

**Mohave County, Arizona**  
**Annual Financial Report**

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**Year ended June 30, 2025**

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**Independent Auditors' Report**

The Arizona Auditor General

Honorable Board of Supervisors of  
Mohave County, Arizona

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

***Opinions***

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

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

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mohave County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matters***

As discussed in Note 1 to the financial statements, for the year ended June 30, 2025, Mohave County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

As discussed in Note 2 to the financial statements, the County restated beginning net position of its financial statements for the year ended June 30, 2025, to correct misstatements in its previously issued financial statements. 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 Mohave 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 Mohave 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 Board of Supervisors, management, and other responsible parties within Mohave County and is not intended to be and should not be used by anyone other than these specified parties.

#### ***Management's Responsibilities 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 Mohave County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditor's 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 auditor's 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 U.S. generally accepted auditing standards 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 U.S. generally accepted auditing standards 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 Mohave County'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 Mohave County'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 on pages 5 through 16, the budgetary comparison information on pages 75 through 81, the schedule of the County's proportionate share of the net pension/OPEB liability – cost sharing plans on pages 82 through 84, the schedule of changes in the County's net pension/OPEB liability and related ratios – agent plans on pages 85 through 88, the schedule of County pension contributions on pages 89 and 90, and the notes to pension/OPEB plan schedules on pages 91 and 92 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 auditing standards generally accepted in the United States of America, 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.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2026, on our consideration of Mohave County'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 Mohave County'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 Mohave County's internal control over financial reporting and compliance.

*Walker & Armstrong, LLP*

Phoenix, Arizona  
March 26, 2026

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

**Mohave County, Arizona**  
**Management's Discussion and Analysis**  
**Year ended June 30, 2025**

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This discussion and analysis, prepared by Mohave 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 \$455,382,646 (net position). Of this amount, \$39,543,856 is unrestricted net position, \$108,578,092 is restricted for specific purposes (restricted net position), and \$307,260,698 is the County's net investment in capital assets.
- The County's total net position as reported in the statement of activities increased by \$30,022,841. The increase is comprised of a \$29,398,916 increase in governmental activities net position and \$623,925 increase in business-type activities net position.
- Total liabilities decreased \$21,592,603 from the prior year primarily due to a decrease in the net pension liability of \$6,962,487.
- Total assets increased \$12,218,495 from prior year due to an increase in cash and cash equivalents of \$5,048,038, increase of \$1,919,894 in amounts due from other governments, and an increase in capital assets of \$5,258,305.
- At June 30, 2025, the governmental funds reported combined fund balances of \$195,712,297, an increase of \$18,357,181 in comparison with the prior year. The components of fund balances consist of \$587,487 that is nonspendable, \$113,509,009 that is restricted or committed for specific purposes, and \$81,615,801 that is unassigned.
- At June 30, 2025, the unassigned fund balance for the General Fund was a surplus of \$82,808,071.

**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 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*.

## Management's Discussion and Analysis - Continued

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### Overview of the Financial Statements - Continued

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).

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, health, welfare, sanitation, culture and recreation, and education. The County has business-type activities consisting of the landfill, recreation and water utility operations.

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 four major component units: the Mohave County Flood Control District, the Mohave County Library District, the Mohave County Television District and the Mohave County Holiday Shores Light District. Refer to Note 1.A, Reporting Entity, on pages 29 and 30 of this report for more information on the County's component units.

The government-wide financial statements can be found on pages 17-18 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 six 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, Flood Control, County Capital Improvement, American Rescue Plan Act, and One Arizona Opioid Settlement funds. Data from the other governmental funds (non-major) are combined into a single, aggregated presentation.

The governmental fund financial statements can be found on pages 19-22 of this report.

## Management's Discussion and Analysis - Continued

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

*Proprietary funds* are maintained in two types, enterprise funds and internal service funds. The enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the water utilities, park services and landfill operations. Fund financial statements for the enterprise funds provide the same type of information as the government-wide financial statements, only in more detail.

The internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its fleet of vehicles, employee benefit health insurance trust, self-insurance trust, janitorial services, communication services, and management information systems. Because all of these services predominantly benefit the governmental functions rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The County reports three major enterprise funds. Information is presented separately in the proprietary funds statement of net position and in the proprietary funds statement of revenues, expenses, and changes in fund net position for the Landfill, G.V.I.D, and Parks funds. Data from the other enterprise funds (non-major) are combined into a single, aggregated presentation. All of the internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements.

The proprietary fund financial statements can be found on pages 23-26 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 27-28 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 29-74 of this report.

**Required supplementary information** presents budgetary comparison schedules for the General, Road, Flood Control, ARPA and One Arizona Opioid Settlement funds of the County. It also includes required pension and other postemployment benefits schedules.

Required supplementary information can be found on pages 75-92 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, construction in progress, buildings, equipment, infrastructure, utility systems, software, right-to-use subscription assets, and right-to-use lease 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.

## Management's Discussion and Analysis - Continued

### Government-Wide Financial Analysis - Continued

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.

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

	<u>Condensed Statement of Net Position</u>					
	2025 Governmental Activities	2024 Governmental Activities (as restated)	2025 Business-Type Activities	2024 Business-Type Activities	2025 Total	2024 Total (as restated)
Current and other assets	\$ 259,067,522	\$ 254,497,539	\$ 24,866,674	\$ 22,823,569	\$ 283,934,196	\$ 277,321,108
Net pension and other postemployment benefit asset	4,622,167	4,277,302	106,222	103,985	4,728,389	4,381,287
Capital assets	291,542,885	284,508,030	20,049,828	21,826,378	311,592,713	306,334,408
Total assets	555,232,574	543,282,871	45,022,724	44,753,932	600,255,298	588,036,803
Deferred outflows of resources related to pensions and other post employment benefits	19,620,613	24,453,799	506,243	460,487	20,126,856	24,914,286
Other liabilities	22,577,346	38,778,195	1,004,911	1,618,815	23,582,257	40,397,010
Long-term liabilities	115,275,178	120,191,012	15,470,375	15,332,391	130,745,553	135,523,403
Total liabilities	137,852,524	158,969,207	16,475,286	16,951,206	154,327,810	175,920,413
Deferred inflows of resources related to pensions, other post employment benefits and leases	10,284,888	9,028,630	386,810	164,578	10,671,698	9,193,208
Net position:						
Net investment in capital assets	287,213,093	280,180,796	20,047,605	21,758,103	307,260,698	301,938,899
Restricted	100,058,024	91,743,161	8,520,068	7,249,995	108,578,092	98,993,156
Unrestricted	39,444,658	27,814,876	99,198	( 909,463)	39,543,856	26,905,413
Total net position	<u>\$ 426,715,775</u>	<u>\$ 399,738,833</u>	<u>\$ 28,666,871</u>	<u>\$ 28,098,635</u>	<u>\$ 455,382,646</u>	<u>\$ 427,837,468</u>

The County restated the prior fiscal year financial statements by recording compensated absences as required by GASBS 101, *Compensated Absences*. This added \$2,421,974 and \$55,689 for governmental activities and business-type activities, respectively, in noncurrent liabilities. The amounts presented in 2024, were not adjusted for this change in accounting principle. Also, the County restated the prior year financial statements for the correction of an error consisting of disposing of an asset and the addition of another asset with a net book value of \$777,797. The 2024 capital assets were corrected for this error in the prior year financial statements.

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 \$455.4 million at June 30, 2025, which is primarily the result of the County's investment in long-lived assets.

The governmental activities current and other assets had increases of \$4.6 million primarily due to an increase in cash and cash equivalents of \$2.2 million primarily due to revenues exceeding expenses and an increase of \$1.9 million in amounts due from other governments primarily due to additional sales tax collected by the State. Governmental activities capital assets had increases of \$7.0 million and business-type activities capital assets had decreases of \$1.8 million. The increases were attributable to the capital asset additions of a courthouse, a reach-out facility, a legal service center, completion of the sheriff substation, road construction, and road equipment, less accumulated depreciation/amortization during fiscal year 2025.

## Management's Discussion and Analysis - Continued

### Government-Wide Financial Analysis - Continued

The business-type activities decrease in capital assets was attributable to the accumulated depreciation/amortization during the year, offset by additions of a septage pond. Governmental activities long-term liabilities decreased by \$4.9 million. The governmental activities decrease was primarily due to decreases in the net pension liability and subscription and lease payables. Additional information on the County's long-term liabilities can be found in Note 11 of the notes to the financial statements on pages 48-51 of this report.

The decrease in overall deferred outflows of resources and increase in overall deferred inflows of resources of \$4.8 million and \$1.5 million, respectively, consist of the changes in estimates and assumptions used to calculate the net pension/OPEB liability, net of the contributions to the pension/OPEB plans after the measurement date. Additional information on the County's pension/OPEB plan activity can be found in Note 13 of the notes to the financial statements on pages 52-72 of this report.

#### *Changes in Net Position*

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

	<u>Condensed Statement of Activities</u>					
	2025 Governmental Activities	2024 Governmental Activities (as restated)	2025 Business-Type Activities	2024 Business-Type Activities	2025 Total	2024 Total (as restated)
<b>Revenue:</b>						
Program revenues:						
Charges for services	\$ 25,676,017	\$ 31,821,110	\$ 9,418,378	\$ 8,646,127	\$ 35,094,395	\$ 40,467,237
Operating grants and contributions	62,164,840	71,585,811	1,032,438	1,073,205	63,197,278	72,659,016
General revenues:						
Property taxes	66,911,536	63,231,825	-	-	66,911,536	63,231,825
Other taxes	62,691,256	59,760,663	-	-	62,691,256	59,760,663
Other revenues	13,677,173	10,020,416	1,134,350	1,716,099	14,811,523	11,736,515
Total revenues	<u>231,120,822</u>	<u>236,419,825</u>	<u>11,585,166</u>	<u>11,435,431</u>	<u>242,705,988</u>	<u>247,855,256</u>
<b>Expenses:</b>						
General government	84,317,819	79,010,922	-	-	84,317,819	79,010,922
Public safety	61,772,924	58,639,656	-	-	61,772,924	58,639,656
Highways and streets	18,678,971	17,412,776	-	-	18,678,971	17,412,776
Health	19,675,484	16,605,150	-	-	19,675,484	16,605,150
Welfare	8,457,130	7,340,673	-	-	8,457,130	7,340,673
Sanitation	341,562	123,843	-	-	341,562	123,843
Culture and recreation	5,022,254	5,077,247	-	-	5,022,254	5,077,247
Education	2,877,075	3,633,535	-	-	2,877,075	3,633,535
Interest on long-term debt	624,660	142,439	-	-	624,660	142,439
Landfill	-	-	3,021,801	2,984,156	3,021,801	2,984,156
Recreation	-	-	3,649,394	4,346,593	3,649,394	4,346,593
Water companies	-	-	4,244,073	4,087,785	4,244,073	4,087,785
Total expenses	<u>201,767,879</u>	<u>187,986,241</u>	<u>10,915,268</u>	<u>11,418,534</u>	<u>212,683,147</u>	<u>199,404,775</u>
Increase before transfers	29,352,943	48,433,584	669,898	16,897	30,022,841	48,450,481
Transfers	45,973	(6,409)	(45,973)	6,409	-	-
Change in net position	29,398,916	48,427,175	623,925	23,306	30,022,841	48,450,481
Net position, beginning of year	<u>397,316,859</u>	<u>351,311,658</u>	<u>28,042,946</u>	<u>28,075,329</u>	<u>425,359,805</u>	<u>379,386,987</u>
Net position, end of year	<u>\$ 426,715,775</u>	<u>\$ 399,738,833</u>	<u>\$ 28,666,871</u>	<u>\$ 28,098,635</u>	<u>\$ 455,382,646</u>	<u>\$ 427,837,468</u>

The County restated the prior year financial statements for the correction of an error pertaining to capital assets in the amount of \$777,797. The 2024 Governmental Activities balances presented here were corrected for this error.

## Management’s Discussion and Analysis - Continued

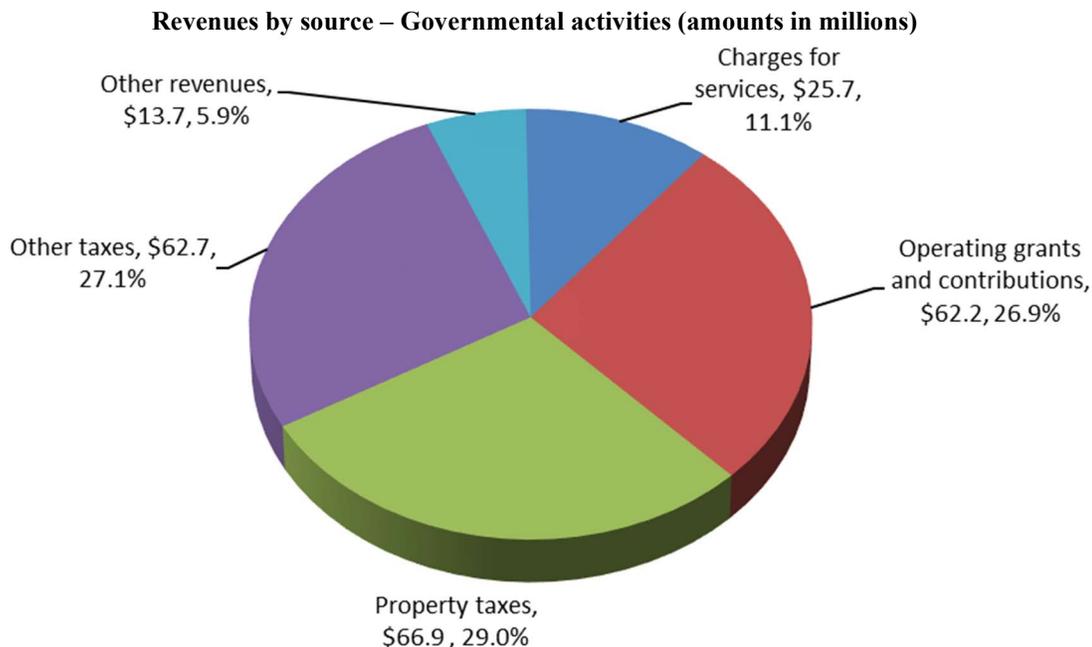
### Government-Wide Financial Analysis - Continued

The total net position of the County increased during the year by \$30.0 million, which consists of an increase in governmental activities net position of \$29.4 million and business-type activities net position of \$0.6 million.

The governmental activities total revenues decreased by \$5.3 million, which is primarily related to a decrease in operating grants and contributions of \$9.4 million mostly attributable to decreased awards related to the Sheriff Substations and LATCF received in prior year, a decrease in charges for services of \$6.1 million primarily due to opioid settlement revenues, an increase in property taxes of \$3.7 million, an increase in other revenues of \$3.7 million due to an increase in investment earnings from higher interest rates and improved market performance, and an increase of other taxes of \$2.9 million due to increased share of state sales taxes.

Governmental activities expenses increased from 2024 by a total of \$13.8 million. The expense increase was primarily from an increase in general government expenses of \$5.3 million due to increases in salaries and related health insurance, an increase of public safety expenses of \$3.1 million due to salaries and related health insurance, an increase to health expenses of \$3.1 million due to an increase in support care of individuals, an increase in highways and streets expenses of \$1.3 million due to increased road maintenance, materials, supplies and aid to other governments and an increase of \$1.1 million to welfare expenses due to an increase in salaries and related health insurance.

The chart below represents all fiscal year 2025 revenues collected from governmental activities, including general revenues, as reported in the statement of activities.

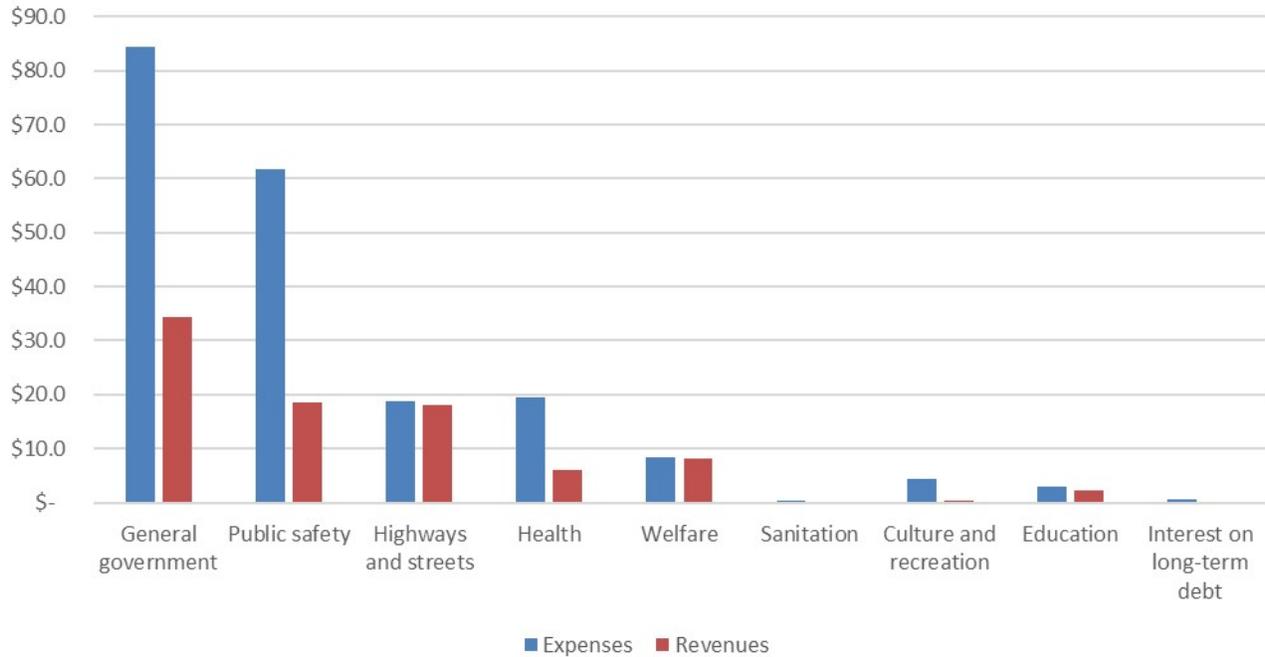


The following graph represents the fiscal year 2025 expenses and program revenues for governmental activities as reported in the statement of activities. Program revenue does not include the general revenues listed on the bottom portion of the statement of activities.

## Management’s Discussion and Analysis - Continued

### Government-Wide Financial Analysis - Continued

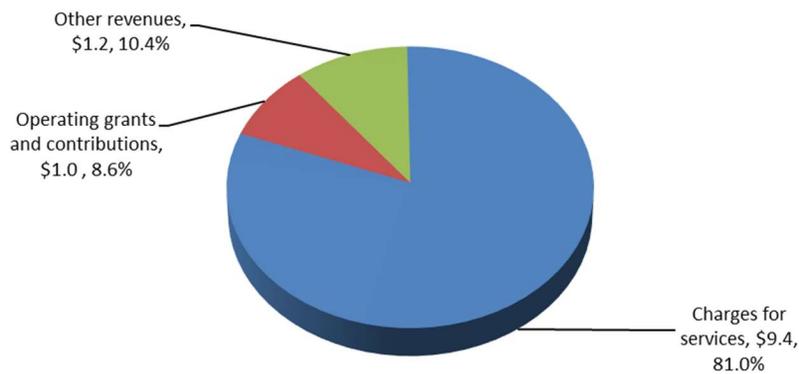
**Expenses and Program Revenues – Governmental activities (amounts in millions)**



Business-type activities reported an increase in net position of \$0.6 million. Revenues increased by \$0.2 million, primarily resulting from an increase of \$0.8 million in charges for services due to increased rates at the landfill and parks, offset by a decrease of \$0.6 million in other revenues due to non-recurrence of the fairgrounds fund having an increase in 2024 from a legal settlement. Expenses decreased by \$0.5 million, primarily due to a decrease in recreation expenses of \$0.7 million due to a decrease in professional services in the parks fund, offset by an increase in water company expenses of \$0.2 million, primarily due to an increase in professional services and personnel services.

The chart below represents all fiscal year 2025 revenues collected from business-type activities, including general revenues, as reported in the statement of activities.

