

RESOLUTION ORDERING AND PROVIDING NOTICE OF A SPECIAL ELECTION TO BE HELD ON NOVEMBER 7, 2023, IN AND FOR LITCHFIELD ELEMENTARY SCHOOL DISTRICT NO. 79 OF MARICOPA COUNTY, ARIZONA, TO SUBMIT TO THE QUALIFIED ELECTORS THEREOF THE QUESTION OF AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$100,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE DISTRICT AND RELATED MATTERS

WHEREAS, the needs and best interests of Litchfield Elementary School District No. 79 of Maricopa County, Arizona (the "District"), will be served by the issuance and sale of general obligation bonds of the District in the form of class B general obligation bonds to provide funds for the capital needs of the District; and

WHEREAS, the provisions of Title 15, Chapter 4, Article 5, Arizona Revised Statutes require that a special election be held in and for the District to submit to the qualified electors thereof the question of issuing and selling general obligation bonds of the District in the form of class B general obligation bonds in the manner prescribed in Title 35, Chapter 3, Article 3, Arizona Revised Statutes and related matters;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF LITCHFIELD ELEMENTARY SCHOOL DISTRICT NO. 79 OF MARICOPA COUNTY, ARIZONA, THAT:

Section 1. (A) A special election in and for the District be, and the same is hereby, ordered and called to be held on November 7, 2023 (the "Election"), at which there shall be submitted to the qualified electors thereof the question of authorizing the issuance and sale of general obligation bonds of the District in the form of class B general obligation bonds in the aggregate principal amount and for the purposes set forth in the official form of ballot for the Election (the "Official Ballot") and related matters.

(B) The aggregate principal amount of the bonds to be authorized at the Election shall be \$100,000,000; the maximum rate of interest to be paid thereon shall be not more than nine percent (9%) per annum; the maximum number of years that the latest bond of any issue or series authorized at the Election may run from its date is twenty years; the bonds, and any bonds issued to refund the bonds, may be sold at prices that include premiums not greater than that permitted by law, the bonds and other district bonds may be refunded by the issuance of refunding bonds of a weighted average maturity of less than 75% of the weighted average maturity of the bonds being refunded; 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 District currently has \$37,130,000 principal amount *ad valorem* tax debt outstanding as of June 1, 2023; and the constitutional debt limit of the District is \$247,440,626, being fifteen percent (15%) of the net assessed full cash value of the taxable property in the District. The District will have \$30,250,000 principal amount *ad valorem* tax debt outstanding as of July 1, 2023; and the estimated constitutional debt limit of the District is expected to be \$349,981,954 (which debt limit is based

upon an estimated net assessed full cash value provided by the assessor of Maricopa County, Arizona (the “County”) for 2023/24).

(C) The Governing Board of the District hereby establishes the election precincts which, except as otherwise provided by appropriate authorities of the County, have the same boundaries as the County election precincts as provided in Section 16-411, Arizona Revised Statutes, as amended. The Governing Board of the District hereby orders the consolidation of any precincts indicated by such authorities for such purposes.

Section 2. (A) The Official Ballot shall be in substantially the form hereto attached and marked Exhibit A with any changes required pursuant to the next succeeding paragraph.

(B) At least eighty-five (85) days before the Election, the President of the Governing Board of the District or any other member of the Governing Board of the District if such President is not available is hereby authorized and directed to submit proposed ballot language to the School Superintendent of the County and the Director of the Arizona Legislative Council. The Director of the Arizona Legislative Council is to review the proposed ballot language to determine whether the proposed ballot language complies with Section 15-491, Arizona Revised Statutes. If the Director of the Arizona Legislative Council determines that the proposed ballot language does not comply with Section 15-491, Arizona Revised Statutes, such Director, within ten calendar days of the receipt of the proposed ballot language, is to notify the President of the Governing Board of the District and the School Superintendent of the County of such Director’s objections and the President of the Governing Board of the District or any other member of the Governing Board of the District if such President is not available is hereby authorized and directed to resubmit revised ballot language to such Director for approval which shall be incorporated into the Official Ballot as described in the immediately preceding paragraph.

