



# TUBAC FIRE DISTRICT

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2227 EAST FRONTAGE ROAD  
P.O. BOX 2881  
TUBAC, ARIZONA 85646  
TELEPHONE: (520)398-2255

## REGULAR MEETING OF THE BOARD OF DIRECTORS

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The Tubac Fire District Board of Directors will meet in regular session on December 20, 2023, at 1:30 pm at the Tubac Community Center Building located at 50 Bridge Rd in Tubac. The following topics and any variables thereto, will be subject to Board consideration, discussion, approval, or other action. All items are set for possible action. The Board may consider any item on this agenda in any order and at any time during the meeting. The Governing Board may convene into Executive Session for discussion or consultation for legal advice with its attorney regarding any item on this agenda, in accordance with A.R.S. § 38-431.03(A)(3).

Members of the public may attend the meeting in person, by viewing the livestream on the Tubac Fire District Facebook page, or by telephone by calling (346) 248-7799 and entering the Webinar ID, 827 3360 0975, if prompted.

NOTE: Executive Sessions are CONFIDENTIAL pursuant to A.R.S. § 38-431.03(C). Members of the public may not participate in Executive Sessions.

Members of the public who are not able to attend the meeting in person may submit comments to the Board by email. The emails will be read out loud during the meeting. Please email any comments to [bhamric@tubacfire.org](mailto:bhamric@tubacfire.org). Emails must be received no later than 5pm the day before the meeting and must include your full name as well as your phone number (to allow District staff to contact you with any questions).

### Agenda

1. Call to order and Pledge of Allegiance
2. Roll call of Board Members
3. Recognition and badge pinning:
  - a. Danny Magana Fire District recognition
  - b. Henry Valdez Engineer badge pinning
  - c. Marc Caschera Engineer badge pinning
  - d. Mario Bernal Engineer badge pinning
  - e. Deputy Chief Rivera retirement presentation
4. Reading of public comments submitted via email.
5. Call to the Public: "This is the time for the public to comment on items related to the Fire District. Members of the Board may not discuss items that are not on the agenda. Therefore, the Fire Board is not permitted to discuss or take action on any items raised in the Call to the Public which is not on the agenda due to restrictions of the Open Meeting Law; however, individual Board members are permitted to respond to criticism directed to them. Otherwise, the Board has discretion to direct the Fire Chief to review the matter or that the matter is placed on a future agenda. Those wishing to address the Board need not request permission in advance. A member of the public may speak for a reasonable time as determined by the Board. If no time is specified, the presumed time limit will be 3 minutes per person. The Fire Board Chair may adjust time limitations and all individuals desiring to address the Fire Board will have the same opportunity."
6. Correspondence

7. Report from Board Members
8. Chief and Staff Report
  - a. Operations Update
  - b. Training
  - c. Wildland Update
  - d. Administration Update
9. Monthly Financial Report for November 2023.
10. Consent Agenda
  - a. Approval of minutes from November 29, 2023.
  - b. Approval of monthly financial reports.
11. Consideration and possible adoption of a resolution providing for all matters relating to the sale and issuance of general obligation bonds of the District including delegation to the Fire Chief of the District to determine certain matters related thereto.
12. Fire Station #1 items:
  - a. Discussion and possible action on Fire Station #1 project
  - b. Discussion and possible action on Fire Station #1 tower
13. Nomination and election of new board officers.
14. Future Agenda Items
15. Next meeting:
16. Adjourn meeting.

Notice of Meeting (Agenda) dated and posted on December 14,2023 at 5:30 p.m. local time by B. Hamric.

If any disabled person needs any type of accommodation, please notify the Tubac Fire District prior to the scheduled meeting time.



*Staff Report*  
*Tubac Fire Board*  
*December 2023*

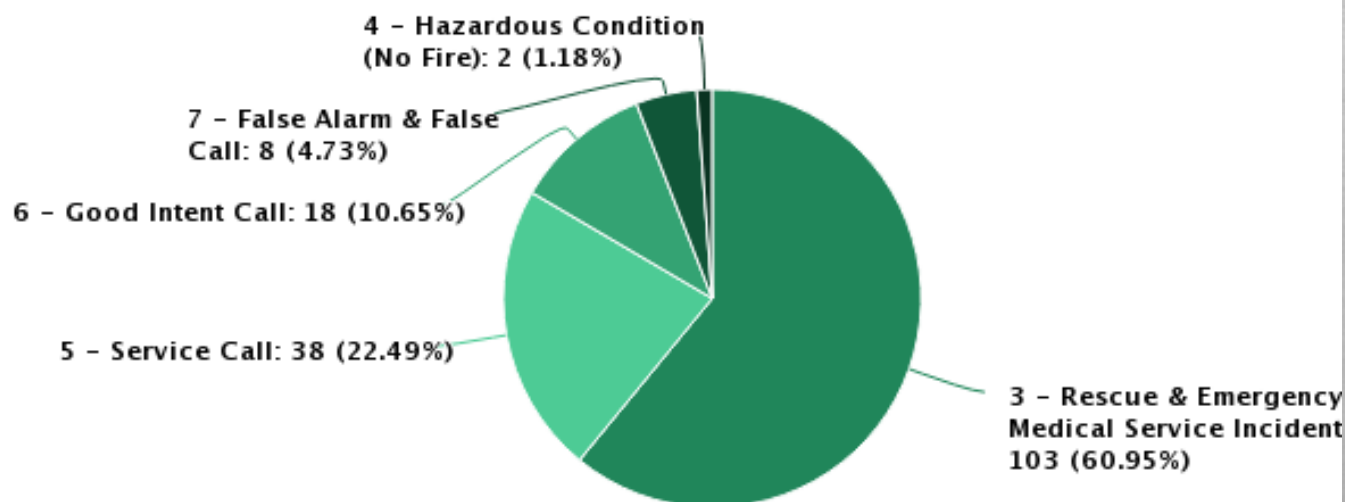
Tubac Fire District is committed to the safety of our community through the delivery of fire suppression, medical services, and public education.



# November Emergency Responses

## Incident Type Categories

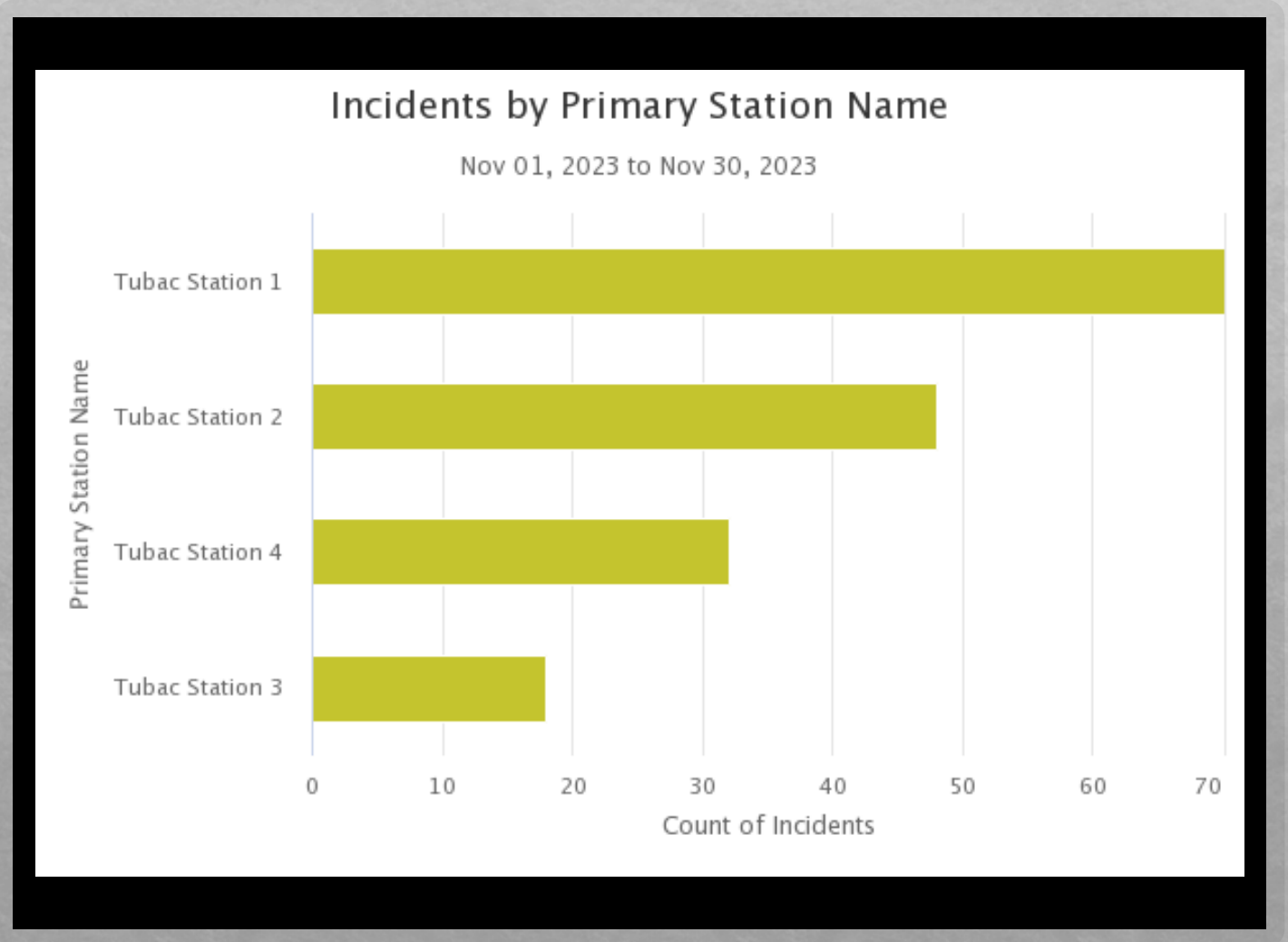
Nov 01, 2023 to Nov 30, 2023



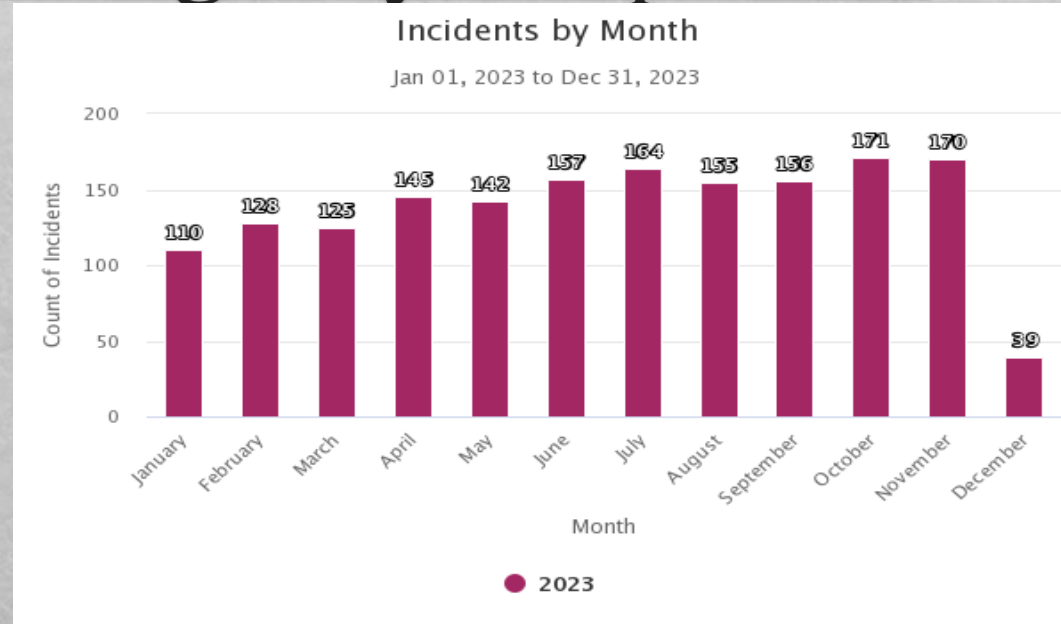
- EMS 103 (56 transports, 4 transfer of care to another EMS agency)
- Fire 10
- Public Assist 57
- Total Calls 170

# November Emergency Responses By Station

- Station 1 70
- Station 2 48
- Station 3 18
- Station 4 32



# Annual Emergency Responses



	Calls by Month			
	2020	2021	2022	2023
January	113	126	116	110
February	117	113	115	128
March	101	132	124	125
April	96	114	131	145
May	117	137	160	142
June	133	155	142	157
July	144	125	141	162
August	174	129	133	155
September	141	151	138	157
October	125	106	132	171
November	129	141	101	170
December	108	126	100	
Total	1498	1555	1533	

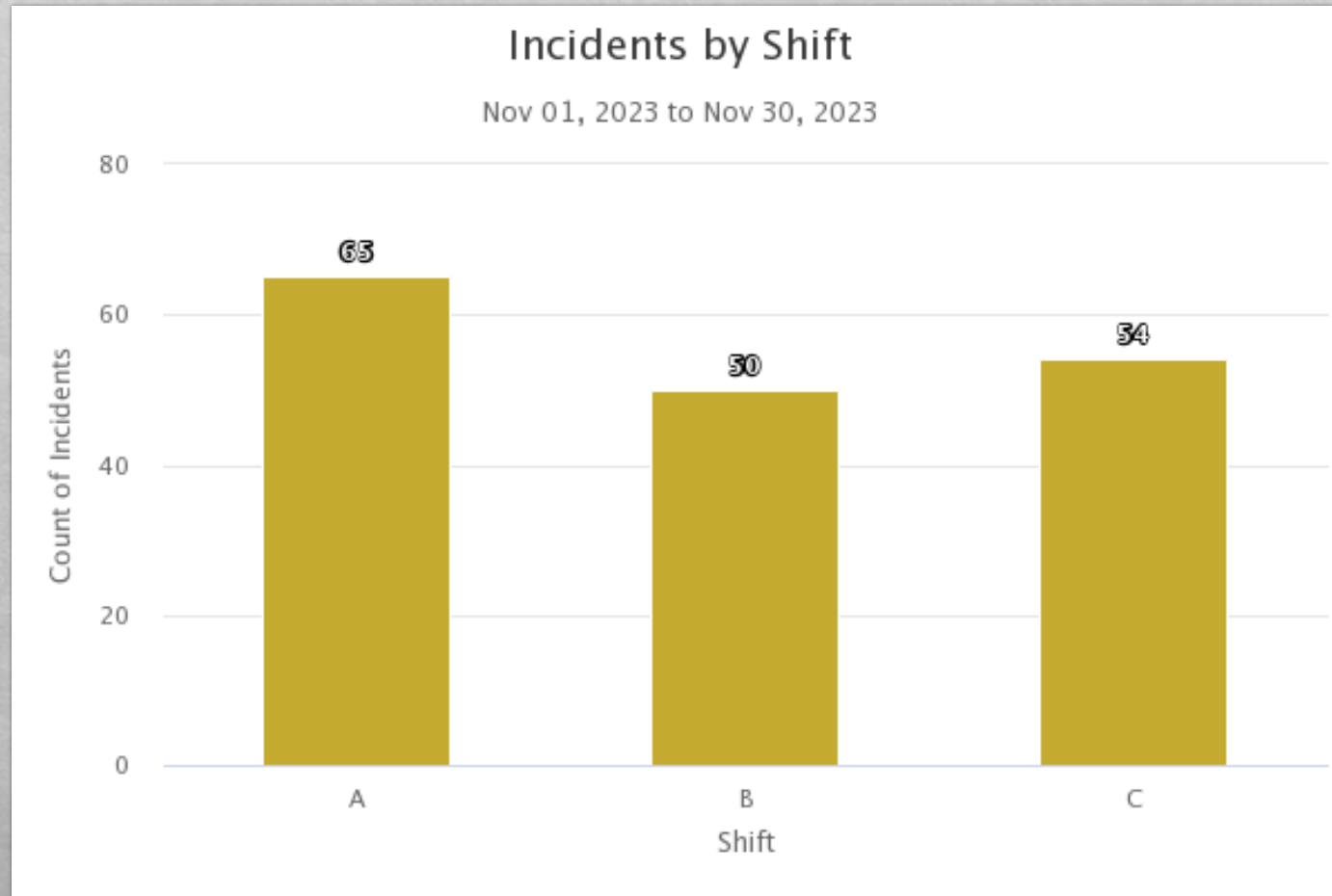
Month Name	2023		2022		YTD % Change
	Grand Total - Current	% of Total Incidents - Current	Grand Total - Previous	% of Total Incidents - Previous	
January	110	7%	116	8%	-5.17%
February	128	8%	115	8%	11.30%
March	125	8%	124	8%	0.81%
April	145	9%	131	9%	10.69%
May	142	9%	160	11%	-11.25%
June	157	9%	142	10%	10.56%
July	164	10%	141	10%	16.31%
August	155	9%	133	9%	16.54%
September	156	9%	138	9%	13.04%
October	171	10%	132	9%	29.55%
November	170	10%	101	7%	68.32%
December	39	2%	43	3%	-9.30%
<b>Grand Total</b>	<b>1,662</b>	<b>100%</b>	<b>1,476</b>	<b>100%</b>	<b>12.60%</b>

# November Incidents by shift



- A Shift
- B Shift
- C Shift

June 2011						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 A	2 B	3 C	4 A
5 B	6 C	7 A	8 B	9 C	10 A	11 B
12 C	13 A	14 B	15 C	16 A	17 B	18 C
19 A	20 B	21 C	22 A	23 B	24 C	25 A
26 B	27 C	28 A	29 B	30 C		

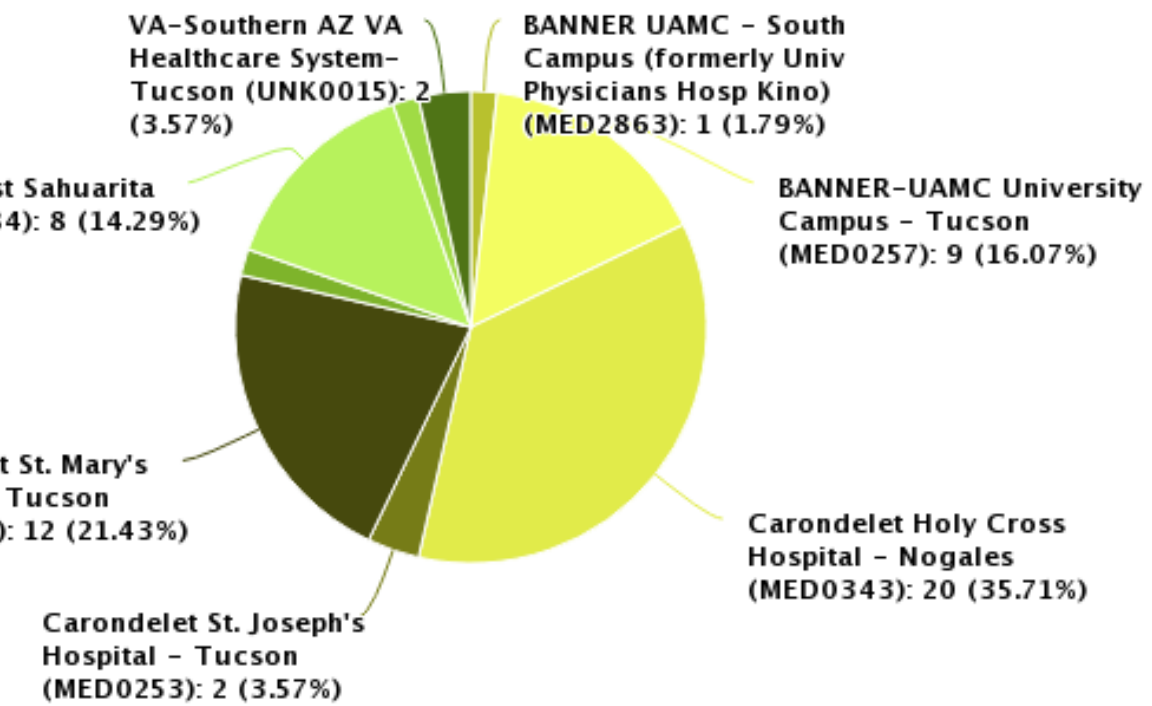


A Shift 65  
B Shift 50  
C shift 54

# November Ambulance Transports by Destination

## Transports by Destination

Nov 01, 2023 to Nov 30, 2023



- Banner University Main Campus 9
- Banner University South Campus 1
- Holy Cross 20
- Northwest Medical Center Oro Valley 3
- Northwest Sahuarita 8
- St Mary's Hospital 12
- St. Joseph's Hospital 2
- Tucson Medical Center 0
- Veterans Affairs 2





# November Trends

- Motor Vehicle Accidents
- Move up Assignments to Green Valley Fire Dist.(9)
- Falls



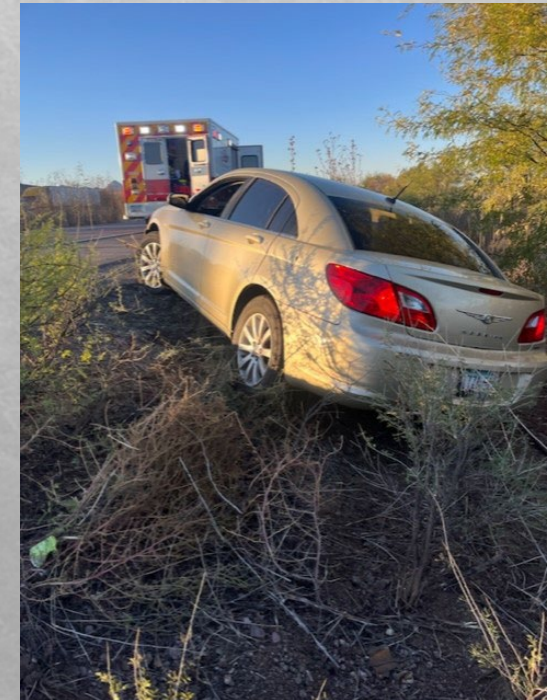
**BE SAFE. DRIVE SMART.**

**Give Trucks Space.**  
Trucks need more space to stop or back. Whether you're driving behind or beside a truck, leave plenty of room.

