

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
MEETING AGENDA
JUNE 25, 2012**

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 District Board will attend either in person or by telephone conference call.

To better serve our community, the meeting location 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 25, 2012
AT OR AFTER 6:30 P.M.**

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of June 11, 2012 Minutes**
- 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.**
- 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. § 38-431.01(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 11, 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, Melissa L. Smith, Vice Chairperson Lynne Skelton, and Chairperson Duane Blumberg

ABSENT: None

ALSO

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

3. Approval of the June 27, 2011 Minutes.

MOTION was made by Vice Chairperson Skelton, **SECONDED** by Board Member Lusk, to approve the June 27, 2011 minutes. **MOTION CARRIED UNANIMOUSLY.**

4. Discussion and possible adoption of Resolution 21 of the District Board of the Quail Creek Community Facilities District, a Community Facilities District of Arizona, approving a tentative budget for fiscal year 2013 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.

Finance Director A.C. Marriotti presented this item.

MOTION was made by Vice Chairperson Skelton, **SECONDED** by Board Member Bracco, to adopt Resolution 21. **MOTION CARRIED UNANIMOUSLY.**

5. Adjournment

Chairperson Blumberg adjourned the meeting at approximately 6:37 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 11th day of June, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of June, 2012.

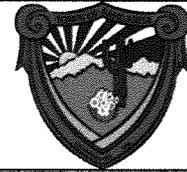
Vicky Miel

Vicky Miel, MMC
Board Secretary



**QCCFD
BOARD
MEETING
INFORMATION**

**QUAIL CREEK
COMMUNITY
FACILITIES DISTRICT**



MEETING DATE: June 25, 2012

DATE PREPARED: June 13, 2012

AGENDA ITEM # 4

TO: Honorable Chairman and Board Members

FROM: Jim Stahle, District Manager
A.C. Marriotti, District Treasurer

SUBJECT: PUBLIC HEARING AND APPROVAL OF RESOLUTION No. 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

DISCUSSION: The proposed Quail Creek CFD budget for fiscal year 2013 is \$1,058,890. There have been no changes to the Tentative Budget, which was approved on Resolution No. 21 at the June 11th Board meeting.

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 \$8,766,408, the District will need to assess the full \$3.30 tax rate generating an estimated \$274,830 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 \$756,130 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 \$28,000.

Expenditures consist of (1) operating costs (\$49,730) to maintain the Quail Creek Veterans Municipal Park and District roadways and (2) debt service (\$1,009,160).

STAFF RECOMMENDATION: Staff recommends approval of this resolution.

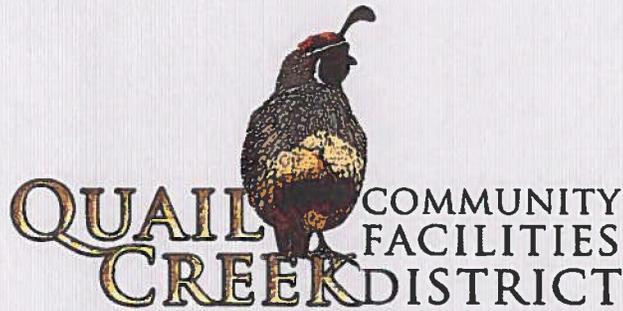
SUGGESTED MOTION: Move to adopt Resolution No. 22.

6-25-12 QC CFD

Item 4

Handout from A.C. Maruotti

6/25/2012



Budget Adoption Fiscal Year 2013

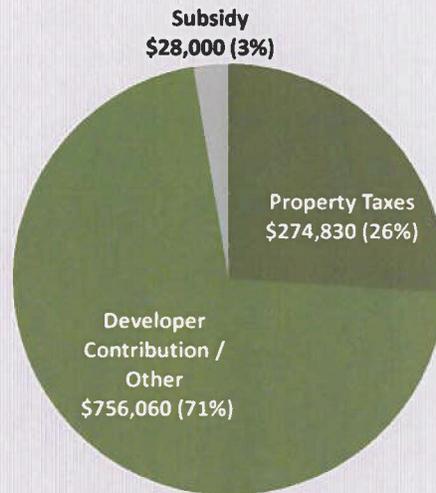
July 1, 2012 – June 30, 2013

Budget Process

- 6+ months in the making
 - Board / Staff / FIAC
- 3rd District Board meeting on topic
 - Public meetings
- Tentative Budget & Public Notice
 - Advertised
 - Filed with District Board
 - Made available at Sahuarita Library and website

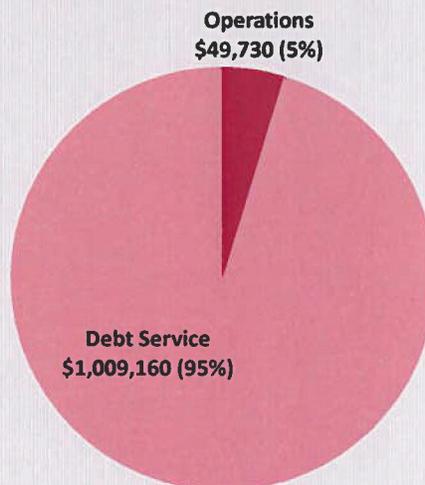
District Revenues & Sources

FY2013 Budget: \$1,058,890



District Expenditures & Uses

FY2013 Budget: \$1,058,890



Resolution

- **Adopts FY2013 Budget: \$1,058,890**
 - **Balanced budget**
- **Establishes Tax Levy Rate @ \$3.30/NAV**
 - **Debt Service @ \$3.00/NAV**
 - **Operations & Maintenance @ \$0.30/NAV**
- **Public hearing**

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
RESOLUTION NO. 22**

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 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.