Section 3. (A) Notice of the Election shall be given by mailing an informational pamphlet (the “Informational Pamphlet”) and a sample of the Official Ballot in substantially the form hereto attached and marked Exhibit B, with such changes therein as are approved by the Superintendent of the District or the Executive Director of Finance of the District to each of whom such authority is hereby delegated, to each household that contains a registered voter within the District not less than thirty-five (35) days before the date of the Election. The Informational Pamphlet shall include the information required by Sections 15-491 and 35-454, Arizona Revised Statutes.

(B) The Superintendent of the District is hereby authorized to request arguments for and against the subject matter of the Election by providing the notice in the form and by the means provided in the form attached hereto and marked Exhibit C (the “Request for Arguments”). The deadline to submit such arguments shall be August 11, 2023, at 5:00 p.m. Arizona time. The Informational Pamphlet shall be prepared by the School Superintendent of the County, and the School Superintendent of the County is hereby requested, authorized and directed to cause the Informational Pamphlet to be provided as and under the circumstances described herein.

Section 4. The President of the Governing Board of the District or any other member of the Governing Board of the District if such President is not available is hereby

authorized and directed to have printed and delivered to the election officials for the Election, to be by them furnished to the qualified electors of the District offering to vote at the Election, the Official Ballot.

Section 5. 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, Request for Arguments, “Absentee/Early Voting Materials” and “Instructions at the Polling Places.”

Section 6. (A) The Election shall be held, conducted and canvassed in conformity with the provisions of the 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 District. 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.

(B) The Election may be conducted (i) using either electromechanical or electronic vote recording and ballot counting equipment or paper ballots at polling places, or (ii) as a mailed ballot election as provided in Section 16-409, Arizona Revised Statutes, as shall be determined to be in the best interests of the District by the Elections Department of the County and the Superintendent of the District and the Executive Director of Finance of the District. The Superintendent of the District and the Executive Director of Finance of the District are authorized and directed to take all actions, including entering 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 District. The Superintendent of the District shall coordinate with the School Superintendent of the County to designate a location for purposes of replacing ballots that have been lost, spoiled, destroyed or not received by the elector.

(C) 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 District.

(D) The Superintendent of the District and the Executive Director of Finance of the District are hereby authorized to take all necessary action to facilitate the Election including all such actions as are necessary to assist the School Superintendent of the County and the Elections Department of the County in conducting the Election and performing their duties.

PASSED, ADOPTED AND APPROVED by the Governing Board of Litchfield Elementary School District No. 79 of Maricopa County, Arizona, on May 9, 2023.

A handwritten signature in black ink, appearing to read "Melvin", written over a horizontal dotted line.

President of the Governing Board of Litchfield
Elementary School District No. 79 of Maricopa
County, Arizona

EXHIBIT A

OFFICIAL BALLOT

Shall Lichfield Elementary School District No. 79 of Maricopa County, Arizona (the “School District”), be authorized to issue and sell general obligation bonds of the School District in the form of class B general obligation bonds in the principal amount of not to exceed \$100,000,000 for the purpose of raising monies for purchasing or leasing school lots, building or renovating school buildings, supplying school buildings with furniture, equipment and technology, improving school grounds, purchasing pupil transportation vehicles and providing for other general capital expenses or for liquidating any indebtedness already incurred for such purposes for paying all legal, financial, engineering, architectural, project management and administration and other necessary costs in connection therewith and, in connection therewith as necessary, to purchase school sites and build school buildings, said bonds and any bonds issued to refund such bonds or other bonds of the School District to be sold for prices which may include premium in amounts permitted by applicable law and to be refundable by the issuance of refunding bonds of a weighted average maturity of less than 75% of the weighted average maturity of the bonds being refunded, to bear interest at a rate of not to exceed 9% per annum, payable semiannually on the first day of January and the first day of July of each year until the maturity of each bond and at the option of the School District to be evidenced by separate supplemental interest certificates, to mature over a period of not more than 20 years from the date of their issuance, to be in the amount of \$5,000 of principal amount each or multiples thereof and to mature on the first day of the same month of each year which may be either January or July?

