

MARANA RESOLUTION NO. 2026-035

RELATING TO BUDGET; ADOPTING THE FISCAL YEAR 2026-2027 TENTATIVE BUDGET

WHEREAS in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the Town Council did, on April 28, 2026, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the Town of Marana; and


WHEREAS in accordance with said chapter of said title, and following due public notice, the Council is holding a public meeting on May 19, 2026, at which meeting any taxpayer is privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies; and

WHEREAS the sums to be raised by taxation as specified in the budget attached hereto as Exhibit A may not exceed, in the aggregate amount, the expenditure limitation to be set by the Council on June 16, 2026.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Marana, Arizona, that the budget setting forth the estimates of revenues and expenditures/expenses, attached hereto as Exhibit A and incorporated herein by this reference, as increased, decreased or changed by the Town Council, is hereby adopted as the tentative budget for the Town of Marana for fiscal year 2026-2027.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 19th day of May, 2026.

ATTEST:



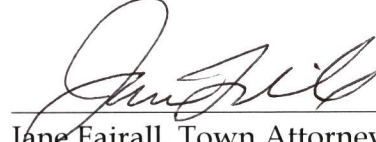
Jill McCleary, Town Clerk





Mayor Jon Post

APPROVED AS TO FORM:



Jane Fairall, Town Attorney

Official Budget Forms

Town of Marana

Fiscal year 2027

Town of Marana

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Town of Marana
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2027

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		
2026	Adopted/adjusted budgeted expenditures/expenses*	E	1	97,074,681	15,077,661	17,292,115	146,317,965	0	133,216,444	7,249,784	416,228,650
2026	Actual expenditures/expenses**	E	2	73,438,683	8,568,467	12,240,748	44,295,385	0	62,071,857	6,258,121	206,873,261
2027	Beginning fund balance/(deficit) or net position/(deficit) at July 1***		3	154,963,480	15,402,702	10,710,826	92,009,178	0	35,380,379	4,158,812	312,625,377
2027	Primary property tax levy	B	4	0							0
2027	Secondary property tax levy	B	5			3,299,185	428,610				3,727,795
2027	Estimated revenues other than property taxes	C	6	93,070,579	11,066,765	0	130,378,815	0	45,918,670	7,866,120	288,300,949
2027	Other financing sources	D	7	0	0	17,959,154	28,931,734	0	152,043,732	0	198,934,620
2027	Other financing (uses)	D	8	0	0	0	0	0	0	0	0
2027	Interfund transfers in	D	9	0	100,000	7,461,750	34,249,157	0	14,473,699	0	56,284,606
2027	Interfund Transfers (out)	D	10	37,817,106	0	0	5,694,332	0	12,773,168	0	56,284,606
2027	Line 11: Reduction for fund balance reserved for future budget year expenditures										
	Maintained for future debt retirement										0
	Maintained for future capital projects										0
	Maintained for future financial stability		11	23,267,645					3,907,113		27,174,757
	Maintained for future retirement contributions										0
											0
2027	Total financial resources available		12	186,949,308	26,569,467	39,430,915	280,303,162	0	231,136,200	12,024,932	776,413,984
2027	Budgeted expenditures/expenses	E	13	99,365,512	19,940,327	29,953,811	204,457,757	0	198,620,961	7,866,120	560,204,488

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

	2026	2027
1	\$ 416,228,650	\$ 560,204,488
2	(17,315,977)	(31,013,080)
3	398,912,673	529,191,408
4	217,762,427	358,580,512
5	\$ 181,150,246	\$ 170,610,896
6	\$ 330,933,057	\$ 362,348,294

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).

