

**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, July 14, 2015, 3:30 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 general public that the Boards will hold a joint meeting on Wednesday, July 14, 2015 at 3:30 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. Public Hearing/discussion/possible action** regarding adoption of a resolution approving a tentative budget for fiscal year 2015-2016 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. Public Hearing/discussion/possible action** regarding adoption of a resolution approving a tentative budget for fiscal year 2015-2016 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 twenty-four 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

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

From: Tabatha Miller, Treasurer of Sedona Summit II and Fairfield Community Facility Districts

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

Date: July 14, 2015

Exhibits:

Sedona Summit II Community Facility District

- A. Adopted Feasibility Report
- B. Resolution No. 2015-1

Fairfield Community Facility District

- A. Adopted Feasibility Report
- B. Resolution No. 2015-1

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 CFD's. 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 CFD's were formed, describe future infrastructure improvements including parks and streets.

The City Council, sitting as the Governing Board of each CFD will review and take possible action on the Tentative Budget (detailed later in the memo). Likewise, the City

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.

Clerk, City Manager, City Attorney, Finance Director, and City Engineer perform parallel duties for the CFD's. As a procedural note, City Council members are Directors for the CFD's and the Mayor is 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 2015-16 estimated revenues, the Boards must meet several statutory requirements. Last year, 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 Plan for future infrastructure improvements. Not only must the projects fit within the General Plans but also benefit the Districts.

After consulting with outside legal counsel, Michael Cafiso, staff concluded that infrastructure projects which are beneficial to the City as a whole and in particular visitors to the City of Sedona, might best fit within the CFD's' General Plans. As such, last year staff and the Directors identified two citywide parks projects – the Barbara Antonsen outdoor performance venue and the Brewer Road property to include in each CFD Feasibility Report. Much of the funding included in the 2015-16 Tentative Budgets is a carryforward or re-appropriation of 2014-15 funds that did not get spent on the two park projects.

The Board must adopt a Tentative Budget for the 2015-16 fiscal year on or before July 15th. A notice of public hearing will then be approved and published prior to final adoption of the budget. The final budget must be adopted by October 1st. The public hearing on the 2015-16 Budget is scheduled for September 9, 2015, 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**: Open Public Hearing regarding adoption of a resolution approving the Tentative Budget for fiscal year 2015-16.

Motion: I move to approve Resolution No. 2015-1, of the Sedona Summit II Community Facility District approving the Tentative Budget for fiscal year 2015-16 and authorizing publication of the notice of public hearing on budget.

As the Fairfield Community Facility District Board:

1. **Agenda Item 4a**: Open Public Hearing regarding adoption of a resolution approving the Tentative Budget for fiscal year 2015-16.

Motion: I move to approve Resolution No. 2015-1, of the Sedona Summit II Community Facility District approving the Tentative Budget for fiscal year 2015-16 and authorizing publication of the notice of public hearing on budget.

The final adoption of the 2015-16 budgets is tentatively scheduled at a separate joint meeting of the two CFD Boards on September 9, 2015.

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Sedona Summit II

Community Facilities District
Feasibility Report

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.

PROJECTS

The projects to be constructed by the District are composed of: (1) Development of a master plan to guide future development, construction and operations of the newly acquired by the City of Sedona parcel located at 250 Brewer Road; and (2) Construction of an outdoor performance facility within the City of Sedona Posse Grounds Park.

Each of these projects fit within the District's General Plan for infrastructure improvements and benefit the District by providing new city-wide recreation amenities. Both of these projects increases the value of Sedona as a desirable tourist destination.

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 shall use \$200,000 of collected Assessment Revenues to finance the Projects. Remaining funds to finance the projects will be contributed by the City of Sedona and the Fairfield Community Facilities District.

(1) Brewer Road Park Master Plan and Development

Create a Master Plan to guide future development and operations at the new City-owned property, and create a Community Focus Area (CFA) Plan for the broader Brewer Road area planning area as identified through the Sedona Community Plan. The development of a master plan and a CFA for the site would include a significant public participation component. Funding for both efforts includes consultant services to help develop and illustrate various potential concepts. Once the master plan for the City's property is in place, funds will be required for implementation and construction of the planned development.

The Brewer Road park and recreation facility will serve visitors and citizens of the entire city. The park will be a destination point and a city-wide focal point.

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 the Master Plan is complete.

