

**Notice of Joint Meeting of  
Sedona Summit II Community Facility District Board of Directors  
&  
Fairfield Community Facility District Board of Directors  
Vultee Conference Room, 106 Roadrunner Drive, Sedona, AZ 86336  
Tuesday, June 26, 2018, 3:00 p.m.**

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Boards of Directors of the Sedona Summit II Community Facility District & Fairfield Community Facility District and to the public that the Boards will hold a joint meeting on Tuesday, June 26, 2018 at 3:00 p.m. in the Vultee Conference Room, located at 106 Roadrunner Drive, Sedona, AZ 86336. During this meeting the respective governing boards of each of these community facility districts will discuss and act on business specific to each district as outlined below.

- 1. Call to order**
- 2. Roll call**
- 3. Presentation/discussion/possible direction** regarding an overview of Community Facilities Districts (CFD) and allowable uses of CFD funds.
- 4. Matters before the Sedona Summit II Community Facility District Governing Board:**
  - a. Discussion/possible action** regarding approval of minutes from July 11, 2017.
  - b. Public Hearing/discussion/possible action** regarding adoption of a resolution approving a tentative budget for fiscal year 2018-2019 for the Sedona Summit II Community Facility District and authorizing the publication of a Notice of Public Hearing on said budget.
- 5. Matters before the Fairfield Community Facility District Governing Board:**
  - a. Discussion/possible action** regarding approval of minutes from July 11, 2017.
  - b. Public Hearing/discussion/possible action** regarding adoption of a resolution approving a tentative budget for fiscal year 2018-2019 for the Fairfield Community Facility District and authorizing the publication of a Notice of Public Hearing on said budget.
- 6. Adjournment**

Posted: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Susan L. Irvine, Secretary

*The Vultee Conference Room is accessible to people with disabilities, in compliance with the Federal "504" and "ADA" laws. Those with needs for special typeface print may request these at the City Clerk's Office (928) 282-3113. All requests should be made forty-eight hours prior to the meeting.*

*The boards reserve the right to adjourn into executive session when needed, A.R.S. § 38-431.03(a)(3) for legal consultation on the above agenda.*

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# MEMORANDUM

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**To:** Sedona Summit II and Fairfield Community Facility Districts' Governing Boards

**From:** Cherie Wright, Treasurer of Sedona Summit II and Fairfield Community Facility Districts

**Re:** Joint meeting of the Sedona Summit II and Fairfield Community Facility Districts' Governing Boards<sup>1</sup>

**Date:** June 26, 2018

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## **Exhibits:**

### **Sedona Summit II Community Facility District**

- A. Adopted Feasibility Report
- B. July 11, 2017 Minutes
- C. Resolution No. 2018-1

### **Fairfield Community Facility District**

- A. Adopted Feasibility Report
- B. July 11, 2017 Minutes
- C. Resolution No. 2018-1

This memo is intended to provide guidance to the Governing Boards of the Sedona Summit II and Fairfield Community Facility Districts concerning the necessary procedures to adopt a budget for the Community Facility Districts. A Community Facility District (CFD) is a special taxing district formed to pay for major infrastructure improvements intended to benefit a certain geographical area.

The City has two CFDs. The Fairfield CFD was created in 2000 and the Sedona Summit II was created in 1999. The CFD's were formed as a method to collect a special assessment from timeshare owners who do not pay bed and sales taxes on the units but use Citywide facilities and infrastructure while visiting Sedona. The special assessments or taxes mitigate the impact to the City and fund City capital projects described in the "general plans" of each CFD. The "general plans", which were adopted when the CFDs were formed, describe future infrastructure improvements including parks and streets.

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<sup>1</sup> Sunterra was later acquired by Diamond Resorts. Fairfield was acquired by Wyndham Resorts. The obligations of the original development agreements and amendments transferred to the new entities.

The City Council, sitting as the Governing Board of each CFD, will review and take possible action on the Tentative Budgets (detailed later in the memo). Likewise, the City Clerk, City Manager, City Attorney, Director of Financial Services, and City Engineer perform parallel duties for the CFDs. As a procedural note, City Council members serve as Directors for the CFDs and the Mayor serves as Chairman. Please use these references during the meetings.

