

DC RANCH COMMUNITY FACILITIES DISTRICT

ACTION REPORT:

TO: Chairman and Board Members **DATE:** 6/2/15
FROM: Division of Finance and Accounting
SUBJECT: ADOPT Resolution No. 43 and Resolution No.44 Approving
FY 15/16 Budget for District

AGENDA ITEM NO.: 01

STAFF: Lee Guillory (x27084)

ACTION

- ADOPT Resolution No. 43, approving the preliminary District budget for Fiscal Year 15/16,
- ADOPT Resolution No. 44, approving the District budget for FY 15/16 and orders a tax levy, and

BACKGROUND

The DC Ranch Community Facility District (CFD) was formed in 1997 to facilitate the financing, acquiring and constructing of public infrastructure within the district. To date, \$20 million of tax-exempt bonds have been issued.

The District is responsible for the installation and maintenance of infrastructure, which benefits existing and future residents of the District and the City. An ongoing tax assessment is necessary to pay the debt service on the District's bonds and the District's operation and maintenance expenses.

The Fiscal Year 15/16 preliminary budget (see Exhibit A of Attachment #1) has been prepared pursuant to the requirements of the Arizona Revised Statutes. The initial Resolution calls for a public hearing on the preliminary budget and the second Resolution adopts the final budget subsequent to the hearing (see Exhibit B of Attachment #2). The second Resolution also sets the tax levy for the District.

FISCAL IMPACT

The District will levy on District property owners an ad valorem tax of \$1,387,042 for debt service and \$74,110 for operations and maintenance resulting in an estimated secondary tax rate for existing and future property owners of \$0.5619 per \$100.00 of primary assessed valuation, an increase in the combined levy of \$124,274 and an increase in the rate of \$0.0391. The project development agreement fully discloses this tax to all future purchasers of property in the District.



Lee Guillory
Report Author



Derek Earle
District Manager

- Attachments:
1. Resolution No. 43
 - Exhibit A - Preliminary Budget
 - Exhibit B - Notice of Hearing
 2. Resolution No. 44
 - Exhibit A - Notice of Hearing
 - Exhibit B - Final Budget
 - Exhibit C - Tax Levy
 - Map of District

ACTION TAKEN: _____

**MINUTES
DISTRICT BOARD
DC RANCH
COMMUNITY FACILITIES DISTRICT
TUESDAY, JUNE 3, 2014**

1. CALL TO ORDER

Chairman W.J. "Jim" Lane called to order a meeting of the District Board of the DC Ranch Community Facilities District at 7:34 P.M. on Tuesday, June 3, 2014 in the City Hall Kiva.

Present: W.J. "Jim" Lane, Chairman
Board members Suzanne Klapp, Virginia L. Korte, Robert W. Littlefield,
Linda Milhaven, Guy Phillips, and Dennis E. Robbins

Also Present: District Clerk Carolyn Jagger
Community Facilities District Treasurer Jeff Nichols
City Auditor Sharron Walker
City Attorney Bruce Washburn
City Manager Fritz Behring

2. APPROVAL OF MINUTES OF TUESDAY, JUNE 4, 2013

Board member Klapp made a motion to approve the minutes of Tuesday, June 4, 2013.
Board member Robbins seconded the motion, which carried 7/0.

3. ADOPT RESOLUTION NO. 41, WHICH SETS OUT PRELIMINARY BUDGET AND CALLS FOR PUBLIC HEARING

Board member Robbins made a motion to adopt Resolution No. 41, which sets out the preliminary budget and calls for a Public Hearing. Board member Klapp seconded the motion, which carried 7/0.

4. CALL FOR PUBLIC COMMENTS ON THE BUDGET

No public comments were received.

5. ADOPT RESOLUTION NO. 42, WHICH APPROVES THE BUDGET AND SETS TAX LEVY

Board member Robbins made a motion to adopt Resolution No. 42, which approves the budget and sets the tax levy. Board member Milhaven seconded the motion, which carried 7/0.

6. ADJOURNMENT

With no further business to discuss, Chairman Lane adjourned the meeting at 7:37 P.M.

