



2025 Annual Comprehensive Financial Report



Fiscal Year Ended June 30, 2025
Coconino County, Arizona



COCONINO COUNTY, ARIZONA

Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2025

BOARD OF SUPERVISORS



Patrice Horstman
District 1



Jeronimo Vasquez
District 2



Tammy Ontiveros
District 3



Judy Begay
District 4



Lena Fowler
District 5

COUNTY MANAGEMENT

Andy Bertelsen
County Manager

Eric Peterson
Deputy County Manager

Erika Philpot
Deputy County Manager

PREPARED BY:

Finance Department

Siri Mullaney, Chief Financial Officer
Abigail Velazquez, Assistant Director
Dominic Egliskis, Senior Accountant
Trinka Hall, Accountant



Coconino County
Annual Comprehensive Financial Report
Table of Contents
Year Ended June 30, 2025

INTRODUCTORY SECTION

Letter of Transmittal.....	11
Certificate of Achievement for Excellence in Financial Reporting.....	17
Organizational Chart.....	18
Listing of Coconino County Officials.....	19

FINANCIAL SECTION

Independent Auditors' Report.....	23
Management's Discussion and Analysis (MD&A).....	29

Basic Financial Statements:

Government-Wide Statements:

Statement of Net Position.....	45
Statement of Activities.....	46

Governmental Funds Financial Statements:

Balance Sheet.....	47
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.....	49
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	50
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities.....	52

Proprietary Fund Financial Statements:

Statement of Net Position.....	53
Statement of Revenues, Expenses, and Changes in Fund Net Position.....	54
Statement of Cash Flows.....	55

Fiduciary Fund Financial Statements:

Statement of Fiduciary Net Position.....	56
Statement of Changes in Fiduciary Net Position.....	57

Notes to the Financial Statements:

Note 1 – Summary of Significant Accounting Policies.....	61
Note 2 – Stewardship, Compliance, and Accountability.....	70
Note 3 – Deposits and Investments.....	70
Note 4 – County Treasurer's Investment Pool.....	75
Note 5 – Receivables.....	76
Note 6 – Capital Assets.....	77
Note 7 – Construction and Other Commitments.....	78
Note 8 – Long-term Liabilities.....	78
Note 9 – Fund Balance Classifications of the Governmental Funds.....	83

Coconino County
Annual Comprehensive Financial Report
Table of Contents
Year Ended June 30, 2025

Note 10 – Risk Management	84
Note 11 – Pensions and Other Postemployment Benefits	85
Note 12 – Interfund Balances and Activity	107
Note 13 – Municipal Revolving Line of Credit	109
Note 14 – Maintenance of Effort	109

Required Supplementary Information:

Budgetary Comparison Schedules:

General Fund	113
Public Works/HURF Fund	115
Jail District Fund	116
Public Health Services District Fund	117
American Rescue Plan Act Fund	118
Flood Control District Fund	119
Notes to Budgetary Comparison Schedules	120
Schedule of the County’s Proportionate Share of the Net Pension Liability – Cost-Sharing Plans	121
Schedule of Changes in the County’s Net Pension Liability and Related Ratios – Agent Plans	122
Schedule of County Pension Contributions	123
Schedule of Changes in the County’s Total OPEB Liability and Related Ratios	124
Notes to Pension Plan Schedules	125

Other Supplementary Information:

Combining and Individual Fund Statements and Schedules

Listing of Nonmajor Governmental Funds	129
Nonmajor Governmental Funds:	
Combining Balance Sheet	133
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	144
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Special Revenue Funds:	
Adult Probation Grants and Fees	157
Assessor Storage and Retrieval	158
Clerk of the Superior Court Grants and Fees	159
Conciliation Court	160
County Attorney Grants and Fees	161
County Improvement Districts – Special Revenue	162
County Library District	163
Elections Grants and Fees	164
Emergency Services Grants	165
Facilities Grants and Fees	166
Health and Human Services Grants and Fees	167
Information Technology Grants and Fees	168
Inmate Welfare	169

Coconino County
Annual Comprehensive Financial Report
Table of Contents
Year Ended June 30, 2025

Jail Enhancement	170
Justice Courts Grants and Fees	171
Juvenile Court Grants and Fees	172
Legal Defender Grants and Fees	173
Local Assistance and Tribal Consistency Fund	174
National Forest Fees	175
Other Special Revenue Funds	176
Parks and Recreation Grants and Fees	177
Public Defender Grants and Fees	178
Recorder Grants and Fees	179
School Superintendent Grants and Fees	180
Sheriff Grants and Fees	181
Solid Waste	182
Superior Court Grants and Fees	183
Taxpayer Information Fund	184
Debt Service Funds:	
Jail District Debt Service Fund	185
Capital Project Funds:	
Jail District Capital Fund	186
Other Capital Projects Funds	187
Parks and Open Spaces Tax Projects Fund	188
Fiduciary Funds:	
Combining Statement of Fiduciary Net Position	191
Combining Statement of Changes in Fiduciary Net Position	192

STATISTICAL SECTION

Financial Trends:	
Net Position by Component	197
Changes in Net Position	198
Fund Balances of Governmental Funds	200
Changes in Fund Balances of Governmental Funds	201
Revenue Capacity:	
Assessed Value and Estimated Market Value of Taxable Property	203
Direct and Overlapping Property Tax Rates	204
Principal Property Taxpayers	205
Property Tax Levies and Collections	206

Coconino County
Annual Comprehensive Financial Report
Table of Contents
Year Ended June 30, 2025

Debt Capacity:	
Ratios of Outstanding Debt by Type	207
Legal Debt Margin	208
Pledged Revenue Coverage	209
Demographic and Economic Information:	
Demographic and Economic Statistics	210
Principal Employers	211
Operating Information:	
Full-Time Equivalent Employees by Function	212
Operating Indicators by Function/Program	213
Capital Asset and Infrastructure Statistics by Function	214

INTRODUCTORY SECTION





March 31, 2026

The Honorable Board of Supervisors and Citizens of Coconino County, Arizona:

We are pleased to provide you with the Annual Comprehensive Financial Report (ACFR) for fiscal year 2025. The ACFR provides in-depth information regarding the County's financial position. Arizona Revised Statute (A.R.S.) §41-1279.21 requires the financial audits of the accounts and records of County governments. The audit firm CliftonLarsonAllen, LLP audited the Annual Comprehensive Financial Report of Coconino County in accordance with generally accepted auditing standards for the year ended June 30, 2025.

This report consists of management's representations concerning the finances of Coconino County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of Coconino 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 preparation of Coconino County's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal control should not outweigh its benefits, Coconino County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The goal of the independent audit was to provide reasonable assurance that the financial statements of Coconino County for the fiscal year ended June 30, 2025 are free of material misstatement. The independent audit involves obtaining audit evidence about the amounts and disclosures in the financial statements. An audit includes assessments of risk of material misstatement of the financial statements, evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall financial statement presentation. The independent auditors expressed an unmodified opinion on the Coconino County financial statements for the fiscal year ended June 30, 2025. The auditors concluded that the financial statements were considered fairly

presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Coconino 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. This report will be available in Coconino County's separately issued Single Audit Report.

GAAP requires a management's discussion and analysis (MD&A) immediately following the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. This MD&A complements this letter of transmittal and should be read in conjunction with it.

Coconino County Profile

Coconino County was established on February 19, 1891, by the 16th Territorial Assembly with an initial population count of 4,000. The County encompasses approximately 18,617 square miles. It is the largest county in Arizona and the second largest in the United States. Despite its size, Coconino County is one of the most sparsely populated counties in Arizona with a population density of 7.8 per square mile (2020 Census). Only 12 percent of the County's total square miles are private property. The remainder is a combination of state, federal, and tribal land.

Flagstaff is the County seat and the largest city in the County. The County is home to the Grand Canyon, five National Monuments, and three Arizona State Parks. The County encompasses lands of the sovereign Navajo Nation, Hopi Tribe, Havasupai Tribe, Hualapai Tribe, and the Kaibab Band of Paiute Indians.

Coconino County's government consists of an elected Board of Supervisors (Board). There are five districts, each represented by a Supervisor who resides in the district. The Board holds the policy-making and legislative authority for the County. It is responsible for the overall management and approval of all departmental budgets and tax rates. The Board appoints a County Manager, who serves as the Chief Administrative Officer for the County. Departments are either headed by officials appointed by the Board or by elected officials. Elected officers are statutorily determined and include the Sheriff, County Attorney, Recorder, Treasurer, Assessor, Superintendent of Schools, Constables, Clerk of the Superior Court, and the Judiciary.

Coconino County provides a full range of services, including law enforcement and public safety, health and human services, sanitation, welfare programs, highway construction and maintenance, parks and recreation, flood mitigation, and education.

The financial reporting entity includes all the funds of the primary government. Component units are legally separate entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are part of the County's operations. Additional information can be found in the notes to the financial statements (see Note 1.A).

The Board and the County Manager use a ten-year financial plan, along with fiscal management policies, budget management policies, and strategic goals and priorities, to guide the overall development and management of the budget. Annually, departments are required to provide revenue and expenditure estimates for the current fiscal year and planned operations for the following year. These estimates are used to update the ten-year financial plan. Departments submit their budgets, which are evaluated using established criteria, and budget recommendations are adopted by the Board of Supervisors based on these evaluations. Final budget decisions are also subject to the availability of funds within the context of the ten-year financial plans, conformance with fiscal and budget management policies, and meeting the County's strategic goals and priorities.

The annual budget serves as the foundation for Coconino County's financial planning and control. The County is required by A.R.S. §42-17101 et. seq. to annually prepare and adopt a balanced budget. Arizona law further requires that no expenditure shall be made or liability incurred in excess of the amounts budgeted except as provided by law. Coconino County's annual budget is available on the internet at coconino.az.gov/621/Financial-Reports-Information.

Coconino County's Economic Outlook

The information presented in the financial statements is best understood when considered within the broader context of the environment in which the County operates.

Economic Outlook. According to the Arizona Economic and Business Research Center, the State's income, job, and population growth are projected to increase in 2026. Job growth is expected to rise modestly, reaching 1.6 percent in 2026 and 1.5 percent in 2027. Job growth increased by 0.8 percent in 2025, down from 2.9 percent in 2024, and remained below the national growth rate of 1.1 percent during the same period. The State's unemployment rate is projected to decline modestly before increasing slightly in 2026. Population growth is expected to remain steady, primarily driven by net migration.

Inflation in Phoenix, the State's largest population center, was 1.5 percent in November 2025, compared to the national rate of 2.9 percent. Although inflation has slowed, cumulative inflation between January 2021 and December 2025 in Arizona reached 25.7 percent, compared to 22.3 percent nationally.

Local Economy. Coconino County building activity remained strong in fiscal year 2025, with 1,348 new building permits issued during the fiscal year. New construction is anticipated to slow in FY26 due to higher borrowing rates. The civilian labor force experienced modest growth in 2025 with November 2025 showing a 1.8 percent increase over the previous year. In December 2025, Redfin.com reported a median sales price of homes in Flagstaff of \$710,000, an increase of 6.4 percent from the prior year.

The economy of Coconino County is based primarily on tourism, public administration, the service industry, and wholesale and retail trade. The City of Flagstaff (the County seat) is the center of educational, governmental, manufacturing, and scientific employment sectors. The list of major employers remained the same in FY25 as in the prior year. Major employers include Northern Arizona University, Northern Arizona Healthcare, W.L. Gore and Associates, Flagstaff Unified School District, Coconino County, City of Flagstaff, Walmart, Nestle Purina Petcare, The Guidance Center, and the U.S. Forest Service.

Tourism plays a major role in the local economy. Historic U.S. Route 66 and Interstate 40 traverse much of the County, providing access to numerous natural and recreational attractions. These include Grand Canyon National Park, Oak Creek Canyon, Glen Canyon National Recreation Area, Wupatki National Monument, Walnut Canyon National Monument, and Slide Rock State Park, all of which draw visitors from around the world. Despite trending decreases in visitation to State and National Parks in Arizona, there was a marginal increase of 1.9 percent in tourism-related tax revenue in December 2025 over the prior year, according to the Arizona Office of Tourism.

According to the U.S. Census Bureau, Coconino County's population increased from 134,421 in 2010 to 145,101 in 2020, representing a 7.9 percent increase, compared to an 11.9 percent increase for the State of Arizona over the same period. Only half of Coconino County's population is in the prime working-age range of 18 to 54. The U.S. Bureau of Labor Statistics estimates the County's labor force to be 76,544 as of December 2025.

Coconino County's unemployment rate tends to be slightly higher than that of the State of Arizona. In November 2025, the County's unemployment rate was 4.9 percent, compared to the state's unemployment rate of 4.1 percent, according to the Arizona Office of Economic Opportunity.

Financial Policies and Long-Term Financial Planning

Strategic Budget Process and Financial Planning. The County has had a comprehensive long-term financial planning process in place since fiscal year (FY) 2007. In FY25, the County continued the Strategic Budget Process that began in FY10. The goal of the process is to provide consistent delivery of essential services to its residents in times of economic growth or recession, and to identify opportunities for cost containment through prevention efforts. Key elements to this process include: 1) a ten-year financial plan, 2) aligning high probability

revenue types with mission critical expenditures, 3) balancing recurring expenditures with recurring revenue, 4) building prudent reserves, 5) planning the budget to include employee compensation, facilities repair and replacement, and information technology (IT), 6) continued development of the Strategic Budgeting Process, and 7) development of new revenue sources. Additionally, the County has added proactive pension management to the list of important financial planning considerations.

Coconino County's fiscal policies promote long-term stability, provide perspective to the financial picture of the County in its entirety rather than individual issues, link long-term financial planning to day-to-day operations, and provide a framework for the Board of Supervisors and the citizens to measure the fiscal impact of government services against established fiscal parameters. The fiscal policies include:

Budget Management Policy. The Board uses the County fiscal policies and strategic priorities to guide the County's budget process. Decisions are evaluated within these contexts, as well as in alignment with the accompanying ten-year financial plan.

Operating Budget Policies. The operating budget is a plan for allocating current resources to meet current expenditures.

Capital Budget Policies. The capital budget provides resources for capital maintenance and future capital needs, without adversely affecting the operating budget.

Revenue Policies. Funding for public programs should be derived from a fair, equitable, and adequate resource base, while minimizing tax differential burdens.

Reserve Policies. Responsible reserve policies provide adequate resources for cash flow and contingency purposes, while maintaining reasonable tax rates. The County maintains a contingency for cash liquidity and as an emergency contingency in the County General Fund equal to at least 25 percent of its annual revenue budget. The Board has also established a committed fund balance of \$15 million for possible disruptions in federal and state funding, revenue disruptions from economic uncertainties, and natural disaster mitigation.

Debt Policies. Responsible debt management policy ensures the County's ability to incur present and future debt at minimal interest rates in amounts needed for infrastructure and economic development without endangering its ability to finance essential County services.

Awards and Acknowledgments

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Coconino County for its annual comprehensive financial report for the fiscal year ended June 30, 2024. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and

efficiently organized annual comprehensive 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 annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

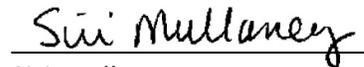
Coconino County has also received the GFOA's Distinguished Budget Presentation Award for its annual budget for the fiscal year beginning July 1, 2025. The County has achieved this award annually since fiscal year 2001. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

Preparation of this report would not have been possible without the dedicated efforts of the County's Finance Department staff and the cooperation of personnel across all departments. We also acknowledge the Board of Supervisors for its continued support and commitment to professional, fiscally responsible financial management and planning.

Respectfully submitted,



Andy Bertelsen
County Manager



Siri Mullaney
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Coconino County
Arizona

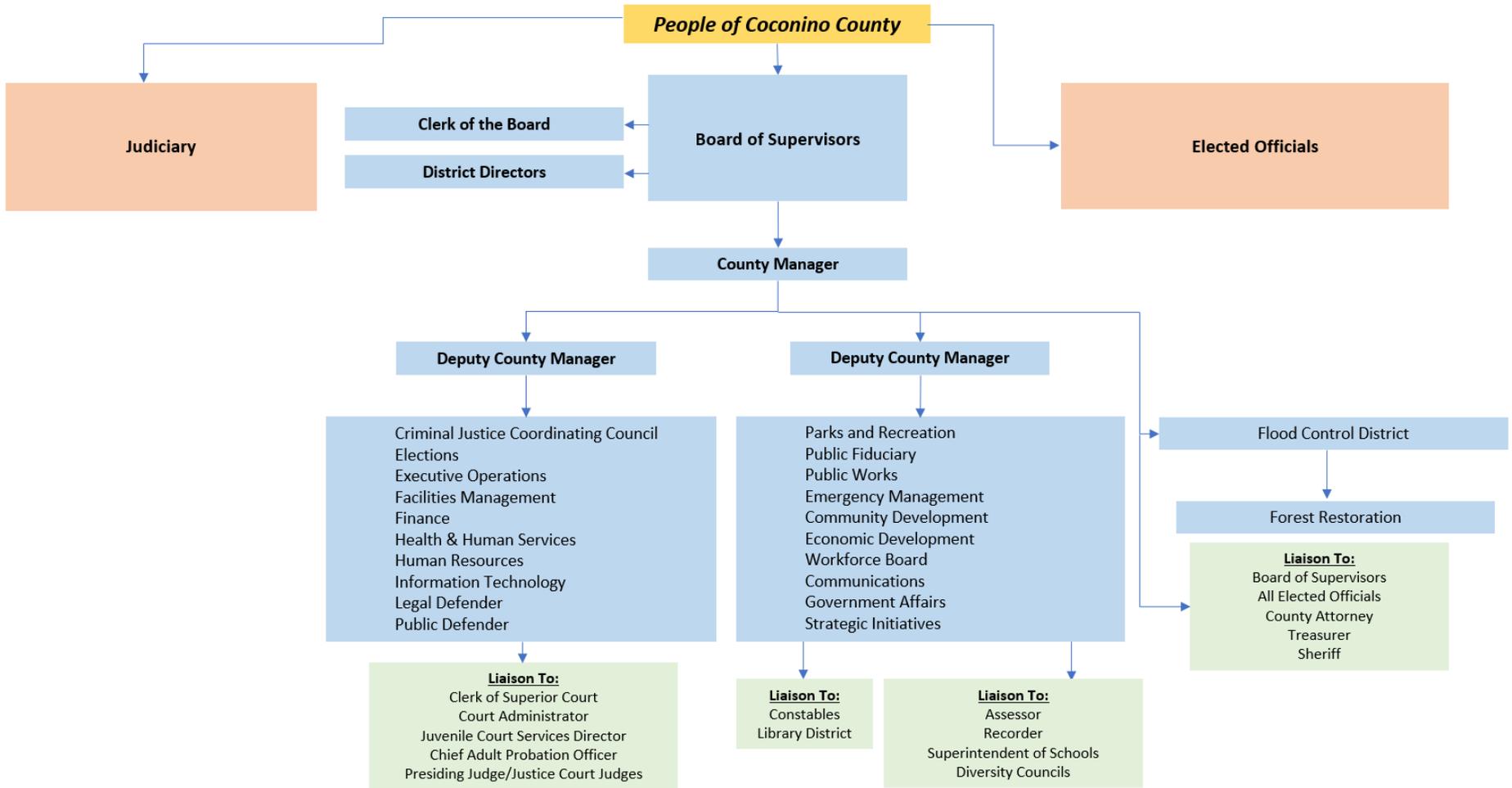
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Organizational Chart



Coconino County Officials

As of February 29, 2026

BOARD OF SUPERVISORS

District 1 Patrice Horstman, Chair
District 2 Jeronimo Vasquez, Vice Chair
District 3 Tammy Ontiveros
District 4 Judy Begay
District 5 Lena Fowler
County Manager Andy Bertelsen
Deputy County Manager Eric Peterson
Deputy County Manager Erika Philpot
Clerk of the Board Lindsay Daley

ELECTED OFFICIALS

Clerk of the Superior Court Brad Crossland
Constable: Flagstaff Danny Thomas
 Williams Gregory King
County Assessor Armando Ruiz
County Attorney Ammon Barker
County Recorder Aubrey Sonderegger
County Sheriff Bret Axlund
County Superintendent of Schools Cheryl Mango-Paget
County Treasurer and Ex Officio Tax Collector Sarah Benatar
Justice of the Peace: Flagstaff Hon. Howard Grodman
 Fredonia Hon. Serena Cutchen
 Page Hon. Michael Robert Barnes
 Williams Hon. Robert Krombeen
Superior Court: Division I Hon. Ted Reed, Presiding Judge
 Division II Hon. Joshua Steinlage
 Division III Hon. Stacy Krueger
 Division IV Hon. Charles W. Doughty
 Division V Hon. Neil Sherman
 Division VI Hon. Roberta McVickers
Superior Court Juvenile Court Judge/Commissioner Hon. Angela Kircher

Coconino County Officials

As of February 29, 2026

(continued)

APPOINTED OFFICIALS

Chief Probation Officer, Adult Probation.....Cara Singer
Criminal Justice Coordinating Council DirectorDianna Kalandros
Community Development DirectorJay Christelman
Community Relations Director Melissa Randazzo
Court Administrator Sharon Yates
Economic Development Director.....John Saltonstall
Elections Director..... Eslir Musta
Emergency Management Director..... Tim Carter
Facilities Management Director..... Tom Hanecak
Finance Director/CFO..... Siri Mullaney
Flood Control District Administrator Lucinda Andreani
Forest Restoration Director Jay Smith
Government Affairs DirectorKeith Brekhus
Health and Human Services Director..... Michele Axlund
Human Resources Director/CHRO Krista Sedillo
Information Technology Director/CIO Matt Fowler
Juvenile Court Services Director Casie Lightfoot
Legal Defender Joseph Carver
Parks and Recreation DirectorCynthia Nemeth
Public Defender..... Jennifer Stock
Public Fiduciary.....Rashida Suminski
Public Works Director Christopher Tressler
Strategic Initiatives Director James Orloski
Workforce Board Director Vacant

FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

The Arizona Auditor General and the
Board of Supervisors of
Coconino County, Arizona
Flagstaff, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coconino County, Arizona (County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Coconino County, Arizona's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Coconino County, Arizona, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Coconino County, Arizona and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matter

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

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

Restricted Use Relating to the Other Matter

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Coconino County, Arizona's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Coconino County, Arizona's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

The Arizona Auditor General and the
Board of Supervisors of
Coconino County, Arizona

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Coconino County, Arizona's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Coconino County, Arizona's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Arizona Auditor General and the
Board of Supervisors of
Coconino County, Arizona

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2026, on our consideration of Coconino County, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Coconino County, Arizona's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Coconino County, Arizona's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Tempe, Arizona
March 30, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)



Coconino County
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Management's Discussion and Analysis (MD&A) of the County's financial performance provide an overview of the County's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the transmittal letter on pages 11 to 16 and the County's basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2025

- At June 30, 2025, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$402.1 million (net position), an increase of \$61.7 million, or 18.1 percent, from the prior year. Net position consists of \$265.4 million net investment in capital assets, \$208.4 million restricted for specific purposes, and an unrestricted net position deficit of \$(71.68) million. The unrestricted deficit is primarily attributable to the recognition of long-term pension liabilities.
- Net investment in capital assets increased by \$68.19 million, or 34.6 percent, reflecting substantial additions to construction in progress for facilities and roadway improvements under the County's Capital Improvement Plan, as well as significant flood mitigation infrastructure investments by the Flood Control District. The increase was strengthened by the retirement of \$27.5 million in debt related to private-placement pledged revenue obligations issued for the Capital Improvement Plan.
- Total liabilities decreased by \$45.3 million, or 16.7 percent, to \$226.5 million. This balance includes \$15.1 million in matured bonds payable at year-end. The overall decrease is primarily attributable to the retirement of private placement pledged revenue obligations.
- The General Fund reported an unassigned fund balance of \$27.6 million at June 30, 2025, a decrease of \$59.2 million from the prior year. This decrease was primarily attributable to an action by the Board of Supervisors to establish a stability fund and adopt a revenue reserve policy of 25 percent of annual revenues. These commitments, totaling \$40.9 million, reduced the unassigned fund balance. The committed funds are intended to support natural disaster response, cash flow needs, and service continuity in the event of reductions in federal, state, or local funding.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes required supplementary information intended to furnish additional detail to support the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

Coconino County
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS – Continued

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all non-fiduciary assets and liabilities using the accrual basis of accounting.

The Statement of Net Position presents information on all of the County's assets and deferred outflows of resources along with the County's liabilities and deferred inflows of resources, with the difference reported as Net Position.

Net Position = (Assets + Deferred Outflows of Resources) – (Liabilities + Deferred Inflows of Resources)

When viewed over a period of time, increases and decreases in net position are a useful indicator of an improving or deteriorating County financial condition. In addition to this change, other financial and non-financial factors should be considered.

The Statement of Activities presents information on how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes, and expenses pertaining to earned but unused vacation and sick leave.

All of the County's basic services are considered governmental activities, including general government, health, welfare, public safety, highways and streets, culture and recreation, education, and sanitation. Sales taxes, property taxes, intergovernmental revenues, and user fees finance most of these activities. The government-wide financial statements can be found on pages 45 and 46 of this report.

Fund financial statements—The fund financial statements provide detailed information about the most significant County funds, rather than the County as a whole. 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. Some funds are required to be established by state law or by bond covenants. The Board of Supervisors establishes other funds to help control and manage money for particular purposes or to ensure that legal responsibilities are being achieved for using certain taxes, grants, and other money. All of the County's funds can be divided into three categories: *governmental, proprietary, and fiduciary*.

Governmental funds—Most of the County's basic services are reported in governmental funds, which focus on near-term inflows and outflows of spendable resources, as well as the balances of spendable resources available at year-end. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed, short-term view of the County's operations and the basic services it provides. Governmental fund information helps identify financial resources that can be spent in the near future to finance the County's programs.

Coconino County
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS – Continued

Because the focus of the governmental funds is narrower than that of the government-wide statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. Reconciliations between governmental activities, as reported in the Statement of Net Position and the Statement of Activities, and the governmental funds, as reported in the fund financial statements, are provided to facilitate this comparison.

The County maintains numerous individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Public Works/HURF Fund, Jail District Fund, Public Health Services District Fund, American Rescue Plan Act Fund, County Debt Services Fund, Flood Control District Fund, and Capital Improvement Plan Fund, which are considered to be major funds. Data from the other nonmajor governmental funds are combined into a single aggregate presentation. Individual fund data for these nonmajor governmental funds are provided in combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 47-52 of this report.

Proprietary funds—The County's internal service fund is used to account for fleet operations, including maintenance, repairs, fuel, and overall vehicle management. These services are primarily provided to County departments on a cost-reimbursement basis, with rates established to recover the full cost of operating and replacing fleet vehicles over time. Therefore, it is reported as a governmental activity in the Statement of Net Position and the Statement of Activities. The basic proprietary fund financial statements can be found on pages 53-55 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 as the resources of those funds are not available to support the County's programs. The basic fiduciary funds financial statements can be found on pages 56 and 57 of this report.

Notes to the financial statements and required supplementary information

Notes to the financial statements—The notes to the financial statements provide additional information that is essential to acquire a full understanding of the data provided in the government-wide and fund financial statements. These notes can be found on pages 61-110 of this report.

Required supplementary information—In addition to the basic statements and accompanying notes, the report presents required supplementary information on the County's budgeting and budgetary control and the County's Proportionate Share of the Net Pension Liability for Cost Sharing Plans, the Schedule of Changes in the County's Net Pension Liability and Related Ratios for Agent Pension Plans, the Schedule of County Pension Contributions, and the Schedule of Changes in the County's Total OPEB Liability and Related Ratios. Required supplementary information can be found on pages 113-126 of this report.

Coconino County
Management’s Discussion and Analysis (MD&A)
Year Ended June 30, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The Statement of Net Position presents the financial position of the County at the end of the fiscal year, including all assets and deferred outflows, and all liabilities and deferred inflows. The following table summarizes the County’s assets and deferred outflows, liabilities and deferred inflows, and net position on June 30, 2025 and June 30, 2024. Net position may serve over time as a useful indicator of a County’s financial position.

	Governmental Activities (in millions)	
	2025	2024
Current and other assets	\$ 358.90	\$ 375.51
Capital assets, net	270.06	230.75
Total assets, net	628.96	606.26
Deferred outflows of resources	19.39	22.79
Long-term liabilities outstanding	183.43	203.10
Other liabilities	43.10	68.75
Total liabilities	226.53	271.85
Deferred inflows of resources	19.69	16.82
Net investment in capital assets	265.40	197.21
Restricted	208.41	171.10
Unrestricted	(71.68)	(27.93)
Total net position	\$ 402.13	\$ 340.38

At June 30, 2025, the County’s net position from governmental activities at the end of fiscal year 2025 totaled \$402.1 million, an increase of \$61.8 million from the prior year, as reflected in the Statement of Activities. The increase is primarily attributable to continued capital investment and reductions in outstanding debt.

Total assets increased by \$22.7 million, or 3.7 percent, during fiscal year 2025. The growth was driven largely by an increase in net capital assets, which rose by \$39.3 million, or 17.0 percent, compared to fiscal year 2024. Capital additions were primarily related to infrastructure investments for flood mitigation projects undertaken by the Flood Control District, as well as facility improvements and roadway reconstruction projects under the County’s Capital Improvement Plan. (See Note 6 – Capital Assets.)

Deferred outflows of resources represent the consumption of net position that applies to future reporting periods. At June 30, 2025, deferred outflows totaled \$19.4 million, a decrease of \$3.4 million from fiscal year 2024. The change is primarily related to pension and other postemployment

Coconino County
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

benefit (OPEB) related amounts recognized in accordance with GASB standards. (See Note 11 – Pensions and Other Postemployment Benefits.)

Total liabilities decreased by \$45.3 million compared to fiscal year 2024, primarily due to reductions in long-term obligations. At June 30, 2025, total long-term liabilities were \$183.4 million, a decrease of \$19.7 million, or 9.7 percent, from the prior year. The decrease is largely attributable to scheduled principal payments and the retirement of private placement pledged revenue obligation debt issued to support capital projects. (See Note 8 – Long-Term Liabilities.)

Deferred inflows of resources represent an acquisition of net position applicable to future reporting periods. In fiscal year 2025, deferred inflows increased by \$2.9 million compared to fiscal year 2024, primarily due to changes in actuarial assumptions and investment experience related to pensions and other postemployment benefits (OPEB). (See Note 11 – Pensions and Other Postemployment Benefits.)

The County continued to make substantial investments in capital assets during the fiscal year, particularly in flood mitigation infrastructure through the Flood Control District and projects included in the County's Capital Improvement Plan. As a result, net investment in capital assets increased by \$68.19 million, or 34.6 percent. Capital asset growth was driven primarily by additions to construction in progress for facility improvements, roadway reconstruction, and flood mitigation infrastructure. The increase also reflects the retirement of \$27.5 million in debt associated with private-placement pledged revenue obligations issued for the County's Capital Improvement Plan.

Expendable restricted net position includes resources in which the County is legally obligated to spend the resources in accordance with restrictions provided by external parties. The portion of the County's net position which is subject to external restrictions is \$208.4 million. The County's restricted net position increased by \$37.3 million in the current fiscal year. The majority of the increase in the restricted net position is attributable to a \$16.3 million increase in funds restricted for debt service.

Unrestricted net position represents amounts not subject to externally imposed restrictions. However, a significant portion is effectively committed to long-term obligations, including pension and OPEB liabilities. At year-end, unrestricted net position reflected a deficit of \$(71.7) million, primarily due to the County's recognition of an unfunded net pension liability of \$89.8 million. (See Note 11 – Pensions and Other Postemployment Benefits.)

Overall, total net position from governmental activities increased by \$61.8 million during fiscal year 2025, ending the year at \$402.1 million. The increase is primarily attributable to continued capital investment in flood mitigation, roadway reconstruction, and building improvements, which resulted in a \$39.3 million increase in capital assets (net of depreciation), combined with reductions in outstanding debt.

Coconino County
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Statement of Activities

The Statement of Activities presents information on how the County's net position changed during the most current fiscal year. The following table reflects the condensed Statement of Activities of the County for the fiscal year 2025 compared to the prior year.

	Governmental Activities	
	(in millions)	
	<u>2025</u>	<u>2024</u>
REVENUES:		
Program revenues:		
Charges for services	\$ 15.68	\$ 16.47
Operating grants and contributions	87.70	104.69
Total program revenues	<u>103.38</u>	<u>121.16</u>
General revenues:		
State shared revenue	42.88	41.81
Sales taxes	63.82	63.60
Property taxes	35.07	33.01
Grants and contributions not restricted to specific programs	4.20	3.95
Investment earnings	19.89	15.16
Gain on disposal of capital assets	.42	.66
Miscellaneous	.38	.17
Total general revenues	<u>166.66</u>	<u>158.36</u>
Total revenues	<u>270.04</u>	<u>279.52</u>
EXPENSES:		
General government	55.79	48.00
Public safety	77.04	88.27
Highways and streets	27.67	27.83
Sanitation	.46	.49
Health	18.47	20.39
Welfare	5.64	6.46
Culture and recreation	9.65	9.57
Education	10.01	9.98
Interest on long-term debt	3.56	6.41
Total expenses	<u>208.29</u>	<u>217.40</u>
Change in net position	61.75	62.12
Net position, July 1, 2024	<u>340.38</u>	<u>278.26</u>
Net position, June 30, 2025	<u>\$ 402.13</u>	<u>\$ 340.38</u>

Coconino County
Management’s Discussion and Analysis (MD&A)
Year Ended June 30, 2025

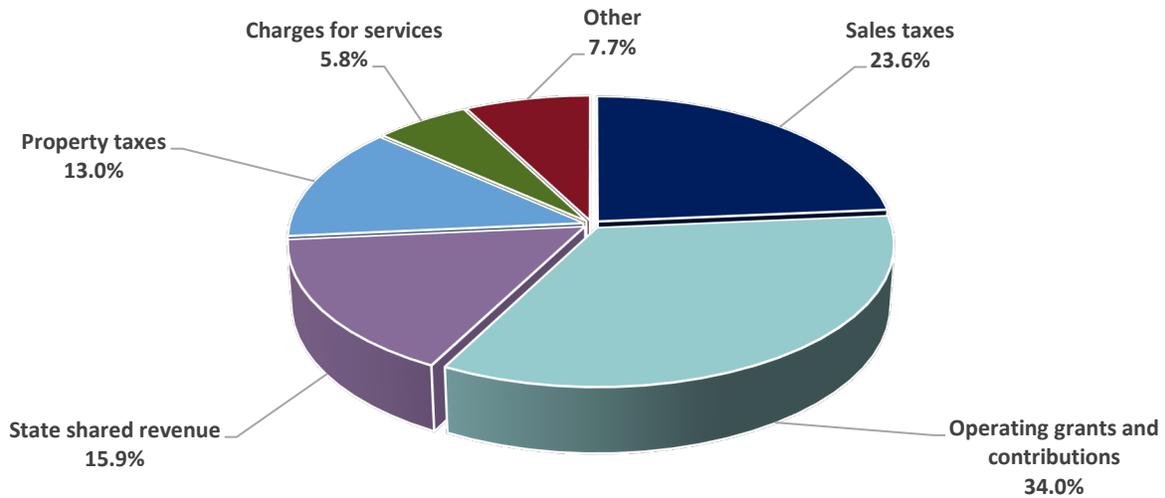
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

As shown in the chart below, the County’s primary revenue sources are from operating grants and contributions, County sales tax, state shared revenue, property taxes, and charges for services.

Total program revenues decreased by \$17.8 million in fiscal year 2025. The decline was primarily driven by a 68.0 percent reduction in operating grants and contributions within the general government function, reflecting the expiration of nonrecurring federal awards received under the American Rescue Plan Act (ARPA) and the Local Assistance and Tribal Consistency Fund (LATCF).

Total general revenues increased by \$8.3 million compared to fiscal year 2024. The increase was largely attributable to higher investment earnings, which totaled \$19.9 million and increased by \$4.7 million over the prior year due to continued favorable market conditions. Property tax revenues increased by \$2.1 million, or 6.2 percent, reflecting growth in assessed values and new construction. State shared revenue increased by \$1.1 million, or 2.6 percent, consistent with modest economic growth during the fiscal year.

