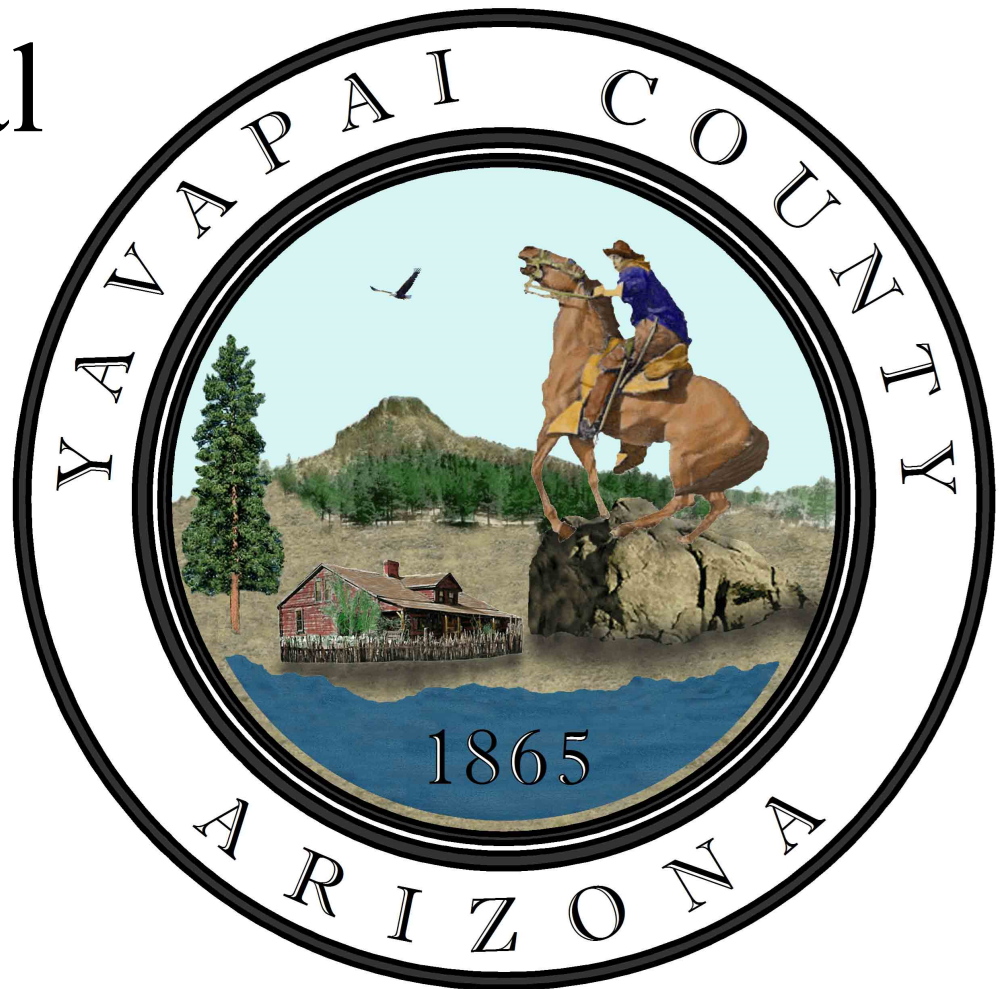


Comprehensive

Annual

Financial

Report



Yavapai County, AZ

Fiscal year ended June 30, 2019

# Yavapai County, Arizona Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2019

## Board of Supervisors



**Rowle Simmons**  
District 1



**Thomas Thurman**  
District 2



**Randy Garrison**  
District 3



**Craig Brown**  
District 4



**Jack Smith**  
District 5

Prepared by Yavapai County  
Finance Department

YAVAPAI COUNTY  
Comprehensive Annual Financial Report  
Year Ended June 30, 2019

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## **Yavapai County Finance Department**

September 30, 2020

To the Board of Supervisors and Citizens of Yavapai County:

State law requires that counties prepare a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by the Arizona State Auditor General's Office or by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Yavapai County for the fiscal year ended June 30, 2019.

This report consists of management's representations concerning the finances of Yavapai County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Arizona State Auditor General's Office has audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2019, 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 auditor concluded, based upon the audit; that there was a reasonable basis for rendering an unmodified opinion that Yavapai County's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP. 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 County 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 County's separately issued Single Audit report.

GAAP 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 County's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

Yavapai County was formed in 1864; one year after the Arizona Territory was established. The County was named after the Yavapai tribe, whose name means "people of the sun". The County is located in the central portion of the state encompassing approximately 8,125 square miles.

The County is empowered to levy a property tax on both real and personal properties within its boundaries.

The County operates under the supervisor-administrator form of government. Policy-making and legislative authority are vested in a Board of Supervisors (Board) consisting of five members elected to four-year terms representing five supervisorial districts. The Board appoints an Administrator, who is responsible for developing and presenting the County budget, assisting department heads and elected officials, and coordinating with other governments in intergovernmental relations.

The Board is responsible for the financing and administration of County government, has final approval over County departmental budgets and sets property tax rates. As part of its administrative duties, the Board is responsible for appointing department heads, and members of County boards and commissions dealing with planning and zoning, building codes, health, employees and employee benefits, private industry and agriculture. The Board acts as the board of directors for special districts within the County such as jail, water, sanitation, lighting, flood control and library.

In addition to the Board, other elected officers representing the County include the Assessor, Clerk of the Superior Court, County Attorney, Recorder, School Superintendent, Sheriff, and the Treasurer. There are seven elected Superior Court Judges, five Justices of the Peace, and five Constables.

Yavapai County provides a full range of services, including police protection, courts, health services, elections, the construction and maintenance of highways, streets, other infrastructure and parks.



The financial reporting entity includes all the funds of the primary government (Yavapai County), as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. The Board acts as the Board of Directors of these component units. Accordingly, the Yavapai County Flood Control District, Library District, Jail District and various special assessment districts are reported as a part of the governmental fund types of the primary government.

There are various school districts, special districts, and fire districts within Yavapai County governed by independently elected boards. The financial statements of such districts are not included in this report except to reflect amounts held in an agency capacity by the County Treasurer. The reporting entity is further described in Note 1 to the financial statements.

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Administrator annually. These requests are used as the starting point for developing a proposed budget. The County Administrator then presents this proposed budget to the Board of Supervisors for review on or before the third Monday in July. On or before the fourteenth day in August when the Board sets tax levy rates, the Board must hold a public hearing and a special meeting of the Board, at which time the final budget must be adopted. The final budget is adopted by fund and department. Transfers of appropriations between funds or departments require approval of the Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds this comparison is presented beginning on page 75 as part of the required supplemental information. For governmental funds, other than the general fund and major special revenue funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 105.

## **Local Economy**

Yavapai County's population increased from 211,017 as of April 1, 2010 to 235,099 as of July 1, 2019, which is a 11.4% increase as compared to the State of Arizona population increase of 13.9% for the same time period. Yavapai County has a higher percentage, 32.5%, of persons over the age of 65 as compared to the State of Arizona with 18.0%, both as of July 1, 2019. This indicates that a greater segment of the population is retired, which provides a more stable consumer base. The source for these figures is the United States Census website, current quick facts table.

The Board of Supervisors raised the property tax levy for new construction only for fiscal year 2018-19, an increase of \$930,937. The net assessed value of real estate increased by 5.5% for the fiscal year, with a related increase in property tax revenues of 2.1%. The population is growing and we anticipate our sales tax revenues to also trend slowly upward.

The Arizona Department of Administration, Office of Employment and Population Statistics estimates a 4.6% average 2019 unemployment rate for Yavapai County. Yavapai County Regional Medical Center is the single largest employer in Yavapai County, with Yavapai County as the second largest employer.

Retail trade, tourism, utilities, healthcare, warehouse and distribution centers, mining, light industry and government all contribute to the economy.

## **Long-Term Financial Planning**

In November of 1999, the Yavapai County Jail District was formed when the citizens approved a dedicated excise tax of up to 1/4 cent for the purpose of constructing, operating, maintaining and financing County jail facilities. The Jail District sales tax and the maintenance of effort from the General Fund were projected to be inadequate to fund the operation of the Jail District, so several actions were taken to address this issue. The Board of Supervisors asked the voters of Yavapai County in the November 4, 2016, general election for authorization to extend the life of the tax and to increase the Jail District sales tax rate from ¼ cent to ½ cent however, this request was voted down. The current ¼ cent Jail District sales tax was set to expire on June 30, 2020, but the voters of Yavapai County on May 15, 2018, approved the extension of the existing sales tax until June 30, 2040. Finally, the property tax levy was increased by \$9.5 million for 2019-20 partially to provide adequate funding for the operation and debt service of a planned new criminal justice facility located next to the existing Juvenile Justice Facility. Pledged Revenue Obligations totaling \$65.8 million were issued on June 4, 2020 to fund the construction of this new facility.

## **Relevant Financial Policies**

The Board has managed the County in a fiscally conservative environment with a primary goal to minimize the County property tax rate and to operate within the tax revenues received during the fiscal year. The Board has delegated the responsibility to monitor revenues and to make recommendations when necessary to maintain fiscal discipline to the County Administrator.

Since fiscal year 2009-10, the major Yavapai County revenues have been increasing, but these increases had been offset to a large degree by reduced funding from the State of Arizona. County departments reduced expenditures in fiscal year 2009-10 by 7.5% and the departments have been held to the same expenditure levels since then except for the costs of new staff positions/programs and County-wide merit or cost-of-living increase raises that were approved by the Board of Supervisors.

The County is addressing unfunded public safety pension liabilities by contributing extra funds above the annual required contribution. In fiscal year 2017-18, continued increased revenues and the return of some of the lost funding from the State of Arizona allowed Yavapai County to have enough surplus revenue to make an extra \$4,500,000 year end pension plan contribution to help pay down the County's unfunded pension liabilities. Also in 2019-20, another \$4,500,000 extra payment was made towards unfunded liabilities.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Yavapai County for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

## **Acknowledgements**

The preparation of this report could only be accomplished through the efforts of the staff of the Finance Department and the assistance of the Arizona State Auditor General's Office. We also wish to thank the Board of Supervisors for their dedicated oversight of the financial condition of the County and their support for our efforts to improve its financial operations.

Respectfully submitted,

Lars Johnson  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Yavapai County  
Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

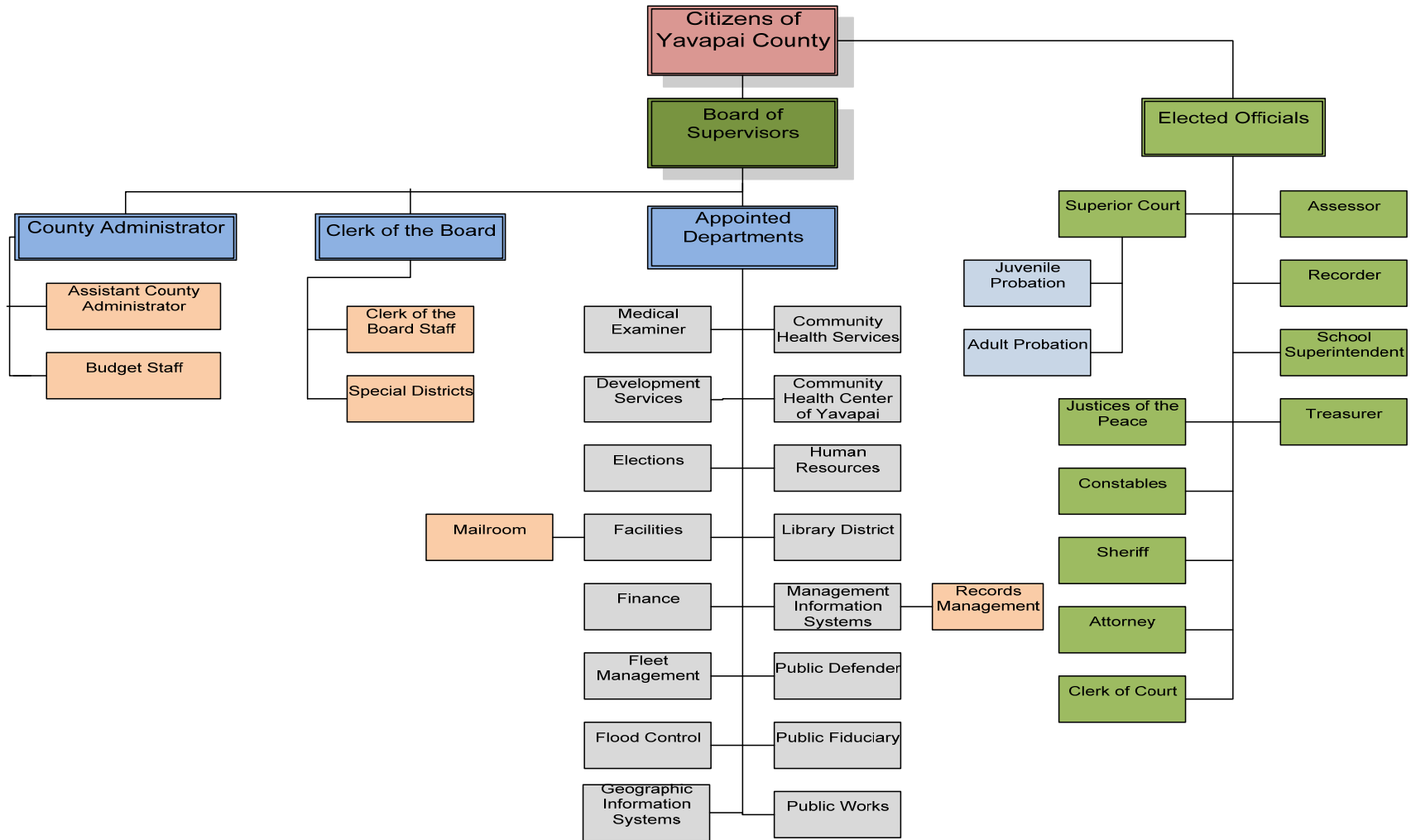
**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

# YAVAPAI COUNTY

## Organizational Chart



# Yavapai County Officials

## **BOARD OF SUPERVISORS**

Rowle Simmons, Chairman, District 1  
Randy Garrison, Vice Chairman, District 3  
Thomas Thurman, Member, District 2  
Craig Brown, Member, District 4  
Jack Smith, Member, District 5



## **CLERK OF THE BOARD**

Kim Kapin



## **COUNTY ADMINISTRATOR**

Phil Bourdon



## **FINANCE DIRECTOR**

Lars Johnson

**FINANCIAL SECTION**





LINDSEY A. PERRY  
AUDITOR GENERAL

ARIZONA  
AUDITOR GENERAL

MELANIE M. CHESNEY  
DEPUTY AUDITOR GENERAL

## Independent auditors' report

Members of the Arizona State Legislature

The Board of Supervisors of  
Yavapai County, Arizona

### Report on the financial statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Yavapai County as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### ***Management's responsibility for the financial statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditors' responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of the County as of June 30, 2019, and the respective changes in financial position in accordance with U.S. generally accepted accounting principles.

## **Other matters**

### *Required supplementary information*

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 13 through 20, budgetary comparison schedules on pages 75 through 79, schedule of the County's proportionate share of the net pension liability—cost-sharing plans on pages 81 through 82, schedule of changes in the County's net pension liability and related ratios—agent plans on pages 83 through 86, and schedule of County pension contributions on pages 87 through 89 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the 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 U.S. generally accepted auditing standards, 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.

### *Supplementary and other information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules and the introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The combining and individual fund statements and schedules are management's responsibility and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic 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.

### *Compliance over the use of Highway User Revenue Fund and other dedicated State transportation revenue monies*

In connection with our audit, nothing came to our attention that caused us to believe that the County failed to comply with the authorized transportation purposes, insofar as they relate to accounting matters, for Highway User Revenue Fund monies it received pursuant to Arizona Revised Statutes Title 28, Ch. 18, Art.

2, and any other dedicated State transportation revenues it received. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the County's noncompliance with the authorized transportation purposes referred to above, insofar as they relate to accounting matters.

The communication related to compliance over the use of Highway User Revenue Fund and other dedicated State transportation revenue monies in the preceding paragraph is intended solely for the information and use of the members of the Arizona State Legislature, the Board of Supervisors, management, and other responsible parties within the County and is not intended to be and should not be used by anyone other than these specified parties.

### **Other reporting required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2020, on our consideration of the County'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 solely 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 effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Lindsey Perry, CPA, CFE  
Auditor General

September 30, 2020

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# Yavapai County

## Management's Discussion and Analysis

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As management of Yavapai County, we offer readers of Yavapai County's financial statements this narrative overview and analysis of the financial activities of Yavapai County for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 – 5 and the County's basic financial statements, which begin on page 22.

### Financial Highlights

- Yavapai County's assets and deferred outflows of resources exceed liabilities and deferred inflows of resources as of June 30, 2019, by \$150,805,403 (net position), which is an increase of \$15,212,434 from prior year ending net position of \$135,592,969. The unrestricted net position at June 30, 2019 is a deficit of \$123,258,820, which is a decrease of \$14.2 million from a deficit balance of \$137,411,173 at June 30, 2018 primarily as a result of decreases in net pension liabilities of \$21,175,590.
- As of June 30, 2019, Yavapai County's governmental funds reported combined ending fund balances of \$63,081,199, which is an increase of \$4,608,616 from the prior year ending fund balance of \$58,472,583.
- As of June 30, 2019, unassigned fund balance for the general fund is \$11,768,137, an increase of \$2,134,425 from the prior year unassigned fund balance.
- As of June 30, 2019, committed fund balance for the regional road fund is \$11,844,784, an increase from the prior year amount of \$1,921,029.
- As of June 30, 2019, restricted fund balance for the Highway User Revenue Fund (HURF) is \$5,785,331, a decrease from the prior year of \$646,928.
- As of June 30, 2019, committed fund balance for the capital projects fund is \$16,011,746, an increase from the prior year amount of \$2,234,851.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Yavapai County's basic financial statements. Yavapai County's basic financial statements are comprised of 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 themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of Yavapai County's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of Yavapai County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Yavapai County is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position 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 affect cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused paid-time-off leave).

Both of the government-wide financial statements present functions of Yavapai County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of Yavapai County include general government, public safety, highways and streets, sanitation, health, welfare, culture and recreation, and education.

The government-wide financial statements not only include Yavapai County itself (known as the primary government), but also a legally separate Jail District, Flood Control District, Library District and various Special

# Yavapai County

## Management's Discussion and Analysis

---

Assessment Districts. These districts function for all practical purposes as departments of Yavapai County, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 22 – 23 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. Yavapai County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of Yavapai County can be divided into two categories: governmental funds and fiduciary 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 financial statements, the governmental funds 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 financial 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Yavapai County maintains numerous individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for six funds considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 24 - 30 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Yavapai County's own programs.

The basic fiduciary funds financial statements can be found on pages 31 - 32 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33 - 74 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Yavapai County's progress in funding its obligation to provide pension benefits to its employees and budgetary comparison schedules for the general fund and major special revenue funds. Other required supplementary information can be found on pages 75 - 93 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 94 - 128 of this report.

# Yavapai County

## Management's Discussion and Analysis

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### Government-wide Financial Analysis

**Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Yavapai County's assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$150.8 million at the close of the most recent fiscal year.

	<b>Net Position</b>	
	(in millions)	
	Governmental Activities	
	2019	2018
Current and other assets	\$ 75.2	\$ 71.5
Capital assets	268.5	267.5
Total assets	343.7	339.0
Deferred outflows of resources	31.9	33.0
Other liabilities	10.5	11.3
Long-term liabilities outstanding	194.3	216.4
Total liabilities	204.8	227.7
Deferred inflows of resources	20.0	8.7
Net position:		
Net investment in capital assets	251.6	249.0
Restricted	22.4	24.0
Unrestricted deficit	(123.2)	(137.4)
Total net position	\$ 150.8	\$ 135.6

The largest portion of Yavapai County's net position (167%) reflects its investment in capital assets (e.g. land, buildings, equipment, infrastructure, software, construction in progress), less accumulated depreciation and any related outstanding debt used to acquire those assets. Yavapai County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Yavapai County'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 liquidate these liabilities.

Governmental Activities current and other assets increased \$3.7 million from the previous year. This increase is primarily the result of normal variation in the timing of paying expenses during the fiscal year. Capital assets increased \$1.0 million because the increase in asset value from new acquisitions was more than the decrease in asset value from depreciation.

The County reported the deferred outflows of resources of \$31.9 million and deferred inflows of resources of \$20.0 million related to pensions at the close of the most recent fiscal year. This represents a decrease of \$1.1 million in deferred outflows of resources and an increase of \$11.3 million in deferred inflows of resources during the fiscal year. The changes in the deferred outflows or resources and deferred inflows of resources are due to the changes in the actuarial valuations of the various pension plans the County participates.

Governmental Activities other liabilities and long-term liabilities outstanding at the end of the fiscal year were \$10.5 million and \$194.3 million, respectively. The other liabilities decreased by \$800,000 due primarily to a decrease of \$600,000 in accounts payable and a decrease of \$200,000 in interest payable. The decrease of \$22.1 million in long-term liabilities was largely due to the decreases of \$21.2 million in net pension liabilities.

# Yavapai County

## Management's Discussion and Analysis

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Yavapai County's Governmental Activities restricted net position of \$22.4 million represents resources that are subject to external restrictions on how they may be used. This amount has decreased by \$1.6 million from the previous year.

At the end of the current fiscal year, Yavapai County reports positive balances in two categories, net investment in capital assets \$251.6 million and restricted net position \$22.4 million. The County has a deficit of \$123.2 million in unrestricted net position, which was a decrease of \$14.2 million in unrestricted net deficit from the prior year's unrestricted deficit of \$137.4 million due largely to decreased net pension liabilities.

**Changes in Net Position.** The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. For the fiscal year, net position increased \$15.2 million. The basis of accounting used in the government-wide statement of activities excludes capital outlay while its revenues include taxes that are used, in part, for the construction of those assets.

<b>Changes in Net Position</b>		Governmental	
(in millions)		Activities	
	2019	2018	
<b>Revenues</b>			
Program revenues:			
Charges for services	\$ 24.4	\$ 23.4	
Operating grants and contributions	38.4	39.3	
Capital grants and contributions	1.6	.4	
General revenues:			
Property taxes	57.3	56.2	
Sales taxes	60.7	57.7	
Vehicle license tax	9.8	9.3	
Grants not restricted to specific programs	3.5	3.6	
Miscellaneous and investment earnings	7.2	6.4	
<b>Total revenues</b>	<b>202.9</b>	<b>196.3</b>	
<b>Expenses</b>			
General government	64.9	76.3	
Public safety	63.0	75.6	
Highways and streets	26.7	24.1	
Sanitation	2.4	1.9	
Health	15.4	14.6	
Welfare	10.6	11.3	
Culture and recreation	0.2	0.1	
Education	4.1	4.9	
Interest on long-term debt	.4	1.0	
<b>Total expenses</b>	<b>187.7</b>	<b>209.8</b>	
<b>Increase (decrease) in net position</b>	<b>15.2</b>	<b>( 13.5)</b>	
Net position, July 1	135.6	149.1	
Net position, June 30	<b>\$ 150.8</b>	<b>\$ 135.6</b>	

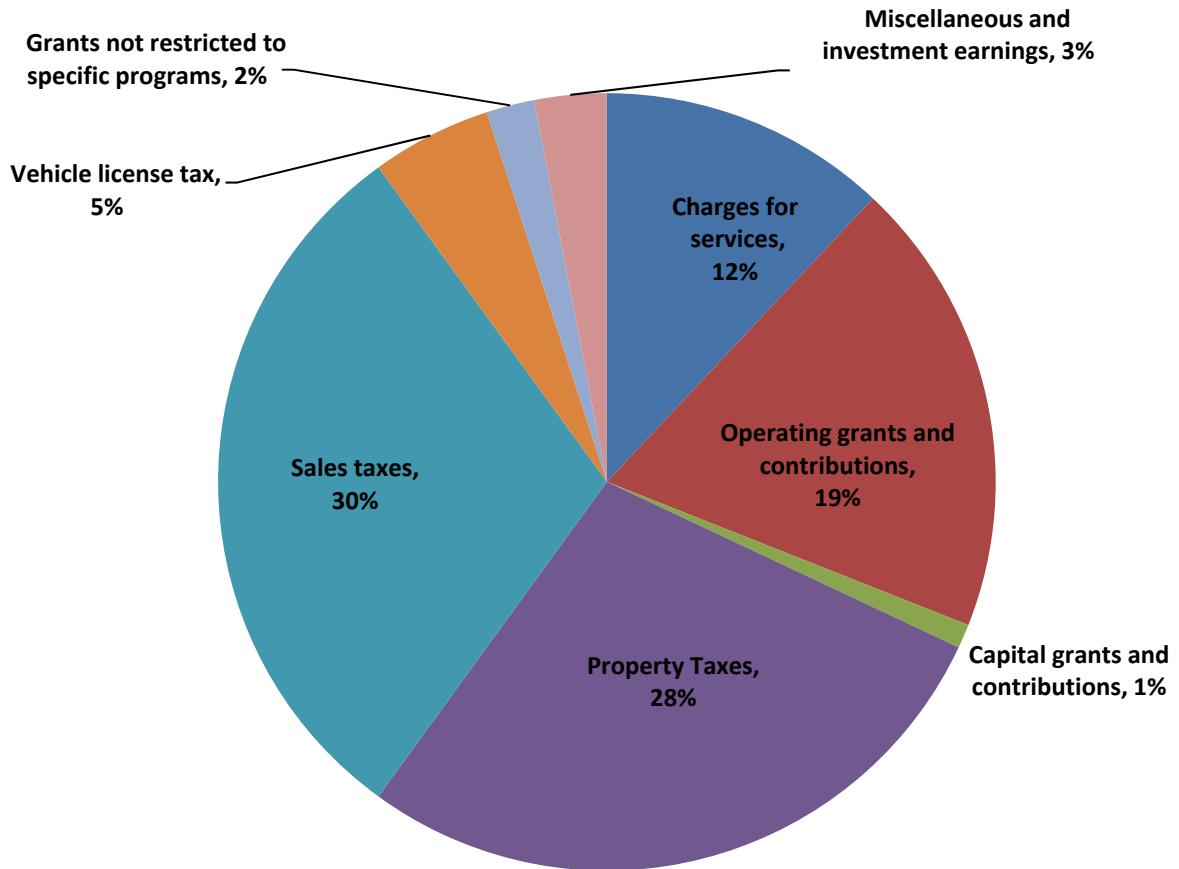
# Yavapai County Management's Discussion and Analysis

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**Governmental activities.** Governmental Activities revenues totaled \$202.9 million for fiscal year 2019, an increase of \$6.6 million or 3.4%. These increases can be attributed to an improving economy in the County. The following are highlights of County revenues:

- Sales taxes are comprised of state shared-sales tax, a 0.5% County excise tax and a 0.25% Jail District excise tax. Overall sales tax increased \$3.0 million or 5.2% from the previous fiscal year due to an improving economy in the County.
- Operating grants and contributions decreased \$0.9 million or 2.3% from the previous fiscal year because of a decrease of \$3.1 million from the State's contribution to the Elected Officials Retirement Plan on behalf of the County reported in general government; offset by an increase in highways and streets (HURF, VLT, and state grant for road project).
- Property taxes increased by \$1.1 million or 2.0% from the previous year primarily due to the increase in the tax levy for new construction this fiscal year.

