



City of Avondale

Alamar Community Facilities District Board Meeting

Monday, June 7, 2021

District Board Members

Kenneth Weise, Chairperson

Veronica Malone, Vice Chairperson

Tina Conde, Board Member | Pat Dennis, Board Member

Bryan Kilgore, Board Member | Curtis Nielson, Board Member

Mike Pineda, Board Member

Vacant, Board Member | Vacant, Board Member

Administration

Charles A. Montoya, District Manager

Cherlene Penilla, Assistant District Manager

Tracy Stevens, Deputy Dist. Manager | Lindsey Duncan, Deputy Dist. Manager
(Interim)

Nicholle Harris, District Attorney | Marcella Carrillo, District Clerk

Online Meeting

Join the meeting and view presentations: <https://avondaleaz.zoom.us/j/3083557784>

Using a Mobile Device? Download the Zoom Cloud Meeting App

Join the meeting with audio only: Call 301-715-8592 (meeting ID: 308 355 7784)



Alamar Community Facilities District Board
Online Meeting
Notice & Agenda
Monday, June 7, 2021

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REGULAR MEETING

5:45 PM

CALL TO ORDER BY DISTRICT CHAIR

1. ROLL CALL BY THE DISTRICT CLERK

2. REGULAR AGENDA

a. PUBLIC HEARING - PROPOSED FISCAL YEAR 2022 BUDGET AND TAX LEVY

The District Board will hold a public hearing to receive comment on the property tax levy and final budget for the fiscal year 2022 (FY2022). This item is for discussion only.

3. ADJOURNMENT

SPECIAL MEETING

Convene immediately following the Regular Meeting

CALL TO ORDER BY DISTRICT CHAIR

1. ROLL CALL BY THE DISTRICT CLERK

2. CONSENT AGENDA

a. MINUTES

The District Board will consider a request to approve the May 3, 2021 Alamar Community Facilities District Board Meeting Minutes. The Board will take the appropriate action.

b. CFD RESOLUTION 4-2021 - RECONCILING THE COMPOSITION OF THE BOARD OF DIRECTORS OF THE ALAMAR COMMUNITY FACILITIES DISTRICT

The District Board will consider a request to adopt CFD Resolution 4-2021, reconciling the composition of the Alamar Community Facilities District Board of Directors by permanently removing from such Board the two additional appointed members and authorize the District Chair or District Manager and District Clerk to execute the necessary documents. The District Board will take appropriate action.

c. CFD RESOLUTION 2-2021 - SETTING FORTH THE FINAL BUDGET FOR FISCAL YEAR 2022

The District Board will consider a request to adopt CFD Resolution 2-2021 approving the final budget for fiscal year 2022 (FY2022) and authorize the District Chair or District Manager and District Clerk to execute the necessary documents. The District Board will take appropriate action.

d. CFD RESOLUTION 3-2021 - AUTHORIZING THE SALE AND ISSUANCE OF GENERAL OBLIGATION BONDS, TAXABLE SERIES 2021 OF THE DISTRICT

The District Board will consider a request to adopt CFD Resolution 3-2021, authorizing all matters necessary to sell and issue General Obligation Bonds for the Alamar Community Facilities District not to exceed \$25,000.00 in aggregate principal and authorize the District Chair or District Manager and District Clerk to execute the necessary documents. The District Board will take appropriate action.

3. ADJOURNMENT

Members will attend either in person or by telephone conference call. Los miembros participaran ya sea en persona o por medio de llamada telefonica.

Individuals with special accessibility needs, including sight or hearing impaired, large print, or interpreter, should contact the City Clerk at 623-333-1200 or TDD 623-333-0010 at least two business days prior to the meeting. Personas con necesidades especiales de accesibilidad, incluyendo personas con impedimentos de vista u oido, o con necesidad de impresion grande o interprete, deben comunicarse con la Secretaria de la Ciudad at 623-333-1200 o TDD 623-333-0010 cuando menos dos dias habiles antes de la junta del Concejo.



AGENDA ITEM REPORT

SUBJECT: Public Hearing - Proposed Fiscal Year 2022 Budget and Tax Levy

MEETING DATE: 6/7/2021

TO: Board Members

FROM: Keith Fallstrom, Interim District Treasurer, (623) 333-2016

THROUGH: Lindsey Duncan, Interim Deputy District Manager, (623) 333-2011

REVIEWED: Charles A. Montoya, District Manager, (623) 333-1016

PURPOSE:

The District Board will hold a public hearing to receive comment on the property tax levy and final budget for the fiscal year 2022 (FY2022). This item is for discussion only.

BACKGROUND:

The tentative budget for the district was adopted on May 3, 2021. A public hearing must be held before final adoption of the budget and notice of the public hearing must be published at least 10 days in advance of the public hearing. The public notice was published on May 21 edition of the Southwest Valley Republic, as required by A.R.S. 48-716. The final budget must be approved before October 1, per A.R.S. 48-716

DISCUSSION:

The FY2022 budget will set the expenditure limit for the district. Community facility districts may levy secondary property taxes to pay general obligation debt incurred by the district and to pay for the operation and maintenance expenses of the district. Per A.R.S. 48-723 the secondary property tax attributable to the repayment of general obligation debt is \$3.85 per one-hundred dollars of assessed valuation and the property tax levy attributable to fund operation and maintenance expense of the district is limited to thirty cents (\$0.30) per one-hundred dollars of assessed valuation. Based on the net assessed valuation of the district, the combined rate of \$4.15 per \$100 of assessed value will raise \$18,279 in revenue.

The recommended expenditure limit for the district is \$615,000. Any expenses not covered by the property tax levy or general obligation bonds will need to be covered through developer contributions. Neither the property tax levy nor the expenditure limit has changed between the approved tentative budget and the final budget.

BUDGET IMPACT:

The public hearing is a required step in adopting the FY2022 budget for the Alamar CFD.

RECOMMENDATION:

Staff recommends the District Board hold a public hearing to receive public comment on the final budget and tax levy for FY2022.

