

# RANCHO SAHUARITA CFD MEETING AGENDA



Tuesday, May 27, 2025

6:00 PM

Sahuarita Town Hall

375 W. Sahuarita Center Way, Sahuarita, AZ 85629

In accordance with A.R.S. § 38-431.02, notice is hereby given to the public that the District Board of the Rancho Sahuarita Community Facilities District will hold a meeting on the date, time, and location specified above. Members of the District Board will attend either in person or virtually.

To better serve our community, the Sahuarita Council Chambers is wheelchair accessible. Individuals with disabilities may request reasonable accommodations, such as a sign language interpreter, by contacting the Town Clerk's Office at 520-822-8801. Requests should be made no later than three working days prior to the meeting to allow for proper arrangements.

All attendees are expected to observe rules of propriety, decorum, and good conduct. Unauthorized comments from the audience, signs, and disruptive behavior will not be tolerated in the Sahuarita Council Chambers. Violations may result in being banned from this and future meetings. Please remember to turn off or silence all electronic devices during the meeting.

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1. **Call to Order**

2. **Roll Call**

3. **Call to the Public**

The public is invited to address the District Board on any issue listed on the Consent Agenda or any topic that the Board can legally discuss at a future meeting. Each speaker will have a maximum of three minutes to speak. For groups of ten or more attendees, a designated spokesperson may be appointed, and that person will be allowed ten minutes to speak.

Written comments on agenda items may be submitted before the meeting for distribution. According to Arizona Open Meeting Laws, Board Members cannot discuss these items during the meeting, but they can respond to public criticism, request staff review, or suggest future agenda items.

4. **Consent Agenda**

4.a **Approval Minutes**

Approval of the February 24, 2025 Rancho Sahuarita Community Facilities District Meeting Minutes.

5. **Discussion and Possible Action**

5.a **RSCFD 2026 Tentative Budget Approval**

Discussion and possible adoption of Resolution No. 2025-0033 of the District Board of the Rancho Sahuarita Community Facilities District, a Community Facilities District of Arizona, approving a tentative budget for Fiscal Year 2026 in the amount of \$9,233,410 pursuant to Section 48-716, Arizona Revised Statutes, as amended; setting a public hearing date on said tentative budget; filing statements and estimates of the operation and maintenance expenses of the Rancho Sahuarita Community Facilities district, the costs of capital improvements to be financed by the approved ad valorem tax levy, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy and of the amount to be raised to pay general obligation bonds of the Rancho Sahuarita Community Facilities District, all of which shall be

provided for by the levy and collection of ad valorem taxes on the assessed value of all the real and personal property in the Rancho Sahuarita Community Facilities District; providing for notice of filing the statements and estimates and notice of a public hearing on the portions of the statements and estimates not relating to debt service on general obligation bonds; and providing that this resolution shall be effective after its passage and approval according to law

**6. Adjournment**

The District Board may take action on any item listed on this agenda or vote to enter an executive session under A.R.S. § 38-431.03 (A) (3) to discuss or consult with the District Counsel regarding any matters on the agenda.

Notice to Parents: The District Board meetings are recorded in audio and video. If you allow your child to participate in the Board Meeting, a recording will be made. You have the right to decline consent by not permitting your child to participate. You and your child may also leave the Board Meeting at any time.



## Rancho Sahuarita Community Facilities District Board Staff Report

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**DATE:** May 27, 2025

**TITLE:** Approval Minutes

**SUBJECT:** Approval of the February 24, 2025 Rancho Sahuarita Community Facilities District Meeting Minutes

**FROM:** Lisa Cole MMC, District Clerk

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**FINANCIAL / BUDGET SUMMARY:**

None.

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**EXECUTIVE SUMMARY:**

State law (A.R.S. §38-431.01) requires public bodies to provide and publish meeting minutes to document discussions and legal action taken by the District Board. The Board can make the corrections needed to the meeting minutes before approval.

**STAFF RECOMMENDATION:**

Staff recommends approval of minutes.

**SUGGESTED MOTION :**

I move to approve the minutes of February 24, 2025.

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**DISCUSSION:**

Draft minutes submitted for District Board approval.

**ATTACHMENTS:**

1. 02-24-25 RSCFD Meeting Minutes



# Rancho Sahuarita Community Facilities District Meeting Minutes

## RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT MEETING MINUTES FEBRUARY 24, 2025

The District Board of the Rancho Sahuarita Community Facilities District met in the Sahuarita Council Chambers, 375 West Sahuarita Center Way, Sahuarita, AZ on February 24, 2025.