In order to appropriate the CFD funds that have accumulated since the inception of the CFD's and the 2018-19 estimated revenues, the Boards must meet several statutory requirements. In 2017, the Boards adopted a Feasibility Report for each District. The Feasibility Report sets forth the projects which qualify for use of CFD funds in whole or in part. To determine whether a project is appropriate, staff looked to the General Plans for future infrastructure improvements which were adopted when each CFD was originally formed. Not only must the projects fit within the General Plans but must also benefit the Districts.

After consulting with outside legal counsel, Michael Cafiso, staff concluded that infrastructure projects that are beneficial to the City as a whole, and in particular to visitors to the City of Sedona, might best fit within the CFD's General Plans. CFD funds are anticipated to be allocated to projects in future fiscal years in the City's Capital Improvement Plan; however, there are no CFD funds that are allocated for FY 2018-19 capital projects. The Feasibility Reports will be updated next year to address any potential projects not accounted for in the current report.

The Board must adopt Tentative Budgets for the 2018-19 fiscal year on or before July 15<sup>th</sup>. A similar notice of public hearings will then be approved and published prior to final adoption of the budgets. The final budgets must be adopted by October 1<sup>st</sup>. The public hearings on the 2018-19 Budgets are scheduled for July 24, 2018 subject to Board approval as outlined in this memo.

**Below is a roadmap to the possible action of the Boards:**

**Agenda Item 3** is the joint meeting of the two governing boards and will begin with a presentation regarding the projects included in the CFD Feasibility Reports and the contributions to the projects from the City of Sedona.

The matters requesting possible action before the CFD Governing Board are as follows:

**As the Sedona Summit II Community Facility District Board:**

1. **Agenda Item 4a**: Approval of minutes from July 11, 2017.  
**Motion**: I move to approve the minutes from July 11, 2017.
2. **Agenda Item 4b**: Open Public Hearing regarding adoption of a resolution approving the Tentative Budget for fiscal year 2018-19.

**Motion:** I move to approve Resolution No. 2018-1 of the Sedona Summit II Community Facility District approving the Tentative Budget for fiscal year 2018-19 and authorizing publication of the notice of public hearing on budget.

**As the Fairfield Community Facility District Board:**

1. **Agenda Item 5a:** Approval of minutes from July 11, 2017.

**Motion:** I move to approve the minutes from July 11, 2017.

2. **Agenda Item 5b:** Open Public Hearing regarding adoption of a resolution approving the Tentative Budget for fiscal year 2018-19.

**Motion:** I move to approve Resolution No. 2018-1 of the Fairfield Community Facility District approving the Tentative Budget for fiscal year 2018-19 and authorizing publication of the notice of public hearing on budget.

The final adoption of the 2018-19 budgets and is scheduled at a separate joint meeting of the two CFD Boards on July 24, 2018.

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# Sedona Summit II

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Community Facilities District  
Feasibility Report  
Fiscal Years 2018-2020

This Feasibility Report ("Report") has been prepared by engineers and other qualified persons for presentation to the District Board (the "Board") of the Sedona Summit II Community Facilities District (the "District") with respect to certain public infrastructure to be financed with proceeds of the special homeowners assessment tax revenues (The "Assessment Revenues") pursuant to the Community Facilities Act of 1989, Title 48, Chapter 4, Article 6 of the Arizona Revised Statutes, as amended (the "Act").

## PURPOSE OF FEASIBILITY REPORT

Pursuant to A.R.S. §48-715, this Report includes (i) a description of the Projects which are to be constructed; (ii) a map showing, in general, the location of the Projects; (iii) an estimate of the cost to operate and maintain the Projects; (iv) an estimated schedule for completion of the Projects; (v) a map or description of the area to be benefited by the Projects; and (vi) a plan for financing the Projects.

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## PROJECTS

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The project to be constructed by the District is as follows: (I) Phased implementation of a master plan for the Brewer Historic Park, located at 250 Brewer Road, Sedona AZ.

This project fits within the District's General Plan for infrastructure improvements and benefits the District by providing new city-wide recreation amenities. This project increases the value of Sedona as a desirable tourist destination and enhances the quality of experience for the owners at the Sedona Summit Resort.

