ARIZONA Auditor General
Making a Positive Difference

Annual Expenditure Limitation Report
Year Ended June 30, 2025

Greenlee County



Lindsey A. Perry
Auditor General

Arizona Auditor General's mission

The Arizona Auditor General's mission is to provide independent and impartial information, impactful recommendations, and stakeholder education to improve Arizona government for its citizens. To this end, the Office conducts financial statement audits and provides certain accounting services to the State and political subdivisions, investigates possible criminal violations involving public officials and public monies, and conducts performance audits and special reviews of school districts, State agencies, and the programs they administer.

The Joint Legislative Audit Committee

The Joint Legislative Audit Committee consists of 5 Senate members appointed by the Senate President and 5 House members appointed by the House Speaker. The Committee is responsible for overseeing the Office, including (1) overseeing all audit functions of the Legislature and State agencies, including sunset, performance, special, and financial audits; special research requests; and the preparation and introduction of legislation resulting from audit report findings; (2) requiring State agencies to comply with audit findings and recommendations; (3) receiving status reports regarding the progress of school districts to implement recommendations; and (4) scheduling hearings to review the status of State agencies and school districts.

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Representative **Steve Montenegro** (ex officio)

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Members of the Arizona State Legislature

The Board of Supervisors of
Greenlee County, Arizona

We have examined the accompanying Annual Expenditure Limitation Report (report) of Greenlee County for the year ended June 30, 2025, and the related notes to the report. The County's management is responsible for presenting this report in accordance with the Uniform Expenditure Reporting System as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the Uniform Expenditure Reporting System in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Annual Expenditure Limitation Report referred to above is presented in accordance with the Uniform Expenditure Reporting System as described in Note 1 in all material respects.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

November 5, 2026

The County prepared the subsequent pages of this document.

Annual Expenditure Limitation Report (AELR):

Part I

In Part I, the County compares its expenditure limitation amount—determined by the Economic Estimates Commission in accordance with Arizona Revised Statutes (A.R.S.) §41-563—to the total amount subject to the expenditure limitation to determine whether the County exceeded its expenditure limitation.

Part II

In Part II, the County identifies its payments made from revenues that are not considered to be local revenues as defined by the Arizona Constitution, Article IX, §20(3) (exclusions), to determine the amount subject to the expenditure limitation reported on Part I because the Arizona Constitution, Article IX, §20, limits the spending of local revenues only.

Reconciliation

The reconciliation of total expenditures reported within the annual financial statements to total expenditures stated within the AELR is required by A.R.S. §41-1279.07. To perform this reconciliation, the County uses the total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported in its annual financial statements and makes adjustments (i.e., subtractions and additions) for certain generally accepted accounting principle requirements and statutory and other provisions to arrive at the total amounts reported on Part II.

Notes to the AELR

In the Notes to the AELR, the County describes its significant accounting policies used in preparing the AELR and includes a note for any exclusion, subtraction, and addition included on Part II and the Reconciliation that cannot be agreed directly to an amount reported in its annual financial statements as prescribed by the Uniform Expenditure Reporting System.

The results of our examination procedures on the AELR are described in the independent accountants' report.

GREENLEE COUNTY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – PART I
YEAR ENDED JUNE 30, 2025

1. Economic Estimates Commission expenditure limitation	$ 27,934,898
2. Amount subject to the expenditure limitation (total amount from Part II, Line C)	12,153,605
3. Amount under the expenditure limitation	$ 15,781,293

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of Chief Fiscal Officer: Rene Ontiveros

Name and title: Rene Ontiveros, Chief Finance Officer

Telephone number: 928-865-2072

Date: November 5, 2026

See accompanying notes to report.

GREENLEE COUNTY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – PART II
YEAR ENDED JUNE 30, 2025

Description	Governmental Funds	Fiduciary Funds	Total
A. Amounts reported on the Reconciliation, Line C	$ 24,124,804	$ 31,681,494	$ 55,806,298
B. Less exclusions claimed:			
1. Debt service requirements (Note 2)	479,106		479,106
2. Trustee or custodian (Note 4)	213,100	31,681,494	31,894,594
3. Grants and aid from the federal government (Note 5)	2,783,618		2,783,618
4. Dividends, interest, and gains on the sale or redemption of investment securities (Note 3)	964,336		964,336
5. Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 6)	2,238,035		2,238,035
6. Amounts received from the State of Arizona (Note 5)	3,906,043		3,906,043
7. Highway user revenues in excess of those received in fiscal year 1979-80 (Note 5)	1,319,197		1,319,197
8. Contracts with other political subdivisions (Notes 5 and 7)	67,764		67,764
Total exclusions claimed	11,971,199	31,681,494	43,652,693
C. Amounts subject to the expenditure limitation	$ 12,153,605	$	$ 12,153,605

See accompanying notes to report.

