

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
MEETING AGENDA
JUNE 14, 2010**

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 regular meeting at the date and time specified below at the Sahuarita Town Hall Council Chambers, 375 West Sahuarita Center Way, Sahuarita, Arizona.

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 14, 2010
At or after 6:30 p.m.**

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of the June 22, 2009 minutes**
- 4. Resolution 17 of the District Board of the Quail Creek Community Facilities District, a Community Facilities District of Arizona, approving a tentative budget for Fiscal Year 2011 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.

**TOWN OF SAHUARITA
QUAIL CREEK COMMUNITY FACILITIES DISTRICT
MINUTES
JUNE 22, 2009**

1. CALL TO ORDER

Chairwoman Skelton called the meeting to order at approximately 6:30 p.m.

2. ROLL CALL

PRESENT: Board Members Duane Blumberg, Scott Downs,
Kara Egbert, Rosanna Gabaldon, Charles Oldham,
Vice Chairman Phil Conklin, and Chairwoman Lynne Skelton

ABSENT: None

ALSO

PRESENT: Town Manager Jim Stahle, Town Attorney Daniel J.
Hochuli, Town Clerk Vicky Miel, and
Assistant Town Manager Larry Dobrosky

3. APPROVAL OF JUNE 8, 2009 MINUTES

MOTION was made by Board Member Oldham, SECONDED by Board Member Downs, to approve the minutes of June 8, 2009. MOTION CARRIED UNANIMOUSLY.

4. PUBLIC HEARING AND ADOPTION OF RESOLUTION 16 approving a final budget for fiscal year 2010 in the amount of \$1,365,350 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.

Chairwoman Skelton declared the public hearing open. There being no one present to speak Chairwoman Skelton declared the public hearing closed.

MOTION was made by Board Member Oldham, SECONDED by Board Member Blumberg, to adopt Resolution 16. MOTION CARRIED UNANIMOUSLY.

5. ADJOURNMENT

Chairwoman Skelton adjourned the meeting at approximately 6:35 p.m.

CHAIRPERSON

BOARD SECRETARY

vm

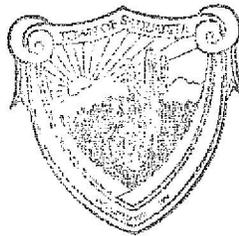
CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Quail Creek Community Facilities District held on the 22 day of June, 2009.

I further certify that the meeting was duly called and held and that a quorum was present.

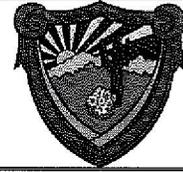
Dated this 29 day of June, 2009.

Vicky Miel
Board Secretary



**QCCFD
BOARD
MEETING
INFORMATION**

**QUAIL CREEK
COMMUNITY
FACILITIES DISTRICT**



MEETING DATE: 6/14/2010

DATE PREPARED: 6/2/2010

AGENDA ITEM # 4

TO: Honorable Chairperson and Board Members

FROM: A.C. Marriotti, District Treasurer

SUBJECT: RESOLUTION 17, APPROVING A TENTATIVE BUDGET FOR FISCAL YEAR 2011 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 2011 Tentative Budget for the Quail Creek Community Facilities District in the amount of \$1,060,490.

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 \$8,832,237, the District will need to assess the full \$3.30 tax rate generating an estimated \$271,860 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 will be recorded as miscellaneous revenues (\$757,440). The General Fund will likely have to subsidize, via a transfer (\$31,420), the unfunded park maintenance costs.

Expenditures consist of (1) operating costs (\$49,410) to maintain the Quail Creek Veterans Municipal Park and District roadways and (2) debt service (\$1,011,080).

STAFF RECOMMENDATION: Staff recommends approval of this resolution.

SUGGESTED MOTION: Move to adopt Resolution No. 17.