Construction Contracts for the Projects will be bid and awarded pursuant to the public bid process of Title 34 of the Arizona Revised Statutes and applicable City requirement and administered in conformance to applicable law and such requirements. The District may use up to \$188,000 of collected Assessment Revenues to finance the Projects over the course of the three-year period covered by this feasibility report. Remaining funds to finance current phases of construction will be contributed by the Fairfield Community Facilities District.

### **(I) Brewer Road Historic Park Development**

In Fiscal Years 2016 and 2017, CFD funds contributed to the development of a Master Plan to guide future development and operations at the Brewer Road historic property. The development of the master plan for the site included a significant public participation component, soliciting the input of the community and future users on what would be the most desirable amenities to include in the future park development. Now that the master plan for this property has been finalized, funds are required for implementation and construction of the planned development.

The Brewer Road Historic Park and Recreation Facility will serve visitors and citizens of the entire city. The park will be a destination and a city-wide focal point.

The entire project is anticipated to span numerous fiscal years beyond the scope of the three fiscal years addressed in this report. Any monies collected during these fiscal years may be held for larger phases of the project to be completed when adequate funding is available.



Shown below is a summary of the estimated construction costs of the Project. These amounts are estimated and are subject to the results of public bidding, and if such amounts are approved by the Board, cannot be exceeded. Upon completion of the Project, the District will dedicate the Project to the City of Sedona. Accordingly, it is not anticipated that there will be any operating or maintenance expenses borne by the District unless they are proposed and budgeted for in future years. Instead, the City will assume all future operating and maintenance expenses. The dollar figure provided below for construction is an estimate and will need to be further refined in future budget years once it is determined which elements will be pursued in each phase of the project.

Category or Phase	FY 2018	FY 2019	FY 2020	3-Year Total	Estimated Future Project Costs
Design	\$ 0	\$ 60,000	\$ 0	\$ 60,000	\$ 0
Construction	120,175	193,000	186,000	499,175	1,244,000
Total Project Budget	\$120,175	\$253,000	\$186,000	\$559,175	\$1,244,000
Estimated Operating Expenses	FY 2018	FY 2019	FY 2020	3-Year Total	Estimated Future Annual Costs
Personnel Costs	\$0	\$0	\$0	\$0	\$ 0
Materials & Supplies	0	0	0	0	600
Contractual Services	0	0	0	0	9,120
Estimated Total Operating	\$0	\$0	\$0	\$0	\$9,720
Source of Funding	FY 2018	FY 2019	FY 2020	3-Year Total	Estimated Future Project Costs
Fairfield Community Facilities District	\$120,175	\$127,000	\$124,000	\$371,175	\$ 862,000
Sedona Summit II Community Facilities District	0	126,000	62,000	188,000	382,000
Total Funding Sources	\$120,175	\$253,000	\$186,000	\$559,175	\$1,244,000

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**Action Minutes**  
**Sedona Summit II Community Facility District Board of Directors**  
**Vultee Conference Room, 106 Roadrunner Drive, Sedona, AZ 86336**  
**Tuesday, July 11, 2017, 3:30 p.m.**

1. **Call to order:** Chairperson Moriarty called the meeting to order at 3:30 p.m.
2. **Roll call:** Chairperson Sandra Moriarty, Director John Currivan, Director Scott Jablow, Director Tom Lamkin, Director John Martinez, Director Jon Thompson, and Director Joe Vernier.

**Sedona City Staff present:** City Manager Justin Clifton, City Attorney Robert Pickels, Jr., Director of Financial Services Cherie Wright, and City Clerk Susan Irvine.

3. **Matters before the Sedona Summit II Community Facility District Governing Board:**

- a. **Discussion/possible action regarding approval of minutes from June 13, 2017.**

**Motion:** Director Thompson moved to approve the minutes dated June 13, 2017. **Director seconded Jablow. Vote:** Motion carried unanimously with seven (7) in favor and zero (0) opposed.

- b. **Public Hearing/discussion/possible action on a resolution approving a feasibility report detailing the proposed projects to be funded with Sedona Summit II Community Facility District funds.**

Presentation by Cherie Wright.

Opened the Public Hearing at 3:33 p.m.

No comments were heard.

Closed the public hearing and brought back to the Board at 3:33 p.m.

