



For the Fiscal Year Ended June 30, 2023



ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)



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Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

MISSION

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

MAYOR AND CITY COUNCIL

Douglas Nichols | Mayor

Chris Morris | Deputy Mayor

City Councilmembers

Gary Knight

Mike Shelton

Ema Lea Shoop

Carol Smith

Arturo Morales

CITY ADMINISTRATOR, ACTING

Jay Simonton

PREPARED BY THE FINANCE DEPARTMENT

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Cindy Garcia | Accountant

Maura Luna | Accountant

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	<u>EXHIBIT</u>	<u>PAGE</u>
INTRODUCTORY SECTION		
Letter of Transmittal		9
Organization Chart		14
Certificate of Achievement for Excellence in Financial Reporting		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-3</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)

EXHIBIT **PAGE**

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

TABLE **PAGE**

Financial trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic & Economic Information

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
Sales Tax Collections	<i>D-4</i>	223

Operating Information

Full-Time Equivalent City Government Employees by Function	<i>E-1</i>	226
Operating Indicators by Function	<i>E-2</i>	227
Capital Asset Statistics by Function	<i>E-3</i>	228
Utility Customer Classes	<i>E-4</i>	229
Number of Utility Accounts by Meter Size	<i>E-5</i>	230
Schedule of Water and Wastewater Rates	<i>E-6</i>	233

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.



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December 27, 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, 2023. 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, 2023, 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, 2023, 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 4.9%; 11.2%; 15.6%; and 7.9% for fiscal years 2023; 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 2%-4% in fiscal years 2024 and 2025.

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 the budget resolution. The resolution 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. The expenditure/expense appropriations are adopted budget at the department level.

During the fiscal year the City Administrator may transfer part or all of any unencumbered appropriation balance among programs within a department’s budget. Upon written request by the City Administrator, the City Council may, by ordinance, transfer part or all of any unencumbered appropriation balance 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

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2022. This is the forty-first consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. The report satisfied both generally accepted accounting principles and applicable legal requirements.

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

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.

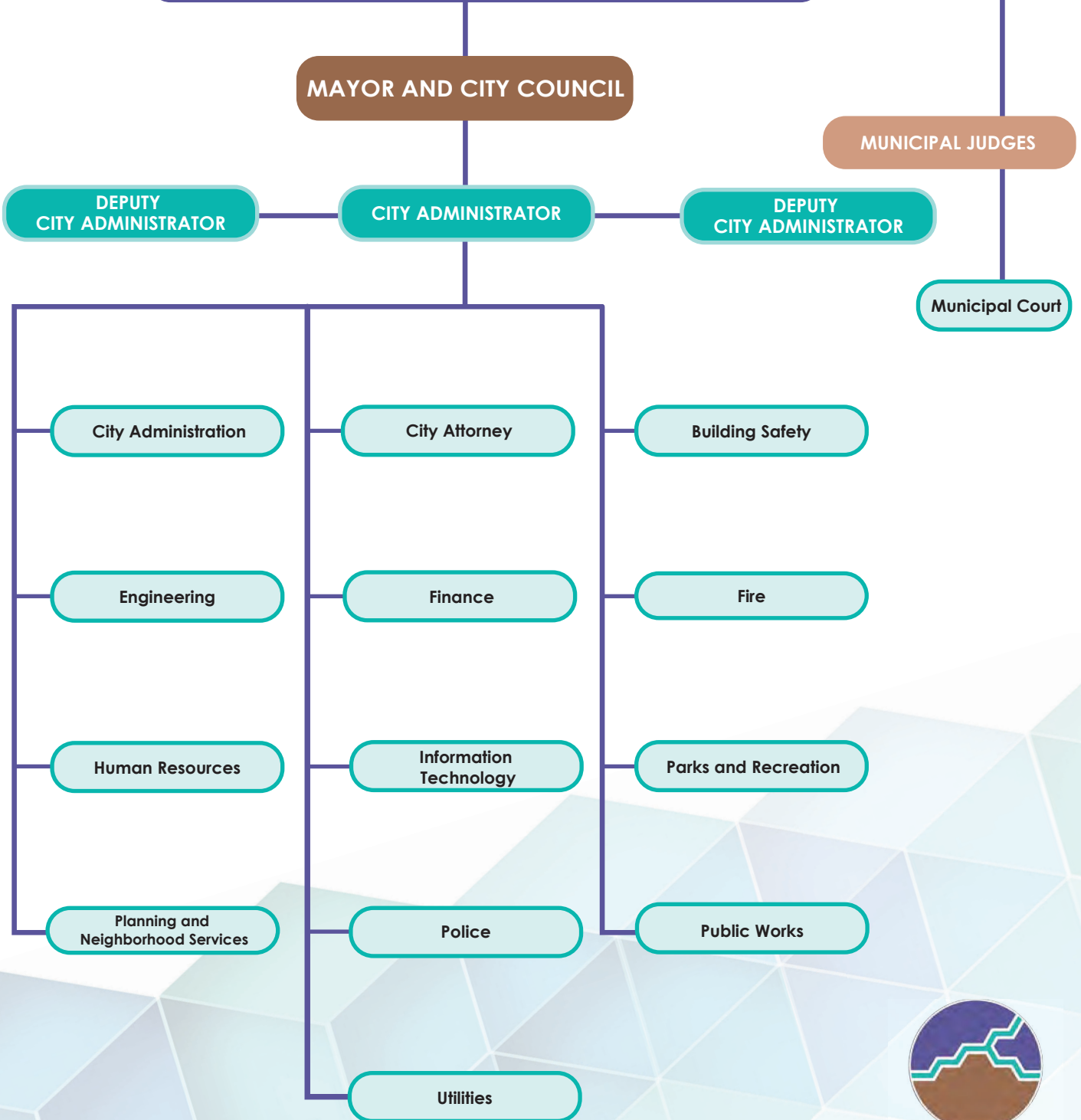
We would like to express our appreciation to all members of the City that assisted and contributed to the preparation of this report. Credit also must be given to the Mayor, City Council and the Administration for their unsurpassable support for maintaining and strengthening the utmost standards of professionalism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

Respectfully submitted,



Douglas W. Allen, CPA
Director of Finance

RESIDENTS OF YUMA





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Yuma
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

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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, 2023, 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, 2023, 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 GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, and GASB Statement No. 99, *Omnibus 2022*, for the year ended June 30, 2023, 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 December 27, 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
December 27, 2023

City of Yuma, Arizona

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

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, 2023. 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 \$524.2 million at the close of the fiscal year. Of this amount, \$48.6 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 \$52.1 million for the fiscal year, governmental activities increased \$35.0 million while business-type activities of the City increased \$17.1 million. Total revenues exceeded total expenses in the current year primarily due to an increase in city sales tax of \$3.0 million, but a combined operating and capital grants and contributions decrease of \$(1.3) million.
- The City's government-wide net position totaled \$524.2 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 \$(56.0) million in governmental programs but a positive \$104.5 million in business-type activities, for a net \$48.6 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 146.

Major Funds:

- General
- City Road Tax
- 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 134 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, 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 186.

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 and OPEB 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 146.

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 \$523.5 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	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and other assets	\$ 195.4	\$ 166.6	\$ 217.7	\$ 214.2	\$ 413.1	\$ 380.8
Capital assets	302.3	296.9	250.5	247.9	552.8	544.8
Total assets	497.7	463.5	468.2	462.1	965.9	925.6
Total deferred outflows of resources	31.2	133.0	5.4	6.0	36.6	139.0
LIABILITIES						
Current and other liabilities	29.3	22.3	7.7	39.2	37.0	61.5
Long-term liabilities	266.4	351.6	170.1	146.8	436.5	498.4
Total liabilities	295.7	373.9	177.8	186.0	473.5	559.9
Total deferred inflows of resources	3.8	28.2	1.0	4.4	4.8	32.6
NET POSITION						
Net investment in capital assets	238.9	226.2	190.3	171.3	429.2	397.5
Restricted	46.5	49.6	-	-	46.5	49.6
Unrestricted	(56.0)	(81.4)	104.5	106.4	48.5	25.0
TOTAL NET POSITION	\$ 229.4	\$ 194.4	\$ 294.8	\$ 277.7	\$ 524.2	\$ 472.1

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 \$524.2 million, up \$52.1 million from the prior year. Governmental activities increased \$35.0 million while business-type activities increased \$17.1 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 \$51.4 million in fiscal year 2023 compared to \$38.5 million in fiscal year 2022. 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		Business-type		Total		
	Activities		Activities				
REVENUES	2023	2022	2023	2022	2023	2022	
Program revenues:							
Charges for services	\$ 20.0	\$ 16.9	\$ 57.3	\$ 55.7	\$ 77.3	\$ 72.6	
Operating grants and contributions	2.8	3.8	-	-	2.8	3.8	
Capital grants and contributions	10.6	10.9	6.8	10.7	17.4	21.6	
General revenues:							
Property taxes	15.4	15.1	-	-	15.4	15.1	
Sales taxes	65.1	62.1	-	-	65.1	62.1	
Franchise taxes	3.6	3.4	-	-	3.6	3.4	
Intergovernmental, unrestricted	47.6	40.7	-	-	47.6	40.7	
Unrestricted investment earnings	4.3	(0.9)	7.3	(1.5)	11.6	(2.4)	
Gain (loss) on sale of asset	-	-	-	-	-	-	
Total revenues	169.4	152.0	71.4	64.9	240.8	216.9	
EXPENSES							
General government	22.5	23.1	-	-	22.5	23.1	
Public safety	63.4	60.5	-	-	63.4	60.5	
Streets	22.0	19.7	-	-	22.0	19.7	
Parks, recreation and culture	14.8	11.8	-	-	14.8	11.8	
Environmental health and protection	0.1	0.1	-	-	0.1	0.1	
Community development and design	6.2	6.8	-	-	6.2	6.8	
Interest on long-term debt	4.8	6.4	-	-	4.8	6.4	
Water enterprise	-	-	23.4	22.6	23.4	22.6	
Wastewater enterprise	-	-	21.6	19.0	21.6	19.0	
Other enterprises	-	-	9.9	8.4	9.9	8.4	
Total expenses	133.8	128.4	54.9	50.0	188.7	178.4	
Increase (decrease) in net position before transfers	35.6	23.6	16.5	14.9	52.1	38.5	
Transfers	(0.6)	(0.1)	0.6	0.1	-	-	
Increase (decrease) in net position	35.0	23.5	17.1	15.0	52.1	38.5	
Beginning net position-July 1 (as restated)	194.4	170.9	277.7	262.7	472.1	433.6	
Ending net position - June 30	\$ 229.4	\$ 194.4	\$ 294.8	\$ 277.7	\$ 524.2	\$ 472.1	

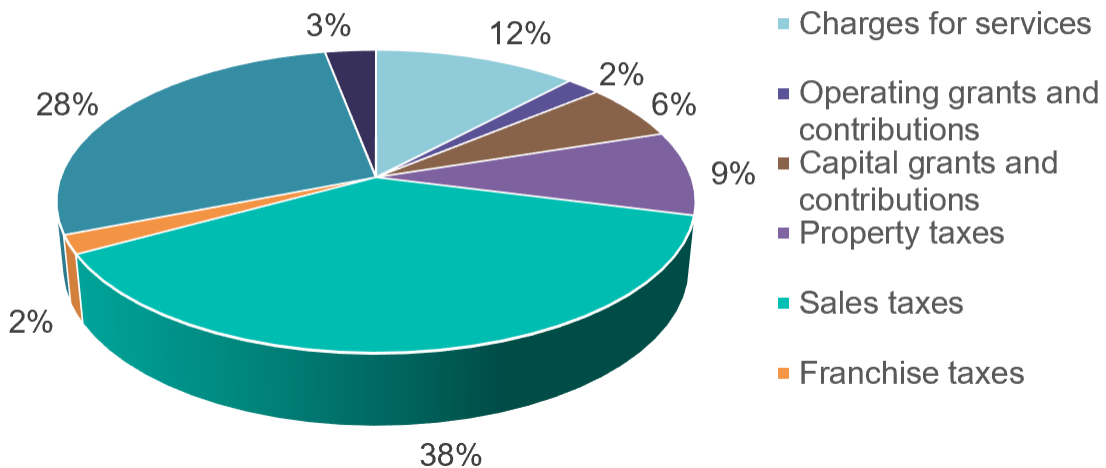
Governmental Activities

Revenues

Governmental activities revenues totaled \$169.4 million for fiscal year 2023, a sizable increase in comparison to 2021's \$152.0 million. The primary increase was in AZ State Shared Revenues of \$6.9 million and City Sales Taxes \$3.0 million or 16.9% and 4.8%, respectively net a notable decrease in Grants (Operating and Capital) and Contributions of \$(1.3) million or (8.8)%. Local sales taxes are 38.4% of total governmental revenues remain the largest revenue source for the City and are comprised of the 1.0% 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 66.5% 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 11.8% of governmental revenues. Property taxes represent 9.1% 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 4.8% from 2022, which reflects consistent growth in the economy over previous years.
- Charges for services increased by \$3.1 million, which includes permitting, ambulance services, and park and recreation programs.
- In 2023, the City Council maintained the property tax levy to the maximum allowable by state law, plus the onset of new construction. The base property tax levy increased 2.0% to \$15.4 million. As property values have increased; property tax rates decrease.

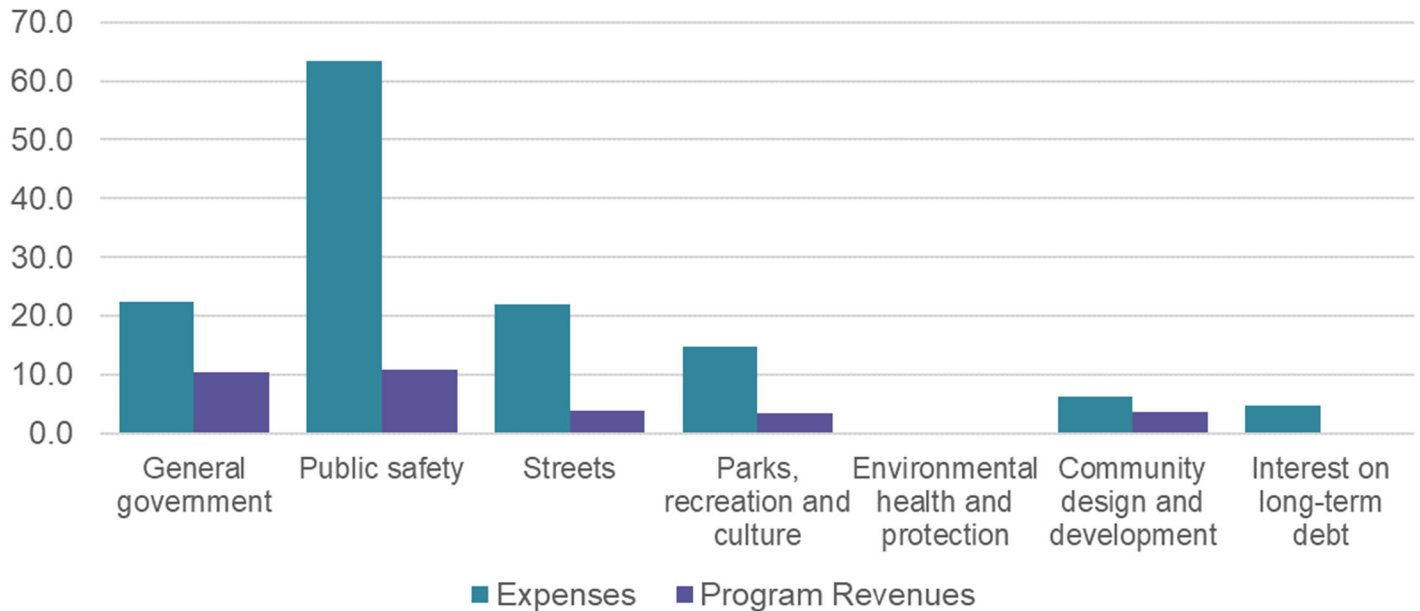
REVENUES - GOVERNMENTAL ACTIVITIES



Expenses

Governmental expenses totaled \$133.8 million for the fiscal year. Of the expenses, 47.3% or \$63.4 million is related to public safety for police, fire and municipal court services. Parks, recreation and culture expenses amounted to \$14.8 million, or 11.1% and Streets was \$22.0 million, or 16.5%, while community design and development expenses amounted to 4.6%. General government expenses came to \$22.5 million, or 16.8%. Interest on long-term debt was \$4.8 million, or 3.6% of governmental expenses. Overall, governmental activities expenses increased \$5.4 million from 2022, driven primarily by all City operations easing back into full services and operations after the Coronavirus pandemic restrictions.

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.

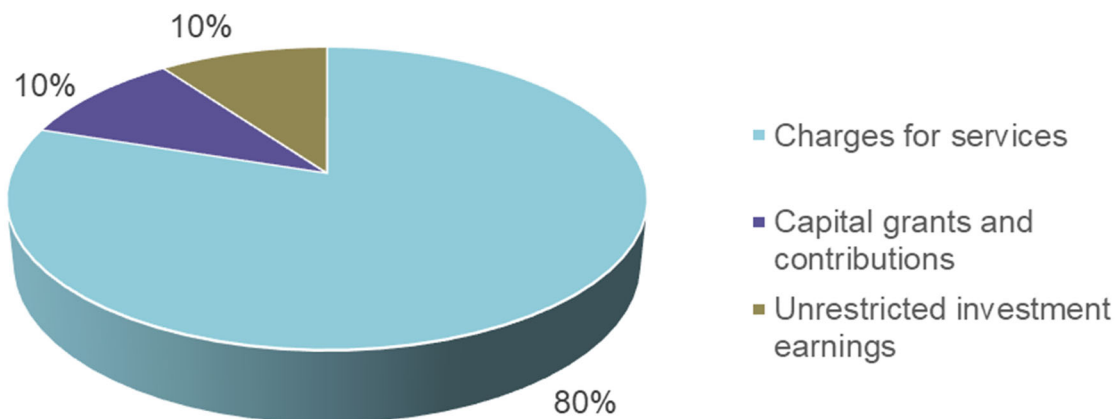
Business-type activities

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 \$57.3 million in charges for services, 82.9% 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 \$6.8 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 82% of the City’s business-type activities with solid waste, radio communication and golf courses making up the remaining 18%. Water expenses amounted to \$23.4 million while wastewater expenses totaled \$21.6 million. Solid Waste, Radio Communications, and Desert Hills Golf Courses recorded expenses of \$5.1 million, \$3.2 million and \$1.6 million, respectively, for a total of \$9.9 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, 2023, is \$119.1 million, an increase from 2022 of \$20.7 million. The majority of the increase is attributed to the quick spike of interest rates increase investment income and state shared revenues, along with delays in supply chains, such as equipment orders taking over 1-year for delivery, which delays payments.

Of the \$119.1 million fund balance in 2023, \$58.1 million is either restricted or committed to a specific program, \$31.7 assigned to future year commitments and \$29.1 million is unassigned and available for general City operations. A review of some of the more significant funds follows.

General Fund

Revenues increased by \$14.1 million (14.5%) to \$110.8 million. City sales taxes, the city's largest source of General Fund revenues, increased \$1.5 million (4.7%) to \$31.4 million, which is an indicator of the local economy. State-shared revenues, including income taxes, state sales tax and vehicle registration tax (auto lieu tax) increased 6.9% to \$38.2 million.

Total expenditures of \$83.9 million decreased by \$100.8 million compared to 2022. The primary reason for the sharp decrease was 2022's one-time payment of \$110.4 million to pay down the unfunded liability for the Public Safety pension that did not recur in 2023 and will not recur in future years.

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 \$4.5 million or 37% for the year. In the same manner as general sales tax in the General Fund, sales taxes increased in 2023 by \$0.7 million or 4.7% to \$16.4 million. Expenditures decreased by \$2.0 million from 2022, primarily due to road CIP projects being moved to 2024. The City expended approximately \$4.3 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 2023, the fund balance was \$5.9 million, an increase of \$0.8 million from 2022. Expenditures increased by \$0.8 million to \$5.2 million.

Highway Users Revenue Fund (HURF)

This fund, which accounts for the expenditure of state-shared gasoline taxes, showed a decrease in fund balance of \$1.0 million for the year to \$4.0 million. The City's portion of those taxes decreased by 0.4% for the fiscal year to \$9.5 million. All maintenance expenditures for streets and retention basins are made in the HURF Fund. Expenditures increased by \$1.6 million to \$10.5 million.

Two Percent Tax Fund

This voter approved two-cent sales tax fund showed a fund balance increase of \$1.7 million to \$5.8 million. Sales tax revenue increased by \$0.4 million or 4.5%, while charges for services increased by \$0.3 million or 30.7%. Operational expenditures increased by \$1.0 million or 16.3% to \$7.2 million.

This was the most impacted fund 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 2023, revenues decreased by \$0.5 million to \$2.3 million. Revenue of \$8.5 million in 2021 was 94% of the grants being from the federal government, which were less abundant in 2022 and 2023.

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 \$1.7 million in 2023 compared to \$2.1 million for 2022; \$2.4 million in 2021; and \$1.4 million and \$1.6 million in 2020 and 2019, respectively.

Non-major Capital Projects Funds

In total, the Non-major Capital Projects fund balances have increased to \$11.3 million this year. Project expenditures and transfers for debt service were \$1.9 million.

Proprietary funds. For the fiscal year ended June 30, 2023, the City's enterprise funds posted an overall \$16.0 million increase in net position to \$294.8 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 \$0.8 million or 3.0% in 2023. Operating expenses increased by \$1.1 million or 4.9%. Operating income was \$6.8 million with capital contributions decreasing by -41.9% to \$2.6 million, leading to the fund's net position increase of \$9.0 million or 6.6%.

Wastewater Fund

The Wastewater Fund operating revenues increased by 0.1% in 2023. Operating expenses increased by \$1.8 million or 10.5% with net income from operations of \$0.2 million. Capital contributions decreased by \$2.6 million. The overall increase in the fund's net position was \$5.8 million.

Solid Waste Fund

Operating revenues increased 4.2% to \$5.5 million. Operating expenses increased 18.0% to \$5.2 million, with the fund's net position increasing by \$0.3 million to \$3.0 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2023, can be found starting on page 134. A summary of that schedule follows:

BUDGET AND ACTUAL - GENERAL FUND (in millions)				
	Budget			Variance with Final
	Original	Final	Actual	
REVENUES				
Taxes	\$ 51.1	\$ 51.1	\$ 51.9	\$ 0.9
Intergovernmental	36.4	36.4	38.9	2.5
Other	16.9	16.9	19.9	3.0
Total revenue	104.4	104.4	110.8	6.4
EXPENDITURES				
Public safety	47.5	48.8	46.9	1.9
General government	30.5	30.7	21.6	9.1
Parks and recreation	7.7	7.6	7.0	0.7
Capital improvements	7.5	7.4	3.4	4.0
All other	5.7	5.6	5.0	0.6
Total expenditures	99.0	100.1	83.9	16.3
Other financing sources (uses)				
Finance purchases agreements	-	-	2.0	2.0
Transfers out	(14.4)	(14.4)	(14.4)	0.0
Total other financing sources(uses)	(14.4)	(14.4)	(12.4)	(2.0)
Change in fund balance	\$ (9.0)	\$ (10.2)	\$ 14.5	\$ 24.6

General Fund revenues ended the year \$6.4 million over budgeted revenue goals. Tax revenues exceeded revenue goals by \$0.9, Intergovernmental exceeded revenue goal by \$2.5 million and other revenue exceeded its goal by \$3.0 million driven by investment earnings and sale of surplus property.

Expenditures for the General Fund came in \$16.3 less than the maximum spending budget due to the City gradually easing back into operations after the peak of the COVID19 pandemic. Additionally, none of the contingency budget was not used.

CAPITAL ASSETS

At June 30, 2023, the City of Yuma's investment in capital assets in both governmental and business-type activities amounted to \$552.8 million, net of depreciation and amortization. This includes land, buildings, equipment, improvements and infrastructure (roadways and bridges), and Right-to-use Assets. Capital assets for governmental activities increased by 1.8% and business-type capital assets decreased by (0.8)%. 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, 2023
	July 1, 2022	Net Change	June 30, 2023	July 1, 2022	Net Change	June 30, 2023	
Land	\$ 51.5	\$ -	\$ 51.5	\$ 10.8	\$ -	\$ 10.8	\$ 62.3
Buildings	107.7	0.8	108.5	164.6	6.1	170.8	279.3
Improvements	71.7	2.2	73.9	308.2	6.3	314.5	388.4
Infrastructure	309.1	11.6	320.7	-	-	-	320.7
Equipment	69.5	5.8	75.3	15.6	1.8	17.4	92.7
Construction in progress	17.2	1.1	18.3	15.8	(2.2)	13.7	32.0
Accumulated depreciation	(329.8)	(16.2)	(345.9)	(267.1)	(13.5)	(280.8)	(626.7)
SBITA right-to-use asset	-	-	-	4.7	-	4.7	4.7
Accumulated amortization	-	-	-	-	(0.6)	(0.6)	(0.6)
Total	\$ 296.9	\$ 5.3	\$ 302.3	\$ 252.6	\$ (2.1)	\$ 250.5	\$ 552.8

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

DEBT ADMINISTRATION

At June 30, 2023, after scheduled debt payments, governmental activity debt decreased by \$85.4 million due to paying down the Public Safety pension liability, while business activity debt decreased by \$7.5 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 \$164.9 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 \$49.5 million.

The City's improvement district bonds were rated by Fitch Ratings as "A+". All other bonds are rated "AA-". The underlying ratings of Moody's Investor Services and Standard and Poor's are "Aa3" and "AA-", respectively. 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 84.

SUMMARY OF LONG-TERM DEBT						(in millions)	
Debt by Type	Governmental Activities		Business-type Activities		Total		
	2023	2022	2023	2022	2023	2022	
Yuma Municipal Property Corporation Bonds	\$ 60.5	\$ 68.4	\$ 128.4	\$ 135.8	\$ 188.9	\$ 204.2	
Private Placement	-	-	3.9	9.7	3.9	9.7	
Net unamortized premium	4.3	5.2	19.6	21.0	23.9	26.2	
Improvement districts	-	-	-	-	-	-	
Taxable bonds (Pension)	146.4	153.3	-	-	146.4	153.3	
Financed purchases	2.1	1.3	-	0.1	2.1	1.4	
SBITA payable	-	-	4.1	-	4.1	-	
Pension and OPEB liability	42.8	112.1	12.8	9.9	55.6	122.0	
Estimated claims and judgements	1.5	3.3	-	-	1.5	3.3	
Compensated absences	8.6	8.0	1.3	1.1	9.9	9.1	
Total long-term debt	\$266.2	\$351.6	\$170.1	\$177.6	\$436.3	\$529.2	

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 99,246. 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 had reduced to approximately 60,000 in the winter of 2021/22. However, this trend reversed in the winter 2022/23 and fall of 2023/24. Events tourism remained steady and added new returning visitors from neighboring states that had stricter COVID19 protocols than Arizona, such as California and Nevada.

