

**La Paz County, Arizona  
Annual Financial Report**

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**Year ended June 30, 2025**



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## INDEPENDENT AUDITORS' REPORT

Arizona Auditor General  
Board of Supervisors  
La Paz County, Arizona  
Parker, Arizona

### **Report on the Audit of the Financial Statements**

#### ***Qualified and Unmodified Opinions***

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

#### ***Qualified Opinion on Governmental Activities***

In our opinion, except for the effects of the matter described in the *Basis for Qualified and Unmodified Opinions* section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Governmental Activities of La Paz County, Arizona, as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Unmodified Opinions on Business-Type Activities, Governmental Funds, Enterprise Funds, and the Aggregate Remaining Fund Information***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, Governmental Funds, Enterprise Funds, and the aggregate remaining fund information of La Paz 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 Qualified and Unmodified 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 La Paz 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 qualified and unmodified audit opinions.

***Matter Giving Rise to Qualified Opinion on Governmental Activities***

The County has not adopted a methodology under Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* (GASB 34) for accounting for gravel and dirt roads. Specifically, the County neither depreciates these infrastructure assets using a systematic and rational method nor applies the modified approach permitted by GASB 34. As a result, we were unable to obtain sufficient appropriate audit evidence to determine whether the reported amounts for infrastructure assets and related expenses are presented fairly in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 2 to the financial statements, for the year ended June 30, 2025, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. The adoption of this standard resulted in a change in accounting principle and a restatement of beginning net position/fund balance, as applicable. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### ***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.

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 La Paz County, Arizona's ability to continue as a going concern for 12 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 La Paz 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about La Paz 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.

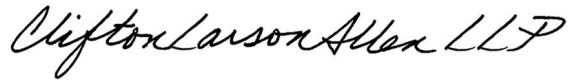
***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules related to pensions and OPEB and related notes, 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.

Arizona Auditor General  
Board of Supervisors  
La Paz County, Arizona

**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 La Paz 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 La Paz 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 La Paz County, Arizona's internal control over financial reporting and compliance.

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**CliftonLarsonAllen LLP**

Phoenix, Arizona  
March 30, 2026

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## **Management's Discussion and Analysis**

**La Paz County**  
**Management's Discussion and Analysis**  
**Year ended June 30, 2025**

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This discussion and analysis, prepared by La Paz County's (the "County") management, is intended to be an easily readable analysis of the County's financial activities based on currently known facts, decisions or conditions during the fiscal year ended June 30, 2025. This analysis focuses on current year activities and should be read in conjunction with the County's basic financial statements following this section.

**Financial Highlights**

- The County's total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$89,736,264 (net position). Of this amount, \$2,534,079 is a deficit in unrestricted net position, \$22,907,944 is restricted for specific purposes (restricted net position), and \$69,362,399 is the County's net investment in capital assets.
- The County's total net position as reported in the Statement of Activities increased by \$11,289,319 in comparison to the prior year's increase in total net position of \$8,448,596. See Note 2 for additional information on the restatement of prior year net position.
- At June 30, 2025, the governmental funds reported combined fund balances of \$23,583,966, an increase of \$933,678 in comparison with the prior year. The components of fund balances consist of \$303,112 that is nonspendable, \$24,005,561 that is restricted or committed for specific purposes, and a deficit of \$724,707 that is unassigned.
- At June 30, 2025, the unassigned fund balance for the General Fund was a surplus of \$3,478,443.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. Required supplementary information is included in addition to the basic financial statements.

**Government-wide Financial Statements** are designed to provide readers with a broad overview of the County's finances, in a manner similar to private-sector businesses.

The *Statement of Net Position* presents information on all County assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *Statement of Activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

## Management's Discussion and Analysis - Continued

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### Overview of the Financial Statements - Continued

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or part of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, highways and streets, sanitation, health, welfare, culture and recreation, and education. The County has four business-type activities consisting of the Emerald Canyon Golf Course, the La Paz County Park, the La Paz County Landfill and the La Paz County Solar Field.

Component units are included in our basic financial statements and consist of legally separate entities for which the County is financially accountable and that have substantially the same board as the County or provide services entirely to the County. The County has one major component unit, the La Paz County Jail District, and several street lighting districts that are also component units. Refer to Note 1.A, Reporting Entity, on page 27 of this report for more information on the County's component units.

*The government-wide financial statements can be found on pages 15-16 of this report.*

**Fund Financial Statements** are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: *governmental funds, proprietary funds, and fiduciary funds*.

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

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

The County reports four major governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Road, Jail District and Coronavirus Recovery funds. Data from the other governmental funds (non-major) are combined into a single, aggregated presentation. The Opioid Settlement fund was determined not to meet the quantitative criteria to be presented as a major fund, as disclosed on pages 36 and 37.

*The governmental fund financial statements can be found on pages 17-20 of this report.*

## Management's Discussion and Analysis - Continued

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### **Overview of the Financial Statements - Continued**

*Proprietary funds*, or enterprise funds, are used to report the same functions presented as business-type activities in the government-wide financial statements. La Paz County uses enterprise funds to account for the Emerald Canyon Golf Course, the County Parks fund, the Landfill fund and the Solar Field fund. Fund financial statements for the enterprise funds provide the same type of information as the government-wide financial statements, only in more detail.

*The enterprise fund financial statements can be found on pages 21-24 of this report.*

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

*The fiduciary funds financial statements can be found on pages 25-26 of this report.*

**Notes to financial statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

*The notes can be found on pages 27-75 of this report.*

**Required supplementary information** presents budgetary comparison schedules for the General, Road, Jail District and Coronavirus Recovery funds of the County. It also includes required pension and other postemployment benefits schedules.

*Required supplementary information can be found on pages 76-97 of this report.*

### **Government-Wide Financial Analysis**

#### *Net Position*

The largest portion of the County's net position reflects the investment in capital assets (e.g., land and improvements, water rights, gravel and dirt roads, construction in progress, buildings and improvements, machinery and equipment, improvements other than buildings, infrastructure and right-to use intangible assets), less accumulated depreciation/amortization and related outstanding debt used to acquire those assets. The County uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to the citizens and creditors.

## Management's Discussion and Analysis - Continued

### Government-Wide Financial Analysis - Continued

The following table summarizes the Statement of Net Position at June 30, 2025 and 2024:

	2024		2024		2025	2024
	2025	Governmental	2025	Business-Type		
	Governmental	Activities	Business-Type	Activities	Total	Total
	Activities	(as restated)	Activities	(as restated)		
Current and other assets	\$ 33,264,138	\$ 31,380,695	\$ 116,092,081	\$ 31,060,615	\$ 149,356,219	\$ 62,441,310
Capital assets	68,875,417	68,637,149	5,307,547	5,480,017	74,182,964	74,117,166
Total assets	102,139,555	100,017,844	121,399,628	36,540,632	223,539,183	136,558,476
Deferred outflows of resources	5,925,090	9,799,480	192,362	153,149	6,117,452	9,952,629
Other liabilities	5,246,398	5,179,591	1,120,424	1,293,622	6,366,822	6,473,213
Long-term liabilities	24,924,452	30,341,913	5,396,596	5,662,228	30,321,048	36,004,141
Total liabilities	30,170,850	35,521,504	6,517,020	6,955,850	36,687,870	42,477,354
Deferred inflows of resources	1,815,733	3,785,845	101,416,768	21,800,961	103,232,501	25,586,806
Net position:						
Net investment in capital assets	68,081,627	67,618,676	1,280,772	1,198,089	69,362,399	68,816,765
Restricted	22,511,486	17,748,455	396,458	40,326	22,907,944	17,788,781
Unrestricted (deficit)	(14,515,051)	(14,857,156)	11,980,972	6,698,555	(2,534,079)	(8,158,601)
Total net position	\$ 76,078,062	\$ 70,509,975	\$ 13,658,202	\$ 7,936,970	\$ 89,736,264	\$ 78,446,945

As noted earlier, net position may serve over time as a useful indicator of whether the financial position of the County is improving or deteriorating. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$89,736,264 at June 30, 2025, which is primarily the result of the County's investment in long-lived assets.

Governmental activities current and other assets had increases of \$1,883,443 and business-type activities current and other assets had increases of \$85,031,466. The governmental activities increase was attributable to increased transfers from the Landfill fund during fiscal year 2025, as further discussed on page 10 of this report, a private donation to the animal control program and increased excise taxes. The business-type activities increase was primarily caused by the additional recognition of leases and lease interest receivable pursuant to GASB 87, *Leases*, as discussed in Note 7 of the notes to the financial statements on page 42 of this report.

Governmental activities capital assets had increases of \$238,268 and business-type activities capital assets had decreases of \$172,470. The governmental activities increase was attributable to capital asset additions being greater than depreciation/amortization during fiscal year 2025. The business-type activities decrease was solely due to depreciation/amortization expense, as there were no capital additions during fiscal year 2025.

Governmental activities long-term liabilities decreased by \$5,417,461 and business-type activities long-term liabilities decreased by \$265,632. The governmental activities decrease was primarily due to a decrease in the net pension liability resulting from plan contributions in excess of the statutory requirement. The business-type activities decrease was primarily due to a decrease in bonds payable and leases payable. Additional information on the County's long-term liabilities can be found in Note 9 of the notes to the financial statements on pages 45-49 of this report.

## Management's Discussion and Analysis - Continued

### Government-Wide Financial Analysis - Continued

The decrease in overall deferred outflows of resources and increase in overall deferred inflows of resources of \$3,835,177 and \$77,645,695, respectively, consist of two factors: 1) the changes in estimates and assumptions used to calculate the net pension liability, net of the contributions to the pension plans after the measurement date and 2) the change in deferred inflows related to leases. Additional information on the County's pension plan activity can be found in Note 11 of the notes to the financial statements on pages 50-73 of this report. The change in deferred inflows related to leases is caused by exercises of options by lessees that increased acres under lease during the year.

#### *Changes in Net Position*

The following table indicates the changes in net position for governmental and business-type activities:

	2025 Governmental Activities	2024 Governmental Activities (as restated)	2025 Business-Type Activities	2024 Business-Type Activities (as restated)	2025 Total	2024 Total
<u>Revenues</u>						
Program revenues:						
Charges for services	\$ 2,996,377	\$ 3,147,861	\$ 7,672,990	\$ 5,229,854	\$ 10,669,367	\$ 8,377,715
Operating grants & contributions	7,444,223	7,431,352	-	-	7,444,223	7,431,352
Capital grants & contributions	6,376,124	6,373,567	-	-	6,376,124	6,373,567
General revenues:						
Property taxes	6,773,325	6,381,571	-	-	6,773,325	6,381,571
Excise tax	5,366,410	4,585,645	-	-	5,366,410	4,585,645
Payments in lieu of taxes	2,297,060	2,223,950	-	-	2,297,060	2,223,950
Share of state sales taxes	3,853,673	3,634,073	-	-	3,853,673	3,634,073
Vehicle license tax	1,112,324	1,245,876	-	-	1,112,324	1,245,876
State appropriation	550,050	550,050	-	-	550,050	550,050
Contributions not restricted to specific programs	836,759	36,405	-	-	836,759	36,405
Investment earnings	535,536	486,159	-	-	535,536	486,159
Proceeds from sale of capital assets	-	-	-	-	-	-
Other revenues	531,197	1,050,559	3,690,439	1,127,922	4,221,636	2,178,481
Transfers	2,148,312	856,509	(2,148,312)	(856,509)	-	-
<b>Total revenues</b>	<b>40,821,370</b>	<b>38,003,577</b>	<b>9,215,117</b>	<b>5,501,267</b>	<b>50,036,487</b>	<b>43,504,844</b>
<u>Expenses</u>						
General government	10,841,431	8,385,343	430,502	236,328	11,271,933	8,621,671
Public safety	12,013,312	13,340,509	-	-	12,013,312	13,340,509
Highways and streets	7,696,078	4,908,610	-	-	7,696,078	4,908,610
Health	3,745,083	3,657,174	-	-	3,745,083	3,657,174
Welfare	263,915	292,528	-	-	263,915	292,528
Sanitation	84,197	184,575	25,032	71,572	109,229	256,147
Culture and recreation	264,425	230,714	2,871,739	3,115,307	3,136,164	3,346,021
Education	316,167	418,112	-	-	316,167	418,112
Interest on long-term debt	28,675	41,565	166,612	173,911	195,287	215,476
<b>Total expenses</b>	<b>35,253,283</b>	<b>31,459,130</b>	<b>3,493,885</b>	<b>3,597,118</b>	<b>38,747,168</b>	<b>35,056,248</b>
Change in net position	5,568,087	6,544,447	5,721,232	1,904,149	11,289,319	8,448,596
Beginning net position, as restated	70,509,975	63,965,528	7,936,970	6,032,821	78,446,945	69,998,349
<b>Ending net position</b>	<b>\$ 76,078,062</b>	<b>\$ 70,509,975</b>	<b>\$ 13,658,202</b>	<b>\$ 7,936,970</b>	<b>\$ 89,736,264</b>	<b>\$ 78,446,945</b>

## Management's Discussion and Analysis - Continued

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### **Government-Wide Financial Analysis - Continued**

Net position of the governmental activities increased during the year by \$5,568,087. Total governmental activities revenues increased by \$2,817,793, which is primarily related to increases in transfers from business-type activities of \$1,291,803, contributions not restricted to specific programs of \$800,354, excise tax of \$780,765 and property tax of \$391,754, offset by a decrease in other revenues of \$519,362.

Governmental activities expenses increased from 2024 by a total of \$3,794,153. The expense increase was primarily from increases in general government of \$2,456,088, and highways and streets of \$2,787,468, offset by a decrease in public safety expenses of \$1,327,197.

Business-type activities reported an increase in net position of \$5,721,232. Revenues increased by \$3,713,850, mostly due to an increase of \$5,274,559 in Solar Field revenues from additional lease revenue recognition, offset by a decrease in landfill revenues of \$319,321 and an increase in net transfers out by \$1,291,803. A change in accounting principle resulted in a decrease to fund balance of \$80,859. Expenses remained consistent with prior year.

### **Financial Analysis of the County's Funds**

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

*Governmental funds* – The focus of the County's governmental funds is to provide information of near-term inflows, outflows, and balances of useable resources. Such information is useful in assessing the County's financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At June 30, 2025, the County's governmental funds reported combined fund balances of \$23,583,966, an increase of \$933,678 in comparison with the prior year.

The General Fund is the County's primary operating fund. At the end of the current fiscal year, the General Fund carried a fund balance of \$9,204,672. Total General Fund revenue increased \$1,044,667 from 2024 and is primarily the result of increases in tax revenue of \$639,719, intergovernmental revenues of \$241,790, and licenses and permits of \$197,870. General Fund expenditures increased by \$5,416,271, resulting primarily from increases in public safety expenditures of \$4,383,373, general government of \$915,928, and health of \$256,663, offset by a decrease in capital outlay expenditures of \$111,631.

The Road Fund, a major County fund, is used for various road projects within the County. During 2025, the fund experienced a decrease in revenues of \$96,074 and an overall decrease of \$283,226 in expenditures.

The Jail District Fund, also a major County fund, is used to report the activity of the County's jail facility. During 2025, the Fund's overall revenues increased by \$261,749, primarily due to increased tax revenues, while expenditures increased by \$365,623. The fund experienced an increase in fund balance of \$196,507, which led to a deficit fund balance of \$544,089 at year-end.

## Management's Discussion and Analysis - Continued

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### **Financial Analysis of the County's Funds - Continued**

The Coronavirus Recovery Fund recorded no intergovernmental revenues during the year, and \$608,175 in expenditures of the Local Assistance and Tribal Consistency Fund (LATCF). The fund is further discussed in the Economic Factors section on page 14 of this report.

Other Governmental funds had an increase in revenues totaling \$760,062, which was primarily due to increases in leases and intergovernmental revenues, offset by decreased charges for services. Expenditures increased by \$167,676.

The Golf Course Fund, a County enterprise fund, had an increase in revenues totaling \$63,912 due to an increase in golf fees earned. This resulted from an increase in the number of golf players during 2025. Meanwhile, expenses decreased by \$84,224 primarily due to decreased supply costs.

The Parks Fund, also a County enterprise fund, had an decrease in revenues totaling \$13,497 while expenses decreased by \$159,344. The decrease in expenses is primarily from decreased personnel services and utilities costs during the year.

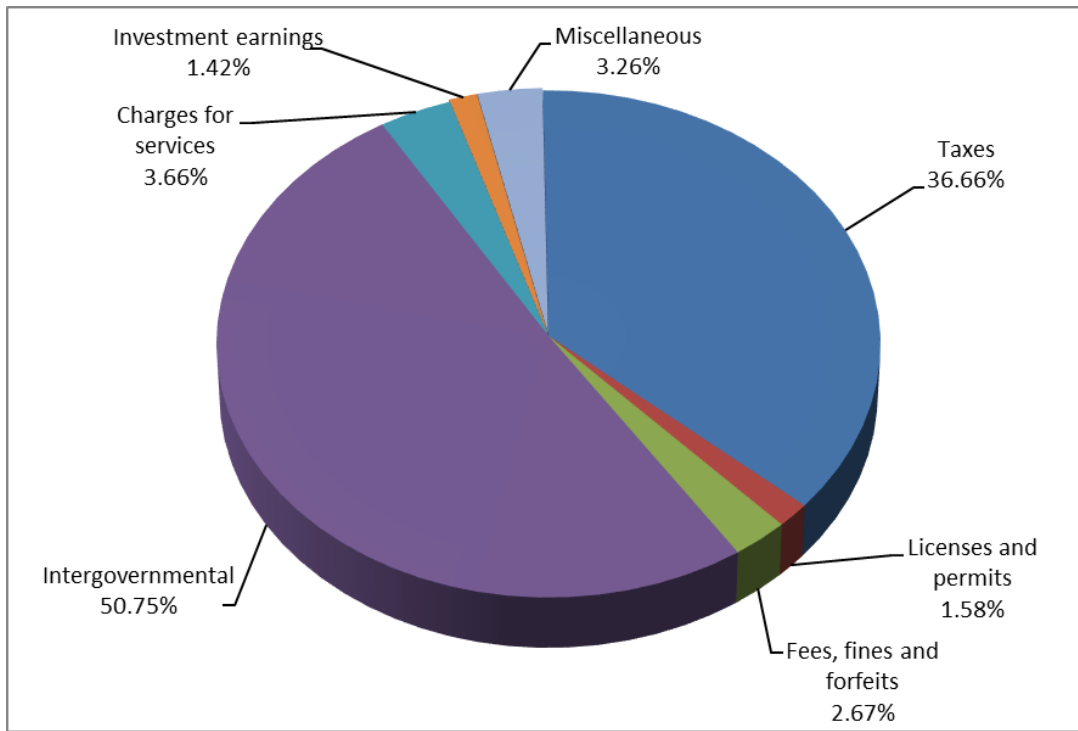
The Landfill Fund, also a County enterprise fund, had a decrease in revenues of \$319,321 due to a 35% decrease in payable tonnage, while expenses decreased by \$46,540.

The Solar Field Fund, also a County enterprise fund, had an increase in revenues totaling \$5,274,559, an increase in operating expenses of \$194,174 and incurred bond interest costs of \$166,592. Additional information on the fund's increased revenue can be found in Note 7 of the notes to the financial statements on page 42 of this report.