Town of Marana
Tax levy and tax rate information
Fiscal year 2027

	2026	2027
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	\$ _____	\$ _____
Property tax judgment	_____	_____
B. Secondary property taxes	3,423,082	3,727,795
Property tax judgment	_____	_____
C. Total property tax levy amounts	\$ 3,423,082	\$ 3,727,795
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	\$ 3,371,736	
(2) Prior years' levies	33,717	
(3) Total secondary property taxes	\$ 3,405,453	
C. Total property taxes collected	\$ 3,405,453	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
Property tax judgment	_____	_____
(2) Secondary property tax rate	2.7115	2.6092
Property tax judgment	_____	_____
(3) Total city/town tax rate	2.7115	2.6092
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>four</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.

**Town of Marana
Revenues other than property taxes
Fiscal Year 2027**

Source of revenues	Estimated revenues 2026	Actual revenues* 2026	Estimated revenues 2027
General Fund			
Local taxes			
Sales taxes	\$ 46,589,787	\$ 48,235,069	\$ 48,626,130
Licenses and permits			
Building and development fees	5,193,300	5,826,622	6,542,003
Business and license fees	155,000	149,903	160,000
Animal fees	76,700	62,480	76,700
Franchise fees	600,000	519,942	550,000
Host fees	320,000	463,863	425,000
Intergovernmental			
State Shared Sales Taxes	9,171,970	9,225,603	9,387,270
Urban Revenue Sharing	11,892,816	12,158,915	13,329,485
Auto Lieu	3,011,880	2,962,477	3,051,351
Charges for services			
Charges for services	1,395,461	2,250,029	2,715,318
Fines and forfeits			
Court fines and fees	389,500	388,360	389,500
Interest on investments			
Interest	7,300,000	8,053,574	6,641,697
Contributions			
Voluntary contributions	368,475	299,371	383,275
Miscellaneous			
Other miscellaneous	829,850	3,169,329	792,850
Total General Fund	\$ 87,294,739	\$ 93,765,537	\$ 93,070,579

* 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.

Special revenue funds

Community Development Block Grants	\$ 418,000	\$ 100,875	\$ 521,452
Affordable Housing Revolving	2,000	1,432	2,000
Other grants and contributions	3,266,355	3,204,733	3,458,093
RICO	30,000	36,101	30,000
	\$ 3,716,355	\$ 3,343,141	\$ 4,011,545
Impound	\$ 9,000	\$ 15,600	\$ 13,500
Bed Tax	1,850,000	1,829,300	1,890,000
Local JCEF	8,000	4,098	4,500
Fill the GAP	4,500	1,285	3,500
	\$ 1,871,500	\$ 1,850,283	\$ 1,911,500
Local Technology Enhancement	\$ 50,000	\$ 27,272	\$ 32,000
Highway User Revenue	5,197,296	4,936,305	5,111,720
	\$ 5,247,296	\$ 4,963,577	\$ 5,143,720
Total special revenue funds	\$ 10,835,151	\$ 10,157,001	\$ 11,066,765

* 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.

