

Yavapai County, Arizona



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2006

**Yavapai County, Arizona
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2006**



Board of Supervisors

Carol Springer, District 1

A.G. "Chip" Davis, District 3

Thomas Thurman, District 2

Prepared by Yavapai County
Finance Department

YAVAPAI COUNTY
 Comprehensive Annual Financial Report
 Year Ended June 30, 2006
 TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	1
Certificate of Achievement for Excellence in Financial Reporting	6
Organizational Chart	7
Yavapai County Officials	8

FINANCIAL SECTION

Independent Auditor's Report	9
Management's Discussion and Analysis (Required Supplementary Information)	11

BASIC FINANCIAL STATEMENTS:

Government-Wide Financial Statements:

Statement of Net Assets	22
Statement of Activities	23

Fund Financial Statements:

Balance Sheet-Governmental Funds	24
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	26
Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds	28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30
Statement of Net Assets-Proprietary Funds	31
Statement of Revenues, Expenses, and Changes in Fund Net Assets- Proprietary Funds	32
Statement of Cash Flows-Proprietary Funds	33
Statement of Fiduciary Net Assets-Fiduciary Funds	34
Statement of Changes in Fiduciary Net Assets-Fiduciary Funds	35

Notes to the Financial Statements:

Note 1 - Summary of Significant Accounting Policies	36
Note 2 - Reporting Changes	42
Note 3 - Beginning Balances Restated	42
Note 4 - Deposits and Investments	43
Note 5 - Due From Other Governments	45
Note 6 - Capital Assets	46
Note 7 - Long-Term Liabilities	47
Note 8 - Special Assessment Debt Payable	48
Note 9 - Bonds	49
Note 10 - Compensated Absences and Claims and Judgments	49
Note 11 - Capital Leases	50
Note 12 - Landfill Closure and Postclosure Care Costs	50
Note 13 - Insurance Claims	51
Note 14 - Risk Management	51
Note 15 - Line of Credit Arrangement	52
Note 16 - Retirement Plans	52
Note 17 - Interfund Balances and Activity	54
Note 18 - County Treasurer's Investment Pool	55

YAVAPAI COUNTY
 Comprehensive Annual Financial Report
 Year Ended June 30, 2006

Required Supplementary Information:
 Schedule of Agent Retirement Plans' Funding Progress..... 57

Budgetary Comparison Schedules:
 General Fund..... 58
 Jail District Fund..... 60
 Regional Road Fund 61
 HURF Road Fund..... 62
 Notes to Budgetary Comparison Schedules 63

Combining and Individual Fund Statements and Schedules:
 Combining Balance Sheet-Nonmajor Governmental Funds 66
 Combining Statement of Revenues, Expenditures, and Changes
 in Fund Balances-Nonmajor Governmental Funds 74
 Schedules of Revenues, Expenditures, and Changes in
 Fund Balances - Budget and Actual:
 Jail District Debt Service..... 82
 Capital Projects..... 83
 Health Care..... 84
 Recorder's Surcharge 85
 Assessor's Surcharge 86
 Election 87
 Public Library 88
 School 89
 Parks & Recreation..... 90
 Water Advisory Committee 91
 Landfill / Environment 92
 Improvement Districts 93
 Clerk of Superior Court 94
 County Attorney 95
 Law Enforcement..... 96
 Emergency Management..... 97
 Probation..... 98
 Courts 99
 Public Defender 100
 Coyote Springs 101
 Prescott East..... 102
 Granite Gardens 103
 Pine Valley 104
 HELP..... 105

Capital Assets Used in the Operation of Governmental Funds:
 Comparative Schedules By Source..... 107
 Schedule By Function and Activity 108
 Schedule of Changes By Function and Activity..... 109
 Statement of Changes in Assets and Liabilities-Agency Fund 110

YAVAPAI COUNTY
Comprehensive Annual Financial Report
Year Ended June 30, 2006

STATISTICAL SECTION

Financial Trends	
Net Assets by Component.....	112
Changes in Net Assets.....	113
Fund Balances of Governmental Funds.....	115
Changes in Fund Balances of Governmental Funds	116
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property	117
Direct and Overlapping Property Tax Rates	118
Principal Property Taxpayers	119
Property Tax Levies and Collections.....	120
Debt Capacity	
Ratios of Outstanding Debt by Type	121
Legal Debt Margin Information	122
Pledged Revenue Coverage	123
Demographic and Economic Information	
Demographic and Economic Statistics.....	124
Principal Employers.....	125
Operating Information	
Full-Time Equivalent Employees by Function	126
Operating Indicators by Function	127
Capital Asset Statistics by Function	128

This page is left blank intentionally.

INTRODUCTORY SECTION



Yavapai County Finance Department

JOHN D. ZANDER, CPA

FINANCE DIRECTOR

December 1, 2006

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 U.S. 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, 2006.

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

Walker & Armstrong LLP, a firm of licensed certified public accountants, have audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2006, 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 the Yavapai County financial statements for the fiscal year ended June 30, 2006, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

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

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

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

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

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

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

Yavapai County provides a full range of services, including police protection, courts, health services, 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 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 seventh 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 58 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.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy. Yavapai County has experienced rapid population growth in recent years, increasing 55% to a total of 168,981, from the 1990 to the 2000 census. This rate makes Yavapai County one of the fastest growing counties in the State of Arizona. This is exemplified by Yavapai County's strong residential construction activity.

The unemployment rate is 3.7% compared to the statewide average of 4.3%. Yavapai County Government is the single largest employer in Yavapai County.

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

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

The excise tax has been used to construct new, efficient jail facilities and to pay for additional staff and other operating costs of the jail system. The first phase of the jail construction was to increase the size of the Camp Verde Jail Facility by 480 beds. Construction of this phase began in January of 2002 and was completed in the fall of 2003. Total cost was approximately \$20 million. Pledged revenue obligations in the amount of \$15,260,000 were issued to finance the majority of the construction costs.

Phase two of the construction program, which should begin within the next two years, anticipates the construction of a new jail facility in western Yavapai County. Upon its completion, the current Prescott Facility would be taken out of service and converted to other uses due to its outmoded design and poor location.

Cash management policies and practices. Cash temporarily idle during the year was invested in obligations of the U.S. Treasury, the Arizona State Treasurer's investment pool, specified state and local government bonds, and interest-earning investments such as savings accounts, certificates of deposit and repurchase agreements in eligible depositories. The average yield on investments for the fiscal year ended 2006 was 3.69 percent.

Risk management. The County is covered by three public entity risk pools: the Arizona Counties Property and Casualty Pool, the Arizona Counties Worker's Compensation Pool, and the Yavapai Combined Trust. Additional information on the County's risk management activity can be found in Note 14 of the notes to the financial statements.

Pension. The County participates in four retirement plans: The Arizona State Retirement System, the Public Safety Personnel Retirement System, the Correctional Officer Retirement Plan, and the Elected Officials Retirement Plan. Note 16 of the notes to financial statements contain information about the types of employees covered, the County's liability, and general information about the individual plans.

Government Finance Officers Association

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, 2005. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

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

Respectfully submitted,

John D. Zander
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Yavapai County,
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2005

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



Carla E. Perry

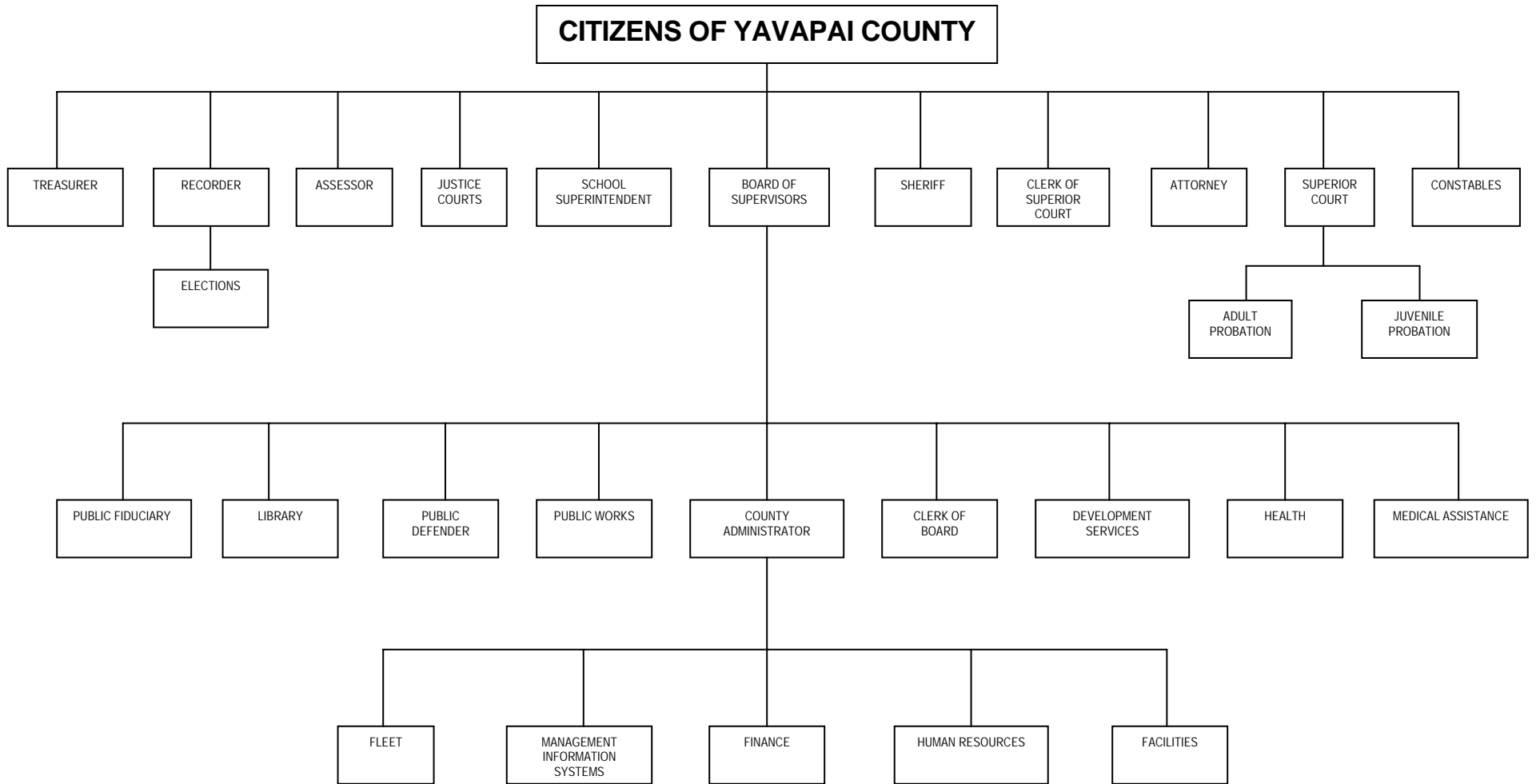
President

Jeffrey R. Emer

Executive Director

YAVAPAI COUNTY

Organizational Chart



Yavapai County Officials

BOARD OF SUPERVISORS

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

♦ ♦ ♦

CLERK OF THE BOARD

Bev Staddon

♦ ♦ ♦

COUNTY ADMINISTRATOR

James M. Holst

♦ ♦ ♦

FINANCE DIRECTOR

John D. Zander

FINANCIAL SECTION

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, 2006. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 – 5.

Financial Highlights

- The assets of Yavapai County exceeded its liabilities at the close of the most recent fiscal year by \$269,892,486 (net assets). Of this amount, \$40,972,673 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, Yavapai County's governmental funds reported combined ending fund balances of \$50,845,638, which is an increase of \$13,916,473 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$8,810,588 or 12.7% of total general fund expenditures.
- Yavapai County's total long-term liabilities decreased a net \$4,009,907 during the current fiscal year. The key factors in this decrease were the scheduled repayment of notes payable and the retirement of special assessment and jail revenue bond debt.

Overview of the Financial Statements

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

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

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

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

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

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

Yavapai County

Management's Discussion and Analysis

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.

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

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

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

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

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

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

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

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

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

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

Notes to the financial statements. The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36 - 56 of this report.

Yavapai County

Management's Discussion and Analysis

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 57 - 63 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 66 - 105 of this report.

Government-wide Financial Analysis

Statement of Net Assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Yavapai County, assets exceeded liabilities by \$270 million at the close of the most recent fiscal year.

	Net Assets (in millions)					
	Governmental Activities		Business-type Activities		Total	
	2006	2005 As Restated	2006	2005	2006	2005 As Restated
Current and other assets	\$ 63.7	\$ 49.8	\$ 7.9	\$ 6.7	\$ 71.6	\$ 56.5
Restricted assets	1.6	1.6	-	-	1.6	1.6
Capital assets	234.3	238.7	.1	.1	234.4	238.8
Total assets	<u>299.6</u>	<u>290.1</u>	<u>8.0</u>	<u>6.8</u>	<u>307.6</u>	<u>296.9</u>
Long-term liabilities outstanding	20.0	24.0	-	-	20.0	24.0
Other liabilities	13.6	12.4	4.2	3.7	17.8	16.1
Total liabilities	<u>33.6</u>	<u>36.4</u>	<u>4.2</u>	<u>3.7</u>	<u>37.8</u>	<u>40.1</u>
Net assets:						
Invested in capital assets, net of related debt	224.4	225.6	.1	.2	224.5	225.8
Restricted	.6	.6	3.7	2.9	4.3	3.5
Unrestricted	41.0	27.5	-	-	41.0	27.5
Total net assets	<u>\$ 266.0</u>	<u>\$ 253.7</u>	<u>\$ 3.8</u>	<u>\$ 3.1</u>	<u>\$ 269.8</u>	<u>\$ 256.8</u>

By far the largest portion of Yavapai County's net assets (84%) reflects its investment in capital assets (e.g. land, buildings, equipment), less any related debt and accumulated depreciation used to acquire those assets that is still outstanding. Yavapai County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Yavapai County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Governmental and business-type activities current and other assets has increased \$15.1 million and \$1.2 million, respectively, from the previous year which is due to an increase in cash and cash equivalents. Business-type activities other liabilities has increased \$0.5 million from the previous year which is a result of an increase in due to other governments.

Approximately .2% of Yavapai County's net assets represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$41.0 million)

Yavapai County

Management's Discussion and Analysis

may be used to meet the government's ongoing obligations to citizens and creditors.

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

The increase in total net assets, related to governmental activities, is primarily due to increases in program revenues. Restricted net assets increased by \$0.8 million, primarily due to moderate revenue increases in the business-type activities. The increase in unrestricted net assets of \$13.5 million is due to increases in both program and general revenues. Governmental activities capital assets have been restated due to the recording of previously unrecorded infrastructure.

Statement of Activities. Already noted was the statement of activities purpose in presenting information in how the government's net assets changed during the most recent fiscal year. A chart of changes in net assets follows. For the fiscal year, net assets increased \$13.1 million, primarily coming from governmental activities. The increase in assets in governmental activities is related to the accumulation of cash or other liquid assets, rather than construction of assets. 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. As a result of applying the transitional provisions of GASB Statement No. 34, beginning governmental activities net assets have been restated due to the recording of previously unrecorded infrastructure. Additional information on this restatement can be found on page 42.

	Changes in Net Assets					
	(in millions)					
	Governmental		Business-type		Total	
	Activities		Activities		Total	
	2005				2005	
	As				As	
	2006	Restated	2006	2005	2006	Restated
Revenues						
Program revenues:						
Charges for services	\$ 17.7	\$ 16.8	\$ 36.0	\$ 34.9	\$ 53.7	\$ 51.7
Operating grants and contributions	30.4	27.0	-	-	30.4	27.0
Capital grants	.2	2.6	-	-	.2	2.6
General revenues:						
Property taxes	38.9	34.9	-	-	38.9	34.9
Sales taxes	50.1	41.1	-	-	50.1	41.1
Vehicle license tax	11.4	10.1	-	-	11.4	10.1
Miscellaneous	7.5	7.1	.2	.3	7.7	7.4
Total revenues	<u>156.2</u>	<u>139.6</u>	<u>36.2</u>	<u>35.2</u>	<u>192.4</u>	<u>174.8</u>
Expenses						
General government	50.9	53.1	-	-	50.9	53.1
Public safety	42.8	34.2	-	-	42.8	34.2
Highways and streets	26.6	24.3	-	-	26.6	24.3
Sanitation	1.8	1.6	-	-	1.8	1.6
Health	10.5	9.0	-	-	10.5	9.0
Welfare	9.7	9.0	-	-	9.7	9.0
Culture and recreation	.1	.7	-	-	.1	.7
Education	2.5	2.3	-	-	2.5	2.3
Long Term Care	-	-	34.4	34.7	34.4	34.7
Total expenses	<u>144.9</u>	<u>134.2</u>	<u>34.4</u>	<u>34.7</u>	<u>179.3</u>	<u>168.9</u>
Increase (decrease) in net assets before transfers	11.3	5.4	1.8	.5	13.1	5.9
Transfers	1.0	.3	(1.0)	(.3)	-	-
Increase (decrease) in net assets	<u>12.3</u>	<u>5.7</u>	<u>.8</u>	<u>.2</u>	<u>13.1</u>	<u>5.9</u>
Net assets, July 1, as restated	<u>253.7</u>	<u>248.0</u>	<u>3.1</u>	<u>2.9</u>	<u>256.8</u>	<u>250.9</u>
Net assets, June 30	<u>\$ 266.0</u>	<u>\$ 253.7</u>	<u>\$ 3.9</u>	<u>\$ 3.1</u>	<u>\$ 269.9</u>	<u>\$ 256.8</u>

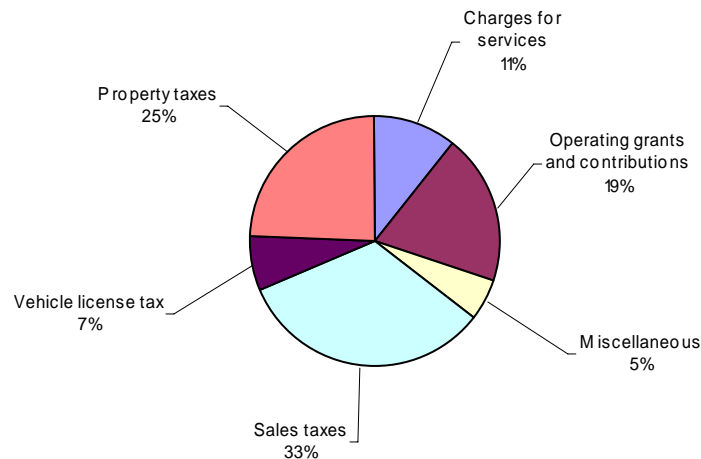
Yavapai County Management's Discussion and Analysis

Governmental activities.

