

YUMA COUNTY



Annual Expenditure Limitation Report For Fiscal Year Ended June 30, 2013

**Yuma County Administration Building
198 South Main Street
Yuma, Arizona 85364**

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, 2013


COUNTY
ARIZONA

COUNTY ADMINISTRATOR

Robert L. Pickels, Jr.

Prepared by Yuma County Department of Financial Services

Director
Scott G. Holt

Deputy Director
Gilberto Villegas, Jr.

YUMA COUNTY
Annual Expenditure Limitation Report
For the Fiscal Year Ended
June 30, 2013

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Fester & Chapman P.C.

Certified
Public
Accountants

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Independent Accountants' Report

The Auditor General of the State of Arizona

The Board of Supervisors of
Yuma County, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of Yuma County, Arizona (the County) for the year ended June 30, 2013. This report is the responsibility of the County's management. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Annual Expenditure Limitation Report of Yuma County, Arizona referred to above presents, in all material respects, the information prescribed by the uniform expenditure reporting system as described in Note 1.

Fester & Chapman P.C.

February 26, 2014

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YUMA COUNTY

Annual Expenditure Limitation Report
Year Ended June 30, 2013

Part I

| | | |
|--|----|--------------------------|
| 1. Economic Estimates Commission expenditure limitation | \$ | 82,596,813 |
| 2. Amount subject to the expenditure limitation (total amount from Part II, Line C) | | <u>69,672,483</u> |
| 3. Amount under the expenditure limitation | \$ | <u><u>12,924,330</u></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:

Scott G. Holt, Director - Financial Services

Telephone Number:

(928) 373-1012

Date:

26-Feb-2014

See accompanying notes to report.

YUMA COUNTYAnnual Expenditure Limitation Report
Year Ended June 30, 2013**Part II**

| Description | Governmental Funds | Internal Service Funds | Fiduciary Funds | Total |
|--|-----------------------|------------------------------|--------------------|----------------|
| A. Amounts reported on the Reconciliation, Line D | \$ 106,095,560 | \$ 14,789,603 | \$ 366,967,964 | \$ 487,853,127 |
| B. Less exclusions claimed: | | | | |
| Trustee or custodian (Note 2) | 1,780,496 | | 366,967,964 | 368,748,460 |
| Grants and aid from the federal government (Note 3) | 18,729,685 | | | 18,729,685 |
| Amounts received from the State of Arizona (Note 3) | 11,555,999 | | | 11,555,999 |
| Quasi-external interfund transactions (Note 4) | | 12,090,515 | | 12,090,515 |
| Highway user revenues in excess of those received in fiscal year 1979-80 (Note 3) | 7,055,985 | | | 7,055,985 |
| Total exclusions claimed | 39,122,165 | 12,090,515 | 366,967,964 | 418,180,644 |
| C. Amounts subject to the expenditure limitation | \$ 66,973,395 | \$ 2,699,088 | \$ - | \$ 69,672,483 |

See accompanying notes to report.

YUMA COUNTYAnnual Expenditure Limitation Report
Year Ended June 30, 2013**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 | \$ 146,510,534 | \$ 15,160,603 | \$ 366,967,964 | \$ 528,639,101 |
| B. Subtractions: | | | | |
| Items not requiring use of working capital: | | | | |
| Claims incurred but not reported (Note 5) | | 1,339,000 | | 1,339,000 |
| Expenditures of separate legal entities established under Arizona Revised Statutes (A.R.S.) (Note 6) | 33,288,862 | | | 33,288,862 |
| Long-term care contributions withheld by the State Treasurer (Note 7) | 7,126,112 | | | 7,126,112 |
| Total subtractions | 40,414,974 | 1,339,000 | | 41,753,974 |
| C. Additions: | | | | |
| Claims paid in the current year but reported as expenses incurred but not reported in previous years (Note 8) | | 968,000 | | 968,000 |
| Total additions | | 968,000 | | 968,000 |
| D. Amounts reported on Part II, Line A | \$ 106,095,560 | \$ 14,789,603 | \$ 366,967,964 | \$ 487,853,127 |

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, 2013

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 41-1279.07. The AELR excludes expenditures, expenses, or deductions of certain revenues specified in the Arizona Constitution, Article IX, Section 20, from the total expenditures, expenses, or deductions reported in the fund financial statements.

