

RESOLUTION NO. 3033

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, RESCINDING RESOLUTION NO. 3010 AND ORDERING AND PROVIDING NOTICE OF A SPECIAL ELECTION TO BE HELD ON MAY 19, 1998, IN AND FOR THE CITY OF PRESCOTT, ARIZONA, TO SUBMIT TO THE QUALIFIED ELECTORS THEREOF THE QUESTION OF AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$15,000,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE CITY AND RELATED MATTERS.

WHEREAS, the Mayor and Council of the City of Prescott, Arizona (the "City"), did on October 28, 1997, adopt its Resolution No. 3010; and

WHEREAS, the Mayor and Council of the City deemed it necessary and advisable and in the best interests of the City and in the public interest to rescind Resolution No. 3010; and

WHEREAS, the needs and best interests of the City, will be served by the issuance and sale of general obligation bonds of the City (hereinafter referred to as the "Bonds"), to provide funds for the capital needs of the City; and

WHEREAS, with respect to the Bonds, the provisions of Title 35, Chapter 3, Article 3, Arizona Revised Statutes, as amended, require that a special election be held in and for the City to submit to the qualified electors thereof the question of issuing and selling the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, THAT:

SECTION 1. Resolution No. 3010 is hereby rescinded.

SECTION 2. A special election in and for the City be, and the same is hereby, called and ordered to be held on May 19, 1998 (hereinafter referred to as the "Election"), a day not less than thirty (30) nor more than one hundred and fifty (150) days before the date of the adoption of this Resolution, at which there shall be submitted to the qualified electors thereof the question of authorizing the issuance and sale of the Bonds of the City in the aggregate principal amount, having the maximum interest rate and number of years from their date and being for the purpose, in each case as set forth in the official form of ballot for the Election.

SECTION 3. The official ballot for the Election (hereinafter referred to as the "Official Ballot") shall be in substantially the form hereto attached and marked Exhibit "A".

Resolution No. 3033 - continued:

SECTION 4. Notice of the Election shall be given by mailing an informational pamphlet (hereinafter referred to as the "Informational Pamphlet") and a sample of the Official Ballot in substantially the form hereto attached and marked Exhibit "B" to the residence of each registered voter within the City not less than ten (10) days and not more than forty (40) days before the date of the Election. The Informational Pamphlet, as required by Title 35, Chapter 3, Article 3, Section 35-454, Arizona Revised Statutes, as amended, shall set forth:

- (i) The amount of the Bonds to be authorized;
- (ii) The maximum interest rate of the Bonds;
- (iii) Estimated debt retirement schedules for the Bonds and the current amount of bonds outstanding, showing both principal and interest payments and the estimated tax rates;
- (iv) The source of repayment of the Bonds;
- (v) The estimated issuance costs of the Bonds;
- (vi) The estimated tax rate impact on the average assessed valuation of both owner-occupied residential property and commercial and industrial property for the current year in the City, as determined by the Mayor and Council of the City;
- (vii) The current outstanding general obligation debt of the City and the constitutional debt limitation of the City;
- (viii) The purpose for which the Bonds are to be issued;
- (ix) The polling location for each registered voter, and
- (x) The hours during the day when the polls will be open.

The informational Pamphlet shall be prepared by the City Clerk of the City (hereinafter called the "Clerk"), and the Clerk is hereby authorized and directed to cause the Informational Pamphlet to be provided as and under the circumstances described herein. The Clerk 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.

Resolution No. 3033 - continued:

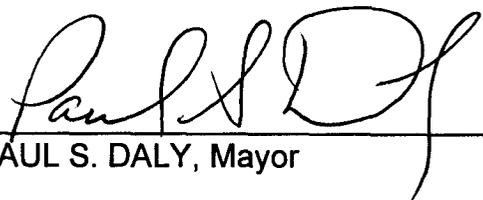
SECTION 5. Absentee/early voting with respect to the Election shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

SECTION 6. The Clerk of the City is hereby authorized and directed to have printed and delivered to the election officials for the Election at the polling places for the Election, to be by them furnished to the qualified electors of the City offering to vote at the Election, the Official Ballot.

SECTION 7. 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: Informational Pamphlet, Official Ballot, Absentee/Early Voting Materials and Instructions at the Polling Places.

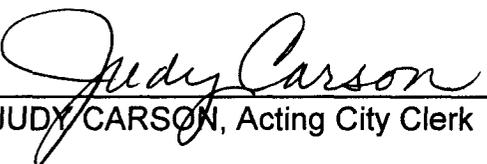
SECTION 8. The Election shall be held, conducted and canvassed in conformity with the provisions of the regular election laws of the State of Arizona, except as otherwise provided by law, and only such persons shall be permitted to vote at the Election who are qualified electors of the City.

PASSED, APPROVED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, this 10th day of JANUARY, 1998.



