

Yavapai County, Arizona



Yavapai County Superior Court

2840 Commonwealth Drive
Camp Verde, Arizona

November 2009 Completion Date

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2010

**Yavapai County, Arizona
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2010**



Board of Supervisors

Carol Springer, District 1

A.G. "Chip" Davis, District 3

Thomas Thurman, District 2

Prepared by Yavapai County
Finance Department

YAVAPAI COUNTY
 Comprehensive Annual Financial Report
 Year Ended June 30, 2010

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INTRODUCTORY SECTION



Yavapai County Finance Department

JOHN D. ZANDER, CPA

FINANCE DIRECTOR

December 6, 2010

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, 2010.

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.

Walker & Armstrong LLP, a firm of licensed certified public accountants, have 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, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit; that there was a reasonable basis for rendering an unqualified opinion that Yavapai County's financial statements for the fiscal year ended June 30, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

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

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

The County operates under the supervisor-administrator form of government. Policy-making and legislative authority are vested in a Board of Supervisors (Board) consisting of three members elected to four-year terms representing three supervisorial districts. The Board appoints an Administrator, who is responsible for overseeing the day-to-day operations of the County government.

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

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

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

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

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

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

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Administrator annually. These requests are used as the starting point for developing a proposed budget. The County Administrator then presents this proposed budget to the Board of Supervisors for review on or before the third Monday in July. On or before the fourteenth day before the day in August when the Board sets tax levy rates, the Board must hold a public hearing and a special meeting of the Board, at which time the final budget must be adopted. The final budget is adopted by fund and department. Transfers of appropriations between funds or departments require approval of the Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds this comparison is presented beginning on page 59 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 80.

Local Economy

Yavapai County has experienced rapid population growth in prior years, with a rate increase of 55% to a total of 168,885, from the 1990 to the 2000 census. The U.S. Census Bureau has estimated Yavapai County's population to be approximately 215,686 in 2009, which is a 27.7% increase from the 2000 census. During the past few years, Yavapai County, as most other counties in the State of Arizona and throughout the nation, continues to experience a decline of residential construction activity and a reduction of home values. As a result, sales tax collected continues to decline from the previous year in Yavapai County at a rate of 13.6%, and it is anticipated to remain at this level for fiscal year 2010-11.

The Arizona Department of Economic Security estimates the average 2010 unemployment rate for Yavapai County is 10.0%, compared to the prior year rate of 9.5%. 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 $\frac{1}{4}$ cent for the purpose of constructing, operating, maintaining and financing County jail facilities. In December of 1999, the Board adopted Resolution No.1999-1 establishing the initial excise tax of $\frac{1}{5}$ cent. On March 26, 2003, the excise tax was raised to the voter approved rate of $\frac{1}{4}$ cent.

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

The Jail District sales tax and the maintenance of effort from the General Fund are inadequate to fund the operation of the Jail District. The Board asked the voters of Yavapai County in the November 4, 2008 general election for authorization to increase the Jail District sales tax rate from $\frac{1}{4}$ cent to $\frac{1}{2}$ cent and this request was voted down. Because the operation of a county jail facility is statutorily required, other resources will be diverted at the direction of the Board in order to fund the operation of the Jail District.

In July 2007, the County issued \$25.4 million in variable rate demand highway construction advancement revenue bonds. The bond proceeds were advanced to the Arizona Department of Transportation (ADOT) to accelerate construction of Arizona State Route 260, which is a component of the state's five year plan. ADOT is required, by Arizona Revised Statutes §11-269.03, to repay the advanced proceeds to the County within a five year period. The interest for the bonds, until paid in full, will be paid from the County's excise tax and state shared sales tax. The project is now completed and the construction cost to widen State Route 260 was lower than the engineer's estimate. The unexpended funds of \$6.7 million and an ADOT repayment of \$4.3 million was used to retire a portion of the bonds. Revenue bonds outstanding at June 30, 2010 were \$14 million.

In May 2008, the Board entered into a \$50.0 million capital lease agreement to finance the design and construction of a superior court building next to the Camp Verde jail facility and a juvenile detention facility and two administrative buildings in Prescott. During the prior fiscal year, the Board modified this lease agreement and retired \$25 million of the original \$50 million. The Board modified the capital projects, eliminating the construction of the administrative buildings, because of the current economic environment.

Relevant Financial Policies

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

Major Initiative

During the past two fiscal years, the Board has enacted several cost cutting measures in response to declining revenues. County departments reduced expenditures in fiscal year 2008/09 by 6.7% and again in fiscal year 2009/10 another 7.5%. In January 2007, the Board established a hiring restriction, which requires County departments to formally request, in a public meeting, approval to fill vacant position(s) during the fiscal year. As a result, the number of County employees decreased 162 from 1,596 as of June 2008 to 1,434 as of June 2010. This reduction of 162 employees is a result of 8 layoffs and 154 unfilled positions due to attrition. In April 2009, the Board approved closure of the Prescott jail facility for an annual savings of \$2.4 million. In fiscal year 2009 the Board eliminated the purchase of all replacement vehicles and computers. For the current fiscal year, the Board has approved funds to replace 25% of the scheduled vehicle replacement budget and to replace 50% of the scheduled computer replacement budget. The County received Federal stimulus money during the current fiscal year to purchase hybrid vehicles and to construct a new health facility in Cottonwood AZ with both awards requiring County matching funds. The expenditures for these projects started in the current fiscal year and are expected to be completed in fiscal year 2010/11. In January 2009 the Board also reallocated a portion of the County ½ cent sales tax from capital and road projects to the general fund.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Yavapai County for its comprehensive annual financial report for the fiscal year ended June 30, 2009. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

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

Respectfully submitted,

John D. Zander
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Yavapai County
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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

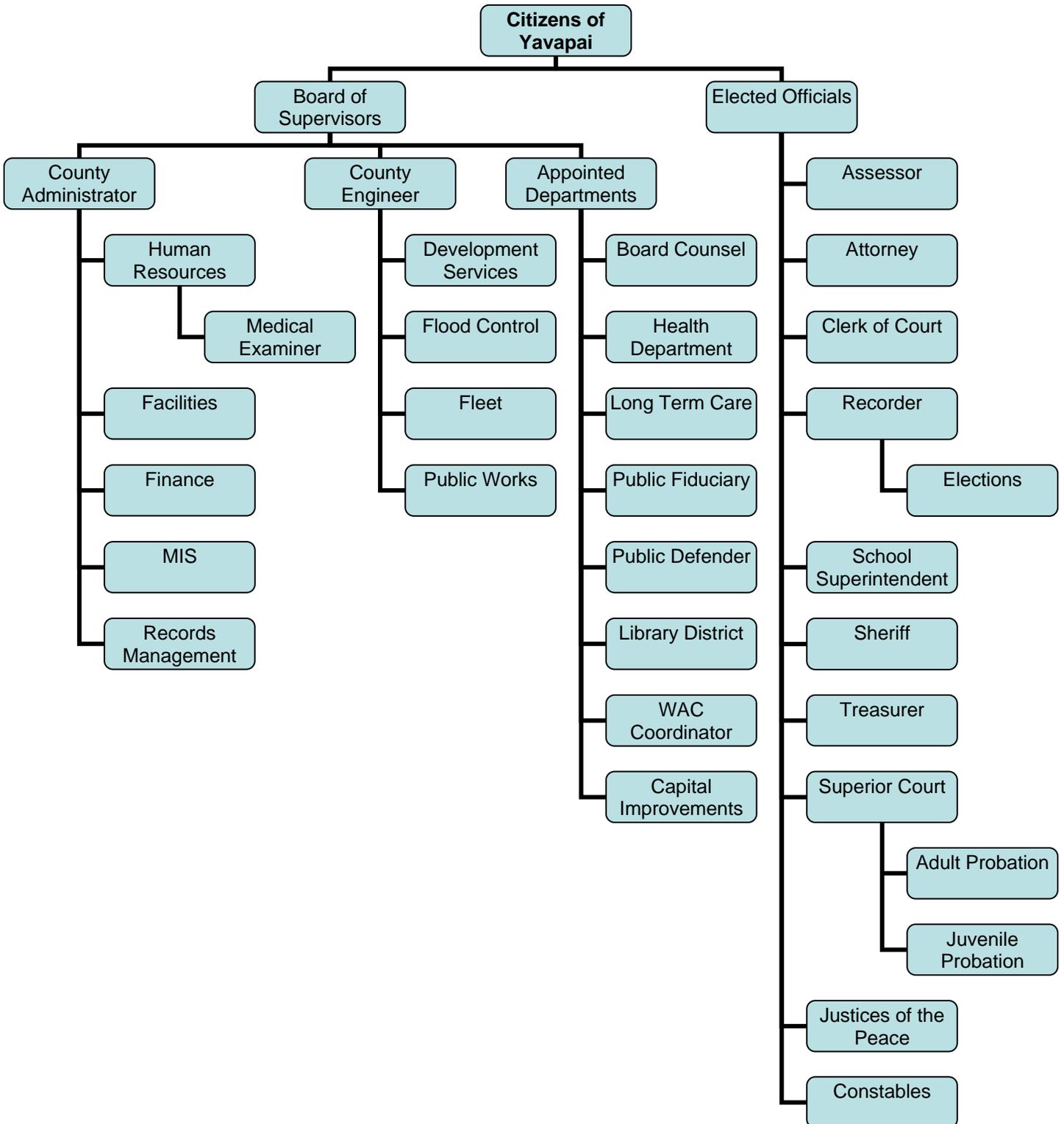


President

Executive Director

YAVAPAI COUNTY

Organizational Chart



Yavapai County Officials

BOARD OF SUPERVISORS

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

♦ ♦ ♦

CLERK OF THE BOARD

Julie Ayers

♦ ♦ ♦

COUNTY ADMINISTRATOR

Julie Ayers

♦ ♦ ♦

FINANCE DIRECTOR

John D. Zander

FINANCIAL SECTION

Independent Auditors' Report

The Auditor General of the State of Arizona

Honorable Board of Supervisors of
Yavapai County, Arizona

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Yavapai County, Arizona ("Yavapai County") as of and for the year ended June 30, 2010, which collectively comprise Yavapai County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Yavapai County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the long term care fund, which represents 100% of the assets and revenues of the business-type activities and enterprise fund. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the business-type activities and enterprise fund, is based solely on the report of the other auditors.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Yavapai County as of June 30, 2010, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

As described in Note 1, Yavapai County implemented the provisions of the Governmental Accounting Standards Board Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, for the year ended June 30, 2010, which represents a change in accounting principle.

The Management's Discussion and Analysis (MD&A) on pages 11 through 19, the Budgetary Comparison Schedules on pages 59 through 64 and the Schedule of Agent Retirement Plans' Funding Progress on page 65, are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Yavapai County's basic financial statements. The introductory section, combining and individual fund statements and schedules, capital asset schedules, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements. The combining and individual fund statements and schedules and capital asset schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on them.

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

In accordance with *Government Auditing Standards*, we will also issue our report on our consideration of Yavapai County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Walker & Armstrong LLP

Phoenix, Arizona
December 15, 2010

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, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 – 5.

Financial Highlights

- The assets of Yavapai County exceeded its liabilities at the close of the most recent fiscal year by \$310,230,436 (net assets). Of this amount, \$75,774,030 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of June 30, 2010, Yavapai County's governmental funds reported combined ending fund balances of \$106,666,804, which is a decrease of \$4,466,666 in comparison with the prior year.
- As of June 30, 2010, unreserved fund balance for the general fund was \$7,935,224 or 10.85% of total general fund expenditures.
- As of June 30, 2010 the regional road unreserved ending fund balance was \$18,767,791, a reduction from the prior year of \$11,299,354. This is due to the completion of the Arizona state route 260 widening project with Arizona Department of Transportation.
- Yavapai County's total long-term liabilities decreased a net \$10,966,009 during the current fiscal year. The key factor for the decrease is the retirement of \$11,000,000 revenue bonds for the Arizona state route 260 widening project with Arizona Department of Transportation.

Overview of the Financial Statements

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

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

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

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

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

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

The government-wide financial statements not only include Yavapai County itself (known as the primary government), but also a legally separate Jail District, Flood Control District, Library District and various Special Assessment Districts. These districts function for all practical purposes as departments of Yavapai County, and therefore have been included as an integral part of the primary government.

Yavapai County

Management's Discussion and Analysis

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

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

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

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

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

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

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

The basic proprietary fund financial statements can be found on pages 31 - 33 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Yavapai County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds financial statements can be found on pages 34 - 35 of this report.

Notes to the financial statements. The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36 - 58 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 59 - 65 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 68 - 112 of this report.

Yavapai County Management's Discussion and Analysis

Government-wide Financial Analysis

Net Assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Yavapai County assets exceeded liabilities by \$310.2 million at the close of the most recent fiscal year.

	Net Assets (in millions)					
	Governmental Activities			Business-type Activities		Total
	2009			2009		2009
	2010	As Restated		2010	2009	2010
Current and other assets	\$ 123.6	\$ 113.5	\$ 7.6	\$ 6.6	\$ 131.2	\$ 120.1
Restricted assets	15.2	28.2	-	-	15.2	28.2
Capital assets	239.1	241.4	0.2	0.2	239.3	241.6
Total assets	<u>377.9</u>	<u>383.1</u>	<u>7.8</u>	<u>6.8</u>	<u>385.7</u>	<u>389.9</u>
Long-term liabilities outstanding	54.6	65.5	-	-	54.6	65.5
Other liabilities	16.3	14.0	4.6	3.9	20.9	17.9
Total liabilities	<u>70.9</u>	<u>79.5</u>	<u>4.6</u>	<u>3.9</u>	<u>75.5</u>	<u>83.4</u>
Net assets:						
Invested in capital assets, net of related debt	222.7	229.8	0.2	0.2	222.9	230.0
Restricted	8.5	7.9	3.0	2.7	11.5	10.6
Unrestricted	75.8	65.9	-	-	75.8	65.9
Total net assets	<u>\$ 307.0</u>	<u>\$ 303.6</u>	<u>\$ 3.2</u>	<u>\$ 2.9</u>	<u>\$ 310.2</u>	<u>\$ 306.5</u>

The largest portion of Yavapai County's net assets (72%) reflects its investment in capital assets (e.g. land, buildings, equipment, infrastructure, 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 and Business-type Activities current and other assets increased \$10.1 million and \$1.0 million, respectively, from the previous year. Governmental Activities current assets increased due to an increase in cash and cash equivalents as a result of the delay of capital expenditures, not filling vacant positions and reducing operating expenditures. Business-type Activities assets increased \$1.0 million due to an increase in cash and cash equivalents as a result of not filling vacant positions and managing operating expenses. Governmental Activities restricted assets decreased \$13 million from the previous year due to the completion of the SR 260 widening project and expenditures of restricted cash from the capital lease agreement.

Governmental Activities long-term liabilities decreased \$8.6 million from the previous year due to net reduction in outstanding bonds payable of \$10.9 million that is offset by an increase of accounts payable of \$2.3 million. Business-type Activities other liabilities increased \$0.7 million from the previous year, which is due to the increase in medical claims payable.

Approximately 2.8% of Yavapai County's Governmental Activities net assets represent resources that are subject to external restrictions on how they may be used. The Governmental Activities unrestricted net assets, \$75.8 million, may be used to meet the government's ongoing obligations to citizens and creditors.

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

Yavapai County

Management's Discussion and Analysis

Changes in Net Assets. The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. For the fiscal year, net assets increased \$3.7 million, of which \$3.4 million is from Governmental Activities. This increase is primarily due to managing expenditures, delaying capital expenditures, not filling employee vacancies and reducing discretionary items, with declining revenues as compared to the previous year. The increase in net assets in Business-type Activities is related to managing the expenditures with the revenues and to reduce discretionary items. 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. No transfer from the Business-type Activities to the Governmental Activities occurred as in the previous year.

	Changes in Net Assets					
	(in millions)					
	Governmental Activities		Business-type Activities		Total	
	2009		2009		2009	
	2010	As Restated	2010	2009	2010	As Restated
Revenues						
Program revenues:						
Charges for services	\$ 18.6	\$ 15.7	\$ 45.2	\$ 42.9	\$ 63.8	\$ 58.6
Operating grants and contributions	35.2	34.0	-	-	35.2	34.0
Capital grants and contributions	.2	.6	-	-	.2	.6
General revenues:						
Property taxes	54.0	50.9	-	-	54.0	50.9
Sales taxes	38.4	42.6	-	-	38.4	42.6
Vehicle license tax	9.5	10.3	-	-	9.5	10.3
Miscellaneous and investment earnings	10.0	10.4	.1	.1	10.1	10.5
Total revenues	<u>165.9</u>	<u>164.5</u>	<u>45.3</u>	<u>43.0</u>	<u>211.2</u>	<u>207.5</u>
Expenses						
General government	59.7	54.8	-	-	59.7	54.8
Public safety	48.4	50.7	-	-	48.4	50.7
Highways and streets	25.9	26.8	-	-	25.9	26.8
Sanitation	1.3	1.7	-	-	1.3	1.7
Health	12.8	12.7	-	-	12.8	12.7
Welfare	8.5	11.6	-	-	8.5	11.6
Culture and recreation	.2	.1	-	-	.2	.1
Education	4.0	4.6	-	-	4.0	4.6
Interest on long-term debt	1.7	3.4	-	-	1.7	3.4
Long Term Care	-	-	45.0	42.6	45.0	42.6
Total expenses	<u>162.5</u>	<u>166.4</u>	<u>45.0</u>	<u>42.6</u>	<u>207.5</u>	<u>209.0</u>
Increase (decrease) in net assets before transfers	3.4	(1.9)	.3	.4	3.7	(1.5)
Transfers	-	1.5	-	(1.5)	-	-
Increase (decrease) in net assets	<u>3.4</u>	<u>(0.4)</u>	<u>.3</u>	<u>(1.1)</u>	<u>3.7</u>	<u>(1.5)</u>
Net assets, July 1,	303.6	304.0	2.9	4.0	306.5	308.0
Net assets, June 30	<u>\$ 307.0</u>	<u>\$ 303.6</u>	<u>\$ 3.2</u>	<u>\$ 2.9</u>	<u>\$ 310.2</u>	<u>\$ 306.5</u>

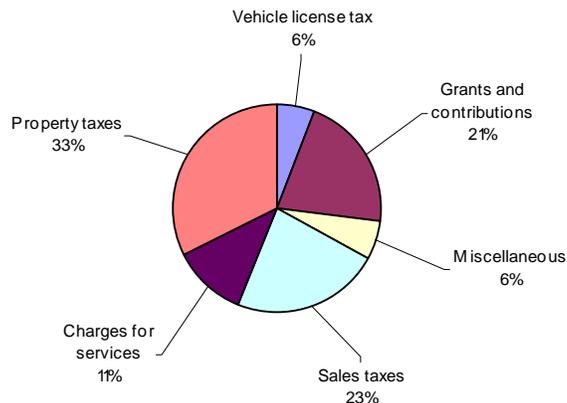
Yavapai County Management's Discussion and Analysis

Governmental activities.

Governmental Activities revenues totaled \$165.9 million for fiscal year 2010. 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 decreased by \$4.2 million in the current fiscal year due to a decrease in sales activity because of a declining local economy. The County excise tax and the Jail District excise tax decreased by \$1.8 million and \$0.9 million respectively, and the state-shared sales tax, the largest component of sales tax, decreased \$1.5 million.
- Property taxes increased by \$3.1 million from the prior year. This increase is attributable to an increase in property values of 10.8%, while the property tax rate declined \$0.0758 to \$1.5581 per \$100 assessed value.
- Operating grants and contributions have increased \$1.2 million from the previous year. This is primarily due to a federal grant to purchase disabled voting equipment of \$0.3 million and an increase to the Workforce Investment Act grant of \$0.9 million.
- Capital grants and contributions decreased \$0.4 million because of the completion of Sedona airport improvements in the prior year.
- Charges for services increased by \$2.9 million, which is primarily due to an increase in non-County prisoner housing fees. The U.S. Marshalls' prisoner housing fees represents 62% of the \$2.9 million increase from the prior year.
- Vehicle license tax decreased \$0.8 million from the previous year due to the economic environment.

