PRELIMINARY OFFICIAL STATEMENT DATED JUNE 20, 2025

NEW ISSUES – BOOK-ENTRY ONLY **RATINGS: See "RATINGS" herein.**
INSURANCE: See "BOND INSURANCE" and "RISK FACTORS RELATED TO BOND INSURANCE" herein.

In the opinion of Greenberg Traurig, LLP, Special Counsel, assuming the accuracy of certain representations and certifications and the continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, the portion of each installment payment made by the County pursuant to the 2025 Purchase Agreement and denominated as and comprising interest pursuant to the 2025 Purchase Agreement and received by the Owners of the Tax-Exempt Obligations (the "Interest Portion") will be excludable from gross income for federal income tax purposes. Further, the Interest Portion will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals but in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Internal Revenue Code of 1986, as amended (the "Code"), on applicable corporations (as defined in Section 59(k) of the Code), the Interest Portion will not be excluded from the determination of adjusted financial statement income. See "TAX MATTERS WITH RESPECT TO TAX-EXEMPT OBLIGATIONS" herein for a description of certain other federal tax consequences of ownership of the Tax-Exempt Obligations. Special Counsel is further of the opinion that the Interest Portion will be exempt from income taxation under the laws of the State of Arizona so long as the Interest Portion is excludable from gross income for federal income tax purposes.

THE PORTION OF EACH INSTALLMENT PAYMENT MADE BY THE COUNTY PURSUANT TO THE 2025 PURCHASE AGREEMENT AND DENOMINATED AS AND COMPRISING INTEREST PURSUANT TO THE 2025 PURCHASE AGREEMENT AND RECEIVED BY THE OWNERS OF THE TAXABLE OBLIGATIONS IS NOT EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES AND IS NOT EXEMPT FROM TAXATION UNDER THE LAWS OF THE STATE OF ARIZONA. SEE "TAX MATTERS WITH RESPECT TO TAXABLE OBLIGATIONS" HEREIN.

PINAL COUNTY, ARIZONA

$40,870,000* PLEDGED REVENUE REFUNDING OBLIGATIONS, TAX-EXEMPT SERIES 2025	$186,830,000* PLEDGED REVENUE OBLIGATIONS, TAX-EXEMPT SERIES 2025	$108,085,000* PLEDGED REVENUE OBLIGATIONS, TAXABLE SERIES 2025

Dated: Date of Delivery ***Due:*** February 1 or August 1, as shown on the inside front cover pages

The $40,870,000* principal amount of Pledged Revenue Refunding Obligations, Tax-Exempt Series 2025 (the "Refunding Obligations"), the $186,830,000* principal amount of Pledged Revenue Obligations, Tax-Exempt Series 2025 (the "Project Obligations" and, collectively with the Refunding Obligations, the "Tax-Exempt Obligations") and the $108,085,000* principal amount of Pledged Revenue Obligations, Taxable Series 2025 (the "Taxable Obligations" and, collectively with the Taxable Obligations, the "2025 Obligations") of Pinal County, Arizona (the "County"), will be executed and delivered in the form of fully-registered obligations, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC").

The Refunding Obligations are being executed and delivered to provide funds to refund the Obligations Being Refunded (as defined herein) and pay costs of execution and delivery of the Refunding Obligations. The Project Obligations are being executed and delivered to provide funds to finance the costs of the 2025 Projects (as defined herein) and pay costs of execution and delivery of the Project Obligations. The Taxable Obligations are being executed and delivered to provide funds to acquire the evidence of payment executed and delivered by the Arizona State Retirement System ("ASRS") as a result of the County making a payment to ASRS pursuant to Section 38-737(D), Arizona Revised Statutes, and pay costs of execution and delivery of the Taxable Obligations. See "PLAN OF REFUNDING," "THE 2025 PROJECTS" and "THE TAXABLE PROJECTS" herein.

Interest on the 2025 Obligations will be payable semiannually on each August 1 and February 1, commencing February 1, 2026*. The 2025 Obligations will be dated the date of delivery and will be issuable as fully registered obligations without coupons and will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the 2025 Obligations. Beneficial interests in the 2025 Obligations will be available to purchasers in amounts of $5,000 of principal of a series due on a specific payment date and any integral multiple thereof only under the book-entry only system maintained by DTC through brokers and dealers who are, or act through, DTC Participants (as defined herein). Purchasers will not receive physical certificates. So long as any purchaser is the beneficial owner of a 2025 Obligation, such purchaser must maintain an account with a broker or a dealer who is, or acts through, a DTC Participant to receive payment of principal and interest on such 2025 Obligation. See APPENDIX G - "BOOK-ENTRY-ONLY SYSTEM" herein.

The Project Obligations and the Taxable Obligations will be subject to optional prepayment prior to their stated payment dates as described herein. See "THE 2025 OBLIGATIONS – Prepayment Provisions" herein. The Refunding Obligations will not be subject to optional prepayment prior to their stated payment dates.

The scheduled payment of principal of and interest on the 2025 Obligations when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the 2025 Obligations by BUILD AMERICA MUTUAL ASSURANCE COMPANY.

BAM

SEE PAYMENT SCHEDULES ON INSIDE FRONT COVER PAGES

The 2025 Obligations will be, notwithstanding the multiple series, undivided, proportionate interests in the installment payments (the "Payments") to be made by the County pursuant to a Ninth Combined Lien Purchase Agreement, to be dated as of July 1, 2025* (the "2025 Purchase Agreement"), between the County and U.S. Bank Trust Company, National Association (the "Trustee"). The Payments to be made by the County under the 2025 Purchase Agreement will be payable from and secured by a first lien pledge upon County General Excise Tax Revenues (as defined herein), State Shared Revenues (as defined herein), Vehicle License Tax Revenues (as defined herein) and PILT Revenues (as defined herein) in amounts sufficient to make such Payments. The 2025 Purchase Agreement provides that the County (i) may not encumber County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues or PILT Revenues on a basis prior to the pledge of County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues or PILT Revenues under the 2025 Purchase Agreement, and (ii) may not encumber any of such sources on a basis equal to the pledge under the 2025 Purchase Agreement unless certain requirements of the 2025 Purchase Agreement are satisfied. See "SECURITY AND SOURCES OF PAYMENT" herein.

THE 2025 OBLIGATIONS WILL BESPECIAL, LIMITED, REVENUE OBLIGATIONS OF THE COUNTY AND WILL BE PAYABLE SOLELY FROM THE SOURCES DESCRIBED HEREIN. THE 2025 OBLIGATIONS WILL NOT BE GENERAL OBLIGATIONS OF THE COUNTY, THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION THEREOF AND THE FULL FAITH AND CREDIT OF THE COUNTY, THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION THEREOF WILL NOT BE PLEDGED FOR THE PAYMENT OF THE 2025 OBLIGATIONS.

The 2025 Obligations will be offered when, as and if executed and delivered, subject to the approving opinion of Greenberg Traurig, LLP, Phoenix, Arizona, Special Counsel, as to validity and tax matters. Certain matters will be passed upon for the Underwriter by its counsel, Ballard Spahr LLP, Phoenix, Arizona. It is anticipated that the 2025 Obligations in definitive form will be available for delivery through DTC on or about July 30, 2025*.

This cover page contains only a brief description of the 2025 Obligations and the security therefor. It is not a summary of material information with respect to the 2025 Obligations. Investors are advised to read this entire Official Statement to obtain information essential to the making of an informed investment decision with respect to the 2025 Obligations.

STIFEL

* Subject to change.

$40,870,000*
PINAL COUNTY, ARIZONA
PLEDGED REVENUE REFUNDING OBLIGATIONS,
TAX-EXEMPT SERIES 2025

MATURITY SCHEDULE*

Maturity Date	Principal Amount	Interest Rate	Yield	CUSIP®[1] No. 72205R
2/1/2026	$ 800,000	%	%	
8/1/2026	7,215,000			
8/1/2027	7,580,000			
8/1/2028	7,960,000			
8/1/2029	520,000			
8/1/2030	3,900,000			
8/1/2031	4,090,000			
8/1/2032	4,295,000			
8/1/2033	4,510,000			

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* *Subject to change.*

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$186,830,000*
PINAL COUNTY, ARIZONA
PLEDGED REVENUE OBLIGATIONS,
TAX-EXEMPT SERIES 2025

MATURITY SCHEDULE*

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	CUSIP®[1] No. 72205R
2026	$ 2,750,000	%	%	
2027	2,890,000			
2028	3,040,000			
2029	3,195,000			
2030	3,360,000			
2031	3,530,000			
2032	3,715,000			
2033	3,905,000			
2034	4,105,000			
2035	4,315,000			
2036	4,535,000			
2037	4,770,000			
2038	5,010,000			
2039	5,270,000			
2040	5,540,000			
2041	5,825,000			
2042	6,125,000			
2043	6,435,000			
2044	6,765,000			
2045	7,115,000			

$41,430,000 _.___% Term Obligations due August 1, 2050 – Yield _.__% CUSIP®[1] 72205R__

$53,205,000 _.___% Term Obligations due August 1, 2055 – Yield _.__% CUSIP®[1] 72205R__

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* *Subject to change.*

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$108,085,000*
PINAL COUNTY, ARIZONA
PLEDGED REVENUE OBLIGATIONS,
TAXABLE SERIES 2025

MATURITY SCHEDULE*

Maturity Date	Principal Amount	Interest Rate	Yield	CUSIP®[1] No. 72205R
2/1/2026	$4,265,000	%	%	
8/1/2026	2,155,000			
8/1/2027	2,260,000			
8/1/2028	2,365,000			
8/1/2029	2,480,000			
8/1/2030	2,600,000			
8/1/2031	2,730,000			
8/1/2032	2,875,000			
8/1/2033	3,025,000			
8/1/2034	3,190,000			
8/1/2035	3,365,000			
8/1/2036	3,550,000			
8/1/2037	3,755,000			
8/1/2038	3,970,000			
8/1/2039	4,205,000			
8/1/2040	4,455,000			
8/1/2041	4,725,000			
8/1/2042	5,010,000			
8/1/2043	5,315,000			
8/1/2044	5,645,000			
8/1/2045	6,000,000			

$30,145,000 _.___% Term Obligations due August 1, 2050 – Yield _.__% CUSIP®[1] 72205R__

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* *Subject to change.*

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PINAL COUNTY
WIDE OPEN OPPORTUNITY

PINAL COUNTY, ARIZONA

BOARD OF SUPERVISORS

Stephen Q. Miller, *Chairman*

Jeffrey McClure, *Vice Chairman*

Mike Goodman, *Member*

Jeff Serdy, *Member*

Rich Vitiello, *Member*

COUNTY ADMINISTRATIVE STAFF

Leo Lew, *County Manager*

Himanshu Patel, *Deputy County Manager*

Brad Miller, *County Attorney*

Natasha Kennedy, *Clerk of the Board*

Angeline Woods, *Budget & Finance Director*

SPECIAL COUNSEL

Greenberg Traurig, LLP
Phoenix, Arizona

TRUSTEE

U.S. Bank Trust Company, National Association
Tempe, Arizona

REGARDING THIS OFFICIAL STATEMENT

No dealer, broker, salesperson or other person has been authorized by Pinal County, Arizona (the "County") or Stifel Nicolaus & Company, Incorporated (the "Underwriter") to give any information or to make any representations with respect to the County's Pledged Revenue Refunding Obligations, Tax-Exempt Series 2025, Pledged Revenue Obligations, Tax-Exempt Series 2025 and Pledged Revenue Obligations, Taxable Series 2025 (collectively, the "2025 Obligations"), other than those in this Official Statement, which includes the cover page, the inside front cover pages and the appendices hereto, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy, and there shall not be any sale of the 2025 Obligations by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth in this Official Statement, has been obtained from representatives of the Arizona Department of Revenue and other sources that are considered to be accurate and reliable and customarily relied upon in the preparation of similar official statements, but such information is not guaranteed as to accuracy or completeness and is not to be construed as the promise or guarantee of the County or the Underwriter. The presentation of information, including tables of receipts from taxes and other sources, shows recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the County. All information, estimates and assumptions contained herein are based on past experience and on the latest information available and are believed to be reliable, but no representations are made that such information, estimates and assumptions are correct, will continue, will be realized or will be repeated in the future. To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of these statements have been or will be realized. All forecasts, projections, opinions, assumptions or estimates are "forward looking statements" that must be read with an abundance of caution and that may not be realized or may not occur in the future. Information other than that obtained from official records of the County has been identified by source and has not been independently confirmed or verified by the County or the Underwriter and its accuracy cannot be guaranteed. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made pursuant hereto will, under any circumstances, create any implication that there has been no change in the affairs of the County or any of the other parties or matters described herein since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

None of the County, the Underwriter, counsel to the Underwriter or Special Counsel (as defined herein) are actuaries. None of them have performed any actuarial or other analysis of the County's share of the unfunded liabilities of the Arizona State Retirement System, the Public Safety Personnel Retirement System, the Corrections Officers Retirement Plan or the Elected Officials Retirement Plan.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM THE INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS.

THE 2025 OBLIGATIONS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE HEREIN DEFINED 2025 TRUST AGREEMENT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. ANY REGISTRATION OR QUALIFICATION OF THE 2025 OBLIGATIONS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES IN WHICH 2025 OBLIGATIONS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR OTHER GOVERNMENTAL ENTITY, NOR ANY AGENCY OR DEPARTMENT THEREOF, HAS PASSED UPON THE MERITS OF THE 2025 OBLIGATIONS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

The Trustee assumes no responsibility for this Official Statement and has not reviewed or undertaken to verify any information contained herein.

A wide variety of information, including financial information, concerning the County is available from publications and websites of the County and others. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such publications and websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

The County has undertaken to provide continuing disclosure with respect to the 2025 Obligations as required by Rule 15c2-12 of the Securities and Exchange Commission. See "CONTINUING DISCLOSURE" and APPENDIX F – "FORM OF CONTINUING DISCLOSURE UNDERTAKING" herein.

Build America Mutual Assurance Company ("BAM") makes no representation regarding the 2025 Obligations or the advisability of investing in the 2025 Obligations. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE" and APPENDIX H – "SPECIMEN MUNICIPAL BOND INSURANCE POLICY".

TABLE OF CONTENTS

Page

OFFICIAL STATEMENT

PINAL COUNTY, ARIZONA

$40,870,000*	**$186,830,000***	**$108,085,000***
PLEDGED REVENUE REFUNDING OBLIGATIONS, TAX-EXEMPT SERIES 2025	**PLEDGED REVENUE OBLIGATIONS, TAX-EXEMPT SERIES 2025**	**PLEDGED REVENUE OBLIGATIONS, TAXABLE SERIES 2025**

INTRODUCTORY STATEMENT

This Official Statement, which includes the cover page, the inside front cover pages and the appendices hereto, provides certain information concerning the $40,870,000* principal amount of Pledged Revenue Refunding Obligations, Tax-Exempt Series 2025 (the "Refunding Obligations"), the $186,830,000* principal amount of Pledged Revenue Obligations, Tax-Exempt Series 2025 (the "Project Obligations" and, collectively with the Refunding Obligations, the "Tax-Exempt Obligations") and the $108,085,000* principal amount of Pledged Revenue Obligations, Taxable Series 2025 (the "Taxable Obligations" and, collectively with the Tax-Exempt Obligations, the "2025 Obligations") to be executed and delivered on behalf of Pinal County, Arizona (the "County"). The 2025 Obligations will be, notwithstanding the multiple series, undivided proportionate interests in installment payments (the "Payments") to be made by the County pursuant to a Ninth Combined Lien Purchase Agreement, to be dated as of July 1, 2025* (the "2025 Purchase Agreement"), between the County, as purchaser, and U.S. Bank Trust Company, National Association, in its capacity as trustee (the "Trustee"), as seller.

The Refunding Obligations are being executed and delivered to provide funds to refund the Obligations Being Refunded (as defined herein) in order to refinance the remaining costs of the projects financed and refinanced with proceeds of the Obligations Being Refunded (the "Refinanced Projects") and pay costs of execution and delivery of the Refunding Obligations. The Project Obligations are being executed and delivered to provide funds to finance the costs of the 2025 Projects (as defined herein) and pay costs of execution and delivery of the Project Obligations. The Taxable Obligations are being executed and delivered to provide funds to acquire the evidence of payment (the "Taxable Project") executed and delivered by the Arizona State Retirement System ("ASRS") as a result of the County making a payment to ASRS pursuant to Section 38-737(D), Arizona Revised Statutes, as amended (the "Act"), and pay costs of execution and delivery of the Taxable Obligations. See "PLAN OF REFUNDING," "THE 2025 PROJECTS" and "THE TAXABLE PROJECT" herein

Pursuant to the 2025 Purchase Agreement, the Trustee will sell and convey to the County, and the County will buy and accept from the Trustee, the Refinanced Projects, the 2025 Projects and the Taxable Project (collectively, the "Projects").

The 2025 Obligations will be executed and delivered pursuant to a Ninth Combined Lien Trust Agreement, to be dated as of July 1, 2025* (the "2025 Trust Agreement"), between the County and the Trustee. Certain of the Trustee's interests under the 2025 Purchase Agreement, including, without limitation, the right to receive and collect the Payments and the right to enforce the payment of the Payments, will be held by the Trustee for the benefit of the registered owners of the 2025 Obligations. See APPENDIX D - "SUMMARY OF SELECT PROVISIONS OF PRINCIPAL DOCUMENTS" in addition to the information hereinbelow for descriptions of the terms of the 2025 Purchase Agreement and the 2025 Trust Agreement. See APPENDIX A – "PINAL COUNTY, ARIZONA – GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION," APPENDIX B – "PINAL COUNTY, ARIZONA – FINANCIAL INFORMATION" and APPENDIX C – "PINAL COUNTY, ARIZONA – AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023" for information about the County.

The Payments will be payable from and secured by a first lien pledge upon County General Excise Tax Revenues (as defined below), State Shared Revenues (as defined below), Vehicle License Tax Revenues (as defined below) and PILT Revenues (as defined below), all on a parity with the below-described 2014 Purchase Agreement, 2015 Purchase Agreement, Tax-Exempt 2018 Purchase Agreement, 2019 Purchase Agreement, Tax-Exempt 2020 Purchase

* *Subject to change.*

Agreement, Taxable 2020 Purchase Agreement and Taxable 2022 Purchase Agreement (collectively, the "Outstanding Parity Lien Obligations"), and any Parity Lien Obligations (as defined herein) hereafter issued or incurred by the County as provided in the 2025 Purchase Agreement. "County General Excise Tax Revenues" means any amounts of the general excise taxes of the County authorized by Section 42-6103, Arizona Revised Statutes, which the County imposes; provided that the County may, if permitted by law, impose other transaction privilege taxes in the future, the uses of revenue from which will be restricted, at the discretion of the Board of Supervisors of the County (the "Board") and which, if so restricted, will not be deemed County General Excise Tax Revenues for purposes of the Purchase Agreement. (See footnote (b) to TABLE 1 for information on sales tax revenues of the County which will not be pledged as security for the 2025 Obligations.) "State Shared Revenues" means any amounts of excise taxes and transaction privilege (sales) taxes imposed by the State of Arizona (the "State" or "Arizona") or any agency thereof and returned, allocated or apportioned to the County, except the County's share of any such taxes which by State law, rule or regulation must be expended for other purposes, such as motor vehicle fuel taxes. "Vehicle License Tax Revenues" means vehicle license tax revenues distributed or deposited by the Director of the Arizona Department of Transportation to the County's general fund pursuant to Section 28-5808, Arizona Revised Statutes. "PILT Revenues" means amounts remitted to the County by the U.S. Department of Interior (or any successor entity) pursuant to the federal Payment in Lieu of Taxes program.

At the time of execution and delivery of the below-described Outstanding Parity Obligations, the installment payments due pursuant to such Outstanding Parity Obligations were secured by a pledge of County General Excise Tax Revenues, State Shared Revenues and Vehicle License Tax Revenues. Upon execution and delivery of the 2025 Obligations, the pledge of revenues to the installment payments due pursuant to the Outstanding Parity Obligations will be expanded to include PILT Revenues, which will be identical to the pledge of revenues to the 2025 Obligations as described herein.

Outstanding 2014 Obligations. In order to finance and refinance the costs of certain projects for the County, there have been executed and delivered by U.S. Bank Trust Company, National Association (successor in interest to U.S. Bank National Association, the "2014 Trustee"), in its capacity as trustee under the First Combined Lien Trust Agreement, dated as of December 1, 2014, between the County and the 2014 Trustee, Pledged Revenue Obligations, Series 2014, currently outstanding in the principal amount of $40,900,000 and Pledged Revenue Refunding Obligations, Series 2014, currently outstanding in the principal amount of $4,910,000 (collectively, the "2014 Obligations"), which are payable from installment payments to be made to the 2014 Trustee pursuant to a First Combined Lien Purchase Agreement, dated as of December 1, 2014, between the County and the 2014 Trustee, in its separate capacity as seller (the "2014 Purchase Agreement"). As described under the heading "PLAN OF REFUNDING" herein, $28,620,000* principal amount of the 2014 Obligations will be prepaid with proceeds of the Refunding Obligations on the date of execution and delivery of the 2025 Obligations. *Accordingly, such payment obligations are not being treated as being an ongoing payment obligation of the County secured by revenues from County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues for purposes of this Official Statement.*

Outstanding 2015 Obligations. In order to refinance the costs of certain projects for the County, there have also been executed and delivered by U.S. Bank Trust Company, National Association (successor in interest to U.S. Bank National Association, the "2015 Trustee"), in its capacity as the trustee under the Second Combined Lien Trust Agreement, dated as of May 1, 2015, between the County and the 2015 Trustee, Pledged Revenue Refunding Obligations, Tax-Exempt Series 2015A, currently outstanding in the principal amount of $20,760,000 (the "2015 Obligations"), which are payable from installment payments to be made to the 2015 Trustee pursuant to a Second Combined Lien Purchase Agreement, dated as of May 1, 2015, between the County and the 2015 Trustee, in its separate capacity as seller (the "2015 Purchase Agreement"). As described under the heading "PLAN OF REFUNDING" herein, $13,190,000* principal amount of the 2015 Obligations will be prepaid with proceeds of the Refunding Obligations on the date of execution and delivery of the 2025 Obligations. *Accordingly, such payment obligations are not being treated as being an ongoing payment obligation of the County secured by revenues from County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues for purposes of this Official Statement.*

Outstanding Tax-Exempt 2018 Obligations. In order to finance the costs of certain projects for the County, there have also been executed and delivered by U.S. Bank Trust Company, National Association (successor in interest to U.S. Bank National Association, the "Tax-Exempt 2018 Trustee"), in its capacity as the trustee under the Third Combined Lien Trust Agreement, dated as of August 1, 2018, between the County and the Tax-Exempt 2018 Trustee, Pledged

* *Subject to change.*

Revenue Obligations, Series 2018, currently outstanding in the principal amount of $5,670,000 (the "Tax-Exempt 2018 Obligations"), which are payable from installment payments to be made to the Tax-Exempt 2018 Trustee pursuant to a Third Combined Lien Purchase Agreement, dated as of August 1, 2018, between the County and the Tax-Exempt 2018 Trustee, in its separate capacity as seller (the "Tax-Exempt 2018 Purchase Agreement").

Outstanding 2019 Obligations. In order to finance the costs of certain projects for the County, there have also been executed and delivered by U.S. Bank Trust Company, National Association (successor in interest to U.S. Bank National Association, the "2019 Trustee"), in its capacity as the trustee under the Fifth Combined Lien Trust Agreement, dated as of September 1, 2019, between the County and the 2019 Trustee, Pledged Revenue Obligations, Series 2019, currently outstanding in the principal amount of $56,330,000 (the "2019 Obligations"), which are payable from installment payments to be made to the 2019 Trustee pursuant to a Fifth Combined Lien Purchase Agreement, dated as of September 1, 2019, between the County and the 2019 Trustee, in its separate capacity as seller (the "2019 Purchase Agreement").

Outstanding Tax-Exempt 2020 Obligations. In order to refinance the costs of certain projects for the County, there have also been executed and delivered by The Bank of New York Mellon Trust Company, N.A. (the "Tax-Exempt 2020 Trustee"), in its capacity as the trustee under the Sixth Combined Lien Trust Agreement, dated as of August 1, 2020, between the County and the Tax-Exempt 2020 Trustee, Pledged Revenue Refunding Obligations, Series 2020, currently outstanding in the principal amount of $6,750,000 (the "Tax-Exempt 2020 Obligations"), which are payable from installment payments to be made to the Tax-Exempt 2020 Trustee pursuant to a Sixth Combined Lien Purchase Agreement, dated as of August 1, 2020, between the County and the Tax-Exempt 2020 Trustee, in its separate capacity as seller (the "Tax-Exempt 2020 Purchase Agreement").

Outstanding Taxable 2020 Obligations. In order to finance the costs of certain projects for the County, there have also been executed and delivered by U.S. Bank Trust Company, National Association (successor in interest to U.S. Bank National Association, the "Taxable 2020 Trustee"), in its capacity as the trustee under the Seventh Combined Lien Trust Agreement, dated as of November 1, 2020, between the County and the Taxable 2020 Trustee, Pledged Revenue Obligations, Taxable Series 2020, currently outstanding in the principal amount of $72,045,000 (the "Taxable 2020 Obligations"), which are payable from installment payments to be made to the Taxable 2020 Trustee pursuant to a Seventh Combined Lien Purchase Agreement, dated as of November 1, 2020, between the County and the Taxable 2020 Trustee, in its separate capacity as seller (the "Taxable 2020 Purchase Agreement").

Outstanding Taxable 2022 Obligations. In order to finance the costs of certain projects for the County, there have also been executed and delivered by U.S. Bank Trust Company, National Association (the "Taxable 2022 Trustee"), in its capacity as the trustee under the Eighth Combined Lien Trust Agreement, dated as of August 1, 2022, between the County and the Taxable 2022 Trustee, Pledged Revenue Obligations, Taxable Series 2022 (Green Bonds), currently outstanding in the principal amount of $113,815,000 (the "Taxable 2022 Obligations"), which are payable from installment payments to be made to the Taxable 2022 Trustee pursuant to an Eighth Combined Lien Purchase Agreement, dated as of August 1, 2022, between the County and the Taxable 2022 Trustee, in its separate capacity as seller (the "Taxable 2022 Purchase Agreement").

The Payments will be payable from and secured by County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues on a parity with the installment payments due pursuant to the Outstanding Parity Lien Obligations. See "SECURITY AND SOURCES OF PAYMENT" herein.

No Prior Lien Obligations; Parity Lien Obligations. The 2025 Purchase Agreement provides that (a) the County may not encumber County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues or PILT Revenues on a basis prior to the pledge of County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues or PILT Revenues under the 2025 Purchase Agreement, and (b) may not encumber any of such sources on a basis equal to the pledge under the 2025 Purchase Agreement ("Parity Lien Obligations") unless certain requirements of the 2025 Purchase Agreement are satisfied. See "SECURITY AND SOURCES OF PAYMENT – No Prior Lien Obligations; Parity Lien Obligations." See "ESTIMATED DEBT SERVICE REQUIREMENTS AND COVERAGE" and APPENDIX B – "PINAL COUNTY, ARIZONA – FINANCIAL INFORMATION – STATEMENTS OF BONDED INDEBTEDNESS" for details about amounts due pursuant to the Outstanding Parity Lien Obligations.

A brief description of the security for the 2025 Obligations and of matters related to the County are included in this Official Statement together with a summary of select provisions of the 2025 Purchase Agreement and the 2025 Trust Agreement. Such descriptions do not purport to be comprehensive or definitive. All references to the 2025 Purchase Agreement and the 2025 Trust Agreement are qualified in their entirety by reference to such documents, and references herein to the 2025 Obligations are qualified in their entirety by reference to the form thereof included in the 2025 Trust Agreement, copies of all of which are available for inspection at the designated corporate trust office of the Trustee.

Reference to provisions of Arizona law, whether codified in the Arizona Revised Statutes, or uncodified, or of the Arizona Constitution, are references to those current provisions. Those provisions may be amended, repealed or supplemented.

Neither this Official Statement nor any statement that may have been made orally or in writing in connection herewith is to be considered as, or as part of, a contract with the original purchasers or subsequent owners or beneficial owners of the 2025 Obligations.

THE 2025 OBLIGATIONS

General Provisions

The 2025 Obligations will be dated the date of their initial execution and delivery and will bear interest from such date, at the rates, and will mature on the dates and in the amounts, all as set forth on the inside front cover pages hereof. Interest on the 2025 Obligations will be payable on each August 1 and February 1 (each such date is referred to herein as an "Interest Payment Date"), commencing February 1, 2026*. The record date for the 2025 Obligations will be the close of business on the fifteenth day of the month preceding each Interest Payment Date.

The 2025 Obligations will be registered only in the name of Cede & Co., the nominee of the Depository Trust Company, New York, New York ("DTC"), under the book-entry only system described in APPENDIX G. Beneficial ownership interests in the 2025 Obligations may be purchased through direct and indirect participants of DTC in amounts of $5,000 of principal of a series due on a specific maturity date or integral multiples thereof. See APPENDIX G - "BOOK-ENTRY ONLY SYSTEM."

Prepayment Provisions*

Optional Prepayment of Project Obligations and Taxable Obligations. The Project Obligations and the Taxable Obligations payable before or on August 1, 20__, will not be subject to prepayment prior to their stated payment dates. The Project Obligations and the Taxable Obligations payable on or after August 1, 20__, will be subject to prepayment in such order and from such payment dates as may be selected by the County and by lot within any payment date by such methods as may be selected by the Trustee from prepayments made at the option of the County pursuant to the 2025 Purchase Agreement, in whole or in part on any date, on or after August 1, 20__, at a prepayment price equal to the principal amount of Project Obligations and Taxable Obligations or portions thereof to be prepaid, together with accrued interest to the date fixed for prepayment, but without premium.

No Optional Prepayment of Refunding Obligations. The Refunding Obligations will not be subject to optional prepayment prior to their stated payment dates.

Manner of Selection for Prepayment of the 2025 Obligations. The 2025 Obligations subject to prepayment will be prepaid only in payment amounts of $5,000 each or integral multiples thereof. The County will, at least 45 days prior to the prepayment date, notify the Trustee of such prepayment date and of the stated payment dates of the 2025 Obligations and the payment amount of the 2025 Obligations of any such stated payment date to be prepaid on such date. For the purposes of any prepayment of less than all of the 2025 Obligations of a single stated payment date, the particular 2025 Obligations or portions of the 2025 Obligations to be prepaid shall be selected through the procedures of DTC.

* *Subject to change.*

Notice of Prepayment of the 2025 Obligations. Prepayment notices will be sent only to DTC by electronic media, not more than 60 nor less than 30 days prior to the date set for prepayment. See APPENDIX G – "BOOK-ENTRY ONLY SYSTEM." Such notice will state that if, on the specified prepayment date, moneys for prepayment of all the 2025 Obligations to be redeemed together with interest to the date of prepayment, is held by the Trustee, then, from and after said date of prepayment, interest with respect to the 2025 Obligations will cease to accrue and become payable and that if such moneys are not so held, the prepayment will not occur.

Notice of any prepayment will also be provided as set forth in APPENDIX F – "FORM OF CONTINUING DISCLOSURE UNDERTAKING," but no defect in said further notice or record nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a prepayment for redemption if notice thereof is given as prescribed above.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the 2025 Obligations, Build America Mutual Assurance Company ("BAM" or the "Bond Insurer") will issue its Municipal Bond Insurance Policy for the 2025 Obligations (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the 2025 Obligations when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.bambonds.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at https://www.spglobal.com/en/. The rating of BAM should be evaluated independently. The rating reflects S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the 2025 Obligations, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the 2025 Obligations. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the 2025 Obligations on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the 2025 Obligations, nor does it guarantee that the rating on the 2025 Obligations will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of March 31, 2025 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $482.1 million, $246.4 million and $235.7 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.bambonds.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the 2025 Obligations or the advisability of investing in the 2025 Obligations. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at https://bambonds.com/insights/#video. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at https://bambonds.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the Underwriter (as defined herein) for the 2025 Obligations, and the issuer and the Underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the 2025 Obligations. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the 2025 Obligations, whether at the initial offering or otherwise.

RISK FACTORS RELATED TO BOND INSURANCE

The following are risk factors relating to bond insurance generally. In the event of default of the payment of principal or interest with respect to any of the 2025 Obligations when all or some become due, any owner of the 2025 Obligations on which such principal or interest was not paid will have a claim under the Policy for such payments. In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the 2025 Obligations will remain payable solely from the sources described under the heading "SECURITY AND SOURCES OF PAYMENT." In the event the Bond Insurer becomes obligated to make payments with respect to the 2025 Obligations, no assurance will be given that such event will not adversely affect the market price of the 2025 Obligations and the marketability (liquidity) of the 2025 Obligations.

The long-term ratings on the 2025 Obligations will be dependent in part on the financial strength of the Bond Insurer and its claims paying ability. The Bond Insurer's financial strength and claims paying ability will be predicated upon a number of factors which could change over time. No assurance will be given that the long-term rating of the Bond Insurer and of the rating on the 2025 Obligations insured by the Bond Insurer will not be subject to downgrade, and such event could adversely affect the market price of the 2025 Obligations and the marketability (liquidity) of the 2025 Obligations.

The obligations of the Bond Insurer will be general obligations of the Bond Insurer, and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law, state receivership or other similar laws related to insolvency of insurance companies.

None of the County, the Underwriter, or their respective attorneys, agents or consultants have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer will be given. Thus, when making an investment decision, potential investors should carefully consider the ability of the County to pay principal of and interest on the 2025 Obligations and the claims paying ability of the Bond Insurer, particularly over the life of the investment.

SECURITY AND SOURCES OF PAYMENT

General

The 2025 Obligations will be special, limited, revenue obligations, taking the form of undivided, participating, proportionate interests in the Payments. The obligation of the County to make the Payments will be limited to payment from County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues and will in no circumstances constitute a general obligation or a pledge of the full faith and credit of the County, the State or any of its political subdivisions, or require the levy of, or be payable from the proceeds of, any *ad valorem* property taxes.

The Payments will be payable from and secured, on a parity with payments by the County pursuant to the Outstanding Parity Lien Obligations and any Parity Lien Obligations hereafter issued or incurred by the County, by a first lien pledge upon County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues. County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues in excess of amounts, if any, required to be deposited with or held by the Trustee for payments due under the 2025 Purchase Agreement and the 2025 Trust Agreement will constitute surplus revenues and may be used by the County for any lawful purpose for the benefit of the County. The County may make such payments from its other funds as permitted by law and as the County determines from time to time, and the Trustee will thereafter have no claim to such other funds.

Under the terms of the 2025 Trust Agreement, an irrevocable trust will be administered by the Trustee for the equal and proportionate benefit of the Owners of the 2025 Obligations, which trust includes: (1) all right, title and interest of the Trustee, as seller, in the 2025 Purchase Agreement and the right to (a) make claim for, collect or receive all amounts payable or receivable thereunder, (b) bring actions and proceedings thereunder or for the enforcement of such rights, and (c) do any and all other things which the Trustee is entitled to do thereunder; (2) amounts on deposit from time to time in the funds created pursuant to the 2025 Trust Agreement; and (3) any and all other property of any kind hereafter conveyed as additional security for the 2025 Obligations. See APPENDIX D – "SUMMARY OF SELECT PROVISIONS OF PRINCIPAL DOCUMENTS – THE TRUST AGREEMENT."

Pledge

The Payments will be secured by a first lien pledge upon County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues. All of the Payments will be co-equal as to the pledge of and lien on County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues and will share ratably, without preference, priority or distinction, as to the source or method of payment from County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues or PILT Revenues. If at any time the moneys in the funds held for payment of amounts due under the 2025 Purchase Agreement or the 2025 Trust Agreement are not sufficient to make the deposits and transfers required, any such deficiency will be made up from the first moneys thereafter received and available for such transfers under the terms of the 2025 Purchase Agreement and, with respect to payment from County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues, *pro rata*, as applicable, with amounts due with respect to the Outstanding Parity Lien Obligations, the 2025 Purchase Agreement and any Parity Lien Obligations. The 2025 Purchase Agreement will not terminate so long as any of the Payments are due and owing pursuant to the terms of the 2025 Obligations.

Payment of the 2025 Obligations will not be secured by the Projects, and the Owners of the 2025 Obligations have no claim or lien on the Projects or any part thereof.

THE PAYMENTS WILL NOT CONSTITUTE AN INDEBTEDNESS OR GENERAL OBLIGATION OF THE COUNTY NOR WILL THE COUNTY BE LIABLE FOR THE PAYMENTS FROM AD VALOREM PROPERTY TAXES. PURSUANT TO THE 2025 TRUST AGREEMENT, THE 2025 OBLIGATIONS WILL BE SPECIAL, LIMITED REVENUE OBLIGATIONS, PAYABLE SOLELY FROM THE PAYMENTS MADE PURSUANT TO THE 2025 PURCHASE AGREEMENT. THE 2025 OBLIGATIONS WILL NOT BE GENERAL OBLIGATIONS OF THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF AND WILL NOT REPRESENT OR CONSTITUTE A DEBT OR A DIRECT OR INDIRECT PLEDGE OF THE FULL FAITH AND CREDIT OF THE COUNTY, THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF.

No Prior Lien Obligations; Parity Lien Obligations

The 2025 Purchase Agreement provides that so long as any of the 2025 Obligations remain outstanding and the principal and interest thereon shall be unpaid or unprovided for, the County may not encumber County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues or PILT Revenues on a basis prior to the pledge of County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues or PILT Revenues under the 2025 Purchase Agreement.

The 2025 Purchase Agreement also provides that so long as any of the 2025 Obligations remain outstanding and the principal and interest thereon shall be unpaid or unprovided for, the County may not further encumber County General Excise Tax Revenues, State Shared Revenues or Vehicle License Tax Revenues on a basis equal to the pledge under the 2025 Purchase Agreement by issuing or incurring Parity Lien Obligations unless County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues, in the most recently completed fiscal year of the County, shall have amounted to at least one and one-half (1.5) times the highest combined interest and principal requirements for any succeeding fiscal year pursuant to the Outstanding Parity Lien Obligations, the 2025 Purchase Agreement and any Parity Lien Obligations (i.e., those already, or so proposed to be, secured by such pledge).

COUNTY GENERAL EXCISE TAX REVENUES, STATE SHARED REVENUES, VEHICLE LICENSE TAX REVENUES AND PILT REVENUES

County General Excise Tax Revenues

The authority to levy and collect general excise taxes of the County (the "County General Excise Tax") is not subject to expiration, and the County currently imposes the County General Excise Tax at the statutory maximum rates upon persons and entities on account of their business activities within the County for general County expenditure purposes. **Accordingly, the County is unable to covenant in the 2025 Purchase Agreement to maintain County General Excise Tax Revenues at any particular level of coverage to debt service with respect to the 2025 Obligations, and no assurances can be given that County General Excise Tax Revenues will be sufficient to pay such debt service.** The amount of the County General Excise Tax due is calculated by applying the tax rate against the gross proceeds of sales or gross income derived from the business activities being taxed. The County General Excise Tax is levied at a rate equal to ten percent (10%) of the general excise tax rates levied by the State (the "State Rate") which for most tax categories, results in a County General Excise Tax rate of five-tenths of a percent (0.5%), as set forth in TABLE 1 below. The County General Excise Tax is levied against the same categories of business activity as the State transaction privilege (sales) taxes, with the exception of food sales, which the State exempts from tax.

The County General Excise Tax is collected in the same manner as transaction privilege (sales) taxes levied by the State and are collected by the Arizona Department of Revenue ("ADOR") and paid to the County. Collections are accounted for in the month received by the ADOR. Collections received in July are accrued as revenue in the prior fiscal year.

Other County Excise Taxes Not Included As County General Excise Tax. The County currently levies and collects a road sales tax for the purpose of road improvement projects (the "County Road Excise Tax") and a public health district sales tax for the purpose of maintaining public health programs (the "County Public Health Tax"). Most County Road Excise Tax items are taxed at five-tenths of a percent (0.5%) and most County Public Health Tax items are taxed at one-tenth of a percent (0.1%), but both can vary depending on the taxable item. **The County Road Excise Tax and the County Public Health Tax are <u>not</u> part of County General Excise Tax Revenues and collections from such taxes are not pledged as a security for amounts due under the 2025 Purchase Agreement.** Current State law permits and future State law may further permit counties to levy and collect additional excise taxes for statutorily prescribed purposes. If the County ever authorized and levied such additional special purpose excise taxes in the future, the revenues collected from those special purpose excise taxes would <u>not</u> be considered part of County General Excise Tax Revenues and would <u>not</u> be subject to the pledge under the 2025 Purchase Agreement.

State Shared Revenues

Pursuant to statutory formula, counties in Arizona receive a portion of the State levied general transaction privilege (sales) taxes, from which amounts composing State Shared Revenues are generated. The State transaction privilege (sales) taxes are levied against a variety of business activities set forth in TABLE 1. As TABLE 1 indicates, the State Rate varies among the different types of business activities taxed, with the most common rate being 5.000% of the amount or volume of business transacted.

Under current State law, the aggregate amount distributed to all Arizona counties is 40.51% of the "distribution base" of revenues attributable to each category of taxable activity. The allocation to each county of the revenues available for distribution requires determining each county's allotment. To compute each county's allotment, the State assumes 38.08% of the distribution base will be distributed and uses two different methodologies. Each county is given the greater amount. The first methodology is based on the relative population of each county to the population of all counties, as shown by the most recent census, and each county's transaction privilege tax contribution relative to the contribution of all counties. The second methodology is based on each county's relative taxable secondary assessed property valuation and such county's relative transaction privilege tax contribution. Any amounts remaining of the 40.51% total county share of the distribution base are distributed to the counties using the relative population/transaction privilege tax proportions described above.

TABLE 1

State and County Transaction Privilege (Sales) Tax Rates
Taxable Activities and Distribution Base

Taxable Activities	State Tax Rate	Distribution Base	0.60% Education Tax Rate *(a)*	Combined Tax Rate	County General Excise Tax Rate *(b)*
Transporting	5.000%	20.00%	0.60%	5.600%	0.500%
Utilities	5.000	20.00	0.60	5.600	0.500
Communications	5.000	20.00	0.60	5.600	0.500
Private rail car and pipelines	5.000	20.00	0.60	5.600	0.500
Publishing	5.000	20.00	0.60	5.600	0.500
Printing	5.000	20.00	0.60	5.600	0.500
Contracting	5.000	20.00	0.60	5.600	0.500
Owner builder sales	5.000	20.00	0.60	5.600	0.500
Amusements	5.000	40.00	0.60	5.600	0.500
Restaurant and bars	5.000	40.00	0.60	5.600	0.500
Personal property rentals	5.000	40.00	0.60	5.600	0.500
Retail	5.000	40.00	0.60	5.600	0.500
Hotel/motel	5.500	50.00	N/A	5.500	0.500
Mining – non-metal, oil/gas	3.125	32.00	N/A	3.125	0.550
Mining severance	2.500	80.00	N/A	2.500	N/A
Use and use inventory tax	5.000	N/A	0.60	5.600	0.500
Medical marijuana	5.000	40.00	0.60	5.600	0.500
Adult use marijuana	5.000	40.00	0.60	5.600	0.500
Maintenance, repair, replacement or alteration	5.000	40.00	0.60	5.600	0.500
Online lodging marketplace	5.500	50.00	N/A	5.500	0.500
Remote seller or marketplace	5.000	40.00	0.60	5.600	0.500
Jet fuel use tax	*(c)*	N/A	N/A	*(c)*	*(c)*

N/A = Not applicable.

(a) *Represents the State transaction privilege (sales) tax rate approved by voters of the State in November 2000 (the "Education Tax") on certain of the categories of business activity at six-tenths of a percent (0.6%). The Education Tax collections are dedicated exclusively to education and are not distributed to the County or pledged as a security for amounts due under the 2025 Purchase Agreement. The Education Tax is scheduled to expire on June 30, 2041.*

The County General Excise Tax rate is a percentage of the State Rate exclusive of the Education Tax.

(b) *The Payments are secured, in part, by a first lien pledge of County General Excise Tax Revenues. As described herein, the County Road Excise Tax and the County Public Health Tax rates are not included in TABLE 1 and are not pledged as security for amounts due under the 2025 Purchase Agreement.*

(c) *Does not include $0.0305 per gallon State tax on the retail sale of jet fuel, which tax is only levied on the first ten million gallons sold to each purchaser in each calendar year.*

Source: Arizona Revised Statutes, ADOR and the Arizona Secretary of State.

The State has shared transaction privilege (sales) tax receipts with Arizona counties continuously since 1942. The State Legislature could, however, at any time, eliminate State Shared Revenues or change the amount or timing of State Shared Revenues and is under no legal obligation to maintain the amount of State Shared Revenues distributed to the County at any amount or level. **Accordingly, the County is unable to covenant in the 2025 Purchase Agreement to maintain State Shared Revenues at any particular level of coverage to debt service with respect**

to the 2025 Obligations, and no assurances can be given that State Shared Revenues will be sufficient to pay such debt service.

From time to time bills are introduced in the State Legislature to make changes in the formula to allot State Shared Revenues. The County cannot determine whether any such measures will become law or how such measures might affect the revenues that comprise State Shared Revenues. In addressing State budgetary deficiencies, the Governor and members of the State Legislature have occasionally proposed certain adjustments that would reduce the distribution of State Shared Revenues to cities, towns and counties. The County cannot determine whether such measures will become law in the future or how they might affect State Shared Revenues.

In addition, initiative measures may be circulated from time to time seeking to place on the ballot changes in State law which repeal or modify State Shared Revenues. The County cannot predict if any such initiative measures will ever actually be submitted to the electors, what form the measures might take or the outcome of any such election.

Legislation Regarding Withholding of State Shared Revenues

Section 41-194.01, Arizona Revised Statutes, permits the State to withhold from a county, city or town ("Local Jurisdiction") State revenues that would otherwise be shared with Local Jurisdictions.

Under such statute, at the request of one or more members of the State Legislature, the State Attorney General must investigate any ordinance, regulation, order or other official action ("Local Action") adopted or taken by the governing body of a Local Jurisdiction that the legislator alleges violates State law or the State Constitution. The Attorney General must make a written report within 30 days after receipt of the request. The Local Jurisdiction then has 30 days to resolve the violation. If the Attorney General determines that the violation has not been resolved within 30 days, the Attorney General must notify the State Treasurer and the State Treasurer must withhold payment to the Local Jurisdiction of State-shared excise taxes otherwise due to the Local Jurisdiction pursuant to Section 42-5029(L), Arizona Revised Statutes and all State-shared income taxes otherwise due to the Local Jurisdiction pursuant to Section 43-206(F), Arizona Revised Statutes, until such time as the Attorney General determines that the violation has been resolved. However, the State Treasurer may not withhold any amount that the Local Jurisdiction certifies to the Attorney General and the State Treasurer as being necessary to make deposits or payments for debt service on bonds or other long-term obligations that were issued or incurred before the Local Action occurred.

The County is not aware of any Local Action by the County taken or currently under consideration that does or if taken would violate State law or the State Constitution. State Shared Revenues are pledged to payments due with respect to the 2025 Purchase Agreement. The withholding of State Shared Revenues could have a material adverse effect on the payment of principal of and interest on the 2025 Obligations during any period of withholding.

Section 42-17451, Arizona Revised Statutes (the "Refund Law"), provides that, beginning in tax year 2025, a property owner (i.e., the holder of fee title to the affected real property) may apply to the ADOR for a property tax refund for expenses incurred by the property owner if the city, town or county (the "Affected Entity") in which the property owner's real property is located fails to enforce certain public nuisance laws on or near the property owner's real property. The amount of the refund is equal to the documented expenses incurred by the property owner that were reasonably necessary to mitigate the effects of the failure to enforce such public nuisance laws but may not exceed the amount the property owner paid for the prior tax year in primary property taxes for the tax year to the Affected Entity. If the refund exceeds such amount, the property owner must apply to ADOR for the remaining portion of the refund the following and successive tax years, as needed.

Within 15 days after receipt of an application for a refund, ADOR will notify the Affected Entity. Within 30 days after receiving the notice, the Affected Entity will accept or reject the refund and notify ADOR of that determination. If the refund is accepted by the Affected Entity or if the Affected Entity does not respond to ADOR within the 30-day period, ADOR will pay the refund to the property owner. If the Affected Entity rejects the refund, ADOR may not pay the refund and the property owner may file a cause of action in the superior court of the county in which the real property is located to challenge the rejection of the refund. In any such cause of action, the Affected Entity will bear the burden of demonstrating that its actions are lawful or that the amount of the refund is unreasonable.

On notice from ADOR, the State Treasurer will withhold from the distribution of State-shared sales taxes, a component of Excise Taxes, to the Affected Entity the aggregate amount of refunds issued under the Refund Law. The State

Treasurer will continue to withhold such State-shared sales taxes until the entire amount provided by ADOR has been withheld. Any monies withheld by the State Treasurer will be credited as reimbursement to ADOR for issuing refunds. Notwithstanding the foregoing, pursuant to the Refund Law, the State Treasurer may not withhold any payments for debt service on bonds or other long-term obligations of the Affected Entity that were issued or incurred before the refund was issued.

The County is not able to determine or predict what impact, if any, the Refund Law will have on the receipt of the County's State-shared sales taxes. State-shared sales taxes, as a component of State Shared Revenues, are pledged to payments due with respect to the 2025 Purchase Agreement. The withholding of State-shared sales taxes, as a component of State Shared Revenues, could have a material adverse effect on the payment of principal of and interest on the 2025 Obligations during any period of withholding.

Vehicle License Tax Revenues

Article IX, Section 11 of the Arizona Constitution provides that from and after December 31, 1973, a vehicle license tax shall be imposed as provided by law on vehicles registered for operation upon the highways in Arizona, which vehicle license tax shall be in lieu of all ad valorem property taxes on any vehicle subject to such license tax. The constitutional provision further provides that the Arizona Legislature shall provide for the distribution of the proceeds from such vehicle license tax to the State, counties, school districts, cities and towns, including distributions to the State General Fund.

Pursuant to statutory formula, counties in Arizona, including the County, receive two separate distributions from revenues of the State vehicle license tax from the Arizona Department of Transportation, which is the State agency charged with collecting the tax: one distribution is made for deposit into the county's general fund (the "County General Fund Vehicle License Tax") and the other is made for and restricted to any transportation purpose as determined by the county's board of supervisors (the "County Transportation-Restricted Vehicle License Tax"). Currently, the County General Fund Vehicle License Tax constitutes 24.6% of moneys collected from most types of vehicles and 20.45% of moneys collected from alternative fuels vehicles, car rental surcharges, and private ambulances, fire-fighting vehicles and school buses. Currently, the County Transportation-Restricted Vehicle License Tax constitutes 5.7% of moneys collected from most types of vehicles and 4.91% of moneys collected from alternative fuels vehicles, car rental surcharges, and private ambulances, fire-fighting vehicles and school buses. **Only the amounts received by the County from the County General Fund Vehicle License Tax will constitute Vehicle License Tax Revenues which are pledged to the Payments under the 2025 Purchase Agreement. Amounts received by the County from the revenues of the County Transportation-Restricted Vehicle License Tax will <u>not</u> constitute part of Vehicle License Tax Revenues and will <u>not</u> be pledged to the Payments under the 2025 Purchase Agreement.** The amounts and percentages distributed to the County as Vehicle License Tax Revenues may vary each year according to the statutory formula and are beyond any control of the County.

The State has made distributions of Vehicle License Tax Revenues to Arizona counties, including the County, since 1974. The State Legislature could, however, at any time, alter the formula or reduce the amount or change the timing of distribution of Vehicle License Tax Revenues to the County and is under no legal obligation to maintain the amount of Vehicle License Tax Revenues distributed to the County at any amount or level. **Accordingly, the County is unable to covenant in the 2025 Purchase Agreement to maintain Vehicle License Tax Revenues at any particular level of coverage to debt service with respect to the 2025 Obligations, and no assurances can be given that Vehicle License Tax Revenues will be sufficient to pay such debt service.**

From time to time bills are introduced in the State Legislature to make changes in the formula to allot Vehicle License Tax Revenues. The County cannot determine whether any such measures will become law or how such measures might affect the revenues that comprise Vehicle License Tax Revenues.

In addition, initiative measures may be circulated from time to time seeking to place on the ballot changes in State Constitution or State law which repeal or modify the imposition, collection or distribution of Vehicle License Tax Revenues. The County cannot predict if any such initiative measures will ever actually be submitted to the electors, what form the measures might take or the outcome of any such election.

PILT Revenues

The Payments in Lieu of Taxes ("PILT") program was created in 1976 and is currently codified as Chapter 69, Title 31 of the United States Code ("PILT Law"). PILT is one of a variety of federal programs that compensate local governments for property tax base reductions associated with the presence of federally owned land and in recognition of the services local governments provide for those federally owned lands. PILT is administered by the Department of the Interior. Payments received by governmental entities pursuant to the PILT program may be used for any governmental purpose.

The amount each governmental entity is authorized to receive under the PILT program is determined annually by a complex formula within the PILT Law. The formula is such that a precise authorized amount cannot be given in advance. The five key factors under the formula that impact the amount of PILT Revenues each governmental entity is authorized to receive are: (1) the number of eligible acres, (2) the governmental entity's population, (3) payments in prior years from other specified federal land payment programs, (4) state laws directing payments to a particular governmental purpose, and (5) the Bureau of Labor Statistics Consumer Price Index (as a result of 1994 program amendments).

Over the life of the program, PILT has been funded at the federal level through the annual discretionary appropriations process, through mandatory spending for the full formula amount, and, in fiscal year 2015, through both mandatory and discretionary appropriations. Presently the PILT program is funded as a discretionary program subject to federal annual appropriations.

During the fiscal years 2019/20 to 2022/23, the aggregate distributions under the PILT program to governmental entities nationwide averaged $559,141,727, and for fiscal year 2023/24, the aggregate distribution was $621,235,188. TABLE 2 shows the amount of PILT Revenues received by the County for the audited fiscal years 2019/20 through and including 2022/23, the unaudited actual amount of PILT Revenues received by the County for fiscal year 2023/24, the projected amount of PILT Revenues to be received by the County for fiscal year 2024/25 and the budgeted amount of PILT Revenues to be received by the County for fiscal year 2025/26.

The Department of the Interior has made distributions of PILT Revenues pursuant to the PILT Law to governmental entities, including the County, since 1977. Congress could, however, at any time, cancel the program, alter the formula, reduce the amount given or change the timing of distribution of PILT Revenues to the County and is under no legal obligation to maintain the amount of PILT Revenues distributed to the County at any amount or level. In addition, PILT Revenues could also be impacted by other Congressional actions such as federal shut downs and sequestration. **Accordingly, the County is unable to covenant in the 2025 Purchase Agreement to maintain PILT Revenues at any particular level of coverage to debt service with respect to the 2025 Obligations, and no assurances can be given that PILT Revenues will be sufficient to pay such debt service.**

TABLE 2 shows audited collections of County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues for fiscal years 2019/20 through and including 2022/23, unaudited actual collections for fiscal year 2023/24, projected collections for fiscal year 2024/25, and budgeted collections for fiscal year 2025/26.

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Historical, Budgeted and Projected County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues

TABLE 2
County General Excise Tax Revenues, State Shared Revenues,
Vehicle License Tax Revenues and PILT Revenues
Pinal County, Arizona

	Actual *(a)*				Unaudited Actual *(b)*	Projected *(c)*	Budgeted *(c)*
Source	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
County General Excise Tax Revenues *(d)*	$ 20,121,457	$ 24,692,328	$ 30,303,596	$ 36,030,382	$ 39,645,418	$ 43,609,959	$ 45,354,358
Gross State Shared Revenues *(e)*	$ 40,458,279	$ 48,435,559	$ 58,269,430	$ 63,395,362	$ 66,363,660	$ 68,637,064	$ 72,386,649
Less Net ALTCS contribution *(f)*	(13,755,300)	(13,364,756)	(9,323,509)	(15,690,433)	(13,774,319)	(15,306,054)	(18,094,300)
Less AHCCCS contribution *(g)*	(3,037,917)	(3,048,726)	(3,051,927)	(3,070,649)	(3,100,864)	(3,121,100)	(3,137,400)
Net State Shared Revenues *(h)*	$ 23,665,062	$ 32,022,077	$ 45,893,994	$ 44,634,280	$ 49,488,477	$ 50,209,910	$ 51,154,949
Vehicle License Tax Revenues *(h)*	$ 13,398,599	$ 16,342,441	$ 16,329,451	$ 17,156,998	$ 17,821,430	$ 19,045,815	$ 19,947,302
PILT Revenues *(i)*	$ 1,494,081	$ 1,481,010	$ 1,555,616	$ 1,780,988	$ 1,904,986	$ 1,874,700	$ 2,101,200
Total County General Excise Tax Revenues, Net State Shared Revenues and Vehicle License Tax Revenues	$ 58,679,199	$ 74,537,856	$ 94,082,657	$ 99,602,648	$ 108,860,310	$ 114,740,384	$ 118,557,809

(a) *These amounts are from audited financial statements of the County for the years indicated. This table has not, however, been the subject of any separate audit procedures.*

(b) *These amounts are unaudited, actual collections, are subject to change upon audit, constitute "forward looking" statements and should be considered with an abundance of caution.*

(c) *These amounts are projected or budgeted, are subject to change upon audit, constitute "forward looking" statements and should be considered with an abundance of caution. Projected figures are based on unaudited actual collections through June 20, 2025, and estimates of the Budget and Research Department of the County for the remainder of the fiscal year.*

(d) *Does not include amounts derived from the County Road Excise Tax and the County Public Health Tax as described under "County General Excise Tax Revenues" above.*

(e) *Does not include amounts allocated from the Education Tax as described under "State Shared Revenues" above.*

(f) *Pursuant to Section 11-292, Arizona Revised Statutes, the Treasurer of the State withholds an amount of State Shared Revenues sufficient to meet the County's portion of the non-federal costs of providing the long-term care system in the State ("ALTCS") from moneys otherwise payable to the County in accordance with the State's distribution of State Shared Revenues. The County's contribution is based on a fixed State formula. In the event that State Shared Revenues withheld from the County by the Treasurer of the State are insufficient to meet the funding requirement of ALTCS, the Treasurer of the State may withhold any other moneys payable to the County from any available State funding source. Amounts shown for fiscal years 2019/20 through 2023/24 reflect adjustments, if any, based on whether County ALTCS contributions in a fiscal year exceeded the amounts required to be contributed pursuant to State formula. In such case, such excess would be returned to the County by the State.*

(g) *Pursuant to Section 11-292, Arizona Revised Statutes, the Treasurer of the State withholds an amount of State Shared Revenues determined by statutory formula for the administrative costs of implementing certain provisions of the Arizona Health Care Cost Containment System ("AHCCCS"). If the County does not make its contribution to the AHCCCS fund, which is used to offset certain indigent and related health care costs, the Treasurer of the State may withhold any amounts owed, plus interest retroactive to the first date the funding was due, from the County's State Shared Revenues.*

(h) *The distribution of State Shared Revenues and Vehicle License Tax Revenues is subject to change by the State Legislature and accordingly, the County is unable to covenant to maintain State Shared Revenues or Vehicle License Tax Revenues at any particular level of coverage to debt service.*

(i) *The distribution of PILT Revenues is subject to change by the federal government and accordingly, the County is unable to covenant to maintain PILT Revenues at any particular level of coverage to debt service.*

Source: Annual Comprehensive Financial Reports of the County and the Budget and Research Department of the County.

