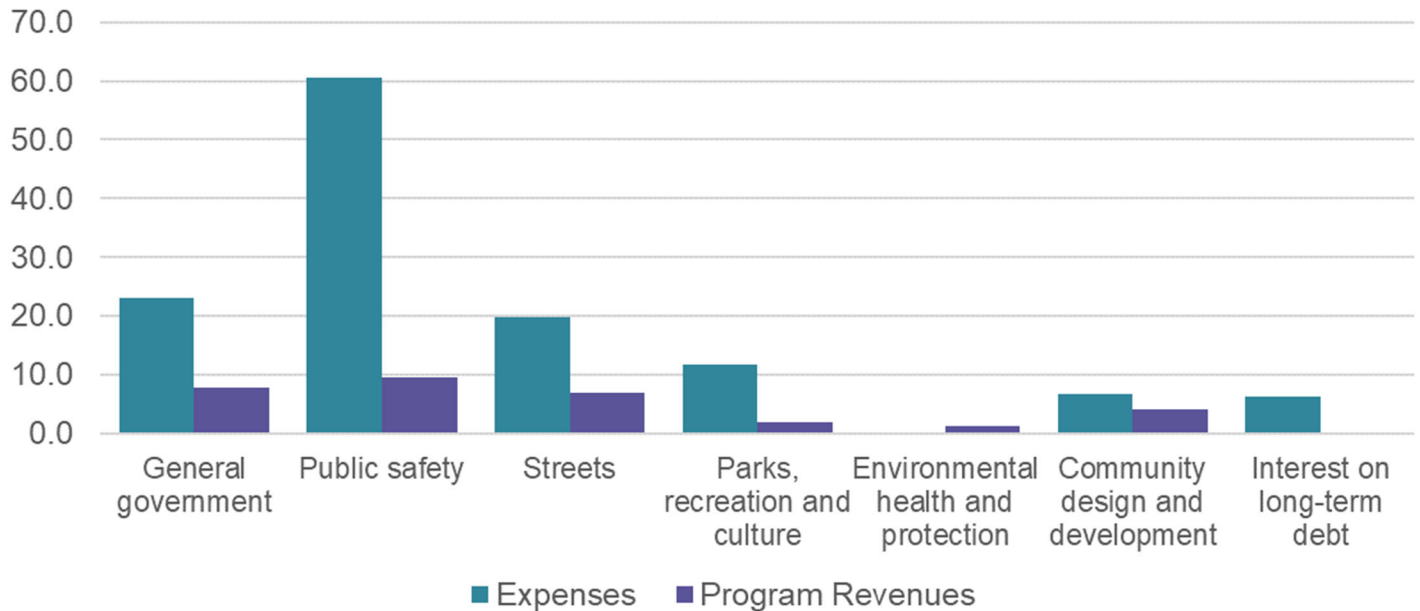
REVENUES - GOVERNMENTAL ACTIVITIES



Expenses

Governmental expenses totaled \$128.5 million for the fiscal year. Of the expenses, 47.1% or \$60.5 million is related to public safety for police, fire and municipal court services. Parks, recreation and culture expenses amounted to \$11.8 million, or 9.2% and Streets was \$19.7 million, or 15.3%, while community design and development expenses amounted to 5.3%. General government expenses came to \$23.1 million, or 18.0%. Interest on long-term debt was \$6.4 million, or 5.0% of governmental expenses. Overall, governmental activities expenses increased \$5.7 million from 2021, driven primarily by all City operations easing back into operations, expenses related to unfunded pension liability, pay increases for all personnel, 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.

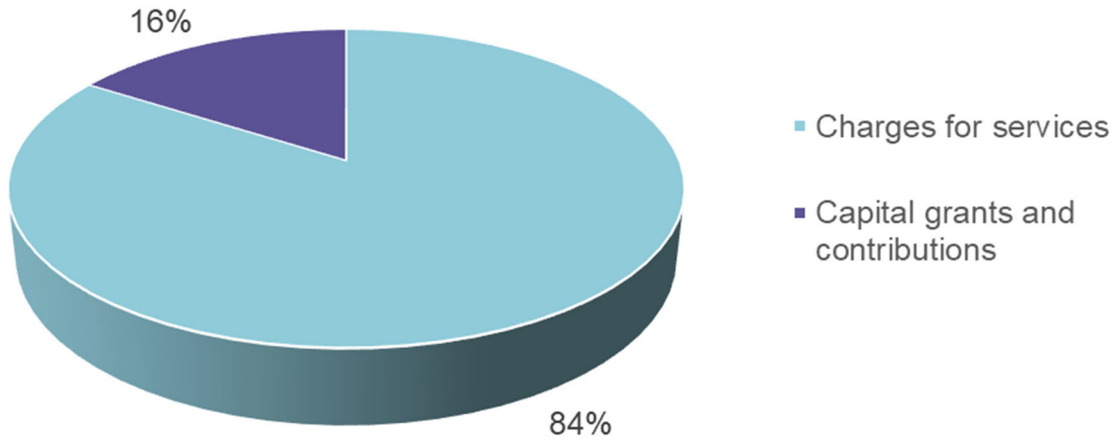
Business-type activities

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 \$55.7 million in charges for services, 83.9% 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 \$10.7 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.

REVENUES - BUSINESS-TYPE ACTIVITIES



Expenses

Water and wastewater services account for 83% of the City’s business-type activities with solid waste, radio communication and golf courses making up the remaining 17%. Water expenses amounted to \$22.6 million while wastewater expenses totaled \$19.0 million. Solid Waste, Radio Communications, and Desert Hills Golf Courses recorded expenses of \$4.3 million, \$2.1 million and \$1.9 million, respectively, for a total of \$8.3 million.

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, 2022, is \$98.4 million, a decrease from 2021 of \$103.9 million. This decrease is driven by the City paying down the public safety pension liability of \$110.4 million with bond proceeds received in 2021 carried forward to 2022.

Of the \$98.4 million fund balance in 2022, \$51.3 million is either restricted or committed to a specific program, \$23.6 assigned to future year commitments and \$23.4 million is unassigned and available for general City operations. A review of some of the more significant funds follows.

General Fund

After paying \$110.4 million toward the public safety pension liability with prior year bond proceeds, the fund balance of the General Fund decreased by \$108.9 million for the fiscal year 2022. Revenues increased by \$9.1 million (10.4%) to \$96.7 million. City sales taxes, the city's largest source of General Fund revenues, increased \$3.2 million (11.2%) to \$28.2 million, which is an indicator of the strong economy. State-shared revenues, including income taxes, state sales tax and vehicle registration tax (auto lieu tax) increased 1.2% to \$31.9 million.

Total expenditures increased \$82.3 million to \$184.7. However, \$110.4 million of the increase was due to paying down the unfunded liability for the Public Safety pension.

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 increased by \$1.2 million or 11% for the year. In the same manner as general sales tax in the General Fund, sales taxes increased in 2022 by \$1.6 million or 11.2% to \$15.7 million. Expenditures increased by \$5.2 million from 2021, primarily due to more road CIP projects in 2022 than 2021. The City expended approximately \$6.8 million in capital improvements in 2022, 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.

American Rescue Plan Act (ARPA) Fund

The ARPA Fund reports all city activities related to the federal American Rescue Plan Act. Due to its high profile, it is reported separate from all other grants the city receives. The city received \$11.5 million in FY2021 and received another \$11.5 in FY2023; for a total of \$23.0 million. In the fourth quarter of FY2022, City Council considered and approved specific programs and projects to be funded by ARPA.

Debt Service Fund

Repayment of bonds issued to pay down the public safety pension liability began in 2022 with two principal payments. Subsequent years will recognize only one principal payment per year. All other debt payments remained consistent compared to recent years.

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 2022, the fund balance was \$5.1 million, an increase of \$0.8 million from 2021. Expenditures increased by \$1.3 million to \$4.4 million.

Highway Users Revenue Fund (HURF)

This fund, which accounts for the expenditure of state-shared gasoline taxes, showed a increase in fund balance of \$409,923 for the year to \$5.0 million. The City's portion of those taxes increased by 6.3% for the fiscal year to \$9.5 million. All maintenance expenditures for streets and retention basins are made in the HURF Fund. Expenditures decreased by \$0.5 million to \$8.9 million.

2% Tax Fund

This fund, which accounts for the two-cent sales tax, showed an increase in fund balance of \$2.2 million, increasing to \$4.2 million. The tax revenue increased by \$1.7 million or 26%, while charges for services increased by \$0.6 million or 243%. Operational expenditures increased by \$1.1 million or 23.1%.

This fund was hit the hardest by COVID-19, as hotels, restaurants, and bars were closed or at reduced occupancy last fiscal year; which skews year-to-year comparisons.

Grants Fund

The City continues to receive much needed assistance from both the state and federal levels. During 2022, revenues decreased to \$2.8 million. Revenue of \$8.5 million in 2021 was 94% of the grants being from the federal government; which were less abundant in 2022.

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 were \$2.1 million compared to \$2.4 million for 2021; \$1.4 million in 2020, and \$1.6 million in 2019.

Non-major Capital Projects Funds

In total, the Non-major Capital Projects fund balances have increased to \$11.6 million this year. Project expenditures and transfers for debt service were the same as last year at \$1.3 million.

Proprietary funds. For the fiscal year ended June 30, 2022, the City's enterprise funds posted an overall \$14.8 million decrease in net position to \$278.6 million. 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 a decrease in net position.

Water Fund

Operating revenues for the Water Fund increased by \$1.4 million or 5.5% for the year ending June 30, 2022. Operating expenses increased by 4.4%. Operating income increased by 8.9% with capital contributions increased by 6.3% to \$4.5 million, leading to the fund's net position increase of \$9.1 million.

Wastewater Fund

The Wastewater Fund operating revenues increased 4.5% in 2022. Operating expenses increased by 0.7% with income from operations increasing to \$1.9 million. Capital contributions stayed relatively flat at \$5.5 million. The overall increase in the fund's net position was \$4.3 million.

Solid Waste Fund

Operating revenues increased 5.4% to \$5.3 million. Operating expenses increased 1.3% to \$4.4 million, with the fund's net position increasing to \$2.7 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2022, can be found starting on page 130. A summary of that schedule follows:

BUDGET AND ACTUAL - GENERAL FUND				(in millions)	
	Budget		Actual	Variance	
	Original	Final		with Final	
REVENUES					
Taxes	\$ 45.0	\$ 45.0	\$ 49.9	\$ 4.9	
Intergovernmental	38.7	23.9	31.9	8.0	
Other	9.3	14.6	15.0	0.4	
Total revenue	93.0	83.4	96.7	13.3	
EXPENDITURES					
Public safety	57.1	57.2	43.1	14.1	
Public safety pension liability	110.4	110.4	110.4	-	
Parks and recreation	7.6	7.5	6.3	1.2	
All other	41.3	33.9	24.9	9.0	
Total expenditures	216.4	209.0	184.7	24.4	
Other financing sources (uses)					
Bond proceeds	-	-	-	-	
Transfers out	-	(21.6)	(21.1)	(0.5)	
Total other financing sources(uses)	-	(21.6)	(21.1)	(0.5)	
Planned Change in fund balance	\$ (123.4)	\$ (147.2)	\$ (109.0)	\$ 38.2	

General Fund revenues ended the year \$13.3 million over budgeted revenue goals. Tax revenues exceeded revenue goals by \$4.9 and Intergovernmental taxes exceeded revenue goals by \$8.0 million.

Expenditures for the General Fund came in \$24.4 less than the maximum spending budget due to the City gradually easing back into operations after the peak of the COVID19 pandemic. Additionally, much of the contingency budget was not used.

Bonds were issued in FY 2021 to fully pay the remaining unfunded liability in the Public Safety pension in FY 2022 in the amount of \$110.4 million (highlighted in gray above).

CAPITAL ASSETS

At June 30, 2022, the City of Yuma's investment in capital assets in both governmental and business-type activities amounted to \$544.8 million, net of depreciation. This includes land, buildings, equipment, improvements and infrastructure (roadways and bridges). Capital assets for governmental activities increased by 0.4% and business-type capital assets decreased by (0.3)%. This decrease was due to fewer new assets being acquired and/or constructed than depreciation expense on existing assets.

CHANGE IN CAPITAL ASSETS							(in millions)	
Assets by category	Governmental Activities			Business-type Activities			Total June 30, 2022	
	July 1, 2021	Net Additions (Deletions)	June 30, 2022	July 1, 2021	Net Additions (Deletions)	June 30, 2022		
Land	\$ 51.5	\$ -	\$ 51.5	\$ 10.8	\$ -	\$ 10.8	\$ 62.3	
Buildings	107.7	-	107.7	164.6	-	164.6	272.3	
Improvements	70.9	0.8	71.7	305.4	2.8	308.2	379.9	
Infrastructure	302.0	7.0	309.0	-	-	-	309.0	
Equipment	69.7	(0.2)	69.5	15.8	(0.2)	15.6	85.1	
Construction in progress	7.3	9.9	17.2	5.8	10.0	15.8	33.0	
Accumulated depreciation	(313.4)	(16.3)	(329.7)	(253.7)	(13.4)	(267.1)	(596.8)	
Total	\$ 295.7	\$ 1.2	\$ 296.9	\$ 248.7	\$ (0.8)	\$ 247.9	\$ 544.8	

Additional information on capital assets can be found in Note II-E starting on page 82.

DEBT ADMINISTRATION

At June 30, 2022, after scheduled debt payments, governmental activity debt decreased by \$84.6 million due to paying down the Public Safety pension liability, while business activity debt increased by \$70.6 million from issuing utility bonds to expand the Desert Dunes wastewater plant.

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 \$155.4 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 \$46.6 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. 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 83.

SUMMARY OF LONG-TERM DEBT						(in millions)	
Debt by Type	Governmental Activities		Business-type Activities		Total		
	2022	2021	2022	2021	2022	2021	
Yuma Municipal Property Corporation Bonds	\$ 68.4	\$ 76.2	\$ 135.8	\$ 69.4	\$ 204.2	\$ 145.6	
Private Placement	-	-	9.7	15.5	9.7	15.5	
Net unamortized premium	5.2	6.0	21.0	6.5	26.2	12.5	
Improvement districts	-	-	-	-	-	-	
Taxable bonds (Pension)	153.3	159.5	-	-	153.3	159.5	
Financed purchases	1.3	1.9	0.1	0.1	1.4	2.0	
Pension and OPEB liability	112.1	181.7	9.9	14.4	122.0	196.1	
Estimated claims and judgements	3.3	3.3	-	-	3.3	3.3	
Compensated absences	8.0	7.6	1.1	1.2	9.1	8.8	
Total long-term debt	\$ 351.6	\$ 436.2	\$ 177.6	\$ 107.1	\$ 529.2	\$ 543.3	

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Yuma County's growth continues to improve at a steady rate. The county grew to an estimated 206,990 with the City of Yuma continuing to represent 46% of the county's population. The City of Yuma has grown to an estimated 97,093. The City's economy continues to grow parallel 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 in the winter of 2021/22. However, this trend is showing signs of reversing in the winter 2022/23. Events tourism remained steady and added by visitors from neighboring states with stricter COVID19 protocols than Arizona, such as California and Nevada residents visiting Yuma.

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 11.2% increase this year.

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 for an electronic version of this report.



{This page is intentionally left blank}

BASIC FINANCIAL STATEMENTS



{This page is intentionally left blank}

GOVERNMENT-WIDE FINANCIAL STATEMENTS



{This page is intentionally left blank}

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$148,145,686	\$210,473,984	\$358,619,670
Receivables (net of allowances for uncollectible)	10,139,416	5,471,960	15,611,376
Internal balances	2,326,911	(2,326,911)	-
Inventory, at cost	365,960	261,577	627,537
Prepaid items	2,036,933	8,837	2,045,770
OPEB Asset	3,616,623	374,146	3,990,769
Capital assets:			
Not being depreciated/amortized	68,639,809	26,597,306	95,237,115
Being depreciated/amortized, net	228,302,856	221,324,602	449,627,458
Total Assets	463,574,194	462,185,501	925,759,695
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions and OPEB	131,284,794	2,598,348	133,883,142
Deferred charges on refunding bond	1,684,417	3,373,205	5,057,622
Total Deferred Outflows of Resources	132,969,211	5,971,553	138,940,764
LIABILITIES			
Accounts payable and deposits	5,342,710	4,620,735	9,963,445
Accrued liabilities	878,987	578,626	1,457,613
Accrued interest payable	2,880,440	3,026,967	5,907,407
Unearned revenue	13,183,097	208,364	13,391,461
Noncurrent liabilities - Due within one year			
Accrued compensated absences	2,633,102	293,544	2,926,646
Bonds debt	14,810,000	13,243,000	28,053,000
Claims and judgements	1,156,816	-	1,156,816
Financed Purchases Payable	770,510	54,285	824,795
Long-term Liabilities - Due in more than one year			
Accrued compensated absences	5,346,383	777,301	6,123,684
Net pension liability	112,088,945	9,874,698	121,963,643
OPEB liability	41,642	15,685	57,327
Bonds debt	212,077,881	153,275,716	365,353,597
Claims and judgements	2,231,944	-	2,231,944
Financed Purchases Payable	485,598	19,748	505,346
Total Liabilities	373,928,055	185,988,669	559,916,724
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension and OPEB	28,161,302	4,427,108	32,588,410
Deferred gains on refunding bond	53,472	-	53,472
Total Deferred Inflows of Resources	28,214,774	4,427,108	32,641,882
NET POSITION			
Net investment in capital assets	226,188,388	171,271,166	397,459,554
Restricted			
Debt service	64,131	-	64,131
Road maintenance and construction	17,197,273	-	17,197,273
Pension liability	12,344,124	-	12,344,124
PS-Police equipment and facilities	7,023,937	-	7,023,937
Parks, recreation and culture facilities	6,152,496	-	6,152,496
PS-Fire equipment and facilities	3,512,374	-	3,512,374
Transportation projects	2,219,931	-	2,219,931
Other purposes	1,087,201	-	1,087,201
Unrestricted	(81,389,279)	106,470,111	25,080,832
Total Net Position	\$194,400,576	\$277,741,277	\$472,141,853

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

City of Yuma, Arizona

Statement of Activities

Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENT ACTIVITIES:				
General government	\$ 23,137,141	\$ 7,397,385	\$ 91,059	\$ 387,020
Public safety	60,537,891	6,302,914	1,665,172	1,533,313
Streets	19,724,174	-	-	7,043,452
Parks, recreation and culture	11,798,171	1,176,299	38,408	677,344
Environmental health and protection	96,401	-	-	1,243,678
Community design and development	6,799,177	2,045,622	2,089,656	24,439
Interest and issuance costs on long-term debt	6,446,611	-	-	-
Total Governmental Activities	128,539,566	16,922,220	3,884,295	10,909,246
BUSINESS-TYPE ACTIVITIES:				
Water	22,557,888	27,725,467	-	4,525,784
Wastewater	18,991,113	19,036,797	-	5,482,279
Solid Waste	4,341,644	5,284,389	-	-
Radio communications	2,138,537	2,254,887	-	695,550
Golf courses	1,946,209	1,451,539	-	-
Total Business-type Activities	49,975,391	55,753,079	-	10,703,613
Total Activities	\$178,514,957	\$ 72,675,299	\$ 3,884,295	\$21,612,859

General Revenues:
 Property taxes
 Sales taxes
 Franchise taxes
 Intergovernmental, unrestricted
 Unrestricted investment earnings
Total general revenues
 Transfers
Total general revenues and transfers
 Change in net position
 Net position-beginning, as restated
Net position-ending

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

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business-type Activities	Total
\$ (15,261,677)	\$ -	\$ (15,261,677)
(51,036,492)	-	(51,036,492)
(12,680,722)	-	(12,680,722)
(9,906,120)	-	(9,906,120)
1,147,277	-	1,147,277
(2,639,460)	-	(2,639,460)
(6,446,611)	-	(6,446,611)
(96,823,805)	-	(96,823,805)
-	9,693,363	9,693,363
-	5,527,963	5,527,963
-	942,745	942,745
-	811,900	811,900
-	(494,670)	(494,670)
-	16,481,301	16,481,301
(96,823,805)	16,481,301	(80,342,504)
15,081,758	-	15,081,758
62,121,651	-	62,121,651
3,364,936	-	3,364,936
40,738,770	-	40,738,770
(923,081)	(1,511,707)	(2,434,788)
120,384,034	(1,511,707)	118,872,327
(107,097)	107,097	-
120,276,937	(1,404,610)	118,872,327
23,453,132	15,076,691	38,529,823
170,947,444	262,664,586	433,612,030
\$ 194,400,576	\$ 277,741,277	\$ 472,141,853



{This page is intentionally left blank}

FUND
FINANCIAL STATEMENTS

{This page is intentionally left blank}

GOVERNMENTAL
FUNDS

City of Yuma, Arizona

Balance Sheet

June 30, 2022

	General	City Road Tax
ASSETS		
Cash and Investments	\$ 57,750,966	\$ 12,317,255
Cash with Fiscal Agents	12,104	-
Receivables, Net Allowances for Uncollectibles:		
Accounts Receivable	1,571,245	132,121
Intergovernmental	2,488,993	627,542
Special Assessments	20,169	-
Delinquent Property Taxes	853,157	-
Accrued Interest	42,020	17,292
Due from Other Funds	3,824,395	-
Inventory, at cost	26,465	-
Prepaid Items	5,984	-
Total Assets	\$ 66,595,498	\$ 13,094,210
LIABILITIES		
Accounts Payable	\$ 1,688,039	\$ 760,556
Accrued Payroll, Taxes and Benefits Payable	486,193	74,082
Long-Term Debt - Current Portion	-	-
Due to Other Funds	-	-
Accrued Interest Payable	-	-
Deposits	1,133,110	-
Unearned Revenues	366	35,000
Total Liabilities	3,307,708	869,638
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenues	2,319,932	-
FUND BALANCES		
Nonspendable:		
Inventory	26,465	-
Prepaid Items	5,984	-
Spendable:		
Restricted	875,598	12,224,572
Committed	12,332,020	-
Assigned	23,560,722	-
Unassigned	24,167,070	-
Total Fund Balances	60,967,859	12,224,572
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 66,595,499	\$ 13,094,210

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

American Rescue Plan Act	Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 10,513,197	\$ 38,243	\$ 27,488,996	\$ 108,108,657
-	17,690,410	-	17,702,514
-	27,840	1,172,702	2,903,908
-	-	3,147,389	6,263,924
-	-	-	20,169
-	-	2,837	855,994
-	-	15,127	74,439
-	-	-	3,824,395
-	-	12,880	39,345
-	-	-	5,984
\$ 10,513,197	\$ 17,756,493	\$ 31,839,931	\$ 139,799,329
\$ 38,627	\$ -	\$ 1,060,537	\$ 3,547,759
-	-	269,235	829,510
-	14,810,000	-	14,810,000
-	1,922	1,834,555	1,836,477
-	2,880,440	-	2,880,440
-	-	77,705	1,210,815
10,474,570	-	2,673,161	13,183,097
10,513,197	17,692,362	5,915,193	38,298,098
-	-	810,886	3,130,818
-	-	12,880	39,345
-	-	-	5,984
-	64,131	25,741,056	38,905,357
-	-	110,619	12,442,639
-	-	-	23,560,722
-	-	(750,703)	23,416,367
-	64,131	25,113,852	98,370,414
\$ 10,513,197	\$ 17,756,493	\$ 31,839,931	\$ 139,799,330



{This page is intentionally left blank}

June 30, 2022

Amounts reported for governmental activities in the statement of Net Position (Exhibit A-1) are different than the Balance Sheet (Exhibit B-1) because:

Total fund balances - governmental funds (Exhibit B-1)		\$98,370,414
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in funds.		292,743,097
Revenues deferred to later years recognized in year received rather than year levied in governmental activities:		
Special assessment / loan principal	\$ 808,050	
Property tax	855,995	
Ambulance billings, net allowance for uncollectible	1,466,775	
Total		3,130,820
Other post employment benefits (OPEB) asset		3,616,623
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	(7,914,933)	
Pension and OPEB liability	(112,130,587)	
Bonds payable	(206,910,000)	
Finance purchases payable	(1,256,108)	
Net amortized deferred charges or premiums are not recorded in the governmental funds	(5,167,881)	
Total		(333,379,509)
Difference between expected and actual experiences, assumption changes, and between projected and actual earnings		
Deferred outflows - pension and OPEB related	131,284,794	
Deferred inflows - pension and OPEB related	(28,161,302)	
Total		103,123,492
Deferred charges and gains on debt refunding are not recognized in the current period		1,630,945
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		25,164,694
Net position - governmental activities per the Statement of Net Position (Exhibit A-1)		<u>\$194,400,576</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

Year Ended June 30, 2022

	General	City Road Tax
REVENUES		
Taxes	\$ 49,879,347	\$ 15,681,499
Licenses and Permits	2,286,776	-
Intergovernmental	31,896,914	-
Charges for Services	10,988,269	27,079
Fines and Forfeitures	1,207,186	-
Special Assessments	-	-
Interest and Rents	(107,487)	(74,694)
Contributions and Donations	-	-
Miscellaneous	593,491	32
Total Revenues	96,744,496	15,633,916
EXPENDITURES		
Current:		
General Government	18,433,123	-
Public Safety	153,492,448	760,258
Streets	-	2,347,162
Parks, Recreation and Culture	6,304,564	-
Environmental Health and Protection	-	-
Community Design and Development	3,893,881	-
Capital Outlay	220,532	10,890
Capital Projects:		
General Government	1,979,532	-
Public Safety	-	-
Streets	-	6,787,098
Parks, Recreation and Culture	-	-
Debt Service:		
Principal	345,214	51,996
Interest and Fiscal Agent Fees	-	-
Total Expenditures	184,669,294	9,957,404
Revenues Over/(Under) Expenditures	(87,924,798)	5,676,512
OTHER FINANCING SOURCES (USES)		
Capital Lease Agreements	102,991	-
Transfers In	-	-
Transfers Out	(21,090,329)	(4,454,812)
Total Other Financing Sources/(Uses)	(20,987,338)	(4,454,812)
Net Change in Fund Balances	(108,912,136)	1,221,700
Fund Balances - Beginning	169,879,995	11,002,872
Fund Balances - Ending	\$ 60,967,859	\$ 12,224,572

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

American Rescue Plan Act	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 15,059,808	\$ 80,620,654
-	-	-	2,286,776
1,061,260	-	14,211,952	47,170,126
-	-	2,714,816	13,730,164
-	-	-	1,207,186
-	24,439	-	24,439
-	35,001	(219,701)	(366,881)
-	-	133,309	133,309
-	-	94,535	688,058
1,061,260	59,440	31,994,719	145,493,831
-	-	112,858	18,545,981
1,061,260	-	5,329,822	160,643,788
-	-	8,054,031	10,401,193
-	-	5,775,743	12,080,307
-	-	128,489	128,489
-	-	2,494,513	6,388,394
-	-	318,839	550,261
-	-	1,214,111	3,193,643
-	-	678,852	678,852
-	-	411,730	7,198,828
-	-	839,188	839,188
-	20,970,000	396,632	21,763,842
-	6,953,206	-	6,953,206
1,061,260	27,923,206	25,754,808	249,365,972
-	(27,863,766)	6,239,911	(103,872,141)
-	-	-	102,991
-	27,923,061	145,988	28,069,049
-	-	(2,631,005)	(28,176,146)
-	27,923,061	(2,485,017)	(4,106)
-	59,295	3,754,894	(103,876,247)
-	4,836	21,358,958	202,246,661
\$ -	\$ 64,131	\$ 25,113,852	\$ 98,370,414

City of Yuma, Arizona

Reconciliation Statement of Revenues, Expenditures and Change in Fund Balance to Statement of Activities Year Ended June 30, 2022

Amounts reported for governmental activities in the Statement of Activities (Exhibit A-2) are different because:

Net change in fund balances - governmental funds (Exhibit B-3) \$ (103,876,247)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their useful lives as depreciation

Depreciation recorded in Statement of Activities	\$ (15,218,662)	
Capital outlay expenditures reported as additions to assets:		
Capital outlay expenditures-governmental funds	<u>11,343,320</u>	
Total		(3,875,342)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds

Property taxes revenue	66,108	
Public safety ambulance revenue	<u>(259,079)</u>	
Total		(192,971)

Miscellaneous transactions involving capital assets, such as trades, sales and donations increase (decrease) net position

Contributions of infrastructure	<u>7,043,452</u>	
Total		7,043,452

Internal service funds are used by management to charge the costs of fleet management and risk management to individual funds

Internal service investment earnings	(208,009)	
Net funds in excess of expenses	<u>(1,044,219)</u>	
Total		(1,252,228)

Sub-total adjustments to net change in fund balances governmental funds (Exhibit B-3) \$ (102,153,336)