## Revenues by Source - Governmental Activities



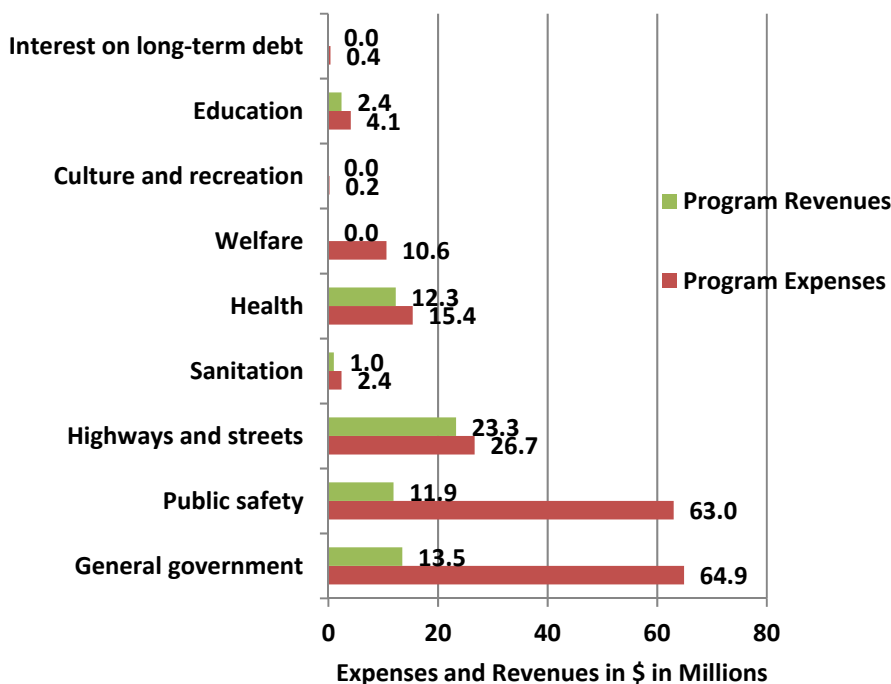


# Yavapai County Management's Discussion and Analysis

## Expenses

Governmental activities expenses decreased \$22.1 million from the previous fiscal year. Public Safety decreased from the previous year by \$12.6 million, primarily due to a decrease in pension expense related to public safety employees. Highways and streets increased from the previous year by \$2.6 million due to an increase in the number of road projects during the year. General government expenses decreased \$11.4 million due to a decrease in the pension expense relating to elected officials.

## Expenses and Program Revenues - Governmental Activities



## Financial Analysis of the Government's Funds

As noted earlier, Yavapai County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental funds.** The focus of Yavapai County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Yavapai County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Yavapai County's governmental funds reported combined ending fund balances of \$63,081,199, which is an increase of \$4,608,616 from the prior year balance. The ending fund balances are categorized as follows.

- Nonspendable \$789,082
- Restricted \$22,293,021
- Committed \$28,466,825
- Unassigned \$11,532,271

The total fund balance was increased by \$4.6 million or 7.9%, primarily due to increases in \$2.1 million in General Fund unassigned, \$1.9 million in Regional Road committed, and \$2.2 million in Capital Projects committed.

# Yavapai County

## Management's Discussion and Analysis

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The General Fund is the chief operating fund of Yavapai County. At the end of the current fiscal year, the General Fund total fund balance was \$12,154,586, and the unassigned category was \$11,768,137. The unassigned category is \$2,134,425 greater than the previous fiscal year. This increase is due primarily to the reduction in due from other funds.

In addition to the General Fund, Yavapai County is reporting five major funds. These funds are the Jail District, Regional Road, HURF Road, Capital Projects, and Capital Projects Debt Service.

The Jail District fund balance decreased \$0.3 million in accordance with the adopted budget. The Regional Road fund balance increased \$1.9 million because of \$1 million state grant received for a road construction project. The HURF Road fund balance decreased \$0.7 million because of budgeted construction road projects. Capital Projects fund balance increased \$2.2 million because of an elimination of a \$1 million transfer to the General Fund and a \$1.3 million budgeted transfer in from the General Fund. The Capital Projects Debt Service fund balance remains relatively unchanged from the prior fiscal year.

See Note 8 on pages 48 - 49 for a detail listing of the fund balance classifications.

### General Fund Budgetary Highlights

The original General Fund budget appropriation for expenditures was \$107,047,412. Actual expenditures were \$5,399,753 less than the final budgeted appropriation amount, which is primarily due to vacancy savings from staff turnover and departments monitoring and controlling expenditures. The Board approved budgeted transfers between departments during the fiscal year to reclassify expenditures and for departments that required an increase in budget appropriation. The final total General Fund budgeted appropriation increased to \$107,159,872. The General Services administrative expenditure budget includes negative amounts for internal cost recoveries, such as vehicle use and indirect costs, which resulted in actual expenditures of negative \$1,787,608 with a significant variance due to actual positive expenditures being less than budgeted (contingency items of \$1,601,791).

Total revenues were \$4.8 million over total budgeted revenues (4.5%), which is primarily due to the receipt of \$4.1 million in unbudgeted intergovernmental revenue (PILT, miscellaneous, and RTC Services).

### Capital Asset and Debt Administration

**Capital Assets.** Yavapai County's investment in capital assets for its governmental activities as of June 30, 2019, amounts to \$268.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, software and construction in progress. In addition, roads and highways constructed in the fiscal year ended June 30, 2019, or in progress at that date, are included in capital assets. Infrastructure increased due to the completion of roadway projects. Construction in progress decreased \$0.4 million due to continued progress on uncompleted planned capital projects.

#### Yavapai County's Capital Assets (net of depreciation) (in millions)

	Governmental Activities	
	2019	2018
Land	\$ 63.9	\$ 63.9
Buildings	72.1	74.6
Equipment	16.0	14.8
Infrastructure	113.0	110.2
Software	0.9	1.0
Construction in progress	2.6	3.0
Total	<u>\$ 268.5</u>	<u>\$ 267.5</u>

Additional information on Yavapai County's capital assets can be found in Note 5 on page 43-44 of this report.

# Yavapai County Management's Discussion and Analysis

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**Long-term Debt.** At the end of the current fiscal year, Yavapai County had total outstanding special assessment bonds of \$1,245,000 for special district road improvements which are secured by property assessments levied against the benefiting property owners. Also, at the current fiscal year-end, Yavapai County had \$15,616,000 in outstanding Excise Tax Revenue Refunding obligations which are secured by County excise tax revenue and are payable over a period of ten years and seven months with an interest rate of 2.08%.

### Yavapai County's Outstanding Debt (in millions)

	2019	2018
Special Assessment Debt Payable	\$ 1.3	\$ 1.4
Excise Tax Revenue Refunding Obligations	15.6	17.0
Total Outstanding Debt	<u>\$ 16.9</u>	<u>\$ 18.4</u>

State statutes limit the amount of general obligation debt a county may issue without voter approval to 6 percent of its total assessed valuation. The debt limitation for the County for fiscal year ended June 30, 2019, is \$155,972,270. Since the County has no general obligation debt, this amount equals the debt capacity. Additional information on long-term debt can be found in Note 7 on pages 44 - 47.

**Long-term Capital Lease.** On December 8, 2015, the County entered into a \$212,297 lease purchase agreement to finance the purchase of telephone system upgrades, including hardware, software and professional services, payable for a period of 5 years with an interest rate of 4.95%. As of June 30, 2019, the outstanding lease balance is \$45,006.

### Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Yavapai County is currently 4.6% for 2019; June 2020 rate is 9.2%, US Bureau of Labor Statistics.
- Inflationary trends in the region are comparable to or better than national and the State of Arizona indices.
- The economy at the national and state level is anticipated to have the effect of maintaining or increasing Federal and State of Arizona grant programs.

These factors were considered in preparing Yavapai County's budget for the 2019-20 fiscal year. The budgetary estimate of unassigned ending fund balance in the general fund of \$8,463,745 was appropriated for spending in the 2019-20 fiscal year budget.

The COVID-19 outbreak in the United States is causing business disruption through mandated and voluntary closure or limited operations of business. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the disruption and closures. The related financial impact on the County relating to the receipt of property taxes, investment valuation, revenues and expenditures of various programs, and the duration cannot be reasonably estimated at this time.

### Requests for Information

This financial report is designed to provide a greater overview of Yavapai County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 1015 Fair Street, Prescott, Arizona 86305.

**BASIC FINANCIAL STATEMENTS**



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Yavapai County  
Statement of Net Position  
June 30, 2019

	Primary Government Governmental Activities
<b>Assets</b>	
Cash and cash equivalents	\$ 57,368,218
Receivables:	
Property taxes	1,214,985
Special assessments	757,404
Accounts	1,034,655
Due from other governments	14,014,558
Inventories	505,558
Prepaid items	283,524
Capital assets, not being depreciated	66,578,102
Capital assets, being depreciated, net	201,965,668
Total assets	343,722,672
 <b>Deferred Outflows of Resources</b>	
Deferred outflows related to pensions	31,869,378
Total deferred outflows of resources	31,869,378
 <b>Liabilities</b>	
Accounts payable	5,725,039
Accrued payroll and employee benefits	4,738,595
Interest payable	41,631
Noncurrent liabilities:	
Due within one year	6,008,545
Due in more than one year	188,287,803
Total liabilities	204,801,613
 <b>Deferred Inflows of Resources</b>	
Deferred inflows related to pensions	19,985,034
Total deferred inflows of resources	19,985,034
 <b>Net Position</b>	
Net investment in capital assets	251,637,764
Restricted for:	
Social services	5,075,751
Law enforcement and flood control	4,544,815
Roadway construction and maintenance	5,876,160
Landfill and other sanitation	873,409
Public health care and clinical services	4,091,551
Public parks	8,736
School services	926,353
Debt service	1,014,803
Capital projects	14,881
Unrestricted deficit	( 123,258,820)
Total net position	\$ 150,805,403

See accompanying notes to financial statements.

Yavapai County  
Statement of Activities  
Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government Governmental Activities
Primary Government:					
Governmental activities:					
General government	\$ 64,929,011	\$ 9,621,932	\$ 3,914,165	\$ -	\$ ( 51,392,914)
Public safety	63,043,098	4,160,268	7,716,603	-	( 51,166,227)
Highways and streets	26,746,851	2,316,835	19,374,826	1,588,710	( 3,466,480)
Sanitation	2,356,825	523,884	471,671	14,235	( 1,347,035)
Health	15,366,244	6,460,712	5,787,806	-	( 3,117,726)
Welfare	10,559,683	-	-	-	( 10,559,683)
Culture and recreation	155,438	-	-	-	( 155,438)
Education	4,101,235	1,312,884	1,099,630	-	( 1,688,721)
Interest on long-term debt	436,228	-	-	-	( 436,228)
Total governmental activities	<u>\$ 187,694,613</u>	<u>\$ 24,396,515</u>	<u>\$ 38,364,701</u>	<u>\$ 1,602,945</u>	<u>( 123,330,452)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					47,785,606
Property taxes, levied for flood control					5,050,611
Property taxes, levied for free library					4,477,654
County sales tax—Jail construction and operation					9,595,474
County sales tax—unrestricted					19,190,975
Franchise taxes					309,367
Shared revenue—state sales tax					31,949,066
Shared revenue—state vehicle license tax					9,792,370
Grants and contributions not restricted to specific programs					3,499,331
State appropriation					550,050
Investment earnings					1,249,575
Gain on disposal of capital assets					408,877
Miscellaneous					4,683,930
Total general revenues					<u>138,542,886</u>
Change in net position					<u>15,212,434</u>
Net position, July 1, 2018					<u>135,592,969</u>
Net position, June 30, 2019					<u>\$ 150,805,403</u>

See accompanying notes to financial statements.

Yavapai County  
Balance Sheet  
Governmental Funds  
June 30, 2019

<b>Assets</b>	General	Jail District	Regional Road	HURF Road
Cash and cash equivalents	\$ 8,085,600	\$ -	\$ 11,600,312	\$ 6,018,582
Receivables:				
Property taxes	1,020,366	-	-	-
Special assessments	-	-	-	-
Accounts	403,123	7,047	106,929	123,743
Due from:				
Other funds	502,019	47,665	-	388,755
Other governments	6,663,427	1,705,476	1,315,549	1,431,264
Inventories	164,359	-	-	341,199
Prepaid items	222,090	-	302	986
Total assets	<u>\$ 17,060,984</u>	<u>\$ 1,760,188</u>	<u>\$ 13,023,092</u>	<u>\$ 8,304,529</u>
<b>Liabilities</b>				
Accounts payable	1,165,320	432,075	841,243	1,844,206
Accrued payroll and employee benefits	2,866,906	495,620	14,796	302,420
Due to other funds	131,344	53,950	321,967	30,387
Total liabilities	<u>4,163,570</u>	<u>981,645</u>	<u>1,178,006</u>	<u>2,177,013</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-property taxes	742,828	-	-	-
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>742,828</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Nonspendable	386,449	-	302	342,185
Restricted	-	778,543	-	5,785,331
Committed	-	-	11,844,784	-
Unassigned	11,768,137	-	-	-
Total fund balances	<u>12,154,586</u>	<u>778,543</u>	<u>11,845,086</u>	<u>6,127,516</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 17,060,984</u>	<u>\$ 1,760,188</u>	<u>\$ 13,023,092</u>	<u>\$ 8,304,529</u>

See accompanying notes to financial statements.



Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 15,577,813	\$ 2,131	\$ 16,083,780	\$ 57,368,218
-	-	194,619	1,214,985
-	-	757,404	757,404
38,740	-	355,073	1,034,655
-	-	499,204	1,437,643
493,331	-	2,405,511	14,014,558
-	-	-	505,558
-	-	60,146	283,524
<u>\$ 16,109,884</u>	<u>\$ 2,131</u>	<u>\$ 20,355,737</u>	<u>\$ 76,616,545</u>
97,098	-	1,345,097	5,725,039
1,040	-	1,057,813	4,738,595
-	-	899,995	1,437,643
<u>98,138</u>	<u>-</u>	<u>3,302,905</u>	<u>11,901,277</u>
-	-	133,837	876,665
-	-	757,404	757,404
-	-	891,241	1,634,069
-	-	60,146	789,082
-	2,131	15,727,016	22,293,021
16,011,746	-	610,295	28,466,825
-	-	(235,866)	11,532,271
<u>16,011,746</u>	<u>2,131</u>	<u>16,161,591</u>	<u>63,081,199</u>
<u>\$ 16,109,884</u>	<u>\$ 2,131</u>	<u>\$ 20,355,737</u>	<u>\$ 76,616,545</u>

See accompanying notes to financial statements.

Yavapai County  
 Reconciliation of the Governmental Funds Balance Sheet  
 to the Government-wide Statement of Net Position  
 June 30, 2019

Fund balances—total governmental funds \$ 63,081,199

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 268,543,770

Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds. 1,634,069

Long-term liabilities, such as net pension liabilities and bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.

Revenue bonds issued	\$ ( 15,616,000)	
Special assessment debt	( 1,245,000)	
Capital lease payable	( 45,006)	
Accrued interest payable	( 41,631)	
Net pension liabilities	(167,057,960)	
Landfill closure and postclosure care costs payable	( 743,538)	
Compensated absences payable	( 9,037,533)	
Claims and judgments payable	<u>( 551,311)</u>	(194,337,979)

Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds. 11,884,344

Net position of governmental activities \$ 150,805,403

See accompanying notes to financial statements.

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Yavapai County  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2019

	General	Jail District	Regional Road	HURF Road
<b>Revenues:</b>				
Property taxes	\$ 47,595,257	\$ -	\$ -	\$ -
County sales taxes	8,945,306	9,595,474	7,676,390	-
Special assessments	-	-	-	-
Licenses and permits	2,865,286	-	2,123,305	-
Intergovernmental	47,783,343	95,306	1,106,347	17,522,316
Charges for services	1,992,963	953,092	-	-
Fines and forfeits	2,958,810	-	-	-
Investment earnings	182,724	2,880	205,890	139,298
Miscellaneous	273,950	37,179	100,000	63,835
<b>Total revenues</b>	<b>112,597,639</b>	<b>10,683,931</b>	<b>11,211,932</b>	<b>17,725,449</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	56,604,285	-	-	-
Public safety	28,537,598	17,777,451	-	-
Highways and streets	-	-	2,147,515	14,182,822
Sanitation	1,789,718	-	-	-
Health	-	-	-	-
Welfare	10,586,621	-	-	-
Culture and recreation	117,264	-	-	-
Education	704,921	-	-	-
<b>Debt service:</b>				
Principal	42,884	-	-	-
Interest and other charges	4,348	-	-	-
Capital outlay	3,372,480	370,476	7,143,388	4,451,985
<b>Total expenditures</b>	<b>101,760,119</b>	<b>18,147,927</b>	<b>9,290,903</b>	<b>18,634,807</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>10,837,520</b>	<b>(7,463,996)</b>	<b>1,921,029</b>	<b>(909,358)</b>
<b>Other financing sources (uses):</b>				
Sale of capital assets	295,167	-	-	226,143
Transfers in	1,378	7,132,947	-	-
Transfers out	(9,239,303)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(8,942,758)</b>	<b>7,132,947</b>	<b>-</b>	<b>226,143</b>
<b>Net change in fund balances</b>	<b>1,894,762</b>	<b>(331,049)</b>	<b>1,921,029</b>	<b>(683,215)</b>
Fund balances, July 1, 2018	10,259,824	1,109,592	9,924,057	6,810,731
Fund balances, June 30, 2019	<u>\$ 12,154,586</u>	<u>\$ 778,543</u>	<u>\$ 11,845,086</u>	<u>\$ 6,127,516</u>

See accompanying notes to the financial statements.

Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 9,889,432	\$ 57,484,689
2,878,646	-	-	29,095,816
-	-	270,767	270,767
-	-	707,265	5,695,856
-	-	20,519,801	87,027,113
-	-	9,101,730	12,047,785
-	-	612,168	3,570,978
314,789	37	403,961	1,249,579
-	-	5,388,265	5,863,229
<u>3,193,435</u>	<u>37</u>	<u>46,893,389</u>	<u>202,305,812</u>
-	-	10,892,971	67,497,256
-	-	15,320,569	61,635,618
-	-	518,877	16,849,214
-	-	466,584	2,256,302
-	-	15,755,220	15,755,220
-	-	-	10,586,621
-	-	33,255	150,519
-	-	3,628,253	4,333,174
-	1,362,000	175,000	1,579,884
-	550,098	88,808	643,254
<u>445,832</u>	<u>-</u>	<u>1,150,522</u>	<u>16,934,683</u>
<u>445,832</u>	<u>1,912,098</u>	<u>48,030,059</u>	<u>198,221,745</u>
2,747,603	(1,912,061)	(1,136,670)	4,084,067
-	-	3,239	524,549
1,399,346	1,912,098	1,823,804	12,269,573
<u>(1,912,098)</u>	<u>-</u>	<u>(1,118,172)</u>	<u>(12,269,573)</u>
<u>(512,752)</u>	<u>1,912,098</u>	<u>708,871</u>	<u>524,549</u>
2,234,851	37	(427,799)	4,608,616
<u>13,776,895</u>	<u>2,094</u>	<u>16,589,390</u>	<u>58,472,583</u>
<u>\$ 16,011,746</u>	<u>\$ 2,131</u>	<u>\$ 16,161,591</u>	<u>\$ 63,081,199</u>

Yavapai County  
 Reconciliation of the Governmental Funds Statement of  
 Revenues, Expenditures, and Changes in Fund Balances  
 to the Government-wide Statement of Activities  
 Year Ended June 30, 2019

Net change in fund balances—total governmental funds \$ 4,608,616

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	16,934,683	
Depreciation expense	<u>(17,053,748)</u>	(119,065)

In the Statement of Activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the capital assets sold. (308,679)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 1,160,757

County pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the County's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

County pension contributions	12,439,822	
Pension expense	(2,689,995)	
State's non-employer pension contributions	<u>(968,400)</u>	8,781,427

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal repaid on capital lease	42,884	
Principal repaid on bonds	<u>1,537,000</u>	1,579,884

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the Statement of Activities, however, which is presented on the accrual basis of accounting, expenses are reported regardless of when the financial resources are available.

Increase in compensated absences	(485,555)	
Increase in claims and judgments	(226,444)	
Decrease in interest payable	207,027	
Decrease in landfill closure and postclosure care costs	<u>14,466</u>	<u>(490,506)</u>

Change in net position of governmental activities \$ 15,212,434

See accompanying notes to financial statements.

Yavapai County  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2019

	Investment Trust Funds	Agency Funds
<b>Assets</b>		
Cash and cash equivalents	\$ 127,205,757	\$ 4,200,533
Total assets	127,205,757	\$ 4,200,533
 <b>Liabilities</b>		
Deposits held for others	-	\$ 4,200,533
Total liabilities	-	\$ 4,200,533
 <b>Net Position</b>		
Held in trust for investment trust participants	\$ 127,205,757	

See accompanying notes to financial statements.

Yavapai County  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
Year Ended June 30, 2019

	Investment Trust Funds
Additions:	
Contributions from participants	\$ 425,724,117
Investment earnings	2,536,354
Total additions	428,260,471
Deductions:	
Distributions to participants	417,428,708
Total deductions	417,428,708
Change in net position	10,831,763
Net position, July 1, 2018	116,373,994
Net position, June 30, 2019	\$ 127,205,757

See accompanying notes to financial statements.



Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Note 1 - Summary of significant accounting policies**

Yavapai County's accounting policies conform to generally accepted accounting principles applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB).

**A. Reporting entity**

The County is a general purpose local government that a separately elected board of supervisors governs. The accompanying financial statements present the activities of the County (the primary government) and its component units.

Component units are legally separate entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are so intertwined with the County that they are in substance part of the County's operations. Therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County. Each blended component unit discussed below has a June 30 year-end. The County has no discretely presented component units.

The following table describes the County's component units:

<b>Component unit</b>	<b>Description; criteria for inclusion</b>	<b>Reporting method</b>	<b>For separate financial statements</b>
Yavapai County Flood Control District	A tax-levying district that provides flood control systems; the County's Board of Supervisors serves as the board of directors and has operational responsibility	Blended	Not available
Yavapai County Library District	Provides and maintains library services for the County's residents; the County's Board of Supervisors serves as the board of directors and has operational responsibility	Blended	Not available
Yavapai County Special Assessment Districts	Constructs or improves sidewalks, curbs and gutters, irrigation systems, and street lighting within the County; the County's Board of Supervisors serves as the board of directors and has operational responsibility	Blended	Not available

Yavapai County  
Notes to Financial Statements  
June 30, 2019

<b>Component unit</b>	<b>Description; criteria for inclusion</b>	<b>Reporting method</b>	<b>For separate financial statements</b>
Yavapai County Jail District	A tax-levying district that acquires, constructs, operates, maintains, and finances county jails and jail systems; the County's Board of Supervisors serves as the governing board and has operational responsibility	Blended	Not available

*Related Organizations* – The United States Department of Agriculture deeded property to Yavapai County on February 6, 1957 to be used exclusively as a public airport facility. The property shall automatically revert to the United States in the event the property ceases to be used as a public airport facility. The Sedona-Oak Creek Airport Authority (Airport Authority) was created for the purpose of developing and promoting transportation and commerce by air in the State of Arizona, and in particular the development, promotion, and operation of air transportation facilities and air commerce in and around the Sedona area. In 1971, the Airport Authority entered into a 60-year lease with Yavapai County to manage and operate the Sedona Airport facility, which is owned by the County. The Airport Authority is governed by a 13 member Board of Directors approved by the County's Board of Supervisors. However, the Airport Authority's operations are completely separate from the County, and the County is not financially accountable for the Airport Authority. Therefore, based on the criterion of GASB Statement Nos. 14, 39, 61, and 80, the financial activities of the Airport Authority have not been included in the accompanying financial statements.

The Industrial Development Authority of Yavapai County (Authority) is a legally separate entity that was created to assist in the financing of commercial and industrial enterprises; safe, sanitary, and affordable housing; and healthcare facilities. The Authority fulfills its function through the issuance of tax exempt or taxable revenue bonds. The County's Board of Supervisors appoints the Authority's Board of Directors. The Authority's operations are completely separate from the County and the County is not financially accountable for the Authority. Therefore, based on the criterion of GASB Statements Nos. 14, 39, 61, and 80, the financial activities of the Authority have not been included in the accompanying financial statements.

**B. Basis of presentation**

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the County as a whole, while the fund financial statements focus on major funds. Fiduciary funds are only reported in the statements of fiduciary net position and changes in fiduciary net position. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the information's usefulness.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Government-wide statements**—Provide information about the primary government (the County) and its component units. The statements include a statement of net position and a statement of activities. These statements report the overall government's financial activities, except for fiduciary activities. Governmental activities generally are financed through taxes and intergovernmental revenues.

A statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The County does not allocate indirect expenses to programs or functions. Program revenues include:

- charges to customers or applicants for goods, services, or privileges provided;
- operating grants and contributions; and
- capital grants and contributions, including special assessments.

Revenues that are not classified as program revenues, including internally dedicated resources and all taxes the County levies or imposes, are reported as general revenues.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double counting of internal activities. However, charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

**Fund financial statements**—Provide information about the County's funds, including fiduciary funds and blended component units. Separate statements are presented for the governmental and fiduciary fund categories. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Fiduciary funds are aggregated and reported by fund type.

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Jail District Fund* accounts for County jail operations and is funded by a ¼ cent County sales tax.

The *Regional Road Fund* accounts for road construction and maintenance of major regional roads and is funded by a portion of the ½ cent County sales tax and impact fees.

The *HURF Road Fund* accounts for road maintenance and construction of nonmajor roads and is funded primarily by highway user revenue.

The *Capital Projects Fund* accounts for major capital projects and is funded by a portion of the ½ cent County sales tax.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

The *Capital Projects Debt Service Fund* accounts for the resources accumulated and payments made on the capital lease agreement for the construction of court and juvenile detention buildings.

The County also reports the following fund types:

The investment trust funds account for pooled assets the County Treasurer holds and invests on behalf of other governmental entities.

The agency funds account for assets the County holds as an agent for other governments and individuals.

**C. Basis of accounting**

The government-wide and fiduciary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The agency funds are custodial in nature and do not have a measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

Under the terms of grant agreements, the County funds certain programs by a combination of grants and general revenues. Therefore, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. The County applies grant resources, except for PILT, to such programs before using general revenues.

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. The County's major revenue sources that are susceptible to accrual are property taxes, special assessments, intergovernmental, charges for services, and investment earnings. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, and landfill closure and postclosure care costs, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital lease agreements are reported as other financing sources.

**D. Cash and investments**

All investments are stated at fair value.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

**E. Inventories**

Inventories in the government-wide financial statements are recorded as assets when purchased and expensed when consumed. These inventories are stated at cost using the moving average method.

The County accounts for its inventories in the governmental funds using the consumption method. Inventories of the governmental funds consist of expendable supplies which are recorded as expenditures when consumed rather than when purchased. Amounts on hand at year end are shown on the balance sheet as an asset and as nonspendable fund balance to indicate that they do not constitute "available spendable resources." These inventories are stated at cost using the moving average method.

**F. Prepaid items**

In the government-wide financial statements, prepaid purchases are recorded as assets when the goods or services are purchased and expensed over the period consumed.

Prepaid items are accounted for using the consumption method in the governmental fund financial statements. Using this method, prepaid purchases are recorded as assets when the goods or services are purchased and expensed over the period consumed. Amounts at year-end are reported on the balance sheet as an asset and as nonspendable fund balance to indicate that they do not constitute "available spendable resources."

**G. Property tax calendar**

The County levies real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

A lien assessed against real and personal property attaches on the first day of January preceding assessment and levy.

**H. Capital assets**

Capital assets are reported at actual cost (or estimated historical cost if historical records are not available). Donated assets are reported at acquisition value.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets are as follows:

	<u>Capitalization threshold</u>	<u>Depreciation method</u>	<u>Estimated useful life</u>
Land (including right of ways and easements)	\$10,000	N/A	N/A
Buildings	10,000	Straight-line	20-40 years
Equipment	5,000	Straight-line	5-15 years
Infrastructure	10,000	Straight-line	10-75 years
Software	10,000	Straight-line	3-5 years
Construction in progress	10,000	N/A	N/A

**I. Deferred outflows and inflows of resources**

The statement of net position and balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as a revenue in future periods.

**J. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**K. Fund balance classifications**

The governmental funds' fund balances are reported separately within classifications based on a hierarchy of the constraints placed on those resources' use. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, such as inventories, or are legally or contractually required to be maintained intact. Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

The unrestricted fund balance category is composed of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations that the County's Board of Supervisors approved, which is the highest level of decision-making authority within the County. The Board can, by approval of an agenda item at a public meeting prior to the end of the fiscal year, commit fund balance. Only the Board can remove or change the constraints placed on committed fund balances, by approval of an agenda item to remove or revise the limitation. Approval of an agenda item by the Board is the only highest level action that constitutes the most binding constraint.