PLAN OF REFUNDING

The proceeds of the Refunding Obligations, net of amounts used to pay costs related to the execution and delivery of the Refunding Obligations, will be placed in a trust account with U.S. Bank Trust Company, National Association, as escrow trustee (the "Escrow Trustee"), under an Escrow Trust Agreement, to be dated as of July 1, 2025*, and will be used to acquire certain obligations of, or guaranteed as to principal and interest by, the United States of America (the "Government Obligations"), in amounts sufficient, without reinvestment, to be applied to payment of principal and prepayment amount of and interest due pursuant to the 2014 Obligations and 2015 Obligations identified below (collectively, the "Obligations Being Refunded"), which are being refunded as follows:

Schedule of Obligations Being Refunded*

Issue Series	Maturity Date	Coupon	Principal Amount Outstanding	Principal Being Refunded	Redemption Date*	CUSIP®[(1)] No. 72205R
2014	2026	5.000%	$3,445,000	$3,445,000	8/11/2025	BF8
	2027	5.000	3,620,000	3,620,000	8/11/2025	BG6
	2028	5.000	3,800,000	3,800,000	8/11/2025	BH4
	2030	5.000	4,120,000	4,120,000	8/11/2025	BK7
	2031	5.000	4,325,000	4,325,000	8/11/2025	BL5
	2032	5.000	4,540,000	4,540,000	8/11/2025	BM3
	2033	5.000	4,770,000	4,770,000	8/11/2025	BN1
			$28,620,000	$28,620,000		
2015A	2026	5.000%	$3,950,000	$3,950,000	8/11/2025	CJ9
	2027	5.000	4,150,000	4,150,000	8/11/2025	CK6
	2028	5.000	4,360,000	4,360,000	8/11/2025	CL4
	2029	5.000	730,000	730,000	8/11/2025	CR1
			$13,190,000	$13,190,000		
			$41,810,000	$41,810,000		

* *Subject to change.*

(1) *See footnote (1) to the inside front cover pages.*

See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein. On delivery of the 2025 Obligations and such deposit of proceeds with the Escrow Trustee, the Obligations Being Refunded will no longer be outstanding under the trust agreements pursuant to which they were executed and delivered and will no longer be secured by County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues or PILT Revenues.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Causey Public Finance, LLC, a firm of independent certified public accountants (the "Verification Agent"), will deliver to the County, before or on the date of execution and delivery of the 2025 Obligations, its verification report indicating, among other things, that it has verified, in accordance with standards for attestation engagements established by the American Institute of Certified Public Accountants, the mathematical accuracy of the sufficiency of the anticipated receipts from the Government Obligations, together with the initial cash deposit, to pay, when due, the principal of, interest and applicable premiums, if any, on the Obligations Being Refunded. The verification performed by the Verification Agent will be solely based upon data, information and documents provided to the Verification Agent by Stifel, Nicolaus & Company, Incorporated (the "Underwriter").

THE 2025 PROJECTS

The proceeds of the Project Obligations, net of amounts used to pay costs related to the execution and delivery of the Project Obligations, will be used to finance the costs of acquisition and construction of, and improvements to, County facilities, including, but not limited to, a County Services Building, a Facilities Management Office and Warehouse, a Fleet Services and Radio Shop Building, a Sheriff's Office Re-Entry Program Building, a Juvenile Court Complex and County offices and community space (collectively, the "2025 Projects").

THE TAXABLE PROJECT

The proceeds of the Taxable Obligations, net of amounts used to pay costs related to the execution and delivery of the Taxable Obligations, will be used to acquire the evidence of payment executed and delivered by ASRS as a result of the County making a payment to ASRS pursuant to the Act as described below.

ASRS is a multiple-employer defined benefit pension plan, a multiple-employer defined benefit health insurance premium benefit plan, and a multiple-employer defined benefit long-term disability plan for approximately 600,000 Arizona public employees including qualified employees of the State, municipal governments, counties and K-12 education agencies. At June 30, 2024, the County reported a liability of $106,310,801 for its proportionate share of the net pension liability under ASRS. This figure is unaudited and subject to change upon audit and should be considered with an abundance of caution.

Effective as of June 28, 2022, Arizona Laws 2022, Second Regular Session, Chapter 324, Section 1, amended Section 38-737, Arizona Revised Statutes, to add Section 38-737(D), the Act. Pursuant to the Act, an employer may prepay its pension contributions directly to ASRS according to a written agreement between the employer and ASRS (the "Contribution Prepayment Program"). The net proceeds from the Taxable Obligations will be used to make a prepayment pension contribution in accordance with the Act. As required by the Act, the terms of the County's prepayment to ASRS will be documented in the Contribution Prepayment Program Agreement, to be dated as of July 1, 2025*, between the County and ASRS.

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* *Subject to change.*

SOURCES AND USES OF FUNDS

	Refunding Obligations	Project Obligations	Taxable Obligations	Total
Principal Amount	$40,870,000.00*	$186,830,000.00*	$108,085,000.00*	$335,785,000.00*
[Net] Original Issue Premium *(a)*				
Total Sources of Funds				
Deposit with Escrow Trustee				
Deposit to Acquisition Fund				
Transfer to ASRS				
Payment of Costs of Issuance *(b)*				
Total Uses of Funds				

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* *Subject to change.*

(a) *[Net original issue premium consists of original issue premium on the 2025 Obligations less original issue discount on the 2025 Obligations.]*

(b) *Includes fees of the Special Counsel, the Trustee and the Escrow Trustee, rating agency fees and other costs related to the delivery of the 2025 Obligations including Underwriter's compensation.*

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ESTIMATED DEBT SERVICE REQUIREMENTS AND COVERAGE

TABLE 3
Schedule of Estimated Debt Service Requirements and Coverage (a), Pinal County, Arizona

Fiscal Year	Pledged Revenues *(b)*	Outstanding Debt Service *(c)(d)*	Refunding Obligations Principal (8/1)	Refunding Obligations Interest	Project Obligations Principal (8/1)	Project Obligations Interest	Taxable Obligations Principal (8/1)	Taxable Obligations Interest	Total Aggregate Debt Service	Maximum Annual Debt Service Coverage *(e)*
2022/23	$ 99,602,648									
2023/24	108,860,310									
2024/25		$ 31,814,733							$ 31,814,733	
2025/26		29,840,231	$ 800,000	$ 1,027,426 *(f)*		$ 4,696,699 *(f)*	$ 4,265,000	$ 3,088,792 *(f)*	43,718,148	
2026/27		19,477,609	7,215,000	1,823,125	$ 2,750,000	9,272,750	2,155,000	5,890,228	48,583,712	
2027/28		20,549,600	7,580,000	1,453,250	2,890,000	9,131,750	2,260,000	5,787,924	49,652,523	
2028/29		20,546,611	7,960,000	1,064,750	3,040,000	8,983,500	2,365,000	5,680,963	49,640,824	
2029/30		28,232,096	520,000	852,750	3,195,000	8,827,625	2,480,000	5,567,443	49,674,913	2.19 x
2030/31		20,273,792	3,900,000	742,250	3,360,000	8,663,750	2,600,000	5,446,001	44,985,792	
2031/32		20,297,200	4,090,000	542,500	3,530,000	8,491,500	2,730,000	5,314,824	44,996,024	
2032/33		20,292,720	4,295,000	332,875	3,715,000	8,310,375	2,875,000	5,172,981	44,993,951	
2033/34		20,315,874	4,510,000	112,750	3,905,000	8,119,875	3,025,000	5,020,573	45,009,072	
2034/35		25,216,907			4,105,000	7,919,625	3,190,000	4,857,564	45,289,096	
2035/36		20,133,490			4,315,000	7,709,125	3,365,000	4,683,157	40,205,771	
2036/37		19,358,216			4,535,000	7,487,875	3,550,000	4,495,714	39,426,805	
2037/38		19,328,982			4,770,000	7,255,250	3,755,000	4,294,045	39,403,277	
2038/39		12,781,106			5,010,000	7,010,750	3,970,000	4,076,919	32,848,774	
2039/40		12,265,900			5,270,000	6,753,750	4,205,000	3,843,055	32,337,704	
2040/41		12,252,293			5,540,000	6,483,500	4,455,000	3,592,100	32,322,893	
2041/42		12,265,417			5,825,000	6,199,375	4,725,000	3,323,781	32,338,573	
2042/43		12,262,014			6,125,000	5,900,625	5,010,000	3,036,806	32,334,445	
2043/44		12,285,949			6,435,000	5,586,625	5,315,000	2,729,857	32,352,431	
2044/45		12,261,254			6,765,000	5,256,625	5,645,000	2,401,290	32,329,169	
2045/46		8,178,938			7,115,000	4,909,625	6,000,000	2,048,676	28,252,238	
2046/47		8,164,782			7,480,000	4,544,750	6,380,000	1,668,515	28,238,047	
2047/48		8,157,696			7,860,000	4,161,250	6,785,000	1,261,058	28,225,003	
2048/49		8,156,243			8,265,000	3,758,125	7,220,000	827,603	28,226,971	
2049/50		8,158,990			8,690,000	3,334,250	7,680,000	366,448	28,229,688	
2050/51		8,164,503			9,135,000	2,888,625	2,080,000	64,376	22,332,504	
2051/52		8,171,346			9,605,000	2,420,125			20,196,471	
2052/53		8,178,086			10,095,000	1,927,625			20,200,711	
2053/54					10,615,000	1,409,875			12,024,875	
2054/55					11,160,000	865,500			12,025,500	
2055/56					11,730,000	293,250			12,023,250	
		$ 467,382,577	$ 40,870,000	$ 7,951,676	$ 186,830,000	$ 178,573,949	$ 108,085,000	$ 94,540,688	$ 1,084,233,890	

** Subject to change.*

(a) Prepared by the Underwriter.

(b) See TABLE 2 – "County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues." State Shared Revenues are net of ALTCS and AHCCCS contributions which are withheld from payments made to the County. Figures for fiscal year 2022/23 are from the audited annual financial statements of the County for fiscal year 2022/23. Figures for 2023/24 are unaudited actuals, subject to change upon audit, constitute "forward looking" statements and should be considered with an abundance of caution.

(c) Amounts due pursuant to the Outstanding Parity Lien Obligations and the 2025 Purchase Agreement are or will be secured by a first lien pledge of County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues.

(d) Net of the Obligations Being Refunded.

(e) Debt service coverage is based on unaudited actual collections of County General Excise Tax Revenues, State Shared Revenues and Vehicle License Tax Revenues for fiscal year 2023/24 compared to the highest combined interest and principal requirements in any fiscal year of the County for the Outstanding Parity Lien Obligations and the 2025 Purchase Agreement.

(f) The first interest payment is due on February 1, 2026. Thereafter, interest on the 2025 Obligations will be payable semiannually on August 1 and February 1 until payment or prepayment.*

TAX MATTERS WITH RESPECT TO TAX-EXEMPT OBLIGATIONS

General

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the County must continue to meet after the execution and delivery of the Tax-Exempt Obligations in order that the portion of each of the Payments made by the County pursuant to the 2025 Purchase Agreement and denominated as and comprising interest pursuant to the 2025 Purchase Agreement and received by the Owners of the Tax-Exempt Obligations (the "Interest Portion") will be and remain excludable from gross income for federal income tax purposes. The County's failure to meet these requirements may cause the Interest Portion to be included in gross income for federal income tax purposes retroactively to the date of execution and delivery of the Tax-Exempt Obligations. The County has covenanted in the 2025 Purchase Agreement to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of the Interest Portion.

In the opinion of Greenberg Traurig, LLP ("Special Counsel"), assuming the accuracy of certain representations and certifications of the County and continuing compliance by the County with the tax covenants referred to above, under existing statutes, regulations, rulings and court decisions, the Interest Portion will be excludable from gross income of the owners thereof for federal income tax purposes and will be exempt from Arizona income taxation so long as the Interest Portion is excludable from gross income for federal income tax purposes. The Interest Portion will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, but in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), the Interest Portion will not be excluded from the determination of adjusted financial statement income. Special Counsel will express no opinion as to any other tax consequences regarding the Interest Portion or the Tax-Exempt Obligations. Prospective purchasers of the Tax-Exempt Obligations should consult with their own tax advisors as to the status of the Interest Portion under the tax laws of any state other than the State.

The above opinion on federal tax matters with respect to the Tax-Exempt Obligations will be based on and will assume the accuracy of certain representations and certifications of the County, and compliance with certain covenants of the County to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Tax-Exempt Obligations will be and will remain obligations the interest on which is excludable from gross income for federal income tax purposes. Special Counsel will not independently verify the accuracy of those certifications and representations. Special Counsel will express no opinion as to any other consequences regarding the Tax-Exempt Obligations.

Except as described above, Special Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the Interest Portion, or the ownership or disposition of the Tax-Exempt Obligations. Prospective purchasers of the Tax-Exempt Obligations should be aware that the ownership of the Tax-Exempt Obligations may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Tax-Exempt Obligations, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the Interest Portion, (iii) the inclusion of the Interest Portion in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the Interest Portion in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, (v) the inclusion of the Interest Portion in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits, (vi) net gain realized upon the sale or other disposition of property such as the Tax-Exempt Obligations generally must be taken into account when computing the Medicare tax with respect to net investment income or undistributed net investment income, as applicable, imposed on certain high income individuals and specified trusts and estates, and (vii) receipt of certain investment income, including the Interest Portion, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Tax-Exempt Obligations. Prospective purchasers of the Tax-Exempt Obligations should consult their own tax advisors as to the impact of these and any other tax consequences.

Special Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Special Counsel as of the date thereof. Special Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Special Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Special Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Special Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

Original Issue Discount and Original Issue Premium

Certain of the Tax-Exempt Obligations ("Discount Obligations") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Obligation determined under Code Section 1273 or 1274 (i.e., for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal income tax purposes, OID accrues to the owner of a Discount Obligation over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Obligation (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the 2025 Obligations, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Obligation.

Certain of the Tax-Exempt Obligations ("Premium Obligations") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Obligations callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Obligation, based on the yield to maturity of that Premium Obligation (or, in the case of a Premium Obligation callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Obligation), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Obligation. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Obligation, the owner's tax basis in the Premium Obligation is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Obligation for an amount equal to or less than the amount paid by the owner for that Premium Obligation.

Owners of Discount Obligations and Premium Obligations should consult their own tax advisors as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount Obligations or Premium Obligations and as to other federal tax consequences, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals suggested, debated, introduced or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters, or State tax matters, respectively, described above including, without limitation, the excludability from gross income of the Interest Portion, adversely affect the market price or marketability of the Tax-Exempt Obligations, or otherwise prevent the holders from realizing the full current benefit of the status of the Interest Portion. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would affect the Tax-Exempt Obligations. Prospective purchasers of the Tax-Exempt Obligations should consult their tax advisors as to the impact of any proposed or pending legislation.

Information Reporting and Backup Withholding

Interest paid on tax-exempt obligations such as the Tax-Exempt Obligations is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of the Interest Portion from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of the Tax-Exempt Obligations, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Tax-Exempt Obligations and proceeds from the sale of the Tax-Exempt Obligations. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of the Tax-Exempt Obligations. This withholding generally applies if the owner of the Tax-Exempt Obligations (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Tax-Exempt Obligations may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

TAX MATTERS WITH RESPECT TO TAXABLE OBLIGATIONS

General

THE PORTION OF EACH PAYMENT MADE BY THE COUNTY PURSUANT TO THE 2025 PURCHASE AGREEMENT AND DENOMINATED AS AND COMPRISING INTEREST PURSUANT TO THE 2025 PURCHASE AGREEMENT AND RECEIVED BY THE OWNERS OF THE TAXABLE OBLIGATIONS IS NOT EXCLUDABLE FROM GROSS INCOME FOR FEDERAL OR STATE INCOME TAX PURPOSES.

In general, prospective purchasers of the Taxable Obligations should consult their tax advisors regarding the federal, state, local, and foreign tax consequences of acquisition, ownership, and disposition of Taxable Obligations. For example, the legal defeasance of the Taxable Obligations may result in a deemed sale or exchange of the Taxable Obligations under certain circumstances, with concomitant tax consequences.

The following summary is not a complete analysis or description of all potential U.S. federal tax considerations that may be relevant to, or of the actual tax effect that any of the matters described herein will have on, a particular owner of Taxable Obligations, and is generally limited to U.S. Owners except as set forth below. This summary is based upon the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury Regulations promulgated or proposed thereunder, and administrative and judicial interpretations thereof, all as of the date hereof and all of which are subject to change or differing interpretations, possibly on a retroactive basis. There can be no assurances that the IRS will agree with such statements and conclusions As used in this summary, "U.S. Owners" are beneficial Owners of the Taxable Obligations that for U.S. federal income tax purposes are individual citizens or residents of the United States, corporations or other entities taxable as corporations created or organized in or under the laws of the United States or any state or the District of Columbia, and certain estates or trusts with specific connections to the United States. As used in this summary, the term "Non-U.S. Owner" means a beneficial Owner of Taxable Obligations that is not a U.S. Owner.

In particular, this summary does not address (a) special classes of taxpayers that are subject to special treatment under the U.S. federal income tax laws, such as S corporations, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, real estate investment trusts, grantor trusts, former citizens of the United States, broker-dealers, traders in securities, controlled foreign corporations, passive foreign investment companies, and tax-exempt organizations, (b) persons that own Taxable Obligations as a hedge against, or as obligations that are hedged against, currency risk, or that are part of a hedge, straddle, conversion, or other integrated transaction, or (d) persons whose functional currency is not the U.S. dollar. Unless specifically addressed herein, this summary does not address U.S. federal estate and gift tax consequences, U.S. federal alternative minimum tax consequences, or consequences under the tax laws of any state, local, or non-U.S. jurisdiction. In addition, this summary also does not address the tax consequences to an Owner of Taxable Obligations held through a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes. **Partnerships holding Taxable Obligations, and partners in such partnerships, should consult their tax advisors regarding the tax consequences of an investment in the Taxable Obligations, including their status as U.S. Owners.**

Further, this discussion is limited to persons purchasing the Taxable Obligations for cash in this original offering at their "issue prices" (as described below) and who hold such Taxable Obligations as capital assets within the meaning of Code Section 1221. Owners that purchase the Taxable Obligations at prices other than their respective issue prices or after their original execution and delivery should consult their tax advisors regarding other tax considerations, such as market discount, as to all of which Special Counsel expresses no opinion.

Certain U.S. Federal Income Tax Consequences to U.S. Owners

Interest. In general, interest paid or accrued on the Taxable Obligations will be taxable to a U.S. Owner as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for federal income tax purposes.

Under recently-enacted legislation known as the Tax Cuts and Jobs Act, U.S. Owners that use an accrual method of accounting for U.S. federal income tax purposes generally are required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements. This rule generally is effective for tax years beginning after December 31, 2017 (or, for debt securities issued with original issue discount, for tax years beginning after December 31, 2018). Accrual method U.S. Owners should consult their tax advisors regarding the potential applicability of this rule to their particular situation.

Disposition of the Taxable Obligations. Upon the sale, exchange, retirement, or other taxable disposition of a Taxable Obligation, a U.S. Owner, in general, will recognize gain or loss equal to the difference between (a) the amount realized from the sale, exchange, retirement, or other disposition (except to the extent that the amount realized is attributable to accrued and unpaid stated interest, which will be treated as a payment of interest and taxed in the manner described above under "*Interest*" to the extent not previously included in income), and (b) the Owner's adjusted tax basis, or applicable portion of the adjusted tax basis, in the Taxable Obligation. The Owner's adjusted tax basis generally will equal the Owner's cost of the Taxable Obligation, reduced by any principal payments (and any other payments on the Taxable Obligations not treated as qualified stated interest). Any such gain or loss generally will be long-term capital gain or loss, provided that the Taxable Obligations have been held for more than one year at the time of disposition. Net long-term capital gain recognized by individual or other non-corporate U.S. Owners generally will be subject to tax at a lower rate than that for net short-term capital gain or ordinary income. The deductibility of capital losses is subject to limitations.

Additional Tax on Net Investment Income. A 3.8% tax is imposed on the "net investment income" of certain U.S. citizens and residents, and on the undistributed "net investment income" of certain estates and trusts. Among other items, "net investment income" generally includes gross income from interest and certain net gain from the sale, exchange, redemption, or other taxable disposition of a debt instrument that produces interest, minus certain deductions. **A U.S. Owner that is an individual, estate, or trust should consult its tax advisor regarding the applicability of this additional tax.**

Information Reporting and Backup Withholding. The Trustee must report annually to the IRS and to each U.S. Owner any interest paid on, and the proceeds from the sale or other taxable disposition of, the Taxable Obligations and the amount of tax withheld, for each calendar year, except as to certain exempt recipients. In addition, a non-corporate U.S. Owner of the Taxable Obligations may be subject to backup withholding (currently at a rate of 24%) with respect to "reportable payments," which include interest paid on the Taxable Obligations and the gross proceeds of a sale, exchange, redemption, or retirement of the Taxable Obligations, unless the Owner provides an accurate taxpayer identification number and certifies on an IRS Form W-9, under penalties of perjury, that the Owner is not subject to backup withholding and otherwise complies with applicable requirements of the backup rules or otherwise establishes an exemption.

Certain U.S. Federal Income Tax Consequences to Non-U.S. Owners

Interest. Subject to the discussion below under "*Application of Foreign Account Tax Compliance Act*", interest on any Taxable Obligation owned by a Non-U.S. Owner is generally not subject to U.S. federal income or withholding tax, provided that:

- the Non-U.S. Owner does not own, actually or constructively, 10% or more of the total combined voting power of all classes of voting stock of the Issuer, and is not a controlled foreign corporation related to the Issuer, directly or indirectly, through stock ownership;

- the Non-U.S. Owner is not a bank receiving such interest in the manner described in Code Section 881(c)(3)(A); and

- the Non-U.S. Owner certifies on IRS Form W-8BEN or W-8BEN-E, under penalties of perjury, that it is not a United States person. Special certification rules apply to Taxable Obligations that are held through foreign intermediaries.

If, however, a Non-U.S. Owner is engaged in a trade or business in the United States, and if interest on the Taxable Obligations is effectively connected with the conduct of such trade or business (and, if an income tax treaty applies, the interest is attributable to a permanent establishment or fixed base maintained by the Non-U.S. Holder in the United States), such interest will be subject to U.S. federal income tax in a manner similar to that for Taxable Obligations owned by a U.S. Owner, as described above, and, in the case of a Non-U.S. Owner that is a foreign corporation, may also be subject to an additional branch profits tax (currently imposed at a rate of 30%, or a lower applicable treaty rate) on its effectively connected earnings and profits, subject to adjustments. **Non-U.S. Owners should consult their tax advisors regarding the tax consequences of owning the Taxable Obligations.**

Disposition of the Taxable Obligations. Subject to the discussion below under "*Application of Foreign Account Tax Compliance Act*", a Non-U.S. Owner generally will not be subject to U.S. federal income or withholding tax on any amount of gain recognized by the Non-U.S. Owner upon the sale, exchange, retirement, or other taxable disposition of a Taxable Obligation unless:

- the gain is effectively connected with the conduct of a trade or business in the United States by the Non-U.S. Owner (and, if an income tax treaty applies, is attributable to a permanent establishment or fixed base maintained by the Non-U.S. Owner in the United States); or

- in the case of an individual, the Non-U.S. Owner is present in the United States for 183 days or more in the taxable year in which the sale, exchange, retirement, or other taxable disposition takes place and certain other conditions are met.

Application of Foreign Account Tax Compliance Act. The Foreign Account Tax Compliance Act ("FATCA") generally imposes a 30% withholding tax on interest payments and proceeds from the sale of interest-bearing obligations for payments made after the relevant effective date to (i) certain foreign financial institutions that fail to certify their FATCA information and (ii) investment funds and non-financial foreign entities if certain disclosure requirements are not satisfied related to direct and indirect United States shareholders and/or United States accountholders.

Under applicable Treasury Regulations, a 30% FATCA withholding tax generally will be imposed, subject to certain exceptions, on payments of (i) interest on Taxable Obligations and (ii) gross proceeds from the sale or other disposition of Taxable Obligations on or after January 1, 2022, where such payments are made to persons described in the immediately preceding paragraph.

With respect to payments made to a "foreign financial institution" (generally including an investment fund) either as a beneficial owner or as an intermediary, the FATCA withholding tax generally will be imposed, subject to certain exceptions, unless such institution (i) enters into (or is otherwise subject to) and complies with an agreement with the U.S. government (a "*FATCA Agreement*") or (ii) is required by and complies with applicable foreign law enacted in connection with an intergovernmental agreement between the United States and a foreign jurisdiction (an "*IGA*"), in either case to, among other things, collect and provide to the United States or other relevant tax authorities certain information regarding U.S. account holders of such institution. With respect to payment made to a foreign entity that is not a financial institution (as a beneficial owner), the FATCA withholding tax generally will be imposed, subject to certain exceptions, unless such entity provides to the withholding agent a certification that such entity does not have any "substantial" U.S. owner (generally, any specified U.S. person that owns, directly or indirectly, more than a specified percentage of such entity) or identifies its "substantial" U.S. owners.

If the Taxable Obligations are held through a foreign financial institution that enters into (or is otherwise subject to) a FATCA Agreement, subject to certain exceptions, such foreign financial institution (or, in certain cases, a person paying amounts to such foreign institution) generally will be required to withhold the 30% FATCA tax on the payment of dividends or the items described above made to (i) a person (including an individual) that fails to comply with certain information requests, or (ii) a foreign financial institution that has not entered into (and is not otherwise subject to) a FATCA Agreement, and that is not required to comply with FATCA pursuant to applicable foreign law enacted in connection with an IGA. Coordinating rules may limit duplicative withholding where the withholding described above under "*Interest or Information Reporting and Backup Withholding*" also applies.

If any amount of, or in respect of, U.S. withholding tax were to be deducted or withheld from payments made on Taxable Obligations because of a failure by the investor (or an entity or intermediary through which an investor holds the Taxable Obligations) to comply with FATCA, none of the Issuer, any paying agent, or any person would, pursuant to the terms of the Taxable Obligations, be required to pay additional amounts with respect to any Taxable Obligations because of the deduction or withholding of such tax. **Non-U.S. Owners should consult their tax advisors regarding the application of FATCA to the ownership or disposition of Taxable Obligations.**

Considerations for ERISA and other U.S. Benefit Plan Investors

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain fiduciary obligations and prohibited transaction restrictions on employee pension and welfare benefit plans subject to Title I of ERISA. Section 4975 of the Code imposes essentially the same prohibited transaction restrictions on tax-qualified retirement plans described in Section 40l(a) and 403(a) of the Code, which are exempt from tax under Section 501(a) of the Code, other than governmental and church plans as defined herein, and on Individual Retirement Accounts described in Section 408(b) of the Code. Certain employee benefit plans such as governmental plans (as defined in Section 3(32) of ERISA), and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA), are not subject to ERISA requirements. Additionally, such governmental and non-electing church plans are not subject to the requirements of Section 4975 of the Code. Accordingly, assets of such plans may be invested in the 2025 Obligations without regard to the applicable ERISA and Code considerations; however, such plans may be subject to similar provisions under applicable federal and state law, including, without limitation, Section 503(b) of the Code. Furthermore, non-United States plans may be subject to requirements under non-U.S. law that are similar to such provisions of ERISA and the Code. Any fiduciary of a benefits plan considering whether to purchase, directly or indirectly, any of the Taxable Obligations on behalf of a such plan should consult with its counsel regarding the applicability of the fiduciary prohibited transaction provisions of ERISA and Sections 4975 and 503(b) of the Code and other similar requirements to such an investment.

LEGAL MATTERS

Legal matters incident to the authorization, sale and execution and delivery by the County of the 2025 Obligations and the tax status of the 2025 Obligations will be passed upon by Greenberg Traurig, LLP, Phoenix, Arizona, Special Counsel. A signed copy of that opinion, dated and speaking only as of the date of delivery of the 2025 Obligations, will be delivered to the County. A draft of the form of that opinion is included as APPENDIX E – "PROPOSED FORM OF APPROVING LEGAL OPINION" hereto.

While Special Counsel has participated in the preparation of portions of this Official Statement, it has not been engaged to confirm or verify, and expresses and will express no opinion as to, the accuracy, completeness or fairness of any statements in this Official Statement, or in any other reports, financial information, offering or disclosure documents or other information pertaining to the County or the 2025 Obligations that may be prepared or made available by the County or others to holders of the 2025 Obligations or others.

From time to time, there are legislative proposals (and interpretations of such proposals by courts of law and other entities and individuals) which, if enacted, could alter or amend the tax system of the State and numerous matters, both financial and nonfinancial, impacting the operations of local governmental entities which could have a material impact on the County and could adversely affect the secondary market value of the 2025 Obligations. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations (such as the 2025 Obligations) issued prior to enactment.

Certain legal matters will be passed upon for the Underwriter by Ballard Spahr LLP, counsel to the Underwriter.

The legal opinions to be delivered concurrently with the delivery of the 2025 Obligations will express the professional judgment of the attorneys rendering the opinion as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

LITIGATION

No litigation or administrative action or proceeding is pending restraining or enjoining, or seeking to restrain or enjoin, the execution and delivery of the 2025 Obligations, the collection and pledge of County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues or PILT Revenues to pay the Payments, contesting or questioning the proceedings and authority under which the 2025 Obligations have been authorized and are to be issued, sold, executed or delivered, or the validity of the 2025 Obligations. Authorized representatives of the County will deliver a certificate to that effect at the time of the original delivery of the 2025 Obligations.

FINANCIAL STATEMENTS

The financial statements of the County for the period ended June 30, 2023, which are included as APPENDIX C – “PINAL COUNTY, ARIZONA – AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023” of this Official Statement, have been audited by CliftonLarsonAllen LLP, which was retained by contract with the Auditor General of Arizona for such purpose pursuant to law. All financial information presented herein should be read in conjunction with the financial statements and accompanying Notes in APPENDIX C. **The County neither requested nor obtained the consent of CliftonLarsonAllen LLP to include such financial statements and CliftonLarsonAllen LLP has not reviewed this Official Statement nor performed any procedures subsequent to rendering its opinion on such financial statements. The County currently is working with CliftonLarsonAllen LLP on the audited financial statements of the County for the period ending June 30, 2024, which are expected to be completed by the end of August 2025 and will be posted on EMMA (as defined herein) when available.**

THE FINANCIAL STATEMENTS INCLUDED IN APPENDIX C OF THIS OFFICIAL STATEMENT ARE NOT CURRENT AND MAY NOT REPRESENT THE CURRENT FINANCIAL CONDITION OF THE COUNTY.

CONTINUING DISCLOSURE

The County will covenant for the benefit of owners of the 2025 Obligations to provide certain financial information and operating data relating to the County by not later than June 30 in each year commencing June 30, 2026 (the “Annual Reports”), and to provide notices of the occurrence of certain enumerated events (the “Notices of Listed Events”). The Annual Reports, the Notices of Listed Events and any other document or information required to be filed by the County as such will be filed with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (“EMMA”) system, described in APPENDIX F – “FORM OF CONTINUING DISCLOSURE UNDERTAKING.” The specific nature of the information to be contained in the Annual Reports and the Notices of Listed Events is also set forth in APPENDIX F. These covenants will be made in order to assist the Underwriter in complying with the Securities and Exchange Commission’s Rule 15c2-12(b)(5) (the “Rule”). A failure by the County to comply with these covenants must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2025 Obligations in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the 2025 Obligations and their market price. Absence of continuing disclosure could adversely affect the Bonds and specifically their market price and marketability.

For fiscal years 2019 through 2024, the County did not timely file unaudited financial data or required operating data, but filed its audited Annual Reports and accompanying operating data timely when available. For fiscal years 2020 and 2021, the County did not file a failure to file notice. For fiscal year 2024, the County has not yet filed its audited financial data, but filed a failure to file notice.

UNDERWRITING

The 2025 Obligations will be purchased by the Underwriter. The Underwriter has agreed to purchase from the County the 2025 Obligations at an aggregate purchase price of $_____________ pursuant to an obligation purchase agreement between the County and the Underwriter. The aggregate purchase price reflects compensation to the Underwriter of $____________. The 2025 Obligations may be offered and sold to certain dealers (including the Underwriter and other dealers depositing 2025 Obligations into investment trusts) at yields greater than the public offering yields stated on the inside front cover page hereof, and such yields may be changed, from time to time, by the Underwriter. The Underwriter's obligations are subject to certain conditions precedent, and the Underwriter will be obligated to purchase all of the 2025 Obligations if any 2025 Obligations are purchased.

The Underwriter and its affiliates comprise a full-service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the County and to persons and entities with relationships with the County, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the County (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the County.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

RATINGS

S&P is expected to assign the rating of "AA" (stable outlook) to the 2025 Obligations with the understanding that the Policy will be delivered by the Bond Insurer simultaneously with the execution and delivery of the 2025 Obligations. S&P and Fitch Ratings, Inc. ("Fitch") have assigned underlying ratings of "AA-" and "AA", respectively to the 2025 Obligations. Such ratings reflect only the views of S&P and Fitch. An explanation of the significance of a rating assigned by S&P may be obtained at One California Street, 31st Floor, San Francisco, CA 94111. An explanation of the significance of such rating assigned by Fitch may be obtained at One State Street Plaza, New York, New York 10004. Such ratings may be revised downward or withdrawn entirely at any time by S&P or Fitch if, in their respective judgment, circumstances so warrant. Any downward revision or withdrawal of such ratings may have an adverse effect on the market price or marketability of the 2025 Obligations. The County will covenant in its continuing disclosure undertaking with respect to the 2025 Obligations that it will file notice of any formal change in any rating relating to the 2025 Obligations. See "CONTINUING DISCLOSURE" and APPENDIX F – "FORM OF CONTINUING DISCLOSURE UNDERTAKING" herein.

CONCLUDING STATEMENT

The summaries or descriptions of provisions in the 2025 Purchase Agreement and the 2025 Trust Agreement contained herein and all references to other materials not purporting to be quoted in full are only brief outlines of certain provisions thereof and do not constitute complete statements of such provisions and do not summarize all the pertinent provisions of such documents.

All projections, forecasts and other information in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the County and the purchasers or holders of any of the 2025 Obligations.

The attached APPENDICES A through H are integral parts of this Official Statement and must be read together with all of the foregoing statements.

This Official Statement has been prepared on direction of the County and has been approved by and executed for and on behalf of the County by its authorized representative indicated below.

PINAL COUNTY, ARIZONA

By ____

Chairman, Board of Supervisors

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APPENDIX A

PINAL COUNTY, ARIZONA –
GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION

THE FOLLOWING INFORMATION REGARDING THE COUNTY IS PROVIDED FOR BACKGROUND INFORMATION ONLY. NO REPRESENTATION IS MADE AS TO THE RELEVANCE OF THE DATA TO THE REPAYMENT OF THE 2025 OBLIGATIONS. THE 2025 OBLIGATIONS ARE PAYABLE SOLELY FROM PAYMENTS TO BE PAID BY THE COUNTY UNDER THE 2025 PURCHASE AGREEMENT WHICH ARE SECURED BY COUNTY GENERAL EXCISE TAX REVENUES, STATE SHARED REVENUES, VEHICLE LICENSE TAX REVENUES AND PILT REVENUES AS DESCRIBED UNDER THE HEADING "SECURITY AND SOURCES OF PAYMENT." THE 2025 OBLIGATIONS WILL NOT BE A GENERAL OBLIGATION OF THE COUNTY.

General

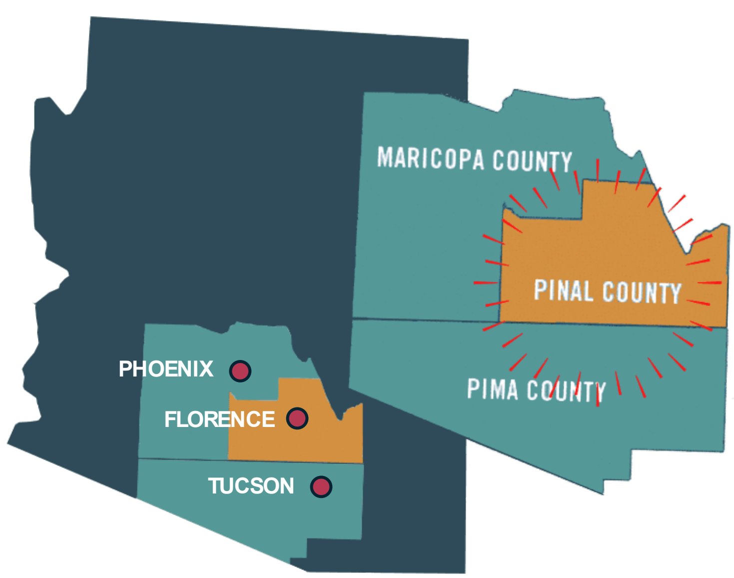
The County was formed in 1875 from portions of Maricopa County, Arizona, and Pima County, Arizona. The principal geographic and economic features of the County consist of mountains with elevations of 6,000 feet and copper mining in the eastern portion of the County and primarily low desert valleys and irrigated agriculture in the western portion of the County.

The County encompasses approximately 5,374 square miles of which 4.5 square miles is water, making it the third largest County in the State.

TABLE A-1
LAND OWNERSHIP
Pinal County, Arizona

Control/Ownership		Percent of Land in County
State Trust Land		35.0%
Indian Reservation		23.0
Individuals or Corporations		22.0
U.S. Forest Service and Bureau of Land Management		14.0
Other Public Lands		6.0
	Total	100.0%

Source: *Arizona County Profiles*, Arizona Department of Commerce.



Located within the County are the Cities of Eloy, Casa Grande, Maricopa and Coolidge, Arizona, a portion of the City of Apache Junction, Arizona, the Towns of Florence, Kearney, Mammoth and Superior, Arizona and a portion of the Town of Queen Creek, Arizona. The following table illustrates respective population statistics for the principal communities located within the County, the County and the State.

TABLE A-2
POPULATION STATISTICS

Year	City of Apache Junction *(b)*	City of Casa Grande	City of Coolidge	City of Eloy	Town of Florence	Town of Kearny
2024 Estimate *(a)*	41,240	65,883	18,945	18,994	24,175	1,755
2023 Estimate *(a)*	39,051	61,986	17,662	18,132	23,894	1,743
2022 Estimate *(a)*	38,851	58,648	15,984	16,748	25,207	1,743
2021 Estimate *(a)*	38,610	56,242	14,291	16,485	25,250	1741
2020 Census	38,499	53,658	13,218	15,635	26,785	1,741
2015 Estimate *(a)*	38,134	51,744	12,187	17,787	26,410	2,023
2010 Census	35,546	48,571	11,825	16,631	25,536	1,950
2000 Census	31,814	25,224	7,786	10,375	14,466	2,249
1990 Census	18,092	19,076	6,934	7,211	7,321	2,262
1980 Census	9,935	14,971	6,851	6,240	3,391	2,646

Year	Town of Mammoth	City of Maricopa	Town of Queen Creek *(c)*	Town of Superior	Pinal County	State of Arizona
2024 Estimate *(a)*	1,078	73,300	13,669	2,470	483,944	7,621,703
2023 Estimate *(a)*	1,079	69,175	12,267	2,429	467,459	7,525,113
2022 Estimate *(a)*	1,079	64,742	10,618	2,426	453,924	7,409,189
2021 Estimate *(a)*	1,079	61,109	9954	2,415	439,128	7,285,370
2020 Census	1,076	58,125	9,559	2,407	425,264	7,151,502
2015 Estimate *(a)*	1,480	48,374	475	2,929	406,468	6,758,251
2010 Census	1,426	43,482	449	2,837	375,770	6,392,017
2000 Census	1,762	N/A	N/A	3,254	179,727	5,130,632
1990 Census	1,845	N/A	N/A	3,468	116,397	3,665,339
1980 Census	1,906	N/A	N/A	4,600	90,918	2,716,546

N/A = Not applicable.

(a) *Estimates as of July of each respective year (data released December of each respective year).*

(b) *Represents the portion of the City of Apache Junction, Arizona, located in the County only. Does not include the population located in Maricopa County, Arizona. For the 2024 estimate, this amount approximated 403.*

(c) *Represents the portion of the Town of Queen Creek, Arizona, located in the County only. Does not include the population located in Maricopa County, Arizona. For the 2024 estimate, this amount approximated 68,109.*

Source: Arizona Office of Economic Opportunity, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Of Arizona Counties with a population of over 15,000, the County has been the fastest growing County in the State by population since 2010 and is currently the third largest county by population.

County Government and Organization

The governmental and administrative affairs of the County are carried out by a five-member Board of Supervisors (the "Board") each member of which serves a four-year term. The Board appoints a County Manager who is responsible for carrying out Board policies and administering County operations.

Economy

Communities within the eastern portion of the County have traditionally been active in copper mining, smelting, milling and refining, whereas communities in the western portion of the County have traditionally focused on agricultural industries. The communities adjacent to the Phoenix metropolitan area have traditionally diversified their economic base to include manufacturing, trade and services – facilitated by their location in the major growth corridor between Phoenix, Arizona, and Tucson, Arizona, near the junction of Interstate 10 and Interstate 8.

As a whole, the County's economy is transitioning from one that was built upon mining, agriculture, prison operations and tourism to one that is more balanced with manufacturing, transportation and logistics, aerospace and defense, and health services.

Recently, the County has seen companies such as LG Energy Solutions, Lucid Motors, Chang Chun Petrochemical Group, Kohler, Kanto PPC, Gold Bond Building Products, and Air Products invest or expand their operations in the County.

TABLE A-3
NON-AGRICULTURAL EMPLOYMENT STRUCTURE
Pinal County, Arizona

	2025 Percent of Total *(a)*
Mining and construction	7.7%
Manufacturing	8.9
Trade, transportation and utilities	18.6
Information	0.8
Financial activities	2.8
Professional and business services	9.9
Educational and health services	9.3
Leisure and hospitality	12.2
Other services	3.1
Government	26.7
Total	100.0%

(a) Data through April 2025.

Source: Arizona Office of Economic Opportunity, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

TABLE A-4
LABOR FORCE AND NONFARM EMPLOYMENT
Pinal County, Arizona

	2025 *(a)*	2024	2023	2022	2021	2020
Mining and construction	6,100	5,800	4,100	4,100	3,800	3,400
Manufacturing	7,025	6,675	8,300	6,700	4,700	3,900
Trade, transportation, and utilities	14,750	14,600	14,000	13,500	13,200	12,400
Information	650	625	500	500	400	500
Financial activities	2,175	2,075	2,000	2,000	1,800	1,600
Professional and business services	7,900	7,625	6,500	6,100	6,100	6,500
Educational and health services	7,400	7,075	6,600	6,500	6,300	6,500
Leisure and hospitality	9,700	9,025	7,900	7,700	7,200	6,100
Other Services	2,500	2,400	1,900	1,900	1,700	1,600
Government	21,250	20,875	20,000	19,300	19,000	19,200
	79,450	76,775	71,800	68,300	64,200	61,700

(a) Data through April 2025.

Source: Arizona Office of Economic Opportunity, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

A partial listing of major employers within the County is given in the following table.

TABLE A-5
MAJOR EMPLOYERS *(a)*
Pinal County, Arizona

Employer	Description	Approximate Number of Employees (a)
Pinal County	Government	2,322
State of Arizona	Government	2,020
Corecivic Inc	Correctional facilities	1,980
Walmart Inc	Retail	1,720
Banner Health	Healthcare	1,420
Casa Grande Community Hospital	Healthcare	1,050
Lucid Motors Inc	Manufacturing	1,030
Harrah's Akchin Hotel & Casino	Hospitality	800
Maricopa Unified School District 20	Education	720
Gila River Indian Community	Government	720

(a) Data may not reflect recent layoffs or company restructuring. No representative of the County, the Underwriter or their respective agents or consultants has examined the information set forth in the table above for accuracy or completeness, nor does any such representation assume responsibility for the same.

Source: Arizona COG/MPO Employer Database and Pinal County Office of Budget and Finance.

The table below illustrates the unemployment averages for the County, the State and the United States.

TABLE A-6
UNEMPLOYMENT AVERAGES

Calendar Year	Pinal County *(a)*	State of Arizona *(a)*	United States of America *(a)*
2025 *(b)*	4.0%	3.8%	4.3%
2024	3.8	3.6	4.0
2023	4.1	3.9	3.6
2022	3.8	3.8	3.6
2021	4.9	5.1	5.3
2020	7.4	7.8	8.1

(a) Each year, historical estimates from the Local Area Unemployment Statistics (LAUS) program are revised to reflect new population controls from the Census Bureau, updated input data, and re-estimation. The data for model-based areas also incorporate new seasonal adjustment, and the unadjusted estimates are controlled to new census division and U.S. totals. Substate area data subsequently are revised to incorporate updated inputs, re-estimation, and controlling to new statewide totals.

(b) Data through April 2025.

Source: Arizona Office of Economic Opportunity, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Tourism

Tourism also contributes to the County's economy. Located within the County are Casa Grande Ruins National Monument, Lost Dutchman State Park and Picacho Peak State Park. Casa Grande Ruins National Monument is a collection of structures built in the thirteenth century by Hohokam Indians; Lost Dutchman State Park offers camping facilities and hiking trailheads and Picacho Peak State Park offers limited hiking, camping and picnic areas. The following table illustrates the number of visitors who have visited these three attractions over the last five years.

TABLE A-7
NUMBER OF TOURISTS

National Parks		State Parks		
Calendar Year	Casa Grande Ruins National Monument	Calendar Year	Lost Dutchman State Park	Picacho Peak State Park
2025 *(a)*	N/A	2025 *(b)*	108,048	63,333
2024	104,429	2024	205,384	117,354
2023	111,392	2023	213,311	167,142
2022	78,557	2022	204,597	95,537
2021	49,261	2021	199,659	99,680
2020	44,269	2020	212,943	122,179

(a) Data through March 2025.

(b) Data through April 2025.

Source: National Park Service, U.S. Department of the Interior and the Arizona Office of Tourism.

Partially located within the County are the Superstition Mountains and the Apache Trail, which is a scenic drive, traversing the Superstition Mountains. The Superstition Mountains also offer hiking and horseback riding, prehistoric Indian dwellings and a chain of three lakes for boating, swimming and water skiing. Also located within the County is Aravaipa Canyon, which is known for its scenery and wildlife.

Retail Sales

The following table illustrates retail sales for the County.

TABLE A-8
TAXABLE RETAIL SALES
Pinal County, Arizona
($000s omitted)

Calendar Year	Retail Sales *(a)*
2025 *(b)*	$ 1,446,102
2024	3,016,369
2023	2,935,711
2022	2,684,013
2021	2,393,897
2020	2,022,907

(a) The statutory definition of "Retail Sales" is the business of selling tangible personal property at retail. Therefore, this class does not include services or hotels, restaurants or food sales.

(b) Data through May 2025.

Source: ADOR, Office of Economic Research and Analysis.

Bank Deposits

The following table illustrates bank deposits in the County.

TABLE A-9
BANK DEPOSITS
Pinal County, Arizona
(in millions)

Fiscal Year	Amount
2024	$3,390
2023	3,344
2022	3,505
2021	3,122
2020	2,757

Source: Federal Deposit Insurance Corporation.

APPENDIX B

PINAL COUNTY, ARIZONA – FINANCIAL INFORMATION

THE FOLLOWING INFORMATION REGARDING THE COUNTY IS PROVIDED FOR BACKGROUND INFORMATION ONLY. NO REPRESENTATION IS MADE AS TO THE RELEVANCE OF THE DATA TO THE REPAYMENT OF THE 2025 OBLIGATIONS. THE 2025 OBLIGATIONS ARE PAYABLE SOLELY FROM PAYMENTS TO BE PAID BY THE COUNTY UNDER THE 2025 PURCHASE AGREEMENT WHICH ARE SECURED BY COUNTY GENERAL EXCISE TAX REVENUES, STATE SHARED REVENUES, VEHICLE LICENSE TAX REVENUES AND PILT REVENUES AS DESCRIBED UNDER THE HEADING "SECURITY AND SOURCES OF PAYMENT." THE 2025 OBLIGATIONS WILL NOT BE A GENERAL OBLIGATION OF THE COUNTY.

Introduction

The fiscal year for the County is from July 1 through June 30. The County's budget process is an ongoing function. Each fiscal year's process starts with the issuance in December of guidelines to all departments within which budgets must be developed. Department budget requests are submitted in February. A review process then takes place culminating with the manager of the County's submission of a proposed budget to the Board in time for budget hearings in mid-June. State statutes require that a tentative budget be adopted by the Board no later than the third Monday in July. At the time the final budget is adopted, which can be no later than the first Monday in August of each year, the Board holds a public hearing and meeting to determine the tax levy needed to support the budget. Taxes are then assessed and levied no later than the third Monday in August.

TABLE B-1
Current Year Statistics (Fiscal Year 2024/25)
Pinal County, Arizona

General Obligation Bonded Debt Outstanding	None
Pledged Revenue Obligations Outstanding and to be Outstanding	$ 615,155,000* *(a)*
Certificates of Participation Outstanding	None

*Subject to change.

(a) Includes the 2025 Obligations, net of the Obligations Being Refunded.

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STATEMENTS OF BONDED INDEBTEDNESS

TABLE B-2

Pledged Revenue Refunding Obligations Outstanding and to be Outstanding
Pinal County, Arizona

Issue Series	Original Amount	Purpose	Final Maturity Date (August 1)	Balance Outstanding	Obligations Being Refunded*	Balance Outstanding and to be Outstanding	
2014	$ 52,700,000	Public safety radio upgrades and improvements to roads and courts	2034	$ 40,900,000	($28,620,000)	$ 12,280,000	
2014	40,310,000	Advanced refunding	2025	4,910,000	-	4,910,000	
2015A	39,075,000	Current refunding	2029	20,760,000	(13,190,000)	7,570,000	
2018TE	7,360,000	Justice of the Peace facilities	2038	5,670,000	-	5,670,000	
2019	56,330,000	County administrative facilities	2044	56,330,000	-	56,330,000	
2020TE	7,085,000	Current refunding	2035	6,750,000	-	6,750,000	
2020TX	89,055,000	Fund PSPRS unfunded liability	2037	72,045,000	-	72,045,000	
2022TX	115,655,000	Economic development	2052	113,815,000	-	113,815,000	
Total Net Pledged Revenue Obligations Outstanding						$ 279,370,000	
Plus: The Refunding Obligations						$ 40,870,000	*
Plus: The Project Obligations						186,830,000	*
Plus: The Taxable Obligations						108,085,000	*
Total Pledged Revenue Obligations Outstanding and to be Outstanding						$ 615,155,000	*

** Subject to change.*

TABLE B-3

Other Indebtedness
Pinal County, Arizona

Item	Payment Amount	Periods Due
Printer leases	$ 1,067.64	Annually through September 15, 2025
Printer leases	5,735.00	Annually through December 10, 2025
Printer leases	1,068.00	Annually through September 15, 2025
Printer leases	24,884.00	Annually through July 15, 2026
Axon - Body	34,681.00	Annually through August 1, 2027
Axon - Body	43,795.00	Annually through August 1, 2027
Axon - Body	319,936.00	Annually through January 1, 2028

Source: Finance Department of the County.

PROPERTY TAXES

THE 2025 OBLIGATIONS ARE PAYABLE SOLELY FROM PAYMENTS TO BE PAID BY THE COUNTY UNDER THE 2025 PURCHASE AGREEMENT WHICH ARE SECURED BY COUNTY GENERAL EXCISE TAX REVENUES, STATE SHARED REVENUES, VEHICLE LICENSE TAX REVENUES AND PILT REVENUES AS DESCRIBED UNDER THE HEADING "SECURITY AND SOURCES OF PAYMENT." THE 2025 OBLIGATIONS WILL NOT BE A GENERAL OBLIGATION OF THE COUNTY OR REQUIRE THE LEVY OF, OR BE PAYABLE FROM THE PROCEEDS OF, ANY AD VALOREM PROPERTY TAXES. The State's *ad valorem* property tax levy and collection procedures are summarized under this heading "PROPERTY TAXES."

Taxable Property

Real property and improvements and personal property are either valued by the Assessor of the County or ADOR. Property valued by the Assessor of the County is referred to as "locally assessed" property and generally encompasses residential, agricultural and traditional commercial and industrial property. Property valued by ADOR is referred to as "centrally valued" property and generally includes large mine and utility entities.

Locally assessed property is assigned two values: Full Cash Value and Limited Property Value (both as defined herein). Centrally valued property is assigned one value: Full Cash Value.

Full Cash Value

In the context of a specific property parcel, full cash value ("Full Cash Value") is statutorily defined to mean "the value determined as prescribed by statute" or if a statutory method is not prescribed it is "synonymous with market value, which means the estimate of value that is derived annually by using standard appraisal methods and techniques," which generally include the market approach, the cost approach and the income approach. In valuing locally assessed property, the Assessor of the County generally uses a cost approach to value commercial/industrial property and a market approach to value residential property. In valuing centrally valued property, ADOR begins generally with information provided by taxpayers and then applies procedures provided by State law. State law allows taxpayers to appeal such Full Cash Values by providing evidence of a lower value, which may be based upon another valuation approach. Full Cash Value is used as the ceiling for determining Limited Property Value. Unlike Limited Property Value, increases in Full Cash Value are not limited.

Limited Property Value

In the context of a specific property parcel, limited property value ("Limited Property Value") is a property value determined pursuant to the Arizona Constitution and the Arizona Revised Statutes. Except as described in the next sentence, for locally assessed property in existence in the prior year, Limited Property Value is limited to the lesser of Full Cash Value or an amount 5% greater than Limited Property Value determined for the prior year for such specific property parcel. In the following circumstances, Limited Property Value is established at a level or percentage of Full Cash Value that is comparable to that of other properties of the same or a similar use or classification: property that was erroneously totally or partially omitted from the property tax rolls in the preceding tax year, except as a result of the matters described in this sentence; property for which a change in use has occurred since the preceding tax year and property that has been modified by construction, destruction, or demolition since the preceding valuation year such that the total value of the modification is equal to or greater than fifteen percent of the Full Cash Value. (Limited Property Value of property that has been split, subdivided or consolidated varies depending on when the change occurred.) A separate Limited Property Value is not provided for centrally valued property.

Full Cash Value and Limited Property Value for Taxing Jurisdictions

The Full Cash Value in the context of a taxing jurisdiction is the sum of the Full Cash Value associated with each parcel of property in the jurisdiction. Full Cash Value of the jurisdiction is the basis for determining constitutional and statutory debt limits for certain political subdivisions in Arizona, including the County.

The Limited Property Value in the context of a taxing jurisdiction is the sum of the Limited Property Value associated with each parcel of locally assessed property within the jurisdiction plus the sum of the Full Cash Value associated with each parcel of centrally valued property within the jurisdiction. Limited Property Value of the jurisdiction is used as the basis for levying both primary and secondary taxes. See "Primary Taxes" and "Secondary Taxes" below.

Property Classification and Assessment Ratios

All property, both real and personal, is assigned a classification (defined by property use) and related assessment ratio that is multiplied by the Limited Property Value or Full Cash Value of the property, as applicable, to obtain the "Limited Assessed Property Value" and the "Full Cash Assessed Value," respectively.

The assessment ratios for each property classification are set forth by tax year in the following table.

