

Yuma County

CONCLUSION: Based on our audits, we issued opinions on the County's financial statements and federal expenditure schedule concluding that the information in those statements and schedule is reliable. We also issued reports over the County's internal control and compliance over financial reporting and select federal programs, which identified internal control weaknesses over financial reporting that are explained on the next page.

County overview

County provided wide range of services for its citizens—In fiscal year 2018, the County provided a wide range of government services for its over 221,000 citizens. In addition to managing general operations such as property assessments and taxes, budgeting and finance, and elections, the County provided for public safety such as law enforcement, court services, and flood control infrastructure; public health and welfare by providing medical assistance and contributions to Arizona's long-term care system; highway and street maintenance and construction; and community resources such as libraries, parks and recreation, and accounting services to school districts. The County is located in the southwest corner of Arizona and encompasses 5,522 square miles.

County responsible for accurate financial report—The County is responsible for accurately preparing its [Comprehensive Annual Financial Report \(CAFR\)](#), maintaining effective internal controls, and being accountable for its use of public monies. Select financial information from the County's CAFR is presented below. However, the County's CAFR should be read to fully understand its overall financial picture. Our Office's [Financial Report User Guide for State and Local Governments](#) will help readers identify and understand important and useful information in the County's CAFR.

County financial information

Asset, liability, and net position balances on June 30, 2018

Total assets/deferred outflows = \$489.8 million

Select asset balances:

\$355.8 M	Capital assets
88.9	Cash and investments
15.1	Taxes, grants, and other receivables

Total liabilities/deferred inflows = \$222.7 million

Select liability balances:

\$139.5 M	Noncurrent employee benefits
51.9	Bonds payable
7.8	Current payables

County's net position = \$267.1 million

None of this net position is unrestricted

Revenues and expenses during fiscal year 2018¹

Total revenues = \$165.8 million

Select revenue sources:

\$44.0 M	County property taxes
40.4	Federal and state grants and programs
28.6	County sales taxes
21.9	Shared state sales taxes

Total expenses = \$166.9 million

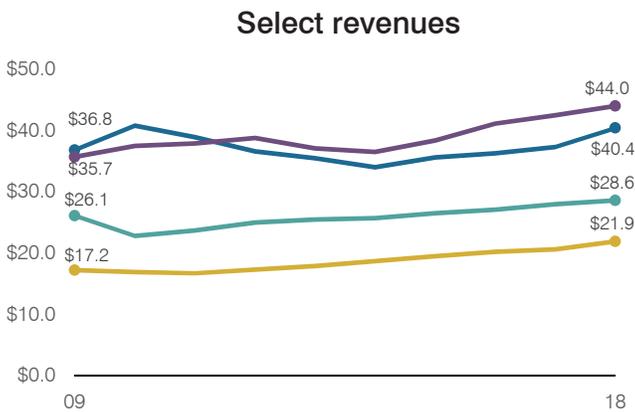
Select expenses by function:

\$51.5 M	General government
50.4	Public safety
26.9	Health and welfare
17.3	Highways and streets

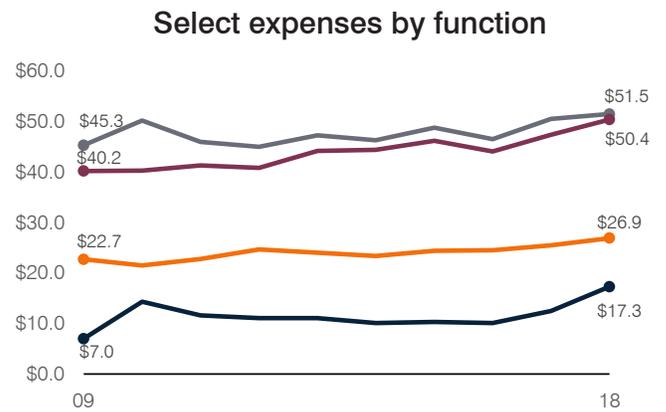
¹ Increases in the County's estimated long-term net pension liability primarily contributed to its total government expenses exceeding revenues by \$1.1 million, or 0.66 percent. The County's CAFR contains further information that addresses this outcome in fiscal year 2018.

Select revenues and expenses by function Fiscal years 2009 through 2018

(In millions)



- **County property taxes**—Taxes the County levies on the assessed value of real and personal property within the County. The County treasurer collects the tax revenues.
- **Federal and state grants and programs**—Federal and state government grants and programs awarded as assistance to the County and its citizens, including highway user revenue fund monies for authorized transportation purposes.
- **County sales taxes**—Local sales taxes, including restricted amounts of \$12.8 million for the Jail District and \$2.9 million for the Health District.
- **Shared state sales taxes**—Sales taxes the State of Arizona collects and the Arizona State Treasurer distributes to the County based on the State’s statutory distribution formulas.



- **General government**—General operation, oversight, and administration of County operations, including property assessments and taxes, budgeting and finance, and elections.
- **Public safety**—Protection of persons and property of the County. The largest portion of these expenses are for County jail operations, County Sheriff’s office services, probation services, and Flood Control District operations.
- **Health and welfare**—Public assistance and institutional care for individuals who are economically unable to provide for themselves, including required state shared sales taxes withheld for Arizona’s long-term care system.
- **Highways and streets**—Construction and maintenance of highways, streets, and bridges within the County.

Source: Auditor General staff summary of information obtained from the County’s CAFRs.

Audit findings and recommendations

Below is a summary of our reports over the County’s internal control and compliance over financial reporting and over federal programs which are included in the County’s [Single Audit Report](#) where there is detailed information about our findings and the County’s responses. For help in understanding important information presented in these reports, please refer to our Office’s [Internal Control and Compliance Reports User Guide](#).

Financial reporting internal control

We found that the County did not have adequate policies and procedures over IT systems and data to adequately identify and respond to risks and to prevent, detect, and respond to unauthorized or inappropriate access or use, manipulation, damage, or loss, including protecting sensitive citizen data. To ensure its financial and other sensitive data is protected, the County needs to continue to update and implement policies and procedures over its IT systems and data.

IT security findings and recommendations

Federal internal control and compliance

The County spent over \$15.9 million of federal program monies during the fiscal year. We tested 3 federal programs selected under the major program guidelines established by the Single Audit Act, including the Crime Victim Assistance, Workforce Innovation and Opportunity Act cluster programs, and the Homeland Security Grant. These programs totaled nearly \$6.9 million in federal expenditures. We reported no weaknesses in internal control or instances of noncompliance over those federal programs.

No reported findings