Revenues by Source - Governmental Activities



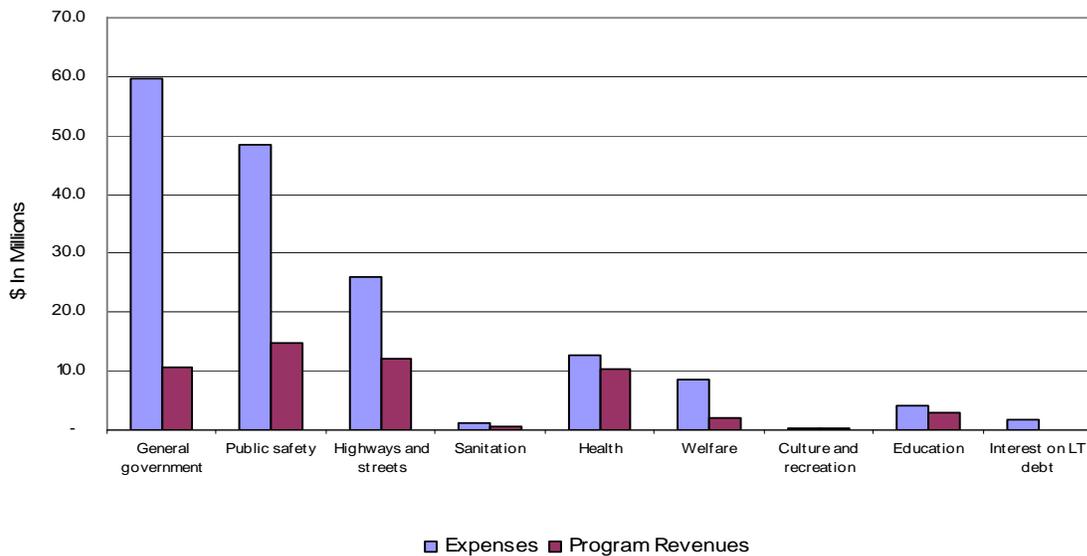
Expenses

Governmental activities expenses decreased \$3.8 million due to decreases in welfare \$2.9 million, public safety \$2.2 million, interest on long term debt \$1.7 million, highways and streets \$0.9 million, education \$0.7 million and sanitation \$0.4 million. These decreases are offset by increases in general government \$4.9 million and health \$0.1 million.

Yavapai County Management's Discussion and Analysis

The decrease in welfare of \$2.9 million is due to the Federal American Recovery and Reinvestment Act (ARRA) stimulus that the State of Arizona used to reduce the County's share of indigent health care costs. The decrease in public safety of \$2.2 million is a result of closing the Prescott jail facility and reducing discretionary spending. The decrease in interest on long term debt of \$1.7 million is primarily due to the \$25 million capital lease principal repayment in May 2009 and a reduction in the effective variable interest rate on the highway construction advancement revenue bonds. The increase in general government of \$4.9 million is due to contributions to local law enforcement from anti-racketeering funds (County Attorney) of \$1.8 million, Public Library technology upgrades of \$1.2 million, Workforce Investment Act expenses of \$0.9 million related to the decline in local economy, the completion of a multiyear park project (Facilities) for \$0.7 million and a software upgrade of \$0.3 million for the County Recorder.

Expenses and Program Revenues - Governmental Activities

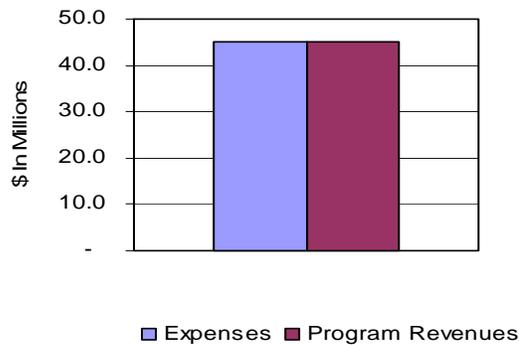


Business-type activities Business-type activities consist solely of the Yavapai County Long-Term Care Division (Division). The Division operates a prepaid health program for qualified persons of Yavapai County within the State of Arizona. The Program provides hospitalization, medical care, managed institutional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

Revenues and expenditures increased 5.3% and 5.6% respectively from the previous year due to an increase in the number of patients served.

Yavapai County Management's Discussion and Analysis

Expenses and Program Revenues-
Business-type 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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Yavapai County's governmental funds reported combined ending fund balances of \$106,666,804, which is a decrease of \$4,466,666 in comparison with the prior year. The ending fund balance is subdivided as "reserve for" a specific use or is "unreserved" for no specific use. The "reserve for" ending fund balance decreased \$2.6 million from the previous year primarily due to current year expenditures for capital projects. The "unreserved" fund balance increased from the previous year \$1.9 million.

The General Fund is the chief operating fund of Yavapai County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$7,935,224, which is \$6,004,888 greater than the previous fiscal year. This increase is primarily due to Federal American Recovery and Reinvestment Act (ARRA) stimulus funds. The State of Arizona receives Federal funds for indigent health care costs. The ARRA stimulus program increased the Federal contribution rate from 65% to 75% to the State of Arizona. The matching portion decreased from 35% to 25% and was passed onto Arizona counties. Yavapai County's portion was \$2,150,600 for fiscal year 2008/09 and \$2,377,400 for fiscal year 2009/10 for a combined benefit of \$4,528,000 received during fiscal year 2009/10. The ARRA contribution increase is for three years and will expire in fiscal year 2010/11. The ARRA contribution increase represents 75% of the \$6,004,888 increase. The remaining increase of \$1,476,888 is attributed to departments' reduction in discretionary expenditures and unfilled employee vacancies.

In addition to the General Fund, Yavapai County is reporting seven funds as major funds. These funds are the Jail District with a year end unreserved fund balance of \$9,228, Jail District Debt Service with a year end reserved fund balance of \$2,414, Regional Road with a year end unreserved fund balance of \$18,767,791, Regional Road Debt Service with a reserved fund balance of \$873,559, HURF Road with a year end reserved and unreserved fund balance of \$437,988 and \$5,864,078, respectively, Capital Projects with a year end reserved and unreserved fund balance of \$14,938,287 and \$30,443,106, respectively, and Capital Projects Debt Service with a reserved fund balance of \$1,253. The Regional Road fund balance decreased \$11,299,354 from the prior year due to completion of the widening of State Route 260. The unexpended revenue bond proceeds were used to retire a portion of revenue bonds for this road widening project.

Yavapai County Management's Discussion and Analysis

Proprietary fund. Yavapai County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Restricted net assets of the Long Term Care Division at the end of the year amounted to \$3,017,325, which is an increase of \$319,762 over the prior fiscal year. This increase is primarily due to increased claims processed (medical expenses) which were offset by higher capitation revenues. Other factors concerning the finances of this fund have already been addressed in the discussion of Yavapai County's business-type activities.

General Fund Budgetary Highlights

The General Fund budget appropriations remained at \$77,769,183 during the fiscal year. Actual expenditures were \$4,534,959 less than the budgeted appropriation amount. The Board approved budgeted transfers between departments during the fiscal year. The departments that required a budget transfer were Superior Court due to the State of Arizona requiring counties to pay 100% of the restoration to competency services for inmates, the Public Defender exceeded the original budget due to death penalty cases, the Medical Examiner department incurred an increase rate for transporting deceased bodies and the Bagdad/Yarnell Justice Court exceeded their original budget due to storm damage to equipment.

Intergovernmental revenue was \$1,365,459 under budget due to the decline in retail sales because of the economic environment. Miscellaneous revenue was \$2,135,392 greater than budget because of the Federal subsidy increase for the Arizona Health Care Cost Containment System from 65% to 75%.

Capital Asset and Debt Administration

Capital Assets. Yavapai County's investment in capital assets for its governmental and business-type activities as of June 30, 2010, amounts to \$239.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure and construction in progress. In addition, roads and highways constructed in the fiscal year ended June 30, 2010, or in progress at that date, are included in capital assets. Fiscal year ending June 30, 2009 is restated to include intangible assets for donated right of way that is included in land and software acquired in prior years that were previously expended.

Yavapai County's Capital Assets

(net of depreciation)

(in millions)

	Governmental Activities		Business-type Activities		Total	
	2009 As		2010	2009	2009 As	
	2010	Restated			2010	Restated
Land	\$ 54.7	\$ 54.3	\$	\$	\$ 54.7	\$ 54.3
Buildings	50.7	39.4			50.7	39.4
Equipment	9.4	12.6	.2	.2	9.6	12.8
Infrastructure	109.1	115.1			109.1	115.1
Software	2.2	.8			2.2	.8
Construction in progress	13.0	17.1			13.0	17.1
Total	<u>\$ 239.1</u>	<u>\$ 239.3</u>	<u>\$.2</u>	<u>\$.2</u>	<u>\$ 239.3</u>	<u>\$ 239.5</u>

Additional information on Yavapai County's capital assets can be found in Note 5 on pages 46 and 47 of this report.

Long-term Debt. At the end of the current fiscal year, Yavapai County had total bonded debt outstanding of \$20,360,846. Of this amount, \$14,000,000 are highway construction advancement pledged revenue obligations, secured by the County's excise tax and state shared sales taxes to advance the widening of State Route 260 by ADOT, \$3,510,000 represents pledged revenue obligations of the Yavapai County Jail District, which are secured by a dedicated excise tax of ¼ cent, and \$2,850,846 represents debt of various special assessment districts, which is secured by pledges of revenues from special assessments levied against benefiting property owners.

Yavapai County Management's Discussion and Analysis

Yavapai County's Outstanding Bonds (in millions)

	2010	2009
Highway Construction Advancement Pledged Revenue Obligations	\$ 14.0	\$ 25.0
Jail District Pledged Revenue Obligations	3.5	5.2
Special Assessment Debt Payable	2.9	1.1
Total	<u>\$ 20.4</u>	<u>\$ 31.3</u>

Yavapai County's debt decreased \$10,910,059 during the current fiscal year due to the principal payments for State Route 260 bonds of \$11,000,000, Jail District bonds of \$1,655,000 and special assessment bonds of \$112,059 and a new bond issue for Poquito Valley, a road improvement special assessment district, in the amount of \$1,857,000. Standard & Poor's rating service has assigned a long-term rating of "A" and a short-term rating of "A-1" to the highway construction advancement pledged revenue obligations. Moody's Investors Service and Standard & Poor's rating services have assigned the ratings of "Aaa" and "AAA", respectively, on the Jail District pledged revenue obligations, which are insured for the payment of principal and interest with Ambac Assurance, Ambac Financial Group, Inc.

State statutes limit the amount of general obligation debt a county may issue to 6 percent of its total assessed valuation. The current debt limitation for the County is \$196,444,701. Since the County has no general obligation debt, this amount equals the debt capacity. Additional information on long-term debt can be found in the Notes to the Financial Statements on pages 47-49 of this report.

Long-term Capital Lease. On May 15, 2008 the County entered into a long term lease agreement in the amount of \$50 million for a period of twenty years with an interest rate of 4.45%. The lease agreement was renegotiated in June 2009 for \$25 million and is secured by a ground lease for the construction of a juvenile facility and superior court buildings. The unspent balance of this lease agreement as of June 30, 2010 is \$14,938,287.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Yavapai County is 10.0% as of September 2010, which has increased from 9.5% in 2009.
- Inflationary trends in the region are comparable to national indices.
- The number of real estate foreclosures is similar to the State of Arizona which ranks among the highest in the nation.
- The economy at the national and state level is anticipated to have the effect of reducing or eliminating Federal and State of Arizona grant programs.

These factors were considered in preparing Yavapai County's budget for the 2010/11 fiscal year. The unreserved ending fund balance in the general fund of \$7,935,224 was appropriated for spending in the 2010/11 fiscal year budget.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

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Yavapai County
Statement of Net Assets
June 30, 2010

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 93,110,880	\$ 6,490,161	\$ 99,601,041
Receivables:			
Property taxes	2,576,311	-	2,576,311
Special assessments	2,857,064	-	2,857,064
Accounts	930,370	-	930,370
Internal balances	13,916	(13,916)	-
Due from other governments	22,649,180	1,176,998	23,826,178
Inventories	507,318	-	507,318
Prepaid items	794,001	-	794,001
Deferred charges	198,943	-	198,943
Cash equivalents - restricted	15,156,266	-	15,156,266
Capital assets, not being depreciated	67,682,350	-	67,682,350
Capital assets, being depreciated, net	171,441,471	167,581	171,609,052
Total assets	<u>377,918,070</u>	<u>7,820,824</u>	<u>385,738,894</u>
Liabilities			
Accounts payable	7,021,269	72,426	7,093,695
Accrued payroll and employee benefits	4,421,193	332,334	4,753,527
Interest payable	69,532	-	69,532
Due to other governments	1,886,582	458,849	2,345,431
Medical claims payable	-	3,772,309	3,772,309
Unearned revenue	2,892,695	-	2,892,695
Noncurrent liabilities:			
Due within one year	7,009,873	-	7,009,873
Due in more than one year	47,571,396	-	47,571,396
Total liabilities	<u>70,872,540</u>	<u>4,635,918</u>	<u>75,508,458</u>
Net Assets			
Invested in capital assets, net of related debt	222,740,108	167,581	222,907,689
Restricted for:			
Highways and streets	6,021,257	-	6,021,257
Health and welfare	-	3,017,325	3,017,325
Debt service	1,448,733	-	1,448,733
Capital projects	1,061,402	-	1,061,402
Unrestricted	75,774,030	-	75,774,030
Total net assets	<u>\$ 307,045,530</u>	<u>\$ 3,184,906</u>	<u>\$ 310,230,436</u>

See accompanying notes to financial statements.

Yavapai County
Statement of Activities
Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue & Changes in Net Assets		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary Government:							
Governmental activities:							
General government	\$ 59,704,858	\$ 4,436,876	\$ 6,288,140	\$ -	\$ (48,979,842)	\$ -	\$ (48,979,842)
Public safety	48,420,364	7,933,673	6,892,605	-	(33,594,086)	-	(33,594,086)
Highways and streets	25,910,775	502,100	11,377,794	181,439	(13,849,442)	-	(13,849,442)
Sanitation	1,300,834	355,190	358,480	-	(587,164)	-	(587,164)
Health	12,829,196	4,636,761	5,609,941	66,062	(2,516,432)	-	(2,516,432)
Welfare	8,527,395	-	2,150,600	-	(6,376,795)	-	(6,376,795)
Culture and recreation	247,821	200,000	13,191	-	(34,630)	-	(34,630)
Education	3,974,594	501,308	2,521,327	-	(951,959)	-	(951,959)
Interest on long-term debt	1,644,239	-	-	-	(1,644,239)	-	(1,644,239)
Total governmental activities	<u>162,560,076</u>	<u>18,565,908</u>	<u>35,212,078</u>	<u>247,501</u>	<u>(108,534,589)</u>	<u>-</u>	<u>(108,534,589)</u>
Business-type activities:							
Long Term Care	<u>45,026,786</u>	<u>45,216,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,156</u>	<u>190,156</u>
Total business-type activities	<u>45,026,786</u>	<u>45,216,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,156</u>	<u>190,156</u>
Total primary government	<u>\$ 207,586,862</u>	<u>\$ 63,782,850</u>	<u>\$ 39,471,889</u>	<u>\$ 247,501</u>	<u>(108,534,589)</u>	<u>190,156</u>	<u>(108,344,433)</u>
General revenues:							
					48,082,498	-	48,082,498
					5,888,994	-	5,888,994
					5,908,756	-	5,908,756
					32,494,881	-	32,494,881
					9,540,916	-	9,540,916
					310,611	-	310,611
					304,381	-	304,381
					455,363	39,650	495,013
					1,139,199	-	1,139,199
					<u>7,802,635</u>	<u>57,333</u>	<u>7,859,968</u>
					<u>111,928,234</u>	<u>96,983</u>	<u>112,025,217</u>
					3,393,645	287,139	3,680,784
					<u>303,651,885</u>	<u>2,897,767</u>	<u>306,549,652</u>
					<u>\$ 307,045,530</u>	<u>\$ 3,184,906</u>	<u>\$ 310,230,436</u>

See accompanying notes to financial statements.

Yavapai County
Balance Sheet
Governmental Funds
June 30, 2010

Assets	General	Jail District	Jail District Debt Service	Regional Road
Cash and cash equivalents	\$ 7,602,657	\$ -	\$ 2,414	\$ 19,220,158
Receivables:				
Property taxes	2,052,716	-	-	-
Special assessments	-	-	-	-
Accounts	411,330	28,752	-	3,410
Due from:				
Other funds	1,693,457	1,373,092	-	202,988
Other governments	4,689,335	969,370	-	-
Inventories	230,614	-	-	-
Prepaid items	615,846	-	-	-
Cash equivalents - restricted	-	-	-	16,828
Total assets	\$ 17,295,955	\$ 2,371,214	\$ 2,414	\$ 19,443,384
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 974,365	\$ 299,660	\$ -	\$ 662,045
Accrued payroll and employee benefits	2,518,032	505,126	-	13,548
Due to other funds	2,543,326	1,557,200	-	-
Due to other governments	-	-	-	-
Deferred revenue	1,417,146	-	-	-
Total liabilities	7,452,869	2,361,986	-	675,593
Fund balances:				
Reserved for:				
Inventories	230,614	-	-	-
Prepaid items	615,846	-	-	-
Debt service	-	-	2,414	-
Capital projects	1,061,402	-	-	-
Unreserved, reported in				
General fund	7,935,224	-	-	-
Special revenue funds	-	9,228	-	18,767,791
Capital projects funds	-	-	-	-
Total fund balances	9,843,086	9,228	2,414	18,767,791
Total liabilities and fund balances	\$ 17,295,955	\$ 2,371,214	\$ 2,414	\$ 19,443,384

See accompanying notes to financial statements.

Regional Road Debt Service	HURF Road	Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 672,408	\$ 9,175,808	\$30,319,033	\$ 1,253	\$ 26,117,149	\$ 93,110,880
-	-	-	-	523,595	2,576,311
-	-	-	-	2,857,064	2,857,064
-	4,683	150,720	-	331,475	930,370
-	117,864	304,482	-	1,276,424	4,968,307
13,983,172	1,243,767	11,778	-	1,751,758	22,649,180
-	276,704	-	-	-	507,318
-	161,284	-	-	16,871	794,001
201,151	-	14,938,287	-	-	15,156,266
<u>\$ 14,856,731</u>	<u>\$10,980,110</u>	<u>\$45,724,300</u>	<u>\$ 1,253</u>	<u>\$ 32,874,336</u>	<u>\$ 143,549,697</u>

\$ -	\$ 2,438,154	\$ 248,424	\$ -	\$ 2,398,621	\$ 7,021,269
-	339,937	10,986	-	1,033,564	4,421,193
-	13,371	83,497	-	756,997	4,954,391
-	1,886,582	-	-	-	1,886,582
13,983,172	-	-	-	3,199,140	18,599,458
<u>13,983,172</u>	<u>4,678,044</u>	<u>342,907</u>	<u>-</u>	<u>7,388,322</u>	<u>36,882,893</u>

-	276,704	-	-	-	507,318
-	161,284	-	-	16,871	794,001
873,559	-	-	1,253	571,507	1,448,733
-	-	14,938,287	-	-	15,999,689
-	-	-	-	-	7,935,224
-	5,864,078	-	-	24,897,636	49,538,733
-	-	30,443,106	-	-	30,443,106
873,559	6,302,066	45,381,393	1,253	25,486,014	106,666,804
<u>\$ 14,856,731</u>	<u>\$10,980,110</u>	<u>\$45,724,300</u>	<u>\$ 1,253</u>	<u>\$ 32,874,336</u>	<u>\$ 143,549,697</u>

Yavapai County
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2010

Fund balances—total governmental funds	\$ 106,666,804
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	239,123,821
Some receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	15,706,763
Bond issuance costs are recorded as deferred charges, and, therefore, are not reported in the funds.	198,943
Long-term liabilities, including bonds and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(54,650,801)</u>
Net assets of governmental activities	<u><u>\$ 307,045,530</u></u>

See accompanying notes to financial statements.