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

Amounts reported for governmental activities in the Statement of Activities (Exhibit A-2) are different because:

Carried forward adjustments from the previous page \$ (102,153,336)

Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Issuance of finance purchases	\$ (102,991)	
Principal payments on:		
Excise tax and refunded bonds	20,970,000	
Leases	793,840	
Total		21,660,849

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Accrued interest on long-term debt	506,595	
Compensated absences	(385,558)	
Other post employment benefit obligations	667,641	
Pension City contributions	103,142,393	
Pension on-behalf contributions	14,548	
Total		103,945,619

Change in net position of government activities (Exhibit A-2) \$ 23,453,132



{This page is intentionally left blank}

PROPRIETARY FUNDS

City of Yuma, Arizona

Statement of Fund Net Position

June 30, 2022

	Business-Type Activities Enterprise Funds	
	Water Fund	Wastewater Fund
ASSETS		
Current Assets:		
Cash and Investments	\$ 41,895,076	\$ 32,935,479
Receivables, Net of Allowance for Uncollectibles:		
Accounts Receivable	2,918,026	1,494,114
Intergovernmental	28,739	436,628
Accrued Interest	20,423	34,965
Inventory, at cost	147,373	-
Prepaid Expenditures	8,837	-
Total Unrestricted Current Assets	45,018,474	34,901,186
Restricted Assets:		
Cash and Investments:		
Restricted Cash and Cash with Fiscal Agents	7,806,193	94,891,187
Advancement for Future Expansion	7,190,467	16,672,259
Customer Deposits	1,489,068	-
Total Restricted Current Assets	16,485,728	111,563,446
Total Current Assets	61,504,202	146,464,632
Noncurrent Assets:		
Pension and OPEB Asset	176,817	125,946
Capital Assets:		
Land	1,896,821	8,885,438
Buildings	106,000,530	55,545,009
Improvements Other than Buildings	170,329,891	134,522,788
Equipment	3,660,670	2,853,828
Construction In Progress	9,648,429	6,166,618
Less Accumulated Depreciation	(147,181,356)	(105,249,304)
Total Capital Assets	144,354,985	102,724,377
Total Noncurrent Assets	144,531,802	102,850,323
Total Assets	206,036,004	249,314,955
DEFERRED OUTFLOWS OF RESOURCES		
Other Pension Items	1,227,947	874,664
Deferred Charges on Refunding	2,571,380	801,825
Total Deferred Outflows of Resources	\$3,799,327	\$1,676,489

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

Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
Other Funds	Totals	
\$ 7,594,255	\$ 82,424,810	\$ 22,334,515
465,423	4,877,563	7,832
70,982	536,349	-
2,660	58,048	13,150
114,204	261,577	326,615
-	8,837	2,030,949
8,247,524	88,167,184	24,713,061
-	102,697,380	-
-	23,862,726	-
-	1,489,068	-
-	128,049,174	-
8,247,524	216,216,358	24,713,061
71,383	374,146	
-	10,782,259	219,610
3,102,865	164,648,404	19,251
3,341,093	308,193,772	222,733
9,106,710	15,621,208	33,169,204
-	15,815,047	-
(14,708,122)	(267,138,782)	(29,431,230)
842,546	247,921,908	4,199,568
913,929	247,921,908	4,199,568
9,161,453	464,138,266	28,912,629
495,737	2,598,348	-
-	3,373,205	-
\$495,737	\$5,971,553	\$ -

City of Yuma, Arizona

Statement of Fund Net Position

June 30, 2022

	Business-Type Activities Enterprise Funds	
	Water	Wastewater
	Fund	Fund
LIABILITIES		
Current Liabilities Payable from Current Assets:		
Accounts Payable	\$ 1,147,971	\$ 1,415,538
Accrued Payroll and Related Taxes	253,729	209,887
Current Portion-Bonds Payable	6,671,518	6,571,482
Current Portion-Accrued Compensated Absences	179,329	75,595
Current Portion-Finance Purchases	16,859	37,426
Current Portion-Estimated Claims and Judgements	-	-
Due to Other Funds	-	-
Accrued Interest Payable	1,092,454	1,934,513
Unearned Revenue	-	-
Total Current Liabilities Payable from Current Assets	9,361,860	10,244,441
Current Liabilities Payable from Restricted Assets:		
Accounts Payable	5,418	255,697
Deposits	1,525,818	-
Unearned Revenue	-	46,020
Total Current Liabilities Payable from Restricted Assets	1,531,236	301,717
Total Current Liabilities	10,893,096	10,546,158
Noncurrent Liabilities:		
Bonds Payable	54,590,844	98,684,872
Net Pension Liability	4,666,661	3,324,049
OPEB Liability	7,412	5,280
Accrued Compensated Absences	498,011	176,451
Estimated Claims and Judgements	-	-
Financed Purchases Payable	-	19,748
Total Noncurrent Liabilities	59,762,928	102,210,400
Total Liabilities	70,656,024	112,756,558
DEFERRED INFLOWS OF RESOURCES		
Other Pension Items	2,092,197	1,490,266
Total Deferred Inflows of Resources	2,092,197	1,490,266
NET POSITION		
Net investment in capital assets	86,268,151	84,160,469
Unrestricted	50,818,959	52,584,151
Total Net Position	\$137,087,110	\$136,744,620
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds		
Net position of business-type activities		

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

Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
Other Funds	Totals	Funds
\$ 270,293	\$ 2,833,802	\$ 584,136
115,010	578,626	49,480
-	13,243,000	-
38,620	293,544	24,984
-	54,285	-
-	-	1,156,816
1,429,101	1,429,101	558,817
-	3,026,967	-
162,344	162,344	-
2,015,368	21,621,669	2,374,233
-	261,115	-
-	1,525,818	-
-	46,020	-
-	1,832,953	-
2,015,368	23,454,622	2,374,233
-	153,275,716	-
1,883,988	9,874,698	-
2,993	15,685	-
102,839	777,301	39,568
-	-	2,231,944
-	19,748	-
1,989,820	163,963,148	2,271,512
4,005,188	187,417,770	4,645,745
844,645	4,427,108	-
844,645	4,427,108	-
842,546	171,271,166	4,199,568
3,964,811	107,367,921	20,067,316
\$ 4,807,357	278,639,087	\$ 24,266,884
	(897,810)	
	\$277,741,277	

City of Yuma, Arizona

Statement of Revenues, Expenses and Changes in Fund Net Position

Year Ended June 30, 2022

	Business-Type Activities Enterprise Funds	
	Water Fund	Wastewater Fund
OPERATING REVENUES		
Metered Water Sales	\$ 26,094,894	\$ -
Commercial Raw Water	148,318	-
Wastewater Charges	-	18,936,240
Meters, Connections and Services	1,344,334	62,886
Charges for Services	-	-
Green Fees and Concessions	-	-
Equipment Rental	-	-
Miscellaneous Charges	-	-
Total Operating Revenues	27,587,546	18,999,126
OPERATING EXPENSES		
Operations and Maintenance	12,994,839	10,938,407
Depreciation	7,587,653	6,116,827
Total Operating Expenses	20,582,492	17,055,234
Operating Income/(Loss)	7,005,054	1,943,892
NON-OPERATING REVENUES (EXPENSES)		
Interest	(501,255)	(932,805)
Gain/(Loss) on Disposal of Assets	-	-
Interest and Fiscal Agent Fees	(2,014,765)	(2,116,783)
Miscellaneous Revenues	137,921	37,671
Total Non-Operating Revenues/(Expenses)	(2,378,099)	(3,011,917)
Income/(Loss) before Contributions and Transfers	4,626,955	(1,068,025)
Capital Contributions	4,525,786	5,482,279
Transfers In	-	-
Transfers Out	(59,608)	(65,989)
Change in Net Position	9,093,133	4,348,265
Net Position - Beginning, as restated	127,993,977	132,396,355
Net Position - Ending	\$137,087,110	\$136,744,620

Adjustment for consolidation of internal service fund activities related to enterprise funds
Change in net position of business-type activities

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

Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
Other Funds	Totals	
\$ -	\$ 26,094,894	\$ -
-	148,318	-
-	18,936,240	-
-	1,407,220	-
7,524,112	7,524,112	3,169,970
1,085,237	1,085,237	-
359,640	359,640	2,980,929
-	-	1,625,395
8,968,989	55,555,661	7,776,294
8,450,396	32,383,642	6,589,440
54,341	13,758,821	1,989,156
8,504,737	46,142,463	8,578,596
464,252	9,413,198	(802,302)
(77,647)	(1,511,707)	(208,008)
-	-	56,701
-	(4,131,548)	-
21,826	197,418	-
(55,821)	(5,445,837)	(151,307)
408,431	3,967,361	(953,609)
695,550	10,703,615	-
400,000	400,000	-
(167,306)	(292,903)	-
1,336,675	14,778,073	(953,609)
3,470,682		25,220,493
\$ 4,807,357		\$ 24,266,884
	298,618	
	\$ 15,076,691	

City of Yuma, Arizona

Statement of Cash Flows

Year Ended June 30, 2022

	Business-Type Activities Enterprise Funds	
	Water Fund	Wastewater Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 28,054,896	\$ 19,025,957
Cash Paid to Employees	(5,447,398)	(4,585,342)
Cash Paid to Suppliers	(7,800,605)	(6,115,797)
Cash Paid for Operating Expenses	-	-
Other Operating Activity Revenue	137,921	37,671
Net Cash Provided by / (Used for) Operating Activities	14,944,814	8,362,489
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Cash Received from Other Funds	-	-
Cash Paid to Other Funds	(59,608)	(65,989)
Interfund Borrowing	-	-
Net Cash Provided by/(Used for) Noncapital Financing Activities	(59,608)	(65,989)
CASH FLOWS FROM CAPITAL ARE RELATED FINANCING ACTIVITIES:		
Contributions of Capital	3,371,896	3,792,626
Federal Grants	-	-
State Grants	-	-
Acquisition and Construction of Assets	(6,340,056)	(3,753,018)
Proceeds from Sale of Capital Assets	-	-
Issuance of Debt - 2016 Sr Utility Bond	-	-
Issuance of Revenue Bonds and Premium	-	86,889,596
Costs of Issuance of 1997 Refunding bonds	-	-
Principal Payments on Bonds	(6,481,272)	(3,870,728)
WIFA - Contracted Loan	-	-
Capital Lease	(16,858)	(37,388)
Interest and Fiscal Agent Fee Payments	(2,297,619)	(1,407,700)
Net Cash Provided by / (Used for) Capital and Related Financing Activities	(11,763,909)	81,613,388
CASH FLOWS FROM INVESTING ACTIVITIES:		
Receipt of Interest	(516,082)	(948,401)
Net Cash Provided by / (Used for) Investing Activities	(516,082)	(948,401)
Net Increase in Cash and Cash Equivalents	2,605,215	88,961,487
Cash and Cash Equivalents, July 1	55,775,589	55,537,438
Cash and Cash Equivalents, June 30	\$ 58,380,804	\$144,498,925

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

Business-Type Activities Enterprise Funds		Governmental Activities
Other Funds	Total	Internal Service Funds
\$ 9,000,211	\$ 56,081,064	\$ 5,865,886
(2,519,095)	(12,551,835)	(1,165,010)
(6,743,650)	(20,660,052)	(3,389,456)
	-	(1,385,838)
21,827	197,419	30,560
(240,707)	23,066,596	(43,858)
400,000	400,000	-
(167,306)	(292,903)	-
104,450	104,450	(125,233)
337,144	211,547	(125,233)
695,550	7,860,072	-
-	-	-
-	(10,093,074)	(19,800)
-	-	61,688
-	-	-
-	86,889,596	-
-	-	-
-	(10,352,000)	-
-	-	-
-	(54,246)	-
-	(3,705,319)	-
695,550	70,545,029	41,888
(79,512)	(1,543,995)	(213,631)
(79,512)	(1,543,995)	(213,631)
712,475	92,279,177	(340,834)
6,881,780	118,194,807	22,675,349
\$ 7,594,255	\$210,473,984	\$ 22,334,515

City of Yuma, Arizona

Statement of Cash Flows

Year Ended June 30, 2022

	Business-Type Activities Enterprise Funds	
	Water Fund	Wastewater Fund
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(used for) Operating Activities:		
Operating Income/(Loss)	\$ 7,005,054	\$ 1,943,892
ADJUSTMENTS TO RECONCILE OPERATING INCOME / (LOSS)		
Depreciation and Amortization Expense	7,587,653	6,116,827
(Increase)/Decrease in Accounts Receivable	24,508	36,288
(Increase)/Decrease in Inventories	(10,598)	-
(Increase)/Decrease in Prepaid Items	(6,426)	1,450
Increase/(Decrease) in Accounts Payable	299,597	681,267
Increase/(Decrease) in Accrued Payroll and Related Taxes	124,096	(182,093)
Increase in Claims Incurred but Not Reported	-	-
Increase/(Decrease) in Customer Dep/Unearned Revenue	166,013	-
Decrease in Pension Exp/Def Outflows/Inflows	(383,004)	(272,813)
Increase in Estimated Claims	-	-
Other Operating Activity Revenue	137,921	37,671
Total Adjustments	7,939,760	6,418,597
Net Cash Provided by / (Used for) Operating Activities	<u>\$ 14,944,814</u>	<u>\$ 8,362,489</u>
Noncash Transactions Affecting Financial Position		
Contributions of Capital Assets	\$ 1,153,890	\$ 1,689,652
Total Noncash Transactions Affecting Financial Position	<u>\$ 1,153,890</u>	<u>\$ 1,689,652</u>

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

Business-Type Activities Enterprise Funds		Governmental Activities
Other Funds	Total	Internal Service Funds
\$ 464,252	\$ 9,413,198	\$ (802,302)
54,341	13,758,821	1,989,156
31,167	91,963	(1,879,932)
(12,554)	(23,152)	97,419
-	(4,976)	-
(574,107)	406,757	486,701
(74,115)	(132,112)	(18,326)
-	-	804,951
3,047	169,060	-
(154,622)	(810,439)	-
-	-	(721,525)
21,826	197,418	-
(704,959)	13,653,398	758,444
\$ (240,707)	\$ 23,066,596	\$ (43,858)
\$ -	\$ 2,843,542	\$ -
\$ -	\$ 2,843,542	\$ -



{This page is intentionally left blank}

NOTES TO THE FINANCIAL STATEMENTS

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 3, 2020. 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 Unit

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.

B. Accounting Pronouncements

During the year ended June 30, 2022, the City implemented the provisions of GASB Statement No. 87, *Leases*, as amended, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. As a result, the City's financial statements have been modified to reflect the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on the contract payment provision.

The City also implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, as amended, which addresses accounting and financial reporting for Other Postemployment Benefits (OPEB) that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures.

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.

American Rescue Plan Act Fund – This fund accounts for federal funds received under the American Rescue Plan Act (ARPA).

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 Public Safety Tax, Highway Users Revenue, Grants, Community Redevelopment, Two Percent Tax, Yuma Mall Maintenance, Maintenance Improvement Districts, Capital Improvement Projects, Parks and Recreation Projects, Police Projects, Fire Projects, General Government Projects, Transportation Projects and Other Capital Projects.

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.

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 for taxpayer comments.
 - iii. On or before the third Monday in August, the budget is legally enacted through passage of an ordinance.
 - iv. At any time during the fiscal year, the City Administrator may transfer part or all of any unencumbered appropriation balance among programs within a fund. Upon written request by the City Administrator, the Council may, by ordinance, transfer part or all of any unencumbered appropriation balance from one fund to another.

- v. Formal budgetary integration is employed as a management control device during the fiscal year for all funds with legally adopted budgets (only the Employee Benefits Trust Internal Service Funds is not budgeted). Appropriations not expended at fiscal year-end lapse.
- vi. Budgetary amounts include those as originally adopted, and as amended by Council or City Administrator through the end of the fiscal year. Arizona State Statute does not allow supplemental budgets.
- vii. Expenditures incurred during the fiscal year may not legally exceed the publicly published budget. The maximum legal expenditure permitted for the fiscal year is the total adopted budget.

2) Budgetary Reporting and Budgetary Basis of Accounting:

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

F. Assets, Liabilities and Fund Equity Disclosures

1) Transactions between Funds:

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

2) Cash and Investments:

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

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

3) Inventories and Prepaid Items:

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

4) Grants Revenue:

The City follows the policy that, grants and similar items are recognized as revenue or contributed revenue as soon as all eligibility requirements imposed by the provider have been met, 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 billed subsequent to the fiscal year-end. At June 30, 2022, the estimated amounts of unbilled revenues for the Water, Wastewater and Solid Waste Enterprise Funds are \$1,324,303; \$777,724; and \$198,938; 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

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

10) Fund Balance Policies:

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

Nonspendable fund balance includes amounts that cannot be spent because either 1) it is not in a spendable form, such as inventory or prepaid items or 2) it is legally or contractually required to be maintained intact. Restricted fund balance is comprised of externally (outside the City) enforceable limitations imposed by creditors, grantors, contributors, laws and regulations of other governments, or laws through constitutional provisions or enabling legislation (changes in City Charter). Committed fund balance includes self-imposed limitations adopted at the highest level of decision making authority, namely, City Council. City Council approval, through adoption of an ordinance, is required

to commit resources or to rescind the commitment. Without formal action Assigned fund balances are assigned and unassigned by management to reflect the City's intent to use money for a specific purpose, but is not considered restricted or committed. 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.

Fund Balances	General Fund	City Road Tax	Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Inventory	\$ 26,465	\$ -	\$ -	\$ 12,880	\$ 39,345
Prepaid items	5,984	-	-	-	5,984
Restricted for:					
Debt service	-	-	64,131	-	64,131
Road maintenance and construction	-	12,224,572	-	4,972,701	17,197,273
PS-Police equipment and facilities	-	-	-	7,023,937	7,023,937
PS-Fire equipment and facilities	-	-	-	3,512,374	3,512,374
Parks, recreation and culture facilities	-	-	-	6,152,496	6,152,496
Transportation projects	-	-	-	2,219,931	2,219,931
General government projects	-	-	-	100,208	100,208
Bonded capital improvements	-	-	-	1,759,409	1,759,409
PSPRS Unfunded Actuarial Accrued Liability	12,104	-	-	-	12,104
River development	863,494	-	-	-	863,494
Committed to:					
Capital Improvements	-	-	-	110,619	110,619
PSPRS Reserve for future UAAL	12,332,020	-	-	-	12,332,020
Assigned for:					
Fleet replacment	2,863,201	-	-	-	2,863,201
Capital Improvement Plan FY 2023-27	6,418,575	-	-	-	6,418,575
Debt service FY 2023	14,278,946	-	-	-	14,278,946
Unassigned	24,167,070	-	-	(750,703)	23,416,367
Total Fund Balances	\$ 60,967,859	\$ 12,224,572	\$ 64,131	\$ 25,113,852	\$ 98,370,414

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 regular 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.

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.

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 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.

H. Investment Income

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

I. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Primarily, the City uses estimates to determine useful lives of capital assets as well as the estimated claims and judgements in the Insurance Reserve Fund and the Workers Compensation Fund. Actual results could differ from those estimates.

J. Tax Abatement

The City of Yuma has entered into tax abatement agreements as defined by GASB Statement 77. The tax abatements include the abatement of excise tax under Arizona Revised Statutes 42-6201 through 42-6209 relating to Government Property Lease Excise Tax, as incentive to improve property in certain geographic/economic areas of the city. It is the City's policy to review each agreement individually and in the aggregate annually. For the fiscal year ended June 30, 2022, 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.

L) Leases

As lessee, the City recognizes lease liabilities with an initial, individual criteria as capital assets. The City estimates incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease.

As lessor, the City recognizes lease receivables with an initial value in excess of \$460,000. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivable.

As of June 30, 2022 the City is not the lessor in any lease agreement in excess of \$460,000.

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, 2022, the City's deposits had a carrying value of \$998,859 and a bank balance of \$4,615,092. 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, 2022 included change fund balances of \$19,135.

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 of at least 102% of market value. At June 30, 2022, 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, 2022, were as follows:

Investment Type	Fair Value	Investment Maturities in Years			
		< 1 Year	1-2 Years	2-3 Years	3-5 Years
Commercial Paper	\$ 10,408,512	\$ 10,408,512	\$ -	\$ -	\$ -
US Agencies:					
Federal Farm Credit Bank	4,912,611	-	4,912,611	-	-
Federal Home Loan Bank	37,456,609	-	2,880,686	12,239,728	22,336,195
Federal Home Loan Mtg. Corp.	17,718,403	-	17,718,403	-	-
Federal National Mtg. Assoc.	-	-	-	-	-
Federal Agriculture Mtg. Corp.	-	-	-	-	-
Money Market Funds	35,059,451	35,059,451	-	-	-
Arizona State Investment Pool 5	252,046,090	252,046,090	-	-	-
Total Value	\$357,601,676	\$ 297,514,053	\$ 25,511,700	\$ 12,239,728	\$ 22,336,195

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, 2022, 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 AAf+ by Standard and Poor's at year end.

Concentration of Credit Risk

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

	Maximum %	Actual %
U.S. Treasuries and securities having principal and interest guaranteed by the U.S. Government	100%	-
U.S. Government agencies, instrumentalities and government sponsored enterprises	No more than 80%	16.9%
Fully insured or collateralized CDs	No more than 30%	-
Banker's acceptances	No more than 25%	-
A-1/P-1 Commercial paper	No more than 35%	2.9%
Maximum per issuer	10% of total C.P.	-
Repurchase agreements	100%	-
Money market funds	100%	9.7%
State investment pool	100%	70.5%

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, 2022, had a weighted average maturity of 867 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 deposits or repurchase agreements at June 30, the collateralization level of at least 102% of market value is required for these securities.

Fair Value

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

The City has the following recurring fair value measurements as of June 30, 2022:

	June 30, 2022	Fair Value Measurements Using		
		Quoted Price Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobserved Inputs (Level 3)
Investments by fair value level:				
Commercial Paper	\$ 10,408,512	\$ -	\$ 10,408,512	\$ -
US Agencies:				
Federal Farm Credit Bank	4,912,611	4,912,611	-	-
Federal Home Loan Bank	37,456,609	37,456,609	-	-
Federal Home Loan Mtg. Corp.	17,718,403	17,718,403	-	-
Total investments by fair value level	\$ 70,496,135	\$ 60,087,623	\$ 10,408,512	\$ -
Investments measured at the net asset value (NAV)				
Money Market Funds	\$ 35,059,451			
Arizona State Investment Pool 5	252,046,090			
Total investments measured at the NAV	287,105,541			
Total investments measured at fair value	\$357,601,676			

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 2019-20 (Tax Year 2019) and fiscal year 2020-21 (Tax Year 2020), follow:

	Tax Year 2020 (Fiscal Year 2021)	Tax Year 2021 (Fiscal Year 2022)
Net Limited Assessed Valuation	\$613,145,745	\$652,905,803
Primary Tax Rate	2.3185	2.2681
Primary Tax Levy	14,215,783	14,808,556
Net Full Cash Assessed Valuation	776,855,020	776,910,355
Secondary Tax Rate / Levy	-	-
Current Tax Collection	14,069,953	14,634,936
Delinquent Taxes:		
Collections	308,862	269,146
Outstanding as of June 30	776,733	853,157

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:

Fund	Accounts	Intergovernmental	Special Assessment	Delinquent Property Taxes	Accrued Interest	Total
General Fund	\$ 1,571,245	\$ 2,488,993	\$ 20,169	\$ 853,157	\$ 42,020	\$ 4,975,584
City Road Tax	132,121	627,542	-	-	17,292	776,955
Debt Service	27,840	-	-	-	-	27,840
Water	2,918,026	28,739	-	-	20,423	2,967,188
Wastewater	1,494,114	436,628	-	-	34,965	1,965,707
Other Funds:						
Governmental	1,172,702	3,147,389	-	2,837	15,127	4,338,055
Enterprise	465,423	70,982	-	-	2,660	539,065
Internal Service	7,832	-	-	-	13,150	20,982
Total Receivables	\$ 7,789,303	\$ 6,800,273	\$ 20,169	\$ 855,994	\$ 145,637	\$ 15,611,376

Enterprise Funds	Allowance Amount	
	2022	2021
Water	\$ 194,039	\$ 259,397
Wastewater	111,317	104,349
Other Funds	19,736	13,625

D. Due from Other Governments (Intergovernmental Receivables)

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

	Agencies				Total June 30, 2022
	Federal	State	County	Local	
Governmental Funds					
Major Funds:					
General	\$ -	\$ 1,978,894	\$ 247,884	\$ 262,215	\$ 2,488,993
City Road Tax	-	627,239	-	303	627,542
ARPA	-	-	-	-	-
Nonmajor Funds:					
Highway User Revenue	-	873,803	-	-	873,803
Public Safety Tax	-	250,810	-	-	250,810
Two Percent Tax	-	389,260	-	-	389,260
Mall Maintenance	-	-	14,067	-	14,067
Improvement Districts	-	-	332	-	332
Capital Projects Fund	-	251,955	-	-	251,955
Grants	1,132,991	165,296	-	-	1,298,287
Community Redevelopment	68,875	-	-	-	68,875
Enterprise Funds:					
Major Funds:					
Water	27,283	1,456	-	-	28,739
Wastewater	366,568	34	-	70,026	436,628
Nonmajor Funds:					
Radio Communications	-	70,504	478	-	70,982
Total	\$ 1,595,717	\$ 4,609,251	\$ 262,761	\$ 332,544	\$ 6,800,273

E. Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2022, follows:

	Balance July 1, 2021	Increases	Decreases	Transfers	Balance June 30, 2022
Capital Assets Not Being Depreciated					
Land	\$ 51,473,628	\$ -	\$ -	\$ -	\$ 51,473,628
Construction in progress	7,274,643	9,891,538	-	-	17,166,181
Total Capital Assets Not Being Depreciated	58,748,271	9,891,538	-	-	68,639,809
Other Capital Assets					
Buildings	107,674,510	-	\$20	-	107,674,490
Improvements	70,875,522	852,000	-	-	71,727,522
Infrastructure	302,060,223	7,043,452	-	-	309,103,675
Equipment	69,700,047	619,600	793,172	\$17,571	69,544,046
Total Other Capital Assets	550,310,302	8,515,052	793,192	17,571	558,049,733
Less Accumulated Depreciation for:					
Buildings	56,658,388	3,738,072	-	-	60,396,460
Improvements	47,973,303	1,651,825	-	-	49,625,128
Infrastructure	150,080,895	8,058,816	-	-	158,139,711
Equipment	58,597,084	3,759,108	788,185	17,571	61,585,578
Total Accumulated Depreciation	313,309,670	17,207,821	788,185	17,571	329,746,877
Other Capital Assets, Net	237,000,632	(8,692,769)	5,007	-	228,302,856
Total Capital Assets, Governmental Activities	\$295,748,903	\$ 1,198,769	\$ 5,007	\$ -	\$296,942,665

Government activities capital assets net of accumulated depreciation at June 30, 2022 include:

Governmental Funds Capital Assets, Net	\$ 292,743,097
Internal Service Funds Capital Assets, Net	4,199,568
Total	<u>\$ 296,942,665</u>

Depreciation was charge to governmental functions as follows:

General Government and Unclassified	\$ 3,403,547
Public Safety	2,402,020
Streets	8,665,396
Parks, Recreation, and Culture	701,505
Environmental Health and Protection	34,397
Community Design and Development	11,797
Assets held by Internal Service Funds are charged based on usage of assets	1,989,159
Total	<u>\$ 17,207,821</u>

Capital asset activity for business-type activities for the year ended June 30, 2022, follows:

	Balance July 1, 2021	Increases	Decreases	Transfers and Adjustments	Balance June 30, 2022
Capital Assets Not Being Depreciated					
Land	\$ 10,782,259	\$ -	\$ -	\$ -	\$ 10,782,259
Construction in progress	5,798,953	10,016,094	-	-	15,815,047
Total Capital Assets Not Being Depreciated	16,581,212	10,016,094	-	-	26,597,306
Other Capital Assets					
Buildings	164,648,404	-	-	-	164,648,404
Improvements	305,350,230	2,843,542	-	-	308,193,772
Equipment	15,833,629	77,399	\$272,249	(\$17,571)	15,621,208
Total Other Capital Assets	485,832,263	2,920,941	272,249	(17,571)	488,463,384
Less Accumulated Depreciation for:					
Buildings	37,932,952	3,300,658	-	-	41,233,610
Improvements	201,436,183	10,071,397	-	-	211,507,580
Equipment	14,300,651	386,766	272,249	(\$17,576)	14,397,592
Total Accumulated Depreciation	253,669,786	13,758,821	272,249	(17,576)	267,138,782
Other Capital Assets, Net	232,162,477	(10,837,880)	-	5	221,324,602
Total Capital Assets, Business-type Activities	\$248,743,689	\$ (821,786)	\$ -	\$ 5	\$247,921,908
Depreciation was charged to programs as follows:					
Water	\$ 7,587,653				
Wastewater	6,116,827				
Solid Waste	-				
Radio Communications	(48,380)				
Gold Course	102,721				
Total	\$ 13,758,821				

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 \$12.8 million.