**Pass Carefully.**  
Only pass if it's safe and you have the best view ahead. Never pass on a hill or curve. Don't pass on a narrow road or when there's oncoming traffic.

**Drive Now. Text Later.**  
The distraction of text messages can impair your ability to drive safely. Don't drink and drive either.

**Drive to Conditions.**  
Weather, road conditions, and traffic can change. Adjust your driving to match the conditions. Slow down in rain, fog, or snow. Increase your following distance. Don't drink and drive either.



# Significant Calls



- B Shift Responded to Motor Vehicle Accident on E. Frontage rd and Pala Parado exit. One patient was transported to trauma center via Air ambulance with serious injuries.
- B Shift assisted RRMFD for an unresponsive pediatric patient unknown cause. Patient was flown out to a Tucson hospital.
- C Shift responded to a vehicle that had gone off a steep embankment. Crew set up a 3:1 mechanical advantage system and successfully moved to patient up the hill and into a waiting ambulance.
- A Shift Responded at the request of Rio Rico Medical and Fire for a multi vehicle accident on I-19.



# Training

ons  
Materials (3 Firefighters began the  
minimum company Standards drill.  
ess training  
physical abuse awareness training  
Mariposa Community Health Center  
operations



# Public Relations, Events, and Public Education



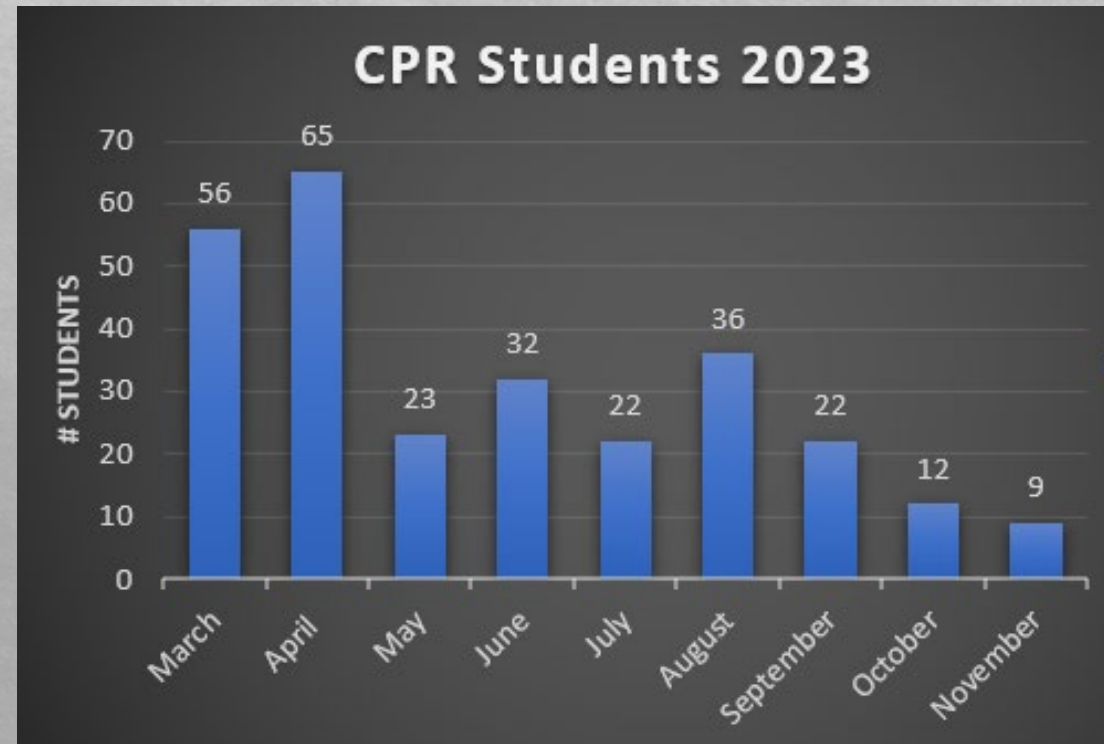
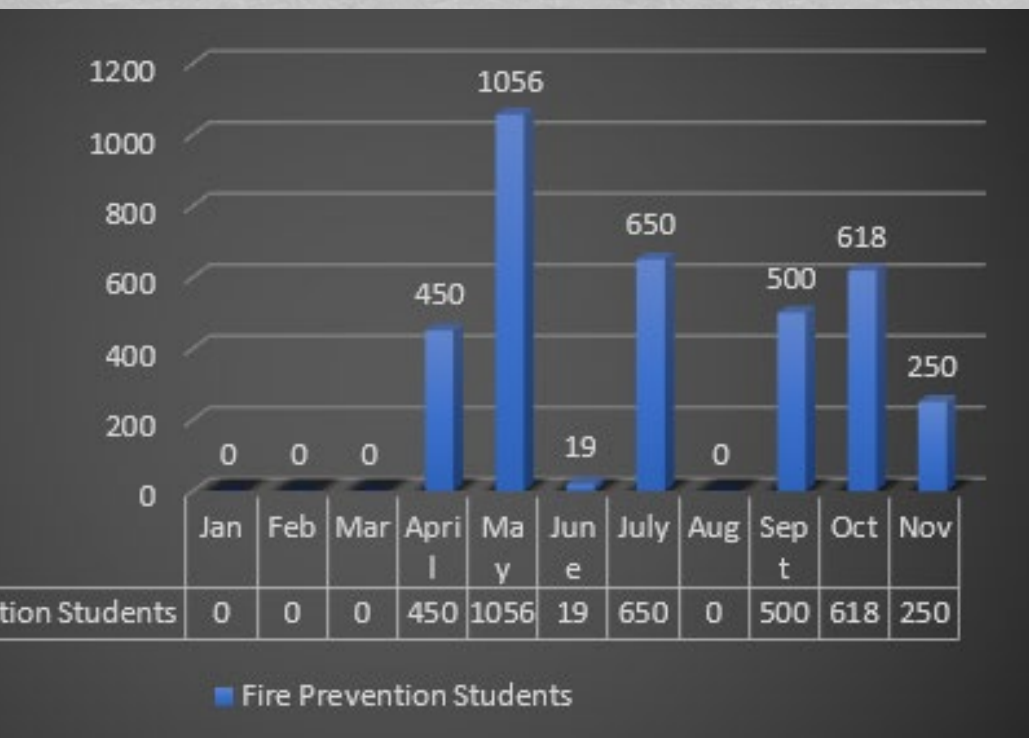
icipated in the Amado Chili Cookoff

cting Donations for our annual adopt a family program for this year's  
ay season





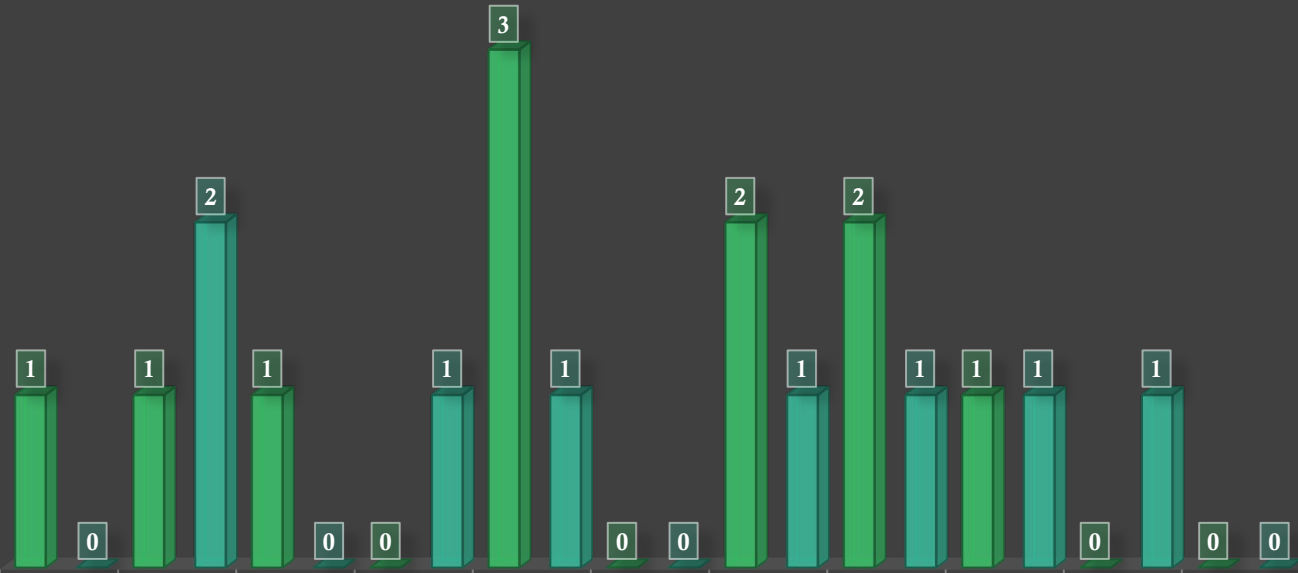
# Fire Prevention and CPR Classes



# Plans Review & Inspections



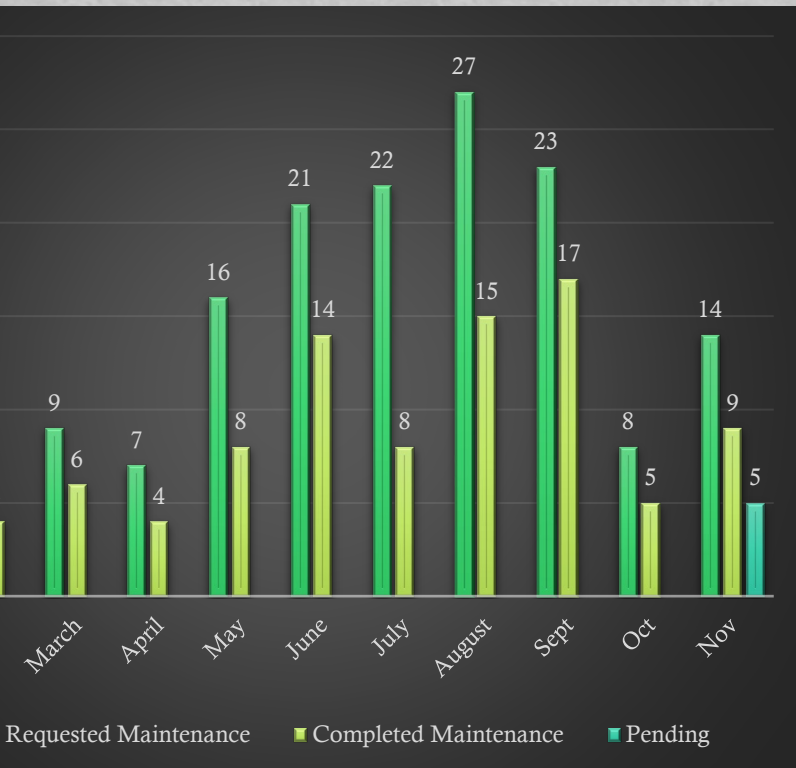
■ Commercial Building Inspection   ■ Knox Box additions



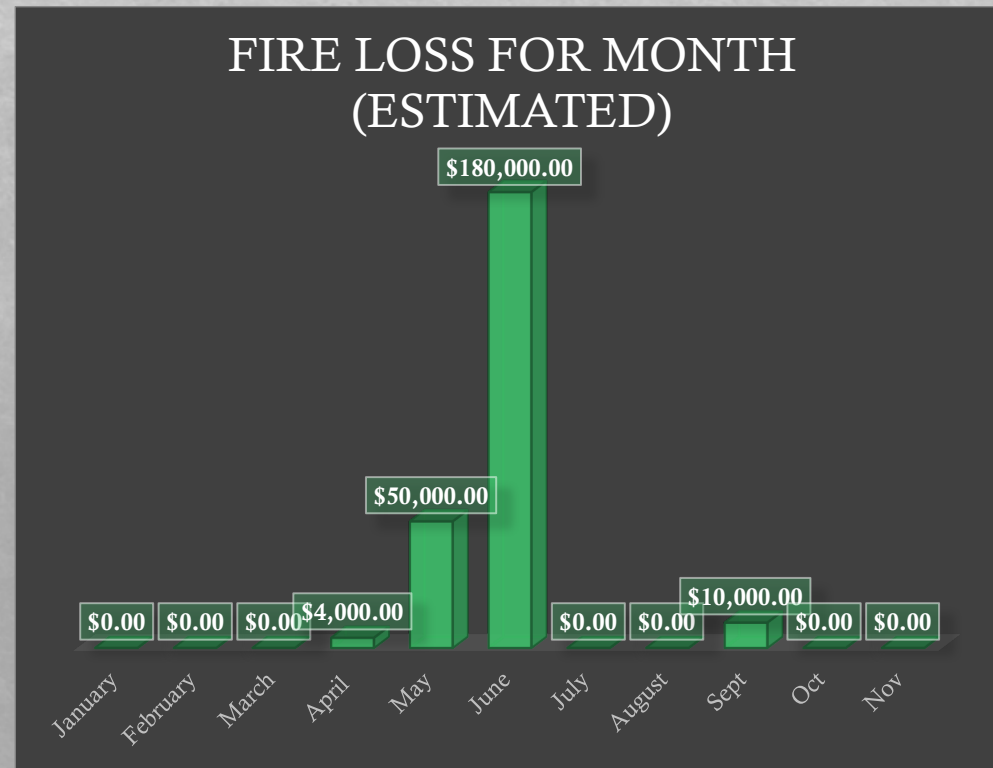
	January	February	March	April	May	June	July	August	Sept	Oct	Nov
■ Commercial Building Inspection	1	1	1	0	3	0	2	2	1	0	0
■ Knox Box additions	0	2	0	1	1	0	1	1	1	1	0



## Maintenance Requests



## Fire Loss Due To Incident



# Tubac Fire District

2227 E I-19 Frontage Rd  
Tubac, AZ 85646  
520.398.2255



## Monthly Financial Report – November 2023

Attached are the following for your information and review:

1. Balance Sheet as of November 30, 2023.
2. Summary of Reconciled Cash Balances as of November 30, 2023.
3. Income Statement of Revenues and Expenditures for November 2023 including budget to actual and year-to-date balances.
4. Income vs. Expenses Graph for November 2023.
5. Fixed Asset Additions and Disposals for FY 23/24.
6. Liabilities & Securities for FY 23/24.
7. Fleet Repairs & Maintenance Expenses.
8. Station Utilities, Supplies, and Repairs & Maintenance Expenses.
9. Board Presentation.
10. Monthly Transaction Report.
11. 12-Month Cash Flow.

### Key points:

- Total Revenue for November is \$493,170, which is \$93,011 under budget.
- Santa Cruz County Revenue for November is \$419,587, which is under budget by \$118,375.
- Non-Levy Revenue is \$73,313, which is over budget by \$25,364, driven by higher than anticipated Interest Income and Ambulance Revenue.
- Operating Expenses for November totaled \$392,312, which is under budget by \$23,429.
- YTD Total Revenue is \$2,322,101, which is \$7,455 over budget driven by lower than anticipated Wildland and Ambulance revenue offset by higher collections on Property Tax revenue and Interest Income.
- YTD Operating Expense is \$1,826,603 which is \$50,978 under budget.
- Cash balance as of November 2023 is \$6,691,436, which is up \$182,915 from last year.

Please contact the Finance Director for any questions or concerns regarding this report.

**This report and the attached detail reports have been reviewed and approved by the Fire Board.**

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Board Clerk

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Date



**Tubac Fire District**  
**Balance Sheet**  
As of November 30, 2023

	Nov 30, 23	Nov 30, 22	\$ Change
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
1132 · LGIP - State Investment Account	4,239,920.28	0.00	4,239,920.28
1127 · Cash with County Treasurer	367,701.88	-192.48	367,894.36
1129 · Operational	1,120,334.49	1,358,605.28	-238,270.79
1130 · Savings Acct.	447,966.05	4,646,443.68	-4,198,477.63
1131 · Bond Account	515,513.14	503,664.03	11,849.11
<b>Total Checking/Savings</b>	<b>6,691,435.84</b>	<b>6,508,520.51</b>	<b>182,915.33</b>
<b>Accounts Receivable</b>			
1245 · Property Tax Receivable	296,520.22	276,237.05	20,283.17
1205 · Other Receivables	450.00	18,823.25	-18,373.25
1250 · Ambulance Receivable	258,541.79	0.00	258,541.79
1251 · Allowance for Ambulance Receiv	-151,616.81	0.00	-151,616.81
<b>Total Accounts Receivable</b>	<b>403,895.20</b>	<b>295,060.30</b>	<b>108,834.90</b>
<b>Other Current Assets</b>			
1732 · Right to Use Vehicles	59,505.76	59,505.76	0.00
1737 · Right to Use Amortization	-17,039.00	-17,039.00	0.00
1270 · Lease Receivable	232,881.00	232,881.00	0.00
1400 · Prepaid Expense	13,726.08	17,377.20	-3,651.12
<b>Total Other Current Assets</b>	<b>289,073.84</b>	<b>292,724.96</b>	<b>-3,651.12</b>
<b>Total Current Assets</b>	<b>7,384,404.88</b>	<b>7,096,305.77</b>	<b>288,099.11</b>
<b>Fixed Assets</b>			
1711 · Land - Non-depreciable	257,352.00	257,352.00	0.00
1745 · AD - Equipment	-1,683,339.38	-1,578,828.38	-104,511.00
1735 · AD - Vehicles	-2,499,947.91	-2,568,969.10	69,021.19
1725 · AD - Building	-2,215,169.14	-2,060,113.30	-155,055.84
1730 · Vehicles	2,950,498.83	3,060,712.36	-110,213.53
1740 · Equipment	2,041,517.81	1,987,714.61	53,803.20
1720 · Buildings & Improvements	6,160,318.67	6,139,995.78	20,322.89
<b>Total Fixed Assets</b>	<b>5,011,230.88</b>	<b>5,237,863.97</b>	<b>-226,633.09</b>

**Tubac Fire District  
Balance Sheet  
As of November 30, 2023**

	Nov 30, 23	Nov 30, 22	\$ Change
<b>Other Assets</b>			
1960 · Risk Pool Capitalization	25,881.50	25,881.50	0.00
1958 · Net PSPRS OPEB Asset TR 3	2,771.00	2,771.00	0.00
1957 · Net Pension Asset PSPRS TR3	30,542.00	30,542.00	0.00
1918 · Deferred Outflow PSPRS OPEB TR3	172.00	172.00	0.00
1917 · Deferred Outflows PSPRS TR 3	93,368.00	93,368.00	0.00
1956 · Net OPEB Asset	196,597.00	196,597.00	0.00
1916 · Deferred outflow - PSPRS OPEB	1,130.00	1,130.00	0.00
1915 · Deferred outflows - PSPRS	1,338,630.00	1,338,630.00	0.00
<b>Total Other Assets</b>	1,689,091.50	1,689,091.50	0.00
<b>TOTAL ASSETS</b>	<b>14,084,727.26</b>	<b>14,023,261.24</b>	<b>61,466.02</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
2000 · Accounts Payable	38,838.94	30,809.00	8,029.94
<b>Total Accounts Payable</b>	38,838.94	30,809.00	8,029.94
<b>Credit Cards</b>			
2010 · Bank of America Credit Card	593.98	1,010.20	-416.22
<b>Total Credit Cards</b>	593.98	1,010.20	-416.22
<b>Other Current Liabilities</b>			
2070 · Deferred Inflows - Leases	228,480.00	228,480.00	0.00
2316 · Deferred Inflows - PSPRS OPEB	122,692.00	122,692.00	0.00
2318 · Deferred Inflows PSPRS OPEB TR3	798.00	798.00	0.00
2317 · Deferred Inflows PSPRS TR3	22,681.00	22,681.00	0.00
2230 · Accrued Interest	1,386.14	1,815.53	-429.39
2030 · Compensated Absences Payable	93,074.39	143,280.96	-50,206.57
2020 · Accrued Wages	30,484.91	21,722.67	8,762.24
2315 · Deferred Inflows - PSPRS	1,151,232.00	1,151,232.00	0.00
<b>2100 · Payroll Liabilities</b>			
2102 · PSPRS Payable	23,584.56	0.00	23,584.56
2103 · Pension Payable	1,163.21	1,258.43	-95.22
2127 · Union Dues Payable	0.00	-396.00	396.00
2128 · Health Insurance/Vision Ins.	0.00	8,544.20	-8,544.20
2140 · Pre-Paid Legal	52.94	0.00	52.94
2100 · Payroll Liabilities - Other	0.00	4,941.17	-4,941.17
<b>Total 2100 · Payroll Liabilities</b>	24,800.71	14,347.80	10,452.91
<b>Total Other Current Liabilities</b>	1,675,629.15	1,707,049.96	-31,420.81
<b>Total Current Liabilities</b>	1,715,062.07	1,738,869.16	-23,807.09

