

RESOLUTION NO. 308

A RESOLUTION PROVIDING FOR THE ISSUANCE OF BONDS,  
DESCRIBING THE BONDS AND COUPONS, PRESCRIBING THEIR  
MATURITIES, FIXING THE MAXIMUM RATE OF INTEREST, AND  
PROVIDING FOR THE LEVY OF TAXES FOR THEIR PAYMENT

SPECIAL ROAD DISTRICT NO. 1 OF YAVAPAI COUNTY  
(LAKE MONTEZUMA) ARIZONA

\$295,000 DISTRICT BONDS OF 1973

RESOLVED, by the Board of Supervisors of Yavapai County,  
Arizona, that

WHEREAS, the Board of Trustees of Special Road District  
No. 1 of Yavapai County (Lake Montezuma) Arizona did, on August 8,  
1973, adopt its Resolution No. 73-3, wherein it did determine  
that it is deemed necessary and advisable to expend in the con-  
struction and maintenance of roads, driveways and highways within  
the District a larger amount of money than can be raised by the 75¢  
tax per \$100 assessed valuation upon all taxable lands within the  
District, as specified in Article 3, Chapter 2, Title 18, Arizona  
Revised Statutes;

WHEREAS, said Board did, by said resolution, call a special  
election to be held in said District on September 5, 1973, within  
the District, for the purpose of submitting to the qualified  
electors of the District, as hereinafter defined, the question of  
whether or not bonds of the District shall be issued and sold to  
raise money to make road improvements within the District;

WHEREAS, all of the requirements of law have been complied  
with in calling and holding the Special Bond Election at which  
election the proposition for the incurring of such indebtedness  
was submitted to the qualified electors of the District; the votes  
cast for and against each proposition were counted separately;

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the Board of Trustees did duly and regularly canvass the returns of said election, and did as a result of such canvass determine and declare, and certify, that the proposition received at said Special Bond Election the affirmative vote of two-thirds or more of all of the qualified votes cast by each of the qualified electors of the District and that said proposition was thereby duly carried and adopted and the issuance of bonds in the sum specified in said proposition was duly authorized;

WHEREAS, said Board of Trustees did on May 23, 1974, adopt its Resolution No. 74-2, wherein it did determine that it is deemed necessary and advisable to provide for different maturities of said bonds than was provided for in the call for said election of September 5, 1973, and by said Resolution No. 74-2 said Board did call a special election to be held on June 14, 1974, within the District, for the purpose of submitting to the qualified electors of the District the question of whether or not bonds of the District shall be issued and sold with different maturities than provided for at the election held on September 5, 1973; and

WHEREAS, all of the requirements of law have been complied with in calling and holding said special election on June 14, 1974; the votes cast for and against said proposition were counted separately; the Board of Trustees did duly and regularly canvass the returns of said election, and did as a result of such canvass determine and declare, and certify, that the proposition received at said special election the affirmative vote of two-thirds or more of all of the qualified votes cast by each of the qualified electors of the District and that said proposition was thereby duly carried and adopted, and the different maturities of the bonds were duly authorized;

NOW, THEREFORE, IT IS RESOLVED, DETERMINED and ORDERED, as follows:

1. Conditions Precedent. All acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of bonds have existed, happened and been performed in due time, form and manner as required by law, and the District is now authorized pursuant to each and every requirement of law to incur an indebtedness in the manner and form as in this resolution provided. Bonds of the District in the aggregate principal amount of Two Hundred Ninety-Five Thousand Dollars (295,000) to be known as "District Bonds of 1973," shall be issued to pay the cost of the acquisition, construction and completion of the improvements of said District set forth in said proposition.

2. Bond Proceeds. The proceeds of all of the bonds of the issue shall be used to pay the costs relating to the project described in the following proposition, to wit:

PROPOSITION: Shall Special Road District No. 1 of Yavapai County (Lake Montezuma) Arizona, issue and sell general obligation bonds of the District in the aggregate amount of \$295,000 to raise money to make road improvements in the District in accordance with the resolution and order of the Board of Trustees of said District calling and ordering the election at which this proposition is submitted?