### 1. Call to Order

The meeting was called to order at 6:10 PM by Chairperson Tom Murphy.

### 2. Roll Call

Attendee Name	Title	Status	Arrived
Tom Murphy	Chairperson	Present	
Kara Egbert	Vice Chairperson	Present	
Steven Gillespie	Board Member	Present	
Kimberly Lisk	Board Member	Present	
Edgar Lytle	Board Member	Present	
Deborah Morales	Board Member	Present	
Diane Priolo	Board Member	Present	

Also in attendance were District Manager Shane Dille, District Counsel Jon Paladini, and District Clerk Lisa Cole.

### 3. Call to the Public

There were no speakers.

### 4. Consent Agenda

**A. Approval of the June 24, 2024 Rancho Sahuarita Community Facilities District Meeting Minutes.**

**B. Adoption of Resolution No. 2025-0032, approving reductions of the face amounts of the letters of credit held pursuant to depository agreements with respect to bonds (Series 2020 and 2022) issued by the District.**

**MOTION** was made to approve the consent agenda recommendations.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Kara Egbert, Vice Chairman
<b>SECONDER:</b>	Steven Gillespie, Board Member
<b>AYES:</b>	Murphy, Gillespie, Lisk, Morales, Priolo
<b>ABSENT:</b>	Lytle

**6. Adjournment**

Chairperson Murphy adjourned the meeting at 6:11 PM.

\_\_\_\_\_  
Chairperson Tom Murphy

ATTEST:

\_\_\_\_\_  
Lisa Cole, MMC  
District Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Meeting of the District Board of the Rancho Sahuarita Community Facilities District held on the 24th day of February 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 27th day of May 2025.

\_\_\_\_\_  
Lisa Cole, MMC  
District Clerk



# Rancho Sahuarita CFD

## *Board Staff Report*

**DATE:** May 27, 2025

**TITLE:** RSCFD 2026 Tentative Budget Approval

**SUBJECT:** Discussion and possible adoption of Resolution No. 2025-0033 of the District Board of the Rancho Sahuarita Community Facilities District, a Community Facilities District of Arizona, approving a tentative budget for Fiscal Year 2026 in the amount of \$9,233,410 pursuant to Section 48-716, Arizona Revised Statutes, as amended; setting a public hearing date on said tentative budget; filing statements and estimates of the operation and maintenance expenses of the Rancho Sahuarita Community Facilities district, the costs of capital improvements to be financed by the approved ad valorem tax levy, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy and of the amount to be raised to pay general obligation bonds of the Rancho Sahuarita Community Facilities District, all of which shall be provided for by the levy and collection of ad valorem taxes on the assessed value of all the real and personal property in the Rancho Sahuarita Community Facilities District; providing for notice of filing the statements and estimates and notice of a public hearing on the portions of the statements and estimates not relating to debt service on general obligation bonds; and providing that this resolution shall be effective after its passage and approval according to law

**FROM:** A.C. Marriotti, District Treasurer

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### **FINANCIAL / BUDGET SUMMARY**

Establish Tentative Budget: \$9,233,410

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### **EXECUTIVE SUMMARY:**

This agenda item provides the District Board with an opportunity to approve the Tentative Budget for fiscal year 2026 and to establish June 23, 2025 as the date for final budget and tax levy adoption.

### **STAFF RECOMMENDATION:**

Staff recommends adoption of RSCFD Resolution No. 2025-033.

### **SUGGESTED MOTION :**

I move to adopt RSCFD Resolution No. 2025-033.

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## **DISCUSSION**

Staff will provide a presentation on the Tentative Budget at the meeting.

If the Resolution is approved, public notices for the established meeting where the Board will consider adopting the final budget and tax levy will be posted and published in accordance with State law.

## **REVENUES**

### **Property Taxes**

The District levies a property tax to (1) pay for debt service obligations and (2) pay for operations and maintenance (O&M) costs.

- 1) The debt service tax rate is determined by calculation based on the assessed valuation of property within the District. Pursuant to the Development Agreement, however, this rate is capped at \$4.69 per \$100 net taxable assessed valuation (NTAV). The District's debt service levy rate has been \$4.69/\$100 NTAV since bonds were issued in 2018.
- 2) The O&M tax rate is capped at \$0.30 per \$100 NTAV. The District's O&M levy rate has been \$0.30/\$100 NTAV since the District was formed.