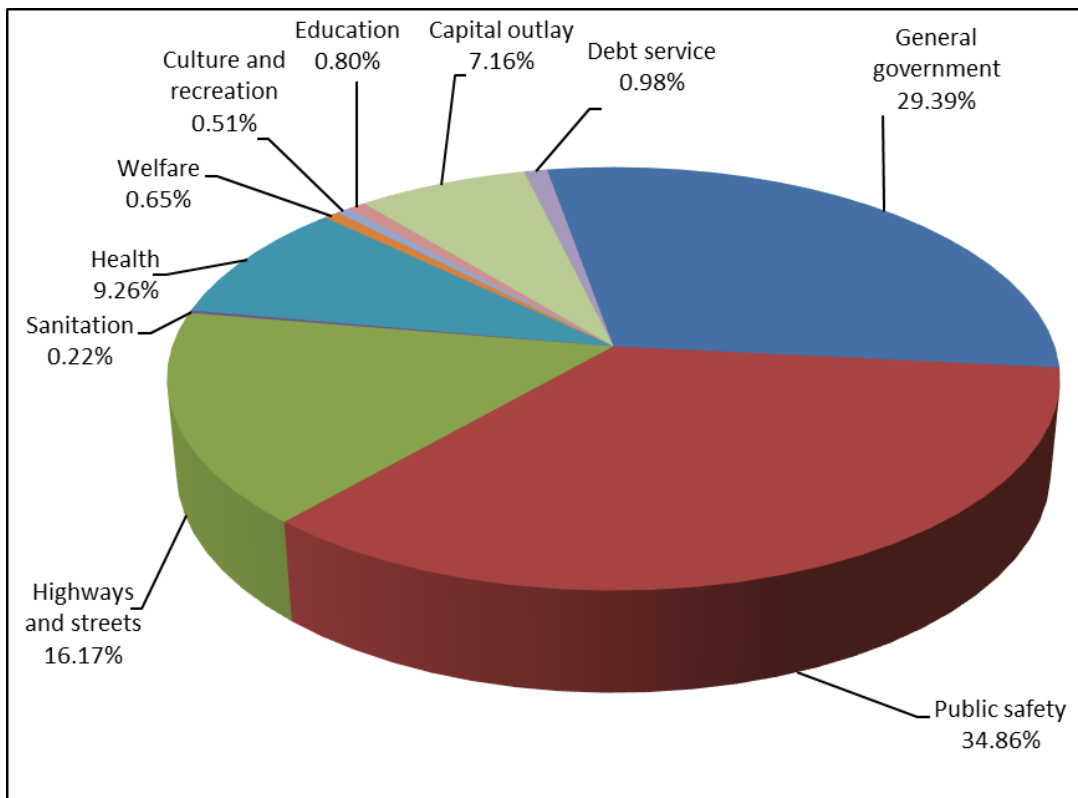
The following graphs present the amount of governmental revenues from various sources and expenditures by function:

## Management's Discussion and Analysis - Continued

### Financial Analysis of the County's Funds – Continued



The composition of revenues saw a decrease in intergovernmental revenue along with an increase in taxes.



## Management's Discussion and Analysis - Continued

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### **Financial Analysis of the County's Funds – Continued**

The composition of 2025 County expenditures changed for general government, which increased to 29.39% of total expenditures, public safety, which decreased to 34.86% of total expenditures, highways and streets, which increased to 16.17% of total expenditures, and health, which increased to 9.26% of total expenditures. Capital outlay decreased to 7.16% of total expenditures and debt service decreased to .98% of total expenditures.

### **General Fund Budgetary Highlights**

General Fund actual revenues were approximately \$0.7 million greater than the adopted budget, and actual expenditures were less than estimated expenditures by approximately \$0.8 million.

Taxes exceeded the budget amount by \$473,300 due to an increase in the assessed value base by 4.3%. Intergovernmental revenues were more than the budget amount by \$306,353, primarily due to greater than anticipated sales tax.

The following General Fund departments had variances in actual expenditures from their original (and final) budget by more than ten percent and \$20,000:

#### ***Budget versus actual variances***

- County attorney expenditures were \$217,254 below the budget due to lower than anticipated personnel costs.
- Elections expenditures were \$32,368 below budget due to lower than anticipated personnel costs.
- Human resources was \$63,807 below budget due to less than anticipated professional services.
- Finance was \$84,944 below the budget due to lower than anticipated personnel costs and professional services.
- Facilities management was \$90,384 below the budget due to utility costs being allocated to other departments.
- The Boat Patrol was \$145,103 below budget due to less than anticipated personnel costs.
- Indigent health expenditures exceeded the budget by \$38,011 due to expenditures for contributions to the Arizona Long-Term Care System that are netted against tax revenue in the budget
- The County long term care ALTCS exceeded the budget by \$990,200 due to expenditures for contributions to the Arizona Long-Term Care System that are netted against tax revenue in the budget.
- Chronically mentally ill expenditures were less than anticipated in the amount of \$181,275 due to resolution of a return to competency case.
- The health department was below budget by \$323,497 primarily due to certain salaries and related expenditures being recorded in other funds.

## Management's Discussion and Analysis - Continued

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### **General Fund Budgetary Highlights – Continued**

- Transfers in were \$2,030,978 less than budgeted due to planned transfers from the Solar Field fund and the Road fund that were not made and certain allowable expenditures being recorded in the LATCF grant fund.
- Transfers out were \$159,485 more than budgeted primarily due to Board-approved transfers to resolve special revenue deficit fund balance amounts in addition to the budgeted transfers.

### ***Budget Modifications***

There were various budget modifications during 2025, as detailed on pages 76-81 of this report.

### **Capital Assets and Debt Administration**

#### *Capital Assets*

The County's investment in capital assets as of June 30, 2025, totaled \$69.4 million (net of accumulated depreciation/amortization and related debt). This investment in capital assets includes land, water rights, gravel and dirt roads, construction in progress, golf course and land improvements, buildings and improvements, machinery and equipment, improvements other than buildings, infrastructure and intangible right-to use assets purchased, constructed or donated after July 1, 1982 (the year of the County's inception). The County's net investment in capital assets increased 0.79% from the prior period.

Additional information on the County's capital assets activity and balances can be found in Note 8 of the notes to the financial statements on pages 43-45 of this report.

#### *Long-Term Liabilities*

At June 30, 2025, the County had total long-term liabilities outstanding of \$30.3 million. This amount consists of \$3.8 million in bonds payable, lease payable of \$0.5 million, financed purchases of \$0.3 million, subscription liability of \$0.2 million, compensated absences payable of \$1.3 million, and \$24.2 million in net pension and other postemployment benefits liabilities.

Additional information on the County's long-term debt can be found in Note 9 of the notes to the financial statements on pages 45-49 of this report.

## Management's Discussion and Analysis - Continued

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### **Economic Factors**

The County's financial position improved significantly in 2025 due to various factors that have created opportunities, as follows:

- The County's General Fund had a slight decrease in fund balance during Fiscal Year 2025 due to transfers to other funds that exceeded transfers from other funds by \$0.5 million, as noted on page 13 of this report. The County continued to spend below budget and exceed budgeted revenues, which resulted in \$0.4 million excess revenues over expenditures.
- The County completed a land purchase in Fiscal Year 2020 that is a platform for several solar projects that are providing a reliable source of revenue. Additional information on the solar lease revenue can be found in Note 7 of the notes to the financial statements on page 42 of this report. Solar projects are anticipated to begin producing energy in Fiscal Year 2026, which will trigger increases in the lease revenue per the agreements with the producing lessees.
- The County received \$9.8 million from the Local Assistance and Tribal Consistency Fund (LATCF) in Fiscal Year 2024, which provided economic support as follows:
  - During 2025, the County provided funding of \$1.4 million to the Public Safety Personnel Retirement System (PSPRS) to reduce the unfunded pension liability, which will reduce the liability in 2026.
  - During 2025, the County transferred \$0.6 million of allowable general fund expenditures to the LATCF, which allowed the general fund to create a reserve fund.
- The County has taken into consideration the above economic factors in preparing future years' budgets.

### **Requests for Information**

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the La Paz County Finance Department, 1108 Joshua Avenue, Parker, Arizona 85344.

## **Basic Financial Statements**

**La Paz County**  
**Statement of Net Position**  
**June 30, 2025**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 28,208,403	\$ 4,144,279	\$ 32,352,682
Property taxes receivable	170,816	-	170,816
Internal balances	(1,779,678)	1,779,678	-
Due from others	1,409,488	73,764	1,483,252
Due from other governments	3,315,994	-	3,315,994
Lease receivable - current	11,576	-	11,576
Lease interest receivable	-	3,466,908	3,466,908
Cash and cash equivalents restricted for debt service	-	349,483	349,483
Prepaid items and other assets	303,112	23,449	326,561
Lease receivable - non-current	178,643	106,207,545	106,386,188
Net pension and other postemployment benefits assets	1,445,784	46,975	1,492,759
Capital assets, not being depreciated/amortized	44,363,164	4,157,126	48,520,290
Capital assets, being depreciated/amortized, net	24,512,253	1,150,421	25,662,674
Total assets	<u>102,139,555</u>	<u>121,399,628</u>	<u>223,539,183</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows related to pensions and other postemployment benefits	5,925,090	192,362	6,117,452
Total deferred outflows of resources	<u>5,925,090</u>	<u>192,362</u>	<u>6,117,452</u>
<b>Liabilities</b>			
Accounts payable	757,668	109,833	867,501
Accrued liabilities	1,003,820	63,838	1,067,658
Unearned revenue	2,715,822	938,098	3,653,920
Due to:			
Others	757,025	8,655	765,680
Other governments	12,063	-	12,063
Noncurrent liabilities:			
Due within one year	307,209	95,488	402,697
Due in more than one year	24,617,243	5,301,108	29,918,351
Total liabilities	<u>30,170,850</u>	<u>6,517,020</u>	<u>36,687,870</u>
<b>Deferred Inflows of Resources</b>			
Deferred inflows related to pensions and other postemployment benefits	1,633,824	102,406	1,736,230
Deferred inflows related to leases	181,909	101,314,362	101,496,271
Total deferred inflows of resources	<u>1,815,733</u>	<u>101,416,768</u>	<u>103,232,501</u>
<b>Net Position</b>			
Net investment in capital assets	68,081,627	1,280,772	69,362,399
Restricted for:			
Net other postemployment benefits asset	1,445,784	46,975	1,492,759
Highways and streets	10,004,989	-	10,004,989
Health and welfare	4,613,261	-	4,613,261
Judicial	1,256,282	-	1,256,282
Public safety	3,269,172	-	3,269,172
Debt service	1,010,060	349,483	1,359,543
Education	712,483	-	712,483
Other purposes	199,455	-	199,455
Unrestricted (deficit)	(14,515,051)	11,980,972	(2,534,079)
Total net position	<u>\$ 76,078,062</u>	<u>\$ 13,658,202</u>	<u>\$ 89,736,264</u>

See the accompanying notes to the financial statements.

**La Paz County**  
**Statement of Activities**  
**Year Ended June 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Primary government:</b>							
Governmental activities							
General government	\$ 10,841,431	\$ 2,282,189	\$ 501,229	\$ -	\$ (8,058,013)	\$ -	\$ (8,058,013)
Public safety	12,013,312	499,708	3,473,309	-	(8,040,295)	-	(8,040,295)
Highways and streets	7,696,078	-	1,244,261	6,376,124	(75,693)	-	(75,693)
Health	3,745,083	183,129	2,049,144	-	(1,512,810)	-	(1,512,810)
Welfare	263,915	-	247	-	(263,668)	-	(263,668)
Sanitation	84,197	-	90,110	-	5,913	-	5,913
Culture and recreation	264,425	13,217	25,000	-	(226,208)	-	(226,208)
Education	316,167	18,134	60,923	-	(237,110)	-	(237,110)
Interest on long-term debt	28,675	-	-	-	(28,675)	-	(28,675)
Total governmental activities	<u>35,253,283</u>	<u>2,996,377</u>	<u>7,444,223</u>	<u>6,376,124</u>	<u>(18,436,559)</u>	<u>-</u>	<u>(18,436,559)</u>
Business-type activities							
Golf course	1,696,489	2,045,140	-	-	-	348,651	348,651
Parks	1,175,270	1,197,804	-	-	-	22,534	22,534
Landfill	25,032	599,460	-	-	-	574,428	574,428
Solar Field	597,094	7,512,261	-	-	-	6,915,167	6,915,167
Total business-type activities	<u>3,493,885</u>	<u>11,354,665</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,860,780</u>	<u>7,860,780</u>
Total primary government	<u>\$ 38,747,168</u>	<u>\$ 14,351,042</u>	<u>\$ 7,444,223</u>	<u>\$ 6,376,124</u>	<u>(18,436,559)</u>	<u>7,860,780</u>	<u>(10,575,779)</u>
<b>General revenues:</b>							
Property taxes, levied for general purposes					6,750,393	-	6,750,393
Property taxes, levied for special districts					22,932	-	22,932
Excise tax					5,366,410	-	5,366,410
Payments in lieu of taxes					2,297,060	-	2,297,060
Share of state sales taxes					3,853,673	-	3,853,673
Vehicle license tax					1,112,324	-	1,112,324
State appropriation					550,050	-	550,050
Contributions not restricted to specific programs					836,759	-	836,759
Investment earnings					535,536	-	535,536
Miscellaneous					531,197	8,764	539,961
Transfers, net					2,148,312	(2,148,312)	-
Total general revenues and transfers					<u>24,004,646</u>	<u>(2,139,548)</u>	<u>21,865,098</u>
Changes in net position					5,568,087	5,721,232	11,289,319
Net position - June 30, 2024, as originally reported					71,159,226	8,017,829	79,177,055
Aggregate amount of adjustments to and restatements of beginning net position					<u>(649,251)</u>	<u>(80,859)</u>	<u>(730,110)</u>
Net position - June 30, 2024, as restated					<u>70,509,975</u>	<u>7,936,970</u>	<u>78,446,945</u>
Net position - June 30, 2025					<u>\$ 76,078,062</u>	<u>\$ 13,658,202</u>	<u>\$ 89,736,264</u>

See the accompanying notes to the financial statements.

**La Paz County  
Balance Sheet  
Governmental Funds  
June 30, 2025**

	<b>Major Funds</b>					
	<b>General Fund</b>	<b>Road Fund</b>	<b>Jail District Fund</b>	<b>Coronavirus Recovery Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>						
Cash and cash equivalents	\$ 11,089,567	\$ 9,223,036	\$ 154,333	\$ -	\$ 7,741,467	\$ 28,208,403
Property tax receivable	169,925	-	-	-	891	170,816
Due from:						
Others	368,251	14,623	37,050	-	989,564	1,409,488
Other governments	468,162	644,173	225,444	-	1,978,215	3,315,994
Leases	190,219	-	-	-	-	190,219
Other funds	783,763	-	-	-	29,495	813,258
Prepaid items and other assets	67,857	220,916	-	-	14,339	303,112
Total assets	<u>\$ 13,137,744</u>	<u>\$ 10,102,748</u>	<u>\$ 416,827</u>	<u>\$ -</u>	<u>\$ 10,753,971</u>	<u>\$ 34,411,290</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 473,898	\$ 27,429	\$ 59,284	\$ -	\$ 197,057	\$ 757,668
Accrued liabilities	727,970	69,200	118,263	-	88,387	1,003,820
Unearned revenue	-	-	-	-	2,715,822	2,715,822
Due to:						
Others	617,006	1,133	132,183	-	6,703	757,025
Other governments	-	-	-	-	12,063	12,063
Other funds	1,809,173	-	651,186	-	132,577	2,592,936
Total liabilities	<u>3,628,047</u>	<u>97,762</u>	<u>960,916</u>	<u>-</u>	<u>3,152,609</u>	<u>7,839,334</u>
<b>Deferred inflows of resources:</b>						
<b>Unavailable revenues:</b>						
Property taxes	123,116	-	-	-	824	123,940
Grants and contracts	-	-	-	-	1,745,292	1,745,292
Settlements	-	-	-	-	936,849	936,849
Deferred inflows related to leases	181,909	-	-	-	-	181,909
Total deferred inflows of resources	<u>305,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,682,965</u>	<u>2,987,990</u>
<b>Fund balances:</b>						
<b>Nonspendable:</b>						
Prepaid items and other assets	67,857	220,916	-	-	14,339	303,112
Restricted	1,010,060	9,784,070	-	-	7,595,541	18,389,671
Committed	4,648,312	-	-	-	967,578	5,615,890
Unassigned (deficit)	3,478,443	-	(544,089)	-	(3,659,061)	(724,707)
Total fund balances (deficit)	<u>9,204,672</u>	<u>10,004,986</u>	<u>(544,089)</u>	<u>-</u>	<u>4,918,397</u>	<u>23,583,966</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,137,744</u>	<u>\$ 10,102,748</u>	<u>\$ 416,827</u>	<u>\$ -</u>	<u>\$ 10,753,971</u>	<u>\$ 34,411,290</u>

See the accompanying notes to the financial statements.

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

Fund balances—total governmental funds	\$	23,583,966
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$ 141,267,223 and the accumulated depreciation/amortization is \$ 72,391,806.		68,875,417
Net pension and other postemployment benefits assets are not reported in the governmental funds.		1,445,784
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.		2,806,081
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
Obligations under financed purchases of capital assets	\$ (302,348)	
Leases payable	(261,554)	
Subscription based information technology arrangements liability	(229,888)	
Compensated absences payable	(1,110,318)	
Net pension and other postemployment benefits liabilities	<u>(23,020,344)</u>	(24,924,452)
Deferred outflows and inflows of resources related to pensions/OPEB and deferred charges related to bond refunding are applicable to future reporting periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions/OPEB	5,925,090	
Deferred inflows of resources related to pensions/OPEB	<u>(1,633,824)</u>	<u>4,291,266</u>
Net position of governmental activities	\$	<u><u>76,078,062</u></u>

See the accompanying notes to the financial statements.

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

	<b>Major Funds</b>						<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Road Fund</b>	<b>Jail District Fund</b>	<b>Coronavirus Recovery Fund</b>	<b>Opioid Settlement Fund</b>	<b>Other Governmental Funds</b>	
<b>Revenues:</b>							
Taxes	\$ 10,559,639	\$ 610,260	\$ 2,676,255	\$ -	\$ -	\$ 22,931	\$ 13,869,085
Licenses and permits	598,601	-	-	-	-	-	598,601
Fees, fines and forfeits	1,001,299	-	-	-	-	9,773	1,011,072
Intergovernmental	7,415,275	6,376,124	-	-	-	5,410,458	19,201,857
Charges for services	630,347	-	367,181	-	-	389,176	1,386,704
Investment earnings	235,962	188,836	-	11,901	-	98,837	535,536
Lease and other revenues	338,558	27,802	-	-	-	866,121	1,232,481
Total revenues	<u>20,779,681</u>	<u>7,203,022</u>	<u>3,043,436</u>	<u>11,901</u>	<u>-</u>	<u>6,797,296</u>	<u>37,835,336</u>
<b>Expenditures:</b>							
Current:							
General government	10,093,592	-	-	-	-	1,428,247	11,521,839
Public safety	6,922,825	-	4,070,060	608,175	-	2,066,815	13,667,875
Highways and streets	-	6,341,496	-	-	-	-	6,341,496
Health	2,355,559	-	-	-	-	1,275,618	3,631,177
Welfare	256,171	-	-	-	-	-	256,171
Sanitation	-	-	-	-	-	84,000	84,000
Culture and recreation	150,556	-	-	-	-	49,715	200,271
Education	272,101	-	-	-	-	42,312	314,413
Capital outlay	194,735	1,133,879	60,276	-	-	1,418,823	2,807,713
Debt service:							
Principal	123,540	20,385	-	-	-	206,152	350,077
Interest and other fiscal charges	18,014	1,335	232	-	-	12,272	31,853
Total expenditures	<u>20,387,093</u>	<u>7,497,095</u>	<u>4,130,568</u>	<u>608,175</u>	<u>-</u>	<u>6,583,954</u>	<u>39,206,885</u>
Excess (deficiency) of revenues over expenditures	392,588	(294,073)	(1,087,132)	(596,274)	-	213,342	(1,371,549)
<b>Other financing sources (uses):</b>							
Subscription-based information technology arrangements	-	61,089	-	-	-	-	61,089
Sale of capital assets	19,152	98,797	-	-	-	-	117,949
Transfers in	2,148,312	-	1,283,639	-	-	1,386,147	4,818,098
Transfers out	(2,669,786)	-	-	-	-	-	(2,669,786)
Total other financing sources (uses)	<u>(502,322)</u>	<u>159,886</u>	<u>1,283,639</u>	<u>-</u>	<u>-</u>	<u>1,386,147</u>	<u>2,327,350</u>
Net change in fund balances	(109,734)	(134,187)	196,507	(596,274)	-	1,599,489	955,801
Fund balances (deficit), July 1, 2024	9,314,406	10,161,296	(740,596)	596,274	334,990	2,983,918	22,650,288
Aggregate amount of adjustments to and restatements of beginning fund balances	-	-	-	-	(334,990)	334,990	-
Fund balances (deficit), July 1, 2024, as restated	9,314,406	10,161,296	(740,596)	596,274	-	3,318,908	22,650,288
Changes in nonspendable resources							
Decrease in inventories	-	(22,123)	-	-	-	-	(22,123)
Fund balances (deficit), June 30, 2025	<u>\$ 9,204,672</u>	<u>\$ 10,004,986</u>	<u>\$ (544,089)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,918,397</u>	<u>\$ 23,583,966</u>

See the accompanying notes to the financial statements.

