

RESOLUTION NO. MRCFD2 228-15

A RESOLUTION OF THE MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, PINAL COUNTY, ARIZONA, ADOPTING THE BUDGET FOR FISCAL YEAR 2015-2016.

BE IT RESOLVED by the District Board of the Merrill Ranch Community Facilities District No. 2, Pinal County, Arizona, as follows:

WHEREAS, in accordance with the provisions of A.R.S. Title 42, Sections 17102, 17103, 17104, and 17105, the District Board did, on July 13, 2015, 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. 2, Pinal County, Arizona; and

WHEREAS, in accordance with said sections of said title, and following due public notice, the District Board met on July 13, 2015, 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. 2 would meet on July 13, 2015, 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 A.R.S. Title 42 Section 17105.

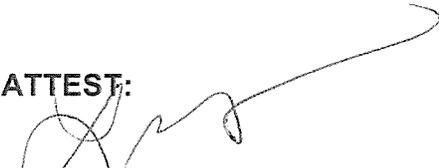
NOW, THEREFORE, BE IT RESOLVED by the Merrill Ranch Community Facilities District No. 2, Pinal County, Arizona, as follows:

Section 1. ADOPTION OF BUDGET

That the said estimates of revenue and expenditures shown on the accompanying exhibit, marked as Exhibit A, 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, Pinal County, Arizona, for the Fiscal Year 2015-2016.

PASSED AND ADOPTED on the 13th day of July 2015.

ATTEST:

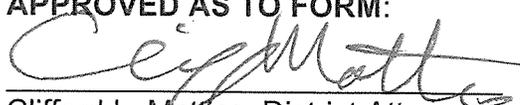


Lisa Garcia, District Clerk



Tom J. Rankin, District Chairman

APPROVED AS TO FORM:



Clifford L. Mattice, District Attorney

EXHIBIT A

OFFICIAL BUDGET FORMS

Merrill Ranch Community Facilities District No. 2

Fiscal Year 2016

Merrill Ranch Community Facilities District No. 2

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Merrill Ranch Community Facilities District No. 2
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2016

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2015	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	0	47,800	1,138,100	566,100	0	0	0	1,752,000
2015	Actual Expenditures/Expenses**	E	0	47,800	1,068,900	500	0	0	0	1,117,200
2016	Fund Balance/Net Position at July 1***			54,500	1,209,400	1,749,600				3,013,500
2016	Primary Property Tax Levy	B	0							0
2016	Secondary Property Tax Levy	B		47,700	517,100					564,800
2016	Estimated Revenues Other than Property Taxes	C	0	400	318,800	3,000	0	0	0	322,200
2016	Other Financing Sources	D	0	0	0	2,023,000	0	0	0	2,023,000
2016	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2016	Interfund Transfers In	D	0	0	0	0	0	0	0	0
2016	Interfund Transfers (Out)	D	0	0	0	0	0	0	0	0
2016	Reduction for Amounts Not Available:									
	LESS: Amounts for Future Debt Retirement:									0
										0
										0
										0
2016	Total Financial Resources Available		0	102,600	2,045,300	3,775,600	0	0	0	5,923,500
2016	Budgeted Expenditures/Expenses	E	0	30,600	1,162,400	3,775,600	0	0	0	4,968,600

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses	2015	2016
	\$ 1,752,000	\$ 4,968,600
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	1,752,000	4,968,600
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 1,752,000	\$ 4,968,600
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 Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Merrill Ranch Community Facilities District No. 2
Tax Levy and Tax Rate Information
Fiscal Year 2016

	2015	2016
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	520,900	564,800
C. Total property tax levy amounts	\$ 520,900	\$ 564,800
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	\$ 519,893	
(2) Prior years' levies	7,219	
(3) Total secondary property taxes	\$ 527,112	
C. Total property taxes collected	\$ 527,112	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	3.5500	3.5500
(3) Total city/town tax rate	3.5500	3.5500
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>2</u> 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. 2
Revenues Other Than Property Taxes
Fiscal Year 2016**

