

Impact Statement

Proposed Sunsites Parks Maintenance District

Pursuant to the provisions of A.R.S. §48-261, the undersigned submit this District Impact Statement in support of the creation of the new Sunsites Parks Maintenance District.

1. Description of Boundaries -

Attached to this statement as Exhibit A is a legal description of the property to be included in the Sunsites Parks Maintenance District.

2. Attached is a map of the said district.

3. Estimated assessed valuation of the proposed district is **\$8,893,927.00**

4. Estimated change in property taxes is not more than **1.12%** of secondary assessed valuation.

Average estimated tax increase per year based on our proposed \$100,000 budget request:

Land Parcel - \$49.80 per year (\$4.15 monthly)

Residence - \$104.32 per year (\$8.69 monthly)

Commercial - \$250.42 per year (\$20.87 monthly)

5. Benefits of the district:

a.) **Shadow Mountain Golf, Recreation and Events Center (GREC)** and its amenities have been the core strength and primary economic engine for Sunsites since inception. Preserving **GREC** will shore up property values. The need to have our homes and properties, remain economically strong depends on preserving the Golf Course and its park-like effect on the community.

b.) The attractiveness, quaintness and appeal of Sunsites to residents, visitors and future home owners is inherently tied to **GREC**. Sustaining **GREC** saves the very identity of our community. Failure to accomplish our dual task of preservation and progress will have a tragic effect not only on home values but also on the very ability to sell a property if the **GREC** were to close and deteriorate. Attracting new residents in the future requires that we maintain the functionality and beauty of our community.

c.) Gaining the status of a Municipal Corporation will enable all property owners to equally share in the benefit and responsibilities that come with conscientious care of our community. This status allows more funding opportunities, (federal, state and county) including grants and awards.

d.) The entire community, for the first time in its history will be able to determine its own future. Through the electoral process, the community will determine its leadership and policies.

e.) Maintaining our property values actually limits tax increases over the short & long term.

- Reduced property values forces an increased millage rate and thus increased property tax to pay for special districts such as our Fire District.
- Reduced property values tends to increase property taxes over the long term as the county's General Fund is decreased.

Adoption of the **Sunsites Parks Maintenance District** preserves our community and prevents future tax increases due to loss of property value.

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f.) The lease or ownership of the **GREC** property will transfer to the Sunsites Parks Maintenance District.

g.) Consistent and adequate funding will provide needed personnel, equipment and supplies to operate the **GREC**. This funding will allow for long-term planning for the needs of both a growing and aging community.

h.) Improved legal services via the Cochise County Attorney's office will be available to assist us.

i.) Strengthening of our community fabric of social clubs, service organizations and volunteer efforts.

6. Injuries if the district is formed:

a.) Increase in property taxes. However, this tax is offset many fold by preserving property values and the very ability to sell property at an acceptable price. *Example* - the average tax increase for a residence is \$104 per year. If this tax were paid for ten years, total outlay would be \$1,040. If the Golf Course would close, many thousands of dollars would be lost to each property's value immediately. Hence, this tax is really an investment in our homes and community.

7. Five year planning:

a.) Improve the facilities and Golf Course to better serve the needs of the community.

b.) Build a reserve fund for replacing needed infrastructure and equipment.

c.) Maintain and improve amenities to the facility as determined by the community in the future. Possibilities may be to re-open the swimming pool, lay out a bike/exercise path, provide funding for more recreational activities, event opportunities, etc.

8. Organizing Board:

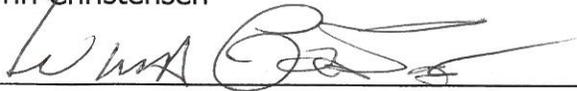
- Lynn Christensen - 1006 E. Geneva, Pearce, AZ 85625 *RETIRED*
- Linda Gorton - 1012 E. Geneva, Pearce, AZ 85625 *RETIRED*
- Tim Heine - 380 Geneva Estates, Pearce, AZ 85625 *BUILDER/CONTRACTOR*
- Jyme Stoner - 414 Geneva Estates, Pearce, AZ 85625 *RETIRED*
- Gary Brauchla - 917 E. Saguaro Dr., Pearce, AZ 85625 *BUILDER/CONTRACTOR/REALTOR*

9. The public health, comfort, convenience, necessity or welfare will be met and we recommend to the Board the approval of the Impact Statement filed by the Sunsites Parks Maintenance District and to authorize the circulation of petitions to form the Maintenance District.

