

Comprehensive

Annual

Financial

Report



Yavapai County, AZ

Fiscal year ended June 30, 2014

Yavapai County, Arizona Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2014



Board of Supervisors

**Rowle Simmons, District 1
Thomas Thurman, District 2
A.G. "Chip" Davis, District 3
Craig Brown, District 4
Jack Smith, District 5**

**Prepared by Yavapai County
Finance Department**

YAVAPAI COUNTY
Comprehensive Annual Financial Report
Year Ended June 30, 2014

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INTRODUCTORY SECTION





Yavapai County Finance Department

December 20, 2014

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, 2014.

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

The Arizona State Auditor General's Office has audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2014, 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, 2014, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

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

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

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

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

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

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

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

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

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Administrator annually. These requests are used as the starting point for developing a proposed budget. The County Administrator then presents this proposed budget to the Board of Supervisors for review on or before the third Monday in July. On or before the fourteenth day before the day in August when the Board sets tax levy rates, the Board must hold a public hearing and a special meeting of the Board, at which time the final budget must be adopted. The final budget is adopted by fund and department. Transfers of appropriations between funds or departments require approval of the Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds this comparison is presented beginning on page 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 82.

Local Economy

Yavapai County's population increased from 211,033 in 2010 to 216,057 (estimate) in 2014 according to the Arizona Department of Administration, Office of Employment and Population Statistics, which is a 2.4% increase as compared to the State of Arizona population increase of 4.0% for the same time period. Yavapai County has a higher percentage, 27.1%, of persons over the age of 65 as compared to the State of Arizona with 15.3%. This indicates that a greater segment of the population is retired, which provides a more stable consumer base.

Yavapai County, as many other counties in the State of Arizona, continues to experience very little increase in real estate values. As a result, property tax collections for fiscal year 2013-14 were flat, showing no increase when compared to fiscal year 2012-13. Despite this, the population is growing and we anticipate our sales tax revenues to trend slowly upward.

The Arizona Department of Administration, Office of Employment and Population Statistics estimates a 6.7% average 2014 unemployment rate for Yavapai County. Yavapai County is the single largest employer in Yavapai County, with Yavapai County Regional Medical Center as the second largest employer.

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

Long-Term Financial Planning

In November of 1999, the Yavapai County Jail District was formed when the citizens approved a dedicated excise tax of up to 1/4 cent for the purpose of constructing, operating, maintaining and financing County jail facilities. In December of 1999, the Board adopted Resolution No.1999-1 establishing the initial excise tax of 1/5 cent. On March 26, 2003, the excise tax was raised to the voter approved rate of 1/4 cent.

The excise tax was used to construct an expansion of the jail facilities to increase the size of the Camp Verde jail facility by 480 beds 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. The final payment for this debt obligation was paid at the end of 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, 2014, general election for authorization to extend the life of the tax and to increase the Jail District sales tax rate from ¼ cent to ½ cent however, this request was voted down. Because the operation of a county jail facility is statutorily required, other resources will continue to be diverted at the direction of the Board in order to fund the operation of the Jail District.

In May 2008, the Board entered into a \$50 million capital lease agreement to finance the design and construction of a Superior Court building next to the Camp Verde jail facility, a Juvenile Justice Center and two administrative buildings in Prescott. The Board modified this lease agreement and retired \$25 million of the original \$50 million. Because of the economic environment and the modification of the lease agreement, the Board eliminated the construction of the administrative buildings from the original plan. The Superior Court building was completed in fiscal year 2009-10 and the Juvenile Justice Center was completed in fiscal year 2012-13.

Relevant Financial Policies

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

During the past five fiscal years, the Board has enacted several measures to manage the declining revenues. County departments reduced expenditures in fiscal year 2009-10 by 7.5% and for the next four fiscal years departments were held the same expenditure level as the previous fiscal year. As revenue continues to improve, the Board has appropriated funds to replace obsolete vehicles and computer replacement budgets.

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, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

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

Respectfully submitted,

Pete Saxton
Finance Director



Government Finance Officers Association

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

Presented to

**Yavapai County
Arizona**

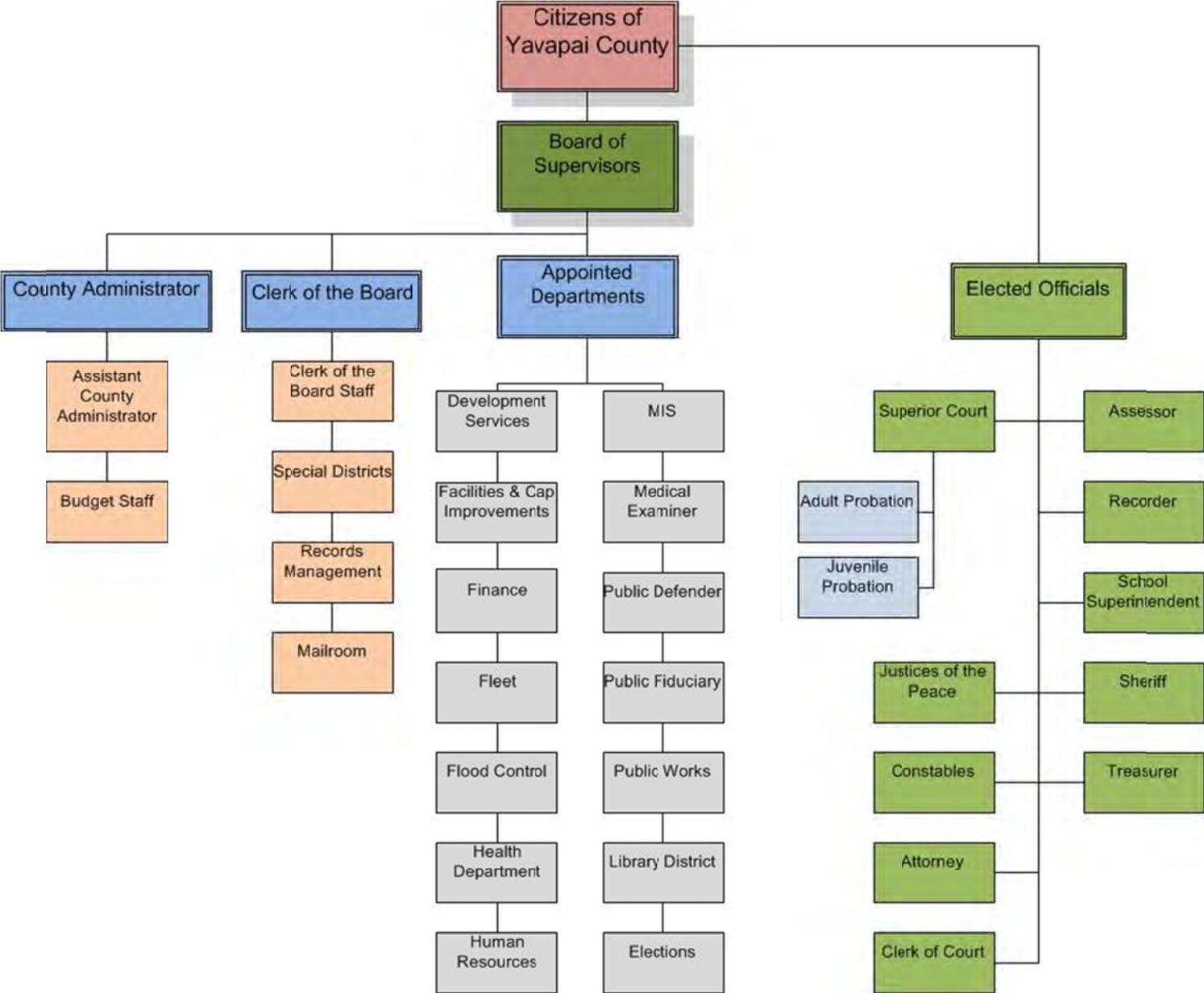
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive
Director/CEO

YAVAPAI COUNTY

Organizational Chart



Yavapai County Officials

BOARD OF SUPERVISORS

Rowle Simmons, Chairman, District 1
Craig Brown, Vice Chairman, District 4
Thomas Thurman, Member, District 2
A.G. "Chip" Davis, Member, District 3
Jack Smith, Member, District 5

◆ ◆ ◆

CLERK OF THE BOARD

Ana Wayman-Trujillo

◆ ◆ ◆

COUNTY ADMINISTRATOR

Phil Bourdon

◆ ◆ ◆

FINANCE DIRECTOR

Pete Saxton

FINANCIAL SECTION





DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent Auditors' Report

Members of the Arizona State Legislature

The Board of Supervisors of
Yavapai County, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Yavapai County as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of Yavapai County as of June 30, 2014, and the respective changes in financial position for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

As discussed in Note 1 to the financial statements, for the year ended June 30, 2014, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 65. Our opinions are not modified with respect to this matter.

As described in Note 13 to the financial statements, the County restated beginning net position/fund balances of its financial statements for the year ended June 30, 2014, to correct misstatements in its previously issued financial statements. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis on pages 13 through 20, the Budgetary Comparison Schedules on pages 59 through 64, and the Schedule of Agent Retirement Plans' Funding Progress on page 65 and 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Compliance Over the Use of Highway User Revenue Fund and Other Dedicated State Transportation Revenue Monies

In connection with our audit, nothing came to our attention that caused us to believe that the County failed to use highway user revenue fund monies received by the County pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated state transportation revenues received by the County solely for the authorized transportation purposes, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the County's noncompliance with the use of highway user revenue fund monies and other dedicated state transportation revenues, insofar as they relate to accounting matters.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will issue our report on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters at a future date. The purpose of that report is 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* in considering the County's internal control over financial reporting and compliance.

Debbie Davenport
Auditor General

December 18, 2014

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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, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 – 5 and the County's basic financial statements, which begin on page 22.

Financial Highlights

- Yavapai County's assets exceed liabilities as of June 30, 2014, by \$308,567,653 (net position). Of this amount, \$34,282,231 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of June 30, 2014, Yavapai County's governmental funds reported combined ending fund balances of \$69,205,917, which is an increase of \$268,442 from the prior year ending fund balance of \$68,937,475. This amount was restated to correct an error in prior years.
- As of June 30, 2014, unassigned fund balance for the general fund is \$9,716,724, an increase of \$1,249,038 from the prior year restated unassigned fund balance.
- As of June 30, 2014, committed fund balance for the regional road fund is \$7,816,985, an increase from the prior year restated amount of \$869,242.
- As of June 30, 2014, restricted fund balance for the Highway User Revenue Fund (HURF) is \$9,407,750, an increase from the prior year of \$2,175,134.
- As of June 30, 2014, committed fund balance for the capital projects fund is \$19,401,315, a decrease from the prior year restated amount of \$2,152,963.

Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only 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). The governmental activities of Yavapai County include general government, public safety, highways and streets, sanitation, health, welfare, culture and recreation, and education.

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

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

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

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

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

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

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

Notes to the financial statements. The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33 - 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 - 66 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 70 - 107 of this report.

Yavapai County Management's Discussion and Analysis

Government-wide Financial Analysis

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Yavapai County's assets exceeded liabilities by \$308.6 million at the close of the most recent fiscal year.

	Net Position (in millions)	
	Governmental Activities	
	2014	2013 (as restated)
Current and other assets	\$ 80.0	\$ 81.7
Capital assets	268.8	271.5
Total assets	<u>348.8</u>	<u>353.2</u>
Long-term liabilities outstanding	32.3	33.8
Other liabilities	7.9	11.5
Total liabilities	<u>40.2</u>	<u>45.3</u>
Net position:		
Net investment in capital assets	244.9	246.3
Restricted	29.4	29.2
Unrestricted	34.3	32.4
Total net position	<u>\$ 308.6</u>	<u>\$ 307.9</u>

The largest portion of Yavapai County's net position (79%) reflects its investment in capital assets (e.g. land, buildings, equipment, infrastructure, software, construction in progress), less accumulated depreciation and any related outstanding debt used to acquire those assets. Yavapai County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Yavapai County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental Activities current and other assets decreased \$1.7 million from the previous year. This decrease is primarily the result of normal variation in the timing of paying expenses during the fiscal year. Capital assets decreased \$2.7 million because the decrease in asset value from depreciation was larger than the increase in asset value from new acquisitions.

Governmental Activities long-term liabilities decreased \$1.5 million from the previous fiscal year due to payments for special assessment bonds and capital leases.

Governmental Activities other liabilities decreased \$3.6 million primarily due to the timing of paying expenses which decreased accounts payable \$2.3 million.

Yavapai County's Governmental Activities restricted net position of \$29.4 million represents resources that are subject to external restrictions on how they may be used. This amount has changed very little from the previous year.

The Governmental Activities unrestricted net position increased \$1.9 million from the previous fiscal year. This increase is primarily due to an increase in the collection of State shared sales taxes. The Governmental Activities unrestricted net position balance of \$34.3 million may be used to meet the government's ongoing obligations to citizens and creditors.

Yavapai County Management's Discussion and Analysis

At the end of the current fiscal year, Yavapai County reports positive balances in all three categories, net investment in capital assets \$244.9 million, restricted net position \$29.4 million and unrestricted net position \$34.3 million.

Changes in Net Position. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. For the fiscal year, net position increased \$0.7 million. The basis of accounting used in the government-wide statement of activities excludes capital outlay while its revenues include taxes that are used, in part, for the construction of those assets.

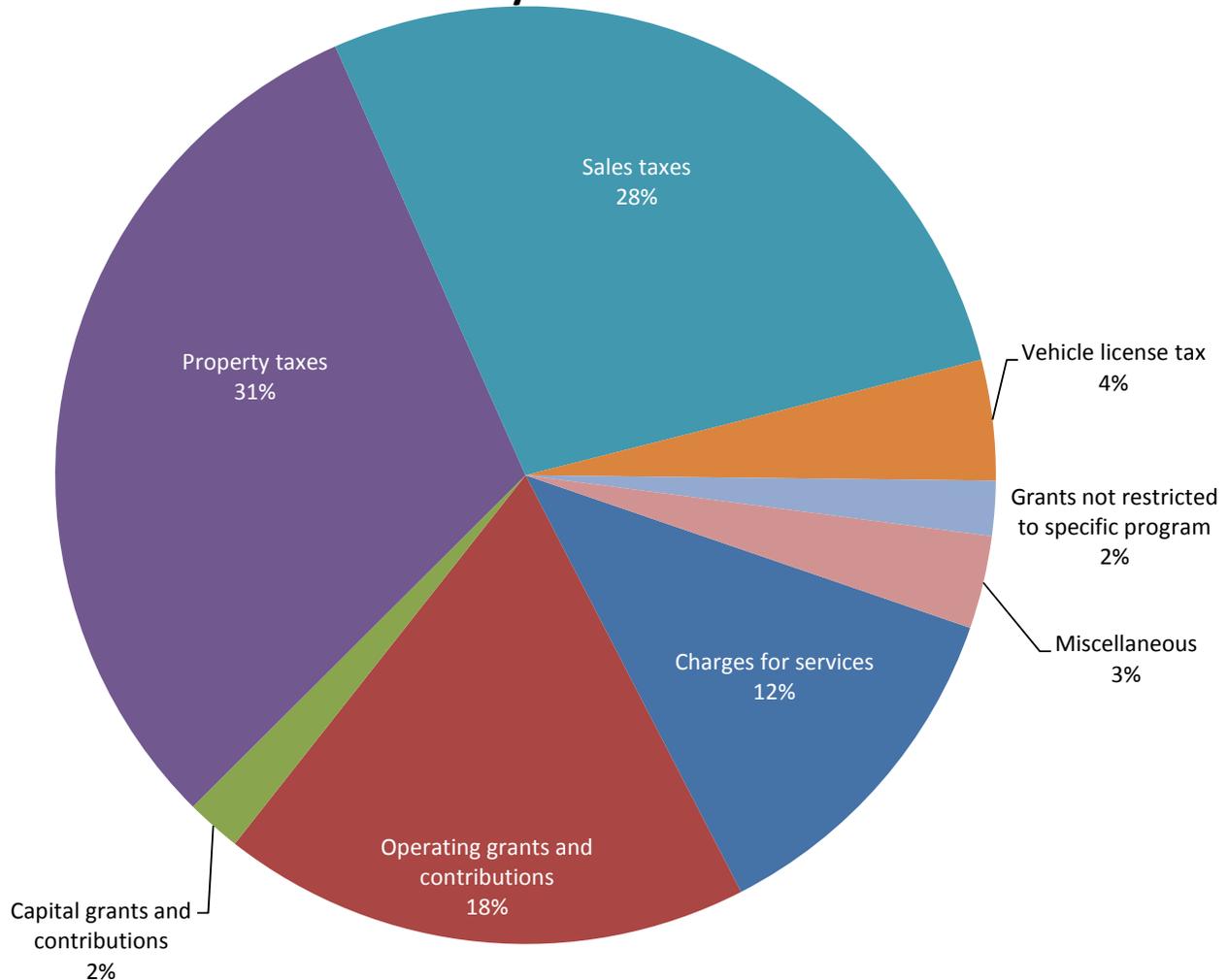
Changes in Net Position		Governmental	
(in millions)		Activities	
		2014	2013
		(as restated)	
Revenues			
Program revenues:			
Charges for services	\$ 20.5	\$ 21.2	
Operating grants and contributions	30.7	29.5	
Capital grants and contributions	3.2	1.9	
General revenues:			
Property taxes	52.1	52.1	
Sales taxes	46.7	47.6	
Vehicle license tax	7.0	6.7	
Grants not restricted to specific programs	3.2	3.0	
Miscellaneous and investment earnings	5.4	4.9	
Total revenues	168.8	166.9	
Expenses			
General government	61.6	61.9	
Public safety	52.3	51.7	
Highways and streets	21.9	23.5	
Sanitation	1.9	1.4	
Health	13.4	13.3	
Welfare	10.7	10.7	
Culture and recreation	0.1	0.2	
Education	5.0	5.8	
Interest on long-term debt	1.2	1.3	
Total expenses	168.1	169.8	
Increase (decrease) in net position	0.7	(2.9)	
Net position, July 1	307.9	310.8	
Net position, June 30	\$ 308.6	\$ 307.9	

Yavapai County Management's Discussion and Analysis

Governmental activities. Governmental Activities revenues totaled \$168.8 million for fiscal year 2014. 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 \$0.9 million from the previous fiscal year, this is primarily due to the one time effect of the restatement discussed in Note 13 on page 58.
- Operating grants and contributions increased by \$1.2 million from the previous year, because of the State contributions to the repair and maintenance of roadways.
- Capital grants increased by \$1.3 million from the previous year, because of the amounts due and collectible from the special assessments of the improvement districts.

