



---

## REQUEST FOR FUNDING BANK DIRECT PURCHASE

---

**\$3,590,000\***  
**City of Douglas, Arizona**  
**Pledged Revenue Obligations,**  
**Series 2025**

---

### INTRODUCTION

---

The City of Douglas, Arizona (the “City”) is seeking bids from banks and qualified institutional buyers for the direct purchase of its Pledged Revenue Obligations, Series 2025 (the “Series 2025 Obligations”) in order to provide funding to (i) finance or reimburse the City for costs related to improvements to the City’s Asphalt Plant and related infrastructure improvements and equipment (the “Project”), and (ii) pay for the costs of execution and delivery of the Series 2025 Obligations.

The City Council approved Ordinance No. \_\_\_\_ (the “Ordinance”) authorizing this transaction becomes effective on February 7, 2025.

This Request for Funding (the “RFF”) is accompanied by a separate attachment containing preliminary drafts of pertinent legal documents associated with this transaction (the “Legal Documents”), including forms of the Ordinance and the hereinafter defined Trust Agreement and Purchase Agreement. Please review the draft Legal Documents for definitions and a more complete description of the various covenants and legal terms associated with this financing.

This RFF does not commit the City to pay any costs incurred by any proposer related to the submission of a proposal or for procuring or contracting the services to be furnished under the RFF.

---

### KEY DATES AND CONTACTS

---

**RFF Due Date:** Proposals for the purchase of all of the Series 2025 Obligations should be submitted no later than **2:00 p.m. Mountain Standard Time on Tuesday, January 28, 2025.**

**RFF Questions/Clarification:** Clarifications on the RFF and questions regarding the preparation of the proposal should be directed to the City’s Municipal Advisor, Columbia Capital Management, LLC, Jim Stricklin ([jstricklin@columbiacapital.com](mailto:jstricklin@columbiacapital.com) 602.370.7503) or Khaleen Dwyer ([kdwyer@columbiacapital.com](mailto:kdwyer@columbiacapital.com) or 913.312.8068) no later than 2:00 p.m. on Monday, January 20, 2025. A response in the form of an addendum to the RFF will be provided to all parties if a substantive clarification is in order.

---

\* Preliminary; subject to change.

Due diligence, project, and City-related questions should be directed to Alejandro Martinez, Finance Director ([alejandro.martinez@douglasaz.gov](mailto:alejandro.martinez@douglasaz.gov) or 520.417.7320). A response in the form of an addendum to the RFF will be provided to all parties if a substantive clarification is in order.

Questions regarding the legal structure of the transaction should be directed to the City’s Special Counsel, Paul Gales, Greenberg Traurig, LLP ([galesp@gtlaw.com](mailto:galesp@gtlaw.com) or 602.445.8404). A response in the form of an addendum to the RFF will be provided to all parties if a substantive clarification is in order.

**Final Credit Approval / Rate Lock:** On or about **2:00 p.m. Mountain Standard Time on Monday, February 10, 2025.**

**Closing:** Closing is scheduled for Wednesday, **February 19, 2025.**

---

#### SUBMITTAL

---

Proposals for funding, including APPENDIX B – Bid Form, must be submitted electronically on or before 2:00 p.m. Mountain Standard Time on Tuesday, January 28, 2025 to Alejandro Martinez, ([alejandro.martinez@douglasaz.gov](mailto:alejandro.martinez@douglasaz.gov)), Jim Stricklin ([jstricklin@columbiacapital.com](mailto:jstricklin@columbiacapital.com)) and Khalen Dwyer ([kdwyer@columbiacapital.com](mailto:kdwyer@columbiacapital.com)).

---

#### DISCLAIMER

---

CONTACT WITH ANY CITY OFFICIAL REGARDING THIS RFF USING METHODS OTHER THAN THOSE SPECIFIED HEREIN MAY BE BASIS FOR DISQUALIFICATION.

