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CITY OF YUMA, ARIZONA

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011



City of Yuma
Arizona

Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2011

Prepared by:

Finance Department

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About the Cover:

Marine Corps Air Station-Yuma will be home to the first operational squadrons of the new F-35 Joint Strike Fighter program. The station expects up to \$1 billion in new construction to accommodate the program and expand facilities for the increase in military and civilian personnel supporting the program. The City of Yuma is proud to be home to the station and to the U.S. Army Yuma Proving Ground, one of the military's most important testing commands.

CITY COUNCIL

Alan L. Krieger, Mayor
Cody Beeson
Bobbi Brooks
Paul B. Johnson
Leslie L. McClendon
Raul Mendoza
Jerry Stuart

City Administration

Gregory K. Wilkinson
City Administrator

City Departments

City Attorney
Steven W. Moore

City Clerk
Lynda L. Bushong

Community Development
Laurie L. Lineberry

Utilities
Jay Simonton

Finance
Donald (Pat) Wicks

Fire Department
Jack McArthur, Chief

Information Technology
Laura S. Neinast

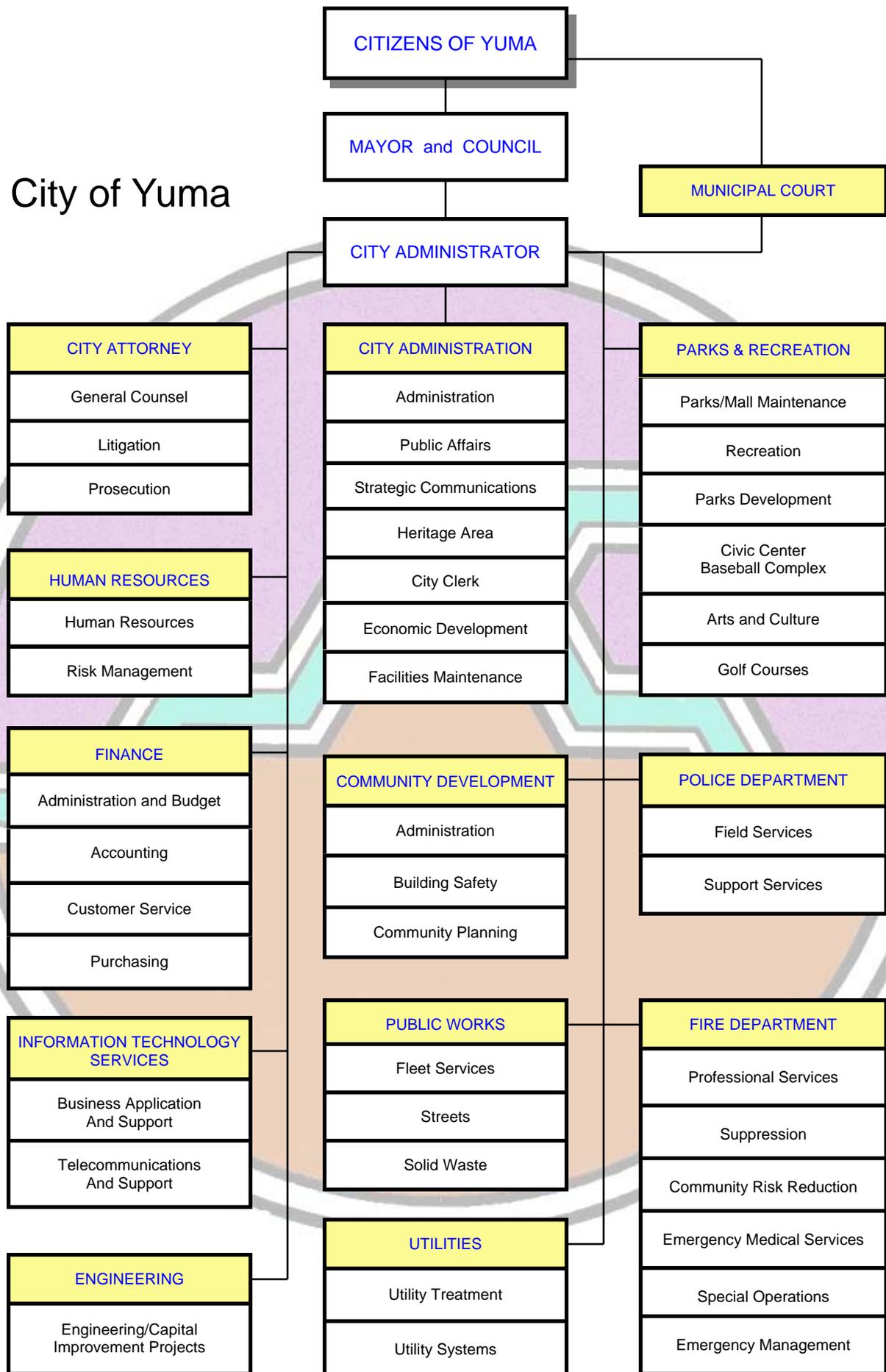
Municipal Court
Douglas S. Stanley, Judge

Parks and Recreation
Rebecca J. Chavez

Police Department
Jerry Geier, Chief

Field Operations
Joel Olea

City of Yuma



City of Yuma, Arizona
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2011

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INTRODUCTORY SECTION





City of YUMA

FINANCE DEPARTMENT
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November 29, 2011

To the Citizens, Honorable Mayor and City Council,
and City Administrator

The Finance Department is pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Yuma, Arizona for the fiscal year ended June 30, 2011. The report includes the independent auditors' 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, 2011, 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, 2011, are fairly presented in conformity with accounting principles generally accepted in the United States. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the City's separately issued Single Audit Reporting Package.

This report has been prepared using the financial reporting requirements as outlined in GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. This standard requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of *Management’s Discussion and Analysis (MD&A)*. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditors’ report.

PROFILE OF THE CITY OF YUMA

The City of Yuma was incorporated in 1914 and adopted its first charter in June of that year. Yuma is the economic hub and county seat of Yuma County. The City is located along the Colorado River in southwestern Arizona and is equidistant from the major population centers of Phoenix, Arizona and San Diego, California.

The City operates under a council-manager form of government. The City Council consists of six members elected at large for staggered four-year terms. The elected Mayor is the seventh voting member of council, who, along with the remaining council members is elected on a non-partisan basis. The City Council is responsible for passing ordinances, adopting the budget, appointing members of commissions and hiring the City Administrator. The City Administrator carries out the policies and ordinances of the City Council, oversees the day-to-day operations of the City and appoints the various department heads.

The City provides a full range of municipal services. These include public safety (police, fire and municipal court), street construction and maintenance, water and wastewater utility services, sanitation and residential refuse collection, parks, recreation and culture, planning and zoning, and general administrative and support services.

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

ECONOMIC CONDITION AND OUTLOOK

Industrial Expansion. Yuma’s economy is based primarily in agriculture, tourism and government, although further diversification continues. Agriculture remains the Yuma area’s dominant industry, producing more than \$1 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 are cornerstones in the military’s flight training and equipment testing programs and 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 will be the home of one of the first squadrons of the new Joint Strike Fighter, the new generation aircraft being adopted by all military services.

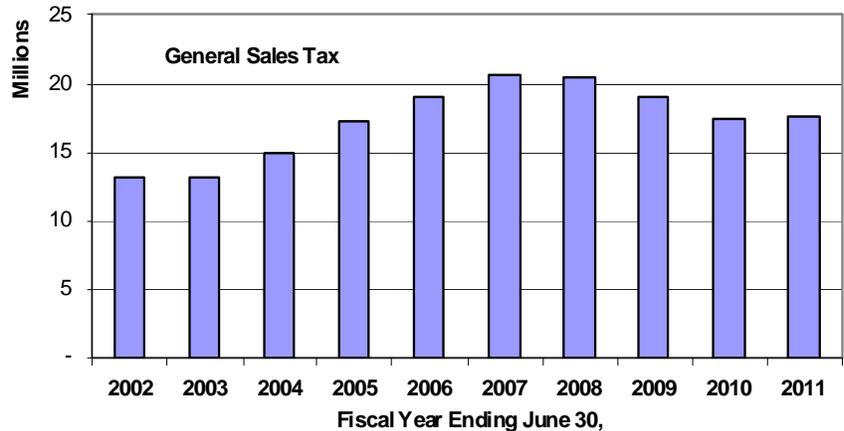
Although manufacturing currently accounts for less than 10% of countywide employment, the City’s partnership with the Greater Yuma Economic Development Corporation continues to attract attention to the area. Several companies have located or expanded operations in Yuma in recent years.

¹ Source: Greater Yuma Economic Development Corporation

Economic Growth. Yuma’s most reliable indicator of the condition of its economy is sales tax. The graph below reflects the last ten years of data. After three years of decline, general sales tax saw a slight increase of 1.4% for fiscal year 2011. Tax data show that construction, an important segment of the sales tax measure, has rebounded to a 1% growth. Planning for fiscal year 2012 anticipates stable sales tax collections.

Yuma’s continued as a regional retail and services center during 2011 with no additional “big box” closures of nationally-recognized stores during the year. The retail classification of the sales tax showed a 1.4% increase, matching the overall increase and showing that retail sales continue to be relatively strong.

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. This contributes to the strengthening of sales tax collections.



LONG-TERM FINANCIAL PLANNING

Yuma Crossing National Heritage Area. Plans to restore, preserve and interpret the Yuma Crossing National Heritage area began more than thirty years ago and work continued throughout 2011. The goal is to gain full economic and recreational benefit from the Colorado River for the Yuma area. The river, once the primary reason for Yuma’s existence, was ignored for years as community growth and new development moved away from the riverfront. Awareness of the river’s importance has re-emerged, culminating in the establishment of the Yuma Crossing National Heritage Area in 2000, the first such National Heritage Area west of the Mississippi River.

During fiscal year 2011, city and Federal funds combined to manage and improve both the West and East Wetlands to restore natural vegetation and wildlife habitat, and improve recreational opportunities for area residents. The City will also continue its focus in developing historic and cultural activities in these areas as these are so important in meeting the Council’s goals in enriching the area’s cultural attributes. Progress in providing opportunities for local residents and in attracting employers to the area to diversify the economy is dependent on continuing these plans.

Downtown redevelopment. Revitalization of the downtown area is a vital component of management of the Heritage Area. The new hotel and conference center are cornerstones of the public/private partnership that is developing the river area. The new Gateway park continues to be a focal point for the downtown area. Its improved access to the river area and new parking, restroom facilities, and picnic and play facilities makes it a popular destination with local residents.

East Mesa Development. The slowing of the housing market has been felt most keenly in the East Mesa area. However, with the completion of both the Desert Dunes wastewater treatment and the Agua Viva water treatment plants, the city is well prepared for a return to the significant growth of the area as the recession comes to its end. These two plants will not only establish the infrastructure necessary to accommodate that growth, but will improve capacity of existing plants in the older Yuma area to accommodate growth elsewhere in the city. A series of rate increases for both the Water Fund and the Wastewater Fund have been completed and the two funds are positioned well financially to meet the needs in growth and in managing historic areas as well.

FINANCIAL INFORMATION

Budgetary Controls. The annual budget serves as the foundation for City financial planning and control. The City maintains budgetary controls with the objectives to ensure compliance with legal provisions embodied in the annual appropriated budget, approved by the City Council. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Fund, Enterprise Funds, and three of the City's Internal Service Funds are included in the annual appropriated budget. As with the governmental funds, the City's proprietary funds are presented on a current financial resources basis to account for capital and debt-related expenditures. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary controls. Encumbered amounts lapse at year-end. However, encumbrances generally are re-appropriated as part of the following year's budget. As demonstrated by the budgetary schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management. In addition to budgetary schedules, Note I-D in the Notes to the Financial Statements beginning on page 38 describes in detail the budget process used by the City.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2010. This is the twenty-ninth 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another award.

I wish to express my sincere thanks to the employees of the Accounting Division for their dedicated service in preparing this report. Their work, along with those services provided by other members of the Finance Department, has made this report possible. The cooperation and assistance of the accounting firm of Heinfeld, Meech & Co., P.C., also contributed significantly to its production. Finally, I wish to thank the Mayor and Council, City Administrator, and the City Staff for their continued support.

Respectfully submitted,



Donald (Pat) Wicks, CPA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Yuma
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



FINANCIAL SECTION





HEINFELD, MEECH & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS



INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Yuma, Arizona (the City), as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Yuma, Arizona, as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, for the year ended June 30, 2011, which represents a change in accounting principle.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2011, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 15 and pension and budgetary comparison information on pages 60 through 68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The accompanying supplementary information such as the introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.
Certified Public Accountants

November 29, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Required Supplementary Information)

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, 2011. 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

- On a government-wide basis, the City's net assets grew by \$20.2 million for the fiscal year, \$10.1 million of which was generated by governmental activities while \$10.1 million was due to business-type activities of the City.
- The City's combined net assets total \$461.0 million at June 30, 2011. Of this amount, \$76.1 million is available (unrestricted) to finance ongoing programs, \$44.4 million in governmental programs and \$31.7 million in business activities.

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 assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 and golf course operations.

The government-wide financial statements can be found on pages 20-21 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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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. Moreover, these latter statements provide a ready comparison to similar financial statements produced prior to the City's implementation of GASB Statement No. 34.

The City maintains thirteen 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 seven funds considered to be major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements beginning on page 72.

Major Governmental Funds:

General
Highway User Revenue
City Road Tax
Grants
Community Redevelopment
Debt Service
Capital Projects

Nonmajor Governmental Funds:

Local Transportation Assistance
Public Safety Tax
Radio Communication
Recreation Complex
Two Percent Tax
Yuma Mall Maintenance

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 24 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, Sewer and Solid Waste Authority and for its golf courses. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Yuma uses internal service funds to account for its equipment replacement and maintenance programs, liability insurance, and for its workers compensation and employee health insurance. Because 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
Desert Hills Golf Course
Arroyo Dunes Golf Course

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 96.

The City adopts annual appropriated budgets for all of its proprietary funds with the exception of two internal service funds: Employee Benefits Trust and Workers Compensation. Budgetary comparison statements for the remaining proprietary funds are included within the report to demonstrate compliance with these budgets.

The basic proprietary fund financial statements can be found on pages 31-33 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 35 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Yuma's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found starting on page 60 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 72.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Yuma, assets exceeded liabilities by \$461.0 million at the close of the fiscal year.

Net Assets (millions)	Governmental Activities		Business-type Activities		Total	
	June 30,					
	2011	2010 As restated	2011	2010 As restated	2011	2010 As restated
Current and other assets	\$ 107.3	\$ 112.2	\$ 64.8	\$ 61.6	\$ 172.1	\$ 173.8
Capital assets	310.5	307.4	339.0	339.3	649.5	646.7
Total assets	<u>417.8</u>	<u>419.6</u>	<u>403.8</u>	<u>400.9</u>	<u>821.6</u>	<u>820.5</u>
Long-term liabilities outstanding	138.1	144.3	192.2	200.0	330.3	344.3
Other liabilities	22.7	28.4	7.6	7.0	30.3	35.4
Total liabilities	<u>160.8</u>	<u>172.7</u>	<u>199.8</u>	<u>207.0</u>	<u>360.6</u>	<u>379.7</u>
Net assets:						
Invested in capital assets, net of related debt	196.8	191.9	166.8	161.1	363.6	353.0
Restricted	15.8	14.7	5.5	3.8	21.3	18.5
Unrestricted	44.4	40.3	31.7	29.0	76.1	69.3
Total net assets	<u>\$ 257.0</u>	<u>\$ 246.9</u>	<u>\$ 204.0</u>	<u>\$ 193.9</u>	<u>\$ 461.0</u>	<u>\$ 440.8</u>

The largest portion of the City of Yuma's net assets reflects its investment in capital assets (e.g., land, buildings, machinery), 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 assets may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, including the City as a whole, as well as for its separate governmental and business-type activities. The same held true for the previous fiscal year. Net assets rose to \$461.0 million, up \$20.2 million from the prior year. Governmental activities accounted for \$10.1 million of the increase while business-type activities amounted to \$10.1 million. Most of the increase would be attributable to capital asset acquisitions, particularly infrastructure, as governmental capital assets increased \$3.1 million (net of depreciation), funded in part by the excess of revenues over operating expenses as reported in the Statement of Activities on page 21. These acquisitions are reflected in the portion of net assets shown above as 'Invested in capital assets, net of related debt.' Unrestricted net assets 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.

Statement of Activities. Already noted was the statement of activities' purpose in presenting information in how the government's net assets changed during the most recent fiscal year. A chart of changes in net assets follows.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in Net Assets Fiscal Year Ended June 30, (millions)	Governmental activities		Business-type activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues:						
Charges for services	\$ 12.1	\$ 11.4	\$ 42.4	\$ 38.4	\$ 54.5	\$ 49.8
Operating grants and contributions	5.0	3.7	-	-	5.0	3.7
Capital grants and contributions	3.2	5.9	7.4	3.9	10.6	9.8
General revenues:						
Property taxes	10.0	9.5	-	-	10.0	9.5
Sales taxes	34.7	34.2	-	-	34.7	34.2
Franchise taxes	3.0	3.0	-	-	3.0	3.0
Intergovernmental revenues	25.4	28.2	-	-	25.4	28.2
Unrestricted grants and contributions	5.9	5.8	-	-	5.9	5.8
Unrestricted investment earnings	1.0	1.1	0.1	0.2	1.1	1.3
Gain from sale of assets	0.3	-	-	-	0.3	-
Total revenues	<u>100.6</u>	<u>102.8</u>	<u>49.9</u>	<u>42.5</u>	<u>150.5</u>	<u>145.3</u>
Expenses:						
General government	9.7	10.5	-	-	9.7	10.5
Public safety	40.2	39.2	-	-	40.2	39.2
Streets	14.6	14.0	-	-	14.6	14.0
Parks, recreation and culture	13.8	13.9	-	-	13.8	13.9
Environmental health and protection	1.5	4.9	-	-	1.5	4.9
Community design and development	5.0	5.0	-	-	5.0	5.0
Interest on long-term debt	5.8	6.3	-	-	5.8	6.3
Water	-	-	20.5	20.2	20.5	20.2
Wastewater	-	-	13.9	13.7	13.9	13.7
Solid Waste	-	-	2.9	-	2.9	-
Golf courses	-	-	2.4	2.5	2.4	2.5
Total expenses	<u>90.6</u>	<u>93.8</u>	<u>39.7</u>	<u>36.4</u>	<u>130.3</u>	<u>130.2</u>
Transfers	0.1	0.1	(0.1)	(0.1)	-	-
Change in net assets	<u>\$ 10.1</u>	<u>\$ 9.1</u>	<u>\$ 10.1</u>	<u>\$ 6.0</u>	<u>\$ 20.2</u>	<u>\$ 15.1</u>

For the fiscal year, net assets increased \$20.2 million, with \$10.1 of the increase coming from governmental activities. The increase in assets in governmental activities is related in great part to construction of capital assets, rather than accumulation of cash or other liquid assets. The reader should remember that the basis of accounting used in the government-wide statement of activities excludes capital expenditures while its revenues include general taxes whose primary purpose is for the construction of those very assets or their related debt service (i.e., public safety or road sales taxes).

Governmental Activities

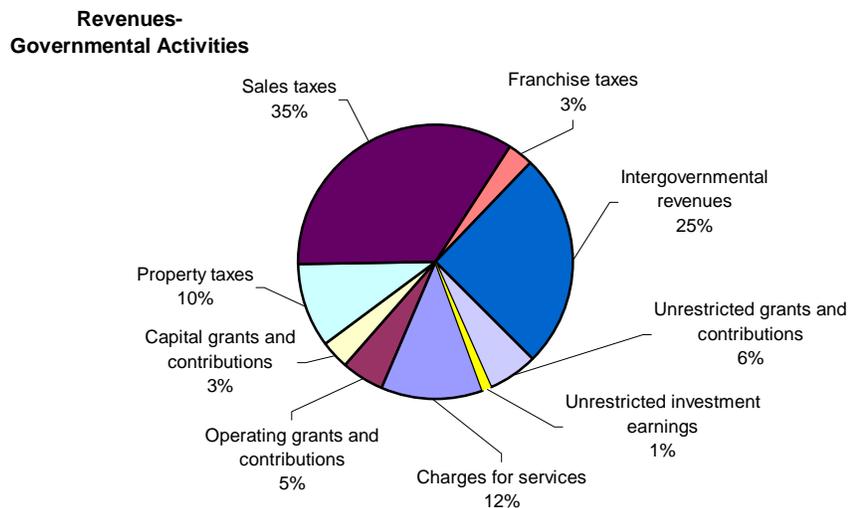
Revenues

Governmental activities revenues totaled \$100.6 million for fiscal year 2011, down from 2010, mostly in capital grants and intergovernmental revenues. Local sales taxes remain the largest revenue source for the City and are comprised of the 1% general sales tax along with a .5% road tax and a .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 55% of governmental revenues for the year. Charges for services, the third segment of governmental activities revenues, 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 12% of governmental revenues. Property taxes represent 10% 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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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:

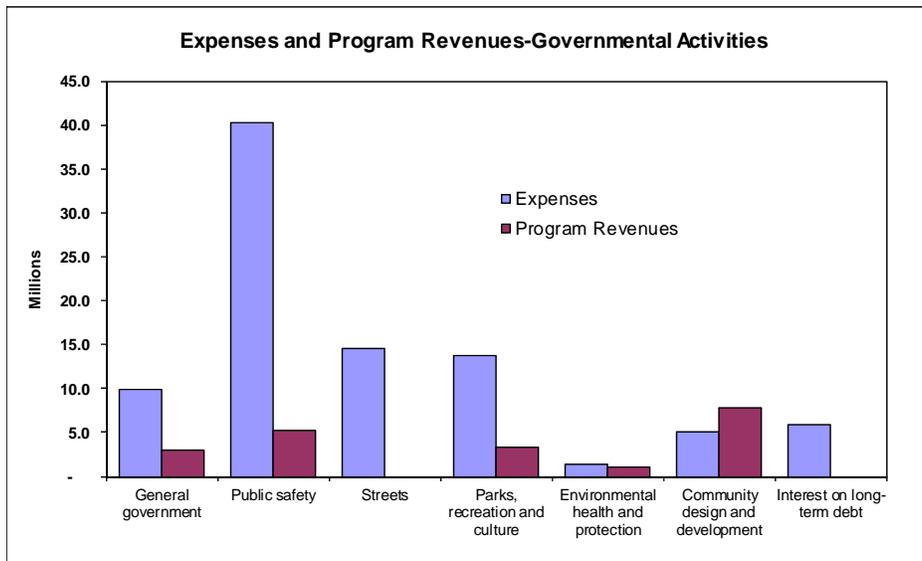
- Sales taxes increased 1.4% from 2010 as the economy has somewhat sustained since 2010.
- Intergovernmental revenues dropped by \$2.8 million or 10.1%. State-shared income taxes declined 24.6% from 2010, as anticipated, while state-shared gas tax slid by 1.7% as the state continues to balance its budget by reducing other entities' revenue. State-shared sales taxes increased by 4.6% because of the state's improving economic output.
- Charges for services increased by \$0.7 million (6.5%) as the city recognized revenues related to developer deposits resulting from continued capital projects completions.
- Operating Grants and Contributions increased by \$1.3 million (35.8%) and Capital Grants and Contributions increased by \$0.7 million (7.3%) as the city received ARRA funding and completed TEA 21 grant funded projects.



Expenses

Governmental expenses totaled \$90.6 million for the fiscal year. Of the expenses, 44.4% or \$40.2 million is related to public safety for police, fire and municipal court services. Parks, recreation and culture expenses amounted to \$13.8 million, or 15.2% and environmental health and protection was \$1.5 million, 1.7%, while streets and community design and development expenses amounted to 16.0% and 5.5% respectively. Interest on long-term debt was \$5.8 million, or 6.4% of governmental expenses. Overall, governmental activities expenses stabilized from 2010, with the exception of environmental health and protection expenses. This decrease in this function reflects the reclassification of the Solid Waste Fund to an enterprise fund and its inclusion in business-type activities.

MANAGEMENT’S DISCUSSION AND ANALYSIS



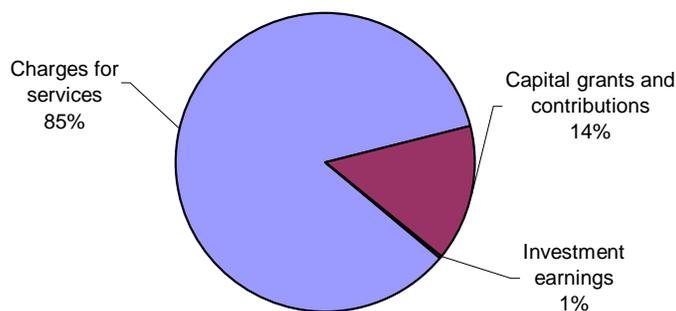
The chart above compares governmental activities with their respective program revenues, if any. Because the ultimate beneficiary of services of these types is often difficult to ascertain or the services apply to a broad spectrum of users (such as in fire protection), user fees are not created and general 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 \$42.5 million in charges for services, 87.3% comes from the City’s two utility operations, water and wastewater. The remaining charges are from solid waste and the City’s two golf courses, Desert Hills and Arroyo Dunes. The \$7.4 million in contributions are payments for capacity charges and development fees as well as constructed additions to the City’s water and wastewater infrastructure by subdivision and other developers. Finally, investment earnings make up less than 1% of revenues for the City’s business activities.

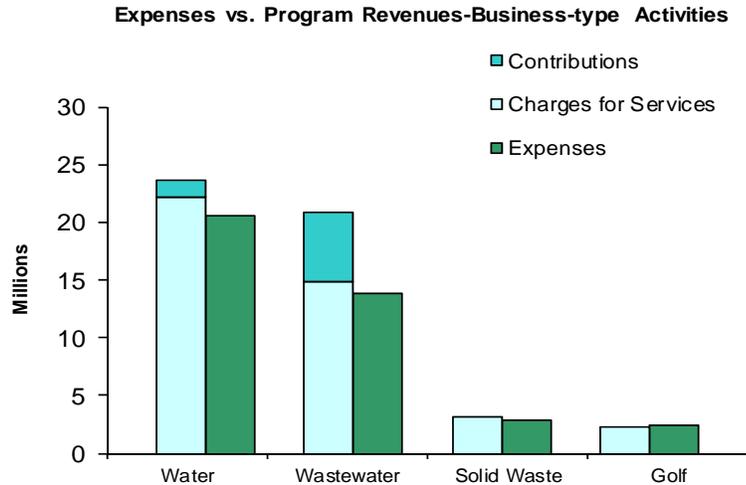
Revenues-Business-type Activities



Expenses

Water and wastewater services account for 87.3% of the City’s business-type activities with solid waste and golf courses making up the remaining 12.7%. Water expenses amounted to \$20.5 million while wastewater expenses totaled \$13.9 million. Solid Waste, Desert Hills Golf Course and Arroyo Dunes Golf Course recorded expenses of \$2.9 million, \$2.1 million and \$.3 million, respectively, for a total of \$5.3 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS



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, 2011, is \$60.6 million, a slight increase over 2010 of \$.03 million. A review of some of the more significant funds follows.

General Fund

The fund balance of the General Fund grew by \$1.6 million for the fiscal year. Revenues decreased by \$2.3 million. Sales taxes, the city's largest source of General Fund revenues, increased \$0.2 million (1.0%) to \$17.6 million as Yuma has not fully recovered from the recession. State-shared income taxes showed a decline of 24.6%, as anticipated, down \$2.8 million to \$8.7 million, while state-shared vehicle registration tax (auto lieu tax) decreased 1.7% to \$3.3 million. Total expenditures dropped 2.8% to \$49.4 million as the city reduced its workforce through attrition and decreased capital and other discretionary expenditures to deal with its declining revenues.

Highway User Revenue Fund (HURF)

This fund, which accounts for the expenditure of state-shared gasoline taxes, showed a decrease in fund balance of \$.4 million for the year. The City's portion of those taxes dropped by 1.8% for the fiscal year to \$6.5 million. The state legislature continues to reduce cities' share of this important revenue source. All maintenance expenditures for streets and retention basins are made in the HURF Fund. Expenditures increased from 2010 by \$.5 million (6.9%) to \$7.0 million.

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 grew by \$1.3 million for the year. In the same manner as general sales tax in the General Fund, sales taxes slightly increased in 2011 to \$8.8 million. Capital expenditures dropped from 2010, as the city funded its project expenditures for streets from bond proceeds.

Grants Fund

The City continues to receive much needed assistance from both the state and federal levels. During 2011, revenues decreased to \$5.9 million, due principally to a \$1.8 million decrease in Federal grants. Again this year,

MANAGEMENT'S DISCUSSION AND ANALYSIS

Homeland Security was the primary source of grants, funding the Yuma Regional Communication System and Operation Stone Garden with continued Bureau of Reclamation funding for the Yuma Heritage Area.