Revenues by Source - Governmental Activities

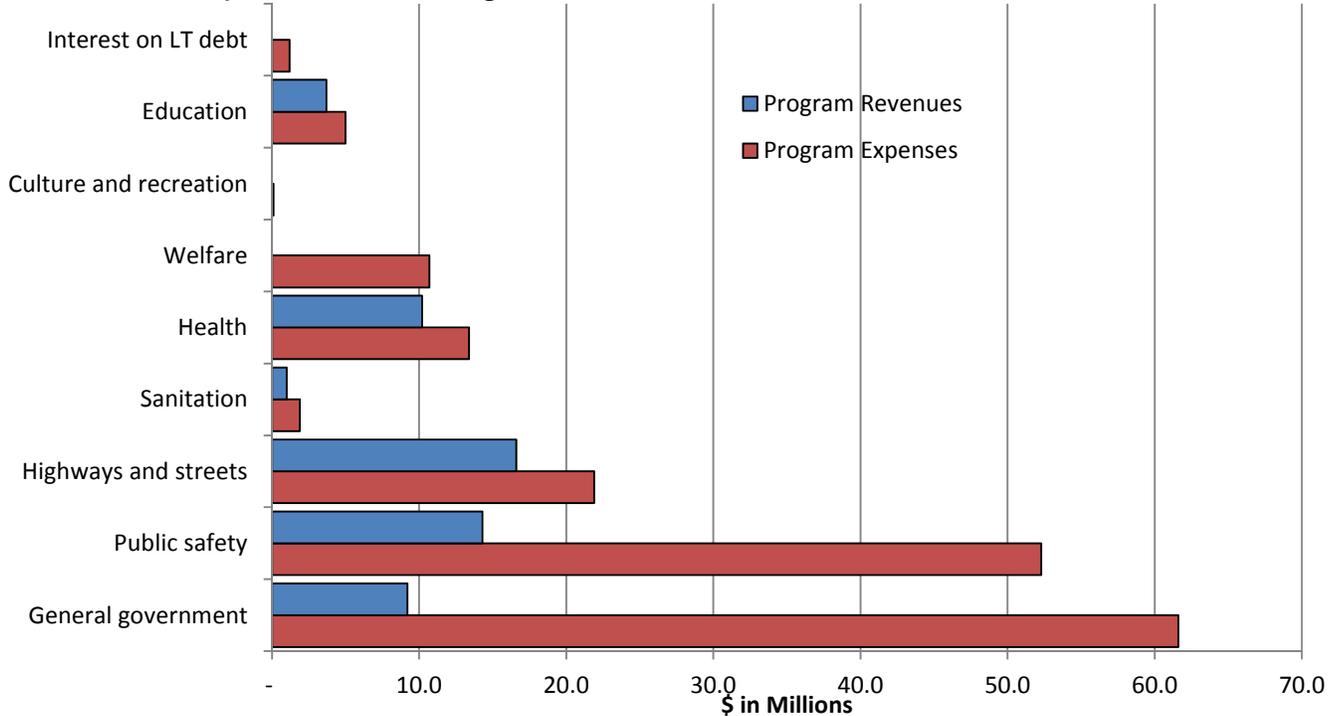


Yavapai County Management's Discussion and Analysis

Expenses

Governmental activities expenses decreased \$1.7 million from the previous fiscal year. Public Safety increased \$0.6 million from the previous year due to increased depreciation expenses. Highways and streets declined \$1.6 million due to decreased depreciation and decreased expenses for repairs. Education decreased \$0.8 million from the previous year due to reduction of expenses in the Detention School.

Expenses and Program Revenues - Governmental Activities



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, Yavapai County's governmental funds reported combined ending fund balances of \$69,205,917, which is an increase of \$268,442 from the restated prior year balance. The ending fund balances are categorized as follows.

- Nonspendable \$903,437
- Restricted \$29,214,659
- Committed \$29,500,387
- Unassigned \$9,587,434

While the total fund balance changed by only 0.4%, the unassigned balances increased by \$1,119,748, or 13%, and this change is primarily due to General Fund activity.

Yavapai County

Management's Discussion and Analysis

The General Fund is the chief operating fund of Yavapai County. At the end of the current fiscal year, the General Fund total fund balance was \$10,250,797, and the unassigned category was \$9,716,724. The unassigned category is \$1,249,038 more than the previous fiscal year as restated. This increase is due to an increase in collections from State shared sales tax activity.

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

The Jail District fund balance increased \$228,501 in accordance with the adopted budget. The Regional Road fund balance increased \$869,242 because of decreases in the construction of road projects. The HURF Road fund balance increased \$2.2 million because of the decrease in roadway expenditures. Capital Projects fund balance decreased \$2.1 million because of capital projects such as the Courthouse restoration project. The Capital Projects Debt Service fund balance remains relatively unchanged from the prior fiscal year, and the Poquito Valley Debt Service fund balance increased slightly due to ongoing collections of its special assessment.

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

General Fund Budgetary Highlights

The original General Fund budget appropriation for expenditures was \$89,679,704. Actual expenditures were \$4,498,928 less than the final budgeted appropriation amount, which is primarily due to departments monitoring and controlling expenditures. The Board approved budgeted transfers between departments during the fiscal year to reclassify expenditures and for departments that required an increase in budget appropriation. The departments, that required a budget transfer were Public Defender (\$862,619), Facilities (\$58,632), Board of Supervisors (\$39,500), Fleet (\$15,576), and Bagdad/Yarnell Justice of the Peace (\$3,559), for a combined transfer of \$979,886 from General Services. The final total General Fund budgeted appropriation of \$89,679,704 remained unchanged. The General Services expenditure budget includes negative amounts for internal cost recoveries, such as vehicle use and indirect costs, which resulted in actual expenditures of negative \$779,870 and a variance below the final budget of \$1.4 million.

Total revenues were \$1.6 million over total budgeted revenues (1.7%), which is primarily due to greater than anticipated collections (\$0.5 million) of voluntary exchange transactions categorized as permit revenue. In addition the County collected intergovernmental revenue, shared State sales taxes, in an amount that was (\$0.7 million) greater than budgeted.

Capital Asset and Debt Administration

Capital Assets. Yavapai County's investment in capital assets for its governmental activities as of June 30, 2014, amounts to \$268.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, software and construction in progress. In addition, roads and highways constructed in the fiscal year ended June 30, 2014, or in progress at that date, are included in capital assets. Infrastructure increased due to the completion of roadway projects. Construction in progress decreased \$6.6 million due to completion of planned capital projects.

Yavapai County Management's Discussion and Analysis

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

	Governmental Activities	
	2014	2013
Land	\$ 62.6	\$ 62.1
Buildings	77.8	79.3
Equipment	10.4	9.3
Infrastructure	109.6	105.7
Software	1.3	1.4
Construction in progress	7.1	13.7
Total	<u>\$ 268.8</u>	<u>\$ 271.5</u>

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

Long-term Debt. At the end of the current fiscal year, Yavapai County had total outstanding bonds of \$2,120,000 for special district road improvements. These bonds are secured by property assessments levied against the benefiting property owners.

Yavapai County's Outstanding Bonds (in millions)

	2014	2013
Special Assessment Debt Payable	<u>\$ 2.1</u>	<u>\$ 2.3</u>

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 \$133,957,776. Since the County has no general obligation debt, this amount equals the debt capacity. Additional information on long-term debt can be found in Note 7 on pages 44 - 45.

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 the Camp Verde Superior Court and the Juvenile Justice Center. As of June 30, 2014, the outstanding lease balance is \$21.8 million.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Yavapai County is currently 6.7%, which has decreased since 2013.
- Inflationary trends in the region are comparable to national and the State of Arizona indices.
- 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 2014-15 fiscal year. The budgetary estimate of unassigned ending fund balance in the general fund of \$6,523,933 was appropriated for spending in the 2014-15 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.

BASIC FINANCIAL STATEMENTS



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Yavapai County
Statement of Net Position
June 30, 2014

	Primary Government
	Governmental
	Activities
Assets	
Cash and cash equivalents	\$ 63,868,683
Receivables:	
Property taxes	1,617,089
Special assessments	1,669,100
Accounts	615,159
Due from other governments	11,250,103
Inventories	525,726
Prepaid items	377,711
Capital assets, not being depreciated	69,659,363
Capital assets, being depreciated, net	199,176,504
Total assets	348,759,438
Liabilities	
Accounts payable	5,472,242
Accrued payroll and employee benefits	2,287,727
Interest payable	121,430
Due to other governments	32,953
Noncurrent liabilities:	
Due within one year	4,744,184
Due in more than one year	27,533,249
Total liabilities	40,191,785
Net Position	
Net investment in capital assets	244,885,761
Restricted for:	
General government	5,471,792
Public safety	9,258,203
Highways and streets	9,612,649
Sanitation	868,804
Health and welfare	2,915,099
Culture and recreation	54,279
Education	174,519
Debt service	1,044,316
Unrestricted	34,282,231
Total net position	\$ 308,567,653

See accompanying notes to financial statements.

Yavapai County
Statement of Activities
Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government Governmental Activities
Primary Government:					
Governmental activities:					
General government	\$ 61,634,911	\$ 4,641,730	\$ 3,473,983	\$ 1,017,737	\$ (52,501,461)
Public safety	52,322,338	7,620,120	6,643,603	548	(38,058,067)
Highways and streets	21,909,440	881,431	13,045,419	2,207,819	(5,774,771)
Sanitation	1,853,305	388,291	573,483	13,656	(877,875)
Health	13,364,778	5,768,856	4,407,130	-	(3,188,792)
Welfare	10,674,717	-	-	-	(10,674,717)
Culture and recreation	138,729	-	13,570	-	(125,159)
Education	5,030,647	1,157,270	2,505,076	-	(1,368,301)
Interest on long-term debt	1,148,062	-	-	-	(1,148,062)
Total governmental activities	<u>168,076,927</u>	<u>20,457,698</u>	<u>30,662,264</u>	<u>3,239,760</u>	<u>(113,717,205)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					44,794,977
Property taxes, levied for flood control					4,091,188
Property taxes, levied for free library					3,225,981
County sales tax—Jail construction and operation					7,104,965
County sales tax—unrestricted					14,210,406
Franchise taxes					267,020
Shared revenue—state sales tax					25,392,155
Shared revenue—state vehicle license tax					7,022,638
Grants and contributions not restricted to specific programs					3,177,599
State shared lottery					550,038
Investment earnings					679,320
Gain on disposal of capital assets					149,991
Miscellaneous					<u>3,727,982</u>
Total general revenues					<u>114,394,260</u>
Change in net position					677,055
Net position as restated, July 1, 2013					<u>307,890,598</u>
Net position, June 30, 2014					<u>\$ 308,567,653</u>

See accompanying notes to financial statements.

Yavapai County
Balance Sheet
Governmental Funds
June 30, 2014

Assets	General	Jail District	Regional Road	HURF Road
Cash and cash equivalents	\$ 5,588,159	\$ 1,488,370	\$ 7,248,685	\$ 10,074,914
Receivables:				
Property taxes	1,373,985	-	-	-
Special assessments	-	-	-	-
Accounts	50,552	19,295	52,753	7,267
Due from:				
Other funds	611,082	77,373	-	58,179
Other governments	5,998,233	1,366,481	1,001,443	1,101,143
Inventories	180,734	-	-	344,992
Prepaid items	353,339	-	-	-
Total assets	<u>\$ 14,156,084</u>	<u>\$ 2,951,519</u>	<u>\$ 8,302,881</u>	<u>\$ 11,586,495</u>
Liabilities				
Accounts payable	\$ 1,377,096	\$ 296,686	\$ 479,610	\$ 1,185,233
Accrued payroll and employee benefits	1,310,591	268,147	5,145	147,168
Due to other funds	146,970	12,860	1,141	24,801
Due to other governments	-	-	-	-
Total liabilities	<u>2,834,657</u>	<u>577,693</u>	<u>485,896</u>	<u>1,357,202</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	1,070,630	-	-	-
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>1,070,630</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	534,073	-	-	344,992
Restricted	-	2,373,826	-	9,407,750
Committed	-	-	7,816,985	476,551
Unassigned	9,716,724	-	-	-
Total fund balances	<u>10,250,797</u>	<u>2,373,826</u>	<u>7,816,985</u>	<u>10,229,293</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,156,084</u>	<u>\$ 2,951,519</u>	<u>\$ 8,302,881</u>	<u>\$ 11,586,495</u>

See accompanying notes to financial statements.

Capital Projects	Capital Projects Debt Service	Poquito Valley Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 19,683,387	\$ 1,682	\$ 550,370	\$ 19,233,116	\$ 63,868,683
-	-	-	243,104	1,617,089
-	-	1,223,976	445,124	1,669,100
14,910	-	-	470,382	615,159
-	-	-	428,805	1,175,439
375,541	-	-	1,407,262	11,250,103
-	-	-	-	525,726
-	-	-	24,372	377,711
<u>\$ 20,073,838</u>	<u>\$ 1,682</u>	<u>\$ 1,774,346</u>	<u>\$ 22,252,165</u>	<u>\$ 81,099,010</u>
\$ 464,589	\$ -	\$ -	\$ 1,669,028	\$ 5,472,242
-	-	-	556,676	2,287,727
207,934	-	-	781,733	1,175,439
-	-	-	32,953	32,953
<u>672,523</u>	<u>-</u>	<u>-</u>	<u>3,040,390</u>	<u>8,968,361</u>
-	-	-	185,002	1,255,632
-	-	1,223,976	445,124	1,669,100
-	-	<u>1,223,976</u>	<u>630,126</u>	<u>2,924,732</u>
-	-	-	24,372	903,437
-	1,682	550,370	16,881,031	29,214,659
19,401,315	-	-	1,805,536	29,500,387
-	-	-	(129,290)	9,587,434
<u>19,401,315</u>	<u>1,682</u>	<u>550,370</u>	<u>18,581,649</u>	<u>69,205,917</u>
<u>\$ 20,073,838</u>	<u>\$ 1,682</u>	<u>\$ 1,774,346</u>	<u>\$ 22,252,165</u>	<u>\$ 81,099,010</u>

Yavapai County
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2014

Fund balances—total governmental funds	\$ 69,205,917
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	268,835,867
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	2,924,732
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>(32,398,863)</u>
Net position of governmental activities	<u><u>\$ 308,567,653</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, 2014

	General	Jail District	Regional Road	HURF Road
Revenues:				
Property taxes	\$ 44,419,882	\$ -	\$ -	\$ -
County sales taxes	6,721,408	7,104,965	5,684,162	-
Special assessments	-	-	-	-
Licenses and permits	1,896,014	-	851,530	-
Intergovernmental	36,898,605	-	46,002	12,912,649
Charges for services	1,887,091	1,876,756	-	-
Fines and forfeits	2,866,631	-	-	-
Investment earnings	59,234	15,542	73,363	99,623
Miscellaneous	348,191	8,232	582,242	200,969
Total revenues	<u>95,097,056</u>	<u>9,005,495</u>	<u>7,237,299</u>	<u>13,213,241</u>
Expenditures:				
Current:				
General government	50,881,973	-	-	-
Public safety	21,561,111	15,613,798	-	-
Highways and streets	-	-	6,368,057	12,370,342
Sanitation	1,293,815	-	-	-
Health	-	-	-	-
Welfare	10,684,724	-	-	-
Culture and recreation	103,427	-	-	-
Education	655,726	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>85,180,776</u>	<u>15,613,798</u>	<u>6,368,057</u>	<u>12,370,342</u>
Excess (deficiency) of revenues over expenditures	9,916,280	(6,608,303)	869,242	842,899
Other financing sources (uses):				
Sale of capital assets	154,925	-	-	61,152
Transfers in	323,104	6,836,804	-	1,293,859
Transfers out	(9,141,188)	-	-	-
Total other financing sources (uses)	<u>(8,663,159)</u>	<u>6,836,804</u>	<u>-</u>	<u>1,355,011</u>
Net change in fund balances	1,253,121	228,501	869,242	2,197,910
Fund balances, July 1, 2013, as restated	<u>8,997,676</u>	<u>2,145,325</u>	<u>6,947,743</u>	<u>8,031,383</u>
Fund balances, June 30, 2014	<u>\$ 10,250,797</u>	<u>\$ 2,373,826</u>	<u>\$ 7,816,985</u>	<u>\$ 10,229,293</u>

See accompanying notes to financial statements.

Capital Projects	Capital Projects Debt Service	Poquito Valley Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 7,805,650	\$ 52,225,532
2,071,856	-	-	-	21,582,391
-	-	328,716	117,107	445,823
-	-	-	753,108	3,500,652
-	-	-	18,233,240	68,090,496
-	-	-	8,185,575	11,949,422
-	-	-	614,056	3,480,687
214,303	151	5,457	212,198	679,871
7,150	-	-	3,853,726	5,000,510
<u>2,293,309</u>	<u>151</u>	<u>334,173</u>	<u>39,774,660</u>	<u>166,955,384</u>
-	-	-	9,697,235	60,579,208
-	-	-	14,216,922	51,391,831
-	-	-	421,235	19,159,634
-	-	-	664,153	1,957,968
-	-	-	13,189,896	13,189,896
-	-	-	-	10,684,724
-	-	-	9,835	113,262
-	-	-	4,319,176	4,974,902
2,182,334	-	-	242,062	2,424,396
-	1,103,462	95,000	80,000	1,278,462
-	1,008,403	101,497	44,300	1,154,200
<u>2,182,334</u>	<u>2,111,865</u>	<u>196,497</u>	<u>42,884,814</u>	<u>166,908,483</u>
110,975	(2,111,714)	137,676	(3,110,154)	46,901
-	-	-	5,464	221,541
55,861	2,111,865	-	1,474,705	12,096,198
(2,319,799)	-	-	(635,211)	(12,096,198)
<u>(2,263,938)</u>	<u>2,111,865</u>	<u>-</u>	<u>844,958</u>	<u>221,541</u>
(2,152,963)	151	137,676	(2,265,196)	268,442
<u>21,554,278</u>	<u>1,531</u>	<u>412,694</u>	<u>20,846,845</u>	<u>68,937,475</u>
<u>\$ 19,401,315</u>	<u>\$ 1,682</u>	<u>\$ 550,370</u>	<u>\$ 18,581,649</u>	<u>\$ 69,205,917</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, 2014

Net change in fund balances—total governmental funds		\$ 268,442
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	13,302,323	
Depreciation expense	(15,995,806)	(2,693,483)
In the Statement of Activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the capital assets sold.		
		(71,550)
In the Statement of Activities, the donation of capital assets increases net position, whereas in the governmental funds, the donation of capital assets does not affect available financial resources and therefore is not recognized.		
		92,895
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Principal repaid on bonds and capital lease		1,278,462
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
		1,555,713
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the Statement of Activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when the financial resources are available.		
Decrease in compensated absences	139,131	
Decrease in claims and judgments	97,442	
Decrease in interest payable	6,138	
Decrease in landfill closure and postclosure care costs	3,865	<u>246,576</u>
Change in net position of governmental activities		<u>\$ 677,055</u>

See accompanying notes to financial statements.

Yavapai County
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Investment Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 99,815,822	\$ 3,544,116
Total assets	99,815,822	\$ 3,544,116
 Liabilities		
Deposits held for others	-	\$ 3,544,116
Total liabilities	-	\$ 3,544,116
 Net Position		
Held in trust for investment trust participants	\$ 99,815,822	

See accompanying notes to financial statements.