SUBMITTED BY:



**Carolyn Jagger
District Clerk**

Officially approved by the District Board on _____

C E R T I F I C A T E

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the District Board of the DC Ranch Community Facilities District of Scottsdale, Arizona held on the 3rd day of June 2014.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 2nd day of June 2015.

Carolyn Jagger, District Clerk

**DC RANCH COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

RESOLUTION No. 43

A RESOLUTION OF THE DISTRICT BOARD OF DC RANCH
COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE,
ARIZONA APPROVING A PROPOSED DISTRICT BUDGET FOR
FISCAL YEAR 2015-2016 AND ORDERING A HEARING ON
SUCH BUDGET AS APPROVED

WHEREAS, pursuant to Section 48-716 of the Arizona Revised Statutes, the District Treasurer of DC Ranch Community Facilities District of Scottsdale, Arizona (the "District") prepared and submitted to the Board of Directors of the District (the "District Board") for approval a proposed District budget for Fiscal Year 2015-2016 (the "Proposed Budget"); and

WHEREAS, the Proposed Budget sets forth the annual statements and estimates of the operation and maintenance expenses, together with the debt service payment, of the District for Fiscal Year 2015-2016, as required by Section 48-723C of the Arizona Revised Statutes; and

WHEREAS, pursuant to Section 48-723C of the Arizona Revised Statutes, the District Board filed the Proposed Budget with the City Clerk of the City of Scottsdale, Arizona, and the District Clerk on or before May 19, 2015,

NOW, THEREFORE, BE IT RESOLVED by the District Board of DC Ranch Community Facilities District of Scottsdale, Arizona as follows:

1. *Approval of Proposed Budget.* The Proposed Budget submitted to the District Board and attached as Exhibit A hereto is hereby approved and a hearing on the Proposed Budget is hereby ordered as required by law.
2. *Notice of Hearing on Proposed Budget.* Notice of the public hearing on the Proposed Budget in the form attached hereto as Exhibit B was published in accordance with the provisions of Section 48-716 of the Arizona Revised Statutes.
3. *Effective Date.* This resolution shall be effective immediately.

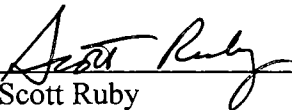
PASSED by the District Board of DC Ranch Community Facilities District of Scottsdale, Arizona this 2nd day of June, 2015.

Chairman, District Board
DC Ranch Community Facilities
District of Scottsdale, Arizona

ATTEST:

Carolyn Jagger, District Clerk
DC Ranch Community Facilities
District of Scottsdale, Arizona

APPROVED AS TO FORM:

By _____
Scott Ruby

ATTACHMENTS:

Exhibit A — Proposed Budget for Fiscal Year 2015-2016
Exhibit B — Notice of Hearing on Proposed Budget for Fiscal Year 2015-2016

EXHIBIT A

DC RANCH COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA

FISCAL YEAR 2015-2016 PRELIMINARY BUDGET

BEGINNING FUNDS AVAILABLE FOR DEBT SERVICE		\$	11,450
REVENUES			
Net Primary Assessed Value (as of February 2015) *	\$260,037,805		
Tax Rate for Debt Service	\$0.5334		
Property Tax Levy (NAV x rate / 100)			1,387,042
EXPENSES			
Debt Service on Bonds	(1,285,739)		
Trustee Fees	(5,200)		(1,290,939)
ENDING FUNDS AVAILABLE FOR DEBT SERVICE		\$	<u>107,553</u>
BEGINNING FUNDS AVAILABLE FOR O&M		\$	54,256
REVENUES			
Tax Rate for Operations and Maintenance	\$0.0285		
Property Tax Levy (NAV x rate / 100)			74,110
EXPENSES			
Path and Trail Maintenance**	(61,000)		
Liability Insurance Premium	(5,000)		
Legal Fees	(300)		
Advertising	(200)		
City of Scottsdale Administration	(4,300)		
Replacement Reserve	(5,000)		(75,800)
ENDING FUNDS AVAILABLE FOR O&M		\$	<u>52,566</u>