F. Noncurrent Liabilities

The following changes occurred in noncurrent liabilities during the fiscal year ended June 30, 2022:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
Governmental activities:					
Yuma Municipal Property Corporation:					
2015 - Sr Lien Excise Revenue & Refunding	\$ 38,535,000	\$ -	\$ 2,210,000	\$ 36,325,000	\$ 2,320,000
2015 - Sr Lien Road Tax Refunding	25,880,000	-	3,250,000	22,630,000	3,390,000
2021 - Sr. Lien Excise Revenue Refunding	11,765,000	-	2,315,000	9,450,000	2,225,000
2021 - Taxable Pledged Revenue	159,475,000	-	6,160,000	153,315,000	6,875,000
Unamortized Premium	6,003,838	-	835,957	5,167,881	-
Financed Purchases Payable	1,946,956	102,991	793,842	1,256,105	770,510
Pension Unfunded Actuarial Liability:					
Public Safety Personnel Retirement System	139,266,573	8,560,911	64,163,030	83,664,454	-
Arizona State Retirement System (ASRS)	38,009,672	-	11,792,638	26,217,034	-
Elected Official Retirement Plan	4,437,384	-	2,229,927	2,207,457	-
OPEB Liability - ASRS	-	41,642	-	41,642	-
Estimated Claims and Judgements	3,305,334	3,388,760	3,305,334	3,388,760	1,156,816
Compensated Absences	7,610,036	7,979,485	7,610,036	7,979,485	2,633,102
Total Noncurrent Liabilities	\$436,234,793	\$ 20,073,789	\$ 104,665,764	\$ 351,642,818	\$ 19,370,428

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
Business-type activities					
Yuma Municipal Property Corporation:					
2015 - Sr Lien Utility Sys Revenue Refunding	\$ 69,370,000	\$ -	\$ 4,600,000	\$ 64,770,000	\$ 4,790,000
2021 - Utility System Revenue Obligations	-	71,040,000	-	71,040,000	2,615,000
Private Placement Obligations					
2016 - Sr Lien Utility Sys Revenue Refunding	15,467,000	-	5,752,000	9,715,000	5,838,000
Unamortized Premium	6,530,260	15,849,596	1,386,140	20,993,716	-
Financed Purchases Payable	128,280	-	54,247	74,033	54,285
Pension Unfunded Actuarial Liability:					
Arizona State Retirement System	14,316,419	-	4,441,721	9,874,698	-
OPEB Liability - ASRS	-	15,685	-	15,685	-
Compensated Absences	1,245,698	1,070,845	1,245,698	1,070,845	293,544
Total Noncurrent Liabilities	\$107,057,657	\$ 87,976,126	\$ 17,479,806	\$ 177,553,977	\$ 13,590,829

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.

Financed Purchases

In accordance with GASB Statement No.87 Leases, contracts previously recorded as capital leases have been reclassified as financed purchases payable in the fiscal year. Unrestricted Revenues from the General, City Road Tax, Public Safety and the 2% Tax funds are used to pay the debt service obligations. Revenues from the Water and Wastewater Funds are used to pay their debt obligations when due.

Annual debt service requirement to maturity on finance purchases payable at year end are summarized as follows:

Year Ending June 30:	Governmental Activities	Business-Type Activities
2023	\$ 770,510	\$ 54,285
2024	273,502	19,748
2025	194,051	
2026	18,042	-
Present value of minimum lease payments	\$ 1,256,105	\$ 74,033
Due within one year	\$ 770,510	\$ 54,285

Bonded Debt

The following is a description of bonded indebtedness at June 30, 2022. 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*.

Refunding Bonds – On February 19, 2021, the City issued \$11,765,000 in refunding bonds to refund Series 2010, Refunding Series 2001, and to pay costs associated with the issuance of the bonds. Interest rate on the refunding bonds 4.0% with maturity dates from July 1, 2021 to July 1, 2035. Debt service payments are scheduled semi-annually with the total annual amounts ranging from \$527,930 to \$5,493,159 (including interest). The City realized net present value savings of \$1,078,528 over the life of the issuance, as a result of the refunding.

Pension Bonds – On February 19, 2021, the City issued \$159,475,000 in taxable pledge revenue bonds to pay the balance of the net (unfunded) pension liability for Public Safety. Debt service payments are scheduled semi-annually with the total annual amounts ranging from \$3.7-\$11.6 million from July 15, 2021 to July 15, 2038. At the time of the issuance, the City's unfunded pension liability was \$79,870,606 for Police and \$65,503,782 for Fire. The City also established a \$12,000,000 pension reserve to mitigate future unfunded pension liabilities. The effective interest rate for the bonds range from 0.297% to 2.632%; the effective annual rate of growth of the unfunded pension liability was 7.3%.

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.

Notes to the Financial Statements

June 30, 2022

For each bond series, the corresponding pledged tax was:

<u>Issue</u>	<u>Pledged Tax</u>	<u>Project(s) funded</u>
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
2021 Sr Lien Excise Tax	Excise Taxes	Refunding 2010; refunding 2001
2021 Taxable Pledged Revenue	Excise Taxes	Public Safety Pension Funding

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 Users 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.

On December 15, 2021, City Council approved an Ordinance to move forward with \$71,040,000 Utility System Revenue Obligation Series 2021 to expand the capacity at the Desert Dunes Wastewater Reclamation Facility from 3.3 million gallons per day to 6.6 million gallons per day. Infrastructure includes 370 miles of sanitary sewer collection lines and force mains with over 5,700 sanitary sewer lines

<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
2021 Utility Rev	Net Utility System Revenues	Desert Dunes Wastewater Capacity

For the year ended June 30, 2022, the pledged revenues described above amounted to \$105.1 million for governmental activities and \$27.9 million 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, 2022, debt service for governmental activities totaled \$27.9 million and for business-type activities \$18.4 million, or 27% and 66% of pledged revenues, respectively.

Summary of Bonded Debt

Bond Type and Series	Interest Rate	Issue Date	Maturity Date	Authorized and Issued	Outstanding	Net Unamortized Premium (Discount)
Governmental Activities:						
2015 - Sr Lien Excise Revenue & Refunding	3.5-5.0%	10/21/2015	2035	\$48,105,000	\$36,325,000	\$2,261,611
2015 - Sr Lien Road Tax Refunding	2.0-5.0%	10/21/2015	2027	40,280,000	22,630,000	2,300,759
2021 - Sr. Lien Excise Revenue Refunding	4.00%	2/19/2021	2025	11,765,000	9,450,000	605,510
2021 - Taxable Pledged Revenue	0.3-2.6%	2/19/2021	2038	159,475,000	153,315,000	-
Business-type Activities						
2015 - Sr Lien Utility Sys Revenue Refunding	3.25-5.0%	10/21/2015	2032	89,675,000	64,770,000	5,936,600
2016 - Sr Lien Utility Sys Revenue Refunding	1.50%	11/8/2016	2024	37,835,000	9,715,000	-
2021 - Utility System Revenue Obligations	4.0-5.0%	12/28/2021	2041	71,040,000	71,040,000	15,057,116
Total Bonded Debt				\$458,175,000	\$367,245,000	\$26,161,596

Legal Debt Margin

Under Arizona's Constitution, outstanding general obligation bonded debt for combined water, sewer, artificial light, parks, open space preserves, playgrounds and recreational facilities may not exceed 20% of a City's net secondary assessed valuation. Outstanding general obligation debt for all other purposes may not exceed 6% of a City's net secondary assessed valuation.

The legal borrowing capacity of the City of Yuma at June 30, 2022, follows:

	Water, Etc. (20%)	All Other (6%)
Secondary Assessed Valuation	\$776,910,355	\$ 776,910,355
Legal Limit	155,382,071	46,614,621
Outstanding G.O. Debt	-	-
Available Debt Margin	<u>\$155,382,071</u>	<u>\$ 46,614,621</u>

Annual Debt Service Requirements to Maturity

July 1	Business Activities - Private Placement MPC Bonds 2016 WIFA Refunding			Business Activities - Bond MPC Bonds 2015 Utility Refunding 2007		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$5,838,000	\$101,940	\$5,939,940	\$4,790,000	\$2,621,088	\$7,411,088
2023	1,924,000	43,725	1,967,725	4,990,000	2,376,588	7,366,588
2024	1,953,000	14,648	1,967,648	5,205,000	2,121,713	7,326,713
2025	-	-	-	5,425,000	1,855,963	7,280,963
2026	-	-	-	5,655,000	1,578,963	7,233,963
2027-3031	-	-	-	31,810,000	3,885,785	35,695,785
2032-2036	-	-	-	6,895,000	112,044	7,007,044
Total	\$9,715,000	\$160,313	\$9,875,313	\$64,770,000	\$14,552,144	\$79,322,144

July 1	Business Activities - Bond 2021 Utility System Reveune Obligations		
	Principal	Interest	Total
2022	\$2,615,000	\$3,076,037	\$5,691,037
2023	845,000	2,963,575	3,808,575
2024	895,000	2,920,075	3,815,075
2025	1,910,000	2,849,950	4,759,950
2026	2,020,000	2,751,700	4,771,700
2027-2031	11,825,000	12,089,875	23,914,875
2032-2036	22,065,000	8,266,375	30,331,375
2037-2041	28,865,000	2,977,100	31,842,100
Total	\$71,040,000	\$37,894,687	\$108,934,687

July 1	Governmental Activities - Bond MPC Bonds 2015B Excise			Governmental Activities - Bond MPC Bonds 2015D Road Refunding 2007		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$2,320,000	\$1,370,800	\$3,690,800	\$3,390,000	\$963,550	\$4,353,550
2023	1,790,000	1,268,050	3,058,050	3,535,000	790,425	4,325,425
2024	1,870,000	1,176,550	3,046,550	3,685,000	609,925	4,294,925
2025	1,960,000	1,080,800	3,040,800	3,845,000	421,675	4,266,675
2026	2,050,000	990,800	3,040,800	4,015,000	225,175	4,240,175
2027-2031	13,320,000	3,691,675	17,011,675	4,160,000	62,400	4,222,400
2032-2038	13,015,000	963,950	13,978,950	-	-	-
Total	\$36,325,000	\$10,542,625	\$46,867,625	\$22,630,000	\$3,073,150	\$25,703,150

July 1*	Governmental Activities - Bond * 2021 Refunding MPC Bonds 2010			Governmental Activities - Bond ** Taxable 2021 Pledge Revenue		
July 15**	Principal	Interest	Total	Principal	Interest	Total
2022	\$2,225,000	\$333,500	\$2,558,500	\$6,875,000	\$2,892,478	\$9,767,478
2023	2,315,000	242,700	2,557,700	7,755,000	2,858,740	10,613,740
2024	2,405,000	148,300	2,553,300	8,560,000	2,808,174	11,368,174
2025	2,505,000	50,100	2,555,100	8,680,000	2,735,555	11,415,555
2026	-	-	-	8,775,000	2,637,389	11,412,389
2027-2031	-	-	-	46,185,000	10,881,925	57,066,925
2032-2036	-	-	-	51,700,000	5,367,974	57,067,974
2037-2041	-	-	-	14,785,000	289,717	15,074,717
Total	\$9,450,000	\$774,600	\$10,224,600	\$153,315,000	\$30,471,952	\$183,786,952

G. Pensions and Other Postemployment Benefits (OPEB)

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*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. These GASB Statements require the following disclosures. 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, 2022, the City reported the following aggregate amounts related to pensions for all plans to which it contributes:

Statement of Net Position and Statement of Activities	Governmental Activities	Business-Type Activities	Total
Net asset related to:			
Pension	-	-	-
OPEB	\$3,616,623	\$374,146	\$3,990,769
Net liability related to:			
Pension	112,088,945	9,874,698	121,963,643
OPEB	41,642	15,685	57,327
Deferred outflows of resources related to			
Pension	130,950,383	2,530,104	133,480,487
OPEB	334,411	68,244	402,655
Deferred inflows of resources related to			
Pension	26,012,450	4,105,996	30,118,446
OPEB	2,148,852	321,112	2,469,964
Expense and contributions			
Pension expense	12,829,921	351,757	13,181,678
OPEB expense	(472,939)	(31,447)	(504,385)
Pension contributions	115,972,314	1,094,302	117,066,616
OPEB contributions	194,703	36,447	231,150

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.

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

ASRS	Retirement	
	Initial membership date:	
	Before July 1, 2011	On or after July 1, 2011
Years of service and age required to receive benefit	Sum of years + 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, 2022, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.41 percent (12.22 percent for retirement and 0.19 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 12.41 percent (12.01 percent for retirement, 0.21 percent for health insurance premium benefit, and 0.19 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 10.22 percent (10.13 percent for retirement and 0.09 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 and the health benefit and long-term disability OPEBs for the year ended June 30, 2022 were \$3,999,644; \$69,935; and \$63,275, respectively.

During fiscal year 2022, the City paid ASRS pension contributions with approximately 73 percent from the governmental funds and 27 percent from enterprise funds.

Liability/(Asset) – At June 30, 2022, the City reported the following asset and liabilities for its proportionate share of the ASRS’ net pension/OPEB asset or liability.

ASRS	Net Pension/OPEB Liability (asset)
Portionate share of pension	\$ 36,091,732
Health insurance premium benefit	(1,367,496)
Long-term disability	57,326

The net asset and liabilities were measured as of June 30, 2021. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2020, to the measurement date of June 30, 2021.

The City’s proportion of the net assets/liability was based on the City’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2021. The total liabilities as of June 30, 2021 reflect changes in actuarial assumptions based on the results of an actuarial experience, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increase from 2.7-7.2 percent to 2.9-8.9 percent.

The City’s reported pension liability at June 30, 2022, decreased by \$16,234,359 from the City’s prior year liability of \$52,326,091 because of changes in the ASRS’ net pension liability and the City’s proportionate share of that liability. The ASRS’ publicly available financial report provides details on the change in the net pension liability.

The City’s proportion of the net pension liability was based on \$13,139,555,993. The City’s proportion measured as of June 30, 2021, was 0.27468 percent, which was a decrease of 0.02732 percent from its proportion measured as of June 30, 2020. The City’s proportion share for Health benefits and Long-term disability was 0.28060 percent and 0.27770 percent; which was a decrease of 0.02720 percent and 0.02750 percent, respectively.

Expense – For the fiscal year ended June 30, 2022, the City recognized the following pension and OPEB expense.

ASRS	Pension/OPEB Expense
Portionate share of pension	\$ 1,285,157
Health insurance premium benefit	(155,323)
Long-term disability	40,384

Deferred Outflows/Inflows of Resources – At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 550,185	\$ -
Changes of assumptions or other inputs	4,697,628	-
Net difference between projected and actual investment earnings	-	11,435,130
Changes in proportion and differences between City contributions and proportionate share of contributions	-	3,572,162
City contributions subsequent to the measurement date	3,999,644	-
Total	<u>\$ 9,247,457</u>	<u>\$ 15,007,292</u>

	Health Insurance Premium	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 474,250
Changes of assumptions or other inputs	67,796	55,288
Net difference between projected and actual investment earnings	-	507,272
Changes in proportion and differences between City contributions and proportionate share of contributions	10,529	191
City contributions subsequent to the measurement date	69,935	-
Total	<u>\$ 148,260</u>	<u>\$ 1,037,001</u>

	Long-term Disability	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,559	\$ 4,672
Changes of assumptions or other inputs	18,334	72,232
Net difference between projected and actual investment earnings	-	39,702
Changes in proportion and differences between City contributions and proportionate share of contributions	2,999	20,053
City contributions subsequent to the measurement date	63,275	-
Total	<u>\$ 101,167</u>	<u>\$ 136,659</u>

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from *city contributions subsequent to the measurement date* will be recognized as an increase of the net asset or a reduction of the net pension liability in the year ended June 30, 2023.

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

Deferred Outflow / Inflow Amortization			
Year Ending June 30	Pension	Health Insurance Premium Benefit	Long-term Disability
2023	\$ (2,112,067)	\$ (224,837)	\$ (13,361)
2024	(1,185,920)	(215,400)	(12,670)
2025	(2,520,860)	(236,367)	(14,104)
2026	(3,940,632)	(261,608)	(20,112)
2027	-	(20,464)	(8,935)
Thereafter	-	-	(29,585)

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

Actuarial valuation date	June 30, 2020
Actuarial roll forward date	June 30, 2021
Actuarial cost method	Entry age normal
Asset valuation	Fair Value
Investment rate of return	7.00%
Projected salary increases	2.9-8.4%
Inflation	2.30%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP
Healthcare cost trend rate	Not Applicable

The actuarial assumptions used in June 30, 2020 valuation were based on results from an actuarial experience study for the 5-year period ended June 30, 2020. 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 long-term expected rate of return on ASRS pension plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimate of geometric real rates of return for each major asset class for all ASRS plans are summarized in the following table:

ASRS Asset Class	Target	Long-Term Expected
	Allocation	Geometric Real Rates of Return
Equity	50%	4.90%
Credit	20%	5.20%
Interest rate sensitive bonds	10%	0.70%
Real Estate	20%	5.70%
Total	100%	

Discount Rate – The discount rate used to measure the ASRS total pension liability was 7.0 percent, 0.5 percent lower than the 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 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/OPEB (Asset) Liability to Changes in the Discount Rate – The following table presents the City’s proportionate share of the net pension/OPEB (asset) liability calculated using the discount rate of 7.0 percent, as well as what the City’s proportionate share of the net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate.

ASRS	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of:			
Net Pension liability	\$ 56,769,272	\$ 36,091,732	\$ 18,852,386
Health insurance premium benefit	(905,425)	(1,367,496)	(1,760,409)
Long-term disability	74,646	57,326	40,568

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

Public Safety Personnel Retirement System

Plan Description – City public safety personnel who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who become members on or after July 1, 2017 may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The PSPRS administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer cost-sharing 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.

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

PSPRS	<u>Initial membership date:</u>	
	<u>Before</u> January 1, 2012	<u>On or after</u> January 1, 2012 and before July 1, 2017
Retirement and Disability		
Years of service and age required to receive benefit	20 years any age 15 years age 62	25 years and age 52.5
Final average salary is based on	Highest 36 months of last 20 years	Highest 60 months of last 20 years
Normal Retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years not to exceed 80%	1.5%-2.5% per year of credited service, not to exceed 80%
Accidental Disability Retirement	50% or normal retirement, whichever is greater	
Catastrophic Disability Retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater	
Ordinary Disability Retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20	
Survivor Benefit		
Retired Members	80% to 100% of retired member's pension benefit	
Active Members	80% of accidental disability retirement or 100% of average monthly compensation if death was the result of injuries received on the job	

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

Employees Covered by Benefit Terms – At June 30, 2022, the following employees were covered by the agent pension plans' benefit terms:

	PSPRS Police		PSPRS Fire	
	Pension	OPEB	Pension	OPEB
Inactive plan members or beneficiaries currently receiving benefits	139	139	85	85
Inactive plan members entitled to but not yet receiving benefits	45	9	18	16
Active plan members	103	103	86	86
Total	287	251	189	187

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, 2022, are indicated below. Rates are a percentage of active members' annual covered payroll.

	PSPRS Police		PSPRS Fire	
	Tier 1 & 2	Tier 3	Tier 1 & 2	Tier 3
Active member:				
Pension	7.65%-11.65%	9.94%	7.65%-11.65%	9.94%
Health insurance	0.00%	0.14%	0.00%	0.14%
City:				
Pension	10.68%	9.94%	13.75%	9.94%
Health insurance	0.42%	0.42%	0.46%	0.46%

For the agent plans, the City's contributions to the pension and OPEB for the year ended June 30, 2022, were:

	Pension Contribution	OPEB Contribution
PSPRS Police	\$ 61,391,220	\$ 50,797
PSPRS Fire	51,522,527	47,143

During fiscal year 2022, all City paid PSPRS pension and OPEB contributions were from governmental funds.

Pension/OPEB (Asset) Liability – At June 30, 2022, the City reported the following net pension liabilities:

	Net Pension Liability	Net OPEB Liability (Asset)
PSPRS Police	\$ 45,337,591	\$ (1,976,514)
PSPRS Fire	38,326,863	(646,760)

The net pension liabilities were measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Pension/OPEB Actuarial Assumptions – The total pension liability in the June 30, 2021, measurement was determined using the following actuarial assumptions:

PSPRS

Actuarial valuation date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.3% for pension and OPEB
Wage inflation	3.5% for pension/not applicable for OPEB
Price inflation	2.5% for pension/not applicable for OPEB
Cost-of-living adjustment	1.75% for pension/not applicable for OPEB
Mortality rates	PubS-2010 tables

Actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

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

PSPRS	Long-Term Expected	
Asset Class	Target Allocation	Geometric Real Rates of Return
U.S. public equity	24%	4.08%
International public entity	16%	5.20%
Global private equity	20%	7.67%
Other Assets (Capital Appreciation)	7%	5.43%
Core bonds	2%	0.42%
Private credit	20%	5.74%
Diversifying strategies	10%	3.99%
Cash - Mellon	1%	-0.31%
Total	100%	

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

Discount rates	PSPRS Police	PSPRS Fire
Tiers 1 and 2	7.30%	7.30%
Tier 3	7.00%	7.00%

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 the net pension/OPEB (asset) liability – The following tables present changes in the City's net pension/OPEB (asset) liability for the PSPRS-Police and PSPRS-Fire plans as follows:

PSPRS Police - Pension	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
	\$	\$	\$
Balances at June 30, 2021	\$128,434,874	\$ 51,926,127	\$ 76,508,747
Adjustment to the beginning of year	-	-	-
Changes for the year:			
Service cost	1,552,908	-	1,552,908
Interest on the total pension liability	9,200,510	-	9,200,510
Changes of benefit terms	-	-	-
Differences between expected and actual experience	977,364	-	977,364
Changes of assumptions	-	-	-
Contributions-employer	-	25,949,936	(25,949,936)
Contributions-employee	-	795,392	(795,392)
Net investment income	-	16,224,146	(16,224,146)
Benefit payments	(7,906,805)	(7,906,805)	-
Administrative expense	-	(75,275)	75,275
Other changes	-	7,739	(7,739)
Net changes	3,823,977	34,995,133	(31,171,156)
Adjustment to Beginning of Year	-	-	-
Balances at June 30, 2022	\$132,258,851	\$ 86,921,260	\$ 45,337,591

PSPRS Police - OPEB

	Increase (Decrease)		
	Total OPEB Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2021	\$ 1,907,695	\$ 2,980,068	\$ (1,072,373)
Adjustment at beginning of year	-	-	-
Changes for the year:			
Service cost	37,699	-	37,699
Interest	138,786	-	138,786
Differences between expected and actual experience	(269,010)	-	(269,010)
Changes of assumptions	-	-	-
Changes in benefit terms	-	-	-
Contributions-employer	-	-	-
Contributions-employee	-	-	-
Net investment income	-	814,967	(814,967)
Benefit payments	(88,431)	(88,431)	-
Administrative expense	-	(3,351)	3,351
Other changes	-	-	-
Net changes	(180,956)	723,185	(904,141)
Adjustment to Beginning of Year	-	-	-
Balances at June 30, 2022	<u>\$ 1,726,739</u>	<u>\$ 3,703,253</u>	<u>\$ (1,976,514)</u>

PSPRS Fire - Pension

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2021	\$101,695,024	\$ 38,937,198	\$ 62,757,826
Adjustment at beginning of year	-	-	-
Changes for the year:			
Service cost	1,465,705	-	1,465,705
Interest on the total pension liability	7,353,060	-	7,353,060
Changes of benefit terms	-	-	-
Differences between expected and actual experience	785,939	-	785,939
Changes of assumptions	-	-	-
Contributions-employer	-	20,916,218	(20,916,218)
Contributions-employee	-	626,591	(626,591)
Net investment income	-	12,550,606	(12,550,606)
Benefit payments	(4,867,770)	(4,867,770)	-
Administrative expense	-	(57,748)	57,748
Other changes	-	-	-
Net changes	4,736,934	29,167,897	(24,430,963)
Adjustment to Beginning of Year	-	-	-
Balances at June 30, 2022	<u>\$106,431,958</u>	<u>\$ 68,105,095</u>	<u>\$ 38,326,863</u>

PSPRS Fire - OPEB	Increase (Decrease)		
	Total OPEB Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2021	\$ 1,733,456	\$ 1,853,255	\$ (119,799)
Adjustment at beginning of year	-	-	-
Changes for the year:			
Service cost	33,331	-	33,331
Interest on the total pension liability	126,061	-	126,061
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(167,412)	-	(167,412)
Changes of assumptions	-	-	-
Contributions-employer	-	18,223	(18,223)
Contributions-employee	-	-	-
Net investment income	-	502,785	(502,785)
Benefit payments	(79,835)	(79,835)	-
Administrative expense	-	(2,067)	2,067
Other changes	-	-	-
Net changes	(87,855)	439,106	(526,961)
Adjustment to Beginning of Year		-	-
Balances at June 30, 2022	\$ 1,645,601	\$ 2,292,361	\$ (646,760)

Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate-The following table presents the City's net pension / OPEB (asset) 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	1% Increase
	(6.3%)	Discount Rate (7.3%)	(8.3%)
PSPRS Police			
Net pension liability	\$ 62,856,754	\$ 45,337,591	\$ 31,063,015
Net OPEB (asset)	(1,777,937)	(1,976,514)	(2,143,080)
PSPRS Fire			
Net pension liability	52,317,493	38,326,863	26,880,287
Net OPEB (asset)	(465,103)	(646,760)	(800,241)

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.

Pension Expense - For the year ended June 30, 2022, the City recognized the following pension expense:

	Pension Expense	OBEB Expense
PSPRS Police	\$ 6,633,247	\$ (288,658)
PSPRS Fire	5,131,448	(119,012)

Pension Deferred Outflows/Inflows of Resources- At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pension/OPEB from the following sources:

PSPRS Police - Pension	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,651,014	\$ 2,744
Changes of assumptions or other inputs	2,596,604	-
Net difference between projected and actual investment earnings	-	7,088,980
City contributions subsequent to the measurement date:		
Statutorily required contribution	1,234,464	-
Additional contributions for the net pension liability	60,156,756	-
Total	\$ 66,638,838	\$ 7,091,724

PSPRS Police - OPEB	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 412,841
Changes of assumptions or other inputs	11,502	9,704
Net difference between projected and actual investment earnings	-	347,399
City contributions subsequent to the measurement date:		
Statutorily required contribution	50,797	-
Total	\$ 62,299	\$ 769,944

PSPRS Fire- Pension	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,391,561	\$ 1,321,774
Changes of assumptions or other inputs	2,526,880	-
Net difference between projected and actual investment earnings	-	5,579,625
City contributions subsequent to the measurement date:		
Statutorily required contribution	1,304,894	-
Additional contributions for the net pension liability	50,217,633	-
Total	\$ 57,440,968	\$ 6,901,399

PSPRS Fire- OPEB	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 28,387	\$ 313,559
Changes of assumptions or other inputs	15,399	-
Net difference between projected and actual investment earnings	-	212,802
City contributions subsequent to the measurement date:		
Statutorily required contribution	47,143	-
Total	\$ 90,929	\$ 526,361

The amounts reported as deferred outflows of resources related to pensions/OPEB resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension/OPEB liability (or an increase in the net pension/OPEB asset) in the year ended June 30, 2023.

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

Year ending June 30	Police		Fire	
	Pension	OPEB	Pension	OPEB
2023	\$ 1,284,481	\$ (231,852)	\$ 379,719	\$ (115,218)
2024	704,941	(223,148)	418,939	(121,817)
2025	(1,483,792)	(183,288)	(118,472)	(138,094)
2026	(2,349,736)	(120,154)	(1,663,144)	(107,446)
2027	-	-	-	-
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.

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:

	Initial membership date:	
	Before January 1, 2012	On or after January 1, 2012
Retirement and Disability		
Years of service and age required to receive benefit	20 years, any age 10 years, age 62 5 years, age 65 any years and age if disabled	10 years, age 62 5 years, age 65 any years and age if disabled
Final average salary is based on	Highest 36 consecutive months of last 10 years	Highest 60 consecutive months of last 10 years
Benefit percent		
Normal Retirement	4% per year of service, not to exceed 80%	3% per year of service, not to exceed 75%
Disability Retirement	80% with 10 or more years of service 40% with 5 to 10 years of service 20% with less than 5 years of service	75% with 10 or more years of service 37.5% with 5 to 10 years of service 18.75% with less than 5 years of service
Survivor Benefit		
Retired Members	75% of retired member's benefit	50% of retired member's benefit
Active Members and Other Inactive Members	75% of disability member benefit	50% of disability member benefit

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

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

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, 2022, 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 49.1 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 members, in addition to the City's required contributions to ASRS and EODCRS for these elected officials and judges. During fiscal year 2021, 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, 2022 was \$153,225.

