

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT**  
**June 9, 2008**  
**District Board Meeting**  
**Sahuarita Town Hall Council Chambers**

*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.*

**CFD MEETING AGENDA**  
**June 9, 2008**  
**At or after 6:30 p.m.**

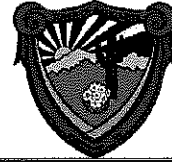
1. **CALL TO ORDER**
2. **ROLL CALL**
3. **RESOLUTION No. 13 OF THE DISTRICT BOARD OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A TENTATIVE BUDGET FOR FISCAL YEAR 2009 PURSUANT TO SECTION 48-716, ARIZONA REVISED STATUTES, AS AMENDED; SETTING 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.**
4. **ADJOURNMENT**

*Action may be taken by the District Board on any item listed on this agenda.*

Posted: DATE: \_\_\_\_\_ TIME: \_\_\_\_\_ Office \_\_\_\_\_ School \_\_\_\_\_ Anamax \_\_\_\_\_

**QCCFD  
BOARD  
MEETING  
INFORMATION**

**QUAIL CREEK  
COMMUNITY  
FACILITIES DISTRICT**



**MEETING DATE:** 6/9/2008

**DATE PREPARED:** 5/29/2008

**AGENDA ITEM #**

**TO:** Honorable Chairperson and Board Members

**FROM:** A.C. Marriotti, Finance Director

**SUBJECT:** RESOLUTION 13, 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; 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 2009 Tentative Budget for the Quail Creek Community Facilities District in the amount of \$2,450,200.

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 \$7,510,801, the District will need to assess the full \$3.30 tax rate. Moreover, per existing development agreements, we anticipate the developer will be required to subsidize the unfunded administrative and debt service costs. These subsidies will be recorded as charges for services and miscellaneous revenues, respectively. The General Fund will likely have to subsidize, via a transfer, the unfunded park maintenance costs.

Expenditures consist of (1) capital outlay to complete the construction of the Quail Creek Park improvements (2) operating costs to maintain the park, (3) costs of District administration, and (4) debt service.

**STAFF RECOMMENDATION:** Staff recommends approval of Resolution No. 13.

**SUGGESTED MOTION:** Move to adopt Resolution No. 13.

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT  
RESOLUTION NO. 13**

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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 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; 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 2009 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 2009, 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 2009, 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 2009 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 23, 2008, beginning at or after 7:00 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 9<sup>th</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><u>SOURCES</u></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	1,819,450	-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><u>USES</u></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"

*QCCFD Statements and Estimates on Auditor General Forms*



**TOWN OF SAHUARITA, ARIZONA**  
**Summary Schedule of Estimated Revenues and Expenditures/Expenses**  
**Fiscal Year 2009**

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2008	ACTUAL EXPENDITURES/EXPENSES ** 2008	FUND BALANCE/NET ASSETS*** July 1, 2008**	PROPERTY TAX REVENUES 2009	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2009	OTHER FINANCING 2009		INTERFUND TRANSFERS 2009		TOTAL FINANCIAL RESOURCES AVAILABLE 2009	BUDGETED EXPENDITURES/EXPENSES 2009
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 23,799,300	\$ 12,163,333	\$ 12,086,950	Primary: \$ 13,049,350 Secondary: \$ 236,500	\$ 13,049,350	\$	\$	\$ 3,504,650	\$ 186,450	\$ 28,453,600	\$ 28,453,600
2. Special Revenue Funds	55,487,400	23,083,750	19,759,950		19,985,610			6,623,450	10,780,850	48,109,660	48,109,660
3. Debt Service Funds Available											
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds											
6. Capital Projects Funds											
7. Permanent Funds											
8. Enterprise Funds Available	12,208,450	10,360,350	1,701,100		2,871,000			839,200		30,789,500	30,789,500
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds	12,208,450	10,360,350	1,701,100		2,871,000			839,200		30,789,500	30,789,500
11. Internal Service Funds											
12. TOTAL ALL FUNDS	\$ 91,495,150	\$ 45,607,433	\$ 33,547,100	\$ 236,500	\$ 35,905,960	\$ 37,663,200	\$	\$ 10,967,300	\$ 10,967,300	\$ 107,352,760	\$ 107,352,760

**EXPENDITURE LIMITATION COMPARISON**

	2008	2009
1. Budgeted expenditures/expenses	\$ 91,495,150	\$ 107,352,760
2. Add/subtract: estimated net reconciling items	(12,143,450)	(2,450,200)
3. Budgeted expenditures/expenses adjusted for reconciling items	79,351,700	104,902,560
4. Less: estimated exclusions	\$ 79,351,700	\$ 104,902,560
5. Amount subject to the expenditure limitation	\$ 79,351,700	\$ 104,902,560
6. EEC or voter-approved alternative expenditure limitation		