**Revenues by source – Business-type activities (amounts in millions)**

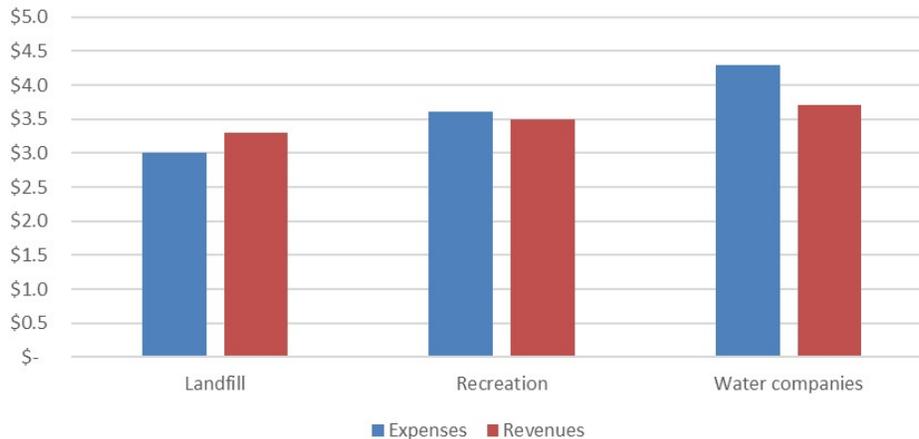


## Management’s Discussion and Analysis - Continued

### Financial Analysis of the County’s Funds

The following graph represents the fiscal year 2025 expenses and program revenues for business-type activities as reported in the statement of activities. Program revenue does not include the general revenues listed on the bottom portion of the statement of activities.

**Expenses and Program Revenues – Business-type activities (amounts in millions)**



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, unrestricted 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 \$195,712,297, an increase of \$18,357,181 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 \$82,944,126. As a measure of liquidity, it may be useful to compare the spendable fund balance to total fund expenditures. Spendable fund balance represents 73.2% of total general fund expenditures of \$113,377,837. Total General Fund revenue increased \$7.4 million from 2024 and is primarily the result of an increase in tax revenue of \$2.3 million from an increase in property valuations, an increase of investment earnings of \$2.0 million primarily due to higher interest rates and improved market performance, an increase of intergovernmental revenues of \$1.8 million, and an increase of charges for services of \$0.9 million related to increased charges for housing inmates from other governments. General Fund expenditures increased by \$13.1 million, resulting primarily from an increase in general government expenditures of \$2.7 million due to an increase in salaries and related health insurance expenditures, public safety expenditures of \$8.1 million due to an increase in salaries and related health insurance expenditures, health expenditures of \$2.5 million due to an increase in support care of individuals and interest expenditures of \$0.4 million; offset by a decrease of capital outlay of \$0.6 million.

## Management's Discussion and Analysis - Continued

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

The Road Fund, a major County fund, is used for various road projects and other approved highway user funds projects within the County. During 2025, the fund experienced an increase in revenues of \$1.0 million and an overall decrease of \$1.6 million in expenditures primarily due to a decrease in road maintenance, materials, and supplies. The total fund balance of \$17,832,929 increased from 2024 in the amount of \$2,010,969.

The Flood Control Fund, also a major County fund, had total fund balance of \$16,917,737, an increase of \$3,528,834 from 2024. During 2025, the fund's overall revenues increased by \$1.0 million, primarily due to an increase in property taxes of \$0.7 million from higher property valuations, and an increase in investment earnings of \$0.2 million primarily from improved interest rates and market conditions, while expenditures decreased by \$0.3 million primarily due to decreased land purchases and improvements.

The County Capital Improvement Fund, another major County fund, had total fund balance of \$32,381,447, an increase of \$5,219,112 from 2024. During 2025, the fund's overall revenues decreased by \$2.9 million, primarily due to a decrease in intergovernmental revenues of \$2.9 million due to a decrease in state appropriation for a sheriff substation, while expenditures also decreased by \$3.5 million primarily due to decreased construction and building acquisition costs related to the animal shelter and sheriff substations.

The American Rescue Plan Act Fund had no fund balance. During 2025, the fund experienced a decrease of \$13.8 million in unearned revenues as planned projects are moving forward throughout the County. The primary projects responsible for the activity during the year were Horizon 6 water line, Colorado City Wells Projects, the Fort Mohave Mesa Fire District renovation, the Lake Havasu City Site Six Fishing Pier, Mohave Valley Fire District Radio project, Community Park Restroom Projects, Fiber Connectivity Project, and Centennial Park Water Project.

The Opioid Settlement Fund was established during the 2022 fiscal year and accounts for the activity related to the One Arizona Agreement that will distribute opioid settlement funds over 18 years to the County. As of June 30, 2025, the fund had an ending fund balance of \$2,894,212, which was an increase of \$294,014 from 2024 primarily due to additional settlements that occurred during 2025 offset by the grant approvals for qualifying expenditures.

Other Governmental funds had a fund balance of \$42,741,846, which was an increase of \$1,510,776 from 2024. The funds had a decrease in revenues totaling \$9.6 million, which was primarily due to decreases in intergovernmental revenues of \$10.1 million, and decreases in contributions of \$0.4 million, offset by increases in property taxes of \$0.4 million, and increases in investment earnings of \$0.4 million. The expenditures also decreased by \$10.7 million, primarily due to decreases in public safety of \$12.0 million, offset by increases in capital outlay of \$1.2 million and welfare expenditures of \$1.0 million.

*Proprietary Funds* – Reports for the County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

At June 30, 2025, the County's business-type activities reported combined net position of \$28,666,871, an increase of \$568,236 in comparison with the prior year.

The Landfill Fund, a major County fund, had total net position of \$12,596,199, an increase of \$936,024 from 2024. During 2025, the fund's overall revenues increased by \$148,319, while expenses increased by \$37,645.

## Management's Discussion and Analysis - Continued

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

The G.V.I.D. Fund, also a major County fund, had total net position of \$4,763,765, an increase of \$16,133 from 2024. During 2025, the fund's overall revenues increased by \$152,859, while expenses also increased by \$170,011.

The Parks Fund, another major County fund, had total net position of \$5,899,638, a decrease of \$21,077 from 2024. During 2025, the fund's overall revenues increased by \$98,742, while expenses decreased by \$418,722.

Other enterprise funds had total net position of \$5,407,269, which was a decrease of \$362,844 from 2024. The funds had an increase in revenues totaling \$347,951, and expenses decreased by \$292,200.

### **General Fund Budgetary Highlights**

General Fund actual revenues were approximately \$6.6 million in excess of the adopted budget, and actual expenditures were less than estimated expenditures by approximately \$21.9 million. Intergovernmental revenues exceeded the budgeted amount by \$3.3 million, primarily due to greater than anticipated shared state sales tax and unanticipated grants received. Charges for services were \$0.7 million greater than budgeted due to more than anticipated jail contract billing and treasurer fees collected. Investment earnings were greater than budgeted amount by \$1.9 million due to better earnings than anticipated. Miscellaneous revenues were more than the budgeted amount by \$0.7 million due to unanticipated property sales.

Total expenditures were less than budget primarily due to the County not utilizing the \$10.6 million in contingency funds. The other \$11.3 million was spread throughout the other general fund departments that spent below their budget amounts, with general administration \$.8 million under budget, county attorney \$0.7 million under budget, public legal defender \$0.9 million under budget, planning and zoning \$0.9 million under budget, jail \$1.7 million under budget, sheriff \$2.0 million under budget, A.H.C.C.C.S \$0.6 million under budget and the rest spread across the remaining departments.

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

#### *Capital Assets*

The County's investment in capital assets as of June 30, 2025, totaled \$307.3 million (net of accumulated depreciation/amortization and related debt). This investment in capital assets includes land, construction in progress, buildings, equipment, infrastructure, utility systems, software, right-to-use subscription assets, and right-to-use lease assets.

## Management’s Discussion and Analysis - Continued

### Capital Assets and Debt Administration - Continued

The County’s net investment in capital assets increased 1.8% from the prior period.

<b>Mohave County’s Capital Assets</b>				
(net of accumulated depreciation/amortization)				
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>Governmental</b>	<b>Governmental</b>	<b>Business-Type</b>	<b>Business-Type</b>
	<b>Activities</b>	<b>Activities</b>	<b>Activities</b>	<b>Activities</b>
	<b>(as restated)</b>	<b>(as restated)</b>	<b>(as restated)</b>	<b>(as restated)</b>
Land	\$ 29,701,958	\$ 29,114,619	\$ 1,969,993	\$ 1,969,993
Construction in progress	10,572,632	10,333,825	679,466	3,631,888
Buildings	119,777,382	118,984,050	885,304	923,759
Utility systems	-	-	14,288,865	12,787,743
Infrastructure	91,427,261	88,012,619	-	-
Equipment	35,114,319	32,415,428	2,226,200	2,512,995
Software	82,136	154,942	-	-
Right-to-use subscription assets	2,529,500	3,026,257	-	-
Right-to-use lease assets	2,337,697	2,466,290	-	-
Capital assets, net, end of year	<u>\$ 291,542,885</u>	<u>\$ 284,508,030</u>	<u>\$ 20,049,828</u>	<u>\$ 21,826,378</u>

The County restated the prior year financial statements for the correction of an error pertaining to capital assets in the amount of \$777,797. The 2024 Governmental Activities balances presented here were corrected for this error.

Additional information on the County’s capital assets activity and balances can be found in Note 9 of the notes to the financial statements on pages 46-47 of this report.

#### *Long-Term Liabilities*

At June 30, 2025, the County had total long-term liabilities outstanding of \$130.7 million, a decrease of \$7.2 million. This amount consists of \$115.3 million for governmental activities and \$15.5 million for business-type activities. The governmental activities amount consists of primarily of \$98.3 million in net pension and other post-employment benefit liabilities, compensated absences payable of \$9.0 million, claims and judgments payable of \$3.6 million, subscription liabilities of \$2.0 million, and lease payable of \$2.4 million. The business-type activities amount consists of \$12.4 million in landfill closure and postclosure costs payable, \$2.8 million in net pension and other post-employment benefit liabilities, and \$0.3 million in compensated absences payable.

The major change in liabilities was a combined decrease of \$7.0 million in net pension and other post-employment benefit liabilities, decrease in subscription liabilities of \$0.6 million.

Additional information on the County’s long-term debt can be found in Note 11 of the notes to the financial statements on pages 48-51 of this report.

### Economic Factors and Next Year’s Budgets and Rates

Population in Mohave County and Arizona has continued to grow at a modest rate and is projected to grow steadily over the next several years. Arizona’s population growth rates exceed the national average, and the job creation rate is also higher than the national average at 1.07% as compared to 0.93% for non-farm jobs, seasonally adjusted. Property market values in Arizona and Mohave County are expected to remain stable. Effective in fiscal year 2016, and going forward, growth in net assessed valuations for property tax purposes is restricted on most property types to the lesser of the full cash value or 5 percent.

## Management's Discussion and Analysis - Continued

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### **Economic Factors and Next Year's Budgets and Rates - Continued**

The average unemployment rate for Mohave County in fiscal year 2025 was 4.75 percent, up from 4.28 percent from the prior year's average. At June 30, 2025 the unemployment rate was 5.1 percent, which is 1 percent higher than the State's 4.1 percent rate. Mohave County economic activity continues to remain strong and is moving in a positive trajectory with robust new investment in the area.

Each year during the budget planning process, the Financial Services Department evaluates the U.S. and Arizona coincident index and other economic indicators along with reviewing economic momentum information and State estimates provided by the office of the Arizona Joint Legislative Budget Committee, the U.S. Bureau of Labor Statistics and other sources. Also, considered in overall budget development are the status of the U.S. federal budget and anticipated changes, State budget impacts, and local economic conditions specific to Mohave County such as net assessed property valuations and changes from prior years, local sales tax revenue and year-over-year changes, local employment, tourism, fuel sales, building permit data and other types of information. In summary, all of these factors were considered in preparing and developing Mohave County's budget for the 2026 fiscal year.

### **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 Mohave County Finance Department, P.O. Box 7000, Kingman, Arizona 86402-7000.

## **Basic Financial Statements**

**Mohave County, Arizona**  
**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	\$ 236,355,688	\$ 13,422,587	\$ 249,778,275
Receivables (net of allowance for uncollectibles):			
Property taxes	2,770,864	-	2,770,864
Accounts	1,434,474	430,752	1,865,226
Accrued interest	894,154	49,739	943,893
Settlements	13,603,141	-	13,603,141
Leases	215,240	-	215,240
Due from other governments	10,875,927	177,264	11,053,191
Inventories	320,976	222,113	543,089
Prepaid items	786,113	22,439	808,552
Cash and investments held by trustees	740,108	-	740,108
Restricted cash and cash equivalents	-	776,262	776,262
Internal balances	(9,765,518)	9,765,518	-
Restricted assets - HUD properties	836,355	-	836,355
Net other postemployment benefits asset	4,622,167	106,222	4,728,389
Capital assets, not being depreciated/amortized	40,274,590	2,649,459	42,924,049
Capital assets, being depreciated/amortized, net	251,268,295	17,400,369	268,668,664
Total assets	<u>555,232,574</u>	<u>45,022,724</u>	<u>600,255,298</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows related to pensions and other postemployment benefits	19,620,613	506,243	20,126,856
Total deferred outflows of resources	<u>19,620,613</u>	<u>506,243</u>	<u>20,126,856</u>
<b>Liabilities</b>			
Accounts payable	4,736,940	478,031	5,214,971
Accrued payroll and employee benefits	4,659,889	153,076	4,812,965
Accrued interest	14,867	-	14,867
Due to other governments	-	9,563	9,563
Deposits held for others	1,544,103	195,022	1,739,125
Unearned revenue	11,621,547	169,219	11,790,766
Noncurrent liabilities:			
Due within one year	11,761,950	234,314	11,996,264
Due in more than one year	103,513,228	15,236,061	118,749,289
Total liabilities	<u>137,852,524</u>	<u>16,475,286</u>	<u>154,327,810</u>
<b>Deferred Inflows of Resources</b>			
Deferred inflows related to pensions and other postemployment benefits	10,084,270	386,810	10,471,080
Deferred inflows related to leases	200,618	-	200,618
Total deferred inflows of resources	<u>10,284,888</u>	<u>386,810</u>	<u>10,671,698</u>
<b>Net Position</b>			
Net investment in capital assets	287,213,093	20,047,605	307,260,698
Restricted for:			
General government	12,641,586	-	12,641,586
Public safety	29,631,103	-	29,631,103
Highways and streets	17,677,426	-	17,677,426
Health and welfare	21,188,119	-	21,188,119
Sanitation	577,352	7,637,584	8,214,936
Culture and recreation	11,289,768	-	11,289,768
Education	1,006,661	-	1,006,661
Capital projects	-	776,262	776,262
Net other postemployment benefits asset	4,622,167	106,222	4,728,389
Other purposes	1,423,842	-	1,423,842
Unrestricted	39,444,658	99,198	39,543,856
Total net position	<u>\$ 426,715,775</u>	<u>\$ 28,666,871</u>	<u>\$ 455,382,646</u>

See the accompanying notes to the financial statements.

**Mohave County, Arizona  
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	Governmental Activities	Business-Type Activities	Total
<b>Primary government:</b>						
Governmental activities						
General government	\$ 84,317,819	\$ 17,686,900	\$ 16,599,501	\$ (50,031,418)	\$ -	\$ (50,031,418)
Public safety	61,772,924	\$4,183,068	14,448,805	(43,141,051)	-	(43,141,051)
Highways and streets	18,678,971	\$197,888	17,810,434	(670,649)	-	(670,649)
Health	19,675,484	\$2,910,461	3,054,496	(13,710,527)	-	(13,710,527)
Welfare	8,457,130	\$280,087	7,857,324	(319,719)	-	(319,719)
Sanitation	341,562	\$214,482	-	(127,080)	-	(127,080)
Culture and recreation	5,022,254	\$84,466	325,360	(4,612,428)	-	(4,612,428)
Education	2,877,075	\$118,665	2,068,920	(689,490)	-	(689,490)
Interest on long-term debt	624,660	-	-	(624,660)	-	(624,660)
Total governmental activities	201,767,879	25,676,017	62,164,840	(113,927,022)	-	(113,927,022)
Business-type activities						
Landfill	3,021,801	2,556,993	711,168	-	246,360	246,360
Recreation	3,649,394	3,152,533	321,270	-	(175,591)	(175,591)
Water companies	4,244,073	3,708,852	-	-	(535,221)	(535,221)
Total business-type activities	10,915,268	9,418,378	1,032,438	-	(464,452)	(464,452)
Total primary government	\$ 212,683,147	\$ 35,094,395	\$ 63,197,278	(113,927,022)	(464,452)	(114,391,474)
General revenues:						
Taxes:						
Property taxes, levied for general purposes				55,402,118	-	55,402,118
Property taxes, levied for flood control				11,505,176	-	11,505,176
Property taxes, levied for debt service				4,242	-	4,242
Share of state sales taxes				40,356,457	-	40,356,457
Special county sales tax for capital projects				8,461	-	8,461
Shared revenue - state vehicle license tax				17,222,984	-	17,222,984
Federal in-lieu tax				4,648,911	100,000	4,748,911
Local in-lieu tax				45,551	-	45,551
Utilities franchise tax				408,892	-	408,892
County equalization revenue				260,604	-	260,604
Contributions not restricted to specific programs				800,050	-	800,050
Investment earnings				12,438,894	928,514	13,367,408
Miscellaneous				1,222,111	5,722	1,227,833
Rent				191,651	114,890	306,541
Gain (loss) on disposal of assets				(1,236,137)	(14,776)	(1,250,913)
Transfers				45,973	(45,973)	-
Total general revenues and transfers				143,325,938	1,088,377	144,414,315
Changes in net position				29,398,916	623,925	30,022,841
Net position - July 1, 2024				400,516,630	28,098,635	428,615,265
Aggregate amount of adjustments to and restatements of beginning net position				(3,199,771)	(55,689)	(3,255,460)
Net position - July 1, 2024, as restated				397,316,859	28,042,946	425,359,805
Net position - June 30, 2025				\$ 426,715,775	\$ 28,666,871	\$ 455,382,646

See the accompanying notes to the financial statements.