The proposed combined property tax rate levy for fiscal year 2026 is \$4.99/\$100 NTAV. This is expected to generate net collections of \$1,502,110, including allowances for uncollectible amounts.

**Investment Income:** Unspent bond proceeds and property tax collections are held in trust, earning interest income, until spent on infrastructure acquisition or paying debt service obligations.

**Developer Contributions:** Pursuant to the Development Agreement, the Master Developer is required to make stand-by contribution payments to cover debt service obligations above what is collected in property taxes. Also, the Developer is required to cover O&M shortfalls, if any, up to \$30 thousand annually.

## **EXPENDITURES**

### **Current Expenditures**

This budget provides the capacity to pay for the following:

- 1) General administrative costs
- 2) District engineering costs
- 3) Street, right-of-way, and landscaping maintenance costs along public roads in the District

**Debt Service:** After the current year principal payments are made, the District will have \$25.97 million of outstanding general obligation bonds. Annual debt service obligations include bond principal, interest, and other costs such as bank trust fees. The principal is paid once a year on July 15. Interest is paid semi-annually.

**Capital Outlay:** During 2025, the District has the capacity to acquire infrastructure (roadways) from the Master Developer. Bond proceeds will be used to pay for the infrastructure.

## **FUND BALANCES**

There are no ending balances as the District has the budget capacity to consume all of its resources.

**ATTACHMENTS:**

1. RSCFD Resolution No. 2025-033
2. FY2026 RSCFD Tentative Budget Presentation

**RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT**  
**RESOLUTION NO. 2025-0033**

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A RESOLUTION OF THE DISTRICT BOARD OF THE RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A TENTATIVE BUDGET FOR FISCAL YEAR 2026 IN THE AMOUNT OF \$9,233,410 PURSUANT TO SECTION 48-716, ARIZONA REVISED STATUTES, AS AMENDED; SETTING A PUBLIC HEARING DATE ON SAID TENTATIVE BUDGET; FILING STATEMENTS AND ESTIMATES OF THE OPERATION AND MAINTENANCE EXPENSES OF THE RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT, THE COSTS OF CAPITAL IMPROVEMENTS TO BE FINANCED BY THE APPROVED AD VALOREM TAX LEVY, AND THE AMOUNT OF ALL OTHER EXPENDITURES FOR PUBLIC INFRASTRUCTURE AND ENHANCED MUNICIPAL SERVICES PROPOSED TO BE PAID FROM THE TAX LEVY AND OF THE AMOUNT TO BE RAISED TO PAY GENERAL OBLIGATION BONDS OF THE RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT, ALL OF WHICH SHALL BE PROVIDED FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES ON THE ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY IN THE RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT; PROVIDING FOR NOTICE OF FILING THE STATEMENTS AND ESTIMATES AND NOTICE OF A PUBLIC HEARING ON THE PORTIONS OF THE STATEMENTS AND ESTIMATES NOT RELATING TO DEBT SERVICE ON GENERAL OBLIGATION BONDS; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

BE IT RESOLVED BY THE DISTRICT BOARD OF RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT as follows:

WHEREAS, on March 24, 2014, the Rancho Sahuarita Community Facilities District (“RSCFD”), a community facilities district in accordance with Section 48-701 *et seq.*, Arizona Revised Statutes, as amended, was formed; and

WHEREAS, RSCFD is a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax-levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1., 3.2, 4 and 5, Arizona Revised Statutes, as amended, and [except as otherwise provided in Section 48-708(B), Arizona Revised Statutes, as amended] is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Town; and

WHEREAS, a primary purpose for creating RSCFD was to finance certain public improvements needed for the development known as “Rancho Sahuarita” through assessment of ad valorem taxes on all real and personal property within RSCFD; and

WHEREAS, in accordance with Sections 48-719 and 48-723, Arizona Revised Statutes, as amended, a special election was held on August 12, 2014, wherein the qualified electors of RSCFD voted to issue general obligation bonds in the maximum amount of \$60,000,000 to cover costs of public infrastructure purposes, and to levy and collect an annual ad valorem tax at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation for operation and maintenance expenses of RSCFD; and

WHEREAS, in accordance with Sections 48-716 and 48-723, Arizona Revised Statutes, as amended, the District Treasurer of RSCFD has submitted to the District Board of RSCFD a proposed budget for fiscal year 2026, which includes statements and estimates of the operation and maintenance expenses of RSCFD, the costs of capital improvements to be financed by the authorized ad valorem tax levy, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy and of the amount to be raised to pay general obligation bonds of RSCFD, all of which shall be provided for by the levy and collection of ad valorem taxes on the assessed value of all the real and personal property within RSCFD; and