Governmental activities revenues totaled \$156.2 million for fiscal year 2006. 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 tax. Overall sales tax increased by \$9.0 million approximately (21.9%) in the current fiscal year due to a general increase in sales activity, fueled by an improving local economy and continued population growth. The County excise tax and the Jail District tax increased by \$2.5 million and \$1.3 million respectively, and the state-shared sales tax, the largest component of sales tax, increased by over \$4.6 million. Based upon the Arizona State Department of Revenue projections, it is expected that state-shared sales tax will show a similar increase in fiscal year 2006/07.
- Property taxes increased by \$4 million (11.5%) during the year. This increase is attributable to increased property values and new construction, with the property tax rate remaining unchanged.
- Operating grants and contributions have increased \$3.4 million from the previous year. This is due to an increase in federal grant revenue to comply with new election regulations, reimbursement for FEMA disasters and for homeland security.
- Charges for services increased by \$0.9 million primarily from increases in building and related permits, County Recorder and Assessor fees, which is indicative of increased building and real estate sales activity.

Revenues by Source - Governmental Activities

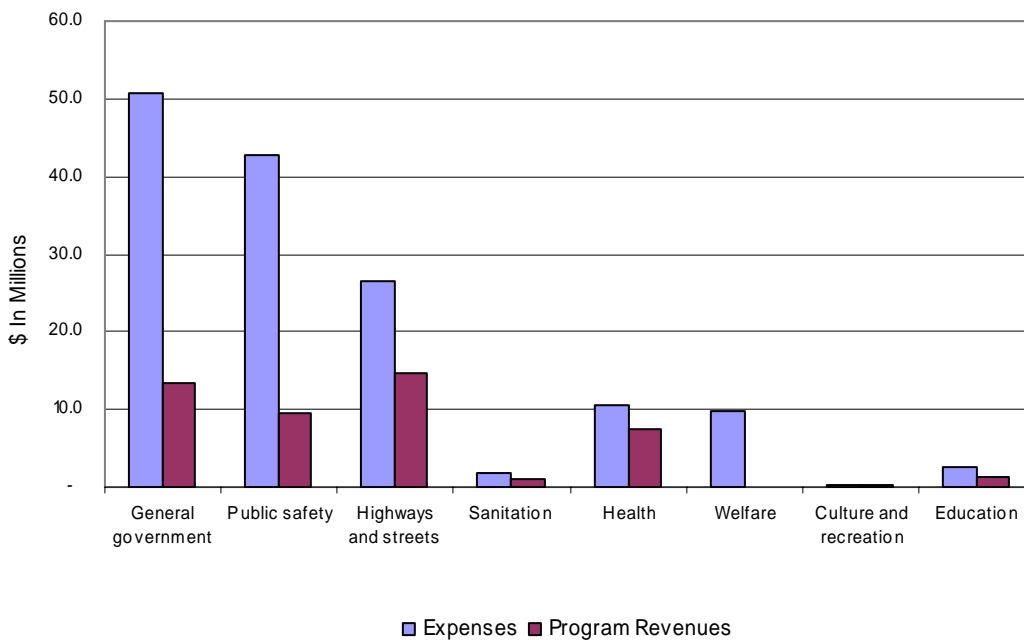


Yavapai County Management's Discussion and Analysis

Expenses

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services. However, the general government function experienced a decline in expenditures from the prior year due to a reduction of Airport Development expenditures. Increases, over the prior year, in public safety are the result of increasing demands on law enforcement and detention within the Sheriff's office. The increase in highways and streets is the result of depreciation of infrastructure capitalized this year.

Expenses and Program Revenues - Governmental Activities

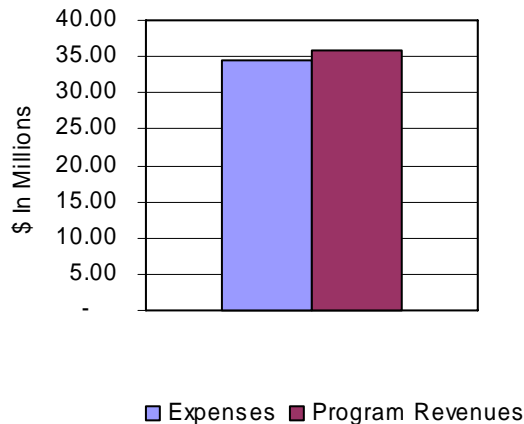


Business-type activities Business-type activities consist solely of the Yavapai County Department of Medical Assistance, Long Term Health Care Division (“Division”). The Division operates a prepaid health program for qualified persons of Yavapai County within the State of Arizona. The Program provides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

Capitation revenues increased by \$1.1 million, or 3%, for fiscal year 2006 over the prior fiscal year. This is the result of a 14% capitation rate increase and an 11% enrollment decrease. Operating expenses decreased \$.3 million from the prior year. This decrease is primarily due to some pharmacy expenses being paid by Medicare Part D.

Yavapai County Management's Discussion and Analysis

Expenses and Program Revenues-Business-type Activities



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, Yavapai County's governmental funds reported combined ending fund balances of \$50,845,638, an increase of \$13,916,473 in comparison with the prior year. This change is primarily attributable to the increases in the fund balances of the General, Capital Projects and the HURF Road funds. The fund balance is unreserved other than the reserves for inventories of \$356,141, prepaid items of \$114,234 and debt service of \$607,294.

The General Fund is the chief operating fund of Yavapai County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$8,810,588, which is \$5,214,800 more than the previous fiscal year. This increase is due to the greater than expected sales and vehicle license tax revenues.

In addition to the General Fund, Yavapai County is reporting five funds as major funds. These funds are the Jail District with a year end unreserved fund balance of \$899,758, Jail District Debt Service with a year end reserved fund balance of \$209, Regional Road with a year end unreserved fund balance of \$13,514,567, HURF Road with a year end unreserved fund balance of \$2,259,920, and Capital Projects with a year end unreserved fund balance of \$12,245,485.

The Jail District fund balance decreased \$2,242,807 from the previous year. In prior fiscal years, the Board of Supervisors transferred additional funds to the Jail District to establish a surplus for the construction of a new jail facility. Fund balance was spent down as construction was completed. The Regional Road and HURF fund balances increased \$1,477,081 and \$2,349,899, respectively, from the previous year and is

Yavapai County Management's Discussion and Analysis

due to an increase in ½ cent County excise tax and HURF revenues and a redirection of County resources to accommodate FEMA projects. The Capital Projects fund balance increased \$5,970,394 from the previous year. The increase is due to postponing planned capital expenditures.

Proprietary fund. Yavapai County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Restricted net assets of the Long Term Care Division at the end of the year amounted to \$3,756,119, an increase of \$834,702 over the prior fiscal year. This increase is primarily due to the fixed capitation amount received from the AHCCCS, which was slightly more than what was expected. Other factors concerning the finances of this fund have already been addressed in the discussion of Yavapai County's business-type activities.

General Fund Budgetary Highlights

Certain departments received supplemental appropriations as follows:

Public Defender	\$ 586,222
Superior Courts	255,239
Fleet	161,351
County Attorney	64,326
Recorder	30,518
School Superintendent	16,157
Finance	6,086
Prescott Constable	1,397
Bagdad / Yarnell Justice Court	1,160

These increases in appropriations were transferred from a general fund department with unused budget capacity to subsidize the above adopted budgets. Actual general fund expenditures were under budget by \$2,669,593. During the year, actual revenue exceeded estimates by \$4,578,431 or 6%, with an increase in intergovernmental revenues of \$2,532,660, representing 55% of this increase. This increase is due to higher than estimated sales and vehicle license tax revenues.

Capital Asset and Debt Administration

Capital Assets. Yavapai County's investment in capital assets for its governmental and business-type activities as of June 30, 2006, amounts to \$224.5 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and equipment. In addition, roads and highways constructed in the fiscal year ended June 30, 2006, or in progress at that date, are included in capital assets. In addition, in accordance with GASB Statement No. 34, the County has retroactively valued and included all infrastructure assets back to fiscal year 1981 at July 1, 2005.

Yavapai County Management's Discussion and Analysis

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

	Governmental Activities		Business-type Activities		Total	
	2005 As		2006	2005	2005 As	
	2006	Restated			2006	Restated
Land	\$ 44.5	\$ 43.6	\$	\$	\$ 44.5	\$ 43.6
Buildings	46.3	46.3			46.3	46.3
Equipment	11.4	10.0	.1	.2	11.5	10.2
Infrastructure	131.2	135.3			131.2	135.3
Construction in progress	.9	3.5			.9	3.5
Total	<u>\$ 234.3</u>	<u>\$ 238.7</u>	<u>\$.1</u>	<u>\$.2</u>	<u>\$ 234.4</u>	<u>\$ 238.9</u>

Additional information on Yavapai County's capital assets can be found in Note 6 on pages 45 - 46 of this report.

Long-term debt. At the end of the current fiscal year, Yavapai County had total bonded debt outstanding of \$11,222,169. Of this amount, \$9,765,000 represents pledged revenue obligations of the Yavapai County Jail District, which are secured by a dedicated excise tax of ¼ cent, and \$1,457,169 represents debt of various special assessment districts which is secured by pledges of revenues from special assessments levied against benefiting property owners. The remainder of Yavapai County's debt is a long-term capital lease of \$74,625 road equipment.

Yavapai County's Outstanding Debt (in millions)

	2006	2005
Jail District Pledged Revenue Obligations	\$ 9.8	\$ 11.2
Special Assessment Debt Payable	1.5	1.6
Notes Payable	-	2.3
Capital Leases	.0	.8
Total	<u>\$ 11.3</u>	<u>\$ 15.9</u>

Yavapai County's debt decreased by a net \$4,532,440 during the current fiscal year. The pledged revenue obligations are being used to construct new jail facilities, also mentioned above. Moody's Investor Service and Standard & Poor's Rating services have assigned the ratings of "Aaa" and "AAA", respectively, on these obligations, which are insured for the payment of principal and interest with Ambac Assurance, Ambac Financial Group, Inc.

State statutes limit the amount of general obligation debt a county may issue to 6 percent of its total assessed valuation. The current debt limitation for the County is \$112,670,846. Since the County has no general obligation debt, this amount equals the debt capacity. Additional information on long-term debt can be found in the Notes to the Financial Statements on pages 47-49 of this report.

Yavapai County Management's Discussion and Analysis

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Yavapai County is currently 3.7 percent, which is unchanged from a year ago. This compares favorably to the state's average unemployment rate of 4.3 percent.
- Inflationary trends in the region compare favorably to national indices.

These factors were considered in preparing Yavapai County's budget for the 2006/07 fiscal year. The unreserved ending fund balance in the general fund of \$8,810,588 was appropriated for spending in the 2006/07 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

This page is left blank intentionally.

Yavapai County
Statement of Net Assets
June 30, 2006

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Cash and cash equivalents	\$ 49,487,531	\$ 6,769,509	\$ 56,257,040
Receivables:			
Property taxes	1,208,282	-	1,208,282
Special assessments	1,199,121	-	1,199,121
Accounts	739,720	-	739,720
Internal balances	60,971	(60,971)	-
Due from other governments	10,444,048	1,195,408	11,639,456
Inventories	356,141	-	356,141
Prepaid items	114,234	-	114,234
Deferred charges	112,967	-	112,967
Cash equivalents - restricted	1,651,670	-	1,651,670
Capital assets, not being depreciated	45,336,706	-	45,336,706
Capital assets, being depreciated, net	188,915,684	143,635	189,059,319
Total assets	<u>299,627,075</u>	<u>8,047,581</u>	<u>307,674,656</u>
Liabilities			
Accounts payable	6,307,865	10,782	6,318,647
Accrued payroll and employee benefits	3,180,880	268,250	3,449,130
Bonds payable	1,435,000	-	1,435,000
Interest payable	216,670	-	216,670
Due to other governments	-	1,111,293	1,111,293
Medical claims payable	-	2,757,502	2,757,502
Unearned revenue	2,522,787	-	2,522,787
Noncurrent liabilities:			
Due within one year	7,605,312	-	7,605,312
Due in more than one year	12,365,829	-	12,365,829
Total liabilities	<u>33,634,343</u>	<u>4,147,827</u>	<u>37,782,170</u>
Net Assets			
Invested in capital assets, net of related debt	224,412,765	143,635	224,556,400
Restricted for:			
Health and welfare	-	3,756,119	3,756,119
Debt service	607,294	-	607,294
Unrestricted	40,972,673	-	40,972,673
Total net assets	<u>\$ 265,992,732</u>	<u>\$ 3,899,754</u>	<u>\$ 269,892,486</u>

See accompanying notes to financial statements.

Yavapai County
Statement of Activities
Year Ended June 30, 2006

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue & Changes in Net Assets		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary Government:							
Governmental activities:							
General government	\$ 50,250,176	\$ 7,861,648	\$ 5,594,299	\$ -	\$ (36,794,229)	\$ -	\$ (36,794,229)
Public safety	42,840,060	4,246,614	5,594,402	-	(32,999,044)	-	(32,999,044)
Highways and streets	26,559,520	1,756,652	12,956,790	-	(11,846,078)	-	(11,846,078)
Sanitation	1,817,225	547,926	609,679	-	(659,620)	-	(659,620)
Health	10,543,636	2,972,426	4,578,737	-	(2,992,473)	-	(2,992,473)
Welfare	9,658,425	-	-	-	(9,658,425)	-	(9,658,425)
Culture and recreation	89,621	-	12,290	-	(77,331)	-	(77,331)
Education	2,480,067	290,171	1,027,153	-	(1,162,743)	-	(1,162,743)
Aid to other governments	160,248	-	-	240,861	80,613	-	80,613
Interest on long-term debt	558,900	-	-	-	(558,900)	-	(558,900)
Total governmental activities	<u>144,957,878</u>	<u>17,675,437</u>	<u>30,373,350</u>	<u>240,861</u>	<u>(96,668,230)</u>	<u>-</u>	<u>(96,668,230)</u>
Business-type activities:							
Long Term Care	<u>34,456,013</u>	<u>35,980,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,524,807</u>	<u>1,524,807</u>
Total business-type activities	<u>34,456,013</u>	<u>35,980,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,524,807</u>	<u>1,524,807</u>
Total primary government	<u>\$ 179,413,891</u>	<u>\$ 53,656,257</u>	<u>\$ 30,373,350</u>	<u>\$ 240,861</u>	<u>(96,668,230)</u>	<u>1,524,807</u>	<u>(95,143,423)</u>
General revenues:							
Property taxes					38,887,081	-	38,887,081
Sales tax—Jail construction and operation					8,310,400	-	8,310,400
Shared revenue—state sales tax					41,755,507	-	41,755,507
Shared revenue—state vehicle license tax					11,449,992	-	11,449,992
Franchise taxes					503,099	-	503,099
Lottery (intergovernmental, unrestricted)					550,035	-	550,035
Investment earnings					1,280,133	168,358	1,448,491
Miscellaneous					5,200,590	125,715	5,326,305
Transfers					<u>1,000,000</u>	<u>(1,000,000)</u>	<u>-</u>
Total general revenues and transfers					<u>108,936,837</u>	<u>(705,927)</u>	<u>108,230,910</u>
Changes in net assets					<u>12,268,607</u>	<u>818,880</u>	<u>13,087,487</u>
Net assets, July 1, 2005, as restated					<u>253,724,125</u>	<u>3,080,874</u>	<u>256,804,999</u>
Net assets, June 30, 2006					<u>\$ 265,992,732</u>	<u>\$ 3,899,754</u>	<u>\$ 269,892,486</u>

See accompanying notes to financial statements.

Yavapai County
Balance Sheet
Governmental Funds
June 30, 2006

Assets	General	Jail District	Jail District Debt Service	Regional Road
Cash and cash equivalents	\$ 8,483,555	\$ 106,256	\$ 209	\$ 12,092,525
Receivables:				
Property taxes	1,005,452	-	-	-
Special assessments	-	-	-	-
Accounts	172,080	19,990	-	54,928
Due from:				
Other funds	166,719	13,931	-	1,980
Other governments	4,633,257	1,464,912	-	1,505,068
Inventories	111,241	-	-	-
Prepaid items	98,654	34	-	-
Cash equivalents - restricted	-	-	1,651,670	-
Total assets	\$ 14,670,958	\$ 1,605,123	\$ 1,651,879	\$ 13,654,501
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 1,937,171	\$ 306,644	\$ -	\$ 128,602
Accrued payroll and employee benefits	1,758,779	380,390	-	11,332
Due to other funds	6,463	18,097	-	-
Interest payable	-	-	216,670	-
Principal payable	-	-	1,435,000	-
Deferred revenue	1,948,062	200	-	-
Total liabilities	5,650,475	705,331	1,651,670	139,934
Fund balances:				
Reserved for:				
Inventories	111,241	-	-	-
Prepaid items	98,654	34	-	-
Debt service	-	-	209	-
Unreserved, reported in				
General fund	8,810,588	-	-	-
Special revenue funds	-	899,758	-	13,514,567
Capital projects funds	-	-	-	-
Total fund balances	9,020,483	899,792	209	13,514,567
Total liabilities and fund balances	\$ 14,670,958	\$ 1,605,123	\$ 1,651,879	\$ 13,654,501

See accompanying notes to financial statements.

<u>HURF Road</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,964,494	\$ 12,216,961	\$ 14,623,531	\$ 49,487,531
-	-	202,830	1,208,282
-	-	1,199,121	1,199,121
12,604	48,622	431,496	739,720
126,465	-	624,630	933,725
1,851,679	-	989,132	10,444,048
244,900	-	-	356,141
126	-	15,420	114,234
-	-	-	1,651,670
<u>\$ 4,200,268</u>	<u>\$ 12,265,583</u>	<u>\$ 18,086,160</u>	<u>\$ 66,134,472</u>
\$ 1,402,917	\$ 20,098	\$ 2,512,433	\$ 6,307,865
280,781	-	749,598	3,180,880
11,624	-	836,570	872,754
-	-	-	216,670
-	-	-	1,435,000
-	-	1,327,403	3,275,665
<u>1,695,322</u>	<u>20,098</u>	<u>5,426,004</u>	<u>15,288,834</u>
244,900	-	-	356,141
126	-	15,420	114,234
-	-	607,085	607,294
-	-	-	8,810,588
2,259,920	-	12,003,022	28,677,267
-	12,245,485	34,629	12,280,114
<u>2,504,946</u>	<u>12,245,485</u>	<u>12,660,156</u>	<u>50,845,638</u>
<u>\$ 4,200,268</u>	<u>\$ 12,265,583</u>	<u>\$ 18,086,160</u>	<u>\$ 66,134,472</u>

Yavapai County
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2006

Fund balances—total governmental funds	\$ 50,845,638
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	234,252,390
Some receivables are not available to pay for current-period expenditures and therefore, are deferred in the funds.	752,878
Bond issuance costs are recorded as deferred charges, and are not reported in the funds.	112,967
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.	<u>(19,971,141)</u>
Net assets of governmental activities	<u><u>\$ 265,992,732</u></u>

See accompanying notes to financial statements.

This page is left blank intentionally.