**Mohave County, Arizona**  
**Balance Sheet - Governmental Funds**  
**June 30, 2025**

	<b>Major Funds</b>							<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Road Fund</b>	<b>Flood Control Fund</b>	<b>County Capital Improvement Fund</b>	<b>American Rescue Plan Act Fund</b>	<b>One Arizona Opioid Settlement Fund</b>	<b>Other Governmental Funds</b>	
<b>Assets</b>								
Cash and investments	\$ 91,652,291	\$ 16,324,595	\$ 16,647,376	\$ 33,859,734	\$ 7,668,266	\$ 2,803,250	\$ 45,805,441	\$ 214,760,953
Receivables: (net of allowance for uncollectibles):								
Property taxes	1,917,300	-	504,659	-	-	-	348,905	2,770,864
Accounts	424,688	123,638	50	2,189	-	39,436	343,958	933,959
Accrued interest	350,545	64,193	81,635	121,704	-	10,327	191,871	820,275
Settlements	-	-	-	-	-	13,603,141	-	13,603,141
Leases	-	-	-	-	-	-	215,240	215,240
Due from other governments	5,734,166	1,956,506	-	-	-	-	3,181,518	10,872,190
Due from other funds	117,023	594	-	-	1,424	41,199	508,398	668,638
Inventories	-	131,868	104,365	-	-	-	-	236,233
Prepaid items	136,055	23,636	39,734	-	43,012	-	108,817	351,254
<b>Total assets</b>	<b>\$ 100,332,068</b>	<b>\$ 18,625,030</b>	<b>\$ 17,377,819</b>	<b>\$ 33,983,627</b>	<b>\$ 7,712,702</b>	<b>\$ 16,497,353</b>	<b>\$ 50,704,148</b>	<b>\$ 245,232,747</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 1,624,162	\$ 375,615	\$ 47,759	\$ 753,817	\$ 628,051	\$ -	\$ 943,977	\$ 4,373,381
Accrued payroll and employee benefits	3,026,169	414,847	52,718	-	6,338	-	911,031	4,411,103
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	220,357	1,639	357	-	-	-	566,622	788,975
Deposits held for others	1,397,670	-	-	-	-	-	141,893	1,539,563
Unearned revenue	-	-	-	848,363	7,078,313	-	3,694,871	11,621,547
Advances payable - landfill	9,665,796	-	-	-	-	-	-	9,665,796
<b>Total liabilities</b>	<b>15,934,154</b>	<b>792,101</b>	<b>100,834</b>	<b>1,602,180</b>	<b>7,712,702</b>	<b>-</b>	<b>6,258,394</b>	<b>32,400,365</b>
<b>Deferred inflows of resources:</b>								
Unavailable revenues - property taxes	1,375,923	-	359,248	-	-	-	263,269	1,998,440
Unavailable revenues - intergovernmental	77,865	-	-	-	-	-	1,240,021	1,317,886
Unavailable revenues - settlements	-	-	-	-	-	13,603,141	-	13,603,141
Deferred inflows related to leases	-	-	-	-	-	-	200,618	200,618
<b>Total deferred inflows of resources</b>	<b>1,453,788</b>	<b>-</b>	<b>359,248</b>	<b>-</b>	<b>-</b>	<b>13,603,141</b>	<b>1,703,908</b>	<b>17,120,085</b>
<b>Fund balances:</b>								
Nonspendable	136,055	155,504	144,099	-	43,012	-	108,817	587,487
Restricted	-	17,677,425	16,773,638	-	-	2,894,212	41,778,176	79,123,451
Committed	-	-	-	32,381,447	-	-	2,004,111	34,385,558
Unassigned (deficit)	82,808,071	-	-	-	(43,012)	-	(1,149,258)	81,615,801
<b>Total fund balances (deficit)</b>	<b>82,944,126</b>	<b>17,832,929</b>	<b>16,917,737</b>	<b>32,381,447</b>	<b>-</b>	<b>2,894,212</b>	<b>42,741,846</b>	<b>195,712,297</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 100,332,068</b>	<b>\$ 18,625,030</b>	<b>\$ 17,377,819</b>	<b>\$ 33,983,627</b>	<b>\$ 7,712,702</b>	<b>\$ 16,497,353</b>	<b>\$ 50,704,148</b>	<b>\$ 245,232,747</b>

See the accompanying notes to the financial statements.

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

Fund balances—total governmental funds		\$ 195,712,297
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.		281,673,643
Restricted assets for HUD properties used in governmental activities are not financial resources and, therefore, are not reported in the funds.		836,355
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.		16,919,467
Net pension and other postemployment benefits assets held in trust for future benefits are not available for County operations and therefore, are not reported in the funds		4,483,549
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
Leases payable	(1,380,069)	
Subscriptions payable	(1,510,238)	
Compensated absences payable	(8,415,866)	
Net pension/OPEB liability	<u>(94,676,289)</u>	(105,982,462)
Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future reporting periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions/OPEB	18,938,199	
Deferred inflows of resources related to pensions/OPEB	<u>(9,579,492)</u>	9,358,707
Internal service funds are used by management to charge the costs of certain activities, such as insurance, automotive maintenance and operation, information systems, and telecommunications to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Net Position.		<u>23,714,219</u>
Net position of governmental activities		<u>\$ 426,715,775</u>

See the accompanying notes to the financial statements.

**Mohave County, Arizona**  
**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>Flood Control Fund</b>	<b>County Capital Improvement Fund</b>	<b>American Rescue Plan Act Fund</b>	<b>One Arizona Opioid Settlement Fund</b>	<b>Other Governmental Funds</b>	
<b>Revenues:</b>								
Taxes	\$ 47,939,013	\$ -	\$ 11,530,615	\$ 8,460	\$ -	\$ -	\$ 8,243,651	\$ 67,721,739
Special assessments	-	-	-	-	-	-	4,242	4,242
Licenses and permits	2,160,088	130,873	3,800	-	-	-	896,270	3,191,031
Intergovernmental	58,926,036	22,337,667	28	3,793,885	13,843,420	-	24,744,582	123,645,618
Charges for services	10,549,898	66,785	25,000	-	-	1,332,260	5,170,738	17,144,681
Fees, fines and forfeits	1,234,005	230	-	-	-	-	162,470	1,396,705
Investment earnings	4,937,700	905,890	941,011	1,731,976	-	141,613	2,680,254	11,338,444
Rents	-	69,021	-	1,844	-	-	120,786	191,651
Contributions	141,085	1,975	-	-	-	-	356,583	499,643
Miscellaneous	1,097,590	77,887	19,800	-	-	-	21,962	1,217,239
<b>Total revenues</b>	<b>126,985,415</b>	<b>23,590,328</b>	<b>12,520,254</b>	<b>5,536,165</b>	<b>13,843,420</b>	<b>1,473,873</b>	<b>42,401,538</b>	<b>226,350,993</b>
<b>Expenditures:</b>								
<b>Current:</b>								
General government	55,384,585	-	-	80,300	10,781,822	-	5,797,093	72,043,800
Public safety	44,128,679	-	8,455,434	-	-	-	11,947,807	64,531,920
Highways and streets	-	21,721,920	-	-	-	-	-	21,721,920
Sanitation	-	-	-	-	-	-	341,562	341,562
Health	12,334,784	-	-	-	-	1,179,859	6,319,567	19,834,210
Welfare	-	-	-	-	-	-	8,482,766	8,482,766
Culture and recreation	-	-	-	-	-	-	5,668,250	5,668,250
Education	439,475	-	-	-	-	-	2,438,505	2,877,980
Capital outlay	196,786	3,174	-	6,712,024	3,062,340	-	1,910,212	11,884,536
<b>Debt service:</b>								
Principal	384,317	5,461	-	-	176	-	308,433	698,387
Interest and other fiscal charges	509,211	1,133	-	-	2	-	28,432	538,778
<b>Total expenditures</b>	<b>113,377,837</b>	<b>21,731,688</b>	<b>8,455,434</b>	<b>6,792,324</b>	<b>13,844,340</b>	<b>1,179,859</b>	<b>43,242,627</b>	<b>208,624,109</b>
Excess (deficiency) of revenues over expenditures	13,607,578	1,858,640	4,064,820	(1,256,159)	(920)	294,014	(841,089)	17,726,884
<b>Other financing sources (uses):</b>								
Proceeds from sale of capital assets	2,601	131,782	-	-	-	-	25,879	160,262
Subscription-based IT arrangements	97,062	-	-	-	920	-	149,478	247,460
Lease agreements	66,705	6,098	-	-	-	-	274,437	347,240
Transfers in	1,659,292	582	4,327	6,475,271	-	-	4,306,387	12,445,859
Transfers out	(9,639,762)	-	(587,257)	-	-	-	(2,404,316)	(12,631,335)
<b>Total other financing sources (uses)</b>	<b>(7,814,102)</b>	<b>138,462</b>	<b>(582,930)</b>	<b>6,475,271</b>	<b>920</b>	<b>-</b>	<b>2,351,865</b>	<b>569,486</b>
Net change in fund balances	5,793,476	1,997,102	3,481,890	5,219,112	-	294,014	1,510,776	18,296,370
Fund balances, July 1, 2024	77,150,650	15,821,960	13,388,903	27,162,335	-	2,600,198	41,231,070	177,355,116
<b>Changes in nonspendable resources:</b>								
Increase in inventories	-	13,867	46,944	-	-	-	-	60,811
Fund balances, June 30, 2025	<u>\$ 82,944,126</u>	<u>\$ 17,832,929</u>	<u>\$ 16,917,737</u>	<u>\$ 32,381,447</u>	<u>\$ -</u>	<u>\$ 2,894,212</u>	<u>\$ 42,741,846</u>	<u>\$ 195,712,297</u>

See the accompanying notes to the financial statements.

**Mohave County, Arizona**  
**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		\$ 18,296,370
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	\$ 21,989,003	
Depreciation/amortization expense	<u>(13,149,082)</u>	8,839,921
In the statement of activities, only the gain/loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the capital assets sold.		
		(1,503,276)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
		738,048
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	12,699,337	
State pension contribution	519,110	
Pension/OPEB expense	<u>(12,658,878)</u>	559,569
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. 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:		
Subscription-based information technology arrangements incurred	(314,165)	
Leases incurred	(280,535)	
Subscription-based information technology arrangements paid	478,896	
Leases principal paid	184,777	
Financed purchases principal paid	<u>79,273</u>	148,246
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses are reported regardless of when the financial resources are available.		
Net decrease in compensated absences		255,759
Some cash outlays, such as the purchase of supply inventories, are recorded as expenditures in the governmental funds when purchased. In the statement of activities, however, they are reported as expenses when consumed.		
Decrease in supply inventory		60,810
Internal service funds are used by management to charge the costs of certain activities, such as insurance, automotive maintenance and operation, information technology and telecommunications, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities in the statement of activities.		
		<u>2,003,469</u>
Change in net position of governmental activities		<u><u>\$ 29,398,916</u></u>

See the accompanying notes to the financial statements.

**Mohave County, Arizona**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2025**

	Business-Type Activities - Enterprise Funds				Governmental Activities	
	Landfill Fund	G.V.I.D Fund	Parks Fund	Other Enterprise Funds	Total Enterprise Total	Internal Service Funds
<b>Assets</b>						
Current assets:						
Cash and investments	\$ 10,312,033	\$ 718,229	\$ 1,318,313	\$ 1,074,012	\$ 13,422,587	\$ 21,594,735
Cash and investments held by trustee	-	-	-	-	-	740,108
Receivables (net of allowance for uncollectibles):						
Accounts	231,657	87,744	-	111,351	430,752	500,515
Interest	35,242	3,838	4,592	6,067	49,739	73,879
Due from other governments	158,536	-	-	18,728	177,264	3,737
Due from other funds	-	676	100,000	-	100,676	27,184
Inventory	-	127,826	2,283	92,004	222,113	84,743
Prepaid and other items	-	1,315	5,156	15,968	22,439	434,859
Total current assets	10,737,468	939,628	1,430,344	1,318,130	14,425,570	23,459,760
Noncurrent assets:						
Restricted cash and cash equivalents	-	272,142	-	504,120	776,262	-
Advance receivable	9,665,796	-	-	-	9,665,796	-
Net other postemployment benefits asset	26,278	10,194	43,953	25,797	106,222	138,618
Capital assets, net of accumulated depreciation/ amortization:						
Land	441,049	40,388	1,481,772	6,784	1,969,993	-
Infrastructure, net	4,520,790	3,402,366	2,616,929	3,748,782	14,288,867	-
Buildings, net	-	30,263	757,358	97,683	885,304	-
Equipment, net	332,288	477,758	654,202	761,950	2,226,198	6,261,579
Intangibles, net	-	-	-	-	-	1,769,198
Construction in progress	291,019	78,989	298,114	11,344	679,466	1,838,465
Total assets	26,014,688	5,251,728	7,282,672	6,474,590	45,023,678	33,467,620
<b>Deferred Outflows</b>						
Deferred outflows related to pensions and other postemployment benefits						
Total deferred outflows	128,936	55,729	198,637	122,941	506,243	682,414
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	240,134	31,485	30,253	176,159	478,031	363,559
Accrued payroll and employee benefits	39,656	17,695	63,814	31,911	153,076	248,786
Interest payable	-	-	-	-	-	14,867
Due to other funds	-	-	642	312	954	6,569
Due to other governments	-	6,211	-	3,352	9,563	-
Deposits held for others	-	105,430	66,123	23,469	195,022	4,540
Unearned revenue	-	44,734	1,500	122,985	169,219	-
Claims Payable	-	-	-	-	-	3,679,197
Financed purchases, current portion	-	-	2,538	2,030	4,568	-
Leases payable, current portion	-	-	-	-	-	305,882
Subscription liability, current portion	-	-	-	-	-	229,940
Compensated absences payable, current portion	67,258	26,871	84,128	51,489	229,746	427,574
Total current liabilities	347,048	232,426	248,998	411,707	1,240,179	5,280,914
Noncurrent liabilities:						
Compensated absences payable, net of current portion	20,061	8,015	25,094	11,135	64,305	127,501
Landfill closure and postclosure care cost payable	12,398,570	-	-	-	12,398,570	-
Leases payable	-	-	-	-	-	686,010
Subscription liability	-	-	-	-	-	217,661
Net pension and other postemployment benefits liability	686,054	266,130	1,147,520	673,482	2,773,186	3,618,951
Total noncurrent liabilities	13,104,685	274,145	1,172,614	684,617	15,236,061	4,650,123
Total liabilities	13,451,733	506,571	1,421,612	1,096,324	16,476,240	9,931,037
<b>Deferred Inflows</b>						
Deferred inflows related to pensions and other postemployment benefits						
Total deferred inflows	95,692	37,121	160,059	93,938	386,810	504,778
<b>Net Position</b>						
Net investment in capital assets	5,585,146	4,027,541	5,808,375	4,626,543	20,047,605	8,429,749
Restricted for:						
Capital projects	-	272,142	-	504,120	776,262	-
Sanitation	7,637,584	-	-	-	7,637,584	-
Net other postemployment benefits asset	26,278	10,194	43,953	25,797	106,222	138,618
Unrestricted	(652,809)	453,888	47,310	250,809	99,198	15,145,852
Total net position	\$ 12,596,199	\$ 4,763,765	\$ 5,899,638	\$ 5,407,269	\$ 28,666,871	\$ 23,714,219

See the accompanying notes to the financial statements.

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

	Business-Type Activities - Enterprise Funds				Governmental Activities	
	Landfill Fund	G.V.LD Fund	Parks Fund	Other Enterprise Funds	Total Enterprise Total	Internal Service Funds
<b>Operating revenues:</b>						
Charges for services	\$ 2,556,993	\$ 1,337,132	\$ 2,490,233	\$ 3,034,020	\$ 9,418,378	\$ 34,841,829
Other revenue	-	2,778	142	46,312	49,232	7,891
Total operating revenues	2,556,993	1,339,910	2,490,375	3,080,332	9,467,610	34,849,720
<b>Operating expenses:</b>						
Personnel services	996,593	332,617	1,312,233	746,732	3,388,175	4,673,375
Supplies	31,712	140,898	183,509	104,875	460,994	513,130
Professional services	760,500	152,132	154,811	160,832	1,228,275	3,874,445
Communications	7,760	33,863	19,615	12,719	73,957	916,257
Insurance	-	12,171	47,761	114,618	174,550	1,041,661
Landfill closure and postclosure care costs	408,204	-	-	-	408,204	-
Insurance claims	-	-	-	-	-	17,120,188
Lawsuit judgments	-	-	-	-	-	44,509
Repairs and maintenance	151,365	80,873	48,659	270,097	550,994	586,165
Public utility service	195,785	168,635	276,276	1,168,562	1,809,258	-
Rent and leases	8,205	13,385	37,193	19,137	77,920	1,067,042
Depreciation and amortization	268,861	313,016	385,513	1,105,460	2,072,850	2,901,344
Other	192,816	106,708	229,428	141,139	670,091	1,415,580
Total operating expenses	3,021,801	1,354,298	2,694,998	3,844,171	10,915,268	34,153,696
Operating income (loss)	(464,808)	(14,388)	(204,623)	(763,839)	(1,447,658)	696,024
<b>Nonoperating revenues (expenses):</b>						
Investment earnings	727,237	51,735	67,610	81,932	928,514	1,100,436
Rent income	-	-	-	114,890	114,890	-
Grants	711,168	-	100,000	221,270	1,032,438	-
Gain (loss) on disposal of assets	-	(28,162)	(281)	13,667	(14,776)	60,942
Interest expense	-	-	-	-	-	(85,382)
Total nonoperating revenues (expenses)	1,438,405	23,573	167,329	431,759	2,061,066	1,075,996
Contributions	-	-	56,490	-	56,490	-
Transfers in	-	11,785	51,532	351,256	414,573	452,068
Transfers out	(25,000)	-	(60,413)	(375,133)	(460,546)	(220,619)
Increase (decrease) in net position	948,597	20,970	10,315	(355,957)	623,925	2,003,469
Net position, July 1, 2024	11,660,175	4,747,632	5,920,715	5,770,113	28,098,635	21,914,432
Aggregate amount of adjustments to and restatements of beginning net position	(12,573)	(4,837)	(31,392)	(6,887)	(55,689)	(203,682)
Net position, July 1, 2024, as restated	11,647,602	4,742,795	5,889,323	5,763,226	28,042,946	21,710,750
Net position, June 30, 2025	<u>\$ 12,596,199</u>	<u>\$ 4,763,765</u>	<u>\$ 5,899,638</u>	<u>\$ 5,407,269</u>	<u>\$ 28,666,871</u>	<u>\$ 23,714,219</u>

See the accompanying notes to the financial statements.

**Mohave County, Arizona**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended June 30, 2025**

	Business-Type Activities - Enterprise Funds				Governmental Activities	
	Landfill Fund	G.V.I.D Fund	Parks Fund	Other Enterprise Funds	Total Enterprise Total	Internal Service Funds
<b>Cash flows from operating activities:</b>						
Receipts from customers	\$ 2,556,104	\$ 1,327,679	\$ 2,780,672	\$ 3,023,669	\$ 9,688,124	\$ 443,770
Receipts from interfund services provided	-	-	-	-	-	34,422,942
Payments to suppliers and providers of goods and services	(1,606,108)	(782,145)	(991,715)	(2,299,227)	(5,679,195)	(26,899,084)
Payments for employee wages and benefits	(868,649)	(418,353)	(1,373,051)	(866,235)	(3,526,288)	(4,484,233)
Net cash provided by (used for) operating activities	81,347	127,181	415,906	(141,793)	482,641	3,483,395
<b>Cash flows from noncapital financing activities:</b>						
Transfers to other funds	(25,000)	-	(60,413)	(375,133)	(460,546)	(496,970)
Transfers from other funds	334,204	11,078	51,532	351,325	748,139	452,068
Rent income	-	-	-	114,890	114,890	-
Non-capital grant and contributions receipts	719,670	-	156,490	225,169	1,101,329	(1,105)
Net cash provided by (used for) noncapital financing activities	1,028,874	11,078	147,609	316,251	1,503,812	(46,007)
<b>Cash flows from capital and related financing activities:</b>						
Principal payments on capital debt	-	-	(2,507)	(2,006)	(4,513)	(1,195,386)
Interest paid on debt	-	-	-	-	-	(92,482)
Purchases of capital assets	(120,571)	(87,585)	(78,780)	(1,327,449)	(1,614,385)	(2,037,795)
Proceeds from sale of capital assets	70,934	177,467	45,754	1,009,154	1,303,309	97,164
Net cash provided by (used for) capital and related financing activities	(49,637)	89,882	(35,533)	(320,301)	(315,589)	(3,228,499)
<b>Cash flows from investing activities:</b>						
Interest received on investments	946,090	50,600	66,168	81,576	1,144,434	1,088,432
Net cash provided by investing activities	946,090	50,600	66,168	81,576	1,144,434	1,088,432
Net change in cash and cash equivalents	2,006,674	278,741	594,150	(64,267)	2,815,298	1,297,321
Cash and cash equivalents, July 1, 2024	8,305,359	711,630	724,163	1,642,399	11,383,551	21,037,522
Cash and cash equivalents, June 30, 2025	<u>\$ 10,312,033</u>	<u>\$ 990,371</u>	<u>\$ 1,318,313</u>	<u>\$ 1,578,132</u>	<u>\$ 14,198,849</u>	<u>\$ 22,334,843</u>
<b>Cash and cash equivalents are reported on the statement of net position - proprietary funds according to the following classifications</b>						
Cash and investments	\$ 10,312,033	\$ 718,229	\$ 1,318,313	\$ 1,074,012	\$ 13,422,587	\$ 21,594,735
Cash and investments held by trustee	-	-	-	-	-	740,108
Restricted cash and cash equivalents	-	272,142	-	504,120	776,262	-
Total cash and cash equivalents	<u>\$ 10,312,033</u>	<u>\$ 990,371</u>	<u>\$ 1,318,313</u>	<u>\$ 1,578,132</u>	<u>\$ 14,198,849</u>	<u>\$ 22,334,843</u>

See the accompanying notes to the financial statements.

