

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT  
RESOLUTION NO. 15**

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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 2010 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 2010 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 2010, 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 2010, attached hereto and expressly made a part hereof as Exhibit "A" is hereby tentatively approved.

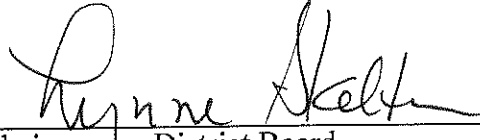
2. That the statements and estimates of the operation and maintenance expenses of QCCFD, the costs of capital improvements to be financed by the approved ad valorem tax levy, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy and of the amount to be raised to pay general obligation bonds of QCCFD in Fiscal Year 2010 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 22, 2009, 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.

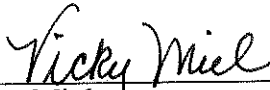
5. That this Resolution shall be effective after its passage and approval according to law.

PASSED by the District Board of the Quail Creek Community Facilities District this 8<sup>th</sup> day of June, 2009.



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Chairperson, District Board,  
Quail Creek Community Facilities District

ATTEST:



\_\_\_\_\_  
Vicky Miel  
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 2010 Quail Creek Community Facilities District Budget*

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

	2008	2009		Estimated Actual	2010	% Change	% Change
	Actual Amount	Adopted Budget	Amended Budget		Tentative Budget	From Amended	From 2009 Estimate
<b>SOURCES</b>							
<b>REVENUES:</b>							
Taxes	\$ 114,481	\$ 236,500	\$ 236,500	\$ 248,100	\$ 258,780	9.4%	4.3%
Charges for Services	7,511	5,000	5,000	16,339	-	-100.0%	-100.0%
Investment	230,915	56,750	56,750	10,000	4,200	-92.6%	-58.0%
Miscellaneous	-	511,150	511,150	551,749	770,500	50.7%	39.6%
Subtotal: Revenues	352,907	809,400	809,400	826,188	1,033,480	27.7%	25.1%
<b>OTHER SOURCES:</b>							
Transfer In	-	21,350	21,350	-	11,040	-48.3%	-
Subtotal: Other Sources	-	21,350	21,350	-	11,040	-48.3%	-
<b>BEGINNING FUND BALANCES:</b>							
Restricted for Debt Service	515,710	223,450	223,450	593,594	320,000	43.2%	-46.1%
Restricted for Capital Outlay	4,540,526	1,386,000	1,386,000	899,793	-	-100.0%	-100.0%
Unrestricted	23,413	10,000	10,000	(20,464)	830	-91.7%	-104.1%
Subtotal: Beginning Fund Balances	5,079,649	1,619,450	1,619,450	1,472,923	320,830	-80.2%	-100.0%
<b>TOTAL SOURCES</b>	<b>\$ 5,432,556</b>	<b>\$ 2,450,200</b>	<b>\$ 2,450,200</b>	<b>\$ 2,299,111</b>	<b>\$ 1,365,350</b>	<b>-44.3%</b>	<b>-40.6%</b>
<b>USES</b>							
<b>CURRENT EXPENDITURES:</b>							
General Government	\$ 7,511	\$ 17,000	\$ 17,000	\$ 18,869	\$ -	-100.0%	-100.0%
Culture and Recreation	-	38,350	38,350	33,475	33,020	-13.9%	-1.4%
Subtotal: Current Expenditures	7,511	55,350	55,350	52,344	33,020	-40.3%	-36.9%
<b>DEBT SERVICE:</b>							
Principal	-	320,000	320,000	-	320,000	0.0%	-
Interest	686,346	686,350	686,350	686,350	670,830	-2.3%	-2.3%
Other	2,500	2,500	2,500	6,500	6,500	160.0%	0.0%
Subtotal: Debt Service	688,846	1,008,850	1,008,850	692,850	997,330	-1.1%	43.9%
<b>CAPITAL OUTLAY:</b>							
Infrastructure	3,263,276	1,386,000	1,386,000	1,233,087	-	-100.0%	-100.0%
Subtotal: Capital Outlay	3,263,276	1,386,000	1,386,000	1,233,087	-	-100.0%	-100.0%
Subtotal: Current Expenditures, Debt Service, and Capital Outlay	3,959,633	2,450,200	2,450,200	1,978,281	1,030,350	-57.9%	-47.9%
<b>ENDING FUND BALANCES:</b>							
Restricted for Debt Service	593,594	-	-	320,000	335,000	-	4.7%
Restricted for Capital Outlay	899,793	-	-	-	-	-	-
Undesignated Contingency Reserves	(20,464)	-	-	830	-	-	-100.0%
Subtotal: Ending Fund Balances	1,472,923	-	-	320,830	335,000	-	4.4%
<b>TOTAL USES</b>	<b>\$ 5,432,556</b>	<b>\$ 2,450,200</b>	<b>\$ 2,450,200</b>	<b>\$ 2,299,111</b>	<b>\$ 1,365,350</b>	<b>-44.3%</b>	<b>-40.6%</b>

