

**RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT  
RESOLUTION NO. 2018-0012**

---

**A RESOLUTION OF THE DISTRICT BOARD OF THE RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A *FINAL BUDGET FOR FISCAL YEAR 2019* IN THE AMOUNT OF \$4,457,130 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 March 24, 2014, the Rancho Sahuarita Community Facilities District (“RSCFD”) was formed, a community facilities district in accordance with Section 48-701 et seq., Arizona Revised Statutes, as amended; and

WHEREAS, RSCFD 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 RSCFD was to finance certain public infrastructure needed for the development known as “Rancho Sahuarita” through assessment of ad valorem taxes on all real and personal property within RSCFD; and

WHEREAS, in accordance with Sections 48-719 and 48-723, Arizona Revised Statutes, as amended, a special election was held on August 12, 2014, wherein the qualified electors of RSCFD voted to issue general obligation bonds in the maximum amount of \$60,000,000 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 RSCFD; and

WHEREAS, by Resolution No. 2018-0011, adopted on May 14, 2018, the District Board of RSCFD (a) approved a tentative budget for FY 2019, (b) filed required statements and estimates of operation and maintenance expenses of RSCFD, 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 RSCFD, (c) set a date 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 RSCFD voted to adopt the final budget for FY 2019 by this Resolution No. 2018-0012, 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 RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT AS FOLLOWS:

1. That certain proposed budget prepared by the RSCFD Treasurer for Fiscal Year 2019, attached hereto and expressly made a part hereof as Exhibit "A", is hereby finally adopted.
2. It is hereby ORDERED that, in FY 2019, an ad valorem tax be fixed, levied and assessed on the assessed value of all the real and personal property within the boundaries of RSCFD 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 to Pima County (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.

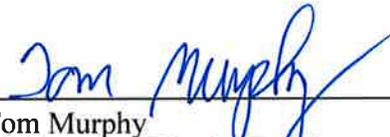
*[ SEE NEXT PAGE FOR SIGNATURES ]*

:::

:::

:::

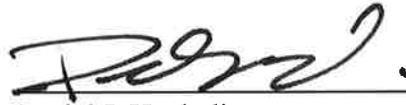
PASSED by the District Board of the Rancho Sahuarita Community Facilities District this 29th day of May, 2018.

  
\_\_\_\_\_  
Tom Murphy  
Chairperson, District Board,  
Rancho Sahuarita Community Facilities District

ATTEST:

  
\_\_\_\_\_  
Lisa Cole, MMC  
District Clerk,  
Rancho Sahuarita Community Facilities District

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Daniel J. Hochuli  
District Counsel,  
Rancho Sahuarita Community Facilities District

**RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT**  
**SPECIAL REVENUE FUND**  
**SOURCES AND USES OF FUNDS**

Exhibit "A"

