

# **Yavapai County, Arizona**



**Yavapai County Courthouse  
Prescott, Arizona**

## **Comprehensive Annual Financial Report**

**Fiscal Year Ended June 30, 2011**

# **Yavapai County, Arizona Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2011**



## **Board of Supervisors**

**Carol Springer, District 1**

**A.G. "Chip" Davis, District 3**

**Thomas Thurman, District 2**

**Prepared by Yavapai County  
Finance Department**

YAVAPAI COUNTY  
Comprehensive Annual Financial Report  
Year Ended June 30, 2011

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## **INTRODUCTORY SECTION**



## **Yavapai County Finance Department**

JOHN D. ZANDER, CPA

FINANCE DIRECTOR

December 15, 2011

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, 2011.

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, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit; that there was a reasonable basis for rendering an unqualified opinion that Yavapai County's financial statements for the fiscal year ended June 30, 2011, 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 require 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 three members elected to four-year terms representing three supervisorial districts. The Board appoints an Administrator, who is responsible for overseeing the day-to-day operations of the County government.

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.

The County Administrator develops and presents the County budget, oversees countywide administrative departments, assists elected officials, and coordinates with other governments in intergovernmental relations.

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 four 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 before the 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 63 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 84.

### **Local Economy**

Yavapai County's population increased from 167,516 in 2000 to 211,033 in 2010 according to the U.S. Census Bureau, which is a 26.0% increase as compared to the State of Arizona population increase of 24.6%. Yavapai County has a higher percentage, 23.8%, of persons over the age of 65 as compared to the State of Arizona with 13.1%. This indicates that a greater segment of the population is retired, which provides a more stable consumer base.

Yavapai County, as most other counties in the State of Arizona and throughout the nation, continues to experience weak or slightly improved economic activity. As a result, sales tax collections for the first quarter of fiscal year 2011-12 are 5% higher than the same period in fiscal year 2010-11.

The Arizona Department of Administration, Office of Employment and Population Statistics estimates a 10.0% average 2011 unemployment rate for Yavapai County. Yavapai County is the single largest employer in Yavapai County, with Yavapai County Regional Medical Center 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. In December of 1999, the Board adopted Resolution No.1999-1 establishing the initial excise tax of 1/5 cent. On March 26, 2003, the excise tax was raised to the voter approved rate of 1/4 cent.

The excise tax has been used to construct new, efficient jail facilities and to pay for additional staff and other operating costs of the jail system. The first phase of the jail construction was to increase the size of the Camp Verde jail facility by 480 beds. Construction of this phase began in January of 2002 and was completed in the fall of 2003. Total cost was approximately \$20.0 million. Pledged revenue obligations in the amount of \$15.3 million were issued to finance the majority of the construction costs. This debt obligation will be paid in full during fiscal year 2011-12.

The Jail District sales tax and the maintenance of effort from the General Fund are inadequate to fund the operation of the Jail District. The Board asked the voters of Yavapai County in the November 4, 2008, general election for authorization to increase the Jail District sales tax rate from ¼ cent to ½ cent and this request was voted down. Because the operation of a county jail facility is statutorily required, other resources will continue to be diverted at the direction of the Board in order to fund the operation of the Jail District.

In July 2007, the County issued \$25.4 million in variable rate demand highway construction advancement revenue bonds. The bond proceeds were advanced to the Arizona Department of Transportation (ADOT) to accelerate construction of Arizona State Route 260, which is a component of the state's five year plan. ADOT is required, by Arizona Revised Statutes §11-269.03, to repay the advanced proceeds to the County within a five year period. The interest for the bonds, until paid in full, will be paid from the County's excise tax and state shared sales tax. The project is now complete and the construction costs to widen State Route 260 were lower than the engineer's estimate. ADOT has reimbursed the County \$22.2 million, which was used to retire a portion of the outstanding bonds. As of June 30, 2011, the outstanding balance is \$2.8 million, which is expected to be paid in full during fiscal year 2011-12.

In May 2008, the Board entered into a \$50 million capital lease agreement to finance the design and construction of a Superior Court building next to the Camp Verde jail facility, a juvenile detention facility and two administrative buildings in Prescott. The Board modified this lease agreement and retired \$25 million of the original \$50 million. Because of the economic environment and the modification of the lease agreement, the Board eliminated the construction of the administrative buildings from the original plan. Construction for a new juvenile facility, new morgue and new administration building were started in fiscal year 2010-11 and are expected to be completed during the next fiscal year.

Yavapai County contracted with the State of Arizona to operate a long term care health program for qualified residents of Yavapai County as a business-type proprietary fund. The State of Arizona did not renew its contract with Yavapai County and the current contract expired on September 30, 2011.

### **Relevant Financial Policies**

Traditionally, 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.

During fiscal year 2010-11, the Arizona state legislature passed and the governor signed into law legislation that had financial impacts to all Arizona counties. Yavapai County's financial impact for fiscal year 2010-11 was approximately \$2.8 million, of which \$2.1 million is for the administration of judicial court functions and \$0.7 million is a reduction of the Arizona state highway user revenue fund (HURF) distribution. These financial impacts were managed by the Board and the County Administrator by monitoring and controlling costs for net increase of \$0.2 million in expenses compared to the previous fiscal year.

The legislation passed extended the financial impact to all Arizona counties in fiscal year 2011-12. Yavapai County's estimated financial impact is an additional \$5.9 million, of which \$2.7 million is for the administration of judicial court functions, \$1.8 million is a reduction of the Arizona HURF distribution and a contribution of \$1.4 million to the State of Arizona is required.

During the past three fiscal years, the Board has enacted several measures to manage the declining revenues. County departments reduced expenditures in fiscal year 2008-09 by 6.7%, in fiscal year 2009-10 by 7.5% and in fiscal year 2010-11 departments were held the same level as the previous fiscal year. In January 2007, the Board established a hiring restriction, which requires County departments to formally request, in a public meeting, approval to fill vacant position(s) during the fiscal year. As a result, the current number of County employees is 1,414 as compared to the July 2007 employee number of 1,552, which is a decrease of 138 or 9.8%. This reduction is a result of departments managing employee positions to a minimum, based on current demand for County services. In April 2009, the Board approved closure of the Prescott jail facility for an annual savings of \$2.4 million. In fiscal year 2008-09, the Board eliminated the purchase of all replacement vehicles and computers. For fiscal year 2010-11, the Board has approved funds to replace 25% of the scheduled vehicle replacement budget and to replace 50% of the scheduled computer replacement budget. The County received Federal stimulus money in fiscal year 2010-11 to purchase hybrid vehicles and to construct a new health facility in Cottonwood, AZ. Both awards required County matching funds and were completed in fiscal year 2010-11.

### **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, 2010. 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. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **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. I 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,

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John D. Zander  
Chief Financial Officer

# 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, 2010

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



*Linda C. Sandson*

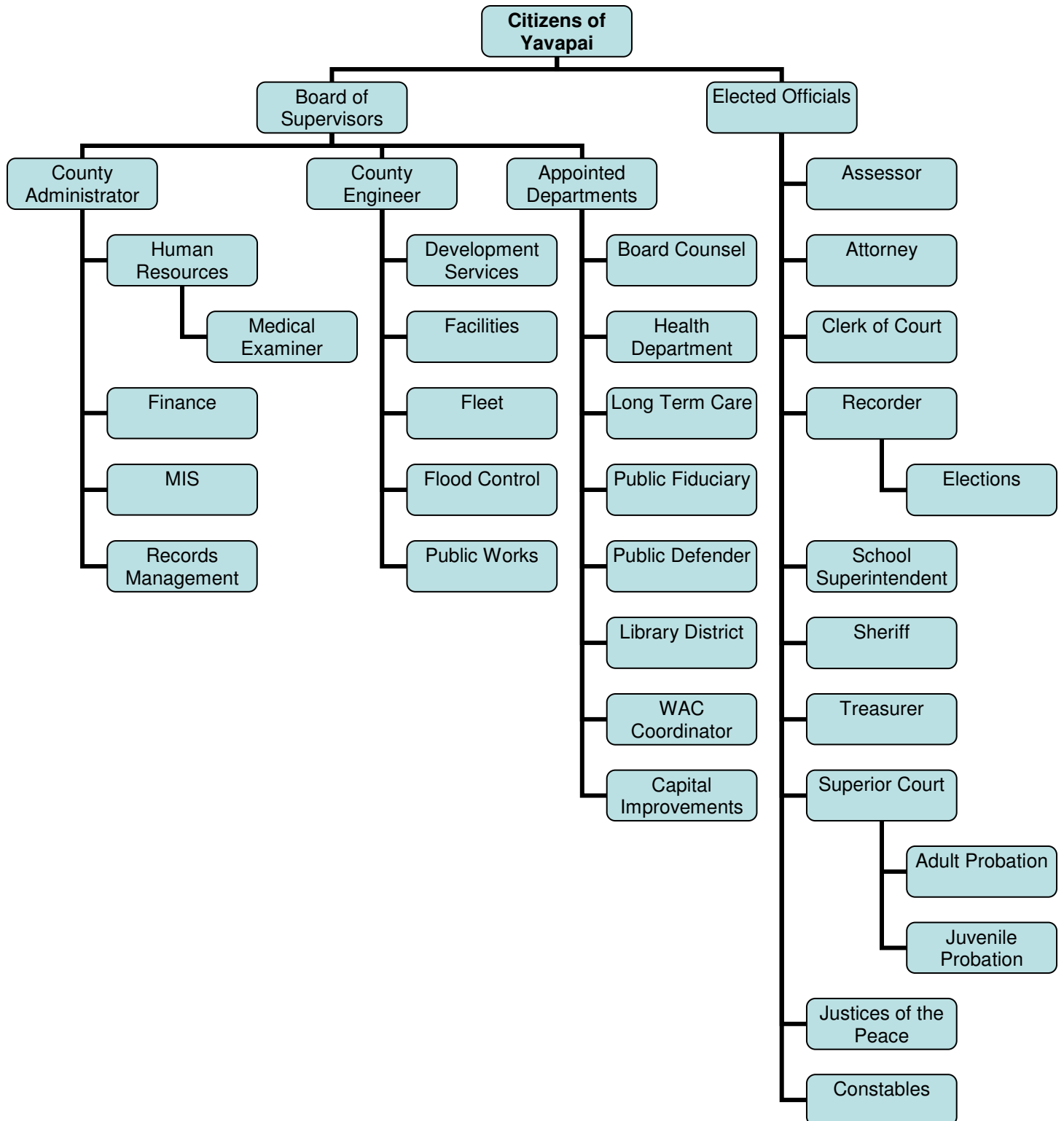
President

*Jeffrey R. Enen*

Executive Director

# YAVAPAI COUNTY

Organizational Chart



# **Yavapai County Officials**

## **BOARD OF SUPERVISORS**

Carol Springer, Chairman, District 1  
Thomas C. Thurman, Vice Chairman, District 2  
A.G. "Chip" Davis, Member, District 3

♦ ♦ ♦

## **CLERK OF THE BOARD**

Julie Ayers

♦ ♦ ♦

## **COUNTY ADMINISTRATOR**

Julie Ayers

♦ ♦ ♦

## **FINANCE DIRECTOR**

John D. Zander

## **FINANCIAL SECTION**





**DEBRA K. DAVENPORT, CPA**  
AUDITOR GENERAL

**STATE OF ARIZONA**  
OFFICE OF THE  
**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

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and aggregate remaining fund information of Yavapai County as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Long Term Care Fund, which represents 100 percent of the business-type activities and is a major enterprise fund. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinions, insofar as they relate to the amounts included for the business-type activities and major enterprise fund, are based solely on the report of the other auditors.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and aggregate remaining fund information of Yavapai County as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

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

The Management's Discussion and Analysis on pages 11 through 19, the Budgetary Comparison Schedules on pages 63 through 68, and the Schedule of Agent Retirement Plans' Funding Progress on page 69 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the report of the other auditors, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

In connection with our audit, nothing came to our attention that caused us to believe that the County failed to use highway user revenue fund monies received by the County pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated state transportation revenues received by the County solely for the authorized transportation purposes. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

In accordance with *Government Auditing Standards*, we will also issue our report 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 at a future date. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Board of Supervisors, management, and others within the County and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Debbie Davenport  
Auditor General

December 15, 2011

# 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, 2011. 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.

### Financial Highlights

- Yavapai County's assets exceed liabilities as of June 30, 2011, by \$316,017,452 (net assets). Of this amount, \$41,562,207 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of June 30, 2011, Yavapai County's governmental funds reported combined ending fund balances of \$106,066,842, which is a decrease of \$599,962, or 0.6% in comparison with the prior year.
- As of June 30, 2011, unassigned fund balance for the general fund was \$11,572,661 or 15.82% of total general fund expenditures.
- As of June 30, 2011, committed fund balance for the regional road fund was \$16,350,356.
- As of June 30, 2011, restricted fund balance for the Highway User Revenue Fund (HURF) was \$6,242,890, an increase from the prior year of \$1,101,702.
- As of June 30, 2011, restricted and committed fund balance for the capital projects fund were \$12,967,419 and \$29,437,844 respectively, a decrease of \$1,970,868 and \$1,005,262, respectively, from the prior year.
- Yavapai County's total long-term liabilities decreased a net \$13,562,253 during the current fiscal year.

### Overview of the Financial Statements

This discussion and analysis are 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 assets presents information on all of Yavapai County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Yavapai County is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused paid-time-off leave).

Both of the government-wide financial statements distinguish functions of Yavapai County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of Yavapai County include general government, public safety, highways and streets, sanitation, health, welfare, culture and recreation, and education. The Yavapai Long Term Care Division comprises the business-type activities of Yavapai County.

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 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.

# Yavapai County

## Management's Discussion and Analysis

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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 three categories: governmental funds, proprietary 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 eight 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.

**Proprietary funds.** Yavapai County maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Yavapai County uses an enterprise fund to account for its Long-Term Care Division.

The basic proprietary fund financial statements can be found on pages 31 - 33 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 accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds financial statements can be found on pages 34 - 35 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 36 - 61 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 63 - 69 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 72 - 113 of this report.

# Yavapai County

## Management's Discussion and Analysis

### Government-wide Financial Analysis

**Net Assets.** As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Yavapai County's assets exceeded liabilities by \$316.0 million at the close of the most recent fiscal year.

	<b>Net Assets</b> (in millions)					
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 112.6	\$ 123.6	\$ 10.3	\$ 7.6	\$ 122.9	\$ 131.2
Restricted assets	13.1	15.2	-	-	13.1	15.2
Capital assets	240.4	239.1	0.1	0.2	240.5	239.3
Total assets	366.1	377.9	10.4	7.8	376.5	385.7
Long-term liabilities outstanding	41.0	54.6	-	-	41.0	54.6
Other liabilities	15.0	16.3	4.5	4.6	19.5	20.9
Total liabilities	56.0	70.9	4.5	4.6	60.5	75.5
Net assets:						
Invested in capital assets, net of related debt	223.8	222.7	0.1	0.2	223.9	222.9
Restricted	44.7	45.7*	5.8	3.0	50.5	48.7*
Unrestricted	41.6	38.6*	-	-	41.6	38.6*
Total net assets	\$ 310.1	\$ 307.0	\$ 5.9	\$ 3.2	\$ 316.0	\$ 310.2

\*The fiscal year 2010 restricted and unrestricted amounts have been reclassified for comparison with fiscal year 2011 amounts.

The largest portion of Yavapai County's net assets (71%) 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 decreased \$11.0 million from the previous year. This decrease is due to a reimbursement from ADOT for \$11.2 million, which reduced due from other governments. The funds were used to reduce outstanding bonds issued for the SR 260 widening project. Business-type Activities current and other assets increased \$2.7 million due to continuing operations.

Governmental Activities long-term liabilities decreased \$13.6 million from the previous fiscal year primarily due to payments for the SR 260 revenue bonds (\$11.2 million), Jail District revenue bonds (\$1.7 million) and special assessment bonds (\$0.2 million).

Yavapai County's Governmental Activities restricted net assets of \$44.7 million represent resources that are subject to external restrictions on how they may be used. The reduction of \$1.0 million from the previous fiscal year's restated amount of \$45.7 million is due to expenses for capital projects of \$4.1 million. This represents capital lease proceeds of \$2.0 million for the initial construction of the juvenile facility and Federal grants for acquisition of fuel efficient vehicles of \$1.1 million and the construction of a new health clinic of \$1.0 million. These are offset by increases in restricted net assets in HURF for \$1.1 million, flood control of \$1.0 million and an increase in other grants of \$1.0 million. The Governmental Activities unrestricted net assets increased \$4.0 million from the previous fiscal year is primarily due to continuing operations of \$3.1 million and may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Yavapai County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

# Yavapai County

## Management's Discussion and Analysis

**Changes in Net Assets.** The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. For the fiscal year, net assets increased \$5.8 million, of which \$3.1 million is from Governmental Activities and \$2.7 million is from Business-type Activities. These increases in both Governmental and Business-type Activities are primarily due to managing expenses, reduction of replacement vehicles and computers, not filling employee vacancies and reducing discretionary items, with no material change of revenues as compared to the previous year. 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 Assets</b>						
(in millions)						
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 22.2	\$ 19.9	*\$ 43.7	\$ 45.2	\$ 65.9	\$ 65.1*
Operating grants and contributions	32.2	35.2	-	-	32.2	35.2
Capital grants and contributions	1.1	.2	-	-	1.1	.2
General revenues:						
Property taxes	55.3	54.0	-	-	55.3	54.0
Sales taxes	39.3	38.4	-	-	39.3	38.4
Vehicle license tax	9.4	9.5	-	-	9.4	9.5
Miscellaneous and investment earnings	6.3	8.7	*.1	.1	6.4	8.8*
<b>Total revenues</b>	<u>165.8</u>	<u>165.9</u>	<u>43.8</u>	<u>45.3</u>	<u>209.6</u>	<u>211.2</u>
<b>Expenses</b>						
General government	59.4	59.7	-	-	59.4	59.7
Public safety	47.6	48.4	-	-	47.6	48.4
Highways and streets	24.9	25.9	-	-	24.9	25.9
Sanitation	1.3	1.3	-	-	1.3	1.3
Health	12.8	12.8	-	-	12.8	12.8
Welfare	9.5	8.5	-	-	9.5	8.5
Culture and recreation	.3	.2	-	-	.3	.2
Education	4.9	4.0	-	-	4.9	4.0
Interest on long-term debt	2.0	1.7	-	-	2.0	1.7
Long Term Care	-	-	41.1	45.0	41.1	45.0
<b>Total expenses</b>	<u>162.7</u>	<u>162.5</u>	<u>41.1</u>	<u>45.0</u>	<u>203.8</u>	<u>207.5</u>
<b>Increase (decrease) in net assets</b>	<u>3.1</u>	<u>3.4</u>	<u>2.7</u>	<u>.3</u>	<u>5.8</u>	<u>3.7</u>
Net assets, July 1,	307.0	303.6	3.2	2.9	310.2	306.5
Net assets, June 30	<u>\$ 310.1</u>	<u>\$ 307.0</u>	<u>\$ 5.9</u>	<u>\$ 3.2</u>	<u>\$ 316.0</u>	<u>\$ 310.2</u>

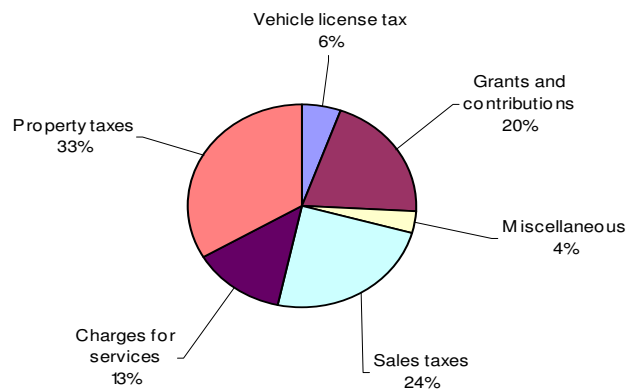
\*The fiscal year 2010 revenue amounts have been reclassified for comparison with fiscal year 2011 amounts.

## Yavapai County Management's Discussion and Analysis

**Governmental activities.** Governmental Activities revenues totaled \$165.8 million for fiscal year 2011. The following are highlights of County revenues:

- Charges for services increased by \$2.3 million, which is primarily due to an Intergovernmental Agreement (IGA) payment from the City of Prescott of \$1.1 million, increased collections for payments related to bond issues of \$0.7 million and an IGA from Arizona Department of Transportation of \$0.5 million.
- Operating grants and contributions decreased \$3.0 million from the previous year. This is primarily due to a reduction of federal grants of \$2.9 million from the previous year.
- Capital grants and contributions increased \$0.9 million because of two American Recovery and Reinvestment Act of 2009 (ARRA) stimulus grants for energy efficient vehicles and construction of a new health facility in Cottonwood, Arizona.
- Property taxes increased by \$1.3 million from the previous year. This increase is attributable to an increase in primary property tax levy of \$1.1 million and an increase in secondary property tax levy of \$0.2 million.
- 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 slightly by \$0.9 million from the previous fiscal year, indicating a slight economic improvement in the local economy.
- Miscellaneous revenues declined \$2.4 million from the previous fiscal year primarily due to the receipt of ARRA monies from the Federal government of \$2.2 million in fiscal year 2010.