Town of Marana
Revenues other than property taxes
Fiscal Year 2027

Source of revenues	Estimated revenues 2026	Actual revenues* 2026	Estimated revenues 2027
Debt service funds			
Tangerine Farms Road Improvement District	\$ 1,023,263	\$ 909,004	\$ -
Gladden Farms CFD debt	-	-	-
Gladden Farms, Phase II CFD debt	26,192	-	-
Mandarina CFD debt	-	1,970,000	-
Saguaro Springs CFD debt	-	-	-
	<u>\$ 1,049,455</u>	<u>\$ 2,879,004</u>	<u>\$ -</u>
Total debt service funds	<u>\$ 1,049,455</u>	<u>\$ 2,879,004</u>	<u>\$ -</u>
Capital projects funds			
Transportation	\$ 15,746,522	\$ 9,107,537	\$ 13,321,110
Half Cent Sales Tax	7,976,682	8,505,223	8,593,330
Impact Fee funds	4,247,097	7,163,134	6,109,799
Other capital projects	55,462,581	4,526,134	12,527,676
	<u>\$ 83,432,882</u>	<u>\$ 29,302,028</u>	<u>\$ 40,551,915</u>
Downtown Reinvestment	\$ 301,500	\$ 333,554	\$ 350,000
Regional Transportation Authority	24,684,437	13,519,914	89,276,900
Pima Association of Governments	-	439,087	200,000
	<u>\$ 24,985,937</u>	<u>\$ 14,292,555</u>	<u>\$ 89,826,900</u>
Total capital projects funds	<u>\$ 108,418,819</u>	<u>\$ 43,594,583</u>	<u>\$ 130,378,815</u>
* 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.			
Enterprise funds			
Water Utility	\$ 19,888,002	\$ 22,027,208	\$ 25,079,529
Airport	4,148,380	380,916	11,443,210
Water Reclamation Utility	8,044,193	10,181,913	9,395,931
	<u>\$ 32,080,575</u>	<u>\$ 32,590,037</u>	<u>\$ 45,918,670</u>
Total enterprise funds	<u>\$ 32,080,575</u>	<u>\$ 32,590,037</u>	<u>\$ 45,918,670</u>
* 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.			
Internal service funds			
Health benefits	\$ 6,797,825	\$ 6,015,853	\$ 7,460,870
Dental benefits	401,640	269,564	405,250
	<u>\$ 7,199,465</u>	<u>\$ 6,285,417</u>	<u>\$ 7,866,120</u>
Total internal service funds	<u>\$ 7,199,465</u>	<u>\$ 6,285,417</u>	<u>\$ 7,866,120</u>
Total all funds	<u>\$ 246,878,204</u>	<u>\$ 189,271,579</u>	<u>\$ 288,300,949</u>

* 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.

Town of Marana
Other financing sources/(uses) and interfund transfers
Fiscal year 2027

<u>Fund</u>	<u>Other financing 2027</u>		<u>Interfund transfers 2027</u>	
	<u>Sources</u>	<u>(Uses)</u>	<u>In</u>	<u>(Out)</u>
General Fund				
Other grants and contributions	\$	\$	\$	\$ 100,000
Other capital projects				33,949,157
2014 debt service				
2017 debt service				551,668
2024 refunding debt service				1,215,750
Airport				1,014,157
Water utility				986,374
Water reclamation utility				
Total General Fund	\$	\$	\$	\$ 37,817,106
Special revenue funds				
Other grants and contributions	\$	\$	\$ 100,000	\$
Total special revenue funds	\$	\$	\$ 100,000	\$
Debt service funds				
2014 debt service	\$	\$	\$	\$
2017 debt service			2,652,250	
2024 debt service			3,593,750	
2024 refunding debt service			1,215,750	
Saguaro Springs CFD	11,500,000			
Gladden Farms II CFD	6,459,154			
Total debt service funds	\$ 17,959,154	\$	\$ 7,461,750	\$
Capital projects funds				
Transportation	\$	\$	\$ 300,000	\$ 867,286
Impact fees	28,931,734			1,233,296
Half cent sales tax				3,593,750
Other capital projects			33,949,157	
Total capital projects funds	\$ 28,931,734	\$	\$ 34,249,157	\$ 5,694,332
Enterprise funds				
Airport	\$	\$	\$ 1,014,157	\$
Water utility	97,580,728		6,327,655	6,900,809
Water reclamation utility	54,463,004		7,131,887	5,872,359
Total enterprise funds	\$ 152,043,732	\$	\$ 14,473,699	\$ 12,773,168
Internal service funds				
	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
Total all funds	\$ 198,934,620	\$	\$ 56,284,606	\$ 56,284,606