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

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Landfill Fund	G.V.I.D Fund	Parks Fund	Other Enterprise Funds	Total Enterprise Total	Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>						
Operating income (loss)	\$ (464,808)	\$ (14,388)	\$ (204,623)	\$ (763,839)	\$ (1,447,658)	\$ 696,024
<i>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</i>						
Depreciation/amortization	268,861	313,016	385,513	1,105,460	2,072,850	2,901,344
Changes in assets, deferred outflows and inflows of resources and liabilities:						
Decrease (increase) in:						
Accounts receivable	(889)	(13,534)	294,047	(37,418)	242,206	16,992
Inventories	-	(7,315)	(322)	(20,522)	(28,159)	(8,057)
Prepaid and other items	-	(689)	215	(3,909)	(4,383)	(43,314)
Net pension and other postemployment benefits asset	(5,741)	2,430	(1,278)	2,488	(2,101)	3,416
Deferred outflows of resources related to pensions and other postemployment benefits	(23,130)	(7,400)	(8,644)	(6,582)	(45,756)	(47,871)
Increase (decrease) in:						
Accounts payable	(257,965)	(66,013)	(8,622)	(286,584)	(619,184)	(273,276)
Accrued payroll and employee benefits	4,444	2,951	3,374	(1,725)	9,044	55,385
Due to other governments	-	(587)	497	3,352	3,262	-
Deposits held for others	-	1,124	13,769	415	15,308	4,540
Unearned revenue	-	1,303	(3,750)	(19,245)	(21,692)	-
Claims payable	-	-	-	-	-	367,569
Compensated absences payable	10,451	6,323	(32,307)	(4,002)	(19,535)	(13,760)
Landfill closure and postclosure care costs	408,204	-	-	-	408,204	-
Net pension and other postemployment benefits liability	78,732	(107,181)	(114,479)	(159,069)	(301,997)	(462,176)
Deferred inflows of resources related to and other postemployment benefits	63,188	17,141	92,516	49,387	222,232	286,579
Net cash provided by (used for) operating activities	<u>\$ 81,347</u>	<u>\$ 127,181</u>	<u>\$ 415,906</u>	<u>\$ (141,793)</u>	<u>\$ 482,641</u>	<u>\$ 3,483,395</u>
<b>Schedule of non-cash capital and related financing activities:</b>						
Purchase of capital assets through proceeds from lease obligations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 408,342</u>
Purchase of capital assets through proceeds from subscription liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 165,660</u>

See the accompanying notes to the financial statements.

**Mohave County, Arizona**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2025**

	<b>Pension and Other Employee Benefit Trust Funds</b>	<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	\$ -	\$ 2,366,073	\$ 190,132,590	\$ 5,332,136	\$ 197,830,799
Cash and investments held by trustee	17,828,426	604,743	-	-	18,433,169
Property taxes receivable	-	-	-	7,669,339	7,669,339
Accrued interest receivable	-	-	-	688,225	688,225
<b>Total assets</b>	<b>17,828,426</b>	<b>2,970,816</b>	<b>190,132,590</b>	<b>13,689,700</b>	<b>224,621,532</b>
<b>Liabilities</b>					
Due to others	-	-	2,886,800	94,952	2,981,752
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>2,886,800</b>	<b>94,952</b>	<b>2,981,752</b>
<b>Net Position</b>					
Restricted for:					
Pension and other postemployment benefits	17,828,426	-	-	-	17,828,426
Pool participants	-	-	187,245,790	8,363,577	195,609,367
Individuals, organizations and other governments	-	2,970,816	-	5,231,171	8,201,987
<b>Total net position</b>	<b>\$ 17,828,426</b>	<b>\$ 2,970,816</b>	<b>\$ 187,245,790</b>	<b>\$ 13,594,748</b>	<b>\$ 221,639,780</b>

See the accompanying notes to the financial statements.

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

	<b>Pension and Other Employee Benefit Trust Funds</b>	<b>Private Purpose Trust Fund</b>	<b>Custodial</b>		<b>Total Fiduciary Funds</b>
			<b>External Investment Pool</b>	<b>Other Custodial</b>	
<b>Additions:</b>					
Contributions from pool participants	\$ -	\$ -	\$ 378,271,281	\$ -	\$ 378,271,281
Contributions from pool members	469,197	-	-	-	469,197
Property tax collections for other governments	-	-	-	155,220,820	155,220,820
Collections for individuals	-	10,044,309	-	4,942,941	14,987,250
Investment earnings	1,215,870	33,843	10,786,525	464,196	12,500,434
Inmate collections	-	-	-	1,661,093	1,661,093
Other	103,023	-	-	1,328,428	1,431,451
<b>Total additions</b>	<b>1,788,090</b>	<b>10,078,152</b>	<b>389,057,806</b>	<b>163,617,478</b>	<b>564,541,526</b>
<b>Deductions:</b>					
Distributions to pool participants	-	-	387,098,395	-	387,098,395
Benefits payments to individuals	1,200,825	10,835,700	-	-	12,036,525
Payments to inmates	-	-	-	1,661,093	1,661,093
Property tax distributions to other governments	-	-	-	155,608,878	155,608,878
Other	64,307	-	-	7,363,159	7,427,466
<b>Total deductions</b>	<b>1,265,132</b>	<b>10,835,700</b>	<b>387,098,395</b>	<b>164,633,130</b>	<b>563,832,357</b>
Net increase (decrease) in fiduciary net position	522,958	(757,548)	1,959,411	(1,015,652)	709,169
Net position, July 1, 2024	17,305,468	3,728,364	185,286,379	14,610,400	220,930,611
Net position, June 30, 2025	<u>\$ 17,828,426</u>	<u>\$ 2,970,816</u>	<u>\$ 187,245,790</u>	<u>\$ 13,594,748</u>	<u>\$ 221,639,780</u>

See the accompanying notes to the financial statements.

**Mohave County, Arizona**  
**Notes to the Financial Statements**  
**Year Ended June 30, 2025**

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

The accounting policies of Mohave County, Arizona (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 establishes recognition and measurement guidance for leave that has not yet been used and enhances the consistency of financial reporting among governments. Under GASB 101, the County recognizes a liability for compensated absences when (1) the leave is attributable to services already rendered, (2) the leave accumulates and carries forward to future periods, and (3) it is probable that the leave will be used for time off or otherwise paid upon termination or retirement. Implementation of GASB 101 resulted in a change in accounting principle that requires restatement of the 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 that a separately elected board of supervisors governs. 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.

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>
Flood Control District	A tax-levying public district that provides flood control systems; the County Board of Supervisors serves as the board of directors and has operational responsibility for the district. There is also a financial benefit between the County and the component unit.	Blended	Not available

**Notes to the Financial Statements - Continued**

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

<b>Component Unit</b>	<b>Description; Criteria for Inclusion</b>	<b>Reporting Method</b>	<b>Separate Financial Statements</b>
Library District	A tax-levying district that provides and maintains library services for county residents; the County Board of Supervisors serves as the board of directors and has operational responsibility for the district. There is also a financial benefit between the county and the component unit.	Blended	Not available
Television District	A tax-levying district that provides and maintains communication equipment resources to provide television signals to residents; the County Board of Supervisors serves as the board of directors and has operational responsibility for the district. There is also a financial benefit between the county and the component unit.	Blended	Not available
Holiday Shores Light District	A tax-levying district that provides street lighting for the Holiday Shores area of Bullhead City in Mohave County; the County Board of Supervisors serves as the board of directors and has operational responsibility for the district.	Blended	Not available

**Related Organization** – The Industrial Development Authority of Mohave 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.

## Notes to the Financial Statements - Continued

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

#### **B. Basis of Presentation**

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

**Government-wide statements** – Provide information about the primary government (the County) and its component units. The statements include a statement of net position and a statement of activities. These statements report the 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.

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.

## Notes to the Financial Statements - Continued

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

Proprietary fund revenues and expenses are classified as either operating or nonoperating. Operating revenues and expenses generally result from transactions associated with the fund's principal activity. Accordingly, revenues, such as park 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 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* accounts for all taxes on gas and auto license fees collected for building and maintaining county roads.

The *Flood Control Fund* accounts for all monies collected from local taxpayers in the form of a levy on real property. These funds are used in planning, engineering, constructing, repairing, and maintaining flood control channels in Mohave County.

The *County Capital Improvement Fund* accounts for a ¼ cent sales tax collected to provide for major capital improvements of the county.

The *American Rescue Plan Act Fund* accounts for funding from the Federal government, in the form of a grant, to support growth of the American economy and infrastructure.

The *One Arizona Opioid Settlement Fund* accounts for monies received from the opioid settlement through the One Arizona Agreement to be used for opioid abatement and remediation activities.

The County reports the following major enterprise funds:

The *Landfill Fund* accounts for the operations of two landfills located in Mohave County.

The *Golden Valley Improvement District Fund (GVID)* accounts for the operations of a water company located in Golden Valley.

The *Parks Fund* accounts for the operations of two revenue generating parks and several other nonrevenue parks located throughout Mohave County.

## 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 reports the following fund types:

The *Internal Service Funds* account for automotive maintenance and operation, insurance, computer services, janitorial services, and telecommunications services provided to the County's departments or to other governments on a cost-reimbursement basis.

The fiduciary funds consist of pension and other employee benefit trust funds, which account for assets held in a qualifying 457 deferred compensation plan; 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.

#### **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, sales taxes, licenses and permits, intergovernmental, charges for services, and investment earnings.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, 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, financed purchase agreements and subscription-based information technology arrangements are reported as other financing sources.

## Notes to the Financial Statements - Continued

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

#### **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.

#### **E. Inventories**

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

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." These inventories are stated at cost using the first-in, first-out method.

#### **F. Property Tax Calendar**

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

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

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

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

**Notes to the Financial Statements - Continued**

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

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:

	<b>Capitalization Threshold</b>	<b>Depreciation/ Amortization Method</b>	<b>Estimated Useful Life</b>
Land	All	N/A	N/A
Construction in progress	\$ 5,000	N/A	N/A
Buildings	\$ 5,000	Straight-line	20-50 years
Infrastructure	\$ 5,000	Straight-line	10-50 years
Equipment	\$ 5,000	Straight-line	3-20 years
Utility systems	\$ 5,000	Straight-line	10-50 years
Intangibles:			
Software	\$ 10,000	Straight-line	3-7 years
Right-to-use subscription assets	\$ 25,000	Straight-line	1-8 years**
Right-to-use lease assets:			
Land	\$ 25,000	Straight-line	10-20 years*
Buildings	\$ 25,000	Straight-line	2-10 years*
Equipment	\$ 25,000	Straight-line	1-5 years*
Infrastructure	\$ 25,000	Straight-line	5-21 years*

\*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, in which case 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 asset.

**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 are composed of interest and net changes in the fair value of applicable investments.

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

Compensated absences payable consist of personal time off, sick leave for part-time employees and compensatory time earned by employees based on services already rendered. Sick leave for part-time employees and compensatory time were considered immaterial and not further discussed or disclosed.

**Notes to the Financial Statements - Continued**

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

The County uses personal time off, which is a combination of vacation and sick leave. Effective April 4, 2016, the Board of Supervisors approved changes to the paid time off (PTO) policy modifying the accrual rates and maximum payout schedules for employees hired after January 23, 2016. The table below summarizes the maximum carryover. Accordingly, PTO benefits are accrued as a liability in the government-wide and proprietary funds’ financial statements for PTO that has been earned and estimated to be used for time off or otherwise paid upon termination or retirement. The County estimated the amount of PTO for time off based on a first in first out method based on an average usage of time for the prior ten years. A liability for these amounts is reported in the governmental funds’ financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal year-end.

	<b>Maximum carryover at December 31</b>	<b>Maximum payout at Separation of Employment</b>
Hired before January 23, 2016	900	400
At-will employees – hired before January 23, 2016	900	600
All hired after January 23, 2016	300	300

**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 current borrowing rate. Factors used to determine this rate include the County’s rate history and interest rate market changes.

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 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 as the discount 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 above.

**Notes to the Financial Statements - Continued**

**Note 2 – Accounting Changes and Error Corrections**

**Adjustments to and restatements of beginning balances**

During fiscal year 2025, accounting changes and error corrections resulted in adjustments to and restatements of beginning net position as follows:

	<b>Net position June 30, 2024, as previously reported</b>	<b>Change in accounting principle</b>	<b>Error correction</b>	<b>Net position July 1, 2024, as restated</b>
<b>Government-wide</b>				
Governmental activities	\$ 400,516,630	\$ ( 2,421,974)	\$ ( 777,797)	\$ 397,316,859
Business-type activities	28,098,635	( 55,689)	-	28,042,946
Total primary government	<u>\$ 428,615,265</u>	<u>\$ ( 2,477,663)</u>	<u>\$ ( 777,797)</u>	<u>\$ 425,359,805</u>
<b>Proprietary funds</b>				
Major enterprise funds				
Landfill fund	\$ 11,660,175	\$ ( 12,573)	\$ -	\$ 11,647,602
G.V.I.D. fund	4,747,632	( 4,837)	-	4,742,795
Parks fund	5,920,715	( 31,392)	-	5,889,323
Nonmajor enterprise funds	<u>5,770,113</u>	<u>( 6,887)</u>	<u>-</u>	<u>5,763,226</u>
Total enterprise funds	28,098,635	( 55,689)	-	28,042,946
Internal service funds	<u>21,914,432</u>	<u>( 203,682)</u>	<u>-</u>	<u>21,710,750</u>
Total proprietary funds	<u>\$ 50,013,067</u>	<u>\$ ( 259,371)</u>	<u>\$ -</u>	<u>\$ 49,753,696</u>

**Changes in Accounting Principle** – During fiscal year 2025, the County implemented the provisions of GASB Statement No. 101, *Compensated Absences*. The effect of this change added \$2,421,974 and \$55,689 for governmental activities and business-type activities, respectively, in noncurrent liabilities to include PTO that has been earned and estimated to be used for time off.

**Correction of Errors in Previously Issued Financial Statements** - During fiscal year 2025, the County determined that a capital asset disposal and an addition were not properly reported. Therefore, the capital assets were overstated by a net \$777,797 for the fiscal year ended June 30, 2024. The effect of this error is shown on the table above.

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

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

<b>Fund</b>	<b>Deficit</b>
<b>Governmental funds:</b>	
Public Health Services – Admin.	\$ 381,156
Miscellaneous grants – Federal Emergency Management	252,332
Health Start Program	150,528
Sheriff – State Grant	134,737
Immunization Program	71,409

**Notes to the Financial Statements - Continued**

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

<u>Fund</u>	<u>Deficit</u>
<b>Proprietary funds:</b>	
Janitorial	\$ 171,930
Fleet	124,574

The deficits in the governmental funds 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. The deficit in fund balances for the janitorial and fleet funds were due to the pension liability.

**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>General Fund</u>	<u>Road Fund</u>	<u>Flood Control Fund</u>	<u>County Capital Improvement Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>One Arizona Opioid Settlement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:								
Nonspendable:								
Inventories	\$ -	\$ 131,868	\$ 104,365	\$ -	\$ -	\$ -	\$ -	\$ 236,233
Prepaid items	136,055	23,636	39,734	-	43,012	-	108,817	351,254
<b>Total nonspendable</b>	<b>136,055</b>	<b>155,504</b>	<b>144,099</b>	<b>-</b>	<b>43,012</b>	<b>-</b>	<b>108,817</b>	<b>587,487</b>
Restricted for:								
Government services	-	-	-	-	-	-	12,497,495	12,497,495
Public safety	-	-	16,773,638	-	-	-	12,043,759	28,817,397
Highway and streets	-	17,677,425	-	-	-	-	-	17,677,425
Health	-	-	-	-	-	2,894,212	2,354,207	5,248,419
Welfare	-	-	-	-	-	-	2,775,630	2,775,630
Education	-	-	-	-	-	-	1,024,633	1,024,633
Culture and recreation	-	-	-	-	-	-	11,082,452	11,082,452
<b>Total restricted</b>	<b>-</b>	<b>17,677,425</b>	<b>16,773,638</b>	<b>-</b>	<b>-</b>	<b>2,894,212</b>	<b>41,778,176</b>	<b>79,123,451</b>
Committed to:								
Sanitation	-	-	-	-	-	-	577,353	577,353
Capital projects	-	-	-	32,381,447	-	-	1,426,758	33,808,205
<b>Total committed</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,381,447</b>	<b>-</b>	<b>-</b>	<b>2,004,111</b>	<b>34,385,558</b>
Unassigned:	82,808,071	-	-	-	(43,012)	-	(1,149,258)	81,615,801
<b>Total fund balances</b>	<b>\$ 82,944,126</b>	<b>\$ 17,832,929</b>	<b>\$ 16,917,737</b>	<b>\$ 32,381,447</b>	<b>\$ -</b>	<b>\$ 2,894,212</b>	<b>\$ 42,741,846</b>	<b>\$ 195,712,297</b>

## 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 \$11,118,832 and the bank balance was \$18,571,491. All County deposits are collateralized for the amount not covered by depository insurance.

**Notes to the Financial Statements - Continued**

**Note 5 – Deposits and Investments – Continued**

**Investments** – The County’s investments at June 30, 2025, are categorized within the fair value hierarchy established by generally accepted accounting principles, were as follows:

		<b>Fair value measurement using</b>	
	<b>Amount</b>	<b>Quoted Prices in active markets for identical assets (Level 1)</b>	<b>Significant other observable inputs (Level 2)</b>
<b>Investments by fair value level</b>			
U.S. Treasury notes and bills	\$ 354,021,832	\$ 354,021,832	\$ -
Mutual funds	17,828,426	17,828,426	-
Corporate bonds	26,000	-	26,000
Total investments by fair value level	371,876,258	\$ 371,850,258	\$ 26,000
<b>External investment pools measured at fair value</b>			
State treasurer’s investment pools	84,553,103		
Total	\$ 456,429,361		

Investments categorized as Level 1 are valued using prices quoted in active markets for those investments. The investments categorized at Level 2 of the fair value hierarchy are valued using a conservative methodology based on multiple criteria, including asset class and observability of price. Inputs are observable but do not solely rely on quoted market prices to establish fair value. Investments in the State Treasurer’s investment pools are valued at the pool’s share price multiplied by the number of shares the County held. The fair value of a participant’s position in the pools approximates the value of that participant’s pool shares. The State Board of Investment provides oversight for the State Treasurer’s investment pool.

*Credit risk* – It is the County’s investment policy to invest to preserve the principal value of the portfolio. This is to be accomplished through limiting the types of securities purchased, the percent of the portfolio of each type of security, and the length of time they can be held. Investments allowed are obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities. The County can also invest in certificates of deposits, commercial paper, obligations of Arizona State and local governments, repurchase agreements, money market mutual funds, and corporate bonds, debentures, or notes issues by United States companies with AA or greater ratings by Standard & Poor’s or Moody’s rating services.

**Notes to the Financial Statements - Continued**

**Note 5 – Deposits and Investments – Continued**

<b>Investment Type</b>	<b>Rating</b>	<b>Rating Agency</b>	<b>Amount</b>
U.S. Treasury notes and bills	AAA	Moody's	\$ 354,021,832
Mutual funds	Unrated	Not applicable	17,828,426
Corporate bonds	Unrated	Not applicable	26,000
State treasurer's investment pool 7 and 700	Unrated	Not applicable	84,553,103
			<u>\$ 456,429,361</u>

*Custodial credit risk* – For an investment, custodial credit risk is the risk that, in the event of the counterparty's failure, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's formal policy for custodial credit risk states that an independent third-party custodian, selected by the Mohave County Treasurer, will hold the securities in the County's name.

*Concentration of credit risk* – The County's formal investment policy requires at least 10 percent of the overall portfolio to be invested in highly liquid accounts such as local government pools, money market funds, or overnight repurchase agreements to ensure the ability to meet ongoing obligations. It also limits the total amount of corporate securities to 20 percent of the total portfolio, with not more than 5 percent invested in any single corporation. Corporate bonds represent less than 1 percent of the total portfolio at June 30, 2025. All other securities are structured with varying maturity dates, not to exceed 5 years, and in various types of investments described under credit risk.

