



District Board Meeting Agenda

Pursuant to A.R.S. § 38-431.02 notice is hereby given to the public that the District Board of the Rancho Community Facilities District will hold a meeting at the date and time specified below at the Sahuarita Council Chambers, 375 West Sahuarita Center Way, Sahuarita, AZ. Members of the Rancho Sahuarita District Board will attend either in person or by telephone conference call.

To better serve our community, the Council Chambers is wheelchair accessible. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the District Clerk's Office at 520-822-8801. Requests should be made no later than three (3) working days prior to the meeting to arrange the accommodation.

**May 28, 2019
REGULAR MEETING AGENDA
AT OR AFTER 6:30 P.M.**

- 1. Call to Order**
- 2. Roll Call**
- 3. Call to the Public**

At this time, any member of the public is invited to address the District Board on any issue which is on tonight's Agenda or any issue which the District Board can lawfully act upon at a future meeting. Written comments regarding any item on the agenda or any issue which the District Board can lawfully act upon may be submitted prior to the beginning of the meeting for distribution to the District Board. Pursuant to the Arizona Open Meeting Laws, the District Board may not discuss the items, but individual members of the District Board may respond to criticism made by those who have addressed the District Board, may ask staff to review the matter, or may ask that the matter be placed on a future agenda.

- 4. Consent Agenda**

Action recommended: approve the consent agenda recommendations.

- A. Approval of the November 13, 2018 Rancho Sahuarita Facilities District Regular Meeting Minutes.**

- 5. Possible adoption of Resolution No. 2019-0013, approving a tentative budget for Fiscal Year 2020 in the amount of \$447,060 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 Rancho Sahuarita Community Facilities 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 Rancho Sahuarita Community Facilities 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 Rancho Sahuarita Community Facilities 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.

6. Adjournment

Action may be taken by the District Board on any item listed on this agenda. The District Board may vote to go into executive session pursuant to A.R.S. § 38-431.03 (A) (3) for discussion or consultation for legal advice with the District Counsel concerning any matter listed on this agenda.



District Board Agenda Communication

TO: Honorable Chairperson and District Board
FROM: Lisa Cole MMC, District Clerk
MEETING DATE: May 28, 2019
SUBJECT: Approval of the November 13, 2018 Rancho Sahuarita Facilities District Regular Meeting Minutes.

FINANCIAL / BUDGET SUMMARY

STAFF RECOMMENDATION

Staff recommends approval of the attached minutes.

SUGGESTED MOTION

I move to approve the minutes as submitted (or amended).

DISCUSSION

Draft minutes submitted for District Board approval.

ATTACHMENTS

1. RSCFD Meeting Minutes Draft-November 13, 2018



District Board Meeting Minutes

RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT MEETING MINUTES NOVEMBER 13, 2018

The District Board of the Rancho Sahuarita Community Facilities District met in the Sahuarita Council Chambers, 375 West Sahuarita Center Way, Sahuarita, AZ on November 13, 2018.

1. Call to Order

The meeting was called to order at 6:38 PM by Vice Chairperson Melissa Hicks.

2. Roll Call

Attendee Name	Title	Status	Arrived
Tom Murphy	Chairperson	Absent	
Melissa Hicks	Vice Chairperson	Present	
Duane Blumberg	Board Member	Present	
Bill Bracco	Board Member	Present	
Kara Egbert	Board Member	Absent	
Gil Lusk	Board Member	Present	
Lynne Skelton	Board Member	Present	

Also in attendance were District Manager L. Kelly Udall, District Counsel Dan Hochuli and District Clerk Lisa Cole.

3. Call to the Public

There were no speakers.

4. Consent Agenda

MOTION was made to approve the consent agenda recommendations.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Duane Blumberg, Board Member
SECONDER:	Bill Bracco, Board Member
AYES:	Hicks, Blumberg, Bracco, Lusk, Skelton
ABSENT:	Tom Murphy, Kara Egbert

- A. Approval of the May 29, 2018 Rancho Sahuarita Community Facilities District Meeting Minutes.
- B. Amendment No. Three (3) to Contract No. 170030 with EPS Group, Inc., for the Rancho Sahuarita Community Facilities District Engineer Services, to extend the term of the contract for a period beginning October 11, 2018 through October 10, 2019, in an amount not-to-exceed \$300,000.

5. Adjournment

Vice Chairperson Hicks adjourned the meeting at approximately 6:40 PM.

