

RESOLUTION NO. 2415

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF TOLLESON, ARIZONA, (1) ORDERING AND CALLING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 3, 2020, IN AND FOR THE CITY OF TOLLESON, ARIZONA, TO SUBMIT TO THE QUALIFIED ELECTORS THEREOF THE QUESTION OF SELLING AND ISSUING BONDS PAYABLE FROM SECONDARY (AD VALOREM) PROPERTY TAXES AND (2) DECLARING, FOR PURPOSES OF SECTION 1.150-2 OF THE FEDERAL TREASURY REGULATIONS, OFFICIAL INTENT TO BE REIMBURSED IN CONNECTION WITH CERTAIN CAPITAL EXPENDITURES RELATING TO PARKS AND RECREATION PROJECTS

WHEREAS, the Mayor and Council of the City of Tolleson, Arizona (the "City"), determine that certain, future capital needs of the City can be financed best through the issuance and sale of bonds of the City, the debt service with respect to which shall be paid through the levy of secondary (ad valorem) property taxes; and

WHEREAS, pursuant to Section 35-452, Arizona Revised Statutes, as amended, the Mayor and Council of the City must order an election to determine whether such indebtedness shall be authorized (the "Election"); and

WHEREAS, the City is authorized and empowered pursuant to law to issue or cause to be issued obligations to finance the costs of various capital facilities owned or to be owned by the City; and

WHEREAS, it is contemplated that certain expenditures made by the City with regard to capital facilities owned or to be owned by the City with regard to parks and recreation projects, including an aquatic facility (the "Project") will be reimbursed from the proceeds of the sale of obligations to be issued in the future by or on behalf of the City;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF TOLLESON, ARIZONA:

Section 1. (A) That the Election, in and for the City, be and the same is hereby ordered and called to be held on November 3, 2020, at which time there shall be submitted to the qualified electors of the City the question of authorizing the sale and issuance of bonds of the City in the aggregate principal amount and for the purposes set forth in the official ballot for the Election (the "Official Ballot").

(B) That the aggregate principal amount of the bonds to be authorized at the Election shall be \$21,000,000; the maximum rate of interest to be paid thereon shall be not more than eight percent (8%) per annum; the minimum and maximum number of years bonds of any issue or series authorized at the Election may run from their date shall be one (1) year and twenty-five (25) years, respectively; the purposes for which the money derived from the sale of

the bonds will be expended shall be as more fully set forth in the Official Ballot; the City currently has \$29,386,118 aggregate principal amount of general obligation tax debt outstanding and the constitutional debt limit of the City is \$95,867,013, being twenty-six percent (26%) of the net assessed full cash value of the taxable property in the City (which debt limit is based on an estimated value provided by the assessor of Maricopa County, Arizona (the “County”) for 2020/2021).

Section 2. That the Official Ballot shall be in substantially the form attached as the Exhibit hereto.

Section 3. (A) That notice of the Election shall be given by mailing an informational pamphlet (the “Informational Pamphlet”) to each household within the City that contains a registered voter not less than thirty-five (35) days before the date of the Election.

(B) That the Informational Pamphlet shall be prepared by the Clerk of the City, and the Clerk of the City is hereby authorized and directed to cause the Informational Pamphlet to be provided as and under the circumstances described herein in the form she deems acceptable. The Clerk of the City is hereby authorized and directed to submit, within thirty (30) days after the date of the Election, a copy of the Informational Pamphlet to the Arizona Department of Revenue.

(C) That, pursuant to Section 35-454, Arizona Revised Statutes, as amended, the City hereby sets the date of August 5, 2020, at the hour of 5:00 p.m., as the deadline to submit arguments “for” and “against” the authorization to issue the bonds.

(D) That the Clerk of the City is hereby authorized to request arguments “for” and “against” the subject matter of the Election by providing notice in a form and by the means required by applicable law (the “Request for Arguments”).

Section 4. That the Informational Pamphlet shall contain the information required by Section 35-454, Arizona Revised Statutes, as amended, and a sample of the Official Ballot and shall be in a form the Clerk of the City deems acceptable.

Section 5. That the Clerk of the City is hereby authorized and directed to have the Official Ballot printed, delivered to the appropriate locations and then forwarded to the qualified electors of the City offering to vote at the Election.

Section 6. That in order to comply with the Voting Rights Act of 1965, as amended, the following materials pertaining to the Election shall be translated into Spanish and mailed or distributed in each instance where mailing or distributing of such materials is required, to-wit: Request for Arguments, Informational Pamphlet, Official Ballot, Absentee/Early Voting Materials and Voting Instructions.

Section 7. (A) That the Election shall be held, conducted and canvassed in conformity with the provisions of the general election laws of the State of Arizona, except as otherwise provided by law, and only such persons shall be permitted to vote at the Election who are qualified electors of the City.

(B) That absentee/early voting with respect to the Election shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

(C) That the Election may be conducted (i) using either electromechanical or electronic vote recording and ballot counting equipment or paper ballots, or (ii) as a mailed ballot election as provided in Section 16-409, Arizona Revised Statutes, in each case as shall be determined to be in the best interests of the City by the Clerk of the City.

