

## **QUAIL CREEK COMMUNITY FACILITIES DISTRICT**

**June 23, 2008**

*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 meeting location is wheelchair accessible. Any person who by reason of any disability is in need of special services as a result of their disability, such as assistive listening devices, agenda materials printed in Braille or large print, or a signer for the hearing impaired, etc., will be accommodated. These special services are available upon prior request at least ten working days prior to the meeting.*

### **SPECIAL MEETING AGENDA**

**June 23, 2008**

**At or after 6:30 p.m.**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES (June 9, 2008)**
- 4. RESOLUTION NO. 14 APPROVING A FINAL BUDGET FOR FISCAL YEAR 2009 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.*

**Quail Creek Community Facilities District  
June 9, 2008  
Meeting Minutes**

**1. CALL TO ORDER**

Board Chair Skelton called the meeting to order at 9:02 p.m.

**2. ROLL CALL**

Board Chair Skelton reported for the record that all board members were present.

Present: Board Chair Skelton, Board Vice-Chair Conklin, Board Member Downs, Board Member Minor, Board Member Moreno, Board Member Oldham, and Board Member Sullivan.

Absent: None.

Excused: None.

- 3. RESOLUTION No. 13 OF THE DISTRICT BOARD OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A TENTATIVE BUDGET FOR FISCAL YEAR 2009 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; AND 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.**

**MOTION:** To Approve Resolution No. 13 of the Quail Creek Community Facilities District.  
**Motion:** Board Member Downs; 2nd: Board Vice-Chair Conklin. Motion passed 7-0.

**4. ADJOURNMENT**

Board Chair Skelton adjourned the meeting at 9:04 p.m. without objection.

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Lynne Skelton  
Mayor

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Sandra R. Olivas-Meranza, CMC  
Town Clerk

**QCCFD  
BOARD  
MEETING  
INFORMATION**

**QUAIL CREEK  
COMMUNITY  
FACILITIES DISTRICT**



**MEETING DATE: 6/23/2008**

**DATE PREPARED: 6/12/2008**

**AGENDA ITEM # 4**

**TO:** Honorable Chairperson and Board Members

**FROM:** A.C. Marriotti, District Treasurer

**SUBJECT:** PUBLIC HEARING AND APPROVAL OF RESOLUTION No. 14, APPROVING A FINAL BUDGET FOR FISCAL YEAR 2009 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 2009 is \$2,450,200. There have been no changes to the Tentative Budget, which was approved on Resolution No. 13 on June 9, 2008.

The District is a legally separate entity. However, because of the relationship with the Town of Sahuarita (i.e., the Town Council is the District Board), the CFD is a *blended component unit* of the Town and will be incorporated into the Town's financial reporting entity as a special revenue fund. District expenditures, however, are not factored into the Town's alternative expenditure limitation.

Resolution No. 14 levies a property tax totaling \$3.30 per \$100 of assessed valuation on property within the District boundaries. The property tax rate has two components. The first, at \$3.00 per \$100 of assessed valuation is levied to pay for the District's debt service obligations. The second, at \$0.30 per \$100 of assessed valuation is levied to pay for the District's operations and maintenance.

Staff will give a presentation that summarizes the District's budget at the Board meeting.

**STAFF RECOMMENDATION:** Staff recommends approval of Resolution No. 14.

**SUGGESTED MOTION:** Move to adopt Resolution No. 14.

QUAIL CREEK COMMUNITY FACILITIES DISTRICT  
RESOLUTION NO. 14

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A RESOLUTION OF THE DISTRICT BOARD OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A FINAL BUDGET FOR FISCAL YEAR 2009 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. 13, adopted on June 9, 2008, the District Board of QCCFD (a) approved a tentative budget for FY 2009, (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 23, 2008, 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 2009 by this Resolution No. 14, 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 2009, attached hereto and expressly made a part hereof as Exhibit "A", is hereby finally adopted.

2. That it is hereby ORDERED that, in FY 2009, 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. That certified copies of the Resolution and Order 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. 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 23<sup>rd</sup> day of June, 2008.