**Alamar Community Facilities District #38191
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2022**

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2021	E	1		30,280						30,280
2021	E	2		30,280						30,280
2022		3								0
2022	B	4		1,321						1,321
2022	B	5			16,957					16,957
2022	C	6		534,000	23,043	0				557,043
2022	D	7				40,000				40,000
2022	D	8								0
2022	D	9								0
2022	D	10								0
2022		11								0
LESS: Amounts for Future Debt Retirement:										0
Future Capital Projects										0
Maintained Fund Balance for Financial Stability										0
										0
										0
2022		12	0	535,321	40,000	40,000	0	0	0	615,321
2022	E	13		535,000	40,000	40,000				615,000

EXPENDITURE LIMITATION COMPARISON

- 1 Budgeted expenditures/expenses
- 2 Add/subtract: estimated net reconciling items
- 3 Budgeted expenditures/expenses adjusted for reconciling items
- 4 Less: estimated exclusions
- 5 Amount subject to the expenditure limitation
- 6 EEC expenditure limitation

	2021	2022
1	\$ 30,280	\$ 615,000
2		
3	30,280	615,000
4		
5	\$ 30,280	\$ 615,000
6	\$	\$

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Alamar Community Facilities District #38191
Tax Levy and Tax Rate Information
Fiscal Year 2022

	2021	2022
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ <u>0</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ <u>0</u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ 5,436	\$ 1,321
B. Secondary property taxes	<u>0</u>	<u>16,957</u>
C. Total property tax levy amounts	<u>\$ 5,436</u>	<u>\$ 18,279</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	<u>\$ 0</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	<u>\$ 0</u>	
C. Total property taxes collected	<u>\$ 0</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.3000</u>	<u>0.3000</u>
(2) Secondary property tax rate	<u>0.0000</u>	<u>3.8500</u>
(3) Total city/town tax rate	<u>0.3000</u>	<u>4.1500</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the City was operating <u>one (1)</u> special assessment district for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**Alamar Community Facilities District #38191
Revenues Other Than Property Taxes
Fiscal Year 2022**

SOURCE OF REVENUES	ESTIMATED REVENUES 2021	ACTUAL REVENUES* 2021	ESTIMATED REVENUES 2022
SPECIAL REVENUE FUNDS			
Contributions - Operations	\$ 24,844	\$ 24,844	\$ 34,000
Contributions - Capital			0
Contributions - Debt			23,043
Contingency			500,000
	\$ 24,844	\$ 24,844	\$ 557,043
Total Special Revenue Funds	\$ 24,844	\$ 24,844	\$ 557,043
TOTAL ALL FUNDS	\$ 24,844	\$ 24,844	\$ 557,043

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Alamar Community Facilities District #38191
Other Financing Sources/(Uses) and Interfund Transfers
Fiscal Year 2022**

	OTHER FINANCING 2022		INTERFUND TRANSFERS 2022	
FUND	SOURCES	(USES)	IN	(OUT)
Bond Issuance	\$ 40,000			

**Alamar Community Facilities District #38191
Expenditures/Expenses by Fund
Fiscal Year 2022**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2021	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2021	ACTUAL EXPENDITURES/ EXPENSES* 2021	BUDGETED EXPENDITURES/ EXPENSES 2022
General Operations	\$ 30,280	\$	\$ 30,280	\$ 35,000
Capital - Dev and Engineering				20,000
Capital - Finance				20,000
Debt				40,000
Contingency				500,000
Total Special Revenue Funds	\$ 30,280	\$ 0	\$ 30,280	\$ 615,000
TOTAL ALL FUNDS	\$ 30,280	\$ 0	\$ 30,280	\$ 615,000

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Alamar Community Facilities District #38191
Expenditures/Expenses by Department
Fiscal Year 2022**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2021	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2021	ACTUAL EXPENDITURES/ EXPENSES* 2021	BUDGETED EXPENDITURES/ EXPENSES 2022
General Operations:				
Alamar CFD Operating	\$ 30,280	\$	\$ 30,280	\$ 35,000
Debt				40,000
Capital - Dev and Engineering				20,000
Capital - Finance				20,000
Contingency				500,000
Department Total	\$ 30,280	\$ 0	\$ 30,280	\$ 615,000

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.



AGENDA ITEM REPORT

SUBJECT: Minutes

MEETING DATE: 6/7/2021

TO: Board Members

FROM: Marcella Carrillo, City Clerk, (623) 333-1214

THROUGH: Tracy Stevens, Deputy District Manager, 623-333-1014

REVIEWED: Charles A. Montoya, District Manager, (623) 333-1016

PURPOSE:

The District Board will consider a request to approve the May 3, 2021 Alamar Community Facilities District Board Meeting Minutes. The Board will take the appropriate action.

BACKGROUND:

n/a

DISCUSSION:

n/a

BUDGET IMPACT:

This item has no budget impact.

RECOMMENDATION:

Staff recommends the Board approve the May 3, 2021 Alamar Community Facilities District Board Meeting Minutes. The Board will take the appropriate action.

MINUTES OF THE ALAMAR COMMUNITY FACILITIES DISTRICT BOARD MEETING
CITY OF AVONDALE, ARIZONA
ONLINE MEETING
May 3, 2021

A **Regular Meeting** of the Alamar Community Facilities District Board of the City of Avondale, Arizona was convened using the Zoom Cloud Meeting platform in open and public session at 7:45 p.m. All participants attended by phone or video.

Members Present: Chairperson Kenn Weise; Vice Chairperson Veronica Malone; Board Members Tina Conde, Pat Dennis; Bryan Kilgore; Curtis Nielson, and Mike Pineda.

Members Absent: None.

The Alamar Community Facilities District Board currently has two vacancies. Mr. Montoya stated that the Board will be receiving an update regarding the Alamar Community Facilities District Board membership as the Governor signed a law modifying the requirements of a Community Facility District.

Other Municipal Officials Present: Charles Montoya, District Manager; Gina Montes, Assistant District Manager; Cherlene Penilla, Assistant District Manager; Tracy Stevens, Deputy District Manager; Lindsey Duncan, Interim Deputy District Manager; Nicholle Harris, District Attorney; Marcella Carrillo, District Clerk; Kirk Beaty, Public Works Director; Ken Chapa, Economic Development Services Director; Tony Corsi, Fire & Medical Director; Bryan Hughes, Parks and Recreation Director; Craig Jennings, Judge; Keith Fallstrom, Interim Finance and Budget Director; Chris Lopez, Neighborhood and Family Services Director; Darcy Lowery, Interim Human Resource Director; Kevin Murphy, Development and Engineering Services Director; Dale Nannenga, Police Chief; Abril Ruiz-Ortega, Court Administrator; Jeffrey Scheetz, Chief Information Officer; and Pier Simeri, Marketing and Public Relations Director.

Audience: Approximately five members of the public were present.

1. ROLL CALL BY THE DISTRICT CLERK

2. APPROVAL OF MINUTES

The District Board considered a request to approve the June 15, 2020 board meeting minutes.

Having no comments or changes to the minutes, Board Member Dennis moved to approve the June 15, 2020 board meeting minutes; seconded by Board Member Nielson.

Upon roll call vote, the motion was carried unanimously 7 to 0.

