



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.

**June 10, 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 May 28, 2019 Rancho Sahuarita Community Facilities District Meeting Minutes.**

- 5. Public hearing, discussion and possible adoption of Resolution No. 2019-0014, approving a final budget for Fiscal Year 2020 in the amount of \$447,060 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.**

Action recommended: adopt the resolution.

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.

Notice to parents: Meetings of the Mayor and Council are audio and video recorded. If you permit your child to participate in the Council Meeting, a recording will be made. You may exercise your right not to consent by not permitting your child to participate. You and your child may also leave the Council Meeting at any time.



District Board Agenda Communication

TO: Honorable Chairperson and District Board
FROM: Lisa Cole MMC, District Clerk
MEETING DATE: June 10, 2019
SUBJECT: Approval of the May 28, 2019 Rancho Sahuarita Community Facilities District 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. Rancho Sahuarita CFD 5-28-19 Draft Meeting Minutes



District Board Meeting Minutes

RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT MEETING MINUTES MAY 28, 2019

The District Board of the Rancho Sahuarita Community Facilities District met in the Sahuarita Council Chambers, 375 West Sahuarita Center Way, Sahuarita, AZ on May 28, 2019.

1. Call to Order

The meeting was called to order at 6:35 PM by Chairperson Tom Murphy.

2. Roll Call

Attendee Name	Title	Status	Arrived
Tom Murphy	Chairperson	Present	
Kara Egbert	Vice Chairperson	Present	
Bill Bracco	Board Member	Present	
Melissa Hicks	Board Member	Absent	
Gil Lusk	Board Member	Present	
Lynne Skelton	Board Member	Present	
Dalia Zimmerman	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:	Lynne Skelton, Board Member
SECONDER:	Gil Lusk, Board Member
AYES:	Murphy, Egbert, Bracco, Lusk, Skelton, Zimmerman
ABSENT:	Melissa Hicks

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.

A.C. Marriotti, District Treasurer, provided an overview of the Rancho Sahuarita CFD tentative budget for Fiscal Year 2020 in the amount of \$447,060. Mr. Marriotti also announced that a public hearing and final budget adoption were scheduled for the District Board meeting on June 10, 2019.

MOTION was made to adopt Resolution No. 2019-0013.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Kara Egbert, Vice Chairperson
SECONDER:	Gil Lusk, Board Member
AYES:	Murphy, Egbert, Bracco, Lusk, Skelton, Zimmerman
ABSENT:	Melissa Hicks

6. Adjournment

Chairperson Murphy adjourned the meeting at approximately 6:46 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 28th day of May 2019. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 10th day of June, 2019.

Lisa Cole, MMC
District Clerk

Draft

Attachment: Rancho Sahuarita CFD 5-28-19 Draft Meeting Minutes (Approval of Minutes)



District Board Agenda Communication

TO: Honorable Chairperson and District Board

FROM: A.C. Marriotti, District Treasurer

MEETING DATE: June 10, 2019

SUBJECT: **Public hearing, discussion and possible adoption of Resolution No. 2019-0014, approving a final budget for Fiscal Year 2020 in the amount of \$447,060 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.**

FINANCIAL / BUDGET SUMMARY

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

STAFF RECOMMENDATION

Staff recommends adoption.

SUGGESTED MOTION

I move to adopt Resolution No. 2019-0014.

DISCUSSION

This resolution has the effect of approving the 2020 budget for the Rancho Sahuarita Community Facilities District in the amount of \$447,060 and to establish a tax levy of \$4.99 per \$100 of net assessed valuation on property within the District. There have been no changes to the Tentative Budget, which was approved by Resolution 2019-0013 at the May 28th Board meeting. Notice of this public hearing have been published according to State statutes.

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

Rancho Sahuarita Community Facilities District Agenda Communication

- \$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. RSCFD Resolution No. 2019-014 FY2020 Final Budget Adoption
2. FY2020 RSCFD Final Budget Presentation

**RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT
RESOLUTION NO. 2019-0014**

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 2020* IN THE AMOUNT OF \$447,060 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. 2019-0013, adopted on May 28, 2019, the District Board of RSCFD (a) approved a tentative budget for FY 2020, (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 2020 by this Resolution No. 2019-0014, 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 2020, attached hereto and expressly made a part hereof as Exhibit "A", is hereby finally adopted.
2. It is hereby ORDERED that, in FY 2020, 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]

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PASSED by the District Board of the Rancho Sahuarita Community Facilities District this 10th day of June, 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: RSCFD Resolution No. 2019-014 FY2020 Final Budget Adoption (FY2020 Final Budget Adoption)

EXHIBIT “A”