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 2009**

	<b>2008</b>	<b>2009</b>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the <b>current year</b> 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	110,000	236,500
C. Total property tax levy amounts	\$ 110,000	\$ 236,500
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	\$ 110,000	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ 110,000	
C. Total property taxes collected	\$ 110,000	
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 2009**

SOURCE OF REVENUES	ESTIMATED REVENUES 2008	ACTUAL REVENUES* 2008	ESTIMATED REVENUES 2009
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
Sales taxes	\$ 3,410,000	\$ 3,625,000	\$ 4,096,000
Franchise fees	250,000	267,000	288,000
<b>Licenses and permits</b>			
Building permit fees	2,500,000	2,375,000	2,227,000
Business licensing fees	20,000	25,000	50,000
<b>Intergovernmental</b>			
State shared sales taxes	1,425,000	1,265,350	1,265,350
State shared income taxes	1,970,000	1,950,000	2,062,300
State shared vehicle license taxes	610,000	640,000	670,000
Grants and contributions	122,000	403,146	582,000
<b>Charges for services</b>			
Development fees	507,000	250,000	248,000
Recreation fees	155,000	146,000	174,000
Other departmental fees	4,000	5,000	8,700
Indirect cost recovery	253,000	271,000	517,000
<b>Fines and forfeits</b>			
Court fines and fees	290,000	275,000	300,000
<b>Interest on investments</b>			
Investment income	420,000	490,000	450,000
<b>Contributions</b>			
Voluntary contributions			
Donations from private parties	20,000	25,000	61,000
<b>Miscellaneous</b>			
Miscellaneous/Other	10,000	67,500	50,000
<b>Total General Fund</b>	<b>\$ 11,966,000</b>	<b>\$ 12,079,996</b>	<b>\$ 13,049,350</b>

\* 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 2009**

SOURCE OF REVENUES	ESTIMATED REVENUES 2008	ACTUAL REVENUES* 2008	ESTIMATED REVENUES 2009
<b>SPECIAL REVENUE FUNDS</b>			
<b>Highway User Revenue Fund</b>			
State shared HURF taxes	\$ 1,174,000	\$ 1,110,000	\$ 1,193,050
Grants and contributions	4,249,000	520,900	6,452,500
Investment income	10,000	14,000	1,000
<b>Total Highway User Revenue Fund</b>	<b>\$ 5,433,000</b>	<b>\$ 1,644,900</b>	<b>\$ 7,646,550</b>
<b>Local Transportation Assistance Fund</b>			
Local transportation assistance funds	\$ 82,000	\$ 82,750	\$ 93,950
<b>Total Local Transportation Assistance Fund</b>	<b>\$ 82,000</b>	<b>\$ 82,750</b>	<b>\$ 93,950</b>
<b>RICO Fund</b>			
Fines and forfeitures	\$ 25,000	\$ 244,750	\$ 510,000
Intergovernmental			35,000
Investment income	2,500	3,500	12,500
	\$ 27,500	\$ 248,250	\$ 557,500
<b>Capital Infrastructure Improvement Fund</b>			
Sales taxes	\$ 3,700,000	\$ 6,000,000	\$ 3,850,000
Intergovernmental	5,560,000	3,656,550	4,496,000
Investment income	750,000	875,500	650,000
Miscellaneous-developer contributions	3,823,000		2,118,710
	\$ 13,833,000	\$ 10,532,050	\$ 11,114,710
<b>Quail Creek Community Facilities District Fund</b>			
Charges for services	\$ 28,000	\$ 14,000	\$ 5,000
Investment income	250,000	250,000	56,750
Miscellaneous-developer contributions	336,350		511,150
	\$ 614,350	\$ 264,000	\$ 572,900
<b>Total Special Revenue Funds</b>	<b>\$ 19,989,850</b>	<b>\$ 12,771,950</b>	<b>\$ 19,985,610</b>
<b>ENTERPRISE FUNDS</b>			
<b>Wastewater</b>			
Sewer user charges	\$ 750,000	\$ 837,000	\$ 1,393,000
Sewer connection fees	1,500,000	1,325,000	1,443,000
Intergovernmental		35,000	
Investment income	75,000	118,000	35,000
Miscellaneous/Other	1,000,000		
	\$ 3,325,000	\$ 2,315,000	\$ 2,871,000
<b>Total Enterprise Funds</b>	<b>\$ 3,325,000</b>	<b>\$ 2,315,000</b>	<b>\$ 2,871,000</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 35,280,850</b>	<b>\$ 27,166,946</b>	<b>\$ 35,905,960</b>

