



**ARIZONA
AUDITOR
GENERAL**

Lindsey A. Perry, Auditor General

October 22, 2026

Sent via email

Jaime Fontes
Acting City Manager
City of Nogales
777 N. Grand Ave.
Nogales, AZ 85621

Subject: City of Nogales—Fiscal year 2025 financial statements and FY 2024 annual expenditure limitation report received

Dear Jaime Fontes:

We issued a letter dated July 24, 2026, informing the City that we had not received its fiscal year (FY) 2025 audited financial statements and FYs 2024 and 2025 annual expenditure limitation reports (AELR). We have since received the City's FY 2025 audited financial statements and FY 2024 AELR. Therefore, the City has met the report submission requirements for those years. However, the City is still not in compliance with the *Uniform Expenditure Reporting System* (UERS) as it has not completed and submitted its FY 2025 AELR to us for review.

Now that we have received the City's FY 2024 AELR, we will begin our review to assess whether the City's AELR complies with the UERS and will notify the City if it does not comply.

If you have any questions, please contact Chris Votroubek, Accountability Services Division Manager, or me at (602) 977-2796.

Sincerely,

Meghan L. Hieger

Meghan L. Hieger, CPA
Director, Accountability Services Division

cc: City Council
Casey Welch, Finance Director
City of Nogales