

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
RESOLUTION NO. 27**

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 2016 IN THE AMOUNT OF \$1,064,490 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 2016 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 2016, to publish notice of having filed the required statements and estimates, and to set a date (and publish a notice thereof) for a public hearing to receive comment on the tentative budget and, particularly, on the portions of the statements and estimates not relating to debt service on general obligation bonds; and

WHEREAS, after said public hearing (and on or before October 1), the District Board of QCCFD expects to adopt a final budget by resolution; and

WHEREAS, on or before the third Monday in August, the District Board of QCCFD also expects to order the fixing, levying and assessment of required ad valorem taxes and to cause certified copies of the order to be delivered to the Pima County Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, AS FOLLOWS:

1. That certain proposed budget prepared by the District Treasurer of QCCFD for fiscal year 2016, attached hereto and expressly made a part hereof as Exhibit "A" is hereby tentatively approved.

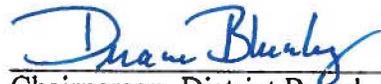
2. The statements and estimates of the operation and maintenance expenses of QCCFD, the costs of capital improvements to be financed by the approved ad valorem tax levy, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy and of the amount to be raised to pay general obligation bonds of QCCFD in fiscal year 2016 are hereby filed on forms of the Auditor General in accordance with Section 42-17101(3) and 48-723(C), Arizona Revised Statutes, as amended, and are attached hereto and expressly made a part hereof as Exhibit "B."

3. A public hearing date of June 22, 2015, beginning at or after 6:30 p.m. at the Sahuarita Town Hall Council Chamber, 375 W. Sahuarita Center Way, Sahuarita, Arizona, is hereby set to consider said tentative budget (including, but expressly not limited to, consideration of those portions of the statements and estimates not relating to debt service on general obligation bonds of QCCFD), and said notice (attached hereto and expressly made a part hereof as Exhibit "C") shall be published once in the Sahuarita Sun no later than ten (10) days prior to said hearing date.

4. If any provision in this Resolution is held invalid by a court of competent jurisdiction, the remaining provisions shall not be affected but shall continue in full force and effect.

5. This Resolution shall be effective after its passage and approval according to law.

PASSED by the District Board of the Quail Creek Community Facilities District
this 8th day of June, 2015.



Chairperson, District Board,
Quail Creek Community Facilities District

ATTEST:



Lisa Cole, CMC
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 2016 Quail Creek Community Facilities District Budget

QUAIL CREEK COMMUNITY FACILITIES DISTRICT

SOURCES AND USES OF FUNDS

	2014	2015			2016
	Actual Amount	Adopted Budget	Amended Budget	Estimated Actual	Budget Amount
<u>SOURCES</u>					
Revenues:					
Taxes	\$ 302,967	\$ 345,860	\$ 345,860	\$ 345,860	\$ 398,610
Investment Earnings (Losses)	(105)	(430)	(430)	(210)	(170)
Miscellaneous	729,690	690,370	690,370	690,370	645,650
Subtotal:	1,032,552	1,035,800	1,035,800	1,036,020	1,044,090
Other Sources:					
Transfers In	29,034	30,060	30,060	30,970	20,400
Subtotal:	29,034	30,060	30,060	30,970	20,400
Beginning Fund Balance:					
Restricted for QC CFD	-	-	-	-	-
Subtotal:	-	-	-	-	-
TOTAL SOURCES	\$ 1,061,586	\$ 1,065,860	\$ 1,065,860	\$ 1,066,990	\$ 1,064,490
<u>USES</u>					
Current Expenditures:					
Streets	\$ 18,501	\$ 18,320	\$ 18,320	\$ 19,450	\$ 21,880
Park and Recreation	34,255	39,060	39,060	39,060	31,020
Subtotal:	52,756	57,380	57,380	58,510	52,900
Debt Service:					
Principal	405,000	425,000	425,000	425,000	450,000
Interest	599,830	578,980	578,980	578,980	557,090
Other	4,000	4,500	4,500	4,500	4,500
Subtotal:	1,008,830	1,008,480	1,008,480	1,008,480	1,011,590
Subtotals Combined:	1,061,586	1,065,860	1,065,860	1,066,990	1,064,490
Ending Fund Balance:					
Restricted for QC CFD	-	-	-	-	-
Subtotal:	-	-	-	-	-
TOTAL USES	\$ 1,061,586	\$ 1,065,860	\$ 1,065,860	\$ 1,066,990	\$ 1,064,490