WHEREAS, the District Board of RSCFD desires now to approve said tentative budget for fiscal year 2026, to publish notice of having filed the required statements and estimates, and to set a date (and publish a notice thereof) for a public hearing to receive comment on the tentative budget and, particularly, on the portions of the statements and estimates not relating to debt service on general obligation bonds; and

WHEREAS, after said public hearing (and on or before October 1), the District Board of RSCFD expects to adopt a final budget by resolution; and

WHEREAS, on or before the third Monday in August, the District Board of RSCFD also expects to order the fixing, levying and assessment of required ad valorem taxes and to cause certified copies of the order to be delivered to the Pima County Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT, AS FOLLOWS:

1. That certain proposed budget prepared by the District Treasurer of RSCFD for fiscal year 2026, attached hereto and expressly made a part hereof as Exhibit “A” is hereby tentatively approved.

2. The statements and estimates of the operation and maintenance expenses of RSCFD, the costs of capital improvements to be financed by the approved ad valorem tax levy, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy and of the amount to be raised to pay general obligation bonds of RSCFD in fiscal year 2026 are hereby filed in accordance with Arizona Revised Statutes

Section 48-723(C), as amended, and are attached hereto and expressly made a part hereof as Exhibit "A."

3. A public hearing date of June 23, 2025, beginning at or after 6:00 p.m. at the Sahuarita Town Hall Council Chamber, 375 W. Sahuarita Center Way, Sahuarita, Arizona, is hereby set to consider said tentative budget (including, but expressly not limited to, consideration of those portions of the statements and estimates not relating to debt service on general obligation bonds of RSCFD), and said notice (attached hereto and expressly made a part hereof as Exhibit "B") shall be published once in the Green Valley News no later than ten (10) days prior to said hearing date.

4. If any provision in this Resolution is held invalid by a court of competent jurisdiction, the remaining provisions shall not be affected but shall continue in full force and effect.

5. This Resolution shall be effective after its passage and approval according to law.

PASSED by the District Board of the Rancho Sahuarita Community Facilities District this 27th day of May, 2025.

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Tom Murphy  
Chairperson  
Rancho Sahuarita Community Facilities District

CERTIFICATION OF RECORDING OFFICER

State of Arizona        )  
County of Pima        ) ss.

I, the undersigned, Lisa Cole, being the duly appointed, qualified District Clerk of the Rancho Sahuarita Community Facilities District, Pima County, Arizona, certify that the foregoing Resolution is a true, correct, and accurate copy of Resolution No. 2025-0033, passed and adopted at a Voting Meeting of the Rancho Sahuarita Community Facilities District, Pima County, Arizona, held on the 27th day of May 2025, at which a quorum was present and by a \_\_\_\_\_ vote, \_\_\_\_\_ voted in favor of the said resolution.

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Lisa Cole  
District Clerk  
Rancho Sahuarita Community Facilities District

APPROVED AS TO FORM:

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Jon Paladini  
District Counsel  
Rancho Sahuarita Community Facilities District

**EXHIBIT "A"**

**FISCAL YEAR 2026**

**RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT BUDGET**  
**(RSCFD STATEMENTS AND ESTIMATES OF EXPENSES FOR FISCAL YEAR 2026)**

**RANCHO SAHUARITA**  
**COMMUNITY FACILITIES DISTRICT**  
 SOURCES AND USES OF FUNDS

	<b>2026 Budget Amount</b>
<b><u>SOURCES</u></b>	
<b>Revenues:</b>	
Taxes	\$ 1,502,110
Investment Earnings	136,610
Developer Contributions	310,810
<b>Total Revenues</b>	<b>1,949,530</b>
<b>Beginning Fund Balance:</b>	
Restricted for Capital Acquisition	7,283,880
Restricted for RSCFD	-
<b>Total Fund Balance</b>	<b>7,283,880</b>
<b>TOTAL SOURCES</b>	<b>\$ 9,233,410</b>
<b><u>USES</u></b>	
<b>Current Expenditures:</b>	
General Government	\$ 10,300
Streets	42,150
<b>Subtotal</b>	<b>52,450</b>
<b>Debt Service:</b>	
Principal	805,000
Interest	1,087,080
Other	5,000
<b>Subtotal</b>	<b>1,897,080</b>
<b>Capital Outlay:</b>	
Infrastructure Acquisition	7,283,880
<b>Subtotal</b>	<b>7,283,880</b>
<b>Total Expenditures</b>	<b>9,233,410</b>
<b>Ending Fund Balance:</b>	
Restricted for Capital Acquisition	-
Restricted for RSCFD	-
<b>Total Fund Balance</b>	<b>-</b>
<b>TOTAL USES</b>	<b>\$ 9,233,410</b>

