

RANCHO SAHUARITA 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 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 District 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.

1. **Call to Order**

2. **Roll Call**

3. **Call to the Public**

The public is invited to address the Town Council on any issue listed on the Consent Agenda or any topic that the Council 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, Council 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, Rancho Sahuarita Community Facilities District Meeting Minutes.

5. **Discussion and Possible Action**

5.a **Resolution No. 2025-0034 RSCFD FY26 Final Budget Adoption**

Public hearing, discussion and possible adoption of Resolution No. 2025-0034, of the District Board of the Rancho Sahuarita Community Facilities District, a community facilities district of Arizona, approving a Final Budget for Fiscal Year 2026 in the amount of \$9,233,410 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 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: Meetings of the Board are recorded both 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 CFD

Board Staff Report

DATE: June 23, 2025

TITLE: Approval Minutes

SUBJECT: Approval of the May 27, 2025, Rancho Sahuarita Community Facilities District Meeting Minutes.

FROM: Lisa Cole MMC, District Clerk

FINANCIAL / BUDGET SUMMARY:

None.

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.

DISCUSSION:

Draft minutes submitted for District Board approval.

ATTACHMENTS:

1. 05-27-25 RSCFD Meeting Minutes

RANCHO SAHUARITA 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 Steven Gillespie, Board Member Kimberly Lisk, Board Member Edgar Lytle, Board Member Deborah Morales, Board Member Diane Priolo

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

1. Call to Order

The meeting was called to order by Chairperson Tom Murphy at 6:04 PM.

2. Roll Call

The District Clerk Lisa Cole called the roll and confirmed that a quorum was present.

3. Call to the Public

There were no speakers.

4. Consent Agenda

MOTION was made to approve the Consent Agenda.

MOVER: Vice Chairperson Kara Egbert

SECONDER: Board Member Steven Gillespie

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

RESULT: APPROVED (7 to 0)

4.a Approval Minutes

5. Discussion and Possible Action

5.a RSCFD 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 \$9,233,410. 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. 2025-0033.

MOVER: Vice Chairperson Kara Egbert

SECONDER: Board Member Edgar Lytle

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

RESULT: APPROVED (7 to 0)

6. Adjournment

Chairperson Murphy adjourned the meeting at 6:18 PM.

DRAFT



Rancho Sahuarita Community Facilities District Board Staff Report

DATE: June 23, 2025

TITLE: Resolution No. 2025-0034 RSCFD FY26 Final Budget Adoption

SUBJECT: Public hearing, discussion and possible adoption of Resolution No. 2025-0034, of the District Board of the Rancho Sahuarita Community Facilities District, a community facilities district of Arizona, approving a Final Budget for Fiscal Year 2026 in the amount of \$9,233,410 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

FINANCIAL / BUDGET SUMMARY:

Adopts FY budget of \$9,233,410

EXECUTIVE SUMMARY:

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

STAFF RECOMMENDATION:

Staff recommends adoption of RSCFD Resolution No. 2025-0034.

SUGGESTED MOTION :

I move to adopt RSCFD Resolution No. 2025-0034.

DISCUSSION:

This resolution adopts the fiscal year 2025 budget for the Rancho Sahuarita Community Facilities District in the amount of \$9,233,410 and establishes a tax levy rate of \$4.99 per \$100 of net taxable 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 \$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's 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 2026, 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 will consume all of its resources during the year.

ATTACHMENTS:

1. RSCFD Resolution No. 2025-0034

RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT

RESOLUTION NO. 2025-0034

A RESOLUTION OF THE DISTRICT BOARD OF THE RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A FINAL BUDGET FOR FISCAL YEAR 2026 IN THE AMOUNT OF \$9,233,410 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 March 24, 2014, the Rancho Sahuarita Community Facilities District (“RSCFD”) was formed, a community facilities district in accordance with Section 48-701 *et seq.*, Arizona Revised Statutes, as amended; 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 infrastructure 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, by Resolution No. 2025-0033, adopted on May 27, 2025, the District Board of RSCFD (a) approved a tentative budget for fiscal year 2026, (b) filed required statements and estimates of 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, (c) set a date of June 23, 2025 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 RSCFD voted to adopt the final budget for fiscal year 2026 by this Resolution No. 2025-0034, 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 RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT AS FOLLOWS:

1. That certain proposed budget prepared by the RSCFD 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 RSCFD 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 Rancho Sahuarita Community Facilities District this 23rd day of June 2025.