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, and its U.S. Department of Justice Weed and Seed Grant Program to help with operating the Martin Luther King Community Center in the Carver revitalization area. Community Development Block Grant revenues increased slightly to \$1.3 million for 2011.

Debt Service

Debt Service Fund expenditures increased to \$13.5 million as payments return to their full annual amounts after the 2010 refunding of the 2001 Series Municipal Property Corporation Bond. Fund balance reflects debt service reserves accumulated in accordance with the development agreement for the Yuma Palms regional center.

Capital Projects Fund

The Capital Projects Fund's fund balance dropped to \$27.2 million this year as the city continued to expend the proceeds of the 2007 bond sale. Capital expenditures decreased in 2011 to \$9.5 million since expenditures of impact fees dropped with the completion of a major project in 2010.

Proprietary funds. The City's enterprise funds posted an overall increase in net assets of \$10.8 million for the fiscal year ended June 30, 2011. The City's utility funds, Water and Wastewater, and its Solid Waste Fund accounted for the increase as the utilities have benefited from system growth and rate increases to sustain that growth. The Solid Waste Fund's operations were positive due to the new collection fee.

Water Enterprise Fund

Operating revenues for the Water Fund decreased by \$.12 million or .6% for the year ending June 30, 2011. This is due to a slight decline in consumption, reflecting the recessionary environment. Operating expenses increased by 3.8% and the fund produced operating income of \$7.4 million. A decrease in interest expense helped bolster net assets. Although down by \$.3 million due to lower construction activity, capital contributions pushed the fund's net assets increase to \$3.3 million.

Wastewater Enterprise Fund

The Wastewater Fund operating revenues increased 8.3% over fiscal 2010. Rate-based charges increased 6.6% to \$13.0 million while contractual revenues increased primarily because of shared charges from capital expenditures. Operating expenses increased by 2.3% with income from operations improving to \$3.5 million. Capital contributions increased by some \$3.7 million mostly through capacity charges as the result of the Avenue B to C Colonia improvement district. This infusion led to the fund's net assets increase of \$7.1 million.

Solid Waste

In the fiscal year ending June 30, 2011, the Solid Waste Special Revenue Fund has been reclassified to the Solid Waste Enterprise Fund. Effective July 2, 2010, the Yuma City Council passed Resolution 2010-35 creating a five dollar per month trash collection fee. With the advent of this collection fee, the fund became fully supported by charges to customers and the General Fund subsidy was eliminated. The first year of operations as an enterprise fund showed an increase in Net Assets of \$0.4 million.

Golf Courses

A small increase in food and beverage sales was not enough to counter slightly larger drops in other operating revenues for Desert Hills Golf Course, and the fund saw a 2.1% decrease in operating revenues. With the city's movement to lower operating expenses, the fund also dropped operating expenses by almost .7% to \$2.1 million but still suffered a small operating loss. Arroyo Dunes Golf Course incurred a 17.3% decrease in operating revenues. Operating expenses dropped for Arroyo Dunes by 16.8% for the year but this was not enough to offset

MANAGEMENT'S DISCUSSION AND ANALYSIS

the lower revenues, leading to an operating loss of \$38,461 for the year. The city will continue to operate the courses and implement strategies to improve their financial outlook.

GENERAL FUND BUDGETARY HIGHLIGHTS

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2011, can be found starting on page 61. A summary of that schedule follows:

	Budget		Actual	Variance with Final
	Original	Final		
Revenues and Transfers In				
Taxes	\$ 30,601,144	\$ 30,601,144	\$ 30,620,333	\$ 19,189
Intergovernmental	18,392,500	18,392,500	18,855,577	463,077
Other	6,618,346	6,618,346	5,479,283	(1,139,063)
Transfers In	440,200	440,200	571,931	131,731
Total	56,052,190	56,052,190	55,527,124	(525,066)
Expenditures and Transfers Out				
Expenditures	53,143,781	53,143,781	49,373,691	3,770,090
Transfers Out	2,793,608	2,793,608	4,535,292	(1,741,684)
Total	55,937,389	55,937,389	53,908,983	2,028,406
Change in Fund Balance	\$ 114,801	\$ 114,801	\$ 1,618,141	\$ 1,503,340

General Fund revenues and transfers in ended the year \$.53 million under expectations. During budget preparation for 2011, the City anticipated award of its Certificate of Necessary (CON) application from the state health services department to begin ambulance transport. With the delay of that award, some \$2 million in ambulance billings did not materialize. Overall compared to 2010, General Fund revenues ended the year down \$2.3 million or 4%, led by the aforementioned CON transport fees. The important revenue sources of city and state sales taxes increased by 1.7% and 4.6%, respectively.

Expenditures for the fund came in at \$3.8 million under budget with the largest contribution coming from Public Safety at \$2.2 million, again due to the delay of expenditures related to CON. General Government expenditures added another \$1.1 million, although savings in budget occurred in most departments with the City's drive to reduce expenditures throughout the year. All areas of expenditure reduction were targeted, primarily personal services expenditures through attrition savings and elimination of merit pay increases. Combined with discretionary spending reductions, such as travel and capital expenditures, the General Fund's expenditures declined more than the loss of revenues to produce a \$1.6 million increase in fund balance for the year.

CAPITAL ASSETS

At June 30, 2011, the City of Yuma's investment in capital assets in both governmental and business-type activities amounted to \$649.5 million, net of depreciation. This includes land, buildings, equipment, and infrastructure (roadways and bridges). Capital assets for governmental activities increased by 1.0% while business-type capital assets decreased less than one percent. These changes included the following:

- The first phase of the Public Safety Training Facility was completed at \$1 million.
- A major widening project for Avenue 3E was completed at \$2.1 million
- A number of major water and sewer lines were completed.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Change in Capital Assets

(In Millions)

	Governmental Activities			Business-type Activities			Total
	July 1, 2010 (as restated)	Net Additions/ Deletions	June 30, 2011	July 1, 2010 (as restated)	Net Additions/ Deletions	June 30, 2011	
Land	\$ 54.5	\$ 1.1	\$ 55.6	\$ 10.4	\$ 0.1	\$ 10.5	\$ 66.1
Buildings	78.7	-	78.7	7.9	-	7.9	86.6
Improvements	40.0	1.0	41.0	224.7	2.1	226.8	267.8
Infrastructure	177.9	6.3	184.2	-	-	-	184.2
Equipment	52.4	1.1	53.5	5.1	0.1	5.2	58.7
Construction in Progress	73.6	6.7	80.3	189.2	4.0	193.2	273.5
Accumulated Depreciation	(169.6)	(13.2)	(182.8)	(98.0)	(6.6)	(104.6)	(287.4)
Total	<u>\$ 307.5</u>	<u>\$ 3.0</u>	<u>\$ 310.5</u>	<u>\$ 339.3</u>	<u>\$ (0.3)</u>	<u>\$ 339.0</u>	<u>\$ 649.5</u>

Additional information on capital assets can be found in Note II-E starting on page 45.

DEBT ADMINISTRATION

At June 30, 2011, after scheduled debt payments, governmental activity debt decreased to \$138.1 million while business activity debt decreased to \$192.2 million.

The state limits the amount a municipality may issue in general obligation debt to 20% of the City's secondary assessed valuation for combined water, wastewater, artificial light, parks, open space preserves, playgrounds and recreational facilities. Debt related to other projects is limited to 6% of the valuation. The current debt limitation for the former type is \$146.6 million, well above the outstanding general obligation debt of \$2.77 million. No debt is outstanding for the other type of issuance. Because all the general obligation debt is related to the water system, and because water revenues are used to pay the debt service requirements of the issues, no secondary property taxes are assessed by the City for debt service.

The City's improvement district bonds were rated by Fitch Ratings as "A+". All other bonds are rated "AA-". The underlying ratings of Moody's Investor Services and Standard and Poor's are "Aa3" and "AA-", respectively. With the exception of the improvement district bonds, all City bond issues are insured, and while the city enjoys higher ratings, the guarantors can no longer provide "AAA" rating as a result of ratings downgrades of the insurance companies.

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-G on pages 48-52.

Summary of Long-Term Debt

(Millions)

	Governmental activities		Business-type activities		Total	
	2011	(as restated)	2011	(as restated)	2011	(as restated)
General Obligation Bonds	\$ -	\$ -	\$ 2.8	\$ 4.0	\$ 2.8	\$ 4.0
Yuma Municipal Property Corporation Bonds	125.7	131.0	117.0	120.1	242.7	251.1
Net Unamortized Premium/Issuance Costs	1.0	1.1	3.3	3.4	4.2	4.4
Improvement Districts	5.7	6.8	-	-	5.7	6.8
Contracts Payable	-	-	68.2	72.4	68.2	72.4
Compensated Absences	5.7	3.5	.8	.8	6.5	4.3
Total Long-Term Debt	<u>\$ 138.1</u>	<u>\$ 142.4</u>	<u>\$ 192.2</u>	<u>\$ 200.8</u>	<u>\$ 330.3</u>	<u>\$ 343.2</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS

Yuma County's fast growth of the last decade has slowed somewhat with the advent of the recession. The county grew by an estimated 2,452 residents to 195,751 with the City of Yuma representing 47.5% of the county's population. Since 2000, the City has grown by 31% to an estimated 93,064 for Census 2010. The City's economy is based on a triad of agriculture, tourism and military/government spending. Agribusiness continues to lead the economy, contributing well over \$1 billion annually. The area's 85,000-plus winter visitors add over \$450 million to the mix, while two prominent military installations infuse some \$300 million to the economy.

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, posted a 1.4% increase this year, compared to its historic growth rate of 7%. This still compares more than favorably to the large metropolitan areas of the state. For fiscal year 2012, revenues were projected with no further projected reduction in sales taxes.

With sales tax statistics improving, the economy continues to strengthen. During 2011, the following major economic events occurred:

- The first construction projects have begun at Marine Corps Air Station-Yuma to house the first squadron of the new F-35 Joint Strike Fighter.
- The Defense Contractor Complex at Yuma International Airport welcomed the addition of the nationally known aviation fueling franchise Million Air. The company refuels aircrafts for defense contractors, government and military aircraft.

Not all economic statistics reflect positive results; however, in that the City continues to suffer what appears to be higher unemployment figures than most of the state, according to the Arizona Department of Economic Security (DES). One significant factor here is the effect of farm employment which skews this statistic. Still a significant issue, the City combats this problem by providing the majority of support to the Greater Yuma Economic Development Corporation in its activities to encourage new employers to the area.

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 Mr. Donald (Pat) Wicks, Finance Director, One City Plaza, PO Box 13012, Yuma, AZ 85366-3012, telephone (928) 373-5087. The reader may also visit the City's website at www.yumaaz.gov for an electronic version of this report.



BASIC FINANCIAL STATEMENTS



**GOVERNMENT-WIDE FINANCIAL
STATEMENTS**

City of Yuma, Arizona
Statement of Net Assets
June 30, 2011

<u>Assets</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and Investments	\$ 91,225,773	\$ 57,644,319	\$ 148,870,092
Receivables, Net	14,387,307	7,198,417	21,585,724
Internal Balances	274,568	(274,568)	-
Inventory, at cost	648,141	182,508	830,649
Prepaid Items	724,256	6,471	730,727
Capital Assets:			
Non-depreciable	135,868,865	203,667,405	339,536,270
Depreciable, Net	<u>174,635,574</u>	<u>135,369,304</u>	<u>310,004,878</u>
Total Assets	<u>417,764,484</u>	<u>403,793,856</u>	<u>821,558,340</u>
<u>Liabilities</u>			
Accounts Payable	1,604,206	987,290	2,591,496
Accrued Liabilities	4,015,912	467,224	4,483,136
Accrued Interest Payable	2,908,068	4,102,482	7,010,550
Unearned Revenue	14,139,030	2,028,569	16,167,599
Noncurrent Liabilities:			
Due within one year			
Current portion of Accrued Compensated Absences	2,055,794	256,219	2,312,013
Current portion of Debt	7,730,000	8,932,605	16,662,605
Due in more than one year			
Accrued Compensated Absences	3,646,693	578,330	4,225,023
Debt	<u>124,697,719</u>	<u>182,404,161</u>	<u>307,101,880</u>
Total Liabilities	<u>160,797,422</u>	<u>199,756,880</u>	<u>360,554,302</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	196,837,531	166,782,555	363,620,086
Restricted for:			
Debt Service	542,056	5,555,635	6,097,691
Streets	15,230,694	-	15,230,694
Unrestricted	<u>44,356,781</u>	<u>31,698,786</u>	<u>76,055,567</u>
Total Net Assets	<u>\$ 256,967,062</u>	<u>\$ 204,036,976</u>	<u>\$ 461,004,038</u>

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

City of Yuma, Arizona
Statement of Activities
For the Year Ended June 30, 2011

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Government Activities:							
General Government	\$ 9,684,381	\$ 2,182,119	\$ 767,004	\$ -	\$ (6,735,258)	\$ -	\$ (6,735,258)
Public Safety	40,231,924	1,964,645	2,097,293	1,131,849	(35,038,137)	-	(35,038,137)
Streets	14,536,473	-	-	-	(14,536,473)	-	(14,536,473)
Parks, Recreation and Culture	13,804,116	1,397,056	788,227	1,074,643	(10,544,190)	-	(10,544,190)
Environmental Health and Protection	1,537,536	1,084,874	-	-	(452,662)	-	(452,662)
Community Design and Development	5,006,766	5,480,337	1,314,989	1,039,000	2,827,560	-	2,827,560
Interest on Long-Term Debt	<u>5,802,801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,802,801)</u>	<u>-</u>	<u>(5,802,801)</u>
Total Governmental Activities	<u>90,603,997</u>	<u>12,109,031</u>	<u>4,967,513</u>	<u>3,245,492</u>	<u>(70,281,961)</u>	<u>-</u>	<u>(70,281,961)</u>
Business-type Activities:							
Water	20,555,361	22,174,753	-	1,505,667	-	3,125,059	3,125,059
Wastewater	13,882,269	14,897,338	-	5,884,947	-	6,900,016	6,900,016
Solid Waste	2,902,257	3,151,911	-	-	-	249,654	249,654
Golf Courses	<u>2,376,838</u>	<u>2,226,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,604)</u>	<u>(150,604)</u>
Total Business-type Activities	<u>39,716,725</u>	<u>42,450,236</u>	<u>-</u>	<u>7,390,614</u>	<u>-</u>	<u>10,124,125</u>	<u>10,124,125</u>
Total	<u>\$ 130,320,722</u>	<u>\$ 54,559,267</u>	<u>\$ 4,967,513</u>	<u>\$ 10,636,106</u>	<u>(70,281,961)</u>	<u>10,124,125</u>	<u>(60,157,836)</u>
General Revenues:							
Property taxes					9,986,358	-	9,986,358
Sales taxes					34,644,530	-	34,644,530
Franchise taxes					3,001,939	-	3,001,939
Intergovernmental, unrestricted Grants and contributions					25,379,128	-	25,379,128
not restricted to specific programs					5,928,837	-	5,928,837
Unrestricted investment earnings					1,000,530	129,909	1,130,439
Gain from sale of assets					259,000	-	259,000
Total general revenues					<u>80,200,322</u>	<u>129,909</u>	<u>80,330,231</u>
Transfers					126,024	(126,024)	-
Total general revenues and transfers					<u>80,326,346</u>	<u>3,885</u>	<u>80,330,231</u>
Change in net assets					10,044,385	10,128,010	20,172,395
Net assets-beginning (restated)					<u>246,922,677</u>	<u>193,908,966</u>	<u>440,831,643</u>
Net assets-ending					<u>\$ 256,967,062</u>	<u>\$ 204,036,976</u>	<u>\$ 461,004,038</u>

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



FUND FINANCIAL STATEMENTS

City of Yuma, Arizona
Balance Sheet
Governmental Funds
June 30, 2011

<u>Assets</u>	Major Special Revenue Funds			
	General	Highway Users Revenue	City Road Tax	Grants
Cash and Investments	\$ 20,239,279	\$ 846,015	\$ 3,255,214	\$ -
Cash with Fiscal Agents	-	-	-	-
Receivables, Net of Allowances for Uncollectibles:				
Accounts Receivable	348,658	3,788	27,446	2,255
Intergovernmental	2,155,459	561,719	451,845	1,691,773
Special Assessments	20,169	-	-	-
Delinquent Property Taxes	365,238	-	-	-
Accrued Interest	15,460	685	2,298	-
Due from Other Funds	2,213,027	-	-	-
Inventory, at cost	56,486	-	-	-
Prepaid Items	46,541	100	1,897	-
Total Assets and Other Debits	\$ 25,460,317	\$ 1,412,307	\$ 3,738,700	\$ 1,694,028
<u>Liabilities and Fund Balances</u>				
Accounts Payable	\$ 690,680	\$ 122,781	\$ 24,193	\$ 12,056
Accrued Payroll, Taxes and Benefits Payable	2,545,787	128,154	65,214	52,285
Long-Term Debt - Current Portion	-	-	-	-
Due to Other Funds	-	-	-	1,401,517
Accrued Interest Payable	-	-	-	-
Deposits	149,239	-	-	-
Deferred Revenues	440,814	74,670	37,254	228,170
Total Liabilities	3,826,520	325,605	126,661	1,694,028
Fund Balances:				
Nonspendable:				
Inventory	56,486	-	-	-
Prepaid Items	46,541	100	1,897	-
Restricted for:				
General government projects	-	-	-	-
Debt Service	-	-	-	-
Streets	-	1,086,602	3,610,142	-
Public safety equipment and facilities	-	-	-	-
Parks, recreation and cultural facilities	-	-	-	-
Committed to:				
General government projects	-	-	-	-
Debt Service	1,883,135	-	-	-
Streets	-	-	-	-
Radio Communications Network	-	-	-	-
Public safety equipment and facilities	-	-	-	-
Parks, recreation and cultural facilities	-	-	-	-
Mall maintenance	-	-	-	-
Sanitation facilities	-	-	-	-
Public works projects	-	-	-	-
Assigned to:				
General government projects	500,269	-	-	-
Community Projects	87,808	-	-	-
Parks, recreation and cultural facilities	-	-	-	-
Unassigned:	19,059,558	-	-	-
Total Fund Balances	21,633,797	1,086,702	3,612,039	-
Total Liabilities and Fund Balances	\$ 25,460,317	\$ 1,412,307	\$ 3,738,700	\$ 1,694,028

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

<u>Community Redevelopment</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total</u>
\$ -	\$ 663,227	\$ 32,959,937	\$ 6,410,085	\$ 64,373,757
-	9,396,735	-	-	9,396,735
1,039,533	-	142,581	27,340	1,591,601
163,525	-	1,252,044	254,391	6,530,756
-	5,745,000	-	-	5,765,169
-	-	-	37,427	402,665
-	347	4,960	3,340	27,090
-	-	-	-	2,213,027
-	-	-	12,513	68,999
-	-	-	126,499	175,037
<u>\$ 1,203,058</u>	<u>\$ 15,805,309</u>	<u>\$ 34,359,522</u>	<u>\$ 6,871,595</u>	<u>\$ 90,544,836</u>

\$ 9,265	\$ 185	\$ 295,045	\$ 94,583	\$ 1,248,788
16,282	-	-	92,335	2,900,057
-	6,610,000	-	-	6,610,000
145,027	-	-	-	1,546,544
-	2,908,068	-	-	2,908,068
-	-	-	-	149,239
<u>1,032,484</u>	<u>5,745,000</u>	<u>6,910,269</u>	<u>73,036</u>	<u>14,541,697</u>
<u>1,203,058</u>	<u>15,263,253</u>	<u>7,205,314</u>	<u>259,954</u>	<u>29,904,393</u>

-	-	-	12,513	68,999
-	-	-	126,499	175,037
-	-	734,920	-	734,920
-	542,056	-	-	542,056
-	-	10,533,950	-	15,230,694
-	-	4,189,044	873,857	5,062,901
-	-	2,425,236	4,352,365	6,777,601
-	-	1,258,496	-	1,258,496
-	-	-	-	1,883,135
-	-	1,896,903	144	1,897,047
-	-	-	759,189	759,189
-	-	3,060,822	-	3,060,822
-	-	2,335,764	-	2,335,764
-	-	-	124,281	124,281
-	-	495,130	-	495,130
-	-	223,943	-	223,943
-	-	-	-	500,269
-	-	-	-	87,808
-	-	-	362,793	362,793
-	-	-	-	19,059,558
<u>-</u>	<u>542,056</u>	<u>27,154,208</u>	<u>6,611,641</u>	<u>60,640,443</u>
<u>\$ 1,203,058</u>	<u>\$ 15,805,309</u>	<u>\$ 34,359,522</u>	<u>\$ 6,871,595</u>	<u>\$ 90,544,836</u>

City of Yuma, Arizona
 Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Assets
 June 30, 2011

Amounts reported for governmental activities in the statement of net assets are different because:

Total Fund Balances per the Balance Sheet-Governmental Funds:	\$ 60,640,443
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	301,630,572
Property tax revenue deferred to later years recognized in year levied in governmental activities.	402,667
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences	(5,603,308)
MPC bonds payable	(119,055,000)
Improvement District #67	(2,735,000)
Improvement District #68	(3,010,000)
Net unamortized deferred charges or premiums are not recorded in the governmental funds	(1,017,719)
Net assets of internal service funds that are used by management to charge the cost of equipment replacement and employee-related insurance to individual funds are included in governmental activities in the statement of net assets.	<u>25,714,407</u>
	<u>\$ 256,967,062</u>

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



City of Yuma, Arizona
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011

	Major Special Revenue Funds			
	General	Highway User Revenue	City Road Tax	Grants
Revenues:				
Taxes	\$ 30,620,333	\$ -	\$ 8,816,228	\$ -
Licenses and Permits	1,292,044	-	-	-
Intergovernmental	18,855,577	6,503,532	-	5,760,630
Charges for Services	1,591,765	-	\$ 27,971	-
Fines and Forfeitures	1,484,105	-	-	-
Special Assessments	-	-	-	-
Use of Money and Property	287,420	4,917	466,172	265
Contributions and Donations	-	-	-	77,163
Miscellaneous	823,949	156,777	5,672	21,223
Total Revenues	<u>54,955,193</u>	<u>6,665,226</u>	<u>9,316,043</u>	<u>5,859,281</u>
Expenditures:				
Current:				
General Government	6,201,532	-	-	767,002
Public Safety	32,950,168	1,056,689	-	2,213,030
Streets	-	5,838,240	2,347,457	-
Parks, Recreation and Culture	6,693,287	-	-	43,779
Environmental Health and Protection	38,248	74,879	-	744,714
Community Design and Development	3,339,848	-	-	-
Capital Outlay	150,608	-	-	1,101,125
Capital Projects:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets	-	-	694,330	688,425
Parks, Recreation and Culture	-	-	-	386,218
Environmental Health and Safety	-	-	108,277	-
Debt Service				
Principal	-	-	-	-
Interest and Fiscal Agent Fees	-	-	-	-
Issuance Costs	-	-	-	-
Total Expenditures	<u>49,373,691</u>	<u>6,969,808</u>	<u>3,150,064</u>	<u>5,944,293</u>
Revenues Over/(Under) Expenditures	5,581,502	(304,582)	6,165,979	(85,012)
Other Financing Sources/(Uses):				
Transfers In	571,931	722	14,403	85,012
Transfers Out	(4,535,292)	(100,968)	(4,895,819)	-
Total Other Financing Sources/(Uses)	<u>(3,963,361)</u>	<u>(100,246)</u>	<u>(4,881,416)</u>	<u>85,012</u>
Net Change in Fund Balances	1,618,141	(404,828)	1,284,563	-
Fund Balances - Beginning (restated)	<u>20,015,656</u>	<u>1,491,530</u>	<u>2,327,476</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 21,633,797</u>	<u>\$ 1,086,702</u>	<u>\$ 3,612,039</u>	<u>\$ -</u>

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

<u>Community Redevelopment</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 8,169,773	\$ 47,606,334
-	-	-	-	1,292,044
1,314,989	-	-	75,764	32,510,492
-	-	4,369,465	1,094,106	7,083,307
-	-	-	-	1,484,105
-	1,039,000	-	-	1,039,000
17,769	261,795	61,195	537,188	1,636,721
-	-	-	-	77,163
<u>147,913</u>	<u>-</u>	<u>1,000,795</u>	<u>285,616</u>	<u>2,441,945</u>
<u>1,480,671</u>	<u>1,300,795</u>	<u>5,431,455</u>	<u>10,162,447</u>	<u>95,171,111</u>
-	-	-	-	6,968,534
-	-	-	65,374	36,285,261
-	-	-	-	8,185,697
-	-	-	3,434,427	10,171,493
-	-	-	697,819	1,555,660
1,335,129	-	-	223,997	4,898,974
7,295	-	-	548,013	1,807,041
-	-	895,660	44,797	940,457
-	-	1,652,977	-	1,652,977
-	-	6,227,316	119,405	7,729,476
138,247	-	732,645	144,007	1,401,117
-	-	20,150	-	128,427
-	7,680,000	-	-	7,680,000
-	5,854,065	-	-	5,854,065
-	4,428	-	-	4,428
<u>1,480,671</u>	<u>13,538,493</u>	<u>9,528,748</u>	<u>5,277,839</u>	<u>95,263,607</u>
-	(12,237,698)	(4,097,293)	4,884,608	(92,496)
-	12,239,552	-	1,764,113	14,675,733
-	-	(15,125)	(5,001,605)	(14,548,809)
-	<u>12,239,552</u>	<u>(15,125)</u>	<u>(3,237,492)</u>	<u>126,924</u>
-	1,854	(4,112,418)	1,647,116	34,428
-	540,202	31,266,626	4,964,525	60,606,015
<u>\$ -</u>	<u>\$ 542,056</u>	<u>\$ 27,154,208</u>	<u>\$ 6,611,641</u>	<u>\$ 60,640,443</u>

City of Yuma, Arizona
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances-Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2011

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

Net change in fund balances-governmental funds	\$	34,428
A portion of property tax revenue recorded on the statement of activities does not provide current financial resources and is not recorded as revenues in the funds		
		27,696
Governmental funds report capital outlays as expenditures. In the statement of activities, however, the cost of those assets is allocated over their useful lives as depreciation		
Depreciation recorded in statement of activities		(12,458,204)
Capital outlay expenditures reported as additions to assets:		
Capital outlay expenditures-governmental funds		13,659,495
Infrastructure maintenance expenditures recorded as capital outlay but not capitalized as asset additions		(2,128,338)
Governmental funds report debt principal service payments as expenditures. The reduction in liability is recorded on the statement of net assets in the government-wide statements		
		7,680,000
Increase in compensated absences expense not recorded in governmental funds		
		(129,286)
The net effect of miscellaneous transactions involving capital assets (trades of land for rights-of-way) is to decrease net assets.		
		(454,612)
Investment earnings of the internal service funds are general revenues on the statement of activities		
		68,450
Interest payments accrued in government-wide statements are not recorded in governmental activities until paid		
		55,692
Net revenues of internal service funds in excess of expenses reduce governmental activities expenses on the statement of activities		
		(2,239,773)
Contributions of infrastructure assets are not recorded as revenues in the governmental funds		
		<u>5,928,837</u>
Change in net assets of governmental activities	\$	<u>10,044,385</u>