Yavapai County
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2006

	General	Jail District	Jail District Debt Service	Regional Road
Revenues:				
Taxes	\$ 41,612,513	\$ 8,310,400	\$ -	\$ 8,311,795
Special assessments	-	-	-	-
Licenses and permits	4,124,236	-	-	1,756,246
Intergovernmental	34,921,725	-	-	-
Charges for services	1,680,021	379,627	-	-
Fines and forfeits	2,674,056	-	-	-
Investment earnings	140,722	109,390	-	468,090
Miscellaneous	1,007,985	152,498	-	53,087
Total revenues	<u>86,161,258</u>	<u>8,951,915</u>	<u>-</u>	<u>10,589,218</u>
Expenditures:				
Current:				
General government	42,085,614	-	-	-
Public safety	17,035,155	14,803,363	-	-
Highways and streets	-	-	-	6,135,443
Sanitation	-	-	-	-
Health	-	-	-	-
Welfare	9,651,292	-	-	-
Culture and recreation	-	-	-	-
Education	640,494	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	1,435,000	-
Interest and other charges	-	-	435,157	-
Total expenditures	<u>69,412,555</u>	<u>14,803,363</u>	<u>1,870,157</u>	<u>6,135,443</u>
Excess (deficiency) of revenues over expenditures	16,748,703	(5,851,448)	(1,870,157)	4,453,775
Other financing sources (uses):				
Transfers in	1,734,391	5,478,981	1,870,340	-
Transfers out	(14,338,717)	(1,870,340)	-	(2,976,694)
Total other financing sources (uses)	<u>(12,604,326)</u>	<u>3,608,641</u>	<u>1,870,340</u>	<u>(2,976,694)</u>
Net change in fund balances	4,144,377	(2,242,807)	183	1,477,081
Fund Balances, July 1, 2005, as restated	4,841,491	3,142,565	26	12,037,486
Increase in reserve for inventories	11,493	-	-	-
Increase in reserve for prepaid items	23,122	34	-	-
Fund Balances, June 30, 2006	<u>\$ 9,020,483</u>	<u>\$ 899,792</u>	<u>\$ 209</u>	<u>\$ 13,514,567</u>

See accompanying notes to financial statements.

<u>HURF Road</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ 6,105,138	\$ 64,339,846
-	-	270,747	270,747
-	-	454,150	6,334,632
17,547,637	-	15,161,496	67,630,858
-	-	5,672,545	7,732,193
-	-	430,425	3,104,481
23,536	239,914	475,203	1,456,855
375,735	3,191	3,780,048	5,372,544
<u>17,946,908</u>	<u>243,105</u>	<u>32,349,752</u>	<u>156,242,156</u>
-	-	8,926,453	51,012,067
-	-	9,803,107	41,641,625
16,297,009	-	233,374	22,665,826
-	-	1,982,814	1,982,814
-	-	10,390,948	10,390,948
-	-	-	9,651,292
-	-	99,102	99,102
-	-	1,675,428	2,315,922
-	287,710	174,563	462,273
-	-	2,380,698	3,815,698
-	-	127,965	563,122
<u>16,297,009</u>	<u>287,710</u>	<u>35,794,452</u>	<u>144,600,689</u>
1,649,899	(44,605)	(3,444,700)	11,641,467
700,000	6,014,999	5,413,513	21,212,224
-	-	(1,026,473)	(20,212,224)
<u>700,000</u>	<u>6,014,999</u>	<u>4,387,040</u>	<u>1,000,000</u>
2,349,899	5,970,394	942,340	12,641,467
67,996	6,275,091	11,710,465	38,075,120
86,925	-	-	98,418
126	-	7,351	30,633
<u>\$ 2,504,946</u>	<u>\$ 12,245,485</u>	<u>\$ 12,660,156</u>	<u>\$ 50,845,638</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, 2006

Net change in fund balances—total governmental funds \$ 12,641,467

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	12,455,738	
Depreciation expense	(16,790,279)	(4,334,541)

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

Long-term lease principal payments	716,742	
Principal repaid on bonds and notes	3,815,698	4,532,440

Deferred tax revenues are recognized in the governmental funds only when available,
but are recognized in the Statement of Activities when earned. (15,677)

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

Increase in compensated absences	(512,129)	
Change in estimate of compensated absences	(142,773)	
Decrease in bond amortization	(18,827)	
Increase in claims and judgments	(190,263)	
Decrease in landfill closure and postclosure care costs	179,859	(684,133)

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

Increase in inventories	98,418	
Increase in prepaid items	30,633	129,051

Changes in net assets of governmental activities \$ 12,268,607

See accompanying notes to financial statements.

Yavapai County
Statement of Net Assets
Proprietary Funds
June 30, 2006

	Business-type Activities- Enterprise Fund Long Term Care
Assets	
Current assets:	
Cash and cash equivalents	\$ 6,769,509
Due from other governments	1,195,408
Total current assets	7,964,917
Noncurrent assets:	
Capital assets, net of accumulated depreciation	143,635
Total noncurrent assets	143,635
Total assets	8,108,552
 Liabilities	
Current liabilities :	
Accounts payable	10,782
Accrued payroll and employee benefits	268,250
Medical claims payable	2,757,502
Due to other funds	60,971
Due to other governments	1,111,293
Total current liabilities	4,208,798
Total liabilities	4,208,798
 Net Assets	
Invested in capital assets	143,635
Restricted for: Health and welfare	3,756,119
Total net assets	\$ 3,899,754

See accompanying notes to financial statements.

Yavapai County
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year Ended June 30, 2006

	Business-type Activities- Enterprise Fund
	Long Term Care
Operating revenues:	
AHCCCS revenues	\$ 35,980,820
Miscellaneous	125,715
Total operating revenues	36,106,535
Operating expenses:	
Medical costs	31,211,849
Administrative costs	3,202,199
Depreciation	41,965
Total operating expenses	34,456,013
Operating income	1,650,522
Nonoperating revenues:	
Investment earnings	168,358
Income before transfers	1,818,880
Transfers out	(1,000,000)
Increase in net assets	818,880
Total net assets, July 1, 2005	3,080,874
Total net assets, June 30, 2006	\$ 3,899,754

See accompanying notes to financial statements.

Yavapai County
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2006

		Business-Type Activities—
		<u>Enterprise Fund</u>
		<u>Long Term Care</u>
Cash flows from operating activities:		
Cash received from AHCCCS	\$	37,543,616
Cash payments for medical services		(30,493,715)
Cash payments for personal services		(1,648,961)
Cash payments to other County funds for goods and services		(808,260)
Cash payments for operating activities		<u>(1,511,227)</u>
Net cash provided by operating activities		<u>3,081,453</u>
 Cash flows from noncapital financing activities:		
Cash transfers to general fund		<u>(1,000,000)</u>
 Cash flows from capital and related financing activities:		
Purchases of capital assets		<u>(62,077)</u>
 Cash flows from investing activities:		
Interest received on investments		<u>168,358</u>
 Net increase in cash and cash equivalents		2,187,734
 Cash and cash equivalents, July 1, 2005		<u>4,581,775</u>
Cash and cash equivalents, June 30, 2006	\$	<u><u>6,769,509</u></u>
 Reconciliation of net income to net cash provided by operating activities:		
Operating income	\$	1,650,522
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation		41,965
Non-cash medical assistance		35,934
Changes in assets and liabilities:		
Increase in:		
Accrued payroll and employee benefits		55,117
Due to other governments		720,873
Decrease in:		
Due from other governments		876,401
Accounts payable		(1,028)
Medical claims payable		(199,109)
Due to other funds		<u>(99,222)</u>
Net cash used for operating activities	\$	<u><u>3,081,453</u></u>

See accompanying notes to financial statements.

Yavapai County
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2006

	Investment Trust Fund	Agency Fund
Assets		
Cash and cash equivalents	\$ 78,679,232	\$ 2,148,838
Total assets	78,679,232	\$ 2,148,838
 Liabilities		
Due to other governments	-	\$ 2,148,838
Total liabilities	-	\$ 2,148,838
 Net Assets		
Held in trust for investment trust participants	\$ 78,679,232	

See accompanying notes to financial statements.

Yavapai County
 Statement of Changes in Fiduciary Net Assets
 Fiduciary Funds
 Year Ended June 30, 2006

	Investment Trust Fund
Additions:	
Contributions from participants	\$ 336,502,891
Investment earnings	2,504,744
Total additions	339,007,635
Deductions:	
Distributions to participants	322,964,130
Total deductions	322,964,130
Change in net assets	16,043,505
Net assets, July 1, 2005	62,635,727
Net assets, June 30, 2006	\$ 78,679,232

See accompanying notes to financial statements.

Yavapai County
Notes to Financial Statements
June 30, 2006

Note 1 - Summary of Significant Accounting Policies

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

For the year ended June 30, 2006, the County implemented the transitional provisions of GASB Statement No. 34, *Basic Financial Statements—Management’s Discussion and Analysis—for State and Local Governments* that requires at the applicable transition date the retroactive capitalization and reporting of all major general infrastructure assets.

A. Reporting Entity

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

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

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 County’s residents; the County’s Board of Supervisors serves as board of directors	Blended	Not available

Yavapai County
Notes to Financial Statements
June 30, 2006

Yavapai County Special Assessment Districts	Constructs or improves sidewalks, curbs and gutters, irrigation systems, and street lighting within the County; the County's Board of Supervisors serves as board of directors	Blended	Not available
Yavapai County Jail District	A tax-levying district that acquires, constructs, operates, maintains, and finances county jails and jail systems; the County's Board of Supervisors serves as the governing board	Blended	Not available

Related Organization – 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 (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 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 Authority is governed by a 13 member Board of Directors approved by the County's Board of Supervisors. However, the Authority's operations are completely separate from the County, and the County is not financially accountable for the Authority. Therefore, based on the criteria of GASB Statement No. 14, the financial activities of the Authority have not been included in the accompanying financial statements.

B. Basis of Presentation

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

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

Yavapai County
Notes to Financial Statements
June 30, 2006

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

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

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

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

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

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

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 is used to account for County jail operations.

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

The Regional Road Fund is used to account for road construction and maintenance of

Yavapai County
Notes to Financial Statements
June 30, 2006

major regional roads, and is funded by a ½ cent County sales tax and impact fees.

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

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

The County reports the following major proprietary fund:

The Long Term Care Fund is used to account for the activities of the Yavapai County Department of Medical Assistance Long Term Care Division. The Long Term Care Division operates a prepaid health program for qualified persons of the County.

The County reports the following fiduciary fund types:

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

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

C. Basis of Accounting

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

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

Yavapai County
Notes to Financial Statements
June 30, 2006

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

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

D. Cash and Investments

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

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

E. Inventories

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

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

F. Property Tax Calendar

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

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

Yavapai County
Notes to Financial Statements
June 30, 2006

G. Capital Assets

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

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

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$10,000		
Buildings	\$10,000	Straight-line	20-40 years
Equipment	\$5,000	Straight-line	5 -10 years
Infrastructure	\$10,000	Straight-line	12-75 years

H. Investment Earnings

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

I. Compensated Absences

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

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

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

Yavapai County
Notes to Financial Statements
June 30, 2006

Note 2 - Reporting Changes

Beginning in fiscal year 2006, the County established the Treasurer's Surcharge Fund (special revenue fund) and the Election Fund (special revenue fund). Both are nonmajor governmental funds.

Note 3 - Beginning Balances Restated

As required by GASB Statement No. 34, net assets on the government-wide Statement of Activities as of July 1, 2005, has been restated for the County's major general infrastructure assets acquired prior to the year ended June 30, 2002, the fiscal year in which the County implemented GASB Statement No. 34, consisting of road networks that were constructed, purchased or donated to the County, or that received substantial improvements subsequent to July 1, 1980.

In addition, during 2006, certain adjustments were made to correct accounts receivable and deferred revenue in the general fund in order to properly recognize revenue. This resulted in a restatement of the beginning net assets of governmental activities and the beginning fund balance of the general fund as reported in the fund financial statements.

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

	Government-wide Statements	Fund Financial Statements
	Governmental Activities	General Fund
Net assets as of June 30, 2005, as previously reported	\$ 126,100,618	\$ 3,695,536
General infrastructure assets, net of accumulated depreciation	126,477,552	
Correction of taxes and charges for services revenue	1,145,955	1,145,955
Net assets as of July 1, 2005, as restated	\$ 253,724,125	\$ 4,841,491

Yavapai County
Notes to Financial Statements
June 30, 2006

Note 4 - Deposits and Investments

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

Credit risk

Statutes have the following requirements for credit risk:

1. Commercial paper must be rated P1 by Moody's investors service or A1 or better by Standard and Poor's rating service.
2. Corporate bonds, debentures, and notes must be rated A or better by Moody's investors service or Standard and Poor's rating service.
3. Fixed income securities must carry one of the two highest ratings by Moody's investors service and Standard and Poor's rating service. If only one of the above-mentioned services rates the security, it must carry the highest rating of that service.

Custodial credit risk

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

Concentration of credit risk

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

Interest rate risk

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

Foreign currency risk

Statutes do not allow foreign investments.

Deposits—At June 30, 2006, the carrying amount of the County's deposits was \$1,064,244, and the bank balance was \$6,230,564. The County does not have a formal policy with respect to custodial credit risk.

At June 30, 2006, \$34,029 of the County's bank balance was uninsured and uncollateralized.

Yavapai County
Notes to Financial Statements
June 30, 2006

Investments—The County’s investments at June 30, 2006, were as follows:

Investment Type	Amount
State Treasurer’s investment pools	\$ 93,485,969
U.S. Treasury securities	13,619,164
U.S. agency securities	<u>29,531,670</u>
	<u>\$ 136,636,803</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, 2006, credit risk for the County’s investments was as follows:

Investment Type	Rating	Rating Agency	Amount
U.S. agency securities	AAA	Moody’s	\$ 29,531,670
State Treasurer’s investment pools	Unrated	Not applicable	<u>93,485,969</u>
			<u>\$ 123,017,639</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 the possession of an outside party. 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, 2006, of 5 percent or more in Federal Home Loan Bank. These investments were 20.2 percent of the County’s total investments.

Interest rate risk—The County does not have a formal policy regarding interest rate risk. At June 30, 2006, the County had the following investments in debt securities.

Investment Type	Amount	Weighted Average Maturity (Years)
State Treasurer’s investment pool 7	\$ 93,485,969	.91
U.S. Treasury securities	13,619,164	.91
U.S. agency securities	<u>29,531,670</u>	.10
	<u>\$ 136,636,803</u>	

Yavapai County
Notes to Financial Statements
June 30, 2006

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

Cash, deposits, and investments:	
Cash on hand	\$ 1,035,654
Amount of deposits	1,064,323
Amount of investments	136,636,803
Total	\$ 138,736,780

Statement of Net Assets:	Governmental Activities	Business- Type Activities	Investment Trust Fund	Agency Fund	Total
Cash and cash equivalents	\$ 51,139,201	\$ 6,769,509	\$ 78,679,232	\$ 2,148,838	\$ 138,736,780
Total	\$ 51,139,201	\$ 6,769,509	\$ 78,679,232	\$ 2,148,838	\$ 138,736,780

Note 5 - Due From Other Governments

Amounts due from other governments at June 30, 2006, include \$2,257,919 in state-shared revenue from sales tax, \$1,457,660 in county excise tax distributions due from the State Treasurer, \$740,924 in state motor vehicle license taxes from the Arizona Department of Transportation and \$176,754 in other fees from federal, state, and local governments recorded in the General Fund; \$1,458,227 in sales tax collections and \$6,685 in other fees from the federal, state and local governments recorded in the Jail District Fund; \$1,457,660 in county excise tax distributions due from the State Treasurer and \$47,408 in other fees from local governments recorded in the Regional Road Fund; \$1,114,517 in state-shared revenue from highway user taxes, and \$397,576 in state motor vehicle license tax and \$339,586 in other fees from federal, state, and local governments recorded in the HURF Road Fund; \$989,132 in grants and other fees from federal, state and local governments recorded in the Other Governmental Funds.

Yavapai County
Notes to Financial Statements
June 30, 2006

Note 6 - Capital Assets

Capital assets activity for the year ended June 30, 2006, was as follows:

	Balance July 1 ,2005, (as restated)	Increases	Decreases	Balance June 30, 2006
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 43,638,301	\$ 832,534	\$ -	\$ 44,470,835
Infrastructure	285,527		(285,527)	-
Construction in progress (estimated cost to complete \$43,259,260)	3,476,349	5,127,422	(7,737,900)	865,871
Total capital assets not being depreciated	<u>47,400,177</u>	<u>5,959,956</u>	<u>(8,023,427)</u>	<u>45,336,706</u>
Capital assets being depreciated:				
Buildings	58,336,944	1,661,534	-	59,998,478
Equipment	27,852,489	4,124,819	(1,245,202)	30,732,106
Infrastructure	259,284,051	8,624,699	-	267,908,750
Total	<u>345,473,484</u>	<u>14,411,052</u>	<u>(1,245,202)</u>	<u>358,639,334</u>
Less accumulated depreciation for:				
Buildings	(12,051,610)	(1,559,249)	-	(13,610,859)
Equipment	(17,832,784)	(2,684,143)	1,210,585	(19,306,342)
Infrastructure	(124,259,562)	(12,546,887)	-	(136,806,449)
Total	<u>(154,143,956)</u>	<u>(16,790,279)</u>	<u>1,210,585</u>	<u>(169,723,650)</u>
Total capital assets, being depreciated, net	191,329,528	(2,379,227)	(34,617)	188,915,684
Governmental activities capital assets, net	<u>\$238,729,705</u>	<u>\$ 3,580,729</u>	<u>\$(8,058,044)</u>	<u>\$234,252,390</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	\$ 604,287	\$ 62,077	\$ (65,132)	\$ 601,232
Less accumulated depreciation for:				
Equipment	(444,830)	(41,965)	29,198	(457,597)
Business-type activities capital assets, net	<u>\$ 159,457</u>	<u>\$ 20,112</u>	<u>\$ (35,934)</u>	<u>\$ 143,635</u>

The July 1, 2005, governmental activities capital asset balances were restated to include major general infrastructure assets of the County, as described in Note 3.

Depreciation expense was charged to functional expenses as follows:

Governmental Activities:	
General government	\$ 1,766,004
Public safety	1,215,454
Highway and streets	13,428,926
Sanitation	83,579
Health	150,511
Culture and Recreation	133,157
Education	12,648
Total governmental activities depreciation expense	<u>\$ 16,790,279</u>
Business-type activities:	
Long Term Care	\$ 41,965
Total business-type activities depreciation expense	<u>\$ 41,965</u>

Yavapai County
Notes to Financial Statements
June 30, 2006

Construction Commitments

The County has active construction projects as of June 30, 2006. At June 30, 2006 the County's commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
Williamson Valley Road	\$ 401,361	\$ 1,581,585
Poquito Valley Road	41,603	196,262
Jacks Canyon Road	190,424	32,021
Wagoner Road Bridge	111,114	30,657
Lake Montezuma LWC	13,170	8,690
Bagdad Airport-Perimeter Fencing	14,315	6,645
Total	<u>\$ 771,987</u>	<u>\$ 1,855,860</u>

The road improvement projects are being funded by sales taxes out of the regional road fund. The airport improvement project is being funded by a federal grant out of the airport development fund.