**EXHIBIT “B”**

**FORM OF PUBLISHED NOTICE**

**RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT  
NOTICE OF FILING STATEMENTS AND ESTIMATES  
AND  
NOTICE OF PUBLIC HEARING**

NOTICE OF FILING STATEMENTS AND ESTIMATES OF THE OPERATION AND MAINTENANCE EXPENSES OF THE RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT, THE COSTS OF CAPITAL IMPROVEMENTS TO BE FINANCED BY THE AD VALOREM TAX LEVY, AND THE AMOUNT OF ALL OTHER EXPENDITURES FOR PUBLIC INFRASTRUCTURE AND ENHANCED MUNICIPAL SERVICES PROPOSED TO BE PAID FROM THE TAX LEVY AND OF THE AMOUNT TO BE RAISED TO PAY GENERAL OBLIGATION BONDS OF THE DISTRICT; AND NOTICE OF A PUBLIC HEARING ON THE PROPOSED FISCAL YEAR 2026 BUDGET OF THE DISTRICT IN THE AMOUNT OF \$9,233,410 INCLUDING A HEARING ON THOSE PORTIONS OF THE STATEMENTS AND ESTIMATES NOT RELATING TO DEBT SERVICE ON GENERAL OBLIGATION BONDS.

Notice is hereby given that statements and estimates have been filed in the Office of the District Clerk of the Rancho Sahuarita Community Facilities District of the operation and maintenance expenses of the District, the costs of capital improvements to be financed by the voter-approved ad valorem tax levy, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy and of the amount to be raised to pay general obligation bonds of the District, all of which shall be provided for by the levy and collection of ad valorem taxes on the assessed value of all the real and personal property in the District. Notice is further given of a public hearing on the proposed fiscal year 2026 budget of the District, including (but not limited to) a hearing on those portions of the statements and estimates not relating to debt service on general obligation bonds, all pursuant to Arizona Revised Statutes §§ 48-716 and 48-723. Such hearing will be held by the District Board on June 23, 2025, at or after 6:00 p.m. at the Sahuarita Town Hall Council Chambers, 375 W. Sahuarita Center Way, Sahuarita, Arizona. Copies of the budget are available from the Office of the District Clerk, 375 W. Sahuarita Center Way, Sahuarita, Arizona 85629, telephone number: (520) 822-8801; and on the Town of Sahuarita website: [www.sahuaritaaz.gov](http://www.sahuaritaaz.gov).

Dated this 27th day of May, 2025.

/s/ Shane D. Dille

\_\_\_\_\_  
District Manager

Rancho Sahuarita Community Facilities District

# Tentative Budget Adoption Fiscal Year 2026

**Board Meeting**

**May 27, 2025**



# The District

## Formed on March 24, 2014

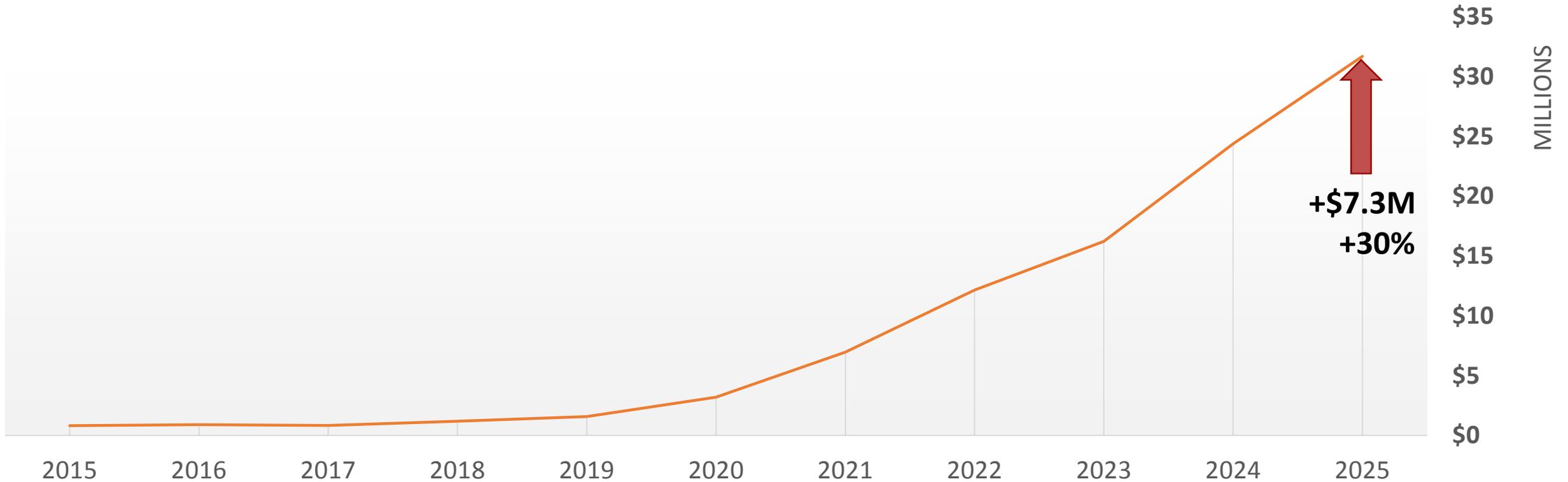
- 943 acres, all within Sahuarita town limits
  - Planned build-out
    - 3,267 Residential Units + 1.25M sq. ft. commercial