Approved:

Tom Murphy
Chairperson
Rancho Sahuarita 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 Rancho Sahuarita Community Facilities District, Pima County, Arizona, certify that the foregoing resolution is a true, correct, and accurate copy of Resolution No. 2025-0034, passed and adopted at a Voting Meeting of the Rancho Sahuarita 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
Rancho Sahuarita Community Facilities District

APPROVED AS TO FORM:

Jon Paladini
District Counsel
Rancho Sahuarita Community Facilities District

EXHIBIT “A”

FISCAL YEAR 2026 FINAL BUDGET
RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT BUDGET

(See following page)

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

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

EXHIBIT "B"

FISCAL YEAR 2025/2026 TAX LEVY

<u>JURISDICTION</u>	<u>NET TAXABLE ASSESSED VALUATION (NTAV)</u>	<u>TAX LEVY</u>	<u>TAX RATE (PER \$100 NTAV)</u>
RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT			
Secondary	\$31,701,537		
Debt Service		\$1,486,802	\$4.6900
Maintenance and Operation		\$ 95,105	\$0.3000
 TOTAL SECONDARY		<u>\$1,581,907</u>	<u>\$4.9900</u>

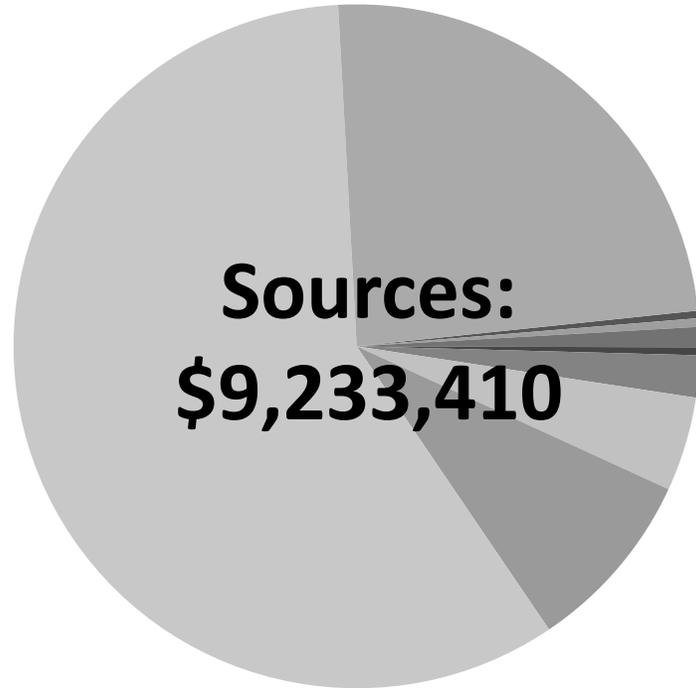
Budget Adoption Fiscal Year 2026

Board Meeting

June 23, 2025

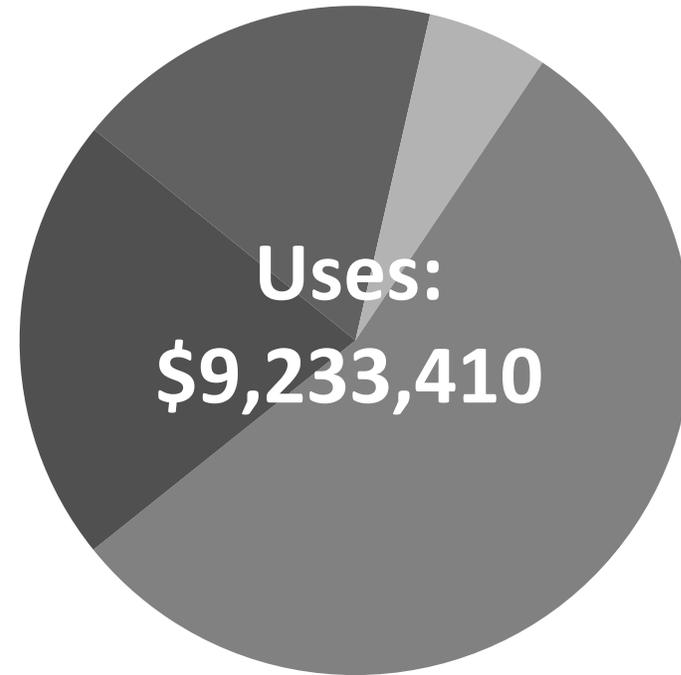


FY2026 Budget: \$9,233,410



Balanced

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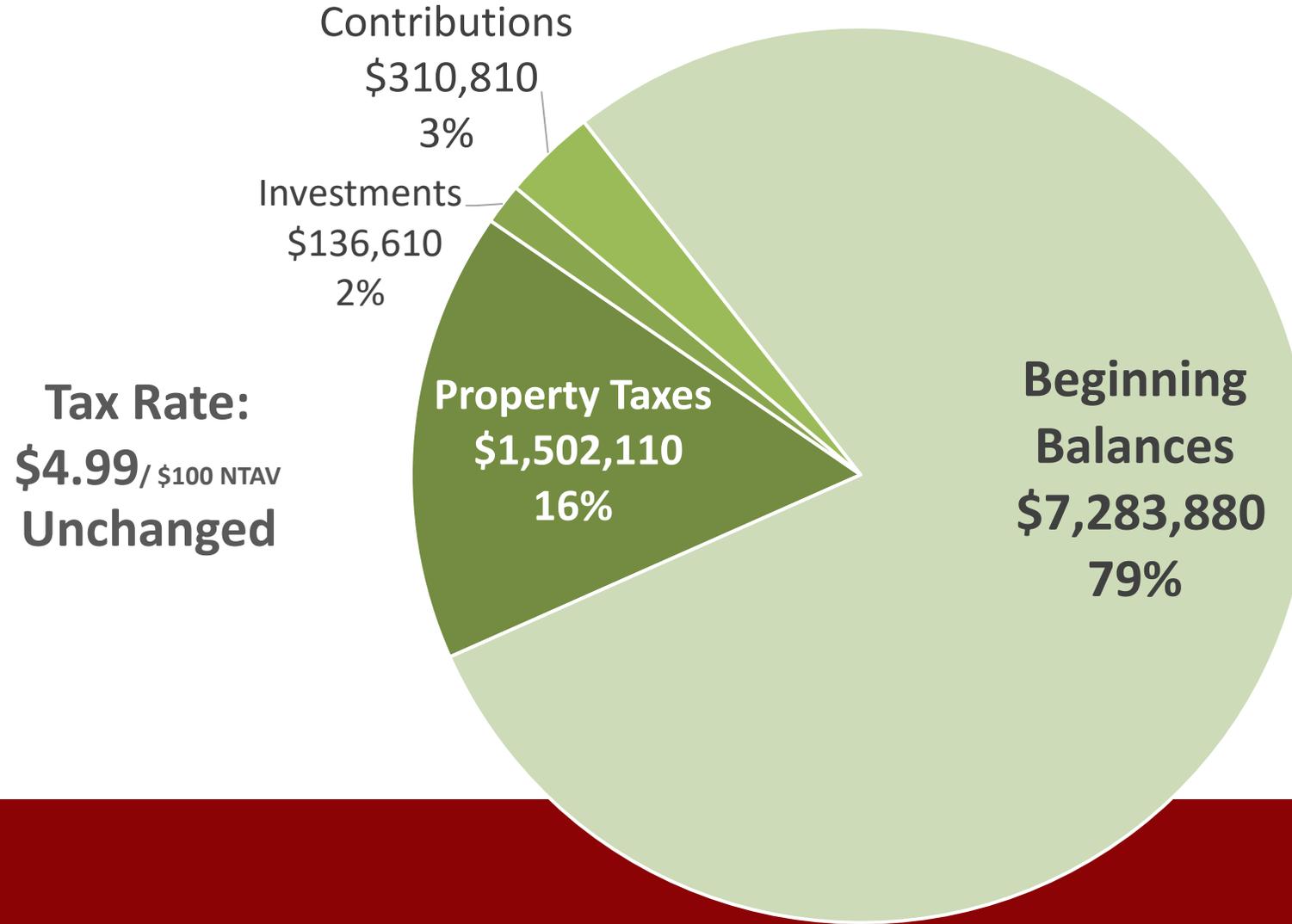


