



City of Goodyear

Meeting Minutes

Community Facilities District

Special Joint Meeting

Meeting Location:
Goodyear Justice Center
14455 W. Van Buren St.,
Suite B101
Goodyear, AZ 85338

Monday, May 18, 2015

5:00 PM

Goodyear Justice Center

A. COMMUNITY FACILITIES DISTRICTS CITY OF GOODYEAR, ARIZONA

1. COMMUNITY FACILITIES GENERAL DISTRICT NO. 1
2. PALM VALLEY COMMUNITY FACILITIES DISTRICT NO. 3
3. COMMUNITY FACILITIES UTILITIES DISTRICT NO. 1
4. WILDFLOWER RANCH COMMUNITY FACILITIES DISTRICT
5. WILDFLOWER RANCH COMMUNITY FACILITIES DISTRICT NO. 2
6. COTTONFLOWER COMMUNITY FACILITIES DISTRICT
7. ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT
8. KING RANCH COMMUNITY FACILITIES DISTRICT
9. CENTERRA COMMUNITY FACILITIES DISTRICT
10. CORTINA COMMUNITY FACILITIES DISTRICT

Board members of the ten above mentioned Community Facilities Districts will attend either in person or by telephone conference call or video communications.

1. CALL TO ORDER

Chairman Lord called the Community Facilities District (CFD) Meeting to order at 5:00 p.m.

2. ROLL CALL

Present 7 - Chairman Georgia Lord, Vice Chairman Joe Pizzillo, Boardmember Joanne Osborne, Boardmember Sheri Lauritano, Boardmember Wally Campbell, Boardmember Bill Stipp, and Boardmember Sharolyn Hohman

Staff Present: District Manager Brian Dalke, District Attorney Jim Giel, and District Clerk Maureen Scott.

3. COMMUNICATIONS

None.

4. CITIZENS COMMENTS/APPEARANCES FROM THE FLOOR

None.

5. CONSENT**5.1 [MINUTES](#) APPROVAL OF MINUTES
37-2015**

Approve draft minutes from a CFD Joint Meeting held on March 16, 2015.

MOTION BY Boardmember Campbell, SECONDED BY Boardmember Lauritano, to APPROVE draft minutes from a CFD Joint Meeting held on March 16, 2015. The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6. BUSINESS**6.1 [CFUD#1](#) AUTHORIZE ISSUANCE AND SALE OF DISTRICT GENERAL
15-484 OBLIGATION REFUNDING BONDS, SERIES 2015, FOR
COMMUNITY FACILITIES UTILITIES DISTRICT NO. 1**

Larry Lange, Finance Director, presented. This resolution authorizes the issuance and sale of General Obligation Refunding Bonds, Series 2015, for the Community Facilities Utilities District No. 1, not to exceed \$7,015,000. The purpose of the refinancing is to decrease the District's debt service under its outstanding general obligation debt by taking advantage of lower interest rates. The result of this action will net a savings of approximately \$500,000. With this savings, staff anticipates maintaining a property tax rate of \$0.90, which is lower than the current target rate of \$1.00. The property rate for FY2015 was \$0.7662 per \$100 valuation. Actual savings will be based on interest rates in late May to early June, 2015.

Board Discussion:

>Will the refinancing reset the time period on the debt? Lange responded that we are not extending the time of the debt, and will keep the same time period.

MOTION BY Boardmember Osborne, SECONDED BY Vice Chairman Pizzillo, to ADOPT RESOLUTION CFUD#1 RES 15-096 AUTHORIZING THE ISSUANCE AND SALE OF ITS DISTRICT GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$7,015,000; DELEGATING THE AUTHORITY TO APPROVE CERTAIN MATTERS WITH RESPECT TO THE BONDS AND THE BONDS BEING REFUNDED; PROVIDING FOR THE ANNUAL LEVY OF A TAX FOR THE PAYMENT OF THE BONDS; AUTHORIZING THE APPOINTMENT OF A REGISTRAR, TRANSFER AGENT AND PAYING AGENT, A DEPOSITORY TRUSTEE AND A DISSEMINATION AGENT; APPROVING THE FORM OF THE BONDS AND CERTAIN DOCUMENTS AND AUTHORIZING COMPLETION, EXECUTION AND DELIVERY THEREOF; DELEGATING THE AUTHORITY TO APPROVE AND DEEM FINAL A FORM OF OFFICIAL STATEMENT; APPROVING THE SALE OF THE BONDS TO THE PURCHASER THEREOF; AND RATIFYING ALL ACTIONS TAKEN OR TO BE TAKEN TO FURTHER THIS RESOLUTION. The motion carried

by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.2 [CFGD#1](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND**
[15-454](#) **SETTING A PUBLIC HEARING DATE FOR THE GOODYEAR**
 COMMUNITY FACILITIES GENERAL DISTRICT NO. 1 BUDGET

Larry Lange, Finance Director, presented on behalf of Sheila Mills. He presented the proposed tentative budgets for all ten of the Community Facilities Districts. Property tax rates are levied for operations and maintenance and general obligation debt expenditures. He presented the actual property tax rates and the projected property tax levy for each of the districts.

When housing values dropped during the recession, the value dropped, but we needed to levy the same amount of tax. The rate had to increase to accomplish this. No additional General Obligation debt was issued in any of the CFD's during this time frame. In order to levy the same amount of money, the rate needs to be raised to get the same amount of tax dollars.

The reason that there is a positive change in assessed value in Estrella Mountain Ranch (EMR) and areas north of I-10 is because new construction growth in those areas helped keep that percentage from becoming negative.

District Discussion:

>**Will the King Ranch CFD ever go away?** Lange responded that it doesn't go away. The property was never developed. There are provisions in the statutes that allow for the dissolution of a CFD. We may meet with the property owner over the next year to see if they want to keep it or not.

