YUMA COUNTY

Annual Expenditure Limitation Report

For The Fiscal Year Ended June 30, 2020

Yuma County Financial Services
198 South Main Street
Yuma, Arizona 85364
www.yumacountyaz.gov

{This page is intentionally left blank}

YUMA COUNTY

"Yuma County Government is dedicated to providing customer-focused services to enhance the health, safety, well-being, and future of our entire community."

Annual Expenditure Limitation Report

For the Fiscal Year
Ended June 30, 2020

COUNTY ADMINISTRATOR
Susan K. Thorpe

Prepared by Yuma County Department of Financial Services

Chief Financial Officer
Gilberto Villegas Jr.

{This page is intentionally left blank}

YUMA COUNTY
Annual expenditure limitation report
Year ended June 30, 2020

Table of Contents **Page**

Independent accountants' report 1

Annual Expenditure Limitation Report

Part I 3
Part II 4
Reconciliation 5

Notes to Annual Expenditure Limitation Report 7

{This page is intentionally left blank}

Independent Accountants' Report

LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent accountants' report

Members of the Arizona State Legislature

The Board of Supervisors of
Yuma County, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of Yuma County for the year ended June 30, 2020, and the related notes to the report. The County's management is responsible for presenting this report in accordance with the Uniform Expenditure Reporting System as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the Uniform Expenditure Reporting System in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Annual Expenditure Limitation Report referred to above is presented in accordance with the Uniform Expenditure Reporting System as described in Note 1 in all material respects.

Donna Miller, CPA
Director, Financial Audit Division

May 13, 2021

YUMA COUNTY

Annual Expenditure Limitation Report — Part I

Year ended June 30, 2020

1. Economic Estimates Commission expenditure limitation	$ 102,796,331
2. Amount subject to the expenditure limitation (total amount from Part II, Line C)	86,363,227
3. Amount under the expenditure limitation	$ 16,433,104

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the Uniform Expenditure Reporting System.

Signature of chief fiscal officer:

Name and title: Gilberto Villegas, Jr, Chief Financial Officer

Telephone number: (928) 373-1012 Date: 5/13/2021

See accompanying notes to report.

YUMA COUNTY

Annual Expenditure Limitation Report **Part II**

Year ended June 30, 2020

Description	Governmental Funds	Internal service funds	Fiduciary funds	Total
A. Amounts reported on the reconciliation, line D	$ 130,498,043	$ 16,632,536	$ 414,938,405	$ 562,068,984
B. Less exclusions claimed:				
Trustee or custodian (Note 2)	1,596,556	-	414,938,405	416,534,961
Grants and aid from the federal government (Note 3)	25,593,455	-	-	25,593,455
Amounts received from the State of Arizona (Note 3)	12,955,090	-	-	12,955,090
Quasi-external interfund transactions (Note 4)		10,302,158	-	10,302,158
Highway user revenues in excess of those received in fiscal year 1979-80 (Note 3)	10,320,093	-	-	10,320,093
Total exclusions claimed	50,465,194	10,302,158	414,938,405	475,705,757
C. Amounts subject to the expenditure limitation	$ 80,032,849	$ 6,330,378	$ -	$ 86,363,227

See accompanying notes to report.

YUMA COUNTY

Annual Expenditure Limitation Report **Reconciliation**

Year ended June 30, 2020

Description	Governmental Funds	Internal service funds	Fiduciary funds	Total
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements	$ 173,435,716	$ 16,651,275	$ 414,938,405	$ 605,025,396
B. Subtractions:				
Items not requiring use of current financial resources:				
Claims incurred but not reported (IBNR)	-	779,000	-	779,000
Pension and other postemployment benefits expense (Note 5)	-	143,484	-	143,484
Expenditures of separate legal entities established under Arizona Revised Statutes (A.R.S.) (Note 6)	33,381,273	-	-	33,381,273
Long-term care contributions the State Treasurer withheld (Note 7)	9,556,400	-	-	9,556,400
Total subtractions	42,937,673	922,484	-	43,860,157
C. Additions:				
Amounts paid in the current year but reported as expenses in previous years:				
Claims previously recognized as IBNR (Note 8)	-	832,000	-	832,000
Pension and other postemployment benefits contributions paid in the current year (Note 5)	-	71,745	-	71,745
Total additions	-	903,745	-	903,745
D. Amounts reported on Part II, Line A	$ 130,498,043	$ 16,632,536	$ 414,938,405	$ 562,068,984

See accompanying notes to report.

