MARANA RESOLUTION NO. 2025-045

RELATING TO BUDGET; ADOPTING THE FISCAL YEAR 2025-2026 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 22, 2025, 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 20, 2025, 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 17, 2025.

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 2025-2026.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 20th day of May, 2025.

Mayor Jon Post

ATTEST:

Jill McCleary, Town Clerk

APPROVED AS TO FORM:

Jane Fairall, Town Attorney

Official Budget Forms

Town of Marana

Fiscal year 2026

Town of Marana

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Fiscal year 2026

Town of Marana
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2026

Fiscal year		Sch		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total all funds
2025	Adopted/adjusted budgeted expenditures/expenses*	E	1	104,432,082	14,809,088	21,452,942	226,095,819	0	100,738,058	6,211,485	473,739,474
2025	Actual expenditures/expenses**	E	2	79,659,555	10,230,032	9,824,563	85,923,527	0	30,140,481	5,270,273	221,048,431
2026	Beginning fund balance/(deficit) or net position/(deficit) at July 1***		3	133,032,590	13,531,776	5,908,456	71,093,545	0	40,470,152	4,158,812	268,195,331
2026	Primary property tax levy	B	4	0							0
2026	Secondary property tax levy	B	5			3,044,357	378,725				3,423,082
2026	Estimated revenues other than property taxes	C	6	87,294,739	10,835,151	1,049,455	108,418,819	0	32,080,575	7,199,465	246,878,204
2026	Other financing sources	D	7	0	0	5,950,000	20,287,695	0	59,521,533	0	85,759,228
2026	Other financing (uses)	D	8	0	0	0	0	0	0	0	0
2026	Interfund transfers in	D	9	0	100,000	7,450,450	10,705,000	0	15,699,219	0	33,954,669
2026	Interfund Transfers (out)	D	10	13,870,304	0	0	5,688,498	0	14,395,867	0	33,954,669
2026	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			21,823,685					3,356,307		25,179,991
	Maintained for future retirement contributions										0
											0
2026	Total financial resources available		12	184,633,340	24,466,927	23,402,718	205,195,286	0	130,019,305	11,358,277	579,075,854
2026	Budgeted expenditures/expenses	E	13	97,074,681	15,077,661	17,292,115	146,317,965	0	133,216,444	7,249,784	416,228,650

	Expenditure limitation comparison	2025	2026
1	Budgeted expenditures/expenses	$ 473,739,474	$ 416,228,650
2	Add/subtract: estimated net reconciling items		(17,315,977)
3	Budgeted expenditures/expenses adjusted for reconciling items	473,739,474	398,912,673
4	Less: estimated exclusions		217,762,427
5	Amount subject to the expenditure limitation	$ 473,739,474	$ 181,150,246
6	EEC expenditure limitation	$	$ 330,933,057

☐ 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 2026

		2025		2026
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		2,954,077		3,423,082
Property tax judgment				
C. Total property tax levy amounts	$	2,954,077	$	3,423,082
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	$	2,909,766		
(2) Prior years' levies		29,098		
(3) Total secondary property taxes	$	2,938,864		
C. Total property taxes collected	$	2,938,864		
5. Property tax rates				
A. City/Town tax rate				
(1) Primary property tax rate				
Property tax judgment				
(2) Secondary property tax rate		2.8000		2.7115
Property tax judgment				
(3) Total city/town tax rate		2.8000		2.7115

B. Special assessment district tax rates

Secondary property tax rates—As of the date the proposed budget was prepared, the city/town was operating four 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 2026

Source of revenues		Estimated revenues 2025		Actual revenues* 2025		Estimated revenues 2026
General Fund						
Local taxes						
Sales taxes	$	43,684,077	$	46,697,951	$	46,589,787
Licenses and permits						
Building and development fees		5,885,300		6,253,579		5,193,300
Business and license fees		155,000		157,000		155,000
Animal fees		78,700		76,700		76,700
Franchise fees		600,000		600,000		600,000
Host fees		320,000		320,000		320,000
Intergovernmental						
State shared sales taxes		8,445,646		8,827,694		9,171,970
Urban revenue sharing		12,215,403		12,429,696		11,892,816
Auto lieu		2,655,425		2,952,822		3,011,880
Charges for services						
Charges for services		723,500		712,500		1,395,461
Fines and forfeits						
Court fines and fees		389,500		353,732		389,500
Interest on investments						
Interest		4,565,479		7,800,000		7,300,000
Contributions						
Voluntary contributions		172,325		219,825		368,475
Miscellaneous						
Other miscellaneous		797,900		797,846		829,850
Total General Fund	$	80,688,255	$	88,199,345	$	87,294,739

* 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.