THE CITY RESERVES THE RIGHT TO: (I) EXTEND THE DUE DATE/TIME UPON NOTICE TO ALL FIRMS THAT PROVIDE AN INDICATION OF INTEREST, AND (II) WAIVE MINOR IRREGULARITIES IN THE RFF PROCESS AT ITS SOLE DISCRETION.

THE CITY IS NOT LIABLE FOR ANY COSTS OR EXPENSES INCURRED BY THE RESPONDENT IN THE PREPARATION OF ITS RESPONSE TO THIS RFF.

---

#### AWARD

---

The City may select a purchaser on a preliminary basis to negotiate final terms, conditions and financing documents.

The City will choose a purchaser based on the proposal that provides the most favorable terms to the City. The City reserves the right to negotiate terms and provisions with any or all respondents in determining its award. The City also reserves the right to reject any or all responses to the RFF or to waive any irregularities if it is found to be in the City’s best interest to do so.

---

#### PLAN OF FINANCE

---

#### **Security for and Source of Payment of the Obligations**

The Series 2025 Obligations are payable solely from payments (the “Payments”) to be made by the City pursuant to an installment purchase agreement, to be dated as of February 1, 2025\* (the “Purchase Agreement”), between the City and [ ] (the “Trustee”). The Series 2025 Obligations will be executed and delivered pursuant to a trust agreement, to be dated as of February 1, 2025\* (the “Trust Agreement”), between the City and the Trustee. All of the Trustee’s interest under the Purchase Agreement,

including, without limitation, the right to receive and collect the Payments and the amounts payable under the Trust Agreement and the right to enforce the payment of Payments, will be held by the Trustee for the benefit of the Purchaser of the Series 2025 Obligations.

Pursuant to the Purchase Agreement, the City will pay the Trustee the Payments for the acquisition of the Project, which will be equal to the principal and interest payable with respect to the Series 2025 Obligations. The Payments to be made by the City under the Purchase Agreement are payable from and secured by a lien on and pledge of the City's Excise Taxes and State Shared Revenues.

The City has \$32.64 million of outstanding Excise Taxes and State Shared Revenue supported debt prior to issuance of the Series 2025 Obligations. The City expects to issue approximately \$\_\_\* million of additional Excise Taxes and State Shared Revenue supported debt within the next 12 months. Payment of the Series 2025 Obligations is not secured by the Project, and the Purchaser of the Series 2025 Obligations has no claim or lien on the Project or any part thereof.

THE SERIES 2025 OBLIGATIONS WILL NOT BE GENERAL OBLIGATIONS OF THE CITY, THE STATE OF ARIZONA (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF AND DO NOT AND WILL NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WHEN COMPUTING ITS LIMIT IMPOSED BY CONSTITUTIONAL OR STATUTORY PROVISIONS OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF FOR PAYMENT OF THE SERIES 2025 OBLIGATIONS OTHER THAN FROM THE SOURCES PLEDGED THEREFOR.

Excise Taxes and State Shared Revenues, Historic Excise Taxes and State Shared Revenues, Excise Taxes and State Shared Revenue Debt to be Outstanding, Projected Debt Service Coverage and other financial information is in APPENDIX A.

---

\* Preliminary; subject to change.

### Preferred Terms

Rate Mode:	Fixed Rate
Tax Status:	Tax-Exempt
Term Bond:	Due January 1, 2026 to Maturity January 1, 2035. [add subject to change principal payments?]
Principal & Interest Amortization:	Level Payments
Denomination:	Minimum \$1 million with integral multiples of \$1,000
Pre-payment Terms:	Subject to negotiation. See Bid Form.
Maximum Interest Rate:	8%
Offering Document:	None
Continuing Public Disclosure:	None
Rating:	None
Transferability:	Restricted
CUSIP:	None
DTC Closing:	None
Investor Letter:	Yes

