

# Memorandum



**To:** Chair Ortega and Board Members  
**From:** Gina Kirklin, Finance Director   
**Date:** June 6, 2023  
**Re:** DC Ranch Community Facilities District – June 13, 2023

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Chair Ortega and Board Members,

The ad valorem tax levy reported in the DC Ranch Community Facilities District action report was inconsistent with the levy reported in the Resolution No. 59, Exhibit A and Resolution No. 60, Exhibit B.

The District will levy on District property an ad valorem tax of \$1,274,075 for debt service and \$84,802 for operations and maintenance, as reported in the Resolution No. 59 and Resolution No. 60.

The council action report required correction, the Resolutions did not.

# DC RANCH COMMUNITY FACILITIES DISTRICT

## ACTION REPORT:

**TO:** Chairman and Board Members      **DATE:** 6/13/23  
**FROM:** City Treasurer Office  
**SUBJECT:** ADOPT Resolution No. 59 Approving Proposed Budget and  
Ordering Hearing, and Resolution No. 60 Adopting FY 2023/24  
Budget and Tax Levy for District

**AGENDA ITEM NO.:** 01

**STAFF:** Gina Kirklin (x25006)

## ACTION

- ADOPT Resolution No. 59, approving the proposed District budget for FY 2023/24 and ordering a hearing on such budget,
- CALL FOR PUBLIC TESTIMONY on the District budget, and
- ADOPT Resolution No. 60, adopting the District budget for FY 2023/24 and ordering a tax levy.

## BACKGROUND

The DC Ranch Community Facilities District (District) was formed in 1997 to facilitate the financing, acquisition, and construction of public infrastructure within the District. To date, \$20,000,000 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 FY 2023/24 proposed budget (see Exhibit A of Attachment #1) has been prepared pursuant to the requirements of the Arizona Revised Statutes. The District considers anticipated administrative costs and uncollectable accounts, and may reduce cash balances as needed to comply with Arizona Revised Statutes § 48-719(D). The first Resolution calls for approval of the proposed budget and a public hearing on the proposed budget and the second Resolution adopts the 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 an *ad valorem* tax of \$1,274,075 for debt service and \$84,802 for operations and maintenance, resulting in an estimated tax rate for existing and future property owners of \$0.3287 per \$100.00 of net assessed limited property value. This is an increase of \$44,252 from the previous year's combined tax levy and a decrease of \$0.0062 from the previous year's tax rate published by Maricopa County. The project development agreement fully discloses this tax to all purchasers of property in the District.



Gina Kirklin  
Report Author

  
Alison Tymkiw  
District Manager

- Attachments:
1. Resolution No. 59  
Exhibit A - Proposed Budget FY 2023/24  
Exhibit B - Notice of Hearing
  2. Resolution No. 60  
Exhibit A - Notice of Hearing  
Exhibit B - Adopted Budget FY 2023/24  
Exhibit C - Tax Levy  
Map of District

**ACTION TAKEN:** Adopt Resolution Nos. 59 and 60 - YES - 7/0

# DC RANCH COMMUNITY FACILITIES DISTRICT

## ACTION REPORT:

**TO:** Chairman and Board Members  
**FROM:** City Treasurer Office  
**SUBJECT:** ADOPT Resolution No. 59 Approving Proposed Budget and Ordering Hearing, and Resolution No. 60 Adopting FY 2023/24 Budget and Tax Levy for District

**DATE:** 6/13/23

**AGENDA ITEM NO.:** 01

**STAFF:** Gina Kirklin (x25006)

## ACTION

- ADOPT Resolution No. 59, approving the proposed District budget for FY 2023/24 and ordering a hearing on such budget,
- CALL FOR PUBLIC TESTIMONY on the District budget, and
- ADOPT Resolution No. 60, adopting the District budget for FY 2023/24 and ordering a tax levy.

## BACKGROUND

The DC Ranch Community Facilities District (District) was formed in 1997 to facilitate the financing, acquisition, and construction of public infrastructure within the District. To date, \$20,000,000 of tax-exempt bonds have been issued.

