

# QUAIL CREEK CFD MEETING AGENDA



Monday, June 23, 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 Quail Creek 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 May 27, 2025 Quail Creek CFD Meeting Minutes

**5. Discussion and Possible Action**

**5.a Resolution No. 50 QCCFD FY2026 Final Budget Adoption**

Public hearing, discussion and possible adoption of Resolution No. 50 of the District Board of the Quail Creek Community Facilities District, a community facilities district of Arizona, approving a Final Budget for Fiscal Year 2026 in the amount of \$1,107,640 pursuant to Section 48-716, Arizona Revised Statutes, as amended; ordering that an ad valorem tax be fixed, levied and assessed on the assessed value of all the real and personal property within the boundaries of the District in amounts specified in the filed statements and estimates; providing for certified copies of this Resolution and order to be delivered to the Pima County Board of Supervisors and the Arizona Department of Revenue; 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. The District Board may vote to enter an executive session under A.R.S. § 38-431.03 (A) (3) for discussion or consultation 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.*



# Quail Creek CFD

## *Board Staff Report*

**DATE:** June 23, 2025

**TITLE:** Approval Minutes

**SUBJECT:** Approval of the May 27, 2025 Quail Creek CFD 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 May 27, 2025.

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**DISCUSSION:**

Draft Minutes submitted for District Board approval.

**ATTACHMENTS:**

1. 05-27-2025 QCCFD Meeting Minutes



# QUAIL CREEK CFD MEETING MINUTES

May 27, 2025  
6:00 PM  
Sahuarita Town Hall  
375 W. Sahuarita Center Way, Sahuarita, AZ 85629

Members Present: Chairperson Tom Murphy, Vice Chairperson Kara Egbert, Board Member Kimberly Lisk, Board Member Edgar Lytle, Board Member Steven Gillespie, Board Member Deborah Morales, Board Member Diane Priolo

Also in Attendance: District Counsel Jon Paladini, District Clerk Lisa Cole

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## 1. Call to Order

The meeting was called to order by Chairperson Tom Murphy at 6:18 PM.

## 2. Roll Call

The Board Clerk Lisa Cole confirmed that a quorum was present.

## 3. Call to the Public

There were no speakers.

## 4. Consent Agenda

**MOVER:** Vice Chairperson Kara Egbert

**SECONDER:** Board Member Steven Gillespie

AYES: (7): Chairperson Tom Murphy, Vice Chairperson Kara Egbert, Board Member Kimberly Lisk, Board Member Edgar Lytle, Board Member Steven Gillespie, Board Member Deborah Morales, and Board Member Diane Priolo
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**RESULT: APPROVED (7 to 0)**

### 4.a Approval of Minutes

## 5. Discussion and Possible Action

### 5.a QCCFD 2026 Tentative Budget Approval

District Treasurer A.C. Marriotti provided a summary of the district revenues and sources, expenditures, and uses for funding sources for the Fiscal Year 2026 Tentative Budget in the amount of \$1,107,640.

Additionally, Mr. Marriotti announced that a public hearing and final budget adoption were scheduled for the District Board meeting on June 23, 2025.

**MOTION** was made to adopt Resolution No. 49.

**MOVER:** Board Member Steven Gillespie

**SECONDER:** Board Member Diane Priolo

AYES: (7): Chairperson Tom Murphy, Vice Chairperson Kara Egbert, Board Member Kimberly Lisk, Board Member Edgar Lytle, Board Member Steven Gillespie, Board Member Deborah Morales, and Board Member Diane Priolo

**RESULT: APPROVED (7 to 0)**

**6. Adjournment**

Chairperson Murphy adjourned the meeting at 6:31 PM.

DRAFT



## Quail Creek Community Facilities District Board Staff Report

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**DATE:** June 23, 2025

**TITLE:** Resolution No. 50 QCCFD FY2026 Final Budget Adoption

**SUBJECT:** Public hearing, discussion and possible adoption of Resolution No. 50 of the District Board of the Quail Creek Community Facilities District, a community facilities district of Arizona, approving a Final Budget for Fiscal Year 2026 in the amount of \$1,107,640 pursuant to Section 48-716, Arizona Revised Statutes, as amended; ordering that an ad valorem tax be fixed, levied and assessed on the assessed value of all the real and personal property within the boundaries of the District in amounts specified in the filed statements and estimates; providing for certified copies of this Resolution and order to be delivered to the Pima County Board of Supervisors and the Arizona Department of Revenue; 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 2026 Budget: \$1,107,640

### **EXECUTIVE SUMMARY:**

This agenda item provides the District Board an opportunity to adopt the Budget for fiscal year 2026 and to establish the property tax levy for the year.