Board Member Conde

Aye

Board Member Dennis	Aye
Board Member Kilgore	Aye
Board Member Nielson	Aye
Board Member Pineda	Aye
Vice Chairperson Malone	Aye
Chairperson Weise	Aye

3. RESOLUTION 1-2021 - FISCAL YEAR 2022 TENTATIVE BUDGET

The District Board considered a request to adopt Resolution 1-2021 setting forth the fiscal year 2021-22 (FY2022) tentative budget for the Alamar Community Facilities District.

Lindsey Duncan, Interim Deputy District Manager, presented the tentative budget for the Alamar Community Facilities District. The Community Facilities District (CFD) is a separate political subdivision from the City. It holds specific defined boundaries within the City itself but does not incorporate the entirety of the City. The CFD is strictly limited to the Alamar Community.

CFDs are used to finance, acquire or construct public infrastructure. The Alamar Community Facilities District is generally used to acquire public infrastructure from the developer, who is responsible for its installation. It is a special purpose taxing district that is used to levy a primary property tax to pay for operations and maintenance of the infrastructure within the district, and then a secondary property tax that is levied to pay for the principal and interest on bonds or other obligations. The Alamar CFD was created in 2018. At present, there are approximately 900 parcels for consideration for taxes for 2022. It is governed by a board of directors, presently with Council Members sitting as the Board, with the addition of two members appointed by the majority landowner. House Bill 2317 was signed into law on March 18th, which removes these two members from the requirements for this district. These two members have elected to resign their seats. Staff will come forward in the future to City Council to formally remove them from the district board.

At the formation of the district, there was an estimated inclusion of public infrastructure with the CFD application. A total of \$176 million was funded solely by the developer with an additional \$39 million of CFD-eligible infrastructure to be reimbursed by obligations and bonds of the district. This included infrastructure for various roadways, utilities, easement and drainage corridors, and various parks and trails, excluding the overall Alamar Community Park.

The tentative budget is very similar to the City's budget and follows the same adoption process. The budget may be adjusted throughout the year but may not be increased after this point. There is a planned financing in fiscal year 2022, which would allow for the levying of the secondary property tax. The combined rate is not to exceed \$4.15 per \$100 of assessed valuation, comprised of 30 cents for operations and maintenance and \$3.85 for principal and interest on obligations. This will generate a total of \$18,279 for the

operations and obligations of the district. There has been a line in the budget for developer contributions to offset the balance of the budget. All costs to the district that are not covered by the levies of the district will be paid for by the developer until the district can sustain its operations through the cost of levies.

The tentative budget is established at \$615,000. There is \$500,000 in contingency to allow flexibility for a future issuance, should one become necessary next spring and viable for the district. This is offset by sources and is a balanced budget at \$615,000. Items paid for with the tentative budget include the insurance policy premium for the district itself as well as miscellaneous operating expenditures. There will be public notice regarding the public hearing and final budget. On June 7th, the Board will be asked to reconvene for a public hearing on the final budget adoption and then again on June 21st to adopt the property tax levies for the primary and secondary levies of the district.

Board Member Dennis moved to adopt the CFD Resolution 1-2021 setting forth the fiscal year 2021-22 (FY2022) tentative budget for the Alamar Community Facilities District; seconded by Board Member Pineda.

Upon roll call vote, the motion was carried unanimously 7 to 0.

Board Member Conde	Aye
Board Member Dennis	Aye
Board Member Kilgore	Aye
Board Member Nielson	Aye
Board Member Pineda	Aye
Vice Chairperson Malone	Aye
Chairperson Weise	Aye

4. ADJOURNMENT

There being no further business before the Board, Vice Chairperson Malone moved to adjourn the Regular Meeting; Board Member Nielson seconded the motion.

Upon roll call vote, the motion was carried unanimously 7 to 0.

Board Member Conde	Aye
Board Member Dennis	Aye
Board Member Kilgore	Aye
Board Member Nielson	Aye
Board Member Pineda	Aye
Vice Chairperson Malone	Aye
Chairperson Weise	Aye

Meeting adjourned at 7:53 p.m.

Kenn Weise, Chairperson

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Alamar Communities Facilities District Board of the City of Avondale held on the 3rd day of May 2021. I further certify that the meeting was duly called and held, and that the quorum was present.

Marcella Carrillo, District Clerk



AGENDA ITEM REPORT

SUBJECT: CFD Resolution 4-2021 - Reconciling the composition of the Board of Directors of the Alamar Community Facilities District

MEETING DATE: 6/7/2021

TO: Board Members

FROM: Keith Fallstrom, Interim District Treasurer, (623) 333-2016

THROUGH: Lindsey Duncan, Interim Deputy District Manager, (623) 333-2011

REVIEWED: Charles A. Montoya, District Manager, (623) 333-1016

PURPOSE:

The District Board will consider a request to adopt CFD Resolution 4-2021, reconciling the composition of the Alamar Community Facilities District Board of Directors by permanently removing from such Board the two additional appointed members and authorize the District Chair or District Manager and District Clerk to execute the necessary documents. The District Board will take appropriate action.

BACKGROUND:

On May 21, 2018, the Mayor and Council of the City of Avondale, Arizona, passed Resolution No. 3453-518 ordering and declaring the formation of the Alamar Community Facilities District.

The District is a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes and, except as otherwise provided in Section 48-708(B), Arizona revised Statutes, is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Municipality.

The Board of Directors of the District was originally comprised of the members of the governing body of the Municipality, ex officio, with two additional members who were designated by the Petitioners in the District Application.

DISCUSSION:

Pursuant to Section 48-729, Arizona Revised Statutes, at any time after receipt of a petition signed by the owners of a majority of the privately owned real property within the boundaries of a district as measured by square footage or acreage, the board of directors of such district may adopt a resolution to reconcile the board composition by permanently removing from such board the two additional members and their positions, and

on removal of the two additional members and their positions, such district will be governed by a board that consists of the governing body of the municipality, ex officio.

The petition to accomplish the removal of the two additional board members has been placed on file with the District Clerk of the District and is attached. It has been signed by the owner of the majority of the privately owned real property within the District.

BUDGET IMPACT:

N/A

RECOMMENDATION:

Staff recommends the Board adopt a Resolution, approving the reconciliation of the composition of the Alamar Community Facilities District Board of Directors.

CFD RESOLUTION NO. 4-2021

A RESOLUTION OF THE DISTRICT BOARD OF THE ALAMAR COMMUNITY FACILITIES DISTRICT RECONCILING THE COMPOSITION OF BOARD OF DIRECTORS BY PERMANENTLY REMOVING FROM SUCH BOARD THE TWO ADDITIONAL APPOINTED MEMBERS AND THEIR POSITIONS ON SUCH BOARD.

