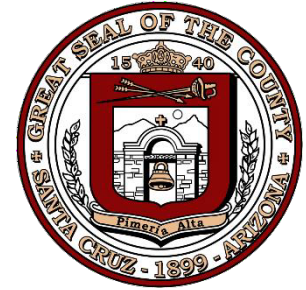


Santa Cruz County
The Birthplace of Arizona's History
June 07, 2024
Media Contact: Jesus J. Valdez



Investigations Update of Former County Treasurer and Treasurer's Office

The Board of Supervisors recently held two Executive Sessions on May 16 and May 21, 2024, both regarding the ongoing investigation concerning former Treasurer Elizabeth Gutfahr and the Treasurer's Office.

Today, the Board of Supervisors issued the following joint statement:

"Santa Cruz County remains committed to transparency and supporting the ongoing investigations regarding the former County Treasurer and County Treasurer's Office. In the spirit of candor, we are able to share the following information without compromising the ongoing work being done to investigate the financial irregularities. In April, our financial institution notified the County of eleven irregular transactions, each transaction for \$375,000. The County immediately took action to secure all accounts controlled by the Treasurer and the Treasurer's Office and notified the proper authorities and agencies of the irregularities.

In addition, the County is conducting a comprehensive internal review with the assistance of experienced outside legal and forensic accounting professionals, including a full forensic financial investigation of the accounts controlled by the County Treasurer.

The County is also continuing to fully cooperate and assist with separate investigations being conducted by the United States Department of Justice and Federal Bureau of Investigation as well as the Arizona Auditor General's Office. Likewise, the County is cooperating and assisting with an investigation being led by the newly appointed County Treasurer, Alejandro Paz, and the Deputy County Manager, Mauricio Chavez, with the assistance of the Santa Cruz County Attorney's Office, which is focused on locating and reviewing all financial documents associated with the County Treasurer's Office.

Additionally, the Board of Supervisors has contracted with Booth Management to examine current County and Treasurer policies and procedures and recommend changes to strengthen oversight regarding all activities by the County Treasurer's Office moving forward.

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At the direction of the Santa Cruz County Board of Supervisors, the Treasurer and County Management met with entities that are statutorily required to bank with the Treasurer. Those entities include school districts, fire districts, provisional colleges, and the County. They were informed of the changes being put into place to protect funds, and that the operations of the Treasurer's Office will continue to function as normal.

The Board of Supervisors is doing everything in its power to safeguard the County's financial future, assist in bringing to light any potential wrongdoing, and will take action accordingly."

As these investigations are active, all media inquiries will be directed to County Manager Jesus Valdez. ###