PAUL S. DALY, Mayor

ATTEST:



JUDY CARSON, Acting City Clerk

APPROVED AS TO FORM:



JOHN R. MOFFITT, City Attorney

EXHIBIT 'A'

OFFICIAL BALLOT

Shall the City of Prescott, Arizona (the "City") be authorized to issue and sell General Obligation Bonds of the City in the principal amount of not to exceed \$15,000,000, in one or more series, for the purpose of paying some or all of the costs to (1) acquire real property and water rights, (2) make any necessary improvements and (3) provide for legal, financial, engineering, architectural and other necessary matters, in each case associated with the acquisition and improvement of Willow Lake and Watson Lake and related properties and water rights for water resource and recreational purposes, such bonds to be payable from an ad valorem property tax which shall be unlimited as to rate and amount, to bear interest at a rate of not to exceed 8% per annum, and to mature over a period of not to exceed 15 years from the date of issuance of any series?

FOR THE BONDS

AGAINST THE BONDS

EXHIBIT "B"

CITY OF PRESCOTT, ARIZONA

**VOTER INFORMATION
PAMPHLET AND
SAMPLE BALLOT**

SPECIAL BOND ELECTION

MAY 19, 1998

TO THE VOTERS OF THE CITY OF PRESCOTT, ARIZONA:

On Tuesday, May 19, 1998, the voters of the City of Prescott, Arizona (the "City"), will be asked to authorize the issuance and sale of not to exceed \$15,000,000 principal amount of general obligation bonds of the City at a special bond election.

This information pamphlet has been prepared in order to provide voters with factual information regarding such special election. Your task will be to indicate whether you think the City should be allowed to issue such bonds.

In compliance with the federal Voting Rights Act of 1965, as amended, this information pamphlet has been prepared in both English and Spanish.

You are urged to read carefully the information contained in this information pamphlet and exercise your right to vote on election day.

When you cast your vote, you fulfill a responsibility to the City and determine a course of action consistent with your desires.

Sincerely,

Marie Watson
City Clerk, City of Prescott, Arizona

(Information pamphlet publication is mandated with respect to such general obligation bonds by A.R.S. § 35-454. The City is mandated to distribute this informational pamphlet to each qualified voter within the City.)

**INFORMATION PAMPHLET
FOR
CITY OF PRESCOTT, ARIZONA
SPECIAL BOND ELECTION
MAY 19, 1998**

REQUESTED AUTHORIZATION/PURPOSE FOR WHICH THE BONDS ARE TO BE ISSUED:

On January 6, 1998, the Mayor and City Council of the City passed and adopted a resolution calling a special election (the "Election") to authorize the issuance and sale of not to exceed \$15,000,000 principal amount of general obligation bonds of the City (the "Bonds"). A copy of such resolution is available from the City by written request to the City Clerk of the City, 201 South Cortez, Prescott, Arizona 86303, Telephone (520) 466-7942. The proceeds of the sale of the Bonds would provide money for acquisition of real property and water rights and for all legal, financial, engineering and other necessary costs in connection therewith.

MAXIMUM INTEREST RATE OF THE BONDS:

The maximum interest rate on the Bonds will not exceed 8% per annum.

PLAN OF FINANCE:

If the Election is successful, it is anticipated that the City would issue the total amount of the Bonds by the means of (..) bond sales. The interest rate to be borne by the Bonds would be determined by the market conditions that prevail at the time of sale, but in no event would the Bonds be sold at an interest rate greater than 8% per annum. Repayment of both principal of and interest on the Bonds would occur over a period of not to exceed 15 years.

If authorized and sold, the Bonds would be repaid ultimately from a levy of *ad valorem* property taxes on all taxable property within the City. It is expected that the Bonds would require a \$..... tax rate increase per \$100 of assessed valuation in the secondary tax rate for tax year 199..-9...

The following is an estimated debt service schedule for the Bonds and the estimated impact to the secondary tax rate of the City given the assumptions described therein:

Proposed Debt Service^(a)

<u>Date</u>	<u>Principal</u>	<u>Interest^(b)</u>	<u>Total^(c)</u>	<u>Tax Rate Increase</u>
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- (a) Assumes reasonable financing assumptions, 0.00% annual growth in secondary assessed valuation of property within the City which is currently \$..... and amortization of the bonds over the period indicated.
 - (b) A% average interest rate has been estimated in calculating interest costs.
 - (c) Estimated total debt service estimate does not include adjustments for interest earnings on the investment of Bond proceeds, tax collection delinquencies or applicable rebate.