### **STAFF RECOMMENDATION:**

Staff recommends adoption of QCCFD Resolution No. 50

### **SUGGESTED MOTION :**

*I move to adopt QCCFD Resolution No. 50.*

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### **DISCUSSION:**

This resolution adopts the fiscal year 2026 budget for the Quail Creek Community Facilities District in the amount of \$1,107,640 and establishes a tax levy rate of \$2.2576 per \$100 of net taxable assessed valuation on property within the District.

A public hearing must be held before the Board may adopt the budget. Notice of this public hearing has been posted and published according to State statutes.

There have been no changes to the Tentative Budget, which was presented and approved at the May 27th Board meeting. Staff will provide the District Board and the public with a brief presentation of the final budget at the meeting.

## **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 \$3.00 per \$100 net taxable assessed valuation (NTAV).

The District's debt service levy rate is currently \$2.0976/\$100 NTAV. However, based on the County Assessor's final assessments for fiscal year 2025, the tax rate to cover debt service may be reduced to a rate of \$1.9576/\$100 NTAV. This rate will continue to decline as the District builds out and property values increase. Outstanding bonds will be paid off in 2030, at which point this levy will cease unless additional bonds are issued.

- 2) The O&M tax rate is capped at \$0.30/\$100 NTAV. The District has levied a rate of \$0.30/\$100 NTAV since the District was formed.

The proposed combined property tax rate levy for fiscal year 2026 is \$2.2576/\$100 NTAV. This is expected to generate net collections of \$1,089,060, including allowances for uncollectible amounts.

Investment Income: Property tax collections are held in trust, earning interest income, until debt service obligations are paid.

Developer Contributions: No developer contributions are budgeted. As property valuations are sufficient to cover debt service obligations, the Master Developer's stand-by contribution payment is no longer needed.

## **EXPENDITURES**

### Current Expenditures

This budget provides the capacity to pay for the following:

- 1) General administrative costs
- 2) Street, right-of-way, and landscaping maintenance costs along public roads in the District
- 3) A portion of the Quail Creek Veterans Municipal Park maintenance costs (remaining costs are paid for out of the Town of Sahuarita General Fund)

### Debt Service

These costs include bond principal and interest, and other costs such as bank trust fees. The principal is paid once a year. Interest is paid semi-annually.

In 2006, the District issued \$12.66 million in bonds to pay for roadways, portions of the Quail Creek Veterans Municipal Park, wash crossings, landscaping, and sewer lines. After the current year principal payment is made, \$4.33 million of outstanding principal will remain. The bonds will be paid off in 2030.

### **FUND BALANCES**

There are no ending fund balances budgeted for 2026. The District is expected to consume all its resources during the year.

### **ATTACHMENTS:**

1. QCCFD Resolution No. 50
2. FY2026 QCCFD Budget Adoption Presentation

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT**  
**RESOLUTION NO. 50**

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A RESOLUTION OF THE DISTRICT BOARD OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A FINAL BUDGET FOR FISCAL YEAR 2026 IN THE AMOUNT OF \$1,107,640 PURSUANT TO SECTION 48-716, ARIZONA REVISED STATUTES, AS AMENDED; ORDERING THAT AN AD VALOREM TAX BE FIXED, LEVIED AND ASSESSED ON THE ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT IN AMOUNTS SPECIFIED IN THE FILED STATEMENTS AND ESTIMATES; PROVIDING FOR CERTIFIED COPIES OF THIS RESOLUTION AND ORDER TO BE DELIVERED TO THE PIMA COUNTY BOARD OF SUPERVISORS AND THE ARIZONA DEPARTMENT OF REVENUE; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