>**Did the assessed value rate go up because the value of the homes went down?** Lange responded that the values did not go down. The method of computing the values changed under Proposition 117. Prior to Proposition 117, there was a primary and a secondary assessed valuation. The secondary valuation was ten percent of the full cash value. That has now changed, and each house can only go up so much in value.

>**Is it true that property values will be capped at 5%?** Lange responded that the math isn't simple. A limited property value is not the full cash value. It is true that we will not go over 5%.

>**Will we consider refinancing Wildflower Ranch in the future?** Lange responded that he doesn't think that we would ever be able to refinance the smaller CFD's and recover the reissuance cost.

>**Would it be possible to combine some of the smaller CFD's in order to refinance for a better rate?** Jim Giel, Bond Counsel representing Gust Rosenfeld, stated that this wouldn't be possible without conducting an election with the land owners of the Districts to do some sort of a consolidation. That isn't likely to happen. Lange asked if it would be possible to combine financing within the Districts for some sort of efficiency scale to pool the bonds. Giel stated that this would be a question to ask the bond financial advisor, Larry Given. Doing a pooled refinancing with multiple series may make sense. Lange will consult with Larry Given to see if

this is possible.

MOTION BY Boardmember Stipp, SECONDED BY Boardmember Campbell, to ADOPT RESOLUTION CFGD#1 RES 15-169 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET.

The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.3 [PVCFD#3](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND**
[15-457](#) **SETTING A PUBLIC HEARING DATE FOR THE PALM VALLEY**
COMMUNITY FACILITIES DISTRICT NO. 3 BUDGET

MOTION BY Boardmember Osborne, SECONDED BY Boardmember Lauritano, to ADOPT RESOLUTION PVCFD#3 RES 15-043 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET.

The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.4 [CFUD#1](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND**
[15-460](#) **SETTING A PUBLIC HEARING DATE FOR THE GOODYEAR**
COMMUNITY FACILITIES UTILITIES DISTRICT NO. 1 BUDGET

MOTION BY Boardmember Stipp, SECONDED BY Vice Chairman Pizzillo, to ADOPT RESOLUTION CFUD#1 RES 15-093 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET. The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.5 [WFRCFD](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND**
[15-463](#) **SETTING A PUBLIC HEARING DATE FOR THE WILDFLOWER**
RANCH COMMUNITY FACILITIES DISTRICT BUDGET

MOTION BY Boardmember Campbell, SECONDED BY Vice Chairman Pizzillo, to ADOPT RESOLUTION WFRCFD RES 15-058 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET.

The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.6 [WFRCFD#2
15-466](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND
SETTING A PUBLIC HEARING DATE FOR THE WILDFLOWER
RANCH COMMUNITY FACILITIES DISTRICT NO. 2 BUDGET**

MOTION BY Boardmember Lauritano, SECONDED BY Boardmember Stipp, to ADOPT RESOLUTION WFRCFD#2 RES 15-053 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET.

The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.7 [CTTNFLWRCF
D 15-469](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND
SETTING A PUBLIC HEARING DATE FOR THE COTTONFLOWER
COMMUNITY FACILITIES DISTRICT BUDGET**

MOTION BY Vice Chairman Pizzillo, SECONDED BY Boardmember Lauritano, to ADOPT RESOLUTION CTTNFLWRCFD RES 15-051 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET. The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.8 [EMRCFD
15-472](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND
SETTING A PUBLIC HEARING DATE FOR THE ESTRELLA
MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT
BUDGET**

MOTION BY Boardmember Osborne, SECONDED BY Boardmember Lauritano, to ADOPT RESOLUTION EMRCFD RES 15-099 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET.

The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.9 [KRCFD 15-475](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND
SETTING A PUBLIC HEARING DATE FOR THE KING RANCH
COMMUNITY FACILITIES DISTRICT BUDGET**

MOTION BY Boardmember Campbell, SECONDED BY Boardmember Hohman, to ADOPT RESOLUTION KRCFD RES 15-027 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET.

The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.10 [CENTERRACFD 15-478](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND SETTING A PUBLIC HEARING DATE FOR THE CENTERRA COMMUNITY FACILITIES DISTRICT BUDGET**

MOTION BY Vice Chairman Pizzillo, SECONDED BY Boardmember Hohman, to ADOPT RESOLUTION CENTERRACFD RES 15-051 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET. The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

6.11 [CORTINACFD 15-481](#) **APPROVE FISCAL YEAR 2015-2016 TENTATIVE BUDGET AND SETTING A PUBLIC HEARING DATE FOR THE CORTINA COMMUNITY FACILITIES DISTRICT BUDGET**

MOTION BY Boardmember Osborne, SECONDED BY Vice Chairman Pizzillo, to ADOPT RESOLUTION CORTINACFD RES 15-046 APPROVING THE TENTATIVE BUDGET OF THE DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, SETTING A HEARING DATE FOR THE BUDGET. The motion carried by the following vote:

Ayes 7 - Chairman Lord, Vice Chairman Pizzillo, Boardmember Osborne, Boardmember Lauritano, Boardmember Campbell, Boardmember Stipp, and Boardmember Hohman

7. INFORMATION ITEMS

None.

8. ADJOURNMENT

There being no further business to discuss, Chairman Lord adjourned the CFD Meeting at 5:41 p.m.

Maureen Scott, District Clerk

Georgia Lord, District Chairman

Date: _____

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the JOINT COMMUNITY FACILITIES DISTRICT MEETING of the City of Goodyear, Arizona, held on May 18, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2015.

Maureen Scott, District Clerk