



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 13, 2022
REGULAR MEETING AGENDA
AT OR AFTER 6:00 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**

- A. Approval of the May 23, 2022 Rancho Sahuarita Community Facilities District Meeting Minutes.**

- 5. Public hearing, discussion and adoption of Resolution No. 2022-0024, of the District Board of the Rancho Sahuarita Community Facilities District, a community facilities district of Arizona, approving a Final Budget for Fiscal Year 2023 in the amount of \$20,629,470 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.**

- 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 District Board are audio and video recorded. If you permit your child to participate in the 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 meeting at any time.



District Board Staff Report

TO: Honorable Chairperson and District Board
FROM: Lisa Cole MMC, District Clerk
MEETING DATE: June 13, 2022
SUBJECT: Approval of the May 23, 2022 Rancho Sahuarita Community Facilities District Meeting Minutes.

FINANCIAL / BUDGET SUMMARY

SUGGESTED MOTION

Staff recommends approval of the attached minutes.

EXECUTIVE SUMMARY

State law (A.R.S. §38-431.01) requires public bodies to provide and publish meeting minutes to document discussion and legal action taken by the District Board. The Board can make needed corrections to the meeting minutes before approval.

DISCUSSION

Draft minutes submitted for District Board approval.

ATTACHMENTS

1. May 23, 2022 RSCFD Meeting Minutes



District Board Meeting Minutes

RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT MEETING MINUTES MAY 23, 2022

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 23, 2022.

1. Call to Order

The meeting was called to order at 6:05 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	Absent	
Simon Davis	Board Member	Present	
Deborah Morales	Board Member	Present	

Also in attendance were District Manager Shane Dille, District Clerk Lisa Cole, and District Counsel Dan Hochuli. Vice Chairperson Egbert participated telephonically.

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:	Simon Davis, Board Member
SECONDER:	Deborah Morales, Board Member
AYES:	Tom Murphy, Kara Egbert, Simon Davis, Deborah Morales
ABSENT:	Bill Bracco

A. Approval of the March 28, 2022 Rancho Sahuarita Community Facilities District Meeting Minutes.

- 5. Discussion and possible adoption of Resolution No. 2022-0023 of the District Board of the Rancho Sahuarita Community Facilities District, a Community Facilities District of Arizona, approving a tentative budget for Fiscal Year 2023 in the amount of \$20,629,470.00 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.

District Treasurer, A.C. Marriotti provided a brief background on the district and the property values that have increased within the last few years. Additionally, Mr. Marriotti provided a summary of the districts revenues and sources, expenditures and uses for funding sources for Fiscal Year 2023. Furthermore, Mr. Marriotti announced that a public hearing and final budget adoption were scheduled for the District Board meeting on June 13, 2022.

MOTION was made to adopt Resolution No. 2022-0023.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Simon Davis, Board Member
SECONDER:	Deborah Morales, Board Member
AYES:	Tom Murphy, Kara Egbert, Simon Davis, Deborah Morales
ABSENT:	Bill Bracco

6. Adjournment

Chairperson Tom Murphy adjourned the meeting at 6:17 PM.

Attachment: May 23, 2022 RSCFD Meeting Minutes [Revision 2] (Approval of Minutes)

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 23rd day of May 2022. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of June, 2022.

Lisa Cole, MMC
District Clerk

Attachment: May 23, 2022 RSCFD Meeting Minutes [Revision 2] (Approval of Minutes)



District Board Staff Report

TO: Honorable Chairperson and District Board

FROM: A.C. Marriotti, District Treasurer

MEETING DATE: June 13, 2022

SUBJECT: Public hearing, discussion and adoption of Resolution No. 2022-0024, of the District Board of the Rancho Sahuarita Community Facilities District, a community facilities district of Arizona, approving a Final Budget for Fiscal Year 2023 in the amount of \$20,629,470 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

Budget: \$20,629,470

SUGGESTED MOTION

I move to adopt Resolution No. 2022-0024.

EXECUTIVE SUMMARY

This agenda item provides the District Board an opportunity to adopt a budget for fiscal year 2023 and to establish the property tax levy for the year.

DISCUSSION

This resolution adopts the fiscal year 2023 budget for the Rancho Sahuarita Community Facilities District in the amount of \$20,629,470 and establishes a tax levy rate of \$4.99 per \$100 of net taxable valuation on property within the District.

A public hearing must be held before the Board may adopt the budget. Notice of this public hearing has been posted and published according to State statutes.

Rancho Sahuarita Community Facilities District Agenda Communication

There have been no changes to the Tentative Budget, which was presented and approved at the May 10th Board meeting. Staff will provide the District Board and the public with a brief presentation of the final budget at the meeting.

REVENUES

Property Taxes

The District levies a property tax to (1) pay for debt service obligations and (2) to pay for operations and maintenance (O&M) costs.