{This page is intentionally left blank}

Notes to Annual
Expenditure Limitation Report

Yuma County

Notes to Annual Expenditure Limitation Report

Year ended June 30, 2020

Note 1 - Summary of significant accounting policies

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

In accordance with the UERS, a note to the AELR is presented below for any exclusion claimed on part II and each subtraction or addition in the reconciliation that cannot be traced directly to an amount reported in the fund financial statements. All references to financial statement amounts in the following notes refer to the statement of revenues, expenditures, and changes in fund balances for the governmental funds; statement of revenues, expenses, and changes in fund net position for the proprietary funds; statement of cash flows for the proprietary funds; and the statement of changes in fiduciary net position for the fiduciary funds.

Note 2

The $1,596,556 exclusion claimed for trustee or custodian in the governmental funds consists of the County's contributions to the Arizona Health Care Cost Containment System for acute care and administrative costs; and in the fiduciary funds, the exclusion consists of $414,938,405 in distributions to investment pool participants.

Note 3

The following schedule presents revenues from which exclusions have been claimed for federal grants and aid, amounts received from the State of Arizona, and highway user revenues in the governmental funds:

Description	Amount
Grants and aid from federal government	$25,593,455
Amounts received from the State of Arizona	12,955,090
Highway user revenues in excess of those received in fiscal year 1979-80	10,320,093
Other revenues- (non-excludable)	28,597,393
Total intergovernmental revenues as reported in the fund financial statements	**$77,466,031**

Note 4

The exclusion claimed for quasi-external interfund transactions in the internal service fund includes employer and employees' medical contributions for health and other insurances. These expenditures are recorded as health services claims throughout various funds within the financial statements.

Note 5

The $143,484 subtraction for pension and other postemployment benefit (OPEB) expense consists of the change in the net pension and OPEB liabilities, change in deferred outflows related to pensions and OPEB, and changes in deferred inflows related to pensions and OPEB recognized in the current year in the internal service fund. The $71,745 addition for pension and OPEB contributions paid in the current year consists of the required pension and OPEB contributions made to the Arizona State Retirement System from the internal service fund.

Note 5 (concluded)

The schedule below reconciles the net effect the subtraction and addition have on the expenditures subject to the limitation to the amounts reported on the statement of cash flows' net effect on cash.

Statement of Cash Flows	**Internal Service Funds**
Change in deferred inflows related to pensions and OPEB	$ (10,061)
Change in deferred outflows related to pensions and OPEB	22,117
Change in net pension and OPEB liability	59,683
Total	**$ 71,739**

* Negative amounts represent a net addition and positive amounts represent a net subtraction on the AELR.

AELR- Reconciliation	
Pension/OPEB contributions- addition	$ 71,745
Pension/OPEB expense- subtraction	143,484
Total	**$ (71,739)**

Note 6

The $33,381,273 subtraction for separate legal entities established under Arizona Revised Statutes consists of expenditures of special assessment districts and municipal property corporations included within the County's reporting entity, but not included in the Economic Estimates Commission base limit calculations, and are reported in the governmental funds category in the fund financial statements:

Special Assessment Districts	
General government	$ 1,068,651
Capital outlay	402,486
Principal retirement	150,884
Interest and fiscal charges	66,937
Total	**$ 1,688,958**

Municipal Property Corporations	
Public safety	$13,492,019
Culture and recreation	8,325,556
Health	3,126,645
Capital outlay	2,448,351
Principal retirement	2,778,008
Interest and fiscal charges	1,521,736
Total	**$31,692,315**

Yuma County

Notes to Annual Expenditure Limitation Report
Year ended June 30, 2020

Note 7

The subtraction for long-term care contributions the State Treasurer withheld consists of transaction privilege taxes the State Treasurer withheld to meet the County's share of long-term care costs that was reported as a revenue and an offsetting expenditure in the County's governmental funds. Consequently, this expenditure has been subtracted on the reconciliation.

Note 8

The $832,000 addition for claims paid in the current year, but reported as expenses incurred but not reported in previous years, consists of cash payments in the current year for claims recognized as an expense in previous years in the internal service fund.