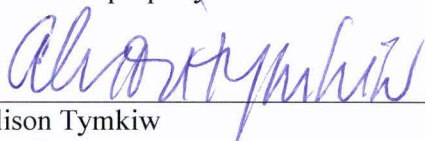
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The FY 2023/24 proposed budget (see Exhibit A of Attachment #1) has been prepared pursuant to the requirements of the Arizona Revised Statutes. The District considers anticipated administrative costs and uncollectable accounts, and may reduce cash balances as needed to comply with Arizona Revised Statutes § 48-719(D). The first Resolution calls for approval of the proposed budget and a public hearing on the proposed budget and the second Resolution adopts the 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 an *ad valorem* tax of \$1,286,944 for debt service and \$71,933 for operations and maintenance, resulting in an estimated tax rate for existing and future property owners of \$0.3287 per \$100.00 of net assessed limited property value. This is an increase of \$44,252 from the previous year's combined tax levy and a decrease of \$0.0062 from the previous year's tax rate published by Maricopa County. The project development agreement fully discloses this tax to all purchasers of property in the District.

  
Gina Kirklin  
Report Author

  
Alison Tymkiw  
District Manager

- Attachments:
1. Resolution No. 59  
Exhibit A - Proposed Budget FY 2023/24  
Exhibit B - Notice of Hearing
  2. Resolution No. 60  
Exhibit A - Notice of Hearing  
Exhibit B - Adopted Budget FY 2023/24  
Exhibit C - Tax Levy  
Map of District

**ACTION TAKEN:** \_\_\_\_\_

**DRAFT**

**MINUTES  
DISTRICT BOARD  
DC RANCH  
COMMUNITY FACILITIES DISTRICT  
TUESDAY, JUNE 7, 2022**

**1. CALL TO ORDER**

Chair David D. Ortega called to order a meeting of the District Board of the DC Ranch Community Facilities District at 5:52 P.M. on Tuesday, June 7, 2022, in the City Hall Kiva Forum.

Present: David D. Ortega, Chair  
Board Members Tammy Caputi, Tom Durham (who participated electronically), Betty Janik, Kathleen S. Littlefield, Linda Milhaven, and Solange Whitehead

Also Present: District Clerk Ben Lane  
Acting District Treasurer Judy Doyle  
City Manager Jim Thompson  
City Attorney Sherry Scott  
City Auditor Sharron Walker

**2. APPROVAL OF MINUTES OF TUESDAY, JUNE 8, 2021**

Board Member Whitehead made a motion to approve the Minutes of Tuesday, June 8, 2021. Board Member Janik seconded the motion, which carried 7/0, with Chair Ortega; and Board Members Caputi; Durham, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

**3. ADOPT RESOLUTION NO. 57, WHICH APPROVES THE PROPOSED DC RANCH COMMUNITY FACILITIES DISTRICT FISCAL YEAR 2022/23 BUDGET AND ORDERS A PUBLIC HEARING**

Board Member Whitehead made a motion to approve Resolution No. 57, which approves the proposed DC Ranch Community Facilities District Fiscal Year 2022/23 budget and orders a Public Hearing. Board Member Littlefield seconded the motion, which carried 7/0, with Chair Ortega; and Board Members Caputi; Durham, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

**4. CONDUCT A PUBLIC HEARING ON THE DC RANCH COMMUNITY FACILITIES DISTRICT FISCAL YEAR 2022/23 BUDGET**

No public comments were received.

DRAFT

**5. ADOPT RESOLUTION NO. 58, WHICH ADOPTS THE PROPOSED DC RANCH FACILITIES DISTRICT FISCAL YEAR 2022/23 BUDGET AND SETS THE TAX LEVY FOR THE DISTRICT**

Board Member Littlefield made a motion to adopt Resolution No. 58, which adopts the proposed DC Community Facilities District Fiscal year 2022/23 budget and sets the tax levy for the District. Board Member Janik seconded the motion, which carried 7/0, with Chair Ortega; and Board Members Caputi; Durham, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

**6. ADJOURNMENT**

Board Member Caputi made a motion to adjourn. Board Member Whitehead seconded the motion, which carried 7/0, with Chair Ortega; and Board Members Caputi, Durham, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

With no further business to discuss, Chair David D. Ortega adjourned the meeting at 5:55 P.M.