Yavapai County
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2014

	Investment Trust Funds
Additions:	
Contributions from participants	\$ 367,455,883
Investment earnings	1,084,470
Total additions	368,540,353
Deductions:	
Distributions to participants	369,674,254
Total deductions	369,674,254
Change in net position	(1,133,901)
Net position, July 1, 2013	100,949,723
Net position, June 30, 2014	\$ 99,815,822

See accompanying notes to financial statements.

Yavapai County
Notes to Financial Statements
June 30, 2014

Note 1 - Summary of Significant Accounting Policies

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

For the year ended June 30, 2014, the County implemented the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB Statement No. 65 reclassifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources and recognizes certain other items that were previously reported as assets and liabilities as revenues or expenses.

A. Reporting Entity

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

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

The following table describes the County's 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 the board of directors	Blended	Not available

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<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 the board of directors	Blended	Not available
Yavapai County Jail District	A tax-levying district that acquires, constructs, operates, maintains, and finances county jails and jail systems; the County's Board of Supervisors serves as the governing board	Blended	Not available

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

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

Yavapai County
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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 information's usefulness.

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

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

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

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

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

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

The County reports the following major governmental funds:

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

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

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

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

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

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

The *Poquito Valley Debt Service Fund* accounts for the accumulation of resources for the payment of principal and interest on the revenue bonds issued for special assessment bonds. Funding for the special assessment debt is provided by assessments made against the benefiting owners.

The County also reports the following fund types:

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

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

C. Basis of Accounting

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

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

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. The County's major

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revenue sources that are susceptible to accrual are property taxes, special assessments, intergovernmental, charges for services, and investment earnings. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, and landfill closure and postclosure care costs, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital lease agreements are reported as other financing sources.

D. Cash and Investments

Money market investments with a remaining maturity of 1 year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

E. Inventories

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

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

F. Prepaid Items

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

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

G. Property Tax Calendar

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

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

H. Capital Assets

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

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

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

I. Deferred Inflows of Resources

The balance sheet includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of fund balance that applies to future periods and will be recognized as a revenue in future periods.

J. Fund Balance Classifications

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

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

The unrestricted fund balance category is composed of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations that the County's Board of Supervisors approved, which is the highest level of decision-making authority within the County. The Board can, by approval of an agenda item at a public meeting prior to the end of the fiscal year, commit fund balance. Only the Board can

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Notes to Financial Statements
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remove or change the constraints placed on committed fund balances, by approval of an agenda item to remove or revise the limitation. Approval of an agenda item by the Board is the only highest level action that constitutes the most binding constraint.

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

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

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

K. Investment Earnings

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

L. Compensated Absences

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

Employees may accumulate up to 764 hours of PTO, depending on years of service, but they forfeit any unused PTO hours in excess of the maximum amount each pay period. Upon terminating employment, the County pays all unused and unforfeited PTO benefits to employees. Accordingly, PTO benefits are accrued as a liability in the governmental-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 employees forfeit them upon terminating employment. Because CAT leave benefits do not vest with employees, a liability for CAT leave benefits is not accrued in the financial statements.

Note 2 - Stewardship, Compliance, and Accountability

Deficit fund balances—At June 30, 2014, the Airport Development and CYMPO (nonmajor governmental) Funds reported deficit fund balances of \$37,389 and \$630, respectively.

Yavapai County
Notes to Financial Statements
June 30, 2014

Note 3 - Deposits and Investments

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

Credit risk

Statutes have the following requirements for credit risk:

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

Custodial credit risk

Statutes require collateral for deposits and certificates of deposit at 101 percent of all deposits not covered by federal depository insurance.

Concentration of credit risk

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

Interest rate risk

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

Foreign currency risk

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

Deposits—At June 30, 2014, the carrying amount of the County's deposits was \$69,506,800, and the bank balance was \$70,304,103. The County does not have a formal policy with respect to custodial credit risk.

Yavapai County
Notes to Financial Statements
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At June 30, 2014, none of the County's bank balance was exposed to custodial credit risk.

Investments—The County's investments at June 30, 2014, were as follows:

Investment Type	Amount
State Treasurer's Investment Pool 5	\$ 16,483
State Treasurer's Investment Pool 7	8,035,843
U.S. Treasury securities	31,956,714
U.S. agency securities	57,275,511
Repurchase agreement	389,338
Money market funds	6,507
	<u>\$ 97,680,396</u>

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

Credit risk— The County does not have a formal investment policy with respect to credit risk. At June 30, 2014, credit risk for the County's investments was as follows:

Investment Type	Rating	Rating Agency	Amount
State Treasurer's Investment Pool 5	AAAf/S1+	Standard and Poor's	\$ 16,483
State Treasurer's Investment Pool 7	Unrated	Not applicable	8,035,843
Repurchase agreement (implicitly guaranteed)	AA+	Standard and Poor's	389,338
U.S. agency securities	AA+	Standard and Poor's	57,275,511
Money market funds	Unrated	Not applicable	6,507
			<u>\$65,723,682</u>

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

Concentration of credit risk— The County does not have a formal investment policy with respect to concentration of credit risk. The County had investments at June 30, 2014, of 5 percent or more in Federal National Mortgage Association, Federal Home Loan Mortgage Corporation and Federal Home Loan Bank. These investments were 12.5 percent, 20.9 percent and 21.0 percent, respectively, of the County's total investments.

Yavapai County
Notes to Financial Statements
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Interest rate risk—The County does not have a formal policy regarding interest rate risk. At June 30, 2014, the County had the following investments in debt securities:

Investment Type	Amount	Weighted Average Maturity (Years)
State Treasurer's Investment Pool 5	\$ 16,483	.16
State Treasurer's Investment Pool 7	8,035,843	.05
U.S. Treasury securities	31,956,714	2.48
U.S. agency securities	57,275,511	2.60
Repurchase agreement	389,338	.00
Money market funds	6,507	.00
	<u>\$ 97,680,396</u>	

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

Cash, deposits, and investments:

Cash on hand	\$ 41,425
Amount of deposits	69,506,800
Amount of investments	97,680,396
Total	<u>\$167,228,621</u>

	Governmental Activities	Investment Trust Funds	Agency Funds	Total
Cash and cash equivalents	\$ 63,868,683	\$ 99,815,822	\$ 3,544,116	\$ 167,228,621

Note 4 - Due From Other Governments

Amounts due from other governments for governmental activities at June 30, 2014, include \$4,351,515 in state-shared revenue from sales tax, \$1,126,623 in county excise tax distributions due from the State Treasurer, \$302,193 in state motor vehicle license taxes from the Arizona Department of Transportation and \$217,902 in other fees from federal, state, and local governments recorded in the General Fund; \$1,251,596 in sales tax collections, \$108,209 in inmate housing fees and \$6,676 in other fees from the federal, state and local governments recorded in the Jail District Fund; \$1,001,443 in county excise tax distributions due from the State Treasurer recorded in the Regional Road Fund; \$949,956 in state-shared revenue from highway user taxes, \$118,825 in state motor vehicle license tax, and \$32,362 in other fees from federal, state, and local governments recorded in the HURF Road Fund; \$375,541 in county excise tax distributions due from the State Treasurer recorded in the Capital Projects Fund; and \$1,407,262 in grants and other fees from federal, state and local governments recorded in the Other Governmental Funds.

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Notes to Financial Statements
June 30, 2014

Note 5 - Capital Assets

Capital asset activity for the year ended June 30, 2014, was as follows:

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 62,078,863	\$ 525,183	\$ (3,912)	\$ 62,600,134
Construction in progress	13,743,642	5,682,696	(12,367,109)	7,059,229
Total capital assets not being depreciated	<u>75,822,505</u>	<u>6,207,879</u>	<u>(12,371,021)</u>	<u>69,659,363</u>
Capital assets being depreciated:				
Buildings	103,095,125	1,171,543	-	104,266,668
Equipment	43,841,142	4,163,651	(4,938,974)	43,065,819
Infrastructure	319,206,668	13,449,879	(14,200)	332,642,347
Software	4,249,470	738,993	(178,471)	4,809,992
Total	<u>470,392,405</u>	<u>19,524,066</u>	<u>(5,131,645)</u>	<u>484,784,826</u>
Less accumulated depreciation for:				
Buildings	(23,761,546)	(2,694,587)	-	(26,456,133)
Equipment	(34,596,319)	(2,983,821)	4,907,962	(32,672,178)
Infrastructure	(213,502,804)	(9,498,656)	9,133	(222,992,327)
Software	(2,846,236)	(818,742)	177,294	(3,487,684)
Total	<u>(274,706,905)</u>	<u>(15,995,806)</u>	<u>5,094,389</u>	<u>(285,608,322)</u>
Total capital assets, being depreciated, net	<u>195,685,500</u>	<u>3,528,260</u>	<u>(37,256)</u>	<u>199,176,504</u>
Governmental activities capital assets, net	<u>\$271,508,005</u>	<u>\$ 9,736,139</u>	<u>\$(12,408,277)</u>	<u>\$268,835,867</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 3,235,340
Public safety	2,367,364
Highway and streets	9,986,010
Sanitation	68,014
Health	217,345
Culture and recreation	25,467
Education	96,266
Total governmental activities depreciation expense	<u>\$ 15,995,806</u>

Note 6 - Construction Commitments

The County had major contractual commitments related to various capital projects at June 30, 2014, for the construction of road improvements and buildings. At June 30, 2014, the County had spent \$722,630 on these projects and had remaining contractual commitments with contractors of \$2,631,700. The road improvement projects are being funded by the County's excise tax out of the Regional Road Fund. The building construction is being funded by the County's excise tax out of the Capital Projects Fund.

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Notes to Financial Statements
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Note 7 - Long-Term Liabilities

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2014:

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due within 1 year
Governmental Activities:					
Special assessment debt	\$ 2,295,000	\$ -	\$ (175,000)	\$ 2,120,000	\$ 175,000
Capital leases payable	22,933,568	-	(1,103,462)	21,830,106	1,153,112
Landfill closure and postclosure care costs payable	981,245	17,564	(21,429)	977,380	21,345
Compensated absences payable	7,199,255	5,958,011	(6,097,142)	7,060,124	3,271,697
Claims and judgments payable	387,265	220,000	(317,442)	289,823	123,030
Total governmental activities long-term liabilities	<u>\$ 33,796,333</u>	<u>\$ 6,195,575</u>	<u>\$ (7,714,475)</u>	<u>\$ 32,277,433</u>	<u>\$ 4,744,184</u>

Special assessment debt

Special assessment bonds are secured by pledges of revenues from special assessments levied against the benefiting property owners. Bond proceeds were used to finance construction in these districts. These bonds are generally callable with interest payable semiannually. However, in accordance with the bond indenture for each special assessment bond issue, and in the opinion of the County Attorney, the County is not legally obligated in any way for the special assessment bonded indebtedness. The total principal and interest remaining on the bonds is \$3,057,640, 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 \$319,717 and the special assessments were \$445,823.

The following special assessment districts had debt outstanding at June 30, 2014:

Description	Original Amount Issued	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2014
Coyote Springs Road Improvement	\$1,552,000	1/1/15-1/1/22	6.40%	\$ 640,000
Poquito Valley Road Improvement	1,857,000	1/1/15-1/1/30	6.625%	1,480,000
Total				<u>\$ 2,120,000</u>

The following schedule details debt service requirements to maturity for the County's special assessment debt payable at June 30, 2014:

Year ending June 30	Principal	Interest
2015	\$ 175,000	\$ 133,303
2016	175,000	121,889
2017	175,000	110,476
2018	175,000	99,062
2019	175,000	87,648
2020-2024	705,000	277,937
2025-2029	450,000	104,344
2030	90,000	2,981
Total	<u>\$ 2,120,000</u>	<u>\$ 937,640</u>

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Capital leases

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

The assets acquired through the capital lease are as follows:

	Governmental Activities
Buildings	\$ 25,000,000
Less: accumulated depreciation	(1,438,435)
Carrying value	<u>\$ 23,561,565</u>

The following schedule details debt service requirements to maturity for the County's capital lease payable at June 30, 2014:

	Governmental Activities
Year ending June 30	
2015	\$ 2,111,865
2016	2,111,865
2017	2,111,865
2018	2,111,865
2019	2,111,865
2020-2024	10,559,324
2025-2028	8,447,459
Total minimum lease payments	<u>29,566,108</u>
Less amount representing interest	(7,736,002)
Present value of net minimum lease payments	<u>\$ 21,830,106</u>

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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, 2014. As of June 30, 2014, the landfill closure and postclosure care liability of \$977,380 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 2014 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 \$250,000 per individual per plan year through a self-funding agreement with its participants and purchases commercial insurance to cover claims in excess of this limit. The Trust does not provide any postemployment benefits. An independent administrator provides the trust with claim and recordkeeping services. The County is responsible for paying the premiums and requires its employees to contribute for dependent coverage. The County is not liable for claims in excess of coverage limits and cannot be assessed retroactive premium adjustments. If it withdraws from the Trust, the County would be responsible for its proportional share of any claims run-out costs, which exceed Trust Fund reserves established for the incurred but not reported claims liability. If the Trust were to terminate, the County would be responsible for its proportional share of any Trust deficit.

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Notes to Financial Statements
June 30, 2014

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 2014, the County paid for compensated absences as follows: 57 percent from the General Fund, 17 percent from major funds, and 26 percent from other funds. The County paid for claims and judgments from the General Fund.

Yavapai County
Notes to Financial Statements
June 30, 2014

Note 8 - Fund Balance Classifications of the Governmental Funds

The fund balance classifications of the governmental funds as of June 30, 2014, were as follows:

	General	Jail District	Regional Road	HURF Road
Fund balances:				
Nonspendable:				
Inventories	\$ 180,734	\$ -	\$ -	\$ 344,992
Prepaid items	353,339	-	-	-
Total nonspendable	<u>534,073</u>	<u>-</u>	<u>-</u>	<u>344,992</u>
Restricted for:				
Social services	-	-	-	-
Law enforcement	-	2,373,826	-	-
Flood control	-	-	-	-
Roadway construction and maintenance	-	-	-	9,407,750
Landfill and other sanitation	-	-	-	-
Public health care and clinical services	-	-	-	-
Public parks	-	-	-	-
School services	-	-	-	-
Debt service	-	-	-	-
Total restricted	<u>-</u>	<u>2,373,826</u>	<u>-</u>	<u>9,407,750</u>
Committed to:				
Social services	-	-	-	-
Probation services	-	-	-	-
Roadway construction	-	-	7,816,985	476,551
Public health care and clinical services	-	-	-	-
Public parks	-	-	-	-
School services	-	-	-	-
Capital construction	-	-	-	-
Total committed	<u>-</u>	<u>-</u>	<u>7,816,985</u>	<u>476,551</u>
Unassigned	<u>9,716,724</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 10,250,797</u>	<u>\$ 2,373,826</u>	<u>\$ 7,816,985</u>	<u>\$ 10,229,293</u>

Yavapai County
Notes to Financial Statements
June 30, 2014

Capital Projects	Capital Projects Debt Service	Poquito Valley Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 525,726
-	-	-	24,372	377,711
-	-	-	24,372	903,437
-	-	-	5,386,097	5,386,097
-	-	-	2,835,415	5,209,241
-	-	-	3,949,655	3,949,655
-	-	-	204,899	9,612,649
-	-	-	868,804	868,804
-	-	-	2,915,099	2,915,099
-	-	-	54,279	54,279
-	-	-	174,519	174,519
-	1,682	550,370	492,264	1,044,316
-	1,682	550,370	16,881,031	29,214,659
-	-	-	38,411	38,411
-	-	-	24,913	24,913
-	-	-	-	8,293,536
-	-	-	894,819	894,819
-	-	-	60,982	60,982
-	-	-	786,411	786,411
19,401,315	-	-	-	19,401,315
19,401,315	-	-	1,805,536	29,500,387
-	-	-	(129,290)	9,587,434
<u>\$19,401,315</u>	<u>\$ 1,682</u>	<u>\$ 550,370</u>	<u>\$ 18,581,649</u>	<u>\$ 69,205,917</u>

Yavapai County
Notes to Financial Statements
June 30, 2014

Note 9 - Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the County joined and is covered by three public entity risk pools: the Arizona Counties Property and Casualty Pool and the Arizona Counties Workers' Compensation Pool which are described below, and the Yavapai Combined Trust, which is described on page 46.

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.

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 law requires, and risk management services. The County is responsible for paying a premium, based on an experience-rating formula that allocates pool expenditures and liabilities among the members.

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

Yavapai County
Notes to Financial Statements
June 30, 2014

Note 10 - 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. The plans are component units of the State of Arizona, state statutes establish benefits, and the plans generally provide retirement, long-term disability, and health insurance premium benefits, including death and survivor benefits. The retirement benefits are generally paid at a percentage, based on years of service, of the retirees' average compensation. Long-term disability benefits vary by circumstance, but generally pay a percentage of the employee's monthly compensation. The health insurance premium benefit is 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 benefit 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 Arizona State Retirement System Board governs the ASRS 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 benefit plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona and participating political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a seven-member board known as the Board of Trustees and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The *Corrections Officer Retirement Plan* (CORP) administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit 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 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 PSPRS Board of Trustees and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 6.

Beginning in fiscal year 2014, PSPRS and CORP established separate funds for pension benefits and health insurance premium benefits. Previously, the plans recorded both pension and health insurance premium contributions in the same Pension Fund. During fiscal year 2014, the plans transferred prior-year health insurance premium benefit contributions that exceeded benefit payments from each plan's Pension Fund to the new Health Insurance Fund.

Yavapai County
Notes to Financial Statements
June 30, 2014

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

<p>ASRS 3300 N. Central Ave. P.O. Box 33910 Phoenix, AZ 85067-3910 (602) 240-2000 or 1-800-621-3778 www.azasrs.gov</p>	<p>PSPRS and CORP 3010 E. Camelback Rd., Ste. 200 Phoenix, AZ 85016-4416 (602) 255-5575 www.psprs.com</p>
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Funding Policy—The Arizona State Legislature establishes and may amend active plan members' and the County's contribution rates for the ASRS, PSPRS, and CORP.

Cost-sharing plans—For the year ended June 30, 2014, statute required active ASRS members to contribute at the actuarially determined rate of 11.54 percent (11.3 percent for retirement and 0.24 percent for long-term disability) of the members' annual covered payroll, and statute required the County to contribute at the actuarially determined rate of 11.54 percent (10.7 percent for retirement, 0.6 percent for health insurance premium benefit, and 0.24 percent for long-term disability) of the members' annual covered payroll.

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

	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
Year ended June 30			
2014	\$ 4,850,654	\$ 271,999	\$ 108,800
2013	4,616,179	292,733	108,086
2012	4,246,623	271,061	103,261

Agent plans—For the year ended June 30, 2014, statute required active PSPRS members to contribute 10.35 percent of the members' annual covered payroll, and the County was required to contribute 29.14 percent, the aggregate of which is the actuarially required amount. The health insurance premium benefit portion of the contribution rate was actuarially set at 1.41 percent of covered payroll. Statute required active CORP members to contribute 8.41 percent of the members' annual covered payroll. In addition, statute required the County to contribute 13.04 percent. The aggregate of the members' and the County's contributions is the actuarially required amount. The health insurance premium benefit portion of the contribution rate was actuarially set at 0.82 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 15.58 percent. The aggregate of the members' and the County's contributions is the actuarially required amount. The health insurance premium benefit portion of the contribution rate was actuarially set at 1.13 percent of covered payroll.