**Revenue Sources
Fiscal Year 2025**



Coconino County
Management’s Discussion and Analysis (MD&A)
Year Ended June 30, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

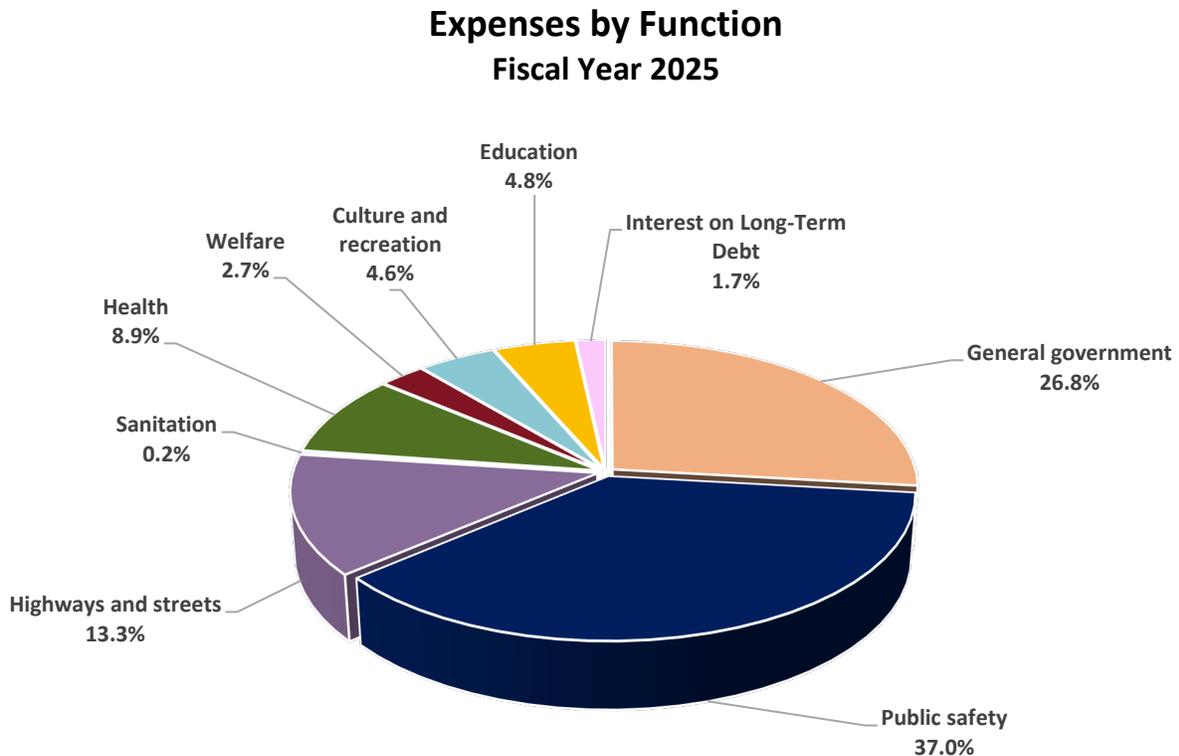
As illustrated in the chart below, the County’s expenses are presented by functional area. Public safety, general government, and highways and streets represent the largest components of total governmental activity expenses.

Total program expenses in the government-wide statements decreased by \$9.1 million, or 4.2 percent, in fiscal year 2025 compared to fiscal year 2024.

General government expenses increased by \$7.8 million, or 16.2 percent, primarily due to higher pension and other postemployment benefit (OPEB) expenses resulting from changes in actuarial assumptions and updated liability measurements.

Public safety expenses decreased by \$11.2 million, or 12.7 percent, in fiscal year 2025. The decline was largely attributable to reduced operating expenditures and the capitalization of certain costs associated with post-wildfire flood mitigation projects, which were recorded as capital assets rather than current-year expenses.

Overall, the reduction in total program expenses, combined with growth in general revenues and continued capital investment, contributed to the increase in governmental activities net position during fiscal year 2025.



Coconino County
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted previously, the County uses fund accounting to demonstrate compliance with finance-related legal requirements. For comparative purposes, the discussion below focuses on total spendable fund balance, which includes restricted, committed, assigned, and unassigned classifications.

The County reported eight major governmental funds in fiscal year 2025: the General Fund, Public Works/HURF Fund, Jail District Fund, Public Health Services District Fund, American Rescue Plan Act Fund, County Debt Services Fund, Flood Control District Fund, and Capital Improvement Plan Fund.

At June 30, 2025, governmental funds reported combined fund balances of \$278.4 million, an increase of \$11.5 million, or 4.3 percent, from the prior year. The increase was primarily attributable to higher investment earnings on pooled cash and reduced debt service requirements following the retirement of certain private-placement pledged revenue obligations. Of the total fund balance, \$262.6 million (94.3 percent) represents spendable fund balance.

Governmental fund revenues totaled \$275.9 million, an increase of 2.9 percent from fiscal year 2024, driven primarily by a \$4.7 million increase in investment earnings and a \$2.0 million (6.0 percent) increase in property tax revenues due to growth in assessed valuation.

Governmental fund expenditures totaled \$275.2 million, a decrease of 11.5 percent compared to the prior year. The decline was largely due to reduced principal and interest payments in the County Debt Services Fund, as well as lower expenditures in the Capital Improvement Plan Fund and ARPA Fund reflecting the completion of projects and the expiration of one-time federal COVID-related funding.

Governmental fund revenues exceeded expenditures by \$.7 million during fiscal year 2025. After accounting for transfers and other financing activities, total governmental fund balance increased by \$11.5 million compared to the prior year.

General Fund—The General Fund serves as the County's primary operating fund. At June 30, 2025, spendable fund balance totaled \$145.8 million, a decrease of 7.6 percent from the prior year.

Revenues increased by 5.6 percent, primarily due to a \$3.0 million increase in investment earnings. Expenditures rose by 12.2 percent, driven mainly by higher wages and employee-related costs. This growth largely reflects the reinstatement of regular operating expenditures that were funded by special COVID-related grants under the American Rescue Plan Act Fund and Other Governmental Funds in the prior fiscal year. Transfers out increased by 44.3 percent, primarily to support capital project funds for future facility improvements. Overall, the fund balance of the General Fund increased by \$3.6 million during fiscal year 2025.

Coconino County
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS – Continued

Public Works/HURF Fund—The fund balance of the Public Works/HURF Fund decreased by \$0.2 million during the current fiscal year. Total revenues of \$34.6 million were offset by expenditures of \$18.2 million and other financing uses of \$16.5 million. Investment earnings increased by \$1.0 million compared to fiscal year 2024. While expenditures decreased by \$2.6 million, this reduction was more than offset by an \$8.2 million increase in transfers out to debt service funds for payments related to capital expenditures for road and infrastructure improvements.

Jail District Fund—The fund balance of the Jail District Fund increased by \$2.3 million compared to the prior fiscal year. Total revenues increased by 6.2 percent (\$1.6 million), primarily due to an increase in investment earnings of \$1.1 million resulting from favorable interest rate conditions. Expenditures increased by 4.9 percent (\$1.2 million), largely attributable to higher personnel costs associated with compensation adjustments and staffing needs.

Public Health Services District Fund—The fund balance of the Public Health Services District Fund decreased by 11.9 percent (\$0.2 million) compared with the prior fiscal year, ending at \$1.4 million. Revenues declined by 9.0 percent, primarily due to a 21.0 percent reduction in intergovernmental revenues resulting from the expiration of various COVID-era federal grant programs. Expenditures decreased by 1.6 percent, reflecting the reduction of associated grant-funded program activity.

American Rescue Plan Act Fund—The fund balance of the American Rescue Plan Act Fund decreased by \$0.5 million in the current fiscal year, primarily due to the expiration of the COVID-19 relief award. As the grant period has concluded and all allowable expenditures have been recognized, the fund will not continue in future fiscal years.

County Debt Services Fund— The fund balance of the County Debt Services Fund increased by \$7.8 million in fiscal year 2025 to \$16.3 million. The increase in the fund balance is primarily due to bond proceeds held in trust at year-end for subsequent transfer to the Capital Projects Fund to fund capital expenditures.

Flood Control District Fund—The fund balance of the Flood Control District Fund increased by \$9.3 million in the current fiscal year, ending with a deficit fund balance of \$(14.1) million. The increase was primarily attributable to the receipt of grant reimbursements for flood response and mitigation expenditures that had been outstanding at the end of the prior fiscal year's availability period. At June 30, 2025, \$14.9 million of grant reimbursements were reported as unavailable revenue (deferred inflows of resources). The majority of these funds were collected in the subsequent fiscal year.

Capital Improvement Plan Fund—The fund balance of the County's Capital Improvement Plan Fund decreased by \$34.8 million due to capital expenditures of \$21.3 million and transfers out to the County Debt Service Fund of \$29.3 million. These expenses were offset by \$1.7 million of revenue from investment earnings and transfers in of \$14.1 million associated with private placement pledged revenue bond proceeds.

Coconino County
Management’s Discussion and Analysis (MD&A)
Year Ended June 30, 2025

GENERAL FUND BUDGETARY HIGHLIGHTS

- General Fund actual expenditures were \$53.8 million below the final budget. The variance was primarily attributable to unexpended contingency appropriations, salary savings resulting from vacancies and employee turnover, and budgeted fiscal reserves that were not utilized during the fiscal year.
- Actual revenues exceeded final budgeted revenues by \$18.5 million. The variance was primarily attributable to investment earnings, which exceeded budget by \$9.8 million due to stronger than anticipated market performance. Intergovernmental revenues also exceeded the revised budget by \$5.7 million, which is primarily due to state shared sales tax collections. State shared sales tax revenues were 13.0 percent above budgeted estimates for the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The following table reflects the changes in capital assets for the County for the fiscal year 2025 compared to fiscal year 2024.

	Governmental Activities	
	(net of depreciation)	
	(in millions)	
	<u>2025</u>	<u>2024</u>
Capital assets		
Land	\$ 52.33	\$ 52.07
Buildings and other improvements	48.35	50.04
Machinery and equipment	23.79	23.73
Infrastructure	86.88	67.14
Construction in progress	55.00	33.70
Intangibles	3.71	4.07
Total	<u>\$ 270.06</u>	<u>\$ 230.75</u>

The County’s capital assets increased by \$39.3 million, net of depreciation and amortization, during fiscal year 2025 (see Note 6 – Capital Assets).

Infrastructure assets increased by \$19.7 million, net of depreciation, reflecting the completion of major road reconstruction and flood mitigation infrastructure projects undertaken by the Public Works Department and the Flood Control District.

Construction in progress increased by \$21.3 million due to the initiation of new flood mitigation projects in wildfire-impacted areas. The majority of these capital additions were financed through federal grant awards from the U.S. Department of Agriculture, supporting the County’s continued investment in disaster recovery and community resilience.

Coconino County
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

At June 30, 2025, the County had \$183.4 million in long-term liabilities outstanding and \$15.1 million in matured bonds payable. Total long-term liabilities decreased by \$19.7 million from the prior fiscal year, primarily due to the retirement of \$30.1 million in pledged revenue obligations, including additional principal payments on the Series 2023 private-placement pledged revenue obligations issued to finance the County's three-year Capital Improvement Plan. The County anticipates early retirement of these obligations prior to their scheduled maturity of July 1, 2027. (See Note 8 – Long-Term Liabilities.)

The reduction in long-term liabilities was partially offset by the issuance of \$10.0 million in Series 2025 capital bond pledged revenue obligations in May 2025 by the Coconino County Jail District. The proceeds will fund construction of a new jail medical unit and renovation of the jail intake area at the Coconino County Detention Facility to address increasing demand for acute medical and mental health services.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Coconino County utilizes a ten-year financial plan, updated regularly, to promote long-term fiscal sustainability and structural balance. Local and state shared sales taxes are the County's largest revenue sources, representing approximately 37.8 percent of government-wide revenues and 65.2 percent of General Fund revenues. Accordingly, the County remains sensitive to changes in economic conditions and consumer spending patterns.

In developing the fiscal year (FY) 2026 budget, staff incorporated historical financial performance along with local, national, and global economic trends.

FY26 County sales tax revenue is projected to decrease by 7.3 percent from FY25, reflecting a more cautious economic outlook. The primary property tax rate will decrease for FY26 as a result of growth in net assessed valuation. Despite the rate reduction, primary property tax revenues are projected to increase by 3.4 percent, driven by increases in assessed values and new construction within the County. Secondary property taxes are anticipated to increase 9.4 percent in FY26, due to continued increases in assessed valuations and an increase in the Library District tax rate.

In recent years, program revenues increased due to one-time federal and state funding provided for COVID-19 mitigation and recovery. The County fully expended the \$27.0 million received under the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds in FY25. These one-time resources are not available to support ongoing operations in FY26.

In January 2025, a federal Executive Order temporarily halted certain federal funding streams before being rescinded. Although short-lived, the action introduced significant uncertainty regarding federal funding levels. Approximately 15 percent of the County's recurring annual revenues are derived from federal grants that support Health and Human Services, Emergency Management, flood mitigation efforts, and capital initiatives. The County also continues to administer federal and state awards for

Coconino County
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET – Continued

post-wildfire flood mitigation projects, with significant activity budgeted under federal programs in FY26. Given this reliance, potential reductions or disruptions in federal funding represent a significant fiscal risk.

To mitigate these tax revenue and federal funding uncertainties, the Board of Supervisors made use of excess one-time resources to strengthen the County's reserves. In addition to maintaining the longstanding policy of reserving 25 percent of General Fund revenues for cash flow and contingency purposes, the Board established a \$15 million General Fund Stability Fund in FY25. The Stability Fund is designated for natural disaster response, cash flow coverage, and service continuity planning in the event of reductions in federal, state, or local funding. Any use of Stability Fund resources during the fiscal year, other than for cash flow coverage, requires Board approval through a formal budget amendment process.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County's Finance Department, Coconino County, 219 East Cherry Avenue, Flagstaff, Arizona, 86001.



BASIC FINANCIAL STATEMENTS



Coconino County
Government-Wide Statements
Statement of Net Position
June 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	\$ 206,151,689
Receivables (net of allowance for uncollectibles)	
Property taxes	999,247
Accounts	876,246
Road sales tax	2,678,249
Jail district sales tax	4,462,044
Accrued interest	1,156,415
Leases	5,843,868
Settlements	6,302,225
Due from other governments	35,794,225
Cash and investments held by trustee—restricted	31,581,422
Cash and investments held by ASRS pension plan—restricted	59,167,901
Inventories	396,899
Prepaid items	294,853
Noncurrent assets:	
Pension and other postemployment benefits assets	3,187,918
Capital assets, not being depreciated/amortized	107,333,477
Capital assets, being depreciated/amortized, net	162,730,054
Total assets	628,956,732
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions and OPEB	19,394,863
Total deferred outflows of resources	19,394,863
LIABILITIES	
Accounts payable	19,142,883
Accrued payroll and employee benefits	3,047,034
Deposits held for others	253,257
Bond interest payable	1,781,153
Matured bonds payable	15,105,000
Unearned revenues	3,777,494
Noncurrent liabilities:	
Due within one year	8,308,417
Due in more than one year	175,117,036
Total liabilities	226,532,274
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to leases	5,795,791
Deferred inflows related to pensions and OPEB	13,893,527
Total deferred inflows of resources	19,689,318
NET POSITION	
Net investment in capital assets	265,397,904
Restricted for:	
OPEB asset	3,187,918
Future pension contributions	59,167,901
Capital projects	15,591,138
Debt service	16,255,436
Culture and recreation	5,791,715
Education	6,464,599
Health	3,086,827
Highways and streets	41,299,975
Other purposes	10,619,708
Public safety	38,728,611
Sanitation	32,976
Welfare	8,182,807
Unrestricted (deficit)	(71,677,512)
Total net position	\$402,130,003

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Government-Wide Statements
Statement of Activities
Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Totals
Primary Government:				
Governmental activities:				
General government	\$ 55,787,372	\$ 7,329,696	\$ 5,996,182	\$ (42,461,494)
Public safety	77,041,144	2,789,058	47,420,759	(26,831,327)
Highways and streets	27,667,401	79,483	16,081,176	(11,506,742)
Sanitation	459,784	5,860	316,133	(137,791)
Health	18,471,601	3,042,231	5,452,334	(9,977,036)
Welfare	5,646,368	210,621	2,476,840	(2,958,907)
Culture and recreation	9,651,261	1,724,131	424,482	(7,502,648)
Education	10,006,961	500,612	9,534,168	27,819
Interest on long-term debt	3,559,084	-	-	(3,559,084)
Total governmental activities	<u>\$ 208,290,976</u>	<u>\$ 15,681,692</u>	<u>\$ 87,702,074</u>	<u>(104,907,210)</u>
General revenues:				
Taxes:				
Property taxes, levied for general purposes				12,194,756
Property taxes, levied for library				6,775,897
Property taxes, levied for flood control				10,376,558
Property taxes, levied for health services				5,722,775
General county sales taxes				24,537,196
Road sales tax				14,736,907
Jail District sales tax				24,537,309
Parks and open spaces sales taxes				1,954
Shared revenue - state sales tax				37,167,627
Shared revenue - state vehicle license tax				5,714,270
Grants and contributions not restricted to specific programs				4,203,969
Gain on disposal of capital assets				420,648
Investment earnings				19,883,699
Miscellaneous				381,128
Total general revenues				<u>166,654,693</u>
Change in net position				61,747,483
Net position, July 1, 2024				<u>340,382,520</u>
Net position, June 30, 2025				<u>\$ 402,130,003</u>

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Governmental Funds
Balance Sheet
June 30, 2025

	General Fund	Public Works/HURF Fund	Jail District Fund	Public Health Services District Fund	American Rescue Plan Act Fund
ASSETS					
Cash and investments	\$ 54,612,678	\$ 33,381,525	\$ 29,412,188	\$ 1,150,994	\$ 413,871
Receivables (net of allowance for uncollectables):					
Property taxes	359,194	-	-	176,755	-
Accounts	266,280	824	218,972	108,964	-
Road sales tax	-	2,678,249	-	-	-
Jail district sales tax	-	-	4,462,044	-	-
Accrued interest	442,720	228,809	202,211	8,436	-
Leases	594,785	-	-	-	-
Settlements	-	-	-	-	-
Due from other funds	24,784,730	-	-	-	-
Due from other governments	10,337,481	3,176,676	232,608	2,273,188	-
Cash and investments held by trustee—restricted	1,488,231	-	-	-	-
Cash and investments held by pension plan—restricted for ASRS					
Contribution Prepayment Program	59,167,901	-	-	-	-
Prepaid items	272,426	-	870	12,771	-
Advances to other funds	15,500,000	-	-	-	-
Total assets	<u>\$ 167,826,426</u>	<u>\$ 39,466,083</u>	<u>\$ 34,528,893</u>	<u>\$ 3,731,108</u>	<u>\$ 413,871</u>
LIABILITIES					
Accounts payable	\$ 2,620,563	\$ 1,352,687	\$ 372,894	\$ 450,428	\$ 413,871
Accrued payroll and employee benefits	1,965,030	212,688	316,043	195,380	-
Due to other funds	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Deposits held for others	159,726	-	-	-	-
Bond interest payable	-	-	-	-	-
Matured bonds payable	-	-	-	-	-
Unearned revenues	12,183	-	-	-	-
Total liabilities	<u>4,757,502</u>	<u>1,565,375</u>	<u>688,937</u>	<u>645,808</u>	<u>413,871</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	260,593	-	-	126,923	-
Unavailable revenue - intergovernmental	548,147	190,550	207,113	1,571,635	-
Unavailable revenue - settlements	-	-	-	-	-
Unavailable revenue - other	105,092	-	-	-	-
Deferred inflows related to leases	548,041	-	-	-	-
Total deferred inflows of resources	<u>1,461,873</u>	<u>190,550</u>	<u>207,113</u>	<u>1,698,558</u>	<u>-</u>
FUND BALANCES					
Nonspendable	15,772,426	-	870	12,771	-
Restricted	60,656,132	37,710,158	33,631,973	1,373,971	-
Committed	41,329,245	-	-	-	-
Assigned	16,227,727	-	-	-	-
Unassigned (deficits)	27,621,521	-	-	-	-
Total fund balances (deficits)	<u>161,607,051</u>	<u>37,710,158</u>	<u>33,632,843</u>	<u>1,386,742</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 167,826,426</u>	<u>\$ 39,466,083</u>	<u>\$ 34,528,893</u>	<u>\$ 3,731,108</u>	<u>\$ 413,871</u>

(continued on next page)

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Governmental Funds
Balance Sheet (continued)
June 30, 2025

	County Debt Services Fund	Flood Control District Fund	Capital Improvement Plan Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 16,243,131	\$ 11,460,613	\$ -	\$ 58,134,352	\$ 204,809,352
Receivables (net of allowance for uncollectables):					
Property taxes	-	262,276	-	201,022	999,247
Accounts	-	5,385	-	243,805	844,230
Road sales tax	-	-	-	-	2,678,249
Jail district sales tax	-	-	-	-	4,462,044
Accrued interest	6,554	97,268	-	169,301	1,155,299
Leases	-	-	-	5,249,083	5,843,868
Settlements	-	-	-	6,302,225	6,302,225
Due from other funds	-	-	-	-	24,784,730
Due from other governments	-	16,143,682	-	3,630,590	35,794,225
Cash and investments held by trustee—restricted	16,889,153	-	13,197,753	6,285	31,581,422
Cash and investments held by pension plan—restricted for ASRS					
Contribution Prepayment Program	-	-	-	-	59,167,901
Prepaid items	-	-	-	8,786	294,853
Advances to other funds	-	-	-	-	15,500,000
Total assets	<u>\$ 33,138,838</u>	<u>\$ 27,969,224</u>	<u>\$ 13,197,753</u>	<u>\$ 73,945,449</u>	<u>\$ 394,217,645</u>
LIABILITIES					
Accounts payable	\$ -	\$ 11,494,761	\$ 510,660	\$ 1,507,961	\$ 18,723,825
Accrued payroll and employee benefits	-	22,952	2,367	317,482	3,031,942
Due to other funds	-	-	24,271,717	513,013	24,784,730
Advances from other funds	-	15,500,000	-	-	15,500,000
Deposits held for others	-	-	-	93,531	253,257
Bond interest payable	1,781,153	-	-	-	1,781,153
Matured bonds payable	15,105,000	-	-	-	15,105,000
Unearned revenues	-	-	-	3,765,311	3,777,494
Total liabilities	<u>16,886,153</u>	<u>27,017,713</u>	<u>24,784,744</u>	<u>6,197,298</u>	<u>82,957,401</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	166,614	-	142,184	696,314
Unavailable revenue - intergovernmental	-	14,897,819	-	2,746,766	20,162,030
Unavailable revenue - settlements	-	-	-	6,065,120	6,065,120
Unavailable revenue - other	-	-	-	1,200	106,292
Deferred inflows related to leases	-	-	-	5,247,750	5,795,791
Total deferred inflows of resources	<u>-</u>	<u>15,064,433</u>	<u>-</u>	<u>14,203,020</u>	<u>32,825,547</u>
FUND BALANCES					
Nonspendable	-	-	-	8,786	15,794,853
Restricted	16,252,685	-	-	54,062,628	203,687,547
Committed	-	-	-	-	41,329,245
Assigned	-	-	-	-	16,227,727
Unassigned (deficits)	-	(14,112,922)	(11,586,991)	(526,283)	1,395,325
Total fund balances (deficits)	<u>16,252,685</u>	<u>(14,112,922)</u>	<u>(11,586,991)</u>	<u>53,545,131</u>	<u>278,434,697</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 33,138,838</u>	<u>\$ 27,969,224</u>	<u>\$ 13,197,753</u>	<u>\$ 73,945,449</u>	<u>\$ 394,217,645</u>

The notes to the basic financial statements are an integral part of this statement.

Coconino County
 Reconciliation of the Governmental Funds Balance Sheet to the
 Government-Wide Statement of Net Position
 June 30, 2025

Fund balances—total governmental funds		\$ 278,434,697
<p>Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Capital assets, not being depreciated/amortized	\$106,412,383	
Capital assets, being depreciated/amortized, net	<u>159,215,341</u>	265,627,724
<p>Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.</p>		
Property taxes	696,314	
Intergovernmental	20,162,030	
Settlements	6,065,120	
Other	<u>106,292</u>	27,029,756
<p>Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred outflows of resources related to pensions and OPEB	19,297,108	
Deferred inflows of resources related to pensions and OPEB	<u>(13,805,211)</u>	5,491,897
<p>The Internal Service Fund is used by management to charge the cost of certain activities, such as automotive maintenance, to the individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Internal Service Fund are included in governmental activities in the Statement of Net Position.</p>		
Capital Assets, net	4,435,807	
Deferred outflows of resources related to pensions and OPEB	97,755	
Deferred inflows of resources related to pensions and OPEB	(88,316)	
Net pension liability	(616,432)	
Other postemployment benefits payable	(80,499)	
Compensated absences payable	(40,992)	
Net positions of other remaining balances	<u>1,338,218</u>	5,045,541
<p>Net Pension and other postemployment benefit assets held in trust for future benefits are not available for County operations and, therefore, are not reported in the funds.</p>		
Net pension and other postemployment benefit assets		3,187,918
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Compensated absences payable	(6,732,991)	
Claims and judgments payable	(667,478)	
Retention programs payable	(2,010,604)	
Pledged revenue bonds payable	(73,690,000)	
Leases payable	(3,416,734)	
Subscriptions payable	(290,866)	
Net pension liability	(89,193,423)	
Other postemployment benefits payable	<u>(6,685,434)</u>	<u>(182,687,530)</u>
Net position of governmental activities		<u>\$ 402,130,003</u>

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2025

	General Fund	Public Works/HURF Fund	Jail District Fund	Public Health Services District Fund	American Rescue Plan Act Fund
REVENUES					
Property taxes	\$ 12,172,416	\$ -	\$ -	\$ 5,709,991	\$ -
County sales taxes	24,537,196	14,736,907	24,537,309	-	-
Special assessments	-	-	-	-	-
Licenses and permits	3,145,981	60,145	-	671,170	-
Fines and forfeits	1,033,084	-	-	-	-
Intergovernmental	49,736,119	16,983,352	235,353	6,302,797	1,723,541
Charges for services	2,304,296	-	418,652	781,734	-
Investment earnings	10,029,740	2,796,095	1,708,713	75,121	148,659
Contributions	6,733	-	-	10,865	-
Miscellaneous	436,713	31,043	216,263	4,603	-
Total revenues	<u>103,402,278</u>	<u>34,607,542</u>	<u>27,116,290</u>	<u>13,556,281</u>	<u>1,872,200</u>
EXPENDITURES					
Current:					
General government	43,393,125	-	-	-	2,733,003
Public safety	19,120,751	-	26,643,662	1,384,912	121,820
Highways and streets	576,450	18,231,325	-	-	-
Sanitation	-	-	-	-	-
Health	3,842,226	-	-	15,362,354	206,651
Welfare	1,726,928	-	-	-	-
Culture and recreation	1,871,818	-	-	-	-
Education	665,132	-	-	-	278,579
Debt service:					
Principal	548,944	2,896	-	-	-
Interest and other charges	119,069	884	-	-	-
Bond issuance costs	-	-	-	-	-
Capital outlay					
	-	-	-	-	-
Total expenditures	<u>71,864,443</u>	<u>18,235,105</u>	<u>26,643,662</u>	<u>16,747,266</u>	<u>3,340,053</u>
Excess (deficiency) of revenues over expenditures	31,537,835	16,372,437	472,628	(3,190,985)	(1,467,853)
OTHER FINANCING SOURCES (USES)					
Revenue bonds issued	-	-	-	-	-
Premium on revenue bonds	-	-	-	-	-
Issuance of subscription-based information technology arrangements	187,248	-	-	-	-
Sale of capital assets	-	310,761	-	-	-
Transfers in	4,074,970	237,316	3,074,532	3,739,233	992,961
Transfers out	<u>(32,215,152)</u>	<u>(17,071,507)</u>	<u>(1,264,299)</u>	<u>(735,482)</u>	<u>-</u>
Total other financing sources (uses)	(27,952,934)	(16,523,430)	1,810,233	3,003,751	992,961
Net change in fund balances	3,584,901	(150,993)	2,282,861	(187,234)	(474,892)
Fund balances (deficit), July 1, 2024	<u>158,022,150</u>	<u>37,861,151</u>	<u>31,349,982</u>	<u>1,573,976</u>	<u>474,892</u>
Fund balances (deficits), June 30, 2025	<u>\$ 161,607,051</u>	<u>\$ 37,710,158</u>	<u>\$ 33,632,843</u>	<u>\$ 1,386,742</u>	<u>\$ -</u>

(continued on next page)

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
Year Ended June 30, 2025

	County Debt Services Fund	Flood Control District Fund	Capital Improvement Plan Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ -	\$ 10,351,329	\$ -	\$ 6,747,436	\$ 34,981,172
County sales taxes	-	-	-	1,954	63,813,366
Special assessments	-	-	-	11,376	11,376
Licenses and permits	-	7,468	-	-	3,884,764
Fines and forfeits	-	-	-	126,153	1,159,237
Intergovernmental	-	40,765,229	-	26,257,727	142,004,118
Charges for services	-	1,322,248	-	4,127,623	8,954,553
Investment earnings	25,395	1,177,092	1,736,727	2,131,583	19,829,125
Contributions	-	43	-	362,243	379,884
Miscellaneous	-	928	-	178,484	868,034
Total revenues	<u>25,395</u>	<u>53,624,337</u>	<u>1,736,727</u>	<u>39,944,579</u>	<u>275,885,629</u>
EXPENDITURES					
Current:					
General government	-	-	-	6,347,768	52,473,896
Public safety	-	43,834,599	-	10,060,795	101,166,539
Highways and streets	-	-	-	-	18,807,775
Sanitation	-	-	-	460,448	460,448
Health	-	-	-	1,191,047	20,602,278
Welfare	-	-	-	3,931,570	5,658,498
Culture and recreation	-	-	-	7,184,841	9,056,659
Education	-	-	-	9,104,438	10,048,149
Debt service:					
Principal	30,105,000	-	-	-	30,656,840
Interest and other charges	3,733,057	-	-	-	3,853,010
Bond issuance costs	-	-	-	253,530	253,530
Capital outlay	-	-	21,279,815	880,098	22,159,913
Total expenditures	<u>33,838,057</u>	<u>43,834,599</u>	<u>21,279,815</u>	<u>39,414,535</u>	<u>275,197,535</u>
Excess (deficiency) of revenues over expenditures	(33,812,662)	9,789,738	(19,543,088)	530,044	688,094
OTHER FINANCING SOURCES (USES)					
Revenue bonds issued	-	-	-	9,965,000	9,965,000
Premium on revenue bonds	-	-	-	293,926	293,926
Issuance of subscription-based information technology arrangements	-	-	-	-	187,248
Sale of capital assets	-	-	-	29,054	339,815
Transfers in	55,711,457	-	14,113,231	15,960,188	97,903,888
Transfers out	<u>(14,113,231)</u>	<u>(461,141)</u>	<u>(29,326,894)</u>	<u>(2,716,182)</u>	<u>(97,903,888)</u>
Total other financing sources (uses)	41,598,226	(461,141)	(15,213,663)	23,531,986	10,785,989
Net change in fund balances	7,785,564	9,328,597	(34,756,751)	24,062,030	11,474,083
Fund balances (deficit), July 1, 2024	<u>8,467,121</u>	<u>(23,441,519)</u>	<u>23,169,760</u>	<u>29,483,101</u>	<u>266,960,614</u>
Fund balances (deficits), June 30, 2025	<u>\$ 16,252,685</u>	<u>\$ (14,112,922)</u>	<u>\$ (11,586,991)</u>	<u>\$ 53,545,131</u>	<u>\$ 278,434,697</u>

The notes to the basic financial statements are an integral part of this statement.

Coconino County
 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in
 Fund Balances to the Government-Wide Statement of Activities
 Year Ended June 30, 2025

Net change in fund balance—total governmental funds **\$ 11,474,083**

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

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation/amortization expense.

Expenditures for capitalized assets	\$ 49,315,588	
Less current year depreciation/amortization	<u>(11,332,664)</u>	37,982,924

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

Revenue obligations payable incurred	(9,965,000)	
SBITAs incurred	(187,248)	
Principal payments on leases	373,014	
Principal payments on subscriptions	178,826	
Principal payments on revenue obligations payable	<u>30,105,000</u>	20,504,592

Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	81,031	
Intergovernmental	(7,534,595)	
Settlements	940,359	
Other	(91,461)	
EORP Subsidy	<u>313,106</u>	(6,291,560)

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

Current year pension/OPEB contributions	10,535,743	
Pension/OPEB expense	<u>(11,655,651)</u>	(1,119,908)

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

Increase in compensated absences	(966,622)	
Increase in claims and judgments	(53,595)	
Increase in retention programs payable	<u>(70,275)</u>	(1,090,492)

The Internal Service Fund is used by management to charge the cost of certain activities, automotive maintenance, to the individual funds. The change in net position of the Internal Service Fund is reported with governmental activities in the Statement of Activities.

287,844

Changes in net position of governmental activities **\$ 61,747,483**

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Proprietary Funds
Statement of Net Position
June 30, 2025

	<u>Governmental Activities - Internal Service Fund</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,342,337
Accounts receivables, net	32,016
Accrued interest	1,116
Inventories	396,899
Total current assets	<u>1,772,368</u>
Noncurrent assets:	
Capital assets, not being depreciated/amortized	921,094
Capital assets, being depreciated/amortized, net	3,514,713
Total noncurrent assets	<u>4,435,807</u>
Total assets	<u>6,208,175</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions and other postemployment benefits	<u>97,755</u>
Total deferred outflows of resources	<u>97,755</u>
Total assets and deferred outflows of resources	<u>6,305,930</u>
LIABILITIES	
Current liabilities:	
Accounts payable	419,058
Accrued payroll and employee benefits	15,092
Total current liabilities	<u>434,150</u>
Noncurrent liabilities:	
Net pension and other postemployment benefits liability	696,931
Compensated absences	40,992
Total noncurrent liabilities	<u>737,923</u>
Total liabilities	<u>1,172,073</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions and other postemployment benefits	<u>88,316</u>
Total deferred inflows of resources	<u>88,316</u>
Total liabilities and deferred inflows of resources	<u>1,260,389</u>
NET POSITION	
Net investment in capital assets	4,435,807
Unrestricted	609,734
Total net position	<u>\$ 5,045,541</u>

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2025

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Charges for services	\$ 4,523,420
Total operating revenues	4,523,420
OPERATING EXPENSES	
Personal services and employee benefits	737,486
Professional services	262,122
Supplies	2,133,389
Utilities	27,046
Repair and Maintenance	495,829
Travel	2,128
Depreciation	712,983
Total operating expenses	4,370,983
Operating income	152,437
NONOPERATING REVENUES	
Gain on disposal of capital assets	80,833
Interest income	54,574
Total nonoperating revenues	135,407
Net change in net position	287,844
Net position, July 1, 2024	4,757,697
Net position, June 30, 2025	\$ 5,045,541

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Proprietary Funds
Statement of Cash Flows
Year Ended June 30, 2025

	<u>Governmental Activities - Internal Service Fund</u>
Cash flows from operating activities:	
Receipts from other funds for services provided	\$ 4,503,470
Payments to suppliers for goods and services	(2,701,915)
Payments to employees	(736,724)
Net cash provided by for operating activities	<u>1,064,831</u>
Cash flows from capital and related financing activities:	
Purchases of capital assets	(2,042,823)
Proceeds from sale of capital assets	80,833
Net cash used for capital and related financing activities	<u>(1,961,990)</u>
Cash flows from investing activities:	
Interest received on investments	65,860
Net cash provided by investing activities	<u>65,860</u>
Net decrease in cash and cash equivalents	<u>(831,299)</u>
Cash and cash equivalents, July 1, 2024	<u>2,173,636</u>
Cash and cash equivalents, June 30, 2025	<u>\$ 1,342,337</u>
 <u>Reconciliation of Operating Income to Net Cash Provided by for Operating Activities</u>	
Operating income	\$ 152,437
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation/amortization	712,983
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Accounts receivable	(19,950)
Deferred outflows of resources related to pensions and other postemployment benefits	(5,425)
Net pension and other postemployment benefits liability	(15,935)
Deferred inflows of resources related to pensions and other postemployment benefits	8,474
Accounts payable	205,834
Inventory	12,765
Accrued payroll	3,764
Compensated absences	9,884
Net cash provided by operating activities	<u>\$ 1,064,831</u>
 <u>Schedule of noncash investing, capital and noncapital financing activities</u>	
Capital assets disposed	\$ 696,551
Accumulated depreciation on capital assets disposed	(696,551)

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2025

	Custodial Funds		
	Private-Purpose Trust Fund	External Investment Pool	Other
ASSETS			
Cash and investments	\$ 2,678,950	\$ 227,840,202	\$ 5,217,454
Taxes receivable for other governments	-	-	472,223
Interest and dividends receivable	-	966,234	17
Total assets	2,678,950	228,806,436	5,689,694
LIABILITIES			
Property tax payable to other governments	-	-	298,564
Due to other governments	-	-	989,244
Total liabilities	-	-	1,287,808
NET POSITION			
Restricted for:			
Pool participants	-	228,806,436	-
Individuals, organizations, and other governments	2,678,950	-	4,401,886
Total net position	\$ 2,678,950	\$ 228,806,436	\$ 4,401,886

The notes to the basic financial statements are an integral part of this statement.