Handout for Item 4
QCCFD - 6-14-10
By AC Marriotti
6/14/2010

QUAIL CREEK CFD FY 2011 Tentative Budget

District Board Meeting
June 14, 2010

The District

- Formed on September 12, 2005
- Relationship to Town
 - Legally separate entity
 - "Blended component unit"
 - Special Revenue Fund
- Purpose/Function: to construct, acquire, and maintain enhanced public infrastructure and facilities within the District boundaries



The Facilities

- Campbell Avenue
- Bridges: Campbell Ave. and wash crossings
- South Boundary Road
- Roadway landscaping
- Drainage improvements
- Sewer lines
- Quail Creek-Veterans Municipal Park

Capital Financing/Debt

- \$12,660,000 General Obligation Bonds—
Series 2006
 - Annual debt service costs≈ \$1,011,000
 - Through July 15, 2030

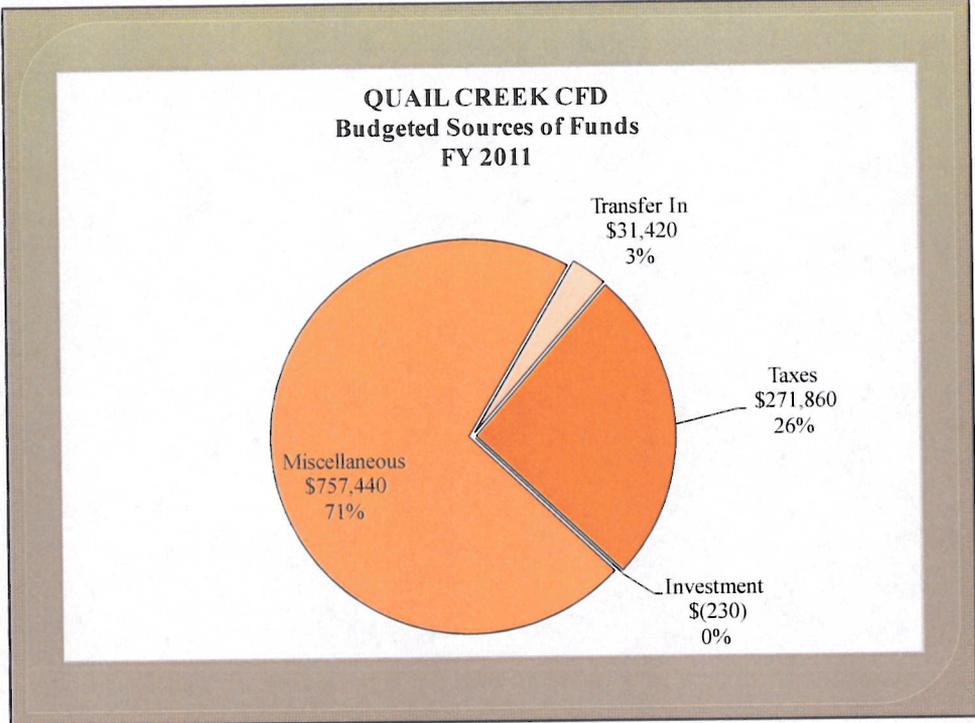
 - Bonds approved by District voters
 - Secondary Property Tax Rates
 - Debt Service: \$3.00/\$100 NAV
 - Operations: \$0.30/\$100 NAV

 - Developer stand-by contribution agreement

FY 2011 Budget

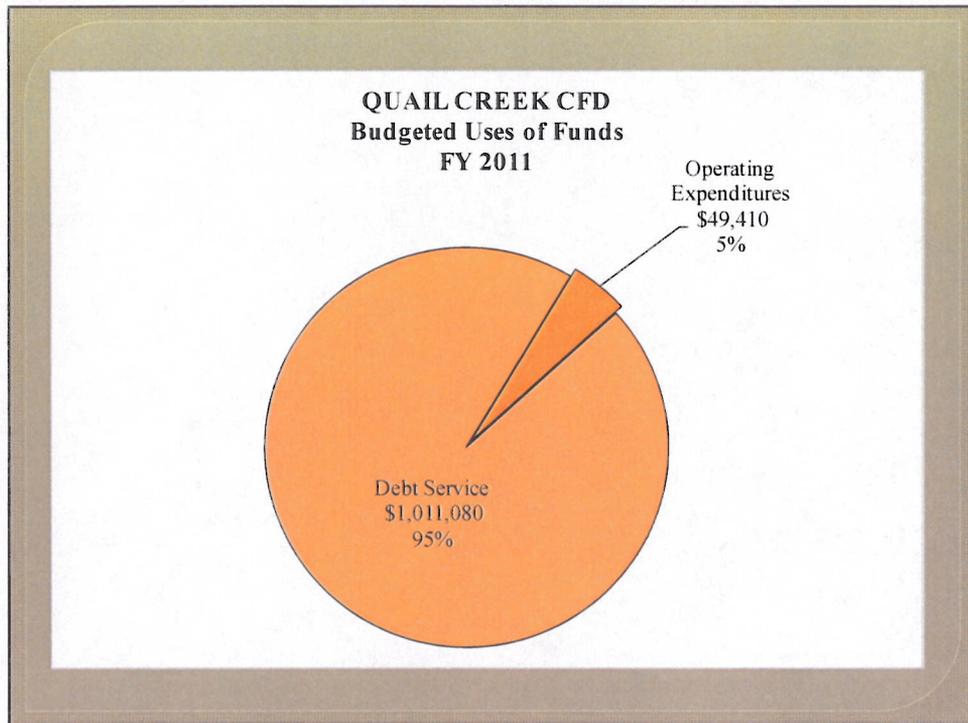
- Total: \$1,060,490
 - FY 2010: \$1,365,350
 - 22.3% lower than FY 2010