Category or Phase	FY 2015	FY 2016	FY 2017	Total
Design	\$ 130,000			\$ 130,000
Construction		\$ 300,000	\$ 280,000	\$ 580,000
Construction/Environmental	\$ 20,000			\$ 20,000
Total Project Budget	\$ 150,000	\$ 300,000	\$ 280,000	\$ 730,000

Estimated Operating Expenses	FY 2015	FY 2016	FY 2017	Total
Personnel Costs			\$ 5,000	\$ 5,000
Materials & Supplies			\$ 2,500	\$ 2,500
Contractual Services			\$ 2,500	\$ 2,500
Total Estimated Operating	\$ -	\$ -	\$ 10,000	\$ 10,000

Source of Funding	FY 2015	FY 2016	FY 2017	Total
Fairfield Community Facilities District	\$ 100,000	\$ 210,000	\$ 230,000	\$ 540,000
Sedona Summit II Community Facilities District	\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000
City of Sedona	\$ -	\$ 40,000	\$ -	\$ 40,000
Total Funding Sources	\$ 150,000	\$ 300,000	\$ 280,000	\$ 730,000

(2) Barbara Antonsen Memorial Park Outdoor Performance Venue

Design and construction of an outdoor performance facility located within the portion of the Posse Grounds Park named in honor of local citizen and volunteer Barbara Antonsen. This amphitheater would reuse as much as possible of the prior unsuccessful dome project at the same site. The new facility will build upon the existing berm and utilize that structure to minimize sound in the surrounding neighborhoods. The stage will be located in the existing flat area within the existing ring but farther away from the edge of the hill to minimize the visibility. The stage will be covered by an overhead stage canopy with acoustical treatment to help absorb sound to the east. Casual seating for up to 200 will utilize the existing grade of a sloped lawn. Pedestrian pathways will guide patrons to, from and through the venue. The new facility will include public restrooms, dressing rooms, a storage area and appropriate indoor and outdoor lighting.

The Barbara Antonsen Amphitheater offers the City a public outdoor performance venue with good possibilities for arts and cultural performances to Sedona visitors and citizens. This new amenity to the Posse Grounds Park increases attraction and draw to this city-wide park.

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.

Category or Phase	FY 2015	FY 2016	FY 2017	Total
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Construction	\$ 768,000			\$ 768,000
Stipends	\$ 15,000			\$ 15,000
Total Project Budget	\$ 900,000	\$ -	\$ -	\$ 900,000

Estimated Operating Expenses	FY 2015	FY 2016	FY 2017	Total
Personnel Costs		\$ -	\$ -	\$ -
Materials & Supplies		\$ 6,700	\$ 6,700	\$ 13,400
Contractual Services		\$ 6,900	\$ 6,900	\$ 13,800
Total Estimated Operating	\$ -	\$ 13,600	\$ 13,600	\$ 27,200

Source of Funding	FY 2015	FY 2016	FY 2017	Total
Fairfield Community Facilities District	\$ 850,000			\$ 850,000
Sedona Summit II Community Facilities District	\$ 50,000			\$ 50,000
City of Sedona	\$ -			\$ -
Total Funding Sources	\$ 900,000	\$ -	\$ -	\$ 900,000

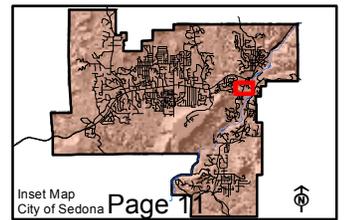


Brewer Road Park Master Plan and Development



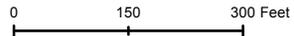
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 GIS, City of Sedona, 06/30/2014
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-  250 Brewer Road Parcel #401-38-013D
-  Parcel Boundary
-  Oak Creek