Pension Liability – At June 30, the City reported a liability for its proportionate share of the EORP's net pension liability that reflected an increase 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	\$ 2,207,457
State's proportionate share of the EORP net pension liability associated with the City	221,885
Total	<u>\$ 2,429,342</u>

The net pension liability was measured as of June 30, 2021, and the total liability used to calculate the net asset or net liability was determined by an actuarial valuation as of that date.

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, 2021. The City's proportion measured as of June 30, 2021 was 0.36273 percent, which is 0.29469 or 45% less than its proportion measured as of June 30, 2020.

Pension expense and deferred outflows/inflows of resources – For the year ended June 30, 2022, the City recognized total pension expense for EORP of \$131,825 for the City's proportionate share of the State's appropriation to EORP and designated court fees. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EORP	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 29,377
Net difference between projected and actual earnings on pension plan investments	-	112,467
Changes in proportion and differences between city contributions and proportionate share of contributions	-	976,188
City contributions subsequent to the measurement date	153,225	-
Total	<u>\$ 153,225</u>	<u>\$ 1,118,032</u>

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, 2023.

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:

Year ending June 30	Net Outflow/ (Inflow)
2023	\$ (1,028,655)
2024	(23,420)
2025	(27,660)
2026	(38,296)

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

Actuarial valuation date	June 30, 2021
Actuarial cost method	Entry age normal
Price inflation	2.50%
Salary Increases	3.75%
Asset Valuation Method	Fair Value
Investment rate of return	7.30%
Retirement Age	Experience-Based Table
Mortality rates	PUBG-2010 Mortality Tables with MP-2020 improvement scale with adjustments to match current experience.
Assumed Future Benefit Increase	1.75% of benefit

Actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2017.

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
U.S. equity	24%	4.08%
International Public Equity	16%	5.20%
Global Private Equity	20%	7.67%
Other Assets		
(Capital Appreciation)	7%	5.43%
Core Bonds	2%	0.42%
Private Credit	20%	5.74%
Diversifying Strategies	10%	3.99%
Cash - Mellon	1%	-0.31%
Total	100%	
Inflation		
Expected Geometric Nominal Rate		

Discount rate – At June 30, 2021, the discount rate used to measure the EORP total pension liability was 7.30 percent. 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:

EORP	1% Decrease (6.3%)	Current Single Discount Rate (7.3%)	1% Increase (8.3%)
City's proportionate share of the net pension liability	\$ 2,536,540	\$ 2,207,457	\$ 1,925,027

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

H. Interfund Transfers

Transfers Out	Transfers In				Total
	Debt Service	Mall Maintenance	Desert Hills Golf Course	Capitol Projects	
General Fund	\$ 20,985,043	\$ 105,286	\$ -	\$ -	\$ 21,090,329
City Road Tax	4,454,812	-	-	-	4,454,812
Public Safety Tax	947,645	-	-	-	947,645
Two Percent	571,119	-	400,000	-	971,119
Highway User Revenue	116,726	-	-	-	116,726
Capital Projects	554,813	-	-	40,702	595,515
Desert Hills Golf Course	2,100	-	-	-	2,100
Solid Waste	165,206	-	-	-	165,206
Water	59,608	-	-	-	59,608
Wastewater	65,989	-	-	-	65,989
Total	\$ 27,923,061	\$ 105,286	\$ 400,000	\$ 40,702	\$ 28,469,049

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.

I. Interfund Receivables and Payables

Interfund balances for major and nonmajor funds at June 30, 2022, follow:

Due from	Due to General Fund
Debt Service	\$ 1,922
Community Redevelopment	53,578
Grants	1,661,643
Improvement Districts	119,334
Radio Communication	13,364
Desert Hills Golf Course	1,415,737
Equipment Maintenance	558,817
Total	\$ 3,824,395

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

The City uses two Internal Service Funds, Insurance Reserve Fund and Workers Compensation Fund, to account for the financing of its risk of loss relating to claims. As the City is self-insured up to \$300,000 for 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.

	Insurance Reserve Fund		Workers Compensation Fund	
	2021-22	2020-21	2021-22	2020-21
Beginning liability, July 1	\$1,686,500	\$355,459	\$1,618,834	\$1,649,392
Claims and changes in estimates	179,847	1,430,438	1,436,085	1,027,207
Claims payments	(901,372)	(99,397)	(631,134)	(1,057,765)
Ending liability, June 30	\$964,975	\$1,686,500	\$2,423,785	\$1,618,834

K. Construction Commitments

The City has active construction projects as of June 30, 2022. 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	\$2,947,262	\$1,661,263	\$1,285,999
Public Safety	1,179,241	619,613	559,628
Parks and Recreation	1,361,223	398,356	962,867
Environmental Health	1,523,721	754,548	769,173
Streets	5,580,799	3,513,950	2,066,849
Wastewater	18,521,535	11,383,639	7,137,896
Total	\$31,113,781	\$18,331,369	\$12,782,412

L. Deficits in Fund Equity

At June 30, 2022, 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 \$22,770 June 30, 2022. This has decreased by \$55,492 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 FY2023.

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 \$1,653,178 at June 30, 2022. The City has been working diligently to expand its customer base through a variety of new campaigns to increase its revenue.

The Grants Fund is showing a deficit balance of \$647,184 due to expenditures relating to COVID-19 that have been submitted to Arizona Department of Emergency and Military Affairs under a COVID-19 related grant but have not yet been approved for reimbursement.

Maintenance Improvement Districts closed the year with a deficit balance of \$103,519. The City has loaned and advanced the Districts; which will be paid with future district assessments.

M. Excess of Expenditures Over Appropriations

The City's expenditures exceeded appropriations in one fund. The Worker's Compensation Fund exceeded appropriations by \$735,370 due to unexpected claims and judgements. The fund is not significantly impaired by the excess expenses.

N. Prior Period Adjustment

Net position as of July 1, 2021, has been restated for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*, as amended by GASB Statement No. 85, *Omnibus 2017*. Upon restatement, the City reported the following adjustments to beginning fund balance and net position:

Implementation of GASB 75	Governmental Activities	Business-Type Activities	Water Fund	Wastewater Fund	Solid Waste Fund	Radio Fund	Desert Hills Gold Fund
Net Position at June 30, 2021, as previously reported	\$ 169,854,545	\$ 262,626,888	\$ 127,976,161	\$ 132,383,665	\$ 1,952,785	\$ 3,003,468	\$ (1,492,763)
Arizona State Retirement System:							
Net OPEB asset	158,365	59,648	28,189	20,079	4,011	2,529	4,840
Net OPEB liability	(168,221)	(63,360)	(29,943)	(21,329)	(4,261)	(2,686)	(5,141)
Deferred outflows - OPEB	(233,798)	(88,061)	(41,617)	(29,643)	(5,922)	(3,734)	(7,145)
Deferred inflows - OPEB	343,743	129,471	61,187	43,583	8,707	5,489	10,505
Public Safety Personnel Retirement System:							
Net OPEB asset	1,192,172	-	-	-	-	-	-
Deferred outflows - OPEB	342,641	-	-	-	-	-	-
Deferred inflows - OPEB	(542,003)	-	-	-	-	-	-
Total prior period adjustment	1,092,899	37,698	17,816	12,690	2,535	1,598	3,059
Net Position at June 30, 2021, as restated for July 1, 2021	\$ 170,947,444	\$ 262,664,586	\$ 127,993,977	\$ 132,396,355	\$ 1,955,320	\$ 3,005,066	\$ (1,489,704)

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 pending matters may have a material adverse effect on the City's financial position at June 30, 2022. As such, the City has recorded a liability in the Insurance Reserve Fund that is expected to be paid out in FY 2023.

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 SUPPLEMENTAL INFORMATION



{This page is intentionally left blank}

GENERAL EMPLOYEES' RETIREMENT FUNDS

City of Yuma, Arizona

Schedule of the City's Proportionate Share of the Net Pension/OPEB Liability (Asset)

June 30, 2022

Arizona State Retirement System Pension	Reporting Fiscal Year (Measurement Date)		
	2022	2021	2020
	(2021)	(2020)	(2019)
City's proportion of the net pension liability	0.27468%	0.30200%	0.31886%
City's proportionate share of net pension liability	\$ 36,091,732	\$ 52,326,091	\$ 46,397,840
City's covered payroll	\$ 30,242,361	\$ 32,416,419	\$ 31,542,916
City's proportionate share of the net pension liability as a percentage of its covered payroll	119.34%	161.42%	147.09%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%
Arizona State Retirement System Health Insurance Premium Benefit	Reporting Fiscal Year (Measurement Date)		
	2022	2021	2020
	(2021)	(2020)	(2019)
City's proportion of the net OPEB liability (asset)	0.28068%	0.30793%	0.32337%
City's proportionate share of the net OPEB liability (asset)	\$ (1,367,496)	\$ (218,013)	\$ (89,364)
City's covered payroll	\$ 30,242,361	\$ 32,416,419	\$ 31,542,916
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-4.52%	-0.67%	-0.28%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	130.24%	104.33%	101.62%
Arizona State Retirement System Long-Term Disability	Reporting Fiscal Year (Measurement Date)		
	2022	2021	2020
	(2021)	(2020)	(2019)
City's proportion of the net OPEB liability (asset)	0.27771%	0.305270%	0.321490%
City's proportionate share of the net OPEB liability (asset)	\$ 57,326	\$ 231,581	\$ 209,433
City's covered payroll	\$ 30,242,361	\$ 32,416,419	\$ 31,542,916
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	0.19%	0.71%	0.66%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	90.38%	68.01%	72.85%
Elected Officials Retirement Plan Pension	Reporting Fiscal Year (Measurement Date)		
	2022	2021	2020
	(2021)	(2020)	(2019)
City's proportion of the net pension liability	0.362733%	0.657428%	0.356800%
City's proportionate share of net pension liability	\$ 2,207,457	\$ 4,437,384	\$ 2,366,249
City's covered payroll	\$ 249,619	\$ 249,040	\$ 247,298
City's proportionate share of the net pension liability as a percentage of its covered payroll	884.33%	1781.80%	956.84%
Plan fiduciary net position as a percentage of the total pension liability	36.28%	29.80%	30.14%

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

Required Supplemental Information

Exhibit D-1

Cost-Sharing Plans

Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
0.31025%	0.312690%	0.307830%	0.313750%	0.313640%	Information not available
\$ 43,268,957	\$ 48,711,007	\$ 49,686,854	\$ 48,871,806	\$ 46,324,403	
\$ 29,690,982	\$ 30,109,898	\$ 28,462,610	\$ 28,442,751	\$ 27,663,180	
145.73%	161.78%	174.57%	171.83%	167.46%	
73.40%	69.92%	67.06%	63.85%	69.49%	
Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
0.31340%	0.315000%				
\$ (112,852)	\$ (171,486)	Information not available	Information not available	Information not available	Information not available
\$ 29,690,982	\$ 30,109,898				
-0.38%	-0.57%				
102.00%	103.57%				
Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
0.310780%	0.312970%				
\$ 162,384	\$ 113,444	Information not available	Information not available	Information not available	Information not available
\$ 29,690,982	\$ 30,109,898				
0.55%	0.38%				
78.00%	84.44%				
Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
0.461140%	0.313770%	0.038265%			
\$ 2,905,818	\$ 3,822,739	\$ 2,912,340	Information not available	Information not available	Information not available
\$ 247,328	\$ 248,957	\$ 247,464			
1174.89%	1535.50%	1176.88%			
30.40%	19.70%	23.42%			

City of Yuma, Arizona

Schedule of the City's Proportionate Share of the Net Pension Liability

June 30, 2022

PSPRS Police - Pension

Reporting Fiscal Year (Measurement Date)

	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>	<u>2020</u> <u>(2019)</u>
<u>TOTAL PENSION LIABILITY</u>			
Service cost	\$ 1,552,908	\$ 1,778,959	\$ 2,037,864
Interest on the total pension liability	9,200,510	8,767,069	8,416,772
Changes of benefit terms	-	-	-
Differences between expected and actual experience	977,364	3,293,433	537,676
Changes of assumptions or other inputs	-	-	2,691,789
Benefit payments, including refunds of employee contributions	(7,906,805)	(7,444,933)	(6,692,093)
Net change in total pension liability	3,823,977	6,394,528	6,992,008
Total pension liability - beginning	128,434,874	122,040,346	115,048,338
Total pension liability - ending (a)	<u>\$ 132,258,851</u>	<u>\$ 128,434,874</u>	<u>\$ 122,040,346</u>

PLAN FIDUCIARY NET POSITION

Contributions - employer	\$ 25,949,936	\$ 5,715,980	\$ 5,577,447
Contributions - employee	795,392	871,344	906,329
Net investment income	16,224,146	666,258	2,663,690
Benefity payments, including refunds of employee contributions	(7,906,805)	(7,444,933)	(6,692,093)
Administrative expense	(75,275)	(54,337)	(47,310)
Other changes	7,739	13,435	-
Net change in plan fiduciary net position	34,995,133	(232,253)	2,408,063
Plan fiduciary net position - beginning	51,926,127	52,205,888	49,797,986
Adjustment to beginning of year		(47,508)	(161)
Plan fiduciary net position - ending (b)	<u>\$ 86,921,260</u>	<u>\$ 51,926,127</u>	<u>\$ 52,205,888</u>

City's net pension liability - ending (a) - (b) \$ 45,337,591 \$ 76,508,747 \$ 69,834,458

PSPRS Police - Pension

Reporting Fiscal Year (Measurement Date)

	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>	<u>2020</u> <u>(2019)</u>
Plan fiduciary net position as a percentage of the total pension liability	65.72%	40.43%	42.78%
Covered payroll	\$ 9,872,838	\$ 9,569,156	\$ 10,011,096
City's net pension liability as a percentage of covered payroll	459.22%	799.53%	697.57%

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

Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
\$ 1,865,115	\$ 2,537,434	\$ 2,001,398	\$ 2,064,841	\$ 2,043,247	Information not available
8,066,846	7,469,258	7,036,487	6,836,389	5,718,621	
-	1,361,581	2,526,647	-	2,022,309	
(18,200)	192,540	29,904	(500,429)	(53,936)	
-	3,881,385	3,687,996	-	9,770,998	
(5,888,584)	(5,480,859)	(5,713,372)	(5,926,760)	(4,619,148)	
4,025,177	9,961,339	9,569,060	2,474,041	14,882,091	
111,023,161	101,061,822	91,492,762	89,018,721	74,136,630	
\$ 115,048,338	\$ 111,023,161	\$ 101,061,822	\$ 91,492,762	\$ 89,018,721	
\$ 4,161,523	\$ 4,860,230	\$ 4,511,261	\$ 3,321,709	\$ 3,099,353	
1,052,451	1,256,377	1,286,467	1,313,708	1,103,885	
3,273,094	4,981,294	242,213	1,497,736	5,100,174	
(5,888,584)	(5,480,859)	(5,713,372)	(5,926,760)	(4,619,148)	
(50,516)	(44,476)	(35,254)	(36,917)	(41,075)	
(145,591)	(24,290)	(102,489)	(106,535)	(80,531)	
2,402,377	5,548,276	188,826	62,941	4,562,658	
47,395,609	41,847,333	41,658,507	41,595,566	37,032,908	
-	-	-	-	-	
\$ 49,797,986	\$ 47,395,609	\$ 41,847,333	\$ 41,658,507	\$ 41,595,566	
\$ 65,250,352	\$ 63,627,552	\$ 59,214,489	\$ 49,834,255	\$ 47,423,155	

Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
43.28%	42.69%	41.41%	45.53%	46.73%	Information not available
\$ 10,587,032	\$ 11,327,294	\$ 10,739,726	\$ 10,916,220	\$ 10,475,959	
616.32%	597.30%	589.66%	481.89%	464.63%	

City of Yuma, Arizona

Schedule of the City's Proportionate Share of the Net Pension Liability

June 30, 2022

PSPRS Police - OPEB

Reporting Fiscal Year (Measurement Date)

	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>	<u>2020</u> <u>(2019)</u>
<u>TOTAL OPEB LIABILITY</u>			
Service cost	\$ 37,699	\$ 43,231	\$ 31,645
Interest on the total OPEB liability (asset)	138,786	142,856	151,243
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(269,010)	(122,117)	(248,356)
Changes of assumptions or other inputs	-	-	28,753
Benefit payments, including refunds of employee contributions	(88,431)	(87,053)	(89,371)
Net change in total pension liability (asset)	(180,956)	(23,083)	(126,086)
Total OPEB liability (asset) - beginning	1,907,695	1,930,778	2,056,864
Total OPEB liability (asset) - ending (a)	<u>\$ 1,726,739</u>	<u>\$ 1,907,695</u>	<u>\$ 1,930,778</u>

PLAN FIDUCIARY NET POSITION

Contributions - employer	\$ -	\$ -	\$ -
Contributions - employee	-	-	-
Net investment income	814,967	38,067	158,614
Benefity payments, including refunds of employee contributions	(88,431)	(87,053)	(89,371)
Administrative expense	(3,351)	(3,096)	(2,738)
Other changes	-	-	-
Net change in plan fiduciary net position	723,185	(52,082)	66,505
Plan fiduciary net position - beginning	2,980,068	3,032,150	2,965,484
Adjustment to beginning of year	-	-	161
Plan fiduciary net position - ending (b)	<u>\$ 3,703,253</u>	<u>\$ 2,980,068</u>	<u>\$ 3,032,150</u>

City's net OPEB liability(asset)-ending (a)-(b) \$ (1,976,514) \$ (1,072,373) \$ (1,101,372)

PSPRS Police - OPEB

Reporting Fiscal Year (Measurement Date)

	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>	<u>2020</u> <u>(2019)</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	214.47%	156.21%	157.04%
Covered payroll	\$ 9,872,838	\$ 9,569,156	\$ 10,011,096
City's net OPEB liability (asset) as a percentage of covered payroll	-20.02%	-11.21%	-11.00%

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

Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
\$ 31,645	\$ 43,675				
149,269	150,016				
-	7,699	Information not available	Information not available	Information not available	Information not available
(77,555)	(57,194)				
-	(27,864)				
(95,638)	(91,118)				
7,721	25,214				
2,049,143	2,023,929				
\$ 2,056,864	\$ 2,049,143				
\$ (161)	\$ -				
-	-				
197,233	307,707	Information not available	Information not available	Information not available	Information not available
(95,638)	(91,118)				
(3,002)	(2,722)				
-	-				
98,432	213,867				
2,867,052	2,653,185				
\$ 2,965,484	\$ 2,867,052				
\$ (908,620)	\$ (817,909)				

Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
144.18%	139.91%	Information not available	Information not available	Information not available	Information not available
\$ 10,587,032	\$ 11,327,294				
-8.58%	-7.22%				

City of Yuma, Arizona

Schedule of the City's Proportionate Share of the Net Pension Liability

June 30, 2022

<u>PSPRS Fire - Pension</u>	<u>Reporting Fiscal Year (Measurement Date)</u>		
	<u>2022 (2021)</u>	<u>2021 (2020)</u>	<u>2020 (2019)</u>
<u>TOTAL PENSION LIABILITY</u>			
Service cost	\$ 1,465,705	\$ 1,476,341	\$ 1,579,025
Interest on the total pension liability	7,353,060	6,799,883	6,634,098
Changes of benefit terms	-	-	-
Differences between expected and actual experience	785,939	4,335,248	(1,504,948)
Changes of assumptions or other inputs	-	-	1,568,402
Benefit payments, including refunds of employee contributions	(4,867,770)	(5,178,376)	(4,171,191)
Net change in total pension liability	4,736,934	7,433,096	4,105,386
Total pension liability - beginning	101,695,024	94,261,928	90,156,542
Total pension liability - ending (a)	\$ 106,431,958	\$ 101,695,024	\$ 94,261,928
<u>PLAN FIDUCIARY NET POSITION</u>			
Contributions - employer	\$ 20,916,218	\$ 5,136,594	\$ 5,431,590
Contributions - employee	626,591	760,572	570,661
Net investment income	12,550,606	491,372	1,858,386
Benefity payments, including refunds of employee contributions	(4,867,770)	(5,178,376)	(4,171,191)
Administrative expense	(57,748)	(40,068)	(33,294)
Other changes	-	-	(90,731)
Net change in plan fiduciary net position	29,167,897	1,170,094	3,565,421
Plan fiduciary net position - beginning	38,937,198	37,767,102	34,219,258
Adjustment to beginning of year	-	2	(17,577)
Plan fiduciary net position - ending (b)	\$ 68,105,095	\$ 38,937,198	\$ 37,767,102
City's net pension liability - ending (a) - (b)	\$ 38,326,863	\$ 62,757,826	\$ 56,494,826

<u>PSPRS Fire - Pension</u>	<u>Reporting Fiscal Year (Measurement Date)</u>		
	<u>2022 (2021)</u>	<u>2021 (2020)</u>	<u>2020 (2019)</u>
Plan fiduciary net position as a percentage of the total pension liability	63.99%	38.29%	40.07%
Covered payroll	\$ 8,245,658	\$ 7,823,750	\$ 7,780,952
City's net pension liability as a percentage of covered payroll	464.81%	802.15%	726.07%

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

Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
\$ 1,558,380	\$ 1,753,544	\$ 1,504,175	\$ 1,443,632	\$ 1,511,371	Information not available
6,356,400	5,828,117	5,580,799	5,332,981	4,671,699	
-	752,016	3,597,460	-	1,370,597	
(769,630)	447,610	(2,260,983)	894,372	(1,120,811)	
-	3,928,814	2,732,266	-	6,122,119	
(4,213,435)	(4,633,460)	(4,692,861)	(4,395,817)	(3,798,443)	
2,931,715	8,076,641	6,460,856	3,275,168	8,756,532	
87,224,827	79,148,186	72,687,330	69,412,162	60,655,630	
\$ 90,156,542	\$ 87,224,827	\$ 79,148,186	\$ 72,687,330	\$ 69,412,162	
\$ 3,369,308	\$ 3,870,770	\$ 3,700,007	\$ 2,750,517	\$ 2,603,104	
732,048	949,203	947,173	899,220	754,968	
2,216,964	3,407,616	166,820	1,040,382	3,516,237	
(4,213,435)	(4,633,460)	(4,692,861)	(4,395,817)	(3,798,443)	
(34,442)	(30,552)	(24,404)	(25,761)	(28,319)	
375	362	(227,494)	(251,349)	949	
2,070,818	3,563,939	(130,759)	17,192	3,048,496	
32,148,440	28,584,501	28,715,260	28,698,068	25,649,572	
-	-	-	-	-	
\$ 34,219,258	\$ 32,148,440	\$ 28,584,501	\$ 28,715,260	\$ 28,698,068	
\$ 55,937,284	\$ 55,076,387	\$ 50,563,685	\$ 43,972,070	\$ 40,714,094	

Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
37.96%	36.86%	36.12%	39.51%	41.34%	Information not available
\$ 7,779,859	\$ 7,384,578	\$ 7,592,493	\$ 7,516,425	\$ 7,294,375	
719.00%	767.63%	672.98%	569.09%	569.78%	

City of Yuma, Arizona

Schedule of the City's Proportionate Share of the Net Pension Liability

June 30, 2022

<u>PSPRS Fire - OPEB</u>	<u>Reporting Fiscal Year (Measurement Date)</u>		
	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>	<u>2020</u> <u>(2019)</u>
<u>TOTAL OPEB LIABILITY</u>			
Service cost	\$ 33,331	\$ 35,061	\$ 22,740
Interest on the total OPEB liability (asset)	126,061	124,554	140,341
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(167,412)	(32,650)	(320,080)
Changes of assumptions or other inputs	-	-	14,906
Benefit payments, including refunds of employee contributions	(79,835)	(83,230)	(83,901)
Net change in total pension liability (asset)	(87,855)	43,735	(225,994)
Total OPEB liability (asset) - beginning	1,733,456	1,689,721	1,915,715
Total OPEB liability (asset) - ending (a)	\$ 1,645,601	\$ 1,733,456	\$ 1,689,721
<u>PLAN FIDUCIARY NET POSITION</u>			
Contributions - employer	\$ 18,223	\$ 24,275	\$ 25,091
Contributions - employee	-	-	-
Net investment income	502,785	23,521	97,903
Benefity payments, including refunds of employee contributions	(79,835)	(83,230)	(83,901)
Administrative expense	(2,067)	(1,913)	(1,690)
Other changes	-	-	-
Net change in plan fiduciary net position	439,106	(37,347)	37,403
Plan fiduciary net position - beginning	1,853,255	1,890,602	1,835,623
Adjustment to beginning of year	-	-	17,576
Plan fiduciary net position - ending (b)	\$ 2,292,361	\$ 1,853,255	\$ 1,890,602
City's net OPEB liability(asset)-ending (a)-(b)	\$ (646,760)	\$ (119,799)	\$ (200,881)

<u>PSPRS Fire - OPEB</u>	<u>Reporting Fiscal Year (Measurement Date)</u>		
	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>	<u>2020</u> <u>(2019)</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	139.30%	106.91%	111.89%
Covered payroll	\$ 8,245,658	\$ 7,823,750	\$ 7,780,952
City's net OPEB liability (asset) as a percentage of covered payroll	-7.84%	-1.53%	-2.58%

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

Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
\$ 22,740	\$ 24,395				
131,832	121,540				
-	5,033	Information not available	Information not available	Information not available	Information not available
33,203	64,956				
-	24,847				
(84,394)	(73,546)				
103,381	167,225				
1,812,334	1,645,109				
\$ 1,915,715	\$ 1,812,334				
\$ 7,573	\$ 14,586				
-	-				
122,612	192,515	Information not available	Information not available	Information not available	Information not available
(84,394)	(73,546)				
(1,866)	(1,703)				
-	-				
43,925	131,852				
1,791,698	1,659,846				
-	-				
\$ 1,835,623	\$ 1,791,698				
\$ 80,092	\$ 20,636	\$ -	\$ -	\$ -	\$ -

Reporting Fiscal Year (Measurement Date)					
2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 and 2013
95.82%	98.86%	Information not available	Information not available	Information not available	Information not available
\$ 7,779,859	\$ 7,384,578				
1.03%	0.28%				

City of Yuma, Arizona

Schedule of City Pension/OPEB Contributions

June 30, 2022

Arizona State Retirement System Pension	Reporting Fiscal Year			
	2022	2021	2020 *	2019 *
Statutorily required contribution	\$ 3,999,644	\$ 3,523,235	\$ 3,711,680	\$ 3,526,498
City's contributions in relation to the statutorily required contribution	3,999,644	3,523,235	3,711,680	3,526,498
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 33,302,614	\$ 30,242,361	\$ 32,416,419	\$ 31,542,916
City's contributions as a percentage of covered payroll	12.01%	11.65%	11.45%	11.18%

Arizona State Retirement System Health Insurance Premium	Reporting Fiscal Year			
	2022	2021	2020	2019
Statutorily required contribution	\$ 69,935	\$ 117,945	\$ 158,840	\$ 145,097
City's contributions in relation to the statutorily required contribution	69,935	117,945	158,840	145,097
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 33,302,614	\$ 30,242,361	\$ 32,416,419	\$ 31,542,916
City's contributions as a percentage of covered payroll	0.21%	0.39%	0.49%	0.46%

Arizona State Retirement System Long-Term Disability	Reporting Fiscal Year			
	2022	2021	2020	2019
Statutorily required contribution	\$ 63,275	\$ 54,436	\$ 55,108	\$ 50,469
City's contributions in relation to the statutorily required contribution	63,275	54,436	55,108	50,469
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 33,302,614	\$ 30,242,361	\$ 32,416,419	\$ 31,542,916
City's contributions as a percentage of covered payroll	0.19%	0.18%	0.17%	0.16%

Elected Officials Retirement Plan Pension	Reporting Fiscal Year			
	2022	2021	2020	2019
Statutorily required contribution	\$ 153,225	\$ 153,341	\$ 152,985	\$ 152,088
City's contributions in relation to the statutorily required contribution	153,225	153,341	152,985	152,088
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 249,430	\$ 249,619	\$ 249,040	\$ 247,298
City's contributions as a percentage of covered payroll	61.43%	61.43%	61.43%	61.50%

* The amount reported as Statutorily required contribution for Arizona State Retirement System Pension was restated for 2017-2020