EXHIBIT "B"

QCCFD Statements and Estimates on Auditor General Forms

TOWN OF SAHUARITA, ARIZONA
Tax Levy and Tax Rate Information
Fiscal Year 2016

	2015	2016
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	354,730	411,260
C. Total property tax levy amounts	\$ 354,730	\$ 411,260
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	\$ 342,320	
(2) Prior years' levies	3,540	
(3) Total secondary property taxes	\$ 345,860	
C. Total property taxes collected	\$ 345,860	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	_____	_____
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>two</u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

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

TOWN OF SAHUARITA, ARIZONA
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
GENERAL FUND			
Local taxes			
Transaction privilege taxes	\$ 4,531,630	\$ 4,706,280	\$ 4,820,850
Franchise fees	316,470	310,310	318,660
Licenses and permits			
Planning & Building permit fees	806,230	970,220	1,032,820
Intergovernmental			
State shared sales taxes	2,282,360	2,290,100	2,372,540
State shared income taxes	3,057,570	3,057,570	3,041,180
State shared vehicle license taxes	986,570	1,000,540	1,038,340
Charges for services			
Development fees	74,070	50,000	98,930
Recreation fees	110,670	129,540	135,230
Other departmental fees	34,500	4,180	5,000
Indirect cost recovery	681,800	632,270	669,040
Fines and forfeits			
Court fines and fees	275,570	264,960	271,640
Interest on investments			
Investment earnings	230,410	130,000	228,180
Miscellaneous			
Other	50,000	48,500	61,050
Total General Fund	\$ 13,437,850	\$ 13,594,470	\$ 14,093,460

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

TOWN OF SAHUARITA, ARIZONA
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
State shared fuel taxes	\$ 1,775,290	\$ 1,804,880	\$ 1,838,770
Intergovernmental-State	1,000,000	1,700,600	3,600,000
Intergovernmental-Local	25,000	25,000	25,000
Investment earnings	2,590	1,690	1,870
Miscellaneous		2,700	
	<u>\$ 2,802,880</u>	<u>\$ 3,534,870</u>	<u>\$ 5,465,640</u>
Grants & Restricted Sources Fund			
Fines and forfeitures	\$ 120,520	\$ 47,870	\$ 60,870
Intergovernmental-Federal	486,560	202,660	485,780
Intergovernmental-State	204,730	13,170	104,910
Intergovernmental-Local	35,170	35,170	37,800
Impound fees	15,000	15,000	15,000
Investment earnings	7,440	5,000	3,260
Miscellaneous	21,000	106,540	42,000
	<u>\$ 890,420</u>	<u>\$ 425,410</u>	<u>\$ 749,620</u>
Quail Creek CFD			
Property taxes-allowance for uncollectibles	\$ (8,870)	\$ (8,870)	\$ (10,220)
Investment earnings (losses)	(430)	(210)	(170)
Miscellaneous/Developer contributions	690,370	690,370	645,650
	<u>\$ 681,070</u>	<u>\$ 681,290</u>	<u>\$ 635,260</u>
Rancho Sahuarita CFD			
Property taxes-allowance for uncollectibles	\$	\$	\$ (60)
Investment earnings (losses)		200	300
Miscellaneous/Developer contributions		1,000	
	<u>\$</u>	<u>\$ 1,200</u>	<u>\$ 240</u>
Total Special Revenue Funds	<u>\$ 4,374,370</u>	<u>\$ 4,642,770</u>	<u>\$ 6,850,760</u>
CAPITAL PROJECTS FUNDS			
Capital Infrastructure Improvement Fund			
Transaction privilege taxes	\$ 2,024,280	\$ 2,024,280	\$ 2,197,140
Intergovernmental-State		14,860	
Intergovernmental-Local	13,216,390	13,270,020	2,107,960
Investment earnings	113,880	68,830	63,360
Miscellaneous	2,000,000	74,590	2,972,440
	<u>\$ 17,354,550</u>	<u>\$ 15,452,580</u>	<u>\$ 7,340,900</u>
Total Capital Projects Funds	<u>\$ 17,354,550</u>	<u>\$ 15,452,580</u>	<u>\$ 7,340,900</u>
ENTERPRISE FUNDS			
Wastewater Fund			
Sewer user charges	\$ 3,198,740	\$ 3,198,740	\$ 3,395,830
Other			22,500
Sewer connection fees	395,920	147,440	360,380
Intergovernmental-State			250,000
Investment earnings (losses)	(33,350)	(27,790)	(35,400)
	<u>\$ 3,561,310</u>	<u>\$ 3,318,390</u>	<u>\$ 3,993,310</u>
Total Enterprise Funds	<u>\$ 3,561,310</u>	<u>\$ 3,318,390</u>	<u>\$ 3,993,310</u>
TOTAL ALL FUNDS	<u>\$ 38,728,080</u>	<u>\$ 37,008,210</u>	<u>\$ 32,278,430</u>

