

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
MEETING AGENDA
JUNE 10, 2013**

Pursuant to A.R.S. § 38-431.02 notice is hereby given to the public that the District Board of the Quail Creek Facilities District will hold a meeting at the date and time specified below at the Sahuarita Town Hall Council Chambers, 375 West Sahuarita Center Way, Sahuarita, Arizona. Members of the Quail Creek Community Facilities District will attend either in person or by telephone conference call.

To better serve our community, the Council Chambers is wheelchair accessible. Persons with a disability may request a reasonable accommodation, 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 arrange the accommodation.

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT AGENDA
JUNE 10, 2013
AT OR AFTER 6:30 P.M.**

1. Call to Order
2. Roll Call
3. Approval of the June 25, 2012 Minutes.
4. Discussion and possible adoption of Resolution 23 of the District Board of the Quail Creek Community Facilities District, a Community Facilities District of Arizona, approving a tentative budget for fiscal year 2014 in the amount of \$1,067,780 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 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 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; 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.
5. Adjournment

Action may be taken by the District Board on any item listed on this agenda. The Board may vote to go into executive session pursuant to A.R.S. § 38-431.03 (A) (3) for discussion or consultation for legal advice with the Town Attorney concerning any matter listed on this agenda.

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
MINUTES
JUNE 25, 2012**

1. Call to Order

Chairperson Blumberg called the meeting to order at approximately 6:30 p.m.

2. Roll Call

PRESENT: Board Members Bill Bracco, Kara Egbert*, Gil Lusk, Joshua Matthews, Vice Chairperson Lynne Skelton, and Chairperson Duane Blumberg

*Board Member Egbert participated by telephone conference call.

ABSENT: Board Member Melissa L. Smith

ALSO

PRESENT: Board Manager Jim Stahle, Board Attorney Daniel J. Hochuli, Board Secretary Vicky Miel, Assistant Board Manager Farhad Moghimi, and Finance Director A.C. Marriotti

3. Approval of the June 11, 2012 Minutes.

MOTION was made by Board Member Bracco, **SECONDED** by Vice Chairperson Skelton, to approve the June 11, 2012 minutes. **MOTION CARRIED UNANIMOUSLY.**

4. Public Hearing, discussion and possible adoption of Resolution 22 approving a final budget for fiscal year 2013 in the amount of \$1,058,890 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.

Finance Director A.C. Marriotti presented this item.

Mayor Blumberg declared the public hearing open. There being no one to speak, Mayor Blumberg declared the public hearing closed.

MOTION was made by Board Member Lusk, **SECONDED** by Board Member Bracco, to adopt Resolution 22. **MOTION CARRIED UNANIMOUSLY.**

5. Adjournment

Chairperson Blumberg adjourned the meeting at approximately 6:39 p.m.

Chairperson Duane Blumberg

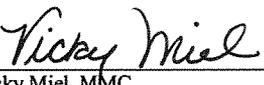
ATTEST:

Vicky Miel, MMC
Board Secretary

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Meeting of the Quail Creek Community Facilities District held on the 25th day of June, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

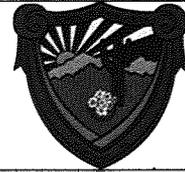
Dated this 27th day of June, 2012.



Vicky Miel, MMC
Board Secretary

**QCCFD
BOARD
MEETING
INFORMATION**

**QUAIL CREEK
COMMUNITY
FACILITIES DISTRICT**



MEETING DATE: 6/10/2013

DATE PREPARED: 5/29/2013

AGENDA ITEM # 4

TO: Honorable Chairperson and Board Members

FROM: A.C. Marriotti, District Treasurer

SUBJECT: RESOLUTION 23, APPROVING A TENTATIVE BUDGET FOR FISCAL YEAR 2014 IN THE AMOUNT OF \$1,067,780 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 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 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; 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.

DISCUSSION: Presented for your approval is the Fiscal year 2014 Tentative Budget for the Quail Creek Community Facilities District in the amount of \$1,067,780.

The District, although a legally separate entity, is considered a blended component unit of the Town of Sahuarita. Accordingly, the Town has established a separate fund (i.e., special revenue fund) to incorporate the District's financial records into the Town's financial reporting entity.

The District levies property taxes up to \$3.30 per one hundred dollars of assessed valuation. The property tax rate is separated into an operational element and a debt service portion. Up to \$0.30 of the rate may be used for operational expenditures including maintenance and administrative costs. The remaining \$3.00 may only be used for the payment of general obligation debt incurred by the District. The actual rate to be assessed is based upon estimated operational expenditures and required bond payments. Based upon our cost estimates and the District's preliminary net assessed valuation of \$9,088,470, the District will need to assess the full \$3.30 tax rate generating an estimated \$292,240 after allowances uncollected amounts. Moreover, per existing development agreements, we anticipate the developer will be required to subsidize the unfunded debt service costs. These subsidies estimated to be \$739,680 will be recorded as miscellaneous revenues. The General Fund is also expected to subsidize, via a transfer, the unfunded park maintenance costs in the amount of \$35,950.

