

**TOWN OF PRESCOTT VALLEY
COMMUNITY FACILITIES DISTRICTS MEETING
MINUTES
July 11, 2013**

Library Auditorium
7401 E. Civic Circle
Prescott Valley, Arizona 86314

1. CALL TO ORDER

Chairman Skoog called the meeting to order at 6:13 p.m.

2. ROLL CALL

Present: Board Member Grossman, Vice Chairman Nye, Board Member Whiting, Board Member Marshall, Board Member Anderson, and Chairman Skoog.

Absent: Board Member Mallory.

3. CONSENT AGENDA

a. *Approval of Minutes for June 6, 2013*

Board Member Grossman made the MOTION, seconded by Vice Chairman Nye, to approve the June 6, 2013 minutes, by electronic vote. MOTION carried with 6 ayes and 0 nays.

4. NEW BUSINESS (FOR REVIEW, COMMENT, AND/OR ACTION)

a. Public Hearing - StoneRidge

Chairman Skoog declared the hearing open.

District Treasurer Bill Kauppi showed slides about the history of the ad valorem CFDs within Prescott Valley. The first slide showed the secondary assessed value of each of the StoneRidge, Pronghorn Ranch, Quailwood Meadows and Parkway No. 1 districts from their inception to today. Over the last five years declines in secondary assessed value have ranged from 42% to 56%. This year, we are seeing a slight upward trend in value in the ad valorem residential districts (StoneRidge, Quailwood and Pronghorn Ranch). Parkway No. 1, a commercial CFD is the exception, experiencing another double digit decrease in value from the previous fiscal year. The next spreadsheet showed the property taxes collected for each of those districts: \$614,579 StoneRidge, \$522,877 Pronghorn Ranch, \$381,776 Quailwood Meadows and \$267,803 Parkway No. 1 CFDs. The most property taxes were collected in 2008 with a \$3.30 per \$100 secondary assessed value.

The budget for StoneRidge is \$849,243 as a result of the refinancing of the bonds lowering the interest rate. Additional revenue will come in as the District will collect a Community Center rental fee from the HOA. This fiscal year the secondary assessed value for StoneRidge is \$3.64 per \$100 secondary assessed valuation. Most residents in StoneRidge should experience a decrease in property taxes next year.

Chairman Skoog closed the public hearing as no additional comments were forthcoming.

b. Consideration of authorizing the Chairman to sign Resolution No. 31 adopting the final budget for StoneRidge CFD Fiscal Year 2013-2014

Board Member Whiting made the MOTION, seconded by Board Member Anderson, to authorize the Chairman (or, in his absence, the Vice Chairman) to approve Resolution No. 31, adopting the StoneRidge Community Facilities District's Final Budget for Fiscal Year 2013-14, by electronic vote. MOTION carried with 6 ayes and 0 nays.

c. Public Hearing - Pronghorn Ranch

Chairman Skoog declared the hearing open.

District Treasurer Bill Kauppi said this is another ad valorem district. The budget is \$685,827. The tax rate will remain the same at \$4.80. The secondary assessed value remained unchanged. The district expects to refinance the original bonds at a lower interest rate. The tax rate will then be reduced.

Chairman Skoog closed the public hearing as no additional comments were forthcoming.

d. Consideration of authorizing the Chairman to sign Resolution No. 30 adopting the final budget for Pronghorn Ranch CFD Fiscal Year 2013-2014

Board Member Grossman made the MOTION, seconded by Board Member Anderson, to authorize the Chairman (or, in his absence, the Vice Chairman) to approve Resolution No. 30, adopting the Pronghorn Ranch Community Facilities District's Final Budget for Fiscal Year 2013-14, by electronic vote. MOTION carried with 6 ayes and 0 nays.

e. Public Hearing - Quailwood

Chairman Skoog declared the hearing open.

District Treasurer Bill Kauppi said this is another ad valorem district. The total budget is \$647,090. He proposed that the tax rate remain the same as last year at \$5.55 per \$100 of secondary assessed valuation. A Standby Contribution Agreement helps pay for part of the debt service payment. The District is looking at a possible refinance of the bonds.

Chairman Skoog closed the public hearing as no additional comments were forthcoming.

f. Consideration of authorizing the Chairman to sign Resolution No. 22 adopting the final budget for Quailwood Meadows CFD Fiscal Year 2013-2014

Vice Chairman Nye made the MOTION, seconded by Board Member Grossman, to authorize the Chairman (or, in his absence, the Vice Chairman) to approve Resolution No. 22, adopting the Quailwood Meadows Community Facilities District's Final Budget for Fiscal Year 2013-14, by electronic vote. MOTION carried with 6 ayes and 0 nays.

g. Public Hearing - Parkway No. 1

Chairman Skoog declared the hearing open.

District Treasurer Bill Kauppi said the proposed budget is \$282,897. Staff is trying to refinance the bonds but have not been successful as yet. Discussions will continue with Bob Casillas' firm about that possibility. With the decline in secondary assessed value the tax rate will go up to \$16.24 per \$100 in October. Last year it was \$13.69.

Public Comment:

Russell Morrison questioned why the larger increase in the tax rate and percentage increase for the Parkway CFD development versus the other districts.

