

**NOTICE OF JOINT MEETING OF THE BOARD OF DIRECTORS OF
THE TOWN OF CAREFREE, AZ UTILITIES COMMUNITY FACILITIES DISTRICT
AND THE BOARD OF DIRECTORS OF THE CAREFREE WATER COMPANY, INC.**

WHEN: TUESDAY, JULY 6, 2021

WHERE: ZOOM ONLINE*

TIME: 4:30 P.M.

Pursuant to A.R.S. § 10-822, notice is hereby given of the time, place and purposes of a meeting of the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District and the Board of Directors of the Carefree Water Company, Inc., an Arizona corporation.

Members of the Board of Directors are participating by technological means or methods pursuant to A.R.S. §10-708.

CALL TO ORDER

SILENT ROLL CALL

AGENDA

ITEM #1 Approval of the June 1, 2021 UCFD/CWC meeting minutes.

ITEM #2 Review, discussion, and possible action on Resolution 2021-09 which approves the proposed District budget for the fiscal year 2021/2022, approves the proposed rates, fees, deposits, and charges, and orders a Public Hearing.

ITEM #3 PUBLIC HEARING for: 1) the proposed District budget for the fiscal year 2021/2022, and 2) the proposed rates, fees, deposits, and charges.

ITEM #4 Review, discussion, and possible action on Resolution 2021-10 which approves and adopts the final District budget for the fiscal year 2021/2022, and confirms the proposed rates, fees, deposits, and charges.

ITEM #5 Adjournment

DATED this 30th day of June, 2021.

UCFD/CWC

By: Kandace French Contreras
Kandace French Contreras, Secretary

Items may be taken out of order

*Due to the risks to public health caused by the possible spread of the COVID-19 virus at public gatherings, it has determined that public meetings will be indefinitely held through technological means. Meetings will be also open to the public through technological means. In reliance on, and compliance with, the March 13, 2020 Opinion issued by Attorney General Mark Brnovich, the Carefree Water Company provides this special advance notice of the technological means through which public meetings may be accessed. While this special notice is in effect, public comment at meetings will only be accepted through written submissions, which may or may not be read aloud during meetings.

Join Zoom Meeting:

Click on the following link or cut and paste it into your browser:

<https://us02web.zoom.us/j/3229729660>

Or go to <https://www.zoom.us/join> Meeting ID: 322 972 9660

A password is not required.

By phone:

Please call 1-253-215-8782



FOR SPECIAL ACCOMMODATIONS

Please contact the Town Clerk, 8 Sundial Circle (PO Box 740), Carefree, AZ 85377; (480) 488-3686, at least three working days prior to the meeting if you require special accommodations due to a disability.

UCFD/CWC

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AGENDA ITEM #1 WILL BE AVAILABLE
PRIOR TO THE MEETING

UCFD/CWC

JUL 06 2021

#2-4

**TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY
FACILITIES DISTRICT**

BOARD COMMUNICATION

TO: PRESIDENT AND BOARD MEMBERS
FROM: MEGHAN OREM, DISTRICT TREASURER
THROUGH: GREG CROSSMAN, DISTRICT MANAGER *GC*
DATE: JULY 1, 2021
SUBJECT: JULY 6, 2021 BOARD MEETING
AGENDA ITEM NOS. 2, 3, AND 4 - FY21-22 UCFD BUDGET

Attached for your review prior to the July 6, 2021, Board meeting is the proposed UCFD budget for FY 21-22. This budget supplements and confirms the Water Company budget that was approved by the Board on June 1, 2021. In addition, this budget supports the implementation of the Carefree Water Consolidation Project and the acquisition of those Carefree customers that are currently served potable water by the Town of Cave Creek.

Item Nos. 2, 3, and 4 on the Agenda are legally required and accomplish the following:

Item No. 2 – Adopts Resolution 2021-09 which approves the proposed District budget; approves the proposed rates, fees, deposits, and charges; and orders a Public Hearing.