**Motion:** Director Thompson moved to approve Resolution No. 2017-3, of the Sedona Summit II Community Facility District approving the feasibility report. **Director Jablow seconded. Vote:** Motion carried unanimously with seven (7) in favor and zero (0) opposed.

- c. **Public Hearing/discussion/possible action regarding adoption of a resolution approving a final budget for fiscal year 2017-2018 for the Sedona Summit II Community Facility District.**

Opened the Public Hearing at 3:34 p.m.

No comments were heard.

Closed the public hearing and brought back to the Board at 3:34 p.m.

**Motion:** Director Thompson moved to approve Resolution No. 2017-4, of the Sedona Summit II Community Facility District approving the Final Budget for fiscal year 2017-18. **Director Jablow seconded. Vote:** Motion carried unanimously with seven (7) in favor and zero (0) opposed.

Sedona Summit II Community Facility District Board of Directors  
Special Meeting  
Tuesday, July 11, 2017  
3:30 p.m.

- 4. Matters before the Fairfield Community Facility District Governing Board:**
  - a. Discussion/possible action regarding approval of minutes from June 13, 2017.**

**Item addressed in separate minutes for the Fairfield Community Facility District Governing Board.**

- b. Public Hearing/discussion/possible action on a resolution approving a feasibility report detailing proposed projects to be funded with Fairfield Community Facility District funds.**

**Item addressed in separate minutes for the Fairfield Community Facility District Governing Board.**

- c. Public Hearing/discussion/possible action regarding adoption of a resolution approving a final budget for fiscal year 2017-2018 for the Fairfield Community Facility District.**

**Item addressed in separate minutes for the Fairfield Community Facility District Governing Board.**

- 5. Adjournment: Chairperson Moriarty adjourned the meeting without objection at 3:38 p.m.**

Respectfully submitted,

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Susan L. Irvine, District Secretary

**RESOLUTION NO. 2018-1  
SEDONA SUMMIT II COMMUNITY FACILITIES DISTRICT**

**A RESOLUTION OF THE DISTRICT BOARD OF THE SEDONA SUMMIT II COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A TENTATIVE BUDGET FOR FISCAL YEAR 2018-2019 PURSUANT TO A.R.S. § 48-716, AS AMENDED; SETTING A PUBLIC HEARING DATE ON SAID TENTATIVE BUDGET; AND THE AMOUNT OF ALL EXPENDITURES FOR PUBLIC INFRASTRUCTURE AND ENHANCED MUNICIPAL SERVICES ALL OF WHICH SHALL BE PROVIDED FOR FROM THE COLLECTION OF AN ANNUAL SPECIAL TAX; PROVIDING FOR NOTICE OF FILING THE STATEMENTS AND ESTIMATES AND NOTICE OF A PUBLIC HEARING ON THE PROPOSED BUDGET; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.**

WHEREAS, on October 26, 1999, the Mayor and Council of the City of Sedona, Arizona (the "City"), adopted Resolution No. 99-51 forming the Sedona Summit II Community Facilities District ("SSCFD"), a community facilities district in accordance with A.R.S. § 48-701 et seq., as amended; and

WHEREAS, SSCFD is a special purpose district for purposes of Article IX, § 19, Constitution of Arizona, a tax-levying public improvement district for the purposes of Article XIII, § 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, A.R.S., as amended, and [except as otherwise provided in A.R.S. § 48-708(B), as amended] is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the City; and

WHEREAS, a primary purpose for creating SSCFD was to finance public improvements through assessment of a "Annual Special Tax," which tax was implemented through a development agreement between Sunterra Corporation, the primary property owner within the District and the City of Sedona; and

WHEREAS, in accordance with A.R.S. § 48-716, as amended, the District Treasurer of SSCFD has submitted to the District Board of SSCFD a proposed budget for Fiscal Year 2018-2019 which includes the costs of capital improvements to be financed by the Annual Special Tax, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax; and

WHEREAS, the District Board of SSCFD desires now to approve said tentative budget for Fiscal Year 2018-2019, and to set a date (and publish a notice thereof) for a public hearing to receive comment on the tentative budget; and

WHEREAS, after said public hearing (and on or before October 1<sup>st</sup>), the District Board of SSCFD expects to adopt a final budget by resolution; and

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF SEDONA SUMMIT II COMMUNITY FACILITIES DISTRICT, AS FOLLOWS:

1. That certain proposed budget prepared by the District Treasurer of SSCFD for Fiscal Year 2018-2019, attached hereto and expressly made a part hereof as Exhibit "A" is hereby tentatively approved.