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Yavapai County
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2010

	General	Jail District	Jail District Debt Service	Regional Road
Revenues:				
Taxes	\$ 55,789,677	\$ 5,908,756	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	1,436,680	-	-	502,100
Intergovernmental	31,413,856	-	-	-
Charges for services	1,586,717	2,989,185	-	-
Fines and forfeits	2,737,258	-	-	-
Investment earnings	26,913	3,734	-	102,962
Miscellaneous	624,011	48,219	-	40
Total revenues	<u>93,615,112</u>	<u>8,949,894</u>	<u>-</u>	<u>605,102</u>
Expenditures:				
Current:				
General government	42,570,270	-	-	-
Public safety	20,374,732	14,648,850	-	-
Highways and streets	-	-	-	7,876,474
Sanitation	1,059,734	-	-	-
Health	-	-	-	-
Welfare	8,523,288	-	-	-
Culture and recreation	79,931	-	-	-
Education	626,269	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	1,655,000	-
Interest and other charges	-	-	217,409	-
Total expenditures	<u>73,234,224</u>	<u>14,648,850</u>	<u>1,872,409</u>	<u>7,876,474</u>
Excess (deficiency) of revenues over expenditures	20,380,888	(5,698,956)	(1,872,409)	(7,271,372)
Other financing sources (uses):				
Special assessment bonds issued	-	-	-	-
Sale of capital assets	84,174	-	-	-
Transfers in	67,827	7,570,796	1,872,410	2,712,207
Transfers out	(15,681,279)	(1,872,410)	-	(6,740,189)
Total other financing sources (uses)	<u>(15,529,278)</u>	<u>5,698,386</u>	<u>1,872,410</u>	<u>(4,027,982)</u>
Net change in fund balances	4,851,610	(570)	1	(11,299,354)
Fund Balances, July 1, 2009, as restated	4,760,408	9,798	2,413	30,067,145
Increase in reserve for inventories	64,376	-	-	-
Increase in reserve for prepaid items	166,692	-	-	-
Fund Balances, June 30, 2010	<u>\$ 9,843,086</u>	<u>\$ 9,228</u>	<u>\$ 2,414</u>	<u>\$ 18,767,791</u>

See accompanying notes to financial statements.

Regional Road Debt Service	HURF Road	Capital Projects	Capital Projects Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 10,245,180	\$ 71,943,613
-	-	-	-	856,571	856,571
-	-	-	-	720,951	2,659,731
4,259,811	13,766,529	66,062	-	21,110,524	70,616,782
-	-	-	-	6,639,658	11,215,560
-	-	-	-	591,529	3,328,787
19,381	32,617	132,146	64	137,545	455,362
-	188,690	-	-	6,526,687	7,387,647
<u>4,279,192</u>	<u>13,987,836</u>	<u>198,208</u>	<u>64</u>	<u>46,828,645</u>	<u>168,464,053</u>
-	-	-	-	13,661,850	56,232,120
-	-	-	-	14,191,267	49,214,849
-	13,872,438	-	-	2,254,621	24,003,533
-	-	-	-	337,383	1,397,117
-	-	-	-	12,675,386	12,675,386
-	-	-	-	-	8,523,288
-	-	-	-	30,568	110,499
-	-	-	-	3,353,891	3,980,160
-	-	5,890,952	-	31,917	5,922,869
11,000,000	-	-	-	112,059	12,767,059
159,336	-	-	1,112,500	154,994	1,644,239
<u>11,159,336</u>	<u>13,872,438</u>	<u>5,890,952</u>	<u>1,112,500</u>	<u>46,803,936</u>	<u>176,471,119</u>
(6,880,144)	115,398	(5,692,744)	(1,112,436)	24,709	(8,007,066)
-	-	-	-	1,857,000	1,857,000
-	-	1,599,226	-	-	1,683,400
6,740,189	-	5,306,865	1,112,500	2,294,840	27,677,634
(348,440)	-	(1,362,500)	-	(1,672,816)	(27,677,634)
<u>6,391,749</u>	<u>-</u>	<u>5,543,591</u>	<u>1,112,500</u>	<u>2,479,024</u>	<u>3,540,400</u>
(488,395)	115,398	(149,153)	64	2,503,733	(4,466,666)
1,361,954	6,019,644	45,530,546	1,189	22,977,355	110,730,452
-	5,740	-	-	-	70,116
-	161,284	-	-	4,926	332,902
<u>\$ 873,559</u>	<u>\$ 6,302,066</u>	<u>\$ 45,381,393</u>	<u>\$ 1,253</u>	<u>\$ 25,486,014</u>	<u>\$ 106,666,804</u>

Yavapai County
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 Year Ended June 30, 2010

Net change in fund balances—total governmental funds \$ (4,466,666)

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

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

Capital outlay	16,775,979	
Depreciation expense	(16,385,451)	390,528

In the Statement of Activities, only the gain/loss 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 assets differs from the change in fund balance by the net book value of the capital assets sold. (544,201)

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

Debt issued or incurred	(1,857,000)	
Principal repaid on bonds and notes	12,767,059	10,910,059

Certain intergovernmental receivables are recognized in the governmental funds only when available, but are recognized in the Statement of Activities when earned. (3,418,064)

Deferred tax revenues are recognized in the governmental funds only when available, but are recognized in the Statement of Activities when earned. 66,079

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

Increase in compensated absences	(138,699)	
Decrease in deferred charges	(72,590)	
Decrease in claims and judgments	232,257	
Increase in arbitrage rebate	(51,606)	
Decrease in interest payable	69,532	
Decrease in landfill closure and postclosure care costs	13,998	52,892

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

Increase in inventories	70,116	
Increase in prepaid items	332,902	403,018

Change in net assets of governmental activities \$ 3,393,645

See accompanying notes to financial statements.

Yavapai County
Statement of Net Assets
Proprietary Funds
June 30, 2010

	Business-type Activities- Enterprise Fund Long Term Care
Assets	
Current assets:	
Cash and cash equivalents	\$ 6,490,161
Due from other governments	1,176,998
Total current assets	7,667,159
Noncurrent assets:	
Capital assets, net of accumulated depreciation	167,581
Total noncurrent assets	167,581
Total assets	7,834,740
 Liabilities	
Current liabilities :	
Accounts payable	72,426
Accrued payroll and employee benefits	332,334
Medical claims payable	3,772,309
Due to other funds	13,916
Due to other governments	458,849
Total current liabilities	4,649,834
Total liabilities	4,649,834
 Net Assets	
Invested in capital assets	167,581
Restricted for: Health and welfare	3,017,325
Total net assets	\$ 3,184,906

See accompanying notes to financial statements.

Yavapai County
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year Ended June 30, 2010

	Business-type Activities- Enterprise Fund
	Long Term Care
Operating revenues:	
AHCCCS revenues	\$ 45,216,942
Miscellaneous	57,333
Total operating revenues	45,274,275
 Operating expenses:	
Medical costs	41,102,075
Administrative costs	3,860,493
Depreciation	64,218
Total operating expenses	45,026,786
 Operating income	247,489
 Nonoperating revenues:	
Investment earnings	39,650
Increase in net assets	287,139
 Total net assets, July 1, 2009	2,897,767
Total net assets, June 30, 2010	\$ 3,184,906

See accompanying notes to financial statements.

Yavapai County
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2010

	Business-Type Activities—
	Enterprise Fund
	Long Term Care
Cash flows from operating activities:	
Cash received from AHCCCS	\$ 45,029,670
Cash payments for medical services	(39,518,398)
Cash payments to employees	(1,939,838)
Cash payments to other County funds for goods and services	(862,099)
Cash payments for operating activities	(1,910,225)
Net cash provided by operating activities	799,110
Cash flows from capital and related financing activities:	
Purchases of capital assets	(31,595)
Cash flows from investing activities:	
Interest received on investments	39,650
Net increase in cash and cash equivalents	807,165
Cash and cash equivalents, July 1, 2009	5,682,996
Cash and cash equivalents, June 30, 2010	\$ 6,490,161
Reconciliation of operating income to net cash used for operating activities:	
Operating income	\$ 247,489
Adjustments to reconcile operating income to net cash used for operating activities:	
Depreciation	64,218
Changes in assets and liabilities:	
Increase in:	
Due from other governments	(154,403)
Accounts payable	33,030
Accrued payroll and employee benefits	18,224
Medical claims	809,257
Decrease in:	
Due to other funds	(128,503)
Due to other governments	(90,202)
Net cash provided by operating activities	\$ 799,110

See accompanying notes to financial statements.

Yavapai County
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2010

	Investment Trust Fund	Agency Fund
Assets		
Cash and cash equivalents	\$ 121,890,744	\$ 3,439,028
Total assets	121,890,744	\$ 3,439,028
 Liabilities		
Due to other governments	-	\$ 3,439,028
Total liabilities	-	\$ 3,439,028
 Net Assets		
Held in trust for investment trust participants	\$ 121,890,744	

See accompanying notes to financial statements.

Yavapai County
 Statement of Changes in Fiduciary Net Assets
 Fiduciary Funds
 Year Ended June 30, 2010

	Investment Trust Fund
Additions:	
Contributions from participants	\$ 478,365,783
Investment earnings	533,891
Total additions	478,899,674
Deductions:	
Distributions to participants	488,654,562
Total deductions	488,654,562
Change in net assets	(9,754,888)
Net assets, July 1, 2009	131,645,632
Net assets, June 30, 2010	\$ 121,890,744

See accompanying notes to financial statements.

Yavapai County
Notes to Financial Statements
June 30, 2010

Note 1 - Summary of Significant Accounting Policies

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

For the year ended June 30, 2010, the County implemented the provisions of GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, and GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets. GASB Statement No. 53 establishes standards for accounting and financial reporting, including note disclosure requirements, for derivative instruments. The implementation of Statement No. 53 did not have an effect on the County's financial statements.

A. Reporting Entity

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

Component units are legally separate entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are 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.

<u>Component Unit</u>	<u>Description; Criteria for Inclusion</u>	<u>Reporting Method</u>	<u>For Separate Financial Statements</u>
Yavapai County Flood Control District	A tax-levying district that provides flood control systems; the County's Board of Supervisors serves as the board of directors	Blended	Not available
Yavapai County Library District	Provides and maintains library services for the County's residents; the County's Board of Supervisors serves as board of directors	Blended	Not available

Yavapai County
Notes to Financial Statements
June 30, 2010

<u>Component Unit</u>	<u>Description; Criteria for Inclusion</u>	<u>Reporting Method</u>	<u>For Separate Financial Statements</u>
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 board of directors	Blended	Not available
Yavapai County Jail District	A tax-levying district that acquires, constructs, operates, maintains, and finances county jails and jail systems; the County's Board of Supervisors serves as the governing board	Blended	Not available

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

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

Yavapai County
Notes to Financial Statements
June 30, 2010

B. Basis of Presentation

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the County as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

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

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

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

Revenues that are not classified as program revenues, including internally dedicated resources and all taxes, are reported as general revenues.

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

Fund financial statements—provide information about the County's funds, including fiduciary funds and blended component units. Separate statements are presented for the governmental, proprietary, and fiduciary fund categories. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Fiduciary funds are aggregated and reported by fund type.

Proprietary fund revenues are classified as either operating or nonoperating. Operating revenues and expenses generally result from transactions associated with the fund's principal activity. Accordingly, revenues, such as AHCCCS revenues and user charges, in which each party receives and gives up essentially equal values, are operating revenues. Other revenues, such as investment earnings, result from transactions in

Yavapai County
Notes to Financial Statements
June 30, 2010

which the parties do not exchange equal values and are considered nonoperating revenues. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense, are considered to be nonoperating expenses.

The County reports the following major governmental funds:

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

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

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

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

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

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

The Capital Projects Fund accounts for major capital projects and is funded by transfers from the general fund.

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

The County reports the following major enterprise fund:

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

Yavapai County
Notes to Financial Statements
June 30, 2010

The County reports the following fiduciary fund types:

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

The agency fund accounts for assets held by the County as an agent for the State, various local governments, and other parties, and for property taxes collected and distributed to the State, local school districts, community college districts, and special districts.

C. Basis of Accounting

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

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.

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

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

Yavapai County
Notes to Financial Statements
June 30, 2010

D. Cash and Investments

For purposes of its statement of cash flows, the County considers cash on hand, demand deposits, cash on deposit with the County Treasurer, and only those highly liquid investments with a maturity of 3 months or less when purchased to be cash equivalents. Money market investments with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

E. Inventories

The County accounts for its inventories in the governmental funds using the purchase method. Inventories of the governmental funds consist of expendable supplies held for consumption and are recorded as expenditures at the time of purchase. Amounts on hand at year end are shown on the balance sheet as an asset for informational purposes only and are offset by a fund balance reserve to indicate that they do not constitute "available spendable resources." These inventories are stated at cost using the first-in, first-out method.

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

F. Prepaid Assets

Prepaid assets are accounted for using the purchase method in the governmental fund financial statements. Using this method, expenditures are reported at the time of purchase and unexpended amounts at year-end are reported on the balance sheet as a prepaid asset for informational purposes only and are offset by a fund balance reserve to indicate that they do not constitute "available spendable resources."

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.

G. Property Tax Calendar

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

H. Capital Assets

Capital assets are reported at actual cost, or estimated historical cost if historical records are not available. Donated assets are reported at estimated fair value at the time received.

Yavapai County
Notes to Financial Statements
June 30, 2010

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	<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 -10 years
Infrastructure	\$10,000	Straight-line	12-75 years
Software	\$10,000	Straight-line	3-5 years
Construction in progress	\$10,000	N/A	N/A

I. Investment Earnings

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

J. Compensated Absences

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

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

Employees may accumulate up to 520 hours of catastrophic time (CAT) leave. CAT leave may be used in the case of illness or injury suffered by an employee or employee's immediate family, but only after using at least forty hours of consecutive PTO leave. CAT leave benefits are cumulative but are forfeited upon termination of employment. Because CAT leave benefits do not vest with employees, a liability for CAT leave benefits is not accrued in the financial statements.

Note 2 - Beginning Balances Restated

As required by GASB Statement No. 51, net assets on the government-wide Statement of Activities as of July 1, 2009, has been restated for the County's intangible assets acquired prior to the year ended June 30, 2009, consisting of right of way and software that were developed, purchased or donated to the County.

The beginning fund balance of the General Fund was restated for payments in lieu of taxes revenue incorrectly deferred in prior years.

Yavapai County
Notes to Financial Statements
June 30, 2010

The government-wide and fund financial statements were restated as follows:

	<u>Government-wide Statements</u>	<u>Fund Financial Statements</u>
	<u>Governmental Activities</u>	<u>General Fund</u>
Net assets/fund balance as of June 30, 2009, as previously reported	\$297,121,964	\$2,545,728
Intangible assets, net of accumulated depreciation	4,315,241	
Payments in lieu of taxes revenue	<u>2,214,680</u>	<u>2,214,680</u>
Net assets/fund balance as of July 1, 2009, as restated	<u>\$303,651,885</u>	<u>\$4,760,408</u>

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; interest earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; and specified commercial paper, bonds, debentures, and notes issued by corporations organized and doing business in the United States. In addition, the County Treasurer may invest trust funds in fixed income securities of corporations doing business in the United States or District of Columbia.

Credit risk

Statutes have the following requirements for credit risk:

1. Commercial paper must be rated P1 by Moody's investors service or A1 or better by Standard and Poor's rating service.
2. Corporate bonds, debentures, and notes must be rated A or better by Moody's investors service or Standard and Poor's rating service.
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 demand deposits, certificates of deposit, and repurchase agreements at 101 percent of all deposits not covered by federal depository insurance.

Concentration of credit risk

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

Interest rate risk

Statutes require that public monies invested in securities and deposits have a maximum maturity of 5 years and that public operating fund monies invested in securities and deposits have a maximum maturity of 3 years. Investments in repurchase agreements must have a maximum maturity of 180 days.

Yavapai County
Notes to Financial Statements
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Foreign currency risk
Statutes do not allow foreign investments.

Deposits—At June 30, 2010, the carrying amount of the County's deposits was \$58,809,260, and the bank balance was \$59,543,694. The County does not have a formal policy with respect to custodial credit risk.

Investments—The County's investments at June 30, 2010, were as follows:

Investment Type	Amount
State Treasurer's investment pool	\$ 75,236,040
Repurchase agreement	49,886,814
U.S. agency securities	38,884,888
U.S. agency security money market funds	15,156,266
U.S. corporate bond	2,065,874
	\$ 181,229,882

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

Credit risk— The County does not have a formal investment policy with respect to credit risk. At June 30, 2010, credit risk for the County's investments was as follows:

Investment Type	Rating	Rating Agency	Amount
State Treasurer's Investment Pool 7	Unrated	Not applicable	\$ 75,236,040
Repurchase agreement (implicitly guaranteed)	Unrated	Not applicable	49,886,814
U.S. agency securities	Aaa	Moody's	38,884,888
U.S. agency security money market funds	Aaa	Moody's	15,156,266
U.S. corporate bond	Aaa	Moody's	2,065,874
			\$181,229,882

Custodial credit risk—For an investment, custodial credit risk is the risk that, in the event of the counterparty's failure, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the County's total investment, \$14.9 million is collateralized with securities held by the counterparty's trust department not in the County's name and is reported in the capital projects fund. 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, 2010, of 5 percent or more in Federal Home Loan Bank and Federal National Mortgage Association. These investments were 17.09 percent and 27.30 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, 2010, the County had the following investments in debt securities.

Yavapai County
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Investment Type	Amount	Weighted Average Maturity (Years)
State Treasurer's investment pool	\$ 75,236,040	.08
Repurchase agreement	49,886,814	.00
U.S. agency securities	38,884,888	1.23
U.S. agency security money market funds	15,156,266	.08
U.S. corporate bond	2,065,874	1.40
	<u>\$181,229,882</u>	

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

Cash, deposits, and investments:

Cash on hand	\$ 47,937
Amount of deposits	58,809,260
Amount of investments	181,229,882
Total	<u>\$ 240,087,079</u>

	Governmental Activities	Business- Type Activities	Investment Trust Fund	Agency Fund	Total
Cash and cash equivalents	\$ 93,110,880	\$ 6,490,161	\$121,890,744	\$ 3,439,028	\$ 224,930,813
Cash equivalents - restricted	15,156,266	-	-	-	15,156,266
Total	<u>\$108,267,146</u>	<u>\$ 6,490,161</u>	<u>\$121,890,744</u>	<u>\$ 3,439,028</u>	<u>\$ 240,087,079</u>

The restricted cash balance of \$15,156,266 is comprised of \$14,938,287 for construction of capital projects, \$16,828 for the advance to ADOT for widening of State Route 260 and \$201,151 for debt service.

Note 4 - Due From Other Governments

Amounts due from other governments at June 30, 2010, include \$1,779,116 in state-shared revenue from sales tax, \$1,061,402 due from the City of Prescott for road and utility extensions, \$1,014,940 in county excise tax distributions due from the State Treasurer, \$609,982 in state motor vehicle license taxes from the Arizona Department of Transportation, \$104,742 in election fees due from the Arizona Secretary of State and \$119,153 in other fees from federal, state, and local governments recorded in the General Fund; \$507,367 in sales tax collections, \$454,327 in inmate housing fees and \$7,676 in other fees from the federal, state and local governments recorded in the Jail District Fund; \$13,983,172 in highway construction advances due from the Arizona Department of Transportation recorded in the Regional Road Debt Service Fund; \$943,395 in state-shared revenue from highway user taxes, \$259,224 in state motor vehicle license tax and \$41,148 in other fees from federal, state, and local governments recorded in the HURF Road Fund; \$11,778 in grants due from the federal government recorded in the Capital Projects Fund; and \$1,751,758 in grants and other fees from federal, state and local governments recorded in the Other Governmental Funds.

