

Coconino County

Annual financial statement and compliance audits

The County's fiscal year 2024 reported financial information is reliable. However, the County's auditors reported deficiencies over financial reporting, summarized on the next page.¹

Audits' purpose

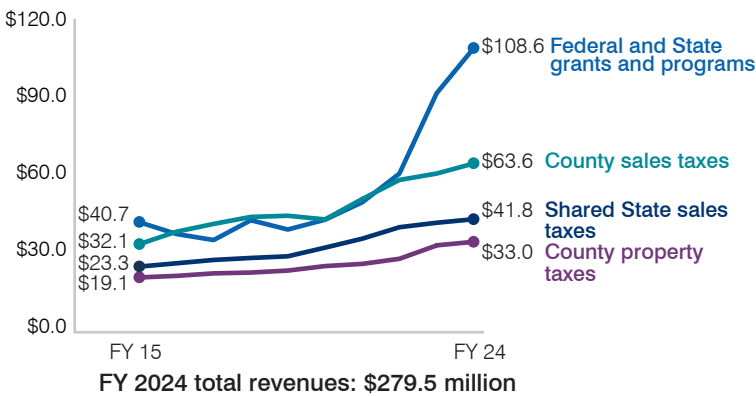
To express opinions on the County's financial statements and on compliance with certain federal requirements and, if applicable, to report findings over noncompliance with certain laws and regulations or other financial deficiencies.

Primary revenue sources and how they were spent

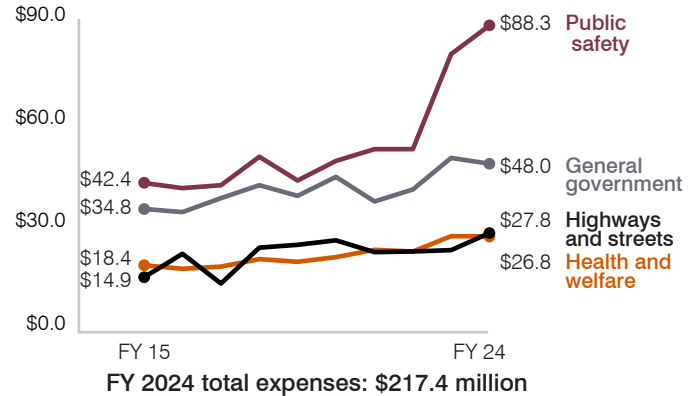
Fiscal years (FY) 2015 through 2024

(In millions)

Primary revenue sources



Primary expense purposes



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

Largest primary revenue sources FY 2024

- **Federal and State grants and programs 38.9%**—Includes federal and State government grants and programs awarded as assistance to the County and its residents, including highway user tax revenues for authorized transportation purposes.
- **County sales taxes 22.8%**—Consists primarily of general unrestricted taxes and those restricted for jail operations and highways and streets maintenance.

Largest primary expense purposes FY 2024

- **Public safety 40.6%**—Costs for protecting the County's persons and property with the largest portion for County jail operations, County Sheriff's office services, probation services, and Flood Control District operations.
- **General government 22.1%**—Costs for general operation, oversight, and administration of County operations, including property assessments and taxes, budgeting and finance, and elections.

County's net position increased in FY 2024

County revenues were \$62.1 million greater than its expenses, increasing total net position to \$340.4 million at June 30, 2024. Net position includes all assets, such as buildings, vehicles, and cash and investments, less all liabilities, such as unpaid pension and other payroll obligations, long-term debt, and accounts payable. None of this net position is unrestricted, meaning some is not in spendable form, and the rest is restricted by external parties.

¹ The certified public accounting firm CliftonLarsonAllen LLP conducted these audits under contract with the Arizona Auditor General in accordance with Arizona Revised Statutes §41-1279.21.

Auditor findings and recommendations

Summarized below are the County's auditors' findings and recommendations included in the County's [Single Audit Report](#) where there is further information and the County's responses. The County needs to:

- Fully implement its policies and procedures over its information technology (IT) systems and data, including sensitive data. The County's auditors found that processes for managing changes to its IT systems and data were not sufficient, which may put County operations and IT systems and data at unintended and unnecessary risk of potential harm. A similar finding was initially reported in fiscal year 2016.

Auditor General website report links

- The June 30, 2024, Coconino County Annual Comprehensive Financial Report and Single Audit Report that are summarized in these highlights can be found at this [link](#). These reports should be read to fully understand the County's overall financial picture and our reporting responsibilities.
- The County's reports from prior years are available at this [link](#).
- For help in understanding important information presented in these reports, please refer to our user guides at the following links:
 - [Financial Report User Guide for State and Local Governments](#).
 - [Internal Control and Compliance Reports User Guide](#).