Source of revenues		Estimated revenues 2025		Actual revenues* 2025		Estimated revenues 2026
Special revenue funds						
Community development block grants	$	348,691	$	138,451	$	418,000
Affordable housing revolving		2,000		24,313		2,000
Other grants and contributions		3,057,149		1,886,237		3,266,355
RICO		30,000		66,216		30,000
	$	3,437,840	$	2,115,217	$	3,716,355
Impound	$	16,000	$	6,750	$	9,000
Bed tax		1,600,000		1,741,424		1,850,000
Local JCEF		8,000		4,376		8,000
Fill the GAP		4,500		3,002		4,500
	$	1,628,500	$	1,755,552	$	1,871,500
Local technology enhancement	$	50,000	$	21,078	$	50,000
Highway user revenue		4,991,037		5,258,916		5,197,296
	$	5,041,037	$	5,279,994	$	5,247,296
Total special revenue funds	$	10,107,377	$	9,150,763	$	10,835,151

* 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 2026

Source of revenues		Estimated revenues 2025		Actual revenues* 2025		Estimated revenues 2026
Debt service funds						
Tangerine farms road improvement district	$	1,729,002	$	1,097,735	$	1,023,263
Gladden farms CFD debt						
Gladden farms, Phase II CFD debt		104,043				26,192
Mandarina CFD debt						
Saguaro springs CFD debt				994,240		
	$	1,833,045	$	2,091,975	$	1,049,455
Total debt service funds	$	1,833,045	$	2,091,975	$	1,049,455
Capital projects funds						
Transportation	$	10,282,526	$	17,830,568	$	15,746,522
Half cent sales tax		8,790,654		8,942,813		7,976,682
Impact fee funds		3,172,836		5,008,461		4,247,097
Other capital projects		72,048,197		6,405,517		55,462,581
	$	94,294,213	$	38,187,359	$	83,432,882
Downtown reinvestment	$	526,500	$	607,361	$	301,500
Regional transportation authority		24,791,135		151,800		24,684,437
Pima association of governments		9,107,000				
	$	34,424,635	$	759,161	$	24,985,937
Total capital projects funds	$	128,718,848	$	38,946,520	$	108,418,819

* 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.

Source of revenues		Estimated revenues 2025		Actual revenues* 2025		Estimated revenues 2026
Permanent funds						
	$		$		$	
	$		$		$	
Total permanent funds	$		$		$	
Enterprise funds						
Water utility	$	20,023,586	$	18,647,972	$	19,888,002
Airport		15,920,893		279,277		4,148,380
Water reclamation utility		8,369,728		7,129,553		8,044,193
	$	44,314,207	$	26,056,802	$	32,080,575
Total enterprise funds	$	44,314,207	$	26,056,802	$	32,080,575

* 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.

Source of revenues		Estimated revenues 2025		Actual revenues* 2025		Estimated revenues 2026
Internal service funds						
Health benefits	$	5,819,845	$	5,652,421	$	6,797,825
Dental benefits		391,640		357,593		401,640
	$	6,211,485	$	6,010,014	$	7,199,465
Total internal service funds	$	6,211,485	$	6,010,014	$	7,199,465
Total all funds	$	271,873,217	$	170,455,419	$	246,878,204