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

Reporting Fiscal Year					
2018 *	2017 *	2016	2015	2014	2013
\$ 3,236,317	\$ 3,245,847	\$ 3,129,314	\$ 3,145,752	\$ 2,960,244	\$ 2,982,796
3,236,317	3,245,847	3,129,314	3,145,752	2,960,244	2,982,796
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 29,690,982	\$ 30,109,898	\$ 28,462,610	\$ 28,442,751	\$ 27,663,180	\$ 27,365,079
10.90%	10.78%	10.99%	11.06%	10.70%	10.90%

Reporting Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 130,640	\$ 168,615	Information Not Available	Information Not Available	Information Not Available	Information Not Available
130,640	168,615	Information Not Available	Information Not Available	Information Not Available	Information Not Available
\$ -	\$ -				
\$ 29,690,982	\$ 30,109,898				
0.44%	0.56%				

Reporting Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 47,506	\$ 41,930	Information Not Available	Information Not Available	Information Not Available	Information Not Available
47,506	41,930	Information Not Available	Information Not Available	Information Not Available	Information Not Available
\$ -	\$ -				
\$ 29,690,982	\$ 30,109,898				
0.16%	0.14%				

Reporting Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 58,122	\$ 58,505	\$ 58,154	Information Not Available	Information Not Available	Information Not Available
58,122	58,505	58,154	Information Not Available	Information Not Available	Information Not Available
\$ -	\$ -	\$ -			
\$ 247,328	\$ 248,957	\$ 247,464			
23.50%	23.50%	23.50%			

City of Yuma, Arizona

Schedule of City Pension/OPEB Contributions

June 30, 2022

PSPRS Police Pension	Reporting Fiscal Year			
	2022	2021	2020	2019
Statutorily required contribution	\$ 1,234,464	\$ 6,328,489	\$ 5,747,235	\$ 5,406,993
City's contributions in relation to the statutorily required contribution	61,391,220	26,042,339	5,747,235	5,406,993
City's contribution deficiency (excess)	<u>\$(60,156,756)</u>	<u>\$(19,713,850)</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	<u>\$ 12,031,813</u>	<u>\$ 9,872,838</u>	<u>\$ 9,569,156</u>	<u>\$ 10,011,096</u>
City's contributions as a percentage of covered payroll	10.26%	64.10%	60.06%	54.01%

PSPRS Police OPEB	Reporting Fiscal Year			
	2022	2021	2020	2019
Statutorily required contribution	\$ 50,798	\$ 2,528	\$ 1,785	\$ 1,730
City's contributions in relation to the statutorily required contribution	50,798	2,528	1,785	1,730
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	<u>\$ 12,031,813</u>	<u>\$ 9,872,838</u>	<u>\$ 9,569,156</u>	<u>\$ 10,011,096</u>
City's contributions as a percentage of covered payroll	0.42%	0.03%	0.02%	0.02%

PSPRS Fire Pension	Reporting Fiscal Year			
	2022	2021	2020	2019
Statutorily required contribution	\$ 1,304,894	\$ 5,725,785	\$ 5,234,089	\$ 5,382,085
City's contributions in relation to the statutorily required contribution	51,522,527	21,011,935	5,234,089	5,382,085
City's contribution deficiency (excess)	<u>\$(50,217,633)</u>	<u>\$(15,286,150)</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	<u>\$ 9,818,616</u>	<u>\$ 8,245,658</u>	<u>\$ 7,823,750</u>	<u>\$ 7,780,952</u>
City's contributions as a percentage of covered payroll	13.29%	69.44%	66.90%	69.17%

PSPRS Fire OPEB	Reporting Fiscal Year			
	2022	2021	2020	2019
Statutorily required contribution	\$ 47,143	\$ 2,340	\$ 17,928	\$ 24,894
City's contributions in relation to the statutorily required contribution	47,143	2,340	17,928	24,894
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	<u>\$ 9,818,616</u>	<u>\$ 8,245,658</u>	<u>\$ 7,823,750</u>	<u>\$ 7,780,952</u>
City's contributions as a percentage of covered payroll	0.48%	0.03%	0.23%	0.32%

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

Reporting Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 5,656,651	\$ 4,871,869	\$ 4,514,793	\$ 3,301,671	\$ 3,099,836	\$ 2,542,704
5,656,651	4,871,869	4,514,793	3,301,671	3,099,836	2,542,704
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 10,587,032	\$ 11,327,294	\$ 10,739,726	\$ 10,916,220	\$ 10,475,959	\$ 9,771,656
53.43%	43.01%	42.04%	30.25%	29.59%	26.02%

Reporting Fiscal Year					
2018	2017	2016	2015	2014	2013
Information Not Available	Information Not Available	Information Not Available	Information Not Available	Information Not Available	Information Not Available

Reporting Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 4,625,904	\$ 3,723,304	\$ 3,543,790	\$ 2,608,314	\$ 2,441,615	\$ 2,475,800
4,625,904	3,723,304	3,543,790	2,608,314	2,441,615	2,475,800
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 7,779,859	\$ 7,384,578	\$ 7,592,493	\$ 7,516,425	\$ 7,294,375	\$ 7,250,887
59.46%	50.42%	46.67%	34.70%	33.47%	34.14%

Reporting Fiscal Year					
2018	2017	2016	2015	2014	2013
Information Not Available	Information Not Available	Information Not Available	Information Not Available	Information Not Available	Information Not Available



{This page is intentionally left blank}

BUDGETARY COMPARISON SCHEDULES

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Property Tax - Primary	\$14,808,556	\$14,808,556	\$14,634,936	(\$173,620)
Property Tax - Delinquent	207,002	207,002	269,146	62,144
City Sales Tax	26,500,000	26,500,000	31,368,329	4,868,329
Public Enterprise In-Lieu	242,000	242,000	242,000	-
Franchise Tax	3,216,000	3,216,000	3,364,936	148,936
Total Taxes	44,973,558	44,973,558	49,879,347	4,905,789
Business Licenses	259,000	260,013	266,991	6,978
Liquor Licenses	34,500	34,500	35,590	1,090
Building Permits	1,820,500	1,854,803	1,908,920	54,117
Alcohol Permits	5,000	5,000	8,114	3,114
Animal Licenses	35,000	35,000	67,161	32,161
Total Licenses	2,154,000	2,189,316	2,286,776	97,460
State Shared Sales Tax	10,918,000	10,918,000	13,525,597	2,607,597
State Shared Income Tax	8,623,831	8,623,831	12,638,305	4,014,474
State Shared Auto Lieu Tax	4,300,000	4,300,000	5,111,639	811,639
Smart and Safe AZ	-	-	603,119	603,119
Other Governmental Funding	14,836,661	35,000	18,254	(16,746)
Total Intergovernmental	38,678,492	23,876,831	31,896,914	8,020,083
Building Inspection Fees	464,250	464,250	496,363	32,113
Recreation Fees	190,200	206,625	286,207	79,582
Police Services	725,000	725,000	608,654	(116,346)
Fire Ambulance Services	4,102,000	4,103,640	4,143,034	39,394
Intracity Indirect Cost Allocation	-	5,210,709	5,210,709	-
Arizona Avenue Rentals	-	-	115,552	115,552
Other Charges	77,000	77,000	127,750	50,750
Total Charges for Services	5,558,450	10,787,224	10,988,269	201,045
City Court Fines	885,000	885,000	1,207,186	322,186
Total Fines and Forfeitures	885,000	885,000	1,207,186	322,186
Interest	250,040	250,040	(522,097)	(772,137)
Rental Receipts	351,737	351,737	414,610	62,873
Total Interest and Rentals	601,777	601,777	(107,487)	(709,264)
Sales of Surplus Property	20,000	20,000	166,886	146,886
Other	95,100	95,100	426,605	331,505
Total Miscellaneous	115,100	115,100	593,491	478,391
Total Revenues	\$92,966,377	\$83,428,806	\$96,744,496	\$13,315,690

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

EXPENDITURES	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Mayor and Council	\$ 1,331,119	\$ 1,331,119	\$ 942,973	\$ 388,146
City Administrator's Office	2,943,219	2,797,540	2,435,630	361,910
City Attorney's Office	1,531,422	1,531,422	1,495,466	35,956
Information Technology	3,880,199	3,883,774	3,353,753	530,021
Facilities Maintenance	6,355,624	6,330,408	5,927,603	402,805
Finance Department	2,500,951	2,627,486	2,339,141	288,345
General Government	5,642,760	5,602,760	689,655	4,913,105
Human Resources	1,372,287	1,372,287	1,248,902	123,385
Intragovernmental Charges	(5,210,709)	-	-	-
Budget Only-Operation Efficiency	(3,233,235)	(3,233,235)	-	(3,233,235)
Total General Government	17,113,637	22,243,561	18,433,123	3,810,438
Police Department	34,450,686	34,514,922	24,330,590	10,184,332
PSPRS UAAL - POLICE	60,156,756	60,156,756	60,156,756	-
Fire Department	20,471,192	20,433,077	16,571,897	3,861,180
PSPRS UAAL - FIRE	50,217,633	50,217,633	50,217,633	-
Municipal Court	2,235,171	2,235,171	2,215,572	19,599
Total Public Safety	167,531,438	167,557,559	153,492,448	14,065,111
Parks and Recreation Dept.	7,600,933	7,544,753	6,304,564	1,240,189
Total Parks and Recreation	7,600,933	7,544,753	6,304,564	1,240,189
Building Safety	2,286,289	2,274,508	2,155,484	119,024
Engineering	395,227	395,227	323,450	71,777
Planning and Neighborhood Svs	1,426,784	1,458,367	1,414,947	43,420
Total Comm. Development	4,108,300	4,128,102	3,893,881	234,221
Principal	294,282	305,297	345,214	(39,917)
Total Debt Service	294,282	305,297	345,214	(39,917)
City Administrator's Office	-	25,967	15,984	9,983
Information Technology	501,200	533,625	7,597	526,028
Facilities Maintenance	105,000	119,216	12,410	106,806
Parks and Recreation Dept.	78,015	108,393	108,374	19
Police Department	-	1,330	1,329	1
Fire Department	89,233	127,333	30,382	96,951
Building Safety	52,348	57,253	26,412	30,841
Planning and Nighborhood Svs.	45,000	20,293	18,044	2,249
Capital Projects	18,856,661	6,265,000	1,979,532	4,285,468
Total Capital Outlay	19,727,457	7,258,410	2,200,064	5,058,346
Total Expenditures	\$216,376,047	\$209,037,682	\$184,669,294	\$ 24,368,388

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

General Fund

Exhibit E-1

Concluded

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues Over / (Under)				
Expenditures	(\$123,409,670)	(\$125,608,876)	(\$87,924,798)	(\$11,052,698)
OTHER FINANCING SOURCES (USES)				
Capital Lease Agreements	-	-	102,991	(102,991)
Transfers Out	-	(21,582,751)	(21,090,329)	(492,422)
Total Other Fin. Sources (Uses)	-	(21,582,751)	(20,987,338)	(595,413)
Planned Change in Fund Balance	<u>(\$123,409,670)</u>	<u>(\$147,191,627)</u>	(108,912,136)	<u>\$38,279,491</u>
FUND BALANCE				
Beginning July 1			169,879,995	
Ending June 30			<u>60,967,859</u>	
<i>Less Fund Balance that is:</i>				
Nonspendable			(32,449)	
Restricted			(875,598)	
Committed			(12,332,020)	
Assigned			(23,560,722)	
Ending Unassigned Balance			<u>\$24,167,070</u>	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

City Road Tax Fund

Exhibit E-2

REVENUE	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Taxes				
Special Road Sales Tax	\$13,811,000	\$13,811,000	\$15,681,499	\$ 1,870,499
Use of Money and Property				
Rent	33,456	33,456	31,859	(1,597)
Interest	30,000	30,000	(106,553)	(136,553)
Charges For Services				
Developer Charges	25,000	25,000	27,079	2,079
Miscellaneous				
Other	11,500	11,500	32	(11,468)
Total Revenues	13,910,956	13,910,956	15,633,916	1,722,960
EXPENDITURES				
Current:				
Public Safety				
Traffic Signals and Signs	870,753	870,753	760,258	110,495
Streets				
Engineering	2,590,039	2,590,039	1,931,146	658,893
Street Maintenance	13,190	13,190	(10,143)	23,333
Pathways and Trails	483,778	483,778	425,113	58,665
Right-Of-Way Management	24,517	24,517	1,046	23,471
Capital Outlay	61,500	61,500	10,890	50,610
Debt Service				
Leases	19,000	19,000	51,996	(32,996)
Capital Projects				
Streets	-	11,056,000	6,787,098	4,268,902
Total Expenditures	4,062,777	15,118,777	9,957,404	5,161,373
Revenues Over / (Under) Expenditures	9,848,179	(1,207,821)	5,676,512	(6,884,333)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(4,554,885)	(4,454,812)	(100,073)
Total Other Fin. Sources (Uses)	-	(4,554,885)	(4,454,812)	(100,073)
Net Change in Fund Balances	\$ 9,848,179	\$ (5,762,706)	1,221,700	\$ (6,984,406)
FUND BALANCE				
Beginning July 1			11,002,872	
Ending June 30			\$12,224,572	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

American Rescue Plan Act Fund

Exhibit E-3

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE				
Intergovernmental				
Federal government	\$ -	\$ 14,801,661	\$ 1,061,260	\$ (13,740,401)
Interest	-	-	-	-
Total Revenues	-	14,801,661	1,061,260	(13,740,401)
EXPENDITURES				
Current:				
General Government	-	12,627,216	-	12,627,216
Public Safety	-	1,771,445	1,061,260	710,185
Streets				
Parks, Recreation and Culture				
Environmental Health and Protection				
Community Design and Development	-	303,000	-	303,000
Capital Outlay				
Capital Projects:				
General Government	-	100,000	-	100,000
Public Safety				
Streets				
Parks, Recreation and Culture				
Total Expenditures	-	14,801,661	1,061,260	13,740,401
Net Change in Fund Balances	\$ -	\$ -	-	\$ (27,480,802)
FUND BALANCE				
Beginning July 1			-	
Ending June 30			\$ -	

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

NOTES TO
REQUIRED SUPPLEMENTAL
INFORMATION

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, 2020, valuation for ASRS were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation.

The total liabilities as of June 30, 2021 reflect changes in actuarial assumptions based on the results of an actuarial experience, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increase from 2.7-7.2 percent to 2.9-8.4 percent.

The actuarial assumptions used in the June 30, 2020, 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.

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 and 2019.

B. Budgetary Reporting and Budgetary Basis of Accounting

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



{This page is intentionally left blank}

OTHER SUPPLEMENTAL INFORMATION



{This page is intentionally left blank}

GOVERNMENTAL
FUNDS

City of Yuma, Arizona

Combining Balance Sheet

June 30, 2022

	Special Revenue		
	Public Safety Tax	Highway Users Revenue	Grants
ASSETS			
Cash and Investments	\$ 5,188,327	\$ 4,291,047	\$ 789,024
Receivables (Net of Allowances for Uncollectibles):			
Accounts Receivable	4,419	69,099	5,015
Intergovernmental	250,810	873,803	1,298,287
Special Assessments	-	-	-
Delinquent Property Taxes	-	-	-
Accrued Interest	1,290	3,419	162
Inventory, at cost	-	-	-
Total Assets	\$ 5,444,846	\$ 5,237,368	\$ 2,092,488
LIABILITIES			
Accounts Payable	\$ 305,357	\$ 138,760	\$ 235,924
Accrued Payroll, Taxes and Benefits Payable	-	125,907	26,162
Due to Other Funds	-	-	1,661,643
Deposits	-	-	-
Unearned Revenues	-	-	815,943
Total Liabilities	305,357	264,667	2,739,672
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	-	-	-
FUND BALANCES			
Nonspendable:			
Inventory	-	-	-
Spendable			
Restricted	5,139,489	4,972,701	-
Unassigned	-	-	(647,184)
Total Fund Balances	5,139,489	4,972,701	(647,184)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 5,444,846	\$ 5,237,368	\$ 2,092,488

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

Nonmajor Governmental Funds

Exhibit F-1

Special Revenue Funds

Special Revenue				Total
Community Redevelopment	Two Percent Tax	Yuma Mall Maintenance	Maintenance Improvement Districts	Nonmajor Special Revenue Funds
\$ 31,077	\$ 4,089,939	\$ 17,299	\$ 25,584	\$ 14,432,297
817,501	130,985	165	-	1,027,184
68,875	389,260	14,067	332	2,895,434
-	-	-	-	-
-	-	566	2,271	2,837
-	5,357	-	-	10,228
-	12,880	-	-	12,880
\$ 917,453	\$ 4,628,421	\$ 32,097	\$ 28,187	\$ 18,380,860
\$ 40,156	\$ 249,157	\$ 27,061	\$ 10,101	\$ 1,006,516
15,670	97,026	4,470	-	269,235
53,578	-	-	119,334	1,834,555
-	77,705	-	-	77,705
-	50,983	-	-	866,926
109,404	474,871	31,531	129,435	4,054,937
808,049	-	566	2,271	810,886
-	12,880	-	-	12,880
-	4,140,670	-	-	14,252,860
-	-	-	(103,519)	(750,703)
-	4,153,550	-	(103,519)	13,515,037
\$ 917,453	\$ 4,628,421	\$ 32,097	\$ 28,187	\$ 18,380,860

City of Yuma, Arizona

Combining Balance Sheet

June 30, 2022

	Capital Projects Funds		
	Capital Improvement Projects	Parks and Recreation Projects	Police Projects
ASSETS			
Cash and Investments	\$ 3,286,444	\$ 2,021,707	\$ 3,168,471
Cash with Fiscal Agents			
Receivables (Net of Allowances for Uncollectibles):			
Accounts Receivable	145,518	-	-
Intergovernmental	251,955	-	-
Delinquent Property Taxes	-	-	-
Accrued Interest	-	2,085	1,149
Inventory, at cost	-	-	-
Prepaid Items	-	-	-
Total Assets	\$ 3,683,917	\$ 2,023,792	\$ 3,169,620
LIABILITIES			
Accounts Payable	\$ 7,653	\$ 11,966	\$ 300
Accrued Payroll, Taxes and Benefits Payable	-	-	-
Due to Other Funds	-	-	-
Deposits	-	-	-
Unearned Revenues	1,806,235	-	-
Total Liabilities	1,813,888	11,966	300
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	-	-	-
FUND BALANCES			
Nonspendable:			
Inventory	-	-	-
Spendable			
Restricted	1,759,409	2,011,826	3,169,320
Committed	110,619	-	-
Unassigned	-	-	-
Total Fund Balances	1,870,029	2,011,826	3,169,320
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 3,683,917	\$ 2,023,792	\$ 3,169,620

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

Nonmajor Governmental Funds

Exhibit F-2

Capital Project Funds

Capital Project Funds				Total	Total
Fire Projects	General Government Projects	Transportation Projects	Other Capital Projects	Nonmajor Capital Projects	Nonmajor Governmental Funds
\$ 2,227,053	\$ 100,210	\$ 2,252,815	\$ -	\$ 13,056,699	\$ 27,488,996
-	-	-	-	145,518	1,172,702
-	-	-	-	251,955	3,147,389
-	-	-	-	-	2,837
717	15	933	-	4,899	15,127
-	-	-	-	-	12,880
-	-	-	-	-	-
\$ 2,227,770	\$ 100,225	\$ 2,253,748	\$ -	\$ 13,459,071	\$ 31,839,931
\$ 268	\$ 17	\$ 33,817	\$ -	\$ 54,021	\$ 1,060,537
-	-	-	-	-	269,235
-	-	-	-	-	1,834,555
-	-	-	-	-	77,705
-	-	-	-	1,806,235	2,673,161
268	17	33,817	-	1,860,256	5,915,193
-	-	-	-	-	810,886
-	-	-	-	-	12,880
2,227,502	100,208	2,219,931	-	11,488,196	25,741,056
-	-	-	-	110,619	110,619
-	-	-	-	-	(750,703)
2,227,502	100,208	2,219,931	-	11,598,815	25,113,852
\$ 2,227,770	\$ 100,225	\$ 2,253,748	\$ -	\$ 13,459,071	\$ 31,839,931

City of Yuma, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2022

	Special Revenue		
	Public Safety Tax	Highway Users Revenue	Grants
REVENUE:			
Taxes	\$ 6,270,467	-	-
Intergovernmental	-	\$ 9,463,229	\$ 2,668,369
Charges for Services	-	-	-
Interest and Rents	(46,879)	(43,585)	-
Contributions/Donations	-	-	133,309
Miscellaneous	50	17,471	-
Total Revenues	6,223,638	9,437,115	2,801,678
EXPENDITURES:			
Current:			
General Government	-	-	95,121
Public Safety	3,524,040	563,219	1,234,873
Streets	-	8,046,267	-
Parks, Recreation and Culture	-	-	99,354
Environmental Health and Protection	-	98,922	29,567
Community Design and Development	-	-	-
Capital Outlay	167,144	91,707	29,602
Capital Projects			
General Government	-	-	1,214,111
Public Safety	384,640	-	-
Streets	-	110,351	-
Parks, Recreation and Culture	-	-	192,340
Debt Service:			
Leases	356,927	-	-
Total Expenditures	4,432,751	8,910,466	2,894,968
Revenues Over/(Under) Expenditures	1,790,887	526,649	(93,290)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(947,645)	(116,726)	-
Total Other Financing Sources (Uses)	(947,645)	(116,726)	-
Net Changes in Fund Balances	843,242	409,923	(93,290)
Fund Balances, Beginning	4,296,247	4,562,778	(553,894)
Fund Balances, Ending	\$ 5,139,489	\$ 4,972,701	\$ (647,184)

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

Nonmajor Governmental Funds

Exhibit F-3

Special Revenue Funds

Special Revenue				Total
Community Redevelopment	Two Percent Tax	Yuma Mall Maintenance	Maintenance Improvement Districts	Nonmajor Special Revenue Funds
-	\$ 8,559,356	\$ 162,622	\$ 67,363	\$ 15,059,808
\$ 2,080,354	-	-	-	14,211,952
-	834,228	-	-	834,228
-	(31,005)	-	-	(121,469)
-	-	-	-	133,309
19,170	55,864	1,980	-	94,535
2,099,524	9,418,443	164,602	67,363	30,212,363
-	17,500	-	-	112,621
-	-	-	-	5,322,132
-	-	-	-	8,046,267
-	5,666,925	-	-	5,766,279
-	-	-	-	128,489
2,099,524	-	257,569	137,420	2,494,513
-	22,772	7,614	-	318,839
-	-	-	-	1,214,111
-	-	-	-	384,640
-	-	-	-	110,351
-	501,955	-	-	694,295
-	35,000	4,705	-	396,632
2,099,524	6,244,152	269,888	137,420	24,989,169
-	3,174,291	(105,286)	(70,057)	5,223,194
-	-	105,286	-	105,286
-	(971,119)	-	-	(2,035,490)
-	(971,119)	105,286	-	(1,930,204)
-	2,203,172	-	(70,057)	3,292,990
-	1,950,378	-	(33,462)	10,222,047
\$ -	\$ 4,153,550	\$ -	\$ (103,519)	\$ 13,515,037

City of Yuma, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2022

	Capital Projects Funds		
	Capital Improvement Projects	Parks and Recreation Projects	Police Projects
REVENUE:			
Taxes	-	-	-
Intergovernmental	-	-	-
Charges for Services	-	\$ 598,700	\$ 311,706
Interest and Rentals	\$ 905	(20,406)	(32,504)
Contributions and Donations	-	-	-
Miscellaneous	-	-	-
Total Revenues	905	578,294	279,202
EXPENDITURES:			
Current:			
General Government	-	-	-
Public Safety	-	-	3,692
Streets	-	-	-
Parks, Recreation and Culture	-	9,464	-
Environmental Health and Protection	-	-	-
Community Design and Development	-	-	-
Capital Outlay	-	-	-
Capital Projects			
General Government	-	-	-
Public Safety	-	-	-
Streets	95,279	-	-
Parks, Recreation and Culture	-	144,893	-
Debt Service:			
Leases	-	-	-
Interest and Fiscal Agent Fees	-	-	-
Total Expenditures	95,279	154,357	3,692
Revenues Over/(Under) Expenditures	(94,374)	423,937	275,510
OTHER FINANCING SOURCES (USES)			
Transfers In	-	18,038	18,953
Transfers Out	-	(554,813)	-
Total Other Financing Sources (Uses)	-	(536,775)	18,953
Net Changes in Fund Balances	(94,374)	(112,838)	294,463
Fund Balances, Beginning	1,964,403	2,124,664	2,874,857
Fund Balances, Ending	\$ 1,870,029	\$ 2,011,826	\$ 3,169,320

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

Nonmajor Governmental Funds

Exhibit F-4

Capital Project Funds

Capital Project Funds				Total	Total
Fire Projects	General Government Projects	Transportation Projects	Other Capital Projects	Nonmajor Capital Projects	Nonmajor Governmental Funds
-	-	-	-	-	15,059,808
-	-	-	-	-	14,211,952
\$ 560,151	\$ 20,195	\$ 389,837	-	1,880,588	2,714,816
(22,311)	(956)	(22,960)	-	(98,232)	(219,701)
-	-	-	-	-	133,309
-	-	-	-	-	94,535
537,840	19,239	366,877	-	1,782,356	31,994,719
-	237	-	-	237	112,858
3,998	-	-	-	7,690	5,329,822
-	-	7,764	-	7,764	8,054,031
-	-	-	-	9,464	5,775,743
-	-	-	-	-	128,489
-	-	-	-	-	2,494,513
-	-	-	-	-	318,839
-	-	-	-	-	1,214,111
294,212	-	-	-	294,212	678,852
-	-	206,100	-	301,379	411,730
-	-	-	-	144,893	839,188
-	-	-	-	-	396,632
-	-	-	-	-	-
298,210	237	213,864	-	765,639	25,754,808
239,630	19,002	153,013	-	1,016,717	6,239,911
3,045	621	45	-	40,702	145,988
-	-	-	(40,702)	(595,515)	(2,631,005)
3,045	621	45	(40,702)	(554,813)	(2,485,017)
242,675	19,623	153,058	(40,702)	461,904	3,754,894
1,984,827	80,585	2,066,873	40,702	11,136,911	21,358,958
\$ 2,227,502	\$ 100,208	\$ 2,219,931	\$ -	11,598,815	25,113,852



{This page is intentionally left blank}

BUDGETARY COMPARISON SCHEDULES

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

Public Safety Tax Fund

Exhibit G-1

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Taxes:				
Public Safety Sales Tax	\$ 5,500,000	\$ 5,500,000	\$ 6,270,467	\$ 770,467
Interest and Rents:				
Interest	12,000	12,000	(46,879)	(58,879)
Miscellaneous				
Other	6,000	6,000	50	(5,950)
Total Revenues	5,518,000	5,518,000	6,223,638	705,638
EXPENDITURES				
Current:				
Public Safety				
Police Support Services	1,308,057	1,332,010	1,710,844	(378,834)
Fire Support Services	1,924,415	1,924,415	1,813,196	111,219
Capital Outlay	599,361	575,408	167,144	408,264
Capital Projects:				
Public Safety	445,000	445,000	384,640	60,360
Debt Service:				
Leases	462,825	462,825	356,927	105,898
Total Expenditures	4,739,658	4,739,658	4,432,751	306,907
Transfers Out	-	947,244	947,645	(401)
Total Other Financing				
Sources (Uses)	-	947,244	947,645	(401)
Net Changes in Fund Balances	\$ 778,342	\$ (168,902)	843,242	\$ 1,012,144
FUND BALANCE				
Beginning July 1			4,296,247	
Ending June 30			\$ 5,139,489	

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

City of Yuma, Arizona

Highway Users Revenue Fund

Budgetary Comparison Schedule

Exhibit G-2

Year Ended June 30, 2022

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Intergovernmental				
State Gasoline Tax	\$ 8,300,000	\$ 8,300,000	\$ 9,463,229	\$ 1,163,229
Use of Money and Property				
Interest	20,000	20,000	(43,585)	(63,585)
Miscellaneous				
Engeneering Oversight Fees	-	-	-	-
Other	10,200	10,200	17,471	7,271
Total Revenues	8,330,200	8,330,200	9,437,115	1,106,915
EXPENDITURES				
Current:				
Public Safety	542,366	602,366	563,219	39,147
Streets				
Street Maintenance	4,894,492	4,856,650	4,559,064	297,586
Street Lighting	1,084,333	1,024,333	909,578	114,755
Street Sweeping	624,558	624,558	618,729	5,829
Storm Drain Maintenance	273,841	273,841	274,241	(400)
Curbs, Gutters, and Sidewalks	503,927	558,927	518,905	40,022
Retention Basin Maintenance	1,298,545	1,267,141	1,165,750	101,391
Code Enforcement	82,498	82,498	98,922	(16,424)
Capital Outlay	343,100	357,346	91,707	265,639
Capital Projects				
Streets	1,000,000	1,000,000	110,351	889,649
Total Expenditures	10,647,660	10,647,660	8,910,466	1,737,194
Transfers Out	-	116,677	116,726	(49)
Total Other Financing				
Sources (Uses)	-	116,677	116,726	(49)
Net Changes in Fund Balances	\$(2,317,460)	\$(2,434,137)	409,923	\$ (630,230)
FUND BALANCE				
Beginning July 1			4,562,778	
Ending June 30			\$ 4,972,701	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