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

City of Yuma, Arizona
Statement of Net Assets
Proprietary Funds
June 30, 2011

Assets	Business-Type Activities-Enterprise Funds				Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Other Funds	Totals	
Current Assets:					
Cash and Investments	\$ 22,781,253	\$ 9,153,657	\$ 818,719	\$ 32,753,629	\$ 17,455,281
Receivables, Net of Allowance for Uncollectibles:					
Accounts Receivable	4,115,695	2,382,983	436,634	6,935,312	60,057
Intergovernmental	491	245,053	348	245,892	52
Accrued Interest	8,592	8,414	207	17,213	9,917
Inventory, at cost	109,357	-	73,151	182,508	579,142
Prepaid Expenses	5,698	215	558	6,471	549,219
Total Unrestricted Current Assets	27,021,086	11,790,322	1,329,617	40,141,025	18,653,668
Restricted Assets:					
Cash and Investments:					
Cash with Fiscal Agents	8,978,324	2,681,837	-	11,660,161	-
Current Debt Service	1,412,070	-	-	1,412,070	-
Advancement for Future Expansion	2,438,611	8,988,496	-	11,427,107	-
Customer Deposits	391,352	-	-	391,352	-
Total Restricted Current Assets	13,220,357	11,670,333	-	24,890,690	-
Total Current Assets	40,241,443	23,460,655	1,329,617	65,031,715	18,653,668
Noncurrent Assets:					
Capital Assets:					
Land	1,766,233	8,726,156	-	10,492,389	219,610
Buildings	2,911,198	1,931,133	3,102,865	7,945,196	19,251
Improvements Other than Buildings	121,569,944	102,184,736	3,066,405	226,821,085	189,631
Equipment	2,737,123	1,765,332	660,423	5,162,878	27,295,274
Construction In Progress	129,692,772	63,482,244	-	193,175,016	-
Less Accumulated Depreciation	(60,869,064)	(39,205,633)	(4,485,158)	(104,559,855)	(18,849,899)
Total Capital Assets	197,808,206	138,883,968	2,344,535	339,036,709	8,873,867
Total Noncurrent Assets	197,808,206	138,883,968	2,344,535	339,036,709	8,873,867
Total Assets	238,049,649	162,344,623	3,674,152	404,068,424	27,527,535
Liabilities					
Current Liabilities Payable from Current Assets:					
Accounts Payable	349,132	108,444	99,897	557,473	206,179
Accrued Payroll and Related Taxes	232,070	148,761	86,393	467,224	57,722
Current Portion-Long-Term Contracts-Principal	44,430	202,143	-	246,573	-
Current Portion-Bonds Payable	2,846,450	749,800	-	3,596,250	-
Current Portion-Accrued Compensated Absences	125,600	81,651	48,968	256,219	31,538
Estimated Claims and Judgements	-	-	-	-	1,058,133
Due to Other Funds	-	-	-	-	666,483
Accrued Interest Payable	2,215,170	701,833	-	2,917,003	-
Unearned Revenue	-	-	58,717	58,717	-
Total Current Liabilities Payable from Current Assets	5,812,852	1,992,632	293,975	8,099,459	2,020,055
Current Liabilities Payable from Restricted Assets:					
Accounts Payable	28,503	9,962	-	38,465	-
Deposits	391,352	-	-	391,352	-
Unearned Revenue	-	1,969,852	-	1,969,852	-
Current Portion-Long-Term Contracts-Principal	2,061,760	2,019,272	-	4,081,032	-
Current Portion-Long-Term Contracts-Interest	652,281	482,896	-	1,135,177	-
Current Portion-Bonds Payable	1,008,750	-	-	1,008,750	-
Accrued Interest Payable	50,302	-	-	50,302	-
Total Current Liabilities Payable from Restricted Assets	4,192,948	4,481,982	-	8,674,930	-
Total Current Liabilities	10,005,800	6,474,614	293,975	16,774,389	2,020,055
Noncurrent Liabilities:					
Long-Term Contracts Payable	34,054,022	29,867,814	-	63,921,836	-
Bonds Payable	89,019,050	26,165,950	-	115,185,000	-
Unamortized Premium/Issuance Costs	2,535,874	761,451	-	3,297,325	-
Accrued Compensated Absences	253,478	186,435	138,417	578,330	67,641
Total Noncurrent Liabilities	125,862,424	56,981,650	138,417	182,982,491	67,641
Total Liabilities	135,868,224	63,456,264	432,392	199,756,880	2,087,696
Net Assets					
Invested in capital assets, net of related debt	82,458,408	81,979,612	2,344,535	166,782,555	8,873,867
Restricted:					
Debt Service	4,277,839	1,277,796	-	5,555,635	-
Unrestricted	15,445,178	15,630,951	897,225	31,973,354	16,565,972
Total Net Assets	\$ 102,181,425	\$ 98,888,359	\$ 3,241,760	204,311,544	\$ 25,439,839

Adjustment to reflect consolidation of internal service fund activities related to enterprise funds (274,568)
Net assets of business-type activities \$ 204,036,976

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

City of Yuma, Arizona
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Water Fund	Wastewater Fund	Other Funds	Totals	Internal Service Funds
Operating Revenues:					
Metered Water Sales	\$ 21,597,737	\$ -	\$ -	\$ 21,597,737	\$ -
Commercial Raw Water	178,014	-	-	178,014	-
Wastewater Charges	-	14,853,519	-	14,853,519	-
Meters, Connections and Services	282,665	18,123	-	300,788	-
Charges for Services	-	-	3,146,724	3,146,724	-
Green Fees and Concessions	-	-	1,889,776	1,889,776	-
Equipment Rental	-	-	335,226	335,226	-
Miscellaneous Charges	-	-	-	-	6,108,149
Total Operating Revenues	<u>22,058,416</u>	<u>14,871,642</u>	<u>5,371,726</u>	<u>42,301,784</u>	<u>6,108,149</u>
Operating Expenses:					
Operations and Maintenance	11,092,304	8,684,160	4,731,705	24,508,169	6,838,116
Depreciation	3,547,187	2,687,909	261,211	6,496,307	2,213,435
Total Operating Expenses	<u>14,639,491</u>	<u>11,372,069</u>	<u>4,992,916</u>	<u>31,004,476</u>	<u>9,051,551</u>
Operating Income/(Loss)	<u>7,418,925</u>	<u>3,499,573</u>	<u>378,810</u>	<u>11,297,308</u>	<u>(2,943,402)</u>
Non-Operating Revenues/(Expenses):					
Interest	66,801	61,408	1,700	129,909	68,450
Gain/(Loss) on Disposal of Assets	-	-	-	-	68,588
Interest and Fiscal Agent Fees	(5,743,664)	(2,333,544)	-	(8,077,208)	-
Miscellaneous Revenues	116,337	25,696	6,419	148,452	-
Total Non-Operating Revenues/(Expenses)	<u>(5,560,526)</u>	<u>(2,246,440)</u>	<u>8,119</u>	<u>(7,798,847)</u>	<u>137,038</u>
Income/(Loss) before Contributions and Transfers	1,858,399	1,253,133	386,929	3,498,461	(2,806,364)
Capital Contributions	1,505,667	5,884,947	-	7,390,614	-
Transfers Out	(62,083)	(32,454)	(31,487)	(126,024)	(900)
Change in Net Assets	<u>3,301,983</u>	<u>7,105,626</u>	<u>355,442</u>	<u>10,763,051</u>	<u>(2,807,264)</u>
Net Assets - Beginning (as restated)	<u>98,879,442</u>	<u>91,782,733</u>	<u>2,886,318</u>		<u>28,247,103</u>
Net Assets - Ending	<u>\$ 102,181,425</u>	<u>\$ 98,888,359</u>	<u>\$ 3,241,760</u>		<u>\$ 25,439,839</u>
Adjustment for consolidation of internal service fund activities related to enterprise funds				(635,041)	
Change in net assets of business-type activities				<u>\$ 10,128,010</u>	

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

City of Yuma, Arizona
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Water Fund	Wastewater Fund	Other Funds	Totals	Internal Service Funds
Cash Flow from Operating Activities:					
Cash Received from Customers	\$ 22,060,910	\$ 16,467,441	\$ 5,230,316	\$ 43,758,667	\$ 6,115,956
Cash Paid to Employees	(4,428,022)	(2,958,836)	(1,621,804)	(9,008,662)	(1,026,111)
Cash Paid to Suppliers	(6,695,663)	(5,792,845)	(3,166,139)	(15,654,647)	(2,460,676)
Cash Paid for Operating Expenses	-	-	-	-	(4,342,236)
Other Operating Activity Revenue	<u>116,337</u>	<u>25,696</u>	<u>7,069</u>	<u>149,102</u>	<u>-</u>
Net Cash Provided by Operating Activities	11,053,562	7,741,456	449,442	19,244,460	(1,713,067)
Cash Flows from Noncapital Financing Activities:					
Cash Paid to Other Funds	<u>(62,083)</u>	<u>(32,454)</u>	<u>(31,487)</u>	<u>(126,024)</u>	<u>(900)</u>
Net Cash Provided by/(Used for) Noncapital Financing Activities	(62,083)	(32,454)	(31,487)	(126,024)	(900)
Cash Flow from Capital and Related Financing Activities:					
Contributions of Capital	1,095,029	5,498,785	-	6,593,814	-
Acquisition and Construction of Assets	(2,024,240)	(3,571,555)	-	(5,595,795)	(763,550)
Proceeds from Sale of Capital Assets	-	-	-	-	68,588
Principal Payments on Bonds	(3,591,680)	(714,150)	-	(4,305,830)	-
WIFA - Contracted Loan	(2,106,190)	(2,150,222)	-	(4,256,412)	-
Interest and Fiscal Agent Fee Payments	<u>(5,953,151)</u>	<u>(2,419,683)</u>	<u>-</u>	<u>(8,372,834)</u>	<u>-</u>
Net Cash Provided by/(Used for) Capital and Related Financing Activities	(12,580,232)	(3,356,825)	-	(15,937,057)	(694,962)
Cash Flows from Investing Activities:					
Receipt of Interest	<u>83,105</u>	<u>69,363</u>	<u>1,147</u>	<u>153,615</u>	<u>86,750</u>
Net Cash Provided by Investing Activities	83,105	69,363	1,147	153,615	86,750
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,505,648)	4,421,540	419,102	3,334,994	(2,322,179)
Cash and Cash Equivalents, July 1	<u>37,507,258</u>	<u>16,402,450</u>	<u>399,617</u>	<u>54,309,325</u>	<u>19,777,460</u>
Cash and Cash Equivalents, June 30	<u>\$ 36,001,610</u>	<u>\$ 20,823,990</u>	<u>\$ 818,719</u>	<u>\$ 57,644,319</u>	<u>\$ 17,455,281</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities:					
Operating Income/(Loss)	\$ 7,418,925	\$ 3,499,573	\$ 378,810	\$ 11,297,308	\$ (2,943,402)
Adjustments to Reconcile Operating Income/(Loss)					
Depreciation and Amortization Expense	3,547,187	2,687,909	261,211	6,496,307	2,213,437
(Increase)/Decrease in Accounts Receivable	7,251	(355,668)	(142,259)	(490,676)	(83,225)
(Increase)/Decrease in Inventories	11,702	-	9,890	21,592	(80,057)
(Increase) in Deposits	(3,600)	(2,400)	-	(6,000)	-
(Increase)/Decrease in Prepaid Items	1,398	1,295	1,641	4,334	(546,255)
Increase/(Decrease) in Accounts Payable	(77,185)	(101,481)	(14,842)	(193,508)	(283,389)
Increase in Accrued Payroll and Related Taxes	36,305	39,290	93,876	169,471	16,870
Increase/(Decrease) in Due from Other Gov't Units	-	-	82	82	-
(Decrease) in Claims Incurred but Not Reported	-	-	(146,802)	(146,802)	(7,046)
Increase/(Decrease) in Customer Dep/Unearned Rev	(4,758)	1,947,242	766	1,943,250	-
Other Operating Activity Revenue	<u>116,337</u>	<u>25,696</u>	<u>7,069</u>	<u>149,102</u>	<u>-</u>
Total Adjustments	3,634,637	4,241,883	70,632	7,947,152	1,230,335
Net Cash Provided by Operating Activities	<u>\$ 11,053,562</u>	<u>\$ 7,741,456</u>	<u>\$ 449,442</u>	<u>\$ 19,244,460</u>	<u>\$ (1,713,067)</u>
Noncash Transactions Affecting Financial Position					
Purchase of Assets with Vendor Provided Financing	29,672	\$ 3,960	\$ -	\$ 33,632	\$ -
Contributions of Capital Assets	<u>410,638</u>	<u>386,162</u>	<u>-</u>	<u>796,800</u>	<u>-</u>
Total Noncash Transactions Affecting Financial Position	<u>\$ 440,310</u>	<u>\$ 390,122</u>	<u>\$ -</u>	<u>\$ 830,432</u>	<u>\$ -</u>

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



City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Yuma (City) was incorporated April 14, 1914 under Arizona Revised Statute 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 January 2, 2002. 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.

During the year ended June 30, 2011, the City implemented the provisions of GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB Statement 54 established new fund balance classifications for governmental funds. It changed the previous terminology of Reserved and Unreserved to five new classifications, which are Nonspendable, Restricted, Committed, Assigned, and Unassigned. GASB Statement 54 added additional note disclosures for the new classifications and refined the definitions of the various governmental fund types. Additional information regarding governmental fund balances is contained in Note I-E, Section 9.

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. With respect to proprietary activities, the City has adopted GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. The City has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The following is a summary of the more significant policies.

A. Reporting Entity

The City is a municipal entity governed by an elected mayor and council. As required by generally accepted accounting principles, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the City, the primary government. The component units presented have a June 30 year-end.

Blended Component Units

Yuma Municipal Property Corporation. The Yuma Municipal Property Corporation's board members are appointed by the City Council. The Corporation was formed to finance the acquisition of certain improvements such as the Yuma Civic and Convention Center, Baseball Complex and Desert Hills Golf Course. The Corporation was also used to finance the acquisition of three public safety buildings, (the police headquarters, a fire station and the Municipal Court facility) and Public Works facilities, along with a clubhouse for the municipal golf course and the new Municipal Complex. The Corporation conducts no business other than with the City and that business is solely the retirement of debt related to the aforementioned acquisitions. Complete financial statements may be obtained at the City of Yuma, City Clerk's Office, One City Plaza, PO Box 13012, Yuma, AZ 85366-3012.

City of Yuma Employee Benefits Trust. The City of Yuma Employee Benefits Trust is responsible for providing health insurance for the City employees. The City Council appoints the Trust's Board of Directors. The Trust provides services entirely to the City and therefore has been included as an Internal Service Fund as of June 30, 1997 in accordance with the criteria established in GASB Statement No. 14, *The Financial Reporting Entity*. Complete financial statements may be obtained at the City of Yuma Employee Benefit Trust's administrative offices, One City Plaza, PO Box 13012, Yuma, AZ 85366-3012.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

B. 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 Assets and the Statement of Activities, a statement showing changes in net assets. 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.

Highway User Revenue Fund – This fund accounts for the receipt and expenditure of the state-shared Highway User Revenue Fund (primarily gas tax) for maintenance and construction of roadways.

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.

Grants Fund – The Grant Fund accounts for all of the federal and state grants provided to the City with the exception of the Community Development Block Grant, the Economic Development grant and the Weed and Seed Grant.

Community Redevelopment Fund – This fund accounts for the financial activities of Community Development Block Grant, Economic Development Grant and Weed and Seed Grant funds.

Debt Service Fund – This fund accounts for and reports financial resources for, and 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.

Capital Projects Fund – The Capital Projects Fund is used to account for and report financial resources to be used for the acquisition or construction of capital facilities and other capital assets (other than those financed by General, Special Revenue, or Proprietary Funds).

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

Other 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 Local Transportation Assistance; Public Safety Tax; Radio Communication; Recreation Complex; Two Percent Tax; and Yuma Mall Maintenance Special Revenue Funds.

PROPRIETARY FUNDS

Water Fund – The operations of the City's drinking water treatment and distribution system are accounted for in this enterprise fund.

Wastewater Fund – This enterprise fund accounts for the City's wastewater collection and treatment system.

Other 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, Desert Hills Golf Course, and Arroyo Dunes 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 Assets. 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, Workers Compensation and Employee Benefits Trust Funds.

C. 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). 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 deferred revenue. Grants and similar awards received before the eligibility requirements are met are also recorded as deferred revenue. Receivables that will not be collected within the available period have also been reported as deferred 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.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

D. Budget Information

1) The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- i. On or before the first Monday in June, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- ii. Two public hearings are held prior to the budget's final adoption in order to obtain taxpayer comments.
- iii. On or before the third Monday in August, the budget is legally enacted through passage of an ordinance.
- iv. At any time during the fiscal year, the City Administrator may transfer part or all of any unencumbered appropriation balance among programs within a fund. Upon written request by the City Administrator, the Council may, by ordinance, transfer part or all of any unencumbered appropriation balance from one fund to another.
- v. Formal budgetary integration is employed as a management control device during the fiscal year for all funds with legally adopted budgets (only the Workers Compensation and Employee Benefits Trust Internal Service Funds are not budgeted). Appropriations not expended at fiscal year end lapse.
- vi. Budgetary amounts include those as originally adopted, and as amended by Council or City Administrator through the end of the fiscal year. Arizona State Statute does not allow supplemental budgets.
- vii. Expenditures incurred during the fiscal year may not legally exceed the publicly published budget. The maximum legal expenditure permitted for the fiscal year is the total adopted budget.

2) Budgetary Reporting and Budgetary Basis of Accounting:

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

E. 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, 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 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 will provide the maximum security of principal invested and conform to all applicable State statutes and City ordinances while providing the highest yield and meeting 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

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

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 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.

5) Unbilled Accounts Receivable:

The City records as receivables and as revenues the amount of water sales, sewer service charges and commercial refuse collection charges accrued but unbilled at fiscal year end. At June 30, 2011, the estimated amounts of unbilled revenues for the Water, Wastewater and Solid Waste Enterprise Funds are \$2,429,088, \$1,203,159, and \$177,749, 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. Gifts or contributions are stated at fair market value at the date received. Depreciation and amortization have been provided over the estimated useful lives using the group life method on a straight-line basis and the following useful lives:

Buildings	33 to 100 years	Infrastructure	35 years
Improvements	20 to 50 years	Equipment	2 to 50 years

For proprietary fund assets constructed with bond proceeds, interest costs have been capitalized, net of interest revenue. Gains or losses are recognized when assets are retired from service or are otherwise disposed.

7) Contributions:

Contributions, as shown in the Enterprise Funds, represent sub-dividers' 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,

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and 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 issuance costs are reported as deferred charges 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) 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, Assigned, and Unassigned. Nonspendable and Restricted fund balances represent the restricted classifications and Committed, Assigned, 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 is required to commit resources or to rescind the commitment. Assigned fund balance represents limitations imposed by management. Assigned fund balance items are submitted by the Finance Director for approval/nonapproval by the City Administrator. 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 and assigned are considered spent (if available) before unassigned amounts.

F. 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, at fiscal year end, delinquent property taxes expected to be collected within 60 days are recognized as revenue and recorded as receivable. The balance of delinquent taxes is recorded in the property tax receivable account with a corresponding entry to the deferred revenue account.

2) Compensated Absences:

The City's administrative regulations provide permanent City employees with general and major illness leave in varying amounts based on years of service. In addition, employees may accrue hours worked on holidays for absences or payment in the future. General leave vests with the employee as it is earned. General and holiday leave with related benefits for the governmental funds, \$4,907,370, and for the internal service funds, \$82,292, are recorded in the governmental activities column of the government-wide financial statements. The amounts of general and holiday leave pay and related benefits attributable to the Water, Wastewater, Solid Waste, Desert Hills, and Arroyo Dunes Enterprise Funds are \$309,116, \$217,425, \$89,289 \$69,952 and

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2011

\$4,020 respectively, and are recorded in those funds and in the business-type activities of the government-wide statements and accrued as 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. At June 30, 2011, the amount accumulated in sick pay and related benefits is \$7,656,640, including \$199,738 attributable to Internal Service Funds and \$1,208,168 to Enterprise Funds. Under GASB Statement No. 16, *Accounting for Compensated Absences*, the City uses the "termination payment" method to determine its provision for major illness leave liability. The portion of the major illness leave liability related to governmental fund types, \$695,938, is reported within the governmental activities column of the government-wide financial statements, as current amounts of that liability have been determined to be immaterial and are not recorded within the respective governmental funds. The provision for probable future major illness leave and related benefits attributable to the Equipment Maintenance and Insurance Reserve Internal Service Funds is \$16,392 and \$495 respectively and Water, Wastewater, Solid Waste, and Desert Hills and Arroyo Dunes Golf Course Enterprise Funds of \$69,961, \$50,661, \$14,476, \$8,780 and \$869 respectively, are recorded in those funds and are accrued as earned.

G. Change in Accounting Principle

The City's administrative regulations provide permanent City employees with general and major illness leave in varying amounts based on years of service. In addition, employees may accrue hours worked on holidays for absences or for payment in the future. General leave vests with the employee as it is earned, thus the City has included an accrual of general and holiday leave pay and related benefits in the Governmental Funds that would normally be liquidated with expendable available financial resources. However, other interpretations of GASB Statement No. 16, *Accounting for Compensated Absences*, suggest that accruals of such benefits be excluded from Governmental Funds. Accordingly, the City is changing the way it applies the accounting principles outlined in the statement. General and holiday leave will no longer be accrued in the Governmental Funds and the balances of prior year accruals will revert to their respective fund balances. The accrual of general and holiday leave of the Governmental Funds will continue to be reflected in the government-wide financial statements.

Fund balances of the affected funds, including the change for the Radio Communications Fund as noted in Note II-L, have been restated from prior years as follow:

<i>Fund Balance</i>	General and Nonmajor Governmental Funds			
	Original	Change	Radio Comm Change	Restated
General Fund	\$ 18,952,071	\$ 1,825,364	\$ (761,779)	\$ 20,015,656
Highway User Revenue Fund	1,419,559	71,971	-	1,491,530
City Road Tax Fund	2,279,171	48,305	-	2,327,476
Radio Communications Fund	-	8,816	761,779	770,595
Public Safety Tax Fund	325,188	2,260	-	327,448
Recreation Complex Fund	1,581,969	26,142	-	1,608,111
Yuma Mall Maintenance Fund	-	2,762	-	2,762
	<u>\$ 24,557,958</u>	<u>\$ 1,985,620</u>	<u>\$ -</u>	<u>\$ 26,543,578</u>

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. Actual results could differ from those estimates.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

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, 2011, the City's deposits had a carrying value of \$335,642 and a bank balance of \$1,796,541. The difference represents outstanding checks and other reconciling items. The main City checking accounts sweeps nightly to a collateralized Repurchase Agreement fund and is disclosed with investments.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City's deposits may not be covered. The City requires all demand deposits be covered by federal depository insurance or by pledged collateral held by the financial institution's trust department in the name of the City at 102% of market value. At June 30, 2011, there are no deposits exposed to custodial credit risk. Cash on hand at June 30, 2011 included petty cash and change funds balances of \$27,476 and undistributed payroll-related checks totaling \$923,964, which are included as money market funds below.

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 difference between the fair value and amortized value for June 30, 2011 is \$2,237.

The City's investment balances at June 30, 2011 were as follows:

Investment Type	Fair Value	Investment Maturities in Years			
		< 1 Year	1-2 Years	2-3 Years	3-5 Years
US Treasury Notes/Bills	\$ 7,492,735	\$ 7,492,735	\$ -	\$ -	\$ -
Commercial Paper	2,467,931	2,467,931	-	-	-
US Agencies:					
Federal Farm Credit Bank	1,999,758	-	1,999,758	-	-
Federal Home Loan Bank	26,245,502	6,487,644	9,497,698	10,260,161	-
Federal Home Loan Mtg. Corp.	29,118,570	9,999,560	11,124,880	7,994,130	-
Federal National Mtg. Assoc.	6,016,502	-	-	6,016,502	-
Int'l Bank for Recon & Dev	2,000,000	-	-	2,000,000	-
Money Market Funds	45,292,174	45,292,174	-	-	-
Wells Fargo-Bus Market Fund	12,050,873	12,050,873	-	-	-
State Investment Pool 5	15,820,692	15,820,692	-	-	-
Total Value	\$ 148,504,737	\$ 99,611,608	\$ 22,622,336	\$ 26,270,793	\$ -

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

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, 2011, all investments, with the exception of the State Investment Pool, are rated AAA or A-1 by Standard and Poor's and Aaa or P-1 by Moody's. The State Investment Pool 5 was rated AAA/s1+ by Standard and Poor's at year end.

Concentration of Credit Risk

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

	Maximum %	Actual %
U. S. Treasuries and securities having principal and interest guaranteed by the U.S. Government	100%	5.08%
U. S. Government agencies, instrumentalities and government sponsored enterprises	No more than 80%	44.30%
Fully insured or collateralized CD's	No more than 30%	0%
Banker's Acceptances	No more than 25%	0%
A-1/P-1 Commercial Paper.....	No more than 35%	1.67%
Maximum per issuer.....	10% of total C. P	2%
Repurchase Agreements.....	100%	0%
Money Market Funds.....	100%	38.23%
State Investment Pool	100%	10.72%

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 three years, and there are no holdings with a stated maturity beyond five years. The portfolio at June 30, 2011 had a weighted average maturity of 373 days. The policy does not set a maximum for this measurement.

Custodial Credit Risk

The custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City reduces exposure to custodial credit risk in its safekeeping and collateralization policies. All security transactions are conducted on a delivery versus payment basis and are held by a third party custodian, in the City of Yuma's name. The custodian is required to issue a safekeeping receipt listing the specific instrument, rate, and maturity. Although there were no certificate of deposit or repurchase agreements at June 30, the collateralization level of at least 102% of market value is required for these securities.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

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 2009-10 (Tax Year 2009) and fiscal year 2010-11 (Tax Year 2010), follow:

	Tax Year 2009	Tax Year 2010
Primary Assessed Valuation	\$ 638,301,193	\$ 671,441,312
Primary Tax Rate	1.4706	1.4691
Primary Tax Levy	\$ 9,386,857	\$ 9,864,144
Secondary Assessed Valuation	\$ 747,149,498	\$ 733,033,525
Secondary Tax Rate/Levy	None	None
Current Tax Collections	\$ 9,023,484	\$ 9,429,548
Delinquent Tax Collections	\$ 233,149	\$ 311,392
Delinquent Taxes Outstanding as of June 30	\$ 374,969	\$ 365,238

C. Accounts Receivable

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 follow:

	<u>Accounts</u>	<u>Intergovern- mental</u>	<u>Special Assessments</u>	<u>Delinquent Property Taxes</u>	<u>Accrued Interest</u>	<u>Total</u>
General	\$ 348,658	\$ 2,155,459	\$ 20,169	\$ 365,238	\$ 15,460	\$ 2,904,984
Highway User Revenue	3,788	561,719	-	-	685	566,192
City Road Tax	27,446	451,845	-	-	2,298	481,589
Grants	2,255	1,691,773	-	-	-	1,694,028
Community Redevelopment	1,039,533	163,525	-	-	-	1,203,058
Debt Service	-	-	5,745,000	-	347	5,745,347
Capital Projects	142,581	1,252,044	-	-	4,960	1,399,585
Water	4,115,695	491	-	-	8,592	4,124,778
Wastewater	2,382,983	245,053	-	-	8,414	2,636,450
Other Funds-Governmental	27,340	254,391	-	37,427	3,340	322,498
Other Funds-Enterprise	436,634	348	-	-	207	437,189
Internal Service	59,830	52	-	-	9,917	69,799
Total	<u>\$ 8,586,743</u>	<u>\$ 6,776,700</u>	<u>\$ 5,765,169</u>	<u>\$ 402,665</u>	<u>\$ 54,220</u>	<u>\$ 21,585,497</u>

Allowance Amount

	<u>2011</u>	<u>2010</u>
Enterprise Funds:		
Solid Waste	\$ 10,925	\$ 6,160
Water	155,760	146,061
Wastewater	92,038	75,744

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

D. Due from Other Governments (Intergovernmental Receivables)

Amounts due from other government units at June 30, 2011, are as follows:

	Agencies				
	Federal	State	County	Local	Total
Governmental Funds					
Major Funds					
General	\$ 691	\$ 1,810,433	\$ 287,371	\$ 56,964	\$ 2,155,459
Highway User Revenue	-	553,058	8,661	-	561,719
City Road Tax	-	451,845	-	-	451,845
Grants	1,080,566	611,207	-	-	1,691,773
Community Redevelopment	163,525	-	-	-	163,525
Capital Projects	-	1,251,955	89	-	1,252,044
Non-major Funds					
Radio Communications	-	8	49,386	-	49,394
Public Safety Tax	-	180,676	-	-	180,676
Mall Maintenance	-	-	24,321	-	24,321
Enterprise Funds:					
Major Funds					
Water	-	491	-	-	491
Wastewater	156,036	-	-	89,017	245,053
Non-major Funds					
Solid Waste	-	16	-	-	16
Desert Hills Golf Course	-	332	-	-	332
Internal Service Funds					
Equipment Maintenance	-	52	-	-	52
Total	\$ 1,400,818	\$ 4,860,073	\$ 369,828	\$ 145,981	\$ 6,776,700

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

E. Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2011, follows:

	Balance June 30, 2010 (as restated)	Increases	Decreases	Balance June 30, 2011
Capital Assets Not Being Depreciated:				
Land	\$ 54,484,598	\$ 2,056,219	\$ 924,034	\$ 55,616,783
Construction in Progress	73,598,706	6,653,376	-	80,252,082
Total Capital Assets Not Being Depreciated	<u>128,083,304</u>	<u>8,709,595</u>	<u>924,034</u>	<u>135,868,865</u>
Other Capital Assets:				
Buildings	78,728,055	-	-	78,728,055
Improvements	39,958,715	1,038,296	-	40,997,011
Infrastructure	177,859,610	6,318,861	-	184,178,471
Equipment	52,362,220	2,611,890	1,483,563	53,490,547
Total Other Capital Assets	<u>348,908,600</u>	<u>9,969,047</u>	<u>1,483,563</u>	<u>357,394,084</u>
Less Accumulated Depreciation for:				
Buildings	23,931,404	2,522,320	-	26,453,724
Improvements	22,735,073	3,089,520	-	25,824,593
Infrastructure	89,777,323	4,305,868	-	94,083,191
Equipment	33,126,632	4,753,933	1,483,563	36,397,002
Total Accumulated Depreciation	<u>169,570,432</u>	<u>14,671,641</u>	<u>1,483,563</u>	<u>182,758,510</u>
Other Capital Assets, Net	<u>179,338,168</u>	<u>(4,702,594)</u>	<u>-</u>	<u>174,635,574</u>
Total Capital Assets, Governmental Activities	<u>\$ 307,421,472</u>	<u>\$ 4,007,001</u>	<u>\$ 924,034</u>	<u>\$ 310,504,439</u>

Government activities capital assets net of accumulated depreciation at June 30, 2011, include:

General Capital Assets, Net	\$ 301,630,572
Internal Service Fund Capital Assets, Net	<u>8,873,867</u>
Total	<u>\$ 310,504,439</u>

Depreciation was charged to governmental functions as follows:

General Government	\$ 2,448,641
Public Safety	2,580,413
Parks, Recreation, and Culture	2,939,899
Environmental Health and Protection	16,779
Community Design and Development	41,522
Streets	4,430,953
Assets held by Internal Service Funds are charged based on usage of assets	<u>2,213,434</u>
Total	<u>\$ 14,671,641</u>

The June 30, 2010 capital asset balance above for governmental activities was restated for the reclassification of the Solid Waste Special Revenue fund into an Enterprise fund (decrease of \$245,217). The June 30, 2010 capital asset balance for business-type activities below was increased by the same amount.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

Business-type activities:	Balance June 30, 2010 <u>(as restated)</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, 2011
Capital Assets Not Being Depreciated:				
Land	\$ 10,406,767	\$ 85,622	\$ -	\$ 10,492,389
Construction in Progress	<u>189,201,390</u>	<u>3,973,626</u>	<u>-</u>	<u>193,175,016</u>
Total Capital Assets Not Being Depreciated	<u>199,608,157</u>	<u>4,059,248</u>	<u>-</u>	<u>203,667,405</u>
Other Capital Assets:				
Buildings	7,945,196	-	-	7,945,196
Improvements	224,707,677	2,113,408	-	226,821,085
Equipment	<u>5,142,133</u>	<u>20,744</u>	<u>-</u>	<u>5,162,877</u>
Total Other Capital Assets	<u>237,795,006</u>	<u>2,134,152</u>	<u>-</u>	<u>239,929,158</u>
Less Accumulated Depreciation for:				
Buildings	4,997,924	192,102	-	5,190,026
Improvements	89,417,272	6,020,848	-	95,438,120
Equipment	<u>3,648,351</u>	<u>283,357</u>	<u>-</u>	<u>3,931,708</u>
Total Accumulated Depreciation	<u>98,063,547</u>	<u>6,496,307</u>	<u>-</u>	<u>104,559,854</u>
Other Capital Assets, Net	<u>139,731,459</u>	<u>(4,362,155)</u>	<u>-</u>	<u>135,369,304</u>
Total Capital Assets, Business-type activities	<u>\$ 339,339,616</u>	<u>\$ (302,907)</u>	<u>\$ -</u>	<u>\$ 339,036,709</u>

Depreciation was charged to programs as follows:

Water	\$ 3,547,187
Wastewater	2,687,909
Solid Waste	44,338
Golf courses	<u>216,873</u>
Total	<u>\$ 6,496,307</u>

Construction in progress is comprised mainly of water projects (a water treatment plant and related transmission facilities) and wastewater projects (wastewater treatment plant upgrades and improvements, and collection facilities).