Yavapai County
Notes to Financial Statements
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Note 5 - Capital Assets

Capital assets activity for the year ended June 30, 2010, was as follows:

	Balance July 1, 2009, (as restated)	Increases	Decreases	Balance June 30, 2010
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 54,314,499	\$ 483,545	\$ (88,406)	\$ 54,709,638
Construction in progress	17,056,994	12,599,466	(16,683,748)	12,972,712
Total capital assets not being depreciated	<u>71,371,493</u>	<u>13,083,011</u>	<u>(16,772,154)</u>	<u>67,682,350</u>
Capital assets being depreciated:				
Buildings	56,663,776	13,208,146	(1,156,054)	68,715,868
Equipment	36,394,978	583,570	(391,844)	36,586,704
Infrastructure	289,832,867	4,855,256	(37,070)	294,651,053
Software	1,344,814	1,729,744	-	3,074,558
Total	<u>384,236,435</u>	<u>20,376,716</u>	<u>(1,584,968)</u>	<u>403,028,183</u>
Less accumulated depreciation for:				
Buildings	(17,279,956)	(1,461,049)	769,075	(17,971,930)
Equipment	(23,755,189)	(3,772,225)	346,077	(27,181,337)
Infrastructure	(174,705,518)	(10,825,622)	14,021	(185,517,119)
Software	(589,771)	(326,555)	-	(916,326)
Total	<u>(216,330,434)</u>	<u>(16,385,451)</u>	<u>1,129,173</u>	<u>(231,586,712)</u>
Total capital assets, being depreciated, net	<u>167,906,001</u>	<u>3,991,265</u>	<u>(455,795)</u>	<u>171,441,471</u>
Governmental activities capital assets, net	<u>\$239,277,494</u>	<u>\$ 17,074,276</u>	<u>\$(17,227,949)</u>	<u>\$239,123,821</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	\$ 834,914	\$ 31,595	\$ -	\$ 866,509
Less accumulated depreciation for:				
Equipment	(634,710)	(64,218)	-	(698,928)
Business-type activities capital assets, net	<u>\$ 200,204</u>	<u>\$ (32,623)</u>	<u>\$ -</u>	<u>\$ 167,581</u>

The July 1, 2009, capital assets balance of the governmental activities was restated to include intangible assets, consisting of donated right of way and software for the governmental activities, as described in Note 2. The donated right of way is capitalized as Land and software is capitalized as Construction in progress and Software.

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 2,711,349
Public safety	1,308,884
Highway and streets	11,937,876
Sanitation	62,898
Health	197,126
Welfare	3,153
Culture and recreation	137,322
Education	26,843
Total governmental activities depreciation expense	<u>\$ 16,385,451</u>

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Business-type activities:	
Long Term Care	\$ 64,218
Total business-type activities depreciation expense	<u>\$ 64,218</u>

Note 6 - Construction Commitments

The County had major contractual commitments related to various capital projects at June 30, 2010, for the construction of road improvements and buildings. At June 30, 2010, the County had spent \$10,554,807 on these projects and had remaining contractual commitments with contractors of \$6,921,018. The road improvement projects are being funded by sales taxes out of the Regional Road Fund. The building construction is being funded by a capital lease and transfers from the General Fund to the Capital Projects Fund.

Note 7 - Long-Term Liabilities

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2010.

	Balance July 1, 2009	Additions	Reductions	Balance June 30, 2010	Due within 1 year
Governmental Activities:					
Revenue bonds	\$ 30,165,000	\$ -	\$ (12,655,000)	\$ 17,510,000	\$ 1,720,000
Special assessment debt	1,105,905	1,857,000	(112,059)	2,850,846	205,846
Total revenue bonds and special assessment debt payable	<u>31,270,905</u>	<u>1,857,000</u>	<u>(12,767,059)</u>	<u>20,360,846</u>	<u>1,925,846</u>
Arbitrage rebate	548,394	51,606	-	600,000	-
Capital leases payable	25,000,000	-	-	25,000,000	-
Landfill closure and postclosure care costs payable	1,040,676	22,612	(36,610)	1,026,678	36,118
Compensated absences payable	7,166,329	4,864,412	(4,725,713)	7,305,028	4,816,935
Claims and judgments payable	520,974	300,000	(532,257)	288,717	230,974
Total governmental activities long-term liabilities	<u>\$ 65,547,278</u>	<u>\$ 7,095,630</u>	<u>\$ (18,061,639)</u>	<u>\$ 54,581,269</u>	<u>\$ 7,009,873</u>

Revenue bonds

On February 13, 2002, the Yavapai County Jail District issued \$15,260,000 in revenue bonds that are noncallable with interest payable semiannually. The bond proceeds were used to construct a new jail and to remodel an existing jail. The District has pledged the maintenance of effort payments from the County's general fund to the District and the voter approved excise tax to repay the bonds. The total principal and interest remaining on the bonds is \$3,736,180, payable through July 2012. Annual principal and interest payments on the bonds are expected to require 34% of pledged revenues. Principal and interest paid for the current year were \$1,872,409, and the maintenance of effort and voter approved excise tax were, \$6,200,787 and \$5,908,756, respectively.

On July 3, 2007, the County issued \$25,375,000 in variable rate demand highway construction advancement revenue bonds. The bond proceeds were advanced to the Arizona Department of Transportation (ADOT) to accelerate construction on State Route 260 in accordance with Arizona Revised Statutes (A.R.S.) §11-269.03. ADOT is required

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to repay advances not more than 5 years from the date of the advance pursuant to A.R.S §28-7677. The County has pledged excise and state shared sales taxes to repay the bonds. The County is required to continue to impose and collect up to the maximum rate by law, in each fiscal year, the excise tax and to receive the state shared excise tax proceeds in the amount at least two times the maximum annual debt service of the bonds. The total principal and interest remaining on the bonds is \$14,369,600, payable through July 2018. Annual principal and interest payments on the bonds are expected to require 6% of pledged revenues. There is no principal payment required until July 2018, when the bonds are to be paid in full. However, a principal payment of \$11,000,000 was made during the current year. Interest paid for the current year was \$157,757, and the excise and state shared sales taxes were, \$11,818,833 and \$20,676,049, respectively. The bonds can be redeemed by the County, in whole or in part, on any weekly interest payment date. The interest rate is determined weekly by the remarketing agent. There is no minimum interest rate and the maximum interest rate is 12% per annum. Demand payments will be made from funds drawn under a \$25,000,000 irrevocable letter of credit issued by a bank. As of June 30, 2010, the County had a federal arbitrage rebate liability of \$600,000 resulting from investment earnings on the unexpended bond proceeds in excess of the interest expense incurred.

Revenue bonds outstanding at June 30, 2010, were as follows:

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2010
Jail District revenue bonds	\$15,260,000	7/1/11-7/1/12	4.2-4.3%	\$ 3,510,000
Highway construction advancement revenue bonds	25,375,000	7/1/18	0.33%	14,000,000
Total				<u>\$17,510,000</u>

The following schedule details debt service requirements to maturity for the County's revenue bonds payable at June 30, 2010.

Year ending June 30	Governmental Activities	
	Principal	Interest
2011	\$ 1,720,000	\$ 195,410
2012	1,790,000	123,170
2013	-	46,200
2014	-	46,200
2015	-	46,200
2016-2018	14,000,000	138,600
Total	<u>\$ 17,510,000</u>	<u>\$ 595,780</u>

Special assessment debt

Special assessment bonds are secured by pledges of revenues from special assessments levied against the benefiting property owners. Bond proceeds were used to finance construction in these districts. These bonds are generally callable with interest payable semiannually. However, in accordance with the bond indenture for each special assessment bond issue, and in the opinion of the County Attorney, the County is not legally obligated in any way for the special assessment bonded indebtedness. The total

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principal and interest remaining on the bonds is \$5,351,826, 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 \$257,114 and the special assessments were \$173,763.

The following special assessment districts had debt outstanding at June 30, 2010.

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2010
Coyote Springs Road Improvement	\$1,552,000	1/1/10-1/1/22	6.40%	\$955,000
Prescott East Sanitary District	317,000	7/1/10-7/1/11	4.82%	38,846
Poquito Valley Road Improvement	1,857,000	1/1/11-1/1/30	6.625%	1,857,000
Total				<u>\$2,850,846</u>

The following schedule details debt service requirements to maturity for the County's special assessment debt payable at June 30, 2010:

Year ending June 30	Principal	Interest
2011	\$ 205,846	\$ 175,136
2012	175,000	168,037
2013	175,000	162,650
2014	175,000	157,264
2015	175,000	151,877
2016-2020	875,000	678,575
2021-2025	620,000	566,924
2026-2030	450,000	440,517
Total	<u>\$ 2,850,846</u>	<u>\$ 2,500,980</u>

Capital leases

On May 15, 2008, the County entered into a \$50,000,000 capital lease agreement to finance the construction of court, administrative, and juvenile detention buildings. The property for these facilities is owned by the County. The lessor leased these sites from the County and leased the sites and the facilities being financed back to the County. On June 15, 2009, the County entered into a revised capital lease agreement which allowed the County to prepay \$25,000,000 in principal and a prepayment penalty of \$250,000. Lease payments will equal the aggregate amount of principal and interest required to extinguish the debt. Upon the final lease payment, the title to the assets will transfer to the County. The County's obligation to make lease payments will be subject to and is dependent upon annual appropriations being made by the County.

The assets acquired through the capital lease are as follows:

Construction in progress	Governmental Activities
Less: accumulated depreciation	\$ 10,061,833
Carrying value	-
	<u>\$ 10,061,833</u>

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The following schedule details debt service requirements to maturity for the County's capital lease payable at June 30, 2010:

Year ending June 30	Governmental Activities
2011	\$ 1,112,500
2012	2,111,865
2013	2,111,865
2014	2,111,865
2015	2,111,865
2016-2020	10,559,325
2021-2025	10,559,325
2026-2028	6,335,595
Total minimum lease payments	37,014,205
Less amount representing interest	(12,014,205)
Present value of net minimum lease payments	\$ 25,000,000

Landfill closure and postclosure care costs

State and federal laws and regulations require the County to place final covers on its 7 landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. Although closure and postclosure care costs will not be paid until near or after the dates that the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs in each period that the County operates the landfills. These costs will be paid from the Landfill/Environment special revenue fund.

The amount recognized each year is based on landfill capacity used at the end of each fiscal year. All 7 landfills stopped accepting waste and were closed prior to June 30, 2010. As of June 30, 2010, the landfill closure and postclosure care liability of \$1,026,678 represents the cumulative amount of costs remaining on these closed landfills, which is net of expenditures incurred to date. This amount is based on what it would cost to perform all closure and postclosure care in fiscal year 2010 and has been adjusted for changes in estimates during the fiscal year. The actual cost may be higher due to inflation, changes in technology, or changes in regulations.

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

Insurance claims

The County provides health benefits to its employees and their dependents through the Yavapai Combined Trust, currently composed of four members. The Trust provides benefits up to \$175,000 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 post employment 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

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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 2010, the County paid for compensated absences as follows: 56 percent from the General Fund, 22 percent from major funds, and 22 percent from other funds. The County paid for claims and judgments from the General Fund.

Note 8 - Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters; but was unable to obtain insurance at a cost it considered to be economically justifiable. Therefore, 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 above.

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of 11 member counties. The pool provides member counties catastrophic loss coverage for risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters; and provides risk management services. Such coverage includes all defense costs as well as the amount of any judgment or settlement. The County is responsible for paying a premium based on its exposure in relation to the exposure of the other participants, and a deductible of \$25,000 per occurrence for property claims and \$50,000 per occurrence for liability claims. The County is also responsible for any payments in excess of the maximum coverage of \$300 million per occurrence for property claims and \$15 million per occurrence for liability claims. However, lower limits apply to certain categories of losses. A county must participate in the pool at least 3 years after becoming a member; however, it may withdraw after the initial 3-year period. If the pool were to become insolvent, the County would be assessed an additional contribution.

The Arizona Counties Workers' Compensation Pool is a public entity risk pool currently composed of 11 member counties. The pool provides member counties with workers' compensation coverage, as required by law, and risk management services. The County is responsible for paying a premium, based on an experience-rating formula, that allocates pool expenditures and liabilities among the members.

The Arizona Counties Property and Casualty Pool and the Arizona Counties Workers' Compensation Pool receive independent audits annually and an audit by the Arizona

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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.

Note 9 - Pensions and Other Postemployment Benefits

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

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

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

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

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

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

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

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

Cost-sharing plan—For the year ended June 30, 2010, active ASRS members were required by statute to contribute at the actuarially determined rate of 9.4 percent (9.0 percent for retirement and 0.4 percent for long-term disability) of the members' annual covered payroll and the County was required by statute to contribute at the actuarially determined rate of 9.4 percent (8.34 percent for retirement, 0.66 percent for health insurance premium, and 0.4 percent long-term disability) of the members' annual covered payroll.

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

Year ended June 30	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
2010	\$ 3,759,932	\$ 297,549	\$ 180,332
2009	\$ 3,778,567	\$ 453,996	\$ 236,456
2008	\$ 4,011,681	\$ 523,262	\$ 249,173

Agent plans—For the year ended June 30, 2010, active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll and the County was required to contribute 20.60 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 1.33 percent of covered payroll. Active CORP members were required by statute to contribute 8.41 percent of the members' annual covered payroll. In addition, the County was required to contribute 7.93 percent. The aggregate of the members' and the County's contributions is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 0.67 percent of covered payroll. Active CORP-AOC members were required by statute to contribute 8.41 percent of the members' annual covered payroll. In addition, the County was required to contribute 6.00 percent. The aggregate of the members' and the County's contributions is greater by an immaterial amount than the actuarially required contributions due to the County's minimum contribution rate set by state statute. The health insurance premium portion of the contribution rate was actuarially set at 0.24 percent of covered payroll.

Actuarial methods and assumptions—The contribution requirements for the year ended June 30, 2010, were established by the June 30, 2008, actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions.

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

Projections of benefits are based on 1) the plans as understood by the County and plans' members and include the types of benefits in force at the valuation date, and 2) the pattern of sharing benefit costs between the County and plans' members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The significant actuarial methods and assumptions used are the same for all plans and related benefits (unless noted), and the actuarial methods and assumptions used to established the fiscal year 2010 contribution requirements, are as follows:

Actuarial valuation date	June 30, 2008
Actuarial cost method	Projected unit credit
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	28 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	Smoothed market value
Actuarial assumptions:	
Investment rate of return	8.50%
Projected salary increases includes inflation at	5.50% - 8.50% for PSPRS and CORP 5.50% for PSPRS and CORP

Annual Pension/OPEB Cost—The County's pension/OPEB cost for the agent plans for the year ended June 30, 2010, and related information follows:

	<u>PSPRS</u>		<u>CORP</u>		<u>CORP-AOC</u>	
	Pension	Health Insurance	Pension	Health Insurance	Pension	Health Insurance
Annual pension/OPEB cost	\$1,304,571	\$96,315	\$452,308	\$45,826	\$298,878	\$12,453
Contributions made	1,304,571	96,315	452,308	45,826	298,878	12,453

Trend Information—Annual pension and OPEB cost information for the current and 2 preceding years follows for each of the agent plans. For the CORP-AOC, separate pension and health insurance information was not available for the years ended June 30, 2008 or 2009.

Yavapai County
Notes to Financial Statements
June 30, 2010

<u>Plan</u>	<u>Year Ended June 30</u>	<u>Annual Pension/ OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net Pension/ OPEB Obligation</u>
PSPRS				
Pension	2010	\$1,304,571	100%	\$ -0-
Health insurance	2010	96,315	100%	\$ -0-
Pension	2009	\$1,525,300	100%	\$ -0-
Health insurance	2009	101,384	100%	\$ -0-
Pension	2008	1,109,560	100%	\$ -0-
Health insurance	2008	76,762	100%	\$ -0-
CORP				
Pension	2010	452,308	100%	\$ -0-
Health insurance	2010	45,826	100%	\$ -0-
Pension	2009	526,673	100%	\$ -0-
Health insurance	2009	42,406	100%	\$ -0-
Pension	2008	381,365	100%	\$ -0-
Health insurance	2008	43,090	100%	\$ -0-
CORP-AOC				
Pension	2010	298,878	100%	\$ -0-
Health insurance	2010	12,453	100%	\$ -0-
Pension and health insurance	2009	485,720	100%	\$ -0-
Pension and health insurance	2008	493,229	100%	\$ -0-

Funded Status—Except for the CORP-AOC, the funded status of the plans as of the most recent valuation date, June 30, 2010, along with the actuarial assumptions and methods used in those valuations follow. For the CORP-AOC, participating employers are combined as one group and the actuarial information is not available solely for the County.

	<u>PSPRS</u>		<u>CORP</u>	
	Pension	Health Insurance	Pension	Health Insurance
Actuarial accrued liability (a)	\$ 32,460,438	\$ 1,006,299	\$ 11,901,671	\$ 363,828
Actuarial value of assets (b)	19,087,028	0	9,790,766	0
Unfunded actuarial accrued liability (funding excess) (a) – (b)	13,373,410	1,006,299	2,110,905	363,828
Funded ratio (b)/(a)	58.8%	0.00%	82.3%	0.00%
Covered payroll (c)	6,760,646	6,760,646	6,141,309	6,141,309
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll ((a) – (b)) / (c)	197.8%	14.88%	34.4%	5.92%

Yavapai County
Notes to Financial Statements
June 30, 2010

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

Actuarial valuation date	June 30, 2010
Actuarial cost method	Projected unit credit
Amortization method	Level percent-of-pay closed
Remaining amortization period	26 years for underfunded 20 years for overfunded
Asset valuation method	7 year smoothed market value
Actuarial assumptions:	
Investment rate of return	8.50%
Projected salary increases includes inflation at	5.50% - 8.50% 5.50%

Note 10 - Interfund Balances and Activity

Interfund receivables and payables—Interfund balances at June 30, 2010, were as follows:

	Payable to						Total
	General Fund	Jail District Fund	Regional Road Fund	HURF Road Fund	Capital Projects Fund	Nonmajor Governmental Funds	
Payable from							
General Fund	\$ -	\$ 1,370,928	\$ 202,988	\$ 29,348	\$ 304,482	\$ 635,580	\$ 2,543,326
Jail District Fund	1,557,200	-	-	-	-	-	1,557,200
HURF Road Fund	2,996	151	-	-	-	10,224	13,371
Capital Projects Fund	19,925	-	-	63,572	-	-	83,497
Nonmajor Governmental Funds	113,336	2,013	-	24,944	-	616,704	756,997
Long Term Care Fund	-	-	-	-	-	13,916	13,916
Total	\$1,693,457	\$ 1,373,092	\$ 202,988	\$ 117,864	\$ 304,482	\$ 1,276,424	\$ 4,968,307

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, 2010, were as follows:

Yavapai County
Notes to Financial Statements
June 30, 2010

	Transfer To								Total
	General Fund	Jail District Fund	Jail District Debt Service Fund	Regional Road Fund	Regional Road Debt Service Fund	Capital Projects Fund	Capital Projects Debt Service Fund	Nonmajor Governmental Funds	
Transfer from									
General Fund	\$ -	\$ 7,570,796	\$ -	\$ 2,363,767	\$ -	\$ 4,689,120	\$ -	\$ 1,057,596	\$15,681,279
Jail District Fund	-	-	1,872,410	-	-	-	-	-	1,872,410
Regional Road Fund	-	-	-	-	6,740,189	-	-	-	6,740,189
Regional Road Debt Service Fund	-	-	-	348,440	-	-	-	-	348,440
Capital Projects Fund	-	-	-	-	-	-	1,112,500	250,000	1,362,500
Nonmajor Governmental Funds	67,827	-	-	-	-	617,745	-	987,244	1,672,816
Total	\$ 67,827	\$ 7,570,796	\$ 1,872,410	\$ 2,712,207	\$ 6,740,189	\$ 5,306,865	\$ 1,112,500	\$ 2,294,840	\$27,677,634

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

Note 11 - County Treasurer's Investment Pool

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

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

The Treasurer allocates interest earnings to each of the pool's participants. However, for the County's monies in the pool the Board of Supervisors authorized \$14,015 of interest earned in certain other funds to be transferred to the General Fund.

