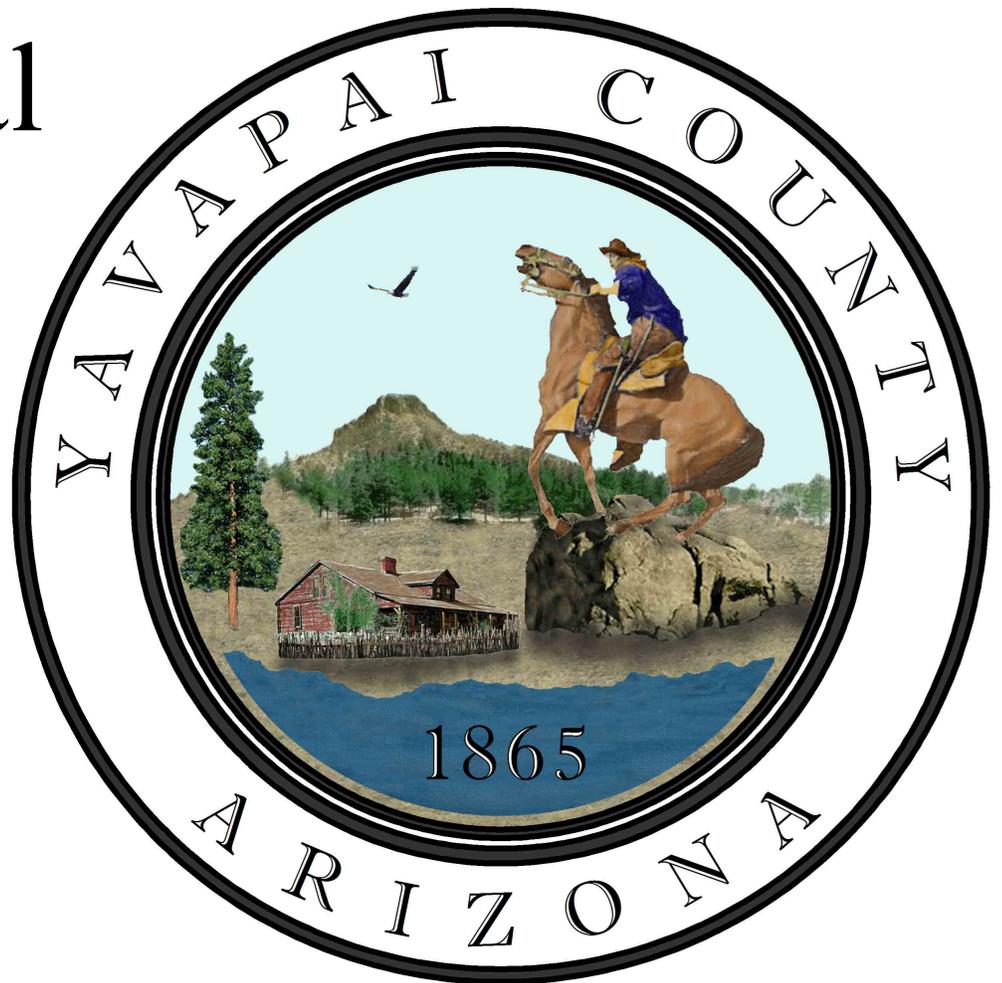


Comprehensive

Annual

Financial

Report



Yavapai County, AZ

Fiscal year ended June 30, 2020

Yavapai County, Arizona Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2020

Board of Supervisors



Rowle Simmons
District 1



Thomas Thurman
District 2



Randy Garrison
District 3



Craig Brown
District 4



Mary Mallory
District 5

Prepared by Yavapai County
Finance Department

YAVAPAI COUNTY
 Comprehensive Annual Financial Report
 Year Ended June 30, 2020

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	1
Organizational Chart	6
Yavapai County Officials	7

FINANCIAL SECTION

Independent Auditors' Report	9
Management's Discussion and Analysis (Required Supplementary Information)	13

BASIC FINANCIAL STATEMENTS:

Government-wide Financial Statements:	
Statement of Net Position	22
Statement of Activities	23
Fund Financial Statements:	
Balance Sheet-Governmental Funds	24
Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Position	26
Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds	28
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-wide Statement of Activities	30
Statement of Fiduciary Net Position-Fiduciary Funds	31
Statement of Changes in Fiduciary Net Position-Fiduciary Funds	32

Notes to the Financial Statements:

Note 1 - Summary of Significant Accounting Policies	33
Note 2 - Stewardship, Compliance, and Accountability	40
Note 3 - Deposits and Investments	40
Note 4 - Due From Other Governments	43
Note 5 - Capital Assets	43
Note 6 - Construction Commitments	44
Note 7 - Long-Term Liabilities	44
Note 8 - Fund Balance Classifications of the Governmental Funds	48
Note 9 - Risk Management	50
Note 10 - Pensions	51
Note 11 - Interfund Balances and Activity	72
Note 12 - County Treasurer's Investment Pool	73

YAVAPAI COUNTY
 Comprehensive Annual Financial Report
 Year Ended June 30, 2020
 TABLE OF CONTENTS

Required Supplementary Information:	
Budgetary Comparison Schedules:	
General Fund	75
Jail District Fund	77
Regional Road Fund	78
HURF Road Fund	79
Notes to Budgetary Comparison Schedules	80
Schedule of the County's Proportionate Share of the Net Pension Liability- Cost-Sharing Pension Plans	81
Schedule of Changes in the County's Net Pension Liability and Related Ratios-Agent Pension Plans	83
Schedule of County Pension Contributions	87
Notes to Pension Plan Schedules	90
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet-Nonmajor Governmental Funds	94
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances-Nonmajor Governmental Funds	100
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Jail Construction	105
Jail Debt Service	106
Capital Projects Fund	107
Capital Projects Debt Service	108
Health Care	109
Recorder's Surcharge	110
Treasurer	111
Election	112
Public Library	113
Education Service Agency	114
Parks & Recreation	115
Landfill / Environment	116
Public Works	117
Finance	118
Improvement Districts	119
Clerk of Superior Court	120
County Attorney	121
Law Enforcement	122
Emergency Management	123
Probation	124
Courts	125
Public Defender	126
Airport Development	127
CYMPO	128
Coyote Springs Debt Service	129
Poquito Valley Debt Service	130
Statement of Changes in Assets and Liabilities-Agency Funds	131

YAVAPAI COUNTY
Comprehensive Annual Financial Report
Year Ended June 30, 2020

TABLE OF CONTENTS

STATISTICAL SECTION

Financial Trends	
Net Position by Component	134
Changes in Net Position	136
Fund Balances of Governmental Funds	138
Changes in Fund Balances of Governmental Funds	139
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property	140
Direct and Overlapping Property Tax Rates	141
Principal Property Taxpayers	142
Property Tax Levies and Collections	143
Debt Capacity	
Ratios of Outstanding Debt by Type	144
Legal Debt Margin Information	145
Pledged Revenue Coverage	146
Demographic and Economic Information	
Demographic and Economic Statistics	148
Principal Employers	149
Operating Information	
Full-Time Equivalent Employees by Function	150
Operating Indicators by Function	151
Capital Asset Statistics by Function	152

This page is left blank intentionally.



Yavapai County Finance Department

March 31, 2021

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, 2020.

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, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit; that there was a reasonable basis for rendering an unmodified opinion that Yavapai County's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

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

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

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

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

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

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

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

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

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Administrator annually. These requests are used as the starting point for developing a proposed budget. The County Administrator then presents this proposed budget to the Board of Supervisors for review on or before the third Monday in July. On or before the fourteenth day in August when the Board sets tax levy rates, the Board must hold a public hearing and a special meeting of the Board, at which time the final budget must be adopted. The final budget is adopted by fund and department. Transfers of appropriations between funds or departments require approval of the Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds this comparison is presented beginning on page 75 as part of the required supplemental information. For governmental funds, other than the general fund and major special revenue funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 102.

Local Economy

Yavapai County's population increased from 211,017 as of April 1, 2010 to 236,426 as of July 1, 2020, which is a 12% increase as compared to the State of Arizona population increase of 14% for the same time period. Yavapai County has a higher percentage, 32.5%, of persons over the age of 65 as compared to the State of Arizona with 18.0%, both as of July 1, 2019. This indicates that a greater segment of the population is retired, which provides a more stable consumer base. The source for these figures is the United States Census website, current quick facts table.

The Board of Supervisors raised the property tax levy for fiscal year 2019-20, an increase of \$9.5 million, primarily to fund extra payments towards unfunded pension liabilities and for the operation and debt service for a new criminal justice facility. The net assessed value of real estate increased by 6.4% for the fiscal year. The population continues to grow, and we anticipate our sales tax revenues to also trend slowly upward.

The Arizona Department of Administration, Office of Employment and Population Statistics estimates a 7.4% average 2020 unemployment rate for Yavapai County. The unemployment rate increased from 4.6% in 2019 as a result of the global coronavirus pandemic and policies related to slow the spread of the virus including temporary business closures and capacity restrictions.

Although the pandemic continues to cause uncertainty for the economic future, the first half of fiscal year 2020-21 revenues from local and state shared sales taxes have increased significantly at 16.5% and 13.9% from the prior fiscal year indicating consumer spending in Yavapai County and Arizona has not decreased as originally expected.

Yavapai County Regional Medical Center is the single largest employer in Yavapai County, with Yavapai County as the second largest employer. Retail trade, tourism, utilities, healthcare, warehouse and distribution centers, mining, light industry and government all contribute to the economy.

Long-Term Financial Planning

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

Relevant Financial Policies

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

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

The County is addressing unfunded public safety pension liabilities by contributing extra funds above the annual required contribution. In fiscal years 2017-18 and 2019-20, Yavapai County has enough surplus revenue to make an extra \$4,500,000 pension plan contribution each year to help pay down the County's unfunded pension liabilities. This trend is expected to continue, however for 2020-21 the extra payment was budgeted but not paid yet as a result of the economic uncertainty caused by the coronavirus pandemic.

Acknowledgements

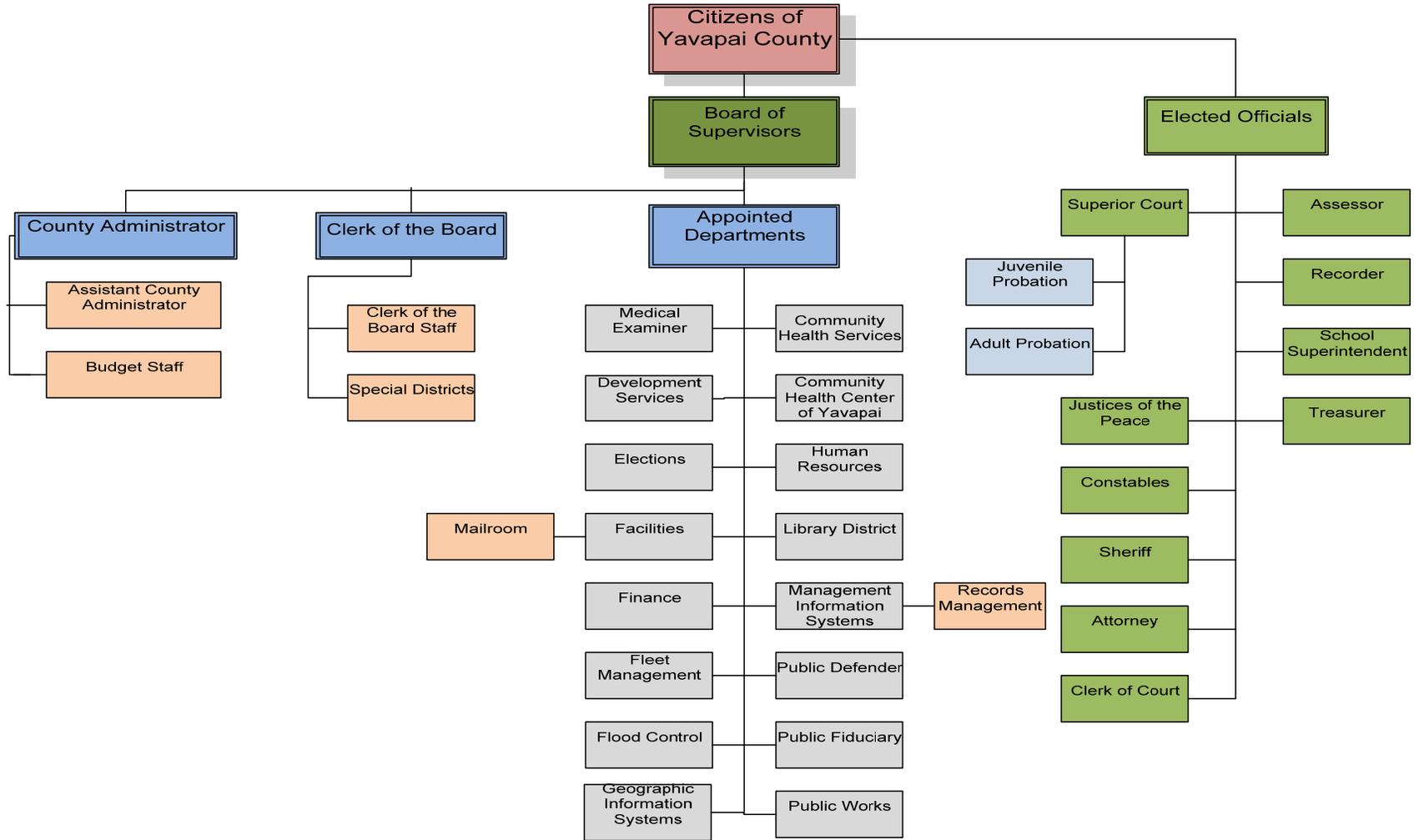
The preparation of this report could only be accomplished through work of the entire Finance Department team and the assistance of the Arizona State Auditor General's Office. We also wish to thank the Board of Supervisors for their dedicated oversight of the financial condition of the County and their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

Respectfully submitted,

Lars Johnson
Finance Director

YAVAPAI COUNTY

Organizational Chart



Yavapai County Officials

BOARD OF SUPERVISORS

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



CLERK OF THE BOARD

Kim Kapin



COUNTY ADMINISTRATOR

Phil Bourdon



FINANCE DIRECTOR

Lars Johnson

This page is left blank intentionally.

FINANCIAL SECTION





LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent auditors' report

Members of the Arizona State Legislature

The Board of Supervisors of
Yavapai County, Arizona

Report on the financial statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Yavapai County as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's responsibility for the financial statements

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

Auditors' responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of the County as of June 30, 2020, and the respective changes in financial position in accordance with U.S. generally accepted accounting principles.

Other matters

Required supplementary information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 13 through 20, budgetary comparison schedules on pages 75 through 80, schedule of the County's proportionate share of the net pension liability—cost-sharing pension plans on pages 81 through 82, schedule of changes in the County's net pension liability and related ratios—agent pension plans on pages 83 through 86, and schedule of County pension contributions on pages 87 through 89 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and other information

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

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In connection with our audit, nothing came to our attention that caused us to believe that the County failed to comply with the authorized transportation purposes, insofar as they relate to accounting matters, for

Highway User Revenue Fund monies it received pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated State transportation revenues it received. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the County's noncompliance with the authorized transportation purposes referred to above, insofar as they relate to accounting matters.

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

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Lindsey A. Perry, CPA, CFE
Auditor General

March 31, 2021

This page is left blank intentionally.

Yavapai County

Management's Discussion and Analysis

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, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 – 5 and the County's basic financial statements, which begin on page 22.

Financial Highlights

- Yavapai County's assets and deferred outflows of resources exceed liabilities and deferred inflows of resources as of June 30, 2020, by \$170,448,438 (net position), which is an increase of \$19,643,035 from prior year ending net position of \$150,805,403. The unrestricted net position at June 30, 2020 is a deficit of \$109,555,324, which is a decrease of \$13.7 million from a deficit balance of \$123,258,820 at June 30, 2019 primarily as a result of increased revenues of \$24.4 million; offset by an increase in expenses for the year.
- As of June 30, 2020, Yavapai County's governmental funds reported combined ending fund balances of \$137,329,820, which is an increase of \$74,248,621 from the prior year ending fund balance of \$63,081,199.
- As of June 30, 2020, unassigned fund balance for the general fund is \$25,930,207, an increase of \$14,162,070 from the prior year unassigned fund balance.
- As of June 30, 2020, committed fund balance for the regional road fund is \$9,511,453, a decrease of \$2,333,331 from the prior year committed fund balance.
- As of June 30, 2020, restricted fund balance for the Highway User Revenue Fund (HURF) is \$3,636,526, a decrease of \$2,148,805 from the prior year restricted fund balance.
- As of June 30, 2020, committed fund balance for the capital projects fund is \$17,129,766, an increase of \$1,118,020 from the prior year committed fund balance.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Yavapai County's basic financial statements. Yavapai County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

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

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

Yavapai County

Management's Discussion and Analysis

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

The government-wide financial statements can be found on pages 22 – 23 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Yavapai County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of Yavapai County can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Yavapai County maintains numerous individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for 8 funds considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Yavapai County's progress in funding its obligation to provide pension benefits to its employees and budgetary comparison schedules for the general fund and major special revenue funds. Other required supplementary information can be found on pages 75 - 91 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 92 - 128 of this report.

Yavapai County Management's Discussion and Analysis

Government-wide Financial Analysis

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Yavapai County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$170.4 million at the close of the most recent fiscal year.

	Net Position (in millions)	
	Governmental Activities	
	2020	2019
Current and other assets	\$ 92.8	\$ 75.2
Restricted assets	64.2	-
Capital assets	273.7	268.5
Total assets	430.7	343.7
Deferred outflows of resources	34.0	31.9
Other liabilities	18.3	10.5
Long-term liabilities outstanding	264.8	194.3
Total liabilities	283.1	204.8
Deferred inflows of resources	11.2	20.0
Net position:		
Net investment in capital assets	258.6	251.6
Restricted	21.4	22.4
Unrestricted deficit	(109.6)	(123.2)
Total net position	\$ 170.4	\$ 150.8

The largest portion of Yavapai County's net position (152%) reflects its investment in capital assets (e.g. land, buildings, equipment, infrastructure, software, construction in progress), less accumulated depreciation and any related outstanding debt used to acquire those assets. Yavapai County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Yavapai County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental Activities current and other assets increased \$17.6 million from the previous year. This increase is primarily the result of normal variation in the timing of paying expenses during the fiscal year. Restricted assets increased \$64.2 million primarily the result of the unspent proceeds of pledged revenue obligations for the Jail construction. Capital assets increased \$5.2 million because the increase in asset value from new acquisitions was more than the decrease in asset value from depreciation.

The County reported the deferred outflows of resources of \$34.0 million and deferred inflows of resources of \$11.2 million related to pensions at the close of the most recent fiscal year. This represents an increase of \$2.1 million in deferred outflows of resources and a decrease of \$8.8 million in deferred inflows of resources during the fiscal year. The changes in the deferred outflows of resources and deferred inflows of resources are due to the changes in the actuarial valuations of the various pension plans the County participates.

Governmental Activities other liabilities and long-term liabilities outstanding at the end of the fiscal year were \$18.3 million and \$264.8 million, respectively. The other liabilities increased by \$7.8 million due primarily to an increase of \$1.6 million in accounts payable, an increase of \$1.1 million in accrued payroll and employee benefits and an increase of \$4.8 million in unearned revenues. The increase of \$70.5 million in long-term liabilities was largely due to the issuance of pledged revenue obligations for the Jail construction of \$65.8 million and increases of \$5.4 million in net pension liabilities.

Yavapai County

Management's Discussion and Analysis

Yavapai County's Governmental Activities restricted net position of \$21.4 million represents resources that are subject to external restrictions on how they may be used. This amount has decreased by \$1.0 million from the previous year.

At the end of the current fiscal year, Yavapai County reports positive balances in two categories, net investment in capital assets \$258.6 million and restricted net position \$21.4 million. The County has a deficit of \$109.6 million in unrestricted net position, which was a decrease of \$13.6 million in unrestricted net deficit from the prior year's unrestricted deficit of \$123.2 million due largely to increased unrestricted revenues.

Changes in Net Position. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. For the fiscal year, net position increased \$19.6 million. The basis of accounting used in the government-wide statement of activities excludes capital outlay while its revenues include taxes that are used, in part, for the construction of those assets.

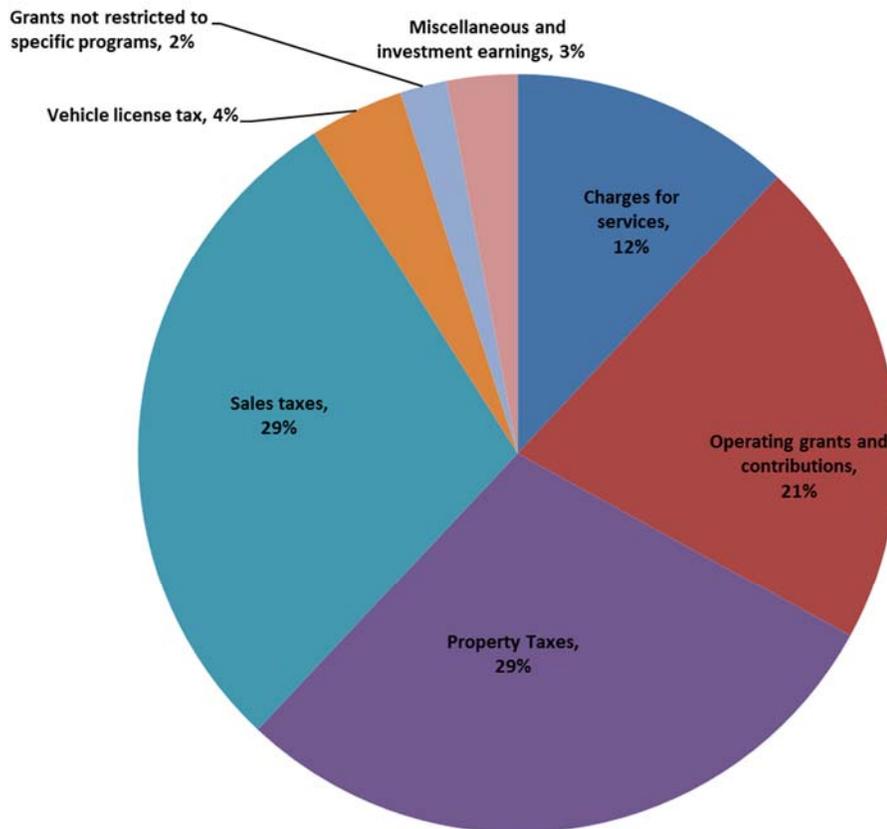
		Governmental Activities	
		2020	2019
Revenues			
Program revenues:			
Charges for services	\$ 26.3	\$ 24.4	
Operating grants and contributions	47.9	38.4	
Capital grants and contributions	0.4	1.6	
General revenues:			
Property taxes	66.6	57.3	
Sales taxes	65.1	60.7	
Vehicle license tax	10.0	9.8	
Grants not restricted to specific programs	4.2	3.5	
Miscellaneous and investment earnings	6.8	7.2	
Total revenues	227.3	202.9	
Expenses			
General government	68.5	64.9	
Public safety	74.0	63.0	
Highways and streets	29.6	26.7	
Sanitation	2.7	2.4	
Health	16.9	15.4	
Welfare	10.8	10.6	
Culture and recreation	0.1	0.2	
Education	4.6	4.1	
Interest on long-term debt	0.5	0.4	
Total expenses	207.7	187.7	
Increase in net position	19.6	15.2	
Net position, July 1	150.8	135.6	
Net position, June 30	\$ 170.4	\$ 150.8	

Yavapai County Management's Discussion and Analysis

Governmental activities. Governmental Activities revenues totaled \$227.3 million for fiscal year 2020, an increase of \$24.4 million or 12.0%. These increases can be attributed to an improving economy in the County. The following are highlights of County revenues:

- Sales taxes are comprised of state shared-sales tax, a 0.5% County excise tax and a 0.25% Jail District excise tax. Overall sales tax increased \$4.4 million or 7.2% from the previous fiscal year due to an improving economy in the County.
- Operating grants and contributions increased \$9.5 million or 24.7% from the previous fiscal year primarily because of an increase of \$5.6 million in grant monies from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Coronavirus Relief Fund; \$742,000 in grants related to pretrial intervention; \$659,000 in grants related to Sheriffs dispatch, and an increase of \$520,000 from the State's contribution to the Elected Officials Retirement Plan on behalf of the County reported in general government; offset by a decrease in highways and streets (state grant for road project).
- Property taxes increased by \$9.3 million or 16.2% from the previous year primarily due to the increase in the tax levy for new construction this fiscal year.