Assigned fund balances are resources constrained by the County's intent to be used for specific purposes, but that are neither restricted nor committed. The Board of Supervisors has not delegated authority to make assignments of resources for a specific purpose.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, the County will use restricted fund balance first. The County will use committed amounts first when disbursing unrestricted fund balances, followed by assigned amounts, and lastly unassigned amounts.

**L. Investment earnings**

Investment earnings is composed of interest, dividends, and net changes in the fair value of applicable investments.

**M. Compensated absences**

Compensated absences payable consists of paid time off (PTO) leave employees earned based on services already rendered.

Employees may accumulate up to 764 hours of PTO, depending on years of service, but they forfeit any unused PTO hours in excess of the maximum amount each pay period. Upon terminating employment, the County pays all unused and unforfeited PTO benefits to employees. Accordingly, PTO benefits are accrued as a liability in the government-wide financial statements. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal year-end.

Beginning on July 1, 2017, employees may accumulate up to 40 hours of sick leave per calendar year. Unused sick leave hours will be carried over from one year to the next. There is no maximum accrual limit for sick leave. Because sick leave benefits do not vest with employees, a liability for sick leave benefits is not accrued in the financial statements.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

Prior to July 1, 2017, employees could accumulate up to 520 hours of catastrophic time (CAT) leave. CAT leave accruals were suspended, but any unused CAT leave is available for use. CAT leave may be used in the case of illness or injury suffered by an employee or employee's immediate family, but only after using at least forty hours of consecutive sick leave or PTO. CAT leave benefits are cumulative but employees forfeit them upon terminating employment. Because CAT leave benefits do not vest with employees, a liability for CAT leave benefits is not accrued in the financial statements.

**Note 2 - Stewardship, compliance, and accountability**

Deficit fund balance—At June 30, 2019, the Finance and CYMPO (nonmajor governmental) Funds reported deficit fund balances of \$1,857 and \$3,273, respectively.

**Note 3 - Deposits and investments**

Arizona Revised Statutes (A.R.S.) authorize the County to invest public monies in the State Treasurer's investment pool; obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities; specified state and local government bonds, notes and other evidences of indebtedness; interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; specified commercial paper issued by corporations organized and doing business in the United States; specified bonds, debentures, notes, and other evidences of indebtedness that are denominated in United States dollars; and certain open-end and closed-end mutual funds, including exchange traded funds. In addition, the County Treasurer may invest trust funds in certain fixed income securities of corporations doing business in the United States or District of Columbia.

**Credit risk**

Statutes have the following requirements for credit risk:

1. Commercial paper must be of prime quality and be rated within the top two ratings by a nationally recognized rating agency.
2. Specified bonds, debentures, notes and other evidences of indebtedness that are denominated in United States dollars must be rated "A" or better, at the time of purchase, by at least two nationally recognized rating agencies.
3. Fixed income securities must carry one of the two highest ratings by Moody's investors service and Standard and Poor's rating service. If only one of the above-mentioned services rates the security, it must carry the highest rating of that service.

**Custodial credit risk**

Statutes require collateral for deposits at 102 percent of all deposits federal depository insurance does not cover.

**Concentration of credit risk**

Statutes do not include any requirements for concentration of credit risk.

**Interest rate risk**

Statutes require that public monies invested in securities and deposits have a maximum maturity of 5 years. The maximum maturity for investments in repurchase agreements is 180 days.



Yavapai County  
Notes to Financial Statements  
June 30, 2019

Foreign currency risk

Statutes do not allow foreign investments unless the investment is denominated in United States dollars.

Deposits—At June 30, 2019, the carrying amount of the County’s deposits was \$11,452,767, and the bank balance was \$14,115,986. The County does not have a formal policy with respect to custodial credit risk.

Investments—The County’s investments at June 30, 2019, categorized within the fair value hierarchy established by generally accepted accounting principles, were as follows:

	Amount	Fair value measurement using Quoted prices in active markets for identical assets (Level 1)
Investments by fair value level		
U.S. Treasury securities	\$ 16,959,875	\$ 16,959,875
U.S. agency securities	41,335,197	41,335,197
Money market funds	247,057	247,057
Total investments by fair value level	58,542,129	\$ 58,542,129
External investment pools measured at fair value		
State Treasurer’s investment pools	118,736,236	
Total investments	\$ 177,278,365	

Investments categorized as Level 1 are valued using prices quoted in active markets for those investments. Investments in the State Treasurer’s investment pools are valued at the pool’s share price multiplied by the number of shares the County held. The fair value of a participant’s position in the pools approximates the value of that participant’s pool shares. The State Board of Investment provides oversight for the State Treasurer’s investment pools.

Credit risk— The County does not have a formal investment policy with respect to credit risk. At June 30, 2019, credit risk for the County’s investments was as follows:

Investment type	Rating	Rating agency	Amount
State Treasurer’s Investment Pool 5	AAAf/S1+	Standard and Poor’s	\$ 46
State Treasurer’s Investment Pool 7	Unrated	N/A	118,736,190
U.S. agency securities	AA+	Standard and Poor’s	41,335,197
Money market funds	Aaa-mf	Moody’s	247,057
			\$ 160,318,490

Custodial credit risk—For an investment, custodial credit risk is the risk that, in the event of

Yavapai County  
Notes to Financial Statements  
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the counterparty's failure, the County will not be able to recover the value of its investments or collateral securities that are in an outside party's possession. The County does not have a formal investment policy with respect to custodial credit risk.

Concentration of credit risk— The County does not have a formal investment policy with respect to concentration of credit risk. The County had investments at June 30, 2019, of 5 percent or more in the Federal Farm Credit Bank and Federal Home Loan Bank. These investments were 11.0 percent and 9.5 percent, respectively, of the County's total investments.

Interest rate risk—The County does not have a formal policy regarding interest rate risk. At June 30, 2019, the County had the following investments:

Investment Type	Amount	Weighted Average Maturity (Years)
State Treasurer's Investment Pool 5	\$ 46	.09
State Treasurer's Investment Pool 7	118,736,190	.08
U.S. Treasury securities	16,959,875	.67
U.S. agency securities	41,335,197	.78
Money market funds	247,057	.00
	<u>\$ 177,278,365</u>	

A reconciliation of cash, deposits, and investments to amounts shown on the Statements of Net Position follows:

Cash, deposits, and investments:

Cash on hand	\$ 43,376
Amount of deposits	11,452,767
Amount of investments	177,278,365
Total	<u>\$ 188,774,508</u>

	Governmental activities	Investment trust funds	Agency funds	Total
Cash and cash equivalents	\$ 57,368,218	\$ 127,205,757	\$ 4,200,533	\$ 188,774,508

Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Note 4 - Due from other governments**

Amounts due from other governments for governmental activities at June 30, 2019, include \$4,553,310 in state-shared revenue from sales tax, \$1,479,992 in county excise tax distributions due from the State Treasurer, \$373,885 in state motor vehicle license taxes from the Arizona Department of Transportation and \$256,240 in other fees from federal, state, and local governments recorded in the General Fund; \$1,644,432 in sales tax collections, \$37,564 in inmate housing fees and \$23,480 in other fees from the federal, state and local governments recorded in the Jail District Fund; \$1,315,549 in county excise tax distributions due from the State Treasurer in the Regional Road Fund; \$1,258,147 in state-shared revenue from highway user taxes, \$151,257 in state motor vehicle license tax, and \$21,860 in other fees from federal, state, and local governments recorded in the HURF Road Fund; \$493,331 in county excise tax distributions due from the State Treasurer recorded in the Capital Projects Fund; and \$2,405,511 in grants and other fees from federal, state and local governments recorded in the Other Governmental Funds.

**Note 5 - Capital assets**

Capital asset activity for the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 63,928,138	\$ 64,794	\$ -	\$ 63,992,932
Construction in progress	3,010,961	8,618,709	(9,044,500)	2,585,170
Total capital assets not being depreciated	<u>66,939,099</u>	<u>8,683,503</u>	<u>(9,044,500)</u>	<u>66,578,102</u>
Capital assets being depreciated:				
Buildings	112,272,325	452,209	-	112,724,534
Equipment	50,092,753	5,800,615	(2,667,289)	53,226,079
Infrastructure	370,179,202	12,099,771	(99,388)	382,179,585
Software	6,095,489	250,030	(28,699)	6,316,820
Total	<u>538,639,769</u>	<u>18,602,625</u>	<u>(2,795,376)</u>	<u>554,447,018</u>
Less accumulated depreciation for:				
Buildings	( 37,717,814)	( 2,888,513)	-	( 40,606,327)
Equipment	( 35,313,430)	( 4,553,731)	2,646,450	( 37,220,711)
Infrastructure	(259,998,175)	( 9,213,806)	4,555	(269,207,426)
Software	( 5,077,887)	( 397,698)	28,699	( 5,446,886)
Total	<u>(338,107,306)</u>	<u>(17,053,748)</u>	<u>2,679,704</u>	<u>(352,481,350)</u>
Total capital assets being depreciated, net	<u>200,532,463</u>	<u>1,548,877</u>	<u>( 115,672)</u>	<u>201,965,668</u>
Governmental activities capital assets, net	<u>\$267,471,562</u>	<u>\$ 10,232,380</u>	<u>\$ (9,160,172)</u>	<u>\$268,543,770</u>

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Notes to Financial Statements  
June 30, 2019

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 4,346,404
Public safety	2,209,497
Highways and streets	10,071,710
Sanitation	147,077
Health	179,855
Culture and recreation	4,920
Education	94,285
Total governmental activities depreciation expense	<u>\$ 17,053,748</u>

**Note 6 - Construction commitments**

The County had major contractual commitments related to various capital projects at June 30, 2019, for the construction of road and flood control improvements and a building. At June 30, 2019, the County had spent \$1,573,989 on these projects and had remaining contractual commitments with contractors of \$5,791,885. The road improvement projects are being funded by the County's excise tax out of the Regional Road Fund. The flood control improvement project is being funded by property taxes out of the Improvement Districts Fund. The building construction is being funded by the County's excise tax out of the Capital Projects Fund.

**Note 7 - Long-term liabilities**

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Due within 1 year
<b>Governmental Activities:</b>					
Revenue refunding obligation	\$ 16,978,000	\$ -	\$ ( 1,362,000)	\$ 15,616,000	\$ 1,595,000
Special assessment debt	1,420,000	-	( 175,000)	1,245,000	175,000
Capital leases payable	87,890	-	( 42,884)	45,006	45,006
Net pension liabilities	188,233,550	-	(21,175,590)	167,057,960	82,575
Landfill closure and postclosure care costs payable	758,004	13,637	( 28,103)	743,538	27,567
Compensated absences payable	8,551,978	6,654,176	( 6,168,621)	9,037,533	3,666,221
Claims and judgments payable	324,867	491,035	( 264,591)	551,311	417,176
Total governmental activities					
long-term liabilities	<u>\$216,354,289</u>	<u>\$ 7,158,848</u>	<u>\$ (29,216,789)</u>	<u>\$ 194,296,348</u>	<u>\$ 6,008,545</u>

**Revenue refunding obligations**

On October 17, 2017, the County entered into a revenue refunding obligation in the amount of \$16,978,000 at an average interest rate of 2.08%, with interest payable semiannually. The County has pledged the County general excise tax revenues and the state shared tax revenues to repay the obligation. The total principal and interest remaining on the obligation is \$17,203,705, payable through May 2028. Annual principal and interest payments are expected to require 6% of pledged revenues. Principal payments were \$1,362,000 and interest payments were \$550,098 for the current year. County general excise tax revenues were \$19,190,975 and the net state shared tax revenues were \$21,894,007.

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Notes to Financial Statements  
June 30, 2019

The following schedule details debt service requirements to maturity for the County's revenue refunding obligation payable at June 30, 2019:

Year ending June 30	Principal	Interest
2020	\$ 1,595,000	\$ 316,524
2021	1,628,000	283,171
2022	1,662,000	249,132
2023	1,697,000	214,386
2024	1,733,000	178,890
2025-2028	7,301,000	345,602
Total	\$ 15,616,000	\$ 1,587,705

**Special assessment debt**

Special assessment bonds are secured by pledges of revenues from special assessments levied against the benefiting property owners. Bond proceeds were used to finance construction in these districts. These bonds are generally callable with interest payable semiannually. The total principal and interest remaining on the bonds is \$1,630,262, payable through January 2030. Annual principal and interest payments on the bonds are expected to require 100% of pledged revenues. Principal and interest paid for the current year were \$262,648 and the special assessments were \$256,532.

The following special assessment districts had debt outstanding at June 30, 2019:

Description	Original Amount Issued	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2019
Coyote Springs Road Improvement	\$1,552,000	1/1/19-1/1/22	6.40%	\$ 240,000
Poquito Valley Road Improvement	1,857,000	1/1/19-1/1/30	6.625%	1,005,000
Total				\$ 1,245,000

The following schedule details debt service requirements to maturity for the County's special assessment debt payable at June 30, 2019:

Year ending June 30	Principal	Interest
2020	\$ 175,000	\$ 76,234
2021	175,000	64,821
2022	175,000	53,407
2023	90,000	44,719
2024	90,000	38,756
2025-2029	450,000	104,344
2030	90,000	2,981
Total	\$ 1,245,000	\$ 385,262

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**Capital leases**

On December 8, 2015, the County entered into a \$212,297 lease purchase agreement to finance the purchase of telephone system upgrades, including hardware, software and professional services. Upon the final lease payment due March 8, 2020, the title to the assets will transfer to the County. The County's obligation to make lease payments will be subject to and is dependent upon annual appropriations being made by the County.

The assets acquired through the capital lease are as follows:

	Governmental Activities
Equipment	\$ 211,939
Less: accumulated depreciation	( 130,696)
Carrying value	\$ 81,243

The following schedule details debt service requirements to maturity for the County's capital lease payable at June 30, 2019:

	Governmental Activities
Year ending June 30 2020	\$ 47,233
Total minimum lease payments	47,233
Less amount representing interest	( 2,227)
Present value of net minimum lease payments	\$ 45,006

**Landfill closure and postclosure care costs**

State and federal laws and regulations require the County to place final covers on its seven landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. Although closure and postclosure care costs will not be paid until near or after the dates that the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs in each period that the County operates the landfills. These costs will be paid from the Landfill/Environment special revenue fund.

The amount recognized each year is based on landfill capacity used at the end of each fiscal year. All seven County landfills stopped accepting waste and were closed prior to June 30, 2018. As of June 30, 2018, the County wrote off remaining landfill closure and postclosure care costs for four of its landfills since the County's attorneys determined that there was no longer any obligation on the part of the County to maintain postclosure financial assurances on those landfills. As of June 30, 2019, the landfill closure and postclosure care liability of \$743,538 represents the cumulative amount of costs remaining on these three remaining closed landfills, which is net of expenditures incurred to date. This amount is based on what it would cost to perform all closure and postclosure care in fiscal year 2019 and has been adjusted for changes in estimates during the fiscal year. The actual cost may be higher due to inflation, changes in technology, or changes in regulations.

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According to state and federal laws and regulations, the County must comply with the local government financial test requirements that ensure that the County can meet the costs of landfill closure, postclosure, and corrective action when needed. The County is in compliance with these requirements.

**Insurance claims**

The County provides health benefits to its employees and their dependents through the Yavapai Combined Trust, currently composed of four members. The Trust provides benefits up to \$250,000 per individual per plan year through a self-funding agreement with its participants and purchases commercial insurance to cover claims in excess of this limit. The Trust does not provide any postemployment benefits. An independent administrator provides the trust with claim and recordkeeping services. The County is responsible for paying the premiums and requires its employees to contribute for dependent coverage. The County is not liable for claims in excess of coverage limits and cannot be assessed retroactive premium adjustments. If it withdraws from the Trust, the County would be responsible for its proportional share of any claims run-out costs, which exceed Trust Fund reserves established for the incurred but not reported claims liability. If the Trust were to terminate, the County would be responsible for its proportional share of any Trust deficit.

**Compensated absences and claims and judgments**

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs. Claims and judgments are generally paid from the fund that accounts for the activity that gave rise to the claim. During fiscal year 2019, the County paid for compensated absences as follows: 58 percent from the General Fund, 18 percent from major funds, and 24 percent from other funds. The County paid for claims and judgments from the General Fund.

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**Note 8 - Fund balance classifications of the governmental funds**

The fund balance classifications of the governmental funds as of June 30, 2019, were as follows:

	General	Jail District	Regional Road	HURF Road
<b>Fund balances:</b>				
<b>Nonspendable:</b>				
Inventories	\$ 164,359	\$ -	\$ -	\$ 341,199
Prepaid items	222,090	-	302	986
Total nonspendable	<u>386,449</u>	<u>-</u>	<u>302</u>	<u>342,185</u>
<b>Restricted for:</b>				
Social services	-	-	-	-
Law enforcement	-	778,543	-	-
Flood control	-	-	-	-
Roadway construction and maintenance	-	-	-	5,785,331
Landfill and other sanitation	-	-	-	-
Public health care and clinical services	-	-	-	-
Public parks	-	-	-	-
School services	-	-	-	-
Debt service	-	-	-	-
Capital construction	-	-	-	-
Total restricted	<u>-</u>	<u>778,543</u>	<u>-</u>	<u>5,785,331</u>
<b>Committed to:</b>				
Social services	-	-	-	-
Probation services	-	-	-	-
Roadway construction	-	-	11,844,784	-
Public health care and clinical services	-	-	-	-
School services	-	-	-	-
Capital construction	-	-	-	-
Total committed	<u>-</u>	<u>-</u>	<u>11,844,784</u>	<u>-</u>
<b>Unassigned</b>				
	11,768,137	-	-	-
Total fund balances	<u>\$ 12,154,586</u>	<u>\$ 778,543</u>	<u>\$ 11,845,086</u>	<u>\$ 6,127,516</u>



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<u>Capital Projects</u>	<u>Capital Projects Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 505,558
-	-	60,146	283,524
<u>-</u>	<u>-</u>	<u>60,146</u>	<u>789,082</u>
-	-	5,007,870	5,007,870
-	-	1,599,973	2,378,516
-	-	2,100,742	2,100,742
-	-	90,829	5,876,160
-	-	873,409	873,409
-	-	4,091,551	4,091,551
-	-	8,736	8,736
-	-	926,353	926,353
-	2,131	1,012,672	1,014,803
-	-	14,881	14,881
<u>-</u>	<u>2,131</u>	<u>15,727,016</u>	<u>22,293,021</u>
-	-	16,999	16,999
-	-	12,286	12,286
-	-	-	11,844,784
-	-	577,671	577,671
<u>16,011,746</u>	<u>-</u>	<u>-</u>	<u>16,011,746</u>
<u>16,011,746</u>	<u>-</u>	<u>610,295</u>	<u>28,466,825</u>
-	-	(235,866)	11,532,271
<u>\$ 16,011,746</u>	<u>\$ 2,131</u>	<u>\$ 16,161,591</u>	<u>\$ 63,081,199</u>

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**Note 9 - Risk management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the County joined and is covered by three public entity risk pools: the Arizona Counties Property and Casualty Pool and the Arizona Counties Workers' Compensation Pool which are described below, and the Yavapai Combined Trust, which is described on page 47.

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of 12 member counties. The pool provides member counties catastrophic loss coverage for risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters; and provides risk management services. Such coverage includes all defense costs as well as the amount of any judgment or settlement. The County is responsible for paying a premium based on its exposure in relation to the exposure of the other participants, and a deductible of \$25,000 per occurrence for property claims and \$50,000 per occurrence for liability claims. The County is also responsible for any payments in excess of the maximum coverage of \$300 million per occurrence for property claims and \$15 million per occurrence for liability claims. However, lower limits apply to certain categories of losses. A county must participate in the pool at least 3 years after becoming a member; however, it may withdraw after the initial 3-year period.

The Arizona Counties Workers' Compensation Pool is a public entity risk pool currently composed of 12 member counties. The pool provides member counties with workers' compensation coverage, as law requires, and risk management services. The County is responsible for paying a premium, based on an experience-rating formula that allocates pool expenditures and liabilities among the members.

The Arizona Counties Property and Casualty Pool and the Arizona Counties Workers' Compensation Pool receive independent audits annually and an audit by the Arizona Department of Insurance every 5 years. Both pools accrue liabilities for losses that have been incurred but not reported. These liabilities are determined annually based on an independent actuarial valuation. If a pool were to become insolvent, the County would be assessed an additional contribution.

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**Note 10 - Pensions**

The County contributes to the plans described below. The plans are component units of the State of Arizona.

At June 30, 2019, the County reported the following aggregate amounts related to pensions for all plans to which it contributes:

<b>Statement of net position and statement of activities</b>	<b>Governmental activities</b>
Net pension liability	\$ 167,057,960
Deferred outflows of resources related to pensions	31,869,378
Deferred inflows of resources related to pensions	19,985,034
Pension expense	2,689,995

The County's accrued payroll and employee benefits includes \$580,876 of outstanding pension contribution amounts payable to all pension plans for the year ended June 30, 2019. Also, the County reported \$12,439,822 of pension contributions as expenditures in the governmental funds related to all pension plans to which it contributes.

**A. Arizona State Retirement System**

**Plan description**—County employees not covered by the other pension plans described below participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 2. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at [www.azasrs.gov](http://www.azasrs.gov).

**Benefits provided**—The ASRS provides retirement and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

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<b>ASRS</b>	<b>Retirement</b>	
	<b>Initial membership date:</b>	
	<b>Before July 1, 2011</b>	<b>On or after July 1, 2011</b>
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* any years, age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

\*With actuarially reduced benefits.

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the retirement benefit option chosen determines the survivor benefit. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

**Contributions**—In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2019, statute required active ASRS members to contribute at the actuarially determined rate of 11.64 percent for retirement of the members' annual covered payroll, and statute required the County to contribute at the actuarially determined rate of 11.18 percent for retirement of the active members' annual covered payroll.

In addition, the County was required by statute to contribute at the actuarially determined rate of 10.41 percent for retirement of annual covered payroll of retired members who worked for the County in positions that an employee who contributes to the ASRS would typically fill. The County's contributions to the pension plan for the year ended June 30, 2019, were \$6,122,025.

During fiscal year 2019, the County paid for ASRS pension contributions as follows: 61.9 percent from the General Fund, 12.2 percent from major funds, and 25.9 percent from other funds.

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**Liability**—At June 30, 2019, the County reported a liability of \$75,659,658 for its proportionate share of the ASRS’ net pension liability. The net liability was measured as of June 30, 2018. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2017, to the measurement date of June 30, 2018. The total liability as of June 30, 2018, reflects changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2016, including decreasing the discount rate from 8 percent to 7.5 percent, changing projected salary increases from 3-6.75 percent to 2.7-7.2 percent, decreasing the inflation rate from 3 percent to 2.3 percent, and changing the mortality rates.

The County’s proportion of the net liability was based on the County’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2018. The County’s proportion measured as of June 30, 2018, and the change from its proportion measured as of June 30, 2017, was 0.54250 percent, which was an increase of 0.0201 from its proportion measured as of June 30, 2017.

**Expense**—For the year ended June 30, 2019, the County recognized pension expense of \$2,006,842.

**Deferred outflows/inflows of resources**—At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>ASRS</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience	\$ 2,084,363	\$ 417,099
Changes of assumptions or other inputs	2,002,093	6,708,268
Net difference between projected and actual earnings on pension plan investments		1,819,435
Changes in proportion and differences between county contributions and proportionate share of contributions	2,221,431	121,408
County contributions subsequent to the measurement date	6,122,025	
<b>Total</b>	<u><u>\$ 12,429,912</u></u>	<u><u>\$ 9,066,210</u></u>

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The amount reported as deferred outflows of resources related to ASRS pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expenses as follows:

Year ending June 30	
2020	\$ 1,647,995
2021	( 830,423)
2022	( 2,759,949)
2023	( 815,946)

**Actuarial assumptions**—The significant actuarial assumptions used to measure the total pension liability are as follows:

**ASRS**

Actuarial valuation date	June 30, 2017
Actuarial roll forward date	June 30, 2018
Actuarial cost method	Entry age normal
Investment rate of return	7.5%
Projected salary increases	2.7-7.2%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

Actuarial assumptions used in the June 30, 2017, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.5 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>ASRS Asset class</b>	<b>Target allocation</b>	<b>Long-term expected geometric real rate of return</b>
Equity	50%	5.50%
Fixed income	30%	3.83%
Real estate	20%	5.85%
Total	100%	

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**Discount rate**—At June 30, 2018, the discount rate used to measure the ASRS total pension liability was 7.5 percent, which was a decrease of 0.5 from the discount rate used as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the County’s proportionate share of the ASRS net pension liability to changes in the discount rate**—The following table presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate:

ASRS	1% Decrease (6.5%)	Current discount rate (7.5%)	1% Increase (8.5%)
County’s proportionate share of the Net pension liability	\$ 107,854,584	\$ 75,659,658	\$ 48,761,319

**Pension plan fiduciary net position**—Detailed information about the pension plan’s fiduciary net position is available in the separately issued ASRS financial report.

**B. Public Safety Personnel Retirement System and Corrections Officer Retirement Plan**

**Plan descriptions**—County sheriff employees and County attorney investigators who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). As of June 30, 2019, the County had no employees participating in the PSPDCRP, therefore it is not further disclosed. The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plan (PSPRS Tier 3 Risk Pool) which is not further disclosed because of its relative insignificance to the County’s financial statements.

County detention officers, County dispatchers, and Administrative Office of the Courts (AOC) probation, surveillance, and juvenile detention officers participate in the Corrections Officer Retirement Plan (CORP). The CORP administers an agent multiple-employer defined benefit pension plan for county detention officers and dispatchers (agent plans), which were closed to new members as of July 1, 2018, and a cost-sharing multiple-employer defined benefit pension plan for AOC officers (cost-sharing plan). Employees who were CORP members before July 1, 2018 participate in CORP, and AOC probation and surveillance officers who became members on or after July 1, 2018, participate in CORP.

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Detention officers, County dispatchers, and juvenile detention officers who became members on or after July 1, 2018, participate in PSPDCRP. The PSPRS Board of Trustees and the participating local boards govern CORP according to the provisions of A.R.S. Title 38, Chapter 5, Article 6.

The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for the PSPRS and CORP plans. The report is available on the PSPRS website at [www.psprs.com](http://www.psprs.com).

**Benefits provided**—The PSPRS and CORP provide retirement, disability, and survivor benefits. State statute establishes benefit terms. Retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

<b>PSPRS</b>	<b>Initial membership date:</b>	
	<b>Before January 1, 2012</b>	<b>On or after January 1, 2012 and before July 1, 2017</b>
<b>Retirement and disability</b>		
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited service, age 52.5
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years
<b>Benefit percent</b>		
Normal retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	1.5 % to 2.5% per year of credited service, not to exceed 80%
Accidental disability retirement	50% or normal retirement, whichever is greater	
Catastrophic disability retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater	
Ordinary disability retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20	
<b>Survivor benefit</b>		
Retired members	80% to 100% of retired member's pension benefit	



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**PSPRS**

**Initial membership date:**

**On or after January 1, 2012  
and before July 1, 2017**

**Before January 1, 2012**

Active members 80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job

**CORP**

**Initial membership date:**

**On or after January 1, 2012 and  
before July 1, 2018**

**Before January 1, 2012**

**Retirement and  
disability**

Years of service and age required to receive benefit Sum of years and age equals 80  
25 years, any age (dispatchers)  
20 years, any age (all others)  
10 years, age 62

25 years, age 52.5  
10 years, age 62

Final average salary is based on

Highest 36 consecutive months of last 10 years

Highest 60 consecutive months of last 10 years

**Benefit percent**

Normal retirement

2.0% to 2.5% per year of credited service, not to exceed 80%

Accidental disability retirement

50% or normal retirement if more than 20 years of credited service 50% or normal retirement if more than 25 years of credited service

Total and permanent disability retirement

50% or normal retirement if more than 25 years of credited service

Ordinary disability retirement

2.5% per year of credited service

**Survivor benefit**

Retired members

80% of retired member's pension benefit

Active members

40% of average monthly compensation or 100% of average monthly compensation if death was the result of injuries received on the job. If there is no surviving spouse or eligible children, the beneficiary is entitled to 2 times the member's contributions.