Note 7 - Long-Term Liabilities

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2006.

	Balance July 1, 2005	Additions	Reductions	Balance June 30, 2006	Due within 1 year
Governmental Activities:					
Special assessment debt payable	\$ 1,587,867	\$ -	\$ (130,698)	\$ 1,457,169	\$ 132,178
Revenue bonds	11,200,000	-	(1,435,000)	9,765,000	1,480,000
Total special assessment debt payable and revenue bonds payable	<u>12,787,867</u>	<u>-</u>	<u>(1,565,698)</u>	<u>11,222,169</u>	<u>1,612,178</u>
Notes payable	2,250,000	-	(2,250,000)	-	-
Capital leases payable	791,367	-	(716,742)	74,625	74,625
Landfill closure and postclosure care costs payable	1,361,961	268,000	(447,859)	1,182,102	236,420
Compensated absences payable	6,476,891	5,311,506	(4,799,377)	6,989,020	5,178,864
Claims and judgments payable	312,962	302,324	(112,061)	503,225	503,225
Total governmental activities long-term liabilities	<u>\$ 23,981,048</u>	<u>\$ 5,881,830</u>	<u>\$ (9,891,737)</u>	<u>\$ 19,971,141</u>	<u>\$ 7,605,312</u>

Yavapai County
Notes to Financial Statements
June 30, 2006

Note 8 - Special Assessment Debt Payable

As described in the Reporting Entity section of Note 1, the Yavapai County Board of Supervisors acts as the Board of Directors of various special districts, therefore the bonded debt of these districts is included as part of the Yavapai County reporting entity.

Special assessment bonds are secured by pledges of revenues from special assessments levied against the benefiting property owners. The proceeds of the bond issues 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 following special assessment districts had debt outstanding at June 30, 2006.

District	Interest Rates	Maturity Ranges	Outstanding Principal July 1, 2005	Retirements	Outstanding Principal June 30, 2006
Bonds					
Granite Gardens 1989	6.13 %	7/1/07	\$ 30,000	\$ (15,000)	\$ 15,000
Pine Valley Street Improvement	6.45 %	1/1/07	20,000	(10,000)	10,000
Coyote Springs Road Improvement	6.40 %	1/1/07-1/1/22	1,330,000	(75,000)	1,255,000
Note Payable					
Prescott East Sanitary District	4.82 %	7/1/07-7/1/11	207,867	(30,698)	177,169
Total			<u>\$ 1,587,867</u>	<u>\$ (130,698)</u>	<u>\$ 1,457,169</u>

Special assessment debt service requirements to maturity are as follows:

	Principal	Interest
Year ending June 30, 2007	\$ 132,178	\$ 87,702
2008	108,730	80,109
2009	110,357	73,683
2010	112,059	67,179
2011	113,845	60,592
2012-2016	400,000	217,600
2017-2021	400,000	89,600
2022	80,000	2,560
Total	<u>\$ 1,457,169</u>	<u>\$ 679,025</u>

Yavapai County
Notes to Financial Statements
June 30, 2006

Note 9 - Bonds

The County's bonded debt consists of \$15,260,000 in revenue bonds issued by the Yavapai County Jail District on February 13, 2002. As described in the Reporting Entity section of Note 1, the Yavapai County Board of Supervisors acts as the Board of Directors of various special districts, therefore the bonded debt of these districts is included as part of the Yavapai County reporting entity.

The bond proceeds were used to construct a new jail and to remodel an existing jail. The bonds will be repaid from maintenance of effort payments from the County's general fund to the District and a voter approved excise tax. The total budgeted and actual maintenance of effort payments transferred to the District in the fiscal year ended June 30, 2006 was \$5,450,000. Excise taxes received for the same period were \$8,310,400, which was 10% greater than the budgeted amount of \$7,560,000.

Bonds outstanding at June 30, 2006, were as follows:

Jail District	Interest Rates	Maturity Ranges	Outstanding	
			Principal July 1, 2005	Retirements
Revenue bonds	3.5-4.3 %	7/1/07-7/1/12	\$11,200,000	\$ (1,435,000)
Total			\$11,200,000	\$ (1,435,000)
				Outstanding Principal June 30, 2006
				\$9,765,000

The following schedule details debt service requirements to maturity for the County's revenue bonds payable at June 30, 2006.

	Governmental Activities	
	Principal	Interest
Year ending June 30, 2007	\$ 1,480,000	\$ 387,420
2008	1,530,000	335,620
2009	1,590,000	279,010
2010	1,655,000	215,410
2011	1,720,000	149,210
2012	1,790,000	76,970
Total	\$ 9,765,000	\$ 1,443,640

Note 10 - 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 2006, the County paid for compensated absences as follows: 55 percent from the General Fund, 20 percent from other major funds, and 25 percent from other funds. The County paid for claims and judgments from the General Fund.

Yavapai County
Notes to Financial Statements
June 30, 2006

Note 11 - Capital Leases

The County has acquired equipment items under the provisions of various long-term lease agreements classified as capital leases for accounting purposes because they provide for a transfer of ownership by the end of the lease term.

The assets acquired through capital leases are as follows:

	Governmental Activities
Equipment	\$ 1,302,337
Less: accumulated depreciation	(447,964)
Carrying value	\$ 854,373

The following schedule details debt service requirements to maturity for the County's capital leases payable at June 30, 2006.

	Governmental Activities
Year ending June 30, 2007	\$ 74,842
Less amount representing interest	(217)
Present value of net minimum lease payments	\$ 74,625

Note 12 - 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, 2006. As of June 30, 2006, the landfill closure and postclosure care liability of \$1,182,102 represents the cumulative amount of costs remaining on these closed landfills, which is net of expenditures incurred to date. These cumulative amounts are based on what it would cost to perform all closure and postclosure care in fiscal year 2006 and have 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.

Yavapai County
Notes to Financial Statements
June 30, 2006

Note 13 - Insurance Claims

The County provides health benefits to its employees and their dependents through the Yavapai Combined Trust, currently composed of four members. The Trust provides benefits up to \$175,000 per individual per plan year through a self-funding agreement with its participants and purchases commercial insurance to cover claims in excess of this limit. 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.

Note 14 - Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters; but was unable to obtain insurance at a cost it considered to be economically justifiable. Therefore, the County joined and is covered by three public entity risk pools: the Arizona Counties Property and Casualty Pool and the Arizona Counties Workers' Compensation Pool which are described below, and the Yavapai Combined Trust, which is described above.

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of 11 member counties. The pool provides member counties catastrophic loss coverage for risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters; and provides risk management services. Such coverage includes all defense costs as well as the amount of any judgment or settlement. The County is responsible for paying a premium based on its exposure in relation to the exposure of the other participants, and a deductible of \$10,000 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 \$100 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 three years after becoming a member; however, it may withdraw after the initial three-year period. If the pool were to become insolvent, the County would be assessed an additional contribution.

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

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

Yavapai County
Notes to Financial Statements
June 30, 2006

Department of Insurance every 5 years. Both pools accrue liabilities for losses that have been incurred but not reported. These liabilities are determined annually based on an independent actuarial valuation.

Note 15 - Line of Credit Arrangement

The County has a \$6,500,000 line of credit arrangement with a bank. The line of credit matures on June 30, 2007, and is collateralized by U.S. Government-backed securities. At June 30, 2006, no portion of this amount was utilized.

Note 16 - Retirement Plans

Plan Descriptions - The County contributes to four plans, three of which are described below. The Elected Officials Retirement Plan is not described due to its relative insignificance to the County's financial statements. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits.

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

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

The *Corrections Officer Retirement Plan* (CORP) is an agent multiple-employer defined benefit pension plan that covers certain employees of the State of Arizona's Department of Corrections and Department of Juvenile Corrections, and county employees whose primary duties require direct inmate contact. The CORP is governed by The Fund Manager of PSPRS and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 6.

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

ASRS
3300 N. Central Ave.
P.O. Box 33910
Phoenix, AZ 85012
(602) 240-2000 or (800) 621-3778

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

Yavapai County
Notes to Financial Statements
June 30, 2006

Funding Policy - The Arizona State Legislature establishes and may amend active plan members' and the County's contribution rates.

Cost-sharing plans - For the year ended June 30, 2006, active ASRS members and the County were each required by statute to contribute at the actuarially determined rate of 7.4 percent (6.9 percent retirement and 0.5 percent long-term disability) of the members' annual covered payroll. The County's contributions to ASRS for the years ended June 30, 2006, 2005, and 2004 were \$3,530,214, \$2,496,445 and \$2,266,529 respectively, which were equal to the required contributions for the year.

Agent plans - For the year ended June 30, 2006, active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll, and the County was required to contribute at the actuarially determined rate of 14.42 percent. Active CORP members were required by statute to contribute 8.5 percent of the members' annual covered payroll, and the County was required to contribute at the actuarially determined rate of 6.25 percent.

Annual Pension Cost - The County's pension cost for the two agent plans for the year ended June 30, 2006, and related information follow.

	<u>PSPRS</u>	<u>CORP</u>
Contribution rates:		
County	14.42%	6.25%
Plan members	7.65%	8.50%
Annual pension cost	\$888,920	\$411,968
Contributions made	\$888,920	\$411,968

The current-year annual required contributions for both the PSPRS and the CORP were determined as part of their June 30, 2004, actuarial valuations using the entry-age actuarial cost method. The actuarial assumptions included (a) 8.75 percent investment rate of return and (b) projected salary increases ranging from 6.25 percent to 9.25 percent per year. Both (a) and (b) included an inflation component of 5.25 percent. The assumptions did not include cost-of-living adjustments. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a 7-year period. The unfunded (excess) actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2004, was 20 years.

Yavapai County
Notes to Financial Statements
June 30, 2006

Trend Information - Annual pension cost information for the current and 2 preceding years follows for each of the agent plans.

Plan	Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PSPRS	2006	\$888,920	100%	\$ -0-
	2005	730,814	100%	-0-
	2004	648,780	100%	-0-
CORP	2006	411,968	100%	-0-
	2005	333,401	100%	-0-
	2004	288,947	100%	-0-

Note 17 - Interfund Balances and Activity

Interfund receivables and payables—interfund balances at June 30, 2006, were as follows:

	Payable to					Total
	General Fund	Jail District Fund	Regional Road Fund	HURF Road Fund	Nonmajor Governmental Funds	
Payable from						
General Fund	\$ -	\$ 3,810	\$ -	\$ 1,134	\$ 1,519	\$ 6,463
Jail District Fund	18,097	-	-	-	-	18,097
HURF Road Fund	4,986	-	-	-	6,638	11,624
Nonmajor Governmental Funds	138,964	10,121	1,980	125,331	560,174	836,570
Long Term Care Fund	4,672	-	-	-	56,299	60,971
Total	\$ 166,719	\$ 13,931	\$ 1,980	\$ 126,465	\$ 624,630	\$ 933,725

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

Yavapai County
Notes to Financial Statements
June 30, 2006

Interfund transfers—interfund transfers for the year ended June 30, 2006, were as follows:

	Transfer To						Total
	General Fund	Jail District Fund	Jail District Debt Service Fund	HURF Road Fund	Capital Projects Fund	Nonmajor Governmental Funds	
Transfer from							
General Fund	\$ -	\$ 5,450,004	\$ -	\$ -	\$6,014,999	\$ 2,873,714	\$14,338,717
Jail District Fund	-	-	1,870,340	-	-	-	1,870,340
Regional Road Fund	-	-	-	700,000	-	2,276,694	2,976,694
Nonmajor Governmental Funds	734,391	28,977	-	-	-	263,105	1,026,473
Long Term Care Fund	1,000,000	-	-	-	-	-	1,000,000
Total	<u>\$1,734,391</u>	<u>\$ 5,478,981</u>	<u>\$1,870,340</u>	<u>\$700,000</u>	<u>\$6,014,999</u>	<u>\$ 5,413,513</u>	<u>\$21,212,224</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (4) move amounts in excess of required minimum balances, as approved by AHCCCS.

Note 18 - 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 values 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 \$35,466 of interest earned in certain other funds to be transferred to the General Fund.

All deposits and investments of the County's primary government are included in the County Treasurer's investment pool; therefore, the deposit and investment risks of the Treasurer's investment pool are the same as the County's deposit and investment risks.

Yavapai County
Notes to Financial Statements
June 30, 2006

See Note 4 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
U.S. government securities	\$42,123,315	2.375-4.875%	7/31/06-9/12/08	\$41,499,165
Investment in State Treasurer's investment pool	93,485,969	4.54%	None stated	93,485,969

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

Statement of Net Assets

Assets	\$ 134,985,134
Liabilities	-
Net assets	<u>\$ 134,985,134</u>

Net assets held in trust for:

Internal participants	\$ 56,305,902
External participants	78,679,232
Total net assets held in trust	<u>\$ 134,985,134</u>

Statement of Changes in Net Assets

Total additions	\$ 490,149,273
Total deductions	<u>(457,902,192)</u>
Net increase	32,247,081
Net assets held in trust:	
July 1, 2005	102,738,053
June 30, 2006	<u>\$ 134,985,134</u>

REQUIRED SUPPLEMENTARY INFORMATION

Yavapai County
 Required Supplementary Information
 Schedule of Agent Retirement Plans' Funding Progress
 June 30, 2005

Public Safety Personnel Retirement System

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage Of Covered Payroll ((a-b)/c)
6/30/06	\$15,004,852	\$25,196,647	\$(10,191,795)	59.6%	\$6,076,413	167.7%
6/30/05	14,211,964	21,464,233	(7,252,269)	66.2%	5,393,063	134.5%
6/30/04	13,692,093	18,169,579	(4,477,486)	75.4%	5,153,004	86.9%

Corrections Officer Retirement Plan

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage Of Covered Payroll ((a-b)/c)
6/30/06	\$8,146,352	\$9,305,404	\$(1,159,052)	87.5%	\$7,183,800	16.1%
6/30/05	7,472,922	8,259,208	(786,286)	90.5%	6,519,542	12.1%
6/30/04	6,696,956	6,813,658	(116,702)	98.3%	6,030,637	1.9%

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 40,889,000	\$ 40,889,000	\$ 41,612,513	\$ 723,513
Licenses and permits	4,089,762	4,089,762	4,124,236	34,474
Intergovernmental	32,389,065	32,389,065	34,921,725	2,532,660
Charges for services	1,620,000	1,620,000	1,680,021	60,021
Fines and forfeits	1,950,000	1,950,000	2,674,056	724,056
Investment earnings	45,000	45,000	140,722	95,722
Miscellaneous	600,000	600,000	1,007,985	407,985
Total revenues	<u>81,582,827</u>	<u>81,582,827</u>	<u>86,161,258</u>	<u>4,578,431</u>
Expenditures:				
General government				
Board of Supervisors	695,055	695,055	681,319	13,736
Human Resources	702,603	702,603	677,776	24,827
General Services	5,536,241	4,413,785	4,006,813	406,972
Elections	507,773	507,773	255,411	252,362
Public Works	195,504	195,504	151,132	44,372
Facilities	4,210,325	4,210,325	4,011,968	198,357
Development Services	4,622,196	4,622,196	4,400,049	222,147
Fleet	132,946	294,297	253,936	40,361
Finance	740,363	746,449	746,448	1
Assessor	3,374,677	3,374,677	3,179,808	194,869
County Attorney	4,860,325	4,924,651	4,621,950	302,701
Recorder	1,270,965	1,301,483	1,301,482	1
Management Information Systems	5,363,204	5,363,204	4,765,270	597,934
Clerk of the Court	2,270,031	2,270,031	2,234,876	35,155
Treasurer	761,416	761,416	758,528	2,888
Superior Courts	3,356,940	3,612,179	3,612,178	1
Public Defender	3,828,553	4,414,775	4,414,773	2
Prescott Justice of the Peace	549,339	549,339	543,627	5,712
Prescott Constable	72,035	73,432	73,431	1
Bagdad/Yarnell Justice of the Peace	272,567	273,727	273,726	1
Verde Valley Justice of the Peace	471,019	471,019	467,712	3,307
Mayer Justice of the Peace	356,169	356,169	337,893	18,276
Verde Constable	70,135	70,135	68,835	1,300
Seligman Justice of the Peace	246,876	246,876	246,673	203
Total General government	<u>44,467,257</u>	<u>44,451,100</u>	<u>42,085,614</u>	<u>2,365,486</u>

(Continued)

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public safety				
Sheriff	12,652,686	12,652,686	12,550,464	102,222
Adult Probation	2,164,898	2,164,898	2,080,734	84,164
Juvenile Probation	2,506,345	2,506,345	2,403,957	102,388
Total Public safety	<u>17,323,929</u>	<u>17,323,929</u>	<u>17,035,155</u>	<u>288,774</u>
Welfare				
Medical Assistance	9,284,897	9,284,897	9,284,897	-
Public Fiduciary	381,727	381,727	366,395	15,332
Total Welfare	<u>9,666,624</u>	<u>9,666,624</u>	<u>9,651,292</u>	<u>15,332</u>
Education				
School Superintendent	624,338	640,495	640,494	1
Total expenditures	<u>72,082,148</u>	<u>72,082,148</u>	<u>69,412,555</u>	<u>2,669,593</u>
Excess of revenues over expenditures	9,500,679	9,500,679	16,748,703	7,248,024
Other financing sources (uses):				
Transfers in	2,025,332	2,025,332	1,734,391	(290,941)
Transfers out	(14,036,013)	(14,036,013)	(14,338,717)	(302,704)
Total other financing sources (uses)	<u>(12,010,681)</u>	<u>(12,010,681)</u>	<u>(12,604,326)</u>	<u>(593,645)</u>
Net change in fund balances	(2,510,002)	(2,510,002)	4,144,377	6,654,379
Fund balances, July 1, 2005, as restated	2,510,002	2,510,002	4,841,491	2,331,489
Increase in reserve for inventories	-	-	11,493	11,493
Increase in reserve for prepaid items	-	-	23,122	23,122
Fund balances, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,020,483</u>	<u>\$ 9,020,483</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
Jail District Fund
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 7,560,000	\$ 7,560,000	\$ 8,310,400	\$ 750,400
Charges for services	-	-	379,627	379,627
Investment earnings	-	-	109,390	109,390
Miscellaneous	817,644	817,644	152,498	(665,146)
Total revenues	8,377,644	8,377,644	8,951,915	574,271
Expenditures:				
Public safety				
Sheriff	14,959,305	14,959,305	14,803,363	155,942
Total expenditures	14,959,305	14,959,305	14,803,363	155,942
Excess (deficiency) of revenues over expenditures	(6,581,661)	(6,581,661)	(5,851,448)	730,213
Other financing sources (uses):				
Transfers in	5,450,000	5,450,000	5,478,981	28,981
Transfers out	(1,868,340)	(1,868,340)	(1,870,340)	(2,000)
Total other financing sources (uses)	3,581,660	3,581,660	3,608,641	26,981
Net change in fund balances	(3,000,001)	(3,000,001)	(2,242,807)	757,194
Fund balances, July 1, 2005	3,000,001	3,000,001	3,142,565	142,564
Increase in reserve for prepaid items	-	-	34	34
Fund balances, June 30, 2006	\$ -	\$ -	\$ 899,792	\$ 899,792