2. That, the costs of capital improvements to be financed by the Annual Special Tax, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy are set forth in Exhibit "A" attached hereto.

3. That a public hearing date of July 24, 2018, beginning at or after 3:30 p.m. at 106 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City Vultee Conference Room, is hereby set to consider said tentative budget (SSCFD), and said notice (attached hereto and expressly made a part hereof as Exhibit "B") shall be published once in the Sedona Red Rock News no later than ten (10) days prior to said hearing date.

4. That 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. That this Resolution shall be effective after its passage and approval according to law.

RESOLVED by the District Board of the Sedona Summit II Community Facilities District this 26<sup>th</sup> day of June, 2018.

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Sandra J. Moriarty, Chairwoman  
Sedona Summit II Community Facilities District

ATTEST:

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Susan L. Irvine, District Secretary  
Sedona Summit II Community Facilities District

APPROVED AS TO FORM:

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Robert L. Pickels, Jr., District Counsel  
Sedona Summit II  
Community Facilities District

Sedona Summit II Community Facilities District  
 Fiscal Year 2018-2019 Tentative Budget  
 Exhibit "A"

	Estimated Special Tax Revenue	Estimated Other Misc. Revenue	FY 2018-2019 Estimated Total Collections	Estimated Fund Balance as of July 1, 2018	2018-2019 Expenditures	Total 2018-2019 Budget	Estimated Fund Balance as of June 30, 2019
Capital Projects	\$ 50,200	\$ 4,350	\$ 54,550	\$ 295,009	\$ - \$ -	\$ - \$ - \$ -	\$ 349,559
Totals	\$ 50,200	\$ 4,350	\$ 54,550	\$ 295,009	\$ -	\$ -	\$ 349,559

**EXHIBIT "B"**

**Form of SSCFD Published Notice**

**SEDONA SUMMIT II COMMUNITY FACILITIES DISTRICT  
NOTICE OF PUBLIC HEARING**

NOTICE OF THE AMOUNT OF ALL EXPENDITURES FOR PUBLIC INFRASTRUCTURE AND ENHANCED MUNICIPAL SERVICES PROPOSED TO BE PAID FROM THE ANNUAL SPECIAL TAXES HERETOFORE COLLECTED; AND NOTICE OF A PUBLIC HEARING ON THE PROPOSED FISCAL YEAR 2018-2019 BUDGET OF THE DISTRICT. Notice is hereby given that statements have been filed in the Office of the District Secretary of the Sedona Summit II District setting forth the amount of all proposed expenditures for public infrastructure and enhanced municipal services proposed to be paid from the Special Homeowners Assessments heretofore collected. Notice is further given of a public hearing on the proposed Fiscal Year 2018-2019 budget of the District, all pursuant to Arizona Revised Statutes § 48-716. Such hearing will be held by the District Board on July 24, 2018 beginning at or after 3:30 p.m. at 106 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City Vultee Conference Room. Copies of the budget are available from the Office of the District Manager, 102 Roadrunner Drive, Sedona, Arizona 86336, telephone number: (928) 204-7127.

Dated this 26<sup>th</sup> day of June, 2018.

/s/ Justin Clifton

District Manager, Sedona Summit II Community Facilities District

Published: \_\_\_\_\_, 2018



# Fairfield

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Community Facilities District  
Feasibility Report  
Fiscal Years 2018-2020

This Feasibility Report ("Report") has been prepared by engineers and other qualified persons for presentation to the District Board (the "Board") of the Fairfield Community Facilities District (the "District") with respect to certain public infrastructure to be financed with proceeds of the special homeowners assessment tax revenues (The "Assessment Revenues") pursuant to the Community Facilities Act of 1989, Title 48, Chapter 4, Article 6 of the Arizona Revised Statutes, as amended (the "Act").

