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 2020 IN THE AMOUNT OF
$1,012,410 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 QUAIL CREEK 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 QUAIL CREEK
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 QUAIL CREEK
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 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 2020, 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 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 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 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 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 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 QCCFD), 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 Quail Creek Community Facilities District this 28th day of May, 2019.

[Signature]
Tom Murphy
Chairperson, District Board
Quail Creek Community Facilities District

ATTEST:

[Signature]
Lisa Cole, MMC
District Clerk
Quail Creek Community Facilities District

APPROVED AS TO FORM:

[Signature]
Daniel J. Hochuli
District Counsel
Quail Creek Community Facilities District
EXHIBIT “A”

Fiscal Year 2020 Quail Creek Community Facilities District Budget
(QCCFD Statements and Estimates of Expenses for Fiscal Year 2020)

Resolution No. 36
Quail Creek Community Facilities District
EXHIBIT “B”

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 2020 BUDGET OF THE DISTRICT IN THE AMOUNT OF $1,012,410, 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 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
Quail Creek Community Facilities District

Resolution No. 36
Quail Creek Community Facilities District