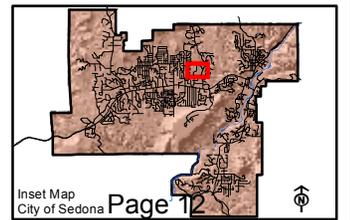


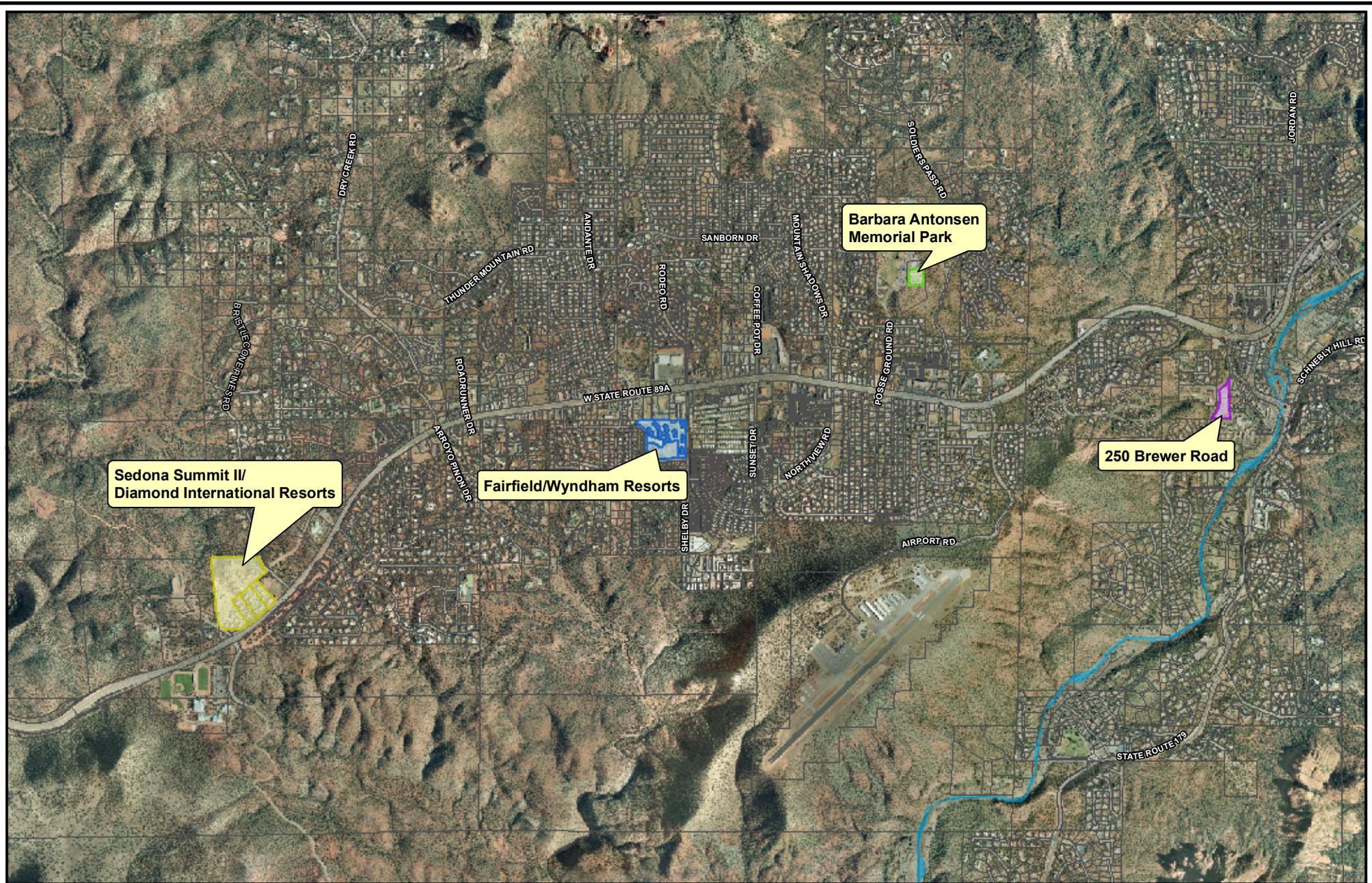
Barbara Antonsen Memorial Park Outdoor Performance Venue



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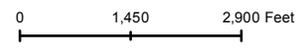
-  Barbara Antonsen Memorial Park
-  Parcel #408-25-043A
-  Posse Grounds Park
-  Parcel Boundary



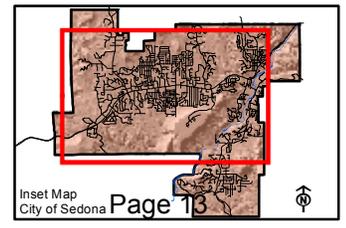


Fairfield/Wyndham Resorts & Summit II/Diamond International Resorts

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 GIS, City of Sedona, 08/25/2014
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-  250 Brewer Road
-  Barbara Antonsen Memorial Park
-  Fairfield/Wyndham Resorts
-  Sedona Summit II/Diamond International Resorts
-  Oak Creek
-  Parcel Boundary



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**RESOLUTION NO. 2015-1
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 2015-2016 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 2015-2016 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 2015-2016, 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 proposed budget prepared by the District Treasurer of SSCFD for Fiscal Year 2015-2016, 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 September 9, 2015, beginning at or after 3:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City Council Chambers, 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 14th day of July, 2015.