## County Assessor's Info

- 1,035 residences (32% built out)
  - 291 (39%) more than last year
  - 55 rental properties
  
- 13 commercial lots

# The District

## Net Taxable Assessed Values



# The District

## **Tax levying public improvement district**

- Finance acquisition and maintenance of public infrastructure and facilities

## **Bond election authorized \$60M bond capacity and debt service property tax**

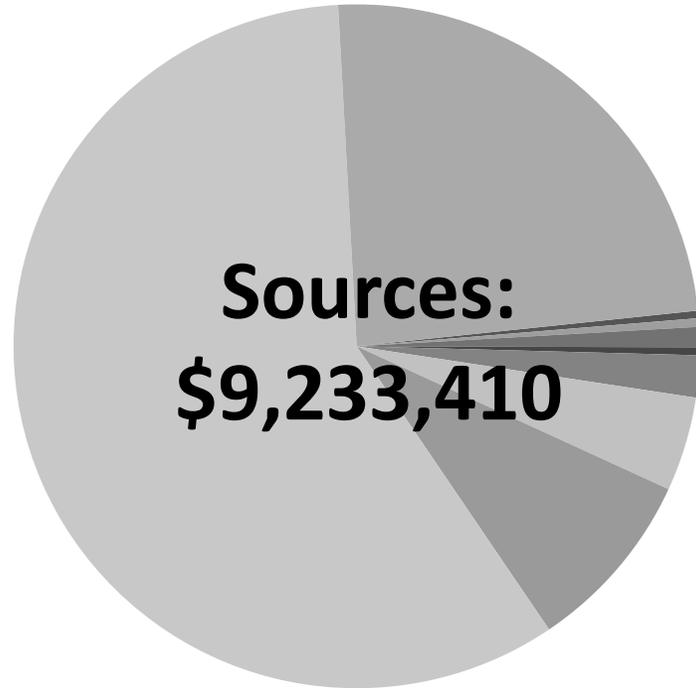
- \$25.97M outstanding debt
  - \$ 3.00M GO Bonds issued in 2020 (term 2045)
  - \$22.97M GO Bonds issued in 2022 (term 2047)

