



REPORT HIGHLIGHTS

FINANCIAL STATEMENT AND SINGLE AUDITS

Our Conclusion

Cochise County is responsible for preparing annual financial statements and a schedule of expenditures of federal awards, maintaining effective internal controls, and being accountable for its use of public monies. Our Office is responsible for auditing the County's financial statements, schedule, and major federal programs annually. A summary of the financial statements and schedule of expenditures of federal awards is presented to the right.

Based on our audits, we issued reports that included our opinion on the County's financial statements and its schedule of expenditures of federal awards, and reports on its internal control and compliance over financial reporting and major federal programs. The information in the County's fiscal year 2014 financial statements and schedule of expenditures of federal awards is reliable. Our reports on internal control and compliance did not include any reported deficiencies in the County's internal control or compliance over financial reporting and major programs.



2014

Year Ended June 30, 2014

Condensed financial information

Statement of net position—This statement reports all of Cochise County's assets, liabilities, and net position. Net position is reported in three major categories:

- **Net investment in capital assets**—shows the equity in land, buildings, equipment, and infrastructure.
- **Restricted**—shows the resources that must be used for restricted purposes as specified by donors and other external entities, such as the federal government.
- **Unrestricted**—shows the resources available for general operations.

Statement of activities—This statement reports all revenues, expenses, and the year's change in net position. Revenues include program revenues—those generated by or dedicated to a specific program—and general revenues such as taxes raised for general purposes. It also reports revenues and expenses as either governmental activities—primarily supported by taxes and grant monies—or business-type activities—primarily supported by user fees and charges. During fiscal year 2014, net position increased by \$4.3 million, or 2.3 percent, as compared to a decrease of \$1.6 million, or 0.8 percent, in fiscal year 2013.

Schedule of expenditures of federal awards—During fiscal year 2014, the County expended over \$10.7 million in federal awards. The County's federal award expenditures decreased by \$416,000, or 3.7 percent, compared to fiscal year 2013.

Condensed statement of net position

Governmental and business-type activities

As of June 30, 2014
(In thousands)

Assets	
Current assets	\$ 75,501
Capital assets, net	129,472
Total assets	<u>204,973</u>
Liabilities	
Current liabilities	4,916
Noncurrent liabilities	7,888
Total liabilities	<u>12,804</u>
Net position	
Net investment in capital assets	129,261
Restricted	13,467
Unrestricted	<u>49,441</u>
Total net position	<u>\$192,169</u>

Condensed statement of activities

Governmental and business-type activities

For the year ended June 30, 2014
(In thousands)

Program revenues	
Governmental activities	\$ 35,734
Business-type activities	4,331
General revenues	
Governmental activities	58,059
Business-type activities	667
Total revenues	<u>98,791</u>
Expenses	
Governmental activities	89,223
Business-type activities	5,265
Total expenses	<u>94,488</u>
Change in net position	4,303
Net position—beginning	<u>187,866</u>
Net position—ending	<u>\$192,169</u>

Condensed schedule of expenditures of federal awards by grantor agency

For the year ended June 30, 2014 (In thousands)

Department of Housing and Urban Development	\$ 3,129
Department of Interior	2,168
Department of Labor	1,435
Department of Agriculture	1,033
Department of Homeland Security	981
Other	<u>1,976</u>
Total federal expenditures	<u>\$10,722</u>