**Town of Marana
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				
Non-departmental	\$ 9,045,002	\$ (1,321,228)	\$ 7,915,958	\$ 6,579,309
Mayor and Council	517,274		475,042	685,736
Town manager	1,569,685		1,510,175	1,933,786
Town clerk	731,498		478,889	923,248
Human resources	2,200,830		1,909,743	2,375,337
Finance	2,618,079		2,135,669	2,762,075
Legal	1,726,023		1,466,798	1,950,454
Information Technology	8,270,039		6,754,597	7,655,922
Economic Development and Tourism	367,066		388,308	397,585
Development services	4,744,181		4,109,791	5,175,938
Police	22,785,640		21,328,729	23,608,937
Courts	1,608,754		1,341,678	1,691,323
Public works	10,176,366		7,465,786	10,970,067
Parks and recreation	11,913,888		11,043,963	13,851,119
Community development	1,402,433		1,232,158	1,644,722
Capital outlay	12,397,923	1,337,456	3,881,399	12,159,954
Contingency	5,000,000	(16,228)	-	5,000,000
Total General Fund	\$ 97,074,681	\$	\$ 73,438,683	\$ 99,365,512
Special revenue funds				
Highway user revenue	\$ 7,492,283	\$	\$ 2,961,866	\$ 9,723,012
Revolving affordable housing	105,000		-	130,000
Local JCEF	131,805		261	131,805
Fill the GAP	34,500		-	34,500
Local technology	82,500		23,484	83,500
Community Development Block Grants	418,000		100,875	521,452
Bed tax	2,809,164		2,199,796	5,290,000
Other grants and contributions	3,816,909		3,204,733	3,865,058
RICO	148,500		60,307	118,500
Impound fees	39,000		17,145	42,500
Total special revenue funds	\$ 15,077,661	\$	\$ 8,568,467	\$ 19,940,327
Debt service funds				
Series 2014 debt	\$ 653,198	\$	\$ 653,198	\$ -
Series 2017 debt	2,589,450		2,589,450	2,589,250
Series 2024	3,555,125		3,555,125	3,556,750
Series 2024 refunding debt	1,187,125		1,187,125	1,186,875
Tangerine farms ID debt	1,023,263		957,641	-
Gladden farms CFD debt	873,407		872,657	871,206
Galden farms, Phase II CFD debt	935,147		934,002	7,477,270
Mandarina CFD debt	954,625		1,022,000	1,172,284
Saguaro springs CFD debt	5,520,775		469,550	13,100,176
Total debt service funds	\$ 17,292,115	\$	\$ 12,240,748	\$ 29,953,811

**Town of Marana
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
Capital projects funds				
Transportation	\$ 22,928,522	\$ 2,259,327	\$ 9,107,537	\$ 22,987,334
Impact fee funds	27,691,724	1,500,000	10,264,484	27,554,293
Other capital projects	66,669,032	(3,759,327)	10,669,787	56,959,768
Downtown reinvestment	1,125,000		-	3,725,000
Pima association of governments	340,000		340,000	200,000
Regional transportation authority	24,684,437		13,519,914	89,276,900
Half cent sale tax fund	500,000		380,663	1,000,000
Gladden farms CFD	1,378,500		3,500	1,509,945
Galden farms, Phase II CFD	282,750		3,250	346,067
Mandarina CFD	28,500		3,250	29,150
Saguaro springs CFD	689,500		3,000	840,150
Cascada CFD			-	29,150
Total capital projects funds	\$ 146,317,965	\$	\$ 44,295,385	\$ 204,457,757
Enterprise funds				
Water utility	\$ 78,695,934	\$	\$ 34,908,857	\$ 119,264,261
Airport	4,765,358		563,163	12,457,367
Water reclamation utility	49,755,152		26,599,837	66,899,333
Total enterprise funds	\$ 133,216,444	\$	\$ 62,071,857	\$ 198,620,961
Internal service funds				
Health benefits	\$ 6,848,144	\$	\$ 5,935,800	\$ 7,460,870
Dental benefits	401,640		322,321	405,250
Total internal service funds	\$ 7,249,784	\$	\$ 6,258,121	\$ 7,866,120
Total all funds	\$ 416,228,650	\$	\$ 206,873,261	\$ 560,204,488

* 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.