Coconino County
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2025

	Private- Purpose Trust Fund	Custodial Funds	
		External Investment Pool	Other
ADDITIONS			
Contributions from pool participants	\$ -	\$ 384,370,052	\$ -
Property tax collections for other governments	-	-	26,761,967
Fines and fees collected for other governments	-	-	4,902,695
Collections for individuals	-	-	10,224,912
Investment earnings:			
Interest and dividends	30,181	7,644,297	3,091
Net increase (decrease) in fair value of investments	41,145	1,309,457	456
Total investment earnings	71,326	8,953,754	3,547
Other	2,543,630	-	902
Total additions	2,614,956	393,323,806	41,894,023
DEDUCTIONS			
Distributions to pool participants	-	392,435,637	-
Property tax distributions to other governments	-	-	26,660,034
Fines and fees distributions for other governments	-	-	4,948,722
Distributions for individuals	-	-	9,292,288
Payments to inmates	-	-	381,320
Other	2,909,881	-	649
Total deductions	2,909,881	392,435,637	41,283,013
Net increase (decrease) in fiduciary net position	(294,925)	888,169	611,010
Net position, July 1, 2024	2,973,875	227,918,267	3,790,876
Net position, June 30, 2025	\$ 2,678,950	\$ 228,806,436	\$ 4,401,886

The notes to the basic financial statements are an integral part of this statement.



NOTES TO BASIC FINANCIAL STATEMENTS



Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

For the year ended June 30, 2025, the County implemented the provisions of GASB Statement No. 101, *Compensated Absences*. This Statement updates the recognition and measurement guidance for compensated absences. Liabilities are recognized for unused leave and for leave that has been used but not yet paid in cash or settled through noncash means. The County evaluated the impact of implementing this standard and determined the effect on beginning net position was not material. Therefore, a restatement was not recorded.

The County's significant accounting policies are described below.

A. Reporting Entity

The County is a general purpose local government that is governed by a separately elected board of five 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 so intertwined with the County that they are in substance part of the County's operations. Therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County. Each blended component unit discussed below has a June 30 year-end. The County has no discretely presented component units.

As the Coconino County Board of Supervisors serves as the Board of Directors of all special districts shown below, it is able to significantly influence the programs, projects, activities, and level of services provided by the Districts; the Board also establishes policy, appoints management, exercises budgetary control and determines tax rates. Further, the Districts provide services almost entirely for the benefit of the County; therefore, the Districts are considered blended component units of the County.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The following table describes the County’s component units:

<u>Component Unit</u>	<u>Description; Criteria for Inclusion</u>	<u>Reporting Method</u>
Coconino County Flood Control District	A legally separate, tax-levying entity pursuant to A.R.S. §48-3602 that provides flood prevention and mitigation services to minimize the impact of floods on control facilities and regulates floodplains and drainage to prevent flooding impacts to safety, health and welfare, and natural resources of Coconino County. The Coconino County Board of Supervisors serves as the Board of Directors of the Flood Control District and has operational responsibility for the District.	Blended
Coconino County Library District	A legally separate, tax-levying entity that provides and maintains library services for the residents of Coconino County and the City of Flagstaff. Two members of the Coconino County Supervisors, one member of Flagstaff City Council, and four members appointed by the Flagstaff City Council serve as the Board of Directors of the Library District and have operational responsibility for the District.	Blended
Coconino County Jail District	A legally separate, tax-levying entity pursuant to A.R.S. 48-4002 that acquires, constructs, operates, maintains, and finances County jails and jail systems. The Coconino County Board of Supervisors serves as the Board of Directors of the Jail District and has operational responsibility for the District.	Blended
Coconino County Public Health Services District	A legally separate, tax-levying entity pursuant to A.R.S. 48-5801 that provides and maintains health services for the County’s residents. The Coconino County Board of Supervisors serves as the Board of Directors of the Public Health Services District and has operational responsibility for the District.	Blended
Coconino County Street Lighting Districts	Legally separate, tax-levying separate entities that provide street lighting in areas of the County that are not under local city jurisdictions. The Coconino County Board of Supervisors serves as the Board of Directors of the Street Lighting Districts and has operational responsibility for the District.	Blended

Related Organization: The Industrial Development Authority of Coconino County (Authority) is a legally separate entity that was created to assist in the financing of commercial activities, including a healthcare institution, residential real property for dwelling units located within the County, and industrial park facilities. The Authority fulfills its function through the issuance of tax-exempt bonds. The County Board of Supervisors appoints the Authority’s Board of Directors but cannot remove a member of the Authority’s Board at will. The Authority’s operations are completely separate from the County and the County is not financially accountable for the Authority. Therefore, the financial activities of the Authority have not been included in the accompanying financial statements.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 Position and a Statement of Activities. These statements report the government’s overall financial activities, except for fiduciary activities. Governmental activities generally are financed through taxes and intergovernmental revenues.

A Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The County does not allocate indirect expenses to programs or functions. Program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments.

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

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

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Proprietary fund revenues and expenses 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 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 nonoperating revenues, along with revenues generated by ancillary activities. Operating expenses include the cost of services, administrative expenses, and depreciation/amortization on capital assets. Other expenses, such as interest expense, are considered nonoperating expenses.

The County reports the following major governmental funds:

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

The *Public Works/HURF Fund* is a special revenue fund used to account for highway user fees restricted to the construction, repair, and maintenance of County roads that are funded primarily by a State-shared fuel tax and a County Road Maintenance Sales Tax.

The *Jail District Fund* is a special revenue fund used to account for jail operations and jail capital improvements that are funded by a one-half cent sales tax.

The *Public Health Services District Fund* is a special revenue fund used to account for health services for County residents that are funded by a \$0.25 per \$100 of assessed valuation property tax, grants and contributions, and charges for services.

The *American Rescue Plan Act Fund* is a special revenue fund used to account for funds received under the Coronavirus Local Fiscal Recovery funds program. The American Rescue Plan Act established the Coronavirus Local Fiscal Recovery Fund, which provided assistance to counties to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

The *County Debt Services Fund* is a debt service fund used to account for County debt services payments and costs associated with pledged revenue obligations.

The *Flood Control District Fund* is a special revenue fund used to account for flood control services that are funded by a \$0.50 per \$100 of assessed valuation property tax, several Federal grants, and a state grant.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The *Capital Improvement Plan Fund* accounts for capital projects under the County’s capital improvement plan, funded by reimbursement from bond proceeds from pledged revenue bonds.

Additionally, the County reports the following fund types:

The *internal service fund* primarily accounts for the maintenance and operation of the County’s fleet of vehicles used by its departments. Services include preventive maintenance, repairs, fuel, and fleet management activities. The fund operates on a cost-reimbursement basis, with charges to user departments designed to recover the full cost of operations, including depreciation of fleet assets.

The *fiduciary funds* consist of a private-purpose trust fund, which account for assets the County’s Public Fiduciary holds in trust for the benefit of various parties, and custodial funds, which account for other fiduciary activities, including the pooled assets the County Treasurer holds and invests on behalf of other governmental entities that are not held in trust and the County Treasurer’s receipt and distribution of taxes for other governmental entities.

C. Basis of Accounting

The government-wide, proprietary fund, and fiduciary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

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

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

absences, which are recognized as expenditures to the extent they are due and payable. As permitted by generally accepted accounting principles the County applies the “early recognition” option for certain debt service payments. Debt service resources are provided during the current year for payment of long-term debt principal and interest due early in the following year (not to exceed one month) and, therefore, the expenditures and related liabilities have been recognized. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under lease contracts and subscription-based information technology arrangements are reported as other financing sources.

D. Cash and Investments

For the statement of cash flows, the County’s cash and cash equivalents are considered to be cash on hand, demand deposits, cash on deposit with the County Treasurer, highly liquid investments with a maturity of three months or less when purchased, and investments that may be called by the Treasurer at any time without penalty. All investments are stated at fair value.

E. Inventories and Prepaid Items

Inventories in the government-wide and the proprietary fund financial statements are recorded as assets when purchased and expensed when consumed. These inventories are stated at cost using the first-in, first-out, and moving weighted average methods of valuation for the government-wide and proprietary fund’s financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

G. Capital Assets

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

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

	Capitalization Threshold	Depreciation/ Amortization Method	Estimated Useful Life
Land	All	N/A	N/A
Land improvements	\$100,000	Straight Line	5-50 years
Buildings and building improvements	\$100,000	Straight Line	5-50 years
Infrastructure:			
Roads	All	Straight Line	10-50 years
Other general infrastructure	\$250,000	Straight Line	7-50 years
Machinery and equipment	\$20,000	Straight Line	3-40 years
Intangibles:			
Right-to-use subscription assets	\$100,000	Straight Line	Varies
Right-to-use lease assets:			
Land	\$100,000	Straight Line	Varies
Buildings	\$100,000	Straight Line	Varies
Equipment	\$20,000	Straight Line	Varies

Intangible right-to-use lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the County is reasonably certain of being exercised—then the lease asset is amortized over the useful life of the underlying asset.

Intangible right-to-use subscription assets are amortized over the shorter of the subscription term or the useful life of the underlying IT assets.

H. Postemployment Benefits

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

I. Fund Balance Classifications

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

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

The unrestricted fund balance category is composed of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations that the County's Board of Supervisors approved, which is the highest level of decision-making authority within the County. Only the Board can remove or change the constraints placed on committed fund balance by majority vote or resolution.

Assigned fund balances are resources constrained by the County's intent to be used for specific purposes, but that are neither restricted nor committed. The Board of Supervisors has authorized the County Manager to assign resources for a specific purpose.

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

When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, the County will use restricted fund balance first. The County has no formal policy as to its disbursing of unrestricted fund balances.

J. Investment Earnings

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

K. Compensated Absences

Compensated absences payable consist of vacation leave, compensatory time, and sick leave that are more likely than not to be used or paid. Employees may accumulate up to 240 hours of vacation leave, depending on years of service. Any unused vacation hours in excess of the maximum allowed are forfeited at fiscal year-end. Upon separation from employment, the County pays employees for all unused and unforfeited vacation leave.

Non-exempt, eligible employees may accumulate up to 80 hours of compensatory time. Public safety officers are exempt from the compensatory cap. Accruals beyond 80 hours require approval from the Human Resources Director. The Fair Labor Standards Act requires payment of any compensatory time balance above 240 hours for most non-exempt positions and 480 hours for public safety positions. These balances are periodically paid down throughout the year. Upon separation, all unused compensatory time is paid to the employee.

Employees may accumulate up to 1,000 hours of sick leave. Generally, sick leave benefits provide for ordinary sick pay and are cumulative but are forfeited upon separation. Employees who separate from employment after completing at least 20 years of continuous service become vested in their sick leave and are eligible to receive payment equal to 25 percent of their accumulated sick leave balance.

The leave detailed above that is considered more likely than not to be used or paid is recognized in the financial statements. The County calculates a three-year historical average of leave used versus leave earned. That historical average is then utilized to estimate the leave considered more likely than not to be used in the current year. Vacation leave, compensatory time, and accumulated sick leave accrued in the government-wide and proprietary fund financial statements for leave that has not been used, as well as leave that has been used but not yet paid in cash or settled through non-cash means. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured and have not yet been paid, for example, as a result of employee resignations or retirements near fiscal year-end.

L. Leases

As lessee, the County recognizes lease liabilities with an initial, individual value of \$5,000 or more for equipment and \$100,000 or more for land and buildings. The County uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The County's estimated incremental borrowing rate is based on the Discount Rate for State of Arizona Leases or the appropriate U.S. Department of the Treasury Daily Treasury Par Yield Curve Rate as of the commencement date of the lease.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

As lessor, the County recognizes lease receivables with an initial, individual value of \$100,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the County charges the lessee) and the implicit rate cannot be determined, the County uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The County’s estimated incremental borrowing rate is a percent calculated by management, as it is not the County’s intent to generate income from these leases.

M. Subscription-based information technology arrangements

The County recognizes subscription liabilities with an initial, individual value of \$100,000 or more. The County uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The County’s estimated incremental borrowing rate is based on the U.S. Department of the Treasury Daily Treasury Par Yield Curve Rate as of the commencement date of the subscription-based information technology arrangements.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

At June 30, 2025, the following nonmajor governmental funds reported a deficit in fund balance.

Fund	Deficit
Governmental Funds:	
Emergency Services Grants	\$ 516,842
Information Technology Grants and Fees	3,054
	\$ 519,896

The fund balance deficits for Emergency Services Grants and Information Technology Grants and Fees are expected to be eliminated in fiscal year 2026 through recognition and collection of grant revenues.

NOTE 3 – DEPOSITS AND INVESTMENTS

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS – Continued

Arizona State Retirement Contribution Prepayment Program—On September 13, 2022, the County Board of Supervisors adopted Resolution No. 2022-23 to issue pledged revenue obligations for the purpose of making a payment to the Arizona State Retirement System for the Contribution Prepayment Program (CPP) in accordance with A.R.S. 38-737(D). The County entered into a written legal contribution prepayment agreement with ASRS to participate in the CPP. Pension contributions according to this statute are deposited directly to the ASRS Trust Fund and are irrevocable as outlined in A.R.S. 38-712(C-D). Prepayment and accrued earnings may be used solely to reduce the employer’s future 401(a) pension contributions. Investments of the trust fund are governed by A.R.S. 38-718 and not by County investment policies and are pooled with all other plan participants. ASRS has chosen to invest in short-term securities, obligations of the U.S. government or agencies of the U.S. government, corporate bonds, common and preferred stocks (domestic and foreign), mortgages, derivatives, commodities, real estate, loans, and direct investments in partnerships. A.R.S. 38-718 places the following restrictions on the ASRS investment fund portfolio:

1. No more than 80 percent of the assets held by the ASRS may be invested at any given time in equities measured at market value.
2. No more than 5 percent of the assets held by the ASRS may be invested in securities issued by any one institution, agency or corporation, other than securities issued as direct obligations of or fully guaranteed by the U.S. government or mortgage-backed securities and agency debentures issued by federal agencies, measured at market value.
3. No more than 40 percent of the assets held by ASRS may be invested in non-U.S. public equity investments, measured at market value.
4. No more than 60 percent of the assets held by the ASRS may be invested internally, measured at market value.
5. No more than 10 percent of the assets held by the ASRS may be invested in bonds or other evidences of indebtedness of those multinational development banks in which the U.S. is a member nation, including the International Bank for Reconstruction and Development, the African Development Bank, the Asian Development Bank, and the Inter-American Development Bank, measured at fair value.

There is a risk that the County’s investment with the ASRS could earn less than the interest owed on the bonds that the County issued in order to participate in the ASRS CPP.

Credit risk—

Statutes have the following requirements for credit risk:

1. Commercial paper must be of prime quality and be rated within the top 2 ratings by a nationally recognized rating agency.
2. Specified bonds, debentures, notes and other evidences of indebtedness that are denominated in United States dollars must be rated "A" or better at the time of purchase by at least 2 nationally recognized rating agencies.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS – Continued

3. Fixed income securities must carry 1 of the 2 highest ratings by Moody’s investors service and Standard and Poor’s rating service. If only 1 of these services rates the security, it must carry the highest rating of that service.

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

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

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

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

Deposits—At June 30, 2025, the carrying amount of the County’s deposits was \$136,002,020 and the bank balance was \$141,289,001. The County also held \$135,147 in cash on hand. The County does not have a formal policy related to custodial credit risk for deposits.

Investments—The County had total investments of \$396,500,451 at June 30, 2025. The County categorizes certain investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles as follows:

	Amount	Fair value measurement using	
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
Investments by fair value level			
U.S. agency securities	\$ 164,967,842	\$ -	\$ 164,967,842
U.S. Treasury securities	29,954,027	29,954,027	-
Corporate bonds	110,815,663	-	110,815,663
Exchange traded funds	563,279	563,279	-
Total investments categorized by fair value level	<u>\$ 306,300,811</u>	<u>\$ 30,517,306</u>	<u>\$ 275,783,505</u>
Investments measured at net asset value (NAV)			
Mutual funds - equity	\$ 442,995		
Mutual funds - institutional	30,422,883		
Total investments measured at net asset value	<u>30,865,878</u>		
Total investments	<u>\$ 337,166,689</u>		

Investments categorized as Level 1 are valued using prices quoted in active markets for those investments.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS – Continued

Investments categorized as Level 2 are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quotes prices.

The County had investments of \$165,861 in the State Treasurer’s investment pools measured at fair value. Investments in the State Treasurer’s investment pool are valued at the pool’s share price multiplied by the number of shares the County held. The fair value of the participant’s position in the pools approximates the value of the participant’s pool shares. The State Board of Investment provides oversight for the State Treasurer’s investment pools.

The County also had restricted cash and investments of \$59,167,901 held by the ASRS pension plan, related to the CPP. The 401(a) employer pension contributions prepaid by the County and the accrued earnings are managed at the discretion of ASRS as described above.

Credit risk—The County has a formal investment policy with respect to credit risk which mirrors A.R.S. 35-323. At June 30, 2025, credit risk for the County’s investments was as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Rating Agency</u>	<u>Amount</u>
U.S. agency securities	Aa1	Moody's	\$ 164,967,842
Institutional mutual funds	Aaa-mf	Moody's	30,422,883
Corporate bonds	Aaa	Moody's	4,435,830
Corporate bonds	Aa3	Moody's	26,770,428
Corporate bonds	A1	Moody's	31,453,725
Corporate bonds	A2	Moody's	45,287,680
Corporate bonds	A3	Moody's	2,868,000
Mutual funds – equity	Unrated	Not applicable	442,995
Exchange traded funds	Unrated	Not applicable	563,279
State Treasurer's Investment Pool #7	Unrated	Not applicable	165,861
ASRS Contribution Prepayment Program	Unrated	Not applicable	59,167,901
Total			<u>\$ 366,546,424</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 outside party's possession. The County does not have a formal investment policy with respect to custodial credit risk. At June 30, 2025, the County had \$30,422,883 of Institutional mutual funds that were uninsured, not registered in the County’s name, and held by the counterparty’s trust department or agent but not in the County’s name.

Concentration of credit risk—The County Treasurer has a formal policy with respect to concentration of credit risk. The policy allows more than five percent of the portfolio from any one issuer with the exception of a corporate issuer. Corporate bonds in total shall not exceed twenty-five percent of the entire portfolio and no one corporate issuer shall exceed five percent of the entire portfolio. The County had investments at June 30, 2025, of five percent or

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS – Continued

more in Federal Home Loan Bank, Federal National Mortgage Association, Federal Agricultural Mortgage Corporation, Federal Farm Credit Bank, and Federal Home Loan Bank. These investments were 8.7 percent, 7.8 percent, 9.0 percent, 7.4 percent, and 10.4 percent respectively, of the County’s total investments.

Interest rate risk—The County has a formal policy with respect to interest rate risk, acknowledging that in a rising rate environment, investments may have to be held to maturity rather than incur a loss of principal in a net trade situation. Diversification in the portfolio can be used to reduce the adverse effect of rising rates. At June 30, 2025, the County had the following investments in debt securities:

<u>Investment Type</u>	<u>Amount</u>	<u>Weighted average maturity (years)</u>
U.S. agency securities	\$ 164,967,842	2.043
Institutional mutual funds	30,422,883	0.129
U.S. Treasury securities	29,954,027	1.788
Corporate bonds	110,815,663	2.641
State Treasurer's Investment pool #7	165,861	0.070
	<u>\$ 336,326,276</u>	

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

Cash, deposits, and investments

Cash on hand	\$ 135,147
Amount of deposits	136,002,020
Amount of investments	<u>396,500,451</u>
Total	<u>\$ 532,637,618</u>

Custodial funds

<u>Statements of net position:</u>	<u>Governmental Activities</u>	<u>Private-Purpose Trust Fund</u>	<u>External Investment Pool</u>	<u>Other</u>	<u>Total</u>
Cash and investments	\$ 206,151,689	\$ 2,678,950	\$ 227,840,202	\$ 5,217,454	\$ 441,888,295
Cash and investments held by pension plan—restricted for ASRS Contribution Prepayment Program	59,167,901	-	-	-	59,167,901
Cash and investments held by trustee	<u>31,581,422</u>	-	-	-	<u>31,581,422</u>
Total	<u>\$ 296,901,012</u>	<u>\$ 2,678,950</u>	<u>\$ 227,840,202</u>	<u>\$ 5,217,454</u>	<u>\$ 532,637,618</u>

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 4 – 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 stewardship of the Treasurer. The Treasurer invests, on a pool basis, all idle monies not specifically invested for a fund or program. In addition, the Treasurer determines the fair value of those pooled investments annually at June 30.

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

The County’s deposits and investments are included in the County Treasurer’s investment pool, except for \$135,147 of cash on hand, \$6,946,174 in other bank accounts, \$1,006,274 in other investments, \$43,836,347 of bond proceeds held for the jail district, a school district and three fire districts, \$165,861 in the State Treasurer’s Investment Pool #7, \$59,167,901 held by pension plan for the ASRS Contribution Prepayment Program, and \$31,581,422 of cash with trustee. Therefore, the deposit and investment risks of the Treasurer’s investment pool are substantially the same as the County’s deposit and investment risks. See Note 3 for disclosure of the County’s deposit and investment risks.

Details of each major investment in debt and governmental securities classification follow:

<u>Investment type</u>	<u>Principal</u>	<u>Interest Rates</u>	<u>Maturities</u>	<u>Amount</u>
U.S. agency securities	\$ 165,750,000	0.38 to 4.60	7/21/25 to 12/17/29	\$ 164,967,842
U.S. Treasury securities	30,103,000	0.75 to 4.13	7/17/25 to 4/30/28	29,954,027
Corporate bonds and notes	<u>110,970,000</u>	1.50 to 6.38	1/1/26 to 8/14/29	<u>110,815,663</u>
Total	<u>\$ 306,823,000</u>			<u>\$ 305,737,532</u>

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 4 – COUNTY TREASURER’S INVESTMENT POOL – Continued

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

Statement of fiduciary net position	
Assets	\$ 390,640,288
Net position	<u>390,640,288</u>
Net position held for:	
Internal participants	196,197,734
External participants	<u>194,442,554</u>
Total net position	<u>\$ 390,640,288</u>
Statement of changes in fiduciary net position	
Total additions	\$ 664,433,826
Total deductions	<u>(658,969,656)</u>
Net increase	<u>5,464,170</u>
Net position:	
July 1, 2024	<u>385,176,118</u>
June 30, 2025	<u>\$ 390,640,288</u>

NOTE 5 – RECEIVABLES

Amounts due from other governmental units at June 30, 2025, as shown on the Governmental Funds balance sheet, are shown as follows:

	General Fund	Public Works/HURF Fund	Jail District Fund	Public Health Services District Fund	Flood Control District Fund	Other Governmental Funds	Total
State-shared sales tax	\$ 4,859,315	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,859,315
County sales tax	4,461,987	-	-	-	-	626	4,462,613
Vehicle license tax	250,465	124,488	-	-	-	-	374,953
Highway user revenue	-	2,526,801	-	-	-	-	2,526,801
Grants and contributions from local, state and federal governments	75,000	525,387	-	2,071,725	16,143,682	3,557,055	22,372,849
Reimbursement for services provided to governmental units	<u>690,714</u>	<u>-</u>	<u>232,608</u>	<u>201,463</u>	<u>-</u>	<u>72,909</u>	<u>1,197,694</u>
	<u>\$10,337,481</u>	<u>\$ 3,176,676</u>	<u>\$ 232,608</u>	<u>\$ 2,273,188</u>	<u>\$16,143,682</u>	<u>\$ 3,630,590</u>	<u>\$35,794,225</u>

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

<u>Governmental activities</u>	<u>Balance July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2025</u>
Capital assets not being depreciated/amortized:				
Land	\$ 52,069,064	\$ 263,163	\$ -	\$ 52,332,227
Construction in progress	33,700,210	48,905,879	27,604,839	55,001,250
Total capital assets not being depreciated/amortized	<u>85,769,274</u>	<u>49,169,042</u>	<u>27,604,839</u>	<u>107,333,477</u>
Capital assets being depreciated/amortized:				
Buildings and other improvements	106,305,432	1,113,973	1,812,345	105,607,060
Machinery and equipment	55,745,385	4,078,097	4,686,662	55,136,820
Infrastructure	158,103,093	24,445,721	1,827,112	180,721,702
Intangibles:				
Right-to-use lease assets:				
Land and buildings	4,579,973	-	-	4,579,973
Machinery and equipment	45,991	-	45,991	-
Right-to-use subscription assets	492,177	187,248	-	679,425
Total capital assets being depreciated/amortized:	<u>325,272,051</u>	<u>29,825,039</u>	<u>8,372,110</u>	<u>346,724,980</u>
Less accumulated depreciation/amortization for:				
Buildings and other improvements	56,264,352	2,802,348	1,812,345	57,254,355
Machinery and equipment	32,015,215	3,985,686	4,655,831	31,345,070
Infrastructure	90,965,040	4,705,773	1,827,112	93,843,701
Intangibles:				
Right-to-use lease assets:				
Land and buildings	805,694	357,547	-	1,163,241
Machinery and equipment	30,524	15,467	45,991	-
Right-to-use subscription assets	209,733	178,826	-	388,559
Total accumulated depreciation/amortization	<u>180,290,558</u>	<u>12,045,647</u>	<u>8,341,279</u>	<u>183,994,926</u>
Total capital assets being depreciated/amortized, net	<u>144,981,493</u>	<u>17,779,392</u>	<u>30,831</u>	<u>162,730,054</u>
Governmental activities capital assets, net	<u>\$230,750,767</u>	<u>\$66,948,434</u>	<u>\$27,635,670</u>	<u>\$270,063,531</u>

Depreciation/amortization expense was charged to functions as follows:

Governmental activities:	
General government	\$ 1,622,012
Public safety	2,319,132
Highways and streets	6,144,473
Health	217,472
Welfare	36,416
Culture and recreation	877,081
Education	116,078
Internal service fund	712,983
Total governmental activities depreciation/amortization expense	<u>\$ 12,045,647</u>

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 7 – CONSTRUCTION AND OTHER COMMITMENTS

The County had major contractual commitments related to various capital projects at June 30, 2025, for road reconstruction, new building, facilities repairs and upgrades, infrastructure expansion and mechanical equipment upgrades. At June 30, 2025, the County had spent \$30,339,874 on these projects and had remaining contractual commitments with contractors totaling \$31,521,432. These projects are being financed by highway user revenues, federal grants, capital improvement plan bond proceeds, and the General Fund.

NOTE 8 – LONG-TERM LIABILITIES

The following schedule details the County’s long-term liability and obligation activity for the year ended June 30, 2025:

	<u>Balance</u> <u>July 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2025</u>	<u>Due Within</u> <u>1 Year</u>
Governmental activities					
Pledged revenue obligations	\$ 65,865,000	\$ 9,965,000	\$ 2,585,000	\$ 73,245,000	\$ 3,000,000
Private placement pledged revenue obligations	27,965,000	-	27,520,000	445,000	445,000
Compensated absences payable*	5,797,477	976,506	-	6,773,983	3,839,645
Claims and judgments payable	613,883	222,478	168,883	667,478	306,462
Retention programs payable	1,940,329	70,275	-	2,010,604	160,572
Leases payable	3,789,748	-	373,014	3,416,734	378,131
Subscriptions liability	282,444	187,248	178,826	290,866	178,607
Net pension liability	90,714,772	-	904,917	89,809,855	-
Other postemployment benefits (OPEB) liability	<u>6,131,237</u>	<u>634,696</u>	<u>-</u>	<u>6,765,933</u>	<u>-</u>
Total governmental activities long-term liabilities	<u>\$203,099,890</u>	<u>\$12,056,203</u>	<u>\$31,730,640</u>	<u>\$ 183,425,453</u>	<u>\$ 8,308,417</u>

* The additions in compensated absences payable are presented as a net change.

Series 2021 pledged revenue obligations—In April 2021, the County issued Series 2021 pledged revenue obligations in the amount of \$18,160,000 with interest rates between 0.298 percent and 2.976 percent to pay down the unfunded portion of the County’s PSPRS pension liability. The obligations are generally noncallable, with interest payable semiannually.

Series 2022 pledged revenue obligations—In October 2022, the County issued Series 2022 pledged revenue obligations in the amount of \$53,170,000 with interest rates ranging from 4.073 percent to 5.594 percent. The proceeds are being held with the Arizona State Retirement System (ASRS) as a restricted investment and will be used to make future employer pension

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 8 – LONG-TERM LIABILITIES – Continued

contribution payments. The pre-paid contributions will earn interest based on the rate of return determined by ASRS. The obligations are generally noncallable, with interest payable semiannually.

Series 2023 private placement pledged revenue obligations—In June 2023, the County issued Series 2023 private placement pledged revenue obligations in the amount of \$80,000,000 with an interest rate of 4.500 percent for capital improvements. The obligations are callable on the first day of each quarter without premium for up to 95 percent of the outstanding principal. The obligations may not be prepaid fully unless the outstanding principal is \$5,000,000 or less. Interest is paid semiannually.

Series 2025 pledged revenue obligations—In May 2025, the Jail District of Coconino County issued Series 2025 pledged revenue obligations in the amount of \$9,965,000 with interest rates ranging from 4.000 percent to 5.000 percent. The proceeds will be used for project costs. The obligations are generally noncallable, with interest payable semiannually.

The following pledged revenue obligations were outstanding at June 30, 2025:

<u>Description</u>	<u>Original amount authorized and issued</u>	<u>Interest rates</u>	<u>Maturity ranges</u>	<u>Outstanding principal</u>
Coconino County Pledged Revenue Obligations, Series 2021	\$ 18,160,000	1.210-2.976%	7/1/25-38	\$ 15,515,000
Coconino County Pledged Revenue Obligations, Series 2022	53,170,000	4.362-5.594%	7/1/25-43	47,765,000
Jail District of Coconino County, Pledged Revenue Obligations, Series 2025	9,965,000	4.00-5.00%	7/1/26-46	9,965,000
Private placement Coconino County Private Placement Pledged Revenue Obligations, Series 2023	80,000,000	4.500%	7/1/25-10/1/25	445,000
Total				<u><u>\$ 73,690,000</u></u>

Series 2021 pledged revenue obligations—The County has pledged a portion of its county general excise tax revenues, state shared revenues, vehicle license tax revenues, and payment in lieu of taxes (PILT) revenues toward the payment of debt related to revenue obligations outstanding at June 30, 2025. At June 30, 2025, future pledged revenues through final maturity at July 1, 2038, totaled \$18,664,459 consisting of \$15,515,000 for principal and \$3,149,459 for

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 8 – LONG-TERM LIABILITIES – Continued

interest. It is expected that approximately 2 percent of total future revenues will be used to pay annual principal and interest on the bonds. In the current year, total principal and interest paid, and total pledged resources were \$1,354,509 and \$66,715,061, respectively.

Series 2022 pledged revenue obligations—The County has pledged a portion of its county general excise tax revenues, state shared revenues, vehicle license tax revenues, and payment in lieu of taxes (PILT) revenues toward the payment of debt related to revenue obligations outstanding at June 30, 2025. At June 30, 2025, future pledged revenues through final maturity at July 1, 2043 totaled \$75,790,629 consisting of \$47,765,000 for principal and \$28,025,629 for interest. It is expected that approximately 6 percent of total future revenues will be used to pay annual principal and interest on the bonds. In the current year, total principal and interest paid, and total pledged resources were \$4,209,373 and \$66,715,061, respectively.

Series 2023 private placement pledged revenue obligations—The County has pledged a portion of its county general excise tax revenues, state shared revenues, vehicle license tax revenues, and payment in lieu of taxes (PILT) revenues toward the payment of debt related to revenue obligations outstanding at June 30, 2025. At June 30, 2025, future pledged revenues through final maturity at October 1, 2025 totaled \$475,150 consisting of \$445,000 for principal and \$30,150 for interest. It is expected that approximately 1 percent of total future revenues will be used to pay annual principal and interest on the bonds. In the current year, total principal and interest paid, and total pledged resources were \$28,272,175 and \$66,715,061, respectively.

Series 2025 pledged revenue obligations—The County has pledged a portion of its county general excise tax revenues, state shared revenues, vehicle license tax revenues, and payment in lieu of taxes (PILT) revenues toward the payment of debt related to revenue obligations outstanding at June 30, 2025. At June 30, 2025, future pledged revenues through final maturity at July 1, 2046 totaled \$15,466,288 consisting of \$9,965,000 for principal and \$5,501,288 for interest. It is expected that approximately 1 percent of total future revenues will be used to pay annual principal and interest on the bonds. In the current year, total principal and interest paid, and total pledged resources were \$0 and \$66,715,061, respectively. The associated premium with the issuance was expensed in the current year in lieu of amortization due to its relative insignificance.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 8 – LONG-TERM LIABILITIES – Continued

The following schedule details debt service requirements to maturity for the County's pledged revenue obligations payable at June 30, 2025:

Year ending June 30:	Governmental Activities			
	Pledged Revenue Obligations		Private Placement Pledged Revenue Obligations	
	Principal	Interest	Principal	Interest
2026	\$ 3,000,000	\$ 3,402,656	\$ 445,000	\$ 30,150
2027	3,170,000	3,256,970	-	-
2028	3,280,000	3,140,770	-	-
2029	3,405,000	3,016,328	-	-
2030	3,540,000	2,882,192	-	-
2031-35	20,025,000	12,071,771	-	-
2036-40	22,085,000	7,141,255	-	-
2041-45	14,740,000	1,764,434	-	-
Total	\$ 73,245,000	\$ 36,676,376	\$ 445,000	\$ 30,150

Claims and Judgments—Claims and judgments are generally paid from the fund that accounts for the activity that gave rise to the claim. The County paid for claims and judgments from the General Fund.

Retention Programs—In support of the goal of the Board of Supervisors, Sheriff’s Office and County Management to recruit and attract new Commissioned Deputies and to retain trained Deputies, Coconino County has created the Commissioned Law Enforcement Retention Program and Detention Officer Retention Program. If hired on or before December 31, 2011, the lump sum amount was \$10,000. If hired on or after January 1, 2012, the lump sum amount is \$20,000. The County is required to distribute lump sum amounts and interest earned based on the programs’ vesting schedules. On June 30, 2025, the liability for both Programs was \$2,010,604 and interest earned but not paid was \$85,325.

Leases Payable—The County has obtained the right to use land and buildings under the provisions of various lease agreements.

The total amount of lease assets and the related accumulated amortization are as follows:

	Governmental Activities
Intangible right-to-use lease asset:	
Land and Buildings	\$ 4,579,973
Less: Accumulated amortization	(1,163,241)
Carrying value	<u>\$ 3,416,732</u>

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 8 – LONG-TERM LIABILITIES – Continued

The following schedule details minimum lease payments to maturity for the County’s leases payable at June 30, 2025:

Year ending June 30	Governmental Activities	
	Principal	Interest
2026	\$ 378,131	\$ 101,937
2027	391,080	93,409
2028	270,343	85,043
2029	282,438	77,550
2030	294,827	69,642
2031-35	1,277,659	222,535
2036-40	516,479	30,334
2041-42	5,777	87
Total	\$ 3,416,734	\$ 680,537

Subscription-based information technology arrangements (SBITAs)—The County has obtained the right to use IT security, location mapping and call management software under the provisions of a subscription-based information technology arrangement.

