MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1
SPECIAL MEETING AGENDA

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the Merrill Ranch Community Facility District No. 1 Members and to the general public that a Special Meeting of the District Board will be held on Tuesday, June 2, 2026, at 6:00 p.m., or immediately following the Town of Florence Council Meeting, in the Florence Town Council Chambers, located at 775 N. Main Street, Florence, Arizona.

To attend the meeting noticed below by technological means, members of the public may:

1. ***Watch Live:***
   YouTube Live
   FlorenceAZ.gov/tv

Locally on Cox TV Channel 11

2. ***Join virtually using the link below:***

Join via ZOOM

3. ***To call in and listen, please dial:***

Telephone: (346) 248 7799 or (669) 900 6833
Webinar ID: 898 8782 3881
Passcode: 121865

If any member of the public has difficulty connecting to the meeting, they are invited to contact the Town of Florence Information Technology Helpdesk at (520) 868-7543.

Please utilize the bookmarks for navigating the document. If you have any questions on how to access the bookmarks tab, please call the Clerk's Office at 520-868-7500.

The agenda for this meeting is as follows:

1. CALL TO ORDER

ROLL CALL: **Keith Eaton, Cathy Adam, Arthur Neal, Nicole Buccellato, Jose Maldonado, Tony Bencina, Sherri Bedford**

2. PUBLIC HEARING

a. Public hearing to accept citizens' comments on Ordinance No. 123-26 adopting a secondary property tax levy in the amount of $3.30 per $100 Net Assessed Valuation for Fiscal Year 22027: AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED

DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2027. (Carl Dudding)

b. Public hearing to receive citizens' comments on the proposed final budget for Merrill Ranch Community Facilities District No. 1; and possible adoption of Resolution No. MRCFD1 154-26: A RESOLUTION OF BOARD OF DIRECTORS OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, FLORENCE ARIZONA, ADOPTING THE BUDGET FOR FISCAL YEAR 2027. (Carl Dudding)

3. NEW BUSINESS

a. Discussion/Approval/Disapproval of the February 3, 2026 minutes of the Merrill Ranch Community Facilities District No. 1. (Lisa Garcia)

4. ADJOURNMENT

POSTED ON MAY 28, 2026, BY LISA GARCIA, DISTRICT CLERK, AT 775 NORTH MAIN STREET, FLORENCE, ARIZONA, AND AT WWW.FLORENCEAZ.GOV.

*****PURSUANT TO TITLE II OF THE AMERICANS WITH DISABILITIES ACT (ADA), THE MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1 DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY REGARDING ADMISSION TO PUBLIC MEETINGS. PERSONS WITH A DISABILITY MAY REQUEST REASONABLE ACCOMMODATIONS BY CONTACTING THE MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1 ADA COORDINATOR, AT (520) 868-8300 OR 711 TDD. REQUESTS SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE ACCOMMODATION.*****

NO. 1	MERRILL RANCH COMMUNITY FACILITIES DISTRICT ACTION FORM	AGENDA ITEM 2a.
MEETING DATE: June 2, 2026 **DISTRICT:** One **STAFF PRESENTER:** Carl Dudding, District Treasurer **SUBJECT:** Public Hearing to Levy Secondary Property Tax Ordinance No. 123-26		☐ **Action** ☐ **Information Only** ☒ **Public Hearing** ☐ **Resolution** ☒ **Ordinance** ☐ **Bid Docs on File** ☐ **Other**

RECOMMENDED MOTION/ACTION:
Open Public Hearing to accept citizens' comments on Ordinance No. 123-26 adopting a secondary property tax levy in the amount of $3.30 per $100 Net Assessed Valuation for FY 2027: AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2027.

BACKGROUND/DISCUSSION:
The District Board has authorized a secondary property tax levy to fund the District's debt service, operations, and maintenance.

The debt service, maintenance, and operations estimates have been set forth. The rate for debt service (Debt Service Fund) for General Obligation Bonds is $3.00 per NAV, or an estimated $1,795,976.46. The rate for operations and maintenance (Administrative Fund) is $0.30 per NAV, or an estimated $ 179,597.65. The total levy is $1,975,574.11 at a rate of $3.30 per $100 NAV.

