1. Enter fire district name	Highlands Fire District
2. Select the county of the fire district	Coconino
3. Select the budget year	2026

We, the undersigned, hereby certify that the Fire District has not incurred any debt or liability in excess of taxes levied and to be collected and the monies actually available and unencumbered at this time in the district general fund, except for those liabilities as prescribed in A.R.S. §§48-805(B)(2) and (3), 48-806, and 48-807. Additionally, we hereby certify that the Fire District has complied with A.R.S. §48-805.02(F).

4. District chairperson: SIGNED District clerk: SIGNED Date: 6/17/2025

A. Calculation of the tax year 2025 secondary property tax rate for fiscal year 2026 operations:

Adjustment to secondary property tax levy for territory annexed during the tax year 2024 (A.R.S. §48-807[I])

A.1	Net assessed value of annexed property in tax year 2024			
A.2	Actual tax year 2024 secondary property tax rate	$ 3.2500	per $100 AV	
A.3	Annexed property tax limit adjustment in tax year 2025		$ -	Check box if newly merged or consolidated: ☐

Tax year 2025 secondary property tax information (A.R.S. §48-807[K])

A.4	Tax year 2025 Assessed Value (AV) in the Fire District	$ 131,161,870	
A.5	Actual tax year 2024 secondary property tax levy	$ 4,026,869	
A.6	Maximum allowed tax year 2024 secondary property tax levy	$ 10,405,408	

Calculation of the allowable tax year 2025 secondary property tax levy (A.R.S. §48-807[F])

A.7	Line A.6 multiplied by 1.08 (A.R.S. §48-807[F])	$ 11,237,841	
A.8	Maximum allowable tax year 2025 levy limit (A.7 + A.3)	$ 11,237,841	
A.9	Allowable tax year 2025 secondary tax rate	$ 8.5679	per $100 AV
A.10	Maximum allowable tax year 2025 secondary tax rate (lesser of A.9 or $3.75)	$ 3.7500	per $100 AV
A.11	Maximum allowable tax year 2025 secondary tax levy	$ 4,918,570	
A.12	Tax year 2024 excess levy or collections: (A.R.S. §48-807[J])		
A.13	Tax year 2025 maximum allowable levy limit (A.11 - A.12)	$ 4,918,570	

Calculation of the proposed tax year 2025 secondary property tax rate for fiscal year 2026 operations

A.14	Total budgeted expenses in fiscal year 2026 (Budget tab, line 51)	$ 14,508,344	
A.15	Less—Unrestricted unencumbered carryforward (Budget tab, line 1)	$ 3,452,567	
A.16	Less—Revenues from sources other than direct property tax	$ 6,241,642	
A.17	Less—Interest and principal expense for Bonds (Budget tab, lines 38 & 39)	$ 223,470	
A.18	Tax year 2025 tax levy needed for operations (A.14 - (A.15 + A.16 + A.17))	$ 4,590,665	
A.19	Tax year 2025 tax rate needed for operations:	$ 3.5000	per $100 AV
A.20	Tax year 2025 maximum allowable levy rate (A.13/(A.4/100)):	$ 3.7500	per $100 AV
A.22	Proposed tax year 2025 secondary property tax rate for fiscal year 2026 operations	$ 3.5000	per $100 AV

Calculation of the proposed 2025 secondary property tax rate for the repayment of bonds (A.R.S. §48-806)

A.23	Tax year 2025 secondary property tax levy needed for the repayment of bonds	$ 223,470	
A.24	Tax year 2025 secondary property tax rate needed for the repayment of bonds	$ 0.1704	per $100 AV

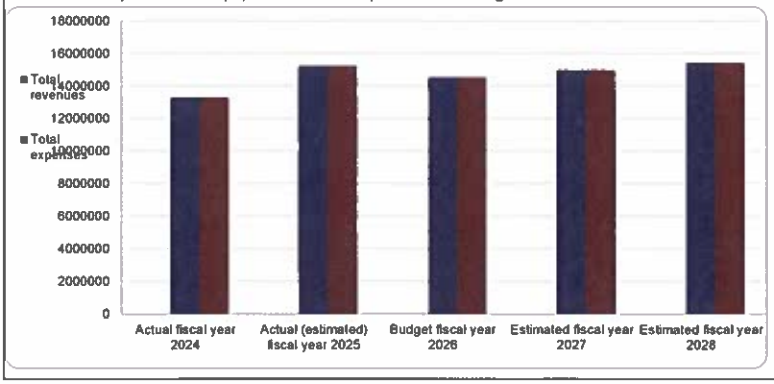
Summary for fiscal years 2024 through 2028:

Special study

No study of merger, consolidation, or joint operating alternative is required

If the district's total estimate of expenses exceeds its total estimate of revenues for any fiscal year, A.R.S. §48-805.02(D)(15) requires the district include a study of merger, consolidation, or joint operating alternative. The Fire District is not required to include a study as their estimated expenses are not greater than budgeted revenue for any fiscal year.