8:46 AM

12/15/23

Accrual Basis

**Tubac Fire District  
Balance Sheet  
As of November 30, 2023**

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	Nov 30, 23	Nov 30, 22	\$ Change
<b>Long Term Liabilities</b>			
2335 · F150 Leases Payable	15,062.24	38,004.68	-22,942.44
2330 · Ambulance Lease Payable	88,502.84	116,321.83	-27,818.99
2355 · Net Pension Liability - PSPRS	2,382,923.00	2,382,923.00	0.00
2320 · Bond Payable	2,247,641.79	2,666,560.72	-418,918.93
<b>Total Long Term Liabilities</b>	<b>4,734,129.87</b>	<b>5,203,810.23</b>	<b>-469,680.36</b>
<b>Total Liabilities</b>	<b>6,449,191.94</b>	<b>6,942,679.39</b>	<b>-493,487.45</b>
<b>Equity</b>			
3001 · Unrestricted	4,901,844.60	4,295,177.00	606,667.60
3510 · Restricted	-79,899.00	-79,899.00	0.00
3530 · Net Investment in Capital Asset	2,318,091.00	2,318,091.00	0.00
Net Income	495,498.72	547,212.85	-51,714.13
<b>Total Equity</b>	<b>7,635,535.32</b>	<b>7,080,581.85</b>	<b>554,953.47</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>14,084,727.26</b>	<b>14,023,261.24</b>	<b>61,466.02</b>

**Tubac Fire District**  
**Summary of Reconciled Cash Balances**

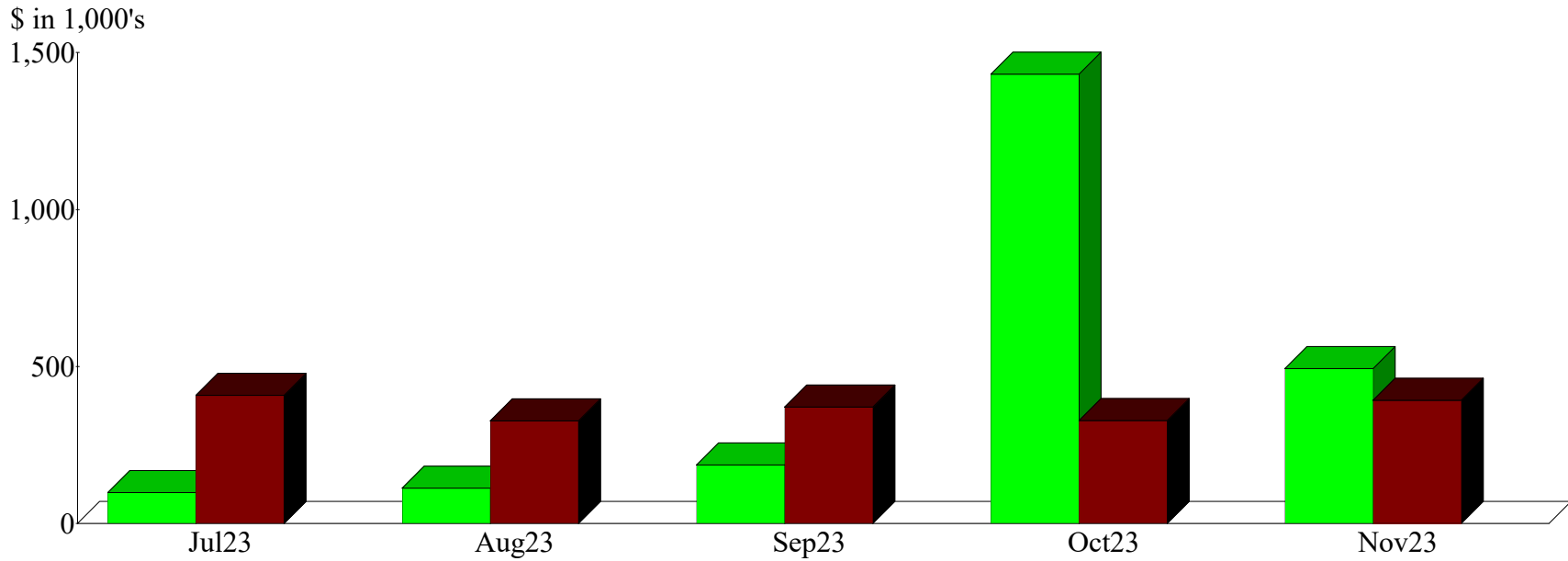
Period Ending  
11/30/23

	Bank of America Checking	Santa Cruz County General Fund	Bank of America Savings	Santa Cruz County Bond Account	LGIP - State Investment Account
	<u>11/30/2023</u>	<u>11/30/2023</u>	<u>11/30/2023</u>	<u>11/30/2023</u>	<u>11/30/2023</u>
<b>Beginning Balance</b>	347,309.10	1,183,886.74	447,953.95	462,431.35	4,221,110.61
<b>Cleared Transactions</b>					
<b>Checks and Payments</b>	(862,101.74)	(1,183,886.74)	(400,000.00)		
<b>Deposits and Credits</b>	1,637,186.99	367,701.88	400,012.10	53,081.79	18,809.67
<b>Total Cleared Transactions</b>	<u>775,085.25</u>	<u>(816,184.86)</u>	<u>12.10</u>	<u>53,081.79</u>	<u>18,809.67</u>
<b>Cleared Balance</b>	<u><u>1,122,394.35</u></u>	<u><u>367,701.88</u></u>	<u><u>447,966.05</u></u>	<u><u>515,513.14</u></u>	<u><u>4,239,920.28</u></u>
<b>Uncleared Transactions</b>					
<b>Checks and Payments</b>	(2,059.86)	-	-	-	-
<b>Deposits and Credits</b>	-	-	-	-	-
<b>Total Uncleared Transactions</b>	<u>(2,059.86)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Register Balance as of 11/30/23</b>	<u><u>1,120,334.49</u></u>	<u><u>367,701.88</u></u>	<u><u>447,966.05</u></u>	<u><u>515,513.14</u></u>	<u><u>4,239,920.28</u></u>

## Tubac Fire District Profit & Loss Budget Performance November 2023

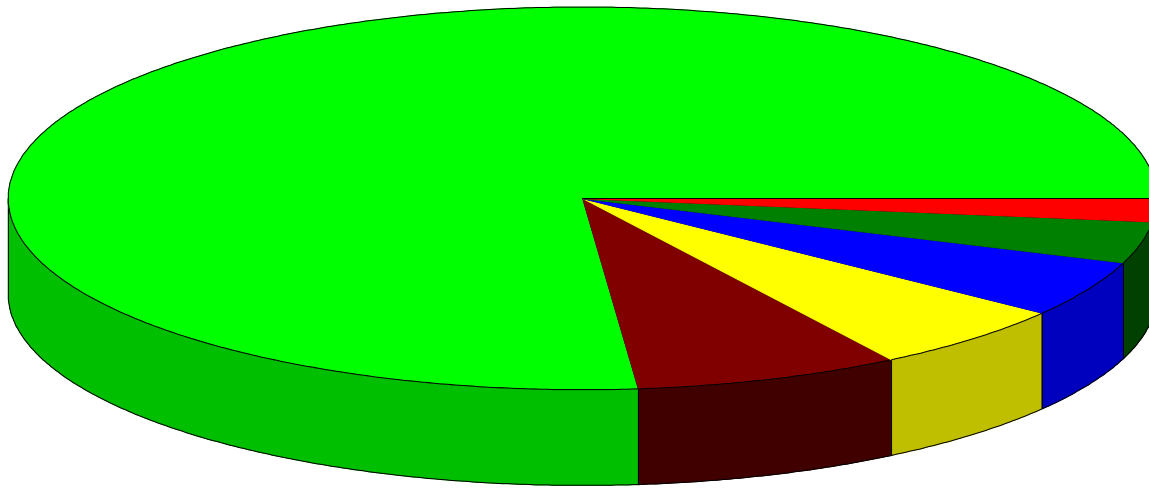
	Nov 23	Budget	\$ Over Budget	Jul - Nov 23	YTD Budget	\$ Over Budget	Annual Budget
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
<b>Tax Revenues</b>	419,856.79	538,232.00	-118,375.21	1,870,930.99	1,855,088.00	15,842.99	4,024,867.00
<b>Non Tax Levy Revenue</b>							
<b>4200 - Miscellaneous Revenue</b>	28,652.59	9,749.00	18,903.59	93,899.63	48,757.00	45,142.63	804,500.00
<b>4110 - EMS Revenue</b>	44,660.66	38,200.00	6,460.66	208,969.23	235,800.00	-26,830.77	610,000.00
<b>4120 - Wildland Revenue</b>	0.00	0.00	0.00	148,301.59	175,001.00	-26,699.41	350,000.00
<b>Total Non Tax Levy Revenue</b>	73,313.25	47,949.00	25,364.25	451,170.45	459,558.00	-8,387.55	1,764,500.00
<b>Total Income</b>	493,170.04	586,181.00	-93,010.96	2,322,101.44	2,314,646.00	7,455.44	5,789,367.00
<b>Gross Profit</b>	493,170.04	586,181.00	-93,010.96	2,322,101.44	2,314,646.00	7,455.44	5,789,367.00
<b>Expense</b>							
<b>Personnel Expenses</b>	323,788.72	344,041.00	-20,252.28	1,401,110.29	1,459,137.00	-58,026.71	3,370,677.00
<b>Buildings &amp; Land</b>	16,263.62	19,354.00	-3,090.38	107,321.55	96,776.00	10,545.55	232,250.00
<b>Vehicles &amp; Equipment</b>	26,172.73	24,450.00	1,722.73	138,608.57	122,250.00	16,358.57	293,400.00
<b>Communications &amp; I.T.</b>	12,913.47	8,665.00	4,248.47	66,695.68	65,845.00	850.68	126,000.00
<b>Travel &amp; Training</b>	526.11	5,124.00	-4,597.89	23,249.03	32,415.00	-9,165.97	75,065.00
<b>Managerial Expenses</b>	12,647.23	14,107.00	-1,459.77	89,617.60	101,158.00	-11,540.40	227,540.00
<b>Total Expense</b>	392,311.88	415,741.00	-23,429.12	1,826,602.72	1,877,581.00	-50,978.28	4,324,932.00
<b>Net Ordinary Income</b>	100,858.16	170,440.00	-69,581.84	495,498.72	437,065.00	58,433.72	1,464,435.00
<b>Other Income/Expense</b>							
<b>Other Expense</b>							
<b>8010 - Bond Interest</b>	0.00	0.00	0.00	0.00	0.00	0.00	53,045.00
<b>Total Other Expense</b>	0.00	0.00	0.00	0.00	0.00	0.00	53,045.00
<b>Net Other Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	-53,045.00
<b>Net Income</b>	<b>100,858.16</b>	<b>170,440.00</b>	<b>-69,581.84</b>	<b>495,498.72</b>	<b>437,065.00</b>	<b>58,433.72</b>	<b>1,411,390.00</b>

Income and Expense by Month  
July through November 2023



Expense Summary  
July through November 2023

Personnel Expenses	76.71%
Vehicles & Equipment	7.59
Buildings & Land	5.88
Managerial Expenses	4.91
Communications & I.T.	3.65
Travel & Training	1.27
<b>Total</b>	<b>\$1,826,602.72</b>



By Account

Tubac Fire District  
Fixed Assets Additions and Disposals

**Recorded in fixed asset accounts:**

Account Number	Account name	Addition/(Disposal) Amount	Description of Asset
1720	Building & Improvements	\$ 4,660.00	Archaeological Survey for Station #1
1730	Vehicles	\$ 3,285.00	Camper Shell for Unit #1060
1740	Equipment	\$ 2,150.00	Camera Install at Station #4
1720	Building & Improvements	\$ 8,862.89	80 gallon LP gas light water heater
1740	Equipment	\$ 51,653.20	Ambulance Cot for ambulance on order
<b>TOTALS</b>		<b>\$ 70,611.09</b>	

Prepared

12/15/2023 JVG, Finance Director.

**TUBAC FIRE DISTRICT**  
**Liabilities and Securities - FY23/24**

LIABILITIES						
Description	TOTAL PRICE	CURRENT BALANCE	INTEREST RATE	FY23/24 PAYMENTS	NEXT PAYMENT	DATE OF PAYOFF
Bond	\$6,795,000.00	\$2,247,641.79	2.36%	\$62,930.84	1/1/2024	7/1/2028
Lease Payable	\$195,131.69	\$88,502.84	3.71%	\$32,134.52	2/1/2024	2/1/2026
Net Pension Liability - PSPRS		\$2,382,923.00				
F150 Lease Payable		\$15,062.24				
<b>Totals</b>		<b>\$4,734,129.87</b>		<b>\$95,065.36</b>		

SECURITIES				
Broker	CUSIP #	Description	Market Value	Maturity Date
		<b>Totals</b>	<b>\$0.00</b>	

☞ Net balance owed = **\$4,757,072.31**



8:48 AM

12/15/23

Accrual Basis

**Tubac Fire District  
Fleet Repairs & Maintenance  
November 2023**

Date	Source Name	Memo	Amount
<b>Ambulance 1055</b>			
11/02/2023	Napa Auto Parts	2.5 DEF	16.37
Total Ambulance 1055			16.37
<b>Ambulance 1058</b>			
11/02/2023	Napa Auto Parts	2.5 DEF	16.37
Total Ambulance 1058			16.37
<b>Apparatus</b>			
<b>Ambulance 1053</b>			
11/01/2023	W.W. Williams	unapplied payment	-460.00
11/02/2023	Napa Auto Parts	2.5 DEF	16.37
Total Ambulance 1053			-443.63
<b>Ambulance 1054</b>			
11/02/2023	Napa Auto Parts	2.5 DEF	16.37
Total Ambulance 1054			16.37
Total Apparatus			-427.26
<b>TOTAL</b>			<b>-394.52</b>

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12/15/23

Accrual Basis

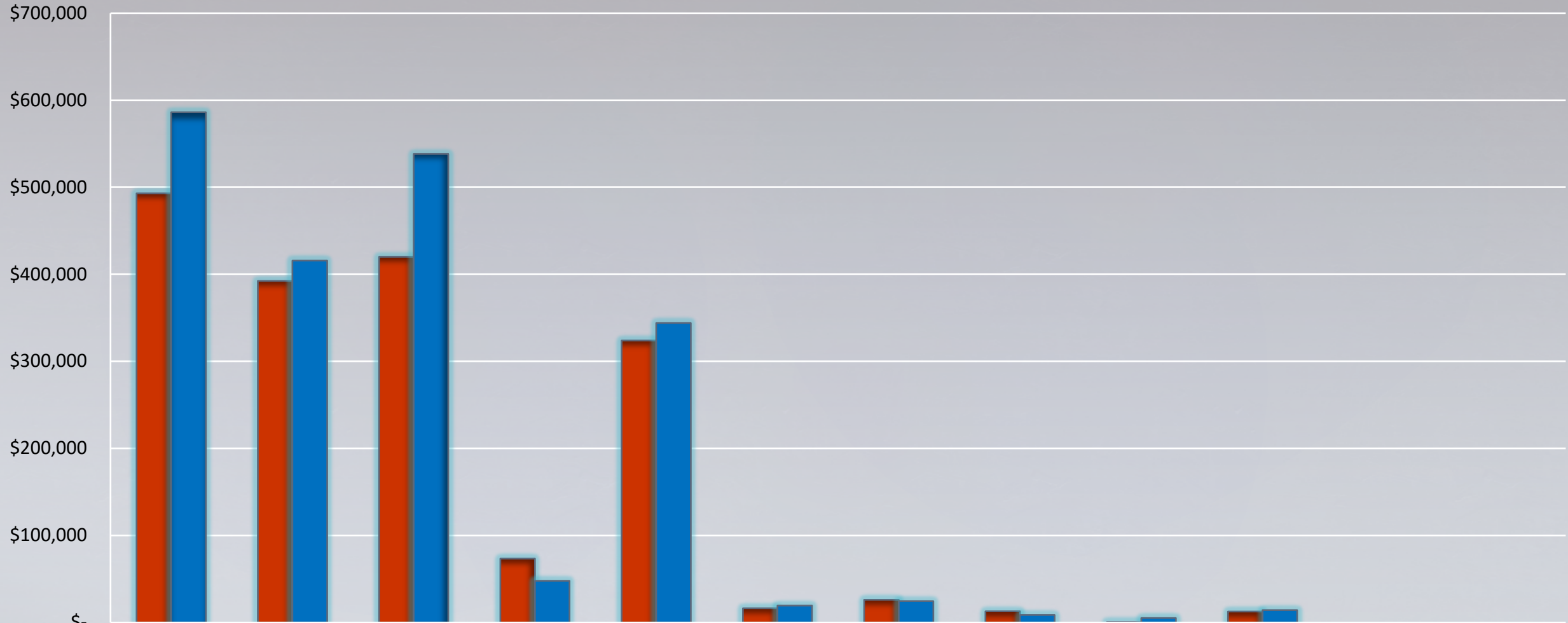
## Tubac Fire District

### Station Utilities, Supplies, and Repairs & Maintenance

November 2023

Date	Source Name	Memo	Amount
<b>Stations</b>			
<b>Station 1</b>			
11/01/2023	Empire Southwest LLC	Generator Repair for Station #1, Lightning Strike incident	2,243.01
11/01/2023	Giovanni Granados	Cut grass around the building, under antenna and surroundings up to the fe...	575.00
11/01/2023	C & D Garage Doors	Commercial Service The door stopped near the top of travel, Fire truck lig...	280.00
11/02/2023	Napa Auto Parts	Battery, Charger Maintainer (generator)	191.00
11/09/2023	Terminix	Commercial Pest Control Location: 2227 Interstate 19 Frontage	60.00
11/09/2023	EPCOR	Water bill For October 2023	45.95
11/10/2023	Century Link 333219165	Internet Service from 11/10/23 to 12/09/2023	205.74
11/16/2023	Unisource Energy Services (Gas)	Gas Bill for 10/16/23 to 11/15/23	22.15
11/16/2023	Unisource Energy Services (Gas)	Gas Bill for 10/16/23 to 11/15/23	23.69
11/16/2023	Unisource Energy Services (Electric)	Electric Bill for 10/16/23 to 11/15/23	468.73
11/19/2023	Direct TV - 9236	TV Current Charges for Service Period 11/18/23 - 12/17/23	162.98
11/20/2023	Unlimited Plumbing Works, LLC.*	Scope of work: To provide and install an enlongated white toilet and to pro...	959.50
Total Station 1			5,237.75
<b>Station 2</b>			
11/01/2023	Central Alarm	Access Control Full Service	60.00
11/01/2023	Unisource Energy Services (Electric)	333 CAMINO JOSEPHINA, RIO RICO, AZ 85648 Medium General Servic...	1,028.94
11/09/2023	Terminix	Commercial Pest Control Location: 1360 W Frontage Rd	60.00
11/10/2023	Century Link 333222406	Monthly internet Charges - 11/10/23 to 12/09/23	69.58
11/13/2023	Liberty Utilities AZ A/C 200007327162	Water Service from 10/07/2023 - 11/06/2023	309.01
11/22/2023	Unisource Energy Services (Electric)	Electric Bill for 455 CAMINO AGOSTO, 1, RIO RICO, AZ 85648 Small Ge...	175.48
11/22/2023	Unisource Energy Services (Electric)	563 CAMINO LITO GALINDO, RIO RICO, AZ 85648 Medium General Ser...	775.48
Total Station 2			2,478.49
<b>Station 3</b>			
11/01/2023	John Schwamm	New operator install (70% Deposit + Diagnose Fees)	3,825.00
11/03/2023	Direct TV - 0393	Direct TV Current Charges for Service Period 11/02/23 - 12/01/23	170.98
11/09/2023	Terminix	Commercial Pest Control Location: 333 Camino Josefina	149.00
11/20/2023	Rio Rico Sanitation 85133	6 YRD ONCE A WEEK 12/01-12/31	255.00
11/21/2023	John Schwamm	Final to include loop detector	1,850.00
Total Station 3			6,249.98
<b>Station 4</b>			
11/09/2023	Terminix	Commercial Pest Control Location: 149 Ruta Camaron	152.00
11/20/2023	Rio Rico Sanitation 84863	6 YRD ONCE A WEEK 12/01-12/31	255.00
Total Station 4			407.00
Total Stations			14,373.22
<b>TOTAL</b>			<b>14,373.22</b>