Fees and Expenses:	A detailed list of any fees and expenses the purchaser expects to charge, including fees and expenses of legal counsel and any other third party. All costs of execution and delivery of the Series 2025 Obligations will be paid from the proceeds of the Series 2025 Obligations.
--------------------	---

### **Parity Debt Covenants**

Rate Covenant:	The City covenants and agrees that it shall take any and all action necessary such that the revenues from the Excise Taxes and State Shared Revenues in each fiscal year shall equal an amount of at least 3.0x the total of the interest and principal requirements for such fiscal year for all obligations secured by Excise Taxes and State Shared Revenues on parity with the Series 2025 Obligations.
Additional Debt Test:	The City will not issue and/or incur any obligations secured by Excise Taxes and State Shared Revenues senior to or on parity with the Series 2025 Obligations, unless the revenues from the Excise Taxes and State Shared Revenues, when combined mathematically for such purpose only, in the most recent completed fiscal year, shall be at least 3.0x the highest combined interest and principal requirements for any succeeding fiscal year for all such obligations currently outstanding and the obligations proposed to be issued.
Debt Service Reserve Fund:	None.

### **INDEPENDENT REGISTERED MUNICIPAL ADVISOR**

The City hereby discloses to and notifies all potential purchasers of its desire and intent to receive advice and recommendations related to the issuance of municipal securities and municipal financial products that are particularized to its specific needs. Columbia Capital Management, LLC, a municipal advisor registered with the SEC and the Municipal Securities Rulemaking Board, represents the City as its municipal advisor. The City will rely upon the advice of Columbia Capital Management, LLC.

Columbia Capital Management, LLC participated in the preparation of the RFF, and the information contained herein has been obtained from sources deemed to be reliable, however, Columbia Capital Management, LLC has not independently verified the information contained herein, nor has it conducted a detailed investigation of the affairs of the City for the purpose of passing on the completeness or accuracy of the RFF.

## APPENDIX A—Supplemental Information

### EXCISE TAXES AND STATE SHARE REVENUES

#### Excise Taxes

*City Transaction Privilege (Sales) Taxes.* The City’s transaction privilege (sales) tax is levied by the City upon persons on account of their business activities within the City. The amount of taxes due are calculated by applying the tax rate against the gross proceeds of sales or gross income derived from the business activities shown in the table below. Transaction privilege (sales) taxes are collected by the Arizona Department of Revenue and remitted to the City on a monthly basis.

**Privilege (Sales) Tax Base Rates By Category (a)**

<b>Category</b>	<b>Tax Rate</b>
Advertising	3.80%
Amusements	3.80%
Contracting	3.80%
Food at Wholesale	3.80%
Job Printing	3.80%
Manufactured Buildings	3.80%
Timbering and Extraction	3.80%
Severance—Metal Mining	0.10%
Publication	3.80%
Hotels	3.80%
Hotel/Motel (Additional Tax) (b)	4.00%
Residential Rental, Leasing and Licensing for Use	2.80%
Commercial Rental, Leasing and Licensing for use	2.80%
Rental Occupancy	2.80%
Rental, Leasing, and Licensing for use of TPP	3.80%
Restaurant and Bars	3.80%
Retail Sales	3.80%
Retail Sales (Single Item Over \$10,000)	2.80%
Retail Sales (Food for Home Consumption)	3.80%
MRRA Amount	3.80%
Communications	3.80%
Transporting	3.80%
Utilities	3.80%
Use Tax Purchases	3.80%
Use Tax Purchases (Single Item Over \$10,000)	2.80%
Use Tax From Inventory	3.80%

- (a) *Due to the City’s participation in the Arizona Department of Revenue (“ADOR”) sales tax collection program and ADOR’s reporting of collections on a cash basis, the totals represented here may differ from the amounts shown of City Sales Collections*
- (b) *This tax is restricted by State statutes to be used for visitor and hospitality services (the “Restricted Portion of the Hotel Tax”). Accordingly, the Restricted Portion of the Hotel Tax does not constitute part of the Excise Taxes pledged to the payment of the Obligations or the Outstanding Parity Lien Obligations.*

*Other Excise Tax Revenues.* Cities and towns in the State have exclusive control over public rights of way dedicated to the municipality, and may grant franchise agreements to and impose franchise taxes on utilities using those rights of way. The City also imposes and collects fees for licenses and permits to engage in certain activities within the City and for the right to utilize certain City property, and imposes and collects fines and forfeitures for violations of State laws or City ordinances relating to traffic, parking, animal control and other offenses.

