



YUMA COUNTY

AEFR

Annual Expenditure Limitation Report For The Fiscal Year Ended June 30, 2019



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

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YUMA COUNTY

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

Annual Expenditure Limitation Report

**For the Fiscal Year
Ended June 30, 2019**

COUNTY ADMINISTRATOR
Susan K. Thorpe

Prepared by Yuma County Department of Financial Services

Chief Financial Officer
Gilberto Villegas Jr.

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YUMA COUNTY
Annual expenditure limitation report
Year ended June 30, 2019

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MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

ARIZONA AUDITOR GENERAL
LINDSEY A. PERRY

JOSEPH D. MOORE
DEPUTY AUDITOR GENERAL

Independent accountants' report

Members of the Arizona State Legislature

The Board of Supervisors of
Yuma County, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of Yuma County for the year ended June 30, 2019, and the related notes to the report. The County's management is responsible for presenting this report in accordance with the Uniform Expenditure Reporting System as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

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

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

Donna Miller, CPA
Director, Financial Audit Division

March 3, 2020

YUMA COUNTY

Annual expenditure limitation report
Year ended June 30, 2019

Part I

1. Economic Estimates Commission expenditure limitation	\$ 98,784,854
2. Amount subject to the expenditure limitation (total amount from part II, Line C)	<u>84,793,534</u>
3. Amount under the expenditure limitation	<u>\$ 13,991,320</u>

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of chief fiscal officer: _____

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

Telephone number: (928) 373-1012

Date: 3/3/2020

See accompanying notes to report.

YUMA COUNTY

Annual expenditure limitation report
 Year ended June 30, 2019

Part II

Description	Governmental Funds	Internal service funds	Fiduciary funds	Total
A. Amounts reported on the reconciliation, line D	\$ 123,753,130	\$ 17,088,493	\$ 425,983,245	\$ 566,824,868
B. Less exclusions claimed:				
Trustee or custodian (Note 2)	1,586,118	-	425,983,245	427,569,363
Grants and aid from the federal government (Note 3)	20,416,504	-	-	20,416,504
Amounts received from the State of Arizona (Note 3)	13,913,223	-	-	13,913,223
Quasi-external interfund transactions (Note 4)		10,694,601	-	10,694,601
Highway user revenues in excess of those received in fiscal year 1979-80 (Note 3)	9,437,643	-	-	9,437,643
Total exclusions claimed	45,353,488	10,694,601	425,983,245	482,031,334
C. Amounts subject to the expenditure limitation	\$ 78,399,642	\$ 6,393,892	\$ -	\$ 84,793,534

See accompanying notes to report.

YUMA COUNTYAnnual expenditure limitation report
Year ended June 30, 2019**Reconciliation**

Description	Governmental Funds	Internal service funds	Fiduciary funds	Total
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements	\$ 171,659,643	\$ 16,830,784	\$ 425,983,245	\$ 614,473,672
B. Subtractions:				
Items not requiring use of current financial resources:				
Claims incurred but not reported (IBNR)	-	832,000	-	832,000
Pension and other post employment benefits expense (Note 5)	-	(12,985)	-	(12,985)
Expenditures of separate legal entities established under Arizona Revised Statutes (A.R.S.) (Note 6)	39,341,113	-	-	39,341,113
Long-term care contributions withheld by the State Treasurer (Note 7)	8,565,400	-	-	8,565,400
Total subtractions	<u>47,906,513</u>	<u>819,015</u>	<u>-</u>	<u>48,725,528</u>
C. Additions:				
Amounts paid in the current year but reported as expenses in previous years:				
Claims previously recognized as IBNR (Note 8)	-	1,024,000	-	1,024,000
Pension and other postemployment benefits contributions paid in the current year (Note 5)	-	52,724	-	52,724
Total additions	<u>-</u>	<u>1,076,724</u>	<u>-</u>	<u>1,076,724</u>
D. Amounts reported on Part II, Line A	<u>\$ 123,753,130</u>	<u>\$ 17,088,493</u>	<u>\$ 425,983,245</u>	<u>\$ 566,824,868</u>

See accompanying notes to report.

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**Notes to Annual
Expenditure Limitation Report**

Yuma County

Notes to Annual Expenditure Limitation Report

Year ended June 30, 2019

Note 1 - Summary of significant accounting policies

The annual expenditure limitation report (AELR) is presented as prescribed by the uniform expenditure reporting system (UERS), as required by Arizona Revised Statutes (A.R.S.) §41-1279.07. The AELR excludes expenditures, expenses, or deductions of certain revenues specified in the Arizona Constitution, Article IX, §20, from the total expenditures, expenses, or deductions reported in the fund financial statements.

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

Note 2

The \$1,586,118 exclusion claimed for trustee or custodian in the governmental funds consists of the County's contributions to the Arizona Health Care Cost Containment System for acute care and administrative costs; and in the fiduciary funds, the exclusion consists of \$425,983,245 in distributions to investment pool participants.

Note 3

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

<u>Description</u>	<u>Amount</u>
Grants and aid from the federal government	\$ 20,416,504
Amounts received from the State of Arizona	13,913,223
Highway user revenues in excess of those received in fiscal year 1979-80	9,437,643
Other revenues-(nonexcludable)	<u>24,210,002</u>
Total intergovernmental revenues as reported in the fund financial statements	<u>\$ 67,977,372</u>

Note 4

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

Note 5

The (\$12,985) subtraction for pension and other postemployment benefit (OPEB) expense consists of the change in the net pension and OPEB liabilities, change in deferred outflows related to pensions and OPEB, and changes in deferred inflows related to pensions and OPEB recognized in the current year in the internal service fund. The \$52,724 addition for pension and OPEB contributions paid in the current year consists of the required pension and OPEB contributions made to the Arizona State Retirement System from the internal service fund.

Yuma County

Notes to Annual Expenditure Limitation Report

Year ended June 30, 2019

Note 6

The \$39,341,113 subtraction for separate legal entities established under Arizona Revised Statutes consists of expenditures of special assessment districts and municipal property corporations included within the County's reporting entity, but not included in the Economic Estimates Commission base limit calculations, and are reported in the governmental funds category in the fund financial statements:

<u>Special assessment districts</u>	<u>Amount</u>
General government	\$ 1,030,236
Capital outlay	651,296
Principal retirement	190,616
Interest and fiscal charges	72,546
Total	\$ 1,944,694

<u>Municipal property corporations</u>	<u>Amount</u>
Public safety	\$ 13,042,791
Culture and recreation	8,594,148
Health	4,712,845
Capital outlay	6,717,387
Principal retirement	2,753,044
Interest and other charges	1,576,204
Total	\$ 37,396,419

Note 7

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

Note 8

The \$1,024,000 addition for claims paid in the current year, but reported as expenses incurred but not reported in previous years, consists of cash payments in the current year for claims recognized as an expense in previous years in the internal service fund.

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