3. The Bonds. The bonds shall be issued as hereinafter set forth and shall be sold in accordance with law at not less than their par value and accrued interest. The bonds of said issue shall be negotiable in form and of the character known as "Serial", shall be numbered consecutively, of the denomination of \$1,000 each, shall be dated as of the date of their delivery and payment, and shall mature on July 1 in the amounts and years as follows:

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| <u>Bond<br/>Numbers</u> | <u>Amount</u> | <u>Year</u> |
|-------------------------|---------------|-------------|
| 1                       | \$ 1,000      | 1977        |
| 2                       | 1,000         | 1978        |
| 3                       | 1,000         | 1979        |
| 4                       | 1,000         | 1980        |
| 5                       | 1,000         | 1981        |
| 6                       | 1,000         | 1982        |
| 7                       | 1,000         | 1983        |
| 8-12                    | 5,000         | 1984        |
| 13-40                   | 28,000        | 1985        |
| 41-68                   | 28,000        | 1986        |
| 69-96                   | 28,000        | 1987        |
| 97-124                  | 28,000        | 1988        |
| 125-152                 | 28,000        | 1989        |
| 153-180                 | 28,000        | 1990        |
| 181-208                 | 28,000        | 1991        |
| 209-237                 | 29,000        | 1992        |
| 238-266                 | 29,000        | 1993        |
| 267-295                 | <u>29,000</u> | 1994        |

\$295,000

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4. Interest;Coupons. All of said bonds of said issue shall bear interest from their date until paid at the rate of five percent (5%) per annum, which shall be payable January 1, 1974, and thereafter semiannually on July 1 and January 1 of each year until their respective dates of maturity, evidenced by coupons attached to each bond. The coupons for each bond shall bear its number and be numbered consecutively from the earlies to the last interest period.

5. Interest After Maturity. If, upon presentation at maturity, payment of any bond or any interest coupon thereof, or both, is not made in full accordance with the terms of this resolution providing for the issuance thereof, said bonds or coupons, or both, shall continue to bear interest at the rate stated in the bond until paid in full.

6. Where Payable. Both the principal of and interest on said bonds shall be payable in lawful money of the United States of America at the office of the County Treasurer and ex officio Treasurer of the District, Courthouse, Prescott, Arizona.

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Form of Bonds. The bonds and coupons of said series shall be substantially in the form with the blanks in said form to be filled in with the appropriate words or figures, as set forth in Exhibit "A" hereto attached and by this reference made a part hereof.

8. Bonds Registrable. The bonds of this issue are registrable as to principal only. A registered bond may be assigned or the registration canceled. Unless registered, the bonds are negotiable instruments transferable by delivery.

9. Clerk is Registration Officer. Registration of bonds shall be by the Clerk.

10. Registration Book. The registration shall be entered by the Clerk in a separate book, disclosing the name and address of the holder, the number and amount of the bond, the date of registry and other information as deemed necessary.

11. Registration Certificate. The Clerk shall endorse upon each registered bond a certificate, signed by her, that the principal is payable to the registered owner only, naming him, or his legal representative. There shall be printed on the outside of the bond a form of certificate to be used by the Clerk which shall be substantially as set forth in the attached bond form.

12. Coupons Remain Negotiable. The coupons shall remain negotiable and payable to bearer, but the principal shall be paid only to the registered holder or his legal representative.

13. Assignment or Cancellation of Registration. The registered holder of a bond may, either in person or by a bank or trust company authorized to do business in the State of Arizona, present the bond to the Clerk with a written request endorsed on the bond that the bond be registered in the name of another person, or that the registry be canceled and the bond be again made payable to bearer. Upon such request the Clerk shall cancel the former registration

and register the bond in the name of the person designated in the request, and shall endorse upon the bond a certificate as required of an original registration. If the bond is to be made payable to bearer, the registration shall be canceled and the certificate upon the bond shall declare that the bond is payable to bearer. The Clerk shall keep a record thereof in a book provided for that purpose.

14. Annual Levy of Taxes. The Board of Supervisors, at the time of levying general County taxes, shall levy and cause to be collected in the manner prescribed by law for County taxes, a tax upon the taxable property within the District, based upon the then current assessment roll, sufficient to pay the interest on the bonds and that part of the principal to accrue in that year.

15. Application of Bond Tax. All taxes so levied, when collected, shall be paid into the County Treasury to the credit of the bond fund of the District to be used solely for payment of principal and interest on the bonds. The principal and interest on the bonds shall be paid by the County Treasurer on the warrant of the Board of Trustees from funds provided therefor, and the Board of Trustees shall cancel and file with the Board of Supervisors the bonds when paid.

16. Effect on General Taxes. The levy and collection of the special road taxes within the District shall not exempt the property within the District from the levy and collection of the general County road tax by the Board of Supervisors, but said Board shall appropriate annually to the use of the District an amount which in their judgment is equitable and just, not less than forty nor more than sixty-five percent of the amount of any road tax levied and collected within the District.