# November 2023



Actual

Budget

Variance

Total Revenue

Total Expense

Tax Levy

Non-Tax Levy

Personnel Expenses

Buildings & Land

Vehicles & Equipment

Comm & IT

Travel & Training

Managerial

Grant Expense

Bond Interest

\$493,170

\$392,312

\$419,857

\$73,313

\$323,789

\$16,264

\$26,173

\$12,913

\$526

\$12,647

\$0

\$0

\$586,181

\$415,741

\$538,232

\$47,949

\$344,041

\$19,354

\$24,450

\$8,665

\$5,124

\$14,107

\$0

\$0

(93,011)

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25,364

(20,252)

(3,090)

1,723

4,248

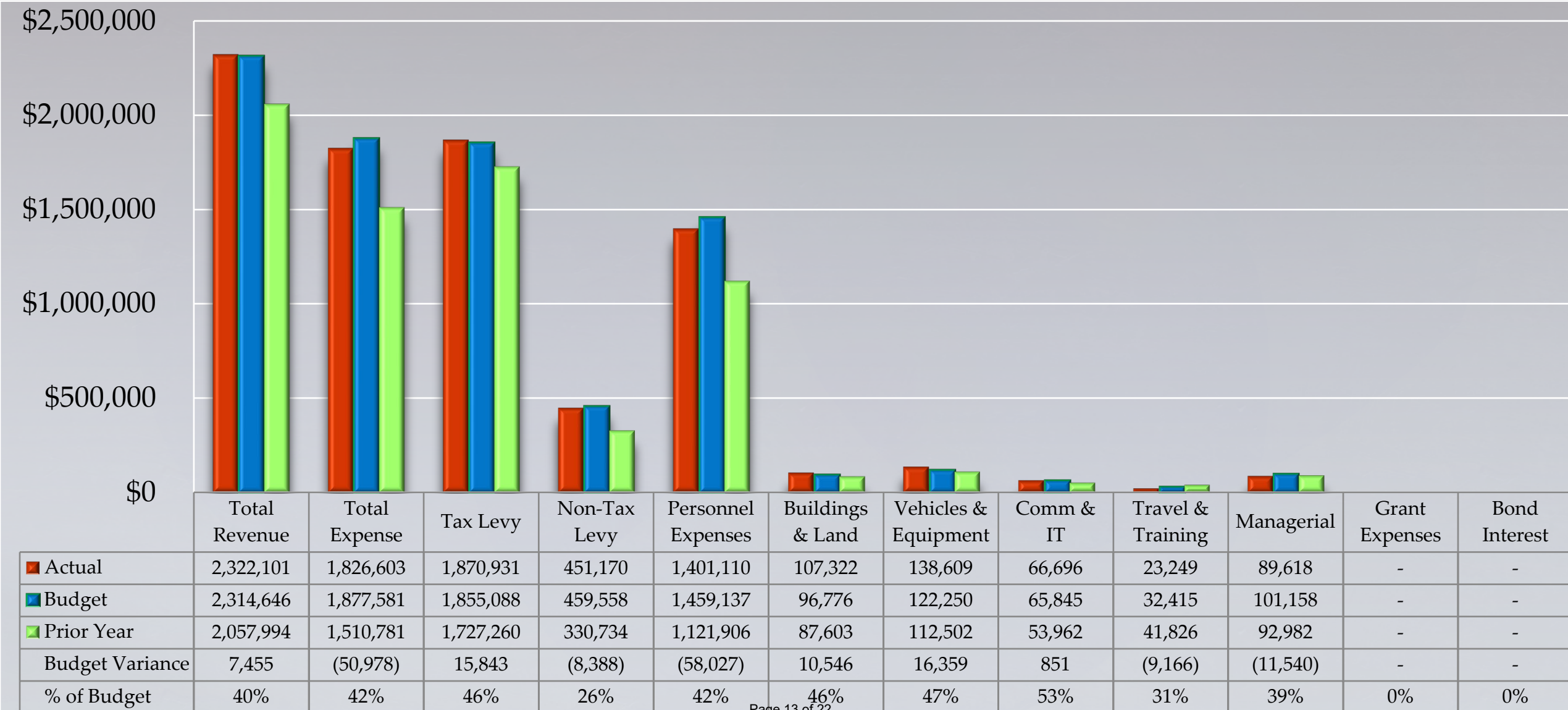
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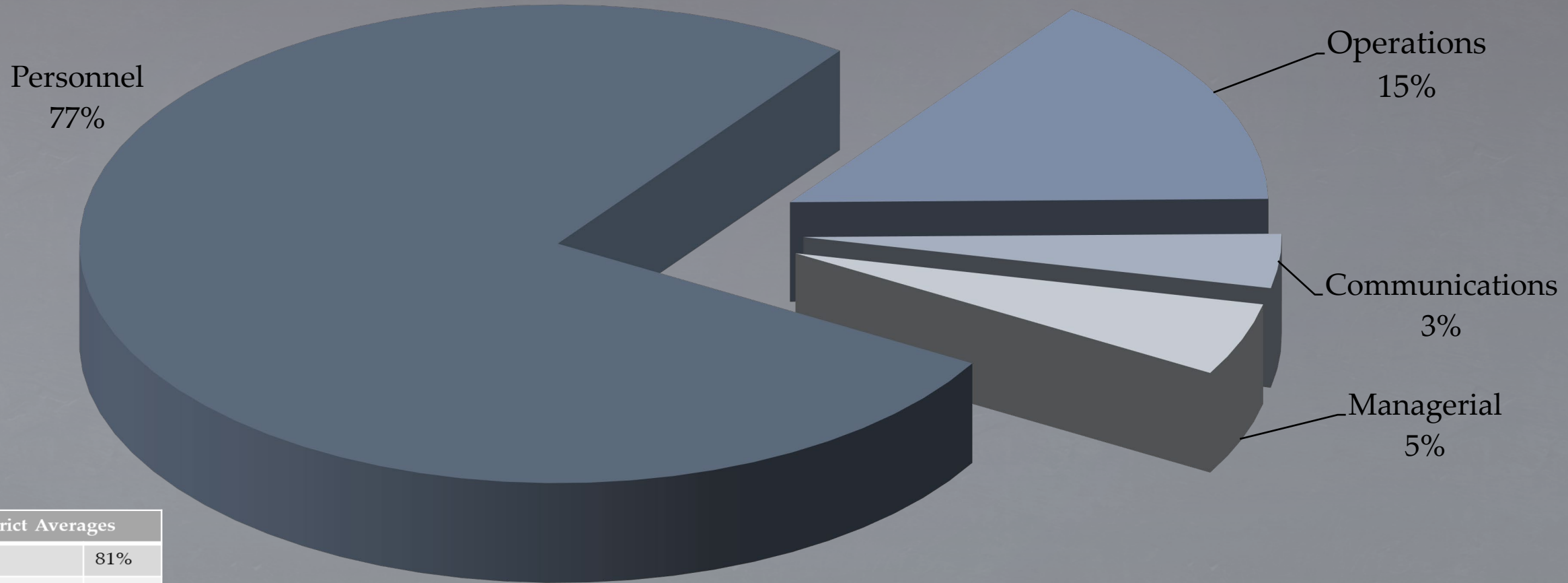
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# Fiscal Year to Date Budget to Actual



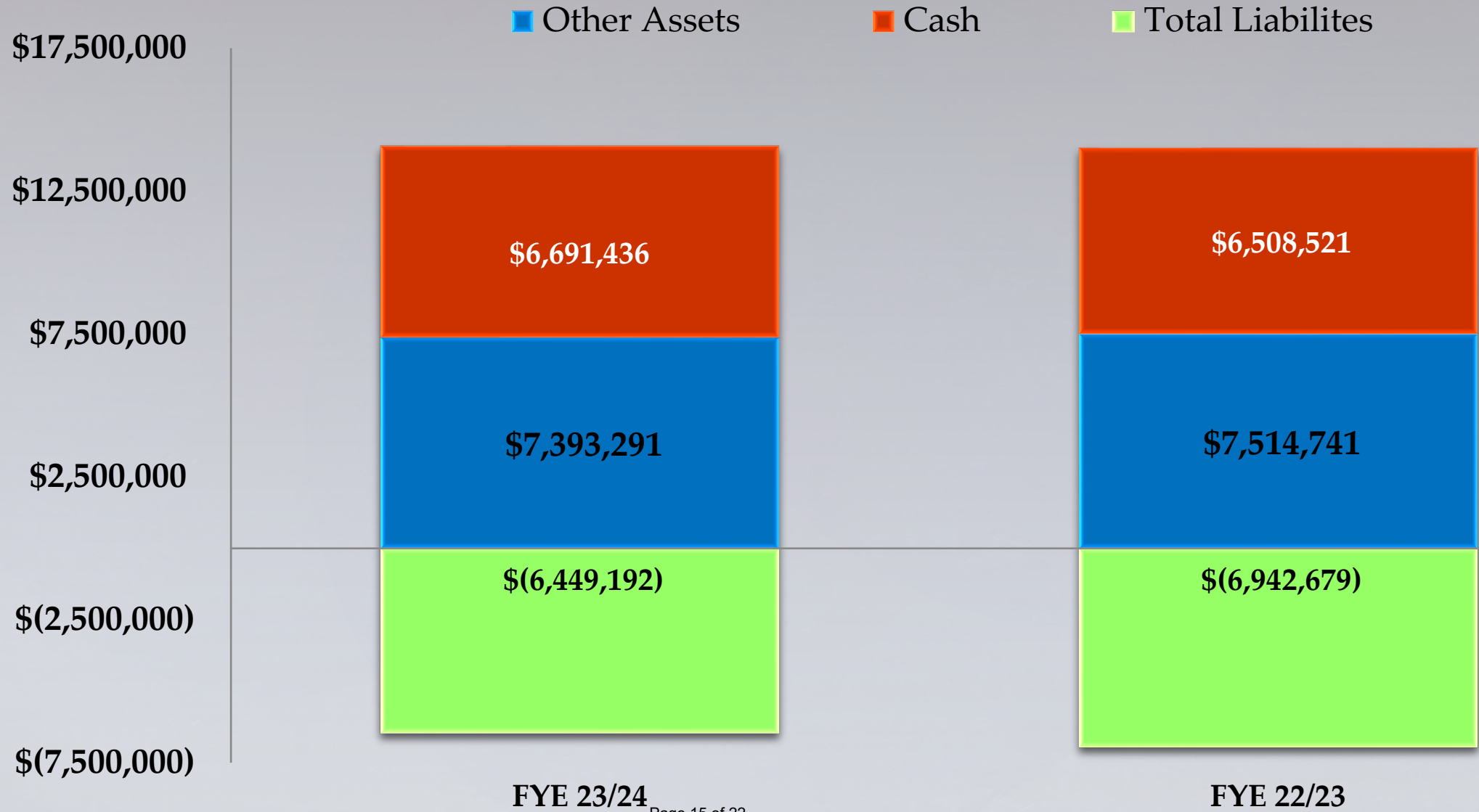
# Percentage of Expenses Year to Date



## Fire District Averages

Personnel	81%
Operations	11%
Communications	2%
Administrative	6%

# Cash Position



8:42 AM  
 12/15/23  
 Accrual Basis

Tubac Fire District  
**Monthly Transaction Report**  
 November 2023

Type	Date	Num	Name	Memo	Amount	Balance
<b>1132 - LGIP - State Investment Account</b>						
Deposit	11/30/2023			Interest	18,809.67	18,809.67
Total 1132 - LGIP - State Investment Account					18,809.67	18,809.67
<b>1072 - Bill.com Money Out Clearing</b>						
General Jour...	11/02/2023	2023-180		BILL 11/02/23 C...	-15.99	-15.99
Bill Pmt -Che...	11/03/2023	Bill.com	United Fire Equipment Co.	https://app01.us....	-233.70	-249.69
Bill Pmt -Che...	11/03/2023	Bill.com	Terminix	https://app01.us....	-60.00	-309.69
Bill Pmt -Che...	11/03/2023	Bill.com	Terminix	https://app01.us....	-60.00	-369.69
Bill Pmt -Che...	11/03/2023	Bill.com	Unisource Energy Services (Electric)	https://app01.us....	-839.38	-1,209.07
Bill Pmt -Che...	11/03/2023	Bill.com	Pride Outfitting LLC	https://app01.us....	-3,630.92	-4,839.99
Bill Pmt -Che...	11/03/2023	Bill.com	Direct TV - 9885	https://app01.us....	-152.99	-4,992.98
Bill Pmt -Che...	11/03/2023	Bill.com	Coppersmith Brockelman PLC	https://app01.us....	-480.00	-5,472.98
Bill Pmt -Che...	11/03/2023	Bill.com	Pitney Bowes Inc.	https://app01.us....	-15.99	-5,488.97
Bill Pmt -Che...	11/03/2023	Bill.com	Direct TV - 9236	https://app01.us....	-162.98	-5,651.95
Bill Pmt -Che...	11/03/2023	Bill.com	MetLife	https://app01.us....	-1,261.88	-6,913.83
Bill Pmt -Che...	11/03/2023	Bill.com	Modular Solutions	https://app01.us....	-800.00	-7,713.83
Bill Pmt -Che...	11/03/2023	Bill.com	Great America Leasing Corp.	https://app01.us....	-271.80	-7,985.63
Bill Pmt -Che...	11/03/2023	Bill.com	Arizona Propane	https://app01.us....	-531.36	-8,516.99
Bill Pmt -Che...	11/03/2023	Bill.com	Arizona Propane	https://app01.us....	-84.64	-8,601.63
Bill Pmt -Che...	11/03/2023	Bill.com	Terminix	https://app01.us....	-152.00	-8,753.63
Bill Pmt -Che...	11/03/2023	Bill.com	Human Resource Strategies	https://app01.us....	-500.00	-9,253.63
Bill Pmt -Che...	11/03/2023	Bill.com	Again Faster	https://app01.us....	-2,582.96	-11,836.59
Bill Pmt -Che...	11/03/2023	Bill.com	EMI Health	https://app01.us....	-24,768.61	-36,605.20
Bill Pmt -Che...	11/03/2023	Bill.com	Terminix	https://app01.us....	-149.00	-36,754.20
Bill Pmt -Che...	11/03/2023	Bill.com	Unisource Energy Services (Electric)	https://app01.us....	-174.06	-36,928.26
Bill Pmt -Che...	11/03/2023	Bill.com	Unisource Energy Services (Electric)	https://app01.us....	-1,106.05	-38,034.31
General Jour...	11/03/2023	2023-181		BILL 11/03/23 P...	38,034.31	0.00
Bill Pmt -Che...	11/10/2023	Bill.com	Bound Tree	https://app01.us....	-149.23	-149.23
Bill Pmt -Che...	11/10/2023	Bill.com	Bound Tree	https://app01.us....	-2,420.22	-2,569.45
Bill Pmt -Che...	11/10/2023	Bill.com	Arizona Propane	https://app01.us....	-693.27	-3,262.72
Bill Pmt -Che...	11/10/2023	Bill.com	Green Valley Fire District	https://app01.us....	-85.00	-3,347.72
Bill Pmt -Che...	11/10/2023	Bill.com	Adriana Olea	https://app01.us....	-175.00	-3,522.72
Bill Pmt -Che...	11/10/2023	Bill.com	Holy Cross Hospital Pharmacy	https://app01.us....	-6.21	-3,528.93
General Jour...	11/10/2023	2023-183		BILL 11/10/23 P...	3,528.93	0.00
Bill Pmt -Che...	11/14/2023	Bill.com	J2 Laboratories	https://app01.us....	-38.00	-38.00
Bill Pmt -Che...	11/14/2023	Bill.com	Liberty Utilities AZ A/C 200007327188	https://app01.us....	-520.21	-558.21
Bill Pmt -Che...	11/14/2023	Bill.com	Central Alarm	https://app01.us....	-60.00	-618.21
Bill Pmt -Che...	11/14/2023	Bill.com	Waste Management of Tucson	https://app01.us....	-230.22	-848.43

8:42 AM  
 12/15/23  
 Accrual Basis

Tubac Fire District  
**Monthly Transaction Report**  
 November 2023

Type	Date	Num	Name	Memo	Amount	Balance
Bill Pmt -Che...	11/14/2023	Bill.com	Esai Tapia V	https://app01.us....	-146.33	-994.76
Bill Pmt -Che...	11/14/2023	Bill.com	Waste Management of Tucson	https://app01.us....	-250.77	-1,245.53
Bill Pmt -Che...	11/14/2023	Bill.com	Securitech, Inc.	https://app01.us....	-31.50	-1,277.03
Bill Pmt -Che...	11/14/2023	Bill.com	Empire Southwest LLC	https://app01.us....	-623.30	-1,900.33
Bill Pmt -Che...	11/14/2023	Bill.com	Verizon	https://app01.us....	-360.09	-2,260.42
General Jour...	11/14/2023	2023-191		BILL 11/14/23 P...	2,260.42	0.00
Bill Pmt -Che...	11/17/2023	Bill.com	The Mahoney Group	https://app01.us....	-10,978.00	-10,978.00
Bill Pmt -Che...	11/17/2023	Bill.com	Bound Tree	https://app01.us....	-78.87	-11,056.87
Bill Pmt -Che...	11/17/2023	Bill.com	Collection Agency of the High Country	https://app01.us....	-42.00	-11,098.87
Bill Pmt -Che...	11/17/2023	Bill.com	Simply Bits, LLC	https://app01.us....	-314.05	-11,412.92
Bill Pmt -Che...	11/17/2023	Bill.com	Direct TV - 0393	https://app01.us....	-170.98	-11,583.90
Bill Pmt -Che...	11/17/2023	Bill.com	Human Resource Strategies	https://app01.us....	-500.00	-12,083.90
Bill Pmt -Che...	11/17/2023	Bill.com	W.W. Williams	https://app01.us....	-3,101.05	-15,184.95
Bill Pmt -Che...	11/17/2023	Bill.com	Coppersmith Brockelman PLC	https://app01.us....	-280.00	-15,464.95
Bill Pmt -Che...	11/17/2023	Bill.com	Nogales Tactical LLC*	https://app01.us....	-213.94	-15,678.89
Bill Pmt -Che...	11/17/2023	Bill.com	Verizon	https://app01.us....	-100.12	-15,779.01
Bill Pmt -Che...	11/17/2023	Bill.com	Napa Auto Parts	https://app01.us....	-283.79	-16,062.80
Bill Pmt -Che...	11/17/2023	Bill.com	Securis	https://app01.us....	-45,327.00	-61,389.80
Bill Pmt -Che...	11/17/2023	Bill.com	Voyager Fleet Systems Inc	https://app01.us....	-863.60	-62,253.40
Bill Pmt -Che...	11/17/2023	Bill.com	Enerspect Medical Solutions	https://app01.us....	-2,625.23	-64,878.63
Bill Pmt -Che...	11/17/2023	Bill.com	United Fire Equipment Co.	https://app01.us....	-15,631.06	-80,509.69
Bill Pmt -Che...	11/17/2023	Bill.com	Fry Fire District*	https://app01.us....	-1,710.45	-82,220.14
Bill Pmt -Che...	11/17/2023	Bill.com	V191 & Associates	https://app01.us....	-541.67	-82,761.81
Bill Pmt -Che...	11/17/2023	Bill.com	John Schwamm	https://app01.us....	-3,825.00	-86,586.81
Bill Pmt -Che...	11/17/2023	Bill.com	Napa Auto Parts	https://app01.us....	-85.74	-86,672.55
Bill Pmt -Che...	11/17/2023	Bill.com	Nogales Tactical LLC*	https://app01.us....	-156.38	-86,828.93
Bill Pmt -Che...	11/17/2023	Bill.com	HAAS ALERT	https://app01.us....	-4,036.00	-90,864.93
General Jour...	11/17/2023	2023-197		BILL 11/17/23 P...	90,323.26	-541.67
General Jour...	11/17/2023	2023-199		BILL 11/17/23 P...	541.67	0.00
Bill Pmt -Che...	11/21/2023	Bill.com	Senergy Petroleum	https://app01.us....	-4,144.59	-4,144.59
General Jour...	11/21/2023	2023-198		BILL 11/21/23 P...	4,144.59	0.00
Bill Pmt -Che...	11/22/2023	Bill.com	Nextrio, LLC	https://app01.us....	-4,661.55	-4,661.55
Bill Pmt -Che...	11/22/2023	Bill.com	James Vincent Group	https://app01.us....	-5,500.00	-10,161.55
Bill Pmt -Che...	11/22/2023	Bill.com	Nextrio, LLC	https://app01.us....	-711.72	-10,873.27
Bill Pmt -Che...	11/22/2023	Bill.com	Empire Southwest LLC	https://app01.us....	-623.30	-11,496.57
Bill Pmt -Che...	11/22/2023	Bill.com	Empire Southwest LLC	https://app01.us....	-2,243.01	-13,739.58
General Jour...	11/22/2023	2023-201		BILL 11/22/23 P...	13,739.58	0.00
Bill Pmt -Che...	11/24/2023	Bill.com	Simply Bits, LLC	https://app01.us....	-556.89	-556.89
Bill Pmt -Che...	11/24/2023	Bill.com	Great America Leasing Corp.	https://app01.us....	-217.68	-774.57
Bill Pmt -Che...	11/24/2023	Bill.com	Green Valley Fire District	https://app01.us....	-17.00	-791.57