Initiative measures are circulated from time to time seeking to place on the ballot changes in legislative actions of the Mayor and Council of the City which would repeal or modify the City's transaction privilege (sales) taxes. The City cannot predict if any such initiative measures will ever actually be submitted to the electors, what form the measures might take, the outcome of any such election or whether such a measure, if passed, would impact the City's ability to make Payments.

## State Shared Revenues

*State Shared Sales Taxes.* Pursuant to statutory formula, cities and towns in Arizona receive a portion of the State-levied transaction privilege (sales) tax. The State transaction privilege (sales) tax is levied against the same categories of business activity as the City's transaction privilege (sales) tax with the exception of food sales, which the State exempts from tax.

Under current State law, the aggregate amount distributed to all Arizona cities and towns is equal to 25% of the "distribution base" of revenues attributable to each category of taxable activity. The allocation to each city and town of the revenues available to all cities and towns is based on their population relative to the aggregate population of all cities and towns as shown by the latest census. State-levied transaction privilege (sales) taxes are collected by the State and are distributed monthly to cities and towns.

State Sales Tax Categories		
<u>Taxable Activity</u>	<u>State Tax Rate (a)</u>	<u>Distribution Share</u>
Transportation	5.600%	20.000%
Utilities	5.600%	20.000%
Telecommunications	5.600%	20.000%
Telecommunications Devices	1.100%	20.000%
Pipeline	5.600%	20.000%
Private Car Line	5.600%	20.000%
Publication	5.600%	20.000%
Job Printing	5.600%	20.000%
Owner Builder Sales	5.600%	20.000%
Amusement	5.600%	40.000%
Restaurant	5.600%	40.000%
Personal Property Rental	5.600%	40.000%
Retail (Excluding Food Sales)	5.600%	40.000%
Online Lodging Marketplace	5.720%	50.000%
Transient Lodging	7.270%	50.000%
Mining - Non-Metal, Oil/Gas	3.562%	32.000%
Commercial Lease	0.500%	53.330%
Severance - Metalliferous Mining	2.500%	80.000%
Use Tax Utilities	5.600%	20.000%
Jet Fuel Use Tax	(b)	40.000%

(a) Includes the State transaction privilege (sales) tax rate approved by voters of the State in November 2000 (the "Education Tax") on certain of the categories of business activity at six-

*tenths of one percent (0.6%). The Education Tax collections are dedicated exclusively to education and are not distributed to the Town or pledged to the payment of debt service with respect to the Obligations.*

- (b) *Does not include the \$0.0305 per gallon State tax on the retail sale of jet fuel, which tax is only levied on the first ten million gallons sold to each purchaser in each calendar year.*

*State Shared Income Taxes.* Under State law, Arizona cities and towns are preempted by the State from imposing a local income tax. Cities and towns are, however, entitled by statutory formula to receive a percentage of State personal and corporate income tax collections. Distribution of such funds is made monthly based on the proportion of the population of each city and town to the total population of all incorporated cities and towns in the State as determined by the latest census.

The State Legislature has at various times adjusted the distribution percentage. Most recently, the percentage of State shared income tax received by cities and towns was 15.0%. As part of the State's fiscal year 2021/22 budget, on June 30, 2021, the Governor signed Senate Bill 1828 ("SB1828"), which consolidated the State's four personal income tax rate categories into a single flat rate of 2.5% over a three-year period, beginning after December 31, 2021.