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 4.9% 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.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE
FINANCIAL STATEMENTS

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	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 176,654,971	\$ 212,841,868	\$ 389,496,839
Receivables (net of allowances for uncollectible)	11,038,645	4,896,876	15,935,521
Internal balances	1,067,596	(1,067,596)	-
Inventory, at cost	390,646	549,305	939,951
Prepaid items	2,993,365	17,806	3,011,171
Net OPEB Asset	3,305,889	446,360	3,752,249
Capital Assets not being depreciated/amortized	69,757,163	24,442,462	94,199,625
Capital Assets being depreciated/amortized, net	232,499,329	226,026,390	458,525,719
Total Assets	497,707,604	468,153,471	965,861,075
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions and OPEB	29,888,263	2,426,316	32,314,579
Deferred charges on refunding bond	1,347,533	2,986,383	4,333,916
Total Deferred Outflows of Resources	31,235,796	5,412,699	36,648,495
LIABILITIES			
Accounts payable and deposits	4,498,802	4,522,695	9,021,497
Accrued liabilities	823,607	159,499	983,106
Accrued interest payable	2,679,887	2,772,097	5,451,984
Unearned revenue	21,317,793	215,311	21,533,104
Noncurrent liabilities - Due within one year			
Accrued compensated absences	2,799,840	377,246	3,177,086
Bonds debt	15,395,000	7,759,000	23,154,000
Claims and judgements	277,158	-	277,158
Financed Purchases Payable	693,569	19,785	713,354
SBITA payable	-	505,369	505,369
Long-term Liabilities - Due in more than one year			
Accrued compensated absences	5,836,308	934,557	6,770,865
Net pension liability	42,823,986	12,808,245	55,632,231
Net OPEB liability	19,374	7,296	26,670
Bonds debt	195,846,923	144,130,576	339,977,499
Claims and judgements	1,351,199	-	1,351,199
Financed Purchases Payable	1,377,589	-	1,377,589
SBITA payable	-	3,548,576	3,548,576
Total Liabilities	295,741,035	177,760,252	473,501,287
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension and OPEB	3,783,565	985,563	4,769,128
Deferred gains on refunding bond	35,648	-	35,648
Total Deferred Inflows of Resources	3,819,213	985,563	4,804,776
NET POSITION			
Net investment in capital assets	238,877,804	190,282,066	429,159,870
Restricted			
Debt service	580,877	-	580,877
Road maintenance and construction	20,760,741	-	20,760,741
Pension liability	11,152	-	11,152
Other postemployment benefits	3,305,889	-	3,305,889
PS-Police equipment and facilities	7,843,018	-	7,843,018
Parks, recreation and culture facilities	7,660,137	-	7,660,137
PS-Fire equipment and facilities	3,603,448	-	3,603,448
Transportation projects	1,926,701	-	1,926,701
Other purposes	779,927	-	779,927
Unrestricted	(55,966,542)	104,538,289	48,571,747
Total Net Position	\$ 229,383,152	\$ 294,820,355	\$ 524,203,507

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

City of Yuma, Arizona

Statement of Activities

Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<u>GOVERNMENT ACTIVITIES:</u>				
General government	\$ 22,509,075	\$ 9,068,956	\$ 185,926	\$ 1,190,546
Public safety	63,366,750	7,673,270	824,262	2,982,409
Streets	22,028,495	-	-	4,041,329
Parks, recreation and culture	14,791,056	1,396,057	20,623	2,024,592
Environmental health and protection	106,060	-	-	213,303
Community design and development	6,196,491	1,904,783	1,714,273	100,000
Interest and issuance costs on long-term debt	4,849,326	-	-	-
Total Governmental Activities	<u>133,847,253</u>	<u>20,043,066</u>	<u>2,745,084</u>	<u>10,552,179</u>
<u>BUSINESS-TYPE ACTIVITIES:</u>				
Water	23,411,386	28,500,711	-	2,612,846
Wastewater	21,579,826	19,030,088	-	2,911,364
Solid Waste	5,130,010	5,514,822	-	-
Radio communications	3,177,228	2,301,280	-	1,224,412
Golf courses	1,558,666	1,987,529	-	-
Total Business-type Activities	<u>54,857,116</u>	<u>57,334,430</u>	<u>-</u>	<u>6,748,622</u>
Total Activities	<u>\$188,704,369</u>	<u>\$77,377,496</u>	<u>\$ 2,745,084</u>	<u>\$17,300,801</u>

General Revenues:

- Property taxes
- Sales taxes
- Franchise taxes
- Intergovernmental, unrestricted
- Grants and contributions not restricted to specific programs
- Unrestricted investment earnings
- Gain from sale of assets
- Loss on sale of assets

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net position-beginning

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
\$ (12,063,647)	\$ -	\$ (12,063,647)
(51,886,809)	-	(51,886,809)
(17,987,166)	-	(17,987,166)
(11,349,784)	-	(11,349,784)
107,243	-	107,243
(2,477,435)	-	(2,477,435)
(4,849,326)	-	(4,849,326)
(100,506,924)	-	(100,506,924)
-	7,702,171	7,702,171
-	361,626	361,626
-	384,812	384,812
-	348,464	348,464
-	428,863	428,863
-	9,225,936	9,225,936
(100,506,924)	9,225,936	(91,280,988)
15,413,849	-	15,413,849
65,135,439	-	65,135,439
3,568,073	-	3,568,073
47,640,163	-	47,640,163
-	-	-
4,289,503	7,295,615	11,585,118
-	-	-
-	-	-
136,047,027	7,295,615	143,342,642
(557,527)	557,527	-
135,489,500	7,853,142	143,342,642
34,982,576	17,079,078	52,061,654
194,400,576	277,741,277	472,141,853
\$ 229,383,152	\$ 294,820,355	\$ 524,203,507

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FUND
FINANCIAL STATEMENTS

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GOVERNMENTAL
FUNDS

City of Yuma, Arizona

Balance Sheet

June 30, 2023

	General	City Road Tax
ASSETS		
Cash and Investments	\$ 72,446,432	\$ 16,555,831
Cash with Fiscal Agents	11,152	-
Receivables, Net Allowances for Uncollectibles:		
Accounts Receivable	1,812,146	135,321
Intergovernmental	2,477,692	656,911
Special Assessments	20,169	-
Delinquent Property Taxes	947,464	-
Accrued Interest	766,341	18,561
Due from Other Funds	2,801,706	-
Inventory, at cost	26,219	-
Prepaid Items	56,167	4,004
Total Assets	\$ 81,365,488	\$ 17,370,628
LIABILITIES		
Accounts Payable	\$ 1,535,530	\$ 569,483
Accrued Payroll, Taxes and Benefits Payable	823,607	-
Long-Term Debt - Current Portion	-	-
Due to Other Funds	-	-
Accrued Interest Payable	-	-
Deposits	936,026	-
Unearned Revenues	10,048	35,000
Total Liabilities	3,305,211	604,483
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenues	2,625,286	-
FUND BALANCES		
Nonspendable:		
Inventory	26,219	-
Prepaid Items	56,167	4,004
Spendable:		
Restricted	635,587	16,762,141
Committed	13,125,120	-
Assigned	31,742,156	-
Unassigned	29,849,742	-
Total Fund Balances	75,434,991	16,766,145
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 81,365,488	\$ 17,370,628

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

American Rescue Plan Act	Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 18,539,617	\$ 530,587	\$ 28,012,721	\$ 136,085,188
-	18,099,324	-	18,110,476
-	27,840	1,218,319	3,193,626
-	-	2,914,760	6,049,363
-	-	-	20,169
-	-	5,634	953,098
-	-	17,378	802,280
-	-	-	2,801,706
-	-	14,745	40,964
-	-	20,000	80,171
\$ 18,539,617	\$ 18,657,751	\$ 32,203,557	\$ 168,137,041
\$ 378,702	\$ -	\$ 784,086	\$ 3,267,801
-	-	-	823,607
-	15,395,000	-	15,395,000
-	1,987	1,133,264	1,135,251
-	2,679,887	-	2,679,887
-	-	73,343	1,009,369
18,160,915	-	3,111,830	21,317,793
18,539,617	18,076,874	5,102,523	45,628,708
-	-	813,682	3,438,968
-	-	14,745	40,964
-	-	20,000	80,171
-	580,877	26,934,385	44,912,990
-	-	107,042	13,232,162
-	-	-	31,742,156
-	-	(788,820)	29,060,922
-	580,877	26,287,352	119,069,365
\$ 18,539,617	\$ 18,657,751	\$ 32,203,557	\$ 168,137,041

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June 30, 2023

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)		\$119,069,365
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in funds.		298,158,346
Revenues deferred to later years recognized in year received rather than year levied in governmental activities:		
Special assessment / loan principal	\$ 808,049	
Property tax	953,097	
Ambulance billings, net allowance for uncollectible	1,677,822	
Total		3,438,968
Other post employment benefits (OPEB) asset		3,305,889
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	(8,562,877)	
Pension and OPEB liability	(42,843,360)	
Bonds payable	(191,515,000)	
Finance purchases payable	(2,071,158)	
Net amortized deferred charges or premiums are not recorded in the governmental funds	(4,331,923)	
Total		(249,324,318)
Difference between expected and actual experiences, assumption changes, and between projected and actual earnings		
Deferred outflows - pension and OPEB related	29,888,263	
Deferred inflows - pension and OPEB related	(3,783,565)	
Total		26,104,698
Deferred charges and gains on debt refunding are not recognized in the current period		1,311,885
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		27,318,319
Net position - governmental activities per the Statement of Net Position (Exhibit A-1)		<u>\$229,383,152</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, 2023

	General	City Road Tax
REVENUES		
Taxes	\$ 51,921,349	\$ 16,442,280
Licenses and Permits	2,118,982	-
Intergovernmental	38,933,572	-
Charges for Services	12,467,862	34,022
Fines and Forfeitures	1,169,102	-
Interest and Rents	2,788,604	465,303
Contributions and Donations	-	-
Miscellaneous	1,356,903	5
Total Revenues	110,756,374	16,941,610
EXPENDITURES		
Current:		
General Government	21,599,403	-
Public Safety	46,895,988	940,537
Streets	-	2,552,938
Parks, Recreation and Culture	6,970,082	-
Environmental Health and Protection	-	-
Community Design and Development	4,305,494	-
Capital Outlay	801,163	92,912
Capital Projects:		
General Government	2,559,259	-
Public Safety	-	-
Streets	-	4,333,836
Parks, Recreation and Culture	-	-
Debt Service:		
Principal	742,430	51,996
Interest and Fiscal Agent Fees	-	-
Total Expenditures	83,873,819	7,972,219
Revenues Over/(Under) Expenditures	26,882,555	8,969,391
OTHER FINANCING SOURCES (USES)		
Finance Purchase Agreements	2,005,280	-
Transfers In	-	-
Transfers Out	(14,420,703)	(4,427,818)
Total Other Financing Sources/(Uses)	(12,415,423)	(4,427,818)
Net Change in Fund Balances	14,467,132	4,541,573
Fund Balances - Beginning	60,967,859	12,224,572
Fund Balances - Ending	\$ 75,434,991	\$ 16,766,145

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

American Rescue Plan Act	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 15,886,302	\$ 84,249,931
-	-	-	2,118,982
3,849,486	-	13,309,448	56,092,506
-	-	2,312,908	14,814,792
-	-	-	1,169,102
-	517,561	666,612	4,438,080
-	-	211,923	211,923
-	-	138,733	1,495,641
3,849,486	517,561	32,525,926	164,590,957
197,167	-	119,264	21,915,834
226,254	-	5,425,872	53,488,651
-	-	9,177,012	11,729,950
-	-	6,453,785	13,423,867
-	-	74,734	74,734
-	-	1,958,272	6,263,766
-	-	1,239,229	2,133,304
98,556	-	682,033	3,339,848
898,075	-	1,295,179	2,193,254
-	-	752,494	5,086,330
2,429,434	-	1,309,336	3,738,770
-	15,395,000	395,800	16,585,226
-	5,366,225	-	5,366,225
3,849,486	20,761,225	28,883,010	145,339,759
-	(20,243,664)	3,642,916	19,251,198
-	-	-	2,005,280
-	20,760,410	131,778	20,892,188
-	-	(2,601,194)	(21,449,715)
-	20,760,410	(2,469,416)	1,447,753
-	516,746	1,173,500	20,698,951
-	64,131	25,113,852	98,370,414
\$ -	\$ 580,877	\$ 26,287,352	\$ 119,069,365

City of Yuma, Arizona

Reconciliation Statement of Revenues, Expenditures and Change in Fund Balance to Statement of Activities Year Ended June 30, 2023

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) \$ 20,698,951

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	\$ (14,955,092)	
Capital outlay expenditures reported as additions to assets:		
Capital outlay expenditures-governmental funds	<u>16,399,021</u>	
Total		1,443,929

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

Property taxes revenue	97,103	
Public safety ambulance revenue	<u>211,046</u>	
Total		308,149

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

Contributions of infrastructure	<u>3,971,320</u>	
Total		3,971,320

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

Internal service investment earnings	535,793	
Net funds in excess of expenses	<u>1,617,829</u>	
Total		2,153,622

Sub-total adjustments to net change in fund balances governmental funds (Exhibit B-3)

\$ 28,575,971

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 \$ 28,575,971

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	\$ (2,005,280)	
Principal payments on:		
Excise tax and refunded bonds	15,395,000	
Finance purchases	1,190,229	
Total		14,579,949

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	516,899	
Compensated absences	(647,945)	
Other post employment benefit obligations	599,525	
Pension City contributions	(8,669,030)	
Pension on-behalf contributions	27,207	
Total		(8,173,344)

Change in net position of government activities (Exhibit A-2) \$ 34,982,576

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PROPRIETARY FUNDS

City of Yuma, Arizona

Statement of Fund Net Position

June 30, 2023

	Business-Type Activities Enterprise Funds	
	Water Fund	Wastewater Fund
ASSETS		
Current Assets:		
Cash and Investments	\$ 47,053,991	\$ 32,661,122
Receivables, Net of Allowance for Uncollectibles:		
Accounts Receivable	2,784,501	1,339,936
Intergovernmental	1,456	93,649
Accrued Interest	25,288	51,555
Inventory, at cost	422,272	-
Prepaid Items	2,740	3,511
Total Unrestricted Current Assets	50,290,248	34,149,773
Restricted Assets:		
Cash and Investments:		
Restricted Cash and Cash with Fiscal Agents	6,811,287	91,337,352
Advancement for Future Expansion	7,033,941	18,882,504
Customer Deposits	1,489,068	-
Total Restricted Current Assets	15,334,296	110,219,856
Total Current Assets	65,624,544	144,369,629
Noncurrent Assets:		
Pension and OPEB Asset	210,944	150,255
Capital Assets:		
Land	1,896,821	8,885,438
Buildings	108,997,810	58,665,164
Improvements Other than Buildings	173,191,268	137,997,025
Equipment	3,948,411	3,232,321
Construction In Progress	8,641,386	4,916,017
SBITA Right-to-use Asset	-	-
Less Accumulated Amortization	-	-
Less Accumulated Depreciation	(154,546,704)	(111,233,884)
Total Capital Assets	142,128,992	102,462,081
Total Noncurrent Assets	142,339,936	102,612,336
Total Assets	207,964,480	246,981,965
DEFERRED OUTFLOWS OF RESOURCES		
Other Pension Items	1,146,648	816,753
Deferred Charges on Refunding	2,286,521	699,862
Total Deferred Outflows of Resources	\$3,433,169	\$1,516,615

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

Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
Other Funds	Totals	
\$ 7,572,603	\$ 87,287,716	\$ 22,459,307
455,372	4,579,809	5,627
141,859	236,964	-
3,260	80,103	14,482
127,033	549,305	349,682
11,555	17,806	2,913,194
8,311,682	92,751,703	25,742,292
-	98,148,639	-
-	25,916,445	-
-	1,489,068	-
-	125,554,152	-
8,311,682	218,305,855	25,742,292
85,161	446,360	
-	10,782,259	219,610
3,102,865	170,765,839	19,251
3,341,093	314,529,386	222,733
10,205,365	17,386,097	34,450,249
102,800	13,660,203	-
4,669,686	4,669,686	-
(583,711)	(583,711)	-
(14,960,319)	(280,740,907)	(30,813,697)
5,877,779	250,468,852	4,098,146
5,962,940	250,915,212	4,098,146
14,274,622	469,221,067	29,840,438
462,915	2,426,316	-
-	2,986,383	-
\$462,915	\$5,412,699	\$ -

City of Yuma, Arizona

Statement of Fund Net Position

June 30, 2023

	Business-Type Activities Enterprise Funds	
	Water Fund	Wastewater Fund
LIABILITIES		
Current Liabilities Payable from Current Assets:		
Accounts Payable	\$ 1,089,678	\$ 1,263,940
Accrued Payroll and Related Taxes	89,764	69,735
Current Portion-Bonds Payable	5,766,300	1,992,700
Current Portion-Accrued Compensated Absences	217,356	87,689
Current Portion-Finance Purchases	-	19,785
Current Portion-Estimated Claims and Judgements	-	-
Due to Other Funds	-	-
Accrued Interest Payable	992,093	1,780,004
Unearned Revenue	-	-
SBITA Payable	-	-
Total Current Liabilities Payable from Current Assets	8,155,191	5,213,853
Current Liabilities Payable from Restricted Assets:		
Accounts Payable	1,680	107,372
Deposits	1,682,414	-
Unearned Revenue	-	46,020
Total Current Liabilities Payable from Restricted Assets	1,684,094	153,392
Total Current Liabilities	9,839,285	5,367,245
Noncurrent Liabilities:		
Bonds Payable	48,367,426	95,763,150
Net Pension Liability	6,053,019	4,311,547
OPEB Liability	3,449	2,456
Accrued Compensated Absences	561,850	209,166
Estimated Claims and Judgements	-	-
SBITA Payable	-	-
Total Noncurrent Liabilities	54,985,744	100,286,319
Total Liabilities	64,825,029	105,653,564
DEFERRED INFLOWS OF RESOURCES		
Other Pension Items	465,765	331,763
Total Deferred Inflows of Resources	465,765	331,763
NET POSITION		
Net investment in capital assets	90,931,880	92,888,696
Unrestricted	55,174,975	49,624,557
Total Net Position	\$146,106,855	\$142,513,253
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
\$ 377,611	\$ 2,731,229	\$ 221,632
-	159,499	-
-	7,759,000	-
72,201	377,246	27,494
-	19,785	-
-	-	277,158
1,208,418	1,208,418	458,037
-	2,772,097	-
169,291	169,291	-
505,369	505,369	-
2,332,890	15,701,934	984,321
-	109,052	-
-	1,682,414	-
-	46,020	-
-	1,837,486	-
2,332,890	17,539,420	984,321
-	144,130,576	-
2,443,679	12,808,245	-
1,391	7,296	-
163,541	934,557	45,777
-	-	1,351,199
3,548,576	3,548,576	-
6,157,187	161,429,250	1,396,976
8,490,077	178,968,670	2,381,297
188,035	985,563	-
188,035	985,563	-
6,461,490	190,282,066	4,098,146
(402,065)	104,397,467	23,360,995
\$ 6,059,425	294,679,533	\$ 27,459,141
	140,822	
	\$294,820,355	

City of Yuma, Arizona

Statement of Revenues, Expenses and Changes in Fund Net Position

Year Ended June 30, 2023

	Business-Type Activities Enterprise Funds	
	Water Fund	Wastewater Fund
OPERATING REVENUES		
Metered Water Sales	\$ 27,595,387	\$ -
Commercial Raw Water	87,794	-
Wastewater Charges	-	18,995,584
Meters, Connections and Services	766,200	30,445
Charges for Services	-	-
Green Fees and Concessions	-	-
Equipment Rental	-	-
Miscellaneous Charges	-	-
Total Operating Revenues	28,449,381	19,026,029
OPERATING EXPENSES		
Operations and Maintenance	14,285,533	12,854,152
Amortization	-	-
Depreciation	7,365,347	5,984,579
Total Operating Expenses	21,650,880	18,838,731
Operating Income/(Loss)	6,798,501	187,298
NON-OPERATING REVENUES (EXPENSES)		
Interest Earnings	1,420,450	5,687,705
Gain/(Loss) on Disposal of Assets	-	-
Interest and Fiscal Agent Fees	(1,814,039)	(2,734,886)
Federal Grants	-	-
State Grants	-	-
Costs of Issuance of Sr Utility Bond	-	(232,280)
Miscellaneous Revenues	51,330	4,059
Total Non-Operating Revenues/(Expenses)	(342,259)	2,724,598
Income/(Loss) before Contributions and Transfers	6,456,242	2,911,896
Capital Contributions	2,612,848	2,911,364
Transfers In	-	-
Transfers Out	(49,345)	(54,627)
Change in Net Position	9,019,745	5,768,633
Net Position - Beginning	137,087,110	136,744,620
Net Position - Ending	\$146,106,855	\$142,513,253

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	
\$ -	\$ 27,595,387	\$ -
-	87,794	-
-	18,995,584	-
-	796,645	-
7,790,252	7,790,252	3,736,478
1,373,479	1,373,479	-
500,194	500,194	2,980,929
-	-	1,853,520
9,663,925	57,139,335	8,570,927
9,789,023	36,928,708	4,230,530
583,711	583,711	-
252,200	13,602,126	1,691,535
10,624,934	51,114,545	5,922,065
(961,009)	6,024,790	2,648,862
187,460	7,295,615	535,796
-	-	7,599
-	(4,548,925)	-
-	-	-
102,800	102,800	-
-	(232,280)	-
36,906	92,295	-
327,166	2,709,505	543,395
(633,843)	8,734,295	3,192,257
1,224,412	6,748,624	-
800,000	800,000	-
(138,501)	(242,473)	-
1,252,068	16,040,446	3,192,257
4,807,357		24,266,884
\$ 6,059,425		\$ 27,459,141
	1,038,632	
	\$ 17,079,078	

City of Yuma, Arizona

Statement of Cash Flows

Year Ended June 30, 2023

	Business-Type Activities Enterprise Funds	
	Water Fund	Wastewater Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 28,610,189	\$ 19,523,186
Cash Paid to Employees	(6,502,921)	(5,165,735)
Cash Paid to Suppliers	(8,215,811)	(8,226,999)
Cash Paid for Operating Expenses	-	-
Other Operating Activity Revenue	51,330	4,059
Net Cash Provided by / (Used for) Operating Activities	13,942,787	6,134,511
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Cash Received from Other Funds	-	-
Cash Paid to Other Funds	(49,345)	(54,627)
Interfund Borrowing	-	-
Net Cash Provided by/(Used for) Noncapital Financing Activities	(49,345)	(54,627)
CASH FLOWS FROM CAPITAL ARE RELATED FINANCING ACTIVITIES:		
Contributions of Capital	1,655,001	1,769,604
State Grants	-	-
Unearned Revenue	-	-
Acquisition and Construction of Assets	(4,181,508)	(4,580,945)
Proceeds from Sale of Capital Assets	-	-
Costs of Issuance of Sr Utility Bond	-	(232,280)
Principal Payments on Bonds	(6,671,518)	(6,571,482)
Finance Purchases	(16,859)	(37,389)
Interest and Fiscal Agent Fee Payments	(2,086,660)	(3,716,454)
Net Cash Provided by / (Used for) Capital and Related Financing Activities	(11,301,544)	(13,368,946)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Receipt of Interest	1,415,585	5,671,115
Net Cash Provided by / (Used for) Investing Activities	1,415,585	5,671,115
Net Increase in Cash and Cash Equivalents	4,007,483	(1,617,947)
Cash and Cash Equivalents, July 1	58,380,804	144,498,925
Cash and Cash Equivalents, June 30	\$ 62,388,287	\$142,880,978

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

Business-Type Activities Enterprise Funds		Governmental Activities
Other Funds	Total	Internal Service Funds
\$ 9,603,099	\$ 57,736,474	\$ 8,563,228
(2,984,909)	(14,653,565)	(1,283,635)
(7,437,128)	(23,879,938)	(2,872,866)
	-	(3,143,033)
36,906	92,295	9,904
(782,032)	19,295,266	1,273,598
800,000	800,000	-
(138,501)	(242,473)	-
(220,683)	(220,683)	(100,780)
440,816	336,844	(100,780)
1,224,412	4,649,017	-
102,800	102,800	-
6,947	6,947	-
(1,201,455)	(9,963,908)	(1,590,112)
-	-	7,599
-	(232,280)	-
-	(13,243,000)	-
-	(54,248)	-
-	(5,803,114)	-
132,704	(24,537,786)	(1,582,513)
186,860	7,273,560	534,487
186,860	7,273,560	534,487
(21,652)	2,367,884	124,792
7,594,255	210,473,984	22,334,515
\$ 7,572,603	\$212,841,868	\$ 22,459,307

City of Yuma, Arizona

Statement of Cash Flows

Year Ended June 30, 2023

	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)	\$ 6,798,501	\$ 187,298
Adjustments to reconcile operating income/(loss) to Net Cash Provided by/(used for) Operating Activities:		
Other Operating Activity Revenue	51,330	4,059
Depreciation and Amortization Expense	7,365,347	5,984,579
SBITA Payment	-	-
(Increase)/Decrease in:		
Accounts Receivable	160,808	497,157
Inventories	(274,899)	-
Prepaid Items	6,097	(3,511)
Pension/OPEB Asset Reporting and Deferred Inflows	47,172	33,602
Customer Deposits	156,596	-
Increase/(Decrease):		
Accounts Payable	(62,029)	(299,501)
Accrued Payroll and Related Taxes	(62,099)	(95,343)
Claims Incurred but Not Reported	-	-
Pension/OPEB Liability Reporting and Deferred Outflows	(244,037)	(173,829)
Estimated Claims and Judgements	-	-
Total Adjustments	7,144,286	5,947,213
Net Cash Provided by / (Used for) Operating Activities	<u>\$ 13,942,787</u>	<u>\$ 6,134,511</u>
Noncash Transactions Affecting Financial Position		
Contributions of Capital Assets	\$ 957,847	\$ 1,141,760
Total Noncash Transactions Affecting Financial Position	\$ 957,847	\$ 1,141,760

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

Business-Type Activities Enterprise Funds		Governmental Activities
Other Funds	Total	Internal Service Funds
\$ (961,009)	\$ 6,024,790	\$ 2,648,862
36,906	92,295	-
835,911	14,185,837	1,691,535
(615,741)	(615,741)	
(60,828)	597,137	2,095
(12,829)	(287,728)	(23,067)
(11,555)	(8,969)	(882,245)
19,044	99,818	
-	156,596	-
107,317	(254,213)	(362,418)
(20,727)	(178,169)	(40,761)
-	-	(1,455,428)
(98,521)	(516,387)	-
-	-	(304,975)
178,977	13,270,476	(1,375,264)
<u>\$ (782,032)</u>	<u>\$ 19,295,266</u>	<u>\$ 1,273,598</u>
\$ -	\$ 2,099,607	\$ -
\$ -	\$ 2,099,607	\$ -

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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

For the year ended June 30, 2023, the City implemented the provisions of GASB Statement No. 99; *Omnibus 2022*, which clarifies several recent statements, including GASB Statements No. 87 and 96.

For the year ended June 30, 2023, the City implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement increases the usefulness of the financial statements by requiring the recognition of certain assets and liabilities for SBITAs. This Statement also requires a government to disclose essential information about the arrangement. The City's analysis of SBITAs in effect at the beginning of the year resulted in no changes to beginning balance reported in the financial statements due to the implementation of this standard.

For the year ended June 30, 2023, the City implemented the provisions of GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements (PPP)*, in which a government (the transferor) contracts with an operator (a government or nongovernment entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.