Revenues by Source - Governmental Activities

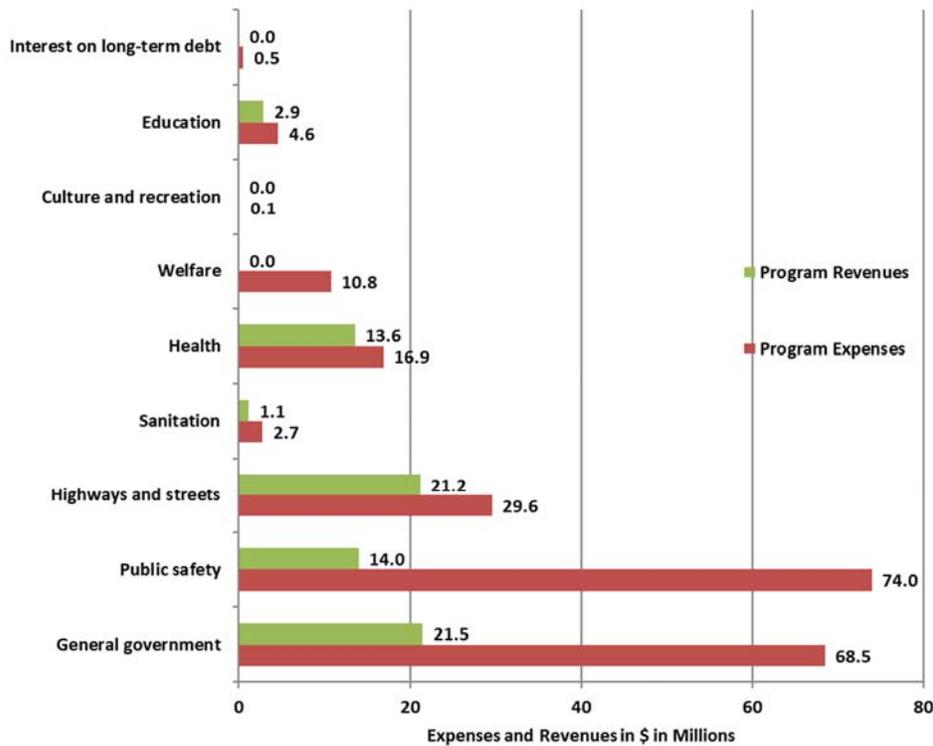


Yavapai County Management's Discussion and Analysis

Expenses

Governmental activities expenses increased \$20.0 million from the previous fiscal year. General government expenses increased \$3.6 million due to an increase in the pension expense relating to elected officials. Public Safety increased from the previous year by \$11.0 million, primarily due to an increase in pension expense related to public safety employees. Highways and streets increased from the previous year by \$2.9 million due to an increase in the number of road projects during the year.

Expenses and Program Revenues - Governmental Activities



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, Yavapai County's governmental funds reported combined ending fund balances of \$137,329,820, which is an increase of \$74,248,621 from the prior year balance. The ending fund balances are categorized as follows.

- Nonspendable \$1,037,867
- Restricted \$83,969,400
- Committed \$27,466,285
- Unassigned \$24,856,268

The total fund balance increased by \$74 million or 118%, primarily due to increases of \$14.3 million in General Fund, \$62.7 million in Jail Construction; offset by decreases of \$2.3 million in Regional Road, and \$2.1 million in HURF Road.

Yavapai County

Management's Discussion and Analysis

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 \$26,449,294, and the unassigned category was \$25,930,207. The unassigned category is \$14,162,070 greater than the previous fiscal year. This increase is due primarily to an increase in property tax revenues of \$8.8 million, and CARES act funding of \$5.6 million.

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

The Jail District fund balance decreased \$0.8 million in accordance with the adopted budget. The Jail Construction fund increased \$62.7 million primarily due to the issuance of pledged revenue obligations in the amount of \$65.8 million; offset by capital expenditures of \$2.1 million. The Jail Debt Service fund was created during fiscal year 2020 to report the debt service activity for the jail construction. The Regional Road fund balance decreased \$2.3 million because of the use of funding received in prior years for a road construction project. The HURF Road fund balance decreased \$2.1 million because of budgeted construction road projects. Capital Projects fund balance increased \$1.1 million because of an elimination of a \$1 million transfer from the General Fund and a \$1.9 million budgeted transfer to the Capital Projects Debt Service fund. The Capital Projects Debt Service fund balance remains relatively unchanged from the prior fiscal year.

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

General Fund Budgetary Highlights

The original General Fund budget appropriation for expenditures was \$115,634,330. Actual expenditures were \$5,387,948 less than the final budgeted appropriation amount, which is primarily due to vacancy savings from staff turnover and departments monitoring and controlling expenditures. The Board approved budgeted transfers between departments during the fiscal year to reclassify expenditures and for departments that required an increase in budget appropriation. The final total General Fund budgeted appropriation remained unchanged. The General Services administrative expenditure budget includes negative amounts for internal cost recoveries, such as vehicle use and indirect costs, which resulted in actual expenditures of negative \$2,782,895 with a significant variance due to actual positive expenditures being less than budgeted.

Total revenues were \$12.3 million over total budgeted revenues (10.3%), which is primarily due to the receipt of \$10.1 million in unbudgeted intergovernmental revenue (CARES Act, PILT, miscellaneous, and RTC Services).

Capital Asset and Debt Administration

Capital Assets. Yavapai County's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$273.7 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, 2020, or in progress at that date, are included in capital assets. Construction in progress increased \$6.0 million due to continued progress on uncompleted planned capital projects.

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

	Governmental Activities	
	2020	2019
Land	\$ 64.4	\$ 63.9
Buildings	69.3	72.1
Equipment	17.6	16.0
Infrastructure	112.9	113.0
Software	0.9	0.9
Construction in progress	8.6	2.6
Total	<u>\$ 273.7</u>	<u>\$ 268.5</u>

Yavapai County Management's Discussion and Analysis

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

Long-term Debt. At the end of the current fiscal year, Yavapai County had total outstanding special assessment bonds of \$1,070,000 for special district road improvements which are secured by property assessments levied against the benefiting property owners. Also, at the current fiscal year-end, Yavapai County had \$14,021,000 in outstanding Excise Tax Revenue Refunding obligations which are secured by County excise tax revenue and are payable over a period of ten years and seven months with an interest rate of 2.08% and \$57,050,000 in outstanding pledged revenue obligations payable over twenty years with an interest rate ranging between 4% and 5%.

Yavapai County's Outstanding Debt (in millions)

	2020	2019
Special Assessment Debt Payable	\$ 1.1	\$ 1.3
Excise Tax Revenue Refunding Obligations	14.0	15.6
Jail District Pledged Revenue Obligations	57.0	-
Unamortized Obligation Premium	8.8	-
Total Outstanding Debt	<u>\$ 80.9</u>	<u>\$ 16.9</u>

State statutes limit the amount of general obligation debt a county may issue without voter approval to 6 percent of its total assessed valuation. The debt limitation for the County for fiscal year ended June 30, 2020, is \$165,940,624. Since the County has no general obligation debt, this amount equals the debt capacity. Additional information on long-term debt can be found in Note 7 on pages 44 - 47.

Long-term Capital Lease. On December 8, 2015, the County entered into a \$212,297 lease purchase agreement to finance the purchase of telephone system upgrades, including hardware, software and professional services, payable for a period of 5 years with an interest rate of 4.95%. The County made its final payment during the fiscal year, and as of June 30, 2020, the outstanding lease balance is \$0.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Yavapai County is currently 7.4% for 2020, US Bureau of Labor Statistics.
- Inflationary trends in the region are comparable to or better than national and the State of Arizona indices.
- The economy at the national and state level is anticipated to have the effect of maintaining or increasing Federal and State of Arizona grant programs.

These factors were considered in preparing Yavapai County's budget for the 2020-21 fiscal year. The budgetary estimate of unassigned ending fund balance in the general fund of \$13,051,919 was appropriated for spending in the 2020-21 fiscal year budget.

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

Requests for Information

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

BASIC FINANCIAL STATEMENTS



This page is left blank intentionally.

Yavapai County
Statement of Net Position
June 30, 2020

	Primary Government Governmental Activities
Assets	
Cash and cash equivalents	\$ 72,900,029
Receivables:	
Property taxes	1,628,940
Special assessments	610,549
Accounts	663,826
Due from other governments	16,014,425
Inventories	524,526
Prepaid items	513,341
Cash and cash equivalents – held by trustee, restricted	64,153,575
Capital assets, not being depreciated	73,031,332
Capital assets, being depreciated, net	200,672,703
Total assets	430,713,246
Deferred Outflows of Resources	
Deferred outflows related to pensions	33,966,381
Total deferred outflows of resources	33,966,381
Liabilities	
Accounts payable	7,353,644
Accrued payroll and employee benefits	5,858,377
Interest payable	199,308
Unearned Revenue	4,799,583
Noncurrent liabilities:	
Due within one year	8,401,018
Due in more than one year	256,413,245
Total liabilities	283,025,175
Deferred Inflows of Resources	
Deferred inflows related to pensions	11,206,014
Total deferred inflows of resources	11,206,014
Net Position	
Net investment in capital assets	258,613,035
Restricted for:	
Social services	5,780,485
Law enforcement and flood control	3,747,552
Roadway construction and maintenance	3,676,564
Landfill and other sanitation	886,822
Public health care and clinical services	4,927,792
Public parks	2,550
School services	1,312,842
Debt service	1,011,075
Capital projects	45,045
Unrestricted deficit	(109,555,324)
Total net position	\$ 170,448,438

See accompanying notes to financial statements.

Yavapai County
Statement of Activities
Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government Governmental Activities
Primary Government:					
Governmental activities:					
General government	\$ 68,488,223	\$ 11,340,202	\$ 10,171,623	\$ -	\$ (46,976,398)
Public safety	74,036,542	3,806,332	10,239,227	-	(59,990,983)
Highways and streets	29,638,322	2,168,531	18,949,196	383,106	(8,137,489)
Sanitation	2,653,849	597,119	476,875	14,345	(1,565,510)
Health	16,921,934	6,781,626	6,784,701	-	(3,355,607)
Welfare	10,849,287	-	-	-	(10,849,287)
Culture and recreation	95,260	-	-	-	(95,260)
Education	4,553,954	1,568,273	1,292,081	-	(1,693,600)
Interest on long-term debt	474,200	-	-	-	(474,200)
Total governmental activities	<u>\$ 207,711,571</u>	<u>\$ 26,262,083</u>	<u>\$ 47,913,703</u>	<u>\$ 397,451</u>	<u>(133,138,334)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					56,949,782
Property taxes, levied for flood control					5,149,828
Property taxes, levied for free library					4,534,422
County sales tax—Jail construction and operation					10,366,174
County sales tax—unrestricted					20,732,511
Franchise taxes					322,249
Shared revenue—state sales tax					34,024,932
Shared revenue—state vehicle license tax					10,048,063
Grants and contributions not restricted to specific programs					3,667,743
State appropriation					550,050
Investment earnings					870,170
Gain on disposal of capital assets					566,755
Miscellaneous					4,998,690
Total general revenues					<u>152,781,369</u>
Change in net position					<u>19,643,035</u>
Net position, July 1, 2019					<u>150,805,403</u>
Net position, June 30, 2020					<u>\$ 170,448,438</u>

See accompanying notes to financial statements.

Yavapai County
Balance Sheet
Governmental Funds
June 30, 2020

Assets	General	Jail District	Jail Construction	Jail Debt Service
Cash and cash equivalents	\$ 25,334,514	\$ -	\$ -	\$ -
Receivables:				
Property taxes	1,389,407	-	-	-
Special assessments	-	-	-	-
Accounts	78,839	7,281	-	-
Due from:				
Other funds	1,827,537	82,323	-	-
Other governments	8,162,769	1,934,408	-	-
Inventories	140,447	-	-	-
Prepaid items	378,640	-	-	-
Cash and cash equivalents – held by trustee, restricted	-	-	64,153,575	-
Total assets	<u>\$ 37,312,153</u>	<u>\$ 2,024,012</u>	<u>\$ 64,153,575</u>	<u>\$ -</u>
Liabilities				
Accounts payable	\$ 1,246,001	\$ 413,035	\$ 872,101	\$ -
Accrued payroll and employee benefits	3,583,587	589,730	-	-
Due to other funds	323,451	1,022,671	555,800	-
Unearned Revenue	4,799,583	-	-	-
Total liabilities	<u>9,952,622</u>	<u>2,025,436</u>	<u>1,427,901</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	910,237	-	-	-
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>910,237</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	519,087	-	-	-
Restricted	-	-	62,725,674	-
Committed	-	-	-	-
Unassigned	25,930,207	(1,424)	-	-
Total fund balances	<u>26,449,294</u>	<u>(1,424)</u>	<u>62,725,674</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 37,312,153</u>	<u>\$ 2,024,012</u>	<u>\$ 64,153,575</u>	<u>\$ -</u>

See accompanying notes to financial statements.

Regional Road	HURF Road	Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 9,841,882	\$ 3,557,106	\$16,611,369	\$ 2,131	\$ 17,553,027	\$ 72,900,029
-	-	-	-	239,533	1,628,940
-	-	-	-	610,549	610,549
108,783	37,685	3,070	-	428,168	663,826
-	616,374	-	-	517,070	3,043,304
1,691,006	1,334,273	572,463	-	2,319,506	16,014,425
-	384,079	-	-	-	524,526
275	3,725	-	-	130,701	513,341
-	-	-	-	-	64,153,575
<u>\$ 11,641,946</u>	<u>\$ 5,933,242</u>	<u>\$17,186,902</u>	<u>\$ 2,131</u>	<u>\$ 21,798,554</u>	<u>\$ 160,052,515</u>
\$ 1,737,668	\$ 1,495,997	\$ 57,136	\$ -	\$ 1,531,706	\$ 7,353,644
16,970	360,912	-	-	1,307,178	5,858,377
375,580	52,003	-	-	713,799	3,043,304
-	-	-	-	-	4,799,583
<u>2,130,218</u>	<u>1,908,912</u>	<u>57,136</u>	<u>-</u>	<u>3,552,683</u>	<u>21,054,908</u>
-	-	-	-	147,001	1,057,238
-	-	-	-	610,549	610,549
-	-	-	-	757,550	1,667,787
275	387,804	-	-	130,701	1,037,867
-	3,636,526	-	2,131	17,605,069	83,969,400
9,511,453	-	17,129,766	-	825,066	27,466,285
-	-	-	-	(1,072,515)	24,856,268
<u>9,511,728</u>	<u>4,024,330</u>	<u>17,129,766</u>	<u>2,131</u>	<u>17,488,321</u>	<u>137,329,820</u>
<u>\$ 11,641,946</u>	<u>\$ 5,933,242</u>	<u>\$17,186,902</u>	<u>\$ 2,131</u>	<u>\$ 21,798,554</u>	<u>\$ 160,052,515</u>

See accompanying notes to financial statements.

Yavapai County
 Reconciliation of the Governmental Funds Balance Sheet
 to the Government-wide Statement of Net Position
 June 30, 2020

Fund balances—total governmental funds		\$ 137,329,820
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		273,704,035
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.		1,667,787
Long-term liabilities, such as net pension liabilities and bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
Revenue bonds issued	\$ (14,021,000)	
Special assessment debt	(1,070,000)	
Pledged revenue obligation	(57,050,000)	
Unamortized obligation premium	(8,784,446)	
Accrued interest payable	(199,308)	
Net pension liabilities	(172,421,308)	
Landfill closure and postclosure care costs payable	(732,540)	
Compensated absences payable	(9,741,621)	
Claims and judgments payable	<u>(993,348)</u>	(265,013,571)
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.		<u>22,760,367</u>
Net position of governmental activities		<u>\$ 170,448,438</u>

See accompanying notes to financial statements.

This page is left blank intentionally.

Yavapai County
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2020

	General	Jail District	Jail Construction	Jail Debt Service
Revenues:				
Property taxes	\$ 56,385,517	\$ -	\$ -	\$ -
County sales taxes	9,651,878	10,366,174	-	-
Special assessments	-	-	-	-
Licenses and permits	3,592,136	-	-	-
Intergovernmental	56,247,650	136,742	-	-
Charges for services	3,190,999	758,249	-	-
Fines and forfeits	2,774,837	-	-	-
Investment earnings	148,313	296	-	-
Miscellaneous	432,678	34,228	-	-
Total revenues	<u>132,424,008</u>	<u>11,295,689</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
General government	57,675,984	-	4,044	-
Public safety	35,229,489	19,333,624	-	-
Highways and streets	-	-	-	-
Sanitation	1,993,824	-	-	-
Health	-	-	-	-
Welfare	10,836,316	-	-	-
Culture and recreation	83,955	-	-	-
Education	766,356	-	-	-
Debt service:				
Principal	45,006	-	-	-
Interest and other charges	-	-	-	-
Bond issuance costs	-	-	-	834,446
Capital outlay	<u>3,615,452</u>	<u>89,727</u>	<u>2,086,834</u>	<u>-</u>
Total expenditures	<u>110,246,382</u>	<u>19,423,351</u>	<u>2,090,878</u>	<u>834,446</u>
Excess (deficiency) of revenues over expenditures	22,177,626	(8,127,662)	(2,090,878)	(834,446)
Other financing sources (uses):				
Sale of capital assets	160,366	-	-	-
Obligation proceeds	-	-	57,050,000	-
Premium on obligation proceeds	-	-	8,784,446	-
Transfers in	1,939	7,347,695	-	834,446
Transfers out	<u>(8,045,223)</u>	<u>-</u>	<u>(1,017,894)</u>	<u>-</u>
Total other financing sources (uses)	<u>(7,882,918)</u>	<u>7,347,695</u>	<u>64,816,552</u>	<u>834,446</u>
Net change in fund balances	14,294,708	(779,967)	62,725,674	-
Fund balances, July 1, 2019	<u>12,154,586</u>	<u>778,543</u>	<u>-</u>	<u>-</u>
Fund balances, June 30, 2020	<u>\$ 26,449,294</u>	<u>\$ (1,424)</u>	<u>\$ 62,725,674</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

Regional Road	HURF Road	Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 10,067,942	\$ 66,453,459
8,293,004	-	3,109,877	-	-	31,420,933
-	-	-	-	218,363	218,363
2,036,700	-	-	-	739,486	6,368,322
247,622	17,415,327	-	-	24,224,285	98,271,626
-	-	-	-	9,409,395	13,358,643
-	-	-	-	562,766	3,337,603
146,193	61,773	225,340	-	288,255	870,170
19,278	143,501	-	-	5,961,932	6,591,617
<u>10,742,797</u>	<u>17,620,601</u>	<u>3,335,217</u>	<u>-</u>	<u>51,472,424</u>	<u>226,890,736</u>
-	-	127,138	-	10,375,957	68,183,123
-	-	-	-	17,160,545	71,723,658
3,423,538	14,547,488	-	-	774,479	18,745,505
-	-	-	-	498,575	2,492,399
-	-	-	-	16,528,607	16,528,607
-	-	-	-	-	10,836,316
-	-	-	-	4,553	88,508
-	-	-	-	3,812,001	4,578,357
-	-	-	1,595,000	175,000	1,815,006
-	-	-	316,524	77,394	393,918
-	-	-	-	-	834,446
9,652,617	5,782,383	432,929	-	1,363,226	23,023,168
<u>13,076,155</u>	<u>20,329,871</u>	<u>560,067</u>	<u>1,911,524</u>	<u>50,770,337</u>	<u>219,243,011</u>
(2,333,358)	(2,709,270)	2,775,150	(1,911,524)	702,087	7,647,725
-	606,084	-	-	-	766,450
-	-	-	-	-	57,050,000
-	-	-	-	-	8,784,446
-	-	254,394	1,911,524	1,614,148	11,964,146
-	-	(1,911,524)	-	(989,505)	(11,964,146)
<u>-</u>	<u>606,084</u>	<u>(1,657,130)</u>	<u>1,911,524</u>	<u>624,643</u>	<u>66,600,896</u>
(2,333,358)	(2,103,186)	1,118,020	-	1,326,730	74,248,621
11,845,086	6,127,516	16,011,746	2,131	16,161,591	63,081,199
<u>\$ 9,511,728</u>	<u>\$ 4,024,330</u>	<u>\$17,129,766</u>	<u>\$ 2,131</u>	<u>\$ 17,488,321</u>	<u>\$ 137,329,820</u>

Yavapai County
 Reconciliation of the Governmental Funds Statement of
 Revenues, Expenditures, and Changes in Fund Balances
 to the Government-wide Statement of Activities
 Year Ended June 30, 2020

Net change in fund balances—total governmental funds \$ 74,248,621

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	23,023,168	
Depreciation expense	<u>(17,975,240)</u>	5,047,928

In the Statement of Activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the capital assets sold. (199,695)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 345,747

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

County pension contributions	19,433,013	
Pension expense	(13,471,700)	
State's non-employer pension contributions	<u>(448,635)</u>	5,512,678

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

Principal repaid on capital lease	45,006	
Principal repaid on bonds	1,770,000	
Proceeds from obligations	(57,050,000)	
Proceeds from obligations premium	<u>(8,784,446)</u>	(64,019,440)

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

Increase in compensated absences	(704,088)	
Increase in claims and judgments	(442,037)	
Increase in interest payable	(157,677)	
Decrease in landfill closure and postclosure care costs	<u>10,998</u>	<u>(1,292,804)</u>

Change in net position of governmental activities \$ 19,643,035

See accompanying notes to financial statements.

Yavapai County
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Investment Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 127,769,729	\$ 5,500,767
Total assets	127,769,729	\$ 5,500,767
 Liabilities		
Deposits held for others	-	\$ 5,500,767
Total liabilities	-	\$ 5,500,767
 Net Position		
Held in trust for investment trust participants	\$ 127,769,729	

See accompanying notes to financial statements.

Yavapai County
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2020

	Investment Trust Funds
Additions:	
Contributions from participants	\$ 447,567,255
Investment earnings	3,245,410
Total additions	450,812,665
Deductions:	
Distributions to participants	450,248,693
Total deductions	450,248,693
Change in net position	563,972
Net position, July 1, 2019	127,205,757
Net position, June 30, 2020	\$ 127,769,729

See accompanying notes to financial statements.

Yavapai County
Notes to Financial Statements
June 30, 2020

Note 1 - Summary of significant accounting policies

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

A. Reporting entity

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

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

The following table describes the County’s component units:

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

Yavapai County
Notes to Financial Statements
June 30, 2020

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

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

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

B. Basis of presentation

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

Yavapai County
Notes to Financial Statements
June 30, 2020

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

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

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

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

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

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

The County reports the following major governmental funds:

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

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

The *Jail Construction Fund* accounts for construction of a new criminal justice facility and is funded by pledged revenue obligations.

The *Jail District Debt Service Fund* accounts for the resources accumulated and payments made on the pledged revenue obligation for the construction of the new criminal justice facility.

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

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

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

Yavapai County
Notes to Financial Statements
June 30, 2020

The *Capital Projects Debt Service Fund* accounts for the resources accumulated and payments made on the revenue refunding obligation for the construction of court and juvenile detention buildings.

The County also reports the following fund types:

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

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

C. Basis of accounting

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

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

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

D. Cash and investments

All investments are stated at fair value.

Yavapai County
Notes to Financial Statements
June 30, 2020

E. Inventories

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

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

F. Prepaid items

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

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

G. Property tax calendar

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

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

H. Capital assets

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

Yavapai County
Notes to Financial Statements
June 30, 2020

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

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

I. Deferred outflows and inflows of resources

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

J. Pensions

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

K. Fund balance classifications

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

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

Yavapai County
Notes to Financial Statements
June 30, 2020

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

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

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

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

L. Investment earnings

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

M. Compensated absences

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

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

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

Yavapai County
Notes to Financial Statements
June 30, 2020

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

Note 2 - Stewardship, compliance, and accountability

Deficit fund balance—At June 30, 2020, the CYMPO (nonmajor governmental) Fund reported a deficit fund balance of \$92,036.

Note 3 - Deposits and investments

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

Credit risk

Statutes have the following requirements for credit risk:

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

Custodial credit risk

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

Concentration of credit risk

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

Interest rate risk

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

Yavapai County
Notes to Financial Statements
June 30, 2020

Foreign currency risk

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

Deposits—At June 30, 2020, the carrying amount of the County’s deposits was \$14,831,867, and the bank balance was \$16,910,001. The County does not have a formal policy with respect to custodial credit risk.