Yavapai County
Notes to Financial Statements
June 30, 2014

All participating employers in the CORP-AOC are accounted for as one group within the Corrections Officer Retirement Plan, and as such, an actuarial valuation of CORP-AOC is prepared only for the group as a whole. Therefore, actuarial information and certain trend information for the County, as a participating government, are not available.

Actuarial methods and assumptions—The contribution requirements for the year ended June 30, 2014, were established by the June 30, 2012, actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the plans' funded status 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 the County and plans' members understand them 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 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 both plans and related benefits (unless noted), and the following actuarial methods and assumptions were used to establish the fiscal year 2014 contribution requirements:

Actuarial valuation date	June 30, 2012
Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	24 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value (80%/120% market)
Actuarial assumptions:	
Investment rate of return	8%
Projected salary increases includes inflation at	5% – 9% for PSPRS and 5% – 8.25% for CORP 5% for PSPRS and CORP

Yavapai County
Notes to Financial Statements
June 30, 2014

Annual Pension/OPEB Cost—The County's pension/OPEB cost for the agent plans for the year ended June 30, 2014, and related information follows:

	<u>PSPRS</u>		<u>CORP</u>		<u>CORP-AOC</u>	
	Pension	Health Insurance Premium Benefit	Pension	Health Insurance Premium Benefit	Pension	Health Insurance Premium Benefit
Annual pension/OPEB cost	\$1,942,657	\$104,071	\$723,826	\$52,065	\$807,948	\$63,182
Contributions made	1,942,657	104,071	723,826	52,065	807,948	63,182

Trend Information—Annual pension and OPEB cost information for the current and 2 preceding years follows for each of the agent plans:

<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	2014	\$1,942,657	100%	\$ 0
Health Insurance Premium Benefit	2014	104,071	100%	0
Pension	2013	1,726,093	100%	0
Health Insurance Premium Benefit	2013	112,831	100%	0
Pension	2012	1,485,389	100%	0
Health Insurance Premium Benefit	2012	116,634	100%	0
CORP				
Pension	2014	723,826	100%	0
Health Insurance Premium Benefit	2014	52,065	100%	0
Pension	2013	624,491	100%	0
Health Insurance Premium Benefit	2013	62,449	100%	0
Pension	2012	421,746	100%	0
Health Insurance Premium Benefit	2012	62,886	100%	0
CORP-AOC				
Pension	2014	807,948	100%	0
Health Insurance Premium Benefit	2014	63,182	100%	0
Pension	2013	653,910	100%	0
Health Insurance Premium Benefit	2013	70,082	100%	0
Pension	2012	604,303	100%	0
Health Insurance Premium Benefit	2012	73,859	100%	0

Yavapai County
Notes to Financial Statements
June 30, 2014

Funded Status—The plans' funded status as of the most recent valuation date, June 30, 2014, along with the actuarial assumptions and methods used in those valuations follow.

	<u>PSPRS</u>		<u>CORP</u>	
	Pension	Health Insurance Premium Benefit	Pension	Health Insurance Premium Benefit
Actuarial value of assets (a)	\$ 21,219,993	\$ 1,021,453	\$ 10,618,695	\$ 971,902
Actuarial accrued liability (b)	49,437,304	1,315,109	19,383,145	563,689
Unfunded actuarial accrued liability (funding excess) (b) – (a)	28,217,311	293,656	8,764,450	(408,213)
Funded ratio (a)/(b)	42.92%	77.67%	54.78%	172.42%
Annual covered payroll (c)	\$ 6,503,749	\$ 6,503,749	\$ 7,098,514	\$ 7,098,514
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll [(b) – (a)] / (c)	433.86%	4.52%	123.47%	(5.75%)

The actuarial methods and assumptions used are the same for both plans and related benefits (unless noted), and for the most recent valuation date, are as follows:

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	22 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value
Actuarial assumptions:	
Investment rate of return	7.85%
Projected salary increases includes inflation at	4.00% – 8.00% for PSPRS; 4.00% – 7.25% for CORP 4.00% for PSPRS and CORP

Yavapai County
Notes to Financial Statements
June 30, 2014

Note 11 - Interfund Balances and Activity

Interfund receivables and payables—Interfund balances at June 30, 2014, were as follows:

	Payable to				
	General Fund	Jail District Fund	HURF Road Fund	Nonmajor Governmental Funds	Total
Payable from					
General Fund	\$ -	\$ 70,767	\$ 56,478	\$ 19,725	\$ 146,970
Jail District Fund	12,860	-	-	-	12,860
Regional Road Fund	-	-	-	1,141	1,141
HURF Road Fund	21,939	-	-	2,862	24,801
Capital Projects Fund	207,934	-	-	-	207,934
Nonmajor Governmental Funds	368,349	6,606	1,701	405,077	781,733
Total	\$ 611,082	\$ 77,373	\$ 58,179	\$ 428,805	\$ 1,175,439

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, 2014, were as follows:

	Transfer To						
	General Fund	Jail District Fund	HURF Road Fund	Capital Projects Fund	Capital Projects Debt Service Fund	Nonmajor Governmental Funds	Total
Transfer from							
General Fund	\$ -	\$ 6,836,804	\$ 1,293,859	\$ -	\$ -	\$ 1,010,525	\$ 9,141,188
Capital Projects Fund	207,934	-	-	-	2,111,865	-	2,319,799
Nonmajor Governmental Funds	115,170	-	-	55,861	-	464,180	635,211
Total	\$ 323,104	\$ 6,836,804	\$ 1,293,859	\$ 55,861	\$ 2,111,865	\$ 1,474,705	\$ 12,096,198

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

Yavapai County
Notes to Financial Statements
June 30, 2014

Note 12 - County Treasurer's Investment Pool

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

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

The Treasurer allocates interest earnings to each of the pool's participants. However, for the County's monies in the pool, the Board of Supervisors authorized \$5,994 of interest earned in certain other funds to be transferred to the General Fund.

The deposits and investments the County holds are included in the County Treasurer's investment pool, except for \$41,425 of cash on hand and \$4,121,509 of deposits. Therefore, the deposit and investment risks of the Treasurer's investment pool are substantially the same as the County's deposit and investment risks. See Note 3 for disclosure of the County's deposit and investment risks.

Details of each major investment classification follow:

Investment Type	Principal	Interest Rates	Maturities	Fair Value
State Treasurer's Investment Pool 5	\$ 16,483	None stated	None stated	\$ 16,483
State Treasurer's Investment Pool 7	8,035,843	None stated	None stated	8,035,843
U.S. treasury securities	31,885,021	0.50-0.875%	6/15/16-5/31/17	31,956,714
U.S. agency securities	56,261,934	0.50-1.30%	9/19/14-5/14/19	57,275,511
Repurchase agreement (implicitly guaranteed)	389,338	0.02%	Daily	389,338
Money market funds	6,507	0.00%	7/1/14	6,507

Yavapai County
Notes to Financial Statements
June 30, 2014

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

Statement of Net Position

Assets	\$ 163,840,871
Liabilities	-
Net Position	<u>\$ 163,840,871</u>

Net position held in trust for:

Internal participants	\$ 64,025,049
External participants	99,815,822
Total net position held in trust	<u>\$ 163,840,871</u>

Statement of Changes in Net Position

Total additions	\$ 549,444,129
Total deductions	<u>(552,252,944)</u>
Net decrease	(2,808,815)
Net position held in trust:	
July 1, 2013	<u>166,649,686</u>
June 30, 2014	<u>\$ 163,840,871</u>

Note 13 – Beginning Balances Restated

In previous years, certain revenues collected by the Arizona State Treasurer on behalf of Yavapai County were not recognized in the appropriate reporting period. In order to correct this, the beginning balances were corrected as follows:

	Amount previously reported	Corrected amount
Governmental activities, net position	\$ 304,057,568	\$ 307,890,598
General fund, fund balance	6,478,176	8,997,676
Jail District, fund balance	1,548,265	2,145,325
Regional Road, fund balance	6,470,096	6,947,743
Capital Projects, fund balance	21,315,455	21,554,278

REQUIRED SUPPLEMENTARY INFORMATION



Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 44,608,560	\$ 44,608,560	\$ 44,419,882	\$ (188,678)
County sales taxes	6,700,777	6,700,777	6,721,408	20,631
Licenses and permits	1,365,000	1,365,000	1,896,014	531,014
Intergovernmental	36,157,628	36,157,628	36,898,605	740,977
Charges for services	1,642,500	1,642,500	1,887,091	244,591
Fines and forfeits	2,480,000	2,480,000	2,866,631	386,631
Investment earnings	30,000	30,000	59,234	29,234
Miscellaneous	500,000	500,000	348,191	(151,809)
Total revenues	<u>93,484,465</u>	<u>93,484,465</u>	<u>95,097,056</u>	<u>1,612,591</u>
Expenditures:				
General government				
Board of Supervisors	2,081,073	2,120,573	2,072,127	48,446
Human Resources	718,980	718,980	632,320	86,660
General Services	1,506,015	584,761	(779,870)	1,364,631
Elections	631,002	631,002	524,967	106,035
Public Works	203,879	203,879	206,269	(2,390)
Facilities	6,766,615	6,825,247	6,286,052	539,195
Development Services	3,444,776	3,444,776	3,412,122	32,654
Fleet	3,484,650	3,500,226	3,499,418	808
Medical Examiner	597,225	597,225	535,789	61,436
Finance	684,660	684,660	671,785	12,875
Assessor	3,904,155	3,904,155	3,790,554	113,601
County Attorney	6,752,172	6,752,172	6,579,959	172,213
Recorder	1,444,307	1,444,307	1,267,969	176,338
Management Information Systems	6,305,140	6,305,140	5,625,101	680,039
Clerk of the Court	2,659,022	2,659,022	2,602,284	56,738
Treasurer	924,400	924,400	886,433	37,967
Superior Courts	4,614,569	4,555,937	4,420,558	135,379
Public Defender	5,218,457	6,081,076	6,081,076	-
Prescott Justice of the Peace	659,499	659,499	636,605	22,894
Prescott Constable	89,579	89,579	88,812	767
Bagdad/Yarnell Justice of the Peace	321,152	324,711	324,711	-
Verde Valley Justice of the Peace	581,185	581,185	568,486	12,699
Mayer Justice of the Peace	456,333	456,333	451,082	5,251
Verde Constable	93,456	93,456	92,341	1,115
Mayer Constable	57,822	57,822	57,640	182
Seligman Justice of the Peace	373,853	373,853	347,383	26,470
Total General government	<u>54,573,976</u>	<u>54,573,976</u>	<u>50,881,973</u>	<u>3,692,003</u>

(Continued)

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2014
(Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public safety				
Sheriff	\$ 16,537,696	\$ 16,537,696	\$ 15,956,917	\$ 580,779
Adult Probation	2,392,644	2,392,644	2,351,930	40,714
Juvenile Probation	3,377,536	3,377,536	3,252,264	125,272
Total Public safety	<u>22,307,876</u>	<u>22,307,876</u>	<u>21,561,111</u>	<u>746,765</u>
Sanitation				
Solid Waste	<u>1,339,025</u>	<u>1,339,025</u>	<u>1,293,815</u>	<u>45,210</u>
Welfare				
Medical Assistance	10,274,000	10,274,000	10,274,006	(6)
Public Fiduciary	<u>440,340</u>	<u>440,340</u>	<u>410,718</u>	<u>29,622</u>
Total Welfare	<u>10,714,340</u>	<u>10,714,340</u>	<u>10,684,724</u>	<u>29,616</u>
Culture and recreation				
Facilities	<u>75,700</u>	<u>75,700</u>	<u>103,427</u>	<u>(27,727)</u>
Education				
School Superintendent	<u>668,787</u>	<u>668,787</u>	<u>655,726</u>	<u>13,061</u>
Total expenditures	<u>89,679,704</u>	<u>89,679,704</u>	<u>85,180,776</u>	<u>4,498,928</u>
Excess (deficiency) of revenues over expenditures	3,804,761	3,804,761	9,916,280	6,111,519
Other financing sources (uses):				
Sale of capital assets	-	-	154,925	154,925
Transfers in	220,394	220,394	323,104	102,710
Transfers out	<u>(9,293,156)</u>	<u>(9,293,156)</u>	<u>(9,141,188)</u>	<u>151,968</u>
Total other financing sources (uses)	<u>(9,072,762)</u>	<u>(9,072,762)</u>	<u>(8,663,159)</u>	<u>409,603</u>
Net change in fund balances	(5,268,001)	(5,268,001)	1,253,121	6,521,122
Fund balances, July 1, 2013, as restated	<u>5,268,001</u>	<u>5,268,001</u>	<u>8,997,676</u>	<u>3,729,675</u>
Fund balances, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,250,797</u>	<u>\$ 10,250,797</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
Jail District Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
County sales taxes	\$ 7,122,252	\$ 7,122,252	\$ 7,104,965	\$ (17,287)
Charges for services	2,730,000	2,730,000	1,876,756	(853,244)
Investment earnings	5,000	5,000	15,542	10,542
Miscellaneous	60,000	60,000	8,232	(51,768)
Total revenues	<u>9,917,252</u>	<u>9,917,252</u>	<u>9,005,495</u>	<u>(911,757)</u>
Expenditures:				
Public safety				
Sheriff	16,174,634	16,174,634	15,613,798	560,836
Total expenditures	<u>16,174,634</u>	<u>16,174,634</u>	<u>15,613,798</u>	<u>560,836</u>
Excess (deficiency) of revenues over expenditures	(6,257,382)	(6,257,382)	(6,608,303)	(350,921)
Other financing sources (uses):				
Transfers in	6,836,804	6,836,804	6,836,804	-
Total other financing sources (uses)	<u>6,836,804</u>	<u>6,836,804</u>	<u>6,836,804</u>	<u>-</u>
Net change in fund balances	579,422	579,422	228,501	(350,921)
Fund balances, July 1, 2013, as restated	<u>(579,422)</u>	<u>(579,422)</u>	<u>2,145,325</u>	<u>2,724,747</u>
Fund balances, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,373,826</u>	<u>\$ 2,373,826</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
Regional Road Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
County sales taxes	\$ 5,698,468	\$ 5,698,468	\$ 5,684,162	\$ (14,306)
Licenses and permits	500,000	500,000	851,530	351,530
Intergovernmental	-	-	46,002	46,002
Investment earnings	-	-	73,363	73,363
Miscellaneous	200,000	200,000	582,242	382,242
Total revenues	6,398,468	6,398,468	7,237,299	838,831
Expenditures:				
Highways and streets				
Public Works	8,706,978	8,706,978	6,368,057	2,338,921
Total expenditures	8,706,978	8,706,978	6,368,057	2,338,921
Net change in fund balances	(2,308,510)	(2,308,510)	869,242	3,177,752
Fund balances, July 1, 2013, as restated	2,308,510	2,308,510	6,947,743	4,639,233
Fund balances, June 30, 2014	\$ -	\$ -	\$ 7,816,985	\$ 7,816,985

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
HURF Road Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 12,585,310	\$ 12,585,310	\$ 12,912,649	\$ 327,339
Investment earnings	-	-	99,623	99,623
Miscellaneous	100,000	100,000	200,969	100,969
Total revenues	12,685,310	12,685,310	13,213,241	527,931
Expenditures:				
Highways and streets				
Public Works	13,930,467	13,930,467	12,370,342	1,560,125
Total expenditures	13,930,467	13,930,467	12,370,342	1,560,125
Excess (deficiency) of revenues over expenditures	(1,245,157)	(1,245,157)	842,899	2,088,056
Other financing sources (uses):				
Sale of capital assets	-	-	61,152	61,152
Transfers in	1,293,859	1,293,859	1,293,859	-
Total other financing sources (uses)	1,293,859	1,293,859	1,355,011	61,152
Net change in fund balances	48,702	48,702	2,197,910	2,149,208
Fund balances, July 1, 2013	(48,702)	(48,702)	8,031,383	8,080,085
Fund balances, June 30, 2014	\$ -	\$ -	\$ 10,229,293	\$ 10,229,293

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Notes to Budgetary Comparison Schedules
Year Ended June 30, 2014

Note 1 – Budgeting and Budgetary Control

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

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

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, 2014

Public Safety Personnel Retirement System

Actuarial Valuation Date	Actuarial value of assets (a)	Actuarial accrued liability (b)	Unfunded actuarial accrued liability (UAAL) (funding excess) (b-a)	Funded ratio (a/b)	Annual covered payroll (c)	UAAL (funding excess) as a percentage of covered payroll ([b-a]/c)
Pension 6/30/14	\$21,219,993	\$49,437,304	\$28,217,311	42.9 %	\$6,503,749	433. %
Health insurance premium benefit 6/30/14	1,021,453	1,315,109	293,656	77.67%	6,503,749	4.52%
Pension 6/30/13	21,788,780	42,464,454	20,675,674	51.30%	6,514,365	317.40%
Health insurance premium benefit 6/30/13	0	1,288,140	1,288,140	0.0%	6,514,365	19.77%
Pension 6/30/12	21,112,140	40,520,205	19,408,065	52.10%	6,694,709	289.90%
Health insurance premium benefit 6/30/12	0	1,198,570	1,198,570	0.0%	6,694,709	17.90%

Corrections Officer Retirement Plan

Actuarial Valuation Date	Actuarial value of assets (a)	Actuarial accrued liability (b)	Unfunded actuarial accrued liability (UAAL) (funding excess) (b-a)	Funded ratio (a/b)	Annual covered payroll (c)	UAAL (funding excess) as a percentage of covered payroll ([b-a]/c)
Pension 6/30/14	\$10,618,695	\$19,383,145	\$8,764,450	54. %	\$7,098,514	123. %
Health insurance premium benefit 6/30/14	971,902	563,689	(408,213)	172.42%	7,098,514	(5.75%)
Pension 6/30/13	10,754,520	16,426,600	5,672,080	65.50%	6,436,188	88.10%
Health insurance premium benefit 6/30/13	0	501,672	501,672	0.0%	6,436,188	7.79%
Pension 6/30/12	10,194,348	15,514,259	5,319,911	65.70%	5,759,053	92.40%
Health insurance premium benefit 6/30/12	0	475,228	475,228	0.0%	5,759,053	8.25%

See accompanying notes to schedule of agent retirement plans' funding progress.

Yavapai County
Required Supplementary Information
Notes to Schedule of Agent Retirement Plans' Funding Progress
Year Ended June 30, 2014

Note 1 – Actuarial Information Available

All participating employers in the CORP Administrative Office of the Courts (AOC) are accounted for as one group within the Corrections Officer Retirement Plan, and as such, an actuarial valuation of CORP-AOC is prepared only for the group as a whole. Therefore, actuarial information for the County, as a participating government, is not available.