F. Retirement Plans

The City has adopted GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* as amended by GASB Statement No. 50, *Pension Disclosures*, which requires the following disclosures.

Plan Descriptions - The City contributes to the three plans described below. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor and health insurance premium benefits.

The Arizona State Retirement System (ASRS) administers a cost-sharing multiple-employer defined benefit pension plan that covers general employees of the City. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The Public Safety Personnel Retirement System (PSPRS) is an agent multiple-employer defined benefit pension plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona or one of its political subdivisions. The PSPRS, acting as a common investment and administrative

City of Yuma, Arizona
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For the Year Ended June 30, 2011

agent, is governed by a five-member board, known as The Fund Manager, and 167 local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The Elected Officials Retirement Plan (EORP) is a cost-sharing multiple-employer defined benefit pension plan that covers elected officials and judges of certain state and local governments. The EORP is governed by The Fund Manager of PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 3.

Each plan issues a publicly available financial report that includes its financial statements and required supplementary information. A report may be obtained by writing or calling the applicable plan.

<u>ASRS</u>	<u>PSPRS and EORP</u>
3300 North Central Avenue	3010 E Camelback Rd., Ste 200
P.O. Box 33910	Phoenix, AZ 85016
Phoenix, AZ 85067-3910	
(602) 240-2200 or (800) 621-3778	(602) 255-5575

Funding Policy - The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rate.

Cost-sharing plans - For the year ended June 30, 2011, active ASRS members and the City were required by statute to contribute at the actuarially determined rate of 9.85 percent (9.6 percent retirement and 0.25 percent long-term disability) of the members' annual covered payroll. The City's contributions to ASRS for the years ended June 30, 2011, 2010, and 2009 were \$2,490,013, \$2,471,539, and \$2,684,557, respectively, which were equal to the required contributions for the year. In addition, active EORP members and the City were required by statute to contribute 7 percent and 29.79 percent, respectively, of the members' annual covered payroll. The City's contributions to EORP for the years ended June 30, 2011, 2010 and 2009 were \$70,831, \$61,854, and \$65,134, respectively, which were equal to the required contributions for the year.

Agent plans - For the year ended June 30, 2011 active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll, and the City was required to contribute at the actuarially determined rate of 20.57 percent for police and 27.79 percent for fire.

Funded Status and Funding Progress – Funding progress of the two agent plans as of June 30, 2010, the most recent valuation, appears below.

	<u>Actual Value of Plan Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Funding Liability (Excess)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>Unfunded Liability as Percentage of Payroll</u>
POLICE	\$ 41,763,616	\$ 58,600,342	\$ 16,836,726	71.3%	\$ 9,412,636	178.9%
FIRE	29,389,749	48,361,082	18,971,333	60.8%	5,913,555	320.8%

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Annual Pension Cost - The City's pension cost for the two agent plans for the year ended June 30, 2010 (the date of the most recent actuarial report) follows:

City of Yuma, Arizona
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For the Year Ended June 30, 2011

	<u>Police</u>	<u>Fire</u>
Contribution Rates	20.57%	27.79%
Annual Pension Cost	\$1,847,772	\$1,557,575
Contributions Made	\$1,847,772	\$1,557,575
Actuarial Valuation Date	June 30, 2010	June 30, 2010
Actuarial Cost Method	Projected unit credit	Projected unit credit
Actuarial Assumptions:		
Investment Rate of Return	8.5%	8.5%
Projected Salary Increases	5.5%-8.5%	5.5%-8.5%
Inflation Projection	5.5%	5.5%
Cost-of-Living Adjustments	None	None
Amortization Method	Level Percent-of-pay closed	Level Percent-of-pay closed
Remaining Amortization Period	20 years	20 years
Asset Valuation Method	Smoothed market	Smoothed market

Trend Information - Information for each of the agent plans as of the most recent actuarial valuations follows:

		Annual Pension Cost	Percent Contributed	Net Pension Obligation
POLICE	2008	\$ 1,421,698	100.0%	-
	2009	2,020,501	100.0%	-
	2010	1,847,772	100.0%	-
FIRE	2008	1,321,441	100.0%	-
	2009	1,735,338	100.0%	-
	2010	1,557,575	100.0%	-

G. Noncurrent Liabilities

The following changes occurred in noncurrent liabilities during the fiscal year ended June 30, 2011:

	Balance July 1, 2010 (as restated)	Additions	Retirements	Balance June 30, 2011	Due Within One Year
Governmental activities:					
Yuma Municipal Property Corporation	\$ 130,955,000	\$ -	\$ 5,290,000	\$ 125,665,000	\$ 6,610,000
Improvement District #67	3,575,000	-	840,000	2,735,000	875,000
Improvement District #68	3,240,000	-	230,000	3,010,000	245,000
Unamortized Discount/Issuance Costs	(944,491)	-	(66,830)	(877,661)	-
Unamortized Premium	2,017,902	-	122,522	1,895,380	-
Compensated Absences	5,592,679	322,432	212,624	5,702,487	2,055,794
Total Governmental Activity	<u>\$ 144,436,090</u>	<u>\$ 322,432</u>	<u>\$ 6,628,316</u>	<u>\$ 138,130,206</u>	<u>\$ 9,785,794</u>
Business-type activities:					
General Obligation Bonds	\$ 4,040,000	\$ -	\$ 1,275,000	\$ 2,765,000	\$ 1,345,000
Yuma Municipal Property Corporation	120,130,000	-	3,105,000	117,025,000	3,260,000
Unamortized Discount/Issuance Costs	(626,067)	-	(54,619)	(571,448)	-
Unamortized Premium	4,053,000	-	184,227	3,868,773	-
Contracts Payable	72,431,684	-	4,182,243	68,249,441	4,327,605
Compensated Absences	814,509	37,188	17,148	834,549	256,219
Total Business-type Activity	<u>\$ 120,671,516</u>	<u>\$ 37,188</u>	<u>\$ 5,569,320</u>	<u>\$ 117,877,270</u>	<u>\$ 4,603,824</u>
Noncurrent Liabilities	<u>\$ 200,843,126</u>	<u>\$ 37,188</u>	<u>\$ 8,708,999</u>	<u>\$ 192,171,315</u>	<u>\$ 9,188,824</u>

The City has adopted GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. The following disclosures are due in part to that statement.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

Contracts Payable

Business-type activities – During fiscal year 2004, the City began construction of major additions to its utility infrastructure, including additional water and wastewater treatment plants. Financing for these additions comes from the Arizona Water Infrastructure Financing Authority (WIFA) in the form of 20-year loan contracts. The city pledged each system’s net revenues as collateral for the debt.

Bonded Debt - Excluding Refunded Debt

The following is a description of bonded indebtedness at June 30, 2011. 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.

General Obligation Bonds – These bonds are backed by the full faith and credit of the City and may be repaid through the levying of property taxes. However, because the bonds were issued for the construction or expansion of the City’s water treatment and delivery system, the bonds are recorded in the Water Enterprise Fund and are repaid through that fund.

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 and special sales taxes); *Public Safety Taxes* – a special two-tenths of one percent (.2%) privilege license tax approved by qualified voters in 1994 for public safety and criminal justice facilities and communication equipment; and *Special Sales Taxes* – a special two percent (2%) privilege license tax approved by qualified voters in 1993 on the gross proceeds of sales or gross income from the business of bars, restaurants and hotels. For each bond series, the corresponding pledged tax was:

<u>Issue</u>	<u>Pledged Tax</u>	<u>Project(s) funded</u>
2003 – Series A	Excise and Public Safety Taxes	Refunding 1995 issue
2003 – Series B	Excise Taxes	Art Center/Fire Station construction
2003 – Series C	Excise and Special Sales Taxes	Refunding 1995 issue
2007 – Series B	Excise and Special Sales Taxes	Pool/water park/public safety facilities
2007 – Series D	Excise and Special Sales Taxes	Streets projects
2010 – Series B	Excise Taxes	Refunding 2001 issue

In addition to, or in lieu of, excise taxes, the City may use other operational revenues to repay the debt, as budgeted in each fund. These include payments from the Water, Wastewater, Solid Waste and Desert Hills Golf Course Enterprise Funds, and Highway User Revenue Special Revenue Fund, as determined by the projects acquired or constructed by the debt proceeds.

The Municipal Property Corporation issued a Utility Series in 2007. The water and wastewater system’s net revenues were pledged as collateral for this issue as additional parity obligations.

<u>Issue</u>	<u>Pledged Revenues</u>	<u>Project(s) funded</u>
2007 – Series Utilities	Net Utility System Revenues	Water treatment plant/water distribution

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

For the year ended June 30, 2011 the pledged revenues described above amounted to \$60,964,298 for governmental activities and \$43,794,114 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, 2011 debt service for governmental activities totaled \$13,534,065 and for business-type activities \$17,139,420, or 22% and 39% of pledged revenues, respectively.

Summary of Bonded Debt

	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Outstanding</u>	<u>Net Unamortized Premium/ (Issue Costs)</u>
General Obligation Bonds:						
1997 Refunding	4.90%	12/1/1997	2012	\$ 8,085,000	\$ 2,765,000	\$ (11,158)
Yuma Municipal Property Corporation Bonds:						
2003 - Series A Refunding	4.21%	2/18/2003	2015	14,640,000	7,110,000	-
2003 - Series B Refunding	3.67%	2/18/2003	2015	2,905,000	1,355,000	-
2003 - Series B Addition	4.18%	2/18/2003	2022	9,000,000	6,370,000	(43,092)
2007 - Series B	4.50%	11/20/2007	2027	30,785,000	27,235,000	(398,153)
2007 - Series D	4.50%	11/20/2007	2027	61,100,000	54,065,000	1,440,560
2007 - Series Utilities	4.50%	11/20/2007	2032	127,925,000	117,025,000	3,308,483
2010 - Series B Refunding	4.23%	6/29/2010	2025	29,530,000	29,530,000	18,404
Total MPC Bonds				<u>277,330,000</u>	<u>242,690,000</u>	<u>4,326,202</u>
Total Bonds Authorized and Issued				<u>\$ 285,415,000</u>	<u>\$ 245,455,000</u>	<u>\$ 4,315,044</u>

Legal Debt Margin

Under Arizona's Constitution, outstanding general obligation bonded debt for combined water, sewer, artificial light, parks, open space preserves, playgrounds and recreational facilities may not exceed 20% of a City's net secondary assessed valuation. Outstanding general obligation debt for all other purposes may not exceed 6% of a City's net secondary assessed valuation. The legal borrowing capacity of the City of Yuma at June 30, 2011 follows:

	<u>Water, Etc. (20%)</u>	<u>All Other (6%)</u>
Secondary Assessed Valuation	\$733,033,525	
Legal Limit	\$ 146,606,705	\$ 43,982,012
Outstanding G.O. Debt	<u>2,765,000</u>	<u>-</u>
Available Debt Margin	<u>\$ 143,841,705</u>	<u>\$ 43,982,012</u>

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

Annual Debt Service Requirements to Maturity

BONDS AND IMPROVEMENT DISTRICTS										
July 1	1997 Refunding Bonds			Improvement District No. 67 Bonds						
	Principal	Interest	Total	Principal	Interest	Total				
2011	\$ 1,345,000	\$ 134,140	\$ 1,479,140	\$ 875,000	\$ 101,196	\$ 976,196				
2012	1,420,000	69,580	1,489,580	910,000	68,820	978,820				
2013	-	-	-	950,000	35,150	985,150				
	<u>\$ 2,765,000</u>	<u>\$ 203,720</u>	<u>\$ 2,968,720</u>	<u>\$ 2,735,000</u>	<u>\$ 205,166</u>	<u>\$ 2,940,166</u>				
	MPC Bonds 2010 Refunding 2001			MPC Bonds 2003 Series			Improvement District No. 68 Bonds			
2011	\$ 1,300,000	\$ 1,227,865	\$ 2,527,865	\$ 420,000	\$ 272,207	\$ 692,207	\$ 245,000	\$ 141,470	\$ 386,470	
2012	1,340,000	1,188,581	2,528,581	435,000	257,507	692,507	255,000	129,955	384,955	
2013	1,375,000	1,155,081	2,530,081	450,000	241,847	691,847	265,000	117,970	382,970	
2014	1,425,000	1,100,082	2,525,082	470,000	224,973	694,973	280,000	105,515	385,515	
2015	1,465,000	1,057,331	2,522,331	490,000	207,347	697,347	290,000	92,355	382,355	
2016	1,840,000	1,013,381	2,853,381	515,000	182,847	697,847	305,000	78,725	383,725	
2017	1,910,000	939,781	2,849,781	535,000	157,098	692,098	320,000	64,390	384,390	
2018	2,010,000	844,282	2,854,282	560,000	134,628	694,628	335,000	49,350	384,350	
2019	2,110,000	743,781	2,853,781	585,000	110,828	695,828	350,000	33,605	383,605	
2020	2,210,000	638,281	2,848,281	610,000	85,672	695,672	365,000	17,155	382,155	
2021	2,305,000	549,881	2,854,881	635,000	58,833	693,833	-	-	-	
2022	2,400,000	454,800	2,854,800	665,000	30,258	695,258	-	-	-	
2023	2,500,000	352,800	2,852,800	-	-	-	-	-	-	
2024	2,610,000	240,300	2,850,300	-	-	-	-	-	-	
2025	2,730,000	122,850	2,852,850	-	-	-	-	-	-	
	<u>\$ 29,530,000</u>	<u>\$ 11,629,077</u>	<u>\$ 41,159,077</u>	<u>\$ 6,370,000</u>	<u>\$ 1,964,045</u>	<u>\$ 8,334,045</u>	<u>\$ 3,010,000</u>	<u>\$ 830,490</u>	<u>\$ 3,840,490</u>	
	MPC Bonds 2003 Refunding 1995A			MPC Bonds 2003 Refunding 1995B						
2011	\$ 1,285,000	\$ 304,953	\$ 1,589,953	\$ 250,000	\$ 53,485	\$ 303,485				
2012	1,350,000	240,703	1,590,703	260,000	44,735	304,735				
2013	1,425,000	173,203	1,598,203	270,000	35,375	305,375				
2014	1,490,000	119,765	1,609,765	280,000	25,250	305,250				
2015	1,560,000	62,400	1,622,400	295,000	14,750	309,750				
	<u>\$ 7,110,000</u>	<u>\$ 901,024</u>	<u>\$ 8,011,024</u>	<u>\$ 1,355,000</u>	<u>\$ 173,595</u>	<u>\$ 1,528,595</u>				

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

BONDS AND IMPROVEMENT DISTRICTS

July 1	MPC Bonds 2007 Series B			MPC Bonds 2007 Series D			MPC Bonds 2007 Series Utility		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2011	\$ 1,125,000	\$ 1,168,220	\$ 2,293,220	\$ 2,230,000	\$ 2,553,525	\$ 4,783,525	\$ 3,260,000	\$ 5,682,538	\$ 8,942,538
2012	1,175,000	1,111,970	2,286,970	2,330,000	2,442,025	4,772,025	3,425,000	5,519,538	8,944,538
2013	1,230,000	1,064,970	2,294,970	2,435,000	2,348,825	4,783,825	3,585,000	5,382,538	8,967,538
2014	1,280,000	1,015,770	2,295,770	2,540,000	2,251,425	4,791,425	3,750,000	5,239,138	8,989,138
2015	1,335,000	964,570	2,299,570	2,655,000	2,149,825	4,804,825	3,920,000	5,089,138	9,009,138
2016	1,390,000	911,170	2,301,170	2,760,000	2,043,625	4,803,625	4,095,000	4,893,138	8,988,138
2017	1,445,000	855,570	2,300,570	2,870,000	1,905,625	4,775,625	4,270,000	4,688,388	8,958,388
2018	1,505,000	797,770	2,302,770	2,985,000	1,762,125	4,747,125	4,440,000	4,453,538	8,893,538
2019	1,565,000	737,570	2,302,570	3,110,000	1,612,875	4,722,875	4,620,000	4,231,538	8,851,538
2020	1,630,000	674,970	2,304,970	3,240,000	1,457,375	4,697,375	4,810,000	4,000,538	8,810,538
2021	1,700,000	606,510	2,306,510	3,375,000	1,323,725	4,698,725	5,015,000	3,802,125	8,817,125
2022	1,770,000	534,260	2,304,260	3,520,000	1,154,975	4,674,975	5,225,000	3,551,375	8,776,375
2023	1,850,000	458,150	2,308,150	3,670,000	978,975	4,648,975	5,450,000	3,290,125	8,740,125
2024	1,930,000	365,650	2,295,650	3,825,000	795,475	4,620,475	5,685,000	3,017,625	8,702,625
2025	2,010,000	281,212	2,291,212	3,995,000	604,225	4,599,225	5,930,000	2,733,375	8,663,375
2026	2,100,000	193,275	2,293,275	4,170,000	404,475	4,574,475	6,190,000	2,436,875	8,626,875
2027	2,195,000	98,775	2,293,775	4,355,000	195,975	4,550,975	6,460,000	2,127,375	8,587,375
2028	-	-	-	-	-	-	6,745,000	1,844,750	8,589,750
2029	-	-	-	-	-	-	7,050,000	1,507,500	8,557,500
2030	-	-	-	-	-	-	7,365,000	1,155,000	8,520,000
2031	-	-	-	-	-	-	7,695,000	786,750	8,481,750
2032	-	-	-	-	-	-	8,040,000	402,000	8,442,000
	<u>\$ 27,235,000</u>	<u>\$ 11,840,382</u>	<u>\$ 39,075,382</u>	<u>\$ 54,065,000</u>	<u>\$ 25,985,075</u>	<u>\$ 80,050,075</u>	<u>\$117,025,000</u>	<u>\$ 75,834,905</u>	<u>\$ 192,859,905</u>

CONTRACTS PAYABLE

July 1	WIFA Loan #920069-03			WIFA Loan #910043-03			WIFA Loan #920088-04		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2011	\$ 485,359	\$ 232,141	\$ 717,500	\$ 2,221,416	\$ 1,062,474	\$ 3,283,890	\$ 1,620,819	\$ 1,063,265	\$ 2,684,084
2012	501,429	216,071	717,500	2,294,967	988,923	3,283,890	1,681,632	1,001,311	2,682,943
2013	518,032	199,468	717,500	2,370,953	912,937	3,283,890	1,744,727	937,033	2,681,760
2014	535,184	182,316	717,500	2,449,455	834,435	3,283,890	1,810,189	870,342	2,680,532
2015	552,904	164,596	717,500	2,530,557	753,333	3,283,890	1,878,108	801,150	2,679,258
2016	571,210	146,290	717,500	2,614,343	669,547	3,283,890	1,948,574	729,361	2,677,936
2017	590,123	127,377	717,500	2,700,904	582,986	3,283,890	2,021,685	654,879	2,676,564
2018	609,662	107,838	717,500	2,790,331	493,559	3,283,890	2,097,539	577,603	2,675,141
2019	629,848	87,652	717,500	2,882,719	401,171	3,283,890	2,176,238	497,427	2,673,665
2020	650,702	66,798	717,500	2,978,166	305,724	3,283,890	2,257,891	414,242	2,672,133
2021	672,247	45,253	717,500	3,076,773	207,117	3,283,890	2,342,607	327,937	2,670,544
2022	694,505	22,995	717,500	3,178,645	105,245	3,283,890	2,430,501	238,393	2,668,895
2023	-	-	-	-	-	-	2,521,694	145,490	2,667,184
2024	-	-	-	-	-	-	2,616,802	49,092	2,665,894
	<u>\$ 7,011,205</u>	<u>\$ 1,598,796</u>	<u>\$ 8,610,001</u>	<u>\$ 32,089,229</u>	<u>\$ 7,317,450</u>	<u>\$ 39,406,679</u>	<u>\$ 29,149,007</u>	<u>\$ 8,307,524</u>	<u>\$ 37,456,531</u>

Defeased Debt

Defeased Bonds – In fiscal year 2010, the City defeased its 2001 Municipal Property Corporation Bonds through the sale of refunding bonds, a part of which was an advance refunding of the 2001 Series bonds maturing July 1, 2011, as the bonds were not callable until that date. A portion of the proceeds of the new refunding bonds was placed in an irrevocable trust to provide for the debt service payment due on July 1, 2011. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At year end, \$1,130,000 of defeased bonds are outstanding.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

H. Interfund Transfers

INTERFUND TRANSFERS

<i>Transfers Out</i>		<i>Transfers In</i>	
Governmental funds - major funds:			
General Fund	Radio Comm \$ 131,750 Mall Maintenance 120,863 Grants 1,106 Debt Service 4,281,573	General Fund - HURF	Two Percent Tax \$ 571,931 Capital Projects 722
HURF	Debt Service 100,968	Road Tax	Capital Projects 14,403
Road Tax	Grants 83,906	Grants	General Fund 1,106 Road Tax 83,906
Capital Projects	Debt Service 4,811,913 HURF 722 Road Tax 14,403	Debt Service	General Fund 4,281,573 HURF 100,968 Road Tax 4,811,913 Public Safety Tax 2,929,674 Solid Waste 20,887 Wastewater 32,454 Water 62,083
Total Governmental Activities		Total Governmental Activities	
<u>14,548,809</u>		<u>14,675,733</u>	
Nonmajor funds:			
Public Safety Tax	Debt Service 2,929,674	Radio Comm	General Fund 131,750 Solid Waste 10,600 Equipment Maint 900
Two Percent Tax	Recreation Complex 1,500,000 General Fund 571,931	Recreation Complex	Two Percent Tax 1,500,000
Total Governmental Activities		Mall Maintenance	General Fund 120,863
<u>-</u>		<u>120,863</u>	
Enterprise funds:			
Solid Waste	Debt Service 20,887	-	
	Radio Comm 10,600		
Water	Debt Service 62,083		
Wastewater	Debt Service 32,454		
Total Enterprise Funds		Total Enterprise Funds	
<u>126,024</u>		<u>-</u>	
Internal Service funds:			
Equipment Maint	Radio Comm 900	-	
Total Internal Service Funds Funds		Total Internal Service Funds Funds	
<u>900</u>		<u>-</u>	
Total Transfers Out		Total Transfers In	
<u>\$ 14,675,733</u>		<u>\$ 14,675,733</u>	

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. As for the remaining transfers, they include operating subsidies from the General Fund to Mall Maintenance (\$120,863); and from the Two Percent Tax Fund to the General Fund (\$571,931 per a riverfront development agreement) and to the Recreation Complex Fund (\$1,500,000).

Interfund activity is eliminated within the governmental activities column of the Statement of Activities. Only transfers between governmental and business-type activities appear on that statement. The net transfers of \$126,024 are for debt service.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

I. Interfund Receivables and Payables

Interfund balances at June 30, 2011, follow:

	Interfund Receivable	
Interfund Payable	Major Funds	
	General	Total
Major Governmental Funds:		
Community Redevelopment Fund	\$ 145,027	\$ 145,027
Grants Fund	1,401,517	1,401,517
Internal Service Funds:		
Equipment Maintenance	396,483	396,483
Workers Compensation	270,000	270,000
Total Receivable	\$ 2,213,027	\$ 2,213,027

Because they serve primarily governmental funds, the interfund activity noted above in the Internal Service Equipment Maintenance and Workers Compensation funds are 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 Assets. The internal balances amount appearing on that statement, \$274,568, 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 Insurance, Public Employee Fidelity Bonds, Crime Insurance, Excess Workers Compensation, and Miscellaneous Insurance (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 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. 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 are presented below.