- 1) The debt service tax rate is determined by calculation, based upon the assessed valuation of property within the District. Pursuant to the Development Agreement, however, this rate is capped at \$4.69 per \$100 net taxable assessed valuation (NTAV). The District's debt service levy rate has been \$4.69/\$100 NTAV since bonds were issued in 2018.
- 2) The O&M tax rate is capped at \$0.30 per \$100 NTAV. The District's O&M levy rate has been \$0.30/\$100 NTAV since the District was formed.

The proposed combined property tax rate levy for 2023 is \$4.99/\$100 NTAV. This is expected to generate \$590,510, including allowances for uncollectible amounts.

Investment Income

Unspent bond proceeds and property tax collections are held in trust, earning interest income, until spent on infrastructure acquisition or paying debt service obligations.

Developer Contributions

The District expects to collect \$1,210,800 from the Master Developer in 2023. Pursuant to the Development Agreement, the Master Developer is required to make stand-by contribution payments to cover debt service obligations above what is collected in property taxes. Also, the Developer is required to cover O&M shortfalls, if any, up to \$30 thousand annually.

EXPENDITURES

Current Expenditures

The proposed 2023 budget is \$30,500. This budget provides capacity for to pay for:

- 1) General administrative costs
- 2) Street, right-of-way, and landscaping maintenances costs along public roads in the District

Debt Service

The District has \$28.1 million of outstanding debt. Annual debt service obligations include bond principal and interest, and other costs such as bank trust fees. Principal is paid once a year. Interest is paid semi-annually.

Capital Outlay

During 2023, the District expects to acquire \$4,380,160 of infrastructure (roadways and sewer lines) from the Master Developer. Bond proceeds will be used to pay for the infrastructure.

FUND BALANCES

Rancho Sahuarita Community Facilities District Agenda Communication

Ending balances are budgeted for \$14,447,750. These balances represent unspent bond proceeds, which may only be used to acquire infrastructure from the Master Developer.

STAFF RECOMMENDATION

Staff recommends adoption of Resolution No. 2022-0024.

ATTACHMENTS

1. RSCFD Resolution No. 2022-0024 Final Budget
2. Exhibit A RSCFD 2023 Final Budget



RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT
RESOLUTION NO. 2022-0024

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 2023 IN THE AMOUNT OF \$20,629,470 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. 2022-0023, adopted on May 23, 2022, the District Board of RSCFD (a) approved a tentative budget for fiscal year 2023, (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 fiscal year 2023 by this Resolution No. 2022-0024, 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 2023, attached hereto and expressly made a part hereof as Exhibit “A”, is hereby finally adopted.
2. It is hereby ORDERED that, in fiscal year 2023, 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 13th day of June 2022.

Tom Murphy
Chairperson
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. 2022-0024 Final Budget [Revision 3] (RSCFD 2023 Final Budget Adoption)

EXHIBIT “A”

FISCAL YEAR 2023 FINAL BUDGET
RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT BUDGET

Attachment: RSCFD Resolution No. 2022-0024 Final Budget [Revision 3] (RSCFD 2023 Final Budget Adoption)

EXHIBIT "B"

FISCAL YEAR 2022/2023 TAX LEVY

<u>JURISDICTION</u>	<u>NET TAXABLE VALUATION (NTV)</u>	<u>TAX LEVY</u>	<u>TAX RATE (PER \$100 NTV)</u>
RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT			
Secondary	\$12,137,407		
Debt Service		\$569,244	\$4.6900
Maintenance and Operation		\$ 36,412	\$0.3000
TOTAL SECONDARY		<u>\$605,656</u>	<u>\$4.9900</u>

Attachment: RSCFD Resolution No. 2022-0024 Final Budget [Revision 3] (RSCFD 2023 Final Budget Adoption)

RANCHO SAHUARITA
COMMUNITY FACILITIES DISTRICT
 SOURCES AND USES OF FUNDS

	2023 Budget Amount
<u>SOURCES</u>	
Revenues:	
Taxes	\$ 590,510
Investment Earnings	250
Developer Contributions	1,210,800
Total Revenues	1,801,560
Beginning Fund Balance:	
Restricted for Capital Acquisition	18,827,910
Restricted for RSCFD	-
Total Fund Balance	18,827,910
TOTAL SOURCES	\$ 20,629,470
<u>USES</u>	
Current Expenditures:	
General Government	\$ 1,110
Streets	29,390
Subtotal	30,500
Debt Service:	
Principal	630,000
Interest	1,136,060
Other	5,000
Subtotal	1,771,060
Capital Outlay:	
Infrastructure Acquisition	4,380,160
Subtotal	4,380,160
Total Expenditures	6,181,720
Ending Fund Balance:	
Restricted for Capital Acquisition	14,447,750
Restricted for RSCFD	-
Total Fund Balance	14,447,750
TOTAL USES	\$ 20,629,470

Attachment: Exhibit A RSCFD 2023 Final Budget (RSCFD 2023 Final Budget Adoption)