The total amount of subscription assets and the related accumulated amortization are as follows:

Total intangible right-to-use subscription assets	\$ 679,425
Less: accumulated amortization	(388,559)
Carrying value	\$ 290,866

The following schedule details minimum subscription payments to maturity for the County’s subscriptions liability at June 30, 2025:

Year ending June 30	Governmental Activities	
	Principal	Interest
2026	\$ 178,607	\$ 5,129
2027	36,137	3,940
2028	37,405	2,672
2029	38,717	1,359
Total	\$ 290,866	\$ 13,100

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 9 - FUND BALANCE CLASSIFICATIONS OF THE GOVERNMENTAL FUNDS

The fund balance classifications of the governmental funds as of June 30, 2025, were as follows:

	General Fund	Public Works/HURF Fund	Jail District Fund	Public Health Services District Fund	County Debt Services Fund	Flood Control District Fund	Capital Improvement Plan Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:									
Nonspendable:									
Prepaid items	\$ 272,426	\$ -	\$ 870	\$ 12,771	\$ -	\$ -	\$ -	\$ 8,786	\$ 294,853
Long-term advances to other funds	15,500,000	-	-	-	-	-	-	-	15,500,000
Total nonspendable	<u>15,772,426</u>	<u>-</u>	<u>870</u>	<u>12,771</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,786</u>	<u>15,794,853</u>
Restricted for:									
Highways and streets	-	37,710,158	-	-	-	-	-	3,399,267	41,109,425
Public safety	-	-	33,631,973	-	-	-	-	3,924,348	37,556,321
Culture and recreation	-	-	-	-	-	-	-	5,649,531	5,649,531
Health	-	-	-	1,373,971	-	-	-	-	1,373,971
Capital projects	-	-	-	-	-	-	-	25,556,138	25,556,138
Education	-	-	-	-	-	-	-	6,448,397	6,448,397
Sanitation	-	-	-	-	-	-	-	32,976	32,976
Welfare	-	-	-	-	-	-	-	1,382,933	1,382,933
General government	-	-	-	-	-	-	-	7,660,002	7,660,002
Held by trustee	1,488,231	-	-	-	-	-	-	6,285	1,494,516
Future pension contributions	59,167,901	-	-	-	-	-	-	-	59,167,901
Debt service	-	-	-	-	16,252,685	-	-	2,751	16,255,436
Total restricted	<u>60,656,132</u>	<u>37,710,158</u>	<u>33,631,973</u>	<u>1,373,971</u>	<u>16,252,685</u>	<u>-</u>	<u>-</u>	<u>54,062,628</u>	<u>203,687,547</u>
Committed to:									
General government	40,850,569	-	-	-	-	-	-	-	40,850,569
Retention programs	478,676	-	-	-	-	-	-	-	478,676
Total committed	<u>41,329,245</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,329,245</u>
Assigned to:									
General government	10,938,115	-	-	-	-	-	-	-	10,938,115
Public Safety Retirement System contingency	1,167,443	-	-	-	-	-	-	-	1,167,443
Small capital - facilities and technology	4,122,169	-	-	-	-	-	-	-	4,122,169
Total assigned	<u>16,227,727</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,227,727</u>
Unassigned	<u>27,621,521</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,112,922)</u>	<u>(11,586,991)</u>	<u>(526,283)</u>	<u>1,395,325</u>
Total fund balances (deficits)	<u>\$ 161,607,051</u>	<u>\$ 37,710,158</u>	<u>\$ 33,632,843</u>	<u>\$ 1,386,742</u>	<u>\$ 16,252,685</u>	<u>\$ (14,112,922)</u>	<u>\$ (11,586,991)</u>	<u>\$ 53,545,131</u>	<u>\$ 278,434,697</u>

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 9 – FUND BALANCE CLASSIFICATIONS OF THE GOVERNMENTAL FUNDS – Continued

Stabilization Arrangements—The Board of Supervisors established by majority vote that the County General Fund maintain a reserve of 25 percent of budgeted annual revenues for cash liquidity and to cover unbudgeted contingency for community resilience. Use of the General Fund reserves for contingency purposes must be approved by the Board of Supervisors by a majority vote held during a public meeting, as required by A.R.S.

Minimum fund balance policies—The Board of Supervisors established by majority vote a committed fund balance of \$15 million set aside for possible disruptions in federal and state funding, revenue disruptions from economic uncertainties, and natural disaster mitigation. Use of the committed fund balance for these purposes requires a specific allocation to be presented to the Board of Supervisors as a budget amendment and approved by majority vote.

NOTE 10 – 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 others; and natural disasters. For these risks of loss, the County joined and is covered by the Arizona Counties Property and Casualty Pool and the Northern Arizona Public Employees Benefit Trust.

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of thirteen member counties. The pool provides member counties catastrophic loss coverage for risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; cyber security; and natural disasters; and provides risk management services. Such coverage includes all defense costs as well as the amount of any judgment or settlement. The County is responsible for paying a premium based on its exposure in relation to the exposure of the other participants and a deductible of \$10,000 per occurrence for property claims and \$25,000 to \$150,000 per occurrence for liability claims. The County is also responsible for any payments in excess of the maximum coverage of \$300 million per occurrence for property claims and \$15 million per occurrence for liability claims. However, lower limits apply to certain categories of losses. A county must participate in the pool at least three years after becoming a member; however, it may withdraw after the initial three-year period.

The County also contracts with Arizona Counties Property and Casualty Pool to meet Arizona statutory requirements on workers compensation coverage for its elected officials, employees, and volunteers. There is no deductible associated with this coverage. The employer's liability section of our workers' compensation policy is insured with coverage limits at the \$1,000,000 level per occurrence and in aggregate. Coconino County also provides HR services to state employees of the Clerk of Superior Court, Juvenile Court, Adult Probation, and Superior Court.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 10 – RISK MANAGEMENT – Continued

These are separately insured by the State of Arizona and Arizona State Risk Management for workers’ compensation and employer’s liability.

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

The Northern Arizona Employees Benefit Trust is a public entity risk pool currently composed of seven member entities. The pool provides member entities with health, prescription, dental, vision, life, and accidental death benefits for the entities’ employees and their dependents. The County is responsible for paying premiums determined by the Board of Trustees on an annual basis (and requires its employees to contribute to a portion of those premiums for certain plans).

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS

The County contributes to the pension plans described below. The pension plans described in this note are component units of the State of Arizona. The County’s share of the Corrections Officer Retirement Detention Plan (CORP Detention) pension and the Arizona State Retirement System Other Postemployment Benefit (OPEB) are recorded in the financial statements, included in the aggregate table below, but will not be further disclosed in this note. The other non-County (OPEB) plans’ net OPEB assets and liabilities are not recorded in the financial statements, not included in the aggregate table below, and not disclosed further due to their relative insignificance to the County’s financial statements.

At June 30, 2025, the County reported in the financial statements the following aggregate amounts related to pension and OPEB plans to which it contributes:

Statement of Net Position and Statement of Activities	Pensions	OPEB	Governmental Activities
Net pension and OPEB assets	\$ 770,340	\$ 2,417,578	\$ 3,187,918
Net pension and OPEB liabilities	89,809,855	6,765,933	96,575,788
Deferred outflows of resources related to pensions and OPEB	18,546,537	848,326	19,394,863
Deferred inflows of resources related to pensions and OPEB	7,355,964	6,537,563	13,893,527
Pension and OPEB expenses	12,175,125	(475,018)	11,700,107

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

The County’s accrued payroll and employee benefits includes \$217,141 of outstanding pension contribution amounts payable to all plans for the year ended June 30, 2025. Also, the County reported \$10,593,086 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

A. Arizona State Retirement System

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

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

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

*with actuarially reduced benefits

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

Contributions—In accordance with State statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2025, statute required active ASRS members to contribute at the actuarially determined rate of 12.12 percent of the members' annual covered payroll, and statute required the County to contribute at the actuarially determined rate of 12.05 percent of the active members' annual covered payroll. In addition, the County was required by statute to contribute at the actuarially determined rate of 10.14 percent of annual covered payroll of retired members who worked for the County in positions that an employee who contributes to the ASRS would typically fill. The County's contributions to the pension plan for the year ended June 30, 2025, were \$6,906,468.

During fiscal year 2025, the County paid for ASRS pension contributions as follows: 56.6 percent from the General Fund, 31.4 percent from other major funds, and 12.0 percent from other funds.

Pension liability—At June 30, 2025, the County reported a net pension liability of \$63,633,186 for its proportionate share of the ASRS's net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024.

The County's proportion of the net liability was based on the County's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The County's proportion measured as of June 30, 2024, was 0.398 percent, which was a decrease of 0.012 from its proportion measured as of June 30, 2023.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

Pension expense and deferred outflows/inflows of resources—For the year ended June 30, 2025, the County recognized pension expense for ASRS of \$5,710,462. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ASRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,551,945	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	4,063,675
Changes in proportion and differences between County contributions and proportionate share of contributions	1,118,011	1,330,818
County Contributions subsequent to the measurement date	6,906,468	-
Total	<u>\$ 11,576,424</u>	<u>\$ 5,394,493</u>

The \$6,906,468 reported as deferred outflows of resources related to ASRS pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	<u>Pension</u>
2026	\$ (1,446,025)
2027	2,495,870
2028	(1,028,650)
2029	(745,732)

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

ASRS	
Actuarial valuation date	June 30, 2023
Actuarial roll forward date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

ASRS		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term expected geometric real rate of return</u>
Public equity	44%	4.48%
Credit	23%	4.40%
Real estate	17%	6.05%
Private equity	10%	6.11%
Interest rate sensitive	6%	(.45)%
Total	<u>100%</u>	

Discount rate—At June 30, 2024, the discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County’s proportionate share of the ASRS net pension liability to changes in the discount rate—The following table presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

ASRS	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
County's proportionate share of the			
Net pension liability	\$ 97,435,420	\$ 63,633,186	\$ 35,461,975

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

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

Plan descriptions—County sheriff employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans. A 9-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plan, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plan (PSPRS Tier 3 Risk Pool) which is not further disclosed because of its relative insignificance to the County's financial statements.

Administrative Office of the Courts (AOC) probation, surveillance, and juvenile detention officers participate in the Corrections Officer Retirement Plan (CORP) or the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The CORP administers a cost-sharing multiple-employer defined benefit pension plan for AOC officers (cost-sharing plan). Employees who were CORP members before July 1, 2018, participate in CORP, and AOC probation and surveillance officers who became members on or after July 1, 2018, participate in CORP or PSPDCRP. Juvenile detention officers who became members on or after July 1, 2018, participate in PSPDCRP. The PSPRS Board of Trustees and the participating local boards govern CORP according to the provisions of A.R.S. Title 38, Chapter 5, Article 6.

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

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

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

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

* With actuarially reduced benefits.

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

Employees covered by benefit terms—At June 30, 2025, the following employees were covered by the agent pension plans’ benefit terms:

	PSPRS Sheriff
Inactive employees or beneficiaries currently receiving benefits	66
Inactive employees entitled to but not yet receiving benefits	15
Active employees	30
Total	111

Contributions—State statutes establish the pension contribution requirements for active PSPRS and CORP employees. In accordance with State statutes, annual actuarial valuations determine employer contribution requirements for PSPRS and CORP pension benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contribution rates for the year ended June 30, 2025, are indicated below. Rates are a percentage of active members’ annual covered payroll.

	Active member—pension	County—pension
PSPRS Sheriff	7.65%	51.08%
CORP AOC	8.43% or 8.38%	39.15% or 40.22%

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

	Pension
PSPRS Sheriff	10.73%
CORP AOC	36.72%

The County’s contributions to the pension plans for the year ended June 30, 2025, were:

PSPRS Sheriff	CORP AOC
\$ 319,319	\$ 1,695,174

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

During fiscal year 2025, the County paid for PSPRS and CORP pension contributions as follows:

	General Fund	Other Major Funds	Other Nonmajor Funds
PSPRS Sheriff	92.6%	1.7%	5.7%
CORP AOC	38.5%	0.7%	60.8%

Pension liability (asset)—At June 30, 2025, the County reported the following asset and liability:

	Net pension liability (asset)
PSPRS Sheriff	\$ (770,340)
CORP AOC (County's proportionate share)	12,954,335

The net asset and liability were measured as of June 30, 2024, and the total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date.

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

PSPRS and CORP	
Actuarial valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	3.0 – 6.25%
Price inflation	2.5%
Cost-of-living adjustment	1.85%
Mortality rates	PubS-2010 tables

Actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

The long-term expected rate of return on PSPRS and CORP pension plan investments was determined to be 7.2 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

PSPRS and CORP		
<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected geometric real rate of return</u>
U.S. public equity	24%	3.62%
International public equity	16%	4.47%
Global private equity	27%	7.05%
Core bonds	6%	2.44%
Private credit	20%	6.24%
Diversifying strategies	5%	3.15%
Cash - Mellon	2%	0.89%
Total	<u>100%</u>	

Pension discount rate—At June 30, 2024, the discount rate used to measure the PSPRS and CORP total pension liability (asset) was 7.2 percent. The projection of cash flows used to determine the PSPRS and CORP discount rates assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the pension plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

Changes in the net pension liability (asset)

PSPRS Sheriff	Increase (Decrease)		
	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a) - (b)
Balances at June 30, 2024	\$ 59,763,874	\$ 59,002,595	\$ 761,279
Changes for the year:			
Service cost	590,428	-	590,428
Interest on the total pension liability	4,226,218	-	4,226,218
Differences between expected and actual experience in the measurement of the pension liability	74,524	-	74,524
Contributions – employer	-	318,534	(318,534)
Contributions – employee	-	243,419	(243,419)
Net investment income	-	5,892,524	(5,892,524)
Benefit payments, including refunds of employee contributions	(3,313,656)	(3,313,656)	-
Administrative expense	-	(31,688)	31,688
Net changes	1,577,514	3,109,133	(1,531,619)
Balances at June 30, 2025	<u>\$ 61,341,388</u>	<u>\$ 62,111,728</u>	<u>\$ (770,340)</u>

County’s proportion of the CORP AOC net pension liability was based on the County’s actual contributions to the plan relative to the total of all participating counties’ actual contributions for the year ended June 30, 2024. The County’s proportion measured as of June 30, 2024, was 3.002 percent, which was a decrease of 0.248 from its proportion measured as of June 30, 2023.

Sensitivity of the County’s net pension liability (asset) to changes in the discount rate—The following table presents the County’s net pension liabilities (assets) calculated using the discount rate of 7.2 percent, as well as what the County’s net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.2 percent) or 1 percentage point higher (8.2 percent) than the current rate:

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
PSPRS Sheriff			
Net pension liability (asset)	\$ 7,130,065	\$ (770,340)	\$ (7,240,356)
CORP AOC			
County’s proportionate share of the net pension liability	17,779,404	12,954,335	9,019,269

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

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

Pension expense—For the year ended June 30, 2025, the County recognized the following pension expense:

	Pension Expense
PSPRS Sheriff	\$ 1,642,700
CORP AOC (County's proportionate share)	1,264,201

Pension deferred outflows/inflows of resources—At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PSPRS Sheriff	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,573,278	\$ 296,293
Changes of assumptions or other inputs	215,899	-
Net difference between projected and actual earnings on pension plan investments	-	-
County contributions subsequent to the measurement date	319,319	-
Total	\$ 2,108,496	\$ 296,293

CORP AOC	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 850,654	\$ 65,971
Changes of assumptions or other inputs	166,458	-
Net difference between projected and actual earnings on pension plan investments	-	275,493
Changes in proportion and differences between County contributions and proportionate share of contributions	236,854	907,577
County contributions subsequent to the measurement date	1,695,174	-
Total	\$ 2,949,140	\$ 1,249,041

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

The amounts reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase in the net asset or a reduction of the net liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	PSPRS Sheriff	CORP AOC
2026	\$ 1,241,069	\$ (224,925)
2027	1,005,555	471,343
2028	(404,832)	(29,254)
2029	(348,908)	(212,239)

PSPDCRP plan—County sheriff employees, County detention officers, and AOC probation, surveillance, and juvenile detention officers who are not members of PSPRS or CORP participate in the PSPDCRP. The PSPDCRP is a defined contribution pension plan. The PSPRS Board of Trustees governs the PSPDCRP according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.1. Benefit terms, including contribution requirements, are established by State statute.

For the year ended June 30, 2025, active PSPDCRP members were required by statute to contribute at least 9 percent (County sheriff employees) or 5 percent (County detention officers, and AOC probation, surveillance, and juvenile detention officers) of the members’ annual covered payroll, and the County was required by statute to contribute 9 percent or 5 percent, respectively, of active members’ annual covered payroll to an individual employee account. Employees are immediately vested in their own contributions and the earnings on those contributions. Employees vest in a portion of the County’s contributions each year as set forth in statute. The plan retains nonvested County contributions when forfeited because of employment terminations. For the year ended June 30, 2025, the County recognized pension expense of \$17,847.

C. Elected Officials Retirement Plan

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

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

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

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

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

Contributions—State statutes establish active member and employer contribution requirements. Statute also appropriates \$5 million annually through fiscal year 2043 for the EORP from the State of Arizona to supplement the normal cost plus an amount to amortize the unfunded accrued liability and designates a portion of certain court fees for the EORP. For the year ended June 30, 2025, statute required active EORP members to contribute 7 or 13 percent

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

of the members’ annual covered payroll and the County to contribute at the actuarially determined rate of 70.44 percent of all active EORP members’ annual covered payroll. Also, statute required the County to contribute 58.32 percent to EORP of the annual covered payroll of elected officials and judges who were ASRS members and 46.62 percent to EORP of the annual covered payroll of elected officials and judges who were EODCRS members, in addition to the County’s required contributions to ASRS and EODCRS for these elected officials and judges. In addition, statute required the County to contribute 52.62 percent of annual covered payroll of retired members who worked for the County in positions that an employee who contributes to the EORP would typically fill. The County’s contributions to the pension plan for the year ended June 30, 2025, were \$1,024,863.

During fiscal year 2025, the County paid for EORP pension contributions as follows: 93.86 percent from the General Fund, 4.88 percent from other major funds, and 1.26 percent from other funds.

Pension liability—At June 30, 2025, the County reported a liability for its proportionate share of the EORP’s net pension liability that reflected a reduction for the County’s proportionate share of the State’s appropriation for EORP. The amount the County recognized as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the County were as follows:

County's proportionate share of the EORP net pension liability	\$ 11,198,784
State's proportionate share of the EORP net pension liability associated with the County	<u>772,784</u>
Total	<u>\$ 11,971,568</u>

The net liability was measured as of June 30, 2024, and the total liability used to calculate the net liability was determined by an actuarial valuation as of that date.

The County’s proportion of the net pension liability was based on the County’s required contributions to the plan relative to the total of all participating employers’ required contributions for the year ended June 30, 2024. The County’s proportion measured as of June 30, 2024, was 1.875 percent, which was an increase of 0.811 from its proportion measured as of June 30, 2023.

Pension expense and deferred outflows/inflows of resources—For the year ended June 30, 2025, the County recognized pension expense for EORP of \$2,859,238 and revenue of \$313,106 for the County’s proportionate share of the State’s appropriation to EORP and the designated court fees.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EORP	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 118,074
County contributions subsequent to the measurement date	1,024,863	-
Total	<u>\$ 1,024,863</u>	<u>\$ 118,074</u>

The \$1,024,863 reported as deferred outflows of resources related to EORP pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to EORP pensions will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	<u>Pension</u>
2026	\$ (108,563)
2027	89,369
2028	(54,690)
2029	(44,190)

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

EORP	
Actuarial valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	3.25%
Price inflation	2.5%
Cost-of-living adjustment	1.85%
Mortality rates	PubG-2010 tables

Actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

The long-term expected rate of return on EORP pension plan investments was determined to be 7.2 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation)

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

EORP Asset class	Target allocation	Long-term expected geometric real rate of return
U.S. public equity	24%	3.62%
International public equity	16%	4.47%
Global private equity	27%	7.05%
Core bonds	6%	2.44%
Private credit	20%	6.24%
Diversifying strategies	5%	3.15%
Cash – Mellon	2%	0.89%
Total	<u>100%</u>	

Discount rate—At June 30, 2024, the discount rate used to measure the EORP total pension liability was 7.2 percent. The projection of cash flows used to determine the discount rates assumed that plan member contributions will be made at the current contribution rate, employer contributions will be made at the actuarially determined rates, and State contributions will be made as currently required by statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County’s proportionate share of the EORP net pension liability to changes in the discount rate—The following table presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.2 percent, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.2 percent) or 1 percentage point higher (8.2 percent) than the current rate:

EORP	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
County's proportionate share of the net pension liability	\$ 13,021,143	\$ 11,198,784	\$ 9,633,633

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

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

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

For the year ended June 30, 2025, active EODCRS members were required by statute to contribute 8 percent of the members' annual covered payroll, and the County was required by statute to contribute 6 percent of active members' annual covered payroll to an individual employee account. Employees are immediately vested in their own contributions and the County's contributions to the individual employee account and the earnings on those contributions. For the year ended June 30, 2025, the County recognized pension expense of \$283,633.

D. Postemployment Healthcare Plan

Plan Description—Employees retiring from Coconino County service, who receive monthly income from any of the Arizona State individual retirement plans, are eligible to continue insurance coverage through the same plan as active employees and their beneficiaries up to the age of 65 through Northern Arizona Public Employees Benefit Trust (NAPEBT). The plan is not accounted for as a trust fund, and an irrevocable trust has not been established to account for the plan and no assets are accumulated. NAPEBT administers an agent multiple employer plan for financial reporting purposes as the plan assets are not dedicated solely to providing benefits to retirees and their beneficiaries. Coconino County is a member of NAPEBT and the benefits and premium rates are approved by the Trust and the Board of Supervisors on an annual basis for active and retired members. Although Coconino County does not explicitly pay a portion of the retirees' premiums, because of the inclusion of this class in the insured pool, there is an implicit subsidy or "premium rate differential" that is incurred by the County.

The following participants were covered as of the effective date of the OPEB valuation:

Retired participants currently receiving benefits	48
Active participants	<u>945</u>
Total	<u>993</u>

Funding Policy—The contribution requirements of plan members and the County are established and may be amended by the NAPEBT board. Eligible retirees up to the age of 65 have the option to participate in the healthcare plan that is currently being offered to active employees and must pay 100% of the premium less any reimbursement from the Arizona State individual retirement plans. The program is currently funded on a pay-as-you-go method

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

through paying a higher healthcare plan rate for active employees each year. The County’s projected contributions to the plan for the year ended June 30, 2025, were \$292,000.

OPEB Liability—At June 30, 2025, the County reported an OPEB liability for the NAPEBT plan of \$6,765,933. The plan's total OPEB liability was measured as of June 30, 2024. The total OPEB liability measured as of June 30, 2024 reflects the following changes of actuarial assumptions and benefit terms for the NAPEBT plan:

- The discount rate was updated from 3.65 percent to 3.93 percent.

The following table shows changes in the County's OPEB liability:

Total OPEB Liability – beginning of year	\$ 6,131,237
Changes for the year:	
Service cost	754,922
Interest	247,564
Changes in assumptions or other inputs	(160,622)
Benefit payments	(207,168)
Total OPEB Liability – end of year	\$ 6,765,933

OPEB expense and deferred outflows/inflows of resources - For the year ended June 30, 2025, the County recognized OPEB expense of \$(131,863). At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,077,099
Changes of assumptions or other inputs	404,349	2,648,559
Contributions subsequent to the measurement date	292,000	-
Total	\$ 696,349	\$ 5,725,658

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

The amount reported as deferred outflows of resources of \$292,000 related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30</u>	<u>Pension</u>
2026	\$ (1,167,980)
2027	(1,135,682)
2028	(1,063,840)
2029	(1,079,865)
2030	(804,650)
Thereafter	(69,292)

Actuarial methods and assumptions—Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and plan members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, if any.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

The County's actuarial methods and significant assumptions for the most recent actuarial valuation are as follows:

Actuarial valuation date	June 30, 2024
Actuarial cost method	Entry age normal based on level percentage of projected salary.
Wage inflation	2.90%
Inflation	2.70%
Discount rate	3.93% (Based on the Bond Buyer 20-Bond GO Index as of June 30, 2024)
Health care cost trend rates	5.45% reduced 0.30% each year for ten years, and 0.10% thereafter until reaching the ultimate trend rate
Mortality Rates:	
Pre-retirement	
General	PubG-2010 Headcount Weighted General Employee mortality table, projected generationally from 2017 using the Ultimate MP-2020 Unisex scale.
Safety	PubS-2010 Employee mortality, adjusted by a factor of 1.03 for male members and 1.08 for female members, with generational improvement using 85% of the MP-2021 scale.
Post-retirement	
General (Healthy)	2017 State Retirees of Arizona (SRA) mortality table, projected generationally from 2017 using the Ultimate MP-2020 Unisex scale.
Safety (Healthy)	PubS-2010 Healthy Retiree mortality, adjusted by a factor of 1.03 for males and 1.11 for females, with generational improvement using 85% of the MP-2021 scale.
General (Disabled)	PubNS-2010 Headcount Weighted Non-Safety Disabled Retiree mortality table, projected generationally from 2017 using the Ultimate MP-2020 Unisex scale.
Safety (Disabled)	PubS-2010 Disabled mortality, adjusted by a factor of 1.08 for male beneficiaries and adjusted by a factor of 1.01 for female beneficiaries, with generational improvements using 85% of the MP-2021 scale.

The demographic assumptions used in the valuation (including mortality, retirement, disability, and termination) as well as salary increase assumptions were based on the 'other police' rates used in the 2023 Arizona Public Safety Personnel Retirement System (PSPRS) Actuarial Valuation. The mortality assumptions for safety participants were updated based on the rates used in the 2023 PSPRS Actuarial Valuation.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 11 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS – Continued

Discount rate—The discount rate for OPEB funded entirely on a pay-as-you-go basis is the long-term expected rate of return on tax-exempt, high quality municipal debt.

Sensitivity analysis—The following presents the Total OPEB Liability (TOL) of Coconino County using the current discount rate of 3.93 percent as well as what the County's TOL would be if it were calculated using a discount rate that is 1 percentage point lower (2.93 percent) or 1 percentage point higher (4.93 percent) than the current rate.

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 6,137,000	\$ 6,765,933	\$ 7,480,000

The following table presents the OPEB liability calculated using the healthcare cost trend rate, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower (4.45 percent) or 1 percentage point higher (6.45 percent) than the current rate:

	1% Decrease in Healthcare Cost Trend Rate (4.45%)	Current Healthcare Cost Trend Rate (5.45%)	1% Increase in Healthcare Cost Trend Rate (6.45%)
Total OPEB liability	\$ 5,988,000	\$ 6,765,933	\$ 7,697,000

NOTE 12 – INTERFUND BALANCES AND ACTIVITY

Interfund balances for the year ended June 30, 2025, were as follows:

Advances from/to other funds—Interfund advances for the year ended June 30, 2025, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Flood Control District Fund	\$ 15,500,000

The amount of \$15,500,000 payable to the General Fund from the Flood Control District Fund resulted from advances made for short-term mitigation projects in the Schultz and Pipeline Flood areas. The balance is expected to be paid back by the Flood Control District with funding from federal awards, state awards and property taxes. The balance is not scheduled to be repaid within one year.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 12 – INTERFUND BALANCES AND ACTIVITY – Continued

Interfund receivables and payables—Interfund balances at June 30, 2025, were as follows:

Payable from	Payable to General Fund
Capital Improvement Plan	\$ 24,271,717
Other Governmental Funds	513,013
General Fund	\$ 24,784,730

The amount payable from the Capital Improvement Plan to the General Fund represents a short-term loan that will be repaid within one year through the transfer of bond proceeds held in restricted accounts for reimbursement of capital expenses. The interfund payable from Other Governmental Funds to the General Fund represents cash deficits that were the result of timing differences from unrealized investment losses and timing differences for revenue received in the subsequent fiscal year.

Interfund transfers—Interfund transfers for the year ended June 30, 2025, were as follows:

Transfer from	Transfer to							Total	
	General Fund	Public Works/ HURF Fund	Jail District Fund	Public Health Services District Fund	American Rescue Plan Act Fund	County Debt Services Fund	Capital Improvement Plan Fund		Other Governmental Funds
General Fund	\$ -	\$ 10,000	\$ 3,074,532	\$ 3,739,233	\$ 992,961	\$ 9,026,007	\$ -	\$ 15,372,419	\$ 32,215,152
Public Works/HURF Fund	94,642	-	-	-	-	16,976,865	-	-	17,071,507
Jail District Fund	1,264,299	-	-	-	-	-	-	-	1,264,299
Public Health Services District Fund	735,482	-	-	-	-	-	-	-	735,482
County Debt Services Fund	-	-	-	-	-	14,113,231	-	-	14,113,231
Flood Control District Fund	461,141	-	-	-	-	-	-	-	461,141
Capital Improvement Plan Fund	-	-	-	-	29,326,894	-	-	-	29,326,894
Other Governmental Funds	1,519,406	227,316	-	-	-	381,691	-	587,769	2,716,182
	\$ 4,074,970	\$ 237,316	\$ 3,074,532	\$ 3,739,233	\$ 992,961	\$ 55,711,457	\$ 14,113,231	\$ 15,960,188	\$ 97,903,888

Transfers are used to move revenues from the fund that collects them to the fund that expends them in accordance with budgetary authorizations and statutory requirements. The interfund transfers in FY25 were primarily made by the General Fund for Maintenance of Effort payments to the Coconino County Jail District and the Coconino County Public Health Services District as described in Note 14 – Maintenance of Effort, and for transfers to debt service funds to make debt service payments as they became due. Other interfund transfers were made to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds.

Coconino County
Notes to Financial Statements
June 30, 2025

NOTE 13 – MUNICIPAL REVOLVING LINE OF CREDIT

On July 1, 2024, the County maintained a \$16,475,000 municipal revolving line of credit with an interest rate equal to 110.0 percent of the previous quarter's weighted average prime rate among the top three financial institutions in the State of Arizona in a fiduciary capacity for fire districts and school districts that are political subdivisions of the County. Outstanding principal and interest are due on June 30 of each year. During fiscal year 2025, the subdivisions had not borrowed against the line of credit.

NOTE 14 – MAINTENANCE OF EFFORT

Coconino County is required to maintain statutory levels of support for the Coconino County Jail District and the Coconino County Public Health Services District. In accordance with A.R.S. Section 48-4024, Coconino County is required to make annual maintenance of effort payments (MOE) to the Coconino County Jail District, a special revenue fund type. The payments will be made through fiscal year 2051 and are determined by first establishing a base expenditure which was used as the initial fiscal year 1998 MOE payment. Subsequent payments are determined by adjusting the base expenditure by the annual change in the gross domestic product price deflator, obtained from the State of Arizona Economic Estimates Commission. These payments are recorded by the Jail District as transfers. The MOE payment for fiscal year 2025 was \$2,986,207. In accordance with A.R.S. Section 48-5802 Coconino County is required to maintain a specific level of expenditures for public health services. This is accomplished by transferring funds to the Public Health Services District, a special revenue fund type. The payment for fiscal year 2025 was \$3,739,233.



REQUIRED SUPPLEMENTARY INFORMATION



Coconino County
Required Supplementary Information
Budgetary Comparison Schedules
General Fund
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
REVENUES				
Property taxes	\$ 12,120,375	\$ 12,120,375	\$ 12,172,416	\$ 52,041
County sales tax	21,850,000	21,850,000	24,537,196	2,687,196
Licenses and permits	3,442,363	3,442,363	3,145,981	(296,382)
Fees, fines, and forfeits	1,039,290	1,039,290	1,033,084	(6,206)
Intergovernmental	43,928,347	44,012,643	49,736,119	5,723,476
Charges for services	1,935,650	1,945,650	2,304,296	358,646
Investment earnings	188,940	188,940	10,029,740	9,840,800
Contributions	15,101	15,101	6,733	(8,368)
Miscellaneous	236,500	245,910	436,713	190,803
Total revenues	<u>84,756,566</u>	<u>84,860,272</u>	<u>103,402,278</u>	<u>18,542,006</u>
EXPENDITURES				
General government				
Assessor	2,544,223	2,544,223	2,383,194	161,029
Board of Supervisors	1,755,313	1,761,090	1,614,469	146,621
Clerk of Superior Court	1,921,299	1,921,299	1,527,099	394,200
Community Development	3,367,216	3,412,086	2,908,142	503,944
Community Initiatives	483,264	419,850	153,449	266,401
County Administration	6,642,157	6,837,561	5,970,951	866,610
County Attorney	5,785,740	5,980,870	5,863,032	117,838
Facilities	4,525,342	4,638,148	4,333,463	304,685
Finance	2,798,291	2,798,291	2,045,892	752,399
Flagstaff Justice Court	1,779,500	1,779,500	1,566,600	212,900
Fredonia Justice Court	335,510	419,806	353,246	66,560
Human Resources	2,648,870	2,594,840	2,052,099	542,741
Information Technology	4,820,139	5,828,789	5,017,764	811,025
Legal Defender	1,697,395	1,697,395	1,396,899	300,496
Non-Departmental	39,796,932	39,495,692	(6,615,502)	46,111,194
Page Justice Court	665,772	665,772	629,061	36,711
Public Defender	3,573,890	3,573,890	3,513,348	60,542
Recorder	2,205,345	2,205,345	2,023,067	182,278
Superior Courts	5,891,671	5,890,062	5,185,901	704,161
Treasurer	1,252,624	1,297,849	1,297,849	-
Williams Justice Court	712,547	712,547	653,867	58,680

(continued on next page)

The notes to the budgetary comparison schedules are an integral part of this schedule.

Coconino County
Required Supplementary Information
Budgetary Comparison Schedules
General Fund (continued)
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES - Continued				
Public safety				
Adult Probation	2,317,804	2,318,127	2,204,477	113,650
Constables	149,190	164,490	162,944	1,546
Emergency Management	22,300	22,300	18,900	3,400
Juvenile Court	3,986,464	3,986,464	3,666,956	319,508
Sheriff	13,381,545	13,296,545	13,067,474	229,071
Highways and Streets				
Information Technology	561,641	570,566	576,450	(5,884)
Health				
Health and Human Services	3,974,995	3,974,995	3,842,226	132,769
Welfare				
Health and Human Services	646,663	646,663	611,131	35,532
Public Fiduciary	1,204,416	1,204,416	1,115,797	88,619
Culture and recreation				
Parks and Recreation	2,012,083	2,012,083	1,871,818	140,265
Education				
School Superintendent	790,287	841,013	665,132	175,881
Total expenditures	<u>124,250,428</u>	<u>125,512,567</u>	<u>71,677,195</u>	<u>53,835,372</u>
Excess (deficiency) of revenues over expenditures	<u>(39,493,862)</u>	<u>(40,652,295)</u>	<u>31,725,083</u>	<u>72,377,378</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	1,000	1,000	-	(1,000)
Transfers in	1,602,063	4,074,975	4,074,970	(5)
Transfers out	<u>(41,344,258)</u>	<u>(32,215,161)</u>	<u>(32,215,152)</u>	<u>9</u>
Total other financing sources (uses)	<u>(39,741,195)</u>	<u>(28,139,186)</u>	<u>(28,140,182)</u>	<u>(996)</u>
Net change in fund balance	(79,235,057)	(68,791,481)	3,584,901	72,376,382
Fund balances, July 1, 2024	<u>158,022,150</u>	<u>158,022,150</u>	<u>158,022,150</u>	<u>-</u>
Fund balances, June 30, 2025	<u><u>\$ 78,787,093</u></u>	<u><u>\$ 89,230,669</u></u>	<u><u>\$ 161,607,051</u></u>	<u><u>\$ 72,376,382</u></u>

The notes to the budgetary comparison schedules are an integral part of this schedule.