Investments—The County’s investments at June 30, 2020, categorized within the fair value hierarchy established by generally accepted accounting principles, were as follows:

	Amount	Fair value measurement using Quoted prices in active markets for identical assets (Level 1)
Investments by fair value level		
U.S. Treasury securities	\$ 8,534,531	\$ 8,534,531
U.S. agency securities	30,691,336	30,691,336
Money market funds	14,717,301	14,717,301
Money market funds – held by trustee	64,153,575	64,153,575
Total investments by fair value level	118,096,743	\$ 118,096,743
External investment pools measured at fair value		
State Treasurer’s investment pools	137,353,141	
Total investments	\$ 255,449,884	

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

Credit risk— The County does not have a formal investment policy with respect to credit risk. At June 30, 2020, credit risk for the County’s investments was as follows:

Investment type	Rating	Rating agency	Amount
State Treasurer’s Investment Pool 5	AAAf/S1+	Standard and Poor’s	\$ 47
State Treasurer’s Investment Pool 7	Unrated	N/A	137,353,094
U.S. agency securities	Aaa	Moody’s	30,691,336
Money market funds	Unrated	N/A	14,717,301
Money market funds - held by trustee	Aaa-mf	Moody’s	64,153,575
			\$ 246,915,353

Yavapai County
Notes to Financial Statements
June 30, 2020

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 an outside party’s possession. The County does not have a formal investment policy with respect to custodial credit risk.

Concentration of credit risk— The County does not have a formal investment policy with respect to concentration of credit risk. The County had investments at June 30, 2020, of 5 percent or more in the Federal Farm Credit Bank and Federal Home Loan Bank. These investments were 6.9 percent and 7.3 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, 2020, the County had the following investments:

Investment Type	Amount	Weighted Average Maturity (Years)
State Treasurer’s Investment Pool 5	\$ 47	.12
State Treasurer’s Investment Pool 7	137,353,094	.15
U.S. Treasury securities	8,534,531	.17
U.S. agency securities	30,691,336	1.41
Money market funds	14,717,301	.00
Money market funds - held by trustee	64,153,575	.00
	<u>\$ 255,449,884</u>	

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

Cash, deposits, and investments:

Cash on hand	\$ 42,349
Amount of deposits	14,831,867
Amount of investments	255,449,884
Total	<u>\$ 270,324,100</u>

	Governmental activities	Investment trust funds	Agency funds	Total
Cash and cash equivalents	\$ 72,900,029	\$ 127,769,729	\$ 5,500,767	\$ 206,170,525
Cash and cash equivalents – held by trustee, restricted	64,153,575	-	-	64,153,575
Total	<u>\$137,053,604</u>	<u>\$ 127,769,729</u>	<u>\$ 5,500,767</u>	<u>\$ 270,324,100</u>

Yavapai County
Notes to Financial Statements
June 30, 2020

Note 4 - Due from other governments

Amounts due from other governments for governmental activities at June 30, 2020, are as follows:

	General	Jail District	Regional Road	HURF Road	Capital Projects	Other Governmental Funds	Total
State-shared revenue from sales tax	\$ 5,757,885	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,757,885
State-shared revenue from highway user taxes	-	-	-	1,125,678	-	-	1,125,678
County excise tax distributions	1,713,795	1,904,139	1,523,373	-	571,265	-	5,712,572
State motor vehicle license taxes	469,413	-	-	181,777	-	-	651,190
Other intergovernmental receivables	221,676	30,269	167,633	26,818	1,198	2,319,506	2,767,100
Due from other governments	<u>\$ 8,162,769</u>	<u>\$ 1,934,408</u>	<u>\$ 1,691,006</u>	<u>\$ 1,334,273</u>	<u>\$ 572,463</u>	<u>\$ 2,319,506</u>	<u>\$ 16,014,425</u>

Note 5 - Capital assets

Capital asset activity for the year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 63,992,932	\$ 457,178	\$ -	\$ 64,450,110
Construction in progress	2,585,170	13,120,204	(7,124,152)	8,581,222
Total capital assets not being depreciated	<u>66,578,102</u>	<u>13,577,382</u>	<u>(7,124,152)</u>	<u>73,031,332</u>
Capital assets being depreciated:				
Buildings	112,724,534	99,606	-	112,824,140
Equipment	53,226,079	6,977,633	(2,916,545)	57,287,167
Infrastructure	382,179,585	9,479,104	-	391,658,689
Software	6,316,820	325,627	(95,147)	6,547,300
Total	<u>554,447,018</u>	<u>16,881,970</u>	<u>(3,011,692)</u>	<u>568,317,296</u>
Less accumulated depreciation for:				
Buildings	(40,606,327)	(2,895,313)	-	(43,501,640)
Equipment	(37,220,711)	(5,214,245)	2,716,850	(39,718,106)
Infrastructure	(269,207,426)	(9,497,814)	-	(278,705,240)
Software	(5,446,886)	(367,868)	95,147	(5,719,607)
Total	<u>(352,481,350)</u>	<u>(17,975,240)</u>	<u>2,811,997</u>	<u>(367,644,593)</u>
Total capital assets being depreciated, net	<u>201,965,668</u>	<u>(1,093,270)</u>	<u>(199,695)</u>	<u>200,672,703</u>
Governmental activities capital assets, net	<u>\$268,543,770</u>	<u>\$ 12,484,112</u>	<u>\$ (7,323,847)</u>	<u>\$273,704,035</u>

Yavapai County
Notes to Financial Statements
June 30, 2020

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 4,688,628
Public safety	2,185,455
Highways and streets	10,672,088
Sanitation	156,757
Health	175,656
Culture and recreation	6,752
Education	89,904
Total governmental activities depreciation expense	<u>\$ 17,975,240</u>

Note 6 - Construction commitments

The County had major contractual commitments related to various capital projects at June 30, 2020, for the construction of road, airport and building improvements and a criminal justice facility. At June 30, 2020, the County had spent \$6,636,928 on these projects and had remaining contractual commitments with contractors of \$11,143,204. The road improvement projects are being funded by the County's excise tax out of the Regional Road Fund. The airport improvement project is being funded by a grant out of the Airport Development Fund. The building improvement is being funded by the County's excise tax out of the Capital Projects Fund. The criminal justice facility is being funded by the County's excise tax out of the Capital Projects Fund and the pledged revenue obligations out of the Jail Construction Fund.

Note 7 - Long-term liabilities

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due within 1 year
Governmental Activities:					
Revenue refunding obligation	\$ 15,616,000	\$ -	\$ (1,595,000)	\$ 14,021,000	\$ 1,628,000
Special assessment debt	1,245,000	-	(175,000)	1,070,000	175,000
Jail District pledged revenue obligations	-	57,050,000	-	57,050,000	1,605,000
Unamortized obligation premium	-	8,784,446	-	8,784,446	439,222
Capital leases payable	45,006	-	(45,006)	-	-
Net pension liabilities	167,057,960	5,363,348	-	172,421,308	97,408
Landfill closure and postclosure care costs payable	743,538	12,960	(23,958)	732,540	23,604
Compensated absences payable	9,037,533	6,593,012	(5,888,924)	9,741,621	3,670,228
Claims and judgments payable	551,311	985,289	(543,252)	993,348	762,556
Total governmental activities long-term liabilities	<u>\$ 194,296,348</u>	<u>\$ 78,789,055</u>	<u>\$ (8,271,140)</u>	<u>\$ 264,814,263</u>	<u>\$ 8,401,018</u>

Revenue refunding obligation

On October 17, 2017, the County entered into a revenue refunding obligation in the amount of \$16,978,000 at an average interest rate of 2.08%, with interest payable semiannually. The County has pledged the County general excise tax revenues and the state shared tax revenues to repay the obligation. The total principal and interest remaining on the obligation is \$15,292,181, payable through May 2028. Annual principal and interest payments are expected to require 6% of pledged revenues. Principal payments were \$1,595,000 and interest payments were \$316,524 for the current year. County general excise tax revenues were \$20,732,511 and the net state shared tax revenues were \$23,748,868.

Yavapai County
Notes to Financial Statements
June 30, 2020

The following schedule details debt service requirements to maturity for the County's revenue refunding obligation payable at June 30, 2020:

Year ending June 30	<u>Principal</u>	<u>Interest</u>
2021	\$ 1,628,000	\$ 283,171
2022	1,662,000	249,132
2023	1,697,000	214,386
2024	1,733,000	178,890
2025	1,769,000	142,657
2026-2028	5,532,000	202,945
Total	<u>\$ 14,021,000</u>	<u>\$ 1,271,181</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. The total principal and interest remaining on the bonds is \$1,379,028, 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 \$251,234 and the special assessments were \$610,549.

The following special assessment districts had debt outstanding at June 30, 2020:

<u>Description</u>	<u>Original Amount Issued</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal June 30, 2020</u>
Coyote Springs Road Improvement	\$1,552,000	1/1/21-1/1/22	6.40%	\$ 160,000
Poquito Valley Road Improvement	1,857,000	1/1/21-1/1/30	6.625%	910,000
Total				<u>\$ 1,070,000</u>

The following schedule details debt service requirements to maturity for the County's special assessment debt payable at June 30, 2020:

Year ending June 30	<u>Principal</u>	<u>Interest</u>
2021	\$ 175,000	\$ 64,821
2022	175,000	53,407
2023	90,000	44,719
2024	90,000	38,756
2025	90,000	32,794
2026-2030	450,000	74,531
Total	<u>\$ 1,070,000</u>	<u>\$ 309,028</u>

Yavapai County
Notes to Financial Statements
June 30, 2020

Pledged revenue obligation

On June 4, 2020, the County entered into a pledged revenue obligation in the amount of \$57,050,000 at an average interest rate of 4.237%, with interest payable semiannually for the purpose of constructing a new jail facility. The County has pledged the Jail District excise tax revenues and the County's maintenance of effort payment to repay the obligation. The total principal and interest remaining on the obligation is \$86,221,943, payable through July 2040. Annual principal and interest payments are expected to require 24% of pledged revenues. Due to the timing of the issuance, there were no principal and interest payments for the current year. Jail District excise tax revenues were \$10,366,174 and the maintenance of efforts payments were \$7,303,557.

The following schedule details debt service requirements to maturity for the County's revenue refunding obligation payable at June 30, 2020:

Year ending June 30	Principal	Interest
2021	\$ 1,605,000	\$ 2,704,593
2022	1,860,000	2,451,700
2023	1,955,000	2,358,700
2024	2,050,000	2,260,950
2025	2,155,000	2,158,450
2026-2030	12,485,000	9,065,500
2031-2035	15,745,000	5,808,650
2036-2040	19,195,000	2,363,400
Total	\$ 57,050,000	\$ 29,171,943

Landfill closure and postclosure care costs

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

The amount recognized each year is based on landfill capacity used at the end of each fiscal year. All seven County landfills stopped accepting waste and were closed prior to June 30, 2018. As of June 30, 2018, the County wrote off remaining landfill closure and postclosure care costs for four of its landfills since the County's attorneys determined that there was no longer any obligation on the part of the County to maintain postclosure financial assurances on those landfills. As of June 30, 2020, the landfill closure and postclosure care liability of \$732,540 represents the cumulative amount of costs remaining on these three remaining closed landfills, which is net of expenditures incurred to date. This amount is based on what it would cost to perform all closure and postclosure care in fiscal year 2020 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.

Yavapai County
Notes to Financial Statements
June 30, 2020

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

Insurance claims

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

Compensated absences and claims and judgments

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs. Claims and judgments are generally paid from the fund that accounts for the activity that gave rise to the claim. During fiscal year 2020, the County paid for compensated absences as follows: 60 percent from the General Fund, 17 percent from major funds, and 23 percent from other funds. The County paid for claims and judgments from the General Fund.

Yavapai County
Notes to Financial Statements
June 30, 2020

Note 8 - Fund balance classifications of the governmental funds

The fund balance classifications of the governmental funds as of June 30, 2020, were as follows:

	General	Jail District	Jail Construction	Jail Debt Service
Fund balances:				
Nonspendable:				
Inventories	\$ 140,447	\$ -	\$ -	\$ -
Prepaid items	378,640	-	-	-
Total nonspendable	<u>519,087</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restricted for:				
Social services	-	-	-	-
Law enforcement	-	-	62,725,674	-
Flood control	-	-	-	-
Roadway construction and maintenance	-	-	-	-
Landfill and other sanitation	-	-	-	-
Public health care and clinical services	-	-	-	-
Public parks	-	-	-	-
School services	-	-	-	-
Debt service	-	-	-	-
Capital construction	-	-	-	-
Total restricted	<u>-</u>	<u>-</u>	<u>62,725,674</u>	<u>-</u>
Committed to:				
Social services	-	-	-	-
Probation services	-	-	-	-
Roadway construction	-	-	-	-
Public health care and clinical services	-	-	-	-
School services	-	-	-	-
Capital construction	-	-	-	-
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	25,930,207	(1,424)	-	-
Total fund balances	<u>\$ 26,449,294</u>	<u>\$ (1,424)</u>	<u>\$ 62,725,674</u>	<u>\$ -</u>

Yavapai County
Notes to Financial Statements
June 30, 2020

Regional Road	HURF Road	Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 384,079	\$ -	\$ -	\$ -	\$ 524,526
275	3,725	-	-	130,701	513,341
<u>275</u>	<u>387,804</u>	<u>-</u>	<u>-</u>	<u>130,701</u>	<u>1,037,867</u>
-	-	-	-	5,705,000	5,705,000
-	-	-	-	2,695,317	65,420,991
-	-	-	-	980,719	980,719
-	3,636,526	-	-	40,038	3,676,564
-	-	-	-	886,822	886,822
-	-	-	-	4,927,792	4,927,792
-	-	-	-	2,550	2,550
-	-	-	-	1,312,842	1,312,842
-	-	-	2,131	1,008,944	1,011,075
-	-	-	-	45,045	45,045
<u>-</u>	<u>3,636,526</u>	<u>-</u>	<u>2,131</u>	<u>17,605,069</u>	<u>83,969,400</u>
-	-	-	-	15,443	15,443
-	-	-	-	12,489	12,489
9,511,453	-	-	-	-	9,511,453
-	-	-	-	788,808	788,808
-	-	-	-	8,326	8,326
<u>-</u>	<u>-</u>	<u>17,129,766</u>	<u>-</u>	<u>-</u>	<u>17,129,766</u>
<u>9,511,453</u>	<u>-</u>	<u>17,129,766</u>	<u>-</u>	<u>825,066</u>	<u>27,466,285</u>
-	-	-	-	(1,072,515)	24,856,268
<u>\$ 9,511,728</u>	<u>\$ 4,024,330</u>	<u>\$ 17,129,766</u>	<u>\$ 2,131</u>	<u>\$ 17,488,321</u>	<u>\$ 137,329,820</u>

Yavapai County
Notes to Financial Statements
June 30, 2020

Note 9 - Risk management

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

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of 13 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; cyber security; and natural disasters; and provides risk management services. Such coverage includes all defense costs as well as the amount of any judgment or settlement. The County is responsible for paying a premium based on its exposure in relation to the exposure of the other participants, and a deductible of \$25,000 per occurrence for property claims and \$50,000 per occurrence for liability claims. The County is also responsible for any payments in excess of the maximum coverage of \$300 million per occurrence for property claims and \$15 million per occurrence for liability claims. However, lower limits apply to certain categories of losses. A county must participate in the pool at least 3 years after becoming a member; however, it may withdraw after the initial 3-year period.

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

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

Yavapai County
Notes to Financial Statements
June 30, 2020

Note 10 - Pensions

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

At June 30, 2020, the County reported the following aggregate amounts related to pensions for all plans to which it contributes:

Statement of net position and statement of activities	Governmental activities
Net pension liability	\$ 172,421,308
Deferred outflows of resources related to pensions	33,966,381
Deferred inflows of resources related to pensions	11,206,014
Pension expense	13,471,703

The County's accrued payroll and employee benefits includes \$724,807 of outstanding pension contribution amounts payable to all pension plans for the year ended June 30, 2020. Also, the County reported \$19,433,013 of pension contributions as expenditures in the governmental funds related to all pension plans to which it contributes.

A. Arizona State Retirement System

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

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

Yavapai County
Notes to Financial Statements
June 30, 2020

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

*With actuarially reduced benefits.

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

Contributions—In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2020, statute required active ASRS members to contribute at the actuarially determined rate of 11.94 percent for retirement of the members' annual covered payroll, and statute required the County to contribute at the actuarially determined rate of 11.45 percent for retirement of the active members' annual covered payroll.

In addition, the County was required by statute to contribute at the actuarially determined rate of 10.29 percent for retirement of annual covered payroll of retired members who worked for the County in positions that an employee who contributes to the ASRS would typically fill. The County's contributions to the pension plan for the year ended June 30, 2020, were \$6,625,726.

During fiscal year 2020, the County paid for ASRS pension contributions as follows: 62.5 percent from the General Fund, 12.0 percent from major funds, and 25.5 percent from other funds.

Yavapai County
Notes to Financial Statements
June 30, 2020

Liability—At June 30, 2020, the County reported a liability of \$75,529,269 for its proportionate share of the ASRS’ net pension liability. The net liability was measured as of June 30, 2019. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019.

The County’s proportion of the net liability was based on the County’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2019. The County’s proportion measured as of June 30, was 0.5191 percent, which was a decrease of 0.0234 from its proportion measured as of June 30, 2018.

Expense—For the year ended June 30, 2020, the County recognized pension expense of \$7,503,488.

Deferred outflows/inflows of resources—At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ASRS	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 1,364,456	\$ 14,201
Changes of assumptions or other inputs	319,265	3,007,724
Net difference between projected and actual earnings on pension plan investments		1,697,637
Changes in proportion and differences between county contributions and proportionate share of contributions	1,064,608	2,298,942
County contributions subsequent to the measurement date	<u>6,625,726</u>	
Total	<u>\$ 9,374,055</u>	<u>\$ 7,018,504</u>

Yavapai County
Notes to Financial Statements
June 30, 2020

The amount reported as deferred outflows of resources related to ASRS pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expenses as follows:

Year ending June 30	
2021	\$ (1,304,107)
2022	(3,094,724)
2023	(326,018)
2024	454,674

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

ASRS

Actuarial valuation date	June 30, 2018
Actuarial roll forward date	June 30, 2019
Actuarial cost method	Entry age normal
Investment rate of return	7.5%
Projected salary increases	2.7-7.2%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

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

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

ASRS	Target	Long-term expected geometric
Asset class	allocation	real rate of return
Equity	50%	6.09%
Credit	20%	5.36%
Interest rate sensitive bonds	10%	1.62%
Real estate	20%	5.85%
Total	<u>100%</u>	

Yavapai County
Notes to Financial Statements
June 30, 2020

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

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

ASRS	1% Decrease (6.5%)	Current discount rate (7.5%)	1% Increase (8.5%)
County’s proportionate share of the Net pension liability	\$ 107,495,645	\$ 75,529,269	\$ 48,813,606

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

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

Plan descriptions—County sheriff employees and County attorney investigators who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). As of June 30, 2020, the County had no employees participating in the PSPDCRP, therefore it is not further disclosed. The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plan (PSPRS Tier 3 Risk Pool) which is not further disclosed because of its relative insignificance to the County’s financial statements.

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

Yavapai County
Notes to Financial Statements
June 30, 2020

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

The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for the PSPRS and CORP plans. The report is available on the PSPRS website at www.psprs.com.

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

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

Yavapai County
Notes to Financial Statements
June 30, 2020

CORP

	Initial membership date:		
	Before January 1, 2012	On or after January 1, 2012 and before July 1, 2018	AOC probation and surveillance officers: On or after July 1, 2018
Retirement and disability			
Years of service and age required to receive benefit	Sum of years and age equals 80 25 years, any age (dispatchers) 20 years, any age (all others) 10 years, age 62	25 years, age 52.5 10 years, age 62	10 years, age 52.5* 10 or more years, age 55
Final average salary is based on	Highest 36 consecutive months of last 10 years	Highest 60 consecutive months of last 10 years	
Benefit percent			
Normal retirement	2.0% to 2.5% per year of credited service, not to exceed 80%	2.5% per year of credited service, not to exceed 80%	1.25% to 2.25% per year of credited service, not to exceed 80%
Accidental disability retirement	50% or normal retirement if more than 20 years of credited service	50% or normal retirement if more than 25 years of credited service	
Total and permanent disability retirement	50% or normal retirement if more than 25 years of credited service		
Ordinary disability retirement	2.5% per year of credited service		
Survivor benefit			
Retired members	80% of retired member's pension benefit		
Active members	40% of average monthly compensation or 100% of average monthly compensation if death was the result of injuries received on the job. If there is no surviving spouse or eligible children, the beneficiary is entitled to 2 times the member's contributions.		

*With actuarially reduced benefits

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

Yavapai County
Notes to Financial Statements
June 30, 2020

Employees covered by benefit terms—At June 30, 2020, the following employees were covered by the agent pension plans' benefit terms:

	PSPRS Sheriff	PSPRS Attorney Investigators	CORP Detention	CORP Dispatchers
Inactive employees or beneficiaries currently receiving benefits	79	2	48	3
Inactive employees entitled to but not yet receiving benefits	48	0	150	1
Active employees	91	0	135	1
Total	218	2	333	5

Contributions—State statutes establish the pension contribution requirements for active PSPRS and CORP employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS and CORP pension plans. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contribution rates for the year ended June 30, 2020, are indicated below. Rates are a percentage of active members' annual covered payroll.

	Active member— pension	County—pension
PSPRS Sheriff	7.65%-11.65%	48.17%
CORP Detention	8.41	18.46
CORP Dispatchers	7.96	27.02
CORP AOC	8.41 or 10.18	30.71 or 27.91

Also, statute required the County to contribute at the actuarially determined rate of 36.24 percent of the annual covered payroll of county sheriff employees who were PSPRS Tier 3 Risk Pool members, in addition to the County's required contributions to the PSPRS Tier 3 Risk Pool for these county sheriff employees.

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

	Pension
PSPRS Sheriff	36.13%
CORP Detention	11.19%
CORP Dispatchers	18.63%
CORP AOC	22.96%

Yavapai County
Notes to Financial Statements
June 30, 2020

The County's contributions to the plans for the year ended June 30, 2020, were:

	Pension
PSPRS Sheriff	\$ 7,871,726
PSPRS Attorney Investigators	97,408
CORP Detention	1,630,622
CORP Dispatchers	19,611
CORP AOC	1,938,648

During the fiscal year 2020, the County paid for PSPRS and CORP pension contributions as follows: 76.0 percent from the general fund, 14.2 percent from major funds, and 9.8 percent from other funds.

Liability—At June 30, 2020, the County reported the following liabilities:

	Net pension liability
PSPRS Sheriff	\$ 40,397,393
PSPRS Attorney Investigators	1,094,773
CORP Detention	13,616,792
CORP Dispatchers	454,757
CORP AOC (County's proportionate share)	23,081,506

The net liabilities were measured as of June 30, 2019, and the total liability used to calculate the net liability was determined by an actuarial valuation as of that date. The total liabilities as of June 30, 2019, reflect changes of actuarial assumptions to decrease the investment rate of return from 7.4 percent to 7.3 percent and update the mortality rates.