WHEREAS, On May 21, 2018, the Mayor and Council of the City of Avondale, Arizona (hereinafter called the “Municipality”), adopted Resolution No. 3453-310 which, among other things, ordered and declared formation of Alamar Community Facilities District (hereinafter called the “District”); and

WHEREAS, the District is a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes and, except as otherwise provided in Ariz. Rev. Stat. §48-708(B), is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Municipality; and

WHEREAS, certain matters relating to the organization of the District were determined by the District by Resolution No. 1-2018 adopted by the Board of Directors of the District (hereinafter referred to as the “District Board”) on October 15, 2018; and

WHEREAS, pursuant to Ariz. Rev. Stat. §48-729, at any time after receipt of a petition signed by the owners of a majority of the privately owned real property within the boundaries of a district as measured by square footage or acreage, the board of directors of such district may adopt a resolution to reconcile the board composition by permanently removing from such board the two additional appointed members and their positions, and on removal of the two additional members and their positions, such district will be governed by a board that consists of the governing body of the municipality, *ex officio*; and

WHEREAS, there has been placed on file with the District Clerk of the District and attached hereto as Exhibit A and incorporated herein by reference, the petition to accomplish the foregoing with respect to the District signed by the owner of the majority of the privately owned real property within the District (hereinafter referred to as the “Petition”).

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE ALAMAR COMMUNITY FACILITIES DISTRICT as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. Based on the Petition, the composition of the District Board is reconciled by permanently removing from the District Board the two additional appointed members and their positions on the District Board, and the District is hereby to be governed by the District Board that consists of the governing body of the Municipality, ex officio.

SECTION 3. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 4. All resolutions or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency.

SECTION 5. This Resolution shall be effectively immediately.

SECTION 6. The District Board Chairman, the District Manager, the District Clerk and the District Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the District Board of the Alamar (formerly Lakin) Community Facilities District on June 7, 2021.

Kenneth N. Weise, Chairman District Board
Alamar Community Facilities District

ATTEST:

Marcella Carrillo, District Clerk
Alamar Community Facilities District

APPROVED AS TO FORM:

Nicholle Harris, District Attorney
Alamar Community Facilities District

EXHIBIT A
TO
CFD RESOLUTION NO. 4-2021

[Petition]

See following pages.

PETITION FOR ADOPTION OF A RESOLUTION BY THE BOARD OF DIRECTORS OF ALAMAR COMMUNITY FACILITIES DISTRICT TO RECONCILE THE COMPOSITION OF SUCH BOARD BY PERMANENTLY REMOVING FROM SUCH BOARD THE TWO ADDITIONAL APPOINTED MEMBERS AND THEIR POSITIONS ON SUCH BOARD

STATE OF ARIZONA)
COUNTY OF MARICOPA) ss.
CITY OF AVONDALE)

WHEREFORE, on May 21, 2018, the Mayor and Council of the City of Avondale, Arizona (hereinafter referred to as the "Municipality"), adopted Resolution No. 3453-310 forming what is now known as Alamar Community Facilities District (hereinafter referred to as the "District") over the parcel of real property described in the Exhibit hereto pursuant to the terms and provisions of Title 48, Chapter 4, Article 6, Arizona Revised Statutes (hereinafter referred to as the "Act"), as such terms and provisions are modified, waived or restricted pursuant to agreements entered into in connection therewith;

WHEREFORE, pursuant to such Resolution, it was provided that the District would be governed by a board of directors of the District that consists of the members of a governing body of the Municipality, *ex officio*, with Ron Antoniak and Kevin Kugler as additional members who were designated by the owners of land who signed the petition requesting formation of the District (hereinafter referred to as the "Board");

WHEREFORE, the undersigned[s] attest[s] and declare[s] that on the date hereof, as shown on the assessment roll for State and county taxes in Maricopa County, Arizona, a majority of the privately owned real property in the District is owned by the undersigned[s] or, if a person listed on such assessment roll is no longer the owner of land in the District, that the name of the successor owner has become known and has been verified by recorded deed or other similar evidence of transfer of ownership to be Petitioner (hereinafter referred to as[, collectively,] "Petitioner");

Petitioner, acting pursuant to the provisions of the Act, respectfully prays that this Petition be properly filed as provided by law; that the Board adopt a resolution (hereinafter referred to as the "Resolution") to reconcile the composition of the Board by permanently removing from the Board the two additional appointed members of the Board and their positions on the Board and that such other orders, acts, procedures and relief as are proper, necessary and appropriate to the purposes of the Resolution be granted as the Board shall deem proper and necessary.



AGENDA ITEM REPORT

SUBJECT: CFD Resolution 2-2021 - Setting forth the Final Budget for Fiscal Year 2022

MEETING DATE: 6/7/2021

TO: Board Members

FROM: Keith Fallstrom, Interim District Treasurer, (623) 333-2016

THROUGH: Lindsey Duncan, Interim Deputy District Manager, (623) 333-2011

REVIEWED: Charles A. Montoya, District Manager, (623) 333-1016

PURPOSE:

The District Board will consider a request to adopt CFD Resolution 2-2021 approving the final budget for fiscal year 2022 (FY2022) and authorize the District Chair or District Manager and District Clerk to execute the necessary documents. The District Board will take appropriate action.

BACKGROUND:

The tentative budget for FY2022 was adopted on May 3, 2021. A notice of public hearing must be published at least 10 days in advance of the public hearing on the final adoption of the budget and tax levy. The public notice was published on May 21, 2021 in the Southwest Valley Republic as required by A.R.S. 48-716. A public hearing was held on June 7, 2021 to receive comment on the final District budget and tax levy. The final budget must be approved before October 1st, per A.R.S. 48-716.

DISCUSSION:

The FY2022 budget will set the expenditure limit for the district. Community facility districts may levy secondary property taxes to pay general obligation debt incurred by the district and to pay for the operation and maintenance expenses of the district. Per A.R.S. 48-723 the secondary property tax attributable to the repayment of general obligation debt is \$3.85 per one-hundred dollars of assessed valuation and the property tax levy attributable to fund operation and maintenance expense of the district is limited to thirty cents (\$0.30) per one-hundred dollars of assessed valuation. Based on the appraised value, the combined rate of \$4.15 per \$100 of assessed value will raise \$18,279 in revenue.

The recommended expenditure limit for the district is \$615,000. Any expenses not covered by the property tax levy or general obligation bonds will need to be covered through developer contributions. Neither the property tax levy or expenditure limit have changed between the approved tentative budget and final budget.

BUDGET IMPACT:

This action will set the expenditure limitation for the district for FY2022.

RECOMMENDATION:

Staff recommends the District Board adopt the resolution setting forth the District's final budget for FY2022.