Revenues by Source - Governmental Activities



# Yavapai County

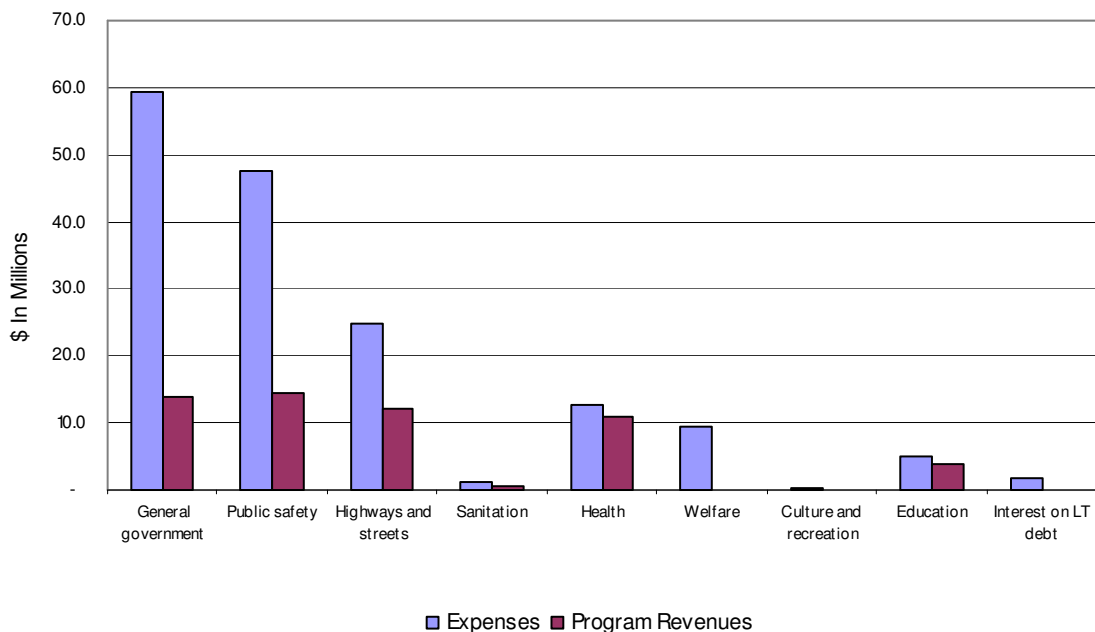
## Management's Discussion and Analysis

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### Expenses

Governmental activities expenses increased \$0.2 million from the previous fiscal year. The County, under the direction of the Board and County Administrator, managed operating expenses such as unfilled positions to mitigate the \$2.8 million financial impact caused by State Legislation.

Expenses and Program Revenues - Governmental Activities



**Business-type activities.** Business-type activities consist solely of the Yavapai County Long-Term Care Division (Division). The Division operates a prepaid health program for qualified persons of Yavapai County within the State of Arizona. The Program provides hospitalization, medical care, managed institutional care, and home and community based long-term care for physically disabled and elderly persons. The funds used to carry out the Division's program are provided by the State of Arizona under its Arizona Long Term Care System (ALTCS) administered by the Arizona Health Care Cost Containment System (AHCCCS). The funding sources include federal, state and county monies that are paid to the Division on a capitation basis.

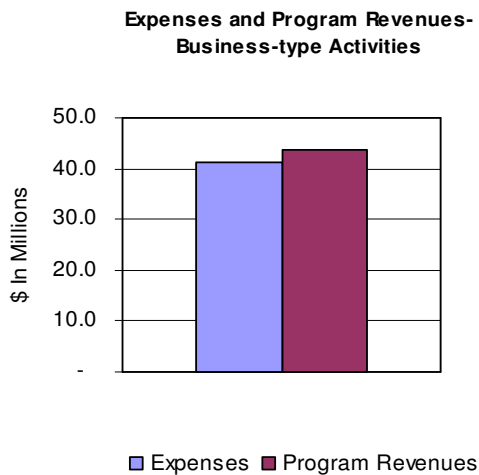
Revenues and expenses decreased \$1.5 million and \$3.9 million, respectively, from the previous year due to a reduction in the number of patients served and managing the operating costs. The institutional patients represent 78% of the reduction in the number of patients served and represent the highest cost per patient care.



# Yavapai County

## Management's Discussion and Analysis

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### 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 \$106,066,842, which is a decrease of \$599,962 or 0.6% from the prior year. The ending fund balance are subdivided as nonspendable (\$1,454,984), restricted (\$44,302,178), committed (\$48,737,019), and unassigned (\$11,572,661).

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 \$12,456,386, which is \$2,613,300 greater than the previous fiscal year ending fund balance. This increase is attributed to a cooperative proactive fiscal discipline to manage expenditures with revenues collected through a communication process that is coordinated by the County Administrator between the Board of Supervisors and operating departments.

In addition to the General Fund, Yavapai County is reporting seven funds as major funds. These funds are the Jail District, Jail District Debt Service, Regional Road, Regional Road Debt Service, HURF Road, Capital Projects and Capital Projects Debt Service. With the implementation of GASB Statement No. 54, the fund balances are now classified as nonspendable, restricted, committed and unassigned. See Note 1 for details. A comparison from the previous year is not possible as this is the first year of implementation of GASB Statement No. 54. However, a comparison of the total ending fund balance maybe meaningful to the reader. The Regional Road total ending fund balance decreased \$2,281,535 from the prior year due to continued progress on planned road projects. The HURF ending fund balance increased \$1,142,800 primarily due to a Board of Supervisors' transfer of \$1,886,582 from the General Fund because of a reallocation of federal forest fees. Capital Projects ending fund balance decreased \$2,976,130 due to continued progress on planned capital projects.

# Yavapai County

## Management's Discussion and Analysis

**Proprietary fund.** Yavapai County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Restricted net assets of the Long Term Care Division at the end of the year amounted to \$5,795,317, which is an increase of \$2,777,992 over the prior fiscal year. Although revenue has declined from the previous fiscal year by \$1,475,765, medical costs have declined by \$3,645,016 for a net reduction of \$2,169,251. The reduction of medical care costs is primarily due to a reduction of the number of institutional members, of which have the highest marginal care cost. The institutional members have declined by 559.37 member months from the previous fiscal year. Other factors concerning the finances of this fund have already been addressed in the discussion of Yavapai County's business-type activities.

### General Fund Budgetary Highlights

The original General Fund budget appropriation was \$80,506,227. The Board of Supervisors approved a budget transfer of \$30,606 from the Capital Projects fund to the General Fund for emergency response equipment for a final budget appropriation of \$80,536,833. Actual expenditures were \$7,402,313 less than the final budgeted appropriation amount and are primarily due to 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 departments that required a budget transfer were Fleet (\$111,470), the Board of Supervisors (\$44,337), Bagdad/Yarnell Justice of the Peace (\$2,611), Finance (\$2,556) and Prescott Constable (\$719) for a combined transfer of \$161,693.

Tax revenues were \$4,758,469 under budget because the Board of Supervisors decided to allocate and commit the County excise sales tax directly to the Capital Projects and Regional Road funds. As a result, the actual amount that was transferred out of the General fund to the Capital Projects and Regional Road funds was less than the budgeted amount by \$3,227,011. Intergovernmental revenue was \$2,936,991 over budget due to higher state shared sales tax (\$1,003,065), Federal grants, reimbursements and payment in lieu of taxes (\$1,524,326) and intergovernmental agreements with other Arizona counties for the restoration of criminal defendants to mental competency prior to court proceedings (\$409,600).

### Capital Asset and Debt Administration

**Capital Assets.** Yavapai County's investment in capital assets for its governmental and business-type activities as of June 30, 2011, amounts to \$240.4 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, 2011, or in progress at that date, are included in capital assets. Infrastructure decreased \$8.8 million from the previous fiscal year primarily due to depreciation expense of \$11.0 million that is offset by an increase to road infrastructure of \$2.2 million. Construction in progress increased \$8.1 million due to continued progress on planned capital projects.

#### Yavapai County's Capital Assets

(net of depreciation)

(in millions)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 55.3	\$ 54.7	\$	\$	\$ 55.3	\$ 54.7
Buildings	51.9	50.7			51.9	50.7
Equipment	9.7	9.4	.1	.2	9.8	9.6
Infrastructure	100.3	109.1			100.3	109.1
Software	2.1	2.2			2.1	2.2
Construction in progress	21.1	13.0			21.1	13.0
Total	<u>\$ 240.4</u>	<u>\$ 239.1</u>	<u>\$ .1</u>	<u>\$ .2</u>	<u>\$ 240.5</u>	<u>\$ 239.3</u>

Additional information on Yavapai County's capital assets can be found in Note 4 on pages 46 and 47 of this report.

# Yavapai County

## Management's Discussion and Analysis

**Long-term Debt.** At the end of the current fiscal year, Yavapai County had total bonded debt outstanding of \$7,235,000. Of this amount, \$2,800,000 are highway construction advancement pledged revenue obligations, secured by the County's excise tax and state shared sales taxes to advance the widening of State Route 260 by ADOT, \$1,790,000 represents pledged revenue obligations of the Yavapai County Jail District, which are secured by a dedicated excise tax of ¼ cent, and \$2,645,000 represents debt of various special assessment districts, which is secured by pledges of revenues from special assessments levied against benefiting property owners. ADOT is scheduled to reimburse Yavapai County \$2,800,000 in fiscal year 2011-12 for the advance widening of State Route 260. The Yavapai County Jail District outstanding debt balance is scheduled to be paid in full at the end of the fiscal year 2011-12.

### Yavapai County's Outstanding Bonds

(in millions)

	2011	2010
Highway Construction Advancement Pledged Revenue Obligations	\$ 2.8	\$ 14.0
Jail District Pledged Revenue Obligations	1.8	3.5
Special Assessment Debt Payable	2.6	2.9
Total	\$ 7.2	\$ 20.4

Yavapai County's debt decreased \$13,125,846 during the current fiscal year due to the principal payments for State Route 260 bonds of \$11,200,000, Jail District bonds of \$1,720,000 and special assessment bonds of \$205,846. Standard & Poor's rating service has assigned a short-term rating of "A-1" to the highway construction advancement pledged revenue obligations. Moody's Investors Service and Standard & Poor's rating services have assigned the ratings of "Aa3" and "AA-", respectively, on the Jail District pledged revenue obligations, which are insured for the payment of principal and interest with Ambac Assurance, Ambac Financial Group, Inc.

State statutes limit the amount of general obligation debt a county may issue to 6 percent of its total assessed valuation. The current debt limitation for the County is \$191,254,661. Since the County has no general obligation debt, this amount equals the debt capacity. Additional information on long-term debt can be found in the Notes to the Financial Statements on pages 47-49 of this report.

**Long-term Capital Lease.** On May 15, 2008 the County entered into a long term lease agreement in the amount of \$50 million for a period of twenty years with an interest rate of 4.45%. The lease agreement was renegotiated in June 2009 for \$25 million and is secured by a ground lease for the construction of a juvenile facility and superior court building. The unspent balance of this lease agreement as of June 30, 2011 is \$12,967,419.

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

- The unemployment rate for Yavapai County is currently 10.0%, which has decreased slightly since 2010.
- Inflationary trends in the region are comparable to national and the State of Arizona indices.
- The number of real estate foreclosures is slightly lower than the State of Arizona which ranks among the highest in the nation.
- The economy at the national and state level is anticipated to have the effect of reducing or eliminating Federal and State of Arizona grant programs.
- A contract with the State of Arizona to provide long term care to qualified residents expired in fiscal year 2011-12 and was not renewed.

These factors were considered in preparing Yavapai County's budget for the 2011-12 fiscal year. The unassigned ending fund balance in the general fund of \$11,572,661 was appropriated for spending in the 2011-12 fiscal year budget.

### 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.

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## **BASIC FINANCIAL STATEMENTS**

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Yavapai County  
Statement of Net Assets  
June 30, 2011

	Primary Government		
	Governmental	Business-type	
Assets	Activities	Activities	Total
Cash and cash equivalents	\$ 95,287,095	\$ 9,562,370	\$ 104,849,465
Receivables:			
Property taxes	2,660,819	-	2,660,819
Special assessments	2,349,335	-	2,349,335
Accounts	1,066,095	-	1,066,095
Internal balances	43,307	(43,307)	-
Due from other governments	9,882,212	825,067	10,707,279
Inventories	470,893	-	470,893
Prepaid items	984,091	-	984,091
Cash equivalents - restricted	13,079,069	-	13,079,069
Capital assets, not being depreciated	76,471,777	-	76,471,777
Capital assets, being depreciated, net	163,883,890	98,057	163,981,947
Total assets	366,178,583	10,442,187	376,620,770
<b>Liabilities</b>			
Accounts payable	7,675,507	56,761	7,732,268
Accrued payroll and employee benefits	4,839,962	320,946	5,160,908
Interest payable	46,354	-	46,354
Due to other governments	124,333	299,111	423,444
Medical claims payable	-	3,871,995	3,871,995
Unearned revenue	2,349,333	-	2,349,333
Noncurrent liabilities:			
Due within one year	6,278,883	-	6,278,883
Due in more than one year	34,740,133	-	34,740,133
Total liabilities	56,054,505	4,548,813	60,603,318
<b>Net Assets</b>			
Invested in capital assets, net of related debt	223,888,086	98,057	223,986,143
Restricted for:			
General government	7,513,575		7,513,575
Public safety	10,978,175		10,978,175
Highways and streets	6,708,742	-	6,708,742
Sanitation	779,753		779,753
Health and welfare	3,063,020	5,795,317	8,858,337
Culture and recreation	99,572		99,572
Education	1,199,812		1,199,812
Debt service	1,189,688	-	1,189,688
Capital projects	13,141,448		13,141,448
Unrestricted	41,562,207	-	41,562,207
Total net assets	\$ 310,124,078	\$ 5,893,374	\$ 316,017,452

See accompanying notes to financial statements.

Yavapai County  
Statement of Activities  
Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Assets		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary Government:							
Governmental activities:							
General government	\$ 59,429,434	\$ 5,627,504	\$ 7,594,050	\$ 548,200	\$ (45,659,680)	\$ -	\$ (45,659,680)
Public safety	47,609,527	8,040,993	6,347,101	-	(33,221,433)	-	(33,221,433)
Highways and streets	24,893,508	1,592,522	10,555,333	-	(12,745,653)	-	(12,745,653)
Sanitation	1,297,411	360,440	387,234	-	(549,737)	-	(549,737)
Health	12,822,518	5,844,952	4,386,430	519,098	(2,072,038)	-	(2,072,038)
Welfare	9,497,084	-	-	-	(9,497,084)	-	(9,497,084)
Culture and recreation	294,753	-	8,098	-	(286,655)	-	(286,655)
Education	4,926,595	755,239	2,932,296	-	(1,239,060)	-	(1,239,060)
Interest on long-term debt	1,942,927	-	-	-	(1,942,927)	-	(1,942,927)
Total governmental activities	162,713,757	22,221,650	32,210,542	1,067,298	(107,214,267)	-	(107,214,267)
Business-type activities:							
Long Term Care	41,120,729	43,697,139	-	-	-	2,576,410	2,576,410
Total business-type activities	41,120,729	43,697,139	-	-	-	2,576,410	2,576,410
Total primary government	\$ 203,834,486	\$ 65,918,789	\$ 32,210,542	\$ 1,067,298	(107,214,267)	2,576,410	(104,637,857)
General revenues:							
Property taxes, levied for general purposes					49,315,526	-	49,315,526
Property taxes, levied for flood control					5,983,940	-	5,983,940
Sales tax—Jail construction and operation					5,850,290	-	5,850,290
Shared revenue—state sales tax					33,406,577	-	33,406,577
Shared revenue—state vehicle license tax					9,394,022	-	9,394,022
Franchise taxes					309,155	-	309,155
Investment earnings					382,199	30,687	412,886
Gain on disposal of capital assets					77,731	-	77,731
Miscellaneous					5,573,375	101,371	5,674,746
Total general revenues					110,292,815	132,058	110,424,873
Changes in net assets					3,078,548	2,708,468	5,787,016
Net assets, July 1, 2010					307,045,530	3,184,906	310,230,436
Net assets, June 30, 2011					\$ 310,124,078	\$ 5,893,374	\$ 316,017,452

See accompanying notes to financial statements.



Yavapai County  
Balance Sheet  
Governmental Funds  
June 30, 2011

<b>Assets</b>	General	Jail District	Jail District Debt Service	Regional Road
Cash and cash equivalents	\$ 11,462,868	\$ -	\$ 2,414	\$ 16,686,674
Receivables:				
Property taxes	2,139,223	-	-	-
Special assessments	-	-	-	-
Accounts	253,133	19,680	-	22,237
Due from:				
Other funds	1,224,505	1,280,102	-	200,708
Other governments	3,720,744	776,542	-	4,466
Inventories	173,909	-	-	-
Prepaid items	709,816	-	-	135,900
Cash equivalents - restricted	-	-	-	-
Total assets	<u>\$ 19,684,198</u>	<u>\$ 2,076,324</u>	<u>\$ 2,414</u>	<u>\$ 17,049,985</u>
 <b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 1,097,821	\$ 428,452	\$ -	\$ 554,173
Accrued payroll and employee benefits	2,722,260	555,841	-	9,556
Due to other funds	1,822,516	1,076,290	-	-
Due to other governments	-	-	-	-
Deferred revenue	1,585,215	-	-	-
Total liabilities	<u>7,227,812</u>	<u>2,060,583</u>	<u>-</u>	<u>563,729</u>
Fund balances:				
Nonspendable	883,725	-	-	135,900
Restricted	-	15,741	2,414	-
Committed	-	-	-	16,350,356
Unassigned	11,572,661	-	-	-
Total fund balances	<u>12,456,386</u>	<u>15,741</u>	<u>2,414</u>	<u>16,486,256</u>
Total liabilities and fund balances	<u>\$ 19,684,198</u>	<u>\$ 2,076,324</u>	<u>\$ 2,414</u>	<u>\$ 17,049,985</u>

See accompanying notes to financial statements.

Regional Road Debt Service	HURF Road	Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 254,492	\$ 9,065,541	\$29,466,641	\$ 1,319	\$ 28,347,146	\$ 95,287,095
-	-	-	-	521,596	2,660,819
-	-	-	-	2,349,335	2,349,335
-	17,710	448,541	-	304,794	1,066,095
-	109,979	563,491	-	429,982	3,808,767
2,800,000	1,242,284	-	-	1,338,176	9,882,212
-	296,984	-	-	-	470,893
-	107,522	-	-	30,853	984,091
111,650	-	12,967,419	-	-	13,079,069
<u>\$ 3,166,142</u>	<u>\$10,840,020</u>	<u>\$43,446,092</u>	<u>\$ 1,319</u>	<u>\$ 33,321,882</u>	<u>\$ 129,588,376</u>
\$ -	\$ 2,990,956	\$ 967,720	\$ -	\$ 1,636,385	\$ 7,675,507
-	387,988	13,292	-	1,151,025	4,839,962
-	16,210	59,817	-	790,627	3,765,460
-	-	-	-	124,333	124,333
2,800,000	-	-	-	2,731,057	7,116,272
<u>2,800,000</u>	<u>3,395,154</u>	<u>1,040,829</u>	<u>-</u>	<u>6,433,427</u>	<u>23,521,534</u>
-	404,506	-	-	30,853	1,454,984
366,142	6,242,890	12,967,419	1,319	24,706,253	44,302,178
-	797,470	29,437,844	-	2,151,349	48,737,019
-	-	-	-	-	11,572,661
<u>366,142</u>	<u>7,444,866</u>	<u>42,405,263</u>	<u>1,319</u>	<u>26,888,455</u>	<u>106,066,842</u>
<u>\$ 3,166,142</u>	<u>\$10,840,020</u>	<u>\$43,446,092</u>	<u>\$ 1,319</u>	<u>\$ 33,321,882</u>	<u>\$ 129,588,376</u>

Yavapai County  
Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
June 30, 2011

Fund balances—total governmental funds	\$ 106,066,842
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	240,355,667
Some receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	4,766,939
Long-term liabilities, including bonds and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(41,065,370)</u>
Net assets of governmental activities	<u><u>\$ 310,124,078</u></u>

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, 2011

	General	Jail District	Jail District Debt Service	Regional Road
Revenues:				
Taxes	\$ 50,790,485	\$ 5,850,290	\$ -	\$ 2,340,702
Special assessments	-	-	-	-
Licenses and permits	1,450,184	-	-	480,100
Intergovernmental	33,003,713	-	-	509,853
Charges for services	1,757,244	2,854,400	-	-
Fines and forfeits	2,388,962	-	-	-
Investment earnings	41,753	4,050	-	72,970
Miscellaneous	346,353	56,519	-	-
Total revenues	<u>89,778,694</u>	<u>8,765,259</u>	<u>-</u>	<u>3,403,625</u>
Expenditures:				
Current:				
General government	41,692,739	-	-	-
Public safety	20,282,499	14,461,792	-	-
Highways and streets	-	-	-	5,821,060
Sanitation	1,001,816	-	-	-
Health	-	-	-	-
Welfare	9,489,765	-	-	-
Culture and recreation	82,087	-	-	-
Education	585,614	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	1,720,000	-
Interest and other charges	-	-	151,210	-
Total expenditures	<u>73,134,520</u>	<u>14,461,792</u>	<u>1,871,210</u>	<u>5,821,060</u>
Excess (deficiency) of revenues over expenditures	16,644,174	(5,696,533)	(1,871,210)	(2,417,435)
Other financing sources (uses):				
Sale of capital assets	53,048	-	-	-
Transfers in	34,754	7,574,256	1,871,210	-
Transfers out	(14,155,941)	(1,871,210)	-	-
Total other financing sources (uses)	<u>(14,068,139)</u>	<u>5,703,046</u>	<u>1,871,210</u>	<u>-</u>
Net change in fund balances	2,576,035	6,513	-	(2,417,435)
Fund balances, July 1, 2010	9,843,086	9,228	2,414	18,767,791
Changes in nonspendable resources:				
Increase (decrease) in inventories	(56,705)	-	-	-
Increase (decrease) in prepaid items	93,970	-	-	135,900
Fund balances, June 30, 2011	<u>\$ 12,456,386</u>	<u>\$ 15,741</u>	<u>\$ 2,414</u>	<u>\$ 16,486,256</u>

See accompanying notes to financial statements.