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

PSPRS and CORP—Pension

Actuarial valuation date	June 30, 2019
Actuarial cost method	Entry age normal
Investment rate of return	7.3%
Wage inflation	3.5%
Price inflation	2.5%
Cost-of-living adjustment	1.75%
Mortality rates	PubS-2010 tables

Actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

Yavapai County
Notes to Financial Statements
June 30, 2020

The long-term expected rate of return on PSPRS and CORP plan investments was determined to be 7.3 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

PSPRS and CORP Asset class	Target allocation	Long-term expected geometric real rate of return
Short term investments	2%	0.25%
Risk parity	4%	4.01%
Fixed income	5%	3.00%
Real assets	9%	6.75%
GTS	12%	4.01%
Private credit	16%	5.36%
Real estate	10%	4.50%
Private equity	12%	8.40%
Non-U.S. equity	14%	5.00%
U.S. equity	16%	4.75%
Total	<u>100%</u>	

Discount rate—At June 30, 2019, the discount rate used to measure the PSPRS and CORP total pension liability was 7.3 percent, which was a decrease of 0.1 percent from the discount rate used as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on these assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Yavapai County
Notes to Financial Statements
June 30, 2020

Changes in the net pension liability

PSPRS Sheriff	Pension Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) – (b)
Balances at June 30, 2019	\$67,912,862	\$30,724,449	\$37,188,413
Changes for the year:			
Service cost	1,333,639		1,333,639
Interest on the total liability	4,987,451		4,987,451
Differences between expected and actual experience in the measurement of the liability	723,788		723,788
Changes of assumptions or other inputs	1,857,517		1,857,517
Contributions—employer		3,550,299	(3,550,299)
Contributions—employee		490,883	(490,883)
Net investment income		1,682,471	(1,682,471)
Benefit payments, including refunds of employee contributions	(3,697,039)	(3,697,039)	-
Administrative expense		(30,238)	30,238
Net changes	5,205,356	1,996,376	3,208,980
Balances at June 30, 2020	<u>\$73,118,218</u>	<u>\$32,720,825</u>	<u>\$40,397,393</u>

Yavapai County
Notes to Financial Statements
June 30, 2020

PSPRS Attorney Investigators

	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) – (b)
Balances at June 30, 2019	\$ 1,098,898	\$ 13,133	\$ 1,085,765
Changes for the year:			
Interest on the total pension liability	78,370		78,370
Differences between expected and actual experience in the measurement of the pension liability	8,456		8,456
Changes of assumptions or other inputs	14,088		14,088
Contributions-employer		91,041	(91,041)
Net investment income		1,898	(1,898)
Benefit payments, including refunds of employee contributions	(79,681)	(79,681)	-
Administrative expense		(1,033)	1,033
Net changes	21,233	12,225	9,008
Balances at June 30, 2020	\$ 1,120,131	\$ 25,358	\$ 1,094,773

CORP - Detention

	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) – (b)
Balances at June 30, 2019	\$27,495,145	\$15,117,903	\$12,377,242
Changes for the year:			
Service cost	1,156,005		1,156,005
Interest on the total pension liability	2,072,038		2,072,038
Differences between expected and actual experience in the measurement of the pension liability	12,416		12,416
Change of assumptions or other inputs	807,122		807,122
Contributions—employer		1,422,973	(1,422,973)
Contributions—employee		560,664	(560,664)
Net investment income		840,087	(840,087)
Benefit payments, including refunds of employee contributions	(1,301,271)	(1,301,271)	-
Administrative expense		(15,693)	15,693
Other changes			
Net changes	2,746,310	1,506,760	1,239,550
Balances at June 30, 2020	\$30,241,455	\$16,624,663	\$13,616,792

Yavapai County
Notes to Financial Statements
June 30, 2020

CORP - Dispatchers	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) – (b)
Balances at June 30, 2019	\$ 1,236,253	\$ 780,328	\$ 455,925
Changes for the year:			
Service cost	25,017		25,017
Interest on the total pension liability	89,118		89,118
Differences between expected and actual experience in the measurement of the pension liability	(55,442)		(55,442)
Change of assumptions or other inputs	24,873		24,873
Contributions—employer		36,558	(36,558)
Contributions—employee		9,891	(9,891)
Net investment income		39,693	(39,693)
Benefit payments, including refunds of employee contributions	(113,956)	(113,956)	-
Administrative expense		(1,408)	1,408
Net changes	(30,390)	(29,222)	(1,168)
Balances at June 30, 2020	\$ 1,205,863	\$ 751,106	\$ 454,757

The County's proportion of the CORP AOC net pension liability was based on the County's actual contributions to the plans relative to the total of all participating counties' actual contributions for the year ended June 30, 2019. The County's proportion measured as of June 30, 2019, was 5.4703 percent which was a decrease of 0.2109 from its proportion measured as of June 30, 2018.

Yavapai County
Notes to Financial Statements
June 30, 2020

Sensitivity of the County’s net pension liability to changes in the discount rate—The following table presents the County’s net pension liabilities calculated using the discount rate of 7.3 percent, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.3 percent) or 1 percentage point higher (8.3 percent) than the current rate:

	1% Decrease (6.3%)	Current discount rate (7.3%)	1% Increase (8.3%)
PSPRS Sheriff			
Net pension liability	\$50,116,870	\$40,397,393	\$32,479,416
PSPRS Attorney Investigators			
Net pension liability	\$1,221,564	\$1,094,773	\$989,175
CORP Detention			
Net pension liability	\$18,088,747	\$13,616,792	\$10,051,003
CORP Dispatchers			
Net pension liability	\$630,549	\$454,757	\$312,220
CORP AOC			
County’s proportionate share of the net pension liability	\$29,653,597	\$23,081,506	\$17,724,866

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

Expense—For the year ended June 30, 2020, the County recognized the following pension expense:

	Pension expense
PSPRS Sheriff	\$ 5,239,000
PSPRS Attorney Investigators	95,956
CORP Detention	2,139,825
CORP Dispatchers	59,666
CORP AOC (County’s proportionate share)	3,425,774

Yavapai County
Notes to Financial Statements
June 30, 2020

Deferred outflows/inflows of resources—At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PSPRS Sheriff	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 2,070,904	\$ 328,946
Changes of assumptions or other inputs	2,611,841	
Net difference between projected and actual earnings on pension plan investments	585,010	
County contributions subsequent to the measurement date	<u>7,871,726</u>	
Total	<u>\$13,139,481</u>	<u>\$ 328,946</u>
PSPRS Attorney Investigators	Deferred outflows of resources	Deferred inflows of resources
Net difference between projected and actual earnings on pension plan investments		\$ 6,281
County contributions subsequent to the measurement date	<u>\$ 97,408</u>	
Total	<u>\$ 97,408</u>	<u>\$ 6,281</u>
CORP Detention	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 83,423	\$ 183,141
Changes of assumptions or other inputs	960,960	
Net difference between projected and actual earnings on pension plan investments	222,249	
County contributions subsequent to the measurement date	<u>1,630,622</u>	
Total	<u>\$ 2,897,254</u>	<u>\$ 183,141</u>

Yavapai County
Notes to Financial Statements
June 30, 2020

CORP Dispatchers	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 1,092	\$ 77,712
Changes of assumptions or other inputs	61,186	
Net difference between projected and actual earnings on pension plan investments	10,966	
County contributions subsequent to the measurement date	19,611	
Total	<u>\$ 92,855</u>	<u>\$ 77,712</u>

CORP AOC	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 1,649,225	\$ 656,439
Changes in proportion and differences between county contributions and proportionate share of contributions	750,838	599,390
Changes of assumptions or other inputs	1,479,677	
Net difference between projected and actual earnings on pension plan investments	433,956	
County contributions subsequent to the measurement date	1,938,648	
Total	<u>\$ 6,252,344</u>	<u>\$ 1,255,829</u>

The amounts reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PSPRS Sheriff	PSPRS Attorney Investigators	CORP Detention	CORP Dispatchers	CORP AOC
Year ending June 30					
2021	\$2,170,016	\$ (4,067)	\$ 469,596	\$ 4,067	\$1,109,678
2022	1,628,236	(1,986)	265,438	(15,910)	774,141
2023	1,019,446	(119)	287,796	4,248	607,726
2024	121,111	(109)	60,661	3,127	566,322

Yavapai County
Notes to Financial Statements
June 30, 2020

C. Elected Officials Retirement Plan

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

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

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

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

Yavapai County
Notes to Financial Statements
June 30, 2020

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

Contributions—State statutes establish active member and employer contribution requirements. Statute also appropriates \$5 million annually through fiscal year 2043 for the EORP from the State of Arizona to supplement the normal cost plus an amount to amortize the unfunded accrued liability and designates a portion of certain court fees for the EORP. For the year ended June 30, 2020, statute required active EORP members to contribute 7 or 13 percent of the members' annual covered payroll and the County to contribute the actuarially determined rate of 61.43 percent of all active EORP members' annual covered payroll. Also, statute required the County to contribute 49.49 percent to EORP of the annual covered payroll of elected officials and judges who were ASRS members and 55.43 percent to EORP of the annual covered payroll of elected officials and judges who were EODCRS members, in addition to the County's required contributions to ASRS and EODCRS for these elected officials and judges. In addition, statute required the County to contribute 39.72 percent of annual covered payroll of retired members who worked for the County in positions that an employee who contributes to the EORP would typically fill. The County's contributions to the pension plan for the year ended June 30, 2020, were \$1,249,273.

During fiscal year 2020, the County paid for EORP pension contributions as follows: 93.4 percent from the General Fund, 2.5 percent from major funds, and 4.1 percent from other funds.

Liability—At June 30, 2020, the County reported a liability for its proportionate share of the EORP's net pension liability that reflected a reduction for the County's proportionate share of the State's appropriation for EORP. The amount the County recognized as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the County were as follows:

County's proportionate share of the EORP net pension liability	\$ 18,246,818
State's proportionate share of the EORP net pension liability associated with the County	<u>1,715,013</u>
Total	<u><u>\$ 19,961,831</u></u>

The net liability was measured as of June 30, 2019, and the total liability used to calculate the net liability was determined by an actuarial valuation as of that date. The total liability as of June 30, 2019, reflects changes of actuarial assumptions to decrease the investment rate of return from 7.4 percent to 7.3 percent and update mortality rates.

The County's proportion of the net pension liability was based on the County's required contributions to the pension plan relative to the total of all participating employers' required contributions for the year ended June 30, 2019. The County's proportion measured as of June 30, 2019, was 2.7514 percent, which was a decrease of 0.4031 from its proportion measured as of June 30, 2018.

Yavapai County
Notes to Financial Statements
June 30, 2020

Expense—For the year ended June 30, 2020, the County recognized negative pension expense for EORP of \$4,992,006, and negative revenue of \$448,635 for the County’s proportionate share of the State’s appropriation to EORP and the designated court fees.

Deferred outflows/inflows of resources—At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EORP	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 406,817	\$ 17,305
Changes of assumptions or other inputs	57,364	518,527
Net difference between projected and actual earnings on pension plan investments	124,141	
Changes in proportion and differences between county contributions and proportionate share of contributions	275,389	1,799,769
County contributions subsequent to the measurement date	1,249,273	
Total	<u>\$ 2,112,984</u>	<u>\$ 2,335,601</u>

The amounts reported as deferred outflows of resources related to EORP pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to EORP pensions will be recognized as expenses as follows:

Year ending June 30	Pension
2021	\$ (1,507,067)
2022	(31,658)
2023	34,666
2024	32,169

Yavapai County
Notes to Financial Statements
June 30, 2020

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

EORP—Pension

Actuarial valuation date	June 30, 2019
Actuarial cost method	Entry age normal
Investment rate of return	7.3%
Wage inflation	3.75%
Price inflation	2.5%
Cost-of-living adjustment	1.75%
Mortality rates	PubG-2010 tables

Actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

The long-term expected rate of return on EORP plan investments was determined to be 7.3 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric rates of return for each major asset class are summarized in the following table:

EORP	Target	Long-term expected geometric
Asset class	allocation	real rate of return
Short term investments	2%	0.25%
Risk parity	4%	4.01%
Fixed income	5%	3.00%
Real assets	9%	6.75%
GTS	12%	4.01%
Private credit	16%	5.36%
Real estate	10%	4.50%
Private equity	12%	8.40%
Non-U.S. equity	14%	5.00%
U.S. equity	16%	4.75%
Total	100%	

Discount rates—At June 30, 2019, the discount rate used to measure the EORP total pension liability was 7.3 percent, which was a decrease of 0.1 from the discount rate used as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate, employer contributions will be made at the actuarially determined rate, and State contributions will be made as currently required by statute. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Yavapai County
Notes to Financial Statements
June 30, 2020

Sensitivity of the County’s proportionate share of the EORP net pension liability to changes in the discount rate—The following table presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.3 percent, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.3 percent) or 1 percentage point higher (8.3 percent) than the current rate:

EORP	1% Decrease (6.3%)	Current discount rate (7.3%)	1% Increase (8.3%)
County’s proportionate share of the net pension liability	\$20,895,351	\$18,246,818	\$15,990,980

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

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

For the year ended June 30, 2020, active EODCRS members were required by statute to contribute 8 percent of the members’ annual covered payroll, and the County was required by statute to contribute 6 percent of active members’ annual covered payroll to an individual employee account. Employees are immediately vested in their own contributions and the County’s contributions to the individual employee account and the earnings on those contributions. For the year ended June 30, 2020, the County recognized pension expense of \$36,028.

Yavapai County
Notes to Financial Statements
June 30, 2020

Note 11 - Interfund balances and activity

Interfund receivables and payables—Interfund balances at June 30, 2020, were as follows:

	Payable to				Total
	General Fund	Jail District Fund	HURF Road Fund	Nonmajor Governmental Funds	
Payable from					
General Fund	\$ -	\$ 82,323	\$ 145,625	\$ 95,503	\$ 323,451
Jail District Fund	1,021,321	-	-	1,350	1,022,671
Jail Construction Fund	555,800	-	-	-	555,800
Regional Road Fund	-	-	375,580	-	375,580
HURF Road Fund	52,003	-	-	-	52,003
Nonmajor Governmental Funds	198,413	-	95,169	420,217	713,799
Total	\$1,827,537	\$ 82,323	\$ 616,374	\$ 517,070	\$ 3,043,304

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

Interfund transfers—Interfund transfers for the year ended June 30, 2020, were as follows:

	Transfer to						Total
	General Fund	Jail District Fund	Jail Debt Service Fund	Capital Projects Fund	Capital Projects Debt Service Fund	Nonmajor Governmental Funds	
Transfer from							
General Fund	\$ -	\$ 7,347,695	\$ -	\$ -	\$ -	\$ 697,528	\$ 8,045,223
Jail Construction Fund	-	-	834,446	183,448	-	-	1,017,894
Capital Projects Fund	-	-	-	-	1,911,524	-	1,911,524
Nonmajor Governmental Funds	1,939	-	-	70,946	-	916,620	989,505
Total	\$ 1,939	\$ 7,347,695	\$ 834,446	\$ 254,394	\$ 1,911,524	\$ 1,614,148	\$ 11,964,146

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

Yavapai County
Notes to Financial Statements
June 30, 2020

Note 12 - County Treasurer's investment pool

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

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

The deposits and investments the County holds are included in the County Treasurer's investment pool, except for \$42,349 of cash on hand, and \$5,903,735 of deposits, and \$64,153,575 of investments. Therefore, the deposit and investment risks of the Treasurer's investment pool are substantially the same as the County's deposit and investment risks. See Note 3 for disclosure of the County's deposit and investment risks.

Details of each major investment classification follow:

Investment type	Principal	Interest rates	Maturities	Fair value
State Treasurer's Investment Pool 5	\$ 47	None stated	None stated	\$ 47
State Treasurer's Investment Pool 7	137,336,000	None stated	None stated	137,353,094
U.S. Treasury securities	8,515,938	2.625%	8/31/20	8,534,531
U.S. agency securities	30,213,609	1.6-3.0%	10/6/20 – 2/10/23	30,691,336
Money market funds	14,717,301	.01%	7/01/20	14,717,301

Yavapai County
Notes to Financial Statements
June 30, 2020

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

Statement of net position

Assets	\$200,224,442
Liabilities	-
Net Position	<u><u>\$200,224,442</u></u>

Net position held in trust for:

Internal participants	\$ 72,454,713
External participants	<u>127,769,729</u>
Total net position held in trust	<u><u>\$200,224,442</u></u>

Statement of changes in net position

Total additions	\$703,452,722
Total deductions	<u>(686,929,044)</u>
Net increase	16,523,678
Net position held in trust:	
July 1, 2019	<u>183,700,764</u>
June 30, 2020	<u><u>\$200,224,442</u></u>

REQUIRED SUPPLEMENTARY INFORMATION



Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 56,734,999	\$ 56,734,999	\$ 56,385,517	\$ (349,482)
County sales taxes	9,245,275	9,245,275	9,651,878	406,603
Licenses and permits	2,730,000	2,730,000	3,592,136	862,136
Intergovernmental	46,142,118	46,142,118	56,247,650	10,105,532
Charges for services	1,930,000	1,930,000	3,190,999	1,260,999
Fines and forfeits	2,800,000	2,800,000	2,774,837	(25,163)
Investment earnings	120,000	120,000	148,313	28,313
Miscellaneous	400,000	400,000	432,678	32,678
Total revenues	120,102,392	120,102,392	132,424,008	12,321,616
Expenditures:				
General government				
Board of Supervisors	2,146,144	2,146,144	2,143,551	2,593
Human Resources	1,009,580	1,009,580	981,119	28,461
General Services	(1,268,302)	(1,332,431)	(2,782,895)	1,450,464
Elections	847,316	847,316	711,562	135,754
Public Works	302,027	302,027	286,653	15,374
Facilities	8,311,184	8,311,184	7,651,824	659,360
Development Services	4,901,478	4,901,478	4,723,724	177,754
Fleet	2,426,912	2,426,912	2,415,976	10,936
Medical Examiner	959,875	959,875	844,037	115,838
Finance	833,602	833,602	783,009	50,593
Assessor	4,332,224	4,332,224	3,804,838	527,386
County Attorney	8,500,377	8,564,091	8,564,091	-
Recorder	1,666,584	1,666,584	1,578,293	88,291
Management Information Systems	6,658,388	6,658,388	6,334,739	323,649
Clerk of the Court	3,399,533	3,399,533	3,250,475	149,058
Treasurer	1,028,339	1,028,339	1,001,119	27,220
Superior Courts	5,985,040	5,985,040	5,726,942	258,098
Public Defender	6,146,830	6,146,830	5,778,528	368,302
Prescott Justice of the Peace	885,568	885,568	819,591	65,977
Prescott Constable	129,130	129,130	125,958	3,172
Bagdad/Yarnell Justice of the Peace	400,092	400,092	380,491	19,601
Verde Valley Justice of the Peace	679,356	679,356	660,075	19,281
Mayer Justice of the Peace	554,146	554,146	544,654	9,492
Verde Constable	129,411	129,411	127,136	2,275
Mayer Constable	86,733	87,148	87,148	-
Seligman Constable	27,484	27,484	26,176	1,308
Bagdad/Yarnell Constable	24,836	24,836	13,515	11,321
Seligman Justice of the Peace	422,208	422,208	408,401	13,807
Geographic Information Systems	755,733	755,733	685,254	70,479
Total General government	62,281,828	62,281,828	57,675,984	4,605,844

(Continued)

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public safety				
Sheriff	\$ 27,197,470	\$ 27,197,470	\$ 26,886,786	\$ 310,684
Adult Probation	4,230,969	4,230,969	4,050,589	180,380
Juvenile Probation	4,516,927	4,516,927	4,292,114	224,813
Total Public safety	<u>35,945,366</u>	<u>35,945,366</u>	<u>35,229,489</u>	<u>715,877</u>
Sanitation				
Solid Waste	2,118,451	2,118,451	1,993,824	124,627
Welfare				
Medical Assistance	10,276,100	10,276,100	10,276,065	35
Public Fiduciary	560,391	560,391	560,251	140
Total Welfare	<u>10,836,491</u>	<u>10,836,491</u>	<u>10,836,316</u>	<u>175</u>
Culture and recreation				
Facilities	118,000	118,000	83,955	34,045
Education				
School Superintendent	771,575	771,575	766,356	5,219
Debt service				
Principal retirement	-	-	45,006	(45,006)
Capital expenditures				
Facilities	35,000	35,000	34,652	348
Fleet	3,147,017	3,147,017	3,186,815	(39,798)
Medical Examiner	13,530	13,530	6,030	7,500
Sheriff	-	-	65,047	(65,047)
Assessor	4,000	4,000	3,944	56
Juvenile probation	-	-	15,971	(15,971)
Geographic information systems	4,000	4,000	3,944	56
Management Information Systems	236,036	236,036	177,068	58,968
Superior Courts	123,036	123,036	121,981	1,055
Total capital expenditures	<u>3,562,619</u>	<u>3,562,619</u>	<u>3,615,452</u>	<u>(52,833)</u>
Total expenditures	<u>115,634,330</u>	<u>115,634,330</u>	<u>110,246,382</u>	<u>5,387,948</u>
Excess (deficiency) of revenues over expenditures	4,468,062	4,468,062	22,177,626	17,709,564
Other financing sources (uses):				
Sale of capital assets	-	-	160,366	160,366
Transfers in	-	-	1,939	1,939
Transfers out	(12,931,814)	(12,931,814)	(8,045,223)	4,886,591
Total other financing sources (uses)	<u>(12,931,814)</u>	<u>(12,931,814)</u>	<u>(7,882,918)</u>	<u>5,048,896</u>
Net change in fund balances	(8,463,752)	(8,463,752)	14,294,708	22,758,460
Fund balances, July 1, 2019	8,463,752	8,463,752	12,154,586	3,690,834
Fund balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,449,294</u>	<u>\$ 26,449,294</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
Jail District Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
Revenues:				
County sales taxes	\$ 9,913,788	\$ 9,913,788	\$ 10,366,174	\$ 452,386
Intergovernmental	30,627	30,627	136,742	106,115
Charges for services	1,000,000	1,000,000	758,249	(241,751)
Investment earnings	-	-	296	296
Miscellaneous	-	-	34,228	34,228
Total revenues	<u>10,944,415</u>	<u>10,944,415</u>	<u>11,295,689</u>	<u>351,274</u>
Expenditures:				
Public safety				
Sheriff	19,974,134	19,974,134	19,333,624	640,510
Capital expenditures				
Sheriff	<u>25,000</u>	<u>25,000</u>	<u>89,727</u>	<u>(64,727)</u>
Total expenditures	<u>19,999,134</u>	<u>19,999,134</u>	<u>19,423,351</u>	<u>575,783</u>
Excess (deficiency) of revenues over expenditures	(9,054,719)	(9,054,719)	(8,127,662)	927,057
Other financing sources (uses):				
Transfers in	<u>7,592,363</u>	<u>7,592,363</u>	<u>7,347,695</u>	<u>(244,668)</u>
Total other financing sources (uses)	<u>7,592,363</u>	<u>7,592,363</u>	<u>7,347,695</u>	<u>(244,668)</u>
Net change in fund balances	(1,462,356)	(1,462,356)	(779,967)	682,389
Fund balances, July 1, 2019	<u>1,462,356</u>	<u>1,462,356</u>	<u>778,543</u>	<u>(683,813)</u>
Fund balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,424)</u>	<u>\$ (1,424)</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
Regional Road Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
County sales taxes	\$ 7,960,244	\$ 7,960,244	\$ 8,293,004	\$ 332,760
Licenses and permits	2,000,000	2,000,000	2,036,700	36,700
Intergovernmental	-	-	247,622	247,622
Investment earnings	-	-	146,193	146,193
Miscellaneous	90,000	90,000	19,278	(70,722)
Total revenues	<u>10,050,244</u>	<u>10,050,244</u>	<u>10,742,797</u>	<u>692,553</u>
Expenditures:				
Highways and streets				
Public Works	5,705,433	5,705,433	3,423,538	2,281,895
Capital expenditures				
Public Works	11,636,641	11,636,641	9,652,617	1,984,024
Total expenditures	<u>17,342,074</u>	<u>17,342,074</u>	<u>13,076,155</u>	<u>4,265,919</u>
Excess (deficiency) of revenues over expenditures	(7,291,830)	(7,291,830)	(2,333,358)	4,958,472
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(7,291,830)</u>	<u>(7,291,830)</u>	<u>(2,333,358)</u>	<u>4,958,472</u>
Fund balances, July 1, 2019	<u>7,291,830</u>	<u>7,291,830</u>	<u>11,845,086</u>	<u>4,553,256</u>
Fund balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,511,728</u>	<u>\$ 9,511,728</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
HURF Road Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 17,867,716	\$ 17,867,716	\$ 17,415,327	\$ (452,389)
Investment earnings	-	-	61,773	61,773
Miscellaneous	300,000	300,000	143,501	(156,499)
Total revenues	<u>18,167,716</u>	<u>18,167,716</u>	<u>17,620,601</u>	<u>(547,115)</u>
Expenditures:				
Highways and streets				
Public Works	17,158,098	17,158,098	14,547,488	2,610,610
Capital expenditures				
Public Works	4,680,442	4,680,442	5,782,383	(1,101,941)
Total expenditures	<u>21,838,540</u>	<u>21,838,540</u>	<u>20,329,871</u>	<u>1,508,669</u>
Excess (deficiency) of revenues over expenditures	(3,670,824)	(3,670,824)	(2,709,270)	961,554
Other financing sources (uses):				
Sale of capital assets	-	-	606,084	606,084
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>606,084</u>	<u>606,084</u>
Net change in fund balances	(3,670,824)	(3,670,824)	(2,103,186)	1,567,638
Fund balances, July 1, 2019	3,670,824	3,670,824	6,127,516	2,456,692
Fund balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,024,330</u>	<u>\$ 4,024,330</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Notes to Budgetary Comparison Schedules
Year Ended June 30, 2020

Note 1 – Budgeting and Budgetary Control

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

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

Note 2 – Budgetary Basis of Accounting

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

Yavapai County
 Required Supplementary Information
 Schedule of the County's Proportionate Share of the Net Pension Liability
 Cost-Sharing Pension Plans
 Year Ended June 30, 2020

**Arizona State
 Retirement System**

	Reporting fiscal year (Measurement date)						2014 through 2011
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
County's proportion of the net pension liability	0.52%	0.54%	0.52%	0.52%	0.52%	0.51%	Information not available
County's proportionate share of the net pension liability	\$75,529,269	\$75,659,658	\$81,382,853	\$84,285,098	\$81,490,182	\$76,184,758	
County's covered payroll	\$56,307,560	\$53,219,633	\$49,690,042	\$49,335,529	\$47,907,455	\$46,058,533	
County's proportionate share of the net pension liability as a percentage of its covered payroll	134.14%	142.16%	163.78%	170.84%	170.10%	165.41%	
Plan fiduciary net position as a percentage of the total pension liability	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%	

**Corrections Officer
 Retirement Plan—
 Administrative Office of
 the Courts**

	Reporting fiscal year (Measurement date)						2014 through 2011
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
County's proportion of the net pension liability	5.47%	5.68%	5.52%	5.11%	5.07%	5.18%	Information not available
County's proportionate share of the net pension liability	\$23,081,506	\$20,450,794	\$22,135,375	\$14,427,765	\$12,320,726	\$11,614,215	
County's covered payroll	\$ 6,970,579	\$ 6,553,044	\$ 6,182,464	\$ 5,745,164	\$ 5,644,640	\$ 5,561,218	
County's proportionate share of the net pension liability as a percentage of its covered payroll	331.13%	312.08%	358.03%	251.13%	218.27%	208.84%	
Plan fiduciary net position as a percentage of the total pension liability	51.99%	53.72%	49.21%	54.81%	57.89%	58.59%	

See accompanying notes to pension plan schedules.