Note 2 – Factors That Affect the Identification of Trends

Beginning in fiscal year 2014, PSPRS and CORP established separate funds for pension benefits and health insurance premium benefits. Previously, the plans recorded both pension and health insurance premium contributions in the same Pension Fund. During fiscal year 2014, the plans transferred prior-year health insurance premium benefit contributions that exceeded benefit payments from each plan's Pension Fund to the new Health Insurance Fund.

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Yavapai County
Nonmajor Governmental Funds
Year Ended June 30, 2014

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 various federal grants administered by Elections.
Public Library	Provides and maintains library services for the residents of Yavapai County. Operations are funded by a secondary tax levy.
Education Service Agency	Educational services and programs, including an accommodation school, administered by the County School Superintendent.
Parks & Recreation	Accounts for fees and grants used for construction, maintenance and operation of parks.
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 funds restricted to construction, repair and maintenance of County roads and Local Transportation Assistance Funds.
Finance	Accounts for the Workforce Investment Act federal grants and Fill the Gap monies collected and distributed in accordance with A.R.S. § 41-2421.
Improvement Districts	Administration of special districts for Street Lighting, Road and Sewer improvements.
Clerk of Superior Court	Accounts for various fees collected and used in accordance with state statutes.
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, 2014

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

DEBT SERVICE FUNDS

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

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Special Revenue			
	Health Care	Recorder's Surcharge	Assessor's Surcharge	Treasurer's Surcharge
Assets				
Cash and cash equivalents	\$ 3,711,946	\$ 250,676	\$ 116,646	\$ 311,111
Receivables:				
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Accounts	111,600	4,588	78	199
Due from:				
Other funds	114	-	-	-
Other governments	343,702	-	-	-
Prepaid items	17,819	-	-	-
Total assets	<u>\$ 4,185,181</u>	<u>\$ 255,264</u>	<u>\$ 116,724</u>	<u>\$ 311,310</u>
Liabilities				
Accounts payable	\$ 118,698	\$ 1,748	\$ -	\$ -
Accrued payroll and employee benefits	229,227	494	-	-
Due to:				
Other funds	9,519	-	-	-
Other governments	-	-	-	-
Total liabilities	<u>357,444</u>	<u>2,242</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	17,819	-	-	-
Restricted	2,915,099	253,022	116,724	311,310
Committed	894,819	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>3,827,737</u>	<u>253,022</u>	<u>116,724</u>	<u>311,310</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,185,181</u>	<u>\$ 255,264</u>	<u>\$ 116,724</u>	<u>\$ 311,310</u>

Special Revenue

Election	Public Library	Education Service Agency	Parks & Recreation	Water Advisory Committee	Landfill / Environment
\$ 10,086	\$ 1,089,024	\$ 912,759	\$ 348,328	\$ 130,763	\$ 626,460
-	109,584	-	-	-	-
-	-	-	-	-	-
-	1,560	116,952	-	166	988
-	-	1,991	-	-	-
-	29	78,850	-	-	103,591
-	-	2,068	-	-	-
<u>\$ 10,086</u>	<u>\$ 1,200,197</u>	<u>\$ 1,112,620</u>	<u>\$ 348,328</u>	<u>\$ 130,929</u>	<u>\$ 731,039</u>
\$ -	\$ 43,326	\$ 76,908	\$ 179	\$ 22,452	\$ 7,936
-	28,392	54,472	-	2,218	1,392
-	987	17,056	7,527	-	3,440
-	31,767	1,186	-	-	-
<u>-</u>	<u>104,472</u>	<u>149,622</u>	<u>7,706</u>	<u>24,670</u>	<u>12,768</u>
-	85,695	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>85,695</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	2,068	-	-	-
10,086	1,010,030	174,519	279,640	106,259	718,271
-	-	786,411	60,982	-	-
-	-	-	-	-	-
<u>10,086</u>	<u>1,010,030</u>	<u>962,998</u>	<u>340,622</u>	<u>106,259</u>	<u>718,271</u>
<u>\$ 10,086</u>	<u>\$ 1,200,197</u>	<u>\$ 1,112,620</u>	<u>\$ 348,328</u>	<u>\$ 130,929</u>	<u>\$ 731,039</u>

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014
(Continued)

	Special Revenue			
	Public Works	Finance	Improvement Districts	Clerk of Superior Court
Assets				
Cash and cash equivalents	\$ 14,182	\$ 379,627	\$ 4,779,862	\$ 74,743
Receivables:				
Property taxes	-	-	133,520	-
Special assessments	-	-	-	-
Accounts	-	30,267	4,073	5,538
Due from:				
Other funds	-	-	2,861	-
Other governments	-	248,706	-	-
Prepaid items	-	-	120	-
Total assets	<u>\$ 14,182</u>	<u>\$ 658,600</u>	<u>\$ 4,920,436</u>	<u>\$ 80,281</u>
Liabilities				
Accounts payable	\$ -	\$ 250,785	\$ 516,352	\$ -
Accrued payroll and employee benefits	-	-	20,807	1,622
Due to:				
Other funds	-	405,223	9,420	-
Other governments	-	-	-	-
Total liabilities	<u>-</u>	<u>656,008</u>	<u>546,579</u>	<u>1,622</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	99,307	-
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>99,307</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	120	-
Restricted	14,182	2,592	4,274,430	78,659
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>14,182</u>	<u>2,592</u>	<u>4,274,550</u>	<u>78,659</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,182</u>	<u>\$ 658,600</u>	<u>\$ 4,920,436</u>	<u>\$ 80,281</u>

Special Revenue

County Attorney	Law Enforcement	Emergency Management	Probation	Courts	Public Defender
\$ 1,200,166	\$ 1,160,640	\$ 144,985	\$ 1,929,970	\$ 1,091,387	\$ 420,946
-	-	-	-	-	-
-	-	-	-	-	-
4,971	54,014	186	86,517	41,035	7,650
88,414	14,796	-	-	235,886	83,602
112,544	131,679	66,561	6,166	37,234	7,816
-	450	-	3,615	-	300
<u>\$ 1,406,095</u>	<u>\$ 1,361,579</u>	<u>\$ 211,732</u>	<u>\$ 2,026,268</u>	<u>\$ 1,405,542</u>	<u>\$ 520,314</u>
\$ 212,222	\$ 179,677	\$ 44,370	\$ 111,588	\$ 22,411	\$ 7,252
19,708	27,548	2,094	131,490	27,674	5,025
3,906	70,588	-	2,157	-	-
-	-	-	-	-	-
<u>235,836</u>	<u>277,813</u>	<u>46,464</u>	<u>245,235</u>	<u>50,085</u>	<u>12,277</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	450	-	3,615	-	300
1,170,259	1,083,316	256,539	1,752,505	1,317,046	507,737
-	-	-	24,913	38,411	-
-	-	(91,271)	-	-	-
<u>1,170,259</u>	<u>1,083,766</u>	<u>165,268</u>	<u>1,781,033</u>	<u>1,355,457</u>	<u>508,037</u>
<u>\$ 1,406,095</u>	<u>\$ 1,361,579</u>	<u>\$ 211,732</u>	<u>\$ 2,026,268</u>	<u>\$ 1,405,542</u>	<u>\$ 520,314</u>

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014
(Continued)

	Special Revenue		Debt Service	
	Airport Development	CYMPO	Coyote Springs	Prescott East
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ 487,378	\$ 36,545
Receivables:				
Property taxes	-	-	-	-
Special assessments	-	-	445,124	-
Accounts	-	-	-	-
Due from:				
Other funds	-	1,141	-	-
Other governments	147,312	123,072	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 147,312</u>	<u>\$ 124,213</u>	<u>\$ 932,502</u>	<u>\$ 36,545</u>
Liabilities				
Accounts payable	\$ 24,848	\$ 28,276	\$ -	\$ -
Accrued payroll and employee benefits	-	4,513	-	-
Due to:				
Other funds	159,853	92,054	-	3
Other governments	-	-	-	-
Total liabilities	<u>184,701</u>	<u>124,843</u>	<u>-</u>	<u>3</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-special assessments	-	-	445,124	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>445,124</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	487,378	36,542
Committed	-	-	-	-
Unassigned	(37,389)	(630)	-	-
Total fund balances	<u>(37,389)</u>	<u>(630)</u>	<u>487,378</u>	<u>36,542</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 147,312</u>	<u>\$ 124,213</u>	<u>\$ 932,502</u>	<u>\$ 36,545</u>

<u>Debt Service</u> <u>Granite</u> <u>Gardens</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
\$ 4,886	\$ 19,233,116
-	243,104
-	445,124
-	470,382
-	428,805
-	1,407,262
-	24,372
<u>\$ 4,886</u>	<u>\$ 22,252,165</u>
\$ -	\$ 1,669,028
-	556,676
-	781,733
<u>-</u>	<u>32,953</u>
<u>-</u>	<u>3,040,390</u>
-	185,002
<u>-</u>	<u>445,124</u>
<u>-</u>	<u>630,126</u>
-	24,372
4,886	16,881,031
-	1,805,536
<u>-</u>	<u>(129,290)</u>
<u>4,886</u>	<u>18,581,649</u>
<u>\$ 4,886</u>	<u>\$ 22,252,165</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014

	Special Revenue			
	Health Care	Recorder's Surcharge	Assessor's Surcharge	Treasurer's Surcharge
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	753,108	-	-	-
Intergovernmental	4,309,392	-	-	-
Charges for services	5,015,748	241,924	-	29,030
Fines and forfeits	-	-	-	-
Investment earnings	43,215	2,629	1,344	3,215
Miscellaneous	1,553,290	80	-	12,396
Total revenues	11,674,753	244,633	1,344	44,641
Expenditures:				
Current:				
General government	-	198,297	49,559	1,458
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	13,189,896	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	13,189,896	198,297	49,559	1,458
Excess (deficiency) of revenues over expenditures	(1,515,143)	46,336	(48,215)	43,183
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	901,715	-	-	-
Transfers out	-	(55,860)	-	-
Total other financing sources (uses)	901,715	(55,860)	-	-
Net change in fund balances	(613,428)	(9,524)	(48,215)	43,183
Fund Balances, July 1, 2013	4,441,165	262,546	164,939	268,127
Fund Balances, June 30, 2014	<u>\$ 3,827,737</u>	<u>\$ 253,022</u>	<u>\$ 116,724</u>	<u>\$ 311,310</u>

Special Revenue

Election	Public Library	Education Service Agency	Parks & Recreation	Water Advisory Committee	Landfill / Environment
\$ -	\$ 3,406,661	\$ 244,635	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	87,662	2,413,719	178,044	80,719	436,576
-	-	1,157,270	-	-	16,799
-	-	-	-	-	-
238	14,399	10,015	2,840	1,568	4,277
-	34,176	6 ,370	13,570	2,110	-
<u>238</u>	<u>3,542,898</u>	<u>4,484,009</u>	<u>194,454</u>	<u>84,397</u>	<u>457,652</u>
35,347	4,088,009	-	136	188,208	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	421,861
-	-	-	-	-	-
-	-	-	9,835	-	-
-	-	4,319,176	-	-	-
-	-	46,154	-	-	-
-	-	-	-	-	-
<u>35,347</u>	<u>4,088,009</u>	<u>4,365,330</u>	<u>9,971</u>	<u>188,208</u>	<u>421,861</u>
(35,109)	(545,111)	118,679	184,483	(103,811)	35,791
-	1,577	-	-	-	1,115
-	-	-	-	72,165	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(51,201)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>1,577</u>	<u>-</u>	<u>(51,201)</u>	<u>72,165</u>	<u>1,115</u>
(35,109)	(543,534)	118,679	133,282	(31,646)	36,906
45,195	1,553,564	844,319	207,340	137,905	681,365
<u>\$ 10,086</u>	<u>\$ 1,010,030</u>	<u>\$ 962,998</u>	<u>\$ 340,622</u>	<u>\$ 106,259</u>	<u>\$ 718,271</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014
(Continued)

	Special Revenue			
	Public Works	Finance	Improvement Districts	Clerk of Superior Court
Revenues:				
Property taxes	\$ -	\$ -	\$ 4,154,354	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	1,189,781	231,340	1,000
Charges for services	-	-	-	68,640
Fines and forfeits	-	407,216	-	358
Investment earnings	151	2,676	54,010	807
Miscellaneous	-	-	26,433	-
Total revenues	151	1,599,673	4,466,137	70,805
Expenditures:				
Current:				
General government	-	1,191,859	-	79,163
Public safety	-	-	5,367,642	-
Highways and streets	-	-	70,386	-
Sanitation	-	-	12,019	-
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	-	1,191,859	5,450,047	79,163
 Excess (deficiency) of revenues over expenditures	 151	 407,814	 (983,910)	 (8,358)
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(405,222)	-	-
Total other financing sources (uses)	-	(405,222)	-	-
 Net change in fund balances	 151	 2,592	 (983,910)	 (8,358)
 Fund Balances, July 1, 2013	 14,031	 -	 5,258,460	 87,017
Fund Balances, June 30, 2014	\$ 14,182	\$ 2,592	\$ 4,274,550	\$ 78,659

Special Revenue

County Attorney	Law Enforcement	Emergency Management	Probation	Courts	Public Defender
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
776,238	1,775,829	335,590	5,224,123	593,363	28,208
25,448	223,023	-	973,080	339,722	94,891
186	11,099	-	-	195,197	-
13,255	13,219	2,249	21,223	12,107	4,624
1,081,178	394,820	-	450	62,031	-
<u>1,896,305</u>	<u>2,417,990</u>	<u>337,839</u>	<u>6,218,876</u>	<u>1,202,420</u>	<u>127,723</u>
1,875,059	4,633	223,793	-	1,444,301	201,891
-	2,675,088	-	6,158,053	16,139	-
-	-	-	-	-	-
-	-	228,177	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,875,059</u>	<u>2,679,721</u>	<u>451,970</u>	<u>6,158,053</u>	<u>1,460,440</u>	<u>201,891</u>
21,246	(261,731)	(114,131)	60,823	(258,020)	(74,168)
-	2,772	-	-	-	-
88,000	58,959	-	-	270,264	83,602
(122,928)	-	-	-	-	-
<u>(34,928)</u>	<u>61,731</u>	<u>-</u>	<u>-</u>	<u>270,264</u>	<u>83,602</u>
(13,682)	(200,000)	(114,131)	60,823	12,244	9,434
1,183,941	1,283,766	279,399	1,720,210	1,343,213	498,603
<u>\$ 1,170,259</u>	<u>\$ 1,083,766</u>	<u>\$ 165,268</u>	<u>\$ 1,781,033</u>	<u>\$ 1,355,457</u>	<u>\$ 508,037</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014
(Continued)

	Special Revenue		Debt Service	
	Airport Development	CYMPO	Coyote Springs	Prescott East
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	117,107	-
Licenses and permits	-	-	-	-
Intergovernmental	221,212	350,444	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	(1,002)	(629)	5,318	397
Miscellaneous	14,822	-	-	-
Total revenues	<u>235,032</u>	<u>349,815</u>	<u>122,425</u>	<u>397</u>
Expenditures:				
Current:				
General government	115,522	-	-	-
Public safety	-	-	-	-
Highways and streets	-	350,849	-	-
Sanitation	-	-	-	2,096
Health	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	195,908	-	-	-
Debt service:				
Principal retirement	-	-	80,000	-
Interest and other charges	-	-	44,300	-
Total expenditures	<u>311,430</u>	<u>350,849</u>	<u>124,300</u>	<u>2,096</u>
Excess (deficiency) of revenues over expenditures	(76,398)	(1,034)	(1,875)	(1,699)
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(76,398)	(1,034)	(1,875)	(1,699)
Fund Balances, July 1, 2013	39,009	404	489,253	38,241
Fund Balances, June 30, 2014	<u>\$ (37,389)</u>	<u>\$ (630)</u>	<u>\$ 487,378</u>	<u>\$ 36,542</u>

<u>Debt Service</u> Granite Gardens	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 7,805,650
-	117,107
-	753,108
-	18,233,240
-	8,185,575
-	614,056
53	212,198
-	3,853,726
53	39,774,660
-	9,697,235
-	14,216,922
-	421,235
-	664,153
-	13,189,896
-	9,835
-	4,319,176
-	242,062
-	80,000
-	44,300
-	42,884,814
53	(3,110,154)
-	5,464
-	1,474,705
-	(635,211)
-	844,958
53	(2,265,196)
4,833	20,846,845
\$ 4,886	\$ 18,581,649

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Capital Projects
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
County sales taxes	\$ 2,136,926	\$ 2,136,926	\$ 2,071,856	\$ (65,070)
Investment earnings	45,000	45,000	214,303	169,303
Miscellaneous	-	-	7,150	7,150
Total revenues	<u>2,181,926</u>	<u>2,181,926</u>	<u>2,293,309</u>	<u>111,383</u>
Expenditures:				
Capital outlay				
Board of Supervisors	6,144,936	6,144,936	2,182,334	3,962,602
Total expenditures	<u>6,144,936</u>	<u>6,144,936</u>	<u>2,182,334</u>	<u>3,962,602</u>
Excess (deficiency) of revenues over expenditures	(3,963,010)	(3,963,010)	110,975	4,073,985
Other financing sources (uses):				
Transfers in	2,565,860	2,565,860	55,861	(2,509,999)
Transfers out	(4,831,799)	(4,831,799)	(2,319,799)	2,512,000
Total other financing sources (uses)	<u>(2,265,939)</u>	<u>(2,265,939)</u>	<u>(2,263,938)</u>	<u>2,001</u>
Net change in fund balances	(6,228,949)	(6,228,949)	(2,152,963)	4,075,986
Fund Balance, July 1, 2013, as restated	<u>6,228,949</u>	<u>6,228,949</u>	<u>21,554,278</u>	<u>15,325,329</u>
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,401,315</u>	<u>\$ 19,401,315</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Capital Projects Debt Service
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 151	\$ 151
Total revenues	-	-	151	151
Expenditures:				
Debt service				
Principal retirement	1,103,462	1,103,462	1,103,462	-
Interest and other charges	1,010,403	1,010,403	1,008,403	2,000
Total expenditures	2,113,865	2,113,865	2,111,865	2,000
Excess (deficiency) of revenues over expenditures	(2,113,865)	(2,113,865)	(2,111,714)	2,151
Other financing sources (uses):				
Transfers in	2,113,865	2,113,865	2,111,865	(2,000)
Total other financing sources (uses)	2,113,865	2,113,865	2,111,865	(2,000)
Net change in fund balances	-	-	151	151
Fund Balance, July 1, 2013	-	-	1,531	1,531
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 1,682	\$ 1,682

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Poquito Valley Debt Service
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ 198,197	\$ 198,197	\$ 328,716	\$ 130,519
Investment earnings	-	-	5,457	5,457
Total revenues	198,197	198,197	334,173	135,976
Expenditures:				
Debt service				
Principal retirement	95,000	95,000	95,000	-
Interest and other charges	103,197	103,197	101,497	1,700
Total expenditures	198,197	198,197	196,497	1,700
Net change in fund balances	-	-	137,676	137,676
Fund Balance, July 1, 2013	-	-	412,694	412,694
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 550,370	\$ 550,370