Revenue and expense chart will populate automatically based on the Budget tab



Year	Total revenues	Total expenses
Actual fiscal year 2024	$ 13,239,836	$ 13,239,836
Actual (estimated) fiscal year 2025	$ 15,174,521	$ 15,174,521
Budget fiscal year 2026	$ 14,508,344	$ 14,508,344
Estimated fiscal year 2027	$ 14,960,741	$ 14,960,741
Estimated fiscal year 2028	$ 15,412,464	$ 15,412,464

Budget

Fire district name: Highlands Fire District **County: Coconino**

		Actual fiscal year 2024	Actual (estimated) fiscal year 2025	Budget fiscal year 2026	Estimated fiscal year 2027	Estimated fiscal year 2028
	Financial resources available at July 1					
1	Beginning fund balance/(deficit)—unrestricted unencumbered	2,125,807.95	2,395,915.26	3,452,566.65	3,679,412.01	3,916,662.28
2	Beginning fund balance—restricted	3,704,638.13	5,172,475.53	4,671,650.36	4,671,650.36	4,671,650.36
	Revenues					
3	Secondary property tax revenue	3,819,691.83	4,026,889.00	4,590,665.45	4,762,815.40	4,941,420.98
4	Fire district assistance tax	360,752.40	360,000.00	360,000.00	360,000.00	360,000.00
5	Wildland	2,680,138.02	2,330,521.27	876,442.00	902,735.26	929,817.32
6	Operating revenues	-	-	-	-	-
7	Grants	109,210.67	128,180.51	24,979.00	-	-
8	Bonds	-	267,612.89	223,470.00	266,300.00	265,550.00
9	Interest	194,439.51	193,730.38	35,000.00	36,050.00	37,131.50
10	Donations	1,670.00	180.00	500.00	515.00	530.45
11	Miscellaneous	70,199.81	36,398.65	5,000.00	5,150.00	5,304.50
12	Other (specify) IGA Revenue	106,848.00	192,174.00	203,070.76	209,162.89	215,437.77
	Other (specify) Prop 207	66,439.87	70,443.20	65,000.00	66,950.00	68,958.50
	Other (specify)_____	-	-	-	-	-
	Other (specify)_____	-	-	-	-	-
	Other (specify)_____	-	-	-	-	-
13	Total financial resources available	$ 13,239,836	$ 15,174,521	$ 14,508,344	$ 14,960,741	$ 15,412,464
	Expenses					
14	Personnel:					
15	Estimated number of full-time employees (FTE) in 2026:			28		
16	Salaries & wages	3,264,262.15	3,206,334.82	3,139,836.80	3,265,430.28	3,396,047.49
17	Health insurance	6,139.32	6,424.50	332,096.72	345,380.59	359,195.81
18	Pension & other retirement benefits	347,486.96	365,285.96	384,448.39	399,826.33	415,819.38
19	Other (specify) Payroll Taxes	96,925.95	89,648.14	76,072.07	79,114.95	82,279.55
	Other (specify) Other Benefits	331,718.05	329,598.34	97,977.05	101,896.13	105,971.98
	Other (specify) Workers Comp	173,134.00	187,874.40	174,960.00	181,958.40	189,236.74
20	Total personnel expenses	4,219,666.43	4,185,166.15	4,205,391.04	4,373,606.68	4,548,550.94
	Operating:					
21	Fuel	52,019.31	41,413.21	68,000.00	70,040.00	72,141.20
22	Tools & minor equipment	3,932.06	17,797.87	89,309.00	91,988.27	94,747.92
23	Contracted services	-	-	-	-	-
24	Supplies	76,115.37	54,095.32	42,500.00	43,775.00	45,088.25
25	Vehicle repair	82,279.34	96,879.95	83,800.00	86,314.00	88,903.42
26	Training & prevention	129,271.96	137,881.31	186,769.00	192,372.07	198,143.23
27	Maintenance & repair—operating	53,984.31	61,227.18	84,130.00	86,653.90	89,253.52
28	Communications	30,031.89	10,519.56	116,350.00	119,840.50	123,435.72
29	Contingencies & emergencies	-	-	-	-	-
30	Other (specify)_____	-	-	-	-	-
	Other (specify)_____	-	-	-	-	-
	Other (specify)_____	-	-	-	-	-
31	Total operating expenses	427,634.24	419,814.39	670,858.00	690,983.74	711,713.25
	Capital:					
32	Land, building, & construction	153,077.81	398,394.44	-	-	-
33	Vehicles	2,452,549.40	85,716.55	-	-	-
34	Lease payments	-	-	-	-	-
35	Machinery & equipment	3,708.76	3,271.79	-	-	-
36	Maintenance & repair—capital	-	-	-	-	-
37	Reserve for future years—carryforward	1,294,962.46	3,437,758.68	3,679,412.01	3,916,662.28	4,159,406.34
38	Debt service—principal	-	55,000.00	223,470.00	115,000.00	120,000.00
39	Debt service—interest	-	212,612.89	-	151,300.00	145,550.00
40	Other (specify) COP Principal Payments	385,000.00	425,000.00	435,000.00	445,000.00	460,000.00
	Other (specify) COP Interest Payments	279,850.00	271,923.00	262,482.50	252,207.50	240,932.50
	Other (specify) Restricted Fund Balance	3,704,638.13	5,172,475.53	4,671,650.36	4,671,650.36	4,671,650.36
41	Total capital expenses	8,273,786.56	10,062,152.89	9,272,014.87	9,551,820.14	9,797,539.20
42	Administrative:					
43	Administrative equipment	1,413.71	4,842.92	-	-	-
44	Insurance	43,715.75	57,148.20	50,000.00	51,500.00	53,045.00
45	Utilities	77,154.52	61,576.79	52,300.00	53,869.00	55,485.07
46	Professional services	163,079.54	293,980.30	140,750.00	144,972.50	149,321.68
47	Subscriptions, dues, fees	2,410.59	3,268.67	71,451.32	73,594.86	75,802.71
48	General administrative expenses	21,564.42	27,713.14	19,800.00	20,394.00	21,005.82
49	Other (specify) Grant Expenses	9,410.43	58,857.25	25,779.00	-	-
	Other (specify) _____	-	-	-	-	-
	Other (specify) _____	-	-	-	-	-
50	Total administrative expenses	318,748.96	507,387.26	360,080.32	344,330.36	354,660.27
51	Total expenses	$ 13,239,836	$ 15,174,521	$ 14,508,344	$ 14,960,741	$ 15,412,464