WHEREAS, on September 12, 2005, the Mayor and Council of the Town of Sahuarita, Arizona (the "Town"), adopted Resolution No. 1 forming Quail Creek Community Facilities District ("QCCFD"), a community facilities district in accordance with Section 48-701 *et seq.*, Arizona Revised Statutes, as amended; and

WHEREAS, QCCFD 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 QCCFD was to finance certain public infrastructure needed for the development known as "Quail Creek" through assessment of ad valorem taxes on all real and personal property within QCCFD; and

WHEREAS, in accordance with Sections 48-719 and 48-723, Arizona Revised Statutes, as amended, a special election was held on November 8, 2005, wherein the qualified electors of QCCFD voted to issue general obligation bonds in the maximum amount of \$30,000,000 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 QCCFD; and

WHEREAS, by Resolution No. 49, adopted on May 27, 2025, the District Board of QCCFD (a) approved a tentative budget for fiscal year 2026, (b) filed required statements and estimates of operation and maintenance expenses of QCCFD, 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 QCCFD, (c) set a date of June 24, 2024, for a public hearing on the tentative budget and particularly, on the portions of the statements and estimates not relating to debt service on general obligation bonds, and (d) provided for notice of the filing and of the public hearing date; and

WHEREAS, at the conclusion of the public hearing, the District Board of QCCFD voted to adopt the final budget for fiscal year 2026 by this Resolution No. 50, and ordered the fixing, levying and assessment of the amounts to be raised by ad valorem taxes.

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

1. That certain proposed budget prepared by the QCCFD Treasurer for fiscal year 2026, attached hereto and expressly made a part hereof as Exhibit “A”, is hereby finally adopted.
2. It is hereby ORDERED that, in fiscal year 2026, an ad valorem tax be fixed, levied and assessed on the assessed value of all the real and personal property within the boundaries of QCCFD in the amounts set forth in the statements and estimates attached hereto and expressly made a part hereof as Exhibit “B”.
3. Certified copies of the Resolution and Order shall be delivered to Pima County (inasmuch as the tax levy must be filed by the Pima County Board of Supervisors on or before the third Monday in August).
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.

[SEE NEXT PAGE FOR SIGNATURES]

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PASSED by the District Board of the Quail Creek Community Facilities District this 23rd day of June 2025.

Approved:

\_\_\_\_\_  
Tom Murphy  
Chairperson  
Quail Creek Community Facilities District

**CERTIFICATION OF RECORDING OFFICER**

State of Arizona        )  
County of Pima        ) ss.

I, the undersigned, Lisa Cole, MMC, being the duly appointed, qualified District Clerk of the Quail Creek Community Facilities District, Pima County, Arizona, certify that the foregoing resolution is a true, correct, and accurate copy of Resolution No. 50, passed and adopted at a Voting Meeting of the Quail Creek Community Facilities District, Pima County, Arizona, held on the 23rd day of June 2025, at which a quorum was present, and by a \_\_\_\_\_ vote, \_\_\_\_\_ voted in favor of said resolution.

Given under my hand this 23rd day of June 2025.

\_\_\_\_\_  
Lisa Cole  
District Clerk  
Quail Creek Community Facilities District

APPROVED AS TO FORM:

\_\_\_\_\_  
Jon Paladini  
District Counsel  
Quail Creek Community Facilities District

**EXHIBIT "A"**  
**FISCAL YEAR 2026**  
**QUAIL CREEK COMMUNITY FACILITIES DISTRICT BUDGET**

[See following page.]

**QUAIL CREEK**  
**COMMUNITY FACILITIES DISTRICT**  
SOURCES AND USES OF FUNDS

	<b>2026 Budget Amount</b>
<b><u>SOURCES</u></b>	
<b>Revenues:</b>	
Taxes	\$ 1,089,060
Investment Earnings	5,280
<b>Total Revenues</b>	<b>1,094,340</b>
<b>Beginning Fund Balance:</b>	
Restricted for Debt Service	13,300
Restricted for QCCFD	-
<b>Total Fund Balance</b>	<b>13,300</b>
<b>TOTAL SOURCES</b>	<b><u>\$1,107,640</u></b>
<b><u>USES</u></b>	
<b>Current Expenditures:</b>	
General Government	\$ 15,300
Streets	43,190
Parks and Recreation	95,830
<b>Subtotal</b>	<b>154,320</b>
<b>Debt Service:</b>	
Principal	815,000
Interest	133,320
Other	5,000
<b>Subtotal</b>	<b>953,320</b>
<b>Total Expenditures</b>	<b>1,107,640</b>
<b>Ending Fund Balance:</b>	
Restricted for Debt Service	-
Restricted for QCCFD	-
<b>Total Fund Balance</b>	<b>-</b>
<b>TOTAL USES</b>	<b><u>\$1,107,640</u></b>