Chairperson Tom Murphy

ATTEST:

Lisa Cole, MMC
District Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Meeting of the District Board of the Rancho Sahuarita Community Facilities District held on the 13th day of November, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 28th day of May, 2019.

Lisa Cole, MMC
District Clerk

Attachment: RSCFD Meeting Minutes Draft-November 13, 2018 (Approval of Minutes)



District Board Agenda Communication

TO: Honorable Chairperson and District Board

FROM: A.C. Marriotti, District Treasurer

MEETING DATE: May 28, 2019

SUBJECT: Possible adoption of Resolution No. 2019-0013, approving a tentative budget for Fiscal Year 2020 in the amount of \$447,060 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 Rancho Sahuarita Community Facilities 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 Rancho Sahuarita Community Facilities 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 Rancho Sahuarita Community Facilities 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.

FINANCIAL / BUDGET SUMMARY

Rancho Sahuarita CFD: Will establish 2020 budget at \$447,060.

STAFF RECOMMENDATION

Staff recommends adoption of Resolution No. 2019-0013.

SUGGESTED MOTION

I move to adopt Resolution No. 2019-0013.

DISCUSSION

Rancho Sahuarita Community Facilities District Agenda Communication

Presented for your approval is the fiscal year 2020 Tentative Budget for the Rancho Sahuarita Community Facilities District in the amount of \$447,060. Staff will give a presentation on the 2020 Tentative Budget at the meeting.

If the Tentative Budget is approved, a public hearing will be scheduled for the June 10th Board Meeting at which point the Board may adopt the 2020 Budget and establish the property tax levy for the year. Public notices will be published in accordance with State law.

Revenues

The budget includes a total property tax levy of \$4.99 per \$100 of net assessed valuation on property located within the District's boundaries, as follows:

- \$4.69 per on hundred dollars of net assessed valuation to pay for annual debt service obligations, pursuant to the District's development agreement; and
- \$0.30 per one hundred dollars of net assessed valuation to pay for District operating and maintenance costs.

The District's net taxable assessed valuation is \$1,569,791, a 33% increase over last year's value of \$1,184,469. At the aforementioned tax rate, property taxes in 2020 will total \$76,370 after allowances for uncollected amounts.

Pursuant to the District's development agreement with the Rancho Sahuarita companies, the budget includes \$370,690 in developer contributions that will cover any funding shortfalls, namely those associated with District's debt.

The District spent all of its bond proceeds in prior years on the acquisition of infrastructure. As such, no investment earnings are anticipated during the year.

Expenditures

The budget includes \$2,320 for administrative costs and \$18,850 for engineering and street maintenance costs; operations total of \$21,170.

Debt service includes principal and interest payments of \$129,000 and \$291,890, respectively, on the District's outstanding bonds (\$5.78 million). Other debt service of \$5,000 includes banking and trustee fees to administer bond accounts.

Fund Balances

The District will have no ending fund balances as it consumes all of its available resources and requires developer contributions to fulfill its obligations.

Other Information

The District, although a legally separate entity, is considered a blended component unit of the Town of Sahuarita for financial reporting purposes. 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.

ATTACHMENTS

1. Resoluton No. 2019-0013
2. FY2020 RSCFD Tentative Budget Presentation

**RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT
RESOLUTION NO. 2019-0013**

A RESOLUTION OF THE DISTRICT BOARD OF THE RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A *TENTATIVE BUDGET FOR FISCAL YEAR 2020* IN THE AMOUNT OF \$447,060 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 RANCHO SAHUARITA COMMUNITY FACILITIES 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 RANCHO SAHUARITA COMMUNITY FACILITIES 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 RANCHO SAHUARITA COMMUNITY FACILITIES 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 RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT as follows:

WHEREAS, on April 28, 2014, the Rancho Sahuarita Community Facilities District (“RSCFD”), a community facilities district in accordance with Section 48-701 et seq., Arizona Revised Statutes, as amended, was formed; 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 improvements 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, in accordance with Sections 48-716 and 48-723, Arizona Revised Statutes, as amended, the District Treasurer of RSCFD has submitted to the District Board of RSCFD a proposed budget for fiscal year 2020, which includes statements and estimates of the 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, 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 RSCFD; and

WHEREAS, the District Board of RSCFD desires now to approve said tentative budget for fiscal year 2020, 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 RSCFD expects to adopt a final budget by resolution; and

WHEREAS, on or before the third Monday in August, the District Board of RSCFD 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 RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT, AS FOLLOWS:

1. That certain proposed budget prepared by the District Treasurer of RSCFD for fiscal year 2020, 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 RSCFD, 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 RSCFD in fiscal year 2020 are hereby filed in accordance with Arizona Revised Statutes Section 48-723(C), as amended, and are attached hereto and expressly made a part hereof as Exhibit “A.”