*Interest rate risk* – The County's formal policy with respect to interest rate risk minimizes the risk by structuring the portfolio into two accounts to meet cash needs. The return on investment is secondary to safety and liquidity. One account consists of highly liquid securities with maturities of 120 days or less. The second account has maturities of greater than 120 days. Both accounts have active secondary markets.

At June 30, 2025, the County had the following investments in debt securities:

<b>Investment Type</b>	<b>Amount</b>	<b>Investment Maturities</b>	
		<b>Less than 1 Year</b>	<b>1-5 Years</b>
U.S. Treasury notes and bills	\$ 354,021,832	\$ 109,714,183	\$ 244,307,649
Mutual funds	17,828,426	17,828,426	
Corporate bonds	26,000	26,000	
State Treasurer's Investment Pool 7 and 700	84,553,103	84,553,103	
	<u>\$ 456,429,361</u>	<u>\$ 212,121,712</u>	<u>\$ 244,307,649</u>

At June 30, 2025, no investments in U.S. agency securities were considered to be highly sensitive to interest rate changes.

**Notes to the Financial Statements - Continued**

**Note 5 – Deposits and Investments – Continued**

A reconciliation of cash and investments to amounts shown on the statements of net position follows:

Cash on hand	\$	10,420
Carrying amount of deposits		11,118,832
Reported amount of investments		456,429,361
Total		\$ 467,558,613

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

	Govern- mental Activities	Business- Type Activities	Pension and Other Employee Benefit Trust Funds	Private- Purpose Trust Funds	Custodial Funds		Total
					External Investment Pools	Other Custodial Funds	
Cash and cash equivalents	\$ 236,355,688	\$ 13,422,587	\$ -	\$ 2,366,073	\$ 190,132,590	\$ 5,332,136	\$ 447,609,074
Cash and investments held by trustee	740,108	-	17,828,426	604,743	-	-	19,173,227
Restricted cash and cash equivalents	-	776,262	-	-	-	-	776,262
	\$ 237,095,796	\$ 14,198,849	\$ 17,828,426	\$ 2,970,816	\$ 190,132,590	\$ 5,332,136	\$ 467,558,613

**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.

**Notes to the Financial Statements - Continued**

**Note 6 – County Treasurer’s Investment Pool – Continued**

The County’s deposits and investments are included in the County Treasurer’s investment pool, except for \$10,420 of cash on hand, \$5,061,235 of deposits held in bank, and \$17,828,426 in mutual funds. 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:

<u>Investment Type</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Maturities</u>	<u>Amount</u>
Corporate Bonds	\$ 2,653,080	N/A	N/A	\$ 26,000
State Treasurer's Investment Pool	84,337,420	N/A	N/A	84,553,103
U.S. Treasury	351,650,126	0.375%-5.5%	7/25-4/29	354,021,832
	<u>\$ 438,640,626</u>			<u>\$ 438,600,935</u>

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

**Statement of Fiduciary Net Position**

Assets	\$ 447,545,332
Liabilities	<u>2,886,800</u>
Net position	<u>\$ 444,658,532</u>
<b>Net position held for:</b>	
Internal participants	\$ 249,294,772
External participants	<u>195,363,760</u>
Total net position	<u>\$ 444,658,532</u>

**Statement of Changes in Fiduciary Net Position**

Total additions	\$ 35,161,118
Total deductions	<u>(32,373,230)</u>
Net increase	2,787,888
Net position:	
July 1, 2024	<u>441,870,644</u>
June 30, 2025	<u>\$ 444,658,532</u>

**Notes to the Financial Statements - Continued**

**Note 7 – Property Taxes Receivable**

Property taxes receivable consist of uncollected real and personal property taxes as determined from the records of the County Treasurer’s Office and at June 30, 2025, were as follows:

	<b>General Fund</b>	<b>Flood Control Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
Fiscal year 2025	\$ 1,441,773	\$ 391,895	\$ 257,138	\$ 2,090,806
Fiscal year 2024	73,029	10,581	14,229	97,839
Prior	402,498	102,183	77,538	582,219
Total receivable	<u>\$ 1,917,300</u>	<u>\$ 504,659</u>	<u>\$ 348,905</u>	<u>\$ 2,770,864</u>

The portion of property taxes receivable, not collected within 60 days after June 30, 2025, is deferred, and consequently is not included in current-year revenues on the fund statements. For the government-wide statements, the entire receivable balance has been recognized as revenue. The total receivable amount is considered collectable, as the property can be sold for non-payment of taxes.

**Note 8 – Restricted Assets**

As of June 30, 2025, the County had restricted assets as follows:

Governmental activities assets:		
HUD properties	\$ 836,355	U.S. Housing and Urban Development (HUD) rehabilitated homes restricted for sale to qualified buyers
Total governmental activities	<u>\$ 836,355</u>	
Business-type activities assets:		
Restricted cash	\$ 504,120	I-40 Replacement fund collections, restricted for future repairs of infrastructure by agreement with customer.
Restricted cash	272,142	GVID water corridor collections restricted for future infrastructure repairs by agreement with customers.
Total business-type activities	<u>\$ 776,262</u>	

## Notes to the Financial Statements - Continued

### **Note 9 – Capital Assets**

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

	<b>Balance July 1, 2024 (as restated)</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2025</b>
<b>Governmental activities</b>				
Capital assets not being depreciated/amortized:				
Land	\$ 29,114,619	\$ 587,339	\$ -	\$ 29,701,958
Construction in progress	10,333,825	13,473,938	(13,235,131)	10,572,632
Total capital assets not being depreciated/amortized	39,448,444	14,061,277	(13,235,131)	40,274,590
Capital assets being depreciated/amortized:				
Buildings	194,496,639	6,752,671	( 45,654)	201,203,656
Infrastructure and improvements other than buildings	202,728,989	6,784,787	( 396,512)	209,117,264
Equipment	68,638,161	9,209,538	( 3,603,357)	74,244,342
Intangibles:				
Software	992,303	-	-	992,303
Right-to-use subscription assets	4,709,426	666,766	( 428,349)	4,947,843
Right-to-use lease assets:				
Buildings	971,733	274,588	-	1,246,321
Equipment	1,480,531	408,342	( 424,062)	1,464,811
Infrastructure	579,644	-	-	579,644
Total	474,597,426	24,096,692	( 4,897,934)	493,796,184
Less accumulated depreciation/amortization:				
Buildings	( 75,512,589)	( 5,913,685)	-	( 81,426,274)
Infrastructure and improvements other than buildings	(114,716,370)	( 3,000,344)	26,711	(117,690,003)
Equipment	( 36,222,733)	( 5,342,066)	2,434,776	( 39,130,023)
Intangibles:				
Software	( 837,361)	( 72,806)	-	( 910,167)
Right-to-use subscription assets	( 1,683,169)	( 1,095,377)	360,203	(2,418,343)
Right-to-use lease assets:				
Buildings	( 165,654)	( 144,859)	535	(309,978)
Equipment	( 247,336)	( 432,634)	254,514	(425,456)
Infrastructure	( 152,628)	( 65,017)	-	( 217,645)
Total accumulated depreciation/amortization	(229,537,840)	(16,066,788)	3,076,739	(242,527,889)
Total capital assets being depreciated/amortized, net	245,059,586	8,029,904	( 1,821,195)	251,268,295
Governmental activities capital assets, net	<u>\$ 284,508,030</u>	<u>\$ 22,091,181</u>	<u>\$ (15,056,326)</u>	<u>\$ 291,542,885</u>
<b>Business-type activities</b>				
Capital assets not being depreciated:				
Land	\$ 1,969,993	\$ -	\$ -	\$ 1,969,993
Construction in progress	3,631,888	124,622	( 3,077,044)	679,466
Total capital assets not being depreciated	5,601,881	124,622	( 3,077,044)	2,649,459
Capital assets being depreciated				
Buildings	2,699,857	34,432	( 7,330)	2,726,959
Utility systems	35,038,394	4,315,603	( 1,216,262)	38,137,735
Equipment	5,757,022	216,772	( 457,873)	5,515,921
Total capital assets being depreciated	43,495,273	4,566,807	( 1,681,465)	46,380,615
Less accumulated depreciation for:				
Buildings	( 1,776,098)	( 71,625)	6,068	( 1,841,655)
Utility systems	( 22,250,651)	( 1,598,219)	-	( 23,848,870)
Equipment	( 3,244,027)	( 403,006)	357,312	( 3,289,721)
Total accumulated depreciation	( 27,270,776)	( 2,072,850)	363,380	( 28,980,246)
Total capital assets being depreciated, net	16,224,497	2,493,957	( 1,318,085)	17,400,369
Business-type activities capital assets, net	<u>\$ 21,826,378</u>	<u>\$ 2,618,579</u>	<u>\$ ( 4,395,129)</u>	<u>\$ 20,049,828</u>

**Notes to the Financial Statements - Continued**

**Note 9 – Capital Assets – Continued**

The 2024 beginning balance was restated to correct an error in the prior year, see Note 2 on page 38 of this report for more details.

Depreciation/amortization expense was charged to functions as follows:

<b>Governmental activities:</b>	
General government	\$ 2,810,716
Public safety	5,057,040
Highways and streets	4,510,787
Health	126,579
Welfare	82,124
Culture and recreation	562,359
Education	15,839
Internal service funds	<u>2,901,344</u>
Total governmental activities depreciation/amortization expense	<u>\$ 16,066,788</u>
<b>Business-type activities:</b>	
Landfill	\$ 268,861
Recreation	433,958
Water companies	<u>1,370,031</u>
Total business-type activities depreciation/amortization expense	<u>\$ 2,072,850</u>

**Note 10 – Construction and other Significant Commitments**

The County had major contractual commitments at June 30, 2025, as follows:

<u>Contractual Commitment</u>	<u>Funding Sources</u>	<u>Expenditures to Date</u>	<u>Total Contractual Commitment</u>	<u>Remaining Commitment</u>
Large Service Center Project	Tax Revenues	\$ 1,024,702	\$ 13,474,504	\$ 12,449,802
Reach Out Facility	Grant	1,770,016	3,614,169	1,844,153
Well Capacity Replacement	G.V.I.D./ARPA	20,007	1,407,795	1,387,788
Dock & Launch Ramp	ARPA	356,317	460,555	104,238
Fiber Connectivity	ARPA	515,643	610,670	95,027
USGS Monitoring Wells	Flood	-	664,722	664,722
		<u>\$ 3,686,685</u>	<u>\$ 20,232,415</u>	<u>\$ 16,545,730</u>

**Notes to the Financial Statements - Continued**

**Note 10 – Construction and other Significant Commitments – Continued**

The County had contractual commitments related to leases for which the lease term had not yet commenced at June 30, 2025, for computer equipment. At June 30, 2025, the County had made payments of \$0 to the lessors and had remaining contractual commitments with lessors of \$476,604 including the lease payable that will be recognized at the commencement of the lease terms.

The County had contractual commitments related to subscription-based information technology arrangements for which the subscription term had not yet commenced at June 30, 2025, for software. At June 30, 2025, the County had made payments of \$95,435 to the vendors and had remaining contractual commitments with vendors of \$391,334 including the subscription liabilities that will be recognized at the commencement of the subscription terms.

**Note 11 – Long-Term Liabilities**

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

	<b>Balance July 1, 2024 (as restated)</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2025</b>	<b>Due within 1 year</b>
<b>Governmental activities:</b>					
Net pension and other					
postemployment benefits liability	\$104,955,866	\$ -	\$( 6,660,626)	\$ 98,295,240	\$ -
Financed purchases	79,273	-	( 79,273)	-	-
Leases payable	2,471,140	682,930	( 782,109)	2,371,961	492,355
Subscription liability	2,554,618	413,940	( 1,010,719)	1,957,839	680,497
Compensated absences payable	9,240,461	-	*( 269,520)	8,970,941	6,909,901
Claims and judgments payable	3,311,628	367,569	-	3,679,197	3,679,197
Total governmental activities					
long-term liabilities	<u>\$122,612,986</u>	<u>\$ 1,464,439</u>	<u>\$( 8,802,247)</u>	<u>\$ 115,275,178</u>	<u>\$11,761,950</u>
<b>Business-type activities:</b>					
Net pension and other					
postemployment benefits liability	\$ 3,075,047	\$ -	\$( 301,861)	\$ 2,773,186	\$ -
Financed purchases	9,081	-	( 4,513)	4,568	4,568
Landfill closure and postclosure					
care costs payable	11,990,366	408,204	-	12,398,570	-
Compensated absences payable	313,586	-	*( 19,535)	294,051	229,746
Total business-type activities					
long-term liabilities	<u>\$ 15,388,080</u>	<u>\$ 408,204</u>	<u>\$( 325,909)</u>	<u>\$ 15,470,375</u>	<u>\$ 234,314</u>

\*The change in compensated absences is reported as net.

The 2024 beginning balance was restated due to the implementation of GASB 101, *Compensated Absences*. See Note 2 on page 38 of this report for more details.

**Notes to the Financial Statements - Continued**

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**Note 11 – Long-Term Liabilities**

**Financed purchases** – The County has acquired equipment under contract agreements at a total purchase amount of \$10,401. The following schedule details debt service requirements to maturity for the County’s financed purchases at June 30, 2025:

Year ending June 30,	<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2026	\$ 4,568	\$ 54
	\$ 4,568	\$ 54

**Leases** – The County has obtained the right to use office space, office equipment and communication tower infrastructure under the provisions of various lease agreements. The leases have interest rates between 1.04% and 7.82%, and estimated lives of 1-21 years.

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

	<b>Governmental activities</b>
Total intangible right-to-use lease assets	\$ 3,290,776
Less: accumulated amortization	( 953,079)
Carrying value	\$ 2,337,697

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

Year ending June 30,	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2026	\$ 492,355	\$ 93,772
2027	479,162	70,469
2028	433,878	46,786
2029	255,886	24,531
2030	130,783	17,330
2031 – 2035	505,856	33,074
2036 – 2040	66,998	3,549
2041	7,043	85
	\$ 2,371,961	\$ 289,596

**Subscription-based information technology arrangements** – The County has obtained the right to use various cloud platforms, court reporting systems, public safety related software, and library systems under the provisions of various subscription-based information technology arrangements (SBITA). The subscription arrangements have interest rates between 2.19% and 3.76%.

**Notes to the Financial Statements - Continued**

**Note 11 – Long-Term Liabilities – Continued**

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

	<b>Governmental activities</b>
Total intangible right-to-use subscription assets	\$ 4,947,843
Less: accumulated amortization	( 2,418,343)
Carrying value	\$ 2,529,500

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

Year ending June 30,	Governmental Activities	
	Principal	Interest
2026	\$ 680,497	\$ 57,182
2027	589,492	36,997
2028	318,509	20,013
2029	212,152	11,124
2030	157,189	4,851
	\$ 1,957,839	\$ 130,167

**Landfill closure and postclosure care costs** – The County owns two landfill sites, Cerbat which covers 320 acres and Mohave Valley which covers 160 acres. Both are operated by independent contractors under contract with the County and began operation in January 1989. The County operates its landfills on a cell basis. The County owns additional unused parcels of land adjacent to the existing landfill sites that will be used, as needed, to open additional cells.

State and federal laws and regulations require the County to place a final cover on its Cerbat and Mohave Valley landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. Although closure and postclosure care costs will not be paid until near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs in each period that the County operates the landfills. These costs will be paid from the enterprise fund.

The amount of cost recognized each year is based on landfill capacity used at the end of each fiscal year. The \$12,398,570 reported as landfill closure and postclosure care liability at June 30, 2025, represents the cumulative amount reported to date at the Cerbat and Mohave Valley landfills. The calculation is based on the use of 80 percent of Cells 1-6 at Cerbat landfill and 93 percent of the estimated capacity at Mohave Valley landfill. The County will recognize the remaining costs of closure and postclosure care costs of \$2,193,187 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in fiscal year 2025. The County expects the existing cells to reach their capacity at the Mohave Valley landfill in 2027 and the Cerbat landfill in 2030, and the actual cost may be higher because of inflation, changes in technology, or changes in regulations.

**Notes to the Financial Statements - Continued**

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**Note 11 – Long-Term Liabilities – Continued**

According to state and federal laws and regulations, the County must comply with the local government financial test requirements that ensure that the County can meet the costs of landfill closure, postclosure, and corrective action when needed. The County is in compliance with these requirements.

**Claims and judgments payable** – The employee benefit trust fund (an internal service fund) accounts for the financing of the uninsured risk of loss for certain health benefits (comprehensive, major medical, and dental) to eligible employees and their dependents. The claims paid from the EBT Fund were medical claims funded through payroll deductions and contributions from County funds. The self-insured trust fund is used to fund accounts for the financing of general liabilities within the County and provides coverage for up to a maximum of \$75,000 per occurrence for liability claims. The SIR fund participates in the Arizona Counties Property and Casualty Pool and the Arizona Counties Workers’ Compensation Pool. Settled claims did not exceed this insurance coverage in any of the past 3 fiscal years. Insurance claims are paid from the internal service funds.

The insurance claims payable liability of the SIR and EBT Funds totaling \$3,679,197 included in the balance below at June 30, 2025, is the estimated ultimate cost of settling claims that have been reported but not settled, and claims that have been incurred but not reported. This estimate is based on actuarial estimates provided by the County’s healthcare administrator (based on claims received subsequent to June 30, 2025) and Arizona Counties Property and Casualty Pool (based on expected outcomes of outstanding lawsuits and incurred but not reported occurrences).

Changes in the funds’ claims payable for the years ended June 30, 2024, and 2025, were as follows:

	<b>2024</b>	<b>2025</b>
Claims payable, beginning of year	\$ 2,531,610	\$ 3,311,628
Claims incurred and changes in estimates	15,820,365	17,026,104
Claims payable	(15,040,347)	(16,658,535)
Claims payable, end of year	\$ 3,311,628	\$ 3,679,197

## Notes to the Financial Statements - Continued

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### **Note 12 – 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 two public entity risk pools: the Arizona Counties Property and Casualty Pool and the Arizona Counties Workers' Compensation Pool, 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; natural disasters; and comprehensive automotive; 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 ranging from \$10,000 to \$50,000 per occurrence for property claims and \$75,000 per occurrence for liability claims and \$5,000 per occurrence for comprehensive and collision automotive claims.

The County is also responsible for any payments in excess of the maximum coverage of \$300 million per occurrence for property claims and \$15 million per occurrence for liability claims. However, lower limits apply to certain categories of losses. A county must participate in the pool at least 3 years after becoming a member; however, it may withdraw after the initial 3-year period.

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

### **Note 13 – Pensions and Other Postemployment Benefits**

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

**Notes to the Financial Statements - Continued**

**Note 13 – Pensions and Other Postemployment Benefits – Continued**

The County contributes to the plans described below. 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	\$ 4,622,167	\$ 106,222	\$ 4,728,389
Net pension and OPEB liability	98,295,240	2,773,186	101,068,426
Deferred outflows of resources related to pensions and OPEB	19,620,613	506,243	20,126,856
Deferred inflows of resources related to pensions and OPEB	10,084,270	386,810	10,471,080
Pension and OPEB expense	12,691,331	189,704	12,881,035

The County’s accrued payroll and employee benefits includes \$573,109 of outstanding pension and OPEB contribution amounts payable to all plans for the year ended June 30, 2025. Also, the County reported \$12,699,337 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.

**Notes to the Financial Statements - Continued**

**Note 13 – Pensions and Other Postemployment Benefits – Continued**

Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement initial membership date	
	<i>Before July 1, 2011</i>	<i>On or after July 1, 2011</i>
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 earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the 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.

**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.

**Notes to the Financial Statements - Continued**

**Note 13 – Pensions and Other Postemployment Benefits – Continued**

For the year ended June 30, 2025, statute required active ASRS members 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. In addition, the County was required by statute to contribute at the actuarially determined rate of 10.19 percent (10.14 percent for retirement and 0.05 percent for long-term disability) of annual covered payroll of retired members who worked for the County in positions that an employee who contributes to the ASRS would typically fill. The County's contributions to pension, health insurance premium benefit, and long term disability for the year ended June 30, 2025, were \$6,378,911, \$37,056, and \$79,406, respectively.