Grants Fund

Exhibit G-3

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Intergovernmental:				
Federal Government	\$ 8,264,882	\$ 8,264,882	\$ 2,434,950	\$ (5,829,932)
State Government	499,080	499,080	210,703	(288,377)
County Government	240,000	240,000	22,716	(217,284)
Budget Authority Reserve	4,446,180	4,446,180	-	(4,446,180)
Contributions/Donations	30,583,379	30,583,379	133,309	(30,450,070)
Total Revenues	44,033,521	44,033,521	2,801,678	(41,231,843)
EXPENDITURES				
Current:				
General Government	4,055,128	267,586	95,121	172,465
Public Safety	3,729,163	5,306,117	1,234,873	4,071,244
Parks, Recreation and Culture	4,610,942	4,309,698	99,354	4,210,344
Environmental Health and Protect	200,000	230,500	29,567	200,933
Capital Outlay	1,140,000	1,378,250	29,602	1,348,648
Capital Projects:				
General Government	-	8,812,288	1,214,111	7,598,177
Streets	8,270,000	26,170,000	-	26,170,000
Parks, Recreation and Culture	-	1,136,000	192,340	943,660
Total Expenditures	22,005,233	47,610,439	2,894,968	44,715,471
Transfers Out	-	-	-	-
Net Changes in Fund Balances	\$22,028,288	\$ (3,576,918)	(93,290)	\$ 3,483,628
FUND BALANCE				
Beginning July 1			(553,894)	
Ending June 30			\$ (647,184)	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

Community Redevelopment Fund

Exhibit G-4

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Intergovernmental:				
Federal Government	\$ 4,021,994	\$ 4,021,994	\$ 2,080,354	\$ (1,941,640)
Miscellaneous:				
Other	-	-	19,170	19,170
Total Revenues	4,021,994	4,021,994	2,099,524	(1,922,470)
EXPENDITURES				
Current:				
Community Development	4,021,994	3,912,029	2,099,524	1,812,505
Parks, Recreation and Culture	-	299,352	-	299,352
Total Expenditures	4,021,994	4,211,381	2,099,524	2,111,857
Net Changes in Fund Balances	\$ -	\$ (189,387)	-	\$ (4,034,327)
FUND BALANCE				
Beginning July 1			-	
Ending June 30			\$ -	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

Two Percent Tax Fund

Exhibit G-5

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Taxes				
Two Percent Tax	\$ 6,241,800	\$ 6,241,800	\$ 8,559,356	\$ 2,317,556
Charges for Services				
Concessions	309,600	309,600	534,839	225,239
Recreation Fees	379,400	381,698	299,389	(82,309)
Interest and Rents				
Interest	5,000	5,000	(31,005)	(36,005)
Miscellaneous	8,500	8,500	55,864	47,364
Total Revenues	6,944,300	6,946,598	9,418,443	2,471,845
EXPENDITURES				
Current:				
Parks, Recreation and Culture				
Administration	428,797	428,797	429,429	(632)
Outside Agencies	750,000	750,000	1,027,135	(277,135)
Civic and Convention Center	2,434,313	2,396,581	2,184,664	211,917
Baseball Complex	778,456	795,187	643,391	151,796
Art Center	1,181,395	1,181,137	979,053	202,084
Heritage Events	161,688	158,865	147,553	11,312
Heritage Area Development	288,860	288,860	255,700	33,160
General Government	-	23,635	17,500	6,135
Budget Only-Operation Efficiency	-	-	-	-
Capital Outlay	41,629	62,888	22,772	40,116
Capital Projects:				
Parks, Recreation and Culture	-	595,564	501,955	93,609
Debt Service:				
Leases	-	-	35,000	(35,000)
Total Expenditures	6,065,138	6,681,514	6,244,152	437,362
Transfers Out	-	(1,525,457)	(971,119)	(554,338)
Total Other Financing				
Sources (Uses)	-	(1,525,457)	(971,119)	(554,338)
Net Changes in Fund Balances	\$ 879,162	\$ 1,790,541	4,145,410	\$ 2,588,821
FUND BALANCE				
Beginning July 1			1,950,378	
Ending June 30			\$ 6,095,788	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

Yuma Mall Maintenance Fund

Exhibit G-6

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Taxes				
Mall Assessments	\$ 139,257	\$ 139,257	\$ 139,303	\$ 46
Property Tax - Delinquent	5,000	5,000	23,319	18,319
Miscellaneous				
Other	2,500	2,500	1,980	(520)
Total Revenues	146,757	146,757	164,602	17,845
EXPENDITURES				
Community Design and Development				
Mall Maintenance	259,633	259,633	257,569	2,064
Capital Outlay	7,395	7,395	7,614	(219)
Debt Service	5,292	5,292	4,705	587
Total Expenditures	272,320	272,320	269,888	2,432
Transfers In	-	125,563	105,286	(20,277)
Total Other Financing Sources (Uses)	-	125,563	105,286	(20,277)
Net Changes in Fund Balances	\$ (125,563)	\$ -	-	\$ (4,864)
FUND BALANCE				
Beginning July 1			-	
Ending June 30			\$ -	

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

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Taxes				
District Assessments	\$ 69,800	\$ 69,800	\$ 67,363	\$ (2,437)
Total Revenues	69,800	69,800	67,363	2,437
EXPENDITURES				
Community Design and Development				
District Maintenance	183,800	173,800	137,420	36,380
Total Expenditures	183,800	173,800	137,420	36,380
Transfers In	-	125,563	-	(125,563)
Total Other Financing Sources (Uses)	-	125,563	-	(125,563)
Net Changes in Fund Balances	\$ (114,000)	\$ 21,563	(70,057)	\$ (159,506)
FUND BALANCE				
Beginning July 1			-	
Ending June 30			\$ (70,057)	

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

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Interest and Rentals				
Interest	\$ -	\$ -	\$ 905	\$ 905
Total Revenues	-	-	905	905
EXPENDITURES				
Capital Projects:				
General Government	-	-	-	-
Streets	254,000	254,000	95,279	158,721
Leases				
Total Expenditures	254,000	254,000	95,279	158,721
Net Changes in Fund Balances	\$ (254,000)	\$ (254,000)	(94,374)	\$ 157,816
FUND BALANCE				
Beginning July 1			1,964,403	
Ending June 30			\$ 1,870,029	

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

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUE:</u>				
Charges for Services:				
Development Fees	\$ 641,500	\$ 648,493	\$ 598,700	\$ (49,793)
Interest and Rentals:				
Interest	5,500	5,500	(20,406)	(25,906)
Total Revenues	<u>647,000</u>	<u>653,993</u>	<u>578,294</u>	<u>(75,699)</u>
<u>EXPENDITURES</u>				
Current:				
Parks, Recreation and Culture	-	6,993	9,464	(2,471)
Capital Projects				
Parks, Recreation and Culture	551,976	551,976	144,893	407,083
Total Expenditures	<u>551,976</u>	<u>558,969</u>	<u>154,357</u>	<u>404,612</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	18,038	(18,038)
Transfers Out	-	-	(554,813)	554,813
Net Changes in Fund Balances	<u>\$ 95,024</u>	<u>\$ 95,024</u>	<u>(112,838)</u>	<u>\$ 56,464</u>
<u>FUND BALANCE</u>				
Beginning July 1			2,124,664	
Ending June 30			<u>\$ 2,011,826</u>	

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

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUE:</u>				
Charges for Services:				
Development Fees	\$ 326,000	\$ 330,272	\$ 311,706	\$ (18,566)
Interest and Rentals:				
Interest	6,500	6,500	(32,504)	(39,004)
Total Revenues	<u>332,500</u>	<u>336,772</u>	<u>279,202</u>	<u>(57,570)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	-	4,272	3,692	580
Capital Projects:				
Public Safety	<u>2,600,000</u>	<u>2,600,000</u>	<u>-</u>	<u>2,600,000</u>
Total Expenditures	<u>2,600,000</u>	<u>2,604,272</u>	<u>3,692</u>	<u>2,600,580</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	<u>-</u>	<u>-</u>	<u>18,953</u>	<u>(18,953)</u>
Net Changes in Fund Balances	<u>\$(2,267,500)</u>	<u>\$(2,267,500)</u>	294,463	<u>\$ 2,561,963</u>
<u>FUND BALANCE</u>				
Beginning July 1, 2020			<u>2,874,857</u>	
Ending June 30, 2021			<u>\$ 3,169,320</u>	

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

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUE:</u>				
Charges for Services:				
Development Fees	\$ 444,900	\$ 447,879	\$ 560,151	\$ 112,272
Interest and Rentals:				
Interest	3,150	3,150	(22,311)	(25,461)
Total Revenues	<u>448,050</u>	<u>451,029</u>	<u>537,840</u>	<u>86,811</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	-	2,979	3,998	(1,019)
Capital Projects:				
Public Safety	<u>1,750,000</u>	<u>1,750,000</u>	<u>294,212</u>	<u>1,455,788</u>
Total Expenditures	<u>1,750,000</u>	<u>1,752,979</u>	<u>298,210</u>	<u>1,454,769</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	<u>-</u>	<u>-</u>	<u>3,045</u>	<u>(3,045)</u>
Net Changes in Fund Balances	<u>\$(1,301,950)</u>	<u>\$(1,301,950)</u>	<u>242,675</u>	<u>\$ 1,544,625</u>
<u>FUND BALANCE</u>				
Beginning July 1			<u>1,984,827</u>	
Ending June 30			<u>\$ 2,227,502</u>	

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

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUE:</u>				
Charges for Services:				
Development Fees	\$ 18,770	\$ 19,867	\$ 20,195	\$ 328
Interest and Rentals:				
Interest	200	200	(956)	(1,156)
Total Revenues	<u>18,970</u>	<u>20,067</u>	<u>19,239</u>	<u>(828)</u>
<u>EXPENDITURES</u>				
Current:				
General Government	-	1,097	237	860
Capital Projects:				
General Government	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,097</u>	<u>237</u>	<u>860</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	621	(621)
Net Changes in Fund Balances	<u>\$ 18,970</u>	<u>\$ 18,970</u>	19,623	<u>\$ 653</u>
<u>FUND BALANCE</u>				
Beginning July 1			80,585	
Ending June 30			<u>\$ 100,208</u>	

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

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUE:</u>				
Charges for Services:				
Development Fees	\$ 567,000	\$ 572,725	\$ 389,837	\$ (182,888)
Interest and Rentals:				
Interest	5,500	5,500	(22,960)	(28,460)
Total Revenues	<u>572,500</u>	<u>578,225</u>	<u>366,877</u>	<u>(211,348)</u>
<u>EXPENDITURES</u>				
Current:				
Streets	-	5,725	7,764	(2,039)
Capital Projects:				
Streets	<u>700,000</u>	<u>700,000</u>	<u>206,100</u>	<u>493,900</u>
Total Expenditures	<u>700,000</u>	<u>705,725</u>	<u>213,864</u>	<u>491,861</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	<u>-</u>	<u>-</u>	<u>45</u>	<u>(45)</u>
Net Changes in Fund Balances	<u>\$ (127,500)</u>	<u>\$ (127,500)</u>	153,058	<u>\$ 280,558</u>
<u>FUND BALANCE</u>				
Beginning July 1			<u>2,066,873</u>	
Ending June 30			<u>\$ 2,219,931</u>	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

Other Improvement Projects Fund

Exhibit G-14

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUE:</u>				
Interest	\$ 100	\$ 100	\$ -	\$ (100)
Total Revenues	100	100	-	(100)
<u>EXPENDITURES</u>				
Capital Projects:				
Transportation	-	-	-	-
Total Expenditures	-	-	-	-
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers Out	-	-	(40,702)	40,702
Net Changes in Fund Balances	\$ 100	\$ 100	(40,702)	\$ (40,802)
<u>FUND BALANCE</u>				
Beginning July 1			40,702	
Ending June 30			\$ -	

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



{This page is intentionally left blank}

MAJOR FUNDS
NOT INCLUDED IN
REQUIRED SUPPLEMENTAL
INFORMATION

REVENUE	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Special Assessments	\$ -	\$ -	\$ 24,439	\$ 24,439
Interest and Rentals	-	-	35,001	35,001
Total Revenues	-	-	59,440	59,440
EXPENDITURES				
Debt Service:				
Principal	14,095,000	20,970,000	20,970,000	-
Interest and Fiscal Agent Fees	5,500,466	6,953,356	6,953,206	150
Issuance Costs	-	-	-	-
Total Expenditures	19,595,466	27,923,356	27,923,206	150
Revenues Over / (Under) Expenditures	(19,595,466)	(27,923,356)	(27,863,766)	(59,590)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	28,394,231	27,923,061	471,170
Total Other Fin. Sources (Uses)	-	28,394,231	27,923,061	471,170
Net Change in Fund Balances	\$ (19,595,466)	\$ 470,875	59,295	\$ 411,580
FUND BALANCE				
Beginning July 1			4,836	
Ending June 30			\$ 64,131	

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

ENTERPRISE FUNDS

	Business-type Activities Enterprise Funds			Total Nonmajor Enterprise Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
ASSETS				
Current Assets:				
Cash and Investments	\$3,238,615	\$ 4,354,040	\$ 1,600	\$ 7,594,255
Receivables, Net of Allowance for Uncollectibles:				
Accounts Receivable	448,678	-	16,745	465,423
Intergovernmental	-	70,982	-	70,982
Accrued Interest	1,379	1,281	-	2,660
Inventory, at cost	-	77,255	36,949	114,204
Total Current Assets	3,688,672	4,503,558	55,294	8,247,524
Noncurrent Assets:				
Pension and OPEB Asset	25,162	15,863	30,358	71,383
Capital Assets:				
Buildings	-	-	3,102,865	3,102,865
Improvements Other than Buildings	50,738	-	3,290,355	3,341,093
Equipment	301,894	8,466,023	338,793	9,106,710
Gross Capital Assets	352,632	8,466,023	6,732,013	15,550,668
Accumulated Depreciation	(352,632)	(8,466,023)	(5,889,467)	(14,708,122)
Capital Assets, Net Depreciation	-	-	842,546	842,546
Total Noncurrent Assets	25,162	15,863	872,904	913,929
Total Assets	3,713,834	4,519,421	928,198	9,161,453
DEFERRED OUTFLOWS OF RESOURCES				
Pension and OPEB Items	174,742	110,164	210,831	495,737
Total Deferred Outflows of Resources	174,742	110,164	210,831	495,737
LIABILITIES				
Current Liabilities:				
Accounts Payable	184,858	63,288	22,147	270,293
Accrued Payroll and Related Taxes	51,684	28,531	34,795	115,010
Current Portion-Accrued				
Compensated Absences	-	17,381	21,239	38,620
Due to Other Funds	-	13,364	1,415,737	1,429,101
Unearned Revenue	-	58,630	103,714	162,344
Total Current Liabilities	236,542	181,194	1,597,632	2,015,368
Noncurrent Liabilities:				
Net Pension Liability	664,088	418,664	801,236	1,883,988
OPEB Liability	1,055	665	1,273	2,993
Accrued Compensated Absences	-	69,990	32,849	102,839
Total Long-Term Liabilities	665,143	489,319	835,358	1,989,820
Total Liabilities	901,685	670,513	2,432,990	4,005,188
DEFERRED INFLOWS OF RESOURCES				
Pension and OPEB Items	297,729	187,699	359,217	844,645
Total Deferred Inflows of Resources	297,729	187,699	359,217	844,645
NET POSITION				
Net investment in capital assets	-	-	842,546	842,546
Unrestricted (deficit)	2,689,162	3,771,373	(2,495,724)	3,964,811
Total Net Position	\$2,689,162	\$ 3,771,373	\$(1,653,178)	\$ 4,807,357

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

Year Ended June 30, 2022

	Business-type Activities Enterprise Funds			Total Nonmajor Enterprise Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
OPERATING REVENUES				
Charges for Services	\$ 5,269,225	\$ 2,254,887	-	\$ 7,524,112
Green Fees	-	-	\$ 795,442	795,442
Cart and Club Rental	-	-	359,640	359,640
Pro Shop Sales	-	-	210,638	210,638
Restaurant Sales	-	-	79,157	79,157
Total Operating Revenues	5,269,225	2,254,887	1,444,877	8,968,989
OPERATING EXPENSES				
Operations and Maintenance	4,354,601	2,185,715	1,910,080	8,450,396
Depreciation and Amortization	-	(48,380)	102,721	54,341
Total Operating Expenses	4,354,601	2,137,335	2,012,801	8,504,737
Operating Income/(Loss)	914,624	117,552	(567,924)	464,252
NON-OPERATING REVENUES (EXPENSES)				
Interest	(30,740)	(46,795)	(112)	(77,647)
Miscellaneous Revenues	15,164	-	6,662	21,826
Net Non-Operating Revenues	(15,576)	(46,795)	6,550	(55,821)
Income/(Loss) before Contributions and Transfers	899,048	70,757	(561,374)	408,431
Capital Contributions	-	695,550	-	695,550
Transfers In	-	-	400,000	400,000
Transfers Out	(165,206)	-	(2,100)	(167,306)
Change in Net Position	733,842	766,307	(163,474)	1,336,675
Net Position - Beginning, as restated	1,955,320	3,005,066	(1,489,704)	3,470,682
Net Position - Ending	\$ 2,689,162	\$ 3,771,373	\$(1,653,178)	\$ 4,807,357

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

Year Ended June 30, 2022

	Business-type Activities Enterprise Funds			Total Nonmajor Enterprise Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
Cash Flow from Operating Activities:				
Cash Received from Customers	\$5,271,655	\$2,251,342	\$1,477,214	\$9,000,211
Cash Paid to Employees	(1,136,923)	(586,784)	(795,388)	(2,519,095)
Cash Paid to Suppliers	(3,290,793)	(2,274,970)	(1,177,887)	(6,743,650)
Other Operating Activity Revenue	15,164	-	6,663	21,827
Net Cash Provided by/(used for) Operating Activities	859,103	(610,412)	(489,398)	(240,707)
Cash Flows from Noncapital Financing Activities:				
Cash Received from Other Funds	-	-	400,000	400,000
Cash Paid to Other Funds	(165,206)	-	(2,100)	(167,306)
Interfund Borrowing	-	13,363	91,087	104,450
Net Cash Flows Provided by/ (Used for) Noncapital Financing Activities	(165,206)	13,363	488,987	337,144
Cash Flow from Capital and Related Financing Activities:				
Contributions of Capital	-	695,550	-	695,550
Net Cash Flows Provided by / (Used for) Capital and Related Financing Activities	-	695,550	-	695,550
Cash Flows from Investing Activities:				
Receipt of Interest	(31,572)	(47,828)	(112)	(79,512)
Net Cash Provided by / (Used for) Investing Activities	(31,572)	(47,828)	(112)	(79,512)
Net Increase / (Decrease) in Cash and Cash Equivalents	662,325	50,673	(523)	712,475
Cash and Cash Equivalents, July 1	2,576,290	4,303,367	2,123	6,881,780
Cash and Cash Equivalents, June 30	\$3,238,615	\$4,354,040	\$ 1,600	\$7,594,255
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(used for) Operating Activities:				
Operating Income/(Loss)	\$ 914,624	\$ 117,552	\$ (567,924)	\$ 464,252
Adjustments to Reconcile Operating Income/(Loss)				
Depreciation and Amortization Expense	-	(48,380)	102,721	54,341
(Increase)/Decrease in Accounts Receivable	2,429	(3,600)	32,338	31,167
(Increase) in Inventories	-	-	(12,554)	(12,554)
Increase (Decrease) in Accounts Payable	68,373	(649,805)	7,325	(574,107)
Increase / (Decrease) in Accrued Wages and Taxes Payable	(86,985)	8,124	4,746	(74,115)
Increase (Decrease) in Customer Deposits	-	58	-	58
Increase in Unearned Revenue	-	-	3,047	3,047
(Decrease) in Pension Reporting	(54,502)	(34,361)	(65,759)	(154,622)
Increase in Other Operating Activity Revenue	15,164	-	6,662	21,826
Total Adjustments	(55,521)	(727,964)	78,526	(704,959)
Net Cash Provided by/(used for) Operating Activities	\$ 859,103	\$ (610,412)	\$ (489,398)	\$ (240,707)

BUDGETARY COMPARISON SCHEDULES

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2022

INFLOW OF RESOURCES:	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Inside City	\$22,416,700	\$ 22,584,479	\$ 23,577,872	\$ 993,393
Outside City	2,480,400	2,480,400	2,517,022	36,622
Commercial Raw Water	160,000	160,000	148,318	(11,682)
Meters, Connections and Services	1,384,750	1,384,750	1,344,334	(40,416)
Total Operating Revenues	26,441,850	26,609,629	27,587,546	977,917
Interest	117,300	117,300	(501,255)	(618,555)
Miscellaneous	65,500	65,500	137,921	72,421
Total NonOperating Revenues	182,800	182,800	(363,334)	(546,134)
Capital Contributions:				
System Development	150,000	150,000	145,422	(4,578)
Capacity Rights	2,700,000	2,700,000	3,226,474	526,474
Other Financing Sources	2,850,000	2,850,000	3,371,896	521,896
Total Inflow of Resources	29,474,650	29,642,429	30,596,108	953,679
USE OF RESOURCES:				
Administration	3,309,397	3,755,384	4,122,326	(366,942)
Treatment	7,286,198	7,278,773	6,251,083	1,027,690
Water Transmission	2,210,746	2,210,746	1,830,737	380,009
Customer Services	998,998	998,998	865,020	133,978
Water Transfer	40,670	40,670	41,132	(462)
Laboratory	318,811	318,811	267,544	51,267
Total Operating Expenses	14,164,820	14,603,382	13,377,842	1,225,540
Interest and Fiscal Agent Fees	2,187,023	2,187,023	2,187,025	(2)
Total Non-operating Expenses	2,187,023	2,187,023	2,187,025	(2)
Capital Outlay	797,000	358,438	69,307	289,131
Capital Projects	10,246,500	13,660,430	6,270,748	7,389,682
Debt Service:				
Principal Retirement	6,671,518	6,671,518	6,671,518	-
Financed Purchases Payable	-	-	16,859	(16,859)
Transfers Out	-	59,583	59,608	(25)
Other Financing Uses	17,715,018	20,749,969	13,088,040	7,661,929
Total Use of Resources	34,066,861	37,540,374	28,652,907	8,887,467
Inflows of Resources Over (Under)				
Uses of Resources	\$ (4,592,211)	\$ (7,897,945)	\$ 1,943,201	\$ 9,841,146

	Actual Amounts
Reconciliation to Change in Net Position:	
Inflow of Resources Over (Under) Uses of Resources	\$1,943,201
Capital Outlay	69,307
Capital Projects	6,270,748
Principal Retirement	6,688,377
Capital Contributions for Developer Additions to System	1,153,890
Amortization of Deferred Charges on Refunding	172,260
Pension Contributions in excess of Expense	383,003
Depreciation and Amortization	(7,587,653)
Change in Net Position	\$ 9,093,133

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

Year Ended June 30, 2022

INFLOW OF RESOURCES:	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Inside City	\$14,956,200	\$ 15,100,530	\$ 15,410,040	\$ 309,510
Outside City	1,110,000	1,110,000	1,099,875	(10,125)
Contractual/Industrial Services	2,295,000	2,295,000	2,426,325	131,325
Meters, Connections and Services	64,500	64,500	62,886	(1,614)
Total Operating Revenues	18,425,700	18,570,030	18,999,126	429,096
Interest	719,700	719,700	(932,805)	(1,652,505)
Miscellaneous	28,000	28,000	37,671	9,671
Total NonOperating Revenues	747,700	747,700	(895,134)	(1,642,834)
Capital Contributions:				
Capacity Rights	2,900,000	2,900,000	3,571,913	671,913
Wastewater Interceptor	195,000	195,000	199,299	4,299
Wastewater Trunk Line Charges	15,000	15,000	21,415	6,415
Intergovernmental:				
State Government	-	-	-	-
Issuance of Long-Term Debt	80,000,000	80,000,000	86,889,596	6,889,596
Issuance of Capital Lease	-	-	-	-
Transfers In	-	-	-	-
Other Financing Sources	83,110,000	83,110,000	90,682,223	7,572,223
Total Inflow of Resources	102,283,400	102,427,730	108,786,215	6,358,485
USE OF RESOURCES:				
Administration	2,229,005	2,229,005	2,063,099	165,906
Treatment	7,351,068	7,350,778	7,228,574	122,204
Pretreatment	551,265	551,265	385,673	165,592
Collection	1,505,252	1,505,252	1,218,878	286,374
Laboratory	363,074	363,074	314,996	48,078
Total Operating Expenses	11,999,664	11,999,374	11,211,220	788,154
Interest and Fiscal Agent Fees	702,840	702,840	2,943,842	(2,241,002)
Total Non-operating Expenses	702,840	702,840	2,943,842	(2,241,002)
Capital Outlay	277,152	277,442	8,094	269,348
Capital Projects	8,193,000	92,672,565	3,745,346	88,927,219
Debt Service:				
Principal Retirement	8,118,341	8,118,341	6,571,482	1,546,859
Financed Purchases Payable	23,946	23,946	37,388	(13,442)
Transfers Out	-	65,961	65,989	(28)
Other Financing Uses	16,612,439	101,158,255	10,428,299	90,729,956
Total Use of Resources	29,314,943	113,860,469	24,583,361	89,277,108
Inflows of Resources Over (Under)				
Uses of Resources	\$72,968,457	(\$11,432,739)	\$84,202,854	\$95,635,593

	Actual Amounts
Reconciliation to Change in Net Position:	
Inflow of Resources Over (Under) Uses of Resources	\$84,202,854
Capital Outlay	8,094
Capital Projects	3,745,346
Principal Retirement	6,608,870
Issuance of Long-Term Debt	(86,889,596)
Amortization of Deferred Charges on Refunding	827,059
Capital Contributions for Subdivider Additions to System	1,689,652
Pension Contributions in excess of Expense	272,813
Depreciation and Amortization	(6,116,827)
<u>Change in Net Position</u>	<u>\$ 4,348,265</u>

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.

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>INFLOW OF RESOURCES:</u>				
Charges for Service				
Collection Fees	\$ 5,192,000	\$ 5,217,669	\$ 5,269,225	\$ 51,556
Interest	6,000	6,000	(30,740)	(36,740)
Miscellaneous				
Other	11,500	11,500	15,164	3,664
Total Inflow of Resources	5,209,500	5,235,169	5,253,649	18,480
<u>USE OF RESOURCES:</u>				
Environmental Health and Protection				
Residential Services	3,824,282	3,824,282	3,734,485	89,797
Uncontained Waste	503,032	503,032	470,855	32,177
Recycling	261,018	261,018	203,764	57,254
Total Expenses	4,588,332	4,588,332	4,409,104	179,228
Capital Outlay	415,800	415,800	-	415,800
Transfers Out	-	165,136	165,206	(70)
Other Financing Uses	415,800	580,936	165,206	415,730
Total Use of Resources	5,004,132	5,169,268	4,574,310	594,958
Inflows of Resources Over (Under)				
Uses of Resources	\$205,368	\$65,901	679,339	(\$576,478)
Reconciliation to Change in Net Position:				
Pension Contributions in excess of Expense			54,503	
Depreciation and Amortization			-	
Change in Net Position			\$ 733,842	

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

Year Ended June 30, 2022

Radio Communication Fund

Exhibit I-4

INFLOW OF RESOURCES:	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Charges for Service				
Radio Equipment Fees	\$ 1,112,100	\$ 1,112,100	\$ 1,115,538	\$ 3,438
Software Fees	1,060,000	1,060,000	1,050,771	(9,229)
911 Admin Fees	101,660	101,660	88,578	(13,082)
Intergovernmental:				
State Government	-	-	695,550	695,550
Budget Authority Reserve	1,000,000	1,000,000	-	(1,000,000)
Use of Money and Property				
Interest	10,000	10,000	(46,795)	(56,795)
Miscellaneous				
Other	10,000	10,000	-	(10,000)
Total Inflow of Resources	3,293,760	3,293,760	2,903,642	(390,118)
USE OF RESOURCES:				
Environmental Health				
Radio Communications	864,558	864,558	554,075	310,483
Radio Software	1,524,628	1,524,628	849,576	675,052
911 Administration	72,098	72,098	143,590	(71,492)
Public Safety	1,000,000	1,000,000	672,835	327,165
Total Expenses	3,461,284	3,461,284	2,220,076	1,241,208
Capital Outlay	1,575	1,575	-	1,575
Other Financing Uses	1,575	1,575	-	1,575
Total Use of Resources	3,462,859	3,462,859	2,220,076	1,242,783
Inflows of Resources Over (Under)				
Uses of Resources	(\$169,099)	(\$169,099)	683,566	(\$1,632,901)
Reconciliation to Change in Net Position:				
Pension Contributions in excess of Expense			34,361	
Depreciation and Amortization			48,380	
Change in Net Position			<u>\$ 766,307</u>	

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.