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on inflation. PSPRS also provides temporary disability benefits of 50 percent of the member's compensation for up to 12 months.

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**Employees covered by benefit terms**—At June 30, 2019, the following employees were covered by the agent pension plans' benefit terms:

	<b>PSPRS Sheriff</b>	<b>PSPRS Attorney Investigators</b>	<b>CORP Detention</b>	<b>CORP Dispatchers</b>
Inactive employees or beneficiaries currently receiving benefits	76	2	47	1
Inactive employees entitled to but not yet receiving benefits	45	0	106	1
Active employees	107	0	200	4
<b>Total</b>	<b>228</b>	<b>2</b>	<b>353</b>	<b>6</b>

**Contributions**—State statutes establish the pension contribution requirements for active PSPRS and CORP employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS and CORP pension plans. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contribution rates for the year ended June 30, 2019, are indicated below. Rates are a percentage of active members' annual covered payroll.

	<b>Active member— pension</b>	<b>County—pension</b>
PSPRS Sheriff	7.65%-11.65%	51.45%
CORP Detention	8.41	20.27
CORP Dispatchers	7.96	29.42
CORP AOC	8.41	32.43

Also, statute required the County to contribute at the actuarially determined rate of 39.41 percent of the annual covered payroll of county sheriff employees and 9.68 percent of the annual covered payroll of county attorney investigators who were PSPRS Tier 3 Risk Pool members, in addition to the County's required contributions to the PSPRS Tier 3 Risk Pool for these county sheriff employees and county attorney investigators.

In addition, statute required the County to contribute at the actuarially determined rate indicated below of annual covered payroll of retired members who worked for the County in positions that an employee who contributes to the PSPRS or CORP would typically fill and employees participating in the PSPRS Tier 3 Risk Pool and PSPDCRP members in addition to the County's required contributions to the PSPRS Tier 3 Risk Pool and PSPDCRP.

	<b>Pension</b>
PSPRS Sheriff	39.41%
CORP Detention	13.04%
CORP Dispatchers	20.21%
CORP AOC	24.49%

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The County's contributions to the plans for the year ended June 30, 2019, were:

	<b>Pension</b>
PSPRS Sheriff	\$ 2,637,003
PSPRS Attorney Investigators	91,410
CORP Detention	1,381,431
CORP Dispatchers	36,536
CORP AOC	2,076,705

During the fiscal year 2019, the County paid for PSPRS and CORP pension contributions as follows: 62.1 percent from the general fund, 18.7 percent from major funds, and 19.2 percent from other funds.

**Liability**—At June 30, 2019, the County reported the following liabilities:

	<b>Net pension liability</b>
PSPRS Sheriff	\$ 37,150,550
PSPRS Attorney Investigators	1,085,765
CORP Detention	12,377,242
CORP Dispatchers	455,925
CORP AOC (County's proportionate share)	20,450,794

The net liabilities were measured as of June 30, 2018, and the total liability used to calculate the net liability was determined by an actuarial valuation as of that date. The total CORP pension liabilities as of June 30, 2018, reflect statutory changes in benefit terms for automatic cost-of-living adjustments. The basis for cost-of-living adjustments was changed from excess investment earnings to the change in the consumer price index, limited to a maximum annual increase of 2 percent.

**Actuarial assumptions**—The significant actuarial assumptions used to measure the total pension liability is as follows:

**PSPRS and CORP—Pension**

Actuarial valuation date	June 30, 2018
Actuarial cost method	Entry age normal
Investment rate of return	7.4%
Wage inflation	3.5%
Price inflation	2.5%
Cost-of-living adjustment	Included
Mortality rates	RP-2014 tables using MP-2016 improvement scale with adjustments to match current experience

Actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

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The long-term expected rate of return on PSPRS and CORP plan investments was determined to be 7.4 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>PSPRS and CORP Asset class</b>	<b>Target allocation</b>	<b>Long-term expected geometric real rate of return</b>
Short term investments	2%	0.25%
Risk parity	4%	5.00%
Fixed income	5%	1.25%
Real assets	9%	4.52%
GTS	12%	3.96%
Private credit	16%	6.75%
Real estate	10%	3.75%
Private equity	12%	5.83%
Non-U.S. equity	14%	8.70%
U.S. equity	16%	7.60%
Total	<u>100%</u>	

**Discount rate**—At June 30, 2018, the discount rate used to measure the PSPRS and CORP total pension was 7.4 percent, which was the same as the discount rate used as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on these assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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**Changes in the net pension liability**

PSPRS Sheriff	Pension Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) – (b)
Balances at June 30, 2018	\$63,697,832	\$24,863,087	\$38,834,745
Changes for the year:			
Service cost	1,378,227		1,378,227
Interest on the total liability	4,644,058		4,644,058
Differences between expected and actual experience in the measurement of the liability	1,451,567		1,451,567
Contributions—employer		7,822,903	(7,822,903)
Contributions—employee		806,488	(806,488)
Net investment income		1,731,712	(1,731,712)
Benefit payments, including refunds of employee contributions	(3,258,822)	(3,258,822)	-
Administrative expense		(27,056)	27,056
Other changes		(1,176,000)	1,176,000
Net changes	4,215,030	5,899,225	(1,684,195)
Balances at June 30, 2019	\$67,912,862	\$30,762,312	\$37,150,550

Yavapai County  
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**PSPRS Attorney Investigators**

	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) – (b)
Balances at June 30, 2018	\$ 1,092,215	\$ 3,921	\$ 1,088,294
Changes for the year:			
Interest on the total pension liability	77,769		77,769
Differences between expected and actual experience in the measurement of the pension liability	11,489		11,489
Contributions-employer		91,848	(91,848)
Net investment income		649	(649)
Benefit payments, including refunds of employee contributions	(82,575)	(82,575)	-
Administrative expense		(710)	710
Net changes	6,683	9,212	(2,529)
Balances at June 30, 2019	\$ 1,098,898	\$ 13,133	\$ 1,085,765

**CORP - Detention**

	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) – (b)
Balances at June 30, 2018	\$26,706,740	\$13,202,049	\$13,504,691
Changes for the year:			
Service cost	1,280,762		1,280,762
Interest on the total pension liability	1,977,134		1,977,134
Changes of benefit terms	(1,344,802)		(1,344,802)
Differences between expected and actual experience in the measurement of the pension liability	133,487		133,487
Contributions—employer		1,630,186	(1,630,186)
Contributions—employee		610,265	(610,265)
Net investment income		974,213	(974,213)
Benefit payments, including refunds of employee contributions	(1,258,176)	(1,258,176)	-
Administrative expense		(15,439)	15,439
Other changes		(25,195)	25,195
Net changes	788,405	1,915,854	(1,127,449)
Balances at June 30, 2019	\$27,495,145	\$15,117,903	\$12,377,242

Yavapai County  
Notes to Financial Statements  
June 30, 2019

<b>CORP - Dispatchers</b>	<b>Increase (decrease)</b>		
	<b>Total pension liability (a)</b>	<b>Plan fiduciary net position (b)</b>	<b>Net pension liability (a) – (b)</b>
Balances at June 30, 2018	\$ 1,237,715	\$ 718,844	\$ 518,871
Changes for the year:			
Service cost	30,955		30,955
Interest on the total pension liability	91,110		91,110
Changes of benefit terms	(81,387)		(81,387)
Differences between expected and actual experience in the measurement of the pension liability	1,802		1,802
Contributions—employer		40,149	(40,149)
Contributions—employee		14,351	(14,351)
Net investment income		52,432	(52,432)
Benefit payments, including refunds of employee contributions	(43,942)	(43,942)	-
Administrative expense		(1,492)	1,492
Other changes		(14)	14
Net changes	(1,462)	61,484	(62,946)
Balances at June 30, 2019	\$ 1,236,253	\$ 780,328	\$ 455,925

The County's proportion of the CORP AOC net pension liability was based on the County's actual contributions to the plans relative to the total of all participating counties' actual contributions for the year ended June 30, 2018. The County's proportion measured as of June 30, 2018, was 5.68 percent which was an increase of 0.16 from its proportion measured as of June 30, 2017.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Sensitivity of the County's net pension liability to changes in the discount rate**—The following table presents the County's net pension liabilities calculated using the discount rate of 7.4 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.4 percent) or 1 percentage point higher (8.4 percent) than the current rate:

	<b>1% Decrease (6.4%)</b>	<b>Current discount rate (7.4%)</b>	<b>1% Increase (8.4%)</b>
PSPRS Sheriff			
Net pension liability	\$46,191,272	\$37,150,550	\$29,784,769
PSPRS Attorney Investigators			
Net pension liability	\$1,211,213	\$1,085,765	\$981,339
CORP Detention			
Net pension liability	\$16,612,168	\$12,377,242	\$8,987,147
CORP Dispatchers			
Net pension liability	\$644,597	\$455,925	\$304,416
CORP AOC			
County's proportionate share of the net pension liability	\$26,754,527	\$20,450,794	\$15,335,711

**Plan fiduciary net position**—Detailed information about the plans' fiduciary net position is available in the separately issued PSPRS and CORP financial reports.

**Expense**—For the year ended June 30, 2019, the County recognized the following pension expense:

	<b>Pension expense</b>
PSPRS Sheriff	\$ 4,743,812
PSPRS Attorney Investigators	144,250
CORP Detention	634,636
CORP Dispatchers	(17,445)
CORP AOC (County's proportionate share)	523,406



Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Deferred outflows/inflows of resources**—At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>PSPRS Sheriff</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience	\$ 2,300,163	\$ 681,479
Changes of assumptions or other inputs	2,215,570	
Net difference between projected and actual earnings on pension plan investments	459,709	
County contributions subsequent to the measurement date	2,637,003	
Total	<u>\$ 7,612,445</u>	<u>\$ 681,479</u>
<b>PSPRS Attorney Investigators</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Net difference between projected and actual earnings on pension plan investments		\$ 10,743
County contributions subsequent to the measurement date	\$ 91,410	
Total	<u>\$ 91,410</u>	<u>\$ 10,743</u>
<b>CORP Detention</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience	\$ 103,799	\$ 462,972
Changes of assumptions or other inputs	829,186	
Net difference between projected and actual earnings on pension plan investments	132,322	
County contributions subsequent to the measurement date	1,381,431	
Total	<u>\$ 2,446,738</u>	<u>\$ 462,972</u>

Yavapai County  
Notes to Financial Statements  
June 30, 2019

<b>CORP Dispatchers</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience	\$ 1,447	\$ 60,650
Changes of assumptions or other inputs	71,522	
Net difference between projected and actual earnings on pension plan investments	7,511	
County contributions subsequent to the measurement date	36,536	
<b>Total</b>	<u>\$ 117,016</u>	<u>\$ 60,650</u>

<b>CORP AOC</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience	\$ 76,585	\$ 1,051,916
Changes in proportion and differences between county contributions and proportionate share of contributions	1,078,459	53,287
Changes of assumptions or other inputs	1,356,440	
Net difference between projected and actual earnings on pension plan investments	369,943	
County contributions subsequent to the measurement date	2,076,705	
<b>Total</b>	<u>\$ 4,958,132</u>	<u>\$ 1,105,203</u>

The amounts reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized a reduction of the net liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<b>PSPRS Sheriff</b>	<b>PSPRS Attorney Investigators</b>	<b>CORP Detention</b>	<b>CORP Dispatchers</b>	<b>CORP AOC</b>
Year ending June 30					
2020	\$1,775,576	\$ (4,898)	\$ 376,143	\$ 16,318	\$ 981,482
2021	1,403,579	(3,958)	204,050	11,157	552,228
2022	861,799	(1,877)	(108)	(8,820)	203,847
2023	253,009	(10)	22,250	1,148	38,667
2024	-	-	-	27	-

Yavapai County  
Notes to Financial Statements  
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**C. Elected Officials Retirement Plan**

**Plan Description**—Elected officials and judges participate in the Elected Officials Retirement Plan (EORP), ASRS, or the Elected Officials Defined Contribution Retirement System (EODCRS). EORP administers a cost-sharing multiple-employer defined benefit pension plan for elected officials and judges who were members of the plan on December 31, 2013. The EORP pension plan was closed to new members as of January 1, 2014. The PSPRS Board of Trustees governs the EORP according to the provisions of A.R.S. Title 38, Chapter 5, Article 3. The PSPRS issues a publicly available financial report that includes its financial statements and required supplementary information for the EORP plan. The report is available on PSPRS's website at [www.psprs.com](http://www.psprs.com).

**Benefits provided**—The EORP provides retirement, disability, and survivor benefits. State statute establishes benefit terms. Retirement, disability, and survivor benefits are calculated on the basis of age, average yearly compensation, and service credit as follows:

<b>EORP</b>	<b>Initial membership date:</b>	
	<b>Before January 1, 2012</b>	<b>On or after January 1, 2012</b>
<b>Retirement and disability</b>		
Years of service and age required to receive benefit	20 years, any age 10 years, age 62 5 years, age 65 5 years, any age* any years and age if disabled	10 years, age 62 5 years, age 65 any years and age if disabled
Final average salary is based on	Highest 36 consecutive months of last 10 years	Highest 60 consecutive months of last 10 years
Benefit percent		
Normal retirement	4% per year of service, not to exceed 80%	3% per year of service, not to exceed 75%
Disability retirement	80% with 10 or more years of service 40% with 5 to 10 years of service 20% with less than 5 years of service	75% with 10 or more years of service 37.5% with 5 to 10 years of service 18.75% with less than 5 years of service
<b>Survivor benefit</b>		
Retired members	75% of retired member's benefit	50% of retired member's benefit
Active members and other inactive members	75% of disability retirement benefit	50% of disability retirement benefit

\* With reduced benefits of 0.25% for each month early retirement precedes the member's normal retirement age, with a maximum reduction of 30%.

Yavapai County  
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Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on inflation. In addition, the Legislature may enact permanent one-time benefit increases after a Joint Legislative Budget Committee analysis of the increase's effects on the plan.

**Contributions**—State statutes establish active member and employer contribution requirements. Statute also appropriates \$5 million annually through fiscal year 2043 for the EORP from the State of Arizona to supplement the normal cost plus an amount to amortize the unfunded accrued liability and designates a portion of certain court fees for the EORP. For the year ended June 30, 2019, statute required active EORP members to contribute 7 or 13 percent of the members' annual covered payroll and the County to contribute the actuarially determined rate of 61.5 percent of all active EORP members' annual covered payroll. Also, statute required the County to contribute 49.86 percent to EORP of the annual covered payroll of elected officials and judges who were ASRS members and 55.5 percent to EORP of the annual covered payroll of elected officials and judges who were EODCRS members, in addition to the County's required contributions to ASRS and EODCRS for these elected officials and judges. In addition, statute required the County to contribute 30.16 percent of annual covered payroll of retired members who worked for the County in positions that an employee who contributes to the EORP would typically fill. The County's contributions to the pension plan for the year ended June 30, 2019, were \$94,712.

During fiscal year 2019, the County paid for EORP pension contributions as follows: 91.0 percent from the General Fund, 3.3 percent from major funds, and 5.7 percent from other funds.

**Liability**—At June 30, 2019, the County reported a liability for its proportionate share of the EORP's net pension liability that reflected a reduction for the County's proportionate share of the State's appropriation for EORP. The amount the County recognized as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the County were as follows:

County's proportionate share of the EORP net pension liability	\$ 19,878,026
State's proportionate share of the EORP net pension liability associated with the County	<u>3,405,971</u>
Total	<u><u>\$ 23,283,997</u></u>

The net liability was measured as of June 30, 2018, and the total liability used to calculate the net liability was determined by an actuarial valuation as of that date. The total liability as of June 30, 2018, reflect statutory changes in benefit terms for automatic cost-of-living adjustments. The basis for the cost-of-living adjustments was changed from excess investment earnings to the change in the consumer price index, limited to a maximum annual increase of 2 percent.

The County's proportion of the net pension liability was based on the County's required contributions to the pension plan relative to the total of all participating employers' required contributions for the year ended June 30, 2018. The County's proportion measured as of June 30, 2018, was 3.155 percent, which was an increase of 0.630 from its proportion measured as of June 30, 2017.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Expense**—For the year ended June 30, 2019, the County recognized negative pension expense for EORP of \$4,407,257, and negative revenue of \$968,400 for the County’s proportionate share of the State’s appropriation to EORP and the designated court fees.

**Deferred outflows/inflows of resources**—At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>EORP</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience		\$ 310,027
Changes of assumptions or other inputs	\$ 123,856	8,275,374
Net difference between projected and actual earnings on pension plan investments	172,494	
Changes in proportion and differences between county contributions and proportionate share of contributions	3,833,406	23,119
County contributions subsequent to the measurement date	94,712	
Total	<u>\$ 4,224,468</u>	<u>\$ 8,608,520</u>

The amounts reported as deferred outflows of resources related to EORP pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to EORP pensions will be recognized as expenses as follows:

<b>Year ending June 30</b>	<b>Pension</b>
2020	\$ (4,134,616)
2021	( 273,833)
2022	( 73,178)
2023	2,863

Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Actuarial assumptions**—The significant actuarial assumptions used to measure the total pension liability are as follows:

<b>EORP—Pension</b>	
Actuarial valuation date	June 30, 2018
Actuarial cost method	Entry age normal
Investment rate of return	7.4%
Wage inflation	3.5%
Price inflation	2.5%
Cost-of-living adjustment	Included
Mortality rates	RP-2014 tables using MP-2016 improvement scale with adjustments to match current experience.

Actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

The long-term expected rate of return on EORP plan investments was determined to be 7.4 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric rates of return for each major asset class are summarized in the following table:

<b>EORP Asset class</b>	<b>Target allocation</b>	<b>Long-term expected geometric real rate of return</b>
Short term investments	2%	0.25%
Risk parity	4%	5.00%
Fixed income	5%	1.25%
Real assets	9%	4.52%
GTS	12%	3.96%
Private credit	16%	6.75%
Real estate	10%	3.75%
Private equity	12%	5.83%
Non-U.S. equity	14%	8.70%
U.S. equity	16%	7.60%
Total	100%	

**Discount rates**—At June 30, 2018, the discount rate used to measure the EORP total pension liability was 7.4 percent, which was an increase of 3.49 for pension from the discount rate used as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate, employer contributions will be made at the actuarially determined rate, and State contributions will be made as currently required by statute. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Sensitivity of the County’s proportionate share of the EORP net pension liability to changes in the discount rate**—The following table presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.4 percent, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.4 percent) or 1 percentage point higher (8.4 percent) than the current rate:

<b>EORP</b>	<b>1% Decrease (6.4%)</b>	<b>Current discount rate (7.4%)</b>	<b>1% Increase (8.4%)</b>
County’s proportionate share of the net pension liability	\$22,824,593	\$19,878,026	\$17,373,354

**Pension plan fiduciary net position**—Detailed information about the pension plan’s fiduciary net position is available in the separately issued EORP financial report.

**EODCRS plan**—Elected officials and judges who are not members of EORP or ASRS participate in the EODCRS. The EODCRS is a defined contribution pension plan. The PSPRS Board of Trustees governs the EODCRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 3.1. Benefit terms, including contribution requirements, are established by state statute.

For the year ended June 30, 2019, active EODCRS members were required by statute to contribute 8 percent of the members’ annual covered payroll, and the County was required by statute to contribute 6 percent of active members’ annual covered payroll to an individual employee account. Employees are immediately vested in their own contributions and the County’s contributions to the individual employee account and the earnings on those contributions. For the year ended June 30, 2019, the County recognized pension expense of \$24,238.

Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Note 11 - Interfund balances and activity**

Interfund receivables and payables—Interfund balances at June 30, 2019, were as follows:

	<b>Payable to</b>				
	General Fund	Jail District Fund	HURF Road Fund	Nonmajor Governmental Funds	Total
<b>Payable from</b>					
General Fund	\$ -	\$ 44,707	\$ 57,758	\$ 28,879	\$ 131,344
Jail District Fund	48,687	-	-	5,263	53,950
Regional Road Fund	-	-	321,967	-	321,967
HURF Road Fund	27,429	2,958	-	-	30,387
Nonmajor Governmental Funds	425,903	-	9,030	465,062	899,995
<b>Total</b>	<b>\$ 502,019</b>	<b>\$ 47,665</b>	<b>\$ 388,755</b>	<b>\$ 499,204</b>	<b>\$ 1,437,643</b>

The interfund balances resulted from time lags between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All interfund balances are expected to be paid in one year.

Interfund transfers—Interfund transfers for the year ended June 30, 2019, were as follows:

	<b>Transfer to</b>					Total
	General Fund	Jail District Fund	Capital Projects Fund	Capital Projects Debt Service Fund	Nonmajor Governmental Funds	
<b>Transfer from</b>						
General Fund	\$ -	\$ 7,132,947	\$ 1,328,401	\$ -	\$ 777,955	\$ 9,239,303
Capital Projects Fund	-	-	-	1,912,098	-	1,912,098
Nonmajor Governmental Funds	1,378	-	70,945	-	1,045,849	1,118,172
<b>Total</b>	<b>\$ 1,378</b>	<b>\$ 7,132,947</b>	<b>\$ 1,399,346</b>	<b>\$ 1,912,098</b>	<b>\$ 1,823,804</b>	<b>\$ 12,269,573</b>

Transfers are used to move the maintenance of effort required by A.R.S. §48-4024 from the General Fund to the Jail District Fund, move funds from the General Fund to the Health Care Fund (Nonmajor Governmental Funds) to subsidize public health initiatives, move receipts restricted to debt service from the Capital Projects Fund to the Capital Projects Debt Service Fund as debt service payments become due, and use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.



Yavapai County  
Notes to Financial Statements  
June 30, 2019

**Note 12 - County Treasurer's investment pool**

Arizona Revised Statutes require community colleges, school districts, and other local governments to deposit certain public monies with the County Treasurer. The Treasurer has a fiduciary responsibility to administer those and the County's monies under the Treasurer's stewardship. The Treasurer invests, on a pool basis, all idle monies not specifically invested for a fund or program. In addition, the Treasurer determines the fair value of those pooled investments annually at June 30.

The County Treasurer's investment pool is not registered with the Securities and Exchange Commission as an investment company, and there is no regulatory oversight of its operations. The pool's structure does not provide for shares, and the County has not provided or obtained any legally binding guarantees to support the value of the participants' investments.

The deposits and investments the County holds are included in the County Treasurer's investment pool, except for \$43,376 of cash on hand and \$5,030,368 of deposits. Therefore, the deposit and investment risks of the Treasurer's investment pool are substantially the same as the County's deposit and investment risks. See Note 3 for disclosure of the County's deposit and investment risks.

Details of each major investment classification follow:

Investment type	Principal	Interest rates	Maturities	Fair value
State Treasurer's Investment Pool 5	\$ 46	None stated	None stated	\$ 46
State Treasurer's Investment Pool 7	118,445,095	None stated	None stated	118,736,190
U.S. Treasury securities	16,833,906	1.6-2.62%	8/31/19-8/31/20	16,959,875
U.S. agency securities	41,142,485	1.0-3.0%	7/12/19-9/10/21	41,335,197
Money market funds	247,057	.30%	7/01/19	247,057

Yavapai County  
Notes to Financial Statements  
June 30, 2019

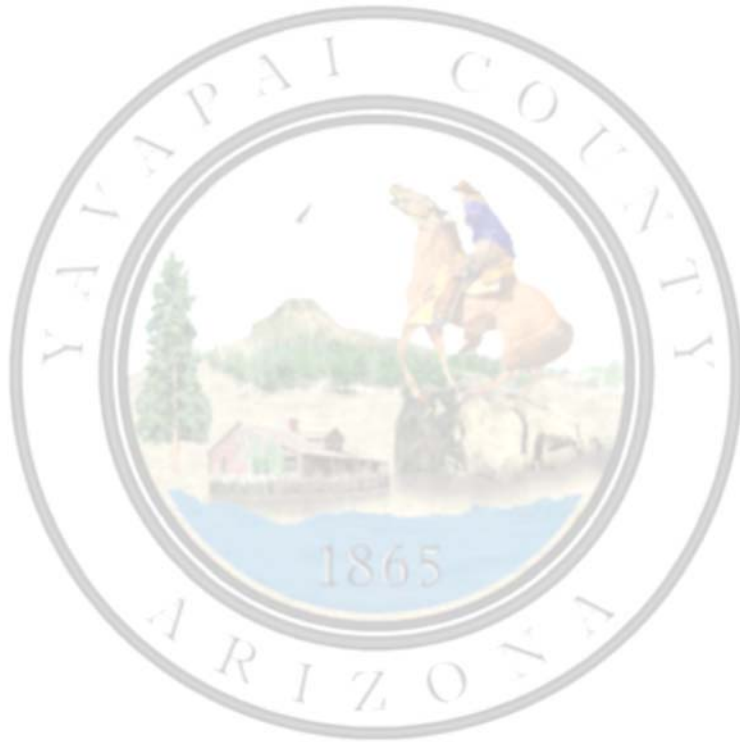
A condensed statement of the investment pool's net position and changes in net position follows:

<b>Statement of net position</b>	
Assets	\$183,700,764
Liabilities	-
Net Position	<u>\$183,700,764</u>
Net position held in trust for:	
Internal participants	\$ 56,495,007
External participants	<u>127,205,757</u>
Total net position held in trust	<u>\$183,700,764</u>
<b>Statement of changes in net position</b>	
Total additions	\$641,919,179
Total deductions	<u>(627,132,021)</u>
Net increase	14,787,158
Net position held in trust:	
July 1, 2018	<u>168,913,606</u>
June 30, 2019	<u>\$183,700,764</u>

**Note 13 - Subsequent Events**

On June 4, 2020, the Yavapai County Jail District issued \$57,050,000 pledged revenue obligations at par value with an average coupon of 4.24% and a last maturity date of July 1, 2040. The issuance includes a premium of \$8,784,446 with total bond proceeds of \$65,834,446 which yields a true interest cost 2.81%. The bond proceeds are to fund the construction of the Yavapai County Criminal Justice Center.