Expenditures consist of (1) operating costs (\$58,450) to maintain the Quail Creek Veterans Municipal Park and District roadways and (2) debt service (\$1,009,330).

A public hearing is scheduled for the June 24th Board Meeting. A notice will be published.

STAFF RECOMMENDATION: Staff recommends approval of this resolution.

SUGGESTED MOTION: Move to adopt Resolution No. 23.



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Tentative Budget Fiscal Year 2014

July 1, 2013 – June 30, 2014

The District

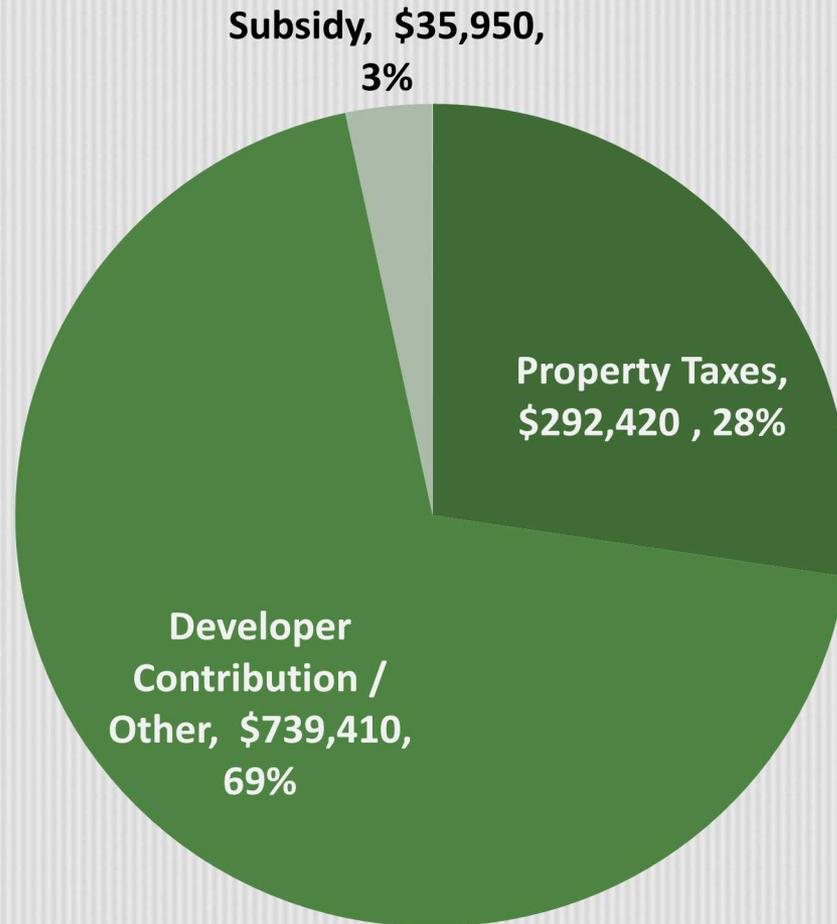
- Formed on September 12, 2005
- Purpose/Function: to construct, acquire, and maintain enhanced public infrastructure and facilities within the District boundaries
 - Construction of assets financed by \$12.66M of GO bonds in 2006
 - Outstanding balance on July 1: \$10.9M
 - Debt paid off in FY2030

The District

- Relationship to Town
 - Legally separate entity
 - Part of the Town's financial reporting entity
 - Blended component unit
 - Special Revenue Fund