TABLE B-4

Property Tax Assessment Ratios (Tax Year)

Property Classification *(a)*	2021	2022	2023	2024	2025
Mining, utilities, commercial and industrial *(b)*	18.0%	17.5%	17.0%	16.5%	16.0%
Agricultural and vacant land	15	15	15	15	15
Owner occupied residential	10	10	10	10	10
Leased or rented residential	10	10	10	10	10
Railroad, private car company and airline flight property *(c)*	15	15	15	15	15

(a) *Additional classes of property exist, but seldom amount to a significant portion of a municipal body's total valuation.*

(b) *The assessment ratio for this property classification will decrease to 15.5% for tax year 2026 and 15% for each tax year thereafter.*

(c) *This percentage is determined annually pursuant to Section 42-15005, Arizona Revised Statutes.*

Source: *State and County Abstract of the Assessment Roll,* ADOR.

Primary Taxes

Per State statute, taxes levied for the maintenance and operation of counties, cities, towns, school districts, community college districts and the State are "primary taxes." Primary taxes are levied against Net Limited Assessed Property Value (as defined herein). "Net Limited Assessed Property Value" is determined by excluding the value of property exempt from taxation from Limited Assessed Property Value of locally assessed property and from Full Cash Assessed Value of centrally valued property and combining the resulting two amounts.

The primary taxes levied by each county, city, town and community college district are constitutionally limited to a maximum increase of 2% over the maximum allowable prior year's levy limit plus any taxes on property not subject to taxation in the preceding year (e.g., new construction and property brought into the jurisdiction because of annexation). The 2% limitation does not apply to primary taxes levied on behalf of school districts.

The combined taxes on owner occupied residential property only, for purposes other than voter-approved bond indebtedness and overrides and certain special district assessments, are constitutionally limited to 1% of the Limited Property Value of such property. This constitutional limitation on the combined tax levies for owner occupied residential property is implemented by reducing the school district's taxes. To offset the effects of reduced school district property taxes, the State compensates the school district by providing additional State aid.

Secondary Taxes

Per State statute, taxes levied for payment of bonds secured by *ad valorem* property taxes, voter-approved budget overrides, the maintenance and operation of special purpose districts such as sanitary, fire, road improvement, water conservation and career technical education districts, and taxes levied by school districts for qualified desegregation expenditures are "secondary taxes." Like primary taxes, secondary taxes are also levied against Net Limited Assessed Property Value. There is no constitutional or statutory limitation on annual levies for voter-approved bond indebtedness and overrides and certain special district assessments.

Tax Procedures

The State tax year has been defined as the calendar year, notwithstanding the fact that tax procedures begin prior to January 1 of the tax year and continue through May of the succeeding calendar year.

On or before the third Monday in August each year the Board of Supervisors of the County prepares the tax roll setting forth certain valuations by taxing district of all property in the County subject to taxation. The tax roll is then forwarded to the Treasurer. (The Assessor of the County is required to have completed the assessment roll by December 15th of the year prior to the levy. This roll identifies the valuation and classification of each parcel located within the County for the tax year).

With the various budgetary procedures having been completed by the governmental entities, the appropriate tax rate for each jurisdiction is then levied upon each non-exempt parcel of property in order to determine the total tax owed by each property owner. Any subsequent decrease in the value of the tax roll due to appeals or other reasons reduces the amount of taxes received by each jurisdiction.

The property tax lien on real property attaches on January 1 of the year the tax is levied. Such lien is prior and superior to all other liens and encumbrances on the property subject to such tax except liens or encumbrances held by the State or liens for taxes accruing in any other years and liens imposed by the United States. Set forth below is a record of property taxes levied and collected in the County for a portion of the current fiscal year and all of the previous five fiscal years.

Delinquent Tax Procedures

The property taxes due the County are billed, along with State and other taxes, each September and are due and payable in two installments on October 1 and March 1 and become delinquent on November 1 and May 1, respectively. Delinquent taxes are subject to an interest penalty of 16% per annum prorated monthly as of the first day of each subsequent month. (Delinquent interest is waived if a taxpayer, delinquent as to the November 1 payment, pays the entire year's tax bill by December 31.) After the close of the tax collection period, the Treasurer prepares a delinquent property tax list and the property so listed is subject to a tax lien sale in February of the succeeding year. In the event that there is no purchaser for the tax lien at the sale, the tax lien is assigned to the State, and the property is reoffered for sale from time to time until such time as it is sold, subject to redemption, for an amount sufficient to cover all delinquent taxes.

After three years from the sale of the tax lien, the tax lien certificate holder may bring an action in a court of competent jurisdiction to foreclose the right of redemption and, if the delinquent taxes plus accrued interest are not paid by the owner of record or any entity having a right to redeem, a judgment is entered ordering the Treasurer to deliver a treasurer's deed to the certificate holder as prescribed by law.

Chapter 176, Laws of Arizona 2024 (commonly referred to by its original bill number as "SB 1431") revises the redemption and foreclosure process for tax lien certificate holders whereby a delinquent taxpayer may request an entry of judgment directing the sale of the property for excess proceeds. If a delinquent taxpayer requests an excess proceeds sale, and an entry of judgment is granted to direct such excess proceeds sale, a tax lien certificate holder's potential financial return on the subject tax lien eligible for foreclosure may decrease relative to the tax lien certificate holder's potential financial return on such tax lien prior to the enactment of SB 1431. Therefore, in connection with the new excess proceeds sale process instituted by SB 1431, it is reasonable to conclude that "tax sale investors" may be less willing to purchase tax liens. The effective date of SB 1431 was September 14, 2024. None of the County, the Underwriter or the counsel or agents of either of them, are able to determine or predict what impact, if any, SB 1431 will have on property tax collections in the County.

In the event of bankruptcy of a taxpayer pursuant to the United States Bankruptcy Code (the "Bankruptcy Code"), the law is currently unsettled as to whether a lien can attach against the taxpayer's property for property taxes levied during the pendency of bankruptcy. Such taxes might constitute an unsecured and possibly non-interest bearing administrative expense payable only to the extent that the secured creditors of a taxpayer are oversecured, and then possibly only on the prorated basis with other allowed administrative claims. It cannot be determined, therefore, what adverse impact bankruptcy might have on the ability to collect *ad valorem* taxes on property of a taxpayer within the County. Proceeds to pay such taxes come only from the taxpayer or from a sale of the tax lien on delinquent property.

When an owner of land or property within the County (a "debtor") files or is forced into bankruptcy, any act to obtain possession of the debtor's estate, any act to create or perfect any lien against the property of the debtor or any act to collect, assess or recover a claim against the debtor that arose before the commencement of the bankruptcy is stayed pursuant to the Bankruptcy Code. While the automatic stay of a bankruptcy court may not prevent the sale of tax liens against the real property of a bankrupt taxpayer, the judicial or administrative foreclosure of a tax lien against the real property of a debtor would be subject to the stay of bankruptcy court. It is reasonable to conclude that "tax sale investors" may be reluctant to purchase tax liens under such circumstances, and, therefore, the timeliness of the payment of post-bankruptcy petition tax collections becomes uncertain.

It cannot be determined what impact any deterioration of the financial conditions of any taxpayer, whether or not protection under the Bankruptcy Code is sought, may have on payment of or the secondary market for the 2022 Obligations. None of the County, the Underwriter or their respective agents or consultants has undertaken any independent investigation of the operations and financial condition of any taxpayer, nor have they assumed responsibility for the same.

In the event the County is expressly enjoined or prohibited by law from collecting taxes due from any taxpayer, such as may result from the bankruptcy of a taxpayer, any resulting deficiency could be collected in subsequent tax years by adjusting the County's tax rate charged to non-bankrupt taxpayers during such subsequent tax years.

TABLE B-5

Net Limited Assessed Property Value by Property Classification
Pinal County, Arizona

Class	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 *(a)*
Commercial, industrial, utilities & mines	$ 661,135,199	$ 672,127,149	$ 726,046,828	$ 749,983,629	$ 859,561,577	$ 855,745,593
Agricultural and vacant	223,795,522	222,225,479	228,455,791	253,760,358	257,467,194	273,648,920
Residential (owner occupied)	1,175,201,869	1,317,639,765	1,448,463,621	1,613,234,608	1,814,905,984	2,024,688,440
Residential (rental)	608,353,635	632,492,147	684,612,040	747,179,845	812,468,410	877,809,141
Railroad	12,230,113	15,128,975	16,517,697	11,139,198	8,665,032	7,516,617
Historical property	8,306,551	8,923,175	14,432,420	15,212,312	19,418,211	33,703,978
Commercial historical property	36,943	38,433	38,577	51,586	56,981	58,548
Certain government	729	765	803	843	-	-
property improvements	361,609	304,736	333,381	343,278	374,527	339,655
Totals *(b)*	$ 2,689,422,170	$ 2,868,880,625	$ 3,118,901,158	$ 3,390,905,658	$ 3,772,917,917	$ 4,073,510,893

(a) *Fiscal year 2025/26 values are subject to adjustment until approved by the Board of Supervisors of the County before or on August 18, 2025.*

(b) *Totals may not add up due to rounding.*

Source: *State and County Abstract of the Assessment Roll,* ADOR, *Property Tax Rates and Assessed Values*, Arizona Tax Research Association and Finance Department of the County.

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TABLE B-6

Net Limited Assessed Property Value of Major Taxpayers
Pinal County, Arizona

Major Taxpayer *(a)*	2024/25 Net Limited Assessed Property Value	As % of 2024/25 Net Limited Assessed Property Value
Arizona Public Service Company	$ 102,255,927	2.51 %
Corecivic Western Operations LLC	55,281,005	1.36
Southwest Gas Corporation	25,734,321	0.63
Asarco LLC/Ray Copper Complex	25,294,072	0.62
El Paso Natural Gas Company	20,148,855	0.49
Lucid USA Incorporated	20,000,303	0.49
Kohler Company	19,714,908	0.48
Unisource Energy Corporation (EPF)	18,869,749	0.46
Arizona Water Company	17,374,656	0.43
Johnson Utilities LLC	12,199,936	0.30
	$ 316,873,732	7.78 %

(a) *Some of such taxpayers or their parent corporations are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith file reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information (collectively, the "Filings") may be inspected, copied and obtained at prescribed rates at the Commission's public reference facilities at 100 F Street, N.E., Washington, D.C. 20549-2736. In addition, the Filings may also be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005. The Filings may also be obtained through the Internet on the Commission's EDGAR data base at http://www.sec.gov. No representative of the County, the Underwriter, Special Counsel or counsel to the Underwriter has examined the information set forth in the Filings for accuracy or completeness, nor does any such representative assume responsibility for the same.*

Source: The Assessor of the County.

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TABLE B-7

Comparative Net Limited Assessed Property Values

Fiscal Year	Pinal County	City of Apache Junction	City of Casa Grande	City of Maricopa	Town of Florence	State of Arizona
2025/26 *(a)*	$ 4,073,510,893	$ 238,508,392	$ 620,876,547	$ 510,880,851	$ 163,649,306	$ 92,371,826,506
2024/25	3,772,917,917	214,344,520	609,599,786	467,257,336	150,280,591	88,425,611,337
2023/24	3,390,905,658	198,538,048	512,153,486	417,561,889	138,794,618	83,026,530,244
2022/23	3,118,901,158	186,003,671	456,184,217	368,268,497	128,422,995	78,405,598,978
2021/22	2,868,880,625	177,244,877	420,766,033	337,622,240	122,136,714	74,200,360,570
2020/21	2,689,422,170	168,196,840	402,906,597	311,368,285	113,827,264	69,914,507,682

(a) *Fiscal year 2025/26 values are subject to adjustment until approved by the Board of Supervisors of the County before or on August 18, 2025.*

Source: *Property Tax Rates and Assessed Values*, Arizona Tax Research Association, *State and County Abstract of the Assessment Roll,* ADOR and Finance Department of the County.

TABLE B-8

Estimated Net Full Cash Value History
Pinal County, Arizona

Fiscal Year	Estimated Net Full Cash Valuation *(a)*
2025/26 *(b)*	$ 61,987,155,448
2024/25	64,491,970,678
2023/24	47,966,022,839
2022/23	34,908,714,716
2021/22	30,847,024,704
2020/21	28,641,054,334

(a) *Estimated Net Full Cash Value is the total market value of the property within the County less the estimated Full Cash Value of property exempt from taxation within the County.*

(b) *Fiscal year 2025/26 values are subject to adjustment until approved by the Board of Supervisors of the County before or on August 18, 2025.*

Source: *State and County Abstract of the Assessment Roll,* ADOR.

COUNTY EMPLOYEE RETIREMENT SYSTEM

Pension and Retirement Plans

The County contributes to the retirement plans described below: the cost-sharing Arizona State Retirement System ("ASRS"), the multiple-employer Public Safety Personnel Retirement System ("PSPRS"), the Corrections Officers Retirement Plan ("CORP") and the cost-sharing Elected Officials Retirement Plan ("EORP"). Benefits are established by State statute and, depending on the plan, provide retirement, death, long-term disability, survivor and health insurance premium benefits. Both the County and each covered employee contribute in the case of each plan.

Each of the plans has reported increases in its unfunded liabilities. The increases in unfunded liabilities is expected to result in increased future annual contributions by the County and its employees; however the specific impact on the County's and its employees' future contributions cannot be determined at this time. With respect to PSPRS, see, however, "County Actions Related to PRPRS" below.

The Governmental Accounting Standards Board ("GASB") adopted Statement Number 68, Accounting and Financial Reporting for Pensions, which requires that cost-sharing employers report their "proportionate share" of a plan's net pension liability in their government-wide financial statements and that the cost-sharing employer's pension expense component include its proportionate share of the system's pension expense, the net effect of annual changes in the employer's proportionate share and the annual differences between the employer's actual contributions and its proportionate share. GASB's Statement No. 67, Financial Reporting for Pensions, is designed to improve financial reporting by state and local governmental pension plans.

Starting on page 62 in APPENDIX C – "PINAL COUNTY, ARIZONA – AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023" is information about the plans based on GASB's Statements Nos. 67 and 68. Please refer to APPENDIX C for more specific information about the plans. In the case of any difference between what is here versus what is in APPENDIX C, the latter supersedes the former.

The Arizona State Retirement System.

ASRS is a multiple-employer defined benefit pension plan, a multiple-employer defined benefit health insurance premium benefit plan, and a multiple-employer defined benefit long-term disability plan for approximately 600,000 Arizona public employees including qualified employees of the State, municipal governments, counties and K-12 education agencies. As of June 30, 2024, the unfunded liability for ASRS was $18.73 billion with a funding ratio of 74.0% and an assumed earning rate of 7%. As of June 30, 2024, the County reported a liability of $106,310,801 for its proportionate share of the net pension liability under ASRS. Pursuant to State statute, the contribution rate for the employer (the County) and active members of ASRS are equal. For fiscal year 2024/25, the actuarially determined contribution rate for the County and active members of ASRS is 12.27% (12.12% for retirement and health insurance and 0.15% for long-term disability). For fiscal year 2025/26, the actuarially determined contribution rate for the County and active members of ASRS is 12.00% (11.86% for retirement and health insurance and 0.14% for long-term disability).

The table below shows recent actuarially determined contribution rates that the active ASRS members and the County are/were required to contribute, the plan's funded status and the pension contributions under ASRS for the current and past four fiscal years.

Fiscal year ended	Retirement and Health Insurance Premiums	Long-term Disability	Total Contribution Rate	Funded Status	Pension Contribution
June 30, 2026	11.86%	0.14%	12.00%	unavailable	unavailable
June 30, 2025	12.12	0.15	12.27	unavailable	unavailable
June 30, 2024	12.14	0.15	12.29	74.0%	$11,650,000
June 30, 2023	12.03	0.14	12.17	73.1	10,656,000
June 30, 2022	12.22	0.19	12.41	72.7	9,606,000

The Public Safety Personnel Retirement System

PSPRS is an agent multiple-employer defined benefit pension plan and an agent multiple employer defined benefit health insurance premium benefit plan that covers public safety personnel who are regularly assigned to hazardous duties for which the Arizona State Legislature establishes active plan members' contribution rates and member benefits. This is not a "pooled" system – a separate account exists for the police and fire employees of each participating political subdivision. In total, there are 258 individual plans in PSPRS. Each plan has its own financial condition, funding status, etc. which varies greatly across the system.

A 2016 amendment to the State constitution ("Prop 124") created an exception to the prohibition in the Constitution against diminishing or impairing public retirement system benefits by allowing for certain adjustments to PSPRS and preserved the State's legislature ability to modify public retirement benefits. Prop 124 allowed for, among other things, the replacement of permanent benefit increases then required by law with COLA (defined below) provisions tied to the regional consumer price indexes.

PSPRS active membership is comprised of three separate "tiers" based on date of hire which are shown in the following table.

Tier 1 Members	Tier 2 Members	Tier 3 Members
Hired into PSPRS position before January 1, 2012	Hired into PSPRS position on or after January 1, 2012 and before July 1, 2017	Hired into PSPRS position on or after July 1, 2017

The different tiers have different types of plans. Tier 1 members have a defined benefit plan, Tier 2 members have a defined benefit or defined benefit hybrid plan and Tier 3 members have a defined contribution, defined benefit or define benefit hybrid plan. (The hybrid plan is a pension with an additional defined contribution tax-deferred retirement savings account for Tier 2 and Tier 3 members who do not contribute to Social Security). For Tier 1 and Tier 2 members, the type of plan is determined automatically. For Tier 3 members the type of plan is an irrevocable career choice with a default to a defined benefit plan after 90 days. The actuarially determined employer contribution rate varies among the different tiers and the different types of plans as shown in the tables below.

As of June 30, 2023, the unfunded liability for Tiers 1 and 2 of PSPRS was $7.4 billion with a funding ratio of 68.8%. When calculating, an assumed earning rate of 7.2% was used and an assumed rate of 1.85% was used for increases in the cost of living allowance ("COLA").

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The following table shows the actuarially determined annual employer contribution rates, funded status and total audited contribution amounts for the plan.

Sheriff's Department

	Fiscal Year Ended				
	6/30/2026	6/30/2025	6/30/2024	6/30/2023	6/30/2022
Contribution Rates*					
Tier 1/2 Defined Benefit Employer (a)	16.14%	13.87%	12.51%	10.71%	47.09%
Tier 1 Defined Benefit Employee	7.65%	7.65%	7.65%	7.65%	7.65%
Tier 2 Defined Benefit Employee (a)(b)	7.65%	7.65%	7.65%	7.65%	11.65%
Tier 3 Defined Benefit Employer (a)(c)	12.49%	10.41%	9.56%	9.94%	46.02%
Tier 3 Defined Benefit Employee (a)	8.69%	8.89%	9.56%	9.94%	9.94%
Tier 3 Defined Contribution Employer (c)	14.54%	12.25%	10.60%	10.85%	45.96%
Tier 3 Defined Contribution Employee	10.74%	10.73%	10.60%	10.85%	9.88%
Pension Funded Status	N/A	N/A	95.9%	98.3%	101.5%
Health Funded Status	N/A	N/A	149.1%	144.3%	147.9%
Total County (Employer) Pension and Contribution	N/A	N/A	$2,544,000	$2,049,000	$1,787,000

* Sum of the Pension and Health insurance premium benefit contribution rates.

(a) Not applicable for Tier 2 for fiscal years prior to Fiscal Year 2018. Does not include additional contribution percentage of 3% associated with Tier 2 defined benefit ("DB") members additionally participating in the defined contribution ("DC") plan. Employer rate is 4% for Tier 2 members for a period of time depending on the individual's membership date.

(b) Tier 2 employees contribute a maximum of 11.65%, but statutory requirements dictate only 7.65% is applied toward employer costs.

(c) The amortization of unfunded liabilities for Tier 1 and Tier 2 is applied to the payroll for employees in all tiers, including Tier 3, on a level percent basis.

County Actions Related to PSPRS.

On November 18, 2020, the County caused the execution and delivery of $89,055,000 aggregate principal amount of Pledged Revenue Obligations, Taxable Series 2020, the proceeds of which were used to fully fund the County's then-unfunded liabilities with respect to PSPRS. Debt service with respect to such obligations is payable from and secured by a first lien pledge upon County General Excise Tax Revenues, State Shared Revenues and Vehicle License Tax Revenues. Such obligations were structured with level debt service to provide for future budgetary certainty for the County. It is expected that funding the unfunded liabilities with the proceeds of such obligations will result in present value savings.

The Corrections Officers Retirement Plan ("CORP")

CORP is an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit plan that covers certain State, County and municipal employees whose primary duties require direct contact with inmates, for which the State Legislature establishes active plan members' contribution rates. The CORP also administers the Administrative Officers of the Courts ("AOC") cost-sharing plan.

As presented below, CORP active membership is comprised of three separate “tiers” based on date of hire which are shown in the following table.

Tier 1 Members	Tier 2 Members	Tier 3 Members
Hired into CORP position before January 1, 2012	Hired into CORP position on or after January 1, 2012 and before July 1, 2018	Hired into CORP position on or after July 1, 2018

Among other differences, the tiers vary in terms of employee contribution rate, retirement eligibility, and post retirement cost of living adjustment eligibility. Additionally, in lieu of the defined benefit program, most employees in Tier 3 are members of a defined contribution program.

For Tier 1 and Tier 2 members, for the fiscal year ended June 30, 2012 and each subsequent fiscal year, the employee contribution rate is set by statute and calculated at the lesser of 8.41%, or fifty percent of the sum of the member’s contribution rate from the preceding fiscal year, plus the aggregate computed employer contribution rate, subject to a minimum employee contribution rate of 7.65%. Until the funded status of the Plan reaches 100 percent, the member contribution rate for full-time dispatchers is 45 basis points less than the general member contribution rate. The employer contribution rates are based upon an actuarial valuation, and generally may not be less than 6%.

All correction members hired on or after July 1, 2018 (Tier 3), are required to participate in a DC plan; however, AOC probation and surveillance officers hired on or after this date have the option to choose between a DB plan and the DC retirement account managed by PSPRS. Generally, the defined contribution plan rate is 7% for employees and 5% for employers. The DB plan contribution rate for Tier 3 is 66.7%/33.3% employee/employer for the normal cost associated with the program and 50%/50% for the unfunded liability associated with the program. Additionally, the employer contribution rate (DB and DC) includes a legacy unfunded liability component associated with Tiers 1 and 2.

The following tables show the actuarially determined annual contribution rates, funded status and total audited contribution amounts for the CORP plan.

Detention

	Fiscal Year Ended				
	6/30/2026	6/30/2025	6/30/2024	6/30/2023	6/30/2022
Contribution Rates*					
Tier 1/2 Defined Benefit Employer (a)	3.81%	3.74%	3.94%	5.08%	24.27%
Tier 1/2 Defined Benefit Employee (a)	7.65%	7.65%	7.65%	7.65%	8.41%
Tier 3 Defined Contribution Employer (b)	5.63%	5.67%	5.62%	5.61%	25.07%
Tier 3 Defined Contribution Employee	7.63%	7.67%	7.62%	7.61%	7.49%
Pension Funded Status	N/A	N/A	103.2%	103.2%	104.7%
Health Funded Status	N/A	N/A	176.3%	167.8%	164.5%
Total County (Employer) Pension Contribution	N/A	N/A	$473,000	$458,000	$188,000

* Sum of the Pension and Health insurance premium benefit contribution rates.

(a) Tier 2 applicable beginning Fiscal Year 2018.

(b) The amortization of unfunded liabilities for Tier 1 and Tier 2 is applied to the payroll for employees in all tiers, including Tier 3, on a level percent basis.

Dispatchers

	Fiscal Year Ended				
	6/30/2026	6/30/2025	6/30/2024	6/30/2023	6/30/2022
Contribution Rates*					
Tier 1/2 Defined Benefit Employer (a)	0.00%	0.00%	3.34%	3.81%	48.18%
Tier 1/2 Defined Benefit Employee (a)	7.65%	7.65%	7.65%	7.65%	7.96%
Tier 3 Defined Contribution Employer (b)	5.63%	5.67%	5.62%	5.61%	51.60%
Tier 3 Defined Contribution Employee	7.63%	7.67%	7.62%	7.61%	7.49%
Pension Funded Status	N/A	N/A	121.2%	122.6%	108.9%
Health Funded Status	N/A	N/A	608.9%	615.1%	468.1%
Total County (Employer) Pension Contribution	N/A	N/A	$11,000	$12,000	$5,000

* Sum of the Pension and Health insurance premium benefit contribution rates.

(a) Tier 2 applicable beginning Fiscal Year 2018.

(b) The amortization of unfunded liabilities for Tier 1 and Tier 2 is applied to the payroll for employees in all tiers, including Tier 3, on a level percent basis.

AOC

	Fiscal Year Ended				
	6/30/2026	6/30/2025	6/30/2024	6/30/2023	6/30/2022
Contribution Rates*					
Tier 1/2 Defined Benefit Employer (a)	37.71%	39.39%	39.70%	37.06%	35.97%
Tier 1/2 Defined Benefit Employee (a)	8.41%	8.41%	8.41%	8.41%	8.41%
Tier 3 Defined Benefit Employer (b)	39.46%	40.91%	41.22%	39.97%	36.66%
Tier 3 Defined Benefit Employee	8.38%	8.38%	9.81%	10.18%	10.18%
Tier 3 Defined Contribution Employer (b)	40.90%	42.39%	41.94%	38.49%	37.06%
Tier 3 Defined Contribution Employee	7.63%	7.67%	7.62%	7.61%	7.49%
Pension Funded Status	N/A	N/A	62.2%	60.2%	59.0%
Health Funded Status	N/A	N/A	104.3%	102.6%	97.8%
Total County (Employer) Pension Contribution	N/A	N/A	$3,167,000	$2,797,000	$2,642,000

* Sum of the Pension and Health insurance premium benefit contribution rates.

(a) Tier 2 applicable beginning Fiscal Year 2018.

(b) The amortization of unfunded liabilities for Tier 1 and Tier 2 is applied to the payroll for employees in all tiers, including Tier 3, on a level percent basis.

The Elected Officials Retirement Plan.

EORP is a multiple-employer defined benefit pension plan and a multiple-employer defined benefit health insurance premium plan that covers elected officials and judges of certain state and local governments. (EORP is governed by the same Board of Trustees that manages PSPRS.) As of January 1, 2014 EORP is closed to new members. Pursuant to Arizona statute, the annual contribution for active members of EORP is 13% of the members' annual covered payroll. Additionally, the amount of the members' contribution that exceeds 7% is not used to reduce the actuarially determined employer contribution. As of June 30, 2023, the County reported a liability of $11,267,000 for its proportionate share of the net pension liability under EORP.

Participating EORP employers are required to annually contribute at an actuarially determined employer contribution rate. The basis for the employer rate is the covered payroll for all eligible elected officials and eligible judges employed by the employer. The actuarially determined statutory employer contribution rate for 2024/25 is 70.44% (52.76% for EODCRS with the employer disability program). This amount is distributed to EORP, the Elected Officials Defined Contribution Retirement System ("EODCRS") and ASRS, depending on the retirement program in which each eligible employee participates. As a percent of covered payroll, the employer contribution, by statute, for EODCRS participating members is 6.00%; the employer contribution for ASRS participating members is 12.29% for fiscal year 2024/25; all remaining employer contributions, up to the actuarially determined contribution rate of the covered payroll of all elected officials and eligible judges, are remitted to EORP. EORP is additionally funded each year with designated state and municipal court fees and a $5,000,000 appropriation from the State general fund.

Statutory Changes and Court Decisions Regarding the PSPRS, CORP and EORP.

PSPRS, CORP and EORP are all operated under the umbrella of the Public Safety Personnel Retirement System and the Public Safety Personnel Retirement System Board of Trustees. Since 2011 there have been various retirement program modifications designed to mitigate the increasing unfunded liabilities in the programs. Some of these modifications were enacted by the Arizona Legislature and other changes (like Prop 124) were implemented by voter approved amendments to the State Constitution. Additionally, in some instances, modifications enacted by the Arizona Legislature were reversed based on the outcome of successful court challenges. Substantively, the modifications have included changes to contribution rates, retirement criteria, funding horizons, retirement benefits and post-retirement benefit increase calculations.

Potential Future State Legislation Affecting ASRS, PSPRS, CORP and EORP.

Bills are frequently introduced at sessions of the State Legislature that, if enacted, could impact the administration of the ASRS, PSPRS, CORP and EORP and the eligibility, timing and payment of benefits from such plans. The County is unable to determine whether any such bills will be enacted into legislation or in what form such legislation may be enacted and what the impact of any such legislation may be.

Risks of Using Financing for Pension Payment.

Using financing, such as the 2025 Obligations, to make pension payments carries three types of risks for the County: (i) actuarial risk, (ii) market risk and (iii) other risks. Actuarial risks relate to the risks associated with alterations to projections and contributions due to changes in assumptions such as investment returns, payroll increase, COLA, mortality, early retirement and benefit payments. Market risk is the risk associated with the 2025 Obligations and long-term investment return performance. Other risks include, but not limited to, variance from the anticipated investment return, payroll increase, COLA, mortality, early retirement, covered payroll and other assumptions. Anticipated savings are based on achieving rates assumed in actuarial reports and other documents and such savings could be greater or less than projected and could even result in a loss.

Other Post-Employment Retirement Benefits

Pursuant to Government Accounting Standards Board Statement Number 45, *Accounting by Employers for Post-Employment Benefits Other than Pensions* ("GASB 45"), the County is required to report the actuarially accrued cost of post-employment benefits, other than pension benefits ("OPEB"), such as health and life insurance for current and future retirees. GASB 45 requires that such benefits be recognized as current costs over the working lifetime of employees and, to the extent such costs are not pre-funded, requires the reporting of such costs as a financial statement liability.

The County does not offer any OPEB. The County's employees, their spouses and survivors may be eligible for certain retiree health care benefits under health care programs provided by the State. Employees on long-term disability and their spouses also may qualify for retiree health care benefits through the State. Such individuals may obtain the health care benefits offered by the State by paying 100% of the applicable health care insurance premium, net of any subsidy provided by the State. The benefits are available to all retired participants in the State's health care program. The County does not make payments for OPEB costs for such retirees.

Governmental Accounting Standards ("GASB"):

The Governmental Accounting Standards Board adopted Governmental Accounting Standards Board Statement Number 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"), which, beginning with fiscal years starting after June 15, 2014, requires cost-sharing employers to report their "proportionate share" of the plan's net pension liability in their government-wide financial statements. GASB 68 also requires that the cost-sharing employer's pension expense component include its proportionate share of the system's pension expense, the net effect of annual changes in the employer's proportionate share and the annual differences between the employer's actual contributions and its proportionate share. Both the County and each covered employee contribute to the ASRS. As of June 30, 2024, the County reported a liability of $106,310,801 for its proportionate share of the net pension liability under ASRS. The pension liability was measured as of June 30, 2023. Both the County and each covered employee contribute to the EORP. As of June 30, 2024, the County reported a liability of $11,267,000 for its proportionate share of the net pension liability under EORP. The pension liability was measured as of June 30, 2022. Both the County and each covered employee contribute to CORP (AOC). As of June 30, 2024, the County reported a liability of $26,565,000 for its proportionate share of the net pension liability under CORP (AOC). The pension liability was measured as of June 30, 2023. See Note 10 in APPENDIX C – "PINAL COUNTY – AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023" for further discussion of the County and its pension liability including the net pension liability associated with PSPRS and CORP.

New Reporting Requirements - Governmental Accounting Standards Board ("GASB") Statement No. 67, Financial Reporting for Pension Plans, An Amendment of GASB Statement No. 25, is designed to improve financial reporting by state and local governmental pension plans. This statement replaces the requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

GENERAL FUND

Below are the County general fund revenues, expenditures and changes in fund balance with budgeted figures for fiscal year 2025/26, projected figures for fiscal year 2024/25, unaudited, actual figures for fiscal year 2023/24 and audited figures for fiscal years 2019/20 through and including 2022/23. **THIS INFORMATION IS NOT INTENDED TO INDICATE FUTURE OR CONTINUING TRENDS OF THE FINANCIAL AFFAIRS OF THE COUNTY OR THAT THE 2025 OBLIGATIONS WILL BE PAYABLE FROM ANY SOURCE OTHER THAN THOSE DESCRIBED UNDER "SECURITY AND SOURCES OF PAYMENT."**

General Fund ($000's)
Pinal County, Arizona

	Audited *(a)*				Unaudited Actual *(b)*	Projected *(c)*	Budgeted *(c)*
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
REVENUES							
Taxes	$ 120,067	$ 130,622	$ 142,332	$ 152,998	$ 166,592	$ 174,773	$ 182,776
Licenses and Permits	5,204	6,047	6,312	5,000	7,038	7,058	7,088
Intergovernmental	56,152	67,928	75,965	85,433	87,881	94,502	99,287
Charges for Services	9,901	12,562	13,353	11,606	11,963	12,060	12,594
Fines and Forfeits	998	1,060	1,171	1,308	1,350	1,543	1,578
Investment Earnings	741	281	552	3,003	4,258	3,238	3,000
Rentals	1,897	1,924	2,605	7,122	7,404	7,400	7,465
Miscellaneous	667	1,706	6,943	2,535	5,386	5,938	6,248
TOTAL REVENUES	$ 195,627	$ 222,130	$ 249,233	$ 269,005	$ 291,872	$ 306,512	$ 320,036
EXPENDITURES							
Current:							
General government	$ 41,656	$ 44,492	$ 45,973	$ 30,266	$ 57,491	$ 59,258	$ 176,420
Public safety	96,115	183,347	117,478	124,109	137,235	153,914	155,327
Highways and streets	7	-	-	-	12	-	-
Health	17,931	18,542	16,644	21,852	24,971	22,899	23,083
Welfare	1,433	1,325	1,310	1,493	2,136	1,433	1,510
Education	1,241	1,289	1,384	1,431	1,487	1,456	1,495
Debt Service:							
Principal retirement	-	-	-	573	1,187	1,250	54,359
Interest	-	-	-	78	159	176	220
Costs of issuance	-	-	-	1,663	-	-	5,106
Capital outlay	-	-	-	141,681	7,424	1,217	2,456
TOTAL EXPENDITURES	$ 158,383	$ 248,995	$ 182,789	$ 323,146	$ 232,102	$ 241,603	$ 419,976
Excess of revenues over (under) expenditures	$ 37,244	$ (26,865)	$ 66,444	$ (54,141)	$ 59,770	$ 64,909	$ (99,940)
Other financing sources (uses):							
Transfers in	$ 3,437	$ 3,701	$ 9,960	$ 3,797	$ 4,901	$ 4,777	$ 6,152
Transfers out	(21,831)	(54,590)	(53,511)	(80,896)	(64,076)	(61,179)	(85,389)
Proceeds from sale of capital assets	4	5	79	31,358	-	-	-
Capital lease agreements	-	442	-	-	-	-	-
Issuance of Debt	-	89,055	-	115,655	-	-	167,306
Insurance reimbursement	212	724	297	381	506	263	300
Increase/(decrease) in prepaid items	248	(219)	(7)	20	-	-	-
Lease proceeds	-	-	-	905	3,095	7,137	7,145
Total Other financing sources (uses)	$ (17,930)	$ 39,118	$ (43,182)	$ 71,220	$ (55,574)	$ (49,002)	$ 95,514
Fund balance at beginning of year	$ 31,505	$ 50,819	$ 63,072	$ 86,334	$ 103,413	$ 107,609	$ 123,516
Fund balance at end of year	$ 50,819	$ 63,072	$ 86,334	$ 103,413	$ 107,609	$ 123,516	$ 119,090

(a) *These amounts are from audited financial statements of the County for the years indicated. This table has not, however, been the subject of any separate audit procedures.*

(b) *These amounts are unaudited, actual collections, are subject to change upon audit, constitute "forward looking" statements and should be considered with an abundance of caution.*

(c) *These amounts are projected or budgeted, are subject to change upon audit, constitute "forward looking" statements and should be considered with an abundance of caution. Projected figures are based on unaudited actual information through June 20, 2025, and estimates of the Budget and Research Department of the County for the remainder of the fiscal year.*

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APPENDIX C

PINAL COUNTY, ARIZONA
AUDITED ANNUAL FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The following audited financial statements are for the fiscal year ended June 30, 2023, were audited by CliftonLarsonAllen LLP, which was retained by contract with the Auditor General of Arizona for such purpose pursuant to law. These are the most recent audited financial statements available to the County. THESE FINANCIAL STATEMENTS ARE NOT CURRENT AND MAY NOT REPRESENT THE CURRENT FINANCIAL CONDITION OF THE COUNTY.

The County neither requested nor obtained the consent of CliftonLarsonAllen LLP to include such financial statements and CliftonLarsonAllen LLP has not reviewed this Official Statement nor performed any procedures subsequent to rendering its opinion on such financial statements. The County currently is working with CliftonLarsonAllen LLP on the audited financial statements of the County for the period ending June 30, 2024, which are expected to be completed by the end of the end of August 2025 and will be posted on EMMA when available.

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Pinal County, Arizona

Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2023

Prepared by:

The Pinal County Office of Budget and Finance

Angeline Woods

Director, Finance and Budget

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PINAL COUNTY
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023

Table of Contents

Page

Table of Contents

Table of Contents

Table of Contents

Page

STATISTICAL SECTION

Introductory Section

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January 28, 2025

The Honorable Board of Supervisors
and the Citizens of Pinal County, Arizona:

Arizona Revised Statute (A.R.S.) § 41-1279.21 requires the Office of the Auditor General or a firm of licensed certified public accountants contracted by the Auditor General to conduct financial audits of the accounts and records of County governments. Pursuant to the statute, the Office of the Auditor General contracted with Walker & Armstrong LLP to audit the Pinal County (the County) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified (clean) opinion that the County's basic financial statements for the fiscal year ended June 30, 2023 are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is located at the front of the financial section of this report.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Pinal County Profile

The County was founded in 1875 and is located in the south-central part of the State of Arizona, bordered on the north by Maricopa County and on the south by Pima County. Florence, established in 1866 was designated and has remained the county seat. This location, approximately halfway between Phoenix to the north and Tucson to the south, the two largest cities in Arizona, presents some unique challenges to the County. Generally rural in nature, the County has a smaller tax base than either Maricopa or Pima counties, yet proximity to these major metropolitan areas keeps labor and supply costs high.

The County encompasses approximately 5,400 square miles. The principal geographic features consist of mountains with elevations to 6,000 feet in the eastern portion and low desert valleys in the western portion of the County. All of Pinal County is considered part of the Phoenix-Mesa-Chandler, AZ MSA.

The June 30, 2023 population of the County was estimated to be 453,924. The communities of Mammoth, Oracle, San Manuel, and Kearny have traditionally been active in copper mining, smelting, milling and refining, and tourism. Arizona City, Eloy, Maricopa, Picacho, Red Rock, and Stanfield have agriculture based economies. Apache Junction, Maricopa, Coolidge, Eloy, and particularly Casa Grande have diversified their economic base to include manufacturing, trade and services.

This expansion and diversification has been facilitated by their location in the major growth corridor between Phoenix and Tucson near the junction of I-10 and I-8, except for Apache Junction, which is to the east of Mesa. Most of the southern ¾ of Pinal County and a small area in Apache Junction are designated as Enterprise Zones.

The governing body of Pinal County is the Board of Supervisors, which sets policy for the administration of the County. The Board of Supervisors is comprised of five board members that are elected for a four- year term by the voters of the district in which each member resides. The Board of Supervisors appoints a County Manager to act as the administrative head of the County. The County Manager serves at the pleasure of the Board of Supervisors, carries out the policies established by the Board of Supervisors, directs business and administrative procedures, and recommends officers and personnel to be appointed by the Board of Supervisors. The County has several elected officials including the Assessor, Clerk of the Superior Court, Constables, County Attorney, Recorder, Sheriff, Superintendent of Schools, and the Treasurer.

The County provides a full range of services, including law enforcement and public safety, health care, sanitation, social programs, construction and maintenance of highways, streets and related infrastructure, recreational services and cultural activities, and education.

The financial reporting entity includes all activities of the primary government (Pinal County) and its component units. Component units are legally separate entities for which the County is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Additional information can be found in the notes to the financial statements (See Note 1.A).

The annual budget serves as the foundation for Pinal County's financial planning and control. The County maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Supervisors. Activities of the General Fund, certain Special Revenue Funds, Debt Service Funds, and Capital Projects Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the fund and department level within the fund. Budgets for the Enterprise Funds are set for management purposes only. Pinal County's annual budget is available on the internet at the following address: https://www.pinal.gov/160/Budget

Information Useful in Assessing Pinal County's Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Local economy – The Pinal County economy is rapidly transitioning from one that was built upon mining, agriculture, prison operations and tourism to one that is more balanced with manufacturing, transportation and logistics, aerospace and defense, and health services. In recent years, the County has seen significant announcements of expansions and new projects totaling nearly 14,000 jobs and approximately $10.4B in capital investment.

Many of these announcements are in advanced manufacturing, particularly related to electric vehicles and components, building materials, and the semi-conductor manufacturing supply chain. Lucid and Nikola have continued to expand manufacturing of their electric vehicles in the County, with Lucid recently completing an expansion that brings them to nearly 4M square feet of factory space. LG Energy Solutions broke ground on their battery production facility in the spring of 2024, representing a $2.8B investment. Kohler has completed their $500M facility that produces bathroom fixtures, while Gold Bond (a subsidiary of National Gypsum) continues construction of their wallboard facility. The significant expansion of semiconductor manufacturing in the Phoenix metro area, including projects by TSMC and Intel, has led several companies in their supply chain to announce facilities in Pinal County. These six projects are expected to represent over 600 jobs and more than $900M in capital expenditures. Chang Chun, Air Products and NRS are under construction of their facilities. At Pinal Airpark, Ascent Aviation Services is under construction on a $50M expansion that will convert Boeing 777 aircraft to cargo planes and support 300 new jobs.

Pinal County is experiencing a resurgence in copper mining as this element is critical to the continued move towards electric vehicles, clean energy, and solar applications. ASARCO Inc. has a mine in Ray (Pinal County). Taseko Mines, which owns Florence Copper, has completed its environmental process, and its expanded activities are expected to result in an additional 130 employees. The Cactus Mine in Casa Grande, which has been closed since 1984, has been reactivated and additional deposits have been discovered with new technology. This project is expected to result in $450M in capital investment. Resolution Copper continues to seek its federal approvals for a new mine in Superior, and Ivanhoe Electric recently purchased 6,000 acres in Casa Grande for a new mine.

Tourism also impacts the local economy as a mild climate and several points of interest attract tourists and winter visitors. Attractions include the Casa Grande Valley Historical Museum, Biosphere II (largest living laboratory in the world), the Lost Dutchman State Park, the Casa Grande Ruins National Monument near Coolidge, and the Boyce Thompson Arboretum, located just outside Superior. Additional tourist spots include the Superstition Mountains Wilderness Area, which includes the new Peralta Regional Park, offering hiking and exploring for visitors in search of the Lost Dutchman gold mine; Picacho Peak State Park, offering hiking, camping and picnic areas; and the Pinal Pioneer Parkway and the Apache Trail, two scenic drives with a variety of desert vegetation. For those tourists with a desire for more action, Eloy is an international location for skydiving.

Arizona's economy has seen significant economic development project announcements in recent years that outpace the US as a whole. In fact, the Financial Times produced a list of the Top 10 projects in the country in August of 2023, and three of the projects were in Arizona. In addition, Arizona had manufacturing projects of $100M or greater than anywhere else in the US. The projects, which total approximately $100B, are all under construction and significantly impact our County. One is the LG battery plant in Queen Creek, Pinal County, while the other two are the semiconductor manufacturing operations, which have had a large impact on the supply chain projects discussed above. Pinal County follows the pattern of moderate growth. Stabilization in the residential home market and modest growth in retail sales across the state resulted in greater sales tax revenue, both County and State shared

Long – Term Financial Planning - The County's responsiveness to emerging economic challenges and its careful long-range planning have been key factors in Pinal County's fiscal health. Fiscal conservatism, a streamlined budget, and operating efficiencies have resulted in a solid financial position for the County at the close of FY 2022-2023.

Relevant Financial Policies - Pinal County financial policies include the following:

- Fiscal Conservatism: Ensure the County is in a solid financial condition at all times, current revenues will be sufficient to support current operating expenditures. The County performs monthly reviews of operating budgets for all funds regardless of funding source.
- Flexibility: Ensure the County is in a position to respond to changes in the economy or new service challenges without undue amounts of financial stress.
- Adherence to the Highest Accounting and Management Practices: Comply with the Government Finance Officers Association (GFOA) standards for reporting, the Governmental Accounting Standards Board (GASB) and State reporting requirements.
- Maintain Reserve: Fund Balance coverage for the General Fund will be maintained at a minimum of 15% of projected General Fund expenditures.

Major Initiatives. During FY 2022-2023 Pinal County continued to invest in basic government service programs and amenities. The planning parameters were Regional Leadership, Growth, Public Safety, Healthcare, Transportation, Jobs and Economic Development, and Accountability.

Initiatives to shape and maintain Pinal County as a sustainable community include:

- Focus on maintaining a strong credit rating in order to obtain desirable rates and terms for any necessary financing. Fitch Ratings rated several of Pinal County's Excise Tax Revenue Bonds as follows: Series 2014 at AA, Series 2015 at AA, Series 2018 at AA, Series 2019 at AA, and Series 2020 at AA, all with a stable outlook.

- Cost containment and improving efficiencies continue to be a top priority to help ensure the financial well-being of the County, while maintaining an adequate level of reserves.
- Seeking support at state and federal level for necessary approvals for the following:
    - efforts to plan and engineer ways to reduce flooding in the Lower Santa Cruz River Watershed, Tangerine Basin and along Hunt Highway/Gantzel Road.
    - funding to widen Hunt Highway and Gantzel Road to reduce congestion, improve commute times and attract more businesses to the area while also reducing dust and vehicle emission in the San Tan Valley area. The County completed construction for the first through fourth phases of the improvement project. Phase five design and property acquisition is complete with construction scheduled to be to be completed during FY 2022-2023.
    - funding to pave dirt roads to reduce the amount of particulate matter (dust & dirt) in the air.
    - design and construction for improvements to the San Manuel Airport and Pinal Air Park infrastructure.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pinal County for its annual comprehensive financial report for the fiscal year ended June 30, 2020 but the County did not submit its report for the fiscal year ended June 30, 2021 or 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report would not have been possible without the efficient, effective and dedicated services of the entire staff of the Office of Budget and Finance, the assistance of administrative personnel in the various departments, Certified Public Accountants and staff with CliftonLarsonAllen LLP, and through the competent services of Walker & Armstrong LLP, Certified Public Accountants and the Arizona State Auditor General’s Office. I appreciate all of those who assisted in and contributed to the preparation of this report. I also wish to express my sincere appreciation to the members of the Board of Supervisors and the Deputy County Managers for their unfailing support in maintaining the highest standards of professionalism in the management of Pinal County’s finances.

Respectfully submitted,

Leo Lew
Deputy County Manager

Pinal County, Arizona
Annual Comprehensive Financial Report
For the Fiscal Year Ended
June 30, 2023

PINAL COUNTY OFFICIALS

BOARD OF SUPERVISORS

Kevin Cavanaugh
Supervisor, District 1

Mike Goodman
Supervisor, District 2

Stephen Q. Miller
Supervisor, District 3

Jeffrey McClure
Supervisor, District 4

Jeff Serdy
Supervisor, District 5

COUNTY MANAGER

Leo Lew

DEPUTY COUNTY MANAGER

Himanshu Patel

Mary Ellen Sheppard

PINAL COUNTY ORGANIZATIONAL CHART

ELECTED

COURTS & LAW ENFORCEMENT

- **SUPERIOR COURT Presiding** Judge, Joseph R. Georgini
  - Justices of the Peace, Superior Court Judges & Commissioners
  - Adult Probation, Juvenile Probation & Detention, Court Administration
- **Clerk of the Court** Rebecca Padilla
- **County Attorney** Kent Volkmer
- **Sheriff** Mark Lamb
- **Constables**

FISCAL, PROPERTY & PARCEL

- **Treasurer** Michael Mccord
- **Assessor** Douglas Wolf

RECORDED DOCS & VOTER REGISTRATION

- **Recorder** Virginia Ross

EDUCATION

- **County School Superintendent** Jill Broussard

PINAL COUNTY

WIDE OPEN OPPORTUNITY

BOARD OF SUPERVISORS

- **District 1** Kevin Cavanaugh
- **District 2** Mike Goodman
- **District 3** Stephen Miller
- **District 4** Jeffrey McClure
- **District 5** Jeff Serdy

Reporting to the Board of Supervisors:

- **Internal Audit** Protiviti
- **Clerk of the Board** Natasha Kennedy

APPOINTED

ADMINISTRATION

COUNTY MANAGER Leo Lew

- **Deputy County Manager** Himanshu Patel
  - **Library District** Alex Conrad
  - **Facilities Management** Archie Carreon
  - **Housing Authority** Rolanda Cephas
  - **Fleet Services** Randon Riffey
  - **Community Development** Brent Billingsley
  - **Elections** David Frisk
  - **Open Space & Trails** Kent Taylor
  - **Air Quality** Michael Sundblom
  - **Information Technology** Robert Stanley
- **Deputy County Manager** MaryEllen Sheppard
  - **Finance & Budget** Angeline Woods
  - **Public Fiduciary** Interim Ernie Appel
  - **Human Resources & Risk Management** Interim Randy Tracy
  - **Medical Examiner** John Hu, MD
  - **Animal Care & Control** Audra Michael
- **Economic & Workforce Development** James P. Smith
- **Public Works** Andy Smith
- **Communications & Marketing** James Daniels
- **Public & Correctional Health/Medical Forensics** Tascha Spears
- **Public Defense Services** Cathryn Whalen
- **Government Relations** Tami Ryall

Financial Section

Walker & Armstrong
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

Independent Auditor's Report

The Arizona Auditor General

Honorable Board of Supervisors of
Pinal 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 Pinal County (Pinal County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Pinal County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, 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 Pinal County as of June 30, 2023, 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.

We did not audit the financial statements of the Pinal County Housing Authority or Pinal County Health Benefits Trust, which represent 0.4 percent and 0.6 percent of total assets, respectively, 0.5 percent and 0.7 percent of net position, respectively, and 1.4 percent and 4.1 percent of revenues, respectively, of the governmental activities as of June 30, 2023. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for Pinal County Housing Authority and Pinal County Health Benefits Trust, are based solely on the reports of the other auditors.

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 Pinal 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 Matter

As discussed in Note 1 to the financial statements, for the year ended June 30, 2023, Pinal County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. 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 Pinal 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 Pinal 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, Pinal County's Board of Supervisors and management, and other responsible parties within Pinal 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 Pinal 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 a 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 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 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 Pinal 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 Pinal 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 7 through 22, the budgetary comparison information on pages 85 through 91, the schedule of the County's proportionate share of the net pension liability – cost sharing plans on pages 92 and 93, the schedule of changes in the County's net pension liability and related ratios – agent plans on pages 94 through 96, the schedule of County pension contributions on pages 97 through 99, and the notes to pension plan schedules on pages 100 and 101 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 and other auditors 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.

Supplementary Information

Combining and Individual Nonmajor Fund Financial Statements and Schedules

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pinal County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the accompanying combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance on the other information.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we will issue our report on our consideration of Pinal 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 at a later date. 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 Pinal 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 Pinal County's internal control over financial reporting and compliance.

Walker & Armstrong, LLP

Phoenix, Arizona
January 28, 2025

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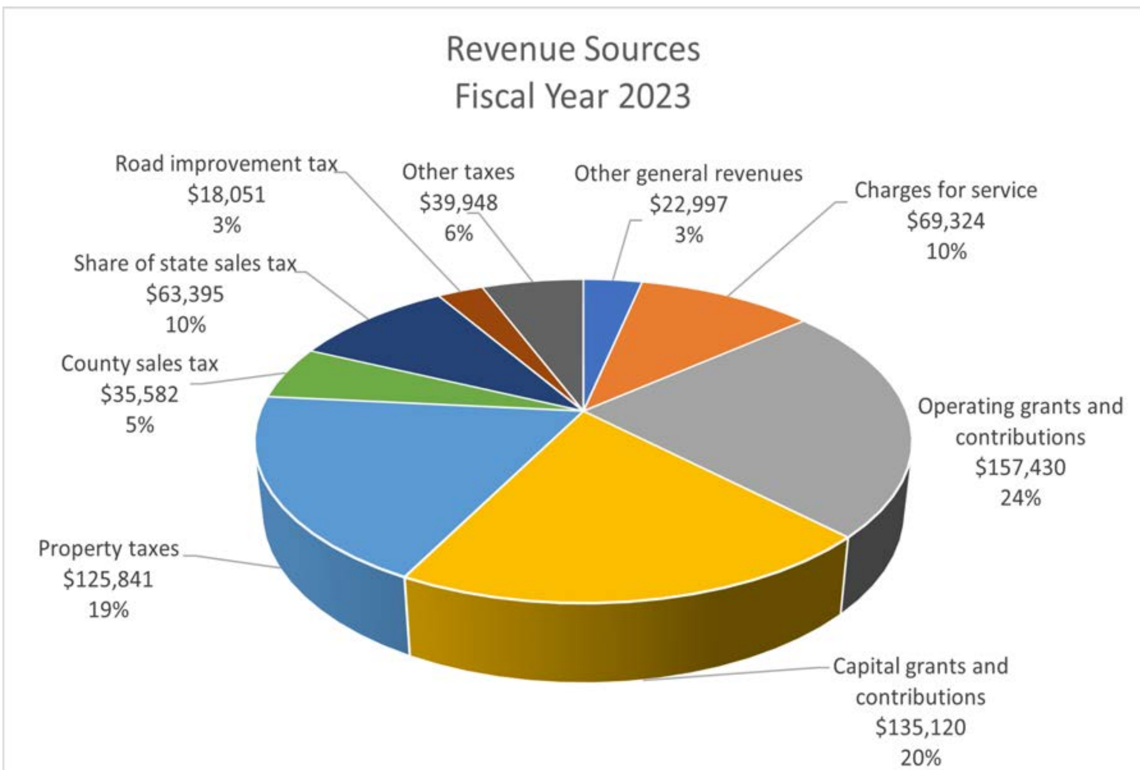
PINAL COUNTY
Management's Discussion and Analysis

As management of Pinal County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages ix – xii of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The total assets and deferred outflows of resources of the County exceeded liabilities and deferred inflows of resources at the close of fiscal year 2023 by $982,981 (net position), which represented an increase of $241,495 or 33% from the prior year. Of this amount, $846,488 is invested in capital assets, $147,306 is subject to external restrictions, and $(10,813) is unrestricted. The negative balance in the unrestricted portion of net position is due to the County recognizing net pension and OPEB liabilities for all plans in which it contributes.

- The County's primary sources of revenue are from property taxes, operating and capital grants and contributions, share of state sales taxes, charges for services, and other revenues.



- The County's total long-term liabilities as of June 30, 2023, were $556,708. Revenue bonds, including unamortized premiums, and net pension liabilities, represent 95% of the total. The final payments for the 2014 revenue bonds are due in fiscal years 2026 and 2035; the final payments for the 2015 revenue bonds are due in fiscal year 2029; the final payments for the 2018 revenue bonds are due in fiscal year 2037; the final payments for the 2019 revenue bonds are due in fiscal year 2043; and the final payments for the 2020 revenue bonds are due in fiscal years 2035 and 2033. 2022 revenue bonds were issued during the current year in the amount of $115,655. The final payments for the 2022 revenue bonds are due in fiscal year 2053.

- As of June 30, 2023, the County's governmental funds reported combined fund balances of $306,883, an increase of $41,765 in comparison with the prior year. Approximately 51% of the combined fund balances, or $156,855 is available for spending at the County's discretion (assigned & unassigned fund balance).

- At the end of the current fiscal year unassigned fund balance for the General Fund was $103,369, or 32% of total General Fund expenditures.

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 consist of three components: 1) government-wide financial statements; 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets and deferred outflows of resources, and 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 the County's 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. 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 the 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 a significant portion 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, sanitation, health, welfare, culture and recreation, and education. The business-type activities of the County include Sheriff Inmate Services and Airport Economic Development.

The government-wide financial statements can be found on pages 25-26 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 compliance with finance-related legal requirements. 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 fund financial statements focus on *near-term inflows* and *outflows of spendable* *resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government'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 include a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The County uses 164 individual governmental funds to satisfy legal and operating requirements. Some of these funds are combined according to their functional basis for financial reporting purposes. 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 Tax Districts, American Rescue Plan Act, Public Works Highway, Development Impact Fee, and Debt Service Funds. Data from the other governmental funds are combined into a single, aggregated presentation. Fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund and other governmental funds. A budgetary comparison schedule has been provided for the General Fund and major Special Revenue Funds to demonstrate compliance with this budget. These statements can be found on pages 85-90.

The basic governmental fund financial statements can be found on pages 27-30 of this report.

Proprietary funds are maintained in two ways. *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 Sheriff Inmate Services and Airport Economic Development. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for the County's participation in the Arizona Metropolitan Trust for employee benefits and Fleet Maintenance. Because the services of internal service funds predominantly benefit governmental rather than business-type activities, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Fund data for non-major enterprise funds are combined into a single, aggregated presentation provided in the form of *combining statements* elsewhere in this report. The County's internal service fund is presented separately in the proprietary fund financial statements.

The proprietary fund financial statements can be found on pages 31-34 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 accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 35-36 of this report.

Notes to the 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 to the financial statements can be found on pages 37-82 of this report.

Required Supplementary Information is presented in addition to the basic financial statements and accompanying notes, concerning the County's progress in funding its obligation to provide pension benefits to its employees. Budgetary comparison schedules previously discussed are also included in this section. Required supplementary information can be found on pages 85-101 of this report.

Combining Statements and Other Schedules referred to earlier in connection with non-major governmental funds, enterprise funds and fiduciary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules including statistical information can be found on pages 105-196 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. County assets and deferred outflows of resources exceeded liabilities and deferred inflows by $982,981 at the close of 2023.