Item No. 3 – Holds the Public Hearing ordered under Item No. 2.

Item No. 4 – Adopts Resolution 2021-10 which adopts the final District budget and confirms the rates, fees, deposits, and charges established by the Water Company Board on June 1, 2021.

The following is a summary of the major items contained in the District budget:

- Payment to Cave Creek per the March 16, 2021, Settlement Agreement
- Budget authority for Bonding for the Carefree Water Consolidation Project
- Continued Repayment to the Town of:
 - Capital Lease (WIFA Loan Repayment)
 - Capital Advance

Please contact Greg Crossman (480-488-9100; greg@carefreewaterco.com) with any questions.

TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT

PROPOSED BUDGET FISCAL YEAR 2021/22

BEGINNING FUNDS AVAILABLE		\$1,044,128
SOURCES		
REVENUES		
Payments from Carefree Water Company	\$692,104	
Other Sources of Revenues	-	
Total Revenues		\$692,104
OTHER FINANCING SOURCES		
Bond Proceeds – Water System Revenue Bonds 2021	\$21,800,000	
Total Other Financing Sources		\$21,800,000
TOTAL SOURCES		\$23,536,232
EXPENDITURES		
ADMINISTRATION		
Rent	\$33,000	
Reimbursement to Carefree Water - Acquisition	1,000,000	
Total Administration		\$1,033,000
CAPITAL		
Public Infrastructure – Acquisition Payment – Cave Creek	\$1,000,000	
Public Infrastructure - Construction	18,800,000	
Bonds Costs of Issuance	450,000	
Contingency	1,000,000	
Total Capital		\$21,250,000
DEBT SERVICE		
Principal – Water System Revenue Bonds 2021	\$ -	
Interest – Water System Revenue Bonds 2021	290,000	
Trustee Fees	1,000	
Capital Advance Payment	414,340	
Capital Lease Payment	244,764	
Total Debt Service		\$950,104
TOTAL EXPENDITURES		\$23,233,104
ENDING FUNDS AVAILABLE		\$303,128

RESOLUTION 2021-09

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT APPROVING A PROPOSED DISTRICT BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2021 AND ENDING JUNE 30, 2022; ADOPTING PROPOSED RATES, FEES, DEPOSITS AND CHARGES APPLICABLE FOR THE FISCAL YEAR BEGINNING JULY 1, 2021 AND ENDING JUNE 30, 2022; AND ORDERING A PUBLIC HEARING ON SUCH PROPOSED BUDGET AS APPROVED.

WHEREAS, pursuant to Arizona Revised Statutes ("A.R.S.") Section 48-716, the District Treasurer of the Town of Carefree, Arizona Utilities Community Facilities District (the "District") prepared and submitted to the Board of Directors of the District (the "District Board") for approval a proposed District budget for Fiscal Year 2021/22 (the "Proposed Budget"); and

WHEREAS, the Carefree Water Company, Inc., previously presented to the District Board proposed rates, fees, deposits and charges applicable for Fiscal Year 2021/22, and such rates, fees, deposits and charges are on file with the District Clerk;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT AS FOLLOWS:

Section 1. The Proposed Budget submitted to the District Board and attached as Exhibit A hereto, and the rates, fees, deposits and charges presented by the Carefree Water Company, Inc. for Fiscal Year 2021/22, on file with the District Clerk, are hereby approved and a hearing on the Proposed Budget and the identification and noticing of the rates, fees, deposits and charges is hereby ordered as required by law.

Section 2. Publication of the notice of the public hearing on the Proposed Budget and the identification and noticing of the rates, fees, deposits and charges in the form attached hereto as Exhibit B, which was published in accordance with the provisions of A.R.S. Section 48-716 is hereby ratified, approved and adopted.

Section 3. This Resolution is effective immediately.

PASSED AND ADOPTED by the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District this 6th day of July, 2021.