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

The capital improvements that are proposed to be funded through this bond issuance are to exceed the State standards and are in addition to moneys provided by the State.

The School District is proposing to issue class B general obligation bonds totaling \$100,000,000 to fund capital improvements over and above those funded by the State. Under the Students FIRST Capital funding system, the School District is entitled to State moneys for new construction and renovation of school buildings in accordance with State law.

A “YES” vote shall authorize the School District Governing Board to issue and sell \$100,000,000 of general obligation bonds of the School District to be repaid with secondary property taxes.

A “NO” vote shall not authorize the School District Governing Board to issue and sell such bonds of the School District.

BOND APPROVAL, YES

BOND APPROVAL, NO

At the discretion of the Elections Department of the County, the question set forth above may be presented on the actual ballot in summary form, reading substantially as follows:

A “yes” vote shall authorize the Litchfield Elementary School District Governing Board to issue and sell \$100,000,000 principal amount of general obligation bonds to be repaid with secondary property taxes.

A “no” vote shall not authorize the Litchfield Elementary School District Governing Board to issue and sell such bonds.

BOND APPROVAL, YES
BOND APPROVAL, NO

EXHIBIT B

INFORMATIONAL PAMPHLET

LITCHFIELD ELEMENTARY
SCHOOL DISTRICT NO. 79
OF
MARICOPA COUNTY, ARIZONA

**VOTER INFORMATIONAL
PAMPHLET AND
SAMPLE BALLOT**

SPECIAL BOND ELECTION

NOVEMBER 7, 2023

[Insert District Logo]

Prepared by

Steve Watson,

Maricopa County School
Superintendent

**TO THE VOTERS OF LITCHFIELD ELEMENTARY SCHOOL DISTRICT NO. 79 OF
MARICOPA COUNTY, ARIZONA:**

[INSERT FROM COUNTY SUPERINTENDENT]

**INFORMATIONAL PAMPHLET
FOR
LITCHFIELD ELEMENTARY SCHOOL DISTRICT NO. 79
OF
MARICOPA COUNTY, ARIZONA
SPECIAL BOND ELECTION
NOVEMBER 7, 2023**

PURPOSE FOR WHICH THE BONDS ARE TO BE ISSUED:

On May 9, 2023, the Governing Board of the District passed and adopted a resolution calling a special bond election (the “Election”) to authorize the issuance and sale of not to exceed \$100,000,000 principal amount of ad valorem tax bonds of the District in the form of class B general obligation bonds (the “Bonds”) and related matters. A copy of such resolution is available from the District by written request to the Superintendent, Litchfield Elementary School District No. 79 of Maricopa County, Arizona, 272 East Sagebrush Street, Litchfield Park, Arizona 85340, Telephone (623) 535-6000.

MAXIMUM INTEREST RATE OF THE BONDS:

The maximum interest rate on the Bonds will not exceed 9% per annum.

PLAN OF FINANCE:

If the Election is successful, it is anticipated that the District would issue the total amount of the Bonds by the means of bond sale phases conducted through 2025/26. 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 9% per annum. Average annual interest on the Bonds is assumed herein at 4.5% for purposes of estimating tax impact. Repayment of both principal of and interest on the Bonds would occur over a period of not to exceed 20 years for each bond series. However, for purposes of estimating tax impact herein, it is assumed that all of the bonds would be retired over 15 fiscal years.

If authorized and all sold, the Bonds would be repaid from a levy of ad valorem taxes on all taxable property within the District. It is estimated that the Bonds would require an estimated average annual secondary tax rate increase of \$0.41 per \$100 of net assessed limited property value over the estimated 15-year life of the bond program.