Governmental Activities – Statement of Net Position

The largest portion of the net position, $832,256, reflects net investment in capital assets (e.g., land, buildings, infrastructure, machinery, equipment, software, subscription assets and lease assets) less accumulated depreciation/amortization and any related debt used to acquire these assets that is still outstanding. Net position invested in capital assets increased by $179,983 mainly due to an increase in multiple on-going construction and road related projects. The County uses these assets to provide services to citizens; consequently, these assets are not available for future spending. As part of the County's net investment in capital assets, the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position, $147,306 represents resources that are subject to external restrictions on how they may be used. A majority of restrictions are imposed by grantor agencies and creditors. The remaining balance of unrestricted deficit net position of $(33,671) in fiscal year 2021-22 changed in the current year by $20,049, to a deficit of $(13,622). The negative balance in the unrestricted portion of net position is due to County recognizing net pension and OPEB liabilities for all plans in which it contributes.

Overall, the net position increased by $232,752 from the net position reported at June 30, 2022.

Capital assets increased by $255,695 due to land purchase for economic development purposes, ongoing construction related projects, infrastructure and heavy equipment related to road projects and infrastructure, and refurbishing of aviation assets.

Current and other assets increased by $96,331. Changes included an increase in cash due to an increase in state allocations for Coordinated Re-entry and School Safety Interoperability, new revenues from the One Arizona Opioid settlement and revenues for excise taxes. In addition, an additional $45,127 was received in ARPA (American Rescue Plan Act) funding of which $80,624 of the total allocation was unspent at year-end. The County has currently allocated these funds to projects that are anticipated to near completion in FY 24/25.

The changes in deferred outflows of resources from $49,053 to $44,306 are related to the contributions to the pension plans after the measurement date and the changes in estimates and assumptions used to calculate the net pension liabilities. The change in deferred inflows of resources from $62,877 to $29,642 consists also of changes in contributions to the pension plans, however this is offset by increases in inflows related to leases which changed upon recognition of GASB 87 lessor revenues. Additional information on the County's pension plan activity can be found in Note 11 of the notes to the financial statements on pages 62-78 of this report.

Long-term liabilities increased in the current year by $101,683. The increase is mainly attributable to the issuance of pledged revenue obligations bonds totaling $115,655.

Business-type Activities – Statement of Net Position

A majority portion of the net position, $14,232 reflects investment in capital assets (e.g., buildings, infrastructure, and machinery and equipment).

None of the net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $2,809 is 16% of the total net position.

The net position increased by $8,743 from the net position reported at June 30, 2022. The increase in net position is due to recognition of construction in progress for a capital infrastructure project in the Airport Economic Development fund.

Capital assets increased by $9,675. This increase is due to current year additions to construction in progress primaily related to runway improvements.

Other liabilities increased by $1,815 for invoices and retainage payable for the ongoing capital infrastructure project occurring in the Airport Economic Development fund.

Condensed Statement of Net Position
June 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022 (as restated)	2023	2022	2023	2022 (as restated)
Current and other assets	$ 498,387	$ 402,056	$ 17,969	$ 17,422	$ 516,356	$ 419,478
Capital assets	1,129,498	873,803	16,398	6,723	1,145,896	880,526
Total assets	1,627,885	1,275,859	34,367	24,145	1,662,252	1,300,004
Deferred outflows of resources						
Pension and OPEB	44,306	49,053	61	90	44,367	49,143
Total deferred outflows of resources	44,306	49,053	61	90	44,367	49,143
Other liabilities	120,296	74,217	2,342	527	122,638	74,744
Long-term liabilities	556,313	454,630	395	368	556,708	454,998
Total liabilities	676,609	528,847	2,737	895	679,346	529,742
Deferred inflows of resources						
Pension, OPEB and Leases	29,642	62,877	14,650	15,042	44,292	77,919
Total deferred inflows of resources	29,642	62,877	14,650	15,042	44,292	77,919
Net position:						
Net investment in capital assets	832,256	652,273	14,232	6,723	846,488	658,996
Restricted	147,306	114,586	-	-	147,306	114,586
Unrestricted (deficit)	(13,622)	(33,671)	2,809	1,575	(10,813)	(32,096)
Total net position	$ 965,940	$ 733,188	$ 17,041	$ 8,298	$ 982,981	$ 741,486

Governmental Activities – Statement of Activities

Revenues

Total revenues of $656,786 increased by $130,725 from the prior year primarily due to the following:

- An increase (in total) of $92,228 in program revenues attributed to an increase in federal funding for the Emergency Rental Assistance Program, American Rescue Plan Act (ARPA), National Infrastructure (Build) Grant, as well as other state and federal operating grants.
- An increase of $11,376 in the County's property taxes due to positive economic factors throughout the County, including increased construction and increased property valuations.
- An increase of $6,465, $5,126, and $2,425 in the County's sales taxes, share of state sales taxes, and other taxes which include vehicle license tax, payment in lieu of taxes, and public health

district sales taxes, respectively, due to positive economic factors throughout the State that resulted in additional sales tax revenues.

- An increase of $10,266 in other governmental revenues primarily due to investment earning attributed to increased amounts for investment and a change in the investment strategy to take advantage of high interest rates for short term investments.

Expenses

Total expenses of $423,787 increased by $85,704 from the prior year primarily due to the following:

- An increase of $20,144 in general government expenditures which included across the board salary increases, increases for non capital IT equipment, increases related to poll worker and election printing, increases for sub-recipient disbursements for grant funded projects, and increases for non capital professional services.

- An increase of $19,190 in public safety which included $14 million increase for salaries and benefits for retention bonuses paid and salary compensation adjustments, increase of $1 million for internet and telephone services, an increase of $2 million for non-capital repairs and maintenance related to aircraft, $900 thousand for software licensing for the school operability program, and $530 thousand for salaries and programmatic services for the new coordinated reentry program.

- An increase of $15,842 in highways and streets for construction related projects funded with the Highway User Revenue Fund (HURF) and Transportation Excise Tax Fund.

- An increase of $13,588 in welfare due to an increase of $10.1 million in subrecipient disbursements for the emergency rental assistance program, an increase of $2.6 million in public housing assitance, and $600 thousand increase in sub-recipiement disbursements and expenditures related to the economic workforce innovation and opportunity grant.

Business-type Activities – Statement of Activities

Revenues

Total revenues of $10,902 increased by $8,622 from the prior year primarily due to the following:

- An increase of $5.5 million federal grants for runway projects and $3 million in state operating grants for the Airport Economic Development Fund.

Expenses

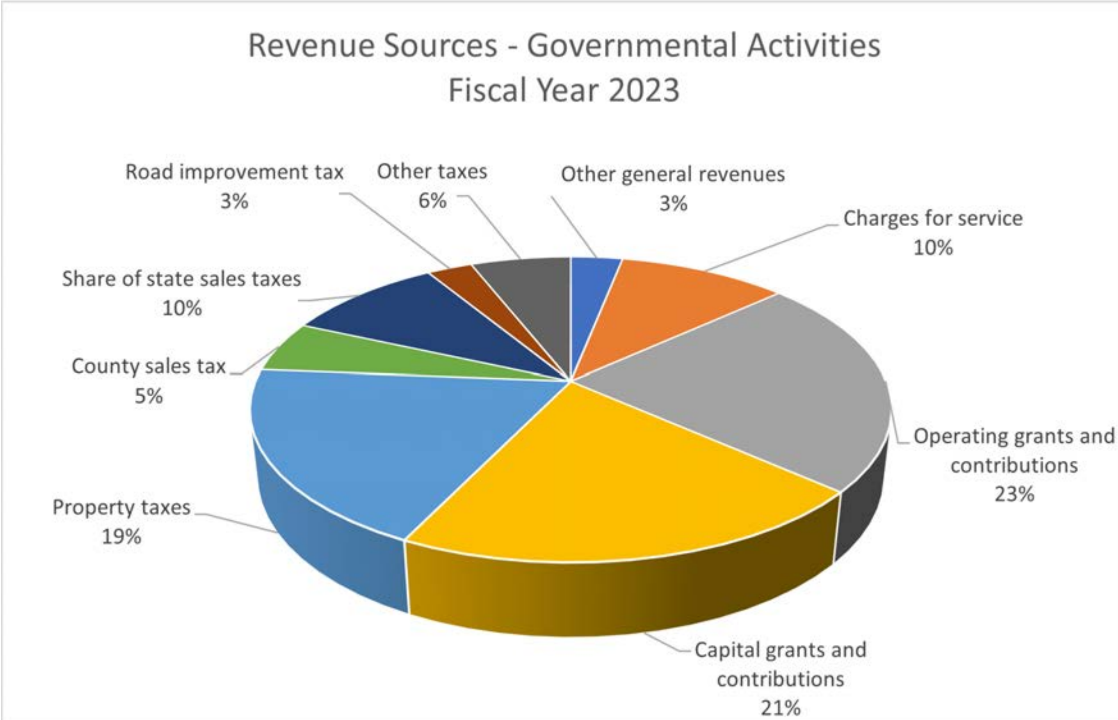
Total expenses of $2,406 increased by $514 from the prior year primarily due to the following:

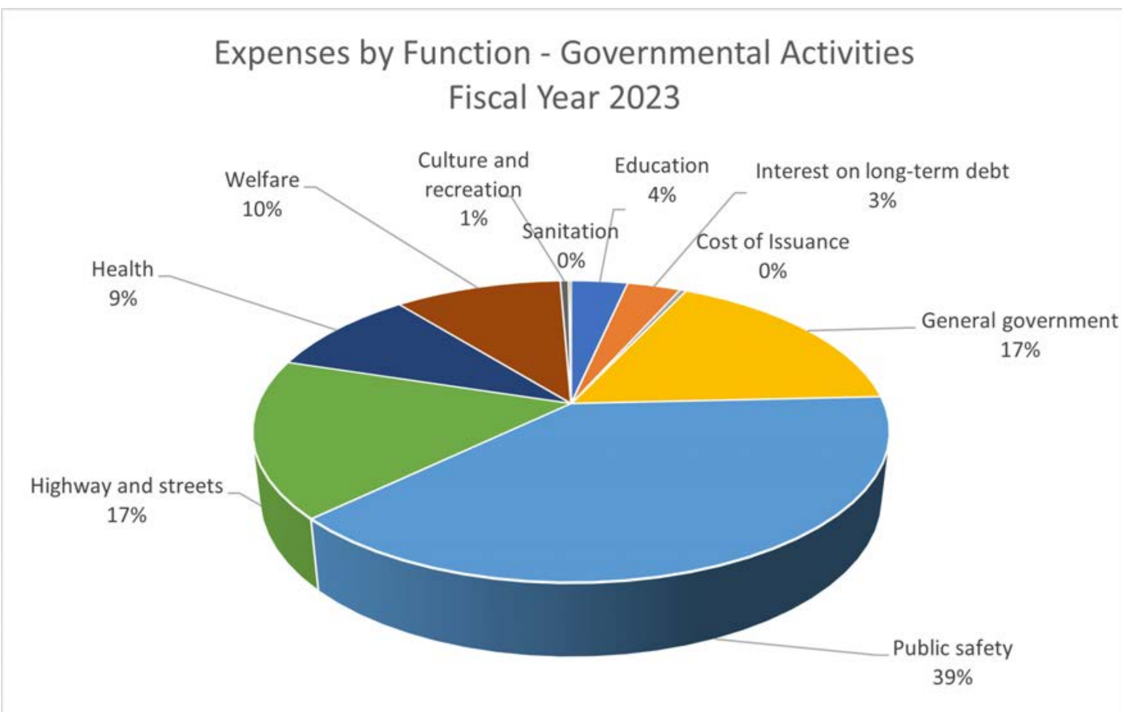
- An increase in maintenance and repairs of existing runways at Pinal and San Manuel Airparks.

PINAL COUNTY
Management's Discussion and Analysis

The following table summarizes the changes in net position for governmental and business-type activities.

Condensed Statement of Activities Years Ended June 30, 2023 and 2022	Governmental Activities 2023	Governmental Activities 2022	Business-Type Activities 2023	Business-Type Activities 2022	Total 2023	Total 2022
Revenues						
Program revenues:						
Charges for services	$ 67,407	$ 54,936	$ 1,917	$ 1,950	$ 69,324	$ 56,886
Operating grants and contributions	148,875	95,259	8,555	72	157,430	95,331
Capital grants and contributions	135,120	108,979	-	129	135,120	109,108
General revenues:						
Property taxes	125,841	114,465	-	-	125,841	114,465
County sales tax	35,582	29,117	-	-	35,582	29,117
Share of state sales taxes	63,395	58,269	-	-	63,395	58,269
Road improvement tax	18,051	15,212	-	-	18,051	15,212
Other taxes	39,948	37,523	-	-	39,948	37,523
Other general revenues	22,567	12,301	430	129	22,997	12,430
Total revenues	656,786	526,061	10,902	2,280	667,688	528,341
Expenses:						
General government	72,813	52,669	-	-	72,813	52,669
Public safety	163,676	144,486	-	-	163,676	144,486
Highways and streets	71,823	55,981	-	-	71,823	55,981
Sanitation	650	550	-	-	650	550
Health	39,743	32,920	-	-	39,743	32,920
Welfare	43,040	29,452	-	-	43,040	29,452
Culture and recreation	2,115	2,388	-	-	2,115	2,388
Education	14,543	10,807	-	-	14,543	10,807
Interest on long-term debt	13,721	8,830	-	-	13,721	8,830
Cost of Issuance	1,663	-	-	-	1,663	-
Sheriff Inmate Services	-	-	916	934	916	934
Airport Economic Development	-	-	1,490	958	1,490	958
Total expenses	423,787	338,083	2,406	1,892	426,193	339,975
Excess (deficiency) before transfers	232,999	187,978	8,496	388	241,495	188,366
Transfers	(247)	(350)	247	350	-	-
Change in net position	232,752	187,628	8,743	738	241,495	188,366
Net Position - beginning of year, as restated	733,188	545,560	8,298	7,560	741,486	553,120
Net position - ending, as restated	$ 965,940	$ 733,188	$ 17,041	$ 8,298	$ 982,981	$ 741,486


Revenue Sources - Governmental Activities
Fiscal Year 2023
Road improvement tax 3%
Other taxes 6%
Other general revenues 3%
Charges for service 10%
Share of state sales taxes 10%
County sales tax 5%
Operating grants and contributions 23%
Property taxes 19%
Capital grants and contributions 21%


Expenses by Function - Governmental Activities
Fiscal Year 2023
Culture and recreation 1%
Education 4%
Interest on long-term debt 3%
Welfare 10%
Sanitation 0%
Cost of Issuance 0%
Health 9%
General government 17%
Highway and streets 17%
Public safety 39%

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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 on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned 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, 2023, the County's governmental funds reported combined fund balance of $306,883, an increase of $41,765 in comparison with the prior year. Less than 1%, $172 of the combined fund balance constitutes *nonspendable fund balance,* comprised of prepaid items and inventories that do not represent available spendable resources. Approximately 46% of the combined fund balance, $139,357 constitutes *restricted fund balance* which represents resources that are subject to external restrictions on how they may be used. The remaining 54% of the combined fund balance is comprised of unassigned fund balance of $100,235 which is available for spending at the County's discretion, while amounts of $10,499 and $56,620 of committed and assigned fund balances, respectively, have to be spent under the conditions specified by the Board of Supervisors and County management.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $103,369. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance of $103,369 represents 32% of total General Fund expenditures.

The total fund balance of the County's General Fund increased during the fiscal year by $17,079. Key factors in the increase to fund balance includes an increase in taxes and intergovernmental revenue in comparison to prior fiscal year.

The Road Tax Districts Fund total fund balance increased during the fiscal year by $3,028. The increase is mainly attributable to an increase in excise tax revenues offset by an increase in expenditures of construction and maintenance costs.

The American Rescue Plan Act fund balance remained unchanged as this is funded by an advance grant and revenue is recognized as expenditures occur during the fiscal year.

The Public Works Highway Fund total fund balance increased during the year by $12,362. This increase is mainly attributed to revenue recognized for a road expansion project in the Queen Creek area.

The Development Impact Fee Fund total fund balance decreased during the fiscal year by $(997). The overall decrease is due to a decrease in revenues related to changes in the impact fee schedule and an increase in transfers out to the debt service fund for debt service payments.

The Debt Service Fund increased by $782 due to the timing of contributions to the fund and when the debt service payment was due.

Overview of all governmental funds

Revenues for governmental funds totaled $502,407 in fiscal year 2023, which represents an increase of 21% from fiscal year 2022.

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Governmental Funds
Revenues Classified by Source
For the Years Ended June 30, 2023 and 2022

	2023		2022		Variance	
	Amount	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
Taxes	$ 186,222	37.07%	$ 170,866	41.25%	$ 15,356	8.99%
Licenses and permits	9,552	1.90%	10,632	2.57%	(1,080)	(10.16)%
Intergovernmental	235,158	46.81%	181,876	43.90%	53,282	29.30%
Charges for services	26,172	5.20%	30,185	7.29%	(4,013)	(13.29)%
Fines and forfeits	1,734	0.35%	2,306	0.56%	(572)	(24.80)%
Investment earnings	8,221	1.64%	1,305	0.32%	6,916	529.96%
Contributions	20,499	4.08%	5,943	1.43%	14,556	244.93%
Rentals	7,436	1.48%	2,940	0.71%	4,496	152.93%
Miscellaneous	7,413	1.48%	8,216	1.98%	(803)	(9.77)%
Total revenues	$ 502,407	100.00%	$ 414,269	100.00%	$ 88,138	21.28%

The following provides an explanation of revenues by source that changed significantly over the prior year.

- Taxes – the increase of $15,356 was due to a combination of increases of $8,940 in property taxes caused by an increase in the net assessed valuation, decrease of $455 in payment in lieu of taxes, and an increase of $6,871 in the amount the County received from its share of general purpose, health district, and transportation excise tax due to positive economic factors in the County.

- Intergovernmental – the increase of $53,282 was due to the following increases in funding:

  - An increase of $42,073 in federal funding. A few of the projects that received funding include the BUILD grant Hanna Houser project, the Emergency Rental Assistance Program, American Rescue Plan Act, Flood Control Big Box Canyon project, Airport Runway Shoulder Reconstruction project, and Community Development Block Grant projects.

  - An increase of $4,592 state grants for an Airport runway, grading and drainage project, and various state grants for public safety in the Sheriff's office.

  - Increase of $5,126 in state shared sales tax revenue.

Expenditures for governmental funds totaled $608,610 in fiscal year 2023, which represents a increase of 60% from fiscal year 2022.

The following table presents expenditures by function compared to prior year amounts.

Governmental Funds
Expenditures by Function
For the Years Ended June 30, 2023 and 2022

	2023		2022		Variance	
Governmental Function	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
General government	$ 47,034	7.73%	$ 58,977	15.55%	$ (11,943)	(20.25)%
Public safety	149,398	24.55%	137,259	36.19%	12,139	8.84%
Highways and streets	61,618	10.12%	62,771	16.55%	(1,153)	(1.84)%
Sanitation	803	0.13%	477	0.13%	326	68.34%
Health	39,036	6.41%	33,046	8.71%	5,990	18.13%
Welfare	43,121	7.09%	30,229	7.97%	12,892	42.65%
Culture and recreation	2,116	0.35%	2,319	0.61%	(203)	(8.75)%
Education	14,543	2.39%	10,807	2.85%	3,736	34.57%
Capital outlay	188,851	31.03%	17,692	4.67%	171,159	967.44%
Cost of issuance	1,663	0.27%	-	-%	1,663	100.00%
Debt service:						
Principal retirement	47,008	7.72%	14,443	3.81%	32,565	225.47%
Interest	13,419	2.20%	11,217	2.96%	2,202	19.63%
Total expenditures	$ 608,610	100%	$ 379,237	100%	$ 229,373	60.48%

The following provides an explanation of the expenditures by function that changed significantly over the prior year.

- A decrease of $11,943 in general government expenditures related to additional amounts paid out of capital funds related to building and parks for capital projects offset by across the board salary increases during the fiscal year.
- An increase of $12,139 in public safety which included $14 million increase for salaries and benefits for retention bonuses paid and salary compensation adjustments, $900 thousand for software licensing for the school operability program, and $530 thousand for salaries and programmatic services for the new coordinated reentry program. This was offset by a decrease in amounts paid for non-capital repairs.
- An increase of $5,990 in health due to the state mandated increase of $5.3 million in ALTCS contribution and $1 million increase in pension and OPEB expense recognition.
- An increase of $12,892 in welfare due to an increase of $10.1 million in subrecipient disbursements for the emergency rental assistance program, an increase of $2.6 million in public housing assitance, and $600 thousand increase in sub-recipient disbursements and expenditures related to the economic workforce innovation and opportunity grant.
- An increase of $2,202 in interest in long term debt related to he issuance of the 2022 Taxable Series Green bonds.Please see Note on page 45 regarding long-debt.
- An increase of $1,663 in cost of issuance due to the issuance of the 2022 Taxable Series Green bonds. Please see Note 9 on page 55 regarding long-debt.
- Capital outlay expenditures increased by $171,159 million primarily due to the land purchase of $113 million for an economic development project. Additionally, an increase of $38,047 million

due to the completion of projects including the Arizona City Library, the San Tan Complex, Development Services, and renovation for several Public Health clinics. Also an increase of $14,616 million due to ongoing construction projects for building improvements including the medical examiners building in Florence, recreation park improvements for Peralta Park, public defenders building, and the public health Oracle renovation.

Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position for the enterprise funds totaled $2,809. Investment in capital assets totaled $14,232.

Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

The following table shows actual revenues, expenses, and changes in net position for the enterprise funds for the current fiscal year:

Enterprise Funds
Schedule of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2023

	Sheriff Inmate Services	Airport Economic Develop-ment	Total
Operating revenues	$ 951	$ 1,302	$ 2,253
Operating expenses	915	1,489	2,404
Operating income (loss)	36	(187)	(151)
Nonoperating revenues	14	8,633	8,647
Transfers in/out	-	247	247
Changes in net position	$ 50	$ 8,693	$ 8,743

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues exceeded the final budget by $19,478 or 8% primarily due to revenue exceeding projections in County excise tax and shared state sales tax. County sales tax increased 18.9% in comparison to fiscal year 2021-2022. Additionally there was an increase of 11.2% in the category of intergovernmental which is primarily state shared and vehicle license taxes.

General Fund expenditures were less than the final budget by $188,216 or 37% due to the following reasons:

- The County has a strategic priority to have a 15% financial stability reserve, in which $41.8 million was budgeted for fiscal year 2022-2023. After all revenues and expenditures were accounted for, the ending fund balance was $99.7 million, which equates to a 25% financial stability reserve.

- The County budgeted for a potential pension bond issuance to pay for the unfunded liability associated with the Arizona State Retirement System (ASRS) due to economic factors, the bond was not issued.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The County's capital assets for its governmental and business-type activities as of June 30, 2023, amounted to $1,145,896 (net of accumulated depreciation). This investment in capital assets includes land and easements, infrastructure, buildings and improvements, machinery and equipment, software, right-to-use assets and construction in progress.

Major capital asset events during the current fiscal year included the following:

Governmental activities

- Buildings and improvements increased by $38,047 due to the completion of projects including the Arizona City Library, the San Tan Complex, Development Services, and renovation for several Public Heallth clinics.

- Infrastructure increased $105,002 due to the completion of multiple on-going construction projects including 23 miles of roads completed at six various locations. In addition, three drainage projects were completed at Pinal Airpark, Overfield Road and Monaco, and at Valley of the Sun and Skyline Road.

- There was an increase in CIP of $14,616 due to ongoing projects for buildings and improvements. The CIP that remains includes Medical Examiners Building in Florence, recreation park improvements for Peralta Park, Public Defenders Building, Public Health Oracle Renovation.

- Land increased $104,251 primarily due to the land purchase of $113 million for economic development project.

Governmental and Business-type Activities Capital Assets (net of accumulated depreciation) June 30, 2023 and 2022						
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 345,307	$ 241,056	$ 282	$ 282	$ 345,589	$ 241,338
Buildings and improvements	166,672	128,621	475	479	167,147	129,100
Machinery and equipment	25,100	21,622	289	84	25,389	21,706
Intangible - Software	12,693	13,232	-	-	12,693	13,232
Infrastructure	505,658	400,656	4,433	4,433	510,091	405,089
Intangible - Right-to-use assets	6,636	6,326	-	-	6,636	6,326
Construction in progress	67,432	62,290	10,919	1,445	78,351	63,735
Total	$ 1,129,498	$ 873,803	$ 16,398	$ 6,723	$ 1,145,896	$ 880,526

The County's infrastructure assets are recorded at actual cost when available or estimated historical cost when actual cost is not available, with donations being reported at acquisition value in the government-wide financial statements as required by GASB Statement No. 72. The acquisition of new infrastructure assets are reported as Highways and Streets expenditures within the Public Works Highway, Road Tax Districts, and Flood Control Funds.

Additional information on the County's capital assets can be found in Note 6 on pages 51-52 of this report.

Long-term Debt

At the end of the current fiscal year, the County had total long-term debt outstanding of $375,280 for governmental activities as compared to $306,941 in the prior year. The majority of this amount, $367,936 or 98% was comprised of the following: 1) bonds payable and unamortized premium on the 2014 revenue bond for road and highway improvements and improvements to public safety radio upgrades and unamortized premium on the 2014 refunding bonds related to the GADA 2006 loan, respectively; 2) bonds payable including unamortized premium on the 2015 bonds payable to refund the certificates of participation, Series 2004; 3) bonds payable and unamortized premium on the 2018 tax-exempt and taxable revenue bonds for construction of new facilities and to acquire approximately 496 acres of real property for economic development purposes; 4) bonds payable and unamortized premium on the 2019 taxable revenue bonds for various county complexes; 5) bonds payable and unamortized discount on the 2020 revenue bonds and unamortized premium on the 2020 refunding bonds, for funding the unfunded pension liability to Public Safety Personnel Retirement System and to refund Series 2010; and 6) Series 2022 revenue bond to purchase land related to an economic development agreement with Lucid. The County also recorded the future obligations for financed purchases that include new copiers, printers, and vehicles totaling $486 at fiscal year-end.

Long-Term Debt
June 30, 2023 and 2022

	Outstanding Debt		Percent
	2023	**2022**	**Change**
Governmental Activities			
Financed purchases	$ 486	$ 350	38.86%
Leases payable	6,495	6,419	1.18%
Subscription liability	363	-	100.00%
Bonds payable	367,936	300,172	22.58%
Total	$ 375,280	$ 306,941	22.26%

Additional information on the County's long-term debt can be found in Note 9 on pages 53-60 of this report.

Economic Factors and Next Year's Budgets

- The current 2024, preliminary, seasonally adjusted, unemployment rate for the State of Arizona as of July 2024 was 3.4%.[1] The national rate as of July 2024 was 4.3%[1] The unemployment rate for Pinal County as of July 2024 was 4.8%[1]. The State of Arizona seasonally adjusted unemployment decreased 0.5% from one year ago and the average unemployment rate.
- The Arizona economy continued to churn out solid gains through the first half of 2023. Jobs, wages, and sales all increased, although at a somewhat slower pace than earlier in the pandemic recovery, and the unemployment rate remained very low[2].
- Fiscal year 2024 annual collections of Countywide Sales Tax, State Shared Sales Tax, and Vehicle License Tax, revenues are expected to increase by 10, 5 and 4 percent, respectively, from the prior year.
- The County has projected that revenues from the property tax will increase in fiscal year 2024. The increase is due to the property assessments and tax calculations being completed in early 2023. New construction valuation for fiscal year 2024 is $113. Which is a 3.63% increase in comparison to fiscal year 2023. The increase in existing property valuation is $253, which is a 4.81% increase in comparison to the previous year.
- In fiscal year 2023, the Board of Supervisors lowered the primary property tax rate to $3.5600 per one-hundred dollars of net assessed valuation. However, an increase in net assessed valuations has resulted in $5,458 more in primary property levied as compared to that levied in during fiscal year 2022.

The County continues to monitor the local, state and national economy in order to identify opportunities and threats to budgeted revenues. Improvement in the residential home market and retail sales across the State of Arizona resulted in more sales tax revenue, both County and State Shared. The County continues to place great emphasis on control over expenditures.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Pinal County Office of Budget and Finance, P.O. Box 1348, Florence, AZ, 85132.

[1] www.azcommerce.com – Arizona Commerce Authority - Employment and Population Statistics December 2021.
[2] www.azeconomy.org

Basic Financial Statements

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PINAL COUNTY
Statement of Net Position
June 30, 2023
(Amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
Assets			
Cash, cash equivalents and investments	$ 376,793	$ 650	$ 377,443
Cash and investments held by trustees	13,843	-	13,843
Receivables (net of allowances for uncollectibles):			
Property taxes	5,078	-	5,078
Accounts	11,006	96	11,102
Leases receivable	24,532	14,713	39,245
Notes receivable	-	166	166
Internal balances	3,730	(3,730)	-
Due from other governments	54,386	6,072	60,458
Inventories	45	-	45
Prepaid items	143	2	145
Cash, cash equivalents and investments - restricted	1,375	-	1,375
Net pension/other postemployment benefits asset	7,456	-	7,456
Capital assets, not being depreciated/amortized	412,739	11,201	423,940
Capital assets, being depreciated/amortized, net	716,759	5,197	721,956
Total assets	1,627,885	34,367	1,662,252
Deferred Outflows of Resources			
Deferred outflows related to other postemployment benefits	634	-	634
Deferred outflows related to pensions	43,672	61	43,733
Total deferred outflows of resources	44,306	61	44,367
Liabilities			
Accounts payable	22,544	1,822	24,366
Accrued payroll and employee benefits	5,850	8	5,858
Retainage payable	1,732	431	2,163
Contracts payable	89	-	89
Claims payable	2,774	-	2,774
Due to other governments	328	-	328
Deposits held for others	139	81	220
Interest payable	6,756	-	6,756
Unearned revenue	80,084	-	80,084
Noncurrent liabilities:			
Due within one year	27,615	19	27,634
Due in more than one year	528,698	376	529,074
Total liabilities	676,609	2,737	679,346
Deferred Inflows of Resources			
Deferred inflows related to other postemployment benefits	3,161	-	3,161
Deferred inflows related to pensions	4,721	9	4,730
Deferred inflows related to leases	21,760	14,641	36,401
Total deferred inflows of resources	29,642	14,650	44,292
Net Position			
Net investment in capital assets	832,256	14,232	846,488
Restricted for:			
Public safety	23,907	-	23,907
Highways and streets	100,278	-	100,278
Health	15,824	-	15,824
Culture and recreation	4,761	-	4,761
Other purposes	2,536	-	2,536
Unrestricted (deficit)	(13,622)	2,809	(10,813)
Total net position	$ 965,940	$ 17,041	$ 982,981

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Statement of Activities
Year Ended June 30, 2023
(Amounts expressed in thousands)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs							
Governmental activities							
General government	$ 72,813	$ 13,661	$ 5,886	$ -	$ (53,266)	$ -	$ (53,266)
Public safety	163,676	20,694	28,166	-	(114,816)	-	(114,816)
Highways and streets	71,823	18,750	54,250	135,120	136,297	-	136,297
Sanitation	650	756	-	-	106	-	106
Health	39,743	9,158	15,201	-	(15,384)	-	(15,384)
Welfare	43,040	3,718	37,612	-	(1,710)	-	(1,710)
Culture and recreation	2,115	632	25	-	(1,458)	-	(1,458)
Education	14,543	38	7,735	-	(6,770)	-	(6,770)
Interest on long-term debt	13,721	-	-	-	(13,721)	-	(13,721)
Cost of issuance	1,663	-	-	-	(1,663)	-	(1,663)
Total governmental activities	423,787	67,407	148,875	135,120	(72,385)	-	(72,385)
Business-type activities							
Sheriff inmate services	916	654	-	-	-	(262)	(262)
Airport economic development	1,490	1,263	8,555	-	-	8,328	8,328
Total business-type activities	2,406	1,917	8,555	-	-	8,066	8,066
Total primary government	$ 426,193	$ 69,324	$ 157,430	$ 135,120	(72,385)	8,066	(64,319)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					118,196	-	118,196
Property taxes, levied for flood control					4,616	-	4,616
Property taxes, levied for library district					3,029	-	3,029
Transaction privilege taxes, levied for health district					7,196	-	7,196
General county sales tax					35,582	-	35,582
Road improvement tax					18,051	-	18,051
Share of state sales taxes					63,395	-	63,395
Unrestricted share of vehicle license tax					27,909	-	27,909
Payments in lieu of taxes					4,380	-	4,380
Franchises taxes					463	-	463
Miscellaneous state assistance					703	-	703
Contributions not restricted to specific programs					1,781	-	1,781
Investment earnings					8,291	30	8,321
Miscellaneous					11,792	400	12,192
Transfers					(247)	247	-
Total general revenues					305,137	677	305,814
Changes in net position					232,752	8,743	241,495
Net position - July 1, 2022, as restated					733,188	8,298	741,486
Net position - June 30, 2023					$ 965,940	$ 17,041	$ 982,981

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Balance Sheet
Governmental Funds
June 30, 2023
(Amounts expressed in thousands)

	Major Funds							
	General Fund	Road Tax Districts Fund	American Rescue Plan Act Fund	Public Works Highway Fund	Development Impact Fee Fund	Debt Service Fund	Other Governmental Funds	Total
Assets								
Cash, cash equivalents and investments	$ 97,724	$ 20,049	$ 80,624	$ 44,971	$ 35,670	$ 756	$ 88,092	$ 367,886
Cash and investments held by trustees	430	-	-	-	-	13,413	-	13,843
Receivables (net of allowances for uncollectibles):								
Property taxes	4,852	-	-	-	-	-	226	5,078
Accounts	2,375	81	-	367	238	-	7,111	10,172
Lease receivable	24,532	-	-	-	-	-	-	24,532
Due from other funds	16,798	1	-	909	-	-	29,415	47,123
Due from other governments	22,602	3,235	-	9,894	-	-	18,655	54,386
Inventories	-	-	-	-	-	-	45	45
Prepaid items	44	-	-	-	-	-	83	127
Restricted assets:								
Cash, cash equivalents and investments	-	-	-	52	-	-	1,323	1,375
Total assets	$ 169,357	$ 23,366	$ 80,624	$ 56,193	$ 35,908	$ 14,169	$ 144,950	$ 524,567
Liabilities								
Accounts payable	$ 3,352	$ 2,176	$ 6	$ 5,534	$ 34	$ 1	$ 11,321	$ 22,424
Accrued payroll and employee benefits	4,696	-	-	455	-	-	696	5,847
Retainage payable	257	-	-	607	-	-	868	1,732
Contracts payable	89	-	-	-	-	-	-	89
Due to other funds	24,947	-	2,798	2,699	1,937	-	10,907	43,288
Due to other governments	-	-	-	-	-	-	328	328
Deposits held for others	60	-	-	-	-	-	79	139
Bonds payable	-	-	-	-	-	11,110	-	11,110
Interest payable	-	-	-	-	-	2,235	-	2,235
Unearned revenue	-	-	77,820	-	-	-	2,264	80,084
Total liabilities	33,401	2,176	80,624	9,295	1,971	13,346	26,463	167,276
Deferred Inflows of Resources								
Unavailable revenue - property taxes	4,625	-	-	-	-	-	204	4,829
Unavailable revenue - intergovernmental	6,158	-	-	205	-	-	17,456	23,819
Deferred inflows related to leases	21,760	-	-	-	-	-	-	21,760
Total deferred inflows of resources	32,543	-	-	205	-	-	17,660	50,408
Fund Balances								
Nonspendable:								
Inventories	-	-	-	-	-	-	45	45
Prepaid items	44	-	-	-	-	-	83	127
Total nonspendable	44	-	-	-	-	-	128	172
Restricted	-	21,190	-	46,693	33,937	-	37,537	139,357
Committed	-	-	-	-	-	-	10,499	10,499
Assigned	-	-	-	-	-	823	55,797	56,620
Unassigned	103,369	-	-	-	-	-	(3,134)	100,235
Total fund balances	103,413	21,190	-	46,693	33,937	823	100,827	306,883
Total liabilities, deferred inflows of resources and fund balances	$ 169,357	$ 23,366	$ 80,624	$ 56,193	$ 35,908	$ 14,169	$ 144,950	$ 524,567

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Position
June 30, 2023
(Amounts expressed in thousands)

Fund balances - total governmental funds (page 27)		$ 306,883
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 governmental funds.		
Governmental capital assets	$ 1,495,739	
Less accumulated depreciation/amortization	(366,241)	1,129,498
Some receivables are not available to pay for current period expenditures, and therefore, are reported as unavailable revenue in the governmental funds.		28,648
Interest payable on long-term debt in the governmental funds includes payments due early in the following year for interest that was not incurred in the current period.		(4,521)
Long-term liabilities, such as net pension/OPEB liabilities and bonds payable, are not due and payable in the current period and, therefore, are not reported as a liability in the funds.		
Bonds payable	(344,605)	
Net premium on bonds	(12,221)	
Landfill closure and postclosure care costs	(794)	
Financed purchase agreements	(486)	
Leases payable	(6,495)	
Subscription liability	(363)	
Compensated absences	(17,502)	
Estimated liabilities for claims and judgments	(1,086)	
Net pension and OPEB liabilities	(161,498)	(545,050)
Net Pension/OPEB assets held in trust for future benefits are not available resources for county operations and, therefore are not reported in the funds.		
Net Pension/OPEB asset		7,456
Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in governmental funds.		
Deferred outflows of resources related to pensions and OPEB	44,280	
Deferred inflows of resources related to pensions and OPEB	(7,878)	36,402
Internal service funds are used by management to charge the costs of certain activities, including insurance and automotive services and operation. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		6,624
Net position of governmental activities (page 25)		$ 965,940

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Major Funds							
	General Fund	Road Tax Districts Fund	American Rescue Plan Act Fund	Public Works Highway Fund	Development Impact Fee Fund	Debt Service Fund	Other Governmental Funds	Total
Revenues:								
Taxes	$ 152,998	$ 18,051	$ -	$ -	$ -	$ -	$ 15,173	$ 186,222
Licenses and permits	5,000	-	-	-	-	-	4,552	9,552
Intergovernmental	85,433	-	12,628	52,723	-	-	84,374	235,158
Charges for services	11,606	-	-	-	7,823	-	6,743	26,172
Fines and forfeits	1,308	-	-	-	-	-	426	1,734
Investment earnings	3,003	409	-	887	642	107	3,173	8,221
Contributions	-	203	-	18,114	-	-	2,182	20,499
Rentals	7,122	-	-	-	-	-	314	7,436
Miscellaneous	2,535	241	-	198	(5)	-	4,444	7,413
Total revenues	269,005	18,904	12,628	71,922	8,460	107	121,381	502,407
Expenditures:								
Current:								
General government	30,266	-	-	-	-	4	16,764	47,034
Public safety	124,109	-	-	-	-	-	25,289	149,398
Highways and streets	-	15,876	-	31,905	34	-	13,803	61,618
Sanitation	-	-	-	-	-	-	803	803
Health	21,852	-	-	-	-	-	17,184	39,036
Welfare	1,493	-	-	-	-	1	41,627	43,121
Culture and recreation	-	-	-	-	1	-	2,115	2,116
Education	1,431	-	-	-	-	-	13,112	14,543
Debt service:								
Principal retirement	573	-	-	34	-	46,325	76	47,008
Interest	78	-	-	2	-	13,314	25	13,419
Costs of issuance	1,663	-	-	-	-	-	-	1,663
Capital outlay	141,681	-	12,628	25,789	-	-	8,753	188,851
Total expenditures	323,146	15,876	12,628	57,730	35	59,644	139,551	608,610
Excess (deficiency) of revenues over expenditures	(54,141)	3,028	-	14,192	8,425	(59,537)	(18,170)	(106,203)
Other financing sources (uses):								
Issuance of debt	115,655	-	-	-	-	-	-	115,655
Lease proceeds	905	-	-	-	-	-	-	905
Insurance reimbursement	381	-	-	-	-	-	-	381
Sale of capital assets	31,358	-	-	6	-	-	109	31,473
Transfers in	3,797	-	-	906	-	60,319	31,931	96,953
Transfers out	(80,896)	-	-	(2,742)	(9,422)	-	(4,390)	(97,450)
Total other financing sources (uses)	71,200	-	-	(1,830)	(9,422)	60,319	27,650	147,917
Net change in fund balances	17,059	3,028	-	12,362	(997)	782	9,480	41,714
Fund balances - July 1, 2022, as restated	86,334	18,162	-	34,331	34,934	41	91,316	265,118
Changes in nonspendable resources:								
Increase in inventories	-	-	-	-	-	-	18	18
Increase in prepaid items	20	-	-	-	-	-	13	33
Fund balances - June 30, 2023	$ 103,413	$ 21,190	$ -	$ 46,693	$ 33,937	$ 823	$ 100,827	$ 306,883

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities
Year Ended June 30, 2023
(Amounts expressed in thousands)

Net change in fund balances - total governmental funds (page 29)		$ 41,714
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 depreciated/amortized over their estimated useful lives and reported as depreciation/amortization expense.		
Expenditures for capital assets	$ 189,287	
Less current year depreciation/amortization	(38,738)	150,549
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.		
Net book value of capital asset disposals		(30,375)
Some revenues reported in the Statement of Activities do not represent the collection of current financial resources and therefore are not reported as revenues in the governmental funds.		
Donations of capital assets	135,120	
State appropriation to EORP	657	
Intergovernmental	13,211	
Property tax revenues	500	149,488
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.		
Pension/OPEB contributions	17,434	
Pension/OPEB expense	(24,940)	(7,506)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of the debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities.		
Face amount of long-term debt issued	(115,655)	
Leases incurred	(408)	
Subscription-based information technology arrangements incurred	(230)	
Financed purchases incurred	(169)	
Debt service - principal payments	46,611	
Amortization of bond discount/premium	2,011	(67,840)
Under the modified accrual basis of accounting used in 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.		
Change in compensated absences	(1,778)	
Change in estimated liabilities for claims and judgments	367	
Change in landfill closure and postclosure care costs	(9)	
Change in accrued interest	(2,415)	(3,835)
Some cash outlays, such as purchases of inventories, are reported as expenditures in the governmental funds when purchased. In the Statement of Activities, however, they are reported as expenses when consumed.		
Change in prepaids		33
Change in inventories		18
Internal service funds are used by management to charge the costs of certain activities, including insurance and automotive maintenance and operation, to individual funds. The net expense, excluding pension related expenses, of certain interal service funds is reported with governmental activities in the Statement of Activities.		506
Change in net position of governmental activities (page 26)		$ 232,752

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Statement of Net Position
Proprietary Funds
June 30, 2023
(Amounts expressed in thousands)

	Business-type Activities- Nonmajor Enterprise Funds	Governmental Activities- Internal Service Funds
Assets		
Current assets:		
Cash, cash equivalents and investments	$ 650	$ 8,907
Receivables (net of allowances for uncollectibles):		
Accounts	96	835
Lease receivable	277	-
Notes receivable	166	-
Due from other funds	-	259
Prepaid items	2	16
Due from other governments	6,072	-
Total current assets	7,263	10,017
Noncurrent assets:		
Lease receivable	14,436	-
Capital assets:		
Land	282	-
Buildings and improvements	652	-
Machinery and equipment	1,675	-
Infrastructure	7,821	-
Construction in progress	10,919	-
Less accumulated depreciation	(4,951)	-
Net capital assets	16,398	-
Total noncurrent assets	30,834	-
Total assets	38,097	10,017
Deferred Outflows of Resources		
Deferred outflows related to pensions	61	26
Total deferred outflows of resources	61	26
Liabilities		
Current liabilities:		
Accounts payable	2,253	121
Accrued payroll and employee benefits	8	3
Claims payable	-	2,774
Customer deposits payable	81	-
Due to other funds	3,730	364
Compensated absences	19	-
Total current liabilities	6,091	3,262
Noncurrent liabilities:		
Net pension liability	359	153
Compensated absences	17	-
Total noncurrent liabilities	376	153
Total liabilities	6,467	3,415
Deferred Inflows of Resources		
Deferred inflows related to pensions	9	4
Deferred inflows related to leases	14,641	-
Total deferred inflows of resources	14,650	4
Net Position		
Net investment in capital assets	14,232	-
Unrestricted	2,809	6,624
Total net position	$ 17,041	$ 6,624

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Business-type Activities- Nonmajor Enterprise Funds	Governmental Activities- Internal Service Funds
Operating revenues:		
Charges for services	$ -	$ 26,681
Rentals	1,200	-
Miscellaneous	1,053	240
Total operating revenues	2,253	26,921
Operating expenses:		
Personal services	350	215
Supplies	747	140
Depreciation	376	-
Insurance	2	26,253
Repairs and maintenance	494	52
Communication	14	-
Professional services	259	76
Public utility service	95	-
Miscellaneous	67	28
Total operating expenses	2,404	26,764
Operating income (loss)	(151)	157
Nonoperating revenues:		
Intergovernmental	54	-
Capital contributions	8,563	-
Interest on investments	30	99
Total nonoperating revenues	8,647	99
Net income before transfers	8,496	256
Transfers in	250	250
Transfers out	(3)	-
Change in net position	8,743	506
Net position - July 1, 2022	8,298	6,118
Net position - June 30, 2023	$ 17,041	$ 6,624

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Business-type Activities- Nonmajor Enterprise Funds	Governmental Activities- Internal Service Funds
Cash flows from operating activities:		
Receipts from operations	$ 2,104	$ 240
Receipts from employee contributions	-	26,888
Payments to suppliers and providers of goods and services	(1,611)	(6,189)
Payments for employee wages and benefits	(400)	(172)
Payments for claims	-	(20,782)
Net cash provided by (used for) operating activities	93	(15)
Cash flows from noncapital financing activities:		
Receipts from federal and local agencies	2,717	-
Cash received from other funds	3,974	346
Net cash provided by noncapital financing activities	6,691	346
Cash flows from capital financing activities:		
Gain on sale of capital assets	(7,875)	
Purchase and construction of capital assets	(289)	-
Net cash used for capital financing activities	(8,164)	-
Cash flows from investing activities:		
Interest received on investments	28	99
Net cash provided by investing activities	28	99
Net increase in cash and cash equivalents	(1,352)	430
Cash and cash equivalents, July 1, 2022	2,002	8,477
Cash and cash equivalents, June 30, 2023	$ 650	$ 8,907

(Continued)

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023
(Concluded)
(Amounts expressed in thousands)

	Business-type Activities- Nonmajor Enterprise Funds	Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	$ (151)	$ 157
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation expense	376	-
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Net pension liability	27	69
Deferred outflows of resources related to pensions	29	(3)
Deferred inflows of resources related to pensions	(96)	(23)
Deferred inflows of resources related to leases	(296)	-
Accounts receivable	(29)	207
Prepaid expenses	(2)	5
Notes receivable	22	-
Lease receivable	285	-
Accounts payable	68	(127)
Accrued payroll and employee benefits	(10)	-
Customer deposits payable	(62)	-
Claims payable	-	37
Incurred but not reported claims	-	(337)
Unearned revenue	(68)	-
Total adjustments and changes	244	(172)
Net cash provided by (used for) operating activities	$ 93	$ (15)

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023
(Amounts expressed in thousands)

	Private Purpose Trust Fund	Custodial: External Investment Pool	Custodial: Other Custodial	Total Fiduciary
Assets				
Cash and investments in bank and on hand	$ -	$ -	$ 893	$ 893
Cash and investments held by County Treasurer	7,043	464,323	10,296	481,662
Property tax receivable for other governments	-	-	14,890	14,890
Interest receivable	-	2,274	-	2,274
Total assets	7,043	466,597	26,079	499,719
Liabilities				
Due to other governments	-	653	-	653
Total liabilities	-	653	-	653
Net Position				
Restricted for:				
Pool participants	7,043	465,944	-	472,987
Individuals, organizations, and other governments	-	-	26,079	26,079
Total Net Position	$ 7,043	$ 465,944	$ 26,079	$ 499,066

The notes to the financial statements are an integral part of this statement.

PINAL COUNTY
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

		Custodial		
	Private Purpose Trust Fund	External Investment Pool	Other Custodial	Total
Additions:				
Contributions from pool participants	$ -	$ 508,639	$ -	$ 508,639
Contributions from other governments	-	-	91,028	91,028
Property tax collections for other governments	-	-	294,717	294,717
Fine, fees, and forfeitures collected for other governments	-	-	8,772	8,772
Other	6,504	-	-	6,504
Interest earnings	-	18,498	14	18,512
Net decrease in fair value of investments	-	(5,174)	-	(5,174)
Total additions	6,504	521,963	394,531	922,998
Deductions:				
Distributions to pool participants	-	473,674	90,617	564,291
Property tax distributions to other governments	-	-	294,124	294,124
Fine, fees, and forfeitures collected for other governments	-	-	8,860	8,860
Other	5,206	-	-	5,206
Total deductions	5,206	473,674	393,601	872,481
Net increase in fiduciary net position	1,298	48,289	930	50,517
Net position - July 1, 2022	5,745	417,655	25,149	448,549
Net position - June 30, 2023	$ 7,043	$ 465,944	$ 26,079	$ 499,066

The notes to the financial statements are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies

Pinal County's accounting policies conform to U.S. generally accepted accounting principles applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB).

For the year ended June 30, 2023, the County implemented the provisions of GASB No. 96, *Subscription-Based Information Technology Arrangements*, which (1) defines a subscription-based information technology arrangement (SBITA); (2) establishes that a SBITA results in a right-to-use subscription asset - and a corresponding subscription liability; (3) provides the capitalizaiton criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. As a result, the County's financial statements have been modified to reflect the implimentation of this new standard. After the adoption, the reported amounts are not significant to the financial statements as a whole.

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:

Component Unit	Description; Criteria for Inclusion	Reporting Method	For Separate Financial Statements
Pinal County Flood Control District	A tax-levying district that provides flood control systems; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available
Pinal County Library District	Provides and maintains library services for County's residents; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available
Various Street Lighting Districts	Operates and maintains street lighting in areas outside local city jurisdictions; the County's Board of Supervisors serve as board of directors and County managment has operational responsibility	Blended	Not available

Component Unit	Description; Criteria for Inclusion	Reporting Method	For Separate Financial Statements
Desert Vista Sanitary District	Operates and maintains sanitation services in areas outside local city jurisdictions; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available
Pinal County Municipal Property Corporation (MPC)	Formed to finance the construction of the Apache Junction County Complex, Superior Court Judicial Facility, and the Sheriff's Administration Facility; the County's Board of Supervisors serves as board of directors	Blended	Not available
Central Arizona Public Facility Corporation	Formed to finance the construction of the Pinal County adult detention center	Blended	Not available
Public Health Services District	Provides and maintains health services for County's residents; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available

The Pinal County Municipal Property Corporation and the Central Arizona Public Facility Corporation were formed to finance various construction projects. Because the County's Board of Supervisors serves as the Board of Directors of each of these corporations, they are reported as blended component units of the County. These corporations issue certificates of participation that evidence undivided proportionate interests in rent payments to be made under a lease agreement, with an option to purchase, between Pinal County and the corporations. Since this debt is in substance the County's obligations, these liabilities and resulting assets are reported in the government-wide statement of net position.

The Public Health Services District was formed under A.R.S. §48-5802(C) as a taxing authority to provide health services to the growing population of Pinal County. The Public Health Services District is reported as a special revenue fund in the financial statements.

Related Organization

The Industrial Development Authority of Pinal County (Authority) is a legally separate entity that was created to promote economic development and the development of affordable housing. The Authority fulfills its function through the issuance of tax-exempt or taxable revenue bonds. The County 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.

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 information's usefulness.

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 overall government's financial activities, except for fiduciary activities. They also distinguish between the County's governmental and business-type activities and between the County and its discretely presented component units. 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 segment 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 on a government-wide basis. Program revenues include:

- charges to customers or applicants for goods, services, or privileges provided;
- operating grants and contributions; and
- capital grants and contributions, including special assessments.

Revenues that are not classified as program revenues, including internally dedicated resources and all taxes the County levies or imposes, 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.

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 user charges, in which each party receives and gives up essentially equal values, are operating revenues. Other revenues, such as intergovernmental revenues, result from transactions in which the parties do not exchange equal values and are considered nonoperating revenues along with investment earnings and revenues ancillary activities generate. Operating expenses include the cost of services, administrative expenses, and depreciation/amortization on capital assets. Other expenses, such as interest expense, are considered 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 Tax Districts Fund—accounts for monies from the Pinal County Transportation Excise Tax which is used to provide continued funding for the construction, reconstruction, maintenance, repair, and roadside development of county roads, streets and bridges.

The American Rescue Plan Act Fund - accounts for monies received from the Arizona Governor's Office from American Recovery Plan Act funding.

The Public Works Highway Fund—accounts for monies from Highway User Revenue Fund and Vehicle License Tax that are restricted for road maintenance and operations, pavement preservation, and fleet services.

The Development Impact Fee Fund—accounts for monies from development impact fees assessed on all new developments within the unincorporated areas of Pinal County. These funds are used for parks, public safety, and streets within the Impact Fee Area collected, as determined by a Pinal County development fee ordinance.

The Debt Service Fund - accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Revenues are primarily from the investment earnings, debt proceeds and transfers in.

The County also reports the following fund types:

The Internal Service Funds—account for the County's self-insured medical plan for eligible County employees and their eligible dependents and to account for automotive maintenance and operation of County vehicles.

The Fiduciary Funds—consist of private-purpose trust funds, which acount 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 and non-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 fiscal year-end. The County's major revenue sources that are susceptible to accrual are property taxes, sales taxes, licenses and permits, and intergovernmental revenues. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, 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 and subscription-based information technology arrangements are reported as other financing sources.

D. Cash and Investments

For the statement of cash flows, the County's cash and 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.

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest-earning investment contracts with a remaining maturity of 1 year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value.

E. Inventories

Inventories in the government-wide 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 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.

(Amounts expressed in thousands)

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.

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 proprietary funds are as follows:

	Capitalization Threshold	Depreciation/ Amortization Method	Estimated Useful Life
Land	All	N/A	N/A
Buildings &			
improvements	$ 25	Straight line	10-40 years
Machinery & equipment	$ 5	Straight line	3-21 years
Infrastructure	$ 100	Straight line	20-50 years
Intangibles:			
Software	$ 50	Straight line	10 or more years
Right-to-use			
lease assets:			
Land improvements	$ 25	Straight line	10-40 years
Equipment	$ 5	Straight line	3-21 years
Subscription Assets	$ 5	Straight line	1-5 years

The County currently has one network of infrastructure assets comprised of the County's roads and bridges. 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 then the lease asset is amortized over the useful life of the underying 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 plan. 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.

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 approved in a public meeting by the County's Board of Supervisors, which is the highest level of decision-making authority within the County. The constraints placed on committed fund balances can be removed or changed by only the Board in a public meeting. The formal action to commit fund balance for a particular purpose is by a resolution approved 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 Chief Financial Officer to make assignments of resources for a specific purpose by a resolution approved 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 balances, it is the County's policy to use restricted fund balance first. It is the County's policy to use committed amounts first when disbursing unrestricted fund balances, followed by assigned amounts, and lastly unassigned amounts.

J. Investment Earnings

Investment earnings are composed of interest, dividends, and net changes in the fair value of applicable investments.

K. Compensated Absences

Compensated absences payable consists of vacation leave and a calculated amount of sick leave employees earned based on services already rendered.

Employees may accumulate up to 360 hours of vacation. Any vacation hours in excess of the maximum amount that are unused at December 31st roll over and are added to an employee's sick leave balance. Upon terminating employment, the County pays all unused and unforfeited vacation benefits to employees. Accordingly, vacation benefits are accrued as a liability in the government-wide and proprietary funds' financial statements. 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.

Employees may accumulate an unlimited number of sick leave hours. Generally, sick leave benefits provide for ordinary sick pay and are cumulative but employees forfeit them upon terminating employment. Because sick leave benefits do not vest with employees, a liability for sick leave benefits is not accrued in the financial statements. However, a certain percentage of sick leave can be converted to vacation leave upon retirement after an employee has worked 5 or more years for the County, and is accrued as a long-term liability.

L. Leases and subscription-based information technology arrangements

Leases

As lessor, the County recognizes lease receivables with an initial, individual value of $5 or more. The County uses its estimated incremental borrowing rate to measure lease receivables 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.

As lessee, the County recognizes lease liabilities with an initial, individual value of $5 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 calculated as described above.