* Source: Maricopa County Assessor's Office

** For paths and trails dedicated to the City of Scottsdale

EXHIBIT B

**DC RANCH COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

**NOTICE OF HEARING
REQUIRED BY A.R.S. §48-723C
ON THE PROPOSED BUDGET FOR FISCAL YEAR 2015-2016
OF
DC RANCH COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

Pursuant to Sections 48-716 and 48-723C, Arizona Revised Statutes, notice is hereby given that a public hearing on the Proposed Budget for Fiscal Year 2015-2016 of the DC Ranch Community Facilities District of Scottsdale, Arizona shall be held by the District Board on June 2, 2015, at approximately 5:00 p.m. or immediately following the regular meeting of the Scottsdale City Council in the City of Scottsdale City Hall Kiva located at 3939 Drinkwater Blvd., Scottsdale, Arizona. A copy of the proposed budget is on file with the Clerk of the City of Scottsdale, Arizona/District Clerk of DC Ranch Community Facilities District of Scottsdale, Arizona, at the City Hall of the City of Scottsdale, Arizona, 3939 Drinkwater Blvd., Scottsdale, Arizona 85251, telephone number (480) 312-2412. This notice also constitutes notice of the filing of the estimate as required by Section 48-723C, Arizona Revised Statutes.

DATED this 12TH DAY OF MAY, 2015.

/s/ District Manager
District Manager
DC Ranch Community Facilities
District of Scottsdale, Arizona

**DC RANCH COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

RESOLUTION No. 44

A RESOLUTION OF THE DISTRICT BOARD OF DC RANCH
COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA
ADOPTING THE DISTRICT BUDGET FOR FISCAL YEAR 2015-2016
AND LEVYING A TAX

WHEREAS, pursuant to Section 48-716 of the Arizona Revised Statutes, the District Treasurer of DC Ranch Community Facilities District of Scottsdale, Arizona (the "District") prepared and submitted to the Board of Directors of the District (the "District Board") for approval a proposed District budget for Fiscal Year 2015-2016 (the "Proposed Budget"); and

WHEREAS, the Proposed Budget sets forth the annual statements and estimates of the operation and maintenance expenses, together with the debt service payment, of the District for Fiscal Year 2015-2016, as required by Section 48-723C of the Arizona Revised Statutes; and

WHEREAS, on June 2, 2015, the District Board adopted Resolution No. 43, approving the Proposed Budget and ordering a hearing on the Proposed Budget as required by law; and

WHEREAS, as required by Section 48-716 of the Arizona Revised Statutes, notice of the public hearing on the Proposed Budget, in the form attached hereto as Exhibit A, was published not less than ten days prior to the date hereof in a newspaper of general circulation in the District and was mailed to the City Clerk of the City of Scottsdale, Arizona; and

WHEREAS, a public hearing was held on the date hereof,

NOW, THEREFORE, BE IT RESOLVED by the District Board of DC Ranch Community Facilities District of Scottsdale, Arizona as follows:

1. *Ratification of Notice of Hearing on Proposed Budget.* Notice of the public hearing on the Proposed Budget provided by the District Manager in the form attached hereto as Exhibit A is hereby ratified and approved in all respects.
2. *Adoption of Proposed Budget.* The Proposed Budget in the form attached hereto as Exhibit B is hereby approved and adopted as the District budget for Fiscal Year 2015-2016.
3. *Tax Levy.* A tax levy (the "Tax Levy") in the form attached hereto as Exhibit C is hereby ordered, approved and adopted and the District Clerk is hereby directed to deliver certified copies of the Tax Levy to the Maricopa County (Arizona) Board of Supervisors, to the Arizona Department of Revenue and to any entity acting as trustee for any District bonds.

4. *Effective Date.* This Resolution shall be effective immediately

PASSED by the District Board of DC Ranch Community Facilities District of Scottsdale, Arizona this 2ND DAY OF JUNE, 2015.