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. 21, adopted on June 11, 2012, the District Board of QCCFD (a) approved a tentative budget for FY 2013, (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 25, 2012, 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 FY 2013 by this Resolution No. 22, 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 2013, attached hereto and expressly made a part hereof as Exhibit "A", is hereby finally adopted.

2. It is hereby ORDERED that, in FY 2013, 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 by U.S. Mail to the Pima County Board of Supervisors and to the Arizona Department of Revenue (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.

PASSED by the District Board of the Quail Creek Community Facilities District this 25th day of June, 2012.

Duane Blumberg
Chairperson, District Board,
Quail Creek Community Facilities District

APPROVED AS TO FORM:

ATTEST:

Daniel J. Hochuli
District Counsel
Quail Creek Community Facilities District

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

EXHIBIT "A"

Fiscal Year 2013 Quail Creek Community Facilities District Budget

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

	2011 Actual Amount	2012 Adopted Budget	2012 Amended Budget	Estimated Actual	2013 Tentative Budget	% Change From Amended	% Chng From Estimated
<u>SOURCES</u>							
REVENUES:							
Taxes	\$ 290,593	\$ 276,730	\$ 276,730	\$ 287,010	\$ 274,830	-0.7%	-4.2%
Investment	8	(120)	(120)	(60)	(70)	-41.7%	16.7%
Miscellaneous	782,442	757,240	757,240	716,510	756,130	-0.1%	5.5%
Subtotal: Revenues	<u>1,073,043</u>	<u>1,033,850</u>	<u>1,033,850</u>	<u>1,003,460</u>	<u>1,030,890</u>	-0.3%	2.7%
OTHER SOURCES:							
Transfer In	1,935	23,090	23,090	24,670	28,000	21.3%	13.5%
Subtotal: Other Sources	<u>1,935</u>	<u>23,090</u>	<u>23,090</u>	<u>24,670</u>	<u>28,000</u>	21.3%	13.5%
BEGINNING FUND BALANCE:							
Restricted for Debt Service	-	-	-	30,450	-	-	-100.0%
Restricted for QCCFD	(3,392)	-	-	(3,670)	-	-	-100.0%
Subtotal: Beginning Fund Balance	<u>(3,392)</u>	<u>-</u>	<u>-</u>	<u>26,780</u>	<u>-</u>	-	-100.0%
TOTAL SOURCES	<u><u>\$ 1,071,586</u></u>	<u><u>\$ 1,056,940</u></u>	<u><u>\$ 1,056,940</u></u>	<u><u>\$ 1,054,910</u></u>	<u><u>\$ 1,058,890</u></u>	<u>0.2%</u>	<u>0.4%</u>
<u>USES</u>							
CURRENT EXPENDITURES:							
Streets	\$ 14,297	\$ 17,570	\$ 17,570	\$ 16,710	\$ 17,730	0.9%	6.1%
Park and Recreation	20,687	27,260	27,260	26,090	32,000	17.4%	22.7%
Subtotal: Current Expenditures	<u>34,984</u>	<u>44,830</u>	<u>44,830</u>	<u>42,800</u>	<u>49,730</u>	10.9%	16.2%
DEBT SERVICE:							
Principal	350,000	370,000	370,000	370,000	385,000	4.1%	4.1%
Interest	654,577	637,610	637,610	637,610	619,660	-2.8%	-2.8%
Other	5,250	4,500	4,500	4,500	4,500	0.0%	0.0%
Subtotal: Debt Service	<u>1,009,827</u>	<u>1,012,110</u>	<u>1,012,110</u>	<u>1,012,110</u>	<u>1,009,160</u>	-0.3%	-0.3%
Subtotal: Current Expenditures and Debt Service	<u>1,044,811</u>	<u>1,056,940</u>	<u>1,056,940</u>	<u>1,054,910</u>	<u>1,058,890</u>	0.2%	0.4%
ENDING FUND BALANCE:							
Restricted for Debt Service	30,446	-	-	-	-	-	-
Restricted for QCCFD	(3,671)	-	-	-	-	-	-
Subtotal: Ending Fund Balance	<u>26,775</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	-	-
TOTAL USES	<u><u>\$ 1,071,586</u></u>	<u><u>\$ 1,056,940</u></u>	<u><u>\$ 1,056,940</u></u>	<u><u>\$ 1,054,910</u></u>	<u><u>\$ 1,058,890</u></u>	<u>0.2%</u>	<u>0.4%</u>

EXHIBIT "B"

FISCAL YEAR 2012/2013 TAX LEVY

JURISDICTION	ASSESSED VALUATION (AV)	TAX LEVY	TAX RATE (PER \$100 AV)
QUAIL CREEK COMMUNITY FACILITIES DISTRICT			
Secondary	\$8,766,408		
Maintenance and Operation		\$ 26,299	\$ 0.3000
Bond Indebtedness (Debt Service)		\$ 262,991	\$ 3.0000
TOTAL SECONDARY		<u>\$ 289,290</u>	<u>\$ 3.3000</u>