Coconino County
Required Supplementary Information
Budgetary Comparison Schedules
Public Works/HURF Fund
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
County sales tax	\$ 13,110,000	\$ 13,110,000	\$ 14,736,907	\$ 1,626,907
Licenses and permits	40,000	40,000	60,145	20,145
Intergovernmental	14,867,423	15,843,923	16,983,352	1,139,429
Charges for services	10,000	10,000	-	(10,000)
Investment earnings	246,065	246,065	2,796,095	2,550,030
Miscellaneous	-	-	31,043	31,043
Total revenues	<u>28,273,488</u>	<u>29,249,988</u>	<u>34,607,542</u>	<u>5,357,554</u>
EXPENDITURES				
Highways and Streets				
Non-departmental	23,077	23,077	5,990	17,087
Public Works	<u>22,319,816</u>	<u>26,123,023</u>	<u>18,229,115</u>	<u>7,893,908</u>
Total expenditures	<u>22,342,893</u>	<u>26,146,100</u>	<u>18,235,105</u>	<u>7,910,995</u>
Excess (deficiency) of revenues over expenditures	<u>5,930,595</u>	<u>3,103,888</u>	<u>16,372,437</u>	<u>13,268,549</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	150,000	150,000	310,761	160,761
Transfers in	227,316	237,316	237,316	-
Transfers out	<u>(7,053,203)</u>	<u>(17,071,508)</u>	<u>(17,071,507)</u>	<u>1</u>
Total other financing sources (uses)	<u>(6,675,887)</u>	<u>(16,684,192)</u>	<u>(16,523,430)</u>	<u>160,762</u>
Net change in fund balances	(745,292)	(13,580,304)	(150,993)	13,429,311
Fund balances, July 1, 2024	<u>37,861,151</u>	<u>37,861,151</u>	<u>37,861,151</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 37,115,859</u>	<u>\$ 24,280,847</u>	<u>\$ 37,710,158</u>	<u>\$ 13,429,311</u>

The notes to the budgetary comparison schedules are an integral part of this schedule.

Coconino County
Required Supplementary Information
Budgetary Comparison Schedules
Jail District Fund
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
County sales tax	\$ 21,850,000	\$ 21,850,000	\$ 24,537,309	\$ 2,687,309
Intergovernmental	476,731	476,731	235,353	(241,378)
Charges for services	558,700	558,700	418,652	(140,048)
Investment earnings	100,000	100,000	1,708,713	1,608,713
Contributions	36,000	36,000	-	(36,000)
Miscellaneous	-	-	216,263	216,263
Total revenues	<u>23,021,431</u>	<u>23,021,431</u>	<u>27,116,290</u>	<u>4,094,859</u>
EXPENDITURES				
Public safety				
Non-Departmental	38,462	38,462	9,983	28,479
Sheriff	<u>30,118,222</u>	<u>33,976,391</u>	<u>26,633,679</u>	<u>7,342,712</u>
Total expenditures	<u>30,156,684</u>	<u>34,014,853</u>	<u>26,643,662</u>	<u>7,371,191</u>
Excess (deficiency) of revenues over expenditures	<u>(7,135,253)</u>	<u>(10,993,422)</u>	<u>472,628</u>	<u>11,466,050</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,308,460	3,074,532	3,074,532	-
Transfers out	<u>(1,267,990)</u>	<u>(1,264,299)</u>	<u>(1,264,299)</u>	<u>-</u>
Total other financing sources (uses)	<u>2,040,470</u>	<u>1,810,233</u>	<u>1,810,233</u>	<u>-</u>
Net change in fund balances	(5,094,783)	(9,183,189)	2,282,861	11,466,050
Fund balances, July 1, 2024	<u>31,349,982</u>	<u>31,349,982</u>	<u>31,349,982</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 26,255,199</u>	<u>\$ 22,166,793</u>	<u>\$ 33,632,843</u>	<u>\$ 11,466,050</u>

The notes to the budgetary comparison schedules are an integral part of this schedule.

Coconino County
Required Supplementary Information
Budgetary Comparison Schedules
Public Health Services District Fund
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 5,747,054	\$ 5,747,054	\$ 5,709,991	\$ (37,063)
Licenses and permits	511,874	511,874	671,170	159,296
Intergovernmental	5,966,212	9,196,877	6,302,797	(2,894,080)
Charges for services	654,375	607,115	781,734	174,619
Investment earnings	4,000	4,000	75,121	71,121
Contributions	16,615	16,615	10,865	(5,750)
Miscellaneous	176	176	4,603	4,427
Total revenues	<u>12,900,306</u>	<u>16,083,711</u>	<u>13,556,281</u>	<u>(2,527,430)</u>
EXPENDITURES				
Public safety				
Health and Human Services	1,835,730	1,894,590	1,275,612	618,978
Juvenile Court	-	166,443	109,300	57,143
Health				
Health and Human Services	<u>17,868,174</u>	<u>20,907,830</u>	<u>15,362,354</u>	<u>5,545,476</u>
Total expenditures	<u>19,703,904</u>	<u>22,968,863</u>	<u>16,747,266</u>	<u>6,221,597</u>
Excess (deficiency) of revenues over expenditures	<u>(6,803,598)</u>	<u>(6,885,152)</u>	<u>(3,190,985)</u>	<u>3,694,167</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	6,013,836	3,739,233	3,739,233	-
Transfers out	<u>-</u>	<u>(735,482)</u>	<u>(735,482)</u>	<u>-</u>
Total other financing sources (uses)	<u>6,013,836</u>	<u>3,003,751</u>	<u>3,003,751</u>	<u>-</u>
Net change in fund balances	(789,762)	(3,881,401)	(187,234)	3,694,167
Fund balances, July 1, 2024	<u>1,573,976</u>	<u>1,573,976</u>	<u>1,573,976</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 784,214</u>	<u>\$ (2,307,425)</u>	<u>\$ 1,386,742</u>	<u>\$ 3,694,167</u>

The notes to the budgetary comparison schedules are an integral part of this schedule.

Coconino County
Required Supplementary Information
Budgetary Comparison Schedules
American Rescue Plan Act Fund
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 5,251,483	\$ 5,251,483	\$ 1,723,541	\$ (3,527,942)
Investment earnings	15,000	15,000	148,659	133,659
Total revenues	<u>5,266,483</u>	<u>5,266,483</u>	<u>1,872,200</u>	<u>(3,394,283)</u>
EXPENDITURES				
General government				
Board of Supervisors	2,993,306	1,892,188	1,512,647	379,541
Clerk of Superior Court	334,002	366,986	111,525	255,461
County Attorney	8,048	58,483	58,483	-
Finance	445,765	480,223	67,931	412,292
Flagstaff Justice Court	249,453	250,770	16,357	234,413
Public Defender	79,303	89,084	89,084	-
Superior Courts	666,162	876,976	876,976	-
Public safety				
Adult Probation	619,542	622,821	99,740	523,081
Juvenile Court	33,130	34,210	22,080	12,130
Health				
Health and Human Services	206,890	241,567	206,651	34,916
Education				
School Superintendent	293,895	281,935	278,579	3,356
Total expenditures	<u>5,929,496</u>	<u>5,195,243</u>	<u>3,340,053</u>	<u>1,855,190</u>
Excess (deficiency) of revenues over expenditures	<u>(663,013)</u>	<u>71,240</u>	<u>(1,467,853)</u>	<u>(1,539,093)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>320,744</u>	<u>992,961</u>	<u>992,961</u>	<u>-</u>
Total other financing sources (uses)	<u>320,744</u>	<u>992,961</u>	<u>992,961</u>	<u>-</u>
Net change in fund balances	(342,269)	1,064,201	(474,892)	(1,539,093)
Fund balances, July 1, 2024	<u>474,892</u>	<u>474,892</u>	<u>474,892</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 132,623</u>	<u>\$ 1,539,093</u>	<u>\$ -</u>	<u>\$ (1,539,093)</u>

The notes to the budgetary comparison schedules are an integral part of this schedule.

Coconino County
Required Supplementary Information
Budgetary Comparison Schedules
Flood Control District Fund
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 10,424,397	\$ 10,424,397	\$ 10,351,329	\$ (73,068)
Licenses and permits	5,000	5,000	7,468	2,468
Intergovernmental	43,877,707	65,174,117	40,765,229	(24,408,888)
Charges for services	-	1,322,248	1,322,248	-
Investment earnings	100,000	100,000	1,177,092	1,077,092
Contributions	-	-	43	43
Miscellaneous	-	-	928	928
Total revenues	<u>54,407,104</u>	<u>77,025,762</u>	<u>53,624,337</u>	<u>(23,401,425)</u>
EXPENDITURES				
Public safety				
Flood Control District	<u>70,355,190</u>	<u>92,973,848</u>	<u>43,834,599</u>	<u>49,139,249</u>
Total expenditures	<u>70,355,190</u>	<u>92,973,848</u>	<u>43,834,599</u>	<u>49,139,249</u>
Excess (deficiency) of revenues over expenditures	<u>(15,948,086)</u>	<u>(15,948,086)</u>	<u>9,789,738</u>	<u>25,737,824</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>(461,141)</u>	<u>(461,141)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(461,141)</u>	<u>(461,141)</u>	<u>-</u>
Net change in fund balances	(15,948,086)	(16,409,227)	9,328,597	25,737,824
Fund balances, July 1, 2024	<u>(23,441,519)</u>	<u>(23,441,519)</u>	<u>(23,441,519)</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ (39,389,605)</u>	<u>\$ (39,850,746)</u>	<u>\$ (14,112,922)</u>	<u>\$ 25,737,824</u>

The notes to the budgetary comparison schedules are an integral part of this schedule.

Coconino County
 Required Supplementary Information
 Notes to Budgetary Comparison Schedules
 Year Ended June 30, 2025

Note 1 - Budgeting and budgetary control

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

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

Note 2 - Budgetary basis of accounting

The County's budget is prepared on a basis consistent with generally accepted accounting principles, except for the following unbudgeted items:

- Present value of net minimum lease payments.
- Present value of net minimum subscription-based information technology arrangement (SBITA) payments.

The following schedule reconciles the excess of revenues over expenditures from the statement of revenues, expenditures, and changes in fund balances to the budgetary comparison schedules:

	General Fund
Excess of revenues over expenditures from the statement of revenues, expenditures, and changes in fund balances	\$ 31,537,835
Present value of net minimum SBITA payments	187,248
Excess of revenues over expenditures from the budgetary comparison schedules	\$ 31,725,083

Coconino County
Required Supplementary Information
Schedule Of The County's Proportionate Share Of The Net Pension Liability
Cost-Sharing Pension Plans
Last Ten Fiscal Years

ARIZONA STATE RETIREMENT SYSTEM (ASRS)

Reporting fiscal year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
County's proportion of the net pension liability	0.40%	0.41%	0.39%	0.40%	0.41%	0.42%	0.42%	0.40%	0.40%	0.39%
County's proportionate share of the net pension liability	\$ 63,633,186	\$ 66,301,853	\$ 62,936,852	\$ 52,392,665	\$ 71,769,911	\$ 61,756,593	\$ 58,614,269	\$ 64,845,194	\$ 64,388,081	\$ 61,051,275
County's covered payroll	\$ 55,542,610	\$ 53,832,374	\$ 46,103,647	\$ 44,777,639	\$ 45,501,388	\$ 44,740,183	\$ 41,705,479	\$ 39,261,016	\$ 37,520,908	\$ 36,081,751
County's proportionate share of the net pension liability as a percentage of its covered payroll	114.57%	123.16%	136.51%	117.01%	157.73%	138.03%	140.54%	165.16%	171.61%	169.20%
Plan fiduciary net position as a percentage of the total pension liability	76.93%	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%

**CORRECTIONS OFFICER RETIREMENT PLAN
ADMINISTRATIVE OFFICE OF THE COURTS (CORP AOC)**

Reporting fiscal year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
County's proportion of the net pension liability	3.00%	3.25%	3.15%	3.17%	3.24%	3.09%	3.13%	3.05%	3.05%	3.12%
County's proportionate share of the net pension liability	\$ 12,954,335	\$ 14,688,669	\$ 14,070,908	\$ 11,761,933	\$ 15,453,047	\$ 13,056,710	\$ 11,271,192	\$ 12,727,276	\$ 8,593,425	\$ 7,590,997
County's covered payroll	\$ 4,140,771	\$ 4,103,856	\$ 3,825,439	\$ 3,745,923	\$ 4,250,285	\$ 4,921,870	\$ 3,642,477	\$ 3,458,591	\$ 3,364,379	\$ 3,530,713
County's proportionate share of the net pension liability as a percentage of its covered payroll	312.85%	357.92%	367.82%	313.99%	363.58%	265.28%	309.44%	367.99%	255.42%	215.00%
Plan fiduciary net position as a percentage of the total pension liability	63.12%	59.28%	57.52%	62.53%	50.07%	51.99%	53.72%	49.21%	54.81%	57.89%

ELECTED OFFICIALS RETIREMENT PLAN (EORP)

Reporting fiscal year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
County's proportion of the net pension liability	1.87%	1.06%	2.03%	2.06%	2.09%	2.15%	2.87%	2.04%	2.04%	1.87%
County's proportionate share of the net pension liability	\$ 11,198,784	\$ 6,668,300	\$ 13,738,559	\$ 12,549,057	\$ 14,076,152	\$ 14,256,046	\$ 18,107,080	\$ 25,670,755	\$ 19,237,196	\$ 14,583,025
State's proportionate share of the net pension liability associated with the County	772,784	7,455,499	1,337,689	1,261,387	1,337,826	1,339,921	3,102,531	5,327,843	3,971,984	4,546,380
Total	<u>\$ 11,971,568</u>	<u>\$ 14,123,799</u>	<u>\$ 15,076,248</u>	<u>\$ 13,810,444</u>	<u>\$ 15,413,978</u>	<u>\$ 15,595,967</u>	<u>\$ 21,209,611</u>	<u>\$ 30,998,598</u>	<u>\$ 23,209,180</u>	<u>\$ 19,129,405</u>
County's covered payroll	\$ 1,592,282	\$ 1,658,011	\$ 1,703,679	\$ 1,618,931	\$ 1,561,069	\$ 1,167,250	\$ 1,608,717	\$ 1,652,059	\$ 1,677,173	\$ 1,695,740
County's proportionate share of the net pension liability as a percentage of its covered payroll	703.32%	402.19%	806.41%	775.14%	901.70%	1221.34%	1125.56%	1553.86%	1147.00%	859.98%
Plan fiduciary net position as a percentage of the total pension liability	42.22%	38.63%	32.01%	36.28%	29.80%	30.14%	30.36%	19.66%	23.42%	28.32%

See accompanying notes to pension plan schedules.

Coconino County
Required Supplementary Information
Schedule Of Changes In The County's Net Pension Liability And Related Ratios
Agent Pension Plans
Last Ten Fiscal Years

PSPRS Sheriff Reporting fiscal year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total pension liability										
Service cost	\$ 590,428	\$ 589,558	\$ 574,415	\$ 561,655	\$ 649,698	\$ 703,301	\$ 643,353	\$ 695,574	\$ 530,394	\$ 542,285
Interest on the total pension liability	4,226,218	3,859,487	3,726,120	3,808,560	3,694,618	3,522,035	3,366,709	3,104,578	3,072,697	3,045,276
Changes of benefit terms	-	-	-	-	579,964	-	-	557,123	(136,624)	-
Differences between expected and actual experience in the measurement of the pension liability	74,524	3,959,335	815,270	(2,016,190)	-	922,849	647,389	832,928	(158,582)	(519,453)
Changes of assumptions or other inputs	-	-	863,594	-	-	911,318	-	1,779,880	1,542,086	-
Benefit payments, including refunds of employee contributions	(3,313,565)	(3,317,862)	(3,548,744)	(3,443,461)	(3,107,314)	(2,872,201)	(3,007,952)	(2,676,590)	(2,685,077)	(2,740,615)
Net change in total pension liability	1,577,605	5,090,518	2,430,655	(1,089,436)	1,816,966	3,187,302	1,649,499	4,293,493	2,164,894	327,493
Total pension liability—beginning	59,763,874	54,673,356	52,242,701	53,332,137	51,515,171	48,327,869	46,678,370	42,384,877	40,219,983	39,892,490
Total pension liability—ending (a)	<u>\$ 61,341,479</u>	<u>\$ 59,763,874</u>	<u>\$ 54,673,356</u>	<u>\$ 52,242,701</u>	<u>\$ 53,332,137</u>	<u>\$ 51,515,171</u>	<u>\$ 48,327,869</u>	<u>\$ 46,678,370</u>	<u>\$ 42,384,877</u>	<u>\$ 40,219,983</u>
Plan fiduciary net position										
Contributions—employer	\$ 318,534	\$ 259,200	\$ 324,130	\$ 19,299,491	\$ 3,431,722	\$ 12,627,184	\$ 2,212,139	\$ 2,479,462	\$ 12,388,778	\$ 1,798,480
Contributions—employee	243,419	267,419	319,949	290,926	318,447	319,891	328,432	370,548	366,754	451,605
Net investment income	5,892,524	4,318,277	(2,439,700)	10,743,759	453,024	1,623,136	1,488,239	2,349,854	59,803	360,105
Benefit payments, including refunds of employee contributions	(3,313,565)	(3,317,862)	(3,548,744)	(3,443,461)	(3,107,314)	(2,872,201)	(3,007,952)	(2,676,590)	(2,685,077)	(2,740,615)
Administrative expense	(31,688)	(25,000)	(44,094)	(50,790)	(36,959)	(29,186)	(23,351)	(21,192)	(9,005)	(9,163)
Other changes	-	-	(65,201)	-	4,944	-	31,431	295	(79,223)	37,644
Net change in plan fiduciary net position	3,109,224	1,502,034	(5,453,660)	26,839,925	1,063,864	11,668,824	1,028,938	2,502,377	10,042,030	(101,944)
Plan fiduciary net position—beginning	59,002,595	57,500,561	62,954,221	36,114,296	35,050,432	23,381,608	22,375,834	19,873,457	9,831,427	9,933,371
Plan fiduciary net position—ending (b)	<u>\$ 62,111,819</u>	<u>\$ 59,002,595</u>	<u>\$ 57,500,561</u>	<u>\$ 62,954,221</u>	<u>\$ 36,114,296</u>	<u>\$ 35,050,432</u>	<u>\$ 23,404,772</u>	<u>\$ 22,375,834</u>	<u>\$ 19,873,457</u>	<u>\$ 9,831,427</u>
Net pension (assets) liability—ending (a) - (b)	<u>\$ (770,340)</u>	<u>\$ 761,279</u>	<u>\$ (2,827,205)</u>	<u>\$ (10,711,520)</u>	<u>\$ 17,217,841</u>	<u>\$ 16,464,739</u>	<u>\$ 24,923,097</u>	<u>\$ 24,302,536</u>	<u>\$ 22,511,420</u>	<u>\$ 30,388,556</u>
Plan fiduciary net position as a percentage of the total pension liability	101.26%	98.73%	105.17%	120.50%	67.72%	68.04%	48.43%	47.94%	46.89%	24.44%
Covered payroll	\$ 6,834,520	\$ 5,560,325	\$ 5,267,231	\$ 4,006,804	\$ 5,602,857	\$ 4,021,680	\$ 3,523,747	\$ 3,268,096	\$ 3,198,513	\$ 3,241,732
Net pension (assets) liability as a percentage of covered payroll	(11.27)%	13.69%	(53.68)%	(267.33)%	307.30%	409.40%	707.29%	743.63%	703.81%	937.42%

See accompanying notes to pension plan schedules.

Coconino County
Required Supplementary Information
Schedule Of County Pension Contributions
June 30, 2025

Arizona State Retirement System (ASRS)

Reporting fiscal year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 6,906,468	\$ 6,681,776	\$ 6,416,819	\$ 5,537,048	\$ 5,216,595	\$ 5,209,911	\$ 5,001,952	\$ 4,545,898	\$ 4,232,338	\$ 4,071,019
County's contributions in relation to the statutorily required contribution	6,906,468	6,681,776	6,416,819	5,537,048	5,216,595	5,209,911	5,001,952	4,545,898	4,232,338	4,071,019
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 57,315,087	\$ 55,542,610	\$ 53,832,374	\$ 46,103,647	\$ 44,777,639	\$ 45,501,388	\$ 44,740,183	\$ 41,705,479	\$ 39,261,016	\$ 37,520,908
County's contributions as a percentage of covered payroll	12.05%	12.03%	11.92%	12.01%	11.65%	11.45%	11.18%	10.90%	10.78%	10.85%

**Corrections Officer Retirement Plan-
Administrative Office of the Courts (CORP AOC)**

Reporting fiscal year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 1,695,174	\$ 1,643,886	\$ 1,520,889	\$ 1,371,978	\$ 1,257,881	\$ 1,186,255	\$ 1,205,366	\$ 819,922	\$ 694,485	\$ 642,596
County's contributions in relation to the statutorily required contribution	1,695,174	1,643,886	1,520,889	1,371,978	1,257,881	1,186,255	1,205,366	819,922	694,485	642,596
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 4,269,960	\$ 4,140,771	\$ 4,103,856	\$ 3,825,439	\$ 3,745,923	\$ 4,250,285	\$ 4,921,870	\$ 3,642,477	\$ 3,458,591	\$ 3,364,379
County's contributions as a percentage of covered payroll	39.70%	39.70%	37.06%	35.86%	33.58%	27.91%	24.49%	22.51%	20.08%	19.10%

Elected Officials Retirement Plan (EORP)

Reporting fiscal year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 1,024,863	\$ 1,117,736	\$ 1,078,985	\$ 961,961	\$ 931,828	\$ 958,965	\$ 717,859	\$ 378,048	\$ 388,234	\$ 394,136
County's contributions in relation to the statutorily required contribution	1,024,863	1,117,736	1,078,985	961,961	931,828	958,965	717,859	47,148	388,234	394,136
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 330,900.00	\$ -	\$ -
County's covered payroll	\$ 1,892,764	\$ 1,592,282	\$ 1,658,011	\$ 1,703,679	\$ 1,618,931	\$ 1,561,069	\$ 1,167,250	\$ 1,608,717	\$ 1,652,059	\$ 1,677,173
County's contributions as a percentage of covered payroll	54.15%	70.20%	65.08%	56.46%	57.56%	61.43%	61.50%	2.93%	23.50%	23.50%

PSPRS Sheriff

Reporting fiscal year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 319,319	\$ 341,726	\$ 444,826	\$ 527,566	\$ 1,608,732	\$ 3,490,580	\$ 2,631,788	\$ 2,179,438	\$ 2,380,481	\$ 2,403,682
County's contributions in relation to the actuarially determined contribution	319,319	341,726	444,826	527,566	21,045,807	3,490,580	12,631,788	2,229,486	2,380,481	12,403,682
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ (19,437,075)	\$ -	\$ (10,000,000)	\$ (50,048.00)	\$ -	\$ (10,000,000)
County's covered payroll	\$ 6,386,380	\$ 6,834,520	\$ 5,560,325	\$ 5,267,231	\$ 4,006,804	\$ 5,602,857	\$ 4,021,680	\$ 3,523,747	\$ 3,268,096	\$ 3,198,513
County's contributions as a percentage of covered payroll	5.00%	5.00%	8.00%	10.02%	525.25%	62.30%	314.09%	63.27%	72.84%	387.80%

NOTE: During the fiscal year ended June 30, 2021, the County made excess contributions to the Public Safety Retirement System. The excess contributions were funded by the issuance of Pension Revenue Obligation Bonds. Excess contributions were also made during the fiscal year ended June 30, 2019, and June 30, 2018, and June 30, 2016.

Coconino County
Required Supplementary Information
Schedule of Changes in the Total OPEB Liability and Related Ratios
County's Northern Arizona Public Employees Benefit Trust
Last Eight Fiscal Years

Reporting fiscal year	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability								
Service cost	\$ 754,922	\$ 888,139	\$ 803,177	\$ 1,069,999	\$ 905,783	\$ 685,046	\$ 821,651	\$ 582,667
Interest	247,564	346,428	227,072	276,648	387,669	417,601	393,741	269,575
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	(3,707,157)	-	(202,635)	-	(1,202,669)	-	(515,811)
Changes of assumptions or other inputs	(160,622)	(219,362)	(1,541,240)	(2,420,009)	374,844	539,759	(855,833)	1,458,740
Benefit payments	(207,168)	(149,571)	(448,955)	(476,050)	(308,084)	(441,752)	(419,409)	(569,744)
Net change in total OPEB liability	634,696	(2,841,523)	(959,946)	(1,752,047)	1,360,212	(2,015)	(59,850)	1,225,427
Total OPEB liability—beginning	6,131,237	8,972,760	9,932,706	11,684,753	10,324,541	10,326,556	10,386,406	9,160,979
Total OPEB liability—ending	<u>\$ 6,765,933</u>	<u>\$ 6,131,237</u>	<u>\$ 8,972,760</u>	<u>\$ 9,932,706</u>	<u>\$ 11,684,753</u>	<u>\$ 10,324,541</u>	<u>\$ 10,326,556</u>	<u>\$ 10,386,406</u>
Covered-employee payroll	\$ 70,445,297	\$ 65,982,308	\$ 60,839,812	\$ 59,878,122	\$ 57,058,884	\$ 48,844,666	\$ 49,068,073	\$ 47,871,291
Total OPEB liability as a percentage of covered-employee payroll	9.60%	9.29%	14.75%	16.59%	20.48%	21.14%	21.05%	21.70%

NOTE: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

NOTE: The OPEB schedule in the required supplementary information is intended to show information for ten years, and additional information will be displayed as it becomes available.

Coconino County
 Required Supplementary Information
 Notes to Pension Plan Schedules
 Year Ended June 30, 2025

NOTE 1 – Actuarially determined contribution rates

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

Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay, closed
Remaining amortization period as of the 2023 actuarial	13 years for unfunded actuarial accrued liability, 14 years for excess
Asset valuation method	7-year smoothed market value; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2022 actuarial valuation, the investment rate of return was decreased from 7.3% to 7.2%. In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In the 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.5%. In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0%–8.0% to 3.5%–7.5% for PSPRS and from 4.0%–7.25% to 3.5%–6.5% for CORP. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5%–8.5% to 4.0%–8.0% for PSPRS and from 4.5%–7.75% to 4.0%–7.25% for CORP. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%–9.0% to 4.5%–8.5% for PSPRS and from 5.0%–8.25% to 4.5%–7.75% for CORP.
Wage growth	In the 2022 actuarial valuation, wage growth was changed from 3.5% to a range of 3.0 – 6.25% for PSPRS and CORP. In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5% for PSPRS and CORP. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0% for PSPRS and CORP. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5% for PSPRS and CORP.
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 – June 30, 2011.
Mortality	In the 2019 actuarial valuation, changed to PubS-2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females).

Coconino County
Required Supplementary Information
Notes to Pension Plan Schedules
Year Ended June 30, 2025

NOTE 2 – Factors that affect trends

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS, CORP, CORP–AOC, and EORP changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS and EORP also reduced those members' employee contribution rates. These changes are reflected in the plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS-, CORP-, and CORP–AOC-required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes increased the PSPRS-, CORP-, and CORP–AOC-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. EORP-required contributions are not based on actuarial valuations, and therefore, these changes did not affect them. Also, the County refunded excess employee contributions to PSPRS and EORP members. PSPRS and EORP allowed the County to reduce its actual employer contributions for the refund amounts. As a result, the County's pension contributions were less than the actuarially or statutorily determined contributions for 2018 for EORP.

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

**OTHER SUPPLEMENTARY INFORMATION:
COMBINING AND INDIVIDUAL STATEMENTS AND SCHEDULES
NONMAJOR GOVERNMENTAL FUNDS**



Coconino County
Listing of Nonmajor Governmental Funds
Year Ended June 30, 2025

Special Revenue Funds

Adult Probation Grants and Fees – accounts for various Adult Probation programs provided by a combination of grants and fees.

Assessor Storage and Retrieval – accounts for the collection and use of a special recording surcharge, not to exceed four dollars, to be used to convert the assessor’s property information and storage retrieval system to micrographics or computer automation, as established by A.R.S. 11-269.06.

Clerk of the Superior Court Grants and Fees – accounts for various Clerk of the Court programs provided by a combination of grants and fees.

Conciliation Court – this program provides a means for the reconciliation of spouses and the amicable settlement of domestic and family controversies. This program is funded by fees collected under A.R.S. 25-381.

County Attorney Grants and Fees – accounts for various County Attorney programs funded by a combination of fees, grants and forfeiture. Programs included Anti-Racketeering, Attorney Enhancement and Victim Rights.

County Improvement Districts – Special Revenue – accounts for the operation of various Road Maintenance Districts.

County Library District – accounts for the provision and maintenance of libraries and library services through the County. Funded by a secondary property tax levy.

Elections Grants and Fees - accounts for various federal and state grants that fund the improvement of election systems and administration.

Emergency Services Grants – accounts for various federal and state grants that fund purchases of equipment and disaster planning and training.

Facilities Grants and Fees – accounts for building upgrades for energy efficiency and conservation projects.

Health and Human Services Grants and Fees – accounts for various federal and state employment grants and public assistance programs provided by a combination of grants and fees. Accounts for national opioid settlement funds.

Coconino County
Listing of Nonmajor Governmental Funds
Year Ended June 30, 2025

Information Technology Grants and Fees - accounts for federal grants that fund the enhancement of information technology and secure data storage.

Inmate Welfare – accounts for funds held in trust for the benefit and welfare of inmates, established under A.R.S. 31-121. Revenues are derived from sales of commissary items to inmates and payphone usage.

Jail Enhancement – accounts for state funds established under A.R.S. 41-2401.D.9. to be used to enhance county jail facilities and operations.

Justice Courts Grants and Fees – accounts for various Justice Court programs provided by a combination of grants and fees.

Juvenile Court Grants and Fees – accounts for various Juvenile Probation programs, including Juvenile Court, provided by a combination of grants and fees.

Legal Defender Grants and Fees – accounts for various Legal Defender programs provided by a combination of grants and fees.

Local Assistance and Tribal Consistency Fund – accounts for funds received under the federal Local Assistance and Tribal Consistency Fund revenue enhancement program for use on general governmental purposes to meet jurisdictional needs.

National Forest Fees Fund – accounts for funds received under the federal Secure Rural Schools and Community Self-Determination Act of 2000.

Other Special Revenue Funds – accounts for other small grants and fees.

Parks and Recreation Grants and Fees – accounts for various parks programs funded by federal and state grants, fees and General Fund transfers. These programs include the County Fair and the County Horse Races.

Public Defender Grants and Fees – accounts for various Public Defender programs provided by a combination of grants and fees.

Recorder Grants and Fees – accounts for various Recorder programs including the storage and retrieval fee funds.

School Superintendent Grants and Fees – accounts for various Schools programs, including the Accommodation School, provided by a combination of grants and fees.

Coconino County
Listing of Nonmajor Governmental Funds
Year Ended June 30, 2025

Sheriff Grants and Fees – accounts for various Sheriff programs provided by a combination of grants and fees.

Solid Waste – accounts for the costs of providing solid waste services, including the operation of transfer stations and payments for the use of the City of Flagstaff landfill. Funded by a combination of grants, fees and General Fund transfers.

Superior Court Grants and Fees – accounts for various Superior Court programs provided by a combination of grants and fees.

Taxpayer Information Fund – accounts for fees collected by the County Treasurer, established by A.R.S. 11-495, to be used to upgrade an automated taxpayer information system.

Debt Service Funds

Jail District Debt Service – accounts for the accumulation of resources for the payment of principal, interest and other costs associated with pledged revenue obligations funded by transfers from the Jail District.

Capital Projects Funds

Jail District Capital Fund – accounts for the construction and improvement of jail facilities funded by pledged revenue obligations.

Other Capital Projects Funds – accounts for other small capital projects funded by fees, grants and transfers from the General Fund.

Parks and Open Spaces Tax Projects Fund – accounts for parks and open space acquisitions and improvements that are funded by collections from a one-eighth cent sales tax and grants. Collections from the one-eighth cent sales tax ceased after September 2014.