We will use some fund balance to pay the remaining debt service and comply with state law regarding the amount of funds that may be retained year to year.

Adoption of the tax levy will be on June 16, 2026.

A VOTE OF NO WOULD MEAN:
The district would be unable to meet the GO debt service payment for FY 2027.

A VOTE OF YES WOULD MEAN:
The ability to fund debt service payments and administrative costs of the District.

FINANCIAL IMPACT:
The total levy is $1,975,574.11 at a rate of $3.30.

ATTACHMENTS:
Ordinance
Published Notice - Notice of Public Hearing
Official Budget Forms Schedule A-E

ORDINANCE NO. 123-26
Merrill Ranch Community Facilities District NO. 1

AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2027.

WHEREAS, by the provision of State Law, the Ordinance levying a secondary property tax rate for the **Fiscal Year 2027** is required to be adopted no later than the third Monday in August; and

WHEREAS, the County of Pinal is now the assessing and collecting authority for the Merrill Ranch Community Facilities District No. 1, the District Clerk is hereby directed to transmit a certified copy of the Ordinance to the Assessor and Board of Supervisors of Pinal County, Arizona;

NOW, THEREFORE, BE IT ORDAINED BY THE DISTRICT BOARD OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1 AS FOLLOWS:

Section 1: There is hereby levied on each one hundred dollars ($100.00) of the assessed value of all property, both real and personal, within the corporate limits of the Merrill Ranch Community Facilities District No. 1, except such property as may by law be exempt from taxation, a secondary property tax rate of **$3.00** on each one hundred dollars ($100.00) for the purpose of providing debt service and enhanced municipal services, and **$.30** on each one hundred dollars ($100.00) for operations and maintenance of the district, for a combined rate of **$3.30** on each one hundred dollars ($100.00) for the fiscal year ending on the 30th day of June 2027, but if the said sum exceeds the maximum levy allowed by law, the Board of Supervisors of Pinal County is hereby authorized to reduce the said sum to the maximum which is allowed by law.

Section 2: No failure by the officials of Pinal County, Arizona to properly return the delinquent list and no irregularity in the assessment or commission in the same, or irregularity of any kind in any proceeding will invalidate such proceeding or invalidate any title conveyed by tax deed; nor will any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within the time specified work an invalidation of any proceedings or of any such deed or sale or affect the validity of the assessment of a levy of taxes or of the judgment of sale by which the collection of the same may be enforced or in any

manner affect the lien of the Town upon such property for the delinquent unpaid taxes thereon, and no overcharge as to part of the taxes or of costs will invalidate any of the proceeding upon the lien therefore, or a sale of the property under such foreclosure; and all acts of officers de facto will be valid as if performed by officer de jure.

Section 3: All Ordinances and parts of Ordinances in conflict herewith are hereby repealed.

Section 4: The immediate operation of the Ordinance is necessary for the preservation of the public peace, health, and safety of the Merrill Ranch Community Facilities District No. 1, and an emergency is hereby declared to exist; and this Ordinance shall be in full force and effect from its passage and approval by the District Board and publication as required by the laws of the State of Arizona, and is hereby exempt from the referendum provisions of the constitution and laws of the State of Arizona.

PASSED AND ADOPTED BY THE DISTRICT BOARD of Merrill Ranch Community Facilities District No. 1, Florence, Arizona, the 16th day of June 2026.

_____
Keith Eaton,
District Board Chairperson

ATTEST:

_____
Lisa Garcia, District Clerk

APPROVED AS TO FORM:

_____
Robert Wingo, District Attorney

Official Budget Forms

Merrill Ranch Community Facilities District No 1

Fiscal Year 2027

Merrill Ranch Community Facilities District No 1
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2027