**La Paz 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 balances - total governmental funds	\$	955,801
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.		
Expenditures for general capital assets	\$ 2,807,713	
Depreciation/amortization expense of capital assets	<u>(2,569,445)</u>	238,268
Collections of property tax revenues in the governmental funds exceeded revenues reported in the Statement of Activities.		
		(6,766)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, including the change in deferred inflows of resources related to grants and contracts and settlements revenues.		
		726,540
Repayment of debt principal is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:		
Bonds payable	64,305	
Obligations under financed purchases	112,629	
Obligations under leases payable	94,672	
Payment on subscription based information technology arrangements	<u>78,471</u>	350,077
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.		
County pension/OPEB contributions	4,966,331	
County's proportionate share of the State's appropriation to EORP	129,814	
Pension/OPEB expense	<u>(2,100,828)</u>	2,995,317
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Subscription based information technology arrangements incurred	<u>(61,089)</u>	(61,089)
Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Net decrease in compensated absences	388,884	
Decrease in interest accrued on debt obligations	<u>3,178</u>	392,062
Some cash outlays, such as purchases of inventories, are reported as expenditures in the governmental funds when purchased. In the statement of activities, however, they are reported as expenses when consumed.		
Decrease in inventories		<u>(22,123)</u>
Change in net position of governmental activities	\$	<u><u>5,568,087</u></u>

See the accompanying notes to the financial statements.

**La Paz County  
Statement of Net Position  
Proprietary Funds  
June 30, 2025**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Total Enterprise Funds</b>
	<b>Golf Course Fund</b>	<b>Parks Fund</b>	<b>Landfill Fund</b>	<b>Solar Field Fund</b>	
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 1,463,090	\$ 427,167	\$ 455,646	\$ 1,798,376	\$ 4,144,279
Prepaid and other items	23,449	-	-	-	23,449
Due from others	-	-	73,764	-	73,764
Lease interest receivable	-	-	-	3,466,908	3,466,908
Due from other funds	-	-	998,040	781,638	1,779,678
Noncurrent assets:					
Restricted cash and cash equivalents	-	-	-	349,483	349,483
Leases receivable	-	-	-	106,207,545	106,207,545
Net other postemployment benefits asset	26,548	20,427	-	-	46,975
Capital assets, not being depreciated/amortized	-	7,126	-	4,150,000	4,157,126
Capital assets, being depreciated/amortized, net	353,931	439,784	356,706	-	1,150,421
Total assets	1,867,018	894,504	1,884,156	116,753,950	121,399,628
<b>Deferred Outflows</b>					
Deferred outflows related to pensions and other postemployment benefits	108,766	83,596	-	-	192,362
Total deferred outflows	108,766	83,596	-	-	192,362
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	32,570	38,529	-	38,734	109,833
Accrued payroll and employee benefits	37,188	26,650	-	-	63,838
Unearned revenue	-	-	875,000	63,098	938,098
Due to others	37	8,618	-	-	8,655
Leases payable, current portion	75,154	-	-	-	75,154
Compensated absences payable, current portion	9,969	10,365	-	-	20,334
Total current liabilities	154,918	84,162	875,000	101,832	1,215,912
Noncurrent liabilities:					
Compensated absences payable, net of current portion	61,240	63,670	-	-	124,910
Net pension and other postemployment benefits liability	692,406	532,171	-	-	1,224,577
Leases payable, net of current portion	136,621	-	-	-	136,621
Bonds payable	-	-	-	3,815,000	3,815,000
Total liabilities	1,045,185	680,003	875,000	3,916,832	6,517,020
<b>Deferred Inflows</b>					
Deferred inflows related to pensions and other postemployment benefits	57,900	349,483	-	-	407,383
Deferred inflows related to leases	-	44,506	-	-	44,506
Total deferred inflows	57,900	393,989	-	101,314,362	101,416,768
<b>Net Position</b>					
Net investment in capital assets	142,156	446,910	356,706	335,000	1,280,772
Restricted for:					
Net other postemployment benefits asset	26,548	20,427	-	-	46,975
Debt service	-	-	-	349,483	349,483
Unrestricted (deficit)	703,995	(213,746)	652,450	10,838,273	11,980,972
Total net position	\$ 872,699	\$ 253,591	\$ 1,009,156	\$ 11,522,756	\$ 13,658,202

See the accompanying notes to the financial statements.

**La Paz County**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**Year Ended June 30, 2025**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Total Enterprise Funds</b>
	<b>Golf Course Fund</b>	<b>Parks Fund</b>	<b>Landfill Fund</b>	<b>Solar Field Fund</b>	
<b>Operating revenues:</b>					
Fees	\$ 2,045,140	\$ 1,197,804	\$ 570,326	\$ 840,163	\$ 4,653,433
Lease revenue	-	-	-	3,019,557	3,019,557
Interest revenue	-	-	29,134	3,652,541	3,681,675
Other revenue	2,518	6,246	-	-	8,764
Total operating revenues	<u>2,047,658</u>	<u>1,204,050</u>	<u>599,460</u>	<u>7,512,261</u>	<u>11,363,429</u>
<b>Operating expenses:</b>					
Personnel services	898,551	566,995	-	-	1,465,546
Professional services	28,911	13,672	-	430,502	473,085
Supplies	455,830	193,814	-	-	649,644
Communications	26,249	36,323	-	-	62,572
Utilities	60,622	297,400	-	-	358,022
Repairs and maintenance	116,148	10,576	-	-	126,724
Depreciation and amortization	90,948	56,490	25,032	-	172,470
Other	19,210	-	-	-	19,210
Total operating expenses	<u>1,696,469</u>	<u>1,175,270</u>	<u>25,032</u>	<u>430,502</u>	<u>3,327,273</u>
Operating income	351,189	28,780	574,428	7,081,759	8,036,156
<b>Nonoperating revenues (expenses):</b>					
Interest expense	(20)	-	-	(166,592)	(166,612)
Total nonoperating revenues (expenses)	(20)	-	-	(166,592)	(166,612)
Transfers out	-	-	(2,148,312)	-	(2,148,312)
Increase (decrease) in net position	351,169	28,780	(1,573,884)	6,915,167	5,721,232
Net position, July 1, 2024	556,276	270,924	2,583,040	4,607,589	8,017,829
Aggregate amount of adjustments to and restatements of beginning net position	(34,746)	(46,113)	-	-	(80,859)
Net position, July 1, 2024, as restated	<u>521,530</u>	<u>224,811</u>	<u>2,583,040</u>	<u>4,607,589</u>	<u>7,936,970</u>
Net position, June 30, 2025	<u>\$ 872,699</u>	<u>\$ 253,591</u>	<u>\$ 1,009,156</u>	<u>\$ 11,522,756</u>	<u>\$ 13,658,202</u>

See the accompanying notes to the financial statements.

**La Paz County**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended June 30, 2025**

	<b>Business-Type Activities -</b>				<b>Total</b>
	<b>Enterprise Funds</b>				
	<b>Golf</b>	<b>Parks</b>	<b>Landfill</b>	<b>Solar Field</b>	<b>Enterprise</b>
	<b>Course Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Funds</b>
<b>Cash flows from operating activities:</b>					
Receipts from customers	\$ 2,047,658	\$ 1,213,906	\$ 472,658	\$ 2,536,989	\$ 6,271,211
Payments to suppliers and providers of goods and services	(739,494)	(592,112)	-	(434,487)	(1,766,093)
Payments for employee wages and benefits	(911,396)	(618,478)	-	-	(1,529,874)
Net cash provided by operating activities	396,768	3,316	472,658	2,102,502	2,975,244
<b>Cash flows from noncapital financing activities:</b>					
Cash transfers to other funds	-	-	(2,148,312)	-	(2,148,312)
Net cash used for noncapital financing activities	-	-	(2,148,312)	-	(2,148,312)
<b>Cash flows from capital and related financing activities:</b>					
Principal payments on revenue bonds	-	-	-	(180,000)	(180,000)
Interest paid on revenue bonds	-	-	-	(166,592)	(166,592)
Interest paid on right of use lease liability	(20)	-	-	-	(20)
Principal paid on right of use lease liability	(75,153)	-	-	-	(75,153)
Net cash used for capital and related financing activities	(75,173)	-	-	(346,592)	(421,765)
Net change in cash and cash equivalents	321,595	3,316	(1,675,654)	1,755,910	405,167
Cash and cash equivalents, July 1, 2024	1,141,495	423,851	2,131,300	391,949	4,088,595
Cash and cash equivalents, June 30, 2025	<u>\$ 1,463,090</u>	<u>\$ 427,167</u>	<u>\$ 455,646</u>	<u>\$ 2,147,859</u>	<u>\$ 4,493,762</u>
<b>Cash and cash equivalents are reported on the statement of net position - proprietary funds according to the following classifications</b>					
Cash and cash equivalents	\$ 1,463,090	\$ 427,167	\$ 455,646	\$ 1,798,376	\$ 4,144,279
Restricted cash and cash equivalents	-	-	-	349,483	349,483
Total cash and cash equivalents	<u>\$ 1,463,090</u>	<u>\$ 427,167</u>	<u>\$ 455,646</u>	<u>\$ 2,147,859</u>	<u>\$ 4,493,762</u>

See the accompanying notes to the financial statements.

**La Paz County**  
**Statement of Cash Flows - Continued**  
**Proprietary Funds**  
**Year Ended June 30, 2025**

	<b>Business-Type Activities -</b>				<b>Total</b>
	<b>Enterprise Funds</b>				
	<b>Golf</b>	<b>Parks</b>	<b>Landfill</b>	<b>Solar Field</b>	<b>Enterprise</b>
	<b>Course Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Funds</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>					
Operating income	\$ 351,189	\$ 28,780	\$ 574,428	\$ 7,081,759	\$ 8,036,156
<i>Adjustments to reconcile operating income to net cash provided by operating activities:</i>					
Depreciation/amortization	90,948	56,490	25,032	-	172,470
Changes in assets, deferred outflows and inflows of resources and liabilities:					
Decrease (increase) in:					
Prepaid and other items	1,667	-	-	-	1,667
Due from others	-	6,441	(26,802)	45,000	24,639
Due from other funds	-	-	-	522	522
Lease interest receivable	-	-	-	(1,956,266)	(1,956,266)
Lease receivable	-	-	-	(82,690,212)	(82,690,212)
Net pension and other postemployment benefits asset	(4,647)	(2,002)	-	-	(6,649)
Deferred outflows of resources related to pensions and other postemployment benefits	(25,618)	(13,595)	-	-	(39,213)
Increase (decrease) in:					
Accounts payable	(34,296)	(40,327)	-	(3,985)	(78,608)
Accrued payroll and employee benefits	105	1,890	-	-	1,995
Unearned revenue	-	-	(100,000)	-	(100,000)
Due to others	-	3,415	-	-	3,415
Net pension and other postemployment benefits liability	50,556	(8,168)	-	-	42,388
Deferred inflows of resources related to pensions and other postemployment benefits	(3,063)	(6,814)	-	-	(9,877)
Deferred inflows of resources related to leases	-	-	-	79,625,684	79,625,684
Compensated absences payable	(30,073)	(22,794)	-	-	(52,867)
Net cash provided by operating activities	<u>\$ 396,768</u>	<u>\$ 3,316</u>	<u>\$ 472,658</u>	<u>\$ 2,102,502</u>	<u>\$ 2,975,244</u>

See the accompanying notes to the financial statements.

**La Paz County**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2025**

	<b>Private Purpose Trust Fund</b>	<b>Custodial Funds</b>		<b>Total Fiduciary Funds</b>
		<b>External Investment Pool</b>	<b>Other Custodial</b>	
<b>Assets</b>				
Cash and investments	\$ 169,841	\$ 35,337,269	\$ 1,379,402	\$ 36,886,512
Property taxes receivable	-	-	592,001	592,001
Total assets	<u>169,841</u>	<u>35,337,269</u>	<u>1,971,403</u>	<u>37,478,513</u>
<b>Net Position</b>				
Restricted for:				
Pool participants	-	35,337,269	-	35,337,269
Individuals, organizations and other governments	<u>169,841</u>	<u>-</u>	<u>1,971,403</u>	<u>2,141,244</u>
Total net position	<u>\$ 169,841</u>	<u>\$ 35,337,269</u>	<u>\$ 1,971,403</u>	<u>\$ 37,478,513</u>

See the accompanying notes to the financial statements.

**La Paz County**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Year Ended June 30, 2025**

	Private Purpose Trust Fund	Custodial		Total Fiduciary Funds
		External Investment Pool	Other Custodial	
<b>Additions:</b>				
Contributions from pool participants	\$ -	\$ 63,058,630	\$ -	\$ 63,058,630
Property tax collections for other governments			22,744,817	22,744,817
Investment earnings		1,367,011	42,978	1,409,989
Other	458,065		3,181,188	3,639,253
Total additions	458,065	64,425,641	25,968,983	90,852,689
<b>Deductions:</b>				
Distributions to pool participants	-	61,903,654	-	61,903,654
Property tax distributions to other governments	-	-	22,774,692	22,774,692
Other	1,428,172	-	3,180,311	4,608,483
Total deductions	1,428,172	61,903,654	25,955,003	89,286,829
Net increase (decrease) in fiduciary net position	(970,107)	2,521,987	13,980	1,565,860
Net position, July 1, 2024	1,139,948	32,815,282	1,957,423	35,912,653
Net position, June 30, 2025	\$ 169,841	\$ 35,337,269	\$ 1,971,403	\$ 37,478,513

See the accompanying notes to the financial statements.

**La Paz County**  
**Notes to the Financial Statements**  
**Year Ended June 30, 2025**

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**Note 1 - Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies**

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

Effective for the fiscal year ended June 30, 2025, the County implemented the provisions of GASB Statement No. 101 (“GASB 101”), *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Implementation of GASB 101 resulted in a change in accounting principle that requires restatement of beginning net position balance for the earliest period presented. See Note 2 for the cumulative effect of adopting this standard.

During the fiscal year ended June 30, 2025, the County also implemented the provisions of GASB Statement No. 102, *Certain Risk Disclosures*. This statement requires governments to disclose certain risks that could affect the provision of services or the ability to meet obligations as they come due, including vulnerabilities due to concentrations or constraints. The implementation of this standard did not have a material impact on the County’s financial statements or related note disclosures.

The County’s significant accounting policies are described below:

***A. Reporting Entity***

The County is a general-purpose local government located in southwestern Arizona that was established in 1983. It is governed by a separately elected board of three county supervisors. The accompanying financial statements present the activities of the County (the primary government) and its component units.

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

**Notes to the Financial Statements - Continued**

**Note 1 - Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies**  
**- Continued**

The following table describes the County’s component units:

<b>Component Unit</b>	<b>Description; Criteria for Inclusion</b>	<b>Reporting Method</b>	<b>Separate Financial Statements</b>
Jail District	A tax-levying public improvement district that acquires, constructs, operates, maintains, and finances county jails and jail systems pursuant to Arizona Revised Statutes; All budgetary and operational activities are administered by the La Paz County Board of Supervisors and meet the criteria for a blended component unit.	Blended	Not available
Various Street Lighting Districts	Operates and maintains street lighting in areas outside local city jurisdictions; All budgetary and operational activities are administered by the La Paz County Board of Supervisors and meet the criteria for a blended component unit.	Blended	Not available

**Related Organization:**

The Industrial Development Authority of La Paz County (Authority) is a legally separate entity that was created to assist in the financing of commercial and industrial enterprises. The Authority fulfills its function through the issuance of tax exempt or taxable revenue bonds. The County's Board of Supervisors appoints the Authority's Board of Directors. The Authority's operations are completely separate from the County and the County is not financially accountable for the Authority. Therefore, the financial activities of the Authority have not been included in the accompanying financial statements.

**B. Basis of Presentation**

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

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

## Notes to the Financial Statements - Continued

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### **Note 1 - Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies** **- Continued**

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

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

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

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

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

Proprietary fund revenues 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 golf course fees, in which each party receives and gives up essentially equal values, are operating revenues. Nonoperating revenues, such as investment earnings, result from transactions in which the parties do not exchange equal values. Operating expenses include the cost of services, administrative expenses, and depreciation/amortization on capital assets. Other expenses, such as interest expense, are considered to be nonoperating expenses.

The County reports the following major governmental funds:

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

The *Road Fund*, a special revenue fund, accounts for monies from Highway User Revenue Fund and Vehicle License Tax that are restricted for road maintenance and operations, pavement preservation, and fleet services.

## Notes to the Financial Statements - Continued

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### **Note 1 - Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies** **- Continued**

The *Jail District Fund* was established by La Paz County resolution §89-5845 under the authority of Article 1, Chapter 25, and Title 48, of the Arizona Revised Statutes on November 20, 1989. On June 18, 1990, the Jail District Board of Directors adopted Resolution JD90-12, under the authority of Arizona Revised Statutes §48-4022, establishing a one-half cent excise sales tax effective January 1, 1991, through perpetuity. The Jail District Fund accounts for monies received from excise sales tax revenue that is restricted for debt service, maintenance of effort payments received from the County General Fund and charges for services for prisoner incarceration. The monies are expended for the operating expenditures of the County's jail.

The *Coronavirus Recovery Fund*, a special revenue fund, accounts for monies from the U.S. Department of the Treasury that are restricted for COVID-19 related recovery activities. During the year, the County expended the balance of the Local Assistance and Tribal Consistency Fund for public safety payroll.

The County reports the following major enterprise funds:

The *Golf Course Fund* accounts for the activities and related operations and maintenance of an 18 hole golf course and pro-shop.

The *Parks Fund* accounts for the activities and related operations and maintenance of the County's six public parks.

The *Landfill Fund* accounts for the County's share of the activities and related operations and maintenance of the County landfill and eight transfer stations.

The *Solar Field Fund* accounts for the activities and related operations and maintenance of County land that is leased to a solar energy field developer.

The County reports the following fiduciary fund types:

The fiduciary funds consist of private-purpose trust funds, 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.

## Notes to the Financial Statements - Continued

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### **Note 1 - Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies** **- Continued**

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

#### ***D. Cash and Investments***

For purposes of its statement of cash flows, the County's cash equivalents are considered to be cash on hand, demand deposits, cash and investments held by the County Treasurer, investments in the State Treasurer's local government investment pool, and only those highly liquid investments with a maturity of 3 months or less when purchased.

All investments are stated at fair value.

## Notes to the Financial Statements - Continued

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### **Note 1 - Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies** **- Continued**

#### ***E. Inventories***

Inventories in the government-wide and proprietary funds' financial statements are recorded as assets when purchased and expensed when consumed. The County accounts for its inventories in the governmental funds using the purchase method. Inventories of the governmental funds consist of expendable supplies held for consumption and are recorded as expenditures at the time of purchase.

Amounts on hand at year-end are shown on the balance sheet as an asset for informational purposes only and as nonspendable fund balance to indicate that they do not constitute "available spendable resources."

#### ***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.

#### ***G. Capital Assets***

Capital assets are reported at actual cost. Donated assets are reported at estimated 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 reported in the government-wide statements and enterprise funds are as follows:

**Notes to the Financial Statements - Continued**

**Note 1 - Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies**  
**- Continued**

	<b>Capitalization Threshold</b>	<b>Depreciation/ Amortization Method</b>	<b>Estimated Useful Life</b>
Land	All	N/A	N/A
Water rights	All	N/A	N/A
Gravel and dirt roads	All	N/A	N/A
Infrastructure	\$ 10,000	Straight-line	20-75 years
Land improvements	All	Straight-line	7-30 years
Buildings and improvements	\$ 10,000	Straight-line	25-50 years
Improvements other than buildings	\$ 5,000	Straight-line	7-30 years
Machinery and equipment	\$ 5,000	Straight-line	5-20 years
Golf course and improvements	\$ 5,000	Straight-line	30 years
Right-to-use subscription assets	\$ 25,000	Straight-line	Varies
Right-to-use lease assets:			
Infrastructure	\$ 25,000	Straight-line	Varies
Equipment	\$ 25,000	Straight-line	Varies

Unlike paved roads, gravel and dirt roads are not depreciated since once they are placed in operation, only annual maintenance is required to keep them operational for an indefinite period.

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) assets and 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.

## Notes to the Financial Statements - Continued

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### **Note 1 - Reporting Entity, Basis of Presentation and 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 includes committed, assigned, and unassigned fund balance classifications.

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

The unrestricted fund balance category is composed of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations that the County's Board of Supervisors approved, which is the highest level of decision-making authority within the County. The constraints placed on committed fund balances can only be removed or changed by the Board in a public meeting.

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, Elected Officials and the Finance Director to make the assignments of resources for specific purposes pursuant to resolution by the Board in a public meeting.

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 balance, it is the County's policy to use the restricted fund balance first. It is the County's policy to use committed amounts first when disbursing unrestricted fund balance, followed by assigned amounts, and lastly unassigned amounts.

#### ***J. Investment earnings***

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

#### ***K. Compensated Absences***

Compensated absences payable consist of vacation leave, compensatory leave and a calculated amount of sick leave earned by employees based on services already rendered. The liability for compensated absences includes salary-related benefits, as applicable.