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
SPECIAL REVENUE FUND			
Investment Earnings	\$ 400	\$ 400	\$ 400
Operations and Maintenance Fund	\$ 400	\$ 400	\$ 400
Total Special Revenue Fund	\$ 400	\$ 400	\$ 400
DEBT SERVICE FUND			
Investment Earnings	\$ 5,500	\$ 4,000	\$ 4,000
Special Assessment Revenue	352,100	481,800	314,800
Total Debt Service Fund	\$ 357,600	\$ 485,800	\$ 318,800
CAPITAL PROJECTS FUND			
Investment Earnings	\$ 3,000	\$ 13,500	\$ 3,000
Total Capital Projects Fund	\$ 3,000	\$ 13,500	\$ 3,000
TOTAL ALL FUNDS	\$ 361,000	\$ 499,700	\$ 322,200

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

Merrill Ranch Community Facilities District No. 2
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016

FUND	OTHER FINANCING 2016		INTERFUND TRANSFERS 2016	
	SOURCES	<USES>	IN	<OUT>
CAPITAL PROJECTS FUND				
GO Bonds	\$ 1,225,000	\$ _____	\$ _____	\$ _____
Special Assessment Lien Bonds	798,000	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Capital Projects Fund	\$ 2,023,000	\$ _____	\$ _____	\$ _____
TOTAL ALL FUNDS	\$ 2,023,000	\$ _____	\$ _____	\$ _____

**Merrill Ranch Community Facilities District No. 2
Expenditures/Expenses by Fund
Fiscal Year 2016**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
SPECIAL REVENUE FUND				
Operations/Maintenance Fund	\$ 47,800	\$	\$ 47,800	\$ 30,600
Total Special Revenue Fund	\$ 47,800	\$	\$ 47,800	\$ 30,600
DEBT SERVICE FUND				
Debt Service Fund	\$ 1,138,100	\$	\$ 1,068,900	\$ 1,162,400
Total Debt Service Fund	\$ 1,138,100	\$	\$ 1,068,900	\$ 1,162,400
CAPITAL PROJECTS FUND				
Capital Improvement Fund	\$ 566,100	\$	\$ 500	\$ 3,775,600
Total Capital Projects Fund	\$ 566,100	\$	\$ 500	\$ 3,775,600
TOTAL ALL FUNDS	\$ 1,752,000	\$	\$ 1,117,200	\$ 4,968,600

* 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.

MRCFD#2 - Capital Improvement Fund	2013-14	2014-15	2014-15	2015-16
Summary	Actual	Budget	Projected	Budget
Revenue				
GO Bond Proceeds	\$ 1,874,167	\$ -	\$ -	\$ 1,225,000
Special Assessment Bond Proceeds	-	556,500	-	798,000
Investment Earnings	21,989	3,000	13,500	3,000
Transfers In	500,000	-	-	-
Total Revenue	2,396,156	559,500	13,500	2,026,000
Expenditures				
Purchased Services	158,822	70,000	500	260,000
Capital Outlay	-	496,100	-	3,515,600
Transfers Out	449,875	-	-	-
Total Expenditures	608,696	566,100	500	3,775,600
Beginning Fund Balance	\$ (50,959)	\$ 6,600	\$ 1,736,600	\$ 1,749,600
Revenue Over/Under Expenditures	1,787,460	(6,600)	13,000	(1,749,600)
Ending Fund Balance	\$ 1,736,501	\$ -	\$ 1,749,600	\$ -