During fiscal year 2025, the County paid for ASRS pension and OPEB contributions as follows: 53.9 percent from the General Fund, 18.4 percent from major funds, and 27.7 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	\$ 57,075,783
Health insurance premium benefit	( 2,186,521)
Long-term disability	9,366

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 update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024.

The County’s proportion of the net 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, 2024</b>	<b>Increase (decrease) from June 30, 2023</b>
Pension	0.35669%	(0.03241)
Health insurance premium benefit	0.36187%	(0.03278)
Long-term disability	0.35930%	(0.03186)

**Notes to the Financial Statements - Continued**

**Note 13 – Pensions and Other Postemployment Benefits – Continued**

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

<b>Expense</b>	<b>Pension/OPEB expenses</b>
Pension	\$ 4,161,997
Health insurance premium benefit	( 301,139)
Long-term disability	44,133

**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 Benefit		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
	Difference between expected and actual experience	\$ 3,185,916	\$ -	\$ 63,274	\$ 527,959	\$ 34,439
Changes of assumptions or other inputs	-	-	-	22,680	6,777	56,072
Net difference between projected and actual earnings on plan investments	-	3,644,913	-	150,302	-	10,230
Changes in proportion and differences between County contributions and proportionate share of contributions	776,239	3,485,625	87,874	30,761	10,439	8,870
County contributions subsequent to the measurement date	6,378,911	-	37,056	-	79,406	-
<b>Total</b>	<b>\$ 10,341,066</b>	<b>\$ 7,130,538</b>	<b>\$ 188,204</b>	<b>\$ 731,702</b>	<b>\$ 131,061</b>	<b>\$ 100,115</b>

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:

Year ending June 30	Pension	Health insurance premium benefit	Long-term disability
2026	\$ ( 2,717,769)	\$ ( 395,287)	\$ ( 15,040)
2027	1,140,917	( 81,678)	( 852)
2028	( 922,647)	( 80,498)	( 14,296)
2029	( 668,884)	( 23,488)	( 13,967)
2030	-	397	( 6,029)
Thereafter	-	-	1,724

**Notes to the Financial Statements - Continued**

**Note 13 – 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 and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

**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.

**Notes to the Financial Statements - Continued**

**Note 13 – Pensions and Other Postemployment Benefits – Continued**

***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	\$ 87,394,674	\$ 57,075,783	\$ 31,807,609
Net insurance premium benefit liability (asset)	(1,589,585)	( 2,186,521)	(2,694,034)
Net long-term disability liability (asset)	32,227	9,366	( 13,122)

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

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

***Plan Descriptions*** – County sheriff employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans 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.

**Notes to the Financial Statements - Continued**

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**Note 13 – Pensions and Other Postemployment Benefits – Continued**

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:

<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>Retirement and Disability</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
<b>Benefit percent</b>		
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>Survivor Benefit</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 13 – 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.		

\* With actuarially reduced benefits

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

**Notes to the Financial Statements - Continued**

**Note 13 – 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:

	<b>PSPRS Sheriff</b>		<b>CORP Detention</b>	
	<b>Pension</b>	<b>Health</b>	<b>Pension</b>	<b>Health</b>
Inactive employees or beneficiaries currently Receiving benefits	56	56	23	23
Inactive employees entitled to but not receiving benefits	27	7	85	-
Active employees	40	40	32	32
<b>Total</b>	<b>123</b>	<b>103</b>	<b>140</b>	<b>55</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.

	<b>Active member pension</b>	<b>County-pension</b>	<b>County-health insurance premium benefit</b>
PSPRS Sheriff	7.65% - 8.28%	36.78%	0.00%
CORP Detention	8.41%	8.28%	0.00%
CORP AOC	8.41%	39.15%	0.24%

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

	<b>Pension</b>	<b>Health insurance premium benefit</b>
PSPRS Sheriff	25.92%	-
CORP Detention	6.00%	-
CORP AOC	36.72%	-

**Notes to the Financial Statements - Continued**

**Note 13 – Pensions and Other Postemployment Benefits – Continued**

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

	<b>Pension</b>	<b>Health insurance premium benefit</b>
PSPRS Sheriff	\$ 2,528,646	\$ -
CORP Detention	567,653	-
CORP AOC	2,018,781	12,376

During fiscal year 2025, the County paid for PSPRS and CORP pension and OPEB contributions as follows: 74.0 percent from the General Fund, and 26.0 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	\$ 9,341,121	\$ ( 1,166,810)
CORP Detention	1,726,782	( 839,985)
CORP AOC (County’s proportionate share)	14,348,514	( 33,201)

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:

**PSPRS and CORP**

Actuarial valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	3.0-6.25% 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 13 – 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:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. public equity	24%	3.62%
International public equity	16%	4.47%
Global private equity	27%	7.05%
Core bonds	6%	2.44%
Private credit	20%	6.24%
Diversifying strategies	5%	3.15%
Cash - Mellon	2%	0.89%
Total	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.

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

PSPRS – Sheriff:	Pension Increase (Decrease)			Health Insurance Premium Benefit Increase (Decrease)		
	Total pension liability (a)	Plan Fiduciary net position (b)	Net pension (asset) liability (a) – (b)	Total OPEB liability (a)	Plan Fiduciary net position (b)	Net OPEB (asset) liability (a) – (b)
	Balances at June 30, 2024	\$ 59,092,656	\$ 42,785,435	\$ 16,307,221	\$ 838,536	\$ 1,844,228
Changes for the year:						
Service cost	750,586	-	750,586	15,409	-	15,409
Interest on the total liability	4,189,860	-	4,189,860	60,243	-	60,243
Differences between expected and actual experience in the measurement of the liability	(467,320)	-	( 467,320)	( 52,330)	-	( 52,330)
Contributions-employer	-	6,521,405	( 6,521,405)	-	-	-
Contributions-employee	-	274,196	( 274,196)	-	-	-
Net investment income	-	4,677,573	( 4,677,573)	-	185,639	( 185,639)
Benefits payments, including refunds of employee contributions	( 3,301,474)	( 3,301,474)	-	( 34,485)	( 34,485)	-
Administrative expense	-	( 33,948)	33,948	-	( 1,199)	1,199
Net changes	1,171,652	8,137,752	( 6,966,100)	( 11,163)	149,955	( 161,118)
Balances at June 30, 2025	\$ 60,264,308	\$ 50,923,187	\$ 9,341,121	\$ 827,373	\$ 1,994,183	\$( 1,166,810)

**Notes to the Financial Statements - Continued**

**Note 13 – Pensions and Other Postemployment Benefits – Continued**

CORP Detention	Pension			Health Insurance Premium Benefit		
	Increase (Decrease)			Increase (Decrease)		
	Total pension liability (a)	Plan Fiduciary net position (b)	Net pension (asset) liability (a) – (b)	Total OPEB liability (a)	Plan Fiduciary net position (b)	Net OPEB (asset) liability (a) – (b)
Balances at June 30, 2024	\$ 12,800,167	\$ 10,959,764	\$ 1,840,403	\$ 201,120	\$ 939,645	\$ ( 738,525)
Changes for the year:						
Service cost	246,530	-	246,530	4,226	-	4,226
Interest on the total liability	915,317	-	915,317	14,594	-	14,594
Differences between expected and actual experience in the measurement of the liability	308,221	-	308,221	( 27,021)	-	( 27,021)
Contributions-employer	-	317,507	( 317,507)	-	-	-
Contributions-employee	-	181,828	( 181,828)	-	-	-
Net investment income	-	1,116,305	( 1,116,305)	-	95,856	( 95,856)
Benefits payments, including refunds of employee contributions	( 667,927)	( 667,927)	-	( 5,300)	( 5,300)	-
Administrative expense	-	( 31,951)	31,951	-	( 2,597)	2,597
Net changes	802,141	915,762	( 113,621)	( 13,501)	87,959	( 101,460)
Balances at June 30, 2025	\$ 13,602,308	\$ 11,875,526	\$ 1,726,782	\$ 187,619	\$ 1,027,604	\$ ( 839,985)

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	3.32531%	(0.06901)
Health insurance premium benefit	3.07948%	(0.31213)

**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:

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
<b>PSPRS Sheriff</b>			
Net pension liability	\$ 17,168,877	\$ 9,341,121	\$ 2,946,211
Net OPEB (asset) liability	( 1,072,574)	(1,166,810)	(1,245,980)
<b>CORP Detention</b>			
Net pension liability	3,860,390	1,726,782	25,808
Net OPEB liability	( 814,976)	( 839,985)	( 860,757)
<b>CORP AOC</b>			
County’s proportionate share of the net pension liability	19,692,869	14,348,514	9,989,946
County’s proportionate share of the OPEB liability	19,341	( 33,201)	( 77,596)

**Notes to the Financial Statements - Continued**

**Note 13 – Pensions and Other Postemployment Benefits – Continued**

**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</b>
PSPRS Sheriff	\$ 1,757,836	\$ ( 75,860)
CORP Detention	658,349	( 83,968)
CORP AOC (County’s proportionate share)	1,807,236	( 4,391)

**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	\$ 347,325	\$ 433,397	\$ 10,507	\$ 54,071
Changes of assumptions or other inputs	174,606	-	1,622	-
Net difference between projected and actual earnings on plan investments	-	813,909	-	25,059
County contributions subsequent to the measurement date	2,528,646	-	-	-
Total	<u>\$ 3,050,577</u>	<u>\$1,247,306</u>	<u>\$ 12,129</u>	<u>\$ 79,130</u>

**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	\$ 205,480	\$ 6,039	\$ 1,206	\$ 75,454
Changes of assumptions or other inputs	-	-	832	252
Net difference between projected and actual earnings on plan investments	-	160,182	-	13,890
County contributions subsequent to the measurement date	567,653	-	-	-
Total	<u>\$ 773,133</u>	<u>\$ 166,221</u>	<u>\$ 2,038</u>	<u>\$ 89,596</u>

**Notes to the Financial Statements - Continued**

**Note 13 – 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	\$ 942,203	\$ 73,071	\$ -	\$ 50,845
Changes of assumptions or other inputs	184,373	-	843	-
Net difference between projected and actual earnings on plan investments	-	305,142	-	5,849
Changes in proportion and differences between county contributions and proportionate share of contributions	640,148	277,681	8,103	4,731
County contributions subsequent to the measurement date	2,018,781	-	12,376	-
<b>Total</b>	<b>\$ 3,785,505</b>	<b>\$ 655,894</b>	<b>\$ 21,322</b>	<b>\$ 61,425</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>CORP Detention</b>		<b>CORP AOC</b>	
	<b>Pension</b>	<b>Health</b>	<b>Pension</b>	<b>Health</b>	<b>Pension</b>	<b>Health</b>
2026	\$ ( 349,296)	\$ ( 41,038)	\$ ( 81,497)	\$ ( 38,533)	\$ 216,088	\$ ( 23,368)
2027	221,846	10,305	264,313	( 7,021)	751,284	( 8,908)
2028	( 303,434)	(25,440)	( 76,673)	( 18,320)	206,482	( 11,515)
2029	( 294,491)	(10,828)	( 66,884)	( 17,166)	( 63,026)	( 6,992)
2030	-	-	-	( 6,518)	-	( 1,696)

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

**Notes to the Financial Statements - Continued**

**Note 13 – Pensions and Other Postemployment Benefits – Continued**

For the year ended June 30, 2025, active PSPDCRP members were required by statute to contribute at least 9 percent (County sheriff employees) or 5 percent (County detention officers, and AOC probation, surveillance, and juvenile detention officers) of the members’ annual cover payroll, and the County was required by statute to contribute 9 percent or 5 percent, respectively, of active members’ annual covered payroll to an individual employee account. Employees vest in a portion of the County’s contributions each year as set forth in statute. The plan retains nonvested County contributions when forfeited because of employment terminations. For the year ended June 30, 2025, the County recognized pension expense of \$0.

**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:

	<b>Initial membership date:</b>	
	<b><u>Before January 1, 2012</u></b>	<b><u>On or after January 1, 2012</u></b>
<b>Retirement and Disability</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 10 years
<b>Benefit percent</b>		
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

**Notes to the Financial Statements - Continued**

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**Note 13 – 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>Survivor Benefit</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.

**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 \$1,798,795 and \$0, respectively.

During fiscal year 2025, the County paid for EORP pension contributions as follows: 95.1 percent from the General Fund and 4.9 percent from other funds.

**Notes to the Financial Statements - Continued**

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**Note 13 – Pensions and Other Postemployment Benefits – Continued**

**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	\$	18,566,860
State’s proportionate share of the EORP net pension liability associated with the County		1,281,225
Total	\$	19,848,085

The County also reported an asset of \$501,872 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.

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:

<b>EORP</b>	<b>Proportion June 30, 2024</b>	<b>Increase (decrease) from June 30, 2023</b>
Pension	3.10822%	1.26868
Health insurance premium benefit	3.33539%	(0.33307)

**Expense** – For the year ended June 30, 2025, the County recognized pension and OPEB expenses for EORP of \$4,929,057 and \$(12,215), respectively, and revenue of \$519,110 for the County’s proportionate share of the State’s appropriation to EORP and the designated court fees.

**Notes to the Financial Statements - Continued**

**Note 13 – 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:

<b>EORP</b>	<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	\$ -	\$ -	\$ -
Net difference between projected and actual earnings on plan investments	-	195,759	-	11,900
Changes in proportion and differences between county contributions and proportionate share of contributions	-	-	23,026	-
County contributions subsequent to the measurement date	1,798,795	-	-	-
<b>Total</b>	<b>\$ 1,798,795</b>	<b>\$ 195,759</b>	<b>\$ 23,026</b>	<b>\$ 13,394</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:

<b>Year ended June 30</b>	<b>Pension</b>	<b>Health insurance premium benefit</b>
2026	\$ (179,990)	\$ 7,225
2027	148,167	14,237
2028	( 90,672)	( 6,606)
2029	( 73,264)	( 5,224)

## Notes to the Financial Statements - Continued

### **Note 13 – Pensions and Other Postemployment Benefits – Continued**

*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</b>	<b>Long-Term Expected Geometric Real Rate of Return</b>	
<b>Asset Class</b>	<b>Target Allocation</b>	<b>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 13 – 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>EORP</b>	<b>1% Decrease (6.2%)</b>	<b>Current discount Rate (7.2%)</b>	<b>1% Increase (8.2%)</b>
	<hr/>	<hr/>	<hr/>
County’s proportionate share of the net pension liability	\$ 21,588,213	\$ 18,566,860	\$ 15,971,942
County’s proportionate share of the net OPEB (asset)	(467,016)	(501,872)	(532,370)

**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 is not further disclosed because of their relative insignificance to the County’s financial statements.

For the year ended June 30, 2025, active EODCRS members were required by statute to contribute 8 percent of the members’ annual covered payroll, and the County was required by statute to contribute 6 percent of the active members’ annual covered payroll to an individual employee account. Employees are immediately vested in their own contributions and the County’s contributions to the individual employee account and the earnings on those contributions. For the year ended June 30, 2025, the County recognized pension expense of \$63,314.

**Notes to the Financial Statements - Continued**

**Note 14 – Interfund Activity and Balances**

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

Payable From	Payable To								Total
	General Fund	Road Fund	ARPA Fund	Opioid Fund	Other Governmental Fund	Internal Service Fund	GVID Fund	Parks Fund	
General fund	\$ -	\$ 84	\$ -	\$ -	\$ 101,045	\$ 19,228	\$ -	\$ 100,000	\$ 220,357
Road fund	164	-	-	-	-	1,475	-	-	1,639
Flood control fund	-	-	-	-	-	357	-	-	357
Other governmental funds	115,302	-	1,424	41,199	403,702	4,319	676	-	566,622
Internal service fund	1,335	510	-	-	3,651	1,073	-	-	6,569
Park fund	222	-	-	-	-	420	-	-	642
Other enterprise funds	-	-	-	-	-	312	-	-	312
<b>Total</b>	<b>\$ 117,023</b>	<b>\$ 594</b>	<b>\$ 1,424</b>	<b>\$ 41,199</b>	<b>\$ 508,398</b>	<b>\$ 27,184</b>	<b>\$ 676</b>	<b>\$ 100,000</b>	<b>\$ 796,498</b>

The interfund receivables and payables result from year-end accruals and adjustments. Cash will be transferred within the first few months of the next fiscal year.

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

Transfers Out	Transfers In									Total
	General Fund	Road Fund	Flood Control Fund	County Capital Fund	Other Governmental Fund	Internal Service Fund	GVID Fund	Parks Fund	Other Enterprise Fund	
General fund	\$ -	\$ -	\$ -	\$ 6,000,000	\$ 3,176,590	\$ 438,172	\$ -	\$ -	\$ 25,000	\$ 9,639,762
Flood control fund	490,097	-	-	-	97,160	-	-	-	-	587,257
Other governmental funds	1,114,195	582	4,327	475,271	787,018	13,896	5,665	3,362	-	2,404,316
Internal service fund	-	-	-	-	220,619	-	-	-	-	220,619
Landfill fund	-	-	-	-	25,000	-	-	-	-	25,000
Park fund	-	-	-	-	-	-	6,120	48,170	6,123	60,413
Other enterprise funds	55,000	-	-	-	-	-	-	-	320,133	375,133
<b>Total</b>	<b>\$ 1,659,292</b>	<b>\$ 582</b>	<b>\$ 4,327</b>	<b>\$ 6,475,271</b>	<b>\$ 4,306,387</b>	<b>\$ 452,068</b>	<b>\$ 11,785</b>	<b>\$ 51,532</b>	<b>\$ 351,256</b>	<b>\$13,312,500</b>

The General Fund transfers monies to other funds to provide support for such items as matching funds for grants or to make up the shortfall of grant-funded programs. Other funds also transfer monies to reimburse for shared expenses and to cover matching grants.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental and business-type funds to indicate that they are not available for appropriation and are not expendable available financial resources. The Landfill Fund’s advance to the General Fund was \$9.7 million as of June 30, 2025. The purpose of this advance was to provide additional funding to the PSPRS pension liability. The General Fund will begin its scheduled payments back to the Landfill Fund in 2026.

## Notes to the Financial Statements - Continued

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### **Note 15 – Credit Card Payments By Governmental Activities**

A.R.S. 35-391 requires the annual financial report to disclose the amount of any reward, discount, incentive, or other financial consideration received resulting from the use of credit card payments by governmental entities. During fiscal year 2025, \$55,788 in rebates were received from the use of credit card payments by the County.

### **Note 16 – Subsequent Events**

In August 2021, the Arizona Attorney General's Office announced that 90 cities and towns and all 15 counties signed on to a framework called the One Arizona Memorandum of Understanding (One Arizona Plan) to expeditiously distribute funds across Arizona from national opioid settlements against the pharmaceutical industry. The One Arizona Plan provides funding for programs to address opioid abuse, prevention and education, and includes reporting requirements for greater transparency of how the money is to be used. The pharmaceutical industry is currently expected to pay more than \$1.1 billion to Arizona over the next 18 years. The agreement specifies the framework to distribute the settlement funds across the state and in communities, sending 56 percent of the opioid settlement funds to the counties, cities, and towns, and 44 percent to the State. Allocation to counties, cities, and towns is based on population and relative degree of harm suffered in the community because of the opioid epidemic.

Due to the ongoing litigation and finalizing agreements with the defendants, additional settlements are expected to be measurable and available in subsequent reporting periods. Two settlements have occurred since June 30, 2025, and the County will recognize approximately \$1.8 million in revenues in fiscal year 2026.