**REQUIRED SUPPLEMENTARY INFORMATION**



Yavapai County  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 47,240,578	\$ 47,240,578	\$ 47,595,257	\$ 354,679
County sales taxes	8,947,622	8,947,622	8,945,306	( 2,316)
Licenses and permits	2,250,000	2,250,000	2,865,286	615,286
Intergovernmental	43,687,678	43,687,678	47,783,343	4,095,665
Charges for services	2,180,000	2,180,000	1,992,963	( 187,037)
Fines and forfeits	2,800,000	2,800,000	2,958,810	158,810
Investment earnings	65,000	65,000	182,724	117,724
Miscellaneous	600,000	600,000	273,950	( 326,050)
Total revenues	<u>107,770,878</u>	<u>107,770,878</u>	<u>112,597,639</u>	<u>4,826,761</u>
<b>Expenditures:</b>				
<b>General government</b>				
Board of Supervisors	2,014,187	2,092,930	2,064,880	28,050
Human Resources	923,363	941,363	941,224	139
General Services	74,747	( 321,389)	( 1,787,608)	1,466,219
Elections	980,369	980,369	857,520	122,849
Public Works	283,964	298,964	265,753	33,211
Facilities	8,005,751	8,005,751	7,623,216	382,535
Development Services	4,810,182	4,810,182	4,525,550	284,632
Fleet	2,325,303	2,325,303	2,573,945	( 248,642)
Medical Examiner	747,906	802,247	809,403	( 7,156)
Finance	805,863	821,113	818,750	2,363
Assessor	4,086,598	4,110,998	3,658,318	452,680
County Attorney	8,031,429	8,031,429	7,989,710	41,719
Recorder	1,541,940	1,541,940	1,442,760	99,180
Management Information Systems	6,384,967	6,384,967	5,991,091	393,876
Clerk of the Court	3,045,126	3,069,316	2,984,954	84,362
Treasurer	991,416	991,416	978,654	12,762
Superior Courts	5,451,712	5,489,112	5,490,613	( 1,501)
Public Defender	5,775,271	5,775,271	5,676,027	99,244
Prescott Justice of the Peace	774,963	814,563	811,021	3,542
Prescott Constable	101,976	123,976	123,018	958
Bagdad/Yarnell Justice of the Peace	382,797	382,797	369,426	13,371
Verde Valley Justice of the Peace	615,998	615,998	611,501	4,497
Mayer Justice of the Peace	525,456	531,668	531,668	-
Verde Constable	93,198	123,752	123,752	-
Mayer Constable	80,423	80,423	75,442	4,981
Seligman Constable	18,308	19,808	14,228	5,580
Bagdad/Yarnell Constable	27,574	27,774	13,054	14,720
Seligman Justice of the Peace	376,799	414,124	401,300	12,824
Geographic Information Systems	653,703	653,703	625,115	28,588
Total General government	<u>59,931,289</u>	<u>59,939,868</u>	<u>56,604,285</u>	<u>3,335,583</u>

(Continued)

Yavapai County  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public safety				
Sheriff	\$ 21,763,079	\$ 21,763,079	\$ 20,830,932	\$ 932,147
Adult Probation	3,935,867	3,935,867	3,753,585	182,282
Juvenile Probation	4,033,612	4,033,612	3,953,081	80,531
Total Public safety	<u>29,732,558</u>	<u>29,732,558</u>	<u>28,537,598</u>	<u>1,194,960</u>
Sanitation				
Solid Waste	1,797,437	1,797,437	1,789,718	7,719
Welfare				
Medical Assistance	10,055,100	10,055,100	10,055,058	42
Public Fiduciary	541,407	541,407	531,563	9,844
Total Welfare	<u>10,596,507</u>	<u>10,596,507</u>	<u>10,586,621</u>	<u>9,886</u>
Culture and recreation				
Facilities	118,000	118,000	117,264	736
Education				
School Superintendent	738,664	738,664	704,921	33,743
Debt service				
Principal retirement	-	-	42,884	( 42,884)
Interest and other charges	-	-	4,348	( 4,348)
Total debt service	<u>-</u>	<u>-</u>	<u>47,232</u>	<u>( 47,232)</u>
Capital expenditures				
Public Works	20,000	20,000	-	20,000
Facilities	-	39,612	60,269	( 20,657)
Fleet	2,949,000	2,949,000	2,629,510	319,490
Medical Examiner	-	64,269	57,114	7,155
Sheriff	63,986	63,986	214,138	( 150,152)
Management Information Systems	983,041	983,041	296,343	686,698
Superior Courts	116,930	116,930	115,106	1,824
Total capital expenditures	<u>4,132,957</u>	<u>4,236,838</u>	<u>3,372,480</u>	<u>864,358</u>
Total expenditures	<u>107,047,412</u>	<u>107,159,872</u>	<u>101,760,119</u>	<u>5,399,753</u>
Excess (deficiency) of revenues over expenditures	723,466	611,006	10,837,520	10,226,514
Other financing sources (uses):				
Sale of capital assets	-	-	295,167	295,167
Transfers in	-	-	1,378	1,378
Transfers out	( 9,257,510)	( 9,265,557)	( 9,239,303)	26,254
Total other financing sources (uses)	<u>( 9,257,510)</u>	<u>( 9,265,557)</u>	<u>( 8,942,758)</u>	<u>322,799</u>
Net change in fund balances	( 8,534,044)	( 8,654,551)	1,894,762	10,549,313
Fund balances, July 1, 2018	8,534,044	8,654,551	10,259,824	1,605,273
Fund balances, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,154,586</u>	<u>\$ 12,154,586</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County  
Required Supplementary Information  
Budgetary Comparison Schedule  
Jail District Fund  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
Revenues:				
County sales taxes	\$ 9,602,201	\$ 9,602,201	\$ 9,595,474	\$ ( 6,727)
Intergovernmental	194,000	194,000	95,306	( 98,694)
Charges for services	860,000	860,000	953,092	93,092
Investment earnings	-	-	2,880	2,880
Miscellaneous	-	-	37,179	37,179
Total revenues	<u>10,656,201</u>	<u>10,656,201</u>	<u>10,683,931</u>	<u>27,730</u>
Expenditures:				
Public safety				
Sheriff	18,641,500	18,641,500	17,777,451	864,049
Capital expenditures				
Sheriff	<u>101,000</u>	<u>101,000</u>	<u>370,476</u>	<u>( 269,476)</u>
Total expenditures	<u>18,742,500</u>	<u>18,742,500</u>	<u>18,147,927</u>	<u>594,573</u>
Excess (deficiency) of revenues over expenditures	( 8,086,299)	( 8,086,299)	( 7,463,996)	622,303
Other financing sources (uses):				
Transfers in	<u>7,183,757</u>	<u>7,183,757</u>	<u>7,132,947</u>	<u>( 50,810)</u>
Total other financing sources (uses)	<u>7,183,757</u>	<u>7,183,757</u>	<u>7,132,947</u>	<u>( 50,810)</u>
Net change in fund balances	( 902,542)	( 902,542)	( 331,049)	571,493
Fund balances, July 1, 2018	<u>902,542</u>	<u>902,542</u>	<u>1,109,592</u>	<u>207,050</u>
Fund balances, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 778,543</u>	<u>\$ 778,543</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County  
Required Supplementary Information  
Budgetary Comparison Schedule  
Regional Road Fund  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
County sales taxes	\$ -	\$ -	\$ 7,676,390	\$ 7,676,390
Licenses and permits	2,000,000	2,000,000	2,123,305	123,305
Intergovernmental	-	-	1,106,347	1,106,347
Investment earnings	-	-	205,890	205,890
Miscellaneous	90,000	90,000	100,000	10,000
Total revenues	<u>2,090,000</u>	<u>2,090,000</u>	<u>11,211,932</u>	<u>9,121,932</u>
Expenditures:				
Highways and streets				
Public Works	4,241,633	4,241,633	2,147,515	2,094,118
Capital expenditures				
Public Works	8,447,500	8,447,500	7,143,388	1,304,112
Total expenditures	<u>12,689,133</u>	<u>12,689,133</u>	<u>9,290,903</u>	<u>3,398,230</u>
Excess (deficiency) of revenues over expenditures	( 10,599,133)	( 10,599,133)	1,921,029	12,520,162
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>( 10,599,133)</u>	<u>( 10,599,133)</u>	<u>1,921,029</u>	<u>12,520,162</u>
Fund balances, July 1, 2018	<u>10,599,133</u>	<u>10,599,133</u>	<u>9,924,057</u>	<u>( 675,076)</u>
Fund balances, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,845,086</u>	<u>\$ 11,845,086</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County  
Required Supplementary Information  
Budgetary Comparison Schedule  
HURF Road Fund  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 17,032,782	\$ 17,032,782	\$ 17,522,316	\$ 489,534
Investment earnings	-	-	139,298	139,298
Miscellaneous	300,000	300,000	63,835	( 236,165)
Total revenues	<u>17,332,782</u>	<u>17,332,782</u>	<u>17,725,449</u>	<u>392,667</u>
Expenditures:				
Highways and streets				
Public Works	16,105,040	16,105,040	14,182,822	1,922,218
Capital expenditures				
Public Works	4,026,882	4,026,882	4,451,985	( 425,103)
Total expenditures	<u>20,131,922</u>	<u>20,131,922</u>	<u>18,634,807</u>	<u>1,497,115</u>
Excess (deficiency) of revenues over expenditures	( 2,799,140)	( 2,799,140)	( 909,358)	1,889,782
Other financing sources (uses):				
Sale of capital assets	-	-	226,143	226,143
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>226,143</u>	<u>226,143</u>
Net change in fund balances	( 2,799,140)	( 2,799,140)	( 683,215)	2,115,925
Fund balances, July 1, 2018	2,799,140	2,799,140	6,810,731	4,011,591
Fund balances, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,127,516</u>	<u>\$ 6,127,516</u>

See accompanying notes to budgetary comparison schedules.



Yavapai County  
Required Supplementary Information  
Notes to Budgetary Comparison Schedules  
Year Ended June 30, 2019

**Note 1 – Budgeting and Budgetary Control**

Arizona Revised Statutes (A.R.S.) requires the County to prepare and adopt a balanced budget annually for each governmental fund. The Board of Supervisors must approve such operating budgets on or before the third Monday in July to allow sufficient time for the legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August. A.R.S. prohibits expenditures or liabilities in excess of the amounts budgeted.

Expenditures may not legally exceed appropriations at the department level. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Board of Supervisors' approval. With the exception of the General Fund, each fund includes only one department.

**Note 2 – Budgetary Basis of Accounting**

The County's budget is prepared on a basis consistent with generally accepted accounting principles.

Yavapai County  
 Required Supplementary Information  
 Schedule of the County's Proportionate Share of the Net Pension Liability  
 Cost-Sharing Pension Plans  
 Year Ended June 30, 2019

<b>Arizona State Retirement System</b>	<b>Reporting fiscal year (Measurement date)</b>					<b>2014 through 2010</b>
	<b>2019 (2018)</b>	<b>2018 (2017)</b>	<b>2017 (2016)</b>	<b>2016 (2015)</b>	<b>2015 (2014)</b>	
County's proportion of the net pension liability	0.54%	0.52%	0.52%	0.52%	0.51%	Information
County's proportionate share of the net pension liability	\$75,659,658	\$81,382,853	\$84,285,098	\$81,490,182	\$76,184,758	not available
County's covered payroll	\$53,219,633	\$49,690,042	\$49,335,529	\$47,907,455	\$46,058,533	
County's proportionate share of the net pension liability as a percentage of its covered payroll	142.16%	163.78%	170.84%	170.10%	165.41%	
Plan fiduciary net position as a percentage of the total pension liability	73.40%	69.92%	67.06%	68.35%	69.49%	
<b>Corrections Officer Retirement Plan— Administrative Office of the Courts</b>	<b>Reporting fiscal year (Measurement date)</b>					<b>2014 through 2010</b>
	<b>2019 (2018)</b>	<b>2018 (2017)</b>	<b>2017 (2016)</b>	<b>2016 (2015)</b>	<b>2015 (2014)</b>	
County's proportion of the net pension liability	5.68%	5.52%	5.11%	5.07%	5.18%	Information
County's proportionate share of the net pension liability	\$20,450,794	\$22,135,375	\$14,427,765	\$12,320,726	\$11,614,215	not available
County's covered payroll	\$ 6,553,044	\$ 6,182,464	\$ 5,745,164	\$ 5,644,640	\$ 5,561,218	
County's proportionate share of the net pension liability as a percentage of its covered payroll	312.08%	358.03%	251.13%	218.27%	208.84%	
Plan fiduciary net position as a percentage of the total pension liability	53.72%	49.21%	54.81%	57.89%	58.59%	

See accompanying notes to pension plan schedules.

Yavapai County  
Required Supplementary Information  
Schedule of the County's Proportionate Share of the Net Pension Liability  
Cost-Sharing Pension Plans  
Year Ended June 30, 2019

Elected Officials Retirement Plan	Reporting fiscal year (Measurement date)					2014 through 2010
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
County's proportion of the net pension liability	3.15%	2.52%	2.56%	2.29%	2.24%	Information not available
County's proportionate share of the net pension liability	\$19,878,026	\$30,768,721	\$24,151,757	\$17,920,322	\$15,019,310	
State's proportionate share of the net pension liability associated with the County	3,405,971	6,385,906	4,986,713	5,586,811	4,605,060	
Total	\$23,283,997	\$37,154,627	\$29,138,470	\$23,507,133	\$19,624,370	
County's covered payroll	\$ 2,263,790	\$ 2,269,833	\$ 2,249,649	\$ 2,076,661	\$ 2,059,739	
County's proportionate share of the net pension liability as a percentage of its covered payroll	878.09%	1355.55%	1073.58%	862.94%	729.19%	
Plan fiduciary net position as a percentage of the total pension liability	30.36%	19.66%	23.42%	28.32%	31.91%	

See accompanying notes to pension plan schedules.

Yavapai County  
 Required Supplementary Information  
 Schedule of Changes in the County's Net Pension Liability and Related Ratios  
 Agent Pension Plans  
 Year Ended June 30, 2019

PSPRS Sheriff	Reporting fiscal year (Measurement date)					2014 through 2010 Information not available
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability						
Service cost	\$ 1,378,227	\$ 1,567,192	\$ 1,152,782	\$ 1,239,355	\$ 1,251,087	
Interest on the total pension liability	4,644,058	4,195,115	4,052,963	3,828,510	3,271,983	
Changes of benefit terms	-	746,072	1,708,705	-	1,079,590	
Differences between expected and actual experience in the measurement of the pension liability	1,451,567	1,833,831	(1,627,846)	406,046	(943,103)	
Changes of assumptions or other inputs	-	2,133,880	2,025,679	-	5,130,666	
Benefit payments, including refunds of employee contributions	(3,258,822)	(3,859,060)	(2,570,389)	(2,572,307)	(2,817,373)	
Net change in total pension liability	4,215,030	6,617,030	4,741,894	2,901,604	6,972,850	
Total pension liability— beginning	63,697,832	57,080,802	52,338,908	49,437,304	42,464,454	
Total pension liability— ending (a)	<u>\$67,912,862</u>	<u>\$63,697,832</u>	<u>\$57,080,802</u>	<u>\$52,338,908</u>	<u>\$49,437,304</u>	
Plan fiduciary net position						
Contributions—employer	\$ 7,822,903	\$ 2,885,038	\$ 2,503,859	\$ 2,010,938	\$ 1,852,166	
Contributions—employee	806,488	901,093	832,840	762,569	710,433	
Net investment income	1,731,712	2,613,926	128,609	773,273	2,549,590	
Benefit payments, including refunds of employee contributions	(3,258,822)	(3,859,060)	(2,570,389)	(2,572,307)	(2,817,373)	
Administrative expense	(27,056)	(23,529)	(18,906)	(19,247)	(20,534)	
Other changes	(1,176,000)	17,484	(397,541)	(31,317)	22,682	
Net change in plan fiduciary net position	5,899,225	2,534,952	478,472	923,909	2,296,964	
Plan fiduciary net position— beginning	24,863,087	22,328,135	21,849,663	20,925,754	18,628,790	
Plan fiduciary net position— ending (b)	<u>\$30,762,312</u>	<u>\$24,863,087</u>	<u>\$22,328,135</u>	<u>\$21,849,663</u>	<u>\$20,925,754</u>	
County's net pension liability—ending (a) – (b)	<u>\$37,150,550</u>	<u>\$38,834,745</u>	<u>\$34,752,667</u>	<u>\$30,489,245</u>	<u>\$28,511,550</u>	
Plan fiduciary net position as a percentage of the total pension liability	45.30%	39.03%	39.12%	41.75%	42.33%	
Covered payroll	\$ 8,462,735	\$ 7,440,543	\$ 6,559,961	\$ 6,914,257	\$ 6,750,559	
County's net pension liability as a percentage of covered payroll	438.99%	521.93%	529.77%	440.96%	422.36%	

See accompanying notes to pension plan schedules.

Yavapai County  
 Required Supplementary Information  
 Schedule of Changes in the County's Net Pension Liability and Related Ratios  
 Agent Pension Plans  
 Year Ended June 30, 2019

PSPRS Attorney Investigators	Reporting fiscal year (Measurement date)					2014 through 2010 Information
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability						
Interest on the total pension liability	\$ 77,769	\$ 50,832	\$ 69,407	\$ 73,958	\$ 61,974	not available
Changes of benefit terms	-	19,011	(116,984)	-	52,666	
Differences between expected and actual experience in the measurement of the pension liability	11,489	99,581	(150,161)	(23,931)	5,127	
Changes of assumptions or other inputs	-	(822,394)	231,585	129,272	890,765	
Benefit payments, including refunds of employee contributions	(82,575)	(76,767)	(76,767)	(76,767)	(75,348)	
Net change in total pension liability	6,683	(729,737)	(42,920)	102,532	935,184	
Total pension liability—beginning	1,092,215	1,821,952	1,864,872	1,762,340	827,156	
Total pension liability—ending (a)	<u>\$ 1,098,898</u>	<u>\$ 1,092,215</u>	<u>\$ 1,821,952</u>	<u>\$ 1,864,872</u>	<u>\$ 1,762,340</u>	
Plan fiduciary net position						
Contributions—employer	\$ 91,848	\$ 209,201	\$ 93,173	\$ 8,301	\$ -	
Net Investment income	649	4,362	(570)	(3,918)	-	
Benefit payments, including refunds of employee contributions	(82,575)	(76,767)	(76,767)	(76,767)	(75,348)	
Administrative expense	(710)	(439)	(318)	(377)	(3,478)	
Other changes	-	(2)	(1)	78	-	
Net change in plan fiduciary net position	9,212	136,355	15,517	(72,683)	(78,826)	
Plan fiduciary net position—beginning	3,921	(132,434)	(147,951)	(75,268)	3,558	
Plan fiduciary net position—ending (b)	<u>\$ 13,133</u>	<u>\$ 3,921</u>	<u>\$ (132,434)</u>	<u>\$ (147,951)</u>	<u>\$ (75,268)</u>	
County's net pension liability—ending (a) – (b)	<u>\$ 1,085,765</u>	<u>\$ 1,088,294</u>	<u>\$ 1,954,386</u>	<u>\$ 2,012,823</u>	<u>\$ 1,837,608</u>	
Plan fiduciary net position as a percentage of the total pension liability	1.20%	0.36%	(7.27)%	(7.93)%	(4.27)%	
Covered payroll	\$ 124,479	\$ 98,197	\$ 49,988	\$ 44,148	-	
County's net pension liability as a percentage of covered payroll	872.25%	1108.28%	3909.71%	4559.26%	0.00%	

See accompanying notes to pension plan schedules.

Yavapai County  
Required Supplementary Information  
Schedule of Changes in the County's Net Pension Liability and Related Ratios  
Agent Pension Plans  
Year Ended June 30, 2019

<b>CORP Detention</b>	<b>Reporting fiscal year (Measurement date)</b>					<b>2014 through 2010 Information not available</b>
	<b>2019 (2018)</b>	<b>2018 (2017)</b>	<b>2017 (2016)</b>	<b>2016 (2015)</b>	<b>2015 (2014)</b>	
Total pension liability						
Service cost	\$ 1,280,762	\$ 1,088,733	\$ 988,611	\$ 1,005,903	\$ 938,158	
Interest on the total pension liability	1,977,134	1,611,298	1,536,381	1,505,127	1,286,356	
Changes of benefit terms	(1,344,802)	3,307,199	47,154	-	274,603	
Differences between expected and actual experience in the measurement of the pension liability	133,487	(183,401)	(378,493)	(832,875)	(54,841)	
Changes of assumptions or other inputs	-	541,916	826,003	-	1,530,233	
Benefit payments, including refunds of employee contributions	(1,258,176)	(1,197,224)	(1,117,729)	(1,425,008)	(1,017,964)	
Net change in total pension liability	788,405	5,168,521	1,901,927	253,147	2,956,545	
Total pension liability—beginning	26,706,740	21,538,219	19,636,292	19,383,145	16,426,600	
Total pension liability—ending (a)	<u>\$27,495,145</u>	<u>\$26,706,740</u>	<u>\$21,538,219</u>	<u>\$19,636,292</u>	<u>\$19,383,145</u>	
Plan fiduciary net position						
Contributions—employer	\$ 1,630,186	\$ 1,021,847	\$ 944,491	\$ 775,798	\$ 797,162	
Contributions—employee	610,265	576,373	590,516	558,422	549,792	
Net investment income	974,213	1,380,871	68,029	389,607	1,273,246	
Benefit payments, including refunds of employee contributions	(1,258,176)	(1,197,224)	(1,117,729)	(1,425,008)	(1,017,964)	
Administrative expense	(15,439)	(12,479)	(10,019)	(9,992)	(10,011)	
Other changes	(25,195)	(7,486)	159,647	(4,173)	13,459	
Net change in plan fiduciary net position	1,915,854	1,761,902	634,935	284,654	1,605,684	
Plan fiduciary net position—beginning	13,202,049	11,440,147	10,805,212	10,520,558	8,914,874	
Plan fiduciary net position—ending (b)	<u>\$15,117,903</u>	<u>\$13,202,049</u>	<u>\$11,440,147</u>	<u>\$10,805,212</u>	<u>\$10,520,558</u>	
County's net pension liability—ending (a) – (b)	<u>\$12,377,242</u>	<u>\$13,504,691</u>	<u>\$10,098,072</u>	<u>\$ 8,831,080</u>	<u>\$ 8,862,587</u>	
Plan fiduciary net position as a percentage of the total pension liability	54.98%	49.43%	53.12%	55.03%	54.28%	
Covered payroll	\$ 7,204,819	\$ 6,842,569	\$ 7,089,947	\$ 6,632,955	\$ 6,504,219	
County's net pension liability as a percentage of covered payroll	171.79%	197.36%	142.43%	133.14%	136.26%	

See accompanying notes to pension plan schedules.

Yavapai County  
Required Supplementary Information  
Schedule of Changes in the County's Net Pension Liability and Related Ratios  
Agent Pension Plans  
Year Ended June 30, 2019

**CORP Dispatchers**

	Reporting fiscal year (Measurement date)					2014 through 2010 Information not available
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability						
Service cost	\$ 30,955	\$ 28,347	\$ 26,918	\$ 41,579	\$ 41,321	
Interest on the total pension liability	91,110	78,211	76,674	79,112	63,852	
Changes of benefit terms	(81,387)	110,845	1,068	-	18,973	
Differences between expected and actual experience in the measurement of the pension liability	1,802	(7,055)	(29,051)	(87,486)	(10,929)	
Changes of assumptions or other inputs	-	18,386	32,179	-	134,919	
Benefit payments, including refunds of employee contributions	(43,942)	(39,324)	(45,532)	(68,315)	(39,444)	
Net change in total pension liability	(1,462)	189,410	62,256	(35,110)	208,692	
Total pension liability—beginning	1,237,715	1,048,305	986,049	1,021,159	812,467	
Total pension liability—ending (a)	<u>\$ 1,236,253</u>	<u>\$ 1,237,715</u>	<u>\$ 1,048,305</u>	<u>\$ 986,049</u>	<u>\$ 1,021,159</u>	
Plan fiduciary net position						
Contributions—employer	\$ 40,149	\$ 31,597	\$ 26,040	\$ 24,321	\$ 25,937	
Contributions—employee	14,351	13,903	13,442	18,633	21,529	
Net investment income	52,432	76,290	3,898	24,701	80,571	
Benefit payments, including refunds of employee contributions	(43,942)	(39,324)	(45,532)	(68,315)	(39,444)	
Administrative expense	(1,492)	(1,067)	(951)	(999)	(634)	
Other changes	(14)	(4)	(3)	(28,739)	(11,346)	
Net change in plan fiduciary net position	61,484	81,395	(3,106)	(30,398)	76,613	
Plan fiduciary net position—beginning	718,844	637,449	640,555	670,953	594,340	
Plan fiduciary net position—ending (b)	<u>\$ 780,328</u>	<u>\$ 718,844</u>	<u>\$ 637,449</u>	<u>\$ 640,555</u>	<u>\$ 670,953</u>	
County's net pension liability—ending (a) – (b)	<u>\$ 455,925</u>	<u>\$ 518,871</u>	<u>\$ 410,856</u>	<u>\$ 345,494</u>	<u>\$ 350,206</u>	
Plan fiduciary net position as a percentage of the total pension liability	63.12%	58.08%	60.81%	64.96%	65.71%	
Covered payroll	\$ 180,285	\$ 174,660	\$ 168,874	\$ 234,082	\$ 270,459	
County's net pension liability as a percentage of covered payroll	252.89%	297.07%	243.29%	147.60%	129.49%	

See accompanying notes to pension plan schedules.

Yavapai County  
Required Supplementary Information  
Schedule of County Pension Contributions  
Year Ended June 30, 2019

Arizona State Retirement System	Reporting fiscal year						2013 through 2010
	2019	2018	2017	2016	2015	2014	
Statutorily required contribution	\$ 6,122,025	\$ 5,681,251	\$ 5,516,497	\$ 5,354,580	\$ 5,268,591	\$ 4,966,172	Information not available
County's contributions in relation to the statutorily required contribution	6,122,025	5,681,251	5,516,497	5,354,580	5,268,591	4,966,172	
County's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$56,307,560	\$53,219,633	\$49,690,342	\$49,335,529	\$47,907,454	\$46,058,533	
County's contributions as a percentage of covered payroll	10.87%	10.68%	11.10%	10.85%	11.00%	10.78%	

Corrections Officer Retirement Plan— Administrative Office of the Courts	Reporting fiscal year						2013 through 2010
	2019	2018	2017	2016	2015	2014	
Statutorily required contribution	\$ 2,076,705	\$1,423,930	\$ 1,256,657	\$ 1,087,798	\$ 859,334	\$ 804,927	Information not available
County's contributions in relation to the statutorily required contribution	2,076,705	1,423,930	1,256,657	1,087,798	859,334	804,927	
County's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$ 6,970,579	\$6,553,044	\$ 6,182,464	\$ 5,745,164	\$ 5,644,640	\$ 5,561,218	
County's contributions as a percentage of covered payroll	29.79%	21.73%	20.33%	18.93%	15.22%	14.47%	

Elected Officials Retirement Plan	Reporting fiscal year						2013 through 2010
	2019	2018	2017	2016	2015	2014	
Statutorily required contribution	\$ 1,277,358	\$ 461,678	\$ 471,477	\$ 485,887	\$ 422,170	\$ 477,238	Information not available
County's contributions in relation to the statutorily required contribution	94,712	34,231	471,477	485,887	422,170	477,238	
County's contribution deficiency (excess)	\$ 1,182,646	\$ 427,447	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$ 2,164,412	\$ 2,263,790	\$ 2,269,833	\$ 2,249,649	\$ 2,076,661	\$ 2,059,739	
County's contributions as a percentage of covered payroll	4.38%	1.51%	20.77%	21.60%	20.33%	23.17%	

See accompanying notes to pension plan schedules.



Yavapai County  
Required Supplementary Information  
Schedule of County Pension Contributions  
Year Ended June 30, 2019

	Reporting fiscal year						2013 through 2010
	2019	2018	2017	2016	2015	2014	
<b>PSPRS Sheriff</b>							
Actuarially required contribution	\$ 3,572,584	\$ 3,578,574	\$ 2,950,478	\$ 2,528,066	\$ 2,035,907	\$ 1,852,166	Information not available
County's contributions in relation to the actuarially required contribution	2,637,003	6,642,993	2,950,478	2,528,066	2,035,907	1,852,166	
County's contribution deficiency (excess)	\$ 935,581	\$ (3,064,419)	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$ 7,443,154	\$ 8,462,735	\$ 7,440,543	\$ 6,559,961	\$ 6,914,257	\$ 6,750,559	
County's contributions as a percentage of covered payroll	35.43%	78.50%	39.65%	38.54%	29.45%	27.44%	
<b>PSPRS Attorney Investigators</b>							
Actuarially required contribution	\$ 91,410	\$ 70,527	\$ 94,305	\$ 92,975	\$ 57,890	\$ 43,957	Information not available
County's contributions in relation to the actuarially required contribution	91,410	152,046	94,305	92,975	57,890	43,957	
County's contribution deficiency (excess)	\$ -	\$ (81,519)	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$ 128,805	\$ 124,497	\$ 98,197	\$ 49,988	\$ 44,148	\$ -	
County's contributions as a percentage of covered payroll	70.97%	122.13%	96.04%	185.99%	131.13%	0.00%	
<b>CORP Detention</b>							
Actuarially required contribution	\$ 1,381,431	\$ 1,090,565	\$ 1,028,442	\$ 954,118	\$ 781,431	\$ 797,162	Information not available
County's contributions in relation to the actuarially required contribution	1,381,431	1,590,565	1,028,442	954,118	781,431	797,162	
County's contribution deficiency (excess)	\$ -	\$ (500,000)	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$ 7,257,056	\$ 7,204,819	\$ 6,842,569	\$ 7,089,947	\$ 6,632,955	\$ 6,504,219	
County's contributions as a percentage of covered payroll	19.04%	22.08%	15.03%	13.46%	11.78%	12.26%	

See accompanying notes to pension plan schedules.