MRCFD#2 - Capital Improvement Fund	2013-14	2014-15	2014-15	2015-16
Detail	Actual	Budget	Projected	Budget
Revenue				
Other Revenue/Sources				
Investment Earnings	8,897	3,000	13,500	3,000
Unrlzd Gain/Loss on Investments	13,092	-	-	-
GO Bond Issuance	-	-	-	1,225,000
SA Lien Bond Issuance	-	556,500	-	798,000
GO Bond Issuance	1,850,000	-	-	-
Bond Premium	24,167	-	-	-
Total Other Revenue/Sources	1,896,156	559,500	13,500	2,026,000
Transfers In				
Operating Transfers In	500,000	-	-	-
Total Transfers In	500,000	-	-	-
Total Revenue	2,396,156	559,500	13,500	2,026,000
Expenditures				
2013 GO Bond				
Professional Services	158,822	-	500	-
Improvements Other Than Bldgs	-	-	-	1,714,900
SA Bond - Area 5 Unit 22A				
Professional Services	-	30,000	-	30,000
Improvements Other Than Bldgs	-	232,500	-	232,500
SA Bond - Area 5 Unit 22B				
Professional Services	-	40,000	-	40,000
Improvements Other Than Bldgs	-	254,000	-	254,000
SA Bond - Area 6 Unit 36				
Professional Services	-	-	-	30,000
Improvements Other Than Bldgs	-	-	-	211,500
2015 GO Bond				
Professional Services	-	-	-	160,000
Improvements Other Than Bldgs	-	-	-	1,065,000
Other				
Improvements Other Than Bldgs	-	9,600	-	37,700
Operating Transfers Out	449,875	-	-	-
Total Expenditures	608,696	566,100	500	3,775,600

MRCFD#2 - Debt Service Fund	2013-14	2014-15	2014-15	2015-16
Summary	Actual	Budget	Projected	Budget
Revenue				
Property Tax	400,836	476,900	476,900	517,100
Assessments	481,023	352,100	481,800	314,800
Investment Earnings	11,230	5,500	4,000	4,000
Transfers In	-	-	-	-
Total Revenue	893,089	834,500	962,700	835,900
Expenditures				
Purchased Services/Other	35,977	33,800	33,800	141,600
Debt Service	592,596	1,104,300	1,035,100	1,020,800
Transfers Out	500,000	-	-	-
Total Expenditures	1,128,573	1,138,100	1,068,900	1,162,400
Beginning Fund Balance	\$ 1,550,992	\$ 1,213,200	\$ 1,315,600	\$ 1,209,400
Revenue Over/Under Expenditures	(235,484)	(303,600)	(106,200)	(326,500)
Ending Fund Balance	\$ 1,315,508	\$ 909,600	\$ 1,209,400	\$ 882,900

MRCFD#2 - Debt Service Fund	2013-14	2014-15	2014-15	2015-16
Detail	Actual	Budget	Projected	Budget
Revenue				
Taxes				
Ad Valorem Levy	400,836	476,900	476,900	517,100
Total Taxes	400,836	476,900	476,900	517,100
Other Revenue/Sources				
Area 1 Principal	139,159	75,000	128,000	64,000
Area 1 Late Fee	1,085	-	-	-
Area 1 Interest	92,081	93,900	93,900	72,400
Area 1 Admin Fee	21,146	19,300	19,300	18,300
Area 2-29 Principal	21,501	5,500	30,300	6,100
Area 2-29 Interest	26,100	24,600	24,600	23,500
Area 2-29 Admin Fee	2,957	2,700	2,700	2,400
Area 3-40 Principal	57,795	9,700	33,000	9,600
Area 3-40 Interest	43,180	43,300	43,300	40,400
Area 3-40 Admin Fee	4,883	4,500	4,500	4,100
Area 4-20 Principal	5,944	3,900	17,200	4,200
Area 4-20 Interest	13,066	14,900	14,900	13,900
Area 4-20 Admin Fee	1,585	1,900	1,900	1,700
Area 5-22A Principal	3,500	4,700	20,000	5,000
Area 5-22A Interest	19,639	17,700	17,700	17,200
Area 5-22A Admin Fee	2,550	2,500	2,500	2,400
Area 5-22B Principal	-	5,200	5,200	5,500
Area 5-22B Interest	21,995	19,900	19,900	19,300
Area 5-22B Admin Fee	2,856	2,900	2,900	2,500
Area 6-36 Admin Fee	-	-	-	2,300
Investment Earnings	6,578	5,500	4,000	4,000
Unrlzd Gain/Loss on Investments	4,378	-	-	-
Miscellaneous	274	-	-	-
Total Other Revenue/Sources	492,253	357,600	485,800	318,800
Total Revenue	893,089	834,500	962,700	835,900
Expenditures				
Professional Services	35,977	33,800	33,800	33,700
Principal - Area 1 SA Bonds	130,000	393,000	393,000	177,000
Interest - Area 1 SA Bonds	100,649	95,700	87,300	72,600
Principal - Area 2 SA Bonds	4,660	8,100	8,100	42,600
Interest - Area 2 SA Bonds	25,243	24,800	24,700	22,400
Principal - Area 3 SA Bonds	21,180	27,000	27,000	80,800
Interest - Area 3 SA Bonds	45,048	43,700	42,900	38,100
Principal - Area 4 SA Bonds	3,370	9,700	9,700	20,000
Interest - Area 4 SA Bonds	15,282	15,000	14,800	13,600