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
Regional Road Fund
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 7,470,000	\$ 7,470,000	\$ 8,311,795	\$ 841,795
Licenses and permits	1,800,000	1,800,000	1,756,246	(43,754)
Investment earnings	117,764	117,764	468,090	350,326
Miscellaneous	-	-	53,087	53,087
Total revenues	<u>9,387,764</u>	<u>9,387,764</u>	<u>10,589,218</u>	<u>1,201,454</u>
Expenditures:				
Highways and streets				
Public works	<u>14,117,115</u>	<u>14,117,115</u>	<u>6,135,443</u>	<u>7,981,672</u>
Total expenditures	<u>14,117,115</u>	<u>14,117,115</u>	<u>6,135,443</u>	<u>7,981,672</u>
Excess (deficiency) of revenues over expenditures	(4,729,351)	(4,729,351)	4,453,775	9,183,126
Other financing sources (uses):				
Transfers out	<u>(2,977,422)</u>	<u>(2,977,422)</u>	<u>(2,976,694)</u>	<u>728</u>
Total other financing sources (uses)	<u>(2,977,442)</u>	<u>(2,977,442)</u>	<u>(2,976,694)</u>	<u>728</u>
Net change in fund balances	(7,706,773)	(7,706,773)	1,477,081	9,183,854
Fund balances, July 1, 2005	<u>7,706,773</u>	<u>7,706,773</u>	<u>12,037,486</u>	<u>4,330,713</u>
Fund balances, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,514,567</u>	<u>\$ 13,514,567</u>

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Budgetary Comparison Schedule
HURF Road Fund
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 15,851,411	\$ 15,851,411	\$ 17,547,637	\$ 1,696,226
Investment earnings	-	-	23,536	23,536
Miscellaneous	1,245,000	1,245,000	375,735	(869,265)
Total revenues	17,096,411	17,096,411	17,946,908	850,497
Expenditures				
Highways and streets				
Public works	16,896,411	16,896,411	16,297,009	599,402
Total expenditures	16,896,411	16,896,411	16,297,009	599,402
Excess (deficiency) of revenues over expenditures	200,000	200,000	1,649,899	1,449,899
Other financing sources (uses):				
Transfers in	700,000	700,000	700,000	-
Total other financing sources (uses)	700,000	700,000	700,000	-
Net change in fund balances	900,000	900,000	2,349,899	1,449,899
Fund balances, July 1, 2005	(900,000)	(900,000)	67,996	967,996
Increase in reserve for inventories	-	-	86,925	86,925
Increase in reserve for prepaid items	-	-	126	126
Fund balances, June 30, 2006	\$ -	\$ -	\$ 2,504,946	\$ 2,504,946

See accompanying notes to budgetary comparison schedules.

Yavapai County
Required Supplementary Information
Notes to Budgetary Comparison Schedules
Year Ended June 30, 2006

Note 1 – Budgeting and Budgetary Control

Arizona Revised Statutes (A.R.S.) requires the County to prepare and adopt a balanced budget annually for each governmental fund, except for the Treasurer's Surcharge, Public Works, CDBG, Airport Development, Juvenile Jail Improvement, and Jail Construction Funds. 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 U.S. generally accepted accounting principles.

Yavapai County
Nonmajor Governmental Funds
Year Ended June 30, 2006

SPECIAL REVENUE FUNDS

Health Care	Accounts for a variety of health service programs funded by federal and state grant funds, appropriations, fees and local government contributions.
Recorder's Surcharge	Accounts for the collection of a special recording surcharge, not to exceed four dollars, to be used to defray the cost of converting the County Recorder's document storage and retrieval system to micrographics or computer automation as established by A.R.S. § 11-475.01.
Assessor's Surcharge	Accounts for the collection of a special recording surcharge, not to exceed four dollars, to be used to defray the cost of converting the County Assessor's document storage and retrieval system to micrographics or computer automation as established by A.R.S. § 11-269.06.
Treasurer's Surcharge	Accounts for the collection of a processing fee for tax liens, to be used to defray the cost of converting or upgrading an automatic public information system as established by A.R.S. § 11-495.
Election	Accounts for the Federal and State of Arizona Help America Vote Act grant funds.
Public Library	Provides and maintains library services for the residents of Yavapai County. Operations are funded by a secondary tax levy.
School	Educational services and programs administered by the County School Superintendent.
Parks & Recreation	Accounts for fees and grants used for construction, maintenance and operation of parks.
Water Advisory Committee	Accounts for local government contributions used to assess the current and future supply of water.
Landfill / Environment	Used to fund operations of transfer stations, waste tire operations and closure costs of County landfills.
Public Works	Accounts for highway user fees restricted to construction, repair and maintenance of County roads.
CDBG	Community Development Block Grant is a federal grant for construction of facilities and acquisition of equipment for local non-profit and public entities.
Improvement Districts	Administration of special districts for Street Lighting, Road and Sewer improvements.
Clerk of Superior Court	Accounts for statutory fees collected and used for document storage and retrieval. Also fees used for "fill-the gap" purposes.
County Attorney	Accounts for various programs administered by the County Attorney including Anti-Racketeering, Victim Witness and Bad Check.

Yavapai County
Nonmajor Governmental Funds
Year Ended June 30, 2006

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

CAPITAL PROJECTS FUNDS

Juvenile Jail Improvement	Accounts for state funded improvements for a new remanded juvenile jail facility.
Jail Construction	Accounts for the construction costs for the Verde Valley jail facility.

DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of resources for the payment of principal and interest on the revenue bonds issued for special assessment bonds for the Coyote Springs, Granite Gardens and Pine Valley special assessment districts and the notes payable for the HELP loan and 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, 2006

Assets	Special Revenue			
	Health Care	Recorder's Surcharge	Assessor's Surcharge	Treasurer's Surcharge
Cash and cash equivalents	\$ 2,499,767	\$ 800,521	\$ 594,151	\$ 19,172
Receivables:				
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Accounts	74,106	15,161	14,424	51
Due from:				
Other funds	274,321	-	117	-
Other governments	307,999	520	-	-
Prepaid items	470	4,560	-	-
Total assets	<u>\$ 3,156,663</u>	<u>\$ 820,762</u>	<u>\$ 608,692</u>	<u>\$ 19,223</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 192,570	\$ 30,259	\$ -	\$ -
Accrued payroll and employee benefits	280,851	5,341	12,588	-
Due to other funds	225,306	-	117	-
Unearned revenue	-	-	-	-
Total liabilities	<u>698,727</u>	<u>35,600</u>	<u>12,705</u>	<u>-</u>
Fund balances:				
Reserved for:				
Prepaid items	470	4,560	-	-
Debt service	-	-	-	-
Unreserved, reported in				
Special revenue funds	2,457,466	780,602	595,987	19,223
Capital project funds	-	-	-	-
Total fund balances	<u>2,457,936</u>	<u>785,162</u>	<u>595,987</u>	<u>19,223</u>
Total liabilities and fund balances	<u>\$ 3,156,663</u>	<u>\$ 820,762</u>	<u>\$ 608,692</u>	<u>\$ 19,223</u>

Special Revenue

Election	Public Library	School	Parks & Recreation	Water Advisory Committee	Landfill / Environment
\$ 568,760	\$ 447,053	\$ 742,082	\$ 663,137	\$ 273,458	\$ 439,504
-	72,396	-	-	-	-
-	-	-	-	-	-
985	2,465	33,728	1,889	764	43,311
-	2,670	22,488	-	-	10,714
-	-	25,809	-	-	98,276
-	-	9,030	-	-	-
<u>\$ 569,745</u>	<u>\$ 524,584</u>	<u>\$ 833,137</u>	<u>\$ 665,026</u>	<u>\$ 274,222</u>	<u>\$ 591,805</u>
\$ 505,519	\$ 5,722	\$ 75,170	\$ 1,227	\$ 16,408	\$ 210,988
-	21,717	52,125	-	3,157	25,095
-	3,532	39,630	10,000	-	137,613
-	45,380	-	-	-	-
<u>505,519</u>	<u>76,351</u>	<u>166,925</u>	<u>11,227</u>	<u>19,565</u>	<u>373,696</u>
-	-	9,030	-	-	-
-	-	-	-	-	-
64,226	448,233	657,182	653,799	254,657	218,109
-	-	-	-	-	-
<u>64,226</u>	<u>448,233</u>	<u>666,212</u>	<u>653,799</u>	<u>254,657</u>	<u>218,109</u>
<u>\$ 569,745</u>	<u>\$ 524,584</u>	<u>\$ 833,137</u>	<u>\$ 665,026</u>	<u>\$ 274,222</u>	<u>\$ 591,805</u>

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2006
(Continued)

Assets	Special Revenue			
	Public Works	CDBG	Improvement Districts	Clerk of Superior Court
Cash and cash equivalents	\$ 126,105	\$ -	\$ 2,772,479	\$ 425,664
Receivables:				
Property taxes	-	-	130,434	-
Special assessments	-	-	-	-
Accounts	345	-	8,045	36,563
Due from:				
Other funds	-	-	-	-
Other governments	-	44,196	190,919	-
Prepaid items	-	-	50	-
Total assets	<u>\$ 126,450</u>	<u>\$ 44,196</u>	<u>\$ 3,101,927</u>	<u>\$ 462,227</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 44,104	\$ 1,059,708	\$ -
Accrued payroll and employee benefits	-	-	27,743	1,407
Due to other funds	-	-	2,495	-
Unearned revenue	-	-	82,902	-
Total liabilities	<u>-</u>	<u>44,104</u>	<u>1,172,848</u>	<u>1,407</u>
Fund balances:				
Reserved for:				
Prepaid items	-	-	50	-
Debt service	-	-	-	-
Unreserved, reported in				
Special revenue funds	126,450	92	1,929,029	460,820
Capital project funds	-	-	-	-
Total fund balances	<u>126,450</u>	<u>92</u>	<u>1,929,079</u>	<u>460,820</u>
Total liabilities and fund balances	<u>\$ 126,450</u>	<u>\$ 44,196</u>	<u>\$ 3,101,927</u>	<u>\$ 462,227</u>

Special Revenue

County Attorney	Law Enforcement	Emergency Management	Probation	Courts	Public Defender
\$ 816,773	\$ 886,805	\$ 87,589	\$ 895,927	\$ 826,817	\$ 96,216
-	-	-	-	-	-
-	-	-	-	-	-
15,667	45,119	465	92,831	41,158	4,005
75,953	1,351	-	223,443	11,447	2,126
42,921	154,105	54,339	36,724	21,348	-
-	1,250	-	60	-	-
<u>\$ 951,314</u>	<u>\$ 1,088,630</u>	<u>\$ 142,393</u>	<u>\$ 1,238,985</u>	<u>\$ 900,770</u>	<u>\$ 102,347</u>
\$ 71,568	\$ 62,349	\$ 26,737	\$ 176,357	\$ 16,297	\$ 5,220
47,519	31,822	2,718	183,789	49,354	4,372
75,953	37,361	-	228,283	13,642	52,641
-	-	-	-	-	-
<u>195,040</u>	<u>131,532</u>	<u>29,455</u>	<u>588,429</u>	<u>79,293</u>	<u>62,233</u>
-	1,250	-	60	-	-
-	-	-	-	-	-
756,274	955,848	112,938	650,496	821,477	40,114
-	-	-	-	-	-
<u>756,274</u>	<u>957,098</u>	<u>112,938</u>	<u>650,556</u>	<u>821,477</u>	<u>40,114</u>
<u>\$ 951,314</u>	<u>\$ 1,088,630</u>	<u>\$ 142,393</u>	<u>\$ 1,238,985</u>	<u>\$ 900,770</u>	<u>\$ 102,347</u>

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2006
(Continued)

	Special Revenue Airport Development	Capital Projects Juvenile Jail Improvement
Assets		
Cash and cash equivalents	\$ 34,783	\$ 7,993
Receivables:		
Property taxes	-	-
Special assessments	-	-
Accounts	100	6
Due from:		
Other funds	-	-
Other governments	11,976	-
Prepaid items	-	-
Total assets	\$ 46,859	\$ 7,999
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 12,230	\$ -
Accrued payroll and employee benefits	-	-
Due to other funds	-	7,999
Unearned revenue	-	-
Total liabilities	12,230	7,999
Fund balances:		
Reserved for:		
Prepaid items	-	-
Debt service	-	-
Unreserved, reported in		
Special revenue funds	-	-
Capital project funds	34,629	-
Total fund balances	34,629	-
Total liabilities and fund balances	\$ 46,859	\$ 7,999

This page is left blank intentionally.

Yavapai County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2006
(Continued)

	Debt Service			
Assets	Coyote Springs	Prescott East	Granite Gardens	Pine Valley
Cash and cash equivalents	\$ 464,886	\$ 100,974	\$ 18,752	\$ 22,183
Receivables:				
Property taxes	-	-	-	-
Special assessments	1,072,730	122,993	-	3,398
Accounts	-	308	-	-
Due from:				
Other funds	-	-	-	-
Other governments	-	-	-	-
Prepaid items	-	-	-	-
Total assets	\$ 1,537,616	\$ 224,275	\$ 18,752	\$ 25,581
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll and employee benefits	-	-	-	-
Due to other funds	-	18	-	-
Unearned revenue	1,072,730	122,993	-	3,398
Total liabilities	1,072,730	123,011	-	3,398
Fund balances:				
Reserved for:				
Prepaid items				
Debt service	464,886	101,264	18,752	22,183
Unreserved, reported in				
Special revenue funds	-	-	-	-
Capital project funds	-	-	-	-
Total fund balances	464,886	101,264	18,752	22,183
Total liabilities and fund balances	\$ 1,537,616	\$ 224,275	\$ 18,752	\$ 25,581

HELP	Total Nonmajor Governmental Funds
\$ 1,980	\$ 14,623,531
-	202,830
-	1,199,121
-	431,496
-	624,630
-	989,132
-	15,420
<u>\$ 1,980</u>	<u>\$ 18,086,160</u>

\$ -	\$ 2,512,433
-	749,598
1,980	836,570
-	1,327,403
<u>1,980</u>	<u>5,426,004</u>

-	15,420
-	607,085
-	12,003,022
-	34,629
<u>-</u>	<u>12,660,156</u>
<u>\$ 1,980</u>	<u>\$ 18,086,160</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2006

	Special Revenue			
	Health Care	Recorder's Surcharge	Assessor's Surcharge	Treasurer's Surcharge
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	454,150	-	-	-
Intergovernmental	4,438,713	19,689	-	-
Charges for services	2,518,276	515,256	510,252	12,170
Fines and forfeits	-	-	-	-
Investment earnings	98,493	29,428	18,541	169
Miscellaneous	1,555,169	3,479	130	6,884
Total revenues	<u>9,064,801</u>	<u>567,852</u>	<u>528,923</u>	<u>19,223</u>
Expenditures:				
Current:				
General government	-	446,588	428,649	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	10,390,948	-	-	-
Education	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>10,390,948</u>	<u>446,588</u>	<u>428,649</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,326,147)	121,264	100,274	19,223
Other financing sources (uses):				
Transfers in	1,199,080	-	-	-
Transfers out	-	(186,000)	(20,000)	-
Total other financing sources (uses)	<u>1,199,080</u>	<u>(186,000)</u>	<u>(20,000)</u>	<u>-</u>
Net change in fund balances	(127,067)	(64,736)	80,274	19,223
Fund Balances, July 1, 2005	2,587,707	848,158	515,713	-
Increase (decrease) in reserve for prepaid items	(2,704)	1,740	-	-
Fund Balances, June 30, 2006	<u>\$ 2,457,936</u>	<u>\$ 785,162</u>	<u>\$ 595,987</u>	<u>\$ 19,223</u>

Special Revenue

Election	Public Library	School	Parks & Recreation	Water Advisory Committee	Landfill / Environment
\$ -	\$ 2,171,277	\$ 351,051	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
568,598	62,400	1,027,153	136,921	226,000	391,322
-	-	290,171	-	-	485,838
-	-	-	-	-	-
1,147	17,164	22,809	28,827	7,063	2,575
-	153,017	159,047	80,655	2,597	42,608
<u>569,745</u>	<u>2,403,858</u>	<u>1,850,231</u>	<u>246,403</u>	<u>235,660</u>	<u>922,343</u>
505,519	2,239,188	-	320,570	125,333	-
-	-	-	3,068	-	-
-	-	-	7,490	-	-
-	-	-	-	-	1,976,389
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,675,428	-	-	-
-	-	-	99,102	-	-
-	-	-	-	-	-
<u>505,519</u>	<u>2,239,188</u>	<u>1,675,428</u>	<u>430,230</u>	<u>125,333</u>	<u>1,976,389</u>
64,226	164,670	174,803	(183,827)	110,327	(1,054,046)
-	-	-	-	-	806,963
<u>-</u>	<u>(38,000)</u>	<u>(34)</u>	<u>(12)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(38,000)</u>	<u>(34)</u>	<u>(12)</u>	<u>-</u>	<u>806,963</u>
64,226	126,670	174,769	(183,839)	110,327	(247,083)
-	321,563	482,468	837,638	144,330	465,192
-	-	8,975	-	-	-
<u>\$ 64,226</u>	<u>\$ 448,233</u>	<u>\$ 666,212</u>	<u>\$ 653,799</u>	<u>\$ 254,657</u>	<u>\$ 218,109</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2006
(Continued)

	Special Revenue			
	Public Works	CDBG	Improvement Districts	Clerk of Superior Court
Revenues:				
Taxes	\$ -	\$ -	\$ 3,580,422	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	72,004	342,550	-	-
Charges for services	-	-	-	66,247
Fines and forfeits	-	-	-	338,375
Investment earnings	5,516	44	93,152	5,823
Miscellaneous	660	-	177,346	464
Total revenues	<u>78,180</u>	<u>342,594</u>	<u>3,850,920</u>	<u>410,909</u>
Expenditures:				
Current:				
General government	-	342,550	463,940	45,228
Public safety	-	-	3,118,754	-
Highways and streets	180,835	-	45,049	-
Sanitation	-	-	6,425	-
Health	-	-	-	-
Education	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>180,835</u>	<u>342,550</u>	<u>3,634,168</u>	<u>45,228</u>
Excess (deficiency) of revenues over expenditures	(102,655)	44	216,752	365,681
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(88)	-	(490,256)	(263,105)
Total other financing sources (uses)	<u>(88)</u>	<u>-</u>	<u>(490,256)</u>	<u>(263,105)</u>
Net change in fund balances	(102,743)	44	(273,504)	102,576
Fund Balances, July 1, 2005	229,193	48	2,202,659	358,244
Increase (decrease) in reserve for prepaid items	-	-	(76)	-
Fund Balances, June 30, 2006	<u>\$ 126,450</u>	<u>\$ 92</u>	<u>\$ 1,929,079</u>	<u>\$ 460,820</u>