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

TOWN OF SAHUARITA, ARIZONA
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016

FUND	OTHER FINANCING		INTERFUND TRANSFERS	
	2016		2016	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Quail Creek CFD	\$	\$	\$	\$ 20,400
Wastewater Fund				285,310
Total General Fund	\$	\$	\$	\$ 305,710
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund:	\$	\$	\$	\$
Capital Infrastructure Improvement Fund				3,600,000
Quail Creek CFD:				
General Fund			20,400	
Rancho Sahuarita CFD	7,160,000			
Total Special Revenue Funds	\$ 7,160,000	\$	\$ 20,400	\$ 3,600,000
CAPITAL PROJECTS FUNDS				
Capital Infrastructure Investment Fund:	\$	\$	\$	\$
Highway User Revenue Fund			3,600,000	
Wastewater Fund				386,080
Total Capital Projects Funds	\$	\$	\$ 3,600,000	\$ 386,080
ENTERPRISE FUNDS				
Wastewater Fund:	\$	\$	\$	\$
General Fund	110,620		285,310	
Capital Infrastructure Improvement Fund			386,080	
Total Enterprise Funds	\$ 110,620	\$	\$ 671,390	\$
TOTAL ALL FUNDS	\$ 7,270,620	\$	\$ 4,291,790	\$ 4,291,790

TOWN OF SAHUARITA, ARIZONA
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
GENERAL FUND				
Mayor & Council	\$ 120,320	\$	\$ 123,720	\$ 114,390
Town Manager	803,360		729,680	710,370
Law	583,720		575,310	565,160
Town Clerk	492,320		381,840	536,410
Finance	1,101,550		1,097,960	1,233,260
Human Resources	247,350		191,680	234,190
Planning & Building	1,227,190		1,181,910	1,185,870
Parks & Recreation	1,491,050		1,387,850	1,598,570
Public Works	845,770		812,920	924,870
Police	5,828,010		5,528,920	5,963,900
Municipal Court	555,190		539,210	575,440
Non-Departmental	102,850		178,720	232,720
Contingency/Ending Balances	15,679,050			16,937,540
Total General Fund	\$ 29,077,730	\$	\$ 12,729,720	\$ 30,812,690
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund:	\$	\$	\$	\$
Streets	1,769,360		1,777,740	2,036,990
LTAF	9,150		5,000	7,000
Contingency/Ending Balances	206,260			100,320
Grants & Restricted Sources:				
Town Manager		92,100	77,100	15,000
Parks & Recreation	14,000		20,050	20,000
Police	1,164,180		350,620	996,090
Municipal Court		28,000		
Capital Outlay	90,000		63,000	27,000
Contingency/Ending Balances	332,330	(28,000)		351,900
Quail Creek CFD:				
Streets	18,320		19,450	21,880
Parks & Recreation	39,060		39,060	31,020
Debt Service	1,008,480		1,008,480	1,011,590
Rancho Sahuarita CFD				
Non-Departmental		29,690	1,000	1,050
Debt Service		286,400		286,400
Capital Outlay		6,873,600		6,873,600
Contingency/Ending Balances				1,820
Total Special Revenue Funds	\$ 4,651,140	\$ 7,281,790	\$ 3,361,500	\$ 11,781,660
CAPITAL PROJECTS FUNDS				
Capital Infrastructure Improve	\$	\$	\$	\$
General Government	805,310		622,660	611,800
Public Safety	460,000		351,650	374,100
Highways & Streets	17,712,410		14,267,720	10,046,270
Culture & Recreation	1,828,250		1,228,210	721,720
Debt Service	1,801,430		1,761,870	1,567,760
Contingency/Ending Balances	5,800,470			4,527,930
Total Capital Projects Funds	\$ 28,407,870	\$	\$ 18,232,110	\$ 17,849,580
ENTERPRISE FUNDS				
Wastewater:	\$	\$	\$	\$
Operations	1,381,220		1,659,930	1,703,270
Debt Service	2,404,550		2,404,560	2,404,560
Capital Outlay	383,540		267,940	849,990
Ending Fund Deficits	(2,999,560)		(3,465,590)	(3,648,090)
Total Enterprise Funds	\$ 1,169,750	\$	\$ 866,840	\$ 1,309,730
TOTAL ALL FUNDS	\$ 63,306,490	\$ 7,281,790	\$ 35,190,170	\$ 61,753,660