Year Ended June 30, 2022

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
INFLOW OF RESOURCES:				
Green Fees	\$ 526,600	\$ 563,512	\$ 795,442	\$ 231,930
Cart and Club Rental	218,300	218,300	359,640	141,340
Pro Shop Sales	151,000	151,000	210,638	59,638
Restaurant Sales	15,500	15,500	79,157	63,657
Interest	-	-	(112)	(112)
Miscellaneous	6,200	6,200	6,662	462
Total Inflow of Resources	917,600	954,512	1,451,427	496,915
Transfers In	-	400,000	400,000	-
Other Financing Sources	-	400,000	400,000	-
Total Inflow of Resources	917,600	1,354,512	1,851,427	496,915
USE OF RESOURCES:				
Maintenance	1,266,009	1,266,009	1,126,765	139,244
Concession	541,237	773,689	747,208	26,481
Restaurant	-	-	54,295	(54,295)
Administrative	-	-	47,571	(47,571)
Total Expenses	1,807,246	2,039,698	1,975,839	63,859
Transfers Out	-	2,100	2,100	-
Other Financing Uses	-	2,100	2,100	-
Total Use of Resources	1,807,246	2,041,798	1,977,939	63,859
Inflows of Resources Over (Under)				
Uses of Resources	<u>(\$889,646)</u>	<u>(\$687,286)</u>	(126,512)	<u>\$560,774</u>
Reconciliation to Change in Net Assets:				
Pension Contributions in excess of Expense			65,759	
Depreciation and Amortization			(102,721)	
Change in Net Position			<u>\$ (163,474)</u>	

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

City of Yuma, Arizona

Combining Statement of Fund Net Position

June 30, 2022

	Equipment Replacement	Equipment Maintenance
ASSETS		
Current Assets:		
Cash and Investments	\$ 13,217,967	\$ -
Accounts Receivable	3,963	-
Intergovernmental Receivable	-	-
Accrued Interest	10,536	-
Inventory, at cost	-	326,615
Prepaid Items	2,030,949	-
Total Current Assets	<u>15,263,415</u>	<u>326,615</u>
Noncurrent Assets:		
Capital Assets:		
Land	-	219,610
Buildings	-	19,251
Improvements Other than Buildings	-	222,733
Equipment	32,923,715	245,489
Less Accumulated Depreciation	(29,054,719)	(376,511)
Total Noncurrent Assets	<u>3,868,996</u>	<u>330,572</u>
Total Assets	<u>\$ 19,132,411</u>	<u>\$ 657,187</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 7,318	\$ 7,108
Accrued Payroll, Taxes and Benefits Payable	-	49,480
Current Portion - Accrued Compensated Absences	-	24,984
Current Portion - Estimated Claims and Judgements	-	-
Due to Other Funds	-	558,817
Total Current Liabilities Payable	<u>7,318</u>	<u>640,389</u>
Noncurrent Liabilities:		
Estimated Claims and Judgements	-	-
Accrued Compensated Absences	-	39,568
Total Long-Term Liabilities	<u>-</u>	<u>39,568</u>
Total Liabilities	<u>7,318</u>	<u>679,957</u>
NET POSITION		
Net investment in capital assets	3,868,996	330,572
Unrestricted (deficit)	15,256,097	(353,342)
Total Net Position	<u>\$ 19,125,093</u>	<u>\$ (22,770)</u>

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

Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
\$ 2,406,293	\$ 295,603	\$ 6,414,652	\$ 22,334,515
1,738	-	2,131	7,832
-	-	-	-
187	270	2,157	13,150
-	-	-	326,615
-	-	-	2,030,949
<u>2,408,218</u>	<u>295,873</u>	<u>6,418,940</u>	<u>24,713,061</u>
-	-	-	219,610
-	-	-	19,251
-	-	-	222,733
-	-	-	33,169,204
-	-	-	(29,431,230)
-	-	-	4,199,568
\$ 2,408,218	\$ 295,873	\$ 6,418,940	\$ 28,912,629
\$ 295,825	\$ 139	\$ 273,746	\$ 584,136
-	-	-	49,480
-	-	-	24,984
198,247	-	958,569	1,156,816
-	-	-	558,817
<u>494,072</u>	<u>139</u>	<u>1,232,315</u>	<u>2,374,233</u>
766,728	-	1,465,216	2,231,944
-	-	-	39,568
<u>766,728</u>	<u>-</u>	<u>1,465,216</u>	<u>2,271,512</u>
1,260,800	139	2,697,531	4,645,745
-	-	-	4,199,568
1,147,418	295,734	3,721,409	20,067,316
\$ 1,147,418	\$ 295,734	\$ 3,721,409	\$ 24,266,884

City of Yuma, Arizona

Combining Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2022

	Equipment Replacement	Equipment Maintenance
<u>OPERATING REVENUES</u>		
Charges For Services	-	\$ 2,729,437
Contributions		
City	-	-
Equipment Rental	\$ 2,980,929	-
Miscellaneous	28,432	2,129
Total Operating Revenues	<u>3,009,361</u>	<u>2,731,566</u>
<u>OPERATING EXPENSES</u>		
Claims Incurred	-	-
Premiums to Insurance Carriers	-	-
Administration	23,499	2,664,111
Depreciation	1,977,193	11,963
Total Operating Expenses	<u>2,000,692</u>	<u>2,676,074</u>
Operating Income/(Loss)	<u>1,008,669</u>	<u>55,492</u>
<u>NON-OPERATING REVENUE / (EXPENSES)</u>		
Interest	(135,420)	-
Gain on the Sale of Assets	56,701	-
Total Non-Operating Revenues	<u>(78,719)</u>	<u>-</u>
Income/(Loss) before transfers	<u>929,950</u>	<u>55,492</u>
Transfers In	-	-
Transfers Out	-	-
Net Transfers	-	-
Change in Net Position	<u>929,950</u>	<u>55,492</u>
Net Position, Beginning	18,195,143	(78,262)
Net Position, Ending	<u>\$ 19,125,093</u>	<u>\$ (22,770)</u>

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

Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
\$ 440,533	-	-	\$ 3,169,970
-	-	\$ 1,563,672	1,563,672
-	-	-	2,980,929
18,673	-	12,489	61,723
459,206	-	1,576,161	7,776,294
179,847	-	1,436,085	1,615,932
1,216,369	-	489,706	1,706,075
534,884	-	44,939	3,267,433
-	-	-	1,989,156
1,931,100	-	1,970,730	8,578,596
(1,471,894)	-	(394,569)	(802,302)
(37,454)	\$ 1,013	(36,147)	(208,008)
-	-	-	56,701
(37,454)	1,013	(36,147)	(151,307)
(1,509,348)	1,013	(430,716)	(953,609)
-	-	-	-
-	-	-	-
-	-	-	-
(1,509,348)	1,013	(430,716)	(953,609)
2,656,766	294,721	4,152,125	25,220,493
\$ 1,147,418	\$ 295,734	\$ 3,721,409	\$ 24,266,884

City of Yuma, Arizona

Combining Statement of Cash Flows

Year Ended June 30, 2022

	Equipment Replacement	Equipment Maintenance
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 949,980	\$ 2,729,450
Cash Paid to Employees	-	(1,165,010)
Cash Paid to Suppliers	(17,021)	(1,441,335)
Cash Paid For Operating Expenses	-	-
Other Operating Activity Revenue	28,432	2,128
Net Cash Flows Provided by / (Used for) Operating Activities	<u>961,391</u>	<u>125,233</u>
Cash Flows from Noncapital Financing Activities:		
Interfund Borrowing		(125,233)
Net Cash Flows Provided by / (Used for) Noncapital Financing Activities	-	<u>(125,233)</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Sale of Capital Assets	61,688	-
Payments for Capital Acquisitions	(19,800)	-
Net Cash Flows Provided by / (Used for) Capital and Related Financing Activities	<u>41,888</u>	<u>-</u>
Cash Flows from Investing Activities:		
Receipt of Interest	(138,987)	-
Net Cash Flows Provided by / (Used for) Investing Activities	<u>(138,987)</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	864,292	-
Cash and Cash Equivalents, July 1	12,353,675	-
Cash and Cash Equivalents, June 30	<u>\$ 13,217,967</u>	<u>\$ -</u>
Reconciliation of Operation Income/(Loss) to Net Cash Provided by / (Used for) Operating Activities:		
Operating Income/(Loss)	\$ 1,008,669	\$ 55,492
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by / (Used for) Operating Activities:		
Depreciation Expense	1,977,193	11,963
(Increase)/Decrease in Accounts Receivable	(2,030,949)	14
Decrease in Inventory	-	97,419
Increase in Claims Incurred		
Increase/(Decrease) in Accounts Payable	6,478	(21,329)
(Decrease) in Payroll Liabilities	-	(18,326)
(Decrease) in Estimated Claims	-	-
Total Adjustments	<u>(47,278)</u>	<u>69,741</u>
Net Cash Provided by Operating Activities	<u>\$ 961,391</u>	<u>\$ 125,233</u>

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

Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
\$ 459,206	\$ -	\$ 1,727,250	\$ 5,865,886
-	-	-	(1,165,010)
(1,931,100)	-	-	(3,389,456)
(452,865)	-	(932,973)	(1,385,838)
-	-	-	30,560
(1,924,759)	-	794,277	(43,858)
			(125,233)
-	-	-	(125,233)
-	-	-	61,688
-	-	-	(19,800)
-	-	-	41,888
(38,430)	955	(37,169)	(213,631)
(38,430)	955	(37,169)	(213,631)
(1,963,189)	955	757,108	(340,834)
4,369,482	294,648	5,657,544	22,675,349
<u>\$ 2,406,293</u>	<u>\$ 295,603</u>	<u>\$ 6,414,652</u>	<u>\$ 22,334,515</u>
\$ (1,471,894)	\$ -	\$ (394,569)	\$ (802,302)
-	-	-	1,989,156
-	(86)	151,089	(1,879,932)
-	-	-	97,419
-	-	804,951	804,951
268,660	86	232,806	486,701
-	-	-	(18,326)
(721,525)	-	-	(721,525)
(452,865)	-	1,188,846	758,444
<u>\$ (1,924,759)</u>	<u>\$ -</u>	<u>\$ 794,277</u>	<u>\$ (43,858)</u>



{This page is intentionally left blank}

BUDGETARY COMPARISON SCHEDULES



{This page is intentionally left blank}

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
INFLOW OF RESOURCES:				
Charges for Services	\$2,980,929	\$2,980,929	\$2,980,929	\$0
Interest	50,000	50,000	(135,420)	(185,420)
Miscellaneous	-	-	28,432	28,432
Total Inflow of Resources	3,030,929	3,030,929	2,873,941	(156,988)
USE OF RESOURCES:				
Current:				
Administration	23,499	23,499	23,499	-
Total Expenses	23,499	23,499	23,499	-
Capital Outlay	3,123,400	2,825,382	19,799	2,805,583
Other Financing Uses	3,123,400	2,825,382	19,799	2,805,583
Total Use of Resources	3,146,899	2,848,881	43,298	2,805,583
Inflows of Resources Over (Under)				
Uses of Resources	<u>(\$115,970)</u>	<u>\$182,048</u>	<u>2,830,643</u>	<u>(\$2,962,571)</u>
Reconciliation to Change in Net Position:				
Capital Outlay			19,800	
Gain on Sale of Asset			56,700	
Depreciation and Amortization			(1,977,193)	
Change in Net Position			<u>\$ 929,950</u>	

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

Year Ended June 30, 2022

Equipment Maintenance Fund

Exhibit K-2

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
INFLOW OF RESOURCES:				
Charges for Services	\$2,912,000	\$2,912,000	\$2,729,437	(\$182,563)
Miscellaneous	-	-	2,129	2,129
Total Inflow of Resources	2,912,000	2,912,000	2,731,566	(180,434)
USE OF RESOURCES:				
Current:				
Administration	2,874,890	2,874,890	2,664,111	210,779
Total Expenses	2,874,890	2,874,890	2,664,111	210,779
Transfers Out	-	-	-	-
Other Financing Uses	-	-	-	210,779
Total Use of Resources	2,874,890	2,874,890	2,664,111	421,558
Inflows of Resources Over (Under)				
Uses of Resources	\$37,110	\$37,110	67,455	(\$601,992)
Reconciliation to Change in Net Position:				
Depreciation and Amortization			(11,963)	
Change in Net Position			\$ 55,492	

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

Year Ended June 30, 2022

Insurance Reserve Fund

Exhibit K-3

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
INFLOW OF RESOURCES:				
Charges for Services	\$ 1,925,785	\$ 1,925,785	\$ 440,533	\$ (1,485,252)
Interest	9,500	9,500	(37,454)	(46,954)
Miscellaneous	-	-	18,673	18,673
Total Inflow of Resources	1,935,285	1,935,285	421,752	(1,513,533)
USE OF RESOURCES:				
Current:				
Claims Incurred	1,402,000	1,402,000	179,847	1,222,153
Premiums to Insurance Carriers	1,104,307	1,104,307	1,216,369	(112,062)
Administration	575,000	575,000	534,884	40,116
Total Use of Resources	3,081,307	3,081,307	1,931,100	1,150,207
Inflows of Resources Over (Under)				
Uses of Resources	<u>\$(1,146,022)</u>	<u>\$(1,146,022)</u>	<u>(1,509,348)</u>	<u>\$(2,663,740)</u>
Reconciliation to Change in Net Position:				
Change in Net Position			<u>\$(1,509,348)</u>	

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.

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
INFLOW OF RESOURCES:				
Contributions - City	\$ 1,457,671	\$ 1,457,671	\$ 1,563,672	\$ 106,001
Interest	-	-	(36,147)	(36,147)
Miscellaneous	-	-	12,489	12,489
Total Inflow of Resources	1,457,671	1,457,671	1,540,014	82,343
USE OF RESOURCES:				
Current:				
Claims Incurred	975,000	975,000	1,436,085	(461,085)
Premiums to Insurance Carriers	218,360	218,360	489,706	(271,346)
Administration	42,000	42,000	44,939	(2,939)
Total Use of Resources	1,235,360	1,235,360	1,970,730	(735,370)
Inflows of Resources Over (Under)				
Uses of Resources	\$ 222,311	\$ 222,311	(430,716)	\$ 817,713
Reconciliation to Change in Net Position:				
Change in Net Position			\$ (430,716)	

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

The **Statistical Section** should assist the reader of this ACFR with understanding the environment in which the City operates. This section discloses economic, financial, and demographic information that is interesting and relevant to assessing the City's financial condition. Unlike the *Financial Section*, this section is unaudited.



{This page is intentionally left blank}

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

{This page is intentionally left blank}

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net investment in capital assets	\$ 226,188	\$ 216,506	\$ 215,713	\$ 206,885	\$ 197,164	\$ 194,292	\$ 193,687	\$ 194,763	\$ 197,997	\$ 208,428
Restricted	49,601	153,355	17,370	19,572	26,147	38,057	49,652	23,223	19,166	22,456
Unrestricted	(81,389)	(200,007)	(82,636)	(84,372)	(82,363)	(91,026)	(91,649)	(68,462)	43,244	39,115
Total governmental activities net position	\$ 194,401	\$ 169,855	\$ 150,447	\$ 142,085	\$ 140,948	\$ 141,323	\$ 151,690	\$ 149,524	\$ 260,407	\$ 269,999
Business-type activities										
Net investment in capital assets	\$ 171,271	\$ 161,627	\$ 158,390	\$ 156,204	\$ 154,181	\$ 150,899	\$ 152,343	\$ 147,573	\$ 159,458	\$ 163,246
Restricted	-	-	-	-	-	-	2,715	9,009	9,009	9,009
Unrestricted	106,470	101,000	88,921	77,629	68,015	60,405	49,657	44,607	46,877	43,362
Total business-type activities net position	\$ 277,741	\$ 262,627	\$ 247,311	\$ 233,833	\$ 222,196	\$ 211,304	\$ 204,715	\$ 201,189	\$ 215,344	\$ 215,617
Primary government										
Net investment in capital assets	\$ 397,460	\$ 378,133	\$ 374,104	\$ 363,089	\$ 351,345	\$ 345,191	\$ 346,030	\$ 342,336	\$ 357,455	\$ 371,674
Restricted	49,601	153,355	17,370	19,572	26,147	38,057	52,367	32,232	28,175	31,465
Unrestricted	25,081	(99,007)	6,285	(6,743)	(14,348)	(30,621)	(41,992)	(23,855)	90,121	82,477
Total primary government net position	\$ 472,142	\$ 432,481	\$ 397,758	\$ 375,918	\$ 363,144	\$ 352,627	\$ 356,405	\$ 350,713	\$ 475,751	\$ 485,616

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

Last Ten Fiscal Years (in millions)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Governmental activities:										
General government	\$ 23,137	\$ 15,297	\$ 10,991	\$ 10,664	\$ 11,532	\$ 8,741	\$ 9,102	\$ 9,056	\$ 10,335	\$ 10,345
Public Safety	60,538	64,966	63,540	61,366	62,157	68,133	55,883	55,785	46,585	43,051
Streets	19,724	20,195	18,272	17,312	15,301	16,063	12,272	14,964	25,265	14,980
Parks, Recreation and Culture	11,798	11,288	14,692	14,580	14,967	14,892	14,219	14,364	13,606	12,787
Environmental Health and Protection	96	133	124	208	95	26	686	178	89	156
Community Design and Development	6,799	6,007	4,933	5,212	4,391	4,524	4,331	4,439	5,167	5,134
Interest on Long-Term Debt	6,447	4,963	3,361	3,733	4,087	4,400	4,505	4,462	4,781	5,153
Total governmental activities expenses	128,540	122,849	115,913	113,075	112,530	116,779	100,998	103,248	105,828	91,606
Business-type activities:										
Water	22,558	21,978	22,792	22,398	22,204	22,821	23,337	25,259	24,762	23,227
Wastewater	18,991	17,856	18,170	17,415	17,293	16,478	16,643	17,253	17,073	16,165
Solid Waste	4,342	4,207	3,991	3,706	3,772	3,728	3,347	3,070	3,085	3,213
Radio Communications	2,139	2,397	2,531	2,042	1,845	2,313	2,184	2,623	4,153	4,663
Golf Courses	1,946	1,808	1,930	1,861	1,736	1,681	1,864	2,518	3,474	2,469
Total business-type activities expenses	49,975	48,246	49,414	47,422	46,850	47,021	47,375	50,723	52,547	49,737
Total primary government expenses	\$ 178,515	\$ 171,095	\$ 165,327	\$ 160,497	\$ 159,380	\$ 163,800	\$ 148,373	\$ 153,971	\$ 158,375	\$ 141,343
Program Revenues										
Governmental activities:										
Charges for Services	\$ 16,922	\$ 11,270	\$ 10,634	\$ 12,178	\$ 15,098	\$ 13,161	\$ 14,759	\$ 10,039	\$ 11,770	\$ 12,361
Operating Grants and Contributions	3,884	10,614	8,890	3,882	1,943	1,876	2,528	3,519	3,305	3,980
Capital Grants and Contributions	10,909	7,734	3,849	1,904	5,016	1,817	609	1,481	577	1,744
Total governmental activities program revenues	31,716	29,618	23,373	17,964	22,057	16,854	17,896	15,039	15,652	18,085
Business-type activities:										
Charges for Services	55,753	52,741	51,491	50,495	48,731	47,420	44,510	42,771	44,383	43,587
Capital Grants and Contributions	10,704	10,623	9,980	6,634	8,233	5,911	6,405	5,748	7,044	7,776
Total business-type activities program revenues	66,457	63,363	61,471	57,129	56,964	53,331	50,915	48,519	51,427	51,363
Total primary government program revenues	\$ 98,172	\$ 92,981	\$ 84,844	\$ 75,093	\$ 79,021	\$ 70,185	\$ 68,811	\$ 63,558	\$ 67,079	\$ 69,448

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

Last Ten Fiscal Years (in millions)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net (expense)/revenue										
Governmental activities	\$ (96,824)	\$ (93,231)	\$ (92,542)	\$ (95,111)	\$ (90,473)	\$ (99,927)	\$ (83,100)	\$ (88,209)	\$ (90,176)	\$ (73,521)
Business-type activities	16,481	15,117	12,054	9,707	10,114	6,322	3,540	(2,204)	(1,120)	1,626
Total primary government net expense	\$ (80,343)	\$ (78,113)	\$ (80,488)	\$ (85,404)	\$ (80,359)	\$ (93,605)	\$ (79,660)	\$ (90,413)	\$ (91,296)	\$ (71,895)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 15,082	\$ 14,482	\$ 13,725	\$ 13,048	\$ 12,520	\$ 12,354	\$ 10,955	\$ 9,650	\$ 9,451	\$ 9,549
Sales taxes	62,122	54,910	47,456	44,320	42,999	41,653	40,149	38,283	37,994	37,624
Franchise taxes	3,365	3,220	3,072	3,195	3,266	3,067	3,163	3,095	3,010	3,043
Shared revenues	40,739	39,785	35,449	33,580	32,644	31,713	30,272	29,441	26,552	25,917
Unrestricted investment earnings	(923)	197	1,404	2,027	1,022	687	449	269	545	796
Gain from/(loss on) sale of capital assets	-	-	(280)	-	-	-	-	-	-	-
Transfers	(107)	43	79	78	78	85	280	(1,323)	(730)	(122)
Total governmental activities	120,277	112,638	100,905	96,248	92,529	89,559	85,268	79,415	76,822	76,807
Business-type activities:										
Investment earnings	(1,512)	241	1,502	2,007	856	353	265	165	222	26
Transfers	107	(43)	(79)	(78)	(78)	(85)	(280)	1,323	730	122
Total business-type activities	(1,405)	198	1,423	1,929	778	268	(15)	1,488	952	148
Total primary government	\$ 118,872	\$ 112,836	\$ 102,328	\$ 98,177	\$ 93,307	\$ 89,827	\$ 85,253	\$ 80,903	\$ 77,774	\$ 76,955
Change in Net Position										
Governmental activities	\$ 23,453	\$ 19,407	\$ 8,363	\$ 1,137	\$ 2,056	\$ (10,368)	\$ 2,166	\$ (8,794)	\$ (13,354)	\$ 3,391
Business-type activities	15,077	15,316	13,477	11,636	10,892	6,590	3,526	(715)	(168)	1,669
Total primary government	\$ 38,530	\$ 34,723	\$ 21,840	\$ 12,773	\$ 12,948	\$ (3,778)	\$ 5,692	\$ (9,509)	\$ (13,522)	\$ 5,060

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable	\$ 32	\$ 29	\$ 33	\$ 65	\$ 87	\$ 118	\$ 127	\$ 144	\$ 178	\$ 187
Restricted	876	122,386	-	-	-	-	-	-	-	-
Committed	12,332	-	-	-	-	-	-	-	-	935
Assigned	23,561	-	-	-	-	-	-	-	-	-
Unassigned	24,167	47,465	29,202	20,855	20,915	17,436	18,218	17,348	17,732	18,693
Total General Fund	\$ 60,968	\$169,880	\$29,235	\$ 20,920	\$ 21,002	\$17,554	\$18,345	\$17,492	\$ 17,910	\$19,815
All other										
Nonspendable	13	17	11	24	14	66	17	20	16	19
Restricted	38,030	32,826	16,475	22,302	34,501	35,877	47,003	20,280	19,167	22,456
Committed	111	111	7,971	7,076	6,277	(5,530)	8,655	7,847	7,018	7,252
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(751)	(587)	(304)	(164)	-	-	-	-	-	-
Total all other	\$ 37,403	\$ 32,367	\$ 24,153	\$ 29,238	\$ 40,792	\$ 30,413	\$ 55,675	\$ 28,147	\$ 26,201	\$ 29,727

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

Revenues	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Taxes	\$ 80,621	\$ 72,614	\$ 64,055	\$ 60,353	\$ 58,720	\$ 57,022	\$ 54,166	\$ 50,991	\$ 50,425	\$ 50,282
Licenses and permits	2,287	2,769	2,221	2,088	2,261	2,064	1,932	1,858	1,880	1,723
Intergovernmental	47,170	50,627	44,578	37,336	35,120	34,489	32,947	32,951	30,254	30,780
Charges for services	13,730	7,787	8,203	8,257	7,741	9,152	7,965	6,846	7,086	7,293
Fines and forfeitures	1,207	931	1,011	1,008	1,141	1,229	1,298	1,162	1,210	1,526
Special assessments	24	365	350	335	320	305	290	280	1,183	1,134
Interest and rents	(367)	675	1,480	2,015	1,261	889	766	643	971	819
Contributions and donations	133	186	183	219	497	170	436	1,021	88	69
Miscellaneous	688	1,044	470	619	1,573	1,447	899	555	456	1,053
Total revenues	145,494	136,997	122,551	112,230	108,634	106,767	100,699	96,307	93,553	94,679
Expenditures										
General government	18,546	11,382	9,889	9,306	8,185	7,923	7,875	7,566	8,964	9,409
Public Safety	160,644	90,616	55,379	54,396	50,260	51,846	47,635	45,692	42,938	40,769
Streets	10,401	10,656	8,492	9,111	7,896	8,259	7,551	7,718	7,592	7,662
Parks, Recreation and Culture	12,080	10,371	13,694	14,031	13,629	13,182	12,593	12,117	11,200	10,964
Environmental Health and Protection	128	76	76	75	58	50	20	70	72	104
Community Design and Development	6,388	5,919	4,866	5,407	4,641	4,485	4,237	4,288	5,096	5,134
Capital Outlay and Capital Projects	12,461	4,395	15,930	20,227	10,089	23,878	9,321	5,502	8,702	11,792
Debt Service										
Principal	21,764	8,929	8,490	7,804	7,095	6,790	6,565	8,080	8,700	8,350
Interest and fiscal agent fees	6,953	3,214	3,681	4,052	4,407	4,720	3,777	4,566	4,885	5,209
Issuance Cost	-	2,256	-	-	-	-	914	-	-	-
Total expenditures	249,366	147,814	120,497	124,409	106,260	121,133	100,488	95,599	98,149	99,393
Excess of revenues over (under) expenditures	(103,872)	(10,817)	2,054	(12,179)	2,374	(14,366)	211	708	(4,596)	(4,714)
Other financing sources (uses)										
Proceeds from long-term debt	-	172,249	-	-	-	-	97,386	-	-	-
Sale of real property	-	-	61	-	-	-	-	-	-	-
Payment to Refunded Bond Escrow	-	(12,618)	-	-	-	-	(72,265)	-	-	-
Capital Lease Agreements	103	-	1,617	1,180	1,032	-	-	-	-	-
Transfers in	28,069	11,073	11,189	11,191	11,244	11,255	13,551	14,416	13,474	12,772
Transfers out	(28,176)	(11,030)	(11,689)	(11,829)	(11,881)	(11,886)	(10,502)	(13,595)	(14,204)	(12,893)
Total other financing sources (uses)	(4)	159,674	1,178	542	395	(631)	28,170	821	(730)	(121)
Net change in fund balances	\$(103,876)	\$ 148,857	\$ 3,232	\$ (11,637)	\$ 2,768	\$ (14,996)	\$ 3,299	\$ 1,529	\$ (5,326)	\$ (4,835)
Debt service as a percentage of noncapital expenditures	12.1%	8.5%	11.6%	11.4%	12.0%	11.8%	11.3%	14.0%	15.2%	15.5%

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

{This page is intentionally left blank}

REVENUE CAPACITY

These schedules contain information to help the reader assess the City's most significant local revenue source
- sales tax.