* 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 2026

Fund	Other financing 2026 Sources	Other financing 2026 (Uses)	Interfund transfers 2026 In	Interfund transfers 2026 (Out)
General Fund				
Other grants and contributions	$	$	$	$ 100,000
Other capital projects				10,405,000
2014 debt service				2,000
2017 debt service				550,202
2024 refunding debt service				1,209,750
Airport				616,978
Water utility				986,374
Water reclamation utility				
Total General Fund	$	$	$	$ 13,870,304
Special revenue funds				
Other grants and contibutions	$	$	$ 100,000	$
Total special revenue funds	$	$	$ 100,000	$
Debt service funds				
2014 debt service	$	$	$ 2,000	$
2017 debt service			2,645,200	
2024 debt service			3,593,500	
2024 refunding debt service			1,209,750	
Saguaro springs CFD	5,050,000			
Mandarina CFD	900,000			
Total debt service funds	$ 5,950,000	$	$ 7,450,450	$
Capital projects funds				
Transportation	$	$	$ 300,000	$ 864,980
Impact fees	20,287,695			1,230,018
Half cent sales tax				3,593,500
Other capital projects			10,405,000	
Total capital projects funds	$ 20,287,695	$	$ 10,705,000	$ 5,688,498
Permanent funds				
	$	$	$	$
Total permanent funds	$	$	$	$
Enterprise funds				
Airport	$	$	$ 616,978	$
Water utility	46,628,730		4,754,133	5,325,662
Water reclamation utility	12,892,803		10,328,108	9,070,205
Total enterprise funds	$ 59,521,533	$	$ 15,699,219	$ 14,395,867
Internal service funds				
	$	$	$	$
Total Internal Service Funds	$	$	$	$
Total all funds	$ 85,759,228	$	$ 33,954,669	$ 33,954,669

Town of Marana
Expenditures/expenses by fund
Fiscal year 2026

Fund/Department	Adopted budgeted expenditures/ expenses 2025	Expenditure/ expense adjustments approved 2025	Actual expenditures/ expenses* 2025	Budgeted expenditures/ expenses 2026
General Fund				
Non-departmental	$ 4,425,976	$ 450,000	$ 4,596,713	$ 9,045,002
Mayor and council	400,486	100,000	365,824	517,274
Town manager	1,678,187		1,506,707	1,569,685
Town clerk	606,742		579,916	731,498
Human resources	2,195,874		2,005,379	2,200,830
Finance	2,293,277		2,017,520	2,618,079
Legal	1,348,734		1,169,924	1,726,023
Technology services	7,898,069		6,017,723	8,270,039
Economic development and tourism	364,918		318,649	367,066
Development services	4,796,771		4,180,538	4,744,181
Police	35,249,318		32,445,089	22,785,640
Courts	1,389,174		1,266,872	1,608,754
Public works	16,123,659	(750,000)	7,606,110	10,176,366
Parks and recreation	9,386,206		8,381,135	11,913,888
Community development	1,414,734		1,296,206	1,402,433
Capital outlay	10,609,957	700,000	5,905,250	12,397,923
Contingency	5,000,000	(1,250,000)		5,000,000
Total General Fund	$ 105,182,082	$ (750,000)	$ 79,659,555	$ 97,074,681
Special revenue funds				
Highway user revenue	$ 8,116,176	$	$ 6,385,065	$ 7,492,283
Revolving affordable housing	105,000			105,000
Local JCEF	131,805			131,805
Fill the GAP	34,500			34,500
Local technology	82,500		24,569	82,500
Community development block grants	348,691		138,451	418,000
Bed tax	2,152,840		1,741,424	2,809,164
Other grants and contributions	3,690,676		1,886,237	3,816,909
RICO	116,900		46,090	148,500
Impound fees	30,000		8,196	39,000
Total special revenue funds	$ 14,809,088	$	$ 10,230,032	$ 15,077,661
Debt service funds				
Series 2013 debt	$	$	$	$
Series 2014 debt	655,416		655,416	653,198
Series 2017 debt	2,580,075		2,580,075	2,589,450
Series 2024	4,667,042			3,555,125
Series 2024 refunding debt	1,184,931			1,187,125
Tangerine farms ID debt	1,729,002		1,375,856	1,023,263
Gladden farms CFD debt	877,631		876,631	873,407
Galdden farms, Phase II CFD debt	4,436,544		3,865,510	935,147
Mandarina CFD debt				954,625
Saguaro springs CFD debt	5,322,301		471,075	5,520,775
Total debt service funds	$ 21,452,942	$	$ 9,824,563	$ 17,292,115