Deposits and investments of the County's primary government are included in the County

Yavapai County
Notes to Financial Statements
June 30, 2010

Treasurer's investment pool, except for \$39,990 of cash on hand, \$3,859,334 of deposits and \$15,156,266 of collateralized investments held in trust. Therefore, the deposit and investment risks of the Treasurer's investment pool are substantially the same as the County's deposit and investment risks. See Note 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	\$ 75,236,040	0.10%	None stated	\$ 75,263,040
Repurchase agreement	49,886,814	0.50%	None stated	49,886,814
U.S. agency securities	38,536,683	0.50-4.375%	8/27/10-4/15/13	38,884,888
U.S. corporate bond	1,998,420	3.00%	11/16/11	2,065,874

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

Statement of Net Assets

Assets	\$ 221,031,489
Liabilities	-
Net assets	\$ 221,031,489

Net assets held in trust for:

Internal participants	\$ 99,140,745
External participants	121,890,744
Total net assets held in trust	\$ 221,031,489

Statement of Changes in Net Assets

Total additions	\$ 730,950,209
Total deductions	(725,445,422)
Net increase	5,504,787

Net assets held in trust:

July 1, 2009	215,526,702
June 30, 2010	\$ 221,031,489

REQUIRED SUPPLEMENTARY INFORMATION

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 56,267,920	\$ 56,267,920	\$ 55,789,677	\$ (478,243)
Licenses and permits	1,475,000	1,475,000	1,436,680	(38,320)
Intergovernmental	30,628,715	30,628,715	31,413,856	785,141
Charges for services	1,530,000	1,530,000	1,586,717	56,717
Fines and forfeits	2,800,000	2,800,000	2,737,258	(62,742)
Investment earnings	36,000	36,000	26,913	(9,087)
Miscellaneous	639,219	639,219	624,011	(15,208)
Total revenues	<u>93,376,854</u>	<u>93,376,854</u>	<u>93,615,112</u>	<u>238,258</u>
Expenditures:				
General government				
Board of Supervisors	1,209,503	1,209,503	1,190,743	18,760
Human Resources	703,129	703,129	697,357	5,772
General Services	3,131,981	1,016,037	(172,655)	1,188,692
Elections	549,381	549,381	504,964	44,417
Public Works	214,382	214,382	204,337	10,045
Facilities	4,743,285	4,719,285	4,497,169	222,116
Development Services	3,648,463	3,651,463	3,387,177	264,286
Fleet	(1,344,870)	(1,344,870)	(1,649,525)	304,655
Medical Examiner	416,958	448,212	448,211	1
Finance	760,580	760,580	758,128	2,452
Assessor	3,732,714	3,732,714	3,519,305	213,409
County Attorney	5,828,519	5,828,519	5,695,204	133,315
Recorder	1,507,421	1,507,421	1,471,427	35,994
Management Information Systems	5,672,725	5,672,725	4,798,057	874,668
Clerk of the Court	2,625,613	2,625,613	2,569,842	55,771
Treasurer	832,678	832,678	823,425	9,253
Superior Courts	4,391,188	5,448,803	5,448,802	1
Public Defender	4,964,511	5,981,361	5,981,360	1
Prescott Justice of the Peace	660,489	660,489	660,488	1
Prescott Constable	85,388	85,388	83,698	1,690
Bagdad/Yarnell Justice of the Peace	289,177	296,387	296,386	1
Verde Valley Justice of the Peace	559,220	559,220	535,083	24,137
Mayer Justice of the Peace	435,778	435,778	431,147	4,631
Verde Constable	85,669	85,669	83,487	2,182
Seligman Justice of the Peace	317,035	317,035	306,653	10,382
Total General government	<u>46,020,917</u>	<u>45,996,902</u>	<u>42,570,270</u>	<u>3,426,632</u>

(Continued)

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2010
(Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public safety				
Sheriff	\$ 15,922,667	\$ 15,922,667	\$ 15,423,150	\$ 499,517
Adult Probation	2,375,786	2,375,786	2,205,847	169,939
Juvenile Probation	2,777,799	2,777,799	2,745,735	32,064
Total Public safety	<u>21,076,252</u>	<u>21,076,252</u>	<u>20,374,732</u>	<u>701,520</u>
Sanitation				
Solid Waste	<u>1,418,124</u>	<u>1,418,124</u>	<u>1,059,734</u>	<u>358,390</u>
Welfare				
Medical Assistance	8,119,700	8,119,715	8,119,713	2
Public Fiduciary	418,764	418,764	403,575	15,189
Total Welfare	<u>8,538,464</u>	<u>8,538,479</u>	<u>8,523,288</u>	<u>15,191</u>
Culture and recreation				
Facilities	<u>56,889</u>	<u>80,889</u>	<u>79,931</u>	<u>958</u>
Education				
School Superintendent	<u>658,537</u>	<u>658,537</u>	<u>626,269</u>	<u>32,268</u>
Total expenditures	<u>77,769,183</u>	<u>77,769,183</u>	<u>73,234,224</u>	<u>4,534,959</u>
Excess of revenues over expenditures	15,607,671	15,607,671	20,380,888	4,773,217
Other financing sources (uses):				
Sale of capital assets	-	-	84,174	84,174
Transfers in	12,161	12,161	67,827	55,666
Transfers out	<u>(16,614,408)</u>	<u>(16,614,408)</u>	<u>(15,681,279)</u>	<u>933,129</u>
Total other financing sources (uses)	<u>(16,602,247)</u>	<u>(16,602,247)</u>	<u>(15,529,278)</u>	<u>1,072,969</u>
Net change in fund balances	(994,576)	(994,576)	4,851,610	5,846,186
Fund balances, July 1, 2009	994,576	994,576	4,760,408	3,765,832
Increase in reserve for inventories	-	-	64,376	64,376
Increase in reserve for prepaid items	-	-	166,692	166,692
Fund balances, June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,843,086</u>	<u>\$ 9,843,086</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
Jail District Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 6,507,500	\$ 6,507,500	\$ 5,908,756	\$ (598,744)
Charges for services	1,205,000	1,205,000	2,989,185	1,784,185
Investment earnings	5,000	5,000	3,734	(1,266)
Miscellaneous	60,000	60,000	48,219	(11,781)
Total revenues	7,777,500	7,777,500	8,949,894	1,172,394
Expenditures:				
Public safety				
Sheriff	14,843,980	14,843,980	14,648,850	195,130
Total expenditures	14,843,980	14,843,980	14,648,850	195,130
Excess (deficiency) of revenues over expenditures	(7,066,480)	(7,066,480)	(5,698,956)	1,367,524
Other financing sources (uses):				
Transfers in	8,936,890	8,936,890	7,570,796	(1,366,094)
Transfers out	(1,870,410)	(1,870,410)	(1,872,410)	(2,000)
Total other financing sources (uses)	7,066,480	7,066,480	5,698,386	(1,368,094)
Net change in fund balances	-	-	(570)	(570)
Fund balances, July 1, 2009	-	-	9,798	9,798
Fund balances, June 30, 2010	\$ -	\$ -	\$ 9,228	\$ 9,228

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
Regional Road Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ 500,000	\$ 500,000	\$ 502,100	\$ 2,100
Investment earnings	295,121	295,121	102,962	(192,159)
Miscellaneous	-	-	40	40
Total revenues	<u>795,121</u>	<u>795,121</u>	<u>605,102</u>	<u>(190,019)</u>
Expenditures:				
Highways and streets				
Public Works	<u>14,094,759</u>	<u>14,094,759</u>	<u>7,876,474</u>	<u>6,218,285</u>
Total expenditures	<u>14,094,759</u>	<u>14,094,759</u>	<u>7,876,474</u>	<u>6,218,285</u>
Excess (deficiency) of revenues over expenditures	(13,299,638)	(13,299,638)	(7,271,372)	6,028,266
Other financing sources (uses):				
Transfers in	2,582,441	2,582,441	2,712,207	129,766
Transfers out	<u>(1,141,875)</u>	<u>(1,141,875)</u>	<u>(6,740,189)</u>	<u>(5,598,314)</u>
Total other financing sources (uses)	<u>1,440,566</u>	<u>1,440,566</u>	<u>(4,027,982)</u>	<u>(5,468,548)</u>
Net change in fund balances	(11,859,072)	(11,859,072)	(11,299,354)	559,718
Fund balances, July 1, 2009	<u>11,859,072</u>	<u>11,859,072</u>	<u>30,067,145</u>	<u>18,208,073</u>
Fund balances, June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,767,791</u>	<u>\$ 18,767,791</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
HURF Road Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 14,391,530	\$ 14,391,530	\$ 13,766,529	\$ (625,001)
Investment earnings	-	-	32,617	32,617
Miscellaneous	100,000	100,000	188,690	88,690
Total revenues	14,491,530	14,491,530	13,987,836	(503,694)
Expenditures				
Highways and streets				
Public Works	16,890,499	16,890,499	13,872,438	3,018,061
Total expenditures	16,890,499	16,890,499	13,872,438	3,018,061
Net change in fund balances	(2,398,969)	(2,398,969)	115,398	2,514,367
Fund balances, July 1, 2009	2,398,969	2,398,969	6,019,644	3,620,675
Increase in reserve for inventories	-	-	5,740	5,740
Increase in reserve for prepaid items	-	-	161,284	161,284
Fund balances, June 30, 2010	\$ -	\$ -	\$ 6,302,066	\$ 6,302,066

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Notes to Budgetary Comparison Schedules
Year Ended June 30, 2010

Note 1 – Budgeting and Budgetary Control

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

Expenditures may not legally exceed appropriations at the department level. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Board of Supervisors' approval.

Note 2 – Budgetary Basis of Accounting

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

Yavapai County
 Required Supplementary Information
 Schedule of Agent Retirement Plans' Funding Progress
 Year Ended June 30, 2010

Public Safety Personnel Retirement System

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage Of Covered Payroll ([a-b]/c)
Pension 6/30/10	\$19,087,028	\$32,460,438	\$(13,373,410)	58.8%	\$6,760,646	197.8%
Health Insurance 6/30/10	0	1,006,299	(1,006,299)	0.0%	6,760,646	14.88%
Pension 6/30/09	17,878,294	30,791,696	(12,913,402)	58.1%	7,203,153	179.3%
Health Insurance 6/30/09	0	931,499	(931,499)	0.0%	7,203,153	12.93%
Pension 6/30/08	16,316,672	29,444,833	(13,128,161)	55.4%	7,241,743	181.3%
Health Insurance 6/30/08	0	1,016,579	(1,016,579)	0.0%	7,241,743	14.04%

Corrections Officer Retirement Plan

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage Of Covered Payroll ([a-b]/c)
Pension 6/30/10	\$9,790,766	\$11,901,671	\$(2,110,905)	82.3%	\$6,141,309	34.4%
Health Insurance 6/30/10	0	363,828	(363,828)	0.0%	6,141,309	5.92%
Pension 6/30/09	9,029,735	10,633,213	(1,603,478)	84.9%	6,643,021	24.1%
Health Insurance 6/30/09	0	358,479	(358,479)	0.0%	6,643,021	5.40%
Pension 6/30/08	8,396,376	10,066,193	(1,669,817)	83.4%	6,839,698	24.4%
Health Insurance 6/30/08	0	325,629	(325,629)	0.0%	6,839,698	4.76%

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

Yavapai County
Nonmajor Governmental Funds
Year Ended June 30, 2010

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

Yavapai County
Nonmajor Governmental Funds
Year Ended June 30, 2010

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 used 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 grants.

DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of resources for the payment of principal and interest on the revenue bonds issued for special assessment bonds for the Coyote Springs, Granite Gardens and Pine 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, 2010

Assets	Special Revenue			
	Health Care	Recorder's Surcharge	Assessor's Surcharge	Treasurer's Surcharge
Cash and cash equivalents	\$ 3,713,200	\$ 175,738	\$ 594,707	\$ 140,188
Receivables:				
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Accounts	1,003	4,060	3,488	-
Due from:				
Other funds	633,916	-	-	-
Other governments	603,530	-	-	-
Prepaid items	12,137	-	-	-
Total assets	<u>\$ 4,963,786</u>	<u>\$ 179,798</u>	<u>\$ 598,195</u>	<u>\$ 140,188</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 116,976	\$ 4,965	\$ -	\$ -
Accrued payroll and employee benefits	447,640	4,394	3,338	-
Due to other funds	11,753	49	-	-
Deferred revenue	-	-	-	-
Total liabilities	<u>576,369</u>	<u>9,408</u>	<u>3,338</u>	<u>-</u>
Fund balances:				
Reserved for:				
Prepaid items	12,137	-	-	-
Debt service	-	-	-	-
Unreserved, reported in				
Special revenue funds	4,375,280	170,390	594,857	140,188
Total fund balances	<u>4,387,417</u>	<u>170,390</u>	<u>594,857</u>	<u>140,188</u>
Total liabilities and fund balances	<u>\$ 4,963,786</u>	<u>\$ 179,798</u>	<u>\$ 598,195</u>	<u>\$ 140,188</u>

Special Revenue

Election	Public Library	Education Service Agency	Parks & Recreation	Water Advisory Committee	Landfill / Environment
\$ 442,371	\$ 1,918,006	\$ 1,865,812	\$ 939,543	\$ 203,067	\$ 501,256
-	201,877	-	-	-	-
-	-	-	-	-	-
-	62	16,513	-	-	-
-	-	-	-	-	10,224
-	1,974	198,769	-	3,333	89,283
-	-	2,400	-	-	-
<u>\$ 442,371</u>	<u>\$ 2,121,919</u>	<u>\$ 2,083,494</u>	<u>\$ 939,543</u>	<u>\$ 206,400</u>	<u>\$ 600,763</u>
\$ 53,990	\$ 120,043	\$ 235,994	\$ 4,100	\$ 21,640	\$ 8,241
-	40,261	69,306	-	4,633	3,688
-	999	4,177	14,057	-	25,571
-	134,482	-	-	-	-
<u>53,990</u>	<u>295,785</u>	<u>309,477</u>	<u>18,157</u>	<u>26,273</u>	<u>37,500</u>
-	-	2,400	-	-	-
-	-	-	-	-	-
<u>388,381</u>	<u>1,826,134</u>	<u>1,771,617</u>	<u>921,386</u>	<u>180,127</u>	<u>563,263</u>
<u>388,381</u>	<u>1,826,134</u>	<u>1,774,017</u>	<u>921,386</u>	<u>180,127</u>	<u>563,263</u>
<u>\$ 442,371</u>	<u>\$ 2,121,919</u>	<u>\$ 2,083,494</u>	<u>\$ 939,543</u>	<u>\$ 206,400</u>	<u>\$ 600,763</u>

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010
(Continued)

Assets	Special Revenue			
	Public Works	Finance	Improvement Districts	Clerk of Superior Court
Cash and cash equivalents	\$ 160,813	\$ 380,789	\$ 7,863,117	\$ 136,205
Receivables:				
Property taxes	-	-	321,718	-
Special assessments	-	-	-	-
Accounts	-	39,088	191	7,045
Due from:				
Other funds	-	-	-	-
Other governments	-	334,335	-	-
Prepaid items	-	-	2,334	-
Total assets	<u>\$ 160,813</u>	<u>\$ 754,212</u>	<u>\$ 8,187,360</u>	<u>\$ 143,250</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 336,435	\$ 1,136,007	\$ -
Accrued payroll and employee benefits	-	-	44,204	4,533
Due to other funds	-	417,777	28,376	-
Deferred revenue	-	-	207,594	-
Total liabilities	<u>-</u>	<u>754,212</u>	<u>1,416,181</u>	<u>4,533</u>
Fund balances:				
Reserved for:				
Prepaid items	-	-	2,334	-
Debt service	-	-	-	-
Unreserved, reported in				
Special revenue funds	<u>160,813</u>	<u>-</u>	<u>6,768,845</u>	<u>138,717</u>
Total fund balances	<u>160,813</u>	<u>-</u>	<u>6,771,179</u>	<u>138,717</u>
Total liabilities and fund balances	<u>\$ 160,813</u>	<u>\$ 754,212</u>	<u>\$ 8,187,360</u>	<u>\$ 143,250</u>

Special Revenue

County Attorney	Law Enforcement	Emergency Management	Probation	Courts	Public Defender
\$ 942,909	\$ 1,755,406	\$ 150,783	\$ 1,918,461	\$ 1,281,022	\$ 288,400
-	-	-	-	-	-
-	-	-	-	-	-
4,054	50,594	-	136,599	44,320	19,391
285,726	2,525	-	-	242,974	97,132
126,899	155,662	78,305	97,968	24,731	12,669
-	-	-	-	-	-
<u>\$ 1,359,588</u>	<u>\$ 1,964,187</u>	<u>\$ 229,088</u>	<u>\$ 2,153,028</u>	<u>\$ 1,593,047</u>	<u>\$ 417,592</u>
\$ 43,192	\$ 57,139	\$ 14,440	\$ 190,680	\$ 13,657	\$ 2,002
51,350	40,027	3,950	255,768	58,094	2,378
6,854	235,638	-	1,500	6,319	-
-	-	-	-	-	-
<u>101,396</u>	<u>332,804</u>	<u>18,390</u>	<u>447,948</u>	<u>78,070</u>	<u>4,380</u>
-	-	-	-	-	-
-	-	-	-	-	-
1,258,192	1,631,383	210,698	1,705,080	1,514,977	413,212
<u>1,258,192</u>	<u>1,631,383</u>	<u>210,698</u>	<u>1,705,080</u>	<u>1,514,977</u>	<u>413,212</u>
<u>\$ 1,359,588</u>	<u>\$ 1,964,187</u>	<u>\$ 229,088</u>	<u>\$ 2,153,028</u>	<u>\$ 1,593,047</u>	<u>\$ 417,592</u>

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010
(Continued)

Assets	Special Revenue	Debt Service		
	Airport Development	Coyote Springs	Prescott East	Poquito Valley
Cash and cash equivalents	\$ 139,796	\$ 507,291	\$ 93,707	\$ -
Receivables:				
Property taxes	-	-	-	-
Special assessments	-	1,000,064	-	1,857,000
Accounts	-	-	5,067	-
Due from:				
Other funds	3,927	-	-	-
Other governments	24,300	-	-	-
Prepaid items	-	-	-	-
Total assets	\$ 168,023	\$ 1,507,355	\$ 98,774	\$ 1,857,000
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 39,120	\$ -
Accrued payroll and employee benefits	-	-	-	-
Due to other funds	3,927	-	-	-
Deferred revenue	-	1,000,064	-	1,857,000
Total liabilities	3,927	1,000,064	39,120	1,857,000
Fund balances:				
Reserved for:				
Prepaid items	-	-	-	-
Debt service	-	507,291	59,654	-
Unreserved, reported in				
Special revenue funds	164,096	-	-	-
Total fund balances	164,096	507,291	59,654	-
Total liabilities and fund balances	\$ 168,023	\$ 1,507,355	\$ 98,774	\$ 1,857,000

