

**Town of Carefree, Arizona
Utilities Community Facilities
District**

**Proposed
FY 26-27 Budget**

Budget Overview

The UCFD serves as the financial structure supporting the Carefree Water Company and is responsible for debt service and capital infrastructure, while the Water Company manages day-to-day operations. The District's financial activity reflects the overall utility, as it is reported as a single enterprise fund.

The FY 26-27 UCFD budget continues to focus primarily on funding debt service obligations and supporting capital infrastructure planning. Debt service includes the Series 2021 Revenue Bonds, WIFA financing, and the Town capital advance, all of which are ongoing commitments that must be funded annually.

Peaceful Place improvements have been completed, and the District is now transitioning out of a construction-heavy phase. The Silver Saddle project has been awarded federal funding but has not yet moved into active construction. As a result, this budget reflects limited capital activity while maintaining the ability to move forward with that project as timing becomes more defined.

Funding for the District continues to be primarily provided through transfers from the Carefree Water Company, along with grant funding associated with capital projects. The budget is structured to meet all current obligations while maintaining flexibility for future capital expenditures.

TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT

PROPOSED BUDGET FISCAL YEAR 2026/27

BEGINNING UCFD FUNDS AVAILABLE		\$1,714,350
<u>SOURCES</u>		
REVENUES (FROM CAREFREE WATER COMPANY)		
Debt Service and Rent	\$1,425,439	
Total CWC Revenues		\$1,425,439
OTHER REVENUE SOURCES		
Federal Community Grant – Remaining Funds	\$620,000	
Total Other Revenue Sources		\$620,000
TOTAL SOURCES		\$2,045,439
<u>EXPENDITURES</u>		
ADMINISTRATION		
Rent	\$33,000	
Total Administration		\$33,000
CAPITAL		
Remaining Grant Funds	\$620,000	
UCFD Matching Funds	\$155,000	
Contingency	\$500,000	
Total Capital		\$1,275,000
DEBT SERVICE		
Principal – Water System Revenue Bonds Series 2021	\$415,000	
Interest – Water System Revenue Bonds Series 2021	\$690,800	
Trustee Fees	\$875	
Capital Advance Payment	\$48,000	
Capital Lease Payment (WIFA)	\$244,764	
Total Debt Service		\$1,399,439
TOTAL EXPENDITURES		\$2,707,439
ENDING FUNDS AVAILABLE		\$1,052,350