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 department. Upon written request by the City Administrator, the Council may, by ordinance, transfer part or all of any unencumbered appropriation balance from one department 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). Unexpended appropriations lapse 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) Subsequently Billed 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, 2023, the estimated amounts of subsequently billed revenues for the Water, Wastewater and Solid Waste Enterprise Funds are \$1,113,602; \$676,149; and \$180,088; 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	\$ 26,219	\$ -	\$ -	\$ 14,745	\$ 40,964
Prepaid items	56,167	4,004	-	20,000	80,171
Restricted for:					
Debt service	-	-	580,877	-	580,877
Road maintenance and construction	-	16,762,141	-	3,998,600	20,760,741
PS-Police equipment and facilities	-	-	-	7,843,018	7,843,018
PS-Fire equipment and facilities	-	-	-	3,603,448	3,603,448
Parks, recreation and culture facilities	-	-	-	7,660,137	7,660,137
Transportation projects	-	-	-	1,926,701	1,926,701
General government projects	-	-	-	116,742	116,742
Bonded capital improvements	-	-	-	1,785,739	1,785,739
PSPRS Unfunded Actuarial Accrued Liability	11,152	-	-	-	11,152
River development	624,435	-	-	-	624,435
Committed to:					
Capital Improvements	-	-	-	107,042	107,042
PSPRS Reserve for future UAAL	13,125,120	-	-	-	13,125,120
Assigned for:					
Debt service FY 2024	15,037,302	-	-	-	15,037,302
Capital Improvement Plan FY 2024-28	6,312,075	-	-	-	6,312,075
Fleet replacment and supply chain delays	5,615,542	-	-	-	5,615,542
Subsequent capital and grant match	3,168,860	-	-	-	3,168,860
Public safety proposition	1,497,917	-	-	-	1,497,917
Arizona Avenue Appartments	110,460	-	-	-	110,460
Unassigned	29,849,742	-	-	(788,820)	29,060,922
Total Fund Balances	\$ 75,434,991	\$ 16,766,145	\$ 580,877	\$ 26,287,352	\$ 119,069,365

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, 2023, 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 asset 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 asset 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.

M. Subscription-Based Information Technology Arrangements (SBITA)

The City recognizes SBITA liabilities with a non-revokable commitment beyond one-year and value in excess of \$460,000.

N. Public-Private and Public-Public Partnerships and Available Payment Arrangements (PPP)

The City recognizes PPP receivables with an initial value 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, 2023, the City's deposits had a carrying value of \$3,492,775 and a bank balance of \$4,861,665. 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, 2023 included change fund balances of \$25,815.

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, 2023, 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, 2023, were as follows:

Investment Type	Fair Value	Investment Maturities in Years			
		< 1 Year	1-2 Years	2-3 Years	3-5 Years
Deposit Sweep Program	\$ 10,994,293	\$ 10,994,293	\$ -	\$ -	\$ -
US Agencies:					
Federal Farm Credit Bank	4,990,468	4,990,468	-	-	-
Federal Home Loan Bank	36,590,955	2,894,754	12,070,546	12,559,442	9,066,213
Federal Home Loan Mtg. Corp.	17,848,957	17,848,957	-	-	-
Federal National Mtg. Assoc.	-	-	-	-	-
Federal Agriculture Mtg. Corp.	-	-	-	-	-
Money Market Funds	29,754,139	29,754,139	-	-	-
Arizona State Investment Pool 5	285,825,252	285,825,252	-	-	-
Total Value	\$ 386,004,064	\$ 352,307,863	\$ 12,070,546	\$ 12,559,442	\$ 9,066,213

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, 2023, 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 AA Af/S1+ by Standard and Poor's at year end.

Concentration of Credit Risk

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

	Maximum %	Actual %
U.S. Treasuries and securities having principal and interest guaranteed by the U.S. Government	100%	-
U.S. Government agencies, instrumentalities and government sponsored enterprises	No more than 80%	15.5%
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%	-
Maximum per issuer	10% of total C.P.	-
Repurchase agreements	100%	2.8%
Money market funds	100%	7.7%
State investment pool	100%	74.0%

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, 2023, had a weighted average maturity of 548 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, 2023:

	June 30, 2023	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:				
Deposit Sweep Program	\$ 10,994,293	\$ -	\$ 10,994,293	\$ -
US Agencies:				
Federal Farm Credit Bank	4,990,468		4,990,468	-
Federal Home Loan Bank	36,590,955		36,590,955	-
Federal Home Loan Mtg. Corp.	17,848,957		17,848,957	-
Total investments by fair value level	\$ 70,424,673	\$ -	\$ 70,424,673	\$ -
Investments measured at the net asset value (NAV)				
Money Market Funds	\$ 29,754,139			
Arizona State Investment Pool 5	285,825,252			
Total investments measured at the NAV	315,579,391			
Total investments measured at fair value	\$ 386,004,064			

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 2021-22 (Tax Year 2021) and fiscal year 2022-23 (Tax Year 2022), follow:

	Tax Year 2021 (Fiscal Year 2022)	Tax Year 2022 (Fiscal Year 2023)
Net Limited Assessed Valuation	\$652,905,803	\$688,774,583
Primary Tax Rate	2.2681	2.1930
Primary Tax Levy	14,808,556	15,104,827
Net Full Cash Assessed Valuation	776,910,355	824,609,144
Secondary Tax Rate / Levy	-	-
Current Tax Collection	14,634,936	14,993,974
Delinquent Taxes:		
Collections	269,146	227,152
Outstanding as of June 30	853,157	947,464

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	\$ 1,812,146	\$ 2,477,692	\$ 20,169	\$ 947,464	\$ 766,341	\$ 6,023,812
City Road Tax	135,321	656,911	-	-	18,561	810,793
Debt Service	27,840	-	-	-	-	27,840
Water	2,784,501	1,456	-	-	25,288	2,811,245
Wastewater	1,339,936	93,649	-	-	51,555	1,485,140
Other Funds:						
Governmental	1,218,319	2,914,760	-	5,634	17,378	4,156,091
Enterprise	455,372	141,859	-	-	3,260	600,491
Internal Service	5,627	-	-	-	14,482	20,109
Total Receivables	\$ 7,779,062	\$ 6,286,327	\$ 20,169	\$ 953,098	\$ 896,865	\$ 15,935,521

Enterprise Funds	Allowance Amount	
	2023	2022
Water	\$ 202,030	\$ 194,039
Wastewater	115,681	111,317
Other Funds	22,097	19,736

D. Due from Other Governments (Intergovernmental Receivables)

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

	Agencies				Total
	Federal	State	County	Local	
Governmental Funds					
Major Funds:					
General	\$ 998	\$ 2,125,273	\$ 126,119	\$ 225,302	\$ 2,477,692
City Road Tax	-	656,608	-	303	656,911
ARPA	-	-	-	-	-
Nonmajor Funds:					
Highway User Revenue	-	923,795	-	-	923,795
Public Safety Tax	-	262,554	-	-	262,554
Two Percent Tax	-	423,253	-	-	423,253
Mall Maintenance	-	-	1,522	-	1,522
Improvement Districts	-	-	39	-	39
Capital Projects Fund	-	251,955	-	-	251,955
Grants	602,440	209,778	-	2,284	814,502
Community Redevelopment	237,140	-	-	-	237,140
Enterprise Funds:					
Major Funds:					
Water	-	1,456	-	-	1,456
Wastewater	69,648	34	-	23,967	93,649
Nonmajor Funds:					
Radio Communications	-	137,051	2,678	2,130	141,859
Total	\$ 910,226	\$ 4,991,757	\$ 130,358	\$ 253,986	\$ 6,286,327

E. Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2023, follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Capital Assets Not Being Depreciated				
Land	\$ 51,473,628	-	-	\$ 51,473,628
Construction in progress	17,166,181	\$ 20,030,424	\$ 18,913,070	18,283,535
Total Capital Assets Not Being Depreciated	68,639,809	20,030,424	18,913,070	69,757,163
Other Capital Assets				
Buildings	107,674,490	845,880	-	108,520,370
Improvements	71,727,522	2,197,056	-	73,924,578
Infrastructure	309,103,675	11,616,985	-	320,720,660
Equipment	69,544,046	6,183,178	425,846	75,301,378
Total Other Capital Assets	558,049,733	20,843,099	425,846	578,466,986
Less Accumulated Depreciation for:				
Buildings	60,396,460	3,738,072	-	64,134,532
Improvements	49,625,128	1,651,825	-	51,276,953
Infrastructure	158,139,711	8,257,451	-	166,397,162
Equipment	61,585,578	2,999,278	425,846	64,159,010
Total Accumulated Depreciation	329,746,877	16,646,626	425,846	345,967,657
Other Capital Assets, Net	228,302,856	4,196,473	-	232,499,329
Total Capital Assets, Governmental Activities	\$ 296,942,665	\$ 24,226,897	\$ 18,913,070	\$ 302,256,492

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

Governmental Funds Capital Assets, Net	\$ 298,158,346
Internal Service Funds Capital Assets, Net	4,098,146
Total	\$ 302,256,492

Depreciation was charge to governmental functions as follows:

General Government and Unclassified	\$ 2,865,508
Public Safety	2,427,104
Streets	8,880,162
Parks, Recreation, and Culture	738,077
Environmental Health and Protection	32,444
Community Design and Development	11,797
Assets held by Internal Service Funds are charged based on usage of assets	1,691,534
Total	\$ 16,646,626

Capital asset activity for business-type activities for the year ended June 30, 2023, follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Capital Assets Not Being Depreciated				
Land	\$ 10,782,259	-	-	\$ 10,782,259
Construction in progress	15,815,047	\$ 8,220,535	\$ 10,375,379	13,660,203
<u>Total Capital Assets Not Being Depreciated</u>	<u>26,597,306</u>	<u>8,220,535</u>	<u>10,375,379</u>	<u>24,442,462</u>
Other Capital Assets				
Buildings	164,648,404	6,117,435	-	170,765,839
Improvements	308,193,772	6,335,614	-	314,529,386
Equipment	15,621,208	1,830,389	65,500	17,386,097
<u>Total Other Capital Assets</u>	<u>488,463,384</u>	<u>14,283,438</u>	<u>65,500</u>	<u>502,681,322</u>
Less Accumulated Depreciation for:				
Buildings	(41,233,610)	(3,254,170)	-	(44,487,780)
Improvements	(211,507,580)	(9,790,384)	-	(221,297,964)
Equipment	(14,397,592)	(557,571)	-	(14,955,163)
<u>Total Accumulated Depreciation</u>	<u>(267,138,782)</u>	<u>(13,602,125)</u>	<u>-</u>	<u>(280,740,907)</u>
SBITA Right-to-use Assets:				
SBITA assets	4,669,686	-	-	4,669,686
Less Accumulated Amortization	-	(583,711)	-	(583,711)
<u>Total SBITA Right-to-use Asset</u>	<u>4,669,686</u>	<u>(583,711)</u>	<u>-</u>	<u>4,085,975</u>
<u>Total Capital Assets, Business-type Activities</u>	<u>\$ 252,591,594</u>	<u>\$ 8,318,137</u>	<u>\$ 10,440,879</u>	<u>\$ 250,468,852</u>

Depreciation and amortization was charged to programs as follows:

	Depreciation	Amortization
Water	\$ 7,365,347	\$ -
Wastewater	5,984,579	-
Solid Waste	20,110	-
Radio Communications	121,240	583,711
Golf Course	110,850	-
<u>Total</u>	<u>\$ 13,602,126</u>	<u>\$ 583,711</u>

Construction in progress is comprised mainly of Streets, Parks Projects as well as waterline replacements and water transmission lines and wastewater projects (wastewater treatment plant upgrades and improvements, and collection facilities). Estimated cost to complete these projects is \$20.1 million.

F. Noncurrent Liabilities

The following changes occurred in noncurrent liabilities during the fiscal year ended June 30, 2023:

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Due Within One Year
Governmental activities:					
Yuma Municipal Property Corporation:					
2015 - Sr Lien Excise Revenue & Refunding	\$ 36,325,000	\$ -	\$ 2,320,000	\$ 34,005,000	\$ 1,790,000
2015 - Sr Lien Road Tax Refunding	22,630,000	-	3,390,000	19,240,000	3,535,000
2021 - Sr. Lien Excise Revenue Refunding	9,450,000	-	2,225,000	7,225,000	2,315,000
2021 - Taxable Pledged Revenue	153,315,000	-	6,875,000	146,440,000	7,755,000
Unamortized Premium	5,167,881	-	835,958	4,331,923	-
Financed Purchases Payable	1,256,105	2,005,280	1,190,227	2,071,158	693,569
Pension Unfunded Actuarial Liability:					
Public Safety Personnel Retirement System	83,664,454	12,067,860	89,341,057	6,391,257	-
Arizona State Retirement System (ASRS)	26,217,034	7,788,483	-	34,005,517	-
Elected Official Retirement Plan	2,207,457	219,755	-	2,427,212	-
OPEB Liability - ASRS	41,642	-	22,268	19,374	-
Estimated Claims and Judgements	3,388,760	1,628,357	3,388,760	1,628,357	277,158
Compensated Absences	7,979,485	8,636,148	7,979,485	8,636,148	2,799,840
Total Noncurrent Liabilities	\$ 351,642,818	\$ 32,345,883	\$ 117,567,755	\$ 266,420,946	\$ 19,165,567
	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Due Within One Year
Business-type activities					
Yuma Municipal Property Corporation:					
2015 - Sr Lien Utility Sys Revenue Refunding	\$ 64,770,000	\$ -	\$ 4,790,000	\$ 59,980,000	\$ 4,990,000
2021 - Utility System Revenue Obligations	71,040,000	-	2,615,000	68,425,000	845,000
Private Placement Obligations					
2016 - Sr Lien Utility Sys Revenue Refunding	9,715,000	-	5,838,000	3,877,000	1,924,000
Unamortized Premium	20,993,716	-	1,386,140	19,607,576	-
Financed Purchases Payable	74,033	-	54,248	19,785	19,785
SBITAs Payable	4,669,686	-	615,741	4,053,945	505,369
Pension Unfunded Actuarial Liability:					
Arizona State Retirement System	9,874,698	2,933,547	-	12,808,245	-
OPEB Liability - ASRS	15,685	-	8,389	7,296	-
Compensated Absences	1,070,845	1,311,803	1,070,845	1,311,803	377,246
Total Noncurrent Liabilities	\$ 182,223,663	\$ 4,245,350	\$ 16,378,363	\$ 170,090,650	\$ 8,661,400

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. In FY23, the City financed Servers to support the technology infrastructure. All of this equipment was acquired under the provisions of long-term lease agreements classified as a financed 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
2024	\$ 693,569	\$ 19,785
2025	575,112	-
2026	400,889	-
2027	400,889	-
2028	690	-
Present value of minimum lease payments	\$ 2,071,149	\$ 19,785
Due within one year	\$ 693,569	\$ 19,785

Subscription-Based Information Technology Arrangements (SBITAs)

The City has entered into subscription-based information technology agreements (SBITAs) for Emergency Service radios and related software. The related obligations under the SBITAs have been recorded at the present value of their future minimum payments as of the inception date. Revenue from the Yuma Regional Communications Systems Fund, a non-major enterprise fund, are used to pay the obligations. Amortization of right-to-use

The total value of assets recorded under SBITAs that meet the City’s capitalization threshold is as follows.

Asset:	Governmental Activities	Business-Type Activities
SBITA assets	\$ -	\$ 4,669,686
Less: Accumulated depreciation	-	(583,711)
Total	\$ -	\$ 4,085,975

SBITA Commitments – At year end, the City had contractual commitments related to SBITAs for which the subscription term had not yet commenced. During the year ended June 30, 2023, the City had made payments of \$615,741 to the subscription provider and had remaining contractual commitments with the subscription provider as follows.

Year Ending June 30:	Business-Type	
	Principal	Interest
2024	\$ 505,369	\$ 118,375
2025	528,350	103,618
2026	552,287	88,191
2027	577,160	72,064
2028	603,020	55,211
2029-33	1,287,759	56,812
Total	\$ 4,053,945	\$ 494,271

Bonded Debt

The following is a description of bonded indebtedness at June 30, 2023. 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. 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, 2023, the pledged revenues described above amounted to \$118.7 million for governmental activities and \$30.6 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, 2023, debt service for governmental activities totaled \$20.8 million and for business-type activities \$13.3 million, or 20% and 43% 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
Governmental Activities:						
2015 - Sr Lien Excise Revenue & Refunding	3.5-5.0%	10/21/2015	2035	\$48,105,000	\$34,005,000	\$2,087,642
2015 - Sr Lien Road Tax Refunding	2.0-5.0%	10/21/2015	2027	40,280,000	19,240,000	1,840,607
2021 - Sr. Lien Excise Revenue Refunding	4.00%	2/19/2021	2025	11,765,000	7,225,000	403,674
2021 - Taxable Pledged Revenue	4.0-5.0%	2/19/2021	2038	159,475,000	146,440,000	-
Business-type Activities:						
2015 - Sr Lien Utility Sys Revenue Refunding	3.25-5.0%	10/21/2015	2032	89,675,000	59,980,000	5,342,940
2016 - Sr Lien Utility Sys Revenue Refunding	1.50%	11/8/2016	2024	37,835,000	3,877,000	-
2021 - Utility System Revenue Obligations	0.3-2.6%	12/28/2021	2041	71,040,000	68,425,000	14,264,636
Total Bonded Debt				\$458,175,000	\$339,192,000	\$23,939,499

Arbitrage

Under Internal Revenue Code Section 148, all government tax-exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, the earnings from the investment of tax-exempt bond proceeds that exceed related interest expenditures on the bonds must be remitted to the Federal government on every fifth anniversary of each bond issued, with defined exceptions.

The City has evaluated each bond issue subject to the arbitrage rebate requirements and has determined that no arbitrage rebate liability is due at June 30, 2023 and subsequent years arbitrage rebate (if any) will be immaterial to the City's overall financial conditions.

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, 2023, follows:

	Water, Etc. (20%)	All Other (6%)
Secondary Assessed Valuation	\$ 824,609,144	\$ 824,609,144
Legal Limit	164,921,829	49,476,549
Outstanding G.O. Debt	-	-
Available Debt Margin	<u>\$ 164,921,829</u>	<u>\$ 49,476,549</u>

Annual Debt Service Requirements to Maturity

July 1	Governmental Activities - Bond MPC Bonds 2015B Excise			Governmental Activities - Bond MPC Bonds 2015D Road Refunding 2007		
	Principal	Interest	Total	Principal	Interest	Total
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	2,120,000	918,000	3,038,000	4,160,000	62,400	4,222,400
2028-2032	14,270,000	3,199,125	17,469,125	-	-	-
2033-2037	9,945,000	538,500	10,483,500	-	-	-
Total	\$34,005,000	\$9,171,825	\$43,176,825	\$19,240,000	\$2,109,600	\$21,349,600

July 1* July 15**	Governmental Activities - Bond * 2021 Refunding MPC Bonds 2010			Governmental Activities - Bond ** Taxable 2021 Pledge Revenue		
	Principal	Interest	Total	Principal	Interest	Total
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	-	-	-	8,900,000	2,512,781	11,412,781
2028-2032	-	-	-	47,115,000	9,951,795	57,066,795
2033-2037	-	-	-	53,040,000	3,979,894	57,019,894
2038	-	-	-	3,615,000	95,146	3,710,146
Total	\$7,225,000	\$441,100	\$7,666,100	\$146,440,000	\$27,579,474	\$174,019,474

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
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	-	-	-	5,920,000	1,289,587	7,209,587
2028-2032	-	-	-	32,785,000	2,708,242	35,493,242
Total	\$3,877,000	\$58,373	\$3,935,373	\$59,980,000	\$11,931,056	\$71,911,056

July 1	Business Activities - Bond 2021 Utility System Reveune Obligations		
	Principal	Interest	Total
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	2,125,000	2,648,075	4,773,075
2028-2032	12,465,000	11,482,625	23,947,625
2033-2037	24,630,000	7,273,550	31,903,550
2038-2041	23,535,000	1,929,100	25,464,100
Total	\$68,425,000	\$34,818,650	\$103,243,650

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, 2023, 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	\$3,305,889	\$446,360	\$3,752,249
Net liability related to:			
Pension	42,823,986	12,808,245	55,632,231
OPEB	19,374	7,296	26,670
Deferred outflows of resources related to			
Pension	29,503,413	2,376,619	31,880,032
OPEB	384,850	49,697	434,547
Deferred inflows of resources related to			
Pension	2,472,262	697,307	3,169,569
OPEB	1,311,303	288,256	1,599,559
Expense and contributions			
Pension expense (income)	14,529,976	976,411	15,506,387
OPEB expense (income)	(472,939)	(67,511)	(540,450)
Pension contributions	5,860,946	1,298,068	7,159,014
OPEB contributions	130,660	27,401	158,061

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% *With actuarially reduced benefits	2.1% to 2.3%

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, 2023, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.17 percent (12.03 percent for retirement and 0.14 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 12.17 percent (11.92 percent for retirement, 0.11 percent for health insurance premium benefit, and 0.14 percent for long-term disability) of the active members’ annual covered payroll. In addition, the City was required by statute to contribute at the actuarially determined rate of 9.68 percent (9.62 percent for retirement and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked for the City in positions that would typically be filled by an employee who contributes to the ASRS. The City’s contributions to the pension plan and the health benefit and long-term disability OPEBs for the year ended June 30, 2023 were \$4,744,398; \$43,782; and \$56,367; respectively.

During fiscal year 2023, 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, 2023, 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	\$ 46,813,762
Health insurance premium benefit	(1,631,432)
Long-term disability	26,670

The net asset and liabilities were measured as of June 30, 2022. 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, 2021, to the measurement date of June 30, 2022.

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, 2022. The total liabilities as of June 30, 2023 reflect changes in actuarial assumptions based on the results of an actuarial experience.

The City's reported pension liability at June 30, 2022, increased by \$10,722,030 from the City's prior year liability of \$36,091,732 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 \$16,322,220,920. The City's proportion measured as of June 30, 2022, was 0.28681 percent, which was an increase of 0.01213 percent from its proportion measured as of June 30, 2021. The City's proportion share for Health benefits and Long-term disability was 0.29232 percent and 0.28876 percent; which was an increase of 0.1164 percent and 0.01105 percent, respectively.

Expense – For the fiscal year ended June 30, 2023, the City recognized the following pension and OPEB expense.

ASRS	Pension/OPEB Expense
Portionate share of pension	\$ 3,568,759
Health insurance premium benefit	(241,580)
Long-term disability	6,124

Deferred Outflows/Inflows of Resources – At June 30, 2023, 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	\$ 398,881	\$ -
Changes of assumptions or other inputs	2,323,458	-
Net difference between projected and actual investment earnings	-	1,233,120
Changes in proportion and differences between City contributions and proportionate share of contributions	1,219,742	1,315,522
City contributions subsequent to the measurement date	4,744,398	-
Total	\$ 8,686,479	\$ 2,548,642

	Health Insurance Premium	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 832,590
Changes of assumptions or other inputs	26,478	44,495
Net difference between projected and actual investment earnings	-	54,955
Changes in proportion and differences between City contributions and proportionate share of contributions	8,071	13,606
City contributions subsequent to the measurement date	43,782	-
Total	\$ 78,331	\$ 945,646

	Long-term Disability	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,881	\$ 24,851
Changes of assumptions or other inputs	14,524	65,092
Net difference between projected and actual investment earnings	-	829
Changes in proportion and differences between City contributions and proportionate share of contributions	7,242	17,147
City contributions subsequent to the measurement date	56,367	-
Total	\$ 92,014	\$ 107,919

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, 2024.

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	\$ 1,543,893	\$ (249,801)	\$ (7,234)
2024	16,863	(271,640)	(8,724)
2025	(2,140,986)	(297,922)	(14,972)
2026	1,973,666	(46,718)	(3,354)
2027	-	(45,016)	(14,893)
Thereafter	-	-	(23,095)

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

Actuarial valuation date	June 30, 2021
Actuarial roll forward date	June 30, 2022
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 the June 30, 2021 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, 2020 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 Allocation	Long-Term Expected Geometric Real Rates of Return
Equity	50%	3.90%
Credit	20%	5.30%
Interest rate sensitive bonds	10%	-0.20%
Real Estate	20%	6.00%
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	\$ 69,072,314	\$ 46,813,762	\$ 28,253,607
Health insurance premium benefit	(1,173,089)	(1,631,432)	(2,020,328)
Long-term disability	44,211	26,670	9,670

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	Initial membership date:	
	Before January 1, 2012	On or after 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 of service or 15 years of credited service 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, 2023, 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	143	143	91	91
Inactive plan members entitled to but not yet receiving benefits	39	8	15	13
Active plan members	93	93	83	83
Total	275	244	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, 2023, 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	10.00%	9.68%	13.03%	9.68%
Health insurance	0.00%	0.26%	0.00%	0.26%

For the agent plans, the City’s contributions to the pension and OPEB for the year ended June 30, 2023, were:

	Pension Contribution	OPEB Contribution
PSPRS Police	\$ 1,009,937	\$ 20,601
PSPRS Fire	1,220,390	36,878

During fiscal year 2023, all City paid PSPRS pension and OPEB contributions were from governmental funds.

Pension/OPEB (Asset) Liability – At June 30, 2023, the City reported the following net pension liabilities:

	Net Pension Liability	Net OPEB Liability (Asset)
PSPRS Police	\$ 3,472,432	\$ (1,737,228)
PSPRS Fire	2,918,825	(329,211)

The net pension liabilities were measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability(ies) as of June 30, 2022, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the five-year period ended June 30, 2021, including decreasing the discount rate from 7.3 percent to 7.2 percent, changing the wage inflation rate from 3.5 percent to a range of 2.75-15.0 percent, and increasing the cost-of-living adjustment rate from 1.75 percent to 1.85 percent.