Subscription-based information technology arrangements

The County recognizes subscription liabilities with an initial, individual value of $5 or more. The County uses its estimated incremental borrowing 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.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2023
(Amounts expressed in thousands)

Note 2 - Fund Balance Classifications of the Governmental Funds

The fund balance categories and classifications for governmental funds as of June 30, 2023, were as follows:

	Major Funds							
	General Fund	Road Tax Districts Fund	American Rescue Plan Act Fund	Public Works Highway Fund	Development Impact Fee Fund	Debt Service Fund	Other Governmental Funds	Total
Fund balances:								
Nonspendable	$ 44	$ -	$ -	$ -	$ -	$ -	$ 128	$ 172
Restricted for:								
Air pollution	-	-	-	-	-	-	1,698	1,698
Other capital projects	-	-	-	-	-	-	1	1
Financial Services	-	-	-	-	-	-	336	336
Flood control	-	-	-	-	-	-	284	284
Public Health	-	-	-	-	-	-	9,727	9,727
Highways and streets	-	-	-	-	24,990	-	446	25,436
Judicial activities	-	-	-	-	-	-	2,797	2,797
Justice courts	-	-	-	-	-	-	916	916
Law enforcement	-	-	-	-	-	-	8,864	8,864
Library services	-	-	-	-	-	-	759	759
Parks and recreation	-	-	-	-	4,013	-	-	4,013
Probation	-	-	-	-	-	-	3,746	3,746
Prosecution	-	-	-	-	-	-	3,848	3,848
Public safety	-	-	-	-	4,934	-	-	4,934
Road maintenance/construct.	-	21,190	-	46,693	-	-	-	67,883
Sanitation	-	-	-	-	-	-	19	19
Other purposes	-	-	-	-	-	-	4,096	4,096
Total restricted	-	21,190	-	46,693	33,937	-	37,537	139,357
Committed to:								
Education	-	-	-	-	-	-	6,323	6,323
Prosecution	-	-	-	-	-	-	2	2
Judicial enhancements	-	-	-	-	-	-	4,174	4,174
Other capital projects	-	-	-	-	-	-	-	-
Total committed	-	-	-	-	-	-	10,499	10,499
Assigned to:								
Pinal animal care	-	-	-	-	-	-	810	810
Public Health	-	-	-	-	-	-	129	129
Public Works	-	-	-	-	-	-	16,510	16,510
Other capital projects	-	-	-	-	-	-	38,348	38,348
Debt service	-	-	-	-	-	823	-	823
Total assigned	-	-	-	-	-	823	55,797	56,620
Unassigned	103,369	-	-	-	-	-	(3,134)	100,235
Total fund balances	$ 103,413	$ 21,190	$ -	$ 46,693	$ 33,937	$ 823	$ 100,827	$ 306,883

Note 3 - Stabilization Arrangements

The Board of Supervisors established by resolution that the County General Fund maintain a Financial Stability Reserve at no less than 10% of the adopted General Fund expenditures to serve as financial protection for unforeseeable future economic circumstances. Any changes to the reserve must be approved by the Board of Supervisors in a public meeting. For the year ended June 30, 2023, the budgeted Stability Reserve was $41,842, which is included in unassigned fund balance.

Note 4 – 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 evidences 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 evidences 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 pooled collateral program for public deposits and a Statewide Collateral Pool Administrator (Administrator) in the State Treasurer's Office. The purpose of the pooled collateral program is to ensure that governmental entities' public deposits placed in participating depositiories are secured with collateral of 102 percent of the public deposits, less any applicable deposit insurance. An eligible depository may not retain or accept any public deposits unless it has deposited the required collateral with a qualified escrow agent or the Administrator. The Administrator manages the pooled collateral program, including reporting on each depository's compliance with the program.

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, 2023, the carrying amount of the County's deposits was $210,697 and the bank balance was $222,315. The County's policy states that the County Treasurer will conform with Arizona Revised Statutes related to custodial credit risk.

(Amounts expressed in thousands)

Investments—The County's investments at June 30, 2023, categorized within the fair value hierarchy established by generally accepted accounting principles, were as follows:

		Fair value measurement using		
	Amount	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments by fair value level				
U.S. Treasury Securities	$ 14,868	$ 14,868	$ -	$ -
U.S. Agency Securities	596,927	-	596,927	-
Corporate bonds	42,035	-	42,035	-
Pooled CDs	229	-	229	-
Total investments at fair value	654,059	$ 14,868	$ 639,191	$ -
External investment pools measured at fair value				
State Treasurer's investment pool	431			
Total investments measured at fair value	654,490			
Investments measured at amortized cost				
Money Market Funds	10,000			
Total investments measured at amortized cost	10,000			
Total investments	$ 664,490			

The investments categorized as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. The investments categorized as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. 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 participant's shares are not identified with specific investments. The State Board of Investment provides oversight for the State Treasurer's investment pools.

(Amounts expressed in thousands)

Credit Risk—The County's credit risk policy states that the County will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by limiting investments to those of the highest credit quality, pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the County Treasurer will do business and by diversifying the investment portfolio so that potential losses on individual securities will be minimized. At June 30, 2023, credit risk for the County's investments was as follows:

Investment Type	Rating	Rating agency	Amount
U.S. Agency Securities	AAA	Moody's	$ 496,832
U.S. Agency Securities	NR	Not Applicable	100,095
Corporate Bonds	A	Moody's	42,035
State Treasurer's Investment Pool 7	NR	Not Applicable	431
Money Market	NR	Not Applicable	10,000
Pooled CDs	NR	Not Applicable	229
			$ 649,622

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 an outside party's possession. The County's policy states that the County Treasurer will conform with Arizona Revised Statutes, which currently does not address custodial credit risk for investments. The County did not have any custodial credit risk at fiscal year-end.

Concentration of credit risk—The County's investment policy states that the County Treasurer will diversify its investments by security type and institution when practical and feasible to do so. The County Treasurer will limit investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury Securities), and will invest in securities with varying maturities. The County had investments at June 30, 2023, of 5 percent or more in the Federal Home Loan Bank, Federal Farm Credit Bank, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and the Federal Agricultural Mortgage Corporation. These investments were 37.5 percent, 15.5 percent, 11.8 percent, 10.9 percent, and 12.1 percent, respectively, of the County's total investments.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2023
(Amounts expressed in thousands)

Interest rate risk—The County's investment policy states that the County Treasurer will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter term securities. At June 30, 2023, the County had the following investments in debt securities.

	Investment Maturities		
Investment Type	Amount	Less than 1 Year	1-5 Years
U.S. Agency Securities	$ 596,927	$ 190,797	$ 406,130
U.S. Treasury Securities	14,868	14,868	-
Corporate Bonds	42,035	9,758	32,277
State Treasurer's Investment Pool 7	431	431	-
Money Market	10,000	10,000	-
Pooled CDs	229	-	229
	$ 664,490	$ 225,854	$ 438,636

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

Cash, deposits and investments	
Cash on hand	$ 29
Amount of deposits	210,697
Amount of investments	664,490
Total	$ 875,216

	Governmental Activities	Business-Type Activities	Private-Purpose Trust Fund	Custodial Funds: External Investment Pool	Custodial Funds: Other	Total
Statement of Net Position:						
Cash, cash equivalents and investments	$ 376,793	$ 650	$ 7,043	$ 464,323	$ 11,189	$ 859,998
Cash, cash equivalents and investments - restricted	1,375	-	-	-	-	1,375
Cash and investments held by trustees	13,843	-	-	-	-	13,843
Total	$ 392,011	$ 650	$ 7,043	$ 464,323	$ 11,189	$ 875,216

Note 5 – Lease Receivable

The County, acting as a lessor, leases land, hangars, and building space under long-term, noncancelable lease agreements. The leases expire at various dates through May 17, 2077, and provide for renewal options up to 30 years.

During the year ended June 30, 2023, the District recognized $6,746 and $531 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Governmental Activities - Land and building leases. Annual installments totaling $6,093 plus interest at interest rates ranging from 0.73% to 2.68%, due dates ranging from 2024 to 2043.

Business-type Activities - Land and hangar leases. Annual installments totaling $301 plus an interest rate of 1.51%, due dates ranging from 2024 to 2073.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2023
(Amounts expressed in thousands)

Note 6 – Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022 (Restated)*	Increases	Decreases	Balance June 30, 2023
Governmental activities:				
Capital assets not being depreciated/amortized:				
Land	$ 241,056	$ 134,275	$ 30,024	$ 345,307
Construction in progress	62,290	61,316	56,174	67,432
Total capital assets not being depreciated/amortized	303,346	195,591	86,198	412,739
Capital assets being depreciated/amortized:				
Buildings & improvements	234,823	47,647	2,664	279,806
Machinery & equipment	97,792	12,502	5,805	104,489
Infrastructure	543,459	122,387	-	665,846
Intangibles:				
Software	23,440	1,854	-	25,294
Right-to-use subscription assets	401	192	-	593
Right-to-use lease assets:				
Land	2,049	-	-	2,049
Buildings	1,751	408	69	2,090
Infrastructure	2,833	-	-	2,833
Equipment	20	-	20	-
Total capital assets being depreciated/amortized	906,568	184,990	8,558	1,083,000
Less accumulated depreciation/amortization for:				
Buildings & improvements	106,202	9,596	2,664	113,134
Machinery & equipment	76,170	8,701	5,482	79,389
Infrastructure	142,803	17,385	-	160,188
Intangibles:				
Software	10,208	2,393	-	12,601
Right-to-use subscription assets	-	294	-	294
Right-to-use lease assets:				
Land	102	103	-	205
Buildings	73	152	45	180
Infrastructure	141	109	-	250
Equipment	11	5	16	-
Total accumulated depreciation/amortization	335,710	38,738	8,207	366,241
Total capital assets being depreciated/amortized, net	570,858	146,252	351	716,759
Governmental activities capital assets, net	$ 874,204	$ 341,843	$ 86,549	$ 1,129,498
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 282	$ -	$ -	$ 282
Construction in progress	1,445	9,474	-	10,919
Total capital assets not being depreciated	1,727	9,474	-	11,201
Capital assets being depreciated:				
Buildings & improvements	636	16	-	652
Machinery & equipment	1,409	309	42	1,676
Infrastructure	7,568	253	-	7,821
Total capital assets being depreciated	9,613	578	42	10,149
Less accumulated depreciation for:				
Buildings & improvements	157	20	-	177
Machinery & equipment	1,325	104	42	1,387
Infrastructure	3,135	253	-	3,388
Total accumulated depreciation	4,617	377	42	4,952
Total capital assets being depreciated, net	4,996	201	-	5,197
Business-type activities capital assets, net	$ 6,723	$ 9,675	$ -	$ 16,398

PINAL COUNTY
Notes to the Financial Statements
June 30, 2023
(Amounts expressed in thousands)

Depreciation/amortization expense was charged to functions as follows:

Governmental activities:		
General government	$	11,570
Public safety		6,333
Highways and streets		20,109
Sanitation		74
Health		283
Welfare		362
Culture and recreation		7
Total governmental activities depreciation/amortization expense	$	38,738
Business-type activities:		
Sheriff inmate services	$	102
Airport economic development		275
Total business-type activities depreciation/amortization expense	$	377

* During the year ended June 30, 2023, the County implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, as amended. As a result, $401 of right-to-use subscription assets were added to the governmental activities as of July 1, 2022. There was no impact to net position.

Note 7 – Construction Commitments

Pinal County was engaged in multiple construction projects as of June 30, 2023. Commitments with contractors are as follows:

Project		Spent-to-Date		Remaining Commitment
IPAZ Improvements - Hanna Rd, Houser Rd, SR-87	$	11,865	$	1,724
Schedule III: Runway Shoulder		5,851		227
Gantzel Rd Improvements		1,838		8
Schedule IV: RSA Grading & Drainage Improvements		1,805		76
Construction Management Services		1,015		182
AJ Basin - Weekes Wash Watershed		935		18
Runway Lighting & Electrical Vault Rehabilitation		828		332
Green Wash NRCS Watershed		747		175
Remaining Contractual Commitments		7,540		4,385

The remaining contractual commitments amount of $4,385, includes design and/or studies of street construction and the maintenance of existing streets. The County intends to use Road Tax Districts, Public Works Highway, and Bond Funded Capital Projects Funds monies for its outstanding construction commitments.

(Amounts expressed in thousands)

Note 8 – Due from Other Governments

Of the $22,602 reported as due from other governments in the General Fund at June 30, 2023, $5,578 is for an intergovernmental agreement with the City of Apache Junction. The agreement was entered into by the County to share costs with the City of Apache Junction in the re-construction, re-design and improvement of Ironwood Drive within the corporate limits of the City of Apache Junction. An amendment to the original agreement specified an extension of the date of the first scheduled payment and the amount of future payments. This receivable is not expected to be collected within one year since under the terms of the amended agreement, payments are not yet scheduled to commence. Accordingly, the amount has been reported as deferred inflow of resources in the General Fund. The remaining outstanding amounts are primarily due from taxes to be collected from the State of Arizona and other contractual obligations.

Note 9 – Long-Term Liabilities

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2023:

	Balance July 1, 2022 (Restated)*	Additions	Reductions	Balance June 30, 2023	Due within one year
Governmental activities:					
Bonds payable	$ 285,940	$ 115,655	$ 45,880	$ 355,715	$ 16,780
Unamortized premium/discount	14,232	-	2,011	12,221	1,810
Financed purchases	350	305	169	486	187
Leases payable	6,419	408	332	6,495	281
Subscription liability	401	192	230	363	355
Net OPEB liabilities	138	-	53	85	-
Net pension liabilities	129,589	31,977	-	161,566	-
Compensated absences	15,724	14,057	12,279	17,502	7,659
Estimated liabilities for claims and judgments	1,453	380	747	1,086	543
Landfill Post-Closure Liability	785	9	-	794	-
Total governmental activities long-term liabilities	$ 455,031	$ 162,983	$ 61,701	$ 556,313	$ 27,615
Business-type activities:					
Net pension liabilities	$ 332	$ 27	$ -	$ 359	$ -
Compensated absences	36	19	19	36	19
Total business-type activities long-term liabilities	$ 368	$ 46	$ 19	$ 395	$ 19

* During the year ended June 30, 2023, the County implemented the provisions of GASB Statement No. 96, *Subscription-Based IT Arrangements*, as amended. As a result, $401 of subscription liabilities were added to the governmental activities as of July 1, 2022. There was no impact to net position.

Pledged Revenue Bonds Payable, Series 2014

On December 17, 2014, the County issued $52,700 in Pledged Revenue Obligation Bonds, Series 2014, with a premium of $6,768. The net proceeds of $59,004 (after payment of underwriting fees and other issuance costs) will be used to pay for improvements to certain highways and streets, upgrades to public safety radio and appurtenances, and for construction/improvements to court buildings. The bonds, which are not subject to redemption prior to maturity, have interest rates ranging from 2.0% to 5.0%, payable semiannually on February 1 and August 1 of each year through 2034.

Pledged Revenue Refunding Bonds Payable, Series 2014

On December 17, 2014, the County issued $40,310 in Pledged Revenue Refunding Obligation Bonds, Series 2014, with a premium of $6,473. The net proceeds after payment of underwriting fees and other issuance costs were deposited in an irrevocable trust to provide for the in-substance defeasance of the Greater Arizona Development Authority (GADA) Loan 2006-1 held with trustee until the loan's early redemption date of August 2016. The loan was paid off August 1, 2016. The bonds, which are not subject to redemption prior to maturity, have interest rates ranging from 2.0% to 5.0%, payable semiannually on February 1 and August 1 of each year through 2025.

The County has pledged a portion of the Pinal County General Excise Tax Revenues, a portion of the State Shared Revenues, and Vehicle License Tax Revenues to repay both of the Series 2014 bond issuances. Total principal and interest payments remaining on the bonds are $76,189 payable through 2034. State shared revenues have averaged $49.5 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged $25.8 million per year over the last 5 years, and Vehicle License Tax Revenues have averaged $15.2 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were $63,395 and $36,030, respectively, and vehicle license tax revenues recognized by the County were $17,157. In the current year, principal and interest payments were $7,155 and $2,907 respectively for both Pledged Revenue and Pledged Revenue Refunding Bonds Payable, Series 2014.

Pledged Revenue Refunding Bonds Payable, Tax-Exempt, Series 2015A

On May 13, 2015, the County issued $39,075 in Pledged Revenue Refunding Obligation Bonds, Tax-Exempt, Series 2015A, with a premium of $6,390. The net proceeds of $44,845 (after payment of underwriting fees and other issuance costs) were deposited in an irrevocable trust to provide for the refunding of the Series 2004 Certificates of Participation. The Certificates of Participation were paid off May 13, 2015. The bonds are not subject to redemption prior to maturity, have interest rates ranging from 3.125% to 5%, payable semiannually on February 1 and August 1 of each year through 2029.

The County has pledged a portion of the Pinal County General Excise Tax Revenues, a portion of the State Shared Revenues, and Vehicle License Tax Revenues to repay the Series 2015 bond issuances. Total principal and interest payments remaining on the bonds are $32,394 payable through 2030. State shared revenues have averaged $49.5 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged $25.8 million per year over the last 5 years, and Vehicle License Tax Revenues have averaged $15.2 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were $63,395 and $36,030, respectively, and vehicle license tax revenues recognized by the County were $17,157. In the current year, the principal and interest payments were $3,230 and $1,315, respectively.

Pledged Revenue Bonds Payable, Qualified Tax-Exempt, Series 2018

On August 9, 2018, the County issued $7,360 in Pledged Revenue Obligations Bonds, Series 2018 with a premium of $426. The net proceeds of $7,500 (after payment of underwriting fees and other issuance costs) will be used to pay for the construction of new facilities and enhancement of existing County facilities to accommodate the re-districting and consolidation of the Pinal County Justice of the Peace precincts from eight to six. The bonds, which are not subject to redemption prior to maturity, have interest rates ranging from 3.0% to 4.0%, payable semiannually on February 1 and August 1 of each year through 2037.

Pledged Revenue Bonds Payable, Taxable, Series 2018

On December 12, 2018, the County issued $31,010 in Pledged Revenue Obligations Bonds, Series 2018. The net proceeds of $29,940 (after payment of underwriting fees and other issuance costs) were used to acquire approximately 496 acres of real property located in the City of Casa Grande, Pinal County, Arizona. The County acquired the property for economic development purposes and contemporaneously with this development agreement, has entered into a lease option agreement with Lucid Motors, USA Inc. as the lessee, in connection with the development of facilities on the property to be used for automobile manufacturing, assembling, testing and related uses. The bonds were fully redeemed during the current fiscal year utilizing proceeds received from the sale of the land to Lucid Motors USA, Inc.

Pledged Revenue Bonds Payable, Taxable, Series 2019

On September 26, 2019, the County issued $56,330 in Pledged Revenue Obligations Bonds, Series 2019, with a premium of $7,454. The net proceeds of $63,000 (after payment of underwriting fees and other issuance costs) were used for a County complex located in San Tan Valley, a County complex located in the City of Maricopa, the addition of a new building located in the County Complex in Florence, and the addition of a new building located in the County Justice Complex in Florence. The bonds, which may be subject to redemption prior to maturity, have interest rates ranging from 3.0% to 5.0%, payable semiannually on February 1 and August 1 of each year through 2043.

The County has pledged a portion of the Pinal County General Excise Tax Revenues, a portion of the State Shared Revenues, and Vehicle License Tax Revenues to repay the Series 2019 bond issuance. Total principal and interest payments remaining on the bonds are $84,434 payable through 2044. State shared revenues have averaged $49.5 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged $25.8 million per year over the last 5 years, and Vehicle License Tax Revenues have averaged $15.2 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were $63,395 and $36,030, respectively, and vehicle license tax revenues recognized by the County were $17,157. In the current year, the interest payments were $2,211.

Pledged Revenue Refunding Bonds Payable, Taxable, Series 2020

On August 6, 2020, the County issued Pledged Revenue Refunding Obligations, Series 2020, for $7,085 and premium amount of $1,643 with interest rates ranging from 4.00% to 5.00% and maturing from August 1, 2024 to August 1, 2035. Net proceeds totaled $8,496, after payment of $228 of issuances costs and underwriter's discount. The net proceeds were used for the refunding of Pledged Revenue Obligation, Series 2010 bonds. The related debt was defeased in August 2020 and is not included in the County's financial statements.

The County has pledged a portion of the Pinal County General Excise Tax Revenues, a portion of the State Shared Revenues, and Vehicle License Tax Revenues to repay the Series 2020 bond issuance. Total principal and interest payments remaining on the bonds are $9,390 payable through 2036. State shared revenues have averaged $49.5 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged $25.8 million per year over the last 5 years, and Vehicle License Tax Revenues have averaged $15.2 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were $63,395 and $36,030, respectively, and vehicle license tax revenues recognized by the County were $17,157. In the current year, the interest payments were $306.

Pledged Revenue Bonds Payable, Taxable, Series 2020

On November 18, 2020, the County issued Pledged Revenue Obligations, Taxable Series 2020, for $89,055 with interest rates ranging from 0.55% to 2.97% and maturing from August 1, 2021 to August 1, 2033. The proceeds were used to pay a portion of the County's unfunded PSPRS pension liability.

The County has pledged a portion of the Pinal County General Excise Tax Revenues, a portion of the State Shared Revenues, and Vehicle License Tax Revenues to repay the Series 2020 bond issuance. Total principal and interest payments remaining on the bonds are $98,376 payable through 2033. State shared revenues have averaged $49.5 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged $25.8 million per year over the last 5 years, and Vehicle License Tax Revenues have averaged $15.2 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were $63,395 and $36,030, respectively, and vehicle license tax revenues recognized by the County were $17,157. In the current year, the principal and interest payments were $4,205 and $1,825.

Pledged Revenue Bonds Payable, Taxable, Series 2022 (Green Bonds)

On July 28, 2022, the County issued Pledged Revenue Obligations, Taxable Series 2022 (Green Bonds), for $115,655 with interest rates ranging from 3.07% to 5.74% and maturing from August 1, 2023 to August 1, 2052. The proceeds were used for the acquisition of property pursuant to a financed purchase agreement between the County and Lucid Motors USA, Inc.

The County has pledged a portion of the Pinal County General Excise Tax Revenues, a portion of the State Shared Revenues, and Vehicle License Tax Revenues to repay the Series 2022 bond issuance. Total principal and interest payments remaining on the bonds are $239,374 payable through 2052. State shared revenues have averaged $49.5 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged $25.8 million per year over the last 5 years, and Vehicle License Tax Revenues have averaged $15.2 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were $63,395 and $36,030, respectively, and vehicle license tax revenues recognized by the County were $17,157. In the current year, the interest payments were $3,056.

(Amounts expressed in thousands)

Bonds outstanding at June 30, 2023, were as follows:

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal
Pledged Revenue Obligations, Series 2014	$ 52,700	2022-2035	2.0% to 5.0%	$ 47,000
Pledged Revenue Refunding Obligations, Series 2014	$ 40,310	2017-2025	2.0% to 5.0%	14,030
Pledged Revenue Refunding Obligations, Tax-Exempt Series 2015A	$ 39,075	2020-2029	3.125 to 5.0%	27,735
Pledged Revenue Obligations, Tax-Exempt Series 2018	$ 7,360	2019-2037	3.00% to 4.00%	6,260
Pledged Revenue Obligations, Taxable Series 2019	$ 56,330	2019-2043	3.00% to 5.00%	56,330
Pledged Revenue Refunding Obligations, Taxable Series 2020	$ 7,085	2025-2035	4.00% to 5.00%	7,085
Pledged Revenue Obligations, Taxable Series 2020	$ 89,055	2022-2033	0.55% to 2.97%	81,620
Pledged Revenue Obligations, Taxable Series 2022	$ 115,655	2024-2053	3.07% to 5.74%	115,655
				$ 355,715

The following schedule details debt service requirements to maturity for the County's bonds payable at June 30, 2023:

	Governmental Activities	
Year Ending June 30	Principal	Interest
2024	$ 16,780	$ 14,718
2025	17,755	14,066
2026	18,570	13,367
2027	16,085	12,700
2028	17,810	12,043
2029-2033	85,260	50,040
2034-2038	74,890	34,389
2039-2043	38,440	23,467
2044-2048	34,625	12,924
2049-2053	35,500	5,328
Total	$ 355,715	$ 193,042

(Amounts expressed in thousands)

Financed Purchases

The County has acquired copier equipment, vehicles and body worn cameras under contract agreements at a total purchase price of $1,220. The following schedule details debt service requirements to maturity for the County's financed purchases at June 30, 2023.

	Governmental Activites	
Year Ending June 30,	Principal	Interest
2024	$ 187	$ 15
2025	165	11
2026	64	5
2027	70	2
Total	$ 486	$ 33

Leases

The County has obtained the right to use land and equipment under the provisions of various lease agreements. The land leases have due dates ranging from 2024 to 2053 with an interest rate of .73%. The equipment leases have due dates ranging from 2024 to 2025 with an interst rate of .73%.

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

	Governmental Activities
Land and equipment	$ 6,972
Less: accumulated amortization	636
Carrying value	$ 6,336

The following schedule details minimum lease payments to maturity for the County’s leases payable at June 30, 2023:

	Governmental Activities	
Year Ending June 30	Principal	Interest
2024	$ 281	$ 99
2025	286	94
2026	291	89
2027	298	84
2028	187	80
2029-2033	1,048	352
2034-2038	1,221	266
2039-2043	1,361	169
2044-2048	1,235	62
2049-2053	287	8
Total	$ 6,495	$ 1,303

(Amounts expressed in thousands)

Subscription-based information technology arrangements (SBITAs)

The County has obtained the right to use softwares and license bundles under the provisions of various subscription-based information technology arrangements.

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

	Governmental Activities
Total intangible right-to-use subscription assets	$ 593
Less: accumulated amortization	294
Carrying value	$ 299

The following schedule details minimum subscription payments to maturity for the County's subscriptions liability at June 30, 2023:

	Governmental Activities	
Year Ending June 30	Principal	Interest
2024	$ 355	$ 6
2025	2	-
2026	3	-
2027	3	-
Total	$ 363	$ 6

Landfill closure and post closure care costs

State and federal laws and regulations require the County to place a final cover on its Dudleyville landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. In April 2020, the County terminated its contract with an outside agency that was providing operations for its solid waste facility. The County is now responsible for the landfill closure and post closure care costs.

The amount recognized each year is based on landfill capacity used at the end of each fiscal year. The $794 reported as landfill closure and postclosure care liability at June 30, 2023, represents the cumulative amount reported to date based on the use of 69 percent of the landfill’s estimated capacity. This amount is based on what it would cost to perform all closure and postclosure care in fiscal year 2023. The actual cost may be higher because of inflation, changes in technology, or changes in regulations.

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.

Insurance Claims

Effective July 1, 2021, the County established a health benefits trust which is accounted for in the Employee Benefit Fund (an internal service fund). The Fund's insurance claims payable liability totaling $2,774 at June 30, 2023, 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 a variety of actuarial methods and techiniques. Actual claims incurred could differ from these estimates. Adjustments to the claim liabilities are charged or credited to expense in the periods which claims are made.

(Amounts expressed in thousands)

The Employee Benefit Fund accounts for the financing of the uninsured risk of loss for certain health benefits (comprehensive, major medical, dental) to eligible employees and their dependents. Under this program, the Fund purchases commercial stop loss insurance that provides annual coverage for claims over $24 per individual with no annual maximum. Settled claims did not exceed this commercial insurance coverage since its inception since there was no annual maximum.

Changes in the claims liability amount for the year ended June 30, 2023, are as follows:

Claims liability - beginning	$ 3,074
Current-year claims and changes in estimates	26,253
Claims paid	(26,553)
Claims liability balance - ending	$ 2,774

Compensated absences and claims and judgments

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs. Claims and judgments are generally paid from the fund that accounts for the activity that gave rise to the claim.

During fiscal year 2023, the County paid for governmental-type activity compensated absences as follows: 73 percent from the General Fund, 10 percent from the Public Works Highway Fund, and 17 percent from other governmental funds. The County paid for claims and judgments from the General Fund.

(Amounts expressed in thousands)

Note 10 – Restatement of Fund Balance and Net Position Due to Correction of an Error

During the year ended June 30, 2023, the County made corrections to cash, cash equivalents and investments, revenues and expenditures that resulted in changes to beginning fund balances that requires the restatement of June 30,2022 fund balance of a nonmajor special revenue fund and net position in the Governmental Activities. The net effect of the restatement of fund balance and net position are as follows:

	Accomodation School	Governmental Activities
Net Position/Fund Balance (Deficit), As Originally Stated	$ 3,395	$ 730,325
Correction of an Error		
Off GL School Balances not Recorded	2,863	2,863
Net Position/Fund Balance (Deficit), As Restated	$ 6,258	$ 733,188

Note 11 – 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; and natural disasters; 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 of $10 per occurrence for property claims and $50 per occurrence for liability 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 law requires, 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.

As provided by A.R.S. §23-750, the State, its political subdivisions, and any instrumentality, agency, or board of the State or political subdivision have two options for satisfying unemployment compensation obligations: 1) direct quarterly payments to the unemployment fund administered by the Arizona Department of Economic Security (ADES) based on a computed contribution rate assigned to the employer by ADES or 2) the government may elect to be liable for any unemployment compensation obligations. Pinal County has elected to be responsible for its unemployment obligations. The County does not accumulate and reserve monies for its workforce.

(Amounts expressed in thousands)

Note 12 – Pensions and Other Post-Employment Benefits

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

At June 30, 2023, the County reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

Statement of Net Position and Statement of Activities	Governmental Activities	Business-type Activities	Total
Net OPEB asset	$ 6,263	$ -	$ 6,263
Net OPEB liability	85	-	85
Net pension asset	1,193	-	1,193
Net pension liability	161,566	359	161,925
Deferred outflows of resources related to OPEB	634	-	634
Deferred outflows of resources related to pensions	43,672	61	43,733
Deferred inflows of resources related to OPEB	3,161	-	3,161
Deferred inflows of resources related to pensions	4,721	9	4,730
OPEB expense (revenue)	(898)	-	(898)
Pension expense (revenue)	25,800	40	25,840

The County's accrued payroll and employee benefits includes $394 of outstanding pension contribution amounts payable to all pension plans for the year ended June 30, 2023. Also, the County reported $17,469 of pension contributions and $224 OPEB contributions as expenditures in the governmental funds related to all pension and OPEB plans to which it contributes.

The ASRS, CORP Detention, CORP Dispatchers, CORP AOC, PSPRS – Pinal County Sheriff, and EORP pension plans are described below. The OPEB plans are not described due to their relative insignificance to the County's financial statements.

A. Arizona State Retirement System

Plan description – County employees not covered by 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. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 2. 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.

(Amounts expressed in thousands)

Benefits provided – The ASRS provides retirement and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit, as follows:

ASRS	**Retirement** **Initial membership date:** Before July 1, 2011	On or after July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equal 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 retirement benefit option chosen determines the survivor benefit. For all other members, the beneficiary is entitled to the member's account balance that includes all of the member's contributions and employer's contributions, plus interest earned.

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. For the year ended June 30, 2023, statute required active ASRS members to contribute at the actuarially determined rate of 12.03 percent for retirement of the members' annual covered payroll, and statute required the County to contribute at the actuarially determined rate of 11.92 percent for retirement of the active members' annual covered payroll.

In addition, the County was required by statute to contribute at the actuarially determined rate of 9.62 percent for retirement 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 the pension plan for the year ended June 30, 2023, were $10,656.

During fiscal year 2023, the County paid for ASRS pension contributions as follows: 69 percent from the General Fund, 11 percent from major funds, and 20 percent from other funds.

Liability – At June 30, 2023, the County reported the following liability for its proportionate share of the ASRS' net pension liability.

ASRS	**Net Pension Liability**
Pension	$ 109,671

(Amounts expressed in thousands)

The net pension liability was measured as of June 30, 2022. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2021, to the measurement date of June 30, 2022.

The County's proportion of the net liability was based on the actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The County's proportion measured as of June 30, 2022, and the change from its proportions measured as of June 30, 2021, were:

ASRS	Proportion June 30, 2022	Increase (decrease) from June 30, 2021
Pension	0.6719%	0.0084

Expense – For the year ended June 30, 2022, the County recognized the following pension expense.

ASRS	Pension Expense
Pension	$ 13,482

Deferred outflows/inflows of resources – At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to ASRS pensions from the following sources:

ASRS	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 935	$ -
Changes of assumptions or other inputs	5,443	-
Net difference between projected and actual earnings on pension plan investments	-	2,889
Changes in proportion and differences between County contributions and proportionate share of contributions	1,560	-
County contributions subsequent to the measurement date	10,656	-
Total	$ 18,594	$ 2,889

The $10,656 reported as deferred outflows of resources related to ASRS pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as expenses as follows:

Year Ending June 30	Amount
2024	$ 6,359
2025	(918)
2026	(5,016)
2027	4,624

Actuarial Assumptions – The significant actuarial assumptions used to measure the total pension liability are as follows:

(Amounts expressed in thousands)

ASRS

Actuarial valuation date	June 30, 2021
Actuarial roll forward date	June 30, 2022
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9-8.4%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

Actuarial assumptions used in the June 30, 2021, 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 pension 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 pension 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:

ASRS

Asset Class	Target Allocation	Long-term expected geometric real rate of return
Equity	50%	3.90%
Fixed Income - Credit	20%	5.30%
Fixed Income - Interest Rate Sensitive	10%	(0.20)%
Real estate	20%	6.00%
Total	100%	

Discount Rate – At June 30, 2022, the discount rate used to measure the total pension 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 pension plan's 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the ASRS net pension liability to changes in the discount rate – The following table presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the County's proportionate share of the net pension 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:

ASRS	1% Decrease (6.0)%	Current Discount Rate (7.0)%	1% Increase (8.0)%
County's proportionate share of the net pension liability	$ 161,816	$ 109,671	$ 66,190

Pension plan fiduciary net position – Detailed information about the pension plan's 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. 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, county dispatchers, 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 for county detention officers and county dispatchers (agent plans), which were closed to new members as of July 1, 2018, and a cost-sharing multiple-employer defined benefit pension plan for AOC officers (cost-sharing plan). 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. Detention officers, County dispatchers, 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.

Benefits provided – The PSPRS and CORP provide retirement, 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:

PINAL COUNTY
Notes to the Financial Statements
June 30, 2023
(Amounts expressed in thousands)

PSPRS	**Initial membership date:** Before January 1, 2012	On or after January 1, 2012 and before July 1, 2017
Retirement and disability		
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
Benefit percent		
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	
Survivor Benefit		
Retired Members	80% to 100% of retired member's 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	

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
Retirement and disability			
Years of service and age required to receive benefit	Sum of years and age equals 80 25 years, any age (dispatchers) 20 years, any age (all others) 10 years, age 62	25 years, age 52.5 10 years, age 62	10 years, age 52.5* 10 or more years, age 55
Final average salary is based on	Highest 36 consecutive months of last 10 years	Highest 60 consecutive months of last 10 years	
Benefit percent			
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%

(Amounts expressed in thousands)

CORP (continued)	**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**
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		
Survivor Benefit			
Retired Members	80% of retired member's pension benefit		
Active Members	40% of average monthly compensation or 100% of average monthly compenstaion if death was the result of injuries on the job. If there is no surviving spouse or eligible children, the beneficiary is entitled to 2 times the member's contributions		

*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.

Employees covered by benefit terms – At June 30, 2023, the following employees were covered by the agent pension plans' benefit terms:

Employee Status	PSPRS Sheriff	CORP Detention	CORP Dispatchers
Inactive employees or beneficiaries currently receiving benefits	125	60	5
Inactive employees entitled to but not yet receiving benefits	21	35	8
Active employees	177	107	4
Total	323	202	17

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 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. Contributions rates for the year ended June 30, 2023, are indicated below. Rates are a percentage of active members' annual covered payroll.

	Active member-pension	County-pension
PSPRS Sheriff	7.65% - 9.56%	10.71%
CORP Detention	8.41%	5.08%
CORP Dispatchers	7.96%	3.81%
CORP AOC	8.41%	36.70%

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.

(Amounts expressed in thousands)

	Pension
PSPRS Sheriff	8.00%
CORP Detention	6.00%
CORP Dispatchers	6.00%
CORP AOC	32.79%

The County's contributions to the plans for the year ended June 30, 2023, were:

	Pension
PSPRS Sheriff	$ 2,049
CORP Detention	458
CORP Dispatchers	12
CORP AOC	2,797

During fiscal year 2023, the County paid for PSPRS and CORP pension contributions as follows: 70 percent from the General Fund and 30 percent from other non-major funds.

(Asset) Liability – At June 30, 2023, the County reported the following net pension assets and net pension liabilities:

	Net Pension (Asset) Liability
PSPRS Sheriff	$ 1,828
CORP Detention	(978)
CORP Dispatchers	(215)
CORP AOC (County's proportionate share)	27,363

The net pension assets and liabilities were measured as of June 30, 2022, and the total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date. The total liabilities as of June 30, 2022, reflect changes of actuarial assumptions, including decreasing the investment rate of return from 7.3 percent to 7.2 percent, changing the wage inflation from 3.5 percent to a range of 3.0 to 6.25 percent, and increasing the cost-of-living adjustment from 1.75 percent to 1.85 percent.

Actuarial assumptions– The significant actuarial assumptions used to measure the total pension liability are as follows:

PSPRS and CORP – Pension	
Actuarial valuation date	June 30, 2022
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	3.0 - 6.25%
Price inflation	2.5%
Cost-of-living adjustment	1.85%
Mortality rates	PubS-2010 tables

Actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

(Amounts expressed in thousands)

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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

PSPRS and CORP

Asset Class	Target Allocation	Long-Term expected geometric real rate of return
U.S. Public Equity	24%	3.49%
International Public Equity	16%	4.47%
Global Private Equity	20%	7.18%
Other Assets (capital appreciation)	7%	4.83%
Core Bonds	2%	0.45%
Private Credit	20%	5.10%
Diversifying Strategies	10%	2.68%
Cash - Mellon	1%	(0.35)%
Total	100%	

Discount rates - At June 30, 2022, the discount rate used to measure the PSPRS and CORP total pension liabilities was 7.2 percent, which was a decrease of 0.1 from the discount rate used as of June 30, 2021. 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 actuarial 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 to determine the total pension liability.

(Amounts expressed in thousands)

Changes in the net pension liability (asset):

PSPRS - Sheriff	**Pension Increase (decrease)**		
	Total pension liability (a)	**Plan fiduciary net pension (b)**	**Net pension liability (asset) (a) – (b)**
Balances at June 30, 2022	$ 141,065	$ 156,876	$ (15,811)
Changes for the year:			
Service cost	3,011	-	3,011
Interest on the total liability	10,298	-	10,298
Differences between expected and actual experience in the measurement of the liability	109	-	109
Changes of assumptions or other inputs	1,131	-	1,131
Contributions – employer	-	1,819	(1,819)
Contributions – employee	-	1,378	(1,378)
Net investment income	-	(6,175)	6,175
Benefit payments, including refunds of employee contributions	(6,009)	(6,009)	-
Administrative expenses	-	(112)	112
Net changes	8,540	(9,099)	17,639
Balances at June 30, 2023	$ 149,605	$ 147,777	$ 1,828

CORP - Detention	**Pension Increase (decrease)**		
	Total pension liability (a)	**Plan fiduciary net pension (b)**	**Net pension liability (asset) (a) – (b)**
Balances at June 30, 2022	$ 52,053	$ 60,429	$ (8,376)
Changes for the year:			
Service cost	823	-	823
Interest on the pension liability	3,789	-	3,789
Differences between expected and actual experience in the measurement of the pension liability	483	-	483
Changes of assumptions or other inputs	836	-	836
Contributions – employer	-	292	(292)
Contributions – employee	-	517	(517)
Net investment income	-	(2,235)	2,235
Benefit payments, including refunds of employee contributions	(1,939)	(1,939)	-
Administrative expenses	-	(41)	41
Net changes	3,992	(3,406)	7,398
Balances at June 30, 2023	$ 56,045	$ 57,023	$ (978)

(Amounts expressed in thousands)

CORP - Dispatchers	**Pension Increase (decrease)**		
	Total pension liability (a)	**Plan fiduciary net pension (b)**	**Net pension liability (asset) (a) - (b)**
Balances at June 30, 2022	$ 3,546	$ 4,205	$ (659)
Changes for the year:			
Service cost	26	-	26
Interest on the total liability	254	-	254
Difference between expected and actual experience in the measurement of the liability	(1)	-	(1)
Changes of assumptions or other inputs	30	-	30
Contributions - employer	-	5	(5)
Contributions - employee	-	17	(17)
Net investement income	-	(154)	154
Benefit payments, including refunds of employee contributions	(171)	(171)	-
Administrative expenses	-	(3)	3
Net changes	138	(306)	444
Balances at June 30, 2023	$ 3,684	$ 3,899	$ (215)

The County’s proportion of the CORP AOC net pension liability was based on the County's actual contributions to the plan relative to the total of all participating counties' actual contributions for the year ended June 30, 2022. The County's proportion measured as of June 30, 2022, and the change from its proportions measured as of June 30, 2021, were:

CORP AOC	**Proportion June 30, 2022**	**Increase (decrease) from June 30, 2021**
Pension	6.13%	0.27

Sensitivity of the County’s net pension liability (asset) to changes in the discount rate – The following table presents the County’s net pension liabilities (assets) calculated using the discount rates of 7.20 percent, as well as what the County’s net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.20%) or 1 percentage point higher (8.20%) than the current rate:

	1% Decrease (6.20%)	**Current discount rate (7.20%)**	**1% Increase (8.20%)**
PSPRS Sheriff			
Net pension liability (asset)	$ 23,992	$ 1,828	$ (16,092)
CORP Detention			
Net pension liability (asset)	$ 7,578	$ (978)	$ (7,878)
CORP Dispatchers			
Net pension liability (asset)	$ 247	$ (215)	$ (595)
CORP AOC			
County's proportionate share of the net pension liability	$ 35,935	$ 27,363	$ 20,349

(Amounts expressed in thousands)

Pension plan fiduciary net position – Detailed information about the pension plans' fiduciary net position is available in the separately issued PSPRS and CORP financial reports.

Pension expense (revenue) – For the year ended June 30, 2023, the County recognized the following pension expense (revenue):

	Pension Expense
PSPRS Sheriff	$ 5,209
CORP Detention	568
CORP Dispatchers	(25)
CORP AOC (County's proportionate share)	3,966

Pension deferred outflows/inflows of resources – At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PSPRS - Sheriff	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 4,887	$ 1,106
Changes of assumptions or other inputs	2,670	-
Net difference between projected and actual earnings on pension plan investments	2,572	-
County contributions subsequent to the measurement date	2,049	-
Total	$ 12,178	$ 1,106

CORP - Detention	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 1,145	$ 48
Changes of assumptions or other inputs	1,019	-
Net difference between projected and actual earnings on pension plan investments	817	-
County contributions subsequent to the measurement date	458	-
Total	$ 3,439	$ 48

CORP - Dispatchers	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ -	$ 14
Changes of assumptions or other inputs	20	-
Net difference between projected and actual earnings on pension plan investments	50	-
County contributions subsequent to the measurement date	12	-
Total	$ 82	$ 14

(Amounts expressed in thousands)

CORP - AOC	**Deferred outflows of resources**	**Deferred inflows of resources**
Differences between expected and actual experience	$ 1,454	$ 404
Changes of assumptions or other inputs	890	-
Net difference between projected and actual earnings on pension plan investments	463	-
Changes in proportion and differences between county contributions and proportionate share of contributions	2,080	162
County contributions subsequent to the measurement date	2,797	-
Total	$ 7,684	$ 566

The amounts reported as deferred outflows of resources related to pensions resulting from county contributions subsequent to the measurement date will be recognized as an increase in the net asset or as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as a deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	**PSPRS Sheriff**	**CORP Detention**	**CORP Dispatchers**	**CORP AOC**
2024	$ 3,081	$ 903	$ (7)	$ 1,766
2025	2,291	715	(1)	1,129
2026	(101)	(5)	(27)	160
2027	3,752	1,320	91	1,266

PSPDCRP plan – County sheriff employees, County detention officers, County dispatchers, 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.

For the year ended June 30, 2023, active PSPDCRP members were required by statute to contribute at least 9 percent (County sheriff employees) or 5 percent (County detention officers, County dispatchers, and AOC probation, surveillance, and juvenile detention officers) of the members' annual covered payoll, 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 are immediately vested in their own contributions and the earnings on those contributions. 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, 2023, the County recognized pension expense of $146.

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 for elected officials and judges who were members of the plan on December 31, 2013. This EORP pension plan was 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 its financial statements and required supplementary information for the EORP plans. The report is available in PSPRS's website at www.psprs.com.

(Amounts expressed in thousands)

Benefits provided – The EORP provides retirement, 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:

EORP	Initial membership date: Before January 1, 2012	Initial membership date: On or after January 1, 2012
Retirement and disability		
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 ages 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
Benefit percent		
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
Survivor Benefit		
Retired Members	75% of retired member's benefit	50% of retired member's benefit
Active members and other inactive members	75% of disability retirement benefit	50% of disability retirement 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 on-time benefit increases after a Joint Legislative Budget Committee analysis of the increase's effects on the plan.

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, 2023, 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 70.42 percent of all active EORP members' annual covered payroll. Also, statute required the County to contribute 58.39 percent to EORP of the annual covered payroll of elected officials and judges who were ASRS members and 64.42 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. The County's contributions to the pension plan for the year ended June 30, 2023, were $1,547.

(Amounts expressed in thousands)

During fiscal year 2023, the County paid for EORP pension contributions as follows: 92% from the General Fund and 8% from other funds.

Liability – At June 30, 2023, the County reported a liability for its proportionate share of 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	$ 23,063
State's proportionate share of the EORP net pension liability associated with the County	2,246
Total	$ 25,309

The net pension liability was measured as of June 30, 2022, and the total liability used to calculate the net liability was determined by an actuarial valuation as of that date. The total liabilities as of June 30, 202, reflect changes of actuarial assumptions, including decreasing the investment rate of return from 7.3 percent to 7.2 percent, changing the wage inflation from 3.5 percent to 3.25 percent, and increasing the cost-of-living adjustment from 1.75 percent to 1.85 percent.

The County's proportion of the net pension liability was based on the County's required contributions to the plan relative to the total of all participating employers' required contributions for the year ended June 30, 2022. The County's proportion measured as of June 30, 2022, and the change from its proportions measured as of June 30, 2021, were:

EORP	Proportion June 30, 2022	Decrease from June 30, 2021
Pension	3.42%	(0.03)

Expense – For the year ended June 30, 2023, the County recognized pension expense for EORP of $2,640 and revenue of $657 for the County's proportionate share of the State's appropriation to EORP and the designated court fees.

Deferred outflows/inflows of resources – At June 30, 2023, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

EORP	Deferred outflows of resources	Deferred inflows of resources
Net difference between projected and actual earnings on pension plan investments	$ 209	$ -
Changes in proportion and differences between county contributions and proportionate share of contributions	-	107
County contributions subsequent to the measurement date	1,547	-
Total	$ 1,756	$ 107

(Amounts expressed in thousands)

The amounts reported as deferred outflows of resources related to EORP pensions 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 ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to EORP pensions will be recognized as expenses as follows:

Year Ending June 30	Amount
2024	$ (65)
2025	2
2026	(98)
2027	263

Actuarial assumptions – The significant actuarial assumptions used to measure the total pension liability are as follows:

	EORP
Actuarial valuation date	June 30, 2022
Actuarial cost method	Entry age normal
Investment rate of return	7.20%
Wage inflation	3.25%
Price inflation	2.50%
Permanent benefit increase	1.85%
Mortality rates	PubG-2010 tables

Actuarial assumptions used in the June 30, 2022, 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:

EORP

Asset Class	Target allocation	Long-term expected geometric real rate of return
U.S. Public Equity	24%	3.49%
International Public Equity	16%	4.47%
Global Private Equity	20%	7.18%
Other Assets (Capital appreciation)	7%	4.83%
Core Bonds	2%	0.45%
Private Credit	20%	5.10%
Diversifying Strategies	10%	2.68%
Cash - Mellon	1%	(0.35)%
Total	100%	

(Amounts expressed in thousands)

Discount rate – At June 30, 2022, the discount rate used to measure the EORP total pension liability was 7.2 percent, which was a decrease of 0.1 from the discount rate used as of June 30, 2021. The projection of cash flows used to determine the discount rate 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 liability.

Sensitivity of the County's proportionate share of the EORP net pension liability to changes in the discount rate – The following table presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.2 percent, as well as what the County's proportionate share of the net pension 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:

EORP	**1% Decrease (6.2%)**	**Current discount rate (7.2%)**	**1% increase (8.2%)**
County's proportionate share of net pension liability	$ 26,330	$ 23,063	$ 20,265

Plan fiduciary net position – Detailed information about the plan's 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. The EODCRS is a defined contribution pension plan. The PSPRS Board of Trustees governs the EODCRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 3.1. Benefit terms, including contribution requirements, are established by state statute.

For the year ended June 30, 2023, 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 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 account and the earnings on those contributions. For the year ended June 30, 2023, the County recognized pension expense of $64.

(Amounts expressed in thousands)

Note 13 – Interfund Balances and Activity

Interfund receivables and payables—interfund balances at June 30, 2023, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Public Works Highway Fund	$ 2,692
	Enterprise Funds	3,730
	Internal Service Funds	364
	Other Governmental Funds	10,012
		16,798
Road Tax Districts Fund	Other Governmental Funds	1
Public Works Highway Fund	Development Impact Fee Fund	798
	Other Governmental Funds	111
		909
Other Governmental Funds	General Fund	24,759
	American Rescue Plan Act Fund	2,798
	Public Works Highway Fund	7
	Development Impact Fee Fund	1,139
	Other Governmental Funds	712
		29,415
Internal Service Funds	General Fund	188
	Other Governmental Funds	71
		259
Total		$ 47,382

Interfund balances resulted from cash deficits in individual funds or cash transfers that had not occurred at June 30, 2023, and are expected to be repaid within one year from the date of the financial statements.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2023
(Amounts expressed in thousands)

Interfund transfers—Interfund transfers for the year ended June 30, 2023, were as follows:

Transfer From	Transfer To	Amount
General Fund	Debt Service Fund	$ 51,324
	Other Governmental Funds	29,135
	Enterprise Funds	250
	Internal Service Funds	187
		80,896
Public Works Highway Fund	General Fund	2,461
	Debt Service Fund	281
		2,742
Development Impact Fee Fund	Debt Service Fund	7,485
	Public Works Highway Fund	799
	Other Governmental Funds	1,138
		9,422
Other Governmental Funds	General Fund	1,336
	Public Works Highway Fund	104
	Debt Service Fund	1,229
	Other Governmental Funds	1,658
	Internal Service Funds	63
		4,390
Enterprise Funds	Public Works Highway Fund	3
Total Transfers		$ 97,453

The principal purpose of interfund transfers was to provide funds to cover debt service payments, provide grant matches, provide subsidies to cover operating expenses, and to provide funds for capital outlay. All significant interfund transfers were routine and consistent with the activities of the fund making the transfer.

(Amounts expressed in thousands)

Note 14 – 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 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. However, for the County's monies in the pool the Board of Supervisors authorized $2,266 of interest earned in certain other funds to be transferred to the General Fund.

Substantially, all deposits and investments of the County's primary government are included in the County Treasurer's investment pool, except for $13,843 cash and investments held by trustee and $9,066 of other deposits. Therefore, the deposit and investment risks of the Treasurer's investment pool are substantially the same as the County's deposit and investment risks exclusive of the investments just described above. See Note 4 for disclosure of the County's deposit and investment risks.

Details of each major investment classification follow:

Investment Type	Principal	Interest Rates	Maturities	Amount
Money Market	$ 10,000	-%	Daily	$ 10,000
U.S. Agency securities	596,927	0.19% - 5.50%	7/23 - 2/27	596,927
U.S. Treasury securities	14,868	0.1%	8/23 - 9/23	14,868
Corporate Bonds	42,035	1% - 6%	11/23-11/26	42,035
Pooled CDs	229	1.10%	5/25	229
State Treasurer's Investment Pool 7	431	N/A	N/A	431

(Amounts expressed in thousands)

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

Statement of Fiduciary Net Position		
Assets	$	852,307
Liabilities		-
Net Position	$	852,307
Net position held for:		
Internal participants	$	367,449
External participants		484,858
Total net position	$	852,307

Statement of Changes in Fiduciary Net Position	
Total additions	$ 1,410,119
Total deductions	(1,289,829)
Net increase	120,290
Net position:	
July 1, 2022	732,017
June 30, 2023	$ 852,307

Note 15 - Stewardship, Compliance and Accountability

At June 30, 2023, the following nonmajor funds reported deficits in fund balance or net position.

Fund		Deficit
Other Nonmajor Funds		
Miscellaneous Grants	$	3
Public Works Services		670
Internal Service Funds		
Public Works Fleet Management		244

The deficit in net position for the Public Works Fleet Management fund is attributed both to the reporting of noncurrent net pension liabilities as a result of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and results from operations during the year and is expected to be corrected in future periods.

Required Supplementary Information

PINAL COUNTY
WIDE OPEN OPPORTUNITY

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PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Taxes	$ 145,017	$ 145,017	$ 152,998	$ 7,981
Licenses and permits	6,023	6,023	5,000	(1,023)
Intergovernmental	73,849	73,850	85,433	11,583
Charges for services	12,826	12,826	11,606	(1,220)
Fines and forfeits	794	794	1,308	514
Investment earnings	300	300	3,003	2,703
Rentals	9,612	9,650	7,122	(2,528)
Miscellaneous	214	1,067	2,535	1,468
Total revenues	248,635	249,527	269,005	19,478
Expenditures:				
General Government				
Assessor	5,189	5,812	4,484	1,328
Assistant County Manager-Admin	69,321	71,773	6,493	65,280
Assistant County Manager-Development	7,746	8,461	7,749	712
Board of Supervisors	3,076	3,363	3,287	76
County Manager	5,212	5,652	3,990	1,662
Recorder	2,345	2,677	2,391	286
Treasurer	2,082	2,337	2,059	278
Total General Government	94,971	100,075	30,453	69,622
Public Safety				
Assistant County Manager-Admin	985	996	996	-
Assistant County Manager-Health	15,890	16,645	17,713	(1,068)
Attorney	13,448	15,558	14,675	883
Clerk of Superior Court	5,206	6,020	5,535	485
Courts	24,371	28,185	26,372	1,813
Sheriff	300,785	288,429	202,613	85,816
Total Public Safety	360,685	355,833	267,904	87,929
Highways and streets				
Assistant County Manager-Admin	-	38	13	25
Total Highways and streets	-	38	13	25

The notes to the budgetary comparison schedules are an integral part of this schedule.

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2023
(Concluded)
(Amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Health				
Assistant County Manager-Admin	51,709	51,888	21,852	30,036
Total Health	51,709	51,888	21,852	30,036
Welfare				
Assistant County Manager-Admin	1,882	2,011	1,493	518
Total Welfare	1,882	2,011	1,493	518
Education				
School Superintendent	1,370	1,517	1,431	86
Total Education	1,370	1,517	1,431	86
Total general fund expenditures	510,617	511,362	323,146	188,216
Excess of expenditures over revenues	(261,982)	(261,835)	(54,141)	207,694
Other financing sources (uses):				
Issuance of debt	219,000	219,000	115,655	(103,345)
Lease proceeds	-	-	905	905
Insurance reimbursement	200	200	381	181
Proceeds from sale of capital assets	31,010	31,010	31,358	348
Transfers in	4,052	4,052	3,797	(255)
Transfers out	(61,188)	(61,333)	(80,896)	(19,563)
Total other financing sources (uses)	193,074	192,929	71,200	(121,729)
Net change in fund balances	(68,908)	(68,906)	17,059	85,965
Fund balances - July 1, 2022	(52,401)	(52,401)	86,334	138,735
Change in prepaid items	-	-	20	20
Fund balances - June 30, 2023	$ (121,309)	$ (121,307)	$ 103,413	$ 224,720

The notes to the budgetary comparison schedules are an integral part of this schedule.

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Road Tax Districts Fund
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Taxes	$ 14,707	$ 14,707	$ 18,051	$ 3,344
Investment earnings	75	75	409	334
Contributions	-	-	203	203
Miscellaneous	-	-	241	241
Total revenues	14,782	14,782	18,904	4,122
Expenditures:				
Current:				
Highways and streets	31,524	31,524	15,876	15,648
Total expenditures	31,524	31,524	15,876	15,648
Excess (deficiency) of revenues over expenditures	(16,742)	(16,742)	3,028	19,770
Other financing sources (uses):				
Transfers out	(1,100)	(1,100)	-	1,100
Total other financing sources (uses)	(1,100)	(1,100)	-	1,100
Net change in fund balances	(17,842)	(17,842)	3,028	20,870
Fund balance - July 1, 2022	(19,731)	(19,731)	18,162	37,893
Fund balance - June 30, 2023	$ (37,573)	$ (37,573)	$ 21,190	$ 58,763

The notes to the budgetary comparison schedules are an integral part of this schedule.

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
American Rescue Plan Act Fund
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	$ 44,942	$ 46,409	$ 12,628	$ (33,781)
Total revenues	44,942	46,409	12,628	(33,781)
Expenditures:				
General government	-	1,467	-	1,467
Capital outlay	89,891	89,891	12,628	77,263
Total expenditures	89,891	91,358	12,628	78,730
Net change in fund balances	(44,949)	(44,949)	-	44,949
Fund balance - July 1, 2022	(44,833)	(44,833)	-	44,833
Fund balance - June 30, 2023	$ (89,782)	$ (89,782)	$ -	$ 89,782

The notes to the budgetary comparison schedules are an integral part of this schedule.

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Public Works Highway Fund
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Intergovernmental	$ 55,452	$ 55,452	$ 52,723	$ (2,729)
Investment earnings	118	118	887	769
Contributions	12,649	12,649	18,114	5,465
Miscellaneous	1,005	1,005	198	(807)
Total revenues	69,224	69,224	71,922	2,698
Expenditures:				
Current:				
Highways and streets	98,019	98,038	31,905	66,133
Principal retirement	-	-	34	(34)
Interest	-	-	2	(2)
Capital outlay	150	135	25,789	(25,654)
Total expenditures	98,169	98,173	57,730	40,443
Excess (deficiency) of revenues over expenditures	(28,945)	(28,949)	14,192	43,141
Other financing sources (uses):				
Sale of capital assets	100	100	6	(94)
Transfers in	5,205	5,208	906	(4,302)
Transfers out	(2,762)	(2,762)	(2,742)	20
Total other financing sources (uses)	2,543	2,546	(1,830)	(4,376)
Net change in fund balances	(26,402)	(26,403)	12,362	38,765
Fund balance - July 1, 2022	(27,679)	(27,679)	34,331	62,010
Fund balance - June 30, 2023	$ (54,081)	$ (54,082)	$ 46,693	$ 100,775

The notes to the budgetary comparison schedules are an integral part of this schedule.