Regional Road Debt Service	HURF Road	Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 3,511,054	\$ -	\$ 10,426,534	\$ 72,919,065
-	-	-	-	625,539	625,539
-	-	-	-	719,248	2,649,532
11,200,000	13,435,553	2,168,893	-	18,557,252	78,875,264
-	-	-	-	7,944,267	12,555,911
-	-	-	-	536,582	2,925,544
3,085	31,178	118,546	66	110,554	382,202
-	93,485	441,583	-	4,800,224	5,738,164
<u>11,203,085</u>	<u>13,560,216</u>	<u>6,240,076</u>	<u>66</u>	<u>43,720,200</u>	<u>176,671,221</u>
-	-	1,691,670	-	11,893,602	55,278,011
-	-	-	-	13,140,149	47,884,440
16,759	14,279,711	-	-	245,009	20,362,539
-	-	-	-	318,084	1,319,900
-	-	-	-	12,650,539	12,650,539
-	-	-	-	-	9,489,765
-	-	-	-	75,344	157,431
-	-	-	-	4,234,205	4,819,819
-	-	10,408,624	-	62,739	10,471,363
11,200,000	-	-	-	205,845	13,125,845
493,743	-	-	1,112,500	185,474	1,942,927
<u>11,710,502</u>	<u>14,279,711</u>	<u>12,100,294</u>	<u>1,112,500</u>	<u>43,010,990</u>	<u>177,502,579</u>
(507,417)	(719,495)	(5,860,218)	(1,112,434)	709,210	(831,358)
-	9,195	-	-	15,488	77,731
-	1,886,582	3,996,588	1,112,500	1,535,568	18,011,458
-	-	(1,112,500)	-	(871,807)	(18,011,458)
<u>-</u>	<u>1,895,777</u>	<u>2,884,088</u>	<u>1,112,500</u>	<u>679,249</u>	<u>77,731</u>
(507,417)	1,176,282	(2,976,130)	66	1,388,459	(753,627)
873,559	6,302,066	45,381,393	1,253	25,486,014	106,666,804
-	20,280	-	-	-	(36,425)
-	(53,762)	-	-	13,982	190,090
<u>\$ 366,142</u>	<u>\$ 7,444,866</u>	<u>\$ 42,405,263</u>	<u>\$ 1,319</u>	<u>\$ 26,888,455</u>	<u>\$ 106,066,842</u>

Yavapai County  
Reconciliation of the Statement of Revenues, Expenditures, and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended June 30, 2011

Net change in fund balances—total governmental funds \$ (753,627)

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	18,306,553	
Depreciation expense	(17,074,707)	1,231,846

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

Principal repaid on bonds and notes		13,125,845
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Collection of intergovernmental revenues in the governmental funds that exceeded revenues reported in the Statement of Activities.		(11,382,123)
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Deferred tax revenues are recognized in the governmental funds only when available, but are recognized in the Statement of Activities when earned.		243,357
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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 and liabilities are reported regardless of when the financial resources are available.

Decrease in compensated absences	72,759	
Increase in claims and judgments	(259,626)	
Decrease in arbitrage rebate	600,000	
Decrease in interest payable	23,178	
Decrease in landfill closure and postclosure care costs	23,274	459,585

Some cash outlays, such as purchases of inventories, are reported as expenditures in the governmental funds when purchased. In the Statement of Activities, however, they are reported as expenses when consumed.

Decrease in inventories	(36,425)	
Increase in prepaid items	190,090	153,665

Change in net assets of governmental activities		\$ 3,078,548
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See accompanying notes to financial statements.

Yavapai County  
Statement of Net Assets  
Proprietary Funds  
June 30, 2011

	Business-type Activities- Enterprise Fund Long Term Care
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 9,562,370
Due from other governments	825,067
Total current assets	<u>10,387,437</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>98,057</u>
Total noncurrent assets	<u>98,057</u>
 Total assets	 <u>10,485,494</u>
 <b>Liabilities</b>	
Current liabilities :	
Accounts payable	56,761
Accrued payroll and employee benefits	320,946
Medical claims payable	3,871,995
Due to other funds	43,307
Due to other governments	<u>299,111</u>
Total current liabilities	<u>4,592,120</u>
 Total liabilities	 <u>4,592,120</u>
 <b>Net Assets</b>	
Invested in capital assets	98,057
Restricted for: Health and welfare	<u>5,795,317</u>
Total net assets	<u><u>\$ 5,893,374</u></u>

See accompanying notes to financial statements.



Yavapai County  
Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Proprietary Funds  
Year Ended June 30, 2011

	Business-type Activities- Enterprise Fund <u>Long Term Care</u>
Operating revenues:	
AHCCCS revenues	\$ 43,697,139
Miscellaneous	<u>101,371</u>
Total operating revenues	<u>43,798,510</u>
Operating expenses:	
Medical costs	37,457,059
Administrative costs	3,608,623
Depreciation	<u>55,047</u>
Total operating expenses	<u>41,120,729</u>
Operating income	<u>2,677,781</u>
Nonoperating revenues:	
Investment earnings	<u>30,687</u>
Increase in net assets	2,708,468
Total net assets, July 1, 2010	<u>3,184,906</u>
Total net assets, June 30, 2011	<u><u>\$ 5,893,374</u></u>

See accompanying notes to financial statements.

Yavapai County  
Statement of Cash Flows  
Proprietary Funds  
Year Ended June 30, 2011

	Business-Type Activities—
	Enterprise Fund
	Long Term Care
Cash flows from operating activities:	
Cash received from AHCCCS	\$ 43,990,703
Cash payments for medical services	(36,677,226)
Cash payments to employees	(1,909,505)
Cash payments to other County funds for goods and services	(580,760)
Cash payments for operating activities	(1,773,635)
Net cash provided by operating activities	<u>3,049,577</u>
Cash flows from capital and related financing activities:	
Purchases of capital assets	<u>(8,055)</u>
Cash flows from investing activities:	
Interest received on investments	<u>30,687</u>
Net increase in cash and cash equivalents	3,072,209
Cash and cash equivalents, July 1, 2010	<u>6,490,161</u>
Cash and cash equivalents, June 30, 2011	<u><u>\$ 9,562,370</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 2,677,781
Adjustments to reconcile operating income to net cash used	
for operating activities:	
Depreciation	55,047
Noncash expenses	22,532
Changes in assets and liabilities:	
Increase in:	
Medical claims	99,686
Due to other funds	29,391
Decrease in:	
Due from other governments	351,931
Accounts payable	(15,665)
Accrued payroll and employee benefits	(11,388)
Due to other governments	(159,738)
Net cash provided by operating activities	<u><u>\$ 3,049,577</u></u>

See accompanying notes to financial statements.

Yavapai County  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2011

	Investment Trust Funds	Agency Funds
<b>Assets</b>		
Cash and cash equivalents	\$ 116,602,600	\$ 2,861,015
Total assets	<u>116,602,600</u>	<u>2,861,015</u>
<b>Liabilities</b>		
Deposits held for others	-	\$ 2,861,015
Total liabilities	<u>-</u>	<u>\$ 2,861,015</u>
<b>Net Assets</b>		
Held in trust for investment trust participants	<u>\$ 116,602,600</u>	

See accompanying notes to financial statements.

Yavapai County  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds  
Year Ended June 30, 2011

	Investment Trust Funds
Additions:	
Contributions from participants	\$ 417,539,803
Investment earnings	197,534
Total additions	<u>417,737,337</u>
Deductions:	
Distributions to participants	<u>423,025,481</u>
Total deductions	<u>423,025,481</u>
Change in net assets	(5,288,144)
Net assets, July 1, 2010	<u>121,890,744</u>
Net assets, June 30, 2011	<u><u>\$ 116,602,600</u></u>

See accompanying notes to financial statements.

Yavapai County  
Notes to Financial Statements  
June 30, 2011

**Note 1 - Summary of Significant Accounting Policies**

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

For the year ended June 30, 2011, the County implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB Statement No. 54 establishes standards for financial reporting, including note disclosure requirements, for fund balance classifications of the governmental funds and clarifies existing governmental fund type definitions.

**A. Reporting Entity**

The County is a general purpose local government that is governed by a separately elected board of three county supervisors. 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.

<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	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	Blended	Not available

Yavapai County  
Notes to Financial Statements  
June 30, 2011

<b>Component Unit</b>	<b>Description; Criteria for Inclusion</b>	<b>Reporting Method</b>	<b>For Separate Financial Statements</b>
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	Blended	Not available
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	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 and 39, 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 and 39, the financial activities of the Authority have not been included in the accompanying financial statements.

Yavapai County  
Notes to Financial Statements  
June 30, 2011

**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. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

**Government-wide statements**—Provide information about the primary government (the County) and its component units. The statements include a statement of net assets and a statement of activities. These statements report the financial activities of the overall government, except for fiduciary activities. They also distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties.

A statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and segment of its business-type 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, 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, proprietary, and fiduciary fund categories. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Fiduciary funds are aggregated and reported by fund type.

Proprietary fund revenues are classified as either operating or nonoperating. Operating revenues and expenses generally result from transactions associated with the fund's principal activity. Accordingly, revenues, such as AHCCCS revenues and user charges, in which each party receives and gives up essentially equal values, are operating revenues. Other revenues, such as investment earnings, result from transactions in which the parties do not exchange equal values and are considered nonoperating

Yavapai County  
Notes to Financial Statements  
June 30, 2011

revenues. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense, are considered to be nonoperating expenses.

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 *Jail District Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on the revenue bonds issued for the construction and remodeling of the County jail.

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 *Regional Road Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on the revenue bonds issued to advance monies to the Arizona Department of Transportation to accelerate construction on State Route 260.

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, grants, and transfers from the general fund.

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 reports the following major enterprise fund:

The *Long Term Care Fund* accounts for the activities of the Yavapai County Long Term Care department. The Long Term Care department operates a prepaid health program for qualified persons of the County.

The County reports the following fund types:

The *investment trust funds* account for pooled assets held and invested by the County Treasurer on behalf of other governmental entities.



Yavapai County  
Notes to Financial Statements  
June 30, 2011

The *agency funds* account for assets held by the County as an agent for the State, cities, towns, and other parties.

**C. Basis of Accounting**

The government-wide, proprietary fund, and fiduciary fund financial statements are presented using the economic resources measurement focus, with the exception of agency funds, and the accrual basis of accounting. The agency funds are custodial in nature and do not have a measurement focus. 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 net assets 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.

The County's business-type activities and enterprise funds follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The County has chosen the option not to follow those FASB Statements and Interpretations issued after November 30, 1989.

**D. Cash and Investments**

For purposes of its statement of cash flows, the County considers cash on hand, demand deposits, cash on deposit with the County Treasurer, and only those highly liquid investments with a maturity of 3 months or less when purchased to be cash equivalents.

Money market investments with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

Yavapai County  
Notes to Financial Statements  
June 30, 2011

**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 first-in, first-out method.

The County accounts for its inventories in the governmental funds using the purchase method. Inventories of the governmental funds consist of expendable supplies held for consumption and are recorded as expenditures at the time of purchase. Amounts on hand at year end are shown on the balance sheet as an asset for informational purposes only and as nonspendable fund balance to indicate that they do not constitute "available spendable resources." These inventories are stated at cost using the first-in, first-out 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 purchase method in the governmental fund financial statements. Using this method, expenditures are reported at the time of purchase and unexpended amounts at year-end are reported on the balance sheet as prepaid items for informational purposes 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 estimated fair value at the time received.

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 reported in the government-wide statements and proprietary funds are as follows:

Yavapai County  
Notes to Financial Statements  
June 30, 2011

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
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	5-10 years
Infrastructure	10,000	Straight-line	15-75 years
Software	10,000	Straight-line	3-5 years
Construction in progress	10,000	N/A	N/A

#### **I. Fund Balance Classifications**

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. 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.

The unrestricted fund balance category is comprised of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations approved by the County's Board of Supervisors, which is the highest level of decision-making authority within the County. The constraints placed on committed fund balances can only be removed or changed by the Board.

Assigned fund balances are resources constrained by the County's intent to be used for specific purposes, but 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 uses restricted fund balance first. For the disbursement of unrestricted fund balances, the County will use committed amounts first, followed by assigned amounts, and lastly unassigned amounts.

#### **J. Investment Earnings**

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

Yavapai County  
Notes to Financial Statements  
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**K. Compensated Absences**

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

Employees may accumulate up to 764 hours of PTO, depending on years of service, but any PTO hours in excess of the maximum amount are forfeited. Upon termination of employment, all unused and unforfeited PTO benefits are paid 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.

Employees may accumulate up to 520 hours of catastrophic time (CAT) leave. 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 PTO leave. CAT leave benefits are cumulative but are forfeited upon termination of 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 - 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; interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; and specified commercial paper, bonds, debentures, and notes issued by corporations organized and doing business in the United States. In addition, the County Treasurer may invest trust funds in 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. Corporate bonds, debentures, and notes must be rated within the top three ratings by a nationally recognized rating agency.
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 and certificates of deposit at 101 percent of all deposits not covered by federal depository insurance.

**Concentration of credit risk**

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

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Interest rate risk

Statutes require that public monies invested in securities and deposits have a maximum maturity of 5 years. Investments in repurchase agreements must have a maximum maturity of 180 days.

Foreign currency risk

Statutes do not allow foreign investments.

Deposits—At June 30, 2011, the carrying amount of the County's deposits was \$55,872,618, and the bank balance was \$56,490,169. The County does not have a formal policy with respect to custodial credit risk.

At June 30, 2011, \$50,329,093 of the County's bank balance was exposed to custodial credit risk as follows:

Uninsured with collateral held by the pledging financial institution	\$ 49,766,717
Uninsured with collateral held by the pledging financial institution's trust department or agent but not in the County's name	562,376
	<u>\$ 50,329,093</u>

Investments—The County's investments at June 30, 2011, were as follows:

Investment Type	Amount
State Treasurer's Investment Pool 7	\$ 59,057,691
U.S. Treasury securities	12,911,893
U.S. agency securities	25,072,316
Repurchase agreement	69,322,639
Money market funds	13,086,882
U.S. corporate bonds	2,020,526
	<u>\$ 181,471,947</u>

The State Board of Investment provides oversight for the State Treasurer's pools. The fair value of a participant's position in the pool approximates the value of that participant's pool shares, and the participant's shares are not identified with specific investments.

Credit risk— The County does not have a formal investment policy with respect to credit risk. At June 30, 2011, credit risk for the County's investments was as follows:

Investment Type	Rating	Rating Agency	Amount
State Treasurer's Investment Pool 7	Unrated	Not applicable	\$ 59,057,691
Repurchase agreement (implicitly guaranteed)	Unrated	Not applicable	69,322,639
U.S. agency securities	Aaa	Moody's	25,072,316
Money market funds	Aaa-mf	Moody's	13,086,882
U.S. corporate bonds	Aaa	Moody's	2,020,526
			<u>\$168,560,054</u>

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**Custodial credit risk**—For an investment, custodial credit risk is the risk that, in the event of the counterparty's failure, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy with respect to custodial credit risk. Of the County's total investment, \$13.0 million of money market funds is collateralized with securities held by the counterparty's trust department not in the County's name and is reported in the capital projects fund.

**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, 2011, of 5 percent or more in a repurchase agreement (Federal National Mortgage Association Real Estate Mortgage Investment Conduits) and Federal Home Loan Bank. These investments were 38.20 percent and 9.40 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, 2011, the County had the following investments in debt securities.

Investment Type	Amount	Weighted Average Maturity (Years)
State Treasurer's Investment Pool 7	\$ 59,057,691	.13
U.S. Treasury securities	12,911,893	2.10
U.S. agency securities	25,072,316	1.67
Repurchase agreement	69,322,639	.00
Money market funds	13,086,882	.10
U.S. corporate bonds	2,020,526	.39
	<u>\$181,471,947</u>	

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

Cash, deposits, and investments:

Cash on hand	\$ 47,584
Amount of deposits	55,872,618
Amount of investments	<u>181,471,947</u>
Total	<u>\$ 237,392,149</u>

	Governmental Activities	Business- Type Activities	Investment Trust Funds	Agency Funds	Total
Cash and cash equivalents	\$ 95,287,095	\$ 9,562,370	\$ 116,602,600	\$ 2,861,015	\$ 224,313,080
Cash equivalents - restricted	13,079,069	-	-	-	13,079,069
Total	<u>\$108,366,164</u>	<u>\$ 9,562,370</u>	<u>\$ 116,602,600</u>	<u>\$ 2,861,015</u>	<u>\$ 237,392,149</u>

The restricted cash balance of \$13,079,069 is comprised of \$12,967,419 for construction of capital projects and \$111,650 for debt service.

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**Note 3 - Due From Other Governments**

Amounts due from other governments for governmental activities at June 30, 2011, include \$1,916,172 in state-shared revenue from sales tax, \$1,003,541 in county excise tax distributions due from the State Treasurer, \$585,715 in state motor vehicle license taxes from the Arizona Department of Transportation, \$123,950 due from other counties for mental health services and \$91,366 in other fees from federal, state, and local governments recorded in the General Fund; \$501,453 in sales tax collections, \$261,878 in inmate housing fees and \$13,211 in other fees from the federal, state and local governments recorded in the Jail District Fund; \$4,466 in state refunds recorded in the Regional Road Fund; \$2,800,000 in highway construction advances due from the Arizona Department of Transportation recorded in the Regional Road Debt Service Fund; \$926,203 in state-shared revenue from highway user taxes, \$244,096 in state motor vehicle license tax and \$71,985 in other fees from federal, state, and local governments recorded in the HURF Road Fund; and \$1,338,176 in grants and other fees from federal, state and local governments recorded in the Other Governmental Funds.

**Note 4 - Capital Assets**

Capital asset activity for the year ended June 30, 2011, was as follows:

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 54,709,638	\$ 626,545	\$ -	\$ 55,336,183
Construction in progress	12,972,712	12,878,528	(4,715,646)	21,135,594
Total capital assets not being depreciated	67,682,350	13,505,073	(4,715,646)	76,471,777
Capital assets being depreciated:				
Buildings	68,715,868	2,897,434	-	71,613,302
Equipment	36,586,704	3,919,592	(778,084)	39,728,212
Infrastructure	294,651,053	2,238,218	(44,975)	296,844,296
Software	3,074,558	505,157	(15,762)	3,563,953
Total	403,028,183	9,560,401	(838,821)	411,749,763
Less accumulated depreciation for:				
Buildings	(17,971,930)	(1,767,353)	-	(19,739,283)
Equipment	(27,181,337)	(3,662,608)	775,181	(30,068,764)
Infrastructure	(185,517,119)	(11,038,756)	10,908	(196,544,967)
Software	(916,326)	(605,990)	9,457	(1,512,859)
Total	(231,586,712)	(17,074,707)	795,546	(247,865,873)
Total capital assets, being depreciated, net	171,441,471	(7,514,306)	(43,275)	163,883,890
Governmental activities capital assets, net	<u>\$239,123,821</u>	<u>\$ 5,990,767</u>	<u>\$ (4,758,921)</u>	<u>\$240,355,667</u>
<b>Business-type activities:</b>				
Capital assets being depreciated:				
Equipment	\$ 866,509	\$ 8,055	\$ (43,867)	\$ 830,697
Less accumulated depreciation for:				
Equipment	(698,928)	(55,047)	21,335	(732,640)
Business-type activities capital assets, net	<u>\$ 167,581</u>	<u>\$ (46,992)</u>	<u>\$ (22,532)</u>	<u>\$ 98,057</u>

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Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 3,396,901
Public safety	1,410,550
Highway and streets	11,875,844
Sanitation	27,809
Health	196,549
Welfare	2,889
Culture and recreation	137,322
Education	26,843
Total governmental activities depreciation expense	<u>\$ 17,074,707</u>
Business-type activities:	
Long Term Care	\$ 55,047
Total business-type activities depreciation expense	<u>\$ 55,047</u>

**Note 5 - Construction Commitments**

The County had major contractual commitments related to various capital projects at June 30, 2011, for the construction of road improvements and buildings. At June 30, 2011, the County had spent \$13,366,234 on these projects and had remaining contractual commitments with contractors of \$19,704,341. The road improvement projects are being funded by sales taxes out of the Regional Road Fund. The building construction is being funded by a capital lease and sales taxes out of the Capital Projects Fund.

**Note 6 - Long-Term Liabilities**

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2011:

	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Due within 1 year
<b>Governmental Activities:</b>					
Revenue bonds	\$ 17,510,000	\$ -	\$ (12,920,000)	\$ 4,590,000	\$ 1,790,000
Special assessment debt	2,850,846	-	(205,846)	2,645,000	175,000
Total revenue bonds and special assessment debt payable	<u>20,360,846</u>	<u>-</u>	<u>(13,125,846)</u>	<u>7,235,000</u>	<u>1,965,000</u>
Arbitrage rebate	600,000	-	(600,000)	-	-
Capital leases payable	25,000,000	-	-	25,000,000	1,010,483
Landfill closure and postclosure care costs payable	1,026,678	12,176	(35,450)	1,003,404	34,646
Compensated absences payable	7,305,028	5,468,058	(5,540,817)	7,232,269	3,152,673
Claims and judgments payable	<u>288,717</u>	<u>406,880</u>	<u>(147,254)</u>	<u>548,343</u>	<u>116,081</u>
Total governmental activities long-term liabilities	<u>\$ 54,581,269</u>	<u>\$ 5,887,114</u>	<u>\$ (19,449,367)</u>	<u>\$ 41,019,016</u>	<u>\$ 6,278,883</u>



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**Revenue bonds**

On February 13, 2002, the Yavapai County Jail District issued \$15,260,000 in revenue bonds that are noncallable with interest payable semiannually. The bond proceeds were used to construct a new jail and to remodel an existing jail. The District has pledged the maintenance of effort payments from the County's general fund to the District and the voter approved excise tax to repay the bonds. The total principal and interest remaining on the bonds is \$1,866,970, payable through July 2012. Annual principal and interest payments on the bonds are expected to require 34% of pledged revenues. Principal and interest paid for the current year were \$1,869,210, and the maintenance of effort and voter approved excise tax were \$6,369,256 and \$5,850,290, respectively.