## PURPOSE OF FEASIBILITY REPORT

Pursuant to A.R.S. §48-715, this Report includes (i) a description of the Projects which are to be constructed; (ii) a map showing, in general, the location of the Projects; (iii) an estimate of the cost to operate and maintain the Projects; (iv) an estimated schedule for completion of the Projects; (v) a map or description of the area to be benefited by the Projects; and (vi) a plan for financing the Projects.

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## PROJECTS

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The project to be constructed by the District is as follows: (I) Phased implementation of a master plan for the development of the Brewer Historic Park, located at 250 Brewer Road, Sedona AZ.

This project fits within the District's General Plan for infrastructure improvements and benefits the District by providing new city-wide recreation amenities. This project increases the value of Sedona as a desirable tourist destination and enhances the quality of experience for the owners at the Fairfield Sedona Resort.

Construction contracts for the Projects will be bid and awarded pursuant to the public bid process of Title 34 of the Arizona Revised Statutes and applicable City requirements and administered in conformance to applicable law and such requirements. The District shall use up to \$371,175 of collected Assessment Revenues to finance the Projects over the course of the three-year period covered by this feasibility report. Remaining funds to finance current phases of construction will be contributed by the Summit Community Facilities District.

### **(I) Brewer Road Historic Park Development**

In Fiscal Years 2016 and 2017, CFD funds contributed to the development of a Master Plan to guide future development and operations at the Brewer Road historic property. The development of the master plan for the site included a significant public participation component, soliciting the input of the community and future users on what would be the most desirable amenities to include in the future park development. Now that the master plan for this property has been finalized, funds are required for implementation and construction of the planned development.

The Brewer Road Historic Park and Recreation Facility will serve visitors and citizens of the entire city. The park will be a destination and a city-wide focal point.

The entire project is anticipated to span numerous fiscal years beyond the scope of the three fiscal years addressed in this report. Any monies collected during these fiscal years may be held for larger phases of the project to be completed when adequate funding is available.

Shown below is a summary of the estimated construction costs of the Project. These amounts are estimated and are subject to the results of public bidding, and if such amounts are approved by the Board, cannot be exceeded. Upon completion of the Project, the District will dedicate the Project to the City of Sedona. Accordingly, it is not anticipated that there will be any operating or maintenance expenses borne by the District unless they are proposed and budgeted for in future years. Instead, the City will assume all future operating and maintenance expenses. The dollar figure provided below for construction is an estimate and will need to be further refined in future budget years once it is determined which elements will be pursued in each phase of the project.

Category or Phase	FY 2018	FY 2019	FY 2020	3-Year Total	Estimated Future Project Costs
Design	\$ 0	\$ 60,000	\$ 0	\$ 60,000	\$ 0
Construction	120,175	193,000	186,000	499,175	1,244,000
Total Project Budget	\$120,175	\$253,000	\$186,000	\$559,175	\$1,244,000
Estimated Operating Expenses	FY 2018	FY 2019	FY 2020	3-Year Total	Estimated Future Annual Costs
Personnel Costs	\$0	\$0	\$0	\$0	\$ 0
Materials & Supplies	0	0	0	0	600
Contractual Services	0	0	0	0	9,120
Estimated Total Operating	\$0	\$0	\$0	\$0	\$9,720
Source of Funding	FY 2018	FY 2019	FY 2020	3-Year Total	Estimated Future Project Costs
Fairfield Community Facilities District	\$120,175	\$127,000	\$124,000	\$371,175	\$ 862,000
Sedona Summit II Community Facilities District	0	126,000	62,000	188,000	382,000
Total Funding Sources	\$120,175	\$253,000	\$186,000	\$559,175	\$1,244,000

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**Action Minutes**  
**Fairfield Community Facility District Board of Directors**  
**Vultee Conference Room, 106 Roadrunner Drive, Sedona, AZ 86336**  
**Tuesday, July 11, 2017, 3:30 p.m.**

1. **Call to order:** Chairperson Moriarty called the meeting to order at 3:30 p.m.
2. **Roll call:** Chairperson Sandra Moriarty, Director John Currivan, Director Scott Jablow, Director Tom Lamkin, Director John Martinez, Director Jon Thompson, and Director Joe Vernier.