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Development Impact Fee Fund
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Charges for services	$ 7,650	$ 7,650	$ 7,823	$ 173
Investment earnings	-	-	642	642
Miscellaneous	-	-	(5)	(5)
Total revenues	7,650	7,650	8,460	810
Expenditures:				
Current:				
Public safety	3,680	3,680	-	3,680
Highways and streets	19,606	19,606	34	19,572
Culture and recreation	1,671	1,671	1	1,670
Total expenditures	24,957	24,957	35	24,922
Excess (deficiency) of revenues over expenditures	(17,307)	(17,307)	8,425	25,732
Other financing sources (uses):				
Transfers out	(16,001)	(16,001)	(9,422)	6,579
Total other financing sources (uses)	(16,001)	(16,001)	(9,422)	6,579
Net change in fund balances	(33,308)	(33,308)	(997)	32,311
Fund balance - July 1, 2022	(44,601)	(44,601)	34,934	79,535
Fund balance - June 30, 2023	$ (77,909)	$ (77,909)	$ 33,937	$ 111,846

The notes to the budgetary comparison schedules are an integral part of this schedule.

Pinal County
Required Supplementary Information
Notes to Budgetary Comparison Schedules
June 30, 2023
(Amounts expressed in thousands)

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 fund level and department level within the fund. 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. For the fiscal year ended June 30, 2023, the Board of Supervisors elected to appropriate transfers from the contingency account at the department level to address any expenditure overages.

Note 2 - Budgetary Basis of Accounting

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

- The Accommodation School prepares a budget, however, the County Board of Supervisors did not legally adopt the budget.

Note 3 - Expenditures in Excess of Appropriations

For the year ended June 30, 2024, expenditures exceeded final budget amounts at the department level (the legal level of budgetary control) as follows:

Department/ Fund	Excess
General Fund	
Public Safety	
Assistant County Manager - Health	$ 1,068
Public Works Highway Fund	
Principal Retirement	34
Interest	2

The assistant county manager - health department overage in the general fund resulted from operations during the year. However, the legal level of budget authority is at the fund level and department level within the fund, which was not over budget.

PINAL COUNTY
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Liability- Cost-Sharing Pension Plans
June 30, 2023
(Amounts expressed in thousands)

ASRS

	Reporting Fiscal Year (Measurement Date)								
	2023 (2022)	**2022** (2021)	**2021** (2020)	**2020** (2019)	**2019** (2018)	**2018** (2017)	**2017** (2016)	**2016** (2015)	**2015** (2014)
County's proportion of the net pension liability	0.672%	0.664%	0.678%	0.651%	0.702%	0.662%	0.677%	0.690%	0.681%
County's proportionate share of the net pension liability	$ 109,671	$ 87,186	$ 117,403	$ 98,950	$ 97,904	$ 103,152	$ 109,192	$ 107,527	$ 100,718
County's covered payroll	$ 79,993	$ 77,957	$ 76,498	$ 68,794	$ 67,258	$ 62,560	$ 65,244	$ 68,613	$ 61,388
County's proportionate share of the net pension liability as a percentage of its covered payroll	137.1%	111.8%	153.5%	143.8%	145.6%	164.9%	167.4%	156.7%	164.1%
Plan fiduciary net position as a percentage of the total pension liability	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

* Information not available for 2014.

CORP - AOC

	Reporting Fiscal Year (Measurement Date)								
	2023 (2022)	**2022** (2021)	**2021** (2020)	**2020** (2019)	**2019** (2018)	**2018** (2017)	**2017** (2016)	**2016** (2015)	**2015** (2014)
County's proportion of the net pension liability	6.13%	5.86%	5.60%	5.20%	5.44%	5.04%	4.67%	4.94%	5.18%
County's proportionate share of the net pension liability	$ 27,363	$ 21,746	$ 26,732	$ 21,947	$ 19,566	$ 20,207	$ 13,164	$ 12,001	$ 11,623
County's covered payroll	$ 8,427	$ 8,854	$ 6,778	$ 6,531	$ 5,944	$ 5,730	$ 5,138	$ 5,948	$ 5,570
County's proportionate share of the net pension liability as a percentage of its covered payroll	324.7%	245.6%	394.4%	336.0%	329.2%	352.7%	256.2%	202.0%	208.9%
Plan fiduciary net position as a percentage of the total pension liability	57.52%	62.53%	50.07%	51.99%	53.72%	49.21%	54.81%	57.89%	58.59%

* Information not available for 2014.

PINAL COUNTY
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Liability- Cost-Sharing Pension Plans
June 30, 2023
(Amounts expressed in thousands)

EORP

	Reporting Fiscal Year (Measurement Date)								
	2023 (2022)	**2022** (2021)	**2021** (2020)	**2020** (2019)	**2019** (2018)	**2018** (2017)	**2017** (2016)	**2016** (2015)	**2015** (2014)
County's proportion of the net pension liability	3.42%	3.45%	3.24%	3.30%	3.49%	3.28%	3.42%	3.33%	3.27%
County's proportionate share of the net pension liability	$ 23,063	$ 20,989	$ 21,877	$ 21,880	$ 22,005	$ 39,922	$ 32,353	$ 25,973	$ 22,006
State's proportionate share of the net pension liability associated with the County	$ 2,246	$ 1,917	$ 1,899	$ 2,056	$ 3,770	$ 8,286	$ 6,680	$ 8,097	$ 6,747
Total	$ 25,309	$ 22,906	$ 23,776	$ 23,936	$ 25,775	$ 48,208	$ 39,033	$ 34,070	$ 28,753
County's covered payroll	$ 2,398	$ 2,240	$ 2,426	$ 2,674	$ 2,574	$ 2,730	$ 2,251	$ 2,723	$ 3,018
County's proportionate share of the net pension liability as a percentage of its covered payroll	961.8%	937.0%	901.8%	818.2%	854.9%	1462.3%	1437.3%	953.8%	729.2%
Plan fiduciary net position as a percentage of the total pension liability	32.01%	36.28%	29.80%	30.14%	30.36%	19.66%	23.42%	28.32%	31.91%

* Information not available for 2014.

PINAL COUNTY
Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability and Related Ratios-Agent Pension Plans
June 30, 2023
(Amounts expressed in thousands)

PSPRS - Sheriff	Reporting Fiscal Year (Measurement Date)									
	2023 (2022)	**2022** (2021)	**2021** (2020)	**2020** (2019)	**2019** (2018)	**2018** (2017)	**2017** (2016)	**2016** (2015)	**2015** (2014)	**2014** through 2013*
Total pension liability:										
Service cost	$ 3,011	$ 2,764	$ 2,612	$ 2,915	$ 2,740	$ 2,807	$ 2,500	$ 2,671	$ 2,699	
Interest on the total pension liability	10,298	9,624	8,670	8,266	7,133	6,776	6,289	6,055	5,133	
Changes of benefit terms	-	-	-	-	-	1,405	3,614	-	1,569	
Differences between expected and actual experience in the measurement of the pension liability	109	2,543	7,186	(1,506)	8935	(2,766)	(940)	(1,206)	(1,323)	
Changes of assumptions or other inputs	1,131	-	-	2,951	-	2,820	3,490	-	7,654	
Benefit payments, including refunds of employee contributions	(6,009)	(5,876)	(5,233)	(5,289)	(4,770)	(5,154)	(4,604)	(4,308)	(3,640)	
Net change in total pension liability	8,540	9,055	13,235	7,337	14,038	5,888	10,349	3,212	12,092	
Total pension liability – beginning	141,065	132,010	118,775	111,438	97,400	91,512	81,163	77,951	65,859	
Total pension liability – ending (a)	$ 149,605	$ 141,065	$ 132,010	$ 118,775	$ 111,438	$ 97,400	$ 91,512	$ 81,163	$ 77,951	
Plan fiduciary net position:										
Contributions – employer	$ 1,819	$ 72,161	$ 6,249	$ 5,495	$ 5,590	$ 3,702	$ 3,263	$ 2,917	$ 2,899	
Contributions – employee	1,378	1,321	1,242	1,220	1,212	1,464	1,487	1,389	1,434	
Net investment income	(6,175)	28,701	742	2,905	3,348	5,305	259	1,578	5,190	
Benefit payments, including refunds of employee contributions	(6,009)	(5,876)	(5,233)	(5,289)	(4,770)	(5,154)	(4,604)	(4,308)	(3,640)	
Hall/Parker settlement	-	-	-	-	(1,885)	-	-	-	-	
Administrative expense	(112)	(128)	(60)	(52)	(52)	(47)	(38)	(39)	(42)	
Other changes	-	(3)	78	(17)	288	(245)	(89)	(252)	(108)	
Net change in plan fiduciary net position	(9,099)	96,176	3,018	4,262	3,731	5025	278	1,285	5,733	
Plan fiduciary net position – beginning	156,876	60,700	57,682	53,420	49,689	44,664	44,386	43,101	37,368	
Plan fiduciary net position – ending (b)	$ 147,777	$ 156,876	$ 60,700	$ 57,682	$ 53,420	$ 49,689	$ 44,664	$ 44,386	$ 43,101	
County's net pension liability – ending (a) – (b)	$ 1,828	$ (15,811)	$ 71,310	$ 61,093	$ 58,018	$ 47,711	$ 46,848	$ 36,777	$ 34,850	
Plan fiduciary net position as a percentage of the total pension liability	98.78%	111.21%	45.98%	48.56%	47.94%	51.02%	48.81%	54.69%	55.29%	
Covered payroll	$ 16,382	$ 13,483	$ 15,046	$ 13,205	$ 12,773	$ 13,045	$ 12,245	$ 13,423	$ 12,940	
County's net pension liability as a percentage of covered payroll	11.16%	(117.27)%	473.95%	462.65%	454.22%	365.74%	382.59%	273.98%	269.32%	

* Information not available 2014 through 2013.

PINAL COUNTY
Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability and Related Ratios-Agent Pension Plans
June 30, 2023
(Amounts expressed in thousands)

CORP - Detention	Reporting Fiscal Year (Measurement Date)									
	2023 (2022)	**2022** (2021)	**2021** (2020)	**2020** (2019)	**2019** (2018)	**2018** (2017)	**2017** (2016)	**2016** (2015)	**2015** (2014)	**2014** through 2013*
Total pension liability:										
Service cost	$ 823	$ 856	$ 1,073	$ 1,303	$ 1,446	$ 1,185	$ 1,151	$ 1,863	$ 1,929	
Interest on the total pension liability	3,789	3,585	3,315	3,116	3,025	2,408	2,333	2,436	2,283	
Changes of benefit terms	-	-	-	-	(2,665)	6,985	46	-	143	
Differences between expected and actual experience in the measurement of the pension liability	483	258	1,383	(144)	619	(824)	(1,193)	(3,061)	(1,398)	
Changes of assumptions or other inputs	836	-	-	1,179	-	442	1,483	-	1,377	
Benefit payments, including refunds of employee contributions	(1,939)	(1,809)	(1,902)	(1,934)	(1,609)	(1,499)	(1,412)	(2,973)	(1,733)	
Net change in total pension liability	3,992	2,890	3,869	3,520	816	8,697	2,408	(1,735)	2,601	
Total pension liability – beginning	52,053	49,163	45,294	41,774	40,958	32,261	29,853	31,588	28,987	
Total pension liability – ending (a)	$ 56,045	$ 52,053	$ 49,163	$ 45,294	$ 41,774	$ 40,958	$ 32,261	$ 29,853	$ 31,588	
Plan fiduciary net position:										
Contributions – employer	$ 292	$ 19,368	$ 1,428	$ 1,747	$ 1,110	$ 766	$ 793	$ 938	$ 1,217	
Contributions – employee	517	530	564	624	679	617	683	851	1,066	
Net investment income	(2,235)	11,453	834	1,539	1,867	2,789	145	891	2,914	
Benefit payments, including refunds of employee contributions	(1,939)	(1,809)	(1,902)	(1,934)	(1,609)	(1,499)	(1,412)	(2,973)	(1,733)	
Administrative expense	(41)	(51)	(32)	(28)	(29)	(25)	(21)	(23)	(23)	
Other changes	-	-	-	(86)	(1)	(108)	(666)	(14)	39	
Net change in plan fiduciary net position	(3,406)	29,491	892	1,862	2,017	2,540	(478)	(330)	3,480	
Plan fiduciary net position – beginning	60,429	30,938	30,046	28,184	26,167	23,627	24,105	24,435	20,955	
Plan fiduciary net position – ending (b)	$ 57,023	$ 60,429	$ 30,938	$ 30,046	$ 28,184	$ 26,167	$ 23,627	$ 24,105	$ 24,435	
County's net pension liability – ending (a) – (b)	$ (978)	$ (8,376)	$ 18,225	$ 15,248	$ 13,590	$ 14,791	$ 8,634	$ 5,748	$ 7,153	
Plan fiduciary net position as a percentage of the total pension liability	101.75%	116.09%	62.93%	66.34%	67.47%	63.89%	73.24%	80.75%	77.35%	
Covered payroll	$ 9,010	$ 7,092	$ 7,206	$ 7,594	$ 7,832	$ 7,550	$ 7,506	$ 11,308	$ 12,606	
County's net pension liability as a percentage of covered payroll	(10.85)%	(118.10)%	252.91%	200.79%	173.52%	195.91%	115.03%	50.83%	56.74%	

*Information not available 2014 through 2013.

PINAL COUNTY
Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability and Related Ratios-Agent Pension Plans
June 30, 2023
(Amounts expressed in thousands)

	Reporting Fiscal Year (Measurement Date)									
CORP - Dispatchers	**2023** (2022)	**2022** (2021)	**2021** (2020)	**2020** (2019)	**2019** (2018)	**2018** (2017)	**2017** (2016)	**2016** (2015)	**2015** (2014)	**2014** through 2013*
Total pension liability:										
Service cost	$ 26	$ 29	$ 37	$ 55	$ 61	$ 61	$ 55	$ 89	$ 90	
Interest on the total pension liability	254	250	236	215	205	164	175	180	162	
Changes of benefit terms	-	-	-	-	(168)	396	6	-	22	
Differences between expected and actual experience in the measurement of thepension liability	(1)	(40)	54	119	110	24	(221)	(154)	(54)	
Changes of assumptions or other inputs	30	-	-	67	-	35	51	-	115	
Benefit payments, including refunds of employee contributions	(171)	(181)	(87)	(105)	(117)	(67)	(145)	(173)	(59)	
Net change in total pension liability	138	58	240	351	91	613	(79)	(58)	276	
Total pension liability – beginning	3,546	3,488	3,248	2,897	2,806	2,193	2,272	2,330	2,054	
Total pension liability – ending (a)	$ 3,684	$ 3,546	$ 3,488	$ 3,248	$ 2,897	$ 2,806	$ 2,193	$ 2,272	$ 2,330	
Plan fiduciary net position:										
Contributions – employer	$ 5	$ 1,699	$ 97	$ 97	$ 71	$ 62	$ 53	$ 62	$ 68	
Contributions – employee	17	20	26	28	31	34	34	43	51	
Net investment income	(154)	784	50	93	111	168	9	53	176	
Benefit payments, including refunds of employee contributions	(171)	(181)	(87)	(105)	(117)	(67)	(145)	(173)	(59)	
Administrative expense	(3)	(3)	(2)	(3)	(2)	(2)	(1)	(2)	(1)	
Other changes	-	-	-	-	-	-	-	(1)	-	
Net change in plan fiduciary net position	(306)	2,319	84	110	94	195	(50)	(18)	235	
Plan fiduciary net position – beginning	4,205	1,886	1,802	1,692	1,598	1,403	1,453	1,471	1,236	
Plan fiduciary net position – ending (b)	$ 3,899	$ 4,205	$ 1,886	$ 1,802	$ 1,692	$ 1,598	$ 1,403	$ 1,453	$ 1,471	
County's net pension liability – ending (a) – (b)	$ (215)	$ (659)	$ 1,602	$ 1,446	$ 1,205	$ 1,208	$ 790	$ 819	$ 859	
Plan fiduciary net position as a percentage of the total pension liability	105.84%	118.58%	54.07%	55.48%	58.41%	56.95%	63.98%	63.95%	63.13%	
Covered payroll	$ 221	$ 144	$ 323	$ 352	$ 362	$ 428	$ 379	$ 580	$ 648	
County's net pension liability as a percentage of covered payroll	(97.29)%	(457.64)%	495.98%	410.80%	332.87%	282.24%	208.44%	141.21%	132.56%	

*Information not available 2014 through 2013.

PINAL COUNTY
Required Supplementary Information
Schedule of County Pension Contributions
June 30, 2023
(Amounts expressed in thousands)

ASRS

	Reporting Fiscal Year									
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Statutorily required contribution	$ 10,656	$ 9,606	$ 9,082	$ 8,759	$ 7,679	$ 7,605	$ 7,003	$ 7,002	$ 7,472	$ 6,565
County's contributions in relation to the statutorily required contribution	10,656	9,606	9,082	8,759	7,679	7,605	7,003	7,002	7,472	6,565
County's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered payroll	$ 89,396	$ 79,993	$ 77,957	$ 76,498	$ 68,794	$ 67,258	$ 62,560	$ 65,244	$ 68,613	$ 61,388
County's contributions as a percentage of covered payroll	11.92%	12.01%	11.65%	11.45%	11.16%	11.31%	11.19%	10.73%	10.89%	10.69%

CORP - AOC

	Reporting Fiscal Year									
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Statutorily required contribution	$ 2,797	$ 2,642	$ 2,465	$ 2,117	$ 2,026	$ 1,387	$ 1,196	$ 1,025	$ 885	$ 806
County's contributions in relation to the statutorily required contribution	2,797	2,642	2,465	2,117	2,026	1,387	1,196	1,025	885	806
County's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered payroll	$ 8,530	$ 8,427	$ 8,854	$ 6,778	$ 6,531	$ 5,944	$ 5,730	$ 5,138	$ 5,948	$ 5,570
County's contributions as a percentage of covered payroll	32.79%	31.35%	27.84%	31.23%	31.02%	23.33%	20.87%	19.95%	14.88%	14.47%

PINAL COUNTY
Required Supplementary Information
Schedule of County Pension Contributions
June 30, 2023
(Amounts expressed in thousands)

PSPRS - Sheriff

	Reporting Fiscal Year									
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Actuarially determined contribution	$ 2,049	$ 1,787	$ 4,618	$ 6,422	$ 5,495	$ 5,225	$ 4,147	$ 3,957	$ 3,086	$ 2,899
County's contributions in relation to the actuarially determined contribution	2,049	1,787	72,411	6,422	5,495	3,340	3,792	3,333	3,086	2,899
County's contribution deficiency (excess)	$ -	$ -	$ (67,793)	$ -	$ -	$ 1,885	$ 355	$ 624	$ -	$ -
County's covered payroll	$ 25,613	$ 16,382	$ 13,483	$ 15,046	$ 13,205	$ 12,773	$ 13,045	$ 12,245	$ 13,423	$ 12,940
County's contributions as a percentage of covered payroll	8.00%	10.91%	34.25%	42.68%	41.61%	26.15%	29.07%	27.22%	22.99%	22.40%

CORP - Detention

	Reporting Fiscal Year									
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Actuarially determined contribution	$ 458	$ 188	$ 1,073	$ 1,467	$ 1,747	$ 1,072	$ 824	$ 878	$ 1,029	$ 1,217
County's contributions in relation to the actuarially determined contribution	458	188	19,602	1,467	1,747	1,072	783	805	1,029	1,217
County's contribution deficiency (excess)	$ -	$ -	$ (18,529)	$ -	$ -	$ -	$ 41	$ 73	$ -	$ -
County's covered payroll	$ 7,633	$ 9,010	$ 7,092	$ 7,206	$ 7,594	$ 7,832	$ 7,550	$ 7,506	$ 11,308	$ 12,606
County's contributions as a percentage of covered payroll	6.00%	2.09%	15.13%	20.36%	23.01%	13.69%	10.37%	10.72%	9.10%	9.65%

PINAL COUNTY
Required Supplementary Information
Schedule of County Pension Contributions
June 30, 2023
(Amounts expressed in thousands)

CORP - Dispatchers

	Reporting Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 12	$ 5	$ 50	$ 98	$ 97	$ 66	$ 71	$ 62	$ 66	$ 68
County's contributions in relation to the actuarially determined contribution	12	5	1,698	98	97	66	63	53	66	68
County's contribution deficiency (excess)	$ -	$ -	$ (1,648)	$ -	$ -	$ -	$ 8	$ 9	$ -	$ -
County's covered payroll	$ 200	$ 221	$ 144	$ 323	$ 352	$ 362	$ 428	$ 379	$ 580	$ 648
County's contributions as a percentage of covered payroll	6.00%	2.26%	34.72%	30.34%	27.56%	18.23%	14.72%	13.98%	11.38%	10.49%

EORP

	Reporting Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	$ 1,547	$ 1,329	$ 1,376	$ 1,490	$ 1,920	$ 605	$ 641	$ 529	$ 640	$ 699
County's contributions in relation to the statutorily required contribution	1,547	1,329	1,376	1,490	1,920	-	641	529	640	699
County's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ 605	$ -	$ -	$ -	$ -
County's covered payroll	$ 2,649	$ 2,398	$ 2,240	$ 2,426	$ 2,674	$ 2,574	$ 2,730	$ 2,251	$ 2,723	$ 3,018
County's contributions as a percentage of covered payroll	58.39%	55.42%	61.43%	61.42%	71.80%	-%	23.48%	23.50%	23.50%	23.16%

*2013 information not available.

PINAL COUNTY
Required Supplementary Information
Notes to Pension Plan Schedules
June 30, 2023
(Amounts expressed in thousands)

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 2021 actuarial valuation	13 years
Asset valuation method	7-year smoothed market value; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2019 actuarial valuation, the investment rate of return for 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%-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 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.
Retirement age	Experience-based table of rates that is specific to the type of 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 Pub S-2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females).

PINAL COUNTY
Required Supplementary Information
Notes to Pension Plan Schedules
June 30, 2023
(Amounts expressed in thousands)

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, 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. PSPRS and CORP allowed the County to phase in the increased contributions for members who were retired as of the law's effective date over 3 years. As a result, the County's pension contributions were less than the actuarially determined contributions for 2016 and 2017. 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 actuarilly or statutorily determined contributions for 2018. In addition, the County issued debt to pay a portion of the County's unfunded pension liabilties resulting in excess contributions for PSPRS, CORP-Detention, and CORP-Dispatchers in 2021.

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 the liability thereby reducing the total pension liability.

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Combining Statements and Individual Fund Schedules

PINAL COUNTY
WIDE OPEN OPPORTUNITY

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PINAL COUNTY
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023
(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Total
Assets			
Cash, cash equivalents and investments	$ 87,602	$ 490	$ 88,092
Receivables (net of allowances for uncollectibles):			
Property taxes	226	-	226
Accounts	7,109	2	7,111
Due from other funds	5,395	24,020	29,415
Due from other governments	18,462	193	18,655
Inventories	45	-	45
Prepaid items	83	-	83
Restricted assets:			
Cash and cash equivalents	1,323	-	1,323
Total assets	$ 120,245	$ 24,705	$ 144,950
Liabilities			
Accounts payable	$ 8,629	$ 2,692	$ 11,321
Accrued payroll and employee benefits	696	-	696
Retainage payable	81	787	868
Due to other funds	6,481	4,426	10,907
Due to other governments	328	-	328
Deposits held for others	76	3	79
Unearned revenue	2,264	-	2,264
Total liabilities	18,555	7,908	26,463
Deferred Inflows of Resources			
Unavailable revenue - property taxes	204	-	204
Unavailable revenue - intergovernmental	17,456	-	17,456
Total deferred inflows of resources	17,660	-	17,660
Fund Balances			
Nonspendable:			
Inventories	45	-	45
Prepaid items	83	-	83
Total nonspendable	128	-	128
Restricted	37,090	447	37,537
Committed	10,499	-	10,499
Assigned	39,447	16,350	55,797
Unassigned	(3,134)	-	(3,134)
Total fund balances	84,030	16,797	100,827
Total liabilities, deferred inflows of resources and fund balances	$ 120,245	$ 24,705	$ 144,950

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Total
Revenues:			
Taxes	$ 15,173	$ -	$ 15,173
Licenses and permits	4,552	-	4,552
Intergovernmental	82,386	1,988	84,374
Charges for services	6,743	-	6,743
Fines and forfeits	426	-	426
Investment earnings	3,166	7	3,173
Contributions	2,182	-	2,182
Rentals	314	-	314
Miscellaneous	4,444	-	4,444
Total revenues	119,386	1,995	121,381
Expenditures:			
Current			
General government	4,246	12,518	16,764
Public safety	25,173	116	25,289
Highways and streets	13,803	-	13,803
Sanitation	803	-	803
Health	17,184	-	17,184
Welfare	41,627	-	41,627
Culture and recreation	1,988	127	2,115
Education	13,112	-	13,112
Debt Service			
Principal retirement	76	-	76
Interest	25	-	25
Capital outlay	1,029	7,724	8,753
Total expenditures	119,066	20,485	139,551
Deficiency of revenues over expenditures	320	(18,490)	(18,170)
Other financing sources (uses):			
Sale of capital assets	109	-	109
Transfers in	9,660	22,271	31,931
Transfers out	(3,369)	(1,021)	(4,390)
Total other financing sources (uses)	6,400	21,250	27,650
Net change in fund balances	6,720	2,760	9,480
Fund balances - July 1, 2022, as restated	77,279	14,037	91,316
Changes in nonspendable resources:			
Decrease in inventories	18	-	18
Increase in prepaid items	13	-	13
Fund balances - June 30, 2023	$ 84,030	$ 16,797	$ 100,827

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Adult Probation	Air Quality	Animal Control
Assets			
Cash, cash equivalents and investments	$ 1,307	$ 2,461	$ -
Receivables (net of allowances for uncollectibles):			
Property taxes	-	-	1
Accounts	221	9	-
Due from other funds	74	10	2,256
Due from other governments	72	14	-
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	$ 1,674	$ 2,494	$ 2,257
Liabilities			
Current liabilities:			
Accounts payable	$ 29	$ 2	$ 12
Accrued payroll and employee benefits	104	35	74
Retainage payable	-	-	-
Due to other funds	3	158	1,334
Due to other governments	5	-	-
Total current liabilities	141	195	1,420
Noncurrent liabilities:			
Deposits held for others	-	-	-
Unearned revenue	-	601	26
Total noncurrent liabilities	-	601	26
Total liabilities	141	796	1,446
Deferred Inflows of Resources			
Unavailable revenue - property taxes	-	-	1
Unavailable revenue - intergovernmental	236	-	-
Total deferred inflows of resources	236	-	1
Fund Balances			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	1,471	1,698	-
Committed	-	-	-
Assigned	-	-	810
Unassigned	(174)	-	-
Total fund balances (deficits)	1,297	1,698	810
Total liabilities, deferred inflows of resources and, fund balances	$ 1,674	$ 2,494	$ 2,257

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Attorney	Capital Projects Replacement	Clerk of Courts
Assets			
Cash, cash equivalents and investments	$ 4,414	$ 21,451	$ 2,814
Receivables (net of allowances for uncollectibles):			
Property taxes	-	-	-
Accounts	9	70	114
Due from other funds	751	502	-
Due from other governments	138	-	1
Inventories	-	-	-
Prepaid items	3	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	$ 5,315	$ 22,023	$ 2,929
Liabilities			
Current liabilities:			
Accounts payable	$ 20	$ 25	$ 25
Accrued payroll and employee benefits	24	-	3
Retainage payable	-	-	-
Due to other funds	532	-	209
Due to other governments	56	-	-
Total current liabilities	632	25	237
Noncurrent liabilities:			
Deposits held for others	-	-	-
Unearned revenue	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	632	25	237
Deferred Inflows of Resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	1,901	-	-
Total deferred inflows of resources	1,901	-	-
Fund Balances			
Nonspendable:			
Inventories	-	-	-
Prepaid items	3	-	-
Total nonspendable	3	-	-
Restricted	2,952	-	820
Committed	4	-	1,872
Assigned	-	21,998	-
Unassigned	(177)	-	-
Total fund balances (deficits)	2,782	21,998	2,692
Total liabilities, deferred inflows of resources and, fund balances	$ 5,315	$ 22,023	$ 2,929

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Courts	Employee Wellness	Health Services
Assets			
Cash, cash equivalents and investments	$ 2,379	$ 129	$ 1,290
Receivables (net of allowances for uncollectibles):			
Property taxes	-	-	-
Accounts	74	-	3,662
Due from other funds	(178)	-	-
Due from other governments	125	-	7
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	$ 2,400	$ 129	$ 4,959
Liabilities			
Current liabilities:			
Accounts payable	$ 16	$ -	$ (1)
Accrued payroll and employee benefits	19	-	6
Retainage payable	-	-	-
Due to other funds	(439)	-	80
Due to other governments	-	-	-
Total current liabilities	(404)	-	85
Noncurrent liabilities:			
Deposits held for others	-	-	-
Unearned revenue	783	-	-
Total noncurrent liabilities	783	-	-
Total liabilities	379	-	85
Deferred Inflows of Resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	57	-	3,542
Total deferred inflows of resources	57	-	3,542
Fund Balances			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	1,979	-	1,332
Committed	42	-	-
Assigned	-	129	-
Unassigned	(57)	-	-
Total fund balances (deficits)	1,964	129	1,332
Total liabilities, deferred inflows of resources and, fund balances	$ 2,400	$ 129	$ 4,959

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Housing Grants	Justice Courts	Juvenile Probation
Assets			
Cash, cash equivalents and investments	$ 482	$ 2,134	$ 761
Receivables (net of allowances for uncollectibles):			
Property taxes	-	-	-
Accounts	451	159	1,893
Due from other funds	-	-	382
Due from other governments	9	-	-
Inventories	45	-	-
Prepaid items	53	-	-
Restricted assets:			
Cash and cash equivalents - restricted	1,323	-	-
Total assets	$ 2,363	$ 2,293	$ 3,036
Liabilities			
Current liabilities:			
Accounts payable	$ 158	$ 5	$ 24
Accrued payroll and employee benefits	56	10	43
Retainage payable	-	-	-
Due to other funds	-	262	128
Due to other governments	-	-	241
Total current liabilities	214	277	436
Noncurrent liabilities:			
Deposits held for others	27	-	-
Unearned revenue	7	-	325
Total noncurrent liabilities	34	-	325
Total liabilities	248	277	761
Deferred Inflows of Resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	-	-	-
Total deferred inflows of resources	-	-	-
Fund Balances			
Nonspendable:			
Inventories	45	-	-
Prepaid items	53	-	-
Total nonspendable	98	-	-
Restricted	2,017	916	2,275
Committed	-	1,100	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances (deficits)	2,115	2,016	2,275
Total liabilities, deferred inflows of resources and, fund balances	$ 2,363	$ 2,293	$ 3,036

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Library Grants	Miscellaneous Fees	Miscellaneous Grants
Assets			
Cash, cash equivalents and investments	$ 7	$ 969	$ -
Receivables (net of allowances for uncollectibles):			
Property taxes	-	-	-
Accounts	-	-	2
Due from other funds	-	-	4
Due from other governments	-	-	830
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	$ 7	$ 969	$ 836
Liabilities			
Current liabilities:			
Accounts payable	$ 2	$ -	$ 427
Accrued payroll and employee benefits	-	6	6
Retainage payable	-	-	-
Due to other funds	-	-	230
Due to other governments	-	-	-
Total current liabilities	2	6	663
Noncurrent liabilities:			
Deposits held for others	-	-	-
Unearned revenue	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	2	6	663
Deferred Inflows of Resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	-	-	176
Total deferred inflows of resources	-	-	176
Fund Balances			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	5	1,019	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(56)	(3)
Total fund balances (deficits)	5	963	(3)
Total liabilities, deferred inflows of resources and, fund balances	$ 7	$ 969	$ 836

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Public Defender	Public Works Roadways	Public Works Services
Assets			
Cash, cash equivalents and investments	$ 804	$ 15,057	$ -
Receivables (net of allowances for uncollectibles):			
Property taxes	-	-	-
Accounts	2	95	68
Due from other funds	97	-	418
Due from other governments	-	15	2,636
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	$ 903	$ 15,167	$ 3,122
Liabilities			
Current liabilities:			
Accounts payable	$ 9	$ 16	$ 39
Accrued payroll and employee benefits	-	31	12
Retainage payable	-	-	-
Due to other funds	-	4	1,573
Due to other governments	-	-	-
Total current liabilities	9	51	1,624
Noncurrent liabilities:			
Deposits held for others	-	49	-
Unearned revenue	-	-	-
Total noncurrent liabilities	-	49	-
Total liabilities	9	100	1,624
Deferred Inflows of Resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	-	-	2,168
Total deferred inflows of resources	-	-	2,168
Fund Balances			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	894	-	-
Committed	-	-	-
Assigned	-	15,067	1,443
Unassigned	-	-	(2,113)
Total fund balances (deficits)	894	15,067	(670)
Total liabilities, deferred inflows of resources and, fund balances	$ 903	$ 15,167	$ 3,122

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Sheriff	Treasurer	Workforce Grants
Assets			
Cash, cash equivalents and investments	$ 7,556	$ 335	$ -
Receivables (net of allowances for uncollectibles):			
Property taxes	-	-	-
Accounts	33	1	-
Due from other funds	148	-	-
Due from other governments	3,132	-	1,114
Inventories	-	-	-
Prepaid items	27	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	$ 10,896	$ 336	$ 1,114
Liabilities			
Current liabilities:			
Accounts payable	$ 414	$ -	$ 332
Accrued payroll and employee benefits	36	-	8
Retainage payable	-	-	-
Due to other funds	89	-	772
Due to other governments	24	-	2
Total current liabilities	563	-	1,114
Noncurrent liabilities:			
Deposits held for others	-	-	-
Unearned revenue	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	563	-	1,114
Deferred Inflows of Resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - intergovernmental	838	-	-
Total deferred inflows of resources	838	-	-
Fund Balances			
Nonspendable:			
Inventories	-	-	-
Prepaid items	27	-	-
Total nonspendable	27	-	-
Restricted	8,864	336	-
Committed	1,158	-	-
Assigned	-	-	-
Unassigned	(554)	-	-
Total fund balances (deficits)	9,495	336	-
Total liabilities, deferred inflows of resources and, fund balances	$ 10,896	$ 336	$ 1,114

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Desert Vista Sanitation District	Flood Control District	Library District
Assets			
Cash, cash equivalents and investments	$ 19	$ 7,186	$ 1,760
Receivables (net of allowances for uncollectibles):			
Property taxes	-	68	82
Accounts	-	28	6
Due from other funds	-	3	-
Due from other governments	-	7,204	-
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	$ 19	$ 14,489	$ 1,848
Liabilities			
Current liabilities:			
Accounts payable	$ -	$ 6,847	$ 45
Accrued payroll and employee benefits	-	17	11
Retainage payable	-	81	-
Due to other funds	-	1	965
Due to other governments	-	-	-
Total current liabilities	-	6,946	1,021
Noncurrent liabilities:			
Deposits held for others	-	-	-
Unearned revenue	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	-	6,946	1,021
Deferred Inflows of Resources			
Unavailable revenue - property taxes	-	55	73
Unavailable revenue - intergovernmental	-	7,204	-
Total deferred inflows of resources	-	7,259	73
Fund Balances			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	19	284	754
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances (deficits)	19	284	754
Total liabilities, deferred inflows of resources and, fund balances	$ 19	$ 14,489	$ 1,848

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Lighting Special Districts	Public Health Services District
Assets		
Cash, cash equivalents and investments	$ 4	$ 6,904
Receivables (net of allowances for uncollectibles):		
Property taxes	1	-
Accounts	-	212
Due from other funds	-	928
Due from other governments	-	3,165
Inventories	-	-
Prepaid items	-	-
Restricted assets:		
Cash and cash equivalents - restricted	-	-
Total assets	$ 5	$ 11,209
Liabilities		
Current liabilities:		
Accounts payable	$ -	$ 183
Accrued payroll and employee benefits	-	195
Retainage payable	-	-
Due to other funds	-	580
Due to other governments	-	-
Total current liabilities	-	958
Noncurrent liabilities:		
Deposits held for others	-	-
Unearned revenue	-	522
Total noncurrent liabilities	-	522
Total liabilities	-	1,480
Deferred Inflows of Resources		
Unavailable revenue - property taxes	1	-
Unavailable revenue - intergovernmental	-	1,334
Total deferred inflows of resources	1	1,334
Fund Balances		
Nonspendable:		
Inventories	-	-
Prepaid items	-	-
Total nonspendable	-	-
Restricted	4	8,395
Committed	-	-
Assigned	-	-
Unassigned	-	-
Total fund balances (deficits)	4	8,395
Total liabilities, deferred inflows of resources and, fund balances	$ 5	$ 11,209

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Amounts expressed in thousands)

	Accommodation School	Total
Assets		
Cash, cash equivalents and investments	$ 7,379	$ 87,602
Receivables (net of allowances for uncollectibles):		
Property taxes	74	226
Accounts	-	7,109
Due from other funds	-	5,395
Due from other governments	-	18,462
Inventories	-	45
Prepaid items	-	83
Restricted assets:		
Cash and cash equivalents - restricted	-	1,323
Total assets	$ 7,453	$ 120,245
Liabilities		
Current liabilities:		
Accounts payable	$ -	$ 8,629
Accrued payroll and employee benefits	-	696
Retainage payable	-	81
Due to other funds	-	6,481
Due to other governments	-	328
Total current liabilities	-	16,215
Noncurrent liabilities:		
Deposits held for others	-	76
Unearned revenue	-	2,264
Total noncurrent liabilities	-	2,340
Total liabilities	-	18,555
Deferred Inflows of Resources		
Unavailable revenue - property taxes	74	204
Unavailable revenue - intergovernmental	-	17,456
Total deferred inflows of resources	74	17,660
Fund Balances		
Nonspendable:		
Inventories	-	45
Prepaid items	-	83
Total nonspendable	-	128
Restricted	1,056	37,090
Committed	6,323	10,499
Assigned	-	39,447
Unassigned	-	(3,134)
Total fund balances (deficits)	7,379	84,030
Total liabilities, deferred inflows of resources and, fund balances	$ 7,453	$ 120,245

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Adult Probation	Air Quality	Animal Control
Revenues:			
Taxes	$ -	$ -	$ -
Licenses and permits	-	1,395	224
Intergovernmental	5,331	404	143
Charges for services	945	-	233
Fines and forfeits	-	-	13
Investment earnings	48	17	1
Contributions	-	-	70
Rentals	-	-	-
Miscellaneous	3	(1)	2
Total revenues	6,327	1,815	686
Expenditures:			
Current			
General government	-	-	-
Public safety	6,208	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	1,440	2,668
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service			
Principal retirement	-	-	2
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures	6,208	1,440	2,670
Excess (deficiency) of revenues over expenditures	119	375	(1,984)
Other financing sources (uses):			
Sale of capital assets	-	2	-
Transfers in	-	10	2,256
Transfers out	-	(157)	(31)
Total other financing sources (uses)	-	(145)	2,225
Net change in fund balances	119	230	241
Fund balances (deficit) - July 1, 2022	1,178	1,468	569
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Increase (decrease) in prepaid	-	-	-
Fund balances (deficit) - June 30, 2023	$ 1,297	$ 1,698	$ 810

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Attorney	Capital Projects Replacement	Clerk of Courts
Revenues:			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental	1,824	-	-
Charges for services	-	-	660
Fines and forfeits	394	-	-
Investment earnings	50	282	47
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	26	129	-
Total revenues	2,294	411	707
Expenditures:			
Current			
General government	-	550	-
Public safety	2,342	-	716
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service			
Principal retirement	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures	2,342	550	716
Excess (deficiency) of revenues over expenditures	(48)	(139)	(9)
Other financing sources (uses):			
Sale of capital assets	-	107	-
Transfers in	327	550	-
Transfers out	(55)	-	(209)
Total other financing sources (uses)	272	657	(209)
Net change in fund balances	224	518	(218)
Fund balances (deficit) - July 1, 2022	2,560	21,480	2,910
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Increase (decrease) in prepaid	(2)	-	-
Fund balances (deficit) - June 30, 2023	$ 2,782	$ 21,998	$ 2,692

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Courts	Employee Wellness	Health Services
Revenues:			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental	1,131	-	558
Charges for services	547	-	-
Fines and forfeits	1	-	-
Investment earnings	21	2	36
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	8	90	828
Total revenues	1,708	92	1,422
Expenditures:			
Current			
General government	-	-	-
Public safety	2,067	-	62
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	225
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service			
Principal retirement	3	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures	2,070	-	287
Excess (deficiency) of revenues over expenditures	(362)	92	1,135
Other financing sources (uses):			
Sale of capital assets	-	-	-
Transfers in	540	-	-
Transfers out	(62)	-	-
Total other financing sources (uses)	478	-	-
Net change in fund balances	116	92	1,135
Fund balances (deficit) - July 1, 2022	1,848	37	197
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Increase (decrease) in prepaid	-	-	-
Fund balances (deficit) - June 30, 2023	$ 1,964	$ 129	$ 1,332

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Housing Grants	Justice Courts	Juvenile Probation
Revenues:			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental	36,499	-	3,386
Charges for services	-	953	49
Fines and forfeits	-	-	-
Investment earnings	12	27	1,900
Contributions	-	-	-
Rentals	314	-	-
Miscellaneous	646	-	1
Total revenues	37,471	980	5,336
Expenditures:			
Current			
General government	-	-	-
Public safety	-	380	3,587
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	37,471	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service			
Principal retirement	-	-	4
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures	37,471	380	3,591
Excess (deficiency) of revenues over expenditures	-	600	1,745
Other financing sources (uses):			
Sale of capital assets	-	-	-
Transfers in	-	-	44
Transfers out	-	(262)	(1)
Total other financing sources (uses)	-	(262)	43
Net change in fund balances	-	338	1,788
Fund balances (deficit) - July 1, 2022	2,091	1,678	487
Changes in nonspendable resources:			
Decrease in inventories	18	-	-
Increase (decrease) in prepaid	6	-	-
Fund balances (deficit) - June 30, 2023	$ 2,115	$ 2,016	$ 2,275

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Library Grants	Miscellaneous Fees	Miscellaneous Grants
Revenues:			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental	25	-	4,691
Charges for services	-	394	-
Fines and forfeits	-	-	-
Investment earnings	-	-	-
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	-	-	-
Total revenues	25	394	4,691
Expenditures:			
Current			
General government	-	410	2,354
Public safety	-	-	107
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	11
Welfare	-	-	1,140
Culture and recreation	23	-	-
Education	-	-	-
Debt service			
Principal retirement	-	5	-
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures	23	415	3,612
Excess (deficiency) of revenues over expenditures	2	(21)	1,079
Other financing sources (uses):			
Sale of capital assets	-	-	-
Transfers in	-	-	28
Transfers out	-	-	(1,110)
Total other financing sources (uses)	-	-	(1,082)
Net change in fund balances	2	(21)	(3)
Fund balances (deficit) - July 1, 2022	3	984	-
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Increase (decrease) in prepaid	-	-	-
Fund balances (deficit) - June 30, 2023	$ 5	$ 963	$ (3)

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Public Defender	Public Works Roadways	Public Works Services
Revenues:			
Taxes	$ -	$ -	$ -
Licenses and permits	-	2,526	-
Intergovernmental	486	-	944
Charges for services	-	1,402	735
Fines and forfeits	-	-	-
Investment earnings	8	257	17
Contributions	-	1,290	-
Rentals	-	-	-
Miscellaneous	-	90	75
Total revenues	494	5,565	1,771
Expenditures:			
Current			
General government	-	-	794
Public safety	26	-	1,278
Highways and streets	-	1,870	-
Sanitation	-	-	803
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt service			
Principal retirement	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures	26	1,870	2,875
Excess (deficiency) of revenues over expenditures	468	3,695	(1,104)
Other financing sources (uses):			
Sale of capital assets	-	-	-
Transfers in	97	-	595
Transfers out	-	(56)	-
Total other financing sources (uses)	97	(56)	595
Net change in fund balances	565	3,639	(509)
Fund balances (deficit) - July 1, 2022	329	11,428	(161)
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Increase (decrease) in prepaid	-	-	-
Fund balances (deficit) - June 30, 2023	$ 894	$ 15,067	$ (670)

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Sheriff	Treasurer	Workforce Grants
Revenues:			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental	10,816	-	3,254
Charges for services	39	84	-
Fines and forfeits	14	-	-
Investment earnings	61	7	-
Contributions	278	-	-
Rentals	-	-	-
Miscellaneous	54	-	-
Total revenues	11,262	91	3,254
Expenditures:			
Current			
General government	-	138	-
Public safety	8,400	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	3,016
Culture and recreation	-	-	-
Education	-	-	-
Debt service			
Principal retirement	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures	8,400	138	3,016
Excess (deficiency) of revenues over expenditures	2,862	(47)	238
Other financing sources (uses):			
Sale of capital assets	-	-	-
Transfers in	129	-	-
Transfers out	-	-	-
Total other financing sources (uses)	129	-	-
Net change in fund balances	2,991	(47)	238
Fund balances (deficit) - July 1, 2022	6,495	383	(238)
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Increase (decrease) in prepaid	9	-	-
Fund balances (deficit) - June 30, 2023	$ 9,495	$ 336	$ -

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Desert Vista Sanitation District	Flood Control District	Library District
Revenues:			
Taxes	$ -	$ 4,645	$ 3,145
Licenses and permits	-	89	-
Intergovernmental	-	34	-
Charges for services	-	37	-
Fines and forfeits	-	-	3
Investment earnings	-	156	26
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	-	1	8
Total revenues	-	4,962	3,182
Expenditures:			
Current			
General government	-	-	-
Public safety	-	-	-
Highways and streets	3	11,910	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	1,965
Education	-	-	-
Debt service			
Principal retirement	-	-	-
Interest	-	-	-
Capital outlay	-	1,029	-
Total expenditures	3	12,939	1,965
Excess (deficiency) of revenues over expenditures	(3)	(7,977)	1,217
Other financing sources (uses):			
Sale of capital assets	-	-	-
Transfers in	-	-	-
Transfers out	-	-	(1,077)
Total other financing sources (uses)	-	-	(1,077)
Net change in fund balances	(3)	(7,977)	140
Fund balances (deficit) - July 1, 2022	22	8,261	614
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Increase (decrease) in prepaid	-	-	-
Fund balances (deficit) - June 30, 2023	$ 19	$ 284	$ 754

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Lighting Special Districts	Public Health Services District
Revenues:		
Taxes	$ 17	$ 7,196
Licenses and permits	-	318
Intergovernmental	-	5,205
Charges for services	-	627
Fines and forfeits	-	1
Investment earnings	-	99
Contributions	-	465
Rentals	-	-
Miscellaneous	-	7
Total revenues	17	13,918
Expenditures:		
Current		
General government	-	-
Public safety	-	-
Highways and streets	20	-
Sanitation	-	-
Health	-	12,840
Welfare	-	-
Culture and recreation	-	-
Education	-	-
Debt service		
Principal retirement	-	62
Interest	-	25
Capital outlay	-	-
Total expenditures	20	12,927
Excess (deficiency) of revenues over expenditures	(3)	991
Other financing sources (uses):		
Sale of capital assets	-	-
Transfers in	-	1,362
Transfers out	-	(349)
Total other financing sources (uses)	-	1,013
Net change in fund balances	(3)	2,004
Fund balances (deficit) - July 1, 2022	7	6,391
Changes in nonspendable resources:		
Decrease in inventories	-	-
Increase (decrease) in prepaid	-	-
Fund balances (deficit) - June 30, 2023	$ 4	$ 8,395

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Accommodation School	Total
Revenues:		
Taxes	$ 170	$ 15,173
Licenses and permits	-	4,552
Intergovernmental	7,655	82,386
Charges for services	38	6,743
Fines and forfeits	-	426
Investment earnings	92	3,166
Contributions	79	2,182
Rentals	-	314
Miscellaneous	2,477	4,444
Total revenues	10,511	119,386
Expenditures:		
Current		
General government	-	4,246
Public safety	-	25,173
Highways and streets	-	13,803
Sanitation	-	803
Health	-	17,184
Welfare	-	41,627
Culture and recreation	-	1,988
Education	13,112	13,112
Debt service		
Principal retirement	-	76
Interest	-	25
Capital outlay	-	1,029
Total expenditures	13,112	119,066
Excess (deficiency) of revenues over expenditures	(2,601)	320
Other financing sources (uses):		
Sale of capital assets	-	109
Transfers in	3,722	9,660
Transfers out	-	(3,369)
Total other financing sources (uses)	3,722	6,400
Net change in fund balances	1,121	6,720
Fund balances (deficit) - July 1, 2022, as restated	6,258	77,279
Changes in nonspendable resources:		
Decrease in inventories	-	18
Increase (decrease) in prepaid	-	13
Fund balances (deficit) - June 30, 2023	$ 7,379	$ 84,030

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PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2023
(Amounts expressed in thousands)

	Bond Funded Capital Projects Fund	Capital Projects Miscellaneous	Public Works Gantzel Road Fund	Kelvin Road Bridge Construction
Assets				
Cash, cash equivalents and investments	$ 361	$ -	$ 4	$ 104
Receivables (net of allowances for uncollectibles):				
Accounts	2	-	-	-
Due from other funds	83	23,937	-	-
Due from other governments	-	193	-	-
Total assets	$ 446	$ 24,130	$ 4	$ 104
Liabilities				
Accounts payable	$ -	$ 2,692	$ -	$ -
Retainage payable	-	787	-	-
Due to other funds	-	4,322	-	104
Deposits held for others	-	-	3	-
Total liabilities	-	7,801	3	104
Fund Balances				
Restricted	446	-	1	-
Assigned	-	16,329	-	-
Total fund balances (deficit)	446	16,329	1	-
Total liabilities and fund balances	$ 446	$ 24,130	$ 4	$ 104

PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2023
(Amounts expressed in thousands)

	Fairgrounds Construction	Total
Assets		
Cash, cash equivalents and investments	$ 21	$ 490
Receivables (net of allowances for uncollectibles):		
Accounts	-	2
Due from other funds	-	24,020
Due from other governments	-	193
Total assets	$ 21	$ 24,705
Liabilities		
Accounts payable	$ -	$ 2,692
Retainage payable	-	787
Due to other funds	-	4,426
Deposits held for others	-	3
Total liabilities	-	7,908
Fund Balances		
Restricted	-	447
Assigned	21	16,350
Total fund balances (deficit)	21	16,797
Total liabilities and fund balances	$ 21	$ 24,705

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Bond Funded Capital Projects Fund	Capital Projects Miscellaneous	Public Works Gantzel Road Fund	Kelvin Road Bridge Construction
Revenues:				
Intergovernmental	$ -	$ 1,988	$ -	$ -
Investment earnings	5	-	-	2
Total revenues	5	1,988	-	2
Expenditures:				
General government	-	12,518	-	-
Public safety	-	116	-	-
Culture and recreation	-	127	-	-
Capital outlay	33	7,675	1	-
Total expenditures	33	20,436	1	-
Excess (deficiency) of revenues over expenditures	(28)	(18,448)	(1)	2
Other financing sources:				
Transfers in	-	22,271	-	-
Transfers out	(917)	-	-	(104)
Total other financing sources (uses)	(917)	22,271	-	(104)
Net change in fund balances	(945)	3,823	(1)	(102)
Fund balances (deficit) - July 1, 2022	1,391	12,506	2	102
Fund balances (deficit) - June 30, 2023	$ 446	$ 16,329	$ 1	$ -

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Fairgrounds Construction	Total
Revenues:		
Intergovernmental	$ -	$ 1,988
Investment earnings	-	7
Total revenues	-	1,995
Expenditures:		
General government	-	12,518
Public safety	-	116
Culture and recreation	-	127
Capital outlay	15	7,724
Total expenditures	15	20,485
Excess (deficiency) of revenues over expenditures	(15)	(18,490)
Other financing sources:		
Transfers in	-	22,271
Transfers out	-	(1,021)
Total other financing sources (uses)	-	21,250
Net change in fund balances	(15)	2,760
Fund balances (deficit) - July 1, 2022	36	14,037
Fund balances (deficit) - June 30, 2023	$ 21	$ 16,797

PINAL COUNTY
Special Revenue Funds
Adult Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 5,871	$ 5,482	$ 5,331	$ (151)
Charges for services	939	939	945	6
Investment earnings	-	-	48	48
Miscellaneous	-	-	3	3
Total revenues	6,810	6,421	6,327	(94)
Expenditures:				
Current:				
Public safety	8,260	7,872	6,208	1,664
Total expenditures	8,260	7,872	6,208	1,664
Excess (deficiency) of revenues over expenditures	(1,450)	(1,451)	119	1,570
Other financing sources (uses):				
Transfers in	-	44	-	(44)
Transfers out	-	(44)	-	44
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(1,450)	(1,451)	119	1,570
Fund balance (deficit) - July 1, 2022	(1,252)	(1,656)	1,178	2,834
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (2,702)	$ (3,107)	$ 1,297	$ 4,404

PINAL COUNTY
Special Revenue Funds
Air Quality
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Licenses and permits	$ 1,350	$ 1,350	$ 1,395	$ 45
Intergovernmental	416	416	404	(12)
Investment earnings	-	-	17	17
Miscellaneous	-	-	(1)	(1)
Total revenues	1,766	1,766	1,815	49
Expenditures:				
Current:				
Health	3,374	3,374	1,440	1,934
Total expenditures	3,374	3,374	1,440	1,934
Excess (deficiency) of revenues over expenditures	(1,608)	(1,608)	375	1,983
Other financing sources (uses):				
Sale of capital assets	-	-	2	2
Transfers in	261	261	10	(251)
Transfers out	(408)	(408)	(157)	251
Total other financing sources (uses)	(147)	(147)	(145)	2
Net change in fund balances	(1,755)	(1,755)	230	1,985
Fund balance (deficit) - July 1, 2022	(1,498)	(1,498)	1,468	2,966
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (3,253)	$ (3,253)	$ 1,698	$ 4,951

PINAL COUNTY
Special Revenue Funds
Animal Control
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Licenses and permits	$ 245	$ 245	$ 224	$ (21)
Intergovernmental	80	77	143	66
Charges for services	290	290	233	(57)
Fines and forfeits	20	20	13	(7)
Investment earnings	-	-	1	1
Contributions	50	53	70	17
Miscellaneous	5	5	2	(3)
Total revenues	690	690	686	(4)
Expenditures:				
Current:				
Health	3,418	3,457	2,668	789
Debt service:				
Principal retirement	5	5	2	3
Total expenditures	3,423	3,462	2,670	792
Excess (deficiency) of revenues over expenditures	(2,733)	(2,772)	(1,984)	788
Other financing sources (uses):				
Transfers in	2,228	2,267	2,256	(11)
Transfers out	(42)	(42)	(31)	11
Total other financing sources (uses)	2,186	2,225	2,225	-
Net change in fund balances	(547)	(547)	241	788
Fund balance (deficit) - July 1, 2022	(151)	(161)	569	730
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (698)	$ (708)	$ 810	$ 1,518

PINAL COUNTY
Special Revenue Funds
Attorney
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 2,835	$ 3,530	$ 1,824	$ (1,706)
Fines and forfeits	576	576	394	(182)
Investment earnings	2	2	50	48
Miscellaneous	9	9	26	17
Total revenues	3,422	4,117	2,294	(1,823)
Expenditures:				
Current:				
Public safety	6,472	7,163	2,342	4,821
Total expenditures	6,472	7,163	2,342	4,821
Excess (deficiency) of revenues over expenditures	(3,050)	(3,046)	(48)	2,998
Other financing sources (uses):				
Transfers in	471	471	327	(144)
Transfers out	(71)	(74)	(55)	19
Total other financing sources (uses)	400	397	272	(125)
Net change in fund balances	(2,650)	(2,649)	224	2,873
Fund balance (deficit) - July 1, 2022	(1,921)	(1,921)	2,560	4,481
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	(2)	(2)
Fund balance (deficit) - June 30, 2023	$ (4,571)	$ (4,570)	$ 2,782	$ 7,352

PINAL COUNTY
Special Revenue Funds
Capital Projects Replacement
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Investment earnings	$ 5	$ 5	$ 282	$ 277
Miscellaneous	50	50	129	79
Total revenues	55	55	411	356
Expenditures:				
Current:				
General government	9,468	9,468	550	8,918
Total expenditures	9,468	9,468	550	8,918
Excess (deficiency) of revenues over expenditures	(9,413)	(9,413)	(139)	9,274
Other financing sources (uses):				
Sale of capital assets	50	50	107	57
Transfers in	1,839	1,839	550	(1,289)
Total other financing sources (uses)	1,889	1,889	657	(1,232)
Net change in fund balances	(7,524)	(7,524)	518	8,042
Fund balance (deficit) - July 1, 2022	(27,547)	(27,547)	21,480	49,027
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (35,071)	$ (35,071)	$ 21,998	$ 57,069