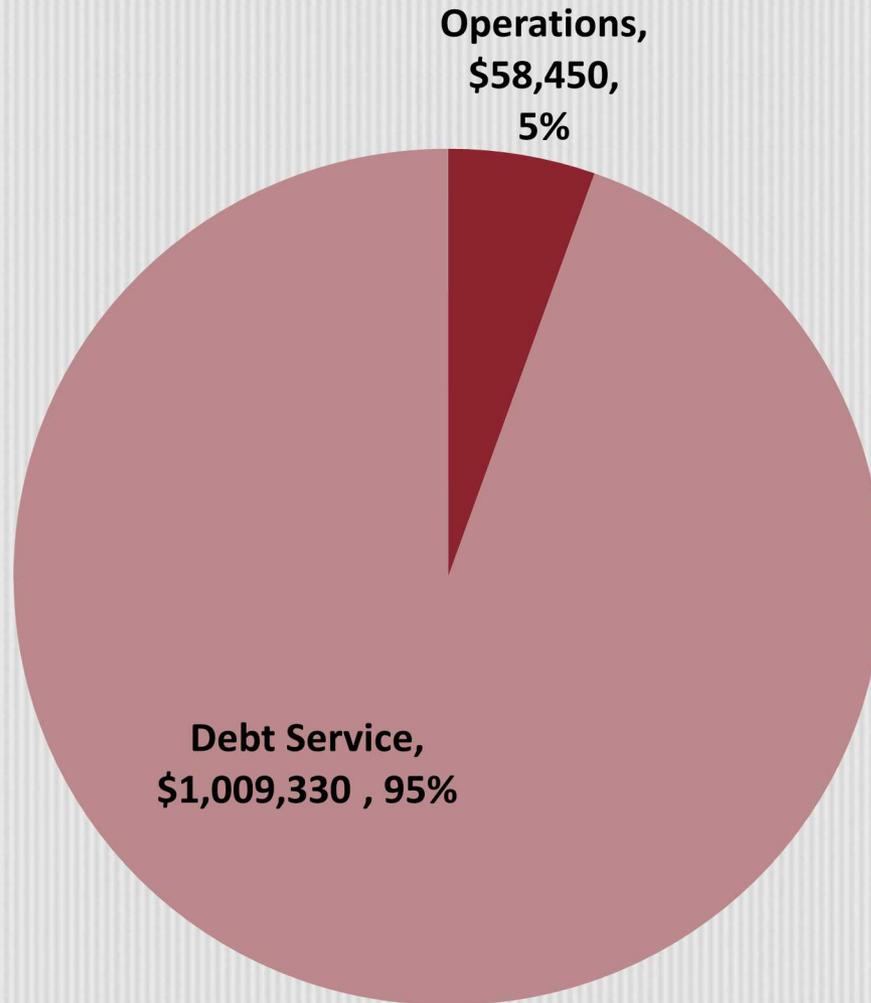
District Revenues & Sources

FY2014 Budget: \$1,067,780



District Expenditures & Uses

FY2014 Budget: \$1,067,780



Resolution

- Approves FY2014 Tentative Budget
- Files budget on prescribed forms
 - Available at Town Hall, library, and website
- Establishes a public hearing and advertising thereof
 - June 24, 2013

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
RESOLUTION NO. 23**

A RESOLUTION OF THE DISTRICT BOARD OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A TENTATIVE BUDGET FOR FISCAL YEAR 2014 IN THE AMOUNT OF \$1,067,780 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 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 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; 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 QUAIL CREEK COMMUNITY FACILITIES DISTRICT as follows:

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 improvements 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, in accordance with Sections 48-716 and 48-723, Arizona Revised Statutes, as amended, the District Treasurer of QCCFD has submitted to the District Board of QCCFD a proposed budget for fiscal year 2014 which includes statements and estimates of the 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, 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 QCCFD; and

WHEREAS, the District Board of QCCFD desires now to approve said tentative budget for fiscal year 2013, 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 QCCFD expects to adopt a final budget by resolution; and

WHEREAS, on or before the third Monday in August, the District Board of QCCFD 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 QUAIL CREEK COMMUNITY FACILITIES DISTRICT, AS FOLLOWS:

1. That certain proposed budget prepared by the District Treasurer of QCCFD for fiscal year 2014, 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 QCCFD, 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 QCCFD in fiscal year 2013 are hereby filed on forms of the Auditor General in accordance with Section 42-17101(3) and 48-723(C), Arizona Revised Statutes, as amended, and are attached hereto and expressly made a part hereof as Exhibit "B."

3. A public hearing date of June 24, 2013, beginning at or after 6:30 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 QCCFD), and said notice (attached hereto and expressly made a part hereof as Exhibit "C") shall be published once in the Sahuarita Sun 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 Quail Creek Community Facilities District
this 10th day of June, 2013.