District Manager Larry Tarkowski said the simple answer is ask the County Assessor as they set the annual value of the property which is based on a percentage of the market rate of the property. There has been a differential from one master plan subdivision to another. We see the added complication of the debt service of the bonds between this particular CFD and another.

Chairman Skoog closed the public hearing as no additional comments were forthcoming.

h. Consideration of authorizing the Chairman to approve Resolution No. 16, adopting the Parkway Community Facilities District No. 1's Final Budget for Fiscal Year 2013-14

Board Member Marshall made the MOTION, seconded by Board Member Anderson, to authorize the Chairman (or, in his absence, the Vice Chairman) to approve Resolution No. 16, adopting the Parkway Community Facilities District No. 1's Final Budget for Fiscal Year 2013-14, by electronic vote. MOTION carried with 6 ayes and 0 nays.

i. Public Hearing - Eastridge

Chairman Skoog declared the hearing open.

District Treasurer Bill Kauppi said this will be paid off in 2018. No additional comments were forthcoming from Kauppi or the public.

Chairman Skoog closed the public hearing as no additional comments were forthcoming.

j. Consideration of authorizing the Chairman to sign Resolution No. 27 adopting the final budget for Eastridge CFD Fiscal Year 2013-2014

Board Member Grossman made the MOTION, seconded by Vice Chairman Nye, to authorize the Chairman (or, in his absence, the Vice Chairman) to sign Resolution No. 27, adopting the Eastridge Community Facilities District's Final Budget for Fiscal Year 2013-14, by electronic vote. MOTION carried with 6 ayes and 0 nays.

k. Public Hearing - Entertainment Center

Chairman Skoog declared the hearing open.

No comments were forthcoming.

Chairman Skoog closed the public hearing.

l. Consideration of authorizing the Chairman to sign Resolution No. 16 adopting the final budget for Entertainment Center CFD Fiscal Year 2013-2014

Vice Chairman Nye made the MOTION, seconded by Board Member Grossman, to authorize the Chairman (or, in his absence, the Vice Chairman) to approve Resolution No. 16, adopting the Entertainment Center Community Facilities District's Final Budget for Fiscal Year 2013-14, by electronic vote. MOTION carried with 6 ayes and 0 nays.

m. Public Hearing - Ravenridge

Chairman Skoog declared the hearing open.

District Treasurer Bill Kauppi said this is a small assessment district in the Prescott Country Club area. We have had no issues with this assessment district which will be paid off in 2020.

Chairman Skoog closed the public hearing.

n. Consideration of authorizing the Chairman to sign Resolution No. 29 adopting the final budget for Raven Ridge CFD Fiscal Year 2013-2014

Board Member Whiting made the MOTION, seconded by Board Member Anderson, to authorize the Chairman (or, in his absence, the Vice Chairman) to sign Resolution No. 29, adopting the Raven Ridge Community Facilities District's Final Budget for Fiscal Year 2013-14, by electronic vote. MOTION carried with 6 ayes and 0 nays.

o. Public Hearing - Southside

Chairman Skoog declared the hearing open.

District Treasurer Kauppi commented that Southside has a relatively small budget of \$211,502. This is an assessment district with eight properties remaining with one property owner who is not making their assessment payment. We have been drawing on the reserve fund and will do so for the July 15, 2013 payment. By January 1, 2014 adequate funds will not be available to make the debt service payment from the reserve fund. The District Manager or District Attorney may be bringing a solution to the Board in the near future.

District Manager Tarkowski stated that there is a lien on the property that will be collectable at some point when the valuation on the property rises. Staff has tried auctioning off that property on two separate occasions for the tax lien against it, but received no bidders for that parcel.

Chairman Skoog closed the public hearing.

p. Consideration of authorizing the Chairman to sign Resolution No. 21 adopting the final budget for Southside No.1 CFD Fiscal Year 2013-2014

Board Member Grossman made the MOTION, seconded by Board Member Marshall, to authorize the Chairman (or, in his absence, the Vice Chairman) to sign Resolution No. 21, adopting the Southside Community Facilities District No. 1's Final Budget for Fiscal Year 2013-14, by electronic vote. MOTION carried with 6 ayes and 0 nays.

5. COMMENTS FROM THE PUBLIC

No comments were forthcoming.

6. ADJOURNMENT

Board Member Whiting made the MOTION, seconded by Board Member Grossman, to adjourn, by electronic vote. MOTION carried with 6 ayes and 0 nays.

Chairman Skoog adjourned the meeting at 6:38 p.m.

ATTEST:

APPROVED:

Diane Russell, District Clerk

Harvey Skoog, Chairman

STATE OF ARIZONA)
COUNTY OF YAVAPAI) ss:
TOWN OF PRESCOTT VALLEY)

CERTIFICATE OF BOARD MINUTES

I, Diane Russell, District Clerk of the Town of Prescott Valley, Arizona, hereby certify that the foregoing minutes are a true and correct copy of the Minutes of the Community Facilities Districts Meeting of the Town of Prescott Valley, held on Thursday, July 11, 2013.

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

Dated this July 15, 2013

Diane Russell, District Clerk