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Health Care
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ 772,392	\$ 772,392	\$ 753,108	\$ (19,284)
Intergovernmental	4,668,194	4,668,194	4,309,392	(358,802)
Charges for services	5,641,752	5,641,752	5,015,748	(626,004)
Investment earnings	7,010	7,010	43,215	36,205
Miscellaneous	1,502,555	1,502,555	1,553,290	50,735
Total revenues	12,591,903	12,591,903	11,674,753	(917,150)
Expenditures:				
Health				
Health	13,956,617	13,956,617	13,189,896	766,721
Total expenditures	13,956,617	13,956,617	13,189,896	766,721
Excess (deficiency) of revenues over expenditures	(1,364,714)	(1,364,714)	(1,515,143)	(150,429)
Other financing sources (uses):				
Transfers in	1,449,714	1,449,714	901,715	(547,999)
Transfers out	(398,000)	(398,000)		398,000
Total other financing sources (uses)	1,051,714	1,051,714	901,715	(149,999)
Net change in fund balances	(313,000)	(313,000)	(613,428)	(300,428)
Fund Balance, July 1, 2013	313,000	313,000	4,441,165	4,128,165
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 3,827,737	\$ 3,827,737

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Recorder's Surcharge
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 276,000	\$ 276,000	\$ 241,924	\$ (34,076)
Investment earnings	50	50	2,629	2,579
Miscellaneous	-	-	80	80
Total revenues	276,050	276,050	244,633	(31,417)
Expenditures:				
General government				
Recorder	316,573	316,573	198,297	118,276
Total expenditures	316,573	316,573	198,297	118,276
Excess (deficiency) of revenues over expenditures	(40,523)	(40,523)	46,336	86,859
Other financing sources (uses):				
Transfers out	(55,860)	(55,860)	(55,860)	-
Total other financing sources (uses)	(55,860)	(55,860)	(55,860)	-
Net change in fund balances	(96,383)	(96,383)	(9,524)	86,859
Fund Balance, July 1, 2013	96,383	96,383	262,546	166,163
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 253,022	\$ 253,022

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Assessor's Surcharge
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 1,344	\$ 1,344
Total revenues	-	-	1,344	1,344
Expenditures:				
General government				
Assessor	167,062	167,062	49,559	117,503
Total expenditures	167,062	167,062	49,559	117,503
Net change in fund balances	(167,062)	(167,062)	(48,215)	118,847
Fund Balance, July 1, 2013	167,062	167,062	164,939	(2,123)
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 116,724	\$ 116,724

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Treasurer's Surcharge
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 38,000	\$ 38,000	\$ 29,030	\$ (8,970)
Investment earnings	-	-	3,215	3,215
Miscellaneous	-	-	12,396	12,396
Total revenues	<u>38,000</u>	<u>38,000</u>	<u>44,641</u>	<u>6,641</u>
Expenditures:				
General government				
Treasurer	-	-	1,458	(1,458)
Total expenditures	<u>-</u>	<u>-</u>	<u>1,458</u>	<u>(1,458)</u>
Net change in fund balances	38,000	38,000	43,183	5,183
Fund Balance, July 1, 2013	<u>(38,000)</u>	<u>(38,000)</u>	268,127	306,127
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,310</u>	<u>\$ 311,310</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Election
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ 80	\$ 80	\$ 238	\$ 158
Total revenues	80	80	238	158
Expenditures:				
General government				
Elections	45,780	45,780	35,347	10,433
Total expenditures	45,780	45,780	35,347	10,433
Net change in fund balances	(45,700)	(45,700)	(35,109)	10,591
Fund Balance, July 1, 2013	45,700	45,700	45,195	(505)
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 10,086	\$ 10,086

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Library
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 3,400,000	\$ 3,400,000	\$ 3,406,661	\$ 6,661
Intergovernmental	89,143	89,143	87,662	(1,481)
Investment earnings	-	-	14,399	14,399
Miscellaneous	30,500	30,500	34,176	3,676
Total revenues	<u>3,519,643</u>	<u>3,519,643</u>	<u>3,542,898</u>	<u>23,255</u>
Expenditures:				
General government				
Library	4,912,414	4,912,414	4,088,009	824,405
Total expenditures	<u>4,912,414</u>	<u>4,912,414</u>	<u>4,088,009</u>	<u>824,405</u>
Excess (deficiency) of revenues over expenditures	(1,392,771)	(1,392,771)	(545,111)	847,660
Other financing sources (uses):				
Sale of capital assets	-	-	1,577	1,577
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,577</u>	<u>1,577</u>
Net change in fund balances	(1,392,771)	(1,392,771)	(543,534)	849,237
Fund Balance, July 1, 2013	<u>1,392,771</u>	<u>1,392,771</u>	<u>1,553,564</u>	<u>160,793</u>
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,010,030</u>	<u>\$ 1,010,030</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Education Service Agency
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 244,635	\$ 244,635	\$ 244,635	\$ -
Intergovernmental	1,025,090	1,025,090	2,413,719	1,388,629
Charges for services	991,810	991,810	1,157,270	165,460
Investment earnings	-	-	10,015	10,015
Miscellaneous	200,977	200,977	6 ,370	457,393
Total revenues	<u>2,462,512</u>	<u>2,462,512</u>	<u>4,484,009</u>	<u>2,021,497</u>
Expenditures:				
Education				
School Superintendent	<u>3,198,826</u>	<u>3,198,826</u>	<u>4,319,176</u>	<u>(1,120,350)</u>
Capital outlay				
School Superintendent	-	-	46,154	(46,154)
Total expenditures	<u>3,198,826</u>	<u>3,198,826</u>	<u>4,365,330</u>	<u>(1,166,504)</u>
Excess (deficiency) of revenues over expenditures	(736,314)	(736,314)	118,679	854,993
Other financing sources (uses):				
Transfers in	2,368	2,368	-	(2,368)
Transfers out	(2,368)	(2,368)	-	2,368
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(736,314)	(736,314)	118,679	854,993
Fund Balance, July 1, 2013	<u>736,314</u>	<u>736,314</u>	<u>844,319</u>	<u>108,005</u>
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 962,998</u>	<u>\$ 962,998</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Parks & Recreation
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 178,044	\$ 178,044
Investment earnings	-	-	2,840	2,840
Miscellaneous	-	-	13,570	13,570
Total revenues	-	-	194,454	194,454
Expenditures:				
General government				
Board of Supervisors	216,885	216,885	136	216,749
Culture & recreation				
Facilities	7,707	7,707	9,835	(2,128)
Total expenditures	224,592	224,592	9,971	214,621
Excess (deficiency) of revenues over expenditures	(224,592)	(224,592)	184,483	409,075
Other financing sources (uses):				
Transfers out	-	-	(51,201)	(51,201)
Total other financing sources (uses)	-	-	(51,201)	(51,201)
Net change in fund balances	(224,592)	(224,592)	133,282	357,874
Fund Balance, July 1, 2013	224,592	224,592	207,340	(17,252)
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 340,622	\$ 340,622

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Water Advisory Committee
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 147,000	\$ 147,000	\$ 80,719	\$ (66,281)
Investment earnings	-	-	1,568	1,568
Miscellaneous	-	-	2,110	2,110
Total revenues	147,000	147,000	84,397	(627,603)
Expenditures:				
General government				
Board of Supervisors	226,335	226,335	188,208	38,127
Total expenditures	226,335	226,335	188,208	38,127
Excess (deficiency) of revenues over expenditures	(79,335)	(79,335)	(103,811)	(24,476)
Other financing sources (uses):				
Transfers in	72,165	72,165	72,165	-
Total other financing sources (uses)	72,165	72,165	72,165	-
Net change in fund balances	(7,170)	(7,170)	(31,646)	(24,476)
Fund Balance, July 1, 2013	7,170	7,170	137,905	130,735
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 106,259	\$ 106,259

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Landfill / Environment
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 436,576	\$ 36,576
Charges for services	-	-	16,799	16,799
Investment earnings	-	-	4,277	4,277
Total revenues	400,000	400,000	457,652	57,652
Expenditures:				
Sanitation				
Landfill	491,399	491,399	421,861	69,538
Total expenditures	491,399	491,399	421,861	69,538
Excess (deficiency) of revenues over expenditures	(91,399)	(91,399)	35,791	127,190
Other financing sources (uses):				
Sale of capital assets	-	-	1,115	1,115
Total other financing sources (uses)	-	-	1,115	1,115
Net change in fund balances	(91,399)	(91,399)	36,906	128,305
Fund Balance, July 1, 2013	91,399	91,399	681,365	589,966
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 718,271	\$ 718,271

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Finance
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,600,000	\$ 2,600,000	\$ 1,189,781	\$ (1,410,219)
Fines and forfeits	-	-	407,216	407,216
Investment earnings	-	-	2,676	2,676
Miscellaneous	322,357	322,357	-	(322,357)
Total revenues	<u>2,922,357</u>	<u>2,922,357</u>	<u>1,599,673</u>	<u>(1,322,684)</u>
Expenditures:				
General government				
Board of Supervisors	1,800,000	1,800,000	1,191,859	608,141
Total expenditures	<u>1,800,000</u>	<u>1,800,000</u>	<u>1,191,859</u>	<u>608,141</u>
Excess (deficiency) of revenues over expenditures	1,122,357	1,122,357	407,814	(714,543)
Other financing sources (uses):				
Transfers out	(322,357)	(322,357)	(405,222)	(82,865)
Total other financing sources (uses)	<u>(322,357)</u>	<u>(322,357)</u>	<u>(405,222)</u>	<u>(82,865)</u>
Net change in fund balances	800,000	800,000	2,592	(797,408)
Fund Balance, July 1, 2013	(800,000)	(800,000)	-	800,000
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,592</u>	<u>\$ 2,592</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Improvement Districts
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 4,154,450	\$ 4,154,450	\$ 4,154,354	\$ (96)
Special assessments	323,717	323,717	-	(323,717)
Intergovernmental	-	-	231,340	231,340
Investment earnings	-	-	54,010	54,010
Miscellaneous	215,000	215,000	26,433	(188,567)
Total revenues	<u>4,693,167</u>	<u>4,693,167</u>	<u>4,466,137</u>	<u>(227,030)</u>
Expenditures:				
General government				
Board of Supervisors	<u>15,500</u>	<u>15,500</u>	<u>-</u>	<u>15,500</u>
Public safety				
Flood Control	<u>8,395,225</u>	<u>8,395,225</u>	<u>5,367,642</u>	<u>3,027,583</u>
Highways and streets				
Board of Supervisors	40,308	40,308	64,086	(23,778)
Public Works	<u>24,000</u>	<u>24,000</u>	<u>6,300</u>	<u>17,700</u>
Total Highways and streets	<u>64,308</u>	<u>64,308</u>	<u>70,386</u>	<u>(6,078)</u>
Sanitation				
Special Districts	<u>119,290</u>	<u>119,290</u>	<u>12,019</u>	<u>107,271</u>
Total expenditures	<u>8,594,323</u>	<u>8,594,323</u>	<u>5,450,047</u>	<u>3,144,276</u>
Excess (deficiency) of revenues over expenditures	(3,901,156)	(3,901,156)	(983,910)	2,917,246
Other financing sources (uses):				
Transfers out	<u>(323,717)</u>	<u>(323,717)</u>	<u>-</u>	<u>323,717</u>
Total other financing sources (uses)	<u>(323,717)</u>	<u>(323,717)</u>	<u>-</u>	<u>323,717</u>
Net change in fund balances	(4,224,873)	(4,224,873)	(983,910)	3,240,963
Fund Balance, July 1, 2013	<u>4,224,873</u>	<u>4,224,873</u>	<u>5,258,460</u>	<u>1,033,587</u>
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,274,550</u>	<u>\$ 4,274,550</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Clerk of Superior Court
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 1,000	\$ 1,000
Charges for services	74,905	74,905	68,640	(6,265)
Fines and forfeits	-	-	358	358
Investment earnings	-	-	807	807
Miscellaneous	10	10	-	(10)
Total revenues	74,915	74,915	70,805	(4,110)
Expenditures:				
General government				
Clerk of the Court	118,036	118,036	79,163	38,873
Total expenditures	118,036	118,036	79,163	38,873
Net change in fund balances	(43,121)	(43,121)	(8,358)	34,763
Fund Balance, July 1, 2013	43,121	43,121	87,017	43,896
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 78,659	\$ 78,659

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
County Attorney
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 768,142	\$ 768,142	\$ 776,238	\$ 8,096
Charges for services	50,000	50,000	25,448	(24,552)
Fines and forfeits	-	-	186	186
Investment earnings	-	-	13,255	13,255
Miscellaneous	-	-	1,081,178	1,081,178
Total revenues	<u>818,142</u>	<u>818,142</u>	<u>1,896,305</u>	<u>1,078,163</u>
Expenditures:				
General government				
County Attorney	774,848	774,848	1,875,059	(1,100,211)
Total expenditures	<u>774,848</u>	<u>774,848</u>	<u>1,875,059</u>	<u>(1,100,211)</u>
Excess (deficiency) of revenues over expenditures	43,294	43,294	21,246	(22,048)
Other financing sources (uses):				
Transfers in	-	-	88,000	88,000
Transfers out	(12,460)	(12,460)	(122,928)	(110,468)
Total other financing sources (uses)	<u>(12,460)</u>	<u>(12,460)</u>	<u>(34,928)</u>	<u>(22,468)</u>
Net change in fund balances	30,834	30,834	(13,682)	(44,516)
Fund Balance, July 1, 2013	(30,834)	(30,834)	1,183,941	1,214,775
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,170,259</u>	<u>\$ 1,170,259</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Law Enforcement
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,253,754	\$ 1,253,754	\$ 1,775,829	\$ 522,075
Charges for services	-	-	223,023	223,023
Fines and forfeits	9,000	9,000	11,099	2,099
Investment earnings	-	-	13,219	13,219
Miscellaneous	588,100	588,100	394,820	(193,280)
Total revenues	<u>1,850,854</u>	<u>1,850,854</u>	<u>2,417,990</u>	<u>567,136</u>
Expenditures:				
General government				
Constables	-	-	4,633	(4,633)
Public safety				
Sheriff	2,137,927	2,137,927	2,675,088	(537,161)
Total expenditures	<u>2,137,927</u>	<u>2,137,927</u>	<u>2,679,721</u>	<u>(541,794)</u>
Excess (deficiency) of revenues over expenditures	(287,073)	(287,073)	(261,731)	25,342
Other financing sources (uses):				
Sale of capital assets	-	-	2,772	2,772
Transfers in	228,451	228,451	58,959	(169,492)
Transfers out	(228,451)	(228,451)	-	228,451
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>61,731</u>	<u>61,731</u>
Net change in fund balances	(287,073)	(287,073)	(200,000)	87,073
Fund Balance, July 1, 2013	287,073	287,073	1,283,766	996,693
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,083,766</u>	<u>\$ 1,083,766</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Emergency Management
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 176,000	\$ 176,000	\$ 335,590	\$ 159,590
Investment earnings	-	-	2,249	2,249
Total revenues	176,000	176,000	337,839	161,839
Expenditures:				
General government				
Emergency Management	178,919	178,919	223,793	(44,874)
Sanitation				
Solid Waste	-	-	228,177	(228,177)
Total expenditures	178,919	178,919	451,970	(273,051)
Net change in fund balances	(2,919)	(2,919)	(114,131)	(111,212)
Fund Balance, July 1, 2013	2,919	2,919	279,399	276,480
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 165,268	\$ 165,268

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Probation
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,813,133	\$ 4,813,133	\$ 5,224,123	\$ 410,990
Charges for services	689,196	689,196	973,080	283,884
Investment earnings	-	-	21,223	21,223
Miscellaneous	15	15	450	435
Total revenues	5,502,344	5,502,344	6,218,876	716,532
Expenditures:				
Public safety				
Adult Probation	4,413,475	4,413,475	4,118,632	294,843
Juvenile Probation	2,232,203	2,232,203	2,039,421	192,782
Total expenditures	6,645,678	6,645,678	6,158,053	487,625
Net change in fund balances	(1,143,334)	(1,143,334)	60,823	1,204,157
Fund Balance, July 1, 2013	1,143,334	1,143,334	1,720,210	576,876
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 1,781,033	\$ 1,781,033

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Courts
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 873,554	\$ 873,554	\$ 593,363	\$ (280,191)
Charges for services	295,019	295,019	339,722	44,703
Fines and forfeits	-	-	195,197	195,197
Investment earnings	-	-	12,107	12,107
Miscellaneous	239,329	239,329	62,031	(177,298)
Total revenues	<u>1,407,902</u>	<u>1,407,902</u>	<u>1,202,420</u>	<u>(205,482)</u>
Expenditures:				
General government				
Superior Courts	1,464,806	1,464,806	1,391,327	73,479
Prescott Justice of the Peace	-	-	41,659	(41,659)
Bagdad/Yarnell Justice of the Peace	-	-	1,426	(1,426)
Verde Valley Justice of the Peace	-	-	2,848	(2,848)
Mayer Justice of the Peace	-	-	2,322	(2,322)
Seligman Justice of the Peace	-	-	4,719	(4,719)
Total General government	<u>1,464,806</u>	<u>1,464,806</u>	<u>1,444,301</u>	<u>20,505</u>
Public safety				
Juvenile Probation	40,042	40,042	16,139	23,903
Total expenditures	<u>1,504,848</u>	<u>1,504,848</u>	<u>1,460,440</u>	<u>44,408</u>
Excess (deficiency) of revenues over expenditures	(96,946)	(96,946)	(258,020)	(161,074)
Other financing sources (uses):				
Transfers in	360,971	360,971	270,264	(90,707)
Total other financing sources (uses)	<u>360,971</u>	<u>360,971</u>	<u>270,264</u>	<u>(90,707)</u>
Net change in fund balances	264,025	264,025	12,244	(251,781)
Fund Balance, July 1, 2013	(264,025)	(264,025)	1,343,213	1,607,238
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,355,457</u>	<u>\$ 1,355,457</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Defender
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 15,000	\$ 15,000	\$ 28,208	\$ 13,208
Charges for services	90,000	90,000	94,891	4,891
Investment earnings	-	-	4,624	4,624
Total revenues	105,000	105,000	127,723	22,723
Expenditures:				
General government				
Public Defender	201,732	201,732	201,891	(159)
Total expenditures	201,732	201,732	201,891	(159)
Excess (deficiency) of revenues over expenditures	(96,732)	(96,732)	(74,168)	22,564
Other financing sources (uses):				
Transfers in	-	-	83,602	83,602
Total other financing sources (uses)	-	-	83,602	83,602
Net change in fund balances	(96,732)	(96,732)	9,434	106,166
Fund Balance, July 1, 2013	96,732	96,732	498,603	401,871
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 508,037	\$ 508,037

