

**Notice of Joint Meeting of
Sedona Summit II Community Facility District Board of Directors
&
Fairfield Community Facility District Board of Directors
City of Sedona, Council Chambers, 102 Roadrunner Drive, Sedona, AZ 86336
Tuesday, June 25, 2024, 4:00 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 25, 2024, at 4:00 p.m. 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. Matters before the Sedona Summit II Community Facility District Governing Board:**
 - a. Discussion/possible action** regarding approval of minutes from May 28, 2024.
 - b. Public hearing/discussion/possible action regarding** adoption of a Resolution approving the Final Budget for fiscal year 2024-2025 for the Sedona Summit II Community Facility.
- 4. Matters before the Fairfield Community Facility District Governing Board:**
 - a. Discussion/possible action** regarding approval of minutes from May 28, 2024.
 - b. Public hearing/discussion/possible action** regarding adoption of a Resolution approving the Final Budget for fiscal year 2024-2025 for the Fairfield Community Facility District.
- 5. Adjournment**

Posted: 06/20/2024

By: DJ

JoAnne Cook, District Clerk

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.

MEMORANDUM

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

From: Renee Stanley, Accounting Manager, City of Sedona

Re: Joint meeting of the Sedona Summit II and Fairfield Community Facilities Districts' Governing Boards¹

Date: June 25, 2024

Exhibits:

Sedona Summit II Community Facilities District

- A. General Plan
- B. Resolution No. 2024-2 with Fiscal Year 2024-25 Budget

Fairfield Community Facilities District

- A. General Plan
- B. Resolution No. 2024-2 with Fiscal Year 2024-25 Budget

This memo is intended to provide guidance to the Governing Boards of the Sedona Summit II and Fairfield Community Facilities Districts concerning the necessary procedures to adopt a budget for the Community Facilities Districts. This is the second joint meeting this year.

A Community Facilities 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 City Council, sitting as the Governing Board of each CFD, will review and take possible action on the Final Budgets. 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 Chairperson. Please use these references during the meetings.

In order to appropriate the CFD funds that have accumulated since the inception of the CFDs and the 2024-25 estimated revenues, the Boards must meet several statutory

¹ 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.

requirements. In 2022, the Boards adopted a Feasibility Report for each District. The Feasibility Reports set 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 also benefit the Districts.

The Boards must adopt the Final Budgets for the 2024-25 fiscal year on or before October 1st. Notices of public hearings have been printed in the Red Rock News and notices have been sent via certified mail to the developments, as required by A.R.S. §48-716.

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

As the Sedona Summit II Community Facilities District Board:

1. **Agenda Item 3a**: Approval of minutes from May 28, 2024.
Motion: I move to approve the minutes from May 28, 2024.
2. **Agenda Item 3b**: Open Public Hearing regarding adoption of a resolution approving the Final Budget for fiscal year 2024-25.

Motion: I move to approve Resolution No. 2024-2, of the Sedona Summit II Community Facilities District approving the Final Budget for fiscal year 2024-25.

As the Fairfield Community Facility District Board:

1. **Agenda Item 4a**: Approval of minutes from May 28, 2024.
Motion: I move to approve the minutes from May 28, 2024.
2. **Agenda Item 4b**: Open Public Hearing regarding adoption of a resolution approving the Final Budget for fiscal year 2022-23.
Motion: I move to approve Resolution No. 2024-2, of the Fairfield Community Facilities District approving the Final Budget for fiscal year 2024-25.

Action Minutes
Sedona Summit II Community Facility District Board of Directors
Sedona City Hall, 102 Roadrunner Drive, Sedona, AZ 86336
Tuesday, May 28, 2024, 4:00 p.m.

1. **Call to order:** Chairperson Jablow called the meeting to order at 4:00 p.m.

2. **Roll call**

Board Members present: Chairperson Scott Jablow, Director Holli Ploog, Director Kathy Kinsella, Director Melissa Dunn, Director Brian Fultz, Director Pete Furman, and Director Jessica Williamson.

Sedona City Staff present: City Attorney Kurt Christianson, Accounting Supervisor Director Renee Stanley, Budget Analyst Sterling West, and City Clerk JoAnne Cook.