Fiscal year		Sch		Funds			
				General Fund	Debt Service Fund	Capital Projects Fund	Total all funds
2026	Adopted/adjusted budgeted expenditures/expenses*	E	1	252,056	1,833,616	6,986,759	9,072,431
2026	Actual expenditures/expenses**	E	2	253,651	1,865,416	3,328,068	5,447,135
2027	Beginning fund balance/(deficit) or net position/(deficit) at July 1***		3	121,419	2,473,274	1,742,526	4,337,219
2027	Primary property tax levy	B	4	0	0		0
2027	Secondary property tax levy	B	5	179,598	1,795,976		1,975,574
2027	Estimated revenues other than property taxes	C	6	16,806	654,805	5,588,000	6,259,611
2027	Other financing sources	D	7	0	0	0	0
2027	Other financing (uses)	D	8	0	0	0	0
2027	Interfund transfers in	D	9	0	0	0	0
2027	Interfund Transfers (out)	D	10	0	0	0	0
2027	Line 11: Reduction for fund balance reserved for future budget year expenditures		11				
	Maintained for future debt retirement						0
	Maintained for future capital projects						0
	Maintained for future financial stability						0
							0
							0
2027	Total financial resources available		12	317,823	4,924,055	7,330,526	12,572,404
2027	Budgeted expenditures/expenses	E	13	151,806	1,833,616	5,500,000	7,485,422

	Expenditure limitation comparison
1	Budgeted expenditures/expenses
2	Add/subtract: estimated net reconciling items
3	Budgeted expenditures/expenses adjusted for reconciling items
4	Less: estimated exclusions
5	Amount subject to the expenditure limitation
6	EEC expenditure limitation

☐ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted

* Includes expenditure/expense adjustments approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Merrill Ranch Community Facilities District No 1
Tax levy and tax rate information
Fiscal year 2027

	2026	2027
3. Property tax levy amounts		
A. Primary property taxes	$	$
Property tax judgment		
B. Secondary property taxes	1,426,768	1,975,574
Property tax judgment		
C. Total property tax levy amounts	$ 1,426,768	$ 1,975,574
4. Property taxes collected*		
A. Primary property taxes		
(1) **Current** year's levy	$	
(2) Prior years' levies		
(3) Total primary property taxes	$	
B. Secondary property taxes		
(1) **Current** year's levy	$	
(2) Prior years' levies		
(3) Total secondary property taxes	$	
C. Total property taxes collected	$	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate		
Property tax judgment		
(2) Secondary property tax rate	2.5500	3.3000
Property tax judgment		
(3) Total city/town tax rate	2.5500	3.3000

B. Special assessment district tax rates

Secondary property tax rates—As of the date the proposed budget was prepared, the city/town was operating 1 special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

Merrill Ranch Community Facilities District No 1
Revenues other than property taxes
Fiscal Year 2027

Source of revenues	ESTIMATED REVENUES 2026	ACTUAL REVENUES* 2026	ESTIMATED REVENUES 2027
GENERAL FUND			
Taxes			
Secondary Property Tax/Ad Valorem Levy	$ 167,855	$ 167,855	$
Interest on investments			
Interest	$ 5,650	$ 5,000	$ 5,000
Unrealized Gain or Loss on Investment	1,800	1,000	1,000
Miscellaneous			
Miscellaneous/Admin Fee	$ 10,806	$ 10,806	$ 10,806
Engineering Deposit			
Total General Fund	$ 186,111	$ 184,661	$ 16,806
DEBT SERVICE FUNDS			
Assessments			
Interest Earnings	$ 81,100	$ 71,000	$ 71,000
Unrealized Gain or Loss on Investment	13,500	13,500	13,500
Miscellaneous			
Special Assessment Collections	555,930	563,403	556,305
	$ 650,530	$ 647,903	$ 640,805
General Obligation Bonds			
Proceeds from Bonds	$	$	$
Secondary Property Tax/Ad Valorem Levy	1,258,913	1,258,913	
Interest Earnings	5,400	11,000	11,000
Unrealized Gain or Loss on Investment	3,000	3,000	3,000
Miscellaneous			
	$ 1,267,313	$ 1,272,913	$ 14,000
Total debt service funds	$ 1,917,843	$ 1,920,816	$ 654,805
CAPITAL PROJECTS FUNDS			
Interest Income	$ 5,000	$ 87,000	$ 87,000
Unrealized Gain or Loss on Investment	50	2,000	1,000
Special Assessment Bond Issuance	1,000,000		1,000,000
General Obligation Bond Issuance	4,500,000	4,101,428	4,500,000
	$ 5,505,050	$ 4,190,428	$ 5,588,000
Total capital projects funds	$ 5,505,050	$ 4,190,428	$ 5,588,000
Total all funds	$ 7,609,004	$ 6,295,905	$ 6,259,611