17. Bond Fund. The County Treasurer and ex officio Treasurer

of the District shall create and maintain a fund to be known as the "Special Road District No. 1 Bonds of 1973 Bond Fund," or such other designation as he shall determine, by which he shall keep an accurate account of all moneys of the District paid to him for said fund, and of the payments therefrom of the principal of and interest on said bonds. Into such fund shall be deposited all premiums and accrued interest received at the time of the sale of any of said bonds.

18. Construction Fund. The County Treasurer and ex officio Treasurer of the District shall create and maintain a fund to be known as the "Special Road District No. 1 Bonds of 1973 Construction Fund," or such other designation as he shall determine, by which he shall keep an accurate account of all moneys of the District paid to him for said fund, and of all disbursements therefrom to pay the cost of acquiring and constructing the improvements and of the expenses incidental thereto and to these proceedings. The Treasurer shall deposit in said fund the proceeds of the sale of the bonds of this issue. The construction fund shall be used exclusively for the purposes stated in the foregoing proposition voted upon and in Resolution No. 73-3 calling the bond election of September 5, 1973. Payments from the Construction Fund shall be made only upon warrants, drafts or checks of the District subject to approval of payments therefrom by the Farmers Home Administration of the United States Department of Agriculture.

19. Resolution not Repealable. After said bonds are issued, this resolution shall be and remain irrevocable until said bonds and the interest thereon shall be fully paid, satisfied and discharged as herein provided.

20. Bonds are General Obligation. The bonds of this issue are general obligation bonds of the District and they are secured by the full faith and credit of the District.

21. Performance of Essence. The performance of the duties prescribed by this resolution and in the law pursuant to which it was adopted, by the District and its officers, agents and employees, is of the essence of the District's contract with the bondholders.

22. Bondholders Have Recourse to the Law. Each taker and subsequent holder of the bonds and of the attached or detached coupons have recourse to all of the provisions of this resolution and of the law pursuant to which it was adopted.

23. Resolution a Covenant. Each and all of the terms of this resolution shall be and constitute a covenant on the part of the District to and with each one every bondholder from the time the bonds are issued pursuant hereto.

24. 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. The Board hereby declares that it would have passed this resolution and each section, subsection, sentence, clause or phrase hereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared to be unconstitutional.

25. Execution of Bonds and Coupons. The Chairman of the Board of Supervisors and the Chairman of the Board of Trustees of the District, as such officers, shall execute each of said bonds on behalf of the District, which may be by their respective printed, lithographed or engraved facsimile signature mechanically reproduced thereon, and the Secretary of the District shall manually countersign each of said bonds and manually affix the official seal of said District thereto. The County Treasurer and ex officio

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Treasurer of the District shall cause the interest coupons to be signed by his printed, lithographed or engraved facsimile signature mechanically reproduced thereon. Such signing, countersigning, and sealing as herein provided shall be a sufficient and binding execution of said bonds and coupons of said District. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer before delivery of the bonds, his signature is as effective as if he had remained in office.

26. Arbitrage. On the basis of the facts, estimates and circumstances now in existence and in existence on the date of issue of the bonds, as determined by the Treasurer, the Treasurer is authorized to certify that it is not expected that the proceeds of the issue will be used in a manner that would cause such obligations to be arbitrage bonds. Such certification shall be delivered to the purchaser together with the bonds.

27. Copy to County Treasurer. A certified copy of this resolution shall be forwarded to the County Treasurer and ex officio Treasurer of this District.

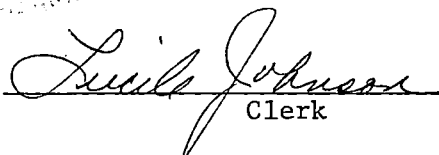
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DONE IN OPEN SESSION this 18th. day of October, 1974.

BOARD OF SUPERVISORS,  
YAVAPAI COUNTY, ARIZONA

  
Chairman

ATTEST:

  
Clerk

UNITED STATES OF AMERICA  
STATE OF ARIZONA  
SPECIAL ROAD DISTRICT NO. 1 OF YAVAPAI COUNTY  
(LAKE MONTEZUMA) ARIZONA

DISTRICT BOND OF 1973

NO.