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

**LITCHFIELD ELEMENTARY SCHOOL DISTRICT NO. 79
OF MARICOPA COUNTY, ARIZONA**

*Estimated Debt Service Requirements and Projected Impact on Secondary Tax Rate**

Year Ending July 1st	Projected Net Limited Assessed Value (a)	Bonds Currently Outstanding				School Improvement Bonds Proposed to be Issued (b)				Projected Combined	
		Principal	Interest	Combined	Tax Rate	Principal	Estimated Interest	Combined	Tax Rate	Combined	Tax Rate
2024	\$1,825,895,664	\$7,535,000	\$955,612	\$8,490,612	\$0.59					\$8,490,612	\$0.59
2025	1,959,574,688	7,780,000	762,264	8,542,264	0.55		\$600,000	\$600,000	\$0.04	9,142,264	0.59
2026	2,103,040,734	2,785,000	580,675	3,365,675	0.20	\$4,200,000	2,250,000	6,450,000	0.38	9,815,675	0.58
2027	2,257,010,338	2,875,000	477,650	3,352,650	0.18	3,000,000	4,311,000	7,311,000	0.40	10,663,650	0.59
2028	2,422,252,495	3,005,000	347,525	3,352,525	0.17	4,000,000	4,176,000	8,176,000	0.42	11,528,525	0.59
2029	2,599,592,501	3,115,000	214,475	3,329,475	0.16	3,800,000	3,996,000	7,796,000	0.37	11,125,475	0.52
2030	2,637,657,216	3,155,000	112,150	3,267,150	0.15	4,000,000	3,825,000	7,825,000	0.36	11,092,150	0.51
2031	2,676,279,296					7,500,000	3,645,000	11,145,000	0.51	11,145,000	0.51
2032	2,715,466,903					7,800,000	3,307,500	11,107,500	0.50	11,107,500	0.50
2033	2,755,228,316					8,200,000	2,956,500	11,156,500	0.49	11,156,500	0.49
2034	2,795,571,939					8,600,000	2,587,500	11,187,500	0.48	11,187,500	0.48
2035	2,836,506,297					8,900,000	2,200,500	11,100,500	0.47	11,100,500	0.47
2036	2,878,040,038					9,300,000	1,800,000	11,100,000	0.46	11,100,000	0.46
2037	2,920,181,940					9,800,000	1,381,500	11,181,500	0.46	11,181,500	0.46
2038	2,962,940,908					10,200,000	940,500	11,140,500	0.45	11,140,500	0.45
2039	3,006,325,977					10,700,000	481,500	11,181,500	0.44	11,181,500	0.44
		\$30,250,000	\$3,450,351	\$33,700,351		\$100,000,000	\$38,458,500	\$138,458,500		\$172,158,851	

Projected Average Annual Tax Rate (b): \$0.41

* Tax rates stated per \$100 of assessed value and exclude earnings, rebate and delinquency adjustment.

(a) Assumes 8.0% assessed value growth through fiscal year ending July 2029 and 1.8% growth thereafter. Assessed value has averaged 9.7% growth over the last 10 years.

(b) Assumes bond sale phases conducted through 2026 and average annual interest at 4.5%. Assumes a portion of the first interest payment on the first sale is paid with bond proceeds.

ESTIMATED TAXPAYER COST:

As noted above, the Bonds would be repaid from a levy of ad valorem taxes on all taxable property within the District which would impact the taxpayers in the form of an estimated average annual secondary tax rate increase of \$0.41 per \$100 of net assessed limited property value.

The following tables illustrate the estimated annual and monthly cost to taxpayers, including principal and interest, based on varying types of property, property values and assessed values. To determine your estimated tax increase, refer to your property tax statement which identifies the specific assessed value of your property.