CFD RESOLUTION NO. 2-2021

ALAMAR COMMUNITY FACILITIES DISTRICT

A RESOLUTION OF THE DISTRICT BOARD OF THE ALAMAR COMMUNITY FACILITIES DISTRICT, SETTING FORTH THE FINAL BUDGET FOR FISCAL YEAR 2021-2022.

WHEREAS, pursuant to the provisions of the laws of the State of Arizona, the Alamar Community Facilities District Board (the “District Board”) is required to adopt an annual budget for the Alamar Community Facilities District (the “ACFD”); and

WHEREAS, on May 3, 2021, the District Board adopted Resolution No. 1-2021, setting the expenditure limitation for ACFD for the fiscal year beginning July 1, 2021 and ending June 30, 2022; and

WHEREAS, Resolution No. 1-2021 directed the District Manager or designee to: (i) hold a public hearing prior to final budget adoption and (ii) publish a notice of the public hearing of the District Board to hear taxpayers; and

WHEREAS, on June 7, 2021, the District Board held a public hearing on the final budget and proposed tax levy as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE ALAMAR COMMUNITY FACILITIES DISTRICT as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The statements and schedules attached hereto as Exhibit A and incorporated herein by reference are hereby adopted as the ACFD final budget for the fiscal year beginning July 1, 2021 and ending June 30, 2022.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Resolution or any part of the statements and schedules incorporated herein by reference are for any reason to be held invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 4. The District Board Chairman, the District Manager, the District Clerk and the District Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

[SIGNATURES ON FOLLOWING PAGE]

PASSED AND ADOPTED by the District Board of the Alamar Community Facilities District on June 7, 2021.

Kenneth N. Weise, Chairman District Board
Alamar Community Facilities District

ATTEST:

Marcella Carrillo, District Clerk
Alamar Community Facilities District

APPROVED AS TO FORM:

Nicholle Harris, District Attorney
Alamar Community Facilities District

EXHIBIT A
TO
CFD RESOLUTION NO. 2-2021

[Statements and Schedules]

See following pages.

**Alamar Community Facilities District #38191
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2022**

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2021	E	1		30,280						30,280
2021	E	2		30,280						30,280
2022		3								0
2022	B	4		1,321						1,321
2022	B	5			16,957					16,957
2022	C	6		534,000	23,043	0				557,043
2022	D	7				40,000				40,000
2022	D	8								0
2022	D	9								0
2022	D	10								0
2022		11								
LESS: Amounts for Future Debt Retirement:										0
Future Capital Projects										0
Maintained Fund Balance for Financial Stability										0
										0
										0
2022		12	0	535,321	40,000	40,000	0	0	0	615,321
2022	E	13		535,000	40,000	40,000				615,000

EXPENDITURE LIMITATION COMPARISON

- 1 Budgeted expenditures/expenses
- 2 Add/subtract: estimated net reconciling items
- 3 Budgeted expenditures/expenses adjusted for reconciling items
- 4 Less: estimated exclusions
- 5 Amount subject to the expenditure limitation
- 6 EEC expenditure limitation

	2021	2022
1	\$ 30,280	\$ 615,000
2		
3	30,280	615,000
4		
5	\$ 30,280	\$ 615,000
6	\$	\$

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Alamar Community Facilities District #38191
Tax Levy and Tax Rate Information
Fiscal Year 2022

	2021	2022
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ <u>0</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levv. A.R.S. §42-17102(A)(18)	\$ <u>0</u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ 5,436	\$ 1,321
B. Secondary property taxes	<u>0</u>	<u>16,957</u>
C. Total property tax levy amounts	<u>\$ 5,436</u>	<u>\$ 18,279</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	<u>\$ 0</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	<u>\$ 0</u>	
C. Total property taxes collected	<u>\$ 0</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.3000</u>	<u>0.3000</u>
(2) Secondary property tax rate	<u>0.0000</u>	<u>3.8500</u>
(3) Total city/town tax rate	<u>0.3000</u>	<u>4.1500</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the City was operating <u>one (1)</u> special assessment district for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**Alamar Community Facilities District #38191
Revenues Other Than Property Taxes
Fiscal Year 2022**

SOURCE OF REVENUES	ESTIMATED REVENUES 2021	ACTUAL REVENUES* 2021	ESTIMATED REVENUES 2022
SPECIAL REVENUE FUNDS			
Contributions - Operations	\$ 24,844	\$ 24,844	\$ 34,000
Contributions - Capital			0
Contributions - Debt			23,043
Contingency			500,000
	\$ 24,844	\$ 24,844	\$ 557,043
Total Special Revenue Funds	\$ 24,844	\$ 24,844	\$ 557,043
TOTAL ALL FUNDS	\$ 24,844	\$ 24,844	\$ 557,043

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Alamar Community Facilities District #38191
Other Financing Sources/(Uses) and Interfund Transfers
Fiscal Year 2022**

	OTHER FINANCING 2022		INTERFUND TRANSFERS 2022	
FUND	SOURCES	(USES)	IN	(OUT)
Bond Issuance	\$ 40,000			

**Alamar Community Facilities District #38191
Expenditures/Expenses by Fund
Fiscal Year 2022**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2021	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2021	ACTUAL EXPENDITURES/ EXPENSES* 2021	BUDGETED EXPENDITURES/ EXPENSES 2022
General Operations	\$ 30,280	\$	\$ 30,280	\$ 35,000
Capital - Dev and Engineering				20,000
Capital - Finance				20,000
Debt				40,000
Contingency				500,000
Total Special Revenue Funds	\$ 30,280	\$ 0	\$ 30,280	\$ 615,000
TOTAL ALL FUNDS	\$ 30,280	\$ 0	\$ 30,280	\$ 615,000

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Alamar Community Facilities District #38191
Expenditures/Expenses by Department
Fiscal Year 2022**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2021	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2021	ACTUAL EXPENDITURES/ EXPENSES* 2021	BUDGETED EXPENDITURES/ EXPENSES 2022
General Operations:				
Alamar CFD Operating	\$ 30,280	\$	\$ 30,280	\$ 35,000
Debt				40,000
Capital - Dev and Engineering				20,000
Capital - Finance				20,000
Contingency				500,000
Department Total	\$ 30,280	\$ 0	\$ 30,280	\$ 615,000

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.



AGENDA ITEM REPORT

SUBJECT: CFD Resolution 3-2021 - Authorizing the Sale and Issuance of General Obligation Bonds, Taxable Series 2021 of the District

MEETING DATE: 6/7/2021

TO: Board Members

FROM: Keith Fallstrom, Interim District Treasurer, (623) 333-2016

THROUGH: Lindsey Duncan, Interim Deputy District Manager, (623) 333-2011

REVIEWED: Charles A. Montoya, District Manager, (623) 333-1016

PURPOSE:

The District Board will consider a request to adopt CFD Resolution 3-2021, authorizing all matters necessary to sell and issue General Obligation Bonds for the Alamar Community Facilities District not to exceed \$25,000.00 in aggregate principal and authorize the District Chair or District Manager and District Clerk to execute the necessary documents. The District Board will take appropriate action.