<u>Debt Service</u> Granite Gardens	<u>Total Nonmajor Governmental Funds</u>
\$ 4,562	\$ 26,117,149
-	523,595
-	2,857,064
-	331,475
-	1,276,424
-	1,751,758
-	16,871
<u>\$ 4,562</u>	<u>\$ 32,874,336</u>

\$ -	\$ 2,398,621
-	1,033,564
-	756,997
-	3,199,140
<u>-</u>	<u>7,388,322</u>

-	16,871
4,562	571,507
-	24,897,636
<u>4,562</u>	<u>25,486,014</u>
<u>\$ 4,562</u>	<u>\$ 32,874,336</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2010

	Special Revenue			
	Health Care	Recorder's Surcharge	Assessor's Surcharge	Treasurer's Surcharge
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	720,951	-	-	-
Intergovernmental	5,536,788	-	-	-
Charges for services	3,915,810	268,944	262,776	30,304
Fines and forfeits	-	-	-	-
Investment earnings	20,548	1,045	4,131	696
Miscellaneous	2,788,813	2,071	-	8,372
Total revenues	<u>12,982,910</u>	<u>272,060</u>	<u>266,907</u>	<u>39,372</u>
Expenditures:				
Current:				
General government	-	524,094	322,644	7,037
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	12,675,386	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>12,675,386</u>	<u>524,094</u>	<u>322,644</u>	<u>7,037</u>
Excess (deficiency) of revenues over expenditures	307,524	(252,034)	(55,737)	32,335
Other financing sources (uses):				
Special assessment bonds issued	-	-	-	-
Transfers in	920,000	250,000	-	-
Transfers out	(585,160)	(32,585)	-	-
Total other financing sources (uses)	<u>334,840</u>	<u>217,415</u>	<u>-</u>	<u>-</u>
Net change in fund balances	642,364	(34,619)	(55,737)	32,335
Fund Balances, July 1, 2009	3,734,867	206,073	650,594	107,853
Increase (decrease) in reserve for prepaid items	10,186	(1,064)	-	-
Fund Balances, June 30, 2010	<u>\$ 4,387,417</u>	<u>\$ 170,390</u>	<u>\$ 594,857</u>	<u>\$ 140,188</u>

Special Revenue					
Election	Public Library	Education Service Agency	Parks & Recreation	Water Advisory Committee	Landfill / Environment
\$ -	\$ 3,859,590	\$ 351,051	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
503,646	27,107	2,517,470	422,371	115,832	358,480
-	-	501,308	-	-	17,582
-	-	-	-	-	-
1,783	9,801	10,467	5,010	1,656	-
-	69,038	457,938	36,263	4,000	10,224
<u>505,429</u>	<u>3,965,536</u>	<u>3,838,234</u>	<u>463,644</u>	<u>121,488</u>	<u>386,286</u>
132,019	4,050,711	-	794,525	279,626	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	329,954
-	-	-	-	-	-
-	-	-	30,568	-	-
-	-	3,353,891	-	-	-
-	-	-	-	-	-
<u>132,019</u>	<u>4,050,711</u>	<u>3,353,891</u>	<u>825,093</u>	<u>279,626</u>	<u>329,954</u>
373,410	(85,175)	484,343	(361,449)	(158,138)	56,332
-	-	-	-	-	-
-	-	-	-	97,125	-
(2)	-	-	(8,250)	-	-
<u>(2)</u>	<u>-</u>	<u>-</u>	<u>(8,250)</u>	<u>97,125</u>	<u>-</u>
373,408	(85,175)	484,343	(369,699)	(61,013)	56,332
14,973	1,911,343	1,292,039	1,291,085	241,140	506,931
-	(34)	(2,365)	-	-	-
<u>\$ 388,381</u>	<u>\$ 1,826,134</u>	<u>\$ 1,774,017</u>	<u>\$ 921,386</u>	<u>\$ 180,127</u>	<u>\$ 563,263</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2010
(Continued)

	Special Revenue			
	Public Works	Finance	Improvement Districts	Clerk of Superior Court
Revenues:				
Taxes	\$ -	\$ -	\$ 6,034,539	\$ -
Special assessments	-	-	682,808	-
Licenses and permits	-	-	-	-
Intergovernmental	127,933	2,172,779	59,300	-
Charges for services	-	-	-	81,214
Fines and forfeits	-	419,835	-	2
Investment earnings	1,162	243	33,757	1,102
Miscellaneous	-	-	24,101	-
Total revenues	<u>129,095</u>	<u>2,592,857</u>	<u>6,834,505</u>	<u>82,318</u>
Expenditures:				
Current:				
General government	-	2,175,080	53,009	130,425
Public safety	-	-	5,546,940	-
Highways and streets	155,106	-	2,099,515	-
Sanitation	-	-	7,429	-
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>155,106</u>	<u>2,175,080</u>	<u>7,706,893</u>	<u>130,425</u>
Excess (deficiency) of revenues over expenditures	(26,011)	417,777	(872,388)	(48,107)
Other financing sources (uses):				
Special assessment bonds issued	-	-	1,857,000	-
Transfers in	-	-	-	-
Transfers out	-	(417,777)	(83,202)	-
Total other financing sources (uses)	<u>-</u>	<u>(417,777)</u>	<u>1,773,798</u>	<u>-</u>
Net change in fund balances	(26,011)	-	901,410	(48,107)
Fund Balances, July 1, 2009	186,824	-	5,868,314	186,824
Increase (decrease) in reserve for prepaid items	-	-	1,455	-
Fund Balances, June 30, 2010	<u>\$ 160,813</u>	<u>\$ -</u>	<u>\$ 6,771,179</u>	<u>\$ 138,717</u>

Special Revenue

County Attorney	Law Enforcement	Emergency Management	Probation	Courts	Public Defender
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
770,124	1,637,604	534,629	5,500,500	594,503	50,019
58,345	59,835	-	981,023	344,925	117,592
-	-	-	-	171,692	-
10,092	10,202	868	11,132	8,372	1,114
2,513,438	504,424	-	103	75,429	27,718
<u>3,351,999</u>	<u>2,212,065</u>	<u>535,497</u>	<u>6,492,758</u>	<u>1,194,921</u>	<u>196,443</u>
3,249,276	1,952	394,935	-	1,444,170	102,347
-	2,424,083	-	6,220,244	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,249,276</u>	<u>2,426,035</u>	<u>394,935</u>	<u>6,220,244</u>	<u>1,444,170</u>	<u>102,347</u>
102,723	(213,970)	140,562	272,514	(249,249)	94,096
-	-	-	-	-	-
90,732	486,950	-	-	281,323	86,192
(533,642)	-	-	-	(12,198)	-
<u>(442,910)</u>	<u>486,950</u>	<u>-</u>	<u>-</u>	<u>269,125</u>	<u>86,192</u>
(340,187)	272,980	140,562	272,514	19,876	180,288
1,598,379	1,361,030	70,136	1,432,566	1,495,726	232,924
-	(2,627)	-	-	(625)	-
<u>\$ 1,258,192</u>	<u>\$ 1,631,383</u>	<u>\$ 210,698</u>	<u>\$ 1,705,080</u>	<u>\$ 1,514,977</u>	<u>\$ 413,212</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2010
(Continued)

	Special Revenue	Debt Service		
	Airport Development	Coyote Springs	Prescott East	Poquito Valley
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	146,381	27,382	-
Licenses and permits	-	-	-	-
Intergovernmental	181,439	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	461	3,339	534	-
Miscellaneous	4,755	-	-	-
Total revenues	<u>186,655</u>	<u>149,720</u>	<u>27,916</u>	<u>-</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	31,917	-	-	-
Debt service:				
Principal retirement	-	75,000	37,059	-
Interest and other charges	-	63,952	8,524	82,518
Total expenditures	<u>31,917</u>	<u>138,952</u>	<u>45,583</u>	<u>82,518</u>
Excess (deficiency) of revenues over expenditures	154,738	10,768	(17,667)	(82,518)
Other financing sources (uses):				
Special assessment bonds issued	-	-	-	-
Transfers in	-	-	-	82,518
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,518</u>
Net change in fund balances	154,738	10,768	(17,667)	-
Fund Balances, July 1, 2009	9,358	496,523	77,321	-
Increase (decrease) in reserve for prepaid items	-	-	-	-
Fund Balances, June 30, 2010	<u>\$ 164,096</u>	<u>\$ 507,291</u>	<u>\$ 59,654</u>	<u>\$ -</u>

<u>Debt Service</u> <u>Granite</u> <u>Gardens</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
\$ -	\$ 10,245,180
-	856,571
-	720,951
-	21,110,524
-	6,639,658
-	591,529
30	137,545
-	6,526,687
<u>30</u>	<u>46,828,645</u>
-	13,661,850
-	14,191,267
-	2,254,621
-	337,383
-	12,675,386
-	30,568
-	3,353,891
-	31,917
-	112,059
-	154,994
-	<u>46,803,936</u>
30	24,709
-	1,857,000
-	2,294,840
-	<u>(1,672,816)</u>
-	<u>2,479,024</u>
30	2,503,733
4,532	22,977,355
-	4,926
<u>\$ 4,562</u>	<u>\$ 25,486,014</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Jail District Debt Service
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Debt service				
Principal retirement	\$ 1,655,000	\$ 1,655,000	\$ 1,655,000	\$ -
Interest and other charges	215,410	217,410	217,409	1
Total expenditures	<u>1,870,410</u>	<u>1,872,410</u>	<u>1,872,409</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	(1,870,410)	(1,872,410)	(1,872,409)	1
Other financing sources (uses):				
Transfers in	<u>1,872,410</u>	<u>1,872,410</u>	<u>1,872,410</u>	<u>-</u>
Total other financing sources (uses)	<u>1,872,410</u>	<u>1,872,410</u>	<u>1,872,410</u>	<u>-</u>
Net change in fund balances	2,000	-	1	1
Fund Balance, July 1, 2009	<u>(2,000)</u>	<u>-</u>	<u>2,413</u>	<u>2,413</u>
Fund Balance, June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,414</u>	<u>\$ 2,414</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Regional Road Debt Service
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 4,259,811	\$ 4,259,811
Investment earnings	-	-	19,381	19,381
Total revenues	-	-	4,279,192	4,279,192
Expenditures:				
Debt service				
Principal retirement	-	11,000,000	11,000,000	-
Interest and other charges	1,141,875	159,337	159,336	1
Total expenditures	1,141,875	11,159,337	11,159,336	1
Excess (deficiency) of revenues over expenditures	(1,141,875)	(11,159,337)	(6,880,144)	4,279,193
Other financing sources (uses):				
Transfers in	-	-	6,740,189	6,740,189
Transfers out	-	-	(348,440)	(348,440)
Total other financing sources (uses)	-	-	6,391,749	6,391,749
Net change in fund balances	(1,141,875)	(11,159,337)	(488,395)	10,670,942
Fund Balance, July 1, 2009	1,141,875	11,159,337	1,361,954	(9,797,383)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 873,559	\$ 873,559

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Capital Projects
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 723,200	\$ 723,200	\$ 66,062	\$ (657,138)
Investment earnings	-	-	132,146	132,146
Miscellaneous	3,805,000	3,805,000	-	(3,805,000)
Total revenues	<u>4,528,200</u>	<u>4,528,200</u>	<u>198,208</u>	<u>(4,329,992)</u>
Expenditures:				
Capital outlay				
Board of Supervisors	18,887,319	8,867,857	5,890,952	2,976,905
Fleet	548,200	548,200	-	548,200
Total expenditures	<u>19,435,519</u>	<u>9,416,057</u>	<u>5,890,952</u>	<u>3,525,105</u>
Excess (deficiency) of revenues over expenditures	(14,907,319)	(4,887,857)	(5,692,744)	(804,887)
Other financing sources (uses):				
Sale of capital assets	-	-	1,599,226	1,599,226
Transfers in	3,873,662	3,873,662	5,306,865	1,433,203
Transfers out	(1,112,500)	(1,112,500)	(1,362,500)	(250,000)
Total other financing sources (uses)	<u>2,761,162</u>	<u>2,761,162</u>	<u>5,543,591</u>	<u>2,782,429</u>
Net change in fund balances	(12,146,157)	(2,126,695)	(149,153)	1,977,542
Fund Balance, July 1, 2009	<u>12,146,157</u>	<u>2,126,695</u>	<u>45,530,546</u>	<u>43,403,851</u>
Fund Balance, June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,381,393</u>	<u>\$ 45,381,393</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Capital Projects Debt Service
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 64	\$ 64
Total revenues	-	-	64	64
Expenditures:				
Debt service				
Principal retirement	-	-	-	-
Interest and other charges	1,112,500	1,112,500	1,112,500	-
Total expenditures	1,112,500	1,112,500	1,112,500	-
Excess (deficiency) of revenues over expenditures	(1,112,500)	(1,112,500)	(1,112,436)	64
Other financing sources (uses):				
Transfers in	2,225,000	2,225,000	1,112,500	(1,112,500)
Total other financing sources (uses)	2,225,000	2,225,000	1,112,500	(1,112,500)
Net change in fund balances	1,112,500	1,112,500	64	(1,112,436)
Fund Balance, July 1, 2009	(1,112,500)	(1,112,500)	1,189	1,113,689
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 1,253	\$ 1,253

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Health Care
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ -	\$ -	\$ 720,951	\$ 720,951
Intergovernmental	10,127,096	10,127,096	5,536,788	(4,590,308)
Charges for services	-	-	3,915,810	3,915,810
Investment earnings	-	-	20,548	20,548
Miscellaneous	1,433,632	1,433,632	2,788,813	1,355,181
Total revenues	<u>11,560,728</u>	<u>11,560,728</u>	<u>12,982,910</u>	<u>1,422,182</u>
Expenditures:				
Health				
Health	12,976,468	12,976,468	12,675,386	301,082
Total expenditures	<u>12,976,468</u>	<u>12,976,468</u>	<u>12,675,386</u>	<u>301,082</u>
Excess (deficiency) of revenues over expenditures	(1,415,740)	(1,415,740)	307,524	1,723,264
Other financing sources (uses):				
Transfers in	1,121,475	1,121,475	920,000	(201,475)
Transfers out	(37,651)	(37,651)	(585,160)	(547,509)
Total other financing sources (uses)	<u>1,083,824</u>	<u>1,083,824</u>	<u>334,840</u>	<u>(748,984)</u>
Net change in fund balances	(331,916)	(331,916)	642,364	974,280
Fund Balance, July 1, 2009	331,916	331,916	3,734,867	3,402,951
Increase in reserve for prepaid items	-	-	10,186	10,186
Fund Balance, June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,387,417</u>	<u>\$ 4,387,417</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Recorder's Surcharge
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 220,607	\$ 220,607	\$ -	\$ (220,607)
Charges for services	-	-	268,944	268,944
Investment earnings	-	-	1,045	1,045
Miscellaneous	-	-	2,071	2,071
Total revenues	220,607	220,607	272,060	51,453
Expenditures:				
General government				
Recorder	336,569	524,095	524,094	1
Total expenditures	336,569	524,095	524,094	1
Excess (deficiency) of revenues over expenditures	(115,962)	(303,488)	(252,034)	51,454
Other financing sources (uses):				
Transfers in	-	-	250,000	250,000
Transfers out	-	-	(32,585)	(32,585)
Total other financing sources (uses)	-	-	217,415	217,415
Net change in fund balances	(115,962)	(303,488)	(34,619)	268,869
Fund Balance, July 1, 2009	115,962	303,488	206,073	(97,415)
Decrease in reserve for prepaid items	-	-	(1,064)	(1,064)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 170,390	\$ 170,390

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Assessor's Surcharge
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 236,000	\$ 236,000	\$ 262,776	\$ 26,776
Investment earnings	-	-	4,131	4,131
Total revenues	236,000	236,000	266,907	30,907
Expenditures:				
General government				
Assessor	825,858	825,858	322,644	503,214
Total expenditures	825,858	825,858	322,644	503,214
Net change in fund balances	(589,858)	(589,858)	(55,737)	534,121
Fund Balance, July 1, 2009	589,858	589,858	650,594	60,736
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 594,857	\$ 594,857

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Treasurer's Surcharge
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 30,304	\$ 30,304
Investment earnings	-	-	696	696
Miscellaneous	-	-	8,372	8,372
Total revenues	-	-	39,372	39,372
Expenditures:				
General government				
Treasurer	-	7,038	7,037	1
Total expenditures	-	7,038	7,037	1
Net change in fund balances	-	(7,038)	32,335	39,373
Fund Balance, July 1, 2009	-	7,038	107,853	100,815
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 140,188	\$ 140,188

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Election
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 503,646	\$ 503,646
Investment earnings	-	-	1,783	1,783
Total revenues	-	-	505,429	505,429
Expenditures:				
General government				
Elections	-	132,020	132,019	1
Total expenditures	-	132,020	132,019	1
Excess (deficiency) of revenues over expenditures	-	(132,020)	373,410	505,430
Other financing sources (uses):				
Transfers out	-	-	(2)	(2)
Total other financing sources (uses)	-	-	(2)	(2)
Net change in fund balances	-	(132,020)	373,408	505,428
Fund Balance, July 1, 2009	-	132,020	14,973	(117,047)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 388,381	\$ 388,381

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Library
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 3,886,134	\$ 3,886,134	\$ 3,859,590	\$ (26,544)
Intergovernmental	103,217	103,217	27,107	(76,110)
Investment earnings	-	-	9,801	9,801
Miscellaneous	36,143	36,143	69,038	32,895
Total revenues	4,025,494	4,025,494	3,965,536	(59,958)
Expenditures:				
General government				
Library	5,797,902	5,797,902	4,050,711	1,747,191
Total expenditures	5,797,902	5,797,902	4,050,711	1,747,191
Net change in fund balances	(1,772,408)	(1,772,408)	(85,175)	1,687,233
Fund Balance, July 1, 2009	1,772,408	1,772,408	1,911,343	138,935
Decrease in reserve for prepaid items			(34)	(34)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 1,826,134	\$ 1,826,134

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Education Service Agency
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 351,051	\$ 351,051
Intergovernmental	3,037,925	3,037,925	2,517,470	(520,455)
Charges for services	-	-	501,308	501,308
Investment earnings	-	-	10,467	10,467
Miscellaneous	485,000	485,000	457,938	(27,062)
Total revenues	3,522,925	3,522,925	3,838,234	315,309
Expenditures:				
Education				
School Superintendent	4,562,225	4,562,225	3,353,891	1,208,334
Total expenditures	4,562,225	4,562,225	3,353,891	1,208,334
Net change in fund balances	(1,039,300)	(1,039,300)	484,343	1,523,643
Fund Balance, July 1, 2009	1,039,300	1,039,300	1,292,039	252,739
Decrease in reserve for prepaid items	-	-	(2,365)	(2,365)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 1,774,017	\$ 1,774,017

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Parks & Recreation
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 258,000	\$ 258,000	\$ 422,371	\$ 164,371
Investment earnings	-	-	5,010	5,010
Miscellaneous	-	-	36,263	36,263
Total revenues	258,000	258,000	463,644	205,644
Expenditures:				
General government				
Board of Supervisors	1,211,353	1,211,353	794,525	416,828
Public safety				
Adult Probation	8,000	8,000	-	8,000
Culture & recreation				
Facilities	-	-	30,568	(30,568)
Total expenditures	1,219,353	1,219,353	825,093	394,260
Excess (deficiency) of revenues over expenditures	(961,353)	(961,353)	(361,449)	599,904
Other financing sources (uses):				
Transfers out	-	-	(8,250)	(8,250)
Total other financing sources (uses)	-	-	(8,250)	(8,250)
Net change in fund balances	(961,353)	(961,353)	(369,699)	591,654
Fund Balance, July 1, 2009	961,353	961,353	1,291,085	329,732
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 921,386	\$ 921,386