# The District

## Relationship to Town

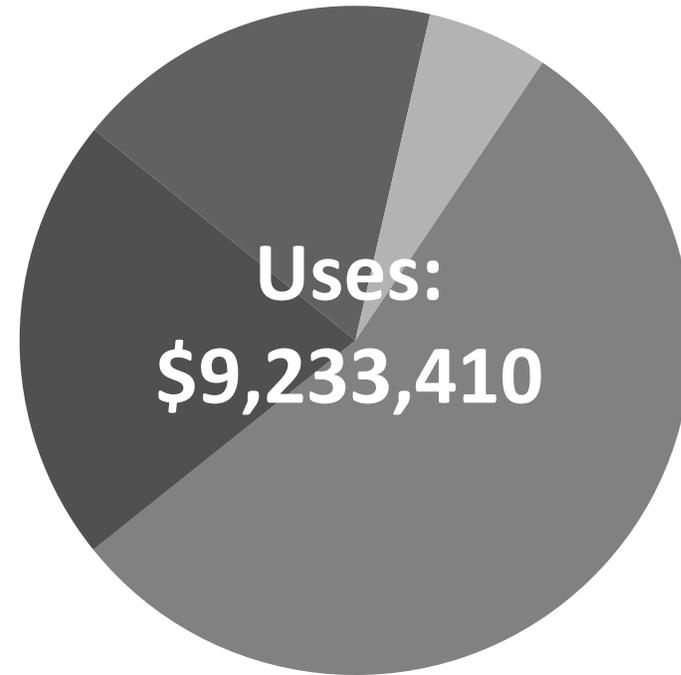
- Legally separate entity
  
- Part of the Town's financial reporting entity
  - Governmental Accounting Standards Board (GASB)
    - Blended component unit
      - Special Revenue Fund
  
  - Does not separately issue financial reports.