Chairperson, District Board,
Quail Creek Community Facilities District

ATTEST:

Vicky Miel, MMC
District Clerk,
Quail Creek Community Facilities District

APPROVED AS TO FORM:

Daniel J. Hochuli
District Counsel,
Quail Creek Community Facilities District

EXHIBIT "A"

Fiscal Year 2014 Quail Creek Community Facilities District Budget

QUAIL CREEK COMMUNITY FACILITIES DISTRICT (QC CFD)
SPECIAL REVENUE FUND
 SOURCES AND USES OF FUNDS

| | 2012 Actual Amount | 2013 | | | 2014 Tentative Budget | % Change From Amended | % Chng From Estimated |
|--------------------------------|--------------------------|---------------------|---------------------|---------------------|-----------------------------|-----------------------------|-----------------------------|
| | | Adopted Budget | Amended Budget | Estimated Actual | | | |
| <u>SOURCES</u> | | | | | | | |
| REVENUES: | | | | | | | |
| Taxes | \$ 291,240 | \$ 274,830 | \$ 274,830 | \$ 282,060 | \$ 292,420 | 6.4% | 3.7% |
| Investment Income (Loss) | (84) | (70) | (70) | (70) | (270) | 285.7% | 285.7% |
| Miscellaneous | 712,311 | 756,130 | 756,130 | 748,900 | 739,680 | -2.2% | -1.2% |
| Subtotal: | 1,003,467 | 1,030,890 | 1,030,890 | 1,030,890 | 1,031,830 | 0.1% | 0.1% |
| OTHER SOURCES: | | | | | | | |
| Transfer In | 21,884 | 28,000 | 28,000 | 27,750 | 35,950 | 28.4% | 29.5% |
| Subtotal: | 21,884 | 28,000 | 28,000 | 27,750 | 35,950 | 28.4% | 29.5% |
| BEGINNING FUND BALANCE: | | | | | | | |
| Restricted for Debt Service | 26,775 | - | - | - | - | - | - |
| Restricted for QC CFD | - | - | - | - | - | - | - |
| Subtotal: | 26,775 | - | - | - | - | - | - |
| TOTAL SOURCES | \$ 1,052,126 | \$ 1,058,890 | \$ 1,058,890 | \$ 1,058,640 | \$ 1,067,780 | 0.8% | 0.9% |
| <u>USES</u> | | | | | | | |
| CURRENT EXPENDITURES: | | | | | | | |
| Streets | \$ 14,774 | \$ 17,730 | \$ 17,730 | \$ 18,590 | \$ 17,710 | -0.1% | -4.7% |
| Park and Recreation | 24,374 | 32,000 | 32,000 | 30,890 | 40,740 | 27.3% | 31.9% |
| Subtotal: | 39,148 | 49,730 | 49,730 | 49,480 | 58,450 | 17.5% | 18.1% |
| DEBT SERVICE: | | | | | | | |
| Principal | 370,000 | 385,000 | 385,000 | 385,000 | 405,000 | 5.2% | 5.2% |
| Interest | 637,603 | 619,660 | 619,660 | 619,660 | 599,830 | -3.2% | -3.2% |
| Other | 5,375 | 4,500 | 4,500 | 4,500 | 4,500 | 0.0% | 0.0% |
| Subtotal: | 1,012,978 | 1,009,160 | 1,009,160 | 1,009,160 | 1,009,330 | 0.0% | 0.0% |
| Subtotals Combined: | 1,052,126 | 1,058,890 | 1,058,890 | 1,058,640 | 1,067,780 | 0.8% | 0.9% |
| ENDING FUND BALANCE: | | | | | | | |
| Restricted for QC CFD | - | - | - | - | - | - | - |
| Subtotal: | - | - | - | - | - | - | - |
| TOTAL USES | \$ 1,052,126 | \$ 1,058,890 | \$ 1,058,890 | \$ 1,058,640 | \$ 1,067,780 | 0.8% | 0.9% |

EXHIBIT "B"

QCCFD Statements and Estimates on Auditor General Forms

Exhibit "B"

TOWN OF SAHUARITA, ARIZONA Summary Schedule of Estimated Revenues and Expenditures/Expenses Fiscal Year 2014