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

Merrill Ranch Community Facilities District No 1
Other financing sources/(uses) and interfund transfers
Fiscal year 2027

Fund	Other financing 2027 Sources	Other financing 2027 (Uses)	Interfund transfers 2027 In	Interfund transfers 2027 (Out)
General Fund				
From Debt Service Fund	$	$	$	$
From Capital Fund				
Total General Fund	$	$	$	$
Debt service funds				
To General Fund	$	$	$	$
Total debt service funds	$	$	$	$
Capital projects funds				
	$	$	$	$
Total capital projects funds	$	$	$	$
Total all funds	$	$	$	$

Merrill Ranch Community Facilities District No 1
Expenditures/expenses by fund
Fiscal year 2027

Fund/Department	Adopted budgeted expenditures/ expenses 2026	Expenditure/ expense adjustments approved 2026	Actual expenditures/ expenses* 2026	Budgeted expenditures/ expenses 2027
General Fund				
Admin	$ 252,056	$	$ 253,651	$ 151,806
Total General Fund	$ 252,056	$	$ 253,651	$ 151,806
Debt service funds				
General Obligation Bonds	$ 1,276,225	$	$ 1,276,225	$ 1,276,225
Assessment Bonds	557,391		589,191	557,391
Total debt service funds	$ 1,833,616	$	$ 1,865,416	$ 1,833,616
Capital projects funds				
Capital Projects	$ 6,986,759	$	$ 3,328,068	$ 5,500,000
Total capital projects funds	$ 6,986,759	$	$ 3,328,068	$ 5,500,000
Total all funds	$ 9,072,431	$	$ 5,447,135	$ 7,485,422

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

NO. 1	MERRILL RANCH COMMUNITY FACILITIES DISTRICT ACTION FORM	AGENDA ITEM 2b
MEETING DATE: June 2, 2026 **DISTRICT:** ONE **STAFF PRESENTER:** Carl Dudding, District Treasurer **SUBJECT**: Public Hearing & Adoption of Budget Resolution No. MRCFD1 154-26		☒ **Action** ☐ **Information Only** ☒ **Public Hearing** ☒ **Resolution** ☐ **Ordinance** ☐ **Bid Docs on File** ☐ **Other**

RECOMMENDED MOTION/ACTION:
Public hearing to receive citizens' comments on the proposed final budget for Merrill Ranch Community Facilities District No. 1; and possible adoption of Resolution No. MRCFD1 154-26: A RESOLUTION OF BOARD OF DIRECTORS OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, FLORENCE ARIZONA, ADOPTING THE BUDGET FOR FISCAL YEAR 2027.

BACKGROUND/DISCUSSION:
The budget has been presented to the District Board. The budget has been advertised in accordance with the requirements, and a public hearing has been held. No change has been made to the expenditure amounts.

A VOTE OF NO WOULD MEAN:
Violation of statutory requirements for the District.

A VOTE OF YES WOULD MEAN:
Compliance with statutory requirements for the District.

FINANCIAL IMPACT:
The fiscal year 2027 budget is estimated at $7,485,422 in expenditures for Capital Improvements, Debt Service, and Administrative costs.

ATTACHMENTS:
Resolution
Published Notice - Notice of Public Hearing
Budget Book with Official Budget Forms Schedule A-E

Merrill Ranch Community Facilities District NO. 1

RESOLUTION NO. 154-26

A RESOLUTION OF THE BOARD OF DIRECTORS OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, FLORENCE, ARIZONA, ADOPTING THE BUDGET FOR FISCAL YEAR 2027.