- In Balance
 - Funding sources=Funding Uses



Funding Sources

- Revenues and Sources
 - Property taxes
 - Debt Service Rate: \$3.00/\$100 NAV
 - O&M Rate: \$0.30/\$100 NAV
 - 5.0% allowance for uncollectable amounts
 - Investment income
 - Miscellaneous
 - Developer contribution
 - Operational subsidy from General Fund
 - No beginning fund balance



Funding Uses

- Expenditures and Uses
 - Operations
 - Park and Street Maintenance
 - Debt service
 - No ending fund balance

Resolution

- Approves FY2011 Tentative Budget
 - Sets upper limit on budget
- Files budget on prescribed forms
- Establishes a public hearing and advertising thereof
 - June 28, 2010

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
RESOLUTION NO. 17**

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 2011 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 2011 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 2011, 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 and the Arizona Department of Revenue;

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 2011, attached hereto and expressly made a part hereof as Exhibit "A" is hereby tentatively approved.

2. That 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 2011 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. That a public hearing date of June 28, 2010, 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. That 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. That 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 14th day of June, 2010.

Lynne Skelton
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 2011 Quail Creek Community Facilities District Budget

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

	2009	2010		Estimated Actual	2011	% Chng From Amended	% Chng From Estimated
	Actual Amount	Adopted Budget	Amended Budget		Adopted Budget		
<u>SOURCES</u>							
Revenues:							
Taxes	\$247,292	\$258,780	\$258,780	\$251,720	\$271,860	5.1%	8.0%
Charges for Services	16,339	-	-	-	-	-	-
Investment	8,087	4,200	4,200	50	(230)	-105.5%	-560.0%
Miscellaneous	570,567	770,500	770,500	784,760	757,440	-1.7%	-3.5%
Subtotal:	842,285	1,033,480	1,033,480	1,036,530	1,029,070	-0.4%	-0.7%
Other Sources:							
Transfer In	-	11,040	11,040	13,720	31,420	184.6%	129.0%
Beginning Fund Balance:							
Restricted for Debt Service	593,594	320,000	320,000	-	-	-100.0%	-
Restricted for Capital Outlay	899,793	-	-	-	-	-	-
Assigned for QC CFD	(20,464)	830	830	17,000	-	-100.0%	-100.0%
Subtotal:	1,472,923	320,830	320,830	17,000	-	-100.0%	-
TOTAL SOURCES	\$2,315,208	\$1,365,350	\$1,365,350	\$1,067,250	\$1,060,490	-22.3%	-0.6%
<u>USES</u>							
Current Expenditures:							
General Government	\$22,519	\$0	\$0	\$0	\$0	-	-
Parks and Recreation	30,102	33,020	33,020	32,260	34,910	5.7%	8.2%
Streets	-	-	-	14,900	14,500	-	-
Subtotal:	52,621	33,020	33,020	47,160	49,410	49.6%	4.8%
Debt Service:							
Principal	320,000	320,000	320,000	335,000	350,000	9.4%	-
Interest	686,345	670,830	670,830	678,590	654,580	-2.4%	-3.5%
Other	10,500	6,500	6,500	6,500	6,500	0.0%	0.0%
Subtotal:	1,016,845	997,330	997,330	1,020,090	1,011,080	1.4%	-0.9%
Capital Outlay:							
Infrastructure	1,228,742	-	-	-	-	-	-
Subtotal:	1,228,742	-	-	-	-	-	-
Subtotals Combined:	2,298,208	1,030,350	1,030,350	1,067,250	1,060,490	2.9%	-0.6%
Ending Fund Balance:							
Restricted for Debt Service	-	335,000	335,000	-	-	-	-
Assigned for QC CFD	17,000	-	-	-	-	-	-
Subtotal:	17,000	335,000	335,000	-	-	-	-
TOTAL USES	\$2,315,208	\$1,365,350	\$1,365,350	\$1,067,250	\$1,060,490	-22.3%	-0.6%