## Notes to the Financial Statements - Continued

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### **Note 1 - Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies** **- Continued**

The County also offers administrative leave, bereavement leave, jury duty leave and military leave, which collectively are insignificant to the County and are not included in the liability for compensated absences.

The County recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment.

Employees may accumulate up to 320 hours of vacation depending on years of service, but any vacation hours in excess of the maximum amount that are unused at year end are forfeited. Upon termination of employment, the County pays all unused and unforfeited vacation benefits to employees. Accordingly, vacation benefits are accrued as a liability in the government-wide and proprietary funds' financial statements. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured, for example, as a result of employee terminations by fiscal year-end.

Employees may accumulate up to 480 hours of compensatory time off in lieu of cash overtime. Upon termination of employment, the County pays all unused compensatory time benefits to employees. Accordingly, compensatory time benefits are accrued as a liability in the government-wide and proprietary funds' financial statements. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured, for example, as a result of employee terminations by fiscal year-end.

Employees may accumulate an unlimited number of sick leave hours. Generally, sick leave benefits provide for ordinary sick pay and are cumulative but are forfeited upon termination of employment. However, employees who accumulate unused sick leave in excess of 384 hours are paid a percentage of the excess unused sick leave based on the number of years of consecutive service with the County; therefore, the excess sick leave is accrued in the government-wide and proprietary funds' financial statements. Additionally, a liability for the estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences in the government-wide and proprietary funds' financial statements. The estimate is based on a five-year historical analysis of sick leave used as a percentage of the accrual. A liability for these amounts is reported in the governmental funds' financial statements only for employees who have terminated their employment by fiscal year-end.

#### ***L. Leases and subscription-based information technology arrangements***

##### **Leases**

As lessee, the County recognizes lease liabilities with an initial, individual value of \$25,000 or more. 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 County's weighted average borrowing rate of non-lease indebtedness during the year of lease inception.

**Notes to the Financial Statements - Continued**

**Note 1 - Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies – Continued**

As lessor, the County recognizes lease receivables with an initial, individual value of \$25,000 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 calculated as described above.

**Subscription-based information technology arrangements**

The County recognizes subscription liabilities with an initial, individual value of \$25,000 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 calculated as described for leases on the previous page.

**Note 2 – Accounting Changes**

**Restatement of beginning balances**

During fiscal year 2025, accounting changes resulted in adjustments to and restatements of beginning net position and/or fund balance, as follows:

	Net position/ fund balance June 30, 2024, as previously reported	Change in accounting principle	Change to or within the reporting entity	Net position/ fund balance July 1, 2024, as restated
<b>Government-wide</b>				
Governmental activities	\$ 71,159,226	\$ (649,251)	\$ -	\$ 70,509,975
Business-type activities	8,017,829	(80,859)	-	7,936,970
<b>Total primary government</b>	<b>\$ 79,177,055</b>	<b>\$ (730,110)</b>	<b>\$ -</b>	<b>\$ 78,446,945</b>
<b>Governmental funds</b>				
<b>Major funds:</b>				
Opioid settlement fund	\$ 334,990	\$ -	\$ (334,990)	\$ -
Nonmajor funds	2,983,918	-	334,990	3,318,908
<b>Total governmental funds</b>	<b>\$ 3,318,908</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,318,908</b>
<b>Proprietary funds</b>				
<b>Major enterprise funds:</b>				
Golf course fund	\$ 556,276	\$ (34,746)	\$ -	\$ 521,530
Parks fund	270,924	(46,113)	-	224,811
<b>Total proprietary funds</b>	<b>\$ 827,200</b>	<b>\$ (80,859)</b>	<b>\$ -</b>	<b>\$ 746,341</b>

**Notes to the Financial Statements - Continued**

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**Note 2 – Accounting Changes – Continued**

**Change in Accounting Principle** – During fiscal year 2025, the County implemented the provisions of GASB Statement No. 101, *Compensated Absences*. The effect of the implementation of this new standard was a restatement of beginning net position to reflect increases in the compensated absences liabilities primarily due to the inclusion of sick time.

**Change in Reporting Entity** – During fiscal year 2025, the County determined that the Opioid Settlement Fund did not meet the quantitative threshold to be presented as a major fund. The effect of this change to beginning fund balances is as reported above.

**Note 3 - Stewardship, Compliance, and Accountability**

Ten (10) General Fund departments had an excess of actual expenditures over appropriations. General Fund departments with expenditures in excess of appropriations are caused mainly by excess expenditures for which budget modifications were not made. To resolve future excesses, the County has retained outside consultants to assist in fiscal years 2026 and 2027 budget preparation, as well as a grants management program, and the County has also hired a Finance Director who is monitoring the budget versus actual results.

**Deficit fund balances** — At June 30, 2025, the following governmental funds reported deficit fund balances exceeding \$50,000:

Fund	Deficit
<b>Governmental funds:</b>	
Uncollected grants fund	\$ 1,745,292
Jail District Fund	544,089
Buckskin Sanitary District Debt Service	335,800
Public Health Emergency Preparedness	123,748
High Intensity Drug Trafficking Areas (HIDTA) Grant	120,357
Drug, Gang, & Violent Crime Grant - County Attorney	110,525
County Anti-Racketeering	106,900
GIITEM Grant	103,038
AZ Game & Fish Boating Grant	100,344
Highway Safety Grant	79,932
Drug, Gang, & Violent Crime Grant - Probation	61,686
Anti-Meth Initiative Grant	55,096
Juvenile Division Fund Intake	52,527
Governor’s Office of Highway Safety STEP Grant	52,039

**Notes to the Financial Statements - Continued**

**Note 3 - Stewardship, Compliance, and Accountability – Continued**

The deficit in the uncollected grants fund was due to revenues that were considered to be unavailable for funds that were received after the 60-day revenue recognition period. The other fund deficits resulted from operations during the year or carryovers from prior years and are expected to be settled by future transfers between funds including, if necessary, the General Fund.

**Note 4 - Fund Balance Classifications of the Governmental Funds**

The fund balance categories and classifications for governmental funds as of June 30, 2025, were as follows:

	<u>Major Funds</u>			<u>Other Governmental Funds</u>	<u>Total</u>
	<u>General Fund</u>	<u>Road Fund</u>	<u>Jail District Fund</u>		
<b>Fund balances:</b>					
Nonspendable	\$ 67,857	\$ 220,916	\$ -	\$ 14,339	\$ 303,112
Restricted for:					
Education	-	-	-	712,483	712,483
Health	-	-	-	2,447,669	2,447,669
Highways and streets	-	9,784,070	-	220,919	10,004,989
Judicial	-	-	-	1,256,282	1,256,282
Public safety	-	-	-	1,673,272	1,673,272
Transit	-	-	-	35	35
Water and sanitation	-	-	-	91,933	91,933
Welfare	-	-	-	1,085,461	1,085,461
Debt service	1,010,060	-	-	-	1,010,060
Other purposes	-	-	-	107,487	107,487
Total restricted	<u>1,010,060</u>	<u>9,784,070</u>	<u>-</u>	<u>7,595,541</u>	<u>18,389,671</u>
Committed to:					
General government	4,648,312	-	-	-	4,648,312
Judicial	-	-	-	622,039	622,039
Public safety	-	-	-	311,309	311,309
Welfare	-	-	-	7,987	7,987
Other	-	-	-	26,243	26,243
Total committed	<u>4,648,312</u>	<u>-</u>	<u>-</u>	<u>967,578</u>	<u>5,615,890</u>
Unassigned (deficit)	<u>3,478,443</u>	<u>-</u>	<u>(544,089)</u>	<u>(3,659,061)</u>	<u>(724,707)</u>
Total fund balances	<u>\$ 9,204,672</u>	<u>\$10,004,986</u>	<u>\$ (544,089)</u>	<u>\$ 4,918,397</u>	<u>\$23,583,966</u>

## Notes to the Financial Statements - Continued

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### **Note 5 - 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 evidence 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 evidence of indebtedness that are denominated in United States dollars; and certain open-end and closed-end mutual funds, including exchange traded funds. In addition, the County Treasurer may invest trust funds in certain fixed income securities of corporations doing business in the United States or District of Columbia.

#### *Credit risk*

Statutes have the following requirements for credit risk:

1. Commercial paper must be of prime quality and be rated within the top two ratings by a nationally recognized rating agency.
2. 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 two nationally recognized rating agencies.
3. Fixed income securities must carry one of the two highest ratings by Moody's investors service and Standard and Poor's rating service. If only one of 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 not covered by federal depository insurance.

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

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

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

*Deposits* - At June 30, 2025, the carrying amount of the County's total cash in the bank was \$58,037,950 and the bank balance was \$61,003,506. All County deposits are collateralized by the Office of the Arizona State Treasurer's pooled collateral program for the amount not covered by depository insurance.

**Notes to the Financial Statements - Continued**

**Note 5 - Deposits and Investments - Continued**

*Investments* - The County had total investments of \$11,239,217 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:

	<u>Amount</u>	<u>Fair value measurement using</u>		
		<u>Quoted Prices in active markets for identical assets (Level 1)</u>	<u>Significant other observable inputs (Level 2)</u>	<u>Significant unobservable inputs (Level 3)</u>
U.S. agency securities	\$ 11,084,332	\$ 11,084,332	\$ -	\$ -
U.S. government money market funds	154,885	154,885	-	-
<b>Total investments</b>	<b>\$ 11,239,217</b>	<b>\$ 11,239,217</b>	<b>\$ -</b>	<b>\$ -</b>

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

*Credit risk* - The County does not have a formal investment policy with respect to credit risk. However, the credit risk for the County's investments at June 30, 2025, was as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Rating Agency</u>	<u>Amount</u>
U.S. agency securities	Aaa	Moody's	\$ 11,084,332
U.S. government money market funds	Aaa	Moody's	154,885
			<u>\$ 11,239,217</u>

*Interest rate risk* - The County does not have a formal policy regarding interest rate risk. At June 30, 2025, the County had the following investments in debt securities:

<u>Investment Type</u>	<u>Amount</u>	<u>Investment Maturities</u>	
		<u>Less than 1 Year</u>	<u>1-5 Years</u>
U.S. agency securities	\$ 11,084,332	\$ 3,672,452	\$ 7,411,880
U.S. government money market funds	154,885	154,885	-
	<u>\$ 11,239,217</u>	<u>\$ 3,827,337</u>	<u>\$ 7,411,880</u>

**Notes to the Financial Statements - Continued**

**Note 5 - Deposits and Investments - Continued**

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

	<b>County</b>		
	<b>Treasurer's</b>		
	<b>Investment Pool</b>	<b>Other</b>	<b>Total</b>
Cash on hand	\$ 303,265	\$ 8,605	\$ 311,870
Carrying amount of deposits	56,687,479	1,350,111	58,037,950
Reported amount of investments	<u>11,239,217</u>	-	<u>11,239,217</u>
<b>Total</b>	<b><u>\$ 68,229,961</u></b>	<b><u>\$ 1,358,716</u></b>	<b><u>\$ 69,588,677</u></b>

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Primary Government</b>	<b>Custodial Funds</b>			<b>Grand Total</b>
				<b>Private-Purpose Trust Funds</b>	<b>External Investment Pools</b>	<b>Other Custodial Funds</b>	
Cash and cash equivalents	\$ 28,208,403	\$ 4,144,279	\$ 32,352,682	\$ 169,841	\$ 35,337,269	\$ 1,379,402	\$ 69,239,194
Restricted cash and cash equivalents	-	349,483	349,483	-	-	-	349,483
	<u>\$ 28,208,403</u>	<u>\$ 4,493,762</u>	<u>\$ 32,702,165</u>	<u>\$ 169,841</u>	<u>\$ 35,337,269</u>	<u>\$ 1,379,402</u>	<u>\$ 69,588,677</u>

**Note 6 - 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 her stewardship. The Treasurer invests, on a pool basis, all idle monies not specifically invested for a fund or program. In addition, the Treasurer determines the fair value of those pooled investments annually at June 30.

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

The County's deposits and investments are included in the County Treasurer's investment pool, except for \$8,605 of cash on hand and \$1,350,111 of deposits held with banks. Therefore, deposit and investment risks of the Treasurer's investment pool are substantially the same as the County's deposit and investment risks. See Note 5 for disclosure of the County's deposit and investment risks.

Details of each major asset classification follow:

**Notes to the Financial Statements - Continued**

**Note 6 - County Treasurer's Investment Pool - Continued**

<u>Investment Type</u>	<u>Principal</u>	<u>Interest Rate(s)</u>	<u>Maturities</u>	<u>Fair Value</u>
U.S. agency securities	\$ 11,037,941	1.38% to 2.88%	1 - 5 years	\$ 11,084,332
U.S. government money market funds	N/A	N/A	N/A	154,885
Cash on hand	N/A	N/A	N/A	303,265
Deposits	N/A	N/A	N/A	56,687,479
				<u>\$ 68,229,961</u>

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

**Statement of Fiduciary Net Position**

Assets	\$ 68,229,961
Net position	<u>\$ 68,229,961</u>
Net position held for:	
Internal participants	\$ 31,513,290
External participants	36,716,671
Total net position	<u>\$ 68,229,961</u>

**Statement of Changes in Fiduciary Net Position**

Total additions	\$ 116,771,103
Total deductions	(112,056,981)
Net increase	4,714,122
Net position:	
July 1, 2024	63,515,839
June 30, 2025	<u>\$ 68,229,961</u>

**Note 7 - Receivables**

The County leases land and infrastructure assets to third parties under long-term, noncancelable lease agreements. The leases expire at various dates through December 31, 2051, and provide for renewal options up to 25 years. During the year ended June 30, 2025, the County recognized \$3,019,557 and \$3,652,541 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Governmental Activities - cell tower lease. Annual installments totaling \$16,200, including interest at 2.5%, due dates ranging through 2039.

Business-type Activities - solar field land leases. Annual installments totaling \$2,996,913 for due dates ranging for the year-ended 2026 during the initial lease term, and annual installments ranging from \$5,836,564 to \$9,387,747, for due dates ranging from 2027 to 2051 during the option periods that are likely to be exercised, including exercises of options during the year. All installments include interest at 4.17%, which was the County's borrowing rate for the underlying land purchase.

**Notes to the Financial Statements - Continued**

**Note 8 - Capital Assets**

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

	<b>Primary Government</b>			<b>Balance June 30, 2025</b>
	<b>Balance July 1, 2024</b>	<b>Increases</b>	<b>Decreases</b>	
<b>Governmental activities:</b>				
<i>Capital assets</i>				
<i>not being depreciated/amortized:</i>				
Land	\$ 687,166	\$ -	\$ -	\$ 687,166
Water rights	1,096,646	-	-	1,096,646
Gravel and dirt roads	41,460,031	-	-	41,460,031
Construction in progress	984,838	238,842	(104,359)	1,119,321
Total capital assets, not being depreciated/amortized	44,228,681	238,842	(104,359)	44,363,164
<i>Capital assets being depreciated/amortized:</i>				
Land improvements	90,704	-	-	90,704
Building and improvements	17,452,736	112,846	-	17,565,582
Machinery and equipment	22,182,600	2,292,468	(348,745)	24,126,323
Improvements other than buildings	732,264	102,468	-	834,732
Infrastructure	53,322,076	104,359	-	53,426,435
Intangibles:				
Right-to-use lease infrastructure	479,365	-	-	479,365
Right-to-use subscriptions	319,829	61,089	-	380,918
Total capital assets being depreciated/amortized	94,579,574	2,673,230	(348,745)	96,904,059
<i>Less accumulated depreciation/amortization for:</i>				
Land improvements	78,597	4,502	-	83,099
Buildings and improvements	10,785,314	562,969	-	11,348,283
Machinery and equipment	16,647,844	1,181,050	(348,745)	17,480,149
Improvements other than buildings	360,934	50,392	-	411,326
Infrastructure	42,108,539	616,804	-	42,725,343
Intangibles:				
Right-to-use lease infrastructure	113,287	77,648	-	190,936
Right-to-use subscriptions	76,591	76,080	-	152,670
Total accumulated depreciation/amortization	70,171,106	2,569,445	(348,745)	72,391,806
Total capital assets being depreciated/amortized, net	24,408,468	103,785	-	24,512,253
Governmental activities capital assets, net	\$ 68,637,149	\$ 342,627	\$ (104,359)	\$ 68,875,417

**Notes to the Financial Statements - Continued**

**Note 8 - Capital Assets – Continued**

	<b>Primary Government</b>			<b>Balance June 30, 2025</b>
	<b>Balance July 1, 2024</b>	<b>Increases</b>	<b>Decreases</b>	
<b>Business-type activities:</b>				
<i>Capital assets</i>				
<i>not being depreciated/amortized:</i>				
Land	\$ 4,150,000	\$ -	\$ -	\$ 4,150,000
Construction in progress	7,126	-	-	7,126
Total capital assets, not being depreciated/amortized	4,157,126	-	-	4,157,126
<i>Capital assets being depreciated/amortized:</i>				
Golf course and improvements	2,848,510	-	-	2,848,510
Land improvements	519,771	-	-	519,771
Building and improvements	895,598	-	-	895,598
Improvements other than buildings	681,996	-	-	681,996
Machinery and equipment	1,687,754	-	-	1,687,754
Intangibles				
Right-to-use lease equipment	384,606	-	-	384,606
Total capital assets being depreciated/amortized	7,018,235	-	-	7,018,235
<i>Less accumulated depreciation/amortization for:</i>				
Golf course and improvements	2,825,066	4,449	-	2,829,515
Land improvements	138,033	25,032	-	163,065
Buildings and improvements	571,066	33,008	-	604,074
Improvements other than buildings	482,022	29,138	-	511,160
Machinery and equipment	1,550,955	29,562	-	1,580,517
Intangibles				
Right-to-use lease equipment	128,202	51,281	-	179,483
Total accumulated depreciation/amortization	5,695,344	172,470	-	5,867,814
Total capital assets being depreciated/amortized, net	1,322,891	(172,470)	-	1,150,421
Business-type activities capital assets, net	<u>\$ 5,480,017</u>	<u>\$ (172,470)</u>	<u>\$ -</u>	<u>\$ 5,307,547</u>

**Notes to the Financial Statements - Continued**

**Note 8 - Capital Assets – Continued**

Depreciation/amortization expense was charged to functions as follows:

Governmental activities:	
General government	\$ 304,943
Public safety	803,085
Highways and streets	1,332,459
Health	55,109
Welfare	7,744
Sanitation	197
Culture and recreation	64,154
Education	1,754
Total governmental activities depreciation/amortization expense	\$ 2,569,445
Business-type activities:	
Culture and recreation – Golf Course	\$ 90,948
Culture and recreation – Parks	56,490
Sanitation – Landfill	25,032
Total business-type activities depreciation/amortization expense	\$ 172,470

**Note 9 - 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 7/1/2024, as restated</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2025</u>	<u>Due within 1 year</u>
<b>Governmental activities</b>					
Bonds payable	\$ 64,305	\$ -	\$ 64,305	\$ -	\$ -
Financed purchases	414,977	-	112,629	302,348	20,237
Leases payable	356,226	-	94,672	261,554	96,727
Subscription liability	247,270	61,089	78,471	229,888	79,215
Compensated absences payable*	1,499,202	-	388,884	1,110,318	111,030
Net pension and other postemployment benefits liability	27,759,933	-	4,739,589	23,020,344	-
Governmental activities long-term liabilities	\$ 30,341,913	\$ 61,089	\$ 5,478,550	\$ 24,924,452	\$ 307,209
<b>Business-type activities</b>					
Bonds payable	\$ 3,995,000	\$ -	\$ 180,000	\$ 3,815,000	\$ -
Compensated absences payable*	198,111	-	52,867	145,244	20,334
Leases payable	286,928	-	75,153	211,775	75,154
Net pension and other postemployment benefits liability	1,182,189	42,388	-	1,224,577	-
Business-type activities long-term liabilities	\$ 5,662,228	\$ 42,388	\$ 308,020	\$ 5,396,596	\$ 95,488

**Notes to the Financial Statements - Continued**

**Note 9 - Long-Term Liabilities – Continued**

**Compensated absences**

\*On July 1, 2024, the County restated the beginning balance of long-term liabilities due to the implementation of GASB No. 101. The change in compensated absence liability is presented as a net change.

**Financed purchases**

During 2015, the County entered into a purchase contract to finance solar panels in the amount of \$489,121. The contract term extends through fiscal year 2035 with principal and interest paid monthly. Interest on the obligation accrues at 3%. The outstanding balance on this obligation was \$302,348 at June 30, 2025.