**Required Supplementary Information**

**Mohave County, Arizona**  
**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	\$ 48,081,407	\$ 48,081,407	\$ 47,939,013	\$ (142,394)
Licenses and permits	2,229,364	2,229,364	2,160,088	(69,276)
Intergovernmental	55,615,442	55,615,442	58,926,036	3,310,594
Charges for services	9,806,712	9,806,712	10,549,898	743,186
Fees, fines, and forfeits	1,225,000	1,225,000	1,234,005	9,005
Investment earnings	3,000,000	3,000,000	4,937,700	1,937,700
Contributions	36,000	36,000	141,085	105,085
Miscellaneous	415,393	417,393	1,097,590	680,197
<b>Total revenues</b>	<b>120,409,318</b>	<b>120,411,318</b>	<b>126,985,415</b>	<b>6,574,097</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Assessor	4,696,824	4,777,028	4,583,060	193,968
County attorney	6,399,808	6,522,680	5,869,927	652,753
County manager	395,068	404,599	387,948	16,651
Clerk of board	403,370	435,509	394,616	40,893
Community services department	425,216	429,220	387,925	41,295
General administration	5,069,973	3,351,991	2,590,674	761,317
Clerk of superior court	3,213,702	3,278,188	2,967,611	310,577
Constables	522,117	522,117	482,517	39,600
Contingency	11,000,000	10,593,891	-	10,593,891
Economic development department	324,901	328,788	307,503	21,285
Elections	928,052	957,316	947,325	9,991
Finance	2,026,965	2,074,609	1,908,632	165,977
Facilities maintenance	3,977,098	4,004,421	3,910,308	94,113
Justice courts	4,512,412	4,579,239	4,408,862	170,377
Juvenile detention	2,250,433	2,344,399	2,344,399	-
Human resources	561,638	585,073	555,934	29,139
Planning & zoning department	2,739,068	2,783,695	1,930,552	853,143
Public fiduciary	691,820	717,559	696,118	21,441
Public defender	6,068,201	6,165,578	5,727,820	437,758
Public legal defender	4,335,960	4,383,535	3,499,172	884,363
Public relations	126,059	129,258	104,839	24,419
Building inspector	2,531,879	2,572,242	2,240,060	332,182
Procurement	543,970	554,921	513,506	41,415
Recorder	1,086,172	1,159,092	980,597	178,495
Superior courts	4,404,950	4,463,224	4,173,358	289,866
Treasurer	2,237,709	2,270,602	2,044,920	225,682
Voter registration	811,291	1,124,594	750,110	374,484
Supervisory districts	1,403,289	1,414,633	1,216,044	198,589
<b>Total general government</b>	<b>73,687,945</b>	<b>72,928,001</b>	<b>55,924,337</b>	<b>17,003,664</b>

See accompanying notes to budgetary comparison schedule.

**Mohave County, Arizona**  
**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>
Public safety:				
Adult detention center maintenance	\$ 1,003,301	\$ 1,003,301	868,454	\$ 134,847
Animal control	1,734,597	1,805,277	1,591,357	213,920
Jail	19,444,068	19,685,702	18,009,160	1,676,542
Medical examiner	1,110,000	1,110,000	1,110,000	-
Probation	2,673,842	2,729,006	2,574,500	154,506
Sheriff	21,889,954	22,331,682	20,362,003	1,969,679
Total public safety	<u>47,855,762</u>	<u>48,664,968</u>	<u>44,515,474</u>	<u>4,149,494</u>
Health:				
A.H.C.C.C.S.	12,975,200	12,975,200	12,334,784	640,416
Total health	<u>12,975,200</u>	<u>12,975,200</u>	<u>12,334,784</u>	<u>640,416</u>
Education:				
School superintendent	495,513	503,267	439,475	63,792
Total welfare	<u>495,513</u>	<u>503,267</u>	<u>439,475</u>	<u>63,792</u>
Total expenditures	<u>135,014,420</u>	<u>135,071,436</u>	<u>113,214,070</u>	<u>21,857,366</u>
Excess (deficiency) of revenues over expenditures	(14,605,102)	(14,660,118)	13,771,345	28,431,463
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	2,601	2,601
Transfers in	1,640,320	1,640,320	1,659,292	18,972
Transfers out	(9,797,890)	(9,916,127)	(9,639,762)	276,365
Total other financing sources (uses)	<u>(8,157,570)</u>	<u>(8,275,807)</u>	<u>(7,977,869)</u>	<u>297,938</u>
Net change in fund balances	(22,762,672)	(22,935,925)	5,793,476	28,729,401
Fund balance, July 1, 2024	<u>22,762,672</u>	<u>22,935,925</u>	<u>77,150,650</u>	<u>-</u>
Fund balance, June 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,944,126</u>	<u>\$ 28,729,401</u>

See accompanying notes to budgetary comparison schedule.

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

	<b>Original Budget Amounts</b>	<b>Original and Final Budget Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>Revenues:</b>				
Licenses and permits	\$ 98,000	\$ 98,000	\$ 130,873	\$ 32,873
Intergovernmental	20,004,000	20,329,698	22,337,667	2,007,969
Charges for services	50,500	50,500	66,785	16,285
Fees, fines and forfeits	-	-	230	230
Investment earnings	500,000	500,000	905,890	405,890
Rents	66,675	66,675	69,021	2,346
Miscellaneous	5,000	6,975	79,862	72,887
Total revenues	<u>20,724,175</u>	<u>21,051,848</u>	<u>23,590,328</u>	<u>2,538,480</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Highways and streets	<u>34,146,383</u>	<u>34,524,056</u>	<u>21,725,590</u>	<u>12,798,466</u>
Total expenditures	<u>34,146,383</u>	<u>34,524,056</u>	<u>21,725,590</u>	<u>12,798,466</u>
Excess (deficiency) of revenues over expenditures	(13,422,208)	(13,472,208)	1,864,738	15,336,946
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	93,800	93,800	131,782	37,982
Transfers in	4,000	54,000	582	(53,418)
Transfers out	-	-	-	-
Total other financing uses	<u>97,800</u>	<u>147,800</u>	<u>132,364</u>	<u>(15,436)</u>
Net change in fund balances	(13,324,408)	(13,324,408)	1,997,102	15,321,510
Fund balance, July 1, 2024	13,324,408	13,324,408	15,821,960	2,497,552
Increase in inventories	-	-	13,867	13,867
Fund balances, June 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,832,929</u>	<u>\$ 17,832,929</u>

See accompanying notes to budgetary comparison schedule.

**Mohave County, Arizona**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Flood Control Fund**  
**Year Ended June 30, 2025**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>Revenues:</b>			
Taxes	\$11,349,095	\$ 11,530,615	\$ 181,520
Licenses and permits	3,600	3,800	200
Intergovernmental	10,035	28	(10,007)
Charges for services	-	25,000	25,000
Investment earnings	150,000	941,011	791,011
Miscellaneous	-	19,800	19,800
Total revenues	<u>\$11,512,730</u>	<u>12,520,254</u>	<u>1,007,524</u>
<b>Expenditures:</b>			
<b>Current:</b>			
Public safety	<u>19,781,179</u>	<u>8,455,434</u>	<u>11,325,745</u>
Total expenditures	<u>19,781,179</u>	<u>8,455,434</u>	<u>11,325,745</u>
Excess (deficiency) of revenues over expenditures	(8,268,449)	4,064,820	12,333,269
<b>Other financing sources:</b>			
Proceeds from sale of capital assets	12,000	-	(12,000)
Transfers in	-	4,327	4,327
Transfers out	<u>(1,697,720)</u>	<u>(587,257)</u>	<u>1,110,463</u>
Total other financing sources	<u>(1,685,720)</u>	<u>(582,930)</u>	<u>1,102,790</u>
Net change in fund balances	(9,954,169)	3,481,890	13,436,059
Fund balances, July 1, 2024	9,954,169	13,388,903	3,434,734
Increase in inventories	-	<u>46,944</u>	<u>46,944</u>
Fund balances, June 30, 2025	<u>\$ -</u>	<u>\$ 16,917,737</u>	<u>\$ 16,917,737</u>

See accompanying notes to budgetary comparison schedule.

**Mohave County, Arizona**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**ARPA Fund**  
**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>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 13,843,420	\$ 13,843,420
Total revenues	<u>-</u>	<u>-</u>	<u>13,843,420</u>	<u>13,843,420</u>
Expenditures:				
Current:				
General government	<u>21,801,638</u>	<u>21,038,181</u>	<u>13,843,420</u>	<u>7,194,761</u>
Total expenditures	<u>21,801,638</u>	<u>21,038,181</u>	<u>13,843,420</u>	<u>7,194,761</u>
Excess (deficiency) of revenues over expenditures	(21,801,638)	(21,038,181)	-	21,038,181
Fund balances, July 1, 2024	<u>21,801,638</u>	<u>21,038,181</u>	<u>-</u>	<u>(21,038,181)</u>
Fund balances, June 30, 2025	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying notes to budgetary comparison schedule.

**Mohave County, Arizona**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**One Arizona Opioid Settlement Fund**  
**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>
Revenues:				
Charges for services	\$ 2,650,000	\$ 2,356,000	\$ 1,332,260	\$ (1,023,740)
Investment earnings	18,600	32,859	141,613	108,754
Total revenues	<u>2,668,600</u>	<u>2,388,859</u>	<u>1,473,873</u>	<u>(914,986)</u>
Expenditures:				
Current:				
Health	<u>3,697,000</u>	<u>4,145,407</u>	<u>1,179,859</u>	<u>2,965,548</u>
Total expenditures	<u>3,697,000</u>	<u>4,145,407</u>	<u>1,179,859</u>	<u>2,965,548</u>
Excess (deficiency) of revenues over expenditures	(1,028,400)	(1,756,548)	294,014	2,050,562
Fund balances, July 1, 2024	<u>1,028,400</u>	<u>1,756,548</u>	<u>2,600,198</u>	<u>843,650</u>
Fund balances, June 30, 2025	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,894,212</u></u>	<u><u>\$ 2,894,212</u></u>

See accompanying notes to budgetary comparison schedule.

**Mohave County, Arizona**  
**Required Supplementary Information**  
**Notes to Budgetary Comparison Schedule**  
**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 – Budgetary Basis of Accounting**

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

- Present value of lease payments
- Present value of subscription payments

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

	<u>General Fund</u>	<u>Road Fund</u>	<u>ARPA Fund</u>
Excess (deficiency) of revenues over expenditures from the statement of revenues, expenditures, and changes in fund balances	\$ 13,607,578	\$ 1,858,640	\$ ( 920)
Present value of lease payments	66,705	6,098	-
Present value of subscription payments	97,062	-	920
	<u>97,062</u>	<u>        </u>	<u>        </u>
Excess (deficiency) of revenues over expenditures from the budgetary comparison schedules	<u>\$ 13,771,345</u>	<u>\$ 1,864,738</u>	<u>\$ -</u>

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

**ASRS - Pension**

	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	0.36%	0.39%	0.37%	0.37%	0.36%	0.36%	0.36%	0.35%	0.37%	0.38%
County's proportionate share of the net pension liability	\$ 57,075,783	\$ 62,962,003	\$ 60,700,707	\$ 49,032,881	\$ 62,278,444	\$ 50,560,928	\$ 49,907,481	\$ 55,221,074	\$ 59,477,988	\$ 59,259,251
County's covered payroll	49,888,454	49,214,966	44,497,435	42,175,734	39,618,550	36,706,673	35,556,097	34,720,762	34,138,216	35,153,250
County's proportionate share of the net pension liability as a percentage of its covered payroll	114.41%	127.93%	136.41%	116.26%	157.20%	137.74%	140.36%	159.04%	174.23%	168.57%
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**

	Reporting Fiscal Year (Measurement Date)								2017 through 2016
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	
County's proportion of the net OPEB liability	0.36%	0.39%	0.38%	0.38%	0.36%	0.36%	0.36%	0.36%	Information not available
County's proportionate share of the net OPEB liability (asset)	\$ (2,186,521)	\$ (2,130,826)	\$ (2,097,946)	\$ (1,836,580)	\$ (257,031)	\$ (97,163)	\$ (129,730)	(194,329)	
County's covered payroll	49,888,454	49,214,966	44,497,435	42,175,734	39,618,550	36,706,673	35,556,097	34,720,762	
County's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-4.38%	-4.33%	-4.71%	-4.35%	-0.65%	-0.26%	-0.36%	-0.56%	
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**

	Reporting Fiscal Year (Measurement Date)								2017 through 2016
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	
County's proportion of the net OPEB liability	0.36%	0.39%	0.37%	0.37%	0.36%	0.36%	0.36%	0.35%	Information not available
County's proportionate share of the net OPEB liability	\$ 9,366	\$ 51,256	\$ 34,462	\$ 77,407	\$ 274,018	\$ 227,843	\$ 187,260	\$ 128,581	
County's covered payroll	49,888,454	49,214,966	44,497,435	42,175,734	39,618,550	36,706,673	35,556,097	34,720,762	
County's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.02%	0.10%	0.08%	0.18%	0.69%	0.62%	0.53%	0.37%	
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.

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

**CORP AOC - Pension**

	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	3.33%	3.39%	3.20%	3.23%	3.01%	2.93%	2.97%	2.71%	2.67%	2.65%
County's proportionate share of the net pension liability	\$ 14,348,514	\$ 15,340,767	\$ 14,301,882	\$ 12,005,207	\$ 14,382,427	\$ 12,382,985	\$ 10,709,213	\$ 10,884,138	\$ 7,523,107	\$ 6,438,542
County's covered payroll	4,619,021	4,215,193	3,830,324	3,865,238	3,673,246	3,612,401	3,449,848	3,042,429	2,936,852	2,943,898
County's proportionate share of the net pension liability as a percentage of its covered payroll	310.64%	363.94%	373.39%	310.59%	391.55%	342.79%	310.43%	357.75%	256.16%	218.71%
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%

**CORP AOC - Health Insurance Premium Benefit**

	Reporting Fiscal Year (Measurement Date)								2017 through 2016
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	
County's proportion of the net OPEB liability (asset)	3.08%	3.39%	3.26%	3.21%	3.01%	2.95%	2.99%	2.72%	Information not available
County's proportionate share of the net OPEB liability (asset)	\$ (33,201)	\$ (14,125)	\$ 12,316	\$ (4,298)	\$ 119,892	\$ 109,109	\$ 153,649	\$ 160,270	
County's covered payroll	4,619,021	4,215,193	3,830,324	3,865,238	3,673,246	3,612,401	3,449,848	3,042,429	
County's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-0.72%	-0.34%	0.32%	-0.11%	3.26%	3.02%	4.45%	5.27%	
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%	

See accompanying notes to pension/OPEB plan schedules.

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

**EORP - Pension**

	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	3.11%	1.84%	3.32%	3.43%	3.40%	3.15%	3.42%	2.62%	2.51%	2.37%
County's proportionate share of the net pension liability	\$ 18,566,860	\$ 11,529,263	\$ 22,383,580	\$ 20,883,216	\$ 22,542,930	\$ 20,865,471	\$ 21,581,830	\$ 31,957,961	\$ 23,741,585	\$ 18,541,752
State's proportionate share of the net pension liability associated with the County	<u>\$ 1,281,225</u>	<u>\$ 12,890,304</u>	<u>\$ 2,179,427</u>	<u>\$ 2,099,102</u>	<u>\$ 2,142,510</u>	<u>\$ 1,961,138</u>	<u>\$ 3,697,907</u>	<u>\$ 6,632,705</u>	<u>\$ 4,899,011</u>	<u>\$ 5,780,547</u>
Total County's net pension liability	<u>\$ 19,848,085</u>	<u>\$ 24,419,567</u>	<u>\$ 24,563,007</u>	<u>\$ 22,982,318</u>	<u>\$ 24,685,440</u>	<u>\$ 22,826,609</u>	<u>\$ 25,279,737</u>	<u>\$ 38,590,666</u>	<u>\$ 28,640,596</u>	<u>\$ 24,322,299</u>
County's covered payroll	\$ 2,699,475	\$ 2,591,150	\$ 2,508,844	\$ 2,552,369	\$ 2,553,611	\$ 2,437,576	\$ 2,311,048	\$ 2,180,142	\$ 1,753,759	\$ 2,157,272
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	687.80%	444.95%	892.19%	818.19%	882.79%	855.99%	933.85%	1465.87%	1353.75%	859.50%
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%

**EORP - Health Insurance Premium Benefit**

	Reporting Fiscal Year (Measurement Date)								2017 through 2016
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	
County's proportion of the net OPEB (asset)	3.34%	3.67%	3.55%	3.55%	3.69%	3.65%	3.51%	3.32%	Information not available
County's proportionate share of the net OPEB liability (asset)	\$ (501,872)	\$ (492,119)	\$ (456,383)	\$ (565,534)	\$ (352,530)	\$ (357,737)	\$ (362,754)	\$ (302,772)	
County's covered payroll	2,699,475	2,591,150	2,508,844	2,552,369	2,553,611	2,437,576	2,311,048	2,180,142	
County's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-18.59%	-18.99%	-18.19%	-22.16%	-13.81%	-14.68%	-15.70%	-13.89%	
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.

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

PSPRS - Sheriff - Pension	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>										
Service cost	\$ 750,586	\$ 770,293	\$ 721,512	\$ 800,840	\$ 732,194	\$ 844,346	\$ 788,297	\$ 966,017	\$ 738,110	\$ 856,128
Interest on total pension liability	4,189,860	3,988,275	3,887,610	3,764,787	3,541,781	3,402,084	3,214,798	3,003,684	2,932,447	2,908,448
Changes of benefit terms	-	-	-	-	-	-	-	425,471	1,255,658	-
Difference between expected and actual experience in the measurement of the pension liability	(467,320)	1,041,976	(487,402)	250,425	1,910,084	46,799	480,574	396,188	(569,078)	(797,687)
Changes of assumptions or other inputs	-	-	698,425	-	-	1,015,153	-	1,538,482	1,409,917	-
Benefit payments, including refunds of employee contributions	(3,301,474)	(2,660,596)	(2,801,717)	(3,306,714)	(3,088,939)	(2,216,642)	(2,589,312)	(3,104,457)	(3,271,340)	(1,932,983)
Net change in pension liability	1,171,652	3,139,948	2,018,428	1,509,338	3,095,120	3,091,740	1,894,357	3,225,385	2,495,714	1,033,906
Total pension liability - beginning	59,092,656	55,952,708	53,934,280	52,424,942	49,329,822	46,238,082	44,343,725	41,118,340	38,622,626	37,588,720
Total pension liability - ending (a)	<u>\$ 60,264,308</u>	<u>\$ 59,092,656</u>	<u>\$ 55,952,708</u>	<u>\$ 53,934,280</u>	<u>\$ 52,424,942</u>	<u>\$ 49,329,822</u>	<u>\$ 46,238,082</u>	<u>\$ 44,343,725</u>	<u>\$ 41,118,340</u>	<u>\$ 38,622,626</u>
<b>Plan fiduciary net position</b>										
Contributions - employer	\$ 6,521,405	\$ 13,288,009	\$ 2,886,185	\$ 2,663,819	\$ 2,602,728	\$ 3,186,768	\$ 2,809,701	\$ 1,836,800	\$ 1,623,099	\$ 1,232,825
Contributions - employee	274,196	375,352	358,090	362,152	370,865	355,252	399,901	504,665	510,843	476,318
Net investment income	4,677,573	2,546,790	(1,197,016)	6,580,751	299,816	1,166,370	1,334,686	2,131,234	110,794	708,906
Benefit payments, including refunds of employee contributions	(3,301,474)	(2,660,596)	(2,801,717)	(3,306,714)	(3,088,939)	(2,216,642)	(2,589,312)	(3,104,457)	(3,271,340)	(1,932,983)
Hall/Parker Settlement	-	-	-	-	-	-	(535,232)	-	-	-
Administrative expense	(33,948)	(27,544)	(21,595)	(30,982)	(24,452)	(21,271)	(21,014)	(19,258)	(16,343)	(17,672)
Other changes	-	-	-	(10,627)	(15,800)	-	246	(155,786)	(68,502)	10,751
Net change in plan fiduciary net position	8,137,752	13,522,011	(776,053)	6,258,399	144,218	2,470,477	1,398,976	1,193,198	(1,111,449)	478,145
Plan fiduciary net position - beginning	42,785,435	29,263,424	30,039,477	23,781,078	23,636,860	21,166,678	19,767,702	18,574,504	19,685,953	19,207,808
Adjustment to beginning of year	-	-	-	-	-	(295)	-	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ 50,923,187</u>	<u>\$ 42,785,435</u>	<u>\$ 29,263,424</u>	<u>\$ 30,039,477</u>	<u>\$ 23,781,078</u>	<u>\$ 23,636,860</u>	<u>\$ 21,166,678</u>	<u>\$ 19,767,702</u>	<u>\$ 18,574,504</u>	<u>\$ 19,685,953</u>
County's net pension liability - ending (a) - (b)	<u>\$ 9,341,121</u>	<u>\$ 16,307,221</u>	<u>\$ 26,689,284</u>	<u>\$ 23,894,803</u>	<u>\$ 28,643,864</u>	<u>\$ 25,692,962</u>	<u>\$ 25,071,404</u>	<u>\$ 24,576,023</u>	<u>\$ 22,543,836</u>	<u>\$ 18,936,673</u>
Plan fiduciary net position as a percentage of the total pension liability	84.5%	72.4%	52.3%	55.7%	45.4%	47.9%	45.8%	44.6%	45.2%	51.0%
Covered payroll	\$ 6,322,308	\$ 6,164,129	\$ 5,771,686	\$ 5,108,435	\$ 4,891,043	\$ 4,357,353	\$ 4,414,050	\$ 4,341,502	\$ 4,188,643	\$ 4,310,395
County's net pension liability as a percentage of covered payroll	148%	265%	462%	468%	586%	590%	568%	566%	538%	439%

See accompanying notes to pension/OPEB plan schedules.