**SUBMITTED BY:**



**Ben Lane**  
District Clerk

Officially approved by the District Board on \_\_\_\_\_

## CERTIFICATE

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 7<sup>th</sup> day of June 2022.

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

**DATED** this 13<sup>th</sup> day of June 2023.

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**Ben Lane, District Clerk**

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

**RESOLUTION NO. 59**

A RESOLUTION OF THE DISTRICT BOARD OF THE DC RANCH COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA APPROVING A PROPOSED DISTRICT BUDGET FOR FY 2023/24 AND ORDERING A HEARING ON SUCH BUDGET AS APPROVED

WHEREAS, pursuant to Section 48-716 of the Arizona Revised Statutes, the Treasurer of the 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 FY 2023/24 (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 FY 2023/24, as required by Section 48-723(C) of the Arizona Revised Statutes; and

WHEREAS, pursuant to Section 48-723(C) of the Arizona Revised Statutes, the District Board filed the Proposed Budget with the City Clerk of the City of Scottsdale, Arizona, who serves as the clerk of the District, prior to May 31, 2023,

NOW, THEREFORE, BE IT RESOLVED by the District Board of the 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.* Publication of the notice of the public hearing on the Proposed Budget in the form attached hereto as Exhibit B, which was published in accordance with the provisions of Section 48-716 of the Arizona Revised Statutes, is hereby ratified, approved and adopted.

3. *Effective Date.* This resolution is effective immediately.

PASSED by the District Board of the DC Ranch Community Facilities District of Scottsdale, Arizona this 13th day of June, 2023.

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

ATTEST:

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Ben Lane, District Clerk  
DC Ranch Community Facilities  
District of Scottsdale, Arizona

APPROVED AS TO FORM:

By ZACHARY D. SAKAS  
Zachary D. Sakas, Bond Counsel  
Greenberg Traurig, LLP

ATTACHMENTS:

- Exhibit A — Proposed Budget FY 2023/24
- Exhibit B — Notice of Hearing



**EXHIBIT A**

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

**PROPOSED BUDGET FY 2023/24**

<b>BEGINNING FUNDS AVAILABLE FOR DEBT SERVICE</b>		<b>\$</b>	<b>143,002</b>
<b>REVENUES</b>			
Net Assessed Limited Property Value*	\$413,409,664		
Estimated Tax Rate for Debt Service	\$0.3082		
Property Tax Collections**			1,274,075
<b>EXPENSES</b>			
Debt Service	(1,286,634)		
Trustee Fees	(1,000)		
Total Expenses			<u>(1,287,634)</u>
<b>ENDING FUNDS AVAILABLE FOR DEBT SERVICE</b>		<b>\$</b>	<b><u>129,443</u></b>
<b>BEGINNING FUNDS AVAILABLE FOR O&amp;M</b>		<b>\$</b>	<b>33,525</b>
<b>REVENUES</b>			
Net Assessed Limited Property Value*	\$413,409,664		
Estimated Tax Rate for Administrative, Operations & Maint	\$0.0205		
Property Tax Collections**			84,802
<b>EXPENSES</b>			
Path and Trail Maintenance***	(61,000)		
Insurance Premium	(5,000)		
Legal Fees	(600)		
Advertising	(500)		
Administrative	(6,000)		
Total Expenses			<u>(73,100)</u>
<b>ENDING FUNDS AVAILABLE FOR O&amp;M</b>		<b>\$</b>	<b><u>45,227</u></b>

\* Source: Maricopa County Assessor's Office, as of February 2023

\*\* Net Assessed Limited Property Value x Estimated Tax Rate/100

\*\*\* 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. §§ 48-716 AND 48-723(C)  
ON THE PROPOSED BUDGET FOR FY 2023/24**

**OF**

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

Pursuant to Sections 48-716 and 48-723(C), Arizona Revised Statutes, notice is hereby given that a public hearing on the Proposed Budget of the DC Ranch Community Facilities District of Scottsdale, Arizona for FY 2023/24 will be held by the District Board on June 13, 2023, 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 N. Drinkwater Blvd., Scottsdale, Arizona. Meetings are broadcast electronically through Cox Cable Channel 11 and streamed online at [ScottsdaleAZ.gov](http://ScottsdaleAZ.gov) (search "live stream"). To find the agenda for this meeting and information about the opportunity for public participation and comment, visit [ScottsdaleAZ.gov](http://ScottsdaleAZ.gov) and search "City Council agenda." 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 N. 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 48-723(C), of the Arizona Revised Statutes.