| FUND | ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2013 | ACTUAL EXPENDITURES/EXPENSES** 2013 | FUND BALANCE/NET POSITION** July 1, 2013** | PROPERTY TAX REVENUES 2014 Primary: \$ Secondary: 299,920 | ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2014 | OTHER FINANCING 2014 | | INTERFUND TRANSFERS 2014 | | TOTAL FINANCIAL RESOURCES AVAILABLE 2014 | BUDGETED EXPENDITURES/EXPENSES 2014 |
|---|--|-------------------------------------|--|---|---|----------------------|---------------|--------------------------|---------------|--|-------------------------------------|
| | | | | | | SOURCES | <USES> | IN | <OUT> | | |
| 1. General Fund | \$ 26,574,890 | \$ 12,251,630 | \$ 15,278,030 | | \$ 13,176,180 | \$ | \$ | \$ 803,700 | \$ | \$ 27,650,510 | \$ 27,650,510 |
| 2. Special Revenue Funds | 3,453,960 | 2,881,270 | 850,860 | | 13,997,240 | | | 155,950 | 11,061,430 | 4,242,540 | 4,242,540 |
| 3. Debt Service Funds Available | | | | | | | | | | | |
| 4. Less: Amounts for Future Debt Retirement | | | | | | | | | | | |
| 5. Total Debt Service Funds | | | | | | | | | | | |
| 6. Capital Projects Funds | 45,082,530 | 15,807,150 | 13,067,640 | | 39,529,320 | | | 11,061,430 | | 63,656,390 | 63,656,390 |
| 7. Permanent Funds | | | | | | | | | | | |
| 8. Enterprise Funds Available | (689,910) | 3,879,380 | (4,630,340) | | 3,818,250 | | 330,240 | 647,750 | | 165,900 | 165,900 |
| 9. Less: Amounts for Future Debt Retirement | | | | | | | | | | | |
| 10. Total Enterprise Funds | (689,910) | 3,879,380 | (4,630,340) | | 3,818,250 | | 330,240 | 647,750 | | 165,900 | 165,900 |
| 11. Internal Service Funds | | | | | | | | | | | |
| 12. TOTAL ALL FUNDS | \$ 74,421,470 | \$ 34,819,430 | \$ 24,566,190 | \$ 299,920 | \$ 70,520,990 | \$ 330,240 | \$ 11,865,130 | \$ 11,865,130 | \$ 11,865,130 | \$ 95,717,340 | \$ 95,717,340 |

EXPENDITURE LIMITATION COMPARISON

| | 2013 | 2014 |
|--|---------------|---------------|
| 1. Budgeted expenditures/expenses | \$ 74,421,470 | \$ 95,717,340 |
| 2. Add/subtract: estimated net reconciling items | (1,058,640) | (1,067,780) |
| 3. Budgeted expenditures/expenses adjusted for reconciling items | 73,362,830 | 94,649,560 |
| 4. Less: estimated exclusions | 41,844,263 | 62,003,233 |
| 5. Amount subject to the expenditure limitation | \$ 31,518,567 | \$ 32,646,327 |
| 6. EEC or voter-approved alternative expenditure limitation | \$ 31,518,568 | \$ 32,646,328 |

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts in this column represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

TOWN OF SAHUARITA, ARIZONA
Tax Levy and Tax Rate Information
Fiscal Year 2014

| | 2013 | 2014 |
|--|-------------|-------------|
| 1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A) | \$ _____ | \$ _____ |
| 2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18) | \$ _____ | |
| 3. Property tax levy amounts | | |
| A. Primary property taxes | \$ _____ | \$ _____ |
| B. Secondary property taxes | 289,290 | 299,920 |
| C. Total property tax levy amounts | \$ 289,290 | \$ 299,920 |
| 4. Property taxes collected* | | |
| A. Primary property taxes | | |
| (1) Current year's levy | \$ _____ | |
| (2) Prior years' levies | _____ | |
| (3) Total primary property taxes | \$ _____ | |
| B. Secondary property taxes | | |
| (1) Current year's levy | \$ 280,536 | |
| (2) Prior years' levies | 1,524 | |
| (3) Total secondary property taxes | \$ 282,060 | |
| C. Total property taxes collected | \$ 282,060 | |
| 5. Property tax rates | | |
| A. City/Town tax rate | | |
| (1) Primary property tax rate | _____ | _____ |
| (2) Secondary property tax rate | 3.3000 | 3.3000 |
| (3) Total city/town tax rate | 3.3000 | 3.3000 |
| B. Special assessment district tax rates | | |
| Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>one</u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town. | | |

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

TOWN OF SAHUARITA, ARIZONA
Revenues Other Than Property Taxes
Fiscal Year 2014

| SOURCE OF REVENUES | ESTIMATED REVENUES 2013 | ACTUAL REVENUES* 2013 | ESTIMATED REVENUES 2014 |
|------------------------------------|--|--------------------------------------|--|
| GENERAL FUND | | | |
| Local taxes | | | |
| Transaction privilege taxes | \$ 4,173,190 | \$ 4,227,410 | \$ 4,510,270 |
| Franchise fees | 323,080 | 320,140 | 327,380 |
| Licenses and permits | | | |
| Building permit fees | 765,160 | 843,450 | 879,590 |
| Public Works permits | | 140,260 | 87,000 |
| Business licensing fees | 1,000 | 500 | 500 |
| Intergovernmental | | | |
| State shared sales taxes | 1,986,940 | 2,054,660 | 2,153,280 |
| State shared income taxes | 2,579,920 | 2,579,920 | 2,818,010 |
| State shared vehicle license taxes | 958,940 | 921,380 | 934,720 |
| Grants and contributions - Federal | 318,420 | 371,100 | |
| Grants and contributions - State | 22,000 | 27,600 | |
| Grants and contributions - Local | 45,000 | 46,200 | |
| Charges for services | | | |
| Development fees | 39,500 | 39,190 | 33,590 |
| Recreation fees | 120,000 | 120,000 | 128,000 |
| Other departmental fees | 20,800 | 21,300 | 6,300 |
| Indirect cost recovery | 807,080 | 808,050 | 802,850 |
| Fines and forfeits | | | |
| Court fines and fees | 270,450 | 240,920 | 244,770 |
| Interest on investments | | | |
| Investment income | 161,290 | 150,000 | 222,920 |
| Contributions | | | |
| Donations from private parties | 18,000 | 17,000 | |
| Miscellaneous | | | |
| Miscellaneous/other | 25,000 | 53,980 | 27,000 |
| Total General Fund | \$ 12,635,770 | \$ 12,983,060 | \$ 13,176,180 |