8:42 AM  
 12/15/23  
 Accrual Basis

Tubac Fire District  
**Monthly Transaction Report**  
 November 2023

Type	Date	Num	Name	Memo	Amount	Balance
Bill Pmt -Che...	11/24/2023	Bill.com	Simply Bits, LLC	https://app01.us....	-658.42	-1,449.99
Bill Pmt -Che...	11/24/2023	Bill.com	Quill Corporation	https://app01.us....	-92.47	-1,542.46
Bill Pmt -Che...	11/24/2023	Bill.com	Linde 9892	https://app01.us....	-200.81	-1,743.27
Bill Pmt -Che...	11/24/2023	Bill.com	Nogales Tactical LLC*	https://app01.us....	-29.32	-1,772.59
Bill Pmt -Che...	11/24/2023	Bill.com	Nogales Tactical LLC*	https://app01.us....	-236.75	-2,009.34
Bill Pmt -Che...	11/24/2023	Bill.com	Linde 8440	https://app01.us....	-561.45	-2,570.79
Bill Pmt -Che...	11/24/2023	Bill.com	Valley Imaging Solutions Inc.	https://app01.us....	-164.34	-2,735.13
Bill Pmt -Che...	11/24/2023	Bill.com	Nogales Tactical LLC*	https://app01.us....	-48.87	-2,784.00
Bill Pmt -Che...	11/24/2023	Bill.com	Valley Imaging Solutions Inc.	https://app01.us....	-7.37	-2,791.37
Bill Pmt -Che...	11/24/2023	Bill.com	EMI Health	https://app01.us....	-25,562.47	-28,353.84
Bill Pmt -Che...	11/24/2023	Bill.com	Simply Bits, LLC	https://app01.us....	-559.51	-28,913.35
Bill Pmt -Che...	11/24/2023	Bill.com	Simply Bits, LLC	https://app01.us....	-873.66	-29,787.01
Bill Pmt -Che...	11/24/2023	Bill.com	Quill Corporation	https://app01.us....	-118.58	-29,905.59
Bill Pmt -Che...	11/24/2023	Bill.com	Quill Corporation	https://app01.us....	-162.04	-30,067.63
Bill Pmt -Che...	11/24/2023	Bill.com	Nogales Tactical LLC*	https://app01.us....	-19.01	-30,086.64
Bill Pmt -Che...	11/24/2023	Bill.com	Linde 3502	https://app01.us....	-744.96	-30,831.60
Bill Pmt -Che...	11/24/2023	Bill.com	Nogales Tactical LLC*	https://app01.us....	-76.02	-30,907.62
Bill Pmt -Che...	11/24/2023	Bill.com	Collection Agency of the High Country	https://app01.us....	-54.00	-30,961.62
Bill Pmt -Che...	11/24/2023	Bill.com	Nogales Tactical LLC*	https://app01.us....	-78.19	-31,039.81
General Jour...	11/24/2023	2023-208		BILL 11/24/23 P...	31,039.81	0.00
Bill Pmt -Che...	11/28/2023	Bill.com	Unisource Energy Services (Gas)	https://app01.us....	-22.15	-22.15
Bill Pmt -Che...	11/28/2023	Bill.com	Rio Rico Sanitation 85133	https://app01.us....	-255.00	-277.15
Bill Pmt -Che...	11/28/2023	Bill.com	CenturyLink	https://app01.us....	-3.74	-280.89
Bill Pmt -Che...	11/28/2023	Bill.com	Terminix	https://app01.us....	-152.00	-432.89
Bill Pmt -Che...	11/28/2023	Bill.com	Century Link 333219165	https://app01.us....	-205.74	-638.63
Bill Pmt -Che...	11/28/2023	Bill.com	Liberty Utilities AZ A/C 200007327162	https://app01.us....	-309.01	-947.64
Bill Pmt -Che...	11/28/2023	Bill.com	Rio Rico Sanitation 84863	https://app01.us....	-255.00	-1,202.64
Bill Pmt -Che...	11/28/2023	Bill.com	EPCOR	https://app01.us....	-45.95	-1,248.59
Bill Pmt -Che...	11/28/2023	Bill.com	Century Link 333222406	https://app01.us....	-69.58	-1,318.17
Bill Pmt -Che...	11/28/2023	Bill.com	Unisource Energy Services (Gas)	https://app01.us....	-23.69	-1,341.86
Bill Pmt -Che...	11/28/2023	Bill.com	Unisource Energy Services (Electric)	https://app01.us....	-468.73	-1,810.59
Bill Pmt -Che...	11/28/2023	Bill.com	Terminix	https://app01.us....	-60.00	-1,870.59
Bill Pmt -Che...	11/28/2023	Bill.com	Terminix	https://app01.us....	-149.00	-2,019.59
Bill Pmt -Che...	11/28/2023	Bill.com	Terminix	https://app01.us....	-60.00	-2,079.59
Bill Pmt -Che...	11/28/2023	Bill.com	Giovanni Granados	https://app01.us....	-575.00	-2,654.59
General Jour...	11/28/2023	2023-076		BILL 11/28/23 P...	2,654.59	0.00
Total 1072 · Bill.com Money Out Clearing					0.00	0.00

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Tubac Fire District  
**Monthly Transaction Report**  
 November 2023

Type	Date	Num	Name	Memo	Amount	Balance
<b>1127 - Cash with County Treasurer</b>						
Deposit	11/03/2023	50919		Santa Cruz Trea...	-1,183,886.74	-1,183,886.74
General Jour...	11/07/2023	2023-184		to record prop ta...	367,238.62	-816,648.12
Deposit	11/30/2023			Interest	463.26	-816,184.86
Total 1127 - Cash with County Treasurer					-816,184.86	-816,184.86
<b>1129 - Operational</b>						
Deposit	11/01/2023			Deposit	5.75	5.75
Deposit	11/01/2023			Deposit	265.32	271.07
Deposit	11/01/2023			Deposit	146.12	417.19
Deposit	11/01/2023			Deposit	1,249.59	1,666.78
Deposit	11/02/2023			Deposit	57.96	1,724.74
Deposit	11/02/2023			Deposit	3,192.79	4,917.53
General Jour...	11/02/2023	2023-180		BILL 11/02/23 C...	15.99	4,933.52
Deposit	11/02/2023			Deposit	1,463.63	6,397.15
Deposit	11/02/2023			Deposit	2,594.23	8,991.38
Check	11/03/2023	ACH	Nationwide Retirement Solutions	Pay Period Endi...	-2,230.92	6,760.46
Check	11/03/2023	ACH	Nationwide Retirement Solutions	Pay Period Endi...	-1,063.21	5,697.25
General Jour...	11/03/2023	2023-181		BILL 11/03/23 P...	-38,034.31	-32,337.06
Deposit	11/03/2023			Deposit	1,183,886.74	1,151,549.68
General Jour...	11/03/2023	2023-188			-60,211.20	1,091,338.48
General Jour...	11/03/2023	2023-188			-604.25	1,090,734.23
General Jour...	11/03/2023	2023-188			-11,438.49	1,079,295.74
General Jour...	11/03/2023	2023-188			-379.00	1,078,916.74
General Jour...	11/03/2023	2023-188			-581.15	1,078,335.59
Deposit	11/06/2023			Deposit	1,688.05	1,080,023.64
Deposit	11/06/2023			Deposit	50.00	1,080,073.64
Check	11/06/2023	DEP	PUBLIC SAFETY PERSONAL RETIREME...	Pay Period Endi...	-21,266.95	1,058,806.69
Deposit	11/06/2023			Deposit	99.73	1,058,906.42
Deposit	11/07/2023			Deposit	3,043.10	1,061,949.52
Deposit	11/07/2023			Deposit	371.61	1,062,321.13
Check	11/07/2023	EFT	Bill.com		-348.96	1,061,972.17
Deposit	11/07/2023			Interest	11.14	1,061,983.31
Deposit	11/08/2023			Deposit	508.39	1,062,491.70
Transfer	11/08/2023			Funds Transfer	400,000.00	1,462,491.70
Deposit	11/08/2023			Deposit	1,307.01	1,463,798.71
Check	11/08/2023	ACH	Health Equity	Monthly Fees for...	-32.50	1,463,766.21
Deposit	11/09/2023			Deposit	211.24	1,463,977.45
Deposit	11/09/2023			Deposit	1,188.75	1,465,166.20

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Tubac Fire District  
**Monthly Transaction Report**  
 November 2023

Type	Date	Num	Name	Memo	Amount	Balance
General Jour...	11/10/2023	2023-183		BILL 11/10/23 P...	-3,528.93	1,461,637.27
Deposit	11/10/2023			Deposit	1,947.96	1,463,585.23
Deposit	11/10/2023			Deposit	20.00	1,463,605.23
Deposit	11/13/2023			Deposit	770.00	1,464,375.23
Deposit	11/13/2023			Deposit	211.20	1,464,586.43
Deposit	11/13/2023			Deposit	1,259.05	1,465,845.48
General Jour...	11/14/2023	2023-191		BILL 11/14/23 P...	-2,260.42	1,463,585.06
Deposit	11/14/2023			Deposit	250.00	1,463,835.06
Transfer	11/14/2023			Funds Transfer	-400,000.00	1,063,835.06
Deposit	11/14/2023			Deposit	558.31	1,064,393.37
Check	11/15/2023	26018	Security Benefit	Pay Period Endi...	-100.00	1,064,293.37
Check	11/15/2023	26019	Green Valley F.F.A.	Pay Period Endi...	-360.00	1,063,933.37
Deposit	11/15/2023			Deposit	401.69	1,064,335.06
Deposit	11/15/2023			Deposit	9,676.78	1,074,011.84
Deposit	11/15/2023			Deposit	1,600.41	1,075,612.25
General Jour...	11/15/2023	2023-178			-42.93	1,075,569.32
Check	11/15/2023			Service Charge	-465.66	1,075,103.66
Check	11/16/2023	ACH	Nationwide Retirement Solutions	Pay Period Endi...	-2,354.10	1,072,749.56
Check	11/16/2023	ACH	Nationwide Retirement Solutions	Pay Period Endi...	-1,063.21	1,071,686.35
Deposit	11/16/2023			Deposit	1,803.22	1,073,489.57
Deposit	11/16/2023			Deposit	182.50	1,073,672.07
Check	11/17/2023	ACH	Aflac	INVOICE: 700467	-216.72	1,073,455.35
General Jour...	11/17/2023	2023-197		BILL 11/17/23 P...	-90,323.26	983,132.09
General Jour...	11/17/2023	2023-199		BILL 11/17/23 P...	-541.67	982,590.42
General Jour...	11/17/2023	2023-200			-62,756.85	919,833.57
General Jour...	11/17/2023	2023-200			-604.25	919,229.32
General Jour...	11/17/2023	2023-200			-9,545.11	909,684.21
General Jour...	11/17/2023	2023-200			-379.00	909,305.21
General Jour...	11/17/2023	2023-200			-581.15	908,724.06
Deposit	11/17/2023			Deposit	250.28	908,974.34
Check	11/20/2023	ACH	Bank of America	Closing Date: 10...	-2,631.42	906,342.92
Check	11/20/2023	ACH	PUBLIC SAFETY PERSONAL RETIREME...	Pay period endin...	-21,993.18	884,349.74
Deposit	11/20/2023			Deposit	304.56	884,654.30
Deposit	11/20/2023			Deposit	4,938.83	889,593.13
General Jour...	11/21/2023	2023-198		BILL 11/21/23 P...	-4,144.59	885,448.54
Check	11/21/2023	ACH	Enterprise FM Trust	Invoice # FBN48...	-2,289.06	883,159.48
Deposit	11/21/2023			Deposit	2,915.82	886,075.30
Deposit	11/21/2023			Deposit	377.39	886,452.69
General Jour...	11/22/2023	2023-201		BILL 11/22/23 P...	-13,739.58	872,713.11
Deposit	11/22/2023			Deposit	2,341.98	875,055.09

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Tubac Fire District  
**Monthly Transaction Report**  
 November 2023

Type	Date	Num	Name	Memo	Amount	Balance
Deposit	11/22/2023			Deposit	1,247.82	876,302.91
General Jour...	11/24/2023	2023-208		BILL 11/24/23 P...	-31,039.81	845,263.10
Check	11/27/2023	ACH	AHCCCS	AHCCCS Medic...	-688.00	844,575.10
Deposit	11/27/2023			Deposit	655.58	845,230.68
Deposit	11/27/2023			Deposit	138.73	845,369.41
General Jour...	11/28/2023	2023-076		BILL 11/28/23 P...	-2,654.59	842,714.82
Deposit	11/28/2023			Deposit	150.00	842,864.82
Deposit	11/29/2023			Deposit	1,690.13	844,554.95
Deposit	11/29/2023			Deposit	1,264.71	845,819.66
Deposit	11/29/2023			Deposit	181.18	846,000.84
Check	11/30/2023	26020	Security Benefit	Pay Period Endi...	-100.00	845,900.84
Check	11/30/2023	26021	Green Valley F.F.A.	Pay Period Endi...	-360.00	845,540.84
Deposit	11/30/2023			Deposit	160.55	845,701.39
Deposit	11/30/2023			Deposit	331.17	846,032.56
General Jour...	11/30/2023	2023-077			-59,622.76	786,409.80
General Jour...	11/30/2023	2023-077			-604.25	785,805.55
General Jour...	11/30/2023	2023-077			-10,183.15	775,622.40
General Jour...	11/30/2023	2023-077			-367.40	775,255.00
General Jour...	11/30/2023	2023-077			-1,382.15	773,872.85
Total 1129 · Operational					773,872.85	773,872.85
<b>1130 · Savings Acct.</b>						
Transfer	11/08/2023			Funds Transfer	-400,000.00	-400,000.00
Transfer	11/14/2023			Funds Transfer	400,000.00	0.00
Deposit	11/30/2023			Interest	12.10	12.10
Total 1130 · Savings Acct.					12.10	12.10
<b>1131 · Bond Account</b>						
General Jour...	11/30/2023	2023-185		to record Levied ...	52,618.17	52,618.17
Deposit	11/30/2023			Interest	463.62	53,081.79
Total 1131 · Bond Account					53,081.79	53,081.79
<b>TOTAL</b>					<b>29,591.55</b>	<b>29,591.55</b>

# Tubac Fire District

## Twelve-Month Cash Flow

Fiscal Year  
Begins: Jul-23

	Beginning	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Monthly Average	Overview
<b>Cash Summary</b>															
<b>Cash on Hand</b> <small>(beginning of month)</small>	6,107,461	6,107,461	5,766,718	5,616,959	5,308,149	6,661,744	6,691,436	6,985,078	6,919,221	6,765,258	6,674,134	7,261,783	7,128,650	6,490,549	
<b>Cash Available</b> (on hand + receipts, before cash out)	6,107,461	6,179,058	5,911,755	5,707,836	6,998,319	7,554,450	7,321,738	7,281,574	7,072,797	6,976,861	7,651,419	7,505,741	7,394,318	6,962,989	
<b>Cash Position</b> (end of month)	6,107,461	5,766,718	5,616,959	5,308,149	6,661,744	6,691,436	6,985,078	6,919,221	6,765,258	6,674,134	7,261,783	7,128,650	6,517,342	6,524,706	
<b>Line of Credit Available</b>	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
<b>Cash Receipts</b>															
Tax Levy Revenue		16,835	53,183	27,232	1,353,824	419,857	582,143	231,147	90,627	133,454	856,403	120,276	139,886	335,406	
Other Cash Inflows		54,762	91,854	63,644	336,347	472,849	48,159	65,349	62,949	78,149	120,882	123,682	125,782	137,034	
Line of Credit		0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Cash Receipts</b>		<b>71,597</b>	<b>145,037</b>	<b>90,877</b>	<b>1,690,171</b>	<b>892,706</b>	<b>630,302</b>	<b>296,496</b>	<b>153,576</b>	<b>211,603</b>	<b>977,285</b>	<b>243,958</b>	<b>265,668</b>	<b>472,440</b>	
<b>Cash Paid Out</b>															
Disbursements		412,339	294,797	399,687	336,575	863,014	336,660	362,353	307,539	302,727	389,636	377,091	876,976	438,283	
Repayment of LOC		0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Cash Paid Out</b>		<b>412,339</b>	<b>294,797</b>	<b>399,687</b>	<b>336,575</b>	<b>863,014</b>	<b>336,660</b>	<b>362,353</b>	<b>307,539</b>	<b>302,727</b>	<b>389,636</b>	<b>377,091</b>	<b>876,976</b>	<b>438,283</b>	
		(Actual)	(Actual)	(Actual)	(Actual)	(Actual)	(Budget)	(Budget)	(Budget)	(Budget)	(Budget)	(Budget)	(Budget)	(Budget)	

Date: 12/14/2023

To: Tubac Fire District Board of Directors

From: Gabe Buldra, Principal

Re: Agenda item related to bond sale.

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The purpose of this memo is to provide further information regarding the authorization of a resolution to sell bonds. This request is made jointly by staff and JVG to initiate the due diligence and credit rating process necessary for the bond sale. It's essential to recognize that the bond process is a meticulous and time-consuming endeavor. Thus, beginning this process promptly is imperative to ensure the timely availability of funds. Specifically, the funding from these bonds is vital to complete the Station 1 project. Without this funding secured before the construction phase, we risk delaying the project's completion.

In addition, the resolution seeks the Board's approval at the full statutory debt capacity, although it's important to clarify that the actual bond sale will only be for the amount sanctioned by the Board as we approach a final budget. This approach allows us to align the sale with our financial requirements more accurately.

Finally, it is important to understand the nature of the USDA grant tied to this project. The grant operates on a last source of funds basis, meaning that the District will need to cover the entire project cost less the \$2.0m before receiving any funds from the USDA. This further underscores the need to secure bond funding.