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

ATTEST:

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

Sedona Summit II Community Facilities District
 Fiscal Year 2015-2016 Budget
 Exhibit "A"

	Special Tax Revenue	Other Misc. Revenue	FY 2015-2016 Collections	Unreserved Fund Balance	2015-2016 Expenditures	Total 2015-2016 Budget
Capital Projects	\$ 36,500	\$ 500	\$ 37,000	\$ 113,000	\$ -	\$ -
Brewer Road Park					\$ 100,000	\$ 100,000
Barbara Antonsen Amphitheater					\$ 50,000	\$ 50,000
						\$ -
Totals	\$ 36,500	\$ 500	\$ 37,000	\$ 113,000	\$ 150,000	\$ 150,000

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 2015-2016 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 2015-2016 budget of the District, all pursuant to Arizona Revised Statutes § 48-716. Such hearing will be held by the District Board on September 9, 2015, beginning at or after 3:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City 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 14th day of July, 2015.

/s/ Justin Clifton

District Manager, Sedona Summit II Community Facilities District

Published: _____, 2015

Fairfield

Community Facilities District Feasibility Report

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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Each of these projects fit within the District's General Plan for infrastructure improvements and benefit the District by providing new city-wide recreation. Each of these projects increases the value of Sedona as a desirable tourist destination.

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 shall use \$1,390,000 of collected Assessment Revenues to finance the Projects. Remaining funds to finance the projects will be contributed by the City of Sedona and the Sedona Summit II Community Facilities District.

(1) Brewer Road Park Master Plan and Development

Create a Master Plan to guide future development and operations at the new City-owned property, and create a Community Focus Area (CFA) Plan for the broader Brewer Road area planning area as identified through the Sedona Community Plan. The development of a master plan and a CFA for the site would include a significant public participation component. Funding for both efforts includes consultant services to help develop and illustrate various potential concepts. Once the master plan for the City's property is in place, funds will be required for implementation and construction of the planned development.

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Source of Funding	FY 2015	FY 2016	FY 2017	Total
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Fairfield Community Facilities District	\$ 850,000			\$ 850,000
Sedona Summit II Community Facilities District	\$ 50,000			\$ 50,000
City of Sedona	\$ -			\$ -
Total Funding Sources	\$ 900,000	\$ -	\$ -	\$ 900,000



250 Brewer Road
Parcel #401-38-013D

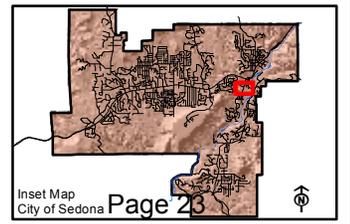
Brewer Road Park Master Plan and Development



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-  250 Brewer Road Parcel #401-38-013D
-  Parcel Boundary
-  Oak Creek