3. **Presentation/discussion/possible direction regarding an overview of Community Facilities Districts (CFD) and allowable uses of CFD funds**

Presentation by Renee Stanley and Sterling West.

Questions and comments from Directors.

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

a. **Discussion/possible action regarding approval of minutes from August 8, 2023.**

Motion: Director Kinsella moved to approve the minutes dated August 8, 2023. **Seconded by Director Fultz. Vote:** Motion carried unanimously with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, and Williamson) and zero (0) opposed.

b. **Public hearing/discussion/possible action regarding adoption of a resolution approving the Tentative Budget for fiscal year 2024-25.**

Opened public hearing at 4:04 p.m.

No public comments heard.

Brought back to Board at 4:04 p.m.

Motion: Director Ploog moved to approve adoption of Resolution No. 2024-01, approving the Sedona Summit II Tentative Budget for fiscal year 2024-2025 and authorizing publication of the notice of public hearing on the budget. **Seconded by Director Williamson. Vote:** Motion carried unanimously with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, and Williamson) and zero (0) opposed.

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

a. **Discussion/possible action regarding approval of minutes from August 08, 2023.**

Sedona Summit II Community Facility District Board of Directors
Special Meeting
Tuesday, May 28, 2024
4:00 p.m.

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

- b. Public hearing/discussion/possible action regarding adoption of a resolution approving the Tentative Budget for fiscal year 2024-25.**

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

- 6. Adjournment: Chairperson Jablow adjourned the meeting without objection at 4:09 p.m.**

Respectfully submitted,

JoAnne Cook, District Clerk

**RESOLUTION NO. 2024-2
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 FINAL BUDGET FOR FISCAL YEAR 2024-2025 PURSUANT TO A.R.S. § 48-716, AS AMENDED; FOR 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 2024-2025 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 approved said tentative budget for Fiscal Year 2024-2025, 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 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 tentative budget prepared by the District Treasurer of SSCFD for Fiscal Year 2024-2025, attached hereto and expressly made a part hereof as Exhibit "A" is hereby 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 June 25, 2024, beginning at or after 4:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 at Sedona City Hall in the Council Chambers Room, was

held to consider said budget (SSCFD), and said notice was 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 25th day of June, 2024.

Scott M. Jablow, Chairman
Sedona Summit II Community Facilities District

ATTEST:

JoAnne Cook, District Secretary
Sedona Summit II Community Facilities District

APPROVED AS TO FORM:

Kurt W. Christianson, District Counsel
Sedona Summit II Community Facilities District

Sedona Summit II Community Facilities District
 Fiscal Year 2024-2025 Tentative Budget
 Exhibit "A"

	Estimated Special Tax Revenue		Estimated Other Misc. Revenue	FY 2024-2025 Estimated Total Collections		Estimated Fund Balance as of July 1, 2024	2024-2025 Expenditures	Total 2024-2025 Budget	Estimated Fund Balance as of June 30, 2025
Capital Projects	\$ 49,600	\$ -	-	\$ 49,600	\$ 267,370	\$ 60,000	\$ 60,000	\$ 60,000	\$ 256,970
Totals	\$ 49,600	\$ -	-	\$ 49,600	\$ 267,370	\$ 60,000	\$ 60,000	\$ 60,000	\$ 256,970

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 2024-2025 BUDGET OF THE DISTRICT. Notice is hereby given that statements have been filed in the Office of the District Clerk 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 2024-2025 budget of the District, all pursuant to Arizona Revised Statutes § 48-716. Such hearing will be held by the District Board on June 25, 2024, beginning at or after 4:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 at Sedona City Hall in the Council Chambers. 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 28th day of May, 2024.

/s/ Anette Spickard

District Manager, Sedona Summit II Community Facilities

District Published: June 12th, 2024

Action Minutes
Fairfield Community Facility District Board of Directors
106 Roadrunner Drive, Vultee Conference Room, Sedona, AZ 86336
Tuesday, May 28, 2024, 4:00 p.m.

1. **Call to order:** Chairperson Jablow called the meeting to order at 4:00 p.m.
2. **Roll call**

Board Members present: Chairperson Scott Jablow, Director Holli Ploog, Director Kathy Kinsella, Director Melissa Dunn, Director Brian Fultz, Director Pete Furman, and Director Jessica Williamson.