3. A public hearing date of June 10, 2019, 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 RSCFD), and said notice (attached hereto and expressly made a part hereof as Exhibit "B") 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 Rancho Sahuarita Community Facilities District this 28th day of May, 2019.

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

Attachment: Resoluton No. 2019-0013 (Resolution No. 2019-0013)

EXHIBIT "A"

*Fiscal Year 2020 Rancho Sahuarita Community Facilities District Budget
(RSCFD Statements and Estimates of Expenses for Fiscal Year 2020)*

Attachment: Resoluton No. 2019-0013 (Resolution No. 2019-0013)

Resolution No. 2019-0013
Rancho Sahuarita Community Facilities District

RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT

SPECIAL REVENUE FUND
SOURCES AND USES OF FUNDS

	2018 Actual Amount	2019			2020 Budget Amount	% Change	
		Adopted Budget	Amended Budget	Estimated Actual		From Amended	From Estimated
SOURCES							
Revenues:							
Taxes	\$ 2,461	\$ 57,620	\$ 57,620	\$ 57,620	\$ 76,370	32.5%	32.5%
Investment Earnings	11,962	20,130	20,130	45,000	-	-100.0%	-100.0%
Misc-Developer Contributions	11,760	344,320	344,320	302,660	370,690	7.7%	22.4%
Subtotal:	26,183	422,070	422,070	405,280	447,060	5.9%	10.0%
Other Sources:							
Face Amount Debt	5,780,000	-	-	-	-	-	-
Subtotal:	5,780,000	-	-	-	-	-	-
Beginning Fund Balance:							
Restricted for Capital Acquisition	-	4,035,060	4,035,060	4,026,000	-	-100.0%	-100.0%
Restricted for RS CFD	-	-	-	(3,340)	-	-	-100.0%
Subtotal:	-	4,035,060	4,035,060	4,022,660	-	-100.0%	-100.0%
TOTAL SOURCES	\$ 5,806,183	\$ 4,457,130	\$ 4,457,130	\$ 4,427,940	\$ 447,060	-90.0%	-89.9%
USES							
Current Expenditures:							
Finance	\$ 673	\$ 800	\$ 800	\$ 800	\$ 800	0.0%	0.0%
Streets	15,821	18,360	18,360	18,360	18,850	2.7%	2.7%
Non-Departmental	1,130	750	750	750	1,520	102.7%	102.7%
Subtotal:	17,624	19,910	19,910	19,910	21,170	6.3%	6.3%
Debt Service:							
Principal	-	-	-	-	129,000	-	-
Interest	-	377,030	377,030	377,030	291,890	-22.6%	-22.6%
Other	2,250	5,000	5,000	5,000	5,000	0.0%	0.0%
Debt Issuance Costs	341,555	-	-	-	-	-	-
Subtotal:	343,805	382,030	382,030	382,030	425,890	11.5%	11.5%
Capital Outlay:							
Infrastructure	1,422,093	4,055,190	4,055,190	4,026,000	-	-100.0%	-100.0%
Subtotal:	1,422,093	4,055,190	4,055,190	4,026,000	-	-100.0%	-100.0%
Subtotals Combined:	1,783,522	4,457,130	4,457,130	4,427,940	447,060	-90.0%	-89.9%
Ending Fund Balance:							
Restricted for Capital Acquisition	4,025,999	-	-	-	-	-	-
Restricted for RS CFD	(3,338)	-	-	-	-	-	-
Subtotal:	4,022,661	-	-	-	-	-	-
TOTAL USES	\$ 5,806,183	\$ 4,457,130	\$ 4,457,130	\$ 4,427,940	\$ 447,060	-90.0%	-89.9%

Attachment: Resolution No. 2019-0013 (Resolution No. 2019-0013)

EXHIBIT "B"

Form of RSCFD Published Notice

RANCHO SAHUARITA 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 RANCHO SAHUARITA 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 2020 BUDGET OF THE DISTRICT IN THE AMOUNT OF \$447,060 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 Rancho Sahuarita 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 2020 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 10, 2019, 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 Via Rancho Sahuarita Boulevard, Building #2, Sahuarita, Arizona 85629.