Fiscal Year 2020 Rancho Sahuarita Community Facilities District Budget

Attachment: RSCFD Resolution No. 2019-014 FY2020 Final Budget Adoption (FY2020 Final Budget Adoption)

SPECIAL REVENUE FUND
SOURCES AND USES OF FUNDS

	2018	2019			2020	% Change	
	Actual Amount	Adopted Budget	Amended Budget	Estimated Actual	Budget Amount	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%	22.5%
Subtotal:	26,183	422,070	422,070	405,280	447,060	5.9%	10.3%
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: RSCFD Resolution No. 2019-014 FY2020 Final Budget Adoption (FY2020 Final Budget Adoption)

EXHIBIT "B"

FISCAL YEAR 2019/2020 TAX LEVY

JURISDICTION	NET ASSESSED VALUATION (NAV)	TAX LEVY	TAX RATE (PER \$100 NAV)
RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT			
Secondary	\$1,569,791		
Debt Service		\$73,623	\$4.6900
Maintenance and Operation		\$ 4,710	\$0.3000
TOTAL SECONDARY		<u>\$78,333</u>	<u>\$4.9900</u>

Attachment: RSCFD Resolution No. 2019-014 FY2020 Final Budget Adoption (FY2020 Final Budget Adoption)

Budget Adoption Fiscal Year 2020

Board Meeting

June 10, 2019



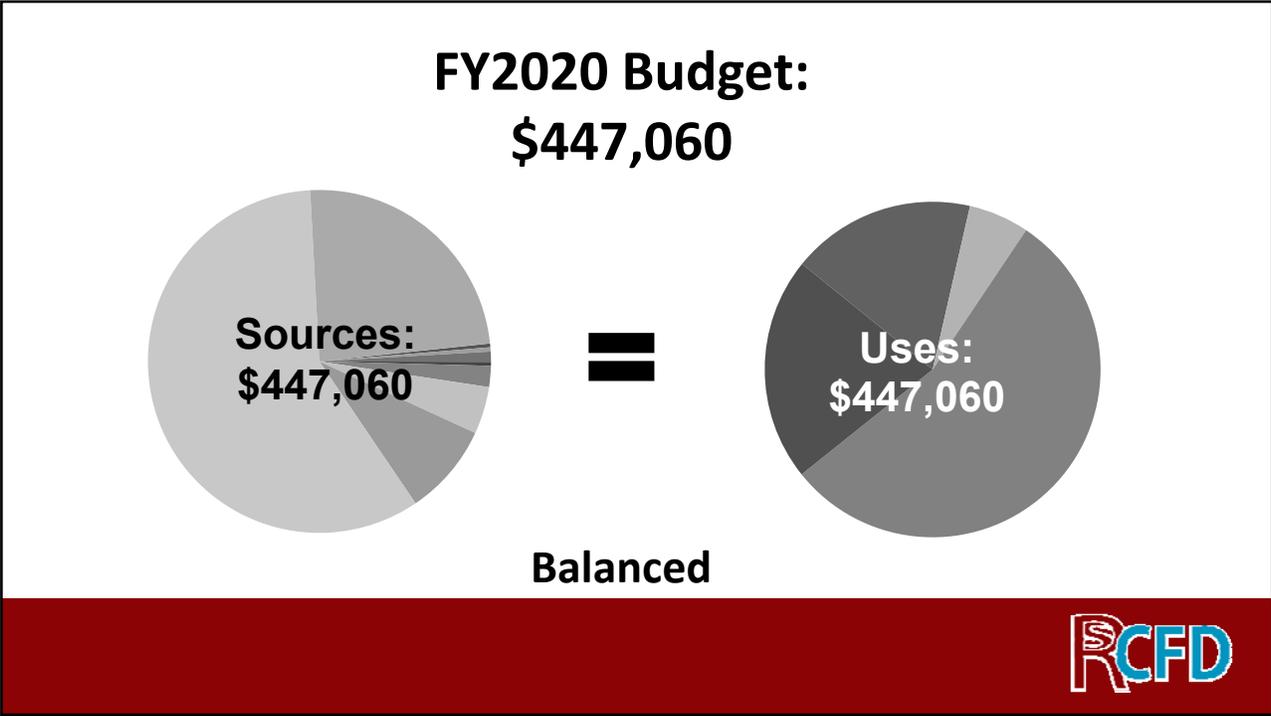
Attachment: FY2020 RSCFD Final Budget Presentation (FY2020 Final Budget Adoption)