ESTIMATED AVERAGE ANNUAL BOND TAX RATE PER \$100
OF ASSESSED VALUATION: \$0.41

RESIDENTIAL PROPERTY
(Assessed at 10% of value)

<i>Value for Tax Purposes(a)</i>	<i>Assessed Value</i>	<i>Estimated Average Annual Cost (b)</i>	<i>Estimated Average Monthly Cost (b)</i>
\$100,000	\$10,000	\$41	\$3.42
256,120 (c)	25,612 (c)	105	8.75

The tax impact over the term of the bonds on an owner-occupied residence valued by the County Assessor at \$250,000 is estimated to be \$129 per year for 15 years, or \$1,935 total cost. (e)

COMMERCIAL PROPERTY
(Assessed at 17% of value) (d)

<i>Value for Tax Purposes(a)</i>	<i>Assessed Value</i>	<i>Estimated Average Annual Cost (b)</i>	<i>Estimated Average Monthly Cost (b)</i>
\$500,000	\$85,000	\$349	\$29.04
2,864,026 (c)	486,884 (c)	1,996	166.35

The tax impact over the term of the bonds on commercial property valued by the County Assessor at \$1,000,000 is estimated to be \$827 per year for 15 years, or \$12,405 total cost. (e)

AGRICULTURAL OR OTHER VACANT PROPERTY

(Assessed at 15% of value)

<i>Value for Tax Purposes(a)</i>	<i>Assessed Value</i>	<i>Estimated Average Annual Cost (b)</i>	<i>Estimated Average Monthly Cost (b)</i>
\$39,893 (c)	\$5,984 (c)	\$25	\$2.04
100,000	15,000	31	2.56

The tax impact over the term of the bonds on agricultural or other vacant property valued by the County Assessor at \$100,000 is estimated to be \$77 per year for 15 years, or \$1,155 total cost. (e)

- (a) Value for tax purposes is the limited value of your property as it appears on your tax bill and does not necessarily represent the market value. Beginning with fiscal year 2015/2016, this value cannot increase by more than five percent from the prior year if the property has not changed. For commercial property, only locally assessed property is subject to this limit.
- (b) Cost based on the estimated average bond tax rate over the life of the bond issue and other financing assumptions which are subject to change.
- (c) Estimated average value of owner-occupied residential properties, commercial properties or agricultural or vacant properties, as applicable, within the District as provided by the Arizona Department of Revenue.
- (d) Assessment ratio will phase down to 16.5% for tax year 2024, 16% for tax year 2025, 15.5% for tax year 2026 and 15.0% for tax year 2027 and thereafter.
- (e) Assumes the net assessed limited property value of the property changes at the lesser of 5% or half the rate of the District’s total net assessed limited property value shown on the projected debt service schedule.

ESTIMATED TOTAL COST:

Should the Bonds be authorized and issued, the District estimates that the total cost of the Bonds, including principal and interest would be \$138,458,500.

ESTIMATED ISSUANCE COSTS:

Should the Bonds be authorized and issued, the District estimates that the cost of issuance of each series of the Bonds will be approximately \$60,000.

CURRENT OUTSTANDING GENERAL OBLIGATION DEBT AND CONSTITUTIONAL DEBT LIMITATION:

The District currently has \$30,250,000 aggregate principal amount of ad valorem tax debt outstanding. The constitutional debt limit of the District is \$349,981,954, being fifteen percent (15%) of the net assessed full cash value of the taxable property in the District.

CAPITAL IMPROVEMENT PLAN:

LIST OF PROPOSED CAPITAL IMPROVEMENTS

The following table presents the capital improvements expected to be paid from bond proceeds, the estimated cost of each capital improvement, the estimated average annual tax rate associated with each capital improvement and the estimated cost of each capital improvement for the owner of a single family home valued at \$100,000:

Proposed Capital Improvements	Estimated Cost of Improvement (a)	Estimated Annual Tax Rate Associated with Improvement (b)	Estimated Annual Cost of Improvement for Owner of Single- Family Home Valued at \$100,000
Non-Administrative Purposes			
Safety and security renovations and equipment	\$ 7,000,000	\$0.0287	\$ 2.87
Repairs including roofing, air conditioning and other renovations of school buildings*	40,000,000	0.1640	16.40
Technology and classroom equipment	4,000,000	0.0164	1.64
New school construction*	48,000,000	0.1968	19.68
School buses and other student transportation vehicles	1,000,000	0.0041	0.41
Subtotal of Non-Administrative Capital Improvements	<u>\$100,000,000</u>	<u>\$0.4100</u>	<u>\$41.00</u>
Administrative Purposes			
None	\$0	\$0.0000	\$0.00
Subtotal of Administrative Capital Improvements	<u>\$0</u>	<u>\$0.0000</u>	<u>\$0.00</u>
Total:	<u>\$100,000,000</u>	<u>\$0.4100</u>	<u>\$41.00</u>

* Including land acquisition, general facility and grounds improvements, technology, furniture, equipment and miscellaneous furnishings.