EXHIBIT "B"

*QCCFD Statements and Estimates on Auditor General Forms*

**TOWN OF SAHUJARITA**  
**Summary Schedule of Estimated Revenues and Expenditures/Expenses**  
**Fiscal Year 2010**

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2009	ACTUAL EXPENDITURES/EXPENSES ** 2009	FUND BALANCE/ NET ASSETS*** July 1, 2009**	PROPERTY TAX REVENUES 2010	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2010	OTHER FINANCING 2010		INTERFUND TRANSFERS 2010		TOTAL FINANCIAL RESOURCES AVAILABLE 2010	BUDGETED EXPENDITURES/ EXPENSES 2010
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 28,453,600	\$ 28,094,382	\$	Primary: \$ 272,400 Secondary: 272,400	\$ 11,079,950	\$	\$	\$ 204,000	\$ (2,410,010)	\$ 13,693,960	\$ 24,258,060
2. Special Revenue Funds	5,043,700	3,490,553			2,418,430			431,130	(600,000)	3,721,960	3,111,110
3. Debt Service Funds Available											
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds											
6. Capital Projects Funds	43,065,960	13,011,705			21,554,900			600,000	(1,994,060)	24,148,960	36,524,450
7. Permanent Funds											
8. Enterprise Funds Available	30,789,500	24,809,528			2,709,100		5,964,970	3,768,940		12,433,010	12,854,660
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds	30,789,500	24,809,528			2,709,100		5,964,970	3,768,940		12,433,010	12,854,660
11. Internal Service Funds											
12. TOTAL ALL FUNDS	\$ 107,352,760	\$ 69,405,168	\$	\$ 272,400	\$ 37,762,380	\$	\$ 5,964,970	\$ 5,004,070	\$ (5,004,070)	\$ 53,997,890	\$ 76,748,280

**EXPENDITURE LIMITATION COMPARISON**

	2009	2010
1. Budgeted expenditures/expenses	\$ 107,352,760	\$ 76,748,280
2. Add/subtract: estimated net reconciling items	(2,450,200)	(1,365,350)
3. Budgeted expenditures/expenses adjusted for reconciling items	104,902,560	75,382,930
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 104,902,560	\$ 75,382,930
6. EEC or voter-approved alternative expenditure limitation	\$ 104,902,560	\$ 75,382,930

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**  
**Summary of Tax Levy and Tax Rate Information**  
**Fiscal Year 2010**

	<b>2009</b>	<b>2010</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	236,500	272,400
C. Total property tax levy amounts	\$ 236,500	\$ 272,400
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	\$ 236,500	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ 236,500	
C. Total property taxes collected	\$ 236,500	
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**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2010**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2009</b>	<b>ACTUAL REVENUES* 2009</b>	<b>ESTIMATED REVENUES 2010</b>
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
Sales taxes	\$ 4,096,000	\$ 3,721,600	\$ 3,940,700
Franchise fees	288,000	301,200	324,200
<b>Licenses and permits</b>			
Building permit fees	2,227,000	1,933,500	1,244,500
Business licensing fees	50,000	41,350	41,000
<b>Intergovernmental</b>			
State shared sales taxes	1,265,350	1,180,300	968,000
State shared income taxes	2,062,300	2,062,300	1,625,600
State shared vehicle license taxes	670,000	579,500	512,650
Grants and contributions	582,000	384,248	1,262,250
<b>Charges for services</b>			
Development fees	248,000	256,500	211,150
Recreation fees	174,000	135,000	155,000
Other departmental fees	8,700	15,000	15,200
Indirect cost recovery	517,000	525,872	246,500
<b>Fines and forfeits</b>			
Court fines and fees	300,000	226,750	248,800
<b>Interest on investments</b>			
Investment income	450,000	300,000	202,400
<b>Contributions</b>			
Voluntary contributions			
Donations from private parties	61,000	67,775	67,000
<b>Miscellaneous</b>			
Miscellaneous/Other	50,000	25,321	15,000
<b>Total General Fund</b>	<b>\$ 13,049,350</b>	<b>\$ 11,756,216</b>	<b>\$ 11,079,950</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**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2010**