Yavapai County  
 Required Supplementary Information  
 Schedule of County Pension Contributions  
 Year Ended June 30, 2019

<b>CORP Dispatchers</b>	<b>Reporting fiscal year</b>							<b>2013 through 2010 Information not available</b>
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>		
Actuarially required contribution	\$ 36,536	\$ 38,771	\$ 31,876	\$ 26,450	\$ 24,425	\$ 25,937		
County's contributions in relation to the actuarially required contribution	36,536	38,771	31,876	26,450	24,425	25,937		
County's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
County's covered payroll	\$ 124,262	\$ 180,285	\$ 174,660	\$ 168,874	\$ 234,082	\$ 270,459		
County's contributions as a percentage of covered payroll	29.40%	21.51%	18.25%	15.66%	10.43%	9.60%		

See accompanying notes to pension plan schedules.

Yavapai County  
 Required Supplementary Information  
 Notes to Pension Plan Schedules  
 Year Ended June 30, 2019

**Note 1 – Actuarially Determined Contribution Rates**

Actuarial determined contribution rates for PSPRS and CORP are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay, closed
Remaining amortization period as of the 2017 actuarial valuation	20 years
Asset valuation method	7-year smoothed market value; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.50%. In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0%–8.0% to 3.5%–7.5% for PSPRS and from 4.0%–7.25% to 3.5%–6.5% for CORP. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5%–8.5% to 4.0%–8.0% for PSPRS and from 4.5%–7.75% to 4.0%–7.25% for CORP. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%–9.0% to 4.5%–8.5% for PSPRS and from 5.0%–8.25% to 4.5%–7.75% for CORP.
Wage growth	In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5% for PSPRS and CORP. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0% for PSPRS and CORP. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5% for PSPRS and CORP.
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.
Mortality	In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females)

See accompanying notes to pension plan schedules.

Yavapai County  
Required Supplementary Information  
Notes to Pension Plan Schedules  
Year Ended June 30, 2019

**Note 2 – Factors That Affect Trends**

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS, CORP, CORP-AOC, and EORP changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS and EORP also reduced those members' employee contribution rates. These changes are reflected in the plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes increased the PSPRS-, CORP-, and CORP-AOC-required pension contributions beginning in fiscal year 2019 for members who were retired as of the law's effective date. These changes increased the PSPRS-, CORP-, and CORP-AOC-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. EORP-required contributions are not based on actuarial valuations, and therefore, these changes did not affect them. Also, the County refunded excess employee contributions to PSPRS and EORP members. PSPRS and EORP allowed the County to reduce its actual employer contributions for the refund amounts. As a result, the County's pension contributions were less than the statutorily required contributions for 2018 and 2019.

The fiscal year 2019 (measurement date 2018) pension liabilities for EORP and CORP reflect the replacement of the permanent benefit increase (PBI) for retirees based on investment returns with a cost of living adjustment based on inflation. Also, the EORP liability and required pension contributions for fiscal year 2019 reflect a statutory change that requires the employer contribution rate to be actuarially determined. This change increased the discount rate used to calculate the liability thereby reducing the total pension liability.

See accompanying notes to pension plan schedules.

Yavapai County  
Nonmajor Governmental Funds  
Year Ended June 30, 2019

**SPECIAL REVENUE FUNDS**

<b>Health Care</b>	Accounts for a variety of health service programs funded by federal and state grant funds, appropriations, fees and local government contributions.
<b>Recorder's Surcharge</b>	Accounts for the collection of a special recording surcharge, not to exceed four dollars, to be used to defray the cost of converting the County Recorder's document storage and retrieval system to micrographics or computer automation as established by A.R.S. § 11-475.01.
<b>Treasurer</b>	Accounts for the collection of a processing fee for tax liens, to be used to defray the cost of converting or upgrading an automatic public information system as established by A.R.S. § 11-495. Accounts for the activity related to armored car services provided to the County. This fund was previously reported as the Treasurer's Surcharge fund.
<b>Public Library</b>	Provides and maintains library services for the residents of Yavapai County. Operations are funded by a secondary tax levy.
<b>Education Service Agency</b>	Educational services and programs, including an accommodation school, administered by the County School Superintendent.
<b>Parks &amp; Recreation</b>	Accounts for fees and grants used for construction, maintenance and operation of parks.
<b>Landfill / Environment</b>	Used to fund operations of transfer stations, waste tire operations and closure costs of County landfills.
<b>Public Works</b>	Accounts for funds restricted to construction, repair and maintenance of County roads and Local Transportation Assistance Funds.
<b>Finance</b>	Accounts for the Workforce Investment Act federal grants and Fill the Gap monies collected and distributed in accordance with A.R.S. § 41-2421.
<b>Improvement Districts</b>	Administration of special districts for Street Lighting, Road, Sewer, and Flood Control improvements.
<b>Clerk of Superior Court</b>	Accounts for various fees collected and used in accordance with state statutes.

Yavapai County  
Nonmajor Governmental Funds  
Year Ended June 30, 2019

<b>County Attorney</b>	Accounts for various programs administered by the County Attorney including Anti-Racketeering, Victim Witness and Bad Check.
<b>Law Enforcement</b>	Used for various law enforcement services and programs. Funding sources include federal and state grants.
<b>Emergency Management</b>	Accounts for programs administered by the Emergency Management department to provide services, equipment and supplies for law enforcement or other agencies dealing with emergency response.
<b>Probation</b>	Accounts for Adult and Juvenile Probation programs and services provided in coordination with the Superior Court system.
<b>Courts</b>	Accounts for statutory fees and surcharges related to the courts, and is used for the processing of criminal cases as well as court enhancement and records improvement.
<b>Public Defender</b>	Provides training related seminars, books and materials for staff and attorneys. Includes a state grant for indigent defense costs.
<b>Airport Development</b>	Airport enhancement projects for Seligman, Bagdad and Sedona funded by State and Federal grants.
<b>CYMPO</b>	Accounts for Federal grants administered by the Central Yavapai Metropolitan Planning Organization (CYMPO).

**DEBT SERVICE FUNDS**

The Debt Service Funds account for the accumulation of resources for the payment of principal and interest on the revenue bonds issued for special assessment bonds for the Coyote Springs, Poquito Valley and Granite Gardens special assessment districts and the notes payable for the Prescott East special assessment district. Funding for the special assessment debt is provided by assessments made against the benefiting owners.

Yavapai County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2019

	Special Revenue			
	Health Care	Recorder's Surcharge	Treasurer	Public Library
<b>Assets</b>				
Cash and cash equivalents	\$ 4,254,017	\$ 314,138	\$ 234,158	\$ 1,253,513
Receivables:				
Property taxes	-	-	-	95,062
Special assessments	-	-	-	-
Accounts	11,290	8,281	606	6,412
Due from:				
Other funds	4,636	-	-	271
Other governments	978,578	-	-	75,746
Prepaid items	15,279	2,870	27,088	994
Total assets	<u>\$ 5,263,800</u>	<u>\$ 325,289</u>	<u>\$ 261,852</u>	<u>\$ 1,431,998</u>
<b>Liabilities</b>				
Accounts payable	\$ 165,355	\$ 924	\$ 2,156	\$ 15,484
Accrued payroll and employee benefits	425,297	901	-	61,689
Due to other funds	10,617	-	-	103,866
Total liabilities	<u>601,269</u>	<u>1,825</u>	<u>2,156</u>	<u>181,039</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-property taxes	-	-	-	68,280
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,280</u>
<b>Fund Balances</b>				
Nonspendable	15,279	2,870	27,088	994
Restricted	4,069,581	320,594	234,476	1,181,685
Committed	577,671	-	-	-
Unassigned	-	-	( 1,868)	-
Total fund balances	<u>4,662,531</u>	<u>323,464</u>	<u>259,696</u>	<u>1,182,679</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,263,800</u>	<u>\$ 325,289</u>	<u>\$ 261,852</u>	<u>\$ 1,431,998</u>

Special Revenue

Education Service Agency	Parks & Recreation	Landfill / Environment	Public Works	Finance	Improvement Districts
\$ 503,481	\$ 185,292	\$ 662,806	\$ 10,778	\$ 376,339	\$ 2,751,279
-	-	-	-	-	99,557
-	-	-	-	-	-
28,361	51	1,384	-	36,613	8,270
823	-	166	-	-	-
336,447	-	115,292	-	329,527	52,833
-	-	-	-	-	2,112
<u>\$ 869,112</u>	<u>\$ 185,343</u>	<u>\$ 779,648</u>	<u>\$ 10,778</u>	<u>\$ 742,479</u>	<u>\$ 2,914,051</u>
\$ 89,962	\$ -	\$ 12,856	\$ -	\$ 312,333	\$ 473,380
67,901	-	5,685	-	-	42,114
8,900	26,189	9,993	-	432,003	11,640
<u>166,763</u>	<u>26,189</u>	<u>28,534</u>	<u>-</u>	<u>744,336</u>	<u>527,134</u>
-	-	-	-	-	65,557
-	-	-	-	-	-
-	-	-	-	-	65,557
-	-	-	-	-	2,112
926,353	159,154	751,114	10,778	-	2,319,248
3,339	-	-	-	-	-
( 227,343)	-	-	-	( 1,857)	-
<u>702,349</u>	<u>159,154</u>	<u>751,114</u>	<u>10,778</u>	<u>( 1,857)</u>	<u>2,321,360</u>
<u>\$ 869,112</u>	<u>\$ 185,343</u>	<u>\$ 779,648</u>	<u>\$ 10,778</u>	<u>\$ 742,479</u>	<u>\$ 2,914,051</u>



Yavapai County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2019  
(Continued)

	Special Revenue			
	Clerk of Superior Court	County Attorney	Law Enforcement	Emergency Management
<b>Assets</b>				
Cash and cash equivalents	\$ 382,860	\$ 547,115	\$ 1,148,474	\$ 343,537
Receivables:				
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Accounts	6,757	8,214	52,649	846
Due from:				
Other funds	-	104,103	42,209	-
Other governments	-	107,954	121,740	1,685
Prepaid items	-	1,350	6,399	350
Total assets	<u>\$ 389,617</u>	<u>\$ 768,736</u>	<u>\$ 1,371,471</u>	<u>\$ 346,418</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 1,232	\$ 101,545	\$ 27
Accrued payroll and employee benefits	-	39,901	74,889	6,844
Due to other funds	-	10,088	87,200	-
Total liabilities	<u>-</u>	<u>51,221</u>	<u>263,634</u>	<u>6,871</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Nonspendable	-	1,350	6,399	350
Restricted	389,617	716,165	1,101,438	339,197
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>389,617</u>	<u>717,515</u>	<u>1,107,837</u>	<u>339,547</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 389,617</u>	<u>\$ 768,736</u>	<u>\$ 1,371,471</u>	<u>\$ 346,418</u>

Special Revenue

Probation	Courts	Public Defender	Airport Development	CYMPO
\$ 767,076	\$ 1,070,596	\$ 265,649	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
116,837	56,059	12,220	131	92
960	251,711	85,101	5,823	3,401
4,663	44,357	8,056	127,906	100,727
2,179	-	-	-	1,525
<u>\$ 891,715</u>	<u>\$ 1,422,723</u>	<u>\$ 371,026</u>	<u>\$ 133,860</u>	<u>\$ 105,745</u>
\$ 82,115	\$ 17,819	\$ 7,889	\$ 24,164	\$ 37,856
274,238	44,686	4,210	-	9,458
392	45,989	( 3,401)	94,815	61,704
<u>356,745</u>	<u>108,494</u>	<u>8,698</u>	<u>118,979</u>	<u>109,018</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,179	-	-	-	1,525
520,505	1,297,230	362,328	14,881	-
12,286	16,999	-	-	-
-	-	-	-	( 4,798)
<u>534,970</u>	<u>1,314,229</u>	<u>362,328</u>	<u>14,881</u>	<u>( 3,273)</u>
<u>\$ 891,715</u>	<u>\$ 1,422,723</u>	<u>\$ 371,026</u>	<u>\$ 133,860</u>	<u>\$ 105,745</u>

Yavapai County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2019  
(Continued)

	Debt Service		Total
	Coyote Springs	Poquito Valley	Nonmajor Governmental Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 387,853	\$ 624,819	\$ 16,083,780
Receivables:			
Property taxes	-	-	194,619
Special assessments	118,936	638,468	757,404
Accounts	-	-	355,073
Due from:			
Other funds	-	-	499,204
Other governments	-	-	2,405,511
Prepaid items	-	-	60,146
Total assets	<u>\$ 506,789</u>	<u>\$ 1,263,287</u>	<u>\$ 20,355,737</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ -	\$ 1,345,097
Accrued payroll and employee benefits	-	-	1,057,813
Due to other funds	-	-	899,995
Total liabilities	<u>-</u>	<u>-</u>	<u>3,302,905</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue-property taxes	-	-	133,837
Unavailable revenue-special assessments	118,936	638,468	757,404
Total deferred inflows of resources	<u>118,936</u>	<u>638,468</u>	<u>891,241</u>
<b>Fund Balances</b>			
Nonspendable	-	-	60,146
Restricted	387,853	624,819	15,727,016
Committed	-	-	610,295
Unassigned	-	-	( 235,866)
Total fund balances	<u>387,853</u>	<u>624,819</u>	<u>16,161,591</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 506,789</u>	<u>\$ 1,263,287</u>	<u>\$ 20,355,737</u>

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Yavapai County  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended June 30, 2019

	Special Revenue			
	Health Care	Recorder's Surcharge	Treasurer	Public Library
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ 4,477,654
Special assessments	-	-	-	-
Licenses and permits	707,265	-	-	-
Intergovernmental	5,704,434	-	-	191,116
Charges for services	5,675,669	256,608	18,438	-
Fines and forfeits	-	-	-	-
Investment earnings	109,876	6,132	29,926	33,123
Miscellaneous	2,720,399	-	13,555	200,767
Total revenues	<u>14,917,643</u>	<u>262,740</u>	<u>61,919</u>	<u>4,902,660</u>
Expenditures:				
Current:				
General government	-	165,995	52,749	4,900,035
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	15,755,220	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>15,755,220</u>	<u>165,995</u>	<u>52,749</u>	<u>4,900,035</u>
Excess (deficiency) of revenues over expenditures	( 837,577)	96,745	9,170	2,625
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	697,408	-	-	-
Transfers out	-	( 70,945)	-	-
Total other financing sources (uses)	<u>697,408</u>	<u>( 70,945)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	( 140,169)	25,800	9,170	2,625
Fund Balances, July 1, 2018	<u>4,802,700</u>	<u>297,664</u>	<u>250,526</u>	<u>1,180,054</u>
Fund Balances, June 30, 2019	<u>\$ 4,662,531</u>	<u>\$ 323,464</u>	<u>\$ 259,696</u>	<u>\$ 1,182,679</u>

Special Revenue

Education Service Agency	Parks & Recreation	Landfill / Environment	Public Works	Finance	Improvement Districts
\$ 267,321	\$ -	\$ -	\$ -	\$ -	\$ 5,144,457
-	-	-	-	-	14,235
-	-	-	-	-	-
1,226,908	142,295	471,671	-	2,413,075	85,578
1,172,186	-	21,317	-	-	-
-	-	-	-	431,084	-
19,399	1,256	3,146	212	2,267	65,599
1,058,190	3,179	696	-	40	17,568
<u>3,744,004</u>	<u>146,730</u>	<u>496,830</u>	<u>212</u>	<u>2,846,466</u>	<u>5,327,437</u>
-	129,627	-	-	2,418,321	-
-	-	-	-	-	4,475,585
-	-	-	-	-	62,148
-	-	446,942	-	-	19,642
-	-	-	-	-	-
-	33,255	-	-	-	-
3,628,253	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
27,248	6,972	267,765	-	-	335,773
<u>3,655,501</u>	<u>169,854</u>	<u>714,707</u>	<u>-</u>	<u>2,418,321</u>	<u>4,893,148</u>
88,503	( 23,124)	( 217,877)	212	428,145	434,289
-	-	-	-	-	-
-	3,500	-	-	-	-
-	( 42,189)	-	-	( 428,972)	( 3,500)
<u>-</u>	<u>( 38,689)</u>	<u>-</u>	<u>-</u>	<u>( 428,972)</u>	<u>( 3,500)</u>
88,503	( 61,813)	( 217,877)	212	( 827)	430,789
613,846	220,967	968,991	10,566	( 1,030)	1,890,571
<u>\$ 702,349</u>	<u>\$ 159,154</u>	<u>\$ 751,114</u>	<u>\$ 10,778</u>	<u>\$ ( 1,857)</u>	<u>\$ 2,321,360</u>

Yavapai County  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended June 30, 2019  
(Continued)

	Special Revenue			
	Clerk of Superior Court	County Attorney	Law Enforcement	Emergency Management
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	903,561	2,193,428	108,690
Charges for services	66,834	19,231	110,772	-
Fines and forfeits	528	8	10,296	-
Investment earnings	7,697	17,509	30,224	7,679
Miscellaneous	-	501,089	502,666	-
Total revenues	<u>75,059</u>	<u>1,441,398</u>	<u>2,847,386</u>	<u>116,369</u>
Expenditures:				
Current:				
General government	3,885	1,274,544	-	168,154
Public safety	-	-	3,229,234	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	200,320	-
Total expenditures	<u>3,885</u>	<u>1,274,544</u>	<u>3,429,554</u>	<u>168,154</u>
Excess (deficiency) of revenues over expenditures	71,174	166,854	( 582,168)	( 51,785)
Other financing sources (uses):				
Sale of capital assets	-	-	3,239	-
Transfers in	-	93,157	613,377	-
Transfers out	-	( 571,188)	-	-
Total other financing sources (uses)	<u>-</u>	<u>( 478,031)</u>	<u>616,616</u>	<u>-</u>
Net change in fund balances	71,174	( 311,177)	34,448	( 51,785)
Fund Balances, July 1, 2018	<u>318,443</u>	<u>1,028,692</u>	<u>1,073,389</u>	<u>391,332</u>
Fund Balances, June 30, 2019	<u>\$ 389,617</u>	<u>\$ 717,515</u>	<u>\$ 1,107,837</u>	<u>\$ 339,547</u>

Special Revenue

Probation	Courts	Public Defender	Airport Development	CYMPO
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
5,887,944	660,526	26,463	24,007	480,105
1,344,024	330,776	85,875	-	-
-	170,252	-	-	-
17,904	25,517	5,490	929	-
-	65,823	-	303,635	658
<u>7,249,872</u>	<u>1,252,894</u>	<u>117,828</u>	<u>328,571</u>	<u>480,763</u>
-	1,604,949	123,141	51,571	-
7,615,750	-	-	-	-
-	-	-	-	456,729
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	312,444	-
<u>7,615,750</u>	<u>1,604,949</u>	<u>123,141</u>	<u>364,015</u>	<u>456,729</u>
( 365,878)	( 352,055)	( 5,313)	( 35,444)	24,034
-	-	-	-	-
-	327,860	88,502	-	-
-	( 1,378)	-	-	-
<u>-</u>	<u>326,482</u>	<u>88,502</u>	<u>-</u>	<u>-</u>
( 365,878)	( 25,573)	83,189	( 35,444)	24,034
900,848	1,339,802	279,139	50,325	( 27,307)
<u>\$ 534,970</u>	<u>\$ 1,314,229</u>	<u>\$ 362,328</u>	<u>\$ 14,881</u>	<u>\$ ( 3,273)</u>



Yavapai County  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended June 30, 2019  
(Continued)

	Debt Service		Total
	Coyote Springs	Poquito Valley	Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ -	\$ -	\$ 9,889,432
Special assessments	62,440	194,092	270,767
Licenses and permits	-	-	707,265
Intergovernmental	-	-	20,519,801
Charges for services	-	-	9,101,730
Fines and forfeits	-	-	612,168
Investment earnings	8,214	11,862	403,961
Miscellaneous	-	-	5,388,265
Total revenues	<u>70,654</u>	<u>205,954</u>	<u>46,893,389</u>
Expenditures:			
Current:			
General government	-	-	10,892,971
Public safety	-	-	15,320,569
Highways and streets	-	-	518,877
Sanitation	-	-	466,584
Health	-	-	15,755,220
Culture and recreation	-	-	33,255
Education	-	-	3,628,253
Debt service:			
Principal retirement	80,000	95,000	175,000
Interest and other charges	18,730	70,078	88,808
Capital outlay	-	-	1,150,522
Total expenditures	<u>98,730</u>	<u>165,078</u>	<u>48,030,059</u>
Excess (deficiency) of revenues over expenditures	( 28,076)	40,876	( 1,136,670)
Other financing sources (uses):			
Sale of capital assets	-	-	3,239
Transfers in	-	-	1,823,804
Transfers out	-	-	( 1,118,172)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>708,871</u>
Net change in fund balances	( 28,076)	40,876	( 427,799)
Fund Balances, July 1, 2018	<u>415,929</u>	<u>583,943</u>	<u>16,589,390</u>
Fund Balances, June 30, 2019	<u>\$ 387,853</u>	<u>\$ 624,819</u>	<u>\$ 16,161,591</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Capital Projects  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
County sales taxes	\$ -	\$ -	\$ 2,878,646	\$ 2,878,646
Investment earnings	140,000	140,000	314,789	174,789
Miscellaneous	12,000	12,000	-	( 12,000)
Total revenues	<u>152,000</u>	<u>152,000</u>	<u>3,193,435</u>	<u>3,041,435</u>
<b>Expenditures:</b>				
<b>Capital outlay</b>				
Board of Supervisors	1,663,984	1,551,524	445,832	1,105,692
Total expenditures	<u>1,663,984</u>	<u>1,551,524</u>	<u>445,832</u>	<u>1,105,692</u>
Excess (deficiency) of revenues over expenditures	( 1,511,984)	( 1,399,524)	2,747,603	4,147,127
<b>Other financing sources (uses):</b>				
Transfers in	1,399,346	1,399,346	1,399,346	-
Transfers out	( 1,912,098)	( 1,912,098)	( 1,912,098)	-
Total other financing sources (uses)	<u>( 512,752)</u>	<u>( 512,752)</u>	<u>( 512,752)</u>	<u>-</u>
Net change in fund balances	( 2,024,736)	( 1,912,276)	2,234,851	4,147,127
Fund Balance, July 1, 2018	<u>2,024,736</u>	<u>1,912,276</u>	<u>13,776,895</u>	<u>11,864,619</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,011,746</u>	<u>\$ 16,011,746</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Capital Projects Debt Service  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ 37	\$ 37
Total revenues	-	-	37	37
<b>Expenditures:</b>				
Debt service				
Principal retirement	1,362,000	1,362,000	1,362,000	-
Interest and other charges	550,098	550,098	550,098	-
Total expenditures	1,912,098	1,912,098	1,912,098	-
Excess (deficiency) of revenues over expenditures	( 1,912,098)	( 1,912,098)	( 1,912,061)	37
<b>Other financing sources (uses):</b>				
Transfers in	1,912,098	1,912,098	1,912,098	-
Total other financing sources (uses)	1,912,098	1,912,098	1,912,098	-
Net change in fund balances	-	-	37	37
Fund Balance, July 1, 2018	-	-	2,094	2,094
Fund Balance, June 30, 2019	\$ -	\$ -	\$ 2,131	\$ 2,131

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Health Care  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 680,000	\$ 680,000	\$ 707,265	\$ 27,265
Intergovernmental	5,566,833	5,566,833	5,704,434	137,601
Charges for services	8,071,137	8,071,137	5,675,669	( 2,395,468)
Investment earnings	-	-	109,876	109,876
Miscellaneous	1,757,704	1,757,704	2,720,399	962,695
Total revenues	<u>16,075,674</u>	<u>16,075,674</u>	<u>14,917,643</u>	<u>( 1,158,031)</u>
<b>Expenditures:</b>				
Health				
Community Health Center	10,624,765	10,624,765	10,146,862	477,903
Community Health Services	5,985,974	5,985,974	5,608,358	377,616
Total expenditures	<u>16,610,739</u>	<u>16,610,739</u>	<u>15,755,220</u>	<u>855,519</u>
Excess (deficiency) of revenues over expenditures	( 535,065)	( 535,065)	( 837,577)	( 302,512)
<b>Other financing sources (uses):</b>				
Transfers in	2,482,654	2,482,654	697,408	( 1,785,246)
Transfers out	( 1,785,246)	( 1,785,246)	-	1,785,246
Total other financing sources (uses)	<u>697,408</u>	<u>697,408</u>	<u>697,408</u>	<u>-</u>
Net change in fund balances	162,343	162,343	( 140,169)	( 302,512)
Fund Balance, July 1, 2018	( 162,343)	( 162,343)	4,802,700	4,965,043
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,662,531</u>	<u>\$ 4,662,531</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Recorder's Surcharge  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 262,000	\$ 262,000	\$ 256,608	\$ ( 5,392)
Investment earnings	-	-	6,132	6,132
Total revenues	<u>262,000</u>	<u>262,000</u>	<u>262,740</u>	<u>740</u>
<b>Expenditures:</b>				
General government				
Recorder	<u>312,515</u>	<u>312,515</u>	<u>165,995</u>	<u>146,520</u>
Total expenditures	<u>312,515</u>	<u>312,515</u>	<u>165,995</u>	<u>146,520</u>
Excess (deficiency) of revenues over expenditures	( 50,515)	( 50,515)	96,745	147,260
<b>Other financing sources (uses):</b>				
Transfers out	<u>( 70,945)</u>	<u>( 70,945)</u>	<u>( 70,945)</u>	<u>-</u>
Total other financing sources (uses)	<u>( 70,945)</u>	<u>( 70,945)</u>	<u>( 70,945)</u>	<u>-</u>
Net change in fund balances	( 121,460)	( 121,460)	25,800	147,260
Fund Balance, July 1, 2018	<u>121,460</u>	<u>121,460</u>	<u>297,664</u>	<u>176,204</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 323,464</u>	<u>\$ 323,464</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Treasurer  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 20,000	\$ 20,000	\$ 18,438	\$ ( 1,562)
Investment earnings	-	-	29,926	29,926
Miscellaneous	-	-	13,555	13,555
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>61,919</u>	<u>41,919</u>
<b>Expenditures:</b>				
General government				
Treasurer	<u>200,000</u>	<u>200,000</u>	<u>52,749</u>	<u>147,251</u>
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>52,749</u>	<u>147,251</u>
Net change in fund balances	( 180,000)	( 180,000)	9,170	189,170
Fund Balance, July 1, 2018	<u>180,000</u>	<u>180,000</u>	<u>250,526</u>	<u>70,526</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,696</u>	<u>\$ 259,696</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Public Library  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 4,470,000	\$ 4,470,000	\$ 4,477,654	\$ 7,654
Intergovernmental	190,640	190,640	191,116	476
Investment earnings	-	-	33,123	33,123
Miscellaneous	206,952	206,952	200,767	( 6,185)
Total revenues	<u>4,867,592</u>	<u>4,867,592</u>	<u>4,902,660</u>	<u>35,068</u>
<b>Expenditures:</b>				
General government				
Library	<u>5,948,847</u>	<u>5,948,847</u>	<u>4,900,035</u>	<u>1,048,812</u>
Total expenditures	<u>5,948,847</u>	<u>5,948,847</u>	<u>4,900,035</u>	<u>1,048,812</u>
Net change in fund balances	( 1,081,255)	( 1,081,255)	2,625	1,083,880
Fund Balance, July 1, 2018	<u>1,081,255</u>	<u>1,081,255</u>	<u>1,180,054</u>	<u>98,799</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,182,679</u>	<u>\$ 1,182,679</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Education Service Agency  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ -	\$ -	\$ 267,321	\$ 267,321
Intergovernmental	99,393	99,393	1,226,908	1,127,515
Charges for services	1,317,540	1,317,540	1,172,186	( 145,354)
Investment earnings	-	-	19,399	19,399
Miscellaneous	313,305	313,305	1,058,190	744,885
Total revenues	1,730,238	1,730,238	3,744,004	2,013,766
Expenditures:				
Education				
School Superintendent	1,996,365	1,996,365	3,628,253	(1,631,888)
Capital expenditures				
School Superintendent	32,828	32,828	27,248	5,580
Total expenditures	2,029,193	2,029,193	3,655,501	(1,626,308)
Net change in fund balances	( 298,955)	( 298,955)	88,503	387,458
Fund Balance, July 1, 2018	298,955	298,955	613,846	314,891
Fund Balance, June 30, 2019	\$ -	\$ -	\$ 702,349	\$ 702,349



Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Parks & Recreation  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 350,000	\$ 350,000	\$ 142,295	\$ ( 207,705)
Investment earnings	-	-	1,256	1,256
Miscellaneous	5,000	5,000	3,179	( 1,821)
Total revenues	<u>355,000</u>	<u>355,000</u>	<u>146,730</u>	<u>( 208,270)</u>
<b>Expenditures:</b>				
General government				
Board of Supervisors	405,000	405,000	129,627	275,373
Total General government	<u>405,000</u>	<u>405,000</u>	<u>129,627</u>	<u>275,373</u>
Culture and recreation				
Board of Supervisors	-	-	9,477	( 9,477)
Facilities	1,555	1,555	23,778	( 22,223)
Total Culture and recreation	<u>1,555</u>	<u>1,555</u>	<u>33,255</u>	<u>( 31,700)</u>
Capital expenditures				
Facilities	-	-	6,972	( 6,972)
Total expenditures	<u>406,555</u>	<u>406,555</u>	<u>169,854</u>	<u>236,701</u>
Excess (deficiency) of revenues over expenditures	( 51,555)	( 51,555)	( 23,124)	28,431
<b>Other financing sources (uses):</b>				
Transfers in	-	-	3,500	3,500
Transfers out	-	-	( 42,189)	( 42,189)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>( 38,689)</u>	<u>( 38,689)</u>
Net change in fund balances	( 51,555)	( 51,555)	( 61,813)	( 10,258)
Fund Balance, July 1, 2018	<u>51,555</u>	<u>51,555</u>	<u>220,967</u>	<u>169,412</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 159,154</u>	<u>\$ 159,154</u>

Yavapai County  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balances - Budget and Actual  
 Landfill / Environment  
 Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 455,000	\$ 455,000	\$ 471,671	\$ 16,671
Charges for services	-	-	21,317	21,317
Investment earnings	-	-	3,146	3,146
Miscellaneous	-	-	696	696
Total revenues	<u>455,000</u>	<u>455,000</u>	<u>496,830</u>	<u>41,830</u>
<b>Expenditures:</b>				
Sanitation				
Landfill	754,000	754,000	446,942	307,058
Capital expenditures				
Landfill	-	-	267,765	( 267,765)
Total expenditures	<u>754,000</u>	<u>754,000</u>	<u>714,707</u>	<u>39,293</u>
Net change in fund balances	( 299,000)	( 299,000)	( 217,877)	81,123
Fund Balance, July 1, 2018	<u>299,000</u>	<u>299,000</u>	<u>968,991</u>	<u>669,991</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 751,114</u>	<u>\$ 751,114</u>

Yavapai County  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balances - Budget and Actual  
 Public Works  
 Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ 212	\$ 212
Total revenues	-	-	212	212
<b>Expenditures:</b>				
Highways and streets				
Public Works	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	212	212
Fund Balance, July 1, 2018	-	-	10,566	10,566
Fund Balance, June 30, 2019	\$ -	\$ -	\$ 10,778	\$ 10,778

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Finance  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,300,000	\$ 2,300,000	\$ 2,413,075	\$ 113,075
Fines and forfeits	-	-	431,084	431,084
Investment earnings	-	-	2,267	2,267
Miscellaneous	163,731	163,731	40	( 163,691)
Total revenues	<u>2,463,731</u>	<u>2,463,731</u>	<u>2,846,466</u>	<u>382,735</u>
<b>Expenditures:</b>				
General government				
Board of Supervisors	800,000	800,000	581,155	218,845
Finance	1,878,647	1,878,647	1,837,166	41,481
Total expenditures	<u>2,678,647</u>	<u>2,678,647</u>	<u>2,418,321</u>	<u>260,326</u>
Excess (deficiency) of revenues over expenditures	( 214,916)	( 214,916)	428,145	643,061
<b>Other financing sources (uses):</b>				
Transfers out	( 214,916)	( 214,916)	( 428,972)	( 214,056)
Total other financing sources (uses)	<u>( 214,916)</u>	<u>( 214,916)</u>	<u>( 428,972)</u>	<u>( 214,056)</u>
Net change in fund balances	( 429,832)	( 429,832)	( 827)	429,005
Fund Balance, July 1, 2018	429,832	429,832	( 1,030)	( 430,862)
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ ( 1,857)</u>	<u>\$ ( 1,857)</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Improvement Districts  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 5,186,764	\$ 5,186,764	\$ 5,144,457	\$ ( 42,307)
Special assessments	176,022	176,022	14,235	( 161,787)
Intergovernmental	26,178	26,178	85,578	59,400
Investment earnings	-	-	65,599	65,599
Miscellaneous	655,904	655,904	17,568	( 638,336)
<b>Total revenues</b>	<u>6,044,868</u>	<u>6,044,868</u>	<u>5,327,437</u>	<u>( 717,431)</u>
<b>Expenditures:</b>				
Public safety				
Flood Control	5,704,814	5,704,814	4,475,585	1,229,229
Highways and streets				
Public Works	100,549	100,549	62,148	38,401
Sanitation				
Special Districts	401,284	401,284	19,642	381,642
Capital expenditures				
Flood Control	1,368,500	1,368,500	335,773	1,032,727
<b>Total expenditures</b>	<u>7,575,147</u>	<u>7,575,147</u>	<u>4,893,148</u>	<u>2,681,999</u>
Excess (deficiency) of revenues over expenditures	( 1,530,279)	( 1,530,279)	434,289	1,964,568
<b>Other financing sources (uses):</b>				
Transfers out	( 256,674)	( 256,674)	( 3,500)	253,174
<b>Total other financing sources (uses)</b>	<u>( 256,674)</u>	<u>( 256,674)</u>	<u>( 3,500)</u>	<u>253,174</u>
Net change in fund balances	( 1,786,953)	( 1,786,953)	430,789	2,217,742
Fund Balance, July 1, 2018	1,786,953	1,786,953	1,890,571	103,618
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,321,360</u>	<u>\$ 2,321,360</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Clerk of Superior Court  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 55,942	\$ 55,942	\$ 66,834	\$ 10,892
Fines and forfeits	-	-	528	528
Investment earnings	1	1	7,697	7,696
Total revenues	55,943	55,943	75,059	19,116
Expenditures:				
General government				
Clerk of the Court	50,000	50,000	3,885	46,115
Total expenditures	50,000	50,000	3,885	46,115
Net change in fund balances	5,943	5,943	71,174	65,231
Fund Balance, July 1, 2018	( 5,943)	( 5,943)	318,443	324,386
Fund Balance, June 30, 2019	\$ -	\$ -	\$ 389,617	\$ 389,617

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
County Attorney  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 832,697	\$ 832,697	\$ 903,561	\$ 70,864
Charges for services	25,000	25,000	19,231	( 5,769)
Fines and forfeits	-	-	8	8
Investment earnings	-	-	17,509	17,509
Miscellaneous	600,000	600,000	501,089	( 98,911)
<b>Total revenues</b>	<u>1,457,697</u>	<u>1,457,697</u>	<u>1,441,398</u>	<u>( 16,299)</u>
<b>Expenditures:</b>				
General government				
County Attorney	<u>905,662</u>	<u>905,662</u>	<u>1,274,544</u>	<u>( 368,882)</u>
<b>Total expenditures</b>	<u>905,662</u>	<u>905,662</u>	<u>1,274,544</u>	<u>( 368,882)</u>
Excess (deficiency) of revenues over expenditures	552,035	552,035	166,854	( 385,181)
<b>Other financing sources (uses):</b>				
Transfers in	-	-	93,157	93,157
Transfers out	<u>( 575,000)</u>	<u>( 575,000)</u>	<u>( 571,188)</u>	<u>3,812</u>
<b>Total other financing sources (uses)</b>	<u>( 575,000)</u>	<u>( 575,000)</u>	<u>( 478,031)</u>	<u>96,969</u>
Net change in fund balances	( 22,965)	( 22,965)	( 311,177)	( 288,212)
Fund Balance, July 1, 2018	<u>22,965</u>	<u>22,965</u>	<u>1,028,692</u>	<u>1,005,727</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 717,515</u>	<u>\$ 717,515</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Law Enforcement  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,178,832	\$ 2,178,832	\$ 2,193,428	\$ 14,596
Charges for services	117,000	117,000	110,772	( 6,228)
Fines and forfeits	10,500	10,500	10,296	( 204)
Investment earnings	-	-	30,224	30,224
Miscellaneous	494,494	494,494	502,666	8,172
Total revenues	2,800,826	2,800,826	2,847,386	46,560
<b>Expenditures:</b>				
Public safety				
Sheriff	3,450,205	3,450,205	3,229,234	220,971
Capital expenditures				
Sheriff	242,592	242,592	200,320	42,272
Total expenditures	3,692,797	3,692,797	3,429,554	263,243
Excess (deficiency) of revenues over expenditures	( 891,971)	( 891,971)	( 582,168)	309,803
<b>Other financing sources (uses):</b>				
Sale of capital assets	-	-	3,239	3,239
Transfers in	672,000	672,000	613,377	( 58,623)
Transfers out	( 97,000)	( 97,000)	-	97,000
Total other financing sources (uses)	575,000	575,000	616,616	41,616
Net change in fund balances	( 316,971)	( 316,971)	34,448	351,419
Fund Balance, July 1, 2018	316,971	316,971	1,073,389	756,418
Fund Balance, June 30, 2019	\$ -	\$ -	\$ 1,107,837	\$ 1,107,837



Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Emergency Management  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 350,379	\$ 350,379	\$ 108,690	\$ ( 241,689)
Investment earnings	-	-	7,679	7,679
Total revenues	350,379	350,379	116,369	( 234,010)
Expenditures:				
General government				
Emergency Management	350,379	350,379	168,154	182,225
Total expenditures	350,379	350,379	168,154	182,225
Net change in fund balances	-	-	( 51,785)	( 51,785)
Fund Balance, July 1, 2018	-	-	391,332	391,332
Fund Balance, June 30, 2019	\$ -	\$ -	\$ 339,547	\$ 339,547

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Probation  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 5,656,801	\$ 5,656,801	\$ 5,887,944	\$ 231,143
Charges for services	1,258,852	1,258,852	1,344,024	85,172
Investment earnings	-	-	17,904	17,904
Miscellaneous	1,500	1,500	-	( 1,500)
Total revenues	6,917,153	6,917,153	7,249,872	332,719
<b>Expenditures:</b>				
Public safety				
Adult Probation	5,194,727	5,194,727	5,347,609	( 152,882)
Juvenile Probation	2,423,447	2,423,447	2,268,141	155,306
Total expenditures	7,618,174	7,618,174	7,615,750	2,424
Excess (deficiency) of revenues over expenditures	( 701,021)	( 701,021)	( 365,878)	335,143
<b>Other financing sources (uses):</b>				
Transfers in	565,175	565,175	-	( 565,175)
Transfers out	( 565,175)	( 565,175)	-	565,175
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	( 701,021)	( 701,021)	( 365,878)	335,143
Fund Balance, July 1, 2018	701,021	701,021	900,848	199,827
Fund Balance, June 30, 2019	\$ -	\$ -	\$ 534,970	\$ 534,970

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Courts  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 964,151	\$ 964,151	\$ 660,526	\$ ( 303,625)
Charges for services	465,486	465,486	330,776	( 134,710)
Fines and forfeits	-	-	170,252	170,252
Investment earnings	-	-	25,517	25,517
Miscellaneous	125,776	125,776	65,823	( 59,953)
<b>Total revenues</b>	<b>1,555,413</b>	<b>1,555,413</b>	<b>1,252,894</b>	<b>( 302,519)</b>
<b>Expenditures:</b>				
General government				
Superior Court	2,386,342	2,386,342	1,465,624	920,718
Clerk of Superior Court	396,812	396,812	33,164	363,648
Prescott Justice of the Peace	-	-	4,733	( 4,733)
Verde Valley Justice of the Peace	-	-	33,185	( 33,185)
Bagdad/Yarnell Justice of the Peace	-	-	35,826	( 35,826)
Mayer Justice of the Peace	-	-	11,024	( 11,024)
Seligman Justice of the Peace	-	-	21,393	( 21,393)
<b>Total General government</b>	<b>2,783,154</b>	<b>2,783,154</b>	<b>1,604,949</b>	<b>1,178,205</b>
Excess (deficiency) of revenues over expenditures	( 1,227,741)	( 1,227,741)	( 352,055)	875,686
<b>Other financing sources (uses):</b>				
Transfers in	262,860	270,907	327,860	56,953
Transfers out	-	-	( 1,378)	( 1,378)
<b>Total other financing sources (uses)</b>	<b>262,860</b>	<b>270,907</b>	<b>326,482</b>	<b>55,575</b>
Net change in fund balances	( 964,881)	( 956,834)	( 25,573)	931,261
Fund Balance, July 1, 2018	964,881	956,834	1,339,802	382,968
Fund Balance, June 30, 2019	\$ -	\$ -	\$ 1,314,229	\$ 1,314,229

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Public Defender  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 97,000	\$ 97,000	\$ 26,463	\$ ( 70,537)
Charges for services	50,000	50,000	85,875	35,875
Investment earnings	-	-	5,490	5,490
Total revenues	<u>147,000</u>	<u>147,000</u>	<u>117,828</u>	<u>( 29,172)</u>
<b>Expenditures:</b>				
General government				
Public Defender	140,517	140,517	123,141	17,376
Total expenditures	<u>140,517</u>	<u>140,517</u>	<u>123,141</u>	<u>17,376</u>
Excess (deficiency) of revenues over expenditures	6,483	6,483	( 5,313)	( 11,796)
<b>Other financing sources (uses):</b>				
Transfers in	-	-	88,502	88,502
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>88,502</u>	<u>88,502</u>
Net change in fund balances	6,483	6,483	83,189	76,706
Fund Balance, July 1, 2018	<u>( 6,483)</u>	<u>( 6,483)</u>	<u>279,139</u>	<u>285,622</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 362,328</u>	<u>\$ 362,328</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Airport Development  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,437,000	\$ 1,437,000	\$ 24,007	\$ ( 1,412,993)
Investment earnings	-	-	929	929
Miscellaneous	-	-	303,635	303,635
Total revenues	1,437,000	1,437,000	328,571	( 1,108,429)
Expenditures:				
General government				
Airport Development	950,000	950,000	51,571	898,429
Capital outlay				
Airport Development	487,000	487,000	312,444	174,556
Total expenditures	1,437,000	1,437,000	364,015	1,072,985
Net change in fund balances	-	-	( 35,444)	( 35,444)
Fund Balance, July 1, 2018	-	-	50,325	50,325
Fund Balance, June 30, 2019	\$ -	\$ -	\$ 14,881	\$ 14,881

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
CYMPO  
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 387,500	\$ 387,500	\$ 480,105	\$ 92,605
Miscellaneous	-	-	658	658
Total revenues	<u>387,500</u>	<u>387,500</u>	<u>480,763</u>	<u>93,263</u>
<b>Expenditures:</b>				
Highways and streets				
CYMPO	387,500	387,500	456,729	( 69,229)
Total expenditures	<u>387,500</u>	<u>387,500</u>	<u>456,729</u>	<u>( 69,229)</u>
Net change in fund balances	-	-	24,034	24,034
Fund Balance, July 1, 2018	-	-	( 27,307)	( 27,307)
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ ( 3,273)</u>	<u>\$ ( 3,273)</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Coyote Springs Debt Service  
Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Special assessments	\$ -	\$ -	\$ 62,440	\$ 62,440
Investment earnings	-	-	8,214	8,214
Total revenues	<u>-</u>	<u>-</u>	<u>70,654</u>	<u>70,654</u>
<b>Expenditures:</b>				
Debt service				
Principal retirement	80,000	80,000	80,000	-
Interest and other charges	<u>17,920</u>	<u>17,920</u>	<u>18,730</u>	<u>( 810)</u>
Total expenditures	<u>97,920</u>	<u>97,920</u>	<u>98,730</u>	<u>( 810)</u>
Excess (deficiency) of revenues over expenditures	( 97,920)	( 97,920)	( 28,076)	69,844
<b>Other financing sources (uses):</b>				
Transfers in	<u>97,920</u>	<u>97,920</u>	-	<u>( 97,920)</u>
Total other financing sources (uses)	<u>97,920</u>	<u>97,920</u>	-	<u>( 97,920)</u>
Net change in fund balances	-	-	( 28,076)	( 28,076)
Fund Balance, July 1, 2018	-	-	415,929	415,929
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 387,853</u>	<u>\$ 387,853</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Poquito Valley Debt Service  
Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Special assessments	\$ -	\$ -	\$ 194,092	\$ 194,092
Investment earnings	-	-	11,862	11,862
Total revenues	<u>-</u>	<u>-</u>	<u>205,954</u>	<u>205,954</u>
<b>Expenditures:</b>				
<b>Debt service</b>				
Principal retirement	95,000	95,000	95,000	-
Interest and other charges	<u>63,754</u>	<u>63,754</u>	<u>70,078</u>	<u>( 6,324)</u>
Total expenditures	<u>158,754</u>	<u>158,754</u>	<u>165,078</u>	<u>( 6,324)</u>
Excess (deficiency) of revenues over expenditures	( 158,754)	( 158,754)	40,876	199,630
<b>Other financing sources (uses):</b>				
Transfers in	<u>158,754</u>	<u>158,754</u>	-	<u>( 158,754)</u>
Total other financing sources (uses)	<u>158,754</u>	<u>158,754</u>	-	<u>( 158,754)</u>
Net change in fund balances	-	-	40,876	40,876
Fund Balance, July 1, 2018	<u>-</u>	<u>-</u>	<u>583,943</u>	<u>583,943</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 624,819</u>	<u>\$ 624,819</u>



Yavapai County  
Statement of Changes in Assets and Liabilities  
Agency Funds  
Year Ended June 30, 2019

Assets	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
Equity in pooled cash and investments	\$ 3,332,053	\$ 20,134,864	\$ (19,266,384)	\$ 4,200,533
Total assets	<u>\$ 3,332,053</u>	<u>\$ 20,134,864</u>	<u>\$ (19,266,384)</u>	<u>\$ 4,200,533</u>
Liabilities				
Deposits held for others	\$ 3,332,053	\$ 20,134,864	\$ (19,266,384)	\$ 4,200,533
Total liabilities	<u>\$ 3,332,053</u>	<u>\$ 20,134,864</u>	<u>\$ (19,266,384)</u>	<u>\$ 4,200,533</u>

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Yavapai County  
Statistical Section  
Year Ended June 30, 2019

This part of the Yavapai County 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 County's overall financial health.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	131
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	137
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	141
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	145
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	147
<b>Sources:</b> Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

Yavapai County  
Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	2013 <u>As restated</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$222,740,108	\$223,888,086	\$233,664,415	\$246,279,437	\$244,885,761	\$239,962,002	\$245,296,042	\$247,930,780	\$248,985,672	\$251,637,764
Restricted	8,531,392	44,673,785	30,244,964	29,223,380	29,399,661	27,423,213	26,853,112	24,758,387	24,018,470	22,426,459
Unrestricted (deficit)	75,774,030	41,562,207	46,892,632	32,387,781	34,282,231	(104,573,658)	(111,743,342)	(123,574,435)	(137,411,173)	(123,258,820)
<b>Total governmental activities net position</b>	<b>\$307,045,530</b>	<b>\$310,124,078</b>	<b>\$310,802,011</b>	<b>\$307,890,598</b>	<b>\$308,567,653</b>	<b>\$162,811,557</b>	<b>\$160,405,812</b>	<b>\$149,114,732</b>	<b>\$135,592,969</b>	<b>\$150,805,403</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 167,581	\$ 98,057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	3,017,325	5,795,317	-	-	-	-	-	-	-	-
<b>Total business-type activities net position</b>	<b>\$ 3,184,906</b>	<b>\$ 5,893,374</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Primary government</b>										
Net investment in capital assets	\$222,907,689	\$223,986,143	\$233,664,415	\$246,279,437	\$244,885,761	\$239,962,002	\$245,296,042	\$247,930,780	\$248,985,672	\$251,637,764
Restricted	11,548,717	50,469,102	30,244,964	29,223,380	29,399,661	27,423,213	26,853,112	24,758,387	24,018,470	22,426,459
Unrestricted (deficit)	75,774,030	41,562,207	46,892,632	32,387,781	34,282,231	(104,573,658)	(111,743,342)	(123,574,435)	(137,411,173)	(123,258,820)
<b>Total primary government net position</b>	<b>\$310,230,436</b>	<b>\$316,017,452</b>	<b>\$310,802,011</b>	<b>\$307,890,598</b>	<b>\$308,567,653</b>	<b>\$162,811,557</b>	<b>\$160,405,812</b>	<b>\$149,114,732</b>	<b>\$135,592,969</b>	<b>\$150,805,403</b>

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Yavapai County  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	2013 <u>As restated</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 59,704,858	\$ 59,429,434	\$ 62,345,662	\$ 61,913,160	\$ 61,634,911	\$ 73,547,614	\$ 71,366,887	\$ 73,276,034	\$ 76,332,480	\$ 64,929,011
Public safety	48,420,364	47,609,527	49,388,684	51,737,665	52,322,338	58,080,181	57,761,417	64,261,140	75,655,946	63,043,098
Highways and streets	25,910,775	24,893,508	25,247,610	23,452,424	21,909,440	27,128,143	23,274,551	25,487,401	24,127,122	26,746,851
Sanitation	1,300,834	1,297,411	1,465,542	1,437,943	1,853,305	1,609,894	1,818,970	1,868,223	1,891,308	2,356,825
Health	12,829,196	12,822,518	13,191,650	13,318,952	13,364,778	14,253,730	15,273,078	14,693,754	14,564,187	15,366,244
Welfare	8,527,395	9,497,084	11,834,457	10,748,376	10,674,717	10,626,802	10,735,149	10,758,602	11,266,631	10,559,683
Culture and recreation	247,821	294,753	238,532	206,447	138,729	105,961	138,729	85,738	81,577	155,438
Education	3,974,594	4,926,595	3,509,638	5,775,032	5,030,647	4,398,718	4,332,906	4,980,959	4,887,163	4,101,235
Interest on long-term debt	1,644,239	1,942,927	1,364,868	1,206,904	1,148,062	1,086,800	1,028,399	964,944	1,047,910	436,228
<b>Total governmental activities expenses</b>	<b>162,560,076</b>	<b>162,713,757</b>	<b>168,586,643</b>	<b>169,796,903</b>	<b>168,076,927</b>	<b>190,837,843</b>	<b>185,730,086</b>	<b>196,376,795</b>	<b>209,854,324</b>	<b>187,694,613</b>
Business-type activities:										
Long Term Care	45,026,786	41,120,729	10,141,138	-	-	-	-	-	-	-
<b>Total business-type activities expenses</b>	<b>45,026,786</b>	<b>41,120,729</b>	<b>10,141,138</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total primary government expenses</b>	<b>\$207,586,862</b>	<b>\$203,834,486</b>	<b>\$178,727,781</b>	<b>\$169,796,903</b>	<b>\$168,076,927</b>	<b>\$190,837,843</b>	<b>\$185,730,086</b>	<b>\$196,376,795</b>	<b>\$209,854,324</b>	<b>\$187,694,613</b>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 4,436,876	\$ 5,627,504	\$ 5,459,831	\$ 4,376,884	\$ 4,641,730	\$ 7,798,624	\$ 8,788,165	\$ 9,427,420	\$ 8,748,410	\$ 9,621,932
Public safety	7,933,673	8,040,993	8,681,147	8,865,102	7,620,120	3,500,936	3,711,204	3,905,223	4,136,934	4,160,268
Health	4,636,761	5,844,952	6,569,234	5,795,116	5,768,856	6,376,541	6,589,161	6,496,676	6,580,465	6,460,712
Other	1,558,598	2,708,201	1,806,374	2,205,285	2,426,992	2,497,840	2,711,920	3,263,044	3,900,165	4,153,603
Operating grants and contributions	35,212,078	32,210,542	26,710,532	26,931,066	30,662,264	29,810,500	35,547,178	36,867,646	39,337,795	38,364,701
Capital grants and contributions	247,501	1,067,298	2,248,681	1,876,590	3,239,760	3,759,162	4,860,870	823,163	360,460	1,602,945
<b>Total governmental activities program revenues</b>	<b>54,025,487</b>	<b>55,499,490</b>	<b>51,475,799</b>	<b>50,050,043</b>	<b>54,359,722</b>	<b>53,743,603</b>	<b>62,208,498</b>	<b>60,783,172</b>	<b>63,064,229</b>	<b>63,364,161</b>
Business-type activities:										
Charges for services:										
Long Term Care	45,216,942	43,697,139	11,968,091	-	-	-	-	-	-	-

(Continued on next page)

Yavapai County  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

(Continued)

	Fiscal Year									
	2010	2011	2012	2013 As restated	2014	2015 <sup>1</sup>	2016	2017	2018	2019
Total business-type activities program revenues	45,216,942	43,697,139	11,968,091	-	-	-	-	-	-	-
Total primary government program revenues	\$ 99,242,429	\$ 99,196,629	\$ 63,443,890	\$ 50,050,043	\$ 54,359,722	\$ 53,743,603	\$ 62,208,498	\$ 60,783,172	\$ 63,064,229	\$ 63,364,161
Net (expense)/revenue										
Governmental activities	\$(108,534,589)	\$(107,214,267)	\$(117,110,844)	\$(119,746,860)	\$(113,717,205)	\$(137,094,240)	\$(123,521,588)	\$(135,593,623)	\$(146,790,295)	\$(123,330,452)
Business-type activities	190,156	2,576,410	1,826,953	-	-	-	-	-	-	-
Total primary government net expense	\$(108,344,433)	\$(104,637,857)	\$(115,283,891)	\$(119,746,860)	\$(113,717,205)	\$(137,094,240)	\$(123,521,588)	\$(135,593,623)	\$(146,790,295)	\$(123,330,452)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes	\$ 53,971,492	\$ 55,299,466	\$ 51,699,471	\$ 52,122,175	\$ 52,112,146	\$ 51,294,809	\$ 53,103,018	\$ 54,685,899	\$ 56,221,022	\$ 57,313,871
Sales taxes	38,403,637	39,256,867	41,382,944	47,587,636	46,707,526	48,283,744	51,106,133	53,474,488	57,686,628	60,735,515
Vehicle license taxes	9,540,916	9,394,022	9,083,699	9,262,788	7,022,638	10,356,545	8,022,644	8,600,164	9,277,476	9,792,370
Grants not restricted to specific programs	-	-	2,985,878	2,960,656	3,177,599	2,895,889	3,480,910	3,314,664	3,630,887	3,499,331
Franchise taxes	310,611	309,155	271,003	269,404	267,020	282,805	283,366	281,425	298,249	309,367
Lottery (intergovernmental, unrestricted)	304,381	-	-	-	550,038	550,038	-	-	550,050	550,050
Investment earnings	455,363	382,199	227,971	216,409	679,320	(70,947)	187,916	129,869	681,115	1,249,575
Gain (loss) on disposal of capital assets	1,139,199	77,731	376,709	(66,231)	149,991	171,568	204,175	173,711	594,205	408,877
Miscellaneous	7,802,635	5,573,375	4,104,472	4,482,610	3,727,982	4,315,570	4,727,681	3,642,323	4,328,900	4,683,930
Transfers	-	-	7,656,630	-	-	-	-	-	-	-
Total governmental activities	111,928,234	110,292,815	117,788,777	116,835,447	114,394,260	118,080,021	121,115,843	124,302,543	133,268,532	138,542,886
Business-type activities:										
Investment earnings	39,650	30,687	18,363	-	-	-	-	-	-	-
Loss on disposal of capital assets	-	-	(82,060)	-	-	-	-	-	-	-
Miscellaneous	57,333	101,371	-	-	-	-	-	-	-	-
Transfers	-	-	(7,656,630)	-	-	-	-	-	-	-
Total business-type activities	96,983	132,058	(7,720,327)	-	-	-	-	-	-	-
Total primary government	\$ 112,025,217	\$ 110,424,873	\$ 110,068,450	\$ 116,835,447	\$ 114,394,260	\$ 118,080,021	\$ 121,115,843	\$ 124,302,543	\$ 133,268,532	\$ 138,542,886
<b>Change in Net Position</b>										
Governmental activities	\$ 3,393,645	\$ 3,078,548	\$ 677,933	\$ (2,911,413)	\$ 677,055	\$(19,014,219)	\$ (2,405,745)	\$(11,291,080)	\$(13,521,763)	\$ 15,212,434
Business-type activities	287,139	2,708,468	(5,893,374)	-	-	-	-	-	-	-
Total primary government	\$ 3,680,784	\$ 5,787,016	\$ (5,215,441)	\$ (2,911,413)	\$ 677,055	\$(19,014,219)	\$ (2,405,745)	\$(11,291,080)	\$(13,521,763)	\$ 15,212,434

1) Significant changes in net position occurred due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

Yavapai County  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	<u>2010</u>	<u>2011</u> <sup>1</sup>	<u>2012</u>	2013 <u>As restated</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General fund										
Reserved	\$ 1,907,862	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	7,935,224	-	-	-	-	-	-	-	-	-
Nonspendable	-	883,725	558,330	529,990	534,073	419,021	550,208	659,611	626,112	386,449
Unassigned	-	11,572,661	9,198,985	8,467,686	9,716,724	9,139,623	9,552,144	9,853,659	9,633,712	11,768,137
<b>Total general fund</b>	<b>\$ 9,843,086</b>	<b>\$12,456,386</b>	<b>\$ 9,757,315</b>	<b>\$ 8,997,676</b>	<b>\$10,250,797</b>	<b>\$ 9,558,644</b>	<b>\$10,102,352</b>	<b>\$10,513,270</b>	<b>\$10,259,824</b>	<b>\$12,154,586</b>
All other governmental funds										
Reserved	\$16,841,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	49,538,733	-	-	-	-	-	-	-	-	-
Capital projects funds	30,443,106	-	-	-	-	-	-	-	-	-
Nonspendable	-	571,259	338,143	420,405	369,364	384,929	400,687	487,560	410,774	402,633
Restricted	-	44,302,178	29,845,087	28,408,624	29,214,659	27,263,418	26,687,753	24,588,981	23,859,908	22,292,622
Committed	-	48,737,019	44,933,474	31,110,770	29,500,387	27,471,287	24,146,575	22,256,013	24,210,208	28,466,825
Unassigned	-	-	-	-	(129,290)	(647,487)	(34,846)	(46,030)	(268,131)	(235,467)
<b>Total all other governmental funds</b>	<b>\$96,823,718</b>	<b>\$93,610,456</b>	<b>\$75,116,704</b>	<b>\$59,939,799</b>	<b>\$58,955,120</b>	<b>\$54,472,147</b>	<b>\$51,200,169</b>	<b>\$47,286,524</b>	<b>\$48,212,759</b>	<b>\$50,926,613</b>

1) Fund balance classifications were redefined due to the implementation of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.



