

Exhibit "B"
Quailwood Meadows Community Facilities District
 Annual Budget 2014-15

Revenues:

Property Taxes - General (Operating)	\$	26,010
Property Taxes - Secondary (Debt Service)		372,680
Developer Contribution (Debt Service)		78,750
Interest on Investments		-
Total Revenues		477,440

Expenditures:

General Operations		62,773
Debt Service		432,796
Total Expenditures		495,569
Excess (Deficiency) of Revenues Over (Under) Expenditures		(18,129)
Beginning Fund Balance		149,033
Ending Fund Balance	\$	130,904

Community Facilities Districts are formed under the Community Facilities Act Legislation adopted by the State Legislature in 1988. The formation of facilities districts may result in the levy of ad valorem taxes to finance public infrastructure and enhanced municipal services.

On August 12, 2004, the Town Council adopted Resolution No. 1294 forming the Quailwood Meadows Community Facilities District (District). On August 12, 2004, the District Board adopted Resolution No. 1 which organized the District and set an election for October 12, 2004, to consider whether to (a) issue and sell general obligation bonds of the District for public infrastructure in a maximum amount of \$25,000,000, payable from an ad valorem tax (estimated at \$4.30 per \$100 secondary assessed valuation for the fiscal year 2014-15) against real and personal property located in the District (see legal description of property), and (b) levy an ad valorem tax on real and personal property in the District not in excess of \$.30 per \$100 of secondary assessed valuation for District operation and maintenance.

Property taxes are based on \$8,670,024 secondary assessed valuation per Yavapai County Assessor's office.

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Personnel Services	12,188
Professional and Contractual Services	30,835
Printing, Binding and Other Services	-
Insurance	-
Miscellaneous	19,750
Replacement Reserve Set Aside	-
Debt Service	432,796
Total Appropriations	<u><u>495,569</u></u>

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Personnel Services	
Accounting and Auditing Services	1,022
Engineering Services	1,896
Attorney and Legal Services	2,723
District Manager	2,658
District Clerk	1,167
District Treasurer	1,699
CFD Administration	1,023
Total Personnel Services	<u><u>12,188</u></u>
Professional and Other Contracted Services	
Landscaping Services	30,200
Other Professional Services	635
Total Professional and Other Contracted Services	<u><u>30,835</u></u>
Printing, Binding and Other Services	
Photocopy and Microfilming	-
Legal Advertising	-
Recording Costs	-
Total Printing, Binding and Other Services	<u><u>-</u></u>
Insurance	
Insurance and Bonds	-
Total Insurance	<u><u>-</u></u>
Miscellaneous	
Miscellaneous Supplies	-
Miscellaneous Services - Utility	19,750
Total Miscellaneous	<u><u>19,750</u></u>
Replacement Reserve Set Aside	<u><u>-</u></u>