* 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
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Town Manager				
General Fund	\$ 803,360	\$	\$ 729,680	\$ 710,370
Grants & Restricted Sources		92,100	77,100	15,000
Department Total	\$ 803,360	\$ 92,100	\$ 806,780	\$ 725,370
Parks & Recreation				
General Fund	\$ 1,491,050	\$	\$ 1,387,850	\$ 1,598,570
Grants & Restricted Sources	14,000		20,050	20,000
Quail Creek CFD	39,060		39,060	31,020
Department Total	\$ 1,544,110	\$	\$ 1,446,960	\$ 1,649,590
Municipal Court				
General Fund	\$ 555,190	\$	\$ 539,210	\$ 575,440
Grants & Restricted Sources		28,000		
Department Total	\$ 555,190	\$ 28,000	\$ 539,210	\$ 575,440
Police				
General Fund	\$ 5,828,010	\$	\$ 5,528,920	\$ 5,963,900
Grants & Restricted Sources	1,164,180		350,620	996,090
Department Total	\$ 6,992,190	\$	\$ 5,879,540	\$ 6,959,990
Streets				
Highway User Revenue Fund	\$ 1,769,360	\$	\$ 1,777,740	\$ 2,036,990
Quail Creek CFD	18,320		19,450	21,880
Department Total	\$ 1,787,680	\$	\$ 1,797,190	\$ 2,058,870
Non-Departmental				
General Fund	\$ 102,850	\$	\$ 178,720	\$ 232,720
Rancho Sahuarita CFD		29,690	1,000	1,050
Department Total	\$ 102,850	\$ 29,690	\$ 179,720	\$ 233,770

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

TOWN OF SAHUARITA, ARIZONA
Full-Time Employees and Personnel Compensation
Fiscal Year 2016

FUND	Full-Time Equivalent (FTE) 2016	Employee Salaries and Hourly Costs 2016	Retirement Costs 2016	Healthcare Costs 2016	Other Benefit Costs 2016	Total Estimated Personnel Compensation 2016
GENERAL FUND						
	115	\$ 7,434,100	\$ 905,900	\$ 1,067,400	\$ 885,270	\$ 10,292,670
SPECIAL REVENUE FUNDS						
Highway User Revenue Fund	8	\$ 451,030	\$ 50,540	\$ 79,360	\$ 58,950	\$ 639,880
Grants & Restricted Sources	1	\$ 400,390	\$ 50,870	\$ 13,310	\$ 48,570	\$ 513,140
Quail Creek CFD						
Rancho Sahuarita CFD						
Total Special Revenue Funds	9	\$ 851,420	\$ 101,410	\$ 92,670	\$ 107,520	\$ 1,153,020
CAPITAL PROJECTS FUNDS						
Capital Infrastructure Improvement F	5	\$ 333,970	\$ 37,260	\$ 44,130	\$ 34,800	\$ 450,160
Total Capital Projects Funds	5	\$ 333,970	\$ 37,260	\$ 44,130	\$ 34,800	\$ 450,160
ENTERPRISE FUNDS						
Wastewater Fund	8	\$ 448,580	\$ 49,480	\$ 79,030	\$ 54,560	\$ 631,650
Total Enterprise Funds	8	\$ 448,580	\$ 49,480	\$ 79,030	\$ 54,560	\$ 631,650
TOTAL ALL FUNDS	137	\$ 9,069,070	\$ 1,094,050	\$ 1,283,230	\$ 1,082,150	\$ 12,527,500

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 2016 BUDGET OF THE DISTRICT IN THE AMOUNT OF \$1,064,490, 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 2016 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 22, 2015, 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) 822-8801; on the Town of Sahuarita website: www.sahuaritaaz.gov; and at the Pima County Library, Sahuarita Branch, 725 West Rancho Sahuarita Boulevard, Building #2, Sahuarita, Arizona 85629.

Dated this 8th day of June, 2015.
/s/ L. Kelly Udall
.....
District Manager, Quail Creek
Community Facilities District