Coconino County
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2025

	<u>Special Revenue</u>		
	<u>Adult Probation Grants and Fees</u>	<u>Assessor Storage and Retrieval</u>	<u>Clerk of the Superior Court Grants and Fees</u>
ASSETS			
Cash and cash equivalents	\$ 1,589,667	\$ 116,557	\$ 155,999
Investments	-	-	-
Receivables			
Property taxes	-	-	-
Accounts	-	-	-
Accrued interest	7,330	-	711
Leases	-	-	-
Settlements	-	-	-
Due from other governments	-	-	-
Cash and investments held by trustee - restricted	-	-	-
Prepaid items	-	-	-
Total assets	<u>1,596,997</u>	<u>116,557</u>	<u>156,710</u>
LIABILITIES			
Accounts payable	69,478	-	-
Accrued payroll and employee benefits	76,784	-	1,275
Due to other funds	-	-	-
Deposits held for others	-	-	-
Unearned revenues	196,291	-	-
Total liabilities	<u>342,553</u>	<u>-</u>	<u>1,275</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	-	-	-
Unavailable revenue - settlements	-	-	-
Unavailable revenue - other	-	-	-
Deferred inflows related to leases	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	1,254,444	116,557	155,435
Unassigned (deficits)	-	-	-
Total fund balances (deficits)	<u>1,254,444</u>	<u>116,557</u>	<u>155,435</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,596,997</u>	<u>\$ 116,557</u>	<u>\$ 156,710</u>

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Balance Sheet (continued)
 June 30, 2025

	Special Revenue		
	Conciliation Court	County Attorney Grants and Fees	County Improvement Districts - Special Revenue
ASSETS			
Cash and cash equivalents	\$ 39,017	\$ 2,532,582	\$ 33,803
Investments	-	442,995	-
Receivables			
Property taxes	-	-	-
Accounts	-	6,720	-
Accrued interest	156	4,503	163
Leases	-	-	-
Settlements	-	-	-
Due from other governments	5,358	319,389	-
Cash and investments held by trustee - restricted	-	6,285	-
Prepaid items	-	-	-
Total assets	<u>44,531</u>	<u>3,312,474</u>	<u>33,966</u>
LIABILITIES			
Accounts payable	1,505	39,270	990
Accrued payroll and employee benefits	374	13,490	-
Due to other funds	-	-	-
Deposits held for others	-	-	-
Unearned revenues	-	1,706,182	-
Total liabilities	<u>1,879</u>	<u>1,758,942</u>	<u>990</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	5,359	49,397	-
Unavailable revenue - settlements	-	-	-
Unavailable revenue - other	-	-	-
Deferred inflows related to leases	-	-	-
Total deferred inflows of resources	<u>5,359</u>	<u>49,397</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	37,293	1,504,135	32,976
Unassigned (deficits)	-	-	-
Total fund balances (deficits)	<u>37,293</u>	<u>1,504,135</u>	<u>32,976</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 44,531</u>	<u>\$ 3,312,474</u>	<u>\$ 33,966</u>

(continued on next page)

Coconino County
Nonmajor Governmental Funds
Combining Balance Sheet (continued)
June 30, 2025

	<u>Special Revenue</u>		
	<u>County Library District</u>	<u>Elections Grants and Fees</u>	<u>Emergency Services Grants</u>
ASSETS			
Cash and cash equivalents	\$ 691,813	\$ 10,763	\$ -
Investments	-	-	-
Receivables			
Property taxes	201,022	-	-
Accounts	-	-	-
Accrued interest	3,148	52	-
Leases	-	-	-
Settlements	-	-	-
Due from other governments	-	-	529,287
Cash and investments held by trustee - restricted	-	-	-
Prepaid items	-	-	6,387
Total assets	<u>895,983</u>	<u>10,815</u>	<u>535,674</u>
LIABILITIES			
Accounts payable	-	-	12,379
Accrued payroll and employee benefits	-	-	9,909
Due to other funds	-	-	500,940
Deposits held for others	-	-	-
Unearned revenues	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>523,228</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	142,184	-	-
Unavailable revenue - intergovernmental	-	-	529,288
Unavailable revenue - settlements	-	-	-
Unavailable revenue - other	-	-	-
Deferred inflows related to leases	-	-	-
Total deferred inflows of resources	<u>142,184</u>	<u>-</u>	<u>529,288</u>
FUND BALANCES			
Nonspendable	-	-	6,387
Restricted	753,799	10,815	-
Unassigned (deficits)	-	-	(523,229)
Total fund balances (deficits)	<u>753,799</u>	<u>10,815</u>	<u>(516,842)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 895,983</u>	<u>\$ 10,815</u>	<u>\$ 535,674</u>

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Balance Sheet (continued)
 June 30, 2025

	<u>Special Revenue</u>		
	<u>Facilities Grants and Fees</u>	<u>Health and Human Services Grants and Fees</u>	<u>Information Technology Grants and Fees</u>
ASSETS			
Cash and cash equivalents	\$ 43,545	\$ 1,333,201	\$ -
Investments	-	-	-
Receivables			
Property taxes	-	-	-
Accounts	5,814	47,135	-
Accrued interest	144	8,566	-
Leases	-	-	-
Settlements	-	6,302,225	-
Due from other governments	8,238	895,124	12,073
Cash and investments held by trustee - restricted	-	-	-
Prepaid items	-	1,527	-
Total assets	<u>57,741</u>	<u>8,587,778</u>	<u>12,073</u>
LIABILITIES			
Accounts payable	8,468	228,948	-
Accrued payroll and employee benefits	-	46,954	-
Due to other funds	-	-	12,073
Deposits held for others	-	90,031	-
Unearned revenues	-	37,511	-
Total liabilities	<u>8,468</u>	<u>403,444</u>	<u>12,073</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	-	733,554	3,054
Unavailable revenue - settlements	-	6,065,120	-
Unavailable revenue - other	-	1,200	-
Deferred inflows related to leases	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>6,799,874</u>	<u>3,054</u>
FUND BALANCES			
Nonspendable	-	1,527	-
Restricted	49,273	1,382,933	-
Unassigned (deficits)	-	-	(3,054)
Total fund balances (deficits)	<u>49,273</u>	<u>1,384,460</u>	<u>(3,054)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 57,741</u>	<u>\$ 8,587,778</u>	<u>\$ 12,073</u>

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Balance Sheet (continued)
 June 30, 2025

	<u>Special Revenue</u>		
	<u>Inmate Welfare</u>	<u>Jail Enhancement</u>	<u>Justice Courts Grants and Fees</u>
ASSETS			
Cash and cash equivalents	\$ 784,095	\$ 388,090	\$ 1,760,651
Investments	-	-	-
Receivables			
Property taxes	-	-	-
Accounts	62,993	-	451
Accrued interest	3,480	1,752	9,094
Leases	-	-	-
Settlements	-	-	-
Due from other governments	-	18,414	37,192
Cash and investments held by trustee - restricted	-	-	-
Prepaid items	-	-	-
Total assets	<u>850,568</u>	<u>408,256</u>	<u>1,807,388</u>
LIABILITIES			
Accounts payable	1,829	10,262	51,336
Accrued payroll and employee benefits	1,880	-	11,323
Due to other funds	-	-	-
Deposits held for others	-	-	-
Unearned revenues	-	-	-
Total liabilities	<u>3,709</u>	<u>10,262</u>	<u>62,659</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	-	-	36,407
Unavailable revenue - settlements	-	-	-
Unavailable revenue - other	-	-	-
Deferred inflows related to leases	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>36,407</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	846,859	397,994	1,708,322
Unassigned (deficits)	-	-	-
Total fund balances (deficits)	<u>846,859</u>	<u>397,994</u>	<u>1,708,322</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 850,568</u>	<u>\$ 408,256</u>	<u>\$ 1,807,388</u>

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Balance Sheet (continued)
 June 30, 2025

	<u>Special Revenue</u>		
	<u>Juvenile Court Grants and Fees</u>	<u>Legal Defender Grants and Fees</u>	<u>Local Assistance and Tribal Consistency Fund</u>
ASSETS			
Cash and cash equivalents	\$ 1,077,690	\$ 172,282	\$ -
Investments	-	-	-
Receivables			
Property taxes	-	-	-
Accounts	-	-	-
Accrued interest	5,978	14	-
Leases	-	-	-
Settlements	-	-	-
Due from other governments	66,987	26,267	-
Cash and investments held by trustee - restricted	-	-	-
Prepaid items	-	-	-
Total assets	<u>1,150,655</u>	<u>198,563</u>	<u>-</u>
LIABILITIES			
Accounts payable	45,650	4,661	-
Accrued payroll and employee benefits	69,964	1,735	-
Due to other funds	-	-	-
Deposits held for others	-	-	-
Unearned revenues	274,416	-	-
Total liabilities	<u>390,030</u>	<u>6,396</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	13,564	26,267	-
Unavailable revenue - settlements	-	-	-
Unavailable revenue - other	-	-	-
Deferred inflows related to leases	-	-	-
Total deferred inflows of resources	<u>13,564</u>	<u>26,267</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	747,061	165,900	-
Unassigned (deficits)	-	-	-
Total fund balances (deficits)	<u>747,061</u>	<u>165,900</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,150,655</u>	<u>\$ 198,563</u>	<u>\$ -</u>

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Balance Sheet (continued)
 June 30, 2025

	<u>Special Revenue</u>		
	<u>National Forest Fees</u>	<u>Other Special Revenue Funds</u>	<u>Parks and Recreation Grants and Fees</u>
ASSETS			
Cash and cash equivalents	\$ 3,379,836	\$ 25,489	\$ 4,860,818
Investments	-	-	-
Receivables			
Property taxes	-	-	-
Accounts	-	-	38,012
Accrued interest	19,431	257	27,183
Leases	-	-	5,249,083
Settlements	-	-	-
Due from other governments	-	-	-
Cash and investments held by trustee - restricted	-	-	-
Prepaid items	-	-	-
Total assets	<u>3,399,267</u>	<u>25,746</u>	<u>10,175,096</u>
LIABILITIES			
Accounts payable	-	3,001	7,417
Accrued payroll and employee benefits	-	-	4,876
Due to other funds	-	-	-
Deposits held for others	-	-	3,500
Unearned revenues	-	-	15,821
Total liabilities	<u>-</u>	<u>3,001</u>	<u>31,614</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	-	-	-
Unavailable revenue - settlements	-	-	-
Unavailable revenue - other	-	-	-
Deferred inflows related to leases	-	-	5,247,750
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>5,247,750</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	3,399,267	22,745	4,895,732
Unassigned (deficits)	-	-	-
Total fund balances (deficits)	<u>3,399,267</u>	<u>22,745</u>	<u>4,895,732</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,399,267</u>	<u>\$ 25,746</u>	<u>\$ 10,175,096</u>

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Balance Sheet (continued)
 June 30, 2025

	<u>Special Revenue</u>		
	<u>Public Defender Grants and Fees</u>	<u>Recorder Grants and Fees</u>	<u>School Superintendent Grants and Fees</u>
ASSETS			
Cash and cash equivalents	\$ 1,791,188	\$ 839,151	\$ 6,411,844
Investments	-	-	-
Receivables			
Property taxes	-	-	-
Accounts	-	1,013	79,590
Accrued interest	7,536	4,265	29,846
Leases	-	-	-
Settlements	-	-	-
Due from other governments	22,993	-	245,115
Cash and investments held by trustee - restricted	-	-	-
Prepaid items	-	-	522
Total assets	<u>1,821,717</u>	<u>844,429</u>	<u>6,766,917</u>
LIABILITIES			
Accounts payable	13,259	6,763	207,599
Accrued payroll and employee benefits	5,970	191	22,733
Due to other funds	-	-	-
Deposits held for others	-	-	-
Unearned revenues	-	-	71,986
Total liabilities	<u>19,229</u>	<u>6,954</u>	<u>302,318</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	22,995	-	15,680
Unavailable revenue - settlements	-	-	-
Unavailable revenue - other	-	-	-
Deferred inflows related to leases	-	-	-
Total deferred inflows of resources	<u>22,995</u>	<u>-</u>	<u>15,680</u>
FUND BALANCES			
Nonspendable	-	-	522
Restricted	1,779,493	837,475	6,448,397
Unassigned (deficits)	-	-	-
Total fund balances (deficits)	<u>1,779,493</u>	<u>837,475</u>	<u>6,448,919</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,821,717</u>	<u>\$ 844,429</u>	<u>\$ 6,766,917</u>

(continued on next page)

Coconino County
Nonmajor Governmental Funds
Combining Balance Sheet (continued)
June 30, 2025

	<u>Special Revenue</u>		
	<u>Sheriff Grants and Fees</u>	<u>Solid Waste</u>	<u>Superior Court Grants and Fees</u>
ASSETS			
Cash and cash equivalents	\$ 2,622,363	\$ 37,497	\$ 1,229,619
Investments	-	-	-
Receivables			
Property taxes	-	-	-
Accounts	1,725	-	247
Accrued interest	12,039	-	4,000
Leases	-	-	-
Settlements	-	-	-
Due from other governments	402,514	70,473	15,000
Cash and investments held by trustee - restricted	-	-	-
Prepaid items	350	-	-
Total assets	<u>3,038,991</u>	<u>107,970</u>	<u>1,248,866</u>
LIABILITIES			
Accounts payable	509,292	106,907	139,739
Accrued payroll and employee benefits	32,595	1,063	16,366
Due to other funds	-	-	-
Deposits held for others	-	-	-
Unearned revenues	1,463,104	-	-
Total liabilities	<u>2,004,991</u>	<u>107,970</u>	<u>156,105</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	355,660	-	-
Unavailable revenue - settlements	-	-	-
Unavailable revenue - other	-	-	-
Deferred inflows related to leases	-	-	-
Total deferred inflows of resources	<u>355,660</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	350	-	-
Restricted	677,990	-	1,092,761
Unassigned (deficits)	-	-	-
Total fund balances (deficits)	<u>678,340</u>	<u>-</u>	<u>1,092,761</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,038,991</u>	<u>\$ 107,970</u>	<u>\$ 1,248,866</u>

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Balance Sheet (continued)
 June 30, 2025

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
	<u>Taxpayer Information Fund</u>	<u>Jail District Debt Service</u>	<u>Jail District Capital Fund</u>
ASSETS			
Cash and cash equivalents	\$ 185,070	\$ 2,751	\$ 10,084,384
Investments	-	-	-
Receivables			
Property taxes	-	-	-
Accounts	105	-	-
Accrued interest	908	-	-
Leases	-	-	-
Settlements	-	-	-
Due from other governments	-	-	-
Cash and investments held by trustee - restricted	-	-	-
Prepaid items	-	-	-
Total assets	<u>186,083</u>	<u>2,751</u>	<u>10,084,384</u>
LIABILITIES			
Accounts payable	-	-	32,862
Accrued payroll and employee benefits	-	-	-
Due to other funds	-	-	-
Deposits held for others	-	-	-
Unearned revenues	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>32,862</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	-	-	-
Unavailable revenue - settlements	-	-	-
Unavailable revenue - other	-	-	-
Deferred inflows related to leases	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	186,083	2,751	10,051,522
Unassigned (deficits)	-	-	-
Total fund balances (deficits)	<u>186,083</u>	<u>2,751</u>	<u>10,051,522</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 186,083</u>	<u>\$ 2,751</u>	<u>\$ 10,084,384</u>

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Balance Sheet (continued)
 June 30, 2025

	<u>Capital Projects</u>		Total Governmental Funds
	Other Capital Projects Funds	Parks and Open Spaces Tax Projects Fund	
ASSETS			
Cash and cash equivalents	\$ 14,449,492	\$ 1,042,100	\$ 57,691,357
Investments	-	-	442,995
Receivables			
Property taxes	-	-	201,022
Accounts	-	-	243,805
Accrued interest	12,742	6,003	169,301
Leases	-	-	5,249,083
Settlements	-	-	6,302,225
Due from other governments	955,540	626	3,630,590
Cash and investments held by trustee - restricted	-	-	6,285
Prepaid items	-	-	8,786
Total assets	<u>15,417,774</u>	<u>1,048,729</u>	<u>73,945,449</u>
LIABILITIES			
Accounts payable	6,346	-	1,507,961
Accrued payroll and employee benefits	-	-	317,482
Due to other funds	-	-	513,013
Deposits held for others	-	-	93,531
Unearned revenues	-	-	3,765,311
Total liabilities	<u>6,346</u>	<u>-</u>	<u>6,197,298</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	142,184
Unavailable revenue - intergovernmental	955,541	-	2,746,766
Unavailable revenue - settlements	-	-	6,065,120
Unavailable revenue - other	-	-	1,200
Deferred inflows related to leases	-	-	5,247,750
Total deferred inflows of resources	<u>955,541</u>	<u>-</u>	<u>14,203,020</u>
FUND BALANCES			
Nonspendable	-	-	8,786
Restricted	14,455,887	1,048,729	54,062,628
Unassigned (deficits)	-	-	(526,283)
Total fund balances (deficits)	<u>14,455,887</u>	<u>1,048,729</u>	<u>53,545,131</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,417,774</u>	<u>\$ 1,048,729</u>	<u>\$ 73,945,449</u>

Coconino County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended June 30, 2025

	Special Revenue		
	Adult Probation Grants and Fees	Assessor Storage and Retrieval	Clerk of the Superior Court Grants and Fees
REVENUES			
Property taxes	\$ -	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	-
Fines and forfeits	-	-	-
Intergovernmental	3,094,337	-	-
Charges for services	465,446	-	64,682
Investment earnings	61,110	-	7,260
Contributions	-	-	-
Miscellaneous	50	-	-
Total revenues	3,620,943	-	71,942
EXPENDITURES			
Current:			
General government	-	10,822	58,373
Public safety	3,568,523	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	3,568,523	10,822	58,373
Excess (deficiency) of revenues over expenditures	52,420	(10,822)	13,569
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Bond issuance proceeds	-	-	-
Premium on revenue bonds	-	-	-
Transfers in	96,698	39,051	14,351
Transfers out	-	-	-
Total other financing sources (uses)	96,698	39,051	14,351
Net change in fund balances	149,118	28,229	27,920
Fund balances, July 1, 2024	1,105,326	88,328	127,515
Fund balances, June 30, 2025	\$ 1,254,444	\$ 116,557	\$ 155,435

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
 Year Ended June 30, 2025

	Special Revenue		
	Conciliation Court	County Attorney Grants and Fees	County Improvement Districts - Special Revenue
REVENUES			
Property taxes	\$ -	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	11,376
Fines and forfeits	-	37,186	-
Intergovernmental	4,412	1,128,479	-
Charges for services	42,951	26,998	-
Investment earnings	1,899	73,997	1,953
Contributions	-	-	-
Miscellaneous	4,915	-	-
Total revenues	54,177	1,266,660	13,329
EXPENDITURES			
Current:			
General government	59,343	1,513,049	-
Public safety	-	-	-
Sanitation	-	-	11,690
Health	-	132,445	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	59,343	1,645,494	11,690
Excess (deficiency) of revenues over expenditures	(5,166)	(378,834)	1,639
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Bond issuance proceeds	-	-	-
Premium on revenue bonds	-	-	-
Transfers in	-	77,222	-
Transfers out	-	(7,646)	-
Total other financing sources (uses)	-	69,576	-
Net change in fund balances	(5,166)	(309,258)	1,639
Fund balances, July 1, 2024	42,459	1,813,393	31,337
Fund balances, June 30, 2025	\$ 37,293	\$ 1,504,135	\$ 32,976

(continued on next page)

Coconino County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
Year Ended June 30, 2025

	Special Revenue		
	County Library District	Elections Grants and Fees	Emergency Services Grants
REVENUES			
Property taxes	\$ 6,747,436	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	-
Fines and forfeits	-	-	-
Intergovernmental	7,784	-	177,744
Charges for services	-	-	-
Investment earnings	84,797	1,681	-
Contributions	4,025	-	-
Miscellaneous	-	-	-
Total revenues	6,844,042	1,681	177,744
EXPENDITURES			
Current:			
General government	-	221	-
Public safety	-	-	682,843
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	6,382,788	-	-
Education	-	-	-
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	6,382,788	221	682,843
Excess (deficiency) of revenues over expenditures	461,254	1,460	(505,099)
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Bond issuance proceeds	-	-	-
Premium on revenue bonds	-	-	-
Transfers in	-	-	334,231
Transfers out	(180,034)	-	-
Total other financing sources (uses)	(180,034)	-	334,231
Net change in fund balances	281,220	1,460	(170,868)
Fund balances, July 1, 2024	472,579	9,355	(345,974)
Fund balances, June 30, 2025	\$ 753,799	\$ 10,815	\$ (516,842)

(continued on next page)

Coconino County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
Year Ended June 30, 2025

	Special Revenue		
	Facilities Grants and Fees	Health and Human Services Grants and Fees	Information Technology Grants and Fees
REVENUES			
Property taxes	\$ -	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	-
Fines and forfeits	-	-	-
Intergovernmental	51,186	2,796,253	470,978
Charges for services	25,160	556,301	-
Investment earnings	1,234	139,671	-
Contributions	-	298,618	-
Miscellaneous	-	2,765	-
Total revenues	77,580	3,793,608	470,978
EXPENDITURES			
Current:			
General government	70,242	506,516	369,638
Public safety	-	29,004	-
Sanitation	-	-	-
Health	-	378,442	-
Welfare	-	3,881,570	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	70,242	4,795,532	369,638
Excess (deficiency) of revenues over expenditures	7,338	(1,001,924)	101,340
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Bond issuance proceeds	-	-	-
Premium on revenue bonds	-	-	-
Transfers in	-	1,408,928	64,653
Transfers out	-	(63,987)	-
Total other financing sources (uses)	-	1,344,941	64,653
Net change in fund balances	7,338	343,017	165,993
Fund balances, July 1, 2024	41,935	1,041,443	(169,047)
Fund balances, June 30, 2025	\$ 49,273	\$ 1,384,460	\$ (3,054)

(continued on next page)

Coconino County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
Year Ended June 30, 2025

	Special Revenue		
	Inmate Welfare	Jail Enhancement	Justice Courts Grants and Fees
REVENUES			
Property taxes	\$ -	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	-
Fines and forfeits	-	-	51,738
Intergovernmental	-	210,247	19,586
Charges for services	97,530	-	659,134
Investment earnings	39,462	19,729	100,746
Contributions	-	-	-
Miscellaneous	73,017	-	-
Total revenues	210,009	229,976	831,204
EXPENDITURES			
Current:			
General government	-	-	342,857
Public safety	130,674	219,686	30,263
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	130,674	219,686	373,120
Excess (deficiency) of revenues over expenditures	79,335	10,290	458,084
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Bond issuance proceeds	-	-	-
Premium on revenue bonds	-	-	-
Transfers in	-	-	-
Transfers out	-	-	(283,351)
Total other financing sources (uses)	-	-	(283,351)
Net change in fund balances	79,335	10,290	174,733
Fund balances, July 1, 2024	767,524	387,704	1,533,589
Fund balances, June 30, 2025	\$ 846,859	\$ 397,994	\$ 1,708,322

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
 Year Ended June 30, 2025

	Special Revenue		
	Juvenile Court Grants and Fees	Legal Defender Grants and Fees	Local Assistance and Tribal Consistency Fund
REVENUES			
Property taxes	\$ -	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	-
Fines and forfeits	-	-	-
Intergovernmental	3,337,082	80,997	-
Charges for services	-	-	-
Investment earnings	64,387	175	134,105
Contributions	-	-	-
Miscellaneous	-	-	-
Total revenues	3,401,469	81,172	134,105
EXPENDITURES			
Current:			
General government	-	75,308	18,585
Public safety	3,278,866	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	3,278,866	75,308	18,585
Excess (deficiency) of revenues over expenditures	122,603	5,864	115,520
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Bond issuance proceeds	-	-	-
Premium on revenue bonds	-	-	-
Transfers in	13,687	5,369	-
Transfers out	-	(5,297)	-
Total other financing sources (uses)	13,687	72	-
Net change in fund balances	136,290	5,936	115,520
Fund balances, July 1, 2024	610,771	159,964	(115,520)
Fund balances, June 30, 2025	\$ 747,061	\$ 165,900	\$ -

(continued on next page)

Coconino County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
Year Ended June 30, 2025

	Special Revenue		
	National Forest Fees	Other Special Revenue Funds	Parks and Recreation Grants and Fees
REVENUES			
Property taxes	\$ -	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	-
Fines and forfeits	-	-	-
Intergovernmental	174,658	-	310,486
Charges for services	-	50,001	1,245,821
Investment earnings	271,342	2,229	271,213
Contributions	-	-	-
Miscellaneous	-	-	-
Total revenues	446,000	52,230	1,827,520
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	48,500	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	50,000	-
Culture and recreation	-	-	802,053
Education	1,039,152	-	-
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	1,087,652	50,000	802,053
Excess (deficiency) of revenues over expenditures	(641,652)	2,230	1,025,467
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Bond issuance proceeds	-	-	-
Premium on revenue bonds	-	-	-
Transfers in	-	-	-
Transfers out	(1,595,629)	-	(119,925)
Total other financing sources (uses)	(1,595,629)	-	(119,925)
Net change in fund balances	(2,237,281)	2,230	905,542
Fund balances, July 1, 2024	5,636,548	20,515	3,990,190
Fund balances, June 30, 2025	\$ 3,399,267	\$ 22,745	\$ 4,895,732

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
 Year Ended June 30, 2025

	<u>Special Revenue</u>		
	<u>Public Defender Grants and Fees</u>	<u>Recorder Grants and Fees</u>	<u>School Superintendent Grants and Fees</u>
REVENUES			
Property taxes	\$ -	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	-
Fines and forfeits	-	-	-
Intergovernmental	836,575	72,214	8,774,684
Charges for services	-	89,232	510,979
Investment earnings	73,069	52,053	261,615
Contributions	-	-	54,600
Miscellaneous	-	-	96,410
Total revenues	<u>909,644</u>	<u>213,499</u>	<u>9,698,288</u>
EXPENDITURES			
Current:			
General government	426,032	146,776	-
Public safety	-	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	8,065,286
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>426,032</u>	<u>146,776</u>	<u>8,065,286</u>
Excess (deficiency) of revenues over expenditures	483,612	66,723	1,633,002
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Bond issuance proceeds	-	-	-
Premium on revenue bonds	-	-	-
Transfers in	51,149	-	4,500
Transfers out	(51,149)	(102,568)	(7,679)
Total other financing sources (uses)	<u>-</u>	<u>(102,568)</u>	<u>(3,179)</u>
Net change in fund balances	483,612	(35,845)	1,629,823
Fund balances, July 1, 2024	<u>1,295,881</u>	<u>873,320</u>	<u>4,819,096</u>
Fund balances, June 30, 2025	<u>\$ 1,779,493</u>	<u>\$ 837,475</u>	<u>\$ 6,448,919</u>

(continued on next page)

Coconino County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
Year Ended June 30, 2025

	Special Revenue		
	Sheriff Grants and Fees	Solid Waste	Superior Court Grants and Fees
REVENUES			
Property taxes	\$ -	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	-
Fines and forfeits	-	-	37,229
Intergovernmental	4,072,084	316,133	321,808
Charges for services	23,545	5,860	244,650
Investment earnings	153,184	-	43,181
Contributions	-	-	5,000
Miscellaneous	-	-	863
Total revenues	4,248,813	321,993	652,731
EXPENDITURES			
Current:			
General government	1,566,851	-	1,168,206
Public safety	2,072,436	-	-
Sanitation	-	448,758	-
Health	680,160	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	4,319,447	448,758	1,168,206
Excess (deficiency) of revenues over expenditures	(70,634)	(126,765)	(515,475)
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	29,054	-	-
Bond issuance proceeds	-	-	-
Premium on revenue bonds	-	-	-
Transfers in	2,500	126,765	632,235
Transfers out	-	-	(15,445)
Total other financing sources (uses)	31,554	126,765	616,790
Net change in fund balances	(39,080)	-	101,315
Fund balances, July 1, 2024	717,420	-	991,446
Fund balances, June 30, 2025	\$ 678,340	\$ -	\$ 1,092,761

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
 Year Ended June 30, 2025

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
	<u>Taxpayer Information Fund</u>	<u>Jail District Debt Service</u>	<u>Jail District Capital Fund</u>
REVENUES			
Property taxes	\$ -	\$ -	\$ -
County sales taxes	-	-	-
Special assessments	-	-	-
Fines and forfeits	-	-	-
Intergovernmental	-	-	-
Charges for services	19,333	-	-
Investment earnings	9,579	2,751	50,388
Contributions	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>28,912</u>	<u>2,751</u>	<u>50,388</u>
EXPENDITURES			
Current:			
General government	14,949	-	-
Public safety	-	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service:			
Bond issuance costs	-	-	253,530
Capital outlay	-	-	4,262
Total expenditures	<u>14,949</u>	<u>-</u>	<u>257,792</u>
Excess (deficiency) of revenues over expenditures	13,963	2,751	(207,404)
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Bond issuance proceeds	-	-	9,965,000
Premium on revenue bonds	-	-	293,926
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>10,258,926</u>
Net change in fund balances	13,963	2,751	10,051,522
Fund balances, July 1, 2024	<u>172,120</u>	<u>-</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 186,083</u>	<u>\$ 2,751</u>	<u>\$ 10,051,522</u>

(continued on next page)

Coconino County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
 Year Ended June 30, 2025

	<u>Capital Projects</u>		<u>Total Governmental Funds</u>
	<u>Other Capital Projects Funds</u>	<u>Parks and Open Spaces Tax Projects Fund</u>	
REVENUES			
Property taxes	\$ -	\$ -	\$ 6,747,436
County sales taxes	-	1,954	1,954
Special assessments	-	-	11,376
Fines and forfeits	-	-	126,153
Intergovernmental	-	-	26,257,727
Charges for services	-	-	4,127,623
Investment earnings	141,890	66,883	2,131,583
Contributions	-	-	362,243
Miscellaneous	-	464	178,484
Total revenues	<u>141,890</u>	<u>69,301</u>	<u>39,944,579</u>
EXPENDITURES			
Current:			
General government	-	-	6,347,768
Public safety	-	-	10,060,795
Sanitation	-	-	460,448
Health	-	-	1,191,047
Welfare	-	-	3,931,570
Culture and recreation	-	-	7,184,841
Education	-	-	9,104,438
Debt service:			
Bond issuance costs	-	-	253,530
Capital outlay	<u>871,902</u>	<u>3,934</u>	<u>880,098</u>
Total expenditures	<u>871,902</u>	<u>3,934</u>	<u>39,414,535</u>
Excess (deficiency) of revenues over expenditures	(730,012)	65,367	530,044
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	29,054
Bond issuance proceeds	-	-	9,965,000
Premium on revenue bonds	-	-	293,926
Transfers in	13,088,849	-	15,960,188
Transfers out	<u>(1,740)</u>	<u>(281,732)</u>	<u>(2,716,182)</u>
Total other financing sources (uses)	<u>13,087,109</u>	<u>(281,732)</u>	<u>23,531,986</u>
Net change in fund balances	12,357,097	(216,365)	24,062,030
Fund balances, July 1, 2024	<u>2,098,790</u>	<u>1,265,094</u>	<u>29,483,101</u>
Fund balances, June 30, 2025	<u>\$ 14,455,887</u>	<u>\$ 1,048,729</u>	<u>\$ 53,545,131</u>