**EXHIBIT "B"**

**FISCAL YEAR 2025/2026 TAX LEVY**

<b>JURISDICTION</b>	<b>NET TAXABLE ASSESSED VALUATION (NTAV)</b>	<b>TAX LEVY</b>	<b>TAX RATE (PER \$100 NTAV)</b>
<b>QUAIL CREEK COMMUNITY FACILITIES DISTRICT</b>			
Secondary	\$52,360,545		
Debt Service		\$1,025,010	\$1.9576
Maintenance and Operation		\$ 157,082	\$0.3000
<b>TOTAL SECONDARY</b>		<b>\$1,182,092</b>	<b>\$2.2576</b>

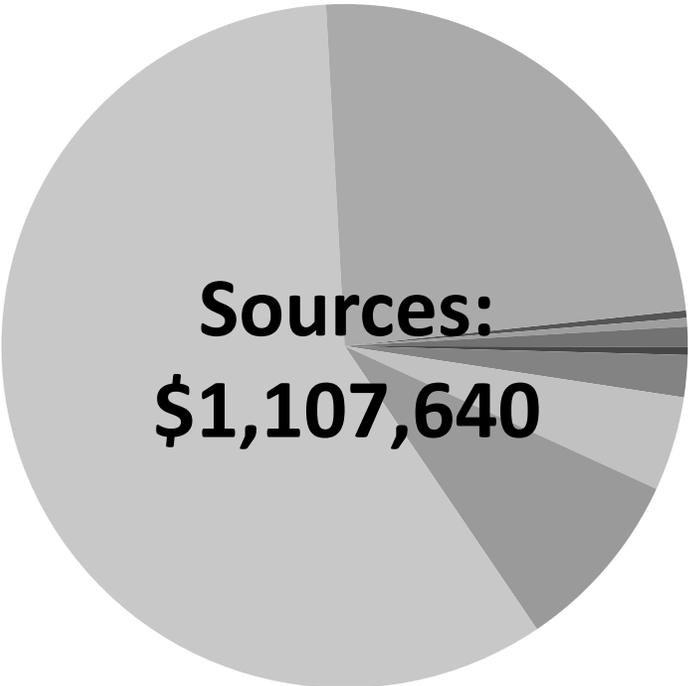
# Budget Adoption Fiscal Year 2026

Board Meeting

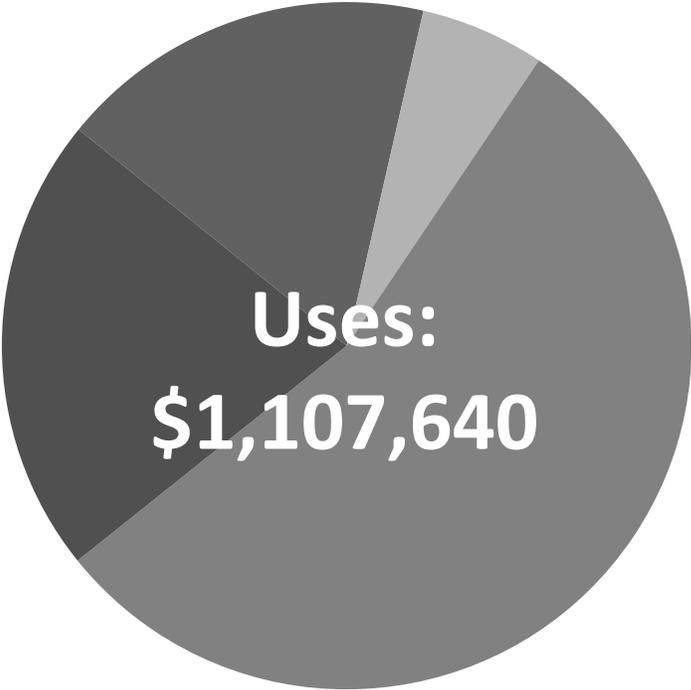
June 23, 2025



# FY2026 Budget: \$1,107,640



**Balanced**

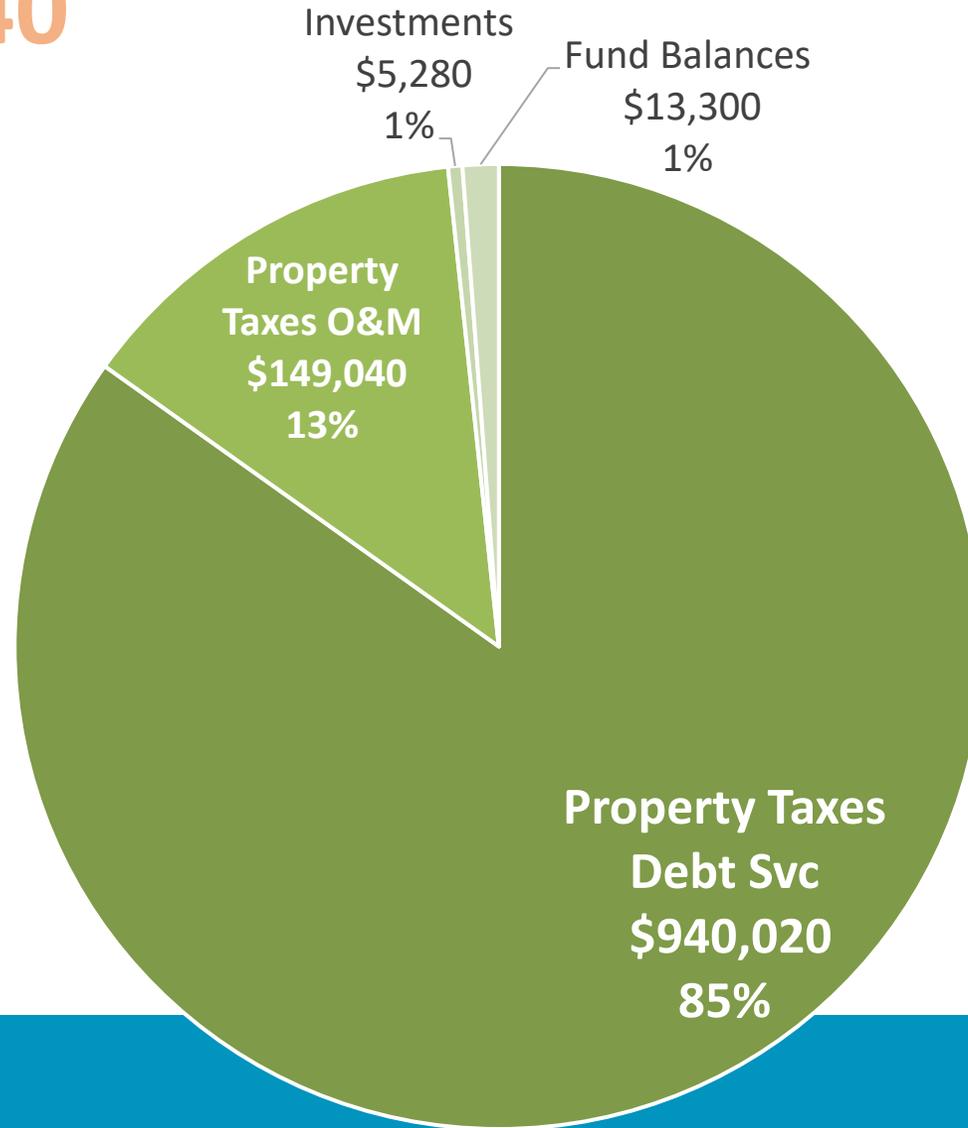


vs 2025 Budget

↑ 0.2%