Pension/OPEB Actuarial Assumptions – The total pension liability in the June 30, 2022, measurement was determined using the following actuarial assumptions:

PSPRS

Actuarial valuation date	June 30, 2022
Actuarial cost method	Entry age normal
Investment rate of return	7.2% for pension and OPEB
Wage inflation	2.75-15.0% for pension/not applicable for OPEB
Price inflation	2.5% for pension/not applicable for OPEB
Cost-of-living adjustment	1.85% for pension/not applicable for OPEB
Mortality rates	PubS-2010 tables

Actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

The long-term expected rate of return on PSPRS plan investments was determined to be 7.20 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
U.S. public equity	3.49%
International public equity	4.47%
Global private equity	7.18%
Other Assets (Capital Appreciation)	4.83%
Core bonds	0.45%
Private credit	5.10%
Diversifying strategies	2.68%
Cash - Mellon	-0.35%
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	7.20%	7.20%
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, 2022	\$ 132,258,851	\$ 86,921,260	\$ 45,337,591
Changes for the year:			
Service cost	1,572,066	-	1,572,066
Interest on the total pension liability	9,481,309	-	9,481,309
Changes of benefit terms	-	-	-
Differences between expected and actual experience	953,662	-	953,662
Changes of assumptions	2,160,833	-	2,160,833
Contributions-employer	-	61,013,778	(61,013,778)
Contributions-employee	-	837,408	(837,408)
Net investment income	-	(5,715,547)	5,715,547
Benefit payments	(7,899,950)	(7,899,950)	-
Administrative expense	-	(102,610)	102,610
Other changes	-	-	-
Net changes	6,267,920	48,133,079	(41,865,159)
Adjustment to Beginning of Year	-	-	-
Balances at June 30, 2023	\$ 138,526,771	\$ 135,054,339	\$ 3,472,432

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, 2022	\$ 1,726,739	\$ 3,703,253	\$ (1,976,514)
Changes for the year:			
Service cost	35,628	-	35,628
Interest	125,634	-	125,634
Differences between expected and actual experience	(86,682)	-	(86,682)
Changes of assumptions	16,846	-	16,846
Changes in benefit terms	-	-	-
Contributions-employer	-	-	-
Contributions-employee	-	-	-
Net investment income	-	(145,274)	145,274
Benefit payments	(82,720)	(82,720)	-
Administrative expense	-	(2,586)	2,586
Other changes	-	-	-
Net changes	8,706	(230,580)	239,286
Adjustment to Beginning of Year	-	-	-
Balances at June 30, 2023	\$ 1,735,445	\$ 3,472,673	\$ (1,737,228)

PSPRS Fire - Pension	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at June 30, 2022	\$ 106,431,958	\$ 68,105,095	\$ 38,326,863
Changes for the year:			
Service cost	1,575,272	-	1,575,272
Interest on the total pension liability	7,664,750	-	7,664,750
Changes of benefit terms	-	-	-
Differences between expected and actual experience	1,065,019	-	1,065,019
Changes of assumptions	1,516,206	-	1,516,206
Contributions-employer	-	51,263,309	(51,263,309)
Contributions-employee	-	674,263	(674,263)
Net investment income	-	(4,625,291)	4,625,291
Benefit payments	(6,021,307)	(6,021,307)	-
Administrative expense	-	(82,996)	82,996
Other changes	-	-	-
Net changes	5,799,940	41,207,978	(35,408,038)
Adjustment to Beginning of Year		-	-
Balances at June 30, 2023	\$ 112,231,898	\$ 109,313,073	\$ 2,918,825
PSPRS Fire - OPEB	Increase (Decrease)		
	Total OPEB Liability (Asset)	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
	(a)	(b)	(a) - (b)
Balances at June 30, 2022	\$ 1,645,601	\$ 2,292,361	\$ (646,760)
Changes for the year:			
Service cost	33,516	-	33,516
Interest on the total pension liability	119,754	-	119,754
Changes of benefit terms	-	-	-
Differences between expected and actual experience	41,639	-	41,639
Changes of assumptions	43,873	-	43,873
Contributions-employer	-	12,215	(12,215)
Contributions-employee	-	-	-
Net investment income	-	(89,391)	89,391
Benefit payments	(77,292)	(77,292)	-
Administrative expense	-	(1,591)	1,591
Other changes	-	-	-
Net changes	161,490	(156,059)	317,549
Adjustment to Beginning of Year		-	-
Balances at June 30, 2023	\$ 1,807,091	\$ 2,136,302	\$ (329,211)

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 (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
PSPRS Police			
Net pension liability	\$ 21,920,597	\$ 3,472,432	\$ (11,571,315)
Net OPEB (asset)	(1,541,116)	(1,737,228)	(1,902,007)
PSPRS Fire			
Net pension liability	17,731,680	2,918,825	(9,209,908)
Net OPEB (asset)	(134,561)	(329,211)	(493,963)

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, 2023, the City recognized the following pension expense:

	Pension Expense	OBEB Expense
PSPRS Police	\$ 7,253,650	\$ (674,680)
PSPRS Fire	5,413,328	(61,137)

Pension Deferred Outflows/Inflows of Resources- At June 30, 2023, 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	\$ 2,159,261	\$ -
Changes of assumptions or other inputs	2,651,645	-
Net difference between projected and actual investment earnings	5,617,399	-
City contributions subsequent to the measurement date:		
Statutorily required contribution	1,009,937	-
Total	<u>\$ 11,438,242</u>	<u>\$ -</u>

Notes to the Financial Statements

June 30, 2023

PSPRS Police - OPEB

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 314,301
Changes of assumptions or other inputs	18,387	6,072
Net difference between projected and actual investment earnings	53,019	-
City contributions subsequent to the measurement date:		
Statutorily required contribution	20,601	-
Total	<u>\$ 92,007</u>	<u>\$ 320,373</u>

PSPRS Fire- Pension

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,139,944	\$ 610,510
Changes of assumptions or other inputs	2,569,634	-
Net difference between projected and actual investment earnings	4,619,135	-
City contributions subsequent to the measurement date:		
Statutorily required contribution	1,220,390	-
Total	<u>\$ 11,549,103</u>	<u>\$ 610,510</u>

PSPRS Fire- OPEB

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 46,465	\$ 220,200
Changes of assumptions or other inputs	44,635	-
Net difference between projected and actual investment earnings	33,595	-
City contributions subsequent to the measurement date:		
Statutorily required contribution	36,878	-
Total	<u>\$ 161,573</u>	<u>\$ 220,200</u>

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, 2024.

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
2024	\$ 4,288,820	\$ (158,107)	\$ 3,189,159	\$ (53,854)
2025	2,100,087	(118,247)	2,651,748	(70,131)
2026	1,234,143	(55,113)	1,107,076	(39,483)
2027	2,805,255	82,500	2,770,220	67,963
2028	-	-	-	-
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:	
	<u>Before January 1, 2012</u>	<u>On or after January 1, 2012</u>
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, 2023, 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 70.42 percent to EORP of the annual covered payroll of elected officials and judges who were ASRS members and 58.39 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 2023, 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, 2023 was \$184,289.

Liability/(Asset) – At June 30, 2023, the City reported the following asset and liabilities for its proportionate share of the EORP' net pension/OPEB asset or liability.

	Pension	OPEB
City's proportionate share of the EORP net liability (asset)	\$ 2,427,212	\$ (54,378)
State's proportionate share of the EORP net liability (asset) associated with the City	236,331	-
<u>Total</u>	<u>\$ 2,663,543</u>	<u>\$ (54,378)</u>

The net pension liability and OPEB asset were measured as of June 30, 2022, and the total liability used to calculate the net asset or net liability was determined by an actuarial valuation as of that date. The total liabilities as of June 30, 2022 reflect changes of actuarial assumptions including decreased interest rate of return from 7.0 to 7.2 percent and decreasing the wage inflation from 3.75 to 3.25 percent and the cost of living adjustment from 1.75 to 1.85 percent.

The City's proportion of the net pension liability was based on the City's actual contributions to the plan relative to the total of all participating employers' required contributions for the year ended June 30, 2022. The City's proportion measured as of June 30, 2022 was 0.35952 percent, which is .00321 or 0.88% less than its proportion measured as of June 30, 2021.

Pension and OPEB expense and deferred outflows/inflows of resources – For the year ended June 30, 2023, the City recognized total pension expense of \$729,346 and OPEB expense of -\$1,703 for the City’s proportionate share of the State’s appropriation to EORP and designated court fees. The City reported deferred outflows of resources and deferred inflows of resources related to pension and OPEB from the following sources:

EORP PENSION	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	21,919	-
Changes in proportion and differences between city contributions and proportionate share of contributions	-	10,417
City contributions subsequent to the measurement date	184,289	-
Total	\$ 206,208	\$ 10,417

EORP OPEB	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 988	\$ 2,442
Net difference between projected and actual earnings on OPEB plan investments	2,179	-
Changes in assumptions	887	
Changes in proportion and differences between city contributions and proportionate share of contributions	6,136	2,979
City contributions subsequent to the measurement date	432	-
Total	\$ 10,622	\$ 5,421

The amounts reported as deferred outflows of resources related to EORP pension and OPEB 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, 2024.

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)	
	Pension	OPEB
2024	\$ (6,003)	\$ 3,060
2025	210	43
2026	(10,331)	(976)
2027	27,626	2,642

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

Actuarial valuation date	June 30, 2022
Actuarial cost method	Entry age normal
Price inflation	2.50%
Salary Increases	3.25%
Asset Valuation Method	Fair Value
Investment rate of return	7.20%
Retirement Age	Experience-Based Table
Mortality rates	PUBG-2010 Mortality Tables with MP-2021 improvement scale with adjustments to match current experience.
Assumed Future Benefit Increase	1.85% of benefit

Actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

The long-term expected rate of return on EORP pension plan investments was determined to be 7.20 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:

Asset Class	Target Allocation	Real Return Geometric Basis
U.S. equity	24%	3.49%
International Public Equity	16%	4.47%
Global Private Equity	20%	7.18%
Other Assets (Capital Appreciation)	7%	4.83%
Core Bonds	2%	0.45%
Private Credit	20%	5.10%
Diversifying Strategies	10%	2.68%
Cash - Mellon	1%	-0.35%
Total	100%	

Discount rate – At June 30, 2022, the discount rate used to measure the EORP total pension liability was 7.20 percent, which was a decrease of 0.1 from the discount rate used as of June 30, 2021. 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 and OPEB liability/(asset) 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 7.2 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 (6.2 percent) or 1 percentage point higher (8.2 percent) than the current rate:

EORP	1% Decrease	Current Single	1% Increase
	(6.2%)	Discount Rate	(8.2%)
	(7.2%)	(7.2%)	(8.2%)
City's proportionate share of the net pension liability	\$ 2,771,004	\$ 2,427,212	\$ 2,132,731
OPEB asset	(49,867)	(54,378)	(58,308)

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	
General Fund	\$ 14,288,925	\$ 131,778	\$ -	\$ 14,420,703
City Road Tax	4,427,818	-	-	4,427,818
Public Safety Tax	784,487	-	-	784,487
Two Percent	460,864	-	800,000	1,260,864
Highway User Revenue	96,629	-	-	96,629
Capital Projects	459,214	-	-	459,214
Desert Hills Golf Course	1,739	-	-	1,739
Solid Waste	136,762	-	-	136,762
Water	49,345	-	-	49,345
Wastewater	54,627	-	-	54,627
Total	\$ 20,760,410	\$ 131,778	\$ 800,000	\$ 21,692,188

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, 2023, follow:

<u>Due from</u>	<u>Due to General Fund</u>
Debt Service	\$ 1,987
Community Redevelopment	271,725
Grants	715,332
Mall Maintenance	148
Improvement Districts	146,059
Radio Communication	54,765
Desert Hills Golf Course	1,153,653
Equipment Maintenance	458,037
Total	\$ 2,801,706

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.

	<u>Insurance Reserve Fund</u>		<u>Workers Compensation Fund</u>	
	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>
Beginning liability, July 1	\$964,975	\$1,686,500	\$2,423,785	\$1,618,834
Claims and changes in estimates	429,022	179,847	(515,152)	1,436,085
Claims payments	(733,997)	(901,372)	(940,276)	(631,134)
Ending liability, June 30	<u>\$660,000</u>	<u>\$964,975</u>	<u>\$968,357</u>	<u>\$2,423,785</u>

K. Construction Commitments

The City has active construction projects as of June 30, 2023. At year-end the government’s commitments with contractors for specific projects are as follows:

<u>Construction Commitments</u>	<u>Original Contract</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
General Government	\$2,571,331	\$1,722,626	\$848,705
Public Safety	8,184,560	3,320,303	4,864,257
Parks and Recreation	2,502,659	731,177	1,771,482
Environmental Health	2,663,162	2,360,492	302,670
Streets	9,905,009	2,039,713	7,865,296
Wastewater	8,140,824	3,740,142	4,400,682
<u>Total</u>	<u>\$33,967,545</u>	<u>\$13,914,453</u>	<u>\$20,053,092</u>

L. Deficits in Fund Equity

At June 30, 2023, no funds, as shown in the basic financial statements, were in a deficit position.

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 \$1,143,780 at June 30, 2023. This Fund will be absorbed by the Two Percent Fund effective July 1, 2023.

The Grants Fund is showing a deficit balance of \$732,138 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 \$56,682. The City has advanced temporary loans to the Districts; which will be paid with future district assessments.

M. Excess of Expenditures Over Appropriations

Expenditures did not exceed appropriations in any fund.

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, 2023. As such, the City has recorded a liability in the Insurance Reserve Fund that is expected to be paid out in FY 2024.

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

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GENERAL EMPLOYEES'
RETIREMENT FUNDS

City of Yuma, Arizona

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

June 30, 2023

Arizona State Retirement System Pension	Reporting Fiscal Year (Measurement Date)		
	2023 (2022)	2022 (2021)	2021 (2020)
City's proportion of the net pension liability	0.28681%	0.27468%	0.30200%
City's proportionate share of net pension liability	\$ 46,813,762	\$ 36,091,732	\$ 52,326,091
City's covered payroll	\$ 33,302,614	\$ 30,242,361	\$ 32,416,419
City's proportionate share of the net pension liability as a percentage of its covered payroll	140.57%	119.34%	161.42%
Plan fiduciary net position as a percentage of the total pension liability	74.26%	78.58%	69.33%
Arizona State Retirement System Health Insurance Premium Benefit	Reporting Fiscal Year (Measurement Date)		
	2023 (2022)	2022 (2021)	2021 (2020)
City's proportion of the net OPEB liability (asset)	0.29332%	0.28068%	0.30793%
City's proportionate share of the net OPEB liability (asset)	\$ (1,631,432)	\$ (1,367,496)	\$ (218,013)
City's covered payroll	\$ 33,302,614	\$ 30,242,361	\$ 32,416,419
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-4.90%	-4.52%	-0.67%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	137.79%	130.24%	104.33%
Arizona State Retirement System Long-Term Disability	Reporting Fiscal Year (Measurement Date)		
	2023 (2022)	2022 (2021)	2021 (2020)
City's proportion of the net OPEB liability (asset)	0.28876%	0.27771%	0.305270%
City's proportionate share of the net OPEB liability (asset)	\$ 26,670	\$ 57,326	\$ 231,581
City's covered payroll	\$ 33,302,614	\$ 30,242,361	\$ 32,416,419
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	0.08%	0.19%	0.71%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	95.40%	90.38%	68.01%

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)					
2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
0.31886%	0.31025%	0.312690%	0.307830%	0.313750%	0.313640%
\$ 46,397,840	\$ 43,268,957	\$ 48,711,007	\$ 49,686,854	\$ 48,871,806	\$ 46,324,403
\$ 31,542,916	\$ 29,690,982	\$ 30,109,898	\$ 28,462,610	\$ 28,442,751	\$ 27,663,180
147.09%	145.73%	161.78%	174.57%	171.83%	167.46%
73.24%	73.40%	69.92%	67.06%	63.85%	69.49%

Reporting Fiscal Year (Measurement Date)					
2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015, 2014 and 2013
0.32337%	0.31340%	0.315000%			
\$ (89,364)	\$ (112,852)	\$ (171,486)	Information not available	Information not available	Information not available
\$ 31,542,916	\$ 29,690,982	\$ 30,109,898			
-0.28%	-0.38%	-0.57%			
101.62%	102.00%	103.57%			

Reporting Fiscal Year (Measurement Date)					
2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015, 2014 and 2013
0.321490%	0.310780%	0.312970%			
\$ 209,433	\$ 162,384	\$ 113,444	Information not available	Information not available	Information not available
\$ 31,542,916	\$ 29,690,982	\$ 30,109,898			
0.66%	0.55%	0.38%			
72.85%	78.00%	84.44%			

City of Yuma, Arizona

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

June 30, 2023

Elected Officials Retirement Plan Pension	Reporting Fiscal Year (Measurement Date)		
	2023 (2022)	2022 (2021)	2021 (2020)
City's proportion of the net pension liability	0.359516%	0.362733%	0.657428%
City's proportionate share of net pension liability	\$ 2,427,212	\$ 2,207,457	\$ 4,437,384
City's covered payroll	\$ 249,430	\$ 249,619	\$ 249,040
City's proportionate share of the net pension liability as a percentage of its covered payroll	973.10%	884.33%	1781.80%
Plan fiduciary net position as a percentage of the total pension liability	32.01%	36.28%	29.80%
Elected Officials Retirement Plan Health Insurance Premium Benefit	Reporting Fiscal Year (Measurement Date)		
	2023 (2022)	2022 (2021)	2021 (2020)
City's proportion of the net OPEB liability (asset)	0.422821%	0.524235%	0.438338%
City's proportionate share of the net OPEB liability (asset)	\$ (54,378)	\$ (83,604)	\$ (41,863)
City's covered payroll	\$ 249,430	\$ 249,619	\$ 249,040
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-21.80%	-33.49%	-16.81%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	198.38%	231.29%	169.89%

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)					
2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015, 2014 and 2013
0.356800%	0.461140%	0.313770%	0.038265%		
\$ 2,366,249	\$ 2,905,818	\$ 3,822,739	\$ 2,912,340		
\$ 247,298	\$ 247,328	\$ 248,957	\$ 247,464	Information not available	Information not available
956.84%	1174.89%	1535.50%	1176.88%		
30.14%	30.40%	19.70%	23.42%		
Reporting Fiscal Year (Measurement Date)					
2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015, 2014 and 2013
Information not available	Information not available	Information not available	Information not available	Information not available	Information not available

City of Yuma, Arizona

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

June 30, 2023

PSPRS Police - Pension

Reporting Fiscal Year (Measurement Date)

	<u>2023</u> <u>(2022)</u>	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>
<u>TOTAL PENSION LIABILITY</u>			
Service cost	\$ 1,572,066	\$ 1,552,908	\$ 1,778,959
Interest on the total pension liability	9,481,309	9,200,510	8,767,069
Changes of benefit terms	-	-	-
Differences between expected and actual experience	953,662	977,364	3,293,433
Changes of assumptions or other inputs	2,160,833	-	-
Benefit payments, including refunds of employee contributions	(7,899,950)	(7,906,805)	(7,444,933)
Net change in total pension liability	6,267,920	3,823,977	6,394,528
Total pension liability - beginning	132,258,851	128,434,874	122,040,346
Total pension liability - ending (a)	<u>\$ 138,526,771</u>	<u>\$ 132,258,851</u>	<u>\$ 128,434,874</u>

PLAN FIDUCIARY NET POSITION

Contributions - employer	\$ 61,013,778	\$ 25,949,936	\$ 5,715,980
Contributions - employee	837,408	795,392	871,344
Net investment income	(5,715,547)	16,224,146	666,258
Benefity payments, including refunds of employee contributions	(7,899,950)	(7,906,805)	(7,444,933)
Administrative expense	(102,610)	(75,275)	(54,337)
Other changes	-	7,739	13,435
Net change in plan fiduciary net position	48,133,079	34,995,133	(232,253)
Plan fiduciary net position - beginning	86,921,260	51,926,127	52,205,888
Adjustment to beginning of year	-	-	(47,508)
Plan fiduciary net position - ending (b)	<u>\$ 135,054,339</u>	<u>\$ 86,921,260</u>	<u>\$ 51,926,127</u>

City's net pension liability - ending (a) - (b) **\$ 3,472,432 \$ 45,337,591 \$ 76,508,747**

PSPRS Police - Pension

Reporting Fiscal Year (Measurement Date)

	<u>2023</u> <u>(2022)</u>	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>
Plan fiduciary net position as a percentage of the total pension liability	97.49%	65.72%	40.43%
Covered payroll	\$ 12,031,813	\$ 9,872,838	\$ 9,569,156
City's net pension liability as a percentage of covered payroll	28.86%	459.22%	799.53%

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)

2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
\$ 2,037,864	\$ 1,865,115	\$ 2,537,434	\$ 2,001,398	\$ 2,064,841	\$ 2,043,247
8,416,772	8,066,846	7,469,258	7,036,487	6,836,389	5,718,621
-	-	1,361,581	2,526,647	-	2,022,309
537,676	(18,200)	192,540	29,904	(500,429)	(53,936)
2,691,789	-	3,881,385	3,687,996	-	9,770,998
(6,692,093)	(5,888,584)	(5,480,859)	(5,713,372)	(5,926,760)	(4,619,148)
6,992,008	4,025,177	9,961,339	9,569,060	2,474,041	14,882,091
115,048,338	111,023,161	101,061,822	91,492,762	89,018,721	74,136,630
\$ 122,040,346	\$ 115,048,338	\$ 111,023,161	\$ 101,061,822	\$ 91,492,762	\$ 89,018,721
\$ 5,577,447	\$ 4,161,523	\$ 4,860,230	\$ 4,511,261	\$ 3,321,709	\$ 3,099,353
906,329	1,052,451	1,256,377	1,286,467	1,313,708	1,103,885
2,663,690	3,273,094	4,981,294	242,213	1,497,736	5,100,174
(6,692,093)	(5,888,584)	(5,480,859)	(5,713,372)	(5,926,760)	(4,619,148)
(47,310)	(50,516)	(44,476)	(35,254)	(36,917)	(41,075)
-	(145,591)	(24,290)	(102,489)	(106,535)	(80,531)
2,408,063	2,402,377	5,548,276	188,826	62,941	4,562,658
49,797,986	47,395,609	41,847,333	41,658,507	41,595,566	37,032,908
(161)	-	-	-	-	-
\$ 52,205,888	\$ 49,797,986	\$ 47,395,609	\$ 41,847,333	\$ 41,658,507	\$ 41,595,566
\$ 69,834,458	\$ 65,250,352	\$ 63,627,552	\$ 59,214,489	\$ 49,834,255	\$ 47,423,155

Reporting Fiscal Year (Measurement Date)

2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
42.78%	43.28%	42.69%	41.41%	45.53%	46.73%
\$ 10,011,096	\$ 10,587,032	\$ 11,327,294	\$ 10,739,726	\$ 10,916,220	\$ 10,475,959
697.57%	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, 2023

PSPRS Police - OPEB

	Reporting Fiscal Year (Measurement Date)		
	2023 (2022)	2022 (2021)	2021 (2020)
<u>TOTAL OPEB LIABILITY</u>			
Service cost	\$ 35,628	\$ 37,699	\$ 43,231
Interest on the total OPEB liability (asset)	125,634	138,786	142,856
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(86,682)	(269,010)	(122,117)
Changes of assumptions or other inputs	16,846	-	-
Benefit payments, including refunds of employee contributions	(82,720)	(88,431)	(87,053)
Net change in total pension liability (asset)	8,706	(180,956)	(23,083)
Total OPEB liability (asset) - beginning	1,726,739	1,907,695	1,930,778
Total OPEB liability (asset) - ending (a)	\$ 1,735,445	\$ 1,726,739	\$ 1,907,695

PLAN FIDUCIARY NET POSITION

Contributions - employer	\$ -	\$ -	\$ -
Contributions - employee	-	-	-
Net investment income	(145,274)	814,967	38,067
Benefity payments, including refunds of employee contributions	(82,720)	(88,431)	(87,053)
Administrative expense	(2,586)	(3,351)	(3,096)
Other changes	-	-	-
Net change in plan fiduciary net position	(230,580)	723,185	(52,082)
Plan fiduciary net position - beginning	3,703,253	2,980,068	3,032,150
Adjustment to beginning of year	-	-	-
Plan fiduciary net position - ending (b)	\$ 3,472,673	\$ 3,703,253	\$ 2,980,068

City's net OPEB liability(asset)-ending (a)-(b) \$ (1,737,228) \$ (1,976,514) \$ (1,072,373)

PSPRS Police - OPEB

	Reporting Fiscal Year (Measurement Date)		
	2023 (2022)	2022 (2021)	2021 (2020)
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	200.10%	214.47%	156.21%
Covered payroll	\$ 12,031,813	\$ 9,872,838	\$ 9,569,156
City's net OPEB liability (asset) as a percentage of covered payroll	-14.44%	-20.02%	-11.21%

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)					
2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 and 2014
\$ 31,645	\$ 31,645	\$ 43,675			
151,243	149,269	150,016			
-	-	7,699	Information not available	Information not available	Information not available
(248,356)	(77,555)	(57,194)			
28,753	-	(27,864)			
(89,371)	(95,638)	(91,118)			
(126,086)	7,721	25,214			
2,056,864	2,049,143	2,023,929			
\$ 1,930,778	\$ 2,056,864	\$ 2,049,143			
\$ -	\$ (161)	\$ -			
-	-	-			
158,614	197,233	307,707	Information not available	Information not available	Information not available
(89,371)	(95,638)	(91,118)			
(2,738)	(3,002)	(2,722)			
	-	-			
66,505	98,432	213,867			
2,965,484	2,867,052	2,653,185			
161					
\$ 3,032,150	\$ 2,965,484	\$ 2,867,052			
\$ (1,101,372)	\$ (908,620)	\$ (817,909)			

Reporting Fiscal Year (Measurement Date)					
2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015, 2014 and 2013
157.04%	144.18%	139.91%	Information not available	Information not available	Information not available
\$ 10,011,096	\$ 10,587,032	\$ 11,327,294			
-11.00%	-8.58%	-7.22%			

City of Yuma, Arizona

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

June 30, 2023

<u>PSPRS Fire - Pension</u>	<u>Reporting Fiscal Year (Measurement Date)</u>		
	<u>2023 (2022)</u>	<u>2022 (2021)</u>	<u>2021 (2020)</u>
<u>TOTAL PENSION LIABILITY</u>			
Service cost	\$ 1,575,272	\$ 1,465,705	\$ 1,476,341
Interest on the total pension liability	7,664,750	7,353,060	6,799,883
Changes of benefit terms	-	-	-
Differences between expected and actual experience	1,065,019	785,939	4,335,248
Changes of assumptions or other inputs	1,516,206	-	-
Benefit payments, including refunds of employee contributions	(6,021,307)	(4,867,770)	(5,178,376)
Net change in total pension liability	5,799,940	4,736,934	7,433,096
Total pension liability - beginning	106,431,958	101,695,024	94,261,928
Total pension liability - ending (a)	\$ 112,231,898	\$ 106,431,958	\$ 101,695,024
<u>PLAN FIDUCIARY NET POSITION</u>			
Contributions - employer	\$ 51,263,309	\$ 20,916,218	\$ 5,136,594
Contributions - employee	674,263	626,591	760,572
Net investment income	(4,625,291)	12,550,606	491,372
Benefity payments, including refunds of employee contributions	(6,021,307)	(4,867,770)	(5,178,376)
Administrative expense	(82,996)	(57,748)	(40,068)
Other changes	-	-	-
Net change in plan fiduciary net position	41,207,978	29,167,897	1,170,094
Plan fiduciary net position - beginning	68,105,095	38,937,198	37,767,102
Adjustment to beginning of year	-	-	2
Plan fiduciary net position - ending (b)	\$ 109,313,073	\$ 68,105,095	\$ 38,937,198
City's net pension liability-ending (a)-(b)	\$ 2,918,825	\$ 38,326,863	\$ 62,757,826

<u>PSPRS Fire - Pension</u>	<u>Reporting Fiscal Year (Measurement Date)</u>		
	<u>2023 (2022)</u>	<u>2022 (2021)</u>	<u>2021 (2020)</u>
Plan fiduciary net position as a percentage of the total pension liability	97.40%	63.99%	38.29%
Covered payroll	\$ 9,818,616	\$ 8,245,658	\$ 7,823,750
City's net pension liability as a percentage of covered payroll	29.73%	464.81%	802.15%

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)

2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
\$ 1,579,025	\$ 1,558,380	\$ 1,753,544	\$ 1,504,175	\$ 1,443,632	\$ 1,511,371
6,634,098	6,356,400	5,828,117	5,580,799	5,332,981	4,671,699
-	-	752,016	3,597,460	-	1,370,597
(1,504,948)	(769,630)	447,610	(2,260,983)	894,372	(1,120,811)
1,568,402	-	3,928,814	2,732,266	-	6,122,119
(4,171,191)	(4,213,435)	(4,633,460)	(4,692,861)	(4,395,817)	(3,798,443)
4,105,386	2,931,715	8,076,641	6,460,856	3,275,168	8,756,532
90,156,542	87,224,827	79,148,186	72,687,330	69,412,162	60,655,630
\$ 94,261,928	\$ 90,156,542	\$ 87,224,827	\$ 79,148,186	\$ 72,687,330	\$ 69,412,162
\$ 5,431,590	\$ 3,369,308	\$ 3,870,770	\$ 3,700,007	\$ 2,750,517	\$ 2,603,104
570,661	732,048	949,203	947,173	899,220	754,968
1,858,386	2,216,964	3,407,616	166,820	1,040,382	3,516,237
(4,171,191)	(4,213,435)	(4,633,460)	(4,692,861)	(4,395,817)	(3,798,443)
(33,294)	(34,442)	(30,552)	(24,404)	(25,761)	(28,319)
(90,731)	375	362	(227,494)	(251,349)	949
3,565,421	2,070,818	3,563,939	(130,759)	17,192	3,048,496
34,219,258	32,148,440	28,584,501	28,715,260	28,698,068	25,649,572
(17,577)	-	-	-	-	-
\$ 37,767,102	\$ 34,219,258	\$ 32,148,440	\$ 28,584,501	\$ 28,715,260	\$ 28,698,068
\$ 56,494,826	\$ 55,937,284	\$ 55,076,387	\$ 50,563,685	\$ 43,972,070	\$ 40,714,094

Reporting Fiscal Year (Measurement Date)

2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
40.07%	37.96%	36.86%	36.12%	39.51%	41.34%
\$ 7,780,952	\$ 7,779,859	\$ 7,384,578	\$ 7,592,493	\$ 7,516,425	\$ 7,294,375
726.07%	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, 2023