Special Revenue

County Attorney	Law Enforcement	Emergency Management	Probation	Courts	Public Defender
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
741,175	806,491	885,153	4,506,449	547,225	148,792
98,799	60,933	-	791,389	296,311	26,903
-	-	-	-	92,050	-
48,658	13,871	5,275	21,160	30,694	3,860
<u>657,659</u>	<u>848,713</u>	<u>267</u>	<u>8,918</u>	<u>69,813</u>	<u>8,601</u>
<u>1,546,291</u>	<u>1,730,008</u>	<u>890,695</u>	<u>5,327,916</u>	<u>1,036,093</u>	<u>188,156</u>
1,761,064	17,296	533,024	-	1,533,527	163,977
-	1,433,721	-	5,089,299	68,631	89,634
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,761,064</u>	<u>1,451,017</u>	<u>533,024</u>	<u>5,089,299</u>	<u>1,602,158</u>	<u>253,611</u>
(214,773)	278,991	357,671	238,617	(566,065)	(65,455)
359,837	-	-	-	716,658	54,281
-	-	-	-	-	-
<u>359,837</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>716,658</u>	<u>54,281</u>
145,064	278,991	357,671	238,617	150,593	(11,174)
611,210	676,857	(244,733)	411,899	672,758	51,288
-	1,250	-	40	(1,874)	-
<u>\$ 756,274</u>	<u>\$ 957,098</u>	<u>\$ 112,938</u>	<u>\$ 650,556</u>	<u>\$ 821,477</u>	<u>\$ 40,114</u>

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2006
(Continued)

	Special Revenue	Capital Projects	
	Airport Development	Juvenile Jail Improvement	Jail Construction
Revenues:			
Taxes	\$ -	\$ -	\$ -
Special assessments	-	-	-
Licenses and permits	-	-	-
Intergovernmental	240,861	-	-
Charges for services	-	-	-
Fines and forfeits	-	-	-
Investment earnings	1,758	37	-
Miscellaneous	4,021	-	-
Total revenues	<u>246,640</u>	<u>37</u>	<u>-</u>
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	-
Education	-	-	-
Culture and recreation	-	-	-
Capital outlay	174,563	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>174,563</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	72,077	37	-
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	-	(1,051)	(27,927)
Total other financing sources (uses)	<u>-</u>	<u>(1,051)</u>	<u>(27,927)</u>
Net change in fund balances	72,077	(1,014)	(27,927)
Fund Balances, July 1, 2005	(37,448)	1,014	27,927
Increase (decrease) in reserve for prepaid items	-	-	-
Fund Balances, June 30, 2006	<u>\$ 34,629</u>	<u>\$ -</u>	<u>\$ -</u>

This page is left blank intentionally.

Yavapai County
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2006
(Continued)

	Debt Service			
	Coyote Springs	Prescott East	Granite Gardens	Pine Valley
Revenues:				
Taxes	\$ -	\$ -	\$ 2,388	\$ -
Special assessments	212,702	52,389	-	5,656
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	13,705	3,489	1,305	640
Miscellaneous	-	-	-	-
Total revenues	<u>226,407</u>	<u>55,878</u>	<u>3,693</u>	<u>6,296</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Education	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	75,000	30,698	15,000	10,000
Interest and fiscal charges	<u>82,720</u>	<u>14,241</u>	<u>2,214</u>	<u>1,368</u>
Total expenditures	<u>157,720</u>	<u>44,939</u>	<u>17,214</u>	<u>11,368</u>
Excess (deficiency) of revenues over expenditures	68,687	10,939	(13,521)	(5,072)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	68,687	10,939	(13,521)	(5,072)
Fund Balances, July 1, 2005	396,199	90,325	32,273	27,255
Increase (decrease) in reserve for prepaid items	-	-	-	-
Fund Balances, June 30, 2006	<u>\$ 464,886</u>	<u>\$ 101,264</u>	<u>\$ 18,752</u>	<u>\$ 22,183</u>

HELP	Total Nonmajor Governmental Funds
\$ -	\$ 6,105,138
-	270,747
-	454,150
-	15,161,496
-	5,672,545
-	430,425
-	475,203
-	3,780,048
-	32,349,752
-	8,926,453
-	9,803,107
-	233,374
-	1,982,814
-	10,390,948
-	1,675,428
-	99,102
-	174,563
2,250,000	2,380,698
27,422	127,965
<u>2,277,422</u>	<u>35,794,452</u>
(2,277,422)	(3,444,700)
2,276,694	5,413,513
-	(1,026,473)
<u>2,276,694</u>	<u>4,387,040</u>
(728)	942,340
728	11,710,465
-	7,351
<u>\$ -</u>	<u>\$ 12,660,156</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Jail District Debt Service
Year Ended June 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Debt service				
Principal retirement	\$ 1,435,000	\$ 1,435,000	\$ 1,435,000	\$ -
Interest and fiscal charges	433,340	433,340	435,157	(1,817)
Total expenditures	<u>1,868,340</u>	<u>1,868,340</u>	<u>1,870,157</u>	<u>(1,817)</u>
Excess (deficiency) of revenues over expenditures	(1,868,340)	(1,868,340)	(1,870,157)	(1,817)
Other financing sources (uses):				
Transfers in	<u>1,868,340</u>	<u>1,868,340</u>	<u>1,870,340</u>	<u>2,000</u>
Total other financing sources (uses)	<u>1,868,340</u>	<u>1,868,340</u>	<u>1,870,340</u>	<u>2,000</u>
Net change in fund balances	-	-	183	183
Fund Balance, July 1, 2005	<u>-</u>	<u>-</u>	<u>26</u>	<u>26</u>
Fund Balance, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209</u>	<u>\$ 209</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Capital Projects
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 239,914	\$ 239,914
Miscellaneous	-	-	3,191	3,191
Total revenues	-	-	243,105	243,105
Expenditures:				
Capital outlay				
Board of Supervisors	6,014,999	2,747,258	287,710	2,459,548
Total expenditures	6,014,999	2,747,258	287,710	2,459,548
Excess (deficiency) of revenues over expenditures	(6,014,999)	(2,747,258)	(44,605)	2,702,653
Other financing sources (uses):				
Transfers in	6,014,999	6,014,999	6,014,999	-
Total other financing sources (uses)	6,014,999	6,014,999	6,014,999	-
Net change in fund balances	-	3,267,741	5,970,394	2,702,653
Fund Balance, July 1, 2005	-	(3,267,741)	6,275,091	9,542,832
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 12,245,485	\$ 12,245,485

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Health Care
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ 442,515	\$ 442,515	\$ 454,150	\$ 11,635
Intergovernmental	5,267,869	5,267,869	4,438,713	(829,156)
Charges for services	495,136	495,136	2,518,276	2,023,140
Investment earnings	2,500	2,500	98,493	95,993
Miscellaneous	470,526	470,526	1,555,169	1,084,643
Total revenues	6,678,546	6,678,546	9,064,801	2,386,255
Expenditures:				
Health				
Health	8,047,626	9,415,792	10,390,948	(975,156)
Total expenditures	8,047,626	9,415,792	10,390,948	(975,156)
Excess (deficiency) of revenues over expenditures	(1,369,080)	(2,737,246)	(1,326,147)	1,411,099
Other financing sources (uses):				
Transfers in	1,199,080	1,199,080	1,199,080	-
Total other financing sources (uses)	1,199,080	1,199,080	1,199,080	-
Net change in fund balances	(170,000)	(1,538,166)	(127,067)	1,411,099
Fund Balance, July 1, 2005	170,000	1,538,166	2,587,707	1,049,541
Decrease in prepaid items	-	-	(2,704)	(2,704)
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 2,457,936	\$ 2,457,936

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Recorder's Surcharge
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 19,689	\$ 19,689
Charges for services	943,632	943,632	515,256	(428,376)
Investment earnings	-	-	29,428	29,428
Miscellaneous	-	-	3,479	3,479
Total revenues	943,632	943,632	567,852	(375,780)
Expenditures:				
General government				
Recorder	757,632	757,632	446,588	311,044
Total expenditures	757,632	757,632	446,588	311,044
Excess (deficiency) of revenues over expenditures	186,000	186,000	121,264	(64,736)
Other financing sources (uses):				
Transfers out	(186,000)	(186,000)	(186,000)	-
Total other financing sources (uses)	(186,000)	(186,000)	(186,000)	-
Net change in fund balances	-	-	(64,736)	(64,736)
Fund Balance, July 1, 2005	-	-	848,158	848,158
Increase in prepaid items	-	-	1,740	1,740
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 785,162	\$ 785,162

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Assessor's Surcharge
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 595,802	\$ 595,802	\$ -	\$ (595,802)
Charges for services	-	-	510,252	510,252
Investment earnings	-	-	18,541	18,541
Miscellaneous income	-	-	130	130
Total revenues	595,802	595,802	528,923	(66,879)
Expenditures:				
General government				
Assessor	575,802	575,802	428,649	147,153
Total expenditures	575,802	575,802	428,649	147,153
Excess (deficiency) of revenues over expenditures	20,000	20,000	100,274	80,274
Other financing sources (uses):				
Transfers out	(20,000)	(20,000)	(20,000)	-
Total other financing sources (uses)	(20,000)	(20,000)	(20,000)	-
Net change in fund balances	-	-	80,274	80,274
Fund Balance, July 1, 2005	-	-	515,713	515,713
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 595,987	\$ 595,987

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Election
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 476,050	\$ 476,050	\$ 568,598	\$ 92,548
Investment earnings	-	-	1,147	1,147
Total revenues	<u>476,050</u>	<u>476,050</u>	<u>569,745</u>	<u>93,695</u>
Expenditures:				
General government				
Elections	<u>476,050</u>	<u>476,050</u>	<u>505,519</u>	<u>(29,469)</u>
Total expenditures	<u>476,050</u>	<u>476,050</u>	<u>505,519</u>	<u>(29,469)</u>
Net change in fund balances	-	-	64,226	64,226
Fund Balance, July 1, 2005	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,226</u>	<u>\$ 64,226</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Library
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 2,194,000	\$ 2,194,000	\$ 2,171,277	\$ (22,723)
Intergovernmental	230,500	230,500	62,400	(168,100)
Investment earnings	-	-	17,164	17,164
Miscellaneous	-	-	153,017	153,017
Total revenues	<u>2,424,500</u>	<u>2,424,500</u>	<u>2,403,858</u>	<u>(20,642)</u>
Expenditures:				
General government				
Library	2,486,501	2,486,501	2,239,188	247,313
Total expenditures	<u>2,486,501</u>	<u>2,486,501</u>	<u>2,239,188</u>	<u>247,313</u>
Excess (deficiency) of revenues over expenditures	(62,001)	(62,001)	164,670	226,671
Other financing sources (uses):				
Transfers out	(38,000)	(38,000)	(38,000)	-
Total other financing sources (uses)	<u>(38,000)</u>	<u>(38,000)</u>	<u>(38,000)</u>	<u>-</u>
Net change in fund balances	(100,001)	(100,001)	126,670	226,671
Fund Balance, July 1, 2005	100,001	100,001	321,563	221,562
Fund Balance, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 448,233</u>	<u>\$ 448,233</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
School
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 351,051	\$ 351,051
Intergovernmental	1,766,493	1,766,493	1,027,153	(739,340)
Charges for services	-	-	290,171	290,171
Investment earnings	-	-	22,809	22,809
Miscellaneous	-	-	159,047	159,047
Total revenues	1,766,493	1,766,493	1,850,231	83,738
Expenditures:				
Education				
School Superintendent	1,766,493	1,767,452	1,675,428	92,024
Total expenditures	1,766,493	1,767,452	1,675,428	92,024
Excess (deficiency) of revenues over expenditures	-	(959)	174,803	175,762
Other financing sources (uses):				
Transfers out	-	-	(34)	(34)
Total other financing sources (uses)	-	-	(34)	(34)
Net change in fund balances	-	(959)	174,769	175,728
Fund Balance, July 1, 2005	-	959	482,468	481,509
Increase in prepaid items	-	-	8,975	8,975
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 666,212	\$ 666,212

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Parks & Recreation
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 136,921	\$ 136,921
Investment earnings	-	-	28,827	28,827
Miscellaneous	-	-	80,655	80,655
Total revenues	-	-	246,403	246,403
Expenditures:				
General government				
Board of Supervisors	-	1,029	320,570	(319,541)
Public safety				
Adult Probation	-	-	3,068	(3,068)
Highways and streets				
Public Works	-	7,491	7,490	1
Culture & recreation				
Facilities	400,000	425,026	99,102	325,924
Total expenditures	400,000	433,546	430,230	3,316
Excess (deficiency) of revenues over expenditures	(400,000)	(433,546)	(183,827)	249,719
Other financing sources (uses):				
Transfers out	-	-	(12)	(12)
Total other financing sources (uses)	-	-	(12)	(12)
Net change in fund balances	(400,000)	(433,546)	(183,839)	249,707
Fund Balance, July 1, 2005	400,000	433,546	837,638	404,092
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 653,799	\$ 653,799

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Water Advisory Committee
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 226,000	\$ 226,000
Investment earnings	-	-	7,063	7,063
Miscellaneous	-	-	2,597	2,597
Total revenues	-	-	235,660	235,660
Expenditures:				
General government				
Board of Supervisors	-	125,334	125,333	1
Total expenditures	-	125,334	125,333	1
Net change in fund balances	-	(125,334)	110,327	235,661
Fund Balance, July 1, 2005	-	125,334	144,330	18,996
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 254,657	\$ 254,657

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Landfill / Environment
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 337,539	\$ 337,539	\$ 391,322	\$ 53,783
Charges For Services	568,009	568,009	485,838	(82,171)
Investment earnings	-	-	2,575	2,575
Miscellaneous	-	-	42,608	42,608
Total revenues	<u>905,548</u>	<u>905,548</u>	<u>922,343</u>	<u>16,795</u>
Expenditures:				
Sanitation				
Landfill	<u>1,996,258</u>	<u>1,996,258</u>	<u>1,976,389</u>	<u>19,869</u>
Total expenditures	<u>1,996,258</u>	<u>1,996,258</u>	<u>1,976,389</u>	<u>19,869</u>
Excess (deficiency) of revenues over expenditures	(1,090,710)	(1,090,710)	(1,054,046)	36,664
Other financing sources (uses):				
Transfers in	<u>806,963</u>	<u>806,963</u>	<u>806,963</u>	<u>-</u>
Total other financing sources (uses)	<u>806,963</u>	<u>806,963</u>	<u>806,963</u>	<u>-</u>
Net change in fund balances	(283,747)	(283,747)	(247,083)	36,664
Fund Balance, July 1, 2005	<u>283,747</u>	<u>283,747</u>	<u>465,192</u>	<u>181,445</u>
Fund Balance, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 218,109</u>	<u>\$ 218,109</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Improvement Districts
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 3,622,432	\$ 3,622,432	\$ 3,580,422	\$ (42,010)
Investment earnings	36,818	36,818	93,152	56,334
Miscellaneous	11,505	11,505	177,346	165,841
Total revenues	3,670,755	3,670,755	3,850,920	180,165
Expenditures:				
General government				
Board of Supervisors	-	460,664	463,940	(3,276)
Public safety				
Flood Control	4,959,562	4,962,794	3,118,754	1,844,040
Highways and streets				
Board of Supervisors	142,363	142,363	45,049	97,314
Sanitation				
Special Districts	27,570	27,570	6,425	21,145
Total expenditures	5,129,495	5,593,391	3,634,168	1,959,223
Excess (deficiency) of revenues over expenditures	(1,458,740)	(1,922,636)	216,752	2,139,388
Other financing sources (uses):				
Transfers out	(490,256)	(490,256)	(490,256)	-
Total other financing sources (uses)	(490,256)	(490,256)	(490,256)	-
Net change in fund balances	(1,948,996)	(2,412,892)	(273,504)	2,139,388
Fund Balance, July 1, 2005	1,948,996	2,412,892	2,202,659	(210,233)
Decrease in prepaid items	-	-	(76)	(76)
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 1,929,079	\$ 1,929,079

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Clerk of Superior Court
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 791,287	\$ 791,287	\$ -	\$ (791,287)
Charges for services	22,229	22,229	66,247	44,018
Fines and forfeits	-	-	338,375	338,375
Investment earnings	-	-	5,823	5,823
Miscellaneous	-	-	464	464
Total revenues	<u>813,516</u>	<u>813,516</u>	<u>410,909</u>	<u>(402,607)</u>
Expenditures:				
General government				
Board of Supervisors	677,008	677,008	1,296	675,712
Clerk of the Court	136,508	136,508	43,932	92,576
Total expenditures	<u>813,516</u>	<u>813,516</u>	<u>45,228</u>	<u>768,288</u>
Excess (deficiency) of revenues over expenditures	-	-	365,681	365,681
Other financing sources (uses):				
Transfers out	-	-	(263,105)	(263,105)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(263,105)</u>	<u>(263,105)</u>
Net change in fund balances	-	-	102,576	102,576
Fund Balance, July 1, 2005	-	-	358,244	358,244
Fund Balance, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 460,820</u>	<u>\$ 460,820</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
County Attorney
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 911,710	\$ 911,710	\$ 741,175	\$ (170,535)
Charges for services	-	-	98,799	98,799
Investment earnings	-	-	48,658	48,658
Miscellaneous	-	-	657,659	657,659
Total revenues	911,710	911,710	1,546,291	634,581
Expenditures:				
General government				
County Attorney	911,710	1,669,920	1,761,064	(91,144)
Total expenditures	911,710	1,669,920	1,761,064	(91,144)
Excess (deficiency) of revenues over expenditures	-	(758,210)	(214,773)	543,437
Other financing sources (uses):				
Transfers in	-	-	359,837	359,837
Total other financing sources (uses)	-	-	359,837	359,837
Net change in fund balances	-	(758,210)	145,064	903,274
Fund Balance, July 1, 2005	-	758,210	611,210	(147,000)
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 756,274	\$ 756,274

