

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
RESOLUTION NO. 26**

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 2015 IN THE AMOUNT OF \$1,065,860 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. 25, adopted on June 9, 2014, the District Board of QCCFD (a) approved a tentative budget for FY 2015, (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, 2014, 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 2015 by this Resolution No. 26, 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:

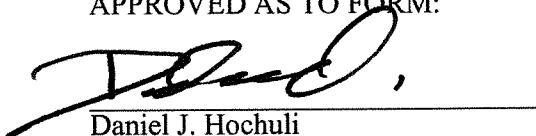
1. That certain proposed budget prepared by the QCCFD Treasurer for Fiscal Year 2015, attached hereto and expressly made a part hereof as Exhibit "A", is hereby finally adopted.
2. It is hereby ORDERED that, in FY 2015, an ad valorem tax be fixed, levied and assessed on the assessed value of all the real and personal property within the boundaries of QCCFD in the amounts set forth in the statements and estimates attached hereto and expressly made a part hereof as Exhibit "B".
3. Certified copies of the Resolution and Order shall be delivered by U.S. Mail to the Pima County Board of Supervisors and to the Arizona Department of Revenue (inasmuch as the tax levy must be filed by the Pima County Board of Supervisors on or before the third Monday in August).
4. If any provision in this Resolution is held invalid by a Court of competent jurisdiction, the remaining provisions shall not be affected but shall continue in full force and effect.
5. This Resolution shall be effective after its passage and approval according to law.

PASSED by the District Board of the Quail Creek Community Facilities District this 23rd day of June, 2014.



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

APPROVED AS TO FORM:



Daniel J. Hochuli
District Counsel
Quail Creek Community Facilities District

ATTEST:



Lisa Cole, CMC
District Clerk
Quail Creek Community Facilities District

EXHIBIT "A"

Fiscal Year 2015 Quail Creek Community Facilities District Budget

QUAIL CREEK COMMUNITY FACILITIES DISTRICT
SPECIAL REVENUE FUND
SOURCES AND USES OF FUNDS

	2013	2014			2015	% Change	
	Actual Amount	Adopted Budget	Amended Budget	Estimated Actual	Budget Amount	From Amended	From Estimated
SOURCES							
Revenues:							
Taxes	\$ 284,343	\$ 292,420	\$ 292,420	\$ 292,420	\$ 345,860	18.3%	18.3%
Investment Earnings (Losses)	34	(270)	(270)	(270)	(430)	59.3%	59.3%
Miscellaneous	748,419	739,680	739,680	739,680	690,370	-6.7%	-6.7%
Subtotal:	1,032,796	1,031,830	1,031,830	1,031,830	1,035,800	0.4%	0.4%
Other Sources:							
Transfers In	13,763	35,950	35,950	36,450	30,060	-16.4%	-17.5%
Subtotal:	13,763	35,950	35,950	36,450	30,060	-16.4%	-17.5%
Beginning Fund Balance:							
Restricted for QC CFD	-	-	-	-	-	-	-
Subtotal:	-	-	-	-	-	-	-
TOTAL SOURCES	\$ 1,046,559	\$ 1,067,780	\$ 1,067,780	\$ 1,068,280	\$ 1,065,860	-0.2%	-0.2%
USES							
Current Expenditures:							
Streets	\$ 11,102	\$ 17,710	\$ 17,710	\$ 18,610	\$ 18,320	3.4%	-1.6%
Park and Recreation	26,799	40,740	40,740	40,340	39,060	-4.1%	-3.2%
Subtotal:	37,901	58,450	58,450	58,950	57,380	-1.8%	-2.7%
Debt Service:							
Principal	385,000	405,000	405,000	405,000	425,000	4.9%	4.9%
Interest	619,658	599,830	599,830	599,830	578,980	-3.5%	-3.5%
Other	4,000	4,500	4,500	4,500	4,500	0.0%	0.0%
Subtotal:	1,008,658	1,009,330	1,009,330	1,009,330	1,008,480	-0.1%	-0.1%
Subtotals Combined:	1,046,559	1,067,780	1,067,780	1,068,280	1,065,860	-0.2%	-0.2%
Ending Fund Balance:							
Restricted for QC CFD	-	-	-	-	-	-	-
Subtotal:	-	-	-	-	-	-	-
TOTAL USES	\$ 1,046,559	\$ 1,067,780	\$ 1,067,780	\$ 1,068,280	\$ 1,065,860	-0.2%	-0.2%

EXHIBIT "B"

FISCAL YEAR 2014/2015 TAX LEVY

<u>JURISDICTION</u>	<u>ASSESSED VALUATION (AV)</u>	<u>TAX LEVY</u>	<u>TAX RATE (PER \$100 AV)</u>
QUAIL CREEK COMMUNITY FACILITIES DISTRICT			
Secondary	\$10,749,383		
Maintenance and Operation		\$ 32,250	\$ 0.3000
Bond Indebtedness (Debt Service)		\$ 322,480	\$ 3.0000
TOTAL SECONDARY		<u>\$ 354,730</u>	<u>\$ 3.3000</u>