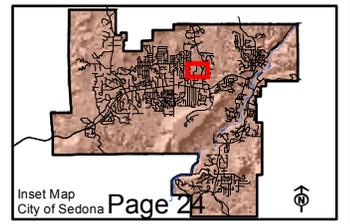


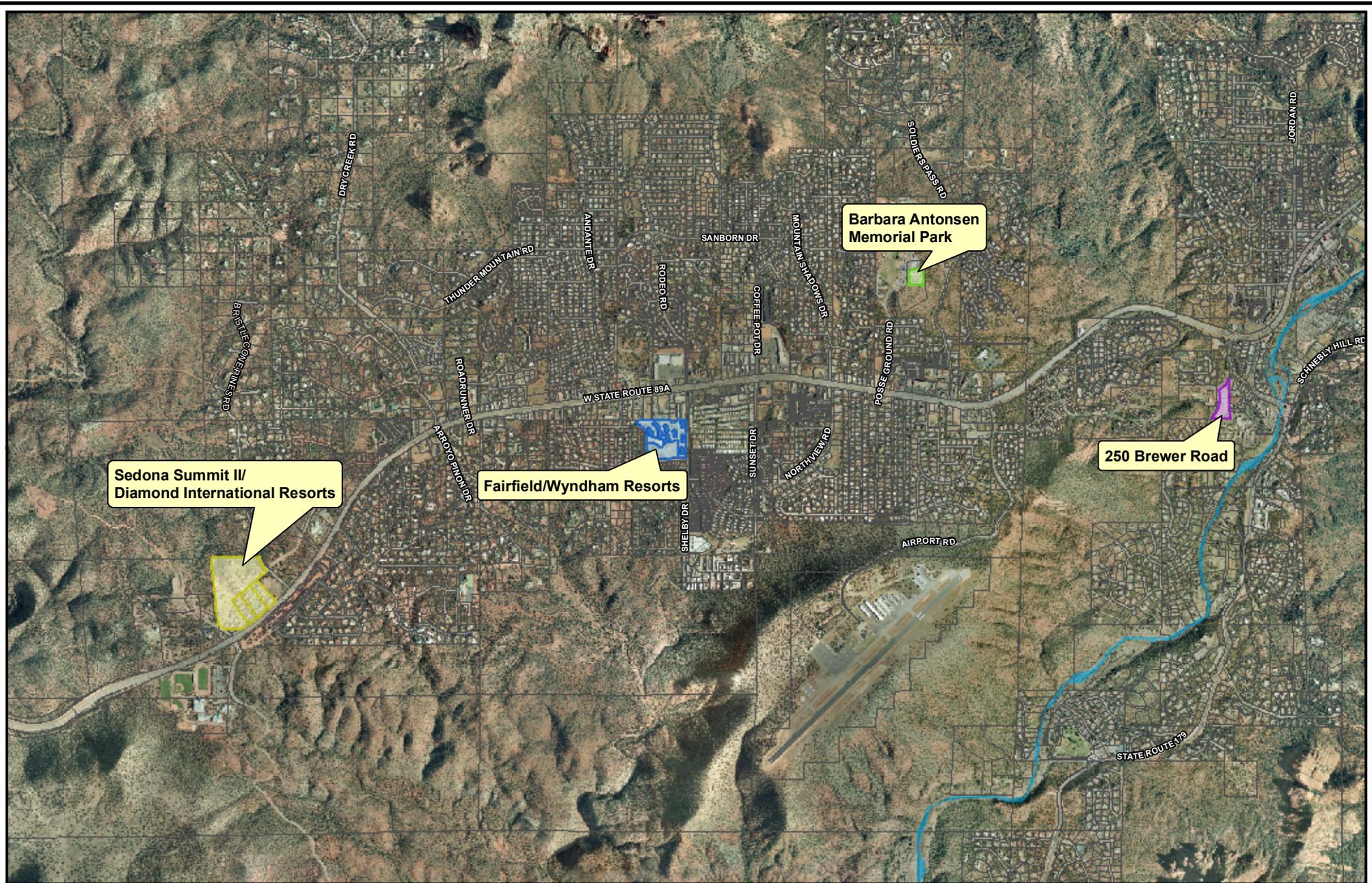
Barbara Antonsen Memorial Park Outdoor Performance Venue



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-  Parcel Boundary

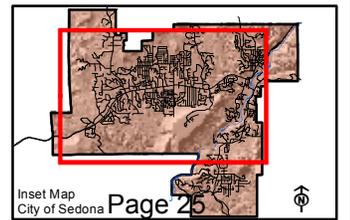
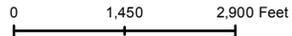




Fairfield/Wyndham Resorts & Summit II/Diamond International Resorts

This map is designed to provide as-is information only. The data is not accurate to engineering or surveying standards. The City of Sedona is not liable or responsible for loss or damages arising from the data contained on this map.
 GIS: City of Sedona, 08/25/2014
 g/projects/finddept/staff/tabathamiller/cip_plan/mxds

-  250 Brewer Road
-  Barbara Antonsen Memorial Park
-  Fairfield/Wyndham Resorts
-  Sedona Summit II/Diamond International Resorts
-  Oak Creek
-  Parcel Boundary



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RESOLUTION NO. 2015-1

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 2015-2016 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 2015-2016 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 2015-2016, 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 2015-2016, 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 September 9, 2015, beginning at or after 3:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City Council Chambers, 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 14th day of July, 2015.

Sandra J. Moriarty, Chairman
Fairfield Community Facilities District

ATTEST:

Susan L. Irvine, District Clerk
Fairfield Community Facilities District

Fairfield Community Facilities District
 Fiscal Year 2015-2016 Budget
 Exhibit "A"

	Special Tax Revenue	Other Misc. Revenue	FY 2015-2016 Collections	Unreserved Fund Balance	2015-2016 Expenditures	Total 2015-2016 Budget
Capital Projects	\$ 120,000	\$ 2,000	\$ 122,000	\$ 828,000	\$ -	\$ -
Brewer Road Park					\$ 100,000	\$ 100,000
Barbara Antonsen Amphitheater					\$ 850,000	\$ 850,000
						\$ -
Totals	\$ 120,000	\$ 2,000	\$ 122,000	\$ 828,000	\$ 950,000	\$ 950,000

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 2015-2016 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 2015-2016 budget of the District, all pursuant to Arizona Revised Statutes § 48-716. Such hearing will be held by the District Board on September 9, 2015, beginning at or after 3:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City 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 14th day of July, 2015.

/s/ Justin Clifton
District Manager
Fairfield Community Facilities District

Published: _____, 2015