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Water Advisory Committee
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 135,000	\$ 135,000	\$ 115,832	\$ (19,168)
Investment earnings	-	-	1,656	1,656
Miscellaneous	-	-	4,000	4,000
Total revenues	135,000	135,000	121,488	(13,512)
Expenditures:				
General government				
Board of Supervisors	250,000	279,627	279,626	1
Total expenditures	250,000	279,627	279,626	1
Excess (deficiency) of revenues over expenditures	(115,000)	(144,627)	(158,138)	(13,511)
Other financing sources (uses):				
Transfers in	97,125	97,125	97,125	-
Total other financing sources (uses)	97,125	97,125	97,125	-
Net change in fund balances	(17,875)	(47,502)	(61,013)	(13,511)
Fund Balance, July 1, 2009	17,875	47,502	241,140	193,638
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 180,127	\$ 180,127

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Landfill / Environment
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 358,480	\$ (41,520)
Charges for services	-	-	17,582	17,582
Miscellaneous	-	-	10,224	10,224
Total revenues	400,000	400,000	386,286	(13,714)
Expenditures:				
Sanitation				
Landfill	350,000	350,000	329,954	20,046
Total expenditures	350,000	350,000	329,954	20,046
Net change in fund balances	50,000	50,000	56,332	6,332
Fund Balance, July 1, 2009	(50,000)	(50,000)	506,931	556,931
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 563,263	\$ 563,263

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Works
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 161,709	\$ 161,709	\$ 127,933	\$ (33,776)
Investment earnings	-	-	1,162	1,162
Total revenues	161,709	161,709	129,095	(32,614)
Expenditures:				
Highways and streets				
Public Works	161,709	161,709	155,106	6,603
Total expenditures	161,709	161,709	155,106	6,603
Net change in fund balances	-	-	(26,011)	(26,011)
Fund Balance, July 1, 2009	-	-	186,824	186,824
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 160,813	\$ 160,813

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Finance
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 406,476	\$ 406,476	\$ 2,172,779	\$ 1,766,303
Fines and forfeits	-	-	419,835	419,835
Investment earnings	-	-	243	243
Total revenues	406,476	406,476	2,592,857	2,186,381
Expenditures:				
General government				
Board of Supervisors	406,476	2,175,081	2,175,080	1
Total expenditures	406,476	2,175,081	2,175,080	1
Excess (deficiency) of revenues over expenditures	-	(1,768,605)	417,777	2,186,382
Other financing sources (uses):				
Transfers out	-	-	(417,777)	(417,777)
Total other financing sources (uses)	-	-	(417,777)	(417,777)
Net change in fund balances	-	(1,768,605)	-	1,768,605
Fund Balance, July 1, 2009	-	1,768,605	-	(1,768,605)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ -	\$ -

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Improvement Districts
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 6,227,354	\$ 6,227,354	\$ 6,034,539	\$ (192,815)
Special assessments	2,292,773	2,292,773	682,808	(1,609,965)
Intergovernmental	-	-	59,300	59,300
Investment earnings	-	-	33,757	33,757
Miscellaneous	214,467	214,467	24,101	(190,366)
Total revenues	8,734,594	8,734,594	6,834,505	(1,900,089)
Expenditures:				
General government				
Board of Supervisors	-	-	53,009	(53,009)
Public safety				
Flood Control	12,214,148	12,214,148	5,546,940	6,667,208
Highways and streets				
Board of Supervisors	227,488	227,488	2,093,215	(1,865,727)
Public Works	2,210,255	2,210,255	6,300	2,203,955
Total Highways and streets	2,437,743	2,437,743	2,099,515	338,228
Sanitation				
Special Districts	28,156	28,156	7,429	20,727
Total expenditures	14,680,047	14,680,047	7,706,893	6,973,154
Excess (deficiency) of revenues over expenditures	(5,945,453)	(5,945,453)	(872,388)	5,073,065
Other financing sources (uses):				
Special assessment bonds issued	-	-	1,857,000	1,857,000
Transfers out	(140,920)	(140,920)	(83,202)	57,718
Total other financing sources (uses)	(140,920)	(140,920)	1,773,798	1,914,718
Net change in fund balances	(6,086,373)	(6,086,373)	901,410	6,987,783
Fund Balance, July 1, 2009	6,086,373	6,086,373	5,868,314	(218,059)
Increase in reserve for prepaid items	-	-	1,455	1,455
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 6,771,179	\$ 6,771,179

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Clerk of Superior Court
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 74,155	\$ 74,155	\$ -	\$ (74,155)
Charges for services	-	-	81,214	81,214
Fines and forfeits	-	-	2	2
Investment earnings	-	-	1,102	1,102
Total revenues	74,155	74,155	82,318	8,163
Expenditures:				
General government				
Clerk of the Court	245,606	245,606	130,425	115,181
Total expenditures	245,606	245,606	130,425	115,181
Net change in fund balances	(171,451)	(171,451)	(48,107)	123,344
Fund Balance, July 1, 2009	171,451	171,451	186,824	15,373
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 138,717	\$ 138,717

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
County Attorney
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 616,081	\$ 616,081	\$ 770,124	\$ 154,043
Charges for services	-	-	58,345	58,345
Investment earnings	-	-	10,092	10,092
Miscellaneous	-	-	2,513,438	2,513,438
Total revenues	616,081	616,081	3,351,999	2,735,918
Expenditures:				
General government				
County Attorney	1,045,081	3,249,277	3,249,276	1
Total expenditures	1,045,081	3,249,277	3,249,276	1
Excess (deficiency) of revenues over expenditures	(429,000)	(2,633,196)	102,723	2,735,919
Other financing sources (uses):				
Transfers in	-	-	90,732	90,732
Transfers out	-	-	(533,642)	(533,642)
Total other financing sources (uses)	-	-	(442,910)	(442,910)
Net change in fund balances	(429,000)	(2,633,196)	(340,187)	2,293,009
Fund Balance, July 1, 2009	429,000	2,633,196	1,598,379	(1,034,817)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 1,258,192	\$ 1,258,192

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Law Enforcement
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,424,058	\$ 1,424,058	\$ 1,637,604	\$ 213,546
Charges for services	-	-	59,835	59,835
Investment earnings	-	-	10,202	10,202
Miscellaneous	152,163	152,163	504,424	352,261
Total revenues	1,576,221	1,576,221	2,212,065	635,844
Expenditures:				
General government				
Attorney	-	-	1,952	(1,952)
Public safety				
Sheriff	2,159,971	2,426,036	2,424,083	1,953
Total expenditures	2,159,971	2,426,036	2,426,035	1
Excess (deficiency) of revenues over expenditures	(583,750)	(849,815)	(213,970)	635,845
Other financing sources (uses):				
Transfers in	-	-	486,950	486,950
Total other financing sources (uses)	-	-	486,950	486,950
Net change in fund balances	(583,750)	(849,815)	272,980	1,122,795
Fund Balance, July 1, 2009	583,750	849,815	1,361,030	511,215
Decrease in reserve for prepaid items	-	-	(2,627)	(2,627)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 1,631,383	\$ 1,631,383

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Emergency Management
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 210,776	\$ 210,776	\$ 534,629	\$ 323,853
Investment earnings	-	-	868	868
Total revenues	210,776	210,776	535,497	324,721
Expenditures:				
General government				
Emergency Management	414,845	414,845	394,935	19,910
Total expenditures	414,845	414,845	394,935	19,910
Net change in fund balances	(204,069)	(204,069)	140,562	344,631
Fund Balance, July 1, 2009	204,069	204,069	70,136	(133,933)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 210,698	\$ 210,698

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Probation
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 7,019,965	\$ 7,019,965	\$ 5,500,500	\$ (1,519,465)
Charges for services	-	-	981,023	981,023
Investment earnings	-	-	11,132	11,132
Miscellaneous	22,554	22,554	103	(22,451)
Total revenues	7,042,519	7,042,519	6,492,758	(549,761)
Expenditures:				
Public safety				
Adult Probation	4,539,442	4,539,442	3,927,398	612,044
Juvenile Probation	2,523,633	2,523,633	2,292,846	230,787
Total expenditures	7,063,075	7,063,075	6,220,244	842,831
Net change in fund balances	(20,556)	(20,556)	272,514	293,070
Fund Balance, July 1, 2009	20,556	20,556	1,432,566	1,412,010
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 1,705,080	\$ 1,705,080

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Courts
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,421,090	\$ 1,421,090	\$ 594,503	\$ (826,587)
Charges for services	-	-	344,925	344,925
Fines and forfeits	-	-	171,692	171,692
Investment earnings	-	-	8,372	8,372
Miscellaneous	58,395	58,395	75,429	17,034
Total revenues	1,479,485	1,479,485	1,194,921	(284,564)
Expenditures:				
General government:				
Superior Courts	2,730,204	2,730,204	1,332,766	1,397,438
Prescott Justice of the Peace	-	-	52,036	(52,036)
Bagdad/Yarnell Justice of the Peace	-	-	1,309	(1,309)
Verde Valley Justice of the Peace	-	-	3,475	(3,475)
Mayer Justice of the Peace	-	-	38,609	(38,609)
Seligman Justice of the Peace	-	-	15,975	(15,975)
Total General government	2,730,204	2,730,204	1,444,170	1,286,034
Excess (deficiency) of revenues over expenditures	(1,250,719)	(1,250,719)	(249,249)	1,001,470
Other financing sources (uses):				
Transfers in	40,466	40,466	281,323	240,857
Transfers out	(12,161)	(12,161)	(12,198)	(37)
Total other financing sources (uses)	28,305	28,305	269,125	240,820
Net change in fund balances	(1,222,414)	(1,222,414)	19,876	1,242,290
Fund Balance, July 1, 2009	1,222,414	1,222,414	1,495,726	273,312
Decrease in reserve for prepaid items	-	-	(625)	(625)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 1,514,977	\$ 1,514,977

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Defender
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 120,556	\$ 120,556	\$ 50,019	\$ (70,537)
Charges for services	-	-	117,592	117,592
Investment earnings	-	-	1,114	1,114
Miscellaneous	-	-	27,718	27,718
Total revenues	120,556	120,556	196,443	75,887
Expenditures:				
General government				
Public Defender	171,032	171,032	102,347	68,685
Total expenditures	171,032	171,032	102,347	68,685
Excess (deficiency) of revenues over expenditures	(50,476)	(50,476)	94,096	144,572
Other financing sources (uses):				
Transfers in	-	-	86,192	86,192
Total other financing sources (uses)	-	-	86,192	86,192
Net change in fund balances	(50,476)	(50,476)	180,288	230,764
Fund Balance, July 1, 2009	50,476	50,476	232,924	182,448
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 413,212	\$ 413,212

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Airport Development
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 224,164	\$ 224,164	\$ 181,439	\$ (42,725)
Investment earnings	-	-	461	461
Miscellaneous	-	-	4,755	4,755
Total revenues	224,164	224,164	186,655	(37,509)
Expenditures:				
Capital outlay				
Airport Development	224,164	224,164	31,917	192,247
Total expenditures	224,164	224,164	31,917	192,247
Net change in fund balances	-	-	154,738	154,738
Fund Balance, July 1, 2009	-	-	9,358	9,358
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 164,096	\$ 164,096

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Coyote Springs
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ -	\$ -	\$ 146,381	\$ 146,381
Investment earnings	-	-	3,339	3,339
Total revenues	-	-	149,720	149,720
Expenditures:				
Debt service				
Principal retirement	75,000	75,000	75,000	-
Interest and other charges	65,920	65,920	63,952	1,968
Total expenditures	140,920	140,920	138,952	1,968
Excess (deficiency) of revenues over expenditures	(140,920)	(140,920)	10,768	151,688
Other financing sources (uses):				
Transfers in	140,920	140,920	-	(140,920)
Total other financing sources (uses)	140,920	140,920	-	(140,920)
Net change in fund balances	-	-	10,768	10,768
Fund Balance, July 1, 2009	-	-	496,523	496,523
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 507,291	\$ 507,291

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Prescott East
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ 40,718	\$ 40,718	\$ 27,382	\$ (13,336)
Investment earnings	-	-	534	534
Total revenues	40,718	40,718	27,916	(12,802)
Expenditures:				
Highways and streets				
Public Works	64,763	64,763	-	64,763
Debt service				
Principal retirement	37,059	37,059	37,059	-
Interest and other charges	3,659	3,659	8,524	(4,865)
Total Debt service	40,718	40,718	45,583	(4,865)
Total expenditures	105,481	105,481	45,583	59,898
Net change in fund balances	(64,763)	(64,763)	(17,667)	47,096
Fund Balance, July 1, 2009	64,763	64,763	77,321	12,558
Fund Balance, June 30, 2010	\$ -	\$ -	\$ 59,654	\$ 59,654

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Poquito Valley
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Debt service				
Interest and other charges	82,518	82,518	82,518	-
Total expenditures	82,518	82,518	82,518	-
Excess (deficiency) of revenues over expenditures	(82,518)	(82,518)	(82,518)	-
Other financing sources (uses):				
Transfers in	-	-	82,518	82,518
Total other financing sources (uses)	-	-	82,518	82,518
Net change in fund balances	(82,518)	(82,518)	-	82,518
Fund Balance, July 1, 2009	82,518	82,518	-	(82,518)
Fund Balance, June 30, 2010	\$ -	\$ -	\$ -	\$ -

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**CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS**

Yavapai County
 Capital Assets Used in the Operation of Governmental Funds
 Comparative Schedules By Source
 As of June 30, 2010 and 2009

	2010	2009 (as restated)
Government funds capital assets:		
Land	\$ 54,709,638	\$ 54,314,499
Buildings	68,715,868	56,663,776
Equipment	36,586,704	36,394,978
Infrastructure	294,651,053	289,832,867
Software	3,074,558	1,344,814
Construction in progress	12,972,712	17,056,994
 Total governmental funds capital assets	 \$ 470,710,533	 \$ 455,607,928
 Investments in governmental funds capital assets by source:		
General fund	\$ 33,633,635	\$ 32,591,537
Special revenue funds	368,049,090	367,149,977
Capital projects funds	69,027,808	55,866,414
 Total governmental funds capital assets	 \$ 470,710,533	 \$ 455,607,928

Yavapai County
 Capital Assets Used in the Operation of Governmental Funds
 Schedule By Function and Activity
 As of June 30, 2010

Function	Land	Buildings	Equipment	Infrastructure	Software	Construction in Progress	Total
General government	\$ 12,156,885	\$ 26,640,517	\$ 15,454,842	\$ 4,916,940	\$ 2,364,580	\$ 1,169,688	\$ 62,703,452
Public safety	1,339,343	34,506,143	2,638,957	3,784,121	313,593	1,139,675	43,721,832
Highways and streets	38,913,319	2,509,269	15,528,356	285,949,992	-	10,465,348	353,366,284
Health	-	4,466,262	482,374	-	316,099	198,001	5,462,736
Welfare	-	-	17,457	-	15,762	-	33,219
Sanitation	203,164	36,150	992,166	-	-	-	1,231,480
Culture and recreation	1,994,158	-	1,373,222	-	-	-	3,367,380
Education	102,769	557,527	99,330	-	64,524	-	824,150
Total governmental funds capital assets	<u>\$ 54,709,638</u>	<u>\$ 68,715,868</u>	<u>\$ 36,586,704</u>	<u>\$ 294,651,053</u>	<u>\$ 3,074,558</u>	<u>\$ 12,972,712</u>	<u>\$ 470,710,533</u>

Yavapai County
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity
Year Ended June 30, 2010

Function	Governmental Funds Capital Assets July 1, 2009 (as restated)	Increases	Decreases	Governmental Funds Capital Assets June 30, 2010
General government	\$ 58,359,787	\$ 17,995,354	\$ 13,651,689	\$ 62,703,452
Public safety	42,206,545	3,056,164	1,540,877	43,721,832
Highways and streets	344,330,621	12,188,128	3,152,465	353,366,284
Health	5,264,735	198,001	-	5,462,736
Welfare	33,219	-	-	33,219
Sanitation	1,231,480	-	-	1,231,480
Culture and recreation	3,367,380	-	-	3,367,380
Education	814,161	22,080	12,091	824,150
Total governmental funds capital assets	<u>\$ 455,607,928</u>	<u>\$ 33,459,727</u>	<u>\$ 18,357,122</u>	<u>\$ 470,710,533</u>

Yavapai County
Statement of Changes in Assets and Liabilities
Agency Fund
Year Ended June 30, 2010

Assets	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
Equity in pooled cash and investments	\$ 2,504,677	\$ 14,811,785	\$ (13,877,434)	\$ 3,439,028
Total assets	<u>\$ 2,504,677</u>	<u>\$ 14,811,785</u>	<u>\$ (13,877,434)</u>	<u>\$ 3,439,028</u>
Liabilities				
Deposits held for others	\$ 2,504,677	\$ 14,811,785	\$ (13,877,434)	\$ 3,439,028
Total liabilities	<u>\$ 2,504,677</u>	<u>\$ 14,811,785</u>	<u>\$ (13,877,434)</u>	<u>\$ 3,439,028</u>

STATISTICAL SECTION

Yavapai County
Statistical Section
Year Ended June 30, 2010

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.	114
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	120
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.	124
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.	127
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.	129
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.	