(D) That the Clerk of the City is authorized and directed to enter into a contract with the County Recorder of the County to obtain precinct registers for the Election and to enter into an agreement with the Elections Department of the County to conduct the Election for the City.

(E) That all expenditures as may be necessary to order, notice, hold and administer the Election are hereby authorized, which expenditures shall be paid from current operating funds of the City.

(F) That the Clerk of the City is hereby authorized to take all necessary action to facilitate the Election.

Section 8. (A) That the official returns from the Election shall be made to the Mayor and Council of the City within twenty (20) days from the date of the Election and the Election shall be canvassed and the results thereof certified by the Mayor and Council of the City at a meeting to be held within twenty (20) days after the date of the Election, as provided by law.

(B) That the Mayor and Council of the City shall file and record in the office of the County Recorder of the County a certificate disclosing with respect to the Election the purpose of the Election, the total number of votes cast and the total number of votes for and against creating the indebtedness and stating whether or not the indebtedness is ordered.

Section 9. The following terms shall have the meanings assigned thereto as follows:

“official intent” means a declaration of intent of the City to reimburse an original expenditure with proceeds of an obligation.

“original expenditure” means an expenditure for a governmental purpose that is originally paid from a source other than a reimbursement bond.

“reimbursement bond” means the portion of an issue of obligations allocated to reimburse an original expenditure that was paid before the issue date of such issue.

Section 10. This Resolution is official intent relating to reimbursement for the original expenditures for the Project in an amount not to exceed \$21,000,000 occurring on or after April 10, 2020, which are capital expenditures (being any cost of a type that is properly chargeable to a capital account (or would be so chargeable with a proper election) under general federal

income tax principles). (The maximum principal amount of obligations (including the reimbursement bonds for such purposes) to be issued for the Project will not exceed \$21,000,000.)

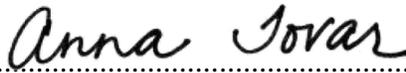
Section 11. On the date of this Resolution, the Mayor and Council of the City has a reasonable expectation (being that a prudent person in the same circumstances would have based on all the objective facts and circumstances) that it will reimburse such original expenditures with proceeds of such obligations. Official intents have not been declared by the City as a matter of course or in amounts substantially in excess of the amounts expected to be necessary for such projects. Moreover, the City does not have a pattern (other than in extraordinary circumstances) of failure to reimburse actual original expenditures covered by official intents.

Section 12. With certain exceptions, an allocation in writing that evidences use of proceeds of the reimbursement bonds to reimburse the original expenditures shall be made not later than 18 months after the later of the date that the original expenditure is paid.

Section 13. This Resolution shall be included as of the date hereof in the publicly available official records of the City, such records being maintained and supervised by the Clerk of the City, being the main administrative office of the City, and shall remain available for public inspection on a reasonable basis.

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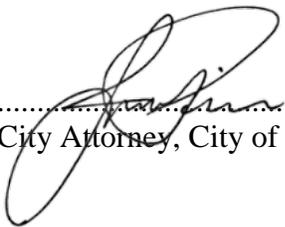
PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Tolleson, Arizona, on June 9, 2020.


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Mayor, City of Tolleson, Arizona

ATTEST:


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Clerk, City of Tolleson, Arizona

APPROVED AS TO FORM:


.....
City Attorney, City of Tolleson, Arizona

CERTIFICATION

I hereby certify that the foregoing Resolution No. 2415 was duly passed and adopted by the Mayor and Council of the City of Tolleson, Arizona, at a regular meeting held on June 9, 2020, that the vote thereon was 6 ayes, 0 nays, and that the Mayor and 5 Council members were present thereat.

Crystal Ramora
.....
City Clerk, City of Tolleson, Arizona

EXHIBIT

FORM OF OFFICIAL BALLOT

ISSUANCE OF BONDS PAYABLE FROM
SECONDARY (AD VALOREM) PROPERTY TAX

Shall the City of Tolleson, Arizona (the “City”), be authorized to incur indebtedness in the total principal amount of not to exceed \$21,000,000 by the issuance and sale of bonds of the City for the purpose of providing funds for parks and recreation projects, including the costs to design, engineer, acquire, improve, construct, reconstruct, equip, furnish, and expand an aquatic center, and other City parks, including, but not limited to, land for a future parks, fields, courts, playgrounds, parking, walking paths, landscaping, ramadas, restrooms and all necessary and related facilities and equipment, and any and all appurtenances related thereto or land therefor by purchase or any other method of acquisition, and to pay all costs incidental to any of the foregoing and to the sale and issuance of such bonds or any series thereof, to be issued as general obligation bonds of the City, payable from secondary (ad valorem) property taxes levied upon all of the taxable property in the City, to mature not more than 25 years from their date and to bear interest at a rate of not to exceed 8% per annum?

The issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

A “YES” vote shall authorize the governing body of the City to issue and sell \$21,000,000 of general obligation bonds of the City to be repaid with secondary property taxes.

A “NO” vote shall not authorize the governing body of the City to issue and sell such bonds of the City.

BOND APPROVAL, YES

BOND APPROVAL, NO