<u>PSPRS Fire - OPEB</u>	<u>Reporting Fiscal Year (Measurement Date)</u>		
	<u>2023</u> <u>(2022)</u>	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>
<u>TOTAL OPEB LIABILITY</u>			
Service cost	\$ 33,516	\$ 33,331	\$ 35,061
Interest on the total OPEB liability (asset)	119,754	126,061	124,554
Changes of benefit terms	-	-	-
Differences between expected and actual experience	41,639	(167,412)	(32,650)
Changes of assumptions or other inputs	43,873	-	-
Benefit payments, including refunds of employee contributions	(77,292)	(79,835)	(83,230)
Net change in total pension liability (asset)	161,490	(87,855)	43,735
Total OPEB liability (asset) - beginning	1,645,601	1,733,456	1,689,721
Total OPEB liability (asset) - ending (a)	\$ 1,807,091	\$ 1,645,601	\$ 1,733,456
<u>PLAN FIDUCIARY NET POSITION</u>			
Contributions - employer	\$ 12,215	\$ 18,223	\$ 24,275
Contributions - employee	-	-	-
Net investment income	(89,391)	502,785	23,521
Benefit payments, including refunds of employee contributions	(77,292)	(79,835)	(83,230)
Administrative expense	(1,591)	(2,067)	(1,913)
Other changes	-	-	-
Net change in plan fiduciary net position	(156,059)	439,106	(37,347)
Plan fiduciary net position - beginning	2,292,361	1,853,255	1,890,602
Adjustment to beginning of year	-	-	-
Plan fiduciary net position - ending (b)	\$ 2,136,302	\$ 2,292,361	\$ 1,853,255
City's net OPEB liability(asset)-ending (a)-(b)	\$ (329,211)	\$ (646,760)	\$ (119,799)

<u>PSPRS Fire - OPEB</u>	<u>Reporting Fiscal Year (Measurement Date)</u>		
	<u>2023</u> <u>(2022)</u>	<u>2022</u> <u>(2021)</u>	<u>2021</u> <u>(2020)</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	118.22%	139.30%	106.91%
Covered payroll	\$ 9,818,616	\$ 8,245,658	\$ 7,823,750
City's net OPEB liability (asset) as a percentage of covered payroll	-3.35%	-7.84%	-1.53%

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-2

Agent Plans

Reporting Fiscal Year (Measurement Date)					
2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 and 2014
\$ 22,740	\$ 22,740	\$ 24,395			
140,341	131,832	121,540			
-	-	5,033	Information not available	Information not available	Information not available
(320,080)	33,203	64,956			
14,906	-	24,847			
(83,901)	(84,394)	(73,546)			
(225,994)	103,381	167,225			
1,915,715	1,812,334	1,645,109			
\$ 1,689,721	\$ 1,915,715	\$ 1,812,334			
\$ 25,091	\$ 7,573	\$ 14,586			
-	-	-			
97,903	122,612	192,515	Information not available	Information not available	Information not available
(83,901)	(84,394)	(73,546)			
(1,690)	(1,866)	(1,703)			
-	-	-			
37,403	43,925	131,852			
1,835,623	1,791,698	1,659,846			
17,576	-	-			
\$ 1,890,602	\$ 1,835,623	\$ 1,791,698			
\$ (200,881)	\$ 80,092	\$ 20,636			

Reporting Fiscal Year (Measurement Date)					
2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015, 2014 and 2013
111.89%	95.82%	98.86%	Information not available	Information not available	Information not available
\$ 7,780,952	\$ 7,779,859	\$ 7,384,578			
-2.58%	1.03%	0.28%			

City of Yuma, Arizona

Schedule of City Pension/OPEB Contributions

June 30, 2023

Arizona State Retirement System Pension	Reporting Fiscal Year			
	2023	2022	2021	2020 *
Statutorily required contribution	\$ 4,744,398	\$ 3,999,644	\$ 3,523,235	\$ 3,711,680
City's contributions in relation to the statutorily required contribution	4,744,398	3,999,644	3,523,235	3,711,680
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 39,801,997	\$ 33,302,614	\$ 30,242,361	\$ 32,416,419
City's contributions as a percentage of covered payroll	11.92%	12.01%	11.65%	11.45%

Arizona State Retirement System Health Insurance Premium	Reporting Fiscal Year			
	2023	2022	2021	2020
Statutorily required contribution	\$ 43,782	\$ 69,935	\$ 117,945	\$ 158,840
City's contributions in relation to the statutorily required contribution	43,782	69,935	117,945	158,840
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 39,801,997	\$ 33,302,614	\$ 30,242,361	\$ 32,416,419
City's contributions as a percentage of covered payroll	0.14%	0.21%	0.39%	0.49%

Arizona State Retirement System Long-Term Disability	Reporting Fiscal Year			
	2023	2022	2021	2020
Statutorily required contribution	\$ 56,367	\$ 63,275	\$ 54,436	\$ 55,108
City's contributions in relation to the statutorily required contribution	56,367	63,275	54,436	55,108
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 39,801,997	\$ 33,302,614	\$ 30,242,361	\$ 32,416,419
City's contributions as a percentage of covered payroll	0.11%	0.19%	0.18%	0.17%

* 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					
2019 *	2018 *	2017 *	2016	2015	2014
\$ 3,526,498	\$ 3,236,317	\$ 3,245,847	\$ 3,129,314	\$ 3,145,752	\$ 2,960,244
3,526,498	3,236,317	3,245,847	3,129,314	3,145,752	2,960,244
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 31,542,916	\$ 29,690,982	\$ 30,109,898	\$ 28,462,610	\$ 28,442,751	\$ 27,663,180
11.18%	10.90%	10.78%	10.99%	11.06%	10.70%

Reporting Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 145,097	\$ 130,640	\$ 168,615			
145,097	130,640	168,615	Information Not Available	Information Not Available	Information Not Available
\$ -	\$ -	\$ -			
\$ 31,542,916	\$ 29,690,982	\$ 30,109,898			
0.46%	0.44%	0.56%			

Reporting Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 50,469	\$ 47,506	\$ 41,930			
50,469	47,506	41,930	Information Not Available	Information Not Available	Information Not Available
\$ -	\$ -	\$ -			
\$ 31,542,916	\$ 29,690,982	\$ 30,109,898			
0.16%	0.16%	0.14%			

City of Yuma, Arizona

Schedule of City Pension/OPEB Contributions

June 30, 2023

Elected Officials Retirement Plan Pension	Reporting Fiscal Year			
	2023	2022	2021	2020
Statutorily required contribution	\$ 184,288	\$ 153,225	\$ 153,341	\$ 152,985
City's contributions in relation to the statutorily required contribution	184,288	153,225	153,341	152,985
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 261,698	\$ 249,430	\$ 249,619	\$ 249,040
City's contributions as a percentage of covered payroll	70.42%	61.43%	61.43%	61.43%

Elected Officials Retirement Plan Health Insurance Premium	Reporting Fiscal Year			
	2023	2022	2021	2020
Statutorily required contribution	\$ 432			
City's contributions in relation to the statutorily required contribution	432	Information Not Available	Information Not Available	Information Not Available
City's contribution deficiency (excess)	\$ -			
City's covered payroll	\$ 261,698			
City's contributions as a percentage of covered payroll	0.17%			

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-3

Reporting Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 152,088	\$ 58,122	\$ 58,505	\$ 58,154	Information Not Available	Information Not Available
152,088	58,122	58,505	58,154		
\$ -	\$ -	\$ -	\$ -		
\$ 247,298	\$ 247,328	\$ 248,957	\$ 247,464		
61.50%	23.50%	23.50%	23.50%		

Reporting Fiscal Year					
2019	2018	2017	2016	2015	2014
Information Not Available	Information Not Available	Information Not Available	Information Not Available	Information Not Available	Information Not Available

City of Yuma, Arizona

Schedule of City Pension/OPEB Contributions

June 30, 2023

PSPRS Police Pension	Reporting Fiscal Year			
	2023	2022	2021	2020
Statutorily required contribution	\$ 1,009,936	\$ 1,234,464	\$ 6,328,489	\$ 5,747,235
City's contributions in relation to the statutorily required contribution	1,009,936	61,391,220	26,042,339	5,747,235
City's contribution deficiency (excess)	\$ -	\$ (60,156,756)	\$ (19,713,850)	\$ -
City's covered payroll	\$ 10,099,360	\$ 12,031,813	\$ 9,872,838	\$ 9,569,156
City's contributions as a percentage of covered payroll	10.00%	10.26%	64.10%	60.06%

PSPRS Police OPEB	Reporting Fiscal Year			
	2023	2022	2021	2020
Statutorily required contribution	\$ 20,601	\$ 50,798	\$ 2,528	\$ 1,785
City's contributions in relation to the statutorily required contribution	20,601	50,798	2,528	1,785
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 10,099,360	\$ 12,031,813	\$ 9,872,838	\$ 9,569,156
City's contributions as a percentage of covered payroll	0.88%	0.42%	0.03%	0.02%

PSPRS Fire Pension	Reporting Fiscal Year			
	2023	2022	2021	2020
Statutorily required contribution	\$ 1,220,390	\$ 1,304,894	\$ 5,725,785	\$ 5,234,089
City's contributions in relation to the statutorily required contribution	1,220,390	51,522,527	21,011,935	5,234,089
City's contribution deficiency (excess)	\$ -	\$ (50,217,633)	\$ (15,286,150)	\$ -
City's covered payroll	\$ 9,366,002	\$ 9,818,616	\$ 8,245,658	\$ 7,823,750
City's contributions as a percentage of covered payroll	13.03%	13.29%	69.44%	66.90%

PSPRS Fire OPEB	Reporting Fiscal Year			
	2023	2022	2021	2020
Statutorily required contribution	\$ 36,878	\$ 47,143	\$ 2,340	\$ 17,928
City's contributions in relation to the statutorily required contribution	36,878	47,143	2,340	17,928
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 9,366,002	\$ 9,818,616	\$ 8,245,658	\$ 7,823,750
City's contributions as a percentage of covered payroll	0.44%	0.48%	0.03%	0.23%

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					
2019	2018	2017	2016	2015	2014
\$ 5,406,993	\$ 5,656,651	\$ 4,871,869	\$ 4,514,793	\$ 3,301,671	\$ 3,099,836
5,406,993	5,656,651	4,871,869	4,514,793	3,301,671	3,099,836
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 10,011,096	\$ 10,587,032	\$ 11,327,294	\$ 10,739,726	\$ 10,916,220	\$ 10,475,959
54.01%	53.43%	43.01%	42.04%	30.25%	29.59%

Reporting Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 1,730					
1,730	Information Not Available	Information Not Available	Information Not Available	Information Not Available	Information Not Available
\$ -					
\$ 10,011,096					
0.02%					

Reporting Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 5,382,085	\$ 4,625,904	\$ 3,723,304	\$ 3,543,790	\$ 2,608,314	\$ 2,441,615
5,382,085	4,625,904	3,723,304	3,543,790	2,608,314	2,441,615
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 7,780,952	\$ 7,779,859	\$ 7,384,578	\$ 7,592,493	\$ 7,516,425	\$ 7,294,375
69.17%	59.46%	50.42%	46.67%	34.70%	33.47%

Reporting Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 24,894					
24,894	Information Not Available	Information Not Available	Information Not Available	Information Not Available	Information Not Available
\$ -					
\$ 7,780,952					
0.32%					

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BUDGETARY COMPARISON SCHEDULES

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Property Tax - Primary	\$15,104,827	\$15,104,827	\$14,993,974	(\$110,853)
Property Tax - Delinquent	207,137	207,137	227,152	20,015
City Sales Tax	32,236,000	32,236,000	32,890,150	654,150
Public Enterprise In-Lieu	242,000	242,000	242,000	-
Franchise Tax	3,277,000	3,277,000	3,568,073	291,073
Total Taxes	51,066,964	51,066,964	51,921,349	854,385
Business Licenses	275,000	275,000	279,005	4,005
Liquor Licenses	39,500	39,500	40,277	777
Building Permits	2,354,000	2,354,000	1,768,802	(585,198)
Alcohol Permits	6,000	6,000	7,590	1,590
Animal Licenses	55,000	55,000	23,308	(31,692)
Total Licenses	2,729,500	2,729,500	2,118,982	(610,518)
State Shared Sales Tax	13,676,000	13,676,000	14,352,377	676,377
State Shared Income Tax	17,441,000	17,441,000	18,418,693	977,693
State Shared Auto Lieu Tax	5,260,000	5,260,000	5,408,720	148,720
Smart and Safe AZ	-	-	725,658	725,658
Other Governmental Funding	15,000	15,000	28,124	13,124
Total Intergovernmental	36,392,000	36,392,000	38,933,572	2,541,572
Building Inspection Fees	485,200	485,200	484,323	(877)
Recreation Fees	273,400	273,400	355,124	81,724
Police Services	625,000	625,000	549,069	(75,931)
Fire Ambulance Services	4,020,000	4,020,000	4,998,395	978,395
Intracity Indirect Cost Allocation	5,210,709	5,210,709	5,919,484	708,775
Arizona Avenue Rentals	110,000	110,000	129,145	19,145
Other Charges	137,000	137,000	32,322	(104,678)
Total Charges for Services	10,861,309	10,861,309	12,467,862	1,606,553
City Court Fines	1,241,000	1,241,000	1,169,102	(71,898)
Total Fines and Forfeitures	1,241,000	1,241,000	1,169,102	(71,898)
Interest	100,050	100,050	2,376,416	2,276,366
Rental Receipts	339,887	339,887	412,188	72,301
Total Interest and Rentals	439,937	439,937	2,788,604	2,348,667
Sales of Surplus Property	25,000	25,000	792,444	767,444
Other	1,620,600	1,620,600	564,459	(1,056,141)
Total Miscellaneous	1,645,600	1,645,600	1,356,903	(288,697)
Total Revenues	\$104,376,310	\$104,376,310	\$110,756,374	\$6,380,064

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

EXPENDITURES	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Mayor and Council	\$ 1,339,110	\$ 1,339,110	\$ 929,953	\$ 409,157
City Administrator's Office	3,032,811	3,018,280	2,697,603	320,677
City Attorney's Office	1,571,221	1,581,221	1,525,622	55,599
Information Technology	4,375,472	4,634,214	4,472,792	161,422
Facilities Maintenance	7,010,753	6,988,927	6,768,703	220,224
Finance Department	2,811,777	2,811,777	2,404,606	407,171
General Government	5,361,799	5,284,601	1,382,187	3,902,414
Human Resources	1,530,396	1,530,396	1,417,937	112,459
Budget Only-Contingency	3,504,238	3,504,238	-	3,504,238
Total General Government	30,537,577	30,692,764	21,599,403	9,093,361
Police Department	28,618,829	28,600,500	26,471,256	2,129,244
Fire Department	16,435,901	17,603,125	17,804,485	(201,360)
Municipal Court	2,492,124	2,591,676	2,620,247	(28,571)
Total Public Safety	47,546,854	48,795,301	46,895,988	1,899,313
Parks and Recreation Dept.	7,717,726	7,640,780	6,970,082	670,698
Total Parks and Recreation	7,717,726	7,640,780	6,970,082	670,698
Building Safety	2,647,701	2,636,931	2,648,721	(11,790)
Engineering	330,783	330,783	321,617	9,166
Planning and Neighborhood Svcs	1,909,650	1,923,820	1,335,156	588,664
Total Comm. Development	4,888,134	4,891,534	4,305,494	586,040
Principal	749,365	749,365	742,430	6,935
Total Debt Service	749,365	749,365	742,430	6,935
City Administrator's Office	-	14,531	14,530	1
Information Technology	306,200	47,458	5,000	42,458
Facilities Maintenance	118,652	140,478	140,477	1
Parks and Recreation Dept.	389,000	440,144	440,143	1
Police Department	40,000	58,329	50,864	7,465
Fire Department	123,501	123,501	108,060	15,441
Building Safety	104,400	104,400	34,858	69,542
Planning and Neighborhood Svcs.	12,600	9,200	7,231	1,969
Capital Projects	6,418,575	6,418,575	2,559,259	3,859,316
Total Capital Outlay	7,512,928	7,356,616	3,360,422	3,996,194
Total Expenditures	\$ 98,952,584	\$ 100,126,360	\$ 83,873,819	\$ 16,252,541

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

General Fund

Exhibit E-1

Concluded

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues Over / (Under)				
Expenditures	\$5,423,726	\$4,249,950	\$26,882,555	(\$9,872,477)
<u>OTHER FINANCING SOURCES (USES)</u>				
Finance Purchase Agreements	-	-	2,005,280	(2,005,280)
Transfers Out	(14,416,908)	(14,416,908)	(14,420,703)	3,795
Total Other Fin. Sources (Uses)	(14,416,908)	(14,416,908)	(12,415,423)	(2,001,485)
Planned Change in Fund Balance	<u>(\$8,993,182)</u>	<u>(\$10,166,958)</u>	14,467,132	<u>\$24,634,090</u>
<u>FUND BALANCE</u>				
Beginning July 1			60,967,859	
Ending June 30			<u>75,434,991</u>	
<i>Less Fund Balance that is:</i>				
Nonspendable			(82,386)	
Restricted			(635,587)	
Committed			(13,125,120)	
Assigned			(31,742,156)	
Ending Unassigned Balance			<u><u>\$29,849,742</u></u>	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

City Road Tax Fund

Exhibit E-2

REVENUE	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Taxes				
Special Road Sales Tax	\$15,946,000	\$15,946,000	\$16,442,280	\$ 496,280
Use of Money and Property				
Rent	33,510	33,510	35,032	1,522
Interest	30,000	30,000	430,271	400,271
Charges For Services				
Developer Charges	50,000	50,000	34,022	(15,978)
Miscellaneous				
Other	1,500	1,500	5	(1,495)
Total Revenues	16,061,010	16,061,010	16,941,610	880,600
EXPENDITURES				
Current:				
Public Safety				
Traffic Signals and Signs	958,403	958,403	940,537	17,866
Streets				
Engineering	2,535,054	2,535,054	2,009,024	526,030
Street Maintenance	-	13,200	13,190	10
Pathways and Trails	562,739	562,739	530,724	32,015
Right-Of-Way Management	79,545	79,545	-	79,545
Capital Outlay	129,516	129,516	92,912	36,604
Debt Service				
Finance Purchases	18,288	18,288	51,996	(33,708)
Capital Projects				
Streets	11,288,174	11,288,174	4,333,836	6,954,338
Total Expenditures	15,571,719	15,584,919	7,972,219	7,612,700
Revenues Over / (Under) Expenditures	489,291	476,091	8,969,391	(8,493,300)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(4,427,813)	(4,427,813)	(4,427,818)	5
Total Other Fin. Sources (Uses)	(4,427,813)	(4,427,813)	(4,427,818)	5
Net Change in Fund Balances	\$ (3,938,522)	\$ (3,951,722)	4,541,573	\$ (8,493,295)
FUND BALANCE				
Beginning July 1			12,224,572	
Ending June 30			\$16,766,145	

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

City of Yuma, Arizona

American Rescue Plan Act Fund

Budgetary Comparison Schedule

Exhibit E-3

Year Ended June 30, 2023

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE				
Intergovernmental				
Federal government	\$ 23,071,661	\$23,071,661	\$ 3,849,486	\$ (19,222,175)
Interest	-	-	-	-
Total Revenues	23,071,661	23,071,661	3,849,486	(19,222,175)
EXPENDITURES				
Current:				
General Government	2,743,635	2,743,635	197,167	2,546,468
Public Safety	1,420,026	1,420,026	226,254	1,193,772
Capital Projects:				
General Government	953,000	953,000	98,556	854,444
Public Safety	2,000,000	2,000,000	898,075	1,101,925
Parks, Recreation and Culture	15,955,000	15,955,000	2,429,434	13,525,566
Total Expenditures	23,071,661	23,071,661	3,849,486	19,222,175
Net Change in Fund Balances	\$ -	\$ -	-	\$ (38,444,350)
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, 2022, 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.

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OTHER SUPPLEMENTAL INFORMATION

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GOVERNMENTAL
FUNDS

City of Yuma, Arizona

Combining Balance Sheet

June 30, 2023

	Special Revenue		
	Public Safety Tax	Highway Users Revenue	Grants
ASSETS			
Cash and Investments	\$ 5,855,515	\$ 3,184,957	\$ 444,507
Receivables (Net of Allowances for Uncollectibles):			
Accounts Receivable	-	71,818	52,015
Intergovernmental	262,554	923,795	814,502
Delinquent Property Taxes	-	-	-
Accrued Interest	1,736	3,925	176
Inventory, at cost	-	-	-
Prepaid Items	-	-	-
Total Assets	\$ 6,119,805	\$ 4,184,495	\$ 1,311,200
LIABILITIES			
Accounts Payable	\$ 227,933	\$ 185,895	\$ 62,197
Due to Other Funds	-	-	715,332
Deposits	-	-	-
Unearned Revenues	-	-	1,265,809
Total Liabilities	227,933	185,895	2,043,338
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	-	-	-
FUND BALANCES			
Nonspendable:			
Inventory	-	-	-
Prepaid Items	-	-	-
Spendable			
Restricted	5,891,872	3,998,600	-
Unassigned	-	-	(732,138)
Total Fund Balances	5,891,872	3,998,600	(732,138)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 6,119,805	\$ 4,184,495	\$ 1,311,200

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
\$ 73,131	\$ 5,589,709	\$ -	\$ 102,699	\$ 15,250,518
817,501	131,302	165	-	1,072,801
237,140	423,253	1,522	39	2,662,805
-	-	3,774	1,860	5,634
-	5,775	-	-	11,612
-	14,745	-	-	14,745
-	20,000	-	-	20,000
\$ 1,127,772	\$ 6,184,784	\$ 5,461	\$ 104,598	\$ 19,038,115
\$ 10,108	\$ 266,698	\$ 1,540	\$ 13,361	\$ 767,732
271,725	-	148	146,059	1,133,264
-	73,343	-	-	73,343
37,890	1,896	-	-	1,305,595
319,723	341,937	1,688	159,420	3,279,934
808,049	-	3,773	1,860	813,682
-	14,745	-	-	14,745
-	20,000	-	-	20,000
-	5,808,102	-	-	15,698,574
-	-	-	(56,682)	(788,820)
-	5,842,847	-	(56,682)	14,944,499
\$ 1,127,772	\$ 6,184,784	\$ 5,461	\$ 104,598	\$ 19,038,115

City of Yuma, Arizona

Combining Balance Sheet

June 30, 2023

	Capital Projects Funds		
	Capital Improvement Projects	Parks and Recreation Projects	Police Projects
ASSETS			
Cash and Investments	\$ 3,301,543	\$ 1,850,220	\$ 3,422,906
Cash with Fiscal Agents			
Receivables (Net of Allowances for Uncollectibles):			
Accounts Receivable	145,518	-	-
Intergovernmental	251,955	-	-
Delinquent Property Taxes	-	-	-
Accrued Interest	-	2,264	1,423
Inventory, at cost	-	-	-
Prepaid Items	-	-	-
Total Assets	\$ 3,699,016	\$ 1,852,484	\$ 3,424,329
LIABILITIES			
Accounts Payable	\$ -	\$ 449	\$ 215
Due to Other Funds	-	-	-
Deposits	-	-	-
Unearned Revenues	1,806,235	-	-
Total Liabilities	1,806,235	449	215
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	-	-	-
FUND BALANCES			
Nonspendable:			
Inventory	-	-	-
Prepaid Items	-	-	-
Spendable:			
Restricted	1,785,739	1,852,035	3,424,114
Committed	107,042	-	-
Unassigned	-	-	-
Total Fund Balances	1,892,781	1,852,035	3,424,114
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 3,699,016	\$ 1,852,484	\$ 3,424,329

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
\$ 2,129,663	\$ 116,730	\$ 1,941,141	\$ -	\$ 12,762,203	\$ 28,012,721
-	-	-	-	145,518	1,218,319
-	-	-	-	251,955	2,914,760
-	-	-	-	-	5,634
911	24	1,144	-	5,766	17,378
-	-	-	-	-	14,745
-	-	-	-	-	20,000
\$ 2,130,574	\$ 116,754	\$ 1,942,285	\$ -	\$ 13,165,442	\$ 32,203,557
\$ 94	\$ 12	\$ 15,584	\$ -	\$ 16,354	\$ 784,086
-	-	-	-	-	1,133,264
-	-	-	-	-	73,343
-	-	-	-	1,806,235	3,111,830
94	12	15,584	-	1,822,589	5,102,523
-	-	-	-	-	813,682
-	-	-	-	-	14,745
-	-	-	-	-	20,000
2,130,480	116,742	1,926,701	-	11,235,811	26,934,385
-	-	-	-	107,042	107,042
-	-	-	-	-	(788,820)
2,130,480	116,742	1,926,701	-	11,342,853	26,287,352
\$ 2,130,574	\$ 116,754	\$ 1,942,285	\$ -	\$ 13,165,442	\$ 32,203,557

City of Yuma, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2023

	Special Revenue		
	Public Safety Tax	Highway Users Revenue	Grants
REVENUE:			
Taxes	\$ 6,574,677	-	-
Intergovernmental	-	\$ 9,460,373	\$ 2,134,802
Charges for Services	-	-	-
Interest and Rents	145,293	114,578	-
Contributions/Donations	-	-	211,923
Miscellaneous	34,361	34,267	-
Total Revenues	6,754,331	9,609,218	2,346,725
EXPENDITURES:			
Current:			
General Government	-	-	100,376
Public Safety	3,772,059	561,030	1,089,142
Streets	-	9,174,116	-
Parks, Recreation and Culture	-	-	187,231
Environmental Health and Protection	-	74,734	-
Community Design and Development	-	-	-
Capital Outlay	318,257	579,814	197,588
Capital Projects			
General Government	-	-	682,033
Public Safety	770,194	-	-
Streets	-	96,996	-
Parks, Recreation and Culture	-	-	175,309
Debt Service:			
Leases	356,951	-	-
Total Expenditures	5,217,461	10,486,690	2,431,679
Revenues Over/(Under) Expenditures	1,536,870	(877,472)	(84,954)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(784,487)	(96,629)	-
Total Other Financing Sources (Uses)	(784,487)	(96,629)	-
Net Changes in Fund Balances	752,383	(974,101)	(84,954)
Fund Balances, Beginning	5,139,489	4,972,701	(647,184)
Fund Balances, Ending	\$ 5,891,872	\$ 3,998,600	\$ (732,138)

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
-	\$ 8,986,332	\$ 141,694	\$ 183,599	\$ 15,886,302
\$ 1,714,273	-	-	-	13,309,448
-	977,664	-	-	977,664
-	135,225	-	-	395,096
-	-	-	-	211,923
4,835	63,269	2,001	-	138,733
1,719,108	10,162,490	143,695	183,599	30,919,166
-	18,760	-	-	119,136
-	-	-	-	5,422,231
-	-	-	-	9,174,116
-	6,261,408	-	-	6,448,639
-	-	-	-	74,734
1,551,169	-	270,341	136,762	1,958,272
-	143,570	-	-	1,239,229
-	-	-	-	682,033
-	-	-	-	770,194
-	-	-	-	96,996
167,939	754,874	-	-	1,098,122
-	33,717	5,132	-	395,800
1,719,108	7,212,329	275,473	136,762	27,479,502
-	2,950,161	(131,778)	46,837	3,439,664
-	-	131,778	-	131,778
-	(1,260,864)	-	-	(2,141,980)
-	(1,260,864)	131,778	-	(2,010,202)
-	1,689,297	-	46,837	1,429,462
-	4,153,550	-	(103,519)	13,515,037
\$ -	\$ 5,842,847	\$ -	\$ (56,682)	\$ 14,944,499