On July 3, 2007, the County issued \$25,375,000 in variable rate demand highway construction advancement revenue bonds. The bond proceeds were advanced to the Arizona Department of Transportation (ADOT) to accelerate construction on State Route 260 in accordance with Arizona Revised Statutes (A.R.S.) §11-269.03. ADOT is required to repay advances not more than 5 years from the date of the advance pursuant to A.R.S. §28-7677. The County has pledged excise and state shared sales taxes to repay the bonds. The County is required to continue to impose and collect up to the maximum rate by law, in each fiscal year, the excise tax and to receive the state shared excise tax proceeds in the amount at least two times the maximum annual debt service of the bonds. The total principal and interest remaining on the bonds is \$2,819,600, payable through July 2018. Annual principal and interest payments on the bonds are expected to require 1% of pledged revenues. There is no principal payment required until July 2018, when the bonds are to be paid in full. However, a principal payment of \$11,200,000 was made during the current year. Interest paid for the current year was \$85,798, and the excise and state shared sales taxes were, \$11,703,512 and \$21,703,065, respectively. The bonds can be redeemed by the County, in whole or in part, on any monthly interest payment date. The interest rate is determined weekly by the remarketing agent. There is no minimum interest rate and the maximum interest rate is 12% per annum. Demand payments will be made from funds drawn under a \$25,000,000 irrevocable letter of credit issued by a bank. A final federal arbitrage rebate payment of \$407,945 was made during the current year resulting from investment earnings on the unexpended bond proceeds in excess of the interest expense incurred. Therefore, as of June 30, 2011, the County had no arbitrage rebate liability.

Revenue bonds outstanding at June 30, 2011, were as follows:

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2011
Jail District revenue bonds	\$15,260,000	7/1/12	4.3%	\$ 1,790,000
Highway construction advancement revenue bonds	25,375,000	7/1/18	0.10%	2,800,000
Total				<u>\$ 4,590,000</u>

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The following schedule details debt service requirements to maturity for the County's revenue bonds payable at June 30, 2011:

Year ending June 30	Governmental Activities	
	Principal	Interest
2012	\$ 1,790,000	\$ 79,770
2013	-	2,800
2014	-	2,800
2015	-	2,800
2016	-	2,800
2017-2018	2,800,000	5,600
Total	<u>\$ 4,590,000</u>	<u>\$ 96,570</u>

### 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. However, in accordance with the bond indenture for each special assessment bond issue, and in the opinion of the County Attorney, the County is not legally obligated in any way for the special assessment bonded indebtedness. The total principal and interest remaining on the bonds is \$4,048,051, 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 \$386,417 and the special assessments were \$625,539.

The following special assessment districts had debt outstanding at June 30, 2011:

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2011
Coyote Springs Road Improvement	\$1,552,000	1/1/12-1/1/22	6.40%	\$ 880,000
Poquito Valley Road Improvement	1,857,000	1/1/12-1/1/30	6.625%	1,765,000
Total				<u>\$ 2,645,000</u>

The following schedule details debt service requirements to maturity for the County's special assessment debt payable at June 30, 2011:

Year ending June 30	Principal	Interest
2012	\$ 175,000	\$ 167,544
2013	175,000	156,131
2014	175,000	144,717
2015	175,000	133,303
2016	175,000	121,889
2017-2021	875,000	438,241
2022-2026	535,000	196,507
2027-2030	360,000	44,719
Total	<u>\$ 2,645,000</u>	<u>\$ 1,403,051</u>

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**Capital leases**

On May 15, 2008, the County entered into a \$50,000,000 capital lease agreement to finance the construction of court, administrative, and juvenile detention buildings. The property for these facilities is owned by the County. The lessor leased these sites from the County and leased the sites and the facilities being financed back to the County. On June 15, 2009, the County entered into a revised capital lease agreement which allowed the County to prepay \$25,000,000 in principal and a prepayment penalty of \$250,000. Lease payments will equal the aggregate amount of principal and interest required to extinguish the debt. Upon the final lease payment, 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
Construction in progress	\$ 3,302,192
Buildings	9,154,726
Less: accumulated depreciation	(247,941)
Carrying value	<u>\$ 12,208,977</u>

The following schedule details debt service requirements to maturity for the County's capital lease payable at June 30, 2011:

Year ending June 30	Governmental Activities
2012	\$ 2,111,865
2013	2,111,865
2014	2,111,865
2015	2,111,865
2016	2,111,865
2017-2021	10,559,325
2022-2026	10,559,325
2027-2028	4,223,730
Total minimum lease payments	35,901,705
Less amount representing interest	(10,901,705)
Present value of net minimum lease payments	<u>\$ 25,000,000</u>

**Landfill closure and postclosure care costs**

State and federal laws and regulations require the County to place final covers on its 7 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.

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The amount recognized each year is based on landfill capacity used at the end of each fiscal year. All 7 landfills stopped accepting waste and were closed prior to June 30, 2011. As of June 30, 2011, the landfill closure and postclosure care liability of \$1,003,404 represents the cumulative amount of costs remaining on these 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 2011 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.

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 \$190,000 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 2011, the County paid for compensated absences as follows: 56 percent from the General Fund, 18 percent from major funds, and 26 percent from other funds. The County paid for claims and judgments from the General Fund.

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**Note 7 - Fund Balance Classifications of the Governmental Funds**

The fund balance classifications of the governmental funds as of June 30, 2011, were as follows:

	General	Jail District	Jail District Debt Service	Regional Road
<b>Fund balances:</b>				
<b>Nonspendable:</b>				
Inventories	\$ 173,909	\$ -	\$ -	\$ -
Prepaid items	709,816	-	-	135,900
Total nonspendable	<u>883,725</u>	<u>-</u>	<u>-</u>	<u>135,900</u>
<b>Restricted for:</b>				
Social services	-	-	-	-
Law enforcement	-	15,741	-	-
Flood control	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Debt service	-	-	2,414	-
Capital outlay	-	-	-	-
Total restricted	<u>-</u>	<u>15,741</u>	<u>2,414</u>	<u>-</u>
<b>Committed to:</b>				
Social services	-	-	-	-
Law enforcement	-	-	-	-
Highways and streets	-	-	-	16,350,356
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,350,356</u>
<b>Unassigned</b>	11,572,661	-	-	-
Total fund balances	<u>\$ 12,456,386</u>	<u>\$ 15,741</u>	<u>\$ 2,414</u>	<u>\$ 16,486,256</u>

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Regional Road Debt Service	HURF Road	Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 296,984	\$ -	\$ -	\$ -	\$ 470,893
-	107,522	-	-	30,853	984,091
-	404,506	-	-	30,853	1,454,984
-	-	-	-	7,363,494	7,363,494
-	-	-	-	3,456,248	3,471,989
-	-	-	-	7,284,660	7,284,660
-	6,242,890	-	-	465,852	6,708,742
-	-	-	-	779,753	779,753
-	-	-	-	3,063,020	3,063,020
-	-	-	-	99,572	99,572
-	-	-	-	1,199,812	1,199,812
366,142	-	-	1,319	819,813	1,189,688
-	-	12,967,419	-	174,029	13,141,448
366,142	6,242,890	12,967,419	1,319	24,706,253	44,302,178
-	-	-	-	29,220	29,220
-	-	-	-	11,417	11,417
-	797,470	-	-	-	17,147,826
-	-	-	-	1,040,707	1,040,707
-	-	-	-	225,312	225,312
-	-	-	-	844,693	844,693
-	-	29,437,844	-	-	29,437,844
-	797,470	29,437,844	-	2,151,349	48,737,019
-	-	-	-	-	11,572,661
\$ 366,142	\$ 7,444,866	\$42,405,263	\$ 1,319	\$ 26,888,455	\$ 106,066,842

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**Note 8 - 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 51.

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of 11 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. If the pool were to become insolvent, the County would be assessed an additional contribution.

The Arizona Counties Workers' Compensation Pool is a public entity risk pool currently composed of 11 member counties. The pool provides member counties with workers' compensation coverage, as required by law, 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.

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**Note 9 - Pensions and Other Postemployment Benefits**

**Plan Descriptions** - The County contributes to four plans, three of which are described below. The Elected Officials Retirement Plan is not described due to its relative insignificance to the County's financial statements. Benefits are established by state statute and the plans generally provide retirement, long-term disability, and health insurance premium benefits, including death and survivor benefits. The retirement benefits are generally paid at a percentage, based on years of service, of the retirees' average compensation. Long-term disability benefits vary by circumstance, but generally pay a percentage of the employee's monthly compensation. Health insurance premium benefits are paid as a fixed dollar amount per month towards the retiree's healthcare insurance premiums, in amounts based on whether the benefit is for the retiree or for the retiree and his or her dependents.

The *Arizona State Retirement System* (ASRS) administers a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan that covers employees of the State of Arizona and employees of participating political subdivisions and school districts. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The *Public Safety Personnel Retirement System* (PSPRS) administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona and participating political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a seven-member board, known as The Board of Trustees, and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The *Corrections Officer Retirement Plan* (CORP) administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers state, county, and local correction officers; dispatchers; and probation, surveillance, and juvenile detention officers. The Dispatchers is a group separately covered under the plan and is not described due to its relative insignificance to the County's financial statements. The Administrative Office of the Courts Probation Officers is a group separately covered under the plan in which the related plan information that follows is separately referred to as the CORP-AOC. The CORP is governed by The Board of Trustees of PSPRS and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 6.

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

ASRS  
3300 North Central Avenue  
P.O. Box 33910  
Phoenix, AZ 85067-3910  
(602) 240-2000 or 1-800-621-3778

PSPRS and CORP  
3010 East Camelback Road, Suite 200  
Phoenix, AZ 85016-4416  
(602) 255-5575



Yavapai County  
Notes to Financial Statements  
June 30, 2011

**Funding Policy**—The Arizona State Legislature establishes and may amend active plan members' and the County's contribution rates for the ASRS, PSPRS, and CORP.

*Cost-sharing plans*—For the year ended June 30, 2011, active ASRS members were required by statute to contribute at the actuarially determined rate of 9.85 percent (9.6 percent for retirement and 0.25 percent for long-term disability) of the members' annual covered payroll and the County was required by statute to contribute at the actuarially determined rate of 9.85 percent (9.01 percent for retirement, 0.59 percent for health insurance premium, and 0.25 percent for long-term disability) of the members' annual covered payroll.

The County's contributions for the current and 2 preceding years, all of which were equal to the required contributions, were as follows:

Year ended June 30	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
2011	\$ 3,913,087	\$ 256,240	\$ 108,576
2010	\$ 3,759,932	\$ 297,549	\$ 180,332
2009	\$ 3,778,567	\$ 453,996	\$ 236,456

*Agent plans*—For the year ended June 30, 2011, active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll and the County was required to contribute 21.10 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 1.38 percent of covered payroll. Active CORP members were required by statute to contribute 8.41 percent of the members' annual covered payroll. In addition, the County was required to contribute 6.97 percent. The aggregate of the members' and the County's contributions is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 0.83 percent of covered payroll. Active CORP-AOC members were required by statute to contribute 8.41 percent of the members' annual covered payroll. In addition, the County was required to contribute 11.64 percent. The aggregate of the members' and the County's contributions is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 1.33 percent of covered payroll.

**Actuarial methods and assumptions**—The contribution requirements for the year ended June 30, 2011, were established by the June 30, 2009, actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions are subject to continual revision as actual results are compared to past expectations and new estimates are made. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of the plans' assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Yavapai County  
Notes to Financial Statements  
June 30, 2011

Projections of benefits are based on 1) the plans as understood by the County and plans' members and include the types of benefits in force at the valuation date, and 2) the pattern of sharing benefit costs between the County and plans' members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The significant actuarial methods and assumptions used are the same for all plans and related benefits (unless noted), and the actuarial methods and assumptions used to established the fiscal year 2011 contribution requirements, are as follows:

Actuarial valuation date	June 30, 2009
Actuarial cost method	Projected unit credit
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	27 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value
Actuarial assumptions:	
Investment rate of return	8.50%
Projected salary increases	5.50% – 8.50% for PSPRS and CORP
includes inflation at	5.50% for PSPRS and CORP

**Annual Pension/OPEB Cost**—The County's pension/OPEB cost for the agent plans for the year ended June 30, 2011, and related information follows:

	<u>PSPRS</u>		<u>CORP</u>		<u>CORP-AOC</u>	
	Health		Health		Health	
	Pension	Insurance	Pension	Insurance	Pension	Insurance
Annual pension/OPEB cost	\$1,470,370	\$110,639	\$392,613	\$61,369	\$529,555	\$68,313
Contributions made	1,470,370	110,639	392,613	61,369	529,555	68,313

**Trend Information**—Annual pension and OPEB cost information for the current and 2 preceding years follows for each of the agent plans. For the CORP-AOC, separate pension and health insurance information was not available for the years ended June 30, 2009.

Yavapai County  
Notes to Financial Statements  
June 30, 2011

<u>Plan</u>	<u>Year Ended June 30</u>	<u>Annual Pension/ OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net Pension/ OPEB Obligation</u>
<b>PSPRS</b>				
Pension	2011	\$1,470,370	100%	\$ -0-
Health insurance	2011	110,639	100%	-0-
Pension	2010	1,304,571	100%	-0-
Health insurance	2010	96,315	100%	-0-
Pension	2009	1,525,300	100%	-0-
Health insurance	2009	101,384	100%	-0-
<b>CORP</b>				
Pension	2011	392,613	100%	-0-
Health insurance	2011	61,369	100%	-0-
Pension	2010	452,308	100%	-0-
Health insurance	2010	45,826	100%	-0-
Pension	2009	526,673	100%	-0-
Health insurance	2009	42,406	100%	-0-
<b>CORP-AOC</b>				
Pension	2011	529,555	100%	-0-
Health insurance	2011	68,313	100%	-0-
Pension	2010	298,878	100%	-0-
Health insurance	2010	12,453	100%	-0-
Pension and health insurance	2009	485,720	100%	-0-

**Funded Status**—Except for the CORP-AOC, the funded status of the plans as of the most recent valuation date, June 30, 2011, along with the actuarial assumptions and methods used in those valuations follow. For the CORP-AOC, participating employers are combined as one group and the actuarial information is not available solely for the County.

	<u>PSPRS</u>		<u>CORP</u>	
	<u>Pension</u>	<u>Health Insurance</u>	<u>Pension</u>	<u>Health Insurance</u>
Actuarial accrued liability (a)	\$ 36,603,187	\$ 1,222,013	\$ 14,465,928	\$ 533,221
Actuarial value of assets (b)	20,535,006	0	10,274,620	0
Unfunded actuarial accrued liability (funding excess) (a) – (b)	16,068,181	1,222,013	4,191,308	533,221
Funded ratio (b)/(a)	56.10%	0.00%	71.00%	0.00%
Covered payroll (c)	\$6,777,563	\$6,777,563	\$6,156,864	\$6,156,864
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll $[(a) - (b)] / (c)$	237.10%	18.03%	68.10%	8.66%

Yavapai County  
Notes to Financial Statements  
June 30, 2011

The actuarial methods and assumptions used are the same for all plans and related benefits, and for the most recent valuation date, are as follows:

Actuarial valuation date	June 30, 2011
Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	25 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value
Actuarial assumptions:	
Investment rate of return	8.25%
Projected salary increases	5.00% - 8.00% for PSPRS and CORP
includes inflation at	5.00% for PSPRS and CORP

**Note 10 - Interfund Balances and Activity**

Interfund receivables and payables—Interfund balances at June 30, 2011, were as follows:

Payable from	Payable to						Total
	General Fund	Jail District Fund	Regional Road Fund	HURF Road Fund	Capital Projects Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 1,270,170	\$ 200,708	\$ 49,838	\$ 301,062	\$ 738	\$ 1,822,516
Jail District Fund	1,075,698	-	-	-	-	592	1,076,290
HURF Road Fund	7,153	-	-	-	-	9,057	16,210
Capital Projects Fund	846	-	-	58,971	-	-	59,817
Nonmajor Governmental Funds	136,643	9,932	-	1,170	262,429	380,453	790,627
Long Term Care Fund	4,165	-	-	-	-	39,142	43,307
Total	\$1,224,505	\$ 1,280,102	\$ 200,708	\$ 109,979	\$ 563,491	\$ 429,982	\$ 3,808,767

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.

Yavapai County  
Notes to Financial Statements  
June 30, 2011

Interfund transfers—Interfund transfers for the year ended June 30, 2011, were as follows:

Transfer from	Transfer To							Total
	General Fund	Jail District Fund	Jail District Debt Service Fund	HURF Road Fund	Capital Projects Fund	Capital Projects Debt Service Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 7,574,256	\$ -	\$ 1,886,582	\$ 3,678,298	\$ -	\$ 1,016,805	\$ 14,155,941
Jail District Fund	-	-	1,871,210	-	-	-	-	1,871,210
Capital Projects Fund	-	-	-	-	-	1,112,500	-	1,112,500
Nonmajor Governmental Funds	34,754	-	-	-	318,290	-	518,763	871,807
Total	\$ 34,754	\$ 7,574,256	\$ 1,871,210	\$ 1,886,582	\$ 3,996,588	\$ 1,112,500	\$ 1,535,568	\$ 18,011,458

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

#### Note 11 - 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 Treasurer allocates interest earnings to each of the pool's participants. However, for the County's monies in the pool, the Board of Supervisors authorized \$7,166 of interest earned in certain other funds to be transferred to the General Fund.

Yavapai County  
Notes to Financial Statements  
June 30, 2011

Deposits and investments of the County's primary government are included in the County Treasurer's investment pool, except for \$39,690 of cash on hand, \$3,060,472 of deposits and \$13,079,069 of collateralized investments held in trust. 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 2 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 7	\$ 59,057,691	0.11%	None stated	\$ 59,057,691
Repurchase agreement (implicitly guaranteed)	69,322,639	0.15-0.20%	Daily	69,322,639
U.S. agency securities	25,018,955	0.625-3.75%	9/9/11-6/23/14	25,072,316
U.S. treasury securities	12,853,778	0.50-0.75%	12/31/12-11/15/13	12,911,893
U.S. corporate bonds	1,998,420	3.00%	11/16/11	2,020,526

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

Statement of Net Assets	
Assets	\$ 219,068,101
Liabilities	-
Net assets	<u>\$ 219,068,101</u>
Net assets held in trust for:	
Internal participants	\$ 102,465,501
External participants	116,602,600
Total net assets held in trust	<u>\$ 219,068,101</u>
Statement of Changes in Net Assets	
Total additions	\$ 659,121,762
Total deductions	<u>(661,085,150)</u>
Net decrease	(1,963,388)
Net assets held in trust:	
July 1, 2010	221,031,489
June 30, 2011	<u>\$ 219,068,101</u>

## Note 12 - Subsequent Event

On September 30, 2011, the Long Term Care Fund's (enterprise fund) contract with the Arizona Health Care Cost Containment System (AHCCCS) expired and was not renewed by AHCCCS. Transactions will be processed at the current long term care facility until December 31, 2011. Subsequent transactions will be processed by the Finance Department. The County anticipates all transactions relating to its long term care contract will be processed by March 31, 2012. Any remaining assets or liabilities will be transferred to the County's governmental activities.

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## **REQUIRED SUPPLEMENTARY INFORMATION**



Yavapai County  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Taxes	\$ 55,548,954	\$ 55,548,954	\$ 50,790,485	\$ (4,758,469)
Licenses and permits	1,300,000	1,300,000	1,450,184	150,184
Intergovernmental	30,066,722	30,066,722	33,003,713	2,936,991
Charges for services	1,821,500	1,821,500	1,757,244	(64,256)
Fines and forfeits	2,830,000	2,830,000	2,388,962	(441,038)
Investment earnings	22,000	22,000	41,753	19,753
Miscellaneous	723,393	723,393	346,353	(377,040)
Total revenues	92,312,569	92,312,569	89,778,694	(2,533,875)
Expenditures:				
General government				
Board of Supervisors	1,469,343	1,513,680	1,513,680	-
Human Resources	711,037	711,037	668,329	42,708
General Services	(179,735)	658,572	(2,261,249)	2,919,821
Elections	785,788	785,788	761,926	23,862
Public Works	209,799	209,799	158,326	51,473
Facilities	4,774,616	4,774,616	4,735,361	39,255
Development Services	3,270,269	3,270,269	3,071,574	198,695
Fleet	2,202,073	2,313,543	2,313,543	-
Medical Examiner	493,520	493,520	487,127	6,393
Finance	750,859	753,415	753,415	-
Assessor	3,518,872	3,518,872	3,389,071	129,801
County Attorney	5,828,346	5,828,346	5,357,852	470,494
Recorder	1,348,916	1,312,316	1,246,837	65,479
Management Information Systems	5,451,651	5,518,857	4,811,483	707,374
Clerk of the Court	2,552,981	2,552,981	2,499,325	53,656
Treasurer	836,334	836,334	823,858	12,476
Superior Courts	5,372,737	4,372,737	4,183,461	189,276
Public Defender	4,849,388	4,849,388	4,791,750	57,638
Prescott Justice of the Peace	633,801	633,801	630,226	3,575
Prescott Constable	82,609	83,328	83,328	-
Bagdad/Yarnell Justice of the Peace	289,995	292,606	292,606	-
Verde Valley Justice of the Peace	563,192	563,192	543,767	19,425
Mayer Justice of the Peace	438,239	438,239	433,895	4,344
Verde Constable	86,401	86,401	85,493	908
Seligman Justice of the Peace	327,352	327,352	317,755	9,597
Total General government	46,668,383	46,698,989	41,692,739	5,006,250
				(Continued)

See accompanying notes to budgetary comparison schedules.