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Airport Development
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 744,946	\$ 744,946	\$ 221,212	\$ (523,734)
Investment earnings	-	-	(1,002)	(1,002)
Miscellaneous	-	-	14,822	14,822
Total revenues	744,946	744,946	235,032	(509,914)
Expenditures:				
General government				
Airport Development	748,047	748,047	115,522	(632,525)
Capital outlay				
Airport Development	-	-	195,908	195,908
Total expenditures	748,047	748,047	311,430	(436,617)
Net change in fund balances	(3,101)	(3,101)	(76,398)	(73,297)
Fund Balance, July 1, 2013	3,101	3,101	39,009	35,908
Fund Balance, June 30, 2014	\$ -	\$ -	\$ (37,389)	\$ (37,389)

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
CYMPO
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 524,659	\$ 524,659	\$ 350,444	\$ (174,215)
Investment earnings	-	-	(629)	(629)
Total revenues	<u>524,659</u>	<u>524,659</u>	<u>349,815</u>	<u>(174,844)</u>
Expenditures:				
Highways and streets				
CYMPO	<u>510,905</u>	<u>510,905</u>	<u>350,849</u>	<u>160,056</u>
Total expenditures	<u>510,905</u>	<u>510,905</u>	<u>350,849</u>	<u>160,056</u>
Net change in fund balances	13,754	13,754	(1,034)	(14,788)
Fund Balance, July 1, 2013	<u>(13,754)</u>	<u>(13,754)</u>	404	14,158
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (630)</u>	<u>\$ (630)</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Coyote Springs
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ 125,520	\$ 125,520	\$ 117,107	\$ (8,413)
Investment earnings	-	-	5,318	5,318
Total revenues	125,520	125,520	122,425	(3,095)
Expenditures:				
Debt service				
Principal retirement	80,000	80,000	80,000	-
Interest and other charges	45,520	45,520	44,300	1,220
Total expenditures	125,520	125,520	124,300	1,220
Net change in fund balances	-	-	(1,875)	(1,875)
Fund Balance, July 1, 2013	-	-	489,253	489,253
Fund Balance, June 30, 2014	\$ -	\$ -	\$ 487,378	\$ 487,378

AGENCY FUNDS



Yavapai County
Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2014

Assets	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
Equity in pooled cash and investments	\$ 3,896,632	\$ 16,653,681	\$ (17,006,197)	\$ 3,544,116
Total assets	<u>\$ 3,896,632</u>	<u>\$ 16,653,681</u>	<u>\$ (17,006,197)</u>	<u>\$ 3,544,116</u>
Liabilities				
Deposits held for others	\$ 3,896,632	\$ 16,653,681	\$ (17,006,197)	\$ 3,544,116
Total liabilities	<u>\$ 3,896,632</u>	<u>\$ 16,653,681</u>	<u>\$ (17,006,197)</u>	<u>\$ 3,544,116</u>

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STATISTICAL SECTION



Yavapai County
Statistical Section
Year Ended June 30, 2014

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.	110
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	116
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.	120
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.	123
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.	125

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

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

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u> <u>As restated</u>	<u>2008</u>	<u>2009</u> <u>As restated</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u> <u>As restated</u>	<u>2014</u>
Governmental activities										
Net investment in capital assets	\$ 98,010,786	\$ 224,412,765	\$ 225,318,014	\$ 229,172,469	\$ 223,287,295	\$ 222,740,108	\$ 223,888,086	\$ 233,664,415	\$ 246,279,437	\$ 244,885,761
Restricted	546,806	607,294	606,573	3,710,523	7,875,823	8,531,392	44,673,785	30,244,964	29,223,380	29,399,661
Unrestricted	27,543,026	40,972,673	57,826,910	64,650,547	68,173,526	75,774,030	41,562,207	46,892,632	32,387,781	34,282,231
Total governmental activities net position	\$126,100,618	\$265,992,732	\$283,751,497	\$297,533,539	\$299,336,644	\$307,045,530	\$310,124,078	\$310,802,011	\$307,890,598	\$308,567,653
Business-type activities										
Net investment in capital assets	\$ 159,457	\$ 143,635	\$ 195,903	\$ 176,099	\$ 200,204	\$ 167,581	\$ 98,057	\$ -	\$ -	\$ -
Restricted	2,921,417	3,756,119	5,023,106	3,781,682	2,697,563	3,017,325	5,795,317	-	-	-
Total business-type activities net position	\$ 3,080,874	\$ 3,899,754	\$ 5,219,009	\$ 3,957,781	\$ 2,897,767	\$ 3,184,906	\$ 5,893,374	\$ -	\$ -	\$ -
Primary government										
Net investment in capital assets	\$ 98,170,243	\$ 224,556,400	\$ 225,513,917	\$ 229,348,568	\$ 223,487,499	\$ 222,907,689	\$ 223,986,143	\$ 233,664,415	\$ 246,279,437	\$ 244,885,761
Restricted	3,468,223	4,363,413	5,629,679	7,492,205	10,573,386	11,548,717	50,469,102	30,244,964	29,223,380	29,399,661
Unrestricted	27,543,026	40,972,673	57,826,910	64,650,547	68,173,526	75,774,030	41,562,207	46,892,632	32,387,781	34,282,231
Total primary government net position	\$129,181,492	\$269,892,486	\$288,970,506	\$301,491,320	\$302,234,411	\$310,230,436	\$316,017,452	\$310,802,011	\$307,890,598	\$308,567,653

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

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u> As restated	<u>2008</u>	<u>2009</u> As restated	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u> As restated	<u>2014</u>
Expenses										
Governmental activities:										
General government	\$ 49,606,233	\$ 50,250,176	\$ 53,476,984	\$ 56,463,230	\$ 54,763,915	\$ 59,704,858	\$ 59,429,434	\$ 62,345,662	\$ 61,913,160	\$ 61,634,911
Public safety	34,241,112	42,840,060	45,577,212	49,004,105	50,648,123	48,420,364	47,609,527	49,388,684	51,737,665	52,322,338
Highways and streets	14,468,350	26,559,520	27,358,195	25,459,898	26,824,721	25,910,775	24,893,508	25,247,610	23,452,424	21,909,440
Sanitation	1,589,708	1,817,225	1,520,053	1,917,599	1,686,935	1,300,834	1,297,411	1,465,542	1,437,943	1,853,305
Health	8,958,399	10,543,636	10,983,877	11,503,799	12,728,257	12,829,196	12,822,518	13,191,650	13,318,952	13,364,778
Welfare	8,978,907	9,658,425	11,038,595	10,787,068	11,468,732	8,527,395	9,497,084	11,834,457	10,748,376	10,674,717
Culture and recreation	667,306	89,621	195,457	222,162	252,328	247,821	294,753	238,532	206,447	138,729
Education	2,326,146	2,480,067	3,318,361	4,739,415	4,656,691	3,974,594	4,926,595	3,509,638	5,775,032	5,030,647
Aid to other governments	2,690,577	160,248	-	-	-	-	-	-	-	-
Interest on long-term debt	673,555	558,900	480,637	1,497,898	3,382,649	1,644,239	1,942,927	1,364,868	1,206,904	1,148,062
Total governmental activities expenses	124,200,293	144,957,878	153,949,371	161,595,174	166,412,351	162,560,076	162,713,757	168,586,643	169,796,903	168,076,927
Business-type activities:										
Long Term Care	34,660,511	34,456,013	33,577,705	37,821,993	42,630,543	45,026,786	41,120,729	10,141,138	-	-
Total business-type activities expenses	34,660,511	34,456,013	33,577,705	37,821,993	42,630,543	45,026,786	41,120,729	10,141,138	-	-
Total primary government expenses	\$158,860,804	\$179,413,891	\$187,527,076	\$199,417,167	\$209,042,894	\$207,586,862	\$203,834,486	\$178,727,781	\$169,796,903	\$168,076,927
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 7,507,861	\$ 7,861,648	\$ 6,801,849	\$ 5,974,258	\$ 4,437,362	\$ 4,436,876	\$ 5,627,504	\$ 5,459,831	\$ 4,376,884	\$ 4,641,730
Public safety	3,548,886	4,246,614	5,281,258	5,610,867	5,719,713	7,933,673	8,040,993	8,681,147	8,865,102	7,620,120
Health	2,799,419	2,972,426	2,984,046	3,627,207	4,089,897	4,636,761	5,844,952	6,569,234	5,795,116	5,768,856
Other	2,927,612	2,594,749	1,798,220	2,109,402	1,485,526	1,558,598	2,708,201	1,806,374	2,205,285	2,426,992
Operating grants and contributions	27,024,916	30,373,350	35,334,547	32,432,224	36,179,042	35,212,078	32,210,542	26,710,532	26,931,066	30,662,264
Capital grants and contributions	2,586,829	240,861	571,666	2,271,419	556,609	247,501	1,067,298	2,248,681	1,876,590	3,239,760
Total governmental activities program revenues	46,395,523	48,289,648	52,771,586	52,025,377	52,468,149	54,025,487	55,499,490	51,475,799	50,050,043	54,359,722
Business-type activities:										
Charges for services:										
Long Term Care	34,931,830	35,980,820	35,409,765	37,655,470	42,899,640	45,216,942	43,697,139	11,968,091	-	-

(Continued on next page)

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

(Continued)

	Fiscal Year									
	2005	2006	2007 As restated	2008	2009 As restated	2010	2011	2012	2013 As restated	2014
Total business-type activities program revenues	34,931,830	35,980,820	35,409,765	37,655,470	42,899,640	45,216,942	43,697,139	11,968,091	-	-
Total primary government program revenues	\$ 81,327,353	\$ 84,270,468	\$ 88,181,351	\$ 89,680,847	\$ 95,367,789	\$ 99,242,429	\$ 99,196,629	\$ 63,443,890	\$ 50,050,043	\$ 54,359,722
Net (expense)/revenue										
Governmental activities	\$(77,804,770)	\$(96,668,230)	\$(101,177,785)	\$(109,569,797)	\$(113,944,202)	\$(108,534,589)	\$(107,214,267)	\$(117,110,844)	\$(119,746,860)	\$(113,717,205)
Business-type activities	271,319	1,524,807	1,832,060	(166,523)	269,097	190,156	2,576,410	1,826,953	-	-
Total primary government net expense	\$(77,533,451)	\$(95,143,423)	\$(99,345,725)	\$(109,736,320)	\$(113,675,105)	\$(108,344,433)	\$(104,637,857)	\$(115,283,891)	\$(119,746,860)	\$(113,717,205)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 34,912,400	\$ 38,887,081	\$ 42,447,960	\$ 45,965,292	\$ 50,937,068	\$ 53,971,492	\$ 55,299,466	\$ 51,699,471	\$ 52,122,175	\$ 52,112,146
Sales taxes	41,077,470	50,065,907	52,313,184	49,005,883	42,623,546	38,403,637	39,256,867	41,382,944	47,587,636	46,707,526
Vehicle license taxes	10,060,798	11,449,992	11,914,533	11,589,365	10,332,569	9,540,916	9,394,022	9,083,699	9,262,788	7,022,638
Grants not restricted to specific programs	-	-	-	-	-	-	-	2,985,878	2,960,656	3,177,599
Franchise taxes	511,205	503,099	491,257	319,500	300,793	310,611	309,155	271,003	269,404	267,020
Lottery (intergovernmental, unrestricted)	550,035	550,035	550,035	550,035	522,533	304,381	-	-	-	550,038
Investment earnings	554,886	1,280,133	2,704,970	3,795,969	2,055,193	455,363	382,199	227,971	216,409	679,320
Gain (loss) on disposal of capital assets	1,353,975	-	1,082,800	4,121,512	771,658	1,139,199	77,731	376,709	(66,231)	149,991
Miscellaneous	4,123,119	5,200,590	5,600,472	6,504,283	6,703,947	7,802,635	5,573,375	4,104,472	4,482,610	3,727,982
Transfers	297,046	1,000,000	1,000,000	1,500,000	1,500,000	-	-	7,656,630	-	-
Total governmental activities	93,440,934	108,936,837	118,105,211	123,351,839	115,747,307	111,928,234	110,292,815	117,788,777	116,835,447	114,394,260
Business-type activities:										
Investment earnings	114,608	168,358	356,585	346,606	136,335	39,650	30,687	18,363	-	-
Loss on disposal of capital assets	-	-	-	-	-	-	-	(82,060)	-	-
Miscellaneous	129,455	125,715	130,610	58,689	34,554	57,333	101,371	-	-	-
Transfers	(297,046)	(1,000,000)	(1,000,000)	(1,500,000)	(1,500,000)	-	-	(7,656,630)	-	-
Total business-type activities	(52,983)	(705,927)	(512,805)	(1,094,705)	(1,329,111)	96,983	132,058	(7,720,327)	-	-
Total primary government	\$ 93,387,951	\$ 108,230,910	\$ 117,592,406	\$ 122,257,134	\$ 114,418,196	\$ 112,025,217	\$ 110,424,873	\$ 110,068,450	\$ 116,835,447	\$ 114,394,260
Change in Net Position										
Governmental activities	\$ 15,636,164	\$ 12,268,607	\$ 16,927,426	\$ 13,782,042	\$ 1,803,105	\$ 3,393,645	\$ 3,078,548	\$ 677,933	(2,911,413)	677,055
Business-type activities	218,336	818,880	1,319,255	(1,261,228)	(1,060,014)	287,139	2,708,468	(5,893,374)	-	-
Total primary government	\$ 15,854,500	\$ 13,087,487	\$ 18,246,681	\$ 12,520,814	\$ 743,091	\$ 3,680,784	\$ 5,787,016	\$ (5,215,441)	\$ (2,911,413)	\$ 677,055

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

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u> <u>As restated</u>	<u>2008</u>	<u>2009</u> <u>As restated</u>	<u>2010</u>	<u>2011</u> ¹	<u>2012</u>	<u>2013</u> <u>As restated</u>	<u>2014</u>
General fund										
Reserved	\$ 99,748	\$ 209,895	\$ 226,811	\$ 483,570	\$ 615,392	\$ 1,907,862	\$ -	\$ -	\$ -	\$ -
Unreserved	3,595,788	8,810,588	3,456,351	1,427,573	4,145,016	7,935,224	-	-	-	-
Nonspendable	-	-	-	-	-	-	883,725	558,330	529,990	534,073
Unassigned	-	-	-	-	-	-	11,572,661	9,198,985	8,467,686	9,716,724
Total general fund	\$ 3,695,536	\$ 9,020,483	\$ 3,683,162	\$ 1,911,143	\$ 4,760,408	\$ 9,843,086	\$12,456,386	\$9,757,315	\$8,997,676	\$10,250,797
All other governmental funds										
Reserved	\$ 704,781	\$ 867,774	\$ 892,421	\$ 51,426,543	\$ 20,716,883	\$16,841,879	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	26,262,264	28,677,267	38,659,477	62,686,413	58,212,657	49,538,733	-	-	-	-
Capital projects funds	6,266,584	12,280,114	24,216,390	28,615,375	27,040,504	30,443,106	-	-	-	-
Nonspendable	-	-	-	-	-	-	571,259	338,143	420,405	369,364
Restricted	-	-	-	-	-	-	44,302,178	29,845,087	28,408,624	29,214,659
Committed	-	-	-	-	-	-	48,737,019	44,933,474	31,110,770	29,500,387
Unassigned	-	-	-	-	-	-	-	-	-	(129,290)
Total all other governmental funds	\$33,233,629	\$41,825,155	\$63,768,288	\$142,728,331	\$105,970,044	\$96,823,718	\$93,610,456	\$75,116,704	\$59,939,799	\$58,955,120

1) Fund balance classifications were redefined due to the implementation of GASB Statement No. 54.

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

	Fiscal Year									
	2005	2006	2007 <u>As restated</u>	2008	2009 <u>As restated</u>	2010	2011	2012	2013 <u>As restated</u>	2014
Revenues										
Taxes	\$ 56,699,399	\$ 64,339,846	\$ 68,366,838	\$ 69,823,083	\$ 71,170,257	\$ 71,943,613	\$ 72,919,065	\$ 70,585,042	\$ 74,555,129	\$ -
Property taxes	-	-	-	-	-	-	-	-	-	52,225,532
County sales taxes	-	-	-	-	-	-	-	-	-	21,582,391
Special assessments	308,532	270,747	196,408	164,967	175,450	856,571	625,539	445,430	313,975	445,823
Licenses and permits	6,462,137	6,334,632	4,850,011	4,766,461	2,961,289	2,659,731	2,649,532	2,352,607	2,827,913	3,500,652
Intergovernmental	59,847,934	67,630,858	75,370,360	72,214,152	70,366,121	70,616,782	78,875,264	67,956,327	69,778,203	68,090,496
Charges for services	7,315,921	7,732,193	7,788,177	8,425,489	8,643,467	11,215,560	12,555,911	13,901,191	13,173,252	11,949,422
Fines and forfeits	2,510,775	3,104,481	3,786,792	3,661,993	3,213,958	3,328,787	2,925,544	3,075,579	3,258,371	3,480,687
Investment earnings	554,887	1,456,855	2,704,923	3,795,969	2,055,194	455,362	382,202	227,971	216,427	679,871
Miscellaneous	4,613,751	5,372,544	5,703,261	6,580,945	6,803,297	7,387,647	5,738,164	4,274,703	4,638,767	5,000,51
Total revenues	<u>138,313,336</u>	<u>156,242,156</u>	<u>168,766,770</u>	<u>169,433,059</u>	<u>165,389,033</u>	<u>168,464,053</u>	<u>176,671,221</u>	<u>162,818,850</u>	<u>168,762,037</u>	<u>166,955,384</u>
Expenditures										
General government	46,791,573	51,012,067	54,010,879	55,690,909	51,292,906	56,232,120	55,278,011	60,284,141	60,720,587	60,579,208
Public safety	33,696,622	41,641,625	44,428,874	48,794,023	50,239,679	49,214,849	47,884,440	48,438,479	51,407,963	51,391,831
Highways and streets	19,354,645	22,665,826	25,105,478	32,866,538	29,717,490	24,003,533	20,362,539	22,839,550	26,507,156	19,159,634
Sanitation	1,492,577	1,982,814	1,599,913	1,857,688	1,548,363	1,397,117	1,319,900	1,445,057	1,610,073	1,957,968
Health	8,833,788	10,390,948	10,936,074	11,329,734	12,566,528	12,675,386	12,650,539	13,121,564	13,179,859	13,189,896
Welfare	8,975,900	9,651,292	11,071,610	10,826,459	11,465,931	8,523,288	9,489,765	11,841,743	10,742,570	10,684,724
Culture and recreation	561,582	99,102	58,135	103,232	119,668	110,499	157,431	172,348	114,047	113,262
Education	2,420,494	2,315,922	3,328,047	4,708,970	4,640,744	3,980,160	4,819,819	4,246,599	5,706,095	4,974,902
Capital outlay	3,475,099	462,273	1,846,167	4,215,537	9,617,872	5,922,869	10,471,363	21,956,670	12,271,703	2,424,396
Debt service:										
Principal	5,647,287	3,815,698	1,612,178	1,638,729	27,075,356	12,767,059	13,125,845	5,775,482	1,230,950	1,278,462
Interest and other charges	673,556	563,122	480,637	1,497,898	3,382,649	1,644,239	1,942,927	1,364,868	1,212,778	1,154,200
Total expenditures	<u>131,923,123</u>	<u>144,600,689</u>	<u>154,477,992</u>	<u>173,529,717</u>	<u>201,667,186</u>	<u>176,471,119</u>	<u>177,502,579</u>	<u>191,486,501</u>	<u>184,703,781</u>	<u>166,908,483</u>
Excess (deficiency) of revenues over (under) expenditures	6,390,213	11,641,467	14,288,778	(4,096,658)	(36,278,153)	(8,007,066)	(831,358)	(28,667,651)	(15,941,744)	46,901
Other financing sources (uses)										
Special assessment bonds issued	-	-	-	-	-	1,857,000	-	-	-	-
Revenue bonds issued	-	-	-	25,375,000	-	-	-	-	-	-
Capital lease agreements	-	-	-	50,000,000	-	-	-	-	-	-
Sale of capital assets	1,392,753	-	1,082,800	4,121,512	771,659	1,683,400	77,731	376,709	5,200	221,541
Transfers in	17,629,736	21,212,224	25,435,821	25,993,225	48,227,811	27,677,634	18,011,458	35,664,432	14,207,090	12,096,198
Transfers out	(17,332,690)	(20,212,224)	(24,435,821)	(24,493,225)	(46,727,811)	(27,677,634)	(18,011,458)	(28,007,802)	(14,207,090)	(12,096,198)
Total other financing sources (uses)	<u>1,689,799</u>	<u>1,000,000</u>	<u>2,082,800</u>	<u>80,996,512</u>	<u>2,271,659</u>	<u>3,540,400</u>	<u>77,731</u>	<u>8,033,339</u>	<u>5,200</u>	<u>221,541</u>
Net changes in fund balances	<u>\$ 8,080,012</u>	<u>\$ 12,641,467</u>	<u>\$ 16,371,578</u>	<u>\$ 76,899,854</u>	<u>\$ (34,006,494)</u>	<u>\$ (4,466,666)</u>	<u>\$ (753,627)</u>	<u>\$ (20,634,312)</u>	<u>\$ (15,936,544)</u>	<u>\$ 268,442</u>
Debt service as a percentage of noncapital expenditures	5.1%	3.3%	1.5%	2.2%	16.3%	9.0%	9.5%	4.5%	1.6%	1.6%