Yavapai County
 Required Supplementary Information
 Schedule of the County's Proportionate Share of the Net Pension Liability
 Cost-Sharing Pension Plans
 Year Ended June 30, 2020

Elected Officials Retirement Plan	Reporting fiscal year (Measurement date)						2014 through 2011
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
County's proportion of the net pension liability	2.75%	3.15%	2.52%	2.56%	2.29%	2.24%	Information not available
County's proportionate share of the net pension liability	\$18,246,818	\$19,878,026	\$30,768,721	\$24,151,757	\$17,920,322	\$15,019,310	
State's proportionate share of the net pension liability associated with the County	1,715,013	3,405,971	6,385,906	4,986,713	5,586,811	4,605,060	
Total	\$19,961,831	\$23,283,997	\$37,154,627	\$29,138,470	\$23,507,133	\$19,624,370	
County's covered payroll	\$ 2,164,412	\$ 2,263,790	\$ 2,269,833	\$ 2,249,649	\$ 2,076,661	\$ 2,059,739	
County's proportionate share of the net pension liability as a percentage of its covered payroll	843.04%	878.09%	1355.55%	1073.58%	862.94%	729.19%	
Plan fiduciary net position as a percentage of the total pension liability	30.14%	30.36%	19.66%	23.42%	28.32%	31.91%	

See accompanying notes to pension plan schedules.

Yavapai County
 Required Supplementary Information
 Schedule of Changes in the County's Net Pension Liability and Related Ratios
 Agent Pension Plans
 Year Ended June 30, 2020

PSPRS Sheriff

**Reporting fiscal year
 (Measurement date)**

	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 through 2011 Information not available
Total pension liability							
Service cost	\$ 1,333,639	\$ 1,378,227	\$ 1,567,192	\$ 1,152,782	\$ 1,239,355	\$ 1,251,087	
Interest on the total pension liability	4,987,451	4,644,058	4,195,115	4,052,963	3,828,510	3,271,983	
Changes of benefit terms	-	-	746,072	1,708,705	-	1,079,590	
Differences between expected and actual experience in the measurement of the pension liability	723,788	1,451,567	1,833,831	(1,627,846)	406,046	(943,103)	
Changes of assumptions or other inputs	1,857,517	-	2,133,880	2,025,679	-	5,130,666	
Benefit payments, including refunds of employee contributions	(3,697,039)	(3,258,822)	(3,859,060)	(2,570,389)	(2,572,307)	(2,817,373)	
Net change in total pension liability	5,205,356	4,215,030	6,617,030	4,741,894	2,901,604	6,972,850	
Total pension liability—beginning	67,912,862	63,697,832	57,080,802	52,338,908	49,437,304	42,464,454	
Total pension liability—ending (a)	<u>\$73,118,218</u>	<u>\$67,912,862</u>	<u>\$63,697,832</u>	<u>\$57,080,802</u>	<u>\$52,338,908</u>	<u>\$49,437,304</u>	
Plan fiduciary net position							
Contributions—employer	\$ 3,550,299	\$ 7,822,903	\$ 2,885,038	\$ 2,503,859	\$ 2,010,938	\$ 1,852,166	
Contributions—employee	490,883	806,488	901,093	832,840	762,569	710,433	
Net investment income	1,682,471	1,731,712	2,613,926	128,609	773,273	2,549,590	
Benefit payments, including refunds of employee contributions	(3,697,039)	(3,258,822)	(3,859,060)	(2,570,389)	(2,572,307)	(2,817,373)	
Administrative expense	(30,238)	(27,056)	(23,529)	(18,906)	(19,247)	(20,534)	
Other changes	-	(1,176,000)	17,484	(397,541)	(31,317)	22,682	
Net change in plan fiduciary net position	1,996,376	5,899,225	2,534,952	478,472	923,909	2,296,964	
Plan fiduciary net position—beginning	30,724,449	24,863,087	22,328,135	21,849,663	20,925,754	18,628,790	
Plan fiduciary net position—ending (b)	<u>\$32,720,825</u>	<u>\$30,762,312</u>	<u>\$24,863,087</u>	<u>\$22,328,135</u>	<u>\$21,849,663</u>	<u>\$20,925,754</u>	
County's net pension liability—ending (a) – (b)	<u>\$40,397,393</u>	<u>\$37,150,550</u>	<u>\$38,834,745</u>	<u>\$34,752,667</u>	<u>\$30,489,245</u>	<u>\$28,511,550</u>	
Plan fiduciary net position as a percentage of the total pension liability	44.75%	45.30%	39.03%	39.12%	41.75%	42.33%	
Covered payroll	\$ 7,443,154	\$ 8,462,735	\$ 7,440,543	\$ 6,559,961	\$ 6,914,257	\$ 6,750,559	
County's net pension liability as a percentage of covered payroll	542.75%	438.99%	521.93%	529.77%	440.96%	422.36%	

See accompanying notes to pension plan schedules.

Yavapai County
 Required Supplementary Information
 Schedule of Changes in the County's Net Pension Liability and Related Ratios
 Agent Pension Plans
 Year Ended June 30, 2020

PSPRS Attorney Investigators	Reporting fiscal year (Measurement date)						2014 through 2011 Information not available
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability							
Interest on the total pension liability	\$ 78,370	\$ 77,769	\$ 50,832	\$ 69,407	\$ 73,958	\$ 61,974	
Changes of benefit terms	-	-	19,011	(116,984)	-	52,666	
Differences between expected and actual experience in the measurement of the pension liability	8,456	11,489	99,581	(150,161)	(23,931)	5,127	
Changes of assumptions or other inputs	14,088	-	(822,394)	231,585	129,272	890,765	
Benefit payments, including refunds of employee contributions	(79,681)	(82,575)	(76,767)	(76,767)	(76,767)	(75,348)	
Net change in total pension liability	21,233	6,683	(729,737)	(42,920)	102,532	935,184	
Total pension liability—beginning	1,098,898	1,092,215	1,821,952	1,864,872	1,762,340	827,156	
Total pension liability—ending (a)	\$ 1,120,131	\$ 1,098,898	\$ 1,092,215	\$ 1,821,952	\$ 1,864,872	\$ 1,762,340	
Plan fiduciary net position							
Contributions—employer	\$ 91,041	\$ 91,848	\$ 209,201	\$ 93,173	\$ 8,301	\$ -	
Net Investment income	1,898	649	4,362	(570)	(3,918)	-	
Benefit payments, including refunds of employee contributions	(79,681)	(82,575)	(76,767)	(76,767)	(76,767)	(75,348)	
Administrative expense	(1,033)	(710)	(439)	(318)	(377)	(3,478)	
Other changes	-	-	(2)	(1)	78	-	
Net change in plan fiduciary net position	12,225	9,212	136,355	15,517	(72,683)	(78,826)	
Plan fiduciary net position—beginning	13,133	3,921	(132,434)	(147,951)	(75,268)	3,558	
Plan fiduciary net position—ending (b)	\$ 25,358	\$ 13,133	\$ 3,921	\$ (132,434)	\$ (147,951)	\$ (75,268)	
County's net pension liability—ending (a) – (b)	\$ 1,094,773	\$ 1,085,765	\$ 1,088,294	\$ 1,954,386	\$ 2,012,823	\$ 1,837,608	
Plan fiduciary net position as a percentage of the total pension liability	2.26%	1.20%	0.36%	(7.27)%	(7.93)%	(4.27)%	
Covered payroll	\$ 128,805	\$ 124,479	\$ 98,197	\$ 49,988	\$ 44,148	\$ -	
County's net pension liability as a percentage of covered payroll	849.95%	872.25%	1108.28%	3909.71%	4559.26%	0.00%	

See accompanying notes to pension plan schedules.

Yavapai County
Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability and Related Ratios
Agent Pension Plans
Year Ended June 30, 2020

CORP Detention

	Reporting fiscal year (Measurement date)						2014 through 2011 Information not available
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability							
Service cost	\$ 1,156,005	\$ 1,280,762	\$ 1,088,733	\$ 988,611	\$ 1,005,903	\$ 938,158	
Interest on the total pension liability	2,072,038	1,977,134	1,611,298	1,536,381	1,505,127	1,286,356	
Changes of benefit terms	-	(1,344,802)	3,307,199	47,154	-	274,603	
Differences between expected and actual experience in the measurement of the pension liability	12,416	133,487	(183,401)	(378,493)	(832,875)	(54,841)	
Changes of assumptions or other inputs	807,122	-	541,916	826,003	-	1,530,233	
Benefit payments, including refunds of employee contributions	(1,301,271)	(1,258,176)	(1,197,224)	(1,117,729)	(1,425,008)	(1,017,964)	
Net change in total pension liability	2,746,310	788,405	5,168,521	1,901,927	253,147	2,956,545	
Total pension liability—beginning	27,495,145	26,706,740	21,538,219	19,636,292	19,383,145	16,426,600	
Total pension liability—ending (a)	<u>\$30,241,455</u>	<u>\$27,495,145</u>	<u>\$26,706,740</u>	<u>\$21,538,219</u>	<u>\$19,636,292</u>	<u>\$19,383,145</u>	
Plan fiduciary net position							
Contributions—employer	\$ 1,422,973	\$ 1,630,186	\$ 1,021,847	\$ 944,491	\$ 775,798	\$ 797,162	
Contributions—employee	560,664	610,265	576,373	590,516	558,422	549,792	
Net investment income	840,087	974,213	1,380,871	68,029	389,607	1,273,246	
Benefit payments, including refunds of employee contributions	(1,301,271)	(1,258,176)	(1,197,224)	(1,117,729)	(1,425,008)	(1,017,964)	
Administrative expense	(15,693)	(15,439)	(12,479)	(10,019)	(9,992)	(10,011)	
Other changes	-	(25,195)	(7,486)	159,647	(4,173)	13,459	
Net change in plan fiduciary net position	1,506,760	1,915,854	1,761,902	634,935	284,654	1,605,684	
Plan fiduciary net position—beginning	15,117,903	13,202,049	11,440,147	10,805,212	10,520,558	8,914,874	
Plan fiduciary net position—ending (b)	<u>\$16,624,663</u>	<u>\$15,117,903</u>	<u>\$13,202,049</u>	<u>\$11,440,147</u>	<u>\$10,805,212</u>	<u>\$10,520,558</u>	
County's net pension liability—ending (a) – (b)	<u>\$13,616,792</u>	<u>\$12,377,242</u>	<u>\$13,504,691</u>	<u>\$10,098,072</u>	<u>\$ 8,831,080</u>	<u>\$ 8,862,587</u>	
Plan fiduciary net position as a percentage of the total pension liability	54.98%	54.98%	49.43%	53.12%	55.03%	54.28%	
Covered payroll	\$ 7,257,056	\$ 7,204,819	\$ 6,842,569	\$ 7,089,947	\$ 6,632,955	\$ 6,504,219	
County's net pension liability as a percentage of covered payroll	187.64%	171.79%	197.36%	142.43%	133.14%	136.26%	

See accompanying notes to pension plan schedules.

Yavapai County
Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability and Related Ratios
Agent Pension Plans
Year Ended June 30, 2020

CORP Dispatchers

**Reporting fiscal year
(Measurement date)**

	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 through 2011 Information not available
Total pension liability							
Service cost	\$ 25,017	\$ 30,955	\$ 28,347	\$ 26,918	\$ 41,579	\$ 41,321	
Interest on the total pension liability	89,118	91,110	78,211	76,674	79,112	63,852	
Changes of benefit terms	(55,442)	(81,387)	110,845	1,068	-	18,973	
Differences between expected and actual experience in the measurement of the pension liability	24,873	1,802	(7,055)	(29,051)	(87,486)	(10,929)	
Changes of assumptions or other inputs	-	-	18,386	32,179	-	134,919	
Benefit payments, including refunds of employee contributions	(113,956)	(43,942)	(39,324)	(45,532)	(68,315)	(39,444)	
Net change in total pension liability	(30,390)	(1,462)	189,410	62,256	(35,110)	208,692	
Total pension liability—beginning	1,236,253	1,237,715	1,048,305	986,049	1,021,159	812,467	
Total pension liability—ending (a)	<u>\$ 1,205,863</u>	<u>\$ 1,236,253</u>	<u>\$ 1,237,715</u>	<u>\$ 1,048,305</u>	<u>\$ 986,049</u>	<u>\$ 1,021,159</u>	
Plan fiduciary net position							
Contributions—employer	\$ 36,558	\$ 40,149	\$ 31,597	\$ 26,040	\$ 24,321	\$ 25,937	
Contributions—employee	9,891	14,351	13,903	13,442	18,633	21,529	
Net investment income	39,693	52,432	76,290	3,898	24,701	80,571	
Benefit payments, including refunds of employee contributions	(113,956)	(43,942)	(39,324)	(45,532)	(68,315)	(39,444)	
Administrative expense	(1,408)	(1,492)	(1,067)	(951)	(999)	(634)	
Other changes	-	(14)	(4)	(3)	(28,739)	(11,346)	
Net change in plan fiduciary net position	(29,222)	61,484	81,395	(3,106)	(30,398)	76,613	
Plan fiduciary net position—beginning	780,328	718,844	637,449	640,555	670,953	594,340	
Plan fiduciary net position—ending (b)	<u>\$ 751,106</u>	<u>\$ 780,328</u>	<u>\$ 718,844</u>	<u>\$ 637,449</u>	<u>\$ 640,555</u>	<u>\$ 670,953</u>	
County's net pension liability—ending (a) – (b)	<u>\$ 454,757</u>	<u>\$ 455,925</u>	<u>\$ 518,871</u>	<u>\$ 410,856</u>	<u>\$ 345,494</u>	<u>\$ 350,206</u>	
Plan fiduciary net position as a percentage of the total pension liability	62.29%	63.12%	58.08%	60.81%	64.96%	65.71%	
Covered payroll	\$ 124,262	\$ 180,285	\$ 174,660	\$ 168,874	\$ 234,082	\$ 270,459	
County's net pension liability as a percentage of covered payroll	365.97%	252.89%	297.07%	243.29%	147.60%	129.49%	

See accompanying notes to pension plan schedules.

Yavapai County
Required Supplementary Information
Schedule of County Pension Contributions
Year Ended June 30, 2020

Arizona State Retirement System	Reporting fiscal year							2013 through 2011
	2020	2019	2018	2017	2016	2015	2014	
Statutorily required contribution	\$ 6,625,726	\$ 6,122,025	\$ 5,681,251	\$ 5,516,497	\$ 5,354,580	\$ 5,268,591	\$ 4,966,172	Information not available
County's contributions in relation to the statutorily required contribution	6,625,726	6,122,025	5,681,251	5,516,497	5,354,580	5,268,591	4,966,172	
County's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$58,076,585	\$56,307,560	\$53,219,633	\$49,690,342	\$49,335,529	\$47,907,454	\$46,058,533	
County's contributions as a percentage of covered payroll	11.41%	10.87%	10.68%	11.10%	10.85%	11.00%	10.78%	

Corrections Officer Retirement Plan—Administrative Office of the Courts	Reporting fiscal year							2013 through 2011
	2020	2019	2018	2017	2016	2015	2014	
Statutorily required contribution	\$ 1,938,648	\$ 2,076,705	\$1,423,930	\$ 1,256,657	\$ 1,087,798	\$ 859,334	\$ 804,927	Information not available
County's contributions in relation to the statutorily required contribution	1,938,648	2,076,705	1,423,930	1,256,657	1,087,798	859,334	804,927	
County's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$ 6,317,831	\$ 6,970,579	\$6,553,044	\$ 6,182,464	\$ 5,745,164	\$ 5,644,640	\$ 5,561,218	
County's contributions as a percentage of covered payroll	30.69%	29.79%	21.73%	20.33%	18.93%	15.22%	14.47%	

Elected Officials Retirement Plan	Reporting fiscal year							2013 through 2011
	2020	2019	2018	2017	2016	2015	2014	
Statutorily required contribution	\$ 1,249,273	\$ 1,277,358	\$ 461,678	\$ 471,477	\$ 485,887	\$ 422,170	\$ 477,238	Information not available
County's contributions in relation to the statutorily required contribution	1,249,273	94,712	34,231	471,477	485,887	422,170	477,238	
County's contribution deficiency (excess)	\$ -	\$ 1,182,646	\$ 427,447	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$ 3,515,721	\$ 2,164,412	\$ 2,263,790	\$ 2,269,833	\$ 2,249,649	\$ 2,076,661	\$ 2,059,739	
County's contributions as a percentage of covered payroll	35.54%	4.38%	1.51%	20.77%	21.60%	20.33%	23.17%	

See accompanying notes to pension plan schedules.

Yavapai County
Required Supplementary Information
Schedule of County Pension Contributions
Year Ended June 30, 2020

PSPRS Sheriff	Reporting fiscal year							2013 through 2011
	2020	2019	2018	2017	2016	2015	2014	
Actuarially required contribution	\$ 3,871,726	\$ 3,572,584	\$ 3,578,574	\$ 2,950,478	\$ 2,528,066	\$ 2,035,907	\$ 1,852,166	Information not available
County's contributions in relation to the actuarially required contribution	7,871,726	2,637,003	6,642,993	2,950,478	2,528,066	2,035,907	1,852,166	
County's contribution deficiency (excess)	<u>\$ (4,000,000)</u>	<u>\$ 935,581</u>	<u>\$ (3,064,419)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
County's covered payroll	\$ 8,039,705	\$ 7,443,154	\$ 8,462,735	\$ 7,440,543	\$ 6,559,961	\$ 6,914,257	\$ 6,750,559	
County's contributions as a percentage of covered payroll	97.91%	35.43%	78.50%	39.65%	38.54%	29.45%	27.44%	
 PSPRS Attorney Investigators	 Reporting fiscal year							 2013 through 2011
	2020	2019	2018	2017	2016	2015	2014	
Actuarially required contribution	\$ 97,408	\$ 91,410	\$ 70,527	\$ 94,305	\$ 92,975	\$ 57,890	\$ 43,957	Information not available
County's contributions in relation to the actuarially required contribution	97,408	91,410	152,046	94,305	92,975	57,890	43,957	
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (81,519)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
County's covered payroll	\$ -	\$ 128,805	\$ 124,497	\$ 98,197	\$ 49,988	\$ 44,148	\$ -	
County's contributions as a percentage of covered payroll	0.00%	70.97%	122.13%	96.04%	185.99%	131.13%	0.00%	
 CORP Detention	 Reporting fiscal year							 2013 through 2011
	2020	2019	2018	2017	2016	2015	2014	
Actuarially required contribution	\$ 1,130,622	\$ 1,381,431	\$ 1,090,565	\$ 1,028,442	\$ 954,118	\$ 781,431	\$ 797,162	Information not available
County's contributions in relation to the actuarially required contribution	1,630,622	1,381,431	1,590,565	1,028,442	954,118	781,431	797,162	
County's contribution deficiency (excess)	<u>\$ (500,000)</u>	<u>\$ -</u>	<u>\$ (500,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
County's covered payroll	\$ 6,124,713	\$ 7,257,056	\$ 7,204,819	\$ 6,842,569	\$ 7,089,947	\$ 6,632,955	\$ 6,504,219	
County's contributions as a percentage of covered payroll	18.46%	19.04%	22.08%	15.03%	13.46%	11.78%	12.26%	

See accompanying notes to pension plan schedules.

Yavapai County
 Required Supplementary Information
 Schedule of County Pension Contributions
 Year Ended June 30, 2020

CORP Dispatchers

	Reporting fiscal year							
	2020	2019	2018	2017	2016	2015	2014	2013 through 2011
Actuarially required contribution	\$ 19,611	\$ 36,536	\$ 38,771	\$ 31,876	\$ 26,450	\$ 24,425	\$ 25,937	Information not available
County's contributions in relation to the actuarially required contribution	19,611	36,536	38,771	31,876	26,450	24,425	25,937	
County's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$ 72,578	\$ 124,262	\$ 180,285	\$ 174,660	\$ 168,874	\$ 234,082	\$ 270,459	
County's contributions as a percentage of covered payroll	27.02%	29.40%	21.51%	18.25%	15.66%	10.43%	9.60%	

See accompanying notes to pension plan schedules.

Yavapai County
 Required Supplementary Information
 Notes to Pension Plan Schedules
 Year Ended June 30, 2020

Note 1 – Actuarially Determined Contribution Rates

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

Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay, closed
Remaining amortization period as of the 2018 actuarial valuation	18 years
Asset valuation method	7-year smoothed market value; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.50%. In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0%–8.0% to 3.5%–7.5% for PSPRS and from 4.0%–7.25% to 3.5%–6.5% for CORP. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5%–8.5% to 4.0%–8.0% for PSPRS and from 4.5%–7.75% to 4.0%–7.25% for CORP. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%–9.0% to 4.5%–8.5% for PSPRS and from 5.0%–8.25% to 4.5%–7.75% for CORP.
Wage growth	In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5% for PSPRS and CORP. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0% for PSPRS and CORP. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5% for PSPRS and CORP.
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.
Mortality	In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females)

See accompanying notes to pension plan schedules.

Yavapai County
Required Supplementary Information
Notes to Pension Plan Schedules
Year Ended June 30, 2020

Note 2 – Factors That Affect Trends

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

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

See accompanying notes to pension plan schedules.

Yavapai County
Nonmajor Governmental Funds
Year Ended June 30, 2020

SPECIAL REVENUE FUNDS

Health Care	Accounts for a variety of health service programs funded by federal and state grant funds, appropriations, fees and local government contributions.
Recorder's Surcharge	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.
Treasurer	Accounts for the collection of a processing fee for tax liens, to be used to defray the cost of converting or upgrading an automatic public information system as established by A.R.S. § 11-495. Accounts for the activity related to armored car services provided to the County. This fund was previously reported as the Treasurer's Surcharge fund.
Elections	Accounts for various federal grants administered by Elections.
Public Library	Provides and maintains library services for the residents of Yavapai County. Operations are funded by a secondary tax levy.
Education Service Agency	Educational services and programs, including an accommodation school, administered by the County School Superintendent.
Parks & Recreation	Accounts for fees and grants used for construction, maintenance and operation of parks.
Landfill / Environment	Used to fund operations of transfer stations, waste tire operations and closure costs of County landfills.
Public Works	Accounts for funds restricted to construction, repair and maintenance of County roads and Local Transportation Assistance Funds.
Finance	Accounts for the Workforce Investment Act federal grants and Fill the Gap monies collected and distributed in accordance with A.R.S. § 41-2421.
Improvement Districts	Administration of special districts for Street Lighting, Road, Sewer, and Flood Control improvements.
Clerk of Superior Court	Accounts for various fees collected and used in accordance with state statutes.