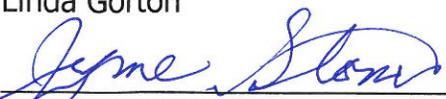
Dated this 31st day of December, 2010



Lynn Christensen



Linda Gorton



Jyme Stoner



Gary Brauchla



Tim Heine

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COMMUNITY
RESOURCES
APPROVED
DEC-2-39

LEGAL DESCRIPTION
SUNSIDES PARKS MAINTENANCE DISTRICT

THAT PORTION OF THE FOLLOWING DESCRIBED LANDS LYING WEST OF ARIZONA
STATE HIGHWAY 191:

THE SOUTH HALF OF SECTION 18;

SECTION 19;

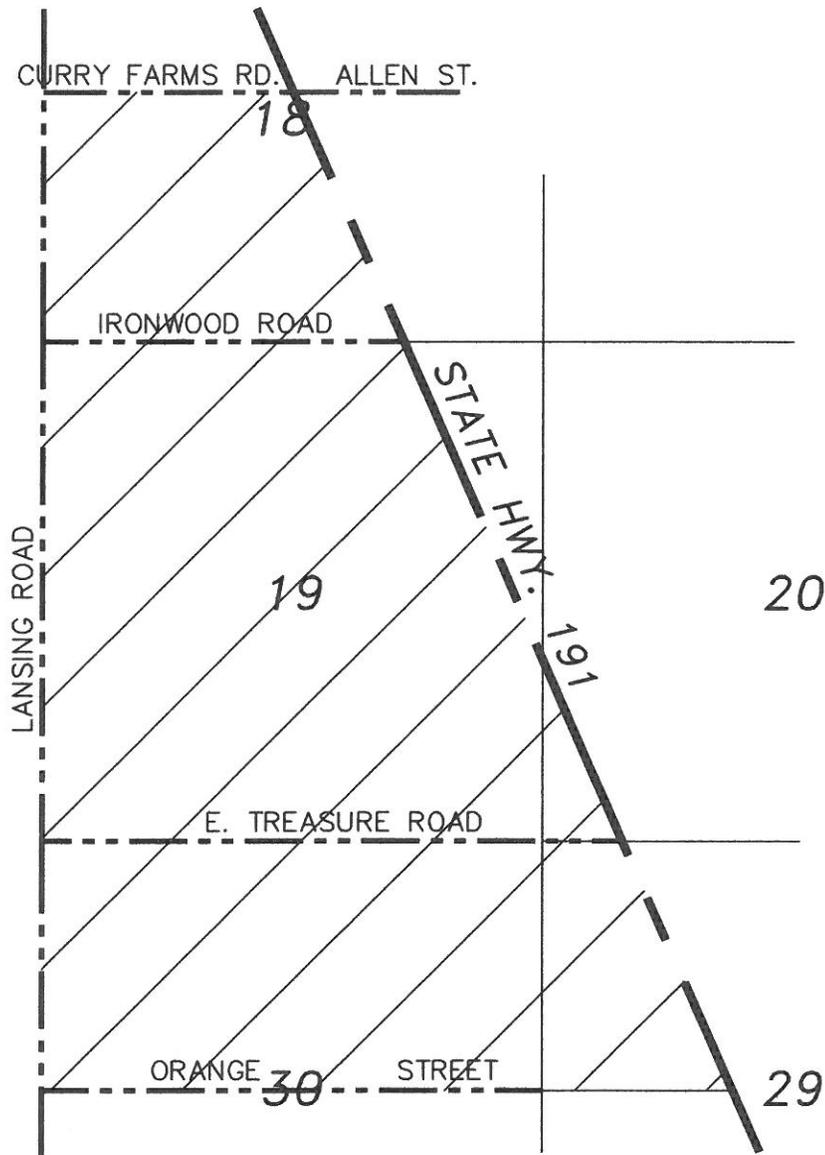
THE SOUTHWEST QUARTER OF SECTION 20;

THE NORTHWEST QUARTER OF SECTION 29;

THE NORTH HALF OF SECTION 30;

ALL IN TOWNSHIP 17 SOUTH, RANGE 25 EAST OF THE GILA AND SALT RIVER
BASE AND MERIDIAN, COCHISE COUNTY, ARIZONA.

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EXPIRES: 6/30/2013



County of Cochise
OFFICE OF THE COUNTY ASSESSOR
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(520) 432-8650 FAX (520) 432-8698
E-Mail:

Philip S. Leindecker
Assessor

Felix Dagnino
Chief Deputy

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PROPERTY TAX

FULL CASH VALUE (FCV) Represents market value. Generally 15% to 20% below current selling price. Basis for secondary property tax.