In accordance with the UERS requirements, 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 - Trustee or Custodian

The exclusion claimed for trustee or custodian in the Governmental Funds consists of \$1,325,100 in contributions by the County to the Arizona Health Care Cost Containment System for acute care; \$223,800 for Administrative Cost Contributions; \$183,900 in Uncompensated Care Contributions; and \$47,696 in the Anti-Racketeering Fund for forfeitures received from the State. In the Fiduciary Funds, the exclusion consists of \$366,967,964 in distributions to investment pool participants.

Note 3 - Federal Grants and Aid, State of Arizona, and Highway User Revenue Fund Exclusion

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 | \$ 18,729,685 |
| Amounts received from the State of Arizona | 11,555,999 |
| Highway user revenues in excess of those received in fiscal year 1979-80 | 7,055,985 |
| Other revenues (nonexcludable) | 19,738,927 |
| Total intergovernmental revenues as reported in the fund financial statements | <u>\$ 57,080,596</u> |

Note 4 - Quasi-external Interfund Transactions

The amount reported as quasi-external interfund transactions in the internal service funds consists of employer and employees' medical contributions for health and other insurance which are reported as health services claims and health services other in the fund financial statements.

Note 5 - Claims Incurred but Not Reported

The subtraction of \$1,339,000 for claims incurred but not reported consists of the estimated costs of claims incurred and expensed in the current year but not yet paid in the Internal Service Funds.

Yuma County

Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2013

Note 6 - Separate Legal Entities

The subtraction of \$33,288,862 for separate legal entities established under Arizona Revised Statutes consists of expenditures of special assessment and municipal property corporations included within the County's reporting entity but not included in the Economic Estimates Commission base limit calculations, and are reported in the Governmental Funds category in the fund financial statements:

Special Assessment Districts

| | |
|-----------------------------|----------------------------|
| General government | \$ 989,134 |
| Capital outlay | 20,091 |
| Principal retirement | 152,302 |
| Interest and fiscal charges | 99,631 |
| Total | <u><u>\$ 1,261,158</u></u> |

Municipal Property Corporations

| | |
|-----------------------------|-----------------------------|
| Public safety | \$ 12,604,933 |
| Culture and recreation | 7,548,553 |
| Health | 4,721,670 |
| Capital outlay | 2,786,797 |
| Principal retirement | 1,875,000 |
| Interest and fiscal charges | 2,490,751 |
| Total | <u><u>\$ 32,027,704</u></u> |

Total health expenditures of the Health Services District as shown above have been reduced by \$2,705,337 in expenditures of grants and aid received from the federal government, which is reported in Note 3. Furthermore, the expenditures above are also reduced by the required continuation support and maintenance of effort contributions amounts of \$786,898 for the Health Services District and \$6,415,099 for the Jail District.

Note 7 - Long-term Care Contributions

The subtraction for long-term care contributions withheld by the State Treasurer consists of transaction privilege taxes withheld by the State Treasurer to meet the County's share of long-term care costs that was reported as revenue and an offsetting expenditure in the County's Governmental Funds. Consequently, this expenditure has been subtracted on the Reconciliation. The following schedule reflects the presentation of these payments as welfare expenditures in the General Fund.

| Description | Amount |
|--|-----------------------------|
| AHCCCS- Long term care | \$ 7,126,112 |
| AHCCCS | 1,325,100 |
| Administration Costs | 223,800 |
| Uncompensated Care | 183,900 |
| Mental Health Services (nonexcludable) | 1,087,028 |
| Public Fiduciary (nonexcludable) | 526,003 |
| Other expenditures (nonexcludable) | 37,121 |
| Total welfare expenditures as reported in the General Fund | <u><u>\$ 10,509,064</u></u> |

Yuma County

Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2013

Note 8 - Claims Paid in Current Year but Reported as Expenses Incurred but Not Reported in Previous Years

The addition of \$968,000 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 Funds.