Yavapai County
Nonmajor Governmental Funds
Year Ended June 30, 2020

County Attorney	Accounts for various programs administered by the County Attorney including Anti-Racketeering, Victim Witness and Bad Check.
Law Enforcement	Used for various law enforcement services and programs. Funding sources include federal and state grants.
Emergency Management	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.
Probation	Accounts for Adult and Juvenile Probation programs and services provided in coordination with the Superior Court system.
Courts	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.
Public Defender	Provides training related seminars, books and materials for staff and attorneys. Includes a state grant for indigent defense costs.
Airport Development	Airport enhancement projects for Seligman, Bagdad and Sedona funded by State and Federal grants.
CYMPO	Accounts for Federal grants administered by the Central Yavapai Metropolitan Planning Organization (CYMPO).

DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of resources for the payment of principal and interest on the revenue bonds issued for special assessment bonds for the Coyote Springs and Poquito Valley 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, 2020

	Special Revenue			
	Health Care	Recorder's Surcharge	Treasurer	Elections
Assets				
Cash and cash equivalents	\$ 4,844,535	\$ 257,148	\$ 228,776	\$ 317,609
Receivables:				
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Accounts	76,646	4,681	300	-
Due from:				
Other funds	84	-	-	-
Other governments	959,717	-	-	-
Prepaid items	9,599	92,280	25,000	-
Total assets	\$ 5,890,581	\$ 354,109	\$ 254,076	\$ 317,609
Liabilities				
Accounts payable	\$ 101,104	\$ 22	\$ 2,291	\$ 95,196
Accrued payroll and employee benefits	530,352	-	-	-
Due to other funds	15,080	-	-	4,382
Total liabilities	646,536	22	2,291	99,578
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances				
Nonspendable	9,599	92,280	25,000	-
Restricted	4,905,822	261,807	229,077	218,031
Committed	788,808	-	-	-
Unassigned	(460,184)	-	(2,292)	-
Total fund balances	5,244,045	354,087	251,785	218,031
Total liabilities, deferred inflows of resources and fund balances	\$ 5,890,581	\$ 354,109	\$ 254,076	\$ 317,609

Special Revenue

Public Library	Education Service Agency	Parks & Recreation	Landfill / Environment	Public Works	Finance
\$ 1,072,257	\$ 1,063,399	\$ 202,671	\$ 642,459	\$ 10,955	\$ 376,923
114,499	-	-	-	-	-
-	-	-	-	-	-
766	34,265	-	722	-	34,788
-	1,972	-	1,208	-	-
117	204,845	182	112,630	-	318,740
-	-	-	-	-	-
<u>\$ 1,187,639</u>	<u>\$ 1,304,481</u>	<u>\$ 202,853</u>	<u>\$ 757,019</u>	<u>\$ 10,955</u>	<u>\$ 730,451</u>
\$ 45,696	\$ 102,396	\$ 25,000	\$ 18,620	\$ -	\$ 329,876
86,300	113,984	-	6,804	-	-
23,050	9,672	13,338	8,947	-	397,492
<u>155,046</u>	<u>226,052</u>	<u>38,338</u>	<u>34,371</u>	<u>-</u>	<u>727,368</u>
75,485	-	-	-	-	-
-	-	-	-	-	-
<u>75,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
1,020,871	1,312,842	208,413	722,648	10,955	1,958
-	8,326	-	-	-	1,125
(63,763)	(242,739)	(43,898)	-	-	-
<u>957,108</u>	<u>1,078,429</u>	<u>164,515</u>	<u>722,648</u>	<u>10,955</u>	<u>3,083</u>
<u>\$ 1,187,639</u>	<u>\$ 1,304,481</u>	<u>\$ 202,853</u>	<u>\$ 757,019</u>	<u>\$ 10,955</u>	<u>\$ 730,451</u>

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020
(Continued)

	Special Revenue			
	Improvement Districts	Clerk of Superior Court	County Attorney	Law Enforcement
Assets				
Cash and cash equivalents	\$ 1,578,311	\$ 451,295	\$ 677,547	\$ 1,640,724
Receivables:				
Property taxes	125,034	-	-	-
Special assessments	-	-	-	-
Accounts	20,898	5,394	3,419	53,197
Due from:				
Other funds	1,808	-	154,506	27,575
Other governments	114	-	69,358	353,665
Prepaid items	-	-	150	2,922
Total assets	<u>\$ 1,726,165</u>	<u>\$ 456,689</u>	<u>\$ 904,980</u>	<u>\$ 2,078,083</u>
Liabilities				
Accounts payable	\$ 310,125	\$ -	\$ 1,183	\$ 203,429
Accrued payroll and employee benefits	51,998	-	42,182	69,014
Due to other funds	102,123	-	9,669	44,210
Total liabilities	<u>464,246</u>	<u>-</u>	<u>53,034</u>	<u>316,653</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	71,516	-	-	-
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>71,516</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	150	2,922
Restricted	1,190,403	456,689	895,592	1,866,086
Committed	-	-	-	-
Unassigned	-	-	(43,796)	(107,578)
Total fund balances	<u>1,190,403</u>	<u>456,689</u>	<u>851,946</u>	<u>1,761,430</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,726,165</u>	<u>\$ 456,689</u>	<u>\$ 904,980</u>	<u>\$ 2,078,083</u>

Special Revenue

Emergency Management	Probation	Courts	Public Defender	Airport Development	CYMPO
\$ 410,192	\$ 1,158,856	\$ 1,045,400	\$ 555,915	\$ 7,303	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
67	134,039	51,162	7,824	-	-
-	14,797	233,113	82,007	-	-
-	20,811	77,057	63,593	59,626	79,051
-	-	750	-	-	-
<u>\$ 410,259</u>	<u>\$ 1,328,503</u>	<u>\$ 1,407,482</u>	<u>\$ 709,339</u>	<u>\$ 66,929</u>	<u>\$ 79,051</u>
\$ 28,656	\$ 137,907	\$ 8,730	\$ -	\$ 21,884	\$ 99,591
7,921	337,201	44,213	5,514	-	11,695
-	20,524	3,703	-	-	59,801
<u>36,577</u>	<u>495,632</u>	<u>56,646</u>	<u>5,514</u>	<u>21,884</u>	<u>171,087</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	750	-	-	-
373,682	829,231	1,343,148	703,825	45,045	-
-	12,489	14,318	-	-	-
-	(8,849)	(7,380)	-	-	(92,036)
<u>373,682</u>	<u>832,871</u>	<u>1,350,836</u>	<u>703,825</u>	<u>45,045</u>	<u>(92,036)</u>
<u>\$ 410,259</u>	<u>\$ 1,328,503</u>	<u>\$ 1,407,482</u>	<u>\$ 709,339</u>	<u>\$ 66,929</u>	<u>\$ 79,051</u>

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020
(Continued)

	Debt Service		Total
	Coyote Springs	Poquito Valley	Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	\$ 309,507	\$ 701,245	\$ 17,553,027
Receivables:			
Property taxes	-	-	239,533
Special assessments	71,976	538,573	610,549
Accounts	-	-	428,168
Due from:			
Other funds	-	-	517,070
Other governments	-	-	2,319,506
Prepaid items	-	-	130,701
Total assets	<u>\$ 381,483</u>	<u>\$ 1,239,818</u>	<u>\$ 21,798,554</u>
Liabilities			
Accounts payable	\$ -	\$ -	\$ 1,531,706
Accrued payroll and employee benefits	-	-	1,307,178
Due to other funds	980	828	713,799
Total liabilities	<u>980</u>	<u>828</u>	<u>3,552,683</u>
Deferred Inflows of Resources			
Unavailable revenue-property taxes	-	-	147,001
Unavailable revenue-special assessments	71,976	538,573	610,549
Total deferred inflows of resources	<u>71,976</u>	<u>538,573</u>	<u>757,550</u>
Fund Balances			
Nonspendable	-	-	130,701
Restricted	308,527	700,417	17,605,069
Committed	-	-	825,066
Unassigned	-	-	(1,072,515)
Total fund balances	<u>308,527</u>	<u>700,417</u>	<u>17,488,321</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 381,483</u>	<u>\$ 1,239,818</u>	<u>\$ 21,798,554</u>

This page is left blank intentionally.

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2020

	Special Revenue			
	Health Care	Recorder's Surcharge	Treasurer	Elections
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	739,486	-	-	-
Intergovernmental	6,683,840	-	-	360,405
Charges for services	6,020,459	287,708	16,520	-
Fines and forfeits	-	-	-	-
Investment earnings	86,461	4,279	26,782	-
Miscellaneous	2,920,721	-	15,430	-
Total revenues	16,450,967	291,987	58,732	360,405
Expenditures:				
Current:				
General government	-	190,418	66,643	128,728
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	16,528,607	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	38,254	-	-	13,646
Total expenditures	16,566,861	190,418	66,643	142,374
Excess (deficiency) of revenues over expenditures	(115,894)	101,569	(7,911)	218,031
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	697,408	-	-	-
Transfers out	-	(70,946)	-	-
Total other financing sources (uses)	697,408	(70,946)	-	-
Net change in fund balances	581,514	30,623	(7,911)	218,031
Fund Balances, July 1, 2019	4,662,531	323,464	259,696	-
Fund Balances, June 30, 2020	\$ 5,244,045	\$ 354,087	\$ 251,785	\$ 218,031

Special Revenue

Public Library	Education Service Agency	Parks & Recreation	Landfill / Environment	Public Works	Finance
\$ 4,534,422	\$ 310,357	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
155,932	1,398,269	127,031	476,875	-	1,822,726
-	1,116,888	-	30,058	-	-
-	-	-	-	-	399,449
20,149	16,885	94	-	177	405
135,023	1,345,682	6,103	-	-	-
<u>4,845,526</u>	<u>4,188,081</u>	<u>133,228</u>	<u>506,933</u>	<u>177</u>	<u>2,222,580</u>
4,957,538	-	89,966	-	-	1,820,268
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	487,115	-	-
-	-	-	-	-	-
-	-	4,553	-	-	-
-	3,812,001	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
113,559	-	6,199	48,284	-	-
<u>5,071,097</u>	<u>3,812,001</u>	<u>100,718</u>	<u>535,399</u>	<u>-</u>	<u>1,820,268</u>
(225,571)	376,080	32,510	(28,466)	177	402,312
-	-	-	-	-	-
-	-	-	-	-	120
-	-	(27,149)	-	-	(397,492)
<u>-</u>	<u>-</u>	<u>(27,149)</u>	<u>-</u>	<u>-</u>	<u>(397,372)</u>
(225,571)	376,080	5,361	(28,466)	177	4,940
1,182,679	702,349	159,154	751,114	10,778	(1,857)
<u>\$ 957,108</u>	<u>\$ 1,078,429</u>	<u>\$ 164,515</u>	<u>\$ 722,648</u>	<u>\$ 10,955</u>	<u>\$ 3,083</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2020
(Continued)

	Special Revenue			
	Improvement Districts	Clerk of Superior Court	County Attorney	Law Enforcement
Revenues:				
Property taxes	\$ 5,223,163	\$ -	\$ -	\$ -
Special assessments	14,345	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	844,478	3,434,967
Charges for services	-	64,990	9,341	109,370
Fines and forfeits	-	551	46	7,219
Investment earnings	35,017	5,750	10,994	21,788
Miscellaneous	3,498	-	706,731	724,245
Total revenues	<u>5,276,023</u>	<u>71,291</u>	<u>1,571,590</u>	<u>4,297,589</u>
Expenditures:				
Current:				
General government	3,419	4,219	1,170,714	13,440
Public safety	5,668,544	-	-	3,689,840
Highways and streets	40,332	-	-	-
Sanitation	11,460	-	-	-
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	635,721	-	-	318,692
Total expenditures	<u>6,359,476</u>	<u>4,219</u>	<u>1,170,714</u>	<u>4,021,972</u>
Excess (deficiency) of revenues over expenditures	(1,083,453)	67,072	400,876	275,617
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	35,839	-	86,321	399,946
Transfers out	(83,343)	-	(374,736)	-
Total other financing sources (uses)	<u>(47,504)</u>	<u>-</u>	<u>(288,415)</u>	<u>399,946</u>
Net change in fund balances	(1,130,957)	67,072	112,461	675,563
Fund Balances, July 1, 2019	<u>2,321,360</u>	<u>389,617</u>	<u>739,485</u>	<u>1,085,867</u>
Fund Balances, June 30, 2020	<u>\$ 1,190,403</u>	<u>\$ 456,689</u>	<u>\$ 851,946</u>	<u>\$ 1,761,430</u>

Special Revenue

Emergency Management	Probation	Courts	Public Defender	Airport Development	CYMPO
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
267,941	6,735,777	329,918	297,824	683,869	604,433
-	1,345,102	327,418	81,541	-	-
-	-	155,501	-	-	-
4,944	15,141	17,611	4,548	342	-
-	322	74,112	-	8,858	19,418
<u>272,885</u>	<u>8,096,342</u>	<u>904,560</u>	<u>383,913</u>	<u>693,069</u>	<u>623,851</u>
227,033	-	1,093,397	124,423	485,751	-
-	7,802,161	-	-	-	-
-	-	-	-	-	712,614
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,717	-	-	-	177,154	-
<u>238,750</u>	<u>7,802,161</u>	<u>1,093,397</u>	<u>124,423</u>	<u>662,905</u>	<u>712,614</u>
34,135	294,181	(188,837)	259,490	30,164	(88,763)
-	-	-	-	-	-
-	-	229,164	82,007	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>229,164</u>	<u>82,007</u>	<u>-</u>	<u>-</u>
34,135	294,181	40,327	341,497	30,164	(88,763)
339,547	538,690	1,310,509	362,328	14,881	(3,273)
<u>\$ 373,682</u>	<u>\$ 832,871</u>	<u>\$ 1,350,836</u>	<u>\$ 703,825</u>	<u>\$ 45,045</u>	<u>\$ (92,036)</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2020
(Continued)

	Debt Service		Total
	Coyote Springs	Poquito Valley	Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ -	\$ -	\$ 10,067,942
Special assessments	54,678	149,340	218,363
Licenses and permits	-	-	739,486
Intergovernmental	-	-	24,224,285
Charges for services	-	-	9,409,395
Fines and forfeits	-	-	562,766
Investment earnings	6,797	10,091	288,255
Miscellaneous	389	1,400	5,961,932
Total revenues	<u>61,864</u>	<u>160,831</u>	<u>51,472,424</u>
Expenditures:			
Current:			
General government	-	-	10,375,957
Public safety	-	-	17,160,545
Highways and streets	11,741	9,792	774,479
Sanitation	-	-	498,575
Health	-	-	16,528,607
Culture and recreation	-	-	4,553
Education	-	-	3,812,001
Debt service:			
Principal retirement	80,000	95,000	175,000
Interest and other charges	13,610	63,784	77,394
Capital outlay	-	-	1,363,226
Total expenditures	<u>105,351</u>	<u>168,576</u>	<u>50,770,337</u>
Excess (deficiency) of revenues over expenditures	(43,487)	(7,745)	702,087
Other financing sources (uses):			
Sale of capital assets	-	-	-
Transfers in	-	83,343	1,614,148
Transfers out	(35,839)	-	(989,505)
Total other financing sources (uses)	<u>(35,839)</u>	<u>83,343</u>	<u>624,643</u>
Net change in fund balances	(79,326)	75,598	1,326,730
Fund Balances, July 1, 2019	<u>387,853</u>	<u>624,819</u>	<u>16,161,591</u>
Fund Balances, June 30, 2020	<u>\$ 308,527</u>	<u>\$ 700,417</u>	<u>\$ 17,488,321</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Jail Construction
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
County sales taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
General government				
Jail construction	-	-	4,044	(4,044)
Capital outlay				
Jail construction	-	3,600,000	2,086,834	1,513,166
Total expenditures	-	3,600,000	2,090,878	1,509,122
Excess (deficiency) of revenues over expenditures	-	(3,600,000)	(2,090,878)	1,509,122
Other financing sources (uses):				
Obligation proceeds	-	-	57,050,000	57,050,000
Premium on obligation proceeds	-	-	8,784,446	8,784,446
Transfers in	-	-	-	-
Transfers out	-	-	(1,017,894)	(1,017,894)
Total other financing sources (uses)	-	-	64,816,552	64,816,552
Net change in fund balances	-	(3,600,000)	62,725,674	66,325,674
Fund Balances, July 1, 2019	-	3,600,000	-	(3,600,000)
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 62,725,674	\$ 62,725,674

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Jail Debt Service
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
County sales taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Debt service				
Bond issuance costs	-	-	834,446	(834,446)
Total expenditures	-	-	834,446	(834,446)
Excess (deficiency) of revenues over expenditures	-	-	(834,446)	(834,446)
Other financing sources (uses):				
Transfers in	-	-	834,446	834,446
Total other financing sources (uses)	-	-	834,446	834,446
Net change in fund balances	-	-	-	-
Fund Balances, July 1, 2019	-	-	-	-
Fund Balances, June 30, 2020	\$ -	\$ -	\$ -	\$ -

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Capital Projects
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
County sales taxes	\$ 2,985,092	\$ 2,985,092	\$ 3,109,877	\$ 124,785
Investment earnings	195,000	195,000	225,340	30,340
Miscellaneous	-	-	-	-
Total revenues	<u>3,180,092</u>	<u>3,180,092</u>	<u>3,335,217</u>	<u>155,125</u>
Expenditures:				
General Government				
Board of Supervisors	-	-	127,138	(127,138)
Capital outlay				
Board of Supervisors	<u>6,968,385</u>	<u>3,368,385</u>	<u>432,929</u>	<u>2,935,456</u>
Total expenditures	<u>6,968,385</u>	<u>3,368,385</u>	<u>560,067</u>	<u>2,808,318</u>
Excess (deficiency) of revenues over expenditures	(3,788,293)	(188,293)	2,775,150	2,963,443
Other financing sources (uses):				
Transfers in	4,712,987	4,712,987	254,394	(4,458,593)
Transfers out	<u>(1,911,524)</u>	<u>(1,911,524)</u>	<u>(1,911,524)</u>	<u>-</u>
Total other financing sources (uses)	<u>2,801,463</u>	<u>2,801,463</u>	<u>(1,657,130)</u>	<u>(4,458,593)</u>
Net change in fund balances	(986,830)	2,613,170	1,118,020	(1,495,150)
Fund Balances, July 1, 2019	<u>986,830</u>	<u>(2,613,170)</u>	<u>16,011,746</u>	<u>18,624,916</u>
Fund Balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,129,766</u>	<u>\$ 17,129,766</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Capital Projects Debt Service
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Debt service				
Principal retirement	1,362,000	1,362,000	1,595,000	(233,000)
Interest and other charges	549,524	549,524	316,524	233,000
Total expenditures	1,911,524	1,911,524	1,911,524	-
Excess (deficiency) of revenues over expenditures	(1,911,524)	(1,911,524)	(1,911,524)	-
Other financing sources (uses):				
Transfers in	1,911,524	1,911,524	1,911,524	-
Total other financing sources (uses)	1,911,524	1,911,524	1,911,524	-
Net change in fund balances	-	-	-	-
Fund Balances, July 1, 2019	-	-	2,131	2,131
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 2,131	\$ 2,131

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Health Care
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ 857,450	\$ 857,450	\$ 739,486	\$ (117,964)
Intergovernmental	5,734,692	5,734,692	6,683,840	949,148
Charges for services	6,327,427	6,327,427	6,020,459	(306,968)
Investment earnings	26,000	26,000	86,461	60,461
Miscellaneous	2,816,999	2,816,999	2,920,721	103,722
Total revenues	<u>15,762,568</u>	<u>15,762,568</u>	<u>16,450,967</u>	<u>688,399</u>
Expenditures:				
Health				
Community Health Center	10,897,593	10,897,593	10,929,069	(31,476)
Community Health Services	6,064,674	6,064,674	5,599,538	465,136
Total Health Department	<u>16,962,267</u>	<u>16,962,267</u>	<u>16,528,607</u>	<u>433,660</u>
Capital Expenditures	-	-	38,254	(38,254)
Total Expenditures	<u>16,962,267</u>	<u>16,962,267</u>	<u>16,566,861</u>	<u>395,406</u>
Excess (deficiency) of revenues over expenditures	(1,199,699)	(1,199,699)	(115,894)	1,083,805
Other financing sources (uses):				
Transfers in	2,870,481	2,870,481	697,408	(2,173,073)
Transfers out	(2,173,073)	(2,173,073)	-	2,173,073
Total other financing sources (uses)	<u>697,408</u>	<u>697,408</u>	<u>697,408</u>	<u>-</u>
Net change in fund balances	(502,291)	(502,291)	581,514	1,083,805
Fund Balances, July 1, 2019	<u>502,291</u>	<u>502,291</u>	<u>4,662,531</u>	<u>4,160,240</u>
Fund Balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,244,045</u>	<u>\$ 5,244,045</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Recorder's Surcharge
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 262,000	\$ 262,000	\$ 287,708	\$ 25,708
Investment earnings	-	-	4,279	4,279
Total revenues	<u>262,000</u>	<u>262,000</u>	<u>291,987</u>	<u>29,987</u>
Expenditures:				
General government				
Recorder	<u>252,499</u>	<u>252,499</u>	<u>190,418</u>	<u>62,081</u>
Total expenditures	<u>252,499</u>	<u>252,499</u>	<u>190,418</u>	<u>62,081</u>
Excess (deficiency) of revenues over expenditures	9,501	9,501	101,569	92,068
Other financing sources (uses):				
Transfers out	<u>(70,946)</u>	<u>(70,946)</u>	<u>(70,946)</u>	<u>-</u>
Total other financing sources (uses)	<u>(70,946)</u>	<u>(70,946)</u>	<u>(70,946)</u>	<u>-</u>
Net change in fund balances	(61,445)	(61,445)	30,623	92,068
Fund Balances, July 1, 2019	<u>61,445</u>	<u>61,445</u>	<u>323,464</u>	<u>262,019</u>
Fund Balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 354,087</u>	<u>\$ 354,087</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Treasurer
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 15,000	\$ 15,000	\$ 16,520	\$ 1,520
Investment earnings	-	-	26,782	26,782
Miscellaneous	-	-	15,430	15,430
Total revenues	15,000	15,000	58,732	43,732
Expenditures:				
General government				
Treasurer	200,000	200,000	66,643	133,357
Total expenditures	200,000	200,000	66,643	133,357
Net change in fund balances	(185,000)	(185,000)	(7,911)	177,089
Fund Balances, July 1, 2019	185,000	185,000	259,696	74,696
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 251,785	\$ 251,785

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Elections
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 360,405	\$ 360,405
Total revenues	-	-	360,405	360,405
Expenditures:				
General government				
Elections	-	-	128,728	(128,728)
Total General Government	-	-	128,728	(128,728)
Capital Expenditures				
Total Expenditures	-	-	13,646	(13,646)
Total Expenditures	-	-	142,374	(142,374)
Net change in fund balances	-	-	218,031	218,031
Fund Balances, July 1, 2019	-	-	-	-
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 218,031	\$ 218,031

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Library
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 4,566,133	\$ 4,566,133	\$ 4,534,422	\$ (31,711)
Intergovernmental	236,977	236,977	155,932	(81,045)
Investment earnings	10,150	10,150	20,149	9,999
Miscellaneous	166,419	166,419	135,023	(31,396)
Total revenues	4,979,679	4,979,679	4,845,526	(134,153)
Expenditures:				
General government				
Library	5,058,620	5,132,515	4,957,538	174,977
Capital Expenditures	1,096,464	1,096,464	113,559	982,905
Total Expenditures	6,155,084	6,228,979	5,071,097	1,157,882
Net change in fund balances	(1,175,405)	(1,249,300)	(225,571)	1,023,729
Fund Balances, July 1, 2019	1,175,405	1,249,300	1,182,679	(66,621)
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 957,108	\$ 957,108

Yavapai County
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances - Budget and Actual
 Education Service Agency
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ -	\$ -	\$ 310,357	\$ 310,357
Intergovernmental	235,879	235,879	1,398,269	1,162,390
Charges for services	1,357,540	1,357,540	1,116,888	(240,652)
Investment earnings	-	-	16,885	16,885
Miscellaneous	351,483	351,483	1,345,682	994,199
Total revenues	1,944,902	1,944,902	4,188,081	2,243,179
Expenditures:				
Education				
School Superintendent	2,186,985	2,186,985	3,812,001	(1,625,016)
Total expenditures	2,186,985	2,186,985	3,812,001	(1,625,016)
Net change in fund balances	(242,083)	(242,083)	376,080	618,163
Fund Balances, July 1, 2019	242,083	242,083	702,349	460,266
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 1,078,429	\$ 1,078,429