Yavapai County  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
Year Ended June 30, 2011  
(Continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Public safety				
Sheriff	\$ 15,832,599	\$ 15,832,599	\$ 15,403,405	\$ 429,194
Adult Probation	2,281,938	2,281,938	2,044,845	237,093
Juvenile Probation	2,892,950	2,892,950	2,834,249	58,701
Total Public safety	21,007,487	21,007,487	20,282,499	724,988
Sanitation				
Solid Waste	1,380,579	1,380,579	1,001,816	378,763
Welfare				
Medical Assistance	10,305,400	10,305,400	9,105,269	1,200,131
Public Fiduciary	417,374	417,374	384,496	32,878
Total Welfare	10,722,774	10,722,774	9,489,765	1,233,009
Culture and recreation				
Facilities	82,600	82,600	82,087	513
Education				
School Superintendent	644,404	644,404	585,614	58,790
Total expenditures	80,506,227	80,536,833	73,134,520	7,402,313
Excess of revenues over expenditures	11,806,342	11,775,736	16,644,174	4,868,438
Other financing sources (uses):				
Sale of capital assets	-	-	53,048	53,048
Transfers in	30,606	30,606	34,754	4,148
Transfers out	(17,382,952)	(17,382,952)	(14,155,941)	3,227,011
Total other financing sources (uses)	(17,352,346)	(17,352,346)	(14,068,139)	3,284,207
Net change in fund balances	(5,546,004)	(5,576,610)	2,576,035	8,152,645
Fund balances, July 1, 2010	5,546,004	5,576,610	9,843,086	4,266,476
Changes in nonspendable resources:				
Decrease in reserve for inventories	-	-	(56,705)	(56,705)
Increase in reserve for prepaid items	-	-	93,970	93,970
Fund balances, June 30, 2011	\$ -	\$ -	\$ 12,456,386	\$ 12,456,386

See accompanying notes to budgetary comparison schedules.

Yavapai County  
Required Supplementary Information  
Budgetary Comparison Schedule  
Jail District Fund  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Taxes	\$ 5,564,929	\$ 5,564,929	\$ 5,850,290	\$ 285,361
Charges for services	2,730,000	2,730,000	2,854,400	124,400
Investment earnings	5,000	5,000	4,050	(950)
Miscellaneous	60,000	60,000	56,519	(3,481)
Total revenues	<u>8,359,929</u>	<u>8,359,929</u>	<u>8,765,259</u>	<u>405,330</u>
Expenditures:				
Public safety				
Sheriff	<u>14,461,792</u>	<u>14,461,792</u>	<u>14,461,792</u>	-
Total expenditures	<u>14,461,792</u>	<u>14,461,792</u>	<u>14,461,792</u>	-
Excess (deficiency) of revenues over expenditures	(6,101,863)	(6,101,863)	(5,696,533)	405,330
Other financing sources (uses):				
Transfers in	7,973,073	7,973,073	7,574,256	(398,817)
Transfers out	<u>(1,871,210)</u>	<u>(1,871,210)</u>	<u>(1,871,210)</u>	-
Total other financing sources (uses)	<u>6,101,863</u>	<u>6,101,863</u>	<u>5,703,046</u>	<u>(398,817)</u>
Net change in fund balances	-	-	6,513	6,513
Fund balances, July 1, 2010	-	-	9,228	9,228
Fund balances, June 30, 2011	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,741</u>	<u>\$ 15,741</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County  
Required Supplementary Information  
Budgetary Comparison Schedule  
Regional Road Fund  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Taxes	\$ -	\$ -	\$ 2,340,702	\$ 2,340,702
Licenses and permits	1,000,000	1,000,000	480,100	(519,900)
Intergovernmental	-	-	509,853	509,853
Investment earnings	242,430	242,430	72,970	(169,460)
Total revenues	1,242,430	1,242,430	3,403,625	2,161,195
Expenditures:				
Highways and streets				
Public Works	22,184,543	10,474,040	5,821,060	4,652,980
Total expenditures	22,184,543	10,474,040	5,821,060	4,652,980
Excess (deficiency) of revenues over expenditures	(20,942,113)	(9,231,610)	(2,417,435)	6,814,175
Other financing sources (uses):				
Transfers in	2,226,079	2,226,079	-	(2,226,079)
Total other financing sources (uses)	2,226,079	2,226,079	-	(2,226,079)
Net change in fund balances	(18,716,034)	(7,005,531)	(2,417,435)	4,588,096
Fund balances, July 1, 2010	18,716,034	7,005,531	18,767,791	11,762,260
Changes in nonspendable resources:				
Increase in reserve for prepaid items	-	-	135,900	135,900
Fund balances, June 30, 2011	\$ -	\$ -	\$ 16,486,256	\$ 16,486,256

See accompanying notes to budgetary comparison schedules.

Yavapai County  
Required Supplementary Information  
Budgetary Comparison Schedule  
HURF Road Fund  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 14,632,733	\$ 14,632,733	\$ 13,435,553	\$ (1,197,180)
Investment earnings	-	-	31,178	31,178
Miscellaneous	100,000	100,000	93,485	(6,515)
Total revenues	14,732,733	14,732,733	13,560,216	(1,172,517)
Expenditures				
Highways and streets				
Public Works	16,757,518	16,757,518	14,279,711	2,477,807
Total expenditures	16,757,518	16,757,518	14,279,711	2,477,807
Excess (deficiency) of revenues over expenditures	(2,024,785)	(2,024,785)	(719,495)	1,305,290
Other financing sources (uses):				
Sale of capital assets	-	-	9,195	9,195
Transfers in	-	-	1,886,582	1,886,582
Total other financing sources (uses)	-	-	1,895,777	1,895,777
Net change in fund balances	(2,024,785)	(2,024,785)	1,176,282	3,201,067
Fund balances, July 1, 2010	2,024,785	2,024,785	6,302,066	4,277,281
Changes in nonspendable resources:				
Increase in reserve for inventories	-	-	20,280	20,280
Decrease in reserve for prepaid items	-	-	(53,762)	(53,762)
Fund balances, June 30, 2011	\$ -	\$ -	\$ 7,444,866	\$ 7,444,866

See accompanying notes to budgetary comparison schedules.

Yavapai County  
Required Supplementary Information  
Notes to Budgetary Comparison Schedules  
Year Ended June 30, 2011

**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, except for the Granite Gardens 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.

**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 Agent Retirement Plans' Funding Progress  
Year Ended June 30, 2011

**Public Safety Personnel Retirement System**

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage Of Covered Payroll ([a-b]/c)
Pension 6/30/11	\$20,535,006	\$36,603,187	\$(16,068,181)	56.1%	\$6,777,563	237.1%
Health Insurance 6/30/11	0	1,222,013	(1,222,013)	0.0%	6,777,563	18.03%
Pension 6/30/10	19,087,028	32,460,438	(13,373,410)	58.8%	6,760,646	197.8%
Health Insurance 6/30/10	0	1,006,299	(1,006,299)	0.0%	6,760,646	14.88%
Pension 6/30/09	17,878,294	30,791,696	(12,913,402)	58.1%	7,203,153	179.3%
Health Insurance 6/30/09	0	931,499	(931,499)	0.0%	7,203,153	12.93%

**Corrections Officer Retirement Plan**

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage Of Covered Payroll ([a-b]/c)
Pension 6/30/11	\$10,274,620	\$14,465,928	\$(4,191,308)	71.0%	\$6,156,864	68.1%
Health Insurance 6/30/11	0	533,221	(533,221)	0.0%	6,156,864	8.66%
Pension 6/30/10	9,790,766	11,901,671	(2,110,905)	82.3%	6,141,309	34.4%
Health Insurance 6/30/10	0	363,828	(363,828)	0.0%	6,141,309	5.92%
Pension 6/30/09	9,029,735	10,633,213	(1,603,478)	84.9%	6,643,021	24.1%
Health Insurance 6/30/09	0	358,479	(358,479)	0.0%	6,643,021	5.40%

The Funding Progress of the Elected Officials Retirement Plan (EORP) and the Corrections Officer Retirement Plan-Administrative Office of the Courts Probation Officers (CORP-AOC) is not presented above. EORP is not presented due to its relative insignificance to the County's financial statements. For the CORP-AOC, participating employers are combined as one group and the actuarial information is not available solely for the County.

Yavapai County  
Nonmajor Governmental Funds  
Year Ended June 30, 2011

**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>Assessor'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 Assessor's document storage and retrieval system to micrographics or computer automation as established by A.R.S. § 11-269.06.
<b>Treasurer's Surcharge</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.
<b>Election</b>	Accounts for the Federal and State of Arizona Help America Vote Act grant funds.
<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>Water Advisory Committee</b>	Accounts for local government contributions used to assess the current and future supply of water.
<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 highway user fees restricted to construction, repair and maintenance of County roads.
<b>Finance</b>	Accounts for the Community Development Block Grant and the Workforce Investment Act federal grants.
<b>Improvement Districts</b>	Administration of special districts for Street Lighting, Road and Sewer improvements.
<b>Clerk of Superior Court</b>	Accounts for statutory fees collected and used for document storage and retrieval. Also fees used for "fill-the gap" purposes.
<b>County Attorney</b>	Accounts for various programs administered by the County Attorney including Anti-Racketeering, Victim Witness and Bad Check.



Yavapai County  
Nonmajor Governmental Funds  
Year Ended June 30, 2011

<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.

**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, 2011

Assets	Special Revenue			
	Health Care	Recorder's Surcharge	Assessor's Surcharge	Treasurer's Surcharge
Cash and cash equivalents	\$ 4,618,743	\$ 120,009	\$ 613,747	\$ 185,337
Receivables:				
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Accounts	50,967	3,224	3,224	-
Due from:				
Other funds	39,815	-	-	-
Other governments	302,646	-	-	-
Prepaid items	9,066	1,236	-	-
Total assets	<u>\$ 5,021,237</u>	<u>\$ 124,469</u>	<u>\$ 616,971</u>	<u>\$ 185,337</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 124,438	\$ 360	\$ -	\$ -
Accrued payroll and employee benefits	505,631	891	-	-
Due to:				
Other funds	278,375	-	-	-
Other governments	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	<u>908,444</u>	<u>1,251</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	9,066	1,236	-	-
Restricted	3,063,020	121,982	616,971	185,337
Committed	1,040,707	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>4,112,793</u>	<u>123,218</u>	<u>616,971</u>	<u>185,337</u>
Total liabilities and fund balances	<u>\$ 5,021,237</u>	<u>\$ 124,469</u>	<u>\$ 616,971</u>	<u>\$ 185,337</u>

Special Revenue					
Election	Public Library	Education Service Agency	Parks & Recreation	Water Advisory Committee	Landfill / Environment
\$ 238,194	\$ 1,993,087	\$ 2,053,106	\$ 680,847	\$ 231,338	\$ 590,928
-	202,614	-	-	-	-
-	-	-	-	-	-
-	575	17,764	-	-	1,961
-	-	-	-	-	9,036
-	6,562	216,541	-	-	96,266
-	-	-	-	-	-
<u>\$ 238,194</u>	<u>\$ 2,202,838</u>	<u>\$ 2,287,411</u>	<u>\$ 680,847</u>	<u>\$ 231,338</u>	<u>\$ 698,191</u>
\$ -	\$ 113,972	\$ 132,540	\$ 9,201	\$ 23,750	\$ 13,072
-	49,137	105,755	-	5,021	4,354
-	403	4,611	2,667	-	4,888
-	124,333	-	-	-	-
-	150,080	-	-	-	-
<u>-</u>	<u>437,925</u>	<u>242,906</u>	<u>11,868</u>	<u>28,771</u>	<u>22,314</u>
-	-	-	-	-	-
238,194	1,764,913	1,199,812	443,667	202,567	675,877
-	-	844,693	225,312	-	-
-	-	-	-	-	-
<u>238,194</u>	<u>1,764,913</u>	<u>2,044,505</u>	<u>668,979</u>	<u>202,567</u>	<u>675,877</u>
<u>\$ 238,194</u>	<u>\$ 2,202,838</u>	<u>\$ 2,287,411</u>	<u>\$ 680,847</u>	<u>\$ 231,338</u>	<u>\$ 698,191</u>

Yavapai County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2011  
(Continued)

Assets	Special Revenue			
	Public Works	Finance	Improvement Districts	Clerk of Superior Court
Cash and cash equivalents	\$ 143,334	\$ 403,948	\$ 8,123,110	\$ 137,156
Receivables:				
Property taxes	-	-	318,982	-
Special assessments	-	-	-	-
Accounts	-	30,979	2,207	7,164
Due from:				
Other funds	-	-	-	-
Other governments	-	301,558	-	-
Prepaid items	-	-	8,080	-
Total assets	<u>\$ 143,334</u>	<u>\$ 736,485</u>	<u>\$ 8,452,379</u>	<u>\$ 144,320</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 362,681	\$ 470,756	\$ -
Accrued payroll and employee benefits	-	-	45,474	3,839
Due to:				
Other funds	-	373,804	3,508	-
Other governments	-	-	-	-
Deferred revenue	-	-	231,642	-
Total liabilities	<u>-</u>	<u>736,485</u>	<u>751,380</u>	<u>3,839</u>
Fund balances:				
Nonspendable	-	-	8,080	-
Restricted	143,334	-	7,692,919	140,481
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>143,334</u>	<u>-</u>	<u>7,700,999</u>	<u>140,481</u>
Total liabilities and fund balances	<u>\$ 143,334</u>	<u>\$ 736,485</u>	<u>\$ 8,452,379</u>	<u>\$ 144,320</u>

Special Revenue					
County Attorney	Law Enforcement	Emergency Management	Probation	Courts	Public Defender
\$ 1,582,608	\$ 1,599,524	\$ 213,558	\$ 2,035,205	\$ 1,350,793	\$ 403,369
-	-	-	-	-	-
-	-	-	-	-	-
9,904	47,229	-	73,625	48,453	7,518
81,177	2,013	-	2,314	218,507	77,120
75,129	254,895	-	10,201	35,984	12,502
-	9,902	-	1,944	625	-
<u>\$ 1,748,818</u>	<u>\$ 1,913,563</u>	<u>\$ 213,558</u>	<u>\$ 2,123,289</u>	<u>\$ 1,654,362</u>	<u>\$ 500,509</u>
\$ 162,034	\$ 43,355	\$ 21,634	\$ 92,475	\$ 31,640	\$ 11,510
36,704	44,028	1,353	281,807	57,541	9,490
6,228	92,182	-	3,494	20,467	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>204,966</u>	<u>179,565</u>	<u>22,987</u>	<u>377,776</u>	<u>109,648</u>	<u>21,000</u>
-	9,902	-	1,944	625	-
1,543,852	1,724,096	190,571	1,732,152	1,514,869	479,509
-	-	-	11,417	29,220	-
-	-	-	-	-	-
<u>1,543,852</u>	<u>1,733,998</u>	<u>190,571</u>	<u>1,745,513</u>	<u>1,544,714</u>	<u>479,509</u>
<u>\$ 1,748,818</u>	<u>\$ 1,913,563</u>	<u>\$ 213,558</u>	<u>\$ 2,123,289</u>	<u>\$ 1,654,362</u>	<u>\$ 500,509</u>

Yavapai County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2011  
(Continued)

	<u>Special Revenue</u>	<u>Debt Service</u>		
Assets	Airport Development	Coyote Springs	Prescott East	Poquito Valley
Cash and cash equivalents	\$ 170,972	\$ 510,924	\$ 38,420	\$ 304,309
Receivables:				
Property taxes	-	-	-	-
Special assessments	-	678,092	-	1,671,243
Accounts	-	-	-	-
Due from:				
Other funds	-	-	-	-
Other governments	25,892	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 196,864</u>	<u>\$ 1,189,016</u>	<u>\$ 38,420</u>	<u>\$ 1,975,552</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 22,835	\$ -	\$ 132	\$ -
Accrued payroll and employee benefits	-	-	-	-
Due to:				
Other funds	-	-	-	-
Other governments	-	-	-	-
Deferred revenue	-	678,092	-	1,671,243
Total liabilities	<u>22,835</u>	<u>678,092</u>	<u>132</u>	<u>1,671,243</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	174,029	510,924	38,288	304,309
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>174,029</u>	<u>510,924</u>	<u>38,288</u>	<u>304,309</u>
Total liabilities and fund balances	<u>\$ 196,864</u>	<u>\$ 1,189,016</u>	<u>\$ 38,420</u>	<u>\$ 1,975,552</u>

Debt Service Granite Gardens	Total Nonmajor Governmental Funds
\$ 4,580	\$ 28,347,146
-	521,596
-	2,349,335
-	304,794
-	429,982
-	1,338,176
-	30,853
<u>\$ 4,580</u>	<u>\$ 33,321,882</u>

\$ -	\$ 1,636,385
-	1,151,025
-	790,627
-	124,333
-	2,731,057
<u>-</u>	<u>6,433,427</u>

-	30,853
4,580	24,706,253
-	2,151,349
-	-
<u>4,580</u>	<u>26,888,455</u>
<u>\$ 4,580</u>	<u>\$ 33,321,882</u>

Yavapai County  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended June 30, 2011

	Special Revenue			
	Health Care	Recorder's Surcharge	Assessor's Surcharge	Treasurer's Surcharge
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	719,248	-	-	-
Intergovernmental	4,283,457	-	-	-
Charges for services	5,125,705	264,384	255,528	34,310
Fines and forfeits	-	-	-	-
Investment earnings	19,471	493	2,291	585
Miscellaneous	1,641,820	475	-	11,711
Total revenues	<u>11,789,701</u>	<u>265,352</u>	<u>257,819</u>	<u>46,606</u>
Expenditures:				
Current:				
General government	-	257,899	235,705	1,457
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	12,650,539	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>12,650,539</u>	<u>257,899</u>	<u>235,705</u>	<u>1,457</u>
Excess (deficiency) of revenues over expenditures	(860,838)	7,453	22,114	45,149
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	844,172	-	-	-
Transfers out	(254,887)	(55,861)	-	-
Total other financing sources (uses)	<u>589,285</u>	<u>(55,861)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(271,553)	(48,408)	22,114	45,149
Fund Balances, July 1, 2010	4,387,417	170,390	594,857	140,188
Changes in nonspendable resources:				
Increase (decrease) in prepaid items	(3,071)	1,236	-	-
Fund Balances, June 30, 2011	<u>\$ 4,112,793</u>	<u>\$ 123,218</u>	<u>\$ 616,971</u>	<u>\$ 185,337</u>



Special Revenue					
Election	Public Library	Education Service Agency	Parks & Recreation	Water Advisory Committee	Landfill / Environment
\$ -	\$ 3,934,975	\$ 351,051	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
3,325	76,643	2,970,796	195,657	124,800	387,234
-	-	705,239	-	-	22,510
-	-	-	-	-	-
1,472	9,006	8,766	1,983	892	-
-	7,600	465,239	107,054	2,575	9,036
4,797	4,028,224	4,501,091	304,694	128,267	418,780
165,101	4,089,445	-	478,185	210,327	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	312,942
-	-	-	-	-	-
-	-	-	75,344	-	-
-	-	4,234,205	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
165,101	4,089,445	4,234,205	553,529	210,327	312,942
(160,304)	(61,221)	266,886	(248,835)	(82,060)	105,838
-	-	6,002	-	-	6,776
10,117	-	-	576	104,500	-
-	-	-	(4,148)	-	-
10,117	-	6,002	(3,572)	104,500	6,776
(150,187)	(61,221)	272,888	(252,407)	22,440	112,614
388,381	1,826,134	1,774,017	921,386	180,127	563,263
-	-	(2,400)	-	-	-
\$ 238,194	\$ 1,764,913	\$ 2,044,505	\$ 668,979	\$ 202,567	\$ 675,877

Yavapai County  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended June 30, 2011  
(Continued)

	Special Revenue			
	Public Works	Finance	Improvement Districts	Clerk of Superior Court
Revenues:				
Taxes	\$ -	\$ -	\$ 6,140,508	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	74,699	2,105,300	-	-
Charges for services	-	-	-	83,769
Fines and forfeits	-	375,644	-	-
Investment earnings	561	135	32,578	560
Miscellaneous	4,950	-	33,038	-
Total revenues	<u>80,210</u>	<u>2,481,079</u>	<u>6,206,124</u>	<u>84,329</u>
Expenditures:				
Current:				
General government	-	2,107,275	450	82,565
Public safety	-	-	5,079,138	-
Highways and streets	97,689	-	147,320	-
Sanitation	-	-	5,142	-
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>97,689</u>	<u>2,107,275</u>	<u>5,232,050</u>	<u>82,565</u>
Excess (deficiency) of revenues over expenditures	(17,479)	373,804	974,074	1,764
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(373,804)	(50,000)	-
Total other financing sources (uses)	<u>-</u>	<u>(373,804)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balances	(17,479)	-	924,074	1,764
Fund Balances, July 1, 2010	160,813	-	6,771,179	138,717
Changes in nonspendable resources:				
Increase (decrease) in prepaid items	-	-	5,746	-
Fund Balances, June 30, 2011	<u>\$ 143,334</u>	<u>\$ -</u>	<u>\$ 7,700,999</u>	<u>\$ 140,481</u>