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

Fiscal Year	Primary Net Assessed Value			Total Taxable Net Assessed Value	Total Direct Tax Rate ¹	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential and Vacant Property	Commercial Property	Unattached Personal Property				
2005	\$1,178,680,548	\$ 452,777,214	\$ 44,571,778	\$1,676,029,540	2.1077	\$13,416,406,081	12.49%
2006	1,322,060,791	506,417,682	49,368,952	1,877,847,425	2.1042	15,045,533,581	12.48
2007	1,511,362,543	566,635,332	47,712,332	2,125,710,207	2.0450	17,098,083,909	12.43
2008	1,754,125,017	664,163,807	51,977,047	2,470,265,871	1.8860	20,111,624,109	12.28
2009	2,094,798,703	803,911,861	55,888,168	2,954,598,732	1.7148	23,973,791,761	12.32
2010	2,373,124,327	841,667,070	59,286,950	3,274,078,347	1.6321	26,993,826,530	12.13
2011	2,357,527,484	767,441,706	62,608,487	3,187,577,677	1.7519	26,602,931,420	11.98
2012	2,007,011,632	623,434,540	81,731,709	2,712,177,881	1.9172	22,580,984,308	12.01
2013	1,748,825,220	573,976,929	82,671,574	2,405,473,723	2.2049	20,142,814,909	11.94
2014	1,819,990,776	325,100,587	87,538,236	2,232,629,599	2.3961	19,088,929,991	11.70

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						
2005	1.7008	0.1000	0.1086	0.1983	2.1077	0.4560	1.2362-9.5346	0.6146-1.1904	0.3057-3.3000	1.8514
2006	1.7008	0.0964	0.1086	0.1984	2.1042	0.4358	1.8496-10.4246	0.5658-1.1134	0.1894-3.4285	1.7514
2007	1.6552	0.0895	0.1020	0.1983	2.0450	0.0000	1.8190-9.4606	0.5275-1.1281	0.2523-3.4491	1.6573
2008	1.5292	0.0829	0.1016	0.1723	1.8860	0.0000	1.3621-9.4004	0.4973-0.8977	0.2130-3.4108	1.5225
2009	1.3683	0.0722	0.1020	0.1723	1.7148	0.0000	1.2310-8.4913	0.4235-0.7600	0.0711-3.4200	1.3394
2010	1.2842	0.0740	0.1016	0.1723	1.6321	0.3306	1.1824-8.1337	0.3697-0.9120	0.0401-7.3600	1.2617
2011	1.3524	0.0813	0.1188	0.1994	1.7519	0.3564	0.2436-7.7525	0.0109-1.4401	0.0492-9.6600	1.3609
2012	1.4305	0.0928	0.1456	0.2483	1.9172	0.4259	1.2605-7.9313	0.0142-1.4400	0.0642-11.4000	1.6175
2013	1.6426	0.1000	0.1660	0.2963	2.2049	0.4717	1.2727-7.2224	0.4083-1.4400	0.0437-13.6892	1.8875
2014	1.9308	0.1000	0.1491	0.2162	2.3961	0.5123	1.4101-7.4347	0.3351-1.6000	0.0622-16.2403	2.0468

Source: Yavapai County Board of Supervisors Adopted Budget.

1) Includes both primary and secondary rates.

Yavapai County
Principal Property Taxpayers
Current Year and Nine Years Ago

<u>Taxpayer</u>	2014			2005		
	Primary Net Assessed Value	Rank	Percentage of Total Primary Net Assessed Value	Primary Net Assessed Value	Rank	Percentage of Total Primary Net Assessed Value
Phelps Dodge Bagdad Inc.	\$ 146,649,680	1	6.57%	\$ 18,349,323	3	1.09%
Arizona Public Service	87,066,710	2	3.90	53,754,190	1	3.21
Transwestern Pipeline Company	31,600,298	3	1.42	6,107,119	9	0.36
Phoenix Cement Co./Salt River Materials	24,927,738	4	1.12	-	-	-
Unisource Energy Corporation	15,204,320	5	0.68	-	-	-
Drake Cement	11,949,882	6	0.54	-	-	-
Burlington Northern Santa Fe Railway Company	10,625,479	7	0.48	9,808,241	5	0.59
El Paso Natural Gas Company	8,943,116	8	0.40	9,753,662	6	0.58
Qwest Corporation	8,606,911	9	0.39	22,459,991	2	1.34
TWC II-Prescott Mall LLC	5,074,990	10	0.23	9,641,505	7	.58
Salt River Pima-Maricopa Indian Community	-	-	-	17,311,688	4	1.03
Tucson Electric Power Company	-	-	-	8,873,118	8	0.53
Cyprus Bagdad Copper Company	-	-	-	4,944,022	10	0.29
Totals	<u>\$ 350,649,124</u>		<u>15.73%</u>	<u>\$ 161,002,859</u>		<u>9.60%</u>
Total Yavapai County Primary Assessed Value	\$2,232,629,599		100.00%	\$1,676,029,540		100.00%

Source: Yavapai County Assessor and Arizona Department of Revenue.

Yavapai County
Property Tax Levies and Collections¹
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year ²	Collected within the Fiscal Year		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$28,506,000	\$27,281,472	95.70%	\$ 384,248	\$27,665,720	97.05%
2006	31,939,000	30,438,693	95.30	404,733	30,843,426	96.57
2007	35,184,002	33,594,464	95.48	446,420	34,040,884	96.75
2008	37,775,306	35,966,831	95.21	668,082	36,634,913	96.98
2009	40,429,914	38,309,430	94.76	987,249	39,296,679	97.20
2010	42,045,714	39,992,839	95.12	1,053,689	41,046,528	97.62
2011	43,108,560	40,512,865	93.98	1,202,500	41,715,365	96.77
2012	38,797,705	36,464,287	93.99	920,899	37,385,186	96.36
2013	39,512,311	37,270,343	94.33	695,714	37,966,057	96.09
2014	43,108,560	40,635,331	94.26	-	40,635,331	94.26

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

1) General Fund levies and collections only.

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

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

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	Revenue Bonds	Special Assessment Bonds	Notes Payable	Capital Leases			
2005	\$11,200,000	\$ 1,587,867	\$ 2,250,000	\$ 791,367	\$15,829,234	0.29%	\$ 81.00
2006	9,765,000	1,457,168	-	74,625	11,296,793	0.19	55.35
2007	8,285,000	1,324,991	-	-	9,609,991	0.15	46.03
2008	32,130,000	1,216,261	-	50,000,000	83,346,261	1.27	394.61
2009	30,165,000	1,105,905	-	25,000,000	56,270,905	0.90	266.47
2010	17,510,000	2,850,846	-	25,000,000	45,360,846	0.73	215.75
2011	4,590,000	2,645,000	-	25,000,000	32,235,000	0.50	152.68
2012	-	2,470,000	-	23,989,518	26,459,518	0.39	124.44
2013	-	2,295,000	-	22,933,568	25,228,568	N/A (2)	118.28
2014	-	2,120,000	-	21,830,106	23,950,106	N/A (2)	110.85

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 2013 and 2014.

Yavapai County
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed value	\$2,232,629,599
Debt limit (6% of assessed value)	133,957,776
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	\$ 133,957,776

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt limit	\$100,561,772	\$112,670,846	\$127,542,612	\$148,215,952	\$177,275,924	\$196,444,701	\$191,254,661	\$162,730,673	\$ 144,328,423	\$ 133,957,776
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$100,561,772	\$112,670,846	\$127,542,612	\$148,215,952	\$177,275,924	\$196,444,701	\$191,254,661	\$162,730,673	\$ 144,328,423	\$ 133,957,776
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		Debt Service		Coverage
			Available Revenue	Principal	Interest		
2005	\$ 17,248,364	\$ 12,233,680	\$ 5,014,684	\$1,395,000	\$ 477,093		2.68
2006	17,573,461	14,803,363	2,770,098	1,435,000	435,157		1.48
2007	17,231,871	15,371,370	1,860,501	1,480,000	388,362		1.00
2008	18,239,765	15,888,696	2,351,069	1,530,000	336,691		1.26
2009	17,872,934	15,992,126	1,880,808	1,590,000	280,793		1.01
2010	16,530,488	14,648,850	1,881,638	1,655,000	217,409		1.00
2011	16,348,743	14,461,792	1,886,951	1,720,000	151,210		1.01
2012	16,359,044	14,478,655	1,880,389	1,790,000	77,803		1.01
2013	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)		N/A (4)
2014	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)		N/A (4)

Highway Construction Advancement Revenue Bonds

Fiscal Year	County Excise Tax	State Shared Sales Tax	Highway		Net		Debt Service		Coverage
			Project Repayments ³	Available Revenue	Principal	Interest			
2005	\$ 14,102,433	\$ 21,183,714	\$ -	\$35,286,147	\$ -	\$ -		-	
2006	16,623,589	25,131,601	-	41,755,190	-	-		-	
2007	16,971,697	26,858,336	-	43,830,033	-	-		-	
2008	15,908,075	25,144,945	-	41,053,020	-	1,077,272		38.11	
2009	13,657,537	22,136,382	-	35,793,919	375,000	449,852		43.39	
2010	11,818,833	20,676,049	11,000,000	43,494,882	11,000,000	159,336		3.90	
2011	11,703,512	21,703,065	11,200,000	44,606,577	11,200,000	493,743		3.81	
2012	12,400,793	22,955,984	1,400,000	36,756,777	2,800,000	17,406		13.05	
2013	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)		N/A (4)	
2014	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)	N/A (4)		N/A (4)	

Special Assessment Bonds

Fiscal Year	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
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	175,450	110,356	84,296	0.90
2010	173,763	112,059	154,994	0.65
2011	625,539	205,845	185,474	1.60
2012	445,430	175,000	168,276	1.30
2013	313,975	175,000	156,863	0.95
2014	445,823	175,000	145,797	1.39

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

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

Yavapai County
Demographic and Economic Statistics
Last Ten Calendar Years

<u>Year</u>	<u>Population</u>	Personal Income (thousands of <u>dollars</u>)	Per Capita Personal <u>Income</u>	<u>Unemployment Rate</u>
2005	195,424	\$ 5,457,132	\$ 27,925	4.4%
2006	204,082	6,038,349	29,588	3.9
2007	208,773	6,580,336	31,519	3.6
2008	211,211	6,578,410	31,146	5.9
2009	211,172	6,247,299	29,584	10.2
2010	210,249	6,223,793	29,602	10.5
2011	211,130	6,448,529	30,543	10.0
2012	212,637	6,722,907	31,617	8.8
2013	213,294	N/A (1)	N/A (1)	8.4
2014	216,057	N/A (1)	N/A (1)	6.7

Source: Population and personal income through 2012 obtained from the U.S. Department of Commerce, Bureau of Economic Analysis. Population for 2013, 2014 and unemployment rates obtained from the Arizona Department of Administration, Office of Employment and Population Statistics.

1) Personal income and per capita personal income were not available for 2013 and 2014.

Yavapai County
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	2014			2005		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Yavapai County	1,424	1	1.67%	1,213	1	1.40%
Yavapai Regional Medical Center	1,353	2	1.59	730	4	0.84
Veterans Medical Center	932	3	1.09	550	6	0.63
Cyprus Bagdad Copper Mine	876	4	1.03	535	7	0.62
Verde Valley Medical Center	839	5	0.98	351	10	0.41
Humbolt Unified School District	644	6	0.76	-	-	-
Sturm Ruger & Company	631	7	0.74	1,176	2	1.36
Walmart	585	8	0.69	410	8	0.47
Yavapai College	560	9	0.66	831	3	0.96
State of Arizona	558	10	0.65	330	11	0.38
Prescott Unified School District				573	5	0.66
City of Prescott				385	9	0.44
Totals	<u>8,402</u>		<u>9.86%</u>	<u>7,084</u>		<u>8.17%</u>
Total Employment in Yavapai County	85,277		100.00%	86,654		100.00%

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

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

Function	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General government	558	583	602	631	571	551	539	559	589	599
Public safety	520	556	584	581	560	531	536	515	535	544
Highways and streets	125	127	129	123	114	108	101	100	105	102
Sanitation	13	14	18	18	14	13	13	11	12	12
Health	114	121	133	151	140	138	138	135	133	133
Welfare	5	6	6	5	6	6	4	5	5	4
Education	21	22	26	33	31	29	33	33	35	30
Capital outlay	-	-	-	-	2	3	3	3	-	-
Long Term Care	53	56	54	54	55	55	48	-	-	-
Total	<u>1,409</u>	<u>1,485</u>	<u>1,552</u>	<u>1,596</u>	<u>1,493</u>	<u>1,434</u>	<u>1,415</u>	<u>1,361</u>	<u>1,414</u>	<u>1,424</u>

Source: Yavapai County payroll records.

Yavapai County
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government										
Elections										
Elections	4	4	4	5	4	4	4	5	4	3
Number voting	137,786	47,250	123,570	91,132	164,073	106,559	151,515	66,953	165,625	65,363
Development Services										
Building permits issued	5,923	6,073	5,065	4,220	2,887	2,854	2,521	2,432	2,737	3,200
Inspections performed	24,996	28,943	23,628	18,918	13,645	9,975	9,532	9,516	8,800	11,566
Assessor										
Parcels assessed	145,997	154,662	160,561	162,382	163,236	163,273	170,330	170,306	169,314	169,089
New subdivisions	107	171	139	90	51	25	16	33	15	39
Public safety										
Sheriff										
Inmate population	5,600	6,184	6,446	6,652	5,970	6,475	6,470	6,942	7,060	6,410
Adult Probation										
Probationers actively supervised	1,799	2,105	2,140	2,212	2,287	2,116	1,940	1,854	1,860	1,980
Community restitution hours	72,917	70,270	71,037	82,646	79,465	63,245	50,500	46,858	50,043	53,614
Restitution collected	\$770,304	\$634,651	\$756,191	\$958,873	\$793,687	\$777,528	\$717,672	\$579,926	\$585,079	\$733,119
Presentence reports written for courts	1,558	1,431	1,306	1,033	762	636	532	531	548	651
Juvenile Probation										
Juveniles brought to detention	1,272	1,391	1,265	1,235	1,123	1,119	998	955	800	954
Average length of detention (days)	13	12	11	11	12	12	31	15	14	13
Probationers	591	761	758	735	736	742	648	596	556	493
Community restitution hours	15,158	14,811	13,641	15,179	13,204	19,578	16,350	15,203	12,956	12,527
Highways and streets										
Public Works										
Crack sealing (miles)	67	83	57	49	24	40	78	54	37	14
Street resurfacing (miles)	49	41	38	28	36	30	26	33	37	21
Sanitation										
Landfill/Environment										
Transfer station refuse collected (tons)	5,450	4,728	4,042	3,479	3,296	2,956	2,772	2,853	2,564	3,059
Waste tires collected	145,842	140,871	141,091	146,634	118,506	122,987	129,318	125,880	127,417	129,675
Health										
Health Care										
Certified copies of death certificates issued	16,693	16,024	15,884	15,384	16,029	15,343	16,515	13,409	13,045	12,932
Childhood immunization visits	4,727	4,806	3,940	4,792	3,929	3,008	2,509	2,518	3,378	3,156
Restaurant inspections and re-inspections	2,496	2,923	3,236	4,052	4,226	4,113	4,063	3,793	4,413	4,256
Welfare										
Public Fiduciary										
Guardianships/conservatorships	127	104	92	82	78	90	85	88	91	95
Education										
School Superintendent										
School districts	25	25	25	25	25	25	25	25	25	25
District students	22,422	23,086	23,496	23,747	23,243	22,834	22,237	21,673	21,566	21,122
Charter schools	41	38	27	24	29	28	30	31	28	28
Charter students	3,308	3,297	3,023	3,256	3,446	3,954	3,402	3,529	3,578	4,175
Culture and recreation										
Parks & Recreation										
Park use permits issued	9	6	6	5	9	9	9	11	12	11

Source: Various Yavapai County departments.

Yavapai County
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government										
Elections										
Voting machines	120	242	242	242	232	232	232	232	232	232
Superior Courts										
Divisions	9	9	9	10	10	10	10	10	10	10
Public safety										
Sheriff										
Inmate beds available (including portable)	570	570	765	765	916	773	794	794	794	600
Jail facilities	2	2	2	2	2	2	2	2	2	2
Stations	10	10	11	11	12	12	12	12	12	12
Improvement Districts										
Flood warning sites	60	71	78	80	80	80	83	88	92	97
Flood Control District properties	229	232	232	232	232	232	235	241	242	240
Highways and streets										
Public Works										
Miles of paved roads	740	744	754	760	771	773	779	782	783	785
Bridges	16	16	17	18	18	18	18	15	15	15
Sanitation										
Landfill/Environment										
Transfer stations	7	7	7	7	7	7	7	7	8	8
Health										
Health Care										
Public health facilities	3	3	3	3	3	3	3	4	4	4
Culture and recreation										
Parks & Recreation										
County parks	10	10	11	11	11	11	11	11	11	11

Source: Various Yavapai County departments.

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

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