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Parks & Recreation
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 127,031	\$ (22,969)
Investment earnings	-	-	94	94
Miscellaneous	5,000	5,000	6,103	1,103
Total revenues	155,000	155,000	133,228	(21,772)
Expenditures:				
General government				
Board of Supervisors	261,000	261,000	89,966	171,034
Total General government	261,000	261,000	89,966	171,034
Culture and recreation				
Facilities	7,670	7,670	4,553	3,117
Total Culture and recreation	7,670	7,670	4,553	3,117
Capital expenditures				
Facilities	-	-	6,199	(6,199)
Total expenditures	268,670	268,670	100,718	167,952
Excess (deficiency) of revenues over expenditures	(113,670)	(113,670)	32,510	146,180
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(18,359)	(18,359)	(27,149)	(8,790)
Total other financing sources (uses)	(18,359)	(18,359)	(27,149)	(8,790)
Net change in fund balances	(132,029)	(132,029)	5,361	137,390
Fund Balances, July 1, 2019	132,029	132,029	159,154	27,125
Fund Balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 164,515</u>	<u>\$ 164,515</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Landfill / Environment
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 440,000	\$ 440,000	\$ 476,875	\$ 36,875
Charges for services	20,000	20,000	30,058	10,058
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	460,000	460,000	506,933	46,933
Expenditures:				
Sanitation				
Landfill	516,613	516,613	487,115	29,498
Capital expenditures				
Landfill	43,000	43,000	48,284	(5,284)
Total expenditures	559,613	559,613	535,399	24,214
Net change in fund balances	(99,613)	(99,613)	(28,466)	71,147
Fund Balances, July 1, 2019	99,613	99,613	751,114	651,501
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 722,648	\$ 722,648

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Works
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 177	\$ 177
Total revenues	-	-	177	177
Expenditures:				
Highways and streets				
Public Works	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	177	177
Fund Balances, July 1, 2019	-	-	10,778	10,778
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 10,955	\$ 10,955

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Finance
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,200,000	\$ 2,200,000	\$ 1,822,726	\$ (377,274)
Fines and forfeits	-	-	399,449	399,449
Investment earnings	-	-	405	405
Miscellaneous	-	-	-	-
Total revenues	2,200,000	2,200,000	2,222,580	22,580
Expenditures:				
General government				
Board of Supervisors	700,000	700,000	382,422	317,578
Finance	1,500,000	1,500,000	1,437,846	62,154
Total expenditures	2,200,000	2,200,000	1,820,268	379,732
Excess (deficiency) of revenues over expenditures	-	-	402,312	402,312
Other financing sources (uses):				
Transfers in	-	-	120	120
Transfers out	-	-	(397,492)	(397,492)
Total other financing sources (uses)	-	-	(397,372)	(397,372)
Net change in fund balances	-	-	4,940	4,940
Fund Balances, July 1, 2019	-	-	(1,857)	(1,857)
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 3,083	\$ 3,083

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Improvement Districts
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 5,240,386	\$ 5,240,386	\$ 5,223,163	\$ (17,223)
Special assessments	160,000	160,000	14,345	(145,655)
Intergovernmental	1,778,265	1,778,265	-	(1,778,265)
Investment earnings	1,372	1,372	35,017	33,645
Miscellaneous	310,057	310,057	3,498	(306,559)
Total revenues	<u>7,490,080</u>	<u>7,490,080</u>	<u>5,276,023</u>	<u>(2,214,057)</u>
Expenditures:				
General Government				
Board of Supervisors	-	-	3,419	(3,419)
Public safety				
Flood Control	8,250,932	8,250,932	5,668,544	2,582,388
Highways and streets				
Development Services	15,850	15,850	-	15,850
Public Works	100,549	100,549	40,332	60,217
Total Highways and Streets	<u>116,399</u>	<u>116,399</u>	<u>40,332</u>	<u>76,067</u>
Sanitation				
Special Districts	172,990	172,990	11,460	161,530
Capital expenditures				
Total expenditures	<u>9,284,321</u>	<u>9,284,321</u>	<u>6,359,476</u>	<u>2,924,845</u>
Excess (deficiency) of revenues over expenditures	(1,794,241)	(1,794,241)	(1,083,453)	710,788
Other financing sources (uses):				
Transfers in	-	-	35,839	35,839
Transfers out	(255,000)	(255,000)	(83,343)	171,657
Total other financing sources (uses)	<u>(255,000)</u>	<u>(255,000)</u>	<u>(47,504)</u>	<u>207,496</u>
Net change in fund balances	(2,049,241)	(2,049,241)	(1,130,957)	918,284
Fund Balances, July 1, 2019	2,049,241	2,049,241	2,321,360	272,119
Fund Balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,190,403</u>	<u>\$ 1,190,403</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Clerk of Superior Court
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 55,942	\$ 55,942	\$ 64,990	\$ 9,048
Fines and forfeits	-	-	551	551
Investment earnings	1	1	5,750	5,749
Total revenues	55,943	55,943	71,291	15,348
Expenditures:				
General government				
Clerk of the Court	55,000	55,000	4,219	50,781
Total expenditures	55,000	55,000	4,219	50,781
Net change in fund balances	943	943	67,072	66,129
Fund Balances, July 1, 2019	(943)	(943)	389,617	390,560
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 456,689	\$ 456,689

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
County Attorney
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 884,132	\$ 884,132	\$ 844,478	\$ (39,654)
Charges for services	25,000	25,000	9,341	(15,659)
Fines and forfeits	-	-	46	46
Investment earnings	1,000	1,000	10,994	9,994
Miscellaneous	695,000	695,000	706,731	11,731
Total revenues	1,605,132	1,605,132	1,571,590	(33,542)
Expenditures:				
General government				
County Attorney	1,042,652	1,042,652	1,170,714	(128,062)
Total expenditures	1,042,652	1,042,652	1,170,714	(128,062)
Excess (deficiency) of revenues over expenditures	562,480	562,480	400,876	(161,604)
Other financing sources (uses):				
Transfers in	-	-	86,321	86,321
Transfers out	(575,000)	(575,000)	(374,736)	200,264
Total other financing sources (uses)	(575,000)	(575,000)	(288,415)	286,585
Net change in fund balances	(12,520)	(12,520)	112,461	124,981
Fund Balances, July 1, 2019	12,520	12,520	739,485	726,965
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 851,946	\$ 851,946

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Law Enforcement
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,850,965	\$ 1,850,965	\$ 3,434,967	\$ 1,584,002
Charges for services	107,000	107,000	109,370	2,370
Fines and forfeits	10,000	10,000	7,219	(2,781)
Investment earnings	2,931	2,931	21,788	18,857
Miscellaneous	612,786	612,786	724,245	111,459
Total revenues	2,583,682	2,583,682	4,297,589	1,713,907
Expenditures:				
General Government				
Constables	-	-	13,440	(13,440)
Public safety				
Sheriff	3,360,795	3,360,795	3,689,840	(329,045)
Capital expenditures	123,000	123,000	318,692	(195,692)
Total expenditures	3,483,795	3,483,795	4,021,972	(538,177)
Excess (deficiency) of revenues over expenditures	(900,113)	(900,113)	275,617	1,175,730
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	593,359	593,359	399,946	(193,413)
Transfers out	-	-	-	-
Total other financing sources (uses)	593,359	593,359	399,946	(193,413)
Net change in fund balances	(306,754)	(306,754)	675,563	982,317
Fund Balances, July 1, 2019	306,754	306,754	1,085,867	779,113
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 1,761,430	\$ 1,761,430

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Emergency Management
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 346,379	\$ 346,379	\$ 267,941	\$ (78,438)
Investment earnings	-	-	4,944	4,944
Total revenues	346,379	346,379	272,885	(73,494)
Expenditures:				
General government				
Emergency Management	166,743	166,743	227,033	(60,290)
Capital Expenditures	-	-	11,717	(11,717)
Total Expenditures	166,743	166,743	238,750	(72,007)
Net change in fund balances	179,636	179,636	34,135	(145,501)
Fund Balances, July 1, 2019	(179,636)	(179,636)	339,547	519,183
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 373,682	\$ 373,682

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Probation
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 6,713,124	\$ 6,713,124	\$ 6,735,777	\$ 22,653
Charges for services	1,405,326	1,405,326	1,345,102	(60,224)
Investment earnings	9,116	9,116	15,141	6,025
Miscellaneous	35,000	35,000	322	(34,678)
Total revenues	8,162,566	8,162,566	8,096,342	(66,224)
Expenditures:				
Public safety				
Adult Probation	5,189,844	5,189,844	5,199,651	(9,807)
Juvenile Probation	2,787,035	2,787,035	2,602,510	184,525
Total expenditures	7,976,879	7,976,879	7,802,161	174,718
Excess (deficiency) of revenues over expenditures	185,687	185,687	294,181	108,494
Other financing sources (uses):				
Transfers in	164,005	164,005	-	(164,005)
Transfers out	(164,005)	(164,005)	-	164,005
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	185,687	185,687	294,181	108,494
Fund Balances, July 1, 2019	(185,687)	(185,687)	538,690	724,377
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 832,871	\$ 832,871

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Courts
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 705,960	\$ 705,960	\$ 329,918	\$ (376,042)
Charges for services	394,460	394,460	327,418	(67,042)
Fines and forfeits	193,776	193,776	155,501	(38,275)
Investment earnings	-	-	17,611	17,611
Miscellaneous	537,012	537,012	74,112	(462,900)
Total revenues	<u>1,831,208</u>	<u>1,831,208</u>	<u>904,560</u>	<u>(926,648)</u>
Expenditures:				
General government				
Superior Court	1,602,484	1,602,484	1,009,229	593,255
Clerk of Superior Court	40,196	40,196	27,879	12,317
Prescott Justice of the Peace	53,717	53,717	9,138	44,579
Verde Valley Justice of the Peace	45,933	45,933	24,346	21,587
Bagdad/Yarnell Justice of the Peace	8,652	8,652	7,404	1,248
Mayer Justice of the Peace	3,718	3,718	10,174	(6,456)
Seligman Justice of the Peace	8,631	8,631	5,227	3,404
Total General government	<u>1,763,331</u>	<u>1,763,331</u>	<u>1,093,397</u>	<u>669,934</u>
Excess (deficiency) of revenues over expenditures	67,877	67,877	(188,837)	(256,714)
Other financing sources (uses):				
Transfers in	-	-	229,164	229,164
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>229,164</u>	<u>229,164</u>
Net change in fund balances	67,877	67,877	40,327	(27,550)
Fund Balances, July 1, 2019	<u>(67,877)</u>	<u>(67,877)</u>	1,310,509	1,378,386
Fund Balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,350,836</u>	<u>\$ 1,350,836</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Defender
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 97,000	\$ 97,000	\$ 297,824	\$ 200,824
Charges for services	50,000	50,000	81,541	31,541
Investment earnings	-	-	4,548	4,548
Total revenues	<u>147,000</u>	<u>147,000</u>	<u>383,913</u>	<u>236,913</u>
Expenditures:				
General government				
Public Defender	238,720	238,720	124,423	114,297
Total expenditures	<u>238,720</u>	<u>238,720</u>	<u>124,423</u>	<u>114,297</u>
Excess (deficiency) of revenues over expenditures	(91,720)	(91,720)	259,490	351,210
Other financing sources (uses):				
Transfers in	-	-	82,007	82,007
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>82,007</u>	<u>82,007</u>
Net change in fund balances	(91,720)	(91,720)	341,497	433,217
Fund Balances, July 1, 2019	<u>91,720</u>	<u>91,720</u>	<u>362,328</u>	<u>270,608</u>
Fund Balances, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 703,825</u>	<u>\$ 703,825</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Airport Development
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 650,000	\$ 650,000	\$ 683,869	\$ 33,869
Investment earnings	-	-	342	342
Miscellaneous	-	-	8,858	8,858
Total revenues	650,000	650,000	693,069	43,069
Expenditures:				
General government				
Airport Development	420,000	420,000	485,751	(65,751)
Capital outlay				
Airport Development	230,000	230,000	177,154	52,846
Total expenditures	650,000	650,000	662,905	(12,905)
Net change in fund balances	-	-	30,164	30,164
Fund Balances, July 1, 2019	-	-	14,881	14,881
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 45,045	\$ 45,045

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
CYMPO
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,039,500	\$ 1,039,500	\$ 604,433	\$ (435,067)
Miscellaneous	-	-	19,418	19,418
Total revenues	1,039,500	1,039,500	623,851	(415,649)
Expenditures:				
Highways and streets				
CYMPO	1,043,281	1,043,281	712,614	330,667
Total expenditures	1,043,281	1,043,281	712,614	330,667
Net change in fund balances	(3,781)	(3,781)	(88,763)	(84,982)
Fund Balances, July 1, 2019	3,781	3,781	(3,273)	(7,054)
Fund Balances, June 30, 2020	\$ -	\$ -	\$ (92,036)	\$ (92,036)

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Coyote Springs Debt Service
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ -	\$ -	\$ 54,678	\$ 54,678
Investment earnings	-	-	6,797	6,797
Miscellaneous	-	-	389	389
Total revenues	-	-	61,864	61,864
Expenditures:				
Highways and Streets				
Board of Supervisors	-	-	11,741	(11,741)
Debt service				
Principal retirement	80,000	80,000	80,000	-
Interest and other charges	15,000	15,000	13,610	1,390
Total expenditures	95,000	95,000	105,351	(10,351)
Excess (deficiency) of revenues over expenditures	(95,000)	(95,000)	(43,487)	51,513
Other financing sources (uses):				
Transfers in	95,000	95,000	-	(95,000)
Operating Transfers out	-	-	(35,839)	(35,839)
Total other financing sources (uses)	95,000	95,000	(35,839)	(130,839)
Net change in fund balances	-	-	(79,326)	(79,326)
Fund Balances, July 1, 2019	-	-	387,853	387,853
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 308,527	\$ 308,527

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Poquito Valley Debt Service
Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ -	\$ -	\$ 149,340	\$ 149,340
Investment earnings	-	-	10,091	10,091
Miscellaneous	-	-	1,400	1,400
Total revenues	-	-	160,831	160,831
Expenditures:				
Highways and Streets				
Board of Supervisors	-	-	9,792	(9,792)
Debt service				
Principal retirement	95,000	95,000	95,000	-
Interest and other charges	65,000	65,000	63,784	1,216
Total expenditures	160,000	160,000	168,576	(8,576)
Excess (deficiency) of revenues over expenditures	(160,000)	(160,000)	(7,745)	152,255
Other financing sources (uses):				
Transfers in	160,000	160,000	83,343	(76,657)
Total other financing sources (uses)	160,000	160,000	83,343	(76,657)
Net change in fund balances	-	-	75,598	75,598
Fund Balances, July 1, 2019	-	-	624,819	624,819
Fund Balances, June 30, 2020	\$ -	\$ -	\$ 700,417	\$ 700,417

Yavapai County
Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2020

Assets	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Equity in pooled cash and investments	\$ 4,200,533	\$ 21,492,483	\$ (20,192,249)	\$ 5,500,767
Total assets	<u>\$ 4,200,533</u>	<u>\$ 21,492,483</u>	<u>\$ (20,192,249)</u>	<u>\$ 5,500,767</u>
Liabilities				
Deposits held for others	\$ 4,200,533	\$ 21,492,483	\$ (20,192,249)	\$ 5,500,767
Total liabilities	<u>\$ 4,200,533</u>	<u>\$ 21,492,483</u>	<u>\$ (20,192,249)</u>	<u>\$ 5,500,767</u>

This page is left blank intentionally.

Yavapai County
Statistical Section
Year Ended June 30, 2020

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.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	134
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	140
Debt Capacity 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.	144
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	148
Operating Information 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.	150

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u> As restated	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities										
Net investment in capital assets	\$223,888,086	\$233,664,415	\$246,279,437	\$244,885,761	\$239,962,002	\$245,296,042	\$247,930,780	\$248,985,672	\$251,637,764	\$258,613,035
Restricted	44,673,785	30,244,964	29,223,380	29,399,661	27,423,213	26,853,112	24,758,387	24,018,470	22,426,459	21,390,727
Unrestricted (deficit)	41,562,207	46,892,632	32,387,781	34,282,231	(104,573,658)	(111,743,342)	(123,574,435)	(137,411,173)	(123,258,820)	(109,555,324)
Total governmental activities net position	\$310,124,078	\$310,802,011	\$307,890,598	\$308,567,653	\$162,811,557	\$160,405,812	\$149,114,732	\$135,592,969	\$150,805,403	\$170,448,438
Business-type activities										
Net investment in capital assets	\$ 98,057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	5,795,317	-	-	-	-	-	-	-	-	-
Total business-type activities net position	\$ 5,893,374	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Primary government										
Net investment in capital assets	\$223,986,143	\$233,664,415	\$246,279,437	\$244,885,761	\$239,962,002	\$245,296,042	\$247,930,780	\$248,985,672	\$251,637,764	\$258,613,035
Restricted	50,469,102	30,244,964	29,223,380	29,399,661	27,423,213	26,853,112	24,758,387	24,018,470	22,426,459	21,390,727
Unrestricted (deficit)	41,562,207	46,892,632	32,387,781	34,282,231	(104,573,658)	(111,743,342)	(123,574,435)	(137,411,173)	(123,258,820)	(109,555,324)
Total primary government net position	\$316,017,452	\$310,802,011	\$307,890,598	\$308,567,653	\$162,811,557	\$160,405,812	\$149,114,732	\$135,592,969	\$150,805,403	\$170,448,438

This page is left blank intentionally.

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

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u> As restated	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses										
Governmental activities:										
General government	\$ 59,429,434	\$ 62,345,662	\$ 61,913,160	\$ 61,634,911	\$ 73,547,614	\$ 71,366,887	\$ 73,276,034	\$ 76,332,480	\$ 64,929,011	\$ 68,488,223
Public safety	47,609,527	49,388,684	51,737,665	52,322,338	58,080,181	57,761,417	64,261,140	75,655,946	63,043,098	74,036,542
Highways and streets	24,893,508	25,247,610	23,452,424	21,909,440	27,128,143	23,274,551	25,487,401	24,127,122	26,746,851	29,638,322
Sanitation	1,297,411	1,465,542	1,437,943	1,853,305	1,609,894	1,818,970	1,868,223	1,891,308	2,356,825	2,653,849
Health	12,822,518	13,191,650	13,318,952	13,364,778	14,253,730	15,273,078	14,693,754	14,564,187	15,366,244	16,921,934
Welfare	9,497,084	11,834,457	10,748,376	10,674,717	10,626,802	10,735,149	10,758,602	11,266,831	10,559,683	10,849,287
Culture and recreation	294,753	238,532	206,447	138,729	105,961	138,729	85,738	81,577	155,438	95,260
Education	4,926,595	3,509,638	5,775,032	5,030,647	4,398,718	4,332,906	4,980,959	4,887,163	4,101,235	4,553,954
Interest on long-term debt	1,942,927	1,364,868	1,206,904	1,148,062	1,086,800	1,028,399	964,944	1,047,910	436,228	474,200
Total governmental activities expenses	162,713,757	168,586,643	169,796,903	168,076,927	190,837,843	185,730,086	196,376,795	209,854,524	187,694,613	207,711,571
Business-type activities:										
Long Term Care	41,120,729	10,141,138	-	-	-	-	-	-	-	-
Total business-type activities expenses	41,120,729	10,141,138	-	-	-	-	-	-	-	-
Total primary government expenses	\$203,834,486	\$178,727,781	\$169,796,903	\$168,076,927	\$190,837,843	\$185,730,086	\$196,376,795	\$209,854,524	\$187,694,613	\$207,711,571
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 5,627,504	\$ 5,459,831	\$ 4,376,884	\$ 4,641,730	\$ 7,798,624	\$ 8,788,165	\$ 9,427,420	\$ 8,748,410	\$ 9,621,932	\$ 11,340,202
Public safety	8,040,993	8,681,147	8,865,102	7,620,120	3,500,936	3,711,204	3,905,223	4,136,934	4,160,268	3,806,332
Health	5,844,952	6,569,234	5,795,116	5,768,856	6,376,541	6,589,161	6,496,676	6,580,465	6,460,712	6,781,626
Other	2,708,201	1,806,374	2,205,285	2,426,992	2,497,840	2,711,920	3,263,044	3,900,165	4,153,603	4,333,923
Operating grants and contributions	32,210,542	26,710,532	26,931,066	30,662,264	29,810,500	35,547,178	36,867,646	39,337,795	38,364,701	47,913,703
Capital grants and contributions	1,067,298	2,248,681	1,876,590	3,239,760	3,759,162	4,860,870	823,163	360,460	1,602,945	397,451
Total governmental activities program revenues	55,499,490	51,475,799	50,050,043	54,359,722	53,743,603	62,208,498	60,783,172	63,064,229	64,364,161	74,573,237
Business-type activities:										
Charges for services:										
Long Term Care	43,697,139	11,968,091	-	-	-	-	-	-	-	-

(Continued on next page)

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

(Continued)

	Fiscal Year									
	2011	2012	2013 As restated	2014	2015 ¹	2016	2017	2018	2019	2020
Total business-type activities program revenues	43,697,139	11,968,091	-	-	-	-	-	-	-	-
Total primary government program revenues	\$ 99,196,629	\$ 63,443,890	\$ 50,050,043	\$ 54,359,722	\$ 53,743,603	\$ 62,208,498	\$ 60,783,172	\$ 63,064,229	\$ 64,364,161	\$ 74,573,237
Net (expense)/revenue										
Governmental activities	\$ (107,214,267)	\$ (117,110,844)	\$ (119,746,860)	\$ (113,717,205)	\$ (137,094,240)	\$ (123,521,588)	\$ (135,593,623)	\$ (146,790,295)	\$ (123,330,452)	\$ (133,138,334)
Business-type activities	2,576,410	1,826,953	-	-	-	-	-	-	-	-
Total primary government net expense	\$ (104,637,857)	\$ (115,283,891)	\$ (119,746,860)	\$ (113,717,205)	\$ (137,094,240)	\$ (123,521,588)	\$ (135,593,623)	\$ (146,790,295)	\$ (123,330,452)	\$ (133,138,334)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 55,299,466	\$ 51,699,471	\$ 52,122,175	\$ 52,112,146	\$ 51,294,809	\$ 53,103,018	\$ 54,685,899	\$ 56,221,022	\$ 57,313,871	\$ 66,634,032
Sales taxes	39,256,867	41,382,944	47,587,636	46,707,526	48,283,744	51,106,133	53,474,488	57,686,628	60,735,515	65,123,617
Vehicle license taxes	9,394,022	9,083,699	9,262,788	7,022,638	10,356,545	8,022,644	8,600,164	9,277,476	9,792,370	10,048,063
Grants not restricted to specific programs	-	2,985,878	2,960,656	3,177,599	2,895,889	3,480,910	3,314,664	3,630,887	3,499,331	3,667,743
Franchise taxes	309,155	271,003	269,404	267,020	282,805	283,366	281,425	298,249	309,367	322,249
Lottery (intergovernmental, unrestricted)	-	-	-	550,038	550,038	-	-	550,050	550,050	550,050
Investment earnings	382,199	227,971	216,409	679,320	(70,947)	187,916	129,869	681,115	1,249,575	870,170
Gain (loss) on disposal of capital assets	77,731	376,709	(66,231)	149,991	171,568	204,175	173,711	594,205	408,877	566,755
Miscellaneous	5,573,375	4,104,472	4,482,610	3,727,982	4,315,570	4,727,681	3,642,323	4,328,900	4,683,930	4,998,690
Transfers	-	7,656,630	-	-	-	-	-	-	-	-
Total governmental activities	110,292,815	117,788,777	116,835,447	114,394,260	118,080,021	121,115,843	124,302,543	133,268,532	138,542,886	152,781,369
Business-type activities:										
Investment earnings	30,687	18,363	-	-	-	-	-	-	-	-
Loss on disposal of capital assets	-	(82,060)	-	-	-	-	-	-	-	-
Miscellaneous	101,371	-	-	-	-	-	-	-	-	-
Transfers	-	(7,656,630)	-	-	-	-	-	-	-	-
Total business-type activities	132,058	(7,720,327)	-	-	-	-	-	-	-	-
Total primary government	\$ 110,424,873	\$ 110,068,450	\$ 116,835,447	\$ 114,394,260	\$ 118,080,021	\$ 121,115,843	\$ 124,302,543	\$ 133,268,532	\$ 138,542,886	\$ 152,781,369
Change in Net Position										
Governmental activities	\$ 3,078,548	\$ 677,933	\$ (2,911,413)	\$ 677,055	\$ (19,014,219)	\$ (2,405,745)	\$ (11,291,080)	\$ (13,521,763)	\$ 15,212,434	\$ 19,643,035
Business-type activities	2,708,468	(5,893,374)	-	-	-	-	-	-	-	-
Total primary government	\$ 5,787,016	\$ (5,215,441)	\$ (2,911,413)	\$ 677,055	\$ (19,014,219)	\$ (2,405,745)	\$ (11,291,080)	\$ (13,521,763)	\$ 15,212,434	\$ 19,643,035