\* 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 2009**

<u>FUND</u>	<u>OTHER FINANCING</u> 2009		<u>INTERFUND TRANSFERS</u> 2009	
	<u>SOURCES</u>	<u>&lt;USES&gt;</u>	<u>IN</u>	<u>&lt;OUT&gt;</u>
<b>GENERAL FUND</b>				
Highway User Revenue Fund	\$ _____	\$ _____	\$ _____	\$ 165,100
Quail Creek CFD	_____	_____	_____	21,350
Capital Infrastructure Improvement Fund	_____	_____	3,504,650	_____
<b>Total General Fund</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 3,504,650</b>	<b>\$ 186,450</b>
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund	\$ _____	\$ _____	\$ 423,100	6,179,000
Quail Creek CFD	_____	_____	21,350	_____
Capital Infrastructure Improvement Fund	12,285,000	_____	6,179,000	4,601,850
<b>Total Special Revenue Funds</b>	<b>\$ 12,285,000</b>	<b>\$ _____</b>	<b>\$ 6,623,450</b>	<b>\$ 10,780,850</b>
<b>ENTERPRISE FUNDS</b>				
Wastewater	\$ 25,378,200	\$ _____	\$ 839,200	\$ _____
<b>Total Enterprise Funds</b>	<b>\$ 25,378,200</b>	<b>\$ _____</b>	<b>\$ 839,200</b>	<b>\$ _____</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 37,663,200</b>	<b>\$ _____</b>	<b>\$ 10,967,300</b>	<b>\$ 10,967,300</b>

**TOWN OF SAHUARITA, ARIZONA**  
**Summary by Department of Expenditures/Expenses Within Each Fund Type**  
**Fiscal Year 2009**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2008	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2008	ACTUAL EXPENDITURES/ EXPENSES* 2008	BUDGETED EXPENDITURES/ EXPENSES 2009
<b>GENERAL FUND</b>				
Mayor & Council	\$ 176,850	\$	\$ 125,028	\$ 196,500
Town Manager	1,109,300	75,000	1,013,906	861,850
Law	481,850		473,930	526,200
Town Clerk	269,650		251,466	320,050
Finance	997,300		879,972	1,121,200
Human Resources				236,100
Planning & Zoning	432,800		331,550	440,700
Building Safety	1,532,100		1,341,982	1,232,600
Parks & Recreation	1,833,750		1,714,045	1,757,250
Public Works	1,068,050		990,770	1,067,700
Police	4,667,850	190,519	4,462,360	5,689,550
Municipal Court	577,550		492,484	540,450
Non-Departmental	296,000		85,840	622,000
Contingency and Reserves	10,356,250	(265,519)		13,841,450
<b>Total General Fund</b>	<b>\$ 23,799,300</b>	<b>\$</b>	<b>\$ 12,163,333</b>	<b>\$ 28,453,600</b>
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund	\$ 1,652,350	\$	\$ 1,390,250	\$ 1,685,750
Local Transportation Assistance Fund	82,000		82,750	93,950
RICO Fund	221,700		40,350	813,800
Capital Infrastructure Improvement Fund	41,387,900		17,736,150	43,065,960
Quail Creek CFD	12,143,450		3,834,250	2,450,200
<b>Total Special Revenue Funds</b>	<b>\$ 55,487,400</b>	<b>\$</b>	<b>\$ 23,083,750</b>	<b>\$ 48,109,660</b>
<b>ENTERPRISE FUNDS</b>				
Wastewater	\$ 12,208,450	\$	\$ 10,360,350	\$ 30,789,500
<b>Total Enterprise Funds</b>	<b>\$ 12,208,450</b>	<b>\$</b>	<b>\$ 10,360,350</b>	<b>\$ 30,789,500</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 91,495,150</b>	<b>\$</b>	<b>\$ 45,607,433</b>	<b>\$ 107,352,760</b>

\* 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 2009**

<b>DEPARTMENT/FUND</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2008</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2008</b>	<b>ACTUAL EXPENDITURES/ EXPENSES * 2008</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2009</b>
<b>Police:</b>				
General Fund	\$ 4,667,850	\$ 190,519	\$ 4,462,360	\$ 5,689,550
RICO Fund	43,600	13,000	40,350	169,600
<b>Department Total</b>	<b>\$ 4,711,450</b>	<b>\$ 203,519</b>	<b>\$ 4,502,710</b>	<b>\$ 5,859,150</b>
<b>Parks &amp; Recreation</b>				
General Fund	\$ 1,833,750	\$	\$ 1,714,045	\$ 1,757,250
Quail Creek CFD Fund	7,500	\$	\$	38,350
<b>Department Total</b>	<b>\$ 1,841,250</b>	<b>\$</b>	<b>\$ 1,714,045</b>	<b>\$ 1,795,600</b>

\* 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 2009 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 23, 2008, at or after 7:00 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 9<sup>th</sup> day of June, 2008.

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

Published: \_\_\_\_\_, 2008



**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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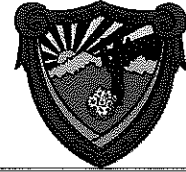
Lynne Skelton  
Mayor

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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>