Special Revenue					
County Attorney	Law Enforcement	Emergency Management	Probation	Courts	Public Defender
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
789,848	1,548,070	269,368	5,040,321	565,654	54,450
43,069	59,835	-	901,798	350,389	97,731
-	-	-	-	160,938	-
5,429	7,336	883	8,175	5,597	1,394
1,937,324	495,229	-	31	79,673	-
<u>2,775,670</u>	<u>2,110,470</u>	<u>270,251</u>	<u>5,950,325</u>	<u>1,162,251</u>	<u>153,575</u>
2,438,080	4,399	290,378	-	1,367,938	164,398
-	2,149,175	-	5,911,836	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,438,080</u>	<u>2,153,574</u>	<u>290,378</u>	<u>5,911,836</u>	<u>1,367,938</u>	<u>164,398</u>
337,590	(43,104)	(20,127)	38,489	(205,687)	(10,823)
-	2,710	-	-	-	-
81,177	133,107	-	-	234,799	77,120
(133,107)	-	-	-	-	-
<u>(51,930)</u>	<u>135,817</u>	<u>-</u>	<u>-</u>	<u>234,799</u>	<u>77,120</u>
285,660	92,713	(20,127)	38,489	29,112	66,297
1,258,192	1,631,383	210,698	1,705,080	1,514,977	413,212
-	9,902	-	1,944	625	-
<u>\$ 1,543,852</u>	<u>\$ 1,733,998</u>	<u>\$ 190,571</u>	<u>\$ 1,745,513</u>	<u>\$ 1,544,714</u>	<u>\$ 479,509</u>

Yavapai County  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended June 30, 2011  
(Continued)

	Special Revenue Airport Development	Coyote Springs	Debt Service Prescott East	Poquito Valley
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	135,699	23,254	466,586
Licenses and permits	-	-	-	-
Intergovernmental	67,630	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	573	2,085	269	2
Miscellaneous	4,469	-	-	-
Total revenues	<u>72,672</u>	<u>137,784</u>	<u>23,523</u>	<u>466,588</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	62,739	-	-	-
Debt service:				
Principal retirement	-	75,000	38,845	92,000
Interest and other charges	-	59,151	6,044	120,279
Total expenditures	<u>62,739</u>	<u>134,151</u>	<u>44,889</u>	<u>212,279</u>
Excess (deficiency) of revenues over expenditures	9,933	3,633	(21,366)	254,309
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	50,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Net change in fund balances	9,933	3,633	(21,366)	304,309
Fund Balances, July 1, 2010	164,096	507,291	59,654	-
Changes in nonspendable resources:				
Increase (decrease) in prepaid items	-	-	-	-
Fund Balances, June 30, 2011	<u>\$ 174,029</u>	<u>\$ 510,924</u>	<u>\$ 38,288</u>	<u>\$ 304,309</u>

Debt Service Granite Gardens	Total Nonmajor Governmental Funds
\$ -	\$ 10,426,534
-	625,539
-	719,248
-	18,557,252
-	7,944,267
-	536,582
18	110,554
-	4,800,224
18	43,720,200
-	11,893,602
-	13,140,149
-	245,009
-	318,084
-	12,650,539
-	75,344
-	4,234,205
-	62,739
-	205,845
-	185,474
-	43,010,990
18	709,210
-	15,488
-	1,535,568
-	(871,807)
-	679,249
18	1,388,459
4,562	25,486,014
-	13,982
\$ 4,580	\$ 26,888,455

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Jail District Debt Service  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Expenditures:				
Debt service				
Principal retirement	\$ 1,720,000	\$ 1,720,000	\$ 1,720,000	\$ -
Interest and other charges	151,210	151,210	151,210	-
Total expenditures	1,871,210	1,871,210	1,871,210	-
Excess (deficiency) of revenues over expenditures	(1,871,210)	(1,871,210)	(1,871,210)	-
Other financing sources (uses):				
Transfers in	1,871,210	1,871,210	1,871,210	-
Total other financing sources (uses)	1,871,210	1,871,210	1,871,210	-
Net change in fund balances	-	-	-	-
Fund Balance, July 1, 2010	-	-	2,414	2,414
Fund Balance, June 30, 2011	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,414</u>	<u>\$ 2,414</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Regional Road Debt Service  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 11,200,000	\$ 11,200,000
Investment earnings	-	-	3,085	3,085
Total revenues	-	-	11,203,085	11,203,085
Expenditures:				
Highways and Streets				
Public Works	-	-	16,759	(16,759)
Debt service				
Principal retirement	-	11,710,503	11,200,000	510,503
Interest and other charges	-	-	493,743	(493,743)
Total Debt service	-	11,710,503	11,693,743	16,760
Total expenditures	-	11,710,503	11,710,502	1
Net change in fund balances	-	(11,710,503)	(507,417)	11,203,086
Fund Balance, July 1, 2010	-	11,710,503	873,559	(10,836,944)
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 366,142	\$ 366,142

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Capital Projects  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Taxes	\$ -	\$ -	\$ 3,511,054	\$ 3,511,054
Intergovernmental	1,077,240	1,077,240	2,168,893	1,091,653
Investment earnings	75,000	75,000	118,546	43,546
Miscellaneous	5,149,746	5,149,746	441,583	(4,708,163)
Total revenues	<u>6,301,986</u>	<u>6,301,986</u>	<u>6,240,076</u>	<u>(61,910)</u>
Expenditures:				
Capital outlay				
Board of Supervisors	25,863,575	22,177,220	10,408,624	11,768,596
Fleet	548,200	548,200	1,691,670	(1,143,470)
Total expenditures	<u>26,411,775</u>	<u>22,725,420</u>	<u>12,100,294</u>	<u>10,625,126</u>
Excess (deficiency) of revenues over expenditures	(20,109,789)	(16,423,434)	(5,860,218)	10,563,216
Other financing sources (uses):				
Transfers in	6,042,480	6,042,480	3,996,588	(2,045,892)
Transfers out	(1,112,500)	(1,143,106)	(1,112,500)	30,606
Total other financing sources (uses)	<u>4,929,980</u>	<u>4,899,374</u>	<u>2,884,088</u>	<u>(2,015,286)</u>
Net change in fund balances	(15,179,809)	(11,524,060)	(2,976,130)	8,547,930
Fund Balance, July 1, 2010	15,179,809	11,524,060	45,381,393	33,857,333
Fund Balance, June 30, 2011	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,405,263</u>	<u>\$ 42,405,263</u>



Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Capital Projects Debt Service  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Investment earnings	\$ -	\$ -	\$ 66	\$ 66
Total revenues	-	-	66	66
Expenditures:				
Debt service				
Interest and other charges	1,112,500	1,112,500	1,112,500	-
Total expenditures	1,112,500	1,112,500	1,112,500	-
Excess (deficiency) of revenues over expenditures	(1,112,500)	(1,112,500)	(1,112,434)	66
Other financing sources (uses):				
Transfers in	1,112,500	1,112,500	1,112,500	-
Total other financing sources (uses)	1,112,500	1,112,500	1,112,500	-
Net change in fund balances	-	-	66	66
Fund Balance, July 1, 2010	-	-	1,253	1,253
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 1,319	\$ 1,319

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Health Care  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Licenses and permits	\$ 752,626	\$ 752,626	\$ 719,248	\$ (33,378)
Intergovernmental	4,051,798	4,051,798	4,283,457	231,659
Charges for services	4,827,795	4,827,795	5,125,705	297,910
Investment earnings	18,000	18,000	19,471	1,471
Miscellaneous	1,528,194	1,528,194	1,641,820	113,626
Total revenues	11,178,413	11,178,413	11,789,701	611,288
Expenditures:				
Health				
Health	13,367,429	13,367,429	12,650,539	716,890
Total expenditures	13,367,429	13,367,429	12,650,539	716,890
Excess (deficiency) of revenues over expenditures	(2,189,016)	(2,189,016)	(860,838)	1,328,178
Other financing sources (uses):				
Transfers in	1,051,714	1,051,714	844,172	(207,542)
Transfers out	-	-	(254,887)	(254,887)
Total other financing sources (uses)	1,051,714	1,051,714	589,285	(462,429)
Net change in fund balances	(1,137,302)	(1,137,302)	(271,553)	865,749
Fund Balance, July 1, 2010	1,137,302	1,137,302	4,387,417	3,250,115
Changes in nonspendable resources:				
Increase in prepaid items	-	-	(3,071)	(3,071)
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 4,112,793	\$ 4,112,793

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Recorder's Surcharge  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Charges for services	\$ 240,000	\$ 240,000	\$ 264,384	\$ 24,384
Investment earnings	-	-	493	493
Miscellaneous	-	-	475	475
Total revenues	<u>240,000</u>	<u>240,000</u>	<u>265,352</u>	<u>25,352</u>
Expenditures:				
General government				
Recorder	<u>351,914</u>	<u>351,914</u>	<u>257,899</u>	<u>94,015</u>
Total expenditures	<u>351,914</u>	<u>351,914</u>	<u>257,899</u>	<u>94,015</u>
Excess (deficiency) of revenues over expenditures	(111,914)	(111,914)	7,453	119,367
Other financing sources (uses):				
Transfers out	<u>(55,860)</u>	<u>(55,860)</u>	<u>(55,861)</u>	<u>(1)</u>
Total other financing sources (uses)	<u>(55,860)</u>	<u>(55,860)</u>	<u>(55,861)</u>	<u>(1)</u>
Net change in fund balances	(167,774)	(167,774)	(48,408)	119,366
Fund Balance, July 1, 2010	167,774	167,774	170,390	2,616
Changes in nonspendable resources:				
Increase in prepaid items	<u>-</u>	<u>-</u>	<u>1,236</u>	<u>1,236</u>
Fund Balance, June 30, 2011	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 123,218</u>	<u>\$ 123,218</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Assessor's Surcharge  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Charges for services	\$ 240,000	\$ 240,000	\$ 255,528	\$ 15,528
Investment earnings	-	-	2,291	2,291
Total revenues	240,000	240,000	257,819	17,819
Expenditures:				
General government				
Assessor	469,310	469,310	235,705	233,605
Total expenditures	469,310	469,310	235,705	233,605
Net change in fund balances	(229,310)	(229,310)	22,114	251,424
Fund Balance, July 1, 2010	229,310	229,310	594,857	365,547
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 616,971	\$ 616,971

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Treasurer's Surcharge  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 34,310	\$ 34,310
Investment earnings	-	-	585	585
Miscellaneous	-	-	11,711	11,711
Total revenues	-	-	46,606	46,606
Expenditures:				
General government				
Treasurer	-	1,457	1,457	-
Total expenditures	-	1,457	1,457	-
Net change in fund balances	-	(1,457)	45,149	46,606
Fund Balance, July 1, 2010	-	1,457	140,188	138,731
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 185,337	\$ 185,337

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Election  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 3,325	\$ 3,325
Investment earnings	-	-	1,472	1,472
Total revenues	-	-	4,797	4,797
Expenditures:				
General government				
Elections	-	165,101	165,101	-
Total expenditures	-	165,101	165,101	-
Excess (deficiency) of revenues over expenditures	-	(165,101)	(160,304)	4,797
Other financing sources (uses):				
Transfers in	-	-	10,117	10,117
Total other financing sources (uses)	-	-	10,117	10,117
Net change in fund balances	-	(165,101)	(150,187)	14,914
Fund Balance, July 1, 2010	-	165,101	388,381	223,280
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 238,194	\$ 238,194

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Public Library  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Taxes	\$ 3,979,602	\$ 3,979,602	\$ 3,934,975	\$ (44,627)
Intergovernmental	-	-	76,643	76,643
Investment earnings	-	-	9,006	9,006
Miscellaneous	126,143	126,143	7,600	(118,543)
Total revenues	4,105,745	4,105,745	4,028,224	(77,521)
Expenditures:				
General government				
Library	5,993,028	5,993,028	4,089,445	1,903,583
Total expenditures	5,993,028	5,993,028	4,089,445	1,903,583
Net change in fund balances	(1,887,283)	(1,887,283)	(61,221)	1,826,062
Fund Balance, July 1, 2010	1,887,283	1,887,283	1,826,134	(61,149)
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 1,764,913	\$ 1,764,913

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Education Service Agency  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 351,051	\$ 351,051
Intergovernmental	1,451,506	1,451,506	2,970,796	1,519,290
Charges for services	617,700	617,700	705,239	87,539
Investment earnings	5	5	8,766	8,761
Miscellaneous	113,000	113,000	465,239	352,239
Total revenues	2,182,211	2,182,211	4,501,091	2,318,880
Expenditures:				
Education				
School Superintendent	3,503,004	3,603,004	4,234,205	(631,201)
Total expenditures	3,503,004	3,603,004	4,234,205	(631,201)
Excess (deficiency) of revenues over expenditures	(1,320,793)	(1,420,793)	266,886	1,687,679
Other financing sources (uses):				
Sale of capital assets			6,002	6,002
Total other financing sources (uses)			6,002	6,002
Net change in fund balances	(1,320,793)	(1,420,793)	272,888	1,693,681
Fund Balance, July 1, 2010	1,320,793	1,420,793	1,774,017	353,224
Changes in nonspendable resources:				
Decrease in prepaid items	-	-	(2,400)	(2,400)
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 2,044,505	\$ 2,044,505



Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Parks & Recreation  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 195,657	\$ (4,343)
Investment earnings	-	-	1,983	1,983
Miscellaneous	-	-	107,054	107,054
Total revenues	200,000	200,000	304,694	104,694
Expenditures:				
General government				
Board of Supervisors	733,152	733,152	478,185	254,967
Culture & recreation				
Facilities	-	-	75,344	(75,344)
Total expenditures	733,152	733,152	553,529	179,623
Excess (deficiency) of revenues over expenditures	(533,152)	(533,152)	(248,835)	284,317
Other financing sources (uses):				
Transfers in			576	576
Transfers out	-	-	(4,148)	(4,148)
Total other financing sources (uses)	-	-	(3,572)	(3,572)
Net change in fund balances	(533,152)	(533,152)	(252,407)	280,745
Fund Balance, July 1, 2010	533,152	533,152	921,386	388,234
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 668,979	\$ 668,979

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Water Advisory Committee  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 135,000	\$ 135,000	\$ 124,800	\$ (10,200)
Investment earnings	-	-	892	892
Miscellaneous	-	-	2,575	2,575
Total revenues	135,000	135,000	128,267	(6,733)
Expenditures:				
General government				
Board of Supervisors	250,000	250,000	210,327	39,673
Total expenditures	250,000	250,000	210,327	39,673
Excess (deficiency) of revenues over expenditures	(115,000)	(115,000)	(82,060)	32,940
Other financing sources (uses):				
Transfers in	105,000	105,000	104,500	(500)
Total other financing sources (uses)	105,000	105,000	104,500	(500)
Net change in fund balances	(10,000)	(10,000)	22,440	32,440
Fund Balance, July 1, 2010	10,000	10,000	180,127	170,127
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 202,567	\$ 202,567

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Landfill / Environment  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 387,234	\$ (12,766)
Charges for services	-	-	22,510	22,510
Miscellaneous	-	-	9,036	9,036
Total revenues	400,000	400,000	418,780	18,780
Expenditures:				
Sanitation				
Landfill	379,586	379,586	312,942	66,644
Total expenditures	379,586	379,586	312,942	66,644
Excess (deficiency) of revenues over expenditures	20,414	20,414	105,838	85,424
Other financing sources (uses):				
Sale of capital assets	-	-	6,776	6,776
Total other financing sources (uses)	-	-	6,776	6,776
Net change in fund balances	20,414	20,414	112,614	92,200
Fund Balance, July 1, 2010	(20,414)	(20,414)	563,263	583,677
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 675,877	\$ 675,877

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Public Works  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 125,000	\$ 125,000	\$ 74,699	\$ (50,301)
Investment earnings	-	-	561	561
Miscellaneous	-	-	4,950	4,950
Total revenues	125,000	125,000	80,210	(44,790)
Expenditures:				
Highways and streets				
Public Works	125,000	125,000	97,689	27,311
Total expenditures	125,000	125,000	97,689	27,311
Net change in fund balances	-	-	(17,479)	(17,479)
Fund Balance, July 1, 2010	-	-	160,813	160,813
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 143,334	\$ 143,334

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Finance  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 2,105,300	\$ 2,105,300
Fines and forfeits	-	-	375,644	375,644
Investment earnings	-	-	135	135
Total revenues	-	-	2,481,079	2,481,079
Expenditures:				
General government				
Board of Supervisors	-	1,699,147	2,107,275	(408,128)
Total expenditures	-	1,699,147	2,107,275	(408,128)
Excess (deficiency) of revenues over expenditures	-	(1,699,147)	373,804	2,072,951
Other financing sources (uses):				
Transfers out	-	-	(373,804)	(373,804)
Total other financing sources (uses)	-	-	(373,804)	(373,804)
Net change in fund balances	-	(1,699,147)	-	1,699,147
Fund Balance, July 1, 2010	-	1,699,147	-	(1,699,147)
Fund Balance, June 30, 2011	\$ -	\$ -	\$ -	\$ -

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Improvement Districts  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Taxes	\$ 6,201,465	\$ 6,201,465	\$ 6,140,508	\$ (60,957)
Special assessments	211,979	211,979	-	(211,979)
Investment earnings	-	-	32,578	32,578
Miscellaneous	214,084	214,084	33,038	(181,046)
Total revenues	6,627,528	6,627,528	6,206,124	(421,404)
Expenditures:				
General government				
Board of Supervisors	-	-	450	(450)
Public safety				
Flood Control	12,920,612	12,920,612	5,079,138	7,841,474
Highways and streets				
Board of Supervisors	286,992	286,992	141,020	145,972
Public Works	281,500	281,500	6,300	275,200
Total Highways and streets	568,492	568,492	147,320	421,172
Sanitation				
Special Districts	51,620	51,620	5,142	46,478
Total expenditures	13,540,724	13,540,724	5,232,050	8,308,674
Excess (deficiency) of revenues over expenditures	(6,913,196)	(6,913,196)	974,074	7,887,270
Other financing sources (uses):				
Transfers out	(345,699)	(345,699)	(50,000)	295,699
Total other financing sources (uses)	(345,699)	(345,699)	(50,000)	295,699
Net change in fund balances	(7,258,895)	(7,258,895)	924,074	8,182,969
Fund Balance, July 1, 2010	7,258,895	7,258,895	6,771,179	(487,716)
Changes in nonspendable resources:				
Increase in prepaid items	-	-	5,746	5,746
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 7,700,999	\$ 7,700,999

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Clerk of Superior Court  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Charges for services	\$ 70,724	\$ 70,724	\$ 83,769	\$ 13,045
Investment earnings	75	75	560	485
Total revenues	70,799	70,799	84,329	13,530
Expenditures:				
General government				
Clerk of the Court	192,785	192,785	82,565	110,220
Total expenditures	192,785	192,785	82,565	110,220
Net change in fund balances	(121,986)	(121,986)	1,764	123,750
Fund Balance, July 1, 2010	121,986	121,986	138,717	16,731
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 140,481	\$ 140,481

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
County Attorney  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 633,160	\$ 633,160	\$ 789,848	\$ 156,688
Charges for services	60,000	60,000	43,069	(16,931)
Investment earnings	-	-	5,429	5,429
Miscellaneous	-	-	1,937,324	1,937,324
Total revenues	693,160	693,160	2,775,670	2,082,510
Expenditures:				
General government				
County Attorney	693,160	2,438,080	2,438,080	-
Total expenditures	693,160	2,438,080	2,438,080	-
Excess (deficiency) of revenues over expenditures	-	(1,744,920)	337,590	2,082,510
Other financing sources (uses):				
Transfers in	-	-	81,177	81,177
Transfers out	-	-	(133,107)	(133,107)
Total other financing sources (uses)	-	-	(51,930)	(51,930)
Net change in fund balances	-	(1,744,920)	285,660	2,030,580
Fund Balance, July 1, 2010	-	1,744,920	1,258,192	(486,728)
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 1,543,852	\$ 1,543,852



Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Law Enforcement  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 1,178,780	\$ 1,178,780	\$ 1,548,070	\$ 369,290
Charges for services	59,835	59,835	59,835	-
Investment earnings	380	380	7,336	6,956
Miscellaneous	659,800	659,800	495,229	(164,571)
Total revenues	1,898,795	1,898,795	2,110,470	211,675
Expenditures:				
General government				
Attorney	-	-	4,399	(4,399)
Public safety				
Sheriff	2,443,787	2,443,787	2,149,175	294,612
Total expenditures	2,443,787	2,443,787	2,153,574	290,213
Excess (deficiency) of revenues over expenditures	(544,992)	(544,992)	(43,104)	501,888
Other financing sources (uses):				
Sale of capital assets			2,710	2,710
Transfers in	-	-	133,107	133,107
Total other financing sources (uses)	-	-	135,817	135,817
Net change in fund balances	(544,992)	(544,992)	92,713	637,705
Fund Balance, July 1, 2010	544,992	544,992	1,631,383	1,086,391
Changes in nonspendable resources:				
Increase in prepaid items	-	-	9,902	9,902
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 1,733,998	\$ 1,733,998