LIMITED PROPERTY VALUE (LPV) Calculated through statutory formula. Is equal to or less than full cash value. Basis for primary property tax.

ASSESSED VALUE (AV) Represents 10% of the full cash value and limited property value of owner occupied property; 16% on vacant land/agricultural land, 23% on commercial property.

TAX RATE Dollar amount per \$100 of assessed value. The secondary tax rate covers bonded indebtedness. The primary tax rate covers maintenance and operation expenses. The tax rates are set by School Districts, County and City Government, Fire Districts, Hospital Districts, Cochise College etc. Tax rates may vary considerably from year to year based upon funding requirements.

TAX FORMULA (owner occupied residential) Example uses a random primary and secondary tax rate. Rate for your area could vary considerably.

$$\begin{aligned} \text{FCV} \times 10\% &= \text{A.V.} \div 100 \times \text{Secondary Tax Rate} = \text{Secondary Tax} \\ \$100,000 \times 10\% &= \$10,000 \div 100 = \$100 \times 2.1775 = \$217.75 \end{aligned}$$

$$\begin{aligned} \text{LPV} \times 10\% &= \text{A.V.} \div 100 \times \text{Primary Tax Rate} = \text{Primary Tax} \\ \$100,000 \times 10\% &= \$10,000 \div 100 = \$100 \times 9.6023 = \$960.23 \end{aligned}$$

ESTIMATED TOTAL PROPERTY TAX = \$1177.98

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SUNSHINE PARKS MAINTENANCE DISTRICT (PROPOSED)

SECONDARY TAX RATE INCREASES-AVERAGES

APPROX. SECONDARY NET ASSESSED VALUE = \$8,893,927.00
 APPROX. ESTIMATED BUDGET = \$100,000.00
 SECONDARY TAX RATE = 1.12436

RESIDENCE

APN	FCV	X	10%	=	ASSESSED VALUE	/	100	=	SECONDARY TAX RATE	X	SECONDARY TAX RATE	=	SECONDARY TAX/YEAR	=	SECONDARY TAX/MONTH
	\$ 92,784.00				\$ 9,278.40				1.12436		1.12436		\$ 104.32		\$ 8.69

LAND

APN	FCV	X	16%	=	ASSESSED VALUE	/	100	=	SECONDARY TAX RATE	X	SECONDARY TAX RATE	=	SECONDARY TAX/YEAR	=	SECONDARY TAX/MONTH
	\$ 27,681.00				\$ 4,428.96				1.12436		1.12436		\$ 49.80		\$ 4.15

COMMERCIAL

APN	FCV	X	20%	=	ASSESSED VALUE	/	100	=	SECONDARY TAX RATE	X	SECONDARY TAX RATE	=	SECONDARY TAX/YEAR	=	SECONDARY TAX/MONTH
	\$ 111,362.00				\$ 22,272.40				1.12436		1.12436		\$ 250.42		\$ 20.87

SUNSHINE COMMUNITY GOLF PARK DISTRICT
 PROPOSED BUDGET
 FROM APRIL 1, 2011 THRU MARCH 31, 2012

REVENUE

Anticipated Tax Revenue	100,000
Memberships	85,000
Green Fees incl Cart	50,000
Merchandise Sales - Net	10,000
Snacks, Beer, & Used Equip. Sales - Net	7,500
Tournament Fees	7,500
Restaurant - Net	<u>50,000</u>
TOTAL REVENUE	

310,000

EXPENSES

Greenskeeper(44,400
Golf Course Labor	19,600
Pro Shop Desk	19,600
Restaurant Labor	<u>29,400</u>
Total Labor	113,000

Utilities	85,000
Repair&Maint for Equip & Bldg	13,000
Equipment Payments(Incl Interest) - NOTE	30,000
Fuel, Lubricants & Other Supplies	14,000
Fertilizer, Seed & Sand	10,000
Property Taxes	17,200
Insurance	9,000
Advertising	7,200
Sales Tax	6,000
Legal & Professional	2,000
Office, Computer, Postage, Etc.	<u>3,600</u>
Total Other Expenses	197,000

TOTAL EXPENSES

310,000

NOTE - We included equipment payments on our equipment purchase contracts in lieu of depreciation.

NOTE - Above budget estimated using the past two years actual revenues & expenses.

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