PINAL COUNTY

Special Revenue Funds
Clerk of Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Charges for services	$ 525	$ 525	$ 660	$ 135
Investment earnings	14	14	47	33
Total revenues	539	539	707	168
Expenditures:				
Current:				
Public safety	3,056	3,056	716	2,340
Total expenditures	3,056	3,056	716	2,340
Excess (deficiency) of revenues over expenditures	(2,517)	(2,517)	(9)	2,508
Other financing sources (uses):				
Transfers out	(172)	(172)	(209)	(37)
Total other financing sources (uses)	(172)	(172)	(209)	(37)
Net change in fund balances	(2,689)	(2,689)	(218)	2,471
Fund balance (deficit) - July 1, 2022	(2,337)	(2,337)	2,910	5,247
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (5,026)	$ (5,026)	$ 2,692	$ 7,718

PINAL COUNTY
Special Revenue Funds
Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 1,381	$ 1,396	$ 1,131	$ (265)
Charges for services	474	474	547	73
Fines and forfeits	-	-	1	1
Investment earnings	7	7	21	14
Miscellaneous	12	12	8	(4)
Total revenues	1,874	1,889	1,708	(181)
Expenditures:				
Current:				
Public safety	5,488	5,504	2,067	3,437
Principal retirement	-	-	3	(3)
Total expenditures	5,488	5,504	2,070	3,434
Excess (deficiency) of revenues over expenditures	(3,614)	(3,615)	(362)	3,253
Other financing sources (uses):				
Transfers in	615	615	540	(75)
Transfers out	(162)	(162)	(62)	100
Total other financing sources (uses)	453	453	478	25
Net change in fund balances	(3,161)	(3,162)	116	3,278
Fund balance (deficit) - July 1, 2022	(1,620)	(1,620)	1,848	3,468
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (4,781)	$ (4,782)	$ 1,964	$ 6,746

PINAL COUNTY
Special Revenue Funds
Employee Wellness
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Investment earnings	$ -	$ -	$ 2	$ 2
Miscellaneous	90	90	90	-
Total revenues	90	90	92	2
Expenditures:				
Health	127	127	-	127
Total expenditures	127	127	-	127
Excess (deficiency) of revenues over expenditures	(37)	(37)	92	129
Net change in fund balances	(37)	(37)	92	129
Fund balance (deficit) - July 1, 2022	-	-	37	37
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (37)	$ (37)	$ 129	$ 166

PINAL COUNTY
Special Revenue Funds
Health Services
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 116	$ 116	$ 558	$ 442
Investment earnings	1	1	36	35
Miscellaneous	-	-	828	828
Total revenues	117	117	1,422	1,305
Expenditures:				
Current:				
Public safety	-	-	62	(62)
Health	116	116	225	(109)
Total expenditures	116	116	287	(171)
Excess (deficiency) of revenues over expenditures	1	1	1,135	1,134
Net change in fund balances	1	1	1,135	1,134
Fund balance (deficit) - July 1, 2022	-	-	197	197
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ 1	$ 1	$ 1,332	$ 1,331

PINAL COUNTY
Special Revenue Funds
Housing Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 590	$ 590	$ 36,499	$ 35,909
Investment earnings	-	-	12	12
Rentals	-	-	314	314
Miscellaneous	-	-	646	646
Total revenues	590	590	37,471	36,881
Expenditures:				
Current:				
Welfare	590	590	37,471	(36,881)
Total expenditures	590	590	37,471	(36,881)
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balance (deficit) - July 1, 2022	(13,752)	(13,752)	2,091	15,843
Changes in nonspendable resources:				
Increase in inventory	-	-	18	18
Decrease in prepaid items	-	-	6	6
Fund balance (deficit) - June 30, 2023	$ (13,752)	$ (13,752)	$ 2,115	$ 15,867

PINAL COUNTY
Special Revenue Funds
Justice Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Charges for services	$ 593	$ 593	$ 953	$ 360
Fines and forfeits	2	2	-	(2)
Investment earnings	-	-	27	27
Total revenues	595	595	980	385
Expenditures:				
Current:				
Public safety	2,741	2,741	380	2,361
Total expenditures	2,741	2,741	380	2,361
Excess (deficiency) of revenues over expenditures	(2,146)	(2,146)	600	2,746
Other financing sources (uses):				
Transfers out	(218)	(218)	(262)	(44)
Total other financing sources (uses)	(218)	(218)	(262)	(44)
Net change in fund balances	(2,364)	(2,364)	338	2,702
Fund balance (deficit) - July 1, 2022	(1,918)	(1,921)	1,678	3,599
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (4,282)	$ (4,285)	$ 2,016	$ 6,301

PINAL COUNTY
Special Revenue Funds
Juvenile Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 3,318	$ 3,697	$ 3,386	$ (311)
Charges for services	51	51	49	(2)
Investment earnings	-	-	1,900	1,900
Miscellaneous	-	-	1	1
Total revenues	3,369	3,748	5,336	1,588
Expenditures:				
Current:				
Public safety	3,779	4,158	3,587	571
Principal retirement	-	-	4	(4)
Total expenditures	3,779	4,158	3,591	567
Excess (deficiency) of revenues over expenditures	(410)	(410)	1,745	2,155
Other financing sources (uses):				
Transfers in	45	48	44	(4)
Transfers out	(1)	(4)	(1)	3
Total other financing sources (uses)	44	44	43	(1)
Net change in fund balances	(366)	(366)	1,788	2,154
Fund balance (deficit) - July 1, 2022	(403)	(403)	487	890
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (769)	$ (769)	$ 2,275	$ 3,044

PINAL COUNTY
Special Revenue Funds
Library Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 25	$ 25	$ 25	$ -
Total revenues	25	25	25	-
Expenditures:				
Current:				
Culture and recreation	25	25	23	2
Total expenditures	25	25	23	2
Excess (deficiency) of revenues over expenditures	-	-	2	2
Net change in fund balances	-	-	2	2
Fund balance (deficit) - July 1, 2022	-	-	3	3
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ -	$ -	$ 5	$ 5

PINAL COUNTY
Special Revenue Funds
Miscellaneous Fees
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts: Original	Budgeted Amounts: Final	Actual Amounts	Variance with Final Budget
Revenues:				
Charges for services	$ 600	$ 600	$ 394	$ (206)
Total revenues	600	600	394	(206)
Expenditures:				
Current:				
General government	1,276	1,276	410	866
Debt service:				
Principal retirement	12	12	5	7
Total expenditures	1,288	1,288	415	873
Excess (deficiency) of revenues over expenditures	(688)	(688)	(21)	667
Net change in fund balances	(688)	(688)	(21)	667
Fund balance (deficit) - July 1, 2022	(622)	(622)	984	1,606
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (1,310)	$ (1,310)	$ 963	$ 2,273

PINAL COUNTY
Special Revenue Funds
Miscellaneous Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 11,391	$ 11,579	$ 4,691	$ (6,888)
Total revenues	11,391	11,579	4,691	(6,888)
Expenditures:				
Currrent:				
General government	9,305	9,335	2,354	6,981
Public safety	61	226	107	119
Health	-	13	11	2
Welfare	2,277	2,277	1,140	1,137
Total expenditures	11,643	11,851	3,612	8,239
Excess (deficiency) of revenues over expenditures	(252)	(272)	1,079	1,351
Other financing sources (uses):				
Transfers in	49	69	28	(41)
Transfers out	-	-	(1,110)	(1,110)
Total other financing sources (uses)	49	69	(1,082)	(1,151)
Net change in fund balances	(203)	(203)	(3)	200
Fund balance (deficit) - July 1, 2022	(254)	(254)	-	254
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (457)	$ (457)	$ (3)	$ 454

PINAL COUNTY

Special Revenue Funds
Public Defender
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 36	$ 467	$ 486	$ 19
Investment earnings	-	-	8	8
Total revenues	36	467	494	27
Expenditures:				
Current:				
Public safety	432	863	26	837
Total expenditures	432	863	26	837
Excess (deficiency) of revenues over expenditures	(396)	(396)	468	864
Other financing sources (uses):				
Transfers in	81	81	97	16
Total other financing sources (uses)	81	81	97	16
Net change in fund balances	(315)	(315)	565	880
Fund balance (deficit) - July 1, 2022	(224)	(224)	329	553
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (539)	$ (539)	$ 894	$ 1,433

PINAL COUNTY
Special Revenue Funds
Public Works Roadways
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Licenses and permits	$ 1,553	$ 1,553	$ 2,526	$ 973
Charges for services	1,400	1,400	1,402	2
Investment earnings	30	30	257	227
Contributions	53	53	1,290	1,237
Miscellaneous	10	10	90	80
Total revenues	3,046	3,046	5,565	2,519
Expenditures:				
Current:				
Highways and streets	13,124	13,124	1,870	11,254
Total expenditures	13,124	13,124	1,870	11,254
Excess (deficiency) of revenues over expenditures	(10,078)	(10,078)	3,695	13,773
Other financing sources (uses):				
Transfers out	(56)	(56)	(56)	-
Total other financing sources (uses)	(56)	(56)	(56)	-
Net change in fund balances	(10,134)	(10,134)	3,639	13,773
Fund balance (deficit) - July 1, 2022	(5,462)	(5,462)	11,428	16,890
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (15,596)	$ (15,596)	$ 15,067	$ 30,663

PINAL COUNTY
Special Revenue Funds
Public Works Services
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 2,534	$ 2,534	$ 944	$ (1,590)
Charges for services	663	663	735	72
Investment earnings	5	5	17	12
Miscellaneous	23	23	75	52
Total revenues	3,225	3,225	1,771	(1,454)
Expenditures:				
Current:				
General government	1,141	1,141	794	347
Public safety	2,811	2,811	1,278	1,533
Sanitation	1,655	1,655	803	852
Total expenditures	5,607	5,607	2,875	2,732
Excess (deficiency) of revenues over expenditures	(2,382)	(2,382)	(1,104)	1,278
Other financing sources (uses):				
Transfers in	1,177	1,177	595	(582)
Total other financing sources (uses)	1,177	1,177	595	(582)
Net change in fund balances	(1,205)	(1,205)	(509)	696
Fund balance (deficit) - July 1, 2022	(437)	(437)	(161)	276
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (1,642)	$ (1,642)	$ (670)	$ 972

PINAL COUNTY
Special Revenue Funds
Sheriff
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 10,091	$ 12,992	$ 10,816	$ (2,176)
Charges for services	-	-	39	39
Fines and forfeits	12	12	14	2
Investment earnings	5	5	61	56
Contributions	225	364	278	(86)
Miscellaneous	175	175	54	(121)
Total revenues	10,508	13,548	11,262	(2,286)
Expenditures:				
Current:				
Public safety	16,814	19,943	8,400	11,543
Total expenditures	16,814	19,943	8,400	11,543
Excess (deficiency) of revenues over expenditures	(6,306)	(6,395)	2,862	9,257
Other financing sources (uses):				
Transfers in	80	169	129	(40)
Total other financing sources (uses)	80	169	129	(40)
Net change in fund balances	(6,226)	(6,226)	2,991	9,217
Fund balance (deficit) - July 1, 2022	(1,316)	(1,316)	6,495	7,811
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	9	9
Fund balance (deficit) - June 30, 2023	$ (7,542)	$ (7,542)	$ 9,495	$ 17,037

PINAL COUNTY
Special Revenue Funds
Treasurer
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Charges for services	$ 65	$ 65	$ 84	$ 19
Investment earnings	-	-	7	7
Total revenues	65	65	91	26
Expenditures:				
Current:				
General government	465	465	138	327
Total expenditures	465	465	138	327
Excess (deficiency) of revenues over expenditures	(400)	(400)	(47)	353
Net change in fund balances	(400)	(400)	(47)	353
Fund balance (deficit) - July 1, 2022	(330)	(330)	383	713
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (730)	$ (730)	$ 336	$ 1,066

PINAL COUNTY
Special Revenue Funds
Workforce Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ 2,704	$ 2,704	$ 3,254	$ 550
Rentals	36	36	-	(36)
Total revenues	2,740	2,740	3,254	514
Expenditures:				
Current:				
Welfare	2,740	2,740	3,016	(276)
Total expenditures	2,740	2,740	3,016	(276)
Excess (deficiency) of revenues over expenditures	-	-	238	238
Net change in fund balances	-	-	238	238
Fund balance (deficit) - July 1, 2022	-	-	(238)	(238)
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-		-
Fund balance (deficit) - June 30, 2023	$ -	$ -	$ -	$ -

PINAL COUNTY
Special Revenue Funds
Desert Vista Sanitation District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Charges for services	$ 88	$ 88	$ -	$ (88)
Total revenues	88	88	-	(88)
Expenditures:				
Current:				
Highways and streets	110	110	3	107
Total expenditures	110	110	3	107
Excess (deficiency) of revenues over expenditures	(22)	(22)	(3)	19
Net change in fund balances	(22)	(22)	(3)	19
Fund balance (deficit) - July 1, 2022	(24)	(24)	22	46
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (46)	$ (46)	$ 19	$ 65

PINAL COUNTY
Special Revenue Funds
Flood Control District
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Taxes	$ 4,645	$ 4,645	$ 4,645	$ -
Licenses and permits	50	50	89	39
Intergovernmental	316	316	34	(282)
Charges for services	45	45	37	(8)
Investment earnings	18	18	156	138
Contributions	4,025	4,025	-	(4,025)
Miscellaneous	4	4	1	(3)
Total revenues	9,103	9,103	4,962	(4,141)
Expenditures:				
Current:				
Highways and streets	18,407	16,907	11,910	4,997
Capital outlay	250	1,750	1,029	721
Total expenditures	18,657	18,657	12,939	5,718
Excess (deficiency) of revenues over expenditures	(9,554)	(9,554)	(7,977)	1,577
Other financing sources (uses):				
Transfers out	(159)	(159)	-	159
Total other financing sources (uses)	(159)	(159)	-	159
Net change in fund balances	(9,713)	(9,713)	(7,977)	1,736
Fund balance (deficit) - July 1, 2022	(6,046)	(6,046)	8,261	14,307
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (15,759)	$ (15,759)	$ 284	$ 16,043

PINAL COUNTY
Special Revenue Funds
Library District
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Taxes	$ 3,100	$ 3,100	$ 3,145	$ 45
Fines and forfeits	-	-	3	3
Investment earnings	5	5	26	21
Miscellaneous	2	2	8	6
Total revenues	3,107	3,107	3,182	75
Expenditures:				
Current:				
Culture and recreation	2,546	2,546	1,965	581
Total expenditures	2,546	2,546	1,965	581
Excess (deficiency) of revenues over expenditures	561	561	1,217	656
Other financing sources (uses):				
Transfers out	(1,077)	(1,077)	(1,077)	-
Total other financing sources (uses)	(1,077)	(1,077)	(1,077)	-
Net change in fund balances	(516)	(516)	140	656
Fund balance (deficit) - July 1, 2022	(928)	(928)	614	1,542
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (1,444)	$ (1,444)	$ 754	$ 2,198

PINAL COUNTY
Special Revenue Funds
Lighting Special Districts
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Taxes	$ 18	$ 18	$ 17	$ (1)
Total revenues	18	18	17	(1)
Expenditures:				
Current:				
Highways and streets	23	23	20	3
Total expenditures	23	23	20	3
Excess (deficiency) of revenues over expenditures	(5)	(5)	(3)	2
Net change in fund balances	(5)	(5)	(3)	2
Fund balance (deficit) - July 1, 2022	(2)	(2)	7	9
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (7)	$ (7)	$ 4	$ 11

PINAL COUNTY
Special Revenue Funds
Public Health Services District
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Taxes	$ 5,109	$ 5,109	$ 7,196	$ 2,087
Licenses and permits	265	265	318	53
Intergovernmental	13,430	13,471	5,205	(8,266)
Charges for services	463	463	627	164
Fines and forfeits	-	-	1	1
Investment earnings	15	15	99	84
Contributions	399	399	465	66
Miscellaneous	350	350	7	(343)
Total revenues	20,031	20,072	13,918	(6,154)
Expenditures:				
Current:				
Health	24,714	24,754	12,840	11,914
Principal retirement	-	-	62	(62)
Interest	-	-	25	(25)
Total expenditures	24,714	24,754	12,927	11,827
Excess (deficiency) of revenues over expenditures	(4,683)	(4,682)	991	5,673
Other financing sources (uses):				
Transfers in	1,808	1,808	1,362	(446)
Transfers out	(781)	(781)	(349)	432
Total other financing sources (uses)	1,027	1,027	1,013	(14)
Net change in fund balances	(3,656)	(3,655)	2,004	5,659
Fund balance (deficit) - July 1, 2022	(3,444)	(3,494)	6,391	9,885
Changes in nonspendable resources:				
Increase in inventory	-	-	-	-
Decrease in prepaid items	-	-	-	-
Fund balance (deficit) - June 30, 2023	$ (7,100)	$ (7,149)	$ 8,395	$ 15,544

PINAL COUNTY
Capital Projects
Bond Funded Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Investment earnings	$ -	$ -	$ 5	$ 5
Total revenues	-	-	5	5
Expenditures:				
Debt Service:				
General government	100	100	-	100
Capital outlay	-	-	33	(33)
Total expenditures	100	100	33	67
Deficiency of revenues over expenditures	(100)	(100)	(28)	72
Other financing sources:				
Transfers out	-	-	(917)	(917)
Total other financing sources	-	-	(917)	(917)
Net change in fund balance	(100)	(100)	(945)	(845)
Fund balance (deficit) - July 1, 2022	(13,187)	(13,187)	1,391	14,578
Fund balance (deficit) - June 30, 2023	$ (13,287)	$ (13,287)	$ 446	$ 13,733

PINAL COUNTY
Capital Projects
Capital Projects Miscellaneous
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental	$ -	$ -	$ 1,988	$ 1,988
Total revenues	-	-	1,988	1,988
Expenditures:				
Current:				
General government	49,941	49,786	12,518	37,268
Public safety	-	-	116	(116)
Culture and recreation	-	155	127	28
Capital outlay	-	-	7,675	(7,675)
Total expenditures	49,941	49,941	20,436	29,505
Deficiency of revenues over expenditures	(49,941)	(49,941)	(18,448)	31,493
Other financing sources:				
Transfers in	22,950	22,950	22,271	(679)
Total other financing sources	22,950	22,950	22,271	(679)
Net change in fund balance	(26,991)	(26,991)	3,823	30,814
Fund balance (deficit) - July 1, 2022	(1,617)	(1,617)	12,506	14,123
Fund balance (deficit) - June 30, 2023	$ (28,608)	$ (28,608)	$ 16,329	$ 44,937

PINAL COUNTY
Capital Projects
Public Works Gantzel Road Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Total revenues	$ -	$ -	$ -	$ -
Expenditures:				
Current:				
Capital outlay	$ -	$ -	$ 1	$ (1)
Total expenditures	-	-	1	(1)
Deficiency of revenues over expenditures	-	-	(1)	(1)
Net change in fund balance	-	-	(1)	(1)
Fund balance (deficit) - July 1, 2022	(90)	(90)	2	92
Fund balance (deficit) - June 30, 2023	$ (90)	$ (90)	$ 1	$ 91

PINAL COUNTY
Capital Projects
Kelvin Road Bridge Construction
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Investment earnings	$ -	$ -	$ 2	$ 2
Total revenues	-	-	2	2
Expenditures:				
Total expenditures	-	-	-	-
Deficiency of revenues over expenditures	-	-	2	2
Other financing sources:				
Transfers out	(105)	(105)	(104)	1
Total other financing sources	(105)	(105)	(104)	1
Net change in fund balance	(105)	(105)	(102)	3
Fund balance (deficit) - July 1, 2022	-	-	102	102
Fund balance (deficit) - June 30, 2023	$ (105)	$ (105)	$ -	$ 105

PINAL COUNTY
Capital Projects
Fairgrounds Construction
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Total revenues	$ -	$ -	$ -	$ -
Expenditures:				
Capital outlay	$ 36	$ 36	$ 15	$ 21
Total expenditures	36	36	15	21
Deficiency of revenues over expenditures	(36)	(36)	(15)	21
Net change in fund balance	(36)	(36)	(15)	21
Fund balance (deficit) - July 1, 2022	(97)	(97)	36	133
Fund balance (deficit) - June 30, 2023	$ (133)	$ (133)	$ 21	$ 154

PINAL COUNTY
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:				
Investment earnings	$ -	$ -	$ 107	$ 107
Total revenues	-	-	107	107
Expenditures:				
Current:				
General government	10	10	4	6
Welfare	4	4	1	3
Debt service:				
Principal retirement	15,315	15,315	46,325	(31,010)
Interest	23,865	23,865	13,314	10,551
Total expenditures	39,194	39,194	59,644	(20,450)
Deficiency of revenues over expenditures	(39,194)	(39,194)	(59,537)	(20,343)
Other financing sources:				
Transfers in	39,194	39,194	60,319	21,125
Total other financing sources	39,194	39,194	60,319	21,125
Net change in fund balances	-	-	782	782
Fund balance, beginning - July 1, 2022	-	-	41	41
Fund balance, ending - June 30, 2023	$ -	$ -	$ 823	$ 823

PINAL COUNTY
Combining Statement of Net Position
Nonmajor Internal Service Funds
June 30, 2023
(Amounts expressed in thousands)

	Public Works Fleet Management	Health Benefits Trust	Total
Assets			
Current assets:			
Cash, cash equivalents and investments	$ -	$ 8,907	$ 8,907
Accounts receivable	-	835	835
Due from other funds	259	-	259
Prepaid items	-	16	16
Total current assets	259	9,758	10,017
Total assets	259	9,758	10,017
Deferred Outflows of Resources			
Deferred outflows related to pensions	26	-	26
Total deferred outflows of resources	26	-	26
Liabilities			
Current liabilities:			
Accounts payable	5	116	121
Accrued payroll and employee benefits	3	-	3
Claims payable	-	2,774	2,774
Due to other funds	364	-	364
Total current liabilities	372	2,890	3,262
Noncurrent liabilities:			
Net pension liability	153	-	153
Total noncurrent liabilities	153	-	153
Total liabilities	525	2,890	3,415
Deferred Inflows of Resources			
Deferred inflows related to pensions	4	-	4
Total deferred inflows of resources	4	-	4
NET POSITION			
Unrestricted	(244)	6,868	6,624
Total net position	$ (244)	$ 6,868	$ 6,624

PINAL COUNTY
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Internal Service Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Public Works Fleet Management	Health Benefits Trust	Total
Operating revenues:			
Charges for services	$ -	$ 26,681	$ 26,681
Miscellaneous	18	222	240
Total operating revenues	18	26,903	26,921
Operating expenses:			
Personal services	215	-	215
Supplies	140	-	140
Insurance	-	26,253	26,253
Repairs and maintenance	52	-	52
Professional services	-	76	76
Miscellaneous	11	17	28
Total operating expenses	418	26,346	26,764
Operating income (loss)	(400)	557	157
Nonoperating revenues:			
Interest on investments	-	99	99
Total nonoperating revenues	-	99	99
Net income (loss) before transfers	(400)	656	256
Transfers in	250	-	250
Change in net position	(150)	656	506
Net position (deficit) - July 1, 2022	(94)	6,212	6,118
Net position (deficit) - June 30, 2023	$ (244)	$ 6,868	$ 6,624

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Internal Service Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Public Works Fleet Management	Health Benefits Trust	Total
Cash flows from operating activities:			
Other receipts from operations	$ 18	$ 222	$ 240
Receipts from employee contributions	-	26,888	26,888
Payments to suppliers and providers of goods and services	(206)	(5,983)	(6,189)
Payments for employee wages and benefits	(172)	-	(172)
Payments for claims	-	(20,782)	(20,782)
Net cash provided by (used for) operating activities	(360)	345	(15)
Cash flows from noncapital financing activities:			
Cash received from (paid to) other funds	360	(14)	346
Net cash provided by (used for) noncapital financing activities	360	(14)	346
Cash flows from investing activities:			
Interest income	-	99	99
Net cash provided by investing activities	-	99	99
Net increase in cash and cash equivalents	-	430	430
Cash and cash equivalents - beginning	-	8,477	8,477
Cash and cash equivalents - ending	$ -	$ 8,907	$ 8,907

(Continued)

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Internal Service Funds
Year Ended June 30, 2023
(Concluded)
(Amounts expressed in thousands)

	Public Works Fleet Management	Pinal County Employee Benefits	Total
Reconciliation of operating income (loss) to net cash used for operating activities:			
Operating income (loss)	$ (400)	$ 557	$ 157
Adjustments to reconcile operating income (loss) to net cash used for operating activities:			
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
Net pension liability	69	-	69
Deferred outflows related to pensions	(3)	-	(3)
Deferred inflows related to pensions	(23)	-	(23)
Accounts Receivable	-	207	207
Prepaid Expenses	-	5	5
Accounts payable	(3)	(124)	(127)
Accrued payroll and employee benefits	-	-	-
Claims payable	-	37	37
Incurred but not reported claims	-	(337)	(337)
Total adjustments and changes	40	(212)	(172)
Net cash provided by (used for) operating activities	$ (360)	$ 345	$ (15)

PINAL COUNTY
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2023
(Amounts expressed in thousands)

	Sheriff Inmate Services	Airport Economic Development	Total
Assets			
Current assets:			
Cash, cash equivalents and investments	$ 650	$ -	$ 650
Receivables (net of allowances for uncollectibles):			
Accounts	2	94	96
Lease receivable	-	277	277
Notes receivable	-	166	166
Prepaid items	2	-	2
Due from other governments	-	6,072	6,072
Total current assets	654	6,609	7,263
Noncurrent assets:			
Lease receivable	-	14,436	14,436
Capital assets:			
Land	-	282	282
Buildings and improvements	56	596	652
Machinery and equipment	1,246	429	1,675
Infrastructure	-	7,821	7,821
Construction in progress	-	10,919	10,919
Less accumulated depreciation	(988)	(3,963)	(4,951)
Total noncurrent assets	314	30,520	30,834
Total assets	968	37,129	38,097
Deferred Outflows of Resources			
Deferred outflows related to pensions	9	52	61
Total deferred outflows of resources	9	52	61
Liabilities			
Current liabilities:			
Accounts payable	31	2,222	2,253
Accrued payroll and employee benefits	2	6	8
Customer deposits payable	-	81	81
Due to other funds	1	3,729	3,730
Compensated absences	1	18	19
Total current liabilities	35	6,056	6,091
Noncurrent liabilities:			
Net pension liability	56	303	359
Compensated absences	1	16	17
Total noncurrent liabilities	57	319	376
Total liabilities	92	6,375	6,467
Deferred Inflows of Resources			
Deferred inflows related to pensions	1	8	9
Deferred inflows related to leases	-	14,641	14,641
Total deferred inflows of resources	1	14,649	14,650
Net Position			
Net investment in capital assets	314	13,918	14,232
Unrestricted	570	2,239	2,809
Total net position	$ 884	$ 16,157	$ 17,041

PINAL COUNTY
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Enterprise Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Sheriff Inmate Services	Airport Economic Development	Total
Operating revenues:			
Rentals	$ -	$ 1,200	$ 1,200
Miscellaneous	951	102	1,053
Total operating revenues	951	1,302	2,253
Operating expenses:			
Personal services	21	329	350
Supplies	690	57	747
Depreciation	102	274	376
Insurance	-	2	2
Repairs and maintenance	5	489	494
Communication	14	-	14
Professional services	39	220	259
Public utility service	-	95	95
Miscellaneous	44	23	67
Total operating expenditures	915	1,489	2,404
Operating income (loss)	36	(187)	(151)
Nonoperating revenues:			
Intergovernmental	-	54	54
Capital contributions	-	8,563	8,563
Interest on investments	14	16	30
Total nonoperating revenues	14	8,633	8,647
Net position (deficit) before transfers	50	8,446	8,496
Transfers in	-	250	250
Transfers out	-	(3)	(3)
Change in net position	50	8,693	8,743
Net position (deficit) - July 1, 2022	834	7,464	8,298
Net position (deficit) - June 30, 2023	$ 884	$ 16,157	$ 17,041

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2023
(Amounts expressed in thousands)

	Sheriff Inmate Services	Airport Economic Development	Total
Cash flows from operating activities:			
Other receipts from operations	$ 952	$ 1,152	$ 2,104
Payments to suppliers and providers of goods and services	(780)	(831)	(1,611)
Payments for employee wages and benefits	(63)	(337)	(400)
Net cash provided by (used for) operating activities	109	(16)	93
Cash flows from noncapital financing activities:			
Receipts from federal and local agencies	-	2,717	2,717
Cash transfers from (to) other funds	(2)	3,976	3,974
Net cash provided by (used for) noncapital financing activities	(2)	6,693	6,691
Cash flows from capital financing activities:			
Gain on sale of capital assets	-	(7,875)	(7,875)
Purchase and construction of capital assets	(289)	-	(289)
Net cash provided by (used for) capital financing activities	(289)	(7,875)	(8,164)
Cash flows from investing activities:			
Interest received on investments	11	17	28
Net cash provided by investing activities	11	17	28
Net increase in cash and cash equivalents	(171)	(1,181)	(1,352)
Cash and cash equivalents - beginning	821	1,181	2,002
Cash and cash equivalents - ending	$ 650	$ -	$ 650

(Continued)

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2023
(Concluded)
(Amounts expressed in thousands)

	Sheriff Inmate Services	Airport Economic Development	Total
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	$ 36	$ (187)	$ (151)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	102	274	376
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
Net pension liability	(23)	50	27
Deferred outflows of resources related to pensions	12	17	29
Deferred inflows of resources related to pensions	(24)	(72)	(96)
Deferred inflows of resources related to leases	-	(296)	(296)
Accounts receivable	1	(30)	(29)
Notes receivable	-	22	22
Leases receivable	-	285	285
Prepaid Items	(2)	-	(2)
Accounts payable	14	54	68
Accrued payroll and employee benefits	(3)	(7)	(10)
Accrued compensated absences	(4)	4	-
Customer deposits payable	-	(62)	(62)
Unearned revenue	-	(68)	(68)
Total adjustments and changes	73	171	244
Net cash provided by operating activities	$ 109	$ (16)	$ 93

PINAL COUNTY
Combining Statement of Fiduciary Net Position
Other Custodial Funds
June 30, 2023
(Amounts expressed in thousands)

	Individual Investment Accounts	Treasurer's Clearing	Total
Assets			
Cash and investments in bank and on hand	$ -	$ 893	$ 893
Cash and investments held by County Treasurer	431	9,865	10,296
Property tax receivable for other governments	-	14,890	14,890
Total Assets	$ 431	$ 25,648	$ 26,079
Net Position			
Restricted for:			
Individuals, organizations, and other governments	431	25,648	26,079
Total Net Position	$ 431	$ 25,648	$ 26,079

PINAL COUNTY
Combining Statement of Changes in Fiduciary Net Position
Other Custodial Funds
Year Ended June 30, 2023
(Amount expressed in thousands)

	Individual Investment Accounts	Treasurer's Clearing	Total
Additions:			
Contributions from other governments	$ -	$ 91,028	$ 91,028
Property tax collections for other governments	-	294,717	294,717
Fine, fees, and forfeitures collected for other governments	-	8,772	8,772
Interest earnings	14	-	14
Total additions	14	394,517	394,531
Deductions:			
Distributions to pool participants	-	90,617	90,617
Property tax distributions to other governments	-	294,124	294,124
Fine, fees, and forfeitures collected for other governments	-	8,860	8,860
Total deductions	-	393,601	393,601
Net increase (decrease) in fiduciary net position	14	916	930
Net position, July 1, 2022	417	24,732	25,149
Net position, June 30, 2023	$ 431	$ 25,648	$ 26,079

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Statistical Section

PINAL COUNTY
WIDE OPEN OPPORTUNITY

STATISTICAL SECTION

This part of the Pinal County's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends – Schedules on pages 177 through 181

Financial trend schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity – Schedules on pages 182 through 186

Revenue capacity schedules present information to help the reader assess the County's most significant local revenue, the property tax.

Debt Capacity – Schedules on pages 187 through 189

Debt capacity schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt.

Demographic and Economic Information – Schedules on pages 190 through 193

Demographic and Economic information schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information – Schedule on page 194 through 196

Operating information schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

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PINAL COUNTY
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2023	**2022**	**2021**	**2020**	**2019 (as restated)**	**2018**	**2017**	**2016**	**2015**	**2014**
Governmental Activities										
Net investment in capital assets	$ 832,256	$ 652,273	$ 511,543	$ 447,188	$ 415,401	$ 390,480	$ 361,945	$ 348,084	$ 280,480	$ 325,742
Restricted	147,306	114,586	119,805	101,332	99,721	106,249	97,069	87,255	96,330	92,483
Unrestricted (deficit)	(13,622)	(36,534)	(85,788)	(118,864)	(155,035)	(177,734)	(155,023)	(142,639)	(87,284)	41,547
Total governmental activities net position	$ 965,940	$ 730,325	$ 545,560	$ 429,656	$ 360,087	$ 318,995	$ 303,991	$ 292,700	$ 289,526	$ 459,772
Business-type Activities										
Net investment in capital assets	$ 14,232	$ 6,723	$ 6,225	$ 5,943	$ 5,963	$ 5,724	$ 3,046	$ 3,245	$ 3,502	$ 2,132
Restricted	-	-	-	-	-	-	-	-	-	155
Unrestricted (deficit)	2,809	1,575	1,335	751	1,047	811	728	387	(818)	(57)
Total business-type activities net position	$ 17,041	$ 8,298	$ 7,560	$ 6,694	$ 7,010	$ 6,535	$ 3,774	$ 3,632	$ 2,684	$ 2,230
Net Position										
Net investment in capital assets	$ 846,488	$ 658,996	$ 517,768	$ 453,131	$ 421,364	$ 396,204	$ 364,991	$ 351,329	$ 283,982	$ 327,874
Restricted	147,306	114,586	119,805	101,332	99,721	106,249	97,069	87,255	96,330	92,638
Unrestricted (deficit)	(10,813)	(34,959)	(84,453)	(118,113)	(153,988)	(176,923)	(154,295)	(142,252)	(88,102)	41,490
Total net position	$ 982,981	$ 738,623	$ 553,120	$ 436,350	$ 367,097	$ 325,530	$ 307,765	$ 296,332	$ 292,210	$ 462,002

PINAL COUNTY
Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Expenses										
Governmental activities										
General government	$ 72,813	$ 52,669	$ 55,573	$ 48,297	$ 51,642	$ 54,662	$ 45,590	$ 45,406	$ 50,653	$ 41,218
Public safety	163,676	144,486	141,084	127,766	121,670	133,840	123,252	115,375	114,103	113,921
Highways and streets	71,823	55,981	46,040	43,894	39,341	39,387	36,327	33,461	30,896	32,877
Sanitation	650	550	590	1,352	431	997	397	416	303	301
Health	39,743	32,920	36,095	31,238	30,663	32,480	30,750	30,694	30,820	30,880
Welfare	43,040	29,452	16,482	9,197	9,094	8,369	9,057	8,545	5,900	7,213
Culture and recreation	2,115	2,388	2,528	2,534	2,032	1,668	1,601	1,653	1,498	1,954
Education	14,543	10,807	10,503	8,408	6,756	6,310	6,256	5,952	6,076	5,976
Interest on long-term debt	13,721	8,830	8,296	7,435	5,265	4,692	5,004	4,503	12,742	6,599
Cost of Issuance	1,663	-	1,312	-	1,282	-	-	-	-	-
Total governmental activities expenses	423,787	338,083	318,503	280,121	268,176	282,405	258,234	246,005	252,991	240,939
Business-type activities										
Long Term Care	-	-	-	-	-	-	-	-	-	-
Sheriff Inmate Services	916	934	615	884	368	233	191	394	797	752
Airport Economic Development	1,490	958	1,776	1,238	1,013	835	835	3,086	1,098	1,346
Total business-type activities	2,406	1,892	2,391	2,122	1,381	1,068	1,026	3,480	1,895	2,098
Total primary government expenses	$ 426,193	$ 339,975	$ 320,894	$ 282,243	$ 269,557	$ 283,473	$ 259,260	$ 249,485	$ 254,886	$ 243,037
Program Revenues										
Governmental activities										
Charges for services:										
General government	$ 13,661	$ 15,299	$ 13,844	$ 10,744	$ 8,342	$ 8,019	$ 8,023	$ 10,960	$ 4,730	$ 4,583
Public Safety	20,694	17,612	12,146	10,812	12,784	12,713	11,480	16,621	14,875	23,764
Other activities	33,052	22,025	22,343	20,509	17,026	18,247	11,822	10,760	8,493	7,722
Operating grants and contributions	148,875	92,396	87,576	66,552	48,288	51,952	48,532	22,795	18,866	19,806
Capital grants and contributions	135,120	108,979	62,825	28,496	16,521	11,102	10,495	21,301	34,162	22,642
Total governmental activities program revenues	351,402	256,311	198,734	137,113	102,961	102,033	90,352	82,437	81,126	78,517

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Business-type activities										
Business-type activities										
Charges for Services										
Other activities	1,917	1,950	2,050	629	754	542	507	644	298	93
Operating grants and contributions	8,555	72	302	324	295	15	47	2,227	211	386
Capital grants and contributions	-	129	619	-	-	-	-	-	-	-
Total business-type activities program revenues	10,472	2,151	2,971	953	1,049	557	554	2,871	509	479
Total primary government program revenues	$ 361,874	$ 258,462	$ 201,705	$ 138,066	$ 104,010	$ 102,590	$ 90,906	$ 85,308	$ 81,635	$ 78,996
Net (expense)/revenue										
Governmental activities	$ (72,385)	$ (81,772)	$ (119,769)	$ (143,008)	$ (165,215)	$ (180,372)	$ (167,882)	$ (163,568)	$ (171,865)	$ (162,422)
Business-type activities	8,066	259	580	(1,169)	(332)	(511)	(472)	(609)	(1,386)	(1,619)
Total primary government net expenses	$ (64,319)	$ (81,513)	$ (119,189)	$ (144,177)	$ (165,547)	$ (180,883)	$ (168,354)	$ (164,177)	$ (173,251)	$ (164,041)
General Revenues and Other Changes in Net Position										
Government Activities										
Taxes:										
Property taxes	$ 125,841	$ 114,465	$ 106,953	$ 104,149	$ 97,911	$ 93,906	$ 88,122	$ 87,782	$ 84,095	$ 78,709
General county sales tax	35,582	29,117	24,692	20,121	17,852	16,358	14,976	14,561	14,007	13,554
Share of State sales taxes	63,395	58,269	48,436	40,458	36,898	35,411	32,823	31,633	30,565	29,450
Road improvement tax	18,051	15,212	12,442	10,084	9,179	8,298	7,820	7,550	7,107	6,877
Other taxes	39,948	37,523	36,431	31,337	30,065	28,949	27,067	23,665	24,932	24,173
Miscellaneous state assistance	-	397	550	-	550	-	-	-	550	550
Grants and contrib not restricted to specific programs	1,781	1,563	1,492	1,494	1,386	550	1,311	-	2,000	-
Investment earnings:										
Interest on investments	8,291	1,336	956	2,899	4,273	756	396	957	574	434
Miscellaneous	12,495	9,005	3,721	1,985	3,706	10,600	6,682	1,200	(588)	3,376
Transfers	(247)	(350)	-	50	(86)	-	(24)	(1,000)	-	55
Total governmental activities	305,137	266,537	235,673	212,577	201,734	194,828	179,173	166,348	163,242	157,178
Business-type activities:										
Investment earnings:										
Interest on investments	30	20	8	18	24	2	(3)	-	-	3
Miscellaneous	400	109	278	885	697	530	593	525	473	699
Extraordinary item: Insurance recovery	-	-	-	-	-	-	-	-	-	8
Transfers	247	350	-	(50)	86	-	24	1,000	-	(55)
Total business-type activities	677	479	286	853	807	532	614	1,525	473	655
Total primary government	$ 305,814	$ 267,016	$ 235,959	$ 213,430	$ 202,541	$ 195,360	$ 179,787	$ 167,873	$ 163,715	$ 157,833
Change in Net Position										
Governmental Activities	$ 232,752	$ 184,765	$ 115,904	$ 69,569	$ 36,519	$ 14,456	$ 11,291	$ 2,780	$ (8,623)	$ (5,244)
Business-type Activities	8,743	738	866	(316)	475	21	142	916	(913)	(964)
Total Primary Government	$ 241,495	$ 185,503	$ 116,770	$ 69,253	$ 36,994	$ 14,477	$ 11,433	$ 3,696	$ (9,536)	$ (6,208)

PINAL COUNTY
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Nonspendable	$ 44	$ 24	$ 31	$ 250	$ 2	$ -	$ -	$ -	$ -	$ -
Restricted	-	-	-	-	-	-	-	715	715	715
Unassigned	103,369	86,310	63,041	50,569	31,503	31,497	28,444	22,438	19,271	35,791
Total general fund	$ 103,413	$ 86,334	$ 63,072	$ 50,819	$ 31,505	$ 31,497	$ 28,444	$ 23,153	$ 19,986	$ 36,506
All Other Governmental Funds										
Nonspendable	$ 128	$ 97	$ 133	$ 117	$ 110	$ 90	$ 114	$ 100	$ 84	$ 71
Restricted	139,357	114,346	125,895	155,162	100,397	110,885	122,642	137,292	156,283	93,363
Committed	10,499	29,185	9,578	9,732	2,316	1,982	2,150	1,688	2,429	2,442
Assigned	56,620	34,838	40,126	8,368	829	4,173	2,552	1,166	1,535	2,990
Unassigned	(3,134)	(2,545)	(3,138)	(1,746)	(1,181)	(738)	(1,530)	(225)	(1,819)	(167)
Total all other governmental funds	$ 203,470	$ 175,921	$ 172,594	$ 171,633	$ 102,471	$ 116,392	$ 125,928	$ 140,021	$ 158,512	$ 98,699

PINAL COUNTY
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Revenues										
Taxes	$ 186,222	$ 170,866	$ 154,720	$ 140,405	$ 133,019	$ 126,779	$ 118,546	$ 112,714	$ 108,149	$ 105,166
Licenses and permits	9,552	10,632	10,078	8,486	7,168	7,794	6,753	5,525	5,128	4,717
Intergovernmental	235,158	181,876	162,432	130,629	109,310	104,827	96,844	102,947	94,514	89,292
Charges for services	26,172	30,185	30,414	27,726	26,891	29,009	22,451	24,639	18,357	29,065
Fines and forfeits	1,734	2,306	1,694	1,518	2,023	1,656	2,456	2,871	2,034	2,122
Investment earnings	8,221	1,305	954	2,899	4,272	750	354	957	574	434
Contributions	20,499	5,943	2,840	1,843	1,807	5,401	3,199	628	1,571	337
Rentals	7,436	2,940	2,348	2,304	467	528	516	450	487	487
Miscellaneous	7,413	8,216	2,617	1,616	3,760	5,559	4,146	1,440	1,051	2,141
Total revenues	502,407	414,269	368,097	317,426	288,717	282,303	255,265	252,171	231,865	233,761
Expenditures										
Current:										
General government	47,034	58,977	49,813	45,140	48,450	40,043	36,042	34,820	35,638	35,239
Public safety	149,398	137,259	215,658	127,137	120,758	117,297	110,385	116,161	115,220	115,788
Highways and streets	61,618	62,771	43,623	37,840	57,222	45,191	36,737	36,474	29,532	24,650
Sanitation	803	477	598	507	563	1,126	421	416	303	301
Health	39,036	33,046	35,346	31,453	31,026	32,223	31,949	30,694	30,715	31,115
Welfare	43,121	30,229	16,183	8,840	8,738	8,116	8,724	8,186	5,727	6,692
Culture and recreation	2,116	2,319	2,537	2,258	2,013	1,644	1,571	1,653	1,433	1,915
Education	14,543	10,807	10,504	6,927	6,756	6,310	6,256	5,952	6,076	5,976
Capital outlay	188,851	17,692	46,674	14,123	46,608	19,947	19,144	20,644	6,230	8,335
Debt service:										
Principal retirement	47,008	14,443	13,318	9,947	11,653	10,884	8,081	7,822	59,158	10,507
Interest and fiscal charges	13,419	11,217	9,485	8,726	6,740	6,889	7,192	7,481	11,097	6,582
Cost of issuance	1,663	-	1,312	785	1,282	-	-	-	440	-
Other	-	-	-	-	-	-	-	-	1,159	4
Total expenditures	608,610	379,237	445,051	293,683	341,809	289,670	266,502	270,303	302,728	247,104
Excess (deficiency) of revenues over expenditures	(106,203)	35,032	(76,954)	23,743	(53,092)	(7,367)	(11,237)	(18,132)	(70,863)	(13,343)
Other financing sources (uses)										
Transfers in	96,953	72,138	72,258	37,740	35,035	41,241	40,627	35,483	24,212	28,597
Transfers out	(97,450)	(81,224)	(72,500)	(37,958)	(35,390)	(41,521)	(38,032)	(33,232)	(24,515)	(28,542)
Proceeds from sale of capital assets	31,473	310	559	700	601	703	1,282	156	127	234
Capital lease agreements	905	79	545	-	39	461	582	-	-	-
Insurance reimbursement	381	297	724	212	76	24	182	99	2,126	1,682
Bond proceeds	115,655	-	89,055	56,330	38,370	-	-	-	95,495	-
Refunding bonds	-	-	7,085	-	-	-	-	-	40,310	-
Payment to refunded bond escrow agent	-	-	(8,496)	-	-	-	-	-	(43,242)	-
Premium on new debt issued	-	-	1,643	7,454	426	-	-	-	19,631	-
Total other financing sources	147,917	(8,400)	90,873	64,478	39,157	908	4,641	2,506	114,144	1,971
Net change in fund balances	$ 41,714	$ 26,632	$ 13,919	$ 88,221	$ (13,935)	$ (6,459)	$ (6,596)	$ (15,626)	$ 43,281	$ (11,372)
Debt Service as a percentage of noncapital expenditures	11.08%	7.64%	6.02%	7.02%	7.10%	7.10%	6.50%	6.40%	24.7%	7.2%

PINAL COUNTY
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	Type	Net Assessed Value	Estimated Actual Value	Percent of Net Assessed Value to Estimated Actual Value
2013/14	Primary	1,988,882	17,907,662	11.1%
	Secondary	2,005,344	18,007,722	11.1%
2014/15	Primary	2,005,152	18,408,874	10.9%
	Secondary	2,040,750	18,679,292	10.9%
2015/16	Primary	2,057,548	19,104,777	10.8%
	Secondary	2,450,252	22,826,726	10.7%
2016/17	Primary	2,119,751	20,091,668	10.6%
	Secondary	2,583,823	24,505,311	10.5%
2017/18	Primary	2,239,027	21,243,904	10.5%
	Secondary	2,699,117	25,571,320	10.6%
2018/19	Primary	2,355,433	22,283,528	10.6%
	Secondary	2,774,864	26,211,155	10.6%
2019/20	Primary	2,525,247	23,764,526	10.6%
	Secondary	3,057,139	28,917,288	10.6%
2020/21	Primary	2,876,795	27,518,720	10.5%
	Secondary	3,592,932	34,373,793	10.5%
2021/22	Primary	3,129,986	29,914,065	10.5%
	Secondary	4,011,723	38,470,578	10.4%
2022/23	Primary	3,390,906	32,636,406	10.4%
	Secondary	5,363,899	51,761,777	10.4%

Source: County assessment records

PINAL COUNTY
Taxable Assessed Value and Estimated Actual Value of Property
Last Ten Tax Years
($ Amounts expressed in thousands)

Tax Year	Commercial Property	Residential Property	Vacant/Ag Land	Other	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Limited Value	Assessed Value as a Percentage of Limited Value
2013	551,188	1,136,974	285,853	14,867	1,988,882	4.1343	17,907,662	11.11%
2014	603,138	1,184,374	202,173	15,467	2,005,152	4.1324	18,408,874	10.89%
2015	499,188	1,262,332	282,841	13,187	2,057,548	4.3324	19,104,777	10.77%
2016	508,805	1,326,227	262,787	21,932	2,119,751	4.2014	20,091,668	10.55%
2017	530,329	1,418,170	264,023	26,505	2,239,027	4.2001	21,243,904	10.54%
2018	602,105	1,513,386	213,177	26,766	2,355,434	4.1601	22,283,528	10.57%
2019	646,874	1,633,631	219,072	25,670	2,525,247	4.1173	23,764,526	10.63%
2020	675,219	1,944,432	223,813	33,331	2,876,795	4.0749	27,518,720	10.45%
2021	732,840	2,126,950	233,370	36,826	3,129,986	4.0129	29,914,065	10.46%
2022	750,621	2,358,044	253,760	28,480	3,390,905	3.8800	32,636,406	10.39%

Source: Pinal County Assessor's Office/AZDOR Abstract of Assessment Roll

Notes: Property in Pinal County is assessed annually with values being set by either the County Assessor or the Arizona Department of Revenue. The values are the basis for primary taxes and annual changes therein are restricted by the State Constitution. Assessment ratios are set by the legislature for individual property types. The taxable assessed value is arrived at by multiplying an assessment ratio that has varied from ten percent for residential property, to twenty-five percent for commercial property. Tax rates are per $100 of assessed value.

PINAL COUNTY
Direct Property Tax Rates
Last Ten Fiscal Years
($ Amounts expressed in thousands)

Fiscal Year	Assessed Value	County Primary Rate	Library	Flood	Fire	Total
2013/14	1,988,882	3.7999	0.0970	0.1700	0.0674	4.1343
2014/15	2,005,152	3.7999	0.0970	0.1700	0.0655	4.1324
2015/16	2,057,548	3.9999	0.0970	0.1700	0.0655	4.3324
2016/17	2,119,751	3.8699	0.0965	0.1693	0.0657	4.2014
2017/18	2,239,027	3.8699	0.0965	0.1693	0.0644	4.2001
2018/19	2,355,434	3.8300	0.0965	0.1693	0.0643	4.1601
2019/20	2,525,247	3.7900	0.0965	0.1693	0.0615	4.1173
2020/21	2,876,795	3.7500	0.0965	0.1693	0.0591	4.0749
2021/22	3,129,986	3.6900	0.0965	0.1693	0.0571	4.0129
2022/23	3,126,962	3.5600	0.0965	0.1693	0.0554	3.8812

Source: County Tax Records

PINAL COUNTY
Principal Property Taxpayers
Current Year and Nine Years Ago
($ Amounts expressed in thousands)

	2023			2014		
Taxpayer	**Primary Assessed Value**	**Rank**	**Percent of Total Value**	**Primary Assessed Value**	**Rank**	**Percent of Total Value**
Arizona Public Service Company	$ 93,682	1	2.76%	$ 83,976	1	4.22%
Corecivic Western Operations LLC	54,244	2	1.60%			
ASARCO LLC / Ray Copper Complex	24,252	3	0.72%	49,128	2	2.47%
Kinder Morgan (former: El Paso Natural Gas Co.)	22,374	4	0.66%	19,077	4	0.96%
Southwest Gas Corp (T&D)	21,157	5	0.62%	10,645	6	0.54%
Unisource Energy Corporation (EPF)	18,548	6	0.55%	9,526	7	0.48%
ATIEVE USA Inc dba LUCID MOTORS	17,006	7	0.50%			
Arizona Water Company	16,527	8	0.49%	11,241	5	0.57%
Resolution Copper Mining Company	11,604	9	0.34%			
Johnson Utilities LLC	11,224	10	0.33%	9,521	8	0.48%
CCA Properties of Arizona LLC				42,660	3	2.14%
WP Casa Grande Retail LLC				9,318	9	0.47%
Qwest Corporation				8,966	9	0.45%
Total	290,618		8.57%	254,058		12.78%
Total Assessed Value	$ 3,390,906			$ 1,988,882		

Source: County Treasurer Tax Records
Source: 2014 Annual Comprehensive Financial Report

PINAL COUNTY
Property Tax Levies and Collections
Last Ten Fiscal Years
($ Amounts expressed in thousands)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	80,497	72,250	89.75%	6,804	79,054	98.21%
2015	81,182	73,613	90.68%	4,478	78,091	96.19%
2016	87,317	79,270	90.78%	6,300	85,570	98.00%
2017	87,221	83,732	96.00%	2,700	86,432	99.10%
2018	92,079	90,029	97.77%	1,428	91,457	99.32%
2019	95,942	94,403	98.40%	1,203	95,606	99.65%
2020	101,698	92,876	91.33%	7,702	100,578	98.90%
2021	107,426	98,075	91.30%	8,141	106,216	98.87%
2022	112,900	103,478	91.65%	8,614	112,092	99.28%
2023	118,994	109,318	91.87%	-	109,318	91.87%

Source: County financial records

PINAL COUNTY
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Amounts expressed in thousands, except per capita amount)

	General Bonded Debt			Other Governmental Activities Debt			
Fiscal Year	Pledged Revenue Bonds	Percentage of Actual Taxable Value of Property[1]	Per Capita[2]	Certificates of Participation	Note Payable	Capital Leases	Loans
2013-2014	26,780	1.35%	25	55,351	487	566	53,601
2014-2015	179,445	8.95%	26	-	487	416	7,904
2015-2016	174,608	8.49%	27	-	487	-	6,032
2016-2017	166,754	7.14%	28	-	487	521	4,093
2017-2018	158,445	6.48%	29	-	487	823	2,082
2018-2019	186,365	7.09%	30	-	487	664	-
2019-2020	238,574	9.46%	33	-	-	447	-
2020-2021	299,325	10.40%	36	-	-	422	-
2021-2022	285,940	9.13%	44	-	-	297	-
2022-2023[3]	355,680	10.49%	46	-	-	213	-

	Business -Type Activities				
Fiscal Year	Capital Leases	Loans	Total Primary Government	Percentage of Personal Income[2]	Per Capita[2]
2013-2014	-	-	136,785	1.36%	25
2014-2015	-	-	188,252	1.77%	26
2015-2016	-	-	181,127	1.61%	27
2016-2017	-	-	171,855	1.45%	28
2017-2018	-	-	161,837	1.28%	29
2018-2019	-	-	187,236	1.37%	30
2019-2020	-	-	239,021	1.60%	33
2020-2021	-	-	299,465	1.73%	36
2021-2022	-	-	285,957	1.45%	44
2022-2023[3]	-	-	355,638	1.67%	46

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

[1]See Total Taxable assessed Value in the Taxable Assessed Value and Estimated Actual Value of Property schedule.
[2]See the Schedule of Demographic and Economic Statistics on for personal income and population data.
[3]The Schedule of Demographic and Economic Statistics data is reflective of Calendar Year as of Annual Financial Report 21/22 due to data availability.

PINAL COUNTY
Legal Debt Margin Information
Last Ten Fiscal Years
(Amounts expressed in thousands)

	Fiscal Year									
	2013/2014	**2014/2015**	**2015/2016**	**2016/2017**	**2017/2018**	**2018/2019**	**2019/2020**	**2020/2021**	**2021/2022**	**2022/2023**
Debt Limit	$ 120,321	$ 122,445	$ 147,015	$ 155,029	$ 161,947	$ 166,492	$ 183,428	$ 215,576	$ 240,703	$ 321,834
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 120,321	$ 122,445	$ 147,015	$ 155,029	$ 161,947	$ 166,492	$ 183,428	$ 215,576	$ 240,703	$ 321,834
Total net debt applicable to the limit as a percentage of the debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Legal Debt Margin Calculation for Fiscal Year 2021/2022	
Assessed Value:	
Secondary	$ 5,363,899
Debt Limit	$ 321,834
(6% of total assessed value)	
Debt applicable to limit:	
General Obligation Bonds	-
Less: Amount available in Debt Service Fund	-
Total net debt applicable to limit	
Legal Debt Margin	$ 321,834

Note: General obligation debt may not exceed six percent of the value of the County's taxable property as of the latest assessment.
As of the current fiscal year, the County did not have any outstanding general obligation debt.

PINAL COUNTY
Pledged - Revenue Coverage
Last Ten Fiscal Years
(Amounts expressed in thousands)

	Special Assessment Bonds				HELP Transportation Loan					
	Special Assessment	Debt Service			Road Improvements	Less: Operating	Net Available	Debt Service		
Year	Collections	Principal	Interest	Coverage	Sales Tax	Expenditures	Revenue	Principal	Interest	Coverage
2013/14	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014/15	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015/16	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016/17	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017/18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018/19	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019/20	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2020/21	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2021/22	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2022/23	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	GADA Loans and Pledged Revenue Bonds						
	State Shared Sales Tax						
Fiscal Year	Gross State Shared Sales Tax Revenue(1)	Less: AHCCCS/ALTCS Contributions	Net Available State Shared Sales Tax	County Excise Tax Revenue(1)	Debt Service Principal	Debt Service Interest	Coverage
2013/14	29,450	18,453	10,997	13,554	6,815	3,708	104.50%
2014/15	30,565	18,507	12,058	14,007	4,390	5,497	121.96%
2015/16	31,633	18,761	12,872	14,561	7,735	7,460	84.71%
2016/17	32,823	18,128	14,695	14,976	8,020	7,189	96.62%
2017/18	35,411	18,060	17,351	16,358	10,725	6,859	98.67%
2018/19	36,898	16,879	20,019	17,852	11,455	6,705	110.24%
2019/20	40,458	16,793	23,665	20,121	9,730	8,701	128.40%
2020/21	48,436	17,253	31,183	24,692	21,470	9,467	100.80%
2021/22	58,269	17,995	40,274	30,304	13,895	11,097	161.15%
2022/23	63,094	20,498	42,596	28,540	46,325	13,314	71.42%

Source: County financial and tax records

(1) See Note 9 - Long Term Liabilities for details.