Town of Marana
Expenditures/expenses by department
Fiscal year 2027

<u>Department/Fund</u>	<u>Adopted budgeted expenditures/ expenses</u> <u>2026</u>	<u>Expenditure/ expense adjustments approved</u> <u>2026</u>	<u>Actual expenditures/ expenses*</u> <u>2026</u>	<u>Budgeted expenditures/ expenses</u> <u>2027</u>
Economic development and tourism				
General Fund	\$ 551,052	\$	\$ 388,308	\$ 513,277
Downtown Reinvestment Fund	1,125,000		-	3,725,000
Bed Tax Fund	1,841,200	(490,802)	728,012	4,280,612
Department total	\$ 3,517,252	\$ (490,802)	\$ 1,116,320	\$ 8,518,889
List department:				
Police:				
General Fund	\$ 23,136,060	\$	\$ 21,328,729	\$ 23,836,697
Grants and contributions	1,616,112	250,914	1,815,160	1,664,261
RICO	148,500		60,307	118,500
Impound fees	39,000		17,145	42,500
Department total	\$ 24,939,672	\$ 250,914	\$ 23,221,341	\$ 25,661,958
List department:				
Court:				
General Fund	\$ 1,808,754	\$	\$ 1,341,678	\$ 3,078,870
Local JCEF	131,805		261	131,805
Fill the GAP	34,500		-	34,500
Local Tech Enhancement	82,500		23,484	83,500
Department total	\$ 2,057,559	\$	\$ 1,365,423	\$ 3,328,675
List department:				
Public works:				
General Fund	\$ 15,085,303	\$	\$ 7,465,786	\$ 15,213,563
Grants and contributions	9,300		-	9,300
Highway User Revenue Fund	6,782,943		3,314,754	9,009,672
Department total	\$ 21,877,546	\$	\$ 10,780,540	\$ 24,232,535
List department:				
Parks and Recreation:				
General Fund	\$ 14,754,958	\$	\$ 11,043,963	\$ 16,253,591
Grants and contributions		104,623	79,184	-
Highway User Revenue Fund	597,077		462,934	713,340
Department total	\$ 15,352,035	\$ 104,623	\$ 11,586,081	\$ 16,966,931
List department:				
Community development:				
General Fund	\$ 1,402,433	\$	\$ 1,232,158	\$ 1,644,722
CDBG	418,000		111,905	521,452
Revolving Affordable Housing	105,000		-	130,000
Department total	\$ 1,925,433	\$	\$ 1,344,063	\$ 2,296,174

* 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.

Town of Marana
Full-time employees and personnel compensation
Fiscal year 2027

Fund	Full-time equivalent (FTE) 2027	Employee salaries and hourly costs 2027	Retirement costs 2027	Healthcare costs 2027	Other benefit costs 2027	Total estimated personnel compensation 2027
General Fund	450.00	\$ 38,465,904	\$ 4,549,516	\$ 7,111,858	\$ 4,210,823	\$ 54,338,101
Special revenue funds						
Bed Tax	2.00	\$ 178,384	\$ 21,175	\$ 34,475	\$ 14,579	\$ 248,613
Total special revenue funds	2.00	\$ 178,384	\$ 21,175	\$ 34,475	\$ 14,579	\$ 248,613
Enterprise funds						
Water utility	40.00	\$ 2,872,385	\$ 335,501	\$ 652,991	\$ 295,469	\$ 4,156,346
Airport	5.00	308,892	35,639	60,796	43,155	448,482
Water reclamation utility	11.00	645,253	74,468	228,161	78,672	1,026,554
Total enterprise funds	56.00	\$ 3,826,530	\$ 445,608	\$ 941,948	\$ 417,296	\$ 5,631,382
Total all funds	508.00	\$ 42,470,818	\$ 5,016,299	\$ 8,088,281	\$ 4,642,698	\$ 60,218,096