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Law Enforcement
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 967,792	\$ 967,792	\$ 806,491	\$ (161,301)
Charges for services	-	-	60,933	60,933
Investment earnings	-	-	13,871	13,871
Miscellaneous	-	-	848,713	848,713
Total revenues	<u>967,792</u>	<u>967,792</u>	<u>1,730,008</u>	<u>762,216</u>
Expenditures:				
General government				
County Attorney	-	2,855	17,296	(14,441)
Public safety				
Sheriff	<u>967,792</u>	<u>1,427,682</u>	<u>1,433,721</u>	<u>(6,039)</u>
Total expenditures	<u>967,792</u>	<u>1,430,537</u>	<u>1,451,017</u>	<u>(20,480)</u>
Net change in fund balances	-	(462,745)	278,991	741,736
Fund Balance, July 1, 2005	-	462,745	676,857	214,112
Increase in prepaid items	-	-	1,250	1,250
Fund Balance, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 957,098</u>	<u>\$ 957,098</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Emergency Management
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 657,812	\$ 657,812	\$ 885,153	\$ 227,341
Investment earnings	-	-	5,275	5,275
Miscellaneous	-	-	267	267
Total revenues	657,812	657,812	890,695	232,883
Expenditures:				
General government				
Emergency Management	657,812	657,812	533,024	124,788
Total expenditures	657,812	657,812	533,024	124,788
Net change in fund balances	-	-	357,671	357,671
Fund Balance, July 1, 2005	-	-	(244,733)	(244,733)
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 112,938	\$ 112,938

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Probation
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 6,105,843	\$ 6,105,843	\$ 4,506,449	\$ (1,599,394)
Charges for services	111,686	111,686	791,389	679,703
Investment earnings	-	-	21,160	21,160
Miscellaneous	-	-	8,918	8,918
Total revenues	6,217,529	6,217,529	5,327,916	(889,613)
Expenditures:				
Public safety				
Adult Probation	3,639,472	3,639,472	3,267,232	372,240
Juvenile Probation	2,578,057	2,578,057	1,822,067	755,990
Total expenditures	6,217,529	6,217,529	5,089,299	1,128,230
Net change in fund balances	-	-	238,617	238,617
Fund Balance, July 1, 2005	-	-	411,899	411,899
Increase in prepaid items	-	-	40	40
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 650,556	\$ 650,556

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Courts
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,785,339	\$ 1,785,339	\$ 547,225	\$ (1,238,114)
Charges for services	137,593	137,593	296,311	158,718
Fines and forfeits	-	-	92,050	92,050
Investment earnings	-	-	30,694	30,694
Miscellaneous	-	-	69,813	69,813
Total revenues	1,922,932	1,922,932	1,036,093	(886,839)
Expenditures:				
General government:				
Superior Courts	2,475,743	2,481,789	1,524,485	957,304
Prescott Justice of the Peace	-	-	1,815	(1,815)
Bagdad/Yarnell Justice of the Peace	-	-	1,411	(1,411)
Verde Valley Justice of the Peace	12,160	12,160	3,157	9,003
Mayer Justice of the Peace	-	-	1,733	(1,733)
Seligman Justice of the Peace	-	-	926	(926)
Total General government	2,487,903	2,493,949	1,533,527	960,422
Public safety				
Adult probation	-	-	68,631	(68,631)
Total expenditures	2,487,903	2,493,949	1,602,158	891,791
Excess (deficiency) of revenues over expenditures	(564,971)	(571,017)	(566,065)	4,952
Other financing sources (uses):				
Transfers in	564,971	564,971	716,658	151,687
Total other financing sources (uses)	564,971	564,971	716,658	151,687
Net change in fund balances	-	(6,046)	150,593	156,639
Fund Balance, July 1, 2005	-	6,046	672,758	666,712
Decrease in prepaid items	-	-	(1,874)	(1,874)
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 821,477	\$ 821,477

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Public Defender
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 96,000	\$ 96,000	\$ 148,792	\$ 52,792
Charges for services	-	-	26,903	26,903
Investment earnings	-	-	3,860	3,860
Miscellaneous	-	-	8,601	8,601
Total revenues	96,000	96,000	188,156	92,156
Expenditures:				
General government				
Public Defender	96,000	144,839	163,977	(19,138)
Public safety				
Adult Probation	-	-	89,634	(89,634)
Total expenditures	96,000	144,839	253,611	(108,772)
Excess (deficiency) of revenues over expenditures	-	(48,839)	(65,455)	(16,616)
Other financing sources (uses):				
Transfers in	-	-	54,281	54,281
Total other financing sources (uses)	-	-	54,281	54,281
Net change in fund balances	-	(48,839)	(11,174)	37,665
Fund Balance, July 1, 2005	-	48,839	51,288	2,449
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 40,114	\$ 40,114

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Coyote Springs
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ 157,720	\$ 157,720	\$ 212,702	\$ 54,982
Investment earnings	-	-	13,705	13,705
Total revenues	<u>157,720</u>	<u>157,720</u>	<u>226,407</u>	<u>68,687</u>
Expenditures:				
Debt service				
Principal retirement	75,000	75,000	75,000	-
Interest and fiscal charges	<u>82,720</u>	<u>82,720</u>	<u>82,720</u>	-
Total expenditures	<u>157,720</u>	<u>157,720</u>	<u>157,720</u>	-
Net change in fund balances	-	-	68,687	68,687
Fund Balance, July 1, 2005	-	-	396,199	396,199
Fund Balance, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 464,886</u>	<u>\$ 464,886</u>

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Prescott East
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ 1,147	\$ 1,147	\$ 52,389	\$ 51,242
Investment earnings	-	-	3,489	3,489
Total revenues	1,147	1,147	55,878	54,731
Expenditures:				
Debt service				
Principal retirement	30,699	30,699	30,698	1
Interest and fiscal charges	10,019	10,019	14,241	(4,222)
Total expenditures	40,718	40,718	44,939	(4,221)
Net change in fund balances	(39,571)	(39,571)	10,939	50,510
Fund Balance, July 1, 2005	39,571	39,571	90,325	50,754
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 101,264	\$ 101,264

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Granite Gardens
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 2,000	\$ 2,000	\$ 2,388	\$ 388
Investment earnings	-	-	1,305	1,305
Total revenues	2,000	2,000	3,693	1,693
Expenditures:				
Debt Service:				
Principal retirement	15,000	15,000	15,000	-
Interest and fiscal charges	1,839	1,839	2,214	(375)
Total expenditures	16,839	16,839	17,214	(375)
Net change in fund balances	(14,839)	(14,839)	(13,521)	1,318
Fund Balance, July 1, 2005	14,839	14,839	32,273	17,434
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 18,752	\$ 18,752

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
Pine Valley
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Special assessments	\$ 10,968	\$ 10,968	\$ 5,656	\$ (5,312)
Investment earnings	-	-	640	640
Total revenues	10,968	10,968	6,296	(4,672)
Expenditures:				
Debt Service				
Principal retirement	10,000	10,000	10,000	-
Interest and fiscal charges	968	968	1,368	(400)
Total expenditures	10,968	10,968	11,368	(400)
Net change in fund balances	-	-	(5,072)	(5,072)
Fund Balance, July 1, 2005	-	-	27,255	27,255
Fund Balance, June 30, 2006	\$ -	\$ -	\$ 22,183	\$ 22,183

Yavapai County
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
HELP
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Expenditures:				
Debt service				
Principal retirement	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ -
Interest and fiscal charges	27,422	27,422	27,422	-
Total expenditures	<u>2,277,422</u>	<u>2,277,422</u>	<u>2,277,422</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(2,277,422)	(2,277,422)	(2,277,422)	-
Other financing sources (uses):				
Transfers in	<u>2,277,422</u>	<u>2,277,422</u>	<u>2,276,694</u>	<u>(728)</u>
Total other financing sources (uses)	<u>2,277,422</u>	<u>2,277,422</u>	<u>2,276,694</u>	<u>(728)</u>
Net change in fund balances	-	-	(728)	(728)
Fund Balance, July 1, 2005	<u>-</u>	<u>-</u>	<u>728</u>	<u>728</u>
Fund Balance, June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

This page is left blank intentionally.

CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS

Yavapai County
 Capital Assets Used in the Operation of Governmental Funds
 Comparative Schedules By Source
 As of June 30, 2006 and 2005

	2006	2005 (as restated)
Government funds capital assets:		
Land	\$ 44,470,835	\$ 43,638,301
Buildings	59,998,478	58,336,944
Equipment	30,732,106	27,852,489
Infrastructure	267,908,750	259,569,578
Construction in progress	865,871	3,476,349
 Total governmental funds capital assets	 \$ 403,976,040	 \$ 392,873,661
 Investments in governmental funds capital assets by source:		
General fund	\$ 26,251,998	\$ 24,976,827
Special revenue funds	322,605,492	312,818,429
Capital projects funds	55,118,550	55,078,405
 Total governmental funds capital assets	 \$ 403,976,040	 \$ 392,873,661

Yavapai County
 Capital Assets Used in the Operation of Governmental Funds
 Schedule By Function and Activity
 As of June 30, 2006

Function	Land	Buildings	Equipment	Infrastructure	Construction in Progress	Total
General government	\$ 7,481,046	\$ 19,273,018	\$ 11,826,597	\$ 4,085,183	\$ 57,567	\$ 42,723,441
Public safety	1,365,021	33,749,928	2,598,951	2,845,473	-	40,559,373
Highways and streets	33,427,445	2,509,269	13,355,818	260,978,094	766,648	311,037,274
Health	-	4,466,263	503,339	-	-	4,969,602
Welfare	-	-	17,456	-	-	17,456
Sanitation	203,164	-	951,375	-	-	1,154,539
Culture and recreation	1,994,159	-	1,331,565	-	41,656	3,367,380
Education	-	-	147,005	-	-	147,005
Total governmental funds capital assets	<u>\$ 44,470,835</u>	<u>\$ 59,998,478</u>	<u>\$ 30,732,106</u>	<u>\$ 267,908,750</u>	<u>\$ 865,871</u>	<u>\$ 403,976,040</u>

Yavapai County
 Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes By Function and Activity
 Year Ended June 30, 2006

Function	Governmental Funds Capital Assets July 1, 2005 (as restated)	Increases	Decreases	Governmental Funds Capital Assets June 30, 2006
General government	\$ 40,147,381	\$ 4,614,775	\$ 2,038,745	\$ 42,723,411
Public safety	40,492,526	562,038	495,191	40,559,373
Highways and streets	302,764,257	14,954,528	6,681,511	311,037,274
Health	4,843,691	132,601	6,690	4,969,602
Welfare	24,898	-	7,442	17,456
Sanitation	1,099,812	84,937	30,210	1,154,539
Culture and recreation	3,345,251	22,129	-	3,367,380
Education	155,845	-	8,840	147,005
Total governmental funds capital assets	<u>\$ 392,873,661</u>	<u>\$ 20,371,008</u>	<u>\$ 9,268,629</u>	<u>\$ 403,976,040</u>

Yavapai County
 Statement of Changes in Assets and Liabilities
 Agency Fund
 Year Ended June 30, 2006

Assets	Balance July 1, 2005	Additions	Deductions	Balance June 30, 2006
Equity in pooled cash and investments	\$ 1,564,006	\$ 14,109,417	\$ 13,524,585	\$ 2,148,838
Total assets	<u>\$ 1,564,006</u>	<u>\$ 14,109,417</u>	<u>\$ 13,524,858</u>	<u>\$ 2,148,838</u>
Liabilities				
Deposits held for others	\$ 1,564,006	\$ 14,109,417	\$ 13,524,585	\$ 2,148,838
Total liabilities	<u>\$ 1,564,006</u>	<u>\$ 14,109,417</u>	<u>\$ 13,524,585</u>	<u>\$ 2,148,838</u>

Yavapai County
Statistical Section
Year Ended June 30, 2006

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.	112
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	117
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.	121
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.	124
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.	126
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.	

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

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental activities					
Invested in capital assets, net of related debt	\$58,950,435	\$64,735,399	\$ 89,640,318	\$ 98,010,786	\$224,412,765
Restricted	452,492	221,862	453,070	546,806	607,294
Unrestricted	15,173,532	24,647,259	20,105,196	27,543,026	40,972,673
Total governmental activities net assets	\$74,576,459	\$89,604,520	\$110,198,584	\$126,100,618	\$265,992,732
Business-type activities					
Invested in capital assets, net of related debt	\$ 150,834	\$ 113,516	\$ 174,128	\$ 159,457	\$ 143,635
Restricted	3,789,488	3,937,368	2,688,410	2,921,417	3,756,119
Total business-type activities net assets	\$ 3,940,322	\$ 4,050,884	\$ 2,862,538	\$ 3,080,874	\$ 3,899,754
Primary government					
Invested in capital assets, net of related debt	\$59,101,269	\$64,848,915	\$ 89,814,446	\$ 98,170,243	\$224,556,400
Restricted	4,241,980	4,159,230	3,141,480	3,468,223	4,363,413
Unrestricted	15,173,532	24,647,259	20,105,196	27,543,026	40,972,673
Total primary government net assets	\$78,516,781	\$93,655,404	\$113,061,122	\$129,181,492	\$269,892,486

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

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Expenses					
Governmental activities:					
General government	\$ 36,537,899	\$41,123,373	\$ 37,084,422	\$49,606,233	\$ 50,250,176
Public safety	24,955,806	26,737,930	31,704,296	34,241,112	42,840,060
Highways and streets	13,489,550	11,012,419	18,457,819	14,468,350	26,559,520
Sanitation	1,487,737	1,595,659	1,645,392	1,589,708	1,817,225
Health	6,968,146	5,675,223	8,757,816	8,958,399	10,543,636
Welfare	8,470,679	8,277,939	7,844,530	8,978,907	9,658,425
Culture and recreation	493,513	591,898	556,472	667,306	89,621
Education	1,513,738	1,716,524	2,546,712	2,326,146	2,480,067
Aid to other governments	240,038	361,130	146,641	2,690,577	160,248
Interest on long-term debt	381,013	777,372	923,764	673,555	558,900
Total governmental activities expenses	<u>94,538,119</u>	<u>97,869,467</u>	<u>109,667,864</u>	<u>124,200,293</u>	<u>144,957,878</u>
Business-type activities:					
Long Term Care	25,850,990	28,339,917	31,832,400	34,660,511	34,456,013
Total business-type activities expenses	<u>25,850,990</u>	<u>28,339,917</u>	<u>31,832,400</u>	<u>34,660,511</u>	<u>34,456,013</u>
Total primary government expenses	<u>\$120,389,109</u>	<u>\$126,209,384</u>	<u>\$141,500,264</u>	<u>\$158,860,804</u>	<u>\$179,413,891</u>
Program Revenues					
Governmental activities:					
Charges for services	\$ 10,117,981	\$ 12,960,210	\$ 13,778,698	\$ 16,783,778	\$ 17,675,437
Operating grants and contributions	24,664,718	24,225,128	26,686,792	27,024,916	30,373,350
Capital grants and contributions	1,842,640	342,063	138,290	2,586,829	240,861
Total governmental activities program revenues	<u>36,625,339</u>	<u>37,527,401</u>	<u>40,603,780</u>	<u>46,395,523</u>	<u>48,289,648</u>
Business-type activities:					
Charges for services:					
Long Term Care	27,423,306	30,408,291	31,465,598	34,931,830	35,980,820
Total business-type activities program revenues	<u>27,423,306</u>	<u>30,408,291</u>	<u>31,465,598</u>	<u>34,931,830</u>	<u>35,980,820</u>
Total primary government program revenues	<u>\$ 64,048,645</u>	<u>\$ 67,935,692</u>	<u>\$ 72,069,378</u>	<u>\$ 81,327,353</u>	<u>\$ 84,270,468</u>
Net (expense)/revenue					
Governmental activities	\$(57,912,780)	\$(60,342,066)	\$(69,064,084)	\$(77,804,770)	\$(96,668,230)
Business-type activities	1,572,316	2,068,374	(366,802)	271,319	1,524,807
Total primary government net expense	<u>\$(56,340,464)</u>	<u>\$(58,273,692)</u>	<u>\$(69,430,886)</u>	<u>\$(77,533,451)</u>	<u>\$(95,143,423)</u>

Continued on next page

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

(Continued)

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Property taxes	\$ 25,850,531	\$ 28,097,734	\$ 31,940,611	\$ 34,912,400	\$ 38,887,081
Sales taxes	31,598,094	32,756,018	35,700,324	41,077,470	50,065,907
Vehicle license taxes	6,576,179	8,335,252	9,495,550	10,060,798	11,449,992
Franchise taxes	503,134	491,454	498,553	511,205	503,099
Lottery (intergovernmental, unrestricted)	550,035	550,035	550,035	550,035	550,035
Interest on investments	800,282	48,864	252,347	554,886	1,280,133
Gain on sale of capital assets	112,334	338,348	-	1,353,975	-
Miscellaneous	2,869,208	2,752,422	4,037,390	4,123,119	5,200,590
Transfers	1,300,000	2,000,000	1,000,000	297,046	1,000,000
Total governmental activities	70,159,797	75,370,127	83,474,810	93,440,934	108,936,837
Business-type activities:					
Interest on investments	-	-	124,413	114,608	168,358
Miscellaneous	-	42,188	54,043	129,455	125,715
Transfers	(1,300,000)	(2,000,000)	(1,000,000)	(297,046)	(1,000,000)
Total business-type activities	(1,300,000)	(1,957,812)	(821,544)	(52,983)	(705,927)
Total primary government	\$ 68,859,797	\$ 73,412,315	\$ 82,653,266	\$ 93,387,951	\$108,230,910
Change in Net Assets					
Governmental activities	\$ 12,247,017	\$ 15,028,061	\$ 14,410,726	\$ 15,636,164	\$ 12,268,607
Business-type activities	272,316	110,562	(1,188,346)	218,336	818,880
Total primary government	\$ 12,519,333	\$ 15,138,623	\$ 13,222,380	\$ 15,854,500	\$ 13,087,487

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

	Fiscal Year									
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General fund										
Reserved	-	-	-	-	-	-	-	\$ 91,724	\$ 99,748	\$ 209,895
Unreserved	\$ 3,225,057	\$ 3,029,568	\$ 4,755,714	\$ 6,272,536	\$ 8,001,803	\$ 5,544,258	\$ 1,784,993	1,863,405	3,595,788	8,810,588
Total general fund	<u>\$ 3,225,057</u>	<u>\$ 3,029,568</u>	<u>\$ 4,755,714</u>	<u>\$ 6,272,536</u>	<u>\$ 8,001,803</u>	<u>\$ 5,544,258</u>	<u>\$ 1,784,993</u>	<u>\$ 1,955,129</u>	<u>\$ 3,695,536</u>	<u>\$ 9,020,483</u>
All other governmental funds										
Reserved	\$ 753,973	\$ 558,510	\$ 299,280	\$ 153,966	\$ 214,767	\$ 256,057	\$ 325,722	\$ 936,366	\$ 704,781	\$ 867,774
Unreserved, reported in:										
Special revenue funds	14,653,376	15,843,464	13,070,445	14,949,857	15,168,286	18,192,971	23,087,399	21,288,382	26,262,264	28,677,267
Capital projects funds	2,237,932	3,428,971	4,302,937	4,335,985	(280,250)	11,902,949	7,589,902	4,677,929	6,266,584	12,280,114
Total all other governmental funds	<u>\$17,645,281</u>	<u>\$19,830,945</u>	<u>\$17,672,662</u>	<u>\$19,439,808</u>	<u>\$15,102,803</u>	<u>\$30,351,977</u>	<u>\$31,003,023</u>	<u>\$26,902,677</u>	<u>\$33,233,629</u>	<u>\$41,825,155</u>