vs 2025 Budget

↓ 47%

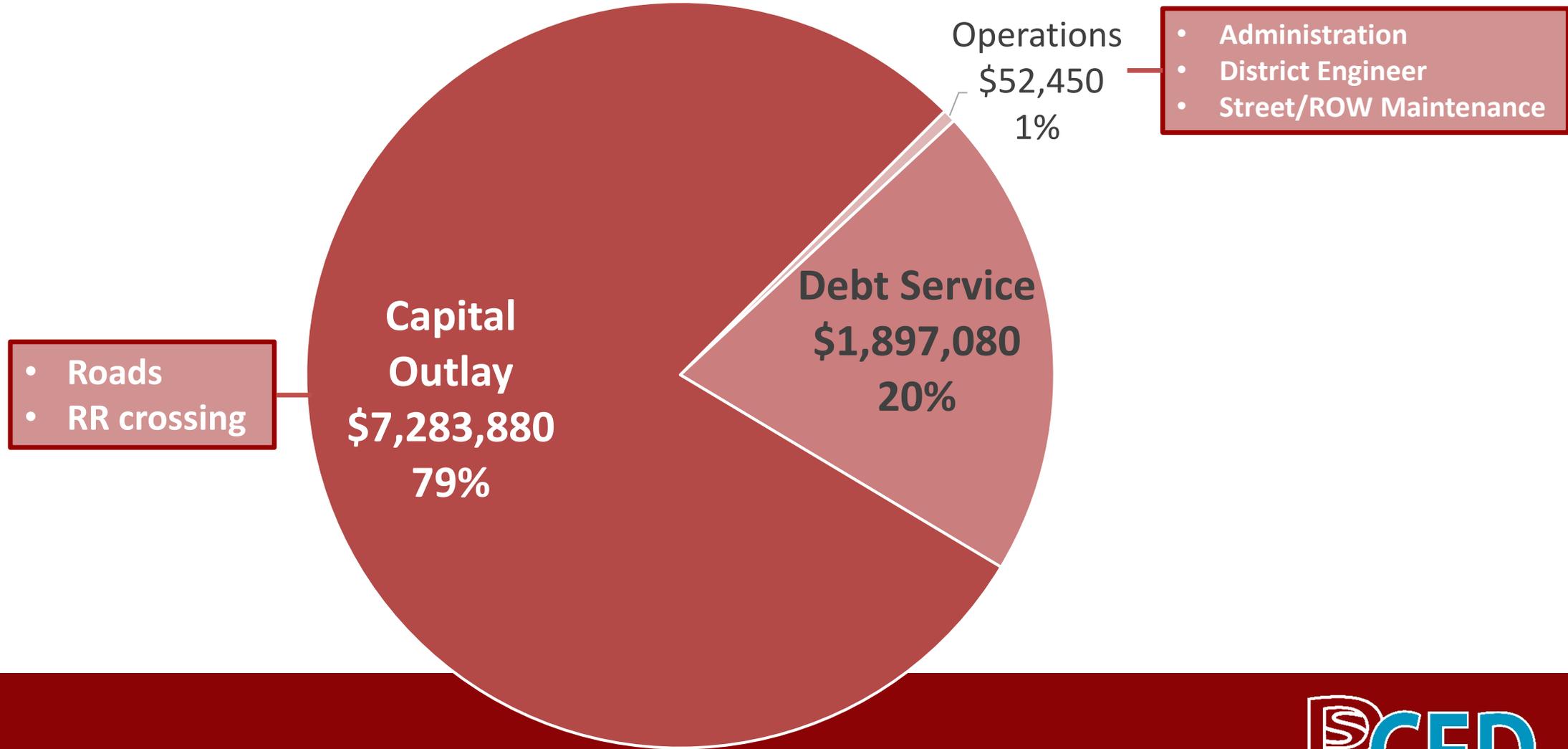
District Revenues & Sources

Total: \$9,233,410



District Expenditures

Total: \$9,233,410



Final Steps

Public Hearing

Board opportunity to make reductions or other changes

Approve resolution

- Adopt FY2026 Budget
- Establishes Property Tax Levy