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
<b>SPECIAL REVENUE FUNDS</b>			
<b>Highway User Revenue Fund</b>			
State shared HURF taxes	\$ 1,193,050	\$ 944,900	\$ 848,800
Grants and contributions	6,452,500	201,100	629,000
Investment income	1,000	1,250	500
Miscellaneous		250	
<b>Total Highway User Revenue Fund</b>	<b>\$ 7,646,550</b>	<b>\$ 1,147,500</b>	<b>\$ 1,478,300</b>
<b>Local Transportation Assistance Fund</b>			
Local transportation assistance funds	\$ 93,950	\$ 93,000	\$ 91,050
<b>Total Local Transportation Assistance Fund</b>	<b>\$ 93,950</b>	<b>\$ 93,000</b>	<b>\$ 91,050</b>
<b>RICO Fund</b>			
Fines and forfeitures	\$ 510,000	\$ 10,042	\$ 50,000
Intergovernmental	35,000	387	35,000
Investment income	12,500	2,500	3,000
<b>Total RICO Fund</b>	<b>\$ 557,500</b>	<b>\$ 12,929</b>	<b>\$ 88,000</b>
<b>Quail Creek Community Facilities District Fund</b>			
Charges for Services	\$ 5,000	\$ 16,339	\$
Investment income	56,750	10,000	4,200
Miscellaneous-developer contributions	511,150	551,749	770,500
Allowance for uncollected property taxes			(13,620)
<b>Total Quail Creek CFD Fund</b>	<b>\$ 572,900</b>	<b>\$ 578,088</b>	<b>\$ 761,080</b>
<b>Total Special Revenue Funds</b>	<b>\$ 8,870,900</b>	<b>\$ 1,831,517</b>	<b>\$ 2,418,430</b>
<b>CAPITAL PROJECTS FUNDS</b>			
<b>Capital Infrastructure Improvement Fund</b>			
Sales taxes	\$ 3,850,000	\$ 4,300,000	\$ 2,500,000
Intergovernmental	4,496,000	4,240,500	18,849,000
Investment income	650,000	330,000	205,900
Miscellaneous-developer contributions	2,118,710		
<b>Total Capital Infrastructure Improvement Fund</b>	<b>\$ 11,114,710</b>	<b>\$ 8,870,500</b>	<b>\$ 21,554,900</b>
<b>ENTERPRISE FUNDS</b>			
<b>Wastewater</b>			
Sewer user charges	\$ 1,393,000	\$ 1,115,850	\$ 1,722,800
Sewer connection fees	1,443,000	1,443,000	980,000
Investment income	35,000		6,300
Miscellaneous/Other		100,000	
<b>Total Wastewater Fund</b>	<b>\$ 2,871,000</b>	<b>\$ 2,658,850</b>	<b>\$ 2,709,100</b>
<b>Total Enterprise Funds</b>	<b>\$ 2,871,000</b>	<b>\$ 2,658,850</b>	<b>\$ 2,709,100</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 35,905,960</b>	<b>\$ 25,117,083</b>	<b>\$ 37,762,380</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**  
**Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2010**

<u>FUND</u>	<u>OTHER FINANCING</u> <u>2010</u>		<u>INTERFUND TRANSFERS</u> <u>2010</u>	
	<u>SOURCES</u>	<u>&lt;USES&gt;</u>	<u>IN</u>	<u>&lt;OUT&gt;</u>
<b>GENERAL FUND</b>				
Highway User Revenue Fund	\$	\$	\$	\$ (162,090)
Quail Creek CFD				(11,040)
Capital Infrastructure Improvement Fund			204,000	
Wastewater Enterprise Fund				(2,236,880)
<b>Total General Fund</b>	\$	\$	\$ 204,000	\$ (2,410,010)
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund	\$	\$	\$ 420,090	\$ (600,000)
Quail Creek CFD			11,040	
<b>Total Special Revenue Funds</b>	\$	\$	\$ 431,130	\$ (600,000)
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Infrastructure Improvement Fund	\$	\$	\$ 600,000	\$ (1,994,060)
<b>Total Capital Projects Funds</b>	\$	\$	\$ 600,000	\$ (1,994,060)
<b>ENTERPRISE FUNDS</b>				
Wastewater	\$ 5,954,970	\$	\$ 3,768,940	\$
<b>Total Enterprise Funds</b>	\$ 5,954,970	\$	\$ 3,768,940	\$
<b>TOTAL ALL FUNDS</b>	\$ 5,954,970	\$	\$ 5,004,070	\$ (5,004,070)