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

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues										
Taxes	\$ 27,665,408	\$ 32,613,231	\$ 31,140,853	\$ 33,720,292	\$ 38,375,384	\$ 41,537,857	\$ 44,368,163	\$ 51,126,397	\$ 56,699,399	\$ 64,339,846
Special assessments	372,152	24,063	62,842	50,339	1,131,562	156,696	273,374	515,278	308,532	270,747
Licenses and permits	2,374,766	2,893,784	2,705,714	2,930,789	3,103,494	3,140,455	4,117,310	4,566,514	6,462,137	6,334,632
Intergovernmental	32,846,116	31,309,817	39,281,870	42,087,182	46,426,273	48,891,212	49,968,098	53,304,620	59,847,934	67,630,858
Charges for services	2,315,358	4,455,427	4,655,375	5,229,472	4,922,776	5,578,511	6,406,303	6,422,832	7,315,921	7,732,193
Fines and forfeits	1,417,656	1,514,424	1,494,097	1,773,761	2,120,826	2,208,732	2,082,004	2,319,086	2,510,775	3,104,481
Investment income	1,145,601	1,381,405	1,227,907	1,327,830	1,400,083	800,282	48,864	252,347	554,887	1,456,855
Contributions	555,863	48,277	522,370	334,126	271,425	-	-	-	-	-
Drug forfeitures	-	1,650,864	-	-	-	-	-	-	-	-
Miscellaneous	3,272,034	1,782,240	2,491,364	1,939,086	2,432,387	3,149,522	3,304,583	4,460,919	4,613,751	5,372,544
Total revenues	71,964,954	77,673,532	83,582,392	89,392,877	100,184,210	105,463,267	110,568,699	122,967,993	138,313,336	156,242,156
Expenditures										
General government	22,624,732	23,215,641	28,001,920	30,096,416	33,059,247	35,794,786	38,750,661	41,843,874	46,791,573	51,012,067
Public safety	14,822,379	17,074,810	19,363,526	20,774,122	23,172,460	24,498,056	26,503,683	30,697,154	33,696,622	41,641,625
Highways and streets	14,232,814	14,078,472	18,813,683	15,918,379	24,018,331	21,928,139	25,704,354	25,009,308	19,354,645	22,665,826
Sanitation	2,687,678	4,447,085	2,168,874	2,306,549	2,243,074	1,645,147	2,066,464	1,514,713	1,492,577	1,982,814
Health	3,031,384	4,167,271	5,065,742	5,457,544	6,028,077	6,965,668	7,875,991	8,617,007	8,833,788	10,390,948
Welfare	7,631,499	7,810,105	7,689,645	7,946,991	8,359,829	8,692,328	8,206,263	7,950,410	8,975,900	9,651,292
Education	905,312	900,815	986,090	1,174,055	1,404,241	1,511,673	1,741,436	2,367,853	2,420,494	2,315,922
Culture and recreation	97,518	30,865	69,506	189,640	495,677	493,513	599,275	444,617	561,582	99,102
Aid to other governments	-	-	-	-	-	240,038	361,130	-	-	-
Capital outlay	5,964,359	5,147,498	2,535,988	4,067,435	10,524,290	7,560,513	12,044,577	6,100,407	3,475,099	462,273
Debt service										
Principal	343,555	25,000	30,000	25,000	25,000	50,430	1,621,156	3,910,440	5,647,287	3,815,698
Interest and fiscal charges	39,406	15,364	14,281	19,366	9,764	381,013	758,544	904,937	673,556	563,122
Bond issuance costs	-	-	-	-	-	209,195	-	-	-	-
Total expenditures	72,380,636	76,912,926	84,739,255	87,975,497	109,339,990	109,970,499	126,233,534	129,360,720	131,923,123	144,600,689
Excess (deficiency) of revenues over (under) expenditures	(415,682)	760,606	(1,156,863)	1,417,380	(9,155,780)	(4,507,232)	(15,664,835)	(6,392,727)	6,390,213	11,641,467
Other financing sources (uses)										
Transfers in	8,323,221	4,851,657	4,939,579	6,442,227	14,753,106	15,604,263	22,966,703	19,666,460	17,629,736	21,212,224
Transfers out	(8,323,221)	(4,851,657)	(4,239,579)	(4,442,227)	(13,753,106)	(14,304,263)	(20,966,703)	(18,666,460)	(17,332,690)	(20,212,224)
Bonds issued	120,000	-	-	-	-	15,260,000	-	-	-	-
Loan proceeds	-	-	-	-	-	15,260,000	9,000,000	-	-	-
Installment purchase agreement	-	89,828	-	-	-	-	-	-	-	-
Capital lease agreements	931,362	858,968	-	-	660,000	373,482	1,202,559	1,300,000	-	-
Special assessment debt issued	-	-	-	-	1,825,434	43,746	-	-	-	-
Sale of capital assets	-	322,830	-	18,817	3,009,691	348,188	374,633	-	1,392,753	-
Total other financing sources (uses)	1,051,362	1,271,626	700,000	2,018,817	6,495,125	32,585,416	12,577,192	2,300,000	1,689,799	1,000,000
Net changes in fund balances	\$ 635,680	\$ 2,032,232	\$ (456,863)	\$ 3,436,197	\$ (2,660,655)	\$ 28,078,184	\$ (3,087,643)	\$ (4,092,727)	\$ 8,080,012	\$ 12,641,467
Debt service as a percentage of noncapital expenditures	0.6%	0.1%	0.1%	0.1%	0.0%	0.6%	2.1%	3.9%	4.9%	3.0%

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

Fiscal Year	Primary Assessed Value			Total Taxable Assessed Value	Total Direct Tax Rate ²	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential and Vacant Property	Commercial Property	Unattached Personal Property				
1999 ¹	\$ 674,260,480	\$ 314,936,506	\$ 34,575,220	\$1,023,772,206	2.1822	\$7,855,389,589	13.03%
2000	734,948,155	324,692,176	37,490,738	1,097,131,069	2.1609	8,553,235,816	12.83
2001	803,609,838	333,585,285	44,105,956	1,181,301,079	2.0514	9,312,109,194	12.69
2002	879,814,468	357,398,601	43,737,336	1,280,950,405	2.0352	10,130,049,480	12.65
2003	964,199,901	380,263,729	43,628,890	1,388,092,520	2.0369	11,032,555,067	12.58
2004	1,055,971,160	415,043,260	45,792,997	1,516,807,417	2.1115	12,071,754,471	12.56
2005	1,178,680,548	452,777,214	44,571,778	1,676,029,540	2.1077	13,416,406,081	12.49
2006	1,322,060,791	506,417,682	49,368,952	1,877,847,425	2.1042	15,045,533,581	12.48

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) Information prior to 1999 was not available.

2) 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						
1997	1.9808	0.1048	0.1185	0.2045	2.4086	0.5300	2.8894-7.2714	0.6319-1.9048	0.2620-7.5351	1.6460
1998	1.8063	0.1004	0.1043	0.2050	2.2160	0.5300	2.4817-8.7736	0.5671-1.7236	0.2350-9.5182	1.5644
1999	1.7468	0.1001	0.1091	0.2262	2.1822	0.5300	1.8412-8.2203	0.5269-1.6436	0.5859-8.4556	1.5689
2000	1.7157	0.1004	0.1100	0.2348	2.1609	0.5217	2.4247-8.1768	0.8236-1.6655	0.3482-5.0680	1.6250
2001	1.6160	0.1003	0.1129	0.2222	2.0514	0.5123	1.2996-7.6734	0.8498-1.7755	0.3098-4.0624	1.6205
2002	1.6066	0.1002	0.1104	0.2180	2.0352	0.4974	0.9900-7.8089	0.7748-1.6717	0.3201-3.8269	1.9488
2003	1.6072	0.1001	0.1117	0.2179	2.0369	0.4889	1.8248-7.3939	0.7229-1.3382	0.0438-5.6002	1.9789
2004	1.6808	0.1000	0.1124	0.2183	2.1115	0.4717	1.2516-8.2795	0.6487-1.2461	0.3235-3.3000	1.8778
2005	1.7008	0.1000	0.1086	0.1983	2.1077	0.4560	1.2362-9.5346	0.6146-1.1904	0.3057-3.3000	1.8514
2006	1.7008	0.0964	0.1086	0.1984	2.1042	0.4358	1.8496-10.4246	0.56580-1.1134	0.1894-3.4285	1.7514

Source: Yavapai County Board of Supervisors Adopted Budget.

1) Includes both primary and secondary rates.

Yavapai County
Principal Property Taxpayers
Current Year and Four Years Ago

<u>Taxpayer</u>	2006			2002 ¹		
	<u>Primary Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Primary Assessed Value</u>	<u>Primary Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Primary Assessed Value</u>
Arizona Public Service	\$59,285,991	1	3.16%	\$56,333,768	1	4.40%
Phelps Dodge Bagdad	26,681,234	2	1.42	26,990,227	2	2.11
Qwest Corporation	21,841,674	3	1.16	17,095,639	3	1.33
Salt River Pima - Maricopa Indian Community	21,617,377	4	1.15			
Unisource Energy Corporation	11,589,889	5	0.62			
Burlington Northern Santa Fe Railway Company	10,378,881	6	0.55	9,448,079	5	0.74
El Paso Natural Gas Company	9,593,756	7	0.51	7,580,251	6	0.59
TWC II-Prescott Mall LLC	8,210,401	8	0.44			
Transwestern Pipeline Company	6,460,392	9	0.34	7,049,633	7	0.55
New Enchantment LP	6,022,671	10	0.32	4,146,066	8	0.32
Citizen's Utility Company-Northern Gas Division				12,614,932	4	0.98
Massachusetts Mutual Life Insurance Company				3,214,818	9	0.25
Ace Hardware Corporation				3,209,200	10	0.25
Totals	<u><u>\$181,682,266</u></u>		<u><u>9.67%</u></u>	<u><u>\$147,682,613</u></u>		<u><u>11.52%</u></u>
Total Yavapai County Primary Assessed Value	\$1,877,847,425		100.00%	\$1,280,950,405		100.00%

Source: Yavapai County Assessor.

1) Information prior to 2002 was not available.

Yavapai County
Property Tax Levies and Collections ¹
Last Seven Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000 ²	\$ 18,824,000	\$ 17,730,747	94.19%	\$ 619,186	\$ 18,349,933	97.48%
2001	19,090,000	17,957,766	94.07	1,877,867	19,835,633	103.91
2002	20,602,000	19,422,071	94.27	2,106,577	21,528,648	104.50
2003	22,310,000	21,116,484	94.65	3,665,803	24,782,287	111.08
2004	25,495,000	24,380,161	95.63	3,297,425	27,677,586	108.56
2005	28,506,000	27,281,472	95.70	3,157,221	30,438,693	106.78
2006	31,939,000	30,438,693	95.30	-	30,438,693	95.30

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) Information prior to 2000 was not available.

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			
1997	\$ -	\$ 517,220	\$ -	\$ 2,449,779	\$ 2,966,999	0.10%	\$ 19.53
1998	-	218,000	-	2,377,802	2,595,802	0.08	16.46
1999	-	188,000	-	1,585,113	1,773,113	0.05	10.88
2000	-	163,000	-	944,623	1,107,623	0.03	6.55
2001	-	1,963,434	-	924,032	2,887,466	0.08	16.62
2002	15,260,000	1,956,750	-	711,629	17,928,379	0.47	100.12
2003	13,945,000	1,838,094	8,812,500	1,497,290	26,092,884	0.64	141.45
2004	12,595,000	1,715,154	6,375,000	1,753,789	22,438,943	0.51	117.64
2005	11,200,000	1,587,867	2,250,000	791,367	15,829,234	N/A (2)	77.18
2006	9,765,000	1,457,168	-	74,625	11,296,793	N/A (2)	53.11

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 2005 and 2006.

Yavapai County
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Debt limit	\$ 52,675,731	\$ 57,699,009	\$ 61,426,332	\$ 65,827,864	\$ 70,878,065	\$ 76,857,024	\$ 83,285,551	\$ 91,008,445	\$ 100,561,772	\$ 112,670,846
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 52,675,731</u>	<u>\$ 57,699,009</u>	<u>\$ 61,426,332</u>	<u>\$ 65,827,864</u>	<u>\$ 70,878,065</u>	<u>\$ 76,857,024</u>	<u>\$ 83,285,551</u>	<u>\$ 91,008,445</u>	<u>\$ 100,561,772</u>	<u>\$ 112,670,846</u>
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%

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed value	1,877,847,425
Debt limit (6% of assessed value)	112,670,846
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	<u>\$ 112,670,846</u>

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 Available Revenue	Debt Service		Coverage
				Principal	Interest	
1997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1998	-	-	-	-	-	-
1999	-	-	-	-	-	-
2000	-	-	-	-	-	-
2001	8,845,405	7,290,343	1,555,062	-	-	-
2002	12,402,242	6,976,236	5,426,006	-	237,306	22.87
2003	15,093,394	8,062,836	7,030,558	1,315,000	555,140	3.76
2004	19,345,034	13,126,579	6,218,455	1,350,000	517,322	3.33
2005	17,248,364	12,233,680	5,014,684	1,395,000	477,093	2.68
2006	17,573,461	14,803,330	2,770,131	1,435,000	435,157	1.48

Special Assessment Bonds				
Fiscal Year	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
1997	\$ 196,617	\$ 343,555	\$ 39,406	0.51
1998	52,090	25,000	15,364	1.29
1999	49,327	30,000	14,281	1.11
2000	48,814	25,000	19,366	1.10
2001	38,746	25,000	9,764	1.11
2002	111,801	50,430	143,707	0.58
2003	268,067	118,656	117,851	1.13
2004	528,554	122,940	123,381	2.15
2005	322,369	127,287	107,982	1.37
2006	220,746	130,698	100,543	0.95

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

- 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.

Yavapai County
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
1997	151,924	\$ 2,876,320	\$ 18,933	3.9%
1998	157,686	3,144,911	19,944	3.5
1999	162,943	3,315,373	20,347	3.5
2000	168,981	3,574,050	21,151	3.9
2001	173,703	3,701,821	21,311	4.2
2002	179,071	3,853,070	21,517	5.1
2003	184,464	4,075,143	22,092	4.8
2004	190,737	4,425,695	23,203	4.3
2005	205,105	N/A (1)	N/A (1)	4.1
2006	212,722	N/A (1)	N/A (1)	3.7

Source: Population and personal income through 2004 obtained from the U.S. Department of Commerce, Bureau of Economic Analysis. Population for 2005 and 2006 and unemployment rate through 2005 obtained from the Arizona Department of Economic Security, Research Administration.

1) Personal income and per capita personal income were not available for 2005 and 2006.

Yavapai County
Principal Employers
Current Year and Seven Years Ago

<u>Employer</u>	2006			1999 ¹		
	<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	1,739	1	1.92%	1,213	1	1.76%
Yavapai Regional Medical Center	1,599	2	1.76	730	3	1.06
Wal-Mart	1,035	3	1.14			
Prescott Unified School District	808	4	0.89	573	4	0.83
Yavapai College	732	5	0.81	468	7	0.68
Cyprus Bagdad Copper Mine	720	6	0.79	535	6	0.78
Veterans Medical Center	682	7	0.75	550	5	0.80
Verde Valley Medical Center	655	8	0.72	351	9	0.51
City of Prescott	587	9	0.65	385	8	0.56
State of Arizona	440	10	0.48	330	10	0.48
Sturm Ruger & Company				1,176	2	1.71
Totals	<u>8,997</u>		<u>9.91%</u>	<u>6,311</u>		<u>9.17%</u>
Total Employment in Yavapai County	90,790		100.00%	68,946		100.00%

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

1) Information prior to 1999 was not available.

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

Function	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General government	454	487	498	528	558
Public safety	437	444	454	512	520
Highways and streets	125	124	126	124	125
Sanitation	7	9	13	13	13
Health	94	105	115	110	114
Welfare	18	6	5	5	5
Culture and recreation	1	-	-	-	-
Education	15	17	19	21	21
Long Term Care	37	47	52	53	53
Total	1,188	1,239	1,282	1,366	1,409

Source: Yavapai County payroll records.

Yavapai County
Operating Indicators by Function
Last Five Fiscal Years

Function	Fiscal Year				
	2002	2003	2004	2005	2006
General government					
Elections					
Elections	4	4	5	4	4
Number voting	33,819	105,413	60,506	137,786	47,250
Development Services					
Building permits issued	4,944	4,860	5,020	5,923	6,073
Inspections performed	17,085	18,379	21,512	24,996	28,943
Assessor					
Parcels assessed	137,106	139,867	142,807	145,997	154,662
New subdivisions	36	90	106	107	171
Public safety					
Sheriff					
Inmate population	5,351	6,172	6,448	5,600	6,184
Adult Probation					
Probationers actively supervised	1,646	1,643	1,870	1,799	2,105
Community restitution hours	80,282	77,406	76,727	72,917	70,270
Restitution collected	\$ 556,347	\$ 483,575	\$ 594,208	\$ 770,304	\$ 634,651
Presentence reports written for courts	1,391	1,459	1,880	1,558	1,431
Juvenile Probation					
Juveniles brought to detention	N/A (1)	1,283	1,238	1,272	1,391
Average length of detention (days)	11	12	12	13	12
Probationers	640	617	577	591	761
Community restitution hours	22,239	19,873	17,835	15,158	14,811
Highways and streets					
Public Works					
Crack sealing (miles)	20	25	88	67	83
Street resurfacing (miles)	44	53	55	49	41
Sanitation					
Landfill/Environment					
Transfer station refuse collected (tons)	8,800	7,650	6,057	5,450	4,728
Waste tires collected	112,800	106,613	127,123	145,842	140,871
Health					
Health Care					
Certified copies of death certificates issued	15,342	14,529	16,123	16,693	16,024
Childhood immunization visits	7,344	5,662	5,239	4,727	4,806
Restaurant inspections and re-inspections	2,835	2,426	2,244	2,496	2,923
Welfare					
Public Fiduciary					
Guardianships/conservatorships	97	102	105	127	104
Education					
School Superintendent					
School districts	25	25	25	25	25
District students	21,316	21,167	21,686	22,422	23,086
Charter schools	N/A (1)	36	41	41	38
Charter students	N/A (1)	3,845	3,606	3,308	3,297
Culture and recreation					
Parks & Recreation					
Park use permits issued	N/A (1)	N/A (1)	11	9	6
Long-term care					
Members enrolled	N/A (1)	N/A (1)	1,051	1,003	952
Claims processed	5,165	6,423	7,133	6,891	6,383

Source: Various Yavapai County departments.

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

Yavapai County
Capital Asset Statistics by Function
Last Five Fiscal Years

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

Source: Various Yavapai County departments.

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

1) Information prior to 2003 was not available.