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

TOWN OF SAHUARITA, ARIZONA
Revenues Other Than Property Taxes
Fiscal Year 2014

| SOURCE OF REVENUES | ESTIMATED REVENUES 2013 | ACTUAL REVENUES* 2013 | ESTIMATED REVENUES 2014 |
|--|--|--------------------------------------|--|
| SPECIAL REVENUE FUNDS | | | |
| Highway User Revenue Fund | | | |
| State shared fuel taxes | \$ 1,645,150 | \$ 1,601,360 | \$ 1,664,530 |
| Intergovernmental - State | 12,262,000 | 4,585,520 | 11,061,430 |
| Intergovernmental - Local | | 25,000 | 25,000 |
| Investment income | 750 | 1,000 | 800 |
| Miscellaneous | | 48,490 | |
| Total Highway User Revenue Fund | \$ 13,907,900 | \$ 6,261,370 | \$ 12,751,760 |
| Grants and Restricted Sources Fund | | | |
| Fines and forfeitures | \$ 109,950 | \$ 109,950 | \$ 116,520 |
| Intergovernmental - Federal | 17,500 | 17,500 | 287,170 |
| Intergovernmental - State | | | 22,800 |
| Intergovernmental - Local | | | 45,000 |
| Impound fees | | | 15,000 |
| Investment income | 2,650 | 5,000 | 9,080 |
| Miscellaneous | | 5,220 | 18,000 |
| Total Grants and Restricted Sources Fund | \$ 130,100 | \$ 137,670 | \$ 513,570 |
| Quail Creek CFD | | | |
| Property taxes - allowance for uncollectibles | \$ (14,460) | \$ | \$ (7,500) |
| Investment income (loss) | (70) | (70) | (270) |
| Miscellaneous - developer contributions | 756,130 | 748,900 | 739,680 |
| Total Quail Creek CFD | \$ 741,600 | \$ 748,830 | \$ 731,910 |
| Total Special Revenue Funds | \$ 14,779,600 | \$ 7,147,870 | \$ 13,997,240 |
| CAPITAL PROJECTS FUNDS | | | |
| Capital Infrastructure Improvement Fund | | | |
| Transaction privilege taxes | \$ 1,801,950 | \$ 3,127,220 | \$ 2,610,230 |
| Intergovernmental - Federal | | | 4,000,000 |
| Intergovernmental - State | 1,000,000 | | 22,000,000 |
| Intergovernmental - Local | 12,961,740 | 10,283,050 | 10,784,460 |
| Investment income | 133,360 | 110,000 | 134,630 |
| Miscellaneous | 3,243,000 | | |
| Total Capital Infrastructure Improvement Fund | \$ 19,140,050 | \$ 13,520,270 | \$ 39,529,320 |
| Total Capital Projects Funds | \$ 19,140,050 | \$ 13,520,270 | \$ 39,529,320 |
| ENTERPRISE FUNDS | | | |
| Wastewater Fund | | | |
| Sewer user charges | \$ 2,685,120 | \$ 2,687,570 | \$ 2,994,650 |
| Other | 40,540 | 40,540 | 70,330 |
| Sewer connection fees | 305,490 | 316,280 | 804,860 |
| Investment income (loss) | (53,050) | (30,000) | (51,590) |
| Total Wastewater Fund | \$ 2,978,100 | \$ 3,014,390 | \$ 3,818,250 |
| Total Enterprise Funds | \$ 2,978,100 | \$ 3,014,390 | \$ 3,818,250 |