Legislative reports at the time of passage of SB1828 indicated that such a rate consolidation was estimated to reduce significantly State income tax receipts, with a possible concurrent reduction in State shared income taxes distributed to Arizona cities and towns.

In order to partially mitigate impacts of the expected reduction in State shared income taxes, SB1828 increased, beginning in fiscal year 2023/24, the percentage of State income taxes distributed to cities and towns from 15% to 18%. [As a result of the enactment of SB1828, the City received increases in its State shared income tax distribution in fiscal year 2023/24. Such increases are not expected to continue in fiscal year 2024/25 and beyond as the enactment of the 2.5% flat income tax rate becomes fully implemented.] The amount and continued receipt of State-shared income taxes by the City could be adversely affected by future changes in law by the State Legislature.

The State recorded individual income tax revenues of \$5.24 billion in FY 2023, a decrease of 30.4% year-over-year. Preliminary estimates provided by the Joint Legislative Budget Committee in a report dated July 2024 indicate individual income tax revenues of \$4.85 billion for FY 2024, a decrease of 7.5% year-over-year.

*State Shared Vehicle License Tax.* Article IX, Section 11 of the Arizona Constitution provides that from and after December 31, 1973, a vehicle license tax shall be imposed as provided by law on vehicles registered for operation upon the highways in Arizona, which vehicle license tax shall be in lieu of all ad valorem property taxes on any vehicle subject to such license tax. The constitutional provision further provides that the State Legislature shall provide for the distribution of the proceeds from such vehicle license tax to the State, counties, school districts, cities and towns, including distributions to the State General Fund.

Pursuant to statutory formula, cities and towns in Arizona, including the City, receive a distribution of revenues from the State vehicle license tax from the Arizona Department of Transportation (the "Department"), which is the State agency charged with collecting the tax. 20.45% of the vehicle license tax collected by the State with respect to alternative fuel vehicles, car rental surcharges, and private ambulances, fire-fighting vehicles and school buses and 24.60% of the vehicle license tax collected by the State with respect to all other eligible vehicles is distributed by the Department to the cities and towns in Arizona. Such amounts may be applied by the cities and towns in Arizona to any municipal purpose.

*Legislation Regarding Withholding of State Shared Revenues.* Section 41-194.01, Arizona Revised Statutes, permits the State to withhold from a county, city or town (“Local Jurisdiction”) State revenues that would otherwise be shared with Local Jurisdictions. Under such statute, at the request of one or more members of the State Legislature, the State Attorney General must investigate any ordinance, regulation, order or other official action (“Local Action”) adopted or taken by the governing body of a Local Jurisdiction that the legislator alleges violates State law or the State Constitution. The Attorney General must make a written report within 30 days after receipt of the request. The Local Jurisdiction then has 30 days to resolve the violation. If the Attorney General determines that the violation has not been resolved within 30 days, the Attorney General must notify the State Treasurer and the State Treasurer must withhold payment to the Local Jurisdiction of State shared sales taxes otherwise due to the Local Jurisdiction pursuant to Section 42-5029(L), Arizona Revised Statutes and all State shared income taxes otherwise due to the Local Jurisdiction pursuant to Section 43-206(F), Arizona Revised Statutes, until such time as the Attorney General determines that the violation has been resolved. However, the State Treasurer may not withhold any amount that the Local Jurisdiction certifies to the Attorney General and the State Treasurer as being necessary to make deposits or payments for debt service on bonds or other long-term obligations that were issued or incurred before the Local Action occurred.

[The City is not aware of any Local Action by the City taken or currently under consideration that does or if taken would violate State law or the State Constitution. State Shared Revenues are pledged to payments due with respect to the Purchase Agreement. The withholding of State Shared Revenues could have a material adverse effect on the payment of principal of and interest on the Obligations during any period of withholding.]