**TOWN OF SAHUARITA**  
**Summary by Department of Expenditures/Expenses Within Each Fund Type**  
**Fiscal Year 2010**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2009	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2009	ACTUAL EXPENDITURES/ EXPENSES* 2009	BUDGETED EXPENDITURES/ EXPENSES 2010
<b>GENERAL FUND</b>				
Mayor & Council	\$ 196,500	\$	\$ 161,200	\$ 173,510
Town Manager	861,850		681,939	682,790
Law	526,200		475,528	494,450
Town Clerk	320,050	42,000	338,243	249,600
Finance	1,121,200		860,844	1,006,070
Human Resources	236,100		193,717	184,530
Planning & Zoning	440,700		389,686	374,050
Building Safety	1,232,600		960,410	875,420
Parks & Recreation	1,757,250		1,576,915	1,391,540
Public Works	1,067,700		942,376	893,150
Police	5,689,550		5,349,003	5,844,220
Municipal Court	540,450	17,000	529,354	490,000
Non-departmental	622,000		251,050	558,850
Contingency / Reserves	13,841,450	(59,000)	15,384,117	11,039,880
<b>Total General Fund</b>	<b>\$ 28,453,600</b>	<b>\$</b>	<b>\$ 28,094,382</b>	<b>\$ 24,258,060</b>
<b>SPECIAL REVENUE FUNDS</b>				
Highway user Revenue Fund	\$ 1,685,750	\$	\$ 1,381,721	\$ 1,352,540
Local Transportation Assistance Fund	93,950		93,000	91,050
RICO Fund	813,800		37,551	302,170
Quail Creek CFD	2,450,200		1,978,281	1,365,350
<b>Total Special Revenue Funds</b>	<b>\$ 5,043,700</b>	<b>\$</b>	<b>\$ 3,490,553</b>	<b>\$ 3,111,110</b>
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Infrastructure Improvement Fund	\$ 43,065,960	\$	\$ 13,011,705	\$ 36,524,450
<b>Total Capital Projects Funds</b>	<b>\$ 43,065,960</b>	<b>\$</b>	<b>\$ 13,011,705</b>	<b>\$ 36,524,450</b>
<b>ENTERPRISE FUNDS</b>				
Wastewater	\$ 30,789,500	\$	\$ 24,809,528	\$ 12,854,660
<b>Total Enterprise Funds</b>	<b>\$ 30,789,500</b>	<b>\$</b>	<b>\$ 24,809,528</b>	<b>\$ 12,854,660</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 107,352,760</b>	<b>\$</b>	<b>\$ 69,406,168</b>	<b>\$ 76,748,280</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**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2010**

<b>DEPARTMENT/FUND</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2009</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2009</b>	<b>ACTUAL EXPENDITURES/ EXPENSES * 2009</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2010</b>
<b>Police:</b>				
General Fund	\$ 5,689,550	\$	\$ 5,349,003	\$ 5,844,220
RICO Fund	169,600	15,000	37,548	105,000
<b>Department Total</b>	<b>\$ 5,859,150</b>	<b>\$ 15,000</b>	<b>\$ 5,386,551</b>	<b>\$ 5,949,220</b>
<b>Parks &amp; Recreation</b>				
General Fund	\$ 1,757,250	\$	\$ 1,576,915	\$ 1,391,540
Quail Creek CFD Fund	38,350	\$	33,475	33,020
<b>Department Total</b>	<b>\$ 1,795,600</b>	<b>\$</b>	<b>\$ 1,610,390</b>	<b>\$ 1,424,560</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 2010 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 2010 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, 2009, 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 8<sup>th</sup> day of June, 2009.

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

Published: \_\_\_\_\_, 2009