|                                    | 2017             | 2018                |                     |                     | 2019                | % Change        |                   |  |
|------------------------------------|------------------|---------------------|---------------------|---------------------|---------------------|-----------------|-------------------|--|
|                                    | Actual<br>Amount | Adopted<br>Budget   | Amended<br>Budget   | Estimated<br>Actual | Budget<br>Amount    | From<br>Amended | From<br>Estimated |  |
| <b>SOURCES</b>                     |                  |                     |                     |                     |                     |                 |                   |  |
| <b>Revenues:</b>                   |                  |                     |                     |                     |                     |                 |                   |  |
| Taxes                              | \$ 2,303         | \$ 40,860           | \$ 40,860           | \$ 2,460            | \$ 57,620           | 41.0%           | 2242.3%           |  |
| Investment Earnings (Losses)       | 142              | -                   | -                   | 10,160              | 20,130              | -               | 98.1%             |  |
| Misc-Developer Contributions       | 17,493           | 338,200             | 338,200             | 14,880              | 344,320             | 1.8%            | 2214.0%           |  |
| <b>Subtotal:</b>                   | <b>19,938</b>    | <b>379,060</b>      | <b>379,060</b>      | <b>27,500</b>       | <b>422,070</b>      | <b>11.3%</b>    | <b>1434.8%</b>    |  |
| <b>Other Sources:</b>              |                  |                     |                     |                     |                     |                 |                   |  |
| Face amount of long-term debt      | -                | 7,320,000           | 7,320,000           | 5,780,000           | -                   | -100.0%         | -100.0%           |  |
| <b>Subtotal:</b>                   | <b>-</b>         | <b>7,320,000</b>    | <b>7,320,000</b>    | <b>5,780,000</b>    | <b>-</b>            | <b>-100.0%</b>  | <b>-100.0%</b>    |  |
| <b>Beginning Fund Balance:</b>     |                  |                     |                     |                     |                     |                 |                   |  |
| Restricted for Capital Acquisition | -                | -                   | -                   | -                   | 4,035,060           | -               | -                 |  |
| Restricted for RS CFD              | 2,144            | -                   | -                   | -                   | -                   | -               | -                 |  |
| <b>Subtotal:</b>                   | <b>2,144</b>     | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>4,035,060</b>    | <b>-</b>        | <b>-</b>          |  |
| <b>TOTAL SOURCES</b>               | <b>\$ 22,082</b> | <b>\$ 7,699,060</b> | <b>\$ 7,699,060</b> | <b>\$ 5,807,500</b> | <b>\$ 4,457,130</b> | <b>-42.1%</b>   | <b>-23.3%</b>     |  |
| <b>USES</b>                        |                  |                     |                     |                     |                     |                 |                   |  |
| <b>Current Expenditures:</b>       |                  |                     |                     |                     |                     |                 |                   |  |
| General Government                 | \$ 1,401         | \$ 1,840            | \$ 1,840            | \$ 800              | \$ 800              | -56.5%          | 0.0%              |  |
| Streets                            | 20,681           | 15,600              | 15,600              | 16,640              | 19,110              | 22.5%           | 14.8%             |  |
| <b>Subtotal:</b>                   | <b>22,082</b>    | <b>17,440</b>       | <b>17,440</b>       | <b>17,440</b>       | <b>19,910</b>       | <b>14.2%</b>    | <b>14.2%</b>      |  |
| <b>Debt Service:</b>               |                  |                     |                     |                     |                     |                 |                   |  |
| Principal                          | -                | -                   | -                   | -                   | -                   | -               | -                 |  |
| Interest                           | -                | 362,950             | 362,950             | -                   | 377,030             | 3.9%            | -                 |  |
| Other                              | -                | -                   | -                   | -                   | 5,000               | -               | -                 |  |
| Debt issuance costs                | -                | 560,000             | 560,000             | 345,000             | -                   | -100.0%         | -100.0%           |  |
| <b>Subtotal:</b>                   | <b>-</b>         | <b>922,950</b>      | <b>922,950</b>      | <b>345,000</b>      | <b>382,030</b>      | <b>-58.6%</b>   | <b>10.7%</b>      |  |
| <b>Capital Outlay:</b>             |                  |                     |                     |                     |                     |                 |                   |  |
| Infrastructure                     | -                | 6,758,670           | 6,758,670           | 1,410,000           | 4,055,190           | -40.0%          | 187.6%            |  |
| <b>Subtotal:</b>                   | <b>-</b>         | <b>6,758,670</b>    | <b>6,758,670</b>    | <b>1,410,000</b>    | <b>4,055,190</b>    | <b>-40.0%</b>   | <b>187.6%</b>     |  |
| <b>Subtotals Combined:</b>         | <b>22,082</b>    | <b>7,699,060</b>    | <b>7,699,060</b>    | <b>1,772,440</b>    | <b>4,457,130</b>    | <b>-42.1%</b>   | <b>151.5%</b>     |  |
| <b>Ending Fund Balance:</b>        |                  |                     |                     |                     |                     |                 |                   |  |
| Restricted for Capital Acquisition | -                | -                   | -                   | 4,035,060           | -                   | -               | -100.0%           |  |
| Restricted for RS CFD              | -                | -                   | -                   | -                   | -                   | -               | -                 |  |
| <b>Subtotal:</b>                   | <b>-</b>         | <b>-</b>            | <b>-</b>            | <b>4,035,060</b>    | <b>-</b>            | <b>-</b>        | <b>-100.0%</b>    |  |
| <b>TOTAL USES</b>                  | <b>\$ 22,082</b> | <b>\$ 7,699,060</b> | <b>\$ 7,699,060</b> | <b>\$ 5,807,500</b> | <b>\$ 4,457,130</b> | <b>-42.1%</b>   | <b>-23.3%</b>     |  |

**EXHIBIT "B"**

**FISCAL YEAR 2018/2019 TAX LEVY**

| <u>JURISDICTION</u>                                       | <u>ASSESSED<br/>VALUATION<br/>(AV)</u> | <u>TAX LEVY</u> | <u>TAX RATE<br/>(PER \$100 AV)</u> |
|---|--|-----------------|------------------------------------|
| <b>RANCHO SAHUARITA COMMUNITY<br/>FACILITIES DISTRICT</b> |  |                 |                                    |
| Secondary   | \$1,184,469                            |                 |                                    |
| Debt Service  |  | \$55,552        | \$4.6900                           |
| Maintenance and Operation                                 |  | \$ 3,553        | \$0.3000                           |
| <b>TOTAL SECONDARY</b>                                    |  | <u>\$59,105</u> | <u>\$4.9900</u>                    |