City of Yuma, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2023

	Capital Projects Funds		
	Capital Improvement Projects	Parks and Recreation Projects	Police Projects
REVENUE:			
Taxes	-	-	-
Intergovernmental	-	-	-
Charges for Services	-	\$ 460,215	\$ 228,213
Interest and Rentals	\$ 22,752	55,568	79,563
Contributions and Donations	-	-	-
Miscellaneous	-	-	-
Total Revenues	22,752	515,783	307,776
EXPENDITURES:			
Current:			
General Government	-	-	-
Public Safety	-	-	1,953
Streets	-	-	-
Parks, Recreation and Culture	-	5,146	-
Environmental Health and Protection	-	-	-
Community Design and Development	-	-	-
Capital Outlay	-	-	-
Capital Projects			
General Government	-	-	-
Public Safety	-	-	51,029
Streets	-	-	-
Parks, Recreation and Culture	-	211,214	-
Debt Service:			
Leases	-	-	-
Interest and Fiscal Agent Fees	-	-	-
Total Expenditures	-	216,360	52,982
Revenues Over/(Under) Expenditures	22,752	299,423	254,794
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	(459,214)	-
Total Other Financing Sources (Uses)	-	(459,214)	-
Net Changes in Fund Balances	22,752	(159,791)	254,794
Fund Balances, Beginning	1,870,029	2,011,826	3,169,320
Fund Balances, Ending	\$ 1,892,781	\$ 1,852,035	\$ 3,424,114

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
-	-	-	-	-	15,886,302
-	-	-	-	-	13,309,448
\$ 321,842	\$ 14,059	\$ 310,915	-	\$ 1,335,244	2,312,908
56,780	2,603	54,249	\$ 1	271,516	666,612
-	-	-	-	-	211,923
-	-	-	-	-	138,733
378,622	16,662	365,164	1	1,606,760	32,525,926
-	128	-	-	128	119,264
1,688	-	-	-	3,641	5,425,872
-	-	2,896	-	2,896	9,177,012
-	-	-	-	5,146	6,453,785
-	-	-	-	-	74,734
-	-	-	-	-	1,958,272
-	-	-	-	-	1,239,229
-	-	-	-	-	682,033
473,956	-	-	-	524,985	1,295,179
-	-	655,498	-	655,498	752,494
-	-	-	-	211,214	1,309,336
-	-	-	-	-	395,800
-	-	-	-	-	-
475,644	128	658,394	-	1,403,508	28,883,010
(97,022)	16,534	(293,230)	1	203,252	3,642,916
-	-	-	-	-	131,778
-	-	-	-	(459,214)	(2,601,194)
-	-	-	-	(459,214)	(2,469,416)
(97,022)	16,534	(293,230)	1	(255,962)	1,173,500
2,227,502	100,208	2,219,931	(1)	11,598,815	25,113,852
\$ 2,130,480	\$ 116,742	\$ 1,926,701	\$ -	11,342,853	26,287,352

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BUDGETARY COMPARISON SCHEDULES

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

Public Safety Tax Fund

Exhibit G-1

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Taxes:				
Public Safety Sales Tax	\$ 6,344,000	\$ 6,344,000	\$ 6,574,677	\$ 230,677
Interest and Rents:				
Interest	12,000	12,000	145,293	133,293
Miscellaneous				
Other	-	-	34,361	34,361
Total Revenues	6,356,000	6,356,000	6,754,331	398,331
EXPENDITURES				
Current:				
Public Safety				
Police Support Services	1,882,604	1,858,605	1,890,062	(31,457)
Fire Support Services	2,070,201	1,876,333	1,881,997	(5,664)
Capital Outlay	451,680	402,891	318,257	84,634
Capital Projects:				
Public Safety	2,340,000	2,340,000	770,194	1,569,806
Debt Service:				
Leases	513,166	513,151	356,951	156,200
Total Expenditures	7,257,651	6,990,980	5,217,461	1,773,519
Transfers Out	(784,086)	(784,086)	(784,487)	(401)
Total Other Financing				
Sources (Uses)	(784,086)	(784,086)	(784,487)	(401)
Net Changes in Fund Balances	\$(1,685,737)	\$ (1,419,066)	752,383	\$ 2,171,449
FUND BALANCE				
Beginning July 1			5,139,489	
Ending June 30			\$ 5,891,872	

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, 2023

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Intergovernmental				
State Gasoline Tax	\$ 9,500,000	\$ 9,500,000	\$ 9,460,373	\$ (39,627)
Interest and Rents:				
Interest	15,000	15,000	114,578	99,578
Miscellaneous				
Other	26,500	26,500	34,267	7,767
Total Revenues	9,541,500	9,541,500	9,609,218	67,718
EXPENDITURES				
Current:				
Public Safety	635,900	635,900	561,030	74,870
Streets				
Street Maintenance	5,350,871	5,375,871	5,405,269	(29,398)
Street Lighting	1,023,149	1,023,149	957,118	66,031
Street Sweeping	638,643	638,337	626,497	11,840
Storm Drain Maintenance	298,368	298,368	303,818	(5,450)
Curbs, Gutters, and Sidewalks	672,131	672,131	640,861	31,270
Retention Basin Maintenance	1,476,100	1,451,100	1,240,553	210,547
Code Enforcement	73,630	73,630	74,734	(1,104)
Capital Outlay	705,222	692,022	579,814	112,208
Capital Projects				
Streets	900,000	900,000	96,996	803,004
Total Expenditures	11,774,014	11,760,508	10,486,690	1,273,818
Transfers Out	(96,579)	(96,579)	(96,629)	(50)
Total Other Financing				
Sources (Uses)	(96,579)	(96,579)	(96,629)	(50)
Net Changes in Fund Balances	\$(2,329,093)	\$(2,315,587)	(974,101)	\$ 1,341,486
FUND BALANCE				
Beginning July 1			4,972,701	
Ending June 30			\$ 3,998,600	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

Grants Fund

Exhibit G-3

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Intergovernmental:				
Federal Government	\$ 7,504,962	\$ 7,504,962	\$ 1,857,822	\$ (5,647,140)
State Government	781,367	781,367	276,980	(504,387)
County Government	240,000	240,000	-	(240,000)
Contributions/Donations	25,576,411	25,576,411	211,923	(25,364,488)
Total Revenues	34,102,740	34,102,740	2,346,725	(31,756,015)
EXPENDITURES				
Current:				
General Government	3,140,000	1,594,858	100,376	1,494,482
Public Safety	5,141,329	4,914,335	1,089,142	3,825,193
Parks, Recreation and Culture	4,351,000	1,508,741	187,231	1,321,510
Environmental Health and Protector	200,000	200,000	-	200,000
Capital Outlay	-	1,092,298	197,588	894,710
Capital Projects:				
General Government	17,210,952	17,210,952	682,033	16,528,919
Streets	3,415,884	3,415,884	-	3,415,884
Parks, Recreation and Culture	357,829	357,829	175,309	182,520
Total Expenditures	33,816,994	30,294,897	2,431,679	27,863,218
Net Changes in Fund Balances	\$ 285,746	\$ 3,807,843	(84,954)	\$ (3,892,797)
FUND BALANCE				
Beginning July 1			(647,184)	
Ending June 30			\$ (732,138)	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

Community Redevelopment Fund

Exhibit G-4

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Intergovernmental:				
Federal Government	\$ 6,609,717	\$ 6,609,717	\$ 1,714,273	\$ (4,895,444)
Miscellaneous:				
Other	-	-	4,835	4,835
Total Revenues	6,609,717	6,609,717	1,719,108	(4,890,609)
EXPENDITURES				
Current:				
Community Development	6,609,717	6,609,717	1,551,169	5,058,548
Parks, Recreation and Culture	-	304,375	167,939	136,436
Total Expenditures	6,609,717	6,914,092	1,719,108	5,194,984
Net Changes in Fund Balances	\$ -	\$ (304,375)	-	\$ (304,375)
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, 2023

Two Percent Tax Fund

Exhibit G-5

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Taxes				
Two Percent Tax	\$ 8,300,000	\$ 8,300,000	\$ 8,986,332	\$ 686,332
Charges for Services				
Concessions	435,000	435,000	651,967	216,967
Recreation Fees	187,500	187,500	325,697	138,197
Interest and Rents				
Interest	6,500	6,500	135,225	128,725
Miscellaneous	128,500	128,500	63,269	(65,231)
Total Revenues	9,057,500	9,057,500	10,162,490	1,104,990
EXPENDITURES				
Current:				
Parks, Recreation and Culture				
Administration	430,056	430,056	401,770	28,286
Outside Agencies	750,000	750,000	750,000	-
Civic and Convention Center	2,686,543	2,686,543	2,445,280	241,263
Baseball Complex	799,915	799,915	869,563	(69,648)
Art Center	1,202,243	1,202,243	1,019,284	182,959
Heritage Events	184,734	184,734	266,930	(82,196)
Heritage Area Development	600,906	600,906	508,581	92,325
General Government	18,760	18,760	18,760	-
Capital Outlay	200,000	200,000	143,570	56,430
Capital Projects:				
Parks, Recreation and Culture	888,000	888,000	754,874	133,126
Debt Service:				
Leases	-	-	33,717	(33,717)
Total Expenditures	7,761,157	7,761,157	7,212,329	548,828
Transfers Out	(1,731,602)	(1,731,602)	(1,260,864)	(470,738)
Total Other Financing Sources (Uses)	(1,731,602)	(1,731,602)	(1,260,864)	(470,738)
Net Changes in Fund Balances	\$ 3,027,945	\$ 3,027,945	1,689,297	\$ 1,338,648
FUND BALANCE				
Beginning July 1			4,153,550	
Ending June 30			\$ 5,842,847	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

Yuma Mall Maintenance Fund

Exhibit G-6

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Taxes				
Mall Assessments	\$ 145,000	\$ 145,000	\$ 141,129	\$ (3,871)
Property Tax - Delinquent	5,000	5,000	565	(4,435)
Miscellaneous				
Other	2,500	2,500	2,001	(499)
Total Revenues	152,500	152,500	143,695	(8,805)
EXPENDITURES				
Community Design and Development				
Mall Maintenance	285,170	285,170	270,341	14,829
Capital Outlay	-	-	-	-
Debt Service	5,292	5,292	5,132	160
Total Expenditures	290,462	290,462	275,473	14,989
Transfers In	137,962	137,962	131,778	6,184
Total Other Financing Sources (Uses)	137,962	137,962	131,778	6,184
Net Changes in Fund Balances	\$ -	\$ -	-	\$ -
FUND BALANCE				
Beginning July 1			-	
Ending June 30			\$ -	

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

Year Ended June 30, 2023

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE:				
Taxes				
District Assessments	\$ 192,000	\$ 192,000	\$ 183,599	\$ (8,401)
Total Revenues	192,000	192,000	183,599	8,401
EXPENDITURES				
Community Design and Development				
District Maintenance	426,758	426,758	136,762	289,996
Total Expenditures	426,758	426,758	136,762	289,996
Net Changes in Fund Balances	\$ (234,758)	\$ (234,758)	46,837	\$ 281,595
FUND BALANCE				
Beginning July 1			(103,519)	
Ending June 30			\$ (56,682)	

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	\$ -	\$ -	\$ 22,752	\$ 22,752
Total Revenues	-	-	22,752	22,752
EXPENDITURES				
Capital Projects:				
General Government	-	-	-	-
Streets	-	-	-	-
Leases				
Total Expenditures	-	-	-	-
Net Changes in Fund Balances	\$ -	\$ -	22,752	\$ (22,752)
FUND BALANCE				
Beginning July 1			1,870,029	
Ending June 30			\$ 1,892,781	

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	\$ 650,000	\$ 650,000	\$ 460,215	\$ (189,785)
Interest and Rentals:				
Interest	5,750	5,750	55,568	49,818
Total Revenues	<u>655,750</u>	<u>655,750</u>	<u>515,783</u>	<u>(139,967)</u>
<u>EXPENDITURES</u>				
Current:				
Parks, Recreation and Culture	10,000	10,000	5,146	4,854
Capital Projects				
Parks, Recreation and Culture	600,000	600,000	211,214	388,786
Total Expenditures	<u>610,000</u>	<u>610,000</u>	<u>216,360</u>	<u>393,640</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers Out	<u>(554,000)</u>	<u>(554,000)</u>	<u>(459,214)</u>	<u>94,786</u>
Net Changes in Fund Balances	<u>\$ (508,250)</u>	<u>\$ (508,250)</u>	<u>(159,791)</u>	<u>\$ 348,459</u>
<u>FUND BALANCE</u>				
Beginning July 1			2,011,826	
Ending June 30			<u><u>\$ 1,852,035</u></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	\$ 350,000	\$ 350,000	\$ 228,213	\$ (121,787)
Interest and Rentals:				
Interest	10,750	10,750	79,563	68,813
Total Revenues	<u>360,750</u>	<u>360,750</u>	<u>307,776</u>	<u>(52,974)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	4,000	4,000	1,953	2,047
Capital Projects:				
Public Safety	<u>3,728,000</u>	<u>3,728,000</u>	<u>51,029</u>	<u>3,676,971</u>
Total Expenditures	<u>3,732,000</u>	<u>3,732,000</u>	<u>52,982</u>	<u>3,679,018</u>
Net Changes in Fund Balances	<u>\$(3,371,250)</u>	<u>\$(3,371,250)</u>	254,794	<u>\$ 3,626,044</u>
<u>FUND BALANCE</u>				
Beginning July 1, 2020			<u>3,169,320</u>	
Ending June 30, 2021			<u>\$ 3,424,114</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	\$ 450,000	\$ 450,000	\$ 321,842	\$ (128,158)
Interest and Rentals:				
Interest	4,150	4,150	56,780	52,630
Total Revenues	<u>454,150</u>	<u>454,150</u>	<u>378,622</u>	<u>(75,528)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	5,100	5,100	1,688	3,412
Capital Projects:				
Public Safety	<u>1,400,000</u>	<u>1,400,000</u>	<u>473,956</u>	<u>926,044</u>
Total Expenditures	<u>1,405,100</u>	<u>1,405,100</u>	<u>475,644</u>	<u>929,456</u>
Net Changes in Fund Balances	<u>\$ (950,950)</u>	<u>\$ (950,950)</u>	(97,022)	<u>\$ 853,928</u>
<u>FUND BALANCE</u>				
Beginning July 1			2,227,502	
Ending June 30			<u>\$ 2,130,480</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	\$ 15,000	\$ 15,000	\$ 14,059	\$ (941)
Interest and Rentals:				
Interest	225	225	2,603	2,378
Total Revenues	<u>15,225</u>	<u>15,225</u>	<u>16,662</u>	<u>1,437</u>
<u>EXPENDITURES</u>				
Current:				
General Government	230	230	128	102
Capital Projects:				
General Government	<u>32,000</u>	<u>32,000</u>	-	<u>32,000</u>
Total Expenditures	<u>32,230</u>	<u>32,230</u>	<u>128</u>	<u>32,102</u>
Net Changes in Fund Balances	<u>\$ (17,005)</u>	<u>\$ (17,005)</u>	16,534	<u>\$ 33,539</u>
<u>FUND BALANCE</u>				
Beginning July 1			100,208	
Ending June 30			<u>\$ 116,742</u>	

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

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

Transportation Projects Fund

Exhibit G-13

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUE:</u>				
Charges for Services:				
Development Fees	\$ 600,000	\$ 600,000	\$ 310,915	\$ (289,085)
Interest and Rentals:				
Interest	5,000	5,000	54,249	49,249
Total Revenues	<u>605,000</u>	<u>605,000</u>	<u>365,164</u>	<u>(239,836)</u>
<u>EXPENDITURES</u>				
Current:				
Streets	8,000	8,000	2,896	5,104
Capital Projects:				
Streets	<u>1,356,000</u>	<u>1,356,000</u>	<u>655,498</u>	<u>700,502</u>
Total Expenditures	<u>1,364,000</u>	<u>1,364,000</u>	<u>658,394</u>	<u>705,606</u>
Net Changes in Fund Balances	<u>\$ (759,000)</u>	<u>\$ (759,000)</u>	(293,230)	<u>\$ 465,770</u>
<u>FUND BALANCE</u>				
Beginning July 1			2,219,931	
Ending June 30			<u>\$ 1,926,701</u>	

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

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUE:</u>				
Interest	\$ -	\$ -	\$ 1	\$ 1
Total Revenues	-	-	1	1
<u>EXPENDITURES</u>				
Capital Projects:				
Total Expenditures	-	-	-	-
<u>Net Changes in Fund Balances</u>	\$ -	\$ -	1	\$ 1
<u>FUND BALANCE</u>				
Beginning July 1			(1)	
Ending June 30			\$ -	

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

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MAJOR FUNDS
NOT INCLUDED IN
REQUIRED SUPPLEMENTAL
INFORMATION

REVENUE	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Interest and Rentals	\$ -	\$ -	\$ 517,561	\$ 517,561
Total Revenues	-	-	517,561	517,561
EXPENDITURES				
Debt Service:				
Principal	15,395,000	15,395,000	15,395,000	-
Interest and Fiscal Agent Fees	5,366,375	5,366,375	5,366,225	150
Issuance Costs	-	-	-	-
Total Expenditures	20,761,375	20,761,375	20,761,225	150
Revenues Over / (Under) Expenditures	(20,761,375)	(20,761,375)	(20,243,664)	(517,711)
OTHER FINANCING SOURCES (USES)				
Transfers In	20,761,375	20,761,375	20,760,410	965
Total Other Fin. Sources (Uses)	20,761,375	20,761,375	20,760,410	965
Net Change in Fund Balances	\$ -	\$ -	516,746	\$ (516,746)
FUND BALANCE				
Beginning July 1			64,131	
Ending June 30			\$ 580,877	

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	\$3,251,262	\$ 4,319,741	\$ 1,600	\$ 7,572,603
Receivables, Net of Allowance for Uncollectibles:				
Accounts Receivable	439,346	-	16,026	455,372
Intergovernmental	-	141,859	-	141,859
Accrued Interest	1,659	1,601	-	3,260
Inventory, at cost	-	77,255	49,778	127,033
Prepaid Items	-	11,555	-	11,555
Total Current Assets	3,692,267	4,552,011	67,404	8,311,682
Noncurrent Assets:				
Pension and OPEB Asset	30,018	18,925	36,218	85,161
Capital Assets:				
Buildings	-	-	3,102,865	3,102,865
Improvements Other than Buildings	50,738	-	3,290,355	3,341,093
Equipment	753,780	8,944,183	507,402	10,205,365
Construction In Progress	-	-	102,800	102,800
SBITA Right-to-use Asset	-	4,669,686	-	4,669,686
Gross Capital Assets	804,518	13,613,869	7,003,422	21,421,809
Accumulated Amortization	-	(583,711)	-	(583,711)
Accumulated Depreciation	(372,740)	(8,587,263)	(6,000,316)	(14,960,319)
Capital Assets, Net Depreciation	431,778	4,442,895	1,003,106	5,877,779
Total Noncurrent Assets	461,796	4,461,820	1,039,324	5,962,940
Total Assets	4,154,063	9,013,831	1,106,728	14,274,622
DEFERRED OUTFLOWS OF RESOURCES				
Pension and OPEB Items	163,171	102,870	196,874	462,915
Total Deferred Outflows of Resources	163,171	102,870	196,874	462,915
LIABILITIES				
Current Liabilities:				
Accounts Payable	277,994	83,535	16,082	377,611
Compensated Absences	35,259	13,643	23,299	72,201
Due to Other Funds	-	54,765	1,153,653	1,208,418
Unearned Revenue	-	58,630	110,661	169,291
SBITA Payable	-	505,369	-	505,369
Total Current Liabilities	313,253	715,942	1,303,695	2,332,890
Noncurrent Liabilities:				
Net Pension Liability	861,373	543,040	1,039,266	2,443,679
OPEB Liability	490	309	592	1,391
Compensated Absences	91,385	48,296	23,860	163,541
SBITA Payable	-	3,548,576	-	3,548,576
Total Long-Term Liabilities	953,248	4,140,221	1,063,718	6,157,187
Total Liabilities	1,266,501	4,856,163	2,367,413	8,490,077
DEFERRED INFLOWS OF RESOURCES				
Pension and OPEB Items	66,280	41,786	79,969	188,035
Total Deferred Inflows of Resources	66,280	41,786	79,969	188,035
NET POSITION				
Net investment in capital assets	431,778	5,026,606	1,003,106	6,461,490
Unrestricted (deficit)	2,552,675	(807,854)	(2,146,886)	(402,065)
Total Net Position	\$2,984,453	\$ 4,218,752	\$(1,143,780)	\$ 6,059,425

Year Ended June 30, 2023

	Business-type Activities Enterprise Funds			Total Nonmajor Enterprise Funds
	Solid Waste	Radio Communication	Desert Hills Golf Course	
OPERATING REVENUES				
Charges for Services	\$ 5,488,972	\$ 2,301,280	-	\$ 7,790,252
Green Fees	-	-	\$ 1,044,771	1,044,771
Cart and Club Rental	-	-	500,194	500,194
Pro Shop Sales	-	-	254,328	254,328
Restaurant Sales	-	-	74,380	74,380
Total Operating Revenues	5,488,972	2,301,280	1,873,673	9,663,925
OPERATING EXPENSES				
Operations and Maintenance	5,143,831	2,479,650	2,165,542	9,789,023
Amortization	-	583,711	-	583,711
Depreciation	20,110	121,240	110,850	252,200
Total Operating Expenses	5,163,941	3,184,601	2,276,392	10,624,934
Operating Income/(Loss)	325,031	(883,321)	(402,719)	(961,009)
NON-OPERATING REVENUES (EXPENSES)				
Interest	81,172	106,288	-	187,460
State Grants	-	-	102,800	102,800
Miscellaneous Revenues	25,850	-	11,056	36,906
Net Non-Operating Revenues	107,022	106,288	113,856	327,166
Income/(Loss) before Contributions and Transfers	432,053	(777,033)	(288,863)	(633,843)
Capital Contributions	-	1,224,412	-	1,224,412
Transfers In	-	-	800,000	800,000
Transfers Out	(136,762)	-	(1,739)	(138,501)
Change in Net Position	295,291	447,379	509,398	1,252,068
Net Position - Beginning	2,689,162	3,771,373	(1,653,178)	4,807,357
Net Position - Ending	\$ 2,984,453	\$ 4,218,752	\$(1,143,780)	\$ 6,059,425

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

Year Ended June 30, 2023

	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	5,498,304	2,230,403	1,874,392	\$ 9,603,099
Cash Paid to Employees	(1,339,115)	(748,534)	(897,260)	(2,984,909)
Cash Paid to Suppliers	(3,664,636)	(2,409,789)	(1,362,703)	(7,437,128)
Other Operating Activity Revenue	25,850	-	11,056	36,906
Net Cash Provided by/(used for) Operating Activities	520,403	(927,920)	(374,515)	(782,032)
Cash Flows from Noncapital Financing Activities:				
Cash Received from Other Funds	-	-	800,000	800,000
Cash Paid to Other Funds	(136,762)	-	(1,739)	(138,501)
Interfund Borrowing	-	41,401	(262,084)	(220,683)
Net Cash Flows Provided by/ (Used for) Noncapital Financing Activities	(136,762)	41,401	536,177	440,816
Cash Flow from Capital and Related Financing Activities:				
Contributions of Capital	-	1,224,412	-	1,224,412
State Grant	-	-	102,800	102,800
Unearned Revenue	-	-	6,947	6,947
Acquisition and Construction of Assets	(451,886)	(478,160)	(271,409)	(1,201,455)
Net Cash Flows Provided by / (Used for) Capital and Related Financing Activities	(451,886)	746,252	(161,662)	132,704
Cash Flows from Investing Activities:				
Receipt of Interest	80,892	105,968	-	186,860
Net Cash Provided by / (Used for) Investing Activities	80,892	105,968	-	186,860
Net Increase / (Decrease) in Cash and Cash Equivalents	12,647	(34,299)	-	(21,652)
Cash and Cash Equivalents, July 1	3,238,615	4,354,040	1,600	7,594,255
Cash and Cash Equivalents, June 30	\$3,251,262	\$ 4,319,741	\$ 1,600	\$ 7,572,603
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(used for) Operating Activities:				
Operating Income/(Loss)	\$ 325,031	\$ (883,321)	\$ (402,719)	\$ (961,009)
Adjustments to Reconcile Operating Income/(Loss)				
Depreciation Expense	20,110	121,240	110,850	252,200
Amortization Expense	-	583,711	-	583,711
SBITA Payment	-	(615,741)	-	(615,741)
(Increase)/Decrease in Accounts Receivable	9,330	(70,877)	719	(60,828)
(Increase) in Inventories	-	-	(12,829)	(12,829)
(Increase) in Prepaid Items	-	(11,555)	-	(11,555)
(Increase) in OPEB Reporting (Asset)	6,715	4,232	8,097	19,044
Increase (Decrease) in Accounts Payable	93,136	20,247	(6,066)	107,317
Increase / (Decrease) in Accrued Wages and Taxes Payable	74,960	(53,963)	(41,724)	(20,727)
Increase (Decrease) in Pension Reporting	(34,729)	(21,893)	(41,899)	(98,521)
Other Operating Activity Revenue	25,850	-	11,056	36,906
Total Adjustments	195,372	(44,599)	28,204	178,977
Net Cash Provided by/(used for) Operating Activities	\$ 520,403	\$ (927,920)	\$ (374,515)	\$ (782,032)

BUDGETARY COMPARISON SCHEDULES

City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

INFLOW OF RESOURCES:	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Inside City	\$23,740,000	\$ 23,740,000	\$ 24,877,746	\$ 1,137,746
Outside City	2,462,500	2,462,500	2,717,641	255,141
Commercial Raw Water	150,000	150,000	87,794	(62,206)
Meters, Connections and Services	1,386,750	1,386,750	766,200	(620,550)
Total Operating Revenues	27,739,250	27,739,250	28,449,381	710,131
Interest	97,250	97,250	1,420,450	1,323,200
Miscellaneous	62,500	62,500	51,330	(11,170)
Total NonOperating Revenues	159,750	159,750	1,471,780	1,312,030
Capital Contributions:				
System Development	175,000	175,000	109,045	(65,955)
Capacity Rights	3,250,000	3,250,000	1,545,956	(1,704,044)
Other Financing Sources	10,208,325	10,257,645	1,655,001	(8,602,644)
Total Inflow of Resources	38,107,325	38,156,645	31,576,162	(6,580,483)
USE OF RESOURCES:				
Administration	3,683,933	3,683,933	3,570,877	113,056
Treatment	7,819,495	7,819,495	7,426,288	393,207
Water Transmission	2,581,142	2,581,142	2,215,372	365,770
Customer Services	1,245,051	1,245,051	979,140	265,911
Water Transfer	40,670	40,670	6,874	33,796
Laboratory	323,283	323,283	283,848	39,435
Total Operating Expenses	15,693,574	15,693,574	14,482,399	1,211,175
Interest and Fiscal Agent Fees	1,957,081	1,957,081	1,986,299	(29,218)
Total Non-operating Expenses	1,957,081	1,957,081	1,986,299	(29,218)
Capital Outlay	264,924	264,924	287,740	(22,816)
Capital Projects	12,965,000	12,965,000	3,893,768	9,071,232
Debt Service:				
Principal Retirement	4,825,464	4,825,464	5,766,300	(940,836)
Financed Purchases Payable	-	-	16,859	(16,859)
Transfers Out	49,320	49,320	49,345	(25)
Other Financing Uses	18,104,708	18,104,708	10,014,012	8,090,696
Total Use of Resources	35,755,363	35,755,363	26,482,710	9,272,653
Inflows of Resources Over (Under)				
Uses of Resources	\$ 2,351,962	\$ 2,401,282	\$ 5,093,452	\$ 2,692,170

	Actual Amounts
Reconciliation to Change in Net Position:	
Inflow of Resources Over (Under) Uses of Resources	\$5,093,452
Capital Outlay	287,740
Capital Projects	3,893,768
Principal Retirement	5,766,300
Financed Purchases Retirement	16,859
Issuance of Long-Term Debt	-
Issuance of Capital Leases	-
Payment to Refunded Bond Escrow	-
Capital Contributions for Developer Additions to System	957,847
Amortization of Deferred Charges on Refunding	172,260
Pension Contributions in excess of Expense	196,866
Depreciation and Amortization	(7,365,347)
Change in Net Position	\$ 9,019,745

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, 2023

INFLOW OF RESOURCES:	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Inside City	\$15,500,000	\$ 15,500,000	\$ 16,830,748	\$ 1,330,748
Outside City	1,125,000	1,125,000	1,146,087	21,087
Contractual/Industrial Services	2,345,000	2,345,000	1,018,749	(1,326,251)
Meters, Connections and Services	69,800	69,800	30,445	(39,355)
Total Operating Revenues	19,039,800	19,039,800	19,026,029	(13,771)
Interest	119,700	119,700	5,687,705	5,568,005
Miscellaneous	7,600	7,600	4,059	(3,541)
Total NonOperating Revenues	127,300	127,300	5,691,764	5,564,464
Capital Contributions:				
Capacity Rights	3,500,000	3,500,000	1,607,047	(1,892,953)
Wastewater Interceptor	250,000	250,000	139,651	(110,349)
Wastewater Trunk Line Charges	15,150	15,150	22,906	7,756
Transfers In	2,693,467	2,693,467	-	(2,693,467)
Other Financing Sources	3,765,150	3,765,150	1,769,604	(1,995,546)
Total Inflow of Resources	22,932,250	22,932,250	26,487,397	3,555,147
USE OF RESOURCES:				
Administration	2,490,050	2,490,050	2,390,321	99,729
Treatment	7,893,948	7,886,601	8,414,516	(527,915)
Pretreatment	549,241	549,241	511,425	37,816
Collection	1,463,686	1,463,686	1,325,266	138,420
Laboratory	382,352	368,137	352,850	15,287
Total Operating Expenses	12,779,277	12,757,715	12,994,378	(236,663)
Interest and Fiscal Agent Fees	3,591,343	3,591,343	3,561,945	29,398
Costs of Issuance of Sr Utility Bond	-	-	232,280	(232,280)
Total Non-operating Expenses	3,591,343	3,591,343	3,794,225	(202,882)
Capital Outlay	214,067	235,629	349,346	(113,717)
Capital Projects	99,981,500	99,981,500	4,231,599	95,749,901
Debt Service:				
Principal Retirement	2,935,460	2,935,460	1,992,700	942,760
Financed Purchases Payable	20,544	20,544	37,389	(16,845)
Transfers Out	54,599	54,599	54,627	(28)
Other Financing Uses	103,206,170	103,227,732	6,665,661	96,562,071
Total Use of Resources	119,576,790	119,576,790	23,454,264	96,122,526
Inflows of Resources Over (Under)				
Uses of Resources	(\$96,644,540)	(\$96,644,540)	\$3,033,133	\$99,677,673

	Actual Amounts
Reconciliation to Change in Net Position:	
Inflow of Resources Over (Under) Uses of Resources	\$3,033,133
Capital Outlay	349,346
Capital Projects	4,231,599
Principal Retirement	1,992,700
Financed Purchases Retirement	37,389
Issuance of Long-Term Debt	-
Issuance of Capital Leases	-
Payment to Refunded Bond Escrow	-
Amortization of Deferred Charges on Refunding	827,059
Amortization of Bond Premium	
Capital Contributions for Subdivider Additions to System	1,141,760
Pension Contributions in excess of Expense	140,226
Loss on Disposal of Assets	-
Depreciation and Amortization	(5,984,579)
Change in Net Position	\$ 5,768,633

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.