*Lack of City’s Control Over State Shared Sales Taxes, State Shared Income Taxes or State Vehicle License Tax Levels.* From time to time, bills are introduced in, and legislation enacted by, the State Legislature to change the formulas used to allocate State shared sales taxes, State shared income taxes and State vehicle license taxes, including proposed adjustments that would reduce the distribution to cities and towns. The possibility of changes in this respect are more likely to be adverse to the City when the State is experiencing financial difficulties. The City cannot determine whether any such measures will become law or how they might affect State shared sales taxes, State shared income taxes and State vehicle license taxes, which comprise State Shared Revenues. In addition, initiative measures are circulated from time to time seeking to place on the ballot changes in Arizona law, which would repeal or modify State shared sales taxes, State shared income taxes (a major source of funds for state revenue sharing) and State vehicle license taxes. The City cannot predict if any such initiative measures will ever actually be submitted to the electors, what form the measures might take or the outcome of any such election.

---

## CITY FINANCES

---

City financial statements, budget documentation, and related resources can be found at the following link:

<https://www.douglasaz.gov/211/Budgets-Financials>



## HISTORICAL EXCISE TAXES AND STATE SHARED REVENUES

The following Table sets forth the City's Excise Taxes and State Shared Revenues for fiscal years 2019/20 through and including 2023/24. Figures reported for the 2024 fiscal year are unaudited and preliminary, subject to change upon audit and should be considered with an abundance of caution.

	<b>Unaudited</b>	<b>Audited</b>			
	<b>FY 2023/24</b>	<b>FY 2022/23</b>	<b>FY 2021/22</b>	<b>FY 2020/21</b>	<b>FY 2019/20</b>
<b><i>Excise Tax Revenues</i></b>					
Transaction Privilege (Sales) Tax	\$ 11,281,933	\$ 10,275,477	\$ 9,206,923	\$ 8,854,433	\$ 7,556,918
Licenses & Permits	267,962	190,146	261,235	177,124	148,759
Fines and Forfeitures	9,549	42,896	75,800	7,663	11,471
Subtotal Excise Taxes	<u>\$ 11,559,444</u>	<u>\$ 10,508,519</u>	<u>\$ 9,543,958</u>	<u>\$ 9,039,220</u>	<u>\$ 7,717,148</u>
<b><i>State Shared Revenues</i></b>					
State Shared Sales Tax	\$2,341,091	\$2,440,977	\$2,327,948	\$1,921,026	\$1,600,126
State Shared Income Tax	4,130,953	3,132,542	2,169,267	2,314,206	2,119,573
Vehicle License Tax	990,253	991,483	970,630	1,022,527	776,774
Subtotal State Shared Revenues	<u>\$ 7,462,297</u>	<u>\$6,565,002</u>	<u>\$ 5,467,845</u>	<u>\$ 5,257,759</u>	<u>\$ 4,496,473</u>
Total Excise Taxes and State Shared Revenues	<u><u>\$ 19,021,741</u></u>	<u><u>\$ 17,076,521</u></u>	<u><u>\$15,011,803</u></u>	<u><u>\$ 14,296,979</u></u>	<u><u>\$12,213,621</u></u>

*Note: In July 2023, Governor Hobbs signed Senate Bill 1131 which will prohibit municipalities from levying taxes on residential rentals beginning in January 2025. In fiscal year 2024, approximately \$362,052 of the City's local sales tax revenues are attributable to the City's residential rental tax.*

## EXCISE TAXES AND STATE SHARED REVENUE DEBT TO BE OUTSTANDING

### Excise Taxes and State Shared Revenue Obligations

<b>Series</b>	<b>Purpose</b>	<b>Original Amount</b>	<b>Maturity Dates</b>	<b>Balance Outstanding</b>
Taxable 2021	Pension Funding	\$ 38,885,000	1/1/2022-39	\$ 32,640,000
			Subtotal	<u>32,640,000</u>
			Plus: The Series 2025 Obligations	<u>3,590,000*</u>
			Total	<u><u>\$ 36,230,000*</u></u>

\*Preliminary; subject to change.