WHEREAS, in accordance with the provisions of Title 48, Section 716, Arizona Revised Statutes, the District Board of the Merrill Ranch Community Facilities District 1 (Town of Florence, Arizona) (the "District") received the proposed District budget prior to July 15, 2026; and

WHEREAS, in accordance with the provisions of Title 42, Sections 17102, 17103, 17104, and 17105, A.R.S., the District Board did, on June 16, 2026, make an estimate of the different amounts required to meet the public expenditures for the ensuing year, also an estimate of revenue from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of Merrill Ranch Community Facilities District No. 1, Town of Florence; and

WHEREAS, in accordance with said sections of said title, and following due public notice, the District Board met on June 2, 2026, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures of tax levies; and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the Merrill Ranch Community Facilities District No. 1 would meet on June 16, 2026, at the office of the District Board for the purpose of hearing taxpayers and making tax levies as set forth in said estimates; and

WHEREAS, it appears that the sum to be raised by taxation, as specified therein, does not in the aggregate amount exceed that amount as computed in Title 42 Section 17105 A.R.S.;

NOW, THEREFORE BE IT RESOLVED BY THE MERRILL RANCH COMMUNITY FACILITIES DISTRICT BOARD NO. 1 OF THE TOWN OF FLORENCE, ARIZONA, as follows:

Section 1. ADOPTION OF BUDGET. That the Said estimates of revenue and expenditures shown on the accompanying exhibit, marked as Exhibit "A-E", as now increased, reduced, or changed by the District Board, and the same are hereby adopted as the budget of the Merrill Ranch Community Facilities District No. 2, Town of Florence, Arizona, for the **Fiscal Year 2027**.

Section 2. NO INVALIDATION OF PROCEEDINGS. No failure by County officials to

properly return the delinquent list and no irregularity in the assessment or omission in the same, or irregularity of any kind in any proceedings shall invalidate such proceedings or invalidate any title conveyed by any tax deed, nor shall any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within time specified work an invalidation of any proceedings or of any such deed or sale or affect the validity of the assessment and levy of taxes or of the judgment or sale by which the collection of the same may be enforced or in any manner affect the lien of the District upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any 2 proceedings for collecting of taxes or the foreclosure, and all acts of officers de facto shall be valid as if performed by officers de jure.

Section 3. CONFLICTING RESOLUTIONS REPEALED. All resolutions and parts of resolutions in conflict are hereby repealed.

PASSED AND ADOPTED on the 16th day of June 2026.

_____
Keith Eaton,
District Board Chairperson

ATTEST:

_____
Lisa Garcia, District Clerk

APPROVED AS TO FORM:

_____
Robert Wingo, District Attorney

Official Budget Forms

Merrill Ranch Community Facilities District No 1

Fiscal Year 2027

Merrill Ranch Community Facilities District No 1
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2027

Fiscal year		Sch		Funds			
				General Fund	Debt Service Fund	Capital Projects Fund	Total all funds
2026	Adopted/adjusted budgeted expenditures/expenses*	E	1	252,056	1,833,616	6,986,759	9,072,431
2026	Actual expenditures/expenses**	E	2	253,651	1,865,416	3,328,068	5,447,135
2027	Beginning fund balance/(deficit) or net position/(deficit) at July 1***		3	121,419	2,473,274	1,742,526	4,337,219
2027	Primary property tax levy	B	4	0	0		0
2027	Secondary property tax levy	B	5	179,598	1,795,976		1,975,574
2027	Estimated revenues other than property taxes	C	6	16,806	654,805	5,588,000	6,259,611
2027	Other financing sources	D	7	0	0	0	0
2027	Other financing (uses)	D	8	0	0	0	0
2027	Interfund transfers in	D	9	0	0	0	0
2027	Interfund Transfers (out)	D	10	0	0	0	0
2027	Line 11: Reduction for fund balance reserved for future budget year expenditures		11				
	Maintained for future debt retirement						0
	Maintained for future capital projects						0
	Maintained for future financial stability						0
							0
							0
2027	Total financial resources available		12	317,823	4,924,055	7,330,526	12,572,404
2027	Budgeted expenditures/expenses	E	13	151,806	1,833,616	5,500,000	7,485,422

	Expenditure limitation comparison
1	Budgeted expenditures/expenses
2	Add/subtract: estimated net reconciling items
3	Budgeted expenditures/expenses adjusted for reconciling items
4	Less: estimated exclusions
5	Amount subject to the expenditure limitation
6	EEC expenditure limitation