**Mohave County, Arizona**  
**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>									
Service cost	\$ 15,409	\$ 16,934	\$ 17,405	\$ 20,449	\$ 20,115	\$ 15,957	\$ 16,755	\$ 19,767	Information not available
Interest on total OPEB liability	60,243	58,926	54,024	53,044	50,210	56,203	54,751	54,418	
Changes of benefit terms	-	-	-	-	-	-	-	6,427	
Difference between expected and actual experience in the measurement of the OPEB liability	(52,330)	(23,429)	42,029	(15,540)	9,198	(137,378)	(34,511)	(13,127)	
Changes of assumptions or other inputs	-	-	6,488	-	-	8,899	-	(28,604)	
Benefit payments	(34,485)	(30,752)	(51,470)	(31,499)	(31,995)	(25,646)	(24,275)	(21,852)	
Net change in OPEB liability	(11,163)	21,679	68,476	26,454	47,528	(81,965)	12,720	17,029	
Total OPEB liability - beginning	838,536	816,857	748,381	721,927	674,399	756,364	743,644	726,615	
Total OPEB liability - ending (a)	<u>\$ 827,373</u>	<u>\$ 838,536</u>	<u>\$ 816,857</u>	<u>\$ 748,381</u>	<u>\$ 721,927</u>	<u>\$ 674,399</u>	<u>\$ 756,364</u>	<u>\$ 743,644</u>	
<b>Plan fiduciary net position</b>									
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (295)	\$ -	
Net investment income	185,639	132,083	(73,385)	409,678	18,984	78,333	96,159	147,573	
Benefit payments	(34,485)	(30,752)	(51,470)	(31,499)	(31,995)	(25,646)	(24,275)	(21,852)	
Administrative expense	(1,199)	(1,513)	(1,306)	(1,685)	(1,544)	(1,352)	(1,464)	(1,306)	
Net change in plan fiduciary net position	149,955	99,818	(126,161)	376,494	(14,555)	51,335	70,125	124,415	
Plan fiduciary net position - beginning	1,844,228	1,744,410	1,870,571	1,494,077	1,508,632	1,457,002	1,386,877	1,262,462	
Adjustment to beginning of year	-	-	-	-	-	295	-	-	
Plan fiduciary net position - ending (b)	<u>\$ 1,994,183</u>	<u>\$ 1,844,228</u>	<u>\$ 1,744,410</u>	<u>\$ 1,870,571</u>	<u>\$ 1,494,077</u>	<u>\$ 1,508,632</u>	<u>\$ 1,457,002</u>	<u>\$ 1,386,877</u>	
County's net OPEB (asset) liability - ending (a) - (b)	<u>\$ (1,166,810)</u>	<u>\$ (1,005,692)</u>	<u>\$ (927,553)</u>	<u>\$ (1,122,190)</u>	<u>\$ (772,150)</u>	<u>\$ (834,233)</u>	<u>\$ (700,638)</u>	<u>\$ (643,233)</u>	
Plan fiduciary net position as a percentage of the total OPEB liability	241.0%	219.9%	213.6%	249.9%	207.0%	223.7%	192.6%	186.5%	
Covered payroll	\$ 6,322,308	\$ 6,164,129	\$ 5,771,686	\$ 5,108,435	\$ 4,891,043	\$ 4,357,353	\$ 4,414,050	\$ 4,341,502	
County's net OPEB (asset) liability as a percentage of covered payroll	-18%	-16%	-16%	-22%	-16%	-19%	-16%	-15%	

See accompanying notes to pension/OPEB plan schedules.

**Mohave County, Arizona**  
**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 - Pension</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>2018 (2017)</b>	<b>2017 (2016)</b>	<b>2016 (2015)</b>
<b>Total pension liability</b>										
Service cost	\$ 246,530	\$ 284,779	\$ 333,918	\$ 366,439	\$ 414,357	\$ 526,994	\$ 614,868	\$ 513,320	\$ 522,178	\$ 527,226
Interest on total pension liability	915,317	877,823	793,322	749,211	648,230	588,077	592,728	498,282	502,287	476,424
Changes of benefit terms	-	-	-	-	-	-	(271,185)	1,002,759	23,016	-
Difference between expected and actual experience in the measurement of the pension liability	308,221	(18,117)	694,171	10,694	782,235	185,879	(589,476)	(132,391)	(441,945)	(255,141)
Changes of assumptions or other inputs	-	-	92,342	-	-	219,311	-	149,218	238,838	-
Benefit payments, including refunds of employee contributions	(667,927)	(503,050)	(577,054)	(402,083)	(425,110)	(524,394)	(734,302)	(697,451)	(492,035)	(341,013)
Net change in pension liability	802,141	641,435	1,336,699	724,261	1,419,712	995,867	(387,367)	1,333,737	352,339	407,496
Total pension liability - beginning	12,800,167	12,158,732	10,822,033	10,097,772	8,678,060	7,682,193	8,069,560	6,735,823	6,383,484	5,975,988
Total pension liability - ending (a)	<u>\$ 13,602,308</u>	<u>\$ 12,800,167</u>	<u>\$ 12,158,732</u>	<u>\$ 10,822,033</u>	<u>\$ 10,097,772</u>	<u>\$ 8,678,060</u>	<u>\$ 7,682,193</u>	<u>\$ 8,069,560</u>	<u>\$ 6,735,823</u>	<u>\$ 6,383,484</u>
<b>Plan fiduciary net position</b>										
Contributions - employer	\$ 317,507	\$ 400,111	\$ 238,087	\$ 204,850	\$ 181,055	\$ 192,899	\$ 228,873	\$ 222,521	\$ 277,167	\$ 265,631
Contributions - employee	181,828	172,636	199,986	205,719	220,355	243,273	300,474	311,185	331,483	330,465
Net investment income	1,116,305	792,862	(403,649)	2,322,336	232,485	432,909	534,696	828,794	42,247	243,014
Benefit payments, including refunds of employee contributions	(667,927)	(503,050)	(577,054)	(402,083)	(425,110)	(524,394)	(734,302)	(697,451)	(492,035)	(341,013)
Administrative expense	(31,951)	(29,295)	(7,411)	(10,758)	(8,998)	(8,426)	(8,789)	(7,650)	(6,374)	(6,374)
Tiers 1 & 2 Adjustments	-	(186,033)	-	-	-	-	-	-	-	-
Other changes	-	566	-	-	(1,157)	-	(158)	(47)	(66,110)	(82,072)
Net change in plan fiduciary net position	915,762	647,797	(550,041)	2,320,064	198,630	336,261	320,794	657,352	86,378	409,651
Plan fiduciary net position - beginning	10,959,764	10,311,967	10,862,008	8,541,944	8,343,314	8,007,053	7,686,259	7,028,907	6,942,529	6,532,878
Adjustment to beginning of year	-	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ 11,875,526</u>	<u>\$ 10,959,764</u>	<u>\$ 10,311,967</u>	<u>\$ 10,862,008</u>	<u>\$ 8,541,944</u>	<u>\$ 8,343,314</u>	<u>\$ 8,007,053</u>	<u>\$ 7,686,259</u>	<u>\$ 7,028,907</u>	<u>\$ 6,942,529</u>
County's net pension liability - ending (a) - (b)	<u>\$ 1,726,782</u>	<u>\$ 1,840,403</u>	<u>\$ 1,846,765</u>	<u>\$ (39,975)</u>	<u>\$ 1,555,828</u>	<u>\$ 334,746</u>	<u>\$ (324,860)</u>	<u>\$ 383,301</u>	<u>\$ (293,084)</u>	<u>\$ (559,045)</u>
Plan fiduciary net position as a percentage of the total pension liability	87.3%	85.6%	84.8%	100.4%	84.6%	96.1%	104.2%	95.3%	104.4%	108.8%
Covered payroll	\$ 5,606,625	\$ 3,897,641	\$ 3,981,855	\$ 3,552,512	\$ 4,313,915	\$ 3,370,075	\$ 3,582,040	\$ 3,697,257	\$ 3,910,641	\$ 3,910,769
County's net pension liability as a percentage of covered payroll	30.8%	47.2%	46.4%	-1.1%	36.1%	9.9%	-9.1%	10.4%	-7.5%	-14.3%

See accompanying notes to pension/OPEB plan schedules.

**Mohave County, Arizona**  
**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</b> <b>(Measurement Date)</b>								<b>2017</b> <b>through</b> <b>2016</b>
	<b>2025</b> <b>(2024)</b>	<b>2024</b> <b>(2023)</b>	<b>2023</b> <b>(2022)</b>	<b>2022</b> <b>(2021)</b>	<b>2021</b> <b>(2020)</b>	<b>2020</b> <b>(2019)</b>	<b>2019</b> <b>(2018)</b>	<b>2018</b> <b>(2017)</b>	
<b>Total OPEB liability</b>									
Service cost	\$ 4,226	\$ 5,752	\$ 7,872	\$ 8,179	\$ 9,359	\$ 11,648	\$ 11,232	\$ 12,131	Information
Interest on total OPEB liability	14,594	14,629	16,113	14,882	13,335	17,538	17,154	19,090	not available
Difference between expected and actual experience in the measurement of the OPEB liability	(27,021)	(14,099)	(34,547)	(1,494)	4,224	(79,515)	(23,009)	(18,058)	
Changes of assumptions or other inputs	-	-	(113)	-	-	3,329	-	(28,276)	
Benefit payments	(5,300)	(5,183)	(4,320)	(4,460)	(4,635)	(5,440)	(7,012)	(7,301)	
Net change in OPEB liability	(13,501)	1,099	(14,995)	17,107	22,283	(52,440)	(1,635)	(22,414)	
Total OPEB liability - beginning	201,120	200,021	215,016	197,909	175,626	228,066	229,701	252,115	
Total OPEB liability - ending (a)	<u>\$ 187,619</u>	<u>\$ 201,120</u>	<u>\$ 200,021</u>	<u>\$ 215,016</u>	<u>\$ 197,909</u>	<u>\$ 175,626</u>	<u>\$ 228,066</u>	<u>\$ 229,701</u>	
<b>Plan fiduciary net position</b>									
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net investment income	95,856	67,758	(34,211)	196,504	19,803	37,085	46,261	68,817	
Benefit payments	(5,300)	(5,183)	(4,320)	(4,460)	(4,635)	(5,440)	(7,012)	(7,301)	
Administrative expense	(2,597)	(2,463)	(615)	(808)	(766)	(662)	(700)	(602)	
Net change in plan fiduciary net position	87,959	60,112	(39,146)	191,236	14,402	30,983	38,549	60,914	
Plan fiduciary net position - beginning	939,645	879,533	918,679	727,443	713,041	682,058	643,509	582,595	
Plan fiduciary net position - ending (b)	<u>\$ 1,027,604</u>	<u>\$ 939,645</u>	<u>\$ 879,533</u>	<u>\$ 918,679</u>	<u>\$ 727,443</u>	<u>\$ 713,041</u>	<u>\$ 682,058</u>	<u>\$ 643,509</u>	
County's net OPEB (asset) liability - ending (a) - (b)	<u>\$ (839,985)</u>	<u>\$ (738,525)</u>	<u>\$ (679,512)</u>	<u>\$ (703,663)</u>	<u>\$ (529,534)</u>	<u>\$ (537,415)</u>	<u>\$ (453,992)</u>	<u>\$ (413,808)</u>	
Plan fiduciary net position as a percentage of the total OPEB liability	547.7%	467.2%	439.7%	427.3%	367.6%	406.0%	299.1%	280.2%	
Covered payroll	\$ 5,606,625	\$ 3,897,641	\$ 3,981,855	\$ 3,552,513	\$ 4,313,915	\$ 3,370,075	\$ 3,582,040	\$ 3,697,257	
County's net OPEB liability as a percentage of covered payroll	-15.0%	-18.9%	-17.1%	-19.8%	-12.3%	-15.9%	-12.7%	-11.2%	

See accompanying notes to pension/OPEB plan schedules.

**Mohave County, Arizona**  
**Required Supplementary Information**  
**Schedule of County Pension 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	\$ 6,378,911	\$ 6,001,581	\$ 5,866,424	\$ 5,344,142	\$ 4,913,473	\$ 4,536,324	\$ 4,103,806	\$ 3,876,705	\$ 3,742,898	\$ 3,771,411
County's contributions in relation to the statutorily determined contribution	<u>6,378,911</u>	<u>6,001,581</u>	<u>5,866,424</u>	<u>5,344,142</u>	<u>4,913,473</u>	<u>4,536,324</u>	<u>4,103,806</u>	<u>3,876,705</u>	<u>3,742,898</u>	<u>3,771,411</u>
County's contribution deficiency (excess)	<u>\$ -</u>									
County's covered payroll	<u>\$ 52,937,021</u>	<u>\$ 49,888,454</u>	<u>\$ 49,214,966</u>	<u>\$ 44,497,435</u>	<u>\$ 42,175,735</u>	<u>\$ 39,618,550</u>	<u>\$ 36,706,673</u>	<u>\$ 35,556,097</u>	<u>\$ 34,720,762</u>	<u>\$ 34,137,216</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>11.05%</u>

**CORP AOC - 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	\$ 2,018,781	\$ 1,821,280	\$ 1,546,976	\$ 1,358,999	\$ 1,297,947	\$ 1,128,054	\$ 1,191,370	\$ 776,560	\$ 609,950	\$ 564,751
County's contributions in relation to the statutorily determined contribution	<u>2,018,781</u>	<u>1,821,280</u>	<u>1,546,976</u>	<u>1,358,999</u>	<u>1,297,947</u>	<u>1,128,054</u>	<u>1,191,370</u>	<u>776,560</u>	<u>609,950</u>	<u>564,751</u>
County's contribution deficiency (excess)	<u>\$ -</u>									
County's covered payroll	<u>\$ 5,156,529</u>	<u>\$ 4,619,021</u>	<u>\$ 4,215,193</u>	<u>\$ 3,830,324</u>	<u>\$ 3,865,238</u>	<u>\$ 3,673,246</u>	<u>\$ 3,612,401</u>	<u>\$ 3,449,848</u>	<u>\$ 3,042,429</u>	<u>\$ 2,936,852</u>
County's contributions as a percentage of covered payroll	<u>39.15%</u>	<u>39.43%</u>	<u>36.70%</u>	<u>35.48%</u>	<u>33.58%</u>	<u>30.71%</u>	<u>32.98%</u>	<u>22.51%</u>	<u>20.05%</u>	<u>19.23%</u>

**EORP - 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	\$ 1,798,795	\$ 2,065,368	\$ 1,824,688	\$ 1,541,183	\$ 1,567,920	\$ 1,568,683	\$ 1,627,129	\$ 543,096	\$ 512,333	\$ 421,134
County's contributions in relation to the statutorily determined contribution	<u>1,798,795</u>	<u>2,065,368</u>	<u>1,824,688</u>	<u>1,541,183</u>	<u>1,567,920</u>	<u>1,568,683</u>	<u>1,499,109</u>	<u>-</u>	<u>512,333</u>	<u>421,134</u>
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 128,020</u>	<u>\$ 543,096</u>	<u>\$ -</u>	<u>\$ -</u>					
County's covered payroll	<u>\$ 2,553,656</u>	<u>\$ 2,699,475</u>	<u>\$ 2,591,150</u>	<u>\$ 2,508,844</u>	<u>\$ 2,552,369</u>	<u>\$ 2,553,611</u>	<u>\$ 2,437,576</u>	<u>\$ 2,311,048</u>	<u>\$ 2,180,142</u>	<u>\$ 1,753,759</u>
County's contributions as a percentage of covered payroll	<u>70.44%</u>	<u>76.51%</u>	<u>70.42%</u>	<u>61.43%</u>	<u>61.43%</u>	<u>61.43%</u>	<u>61.50%</u>	<u>0.00%</u>	<u>23.50%</u>	<u>24.01%</u>

\* No disclosure was provided on OPEB information as it was considered insignificant to the financial statements.

See accompanying notes to pension/OPEB plan schedules.

**Mohave County, Arizona**  
**Required Supplementary Information**  
**Schedule of County Pension Contributions - Continued**  
**June 30, 2025**

**PSPRS Pension - Sheriff\***

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 2,528,646	\$ 3,286,968	\$ 3,400,750	\$ 3,095,355	\$ 2,787,673	\$ 2,673,933	\$ 2,283,253	\$ 2,296,189	\$ 1,862,504	\$ 1,623,099
County's contributions in relation to the actuarially determined contribution	<u>2,528,646</u>	<u>6,786,968</u>	<u>13,400,750</u>	<u>3,095,355</u>	<u>2,787,673</u>	<u>2,673,933</u>	<u>2,283,253</u>	<u>2,296,189</u>	<u>1,862,504</u>	<u>1,623,099</u>
County's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (3,500,000)</u>	<u>\$ (10,000,000)</u>	<u>\$ -</u>						
County's covered payroll	<u>\$ 6,875,057</u>	<u>\$ 6,322,308</u>	<u>\$ 6,164,129</u>	<u>\$ 5,771,686</u>	<u>\$ 5,108,435</u>	<u>\$ 4,891,043</u>	<u>\$ 4,357,353</u>	<u>\$ 4,414,050</u>	<u>\$ 4,341,502</u>	<u>\$ 4,188,643</u>
County's contributions as a percentage of covered payroll	<u>36.78%</u>	<u>51.99%</u>	<u>55.17%</u>	<u>53.63%</u>	<u>54.57%</u>	<u>54.67%</u>	<u>52.40%</u>	<u>52.02%</u>	<u>42.90%</u>	<u>38.75%</u>

**CORP Pension - Detention\***

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 567,653	\$ 490,019	\$ 310,642	\$ 328,503	\$ 287,043	\$ 294,209	\$ 225,795	\$ 229,251	\$ 221,835	\$ 277,167
County's contributions in relation to the actuarially determined contribution	<u>567,653</u>	<u>490,019</u>	<u>310,642</u>	<u>328,503</u>	<u>287,043</u>	<u>294,209</u>	<u>225,795</u>	<u>229,251</u>	<u>221,835</u>	<u>277,167</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>\$ 6,855,713</u>	<u>\$ 5,606,625</u>	<u>\$ 3,897,641</u>	<u>\$ 3,981,855</u>	<u>\$ 3,552,512</u>	<u>\$ 4,313,915</u>	<u>\$ 3,370,075</u>	<u>\$ 3,582,040</u>	<u>\$ 3,697,257</u>	<u>\$ 3,910,641</u>
County's contributions as a percentage of covered payroll	<u>8.28%</u>	<u>8.74%</u>	<u>7.97%</u>	<u>8.25%</u>	<u>8.08%</u>	<u>6.82%</u>	<u>6.70%</u>	<u>6.40%</u>	<u>6.00%</u>	<u>7.09%</u>

\* No disclosure was provided on OPEB information as it was considered insignificant to the financial statements.

**Mohave County, Arizona**  
**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 changed from 3.5% to a range 3.0-6.25% for PSPRS and CORP. In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5% for PSPRS and CORP. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0% for PSPRS and CORP. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5% for PSPRS and CORP.

## Notes to Pension/OPEB Plan Schedules – Continued

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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 for the EORP contributions. The County elected not to use the available credits for the PSPRS and made the required contributions.

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.

### **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 \$3,500,000 and \$10,000,000 during the years ended June 30, 2024 and 2023, respectively.