RESOLUTION (1) PROVIDING FOR THE SALE AND ISSUANCE OF TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, AND A PAYMENT AMOUNT OF SUPPLEMENTAL INTEREST CERTIFICATES WITH RESPECT THERETO AS DETERMINED AS PROVIDED HEREIN AND FOR THE ANNUAL LEVY OF A TAX FOR THE PAYMENT OF THE BONDS AND SUCH CERTIFICATES; (2) DELEGATING AUTHORITY TO THE FIRE CHIEF OF THE DISTRICT OR THEIR DESIGNEE TO DETERMINE CERTAIN MATTERS AND TERMS WITH RESPECT TO THE FOREGOING; (3) APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF NECESSARY AGREEMENTS, INSTRUMENTS AND DOCUMENTS RELATED TO THE SALE AND ISSUANCE OF THE BONDS AND SUCH CERTIFICATES; AND (4) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO CONSUMMATE THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND RATIFYING ALL ACTIONS TAKEN TO FURTHER THIS RESOLUTION

WHEREAS, by the vote of a majority of the qualified electors of Tubac Fire District of Santa Cruz County, Arizona (the "District") voting at a special bond election held in and for the District on November 4, 2008 (the "Election"), the issuance of \$15,000,000 aggregate principal amount of general obligation bonds of the District has been authorized, \$6,795,000 of which has been sold and issued; and

WHEREAS, the District Board of the District (this "Board") has determined to sell and issue the remaining amount of the bonds authorized at the Election (the "Bonds"), for the purposes authorized at the Election; and

WHEREAS, this Board has further determined to sell and issue certain supplemental interest certificates with respect to the Bonds; and

WHEREAS, this Board will receive (i) a proposal from Stifel, Nicolaus & Company, Incorporated ("Stifel"), serving in the capacity of and designated as the underwriter (the "Underwriter") and not acting as a municipal advisor as defined in the "Registration of Municipal Advisors" rule promulgated by the United States Securities and Exchange Commission (the "MA Rule"), and has determined that all or a portion of the Bonds and certain supplemental interest certificates with respect thereto should be sold through negotiation to the Underwriter pursuant to the Strategic Alliance of Volume Expenditures (SAVE) Cooperative Response Proposal #C-005-2223 (the "SAVE Contract"); and (ii) a proposal from Stifel, serving in the capacity of and designated as the placement agent (the "Placement Agent") and not acting as a municipal advisor as defined in the MA Rule, and has determined that all or a portion of the Bonds and certain supplemental interest certificates with respect thereto should be placed by the Placement Agent pursuant to the SAVE Contract; and

WHEREAS, pursuant to Securities and Exchange Commission Rule 15c2-12 (the “Rule”), Participating Underwriters (as defined in the Rule) are required to reasonably determine that issuers have entered into written undertakings (such as the hereinafter defined Continuing Disclosure Undertaking) to make ongoing disclosure in connection with offerings of obligations to investors subject to the Rule; and

WHEREAS, it is determined that procedures should be adopted in order to document practices and describe various procedures for preparing and disseminating such ongoing disclosure for the benefit of the holders of the District’s obligations and to assist the Participating Underwriters in complying with the Rule and such written undertakings (the “Procedures”); and

NOW, THEREFORE, IT IS RESOLVED BY THE DISTRICT BOARD OF TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA, AS FOLLOWS:

Section 1. Authorization.

(A) There is hereby authorized to be sold and issued one or more series of bonds of the District in the total aggregate principal amount of not to exceed \$4,850,000, to be designated as provided in this Resolution, all in accordance with this Resolution and applicable law.

(B) There is hereby further authorized to be sold and issued with respect to, and to evidence certain supplemental interest to be borne by, the Bonds, supplemental interest certificates to be designated as “Supplemental Interest Certificates” in the aggregate payment amount determined as provided herein (the “Certificates”), the interest evidenced by the Bonds as issued being designated as “A” interest and the interest evidenced by the Certificates as issued being designated herein as “B” interest, all in accordance with this Resolution and applicable law.

(C) Unless specified or unless the context otherwise requires, all references herein to “interest on the Bonds” shall be deemed to include interest designated as both “A” and “B” interest on the Bonds, the interest designated herein as “B” interest being evidenced by the Certificates.

Section 2. Terms.

(A) The Fire Chief of the District or his designee (collectively, the “Authorized Representatives”) are hereby authorized and directed to determine on behalf of the District: (1) the series name and designation of each series of the Bonds; (2) whether interest on each series of the Bonds will be excluded from gross income for federal income tax purposes; (3) the dated date and total principal and payment amounts of each series of the Bonds and the Certificates (but not to exceed \$4,850,000 total aggregate principal amount for all series of the Bonds); (4) the final principal and maturity and payment date schedules of each series of the Bonds and the Certificates (but none of the Bonds to mature later than July 1, 2044); (5) the interest rate on each maturity of the Bonds and the interest accrual period and approximate yield with respect to each payment date for the Certificates (but not to exceed in the aggregate the rate allowed by the ballot question approved at the Election) and the dates for payment of such interest (the “interest payment dates”); (6) the provisions for redemption in advance of maturity of each series



of the Bonds; (7) which of the Bonds and the Certificates, if any, will be sold pursuant to the hereinafter defined Bond Purchase Agreement (referred to herein as the “Publicly Sold Bonds”), and which of the Bonds and the Certificates, if any, will be placed pursuant to the hereinafter defined Placement Agent Agreement (referred to herein as the “Privately Placed Bonds”); (8) if any of the Bonds and the Certificates are placed pursuant to the Placement Agent Agreement, the entity or entities with which the Bonds and the Certificates will be placed (collectively, the “Purchasers”); (9) the sales price and terms of the Bonds and the Certificates (including for underwriter’s compensation, placement agent compensation, original issue discount and original issue premium); and (10) the provision for credit enhancement, if any, for the Bonds and the Certificates upon the advice of the Underwriter; provided, however, that such determinations must result in a yield for federal income tax purposes of not to exceed six percent (6%) with respect to the Bonds that are sold such that interest thereon will be excluded from gross income for federal income tax purposes.

(B) (1) The Publicly Sold Bonds shall be issued in the denomination of \$5,000 of principal amount or integral multiples thereof and only in fully registered form.

(2) The principal of and premium, if any, on the Publicly Sold Bonds shall be payable at maturity or prior redemption upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent (as defined herein).

(3) The Publicly Sold Bonds shall bear interest designated as “A” interest at the respective rates from their date to the maturity or prior redemption of each Publicly Sold Bond, payable commencing on the first interest payment date. Interest on the Publicly Sold Bonds designated as “A” interest shall be payable by check, dated as of the interest payment date, mailed to the registered owners thereof, as shown on the registration books maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the fifteenth (15th) day of the month next preceding that interest payment date (the “regular record date”). Any such interest on a Publicly Sold Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner thereof (or of one or more predecessor Publicly Sold Bonds) as of the regular record date, and shall be payable to the registered owner thereof (or of one or more predecessor Publicly Sold Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owners of Publicly Sold Bonds not less than ten (10) days prior thereto.

(4) The principal of, and premium, if any, and “A” interest on, the Publicly Sold Bonds shall be payable in lawful money of the United States of America.

(C) (1) Except as provided on a more restrictive basis in the definitive form of the Privately Placed Bonds, the Privately Placed Bonds shall be issued in the denomination of \$100,000 of principal amount or integral multiples of \$5,000 in excess thereof and only in fully registered form. Privately Placed Bonds may be in denominations of less than \$100,000 if necessary to accommodate redemption.

(2) Except as provided in the definitive form of the Privately Placed Bonds, the principal of and premium, if any, on the Privately Placed Bonds shall be payable at maturity or prior redemption upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent or, if provided in the definitive form of the Privately Placed Bonds, at the main administrative office of the District.

(3) The Privately Placed Bonds shall bear interest designated as “A” interest at the respective rates from their date to the maturity or prior redemption of each Privately Placed Bond, payable commencing on the first interest payment date. Except as provided in the definitive form of the Privately Placed Bonds, interest on the Privately Placed Bonds designated as “A” interest shall be payable by check, dated as of the interest payment date, mailed to the registered owners thereof, as shown, if applicable, on the registration books maintained, if necessary, by the Bond Registrar and Paying Agent at the address appearing therein, if applicable, at the close of business on the fifteenth (15th) day of the month next preceding that interest payment date (the “regular record date”). Any such interest on a Privately Placed Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner thereof (or of one or more predecessor Privately Placed Bonds) as of the regular record date, and shall be payable to the registered owner thereof (or of one or more predecessor Privately Placed Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owners of Privately Placed Bonds not less than ten (10) days prior thereto.

(4) The principal of, and premium, if any, and “A” interest on, the Privately Placed Bonds shall be payable in lawful money of the United States of America.

(D) (1) In addition to such interest designated as “A” interest, the Bonds shall bear supplemental interest designated as “B” interest evidenced by the Certificates which shall be owned, transferred, and presented for payment separately from the Bonds and shall evidence that portion of interest designated as “B” interest on the Bonds coming due for the interest accrual periods specified above which the registered owners thereof are entitled to receive.

(2) The Certificates shall be dated their date of initial authentication and delivery.

(3) The Certificates shall be issued in the denomination of \$1,000 of interest designated as “B” interest due on a particular “B” interest payment date or integral multiples thereof and only in fully registered form.

(4) The interest designated as “B” interest evidenced by the Certificates shall be payable in lawful money of the United States of America to the registered owner of each Certificate, upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent or, if provided in the definitive form of the Certificates, at the main administrative office of the District.

Section 3. Prepayment/Prior Redemption; Defeasance.

(A) The Certificates shall not be subject to prepayment prior to their stated payment dates.

(B) (1) Notice of optional redemption of any Bond shall be mailed by first class mail, postage prepaid, not more than sixty (60) nor less than thirty (30) days prior to the date set for redemption to the registered owner of the Bond or Bonds being redeemed at the address shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent. Failure to give properly such notice of redemption shall not affect the redemption of any Bond for which notice was given properly. Such notice may provide that the redemption is conditional upon moneys for payment of the redemption price being held in separate accounts by the Bond Registrar and Paying Agent.

(2) On the date designated for redemption by notice given as herein provided, the Bonds or portions thereof to be redeemed shall become and be due and payable at the redemption price for such Bonds or such portions thereof on such date, and, if moneys for payment of the redemption price are held in separate accounts by the Bond Registrar and Paying Agent, interest on such Bonds or such portions thereof shall cease to accrue, such Bonds or such portions thereof shall cease to be entitled to any benefit or security hereunder, the registered owners of such Bonds or such portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon and such Bonds or such portions thereof shall be deemed paid and no longer outstanding.

(3) The District may redeem, and the Bond Registrar and Paying Agent shall select, by lot in such manner as the Bond Registrar and Paying Agent may determine, any amount which is included in a Bond in the denomination in excess of, but divisible by, \$5,000. In that event, the registered owner shall submit the Bond for partial redemption and the Bond Registrar and Paying Agent shall make such partial payment and shall cause to be issued a new Bond in a principal amount which reflects the redemption so made, to be authenticated and delivered to the registered owner thereof.

(C) Any Bond or portion thereof in authorized denominations shall be deemed paid and defeased and thereafter shall have no claim on ad valorem taxes levied on taxable property in the District: (i) if there is deposited with a bank or comparable financial institution, in trust, moneys or obligations issued by or guaranteed by the United States government (“Defeasance Obligations”) or both which, with the maturing principal of and interest on such Defeasance Obligations, if any, will be sufficient, as evidenced by a certificate or report of an accountant in the case of a deposit in trust of Defeasance Obligations, to pay the principal of and interest and any premium on such Bond or portion thereof as the same matures, comes due or becomes payable upon prior redemption; and (ii) if such defeased Bond or portion thereof is to be redeemed, notice of such redemption has been given in accordance with provisions hereof or the District has submitted to the Bond Registrar and Paying Agent instructions expressed to be irrevocable as to the date upon which such Bond or portion thereof is to be redeemed and as to the giving of notice of such redemption. Bonds the payment of which has been provided for in accordance with this Section shall no longer be deemed payable or outstanding hereunder and

thereafter such Bonds shall be entitled to payment only from the moneys or Defeasance Obligations deposited to provide for the payment of such Bonds.

Section 4. Security. For the purpose of paying the principal of, and premium, if any, and interest on (including that evidenced by the Certificates) and costs of administration of the registration and payment of the Bonds and the Certificates, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, premium, if any, interest and administration costs of and on the Bonds and the Certificates as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected. Taxes in an amount sufficient to pay the interest on all of the Bonds (including that evidenced by the Certificates) then outstanding, the installments of the principal of the Bonds becoming due and payable in the ensuing year, and the annual portion of such sinking fund as may be set up for retirement of the Bonds, shall be levied, assessed and collected as other taxes of the District. The proceeds of such taxes shall be kept in a special fund designated the “Debt Service Fund” of the District and shall be used only for the payment of principal, interest, premium, if any, or costs as above-stated. After the Bonds are issued, this Board shall enter on its minutes a record of the Bonds sold and shall determine annually the amount of the tax levy to pay the Bonds and certify such amount to the Board of Supervisors of Santa Cruz County, Arizona (the “County”).

Section 5. Use of Proceeds. Except for any premium deposited into the Debt Service Fund, the net proceeds of the sale of the Bonds and the Certificates related thereto, after payment of the expenses of issuance, shall be set aside and deposited in a separate fund entitled the “Capital Fund” of the District. This Resolution shall be construed as consent of this Board to invest such funds, pending use, in any of the securities allowed by Section 35-323, Arizona Revised Statutes, as amended. The proceeds of the Bonds and the Certificates related thereto shall be expended only for the purposes set forth in the ballot used at the Election.

Section 6. Form of Bonds and Certificates.

(A) Pursuant to Section 35-491, Arizona Revised Statutes, a fully-registered bond form and certificate form, respectively, is hereby adopted as an alternative to any other form of bond provided by law. The Publicly Sold Bonds (including the form of certificate of authentication and form of assignment therefor) shall be in substantially the form set forth in Exhibit A attached hereto. The Privately Placed Bonds (including the form of certificate of authentication and form of assignment therefor) shall be in substantially the form set forth in Exhibit B attached hereto; provided, however, that the Authorized Representatives may provide for changes in the definitive form of the Privately Placed Bonds initially delivered to the Purchasers as necessary for the purposes hereof. The Certificates (including the form of certificate of authentication and form of assignment therefor) shall be in substantially the form set forth in Exhibit C attached hereto. Each of such forms complies with the provisions of Section 35-491, Arizona Revised Statutes. 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 and the Certificates in such form. Execution thereof by such officers shall constitute conclusive evidence of such approval.

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

(C) The Bonds and the Certificates are prohibited from being converted to coupon or bearer bonds or certificates, respectively, without the consent of this Board and approval of Bond Counsel to the District.

Section 7. Execution of Bonds and Certificates and Other Documents.

(A) (1) The Bonds and the Certificates shall be executed for and on behalf of the District by the Chairperson or any other member of this Board. Such signature may be by mechanical reproduction; however, such officer shall manually sign a certificate adopting as and for such signature on the Bonds and the Certificates the respective mechanically reproduced signature affixed to the Bonds and the Certificates.

(2) If an officer whose signature is on a Bond or a Certificate no longer holds that office at the time such Bond or such Certificate is authenticated and registered, the Bond or the Certificate, as the case may be, shall nevertheless be valid and binding so long as such Bond or such Certificate would otherwise be valid and binding.

(3) A Bond or a Certificate shall not be valid or binding until authenticated by the manual signature of an authorized representative of the Bond Registrar and Paying Agent, or, with respect to the Privately Placed Bonds and the Certificates related thereto, the Fire Chief of the District if serving in the capacity of Bond Registrar and Paying Agent. The signature of the authorized representative of the Bond Registrar and Paying Agent, or, with respect to the Privately Placed Bonds and the Certificates related thereto, the Fire Chief of the District if serving in the capacity of Bond Registrar and Paying Agent, shall be conclusive evidence that the Bond or the Certificate, as the case may be, has been authenticated and issued pursuant to this Resolution.

(B) The Chairperson or any other member of this Board is hereby authorized to approve, execute and deliver or, in the case of those documents to which the District is not a party, to approve the execution and delivery by the parties thereto of the documents and agreements referred to herein calling for such execution and delivery.

(C) The Chairperson of this Board and the Authorized Representatives are hereby authorized and directed to execute and deliver a standard form of letter of representations with The Depository Trust Company with respect to the matters provided in Section 11(H) hereof.

Section 8. Mutilated, Lost or Destroyed Bonds or Certificates. In case any Bond or any Certificate becomes mutilated or destroyed or lost, the District shall cause to be executed and delivered a new Bond or new Certificate, as the case may be, of like series, type, date, maturity or payment date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or mutilated Certificate, as the case may be, or in lieu of and in substitution for

such Bond or such Certificate, as the case may be, 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 or a Certificate, as the case may be, destroyed or lost, filing with the Bond Registrar and Paying Agent or the Fire Chief of the District, as applicable, by the registered owner evidence satisfactory to the Bond Registrar and Paying Agent or the Fire Chief of the District, as applicable, that such Bond or such Certificate, as the case may be, was destroyed or lost, and furnishing the Bond Registrar and Paying Agent with a sufficient indemnity bond pursuant to Section 47-8405, Arizona Revised Statutes.

Section 9. Acceptance of Proposals.

(A) The Authorized Representatives are hereby authorized to accept a proposal of the Underwriter for the purchase of the Publicly Sold Bonds and the Certificates related thereto, and the Publicly Sold Bonds and the Certificates related thereto are hereby ordered sold to the Underwriter in accordance with the terms of the Bond Purchase Agreement presented to this Board at the meeting at which this Resolution was adopted (the “Bond Purchase Agreement”), and in accordance with the SAVE Contract. The Chairperson, any other member of this Board, or the Authorized Representatives are hereby authorized to execute and deliver the Bond Purchase Agreement, for and on behalf of the District, in substantially the form submitted to this Board at the meeting at which this Resolution was adopted and in a final form satisfactory to the Chairperson, such other member of this Board or the Authorized Representatives, and such execution and delivery by the Chairperson, such member of this Board, or the Authorized Representatives shall indicate the approval thereof on behalf of the District by the Authorized Representatives.

(B) The Authorized Representatives are hereby authorized to accept a proposal of the Placement Agent for the placement of the Privately Placed Bonds and the Certificates related thereto, and the Privately Placed Bonds and the Certificates related thereto are hereby ordered placed with the Purchasers in accordance with the terms of the Placement Agent Agreement with the Placement Agent, in form and substance reasonably satisfactory to the Authorized Representatives and Bond Counsel to the District (the “Placement Agent Agreement”), and in accordance with the SAVE Contract. The Chairperson, any other member of this Board, or the Authorized Representatives are hereby authorized to execute and deliver the Placement Agent Agreement, for and on behalf of the District, in form and substance reasonably satisfactory to the Authorized Representatives and Bond Counsel to the District, and such execution and delivery by the Chairperson, such member of this Board, or the Authorized Representatives shall indicate the approval thereof on behalf of the District by the Authorized Representatives.

(C) The Publicly Sold Bonds and the Certificates related thereto shall be delivered to the Underwriter upon receipt of payment therefor and satisfaction of the other conditions for delivery thereof in accordance with the terms of the sale provided in the Bond Purchase Agreement. The Privately Placed Bonds and the Certificates related thereto shall be delivered to the Purchasers upon receipt of payment therefor and satisfaction of the other conditions for delivery thereof in accordance with the terms of the placement provided in the Placement Agent Agreement.

Section 10. Official Statement and Continuing Disclosure.

(A) (1) The preparation, distribution and use of the Preliminary Official Statement relating to the Publicly Sold Bonds and the Certificates related thereto in substantially the form presented to this Board before the meeting at which this Resolution was adopted is in all respects hereby ratified, approved and confirmed, and the Authorized Representatives are hereby authorized to deem the same “final” for purposes of applicable securities laws when finalized.

(2) The Underwriter is authorized to prepare or cause to be prepared, and the Authorized Representatives are authorized and directed to approve, on behalf of this Board, and the Chairperson or any other member of this Board is authorized to execute, a final Official Statement in substantially the form of the Preliminary Official Statement, modified to reflect matters related to the sale of the Publicly Sold Bonds and the Certificates related thereto, for distribution and use in connection with the offering and sale of the Publicly Sold Bonds and the Certificates related thereto. The execution of such final Official Statement by the Chairperson or such other member of this Board shall be deemed to evidence conclusively the approval of the status, form and contents thereof by this Board.

(B) Subject to annual appropriation to cover the costs of preparing and mailing as necessary therefor, the District will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking, to be dated the date of issuance of the Publicly Sold Bonds and the Certificates related thereto (the “Continuing Disclosure Undertaking”). The Chairperson or any other member of this Board is hereby authorized, for and on behalf of the Board, to execute and deliver the Continuing Disclosure Undertaking in substantially the form submitted to this Board at the meeting at which this Resolution was adopted, with such additions, deletions and modifications as shall be approved by the Chairperson or any other member of this Board, and such execution and delivery shall constitute evidence of the approval of such officer of any departures from the form submitted to this Board at the time of adoption of this Resolution. Notwithstanding any other provision of this Resolution, failure of the District (if obligated pursuant to the Continuing Disclosure Undertaking) to comply with the Continuing Disclosure Undertaking shall not be considered an event of default; however, any Beneficial Owner (as defined herein) may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the District to comply with its obligations under this Section. For purposes of this Section, “Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Publicly Sold Bonds or Certificates related thereto (including persons holding Publicly Sold Bonds or Certificates related thereto through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Publicly Sold Bonds or Certificates related thereto for federal income tax purposes.

Section 11. Bond Registrar and Paying Agent.

(A) The Authorized Representatives are hereby authorized to appoint the initial bond registrar and paying agent with respect to the Publicly Sold Bonds and the Certificates related thereto and, if necessary, with respect to the Privately Placed Bonds and the Certificates related thereto (the “Bond Registrar and Paying Agent”), and the Chairperson, any

other member of this Board, or the Authorized Representatives are hereby requested to enter into an agreement therewith covering such services in a standard form, with such additions, deletions and modifications as shall be approved by the Chairperson, any other member of this Board, or the Authorized Representatives, and such execution and delivery shall constitute conclusive evidence of the approval of such officer of any departures from such form. The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Bond and each Certificate.