Chairman, District Board
DC Ranch Community Facilities
District of Scottsdale, Arizona

ATTEST:

Carolyn Jagger, District Clerk
DC Ranch Community Facilities
District of Scottsdale, Arizona

APPROVED AS TO FORM:

By Scott Ruby
Scott Ruby

ATTACHMENTS:

Exhibit A — Form of Notice of Hearing on the Proposed Budget
Exhibit B — Final Budget for Fiscal Year 2015-2016
Exhibit C — Form of Tax Levy

EXHIBIT A

**DC RANCH COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

**NOTICE OF HEARING
REQUIRED BY A.R.S. §48-723C
ON THE PROPOSED BUDGET FOR FISCAL YEAR 2015-2016
OF
DC RANCH COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

Pursuant to Sections 48-716 and 48-723C, Arizona Revised Statutes, notice is hereby given that a public hearing on the Proposed Budget for Fiscal Year 2015-2016 of the DC Ranch Community Facilities District of Scottsdale, Arizona shall be held by the District Board on June 2, 2015, at approximately 5:00 p.m. in the City of Scottsdale City Hall Kiva located at 3939 Drinkwater Blvd., Scottsdale, Arizona. A copy of the proposed budget is on file with the Clerk of the City of Scottsdale, Arizona/District Clerk of DC Ranch Community Facilities District of Scottsdale, Arizona, at the City Hall of the City of Scottsdale, Arizona, 3939 Drinkwater Blvd., Scottsdale, Arizona 85251, telephone number (480) 312-2412. This notice also constitutes notice of the filing of the estimate as required by Section 48-723C, Arizona Revised Statutes.

DATED this 12TH DAY OF MAY, 2015.

/s/ District Manager
District Manager
DC Ranch Community Facilities
District of Scottsdale, Arizona

EXHIBIT B

DC RANCH COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA

FISCAL YEAR 2015-2016 BUDGET

BEGINNING FUNDS AVAILABLE FOR DEBT SERVICE		\$	11,450
REVENUES			
Net Primary Assessed Value (as of February 2015) *	\$260,037,805		
Tax Rate for Debt Service	\$0.5334		
Property Tax Levy (NAV x rate / 100)			1,387,042
EXPENSES			
Debt Service on Bonds	(1,285,739)		
Trustee Fees	(5,200)		<u>(1,290,939)</u>
ENDING FUNDS AVAILABLE FOR DEBT SERVICE		\$	<u>107,553</u>
BEGINNING FUNDS AVAILABLE FOR O&M		\$	54,256
REVENUES			
Tax Rate for Operations and Maintenance	\$0.0285		
Property Tax Levy (NAV x rate / 100)			74,110
EXPENSES			
Path and Trail Maintenance**	(61,000)		
Liability Insurance Premium	(5,000)		
Legal Fees	(300)		
Advertising	(200)		
City of Scottsdale Administration	(4,300)		
Replacement Reserve	(5,000)		<u>(75,800)</u>
ENDING FUNDS AVAILABLE FOR O&M		\$	<u>52,566</u>

* Source: Maricopa County Assessor's Office

** For paths and trails dedicated to the City of Scottsdale

EXHIBIT C

DC RANCH COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA

TAX LEVY

PURSUANT TO RESOLUTION NO. 44 passed on June 2, 2015 by the District Board of DC Ranch Community Facilities District of Scottsdale, Arizona (the "District"), it is hereby ordered levying a secondary *ad valorem* tax levy applicable to all taxable property within the District for Fiscal Year 2015-2016, such tax levy to be apportioned as follows: at a rate (unlimited as to rate or amount) sufficient to produce \$1,387,042 for debt service on outstanding bonds of the District; and at a rate (not to exceed \$.30) sufficient to produce \$74,110 for operations and maintenance expenses of the District. A map of the District is attached hereto as Appendix A.