EXHIBIT "B"

QCCFD Statements and Estimates on Auditor General Forms

OFFICAL BUDGET FORMS
TOWN OF SAHUARITA, ARIZONA
Fiscal Year 2011

TOWN OF SAHUARITA, ARIZONA

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Fiscal Year 2011

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Schedule E—Summary by Department of Expenditures/Expenses Within Each Fund Type

Schedule F—Summary by Department of Expenditures/Expenses

TOWN OF SAHUJARITA, ARIZONA
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2011

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2010	ACTUAL EXPENDITURES/EXPENSES ** 2010	FUND BALANCE/ NET ASSETS*** July 1, 2010**	PROPERTY TAX REVENUES 2011	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2011	OTHER FINANCING 2011		INTERFUND TRANSFERS 2011		TOTAL FINANCIAL RESOURCES AVAILABLE 2011	BUDGETED EXPENDITURES/EXPENSES 2011
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 24,225,734	\$ 11,787,730	\$ 14,602,410	Primary: \$ 291,460 Secondary: \$ 10,626,260	\$ 10,626,260	\$	\$	\$ 100,000	\$ 433,130	\$ 24,895,540	\$ 24,895,540
2. Special Revenue Funds	3,143,436	2,566,720	216,780	291,460	5,003,780			691,130	3,299,000	2,904,150	2,904,150
3. Debt Service Funds Available											
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds											
6. Capital Projects Funds	36,524,450	11,538,950	14,512,560		14,970,950			3,299,000	2,954,730	29,827,780	29,827,780
7. Permanent Funds											
8. Enterprise Funds Available	12,854,660	7,584,180	843,220		3,495,230		1,296,010	5,121,230	2,524,500	8,231,190	8,231,190
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds	12,854,660	7,584,180	843,220		3,495,230		1,296,010	5,121,230	2,524,500	8,231,190	8,231,190
11. Internal Service Funds											
12. TOTAL ALL FUNDS	\$ 76,748,280	\$ 33,477,480	\$ 30,174,970	\$ 291,460	\$ 34,096,220	\$ 1,296,010	\$ 9,211,360	\$ 9,211,360	\$ 65,858,660	\$ 65,858,660	\$ 65,858,660

EXPENDITURE LIMITATION COMPARISON

	2010	2011
1. Budgeted expenditures/expenses	\$ 76,748,280	\$ 65,858,660
2. Add/subtract: estimated net reconciling items	(1,365,350)	(1,060,490)
3. Budgeted expenditures/expenses adjusted for reconciling items	75,382,930	64,798,170
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 75,382,930	\$ 64,798,170
6. EEC or voter-approved alternative expenditure limitation	\$ 75,382,930	\$ 64,798,170

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 Asset amounts except for amounts invested in capital assets, net of related debt, and reserved/restricted amounts established as offsets to assets presented for informational purposes (i.e., prepaids, inventory, etc.).

TOWN OF SAHUARITA, ARIZONA
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2011

	2010	2011
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	_____ 272,400	_____ 291,460
C. Total property tax levy amounts	\$ _____ 272,400	\$ _____ 291,460
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	\$ _____ 251,720	_____
(2) Prior years' levies	_____	_____
(3) Total secondary property taxes	\$ _____ 251,720	_____
C. Total property taxes collected	\$ _____ 251,720	_____
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 one 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
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2011