**Sedona City Staff present:** City Manager Justin Clifton, Assistant City Manager Karen Osburn, City Attorney Robert Pickels, Jr., Director of Financial Services Cherie Wright, Director of Public Works & City Engineer Andy Dickey, City Clerk Susan Irvine.

3. **Matters before the Sedona Summit II Community Facility District Governing Board:**

- a. **Discussion/possible action regarding approval of minutes from June 13, 2017.**

**Item addressed in separate minutes for the Sedona Summit II Community Facility District Governing Board.**

- b. **Public Hearing/discussion/possible action on a resolution approving a feasibility report detailing the proposed projects to be funded with Sedona Summit II Community Facility District funds.**

**Item addressed in separate minutes for the Sedona Summit II Community Facility District Governing Board.**

- c. **Public Hearing/discussion/possible action regarding adoption of a resolution approving a final budget for fiscal year 2017-2018 for the Sedona Summit II Community Facility District.**

**Item addressed in separate minutes for the Sedona Summit II Community Facility District Governing Board.**

4. **Matters before the Fairfield Community Facility District Governing Board:**

- a. **Discussion/possible action regarding approval of minutes from June 13, 2017.**

**Motion:** Director Lamkin moved to approve the minutes dated June 13, 2017. Director Martinez seconded. **Vote:** Motion carried unanimously with seven (7) in favor and zero (0) opposed.

- b. **Public Hearing/discussion/possible action on a resolution approving a feasibility report detailing proposed projects to be funded with Fairfield Community Facility District funds.**

Presentation by Cherie Wright.

Opened the Public Hearing at 3:36 p.m.

Fairfield Community Facility District Board of Directors  
Special Meeting  
Tuesday, July 11, 2017  
3:30 p.m.

No comments were heard.

Closed the public hearing and brought back to the Board at 3:36 p.m.

**Motion: Director Jablow moved to approve Resolution No. 2017-3, of the Fairfield Community Facility District approving the feasibility report. Director Martinez seconded. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.**

- c. Public Hearing/discussion/possible action regarding adoption of a resolution approving a final budget for fiscal year 2017-2018 for the Fairfield Community Facility District.**

Questions from the Board.

Opened the Public Hearing at 3:37 p.m.

No comments were heard.

Closed the public hearing and brought back to the Board at 3:37 p.m.

**Motion: Director Jablow moved to approve Resolution No. 2017-4, of the Fairfield Community Facility District approving the Final Budget for fiscal year 2017-18. Director Martinez seconded. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.**

**5. Adjournment: Chairperson Moriarty adjourned the meeting without objection at 3:38 p.m.**

Respectfully submitted,

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Susan L. Irvine, District Secretary

**RESOLUTION NO. 2018-1**

**FAIRFIELD COMMUNITY FACILITIES DISTRICT**

**A RESOLUTION OF THE DISTRICT BOARD OF THE FAIRFIELD COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A TENTATIVE BUDGET FOR FISCAL YEAR 2018-2019 PURSUANT TO A.R.S. § 48-716, AS AMENDED; SETTING A PUBLIC HEARING DATE ON SAID TENTATIVE BUDGET; AND THE AMOUNT OF ALL EXPENDITURES FOR PUBLIC INFRASTRUCTURE AND ENHANCED MUNICIPAL SERVICES ALL OF WHICH SHALL BE PROVIDED FOR FROM THE COLLECTION OF AN ANNUAL SPECIAL TAX; PROVIDING FOR NOTICE OF FILING THE STATEMENTS AND ESTIMATES AND NOTICE OF A PUBLIC HEARING ON THE PROPOSED BUDGET; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.**

WHEREAS, on May 24, 2000, the Mayor and Council of the City of Sedona, Arizona (the "City"), adopted Resolution No. 2000-20 forming the Fairfield Community Facilities District ("Fairfield"), a community facilities district in accordance with A.R.S. § 48-701 et seq., as amended; and

WHEREAS, Fairfield is a special purpose district for purposes of Article IX, § 19, Constitution of Arizona, a tax-levying public improvement district for the purposes of Article XIII, § 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, A.R.S., as amended, and [except as otherwise provided in A.R.S. § 48-708(B), as amended] is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the City; and