Les Peterson, Chairman - Board of Directors

ATTEST:

Kandace French Contreras, District Clerk

APPROVED AS TO FORM

Michael W. Wright, District Attorney

CERTIFICATE

I hereby certify that the above and foregoing resolution was duly passed by the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District at a regular meeting held on July 6, 2021, and that a quorum was present thereat and that the vote thereon was _____ ayes and _____ nays; _____ did not vote or were absent.

Kandace French Contreras, District Clerk

ATTACHMENTS:

- Exhibit A — Proposed Budget Fiscal Year 2021/22
- Exhibit B — Notice of Hearing

EXHIBIT A

TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT

PROPOSED BUDGET FISCAL YEAR 2021/22

BEGINNING FUNDS AVAILABLE		\$1,044,128
SOURCES		
REVENUES		
Payments from Carefree Water Company	\$692,104	
Other Sources of Revenues	-	
Total Revenues		\$692,104
OTHER FINANCING SOURCES		
Bond Proceeds – Water System Revenue Bonds 2021	\$21,800,000	
Total Other Financing Sources		\$21,800,000
TOTAL SOURCES		\$23,536,232
EXPENDITURES		
ADMINISTRATION		
Rent	\$33,000	
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Total Administration		\$1,033,000
CAPITAL		
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Contingency	1,000,000	
Total Capital		\$21,250,000
DEBT SERVICE		
Principal – Water System Revenue Bonds 2021	\$ -	
Interest – Water System Revenue Bonds 2021	290,000	
Trustee Fees	1,000	
Capital Advance Payment	414,340	
Capital Lease Payment	244,764	
Total Debt Service		\$950,104
TOTAL EXPENDITURES		\$23,233,104
ENDING FUNDS AVAILABLE		\$303,128

EXHIBIT B

TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT

NOTICE OF HEARING

REQUIRED BY A.R.S. §§48-716 AND 48-720(D)

ON THE PROPOSED BUDGET FOR FY 2021/22

OF

TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT

Pursuant to Sections 48-716 and 48-720(D), Arizona Revised Statutes, notice is hereby given that a public hearing on the Proposed Budget of the Town of Carefree, Arizona Utilities Community Facilities District for FY 2021/22 will be held by the District Board on July 6, 2021, at 3:30 p.m. by Zoom Online*. A copy of the Proposed Budget and the rates, fees and charges are on file with the Clerk of the Town of Carefree, Arizona/District Clerk of Town of Carefree, Arizona Utilities Community Facilities District, at the Carefree Town Hall, 8 Sundial Circle, Carefree, Arizona 85377, telephone number (480) 488-3686. This notice also constitutes notice of the rates, fees and charges as required by Section 48-720(D), of the Arizona Revised Statutes.

*Please note that due to the ongoing COVID-19 pandemic, the Carefree Town Council and Utilities Community Facilities District Board meetings will be held virtually with access by the public limited to virtual attendance through electronic means. Please check the Town Council website at <https://www.carefree.org/AgendaCenter/Carefree-Water-Board-7> for the agenda for this meeting and the latest updates.

The public may attend the meeting by Zoom Online as follows:

Click on the following link or cut and paste it into your browser:

<https://us02web.zoom.us/j/3229729660>

Or go to <https://www.zoom.us/join> Meeting ID: 322 972 9660

A password is not required.

By phone:

Please call 1-253-215-8782

Public Comment – Submission of public comments must be provided in typed format by email to Kandace@Carefree.org. Comments are to be limited to not more than one-half page, double spaced, 12 point type. No more than one submission per person or legal entity per meeting will be read into the record. Please identify your town or city of residence. Comments that do not comply with the format specified may not be read during this Council meeting. Comments must be received by 12:00 noon on the day of the meeting.

DATED this __th day of June, 2021.

/s/ District Manager
District Manager
Town of Carefree, Arizona Utilities
Community Facilities District

RESOLUTION 2021-10

JUL 06 2021

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A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT ADOPTING A DISTRICT BUDGET FOR FISCAL YEAR 2021/22; AND IDENTIFYING AND NOTICING RATES, FEES, DEPOSITS AND CHARGES FOR FISCAL YEAR 2021/22.