(B) The Privately Placed Bonds and the Certificates related thereto may be transferred in whole to a registered owner without the necessity of obtaining the consent of District; provided, that such transferee represents to the District that (i) it has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment in the Privately Placed Bonds and the Certificates related thereto, (ii) it understands that neither this Resolution nor the Privately Placed Bonds and the Certificates related thereto will be registered pursuant to the Securities Act of 1933, as amended, (iii) it is either an “accredited investor” within the meaning of Regulation D promulgated pursuant to the Securities Act of 1933, as amended, or a qualified institutional buyer within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended, and (iv) its present intention is to acquire such interest (A) for investment for its own account, or (B) for resale in a transaction exempt from registration under the Securities Act of 1933, as amended; *provided, however*, that there shall only be one registered owner at any time of each Privately Placed Bond and Certificate related thereto issued pursuant hereto.

(C) A Bond or a Certificate may be transferred on the registration books upon delivery and surrender of the Bond or the Certificate, as the case may be, to the Bond Registrar and Paying Agent at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of the Bond or the Certificate, as the case may be, to be transferred or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of the Bond or the Certificate, as the case may be. No transfer of any Bond or any Certificate shall be effective until entered on the registration books.

(D) In the event of the transfer of a Bond, the Bond Registrar and Paying Agent shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same series and maturity and of authorized denominations (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Resolution.

(E) In the event of the transfer of a Certificate, the Bond Registrar and Paying Agent shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Certificate or Certificates of the authorized denominations and of the same payment date for the aggregate amount of “B” interest which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Resolution.



(F) All costs and expenses of initial registration and payment of the Bonds and the Certificates shall be borne by the District, but the District and the Bond Registrar and Paying Agent shall charge the registered owner of such Bond or such Certificate, as the case may be, for every subsequent transfer of a Bond or a Certificate, as the case may be, an amount sufficient to reimburse them for any transfer fee, tax or other governmental charge required to be paid with respect to such transfer and may require that such transfer fee, tax or other charge be paid before any such Bond or such Certificate, as the case may be, shall be delivered.

(G) The District and the Bond Registrar and Paying Agent shall not be required to issue or transfer any Bond during a period beginning with the opening of business on any regular record date and ending with the close of business on the corresponding interest payment date.

(H) The Publicly Sold Bonds and the Certificates related thereto shall be subject to a Book-Entry System (as defined herein) of ownership and transfer, except as provided in subsection (3) of this subsection. The general provisions for effecting the Book-Entry System are as follows:

(1) The District hereby designates The Depository Trust Company, New York, New York, as the initial Depository (as defined herein) hereunder.

(2) Notwithstanding the provisions of this Section or of the Publicly Sold Bonds and the Certificates related thereto to the contrary and so long as the Publicly Sold Bonds and the Certificates related thereto are subject to a Book-Entry System, the Publicly Sold Bonds and the Certificates related thereto shall initially be evidenced by one typewritten certificate for each maturity or payment date, respectively, in an amount equal to the aggregate principal or payment amount thereof, respectively. The Publicly Sold Bonds and the Certificates related thereto so initially delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Publicly Sold Bonds and the Certificates related thereto may not thereafter be transferred or exchanged on the registration books of the District maintained by the Bond Registrar and Paying Agent except:

(a) to any successor Depository designated pursuant to subsection (3) of this subsection;

(b) to any successor nominee designated by a Depository; or

(c) if the District shall elect to discontinue the Book-Entry System pursuant to subsection (3) of this subsection, the District shall cause the Bond Registrar and Paying Agent to authenticate and deliver replacement Publicly Sold Bonds or Certificates related thereto in fully registered form in authorized denominations in the names of the Beneficial Owners or their nominees, as certified by the Depository, at the expense of the District; thereafter the other applicable provisions of this Resolution regarding registration, transfer and exchange of the Publicly Sold Bonds and the Certificates related thereto shall apply.

(3) The Bond Registrar and Paying Agent, pursuant to a request from the District for the removal or replacement of the Depository, and upon thirty (30) days' notice to the Depository, may remove or replace the Depository. The Bond Registrar and Paying Agent shall remove or replace the Depository at any time pursuant to the request of the District. The Depository may determine not to continue to act as Depository for the Publicly Sold Bonds and the Certificates related thereto upon thirty (30) days' written notice to the District and the Bond Registrar and Paying Agent. If the use of the Book-Entry System is discontinued, then after the Bond Registrar and Paying Agent has made provision for notification of the Beneficial Owners of their book entry interests in the Publicly Sold Bonds and the Certificates related thereto by appropriate notice to the then Depository, the District and the Bond Registrar and Paying Agent shall permit withdrawal of the Publicly Sold Bonds and the Certificates related thereto from the Depository and authenticate and deliver the Publicly Sold Bond certificates and the related Certificate certificates in fully registered form and in denominations authorized by this Section to the assignees of the Depository or its nominee. Such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing, and delivering, such replacement Publicly Sold Bond certificates and related Certificate certificates) of the District.

(4) So long as the Book-Entry System is used for the Publicly Sold Bonds and the Certificates related thereto, the District and the Bond Registrar and Paying Agent shall give any notice of redemption or any other notices required to be given to registered owners of Publicly Sold Bonds or Certificates related thereto only to the Depository or its nominee registered as the owner thereof. Any failure of the Depository to advise any of its participants, or of any participant to notify the Beneficial Owner, of any such notice and its content or effect shall not affect the validity of the redemption of the Publicly Sold Bonds or the Certificates related thereto to be redeemed or of any other action premised on such notice. Neither the District nor the Bond Registrar and Paying Agent shall be responsible or liable for the failure of the Depository or any participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Publicly Sold Bonds or the Certificates related thereto or any error or delay relating thereto.

(5) Notwithstanding any other provision of this Section or Section 3(B) hereof or of the Publicly Sold Bonds to the contrary, so long as the Publicly Sold Bonds are subject to a Book-Entry System, it shall not be necessary for the registered owner to present the applicable Publicly Sold Bond for payment of mandatory redemption installments, if any. The mandatory redemption installments may be noted on books kept by the Bond Registrar and Paying Agent and the Depository for such purpose, and the Publicly Sold Bonds shall be tendered to the Bond Registrar and Paying Agent at their maturity.

(6) For purposes of this Section, "Beneficial Owners" shall mean actual purchasers of the Publicly Sold Bonds and the Certificates related thereto whose ownership interest is evidenced only in the Book-Entry System maintained by the Depository, "Book-Entry System" shall mean a system for clearing and settlement of securities transactions among participants of a Depository (and other parties having

custodial relationships with such participants) through electronic or manual book-entry changes in accounts of such participants maintained by the Depository hereunder for recording ownership of the Publicly Sold Bonds and the Certificates related thereto by Beneficial Owners and transfers of ownership interests in the Publicly Sold Bonds, and “Depository” shall mean The Depository Trust Company, New York, New York or any successor depository designated pursuant to this Section.

#### Section 12. General Federal Tax Law Covenants.

(A) The District shall execute and deliver on the date of original issuance of the Bonds and the Certificates a Certificate Relating To Federal Tax Matters (the “Tax Certificate”) and comply with the provisions thereof and of this Section 12 only with respect to those of the Bonds that are sold such that the interest with respect thereto is excluded from gross income for federal income tax purposes. As will be provided in further detail in the Tax Certificate, the District will not make or direct the making of any investment or other use of the proceeds of any Bonds or Certificates which would cause such Bonds or Certificates to be “arbitrage bonds” as that term is defined in Section 148 (or any successor provision thereto) of the Code (as defined herein) or “private activity bonds” as that term is defined in Section 141 (or any successor provision thereto) of the Code, and the District will comply with the requirements of such Code sections and related regulations throughout the term of the Bonds and the Certificates. (Particularly, the District shall be the owner of the facilities financed with the proceeds of the sale of the Bonds and the Certificates (the “Facilities”) for federal income tax purposes. Except as otherwise advised in a Bond Counsel’s Opinion (as defined herein), the District shall not enter into (i) any management or service contract with any entity other than a governmental entity for the operation of any portion of the Facilities unless the management or service contract complies with the requirements of such authority as may control at the time or (ii) any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Facilities.) Also, the payment of principal of and interest on (including interest evidenced by the Certificates) the Bonds shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds of the Bonds or the Certificates, or amounts treated as proceeds of the Bonds or the Certificates, shall not be invested (directly or indirectly) in federally insured deposits or accounts, except to the extent such proceeds (i) may be so invested for an initial temporary period until needed for the purpose for which the Bonds and the Certificates are being issued, (ii) may be so used in making investments of a bona fide debt service fund or (iii) may be invested in obligations issued by the United States Treasury. The District shall comply with the procedures and covenants contained in any arbitrage rebate provision or separate agreement executed in connection with the issuance of the Bonds and the Certificates (initially those in Section 13 hereof) for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds (including that evidenced by the Certificates). In consideration of the purchase and acceptance of the Bonds and the Certificates by such holders from time to time and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, the District shall, and the appropriate officials of the District are hereby directed to, take all action required or to refrain from taking any action prohibited by the Code which would adversely affect in any respect such exclusion.

(B) (1) The District shall take all necessary and desirable steps, as determined by the District, to comply with the requirements hereunder in order to ensure that interest on the Bonds (including that evidenced by the Certificates) is excluded from gross income for federal income tax purposes under the Code; provided, however, compliance with any such requirement shall not be required in the event the District receives a Bond Counsel's Opinion that either (i) compliance with such requirement is not required to maintain the exclusion from gross income of interest on the Bonds (including that evidenced by the Certificates), or (ii) compliance with some other requirement will meet the requirements of the Code. In the event the District receives such a Bond Counsel's Opinion, this Resolution shall be amended to conform to the requirements set forth in such opinion.

(2) If for any reason any requirement hereunder is not complied with, the District shall take all necessary and desirable steps, as determined by the District, to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and the District shall pay any required interest or penalty under Regulations Section 1.148-3(h) relating to the Code.

(C) Written procedures for post-issuance compliance with the requirements of the Code that are applicable to the Bonds and the Certificates have been adopted and shall be complied with.

Section 13. Arbitrage Rebate Procedures. The District shall comply with the provisions of this Section 13 only with respect to those of the Bonds that are sold such that the interest with respect thereto is excluded from gross income for federal income tax purposes. References to the Bonds in this Section 13 are to such Bonds.

(A) Terms not otherwise defined in Subsection (B) hereof shall have the meanings given to them in the Tax Certificate.

(B) The following terms shall have the following meanings:

Bond Counsel's Opinion shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the District.

Bond Year shall mean each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issuance of the Bonds and shall end on the date selected by the District, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Bond.

Bond Yield is as indicated in the Tax Certificate. Bond Yield shall be recomputed if required by Regulations Section 1.148-4(b)(4) or 4(h)(3). Bond Yield shall mean the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations Section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified

guarantees in connection with the Bonds as determined under Regulations Section 1.148-4(b). The present value of all such payments shall be computed as of the date of issue of the Bonds and using semiannual compounding on the basis of a 360-day year.

Code shall mean the Internal Revenue Code of 1986, as amended.

Gross Proceeds shall mean:

(i) any amounts actually or constructively received by the District from the sale of the Bonds and the Certificates but excluding amounts used to pay accrued interest on the Bonds and the Certificates within one year of the date of issuance of the Bonds and the Certificates;

(ii) transferred proceeds of the Bonds under Regulations Section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii); and

(iv) replacement proceeds of the Bonds within the meaning of Regulations Section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Bonds and the Certificates, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal or interest on the Bonds and the Certificates in the event the District encounters financial difficulties and other replacement proceeds within the meaning of Regulations Section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account.

Investment Property shall mean any security, obligation (other than a tax-exempt bond within the meaning of Code Section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations Section 1.148-1(b).

Issue Price is as indicated in the Tax Certificate and shall be determined as provided in Regulations Section 1.148-1(b).

Nonpurpose Investment shall mean any Investment Property acquired with Gross Proceeds, and which is not acquired to carry out the governmental purposes of the Bonds.

Payment shall mean any payment within the meaning of Regulations Section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

Rebate Requirement shall mean at any time the excess of the future value of all Receipts over the future value of all Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Payments in accordance with Regulations Section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under Section 148(f)(4) of the Code or Regulations Section 1.148-7.

Receipt shall mean any receipt within the meaning of Regulations Section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

Regulations shall mean the Sections 1.148-1 through 1.148-11 and Section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

(C) Within 60 days after the end of each Bond Year, the District shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

(1) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the future value of all previous rebate payments with respect to the Bonds (determined as of such Computation Date), is equal to at least 90% of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous rebate payments with respect to the Bonds (determined as of the last day of such Bond Year); and

(2) not later than 60 days after the retirement of the last Bond, an amount equal to 100% of the Rebate Requirement (determined as of the date of retirement of the last Bond).

Each payment required to be made under this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date such payment is due, and shall be accompanied by IRS Form 8038-T.

(D) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(E) For purposes of Subsection (D), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(1) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(2) Except as provided in Subsection (F) or (G), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code Section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(3) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition

or sale or disposition shall be treated as establishing the fair market value of the obligation.

(F) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(1) the yield on reasonably comparable direct obligations of the United States; and

(2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(G) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(1) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the District or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the District or any other person for purposes of satisfying the requirements in the Regulations that the District receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Bonds.

(2) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(3) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Bonds (e.g., a lead underwriter within 15 days of the issue date of the Bonds or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If the District uses an agent to conduct the bidding, the agent may not bid.

(4) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(5) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(7) The provider of the investment contract certifies the administrative costs (as defined in Regulations Section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(8) The District retains until three years after the last outstanding Bond is retired, (i) a copy of the guaranteed investment contract, (ii) a receipt or other record of the amount actually paid for the guaranteed investment contract, including any administrative costs paid by the District and a copy of the provider's certification described in (7) above, (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (iv) the bid solicitation form and, if the terms of the guaranteed investment contract deviates from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

(H) This Board further authorizes the employment of such experts and consultants to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with Section 148(f) of such Code.

Section 14. Adoption of Procedures; Reservation of Rights. The Procedures are hereby adopted in substantially the form presented to this Board to establish policies and procedures related to the purposes set forth in the Recitals hereto. The right to use discretion as necessary and appropriate to make exceptions or request additional provisions with respect to the Procedures as may be determined is hereby reserved. The right to change the Procedures from time to time, without notice, is also reserved

Section 15. Resolution a Contract; Severability; Ratification of Actions.

(A) This Resolution shall constitute a contract between the District and the registered owners of the Bonds and the Certificates and shall not be repealed or amended in any manner which would impair, impede or lessen the rights of the registered owners of the Bonds and the Certificates then outstanding.

(B) If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. This Board hereby declares that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the issuance of the Bonds and the Certificates pursuant



hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

(C) All actions of the officers and agents of the District including this Board which conform to the purposes and intent of this Resolution and which further the issuance and sale of the Bonds and the Certificates as contemplated by this Resolution (including entering into any agreements for administrative or procedural requirements requested by the Purchasers), whether heretofore or hereafter taken, are hereby ratified, confirmed and approved. The proper officers and agents of the District and the County 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 and the County as may be necessary to carry out the terms and intent of this Resolution and to give effect to and consummate the transactions contemplated by this Resolution.

PASSED, ADOPTED AND APPROVED by the District Board of Tubac Fire District of Santa Cruz County, Arizona, on December 20, 2023.

.....  
Chairperson of the District Board of Tubac Fire  
District of Santa Cruz County, Arizona

ATTEST:

.....  
Clerk, District Board, Tubac Fire  
District of Santa Cruz County, Arizona

EXHIBIT A

[FORM OF PUBLICLY SOLD BOND]

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (“DTC”) TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.\*

REGISTERED  
NO. ....

REGISTERED  
\$.....

UNITED STATES OF AMERICA  
STATE OF ARIZONA

TUBAC FIRE DISTRICT  
OF SANTA CRUZ COUNTY, ARIZONA  
GENERAL OBLIGATION BOND, PROJECT OF 2008, SERIES B (2024)\*\*

“A” Interest Rate:	Maturity Date:	Dated:	CUSIP:
.....%	July 1, .....	....., 2024	.....

REGISTERED OWNER: CEDE & CO.\*

PRINCIPAL AMOUNT: ..... DOLLARS

Tubac Fire District of Santa Cruz County, Arizona, a fire district duly created under Title 48, Chapter 5, Article 1, Arizona Revised Statutes, as amended (the “District”), for value received, hereby promises to pay to the aforesaid registered owner, or registered assigns, the aforesaid principal amount on the aforesaid maturity date unless earlier redeemed, and to pay interest designated as “A” interest on the principal amount from the date as of which this Bond is dated as indicated hereinabove at the aforesaid interest rate (computed on the basis of a 360-day year of twelve 30-day months) on ..... 1, ....., and on each ..... 1 and ..... 1 thereafter (each an “interest payment date”) to the maturity or redemption prior to maturity of this

\* Insert so long as DTC is the Securities Depository.

\*\* The series name and designation of this Bond is subject to change as determined in the Resolution to which this Form is attached as Exhibit A.

Bond. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the designated corporate trust office of ....., as the initial "Bond Registrar and Paying Agent." Interest on the bonds of the issue of which this Bond is one, evidenced by this Bond designated as "A" interest is payable by check, dated as of the interest payment date, mailed to the registered owner hereof, as shown on the registration books maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that interest payment date (the "regular record date"). Any such interest on this Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner hereof (or of one or more predecessor Bonds) as of the regular record date and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of that overdue interest, and notice of the special record date shall be given to registered owners of the Bonds not less than 10 days prior thereto.

The principal of, and interest designated as "A" interest and premium, if any, 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 amount, maturity date, redemption feature, rate of interest, number and other matters described herein, issued by the District pursuant to a resolution of the District Board 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 issuance and sale of bonds of fire districts, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling.

For the purpose of paying the principal of, and premium, if any, and interest on and costs of administration of the registration and payment of this Bond, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, interest and administration costs of and on this Bond as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected.

(In addition to the interest designated as "A" interest at the rate indicated above, the Bonds shall bear supplemental interest designated as "B" interest during the interest accrual period set forth below, payable on the date and in the amount as follows:

<u>Interest Accrual Period</u>	<u>“B” Interest Payment Date</u>	<u>Amount of “B” Interest Payable on “B” Interest Payment Date</u>
..... 1, ....., through and including ....., .....	..... 1, .....	\$.....,000

Such interest is evidenced by fully registered Supplemental Interest Certificates which shall be owned, transferred and presented for payment separately from this Bond.)

The Bonds maturing before and on July 1, ....., are not subject to redemption prior to maturity. The Bonds maturing on or after July 1, ....., are subject to optional redemption prior to maturity, in whole or in part, on July 1, ....., or any date thereafter, by the payment of a redemption price equal to the principal amount of each such Bond redeemed plus interest accrued to the date fixed for redemption plus a premium (calculated as a percentage of the principal amount of such Bonds to be redeemed) to be computed as follows:

<u>Redemption Dates</u>	<u>Premium</u>
July 1, ....., and January 1, .....	....%
July 1, ....., and thereafter	0.0

The Bonds maturing on July 1, ....., shall be redeemed prior to maturity on July 1, in the years and amounts set forth below, by payment of the principal amount of each Bond to be redeemed 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 of Bonds maturing on July 1, ....., shall mature on July 1, .....

Not more than seventy-five (75) nor less than sixty (60) days prior to the mandatory redemption date for the Bonds maturing on July 1, ....., the Bond Registrar and Paying Agent shall proceed to select for redemption (by lot in such manner as the Bond Registrar and Paying

Agent may determine) from all the Bonds maturing on July 1, ....., outstanding a principal amount of the Bonds maturing on July 1, ....., equal to the aggregate principal amount of the Bonds maturing on July 1, ....., to be redeemed and shall redeem such Bonds maturing on July 1, ....., on the next July 1 and give notice of such redemption.

Notice of redemption of any such Bond will be mailed not more than 60 nor less than 30 days prior to the date set for redemption to the registered owner of such Bond or Bonds being redeemed at the address shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent. Failure to give properly such notice of redemption shall not affect the redemption of any such Bond for which notice was properly given.

The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Bond as provided in the Resolution. (The Bond Registrar and Paying Agent may be changed without notice or consent.)

This Bond may be transferred on the registration books upon delivery and surrender hereof to the Bond Registrar and Paying Agent at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of this Bond or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Bond shall be effective until entered on the registration books.

In all cases upon the transfer of this Bond, the Bond Registrar and Paying Agent shall transfer the ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity and of authorized denominations (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The District and the Bond Registrar and Paying Agent shall charge the owner of such Bond, for every transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or other charge be paid before any such new Bond shall be delivered.