DATED this 23rd day of May, 2023.

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

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

**RESOLUTION NO. 60**

A RESOLUTION OF THE DISTRICT BOARD OF THE DC RANCH  
COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA  
ADOPTING THE DISTRICT BUDGET FOR FY 2023/24 AND ORDERING  
A TAX LEVY

WHEREAS, pursuant to Section 48-716 of the Arizona Revised Statutes, the Treasurer of the 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 FY 2023/24 (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 FY 2023/24, as required by Section 48-723(C) of the Arizona Revised Statutes; and

WHEREAS, on June 13, 2023, the District Board adopted Resolution No. 59, approving the Proposed Budget and ordering a hearing on the Proposed Budget as required by law; and

WHEREAS, as required by Sections 48-716 and 48-723(C) of the Arizona Revised Statutes, notice of the public hearing on the Proposed Budget and of the filing of the estimate, 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 the DC Ranch Community Facilities District of Scottsdale, Arizona as follows:

1. *Adoption of Proposed Budget.* The Proposed Budget in the form attached hereto as Exhibit B is hereby approved and adopted as the final District budget for FY 2023/24.
2. *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.
3. *Effective Date.* This Resolution is effective immediately.

PASSED by the District Board of the DC Ranch Community Facilities District of Scottsdale, Arizona this 13th day of June, 2023.

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

ATTEST:

\_\_\_\_\_  
Ben Lane, District Clerk  
DC Ranch Community Facilities  
District of Scottsdale, Arizona

APPROVED AS TO FORM:

By Zachary D. Sakas  
Zachary D. Sakas, Bond Counsel  
Greenberg Traurig, LLP

ATTACHMENTS:

- Exhibit A — Notice of Hearing
- Exhibit B — Adopted Budget FY 2023/24
- Exhibit C — Tax Levy

**EXHIBIT A**

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

**NOTICE OF HEARING**

**REQUIRED BY A.R.S. §§48-716 AND 48-723(C)  
ON THE PROPOSED BUDGET FOR FY 2023/24  
OF  
DC RANCH COMMUNITY FACILITIES DISTRICT  
OF SCOTTSDALE, ARIZONA**

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DATED this 23rd day of May, 2023.

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

**EXHIBIT B**

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

**ADOPTED BUDGET FY 2023/24**

<b>BEGINNING FUNDS AVAILABLE FOR DEBT SERVICE</b>		<b>\$</b>	<b>143,002</b>
<b>REVENUES</b>			
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<b>BEGINNING FUNDS AVAILABLE FOR O&amp;M</b>		<b>\$</b>	<b>33,525</b>
<b>REVENUES</b>			
Net Assessed Limited Property Value*	\$413,409,664		
Estimated Tax Rate for Administrative, Operations & Maint	\$0.0205		
Property Tax Collections**			84,802
<b>EXPENSES</b>			
Path and Trail Maintenance***	(61,000)		
Insurance Premium	(5,000)		
Legal Fees	(600)		
Advertising	(500)		
Administrative	(6,000)		
Total Expenses			<u>(73,100)</u>
<b>ENDING FUNDS AVAILABLE FOR O&amp;M</b>		<b>\$</b>	<b><u>45,227</u></b>

\* Source: Maricopa County Assessor's Office, as of February 2023

\*\* Net Assessed Limited Property Value x Estimated Tax Rate/100

\*\*\* 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. 60 passed on June 13, 2023 by the Board of Directors of the DC Ranch Community Facilities District of Scottsdale, Arizona (the “District”), it is hereby ordered levying an *ad valorem* tax on the net assessed limited property value of all taxable property within the District for FY 2023/24, such tax levy to be apportioned as follows: at a rate sufficient to produce \$1,274,075 for debt service on outstanding bonds of the District; and at a rate (not to exceed \$0.30 per \$100.00 of net assessed limited property value) sufficient to produce \$84,802 for operation and maintenance expenses of the District. A map of the District is attached hereto as Appendix A.