WHEREAS, a primary purpose for creating Fairfield was to finance public improvements through assessment of a "Annual Special Tax," which tax was implemented through a development agreement between Fairfield Communities Inc., the primary property owner within the District and the City of Sedona; and

WHEREAS, in accordance with A.R.S. § 48-716, as amended, the District Treasurer of Fairfield has submitted to the District Board of Fairfield a proposed budget for Fiscal Year 2018-2019 which includes the costs of capital improvements to be financed by the Annual Special Tax, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax; and

WHEREAS, the District Board of Fairfield desires now to approve said tentative budget for Fiscal Year 2018-2019, and to set a date (and publish a notice thereof) for a public hearing to receive comment on the tentative budget; and

WHEREAS, after said public hearing (and on or before October 1st), the District Board of Fairfield expects to adopt a final budget by resolution; and

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE FAIRFIELD COMMUNITY FACILITIES DISTRICT, AS FOLLOWS:

1. That certain proposed budget prepared by the District Treasurer of Fairfield for Fiscal Year 2018-2019, attached hereto and expressly made a part hereof as Exhibit "A" is hereby tentatively approved.

2. That, the costs of capital improvements to be financed by the Annual Special Tax, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy are set forth in Exhibit "A" attached hereto.

3. That a public hearing date of July 24, 2018, beginning at or after 3:30 p.m. at 106 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City Vultee Conference Room, is hereby set to consider said tentative budget (Fairfield), and said notice (attached hereto and expressly made a part hereof as Exhibit "B") shall be published once in the Sedona Red Rock News no later than ten (10) days prior to said hearing date.

4. That 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. That this Resolution shall be effective after its passage and approval according to law.

RESOLVED by the District Board of the Fairfield Community Facilities District this 26<sup>th</sup> day of June, 2018.

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Sandra J. Moriarty, Chairman  
Fairfield Community Facilities District

ATTEST:

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Susan L. Irvine, District Secretary  
Fairfield Community Facilities District

APPROVED AS TO FORM:

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Robert L. Pickels, Jr., District Counsel  
Fairfield Community Facilities District



Fairfield Community Facilities District  
 Fiscal Year 2018-2019 Tentative Budget  
 Exhibit "A"

	Estimated Special Tax Revenue	Estimated Other Misc. Revenue	FY 2018-2019 Estimated Total Collections	Estimated Fund Balance as of July 1, 2018	2018-2019 Expenditures	Total 2018-2019 Budget	Estimated Fund Balance as of June 30, 2019
Capital Projects	\$ 140,400	\$ 1,400	\$ 141,800	\$ 36,372	\$ -	\$ -	\$ 178,172
						\$ -	
						\$ -	
Totals	\$ 140,400	\$ 1,400	\$ 141,800	\$ 36,372	\$ -	\$ -	\$ 178,172

EXHIBIT "B"

**Form of Fairfield Published Notice**

**FAIRFIELD COMMUNITY FACILITIES DISTRICT  
NOTICE OF PUBLIC HEARING**

NOTICE OF THE AMOUNT OF ALL EXPENDITURES FOR PUBLIC INFRASTRUCTURE AND ENHANCED MUNICIPAL SERVICES PROPOSED TO BE PAID FROM THE ANNUAL SPECIAL TAXES HERETOFORE COLLECTED; AND NOTICE OF A PUBLIC HEARING ON THE PROPOSED FISCAL YEAR 2018-2019 BUDGET OF THE DISTRICT. Notice is hereby given that statements have been filed in the Office of the District Secretary of the Fairfield Community Facilities District setting forth the amount of all proposed expenditures for public infrastructure and enhanced municipal services proposed to be paid from the Special Homeowners Assessments heretofore collected. Notice is further given of a public hearing on the proposed Fiscal Year 2018-2019 budget of the District, all pursuant to A.R.S. § 48-716. Such hearing will be held by the District Board on July 24, 2018, beginning at or after 3:30 p.m. at 106 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City Vultee Conference Room. Copies of the budget are available from the Office of the District Manager, 102 Roadrunner Drive, Sedona, Arizona 86336, telephone number: (928) 204-7127.

Dated this 26<sup>th</sup> day of June, 2018.

/s/ Justin Clifton  
District Manager, Fairfield Community Facilities District

Published: \_\_\_\_\_, 2018