SOURCE OF REVENUES	ESTIMATED REVENUES 2010	ACTUAL REVENUES* 2010	ESTIMATED REVENUES 2011
GENERAL FUND			
Local taxes			
Sales taxes	\$ 3,940,700	\$ 3,777,670	\$ 4,066,300
Franchise fees	324,200	296,820	318,450
Licenses and permits			
Building permit fees	1,244,500	1,500,000	1,359,300
Business licensing fees	41,000	41,000	41,000
Intergovernmental			
State shared sales taxes	968,000	1,020,000	944,600
State shared income taxes	1,625,600	1,806,200	1,225,350
State shared vehicle license taxes	512,650	550,000	501,800
Grants and contributions	1,262,250	474,650	579,000
Charges for services			
Development fees	211,150	75,500	50,000
Recreation fees	155,000	130,000	140,000
Other departmental fees	15,200	22,100	19,300
Indirect cost recovery	246,500	616,000	898,350
Fines and forfeits			
Court fines and fees	248,800	226,770	232,540
Interest on investments			
Investment income	202,400	120,000	200,270
Contributions			
Voluntary contributions			
Donations from private organizations	67,000	3,850	10,000
Miscellaneous			
Miscellaneous/Other	15,000	46,150	40,000
Total General Fund	\$ 11,079,950	\$ 10,706,710	\$ 10,626,260

* 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
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2011

SOURCE OF REVENUES	ESTIMATED REVENUES 2010	ACTUAL REVENUES* 2010	ESTIMATED REVENUES 2011
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
State shared fuel taxes	\$ 848,800	\$ 900,000	\$ 853,170
Grants and contributions	629,000	3,375,230	3,328,000
Investment income	500	500	
Miscellaneous			
Total Highway User Revenue Fund	\$ 1,478,300	\$ 4,275,730	\$ 4,181,170
Local Transportation Assistance Fund			
Local transportation assistance funds	\$ 91,050	\$ 88,180	\$
Total Local Transportation Assistance Fund	\$ 91,050	\$ 88,180	\$
RICO Fund			
Fines and forfeitures	\$ 50,000	\$	\$ 49,500
Intergovernmental	35,000	15,000	35,000
Investment income	3,000	360	500
Total RICO Fund	\$ 88,000	\$ 15,360	\$ 85,000
Quail Creek Community Facilities District Fund			
Property taxes-allowance for uncollectibles	\$ (13,620)		(19,600)
Investment income (loss)	4,200	50	(230)
Miscellaneous-developer contributions	770,500	784,760	757,440
Total Quail Creek CFD Fund	\$ 761,080	\$ 784,810	\$ 737,610
Total Special Revenue Funds	\$ 2,418,430	\$ 5,164,080	\$ 5,003,780
CAPITAL PROJECTS FUNDS			
Capital Infrastructure Improvement Fund			
Sales taxes	\$ 2,500,000	\$ 3,175,920	\$ 1,987,720
Intergovernmental	18,849,000	3,498,000	12,850,000
Charges for services		189,500	
Investment income	205,900	120,000	77,230
Miscellaneous		25,000	56,000
Total Capital Infrastructure Improvement Fund	\$ 21,554,900	\$ 7,008,420	\$ 14,970,950
ENTERPRISE FUNDS			
Wastewater			
Sewer user charges	\$ 1,722,800	\$ 1,745,370	\$ 2,154,230
Sewer connection fees	980,000	1,254,620	1,391,320
Investment income (loss)	6,300	(37,410)	(50,320)
Total Wastewater Fund	\$ 2,709,100	\$ 2,962,580	\$ 3,495,230
Total Enterprise Funds	\$ 2,709,100	\$ 2,962,580	\$ 3,495,230
TOTAL ALL FUNDS	\$ 37,762,380	\$ 25,841,790	\$ 34,096,220

* 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
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2011

FUND	OTHER FINANCING 2011		INTERFUND TRANSFERS 2011	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Highway User Revenue Fund	\$ _____	\$ _____	\$ _____	\$ 401,710
Quail Creek CFD	_____	_____	_____	31,420
Capital Infrastructure Improvement Fund	_____	_____	100,000	_____
Total General Fund	\$ _____	\$ _____	\$ 100,000	\$ 433,130
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund	\$ _____	\$ _____	\$ 659,710	\$ 3,299,000
Quail Creek CFD	_____	_____	31,420	_____
Total Special Revenue Funds	\$ _____	\$ _____	\$ 691,130	\$ 3,299,000
CAPITAL PROJECTS FUNDS				
Capital Infrastructure Improvement Fund	\$ _____	\$ _____	\$ 3,299,000	\$ 2,954,730
Total Capital Projects Funds	\$ _____	\$ _____	\$ 3,299,000	\$ 2,954,730
ENTERPRISE FUNDS				
Wastewater	\$ 1,296,010	\$ _____	\$ 5,121,230	\$ 2,524,500
Total Enterprise Funds	\$ 1,296,010	\$ _____	\$ 5,121,230	\$ 2,524,500
TOTAL ALL FUNDS	\$ 1,296,010	\$ _____	\$ 9,211,360	\$ 9,211,360