WHEREAS, pursuant to Arizona Revised Statutes ("A.R.S.") Section 48-716 of the Arizona Revised Statutes, the District Treasurer of the Town of Carefree Utilities Community Facilities District (the "District") prepared and submitted to the Board of Directors of the District (the "District Board") for approval a proposed District budget for Fiscal Year 2021/22 (the "Proposed Budget"); and

WHEREAS, the rates, fees, deposits and charges applicable for Fiscal Year 2021/22, as presented by Carefree Water Company, Inc., and previously adopted by the District Board are on file with the District Clerk; and

WHEREAS, on July 6, 2021, the District Board adopted Resolution 2021-09, approving the Proposed Budget, approving the rates, fees, deposits and charges as presented by the Carefree Water Company, Inc., and ordering a hearing on the Proposed Budget and the identification and noticing of the rates, fees, deposits and charges as required by law; and

WHEREAS, as required by A.R.S. Section 48-716, notice of the public hearing on the Proposed Budget and of the rates, fees, deposits and charges, 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 Town Clerk of the Town of Carefree, Arizona; and

WHEREAS, a public hearing was held on the date hereof,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT AS FOLLOWS:

Section 1. The Proposed Budget in the form attached hereto as Exhibit B is hereby approved and adopted as the final District budget for Fiscal Year 2021/22.

Section 2. Pursuant to A.R.S. Section 48-720(D), the District hereby identifies and notices the rates, fees, deposits and charges authorized by A.R.S. Section 48-709(A)(6) as previously authorized and adopted by District Board action. Such rates, fees, deposits and charges shall be effective for all billings processed on or after July 1, 2021.

Section 3. This Resolution is effective immediately.

PASSED AND ADOPTED by the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District this 6th day of July, 2021.

Les Peterson, Chairman - Board of Directors

ATTEST:

Kandace French Contreras, District Clerk

APPROVED AS TO FORM

Michael W. Wright, District Attorney

CERTIFICATE

I hereby certify that the above and foregoing resolution was duly passed by the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District at a regular meeting held on July 6, 2021, and that a quorum was present thereat and that the vote thereon was _____ ayes and _____ nays; _____ did not vote or were absent.

Kandace French Contreras, District Clerk

ATTACHMENTS:

- Exhibit A — Notice of Hearing
- Exhibit B — Adopted Budget FY 2021/22

EXHIBIT A

TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT
NOTICE OF HEARING
REQUIRED BY A.R.S. §§48-716 AND 48-720(D)
ON THE PROPOSED BUDGET FOR FY 2021/22
OF
TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT

Pursuant to Sections 48-716 and 48-720(D), Arizona Revised Statutes, notice is hereby given that a public hearing on the Proposed Budget of the Town of Carefree, Arizona Utilities Community Facilities District for FY 2021/22 will be held by the District Board on July 6, 2021, at 3:30 p.m. by Zoom Online*. A copy of the Proposed Budget and the rates, fees and charges are on file with the Clerk of the Town of Carefree, Arizona/District Clerk of Town of Carefree, Arizona Utilities Community Facilities District, at the Carefree Town Hall, 8 Sundial Circle, Carefree, Arizona 85377, telephone number (480) 488-3686. This notice also constitutes notice of the rates, fees and charges as required by Section 48-720(D), of the Arizona Revised Statutes.

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DATED this ___th day of June, 2021.

/s/ District Manager
District Manager
Town of Carefree, Arizona Utilities
Community Facilities District

EXHIBIT B

TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT

ADOPTED BUDGET FISCAL YEAR 2021/22

BEGINNING FUNDS AVAILABLE		\$1,044,128
SOURCES		
REVENUES		
Payments from Carefree Water Company	\$692,104	
Other Sources of Revenues	-	
Total Revenues		\$692,104
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