The following schedule details debt service requirements to maturity for the County’s financed purchases related to governmental activities at June 30, 2025:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 20,237	\$ 9,196	\$ 29,433
2027	20,852	8,581	29,433
2028	21,487	7,946	29,433
2029	22,140	7,293	29,433
2030	22,814	6,619	29,433
2031-2035	<u>194,818</u>	<u>19,566</u>	<u>214,384</u>
Total	<u>\$ 302,348</u>	<u>\$ 59,201</u>	<u>\$ 361,549</u>

**Bonds payable** – The bonds issued by the County are described as follows:

<u>Description</u>	<u>Original Amount</u>	<u>Maturity Range</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
Excise Tax Revenue Solar Field Fund (Taxable) – Direct Placement	\$ 4,625,000	2022- 2041	4.17%	<u>\$ 3,815,000</u>
Total bonds payable – business-type activities				<u>\$ 3,815,000</u>

On May 13, 2020, the County made a direct placement of excise tax revenue bonds to finance the cost of the land purchase for the Solar Field Project. Total bonds payable – business-type activities in the above table relate to this direct placement.

**Notes to the Financial Statements - Continued**

**Note 9 - Long-Term Liabilities – Continued**

The following schedule details debt service requirements to maturity for the County’s bonds payable at June 30, 2025:

<b>Business-type Activities (Direct Placement) Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ -	\$ 79,543	\$ 79,543
2027	190,000	155,124	345,124
2028	195,000	147,097	342,097
2029	205,000	138,757	343,757
2030	215,000	130,000	345,000
2031-2035	1,200,000	506,655	1,706,655
2036-2040	1,475,000	228,620	1,703,620
2041	335,000	6,984	341,984
Total	<u>\$ 3,815,000</u>	<u>\$ 1,392,780</u>	<u>\$ 5,207,780</u>

**Line of credit** – The County entered into a revolving line of credit agreement on July 1, 2017. The revolving line of credit is renewed annually and the total unused amount for the County during 2025 was \$2,000,000. No amount was outstanding on this line of credit at year-end.

**Leases** - The County has acquired the right to use a building, telecommunication infrastructure and golf course equipment under the provisions of various lease agreements. The total amount of lease assets and the related accumulated amortization are as follows:

	<b>Governmental Activities</b>	<b>Business-type Activities</b>
Total intangible right-to-use lease assets	\$ 479,365	\$ 384,606
Less: accumulated amortization	( 190,936)	( 205,123)
<b>Carrying value</b>	<u>\$ 288,429</u>	<u>\$ 179,483</u>

**Notes to the Financial Statements - Continued**

**Note 9 - Long-Term Liabilities – Continued**

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

<b>Governmental Activities</b>				
<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2026	\$ 96,727	\$ 6,921	\$ 103,648	
2027	89,816	4,010	93,826	
2028	34,020	2,110	36,130	
2029	5,032	968	6,000	
2030	5,160	840	6,000	
2031-2035	27,821	2,179	30,000	
2036	2,978	22	3,000	
Total	<u>\$ 261,554</u>	<u>\$ 17,050</u>	<u>\$ 278,604</u>	
<b>Business-Type Activities</b>				
<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2026	\$ 75,157	\$ 5,112	\$ 80,269	
2027	79,795	2,751	82,546	
2028	56,826	488	57,314	
Total	<u>\$ 211,775</u>	<u>\$ 8,351</u>	<u>\$ 220,126</u>	

**Subscription-based information technology arrangements (SBITAs)** – The County has obtained the right to use various IT software and underlying assets to facilitate healthcare and public safety operations under the provisions of various subscription-based information technology arrangements.

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

	<b>Governmental</b>
	<b>Activities</b>
Total intangible right-to-use subscription assets	\$ 380,918
Less: accumulated amortization	( 152,670)
<b>Carrying value</b>	<u>\$ 228,248</u>

**Notes to the Financial Statements - Continued**

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**Note 9 - Long-Term Liabilities – Continued**

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

<b>Governmental Activities Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 79,215	\$ 6,784	\$ 85,999
2027	83,025	3,973	86,998
2028	67,648	1,007	68,655
Total	<u>\$ 229,888</u>	<u>\$ 11,764</u>	<u>\$ 241,652</u>

**Landfill closure and postclosure care costs** - The County has contracted with an outside agency to provide operations for its solid waste facilities. The contract requires the outside agency to reserve funds in accordance with the closure plan for closure and postclosure care costs. In the event of termination of the contract, the required reserve funds are to be remitted to the County. Consequently, no liability for landfill closure and postclosure care costs has been recorded on the Statement of Net Position.

**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 natural disasters. For these risks of loss the County joined and is covered by three public entity risk pools: the Arizona Counties Property and Casualty Pool, the Arizona Counties Workers’ Compensation Pool and the Arizona Local Government Employee Benefit Trust, which are described below.

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of 13 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 \$5,000 per occurrence for property claims and \$5,000 per occurrence for liability claims.

## Notes to the Financial Statements - Continued

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### **Note 10 - Risk Management - Continued**

The County is also responsible for any payments in excess of the maximum coverage of \$300 million per occurrence for property claims and \$15 million per occurrence for liability claims. However, lower limits apply to certain categories of losses. A county must participate in the pool at least 3 years after becoming a member; however, it may withdraw after the initial 3-year period. Settled claims did not exceed this insurance coverage in any of the past 3 fiscal years.

The Arizona Counties Workers' Compensation Pool is a public entity risk pool currently composed of 13 member counties. The pool provides member counties with workers' compensation coverage, as required by law, and risk management services. The County is responsible for paying a premium, based on an experience rating formula that allocates pool expenditures and liabilities among the members.

The Arizona Local Government Employee Benefit Trust is a public entity risk pool currently composed of nine member entities. The pool provides member entities with health, prescription, dental, vision, life, short-term disability, and accidental death benefits for the entities' employees and their dependents. The County is responsible for paying a premium based on enrolled employees and dependents.

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

### **Note 11 – Pensions and Other Postemployment Benefits**

The County contributes to the Arizona State Retirement System (ASRS), the Corrections Officer Retirement Plan, consisting of La Paz County Detention Officers and Administrative Office of the Courts (CORP AOC), the Public Safety Personnel Retirement System (PSPRS), consisting of La Paz County Sheriffs and La Paz County Attorney Investigators, and the Elected Officials Retirement Plan (EORP). The plans are component units of the State of Arizona.

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

At June 30, 2025, the County reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

<b>Statement of Net Position and Statement of Activities</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Net pension and OPEB asset	\$ 1,445,784	\$ 46,975	\$ 1,492,759
Net pension and OPEB liability	(23,020,344)	(1,224,577)	(24,244,921)
Deferred outflows of resources related to pensions and OPEB	5,925,090	192,362	6,117,452
Deferred inflows of resources related to pensions and OPEB	(1,633,824)	(102,406)	(1,736,230)
Pension and OPEB expense	2,100,828	106,300	2,207,128

The County’s accrued payroll and employee benefits includes \$307,604 of outstanding pension and OPEB contribution amounts payable to all plans for the year ended June 30, 2025. Also, the County reported \$5,086,051 of pension and OPEB contributions as expenditures in the governmental funds related to all pension 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, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. 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 [www.azasrs.gov](http://www.azasrs.gov).

**Benefits provided** - The ASRS provides retirement, health insurance premium supplement, long-term disability, 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:

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

	<b>Retirement initial membership date</b>	
	<b><i>Before July 1, 2011</i></b>	<b><i>On or after July 1, 2011</i></b>
Years of service and age required to receive benefits	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 earning. 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 survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member’s account balance that includes the member’s contribution and employer’s contributions, plus interest earned.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment 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, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.27 percent (12.12 percent for retirement and 0.15 percent for long-term disability) of the members’ annual covered payroll, and the County was required by statute to contribute at the actuarially determined rate of 12.27 percent (12.05 percent retirement, 0.07 percent for health insurance premiums and 0.15 percent for long-term disability) of the active members’ annual covered payroll. The County’s contributions to pension, health insurance premium benefit, and long-term disability plan for the year ended June 30, 2025, were \$972,246, \$5,648, and \$11,836, respectively.

During fiscal year 2025, the County paid for ASRS pension and OPEB contributions as follows: 62.1 percent from the General Fund, 33.0 percent from major funds, and 4.9 percent from other funds.

**Liability** – At June 30, 2025, the County reported the following assets and liabilities for its proportionate share of the ASRS’ net pension/OPEB asset or liability.

<b>ASRS</b>	<b>Net pension/OPEB (asset) liability</b>
Pension	\$ 10,117,752
Health insurance premium benefit	(388,459)
Long-term disability	1,663

The net assets and net liabilities were measured as of June 30, 2024. The total liability used to calculate the net asset or liability was determined using updated 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 asset or net liability was based on the County’s actual contributions to the plan relative to the total of all employers’ contributions for the year ended June 30, 2024. The County’s proportions measured as of June 30, 2024, and the change from its proportions measured as of June 30, 2023, were:

<b>ASRS</b>	<b>Proportion June 30, 2025</b>	<b>Increase (decrease) from June 30, 2023</b>
Pension	0.06323%	(0.00050)
Health insurance premium benefit	0.06429%	(0.00090)
Long-term disability	0.06378%	(0.00058)

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

**Expense** – For the year ended June 30, 2025, the County recognized the following pension and OPEB expense.

<u>Expense</u>	<u>Pension/OPEB expenses (income)</u>
Pension	\$ 410,343
Health insurance premium benefit	( 53,005)
Long-term disability	6,194

**Deferred Outflows / Inflows of Resources** – At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

ASRS	Pension		Health Insurance premium		Long-term disability	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 564,763	\$ -	\$ 11,241	\$ 93,798	\$ 6,113	\$ 4,428
Changes of assumptions or other inputs	-	-	-	4,029	1,203	9,953
Net difference between projected and actual earnings on plan investments	-	646,129	-	26,703	-	1,816
Changes in proportion and differences between contributions and proportionate share of contributions	7,552	54,733	8,298	738	1,330	4,041
County contributions subsequent to the measurement date	972,246	-	5,648	-	11,836	-
<b>Total</b>	<u>\$ 1,544,561</u>	<u>\$ 700,862</u>	<u>\$ 25,187</u>	<u>\$ 125,268</u>	<u>\$ 20,482</u>	<u>\$ 20,238</u>

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from the County’s contributions subsequent to the measurement date will be recognized as an increase of 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 ASRS pensions and OPEB will be recognized as expenses as follows:

<u>Year ending June 30,</u>	<u>Pension</u>	<u>Health insurance premium benefit</u>	<u>Long-term disability</u>
2026	\$ (315,428)	\$ (69,400)	\$ (3,745)
2027	469,010	(13,639)	( 650)
2028	(163,557)	(14,854)	(2,979)
2029	(118,572)	( 6,714)	(2,936)
2030	-	( 1,122)	(1,543)
Thereafter	-	-	261

## Notes to the Financial Statements - Continued

### **Note 11 - Pensions and Other Postemployment Benefits – Continued**

*Actuarial Assumptions* – The significant actuarial assumptions used to measure the total pension/OPEB 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%
Projected salary increases	2.9-8.4% for pensions/not applicable for OPEB
Inflation	2.3%
Permanent benefit increase	Included for pensions/not applicable for OPEB
Mortality rates	2017 SRA Scale U-MP for pensions and health insurance premium benefit
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the 5-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 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:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	4.48 %
Credit	23%	4.40 %
Real estate	17%	6.05 %
Private equity	10%	6.11 %
Interest rate sensitive	6%	( 0.45)%
Total	100%	

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

**Discount Rate** – At June 30, 2024, the discount rate used to measure the ASRS total pension/OPEB 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 plans’ fiduciary net position was projected to be available to make all projected future 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/OPEB liability.

**Sensitivity of the County’s proportionate share of the ASRS net pension/OPEB (asset) liability to changes in the discount rate** – The following table presents the County’s proportionate share of the net pension/OPEB (asset) liability calculated using the discount rate of 7.0 percent, as well as what the County’s proportionate share of the net pension/OPEB (asset) 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.

	<b>1% Decrease (6.0%)</b>	<b>Current Discount Rate (7.0%)</b>	<b>1% Increase (8.0%)</b>
The County’s proportionate share of the			
Net pension liability	\$ 15,492,347	\$ 10,117,752	\$ 5,638,496
Net insurance premium benefit			
liability (asset)	(282,407)	(388,458)	(478,623)
Net long-term disability liability	5,721	1,663	( 2,329)

**Plan Fiduciary Net Position** – Detailed information about the plans’ fiduciary net position is available in the separately issued ASRS financial report.

## Notes to the Financial Statements - Continued

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### **Note 11 - Pensions and Other Postemployment Benefits – Continued**

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

**Plan Descriptions** – County sheriff employees and County attorney investigators 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 and agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plans. A nine-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 plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool) which are not further disclosed because of their relative insignificance to the County's financial statements.

County detention officers and 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 an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit (OPEB) plan for county detention officers (agent plans), which were closed to new members as of July 1, 2018, and a cost-sharing multiple-employer defined benefit pension plan and a cost-sharing multiple-employer defined benefit (OPEB) plan for AOC officers (cost sharing plans). 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. Detention officers and 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](http://www.psprs.com).

**Benefits Provided** - The PSPRS and CORP provide retirement, health insurance premium supplement, 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:

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

<b>PSPRS</b>	<b>Initial membership date:</b>	
	<b><u>Before January 1, 2012</u></b>	<b><u>On or after January 1, 2012 and before July 1, 2017</u></b>
<b><u>Retirement and Disability</u></b>		
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	
<b><u>Survivor Benefit</u></b>		
Retired Members	80% to 100% of retired members 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	

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment 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
<b>Retirement and Disability</b>			
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 or more years, age 55 10 years, age 52.5 (early retirement)
Final average salary is based on	Highest 36 consecutive months of last 10 years	Highest 60 consecutive months of last 10 years	
<b>Benefit percent</b>			
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		
<b>Survivor Benefit</b>			
Retired Members	80% of retired members 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 contribution.		

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.

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. Benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents.

**Employees covered by benefit terms** - At June 30, 2025, the following employees were covered by the agent pension plan's benefit terms:

	PSPRS Sheriff		PSPRS Attorney Investigators		CORP Detention	
	Pension	Health	Pension	Health	Pension	Health
Inactive employees or beneficiaries currently receiving benefits	32	32	-	-	2	2
Inactive employees entitled to but not yet receiving benefits	7	2	-	-	9	-
Active employees	8	8	-	-	7	7
<b>Total</b>	<b>47</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>9</b>

**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 and health insurance premium 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	County – health insurance premium benefit
PSPRS Sheriff	7.65% - 8.43%	100.38% - 106.90%	0.12%
PSPRS Attorney Investigators	7.65% - 8.43%	0.00%	0.00%
CORP Detention	8.41%	6.66% - 9.14%	0.44%
CORP AOC	8.41 or 8.38%	39.15%	0.24%

The County's contributions to the plan for the year ended June 30, 2025, were:

	Pension	Health insurance premium benefit
PSPRS Sheriff	\$ 3,542,541	\$ 1,816
CORP Detention	78,592	5,035
CORP AOC	74,587	457

**Notes to the Financial Statements - Continued**

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**Note 11 - Pensions and Other Postemployment Benefits – Continued**

During fiscal year June 30, 2025, the County paid for PSPRS and CORP pension and OPEB contributions as follows: 83.4 percent from the General Fund, 4.7 percent from major funds, and 11.9 percent from other funds.

*Liability* – At June 30, 2025, the County reported the following assets and liabilities:

	<b>Net pension liability (asset)</b>	<b>Net OPEB (asset) liability</b>
PSPRS Sheriff	\$ 8,327,438	\$ (579,538)
PSPRS Attorney Investigators	( 228,230)	( 19,053)
CORP Detention	63,964	2,991
CORP AOC (County’s proportionate share)	1,088,084	( 3,045)

The net asset and net liabilities 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.

*Actuarial assumptions* - The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

<b>PSPRS and CORP</b>	
Actuarial valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	3.0-6.25% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.85% for pensions/not applicable for OPEB
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	Not applicable

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

The long-term expected rate of return on PSPRS and CORP 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 plan investment expenses and inflation) are developed for each major asset class.

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Geometric Real Rate of Return</b>
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	100%	

***Discount Rates*** – At June 30, 2024, the discount rate used to measure the PSPRS and CORP total pension/OPEB liabilities 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 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 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 for these plans to determine the total pension/OPEB liability.

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

**Changes in the Net Pension/OPEB (Asset) Liability**

	Pension Increase (Decrease)			Health insurance premium benefit Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset) Liability
	(a)	(b)	(a) - (b)	(a)	(b)	(a) - (b)
PSPRS - Sheriff						
Balances at June 30, 2024	\$ 22,005,616	\$ 8,040,871	\$ 13,964,745	\$ 144,886	\$ 649,854	\$ (504,968)
Changes for the current year:						
Service Cost	129,114	-	129,114	2,364	-	2,364
Interest on the total liability	1,534,929	-	1,534,929	10,398	-	10,398
Differences between expected and actual experience in the measurement of the pension liability	312,223	-	312,223	(22,648)	-	(22,648)
Contribution - Employer	-	6,726,723	(6,726,723)	-	-	-
Contribution - Employee	-	47,255	(47,255)	-	-	-
Net investment income	-	851,814	(851,814)	-	65,486	(65,486)
Benefit payments, including refunds of employee contribution	(1,632,536)	(1,632,536)	-	(5,677)	(5,677)	-
Administrative Expense	-	(12,219)	12,219	-	(802)	802
Net Changes	343,730	5,981,037	(5,637,307)	(15,563)	59,007	(74,570)
Balances at June 30, 2025	<u>\$ 22,349,346</u>	<u>\$ 14,021,908</u>	<u>\$ 8,327,438</u>	<u>\$ 129,323</u>	<u>\$ 708,861</u>	<u>\$ (579,538)</u>

**Changes in the Net Pension/OPEB (Asset) Liability**

	Pension Increase (Decrease)			Health insurance premium benefit Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset) Liability
	(a)	(b)	(a) - (b)	(a)	(b)	(a) - (b)
PSPRS - Attorney Investigators						
Balances at June 30, 2024	\$ -	\$ 207,058	\$ (207,058)	\$ -	\$ 17,285	\$ (17,285)
Changes for the current year:						
Net investment income	-	21,185	(21,185)	-	1,769	(1,769)
Administrative Expense	-	(13)	13	-	(1)	1
Net Changes	-	21,172	(21,172)	-	1,768	(1,768)
Balances at June 30, 2025	<u>\$ -</u>	<u>\$ 228,230</u>	<u>\$ (228,230)</u>	<u>\$ -</u>	<u>\$ 19,053</u>	<u>\$ (19,053)</u>

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

**Changes in the Net Pension/OPEB Liability**

CORP - Detention	Pension			Health insurance premium benefit		
	Increase (Decrease)			Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
(a)	(b)	(a) - (b)	(a)	(b)	(a) - (b)	
Balances at June 30, 2024	\$ 2,624,882	\$ 2,144,240	\$ 480,642	\$ 48,035	\$ 30,071	17,964
Changes for the current year:						
Service Cost	35,265	-	35,265	603	-	603
Interest on the total liability	186,592	-	186,592	3,470	-	3,470
Differences between expected and actual experience in the measurement of the pension liability	(298,646)	-	(298,646)	(12,228)	-	(12,228)
Contribution - Employer	-	96,281	(96,281)	-	3,842	(3,842)
Contribution - Employee	-	31,341	(31,341)	-	-	-
Net investment income	-	216,800	(216,800)	-	3,036	(3,036)
Benefit payments, including refunds of employee contribution	(137,173)	(137,173)	-	(878)	(878)	-
Administrative Expense	-	(4,533)	4,533	-	(60)	60
Net Changes	(213,962)	202,716	(416,678)	(9,033)	5,940	(14,973)
Balances at June 30, 2025	\$ 2,410,920	\$ 2,346,956	\$ 63,964	\$ 39,002	\$ 36,011	\$ 2,991

The County’s proportion of the CORP AOC net pension and OPEB liabilities was based on the County’s actual contributions to the plans 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, and the change from its proportions measured as of June 30, 2023, were:

CORP AOC	Proportion June 30, 2024	Increase (decrease) from June 30, 2023
Pension	0.252%	(0.010)
Health insurance premium benefit	0.282%	(0.000)

**Sensitivity of the County’s net pension/OPEB (asset) liability to changes in the discount rate** – The following table presents the County’s net pension/OPEB (assets) liabilities calculated using the discount rate of 7.2 percent, as well as what the County’s net position/OPEB (asset) 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:

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

	<b>1% Decrease (6.2%)</b>	<b>Current Discount Rate (7.2%)</b>	<b>1% Increase (8.2%)</b>
<b>PSPRS Sheriff</b>			
Net pension liability	\$ 10,963,839	\$ 8,327,438	\$ 6,157,657
Net OPEB (asset) liability	(565,402)	(579,538)	(591,466)
<b>CORP Detention</b>			
Net pension liability	452,111	63,964	(247,999)
Net OPEB liability	8,221	2,991	(1,373)
<b>CORP AOC</b>			
County’s proportionate share of the net pension liability	1,493,360	1,088,084	757,563
County’s proportionate share of the OPEB liability	1,774	(3,045)	(7,117)

**Plan fiduciary net position** - Detailed information about the plans’ fiduciary net position is available in the separately issued PSPRS and CORP financial reports.