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

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

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u> As restated	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General fund										
Nonspendable	\$ 883,725	\$ 558,330	\$ 529,990	534,073	\$ 419,021	\$ 550,208	\$ 659,611	\$ 626,112	\$ 386,449	\$ 519,087
Unassigned	11,572,661	9,198,985	8,467,686	9,716,724	9,139,623	9,552,144	9,853,659	9,633,712	11,768,137	25,930,207
Total general fund	<u>\$12,456,386</u>	<u>\$ 9,757,315</u>	<u>\$ 8,997,676</u>	<u>\$10,250,797</u>	<u>\$ 9,558,644</u>	<u>\$10,102,352</u>	<u>\$10,513,270</u>	<u>\$10,259,824</u>	<u>\$12,154,586</u>	<u>\$ 26,449,294</u>
All other governmental funds										
Nonspendable	\$ 571,259	\$ 338,143	\$ 420,405	\$ 369,364	\$ 384,929	\$ 400,687	\$ 487,560	\$ 410,774	\$ 402,633	\$ 518,780
Restricted	44,302,178	29,845,087	28,408,624	29,214,659	27,263,418	26,687,753	24,588,981	23,859,908	22,292,622	83,969,400
Committed	48,737,019	44,933,474	31,110,770	29,500,387	27,471,287	24,146,575	22,256,013	24,210,208	28,466,825	27,466,285
Unassigned	-	-	-	(129,290)	(647,487)	(34,846)	(46,030)	(268,131)	(235,467)	(1,073,939)
Total all other governmental funds	<u>\$93,610,456</u>	<u>\$75,116,704</u>	<u>\$ 59,939,799</u>	<u>\$58,955,120</u>	<u>\$54,472,147</u>	<u>\$51,200,169</u>	<u>\$47,286,524</u>	<u>\$48,212,759</u>	<u>\$50,926,613</u>	<u>\$110,880,526</u>

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

	Fiscal Year									
	2011	2012	2013 <u>As restated</u>	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 72,919,065	\$ 70,585,042	\$ 74,555,129	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	52,225,532	51,435,356	53,076,446	51,830,240	56,322,256	57,484,689	66,453,459
County sales taxes	-	-	-	21,582,391	22,776,374	24,450,120	28,496,007	27,763,993	29,095,816	31,420,933
Special assessments	625,539	445,430	313,975	445,823	323,790	307,004	328,552	256,753	270,767	218,363
Licenses and permits	2,649,532	2,352,607	2,827,913	3,500,652	3,656,374	3,850,570	4,263,493	5,045,676	5,695,856	6,368,322
Intergovernmental	78,875,264	67,956,327	69,778,203	68,090,496	71,486,393	73,987,068	76,383,556	82,381,548	87,027,113	98,271,626
Charges for services	12,555,911	13,901,191	13,173,252	11,949,422	12,504,936	12,290,540	12,325,424	12,257,416	12,047,785	13,358,643
Fines and forfeits	2,925,544	3,075,579	3,258,371	3,480,687	3,428,912	3,290,343	3,506,446	3,492,895	3,570,978	3,337,603
Investment earnings	382,202	227,971	216,427	679,871	(70,947)	187,918	129,868	681,116	1,249,579	870,170
Miscellaneous	5,738,164	4,274,703	4,638,767	5,000,510	5,102,733	6,121,031	5,050,927	5,579,688	5,863,229	6,591,617
Total revenues	176,671,221	162,818,850	168,762,037	166,955,384	170,643,921	177,561,040	182,314,513	193,781,341	202,305,812	226,890,736
Expenditures										
General government	55,278,011	60,284,141	60,720,587	60,579,208	67,398,559	65,217,327	66,227,788	67,790,528	67,497,256	68,183,123
Public safety	47,884,440	48,438,479	51,407,963	51,391,831	52,684,423	54,534,285	58,023,197	65,263,847	61,635,618	71,723,658
Highways and streets	20,362,539	22,839,550	26,507,156	19,159,634	20,266,071	24,201,825	27,058,914	25,399,182	16,849,214	18,745,505
Sanitation	1,319,900	1,445,057	1,610,073	1,957,968	1,702,678	1,884,551	1,887,043	2,001,007	2,256,302	2,492,399
Health	12,650,539	13,121,564	13,179,859	13,189,896	14,106,085	15,210,473	14,686,935	14,715,104	15,755,220	16,528,607
Welfare	9,489,765	11,841,743	10,742,570	10,684,724	10,630,863	10,738,903	10,758,061	11,275,978	10,586,621	10,836,316
Culture and recreation	157,431	172,348	114,047	113,262	101,478	134,564	132,233	116,858	150,519	88,508
Education	4,819,819	4,246,599	5,706,095	4,974,902	4,064,669	4,112,725	4,677,716	4,525,456	4,333,174	4,578,357
Debt service:										
Principal	13,125,845	5,775,482	1,230,950	1,278,462	1,328,112	1,424,604	1,473,153	1,531,737	1,579,884	1,815,006
Interest and other charges	1,942,927	1,364,868	1,212,778	1,154,200	1,093,213	1,032,511	972,549	902,551	643,254	1,228,364
Capital outlay	10,471,363	21,956,670	12,271,703	2,424,396	2,674,818	2,301,378	107,958	176,840	16,934,683	23,023,168
Total expenditures	177,502,579	191,486,501	184,703,781	166,908,483	176,050,969	180,793,146	186,005,547	193,699,088	198,221,745	219,243,011
Excess (deficiency) of revenues over (under) expenditures	(831,358)	(28,667,651)	(15,941,744)	46,901	(5,407,048)	(3,232,106)	(3,691,034)	82,253	4,084,067	7,647,725
Other financing sources (uses)										
Revenue bonds issued	-	-	-	-	-	-	-	16,978,000	-	57,050,000
Premium on bond proceeds	-	-	-	-	-	-	-	-	-	8,784,446
Special assessment bonds issued	-	-	-	-	-	-	-	-	-	-
Payment to refunding escrow agent	-	-	-	-	-	-	-	(16,896,907)	-	-
Capital lease agreements	-	-	-	-	-	211,939	-	-	-	-
Sale of capital assets	77,731	376,709	5,200	221,541	231,922	291,897	188,307	509,443	524,549	766,450
Transfers in	18,011,458	35,664,432	14,207,090	12,096,198	11,139,032	11,124,422	11,988,058	12,295,183	12,269,573	11,964,146
Transfers out	(18,011,458)	(28,007,802)	(14,207,090)	(12,096,198)	(11,139,032)	(11,124,422)	(11,988,058)	(12,295,183)	(12,269,573)	(11,964,146)
Total other financing sources (uses)	77,731	8,033,339	5,200	221,541	231,922	503,836	188,307	590,536	524,549	66,600,896
Net changes in fund balances	\$ (753,627)	\$ (20,634,312)	\$ (15,936,544)	\$ 268,442	\$ (5,175,126)	\$ (2,728,270)	\$ (3,502,727)	\$ 672,789	\$ 4,608,616	\$ 74,248,621
Debt service as a percentage of noncapital expenditures	9.5%	4.5%	1.6%	1.6%	1.5%	1.5%	1.5%	1.4%	1.1%	1.1%

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

Fiscal Year	Primary Net Assessed Value			Total Taxable Net Assessed Value	Total Direct Tax Rate ¹	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential and Vacant Property	Commercial Property	Unattached Personal Property				
2011	2,357,527,484	767,441,706	62,608,487	3,187,577,677	1.7519	26,602,931,420	11.98%
2012	2,007,011,632	623,434,540	81,731,709	2,712,177,881	1.9172	22,580,984,308	12.01%
2013	1,748,825,220	573,976,929	82,671,574	2,405,473,723	2.2049	20,142,814,909	11.94%
2014	1,819,990,776	325,100,587	87,538,236	2,232,629,599	2.3961	19,088,929,991	11.70%
2015	1,840,982,742	295,068,513	81,221,556	2,217,272,811	2.4216	19,418,863,184	11.42%
2016	1,929,113,529	263,001,270	87,068,649	2,279,183,448	2.4044	20,061,477,030	11.36%
2017	2,012,130,501	251,908,085	80,371,356	2,344,409,942	2.3910	21,142,413,672	11.09%
2018	2,131,382,392	238,029,643	93,738,001	2,463,150,036	2.3556	22,327,112,822	11.03%
2019	2,267,175,515	249,865,108	82,497,218	2,599,537,841	2.2696	23,680,652,430	10.98%
2020	2,414,473,528	260,089,904	91,113,641	2,765,677,073	2.4906	25,260,274,257	10.95%

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 ¹				
	Primary	Secondary			Total Direct	School Equalization	School Districts	Cities	Other Special Districts	Community College District
		Fire District	Library District	Flood Control District						
2011	1.3524	0.0813	0.1188	0.1994	1.7519	0.3564	0.2436-7.7525	0.0109-1.4401	0.0492-9.6600	1.3609
2012	1.4305	0.0928	0.1456	0.2483	1.9172	0.4259	1.2605-7.9313	0.0142-1.4400	0.0642-11.4000	1.6175
2013	1.6426	0.1000	0.1660	0.2963	2.2049	0.4717	1.2727-7.2224	0.4083-1.4400	0.0437-13.6892	1.8875
2014	1.9308	0.1000	0.1491	0.2162	2.3961	0.5123	1.1401-7.8940	0.3351-1.6000	0.0622-16.2403	2.0468
2015	1.9580	0.1008	0.1512	0.2116	2.4216	0.5089	2.4776-7.7759	0.3149-1.5739	0.0627-16.5100	2.0837
2016	1.9317	0.1000	0.1667	0.2060	2.4044	0.5054	2.3885-7.7757	0.3047-1.7165	0.0642-17.6840	2.0901
2017	1.9027	0.1000	0.1907	0.1976	2.3910	0.5010	2.0177-7.7737	0.3025-1.7316	0.0616-19.9088	2.0561
2018	1.8395	0.1000	0.1815	0.2346	2.3556	.04875	2.0537-8.5411	0.2821-1.6612	0.0583-8.3655	1.9828
2019	1.7788	0.1000	0.1720	0.2188	2.2696	0.4741	2.2376-8.5394	0.2699-1.6455	0.0557-12.7400	1.9476
2020	2.0152	0.1000	0.1651	0.2103	2.4906	0.4566	2.2348-8.4380	0.2599-1.6150	0.0573-12.1200	1.8408

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>	2020			2011		
	<u>Primary Net Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Primary Net Assessed Value</u>	<u>Primary Net Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Primary Net Assessed Value</u>
Arizona Public Service	\$ 96,757,965	1	3.50%	\$ 14,031,705	1	0.44%
Phelps Dodge Bagdad Inc.	79,075,801	2	2.86%	-	-	-
Transwestern Pipeline Company	22,512,356	3	0.81%	7,271,900	2	0.23%
Drake Cement LLC	20,573,412	4	0.74%	-	-	-
Unisource Energy Corporation	17,378,546	5	0.63%	1,234,933	3	0.04%
Burlington Northern Santa Fe Railway Company	14,660,618	6	0.53%	-	-	-
Phoenix Cement Company	14,409,301	7	0.52%	-	-	-
Kinder Morgan	9,087,226	8	0.33%	-	-	-
Sturm Ruger & Co. Inc.	8,958,062	9	0.32%	-	-	-
Wal-Mart	7,231,416	10	0.26%	-	-	-
Ester C Company	-	-	-	1,008,758	4	0.03%
Qwest Corporation	-	-	-	988,731	5	0.03%
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%
Totals	\$ 290,644,703		10.5%	\$ 28,689,479		0.90%
Total Yavapai County Primary Assessed Value	\$2,765,677,073		100.00%	\$3,187,577,677		100.00%

Source: Yavapai County Assessor and Arizona Department of Revenue.

Yavapai County
Property Tax Levies and Collections¹
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year ²	Collected within the Fiscal Year		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	43,108,560	40,512,865	93.98%	1,096,739	41,609,604	96.52%
2012	38,797,705	36,464,287	93.99%	885,078	37,349,365	96.27%
2013	39,512,311	37,270,343	94.33%	606,878	37,877,221	95.86%
2014	43,108,560	40,635,331	94.26%	579,207	41,214,538	95.61%
2015	43,108,560	41,019,828	95.15%	505,518	41,525,346	96.33%
2016	44,026,986	41,648,986	94.60%	513,145	42,162,131	95.76%
2017	44,606,170	42,533,288	95.35%	500,773	43,034,061	96.48%
2018	45,309,644	43,103,822	95.13%	458,615	43,562,437	96.14%
2019	46,240,578	44,193,993	95.57%	406,251	44,600,244	96.45%
2020	55,734,999	53,219,818	95.49%	-	53,219,818	95.49%

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

1) General Fund levies and collections only.

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

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

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	Jail District Pledged Revenue Obligations	Revenue Bonds	Special Assessment Bonds	Capital Leases			
2011	-	4,590,000	2,645,000	25,000,000	32,235,000	0.50%	152.67
2012	-	-	2,470,000	23,989,518	26,459,518	0.40%	124.60
2013	-	-	2,295,000	22,933,568	25,228,568	0.36%	117.33
2014	-	-	2,120,000	21,830,106	23,950,106	0.32%	109.66
2015	-	-	1,945,000	20,676,993	22,621,993	0.29%	102.09
2016	-	-	1,770,000	19,639,687	21,409,687	0.26%	94.92
2017	-	-	1,595,000	18,341,534	19,936,534	0.23%	87.42
2018	-	16,978,000	1,420,000	87,890	18,485,890	0.20%	79.68
2019	-	15,616,000	1,245,000	45,006	16,906,006	0.17%	71.91
2020	57,050,000	14,021,000	1,070,000	-	72,141,000	N/A (2)	305.13

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 2020.

Yavapai County
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 2,765,677,073
Debt limit (6% of assessed value)	165,940,624
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	\$ 165,940,624

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt limit	\$191,254,661	\$162,730,673	\$144,328,423	\$133,957,776	\$133,036,369	\$136,751,007	\$140,664,597	\$147,789,002	\$155,972,270	\$ 165,940,624
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$191,254,661	\$162,730,673	\$144,328,423	\$133,957,776	\$133,036,369	\$136,751,007	\$140,664,597	\$147,789,002	\$155,972,270	\$ 165,940,624
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 ²	Less: Expenditures ³	Net		Coverage	
			Available Revenue	Debt Service		
				Principal	Interest	
2011	16,348,743	14,461,792	1,886,951	1,720,000	151,210	1.01
2012	16,359,044	14,478,655	1,880,389	1,790,000	77,803	1.01
2013	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)
2014	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)
2015	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)
2016	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)
2017	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)
2018	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)
2019	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)	N/A (1)
2020	19,421,927	19,423,351	(1,424)	-	-	-

Highway Construction Advancement Revenue Bonds

Fiscal Year	County Excise Tax	State Shared Sales Tax	Highway		Debt Service	Coverage	
			Project Repayments ⁴	Net Available Revenue			
					Principal	Interest	
2011	11,703,512	21,703,065	11,200,000	44,606,577	11,200,000	493,743	3.81
2012	12,400,793	22,955,984	1,400,000	36,756,777	2,800,000	17,406	13.05
2013	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2014	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2015	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2016	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2017	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2018	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2019	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)
2020	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)	N/A (5)

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

- 1) Final payment for the Jail District Revenue Bonds was made during 2012 and Jail District Pledge Revenue Obligations were issued on June 4, 2020.
- 2) Revenues include beginning fund balance and transfers in. Beginning fund balance is included in revenues since it represents unexpended pledged revenues.
- 3) Expenditures include transfers out, except those for debt service.
- 4) Highway project repayments include unspent bond proceeds and repayments made by the Arizona Department of Transportation.
- 5) Final payments for the Highway Construction Advancement Revenue Bonds were made during 2012.

Yavapai County
Pledged Revenue Coverage
Last Ten Fiscal Years

Special Assessment Bonds				
Fiscal Year	Special Assessment	Debt Service		
	Collections	Principal	Interest	Coverage
2011	625,539	205,845	185,474	1.60
2012	445,430	175,000	168,276	1.30
2013	313,975	175,000	156,863	0.95
2014	445,823	175,000	145,797	1.39
2015	308,359	175,000	134,461	1.00
2016	253,491	175,000	123,017	0.85
2017	313,258	175,000	111,604	1.09
2018	242,192	175,000	100,190	0.88
2019	256,532	175,000	88,808	0.97
2020	204,018	175,000	77,394	0.81

Revenue Refunding Obligations						
Fiscal Year	County Excise Tax	State Shared Sales Taxes	Net		Debt Service	
			Available Revenue	Principal	Interest	Coverage
2011	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)
2012	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)
2013	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)
2014	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)
2015	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)
2016	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)
2017	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)	N/A (6)
2018	\$ 18,311,614	\$ 19,461,489	\$ 37,773,103	\$ -	\$ -	-
2019	19,190,975	21,894,007	41,084,982	1,362,000	550,098	21.49
2020	20,732,511	23,748,868	44,481,379	1,595,000	316,524	23.27

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

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

Yavapai County
Demographic and Economic Statistics
Last Ten Calendar Years

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2011	211,138	6,387,827	30,254	10.0%
2012	212,350	6,623,513	31,191	8.8%
2013	215,027	6,936,360	32,258	8.4%
2014	218,405	7,482,253	34,259	6.7%
2015	221,584	7,888,490	35,600	5.6%
2016	225,562	8,199,948	36,353	5.0%
2017	228,055	8,753,027	38,381	4.6%
2018	231,993	9,352,066	40,312	4.4%
2019	235,099	9,731,391	41,393	4.6%
2020	236,426	N/A (1)	N/A (1)	7.4%

Source: Population and personal income through 2019 obtained from the U.S. Department of Commerce, Bureau of Economic Analysis. Population for 2020 and unemployment rates obtained from the Arizona Department of Administration, Office of Economic Opportunity.

1) Personal income and per capita personal income were not available for 2020.

Yavapai County
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	2020			2011		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Yavapai Regional Medical Center	2,100	1	2.09%	1,421	2	1.63%
Yavapai County	1,539	2	1.53%	1,449	1	1.66%
Veterans Medical Center	1,100	3	1.01%	944	3	1.08%
Walmart	1,046	4	0.96%	689	8	0.79%
Freeport McMoran Copper Mine ¹	1,015	5	1.01%	835	5	0.96%
Verde Valley Medical Center	912	6	0.91%	900	4	1.03%
Humbolt Unified School District	664	7	0.66%	-	-	-
State of Arizona	582	8	0.58%	742	6	0.85%
Yavapai College	553	9	0.55%	621	9	0.71%
Embry-Riddle Aeronautical University	537	10	0.54%	-	-	-
Prescott Unified School District	-	-	-	696	7	0.80%
City of Prescott	-	-	-	500	10	0.57%
Totals	<u>10,048</u>		<u>9.84%</u>	<u>8,797</u>		<u>10.08%</u>
Total Employment in Yavapai County	100,366		100.00%	87,185		100.00%

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

1) Reported under the name Cyprus Bagdad Copper Mine in 2011.

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

Function	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General government	539	559	589	599	622	620	629	629	645	651
Public safety	536	515	535	544	540	556	572	566	568	574
Highways and streets	101	100	105	102	108	111	108	104	114	116
Sanitation	13	11	12	12	12	12	12	12	17	15
Health	138	135	133	133	146	158	150	146	153	148
Welfare	4	5	5	4	6	6	6	6	7	7
Education	33	33	35	30	28	31	34	30	30	28
Capital outlay	3	3	-	-	-	-	-	-	-	-
Long Term Care	48	-	-	-	-	-	-	-	-	-
Total	1,415	1,361	1,414	1,424	1,462	1,494	1,511	1,493	1,534	1,539

Source: Yavapai County payroll records.

Yavapai County
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Elections										
Elections	4	5	4	3	2	6	3	3	2	3
Number voting	151,515	66,953	165,625	65,363	120,592	157,489	172,057	98,899	176,903	54,096
Development Services										
Building permits issued	2,521	2,432	2,737	3,200	3,198	3,336	3,403	3,668	3,617	4,210
Inspections performed	9,532	9,516	8,800	11,568	11,721	10,922	10,573	13,058	13,707	26,938
Assessor										
Parcels assessed	170,330	170,306	169,314	169,089	169,494	170,186	171,189	171,725	173,939	175,632
New subdivisions	16	33	15	39	41	47	44	53	69	69
Public safety										
Sheriff										
Inmate population	6,470	6,942	7,060	6,410	5,835	6,139	6,641	6,411	6,256	5,888
Adult Probation										
Probationers actively supervised	1,940	1,854	1,860	1,980	2,106	2,275	2,294	2,449	2,387	2,407
Community restitution hours	50,500	46,858	50,043	53,614	70,668	83,156	101,700	83,843	87,517	67,671
Restitution collected	\$717,672	\$579,926	\$585,079	\$733,119	\$694,045	\$810,589	\$719,516	\$706,952	\$749,795	\$790,320
Presentence reports written for courts	532	531	548	651	328	296	314	339	392	439
Juvenile Probation										
Juveniles brought to detention	998	955	800	954	888	799	812	755	672	576
Average length of detention (days)	31	15	14	13	13	14	15	16	14	17
Probationers	648	596	556	493	451	450	539	549	593	549
Community restitution hours	16,350	15,203	12,956	12,527	8,296	9,298	9,647	10,002	10,876	10,965
Highways and streets										
Public Works										
Crack sealing (miles)	78	54	37	14	40	39	111	132	114	80
Street resurfacing (miles)	26	33	37	21	47	44	81	90	92	100
Sanitation										
Landfill/Environment										
Transfer station refuse collected (tons)	2,772	2,853	2,564	3,059	3,407	3,377	3,991	4,752	5,250	6,117
Waste tires collected	129,318	125,880	127,417	129,675	133,618	149,989	140,206	146,410	155,933	157,563
Health										
Health Care										
Certified copies of death certificates issued	16,515	13,409	13,045	12,932	17,152	17,003	14,540	17,771	16,538	16,050
Childhood immunization visits	2,509	2,518	3,378	3,156	3,000	2,338	2,221	1,929	1,722	1,300
Restaurant inspections and re-inspections	4,063	3,793	4,413	4,256	5,864	3,237	3,324	4,051	3,633	3,513
Welfare										
Public Fiduciary										
Guardianships/conservatorships	85	88	91	95	84	102	106	97	104	83
Education										
School Superintendent										
School districts	25	25	25	25	25	25	25	25	25	25
District students	22,237	21,673	21,566	21,122	18,356	20,482	20,177	20,285	19,915	19,977
Charter schools	30	31	28	28	23	22	20	19	19	21
Charter students	3,402	3,529	3,578	4,175	6,808	3,583	4,337	4,304	4,420	4,288
Culture and recreation										
Parks & Recreation										
Park use permits issued	9	11	12	11	11	13	20	12	14	6

Source: Various Yavapai County departments.

Yavapai County
Capital Asset Statistics by Function
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General government										
Superior Courts										
Divisions	10	10	10	10	10	10	10	10	10	10
Public safety										
Sheriff										
Inmate beds available (including portable)	794	794	794	600	600	664	664	658	658	644
Jail facilities	2	2	2	2	2	2	2	2	2	2
Stations	12	12	12	12	11	11	11	11	11	11
Improvement Districts										
Flood warning sites	83	88	92	97	98	100	101	104	104	105
Flood Control District properties	235	241	242	240	242	242	242	243	244	251
Highways and streets										
Public Works										
Miles of paved roads	779	782	783	785	787	796	798	803	805	805
Bridges	18	15	15	15	16	17	18	18	18	19
Sanitation										
Landfill/Environment										
Transfer stations	7	7	8	8	8	8	8	8	8	8
Health										
Health Care										
Public health facilities	3	4	4	4	4	4	4	4	4	4
Culture and recreation										
Parks & Recreation										
County parks	11	11	11	11	11	11	11	11	11	11

Source: Various Yavapai County departments.

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

This page is left blank intentionally.