INFLOW OF RESOURCES:	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Charges for Service				
Collection Fees	\$ 5,509,500	\$ 5,509,500	\$ 5,488,972	\$ (20,528)
Interest	5,500	5,500	81,172	75,672
Other	10,000	10,000	25,850	15,850
Total Inflow of Resources	5,525,000	5,525,000	5,595,994	70,994
USE OF RESOURCES:				
Environmental Health and Protection				
Residential Services	4,140,324	4,132,649	4,456,207	(323,558)
Uncontained Waste	508,761	516,436	544,663	(28,227)
Recycling	256,737	256,737	170,976	85,761
Total Expenses	4,905,822	4,905,822	5,171,846	(266,024)
Capital Outlay	437,565	437,565	451,886	(14,321)
Transfers Out	136,692	136,692	136,762	(70)
Other Financing Uses	574,257	574,257	588,648	(14,391)
Total Use of Resources	5,480,079	5,480,079	5,760,494	(280,415)
Inflows of Resources Over (Under)				
Uses of Resources	\$44,921	\$44,921	(164,500)	(209,421)
Reconciliation to Change in Net Position:				
Capital Outlay			451,886	
Pension Contributions in excess of Expense			28,015	
Depreciation and Amortization			(20,110)	
Change in Net Position			<u>\$ 295,291</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, 2023

Radio Communication Fund

Exhibit I-4

INFLOW OF RESOURCES:	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
Charges for Service				
Radio Equipment Fees	\$ 1,118,100	\$ 1,118,100	\$ 1,096,830	\$ (21,270)
Software Fees	1,125,000	1,125,000	1,104,017	(20,983)
911 Admin Fees	80,840	80,840	100,433	19,593
Intergovernmental:				
Federal Government	430,000	430,000	-	(430,000)
State Government	1,000,000	1,000,000	1,224,412	224,412
Interest and Rents:				
Interest	10,000	10,000	106,288	96,288
Total Inflow of Resources	3,763,940	3,763,940	3,631,980	(131,960)
USE OF RESOURCES:				
Environmental Health				
Radio Communications	864,377	841,777	762,456	79,321
Radio Software	2,001,104	1,456,231	1,113,645	342,586
911 Administration	1,500,007	1,520,007	25,467	1,494,540
Public Safety	-	500,000	1,211,484	(711,484)
Total Expenses	4,365,488	4,318,015	3,113,052	1,204,963
Capital Outlay	25,025	3,343,089	478,160	2,864,929
Other Financing Uses	25,025	3,343,089	478,160	2,864,929
Total Use of Resources	4,390,513	7,661,104	3,591,212	4,069,892
Inflows of Resources Over (Under)				
Uses of Resources	<u>(\$626,573)</u>	<u>(\$3,897,164)</u>	40,768	<u>\$3,937,932</u>
Reconciliation to Change in Net Position:				
Capital Outlay			478,160	
SBITA Payable			615,741	
Pension Contributions in excess of Expense			17,661	
Amortization			(583,711)	
Depreciation			(121,240)	
Change in Net Position			<u>\$ 447,379</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, 2023

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>INFLOW OF RESOURCES:</u>				
Green Fees	\$ 794,000	\$ 794,000	\$ 1,044,771	\$ 250,771
Cart and Club Rental	306,575	306,575	500,194	193,619
Pro Shop Sales	205,250	205,250	254,328	49,078
Restaurant Sales	75,250	75,250	74,380	(870)
Intergovernmental	-	-	102,800	102,800
Miscellaneous	1,000	1,000	11,056	10,056
Total Inflow of Resources	1,382,075	1,382,075	1,987,529	605,454
Transfers In	800,000	800,000	800,000	-
Other Financing Sources	800,000	800,000	800,000	-
Total Inflow of Resources	2,182,075	2,182,075	2,787,529	605,454
<u>USE OF RESOURCES:</u>				
Maintenance	1,396,216	1,396,216	1,344,159	52,057
Concession	567,020	567,020	674,999	(107,979)
Restaurant	-	169,223	128,317	40,906
Administrative	35,000	35,000	51,868	(16,868)
Facility Maintenance	250,000	-	-	-
Capital Outlay	125,000	205,777	168,609	37,168
Capital Projects	-	103,000	102,800	200
Total Expenses	2,373,236	2,476,236	2,470,752	5,484
Transfers Out	1,738	1,738	1,739	(1)
Other Financing Uses	1,738	1,738	1,739	(1)
Total Use of Resources	2,374,974	2,477,974	2,472,491	5,483
Inflows of Resources Over (Under)				
Uses of Resources	<u>(\$192,899)</u>	<u>(\$295,899)</u>	315,038	<u>\$610,937</u>
Reconciliation to Change in Net Assets:				
Capital Outlay			168,609	
Capital Projects			102,800	
Pension Contributions in excess of Expense			33,801	
Depreciation and Amortization			(110,850)	
Change in Net Position			<u>\$ 509,398</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, 2023

	Equipment Replacement	Equipment Maintenance
<u>ASSETS</u>		
Current Assets:		
Cash and Investments	\$ 14,152,037	\$ 12
Accounts Receivable	3,963	-
Accrued Interest	11,520	-
Inventory, at cost	-	349,682
Prepaid Items	2,913,194	-
Total Current Assets	17,080,714	349,694
Noncurrent Assets:		
Capital Assets:		
Land	-	219,610
Buildings	-	19,251
Improvements Other than Buildings	-	222,733
Equipment	34,204,760	245,489
Less Accumulated Depreciation	(30,428,092)	(385,605)
Total Noncurrent Assets	3,776,668	321,478
Total Assets	\$ 20,857,382	\$ 671,172
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts Payable	\$ 128,906	\$ 17,319
Current Portion - Accrued Compensated Absences	-	27,494
Current Portion - Estimated Claims and Judgements	-	-
Due to Other Funds	-	458,037
Total Current Liabilities Payable	128,906	502,850
Noncurrent Liabilities:		
Estimated Claims and Judgements	-	-
Accrued Compensated Absences	-	45,777
Total Long-Term Liabilities	-	45,777
Total Liabilities	128,906	548,627
<u>NET POSITION</u>		
Net investment in capital assets	3,776,668	321,478
Unrestricted (deficit)	16,951,808	(198,933)
Total Net Position	\$ 20,728,476	\$ 122,545

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

Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
\$ 886,632	\$ 302,743	\$ 7,117,883	\$ 22,459,307
533	-	1,131	5,627
168	294	2,500	14,482
-	-	-	349,682
-	-	-	2,913,194
887,333	303,037	7,121,514	25,742,292
-	-	-	219,610
-	-	-	19,251
-	-	-	222,733
-	-	-	34,450,249
-	-	-	(30,813,697)
-	-	-	4,098,146
\$ 887,333	\$ 303,037	\$ 7,121,514	\$ 29,840,438
\$ 75,155	\$ 162	\$ 90	\$ 221,632
-	-	-	27,494
133,775	-	143,383	277,158
-	-	-	458,037
208,930	162	143,473	984,321
526,225	-	824,974	1,351,199
-	-	-	45,777
526,225	-	824,974	1,396,976
735,155	162	968,447	2,381,297
-	-	-	4,098,146
152,178	302,875	6,153,067	23,360,995
\$ 152,178	\$ 302,875	\$ 6,153,067	\$ 27,459,141

City of Yuma, Arizona

Combining Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2023

	Equipment Replacement	Equipment Maintenance
<u>OPERATING REVENUES</u>		
Charges For Services	-	\$ 2,943,488
City Contributions	-	-
Equipment Rental	\$ 2,980,929	-
Miscellaneous	-	9,879
Total Operating Revenues	<u>2,980,929</u>	<u>2,953,367</u>
<u>OPERATING EXPENSES</u>		
Claims Incurred	-	-
Adjustments to Claims Reserve	-	-
Premiums to Insurance Carriers	-	-
Administration	17,624	2,798,957
Depreciation	1,682,440	9,095
Total Operating Expenses	<u>1,700,064</u>	<u>2,808,052</u>
Operating Income/(Loss)	<u>1,280,865</u>	<u>145,315</u>
<u>NON-OPERATING REVENUE / (EXPENSES)</u>		
Interest	314,919	-
Gain on the Sale of Assets	7,599	-
Total Non-Operating Revenues	<u>322,518</u>	<u>-</u>
Income/(Loss) before transfers	<u>1,603,383</u>	<u>145,315</u>
Transfers In	-	-
Transfers Out	-	-
Net Transfers	-	-
Change in Net Position	<u>1,603,383</u>	<u>145,315</u>
Net Position, Beginning	19,125,093	(22,770)
Net Position, Ending	<u>\$ 20,728,476</u>	<u>\$ 122,545</u>

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

Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
\$ 792,990	-	-	\$ 3,736,478
-	-	\$ 1,693,458	1,693,458
-	-	-	2,980,929
25	-	150,158	160,062
793,015	-	1,843,616	8,570,927
733,997	-	940,276	1,674,273
(304,975)	-	(1,455,428)	(1,760,403)
963,640	-	89,911	1,053,551
415,911	-	30,617	3,263,109
-	-	-	1,691,535
1,808,573	-	(394,624)	5,922,065
(1,015,558)	-	2,238,240	2,648,862
20,318	\$ 7,141	193,418	535,796
-	-	-	7,599
20,318	7,141	193,418	543,395
(995,240)	7,141	2,431,658	3,192,257
-	-	-	-
-	-	-	-
-	-	-	-
(995,240)	7,141	2,431,658	3,192,257
1,147,418	295,734	3,721,409	24,266,884
\$ 152,178	\$ 302,875	\$ 6,153,067	\$ 27,459,141

City of Yuma, Arizona

Combining Statement of Cash Flows

Year Ended June 30, 2023

	Equipment Replacement	Equipment Maintenance
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 2,980,929	\$ 2,943,488
Cash Paid to Employees	-	(1,283,635)
Cash Paid to Suppliers	(778,281)	(1,568,940)
Cash Paid For Operating Expenses	-	-
Other Operating Activity Revenue	-	9,879
Net Cash Flows Provided by / (Used for) Operating Activities	<u>2,202,648</u>	<u>100,792</u>
Cash Flows from Noncapital Financing Activities:		
Interfund Borrowing	-	(100,780)
Net Cash Flows Provided by / (Used for) Noncapital Financing Activities	<u>-</u>	<u>(100,780)</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Sale of Capital Assets	7,599	-
Payments for Capital Acquisitions	(1,590,112)	-
Net Cash Flows Provided by / (Used for) Capital and Related Financing Activities	<u>(1,582,513)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Receipt of Interest	313,935	-
Net Cash Flows Provided by / (Used for) Investing Activities	<u>313,935</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	934,070	12
Cash and Cash Equivalents, July 1	13,217,967	-
Cash and Cash Equivalents, June 30	<u>\$ 14,152,037</u>	<u>\$ 12</u>
Reconciliation of Operation Income/(Loss) to Net Cash Provided by / (Used for) Operating Activities:		
Operating Income/(Loss)	\$ 1,280,865	\$ 145,315
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by / (Used for) Operating Activities:		
Depreciation Expense	1,682,440	9,095
(Increase)/Decrease in Accounts Receivable	-	-
(Increase)/Decrease in Inventory	-	(23,067)
(Increase)/Decrease in Prepaid Items	(882,245)	-
Increase in Claims Incurred	-	-
Increase/(Decrease) in Accounts Payable	121,588	10,210
(Decrease) in Payroll Liabilities	-	(40,761)
(Decrease) in Estimated Claims	-	-
Total Adjustments	<u>921,783</u>	<u>(44,523)</u>
Net Cash Provided by Operating Activities	<u>\$ 2,202,648</u>	<u>\$ 100,792</u>

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

Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
\$ 794,195	\$ -	\$ 1,844,616	\$ 8,563,228
-	-	-	(1,283,635)
(525,645)	-	-	(2,872,866)
(1,808,573)	-	(1,334,460)	(3,143,033)
25	-	-	9,904
(1,539,998)	-	510,156	1,273,598
-	-	-	(100,780)
-	-	-	(100,780)
-	-	-	7,599
-	-	-	(1,590,112)
-	-	-	(1,582,513)
20,337	7,140	193,075	534,487
20,337	7,140	193,075	534,487
(1,519,661)	7,140	703,231	124,792
2,406,293	295,603	6,414,652	22,334,515
<u>\$ 886,632</u>	<u>\$ 302,743</u>	<u>\$ 7,117,883</u>	<u>\$ 22,459,307</u>
\$ (1,015,558)	\$ -	\$ 2,238,240	\$ 2,648,862
-	-	-	1,691,535
1,205	(110)	1,000	2,095
-	-	-	(23,067)
-	-	-	(882,245)
-	-	(1,455,428)	(1,455,428)
(220,670)	110	(273,656)	(362,418)
-	-	-	(40,761)
(304,975)	-	-	(304,975)
(524,440)	-	(1,728,084)	(1,375,264)
<u>\$ (1,539,998)</u>	<u>\$ -</u>	<u>\$ 510,156</u>	<u>\$ 1,273,598</u>

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BUDGETARY COMPARISON SCHEDULES

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City of Yuma, Arizona

Budgetary Comparison Schedule

Year Ended June 30, 2023

Equipment Replacement Fund

Exhibit K-1

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
INFLOW OF RESOURCES:				
Charges for Services	\$65,386	\$65,386	\$2,980,929	\$2,915,543
Interest	30,000	30,000	314,919	284,919
Total Inflow of Resources	95,386	95,386	3,295,848	3,200,462
USE OF RESOURCES:				
Current:				
Administration	23,499	23,499	17,624	5,875
Total Expenses	23,499	23,499	17,624	5,875
Capital Outlay	3,265,767	3,265,767	1,590,112	1,675,655
Other Financing Uses	3,265,767	3,265,767	1,590,112	1,675,655
Total Use of Resources	3,289,266	3,289,266	1,607,736	1,681,530
Inflows of Resources Over (Under)				
Uses of Resources	<u>(\$3,193,880)</u>	<u>(\$3,193,880)</u>	1,688,112	<u>\$1,518,932</u>
Reconciliation to Change in Net Position:				
Capital Outlay			1,590,112	
Gain on Sale of Asset			7,599	
Depreciation and Amortization			(1,682,440)	
Change in Net Position			<u>\$ 1,603,383</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, 2023

Equipment Maintenance Fund

Exhibit K-2

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
INFLOW OF RESOURCES:				
Charges for Services	\$2,965,000	\$2,965,000	\$2,943,488	(\$21,512)
Miscellaneous	-	-	9,879	9,879
Total Inflow of Resources	2,965,000	2,965,000	2,953,367	(11,633)
USE OF RESOURCES:				
Current:				
Administration	2,945,688	2,945,688	2,798,957	146,731
Total Expenses	2,945,688	2,945,688	2,798,957	146,731
Transfers Out	-	-	-	-
Other Financing Uses	-	-	-	-
Total Use of Resources	2,945,688	2,945,688	2,798,957	146,731
Inflows of Resources Over (Under)				
Uses of Resources	\$19,312	\$19,312	154,410	(\$158,364)
Reconciliation to Change in Net Position:				
Depreciation and Amortization			(9,095)	
Change in Net Position			\$ 145,315	

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, 2023

Insurance Reserve Fund

Exhibit K-3

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>INFLOW OF RESOURCES:</u>				
Charges for Services	\$ 1,754,867	\$ 1,754,867	\$ 792,990	\$ (961,877)
Interest	6,500	6,500	20,318	13,818
Miscellaneous	-	-	25	25
Total Inflow of Resources	1,761,367	1,761,367	813,333	(948,034)
<u>USE OF RESOURCES:</u>				
Current:				
Claims Incurred	1,117,000	1,117,000	733,997	383,003
Adjustments to Claims Reserve	-	-	(304,975)	304,975
Premiums to Insurance Carriers	1,217,637	1,217,637	963,640	253,997
Administration	1,150,000	1,140,000	415,911	724,089
Total Use of Resources	3,484,637	3,474,637	1,808,573	1,666,064
Inflows of Resources Over (Under)				
Uses of Resources	<u>\$(1,723,270)</u>	<u>\$(1,713,270)</u>	<u>(995,240)</u>	<u>\$(2,614,098)</u>
Reconciliation to Change in Net Position:				
Change in Net Position			<u>\$ (995,240)</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, 2023

Workers' Comp Fund

Exhibit K-4

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>INFLOW OF RESOURCES:</u>				
Contributions - City	\$ 1,450,000	\$ 1,450,000	\$ 1,693,458	\$ 243,458
Interest	8,500	8,500	193,418	184,918
Miscellaneous	-	-	150,158	150,158
Total Inflow of Resources	1,458,500	1,458,500	2,037,034	578,534
<u>USE OF RESOURCES:</u>				
Current:				
Claims Incurred	2,099,640	2,099,640	940,276	1,159,364
Adjustments to Claims Reserve	-	-	(1,455,428)	1,455,428
Premiums to Insurance Carriers	818,360	818,360	89,911	728,449
Administration	82,000	82,000	30,617	51,383
Total Use of Resources	3,000,000	3,000,000	(394,624)	3,394,624
Inflows of Resources Over (Under)				
Uses of Resources	<u>\$(1,541,500)</u>	<u>\$(1,541,500)</u>	<u>2,431,658</u>	<u>\$(2,816,090)</u>
Reconciliation to Change in Net Position:				
Change in Net Position			<u>\$ 2,431,658</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.

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.



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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.

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	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities										
Net investment in capital assets	\$ 238,878	\$ 226,188	\$ 216,506	\$ 215,713	\$ 206,885	\$ 197,164	\$ 194,292	\$ 193,687	\$ 194,763	\$ 197,997
Restricted	46,472	49,601	153,355	17,370	19,572	26,147	38,057	49,652	23,223	19,166
Unrestricted	(55,967)	(81,389)	(200,007)	(82,636)	(84,372)	(82,363)	(91,026)	(91,649)	(68,462)	43,244
Total governmental activities net position	\$ 229,383	\$ 194,401	\$ 169,855	\$ 150,447	\$ 142,085	\$ 140,948	\$ 141,323	\$ 151,690	\$ 149,524	\$ 260,407
Business-type activities										
Net investment in capital assets	\$ 190,282	\$ 171,271	\$ 161,627	\$ 158,390	\$ 156,204	\$ 154,181	\$ 150,899	\$ 152,343	\$ 147,573	\$ 159,458
Restricted	-	-	-	-	-	-	-	2,715	9,009	9,009
Unrestricted	104,538	106,470	101,000	88,921	77,629	68,015	60,405	49,657	44,607	46,877
Total business-type activities net position	\$ 294,820	\$ 277,741	\$ 262,627	\$ 247,311	\$ 233,833	\$ 222,196	\$ 211,304	\$ 204,715	\$ 201,189	\$ 215,344
Primary government										
Net investment in capital assets	\$ 429,160	\$ 397,460	\$ 378,133	\$ 374,104	\$ 363,089	\$ 351,345	\$ 345,191	\$ 346,030	\$ 342,336	\$ 357,455
Restricted	46,472	49,601	153,355	17,370	19,572	26,147	38,057	52,367	32,232	28,175
Unrestricted	48,572	25,081	(99,007)	6,285	(6,743)	(14,348)	(30,621)	(41,992)	(23,855)	90,121
Total primary government net position	\$ 524,204	\$ 472,142	\$ 432,481	\$ 397,758	\$ 375,918	\$ 363,144	\$ 352,627	\$ 356,405	\$ 350,713	\$ 475,751

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

Last Ten Fiscal Years (in millions)

Continued on the next page

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses										
Governmental activities:										
General government	\$ 22,509	\$ 23,137	\$ 15,297	\$ 10,991	\$ 10,664	\$ 11,532	\$ 8,741	\$ 9,102	\$ 9,056	\$ 10,335
Public Safety	63,367	60,538	64,966	63,540	61,366	62,157	68,133	55,883	55,785	46,585
Streets	22,028	19,724	20,195	18,272	17,312	15,301	16,063	12,272	14,964	25,265
Parks, Recreation and Culture	14,791	11,798	11,288	14,692	14,580	14,967	14,892	14,219	14,364	13,606
Environmental Health and Protection	106	96	133	124	208	95	26	686	178	89
Community Design and Development	6,196	6,799	6,007	4,933	5,212	4,391	4,524	4,331	4,439	5,167
Interest on Long-Term Debt	4,849	6,447	4,963	3,361	3,733	4,087	4,400	4,505	4,462	4,781
Total governmental activities expenses	133,847	128,540	122,849	115,913	113,075	112,530	116,779	100,998	103,248	105,828
Business-type activities:										
Water	23,411	22,558	21,978	22,792	22,398	22,204	22,821	23,337	25,259	24,762
Wastewater	21,580	18,991	17,856	18,170	17,415	17,293	16,478	16,643	17,253	17,073
Solid Waste	5,130	4,342	4,207	3,991	3,706	3,772	3,728	3,347	3,070	3,085
Radio Communications	3,177	2,139	2,397	2,531	2,042	1,845	2,313	2,184	2,623	4,153
Golf Courses	1,559	1,946	1,808	1,930	1,861	1,736	1,681	1,864	2,518	3,474
Total business-type activities expenses	54,857	49,975	48,246	49,414	47,422	46,850	47,021	47,375	50,723	52,547
Total primary government expenses	188,704	\$ 178,515	\$ 171,095	\$ 165,327	\$ 160,497	\$ 159,380	\$ 163,800	\$ 148,373	\$ 153,971	\$ 158,375
Program Revenues										
Governmental activities:										
Charges for Services	\$ 20,043	\$ 16,922	\$ 11,270	\$ 10,634	\$ 12,178	\$ 15,098	\$ 13,161	\$ 14,759	\$ 10,039	\$ 11,770
Operating Grants and Contributions	2,745	3,884	10,614	8,890	3,882	1,943	1,876	2,528	3,519	3,305
Capital Grants and Contributions	10,552	10,909	7,734	3,849	1,904	5,016	1,817	609	1,481	577
Total governmental activities program revenues	33,340	31,716	29,618	23,373	17,964	22,057	16,854	17,896	15,039	15,652
Business-type activities:										
Charges for Services	57,334	55,753	52,741	51,491	50,495	48,731	47,420	44,510	42,771	44,383
Capital Grants and Contributions	6,749	10,704	10,623	9,980	6,634	8,233	5,911	6,405	5,748	7,044
Total business-type activities program revenues	64,083	66,457	63,363	61,471	57,129	56,964	53,331	50,915	48,519	51,427
Total primary government program revenues	\$ 97,423	\$ 98,172	\$ 92,981	\$ 84,844	\$ 75,093	\$ 79,021	\$ 70,185	\$ 68,811	\$ 63,558	\$ 67,079

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

City of Yuma, Arizona
Changes in Net Position
Last Ten Fiscal Years

Financial Trends
Table A-2
Concluded

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net (expense)/revenue										
Governmental activities	\$ (100,507)	\$ (96,824)	\$ (93,231)	\$ (92,542)	\$ (95,111)	\$ (90,473)	\$ (99,927)	\$ (83,100)	\$ (88,209)	\$ (90,176)
Business-type activities	9,226	16,481	15,117	12,054	9,707	10,114	6,322	3,540	(2,204)	(1,120)
Total primary government net expense	\$ (91,281)	\$ (80,343)	\$ (78,113)	\$ (80,488)	\$ (85,404)	\$ (80,359)	\$ (93,605)	\$ (79,660)	\$ (90,413)	\$ (91,296)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 15,414	\$ 15,082	\$ 14,482	\$ 13,725	\$ 13,048	\$ 12,520	\$ 12,354	\$ 10,955	\$ 9,650	\$ 9,451
Sales taxes	65,135	62,122	54,910	47,456	44,320	42,999	41,653	40,149	38,283	37,994
Franchise taxes	3,568	3,365	3,220	3,072	3,195	3,266	3,067	3,163	3,095	3,010
Shared revenues	47,640	40,739	39,785	35,449	33,580	32,644	31,713	30,272	29,441	26,552
Unrestricted investment earnings	4,290	(923)	197	1,404	2,027	1,022	687	449	269	545
Gain from/(loss on) sale of capital assets	-	-	-	(280)	-	-	-	-	-	-
Transfers	(558)	(107)	43	79	78	78	85	280	(1,323)	(730)
Total governmental activities	135,490	120,277	112,638	100,905	96,248	92,529	89,559	85,268	79,415	76,822
Business-type activities:										
Investment earnings	7,296	(1,512)	241	1,502	2,007	856	353	265	165	222
Transfers	558	107	(43)	(79)	(78)	(78)	(85)	(280)	1,323	730
Total business-type activities	7,853	(1,405)	198	1,423	1,929	778	268	(15)	1,488	952
Total primary government	\$ 143,343	\$ 118,872	\$ 112,836	\$ 102,328	\$ 98,177	\$ 93,307	\$ 89,827	\$ 85,253	\$ 80,903	\$ 77,774
Change in Net Position										
Governmental activities	\$ 34,983	\$ 23,453	\$ 19,407	\$ 8,363	\$ 1,137	\$ 2,056	\$ (10,368)	\$ 2,166	\$ (8,794)	\$ (13,354)
Business-type activities	17,079	15,077	15,316	13,477	11,636	10,892	6,590	3,526	(715)	(168)
Total primary government	\$ 52,062	\$ 38,530	\$ 34,723	\$ 21,840	\$ 12,773	\$ 12,948	\$ (3,778)	\$ 5,692	\$ (9,509)	\$ (13,522)