**Expense** - For the year ended June 30, 2025, the County recognized the following pension and OPEB expense:

	<b>Pension expense</b>	<b>OPEB Expense (income)</b>
PSPRS Sheriff	\$ 1,276,045	\$ (36,250)
PSPRS Attorney Investigators	( 21,172)	( 1,768)
CORP Detention	5,878	( 480)
CORP AOC (County’s proportionate share)	83,377	( 1,454)

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

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

**PSPRS – Sheriff**

	<b>Pension</b>		<b>Health insurance premium benefit</b>	
	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience	\$ 156,112	\$ -	\$ -	\$ 11,324
Net difference between projected and actual earnings on plan investments	180	-	-	8,519
County contributions subsequent to the measurement date	3,542,541	-	1,816	-
<b>Total</b>	<b>\$ 3,698,833</b>	<b>\$ -</b>	<b>\$ 1,816</b>	<b>\$ 19,843</b>

**CORP – Detention**

	<b>Pension</b>		<b>Health insurance premium benefit</b>	
	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience	\$ 121,669	\$ 563,570	\$ 15,068	\$ 35,277
Changes of assumptions or other inputs	17,390	-	723	2,475
Net difference between projected and actual earnings on plan investments	-	30,533	-	107
County contributions subsequent to the measurement date	78,592	-	5,035	-
<b>Total</b>	<b>\$ 217,651</b>	<b>\$ 594,103</b>	<b>\$ 20,826</b>	<b>\$ 37,859</b>

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

**CORP – AOC**

	<b>Pension</b>		<b>Health insurance premium benefit</b>	
	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience	\$ 71,450	\$ 5,541	\$ -	\$ 4,664
Changes of assumptions or other inputs	13,981	-	77	-
Net difference between projected and actual earnings on plan investments	-	23,140	-	536
Changes in proportion and differences between county contributions and proportionate share of contributions	33,526	140,793	725	441
County contributions subsequent to the measurement date	74,587	-	457	-
<b>Total</b>	<b>\$ 193,544</b>	<b>\$ 169,474</b>	<b>\$ 1,259</b>	<b>\$ 5,641</b>

The amounts reported as deferred outflows of resources related to pensions and OPEB resulting from 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 and OPEB will be recognized as expense as follows:

<b>Year ending June 30</b>	<b>PSPRS Sheriff</b>		<b>PSPRS Attorney Investigators</b>	
	<b>Pension</b>	<b>Health</b>	<b>Pension</b>	<b>Health</b>
2026	\$ 35,639	\$ (21,735)	\$ -	\$ -
2027	163,441	10,008	-	-
2028	( 25,144)	( 4,330)	-	-
2029	( 17,644)	( 3,786)	-	-

<b>Year ending June 30</b>	<b>CORP Detention</b>		<b>CORP AOC</b>	
	<b>Pension</b>	<b>Health</b>	<b>Pension</b>	<b>Health</b>
2026	\$ (140,594)	\$ ( 1,885)	\$ ( 74,038)	\$ ( 2,402)
2027	(211,879)	( 2,591)	46,148	( 803)
2028	( 89,987)	( 6,011)	( 13,694)	( 886)
2029	( 12,584)	( 4,338)	( 8,933)	( 679)
2030	-	( 4,185)	-	( 69)
Thereafter	-	( 3,058)	-	-

## Notes to the Financial Statements - Continued

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### **Note 11 - Pensions and Other Postemployment Benefits – Continued**

**PSPDCRP plan** - County sheriff employees, County attorney investigators, County detention officers, County dispatchers, 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. The PSPDCRP is not further disclosed because of its relative insignificance to the County's financial statements.

#### **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 and a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan for elected officials and judges who were members of the plan on December 31, 2013. The EORP pension and OPEB plans were 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 Web site at [www.psprs.com](http://www.psprs.com).

**Benefits provided** - The EORP provides retirement, health insurance premium supplement, 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:

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

<b>EORP</b>	<b>Initial membership date:</b>	
	<b><u>Before January 1, 2012</u></b>	<b><u>On or after January 1, 2012</u></b>
<b><u>Retirement and Disability</u></b>		
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 20 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
<b><u>Survivor Benefit</u></b>		
Retired Members	75% of retired member's benefit	50% of retired member's benefit
Active Members and Other Inactive Members	75% of retired member's benefit	50% of retired member's 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.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 8 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 7 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

**Notes to the Financial Statements - Continued**

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**Note 11 - Pensions and Other Postemployment Benefits – Continued**

**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 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 and health insurance premium benefit plans for the year ended June 30, 2025, were \$393,293 and \$0, respectively.

During fiscal year 2025, the County paid for EORP pension contributions 100 percent from the General Fund.

**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	\$ 4,643,029
State’s proportionate share of the EORP net pension liability associated with the County	<u>399,319</u>
Total	<u>\$ 5,042,348</u>

The County also reported an asset of \$274,434 for its proportionate share of EORP’s net OPEB asset.

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

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

The County’s proportion of the net pension liability was based on the County’s required contributions to the pension plan relative to the total of all participating employers’ required contributions for the year ended June 30, 2024. The County’s proportion of the net OPEB asset was based on the County’s present value of benefits relative to the total of all participating employers’ present value of benefits for the year ended June 30, 2024. The County’s proportion measured as of June 30, 2024, and the change from its proportions measured as of June 30, 2023, were:

**EORP**

	<b>Proportion June 30, 2024</b>	<b>Increase (decrease) from June 30, 2023</b>
Pension	0.777%	(0.303)
Health insurance premium benefit	1.824%	(0.097)

**Expense** - For the year ended June 30, 2025, the County recognized pension and OPEB expenses for EORP of \$549,017 and (\$9,597), respectively, and revenue of \$129,814 for the County’s proportionate share of the State’s appropriation to EORP and the designated court fees.

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

**EORP**

	<b>Pension</b>		<b>Health insurance premium benefit</b>	
	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ 817
Changes in proportion and differences between county contributions and proportionate share of contributions	-	48,954	-	6,507
County contributions subsequent to the measurement date	393,293	-	-	6,664
<b>Total</b>	<b>\$ 393,293</b>	<b>\$ 48,954</b>	<b>\$ -</b>	<b>\$ 13,988</b>

The amounts reported as deferred outflows of resources related to EORP pensions and OPEB resulting from County contributions subsequent to the measurement date will be recognized as an increase of 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 EORP pensions and OPEB will be recognized as expenses as follows:

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

<b>Year ended June 30</b>	<b>Pension</b>	<b>Health insurance premium benefit</b>
2026	\$ ( 45,010)	\$ ( 15,303)
2027	37,052	7,785
2028	( 22,674)	( 3,612)
2029	( 18,322)	( 2,858)

**Actuarial assumptions** - The significant actuarial assumptions used to measure the total pension/OPEB 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% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Permanent benefit increase	1.85% for pensions/not applicable for OPEB
Mortality rates	PubG-2010 tables
Healthcare cost trend rate	Not applicable

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 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:

<b>EORP Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Geometric Real Rate of Return</b>
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	100%	

**Notes to the Financial Statements - Continued**

**Note 11 - Pensions and Other Postemployment Benefits – Continued**

**Discount rate** - At June 30, 2024, the discount rate used to measure the EORP total pension liability and total OPEB 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/OPEB liability.

**Sensitivity of the County’s proportionate share of the EORP net pension/OPEB (asset) liability to changes in the discount rate** - The following table presents the County’s proportionate share of the net pension/OPEB (asset) liability calculated using the discount rate of 7.2 percent, as well as what the County’s proportionate share of the net pension/OPEB (asset) 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:

	<b>1% Decrease (6.2%)</b>	<b>Current discount Rate (7.2%)</b>	<b>1% Increase (8.2%)</b>
<b>EORP</b>			
County’s proportionate share of the net pension liability	\$ 5,398,581	\$ 4,643,029	\$ 3,994,116
County’s proportionate share of the net OPEB (asset)	(255,374)	(274,434)	(291,111)

**Plan Fiduciary Net Position** - Detailed information about the plans’ fiduciary net position is available in the separately issued EORP financial report.

**EODCRS plan** – Elected officials and judges who are not members of EORP or ASRS participate in the EODCRS and the Elected Officials Defined Contribution Retirement System Disability Program (EODCDP). The EODCRS is a defined contribution pension plan. The EODCDP is a cost-sharing multiple-employer defined benefit disability (OPEB) plan for EODCRS members. The PSPRS Board of Trustees governs the EODCRS and EODCDP according to the provisions of A.R.S. Title 38, Chapter 5, Articles 3.1 and 3.2. Benefit terms, including contribution requirements, are established by State statute. The EODCDP and EODCRS are not further disclosed because of their relative insignificance to the County’s financial statements.

**Notes to the Financial Statements - Continued**

**Note 12 - Interfund Activity and Balances**

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

	Payable To				Total
	General Fund	Nonmajor - Governmental Funds	Landfill Fund	Solar Field Fund	
<b>Payable From:</b>					
General Fund	\$ -	\$ 29,495	\$ 998,040	\$ 781,638	\$ 1,809,173
Jail District Fund	651,186	-	-	-	651,186
Nonmajor - governmental funds	<u>132,577</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,577</u>
Total	<u>\$ 783,763</u>	<u>\$ 29,495</u>	<u>\$ 998,040</u>	<u>\$ 781,638</u>	<u>\$ 2,592,936</u>

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Except as noted below, the balances are not expected to be repaid within 1 year from the date of the financial statements. There is no scheduled repayment plan but the balances will be repaid as funds become available for the various funds.

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

	Transfer To			Total
	General Fund	Jail District Fund	Nonmajor - Governmental Funds	
<b>Transfer From:</b>				
General Fund	\$ -	\$ 1,283,639	\$ 1,386,147	\$ 2,669,786
Landfill Fund	<u>2,148,312</u>	<u>-</u>	<u>-</u>	<u>2,148,312</u>
Total	<u>\$ 2,148,312</u>	<u>\$ 1,283,639</u>	<u>\$ 1,386,147</u>	<u>\$ 4,818,098</u>

## Notes to the Financial Statements - Continued

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### **Note 12 - Interfund Activity and Balances – Continued**

The reasons for the above transfers are:

- The County transferred \$1,283,639 to the Jail District Fund for the required annual maintenance of effort payment and additional subsidies for the year ended June 30, 2025.
- The General Fund transferred \$1,386,147 to nonmajor governmental funds to cover over-expenditures in certain special revenue funds.
- The Landfill Fund transferred \$2,148,312 to the General Fund to support County programs and services.

### **Note 13 – Opioid Settlement**

The State of Arizona, along with other states, settled claims that certain prescription drug companies and pharmaceutical distributors engaged in misleading and fraudulent conduct in the marketing and sale of opioids and failed to monitor for, detect and prevent diversion of the drugs. The County is a party to the opioid settlement agreements facilitated by the State of Arizona Attorney General. As settlements are finalized, the County records a receivable, net of uncollectible amounts, for amounts anticipated to be received. The County is expected to receive revenue over the next 18 years. At June 30, 2025, the County has total receivables of \$989,564 and deferred inflows of \$936,849 reported in the other governmental fund statements related to the settlements receivable.

## **Required Supplementary Information**

**La Paz County**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Year Ended June 30, 2025**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>Revenues:</b>				
Taxes	\$ 10,086,339	\$ 10,086,339	\$ 10,559,639	\$ 473,300
Licenses and permits	398,200	398,200	598,601	200,401
Fees, fines, and forfeits	1,250,000	1,250,000	1,001,299	(248,701)
Intergovernmental	6,853,822	7,108,922	7,415,275	306,353
Charges for services	525,000	525,000	630,347	105,347
Investment earnings	120,000	120,000	235,962	115,962
Miscellaneous	551,549	551,549	338,558	(212,991)
Total revenues	19,784,910	20,040,010	20,779,681	739,671
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Assessor	847,955	847,955	800,134	47,821
County attorney	1,120,017	1,063,317	846,063	217,254
Board of supervisors	906,186	906,186	863,414	42,772
Clerk of the superior court	629,263	630,140	588,855	41,285
Elections	189,191	189,191	156,823	32,368
Justice of the Peace #6	116,667	128,667	119,247	9,420
Planning and zoning	547,756	672,031	674,772	(2,741)
Recorder	289,096	289,096	294,006	(4,910)
Human resources	302,809	302,809	239,002	63,807
Superior court	370,000	281,000	280,995	5
Treasurer	394,448	394,448	376,268	18,180
Court administration	881,100	961,850	961,841	9
Management information services	493,717	509,317	475,541	33,776
Public defender	600,000	607,373	607,370	3
General administration	1,941,591	2,154,240	2,083,457	70,783
Finance	575,053	575,053	490,109	84,944
Facilities management	386,392	365,292	274,908	90,384
Total general government	10,591,241	10,877,965	10,132,805	745,160

See accompanying notes to budgetary comparison schedule.

**La Paz County**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund - Continued**  
**Year Ended June 30, 2025**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>Public safety:</b>				
Regional dispatch	\$ 1,076,450	\$ 1,195,150	\$ 1,234,826	\$ (39,676)
Sheriff	6,340,550	5,840,916	5,444,594	396,322
Probation	112,680	116,980	114,225	2,755
Juvenile probation	125,810	130,610	131,016	(406)
Boat patrol grant	160,000	350,309	205,206	145,103
Emergency management	85,284	85,284	87,335	(2,051)
Total public safety	<u>7,900,774</u>	<u>7,719,249</u>	<u>7,217,202</u>	<u>502,047</u>
<b>Health:</b>				
Indigent health	343,047	343,047	381,058	(38,011)
County long term care ALTCS	500	680	990,880	(990,200)
C.M.I (chronically mentally ill)	273,600	273,600	92,325	181,275
Animal control	333,136	333,136	341,304	(8,168)
Health	1,020,035	876,160	552,663	323,497
Total health	<u>1,970,318</u>	<u>1,826,623</u>	<u>2,358,230</u>	<u>(531,607)</u>
<b>Welfare:</b>				
Public fiduciary	249,659	249,659	233,549	16,110
Parker food bank	20,000	18,417	17,233	1,184
Quartzsite food bank	-	2,837	2,900	(63)
McMullen Valley food bank	-	2,566	2,489	77
Total welfare	<u>269,659</u>	<u>273,479</u>	<u>256,185</u>	<u>17,308</u>

See accompanying notes to budgetary comparison schedule.

**La Paz County**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund - Continued**  
**Year Ended June 30, 2025**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Culture and recreation:				
Library services	\$ 157,896	\$ 149,696	\$ 150,563	\$ (867)
Total culture and recreation	157,896	149,696	150,563	(867)
Education:				
School superintendent	294,645	294,645	272,108	22,537
Total education	294,645	294,645	272,108	22,537
Total expenditures	21,184,533	21,141,657	20,387,093	754,564
Excess (deficiency) of revenues over expenditures	(1,399,623)	(1,101,647)	392,588	1,494,235
Other financing sources (uses):				
Proceeds from sale of capital assets	\$ -	\$ -	\$ 19,152	\$ 19,152
Transfers in	4,827,602	4,179,290	2,148,312	(2,030,978)
Transfers out	(1,910,301)	(2,510,301)	(2,669,786)	(159,485)
Total other financing sources (uses)	2,917,301	1,668,989	(502,322)	(2,171,311)
Net change in fund balance	1,517,678	567,342	(109,734)	(677,076)
Fund balance, July 1, 2024	7,373,516	7,373,516	9,314,406	1,940,890
Fund balance, June 30, 2025	<u>\$ 8,891,194</u>	<u>\$ 7,940,858</u>	<u>\$ 9,204,672</u>	<u>\$ 1,263,814</u>

See accompanying notes to budgetary comparison schedule.

**La Paz County**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Road Fund**  
**Year Ended June 30, 2025**

	<b>Original Budgeted Amounts</b>	<b>Final Budget Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>Revenues:</b>				
Taxes	\$ 777,518	\$ 777,518	\$ 610,260	\$ (167,258)
Intergovernmental	6,406,771	4,957,868	6,376,124	1,418,256
Investment earnings	145,000	145,000	188,836	43,836
Miscellaneous	20,000	20,000	27,802	7,802
Total revenues	<u>7,349,289</u>	<u>5,900,386</u>	<u>7,203,022</u>	<u>1,302,636</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Highways and streets	<u>13,000,000</u>	<u>13,000,000</u>	<u>7,497,095</u>	<u>5,502,905</u>
Total expenditures	<u>13,000,000</u>	<u>13,000,000</u>	<u>7,497,095</u>	<u>5,502,905</u>
Excess (deficiency) of revenues over expenditures	(5,650,711)	(7,099,614)	(294,073)	6,805,541
<b>Other financing sources (uses):</b>				
Subscription-based information technology arrangements	-	-	61,089	61,089
Proceeds from sale of capital assets	-	-	98,797	98,797
Transfers out	250,000	250,000	-	(250,000)
Total other financing uses	<u>250,000</u>	<u>250,000</u>	<u>159,886</u>	<u>(90,114)</u>
Net change in fund balance	(5,400,711)	(6,849,614)	(134,187)	6,715,427
Fund balance July 1, 2024	8,283,121	8,283,121	10,161,296	1,878,175
<b>Change in nonspendable resources</b>				
Increase in inventories	<u>-</u>	<u>-</u>	<u>(22,123)</u>	<u>(22,123)</u>
Fund balance, June 30, 2025	<u>\$ 2,882,410</u>	<u>\$ 1,433,507</u>	<u>\$ 10,004,986</u>	<u>\$ 8,571,479</u>

See accompanying notes to budgetary comparison schedule.

**La Paz County**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Jail District Fund**  
**Year Ended June 30, 2025**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues:			
Taxes	\$ 2,220,000	\$ 2,676,255	\$ 456,255
Charges for services	526,600	367,181	(159,419)
Investment earnings	2,200	-	(2,200)
Total revenues	<u>2,748,800</u>	<u>3,043,436</u>	<u>294,636</u>
Expenditures:			
Current:			
Public safety	4,018,439	4,130,336	(111,897)
Total expenditures	<u>4,018,439</u>	<u>4,130,568</u>	<u>(112,129)</u>
Excess (deficiency) of revenues over expenditures	(1,269,639)	(1,087,132)	182,507
<b>Other financing sources:</b>			
Transfers in	1,269,639	1,283,639	14,000
Total other financing sources	<u>1,269,639</u>	<u>1,283,639</u>	<u>14,000</u>
Net change in fund balance	-	196,507	196,507
Fund balance (deficit) July 1, 2024	<u>-</u>	<u>(740,596)</u>	<u>(740,596)</u>
Fund balance (deficit) June 30, 2025	<u>\$ -</u>	<u>\$ (544,089)</u>	<u>\$ (544,089)</u>

See accompanying notes to budgetary comparison schedule.

**La Paz County**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Coronavirus Recovery Fund**  
**Year Ended June 30, 2025**

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ 11,901	\$ 11,901
Total revenues	-	-	11,901	11,901
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	-	608,176	608,175	1
Total expenditures	-	608,176	608,175	1
Excess (deficiency) of revenues over expenditures	-	(608,176)	(596,274)	11,902
<b>Other financing sources (uses):</b>				
Transfers out	(573,500)	-	-	-
Total other financing uses	(573,500)	-	-	-
Net change in fund balance	(573,500)	(608,176)	(596,274)	11,902
Fund balance July 1, 2024	573,500	573,500	596,274	22,774
Fund balance (deficit), June 30, 2025	<u>\$ -</u>	<u>\$ (34,676)</u>	<u>\$ -</u>	<u>\$ 34,676</u>

See accompanying notes to budgetary comparison schedule.

**La Paz County**  
**Required Supplementary Information**  
**Notes to Budgetary Comparison Schedules**  
**June 30, 2025**

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**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. With the exception of the General Fund, each fund includes only one department. For the General Fund, capital outlay and debt service expenditures are budgeted by department and accumulated by function on the Budgetary Comparison Schedule.

