CITY OF BUCKEYE
Joint Meeting of the Community Facilities Districts
BOARD ACTION REPORT

MEETING DATE: 11/18/25	**AGENDA ITEM:** 2.A. Resolution No. 04-25 Verrado District 1 CFD Release of Standby Contribution Agreement Relating to District General Obligation Refunding Bonds, Series 2017
DATE PREPARED: 11/17/25	**DISTRICT NO.:** Verrado District 1
STAFF LIAISON: Larry Price, Special Districts Manager, lprice@buckeyeaz.gov, (623) 349-6164	
DEPARTMENT: Financial Services	**AGENDA ITEM TYPE:** Consent Agenda Items / New Business

ACTION/MOTION: (This language identifies the formal motion to be made by the Council)
Board of Directors of Verrado District 1 Community Facilities District (CFD) to take action on Resolution No. 04-25 approving release of the Standby Contribution Agreement relating to the District's General Obligation Refunding Bonds, Series 2017.

RELEVANT GOALS:
GOAL 1: Fiscal Wellness and Financial Flexibility and Accountability

SUMMARY

PROJECT DESCRIPTION:
The Board has previously issued its District General Obligation Refunding Bonds, Series 2017 (the "Prior Bonds") and entered into a Standby Contribution Agreement (the "Standby Contribution Agreement") with DMB White Tank, LLC (the "Developer") and Zions Bank, a Division of ZB, National Association, as trustee, with respect to the Prior Bonds. The Board may release the Standby Contribution Agreement upon its satisfaction that the conditions have been fulfilled as set forth in (i) the Indenture of Trust and Security Agreement under which the Prior Bonds were issued and (ii) the Standby Contribution Agreement. District staff, in consultation with Hilltop Securities, Inc. (the "Municipal Advisor") has reviewed the calculations provided by the Developer in its letter to the Financial Advisor dated October 7, 2025, and has recommended the release of the Standby Contribution Agreement as of November 18, 2025. Please note that the calculation required to release the Standby Contribution Agreement as shown in Exhibit A to Resolution No. 04-25 includes the tax rate based on net assessed full cash value, whereas the net assessed limited property value is used for all other purposes, including the District's annual levy calculations.

BENEFITS:
The tax base of the taxable property within the District is projected to be sufficient to provide for the debt service on the Prior Bonds at a tax rate of $3.00 or less per $100 of net assessed limited property value. Releasing the Standby Agreement eliminates an additional administrative process for District staff.

FUTURE ACTION:
The District Clerk and the officers of the District shall take all action necessary or reasonably required to carry out, give effect to and consummate the actions contemplated by Resolution No. 04-25.

FINANCIAL IMPACT STATEMENT:
The District shall annually levy and cause an ad valorem tax to be collected, at the same time and in the same manner as other taxes are levied and collected on all taxable property in the boundaries of the

District, sufficient to pay debt service on the Prior Bonds. The tax base of the taxable property within the District is projected to be sufficient to provide for the debt service on the Prior Bonds at a tax rate of $3.00 or less per $100 of net assessed limited property value.

BUDGETED:
Yes

FISCAL YEAR:
2025-2026

FUND/DEPARTMENT:
8001

Items related to a project or facility location must include an attached vicinity map for Council Review.
ATTACHMENTS:
Resolution No. 04-25 (Verrado District 1) CFD Final.pdf