(a) Bond issuance costs are included in the estimated cost of improvements.

(b) The estimated average annual tax rate and estimated average annual cost for each improvement above is based on the average annual tax rate over the life of the proposed bond issue and other financing assumptions which are subject to change.

ARGUMENTS FOR AND AGAINST AUTHORIZATION

[INSERT FROM COUNTY SUPERINTENDENT]

OTHER IMPORTANT VOTER INFORMATION

[INSERT FROM COUNTY SUPERINTENDENT]

FORM OF OFFICIAL BALLOT

[INSERT BALLOT QUESTION]

Litchfield Elementary School District
No. 79 of Maricopa County, Arizona
272 East Sagebrush Street
Litchfield Park, Arizona 85340

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

OFFICIAL VOTING MATERIAL

Only one Voter Informational Pamphlet has been mailed to each household within the District in which qualified electors reside. Please make it available to all qualified electors in the household.

YOUR POLLING PLACE IS
INDICATED ON LABEL

EXHIBIT C

FORM OF REQUEST FOR ARGUMENTS

REQUEST FOR ARGUMENTS FOR AND AGAINST THE ISSU-
ANCE OF BONDS BY THE DISTRICT TO BE CONSIDERED
BY THE VOTERS OF LITCHFIELD ELEMENTARY SCHOOL
DISTRICT NO. 79 OF MARICOPA COUNTY, ARIZONA, AT
AN ELECTION TO BE HELD ON NOVEMBER 7, 2023

Pursuant to a resolution adopted by the Governing Board of Litchfield Elementary School District No. 79 of Maricopa County, Arizona (the “District”) on _____, 2023 (the “Resolution”), a special election in and for the District was ordered and called to be held on November 7, 2023 (the “Election”). Notice of the Election will be given by mailing an informational pamphlet. Such pamphlet is to include arguments for and against the authorization of the issuance of bonds payable from a secondary, ad valorem property tax by the District to be considered at the Election. The estimated average tax rate for the proposed bond authorization is \$__ per \$100 of net assessed limited property value. (The text of the question to be considered at the Election is included in the Resolution which is available by request to the undersigned at Litchfield Elementary School District No. 79 of Maricopa County, Arizona, 272 Sagebrush Street, Litchfield Park, Arizona 85340.) Any person interested in providing any such argument is hereby requested to provide the same to the County School Superintendent of Maricopa County, Arizona, at Suite 1200, 4041 North Central Avenue, Phoenix, Arizona 85012, before 5:00 p.m., Arizona time on August 11, 2023. Each argument filed shall contain the sworn statement of the person submitting it. If the argument is submitted by an organization, it shall contain the sworn statement of two executive officers of the organization. If the argument is submitted by a political committee, it shall contain the sworn statement of the committee’s chairperson or treasurer. If the argument is submitted by an individual and not on behalf of an organization, a political committee or any other group, the person shall submit the argument with a sworn, notarized statement. The names of persons and entities submitting written arguments shall be included in the informational pamphlet. Persons signing the argument shall identify themselves by giving their residence address and telephone number, which may not appear in the informational pamphlet, except that the person’s city or town and state of residence shall appear in the pamphlet. Any argument that is submitted and that does not comply with the foregoing may not be included in the pamphlet.

/s/ Ms. Jodi Gunning
.....
Superintendent, Litchfield Elementary School
District No. 79 of Maricopa County, Arizona

This Request (along with Spanish translation thereof) should be posted at all places at which notices of meetings of the Governing Board of the District are posted and published in the *Arizona Business Gazette*.