ESTIMATED TAXPAYER COST:

As noted above, the Bonds would be repaid from a levy of *ad valorem* property taxes on all taxable property within the City which could initially impact the taxpayers in the 199..-9.. fiscal year in the form of a \$..... tax rate increase. The cost of this increase for any given property will depend on the Yavapai County Assessor's full cash and secondary assessed values of that property. (Such values are not necessarily equal to the market value of that property.) Each property owner should refer to his/her annual property tax statement issued by the Yavapai County Assessor or his/her property tax bill to determine the Yavapai County Assessor's full cash and secondary assessed values. That information, utilized in connection with the following table, will enable a property owner to determine the estimated annual and monthly tax cost that would result from the authorization and issuance of the Bonds:

Owner Occupied Residential Property
(Assessed at 10%)

<u>Assessor's Full Cash Value</u>	<u>Secondary Assessed Value</u>	<u>Estimated \$ Annual Cost</u>	<u>Tax Rate Impact** Monthly Cost</u>
\$	\$	\$	\$

Commercial and Industrial Property
(Assessed at 25%)

<u>Assessor's Full Cash Value</u>	<u>Secondary Assessed Value</u>	<u>Estimated \$ Annual Cost</u>	<u>Tax Rate Impact** Monthly Cost</u>
\$	\$	\$	\$

Agricultural and Vacant Land
(Assessed at 16%)

<u>Assessor's Full Cash Value</u>	<u>Secondary Assessed Value</u>	<u>Estimated \$ Annual Cost</u>	<u>Tax Rate Impact** Monthly Cost</u>
\$	\$	\$	\$

* Estimated average value of owner-occupied residential properties or commercial and industrial properties, as applicable, within the City as determined by Arizona Department of Revenue.

** The tax rate is levied per \$100 of secondary assessed value. Cost based on the average estimated tax rate increase and a number of other financing assumptions subject to change.

ESTIMATED ISSUANCE COSTS:

Should the Bonds be authorized and issued, the City estimates that the cost of issuance of each series of the Bonds will be approximately \$...,000.

CURRENT OUTSTANDING GENERAL OBLIGATION DEBT AND CONSTITUTIONAL DEBT LIMITATION:

The City currently has no general obligation debt outstanding. The current constitutional debt limit of the City is \$....., being twenty percent (20%) of the 199... secondary assessed valuation of the City for the purposes for which the Bonds are being issued.

POLLING LOCATIONS:

Precincts

Polling Places

HOURS DURING THE DAY WHEN THE POLLS WILL BE OPEN:

The polling place shall be open at 6:00 a.m. and close at 7:00 p.m. on the date of the election.

OTHER IMPORTANT VOTER INFORMATION:

A person is entitled to vote in the special bond election who has resided in a precinct in the boundaries of the City for 29 days preceding the special bond election, who is qualified to register to vote as provided in Section 16-101, Arizona Revised Statutes, as amended. The last day to register for this special bond election is, 1998.

1. Please check the address label on this voter information pamphlet for your polling place information.
2. Polling places will be open from 6:00 a.m. to 7:00 p.m.
3. Any qualified elector who is either physically or visually impaired or who is unable to read or understand the contents of the ballot, may be accompanied into the voting booth by a person of such elector's choice for the purpose of assisting such elector in casting a ballot.
4. Sample ballots may be brought to the voting place and may be taken into the voting booth on the day of the election.

5. Any qualified elector, who at 7:00 p.m., is in the line of waiting voters, will be allowed to prepare and cast a ballot.

EARLY/ABSENTEE VOTING INFORMATION:

Any qualified elector may vote an early/absentee ballot for this special bond election. Absentee/early voting with respect to such election shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. Absentee/early voting information with respect to such election may be obtained by contacting the office of the City Clerk, 201 South Cortez, Prescott, Arizona 86303, telephone number: (520) 776-6272.

TO VOTE AN EARLY/ABSENTEE BALLOT IN PERSON:

Appear in person at the office of the City Clerk, 201 South Cortez, Prescott, Arizona, no later than the close of business on, 1998. Voting will be permitted Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m.

TO OBTAIN AN EARLY/ABSENTEE BALLOT BY MAIL:

1. Submit a written, signed request to the office of the City Clerk, 201 South Cortez, Prescott, Arizona 86303 or call (520) 776-6272.
 - a. If confined because of physical disability or illness, indicate address of confinement and if assistance is needed.
 - b. If you will be out of town, indicate where to mail the early/absentee ballot.

Written or verbal requests for an early/absentee ballot must be received by the office of the City Clerk, 201 South Cortez, Prescott, Arizona before 5:00 p.m. on, 1998, in order for the ballot to be mailed.

The returned early/absentee ballot must be received in the office of the City Clerk, 201 South Cortez, Prescott, Arizona not later than 7:00 p.m. on election day, May 19, 1998, in order for the ballot to be counted.

OFFICIAL BALLOT

Office of the City Clerk of the
City of Prescott, Arizona

.....
Prescott, Arizona 86303

Non-Profit Org.
U.S. Postage
Paid
....., Arizona
Permit No.

OFFICIAL VOTING MATERIAL

YOUR POLLING PLACE
IS INDICATED ON LABEL

Only one Voter Information Pamphle
has been mailed to each residenc
containing a registered voter. Pleas
make it available to all registere
voters in the residence.