DATED: June 13, 2023.

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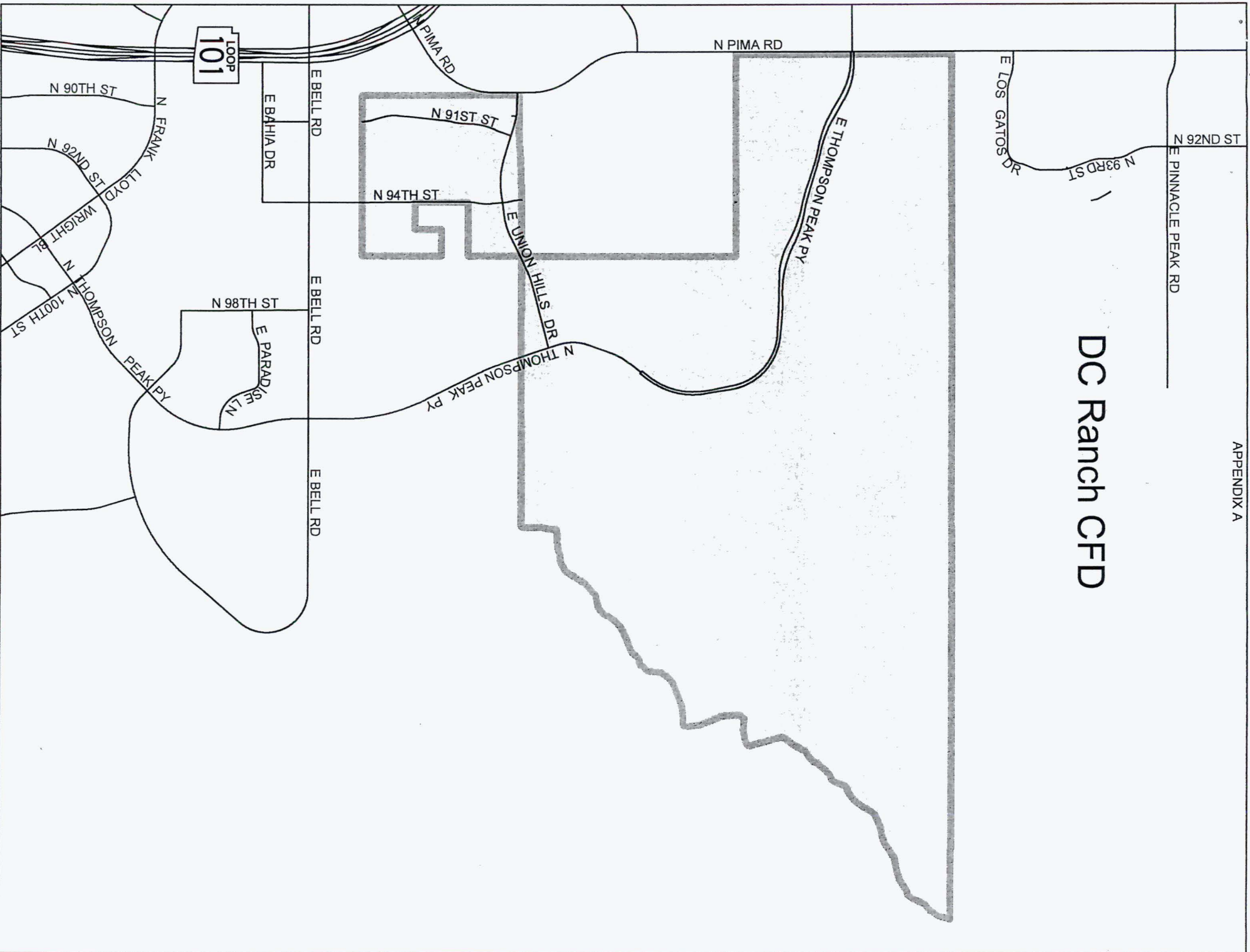
Chairman, District Board  
DC Ranch Community Facilities  
District of Scottsdale, Arizona