Dated this 28th day of May, 2019.

/s/ L. Kelly Udall

District Manager
 Rancho Sahuarita Community Facilities District

Tentative Budget Adoption Fiscal Year 2020

Board Meeting

May 28, 2019



Attachment: FY2020 RSCFD Tentative Budget Presentation (Resolution No. 2019-0013)

The District

- **Formed on March 24, 2014**
 - **943 acres, all within Sahuarita town limits**
 - **Planned build-out**
 - **3,267 Residential Units + 1.25M sq. ft. commercial**
- **Assessor's Info**
 - **3 residential lots (<1% built out)**
 - **\$1.57M total taxable net assessed valuation**
 - **33% increase over last year**



The District

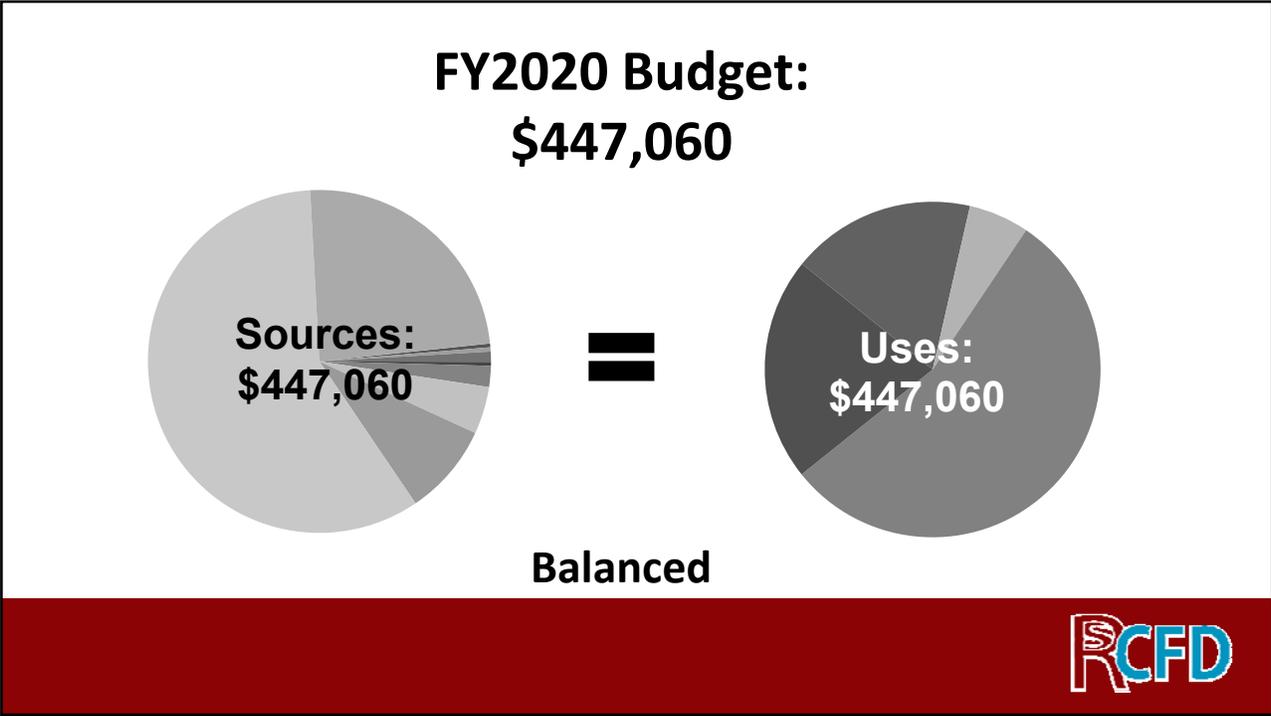
- **Tax levying public improvement district**
 - Finance acquisition and maintenance of public infrastructure and facilities
- **Bond election authorized \$60M bond capacity and debt service property tax**
 - \$5.78M GO Bonds issued in 2018
 - \$5.78M outstanding
 - Paid off in FY2043