Fiscal Year	Insurance Reserve Fund				Workers Compensation Fund			
	Beginning	Claims and	End		Beginning	Claims and	End	
	of Year	Changes In	Claim	of Year	of Year	Changes In	Claim	of Year
	Liability	Estimates	Payments	Liability	Liability	Estimates	Payments	Liability
2010-11	\$ 48,058	\$ 437,591	\$ 425,537	\$ 60,112	\$ 1,017,121	\$ 545,050	\$ 564,150	\$ 998,021
2009-10	24,140	456,306	432,388	48,058	851,083	1,006,908	840,870	1,017,121
2008-09	30,347	109,096	115,303	24,140	635,985	1,032,587	817,489	851,083

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

K. Construction Commitments

The City has active construction projects as of June 30, 2011. At year-end the government's commitments with contractors for specific projects are as follows:

Construction Commitments	Original Contract	Spent to Date	Remaining Commitment
Public Safety	\$ 257,767	\$ 203,877	\$ 53,891
Parks & Recreation	583,590	232,273	351,317
Streets	1,277,220	956,275	320,945
Water System	4,523,046	3,733,914	789,131
Wastewater	3,021,810	2,288,564	733,246
	<u>\$ 9,663,433</u>	<u>\$ 7,414,903</u>	<u>\$ 2,248,530</u>

L. Radio Communications Special Revenue Fund

Since its inception in 2006, the Radio Communication Fund has been reported as a component of the General Fund. The fund was created to account for the expenditures of the Yuma Regional Communications System Council which was created in 2005 to oversee the county-wide communication project. Various Yuma County entities pay into this fund for the maintenance and replacement of their radios, thus creating a fund balance. Since these funds may only be used toward the Yuma Regional Communication System (YRCS), the Radio Communications Fund has been extracted from the General Fund and reclassified as a Special Revenue Fund. In the fiscal year ending June 30, 2011, the Radio Communications Special Revenue Fund was created to account more appropriately for the proceeds and expenditures of the YRCS. Prior year balances have been restated as follows:

	<u>General Fund</u>			<u>Nonmajor Governmental Funds</u>		
	Original	Change	Restated	Original	Change	Restated
<i>Balance Sheet</i>						
Assets						
Cash and Investments	\$ 18,419,617	\$ (646,446)	\$ 17,773,171	\$ 4,030,738	\$ 646,446	\$ 4,677,184
Accounts Receivable	486,017	(8,491)	477,526	307,715	8,491	316,206
Intergovernmental	2,560,082	(145,782)	2,414,300	249,513	145,782	395,295
Special Assessments	20,169	-	20,169	-	-	-
Delinquent Property Taxes	374,969	-	374,969	-	-	-
Accrued Interest	43,033	(1,094)	41,939	7,890	1,094	8,984
Due from Other Funds	2,256,293	-	2,256,293	-	-	-
Inventory, at cost	91,353	-	91,353	9,894	-	9,894
Prepaid Items	64,225	-	64,225	405	-	405
Total Assets	<u>\$ 24,315,758</u>	<u>\$ (801,813)</u>	<u>\$ 23,513,945</u>	<u>\$ 4,606,155</u>	<u>\$ 801,813</u>	<u>\$ 5,407,968</u>
Liabilities and Fund Balances						
Accounts Payable	812,438	(22,921)	789,517	151,047	22,921	173,968
Accrued Payroll	3,878,442	(17,113)	3,861,329	131,915	17,113	149,028
Due to Other Funds	-	-	-	146,802	-	146,802
Deposits	169,263	-	169,263	-	-	-
Deferred Revenues	503,544	-	503,544	13,625	-	13,625
Fund Balance	18,952,071	(761,779)	18,190,292	4,162,766	761,779	4,924,545
Total Liabilities and Fund Balance	<u>\$ 24,315,758</u>	<u>\$ (801,813)</u>	<u>\$ 23,513,945</u>	<u>\$ 4,606,155</u>	<u>\$ 801,813</u>	<u>\$ 5,407,968</u>

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

M. Solid Waste Enterprise Fund

In prior years, the Solid Waste fund was classified as a Special Revenue Fund. Expenditures in excess of fees were financed by a transfer from the General Fund. Effective July 2, 2010, the Yuma City Council passed Resolution 2010-35 creating a five dollar per month trash collection fee. With the advent of this collection fee, the fund became fully supported by charges to customers and the General Fund subsidy eliminated. Accordingly, in the fiscal year ending June 30, 2011, the Solid Waste Special Revenue Fund has been reclassified to the Solid Waste Enterprise fund. Prior year balances have been restated as follows (includes a column for the Radio Communication Fund change):

	Nonmajor Governmental Funds				Other Enterprise Funds		
	Original	Change	Radio Change	Restated	Original	Change	Restated
<i>Balance Sheet</i>							
Current Assets							
Cash and Investments	\$ 4,030,738	\$ -	\$ 646,446	\$ 4,677,184	\$ 399,617	\$ -	\$ 399,617
Accounts Receivable	307,715	(292,207)	8,491	23,999	2,167	292,207	294,374
Intergovernmental	249,513	(17)	145,782	395,278	414	17	431
Accrued Interest	7,890	-	1,094	8,984	302	-	302
Inventory, at cost	9,894	-	-	9,894	83,043	-	83,043
Prepaid Items	405	-	-	405	2,200	-	2,200
Total Unrestricted Current Assets	<u>4,606,155</u>	<u>(292,224)</u>	<u>801,813</u>	<u>5,115,744</u>	<u>487,743</u>	<u>292,224</u>	<u>779,967</u>
Total Current Assets	-	-	-	-	487,743	292,224	779,967
Noncurrent Assets							
Buildings	-	-	-	-	3,102,865	-	3,102,865
Improvements Other than Buildings	-	-	-	-	3,015,667	50,738	3,066,405
Equipment	-	-	-	-	328,900	331,523	660,423
Construction in Progress	-	-	-	-	-	-	-
Less Accumulated Depreciation	-	-	-	-	(4,086,904)	(137,044)	(4,223,948)
Total Noncurrent Assets	-	-	-	-	<u>2,360,528</u>	<u>245,217</u>	<u>2,605,745</u>
Total Assets	\$ -	\$ -	\$ -	\$ -	\$ 2,848,271	\$ 537,441	\$ 3,385,712
Current Liabilities Payable from Current Assets							
Accounts Payable	\$ 151,047	\$ (90,174)	\$ 22,921	83,794	\$ 30,894	\$ 90,174	\$ 121,068
Accrued Payroll	131,915	(55,248)	17,113	93,780	124,656	55,248	179,904
Due to Other Funds	146,802	(146,802)	-	-	-	146,802	146,802
Unearned Revenue	-	-	-	-	51,620	-	51,620
Deferred Revenues	13,625	-	-	13,625	-	-	-
Total Current Liabilities Payable fr Current Assets	<u>443,389</u>	<u>(292,224)</u>	<u>40,034</u>	<u>191,199</u>	<u>207,170</u>	<u>292,224</u>	<u>499,394</u>
Total Current Liabilities	<u>443,389</u>	<u>(292,224)</u>	<u>40,034</u>	<u>191,199</u>	<u>207,170</u>	<u>292,224</u>	<u>499,394</u>
Total Liabilities	<u>443,389</u>	<u>(292,224)</u>	<u>40,034</u>	<u>191,199</u>	<u>207,170</u>	<u>292,224</u>	<u>499,394</u>
Fund Balance	4,162,766	-	761,779	4,924,545	-	-	-
Total Liabilities and Fund Balance	\$ 4,606,155	\$ (292,224)	\$ 801,813	\$ 5,115,744	-	-	-
Enterprise Funds Net Assets							
Invested in capital assets, net of related debt	-	-	-	-	2,360,528	245,217	2,605,745
Unrestricted	-	-	-	-	280,573	-	280,573
Total Net Assets	-	-	-	-	\$ 2,641,101	\$ 245,217	\$ 2,886,318

N. Deficits in Fund Equity

At June 30, 2011, no funds, as shown in the basic financial statements, were in a deficit position. The Workers Compensation Internal Service Fund, as shown in the Combining Statement of Net Assets in Other Supplementary Information, has a deficit balance of \$98,666 at June 30, 2011. The City intends to remedy this situation in the next fiscal year.

City of Yuma, Arizona
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

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 such matters will not have a material adverse effect on the City's financial position at June 30, 2011.

B. Compliance

The City participates in federally-funded and state-funded programs administered by various government agencies. The programs included in these financial statements may be subject to program compliance and/or financial monitoring by the granting agency or its representatives. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**Schedule of Funding Progress
Public Safety Personnel Retirement System**

	Actual Value of Plan Assets	Actuarial Accrued Liability	Funding Liability (Excess)	Funded Ratio	Annual Covered Payroll	Unfunded Liability as Percentage of Payroll
<i>POLICE</i>						
2008	\$ 40,781,540	\$ 54,019,158	\$ 13,237,618	75.5%	\$ 9,619,242	137.6%
2009	41,337,090	55,583,097	14,246,007	74.4%	9,873,498	144.3%
2010	41,763,616	58,600,342	16,836,726	71.3%	9,412,636	178.9%
<i>FIRE</i>						
2008	27,991,354	43,200,182	15,208,828	64.8%	6,081,510	250.1%
2009	29,459,868	46,691,521	17,231,653	63.1%	6,144,945	280.4%
2010	29,389,749	48,361,082	18,971,333	60.8%	5,913,555	320.8%

Note: 2010 is the most recent actuarial valuation report available.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 General Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive
	Original	Final		(Negative)
Budgetary Fund Balance, July 1 (as restated)	\$ 11,516,031	\$ 11,516,031	\$ 20,015,656	\$ 8,499,625
Resources (inflows):				
Taxes:				
Property Tax - Primary	9,864,144	9,864,144	9,429,548	(434,596)
Property Tax - Delinquent	140,000	140,000	311,392	171,392
City Sales Tax	17,300,000	17,300,000	17,635,454	335,454
Public Enterprise In-Lieu	242,000	242,000	242,000	-
Franchise Tax	3,055,000	3,055,000	3,001,939	(53,061)
Total Taxes	<u>30,601,144</u>	<u>30,601,144</u>	<u>30,620,333</u>	<u>19,189</u>
Licenses:				
Business Licenses	320,000	320,000	302,668	(17,332)
Liquor Licenses	33,600	33,600	35,131	1,531
Building Permits	758,000	758,000	940,187	182,187
Alcohol Permits	9,000	9,000	14,058	5,058
Total Licenses	<u>1,120,600</u>	<u>1,120,600</u>	<u>1,292,044</u>	<u>171,444</u>
Intergovernmental:				
Sales Tax - State	6,500,000	6,500,000	6,856,996	356,996
State Revenue Sharing	8,647,500	8,647,500	8,692,400	44,900
Auto Lieu Tax	3,200,000	3,200,000	3,250,436	50,436
Other Governmental Charges	45,000	45,000	55,745	10,745
Total Intergovernmental	<u>18,392,500</u>	<u>18,392,500</u>	<u>18,855,577</u>	<u>463,077</u>
Charges for Services:				
Building Inspection Fees	307,327	307,327	333,137	25,810
Developer Charges	-	-	46,183	46,183
Recreation Fees	517,350	517,350	609,192	91,842
Police Services	753,968	753,968	471,308	(282,660)
Other Charges	2,271,501	2,271,501	131,945	(2,139,556)
Total Charges for Services	<u>3,850,146</u>	<u>3,850,146</u>	<u>1,591,765</u>	<u>(2,258,381)</u>
Fines and Forfeitures:				
City Court Fines	1,219,500	1,219,500	1,484,105	264,605
Total Fines and Forfeitures	<u>1,219,500</u>	<u>1,219,500</u>	<u>1,484,105</u>	<u>264,605</u>
Use of Money and Property:				
Interest	131,900	131,900	108,396	(23,504)
Rental Receipts	133,200	133,200	179,024	45,824
Total Use of Money and Property	<u>265,100</u>	<u>265,100</u>	<u>287,420</u>	<u>22,320</u>
Miscellaneous				
Sales of Surplus Property	-	-	667,709	667,709
Other	163,000	163,000	156,240	(6,760)
Total Miscellaneous	<u>163,000</u>	<u>163,000</u>	<u>823,949</u>	<u>660,949</u>
Total Revenues	<u>55,611,990</u>	<u>55,611,990</u>	<u>54,955,193</u>	<u>(656,797)</u>
Transfers In	440,200	440,200	571,931	131,731
Amounts Available for Appropriation	<u>67,568,221</u>	<u>67,568,221</u>	<u>75,542,780</u>	<u>7,974,559</u>

Continued on next page

See accompanying notes to this schedule

City of Yuma, Arizona
 Budgetary Comparison Schedule
 General Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive
	Original	Final		(Negative)
Charges to Appropriations (outflows):				
General Government:				
Mayor and Council	249,203	249,203	247,006	2,197
Elections	-	-	40,059	(40,059)
City Administrator	592,472	392,472	386,018	6,454
Strategic Communications	636,180	636,180	605,120	31,060
Economic Development	111,834	311,834	329,028	(17,194)
Facilities Maintenance	767,374	767,374	806,779	(39,405)
General Government	2,426,343	2,474,613	2,078,288	396,325
City Clerk	241,592	241,592	273,642	(32,050)
City Attorney	1,025,164	1,025,164	832,969	192,195
City Prosecutor	211,254	211,254	237,295	(26,041)
Finance-Administration	289,714	289,714	241,819	47,895
Accounting	860,864	860,864	767,675	93,189
Customer Services	95,396	95,396	90,603	4,793
Information Technology Services	2,526,003	2,526,003	2,272,795	253,208
Purchasing	399,789	399,789	391,065	8,724
Human Resources	742,227	742,227	722,051	20,176
Intragovernmental Charges	(4,120,680)	(4,120,680)	(4,120,680)	-
Total General Government Operating Expenditures	7,054,729	7,102,999	6,201,532	901,467
Capital Outlay	289,364	289,364	113,162	176,202
Total General Government Expenditures	7,344,093	7,392,363	6,314,694	1,077,669
Public Safety:				
Police Administration - Field Operations	16,245,658	16,359,181	16,151,077	208,104
Police Support Services	2,415,298	2,273,618	2,369,938	(96,320)
Police Communication Center	1,840,161	1,840,161	1,845,819	(5,658)
Police 911 Administration	12,577	12,577	34,566	(21,989)
Fire Administration	720,128	720,128	747,718	(27,590)
Fire Training	433,056	433,056	323,398	109,658
Fire Suppression	10,856,164	10,856,164	9,268,518	1,587,646
Community Risk Reduction	714,767	714,767	604,175	110,592
Facilities Maintenance	-	-	12,888	(12,888)
Fire Special Operations	35,936	35,936	19,977	15,959
Fire Emergency Medical Services	208,320	208,320	117,354	90,966
Fire Emergency Management	(40,000)	(40,000)	-	(40,000)
Municipal Court	1,498,003	1,498,003	1,454,740	43,263
Total Public Safety Operating Expenditures	34,940,068	34,911,911	32,950,168	1,961,743
Capital Outlay	237,000	249,000	36,236	212,764
Total Public Safety Expenditures	35,177,068	35,160,911	32,986,404	2,174,507

Continued on next page

See accompanying notes to this schedule

City of Yuma, Arizona
 Budgetary Comparison Schedule
 General Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive
	Original	Final		(Negative)
Parks, Recreation and Culture:				
Parks and Recreation Administration	503,594	503,594	538,906	(35,312)
Parks Maintenance	4,183,324	4,199,481	3,951,115	248,366
Parks Development	149,968	149,968	130,834	19,134
Recreation Administration	577,477	577,477	543,688	33,789
Senior Adult Activities	191,498	191,498	140,264	51,234
Adult Activities	214,396	214,396	185,076	29,320
Youth Activities	241,779	241,779	166,340	75,439
Aquatics	1,072,137	1,072,137	1,042,711	29,426
Yuma Readiness Center	141,571	141,571	123,718	17,853
Intragovernmental Charges	(129,365)	(129,365)	(129,365)	-
Total Parks, Recreation and Culture				
Operating Expenditures	<u>7,146,379</u>	<u>7,162,536</u>	<u>6,693,287</u>	<u>469,249</u>
Total Parks, Recreation and Culture Expenditures	<u>7,146,379</u>	<u>7,162,536</u>	<u>6,693,287</u>	<u>469,249</u>
Environmental Health and Protection:				
Environmental Management	658,647	658,647	658,645	2
Intragovernmental Charges	(620,397)	(620,397)	(620,397)	-
Environmental Health and Protection				
Operating Expenditures	<u>38,250</u>	<u>38,250</u>	<u>38,248</u>	<u>2</u>
Community Design and Development:				
Community Development Administration	503,275	503,275	487,745	15,530
Development Engineering	374,755	374,755	392,062	(17,307)
Planning and Neighborhood Services	2,157,299	2,157,299	2,040,775	116,524
Heritage Area Development	402,662	354,392	419,266	(64,874)
Total Community Design and Development				
Operating Expenditures	<u>3,437,991</u>	<u>3,389,721</u>	<u>3,339,848</u>	<u>49,873</u>
Capital Outlay	<u>-</u>	<u>-</u>	<u>1,210</u>	<u>(1,210)</u>
Total Community Design and Development				
Expenditures	<u>3,437,991</u>	<u>3,389,721</u>	<u>3,341,058</u>	<u>48,663</u>
Total Operating Expenditures	<u>52,617,417</u>	<u>52,605,417</u>	<u>49,223,083</u>	<u>3,382,334</u>
Capital Outlay	<u>526,364</u>	<u>538,364</u>	<u>150,608</u>	<u>387,756</u>
Total Expenditures	<u>53,143,781</u>	<u>53,143,781</u>	<u>49,373,691</u>	<u>3,770,090</u>
Transfers Out	<u>2,793,608</u>	<u>2,793,608</u>	<u>4,535,292</u>	<u>(1,741,684)</u>
Total Charges to Appropriations	<u>55,937,389</u>	<u>55,937,389</u>	<u>53,908,983</u>	<u>2,028,406</u>
Budgetary Fund Balance, June 30	<u>\$ 11,630,832</u>	<u>\$ 11,630,832</u>	<u>\$ 21,633,797</u>	<u>\$ 10,002,965</u>
				Concluded

See accompanying notes to this schedule

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Highway User Revenue Fund
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Budgetary Fund Balance, July 1	\$ 1,237,980	\$ 1,237,980	\$ 1,491,530	\$ 253,550
Resources (inflows):				
Intergovernmental				
State Gasoline Tax	6,875,000	6,875,000	6,503,532	(371,468)
Use of Money and Property				
Interest	6,000	6,000	4,917	(1,083)
Miscellaneous				
Engineering Oversight Fees	-	-	407	407
Other	100,000	100,000	156,370	56,370
Total Revenues	6,981,000	6,981,000	6,665,226	(315,774)
Amounts Available for Appropriation	8,218,980	8,218,980	8,157,478	(61,502)
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Traffic Signals, Signs, and Striping	1,046,082	1,046,082	1,056,689	(10,607)
Streets				
Street Maintenance	3,011,436	3,011,436	2,690,414	321,022
Street Lighting	719,620	719,620	919,213	(199,593)
Street Sweeping	434,126	434,126	417,723	16,403
Storm Drain Maintenance	333,977	333,977	231,023	102,954
Curbs, Gutters, and Sidewalks	276,474	276,474	311,266	(34,792)
Retention Basin Maintenance	1,193,876	1,193,876	1,268,601	(74,725)
Environmental Health				
Lot Cleaning	130,880	130,880	74,879	56,001
Capital Outlay	134,000	134,000	-	134,000
Total Expenditures	7,280,471	7,280,471	6,969,808	310,663
Transfers Out	100,787	100,787	100,968	(181)
Total Charges to Appropriations	7,381,258	7,381,258	7,070,776	310,482
Budgetary Fund Balance, June 30	\$ 837,722	\$ 837,722	\$ 1,086,702	\$ 248,980

See accompanying notes to this schedule

City of Yuma, Arizona
 Budgetary Comparison Schedule
 City Road Tax Fund
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,034,472	\$ 2,034,472	\$ 2,327,476	\$ 293,004
Resources (inflows):				
Taxes				
Special Road Sales Tax	8,652,665	8,652,665	8,816,228	163,563
Use of Money and Property				
Rent	398,556	398,556	445,456	46,900
Interest	40,000	40,000	20,716	(19,284)
Charges For Services				
Developer Charges	10,000	10,000	27,971	17,971
Miscellaneous				
Other	-	-	5,672	5,672
Total Revenues	9,101,221	9,101,221	9,316,043	214,822
Transfers In	-	-	14,403	14,403
Amounts Available for Appropriation	11,135,693	11,135,693	11,657,922	522,229
Charges to Appropriations (outflows):				
Current:				
Streets				
Engineering	1,166,772	1,166,772	1,164,517	2,255
Street Maintenance	930,182	930,182	744,887	185,295
Pathways and Trails	153,846	153,846	320,181	(166,335)
Right-Of-Way Management	101,250	101,250	117,872	(16,622)
Capital Projects				
Streets	2,044,000	1,944,000	694,330	1,249,670
Environmental, Health and Safety	100,000	200,000	108,277	91,723
Total Expenditures	4,496,050	4,496,050	3,150,064	1,345,986
Transfers Out	4,783,525	4,783,525	4,895,819	(112,294)
Total Charges to Appropriations	9,279,575	9,279,575	8,045,883	1,233,692
Budgetary Fund Balance, June 30	\$ 1,856,118	\$ 1,856,118	\$ 3,612,039	\$ 1,755,921

See accompanying notes to this schedule

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Grants Fund
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		\$
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental				
Federal Government	3,495,152	3,475,002	5,122,635	1,647,633
State Government	109,022	114,902	637,995	523,093
Budget Authority Reserve	28,727,454	24,206,971	-	(24,206,971)
Use of Money and Property				
Interest	-	-	265	265
Contributions/Donations	98,119	100,084	77,163	(22,921)
Other - Rebates	-	-	21,223	21,223
Total Revenues	<u>32,429,747</u>	<u>27,896,959</u>	<u>5,859,281</u>	<u>(22,037,678)</u>
Transfers In	-	-	85,012	85,012
Amounts Available for Appropriation	<u>32,429,747</u>	<u>27,896,959</u>	<u>5,944,293</u>	<u>(21,952,666)</u>
Charges to Appropriations (outflows):				
Current:				
General Government	1,110	-	767,002	(767,002)
Public Safety	4,162,254	4,505,399	2,213,030	2,292,369
Parks, Recreation and Culture	381,169	381,169	43,779	337,390
Environmental Health and Protection	2,510,903	2,168,868	744,714	1,424,154
Community Design & Development	855,700	855,700	-	855,700
Capital Outlay	187,848	187,848	1,101,125	(913,277)
Capital Projects				
General Government	3,550,000	3,399,153	-	3,399,153
Public Safety	9,432,000	9,517,342	-	9,517,342
Streets	10,648,763	6,129,790	688,425	5,441,365
Parks, Recreation and Culture	700,000	751,690	386,218	365,472
Total Expenditures	<u>32,429,747</u>	<u>27,896,959</u>	<u>5,944,293</u>	<u>21,952,666</u>
Total Charges to Appropriations	<u>32,429,747</u>	<u>27,896,959</u>	<u>5,944,293</u>	<u>21,952,666</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to this schedule

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Community Redevelopment Fund
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental				
Federal Government	1,718,448	2,151,236	1,314,989	(836,247)
Use of Money and Property				
Rental Receipts	-	-	17,769	17,769
Miscellaneous				
Loan Repayments	-	-	142,657	142,657
Other	31,665	31,665	5,256	(26,409)
Total Revenues	1,750,113	2,182,901	1,480,671	(702,230)
Amounts Available for Appropriation	1,750,113	2,182,901	1,480,671	(702,230)
Charges to Appropriations (outflows):				
Current:				
Community Design and Development	1,571,215	2,004,003	1,335,129	668,874
Capital Outlay	4,000	4,000	7,295	(3,295)
Capital Projects				
Parks, Recreation and Culture	174,898	174,898	138,247	36,651
Total Expenditures	1,750,113	2,182,901	1,480,671	702,230
Total Charges to Appropriations	1,750,113	2,182,901	1,480,671	702,230
 Budgetary Fund Balance, June 30	 \$ -	 \$ -	 \$ -	 \$ -

See accompanying notes to this schedule

City of Yuma, Arizona
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2011

A. 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.

B. Excess of Expenditures Over Appropriations

The City's expenditures exceeded appropriations in five funds. The Debt Service Fund had expenditures exceed appropriations by \$1,503,062 due to the refunding of the 2001 issue. Increased entities being serviced by the Radio Communications Fund caused expenditures within the fund to exceed appropriations by \$294,562. Recreation Complex expenditures exceeded appropriations by \$9,914 because of a failed air conditioner at the Civic Center. Local Transportation Assistance Fund expenditures exceeded appropriations by \$200 as the result of an unbudgeted expenditure for a small portion of a capital project. The Equipment Maintenance Fund had expenditures exceed appropriations by \$78,242 due to electrical repairs and replacing a three tank manway access. Outside counsel and a large settlement claim caused expenditures within the Insurance Reserve fund to exceed appropriations by \$465,522. In each case, the fund was not significantly impaired by the excess expenditures.

**OTHER SUPPLEMENTARY
INFORMATION**



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds account for the proceeds of special revenue sources that are used to finance projects or activities as required by law or contractual agreements.

Local Transportation Assistance To record the receipts and uses of monies originating from Arizona Lottery sales. These monies are restricted to transportation uses.

Public Safety Tax To account for the two-tenths percent sales tax designated for public safety and criminal justice facilities and equipment.

Radio Communication To record the financial activities of the Radio Communication fund.

Recreation Complex To record the financial activities of the Civic Center and Baseball Complex.

Two Percent Tax To record the financial activities of the Two Percent Special Revenue Excise Tax on hotel, motel, restaurant and bar sales. This tax can finance the operations of the Civic and Convention Center, Baseball Complex, Golf Courses, the Yuma Crossing Area and Convention and Tourism.

Yuma Mall Maintenance To record the special maintenance levy for the Yuma Downtown Mall District. The assessment supports cleaning, maintenance, landscaping and utility costs of common areas. Costs in excess of the assessment are financed by a transfer from the General Fund.