**OTHER SUPPLEMENTARY INFORMATION:
BUDGETARY COMPARISON SCHEDULES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**



Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Adult Probation Grants and Fees
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 3,244,541	\$ 3,315,559	\$ 3,094,337	\$ (221,222)
Charges for services	410,000	410,000	465,446	55,446
Investment earnings	16,100	16,100	61,110	45,010
Miscellaneous	-	-	50	50
Total revenues	<u>3,670,641</u>	<u>3,741,659</u>	<u>3,620,943</u>	<u>(120,716)</u>
EXPENDITURES				
Public safety				
Adult Probation	<u>3,970,079</u>	<u>4,240,776</u>	<u>3,568,523</u>	<u>672,253</u>
Total expenditures	<u>3,970,079</u>	<u>4,240,776</u>	<u>3,568,523</u>	<u>672,253</u>
Excess (deficiency) of revenues over expenditures	<u>(299,438)</u>	<u>(499,117)</u>	<u>52,420</u>	<u>551,537</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>137,662</u>	<u>96,698</u>	<u>96,698</u>	<u>-</u>
Total other financing sources (uses)	<u>137,662</u>	<u>96,698</u>	<u>96,698</u>	<u>-</u>
Net change in fund balances	(161,776)	(402,419)	149,118	551,537
Fund balances, July 1, 2024	<u>1,105,326</u>	<u>1,105,326</u>	<u>1,105,326</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 943,550</u>	<u>\$ 702,907</u>	<u>\$ 1,254,444</u>	<u>\$ 551,537</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Assessor Storage and Retrieval
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
General government				
Assessor	87,250	87,250	10,822	76,428
Total expenditures	87,250	87,250	10,822	76,428
Excess (deficiency) of revenues over expenditures	(87,250)	(87,250)	(10,822)	76,428
OTHER FINANCING SOURCES (USES)				
Transfers in	40,000	39,051	39,051	-
Total other financing sources (uses)	40,000	39,051	39,051	-
Net change in fund balances	(47,250)	(48,199)	28,229	76,428
Fund balances, July 1, 2024	88,328	88,328	88,328	-
Fund balances, June 30, 2025	<u>\$ 41,078</u>	<u>\$ 40,129</u>	<u>\$ 116,557</u>	<u>\$ 76,428</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Clerk of the Superior Court Grants and Fees
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fees, fines, and forfeits	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Intergovernmental	11,100	11,100	-	(11,100)
Charges for services	60,600	60,600	64,682	4,082
Investment earnings	657	657	7,260	6,603
Total revenues	<u>82,357</u>	<u>82,357</u>	<u>71,942</u>	<u>(10,415)</u>
EXPENDITURES				
General government				
Clerk of Superior Court	<u>99,029</u>	<u>99,029</u>	<u>58,373</u>	<u>40,656</u>
Total expenditures	<u>99,029</u>	<u>99,029</u>	<u>58,373</u>	<u>40,656</u>
Excess (deficiency) of revenues over expenditures	<u>(16,672)</u>	<u>(16,672)</u>	<u>13,569</u>	<u>30,241</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>16,672</u>	<u>14,352</u>	<u>14,351</u>	<u>(1)</u>
Total other financing sources (uses)	<u>16,672</u>	<u>14,352</u>	<u>14,351</u>	<u>(1)</u>
Net change in fund balances	-	(2,320)	27,920	30,240
Fund balances, July 1, 2024	<u>127,515</u>	<u>127,515</u>	<u>127,515</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 127,515</u>	<u>\$ 125,195</u>	<u>\$ 155,435</u>	<u>\$ 30,240</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Conciliation Court
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 4,412	\$ (5,588)
Charges for services	46,500	46,500	42,951	(3,549)
Investment earnings	300	300	1,899	1,599
Miscellaneous	6,500	6,500	4,915	(1,585)
Total revenues	<u>63,300</u>	<u>63,300</u>	<u>54,177</u>	<u>(9,123)</u>
EXPENDITURES				
General government				
Superior Courts	81,786	81,786	59,343	22,443
Total expenditures	<u>81,786</u>	<u>81,786</u>	<u>59,343</u>	<u>22,443</u>
Excess (deficiency) of revenues over expenditures	<u>(18,486)</u>	<u>(18,486)</u>	<u>(5,166)</u>	<u>13,320</u>
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(18,486)	(18,486)	(5,166)	13,320
Fund balances, July 1, 2024	<u>42,459</u>	<u>42,459</u>	<u>42,459</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 23,973</u>	<u>\$ 23,973</u>	<u>\$ 37,293</u>	<u>\$ 13,320</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
County Attorney Grants and Fees
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fees, fines, and forfeits	\$ 150,000	\$ 150,000	\$ 37,186	\$ (112,814)
Intergovernmental	802,342	1,166,776	1,128,479	(38,297)
Charges for services	24,000	24,000	26,998	2,998
Investment earnings	5,300	5,300	73,997	68,697
Total revenues	<u>981,642</u>	<u>1,346,076</u>	<u>1,266,660</u>	<u>(79,416)</u>
EXPENDITURES				
General government				
County Attorney	2,226,895	3,048,549	1,455,504	1,593,045
Information Technology	98,460	98,460	57,545	40,915
Health				
Health and Human Services	<u>471,084</u>	<u>471,084</u>	<u>132,445</u>	<u>338,639</u>
Total expenditures	<u>2,796,439</u>	<u>3,618,093</u>	<u>1,645,494</u>	<u>1,972,599</u>
Excess (deficiency) of revenues over expenditures	<u>(1,814,797)</u>	<u>(2,272,017)</u>	<u>(378,834)</u>	<u>1,893,183</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	82,832	77,223	77,222	(1)
Transfers out	<u>(10,000)</u>	<u>(7,647)</u>	<u>(7,646)</u>	<u>1</u>
Total other financing sources (uses)	<u>72,832</u>	<u>69,576</u>	<u>69,576</u>	<u>-</u>
Net change in fund balances	(1,741,965)	(2,202,441)	(309,258)	1,893,183
Fund balances, July 1, 2024	<u>1,813,393</u>	<u>1,813,393</u>	<u>1,813,393</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 71,428</u>	<u>\$ (389,048)</u>	<u>\$ 1,504,135</u>	<u>\$ 1,893,183</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
County Improvement Districts - Special Revenue
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Special assessments	\$ 11,400	\$ 11,400	\$ 11,376	\$ (24)
Investment earnings	200	200	1,953	1,753
Total revenues	<u>11,600</u>	<u>11,600</u>	<u>13,329</u>	<u>1,729</u>
EXPENDITURES				
Sanitation				
Special Districts	<u>41,400</u>	<u>41,400</u>	<u>11,690</u>	<u>29,710</u>
Total expenditures	<u>41,400</u>	<u>41,400</u>	<u>11,690</u>	<u>29,710</u>
Excess (deficiency) of revenues over expenditures	<u>(29,800)</u>	<u>(29,800)</u>	<u>1,639</u>	<u>31,439</u>
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(29,800)	(29,800)	1,639	31,439
Fund balances, July 1, 2024	<u>31,337</u>	<u>31,337</u>	<u>31,337</u>	<u>-</u>
Fund balances, June 30, 2025	<u><u>\$ 1,537</u></u>	<u><u>\$ 1,537</u></u>	<u><u>\$ 32,976</u></u>	<u><u>\$ 31,439</u></u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
County Library District
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 6,795,317	\$ 6,795,317	\$ 6,747,436	\$ (47,881)
Intergovernmental	-	-	7,784	7,784
Investment earnings	7,500	7,500	84,797	77,297
Contributions	4,156	4,156	4,025	(131)
Total revenues	<u>6,806,973</u>	<u>6,806,973</u>	<u>6,844,042</u>	<u>37,069</u>
EXPENDITURES				
Culture and recreation				
Special Districts	6,851,239	6,851,239	6,382,788	468,451
Total expenditures	<u>6,851,239</u>	<u>6,851,239</u>	<u>6,382,788</u>	<u>468,451</u>
Excess (deficiency) of revenues over expenditures	<u>(44,266)</u>	<u>(44,266)</u>	<u>461,254</u>	<u>505,520</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(180,034)</u>	<u>(180,034)</u>	<u>(180,034)</u>	<u>-</u>
Total other financing sources (uses)	<u>(180,034)</u>	<u>(180,034)</u>	<u>(180,034)</u>	<u>-</u>
Net change in fund balances	(224,300)	(224,300)	281,220	505,520
Fund balances, July 1, 2024	<u>472,579</u>	<u>472,579</u>	<u>472,579</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 248,279</u>	<u>\$ 248,279</u>	<u>\$ 753,799</u>	<u>\$ 505,520</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Elections Grants and Fees
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 154,000	\$ 144,000	\$ -	\$ (144,000)
Investment earnings	-	-	1,681	1,681
Total revenues	<u>154,000</u>	<u>144,000</u>	<u>1,681</u>	<u>(142,319)</u>
EXPENDITURES				
General government				
County Administration	<u>155,000</u>	<u>144,222</u>	<u>221</u>	<u>144,001</u>
Total expenditures	<u>155,000</u>	<u>144,222</u>	<u>221</u>	<u>144,001</u>
Excess (deficiency) of revenues over expenditures	<u>(1,000)</u>	<u>(222)</u>	<u>1,460</u>	<u>1,682</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(222)	1,460	1,682
Fund balances, July 1, 2024	<u>9,355</u>	<u>9,355</u>	<u>9,355</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 9,355</u>	<u>\$ 9,133</u>	<u>\$ 10,815</u>	<u>\$ 1,682</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Emergency Services Grants
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,890,706	\$ 2,612,327	\$ 177,744	\$ (2,434,583)
Total revenues	<u>1,890,706</u>	<u>2,612,327</u>	<u>177,744</u>	<u>(2,434,583)</u>
EXPENDITURES				
Public safety				
Emergency Management	2,283,383	3,242,337	682,843	2,559,494
Total expenditures	<u>2,283,383</u>	<u>3,242,337</u>	<u>682,843</u>	<u>2,559,494</u>
Excess (deficiency) of revenues over expenditures	<u>(392,677)</u>	<u>(630,010)</u>	<u>(505,099)</u>	<u>124,911</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	392,677	334,231	334,231	-
Total other financing sources (uses)	<u>392,677</u>	<u>334,231</u>	<u>334,231</u>	<u>-</u>
Net change in fund balances	-	(295,779)	(170,868)	124,911
Fund balances, July 1, 2024	<u>(345,974)</u>	<u>(345,974)</u>	<u>(345,974)</u>	<u>-</u>
Fund balances, June 30, 2025	<u><u>\$ (345,974)</u></u>	<u><u>\$ (641,753)</u></u>	<u><u>\$ (516,842)</u></u>	<u><u>\$ 124,911</u></u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Facilities Grants and Fees
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 567,115	\$ 567,115	\$ 51,186	\$ (515,929)
Charges for services	11,680	11,680	25,160	13,480
Investment earnings	-	-	1,234	1,234
Total revenues	<u>578,795</u>	<u>578,795</u>	<u>77,580</u>	<u>(501,215)</u>
EXPENDITURES				
General government				
Facilities	<u>595,795</u>	<u>595,795</u>	<u>70,242</u>	<u>525,553</u>
Total expenditures	<u>595,795</u>	<u>595,795</u>	<u>70,242</u>	<u>525,553</u>
Excess (deficiency) of revenues over expenditures	<u>(17,000)</u>	<u>(17,000)</u>	<u>7,338</u>	<u>24,338</u>
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(17,000)	(17,000)	7,338	24,338
Fund balances, July 1, 2024	<u>41,935</u>	<u>41,935</u>	<u>41,935</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 24,935</u>	<u>\$ 24,935</u>	<u>\$ 49,273</u>	<u>\$ 24,338</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Health and Human Services Grants and Fees
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 2,826,855	\$ 4,738,768	\$ 2,796,253	\$ (1,942,515)
Charges for services	10,000	403,000	556,301	153,301
Investment earnings	-	-	139,671	139,671
Contributions	368,485	344,931	298,618	(46,313)
Miscellaneous	10,000	10,000	2,765	(7,235)
Total revenues	<u>3,215,340</u>	<u>5,496,699</u>	<u>3,793,608</u>	<u>(1,703,091)</u>
EXPENDITURES				
General government				
County Attorney	-	18,993	18,993	-
Facilities	150,000	485,804	468,006	17,798
Public Defender	-	19,517	19,517	-
Public safety				
Adult Probation	-	29,004	29,004	-
Health				
Adult Probation	30,000	30,000	1,293	28,707
Health and Human Services	1,017,892	948,674	251,268	697,406
Sheriff	69,500	92,745	92,745	-
Superior Courts	86,000	86,000	33,136	52,864
Welfare				
County Administration	761,734	2,795,551	1,408,012	1,387,539
Health and Human Services	3,579,448	3,563,751	2,473,558	1,090,193
Total expenditures	<u>5,694,574</u>	<u>8,070,039</u>	<u>4,795,532</u>	<u>3,274,507</u>
Excess (deficiency) of revenues over expenditures	<u>(2,479,234)</u>	<u>(2,573,341)</u>	<u>(1,001,924)</u>	<u>1,571,417</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,717,964	1,408,930	1,408,928	(2)
Transfers out	-	(63,988)	(63,987)	1
Total other financing sources (uses)	<u>1,717,964</u>	<u>1,344,942</u>	<u>1,344,941</u>	<u>(1)</u>
Net change in fund balances	(761,270)	(1,228,399)	343,017	1,571,416
Fund balances, July 1, 2024	<u>1,041,443</u>	<u>1,041,443</u>	<u>1,041,443</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 280,173</u>	<u>\$ (186,956)</u>	<u>\$ 1,384,460</u>	<u>\$ 1,571,416</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Information Technology Grants and Fees
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 627,538	\$ 533,423	\$ 470,978	\$ (62,445)
Total revenues	<u>627,538</u>	<u>533,423</u>	<u>470,978</u>	<u>(62,445)</u>
EXPENDITURES				
General government				
Information Technology	769,004	549,610	369,638	179,972
Total expenditures	<u>769,004</u>	<u>549,610</u>	<u>369,638</u>	<u>179,972</u>
Excess (deficiency) of revenues over expenditures	<u>(141,466)</u>	<u>(16,187)</u>	<u>101,340</u>	<u>117,527</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	141,466	64,653	64,653	-
Total other financing sources (uses)	<u>141,466</u>	<u>64,653</u>	<u>64,653</u>	<u>-</u>
Net change in fund balances	-	48,466	165,993	117,527
Fund balances, July 1, 2024	<u>(169,047)</u>	<u>(169,047)</u>	<u>(169,047)</u>	<u>-</u>
Fund balances, June 30, 2025	<u><u>\$ (169,047)</u></u>	<u><u>\$ (120,581)</u></u>	<u><u>\$ (3,054)</u></u>	<u><u>\$ 117,527</u></u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Inmate Welfare
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 125,000	\$ 125,000	\$ 97,530	\$ (27,470)
Investment earnings	6,800	6,800	39,462	32,662
Miscellaneous	152,250	152,250	73,017	(79,233)
Total revenues	<u>284,050</u>	<u>284,050</u>	<u>210,009</u>	<u>(74,041)</u>
EXPENDITURES				
Public safety				
Sheriff	<u>450,694</u>	<u>450,694</u>	<u>130,674</u>	<u>320,020</u>
Total expenditures	<u>450,694</u>	<u>450,694</u>	<u>130,674</u>	<u>320,020</u>
Excess (deficiency) of revenues over expenditures	<u>(166,644)</u>	<u>(166,644)</u>	<u>79,335</u>	<u>245,979</u>
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(166,644)	(166,644)	79,335	245,979
Fund balances, July 1, 2024	<u>767,524</u>	<u>767,524</u>	<u>767,524</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 600,880</u>	<u>\$ 600,880</u>	<u>\$ 846,859</u>	<u>\$ 245,979</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Jail Enhancement
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 223,000	\$ 223,000	\$ 210,247	\$ (12,753)
Investment earnings	2,500	2,500	19,729	17,229
Total revenues	<u>225,500</u>	<u>225,500</u>	<u>229,976</u>	<u>4,476</u>
EXPENDITURES				
Public safety				
Sheriff	420,039	420,039	219,686	200,353
Total expenditures	<u>420,039</u>	<u>420,039</u>	<u>219,686</u>	<u>200,353</u>
Excess (deficiency) of revenues over expenditures	<u>(194,539)</u>	<u>(194,539)</u>	<u>10,290</u>	<u>204,829</u>
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(194,539)	(194,539)	10,290	204,829
Fund balances, July 1, 2024	<u>387,704</u>	<u>387,704</u>	<u>387,704</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 193,165</u>	<u>\$ 193,165</u>	<u>\$ 397,994</u>	<u>\$ 204,829</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Justice Courts Grants and Fees
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fees, fines, and forfeits	\$ 62,750	\$ 62,750	\$ 51,738	\$ (11,012)
Intergovernmental	-	106,014	19,586	(86,428)
Charges for services	695,530	695,530	659,134	(36,396)
Investment earnings	8,470	8,470	100,746	92,276
Total revenues	<u>766,750</u>	<u>872,764</u>	<u>831,204</u>	<u>(41,560)</u>
EXPENDITURES				
General government				
Flagstaff Justice Court	393,148	393,148	201,129	192,019
Fredonia Justice Court	64,191	64,191	6,726	57,465
Page Justice Court	87,181	140,175	43,808	96,367
Williams Justice Court	226,809	241,809	91,194	150,615
Public safety				
Constables	-	38,020	30,263	7,757
Total expenditures	<u>771,329</u>	<u>877,343</u>	<u>373,120</u>	<u>504,223</u>
Excess (deficiency) of revenues over expenditures	<u>(4,579)</u>	<u>(4,579)</u>	<u>458,084</u>	<u>462,663</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(317,895)</u>	<u>(283,352)</u>	<u>(283,351)</u>	<u>1</u>
Total other financing sources (uses)	<u>(317,895)</u>	<u>(283,352)</u>	<u>(283,351)</u>	<u>1</u>
Net change in fund balances	(322,474)	(287,931)	174,733	462,664
Fund balances, July 1, 2024	<u>1,533,589</u>	<u>1,533,589</u>	<u>1,533,589</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 1,211,115</u>	<u>\$ 1,245,658</u>	<u>\$ 1,708,322</u>	<u>\$ 462,664</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Juvenile Court Grants and Fees
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,933,191	\$ 3,266,144	\$ 3,337,082	\$ 70,938
Charges for services	35,000	35,000	-	(35,000)
Investment earnings	4,600	4,600	64,387	59,787
Total revenues	<u>2,972,791</u>	<u>3,305,744</u>	<u>3,401,469</u>	<u>95,725</u>
EXPENDITURES				
Public safety				
Juvenile Court	3,729,773	3,841,242	3,278,866	562,376
Total expenditures	<u>3,729,773</u>	<u>3,841,242</u>	<u>3,278,866</u>	<u>562,376</u>
Excess (deficiency) of revenues over expenditures	<u>(756,982)</u>	<u>(535,498)</u>	<u>122,603</u>	<u>658,101</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	373,450	13,690	13,687	(3)
Total other financing sources (uses)	<u>373,450</u>	<u>13,690</u>	<u>13,687</u>	<u>(3)</u>
Net change in fund balances	(383,532)	(521,808)	136,290	658,098
Fund balances, July 1, 2024	<u>610,771</u>	<u>610,771</u>	<u>610,771</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 227,239</u>	<u>\$ 88,963</u>	<u>\$ 747,061</u>	<u>\$ 658,098</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Legal Defender Grants and Fees
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 67,200	\$ 67,200	\$ 80,997	\$ 13,797
Investment earnings	60	60	175	115
Total revenues	<u>67,260</u>	<u>67,260</u>	<u>81,172</u>	<u>13,912</u>
EXPENDITURES				
General government				
Legal Defender	117,662	117,662	75,308	42,354
Total expenditures	<u>117,662</u>	<u>117,662</u>	<u>75,308</u>	<u>42,354</u>
Excess (deficiency) of revenues over expenditures	<u>(50,402)</u>	<u>(50,402)</u>	<u>5,864</u>	<u>56,266</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,000	5,370	5,369	(1)
Transfers out	<u>(7,020)</u>	<u>(5,297)</u>	<u>(5,297)</u>	<u>-</u>
Total other financing sources (uses)	<u>(20)</u>	<u>73</u>	<u>72</u>	<u>(1)</u>
Net change in fund balances	(50,422)	(50,329)	5,936	56,265
Fund balances, July 1, 2024	<u>159,964</u>	<u>159,964</u>	<u>159,964</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 109,542</u>	<u>\$ 109,635</u>	<u>\$ 165,900</u>	<u>\$ 56,265</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Local Assistance and Tribal Consistency Fund
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment earnings	\$ 10,000	\$ 10,000	\$ 134,105	\$ 124,105
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>134,105</u>	<u>124,105</u>
EXPENDITURES				
General government				
Finance	-	18,586	18,585	1
Non-Departmental	<u>241,111</u>	<u>241,111</u>	<u>-</u>	<u>241,111</u>
Total expenditures	<u>241,111</u>	<u>259,697</u>	<u>18,585</u>	<u>241,112</u>
Excess (deficiency) of revenues over expenditures	<u>(231,111)</u>	<u>(249,697)</u>	<u>115,520</u>	<u>365,217</u>
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(231,111)	(249,697)	115,520	365,217
Fund balances, July 1, 2024	<u>(115,520)</u>	<u>(115,520)</u>	<u>(115,520)</u>	<u>-</u>
Fund balances, June 30, 2025	<u><u>\$ (346,631)</u></u>	<u><u>\$ (365,217)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 365,217</u></u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
National Forest Fees
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 1,453,669	\$ 1,453,669	\$ 174,658	\$ (1,279,011)
Investment earnings	46,000	46,000	271,342	225,342
Total revenues	<u>1,499,669</u>	<u>1,499,669</u>	<u>446,000</u>	<u>(1,053,669)</u>
EXPENDITURES				
Public safety				
Board of Supervisors	48,500	438,500	48,500	390,000
Education				
School Superintendent	1,639,152	1,639,152	1,039,152	600,000
Total expenditures	<u>1,687,652</u>	<u>2,077,652</u>	<u>1,087,652</u>	<u>990,000</u>
Excess (deficiency) of revenues over expenditures	<u>(187,983)</u>	<u>(577,983)</u>	<u>(641,652)</u>	<u>(63,669)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(414,517)</u>	<u>(1,595,630)</u>	<u>(1,595,629)</u>	<u>1</u>
Total other financing sources (uses)	<u>(414,517)</u>	<u>(1,595,630)</u>	<u>(1,595,629)</u>	<u>1</u>
Net change in fund balances	(602,500)	(2,173,613)	(2,237,281)	(63,668)
Fund balances, July 1, 2024	<u>5,636,548</u>	<u>5,636,548</u>	<u>5,636,548</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 5,034,048</u>	<u>\$ 3,462,935</u>	<u>\$ 3,399,267</u>	<u>\$ (63,668)</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Other Special Revenue Funds
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ 50,000	\$ 50,001	\$ 1
Investment earnings	-	-	2,229	2,229
Total revenues	<u>-</u>	<u>50,000</u>	<u>52,230</u>	<u>2,230</u>
EXPENDITURES				
General government				
County Administration	20,000	20,540	-	20,540
Welfare				
County Administration	-	50,000	50,000	-
Total expenditures	<u>20,000</u>	<u>70,540</u>	<u>50,000</u>	<u>20,540</u>
Excess (deficiency) of revenues over expenditures	<u>(20,000)</u>	<u>(20,540)</u>	<u>2,230</u>	<u>22,770</u>
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(20,000)	(20,540)	2,230	22,770
Fund balances, July 1, 2024	<u>20,515</u>	<u>20,515</u>	<u>20,515</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 515</u>	<u>\$ (25)</u>	<u>\$ 22,745</u>	<u>\$ 22,770</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Parks and Recreation Grants and Fees
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 278,478	\$ 254,742	\$ 310,486	\$ 55,744
Charges for services	1,030,750	1,030,750	1,245,821	215,071
Investment earnings	1,000	1,000	271,213	270,213
Total revenues	<u>1,310,228</u>	<u>1,286,492</u>	<u>1,827,520</u>	<u>541,028</u>
EXPENDITURES				
Culture and recreation				
Parks and Recreation	996,736	954,353	802,053	152,300
Total expenditures	<u>996,736</u>	<u>954,353</u>	<u>802,053</u>	<u>152,300</u>
Excess (deficiency) of revenues over expenditures	<u>313,492</u>	<u>332,139</u>	<u>1,025,467</u>	<u>693,328</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(926,150)	(119,925)	(119,925)	-
Total other financing sources (uses)	<u>(926,150)</u>	<u>(119,925)</u>	<u>(119,925)</u>	<u>-</u>
Net change in fund balances	(612,658)	212,214	905,542	693,328
Fund balances, July 1, 2024	<u>3,990,190</u>	<u>3,990,190</u>	<u>3,990,190</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 3,377,532</u>	<u>\$ 4,202,404</u>	<u>\$ 4,895,732</u>	<u>\$ 693,328</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Public Defender Grants and Fees
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 637,648	\$ 637,648	\$ 836,575	\$ 198,927
Investment earnings	8,931	8,931	73,069	64,138
Total revenues	<u>646,579</u>	<u>646,579</u>	<u>909,644</u>	<u>263,065</u>
EXPENDITURES				
General government				
Legal Defender	200,000	200,000	145,683	54,317
Public Defender	330,042	330,042	280,349	49,693
Total expenditures	<u>530,042</u>	<u>530,042</u>	<u>426,032</u>	<u>104,010</u>
Excess (deficiency) of revenues over expenditures	<u>116,537</u>	<u>116,537</u>	<u>483,612</u>	<u>367,075</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	55,000	51,149	51,149	-
Transfers out	<u>(55,000)</u>	<u>(51,149)</u>	<u>(51,149)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	116,537	116,537	483,612	367,075
Fund balances, July 1, 2024	<u>1,295,881</u>	<u>1,295,881</u>	<u>1,295,881</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 1,412,418</u>	<u>\$ 1,412,418</u>	<u>\$ 1,779,493</u>	<u>\$ 367,075</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Recorder Grants and Fees
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 32,000	\$ 79,244	\$ 72,214	\$ (7,030)
Charges for services	90,500	90,500	89,232	(1,268)
Investment earnings	9,500	9,500	52,053	42,553
Total revenues	<u>132,000</u>	<u>179,244</u>	<u>213,499</u>	<u>34,255</u>
EXPENDITURES				
General government				
Recorder	481,860	529,104	146,776	382,328
Total expenditures	<u>481,860</u>	<u>529,104</u>	<u>146,776</u>	<u>382,328</u>
Excess (deficiency) of revenues over expenditures	<u>(349,860)</u>	<u>(349,860)</u>	<u>66,723</u>	<u>416,583</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(261,466)</u>	<u>(102,568)</u>	<u>(102,568)</u>	<u>-</u>
Total other financing sources (uses)	<u>(261,466)</u>	<u>(102,568)</u>	<u>(102,568)</u>	<u>-</u>
Net change in fund balances	(611,326)	(452,428)	(35,845)	416,583
Fund balances, July 1, 2024	<u>873,320</u>	<u>873,320</u>	<u>873,320</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 261,994</u>	<u>\$ 420,892</u>	<u>\$ 837,475</u>	<u>\$ 416,583</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
School Superintendent Grants and Fees
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 8,882,300	\$ 9,774,440	\$ 8,774,684	\$ (999,756)
Charges for services	463,190	592,023	510,979	(81,044)
Investment earnings	28,000	30,667	261,615	230,948
Contributions	45,000	57,000	54,600	(2,400)
Miscellaneous	60,000	-	96,410	96,410
Total revenues	<u>9,478,490</u>	<u>10,454,130</u>	<u>9,698,288</u>	<u>(755,842)</u>
EXPENDITURES				
Education				
School Superintendent	<u>12,652,446</u>	<u>12,410,629</u>	<u>8,065,286</u>	<u>4,345,343</u>
Total expenditures	<u>12,652,446</u>	<u>12,410,629</u>	<u>8,065,286</u>	<u>4,345,343</u>
Excess (deficiency) of revenues over expenditures	<u>(3,173,956)</u>	<u>(1,956,499)</u>	<u>1,633,002</u>	<u>3,589,501</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	4,500	4,500	-
Transfers out	<u>-</u>	<u>(7,679)</u>	<u>(7,679)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(3,179)</u>	<u>(3,179)</u>	<u>-</u>
Net change in fund balances	(3,173,956)	(1,959,678)	1,629,823	3,589,501
Fund balances, July 1, 2024	<u>4,819,096</u>	<u>4,819,096</u>	<u>4,819,096</u>	<u>-</u>
Fund balances, June 30, 2025	<u><u>\$ 1,645,140</u></u>	<u><u>\$ 2,859,418</u></u>	<u><u>\$ 6,448,919</u></u>	<u><u>\$ 3,589,501</u></u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Sheriff Grants and Fees
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 3,843,395	\$ 6,301,607	\$ 4,072,084	\$ (2,229,523)
Charges for services	261,444	261,444	23,545	(237,899)
Investment earnings	6,088	6,088	153,184	147,096
Contributions	5,000	5,000	-	(5,000)
Total revenues	<u>4,115,927</u>	<u>6,574,139</u>	<u>4,248,813</u>	<u>(2,325,326)</u>
EXPENDITURES				
General government				
County Attorney	143,292	221,782	197,867	23,915
Facilities	1,167,288	1,280,074	1,242,661	37,413
Public Defender	132,074	146,959	126,323	20,636
Public safety				
Adult Probation	204,572	216,786	216,786	-
Sheriff	1,957,717	3,886,506	1,855,650	2,030,856
Health				
Health and Human Services	1,287,200	1,143,823	680,160	463,663
Total expenditures	<u>4,892,143</u>	<u>6,895,930</u>	<u>4,319,447</u>	<u>2,576,483</u>
Excess (deficiency) of revenues over expenditures	<u>(776,216)</u>	<u>(321,791)</u>	<u>(70,634)</u>	<u>251,157</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	29,054	29,054
Transfers in	27,990	2,500	2,500	-
Total other financing sources (uses)	<u>27,990</u>	<u>2,500</u>	<u>31,554</u>	<u>29,054</u>
Net change in fund balances	(748,226)	(319,291)	(39,080)	280,211
Fund balances, July 1, 2024	<u>717,420</u>	<u>717,420</u>	<u>717,420</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ (30,806)</u>	<u>\$ 398,129</u>	<u>\$ 678,340</u>	<u>\$ 280,211</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Solid Waste
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 230,000	\$ 230,000	\$ 316,133	\$ 86,133
Charges for services	6,000	6,000	5,860	(140)
Total revenues	<u>236,000</u>	<u>236,000</u>	<u>321,993</u>	<u>85,993</u>
EXPENDITURES				
Sanitation				
Public Works	487,773	487,773	448,758	39,015
Total expenditures	<u>487,773</u>	<u>487,773</u>	<u>448,758</u>	<u>39,015</u>
Excess (deficiency) of revenues over expenditures	<u>(251,773)</u>	<u>(251,773)</u>	<u>(126,765)</u>	<u>125,008</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	251,773	126,765	126,765	-
Total other financing sources (uses)	<u>251,773</u>	<u>126,765</u>	<u>126,765</u>	<u>-</u>
Net change in fund balances	-	(125,008)	-	125,008
Fund balances, July 1, 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ -</u>	<u>\$ (125,008)</u>	<u>\$ -</u>	<u>\$ 125,008</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Superior Court Grants and Fees
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fees, fines, and forfeits	\$ 30,000	\$ 30,000	\$ 37,229	\$ 7,229
Intergovernmental	272,614	352,054	321,808	(30,246)
Charges for services	212,000	212,000	244,650	32,650
Investment earnings	3,500	3,500	43,181	39,681
Contributions	3,000	5,000	5,000	-
Miscellaneous	1,500	1,500	863	(637)
Total revenues	<u>522,614</u>	<u>604,054</u>	<u>652,731</u>	<u>48,677</u>
EXPENDITURES				
General government				
Clerk of Superior Court	31,251	31,251	23,167	8,084
Superior Courts	<u>1,485,823</u>	<u>1,600,937</u>	<u>1,145,039</u>	<u>455,898</u>
Total expenditures	<u>1,517,074</u>	<u>1,632,188</u>	<u>1,168,206</u>	<u>463,982</u>
Excess (deficiency) of revenues over expenditures	<u>(994,460)</u>	<u>(1,028,134)</u>	<u>(515,475)</u>	<u>512,659</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	617,609	632,236	632,235	(1)
Transfers out	<u>(16,672)</u>	<u>(15,447)</u>	<u>(15,445)</u>	<u>2</u>
Total other financing sources (uses)	<u>600,937</u>	<u>616,789</u>	<u>616,790</u>	<u>1</u>
Net change in fund balances	(393,523)	(411,345)	101,315	512,660
Fund balances, July 1, 2024	<u>991,446</u>	<u>991,446</u>	<u>991,446</u>	<u>-</u>
Fund balances, June 30, 2025	<u><u>\$ 597,923</u></u>	<u><u>\$ 580,101</u></u>	<u><u>\$ 1,092,761</u></u>	<u><u>\$ 512,660</u></u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Funds
Taxpayer Information Fund
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 20,000	\$ 20,000	\$ 19,333	\$ (667)
Investment earnings	1,250	1,250	9,579	8,329
Total revenues	<u>21,250</u>	<u>21,250</u>	<u>28,912</u>	<u>7,662</u>
EXPENDITURES				
General government				
Treasurer	31,000	31,000	14,949	16,051
Total expenditures	<u>31,000</u>	<u>31,000</u>	<u>14,949</u>	<u>16,051</u>
Excess (deficiency) of revenues over expenditures	<u>(9,750)</u>	<u>(9,750)</u>	<u>13,963</u>	<u>23,713</u>
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(9,750)	(9,750)	13,963	23,713
Fund balances, July 1, 2024	<u>172,120</u>	<u>172,120</u>	<u>172,120</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 162,370</u>	<u>\$ 162,370</u>	<u>\$ 186,083</u>	<u>\$ 23,713</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service Funds
Jail District Debt Service
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment earnings	\$ -	\$ -	\$ 2,751	\$ 2,751
Total revenues	-	-	2,751	2,751
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	2,751	2,751
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	2,751	2,751
Fund balances, July 1, 2024	-	-	-	-
Fund balances, June 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,751</u>	<u>\$ 2,751</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Project Funds
Jail District Capital Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment earnings	\$ -	\$ -	\$ 50,388	\$ 50,388
Total revenues	-	-	50,388	50,388
EXPENDITURES				
Debt Service				
Bond issuance costs	-	223,531	253,530	(29,999)
Capital Outlay				
Sheriff	-	4,776,469	4,262	4,772,207
Total expenditures	-	5,000,000	257,792	4,742,208
Excess (deficiency) of revenues over expenditures	-	(5,000,000)	(207,404)	4,792,596
OTHER FINANCING SOURCES (USES)				
Bond issuance proceeds	-	-	9,965,000	9,965,000
Premium on revenue bonds	-	-	293,926	293,926
Total other financing sources (uses)	-	-	10,258,926	10,258,926
Net change in fund balances	-	(5,000,000)	10,051,522	15,051,522
Fund balances, July 1, 2024	-	-	-	-
Fund balances, June 30, 2025	\$ -	\$ (5,000,000)	\$ 10,051,522	\$ 15,051,522

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Project Funds
Other Capital Project Funds
Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 5,724,424	\$ 5,857,000	\$ -	\$ (5,857,000)
Investment earnings	25,014	25,014	141,890	116,876
Total revenues	<u>5,749,438</u>	<u>5,882,014</u>	<u>141,890</u>	<u>(5,740,124)</u>
EXPENDITURES				
Capital Outlay				
Facilities	1,487,744	1,487,744	386,638	1,101,106
Emergency Management	1,049,424	597,613	261,887	335,726
Non-Departmental	-	72,015	72,014	1
Parks and Recreation	3,300,000	3,300,000	151,363	3,148,637
Total expenditures	<u>5,837,168</u>	<u>5,457,372</u>	<u>871,902</u>	<u>4,585,470</u>
Excess (deficiency) of revenues over expenditures	<u>(87,730)</u>	<u>424,642</u>	<u>(730,012)</u>	<u>(1,154,654)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	13,088,851	13,088,849	(2)
Transfers out	-	(1,740)	(1,740)	-
Total other financing sources (uses)	<u>-</u>	<u>13,087,111</u>	<u>13,087,109</u>	<u>(2)</u>
Net change in fund balances	(87,730)	13,511,753	12,357,097	(1,154,656)
Fund balances, July 1, 2024	<u>2,098,790</u>	<u>2,098,790</u>	<u>2,098,790</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 2,011,060</u>	<u>\$ 15,610,543</u>	<u>\$ 14,455,887</u>	<u>\$ (1,154,656)</u>

Coconino County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Project Funds
Parks and Open Spaces Tax Projects Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
County sales tax	\$ -	\$ -	\$ 1,954	\$ 1,954
Investment earnings	-	-	66,883	66,883
Miscellaneous	940	940	464	(476)
Total revenues	<u>940</u>	<u>940</u>	<u>69,301</u>	<u>68,361</u>
EXPENDITURES				
Capital Outlay				
Parks and Recreation	34,076	34,076	3,934	30,142
Total expenditures	<u>34,076</u>	<u>34,076</u>	<u>3,934</u>	<u>30,142</u>
Excess (deficiency) of revenues over expenditures	<u>(33,136)</u>	<u>(33,136)</u>	<u>65,367</u>	<u>98,503</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(550,000)	(281,733)	(281,732)	1
Total other financing sources (uses)	<u>(550,000)</u>	<u>(281,733)</u>	<u>(281,732)</u>	<u>1</u>
Net change in fund balances	(583,136)	(314,869)	(216,365)	98,504
Fund balances, July 1, 2024	<u>1,265,094</u>	<u>1,265,094</u>	<u>1,265,094</u>	<u>-</u>
Fund balances, June 30, 2025	<u>\$ 681,958</u>	<u>\$ 950,225</u>	<u>\$ 1,048,729</u>	<u>\$ 98,504</u>

**OTHER SUPPLEMENTARY INFORMATION:
COMBINING INDIVIDUAL STATEMENTS
CUSTODIAL FUNDS**



Coconino County
 Fiduciary Funds
 Combining Statement of Fiduciary Net Position
 June 30, 2025

	Other				Total Other
	External Investment Pool	Treasurer Special Purpose	Treasurer Holding Accounts	Non-Treasurer External Bank Accounts	
ASSETS					
Cash and investments	\$ 227,840,202	\$ 1,788	\$ 1,458,437	\$ 3,757,229	\$ 5,217,454
Taxes receivable for other governments	-	-	472,223	-	472,223
Interest and dividends receivable	966,234	-	17	-	17
Total assets	<u>228,806,436</u>	<u>1,788</u>	<u>1,930,677</u>	<u>3,757,229</u>	<u>5,689,694</u>
LIABILITIES					
Property tax payable to other governments	-	-	298,564	-	298,564
Due to other governments	-	-	989,244	-	989,244
Total liabilities	<u>-</u>	<u>-</u>	<u>1,287,808</u>	<u>-</u>	<u>1,287,808</u>
NET POSITION					
Restricted for:					
Pool participants	228,806,436	-	-	-	-
Individuals, organizations, and other governments	-	1,788	642,869	3,757,229	4,401,886
Total net position	<u>\$ 228,806,436</u>	<u>\$ 1,788</u>	<u>\$ 642,869</u>	<u>\$ 3,757,229</u>	<u>\$ 4,401,886</u>

Coconino County
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2025

	External Investment Pool	Other			Total Other
		Treasurer Special Purpose	Treasurer Holding Accounts	Non-Treasurer External Bank Accounts	
ADDITIONS					
Contributions from pool participants	\$384,370,052	\$ -	\$ -	\$ -	\$ -
Property tax collections for other governments	-	-	26,761,967	-	26,761,967
Fines and fees collected for other governments	-	-	4,902,695	-	4,902,695
Collections for individuals	-	50	-	10,224,862	10,224,912
Investment earnings:					
Interest and dividends	7,644,297	-	3,091	-	3,091
Net increase (decrease) in fair value of investments	1,309,457	-	456	-	456
Total investment earnings	8,953,754	-	3,547	-	3,547
Other	-	-	-	902	902
Total additions	393,323,806	50	31,668,209	10,225,764	41,894,023
DEDUCTIONS					
Distributions to pool participants	392,435,637	-	-	-	-
Property tax distributions to other governments	-	-	26,660,034	-	26,660,034
Fines and fees distributions for other governments	-	-	4,948,722	-	4,948,722
Distributions for individuals	-	6,936	-	9,285,352	9,292,288
Payments to inmates	-	-	-	381,320	381,320
Other	-	-	-	649	649
Total deductions	392,435,637	6,936	31,608,756	9,667,321	41,283,013
Net increase (decrease) in fiduciary net position	888,169	(6,886)	59,453	558,443	611,010
Net position, July 1, 2024	227,918,267	8,674	583,416	3,198,786	3,790,876
Net position, June 30, 2025	\$ 228,806,436	\$ 1,788	\$ 642,869	\$ 3,757,229	\$ 4,401,886

STATISTICAL SECTION



Coconino County
Statistical Section
June 30, 2025

This part of Coconino County's Annual Comprehensive Financial Report presents detailed information as context for understanding what the information in the financial statements, note disclosures and required supplemental information says about the County's overall financial health.

Contents	Pages
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.	197-202
Revenue Capacity	
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	203-206
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.	207-209
Demographics and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment in which the County's financial activities take place.	210-211
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.	212-214



Coconino County
 Financial Trends
 Net Position by Component
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Net investment in capital assets	\$150,901,461	\$169,224,399	\$169,978,898	\$177,765,298	\$171,391,733	\$171,609,054	\$171,970,382	\$187,705,808	\$229,745,230	\$265,397,904
Restricted	67,370,287	64,169,360	79,738,737	72,690,339	79,686,562	90,050,276	100,677,785	109,433,674	112,465,375	208,409,611
Unrestricted (deficit)	(77,733,568)	(81,582,757)	(104,744,999)	(89,056,269)	(89,305,388)	(74,823,285)	(44,352,155)	(18,884,186)	(1,828,085)	(71,677,512)
Total governmental activities net position	<u>\$140,538,180</u>	<u>\$151,811,002</u>	<u>\$144,972,636</u>	<u>\$161,399,368</u>	<u>\$161,772,907</u>	<u>\$186,836,045</u>	<u>\$228,296,012</u>	<u>\$278,255,296</u>	<u>\$340,382,520</u>	<u>\$402,130,003</u>

Note: Due to the implementation of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, in fiscal year 2018, net position for the year ended June 30, 2017 was restated. However this change is not reflected in this schedule.