ATTEST:

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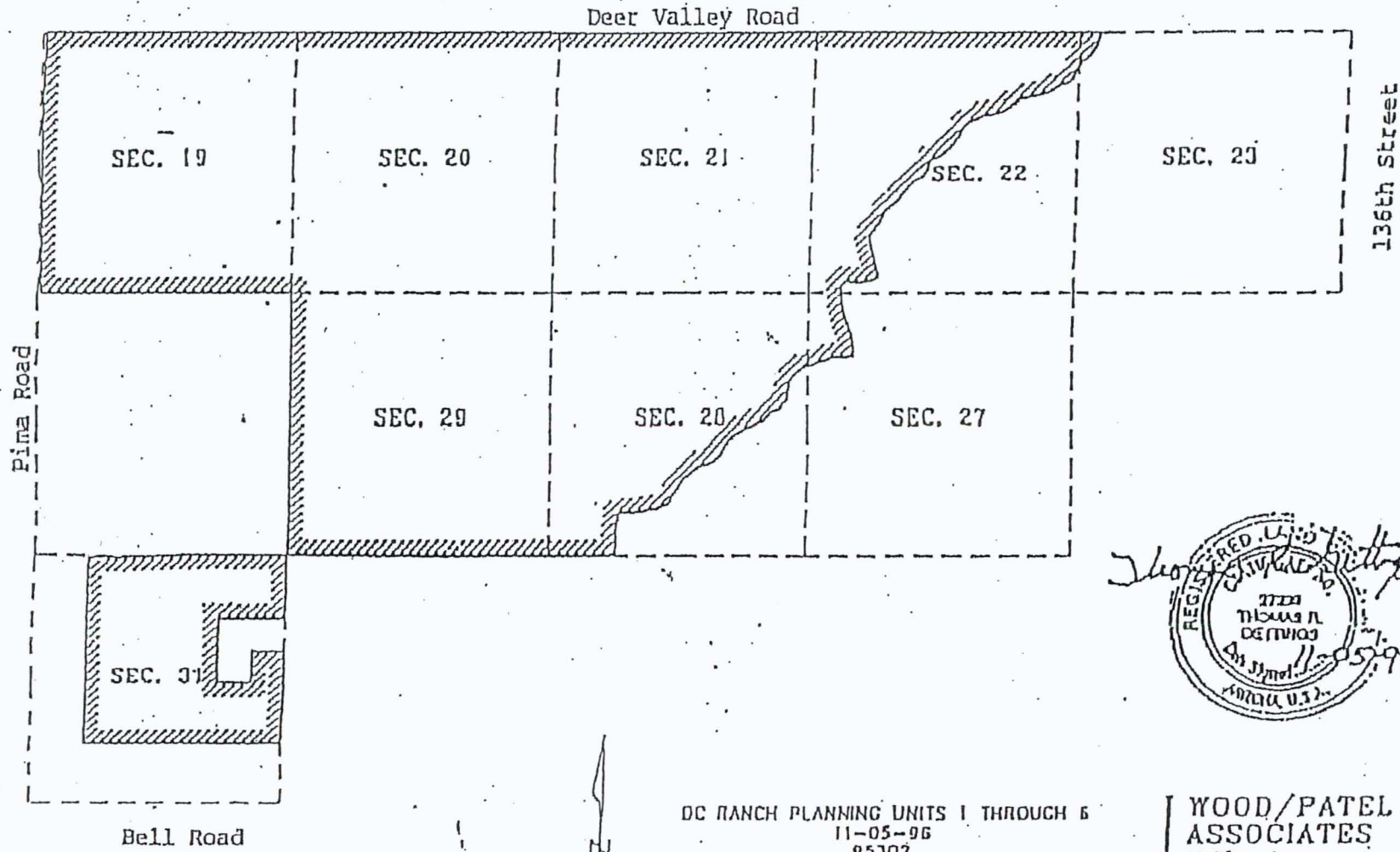
District Clerk  
DC Ranch Community Facilities  
District of Scottsdale, Arizona

# 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