City of Yuma, Arizona
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011

<u>Assets</u>	Special Revenue			
	Local Transportation Assistance	Public Safety Tax	Radio Communication	Recreation Complex
Cash and Investments	\$ 148	\$ 696,506	\$ 804,622	\$ 1,938,467
Receivables (Net of Allowances for Uncollectibles):				
Accounts Receivable	-	-	1,299	8,408
Intergovernmental	-	180,676	49,394	-
Delinquent Property Taxes	-			
Accrued Interest	13	879	-	1,198
Inventory, at cost	-	-	-	10,109
Prepaid Items	75,764	-	50,080	485
Total Assets	<u>\$ 75,925</u>	<u>\$ 878,061</u>	<u>\$ 905,395</u>	<u>\$ 1,958,667</u>
 <u>Liabilities and Fund Balances</u> 				
Liabilities:				
Accounts Payable	\$ 17	\$ 792	\$ 85,535	\$ 5,238
Accrued Payroll and Related Taxes	-	3,412	10,591	44,433
Deferred Revenues	-	-	-	35,609
Total Liabilities	<u>17</u>	<u>4,204</u>	<u>96,126</u>	<u>85,280</u>
Fund Balances:				
Nonspendable:				
Inventory	-	-	-	10,109
Prepaid Items	75,764	-	50,080	485
Restricted for:				
Public safety equipment and facilities	-	873,857	-	-
Recreation facilities	-	-	-	1,500,000
Committed to:				
Radio Communications Network	-	-	759,189	-
Mall maintenance	-	-	-	-
Streets	144	-	-	-
Assigned to:				
Recreation facilities	-	-	-	362,793
Total Fund Balances	<u>75,908</u>	<u>873,857</u>	<u>809,269</u>	<u>1,873,387</u>
Total Liabilities and Fund Balance	<u>\$ 75,925</u>	<u>\$ 878,061</u>	<u>\$ 905,395</u>	<u>\$ 1,958,667</u>

<u>Special Revenue</u>		Total
<u>Two Percent Tax</u>	<u>Yuma Mall Maintenance</u>	<u>Nonmajor Governmental Funds</u>
\$ 2,865,814	\$ 104,528	\$ 6,410,085
17,172	461	27,340
-	24,321	254,391
	37,427	37,427
1,250	-	3,340
2,404	-	12,513
170	-	126,499
<u>\$ 2,886,810</u>	<u>\$ 166,737</u>	<u>\$ 6,871,595</u>

\$ 2,484	\$ 517	\$ 94,583
29,387	4,512	92,335
-	37,427	73,036
<u>31,871</u>	<u>42,456</u>	<u>259,954</u>

2,404	-	12,513
170	-	126,499
-	-	873,857
2,852,365	-	4,352,365
-	-	759,189
-	124,281	124,281
-	-	144
-	-	362,793
<u>2,854,939</u>	<u>124,281</u>	<u>6,611,641</u>
<u>\$ 2,886,810</u>	<u>\$ 166,737</u>	<u>\$ 6,871,595</u>

City of Yuma, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2011

	Special Revenue			
	Local Transportation Assistance	Public Safety Tax	Radio Communication	Recreation Complex
Revenues:				
Taxes	\$ -	\$ 3,525,292	\$ -	\$ -
Intergovernmental	75,764	-	-	-
Charges for Services	-	9,232	1,084,874	-
Use of Money and Property	63	6,933	3,897	516,818
Miscellaneous	-	-	598	5,716
Total Revenues	75,827	3,541,457	1,089,369	522,534
Expenditures:				
Current:				
Public Safety	-	65,374	-	-
Parks, Recreation and Culture	-	-	-	1,705,371
Environmental Health and Protection	-	-	697,819	-
Community Design and Development	-	-	-	-
Capital Outlay Capital Projects	-	-	496,126	51,887
General Government	-	-	-	-
Streets	200	-	-	-
Parks, Recreation and Culture	-	-	-	-
Total Expenditures	200	65,374	1,193,945	1,757,258
Revenues Over/(Under) Expenditures	75,627	3,476,083	(104,576)	(1,234,724)
Other Financing Sources/(Uses):				
Transfers In	-	-	143,250	1,500,000
Transfers Out	-	(2,929,674)	-	-
Total Other Financing Sources/(Uses)	-	(2,929,674)	143,250	1,500,000
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	75,627	546,409	38,674	265,276
Fund Balances, Beginning (restated)	281	327,448	770,595	1,608,111
Fund Balances, Ending	\$ 75,908	\$ 873,857	\$ 809,269	\$ 1,873,387

<u>Special Revenue</u>		<u>Total</u>
<u>Two Percent</u>	<u>Yuma</u>	<u>Nonmajor</u>
<u>Tax</u>	<u>Mall</u>	<u>Governmental</u>
	<u>Maintenance</u>	<u>Funds</u>
\$ 4,425,556	\$ 218,925	\$ 8,169,773
-	-	75,764
-	-	1,094,106
9,477	-	537,188
<u>274,299</u>	<u>5,003</u>	<u>285,616</u>
<u>4,709,332</u>	<u>223,928</u>	<u>10,162,447</u>
-	-	65,374
1,729,056	-	3,434,427
-	-	697,819
725	223,272	223,997
-	-	548,013
44,797	-	44,797
119,205	-	119,405
144,007	-	144,007
<u>2,037,790</u>	<u>223,272</u>	<u>5,277,839</u>
2,671,542	656	4,884,608
-	120,863	1,764,113
<u>(2,071,931)</u>	<u>-</u>	<u>(5,001,605)</u>
<u>(2,071,931)</u>	<u>120,863</u>	<u>(3,237,492)</u>
599,611	121,519	1,647,116
<u>2,255,328</u>	<u>2,762</u>	<u>4,964,525</u>
<u>\$ 2,854,939</u>	<u>\$ 124,281</u>	<u>\$ 6,611,641</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Year Ended June 30, 2011

	<u>Budget</u>		<u>Actual</u> Amounts	Variance with Final Budget Positive
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Budgetary Fund Balance, July 1	\$ 553,548	\$ 553,548	\$ 540,202	\$ (13,346)
Resources (inflows):				
Special Assessments:				
Principal Payments	1,025,000	1,025,000	1,039,000	14,000
Use of Money and Property:				
Interest	<u>311,788</u>	<u>311,788</u>	<u>261,795</u>	<u>(49,993)</u>
Total Revenues	<u>1,336,788</u>	<u>1,336,788</u>	<u>1,300,795</u>	<u>(35,993)</u>
Transfers In	<u>10,696,415</u>	<u>10,696,415</u>	<u>12,239,552</u>	<u>1,543,137</u>
Amounts Available for Appropriation	<u>12,586,751</u>	<u>12,586,751</u>	<u>14,080,549</u>	<u>1,493,798</u>
Charges to Appropriations (outflows):				
Debt Service:				
Bond Principal	6,760,000	6,760,000	7,680,000	(920,000)
Bond Interest	5,275,431	5,275,431	5,843,865	(568,434)
Fiscal Agent Fees	-	-	10,200	(10,200)
Issuance Costs	<u>-</u>	<u>-</u>	<u>4,428</u>	<u>(4,428)</u>
Total Expenditures	<u>12,035,431</u>	<u>12,035,431</u>	<u>13,538,493</u>	<u>(1,503,062)</u>
Total Charges to Appropriations	<u>12,035,431</u>	<u>12,035,431</u>	<u>13,538,493</u>	<u>(1,503,062)</u>
Budgetary Fund Balance, June 30	<u>\$ 551,320</u>	<u>\$ 551,320</u>	<u>\$ 542,056</u>	<u>\$ (9,264)</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Capital Projects Fund
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 32,656,741	\$ 32,656,741	\$ 31,266,626	\$ (1,390,115)
Resources (inflows):				
Charges for Services				
Developer Charges	5,148,253	5,148,253	4,369,465	(778,788)
Use of Money and Property				
Interest	44,500	44,500	61,195	16,695
Miscellaneous	<u>11,204,250</u>	<u>11,204,250</u>	<u>1,000,795</u>	<u>(10,203,455)</u>
Total Revenues	<u>16,397,003</u>	<u>16,397,003</u>	<u>5,431,455</u>	<u>(10,965,548)</u>
Amounts Available for Appropriation	<u>49,053,744</u>	<u>49,053,744</u>	<u>36,698,081</u>	<u>(12,355,663)</u>
Charges to Appropriations (outflows):				
Capital Outlay:				
General Government	11,185,500	13,538,331	895,660	12,642,671
Public Safety	2,915,000	2,965,011	1,652,977	1,312,034
Streets	20,137,876	21,665,034	6,227,316	15,437,718
Parks, Recreation and Culture	1,078,000	1,248,000	732,645	515,355
Environmental Health and Safety	<u>4,370,000</u>	<u>4,370,000</u>	<u>20,150</u>	<u>4,349,850</u>
Total Expenditures	<u>39,686,376</u>	<u>43,786,376</u>	<u>9,528,748</u>	<u>34,257,628</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>15,125</u>	<u>(15,125)</u>
Total Charges to Appropriations	<u>39,686,376</u>	<u>43,786,376</u>	<u>9,543,873</u>	<u>34,242,503</u>
Budgetary Fund Balance, June 30	<u>\$ 9,367,368</u>	<u>\$ 5,267,368</u>	<u>\$ 27,154,208</u>	<u>\$ 21,886,840</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Local Transportation Assistance Special Revenue Fund
 For the Year Ended June 30, 2011

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ 281	\$ 281
Resources (inflows):				
Intergovernmental				
State Lottery Distribution	-	-	75,764	75,764
Use of Money and Property				
Interest	-	-	63	63
Total Revenues	-	-	75,827	75,827
Amounts Available for Appropriation	-	-	76,108	76,108
Charges to Appropriations (outflows):				
Capital Projects:				
Streets	-	-	200	(200)
Total Expenditures	-	-	200	(200)
Total Charges to Appropriations	-	-	200	(200)
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ 75,908	\$ 75,908

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Public Safety Tax Special Revenue Fund
 For the Year Ended June 30, 2011

	<u>Budget</u>		Actual <u>Amounts</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 233,822	\$ 233,822	\$ 327,448	\$ 93,626
Resources (inflows):				
Taxes				
Public Safety Sales Tax	3,459,800	3,459,800	3,525,292	65,492
Charges for Services	-	-	9,232	
Use of Money and Property				
Interest	-	-	6,933	6,933
Total Revenues	<u>3,459,800</u>	<u>3,459,800</u>	<u>3,541,457</u>	<u>72,425</u>
Amounts Available for Appropriation	<u>3,693,622</u>	<u>3,693,622</u>	<u>3,868,905</u>	<u>175,283</u>
Charges to Appropriations (outflows):				
Current:				
Public Safety				
Police Support Services	<u>65,528</u>	<u>65,528</u>	<u>65,374</u>	<u>154</u>
Total Expenditures	<u>65,528</u>	<u>65,528</u>	<u>65,374</u>	<u>154</u>
Transfers Out	<u>3,156,522</u>	<u>3,156,522</u>	<u>2,929,674</u>	<u>226,848</u>
Total Charges to Appropriations	<u>3,222,050</u>	<u>3,222,050</u>	<u>2,995,048</u>	<u>227,002</u>
Budgetary Fund Balance, June 30	<u>\$ 471,572</u>	<u>\$ 471,572</u>	<u>\$ 873,857</u>	<u>\$ 402,285</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Radio Communication Special Revenue Fund
 For the Year Ended June 30, 2011

	<u>Budget</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	Final Budget Positive (Negative)
Budgetary Fund Balance, July 1	\$ 548,077	\$ 548,077	\$ 770,595	\$ 222,518
Resources (inflows):				
Charges for Service				
Radio Equipment Fees	298,200	298,200	1,084,874	786,674
Use of Money and Property				
Interest	4,000	4,000	3,897	(103)
Miscellaneous				
Other	-	-	598	598
Total Revenues	<u>302,200</u>	<u>302,200</u>	<u>1,089,369</u>	<u>787,169</u>
Transfers In	<u>130,200</u>	<u>260,400</u>	<u>143,250</u>	<u>(117,150)</u>
Amounts Available for Appropriation	<u>980,477</u>	<u>1,110,677</u>	<u>2,003,214</u>	<u>892,537</u>
Charges to Appropriations (outflows):				
Current:				
Environmental Health				
Radio Communications	399,383	399,383	697,819	(298,436)
Capital Outlay	<u>500,000</u>	<u>500,000</u>	<u>496,126</u>	<u>3,874</u>
Total Expenditures	<u>899,383</u>	<u>899,383</u>	<u>1,193,945</u>	<u>(294,562)</u>
Total Charges to Appropriations	<u>899,383</u>	<u>899,383</u>	<u>1,193,945</u>	<u>(294,562)</u>
Budgetary Fund Balance, June 30	<u>\$ 81,094</u>	<u>\$ 211,294</u>	<u>\$ 809,269</u>	<u>\$ 597,975</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Recreation Complex Special Revenue Fund
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,466,360	\$ 1,466,360	\$ 1,608,111	\$ 141,751
Resources (inflows):				
Use of Money and Property				
Rents and Concessions	444,800	444,800	507,849	63,049
Interest	4,000	4,000	8,969	4,969
Miscellaneous				
Other	4,020	4,020	5,716	1,696
Total Revenues	<u>452,820</u>	<u>452,820</u>	<u>522,534</u>	<u>69,714</u>
Transfers In	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>
Amounts Available for Appropriation	<u>3,419,180</u>	<u>3,419,180</u>	<u>3,630,645</u>	<u>211,465</u>
Charges to Appropriations (outflows):				
Current:				
Parks, Recreation and Culture				
Civic and Convention Center	1,187,849	1,187,849	1,193,792	(5,943)
Baseball Complex	559,495	559,495	509,167	50,328
Facilities Maintenance	-	-	2,412	(2,412)
Capital Outlay	<u>-</u>	<u>-</u>	<u>51,887</u>	<u>(51,887)</u>
Total Expenditures	<u>1,747,344</u>	<u>1,747,344</u>	<u>1,757,258</u>	<u>(9,914)</u>
Total Charges to Appropriations	<u>1,747,344</u>	<u>1,747,344</u>	<u>1,757,258</u>	<u>(9,914)</u>
Budgetary Fund Balance, June 30	<u>\$ 1,671,836</u>	<u>\$ 1,671,836</u>	<u>\$ 1,873,387</u>	<u>\$ 201,551</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Two Percent Tax Special Revenue Fund
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive
	Original	Final		(Negative)
Budgetary Fund Balance, July 1	\$ 2,343,400	\$ 2,343,400	\$ 2,255,328	\$ (88,072)
Resources (inflows):				
Taxes				
Two Percent Tax	4,244,635	4,244,635	4,425,556	180,921
Use of Money and Property				
Interest	-	-	9,477	9,477
Miscellaneous				
Other	-	-	274,299	274,299
Total Revenues	4,244,635	4,244,635	4,709,332	464,697
Amounts Available for Appropriation	6,588,035	6,588,035	6,964,660	376,625
Charges to Appropriations (outflows):				
Current:				
Parks, Recreation and Culture				
Administration	63,553	63,553	64,427	(874)
Outside Agencies	912,500	912,500	918,083	(5,583)
Art Center	756,692	756,692	745,961	10,731
Facilities Maintenance	-	-	585	(585)
Community Design and Development	-	-	725	(725)
Capital Projects:				
General Government	190,000	140,760	44,797	95,963
Parks, Recreation and Culture	1,492,000	1,547,018	144,007	1,403,011
Streets	172,000	166,222	119,205	47,017
Total Expenditures	3,586,745	3,586,745	2,037,790	1,548,955
Transfers Out	1,940,200	1,940,200	2,071,931	(131,731)
Total Charges to Appropriations	5,526,945	5,526,945	4,109,721	1,417,224
Budgetary Fund Balance, June 30	\$ 1,061,090	\$ 1,061,090	\$ 2,854,939	\$ 1,793,849

City of Yuma, Arizona
Budgetary Comparison Schedule
Yuma Mall Maintenance Special Revenue Fund
For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ 2,762	\$ -
Resources (inflows):				
Taxes				
Mall Assessments	110,000	110,000	170,807	60,807
Property Tax - Delinquent	-	-	48,118	48,118
Total Taxes	<u>110,000</u>	<u>110,000</u>	<u>218,925</u>	<u>108,925</u>
Miscellaneous				
Other	<u>1,500</u>	<u>1,500</u>	<u>5,003</u>	<u>3,503</u>
Total Revenues	<u>111,500</u>	<u>111,500</u>	<u>223,928</u>	<u>112,428</u>
Transfers In	<u>120,863</u>	<u>120,863</u>	<u>120,863</u>	<u>-</u>
Amounts Available for Appropriation	<u>232,363</u>	<u>232,363</u>	<u>347,553</u>	<u>115,190</u>
Charges to Appropriations (outflows):				
Current:				
Community Design and Development				
Mall Maintenance	<u>232,363</u>	<u>232,363</u>	<u>223,272</u>	<u>9,091</u>
Total Expenditures	<u>232,363</u>	<u>232,363</u>	<u>223,272</u>	<u>9,091</u>
Total Charges to Appropriations	<u>232,363</u>	<u>232,363</u>	<u>223,272</u>	<u>9,091</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,281</u>	<u>\$ 124,281</u>



NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for activities that are financed and operated in a manner similar to private businesses. The intent of the City Council is that the costs of providing the goods or services be recovered primarily through user charges. Enterprise funds are designed so that creditors, legislators and the general public can evaluate the performance of the municipal enterprise on the same basis as commercial enterprises in the same industry.

Solid Waste To record the financial activities of the city-owned and operated residential garbage collection service.

Desert Hills Golf Course To account for the financial activity of the operation of the Desert Hills Municipal Golf Course.

Arroyo Dunes Golf Course To account for the financial activity of the operation of the Arroyo Dunes Municipal Golf Course.

City of Yuma, Arizona
Combining Statement of Net Assets
Nonmajor Proprietary Funds
June 30, 2011

<u>Assets</u>	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Desert Hills Golf Course	Arroyo Dunes Golf Course	
Current Assets:				
Cash and Investments	\$ 289,995	\$ 349,167	\$ 179,557	\$ 818,719
Receivables, Net of Allowance for Uncollectibles:				
Accounts Receivable	432,398	4,236	-	436,634
Intergovernmental	16	332	-	348
Accrued Interest	39	63	105	207
Inventory, at cost	-	69,767	3,384	73,151
Prepaid Expenses	50	508	-	558
Total Current Assets	<u>722,498</u>	<u>424,073</u>	<u>183,046</u>	<u>1,329,617</u>
Noncurrent Assets:				
Capital Assets:				
Buildings	-	3,102,865	-	3,102,865
Improvements Other than Buildings	50,738	2,370,096	645,571	3,066,405
Equipment	<u>331,523</u>	<u>307,034</u>	<u>21,866</u>	<u>660,423</u>
Gross Capital Assets	382,261	5,779,995	667,437	6,829,693
Less Accumulated Depreciation	<u>(181,382)</u>	<u>(3,713,953)</u>	<u>(589,823)</u>	<u>(4,485,158)</u>
Capital Assets Net of Depreciation	<u>200,879</u>	<u>2,066,042</u>	<u>77,614</u>	<u>2,344,535</u>
Total Noncurrent Assets	<u>200,879</u>	<u>2,066,042</u>	<u>77,614</u>	<u>2,344,535</u>
Total Assets	<u>923,377</u>	<u>2,490,115</u>	<u>260,660</u>	<u>3,674,152</u>
Liabilities				
Current Liabilities:				
Accounts Payable	87,639	11,573	685	99,897
Accrued Payroll and Related Taxes	40,265	42,957	3,171	86,393
Current Portion-Accrued Compensated Absences	23,892	24,272	804	48,968
Unearned Revenue	-	58,717	-	58,717
Total Current Liabilities Payable from Current Assets	<u>151,796</u>	<u>137,519</u>	<u>4,660</u>	<u>293,975</u>
Noncurrent Liabilities:				
Accrued Compensated Absences	<u>79,872</u>	<u>54,460</u>	<u>4,085</u>	<u>138,417</u>
Total Long-Term Liabilities	<u>79,872</u>	<u>54,460</u>	<u>4,085</u>	<u>138,417</u>
Total Liabilities	<u>231,668</u>	<u>191,979</u>	<u>8,745</u>	<u>432,392</u>
Net Assets				
Invested in capital assets	200,879	2,066,042	77,614	2,344,535
Unrestricted	<u>490,830</u>	<u>232,094</u>	<u>174,301</u>	<u>897,225</u>
Total Net Assets	<u>\$ 691,709</u>	<u>\$ 2,298,136</u>	<u>\$ 251,915</u>	<u>\$ 3,241,760</u>

City of Yuma, Arizona
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Nonmajor Proprietary Funds
For the Year Ended June 30, 2011

	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Desert Hills Golf Course	Arroyo Dunes Golf Course	
Operating Revenues:				
Charges for Services	\$ 3,146,724	\$ -	\$ -	\$ 3,146,724
Green Fees	-	960,500	198,855	1,159,355
Cart and Club Rental	-	327,303	7,923	335,226
Pro Shop Sales	-	203,029	1,205	204,234
Restaurant Sales	-	526,187	-	526,187
Total Operating Revenues	<u>3,146,724</u>	<u>2,017,019</u>	<u>207,983</u>	<u>5,371,726</u>
Operating Expenses:				
Operations and Maintenance	2,629,913	1,883,817	217,975	4,731,705
Depreciation and Amortization	44,338	188,404	28,469	261,211
Total Operating Expenses	<u>2,674,251</u>	<u>2,072,221</u>	<u>246,444</u>	<u>4,992,916</u>
Operating Income/(Loss)	<u>472,473</u>	<u>(55,202)</u>	<u>(38,461)</u>	<u>378,810</u>
Non-Operating Revenues/(Expenses):				
Interest	319	649	732	1,700
Miscellaneous Revenues	5,187	347	885	6,419
Net Non-Operating Revenues	<u>5,506</u>	<u>996</u>	<u>1,617</u>	<u>8,119</u>
Income/(Loss) before Contributions and Transfers	477,979	(54,206)	(36,844)	386,929
Transfers Out	<u>(31,487)</u>	<u>-</u>	<u>-</u>	<u>(31,487)</u>
Change in Net Assets	446,492	(54,206)	(36,844)	355,442
Net Assets-beginning (restated)	<u>245,217</u>	<u>2,352,342</u>	<u>288,759</u>	<u>2,886,318</u>
Net Assets-ending	<u>\$ 691,709</u>	<u>\$ 2,298,136</u>	<u>\$ 251,915</u>	<u>\$ 3,241,760</u>

City of Yuma, Arizona
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended June 30, 2011

	Enterprise Funds			Total Nonmajor Proprietary Funds
	Solid Waste	Desert Hills Golf Course	Arroyo Dunes Golf Course	
Cash Flow from Operating Activities:				
Cash Received from Customers	\$ 3,006,534	\$ 2,015,800	\$ 207,982	\$ 5,230,316
Cash Paid to Employees	(754,268)	(775,863)	(91,673)	(1,621,804)
Cash Paid to Suppliers	(1,936,251)	(1,092,438)	(137,450)	(3,166,139)
Other Operating Activity Revenue	5,187	996	886	7,069
Net Cash Provided by Operating Activities	<u>321,202</u>	<u>148,495</u>	<u>(20,255)</u>	<u>449,442</u>
Cash Flows from Noncapital Financing Activities:				
Cash Paid to Other Funds	<u>(31,487)</u>	<u>-</u>	<u>-</u>	<u>(31,487)</u>
Net Cash Provided (Used for) Noncapital Financing Activities	<u>(31,487)</u>	<u>-</u>	<u>-</u>	<u>(31,487)</u>
Cash Flows from Investing Activities:				
Receipt of Interest	<u>280</u>	<u>(63)</u>	<u>930</u>	<u>1,147</u>
Net Cash Provided by Investing Activities	<u>280</u>	<u>(63)</u>	<u>930</u>	<u>1,147</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	289,995	148,432	(19,325)	419,102
Cash and Cash Equivalents, July 1	<u>-</u>	<u>200,735</u>	<u>198,882</u>	<u>399,617</u>
Cash and Cash Equivalents, June 30	<u>\$ 289,995</u>	<u>\$ 349,167</u>	<u>\$ 179,557</u>	<u>\$ 818,719</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities:				
Operating (Loss)	\$ 472,473	\$ (55,202)	\$ (38,461)	\$ 378,810
Adjustments to Reconcile Operating Income/(Loss)				
Depreciation and Amortization Expense	44,338	188,404	28,469	261,211
(Increase)Decrease in Accounts Receivables	(140,190)	(2,069)	-	(142,259)
(Increase)/Decrease in Inventories	-	11,856	(1,966)	9,890
(Increase)Decrease in Prepaid Items	(50)	1,691	-	1,641
Increase/(Decrease) in Accounts Payable	(2,536)	(9,390)	(2,916)	(14,842)
Increase(decrease) in Accrued Wages and Taxes Payable	88,782	11,361	(6,267)	93,876
Increase(Decrease) in Due from Other Gov't Units	-	82	-	82
Increase(Decrease) in Due to Other Funds	(146,802)	-	-	(146,802)
Increase(decrease) in Unearned Revenue	-	766	-	766
Other Operating Activity Revenue	5,187	996	886	7,069
Total Adjustments	<u>(151,271)</u>	<u>203,697</u>	<u>18,206</u>	<u>70,632</u>
Net Cash Provided by Operating Activities	<u>\$ 321,202</u>	<u>\$ 148,495</u>	<u>\$ (20,255)</u>	<u>\$ 449,442</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Water Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
Resources (inflows):				
Inside City	\$ 20,262,350	\$ 20,262,350	\$ 19,316,590	\$ (945,760)
Outside City	2,707,840	2,707,840	2,281,147	(426,693)
Commercial Raw Water	250,000	250,000	178,014	(71,986)
Meters, Connections and Services	328,704	328,704	282,665	(46,039)
Capital Contributions:				
System Development	75,000	75,000	110,112	35,112
Capacity Rights	1,000,000	1,000,000	984,917	(15,083)
Interest	111,000	111,000	66,801	(44,199)
Miscellaneous	30,000	30,000	116,337	86,337
Total Revenues	24,764,894	24,764,894	23,336,583	(1,428,311)
Amounts Available for Appropriation	24,764,894	24,764,894	23,336,583	(1,428,311)
Charges to Appropriations (outflows):				
Current:				
Administration	2,477,381	2,477,381	2,430,693	46,688
Treatment	7,551,267	7,551,267	5,722,065	1,829,202
Water Transmission	1,420,409	1,420,409	1,444,058	(23,649)
Customer Services	1,293,806	1,293,806	1,250,257	43,549
Water Transfer	40,263	40,263	27,477	12,786
Laboratory	284,105	284,105	217,754	66,351
Capital Outlay:				
Capital Outlay	-	-	20,744	(20,744)
Capital Projects	12,183,500	12,183,500	1,855,959	10,327,541
Debt Service:				
Principal Retirement	5,891,378	5,891,378	5,961,390	(70,012)
Interest and Fiscal Agent Fees	5,867,575	5,867,575	5,837,012	30,563
Total Expenditures	37,009,684	37,009,684	24,767,409	12,242,275
Transfers Out	61,972	61,972	62,083	(111)
Total Charges to Appropriations	37,071,656	37,071,656	24,829,492	12,242,164
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	\$ (12,306,762)	\$ (12,306,762)	(1,492,909)	\$ 10,813,853
Reconciliation to Change in Net Assets:				
Capital Outlay			20,744	
Capital Projects			1,855,959	
Principal Retirement			5,961,390	
Capital Contributions for Developer Additions to System			410,638	
Amortization of Debt Issuance Costs			141,855	
Amortization of Bond Premium			(48,507)	
Depreciation and Amortization			(3,547,187)	
Change in Net Assets			\$ 3,301,983	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Wastewater Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Inside City	\$ 11,412,900	\$ 11,412,900	\$ 12,155,578	\$ 742,678
Outside City	868,350	868,350	837,211	(31,139)
Contractual/Industrial Services	1,297,000	1,297,000	1,860,730	563,730
Meters, Connections and Services	26,700	26,700	18,123	(8,577)
Capital Contributions:				
Capacity Rights	1,500,000	1,500,000	5,104,897	3,604,897
Wastewater Interceptor	115,000	115,000	378,888	263,888
Wastewater Trunk Line Charges	15,000	15,000	15,000	-
Interest	54,800	54,800	61,408	6,608
Miscellaneous	5,515,378	5,515,378	25,696	(5,489,682)
Total Revenues	<u>20,805,128</u>	<u>20,805,128</u>	<u>20,457,531</u>	<u>(347,597)</u>
Amounts Available for Appropriation	<u>20,805,128</u>	<u>20,805,128</u>	<u>20,457,531</u>	<u>(347,597)</u>
Charges to Appropriations (outflows):				
Current:				
Administration	1,397,978	1,397,978	1,375,189	22,789
Treatment	6,145,508	6,145,508	5,834,221	311,287
Pretreatment	413,383	413,383	392,110	21,273
Collection	967,125	967,125	883,190	83,935
Laboratory	298,244	298,244	199,450	98,794
Capital Outlay:				
Capital Projects	7,691,600	7,691,600	3,519,901	4,171,699
Debt Service:				
Principal Retirement	2,971,216	2,971,216	2,971,215	1
Interest and Fiscal Agent Fees	2,369,458	2,369,458	2,369,803	(345)
Total Expenditures	<u>22,254,512</u>	<u>22,254,512</u>	<u>17,545,079</u>	<u>4,709,433</u>
Transfers Out	23,915	23,915	32,454	(8,539)
Total Charges to Appropriations	<u>22,278,427</u>	<u>22,278,427</u>	<u>17,577,533</u>	<u>4,700,894</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ (1,473,299)</u>	<u>\$ (1,473,299)</u>	<u>2,879,998</u>	<u>\$ 4,353,297</u>
Reconciliation to Change in Net Assets:				
Capital Projects			3,519,901	
Principal Retirement			2,971,215	
Amortization of Debt Issuance Costs			36,259	
Capital Contributions for Subdivider Additions to System			386,162	
Depreciation and Amortization			<u>(2,687,909)</u>	
Change in Net Assets			<u>\$ 7,105,626</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Solid Waste Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Service				
Collection Fees	3,037,000	3,037,000	3,146,724	109,724
Interest	-	-	319	319
Miscellaneous				
Other	5,000	5,000	5,187	187
Total Revenues	3,042,000	3,042,000	3,152,230	110,230
Amounts Available for Appropriation	3,042,000	3,042,000	3,152,230	110,230
Charges to Appropriations (outflows):				
Current:				
Environmental Health and Protection				
Residential Services	2,389,528	2,389,528	2,232,000	157,528
Uncontained Waste	323,251	323,251	345,648	(22,397)
Recycling	66,670	66,670	52,265	14,405
Total Expenditures	2,779,449	2,779,449	2,629,913	149,536
Transfers Out	26,249	26,249	31,487	(5,238)
Total Charges to Appropriations	2,805,698	2,805,698	2,661,400	144,298
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	\$ 236,302	\$ 236,302	490,830	\$ 254,528
Reconciliation to Change in Net Assets:				
Depreciation and Amortization			(44,338)	
Change in Net Assets			\$ 446,492	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
Budgetary Comparison Schedule
Desert Hills Golf Course Enterprise Fund
(Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2011

	<u>Budget</u>		<u>Actual</u> <u>Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Resources (inflows):				
Green Fees	\$ 962,598	\$ 962,598	\$ 960,500	\$ (2,098)
Cart and Club Rental	352,727	352,727	327,303	(25,424)
Pro Shop Sales	239,935	239,935	203,029	(36,906)
Restaurant Sales	613,647	613,647	526,187	(87,460)
Interest	-	-	649	649
Miscellaneous	-	-	347	347
Total Revenues	<u>2,168,907</u>	<u>2,168,907</u>	<u>2,018,015</u>	<u>(150,892)</u>
Amounts Available for Appropriation	<u>2,168,907</u>	<u>2,168,907</u>	<u>2,018,015</u>	<u>(150,892)</u>
Charges to Appropriations (outflows):				
Current:				
Maintenance	979,090	979,090	887,209	91,881
Concession	421,632	421,632	488,986	(67,354)
Restaurant	<u>546,867</u>	<u>546,867</u>	<u>507,622</u>	<u>39,245</u>
Total Expenditures	<u>1,947,589</u>	<u>1,947,589</u>	<u>1,883,817</u>	<u>63,772</u>
Total Charges to Appropriations	<u>1,947,589</u>	<u>1,947,589</u>	<u>1,883,817</u>	<u>63,772</u>
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	<u>\$ 221,318</u>	<u>\$ 221,318</u>	<u>134,198</u>	<u>\$ (87,120)</u>
Reconciliation to Change in Net Assets:				
Depreciation and Amortization			<u>(188,404)</u>	
Change in Net Assets			<u>\$ (54,206)</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Arroyo Dunes Golf Course Enterprise Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
Resources (inflows):				
Green Fees	\$ 272,517	\$ 272,517	\$ 198,855	\$ (73,662)
Cart and Club Rental	11,108	11,108	7,923	(3,185)
Pro Shop Sales	1,744	1,744	1,205	(539)
Interest	750	750	732	(18)
Miscellaneous	-	-	885	885
Total Revenues	286,119	286,119	209,600	(76,519)
Amounts Available for Appropriation	286,119	286,119	209,600	(76,519)
Charges to Appropriations (outflows):				
Current:				
Maintenance	212,096	212,096	192,388	19,708
Concession	39,402	39,402	25,587	13,815
Total Expenditures	251,498	251,498	217,975	33,523
Total Charges to Appropriations	251,498	251,498	217,975	33,523
Excess/(Deficiency) of Resources				
Over Charges to Appropriations	\$ 34,621	\$ 34,621	(8,375)	\$ (42,996)
Reconciliation to Change in Net Assets:				
Depreciation and Amortization			(28,469)	
Change in Net Assets			\$ (36,844)	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments of the City and to other governmental units, on a cost-reimbursement basis.