BACKGROUND:

On October 15, 2018 the District adopted Resolution No. 1-2018 to establish the procedures to hold an election to approve the issuance of general obligation bonds. After the election was held on November 13, 2018, the Board adopted Resolution No. 2-2018 to certify the results of the election where the majority of qualified electors voted "Yes" that the Bonds in up to and including \$70,000,000, aggregate principal amount are therefore authorized to be sold and issued.

Per A.R.S. 48-723 the secondary property tax attributable to the repayment of general obligation debt is \$3.85 per one-hundred dollars of assessed valuation and the property tax levy attributable to fund operation and maintenance expense of the district is limited to thirty cents (\$0.30) per one-hundred dollars of assessed valuation.

The proposed issuance will provide funds for public infrastructure improvements plus all costs related to the sale and issuance of the first series of bonds. It is anticipated that general obligation bonds will be issued in series over time when the secondary assessed value of the property within the district is sufficient to support the bond debt service at the target tax rate of \$3.85 per \$100 of net assessed limited property valuation.

DISCUSSION:

The Resolution will authorize the First Series of the Bonds to be issued as a series of general obligation bonds of the District to be designated "General Obligation Bonds, Taxable Series 2021", the execution of necessary

agreements and documents, and a levy of secondary property taxes for each year the bonds are outstanding for the payment of the bonds. The Resolution also prescribes certain terms and provisions, including the authorization of the District Treasurer, the District Clerk, and other officers of the District to take all necessary actions to issue the bonds. The aggregate principal amount will not exceed \$25,000.00 and the First Series of the Bonds will be issued as a single bond registered in the name of the entity in which it is placed.

BUDGET IMPACT:

The District will levy secondary property taxes to pay the general obligation principal and interest for this issuance. The Municipality will have no obligation of repayment of the bonds.

RECOMMENDATION:

Staff recommends the District Board of Directors adopt a Resolution authorizing the sale and issuance of not to exceed \$25,000.00 aggregate principal amount of General Obligation Bonds, Taxable Series 2021 of the District; prescribing certain terms and conditions of such bonds including making certain findings, certifications and covenants with respect to such bonds; awarding such bonds to the purchaser thereof; delegating the determination of certain terms of such bonds and matters related thereto to the District Treasurer and authorizing the subsequent levying of an Ad Valorem property tax with respect to such bonds.

CFD RESOLUTION NO. 3-2021

A RESOLUTION OF THE BOARD OF DIRECTORS OF ALAMAR COMMUNITY FACILITIES DISTRICT AUTHORIZING THE SALE AND ISSUANCE OF NOT TO EXCEED \$25,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, TAXABLE SERIES 2021 OF THE DISTRICT; PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS INCLUDING MAKING CERTAIN FINDINGS, CERTIFICATIONS AND COVENANTS WITH RESPECT TO SUCH BONDS; AWARDING SUCH BONDS TO THE PURCHASER THEREOF; DELEGATING THE DETERMINATION OF CERTAIN TERMS OF SUCH BONDS AND MATTERS RELATED THERETO TO THE DISTRICT TREASURER AND AUTHORIZING THE SUBSEQUENT LEVYING OF AN *AD VALOREM* PROPERTY TAX WITH RESPECT TO SUCH BONDS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ALAMAR COMMUNITY FACILITIES DISTRICT as follows:

1. Findings.

a. Alamar Community Facilities District (hereinafter called the “District”) is authorized by Section 48-719, Arizona Revised Statutes to sell and issue general obligation bonds of the District to provide moneys for public infrastructure purposes consistent with The General Plan of Alamar Community Facilities District (hereinafter referred to as the “General Plan”).

b. Such bonds may not be issued unless approved at an election ordered and called to submit to the qualified electors of the District or to those persons who will be qualified to vote pursuant to Section 48-707(G), Arizona Revised Statutes [being, if no person has registered to vote within the area to be included within the boundaries of the District within fifty (50) days immediately preceding any scheduled election date, the owners of land within the District who will be qualified electors of the State of Arizona and other landowners according to Section 48-3043, Arizona Revised Statutes (hereinafter referred to as the “qualified electors”),] the question of authorizing the District Board to issue such bonds (hereinafter referred to as the “Bonds”).

c. The board of directors of the District (hereinafter called the “District Board”) deemed it necessary and advisable to order and call such an election and to establish the procedures whereby such election should be held and did so pursuant to Resolution No. 1-2018 adopted on October 15, 2018 (hereinafter referred to as the “Organizational Resolution”), which provided that a special election be held on November 13, 2018 (hereinafter referred to as the

“Election”), at which time there was submitted to the qualified electors of the District the questions set forth in the official ballot described in the Organizational Resolution.

d. The election board for the Election filed with the District Board its returns of election and the ballots cast at the polling place, and the District Board canvassed the returns of the Election and determined (1) that a total of one (1) ballot(s) had been cast in response to the questions submitted, that in answer to the questions submitted, such ballot(s) was/were marked “Bonds, Yes” and no ballots were marked “Bonds, No” with respect to the issuance of the Bonds; (2) that the Election had been conducted and the returns thereof made as required by law and (3) that only qualified electors were permitted to vote at the Election.

e. Pursuant to Resolution No. 2-2018 adopted by the District Board on November 19, 2018, the District Board found and determined that a majority of the votes cast by the qualified electors voting at the Election voted “Bonds, Yes” and that the Bonds in up to and including \$70,000,000, aggregate principal amount are therefore authorized to be sold and issued.

f. Pursuant to Section 48-719, Arizona Revised Statutes, the District Board (1) hereby determines to authorize the sale and issuance of the first series of the Bonds (hereinafter referred to as the “First Series of the Bonds”) to provide funds to provide moneys for expenses of the District incident and reasonably necessary to carry out the purposes specified in Section 48-701(13), Arizona Revised Statutes, and (2) shall enter in its minutes a record of the First Series of the Bonds sold and their numbers and dates and levy and cause an *ad valorem* tax to be collected, at the same time and in the same manner as other taxes are levied and collected on all taxable property in the boundaries of the District sufficient to pay debt service with respect to the First Series of the Bonds when due.

g. The District Board hereby further determines that (1) the proposed amount of indebtedness evidenced by the First Series of the Bonds will not exceed the estimated cost of the public infrastructure improvements to be financed with the proceeds of the sale thereof plus all costs connected with the public infrastructure purposes related thereto and sale and issuance of the First Series of the Bonds and (2) the total aggregate outstanding amount of the First Series of the Bonds will not exceed sixty percent (60%) of the aggregate of the estimated market value of the real property and improvements in the District after the public infrastructure of the District is completed plus the value of the public infrastructure owned by the District (based upon information received from the Assessor of Maricopa County, Arizona, hereby found and determined to be not less than \$42,000) all as provided in Section 48-708, Arizona Revised Statutes.

h. All formal actions concerning and relating to the passage of this Resolution were taken in an open meeting, in compliance with all legal requirements, and all things required to be done preliminary to the authorization, sale and issuance of the First Series of the Bonds have been duly done and performed in the manner required by law, and the District Board is now empowered to proceed with the sale and issuance of the First Series of the Bonds.