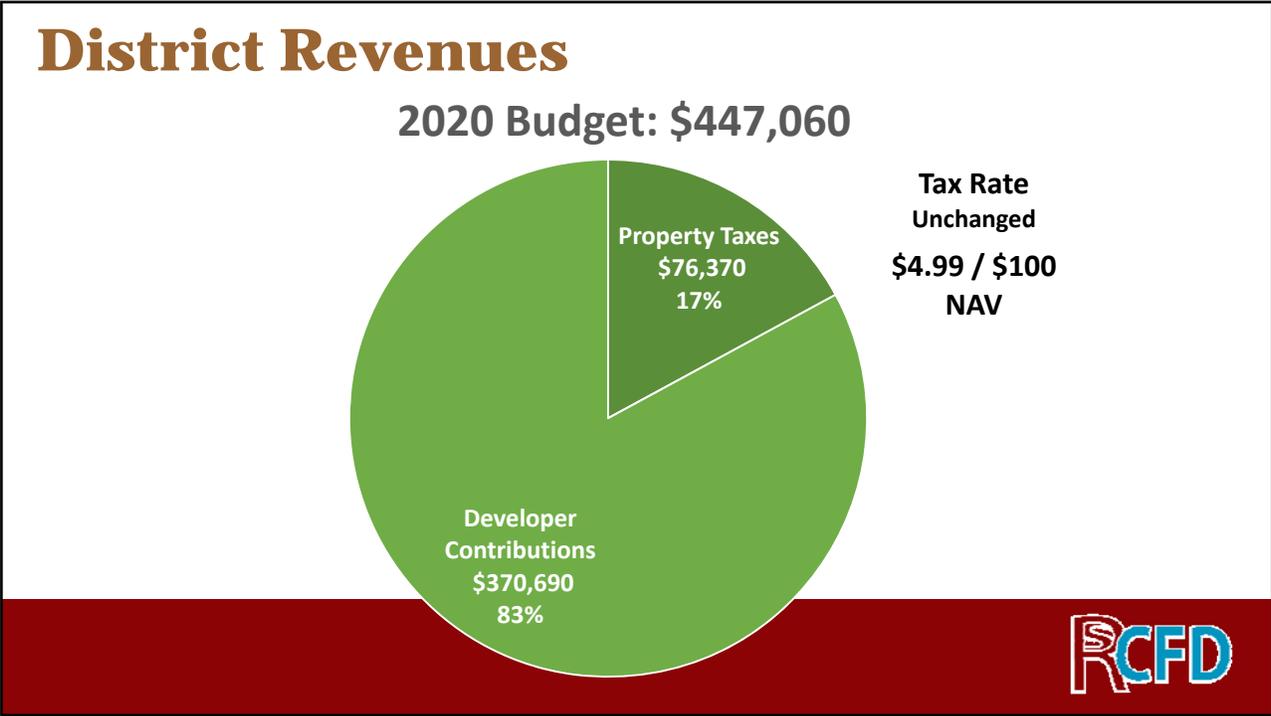
The District

- **Relationship to Town**
 - Legally separate entity
- **Part of the Town's financial reporting entity**
 - Governmental Accounting Standards Board (GASB)
 - Blended component unit
 - Special Revenue Fund



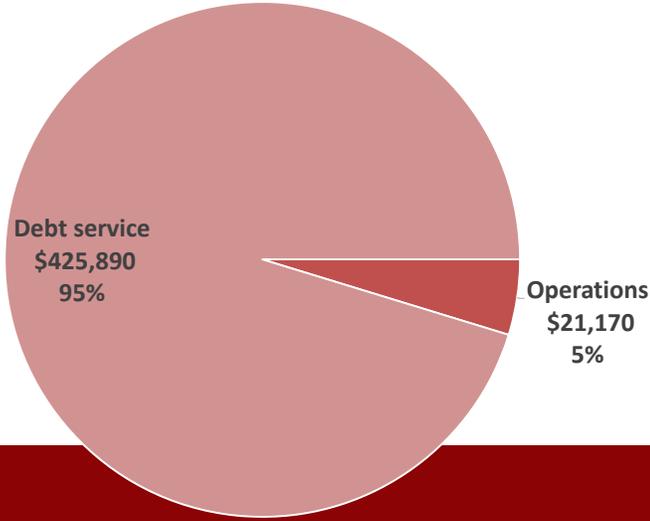


Attachment: FY2020 RSCFD Tentative Budget Presentation (Resolution No. 2019-0013)



District Expenditures

2020 Budget: \$447,060



Attachment: FY2020 RSCFD Tentative Budget Presentation (Resolution No. 2019-0013)

Resolution

- **Approves FY2020 Tentative Budget**
- **Tentative Budget filed and made available**
 - District Clerk, library, and website
- **Establishes a public hearing and notice for final budget adoption**
 - June 10, 2019