☐ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted

* Includes expenditure/expense adjustments approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Merrill Ranch Community Facilities District No 1
Tax levy and tax rate information
Fiscal year 2027

	2026	2027
3. Property tax levy amounts		
A. Primary property taxes	$	$
Property tax judgment		
B. Secondary property taxes	1,426,768	1,975,574
Property tax judgment		
C. Total property tax levy amounts	$ 1,426,768	$ 1,975,574
4. Property taxes collected*		
A. Primary property taxes		
(1) **Current** year's levy	$	
(2) Prior years' levies		
(3) Total primary property taxes	$	
B. Secondary property taxes		
(1) **Current** year's levy	$	
(2) Prior years' levies		
(3) Total secondary property taxes	$	
C. Total property taxes collected	$	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate		
Property tax judgment		
(2) Secondary property tax rate	2.5500	3.3000
Property tax judgment		
(3) Total city/town tax rate	2.5500	3.3000

B. Special assessment district tax rates

Secondary property tax rates—As of the date the proposed budget was prepared, the city/town was operating 1 special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

Merrill Ranch Community Facilities District No 1
Revenues other than property taxes
Fiscal Year 2027

Source of revenues	ESTIMATED REVENUES 2026	ACTUAL REVENUES* 2026	ESTIMATED REVENUES 2027
GENERAL FUND			
Taxes			
Secondary Property Tax/Ad Valorem Levy	$ 167,855	$ 167,855	$
Interest on investments			
Interest	$ 5,650	$ 5,000	$ 5,000
Unrealized Gain or Loss on Investment	1,800	1,000	1,000
Miscellaneous			
Miscellaneous/Admin Fee	$ 10,806	$ 10,806	$ 10,806
Engineering Deposit			
Total General Fund	$ 186,111	$ 184,661	$ 16,806
DEBT SERVICE FUNDS			
Assessments			
Interest Earnings	$ 81,100	$ 71,000	$ 71,000
Unrealized Gain or Loss on Investment	13,500	13,500	13,500
Miscellaneous			
Special Assessment Collections	555,930	563,403	556,305
	$ 650,530	$ 647,903	$ 640,805
General Obligation Bonds			
Proceeds from Bonds	$	$	$
Secondary Property Tax/Ad Valorem Levy	1,258,913	1,258,913	
Interest Earnings	5,400	11,000	11,000
Unrealized Gain or Loss on Investment	3,000	3,000	3,000
Miscellaneous			
	$ 1,267,313	$ 1,272,913	$ 14,000
Total debt service funds	$ 1,917,843	$ 1,920,816	$ 654,805
CAPITAL PROJECTS FUNDS			
Interest Income	$ 5,000	$ 87,000	$ 87,000
Unrealized Gain or Loss on Investment	50	2,000	1,000
Special Assessment Bond Issuance	1,000,000		1,000,000
General Obligation Bond Issuance	4,500,000	4,101,428	4,500,000
	$ 5,505,050	$ 4,190,428	$ 5,588,000
Total capital projects funds	$ 5,505,050	$ 4,190,428	$ 5,588,000
Total all funds	$ 7,609,004	$ 6,295,905	$ 6,259,611

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

Merrill Ranch Community Facilities District No 1
Other financing sources/(uses) and interfund transfers
Fiscal year 2027

Fund	Other financing 2027 Sources	Other financing 2027 (Uses)	Interfund transfers 2027 In	Interfund transfers 2027 (Out)
General Fund				
From Debt Service Fund	$	$	$	$
From Capital Fund				
Total General Fund	$	$	$	$
Debt service funds				
To General Fund	$	$	$	$
Total debt service funds	$	$	$	$
Capital projects funds				
	$	$	$	$
Total capital projects funds	$	$	$	$
Total all funds	$	$	$	$

Merrill Ranch Community Facilities District No 1
Expenditures/expenses by fund
Fiscal year 2027