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

City of Yuma, Arizona

Fund Balances of Governmental Funds

Last Ten Fiscal Years

Financial Trends
Table A-3

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Nonspendable	\$ 82	\$ 32	\$ 29	\$ 33	\$ 65	\$ 87	\$ 118	\$ 127	\$ 144	\$ 178
Restricted	636	876	122,386	-	-	-	-	-	-	-
Committed	13,125	12,332	-	-	-	-	-	-	-	-
Assigned	31,742	23,561	-	-	-	-	-	-	-	-
Unassigned	29,850	24,167	47,465	29,202	20,855	20,915	17,436	18,218	17,348	17,732
Total General Fund	\$ 75,435	\$ 60,968	\$169,880	\$29,235	\$ 20,920	\$ 21,002	\$17,554	\$18,345	\$17,492	\$ 17,910
All other										
Nonspendable	39	13	17	11	24	14	66	17	20	16
Restricted	44,277	38,030	32,826	16,475	22,302	34,501	35,877	47,003	20,280	19,167
Committed	107	111	111	7,971	7,076	6,277	(5,530)	8,655	7,847	7,018
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(789)	(751)	(587)	(304)	(164)	-	-	-	-	-
Total all other governmental funds	\$ 43,634	\$ 37,403	\$ 32,367	\$ 24,153	\$ 29,238	\$ 40,792	\$ 30,413	\$ 55,675	\$ 28,147	\$ 26,201

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

City of Yuma, Arizona

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years (in millions)

Financial Trends
Table A-4

Revenues	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Taxes	\$ 84,250	\$ 80,621	\$ 72,614	\$ 64,055	\$ 60,353	\$ 58,720	\$ 57,022	\$ 54,166	\$ 50,991	\$ 50,425
Licenses and permits	2,119	2,287	2,769	2,221	2,088	2,261	2,064	1,932	1,858	1,880
Intergovernmental	56,093	47,170	50,627	44,578	37,336	35,120	34,489	32,947	32,951	30,254
Charges for services	14,815	13,730	7,787	8,203	8,257	7,741	9,152	7,965	6,846	7,086
Fines and forfeitures	1,169	1,207	931	1,011	1,008	1,141	1,229	1,298	1,162	1,210
Special assessments	-	24	365	350	335	320	305	290	280	1,183
Interest and rents	4,438	(367)	675	1,480	2,015	1,261	889	766	643	971
Contributions and donations	212	133	186	183	219	497	170	436	1,021	88
Miscellaneous	1,496	688	1,044	470	619	1,573	1,447	899	555	456
Total revenues	164,591	145,494	136,997	122,551	112,230	108,634	106,767	100,699	96,307	93,553
Expenditures										
General government	21,916	18,546	11,382	9,889	9,306	8,185	7,923	7,875	7,566	8,964
Public Safety	53,489	160,644	90,616	55,379	54,396	50,260	51,846	47,635	45,692	42,938
Streets	11,730	10,401	10,656	8,492	9,111	7,896	8,259	7,551	7,718	7,592
Parks, Recreation and Culture	13,424	12,080	10,371	13,694	14,031	13,629	13,182	12,593	12,117	11,200
Environmental Health and Protection	75	128	76	76	75	58	50	20	70	72
Community Design and Development	6,264	6,388	5,919	4,866	5,407	4,641	4,485	4,237	4,288	5,096
Capital Outlay and Capital Projects	16,492	12,461	4,395	15,930	20,227	10,089	23,878	9,321	5,502	8,702
Debt Service										
Principal	16,585	21,764	8,929	8,490	7,804	7,095	6,790	6,565	8,080	8,700
Interest and fiscal agent fees	5,366	6,953	3,214	3,681	4,052	4,407	4,720	3,777	4,566	4,885
Issuance Cost	-	-	2,256	-	-	-	-	914	-	-
Total expenditures	145,340	249,366	147,814	120,497	124,409	106,260	121,133	100,488	95,599	98,149
Excess of revenues over (under) expenditures	19,251	(103,872)	(10,817)	2,054	(12,179)	2,374	(14,366)	211	708	(4,596)
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)	-	-
Financed Purchase Agreements	2,005	103	-	1,617	1,180	1,032	-	-	-	-
Transfers in	20,892	28,069	11,073	11,189	11,191	11,244	11,255	13,551	14,416	13,474
Transfers out	(21,450)	(28,176)	(11,030)	(11,689)	(11,829)	(11,881)	(11,886)	(10,502)	(13,595)	(14,204)
Total other financing sources (uses)	1,448	(4)	159,674	1,178	542	395	(631)	28,170	821	(730)
Net change in fund balances	\$ 20,699	\$(103,876)	\$ 148,857	\$ 3,232	\$(11,637)	\$ 2,768	\$(14,996)	\$ 3,299	\$ 1,529	\$ (5,326)
Debt service as a percentage of noncapital expenditures	17.0%	12.1%	8.5%	11.6%	11.4%	12.0%	11.8%	11.3%	14.0%	15.2%

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

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REVENUE CAPACITY

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

City of Yuma, Arizona
Tax Revenue by Source
Last Ten Fiscal Years

Revenue Capacity
Table B-1

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			
2023	\$ 15,404,725	\$ 32,890,150	\$ 16,442,280	\$ 6,574,677	\$ 8,986,332	\$ 3,568,073	\$ 242,000	\$ 141,694	\$	\$	\$ 84,249,931
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

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

Fiscal Year	State Shared Sales Tax	State Shared Income Tax	Auto In-Lieu	Highway Users (Gas Tax)	Grants and Others*	Total
2023	\$ 14,352,377	\$ 18,418,693	\$ 5,408,720	\$ 9,460,373	\$ 8,452,343	\$ 56,092,506
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

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

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

Fiscal Year	State of Arizona										
	Justice	Interior	Housing/Urban Development (CDBG)	Other HUD	ARPA	Other	Parks	Commerce	Transportation	Other	Local Government
2023	\$ 209,231	-	\$ 1,105,841	\$ 608,432	\$ 3,849,486	\$ 1,648,591	\$ 104,957	-	-	\$ 172,023	\$ 7,698,561
2022	210,703	-	932,080	1,148,274	1,061,260	2,453,204	39,834	-	-	563,285	\$ 6,431,356
2021	223,148	-	1,704,710	651,240	-	7,981,555	34,180	-	-	169,140	10,841,257
2020	210,839	-	919,426	493,029	-	7,234,730	28,880	-	-	187,701	9,128,410
2019	15,049	-	823,594	807,913	-	1,946,584	30,958	-	-	87,303	3,756,182
2018	65,558	-	741,903	332,928	-	1,013,257	199,879	-	-	103,687	2,475,809
2017	175,143	-	608,000	223,685	-	1,049,438	324,488	-	-	353,926	2,776,788
2016	502,853	-	769,760	-	-	966,898	20,355	-	\$ 53,175	103,619	2,674,791
2015	799,620	-	941,585	-	-	1,517,358	-	-	5,599	185,812	3,510,123
2014	700,071	\$ 64,489	1,249,005	93,283	-	1,465,997	10,000	-	62,592	29,549	3,702,063

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.

City of Yuma, Arizona

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years

Debt Capacity

Table C-1

Fiscal Year	City Sales		City Hospitality		Yuma County		Arizona State	
	Tax Rate	Tax Rate	Sales Tax Rate	Sales Tax Rate				
2023	1.70%	1.70%	2.00%	2.00%	1.11%		5.60%	
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%	

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***	Total Primary Government				
2023	-	\$ 206,910,000	-	\$ 2,071,158	\$ 132,282,000	-	-	\$ 19,786	\$ 341,282,944	3.42%	\$ 1,642		
2022	-	226,887,881	-	1,256,105	166,518,716	-	-	74,033	394,736,735	2.96%	1,907		
2021	-	241,658,838	-	1,946,956	91,367,270	-	-	128,279	335,101,343	3.48%	1,619		
2020	-	90,383,050	\$ 365,000	2,735,700	102,022,920	-	-	182,525	195,689,195	5.78%	960		
2019	-	98,134,659	715,000	1,828,510	112,404,580	-	-	134,867	213,217,616	4.17%	979		
2018	-	98,250,000	1,050,000	-	114,233,000	-	-	-	213,533,000	3.66%	997		
2017	-	104,735,000	1,370,000	-	123,755,000	-	-	-	229,860,000	1.96%	1,084		
2016	-	111,010,000	1,675,000	-	89,675,000	\$ 45,053,649	-	-	247,413,649	1.92%	1,192		
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		

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
2023	99,246	\$ 824,609,144	-	0.0%	-
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%	-

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	\$ 339,192,000	100.00%	\$ 339,192,000
Total Direct Debt			<u>\$ 339,192,000</u>
Yuma County	86,706,646	47.30%	41,012,244
Yuma County Jail District	-	47.30%	-
Yuma County Library District	26,395,000	47.30%	12,484,835
Yuma County Special Assessment District	1,920,865	47.30%	908,569
Arizona Western College	65,555,000	46.14%	30,247,077
Yuma Union High School District No. 70	59,209,000	52.30%	30,966,307
Yuma Elementary School District No. 1	26,830,000	57.00%	15,293,100
Crane Elementary School District No. 13	6,775,000	69.46%	4,705,915
Total Overlapping Debt			<u>\$ 135,618,047</u>
Total Direct and Overlapping Debt			<u>\$ 474,810,047</u>

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

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit										
Water, Sewer, Lights, Parks (20%)	\$ 164,922	\$ 155,382	\$ 131,647	\$ 131,647	\$ 138,577	\$ 131,288	\$ 118,350	\$ 123,110	\$ 126,547	\$ 125,160
All Others (6%)	49,477	46,615	39,494	39,494	41,573	39,386	35,505	36,933	37,964	37,548
Total net debt applicable to limit										
Water, Sewer, Lights, Parks (20%)	-	-	-	-	-	-	-	-	-	-
All Others (6%)	-	-	-	-	-	-	-	-	-	-
Legal debt margin										
Water, Sewer, Lights, Parks (20%)	\$ 164,922	\$ 155,382	\$ 131,647	\$ 131,647	\$ 138,577	\$ 131,288	\$ 118,350	\$ 123,110	\$ 126,547	\$ 125,160
All Others (6%)	49,477	46,615	39,494	39,494	41,573	39,386	35,505	36,933	37,964	37,548
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%	0.00%
All Others (6%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2023

General Obligation Bonds							
Water,							
Sewer,							
Lights,							
Parks (20%)							
All Others (6%)	\$ 49,477	\$ 164,922	\$ 824,609	2023 Tax Year Secondary Assessed Valuation			
	-	-	-	Outstanding General Obligation Debt:			
	-	-	-	Total General Obligation Debt			
	<u>\$ 49,477</u>	<u>\$ 164,922</u>					

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

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

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

	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
2022-23 Pledged Taxes	\$ 86,686,650	\$ 102,247,659	\$ 103,128,930	\$ 103,128,930	\$ -
2022-23 Net Revenue	-	-	-	-	30,586,782
Total Taxes/Net Revenue	\$ 86,686,650	\$ 102,247,659	\$ 103,128,930	\$ 103,128,930	\$ 30,586,782
2023-24 Debt related to pledge:					
2021 Series Tax-exempt	\$ 2,601,400	\$ -	\$ -	\$ -	\$ 2,601,400
2015 Excise Rev & Refunding	-	3,093,300	-	-	3,093,300
2015 Road Tax Refunding	-	-	4,387,050	-	4,387,050
2021 Series Taxable	-	-	-	11,398,306	11,398,306
2015 Utility System Rev Refunding	-	-	-	-	7,456,838
2016 Utility System Rev Refunding	-	-	-	-	1,982,295
2021 Utility System Revenue	-	-	-	-	3,837,450
Total Debt	\$ 2,601,400	\$ 3,093,300	\$ 4,387,050	\$ 11,398,306	\$ 13,276,583
Coverage	33.3	33.1	23.5	9.0	2.3
Required Coverage	3.0	1.5	1.5	1.5	1.2
<i>Collective Coverage</i>					
Total 2022-23 Taxes/Net Revenue	\$ 86,686,650	\$ 102,247,659	\$ 103,128,930	\$ 103,128,930	\$ 30,586,782
Total 2023-24 Debt	\$ 21,480,056	\$ 21,480,056	\$ 21,480,056	\$ 21,480,056	\$ 13,276,583
Coverage	4.0	4.8	4.8	4.8	2.3
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.

City of Yuma, Arizona

Pledged Tax Collections

Last Ten Fiscal Years (in millions)

Debt Capacity
Table C-7

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Local Taxes										
Sales Tax (1%)	\$ 32,890,150	\$ 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
Franchise Fee	3,568,073	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
Intergovernmental Revenues:										
State Revenue Sharing	18,418,693	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
State Sales Tax	14,352,377	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
Auto In-Lieu Tax	5,408,720	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
Emergency Services and Other	28,124	18,254	34,180	45,169	37,261	26,679	31,057	196,457	44,062	23,913
Licenses:										
Business Licenses	279,005	266,991	281,677	257,584	265,997	266,406	250,890	246,528	250,957	250,365
Liquor Licenses	40,277	35,590	36,765	29,940	31,545	31,020	30,140	33,090	33,310	32,560
Fees for Services:										
Building Permits and Inspection Fees	2,253,125	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
Recreation Fees	355,124	286,207	156,904	186,285	374,633	416,337	465,281	487,166	544,212	513,535
Police Services and Other Public Safety Fees	5,547,484	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
Interest and Rentals										
Investment Income	2,376,416	(522,097)	92,746	487,339	519,226	217,389	95,984	64,755	47,095	99,738
Fines, Forfeitures and Penalties:										
City Court Fines	1,169,102	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
Total Series B Pledged Taxes	86,686,650	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
Additional Excise Series Pledged Taxes										
City Public Safety Taxes (.2%)	6,574,677	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
City Special Taxes (2%)	8,986,332	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
Total Excise Series Pledged Taxes	102,247,659	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
Additional Road Tax Series Pledged Taxes										
City Road Tax (.5%)	16,442,280	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
Total Road Tax Series Pledged Taxes	\$ 103,128,930	\$ 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
Gross Excise Tax Pledged Revenues	\$ 118,689,939	\$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

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Water Services and Fees	\$ 27,595,387	\$ 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
Water Non-Rate Revenues	2,434,819	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
Water Capacity Fees	1,545,956	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
Wastewater Services & Charges	17,976,835	16,509,915	15,911,054	15,470,458	15,157,121	14,622,123	14,141,449	13,054,338	12,715,664	13,138,029
Wastewater Non-Rate Revenues	6,903,515	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
Wastewater Capacity Fees	1,607,047	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
Total Revenues	\$ 58,063,559	\$ 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
Operation and Maintenance Expenses										
Water Personnel Expenses	\$ 6,440,820	\$ 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
Water Operating Expenses	8,041,579	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
Wastewater Personnel Expenses	5,070,392	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
Wastewater Operating Expenses	7,923,986	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
Total Operation and Maintenance Expenses	\$ 27,476,777	\$ 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
Net Revenues	\$ 30,586,782	\$ 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
Debt Service	\$ 13,276,583	\$ 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
Revenue Debt Service Coverage	2.30	2.10	2.17	2.05	2.07	2.02	1.85	1.67	1.28	1.43
Revenue Debt Service Coverage without Capacity Fees	2.07	1.59	1.68	1.63	1.70	1.57	1.48	1.28	0.97	1.13

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

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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.

City of Yuma, Arizona

Demographic & Economic Information

Last Ten Fiscal Years

Demographic & Economic Information

Table D-1

Calendar Year	Population Metropolitan Area	Personal Income (in Thousands)	Per Capita Personal Income	Unemployment Rate	Building Permits			
					Commercial		Residential	
					No.	Value	No.	Value
2023	207,842	\$ 11,680,720	\$56.2	11.90%	208	\$ 76,146,892	782	\$58,666,484
2022	206,990	11,653,537	56.30	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

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

Demographic & Economic Information
Table D-2

Current Year and Ten Years Ago

Employer	2014			2023		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Marine Corps Air Station	6,471	1	7.00%	2,258	3	2.71%
Yuma Union High School District	1,095	6	1.18%	1,123	6	1.35%
U. S. Army Yuma Proving Ground	2,500	2	2.70%	2,267	2	2.72%
Yuma Regional Medical Center	2,080	3	2.25%	2,764	1	3.32%
Yuma County	1,316	5	1.42%	1,315	4	1.58%
Yuma Elementary School District #1	1,327	4	1.44%	1,226	5	1.47%
City of Yuma	928	9	1.00%	994	8	1.19%
TRAX			0.00%	1,105	7	1.33%
Walmart	946	8	1.02%			
Quechan Paradise Casino	709	10	0.77%			
Crane Elementary School			0.00%	850	9	1.02%
ACCT			0.00%	834	10	1.00%
All other employers	75,100		81.21%	67,867		81.45%
Total	92,472		100.00%	83,327		100%

Source: Greater Yuma Economic Development Corporation and Estimates

Note: Figures presented represent the Yuma Metropolitan Statistical Area

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Mining	\$ 1	\$ 43	\$ 85	\$ 126	\$ 66	\$ 83	\$ 68	\$ 38	\$ 34	\$ 24
Construction	196,464	233,809	182,209	167,839	139,530	140,164	113,705	119,836	138,657	174,693
Manufacturing	15	1,596	2,454	3,023	2,676	2,814	2,838	1,544	51,945	43,626
Transportation, Communications, and Utilities	176,301	179,051	174,405	171,657	176,443	181,310	178,093	182,453	205,300	206,056
Wholesale Trade	99,064	92,463	85,679	70,981	64,851	62,075	60,446	58,938	42,766	39,897
Retail Trade	2,165,980	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
Restaurants and Bars	805,496	342,265	279,811	241,488	236,335	231,145	241,292	210,526	200,951	174,309
Finance, Insurance and Real Estate	175,774	164,893	145,273	152,546	136,628	126,205	125,827	118,393	114,418	131,450
Hotels and Other Lodging Accommodation	173,027	81,318	58,028	51,364	56,066	55,653	51,636	44,455	32,624	29,049
Services	10,119	9,708	9,208	11,939	11,105	12,599	13,371	12,967	49,819	49,649
Arts, Entertainment, Government and All Others Not Specified	13,320	9,692	5,298	8,029	10,972	10,355	11,582	15,136	27,236	34,656
Total Taxable Sales	\$ 3,815,561	\$ 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
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

City of Yuma, Arizona

Sales Tax Collections

Last Ten Fiscal Years (in millions)

Demographic & Economic Information
Table D-4

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Retail, Non-internet	\$ 29,602,817	\$ 28,415,598	\$ 26,188,664	\$ 22,052,828	\$ 20,988,513	\$ 20,043,277	\$ 19,799,021	N/A	N/A	N/A
Food for Home Consumption, Grocery	6,821,028	5,705,262	5,541,656	4,941,646	4,201,463	4,065,481	3,714,862	N/A	N/A	N/A
Restaurants and Bars	6,277,552	5,818,497	4,756,369	4,100,771	4,011,265	3,918,837	3,861,182	N/A	N/A	N/A
Construction and Contracting	3,369,282	4,001,825	3,139,260	2,852,662	2,402,998	2,426,913	2,027,355	N/A	N/A	N/A
Utilities	2,679,879	2,784,152	2,688,252	2,516,779	2,641,422	2,677,737	2,580,227	N/A	N/A	N/A
Commercial and Equipment Leasing	2,462,717	2,456,394	2,304,254	2,399,030	2,138,619	2,011,461	1,990,089	N/A	N/A	N/A
Remote Facilitated Sales, Internet	2,081,914	1,819,061	1,551,857	576,216	-	-	-	N/A	N/A	N/A
Hotels and Lodging	1,372,245	1,382,398	986,472	876,186	947,139	946,098	877,804	N/A	N/A	N/A
Residential Leasing, Rent	525,433	343,233	186,121	177,207	166,090	135,828	132,232	N/A	N/A	N/A
All others not specified	714,240	593,875	525,123	835,826	796,728	828,145	1,065,364	N/A	N/A	N/A
Restaurants and Bars (Sp. 2% Tax)	7,416,879	7,003,555	5,685,138	4,895,338	4,718,157	4,673,252	4,366,111	N/A	N/A	N/A
Hotels and Lodging (Sp. 2% Tax)	1,569,453	1,555,800	1,127,150	992,555	1,065,281	1,030,200	988,174	N/A	N/A	N/A
Total Sales Tax Collections	\$ 64,893,439	\$ 61,879,650	\$ 54,680,316	\$ 47,217,044	\$ 44,077,675	\$ 42,757,229	\$ 41,402,421	\$ -	\$ -	\$ -
City Fund										
General Fund (1.0% Tax)	32,890,150	31,368,329	28,160,761	24,312,175	22,528,500	21,798,752	21,207,119	N/A	N/A	N/A
City Road Tax Fund (0.5% Tax)	16,442,280	15,681,499	14,077,987	12,154,021	11,262,335	10,897,505	10,601,757	N/A	N/A	N/A
Public Safety Tax Fund (0.2% Tax)	6,574,677	6,270,467	5,629,280	4,859,955	4,503,402	4,357,520	4,239,260	N/A	N/A	N/A
Parks 2% Sales Tax Fund (Sp. 2% Tax)	8,986,332	8,559,355	6,812,288	5,887,893	5,783,438	5,703,452	5,354,285	N/A	N/A	N/A
Total Sales Tax Collections	\$ 64,893,439	\$ 61,879,650	\$ 54,680,316	\$ 47,214,044	\$ 44,077,675	\$ 42,757,229	\$ 41,402,421	\$ -	\$ -	\$ -

Source: Arizona Department of Revenue

* 2014-2016 Not available

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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	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General government	237	240	227	233	216	206	208	208	205	198
Public Safety										
Police	289	288	288	279	276	278	277	276	272	259
Fire	138	138	137	137	134	125	131	131	125	125
Public Works										
Engineering	28	28	27	27	28	28	28	28	35	24
Maintenance	61	53	53	52	52	54	48	48	47	52
Solid Waste	16	16	16	15	14	13	13	13	13	13
Water	88	82	79	80	79	77	77	77	69	76
Wastewater	59	61	59	55	57	52	53	53	52	52
Parks and recreation	108	108	108	111	122	123	120	119	124	117
Total	1,024	1,014	994	989	978	956	955	953	942	916

Source: City of Yuma Annual Budget, Fiscal Year 2023-2024

City of Yuma, Arizona

**Operating Indicators by Function
Last Ten Fiscal Years**

**Operating Information
Table E-2**

	2023	2022	2021	2020	2019	2018	2016	2017	2015	2014
Police										
Calls for service*	78,594	107,198	94,856	102,723	103,072	103,871	90,694	91,603	93,463	89,027
Case reports	10,276	11,813	9,676	10,696	11,266	12,899	12,185	12,371	12,905	12,855
Fire										
Number of calls answered*	17,912	18,150	17,498	15,921	15,268	15,200	13,888	14,205	13,191	12,529
Inspections*	1,943	1,853	2,014	1,458	2,096	1,730	2,448	2,438	883	1,460
Streets										
Streets slurry sealed (miles)	40	45	48	29	24	27	23	33	30	30
Solid Waste										
Refuse collected (tons)	30,102	29,070	30,465	29,063	27,269	26,019	25,622	30,710	26,848	26,650
Parks and recreation										
Ramada rentals	1,091	1,100	630	974	1,676	1,693	1,946	1,625	2,171	2,097
Water										
Connections	33,937	32,717	33,591	32,715	32,191	33,277	30,400	30,921	29,945	29,361
Daily treatment capacity (million gallons)	69.0	69.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
Annual quantity processed (billion gallons)	8.6	8.8	9.1	8.3	8.1	8.4	7.8	7.8	8.0	7.1
Wastewater										
Daily processing capacity (million gallons)	15.0	15.3	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6

Source: Various city departments.
 Note: Indicators are not available for the general government function.
 *Numbers presented are for calendar year.

City of Yuma, Arizona
Capital Assets by Function
Last Ten Fiscal Years

Operating Information
Table E-3

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public Safety										
Police stations	2	2	2	2	2	2	2	2	2	2
Police vehicles	177	186	186	183	169	186	181	194	181	179
Fire stations	6	6	6	6	6	6	6	6	6	6
Streets										
Streets (miles)	435	410	410	410	409	457	454	450	448	442
Streetlights	7,406	7,319	7,319	6,932	6,894	6,848	6,795	6,773	6,757	6,757
Traffic Signals	77	75	75	77	81	81	81	79	79	79
Solid Waste										
Collection trucks	14	13	13	13	11	11	11	11	11	11
Parks and Recreation										
Parks acreage	682	682	682	682	682	682	682	682	633	620
Parks/Athletic Fields	96	96	96	96	96	96	96	90	84	80
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)	571	566	564	556	542	533	530	527	527	527
Fire hydrants	4,129	4,111	4,090	4,046	3,996	3,876	3,859	3,831	3,790	3,754
Wastewater										
Sanitary sewers (miles)	397	394	392	385	379	368	356	362	350	350
Manholes	6,061	6,034	6,013	5,887	5,782	5,643	5,510	5,376	5,318	5,318

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	
2023	26,991	2,655	445	165	3,737	591	34,584
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

CUSTOMER CLASSES - WASTEWATER							
Fiscal Year	Residential		Multifamily		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
2023	26,019	1,239	689	53	1,838	167	30,005
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

Source: City of Yuma Utility Management System

FISCAL YEAR 2023

Meter Size	Residential		Multi-Family		Commercial		Total
	Inside	Outside	Inside	Outside	Inside	Outside	
5/8"	19,286	2,371	67	101	1,084	187	23,096
3/4"	4,954	151	22	10	523	107	5,767
1"	2,707	80	165	31	1,128	97	4,208
1 1/2"	32	53	37	3	287	9	421
2"	12	-	149	20	688	50	919
3"	-	-	4	-	20	139	163
4"	-	-	-	-	-	-	-
6"	-	-	1	-	7	2	10
8"	-	-	-	-	-	-	-
Total	26,991	2,655	445	165	3,737	591	34,584

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	1	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

City of Yuma, Arizona

Number of Accounts by Meter Size

Last Five Fiscal Years

Operating Information

Table E-5

Concluded

Meter Size	FISCAL YEAR 2019										Total
	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	2,371	316	30,117				

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	Inside the City, \$/100cuft	Outside the City, \$/100cuft
5/8" Meter	\$ 17.82	\$ 23.70	\$ 1.56	\$ 2.07	\$ 1.56	\$ 2.07	\$ 1.75	\$ 2.29
3/4" Meter	17.82	23.70	1.83	2.43	1.83	2.43	1.75	2.29
1" Meter	21.56	28.67	2.10	2.79	2.10	2.79	1.75	2.29
1 1/2" Meter	27.93	37.15						
2" Meter	34.26	45.57						
3" Meter	62.09	82.58						
4" Meter	93.72	124.65						
6" Meter	172.79	229.81						
8" Meter	251.83	334.93						

Schedule of Wastewater Rates

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

Source: City of Yuma Utility Rate Schedules