Budget Process

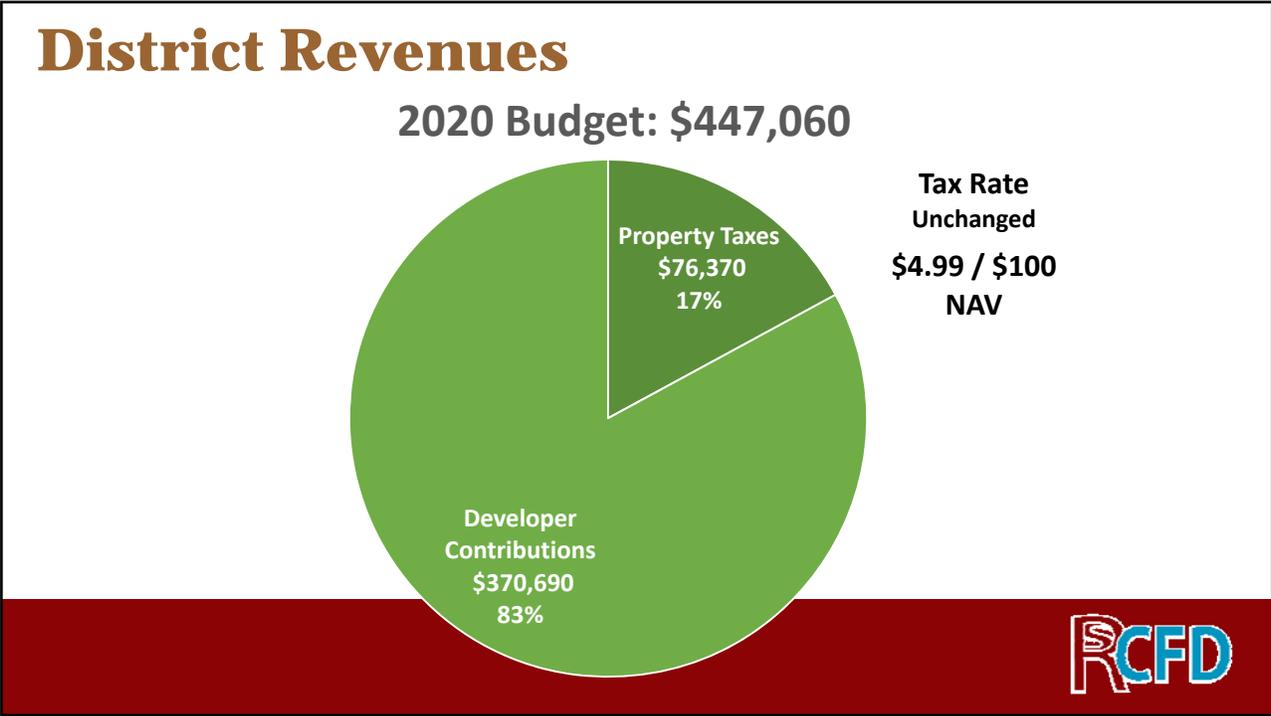
- **6+ months in the making**
 - Board / Staff / FIAC

- **Tentative Budget & Public Notice**
 - Made available to public



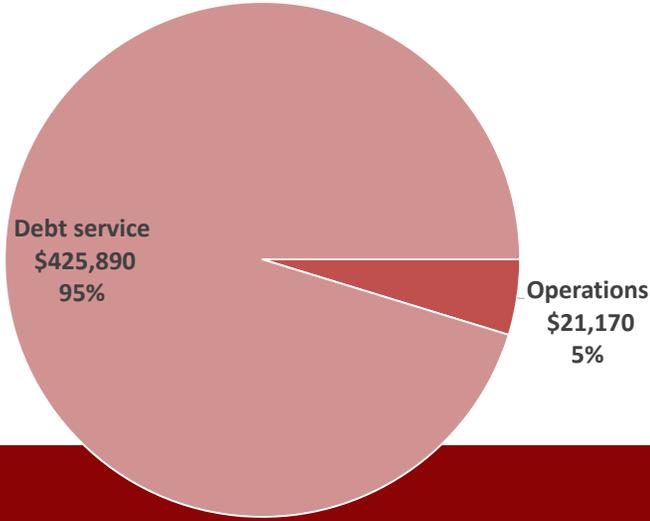


Attachment: FY2020 RSCFD Final Budget Presentation (FY2020 Final Budget Adoption)



District Expenditures

2020 Budget: \$447,060



Attachment: FY2020 RSCFD Final Budget Presentation (FY2020 Final Budget Adoption)

Final Steps

- **Public hearing**
- **Board opportunity to make reductions or other changes**
- **Resolution**
 - **Adopts FY2020 Budget: \$447,060**
 - **Establishes Tax Levy Rate @ \$4.99/\$100 NAV**
 - Same as FY2019