Fund/Department	Adopted budgeted expenditures/ expenses 2026	Expenditure/ expense adjustments approved 2026	Actual expenditures/ expenses* 2026	Budgeted expenditures/ expenses 2027
General Fund				
Admin	$ 252,056	$	$ 253,651	$ 151,806
Total General Fund	$ 252,056	$	$ 253,651	$ 151,806
Debt service funds				
General Obligation Bonds	$ 1,276,225	$	$ 1,276,225	$ 1,276,225
Assessment Bonds	557,391		589,191	557,391
Total debt service funds	$ 1,833,616	$	$ 1,865,416	$ 1,833,616
Capital projects funds				
Capital Projects	$ 6,986,759	$	$ 3,328,068	$ 5,500,000
Total capital projects funds	$ 6,986,759	$	$ 3,328,068	$ 5,500,000
Total all funds	$ 9,072,431	$	$ 5,447,135	$ 7,485,422

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

NO. 1	MERRILL RANCH COMMUNITY FACILITIES DISTRICT ACTION FORM	AGENDA ITEM 3a
MEETING DATE: June 2, 2026 **DISTRICT**: ONE **STAFF PRESENTER:** Lisa Garcia, District Clerk **SUBJECT:** Merrill Ranch Community Facilities District No. 1 Meeting Minutes		☒ **Action** ☐ **Information Only** ☐ **Public Hearing** ☐ **Resolution** ☐ **Ordinance** ☐ **Bid Docs on File** ☐ **Other**

RECOMMENDED MOTION/ACTION:
I move to [approve/deny] the February 3, 2026, Merrill Ranch Community Facilities District No. 1 (MRCFD#1) meeting minutes.

BACKGROUND/DISCUSSION:
MRCFD#1 is a judicial body and is required by The Open Meeting Law to approve and make its meeting minutes available to the public. Approved minutes are posted online at the Town of Florence website and are available for public viewing in the Clerk's Office.

A VOTE OF NO WOULD MEAN:
A vote of no would mean that the minutes are not approved.

A VOTE OF YES WOULD MEAN:
A vote of yes would mean the minutes are approved and published online and a physical copy available for the public to view in the Clerk's Office.

FINANCIAL IMPACT:
Not applicable

ATTACHMENTS:
February 3, 2026 MRDFD#1 Meeting Minutes

MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1
SPECIAL MEETING AGENDA

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the Merrill Ranch Community Facility District No. 1 Members and to the general public that a Special Meeting of the District Board will be held on Tuesday, February 3, 2026, at 6:00 p.m., or immediately following the Town of Florence Council Meeting, in the Florence Town Council Chambers, located at 775 N. Main Street, Florence, Arizona.

CALL TO ORDER

Chairman Eaton called the meeting order at 6:52 pm.

ROLL CALL: Keith Eaton, Cathy Adam, Arthur Neal, Nicole Buccellato, Jose Maldonado, Tony Bencina, Sherri Bedford

The District Clerk performed a silent roll call, establishing that a quorum was present and all members in attendance.

Discussion and possible action of the Merrill Ranch Community Facility District No. 1 Special Meeting minutes of November 18, 2025. (Lisa Garcia)

On motion of Boardmember Buccellato, seconded by Boardmember Bedford and carried (7-0) to approve the Merrill Ranch Community Facility District No. 1 Special Meeting minutes of November 18, 2025.

Discussion and possible action on the Annual Financial Statement for the Fiscal Year ending June 30, 2025. (Carl Dudding)

Ben Hur, Audit Partner at Fester & Chapman, stated that the Financial Statement Audit for MRCFD1 produced an unmodified opinion with no deficiencies, and noted that there were no difficulties when performing the audit and no disagreements with management.

On motion of Boardmember Maldonado, seconded by Vice-Chairman Adam and carried (7-0) to approve the Annual Financial Statement for the Fiscal Year ending June 30, 2025.

ADJOURNMENT

On motion of Boardmember Bencina, seconded by Boardmember Buccellato and carried (7-0) to adjourn from the Merrill Ranch Community Facility District No. 1 at 6:55pm.

_____

Keith Eaton, Chairman

ATTEST:

_____
Lisa Garcia, District Clerk

I certify that the following is a true and correct copy of the minutes of the Merrill Ranch Community Facilities District No. 1 meeting held on February 3, 2026, and that the meeting was duly called to order and that a quorum was present.

_____
Lisa Garcia, District Clerk