Equipment Replacement To account for the associated costs of purchasing vehicles and equipment for rental to other departments.

Equipment Maintenance To record the financial activity of fleet maintenance operations.

Insurance Reserve To record the financial activity related to insurance and risk retention for liability and casualty issues.

Employee Benefits Trust To record the financial activity of a self-funded insurance trust fund that covers eligible employees and dependent health, life, and dental claims.

Workers Compensation To record the financial activity of a self-funded worker's compensation insurance trust fund.

City of Yuma, Arizona
Combining Statement of Net Assets
Internal Service Funds
June 30, 2011

<u>Assets</u>	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Current Assets:						
Cash and Investments	\$ 15,710,646	\$ 182,656	\$ 39,951	\$ 358,154	\$ 1,163,874	\$ 17,455,281
Accounts Receivable	-	12,912	41,664	-	5,481	60,057
Intergovernmental Receivable	-	52	-	-	-	52
Accrued Interest	9,064	211	411	231	-	9,917
Inventory, at cost	-	579,142	-	-	-	579,142
Prepaid Items	-	-	549,219	-	-	549,219
Total Current Assets	<u>15,719,710</u>	<u>774,973</u>	<u>631,245</u>	<u>358,385</u>	<u>1,169,355</u>	<u>18,653,668</u>
Noncurrent Assets:						
Capital Assets:						
Land	-	219,610	-	-	-	219,610
Buildings	-	19,251	-	-	-	19,251
Improvements Other than Buildings	-	189,631	-	-	-	189,631
Equipment	27,089,790	205,484	-	-	-	27,295,274
Less Accumulated Depreciation	<u>(18,695,829)</u>	<u>(154,070)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,849,899)</u>
Total Noncurrent Assets	<u>8,393,961</u>	<u>479,906</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,873,867</u>
Total Assets	<u>24,113,671</u>	<u>1,254,879</u>	<u>631,245</u>	<u>358,385</u>	<u>1,169,355</u>	<u>27,527,535</u>
<u>Liabilities</u>						
Liabilities:						
Current Liabilities:						
Accounts Payable	8,154	2,524	195,374	127	-	206,179
Accrued Payroll, Taxes and Benefits Payable	-	54,212	3,510	-	-	57,722
Current Portion-Accrued Compensated Absences	-	29,104	2,434	-	-	31,538
Estimated Claims and Judgements	-	-	60,112	-	998,021	1,058,133
Due to Other Funds	-	396,483	-	-	270,000	666,483
Total Current Liabilities Payable	<u>8,154</u>	<u>482,323</u>	<u>261,430</u>	<u>127</u>	<u>1,268,021</u>	<u>2,020,055</u>
Noncurrent Liabilities:						
Accrued Compensated Absences	-	67,146	495	-	-	67,641
Total Long-Term Liabilities	<u>-</u>	<u>67,146</u>	<u>495</u>	<u>-</u>	<u>-</u>	<u>67,641</u>
Total Liabilities	<u>8,154</u>	<u>549,469</u>	<u>261,925</u>	<u>127</u>	<u>1,268,021</u>	<u>2,087,696</u>
<u>Net Assets</u>						
Invested in capital assets, net of related debt	8,393,961	479,906	-	-	-	8,873,867
Unrestricted	<u>15,711,556</u>	<u>225,504</u>	<u>369,320</u>	<u>358,258</u>	<u>(98,666)</u>	<u>16,565,972</u>
Total Net Assets	<u>\$ 24,105,517</u>	<u>\$ 705,410</u>	<u>\$ 369,320</u>	<u>\$ 358,258</u>	<u>\$ (98,666)</u>	<u>\$ 25,439,839</u>

City of Yuma, Arizona
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended June 30, 2011

	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Operating Revenues:						
Charges For Services	\$ -	\$ 3,253,989	\$ 1,909,821	\$ -	\$ -	\$ 5,163,810
Contributions						
City	-	-	-	-	788,192	788,192
Property Damage Restitution	-	-	10,239	-	-	10,239
Miscellaneous	8,083	7,281	102,974	2,924	24,646	145,908
Total Operating Revenues	<u>8,083</u>	<u>3,261,270</u>	<u>2,023,034</u>	<u>2,924</u>	<u>812,838</u>	<u>6,108,149</u>
Operating Expenses:						
Claims Incurred	-	-	425,537	-	564,150	989,687
Premiums to Insurance Carriers	-	-	519,705	58,500	132,959	711,164
Administration	9,720	3,430,077	1,653,401	8,609	35,458	5,137,265
Depreciation	2,190,279	23,156	-	-	-	2,213,435
Total Operating Expenses	<u>2,199,999</u>	<u>3,453,233</u>	<u>2,598,643</u>	<u>67,109</u>	<u>732,567</u>	<u>9,051,551</u>
Operating Income/(Loss)	<u>(2,191,916)</u>	<u>(191,963)</u>	<u>(575,609)</u>	<u>(64,185)</u>	<u>80,271</u>	<u>(2,943,402)</u>
Non-Operating Revenue/(Expenses):						
Interest	64,009	1,428	1,383	1,486	144	68,450
Gain on the Sale of Assets	68,588	-	-	-	-	68,588
Total Non-Operating Revenues	<u>132,597</u>	<u>1,428</u>	<u>1,383</u>	<u>1,486</u>	<u>144</u>	<u>137,038</u>
Income/(Loss) before Operating Transfers	(2,059,319)	(190,535)	(574,226)	(62,699)	80,415	(2,806,364)
Operating Transfers:						
Transfers Out	-	(900)	-	-	-	(900)
Net Operating Transfers	-	(900)	-	-	-	(900)
Change in Net Assets	(2,059,319)	(191,435)	(574,226)	(62,699)	80,415	(2,807,264)
Net Assets, Beginning	<u>26,164,836</u>	<u>896,845</u>	<u>943,546</u>	<u>420,957</u>	<u>(179,081)</u>	<u>28,247,103</u>
Net Assets, Ending	<u>\$ 24,105,517</u>	<u>\$ 705,410</u>	<u>\$ 369,320</u>	<u>\$ 358,258</u>	<u>\$ (98,666)</u>	<u>\$ 25,439,839</u>

City of Yuma, Arizona
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2011

	Equipment Replacement	Equipment Maintenance	Insurance Reserve	Employee Benefits Trust	Workers Compensation	Totals
Cash Flows from Operating Activities:						
Cash Received from Customers	\$ -	\$ 3,281,674	\$ 2,020,724	\$ 2,924	\$ 810,634	\$ 6,115,956
Cash Paid to Employees	-	(1,026,111)	-	-	-	(1,026,111)
Cash Paid to Suppliers	-	(2,393,531)	-	(67,145)	-	(2,460,676)
Cash Paid For Operating Expenses	(1,635)	(207,954)	(3,380,754)	-	(751,893)	(4,342,236)
Net Cash Flows Provided by/(Used for) Operating Activities	(1,635)	(345,922)	(1,360,030)	(64,221)	58,741	(1,713,067)
Cash Flows from Noncapital Financing Activities:						
Cash Paid to Other Funds	-	(900)	-	-	-	(900)
Net Cash Flows Provided by/(Used for) Noncapital Financing Activities	-	(900)	-	-	-	(900)
Cash Flows from Capital and Related Financing Activities:						
Proceeds from Sale of Capital Assets	68,588	-	-	-	-	68,588
Payments for Capital Acquisitions	(763,550)	-	-	-	-	(763,550)
Net Cash Flows Used for Capital and Related Financing Activities	(694,962)	-	-	-	-	(694,962)
Cash Flows from Investing Activities						
Receipt of Interest	79,000	1,834	3,676	2,015	225	86,750
Net Cash Flows Provided by Investing Activities	79,000	1,834	3,676	2,015	225	86,750
Net Increase/(Decrease) in Cash and Cash Equivalents	(617,597)	(344,988)	(1,356,354)	(62,206)	58,966	(2,322,179)
Cash and Cash Equivalents, July 1, 2010	16,328,243	527,644	1,396,305	420,360	1,104,908	19,777,460
Cash and Cash Equivalents, June 30, 2011	<u>\$ 15,710,646</u>	<u>\$ 182,656</u>	<u>\$ 39,951</u>	<u>\$ 358,154</u>	<u>\$ 1,163,874</u>	<u>\$ 17,455,281</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:						
Operating Income/(Loss)	\$ (2,191,916)	\$ (191,963)	\$ (575,609)	\$ (64,185)	\$ 80,271	\$ (2,943,402)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:						
Depreciation Expense	2,190,281	23,156	-	-	-	2,213,437
(Increase)/Decrease in Accounts Receivable	-	(78,713)	(2,309)	-	(2,430)	(83,452)
(Increase)/Decrease in Inventory	-	(80,057)	-	-	-	(80,057)
(Increase)/Decrease in Prepaid Items	-	225	(546,480)	-	-	(546,255)
Increase/(Decrease) in Accounts Payable	-	(29,001)	(254,125)	(36)	-	(283,162)
Increase/(Decrease) in Payroll Liabilities	-	10,431	6,439	-	-	16,870
Increase/(Decrease) in Claims Incurred but Not Reported	-	-	12,054	-	(19,100)	(7,046)
Total Adjustments	2,190,281	(153,959)	(784,421)	(36)	(21,530)	1,230,335
Net Cash Provided by/(Used for) Operating Activities	<u>\$ (1,635)</u>	<u>\$ (345,922)</u>	<u>\$ (1,360,030)</u>	<u>\$ (64,221)</u>	<u>\$ 58,741</u>	<u>\$ (1,713,067)</u>

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Equipment Replacement Internal Service Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	(Negative)
Resources (inflows):				
Interest	\$ 200,000	\$ 200,000	\$ 64,009	\$ (135,991)
Miscellaneous	-	-	8,083	8,083
Total Revenues	200,000	200,000	72,092	(127,908)
Amounts Available for Appropriation	200,000	200,000	72,092	(127,908)
Charges to Appropriations (outflows):				
Current				
Administration	9,718	9,718	9,720	(2)
Capital Outlay	2,750,000	2,750,000	748,330	2,001,670
Total Expenditures	2,759,718	2,759,718	758,050	2,001,668
Total Charges to Appropriations	2,759,718	2,759,718	758,050	2,001,668
Excess of Resources Over				
Charges to Appropriations	\$ (2,559,718)	\$ (2,559,718)	(685,958)	\$ 1,873,760
Reconciliation to Change in Net Assets:				
Capital Outlay			748,330	
Gain on Sale of Assets			68,588	
Depreciation and Amortization			(2,190,279)	
Change in Net Assets			\$ (2,059,319)	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Equipment Maintenance Internal Service Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual Amounts	Variance with Final Budget Positive
	Original	Final		(Negative)
Resources (inflows):				
Charges for Services	\$ 3,076,830	\$ 3,076,830	\$ 3,253,989	\$ 177,159
Miscellaneous	-	-	7,281	7,281
Interest	-	-	1,428	1,428
Total Revenues	<u>3,076,830</u>	<u>3,076,830</u>	<u>3,262,698</u>	<u>185,868</u>
Amounts Available for Appropriation	<u>3,076,830</u>	<u>3,076,830</u>	<u>3,262,698</u>	<u>185,868</u>
Charges to Appropriations (outflows):				
Current				
Administration	<u>3,351,835</u>	<u>3,351,835</u>	<u>3,430,077</u>	<u>(78,242)</u>
Total Expenditures	<u>3,351,835</u>	<u>3,351,835</u>	<u>3,430,077</u>	<u>(78,242)</u>
Transfers Out	<u>900</u>	<u>900</u>	<u>900</u>	<u>-</u>
Total Charges to Appropriations	<u>3,352,735</u>	<u>3,352,735</u>	<u>3,430,977</u>	<u>(78,242)</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ (275,905)</u>	<u>\$ (275,905)</u>	<u>(168,279)</u>	<u>\$ 107,626</u>
Reconciliation to Change in Net Assets:				
Depreciation and Amortization			<u>(23,156)</u>	
Change in Net Assets			<u>\$ (191,435)</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.

City of Yuma, Arizona
 Budgetary Comparison Schedule
 Insurance Reserve Internal Service Fund
 (Non-GAAP Budgetary Basis)
 For the Year Ended June 30, 2011

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	(Negative)
Resources (inflows):				
Charges for Services	\$ 1,909,820	\$ 1,909,820	\$ 1,909,821	\$ 1
Property Damage Restitution	2,500	2,500	10,239	7,739
Miscellaneous	25,000	25,000	102,974	77,974
Interest	<u>5,000</u>	<u>5,000</u>	<u>1,383</u>	<u>(3,617)</u>
Total Revenues	<u>1,942,320</u>	<u>1,942,320</u>	<u>2,024,417</u>	<u>82,097</u>
Amounts Available for Appropriation	<u>1,942,320</u>	<u>1,942,320</u>	<u>2,024,417</u>	<u>82,097</u>
Charges to Appropriations (outflows):				
Current				
Premiums to Insurance Carriers	585,116	585,116	519,705	65,411
Claims Incurred	545,000	545,000	425,537	119,463
Administration	<u>1,003,005</u>	<u>1,003,005</u>	<u>1,653,401</u>	<u>(650,396)</u>
Total Expenditures	<u>2,133,121</u>	<u>2,133,121</u>	<u>2,598,643</u>	<u>(465,522)</u>
Total Charges to Appropriations	<u>2,133,121</u>	<u>2,133,121</u>	<u>2,598,643</u>	<u>(465,522)</u>
Excess of Resources Over				
Charges to Appropriations	<u>\$ (190,801)</u>	<u>\$ (190,801)</u>	<u>\$ (574,226)</u>	<u>\$ (383,425)</u>
Reconciliation to Change in Net Assets:				
Change in Net Assets			<u>\$ (574,226)</u>	

NOTE: This exhibit is prepared on the modified accrual basis to correspond with the City's budget practices. It is not intended to present the operations in accordance with generally accepted accounting principles.



STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Yuma's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial condition.

Contents	Page
Financial Trends	106
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	114
These schedules contain information to help the reader assess the City's most significant local revenue source - sales tax.	
Debt Capacity	116
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.	
Demographic and Economic Information	122
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	124
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.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the respective year.

City of Yuma, Arizona

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities										
Invested in capital assets, net of related debt	\$ 69,300	\$ 81,689	\$ 95,005	\$ 111,268	\$ 130,176	\$ 160,214	\$ 169,403	\$ 129,228	\$ 192,145	\$ 196,837
Restricted	1,484	-	-	330	24,820	12,991	17,952	70,389	14,762	15,773
Unrestricted	44,208	50,234	55,748	57,707	42,605	43,638	45,354	38,439	40,261	44,357
Total governmental activities net assets	\$ 114,993	\$ 131,922	\$ 150,752	\$ 169,305	\$ 197,601	\$ 216,844	\$ 232,709	\$ 238,056	\$ 247,168	\$ 256,967
Business-type activities										
Invested in capital assets, net of related debt	\$ 80,224	\$ 85,380	\$ 86,266	\$ 105,944	\$ 119,734	\$ 154,054	\$ 151,032	\$ 158,367	\$ 160,883	\$ 166,782
Restricted	-	-	-	-	-	-	151	1,952	3,754	5,556
Unrestricted	23,251	22,511	31,537	27,122	26,569	7,587	24,079	27,344	29,027	31,699
Total business-type activities net assets	\$ 103,475	\$ 107,891	\$ 117,803	\$ 133,067	\$ 146,303	\$ 161,641	\$ 175,262	\$ 187,663	\$ 193,664	\$ 204,037
Primary government										
Invested in capital assets, net of related debt	\$ 149,524	\$ 167,069	\$ 181,271	\$ 217,212	\$ 249,910	\$ 314,268	\$ 320,435	\$ 287,595	\$ 353,028	\$ 363,619
Restricted	1,484	-	-	330	24,820	12,991	18,103	72,341	18,516	21,329
Unrestricted	67,460	72,744	87,284	84,829	69,174	51,225	69,433	65,783	69,288	76,056
Total primary government net assets	\$ 218,468	\$ 239,813	\$ 268,555	\$ 302,372	\$ 343,904	\$ 378,485	\$ 407,971	\$ 425,719	\$ 440,832	\$ 461,004

City of Yuma, Arizona

Changes in Net Assets
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses										
Governmental activities:										
General government	\$ 3,478	\$ 6,950	\$ 7,059	\$ 7,117	\$ 9,124	\$ 10,919	\$ 11,875	\$ 11,559	\$ 10,563	\$ 9,684
Public Safety	23,567	25,455	26,988	30,707	33,057	36,067	38,511	41,080	39,224	40,232
Streets	9,098	7,944	8,654	9,061	12,326	13,384	18,943	15,966	13,969	14,536
Parks, Recreation and Culture	8,526	8,862	9,475	9,841	12,173	15,400	14,353	16,282	13,863	13,804
Environmental Health and Protection	3,251	2,936	2,994	3,608	3,410	2,098	4,604	4,969	4,905	1,538
Community Design and Development	5,246	6,369	5,551	5,438	6,529	6,791	5,807	5,486	4,981	5,007
Interest on Long-Term Debt	3,227	2,878	2,972	3,042	2,899	2,948	5,331	6,592	6,291	5,803
Total governmental activities expenses	56,393	61,393	63,692	68,815	79,519	87,606	99,424	101,934	93,796	90,604
Business-type activities:										
Water	9,836	10,326	10,884	11,456	13,010	14,562	18,389	20,754	20,277	20,555
Wastewater	6,484	7,024	7,341	8,750	10,403	11,538	13,270	13,859	13,673	13,882
Solid Waste	-	-	-	-	-	-	-	-	-	2,902
Golf Courses	2,490	2,524	2,493	2,514	2,641	2,676	2,889	2,819	2,496	2,377
Total business-type activities expenses	18,810	19,874	20,719	22,720	26,053	28,777	34,548	37,432	36,446	39,716
Total primary government expenses	\$ 75,204	\$ 81,267	\$ 84,411	\$ 91,536	\$ 105,572	\$ 116,383	\$ 133,971	\$ 139,366	\$ 130,242	\$ 130,320
Program Revenues										
Governmental activities:										
Charges for Services										
Building Inspection Fees	\$ 356	\$ 612	\$ 926	\$ 1,023	\$ 1,019	\$ 985	\$ 710	\$ 390	\$ 384	\$ 333
Police Services	460	644	488	605	698	805	764	865	821	471
Other Charges	4,735	5,709	7,374	8,768	8,968	8,407	8,916	7,607	7,491	6,936
Developer Charges	545	129	365	3,995	3,520	4,517	6,657	4,911	2,674	4,369
Operating Grants and Contributions	2,795	3,684	3,290	3,568	2,840	2,661	2,294	1,807	3,659	4,968
Capital Grants and Contributions	1,650	1,398	3,703	1,747	5,679	5,341	5,000	4,783	5,944	3,245
Total governmental activities program revenues	10,539	12,175	16,145	19,705	22,723	22,718	24,342	20,363	20,973	20,322
Business-type activities:										
Charges for Services										
Metered Water Sales	8,821	9,458	10,481	12,297	14,797	17,522	21,027	22,463	21,651	21,598
Wastewater Charges	5,583	6,578	7,613	8,000	9,081	10,387	13,126	13,372	13,699	14,854
Solid Waste Charges	-	-	-	-	-	-	-	-	-	3,147
Green Fees and Concessions	2,123	1,937	1,992	1,994	2,191	2,189	2,140	2,027	1,964	1,890
Other Charges	681	890	1,023	1,221	1,393	1,390	1,181	1,098	1,041	961
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	6,260	5,439	8,923	11,657	11,025	11,249	8,874	9,924	3,969	7,391
Total business-type activities program revenues	23,468	24,302	30,032	35,169	38,487	42,736	46,348	48,884	42,324	49,841
Total primary government program revenues	\$ 34,008	\$ 36,477	\$ 46,177	\$ 54,874	\$ 61,210	\$ 65,454	\$ 70,690	\$ 69,247	\$ 63,297	\$ 70,163

Continued on next page

City of Yuma, Arizona

Changes in Net Assets
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net (expense)/revenue										
Governmental activities	\$ (45,854)	\$ (49,218)	\$ (47,547)	\$ (49,110)	\$ (56,795)	\$ (64,889)	\$ (75,082)	\$ (81,571)	\$ (72,823)	\$ (70,282)
Business-type activities	4,658	4,428	9,313	12,449	12,434	13,959	11,800	11,452	5,878	10,125
Total primary government net expense	\$ (41,196)	\$ (44,790)	\$ (38,234)	\$ (36,661)	\$ (44,361)	\$ (50,929)	\$ (63,281)	\$ (70,119)	\$ (66,945)	\$ (60,157)

General Revenues and Other Changes in Net Assets

Governmental activities:

Property taxes	\$ 5,338	\$ 5,678	\$ 5,953	\$ 6,076	\$ 6,832	\$ 7,430	\$ 8,250	\$ 8,856	\$ 9,498	\$ 9,986
Sales taxes	25,039	25,484	28,529	32,795	36,557	39,616	39,478	36,857	34,177	34,644
Franchise taxes	1,836	1,719	1,936	2,105	3,116	2,678	2,893	3,013	3,010	3,002
Shared revenues	23,258	24,225	24,021	25,462	28,226	30,558	32,788	31,330	28,239	25,379
Grants and contributions not restricted to specific programs	-	7,577	5,198	1,673	7,826	115	2,600	3,895	5,776	5,929
Unrestricted investment earnings	2,227	877	292	1,370	2,190	4,097	4,842	2,872	1,139	1,001
Gain from sale of fixed assets	-	-	920	307	348	-	-	-	-	259
Transfers	382	587	(473)	(2,124)	(4)	(363)	(96)	95	95	126
Total governmental activities	58,079	66,148	66,377	67,663	85,091	84,132	90,755	86,919	81,934	80,326
Business-type activities:										
Investment earnings	999	575	125	691	798	1,016	1,916	1,045	217	130
Special Item - Litigation	(1,220)	-	-	-	-	-	-	-	-	-
Transfers	(382)	(587)	473	2,124	4	363	96	(95)	(95)	(126)
Total business-type activities	(603)	(12)	599	2,815	802	1,379	2,012	950	122	4
Total primary government	\$ 57,476	\$ 66,136	\$ 66,976	\$ 70,478	\$ 85,894	\$ 85,511	\$ 92,767	\$ 87,869	\$ 82,056	\$ 80,330

Change in Net Assets

Governmental activities	\$ 12,225	\$ 16,930	\$ 18,830	\$ 18,553	\$ 28,296	\$ 19,243	\$ 15,865	\$ 5,347	\$ 9,112	\$ 10,044
Business-type activities	4,055	4,416	9,912	15,264	13,236	15,338	13,620	12,402	6,000	10,128
Total primary government	\$ 16,280	\$ 21,346	\$ 28,742	\$ 33,816	\$ 41,532	\$ 34,582	\$ 29,486	\$ 17,749	\$ 15,112	\$ 20,172

Concluded

City of Yuma, Arizona

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved	\$ 539	\$ 489	\$ 101	\$ 296	\$ 614	\$ 309	\$ 277	\$ 262	\$ 156	\$ -
Unreserved	13,012	15,087	17,436	19,704	21,125	19,893	18,608	15,493	18,796	-
Nonspendable	-	-	-	-	-	-	-	-	-	103
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	2,383
Assigned	-	-	-	-	-	-	-	-	-	88
Unassigned	-	-	-	-	-	-	-	-	-	19,060
Total General Fund	<u>\$ 13,551</u>	<u>\$ 15,576</u>	<u>\$ 17,537</u>	<u>\$ 20,000</u>	<u>\$ 21,739</u>	<u>\$ 20,202</u>	<u>\$ 18,885</u>	<u>\$ 15,756</u>	<u>\$ 18,952</u>	<u>\$ 21,634</u>
All other										
Governmental funds										
Reserved	\$ 1,567	\$ 85	\$ 63	\$ 339	\$ 535	\$ 513	\$ 543	\$ 552	\$ 553	\$ -
Unreserved, reported in:										
Special revenue funds	9,424	10,495	13,407	17,036	19,908	12,892	8,791	6,876	7,848	-
Capital projects funds	3,355	5,967	6,920	1,104	5,976	926	67,732	47,349	31,267	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	141
Restricted	-	-	-	-	-	-	-	-	-	2,388
Committed	-	-	-	-	-	-	-	-	-	34,441
Assigned	-	-	-	-	-	-	-	-	-	2,037
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 14,346</u>	<u>\$ 16,548</u>	<u>\$ 20,391</u>	<u>\$ 18,479</u>	<u>\$ 26,418</u>	<u>\$ 14,331</u>	<u>\$ 77,066</u>	<u>\$ 54,777</u>	<u>\$ 39,668</u>	<u>\$ 39,007</u>

Notes: For FY 2011 GASB Statement No 54 was implemented. See Note I-E, Sec 9 of the Notes to Basic Financial Statements.