**Note 2 - Expenditures in Excess of Appropriations**

For the year ended June 30, 2025, expenditures that exceeded final budget amounts at the department level (the legal level of budgetary control) were as follows:

<b>Fund/Department</b>	<b>Excess</b>
<b>General Fund:</b>	
Planning and zoning	2,741
Recorder	4,910
Regional dispatch	39,676
Juvenile probation	406
Emergency management	2,051
Indigent health	38,011
County long term care ALTCS	990,200
Animal control	8,168
Quartzsite food bank	63
Library services	867
Public safety	111,897

The excesses were primarily the result of unexpected expenditures and expenditures made as a result of anticipated revenues, or both. To resolve future excesses, the County has retained outside consultants to assist in fiscal years 2026 and 2027 budget preparation, as well as a grants management program, and the County Finance Director monitors the budget versus actual results.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of the County's Proportionate Share of the Net Pension/OPEB Liability**  
**Cost-Sharing Plans**  
**June 30, 2025**

**ASRS - Pension**

	<b>Reporting Fiscal Year (Measurement Date)</b>									
	<b>2025 (2024)</b>	<b>2024 (2023)</b>	<b>2023 (2022)</b>	<b>2022 (2021)</b>	<b>2021 (2020)</b>	<b>2020 (2019)</b>	<b>2019 (2018)</b>	<b>2018 (2017)</b>	<b>2017 (2016)</b>	<b>2016 (2015)</b>
County's proportion of the net pension liability	0.06323%	0.06373%	0.06356%	0.07271%	0.06977%	0.06772%	0.06803%	0.08144%	0.09606%	0.94330%
County's proportionate share of the net pension liability	\$ 10,117,752	\$ 10,312,379	\$ 10,374,404	\$ 9,553,771	\$ 12,088,713	\$ 9,854,047	\$ 9,487,791	\$ 12,686,765	\$ 15,505,049	\$ 14,692,914
County's covered payroll	8,561,704	8,363,980	7,585,304	8,314,352	7,687,563	9,607,815	6,764,073	8,337,449	9,308,691	9,159,101
County's proportionate share of the net pension liability as a percentage of its covered payroll	118.17%	123.30%	136.77%	114.91%	157.25%	102.56%	140.27%	152.17%	166.57%	160.42%
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%

**ASRS - Health Insurance Premium Benefit**

	<b>Reporting Fiscal Year (Measurement Date)</b>								
	<b>2025 (2024)</b>	<b>2024 (2023)</b>	<b>2023 (2022)</b>	<b>2022 (2021)</b>	<b>2021 (2020)</b>	<b>2020 (2019)</b>	<b>2019 (2018)</b>	<b>2018 (2017)</b>	<b>2017 through 2016</b>
County's proportion of the net OPEB (asset)	0.06429%	0.06519%	0.06498%	0.07436%	0.07105%	0.06892%	0.06903%	0.82450%	Information not available
County's proportionate share of the net OPEB (asset)	\$ (388,459)	\$ (350,804)	\$ (362,652)	\$ (362,288)	\$ (50,303)	\$ (19,046)	\$ (24,857)	\$ (44,886)	Information not available
County's covered payroll	8,561,704	8,363,980	7,585,304	8,314,352	7,687,563	9,607,815	6,764,073	8,337,449	
County's proportionate share of the net OPEB (asset) as a percentage of its covered payroll	-4.54%	-4.19%	-4.78%	-4.36%	-0.65%	-0.20%	-0.37%	-0.54%	
Plan fiduciary net position as a percentage of the total pension liability	137.51%	134.37%	137.79%	130.24%	104.33%	101.62%	102.20%	103.57%	

**ASRS - Long-term Disability**

	<b>Reporting Fiscal Year (Measurement Date)</b>								
	<b>2025 (2024)</b>	<b>2024 (2023)</b>	<b>2023 (2022)</b>	<b>2022 (2021)</b>	<b>2021 (2020)</b>	<b>2020 (2019)</b>	<b>2019 (2018)</b>	<b>2018 (2017)</b>	<b>2017 through 2016</b>
County's proportion of the net OPEB Liability	0.06378%	0.06436%	0.06408%	0.07355%	0.07047%	0.06851%	0.06818%	0.08170%	Information not available
County's proportionate share of the net OPEB Liability	\$ 1,663	\$ 8,433	\$ 5,918	\$ 15,183	\$ 53,459	\$ 44,631	\$ 35,624	\$ 29,614	Information not available
County's covered payroll	8,561,704	8,363,980	7,585,304	8,314,352	7,687,563	9,607,815	6,764,073	8,337,449	
County's proportionate share of the net OPEB Liability as a percentage of its covered payroll	0.02%	0.10%	0.08%	0.18%	0.70%	0.46%	0.53%	0.36%	
Plan fiduciary net position as a percentage of the total pension liability	98.77%	93.70%	95.40%	90.38%	68.01%	72.85%	77.83%	84.44%	

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of the County's Proportionate Share of the Net Pension/OPEB Liability - Continued**  
**Cost-Sharing Plans**  
**June 30, 2025**

	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
<b>CORP AOC - Pension</b>										
County's proportion of the net pension liability	0.25217%	0.26236%	0.27894%	0.25794%	0.34114%	0.27830%	0.25459%	0.24088%	0.28221%	0.30928%
County's proportionate share of the net pension liability	\$ 1,088,084	\$ 1,185,746	\$ 1,244,812	\$ 957,507	\$ 1,629,527	\$ 1,174,239	\$ 916,472	\$ 966,450	\$ 796,270	\$ 751,897
County's covered payroll	336,726	343,644	354,553	345,715	323,700	412,014	325,745	792,077	325,471	374,128
County's proportionate share of the net pension liability as a percentage of its covered payroll	323.14%	345.05%	351.09%	276.96%	503.41%	285.00%	281.35%	122.01%	244.65%	200.97%
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%
<b>CORP AOC - Health Insurance Premium Benefit</b>										
	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 through 2016	
County's proportion of the net OPEB liability (asset)	0.28245%	0.28246%	0.29663%	0.26355%	0.26370%	0.27805%	0.25572%	0.24184%	Information	not available
County's proportionate share of the net OPEB liability (asset)	\$ (3,045)	\$ (1,176)	\$ 1,120	\$ (353)	\$ 10,384	\$ 10,296	\$ 13,149	\$ 14,231		
County's covered payroll	336,726	343,644	354,553	345,715	323,700	412,014	325,745	792,077		
County's proportionate share of the net OPEB liability as a percentage of its covered payroll	-0.90%	-0.34%	0.32%	-0.10%	3.21%	2.50%	4.04%	1.80%		
Plan fiduciary net position as a percentage of the total OPEB liability	106.96%	102.78%	97.46%	100.90%	75.08%	75.64%	67.75%	62.21%		
<b>EORP - Pension</b>										
	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
County's proportion of the net pension liability	0.77728%	0.47423%	1.01162%	1.06856%	1.21884%	1.23755%	1.03716%	0.93122%	0.99939%	0.93617%
County's proportionate share of the net pension liability	\$ 4,643,029	\$ 2,972,213	\$ 6,829,747	\$ 6,502,827	\$ 8,226,711	\$ 8,207,120	\$ 6,535,520	\$ 11,347,472	\$ 9,441,755	\$ 7,315,675
State's proportionate share of the net pension liability associated with the County	\$ 399,319	\$ 3,323,088	\$ 664,995	\$ 653,639	\$ 781,884	\$ 651,821	\$ 1,658,855	\$ 2,112,527	\$ 1,949,481	\$ 2,280,723
Total County's net pension liability	\$ 5,042,348	\$ 6,295,301	\$ 7,494,742	\$ 7,156,466	\$ 9,008,595	\$ 8,858,941	\$ 8,194,375	\$ 13,459,999	\$ 11,391,236	\$ 9,596,398
County's covered payroll	\$ 688,189	\$ 774,374	\$ 759,722	\$ 825,808	\$ 1,138,522	\$ 854,892	\$ 1,034,035	\$ 759,974	\$ 794,562	\$ 849,419
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	674.67%	383.82%	898.98%	787.45%	722.58%	960.02%	632.04%	1493.14%	1188.30%	861.26%
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%
<b>EORP - Health Insurance Premium Benefit</b>										
	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 through 2016	
County's proportion of the net OPEB (asset)	1.82387%	1.72748%	1.90871%	2.14523%	1.90472%	1.91305%	1.57850%	1.55196%	Information	not available
County's proportionate share of the net OPEB (asset)	\$ (274,434)	\$ (231,739)	\$ (245,473)	\$ (342,116)	\$ (181,910)	\$ (187,372)	\$ (163,121)	\$ (141,324)		
County's covered payroll	688,189	774,374	759,722	825,808	1,138,522	854,892	1,034,035	759,974		
County's proportionate share of the net OPEB (asset) as a percentage of its covered payroll	-39.88%	-29.93%	-32.31%	-41.43%	-15.98%	-21.92%	-15.78%	-18.60%		
Plan fiduciary net position as a percentage of the total pension (asset)	212.95%	199.83%	198.38%	231.29%	169.89%	169.72%	177.16%	164.84%		

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of Changes in the County's**  
**Net Pension/OPEB Liability and Related Ratios - Agent Plans**  
**June 30, 2025**

	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
<b>PSPRS - Sheriff - Pension</b>										
<b>Total pension liability</b>										
Service cost	\$ 129,114	\$ 152,627	\$ 197,464	\$ 180,655	\$ 230,878	\$ 283,040	\$ 279,940	\$ 351,267	\$ 356,348	\$ 271,882
Interest on total pension liability	1,534,929	1,559,114	1,486,908	1,452,549	1,430,259	1,385,767	1,314,548	1,208,951	1,156,186	1,105,013
Changes of benefit terms	-	-	-	-	-	-	-	243,566	316,334	-
Difference between expected and actual experience in the measurement of the pension liability	312,223	(300,157)	773,787	140,567	(13,416)	143,573	418,257	346,773	76,314	237,456
Changes of assumptions or other inputs	-	-	415,127	-	-	339,251	-	685,158	572,944	-
Benefit payments, including refunds of employee contributions	(1,632,536)	(1,815,403)	(1,269,985)	(1,369,838)	(1,214,454)	(1,252,475)	(1,134,319)	(1,176,148)	(993,292)	(1,016,114)
Net change in pension liability	343,730	(403,819)	1,603,301	403,933	433,267	899,156	878,426	1,659,567	1,484,834	598,237
Total pension liability - beginning	22,005,616	22,409,435	20,806,134	20,402,201	19,968,934	19,069,778	18,191,352	16,531,785	15,046,951	14,448,714
Total pension liability - ending (a)	<u>\$ 22,349,346</u>	<u>\$ 22,005,616</u>	<u>\$ 22,409,435</u>	<u>\$ 20,806,134</u>	<u>\$ 20,402,201</u>	<u>\$ 19,968,934</u>	<u>\$ 19,069,778</u>	<u>\$ 18,191,352</u>	<u>\$ 16,531,785</u>	<u>\$ 15,046,951</u>
<b>Plan fiduciary net position</b>										
Contributions - employer	\$ 6,726,723	\$ 1,130,003	\$ 1,258,201	\$ 1,211,476	\$ 1,439,074	\$ 950,338	\$ 757,330	\$ 854,831	\$ 791,496	\$ 537,234
Contributions - employee	47,255	60,009	98,719	104,724	158,729	112,999	159,019	192,207	343,870	166,848
Net investment income	851,814	596,370	(331,841)	1,891,870	81,809	313,914	407,527	662,076	31,841	197,454
Benefit payments, including refunds of employee contributions	(1,632,536)	(1,815,403)	(1,269,985)	(1,369,838)	(1,214,454)	(1,252,475)	(1,134,319)	(1,176,148)	(993,292)	(1,016,114)
Hall/Parker Settlement	-	-	-	-	-	-	(179,279)	-	-	-
Administrative expense	(12,219)	(9,733)	(5,985)	(8,858)	(6,671)	(6,471)	(6,903)	(6,258)	(4,982)	(5,190)
Other changes	-	-	-	-	-	-	77	13,819	48,942	(9,829)
Net change in plan fiduciary net position	5,981,037	(38,754)	(250,891)	1,829,374	458,487	118,305	3,452	540,527	217,875	(129,597)
Plan fiduciary net position - beginning	8,040,871	8,079,625	8,330,516	6,501,142	6,315,660	6,197,355	6,193,903	5,653,376	5,435,501	5,565,098
Adjustment to Beginning of Year	-	-	-	-	(273,005)	-	-	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ 14,021,908</u>	<u>\$ 8,040,871</u>	<u>\$ 8,079,625</u>	<u>\$ 8,330,516</u>	<u>\$ 6,501,142</u>	<u>\$ 6,315,660</u>	<u>\$ 6,197,355</u>	<u>\$ 6,193,903</u>	<u>\$ 5,653,376</u>	<u>\$ 5,435,501</u>
County's net pension liability - ending (a) - (b)	<u>\$ 8,327,438</u>	<u>\$ 13,964,745</u>	<u>\$ 14,329,810</u>	<u>\$ 12,475,618</u>	<u>\$ 13,901,059</u>	<u>\$ 13,653,274</u>	<u>\$ 12,872,423</u>	<u>\$ 11,997,449</u>	<u>\$ 10,878,409</u>	<u>\$ 9,611,450</u>
Plan fiduciary net position as a percentage of the total pension liability	62.7%	36.5%	36.1%	40.0%	31.9%	31.6%	32.5%	34.0%	34.2%	36.1%
Covered payroll	\$ 1,919,256	\$ 2,264,544	\$ 2,415,621	\$ 2,272,176	\$ 2,599,373	\$ 1,564,068	\$ 1,527,180	\$ 1,931,347	\$ 1,630,734	\$ 1,574,754
County's net pension liability as a percentage of covered payroll	434%	617%	593%	549%	535%	873%	843%	621%	667%	610%

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of Changes in the County's**  
**Net Pension/OPEB Liability and Related Ratios - Agent Plans - Continued**  
**June 30, 2025**

	Reporting Fiscal Year (Measurement Date)								2017 through 2016
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	
<b>PSPRS OPEB - Sheriff</b>									
<b>Total OPEB liability</b>									Information not available
Service cost	\$ 2,364	\$ 3,308	\$ 4,793	\$ 4,526	\$ 5,979	\$ 5,336	\$ 5,481	\$ 6,093	
Interest on total OPEB liability	10,398	10,899	12,071	13,654	13,534	20,971	21,114	20,119	
Changes of benefit terms	-	-	-	-	-	-	-	2,575	
Difference between expected and actual experience in the measurement of the OPEB liability	(22,648)	(14,365)	(25,507)	(36,693)	(10,074)	(123,208)	(22,141)	5,343	
Changes of assumptions or other inputs	-	-	745	-	-	1,637	-	(7,700)	
Benefit payments	(5,677)	(6,057)	(3,139)	(3,730)	(3,936)	(7,836)	(10,126)	(7,982)	
Net change in OPEB liability	(15,563)	(6,215)	(11,037)	(22,243)	5,503	(103,100)	(5,672)	18,448	
Total OPEB liability - beginning	144,886	151,101	162,138	184,381	178,878	281,978	287,650	269,202	
Total OPEB liability - ending (a)	<u>\$ 129,323</u>	<u>\$ 144,886</u>	<u>\$ 151,101</u>	<u>\$ 162,138</u>	<u>\$ 184,381</u>	<u>\$ 178,878</u>	<u>\$ 281,978</u>	<u>\$ 287,650</u>	
<b>Plan fiduciary net position</b>									
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (17)	\$ -	
Net investment income	65,486	46,413	(25,170)	138,770	6,345	26,025	32,072	49,374	
Benefit payments	(5,677)	(6,057)	(3,139)	(3,730)	(3,936)	(7,836)	(10,126)	(7,982)	
Administrative Expense	(802)	(789)	(448)	(571)	(516)	(433)	(488)	(437)	
Other changes	-	-	-	-	-	-	1	-	
Net change in plan fiduciary net position	59,007	39,567	(28,757)	134,469	1,893	17,756	21,442	40,955	
Plan fiduciary net position - beginning	649,854	610,287	639,044	504,575	502,682	484,926	463,484	422,529	
Plan fiduciary net position - ending (b)	<u>\$ 708,861</u>	<u>\$ 649,854</u>	<u>\$ 610,287</u>	<u>\$ 639,044</u>	<u>\$ 504,575</u>	<u>\$ 502,682</u>	<u>\$ 484,926</u>	<u>\$ 463,484</u>	
County's net OPEB (asset) liability - ending (a) - (b)	<u>\$ (579,538)</u>	<u>\$ (504,968)</u>	<u>\$ (459,186)</u>	<u>\$ (476,906)</u>	<u>\$ (320,194)</u>	<u>\$ (323,804)</u>	<u>\$ (202,948)</u>	<u>\$ (175,834)</u>	
Plan fiduciary net position as a percentage of the total OPEB liability	548.1%	448.5%	403.9%	394.1%	273.7%	281.0%	172.0%	161.1%	
Covered payroll	\$ 1,281,477	\$ 2,264,544	\$ 2,415,621	\$ 2,272,176	\$ 2,599,373	\$ 1,564,068	\$ 1,527,180	\$ 1,931,347	
County's net OPEB (asset) liability as a percentage of covered payroll	-45%	-22%	-19%	-21%	-12%	-21%	-13%	-9%	

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of Changes in the County's**  
**Net Pension/OPEB Liability and Related Ratios - Agent Plans - Continued**  
**June 30, 2025**

Public Safety Personnel Retirement System - Attorney Investigators	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
<b>Total pension liability</b>										
Interest on total pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,991	\$ 21,028	\$ 17,223	\$ 18,656	\$ 23,957
Changes of benefit terms	-	-	-	-	-	-	-	14,580	16,878	-
Difference between expected and actual experience in the measurement of the pension liability	-	-	-	-	-	(475,574)	(1,149)	34,463	9,524	10,341
Changes of assumptions or other inputs	-	-	-	-	-	-	(33,605)	(11,962)	34,797	107,233
Benefit payments, including refunds of employee contributions	-	-	-	-	-	-	(34,194)	(33,557)	(31,210)	(31,210)
Net change in pension liability	-	-	-	-	-	(452,583)	(47,920)	20,747	48,645	110,321
Total pension liability - beginning	-	-	-	-	-	452,583	500,503	479,756	431,111	320,790
Total pension liability - ending (a)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 452,583</u>	<u>\$ 500,503</u>	<u>\$ 479,756</u>	<u>\$ 431,111</u>
<b>Plan fiduciary net position</b>										
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,979	\$ 8,827	\$ 10,527	\$ -
Net investment income	21,185	14,785	(7,964)	43,640	1,976	8,043	10,833	19,327	1,047	7,335
Benefit payments, including refunds of employee contributions	-	-	-	-	-	-	(34,194)	(33,557)	(31,210)	(31,210)
Hall/Parker Settlement	-	-	-	-	-	-	(152)	-	-	-
Administrative expense	(13)	(11)	(144)	(211)	(161)	(1,140)	(865)	(571)	(551)	(558)
Other changes	-	-	-	-	-	-	3	3	3	(220)
Net change in plan fiduciary net position	21,172	14,774	(8,108)	43,429	1,815	6,903	(15,396)	(5,971)	(20,184)	(24,653)
Plan fiduciary net position - beginning	207,058	192,284	200,392	156,963	155,148	148,245	163,641	169,612	189,796	214,449
Plan fiduciary net position - ending (b)	<u>\$ 228,230</u>	<u>\$ 207,058</u>	<u>\$ 192,284</u>	<u>\$ 200,392</u>	<u>\$ 156,963</u>	<u>\$ 155,148</u>	<u>\$ 148,245</u>	<u>\$ 163,641</u>	<u>\$ 169,612</u>	<u>\$ 189,796</u>
County's net pension (asset) liability - ending (a) - (b)	<u>\$ (228,230)</u>	<u>\$ (207,058)</u>	<u>\$ (192,284)</u>	<u>\$ (200,392)</u>	<u>\$ (156,963)</u>	<u>\$ (155,148)</u>	<u>\$ 304,338</u>	<u>\$ 336,862</u>	<u>\$ 310,144</u>	<u>\$ 241,315</u>
Plan fiduciary net position as a percentage of the total pension liability	0%	0%	0%	0%	0%	0%	33%	33%	35%	44%
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's net pension (asset) liability as a percentage of covered payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of Changes in the County's**  
**Net Pension/OPEB Liability and Related Ratios - Agent Plans - Continued**  
**June 30, 2025**