Town of Marana
Expenditures/expenses by fund
Fiscal year 2026

Fund/Department	Adopted budgeted expenditures/ expenses 2025	Expenditure/ expense adjustments approved 2025	Actual expenditures/ expenses* 2025	Budgeted expenditures/ expenses 2026
Capital projects funds				
Transportation	$ 33,018,301	$	$ 18,894,302	$ 22,928,522
Impact fee funds	35,049,199	1,395,641	14,266,923	27,691,724
Other capital projects	84,700,392	(1,395,641)	17,374,994	66,669,032
Downtown reinvestment	1,125,000		1,740	1,125,000
Pima association of governments	9,107,000			340,000
Regional tranportation authority	24,791,135		106,698	24,684,437
Half cent sale tax fund	36,289,042		35,275,126	500,000
Gladden farms CFD	1,253,500		1,494	1,378,500
Galdden farms, Phase II CFD	182,750		2,250	282,750
Mandarina CFD				28,500
Saguaro springs CFD	579,500			689,500
Total capital projects funds	$ 226,095,819	$	$ 85,923,527	$ 146,317,965
Permanent funds				
	$	$	$	$
Total permanent funds	$	$	$	$
Enterprise funds				
Water utility	$ 49,247,672	$ 750,000	$ 14,765,755	$ 78,695,934
Airport	17,104,659		609,483	4,765,358
Water reclamation utility	33,635,727		14,765,243	49,755,152
Total enterprise funds	$ 99,988,058	$ 750,000	$ 30,140,481	$ 133,216,444
Internal service funds				
Health benefits	$ 5,819,845	$	$ 4,937,835	$ 6,848,144
Dental benefits	391,640		332,438	401,640
Total internal service funds	$ 6,211,485	$	$ 5,270,273	$ 7,249,784
Total all funds	$ 473,739,474	$	$ 221,048,431	$ 416,228,650

* 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 2026

Department/Fund		Adopted budgeted expenditures/ expenses 2025		Expenditure/ expense adjustments approved 2025		Actual expenditures/ expenses* 2025		Budgeted expenditures/ expenses 2026
Economic development and tourism								
General fund	$	404,918	$		$	318,649	$	551,052
Downtown Reinvestment fund		1,125,000				1,740		1,125,000
Bed tax fund		1,330,349				837,782		1,841,200
Department total	$	2,860,267	$		$	1,158,171	$	3,517,252
List department:								
Police:								
General fund	$	35,868,017	$		$	32,445,089	$	23,136,060
Grants and contributions		1,499,179				1,346,242		1,616,112
RICO		116,900				46,090		148,500
Impound fees		30,000				8,196		39,000
Department total	$	37,514,096	$		$	33,845,617	$	24,939,672
List department:								
Court:								
General fund	$	1,589,979	$		$	1,266,872	$	1,808,754
Local JCEF		131,805						131,805
Fill the GAP		34,500						34,500
Local tech enhancement		82,500				24,569		82,500
Department total	$	1,838,784	$		$	1,291,441	$	2,057,559
List department:								
Public works:								
General fund	$	12,114,566	$		$	7,606,110	$	17,699,113
Grants and contributions								9,300
Highway user revenue fund		7,519,099				7,169,914		6,782,943
Department total	$	19,633,665	$		$	14,776,024	$	24,491,356
List department:								
Parks and recreation:								
General fund	$	11,639,307	$		$	8,381,135	$	11,639,307
Highway user revenue fund		597,077				436,196		597,077
Department total	$	12,236,384	$		$	8,817,331	$	12,236,384
List department:								
Community development:								
General fund	$	1,414,734	$		$	1,296,206	$	1,402,433
CDBG		348,691				138,451		418,000
Revolving affordable housing		105,000						105,000
Department total	$	1,868,425	$		$	1,434,657	$	1,925,433

* 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 2026

Fund	Full-time equivalent (FTE) 2026		Employee salaries and hourly costs 2026		Retirement costs 2026		Healthcare costs 2026		Other benefit costs 2026		Total estimated personnel compensation 2026
General Fund	442.60	$	35,578,161	$	5,775,556	$	6,470,267	$	3,557,416	$	51,381,400
Special revenue funds											
Bed tax	2.00	$	204,568	$	24,264	$	36,736	$	16,437	$	282,005
Total special revenue funds	2.00	$	204,568	$	24,264	$	36,736	$	16,437	$	282,005
Enterprise funds											
Water utility	38.00	$	2,774,773	$	321,454	$	557,459	$	248,651	$	3,902,337
Airport	5.00		279,669		32,143		71,035		38,547		421,394
Water reclamation utility	9.00		583,269		65,339		172,191		52,035		872,834
Total enterprise funds	52.00	$	3,637,711	$	418,936	$	800,685	$	339,233	$	5,196,565
Total all funds	496.60	$	39,420,440	$	6,218,756	$	7,307,688	$	3,913,086	$	56,859,970