

Maricopa County

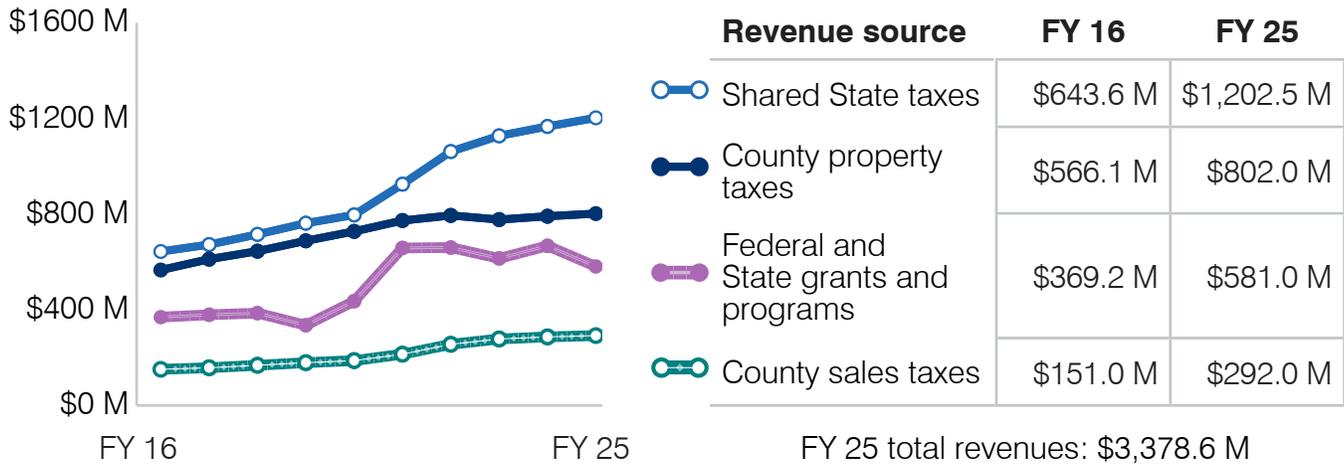
Annual financial statement and compliance audits

The County’s fiscal year 2025 reported financial information is reliable. However, we reported deficiencies and noncompliance over financial reporting and federal programs, summarized on the next page.

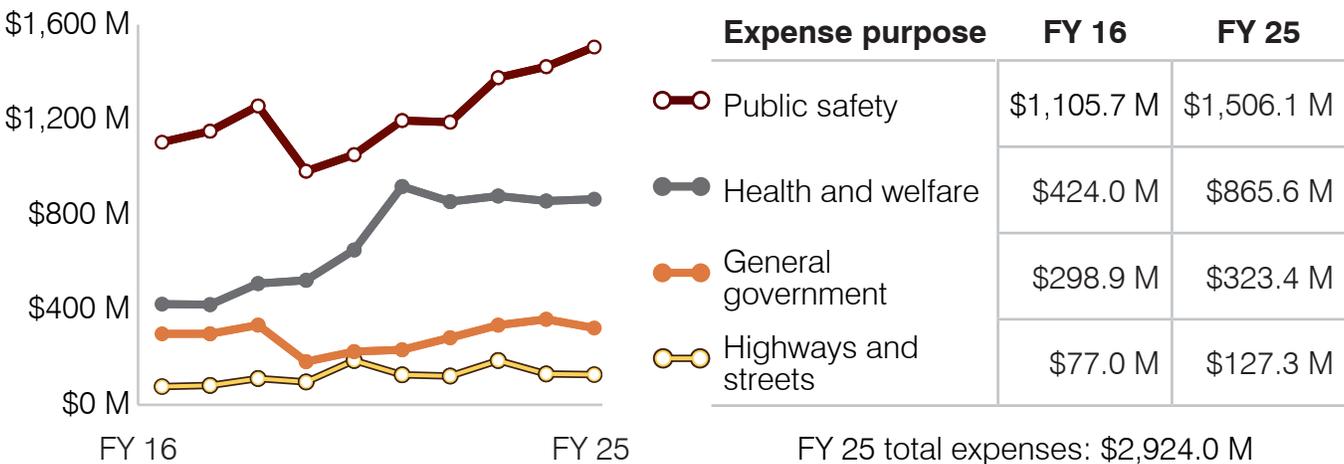
Audits’ purpose

To express our opinions on the County’s financial statements and on compliance with certain federal requirements and, if applicable, to report findings over noncompliance with certain laws and regulations or other financial deficiencies.