TOWN OF SAHUARITA, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2011

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010	ACTUAL EXPENDITURES/ EXPENSES* 2010	BUDGETED EXPENDITURES/ EXPENSES 2011
GENERAL FUND				
Mayor & Council	\$ 173,510	\$	\$ 155,660	\$ 167,150
Town Manager	682,790	61,000	675,620	635,060
Law	494,450		481,060	457,430
Town Clerk	249,600	2,100	257,210	358,100
Finance	1,006,070		925,870	997,490
Human Resources	184,530		180,850	187,550
Municipal Court	490,000		476,860	517,420
Planning & Building				1,002,180
Planning & Zoning	374,050		364,680	
Building Safety	875,420	8,400	864,310	
Parks & Recreation	1,391,540	(51,000)	1,309,480	1,359,040
Public Works	893,150		821,300	829,650
Police	5,844,220	89,160	5,142,180	5,484,490
Non-departmental	558,850	(89,160)	132,650	412,250
Contingency / Reserves	11,039,880	(52,826)		12,487,730
Total General Fund	\$ 24,258,060	\$ (32,326)	\$ 11,787,730	\$ 24,895,540
SPECIAL REVENUE FUNDS				
Highway user Revenue Fund	\$ 1,352,540	\$ 32,326	\$ 1,393,420	\$ 1,541,880
Local Transportation Assistance Fund	91,050		91,050	
RICO Fund	302,170		15,000	301,780
Quail Creek CFD	1,365,350		1,067,250	1,060,490
Total Special Revenue Funds	\$ 3,111,110	\$ 32,326	\$ 2,566,720	\$ 2,904,150
CAPITAL PROJECTS FUNDS				
Capital Infrastructure Improvement Fund	\$ 36,524,450		\$ 11,538,850	\$ 29,827,780
Total Capital Projects Funds	\$ 36,524,450		\$ 11,538,850	\$ 29,827,780
ENTERPRISE FUNDS				
Wastewater	\$ 12,854,660		\$ 7,584,180	\$ 8,231,190
Total Enterprise Funds	\$ 12,854,660		\$ 7,584,180	\$ 8,231,190
TOTAL ALL FUNDS	\$ 76,748,280		\$ 33,477,480	\$ 65,858,660

* 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
Summary by Department of Expenditures/Expenses
Fiscal Year 2011

<u>DEPARTMENT/FUND</u>	<u>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010</u>	<u>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010</u>	<u>ACTUAL EXPENDITURES/ EXPENSES * 2010</u>	<u>BUDGETED EXPENDITURES/ EXPENSES 2011</u>
Police:				
General Fund	\$ 5,844,220	\$ 89,160	\$ 5,142,180	\$ 5,484,490
RICO Fund	105,000		15,000	85,290
Department Total	\$ 5,949,220	\$ 89,160	\$ 5,157,180	\$ 5,569,780
Parks & Recreation:				
General Fund	\$ 1,391,540	\$ (51,000)	\$ 1,309,480	\$ 1,359,040
Quail Creek CFD Fund	33,020		32,260	34,910
Department Total	\$ 1,424,560	\$ (51,000)	\$ 1,341,740	\$ 1,393,950
Streets:				
Highway User Revenue Fund	\$ 1,416,700	\$ 32,326	\$ 1,484,470	\$ 1,541,880
Quail Creek CFD Fund			14,900	14,500
Department Total	\$ 1,416,700	\$ 32,326	\$ 1,499,370	\$ 1,556,380

* 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.

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 2011 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 2009 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 28, 2010, 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.

Dated this 14th day of June, 2010.

/s/ James R. Stahle
District Manager, Quail Creek
Community Facilities District

Published: _____, 2010