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Lynne Skelton  
Chairperson, District Board,  
Quail Creek Community Facilities District

ATTEST:

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Sandra R. Olivas-Meranza  
District Clerk,  
Quail Creek Community Facilities District

APPROVED AS TO FORM:

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

EXHIBIT "A"

*Fiscal Year 2009 Quail Creek Community Facilities District Budget*

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

	2006-2007 Actual Amount	2007-2008 Adopted Budget	2007-2008 Amended Budget	2007-2008 Estimated Actual	2008-2009 Adopted Budget	% Change From Amended	% Change From 07/08 Estimate
<b>SOURCES</b>							
<b>REVENUES:</b>							
Taxes-Debt Service	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 215,000	115.0%	115.0%
Taxes-O&M	-	10,000	10,000	10,000	21,500	115.0%	115.0%
Charges for Services	14,968	28,000	28,000	14,000	5,000	-82.1%	-64.3%
Investment	537,017	250,000	250,000	250,000	56,750	-77.3%	-77.3%
Miscellaneous	-	336,350	336,350	-	511,150	52.0%	-
Revenues	551,985	724,350	724,350	374,000	809,400	11.7%	116.4%
<b>OTHER SOURCES:</b>							
Transfer In from General Fund	-	-	-	-	21,350	-	-
Other Sources	-	-	-	-	21,350	-	-
<b>BEGINNING FUND BALANCES:</b>							
Restricted for Debt Service	732,101	342,100	342,100	562,300	223,450	-34.7%	-60.3%
Restricted for Capital Outlay	11,251,010	11,075,000	11,075,000	4,517,400	1,386,000	-87.5%	-69.3%
Undesignated	-	2,000	2,000	-	10,000	400.0%	-
Beginning Fund Balances	11,983,111	11,419,100	11,419,100	5,079,700	1,619,450	-85.8%	-100.0%
<b>TOTAL SOURCES</b>	<b>\$ 12,535,096</b>	<b>\$ 12,143,450</b>	<b>\$ 12,143,450</b>	<b>\$ 5,453,700</b>	<b>\$ 2,450,200</b>	<b>-79.8%</b>	<b>-55.1%</b>
<b>USES</b>							
<b>CURRENT EXPENDITURES:</b>							
General Government	\$ 14,968	\$ 30,500	\$ 30,500	\$ 14,000	\$ 17,000	-44.3%	21.4%
Culture and Recreation	-	7,500	7,500	-	38,350	411.3%	-
Subtotal: Current Expenditures	14,968	38,000	38,000	14,000	55,350	45.7%	295.4%
<b>DEBT SERVICE:</b>							
Principal	-	-	-	-	320,000	-	-
Interest	732,101	686,350	686,350	686,350	686,350	0.0%	0.0%
Other	-	1,000	1,000	2,500	2,500	150.0%	0.0%
Subtotal: Debt Service	732,101	687,350	687,350	688,850	1,008,850	46.8%	46.5%
<b>CAPITAL OUTLAY:</b>							
Land and Improvements	6,653	200,000	200,000	500	-	-100.0%	-100.0%
Infrastructure	5,644,295	7,823,250	7,823,250	3,087,050	1,386,000	-82.3%	-55.1%
Sewer Conveyance System	1,057,430	750,000	750,000	43,850	-	-100.0%	-100.0%
Subtotal: Capital Outlay	6,708,378	8,773,250	8,773,250	3,131,400	1,386,000	-84.2%	-55.7%
Subtotal: Current Expenditures, Debt Service, and Capital Outlay	7,455,447	9,498,600	9,498,600	3,834,250	2,450,200	-74.2%	-36.1%
<b>ENDING FUND BALANCES:</b>							
Restricted for Debt Service	562,279	-	-	223,450	-	-	-100.0%
Restricted for Capital Outlay	4,517,370	2,639,850	2,639,850	1,386,000	-	-100.0%	-100.0%
Contingency Reserves	-	5,000	5,000	10,000	-	-100.0%	-100.0%
Subtotal: Ending Fund Balances	5,079,649	2,644,850	2,644,850	1,619,450	-	-100.0%	-100.0%
<b>TOTAL USES</b>	<b>\$ 12,535,096</b>	<b>\$ 12,143,450</b>	<b>\$ 12,143,450</b>	<b>\$ 5,453,700</b>	<b>\$ 2,450,200</b>	<b>-79.8%</b>	<b>-55.1%</b>

EXHIBIT "B"

**FISCAL YEAR 2008/09 TAX LEVY**

<u>JURISDICTION</u>	<u>ASSESSED VALUATION (AV)</u>	<u>TAX LEVY</u>	<u>TAX RATE (PER \$100 AV)</u>
<b>QUAIL CREEK COMMUNITY FACILITIES DISTRICT</b>			
Secondary	\$ 7,510,801		
Maintenance and Operation		\$ 22,532	\$ 0.3000
Bond Indebtedness (Debt Service)		\$ 225,324	\$ 3.0000
TOTAL SECONDARY		<u>\$ 247,856</u>	<u>\$ 3.3000</u>