Primary revenue sources, in millions (FY 2016 through FY 2025)



Primary expense purposes, in millions (FY 2016 through FY 2025)



Source: Auditor General staff summary of information obtained from the County’s financial statements.

FY 2025 largest primary revenue sources as a percentage of total revenues

▶ **Shared State taxes, 35.6%**

Comes from State sales and other shared taxes the State of Arizona collects, and the Arizona State Treasurer distributes to the County based on the State's statutory distribution formulas.

▶ **County property taxes, 23.7%**

Levied and collected from property owners based on the assessed value of real and personal property within the County.

FY 2025 largest primary expense purposes as a percentage of total expenses

▶ **Public safety, 51.5%**

Costs for protecting the County's persons and property with the largest portion for County jail operations, County Sheriff's office services, probation services, and Flood Control District operations.

▶ **Health and welfare, 29.6%**

Costs for public assistance and institutional care for individuals who are economically unable to provide for themselves.

County's net position increased in FY 2025

County revenues were \$454.6 million greater than its expenses, increasing total net position to \$6.1 billion at June 30, 2025. Net position includes all assets, such as buildings, vehicles, and cash and investments, less all liabilities, such as unpaid pension and other payroll obligations, long-term debt, and accounts payable. Of the total net position, \$5.4 billion is restricted by external parties or is not in spendable form, and the remaining \$725.6 million is unrestricted.

Auditor findings and recommendations

Summarized below are the findings and recommendations included in the County's [Report on Internal Control and on Compliance](#) and [Single Audit Report](#) where there is further information and the County's responses.

The County needs to:

- ▶ Complete implementation of policies and procedures to identify, classify, and inventory the sensitive data the County holds on its information systems to assess how to protect it. This finding was initially reported in fiscal year 2017.

- ▶ Implement a process to restrict access to its IT systems and data, including documenting reviews of employee user access and enhancing authentication requirements. The County should also develop, document, and implement processes to manage system configurations and changes and to secure systems and data, including establishing and following a documented change-management process, reviewing proposed changes for appropriateness and security impact, and performing system activity logging and log monitoring for key users. Lastly, to ensure operations continue, the County should implement processes to test their contingency plan. This finding was initially reported in fiscal year 2023.
- ▶ Follow County policies and procedures for reporting required subaward information to the federal government's Federal Funding Accountability and Transparency Act Subaward Reporting System for its Community Development Block Grant federal program, and ensure employees are aware of all program requirements. We found that the County did not accurately and timely report 5 subawards totaling nearly \$3 million.
- ▶ Maintain complete and accurate participant files to ensure compliance with federal requirements for the Section 8 Project-Based Cluster. Other auditors who audited the Housing Authority found the County did not accurately calculate income for 5 of 25 participants, timely report income verification for 25 participants, or include all required documentation for 9 of 25 participant files. This resulted in a qualified opinion for the federal program.

Auditor General website report links

- ▶ **June 30, 2025, [Maricopa County Annual Comprehensive Financial Report, Report on Internal Control and on Compliance, and Single Audit Report](#).**

These highlights summarize the reports above. The full reports explain the County's overall financial picture and our reporting responsibilities.

- ▶ The [County's reports from prior years](#).
- ▶ **User guides that help explain the important information presented in these reports:**
 - [Financial Report User Guide for State and Local Governments](#).
 - [Internal Control and Compliance Reports User Guide](#).