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

TOWN OF SAHUARITA, ARIZONA
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2014

| FUND | OTHER FINANCING 2014 | | INTERFUND TRANSFERS 2014 | |
|---|---------------------------------|---------------------|-------------------------------------|----------------------|
| | SOURCES | <USES> | IN | <OUT> |
| GENERAL FUND | | | | |
| General Fund | \$ _____ | \$ _____ | \$ _____ | \$ 803,700 |
| Total General Fund | \$ _____ | \$ _____ | \$ _____ | \$ 803,700 |
| SPECIAL REVENUE FUNDS | | | | |
| Highway User Revenue Fund | \$ _____ | \$ _____ | \$ _____ | \$ 11,061,430 |
| Grants and Restricted Sources Fund | _____ | _____ | 120,000 | _____ |
| Quail Creek CFD | _____ | _____ | 35,950 | _____ |
| Total Special Revenue Funds | \$ _____ | \$ _____ | \$ 155,950 | \$ 11,061,430 |
| CAPITAL PROJECTS FUNDS | | | | |
| Capital Infrastructure Improvement Fund | \$ _____ | \$ _____ | \$ 11,061,430 | \$ _____ |
| Total Capital Projects Funds | \$ _____ | \$ _____ | \$ 11,061,430 | \$ _____ |
| ENTERPRISE FUNDS | | | | |
| Wastewater Fund | \$ 330,240 | \$ _____ | \$ 647,750 | \$ _____ |
| Total Enterprise Funds | \$ 330,240 | \$ _____ | \$ 647,750 | \$ _____ |
| TOTAL ALL FUNDS | \$ 330,240 | \$ _____ | \$ 11,865,130 | \$ 11,865,130 |

TOWN OF SAHUARITA, ARIZONA
Expenditures/Expenses by Fund
Fiscal Year 2014

| FUND/DEPARTMENT | ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013 | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2013 | ACTUAL EXPENDITURES/ EXPENSES* 2013 | BUDGETED EXPENDITURES/ EXPENSES 2014 |
|-------------------------------------|--|--|--|---|
| GENERAL FUND | | | | |
| Mayor & Council | \$ 146,990 | \$ | \$ 137,640 | \$ 127,390 |
| Town Manager | 620,530 | 25,000 | 668,870 | 636,960 |
| Law | 451,820 | | 459,430 | 477,600 |
| Town Clerk | 335,440 | | 336,740 | 292,270 |
| Finance | 962,400 | | 957,100 | 1,080,620 |
| Human Resources | 195,450 | | 187,270 | 204,850 |
| Planning & Building | 984,520 | 105,700 | 1,050,800 | 1,151,960 |
| Parks & Recreation | 1,341,070 | 9,500 | 1,333,580 | 1,427,610 |
| Public Works | 806,430 | | 802,470 | 815,120 |
| Police | 5,683,260 | | 5,683,630 | 5,336,670 |
| Municipal Court | 538,980 | | 521,060 | 542,680 |
| Non-Departmental | 143,620 | | 113,040 | 102,850 |
| Contingency / Ending Balances | 14,354,880 | (130,700) | | 15,453,930 |
| Total General Fund | \$ 26,565,390 | \$ 9,500 | \$ 12,251,630 | \$ 27,650,510 |
| SPECIAL REVENUE FUNDS | | | | |
| Highway User Revenue Fund | \$ | \$ | \$ | \$ |
| Streets | 1,617,000 | | 1,640,820 | 1,753,990 |
| LTAF | 111,080 | | 10,500 | 101,930 |
| Contingency / Ending Balances | 50,990 | | | 64,890 |
| Grants & Restricted Sources | | | | |
| Parks & Recreation | | | | 8,000 |
| Police | 152,480 | 26,500 | 171,310 | 828,310 |
| Municipal Court | | | | 5,500 |
| Contingency / Ending Balances | 463,520 | (26,500) | | 412,140 |
| Quail Creek CFD | | | | |
| Streets | 17,730 | | 18,590 | 17,710 |
| Parks & Recreation | 32,000 | | 30,890 | 40,740 |
| Debt Service | 1,009,160 | | 1,009,160 | 1,009,330 |
| Total Special Revenue Funds | \$ 3,453,960 | \$ | \$ 2,881,270 | \$ 4,242,540 |
| CAPITAL PROJECTS FUNDS | | | | |
| Capital Infrastructure Improve | \$ | \$ | \$ | \$ |
| General Government | 659,540 | 50,000 | 671,960 | 729,220 |
| Public Safety | 273,000 | | 274,230 | 466,460 |
| Highways & Streets | 32,369,500 | | 13,055,390 | 49,313,740 |
| Culture & Recreation | 257,500 | | 7,500 | 1,290,000 |
| Debt Service | 1,798,070 | | 1,798,070 | 1,800,880 |
| Contingency / Ending Balances | 9,674,920 | | | 10,058,090 |
| Total Capital Projects Funds | \$ 45,032,530 | \$ 50,000 | \$ 15,807,150 | \$ 63,658,390 |
| ENTERPRISE FUNDS | | | | |
| Wastewater | \$ | \$ | \$ | \$ |
| Operations | 1,263,810 | | 1,263,810 | 1,314,800 |
| Debt Service | 2,399,230 | | 2,388,120 | 2,398,050 |
| Capital Outlay | 653,800 | | 227,450 | 466,770 |
| Ending Fund Deficits | (5,006,750) | | | (4,013,720) |
| Total Enterprise Funds | \$ (689,910) | \$ | \$ 3,879,380 | \$ 165,900 |
| TOTAL ALL FUNDS | \$ 74,361,970 | \$ 59,500 | \$ 34,819,430 | \$ 95,717,340 |