City of Yuma, Arizona

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	\$ 32,132	\$ 32,812	\$ 36,411	\$ 41,078	\$ 46,474	\$ 49,686	\$ 50,503	\$ 48,570	\$ 46,561	\$ 47,606
Licenses and permits	1,439	2,063	3,016	3,416	3,836	2,845	2,068	1,363	1,413	1,292
Intergovernmental	27,699	29,298	31,041	30,729	36,044	37,915	39,237	37,065	36,984	32,510
Charges for services	2,876	2,983	3,905	7,937	7,737	8,804	11,599	8,913	7,007	7,055
Fines and forfeitures	671	801	726	806	863	1,039	1,143	1,238	1,437	1,484
Special Assessments	-	-	-	-	649	679	914	949	817	1,039
Use of money and property	2,494	1,429	1,154	1,971	2,809	4,374	5,358	3,309	1,752	1,665
Contributions and donations	26	28	33	84	80	78	65	97	85	77
Miscellaneous	259	336	480	1,152	548	624	633	1,646	763	2,442
Total revenues	<u>67,594</u>	<u>69,750</u>	<u>76,766</u>	<u>87,173</u>	<u>99,041</u>	<u>106,045</u>	<u>111,521</u>	<u>103,148</u>	<u>96,819</u>	<u>95,170</u>
Expenditures										
General government	\$ 4,001	\$ 4,732	\$ 5,409	\$ 5,033	\$ 7,185	\$ 7,641	\$ 9,723	\$ 9,575	\$ 7,740	\$ 6,969
Public Safety	22,660	24,364	25,752	29,296	31,863	35,014	37,874	37,908	35,233	36,285
Streets	4,393	4,884	4,767	4,899	5,626	7,155	8,913	9,716	8,195	8,186
Parks, Recreation and Culture	7,428	7,765	7,828	8,534	9,727	11,022	11,547	11,857	10,619	10,171
Environmental Health and Protection	3,175	3,000	3,062	3,014	3,365	3,551	4,757	4,781	4,480	1,556
Community Design and Development	5,331	6,338	5,429	5,344	6,422	6,698	5,726	5,370	4,870	4,899
Capital Outlay	37,311	19,198	19,656	21,151	22,688	41,450	51,149	35,734	25,249	13,659
Debt Service										
Principal	4,346	5,248	3,825	3,447	4,209	3,837	8,312	7,075	6,315	7,680
Interest and fiscal agent fees	3,227	2,872	2,962	3,032	2,890	2,939	5,885	6,646	6,764	5,858
Total expenditures	<u>91,872</u>	<u>78,402</u>	<u>78,689</u>	<u>83,750</u>	<u>93,975</u>	<u>119,306</u>	<u>143,885</u>	<u>128,662</u>	<u>109,465</u>	<u>95,263</u>
Excess of revenues over (under) expenditures	\$ (24,277)	\$ (8,651)	\$ (1,922)	\$ 3,423	\$ 5,066	\$ (13,261)	\$ (32,364)	\$ (25,514)	\$ (12,646)	\$ (93)
Other financing sources (uses)										
Proceeds from long-term debt	\$ 909	\$ 31,490	\$ 7,280	\$ -	\$ 3,875	\$ -	\$ 93,686	\$ -	\$ 30,017	\$ -
Sale of real property	455	(19,199)	920	307	742	-	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	-	-	-	-	-	(29,378)	-
Transfers in	21,423	21,117	21,609	20,219	25,016	38,410	29,685	16,213	14,564	14,675
Transfers out	(21,501)	(20,530)	(22,082)	(23,398)	(25,021)	(38,773)	(29,589)	(16,118)	(14,468)	(14,548)
Total other financing sources (uses)	<u>1,285</u>	<u>12,878</u>	<u>7,727</u>	<u>(2,872)</u>	<u>4,612</u>	<u>(363)</u>	<u>93,782</u>	<u>95</u>	<u>735</u>	<u>127</u>
Net change in fund balances	<u>\$ (22,993)</u>	<u>\$ 4,226</u>	<u>\$ 5,805</u>	<u>\$ 551</u>	<u>\$ 9,678</u>	<u>\$ 13,624</u>	<u>\$ 61,418</u>	<u>\$ 25,419</u>	<u>\$ (11,912)</u>	<u>\$ 34</u>
Debt service as a percentage of noncapital expenditures	13.9%	13.7%	11.5%	10.4%	10.0%	8.7%	15.3%	14.8%	15.5%	16.6%

City of Yuma, Arizona

**Governmental Funds Tax Revenues by Source
Last Ten Fiscal Years**

Fiscal Year	Property Tax	General Sales Tax	City Road Sales Tax	Public Safety Sales Tax	Two Percent Tax	Utility Franchise	Public Enterprise In-Lieu	Mall District Levy	Total
2002	\$ 5,193,075	\$ 13,116,950	\$ 6,448,954	\$ 2,578,704	\$ 2,652,152	\$ 1,835,810	\$ 242,000	\$ 64,172	\$32,131,817
2003	5,525,546	13,237,042	6,617,396	2,646,059	2,741,989	1,719,272	242,000	83,184	32,812,488
2004	5,857,825	14,849,984	7,423,730	2,968,482	3,044,645	1,935,952	242,000	88,411	36,411,029
2005	6,084,442	17,165,647	8,581,364	3,431,379	3,374,350	2,105,116	242,000	93,863	41,078,161
2006	6,699,038	19,087,873	9,542,314	3,815,628	3,866,902	3,116,225	244,610	101,821	46,474,411
2007	7,278,233	20,672,520	10,334,503	4,132,396	4,232,008	2,678,454	244,610	113,345	49,686,069
2008	8,026,861	20,479,641	10,238,080	4,093,839	4,424,358	2,893,077	242,000	105,394	50,503,250
2009	8,545,562	18,961,780	9,479,279	3,790,422	4,383,419	3,013,453	242,000	154,174	48,570,089
2010	9,256,633	17,461,635	8,729,333	3,490,546	4,253,079	3,009,794	242,000	117,798	46,560,818
2011	9,740,940	17,635,454	8,816,228	3,525,292	4,425,556	3,001,939	242,000	218,925	47,606,334

City of Yuma, Arizona
Governmental Funds Intergovernmental Shared Revenues
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>Revenue Sharing</u>	<u>Auto In-Lieu</u>	<u>Highway Users</u>	<u>Local Transportation Assistance</u>	<u>Grants and Others*</u>	<u>Total</u>
2002	\$ 5,973,339	\$ 8,084,914	\$ 2,345,195	\$ 6,414,401	\$ 440,004	\$ 4,440,943	\$ 27,698,796
2003	6,062,278	8,250,011	2,746,086	6,732,659	434,212	5,072,923	29,298,169
2004	6,535,654	7,002,250	2,852,832	7,198,891	431,754	7,019,763	31,041,144
2005	7,196,762	7,141,392	3,067,961	7,627,177	428,520	5,230,199	30,692,011
2006	8,292,930	8,133,573	3,391,236	7,980,673	427,528	7,818,092	36,044,032
2007	8,437,831	10,079,129	3,476,885	8,137,895	425,850	7,357,643	37,915,233
2008	8,183,395	12,518,215	3,518,863	8,144,889	423,058	6,448,868	39,237,288
2009	7,105,468	13,355,612	3,445,491	7,029,312	394,161	5,734,617	37,064,661
2010	6,553,759	11,530,342	3,302,490	6,626,027	226,308	8,744,867	36,983,793
2011	6,856,996	8,692,400	3,250,436	6,503,532	75,764	7,131,364	32,510,492

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

City of Yuma, Arizona

**Intergovernmental Revenues - Grants and Other
Last Ten Fiscal Years**

Fiscal Year	Federal					State of Arizona					Total
	Justice	Interior	Housing/Urban Development (CDBG)	Other HUD	Other	Parks	Commerce	Transportation	Other	Local Government	
2002	\$ 1,010,764	\$ 405,198	\$ 640,280	\$ 229,712	\$ 507,488	\$ 753,502	\$ 264,684	\$ 240,890	\$ 366,161	\$ 22,264	\$ 4,440,943
2003	1,309,351	1,398,560	991,044	169,579	413,527	96,498	441,101	-	233,831	19,432	5,072,923
2004	3,462,972	575,124	1,349,178	405,814	896,311	87,359	-	31,059	151,489	60,457	7,019,763
2005	1,233,650	465,209	594,924	80,301	2,485,908	79,123	-	-	291,084	-	5,230,199
2006	925,898	1,404,369	1,044,705	251,898	3,264,509	120,555	13,000	376,323	388,547	28,288	7,818,092
2007	524,591	417,782	1,334,775	-	4,090,532	432,498	130,213	233,689	59,422	134,141	7,357,643
2008	1,001,408	621,480	899,272	-	1,335,165	505,838	1,844,645	214,649	26,411	-	6,448,868
2009	583,702	1,469,327	1,121,334	-	2,176,628	-	297,024	5,393	81,210	-	5,734,617
2010	252,169	1,446,751	1,167,310	-	5,336,400	5,607	1,840	-	533,859	931	8,744,867
2011	271,296	741,740	1,059,135	255,855	4,165,343	-	-	-	637,996	-	7,131,364

City of Yuma, Arizona

**Taxable Sales by Category
Last Ten Fiscal Years
(amounts expressed in thousands)**

	Fiscal Years									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Mining	\$ -	\$ 3	\$ -	\$ 1	\$ 3	\$ 25	\$ 155	\$ 6	\$ 82	\$ 6
Construction	123,550	132,387	166,117	228,801	235,643	254,740	249,315	207,592	118,996	121,132
Manufacturing	26,315	23,128	28,969	53,176	60,054	57,632	59,931	48,964	44,764	50,676
Transportation, Communications, and Utilities	142,496	126,623	121,936	145,454	173,224	186,420	207,693	206,089	207,112	197,764
Wholesale Trade	26,615	27,587	23,625	29,635	35,498	34,732	22,480	33,785	35,334	42,580
Retail Trade	730,255	760,867	823,785	925,936	1,024,886	1,088,053	1,089,001	1,001,579	962,699	973,426
Restaurants and Bars	99,965	103,690	110,633	123,683	143,594	157,866	162,560	162,404	157,024	160,742
Finance, Insurance and Real Estate	42,494	42,376	69,235	97,875	117,161	143,725	132,593	115,857	116,046	123,876
Hotels and Other Lodging	25,328	26,789	30,785	34,930	37,333	39,360	33,642	36,093	29,502	29,507
Services	78,342	79,392	66,721	44,921	48,639	58,050	52,012	50,858	43,356	45,208
Arts, Entertainment, Government and All Others Not Specified	<u>1,216</u>	<u>717</u>	<u>43,029</u>	<u>31,963</u>	<u>32,542</u>	<u>46,423</u>	<u>38,503</u>	<u>32,743</u>	<u>31,055</u>	<u>18,434</u>
	<u>\$ 1,296,576</u>	<u>\$ 1,323,559</u>	<u>\$ 1,484,835</u>	<u>\$ 1,716,376</u>	<u>\$ 1,908,577</u>	<u>\$ 2,067,025</u>	<u>\$ 2,047,885</u>	<u>\$ 1,895,969</u>	<u>\$ 1,745,971</u>	<u>\$ 1,763,351</u>
City direct sales tax rate	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%

Source: Arizona Department of Revenue

Note: During fiscal 2004, the Department of Revenue implemented a new collection system with a revised reporting scheme. Accordingly, certain classifications have been combined for comparison purposes.

City of Yuma, Arizona

**Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>City Sales Tax Rate</u>	<u>City Hospitality Sales Tax Rate</u>	<u>Yuma County</u>	<u>Arizona State</u>
2002	1.70%	2.00%	1.50%	5.60%
2003	1.70%	2.00%	1.50%	5.60%
2004	1.70%	2.00%	1.50%	5.60%
2005	1.70%	2.00%	1.60%	5.60%
2006	1.70%	2.00%	1.60%	5.60%
2007	1.70%	2.00%	1.10%	5.60%
2008	1.70%	2.00%	1.10%	5.60%
2009	1.70%	2.00%	1.10%	5.60%
2010	1.70%	2.00%	1.10%	6.60%
2011	1.70%	2.00%	1.10%	6.60%

Source: Arizona Department of Revenue

City of Yuma, Arizona

**Ratio of Outstanding Debt by Type
Last Nine Fiscal Years**

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Municipal Property Corporation Bonds	Special Assessment Bonds	Long-term Contracts Payable	Municipal Property Corporation Bonds	General Obligation Bonds	Long-term Contracts Payable			
2002	\$ -	\$62,315,000	\$ -	\$ 573,334	\$ -	\$12,210,000	\$ -	\$ 75,098,334	2.26%	\$ 450
2003	-	66,240,000	-	3,320,000	-	11,385,000	10,408,191	91,353,191	2.80%	535
2004	-	63,440,000	7,280,000	2,515,000	-	10,505,000	33,790,746	117,530,746	3.30%	667
2005	-	60,420,000	7,280,000	1,723,000	-	9,575,000	61,072,113	140,070,113	3.67%	773
2006	-	57,765,000	10,475,000	924,000	-	8,585,000	74,110,111	151,859,111	3.73%	810
2007	-	55,035,000	9,765,000	117,000	-	7,535,000	84,154,117	156,606,117	3.63%	822
2008	-	144,100,000	8,820,000	-	127,925,000	6,420,000	80,379,511	367,644,511	7.89%	1,892
2009	-	136,850,000	7,840,000	-	123,090,000	5,250,000	76,473,462	349,503,462	7.22%	1,808
2010	-	130,955,000	6,815,000	-	120,130,000	4,040,000	72,431,684	334,371,684	6.69%	1,698
2011	-	125,665,000	5,745,000	-	117,025,000	2,765,000	68,249,441	319,449,441	NA	NA

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Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

*See the Schedule of Demographic and Economic Statistics on page 122 for personal income and population data.

City of Yuma, Arizona

**Ratio of General Bonded Debt to Assessed Value and General Bonded Debt Per Capita
Last Ten Fiscal Years**

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<u>Fiscal Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>General Bonded Debt</u>	<u>Ratio of General Bonded Debt to Assessed Value</u>	<u>General Bonded Debt per Capita</u>
2002	81,380	278,555,470	-	-	-
2003	80,300	305,708,909	-	-	-
2004	83,330	322,623,524	-	-	-
2005	86,070	329,526,546	-	-	-
2006	88,775	367,376,807	-	-	-
2007	92,160	468,531,273	-	-	-
2008	93,212	572,280,942	-	-	-
2009	93,719	699,754,765	-	-	-
2010	94,361	747,149,498	-	-	-
2011	93,064 *	733,033,525	-	-	-

Source: Yuma County Assessor
 Arizona Department of Economic Security
 Arizona Department of Commerce
 *2011 Population from 2010 Census

City of Yuma, Arizona

**Computation of Direct and Overlapping Debt
June 30, 2011**

Jurisdiction	Debt Outstanding	Allocable to City of Yuma	
		Percent	Amount
City of Yuma	\$ -	100.00%	\$ -
Yuma County	7,885,000	48.39%	3,815,414
Yuma County Library District	47,875,000	48.39%	23,165,875
Yuma County Community College District	71,005,000	48.39%	34,358,078
Yuma Union High School District No. 70	38,175,000	54.04%	20,629,770
Yuma School District No. 1	8,585,000	56.13%	4,819,149
Yuma School District No. 13	13,725,000	64.49%	<u>8,851,290</u>
Total Overlapping Debt			<u>\$ 95,639,576</u>

Source: Yuma County Finance Department
Arizona Western College

(Computation reflects 2010 outstanding debt as 2011 debt amounts were not available)

Note: School district valuation applicable percentage estimated

City of Yuma, Arizona

**Legal Debt Margin Information
June 30, 2011
(amounts expressed in thousands)**

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt Limit										
Water, Sewer, Lights, Parks (20%)	\$ 56,049	\$ 61,142	\$ 64,525	\$ 65,905	\$ 73,475	\$ 572,281	\$ 114,456	\$ 139,951	\$ 149,430	\$ 146,607
All Others (6%)	16,815	18,343	19,357	19,772	22,043	114,456	34,337	41,985	44,829	43,982
Total net debt applicable to limit										
Water, Sewer, Lights, Parks (20%)	12,210	11,385	10,505	9,575	8,585	7,535	6,420	5,250	4,040	2,765
All Others (6%)	-	-	-	-	-	-	-	-	-	-
Legal debt margin										
Water, Sewer, Lights, Parks (20%)	\$ 44,664	\$ 50,637	\$ 54,950	\$ 57,320	\$ 67,890	\$ 86,171	\$ 108,036	\$ 134,701	\$ 145,390	\$ 143,842
All Others (6%)	16,815	18,343	19,357	19,772	22,043	28,112	34,337	41,985	44,829	43,982
Total net debt applicable to the limit as a percentage of debt limit										
Water, Sewer, Lights, Parks (20%)	21.78%	18.62%	16.28%	14.53%	11.68%	1.32%	5.61%	3.75%	2.70%	1.89%
All Others (6%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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Legal Debt Margin Calculation for Fiscal Year 2011

				<u>General Obligation Bonds</u>		
				Water, Sewer, Lights, Parks (20%)	All Others (6%)	
2010 Tax Year Secondary Assessed Valuation				\$ 733,034	\$ 146,607	\$ 43,982
Outstanding General Obligation Debt:						
Project 1997				2,765	-	-
Total General Obligation Debt				2,765	-	-
				<u>\$ 143,842</u>	<u>\$ 43,982</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.

City of Yuma, Arizona

Schedule of Municipal Property Corporation Debt Service Requirements to Maturity and Coverage

	Series 2007, 2003 Refunding 1995, and 2010 Refunding 2001 Covenants						2007
	2003 Ref	2003 Ref	2010B Ref	2007	2007		Series Utilities
	1995A	1995B	2001B	Series B	Series D		
2010-11 Pledged Taxes	\$ 47,722,514	\$ 44,197,222	\$ 44,197,222	\$ 44,197,222	\$ 53,013,450		\$ -
2010-11 Net Revenue	-	-	-	-	-		24,008,909
Total Taxes/Net Revenue	47,722,514	44,197,222	44,197,222	44,197,222	53,013,450		24,008,909
2011-12 Debt related to pledge:						Total	
2003 Ref 1995 Series A	\$ 1,590,703	\$ -	\$ -	\$ -	\$ -	\$ 1,590,703	\$ -
2003 Ref 1995 Series B	-	304,735	-	-	-	304,735	-
2003 Series B	-	691,847	-	-	-	691,847	-
2007 Series B	-	-	-	2,286,970	-	2,286,970	-
2010 Series B	-	-	2,528,581	-	-	2,528,581	-
Total Series A-B						7,402,836	
2007 Series D (highest year)	-	-	-	-	4,804,825	4,804,825	-
WIFA Loans (Parity Obligations)	-	-	-	-	-	-	6,684,333
2007 Series Utilities	-	-	-	-	-	-	8,944,538
Total Debt	\$ 1,590,703	\$ 996,582	\$ 2,528,581	\$ 2,286,970	\$ 4,804,825	\$ 12,207,661	\$ 15,628,871
Coverage	30.0	44.3	17.5	19.3	11.0		1.5
Required Coverage	4.0	3.0	3.0	3.0	1.5		1.2
<i>Collective Coverage</i>							
Total 2010-11 Taxes/Net Revenue	\$ 47,722,514	\$ 44,197,222	\$ 44,197,222	\$ 44,197,222	\$ 53,013,450		\$ 24,008,909
Total 2011-12 Debt	\$ 7,402,836	\$ 7,402,836	\$ 7,402,836	\$ 7,402,836	\$ 12,207,661		\$ 15,628,871
Coverage	6.4	6.0	6.0	6.0	4.3		1.5
Required Coverage	4.0	3.0	3.5	3.0	3.0		1.2

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2003A, 2003B, 2007B, 2003B Refunding and 2010B Refunding Series: Bond covenants require that each series cover both its related debt and the collective debt for the succeeding year. For **2007D Series**, coverage requirements are measured against the maximum annual debt service.

2007 Series Utilities: 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.

City of Yuma, Arizona

Pledged Tax Collections

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Local Taxes										
Sales Tax (1%)	\$ 13,116,950	\$ 13,237,042	\$ 14,849,984	\$ 17,165,647	\$ 19,087,873	\$ 20,672,520	\$ 20,479,641	\$ 18,961,780	\$ 17,461,635	\$ 17,635,454
Franchise Fee	2,077,810	1,961,272	2,177,952	2,347,116	3,360,835	2,923,064	3,135,077	3,255,453	3,251,794	3,243,939
Intergovernmental Revenues:										
State Revenue Sharing	8,084,914	8,250,011	7,002,250	7,141,392	8,133,573	10,079,129	12,518,215	13,355,612	11,530,342	8,692,400
State Sales Tax	5,973,339	6,062,278	6,535,654	7,196,762	8,292,930	8,437,831	8,183,395	7,105,468	6,553,759	6,856,996
Auto In-Lieu Tax	2,345,195	2,746,086	2,852,832	3,067,961	3,391,236	3,476,885	3,518,863	3,445,491	3,302,490	3,250,436
Emergency Services and Other	22,264	19,432	36,132	36,573	28,288	112,747	133,560	189,929	44,700	55,745
Licenses:										
Business Licenses	210,565	297,643	291,080	300,290	300,596	315,968	332,122	319,631	315,580	302,668
Liquor Licenses	27,185	27,765	32,115	32,965	36,600	38,880	34,700	35,715	34,130	35,131
Fees for Services:										
Building Permits and Inspection Fees	1,550,072	2,343,219	3,608,965	4,096,137	4,508,571	3,465,837	2,401,049	1,386,593	1,435,276	1,319,507
Recreation Fees	341,523	355,658	381,442	431,931	453,273	485,647	546,680	563,437	628,264	609,192
Police Services and Other Public Safety Fees	482,394	705,976	544,869	647,381	774,246	1,335,542	1,852,400	1,226,013	1,447,064	603,253
Use of Money and Property:										
Investment Income	461,606	243,955	70,322	318,886	556,095	1,038,848	1,021,862	504,146	166,500	108,396
Fines, Forfeitures and Penalties:										
City Court Fines	670,837	801,121	725,948	805,772	863,316	1,038,871	1,143,006	1,237,672	1,436,928	1,484,105
<i>Total Series B Pledged Taxes</i>	<u>35,364,654</u>	<u>37,051,458</u>	<u>39,109,545</u>	<u>43,588,813</u>	<u>49,787,432</u>	<u>53,421,769</u>	<u>55,300,570</u>	<u>51,586,940</u>	<u>47,608,462</u>	<u>44,197,222</u>
Additional Series A Pledged Taxes										
City Public Safety Taxes (.2%)	2,578,704	2,646,059	2,968,482	3,431,379	3,815,628	4,132,396	4,093,839	3,790,422	3,490,546	3,525,292
<i>Total Series A Pledged Taxes</i>	<u>37,943,358</u>	<u>39,697,517</u>	<u>42,078,027</u>	<u>47,020,192</u>	<u>53,603,060</u>	<u>57,554,165</u>	<u>59,394,409</u>	<u>55,377,362</u>	<u>51,099,008</u>	<u>47,722,514</u>
Additional Series C Pledged Taxes										
City Special Taxes (2%)	2,652,152	2,741,989	3,044,645	3,374,350	3,866,902	4,232,008	4,424,358	4,383,419	4,253,079	4,425,556
<i>Total Series C Pledged Taxes</i>	<u>38,016,806</u>	<u>39,793,447</u>	<u>42,154,190</u>	<u>46,963,163</u>	<u>53,654,334</u>	<u>57,653,777</u>	<u>59,724,928</u>	<u>55,970,359</u>	<u>51,861,541</u>	<u>48,622,778</u>
Additional Series D Pledged Taxes										
City Road Tax (.5%)	6,448,956	6,617,396	7,423,730	8,581,364	9,542,314	10,334,503	10,238,080	9,479,279	8,729,333	8,816,228
<i>Total Series D Pledged Taxes</i>	<u>\$ 41,813,610</u>	<u>\$ 43,668,854</u>	<u>\$ 46,533,275</u>	<u>\$ 52,170,177</u>	<u>\$ 59,329,746</u>	<u>\$ 63,756,272</u>	<u>\$ 65,538,650</u>	<u>\$ 61,066,219</u>	<u>\$ 56,337,795</u>	<u>\$ 53,013,450</u>
<i>Gross Excise Tax Pledged Revenues</i>	<u>\$ 47,044,466</u>	<u>\$ 49,056,902</u>	<u>\$ 52,546,402</u>	<u>\$ 58,975,906</u>	<u>\$ 67,012,276</u>	<u>\$ 72,120,676</u>	<u>\$ 74,056,847</u>	<u>\$ 69,240,060</u>	<u>\$ 64,081,420</u>	<u>\$ 60,964,298</u>

The Series C Pledged Taxes consist of the Excise Taxes and the City Special Taxes.

The Series D Pledged Taxes consist of the Excise Taxes and the City Road Tax.

City of Yuma, Arizona

**Demographic and Economic Statistics
Last Ten Calendar Years**

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate	Building Permits			
					Commercial		Residential	
					No.	Value	No.	Value
2001	163,477	\$ 2,976,395	\$18	16.50%	343	\$ 42,381,125	568	\$ 60,363,660
2002	166,715	3,324,309	20	16.90%	313	29,383,982	576	66,248,737
2003	170,604	3,268,426	19	17.00%	999	141,020,407	685	98,696,100
2004	176,083	3,563,282	20	15.60%	1,300	146,866,298	942	153,018,563
2005	181,277	3,814,418	21	16.00%	1,022	97,832,497	1,655	202,887,750
2006	187,555	4,074,587	22	14.70%	1,057	229,391,979	1,568	148,285,471
2007	190,557	4,320,000	23	13.90%	1,141	105,194,398	801	61,578,063
2008	194,322	4,661,000	24	17.10%	740	101,217,617	972	50,218,987
2009	193,299	4,840,484	25	21.30%	510	17,348,000	748	48,260,000
2010	195,751	4,994,489	26	25.30%	546	33,118,172	759	40,924,654

Note: Unemployment rate and population presented represents the Yuma Metropolitan Statistical Area and it reflects revised inputs, reestimation, and new statewide controls through 2010. Data for 2011 is not available.

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)

City of Yuma, Arizona

**Principal Employers
Current Year and Seven Years Ago**

Employer	2004			2010		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Marine Corps Air Station	6,043	1	9.67%	6,126	1	8.94%
U. S. Army Yuma Proving Ground	1,176	5	1.88%	3,000	2	4.38%
Yuma Regional Medical Center	1,500	2	2.40%	2,040	3	2.98%
Yuma School District #1	1,200	4	1.92%	1,357	4	1.98%
Yuma County	1,100	6	1.76%	1,340	5	1.96%
Yuma Union High School District	690	10	1.10%	1,100	6	1.60%
United States Border Patrol	-	-	-	1,061	7	1.55%
Walmart	-	-	-	1,054	8	1.54%
City of Yuma	864	9	1.38%	890	9	1.30%
Quechan Paradise Casino	-	-	-	800	10	1.17%
Growers Company	1,500	2	2.40%			0.00%
Salyer American Fresh	1,000	7	1.60%			0.00%
Total			24.11%			27.38%

Source: Greater Yuma Economic Development Corporation

Note: Figures presented represent the Yuma Metropolitan Statistical Area. Data for 2011 is not available.

Data from nine years prior as required for this table is not available.

United States Border Patrol data not available for 2004.

Salyer American Fresh data not available for 2010.

Per Greater Yuma Employers and Investors listing (GYEDC) - Growers Company is no longer a top 10 Employer.

Walmart and Quechan Paradise Casino added in for 2010 do to Salyer and Growers dropping from list.

City of Yuma, Arizona

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

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	182	188	195	195	208	226	228	241	235	192
Public Safety										
Police	212	228	229	237	252	267	269	266	267	239
Fire	113	103	105	105	110	122	122	122	133	129
Streets										
Engineering	22	22	25	30	32	37	44	44	41	33
Maintenance	48	48	48	50	52	51	47	56	56	46
Solid Waste	13	13	13	15	15	16	16	17	17	13
Parks and recreation	124	125	129	128	136	141	145	133	133	116
Water	48	54	55	59	64	73	75	76	80	73
Wastewater	36	37	41	45	48	52	52	47	51	49
Total	798	818	840	864	917	985	998	1,002	1,013	890

City of Yuma, Arizona

Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police										
Calls for service*	81,691	84,738	87,770	86,802	88,013	87,797	81,347	84,332	83,226	NA
Case reports*	14,057	15,075	15,804	16,644	17,019	15,281	13,746	13,740	13,434	NA
Fire										
Number of calls answered*	8,443	8,774	9,205	10,032	10,094	10,862	11,455	11,045	11,565	NA
Inspections*	1,747	1,121	1,182	1,774	1,850	2,030	2,059	2,322	745	NA
Streets										
Streets slurry sealed (miles)	22	23	19	24	19	9	22	11	2	15
Solid Waste										
Refuse collected (tons)	29,358	33,993	27,781	33,003	33,965	34,938	34,919	33,996	33,288	32,638
Parks and recreation										
Ramada rentals	4,482	5,308	5,519	3,285	3,122	3,247	3,160	2,673	2,519	2,554
Water										
Connections	22,129	22,723	23,622	24,831	25,971	26,686	27,174	27,622	28,058	28,984
Daily treatment capacity (million gallons)	41.0	41.0	45.0	45.0	48.0	48.0	48.0	60.0	64.0	65.0
Annual quantity processed (billion gallons)	8.0	9.3	9.3	9.1	9.3	9.5	9.5	8.2	7.5	8.4
Wastewater										
Daily processing capacity (million gallons)	12.2	12.2	12.3	15.6	15.6	15.6	15.6	15.6	15.6	15.6

Source: Various city departments.

Note: Indicators are not available for the general government function.

*Numbers presented are for calendar year.

City of Yuma, Arizona

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

		Fiscal Year									
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Function											
Public Safety											
	Police stations	1	1	1	1	1	1	1	1	1	1
	Police vehicles	127	123	123	127	134	143	150	163	164	163
	Fire stations	5	5	5	6	6	6	6	6	6	6
Streets											
	Streets (miles)	300	300	300	361	361	361	361	384	389	395
	Streetlights	4,250	4,250	4,500	5,042	5,298	5,303	5,375	5,463	5,606	5,750
	Traffic Signals	29	32	32	36	38	40	42	42	49	50
Solid Waste											
	Collection trucks	10	10	10	10	12	13	13	13	13	13
Parks and Recreation											
	Parks acreage	553	553	553	553	578	592	607	607	607	607
	Parks/Athletic Fields	25	25	25	25	25	27	32	79*	79*	79
	Swimming pools	3	3	3	3	3	3	3	4	4	4
	Tennis courts	1	1	1	1	1	1	1	2	9	9
	Community centers	7	7	7	9	9	9	9	9	9	9
Water											
	Water mains (miles)	416	427	437	448	470	493	501	501	507	520
	Fire hydrants	2,300	2,400	2,600	2,850	3,000	3,150	3,267	3,400	3,438	3,450
Wastewater											
	Sanitary sewers (miles)	255	261	266	275	290	310	320	320	342	340

Sources: Various city departments.

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

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