	Reporting Fiscal Year (Measurement Date)								2017 through 2016
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	
<b>PSPRS OPEB - Attorney Investigators</b>									
<b>Total OPEB liability</b>									Information not available
Interest on total OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 858	\$ 913	
Difference between expected and actual experience in the measurement of the OPEB liability	-	-	-	-	-	-	(13,111)	(1,322)	
Changes of assumptions or other inputs	-	-	-	-	-	-	-	1,111	
Benefit payments	-	-	-	-	-	-	(422)	(413)	
Net change in OPEB liability	-	-	-	-	-	-	(12,675)	289	
Total OPEB liability - beginning	-	-	-	-	-	-	12,675	12,386	
Total OPEB liability - ending (a)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,675</u>	
<b>Plan fiduciary net position</b>									
Net investment income	\$ 1,769	\$ 1,234	\$ (665)	\$ 3,642	\$ 165	\$ 668	\$ 819	\$ 1,280	
Benefit payments	-	-	-	-	-	-	(422)	(413)	
Administrative Expense	(1)	(1)	(12)	(15)	(13)	(12)	(12)	(12)	
Net change in plan fiduciary net position	1,768	1,233	(677)	3,627	152	656	385	855	
Plan fiduciary net position - beginning	17,285	16,052	16,729	13,102	12,950	12,294	11,909	11,054	
Plan fiduciary net position - ending (b)	<u>\$ 19,053</u>	<u>\$ 17,285</u>	<u>\$ 16,052</u>	<u>\$ 16,729</u>	<u>\$ 13,102</u>	<u>\$ 12,950</u>	<u>\$ 12,294</u>	<u>\$ 11,909</u>	
County's net OPEB (asset) liability - ending (a) - (b)	<u>\$ (19,053)</u>	<u>\$ (17,285)</u>	<u>\$ (16,052)</u>	<u>\$ (16,729)</u>	<u>\$ (13,102)</u>	<u>\$ (12,950)</u>	<u>\$ (12,294)</u>	<u>\$ 766</u>	
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	94.0%	
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
County's net OPEB (asset) liability as a percentage of covered payroll	0%	0%	0%	0%	0%	0%	0%	0%	

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of Changes in the County's**  
**Net Pension/OPEB Liability and Related Ratios - Agent Plans - Continued**  
**June 30, 2025**

<b>CORP - Detention</b>	<b>Reporting Fiscal Year (Measurement Date)</b>						
	<b>2025 (2024)</b>	<b>2024 (2023)</b>	<b>2023 (2022)</b>	<b>2022 (2021)</b>	<b>2021 (2020)</b>	<b>2020 (2019)</b>	<b>2019 (2018)</b>
<b>Total pension liability</b>							
Service cost	\$ 35,265	\$ 53,918	\$ 73,087	\$ 85,301	\$ 123,593	\$ 138,009	\$ 136,423
Interest on total pension liability	186,592	209,665	216,836	205,304	186,389	167,357	107,212
Changes of benefit terms	-	-	-	-	-	-	240,188
Difference between expected and actual experience in the measurement of the pension liability	(298,646)	(419,774)	(253,921)	(84,381)	17,596	12,727	360,618
Changes of assumptions or other inputs	-	-	19,627	-	-	58,575	-
Benefit payments, including refunds of employee contributions	(137,173)	(154,039)	(35,572)	(36,507)	(23,834)	(117,298)	(85,625)
Net change in pension liability	(213,962)	(310,230)	20,057	169,717	303,744	259,370	758,816
Total pension liability - beginning	2,624,882	2,935,112	2,915,055	2,745,338	2,441,594	2,182,224	1,423,408
Total pension liability - ending (a)	<u>\$ 2,410,920</u>	<u>\$ 2,624,882</u>	<u>\$ 2,935,112</u>	<u>\$ 2,915,055</u>	<u>\$ 2,745,338</u>	<u>\$ 2,441,594</u>	<u>\$ 2,182,224</u>
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 96,281	\$ 122,513	\$ 128,849	\$ 110,627	\$ 148,956	\$ 88,965	\$ 134,312
Contributions - employee	31,341	37,815	43,798	49,987	85,076	75,076	84,469
Net investment income	216,800	156,730	(74,459)	405,979	35,344	54,635	69,049
Benefit payments, including refunds of employee contributions	(137,173)	(154,039)	(35,572)	(36,507)	(23,834)	(117,298)	(85,625)
Administrative expense	(4,533)	(4,165)	(1,359)	(1,805)	(1,368)	(1,675)	(1,745)
Other changes	-	-	-	-	-	-	(14,680)
Net change in plan fiduciary net position	202,716	158,854	61,257	528,281	244,174	99,703	185,780
Plan fiduciary net position - beginning	2,144,240	1,985,386	1,924,129	1,395,848	1,192,684	1,092,981	907,201
Adjustment to Beginning of Year	-	-	-	-	(41,010)	-	-
Plan fiduciary net position - ending (b)	<u>\$ 2,346,956</u>	<u>\$ 2,144,240</u>	<u>\$ 1,985,386</u>	<u>\$ 1,924,129</u>	<u>\$ 1,395,848</u>	<u>\$ 1,192,684</u>	<u>\$ 1,092,981</u>
County's net pension liability - ending (a) - (b)	<u>\$ 63,964</u>	<u>\$ 480,642</u>	<u>\$ 949,726</u>	<u>\$ 990,926</u>	<u>\$ 1,349,490</u>	<u>\$ 1,248,910</u>	<u>\$ 1,089,243</u>
Plan fiduciary net position as a percentage of the total pension liability	97%	82%	68%	66%	51%	49%	50%
Covered payroll	\$ 1,538,876	\$ 990,276	\$ 570,486	\$ 712,724	\$ 494,069	\$ 489,495	\$ 1,078,400
County's net pension liability as a percentage of covered payroll	4%	49%	166%	139%	273%	255%	101%

Reporting Fiscal Year 2018 was the Plan's first year.

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of Changes in the County's**  
**Net Pension/OPEB Liability and Related Ratios - Agent Plans - Continued**  
**June 30, 2025**

<b>CORP OPEB - Detention</b>	<b>Reporting Fiscal Year (Measurement Date)</b>						
	<b>2025 (2024)</b>	<b>2024 (2023)</b>	<b>2023 (2022)</b>	<b>2022 (2021)</b>	<b>2021 (2020)</b>	<b>2020 (2019)</b>	<b>2019 (2018)</b>
<b>Total OPEB liability</b>							
Service cost	\$ 603	\$ 1,019	\$ 1,164	\$ 1,701	\$ 2,103	\$ 2,050	\$ 3,792
Interest on total OPEB liability	3,470	4,200	4,154	3,887	4,097	4,580	5,152
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience in the measurement of the OPEB liability	(12,228)	(14,350)	(4,519)	(1,382)	(8,680)	(13,085)	(16,830)
Changes of assumptions or other inputs	-	-	906	-	-	632	-
Benefit payments, including Refund of Employee Contributions	(878)	(285)	-	-	-	-	-
Net change in OPEB liability	(9,033)	(9,416)	1,705	4,206	(2,480)	(5,823)	(7,886)
Total OPEB liability - beginning	48,035	57,451	55,746	51,540	54,020	59,843	67,729
Total OPEB liability - ending (a)	<u>\$ 39,002</u>	<u>\$ 48,035</u>	<u>\$ 57,451</u>	<u>\$ 55,746</u>	<u>\$ 51,540</u>	<u>\$ 54,020</u>	<u>\$ 59,843</u>
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 3,842	\$ 4,145	\$ 4,487	\$ 4,164	\$ 5,190	\$ 7,710	\$ -
Net investment income	3,036	1,880	(773)	3,527	-	106	-
Benefit payments, including Refund of Employee Contributions	(878)	(285)	-	-	-	-	-
Administrative Expense	(60)	(49)	(14)	(15)	-	(2)	-
Other changes	-	-	-	-	-	-	-
Net change in plan fiduciary net position	5,940	5,691	3,700	7,676	5,190	7,814	-
Plan fiduciary net position - beginning	30,071	24,380	20,680	13,004	7,814	-	-
Plan fiduciary net position - ending (b)	<u>\$ 36,011</u>	<u>\$ 30,071</u>	<u>\$ 24,380</u>	<u>\$ 20,680</u>	<u>\$ 13,004</u>	<u>\$ 7,814</u>	<u>\$ -</u>
County's net OPEB liability - ending (a) - (b)	<u>\$ 2,991</u>	<u>\$ 17,964</u>	<u>\$ 33,071</u>	<u>\$ 35,066</u>	<u>\$ 38,536</u>	<u>\$ 46,206</u>	<u>\$ 59,843</u>
Plan fiduciary net position as a percentage of the total OPEB liability	92.3%	62.6%	42.4%	37.1%	25.2%	14.5%	0.0%
Covered payroll	\$ 1,538,876	\$ 990,276	\$ 570,486	\$ 712,724	\$ 494,069	\$ 489,495	\$ 1,078,400
County's net OPEB liability as a percentage of covered payroll	0%	2%	6%	5%	8%	9%	6%

Reporting Fiscal Year 2018 was the Plan's first year.

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of County Pension/OPEB Contributions**  
**June 30, 2025**

**ASRS - Pension**

**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>	<u>2017</u>	<u>2016</u>
Statutorily determined contribution	\$ 972,246	\$ 1,029,973	\$ 996,986	\$ 910,995	\$ 968,622	\$ 880,226	\$ 1,074,154	\$ 737,284	\$ 898,777	\$ 1,009,993
County's contributions in relation to the statutorily determined contribution	<u>972,246</u>	<u>1,029,973</u>	<u>996,986</u>	<u>910,995</u>	<u>968,622</u>	<u>880,226</u>	<u>1,074,154</u>	<u>737,284</u>	<u>898,777</u>	<u>1,009,993</u>
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	<u>\$ 8,068,432</u>	<u>\$ 8,561,704</u>	<u>\$ 8,363,980</u>	<u>\$ 7,585,304</u>	<u>\$ 8,314,352</u>	<u>\$ 7,687,563</u>	<u>\$ 9,607,815</u>	<u>\$ 6,764,073</u>	<u>\$ 8,337,449</u>	<u>\$ 9,308,691</u>
County's contributions as a percentage of covered payroll	<u>12.05%</u>	<u>12.03%</u>	<u>11.92%</u>	<u>12.01%</u>	<u>11.65%</u>	<u>11.45%</u>	<u>11.18%</u>	<u>10.90%</u>	<u>10.78%</u>	<u>10.85%</u>

**ASRS - Health Insurance Premium  
Benefit**

**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>	<u>2017</u>	<u>2016</u>
Statutorily determined contribution	\$ 5,648	\$ 9,418	\$ 9,200	\$ 15,929	\$ 16,937	\$ 37,669	\$ 44,196	\$ 29,762	\$ 46,690	Information not available
County's contributions in relation to the statutorily determined contribution	<u>5,648</u>	<u>9,418</u>	<u>9,200</u>	<u>15,929</u>	<u>16,937</u>	<u>37,669</u>	<u>44,196</u>	<u>29,762</u>	<u>46,690</u>	
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
County's covered payroll	<u>\$ 8,068,432</u>	<u>\$ 8,561,704</u>	<u>\$ 8,363,980</u>	<u>\$ 7,585,304</u>	<u>\$ 8,314,352</u>	<u>\$ 7,687,563</u>	<u>\$ 9,607,815</u>	<u>\$ 6,764,073</u>	<u>\$ 8,337,449</u>	
County's contributions as a percentage of covered payroll	<u>0.07%</u>	<u>0.11%</u>	<u>0.11%</u>	<u>0.21%</u>	<u>0.20%</u>	<u>0.49%</u>	<u>0.46%</u>	<u>0.44%</u>	<u>0.56%</u>	

**ASRS-Long-term Disability**

**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>	<u>2017</u>	<u>2016</u>
Statutorily determined contribution	\$ 11,836	\$ 12,719	\$ 11,724	\$ 14,260	\$ 14,729	\$ 13,002	\$ 11,393	\$ 10,807	\$ 11,672	Information not available
County's contributions in relation to the statutorily determined contribution	<u>11,836</u>	<u>12,719</u>	<u>11,724</u>	<u>14,260</u>	<u>14,729</u>	<u>13,002</u>	<u>11,393</u>	<u>10,807</u>	<u>11,672</u>	
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
County's covered payroll	<u>\$ 8,068,432</u>	<u>\$ 8,561,704</u>	<u>\$ 8,363,980</u>	<u>\$ 7,585,304</u>	<u>\$ 8,314,352</u>	<u>\$ 7,687,563</u>	<u>\$ 9,607,815</u>	<u>\$ 6,764,073</u>	<u>\$ 8,337,449</u>	
County's contributions as a percentage of covered payroll	<u>0.15%</u>	<u>0.15%</u>	<u>0.14%</u>	<u>0.19%</u>	<u>0.18%</u>	<u>0.17%</u>	<u>0.12%</u>	<u>0.16%</u>	<u>0.14%</u>	

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of County Pension/OPEB Contributions - Continued**  
**June 30, 2025**

**CORP AOC - Pension**

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily determined contribution	\$ 74,587	\$ 132,771	\$ 121,925	\$ 119,059	\$ 106,169	\$ 104,976	\$ 92,744	\$ 65,377	\$ 159,049	\$ 62,165
County's contributions in relation to the statutorily determined contribution	74,587	132,771	121,925	119,059	106,169	104,976	92,744	65,377	159,049	62,165
County's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 190,516	\$ 336,726	\$ 343,644	\$ 354,553	\$ 345,715	\$ 323,700	\$ 412,014	\$ 325,745	\$ 792,077	\$ 325,471
County's contributions as a percentage of covered payroll	39.15%	39.43%	35.48%	33.58%	30.71%	32.43%	22.51%	20.07%	20.08%	19.10%

**CORP AOC - Health insurance premium benefit**

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily determined contribution	\$ 457	\$ 1,302	\$ 1,196	\$ -	\$ 745	\$ 1,780	\$ 3,420	\$ 2,605	\$ 6,733	Information not available
County's contributions in relation to the statutorily determined contribution	457	1,302	1,196	-	745	1,780	3,420	2,605	6,733	
County's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
County's covered payroll	\$ 190,516	\$ 336,726	\$ 343,644	\$ 354,553	\$ 345,715	\$ 323,700	\$ 412,014	\$ 325,745	\$ 792,077	
County's contributions as a percentage of covered payroll	0.24%	0.39%	0.35%	0.00%	0.22%	0.55%	0.83%	0.80%	0.85%	

**EORP - Pension**

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily determined contribution	\$ 393,293	\$ 484,623	\$ 475,698	\$ 466,697	\$ 651,787	\$ 555,698	\$ 578,049	\$ 407,945	\$ 178,594	\$ 186,722
County's contributions in relation to the statutorily determined contribution	393,293	484,623	475,698	466,697	507,294	700,191	525,160	242,998	178,594	186,722
County's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ 144,493	\$ (144,493)	\$ 52,889	\$ 164,947	\$ -	\$ -
County's covered payroll	\$ 623,088	\$ 688,189	\$ 774,374	\$ 759,722	\$ 825,808	\$ 1,138,522	\$ 854,892	\$ 1,034,035	\$ 759,974	\$ 794,562
County's contributions as a percentage of covered payroll	63.12%	70.42%	61.43%	61.43%	61.43%	61.50%	61.43%	23.50%	23.50%	23.50%

The County was not required and did not contribute to the EORP health insurance premium benefit plan for fiscal years 2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018 or 2017. Information for fiscal year 2016 is not available.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of County Pension/OPEB Contributions - Continued**  
**June 30, 2025**

**PSPRS Pension - Sheriff**

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 2,142,541	\$ 1,816,391	\$ 1,226,024	\$ 1,357,579	\$ 1,460,247	\$ 1,135,094	\$ 1,036,858	\$ 924,197	\$ 993,292	\$ 786,666
County's contributions in relation to the actuarially determined contribution	3,542,541	6,816,391	1,226,024	1,357,579	1,235,609	1,359,732	812,220	744,653	993,292	786,666
County's contribution deficiency (excess)	<u>\$ (1,400,000)</u>	<u>\$ (5,000,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 224,638</u>	<u>\$ (224,638)</u>	<u>\$ 224,638</u>	<u>\$ 179,544</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	<u>\$ 2,104,965</u>	<u>\$ 1,919,256</u>	<u>\$ 2,264,544</u>	<u>\$ 2,415,621</u>	<u>\$ 2,272,176</u>	<u>\$ 2,599,373</u>	<u>\$ 1,564,068</u>	<u>\$ 1,527,180</u>	<u>\$ 1,931,347</u>	<u>\$ 1,630,734</u>
County's contributions as a percentage of covered payroll	<u>101.79%</u>	<u>94.64%</u>	<u>54.14%</u>	<u>56.20%</u>	<u>54.38%</u>	<u>52.31%</u>	<u>51.93%</u>	<u>48.76%</u>	<u>51.43%</u>	<u>48.24%</u>

**PSPRS - Health Insurance Premium Benefit - Sheriff**

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 1,816	\$ 1,538	\$ 8,297	\$ 5,926	\$ 6,210	\$ 4,287	\$ 2,759	\$ -	\$ -	Information not available
County's contributions in relation to the actuarially determined contribution	1,816	1,538	8,297	5,926	6,210	4,287	2,759	-	-	-
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	<u>\$ 1,512,986</u>	<u>\$ 1,281,477</u>	<u>\$ 2,264,544</u>	<u>\$ 2,415,621</u>	<u>\$ 2,272,176</u>	<u>\$ 2,599,373</u>	<u>\$ 1,564,068</u>	<u>\$ 1,527,180</u>	<u>\$ 1,931,347</u>	
County's contributions as a percentage of covered payroll	<u>0.12%</u>	<u>0.12%</u>	<u>0.37%</u>	<u>0.25%</u>	<u>0.27%</u>	<u>0.16%</u>	<u>0.18%</u>	<u>0.00%</u>	<u>0.00%</u>	

**PSPRS Pension - Attorney Investigators**

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,654	\$ 8,827	\$ 10,527
County's contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-	17,654	8,827	10,527
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

**PSPRS - Health Insurance Premium Benefit - Attorney Investigators**

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28	\$ 81	Information not available
County's contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-	28	81	-
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Schedule of County Pension/OPEB Contributions - Continued**  
**June 30, 2025**

**CORP Detention - Pension**

	Reporting Fiscal Year							
	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily determined contribution	\$ 78,592	\$ 94,487	\$ 121,804	\$ 139,598	\$ 119,310	\$ 152,766	\$ 135,052	\$ 114,742
County's contributions in relation to the statutorily determined contribution	78,592	94,487	121,804	139,598	119,310	152,766	135,052	114,742
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	<u>\$ 1,144,288</u>	<u>\$ 1,538,876</u>	<u>\$ 990,276</u>	<u>\$ 570,486</u>	<u>\$ 712,724</u>	<u>\$ 494,069</u>	<u>\$ 489,495</u>	<u>\$ 1,078,400</u>
County's contributions as a percentage of covered payroll	<u>6.87%</u>	<u>6.14%</u>	<u>12.30%</u>	<u>24.47%</u>	<u>16.74%</u>	<u>30.92%</u>	<u>27.59%</u>	<u>10.64%</u>

**CORP Detention - Health Insurance Premium  
Benefit**

	Reporting Fiscal Year							
	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily determined contribution	\$ 5,035	\$ 3,232	\$ 4,298	\$ -	\$ 4,490	\$ 593	\$ -	\$ 12,617
County's contributions in relation to the statutorily determined contribution	5,035	3,232	4,298	-	4,490	593	-	12,617
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	<u>\$ 1,144,288</u>	<u>\$ 1,538,876</u>	<u>\$ 990,276</u>	<u>\$ 570,486</u>	<u>\$ 712,724</u>	<u>\$ 494,069</u>	<u>\$ 489,495</u>	<u>\$ 1,078,400</u>
County's contributions as a percentage of covered payroll	<u>0.44%</u>	<u>0.21%</u>	<u>0.54%</u>	<u>0.00%</u>	<u>0.63%</u>	<u>0.12%</u>	<u>0.00%</u>	<u>1.17%</u>

Reporting Fiscal Year 2018 was the Plan's first year.

See accompanying notes to pension/OPEB plan schedules.

**La Paz County**  
**Required Supplementary Information**  
**Notes to Pension/OPEB Plan Schedules**  
**June 30, 2025**

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**Note 1 – Actuarially Determined Contribution Rates**

Actuarially 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 valuation	15 years
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% to 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 decreased 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.

**La Paz County**  
**Required Supplementary Information**  
**Notes to Pension/OPEB Plan Schedules – Continued**  
**June 30, 2025**

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**Note 1 – Actuarially Determined Contribution Rates – Continued**

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 RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females).

**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 and 2019.

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 liability thereby reducing the total pension liability.

**La Paz County**  
**Required Supplementary Information**  
**Notes to Pension/OPEB Plan Schedules – Continued**  
**June 30, 2025**

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**Note 3 – Excess Contributions**

The County has made additional contributions for the County's Public Safety Personnel Retirement System Plan to pay down its unfunded liability in the amount of \$1,500,000 and \$5,000,000 during the years ended June 30, 2025 and 2024, respectively.



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