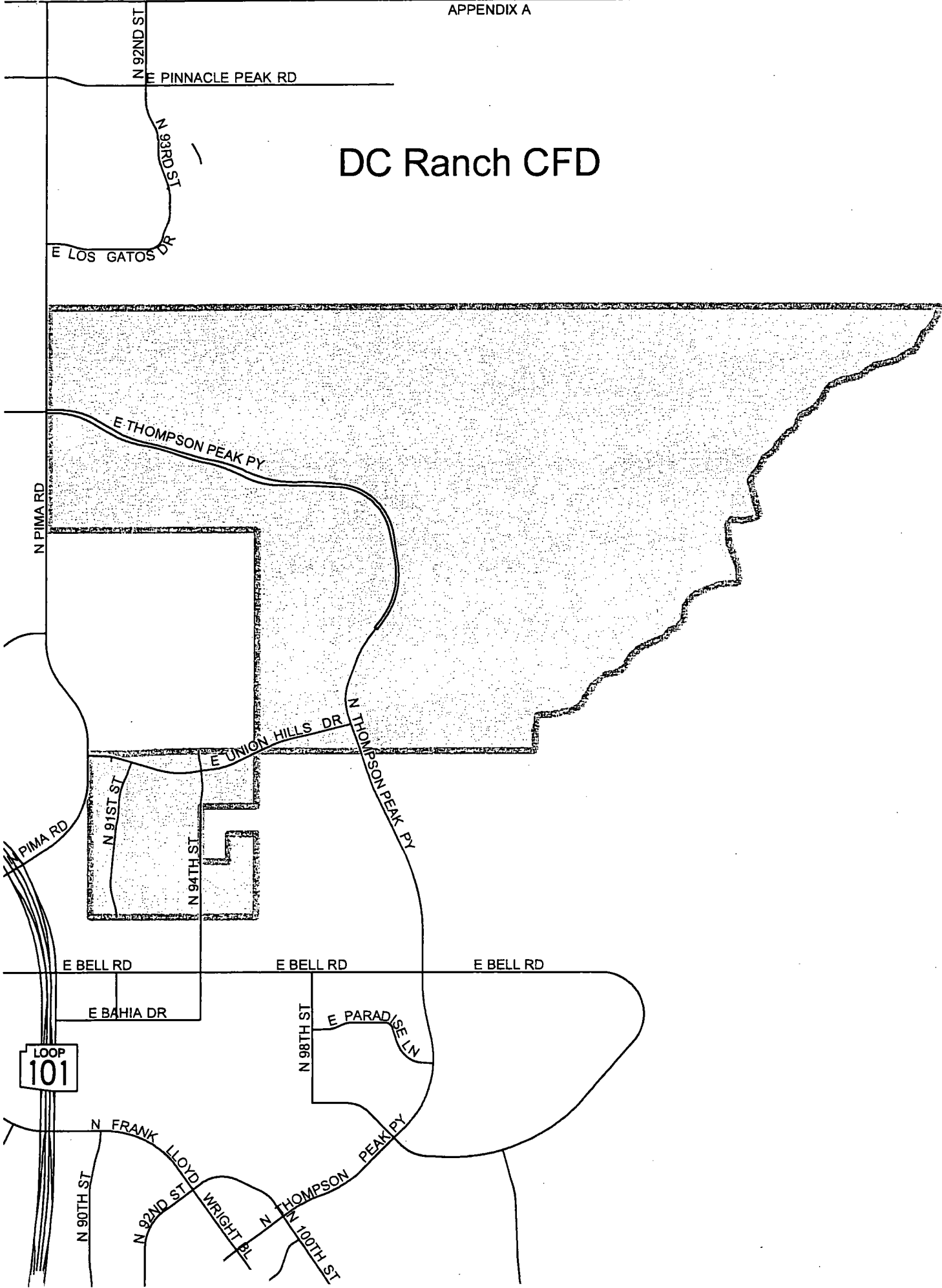
DATED: June 2, 2015

Chairman, District Board
DC Ranch Community Facilities
District of Scottsdale, Arizona