2. a. Approval of Sale and Issuance of First Series of the Bonds. The First Series of the Bonds are hereby authorized to be issued as a series of general obligation bonds of the District to be designated “General Obligation Bonds, Taxable Series 2021.” The District Treasurer is hereby authorized and directed to determine on behalf of the District: (1) the dated date (but not later than December 1, 2021) and aggregate principal amount (but not to exceed \$25,000) of the First Series of the Bonds; (2) the final principal and maturity and optional and mandatory redemption schedule of the First Series of the Bonds (but the First Series of the Bonds not to mature more than five (5) years from their date of issuance); (3) the interest rate on the First Series of the Bonds and the dates for payment of such interest (hereinafter referred to as “interest payment dates”) and (4) the sales date and other terms of sale of the First Series of the Bonds including their placement and sale (including placement agent compensation and original issue premium and discount); provided, however, that the foregoing determinations must result in a yield with respect to the First Series of the Bonds, calculated for federal income tax purposes, of not to exceed three percent (3.00%).

b. Forms, Terms and Provisions, and Execution and Delivery, of First Series of the Bonds.

1. The First Series of the Bonds shall be issued as a single bond and registered in the name of the entity with which the First Series of the Bonds are placed (hereinafter referred to as the “Purchaser”) and shall bear interest from their date to the maturity of the First Series of the Bonds, payable on the interest payment dates.

2. The principal of and interest on the First Series of the Bonds shall be payable in lawful money of the United States of America. The final payment of principal and interest on the First Series of the Bonds shall be payable at maturity upon presentation and surrender thereof at the office of the District Treasurer; payments with regard to redemption shall automatically reduce the principal payable at maturity of the First Series of the Bonds without, in case of mandatory redemption, notice and with, in the case of optional redemption, notice as provided in the Bonds and interest on the First Series of the Bonds (other than the final payment thereof) shall be payable by check, dated as of the interest payment date, mailed to owner of the First Series of the Bonds.

3. (A) The bonds of the First Series of the Bonds (including the form of certificate of authentication and form of assignment therefor) shall be in substantially the form set forth in the Exhibit attached hereto. There may be such necessary and appropriate omissions, insertions and variations as are permitted or required hereby and are approved by those officers executing the bonds of the First Series of the Bonds in such form. Execution thereof by such officers shall constitute conclusive evidence of such approval.

(B) The bonds of the First Series of the Bonds may have notations, legends or endorsements required by law, securities exchange rule or usage. Each bond of the First Series of the Bonds shall show both the date of the issue and the date of authentication and registration of each Bond.

(C) The bonds of the First Series of the Bonds shall be executed for and on behalf of the District by the Chairman or Vice Chairman of the District Board and

attested by the District Clerk. Such signature may be by mechanical reproduction; however, such officer shall manually sign a certificate adopting as and for such signature on the bonds of the First Series of the Bonds the respective mechanically reproduced signature affixed to such bonds.

(D) If an officer whose signature is on a bond of the First Series of the Bonds no longer holds that office at the time such bond is authenticated and registered, such bond shall nevertheless be valid and binding so long as such bond would otherwise be valid and binding.

(E) A bond of the First Series of the Bonds shall not be valid or binding until authenticated by the manual signature of an authorized representative of the District Treasurer. The signature of the District Treasurer shall be conclusive evidence that such bond has been authenticated and issued pursuant to this Resolution.

4. In case any bond of the First Series of the Bonds becomes mutilated or destroyed or lost, the District shall cause to be executed and delivered a new bond, of like type, date, maturity and tenor in exchange and substitution for and upon the cancellation of such mutilated bond or in lieu of and in substitution for such bond destroyed or lost, upon the registered owner paying the reasonable expenses and charges of the District in connection therewith and, in the case of a bond destroyed or lost, filing with the District Treasurer by the registered owner evidence satisfactory to the District Treasurer that such bond was destroyed or lost, and furnishing the District Treasurer with a sufficient indemnity bond pursuant to Section 47-8405, Arizona Revised Statutes.

5. The First Series of the Bonds may not be transferred or exchanged.

3. a. Authorization to Execute and Deliver. The District Treasurer is hereby authorized to execute and deliver the written order of the District for the authentication and delivery of the First Series of the Bonds.

b. Other Actions Necessary. The District Treasurer, the District Clerk and the other officers of the District shall take all actions necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated by this Resolution, including without limitation, the closing and other documents required to be delivered in connection with the sale and delivery of the First Series of the Bonds. (The persons who shall so take such actions shall be the persons holding such offices at the time of the initial issuance and delivery of the First Series of the Bonds.)

c. Tax Levy.

1. For each year while any bond of the First Series of the Bonds is outstanding, the District Board shall annually levy and cause to be collected an *ad valorem* tax, at the same time and in the same manner as other taxes are levied and collected on all taxable property in the District, sufficient, to pay debt service with respect to the First Series of the Bonds when due.

2. Moneys derived from the levy of the tax provided for in this Section with respect to the First Series of the Bonds when collected constitute funds to pay debt

service with respect to the First Series of the Bonds and shall be kept separately from other funds of the District.

3. The District Board shall make annual statements and estimates of the amount to be raised to pay debt service with respect to the First Series of the Bonds. The District Board shall file the annual statements and estimates with the Clerk of the City of Avondale, Arizona (hereinafter referred to as the “Municipality”), and shall publish a notice of the filing of the estimate. The District Board, on or before the date set by law for certifying the annual budget of the Municipality, shall fix, levy and assess the amounts to be raised by *ad valorem* taxes of the District and shall cause certified copies of the order to be delivered to the Board of Supervisors of Maricopa County, Arizona, and to the Department of Revenue of the State. All statutes relating to the levy and collection of State and county taxes, including the collection of delinquent taxes and sale of property for nonpayment of taxes, apply to the taxes provided for by this Section.