## PROJECTED DEBT SERVICE COVERAGE

Fiscal Year	Pledged Revenues <sup>(1)</sup>	Outstanding Pledged Revenue Obligations		Plus: The Series 2025 Obligations		Estimated Combined Debt Service Requirements			Estimated Coverage <sup>(3)</sup>
		Principal (Due 1/1)	Interest	Principal (Due 1/1)	Interest <sup>(2)</sup>	Principal	Interest	Total	
2024	\$ 19,021,741								
2025			\$374,982		\$59,235		\$434,217	\$434,217	
2026		\$1,655,000	740,805	\$311,000	154,553	\$1,966,000	895,357	2,861,357	
2027		1,805,000	718,747	304,000	140,715	2,109,000	859,462	2,968,462	
2028		2,145,000	688,916	317,000	126,743	2,462,000	815,658	3,277,658	
2029		2,185,000	652,360	332,000	112,140	2,517,000	764,500	3,281,500	5.80
2030		2,225,000	610,311	346,000	96,885	2,571,000	707,196	3,278,196	
2031		2,270,000	563,298	362,000	80,955	2,632,000	644,253	3,276,253	
2032		2,325,000	512,023	378,000	64,305	2,703,000	576,328	3,279,328	
2033		2,380,000	456,939	395,000	46,913	2,775,000	503,851	3,278,851	
2034		2,435,000	398,157	413,000	28,733	2,848,000	426,889	3,274,889	
2035		2,500,000	335,443	432,000	9,720	2,932,000	345,163	3,277,163	
2036		2,565,000	268,670			2,565,000	268,670	2,833,670	
2037		2,640,000	197,447			2,640,000	197,447	2,837,447	
2038		2,715,000	121,087			2,715,000	121,087	2,836,087	
2039		2,795,000	40,751			2,795,000	40,751	2,835,751	
		<u>\$32,640,000</u>	<u>\$6,679,936</u>	<u>\$3,590,000</u>	<u>\$920,895</u>	<u>\$36,230,000</u>	<u>\$7,600,831</u>	<u>\$43,830,831</u>	

<sup>(1)</sup> Preliminary (unaudited) figure shown for FY 2023/24 revenues provided by the City are subject to change upon audit and should be considered with an abundance of caution.

<sup>(2)</sup> Pro forma debt service requirements for the anticipated Series 2025 Obligations are estimate based on current market conditions, "forward looking" preliminary and subject to change.

<sup>(3)</sup> Revenue coverage calculation is shown for the year that produces the highest estimated combined interest and principal requirements for the Pledged Revenue Obligations.

## APPENDIX B—Bid Form

The City seeks two quotations for a fixed rate, assuming final maturity of January 1, 2035.

### **FIXED RATE QUOTATION NONCALLABLE**

<b>Maturity Date of January 1, 2035 – Interest Rate Bid: %_____</b>
---

### **FIXED RATE QUOTATION CALLABLE**

<b>Maturity Date of January 1, 2035 – Interest Rate Bid: %_____</b>
---

*Prepayment Terms.* The City strongly prefers the option to prepay the Series 2025 Obligations prior to maturity at a price of 100% of the outstanding principal amount, plus accrued interest to the prepayment date. Specify your proposed prepayment terms below. To the extent the specified optional prepayment date and price are conditional upon other material terms or conditions, please specify such terms or conditions in the body of your proposal.

<b>Optional Prepayment Date</b>
_____

### **FEES & EXPENSES**

Please provide any fees or expenses that your firm will charge as part of your price proposal (e.g., bank legal counsel).

Note: the fees and expenses quoted will be used to calculate the adjusted borrowing cost of the proposal. The City will NOT reimburse any fees or expenses not included below.

Description

Flat Fee or % of Par

_____	_____
_____	_____
_____	_____
_____	_____

Firm

\_\_\_\_\_

Representative

\_\_\_\_\_

Date

\_\_\_\_\_

Signature

\_\_\_\_\_