GREENLEE COUNTY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – RECONCILIATION
YEAR ENDED JUNE 30, 2025

Description	Governmental Funds	Fiduciary Funds	Total
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements.	$ 26,484,212	$ 31,681,494	$ 58,165,706
B. Subtractions:			
Expenditures of separate legal entities established under Arizona Revised Statues (A.R.S) (Note 8)	1,451,078		1,451,078
Community college reimbursement payments pursuant to A.R.S.§15-1469.01 (Note 9)	548,300		548,300
Present value of net minimum lease, financed purchase, and subscription-based information technology arrangement (SBITA) contract payments recorded as expenditures at the agreements' inception	360,030		360,030
Total subtractions	2,359,408		2,359,408
C. Amounts reported on Part II, Line A	$ 24,124,804	$ 31,681,494	$ 55,806,298

See accompanying notes to report.

GREENLEE COUNTY, ARIZONA
NOTES TO ANNUAL EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Annual Expenditure Limitation Report (AELR) is presented as prescribed by the Uniform Expenditure Reporting System (UERS), as required by Arizona Revised Statutes §41-1279.07. The AELR excludes expenditures, expenses, or deductions of certain revenues specified in the Arizona Constitution, Article IX, §20 from the total expenditures, expenses, or deductions reported in the fund financial statements.

In accordance with the UERS requirements, a note to the AELR is presented below for any exclusion claimed on Part II and each subtraction or addition in the Reconciliation that cannot be traced directly to an amount reported in the fund financial statements. All references to financial statement amounts in the following notes refer to the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds; and the Statement of Changes in Fiduciary Net Position for the Fiduciary Funds.

NOTE 2 – The exclusion claimed for debt service requirements in the Governmental Funds consists of principal retirement of $373,879 and interest expenditures of $105,227.

NOTE 3 – The exclusion of $964,336 claimed for dividends, interest, and gains on the sale or redemption of investment securities consists of investment earnings expended and reported in the Governmental Funds. Remaining unspent, excludable revenues of $111,870 of interest on investments have been carried forward to future years.

NOTE 4 – The exclusion claimed for trustee or custodian in the Governmental Funds consists of $213,100 in contributions by the County to the Arizona Health Care Cost Containment System for acute care, uncompensated care, and administrative costs; and in the Fiduciary Funds, the exclusion consists of $83,072 in distributions for private-purpose trust funds, $18,033,341 in distributions to investment pool participants, and $13,565,081 in distributions for other governments, individuals, or other custodial activity.

NOTE 5 – The following schedule presents revenues from which exclusions have been claimed for federal grants and aid, amounts received from the State of Arizona, highway user revenues, and revenue from contracts with other political subdivisions in the Governmental Funds.

Description		
Grants and aid from the federal government	$	2,783,618
Amounts received from the State of Arizona		3,906,043
Highway user revenues in excess of those received in fiscal year 1979-80		1,319,197
Revenue from contracts with other political subdivisions		60,000
Other revenues (nonexcludable)		6,779,897
Total intergovernmental revenues as reported in the fund financial statements	$	14,848,755

NOTE 6 – The exclusion of $2,238,035 claimed for grants, aid, and contributions, or gifts from a private agency, organization, or individual consists of contributions revenues expended.

NOTE 7 – The exclusion claimed for contracts with other political subdivisions in the Governmental Funds includes $60,000 of IGA revenue expended, which is reported in Note 5, and $7,764 of charges for services expended.

NOTE 8 – The subtraction of $1,451,078 for separate legal entities established under Arizona Revised Statutes consists of expenditures of the Health Services District included within the County's reporting entity, but not included in the Economic Estimates Commission base limit calculations, and are reported in the Governmental Funds category in the fund financial statements. Total expenditures of the Health Services District of $2,672,266 have been reduced by the following: $605,597 in expenditures of grants and aid received from the federal and state governments, which is reported in Note 5; $24,591 in investment earnings expended, which is reported in Note 3; $235,000 in contributions expended, which is reported in Note 6; and $356,000 in statutorily required maintenance of effort payments transferred from the General Fund to the Health Services Fund.

NOTE 9 – The subtraction for community college reimbursement payments of $548,300 is included in the Governmental Funds as general government expenditures.

NOTE 10 – Revenues that are constitutionally excludable that were not spent in the year of receipt may be accumulated and excluded in future years when spent. A summary of the revenue sources and the changes in their balances is shown in the table below:

Description	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025
Dividends, interest, and gains on the sale or redemption of investment securities	$ 1,409,611	$ 111,870	$ -	$ 1,521,481
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes	18,589,768	-	-	18,589,768
Amounts received from the State of Arizona	3,576,256	-	-	3,576,256
Refunds, reimbursements, and other recoveries	550,908	-	-	550,908
Total carryforward	$ 24,126,543	$ 111,870	$ -	$ 24,238,413