MRCFD#2 - Debt Service Fund	2013-14	2014-15	2014-15	2015-16
Detail	Actual	Budget	Projected	Budget
Developer Reimb - Area 5	-	-	-	107,900
Principal - Area 5 SA Bonds	-	-	-	9,900
Interest - Area 5 SA Bonds	-	60,500	-	37,300
Principal - 2010 GO Bonds	80,000	80,000	80,000	80,000
Interest - 2010 GO Bonds	166,414	164,200	164,200	161,700
Admin Fees - 2010 GO Bonds	750	-	800	800
Principal - 2013 GO Bonds	-	70,000	70,000	25,000
Interest - 2013 GO Bonds	-	112,600	112,600	104,200
Admin Fees - 2013 GO Bonds	-	-	-	800
Principal - Area 6 SA Bonds	-	-	-	5,000
Interest - Area 6 SA Bonds	-	-	-	16,000
Principal - 2015 GO Bonds	-	-	-	55,000
Interest - 2015 GO Bonds	-	-	-	58,000
Operating Transfers Out	500,000	-	-	-
Total Expenditures	1,128,573	1,138,100	1,068,900	1,162,400

MRCFD#2 - Operations and Maintenance

Fund Summary	2013-14 Actual	2014-15 Budget	2014-15 Projected	2015-16 Budget
Revenue				
Property Tax	37,000	44,000	44,000	47,700
Other Revenue/Sources	2,958	400	400	400
Total Revenue	39,958	44,400	44,400	48,100
Expenditures				
Salaries and Benefits	21,271	21,500	21,500	4,600
Purchased Services/Other	12,011	20,500	20,500	20,500
Supplies	15	5,500	5,500	5,500
Other	-	300	300	-
Total Expenditures	33,297	47,800	47,800	30,600
Beginning Fund Balance	\$ 51,235	\$ 34,900	\$ 57,900	\$ 54,500
Revenue Over/Under Expenditures	6,661	(3,400)	(3,400)	17,500
Ending Fund Balance	\$ 57,896	\$ 31,500	\$ 54,500	\$ 72,000

MRCFD#2 - Operations and Maintenance				
Fund	2013-14	2014-15	2014-15	2015-16
Detail	Actual	Budget	Projected	Budget
Revenue				
Taxes				
Ad Valorem Levy	37,000	44,000	44,000	47,700
Total Taxes	37,000	44,000	44,000	47,700
Other Revenue/Sources				
Administrative Fees	2,022	-	-	-
Investment Earnings	560	400	400	400
Unrlzd Gain/Loss on Investments	376	-	-	-
Total Other Revenue/Sources	2,958	400	400	400
Total Revenue	39,958	44,400	44,400	48,100
Expenditures				
Salaries and Wages	14,916	15,200	15,200	3,300
AZ Retirement Contributions	1,721	1,700	1,700	400
FICA - Employer's Portion	1,002	1,100	1,100	200
Worker's Compensation	43	-	-	-
Health, Accident & Life Insura	3,589	3,500	3,500	700
Legal Publication	760	500	500	500
Professional Services	11,251	20,000	20,000	20,000
Office Supplies	-	500	500	500
Other	15	5,000	5,000	5,000
Training and Development	-	300	300	-
Total Expenditures	33,297	47,800	47,800	30,600