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Emergency Management  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 297,557	\$ 297,557	\$ 269,368	\$ (28,189)
Investment earnings	-	-	883	883
Total revenues	297,557	297,557	270,251	(27,306)
Expenditures:				
General government				
Emergency Management	269,557	290,378	290,378	-
Total expenditures	269,557	290,378	290,378	-
Net change in fund balances	28,000	7,179	(20,127)	(27,306)
Fund Balance, July 1, 2010	(28,000)	(7,179)	210,698	217,877
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 190,571	\$ 190,571

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Probation  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,537,986	\$ 5,537,986	\$ 5,040,321	\$ (497,665)
Charges for services	1,104,061	1,104,061	901,798	(202,263)
Investment earnings	-	-	8,175	8,175
Miscellaneous	-	-	31	31
Total revenues	<u>6,642,047</u>	<u>6,642,047</u>	<u>5,950,325</u>	<u>(691,722)</u>
Expenditures:				
Public safety				
Adult Probation	3,982,781	3,982,781	3,927,398	55,383
Juvenile Probation	<u>2,478,981</u>	<u>2,478,981</u>	<u>1,984,438</u>	<u>494,543</u>
Total expenditures	<u>6,461,762</u>	<u>6,461,762</u>	<u>5,911,836</u>	<u>549,926</u>
Net change in fund balances	180,285	180,285	38,489	(141,796)
Fund Balance, July 1, 2010	(180,285)	(180,285)	1,705,080	1,885,365
Changes in nonspendable resources:				
Increase in prepaid items	-	-	1,944	1,944
Fund Balance, June 30, 2011	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,745,513</u>	<u>\$ 1,745,513</u>

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Courts  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 933,373	\$ 933,373	\$ 565,654	\$ (367,719)
Charges for services	334,609	334,609	350,389	15,780
Fines and forfeits	-	-	160,938	160,938
Investment earnings	-	-	5,597	5,597
Miscellaneous	75,924	75,924	79,673	3,749
Total revenues	1,343,906	1,343,906	1,162,251	(181,655)
Expenditures:				
General government:				
Superior Courts	1,434,338	1,434,338	1,293,392	140,946
Prescott Justice of the Peace	-	-	44,255	(44,255)
Bagdad/Yarnell Justice of the Peace	-	-	1,200	(1,200)
Verde Valley Justice of the Peace	-	-	2,440	(2,440)
Mayer Justice of the Peace	-	-	17,111	(17,111)
Seligman Justice of the Peace	-	-	9,540	(9,540)
Total General government	1,434,338	1,434,338	1,367,938	66,400
Public safety:				
Adult Probation	661,769	661,769	-	661,769
Total expenditures	2,096,107	2,096,107	1,367,938	728,169
Excess (deficiency) of revenues over expenditures	(752,201)	(752,201)	(205,687)	546,514
Other financing sources (uses):				
Transfers in	40,466	40,466	234,799	194,333
Total other financing sources (uses)	40,466	40,466	234,799	194,333
Net change in fund balances	(711,735)	(711,735)	29,112	740,847
Fund Balance, July 1, 2010	711,735	711,735	1,514,977	803,242
Changes in nonspendable resources:				
Increase in prepaid items	-	-	625	625
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 1,544,714	\$ 1,544,714

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Public Defender  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 54,450	\$ 29,450
Charges for services	8,000	8,000	97,731	89,731
Investment earnings	-	-	1,394	1,394
Miscellaneous	10,000	10,000	-	(10,000)
Total revenues	43,000	43,000	153,575	110,575
Expenditures:				
General government				
Public Defender	145,000	164,398	164,398	-
Total expenditures	145,000	164,398	164,398	-
Excess (deficiency) of revenues over expenditures	(102,000)	(121,398)	(10,823)	110,575
Other financing sources (uses):				
Transfers in	-	-	77,120	77,120
Total other financing sources (uses)	-	-	77,120	77,120
Net change in fund balances	(102,000)	(121,398)	66,297	187,695
Fund Balance, July 1, 2010	102,000	121,398	413,212	291,814
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 479,509	\$ 479,509

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Airport Development  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	\$ 167,254	\$ 167,254	\$ 67,630	\$ (99,624)
Investment earnings	-	-	573	573
Miscellaneous	-	-	4,469	4,469
Total revenues	167,254	167,254	72,672	(94,582)
Expenditures:				
Capital outlay				
Airport Development	167,254	167,254	62,739	104,515
Total expenditures	167,254	167,254	62,739	104,515
Net change in fund balances	-	-	9,933	9,933
Fund Balance, July 1, 2010	-	-	164,096	164,096
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 174,029	\$ 174,029

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Coyote Springs  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Special assessments	\$ -	\$ -	\$ 135,699	\$ 135,699
Investment earnings	-	-	2,085	2,085
Total revenues	-	-	137,784	137,784
Expenditures:				
Debt service				
Principal retirement	75,000	75,000	75,000	-
Interest and other charges	58,720	59,152	59,151	1
Total expenditures	133,720	134,152	134,151	1
Net change in fund balances	(133,720)	(134,152)	3,633	137,785
Fund Balance, July 1, 2010	133,720	134,152	507,291	373,139
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 510,924	\$ 510,924

Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Prescott East  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Special assessments	\$ 50,224	\$ 50,224	\$ 23,254	\$ (26,970)
Investment earnings	-	-	269	269
Total revenues	50,224	50,224	23,523	(26,701)
Debt service				
Principal retirement	38,845	38,845	38,845	-
Interest and other charges	1,873	6,045	6,044	1
Total expenditures	40,718	44,890	44,889	1
Net change in fund balances	9,506	5,334	(21,366)	(26,700)
Fund Balance, July 1, 2010	(9,506)	(5,334)	59,654	64,988
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 38,288	\$ 38,288



Yavapai County  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget and Actual  
Poquito Valley  
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Special assessments	\$ -	\$ -	\$ 466,586	\$ 466,586
Investment earnings	-	-	2	2
Total revenues	-	-	466,588	466,588
Expenditures:				
Debt service				
Principal retirement	92,000	92,000	92,000	-
Interest and other charges	119,979	120,280	120,279	1
Total expenditures	211,979	212,280	212,279	1
Excess (deficiency) of revenues over expenditures	(211,979)	(212,280)	254,309	466,589
Other financing sources (uses):				
Transfers in	-	-	50,000	50,000
Total other financing sources (uses)	-	-	50,000	50,000
Net change in fund balances	(211,979)	(212,280)	304,309	516,589
Fund Balance, July 1, 2010	211,979	212,280	-	(212,280)
Fund Balance, June 30, 2011	\$ -	\$ -	\$ 304,309	\$ 304,309

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## **AGENCY FUNDS**

Yavapai County  
Statement of Changes in Assets and Liabilities  
Agency Funds  
Year Ended June 30, 2011

Assets	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Equity in pooled cash and investments	\$ 3,439,028	\$ 14,267,785	\$ (14,845,798)	\$ 2,861,015
Total assets	<u>\$ 3,439,028</u>	<u>\$ 14,267,785</u>	<u>\$ (14,845,798)</u>	<u>\$ 2,861,015</u>
Liabilities				
Deposits held for others	\$ 3,439,028	\$ 14,267,785	\$ (14,845,798)	\$ 2,861,015
Total liabilities	<u>\$ 3,439,028</u>	<u>\$ 14,267,785</u>	<u>\$ (14,845,798)</u>	<u>\$ 2,861,015</u>

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# STATISTICAL SECTION

Yavapai County  
Statistical Section  
Year Ended June 30, 2011

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.	116
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	122
<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.	126
<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.	129
<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.	131
<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 Assets by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007 As Restated</u>	<u>2008</u>	<u>2009 As Restated</u>	<u>2010</u>	<u>2011</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 58,950,435	\$ 64,735,399	\$ 89,640,318	\$ 98,010,786	\$ 224,412,765	\$ 225,318,014	\$ 229,172,469	\$ 223,287,295	\$ 222,740,108	\$ 223,888,086
Restricted	452,492	221,862	453,070	546,806	607,294	606,573	3,710,523	7,875,823	8,531,392	44,673,785
Unrestricted	15,173,532	24,647,259	20,105,196	27,543,026	40,972,673	57,826,910	64,650,547	68,173,526	75,774,030	41,562,207
Total governmental activities net assets	<u>\$ 74,576,459</u>	<u>\$ 89,604,520</u>	<u>\$ 110,198,584</u>	<u>\$ 126,100,618</u>	<u>\$ 265,992,732</u>	<u>\$ 283,751,497</u>	<u>\$ 297,533,539</u>	<u>\$ 299,336,644</u>	<u>\$ 307,045,530</u>	<u>\$ 310,124,078</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 150,834	\$ 113,516	\$ 174,128	\$ 159,457	\$ 143,635	\$ 195,903	\$ 176,099	\$ 200,204	\$ 167,581	\$ 98,057
Restricted	3,789,488	3,937,368	2,688,410	2,921,417	3,756,119	5,023,106	3,781,682	2,697,563	3,017,325	5,795,317
Total business-type activities net assets	<u>\$ 3,940,322</u>	<u>\$ 4,050,884</u>	<u>\$ 2,862,538</u>	<u>\$ 3,080,874</u>	<u>\$ 3,899,754</u>	<u>\$ 5,219,009</u>	<u>\$ 3,957,781</u>	<u>\$ 2,897,767</u>	<u>\$ 3,184,906</u>	<u>\$ 5,893,374</u>
Primary government										
Invested in capital assets, net of related debt	\$ 59,101,269	\$ 64,848,915	\$ 89,814,446	\$ 98,170,243	\$ 224,556,400	\$ 225,513,917	\$ 229,348,568	\$ 223,487,499	\$ 222,907,689	\$ 223,986,143
Restricted	4,241,980	4,159,230	3,141,480	3,468,223	4,363,413	5,629,679	7,492,205	10,573,386	11,548,717	50,469,102
Unrestricted	15,173,532	24,647,259	20,105,196	27,543,026	40,972,673	57,826,910	64,650,547	68,173,526	75,774,030	41,562,207
Total primary government net assets	<u>\$ 78,516,781</u>	<u>\$ 93,655,404</u>	<u>\$ 113,061,122</u>	<u>\$ 129,181,492</u>	<u>\$ 269,892,486</u>	<u>\$ 288,970,506</u>	<u>\$ 301,491,320</u>	<u>\$ 302,234,411</u>	<u>\$ 310,230,436</u>	<u>\$ 316,017,452</u>



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

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u> <u>As Restated</u>	<u>2008</u>	<u>2009</u> <u>As Restated</u>	<u>2010</u>	<u>2011</u>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 36,537,899	\$ 41,123,373	\$ 37,084,422	\$ 49,606,233	\$ 50,250,176	\$ 53,476,984	\$ 56,463,230	\$ 54,763,915	\$ 59,704,858	\$ 59,429,434
Public safety	24,955,806	26,737,930	31,704,296	34,241,112	42,840,060	45,577,212	49,004,105	50,648,123	48,420,364	47,609,527
Highways and streets	13,489,550	11,012,419	18,457,819	14,468,350	26,559,520	27,358,195	25,459,898	26,824,721	25,910,775	24,893,508
Sanitation	1,487,737	1,595,659	1,645,392	1,589,708	1,817,225	1,520,053	1,917,599	1,686,935	1,300,834	1,297,411
Health	6,968,146	5,675,223	8,757,816	8,958,399	10,543,636	10,983,877	11,503,799	12,728,257	12,829,196	12,822,518
Welfare	8,470,679	8,277,939	7,844,530	8,978,907	9,658,425	11,038,595	10,787,068	11,468,732	8,527,395	9,497,084
Culture and recreation	493,513	591,898	556,472	667,306	89,621	195,457	222,162	252,328	247,821	294,753
Education	1,513,738	1,716,524	2,546,712	2,326,146	2,480,067	3,318,361	4,739,415	4,656,691	3,974,594	4,926,595
Aid to other governments	240,038	361,130	146,641	2,690,577	160,248	-	-	-	-	-
Interest on long-term debt	381,013	777,372	923,764	673,555	558,900	480,637	1,497,898	3,382,649	1,644,239	1,942,927
Total governmental activities expenses	94,538,119	97,869,467	109,667,864	124,200,293	144,957,878	153,949,371	161,595,174	166,412,351	162,560,076	162,713,757
Business-type activities:										
Long Term Care	25,850,990	28,339,917	31,832,400	34,660,511	34,456,013	33,577,705	37,821,993	42,630,543	45,026,786	41,120,729
Total business-type activities expenses	25,850,990	28,339,917	31,832,400	34,660,511	34,456,013	33,577,705	37,821,993	42,630,543	45,026,786	41,120,729
Total primary government expenses	\$120,389,109	\$126,209,384	\$141,500,264	\$158,860,804	\$179,413,891	\$187,527,076	\$199,417,167	\$209,042,894	\$207,586,862	\$203,834,486
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 6,120,588	\$ 5,726,915	\$ 6,123,424	\$ 7,507,861	\$ 7,861,648	\$ 6,801,849	\$ 5,974,258	\$ 4,437,362	\$ 4,436,876	\$ 5,627,504
Public safety	909,283	2,780,332	3,104,336	3,548,886	4,246,614	5,281,258	5,610,867	5,719,713	7,933,673	8,040,993
Health	2,602,830	2,486,307	2,339,512	2,799,419	2,972,426	2,984,046	3,627,207	4,089,897	4,636,761	5,844,952
Other	485,280	1,966,656	2,211,426	2,927,612	2,594,749	1,798,220	2,109,402	1,485,526	1,558,598	2,708,201
Operating grants and contributions	24,664,718	24,225,128	26,686,792	27,024,916	30,373,350	35,334,547	32,432,224	36,179,042	35,212,078	32,210,542
Capital grants and contributions	1,842,640	342,063	138,290	2,586,829	240,861	571,666	2,271,419	556,609	247,501	1,067,298
Total governmental activities program revenues	36,625,339	37,527,401	40,603,780	46,395,523	48,289,648	52,771,586	52,025,377	52,468,149	54,025,487	55,499,490
Business-type activities:										
Charges for services:										
Long Term Care	27,423,306	30,408,291	31,465,598	34,931,830	35,980,820	35,409,765	37,655,470	42,899,640	45,216,942	43,697,139

(Continued on next page)

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

(Continued)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007 As Restated	2008	2009 As Restated	2010	2011
Total business-type activities program revenues	27,423,306	30,408,291	31,465,598	34,931,830	35,980,820	35,409,765	37,655,470	42,899,640	45,216,942	43,697,139
Total primary government program revenues	\$ 64,048,645	\$ 67,935,692	\$ 72,069,378	\$ 81,327,353	\$ 84,270,468	\$ 88,181,351	\$ 89,680,847	\$ 95,367,789	\$ 99,242,429	\$ 99,196,629
Net (expense)/revenue										
Governmental activities	\$(57,912,780)	\$(60,342,066)	\$(69,064,084)	\$(77,804,770)	\$(96,668,230)	\$(101,177,785)	\$(109,569,797)	\$(113,944,202)	\$(108,534,589)	\$(107,214,267)
Business-type activities	1,572,316	2,068,374	(366,802)	271,319	1,524,807	1,832,060	(166,523)	269,097	190,156	2,576,410
Total primary government net expense	\$(56,340,464)	\$(58,273,692)	\$(69,430,886)	\$(77,533,451)	\$(95,143,423)	\$ (99,345,725)	\$(109,736,320)	\$(113,675,105)	\$(108,344,433)	\$(104,637,857)
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Property taxes	\$ 25,850,531	\$ 28,097,734	\$ 31,940,611	\$ 34,912,400	\$ 38,887,081	\$ 42,447,960	\$ 45,965,292	\$ 50,937,068	\$ 53,971,492	\$ 55,299,466
Sales taxes	31,598,094	32,756,018	35,700,324	41,077,470	50,065,907	52,313,184	49,005,883	42,623,546	38,403,637	39,256,867
Vehicle license taxes	6,576,179	8,335,252	9,495,550	10,060,798	11,449,992	11,914,533	11,589,365	10,332,569	9,540,916	9,394,022
Franchise taxes	503,134	491,454	498,553	511,205	503,099	491,257	319,500	300,793	310,611	309,155
Lottery (intergovernmental, unrestricted)	550,035	550,035	550,035	550,035	550,035	550,035	550,035	522,533	304,381	-
Investment earnings	800,282	48,864	252,347	554,886	1,280,133	2,704,970	3,795,969	2,055,193	455,363	382,199
Gain on disposal of capital assets	112,334	338,348	-	1,353,975	-	1,082,800	4,121,512	771,658	1,139,199	77,731
Miscellaneous	2,869,208	2,752,422	4,037,390	4,123,119	5,200,590	5,600,472	6,504,283	6,703,947	7,802,635	5,573,375
Transfers	1,300,000	2,000,000	1,000,000	297,046	1,000,000	1,000,000	1,500,000	1,500,000	-	-
Total governmental activities	70,159,797	75,370,127	83,474,810	93,440,934	108,936,837	118,105,211	123,351,839	115,747,307	111,928,234	110,292,815
Business-type activities:										
Investment earnings	-	-	124,413	114,608	168,358	356,585	346,606	136,335	39,650	30,687
Miscellaneous	-	42,188	54,043	129,455	125,715	130,610	58,689	34,554	57,333	101,371
Transfers	(1,300,000)	(2,000,000)	(1,000,000)	(297,046)	(1,000,000)	(1,000,000)	(1,500,000)	(1,500,000)	-	-
Total business-type activities	(1,300,000)	(1,957,812)	(821,544)	(52,983)	(705,927)	(512,805)	(1,094,705)	(1,329,111)	96,983	132,058
Total primary government	\$ 68,859,797	\$ 73,412,315	\$ 82,653,266	\$ 93,387,951	\$ 108,230,910	\$ 117,592,406	\$ 122,257,134	\$ 114,418,196	\$ 112,025,217	\$ 110,424,873
<b>Change in Net Assets</b>										
Governmental activities	\$ 12,247,017	\$ 15,028,061	\$ 14,410,726	\$ 15,636,164	\$ 12,268,607	\$ 16,927,426	\$ 13,782,042	\$ 1,803,105	\$ 3,393,645	\$ 3,078,548
Business-type activities	272,316	110,562	(1,188,346)	218,336	818,880	1,319,255	(1,261,228)	(1,060,014)	287,139	2,708,468
Total primary government	\$ 12,519,333	\$ 15,138,623	\$ 13,222,380	\$ 15,854,500	\$ 13,087,487	\$ 18,246,681	\$ 12,520,814	\$ 743,091	\$ 3,680,784	\$ 5,787,016

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

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u> <u>As Restated</u>	<u>2008</u>	<u>2009</u> <u>As Restated</u>	<u>2010</u>	<u>2011</u> <sup>1</sup>
General fund										
Reserved	\$ -	\$ -	\$ 91,724	\$ 99,748	\$ 209,895	\$ 226,811	\$ 483,570	\$ 615,392	\$ 1,907,862	\$ -
Unreserved	5,544,258	1,784,993	1,863,405	3,595,788	8,810,588	3,456,351	1,427,573	4,145,016	7,935,224	-
Nonspendable	-	-	-	-	-	-	-	-	-	883,725
Unassigned	-	-	-	-	-	-	-	-	-	11,572,661
Total general fund	<u>\$ 5,544,258</u>	<u>\$ 1,784,993</u>	<u>\$ 1,955,129</u>	<u>\$ 3,695,536</u>	<u>\$ 9,020,483</u>	<u>\$ 3,683,162</u>	<u>\$ 1,911,143</u>	<u>\$ 4,760,408</u>	<u>\$ 9,843,086</u>	<u>\$12,456,386</u>
All other governmental funds										
Reserved	\$ 256,057	\$ 325,722	\$ 936,366	\$ 704,781	\$ 867,774	\$ 892,421	\$ 51,426,543	\$ 20,716,883	\$16,841,879	\$ -
Unreserved, reported in:										
Special revenue funds	18,192,971	23,087,399	21,288,382	26,262,264	28,677,267	38,659,477	62,686,413	58,212,657	49,538,733	-
Capital projects funds	11,902,949	7,589,902	4,677,929	6,266,584	12,280,114	24,216,390	28,615,375	27,040,504	30,443,106	-
Nonspendable	-	-	-	-	-	-	-	-	-	571,259
Restricted	-	-	-	-	-	-	-	-	-	44,302,178
Committed	-	-	-	-	-	-	-	-	-	48,737,019
Total all other governmental funds	<u>\$30,351,977</u>	<u>\$31,003,023</u>	<u>\$26,902,677</u>	<u>\$33,233,629</u>	<u>\$41,825,155</u>	<u>\$63,768,288</u>	<u>\$142,728,331</u>	<u>\$105,970,044</u>	<u>\$96,823,718</u>	<u>\$93,610,456</u>

1) Fund balance classifications have been redefined due to the implementation of GASB Statement No. 54. See Note 1 for details.