Yavapai County  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013 As restated	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Taxes	\$ 71,943,613	\$ 72,919,065	\$ 70,585,042	\$ 74,555,129	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	52,225,532	51,435,356	53,076,446	51,830,240	56,322,256	57,484,689
County sales taxes	-	-	-	-	21,582,391	22,776,374	24,450,120	28,496,007	27,763,993	29,095,816
Special assessments	856,571	625,539	445,430	313,975	445,823	323,790	307,004	328,552	256,753	270,767
Licenses and permits	2,659,731	2,649,532	2,352,607	2,827,913	3,500,652	3,656,374	3,850,570	4,263,493	5,045,676	5,695,856
Intergovernmental	70,616,782	78,875,264	67,956,327	69,778,203	68,090,496	71,486,393	73,987,068	76,383,556	82,381,548	87,027,113
Charges for services	11,215,560	12,555,911	13,901,191	13,173,252	11,949,422	12,504,936	12,290,540	12,325,424	12,257,416	12,047,785
Fines and forfeits	3,328,787	2,925,544	3,075,579	3,258,371	3,480,687	3,428,912	3,290,343	3,506,446	3,492,895	3,570,978
Investment earnings	455,362	382,202	227,971	216,427	679,871	(70,947)	187,918	129,868	681,116	1,249,579
Miscellaneous	7,387,647	5,738,164	4,274,703	4,638,767	5,000,510	5,102,733	6,121,031	5,050,927	5,579,688	5,863,229
<b>Total revenues</b>	<b>168,464,053</b>	<b>176,671,221</b>	<b>162,818,850</b>	<b>168,762,037</b>	<b>166,955,384</b>	<b>170,643,921</b>	<b>177,561,040</b>	<b>182,314,513</b>	<b>193,781,341</b>	<b>202,305,812</b>
<b>Expenditures</b>										
General government	56,232,120	55,278,011	60,284,141	60,720,587	60,579,208	67,398,559	65,217,327	66,227,788	67,790,528	67,497,256
Public safety	49,214,849	47,884,440	48,438,479	51,407,963	51,391,831	52,684,423	54,534,285	58,023,197	65,263,847	61,635,618
Highways and streets	24,003,533	20,362,539	22,839,550	26,507,156	19,159,634	20,266,071	24,201,825	27,058,914	25,399,182	16,849,214
Sanitation	1,397,117	1,319,900	1,445,057	1,610,073	1,957,968	1,702,678	1,884,551	1,887,043	2,001,007	2,256,302
Health	12,675,386	12,650,539	13,121,564	13,179,859	13,189,896	14,106,085	15,210,473	14,686,935	14,715,104	15,755,220
Welfare	8,523,288	9,489,765	11,841,743	10,742,570	10,684,724	10,630,863	10,738,903	10,758,061	11,275,978	10,586,621
Culture and recreation	110,499	157,431	172,348	114,047	113,262	101,478	134,564	132,233	116,858	150,519
Education	3,980,160	4,819,819	4,246,599	5,706,095	4,974,902	4,064,669	4,112,725	4,677,716	4,525,456	4,333,174
Debt service:										
Principal	12,767,059	13,125,845	5,775,482	1,230,950	1,278,462	1,328,112	1,424,604	1,473,153	1,531,737	1,579,884
Interest and other charges	1,644,239	1,942,927	1,364,868	1,212,778	1,154,200	1,093,213	1,032,511	972,549	902,551	643,254
Capital outlay	5,922,869	10,471,363	21,956,670	12,271,703	2,424,396	2,674,818	2,301,378	107,958	176,840	16,934,683
<b>Total expenditures</b>	<b>176,471,119</b>	<b>177,502,579</b>	<b>191,486,501</b>	<b>184,703,781</b>	<b>166,908,483</b>	<b>176,050,969</b>	<b>180,793,146</b>	<b>186,005,547</b>	<b>193,699,088</b>	<b>198,221,745</b>
Excess (deficiency) of revenues over (under) expenditures	(8,007,066)	(831,358)	(28,667,651)	(15,941,744)	46,901	(5,407,048)	(3,232,106)	(3,691,034)	82,253	4,084,067
<b>Other financing sources (uses)</b>										
Special assessment bonds issued	1,857,000	-	-	-	-	-	-	-	-	-
Revenue bonds issued	-	-	-	-	-	-	-	-	16,978,000	-
Payment to refunding escrow agent	-	-	-	-	-	-	-	-	(16,896,907)	-
Capital lease agreements	-	-	-	-	-	-	211,939	-	-	-
Sale of capital assets	1,683,400	77,731	376,709	5,200	221,541	231,922	291,897	188,307	509,443	524,549
Transfers in	27,677,634	18,011,458	35,664,432	14,207,090	12,096,198	11,139,032	11,124,422	11,988,058	12,295,183	12,269,573
Transfers out	(27,677,634)	(18,011,458)	(28,007,802)	(14,207,090)	(12,096,198)	(11,139,032)	(11,124,422)	(11,988,058)	(12,295,183)	(12,269,573)
<b>Total other financing sources (uses)</b>	<b>3,540,400</b>	<b>77,731</b>	<b>8,033,339</b>	<b>5,200</b>	<b>221,541</b>	<b>231,922</b>	<b>503,836</b>	<b>188,307</b>	<b>590,536</b>	<b>524,549</b>
<b>Net changes in fund balances</b>	<b>\$ (4,466,666)</b>	<b>\$ (753,627)</b>	<b>\$ (20,634,312)</b>	<b>\$ (15,936,544)</b>	<b>\$ 268,442</b>	<b>\$ (5,175,126)</b>	<b>\$ (2,728,270)</b>	<b>\$ (3,502,727)</b>	<b>\$ 672,789</b>	<b>\$ 4,608,616</b>
Debt service as a percentage of noncapital expenditures	9.0%	9.5%	4.5%	1.6%	1.6%	1.5%	1.5%	1.5%	1.4%	1.1%

Yavapai County  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year	Primary Net Assessed Value				Total Direct Tax Rate <sup>1</sup>	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential and Vacant Property	Commercial Property	Unattached Personal Property	Total Taxable Net Assessed Value			
2010	\$2,373,124,327	\$841,667,070	\$59,286,950	\$3,274,078,347	1.6321	\$26,993,826,530	12.13%
2011	2,357,527,484	767,441,706	62,608,487	3,187,577,677	1.7519	26,602,931,420	11.98%
2012	2,007,011,632	623,434,540	81,731,709	2,712,177,881	1.9172	22,580,984,308	12.01%
2013	1,748,825,220	573,976,929	82,671,574	2,405,473,723	2.2049	20,142,814,909	11.94%
2014	1,819,990,776	325,100,587	87,538,236	2,232,629,599	2.3961	19,088,929,991	11.70%
2015	1,840,982,742	295,068,513	81,221,556	2,217,272,811	2.4216	19,418,863,184	11.42%
2016	1,929,113,529	263,001,270	87,068,649	2,279,183,448	2.4044	20,061,477,030	11.36%
2017	2,012,130,501	251,908,085	80,371,356	2,344,409,942	2.3910	21,142,413,672	11.09%
2018	2,131,382,392	238,029,643	93,738,001	2,463,150,036	2.3556	22,327,112,822	11.03%
2019	2,267,175,515	249,865,108	82,497,218	2,599,537,841	2.2696	23,680,652,430	10.98%

Source: Assessed and actual values obtained from the Yavapai County Assessor. Direct tax rate obtained from the Yavapai County Board of Supervisors Adopted Budget.

Note: Property in the County is reassessed each year. Tax rates are per \$100 of assessed value.

1) Includes both primary and secondary tax rates. See Direct and Overlapping Property Tax Rates schedule.

Yavapai County  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years  
 (rate per \$100 of assessed value)

Fiscal Year	County Direct Rates					Overlapping Rates <sup>1</sup>				
	Primary	Secondary			Total Direct	School Equalization	School Districts	Cities	Other Special Districts	Community College District
		Fire District	Library District	Flood Control District						
2010	1.2842	0.0740	0.1016	0.1723	1.6321	0.3306	1.1824-8.1337	0.3697-0.9120	0.0401-7.3600	1.2617
2011	1.3524	0.0813	0.1188	0.1994	1.7519	0.3564	0.2436-7.7525	0.0109-1.4401	0.0492-9.6600	1.3609
2012	1.4305	0.0928	0.1456	0.2483	1.9172	0.4259	1.2605-7.9313	0.0142-1.4400	0.0642-11.4000	1.6175
2013	1.6426	0.1000	0.1660	0.2963	2.2049	0.4717	1.2727-7.2224	0.4083-1.4400	0.0437-13.6892	1.8875
2014	1.9308	0.1000	0.1491	0.2162	2.3961	0.5123	1.1401-7.8940	0.3351-1.6000	0.0622-16.2403	2.0468
2015	1.9580	0.1008	0.1512	0.2116	2.4216	0.5089	2.4776-7.7759	0.3149-1.5739	0.0627-16.5100	2.0837
2016	1.9317	0.1000	0.1667	0.2060	2.4044	0.5054	2.3885-7.7757	0.3047-1.7165	0.0642-17.6840	2.0901
2017	1.9027	0.1000	0.1907	0.1976	2.3910	0.5010	2.0177-7.7737	0.3025-1.7316	0.0616-19.9088	2.0561
2018	1.8395	0.1000	0.1815	0.2346	2.3556	.04875	2.0537-8.5411	0.2821-1.6612	0.0583-8.3655	1.9828
2019	1.7788	0.1000	0.1720	0.2188	2.2696	0.4741	2.2376-8.5394	0.2699-1.6455	0.0557-12.7400	1.9476

Source: Yavapai County Board of Supervisors Adopted Budget.

1) Includes both primary and secondary rates.

Yavapai County  
Principal Property Taxpayers  
Current Year and Nine Years Ago

<u>Taxpayer</u>	2019			2010		
	<u>Primary Net Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Primary Net Assessed Value</u>	<u>Primary Net Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Primary Net Assessed Value</u>
Arizona Public Service	\$ 94,939,297	1	3.65%	\$ 82,212,248	2	2.51%
Phelps Dodge Bagdad Inc.	68,780,136	2	2.65	186,116,044	1	5.68%
Drake Cement LLC	20,160,220	3	0.78	-	-	-
Transwestern Pipeline Company	19,671,318	4	.76	11,458,739	6	0.35%
Unisource Energy Corporation	16,576,639	5	.64	14,532,512	5	0.44%
Phoenix Cement Co./Salt River Materials	15,991,982	6	.62	-	-	-
Burlington Northern Santa Fe Railway Company	15,176,070	7	0.58	7,907,860	9	0.24%
Sturm Ruger & Co. Inc.	8,977,733	8	0.35	-	-	-
Kinder Morgan	8,354,964	9	0.32	-	-	-
Qwest Corporation	7,162,241	10	0.28	16,361,100	4	0.50%
Salt River Pima-Maricopa Indian Community	-	-	-	28,778,350	3	0.88%
TWC II-Prescott Mall LLC	-	-	-	8,883,966	8	0.27%
El Paso Natural Gas Company	-	-	-	10,039,079	7	0.31%
Prescott Valley Signature Entertainment LLC	-	-	-	5,675,600	10	0.17%
Totals	<u>\$ 275,790,600</u>		<u>10.63%</u>	<u>\$ 371,965,498</u>		<u>11.35%</u>
Total Yavapai County Primary Assessed Value	\$2,599,537,841		100.00%	\$3,274,078,347		100.00%

Source: Yavapai County Assessor and Arizona Department of Revenue.

Yavapai County  
Property Tax Levies and Collections<sup>1</sup>  
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year <sup>2</sup>	Collected within the Fiscal Year		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$42,045,714	\$39,992,839	95.12%	\$1,055,006	\$41,047,845	97.63%
2011	43,108,560	40,512,865	93.98%	1,091,408	41,604,273	96.51%
2012	38,797,705	36,464,287	93.99%	872,212	37,342,499	96.25%
2013	39,512,311	37,270,343	94.33%	602,101	37,872,444	95.85%
2014	43,108,560	40,635,331	94.26%	573,446	41,208,777	95.59%
2015	43,108,560	41,019,828	95.15%	500,142	41,519,970	96.31%
2016	44,026,986	41,648,986	94.60%	507,219	42,156,205	95.75%
2017	44,606,170	42,533,288	95.35%	486,503	43,019,791	96.44%
2018	45,309,644	43,103,822	95.13%	-	43,103,822	95.13%
2019	46,240,578	44,193,993	95.57%	-	44,193,993	95.57%

Source: Taxes levied obtained from the Yavapai County Board of Supervisors Adopted Budget. Collections obtained from the Yavapai County Treasurer.

1) General Fund levies and collections only.

2) Taxes levied for the fiscal year is the budgeted levy. The actual levy is generally lower when assessed because of a decrease in net assessed values due to taxpayer appeals.

Yavapai Count  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
	Revenue Bonds	Special Assessment Bonds	Capital Leases			
2010	\$17,510,000	\$2,850,846	\$25,000,000	\$45,360,846	0.74%	\$214.84
2011	4,590,000	2,645,000	25,000,000	32,235,000	0.50%	152.67
2012	-	2,470,000	23,989,518	26,459,518	0.40%	124.60
2013	-	2,295,000	22,933,568	25,228,568	0.36%	117.33
2014	-	2,120,000	21,830,106	23,950,106	0.32%	109.66
2015	-	1,945,000	20,676,993	22,621,993	0.29%	102.09
2016	-	1,770,000	19,639,687	21,409,687	0.26%	94.92
2017	-	1,595,000	18,341,534	19,936,534	0.23%	89.00
2018	16,978,000	1,420,000	87,890	18,485,890	0.20%	81.26
2019	15,616,000	1,245,000	45,006	16,906,006	N/A (2)	72.75

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

1) Personal income and population information can be found in the Demographic and Economic Statistics schedule.

2) Personal income was not available for 2019.

Yavapai County  
Legal Debt Margin Information  
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed value	\$ 2,599,537,841
Debt limit (6% of assessed value)	155,972,270
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	\$ 155,972,270

	Fiscal Year									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt limit	\$196,444,701	\$191,254,661	\$162,730,673	\$144,328,423	\$133,957,776	\$133,036,369	\$136,751,007	\$140,664,597	\$147,789,002	\$155,972,270
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$196,444,701	\$191,254,661	\$162,730,673	\$144,328,423	\$133,957,776	\$133,036,369	\$136,751,007	\$140,664,597	\$147,789,002	\$155,972,270
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Under state finance law, the County's outstanding general obligation debt should not exceed 6 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Yavapai County  
Pledged Revenue Coverage  
Last Ten Fiscal Years

Jail District Revenue Bonds

Fiscal Year	Jail District Revenues <sup>1</sup>	Less: Expenditures <sup>2</sup>	Net		Coverage	
			Available Revenue	Debt Service		
				Principal	Interest	
2010	\$16,530,488	\$ 14,648,850	\$ 1,881,638	\$ 1,655,000	\$ 217,409	1.00
2011	16,348,743	14,461,792	1,886,951	1,720,000	151,210	1.01
2012	16,359,044	14,478,655	1,880,389	1,790,000	77,803	1.01
2013	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2014	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2015	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2016	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2017	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2018	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2019	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)

Highway Construction Advancement Revenue Bonds

Fiscal Year	County Excise Tax	State Shared Sales Tax	Highway		Net		Coverage
			Project Repayments <sup>3</sup>	Available Revenue	Debt Service		
					Principal	Interest	
2010	\$ 11,818,833	\$ 20,676,049	\$ 11,000,000	\$43,494,882	\$ 11,000,000	\$ 159,336	3.90
2011	11,703,512	21,703,065	11,200,000	44,606,577	11,200,000	493,743	3.81
2012	12,400,793	22,955,984	1,400,000	36,756,777	2,800,000	17,406	13.05
2013	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2014	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2015	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2016	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2017	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2018	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)
2019	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)

Source: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Prior to 2008 there were no Highway Construction Advancement revenue bonds.

- 1) Revenues include beginning fund balance and transfers in. Beginning fund balance is included in revenues since it represents unexpended pledged revenues.
- 2) Expenditures include transfers out, except those for debt service.
- 3) Highway project repayments include unspent bond proceeds and repayments made by the Arizona Department of Transportation.
- 4) Final payments for the Jail District and Highway Construction Advancement Revenue Bonds were made during 2012.



Yavapai County  
Pledged Revenue Coverage  
Last Ten Fiscal Years

Special Assessment Bonds				
Fiscal Year	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
2010	\$ 173,763	\$ 112,059	\$ 154,994	0.65
2011	625,539	205,845	185,474	1.60
2012	445,430	175,000	168,276	1.30
2013	313,975	175,000	156,863	0.95
2014	445,823	175,000	145,797	1.39
2015	308,359	175,000	134,461	1.00
2016	253,491	175,000	123,017	0.85
2017	313,258	175,000	111,604	1.09
2018	242,192	175,000	100,190	0.88
2019	256,532	175,000	88,808	0.97

Revenue Refunding Obligations						
Fiscal Year	County Excise Tax	State Shared Sales Taxes	Net		Debt Service	
			Available Revenue	Principal	Interest	Coverage
2010	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2011	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2012	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2013	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2014	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2015	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2016	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2017	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2018	\$ 18,311,614	\$ 19,461,489	\$ 37,773,103	\$ -	\$ -	-
2019	19,190,975	21,894,007	41,084,982	1,362,000	550,098	21.49

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

5) Excess tax revenue refunding bonds were issued on October 17, 2017.

Yavapai County  
Demographic and Economic Statistics  
Last Ten Calendar Years

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2010	211,139	\$ 6,141,108	\$ 29,086	10.5%
2011	211,138	6,387,827	30,254	10.0%
2012	212,350	6,623,513	31,191	8.8%
2013	215,027	6,936,360	32,258	8.4%
2014	218,405	7,482,253	34,259	6.7%
2015	221,584	7,888,490	35,600	5.6%
2016	225,562	8,199,948	36,353	5.0%
2017	228,055	8,753,027	38,381	4.6%
2018	231,993	9,352,066	40,312	4.4%
2019	232,386	N/A (1)	N/A (1)	4.6%

Source: Population and personal income through 2018 obtained from the U.S. Department of Commerce, Bureau of Economic Analysis. Population for 2019 and unemployment rates obtained from the Arizona Department of Administration, Office of Economic Opportunity.

1) Personal income and per capita personal income were not available for 2019.

Yavapai County  
Principal Employers  
Current Year and Nine Years Ago

<u>Employer</u>	2019			2009		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Yavapai Regional Medical Center	1,850	1	1.78%	1,739	1	1.94%
Yavapai County	1,534	2	1.47	1,465	2	1.63
Walmart	1,068	3	1.03	640	8	0.71
Veterans Medical Center	1,067	4	1.02	820	4	.91
Freeport McMoran Copper Mine	996	5	0.96	790	5	0.88
Verde Valley Medical Center	969	6	0.93	900	3	1.00
Humbolt Unified School District	655	7	0.63	-	-	-
State of Arizona	582	8	0.56	438	10	0.49
Embry-Riddle Aeronautical University	574	9	0.55	-	-	-
Yavapai College	564	10	0.54	703	7	0.78
Prescott Unified School District	-	-	-	770	6	0.86
City of Prescott	-	-	-	493	9	0.55
<b>Totals</b>	<u>9,859</u>		<u>9.47%</u>	<u>8,758</u>		<u>9.75%</u>
Total Employment in Yavapai County	104,159		100.00%	89,627		100.00%

Source: Yavapai College and the Arizona Department of Administration, Office of Economic Opportunity.

Yavapai County  
Full-Time Equivalent Employees by Function  
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General government	551	539	559	589	599	622	620	629	629	645
Public safety	531	536	515	535	544	540	556	572	566	568
Highways and streets	108	101	100	105	102	108	111	108	104	114
Sanitation	13	13	11	12	12	12	12	12	12	17
Health	138	138	135	133	133	146	158	150	146	153
Welfare	6	4	5	5	4	6	6	6	6	7
Education	29	33	33	35	30	28	31	34	30	30
Capital outlay	3	3	3	-	-	-	-	-	-	-
Long Term Care	55	48	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,434</b>	<b>1,415</b>	<b>1,361</b>	<b>1,414</b>	<b>1,424</b>	<b>1,462</b>	<b>1,494</b>	<b>1,511</b>	<b>1,493</b>	<b>1,534</b>

Source: Yavapai County payroll records.

Yavapai County  
Operating Indicators by Function  
Last Ten Fiscal Years

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government										
Elections										
Elections	4	4	5	4	3	2	6	3	3	2
Number voting	106,559	151,515	66,953	165,625	65,363	120,592	157,489	172,057	98,899	176,903
Development Services										
Building permits issued	2,854	2,521	2,432	2,737	3,200	3,198	3,336	3,403	3,668	3,617
Inspections performed	9,975	9,532	9,516	8,800	11,568	11,721	10,922	10,573	13,058	13,707
Assessor										
Parcels assessed	163,273	170,330	170,306	169,314	169,089	169,494	170,186	171,189	171,725	173,939
New subdivisions	25	16	33	15	39	41	47	44	53	69
Public safety										
Sheriff										
Inmate population	6,475	6,470	6,942	7,060	6,410	5,835	6,139	6,641	6,411	6,256
Adult Probation										
Probationers actively supervised	2,116	1,940	1,854	1,860	1,980	2,106	2,275	2,294	2,449	2,387
Community restitution hours	63,245	50,500	46,858	50,043	53,614	70,668	83,156	101,700	83,843	87,517
Restitution collected	\$777,528	\$717,672	\$579,926	\$585,079	\$733,119	\$694,045	\$810,589	\$719,516	\$706,952	\$749,795
Presentence reports written for courts	636	532	531	548	651	328	296	314	339	392
Juvenile Probation										
Juveniles brought to detention	1,119	998	955	800	954	888	799	812	755	672
Average length of detention (days)	12	31	15	14	13	13	14	15	16	14
Probationers	742	648	596	556	493	451	450	539	549	593
Community restitution hours	19,578	16,350	15,203	12,956	12,527	8,296	9,298	9,647	10,002	10,876
Highways and streets										
Public Works										
Crack sealing (miles)	40	78	54	37	14	40	39	111	132	114
Street resurfacing (miles)	30	26	33	37	21	47	44	81	90	92
Sanitation										
Landfill/Environment										
Transfer station refuse collected (tons)	2,956	2,772	2,853	2,564	3,059	3,407	3,377	3,991	4,752	5,250
Waste tires collected	122,987	129,318	125,880	127,417	129,675	133,618	149,989	140,206	146,410	155,933
Health										
Health Care										
Certified copies of death certificates issued	15,343	16,515	13,409	13,045	12,932	17,152	17,003	14,540	17,771	16,538
Childhood immunization visits	3,008	2,509	2,518	3,378	3,156	3,000	2,338	2,221	1,929	1,722
Restaurant inspections and re-inspections	4,113	4,063	3,793	4,413	4,256	5,864	3,237	3,324	4,051	3,633
Welfare										
Public Fiduciary										
Guardianships/conservatorships	90	85	88	91	95	84	102	106	97	104
Education										
School Superintendent										
School districts	25	25	25	25	25	25	25	25	25	25
District students	22,834	22,237	21,673	21,566	21,122	18,356	20,482	20,177	20,285	19,915
Charter schools	28	30	31	28	28	23	22	20	19	19
Charter students	3,954	3,402	3,529	3,578	4,175	6,808	3,583	4,337	4,304	4,420
Culture and recreation										
Parks & Recreation										
Park use permits issued	9	9	11	12	11	11	13	20	12	14

Source: Various Yavapai County departments.

Yavapai County  
Capital Asset Statistics by Function  
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General government										
Superior Courts										
Divisions	10	10	10	10	10	10	10	10	10	10
Public safety										
Sheriff										
Inmate beds available (including portable)	773	794	794	794	600	600	664	664	658	658
Jail facilities	2	2	2	2	2	2	2	2	2	2
Stations	12	12	12	12	12	11	11	11	11	11
Improvement Districts										
Flood warning sites	80	83	88	92	97	98	100	101	104	104
Flood Control District properties	232	235	241	242	240	242	242	242	243	244
Highways and streets										
Public Works										
Miles of paved roads	773	779	782	783	785	787	796	798	803	805
Bridges	18	18	15	15	15	16	17	18	18	18
Sanitation										
Landfill/Environment										
Transfer stations	7	7	7	8	8	8	8	8	8	8
Health										
Health Care										
Public health facilities	3	3	4	4	4	4	4	4	4	4
Culture and recreation										
Parks & Recreation										
County parks	11	11	11	11	11	11	11	11	11	11

Source: Various Yavapai County departments.

Note: No capital asset indicators are available for the welfare or education function.

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