Sedona City Staff present: City Attorney Kurt Christianson, Accounting Supervisor Director Renee Stanley, Budget Analyst Sterling West, and City Clerk JoAnne Cook.

3. **Presentation/discussion/possible direction regarding an overview of Community Facilities Districts (CFD) and allowable uses of CFD funds**

Presentation by Rene Stanley and Sterling West.

Questions and comments from Directors.

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

- a. **Discussion/possible action regarding approval of minutes from August 8, 2023.**

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

- b. **Public hearing/discussion/possible action regarding adoption of a resolution approving the Tentative Budget for fiscal year 2024-25.**

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

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

- a. **Discussion/possible action regarding approval of minutes from August 8, 2023.**

Motion: Director Williamson moved to approve the minutes dated August 8, 2023. Director Fultz. Vote: Motion carried unanimously with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, and Williamson) and zero (0) opposed.

- b. **Public hearing/discussion/possible action regarding adoption of a resolution approving the Tentative Budget for fiscal year 2024-25.**

Opened the Public Hearing at 4:07 p.m.

No comments were heard.

Closed the public hearing and brought back to the Board at 4:07 p.m.

Fairfield Community Facility District Board of Directors
Special Meeting
Tuesday, May 28, 2023
4:00 p.m.

Motion: Director Williamson moved to approve Resolution No. 2024-1, of the Fairfield Community Facility District approving the feasibility report and authorizing publication of the notice of public hearing on report. Director Kinsella seconded. Vote: Motion carried unanimously with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, and Williamson) and zero (0) opposed.

6. Adjournment: Chairperson Jablow adjourned the meeting without objection at 4:09 p.m.

Respectfully submitted,

JoAnne Cook, District Clerk

RESOLUTION NO. 2024-2

FAIRFIELD COMMUNITY FACILITIES DISTRICT

A RESOLUTION OF THE DISTRICT BOARD OF THE FAIRFIELD COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A FINAL BUDGET FOR FISCAL YEAR 2024-2025 PURSUANT TO A.R.S. § 48-716, AS AMENDED; FOR 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 A.R.S. Title 35, Chapter 3, Articles 3, 3.1., 3.2, 4 and 5, 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 tentative budget for Fiscal Year 2024-2025 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 approved said tentative budget for Fiscal Year 2024-2025, and 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 tentative budget prepared by the District Treasurer of Fairfield for Fiscal Year 2024-2025, attached hereto and expressly made a part hereof as Exhibit "A" is hereby 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 June 25th, 2024, beginning at or after 4:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 in the Council Chambers Room, was held to consider said budget (Fairfield), and said notice was 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 25th day of June, 2024.

Scott M. Jablow, Chairman
Fairfield Community Facilities District

ATTEST:

JoAnne Cook, District Secretary
Fairfield Community Facilities District

APPROVED AS TO FORM:

Kurt W. Christianson, District Counsel
Fairfield Community Facilities District

Fairfield Community Facilities District
 Fiscal Year 2024-2025 Tentative Budget
 Exhibit "A"

	Estimated Special Tax Revenue		Estimated Other Misc. Revenue	FY 2024-2025 Estimated Total Collections		Estimated Fund Balance as of July 1, 2024	2024-2025 Expenditures	Total 2024-2025 Budget	Estimated Fund Balance as of June 30, 2025
	\$			\$					
Capital Projects	\$ 119,070	\$ -	-	\$ 119,070	\$ 114,809	\$ 114,809	\$ 65,000	\$ 65,000	\$ 168,879
Totals	\$ 119,070	\$ -	-	\$ 119,070	\$ 114,809	\$ 114,809	\$ 65,000	\$ 65,000	\$ 168,879

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 2024-2025 BUDGET OF THE DISTRICT, Notice is hereby given that statements have been filed in the Office of the District Clerk 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 2024-2025 budget of the District, all pursuant to Arizona Revised Statutes § 48-716. Such hearing will be held by the District Board on June 25, 2024, beginning at or after 4:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City Hall in Council Chambers. 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 28th day of May, 2024.

/s/ Anette Spickard
District Manager, Fairfield Community Facilities District

Published: June 12th 2024