# District Revenues & Sources

## Total: \$1,107,640

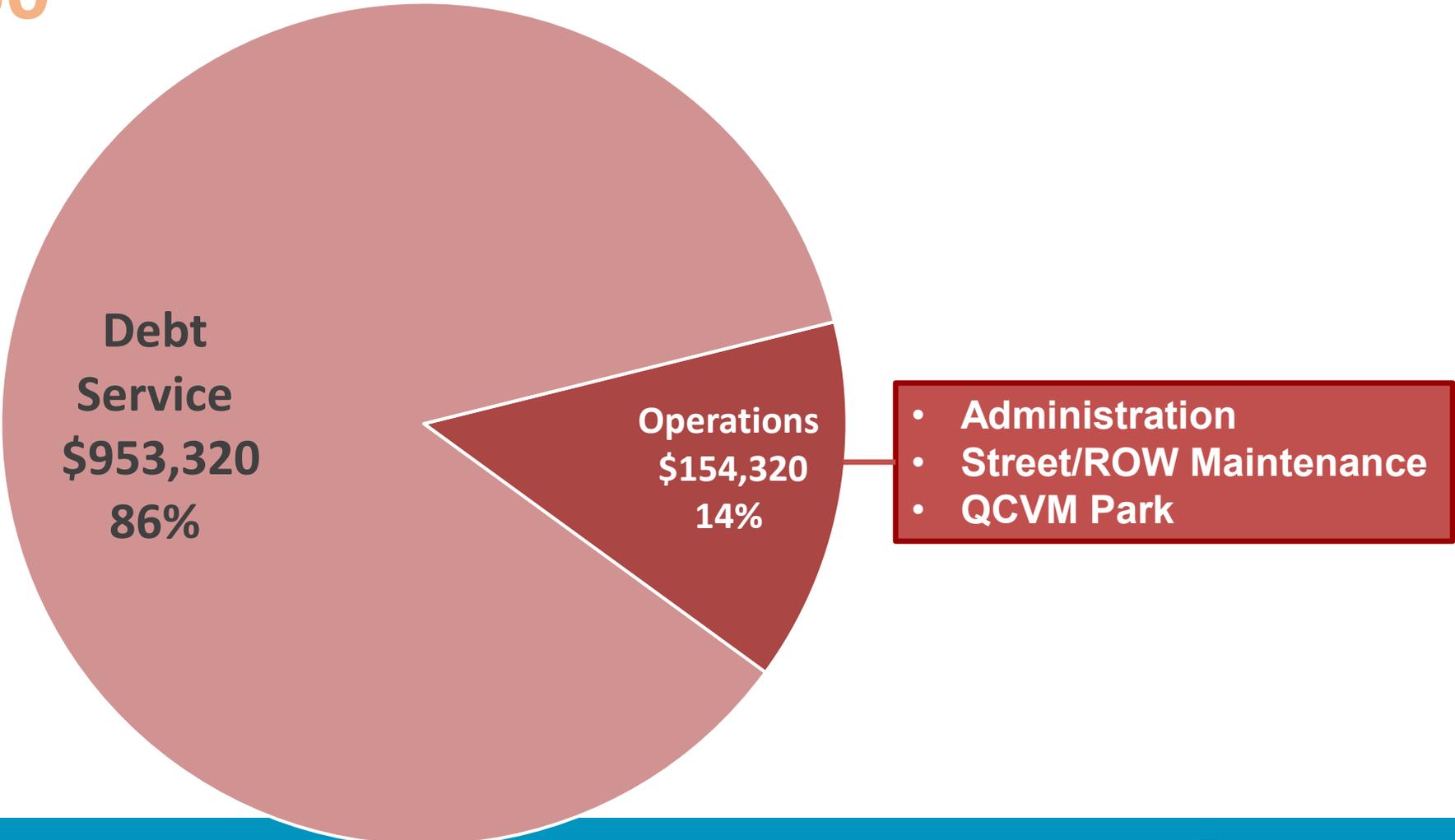


**Tax Rate:**  
**\$2.26/\$100 NTAV**

**↓ Lower by:**  
**\$0.14/\$100 NTAV**

# District Expenditures

Total: \$1,104,650



# Final Steps

## Public Hearing

**Board opportunity to make reductions or other changes**

## Approve resolution

- Adopt FY2026 Budget
- Establishes Property Tax Levy