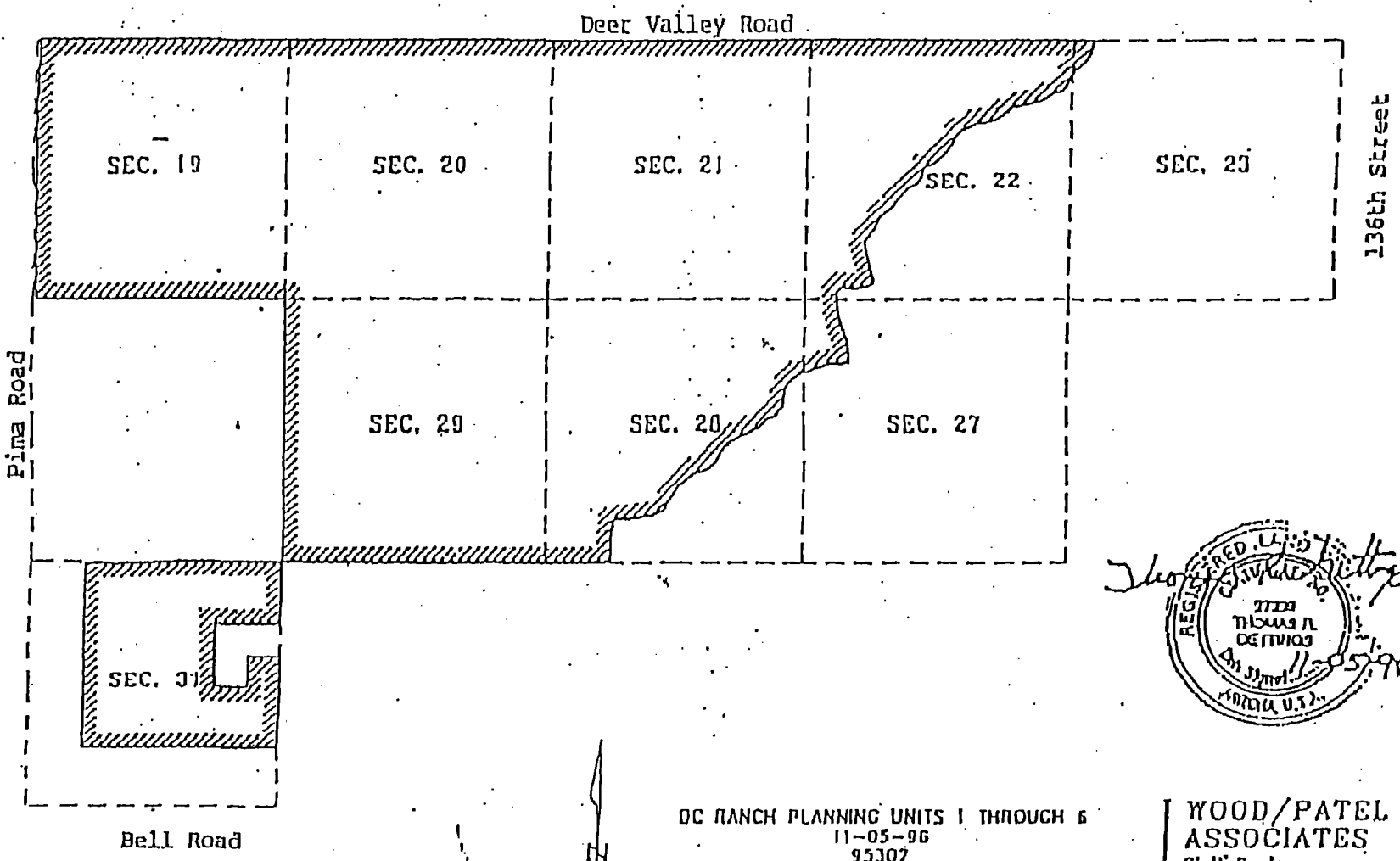
ATTEST:

District Clerk
DC Ranch Community Facilities
District of Scottsdale, Arizona

DC Ranch CFD



Appendix A



DC RANCH PLANNING UNITS 1 THROUGH 6
11-05-96
95302

NOT TO SCALE
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WOOD/PATEL
ASSOCIATES
Civil Engineers
Hydrologists
Land Surveyors
(002) 231-1344

470198028