4. Any other general obligation bonds of the District hereafter issued will be secured on a parity basis as to the collection and application of property tax revenues of the District with the bonds of the First Series of the Bonds, and such property taxes will be allocated to each such series of general obligation bonds in accordance with any debt service then due, taking into account other funds held by the District for such payment. Property tax revenues allocated for any such series of bonds shall be set aside separately for such series.

d. No Obligation of Municipality. Neither the full faith and credit nor the general taxing power of the Municipality, is pledged to the payment of the Bonds. Nothing contained in this Resolution, the Bond Documents or any other instrument related to the Bonds shall be construed as obligating the Municipality or as incurring a charge upon the general credit or any other credit or revenues of the Municipality nor shall the breach of any agreement contained in this Resolution or any other instrument or documents executed in connection therewith impose any charge upon the general credit or any other credit or revenues of the Municipality.

e. Use of Proceeds. The proceeds from the sale of the First Series of the Bonds shall be set aside and deposited by the District Treasurer in a separate fund. The proceeds of the sale of the First Series of the Bonds shall be expended only for the purposes set forth in the ballot used at the Election and as provided in the District Development, Financing Participation and Intergovernmental Agreement (Alamar Community Facilities District), dated as of October 1, 2018, to which the District is a party.

4. a. Repeal of this Resolution. After any of the bonds of the First Series of the Bonds are delivered upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the bonds of the First Series of the Bonds and the interest thereon shall have been fully paid, canceled and discharged.

b. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

c. Effect. This Resolution shall constitute a contract between the District and the registered owners of the First Series of the Bonds and shall not be amended in any manner which would impair, impede or lessen the rights of the registered owners of the First Series of the Bonds then outstanding.

d. Inconsistencies. All resolutions or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency.

e. Effective Date. This Resolution shall be effective immediately.

f. Ratification. All actions of the officers and agents of the District including the District Board which conform to the purposes and intent of this Resolution and which further the issuance and sale of the First Series of the Bonds as contemplated by this Resolution, whether heretofore or hereafter taken, are hereby ratified, confirmed and approved. The proper officers and agents of the District are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the District as may be necessary to carry out the terms and intent of this Resolution.

PASSED AND ADOPTED by the District Board of the Alamar (formerly Lakin) Community Facilities District on June 7, 2021.

Kenneth N. Weise, Chairman District Board
Alamar Community Facilities District

ATTEST:

Marcella Carrillo, District Clerk
Alamar Community Facilities District

APPROVED AS TO FORM:

Nicholle Harris, District Attorney
Alamar Community Facilities District

EXHIBIT A
TO
CFD RESOLUTION NO. 3-2021

[Form of Bond]

See following pages.

EXHIBIT

FORM OF BOND

UNITED STATES OF AMERICA

STATE OF ARIZONA

COUNTY OF MARICOPA

ALAMAR COMMUNITY FACILITIES DISTRICT
(AVONDALE, ARIZONA)
GENERAL OBLIGATION BOND,
TAXABLE SERIES 2021

Interest Rate:
.....%

Maturity Date:
July 15,

Dated:
....., 2021

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

Alamar Community Facilities District, a community facilities district duly formed pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes (the "District"), for value received, hereby promises to pay to the aforesaid registered owner, the aforesaid principal amount on the aforesaid maturity date unless earlier redeemed, and to pay interest on the principal amount from the date as of which this Bond is dated as indicated hereinabove at the aforesaid interest rate on 15,, and on each 15 and 15 thereafter (each an "interest payment date") to the maturity of this Bond unless earlier redeemed. The last payment of principal of and interest on this Bond is payable upon presentation and surrender hereof at the office of the District Treasurer. Payments with respect to redemption of this Bond shall automatically reduce the principal payable at maturity without notice in the case of mandatory redemption. Interest on this Bond (other than the final payment thereof) is payable by check, dated as of the interest payment date, mailed to the registered owner hereof, at the address specified by such registered owner.

The principal of and interest on this Bond are payable in lawful money of the United States of America, on the respective dates when principal and interest become due.

This Bond is one of a series of bonds indicated above (the "Bonds") in the aggregate principal amount of \$.....,000 of like tenor except as to number, issued by the District pursuant to a resolution of the Board of Directors of the District, duly adopted prior to the issuance hereof, all of the terms of which are hereby incorporated herein (the "Resolution"), and pursuant to the Constitution and laws of the State of Arizona relative to the sale and issuance of general obligation bonds of community facilities districts, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling.

The Bonds are issuable only as a single fully registered bond. The Bonds may not be transferred or exchanged.

The Bonds are subject to optional redemption prior to maturity on any date in any principal amount upon thirty days written notice to the registered owner by the payment of such principal amount plus interest accrued to the date fixed for redemption, but without premium.

The Bonds shall be redeemed prior to maturity on July 15, in the years and amounts set forth below, by payment of such principal amount plus interest accrued to the date fixed for redemption, but without a premium:

<u>Year</u>	<u>Amount</u>
	\$

A remaining principal amount of \$....., 000 maturing on July 15,, shall mature on July 15,

The Bonds are payable, equally and ratably with other general obligation bonds of the District from the proceeds of an *ad valorem* tax to be collected, at the same time and in the same manner as other taxes are levied and collected on all taxable property within the boundaries of the District, sufficient to pay debt service on the Bonds when due.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY OF AVONDALE, ARIZONA, OR THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) IS PLEDGED TO THE PAYMENT OF THE BONDS.

This Bond shall not be entitled to any security or benefit under the Resolution or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the District Treasurer.

It is hereby certified, recited and declared (i) that all conditions, acts and things required by the Constitution and laws of the State of Arizona to happen, to be done, to exist and to be performed precedent to and in the issuance of this Bond and of the series of which it is one, have happened, have been done, do exist and have been performed in regular and due form and time as required by law; (ii) that the obligation evidenced by the series of Bonds of which this is

one, together with all other existing indebtedness of the District, does not exceed any applicable constitutional or statutory limitation and (iii) that due provision has been made for the levy and collection of a direct, annual, *ad valorem* tax upon taxable property within the District, over and above all other taxes authorized or limited by law, sufficient to pay the principal hereof and the interest hereon as each becomes due.

IN WITNESS WHEREOF, ALAMAR COMMUNITY FACILITIES DISTRICT, has caused this Bond to be executed in the name of the District by the facsimile signature of the of the Board of Directors of the District.

ALAMAR COMMUNITY FACILITIES
DISTRICT

By.....
.....

ATTEST:

.....
.....

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Alamar Community Facilities District (Avondale, Arizona) General Obligation Bonds, Taxable Series 2021 described in the within mentioned Resolution.

Date of Authentication:

.....
District Treasurer