\$1,000

SPECIAL ROAD DISTRICT NO. 1 OF YAVAPAI COUNTY (LAKE MONTEZUMA) ARIZONA, a body corporate with the powers for the purpose of carrying out the provisions of the Special Road District Law, organized and existing under the Constitution and laws of the State of Arizona, hereby acknowledges itself indebted and for value received promises to pay to the bearer, or if this bond be registered, to the registered holder thereof, on the       day       of       , 19       , ONE THOUSAND DOLLARS (\$1,000), together with interest thereon from date at the rate of five percent (5%) per annum until payment of said principal sum in full, said interest to be payable semiannually on first day of January and the first day of July of each year, represented by semi-annual coupons attached hereto at the time of issuance, (except the first coupon which shall be for interest to January 1, 1975). Such interest, prior to maturity, shall be payable only on presentation and surrender of the proper interest coupons as they respectively become due.

Both the principal of and interest on this bond are payable in lawful money of the United States of America at the Office of the County Treasurer of the County of Yavapai, Prescott, Arizona, the ex officio Treasurer of the District.

If, upon presentation at maturity, payment of this bond or any interest coupon thereof, or both, is not made in full accordance with the terms of the resolution providing for the issuance hereof, said bond or coupon, or both, shall continue to bear interest at the rate stated herein until paid in full.

This bond is issued in pursuance of law, and is one of several annual series of bonds totalling Two Hundred Ninety-Five Thousand Dollars (\$295,000) in principal amount, designated District Bonds of 1973, all of like tenor (except for such variation, if any, as may be required to designate varying maturity dates), and is issued under and pursuant to the resolutions and proceedings of said District and the Board of Supervisors of Yavapai County duly adopted and taken and a vote and assent of two-thirds or more of all the qualified voters of said District voting at a special election duly called and held for that purpose.

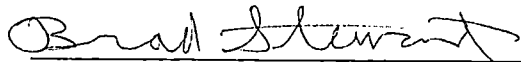
This bond is registrable as to principal as provided by law. The registration may be assigned or canceled. Unless registered, the bond is a negotiable instrument transferable by delivery. If registered, interest coupons are still payable to bearer. This bond is not subject to federal or Arizona State income taxes or any property taxes by the State or by any county, city, town or other subdivision of the State.

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The bonds of this issue are payable from annual taxes levied and collected by the County with County taxes, which taxes are unlimited as to rate or amount, and the full faith and credit of the District are irrevocably pledged to the levy and collection of such taxes and to the punctual payment of the bonds and the interest thereon as they shall accrue.

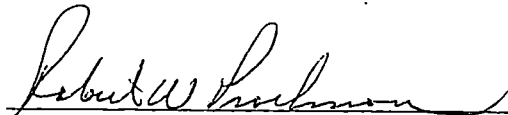
This bond is given as evidence of a loan to the District made by the United States of America pursuant to the Consolidated Farm and Rural Development Act of 1972, and shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof or the proceedings for the issuance hereof.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and to be performed precedent to and in the issuance of this bond have existed, happened and been performed in due time, form and manner as required by law, and that the amount of this bond, together with all other indebtedness of said District, does not exceed any limit prescribed by the Constitution or statutes of said State.

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IN WITNESS WHEREOF, the Special Road District No. 1 of Yavapai County (Lake Montezuma) Arizona has caused this bond to be executed under its official seal, signed by the Chairman of the Board of Supervisors of said County and the Chairman of its Board of Trustees or by their respective printed, lithographed or engraved facsimilie signatures, and countersigned by the manual signature of its Secretary, and has caused the interest coupons hereto attached to be signed by the facsimile signature of its Treasurer, and this bond to be dated the 18th. day of October, 1974.

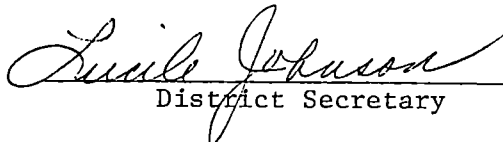


Chairman, Board of Supervisors



Chairman, Board of Trustees

COUNTERSIGNED:

  
District Secretary

INTEREST COUPON

Special Road District No. 1  
of Yavapai County (Lake  
Montezuma) Arizona  
District Bonds of 1973

On \_\_\_\_\_, 19\_\_  
\$ \_\_\_\_\_  
Bond No. \_\_\_\_\_  
Coupon No. \_\_\_\_\_

The sum shown herein, bearing interest then due is payable to bearer in lawful money of the United States of America, at the Office of the Treasurer of Yavapai County, in Prescott, Arizona.