Coconino County
Financial Trends
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EXPENSES										
Governmental activities:										
General government	\$ 33,869,932	\$ 38,022,439	\$ 41,678,895	\$ 38,571,061	\$ 44,213,073	\$ 37,025,945	\$ 40,470,980	\$ 49,739,561	\$47,998,727	\$55,787,372
Public safety	40,947,920	41,654,185	49,967,549	43,120,801	48,787,280	52,168,392	52,242,289	79,873,725	88,270,004	77,041,144
Highways and streets	21,815,377	13,113,953	23,621,323	24,433,607	25,731,165	22,260,980	22,419,691	22,757,052	27,825,871	27,667,401
Sanitation	2,235,478	2,520,023	2,195,628	2,249,173	383,496	465,147	393,386	493,218	485,137	459,784
Health	13,180,529	13,468,758	15,010,305	14,925,100	16,091,825	17,987,724	17,208,664	21,805,628	20,388,459	18,471,601
Welfare	4,254,709	4,576,781	5,208,145	4,445,594	4,713,260	4,885,698	5,228,523	5,063,982	6,457,988	5,646,368
Culture and recreation	7,172,432	6,755,900	7,751,156	8,083,346	7,881,725	7,259,727	7,867,464	8,451,287	9,572,249	9,651,261
Education	5,336,344	4,707,587	7,171,546	4,891,709	3,903,796	4,822,493	5,015,610	6,495,276	9,983,951	10,006,961
Interest on long term debt	18,128	8,720	1,448	303	-	987	492,615	2,449,613	6,413,946	3,559,084
Total expenses	\$ 128,830,849	\$ 124,828,346	\$ 152,605,995	\$ 140,720,694	\$ 151,705,620	\$ 146,877,093	\$ 151,339,222	\$ 197,129,342	\$ 217,396,332	\$ 208,290,976
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General government	\$ 5,751,943	\$ 7,176,071	\$ 6,509,855	\$ 6,999,797	\$ 6,811,723	\$ 8,191,164	\$ 8,107,463	\$ 8,397,415	\$ 7,675,121	\$ 7,329,696
Public safety	3,159,188	3,265,470	3,506,116	4,094,546	3,574,745	3,262,243	2,211,679	1,467,875	1,561,753	2,789,058
Highways and streets	72,866	160,894	103,148	3,048,765	3,570,705	239,595	37,202	47,775	97,467	79,483
Sanitation	1,348,145	1,367,001	1,332,133	1,617,164	66,850	45,229	8,670	9,030	7,970	5,860
Health	1,143,207	1,289,745	1,442,250	1,096,152	1,128,205	1,743,683	2,061,135	5,497,614	4,833,200	3,042,231
Welfare	123,744	126,427	99,530	103,486	92,232	98,359	150,278	149,165	157,457	210,621
Culture and recreation	810,926	1,216,327	936,312	1,038,488	859,332	527,794	1,343,339	1,581,532	1,710,757	1,724,131
Education	373,206	299,328	515,183	449,395	444,983	390,856	510,604	339,244	427,011	500,612
Operating grants and contributions	32,558,181	30,446,823	36,035,022	33,843,742	37,658,329	44,217,624	55,939,387	87,189,990	104,692,914	87,702,074
Capital grants and contributions	701,451	612,546	1,085,077	13,070	7,956	-	-	-	-	-
Total governmental activities program revenues	\$ 46,042,857	\$ 45,960,632	\$ 51,564,626	\$ 52,304,605	\$ 54,215,060	\$ 58,716,547	\$ 70,369,757	\$ 104,679,640	\$ 121,163,650	\$ 103,383,766
Net revenues	\$ (82,787,992)	\$ (78,867,714)	\$ (101,041,369)	\$ (88,416,089)	\$ (97,490,560)	\$ (88,160,546)	\$ (80,969,465)	\$ (92,449,702)	\$ (96,232,682)	\$ (104,907,210)

(continued on next page)

Coconino County
Financial Trends
Changes in Net Position (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS										
Governmental activities:										
Property taxes, levied for general purposes	\$ 9,651,371	\$ 10,393,229	\$ 10,187,109	\$ 10,465,323	\$ 10,672,405	\$ 10,798,711	\$ 11,617,446	\$ 11,498,011	\$ 11,765,366	\$ 12,194,756
Property taxes, levied for library	3,924,459	4,039,059	4,233,867	4,432,797	4,670,805	4,907,177	5,066,117	5,523,300	5,980,335	6,775,897
Property taxes, levied for flood control	2,444,129	2,491,441	2,608,064	2,710,498	3,615,292	3,849,243	4,693,225	9,401,719	9,835,901	10,376,558
Property taxes, levied for accommodation school	8	-	8	-	-	-	-	-	-	-
Property taxes, levied for health services	3,847,788	3,948,951	4,139,443	4,332,291	4,565,466	4,796,590	4,954,548	5,196,552	5,423,116	5,722,775
General county sales tax	14,123,077	15,226,954	16,226,059	16,441,153	15,943,519	19,085,294	21,953,517	22,937,188	24,444,091	24,537,196
Road sales tax	8,426,665	9,253,718	9,953,869	10,085,924	9,794,339	11,500,089	13,145,212	13,785,906	14,698,056	14,736,907
Jail District sales tax	14,127,110	15,225,145	16,226,626	16,441,531	15,943,557	19,086,148	21,953,606	22,940,787	24,451,271	24,537,309
Parks and open spaces sales tax	27,012	16,427	6,121	8,021	5,487	2,588	2,211	3,041	700	1,954
Shared revenue - state sales tax	21,004,646	22,133,708	22,634,786	23,176,245	26,529,586	29,190,619	33,750,800	35,248,693	36,537,975	37,167,627
Shared revenue - state vehicle license tax	3,570,541	3,768,292	4,018,571	4,155,291	4,167,973	5,054,464	4,967,845	5,171,815	5,274,415	5,714,270
Grants and contributions not restricted to specific programs	2,919,757	2,791,493	4,343,361	4,034,718	3,977,345	4,148,208	3,709,814	3,760,770	3,949,729	4,203,969
Gain on disposal of capital assets	354,668	397,314	662,876	13,687	-	207,047	-	450,941	666,810	420,648
Investment earnings	1,037,145	353,751	351,064	2,171,381	1,184,518	109,968	(3,662,284)	6,417,166	15,164,582	19,883,699
Miscellaneous	90,144	101,054	53,648	2,034,140	346,376	218,261	277,375	73,097	167,559	381,128
Total general revenues	<u>\$ 85,548,520</u>	<u>\$ 90,140,536</u>	<u>\$ 95,645,472</u>	<u>\$ 100,503,000</u>	<u>\$ 101,416,668</u>	<u>\$ 112,954,407</u>	<u>\$ 122,429,432</u>	<u>\$ 142,408,986</u>	<u>\$ 158,359,906</u>	<u>\$ 166,654,693</u>
Change in net position	<u>\$ 2,760,528</u>	<u>\$ 11,272,822</u>	<u>\$ (5,395,897)</u>	<u>\$ 12,086,911</u>	<u>\$ 3,926,108</u>	<u>\$ 24,793,861</u>	<u>\$ 41,459,967</u>	<u>\$ 49,959,284</u>	<u>\$ 62,127,224</u>	<u>\$ 61,747,483</u>

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 1,055,053	\$ 778,832	\$ 391,572	\$ 29,161	\$ 31,066	\$ 26,600	\$ 126,828	\$ 45,695	\$ 113,668	\$ 15,772,426
Restricted	-	-	-	-	-	-	-	57,005,196	58,639,098	60,656,132
Committed	-	-	860,000	878,853	878,853	479,154	428,664	1,762,808	12,487,214	41,329,245
Assigned	-	-	-	-	-	-	-	-	-	16,227,727
Unassigned	28,961,573	31,289,354	25,721,380	20,295,655	21,342,315	38,731,242	65,665,093	82,823,501	86,782,170	27,621,521
Total General Fund	<u>\$ 30,016,626</u>	<u>\$ 32,068,186</u>	<u>\$ 26,972,952</u>	<u>\$ 21,203,669</u>	<u>\$ 22,252,234</u>	<u>\$ 39,236,996</u>	<u>\$ 66,220,585</u>	<u>\$ 141,637,200</u>	<u>\$ 158,022,150</u>	<u>\$ 161,607,051</u>
All other governmental funds										
Nonspendable	\$ 117,597	\$ 778,832	\$ 104,927	\$ 90,255	\$ 31,998	\$ 136,398	\$ 326,923	\$ 15,676	\$ 38,937	\$ 22,427
Restricted	67,763,379	-	77,666,204	72,079,977	78,720,556	87,994,689	97,172,511	178,328,888	123,628,637	143,031,415
Committed	-	-	1,590,000	1,502,533	1,502,533	1,118,020	1,020,618	6,382,470	9,342,950	-
Unassigned	(1,238,800)	31,289,354	(187,183)	(79,668)	(28,671)	(125,977)	(5,361,550)	(19,969,698)	(24,072,060)	(26,226,196)
Total all other governmental funds	<u>\$ 66,642,176</u>	<u>\$ 32,068,186</u>	<u>\$ 79,173,948</u>	<u>\$ 73,593,097</u>	<u>\$ 80,226,416</u>	<u>\$ 89,123,130</u>	<u>\$ 93,158,502</u>	<u>\$ 164,757,336</u>	<u>\$ 108,938,464</u>	<u>\$ 116,827,646</u>

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
REVENUES										
Property taxes	\$ 19,701,750	\$ 20,870,854	\$ 21,037,434	\$ 21,776,151	\$ 23,481,755	\$ 24,304,756	\$ 26,326,059	\$ 31,584,181	\$ 32,993,578	\$ 34,981,172
County sales taxes	36,952,588	39,961,622	42,661,323	43,238,948	41,686,902	49,674,119	57,054,546	59,670,455	63,592,621	63,813,366
Special assessments	57,851	55,814	81,367	40,217	10,694	12,931	11,602	11,400	10,612	11,376
Licenses and permits	1,721,229	2,147,569	2,355,594	2,140,555	2,180,372	3,007,766	3,718,914	4,006,256	4,312,862	3,884,764
Fines and forfeits	1,887,642	2,382,906	2,000,460	2,094,885	1,764,817	1,864,120	1,304,347	1,413,709	1,057,741	1,159,237
Intergovernmental	61,905,784	59,453,303	66,266,657	64,029,388	70,957,338	80,682,985	94,827,185	117,648,063	142,770,270	142,004,118
Charges for services	6,923,006	7,898,370	7,773,349	9,957,034	8,042,074	7,979,964	7,193,859	6,928,395	7,445,415	8,954,553
Investment earnings	1,264,077	398,554	370,130	2,778,215	1,599,535	107,254	(3,638,897)	6,406,471	15,114,339	19,829,125
Contributions	679,203	667,591	601,142	1,142,646	1,007,207	1,532,488	165,145	290,429	223,015	379,884
Miscellaneous	1,439,331	477,409	644,825	810,852	911,392	935,922	1,124,767	934,264	608,578	868,034
Total revenues	<u>132,532,461</u>	<u>134,313,992</u>	<u>143,792,281</u>	<u>148,008,891</u>	<u>151,642,086</u>	<u>170,102,305</u>	<u>188,087,527</u>	<u>228,893,623</u>	<u>268,129,031</u>	<u>275,885,629</u>
EXPENDITURES										
Current:										
General government	31,421,859	34,369,247	35,161,664	39,805,439	39,386,720	38,015,185	41,240,017	47,473,654	52,206,492	52,473,896
Public safety	48,707,702	38,950,563	41,091,613	62,343,023	51,659,818	66,539,213	55,831,002	87,889,729	99,600,625	101,166,539
Highways and streets	22,936,771	20,878,220	22,410,804	21,835,601	20,812,208	20,802,598	22,670,640	24,952,483	21,307,762	18,807,775
Sanitation	2,065,123	2,036,484	1,867,750	1,943,840	573,383	466,172	391,887	492,260	486,903	460,448
Health	12,723,241	13,123,911	13,488,351	13,560,090	15,921,016	17,755,505	17,803,846	21,757,695	20,402,941	20,602,278
Welfare	4,024,951	4,412,375	4,467,177	4,579,275	4,701,917	4,767,737	5,271,438	5,402,153	6,328,919	5,658,498
Culture and recreation	5,924,896	6,099,745	6,803,213	7,312,408	6,981,920	6,574,603	7,671,977	8,586,890	8,660,544	9,056,659
Education	5,141,470	4,561,510	6,821,281	4,876,487	3,797,156	4,829,007	5,180,897	6,591,279	10,027,347	10,048,149
Capital outlay	1,872,994	11,025,516	1,696,910	3,920,365	491,091	2,657,327	219,399	5,791,580	30,540,797	22,159,913
Debt service:										
Principal	85,000	230,000	18,000	11,560	-	-	525,000	2,989,266	54,871,959	30,656,840
Interest and other charges	18,128	8,720	1,448	303	-	342,303	492,615	2,449,613	6,413,946	3,853,010
Bond Issuance Costs	-	-	-	-	-	-	-	1,165,000	-	253,530
Total expenditures	<u>134,922,135</u>	<u>135,696,291</u>	<u>133,828,211</u>	<u>160,188,391</u>	<u>144,325,229</u>	<u>162,749,650</u>	<u>157,298,718</u>	<u>215,541,602</u>	<u>310,848,235</u>	<u>275,197,535</u>
Excess (deficiency) of revenues over expenditures	\$ (2,389,674)	\$ (1,382,299)	\$ 9,964,070	\$ (12,179,500)	\$ 7,316,857	\$ 7,352,655	\$ 30,788,809	\$ 13,352,021	\$ (42,719,204)	\$ 688,094

(continued on next page)

Coconino County
Financial Trends
Changes in Fund Balances of Governmental Funds (continued)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
OTHER FINANCING SOURCES (USES)										
Capital lease agreement	\$ 90,011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue bonds issued	-	-	-	-	-	18,160,000	-	133,170,000	-	9,965,000
Premium on revenue bonds	-	-	-	-	-	-	-	-	-	293,926
Lease agreements	-	-	-	-	-	-	229,233	45,991	2,485,486	-
Subscription-based information technology arrangements	-	-	-	-	-	-	-	-	237,813	187,248
Sale of capital assets	361,335	539,037	567,290	829,365	1,966,972	99,544	919	447,437	561,983	339,815
Transfers in	22,706,214	12,333,922	22,024,786	25,837,271	12,576,193	10,870,548	13,931,409	21,060,067	75,344,678	97,903,888
Transfers out	(22,766,789)	(12,333,922)	(22,224,786)	(25,837,271)	(12,576,616)	(10,870,548)	(13,931,409)	(21,060,067)	(75,344,678)	(97,903,888)
Total other financing sources and uses	<u>390,771</u>	<u>539,037</u>	<u>367,290</u>	<u>829,365</u>	<u>1,966,549</u>	<u>18,259,544</u>	<u>230,152</u>	<u>133,663,428</u>	<u>3,285,282</u>	<u>10,785,989</u>
Net changes in fund balances	<u>\$ (1,998,903)</u>	<u>\$ (843,262)</u>	<u>\$ 10,331,360</u>	<u>\$ (11,350,135)</u>	<u>\$ 9,283,406</u>	<u>\$ 25,612,199</u>	<u>\$ 31,018,961</u>	<u>\$ 147,015,449</u>	<u>\$ (39,433,922)</u>	<u>\$ 11,474,083</u>
Debt service as a percentage of noncapital expenditures	<u>0.08%</u>	<u>0.21%</u>	<u>0.02%</u>	<u>0.01%</u>	<u>0.00%</u>	<u>0.22%</u>	<u>0.69%</u>	<u>3.45%</u>	<u>23.52%</u>	<u>15.39%</u>

Coconino County
Revenue Capacity
Assessed Value and Estimated Market Value of Taxable Property
Last Ten Years

Property Values Assessed

Fiscal Year Ended June 30,	Secured	Unsecured	Total	Total Direct Tax Rate	Total Secured and Unsecured Estimated Market Value	Total Assessed Value as a Percentage of Total Estimated Market Value
2016	\$ 1,545,641,492	\$ 56,698,420	\$ 1,602,339,912	1.4702	\$ 14,061,706,204	11.4
2017	1,440,511,578	227,019,238	1,667,530,816	1.4844	14,061,706,204	11.9
2018	1,412,671,518	235,859,535	1,648,531,053	1.4734	16,127,059,905	10.2
2019	1,500,648,676	225,931,080	1,726,579,756	1.2453	17,548,612,842	9.8
2020	1,594,056,977	237,032,263	1,831,089,240	1.2749	18,824,784,519	9.7
2021	2,017,940,355	240,238,653	2,258,179,008	1.2629	20,492,843,579	11.0
2022	1,880,811,808	198,099,762	2,078,911,570	1.2856	22,140,698,148	9.4
2023	2,127,532,426	206,905,419	2,334,437,845	1.5250	27,302,361,758	8.6
2024	2,246,431,422	218,774,305	2,465,205,727	1.5265	34,564,402,428	7.1
2025	2,374,933,983	234,009,476	2,608,943,459	1.5400	35,730,002,044	7.3

Source: Coconino County Assessor's Office

Note: Secured and Unsecured assessed property values and estimated market values are determined each calendar year. The tax rates are applicable beginning July 1st of the next fiscal year. The Board of Supervisors approves the tax rates on the third Monday of August.

Coconino County
Revenue Capacity
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Direct Rates

Fiscal Year	County Operating	Library District	Flood Control District	Public Health Service District	Total Direct
2016	0.5646	0.2556	0.4000	0.2500	1.4702
2017	0.5788	0.2556	0.4000	0.2500	1.4844
2018	0.5678	0.2556	0.4000	0.2500	1.4734
2019	0.5589	0.2556	0.1808	0.2500	1.2453
2020	0.5413	0.2556	0.2280	0.2500	1.2749
2021	0.5293	0.2556	0.2280	0.2500	1.2629
2022	0.5180	0.2556	0.2620	0.2500	1.2856
2023	0.5094	0.2656	0.5000	0.2500	1.5250
2024	0.5009	0.2756	0.5000	0.2500	1.5265
2025	0.4944	0.2956	0.5000	0.2500	1.5400

Overlapping Rates

Fiscal Year	Fire District Assistance	School Equalization	Community College	Cities	Fire Districts	Other Special Districts	School Districts
2016	0.1000	0.5089	0.6056	0 - 1.6784	0.4000 - 3.2500	0 - 1.6659	0.0500 - 13.0827
2017	0.1000	0.4875	0.6142	0 - 1.6599	0.6000 - 3.4950	0 - 1.6273	0.0500 - 13.3731
2018	0.1000	0.4875	0.6142	0 - 1.6599	0.6000 - 3.4950	0 - 1.6273	0.0500 - 13.3731
2019	0.1000	0.4741	0.5959	0 - 1.6700	0.2485 - 3.5000	0 - 1.7043	0.0500 - 13.2834
2020	0.1000	0.4566	0.4592	0 - 1.6700	0.2364 - 3.5000	0 - 1.7385	0.0500 - 13.2660
2021	0.1000	0.4426	0.4490	0 - 1.5510	0.2210 - 3.5000	0 - 1.6004	0.0500 - 13.1995
2022	0.1000	0.4263	0.4394	0 - 1.5186	0.2080 - 3.5000	0 - 1.7619	0.0500 - 12.5843
2023	0.1000	-	0.5209	0 - 1.0751	1.1280 - 3.5000	0 - 1.8224	0.0500 - 12.1331
2024	0.1000	-	0.6056	0 - 1.0251	1.1509 - 3.9360	0 - 1.7344	0.0500 - 11.9480
2025	0.1000	-	0.6870	0 - 1.4363	1.1509 - 4.1770	0 - 1.8104	0.0500 - 11.5286

Source: Coconino County Assessor's Office

Note: Tax rates are per \$100 assessed value.

Coconino County
Revenue Capacity
Principal Property Tax Payers
Current Year and Ten Years Ago

Taxpayer	2025			2016		
	Total Primary Assessed Value	Rank	Percentage of Total Primary Assessed Value	Total Assessed Value	Rank	Percentage of Total Primary Assessed Value
Arizona Public Service Company	\$ 89,752,794	1	3.44%	\$ 78,375,580	1	4.89%
Transwestern Pipeline Company, LLC	19,384,814	2	0.74	25,246,409	2	1.58
W.L. Gore & Associates Inc.	17,637,014	3	0.68	18,164,529	5	1.13
El Paso Natural Gas Company	16,319,219	4	0.63	15,446,144	7	0.96
BNSF Railway Company	15,821,626	5	0.61	19,294,328	4	1.20
Unisource Energy Corporation	10,894,431	6	0.42	19,498,977	3	1.22
Standard at Flagstaff, LLC	10,157,781	7	0.39			
SO Fremont Station Owner LLC	8,839,728	8	0.34			
Nestle Purina Pet care Company	8,812,948	9	0.34			
Red Feather Properties LP	3,700,701	10	0.14			
City of Los Angeles Dept of Water and Power				15,870,784	6	0.99
Nevada Power Company				9,921,570	8	0.62
Qwest Corporation				5,697,142	9	0.36
Wal-mart Stores, Inc.				4,915,014	10	0.31
Total Principal Taxpayers	\$ 201,321,056		7.71%	\$ 212,430,477		13.28%
Total Coconino County Primary Assessed Value	\$ 2,608,943,459			\$ 1,602,339,912		

Source: Coconino County Assessor's Office

Coconino County
Revenue Capacity
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	County Tax Levied For the Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date	
		Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2016	\$ 19,059,353	\$ 18,991,321	99.64	\$ 15,440	\$ 19,006,761	99.72
2017	19,623,016	19,199,980	97.84	290,773	19,490,753	99.33
2018	20,381,313	19,986,063	98.06	250,687	20,236,751	99.29
2019	21,165,069	20,767,395	98.12	269,920	21,037,315	99.40
2020	22,827,218	22,175,009	97.14	476,313	22,651,322	99.23
2021	23,856,010	23,229,805	97.38	465,887	23,695,691	99.33
2022	25,018,390	24,562,575	98.18	412,664	24,975,239	99.83
2023	30,709,487	30,166,757	98.23	499,726	30,666,483	99.86
2024	32,133,393	31,560,252	98.22	488,244	32,048,496	99.74
2025	34,098,474	33,067,203	96.98	459,026	33,526,229	98.32

Fiscal Year Ended June 30,	County Tax Levied for the Fiscal Year					Total County
	County Operating	Public Health Service District	Flood Control District	County Library		
2016	\$ 8,828,938	\$ 3,848,713	\$ 2,446,777	\$ 3,934,925	\$ 19,059,353	
2017	9,142,852	3,949,055	2,493,595	4,037,514	19,623,016	
2018	9,401,146	4,139,287	2,608,873	4,232,007	20,381,313	
2019	9,688,161	4,333,584	2,712,668	4,430,656	21,165,069	
2020	9,925,085	4,583,909	3,631,636	4,686,588	22,827,218	
2021	10,228,277	4,831,043	3,857,432	4,939,258	23,856,010	
2022	10,282,972	4,962,827	4,698,597	5,073,994	25,018,390	
2023	10,589,365	5,196,988	9,401,854	5,521,280	30,709,487	
2024	10,879,202	5,427,782	9,842,822	5,983,587	32,133,393	
2025	11,145,296	5,745,063	10,415,152	6,792,963	34,098,474	

Source: Coconino County Treasurer's Office

Coconino County
Debt Capacity
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Special Assessment Bonds	Pledged Revenue Obligations	Leases	Subscriptions	Total Primary Government	Percentage of Personal Income¹	Per Capita¹
2016	\$ 260,000	\$ -	\$ -	\$ -	\$ 260,000	0.00%	1.85
2017	30,000	-	-	-	30,000	0.00%	0.21
2018	12,000	-	-	-	12,000	0.00%	0.08
2019	-	-	-	-	-	0.00%	-
2020	-	-	-	-	-	0.00%	-
2021	-	18,160,000	1,889,624	-	20,049,624	0.24%	138.09
2022	-	17,635,000	1,934,763	-	19,569,763	0.23%	136.95
2023	-	148,155,000	1,707,812	188,040	150,050,852	1.77%	1,040.41
2024	-	93,830,000	3,789,748	282,444	97,902,192	1.09%	677.66
2025	-	73,690,000	3,416,734	290,866	77,397,600	0.84%	533.18

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

¹ Population and personal income data can be found in the Demographic and Economic Statistics schedule.

Coconino County
Debt Capacity
Legal Debt Margin
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed value	\$2,608,943,459
Debt limit (6% of assessed value)	156,536,608
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	\$ 156,536,608

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	\$ 96,140,395	\$ 100,051,849	\$ 98,911,863	\$ 103,594,785	\$ 109,865,354	\$ 119,011,198	\$ 124,734,694	\$ 140,066,271	\$ 147,912,344	\$ 142,496,039
Total net debt applicable to the limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 96,140,395	\$ 100,051,849	\$ 98,911,863	\$ 103,594,785	\$ 109,865,354	\$ 119,011,198	\$ 124,734,694	\$ 140,066,271	\$ 147,912,344	\$ 142,496,039
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Assessed value information obtained from the Coconino County Assessor. Debt amounts obtained from Coconino County Annual Comprehensive Financial Reports

Note: The Arizona Constitution, Article 9, Section 8, state that the County may become indebted for an amount not to exceed six percent of taxable property.

Coconino County
Debt Capacity
Pledged Revenue Coverage
Last Ten Fiscal Years

Revenue Bonds

Fiscal Year	County Excise Tax	State Shared Sales Tax	Less		Net Available Revenue	Debt Service ¹		Coverage
			AHCCCS/ALTCS Contributions	Other		Principal	Interest	
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2021	\$ 19,085,294	\$ 29,146,964	\$ 3,061,811	\$ 7,672,952	\$ 52,843,399	\$ -	\$ -	N/A
2022	21,953,517	33,639,619	3,081,614	7,731,406	60,242,928	525,000	491,615	59.26
2023	22,940,722	35,118,267	3,506,918	7,998,077	62,550,148	2,650,000	2,422,420	12.33
2024	22,940,722	36,410,498	3,179,253	8,332,778	64,504,745	54,325,000	6,384,834	1.06
2025	24,537,196	37,039,198	3,836,904	8,975,570	66,715,060	30,105,000	3,733,057	1.97

Special Assessment Bonds

Fiscal Year	Special Assessment Revenues ²	Debt Service		Coverage
		Principal	Interest	
2016	\$ 297,796	\$ 85,000	\$ 18,128	2.89
2017	285,494	230,000	8,720	1.20
2018	99,121	18,000	1,448	5.10
2019	113,877	11,560	303	9.60
2020	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A
2022	N/A	N/A	N/A	N/A
2023	N/A	N/A	N/A	N/A
2024	N/A	N/A	N/A	N/A
2025	N/A	N/A	N/A	N/A

¹ Debt service for fiscal years 2024 and 2025 includes voluntary additional principal payments on the Series 2023 private placement pledged revenue obligations. These payments totaled \$33,365,000 in fiscal year 2024 and \$10,555,000 in fiscal year 2025.

² Revenues included beginning fund balances, sale of capital assets, and transfers in.

Source: Coconino County Finance Department

Coconino County
Demographic and Economic Information
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population¹</u>	<u>Personal Income (thousands of dollars)¹</u>	<u>Per Capita Personal Income¹</u>	<u>Unemployment Rate²</u>
2016	140,239	\$ 5,919,742	\$ 42,212	6.5%
2017	141,966	6,137,865	43,235	6.1
2018	142,873	6,584,272	46,085	5.6
2019	144,704	6,919,869	47,821	5.5
2020	145,975	7,149,227	48,976	5.7
2021	145,190	7,679,391	52,892	9.7
2022	142,927	8,340,833	58,357	6.1
2023	144,326	8,447,336	58,530	4.3
2024	144,934	8,947,580	61,736	4.2
2025	145,161	9,260,436	63,794	3.85

Notes: ¹ U.S. Department of Commerce, Bureau of Economic Analysis (BEA).
Figures are for the preceding calendar year (e.g. Fiscal Year 2025 is
2024 calendar year data). Prior period numbers have been revised
by the BEA and have been restated here.

² Arizona Commerce Authority

Coconino County
Demographic and Economic Information
Principal Employers
Current Year and Nine Years Ago

Employer	Fiscal Year 2024/2025			Fiscal Year 2015/2016		
	Employees	Rank	Percentage of Total County Employment	Employees ⁴	Rank	Percentage of Total County Employment
Northern Arizona University	4,583 ¹	1	6.05%	2,815	1	4.10%
Northern Arizona HealthCare	2,200 ²	2	2.90%	-	-	-
W.L. Gore	1,950 ²	3	2.57%	2,200	3	3.20%
Flagstaff Unified School District	1,375 ²	4	1.81%	1,436	4	2.09%
Coconino County	1,191	5	1.57%	1,294	5	1.88%
City of Flagstaff	967 ³	6	1.28%	872	6	1.27%
Walmart	630 ²	7	0.83%	630	8	0.92%
Nestle Purina PetCare	240 ²	8	0.32%	-	-	-
The Guidance Center	219 ²	9	0.29%	-	-	-
United States Forest Service	200 ²	10	0.26%	-	-	-
	<u>13,555</u>			<u>9,247</u>		
Total County Employment ⁵	75,759			68,662		

- Sources: ¹ Northern Arizona University Annual Comprehensive Report for Fiscal Year Ended June 30, 2025
² Flagstaff Chamber of Commerce
³ City of Flagstaff Annual Comprehensive Report for Fiscal Year Ended June 30, 2025
⁴ Coconino County Annual Comprehensive Report for Fiscal Year Ended June 30, 2016
⁵ Arizona Office of Economic Opportunity

Coconino County
Operating Information
Full-Time Equivalent Employees by Function
Last Ten Fiscal Years

Function:	Full-time Equivalent Employees as of June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Assessor	26.00	26.00	26.00	27.00	27.00	27.00	27.00	27.00	28.00	28.00
Board of Supervisors	14.50	14.50	13.50	13.50	14.00	14.00	14.00	13.00	13.00	13.00
Clerk of the Superior Court	25.60	26.60	26.60	26.60	26.60	25.60	25.60	24.60	24.60	30.60
Community Development	30.00	31.70	31.70	27.43	27.83	27.83	27.58	27.08	31.58	31.58
County Attorney	43.00	43.00	44.00	46.00	47.00	47.00	48.00	49.00	49.00	53.00
County Administration	7.00	16.63	21.00	26.50	27.65	26.15	18.15	28.00	29.00	30.00
Facilities Management	26.00	26.00	26.00	29.00	29.00	28.00	29.00	28.00	28.00	28.00
Finance	18.00	18.00	18.00	18.00	15.00	15.00	16.00	16.00	16.00	17.00
Human Resources	11.75	11.75	12.25	13.75	16.75	14.25	14.00	14.25	14.25	14.25
Government Relations	4.00	4.00	4.00	-	-	-	-	-	-	-
Information Technology	24.25	24.25	25.25	25.25	25.25	25.25	26.25	27.00	28.00	28.50
Flagstaff Justice Court	21.50	21.50	21.50	22.50	22.50	22.50	22.50	22.50	22.50	23.50
Fredonia Justice Court	2.75	2.75	2.75	2.75	2.75	3.25	3.25	3.75	3.75	3.75
Page Justice Court	5.00	5.00	5.00	5.63	5.63	5.63	5.63	6.63	7.00	7.00
Williams Justice Court	6.00	6.00	6.00	7.30	7.30	7.30	7.30	7.72	7.72	8.16
Legal Defender	6.25	7.25	6.75	8.23	8.60	8.60	9.00	9.00	9.00	9.50
Public Defender	20.00	21.76	22.00	23.00	23.50	25.50	25.74	26.75	28.75	33.75
Recorder	17.50	17.50	18.50	18.25	19.25	19.25	19.25	14.50	15.25	15.25
Superior Court	36.33	37.33	37.33	38.08	38.83	38.83	37.83	37.83	38.83	43.83
Treasurer	8.00	8.00	8.00	9.00	9.00	9.00	9.00	10.00	10.00	11.00
Public Safety										
Adult Probation	57.81	56.80	60.80	61.80	61.80	61.80	60.40	57.90	57.90	62.90
Constable	1.00	1.00	1.00	1.00	2.00	2.00	2.00	1.49	1.49	2.00
Emergency Management	3.00	3.50	4.00	4.00	4.00	4.00	4.00	6.00	6.00	6.00
Flood Control	-	-	-	-	4.17	4.17	4.17	9.67	9.67	10.67
Jail District	181.50	181.50	182.50	182.60	182.60	182.50	174.45	171.55	171.55	172.55
Juvenile Court Services	70.55	68.15	69.25	74.58	74.58	73.58	72.58	72.58	72.58	73.31
Sheriff	97.13	100.93	98.43	102.33	104.33	104.43	110.48	100.68	100.68	103.68
Highways and Streets										
Public Works	125.51	117.80	117.80	126.57	122.85	122.85	121.85	126.00	127.00	128.00
Sanitation										
Kachina Village Improvement Dist.	8.00	8.00	8.00	8.00	-	-	-	-	-	-
Health										
Health and Human Services	-	-	-	-	-	-	128.66	157.17	159.17	148.92
Health	95.43	93.28	97.02	96.24	89.66	96.03	-	-	-	-
Welfare										
Career Center	13.00	13.00	13.80	13.80	13.80	12.88	-	-	-	-
Community Services	34.42	27.32	27.25	27.82	28.02	27.57	-	-	-	-
Public Fiduciary	8.63	9.00	9.00	10.00	10.00	10.00	10.00	11.00	12.00	12.00
Education										
Superintendent of Schools	10.71	10.38	10.38	9.88	10.13	10.13	10.14	19.62	19.62	22.21
Culture and Recreation										
Parks and Recreation	19.00	19.00	19.00	18.50	17.50	17.50	17.50	18.50	18.50	18.50
Total	1,079.12	1,079.18	1,094.36	1,124.89	1,118.88	1,119.38	1,101.31	1,144.77	1,160.39	1,190.41

Source: Coconino County Budget Books Fiscal Years 2016 to 2025

Coconino County
Operating Information
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function:	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Clerk of the Superior Court										
New court cases	5,822	6,180	6,016	6,401	5,766	5,143	6,026	6,033	6,073	6,299
Restitution collected	\$315,648	\$313,228	\$336,711	\$332,137	\$255,294	\$326,652	\$348,994	\$277,106	\$251,909	\$441,093
Community Development										
Building permits issued	1,065	1,228	1,283	1,110	1,480	1,441	1,503	1,487	1,403	1,348
Building inspection/site visits	2,076	5,337	11,142	9,642	9,480	11,556	12,895	11,829	12,086	11,013
County Attorney										
Adult felony and misdemeanor cases	8,687	8,776	8,800	7,850	5,047	6,774	4,115	4,235	3,638	3,130
Victim restitution collected for bad checks	\$ 9,993	\$ 10,165	\$ 10,200	\$ 352	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Justice Courts										
Total cases	24,673	24,575	32,336	34,440	26,913	27,290	18,970	19,131	19,653	18,885
Legal Defender										
Total cases	755	717	732	1,020	1,033	793	800	786	797	838
Public Defender										
Total cases	3,044	3,296	3,633	4,248	4,081	3,212	3,257	3,263	3,314	3,063
Recorder										
Documents recorded by fiscal year	35,000	32,500	30,017	26,706	31,932	43,008	33,694	22,726	20,695	22,099
Registered voters	70,000	82,000	75,235	85,166	81,873	92,025	92,853	87,807	84,351	92,565
Superior Court										
Number of criminal cases filed	910	945	1,195	1,360	1,216	854	1,273	1,051	1,190	1,394
Number of domestic relations cases filed	700	670	564	620	563	461	485	454	421	443
Number of civil cases filed	750	680	629	630	611	713	596	668	746	820
Treasurer										
Total real property notices	69,305	69,261	69,326	58,461	80,926	81,362	81,296	81,259	82,216	83,053
Public Safety										
Adult Probation										
Monthly average probationers supervised	1,230	1,210	1,295	1,372	1,465	1,297	1,181	1,328	1,364	1,438
Sheriff										
Calls for service	63,291	53,036	59,606	75,322	72,124	68,907	54,792	54,085	52,689	57,373
Jail District										
Average local population	395	404	380	465	420	277	330	354	300	311
Juvenile Court										
Delinquents and incorrigible petitions filed	467	389	410	386	346	107	116	202	236	154
Contributions to community through restitution hours	\$ 53,929	\$ 39,843	\$ 24,483	\$ 24,542	\$ 17,544	\$ 983	\$ 1,518	\$1,912	\$ 1,113	\$ 1,625
Highways and Streets										
Public Works										
Number of miles graded	3,408	3,434	2,973	3,334	4,501	4,164	3,722	3,815	4,183	2,755
Number of miles resurfaced	58	63	87	34	2	55	54	41	31	19
Miles of road chip sealed	46	53	50	-	29	54	40	13	11	-
Health										
Health and Human Services										
Patient vaccination visits	3,372	5,173	2,475	2,885	2,393	16,278	10,576	6,894	3,138	2,118
Restaurant/public facility inspections	3,570	3,509	3,467	3,455	3,520	2,478	2,125	3,430	3,148	3,946
Welfare										
Health and Human Services										
Home delivered meals	17,380	15,177	14,478	15,764	18,292	14,807	14,172	17,711	22,627	11,631
Congregate meals	15,733	16,587	16,491	16,801	19,106	16,770	19,525	15,164	19,032	16,962
Culture and Recreation										
Parks and Recreation										
County Fair participants	45,000	47,935	40,410	40,410	42,060	-	35,845	41,748	36,823	37,216

Source: Coconino County Department records

Coconino County
 Operating Information
 Capital Asset and Infrastructure Statistics by Function
 Last Ten Fiscal Years

Function:	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government										
Facilities square footage managed	682,455	680,365	688,768	693,022	713,018	717,100	717,100	740,752	741,994	845,274
Public safety										
Jails	2	2	2	2	2	2	2	2	2	2
Substations	7	6	6	6	5	5	5	5	6	5
Patrol vehicles	56	58	62	51	56	56	56	59	60	72
Medical Examiner vehicles	1	1	1	1	2	2	2	2	2	2
Highways and streets										
Bridges	39	39	39	39	39	39	39	39	48	48
Miles of paved roads	322	326	326	325	325	325	324	324	326	326
Miles of unpaved roads	676	687	687	676	672	672	672	672	672	682
Sanitation										
Solid Waste transfer stations	2	1	1	2	2	2	2	2	1	1
Health										
Public health facilities	2	2	2	2	2	2	2	2	2	2
Animal transport vehicles	4	4	4	4	4	4	5	5	5	5
Health program vehicles	-	-	-	-	10	10	10	14	14	16
Culture and recreation										
Parks	9	9	9	9	9	9	9	9	9	8
Acres protected as open space	2,600	2,821	2,860	2,860	2,940	2,940	2,940	2,946	2,673	3,000
Trail miles available for public use	23	23	27	27	40	40	41	42	42	42
Education										
School buildings	2	2	2	2	2	2	2	2	2	2
Welfare										
Senior Services vehicles	-	-	-	-	14	12	13	14	14	14

Source: Coconino County capital asset records and County Departments