# FY2026 Budget: \$9,233,410



**Balanced**

**=**

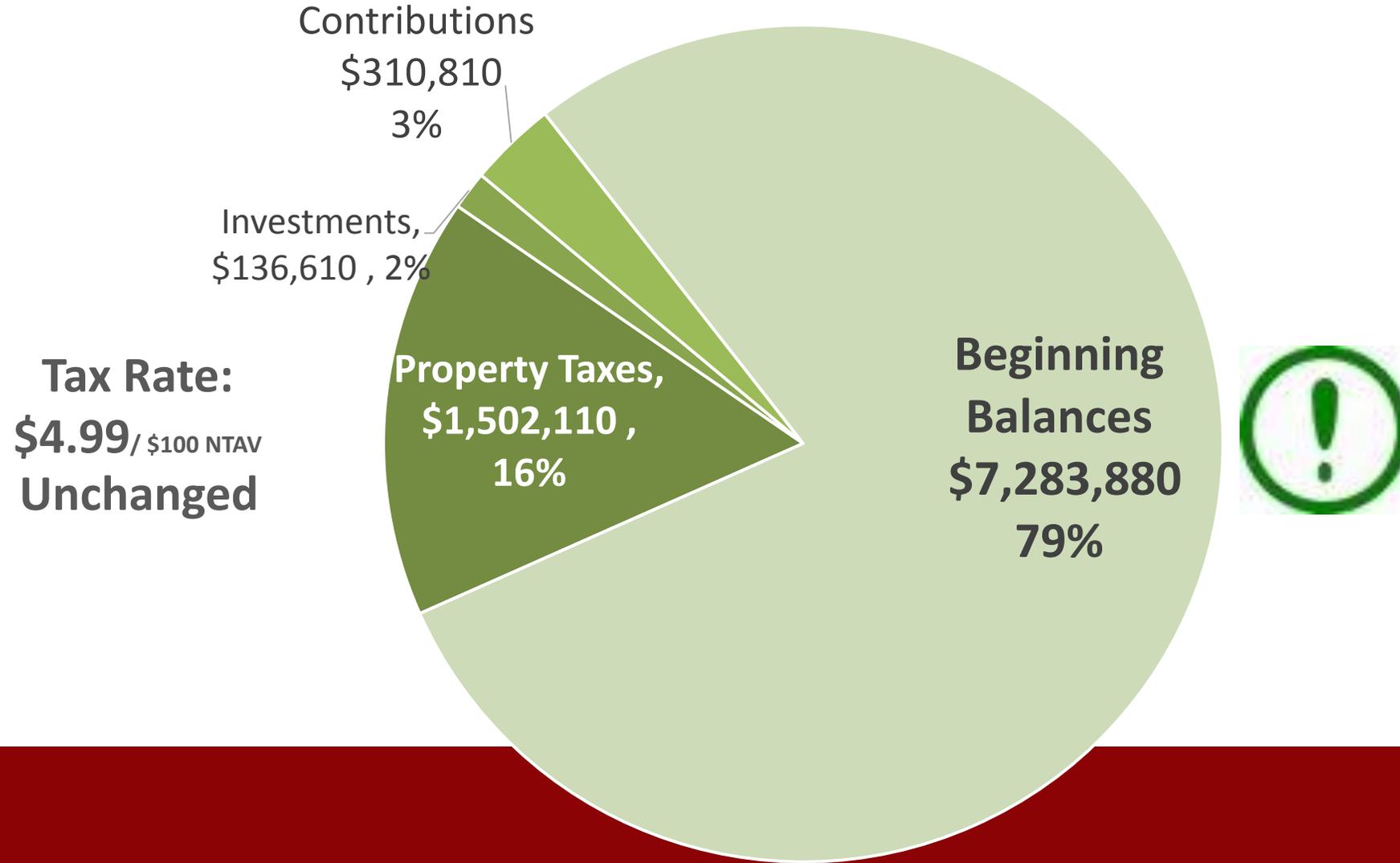


vs 2025 Budget

↓ 47%

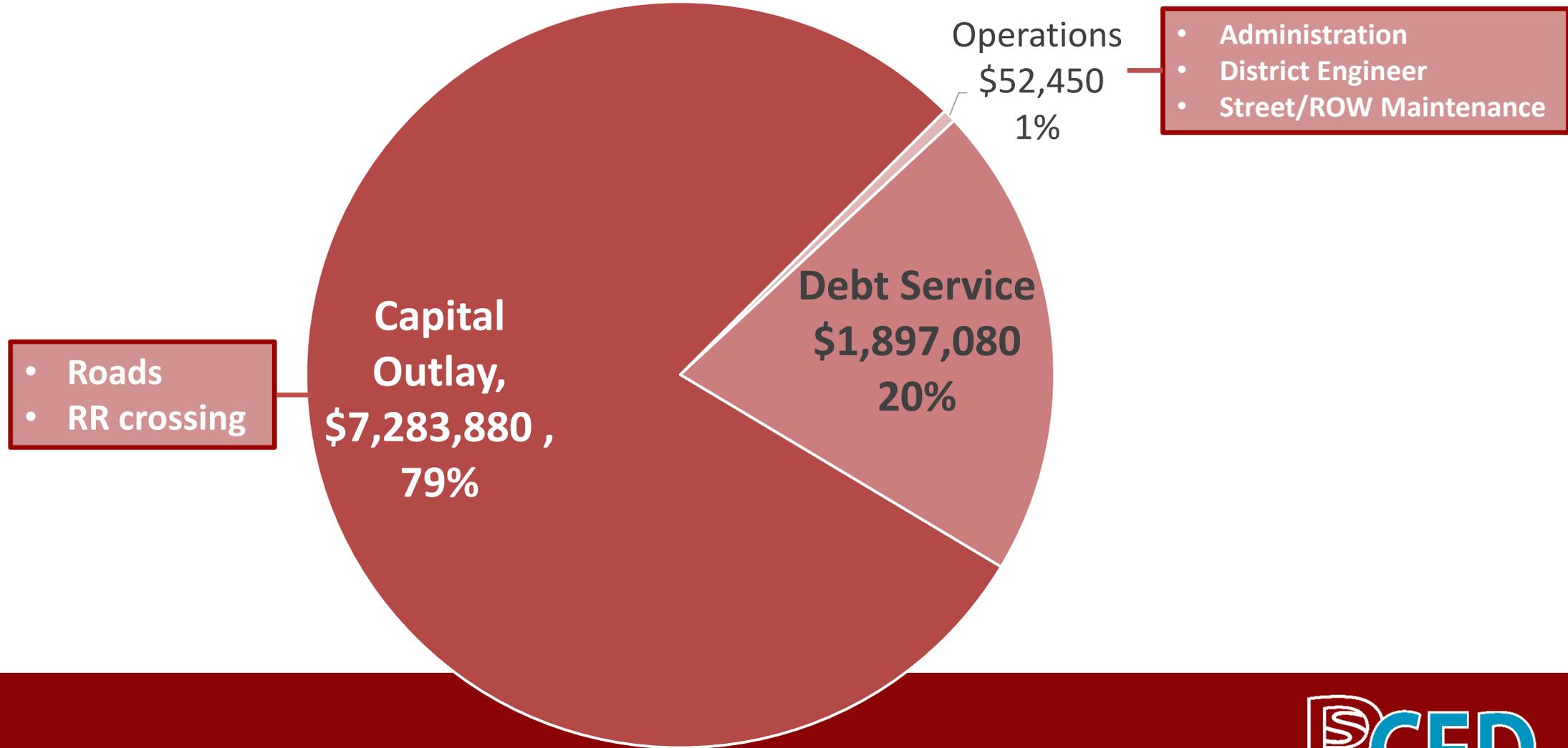
# District Revenues & Sources

## Total: \$9,233,410



# District Expenditures

Total: \$9,233,410



# Resolution

## **Approves FY2026 Tentative Budget**

## **Tentative Budget filed and made available**

- District Clerk and website

## **Establishes a public hearing and notice for final budget adoption**

- June 23, 2025