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

TOWN OF SAHUARITA, ARIZONA
Expenditures/Expenses by Department
Fiscal Year 2014

| DEPARTMENT/FUND | ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013 | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2013 | ACTUAL EXPENDITURES/ EXPENSES* 2013 | BUDGETED EXPENDITURES/ EXPENSES 2014 |
|--------------------------------|---|---|--|---|
| Police: | | | | |
| General Fund | \$ 5,683,260 | \$ | \$ | \$ |
| Grants & Restricted Sources | 152,480 | | | |
| Department Total | \$ 5,835,740 | \$ | \$ | \$ |
| | | | | |
| List Department: | | | | |
| Parks & Recreation: | | | | |
| General Fund | \$ 1,341,070 | \$ | \$ | \$ |
| Quail Creek CFD | 32,000 | | | |
| Department Total | \$ 1,373,070 | \$ | \$ | \$ |
| | | | | |
| List Department: | | | | |
| Streets: | | | | |
| Highway User Revenue Fund | \$ 1,617,000 | \$ | \$ | \$ |
| Quail Creek CFD | 17,730 | | | |
| Department Total | \$ 1,634,730 | \$ | \$ | \$ |

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

TOWN OF SAHUARITA, ARIZONA
Full-Time Employees and Personnel Compensation
Fiscal Year 2014

| FUND | Full-Time Equivalent (FTE) 2014 | Employee Salaries and Hourly Costs 2014 | Retirement Costs 2014 | Healthcare Costs 2014 | Other Benefit Costs 2014 | Total Estimated Personnel Compensation 2014 |
|--------------------------------------|---------------------------------------|---|--------------------------|--------------------------|--------------------------------|--|
| GENERAL FUND | 112 | \$ 6,564,060 | \$ 812,560 | \$ 901,710 | \$ 677,490 | \$ 8,955,820 |
| SPECIAL REVENUE FUNDS | | | | | | |
| Highway User Revenue Fund | 8 | \$ 443,690 | \$ 51,630 | \$ 63,760 | \$ 50,530 | \$ 609,610 |
| Grant & Restricted Sources Fund | | 232,880 | 28,030 | 13,810 | 26,500 | 301,220 |
| Quail Creek CFD | | | | | | |
| Total Special Revenue Funds | 8 | \$ 676,570 | \$ 79,660 | \$ 77,570 | \$ 77,030 | \$ 910,830 |
| CAPITAL PROJECTS FUNDS | | | | | | |
| Capital Infrastructure Improvement F | 6 | \$ 387,580 | \$ 47,240 | \$ 60,960 | \$ 38,950 | \$ 534,730 |
| Total Capital Projects Funds | 6 | \$ 387,580 | \$ 47,240 | \$ 60,960 | \$ 38,950 | \$ 534,730 |
| ENTERPRISE FUNDS | | | | | | |
| Wastewater | 7 | \$ 409,260 | \$ 44,740 | \$ 64,250 | \$ 42,000 | \$ 560,250 |
| Total Enterprise Funds | 7 | \$ 409,260 | \$ 44,740 | \$ 64,250 | \$ 42,000 | \$ 560,250 |
| TOTAL ALL FUNDS | 133 | \$ 8,037,470 | \$ 984,200 | \$ 1,104,490 | \$ 835,470 | \$ 10,961,630 |

EXHIBIT "C"

Form of QCCFD Published Notice

QUAIL CREEK 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 QUAIL CREEK 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 2014 BUDGET OF THE DISTRICT, 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 Quail Creek 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 2014 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 24, 2013, at or after 6:30 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) 822-8800; on the Town of Sahuarita website: ci.sahuarita.az.us; and at the Pima County Library, Sahuarita Branch, 725 West Rancho Sahuarita Boulevard, Building #2, Sahuarita, Arizona 85629.

Dated this 10th day of June, 2013.
/s/ L. Kelly Udall
.....
District Manager, Quail Creek
Community Facilities District