Fiscal Year	Public										Total
	Property Tax	General Sales Tax	City Road Sales Tax	Public Safety Sales Tax	Two Percent Tax	Utility Franchise	Enterprise In-Lieu	Mall District Levy			
2022	\$ 14,904,082	\$ 31,368,329	\$ 15,681,499	\$ 6,270,467	\$ 8,559,356	\$ 3,364,936	\$ 242,000	\$ 162,622	\$	\$ 80,553,291	
2021	14,378,815	28,160,761	14,077,987	5,629,280	6,812,288	3,219,963	229,900	105,276		72,614,270	
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	
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	
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	
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	
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	
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	
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	
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	

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

City of Yuma, Arizona

Intergovernmental Shared Revenues

Last Ten Fiscal Years

Revenue Capacity

Table B-2

Fiscal Year	State Shared Sales Tax	State Shared Income Tax	Auto In-Lieu	Highway Users (Gas Tax)	Grants and Others*	Total
2022	\$ 13,525,597	\$ 12,638,305	\$ 5,111,639	\$ 9,463,229	\$ 6,431,356	\$ 47,170,126
2021	11,659,856	14,046,299	5,195,063	8,884,158	10,841,257	50,626,633
2020	10,116,140	12,660,922	4,286,918	8,385,373	9,128,410	44,577,763
2019	9,626,546	11,565,280	4,139,938	8,248,413	3,756,182	37,336,359
2018	9,121,308	11,755,011	3,940,686	7,826,949	2,475,809	35,119,763
2017	8,902,248	11,517,228	3,759,665	7,533,420	2,776,788	34,489,349
2016	8,576,180	10,915,452	3,558,978	7,221,111	2,674,791	32,946,512
2015	8,285,303	10,974,954	3,271,810	6,908,773	3,510,123	32,950,963
2014	7,507,882	9,656,745	3,111,124	6,276,058	3,702,063	30,253,872
2013	7,600,328	9,506,288	2,948,529	5,862,202	4,862,601	30,779,948

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 Grants and Other Revenues
Last Ten Fiscal Years

Revenue Capacity
Table B-3

Fiscal Year	Federal										State of Arizona				Total
	Justice	Interior	Housing/Urban Development (CDBG)		Other HUD	ARPA	Other	Parks	Commerce	Transportation	Other	Local Government			
			Development	Other											
2022	\$ 210,703	-	\$ 932,080	\$ 1,148,274	\$ 1,061,260	\$ 2,453,204	\$ 39,834	-	-	\$ 563,285	\$ 22,716	\$ 6,431,356			
2021	223,148	-	1,704,710	651,240	-	7,981,555	34,180	-	-	169,140	77,284	10,841,257			
2020	210,839	-	919,426	493,029	-	7,234,730	28,880	-	-	187,701	53,805	9,128,410			
2019	15,049	-	823,594	807,913	-	1,946,584	30,958	-	-	87,303	44,781	3,756,182			
2018	65,558	-	741,903	332,928	-	1,013,257	199,879	-	-	103,687	18,597	2,475,809			
2017	175,143	-	608,000	223,685	-	1,049,438	324,488	-	-	353,926	42,109	2,776,788			
2016	502,853	-	769,760	-	-	966,898	20,355	-	\$ 53,175	103,619	258,131	2,674,791			
2015	799,620	-	941,585	-	-	1,517,358	-	-	5,599	185,812	60,149	3,510,123			
2014	700,071	\$ 64,489	1,249,005	93,283	-	1,465,997	10,000	-	62,592	29,549	27,077	3,702,063			
2013	459,826	726,689	1,207,608	-	-	1,855,100	10,400	\$ 296,263	240,044	66,670	-	4,862,601			

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

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt in the future.

Fiscal Year	City Sales		City Hospitality		Yuma County	Arizona State
	Tax Rate	Tax Rate	Sales Tax Rate	Sales Tax Rate		
2022	1.70%	1.70%	2.00%	2.00%	1.112%	5.60%
2021	1.70%	1.70%	2.00%	2.00%	1.112%	5.60%
2020	1.70%	1.70%	2.00%	2.00%	1.112%	5.60%
2019	1.70%	1.70%	2.00%	2.00%	1.112%	5.60%
2018	1.70%	1.70%	2.00%	2.00%	1.112%	5.60%
2017	1.70%	1.70%	2.00%	2.00%	1.112%	5.60%
2016	1.70%	1.70%	2.00%	2.00%	1.112%	5.60%
2015	1.70%	1.70%	2.00%	2.00%	1.112%	5.60%
2014	1.70%	1.70%	2.00%	2.00%	1.10%	5.60%
2013	1.70%	1.70%	2.00%	2.00%	1.10%	6.60%

Source: Arizona Department of Revenue

City of Yuma, Arizona

**Ratio of Outstanding Debt by Type
Last Ten Fiscal Years (in millions)**

**Debt Capacity
Table C-2**

Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Excise Tax Revenue Bonds	Special Assessment Bonds	Financed Purchases Payable***	Utility Revenue Bonds	General Obligation Bonds	Long-term Contracts Payable	Financed Purchases Payable***					
2022	-	\$ 226,887,881	-	\$ 1,256,105	\$ 166,518,716	-	-	\$ 74,033		\$ 394,736,735	2.95%	1,907	
2021	-	241,658,838	-	1,946,956	91,367,270	-	-	128,279		335,101,343	3.38%	1,644	
2020	-	90,383,050	\$ 365,000	2,735,700	102,022,920	-	-	182,525		195,689,195	4.54%	898	
2019	-	98,134,659	715,000	1,828,510	112,404,580	-	-	134,867		213,217,616	3.67%	995	
2018	-	98,250,000	1,050,000	-	114,233,000	-	-	-		213,533,000	2.11%	1,007	
2017	-	104,735,000	1,370,000	-	123,755,000	-	-	-		229,860,000	2.06%	1,108	
2016	-	111,010,000	1,675,000	-	89,675,000	-	\$ 45,053,649	-		247,413,649	2.60%	1,227	
2015	-	98,766,464	1,965,000	-	105,872,834	-	50,015,230	-		256,619,528	3.98%	1,256	
2014	-	106,355,784 **	2,245,000	-	109,791,531 **	-	54,810,083	-		273,202,398	4.94%	1,358	
2013	-	113,071,335 **	3,460,000	-	113,335,361 **	-	59,443,795	-		289,310,491	5.36%	1,446	

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 for personal income and population data.

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

*** Revised due to GASB87 implementation in FY2022 - previously considered Capital Leases

City of Yuma, Arizona
Ratio of Bonded Debt to Assessed Value and per Capita
Last Ten Fiscal Years

Debt Capacity
Table C-3

Fiscal Year	Population *	Assessed Value	General Obligation Debt (Business-type Activities)	Ratio of General Bonded Debt to Assessed Value	General Bonded Debt per Capita
2022	97,093	\$ 776,910,355	-	0.0%	-
2021	95,814	776,855,020	-	0.0%	-
2020	98,285	707,725,089	-	0.0%	-
2019	97,908	658,235,505	-	0.0%	-
2018	95,502	692,885,013	-	0.0%	-
2017	94,906	656,438,950	-	0.0%	-
2016	94,139	591,748,335	-	0.0%	-
2015	93,400	615,552,203	-	0.0%	-
2014	91,923	632,734,838	-	0.0%	-
2013	93,013	625,801,724	-	0.0%	-

Source: Yuma County Assessor
US Census Bureau

* Actual 2010 & 2020 Census, projected by US Census Bureau all other years

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

Jurisdiction	Debt Outstanding	Allocable to City of Yuma	
		Percent	Amount
City of Yuma	\$243,605,794	100.00%	\$243,605,794
Total Direct Debt			\$243,605,794
Yuma County	36,164,806	47.30%	17,105,953
Yuma County Jail District	1,207,390	47.30%	571,095
Yuma County Library District	28,310,000	47.30%	13,390,630
Yuma County Special Assessment District	2,090,283	47.30%	988,704
Arizona Western College	57,290,000	46.14%	26,433,606
Yuma Union High School District No. 70	66,772,461	52.30%	34,921,997
Yuma Elementary School District No. 1	29,345,000	57.00%	16,726,650
Crane Elementary School District No. 13	7,375,000	69.46%	5,122,675
Total Overlapping Debt			\$115,261,310
Total Direct and Overlapping Debt			\$358,867,104

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit										
Water, Sewer, Lights, Parks (20%)	\$ 155,382	\$ 131,647	\$ 131,647	\$ 138,577	\$ 131,288	\$ 118,350	\$ 123,110	\$ 126,547	\$ 125,160	\$ 133,365
All Others (6%)	46,615	39,494	39,494	41,573	39,386	35,505	36,933	37,964	37,548	40,010
Total net debt applicable to limit										
Water, Sewer, Lights, Parks (20%)	-	-	-	-	-	-	-	-	-	1,420
All Others (6%)	-	-	-	-	-	-	-	-	-	-
Legal debt margin										
Water, Sewer, Lights, Parks (20%)	\$ 155,382	\$ 131,647	\$ 131,647	\$ 138,577	\$ 131,288	\$ 118,350	\$ 123,110	\$ 126,547	\$ 125,160	\$ 131,945
All Others (6%)	46,615	39,494	39,494	41,573	39,386	35,505	36,933	37,964	37,548	40,010
Total net debt applicable to the limit as a percentage of debt limit										
Water, Sewer, Lights, Parks (20%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.06%
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 2022

General Obligation Bonds	
Water,	
Sewer,	
Lights,	
Parks (20%)	
All Others (6%)	\$ 46,611
Parks (20%)	\$ 155,371
Total	\$ 201,982
2022 Tax Year Secondary Assessed Valuation	\$ 776,855
Outstanding General Obligation Debt:	
Total General Obligation Debt	\$ 155,371

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

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

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

City of Yuma, Arizona

Schedule of Debt Service Requirements to Maturity and Coverage

Last Ten Fiscal Years (in millions)

Debt Capacity

Table C-6

	2021 Ref 2010B Ref 2001B	2015 Excise Rev Ref 2003/2007B	2015 Road Tax Ref 2007D	2021 Excise Rev Pension	2015 & 2016 Utility System Revenue
2021-22 Pledged Taxes	\$ 74,585,658	\$ 89,415,481	\$ 90,267,157	\$ 90,267,157	\$ -
2021-22 Net Revenue	-	-	-	-	27,903,665
Total Taxes/Net Revenue	\$ 74,585,658	\$ 89,415,481	\$ 90,267,157	\$ 90,267,157	\$ 27,903,665
2022-23 Debt related to pledged:					
2021 Series Tax-exempt	\$ 2,604,000	\$ -	\$ -	\$ -	\$ 2,604,000
2015 Excise Rev & Refunding	-	3,102,800	-	-	3,102,800
2015 Road Tax Refunding	-	-	4,413,800	-	4,413,800
2021 Series Taxable	-	-	-	10,634,175	10,634,175
2015 Utility System Rev Refunding	-	-	-	-	7,491,338
2016 Utility System Rev Refunding	-	-	-	-	1,982,155
2021 Utility System Revenue	-	-	-	-	3,829,700
Total Debt	\$ 2,604,000	\$ 3,102,800	\$ 4,413,800	\$ 10,634,175	\$ 13,303,193
Coverage	28.6	28.8	20.5	8.5	2.1
Required Coverage	3.0	1.5	1.5	1.5	1.2
<i>Collective Coverage</i>					
Total 2021-22 Taxes/Net Revenue	\$ 74,585,658	\$ 89,415,481	\$ 90,267,157	\$ 90,267,157	\$ 27,903,665
Total 2022-23 Debt	\$ 20,754,775	\$ 20,754,775	\$ 20,754,775	\$ 20,754,775	\$ 13,303,193
Coverage	3.6	4.3	4.3	4.3	2.1
Required Coverage	3.0	1.5	1.5	1.5	1.2

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

2015 & 2016 Utilities System Revenue Refunding: Net Revenue is comprised of all income, monies, and receipts from ownership and operation of utility system to include interest income minus operation and maintenance expenses.

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

Last Ten Fiscal Years (in millions)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Local Taxes										
Sales Tax (1%)	\$ 31,368,329	\$28,160,761	\$24,312,176	\$22,528,500	\$21,798,752	\$21,207,119	\$20,531,463	\$19,536,924	\$19,517,306	\$19,248,864
Franchise Fee	3,364,936	3,219,963	3,072,824	3,194,590	3,265,901	3,066,678	3,162,691	3,095,540	3,009,904	3,043,054
Intergovernmental Revenues:										
State Revenue Sharing	12,638,305	14,046,299	12,660,922	11,565,280	11,755,011	11,517,228	10,915,452	10,974,954	9,656,745	9,506,288
State Sales Tax	13,525,597	11,659,856	10,116,140	9,626,546	9,121,308	8,902,248	8,576,180	8,285,303	7,507,882	7,600,328
Auto In-Lieu Tax	5,111,639	5,195,063	4,286,918	4,139,938	3,940,686	3,759,665	3,558,978	3,271,810	3,111,124	2,948,529
Emergency Services and Other	18,254	34,180	45,169	37,261	26,679	31,057	196,457	44,062	23,913	37,974
Licenses:										
Business Licenses	266,991	281,677	257,584	265,997	266,406	250,890	246,528	250,957	250,365	261,323
Liquor Licenses	35,590	36,765	29,940	31,545	31,020	30,140	33,090	33,310	32,560	32,955
Fees for Services:										
Building Permits and Inspection Fees	2,405,283	2,920,389	2,464,471	2,249,730	2,264,803	2,099,156	1,916,567	1,829,085	2,036,965	1,751,071
Recreation Fees	286,207	156,904	186,285	374,633	416,337	465,281	487,166	544,212	513,535	478,911
Police Services and Other Public Safety Fees	4,879,438	4,624,749	4,622,722	5,042,300	4,348,741	5,032,589	4,427,053	4,283,521	3,190,974	4,447,101
Interest and Rentals										
Investment Income	(522,097)	92,746	487,339	519,226	217,389	95,984	64,755	47,095	99,738	14,717
Fines, Forfeitures and Penalties:										
City Court Fines	1,207,186	930,712	1,010,742	1,007,966	1,140,437	1,228,496	1,298,418	1,161,809	1,209,502	1,526,176
Total Series B Pledged Taxes	74,585,658	71,360,064	63,553,232	60,583,512	58,593,470	57,686,531	55,414,798	53,358,582	50,160,513	50,897,291
Additional Excise Series Pledged Taxes										
City Public Safety Taxes (.2%)	6,270,467	5,629,280	4,859,956	4,503,402	4,357,520	4,239,261	4,104,199	3,905,392	3,901,471	3,847,810
City Special Taxes (2%)	8,559,356	6,812,288	5,887,893	5,783,438	5,703,452	5,354,285	5,007,109	4,832,187	4,576,061	4,652,121
Total Excise Series Pledged Taxes	89,415,481	83,801,632	74,301,081	70,870,352	68,654,442	67,280,077	64,526,106	58,190,769	54,736,574	55,549,412
Additional Road Tax Series Pledged Taxes										
City Road Tax (.5%)	15,681,499	14,077,987	12,154,021	11,262,335	10,897,505	10,601,757	10,263,987	9,766,802	9,756,994	9,622,796
Total Road Tax Series Pledged Taxes	\$ 90,267,157	\$85,438,051	\$75,707,253	\$71,845,847	\$69,490,975	\$68,288,288	\$65,678,785	\$63,125,384	\$59,917,507	\$60,520,087
Gross Excise Tax Pledged Revenues	\$105,096,980	\$97,879,619	\$86,455,102	\$82,132,687	\$79,551,947	\$77,881,834	\$74,790,093	\$71,862,963	\$68,395,039	\$69,020,018

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

Pledged Utility Revenue Collections

Last Ten Fiscal Years (in millions)

Debt Capacity
Table C-8

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Water Services and Fees	\$26,094,894	\$25,590,121	\$24,314,126	\$24,022,726	\$23,774,086	\$22,253,718	\$20,999,187	\$20,532,303	\$21,808,662	\$21,232,863
Water Non-Rate Revenues	1,274,740	934,864	2,181,115	2,692,541	1,973,068	1,814,365	1,760,295	1,159,802	750,368	584,234
Water Capacity Fees	3,226,474	3,141,281	2,688,781	2,249,008	2,844,682	2,356,164	2,468,247	1,808,894	2,208,533	1,694,408
Wastewater Services & Charges	16,509,915	15,911,054	15,470,458	15,157,721	14,622,123	14,141,449	13,054,338	12,715,664	13,138,029	13,016,206
Wastewater Non-Rate Revenues	1,814,791	2,718,056	3,302,648	3,693,913	2,739,188	2,978,665	2,478,731	2,097,533	2,006,388	1,872,150
Wastewater Capacity Fees	3,571,913	3,458,574	3,103,944	2,644,046	3,265,751	2,697,843	2,967,309	2,971,288	2,590,632	4,113,507
Total Revenues	\$52,492,727	\$51,753,950	\$51,061,072	\$50,459,955	\$49,218,898	\$46,242,204	\$43,728,107	\$41,285,484	\$42,502,612	\$42,513,368
Operation and Maintenance Expenses										
Water Personnel Expenses	\$ 5,196,654	\$ 5,282,034	\$ 5,750,313	\$ 5,762,931	\$ 5,599,289	\$ 5,317,124	\$ 5,086,242	\$ 5,117,665	\$ 4,701,853	\$ 4,674,042
Water Operating Expenses	8,181,188	6,723,997	6,732,644	6,653,517	6,385,247	6,257,214	6,036,712	6,719,414	6,351,040	6,134,689
Wastewater Personnel Expenses	4,352,510	4,352,510	4,723,514	4,425,751	4,123,627	3,984,355	3,831,682	3,806,736	3,413,097	3,282,518
Wastewater Operating Expenses	6,858,710	6,013,934	5,991,132	5,961,232	5,952,725	5,546,650	5,470,374	5,578,954	5,546,584	5,211,460
Total Operation and Maintenance Expenses	\$24,589,062	\$22,372,475	\$23,197,603	\$22,803,430	\$22,060,888	\$21,105,343	\$20,425,010	\$21,222,769	\$20,012,574	\$19,302,709
Net Revenues	\$27,903,665	\$29,381,475	\$27,863,469	\$27,656,525	\$27,158,010	\$25,136,861	\$23,303,097	\$20,062,715	\$22,490,038	\$23,210,659
Debt Service	\$13,303,193	\$13,558,144	\$13,572,898	\$13,386,053	\$13,428,917	\$13,613,630	\$13,965,217	\$15,722,017	\$15,710,379	\$15,686,579
Revenue Debt Service Coverage	2.10	2.17	2.05	2.07	2.02	1.85	1.67	1.28	1.43	1.48
Revenue Debt Service Coverage without Capacity Fees	1.59	1.68	1.63	1.70	1.57	1.48	1.28	0.97	1.13	1.11

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

{This page is intentionally left blank}

DEMONGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Calendar Year	Population Metropolitan Area	Personal Income (in Thousands)	Per Capita Personal Income	Unemployment Rate	Building Permits			
					Commercial		Residential	
					No.	Value	No.	Value
2022	206,990	11,653,537	\$56.3	18.10%	211	\$73,763,312	834	\$63,010,678
2021	203,881	11,315,396	55.5	18.20%	257	43,202,070	1,209	11,598,207
2020	217,824	8,887,228	40.8	16.30%	271	48,117,083	1,134	119,058,095
2019	214,182	7,818,246	36.5	16.50%	375	48,184,539	1,075	94,687,797
2018	212,128	4,497,114	21.2	17.00%	232	44,304,062	968	88,070,389
2017	207,534	4,738,209	22.8	20.50%	186	37,751,401	548	97,990,751
2016	201,631	6,436,250	31.3	20.40%	160	15,400,222	448	82,887,676
2015	204,275	6,449,702	31.6	21.80%	148	47,907,579	271	73,948,000
2014	201,201	5,529,669	27.5	23.30%	27	23,994,422	321	58,424,149
2013	200,022	5,399,670	27	28.70%	21	28,859,856	378	61,650,122

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 Years Ago

Demographic & Economic Information
Table D-2

Employer	2013			2022		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Marine Corps Air Station	6,825	1	10.75%	6,936	1	8.31%
Yuma Union High School District	1,019	6	1.56%	3,100	2	3.72%
U. S. Army Yuma Proving Ground	2,319	2	3.55%	2,430	3	2.91%
Yuma Regional Medical Center	2,010	3	3.08%	2,300	4	2.76%
Yuma County	1,349	5	2.06%	1,437	5	1.72%
Yuma School District #1	1,543	4	2.36%	1,179	6	1.41%
City of Yuma	901	9	1.38%	1,014	8	1.22%
TRAX		N/A		1,050	7	1.26%
Arizona Western College	770	8	1.18%	829	9	0.99%
Walmart	975	7	1.49%		N/A	
Quechan Paradise Casino	765	10	1.17%		N/A	
Advanced Call Center		N/A		900	10	1.08%
All other employers	46,889		71.42%	62,262		74.62%
Total	65,365		100.00%	83,437		100.00%

Source: Greater Yuma Economic Development Corporation and Estimates
 Note: Figures presented represent the Yuma Metropolitan Statistical Area

Taxable Sales by Category
Last Ten Fiscal Years (in millions)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Mining	\$ 43	\$ 85	\$ 126	\$ 66	\$ 83	\$ 68	\$ 38	\$ 34	\$ 24	\$ 20
Construction	233,809	182,209	167,839	139,530	140,164	113,705	119,836	138,657	174,693	190,260
Manufacturing	1,596	2,454	3,023	2,676	2,814	2,838	1,544	51,945	43,626	50,539
Transportation, Communications, and Utilities	179,051	174,405	171,657	176,443	181,310	178,093	182,453	205,300	206,056	197,687
Wholesale Trade	92,463	85,679	70,981	64,851	62,075	60,446	58,938	42,766	39,897	36,578
Retail Trade	2,021,650	1,873,316	1,551,958	1,417,931	1,357,231	1,321,621	1,288,650	1,110,680	1,068,106	1,036,092
Restaurants and Bars	342,265	279,811	241,488	236,335	231,145	241,292	210,526	200,951	174,309	172,056
Finance, Insurance and Real Estate	164,893	145,273	152,546	136,628	126,205	125,827	118,393	114,418	131,450	129,208
Hotels and Other Lodging Accommodation	81,318	58,028	51,364	56,066	55,653	51,636	44,455	32,624	29,049	32,054
Services	9,708	9,208	11,939	11,105	12,599	13,371	12,967	49,819	49,649	51,404
Arts, Entertainment, Government and All Others Not Specified	9,692	5,298	8,029	10,972	10,355	11,582	15,136	27,236	34,656	22,871
Total Taxable Sales	\$3,136,488	\$2,815,766	\$2,430,950	\$2,252,603	\$2,179,634	\$2,120,479	\$2,052,936	\$1,974,430	\$1,951,516	\$1,918,769
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%

Source: Arizona Department of Revenue

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

City of Yuma, Arizona
Full-Time Equivalents by City Government Function
Last Ten Fiscal Years

Operating Information
Table E-1

Function	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government	240	227	233	216	206	208	208	205	198	192
Public Safety										
Police	288	288	279	276	278	277	276	272	259	258
Fire	138	137	137	134	125	131	131	125	125	125
Public Works										
Engineering	28	27	27	28	28	28	28	35	24	32
Maintenance	53	53	52	52	54	48	48	47	52	46
Solid Waste	16	16	15	14	13	13	13	13	13	13
Water	82	79	80	79	77	77	77	69	76	76
Wastewater	61	59	55	57	52	53	53	52	52	52
Parks and recreation	108	108	111	122	123	120	119	124	117	116
Total	1,014	994	989	978	956	955	953	942	916	910

Source: City of Yuma Annual Budget, Fiscal Year 2022-2023

City of Yuma, Arizona

Operating Indicators by Function

Last Ten Fiscal Years

Operating Information

Table E-2

	2022	2021	2020	2019	2018	2016	2017	2015	2014	2013
Police										
Calls for service*	107,198	94,856	102,723	103,072	103,871	90,694	91,603	93,463	89,027	76,080
Case reports	11,813	9,676	10,696	11,266	12,899	12,185	12,371	12,905	12,855	14,651
Fire										
Number of calls answered*	18,150	17,498	15,921	15,268	15,200	13,888	14,205	13,191	12,529	12,664
Inspections*	1,853	2,014	1,458	2,096	1,730	2,448	2,438	883	1,460	1,399
Streets										
Streets slurry sealed (miles)	45	48	29	24	27	23	33	30	30	24
Solid Waste										
Refuse collected (tons)	29,070	30,465	29,063	27,269	26,019	25,622	30,710	26,848	26,650	32,010
Parks and recreation										
Ramada rentals	1,100	630	974	1,676	1,693	1,946	1,625	2,171	2,097	2,551
Water										
Connections	32,717	33,591	32,715	32,191	33,277	30,400	30,921	29,945	29,361	27,396
Daily treatment capacity (million gallons)	69.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
Annual quantity processed (billion gallons)	8.8	9.1	8.3	8.1	8.4	7.8	7.8	8.0	7.1	8.1
Wastewater										
Daily processing capacity (million gallons)	15.3	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.

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Public Safety										
Police stations	2	2	2	2	2	2	2	2	2	2
Police vehicles	186	186	183	169	186	181	194	181	179	172
Fire stations	6	6	6	6	6	6	6	6	6	6
Streets										
Streets (miles)	410	410	410	409	457	454	450	448	442	421
Streetlights	7,319	7,319	6,932	6,894	6,848	6,795	6,773	6,757	6,757	5,764
Traffic Signals	75	75	77	81	81	81	79	79	79	79
Solid Waste										
Collection trucks	13	13	13	11	11	11	11	11	11	11
Parks and Recreation										
Parks acreage	682	682	682	682	682	682	682	633	620	607
Parks/Athletic Fields	96	96	96	96	96	96	90	84	80	79
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)	566	564	556	542	533	530	527	527	527	525
Fire hydrants	4,111	4,090	4,046	3,996	3,876	3,859	3,831	3,790	3,754	3,646
Wastewater										
Sanitary sewers (miles)	394	392	385	379	368	356	362	350	350	350
Manholes	6,034	6,013	5,887	5,782	5,643	5,510	5,376	5,318	5,318	n/a

Sources: Various city departments.
Note: No capital asset indicators are available for the general government function.

CUSTOMER CLASSES - WATER							
Fiscal Year	Residential		Multifamily		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
2022	26,699	2,430	441	163	3,567	509	33,809
2021	25,789	2,421	438	192	3,855	525	33,220
2020	24,810	2,571	596	195	2,675	317	31,164
2019	24,054	2,673	517	186	2,371	316	30,117
2018	23,557	2,676	514	185	2,362	300	29,594

CUSTOMER CLASSES - WASTEWATER							
Fiscal Year	Residential		Multifamily		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
2022	24,967	1,208	676	51	532	152	27,586
2021	23,571	1,151	429	53	1,685	153	27,042
2020	22,770	1,195	547	116	1,709	41	26,378
2019	21,981	1,317	487	106	1,683	48	25,622
2018	21,493	1,316	484	105	1,680	47	25,125

Source: City of Yuma Utility Management System

FISCAL YEAR 2022

Meter Size	Residential		Multi-Family		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
5/8"	17,518	3,369	91	13	852	44	21,887
3/4"	4,326	273	38	140	512	222	5,511
1"	2,316	179	227	33	1,176	85	4,016
1 1/2"	27	2	59	3	426	9	526
2"	10	-	223	21	906	50	1,210
3"	-	-	-	-	24	86	110
4"	-	-	-	-	11	-	11
6"	-	-	2	-	13	1	16
8"	-	-	-	-	2	-	2
Total	24,197	3,823	640	210	3,922	497	33,289

FISCAL YEAR 2021

Meter Size	Residential		Multi-Family		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
5/8"	17,737	3,286	89	145	741	128	22,126
3/4"	4,527	272	37	13	468	35	5,352
1"	2,485	-	293	41	929	59	3,807
1 1/2"	27	2	87	1	348	6	471
2"	12	-	322	36	653	24	1,047
3"	-	-	-	-	21	88	109
4"	-	-	-	-	8	-	8
6"	-	-	2	-	9	1	12
8"	-	-	-	-	2	-	2
Total	24,788	3,560	830	236	3,179	341	32,934

FISCAL YEAR 2020

Meter Size	Residential		Multi-Family		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		Multi-Family		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	2,377	316	30,117

FISCAL YEAR 2018

Meter Size	Residential		Multi-Family		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

Schedule of Water Rates

	Base Charge		Residential Usage Charge				Multi-family Usage Charge		Commercial & Irrigation Usage Charge	
	Inside the City, \$/mo	Outside the City, \$/mo	Inside the City, \$/100cuft		Outside the City, \$/100cuft		Inside the City, \$/100cuft		Outside the City, \$/100cuft	
			0-10 hcf	11-30 hcf	31+ hcf					
5/8" Meter	\$ 17.82	\$ 23.70	\$ 1.56	\$ 2.07	\$ 1.56	\$ 2.07	\$ 1.75	\$ 2.29	\$ 1.75	\$ 2.29
3/4" Meter	17.82	23.70	1.83	2.43	1.83	2.43	1.75	2.29	1.75	2.29
1" Meter	21.56	28.67	2.10	2.79	2.10	2.79	1.75	2.29	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, \$/100cuft	Outside the City, \$/100cuft	Inside the City, \$/100cuft	Outside the City, \$/100cuft	Inside the City, \$/100cuft	Outside the City, \$/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