PINAL COUNTY
Demographic and Economic Statistics
Last Ten Calendar Years
(Amounts expressed in thousands)

Fiscal Year	Population[1]	Personal Income[2]	Per Capita Income[2]	Unemployment Rate[1]
2014	377	10,918,612	29	7.0%
2015	383	11,552,557	30	6.3%
2016	389	12,243,697	31	5.6%
2017	398	13,227,802	33	5.1%
2018	407	14,193,407	35	5.0%
2019	417	15,583,702	37	5.0%
2020	430	17,603,992	41	7.5%
2021	450	19,687,597	44	4.7%
2022	464	21,327,852	46	3.9%
2023[3]	467	-	-	-

Note: Updated Population, Personal Income and Per Capita Data for Previous Years Per Revised Data from Bureau of Economic Analysis

[1]Unemployment data was obtained from Bureau of Labor Statistics.
https://www.bls.gov/lau/#data

[2]Population, Personal Income, and per capita income data obtained via Bureau of Economic Analysis
https://www.apps.be.a.gov/itable/cfm?RegID=70&step=1

[3]Data was not yet available.

PINAL COUNTY
Principal Employers
Current Year and Nine Years Ago

Employer	2023 Employees[1]	2023 Rank	2023 Percentage of Total County Employment	2014 Employees[1]	2014 Rank	2014 Percentage of Total County Employment
Pinal County Government[2]	2,910	1	4.55%	2,005	2	1.57%
LUCID Motors	2,000	2	3.22%			
Corecivic (formerly: Corrections Corporation of America)	1,980	3	3.14%	1,186	3	0.93%
State of Arizona	1,950	4	3.09%	3,000	1	2.35%
Walmart	1,720	5	1.69%	1,136	4	0.89%
Banner Health	1,410	6	1.27%	800	5	0.63%
Casa Grande Union High school No 82	1,050	7	1.25%	600	6	0.47%
Harrahs Akchin Hotel and Casino	800	8	1.20%			
Maricopa Unified School Distict 20	720	9	1.06%			
Gila River Indian Community	720	10	1.05%			
Central Arizona Detention Center				590	7	0.46%
Hexcel Corporation				550	8	0.43%
Abbott Corporation				500	9	0.39%
Frito-Lay Inc				450	10	0.35%

[1]Estimated number of full-time equivalent employees
2023 Source: Maricopa Association of Governments, Arizona Employment Map (<https://geo.azmag.gov/maps/azemployer/#>)
2014 Source: FY14-15 Pinal County ACFR
[2]See Pinal County Government Total on Schedule of Employees by Function.

PINAL COUNTY
General Fund Historical and Estimated Excise Tax Revenues, State Shared Revenues and Vehicle License Tax Revenues
Current Year and Last Five Fiscal Years
(Amounts expressed in thousands)

	Actual						Budgeted (a)
Source	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
County General Excise Tax Revenues	$ 16,358	$ 17,852	$ 20,121	$ 24,692	$ 30,304	$ 36,030	$ 37,451
Gross State Shared Revenues	$ 35,411	$ 36,898	$ 40,458	$ 48,436	$ 58,269	$ 63,395	$ 65,618
Less: ALTCS contribution (b)	(15,344)	(13,853)	(13,755)	(14,431)	(12,110)	(17,427)	(18,012)
Less: AHCCCS contribution (c)	(3,235)	(3,026)	(3,038)	(3,049)	(3,052)	(3,071)	(3,101)
Net State Shared Revenues	$ 16,832	$ 20,019	$ 23,665	$ 30,956	$ 43,107	$ 42,897	$ 44,505
Vehicle License Tax Revenues	$ 11,853	$ 12,701	$ 13,399	$ 16,342	$ 16,329	$ 17,157	$ 16,861
Total County Excise Tax Revenues, Net State Shared Revenues and Vehicle License Tax Revenues	$ 45,043	$ 50,572	$ 57,185	$ 71,990	$ 89,740	$ 96,084	$ 98,817

Source: Annual Comprehensive Financial Reports of the County for the years indicated and the Budget and Research Department of the County.

(a) These are "forward looking" obtained from Adopted Budget Book.
(b) Pursuant to Section 11-292, Arizona Revised Statutes, the Treasurer of the State withholds an amount of the State Shared Revenues sufficient to meet the County's portion of the non-federal costs of providing the long-term care system in the State ("ALTCS") from moneys otherwise payable to the County in accordance with the State's distribution of the State Shared Revenues. The County's contribution is based on a fixed State formula. In the event that the State Shared Revenues withheld from the County by the Treasurer of the State are insufficient to meet the funding requirement of ALTCS, the Treasurer of the State may withhold any other moneys payable to the County from any available State funding source.
(c) Pursuant to Section 11-292, Arizona Revised Statutes, the County is also required to make annual appropriations for contributions to the Arizona Health Care Cost Containment System ("AHCCCS") fund. If the County does not make its contributions to the AHCCCS fund, which is used to offset certain indigent and related health care costs, the Treasurer of the State may withhold any amounts owed, plus interest retroactive to the first date the funding was due, from the County's State Shared Revenues.

PINAL COUNTY
Employees by Function
Last Ten Fiscal Years

Function/Program	Employees by Function as of June 30									
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Governmental activities										
General government	440	395	367	345	344	349	322	324	328	332
Public safety	1,178	1,176	1,179	1,209	1,213	1,198	1,207	1,176	1,224	1,275
Highways and streets	236	195	209	211	212	200	198	184	177	157
Sanitation	3	4	3	4	4	4	3	3	3	2
Health	198	170	183	171	165	162	160	152	150	255
Welfare	27	29	27	26	28	29	32	32	33	26
Culture and recreation	10	12	11	8	8	8	8	9	8	16
Education	11	11	12	11	11	11	11	77	76	80
Total governmental activities	2,103	1,992	1,991	1,985	1,985	1,961	1,941	1,957	1,999	2,143
Business-type activities										
Long Term Care	-	-	-	-	-	-	-	-	-	-
Sheriff/Inmate Services	1	1	1	1	1	1	1	1	4	3
Home Health	-	-	-	-	-	-	-	-	-	-
Fairgrounds	-	-	-	-	-	-	-	-	-	-
Adult Day Care	-	-	-	-	-	-	-	-	-	-
Airport Economic Development	3	3	3	3	3	2	2	2	2	2
Total business-type activities	4	4	4	4	4	3	3	3	6	5
Total	2,107	1,996	1,995	1,989	1,989	1,964	1,944	1,960	2,005	2,148

Source:
Pinal County Payroll Records and Mary C O'Brien Accommodation School
*Numbers have been rounded up to accommodate 1/2 employees

Number of General Government employees for 2016 does not include temporary election workers

PINAL COUNTY
Operating Indicators by Function/Program
Last Nine Fiscal Years and Current

Function/Program	Fiscal Year 2022/2023	Fiscal Year 2021/2022	Fiscal Year 2020/2021	Fiscal Year 2019/2020	Fiscal Year 2018/2019	Fiscal Year 2017/2018	Fiscal Year 2016/2017	Fiscal Year 2015/2016	Fiscal Year 2014/15	Fiscal Year 2013/14
General Government										
County Assessor										
Number of parcels assessed	246,689	236,563	233,243	231,007	228,840	224,506	222,783	221,312	220,508	219,444
County Recorder										
Documents recorded	99,843	158,650	158,231	123,048	99,181	98,058	92,608	83,475	80,054	97,979
Development Services										
Building permits issued	6,726	7,721	4,772	4,013	4,126	3,837	3,134	2,498	3,592	3,949
Elections										
Active registered voters	264,000	257,000	251,706	165,305	202,079	197,650	189,462	171,357	163,749	160,282
Elections held	1	1	3	2	2	1	2	3	3	3
Ballots cast and counted	145,600	9,280	264,884	40,333	189,809	47,061	179,560	122,324	115,653	35,159
Facilities										
Work order requests	20,147	21,045	19,090	18,895	18,271	15,795	14,764	16,380	18,257	14,588
Fleet										
Work Orders completed	5,799	5,631	6,292	6,937	6,198	6,351	6,417	6,373	6,295	5,802
Public Safety										
County Attorney										
Adult felonies charged	2,903	2,429	2,476	2,598	3,039	2,874	3,401	3,824	3,954	2,700
Child support collected (1)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Victim Restitution for bad checks collected (2)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ 19	$ 54
Sheriff										
Sworn Deputies	247	231	207	203	206	203	216	199	209	214
Service calls	184,280	144,643	148,665	84,631	91,450	90,077	87,970	84,676	89,393	101,864
Total bookings	9,933	8,850	7,849	9,218	10,613	4,118	11,218	11,545	10,984	17,659
Adult Probation										
Probationers (includes absconders)	5,310	4,058	3,375	3,458	3,418	3,279	4,645	4,420	3,208	2,706
Community work service hours	24,044	22,812	34,786	46,473	50,174	22,777	2,018	33,456	32,858	30,120
Victim restitution collected	$ 327,076	$ 326,031	$ 317,147	$ 289,561	$ 293,852	$ 88	$ 479	$ 433	$ 459	$ 436
Flood Control District										
Floodplain use permit applications received	251	321	265	151	64	90	145	24	27	21
ALERT gauge installations	-	4	3	3	3	3	4	-	4	4
Health										
Court ordered evaluations	139	108	109	109	374	270	126	172	249	253
Forensic mental health clients	28	23	195	268	268	229	193	263	193	261
Public Health										
Birth certificates issued	8,523	9,102	7,312	7,148	8,391	7,630	7,033	6,445	5,983	5,184
Death certificates issued	15,212	15,409	13,597	11,204	8,654	8,745	9,261	8,654	7,672	7,427
Community health services clients	16,404	20,413	48,545	22,127	22,216	17,415	21,396	20,537	20,819	15,190
Immunization visits	6,682	9,762	39,374	8,246	8,760	7,919	19,420	8,052	10,841	7,573
WIC clients	80,529	84,401	98,351	98,722	99,664	101,063	103,480	103,748	97,042	95,734

Operating Indicators by Function/ Program
Last Nine Fiscal Years and Current

Function/Program	Fiscal Year 2022/2023	Fiscal Year 2021/2022	Fiscal Year 2020/2021	Fiscal Year 2019/2020	Fiscal Year 2018/2019	Fiscal Year 2017/2018	Fiscal Year 2016/2017	Fiscal Year 2015/2016	Fiscal Year 2014/15	Fiscal Year 2013/14
Culture and Recreation										
Library District										
Circulation	1,224,806	1,161,249	866,993	1,226,123	1,577,271	1,317,606	1,296,117	1,356,015	1,381,283	1,405,537
Website visits	72,958	112,549	84,401	96,893	89,249	101,393	112,720	104,706	97,212	114,936
Active Borrowers	92,194	101,379	97,949	97,176	93,737	96,192	98,107	101,526	57,350	59,550
Welfare										
Public Fiduciary clients	163	160	175	160	193	190	195	183	217	253
Education										
Superintendent of Schools										
School districts in Pinal County	21	21	21	21	21	21	21	20	20	20

Source: County offices of elected officials and departments

(1) Child support has been transferred to the State of Arizona

(2) The bad check program has been outsourced to Corrective Solutions

PINAL COUNTY
Capital Asset Statistics by Function/Program
Last Nine Fiscal Years and Current

Function/Program	Fiscal Year 2022/2023	Fiscal Year 2021/2022	Fiscal Year 2020/2021	Fiscal Year 2019/2020	Fiscal Year 2018/19	Fiscal Year 2017/18	Fiscal Year 2016/17	Fiscal Year 2015/16	Fiscal Year 2014/15	Fiscal Year 2013/14
General Government										
Facilities										
Square footage maintained	1,604,970	1,630,462	1,570,462	1,289,006	1,289,006	1,223,111	1,223,111	1,179,191	1,161,194	1,184,253
Fleet										
Vehicles maintained	1,439	1,402	1,335	353	339	307	305	86	79	82
Superior Court										
Divisions	10	10	10	10	11	10	10	10	10	10
Public Safety										
Sheriff										
Patrol Vehicles	422	576	284	288	167	367	388	391	429	320
Fleet										
Vehicles maintained	149	155	199	194	304	430	436	510	145	124
Flood Control										
Flood ALERT stations	51	51	46	43	43	41	41	37	37	33
Highways and Streets										
Fleet										
Vehicles maintained	236	186	146	146	139	215	210	210	207	203
Heavy Equipment maintained	216	236	230	231	283	163	156	157	127	131
Public Works										
Miles of paved roads	1,509	1,545	1,461	1,345	978	1,026	1,029	1,024	1,028	1,031
Miles of gravel roads	512	530	540	518	1,009	1,015	1,024	1,017	1,044	1,040
Sanitation										
Leased Landfill	-	-	-	1	1	1	1	1	1	1
Health										
Animal Control										
Vehicles used in operations	26	27	30	24	25	27	30	28	26	25
Fleet										
Med Examiner Vehicles Maintained	4	4	5	4	3	2	2	2	3	2
Public Health										
Health facilities	7	6	7	11	11	11	11	11	11	11
Mobile clinic	-	-	-	-	-	-	-	1	1	1
Culture and Recreation										
Parks and recreation										
County parks	9	9	9	8	8	6	6	6	6	6

Source: County offices of elected officials and departments

Some information presented as of most recent data available for the fiscal year.

SUMMARY OF SELECT PROVISIONS OF PRINCIPAL DOCUMENTS

DEFINITIONS OF CERTAIN TERMS

In addition to the terms defined under the heading "INTRODUCTORY STATEMENT," the following terms shall, for all purposes of the 2025 Trust Agreement and the 2025 Purchase Agreement have the following meanings:

"**Acquisition Fund**" means the fund of that name established and held by the Trustee pursuant to the 2025 Trust Agreement to pay Project Costs.

"**Certificate of Completion**" means the notice of completion, filed with the Trustee by the County Representative, stating that the 2025 Projects have been substantially completed.

"**Completion Date**" means the date on which the Certificate of Completion is filed with the Trustee by the County Representative.

"**Costs of Issuance Fund**" means the fund of that name established and held by the Trustee pursuant to the 2025 Trust Agreement to pay Delivery Costs.

"**County Representative**" means the County Manager, the County Chief Financial Officer or any other person authorized by the County Manager or the Board of Supervisors to act on behalf of the County with respect to the Trust Agreement.

"**Defeasance Obligations**" are those described in clause 1 of the definition of Permitted Investments below. Any security used for defeasance must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the rated debt (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

"**Delivery Costs**" means costs of sale and execution and delivery of the 2025 Obligations.

"**Depository Trustee**" means any bank or trust company, which may include the Trustee, designated by the County, with a combined capital and surplus of at least $40,870,000 and subject to supervision or examination by federal or State authority.

"**Event of Default**" means an event of default under the 2025 Purchase Agreement as described under the subheading "THE PURCHASE AGREEMENT – Default; Remedies Upon Default".

"**Outstanding**" refers to 2025 Obligations issued in accordance with the 2025 Trust Agreement, excluding: (i) 2025 Obligations which have been exchanged or replaced, or delivered to the Trustee for credit against a mandatory prepayment installment with respect to principal represented thereby; (ii) 2025 Obligations which have been paid; (iii) 2025 Obligations which have become due and for the payment of which moneys have been duly provided to the Trustee therefor; and (iv) 2025 Obligations for which there have been irrevocably set aside with a Depository Trustee sufficient moneys or obligations permitted by the 2025 Purchase Agreement bearing interest at such rates and with such maturities as will provide sufficient funds to pay the principal of, premium, if any, and interest on such 2025 Obligations as provided in the proceedings under which such 2025 Obligations were issued, provided, however, that if any such 2025 Obligations are to be prepaid, the County shall have taken all action necessary to prepay such 2025 Obligations and notice of such prepayment shall have been duly mailed in accordance with the proceedings under which such 2025 Obligations were issued or irrevocable instructions so to mail shall have been given to the Trustee.

"**Owner**" or any similar term, when used with respect to any 2025 Obligation means the person in whose name such 2025 Obligation shall be registered.

"**Payment Fund**" means the fund established and held by the Trustee pursuant to the 2025 Trust Agreement to which the Payments are deposited.

"**Permitted Investments**" means any of the following, to the extent permitted by law:

1. (A) Cash (fully insured by the Federal Deposit Insurance Corporation), (B) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("U.S. Treasury Obligations"), (C) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (D) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (E) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

2. Federal Housing Administration debentures.

3. The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

A. Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac") Participation Certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts) and Senior debt obligations;

B. Farm Credit Banks (formerly Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) Consolidated system-wide bonds and notes;

C. Federal Home Loan Banks (FHL Banks) Consolidated debt obligations and

D. Federal National Mortgage Association (FNMA or "Fannie Mae") Senior debt obligations and Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding the portion of their unpaid principal amounts).

4. Unsecured certificates of deposit, including those placed by a third party pursuant to an agreement between the Trustee and the County, time deposits, and bankers' acceptances (having maturities of not more than 365 days) of any bank, including the Trustee or any of its affiliates, the short-term obligations of which are rated "A-1+" or better by S&P and "Prime-1" or better by Moody's.

5. Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least $15 million.

6. Commercial paper (having original maturities of not more than 270 days) rated "A-1+" or better by S&P and "Prime-1" or better by Moody's.

7. Money market mutual funds rated "AAm" or "AAm-G" or higher by S&P or, if rated by Moody's, "Prime-1" or better by Moody's, including, without limitation any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that the Trustee or an affiliate of the Trustee receives fees from funds for services rendered, the Trustee collects fees for services rendered pursuant to the 2025 Trust Agreement, which fees are separate from the fees received from such funds and services performed for such funds and pursuant to the 2025 Trust Agreement may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

8. "State Obligations", which means:

A. Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state, the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by S&P, or higher, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated;

B. Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated "A-1+" or better by S&P and "MIG-1" by Moody's and

C. Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (B) above and rated "AA-" or better by S&P and "Aa-3" or better by Moody's.

9. Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

A. The municipal obligations are not subject to redemption prior to maturity or the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

B. The municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

C. The principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

D. The cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

E. No substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification and

F. The cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

10. Repurchase agreements: With any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A-" by S&P and "A-3" by Moody's; or any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A-" by S&P and "A-3" by Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or any other entity rated "A-" or better by S&P and "A-3" or better by Moody's (each a "Provider"), provided that:

A. Permitted collateral shall include U.S. Treasury Obligations, or senior debt obligations of GNMA, FNMA or FHLMC (no collateralized mortgage obligations shall be permitted for these providers), and collateral levels must be at least 102% of the total principal when the collateral type is U.S. Treasury Obligations, 103% of the total principal when the collateral type is GNMA's and 104% of the total principal when the collateral type is FNMA and FHLMC ("Collateral");

B. The Trustee or a third party acting solely as agent therefore or for the County (the "Custodian") has possession of the collateral or the collateral has been transferred to the Custodian in accordance with applicable state and federal laws (other than by means of entries on the transferor's books) and such collateral shall be marked to market;

C. The collateral shall be marked to market on a daily basis and the provider or the Custodian shall send monthly reports to the Trustee and the County setting forth the type of collateral, the collateral percentage required for that collateral type, the market value of the collateral on the valuation date and the name of the Custodian holding the collateral;

D. The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Custodian has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof and

E. The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A-3" by Moody's, as appropriate, the provider must, notify the County and the Trustee within five (5) days of receipt of such notice. Within ten (10) days of receipt of such notice, the provider shall either: post Collateral or assign the agreement to a Provider. If the provider does not perform a remedy within ten (10) Business Days, the provider shall, at the direction of the Trustee repurchase all collateral and terminate the repurchase agreement, with no penalty or premium to the County or the Trustee.

11. Investment agreements with a domestic or foreign bank or corporation, the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA-" by S&P and "Aa3" by Moody's (each an "Eligible Provider"); provided that:

A. Interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the Acquisition Fund, construction draws) on the 2025 Obligations;

B. The invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Trustee and the County hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

C. The provider shall send monthly reports to the Trustee and the County setting forth the balance the County or the Trustee has invested with the provider and the amounts and dates of interest accrued and paid by the provider;

D. The investment agreement shall state that is an unconditional and general obligation of the provider, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

E. The County and the Trustee shall receive an opinion of domestic counsel to the provider that such investment agreement is legal, valid, binding and enforceable against the provider in accordance with its terms;

F. The County and the Trustee shall receive an opinion of foreign counsel to the provider (if applicable) that the investment agreement has been duly authorized, executed and delivered by the provider and constitutes the legal, valid and binding obligation of the provider, enforceable against the provider in accordance with its terms, the choice of law of the state set forth in the investment agreement is valid under that country's laws and a court in such country would uphold such choice of law, and any judgment rendered by a court in the United States would be recognized and enforceable in such country;

G. The investment agreement shall provide that if during its term:

(1) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3," the provider shall, at its option, within ten (10) days of receipt of publication of such downgrade, either (A) post Eligible Collateral (as hereinafter defined) with the County, the Custodian free and clear of any third party liens or claims, or (B) assign the agreement to an Eligible Provider, or (C) repay the principal of and accrued but unpaid interest on the investment;

(2) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A-3", the provider must, at the direction of the issuer or the trustee, within ten (10) days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the issuer or trustee;

H. In the event the provider is required to collateralize, permitted collateral shall include U.S. Treasury Obligations, or senior debt obligations of GNMA, FNMA or FHLMC (no collateralized mortgage obligations shall be permitted for these providers) and collateral levels must be 102% of the total principal when the collateral type is U.S. Treasury Obligations, 103% of the total principal when the collateral type is GNMA's and 104% of the total principal when the collateral type is FNMA and FHLMC ("Eligible Collateral"). In addition, the collateral shall be marked to market on a daily basis and the provider or Custodian shall send monthly reports to the Trustee and the County setting forth the type of collateral, the collateral percentage required for that collateral type, the market value of the collateral on the valuation date and the name of the Custodian holding the collateral;

I. The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Custodian has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof and

J. the investment agreement must provide that if during its term: the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the issuer or the trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the County or the Trustee, as appropriate, and the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the County or the Trustee, as appropriate.

12. Interests in the Local Government Investment Pool established pursuant to Section 35-326, Arizona Revised Statutes.

"**Project Costs**" means, with respect to the 2025 Projects, all architectural, engineering, soils, survey, archaeology, demolition, construction management fees, development fees, contingencies and other related costs of installation, construction and other matters necessary for the 2025 Projects and all costs incurred by the County with respect to the transaction to which the Trust Agreement pertains.

Words importing persons include firms, associations and corporations, and the singular and plural forms of words shall be deemed interchangeable wherever appropriate.

THE TRUST AGREEMENT

The following, in addition to the information under the headings "THE 2025 OBLIGATIONS" and "SECURITY AND SOURCES OF PAYMENT," is a summary of certain provisions of the 2025 Trust Agreement to which document, in its entirety, reference is hereby made for a more complete description of its terms.

Acquisition Fund. The Acquisition Fund will be established by the Trustee from which the Trustee will pay Project Costs. Amounts in the Acquisition Fund will be used to pay principal of and interest on the Project Obligations if insufficient funds are otherwise available to make such payments when due. On the Completion Date, all remaining moneys in the Acquisition Fund shall be transferred to the Payment Fund and applied by the Trustee to the Payments due from the County with respect to the Project Obligations on the next succeeding Interest Payment Date.

Costs of Issuance Fund. The Costs of Issuance Fund will be established by the Trustee from which the Trustee will pay Delivery Costs. On the earlier of December 1, 2025, or when all Delivery Costs have been paid, the Trustee will transfer any amounts remaining in the Costs of Issuance Fund to the Payment Fund.

Payment Fund. The Payment Fund will also be established by the Trustee. The moneys in the Payment Fund will be applied by the Trustee solely to pay principal of and premium, if any, and interest with respect to the 2025 Obligations.

Investments Authorized; Allocation of Earnings. Upon written order of the County, moneys held by the Trustee will be invested and re-invested in Permitted Investments. The Trustee may purchase from or sell to itself or any affiliate, as principal or agent, investments authorized by the 2025 Trust Agreement. The Trustee may act as purchaser or agent in the making or disposing of any investment.

Any income, profit or loss on such investments will be deposited in or charged to the respective funds from which such investments were made, and any interest on any deposit of funds will be deposited in the fund from which such deposit was made, except as otherwise provided in the 2025 Trust Agreement. At the direction of the County, any such income, profit or interest will be applied if necessary to pay any rebate due with respect to the 2025 Obligations pursuant to the Code.

Appointment of the Trustee. The County will maintain as the Trustee a bank or trust company with a combined capital and surplus of at least $50,000,000, and subject to supervision or examination by federal or State authority so long as any of the 2025 Obligations are Outstanding. If such bank or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority, then the combined capital and surplus of such bank or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Liability of the Trustee; Standard of Care. Except with respect to its authority and power generally and authorization to execute the 2025 Trust Agreement, the recitals of facts, covenants and agreements in the 2025 Trust Agreement and the 2025 Obligations will be taken as statements, covenants and agreements of the County, and the Trustee will assume no responsibility for the correctness of the same, or make any representations as to the validity or sufficiency of the 2025 Trust Agreement or of the 2025 Obligations or will incur any responsibility in respect thereof, other than in connection with the duties or obligations in the 2025 Trust Agreement or in the 2025 Obligations assigned to or imposed upon them, respectively. Prior to the occurrence of an Event of Default, or after the timely cure of an Event of Default, the Trustee will perform only such duties as are specifically set forth in the 2025 Trust Agreement. After the occurrence of an Event of Default, the Trustee will exercise such of the rights and powers vested in it, and use the same degree of care and skill in such exercise, as a prudent person would exercise under the circumstances in the conduct of its own affairs.

Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall be eligible as described hereinabove, shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Protection and Rights of the Trustee. The Trustee will be protected and will incur no liability in acting or proceeding in good faith upon any document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the 2025 Trust Agreement, and the Trustee will be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such document, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee will not be bound to recognize any person as an Owner of any 2025 Obligation or to take any action at the request thereof unless such 2025 Obligation will be deposited with the Trustee and satisfactory evidence of the ownership of such 2025 Obligation will be furnished to the Trustee. The Trustee may consult with counsel with regard to legal questions, and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it in good faith.

Whenever in the administration of its duties under the 2025 Trust Agreement, the Trustee deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action thereunder, such matter (unless other evidence in respect thereof be specifically prescribed) will be deemed to be conclusively proved and established by the certificate of the appropriate representative of the County and such certificate will be full warranty to the Trustee for any action taken or suffered under the provisions of the 2025 Trust Agreement upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee may become the Owner of the 2025 Obligations with the same rights it would have if it were not the Trustee; may acquire and dispose of other bonds or evidence of indebtedness of the County with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of 2025 Obligations, whether or not such committee shall represent the Owners of the majority in principal amount of the 2025 Obligations then Outstanding.

The Trustee will not be answerable for the exercise of any discretion or power under the 2025 Trust Agreement or for anything whatever in connection with the funds established thereunder, except only for its own willful misconduct or negligence.

No provision in the 2025 Trust Agreement will require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

The Trustee will not be required to take notice or be deemed to have notice of an Event of Default, except for nonpayment of amounts due under the 2025 Trust Agreement or the 2025 Purchase Agreement, unless the Trustee has actual notice thereof or is specifically notified in writing of such default by the County or the Owners of at least twenty-five percent (25%) in aggregate principal amount of the 2025 Obligations then Outstanding.

The County will from time to time, as agreed upon between the County and the Trustee, pay to the Trustee reasonable compensation for its services, including an hourly rate based fee after an Event of Default and will reimburse the Trustee for all its advances and expenditures, including but not limited to advances to, and reasonable fees and expenses of, independent appraisers, accountants, consultants, counsel, agents and attorneys-at-law or other experts employed by it in the exercise and performance of its powers and duties.

Removal of the Trustee. The Trustee may be removed by the County (if not in default) or by the Owners of a majority in aggregate principal amount of the 2025 Obligations.

The Trustee may also resign effective upon the appointment of a successor the Trustee by the County.

Amendments Permitted. The 2025 Trust Agreement and the 2025 Purchase Agreement may be modified or amended at any time by a supplemental or amending agreement which will become effective upon the written consent of the Owners of a majority in aggregate principal amount of the 2025 Obligations then Outstanding, exclusive of certain disqualified 2025 Obligations. No such modification or amendment will (1) extend or have the effect of extending the fixed payment date of any 2025 Obligation or reducing the interest rate with respect thereto or extending the time of payment of interest, or reducing the amount of principal thereof or reducing any premium payable upon prepayment thereof, without the express consent of the Owner of such 2025 Obligation, or (2) reduce or have the effect of reducing the percentage of 2025 Obligations required for the affirmative vote or written consent to an amendment or modification of the 2025 Trust Agreement or the 2025 Purchase Agreement, or (3) modify any of the rights or obligations of the Trustee without its written assent thereto.

The 2025 Trust Agreement and the 2025 Purchase Agreement may be modified or amended at any time by a supplemental or amending agreement, without the consent of any Owners, but only (1) to provide for additions or modifications to the 2025 Projects, (2) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power reserved in the Trustee (for its own behalf) or the County, (3) to secure additional revenues or provide additional security or reserves for payment of the 2025 Obligations, (4) to comply with the requirements of any state or federal securities laws or the Trust Indenture Act of 1939, as from time to time amended, if required by law or regulation lawfully issued thereunder, (5) to provide for the appointment of a successor trustee pursuant to the terms hereof, (6) to preserve the exclusion of interest represented by the Tax-Exempt Obligations from gross income for federal or State income tax purposes and to preserve the power of the County to continue to issue bonds or other obligations the interest on which is exempt from federal and State income taxes, (7) to cure, correct or supplement any ambiguous or defective provision in the 2025 Trust Agreement and 2025 Purchase Agreement, (8) to facilitate the issuance of additional of Parity Lien Obligations, (9) with respect to rating matters, or (10) in regard to questions arising thereunder, as the parties thereto may deem necessary or desirable and which will not materially adversely affect the interests of the Owners of the 2025 Obligations or the Bond Insurer. Any such supplemental or amending agreement will become effective upon execution and delivery by the parties thereto.

Procedure for Amendment With Written Consent of 2025 Obligation Owners. A copy of the proposed supplemental or amending agreement, together with a consent request, must be mailed to each Owner of a 2025 Obligation, but failure to mail copies of such supplemental or amending agreement and request does not affect the validity of the supplemental or amending agreement when assented to by a majority in principal amount of the 2025 Obligations then Outstanding (exclusive of 2025 Obligations then disqualified). The supplemental or amending agreement will not become effective until the required Owners have consented and the Trustee has mailed notice to the Owners of the 2025 Obligations stating in substance that such supplemental or amending agreement has been consented to by the Owners of the required percentage of 2025 Obligations and will become effective (but failure to mail copies of said notice shall not affect the validity of such supplemental or amending agreement or consents thereto).

Disqualified 2025 Obligations. 2025 Obligations owned or held by or for the account of the County or by any person directly or indirectly controlled by, or under direct or indirect common control with the County (except any 2025 Obligations held in any pension or retirement fund) will not be deemed Outstanding for the purpose of any vote, consent, waiver or other action or any calculation of Outstanding 2025 Obligations provided for in the 2025 Trust Agreement, and will not be entitled to vote upon, consent to, or take any other action provided therein.

No Liability of the County for the Trustee Performance. The County will have no obligation or liability to any of the other parties or to the Owners with respect to the performance by the Trustee of any duty imposed upon it under the 2025 Trust Agreement.

Remedies Upon Default; No Acceleration. If an Event of Default shall happen, then and in each and every such case during the continuance of such Event of Default, the Trustee may, or upon request of the Owners of a majority in aggregate principal amount of the 2025 Obligations then Outstanding and receiving indemnity satisfactory to it shall, exercise one or more of the remedies granted pursuant to the 2025 Purchase Agreement; provided, however, that notwithstanding anything in the 2025 Trust Agreement or in the 2025 Purchase Agreement to the contrary, there will be no right under any circumstances to accelerate the payment dates of the 2025 Obligations or otherwise to declare any of the Payments not then past due or in default to be immediately due and payable.

Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken pursuant to the provisions of the 2025 Trust Agreement or the 2025 Purchase Agreement shall be applied by the Trustee in the order following, in the case of the 2025 Obligations, upon presentation of the several 2025 Obligations, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee and then of the 2025 Obligation Owners in declaring such Event of Default, including reasonable compensation to its or their agents, attorneys and counsel and

Second, to the payment of the whole amount then owing and unpaid with respect to the 2025 Obligations, and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the 2025 Obligations, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Institution of Legal Proceedings. If one or more Events of Default shall happen and be continuing, the Trustee in its discretion may, and upon the written request of the Owners of a majority in aggregate principal amount of the 2025 Obligations then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owners of 2025 Obligations by a suit in equity or action at law for the specific performance of any covenant or agreement contained in the 2025 Trust Agreement.

Power of the Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, it will have full power, in the exercise of its discretion for the best interests of the Owners of the 2025 Obligations, with respect to the continuance, or disposal of such action; provided, however, that the Trustee will not discontinue, or otherwise dispose of any litigation, without the consent of a majority in aggregate principal amount of the 2025 Obligations Outstanding.

Limitation on 2025 Obligation Owners' Right to Sue. No Owner of any 2025 Obligation will have the right to institute any action, for any remedy, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of at least a majority in aggregate principal amount of all the 2025 Obligations then Outstanding shall have made written request upon the Trustee to exercise the powers granted or to institute such action, in its own name; (c) said Owners shall have tendered to the Trustee reasonable indemnity; and (d) the Trustee shall have not complied with such request for a period of sixty (60) days.

No one or more Owners of 2025 Obligations will have any right in any manner whatever by their action to enforce any right under the 2025 Trust Agreement, except in the manner therein provided, and all proceedings with respect to an Event of Default will be pursued in the manner therein provided and for the equal benefit of all Owners of the Outstanding 2025 Obligations.

The right of any Owner of any 2025 Obligation to receive payment of said Owner's proportionate interest in the Payments as the same become due, or to institute suit for the enforcement of such payment, will not be impaired or affected without the consent of such Owner.

Defeasance. If and when all Outstanding 2025 Obligations shall be paid and discharged in any one or more of the following ways:

(a) by paying or causing to be paid the principal of and interest and prepayment premium, if any, with respect to all 2025 Obligations Outstanding, as and when the same become due and payable;

(b) by depositing with a Depository Trustee, in trust for such purpose, at or before payment, money which, together with the amounts then on deposit in the Payment Fund is fully sufficient to pay or cause to be paid all 2025 Obligations Outstanding, including all principal, interest and prepayment premium; or

(c) by depositing with a Depository Trustee, in trust for such purpose, any Defeasance Obligations which are non-callable in such amount as shall be certified to the Trustee and the County by a national firm of certified public accountants acceptable to the County and the Bond Insurer, as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit in the Payment Fund together with the interest to accrue thereon, to pay and discharge or cause to be paid and discharged all 2025 Obligations (including all principal, premium and interest) at their respective payment dates or prepayment dates;

notwithstanding that any 2025 Obligations shall not have been surrendered for payment, all obligations of the Trustee and the County with respect to all Outstanding 2025 Obligations will cease and terminate, except only the obligation of the Trustee to pay or cause to be paid, from funds deposited pursuant to paragraphs (b) or (c) above and paid to the Trustee by the Depository Trustee, to the Owners of the 2025 Obligations not so surrendered and paid all sums due with respect thereto, and in the event of deposits pursuant to paragraphs (b) or (c), the 2025 Obligations will continue to represent direct and proportionate interests of the Owners thereof in such funds.

If any 2025 Obligation or portion thereof will not be payable within sixty (60) days of the deposit referred to in paragraphs (b) or (c) above, the Trustee shall give notice of such deposit by first class mail to the Owners.

No 2025 Obligation may be so provided for based on prepayment unless the Trustee has mailed irrevocable notice of redemption for such 2025 Obligations or the County has given the Trustee irrevocable instructions to prepay such 2025 Obligations.

Bond Insurer's Control Rights. Any supplement or amendment permitted by the 2025 Trust Agreement or the 2025 Purchase Agreement that materially adversely affects the rights and interests of the Bond Insurer or requires the consent of the Owners of the 2025 Obligations shall be subject to the prior written consent of the Bond Insurer.

Upon the occurrence and continuance of an event of default, the Bond Insurer will be entitled to control and direct the enforcement of all rights and remedies granted to the Owners of the 2025 Obligations or the Trustee for the benefit of the Owners of the 2025 Obligations under the 2025 Purchase Agreement or the 2025 Trust Agreement. No event of default may be waived without the Bond Insurer's written consent. In the 2025 Trust Agreement, the Trustee and each Owner appoint the Bond Insurer as their agent and attorney-in-fact with respect to the 2025 Obligations and agree that the Bond Insurer may at any time during the continuation of any proceeding by or against the County under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law ("Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (i) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding, (ii) the direction of any appeal of any order relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding, (iii) the posting of any surety, supersedeas or performance bond pending any such appeal, and (iv) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Owner delegate and assign to the Bond Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner with respect to the 2025 Obligations in conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Bond Insurer is recognized as and will be deemed to be a third-party beneficiary to the 2025 Trust Agreement and the 2025 Purchase Agreement.

THE PURCHASE AGREEMENT

The following, in addition to the information under the headings "INTRODUCTORY STATEMENT" and "SECURITY AND SOURCES OF PAYMENT," is a summary of certain provisions of the 2025 Purchase Agreement to which document, in its entirety, reference is hereby made for a more complete description of its terms.

Payments. The obligation of the County to make the Payments will be limited to amounts from County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues. The County will receive a credit against amounts due with respect to the Payments equal to any amounts held and available in the Payment Fund.

The obligations of the County to make the Payments from the sources described and to perform and observe the other agreements contained in the 2025 Purchase Agreement will be absolute and unconditional and will not be subject to any defense or any right of set-off, abatement, counterclaim, or recoupment arising out of any breach of the Trustee of any obligation to the County or otherwise, or out of indebtedness or liability at any time owing to the County by the Trustee. Until such time as all of the Payments shall have been fully paid or provided for, the County (i) will not suspend or discontinue the Payments, (ii) will perform and observe all other agreements contained in the 2025 Purchase Agreement, and (iii) will not terminate the 2025 Purchase Agreement for any cause.

Providing for Payment. The County may provide for the payment of any of the Payments in any one or more of the following ways:

(a) by paying such Payment as and when the same becomes due and payable at its scheduled due date or on a date on which it can be prepaid;

(b) by depositing the with a Depository Trustee, in trust for such purposes, money which, together with the amounts then on deposit with the Trustee and available for such Payment is fully sufficient to make, or cause to be made, such Payment at its scheduled due date or on a date on which it can be prepaid; or

(c) by depositing with a Depository Trustee, in trust for such purpose, any Defeasance Obligations which are non-callable, in such amount as shall be certified by a national firm of certified public accountants acceptable to the Trustee and the County as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit with the Trustee and available for such Payment, to make, or cause to be made, such Payment at its scheduled due date or on a date on which it can be prepaid.

Upon any partial payment of a Payment resulting in a partial payment of redemption of 2025 Obligations, each installment of interest which shall thereafter be payable as a part of the subsequent Payments shall be reduced, taking into account the interest rate or rates on the 2025 Obligations remaining outstanding after the partial payment or redemption of 2025 Obligations from the proceeds of such payment so that the interest remaining payable as a part of the subsequent Payments shall be sufficient to pay the interest on such outstanding 2025 Obligations when due.

Default; Remedies Upon Default.

(a) (i) Upon (A) the nonpayment of the whole or any part of certain amounts due pursuant to the 2025 Purchase Agreement (including the Payments) at the time when the same are to be paid as provided in the 2025 Purchase Agreement or the 2025 Trust Agreement, (B) the violation by the County of any other covenant or provision of the 2025 Purchase Agreement or the 2025 Trust Agreement, (C) the occurrence of an event of default with respect to the Outstanding Parity Lien Obligations or the Parity Lien Obligations, or (D) the insolvency or bankruptcy of the County as the same may be defined under any law of the United States of America or the State of Arizona, or any voluntary or involuntary action of the County or others to take advantage of, or to impose, as the case may be, any law for the relief of debtors or creditors, including a petition for reorganization, and

(ii) if such default has not been cured (A) in the case of nonpayment of such amounts as required under the 2025 Purchase Agreement or the 2025 Trust Agreement on the due date, or the nonpayment of the payments on their due dates with respect to the Outstanding Parity Lien Obligations or the Parity Lien Obligations;

(B) in the case of the breach of any other covenant or provision of the 2025 Trust Agreement or the 2025 Purchase Agreement not cured within sixty (60) days after notice in writing from the Trustee specifying such default; and (C) in the case of any default under any of the 2014 Purchase Agreement, the 2015 Purchase Agreement the Tax-Exempt 2018 Purchase Agreement, the Taxable 2018 Purchase Agreement, the 2019 Purchase Agreement or the Parity Lien Obligations after any notice and passage of time provided for under the proceedings under which such obligations were issued then,

(iii) subject to the limitations of the 2025 Trust Agreement and the rights of the Bond Insurer provided therein, the Trustee may take whatever action at law or in equity, including the remedy of specific performance, may appear necessary or desirable to collect such amounts payable by the County under the 2025 Trust Agreement or the 2025 Purchase Agreement then due (but not the Payments and such other amounts accruing), or to enforce performance and observance of any pledge, obligation, agreement, or covenant of the County under the 2025 Trust Agreement or the 2025 Purchase Agreement and with respect to County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues, without notice and without giving any bond or surety to the County or anyone claiming under the County, have a receiver appointed of the amounts of County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues which are pledged to the payment of amounts due thereunder, with such powers as the court making such appointment shall confer (and the County will irrevocably consent to such appointment); provided, however, that under no circumstances may the Payments be accelerated.

The obligations of the County under the 2025 Purchase Agreement, including, without limitation, its obligation to pay the Payments, will survive any action brought as provided in the 2025 Purchase Agreement, and the County will continue to pay the Payments and perform all other obligations provided in the 2025 Purchase Agreement; provided, however, that the County will be credited with any amount received by the Trustee.

The County Appointed Agent for Seller. The Trustee will irrevocably appoint the County as its sole and exclusive agent to act for and on behalf of Trustee in financing and refinancing the costs of the Projects. As such agent, the County will have full authority to do all things necessary to accomplish such purposes. The Trustee shall not be accountable for the acts of the County as its agent, and the County will assume all responsibility for the performance of such duties.

APPENDIX E

PROPOSED FORM OF APPROVING LEGAL OPINION

[LETTERHEAD OF GREENBERG TRAURIG, LLP]

[Closing Date]

U.S. Bank Trust Company, National Association
Tempe, Arizona

Re: Pledged Revenue Refunding Obligations, Tax-Exempt Series 2025, Pledged Revenue Obligations, Tax-Exempt Series 2025 and Pledged Revenue Obligations, Taxable Series 2025 Evidencing Proportionate Interests of the Owners Thereof in Purchase Payments to be Made by Pinal County, Arizona to U.S. Bank Trust Company, National Association, as Trustee, Dated the Date Hereof

We have examined the transcript of proceedings (the "Transcript") relating to the execution and delivery by U.S. Bank Trust Company, National Association (the "Trustee") of the Pledged Revenue Refunding Obligations, Tax-Exempt Series 2025 (the "Refunding Obligations"), the Pledged Revenue Obligations, Tax-Exempt Series 2025 (collectively with the Refunding Obligations, the "Tax-Exempt Obligations"), and Pledged Revenue Obligations, Taxable Series 2025 (the "Taxable Obligations" and, collectively with the Tax-Exempt Obligations, the "Obligations") pursuant to a Ninth Combined Lien Trust Agreement, dated as of July 1, 2025* (the "Trust Agreement"), between the Trustee and Pinal County, Arizona (the "County"). Each of the Obligations is an undivided, participating, proportionate interest in certain payments to be made by the County pursuant to a Ninth Combined Lien Purchase Agreement, dated as of July 1, 2025* (the "Purchase Agreement"), between the Trustee, as seller, and the County, as buyer, to finance and refinance certain projects for the County. In addition, we have examined such other proceedings, proofs, instruments, certificates and other documents as well as such other materials and such matters of law as we have deemed necessary or appropriate for the purposes of the opinions rendered herein below.

In such an examination, we have examined originals (or copies certified or otherwise identified to our satisfaction) of the foregoing and have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to the original documents of all documents submitted to us as copies and the accuracy of the statements contained in such documents. As to any facts material to our opinion, we have, when relevant facts were not independently established, relied upon the aforesaid documents contained in the Transcript. We have also relied upon the opinions of the County Attorney delivered even date herewith as to the matters provided therein.

Based upon such examination, we are of the opinion that, under the law existing on the date of this opinion:

1. The Obligations, the Trust Agreement and the Purchase Agreement are legal, valid, binding and enforceable in accordance with their respective terms, except that the binding effect and enforceability thereof and the rights thereunder are subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting the rights of creditors generally; except to the extent that the enforceability thereof and the rights thereunder may be limited by the application of general principles of equity and, as to the Trust Agreement, except to the extent that the enforceability of the indemnification provisions thereof may be affected by applicable securities laws.

2. The obligations of the County pursuant to the Purchase Agreement with respect to payment of principal and interest with respect to the Obligations are solely from the revenues and other moneys pledged and assigned pursuant to the Trust Agreement to secure such payments. Those revenues and other moneys include

* *Subject to change.*

payments required to be made by the County pursuant to the Purchase Agreement, and the obligation of the County to make those payments is secured by a limited pledge of "Excise Tax Revenues," "State Shared Revenues," "Vehicle License Tax Revenues" and "PILT Revenues" as described in, and provided by, the Purchase Agreement. Such payments are not secured by an obligation or pledge of any moneys raised by taxation other than the specified taxes; the Obligations do not represent or constitute a debt or pledge of the general credit of the County and the Purchase Agreement, including the obligation of the County to make the payments required thereunder, does not represent or constitute a debt or pledge of the general credit of the County.

3. (a) Based on the representations and covenants of the County and subject to the assumption stated in the last sentence of this paragraph, under existing statutes, regulations, rulings and court decisions, the portion of each payment made by the County pursuant to the Purchase Agreement, denominated and comprising interest and received by the beneficial owners of the Tax-Exempt Obligations (the "Interest Portion"), is excludable from the gross income of the owners thereof for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Internal Revenue Code of 1986, as amended (the "Code"), on applicable corporations (as defined in Section 59(k) of the Code), the Interest Portion is not excluded from the determination of adjusted financial statement income. We express no opinion regarding other federal tax consequences resulting from the receipt or accrual of the Interest Portion on, or ownership or disposition of, the Obligations. The Code includes requirements which the County must continue to meet after the execution and delivery of the Tax-Exempt Obligations in order that the Interest Portion not be included in gross income for federal income tax purposes. The failure of the County to meet these requirements may cause the Interest Portion to be included in gross income for federal income tax purposes retroactive to their date of execution and delivery. The County has covenanted in the Purchase Agreement to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of the Interest Portion. (Subject to the same limitations in the first numbered paragraph hereof as they would relate to such covenants, the County has full legal power and authority to comply with such covenants.) In rendering the opinion expressed in this paragraph, we have assumed continuing compliance with the tax covenants referred to hereinabove that must be met after the execution and delivery of the Tax-Exempt Obligations in order that the Interest Portion not be included in gross income for federal tax purposes.

(b) Assuming the Interest Portion is so excludable for federal income tax purposes, the Interest Portion is exempt from income taxation under the laws of the State of Arizona. (We express no opinion regarding other State tax consequences resulting from the receipt or accrual of the Interest Portion on, or disposition or ownership of, the Obligations.)

4. We express no opinion regarding the excludability of the portion of each payment made by the County pursuant to the Purchase Agreement, denominated and comprising interest and received by the beneficial owners of the Taxable Obligations, from gross income for federal or State of Arizona income tax purposes.

Our opinion represents our legal judgment based upon our review of the law and the facts we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof, and we assume no obligation to review or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX F

FORM OF CONTINUING DISCLOSURE UNDERTAKING

PINAL COUNTY, ARIZONA

$40,870,000* PLEDGED REVENUE REFUNDING OBLIGATIONS, TAX-EXEMPT SERIES 2025	$186,830,000* PLEDGED REVENUE OBLIGATIONS, TAX-EXEMPT SERIES 2025	$108,085,000* PLEDGED REVENUE OBLIGATIONS, TAXABLE SERIES 2025

Closing Date: [Closing Date]
(CUSIP Base No. 72205R)

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this "*Undertaking*") is executed and delivered by Pinal County, Arizona (the "*County*"), in connection with the execution and delivery of $40,870,000* principal amount of Pledged Revenue Refunding Obligations, Tax-Exempt Series 2025 (the "*Refunding Obligations*"), $186,830,000* principal amount of Pledged Revenue Obligations, Tax-Exempt Series 2025 (the "*Project Obligations*") and $108,085,000* principal amount of Pledged Revenue Obligations, Taxable Series 2025 (the "Taxable Obligations" and, collectively with the Refunding Obligations and the Project Obligations, the "*2025 Obligations*"). The Obligations are being executed and delivered pursuant to a Ninth Combined Lien Trust Agreement, dated as of July 1, 2025* (the "*Trust Agreement*"), by and between the County and U.S. Bank Trust Company, National Association, as trustee (the "*Trustee*"). The County covenants and agrees as follows:

1. *Definitions*. In addition to those defined hereinabove, the terms set forth below shall have the following meanings in this Undertaking, unless the context clearly otherwise requires:

Annual Financial Information means the financial information and operating data set forth in Exhibit I.

Annual Financial Information Disclosure means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

Audited Financial Statements means the audited financial statements of the County prepared pursuant to the standards and as described in Exhibit I.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the County and which has filed with the County a written acceptance of such designation, and such agent's successors and assigns.

EMMA means the Electronic Municipal Market Access system of the MSRB. Information regarding submissions to EMMA is available at http://emma.msrb.org.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Final Official Statement means the Final Official Statement relating to the Obligations, dated ___________, 2025.

Financial Obligation means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a

* *Subject to change.*

guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

GAAP means generally accepted accounting principles, as applied to governmental units as modified by the laws of the State.

Listed Event means the events set forth in *Exhibit II*.

Listed Events Disclosure means dissemination of disclosure concerning a Listed Event as set forth in Section 5.

MSRB means the Municipal Securities Rulemaking Board.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Obligations.

Purchase Agreement means the Ninth Combined Lien Purchase Agreement, dated as of July 1, 2025*, by and between the County and the Trustee, in its separate capacity as "Seller."

Rule means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Exchange Act.

State means the State of Arizona.

2. *Purpose of this Undertaking*. This Undertaking is executed and delivered by the County as of the date set forth below, for the benefit of the beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with the requirements of the Rule. The County represents that it will be the only obligated person with respect to the Obligations at the time the Obligations are delivered to the Participating Underwriter and that no other person is expected to become so committed at any time after such delivery of the Obligations.

3. *CUSIP Numbers.* The CUSIP Numbers of the Obligations are as follows:

CUSIP Base No. 72205R	Payment Date

* *Subject to change.*

4. *Annual Financial Information Disclosure*. The County shall disseminate its Annual Financial Information and its Audited Financial Statements, if any (in the form and by the dates set forth in Exhibit I), through EMMA.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the County will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment is made to this Undertaking, the Annual Financial Information for the year in which such amendment is made shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

5. *Listed Events Disclosure*. The County shall disseminate in a timely manner, but not more than ten (10) business days after the occurrence of the event, its Listed Events Disclosure through EMMA. Whether events subject to the standard "material" would be material shall be determined under applicable federal securities laws.

6. *Consequences of Failure of the County to Provide Information*. The County shall give notice in a timely manner through EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the County to comply with any provision of this Undertaking, the beneficial owner of any Obligation may seek mandamus or specific performance by court order, to cause the County to comply with its obligations under this Undertaking. A default under this Undertaking shall not be deemed an event of default under the Purchase Agreement or the Trust Agreement, and the sole remedy available to such owners of the Obligations under this Undertaking in the event of any failure of the County to comply with this Undertaking shall be an action to compel performance.

7. *Amendments; Waiver*. Notwithstanding any other provision of this Undertaking, the County by certified resolution or ordinance authorizing such amendment or waiver, may amend this Undertaking, and any provision of this Undertaking may be waived only if:

(a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the County, or type of business conducted;

(b) This Undertaking, as amended or affected by such waiver, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not materially impair the interests of the beneficial owners of the Obligations, as determined by parties unaffiliated with the County (such as the Trustee) or by approving vote of the owners of the Obligations pursuant to the Trust Agreement at the time of the amendment.

The Annual Financial Information containing amended operating data or financial information resulting from such amendment or waiver, if any, shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided. If an amendment or waiver is made specifying an accounting principle to be followed in preparing financial statements and such changes are material, the Annual Financial Information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles. Such comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles in the presentation of the financial information in order to provide information to investors to enable them to evaluate the ability of the County to meet its obligations. To the extent reasonably feasible, such comparison also shall be quantitative. If the accounting principles of the County change or the fiscal year of the County changes, the County shall file a notice of such change in the same manner as for a notice of Listed Event.

8. *Termination of Undertaking.* This Undertaking shall be terminated hereunder if the County shall no longer have liability for any obligation on or relating to repayment of the Obligations under the Trust Agreement.

9. *Dissemination Agent.* The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

10. *Additional Information*. Nothing in this Undertaking shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Listed Event, in addition to that which is required by this Undertaking. If the County chooses to include any information from any document or notice of occurrence of a Listed Event in addition to that which is specifically required by this Undertaking, the County shall have no obligation under this Undertaking to update such information or include it in any future Annual Financial Information Disclosure or Listed Events Disclosure.

11. *Beneficiaries.* This Undertaking has been executed in order to assist the Participating Underwriter in complying with the Rule; however, this Undertaking shall inure solely to the benefit of the County, the Dissemination Agent, if any, and the beneficial owners of the Obligations, and shall create no rights in any other person or entity.

12. *Recordkeeping.* The County shall maintain records of all Annual Financial Information Disclosure and Listed Events Disclosure including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

13. *Assignment.* The County shall not transfer obligations under the Purchase Agreement unless the transferee agrees to assume all obligations of the County under this Undertaking or to execute an undertaking meeting the requirements of the Rule.

14. *Governing Law.* This Undertaking shall be governed by the laws of the State.

Dated: [Closing Date]

PINAL COUNTY, ARIZONA

By ____
Chairman, Board of Supervisors

Attest:

____
Clerk, Board of Supervisors

EXHIBIT I

ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

"Annual Financial Information" means financial information and operating data of the type contained in the Final Official Statement in TABLE 2 - "County General Excise Tax Revenues, State Shared Revenues, Vehicle License Tax Revenues and PILT Revenues" (actual results for most recently completed fiscal year only).

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted through EMMA or filed with the Commission. If the information included by reference is contained in a final official statement, the final official statement must be available from the MSRB. The County shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be provided through EMMA by June 30 of each year, commencing June 30, 2026. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included, to be followed up by Audited Financial Statements within 30 days after availability to the County.

Audited Financial Statements will be prepared according to GAAP.

If any change is made to the Annual Financial Information as permitted by Section 4 of this Undertaking, the County will disseminate a notice of such change as required by Section 4, including changes in fiscal year or GAAP.

EXHIBIT II

EVENTS FOR WHICH LISTED EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies.

2. Non-payment related defaults, if material.

3. Unscheduled draws on debt service reserves reflecting financial difficulties.

4. Unscheduled draws on credit enhancements reflecting financial difficulties.

5. Substitution of credit or liquidity providers, or their failure to perform.

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations, in each case, with respect to the tax status of the security, or other material events affecting the tax status of the security.

7. Modifications to the rights of security holders, if material.

8. Bond calls, if material, or tender offers.

9. Defeasances.

10. Release, substitution or sale of property securing repayment of the securities, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership or similar events of the County, being if any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County.

13. The consummation of a merger, consolidation or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

15. Incurrence of a Financial Obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County, any of which affect security holders, if material.

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the County, any of which reflect financial difficulties.

APPENDIX G

BOOK-ENTRY ONLY SYSTEM

The following information concerning DTC and DTC's book-entry system is based solely on information provided by DTC. Accordingly, the County takes no responsibility for the accuracy thereof. The Beneficial Owners should confirm this information with DTC or the DTC participants.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the 2025 Obligations. The 2025 Obligations will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2025 Obligation will be issued for each maturity of the 2025 Obligations, each in the aggregate principal amount of such maturity, and will be deposited with DTC or held by the Registrar and Paying Agent for DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Securities Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and together with the Direct Participants, the "Participants"). DTC has Standard & Poor's rating of: "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the 2025 Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2025 Obligations on DTC's records. The ownership interest of each actual purchaser of each 2025 Obligation ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2025 Obligations are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2025 Obligations, except in the event that use of the book-entry system for the 2025 Obligations is discontinued.

To facilitate subsequent transfers, all 2025 Obligations deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2025 Obligations with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2025 Obligations; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2025 Obligations are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2025 Obligations may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2025 Obligations, such as redemptions, tenders, defaults, and proposed amendments to the 2025 Obligation documents. For example, Beneficial Owners of 2025 Obligations may wish to ascertain that the nominee holding the 2025 Obligations for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2025 Obligations within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2025 Obligations unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2025 Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of principal of and interest on the 2025 Obligations and the redemption price of any 2025 Obligation will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and interest on the 2025 Obligations and the redemption price of any 2025 Obligations will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2025 Obligations at any time by giving reasonable notice to the County or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

APPENDIX H

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $__________
Member Surplus Contribution: $ _________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ____

Authorized Officer

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
200 Liberty Street, 27th floor
New York, New York 10281
Telecopy:
212-962-1524 (attention: Claims)

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PINAL COUNTY, ARIZONA • PLEDGED REVENUE REFUNDING OBLIGATIONS, TAX-EXEMPT SERIES 2025 AND PLEDGED REVENUE OBLIGATIONS, TAX-EXEMPT SERIES 2025 AND TAXABLE SERIES 2025

PINAL COUNTY

WIDE OPEN OPPORTUNITY

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