Yavapai County
Net Assets by Component
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007 As Restated</u>	<u>2008</u>	<u>2009 As Restated</u>	<u>2010</u>
Governmental activities									
Invested in capital assets, net of related debt	\$ 58,950,435	\$ 64,735,399	\$ 89,640,318	\$ 98,010,786	\$ 224,412,765	\$ 225,318,014	\$ 229,172,469	\$ 223,287,295	\$ 222,907,689
Restricted	452,492	221,862	453,070	546,806	607,294	606,573	3,710,523	7,875,823	8,531,392
Unrestricted	15,173,532	24,647,259	20,105,196	27,543,026	40,972,673	57,826,910	64,650,547	68,173,526	75,774,030
Total governmental activities net assets	\$ 74,576,459	\$ 89,604,520	\$ 110,198,584	\$ 126,100,618	\$ 265,992,732	\$ 283,751,497	\$ 297,533,539	\$ 299,336,644	\$ 307,213,111
Business-type activities									
Invested in capital assets, net of related debt	\$ 150,834	\$ 113,516	\$ 174,128	\$ 159,457	\$ 143,635	\$ 195,903	\$ 176,099	\$ 200,204	\$ 167,581
Restricted	3,789,488	3,937,368	2,688,410	2,921,417	3,756,119	5,023,106	3,781,682	2,697,563	3,017,325
Total business-type activities net assets	\$ 3,940,322	\$ 4,050,884	\$ 2,862,538	\$ 3,080,874	\$ 3,899,754	\$ 5,219,009	\$ 3,957,781	\$ 2,897,767	\$ 3,184,906
Primary government									
Invested in capital assets, net of related debt	\$ 59,101,269	\$ 64,848,915	\$ 89,814,446	\$ 98,170,243	\$ 224,556,400	\$ 225,513,917	\$ 229,348,568	\$ 223,487,499	\$ 223,075,270
Restricted	4,241,980	4,159,230	3,141,480	3,468,223	4,363,413	5,629,679	7,492,205	10,573,386	11,548,717
Unrestricted	15,173,532	24,647,259	20,105,196	27,543,026	40,972,673	57,826,910	64,650,547	68,173,526	75,774,030
Total primary government net assets	\$ 78,516,781	\$ 93,655,404	\$ 113,061,122	\$ 129,181,492	\$ 269,892,486	\$ 288,970,506	\$ 301,491,320	\$ 302,234,411	\$ 310,398,017

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

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

(Continued on next page)

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

(Continued)

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

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

	Fiscal Year									
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u> As Restated	<u>2008</u>	<u>2009</u> As Restated	<u>2010</u>
General fund										
Reserved	-	-	-	\$ 91,724	\$ 99,748	\$ 209,895	\$ 226,811	\$ 483,570	\$ 615,392	\$ 1,907,862
Unreserved	\$ 8,001,803	\$ 5,544,258	\$ 1,784,993	1,863,405	3,595,788	8,810,588	3,456,351	1,427,573	4,145,016	7,935,224
Total general fund	\$ 8,001,803	\$ 5,544,258	\$ 1,784,993	\$ 1,955,129	\$ 3,695,536	\$ 9,020,483	\$ 3,683,162	\$ 1,911,143	\$ 4,760,408	\$ 9,843,086
All other governmental funds										
Reserved	\$ 214,767	\$ 256,057	\$ 325,722	\$ 936,366	\$ 704,781	\$ 867,774	\$ 892,421	\$ 51,426,543	\$ 20,716,883	\$ 16,841,879
Unreserved, reported in:										
Special revenue funds	15,168,286	18,192,971	23,087,399	21,288,382	26,262,264	28,677,267	38,659,477	62,686,413	58,212,657	49,538,733
Capital projects funds	(280,250)	11,902,949	7,589,902	4,677,929	6,266,584	12,280,114	24,216,390	28,615,375	27,040,504	30,443,106
Total all other governmental funds	\$15,102,803	\$30,351,977	\$31,003,023	\$26,902,677	\$33,233,629	\$41,825,155	\$63,768,288	\$142,728,331	\$105,970,044	\$96,823,718

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

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007 As Restated	2008	2009 As Restated	2010
Revenues										
Taxes	\$ 38,375,384	\$ 41,537,857	\$ 44,368,163	\$ 51,126,397	\$ 56,699,399	\$ 64,339,846	\$ 68,366,838	\$ 69,823,083	\$ 71,170,257	\$ 71,943,613
Special assessments	1,131,562	156,696	273,374	515,278	308,532	270,747	196,408	164,967	175,450	856,571
Licenses and permits	3,103,494	3,140,455	4,117,310	4,566,514	6,462,137	6,334,632	4,850,011	4,766,461	2,961,289	2,659,731
Intergovernmental	46,426,273	48,891,212	49,968,098	53,304,620	59,847,934	67,630,858	75,370,360	72,214,152	70,366,121	70,616,782
Charges for services	4,922,776	5,578,511	6,406,303	6,422,832	7,315,921	7,732,193	7,788,177	8,425,489	8,643,467	11,215,560
Fines and forfeits	2,120,826	2,208,732	2,082,004	2,319,086	2,510,775	3,104,481	3,786,792	3,661,993	3,213,958	3,328,787
Investment earnings	1,400,083	800,282	48,864	252,347	554,887	1,456,855	2,704,923	3,795,969	2,055,194	455,362
Contributions	271,425	-	-	-	-	-	-	-	-	-
Miscellaneous	2,432,387	3,149,522	3,304,583	4,460,919	4,613,751	5,372,544	5,703,261	6,580,945	6,803,297	7,387,647
Total revenues	100,184,210	105,463,267	110,568,699	122,967,993	138,313,336	156,242,156	168,766,770	169,433,059	165,389,033	168,464,053
Expenditures										
General government	33,059,247	35,794,786	38,750,661	41,843,874	46,791,573	51,012,067	54,010,879	55,690,909	51,292,906	56,232,120
Public safety	23,172,460	24,498,056	26,503,683	30,697,154	33,696,622	41,641,625	44,428,874	48,794,023	50,239,679	49,214,849
Highways and streets	24,018,331	21,928,139	25,704,354	25,009,308	19,354,645	22,665,826	25,105,478	32,866,538	29,717,490	24,003,533
Sanitation	2,243,074	1,645,147	2,066,464	1,514,713	1,492,577	1,982,814	1,599,913	1,857,688	1,548,363	1,397,117
Health	6,028,077	6,965,668	7,875,991	8,617,007	8,833,788	10,390,948	10,936,074	11,329,734	12,566,528	12,675,386
Welfare	8,359,829	8,692,328	8,206,263	7,950,410	8,975,900	9,651,292	11,071,610	10,826,459	11,465,931	8,523,288
Culture and recreation	495,677	493,513	599,275	444,617	561,582	99,102	58,135	103,232	119,668	110,499
Education	1,404,241	1,511,673	1,741,436	2,367,853	2,420,494	2,315,922	3,328,047	4,708,970	4,640,744	3,980,160
Aid to other governments	-	240,038	361,130	-	-	-	-	-	-	-
Capital outlay	10,524,290	7,560,513	12,044,577	6,100,407	3,475,099	462,273	1,846,167	4,215,537	9,617,872	5,922,869
Debt service										
Principal	25,000	50,430	1,621,156	3,910,440	5,647,287	3,815,698	1,612,178	1,638,729	27,075,356	12,767,059
Interest and other charges	9,764	381,013	758,544	904,937	673,556	563,122	480,637	1,497,898	3,382,649	1,644,239
Bond issuance costs	-	209,195	-	-	-	-	-	-	-	-
Total expenditures	109,339,990	109,970,499	126,233,534	129,360,720	131,923,123	144,600,689	154,477,992	173,529,717	201,667,186	176,471,119
Excess (deficiency) of revenues over (under) expenditures	(9,155,780)	(4,507,232)	(15,664,835)	(6,392,727)	6,390,213	11,641,467	14,288,778	(4,096,658)	(36,278,153)	(8,007,066)
Other financing sources (uses)										
Special assessment bonds issued	1,825,434	43,746	-	-	-	-	-	-	-	1,857,000
Revenue bonds issued	-	15,260,000	-	-	-	-	-	25,375,000	-	-
Capital lease agreements	660,000	373,482	1,202,559	1,300,000	-	-	-	50,000,000	-	-
Sale of capital assets	3,009,691	348,188	374,633	-	1,392,753	-	1,082,800	4,121,512	771,659	1,683,400
Transfers in	14,753,106	15,604,263	22,966,703	19,666,460	17,629,736	21,212,224	25,435,821	25,993,225	48,227,811	27,677,634
Transfers out	(13,753,106)	(14,304,263)	(20,966,703)	(18,666,460)	(17,332,690)	(20,212,224)	(24,435,821)	(24,493,225)	(46,727,811)	(27,677,634)
Loan proceeds	-	-	9,000,000	-	-	-	-	-	-	-
Total other financing sources (uses)	6,495,125	17,325,416	12,577,192	2,300,000	1,689,799	1,000,000	2,082,800	80,996,512	2,271,659	3,540,400
Net changes in fund balances	\$ (2,660,655)	\$ 12,818,184	\$ (3,087,643)	\$ (4,092,727)	\$ 8,080,012	\$ 12,641,467	\$ 16,371,578	\$ 76,899,854	\$ (34,006,494)	\$ (4,466,666)
Debt service as a percentage of noncapital expenditures	0.0%	0.7%	2.5%	4.4%	5.1%	3.3%	1.5%	2.2%	16.3%	9.0%

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

Fiscal Year	Primary 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	Total Taxable Assessed Value			
2001	803,609,838	333,585,285	44,105,956	1,181,301,079	2.0514	9,312,109,194	12.69
2002	879,814,468	357,398,601	43,737,336	1,280,950,405	2.0352	10,130,049,480	12.65
2003	964,199,901	380,263,729	43,628,890	1,388,092,520	2.0369	11,032,555,067	12.58
2004	1,055,971,160	415,043,260	45,792,997	1,516,807,417	2.1115	12,071,754,471	12.56
2005	1,178,680,548	452,777,214	44,571,778	1,676,029,540	2.1077	13,416,406,081	12.49
2006	1,322,060,791	506,417,682	49,368,952	1,877,847,425	2.1042	15,045,533,581	12.48
2007	1,511,362,543	566,635,332	47,712,332	2,125,710,207	2.0450	17,098,083,909	12.43
2008	1,754,125,017	664,163,807	51,977,047	2,470,265,871	1.8860	20,111,624,109	12.28
2009	2,094,798,703	803,911,861	55,888,168	2,954,598,732	1.7148	23,973,791,761	12.32
2010	2,373,124,327	841,667,070	59,286,950	3,274,078,347	1.6321	26,993,826,530	12.13

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						
2001	1.6160	0.1003	0.1129	0.2222	2.0514	0.5123	1.2996-7.6734	0.8498-1.7755	0.3098-4.0624	1.6205
2002	1.6066	0.1002	0.1104	0.2180	2.0352	0.4974	0.9900-7.8089	0.7748-1.6717	0.3201-3.8269	1.9488
2003	1.6072	0.1001	0.1117	0.2179	2.0369	0.4889	1.8248-7.3939	0.7229-1.3382	0.0438-5.6002	1.9789
2004	1.6808	0.1000	0.1124	0.2183	2.1115	0.4717	1.2516-8.2795	0.6487-1.2461	0.3235-3.3000	1.8778
2005	1.7008	0.1000	0.1086	0.1983	2.1077	0.4560	1.2362-9.5346	0.6146-1.1904	0.3057-3.3000	1.8514
2006	1.7008	0.0964	0.1086	0.1984	2.1042	0.4358	1.8496-10.4246	0.5658-1.1134	0.1894-3.4285	1.7514
2007	1.6552	0.0895	0.1020	0.1983	2.0450	0.0000	1.8190-9.4606	0.5275-1.1281	0.2523-3.4491	1.6573
2008	1.5292	0.0829	0.1016	0.1723	1.8860	0.0000	1.3621-9.4004	0.4973-0.8977	0.2130-3.4108	1.5225
2009	1.3683	0.0722	0.1020	0.1723	1.7148	0.0000	1.2310-8.4913	0.4235-0.7600	0.0711-3.4200	1.3394
2010	1.2842	0.0740	0.1016	0.1723	1.6321	0.3306	1.1824-8.1337	0.3697-0.9120	0.0401-7.3600	1.2617

Source: Yavapai County Board of Supervisors Adopted Budget.

1) Includes both primary and secondary rates.

Yavapai County
Principal Property Taxpayers
Current Year and Eight Years Ago

<u>Taxpayer</u>	2010			2002 ¹		
	Primary Assessed Value	Rank	Percentage of Total Primary Assessed Value	Primary Assessed Value	Rank	Percentage of Total Primary Assessed Value
Phelps Dodge Bagdad Inc.	\$ 186,116,044	1	5.68%	\$ 26,990,227	2	2.11%
Arizona Public Service	82,212,248	2	2.51	56,333,768	1	4.40
Salt River Pima - Maricopa Indian Community	28,778,350	3	0.88	-	-	-
Qwest Corporation	16,361,100	4	0.50	17,095,639	3	1.33
Unisource Energy Corporation	14,532,512	5	0.44	-	-	-
Transwestern Pipeline Company	11,458,739	6	0.35	7,049,633	7	0.55
El Paso Natural Gas Company	10,039,079	7	0.31	7,580,251	6	0.59
TWC II-Prescott Mall LLC	8,883,966	8	0.27	-	-	-
Burlington Northern Santa Fe Railway Company	7,907,860	9	0.24	9,448,079	5	0.74
Prescott Valley Signature Entertainment LLC	5,675,600	10	0.17	-	-	-
Citizen's Utility Company-Northern Gas Division	-	-	-	12,614,932	4	0.98
New Enchantment LP	-	-	-	4,146,066	8	0.32
Massachusetts Mutual Life Insurance Company	-	-	-	3,214,818	9	0.25
Ace Hardware Corporation	-	-	-	3,209,200	10	0.25
Totals	<u>\$ 371,965,498</u>		<u>11.35%</u>	<u>\$ 147,682,613</u>		<u>11.52%</u>
Total Yavapai County Primary Assessed Value	\$3,274,078,347		100.00%	\$1,280,950,405		100.00%

Source: Yavapai County Assessor.

1) Information prior to 2002 was not available.

Yavapai County
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	19,090,000	17,957,766	94.07	392,333	18,350,099	96.12
2002	20,602,000	19,422,071	94.27	413,721	19,835,792	96.28
2003	22,310,000	21,116,484	94.65	413,314	21,529,798	96.50
2004	25,495,000	24,380,161	95.63	400,900	24,781,061	97.20
2005	28,506,000	27,281,472	95.70	384,329	27,665,801	97.05
2006	31,939,000	30,438,693	95.30	404,816	30,843,509	96.57
2007	35,184,002	33,594,464	95.48	446,319	34,040,783	96.75
2008	37,775,306	35,966,831	95.21	658,994	36,625,825	96.96
2009	40,429,914	38,309,430	94.76	957,235	39,266,665	97.12
2010	42,045,714	39,992,839	95.12	-	39,992,839	95.12

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

1) General Fund levies and collections only.

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

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	Revenue Bonds	Special Assessment Bonds	Notes Payable	Capital Leases			
2001	\$ -	\$ 1,963,434	\$ -	\$ 924,032	\$ 2,887,466	0.08%	\$ 16.66
2002	15,260,000	1,956,750	-	711,629	17,928,379	0.45	100.50
2003	13,945,000	1,838,094	8,812,500	1,497,290	26,092,884	0.62	142.27
2004	12,595,000	1,715,154	6,375,000	1,753,789	22,438,943	0.48	118.39
2005	11,200,000	1,587,867	2,250,000	791,367	15,829,234	0.30	80.13
2006	9,765,000	1,457,168	-	74,625	11,296,793	0.19	54.66
2007	8,285,000	1,324,991	-	-	9,609,991	0.15	45.33
2008	32,130,000	1,216,261	-	50,000,000	83,346,261	1.29	387.78
2009	30,165,000	1,105,905	-	25,000,000	56,270,905	N/A (2)	246.27
2010	17,510,000	2,850,846	-	25,000,000	45,360,846	N/A (2)	187.70

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 2009 and 2010.

Yavapai County
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed value	\$3,274,078,347
Debt limit (6% of assessed value)	196,444,701
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	\$ 196,444,701

	Fiscal Year									
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Debt limit	\$ 70,878,065	\$ 76,857,024	\$ 83,285,551	\$ 91,008,445	\$ 100,561,772	\$ 112,670,846	\$ 127,542,612	\$ 148,215,952	\$ 177,275,924	\$ 196,444,701
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 70,878,065	\$ 76,857,024	\$ 83,285,551	\$ 91,008,445	\$ 100,561,772	\$ 112,670,846	\$ 127,542,612	\$ 148,215,952	\$ 177,275,924	\$ 196,444,701
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 ¹	Less: Expenditures ²	Net		Coverage
			Available Revenue	Debt Service Principal Interest	
2001	\$ 8,845,405	\$ 7,290,343	\$ 1,555,062	\$ - \$ -	-
2002	12,402,242	6,976,236	5,426,006	- 237,306	22.87
2003	15,093,394	8,062,836	7,030,558	1,315,000 555,140	3.76
2004	19,345,034	13,126,579	6,218,455	1,350,000 517,322	3.33
2005	17,248,364	12,233,680	5,014,684	1,395,000 477,093	2.68
2006	17,573,461	14,803,363	2,770,098	1,435,000 435,157	1.48
2007	17,231,871	15,371,370	1,860,501	1,480,000 388,362	1.00
2008	18,239,765	15,888,696	2,351,069	1,530,000 336,691	1.26
2009	17,872,934	15,992,126	1,880,808	1,590,000 280,793	1.01
2010	16,530,488	14,648,850	1,881,638	1,655,000 217,409	1.00

Highway Construction Advancement Revenue Bonds

Fiscal Year	County Excise Tax	State Shared Sales Tax	Highway		Debt Service Principal Interest	Coverage
			Project Repayments ³	Net Available Revenue		
2001	\$ -	\$ -	\$ -	\$ -	\$ - \$ -	-
2002	-	-	-	-	- -	-
2003	-	-	-	-	- -	-
2004	12,564,395	18,519,004	-	31,083,399	- -	-
2005	14,102,433	21,183,714	-	35,286,147	- -	-
2006	16,623,589	25,131,601	-	41,755,190	- -	-
2007	16,971,697	26,858,336	-	43,830,033	- -	-
2008	15,908,075	25,144,945	-	41,053,020	- 1,077,272	38.11
2009	13,657,537	22,136,382	-	35,793,919	375,000 449,852	43.39
2010	11,818,833	20,676,049	11,000,000	43,494,882	11,000,000 159,336	3.90

Special Assessment Bonds

Fiscal Year	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
2001	\$ 38,746	\$ 25,000	\$ 9,764	1.11
2002	111,801	50,430	143,707	0.58
2003	268,067	118,656	117,851	1.13
2004	528,554	122,940	123,381	2.15
2005	322,369	127,287	107,982	1.37
2006	273,135	130,698	100,543	1.18
2007	196,519	132,178	92,275	0.88
2008	165,201	108,729	83,935	0.86
2009	175,449	110,355	84,296	0.90
2010	173,763	112,059	154,994	0.65

Source: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Prior to 2002 there were no Jail District revenue bonds and prior to 2008 there were no Highway Construction Advancement revenue bonds.

- 1) Revenues include beginning fund balance and transfers in. Beginning fund balance is included in revenues since it represents unexpended pledged revenues.
- 2) Expenditures include transfers out, except those for debt service.
- 3) Highway project repayments include unspent bond proceeds and repayments made by the Arizona Department of Transportation.

Yavapai County
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2001	173,285	\$ 3,814,567	\$ 22,013	4.2%
2002	178,390	3,986,381	22,346	5.3
2003	183,400	4,211,111	22,961	5.1
2004	189,532	4,681,089	24,698	4.6
2005	197,533	5,278,913	26,724	4.4
2006	206,672	5,816,637	28,144	3.9
2007	212,004	6,345,305	29,930	3.7
2008	214,930	6,450,243	30,011	5.9
2009	228,494	N/A (1)	N/A (1)	9.5
2010	241,667	N/A (1)	N/A (1)	10.0

Source: Population and personal income through 2008 obtained from the U.S. Department of Commerce, Bureau of Economic Analysis. Population for 2009 and 2010 obtained from the Arizona Department of Commerce. Unemployment rates obtained from the Arizona Department of Economic Security, Research Administration.

1) Personal income and per capita personal income were not available for 2009 and 2010.

Yavapai County
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	2010			2001		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Yavapai Regional Medical Center	1,739	1	1.94%	730	3	0.98%
Yavapai County	1,465	2	1.63	1,213	1	1.63
Verde Valley Medical Center	900	3	1.00	351	9	0.47
Veterans Medical Center	820	4	0.91	550	5	0.74
Cyprus Bagdad Copper Mine	790	5	0.88	535	6	0.72
Prescott Unified School District	770	6	0.86	573	4	0.77
Yavapai College	703	7	0.78	468	7	0.63
Wal-Mart	640	8	0.71	-	-	-
City of Prescott	493	9	0.55	385	8	0.52
State of Arizona	438	10	0.49	330	10	0.44
Sturm Ruger & Company	-	-	-	1,176	2	1.58
Totals	<u>8,758</u>		<u>9.75%</u>	<u>6,311</u>		<u>8.48%</u>
Total Employment in Yavapai County	89,627		100.00%	74,365		100.00%

Source: Yavapai College and the Arizona Department of Economic Security, Research Administration.

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

Function	Fiscal Year									
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General government	454	487	498	528	558	583	602	631	571	551
Public safety	437	444	454	512	520	556	584	581	560	531
Highways and streets	125	124	126	124	125	127	129	123	114	108
Sanitation	7	9	13	13	13	14	18	18	14	13
Health	94	105	115	110	114	121	133	151	140	138
Welfare	18	6	5	5	5	6	6	5	6	6
Culture and recreation	1	-	-	-	-	-	-	-	-	-
Education	15	17	19	21	21	22	26	33	31	29
Capital outlay	-	-	-	-	-	-	-	-	2	3
Long Term Care	37	47	52	53	53	56	54	54	55	55
Total	1,188	1,239	1,282	1,366	1,409	1,485	1,552	1,596	1,493	1,434

Source: Yavapai County payroll records.

Yavapai County
Operating Indicators by Function
Last Nine Fiscal Years

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

Source: Various Yavapai County departments.

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

2) Information prior to 2002 was not available.

Yavapai County
Capital Asset Statistics Function
Last Nine Fiscal Years

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

Source: Various Yavapai County departments.

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

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

2) Information prior to 2002 was not available.

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