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007 As Restated	2008	2009 As Restated	2010	2011
<b>Revenues</b>										
Taxes	\$ 41,537,857	\$ 44,368,163	\$ 51,126,397	\$ 56,699,399	\$ 64,339,846	\$ 68,366,838	\$ 69,823,083	\$ 71,170,257	\$ 71,943,613	\$ 72,919,065
Special assessments	156,696	273,374	515,278	308,532	270,747	196,408	164,967	175,450	856,571	625,539
Licenses and permits	3,140,455	4,117,310	4,566,514	6,462,137	6,334,632	4,850,011	4,766,461	2,961,289	2,659,731	2,649,532
Intergovernmental	48,891,212	49,968,098	53,304,620	59,847,934	67,630,858	75,370,360	72,214,152	70,366,121	70,616,782	78,875,264
Charges for services	5,578,511	6,406,303	6,422,832	7,315,921	7,732,193	7,788,177	8,425,489	8,643,467	11,215,560	12,555,911
Fines and forfeits	2,208,732	2,082,004	2,319,086	2,510,775	3,104,481	3,786,792	3,661,993	3,213,958	3,328,787	2,925,544
Investment earnings	800,282	48,864	252,347	554,887	1,456,855	2,704,923	3,795,969	2,055,194	455,362	382,202
Contributions	-	-	-	-	-	-	-	-	-	-
Miscellaneous	3,149,522	3,304,583	4,460,919	4,613,751	5,372,544	5,703,261	6,580,945	6,803,297	7,387,647	5,738,164
Total revenues	105,463,267	110,568,699	122,967,993	138,313,336	156,242,156	168,766,770	169,433,059	165,389,033	168,464,053	176,671,221
<b>Expenditures</b>										
General government	35,794,786	38,750,661	41,843,874	46,791,573	51,012,067	54,010,879	55,690,909	51,292,906	56,232,120	55,278,011
Public safety	24,498,056	26,503,683	30,697,154	33,696,622	41,641,625	44,428,874	48,794,023	50,239,679	49,214,849	47,884,440
Highways and streets	21,928,139	25,704,354	25,009,308	19,354,645	22,665,826	25,105,478	32,866,538	29,717,490	24,003,533	20,362,539
Sanitation	1,645,147	2,066,464	1,514,713	1,492,577	1,982,814	1,599,913	1,857,688	1,548,363	1,397,117	1,319,900
Health	6,965,668	7,875,991	8,617,007	8,833,788	10,390,948	10,936,074	11,329,734	12,566,528	12,675,386	12,650,539
Welfare	8,692,328	8,206,263	7,950,410	8,975,900	9,651,292	11,071,610	10,826,459	11,465,931	8,523,288	9,489,765
Culture and recreation	493,513	599,275	444,617	561,582	99,102	58,135	103,232	119,668	110,499	157,431
Education	1,511,673	1,741,436	2,367,853	2,420,494	2,315,922	3,328,047	4,708,970	4,640,744	3,980,160	4,819,819
Aid to other governments	240,038	361,130	-	-	-	-	-	-	-	-
Capital outlay	7,560,513	12,044,577	6,100,407	3,475,099	462,273	1,846,167	4,215,537	9,617,872	5,922,869	10,471,363
Debt service										
Principal	50,430	1,621,156	3,910,440	5,647,287	3,815,698	1,612,178	1,638,729	27,075,356	12,767,059	13,125,845
Interest and other charges	381,013	758,544	904,937	673,556	563,122	480,637	1,497,898	3,382,649	1,644,239	1,942,927
Bond issuance costs	209,195	-	-	-	-	-	-	-	-	-
Total expenditures	109,970,499	126,233,534	129,360,720	131,923,123	144,600,689	154,477,992	173,529,717	201,667,186	176,471,119	177,502,579
Excess (deficiency) of revenues over (under) expenditures	(4,507,232)	(15,664,835)	(6,392,727)	6,390,213	11,641,467	14,288,778	(4,096,658)	(36,278,153)	(8,007,066)	(831,358)
<b>Other financing sources (uses)</b>										
Special assessment bonds issued	43,746	-	-	-	-	-	-	-	1,857,000	-
Revenue bonds issued	15,260,000	-	-	-	-	-	25,375,000	-	-	-
Capital lease agreements	373,482	1,202,559	1,300,000	-	-	-	50,000,000	-	-	-
Sale of capital assets	348,188	374,633	-	1,392,753	-	1,082,800	4,121,512	771,659	1,683,400	77,731
Transfers in	15,604,263	22,966,703	19,666,460	17,629,736	21,212,224	25,435,821	25,993,225	48,227,811	27,677,634	18,011,458
Transfers out	(14,304,263)	(20,966,703)	(18,666,460)	(17,332,690)	(20,212,224)	(24,435,821)	(24,493,225)	(46,727,811)	(27,677,634)	(18,011,458)
Loan proceeds	-	9,000,000	-	-	-	-	-	-	-	-
Total other financing sources (uses)	17,325,416	12,577,192	2,300,000	1,689,799	1,000,000	2,082,800	80,996,512	2,271,659	3,540,400	77,731
Net changes in fund balances	\$ 12,818,184	\$ (3,087,643)	\$ (4,092,727)	\$ 8,080,012	\$ 12,641,467	\$ 16,371,578	\$ 76,899,854	\$ (34,006,494)	\$ (4,466,666)	\$ (753,627)
Debt service as a percentage of noncapital expenditures	0.7%	2.5%	4.4%	5.1%	3.3%	1.5%	2.2%	16.3%	9.0%	9.5%

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

Fiscal Year	Primary 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 Assessed Value			
2002	\$ 879,814,468	\$ 357,398,601	\$ 43,737,336	\$1,280,950,405	2.0352	\$10,130,049,480	12.65%
2003	964,199,901	380,263,729	43,628,890	1,388,092,520	2.0369	11,032,555,067	12.58
2004	1,055,971,160	415,043,260	45,792,997	1,516,807,417	2.1115	12,071,754,471	12.56
2005	1,178,680,548	452,777,214	44,571,778	1,676,029,540	2.1077	13,416,406,081	12.49
2006	1,322,060,791	506,417,682	49,368,952	1,877,847,425	2.1042	15,045,533,581	12.48
2007	1,511,362,543	566,635,332	47,712,332	2,125,710,207	2.0450	17,098,083,909	12.43
2008	1,754,125,017	664,163,807	51,977,047	2,470,265,871	1.8860	20,111,624,109	12.28
2009	2,094,798,703	803,911,861	55,888,168	2,954,598,732	1.7148	23,973,791,761	12.32
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

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>				
	Secondary				Total Direct	School Equalization	School Districts	Cities	Other Special Districts	Community College District
	Primary	Fire District	Library District	Flood Control District						
2002	1.6066	0.1002	0.1104	0.2180	2.0352	0.4974	0.9900-7.8089	0.7748-1.6717	0.3201-3.8269	1.9488
2003	1.6072	0.1001	0.1117	0.2179	2.0369	0.4889	1.8248-7.3939	0.7229-1.3382	0.0438-5.6002	1.9789
2004	1.6808	0.1000	0.1124	0.2183	2.1115	0.4717	1.2516-8.2795	0.6487-1.2461	0.3235-3.3000	1.8778
2005	1.7008	0.1000	0.1086	0.1983	2.1077	0.4560	1.2362-9.5346	0.6146-1.1904	0.3057-3.3000	1.8514
2006	1.7008	0.0964	0.1086	0.1984	2.1042	0.4358	1.8496-10.4246	0.5658-1.1134	0.1894-3.4285	1.7514
2007	1.6552	0.0895	0.1020	0.1983	2.0450	0.0000	1.8190-9.4606	0.5275-1.1281	0.2523-3.4491	1.6573
2008	1.5292	0.0829	0.1016	0.1723	1.8860	0.0000	1.3621-9.4004	0.4973-0.8977	0.2130-3.4108	1.5225
2009	1.3683	0.0722	0.1020	0.1723	1.7148	0.0000	1.2310-8.4913	0.4235-0.7600	0.0711-3.4200	1.3394
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

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>	2011			2002		
	Primary Assessed Value	Rank	Percentage of Total Primary Assessed Value	Primary Assessed Value	Rank	Percentage of Total Primary Assessed Value
Arizona Public Service	\$ 14,031,705	1	0.44%	\$ 56,333,768	1	4.40%
Transwestern Pipeline Company	7,271,900	2	0.23	7,049,633	7	0.55
Unisource Energy Corporation	1,234,933	3	0.04	-	-	-
Ester C Company	1,008,758	4	0.03	-	-	-
Qwest Corporation	988,731	5	0.03	17,095,639	3	1.33
Stetson Commercial LLC	983,810	6	0.03	-	-	-
PD2	821,143	7	0.03	-	-	-
Hines Nurseries LLC	818,490	8	0.03	-	-	-
Corkery, Thomas A & Toni Marie RS	765,904	9	0.02	-	-	-
Michael Investments LLC	764,105	10	0.02	-	-	-
Phelps Dodge Bagdad Inc.	-	-	-	26,990,227	2	2.11
Citizen's Utility Company-Northern Gas Division	-	-	-	12,614,932	4	0.98
Burlington Northern Santa Fe Railway Company	-	-	-	9,448,079	5	0.74
El Paso Natural Gas Company	-	-	-	7,580,251	6	0.59
New Enchantment LP	-	-	-	4,146,066	8	0.32
Massachusetts Mutual Life Insurance Company	-	-	-	3,214,818	9	0.25
Ace Hardware Corporation	-	-	-	3,209,200	10	0.25
Totals	<u>\$ 28,689,479</u>		<u>0.90%</u>	<u>\$ 147,682,613</u>		<u>11.52%</u>
Total Yavapai County Primary Assessed Value	\$3,187,577,677		100.00%	\$1,280,950,405		100.00%

Source: Yavapai County Assessor and Arizona Department of Revenue.



Yavapai County  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$20,602,000	\$19,422,071	94.27%	\$ 413,731	\$19,835,802	96.28%
2003	22,310,000	21,116,484	94.65	413,352	21,529,836	96.50
2004	25,495,000	24,380,161	95.63	400,900	24,781,061	97.20
2005	28,506,000	27,281,472	95.70	384,207	27,665,679	97.05
2006	31,939,000	30,438,693	95.30	404,683	30,843,376	96.57
2007	35,184,002	33,594,464	95.48	446,254	34,040,718	96.75
2008	37,775,306	35,966,831	95.21	659,197	36,626,028	96.96
2009	40,429,914	38,309,430	94.76	963,964	39,273,394	97.14
2010	42,045,714	39,992,839	95.12	1,019,602	41,012,441	97.54
2011	43,108,560	40,512,865	93.98	-	40,512,865	93.98

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.

Yavapai County  
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	Notes Payable	Capital Leases			
2002	\$15,260,000	\$ 1,956,750	\$ -	\$ 711,629	\$17,928,379	0.45%	\$100.50
2003	13,945,000	1,838,094	8,812,500	1,497,290	26,092,884	0.62	142.27
2004	12,595,000	1,715,154	6,375,000	1,753,789	22,438,943	0.48	118.39
2005	11,200,000	1,587,867	2,250,000	791,367	15,829,234	0.30	80.13
2006	9,765,000	1,457,168	-	74,625	11,296,793	0.19	54.66
2007	8,285,000	1,324,991	-	-	9,609,991	0.15	45.33
2008	32,130,000	1,216,261	-	50,000,000	83,346,261	1.29	387.78
2009	30,165,000	1,105,905	-	25,000,000	56,270,905	0.90	260.89
2010	17,510,000	2,850,846	-	25,000,000	45,360,846	N/A (2)	214.95
2011	4,590,000	2,645,000	-	25,000,000	32,235,000	N/A (2)	N/A (2)

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 2010 and 2011. Population was not available for 2011.

Yavapai County  
Legal Debt Margin Information  
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed value	\$3,187,577,677
Debt limit (6% of assessed value)	191,254,661
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	<u>\$ 191,254,661</u>

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt limit	\$ 76,857,024	\$ 83,285,551	\$ 91,008,445	\$ 100,561,772	\$ 112,670,846	\$ 127,542,612	\$ 148,215,952	\$ 177,275,924	\$ 196,444,701	\$ 191,254,661
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 76,857,024</u>	<u>\$ 83,285,551</u>	<u>\$ 91,008,445</u>	<u>\$ 100,561,772</u>	<u>\$ 112,670,846</u>	<u>\$ 127,542,612</u>	<u>\$ 148,215,952</u>	<u>\$ 177,275,924</u>	<u>\$ 196,444,701</u>	<u>\$ 191,254,661</u>
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 Available Revenue	Debt Service		Coverage
				Principal	Interest	
2002	\$ 12,402,242	\$ 6,976,236	\$ 5,426,006	\$ -	\$ 237,306	22.87
2003	15,093,394	8,062,836	7,030,558	1,315,000	555,140	3.76
2004	19,345,034	13,126,579	6,218,455	1,350,000	517,322	3.33
2005	17,248,364	12,233,680	5,014,684	1,395,000	477,093	2.68
2006	17,573,461	14,803,363	2,770,098	1,435,000	435,157	1.48
2007	17,231,871	15,371,370	1,860,501	1,480,000	388,362	1.00
2008	18,239,765	15,888,696	2,351,069	1,530,000	336,691	1.26
2009	17,872,934	15,992,126	1,880,808	1,590,000	280,793	1.01
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

**Highway Construction Advancement Revenue Bonds**

Fiscal Year	County Excise Tax	State Shared Sales Tax	Highway Project Repayments <sup>3</sup>	Net Available Revenue	Debt Service		Coverage
					Principal	Interest	
2002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2003	-	-	-	-	-	-	-
2004	12,564,395	18,519,004	-	31,083,399	-	-	-
2005	14,102,433	21,183,714	-	35,286,147	-	-	-
2006	16,623,589	25,131,601	-	41,755,190	-	-	-
2007	16,971,697	26,858,336	-	43,830,033	-	-	-
2008	15,908,075	25,144,945	-	41,053,020	-	1,077,272	38.11
2009	13,657,537	22,136,382	-	35,793,919	375,000	449,852	43.39
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

**Special Assessment Bonds**

Fiscal Year	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
2002	\$ 111,801	\$ 50,430	\$ 143,707	0.58
2003	268,067	118,656	117,851	1.13
2004	528,554	122,940	123,381	2.15
2005	322,369	127,287	107,982	1.37
2006	273,135	130,698	100,543	1.18
2007	196,519	132,178	92,275	0.88
2008	165,201	108,729	83,935	0.86
2009	175,449	110,355	84,296	0.90
2010	173,763	112,059	154,994	0.65
2011	625,539	205,845	185,474	1.60

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.

Yavapai County  
Demographic and Economic Statistics  
Last Ten Calendar Years

<u>Year</u>	<u>Population</u>	Personal Income (thousands of <u>dollars</u> )	Per Capita Personal <u>Income</u>	Unemployment <u>Rate</u>
2002	178,390	\$ 3,986,384	\$ 22,346	5.4%
2003	183,400	4,211,097	22,961	5.1
2004	189,532	4,681,083	24,698	4.6
2005	197,533	5,278,898	26,724	4.4
2006	206,672	5,816,674	28,144	3.9
2007	212,004	6,332,616	29,870	3.6
2008	214,930	6,468,023	30,094	5.9
2009	215,686	6,283,809	29,134	10.2
2010	211,033	N/A (1)	N/A (1)	10.5
2011	N/A (1)	N/A (1)	N/A (1)	10.0

Source: Population and personal income through 2009 obtained from the U.S. Department of Commerce, Bureau of Economic Analysis. Population for 2010 obtained from the U.S. Census Bureau. Unemployment rates obtained from the Arizona Department of Administration, Office of Employment and Population Statistics.

1) Population was not available for 2011. Personal income and per capita personal income were not available for 2010 and 2011.

Yavapai County  
Principal Employers  
Current Year and Nine Years Ago

<u>Employer</u>	2011			2002		
	<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 County	1,449	1	1.66%	1,213	1	1.55%
Yavapai Regional Medical Center	1,421	2	1.63	730	3	0.93
Veterans Medical Center	944	3	1.08	550	6	0.70
Verde Valley Medical Center	900	4	1.03	351	9	0.45
Cyprus Bagdad Copper Mine	835	5	0.96	535	7	0.68
State of Arizona	742	6	0.85	330	10	0.42
Prescott Unified School District	696	7	0.80	573	5	0.73
Wal-Mart	689	8	0.79	-	-	-
Yavapai College	621	9	0.71	638	4	0.81
City of Prescott	500	10	0.57	385	8	0.49
Sturm Ruger & Company	-	-	-	1,176	2	1.50
Totals	<u>8,797</u>		<u>10.08%</u>	<u>6,481</u>		<u>8.26%</u>
Total Employment in Yavapai County	87,185		100.00%	78,431		100.00%

Source: Yavapai College and the Arizona Department of Administration, Office of Employment and Population Statistics.

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

Function	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General government	487	498	528	558	583	602	631	571	551	539
Public safety	444	454	512	520	556	584	581	560	531	536
Highways and streets	124	126	124	125	127	129	123	114	108	101
Sanitation	9	13	13	13	14	18	18	14	13	13
Health	105	115	110	114	121	133	151	140	138	138
Welfare	6	5	5	5	6	6	5	6	6	4
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Education	17	19	21	21	22	26	33	31	29	33
Capital outlay	-	-	-	-	-	-	-	2	3	3
Long Term Care	47	52	53	53	56	54	54	55	55	48
Total	<u>1,239</u>	<u>1,282</u>	<u>1,366</u>	<u>1,409</u>	<u>1,485</u>	<u>1,552</u>	<u>1,596</u>	<u>1,493</u>	<u>1,434</u>	<u>1,415</u>

Source: Yavapai County payroll records.

Yavapai County  
Operating Indicators by Function  
Last Ten Fiscal Years

	Fiscal Year									
Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government										
Elections										
Elections	4	4	5	4	4	4	5	4	4	4
Number voting	33,819	105,413	60,506	137,786	47,250	123,570	91,132	164,073	106,559	151,515
Development Services										
Building permits issued	4,944	4,860	5,020	5,923	6,073	5,065	4,220	2,887	2,854	2,521
Inspections performed	17,085	18,379	21,512	24,996	28,943	23,628	18,918	13,645	9,975	9,532
Assessor										
Parcels assessed	137,106	139,867	142,807	145,997	154,662	160,561	162,382	163,236	163,273	176,271
New subdivisions	36	90	106	107	171	139	90	51	25	52
Public safety										
Sheriff										
Inmate population	5,351	6,172	6,448	5,600	6,184	6,446	6,652	5,970	6,475	6,470
Adult Probation										
Probationers actively supervised	1,646	1,643	1,870	1,799	2,105	2,140	2,212	2,287	2,116	1,940
Community restitution hours	80,282	77,406	76,727	72,917	70,270	71,037	82,646	79,465	63,245	50,500
Restitution collected	\$ 556,347	\$ 483,575	\$ 594,208	\$ 770,304	\$ 634,651	\$ 756,191	\$ 958,873	\$ 793,687	\$ 777,528	\$ 717,672
Presentence reports written for courts	1,391	1,459	1,880	1,558	1,431	1,306	1,033	762	636	532
Juvenile Probation										
Juveniles brought to detention	N/A (1)	1,283	1,238	1,272	1,391	1,265	1,235	1,123	1,119	998
Average length of detention (days)	11	12	12	13	12	11	11	12	12	31
Probationers	640	617	577	591	761	758	735	736	742	648
Community restitution hours	22,239	19,873	17,835	15,158	14,811	13,641	15,179	13,204	19,578	16,350
Highways and streets										
Public Works										
Crack sealing (miles)	20	25	88	67	83	57	49	24	40	78
Street resurfacing (miles)	44	53	55	49	41	38	28	36	30	26
Sanitation										
Landfill/Environment										
Transfer station refuse collected (tons)	8,800	7,650	6,057	5,450	4,728	4,042	3,479	3,296	2,956	2,772
Waste tires collected	112,800	106,613	127,123	145,842	140,871	141,091	146,634	118,506	122,987	129,318
Health										
Health Care										
Certified copies of death certificates issued	15,342	14,529	16,123	16,693	16,024	15,884	15,384	16,029	15,343	16,515
Childhood immunization visits	7,344	5,662	5,239	4,727	4,806	3,940	4,792	3,929	3,008	2,509
Restaurant inspections and re-inspections	2,835	2,426	2,244	2,496	2,923	3,236	4,052	4,226	4,113	4,063
Welfare										
Public Fiduciary										
Guardianships/conservatorships	97	102	105	127	104	92	82	78	90	85
Education										
School Superintendant										
School districts	25	25	25	25	25	25	25	25	25	25
District students	21,316	21,167	21,686	22,422	23,086	23,496	23,747	23,243	22,834	22,237
Charter schools	N/A (1)	36	41	41	38	27	24	29	28	30
Charter students	N/A (1)	3,845	3,606	3,308	3,297	3,023	3,256	3,446	3,954	3,402
Culture and recreation										
Parks & Recreation										
Park use permits issued	N/A (1)	N/A (1)	11	9	6	6	5	9	9	9
Long-term care										
Members enrolled	N/A (1)	N/A (1)	1,051	1,003	952	932	941	1,016	1,013	999
Claims processed	N/A (1)	76,439	81,462	78,590	73,064	71,693	76,464	79,720	86,382	86,713

Source: Various Yavapai County departments.

1) Information for the applicable fiscal year was not available.



Yavapai County  
Capital Asset Statistics by Function  
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General government										
Elections										
Voting machines	100	110	110	120	242	242	242	232	232	232
Superior Courts										
Divisions	8	8	9	9	9	9	10	10	10	10
Public safety										
Sheriff										
Inmate beds available (including portable)	309	309	570	570	570	765	765	916	773	794
Jail facilities	2	2	2	2	2	2	2	2	2	2
Stations	N/A (1)	9	9	10	10	11	11	12	12	12
Improvement Districts										
Flood warning sites	49	49	50	60	71	78	80	80	80	83
Flood Control District properties	228	228	228	229	232	232	232	232	232	235
Highways and streets										
Public Works										
Miles of paved roads	675	694	740	740	744	754	760	771	773	779
Bridges	14	14	15	16	16	17	17	17	17	17
Sanitation										
Landfill/Environment										
Transfer stations	0	7	7	7	7	7	7	7	7	7
Health										
Health Care										
Public health facilities	2	3	3	3	3	3	3	3	3	3
Culture and recreation										
Parks & Recreation										
County parks	10	10	10	10	10	11	11	11	11	11

Source: Various Yavapai County departments.

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

1) Information for the applicable fiscal year was not available.

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