The District and the Bond Registrar and Paying Agent shall not be required to issue or transfer any Bonds during a period beginning with the opening of business on a regular record date and ending with the close of business on the corresponding interest payment date.

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 Bond Registrar and Paying Agent.

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, TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA, has caused this Bond to be executed in the name of the District by the facsimile signature of the Chairperson of the District Board of the District.

TUBAC FIRE DISTRICT OF SANTA CRUZ  
COUNTY, ARIZONA

By.....(Facsimile).....  
Chairperson, District Board

(Form of Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution and is one of the Tubac Fire District of Santa Cruz County, Arizona General Obligation Bonds, Project of 2008, Series B (2024).

Date of Authentication: .....

.....,  
as Bond Registrar and Paying Agent

By.....  
Authorized Representative

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

.....  
(Name and Address of Transferee)

the within Bond and irrevocably constitutes and appoints .....  
attorney to transfer the within Bond on the books kept for registration thereof, with full power of  
substitution in the premises.

Dated: .....  
Signature

Signature Guaranteed:  
.....  
Signature

[Insert proper legend]

Note: The signature(s) on this assignment must  
correspond with the name(s) as it appears  
upon the face of the within Bond in every  
particular, without alteration or any change  
whatsoever.

The following abbreviations, when used in the inscription on the face of the within  
Bond, shall be construed as though they were written out in full according to applicable laws or  
regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of  
survivorship and not as  
tenants in common

UNIF GIFT MIN ACT - ..... Custodian .....  
(Cust) (Minor)

under Uniform Gifts to Minors Act .....  
(State)

Additional abbreviations may also be used though not included in the above list.

ALL FEES AND COSTS OF TRANSFER  
SHALL BE PAID BY THE TRANSFEROR





“regular record date”). Any such interest on this Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner hereof (or of one or more predecessor Bonds) as of the regular record date and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of that overdue interest, and notice of the special record date shall be given to registered owners of the Bonds not less than 10 days prior thereto.

The principal of, and interest designated as “A” interest and premium, if any, 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 amount, maturity date, redemption feature, rate of interest, number and other matters described herein, issued by the District pursuant to a resolution of the District Board 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 issuance and sale of bonds of fire districts, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling.

For the purpose of paying the principal of, and premium, if any, and interest on and costs of administration of the registration and payment of this Bond, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, interest and administration costs of and on this Bond as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected.

(In addition to the interest designated as “A” interest at the rate indicated above, the Bonds shall bear supplemental interest designated as “B” interest during the interest accrual period set forth below, payable on the date and in the amount as follows:

<u>Interest Accrual Period</u>	<u>“B” Interest Payment Date</u>	<u>Amount of “B” Interest Payable on “B” Interest Payment Date</u>
..... 1, ....., through and including ....., .....	..... 1, .....	\$.....,000

Such interest is evidenced by fully registered Supplemental Interest Certificates which shall be owned, transferred and presented for payment separately from this Bond.)

[The Bonds are not subject to redemption prior to maturity.] [The Bonds are subject to optional redemption prior to maturity, in whole or in part, on July 1, ....., or any date thereafter, by the payment of a redemption price equal to the principal amount of each such Bond redeemed

plus interest accrued to the date fixed for redemption plus a premium (calculated as a percentage of the principal amount of such Bonds to be redeemed) to be computed as follows:

<u>Redemption Dates</u>	<u>Premium</u>
July 1, ....., and January 1, .....	....%
July 1, ....., and thereafter	0.0]

[The Bonds maturing on July 1, ....., shall be redeemed prior to maturity on July 1, in the years and amounts set forth below, by payment of the principal amount of each Bond to be redeemed 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 of Bonds maturing on July 1, ....., shall mature on July 1, .....,]

Not more than seventy-five (75) nor less than sixty (60) days prior to the mandatory redemption date for the Bonds maturing on July 1, ....., the Bond Registrar and Paying Agent shall proceed to select for redemption (by lot in such manner as the Bond Registrar and Paying Agent may determine) from all the Bonds maturing on July 1, ....., outstanding a principal amount of the Bonds maturing on July 1, ....., equal to the aggregate principal amount of the Bonds maturing on July 1, ....., to be redeemed and shall redeem such Bonds maturing on July 1, ....., on the next July 1 and give notice of such redemption.

Notice of redemption of any such Bond will be mailed not more than 60 nor less than 30 days prior to the date set for redemption to the registered owner of such Bond or Bonds being redeemed at the address shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent. Failure to give properly such notice of redemption shall not affect the redemption of any such Bond for which notice was properly given.

The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Bond as provided in the Resolution. (The Bond Registrar and Paying Agent may be changed without notice or consent.)

This Bond may be transferred in accordance with the terms of the Resolution on the registration books upon delivery and surrender hereof to the Bond Registrar and Paying Agent

at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of this Bond or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Bond shall be effective until entered on the registration books.

In all cases upon the transfer of this Bond, the Bond Registrar and Paying Agent shall transfer the ownership in the registration books and shall authenticate and deliver in the name of the transferee a new fully registered Bond of the same maturity and of the remaining principal amount payable at maturity in accordance with the provisions of the Resolution. The District and the Bond Registrar and Paying Agent shall charge the owner of such Bond, for every transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or other charge be paid before any such new Bond shall be delivered.

The District and the Bond Registrar and Paying Agent shall not be required to issue or transfer any Bonds during a period beginning with the opening of business on a regular record date and ending with the close of business on the corresponding interest payment date.

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 Bond Registrar and Paying Agent.

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, TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA, has caused this Bond to be executed in the name of the District by the facsimile signature of the Chairperson of the District Board of the District.

TUBAC FIRE DISTRICT OF SANTA CRUZ  
COUNTY, ARIZONA

By \_\_\_\_\_ (Facsimile) \_\_\_\_\_  
Chairperson, District Board

(Form of Certificate of Authentication)

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds described in the within-mentioned Resolution and is one of the Tubac Fire District of Santa Cruz County, Arizona General Obligation Bonds, Project of 2008, Series B (2024).

Date of Authentication: .....

.....,  
as Bond Registrar and Paying Agent

By.....  
Authorized Representative

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

.....  
(Name and Address of Transferee)

the within Bond and irrevocably constitutes and appoints .....  
attorney to transfer the within Bond on the books kept for registration thereof, with full power of  
substitution in the premises.

Dated: .....  
Signature

Signature Guaranteed:  
.....  
Signature

[Insert proper legend]

Note: The signature(s) on this assignment must correspond with the name(s) as it appears upon the face of the within Bond in every particular, without alteration or any change whatsoever.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - ..... Custodian .....  
(Cust) (Minor)

under Uniform Gifts to Minors Act .....  
(State)

Additional abbreviations may also be used though not included in the above list.

ALL FEES AND COSTS OF TRANSFER  
SHALL BE PAID BY THE TRANSFEROR

EXHIBIT C

[FORM OF SUPPLEMENTAL INTEREST CERTIFICATE\*]

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (“DTC”) TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REGISTERED  
NO. ....

REGISTERED  
\$. .....

UNITED STATES OF AMERICA  
STATE OF ARIZONA

TUBAC FIRE DISTRICT  
OF SANTA CRUZ COUNTY, ARIZONA  
GENERAL OBLIGATION BOND, PROJECT OF 2008, SERIES B (2024)  
SUPPLEMENTAL INTEREST CERTIFICATE

Payment Date:

Dated:

CUSIP:

.....

....., 2024

.....

REGISTERED OWNER:      CEDE & CO.

“B” INTEREST AMOUNT:      ..... DOLLARS

Tubac Fire District of Santa Cruz County, Arizona, a fire district duly created under Title 48, Chapter 5, Article 1, Arizona Revised Statutes, as amended (the “District”), for value received, hereby promises to pay to the aforesaid registered owner, or registered assigns, on the payment date specified above, the amount specified above, which evidences a portion of the interest designated as “B” interest (computed on the basis of a 360-day year of twelve 30-day months) which shall become due and payable on such payment date on the outstanding principal amount of the District’s General Obligation Bonds, Project of 2008, Series B (2024), dated ....., 2024, issued in the principal amount of \$.....,000 (the “Bonds”), for the period beginning

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\* As provided in the Resolution to which this Form is attached as Exhibit C, this Certificate will be modified to conform with the terms of the Publicly Sold Bonds and the Privately Placed Bonds to which this Certificate will relate.

from the January 1 or July 1, as applicable, immediately preceding such payment date through the day immediately prior to such payment date.

The interest designated as “B” interest on the Bonds evidenced by this Certificate shall be payable to the registered owner hereof upon presentation and surrender of this Certificate at the designated corporate trust office of ....., or its successor, as the initial “Bond Registrar and Paying Agent.” If the date for making such payment shall be a legal holiday or a day on which the principal office of the Bond Registrar and Paying Agent is authorized or required by law to remain closed, such payment may be made on the next succeeding day which is not a legal holiday or a day on which such principal office is authorized or required by law to remain closed.

The Bonds and the interest designated as “B” interest thereon evidenced by the Supplemental Interest Certificates of which this is one (the “Certificates”) have been authorized by, and issued pursuant to, a resolution passed and adopted by the District Board of the District prior to the issuance of the Bonds 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 issuance and sale of bonds of fire districts, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling. The Certificates are issued as fully registered Certificates, and are payable and evidence interest borne by the Bonds designated as “B” interest with respect to the Bonds, all as specifically set forth in the Resolution.

The Certificates are not subject to prepayment prior to their payment date.

For the purpose of paying the principal of, and premium, if any, and interest on (including this interest) and costs of administration of the registration and payment of the Bonds and the Certificates, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, interest and administration costs of and on the Bonds and the Certificates as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected.

The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Certificate as provided in the Resolution. (The Bond Registrar and Paying Agent may be changed without notice or consent.)

This Certificate may be transferred upon the registration books upon delivery and surrender hereof to the Bond Registrar and Paying Agent at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of this Certificate to be transferred or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of any Certificate shall be effective until entered on the registration books.

In the event of the transfer of a Certificate, the Bond Registrar and Paying Agent shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees one or more new fully registered Certificates of authorized

denominations and of the same payment date for the aggregate amount of "B" interest which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The District and the Bond Registrar and Paying Agent shall charge the owner of such Certificate, for every transfer of a Certificate, an amount sufficient to reimburse them for any transfer fee, tax or other charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or other charge be paid before any such new Certificate shall be delivered.

This Certificate 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 Bond Registrar and Paying Agent.

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 Certificate 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 Certificates 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 this Certificate as it becomes due.

IN WITNESS WHEREOF, TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA, has caused this Certificate to be executed in the name of the District by the facsimile signature of the Chairperson of the District Board of the District.

TUBAC FIRE DISTRICT OF SANTA CRUZ  
COUNTY, ARIZONA

By ..... (Facsimile) .....  
Chairperson, District Board



(Form of Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

This Supplemental Interest Certificate is one of the Certificates evidencing the “B” interest described in the within-mentioned Resolution.

Date of Authentication: .....

.....,  
as Bond Registrar and Paying Agent

By.....  
Authorized Representative

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

.....

(Name and Address of Transferee)

the within Certificate and irrevocably constitutes and appoints ..... attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: .....

.....

Signature

Signature Guaranteed:

.....

[Insert proper legend]

.....

Signature

Note: The signature(s) on this assignment must correspond with the name(s) as it appears upon the face of the within Certificate in every particular, without alteration or any change whatsoever.

The following abbreviations, when used in the inscription on the face of the within Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - ..... Custodian .....  
(Cust) (Minor)

under Uniform Gifts to Minors Act .....  
(State)

Additional abbreviations may also be used though not included in the above list.

ALL FEES AND COSTS OF TRANSFER  
SHALL BE PAID BY THE TRANSFEROR

## **TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA**

### **PROCEDURES FOR COMPLIANCE WITH CONTINUING DISCLOSURE UNDERTAKINGS**

**IMPLEMENTED DECEMBER 20, 2023**

These Procedures for Compliance with Continuing Disclosure Undertakings (these “Procedures”) set forth procedures of Tubac Fire District of Santa Cruz County, Arizona (the “Issuer”) to assist in compliance with the continuing disclosure undertakings (“Continuing Disclosure Undertakings”) entered into by the Issuer in connection with the offering of obligations of the Issuer subject to the continuing disclosure requirements of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

These Procedures document practices and describe various procedures for preparing and disseminating annual financial information and reporting “listed events” for the benefit of the holders of the Issuer’s obligations and to assist Participating Underwriters (within the meaning of the Rule) in complying with the Rule.

Compliance with pertinent law is an ongoing process; necessary during the entire term of any obligations issued by the Issuer, and is an integral component of the Issuer’s debt management. Implementation of these Procedures will require ongoing monitoring and consultation with bond/disclosure counsel and the Issuer’s accountants and advisors.

#### **General Policies and Procedures**

1. The Fire Chief of the Issuer (the “Compliance Officer”) will be responsible for monitoring post-issuance compliance.
2. The Compliance Officer will coordinate procedures for record retention and review of such records.
3. All documents and other records relating to obligations issued by the Issuer shall be maintained by or at the direction of the Compliance Officer.
4. The Compliance Officer will review post-issuance compliance procedures and systems on a periodic basis, but not less than annually.
5. The Compliance Officer will review the annual information required to be filed pursuant to each Continuing Disclosure Undertaking.
6. The Compliance Officer will train at least one other employee of the Issuer with respect to the matters contained in these Procedures to facilitate compliance with the Continuing Disclosure Undertakings in the event the Compliance Officer is no longer employed by the Issuer.

#### **Continuing Disclosure**

In order to monitor compliance by the Issuer with its Continuing Disclosure Undertakings, the Compliance Officer will take the actions listed below, if and as required by such Continuing Disclosure Undertakings. The Compliance Officer may coordinate with staff, and may engage a dissemination agent, counsel, and/or

other professionals to assist in discharging the Compliance Officer's duties under these Procedures as the Compliance Officer deems necessary.

**A. Compilation of Currently Effective Continuing Disclosure Undertakings**

The Compliance Officer shall compile and maintain a set of all currently effective Continuing Disclosure Undertakings of the Issuer. Such agreements are included in the transcript of proceedings for the Issuer's respective obligation issue. Continuing Disclosure Undertakings are "Currently Effective" for purposes of these Procedures (and hence shall be included in the set of Currently Effective Continuing Disclosure Undertakings) for so long as the obligations to which they relate are outstanding. As obligations are completely repaid or redeemed, the Compliance Officer shall remove the related Continuing Disclosure Undertakings from the set of Currently Effective Continuing Disclosure Undertakings.

**B. Compilation of Currently Effective Financial Obligations**

The Compliance Officer shall compile and maintain a list of all currently effective Financial Obligations of the Issuer. "Financial Obligations" means, for purposes of the Rule, a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for, and existing or planned debt obligation, or (iii) a guarantee of (i) or (ii). For purposes of the Rule, Financial Obligation shall not include municipal securities of the Issuer as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule and as to which a continuing disclosure undertaking has been executed and delivered by the Issuer consistent with the Rule.

Such list shall include key terms of each Financial Obligation, such as date of incurrence, principal amount, maturity, amortization, interest rate, default rates, security and source of payment and key covenants.

**C. Annual Review and Annual Reporting Requirements**

The Compliance Officer shall ensure that all necessary financial statements, financial information and operating data is filed in the manner and by the filing dates set forth in the Currently Effective Continuing Disclosure Undertakings. The Compliance Officer shall review the set of Currently Effective Continuing Disclosure Undertakings annually, prior to each annual filing, keeping in mind:

- The financial information and operating data required to be reported under a particular Continuing Disclosure Undertaking may differ from the financial information and operating data required to be reported under another Continuing Disclosure Undertaking; and
- The timing requirements for reporting under a particular Continuing Disclosure Undertaking may differ from the timing requirements for filing under another Continuing Disclosure Undertaking.

**D. Calendar; EMMA Notification System**

The Compliance Officer shall keep a calendar of all pertinent filing dates required under the Issuer's Currently Effective Continuing Disclosure Undertakings. The Compliance Officer shall also subscribe to notification services made available through the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board.

## **E. Annual Review of Prior Filings**

As part of the annual review process, the Compliance Officer shall also review prior filings made within the past five years subsequent to the last such review of prior filings. If the Compliance Officer discovers any late or missing filings, the Compliance Officer (after discussing the circumstances with the Issuer's dissemination agent, counsel or other agents as necessary) shall file the missing information.

## **F. Monitoring of Listed Events**

The Compliance Officer shall monitor the occurrence of any of the following events and/or other events set forth in the Currently Effective Continuing Disclosure Undertakings and shall provide notice of the same in the required manner and by the relevant reporting deadline (generally within 10 days of the occurrence):

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Issuer's obligations, or other material events affecting the tax status of the Issuer's obligations;
7. Modification to rights of holders of the Issuer's obligations, if material;
8. Calls of the Issuer's obligations, if material, and tender offers;
9. Defeasances of the Issuer's obligations;
10. Release, substitution or sale of property securing repayment of the Issuer's obligations, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

The list of Currently Effective Financial Obligations compiled pursuant to B. above will assist in making determinations with respect to Listed Events 15 and 16.

**G. Review of Official Statements**

The Compliance Officer shall review drafts of any offering document for a new offering of obligations, with assistance from its dissemination agent, counsel or other agents of the Issuer as necessary, and shall determine that the offering document accurately and completely describes the Issuer’s continuing disclosure compliance history within the five years prior to the date of the respective Official Statement. This compliance review is not meant to limit the Issuer’s other reviews of or diligence procedures relating to its offering documents.

**H. Record Retention**

The Compliance Officer shall retain documentation evidencing the Issuer’s annual reviews and its reviews of offering documents in connection with new offerings as set forth above. This Issuer shall retain this documentation, for each Continuing Disclosure Undertaking, for the period that the related obligations are outstanding.

**I. Annual Review Checklist**

The Compliance Officer may use and retain the attached Annual Review Checklist to assist in implementing these Procedures.

**CONTINUING DISCLOSURE ANNUAL REVIEW CHECKLIST**

- 1. **Fiscal Year Ending:** \_\_\_\_\_
- 2. **Compliance Officer:** \_\_\_\_\_
- 3. **Checklist Completion Date:** \_\_\_\_\_
- 4. **Obligations for which there are Currently Effective Continuing Disclosure Undertakings**

**- Attach Agreements:**

- \$ \_\_\_\_\_, \_\_\_\_\_, dated \_\_\_\_\_, 20\_
- \_\_\_\_\_
- \$ \_\_\_\_\_, \_\_\_\_\_, dated \_\_\_\_\_, 20\_
- \_\_\_\_\_
- \$ \_\_\_\_\_, \_\_\_\_\_, dated \_\_\_\_\_, 20\_
- \_\_\_\_\_
- \$ \_\_\_\_\_, \_\_\_\_\_, dated \_\_\_\_\_, 20\_
- \_\_\_\_\_
- \$ \_\_\_\_\_, \_\_\_\_\_, dated \_\_\_\_\_, 20\_
- \_\_\_\_\_

\$ \_\_\_\_\_, \_\_\_\_\_, dated \_\_\_\_\_, 20\_

**5. Have any new Obligations subject to Continuing Disclosure Been Issued this Year?**

\_\_\_\_\_ No

\_\_\_\_\_ Yes (Add Agreement to Currently Effective Continuing Disclosure Undertakings)

If Yes, did the Compliance Officer review the Offering Document's Description of the Issuer's Continuing Disclosure Compliance History within the Prior 5 Years?

**Circle: Y/ N** (If N, review and discuss any issues with counsel.)

**6. Have any Obligations subject to Continuing Disclosure Been Completely Paid or Redeemed this Year?**

\_\_\_\_\_ No

\_\_\_\_\_ Yes (Remove Agreement from Currently Effective Continuing Disclosure Undertakings)

**7. (a) Has the Compliance Officer Reviewed the Annual Continuing Disclosure Filing to Ensure that all Necessary Financial Statements, Financial Information and Operating Data is Included?**

\_\_\_\_\_ Yes

\_\_\_\_\_ No (Compliance Officer must review the Annual Continuing Disclosure Filing)

**(b) For purposes of this review, please keep in mind:**

	Checked?
Different Continuing Disclosure Undertakings may require different information to be file (so check each one).	Y / N
Different Continuing Disclosure Undertakings may have different filing timing requirements (so check each one).	Y / N

**8. Have any of the Following Listed Events Occurred this Year?**

Event	Circle
1. Principal and interest payment delinquencies.	Y / N
2. Non-payment related defaults, if material.	Y / N
3. Unscheduled draws on debt service reserves reflecting financial difficulties.	Y / N
4. Unscheduled draws on credit enhancements reflecting financial difficulties.	Y / N
5. Substitution of credit or liquidity providers, or their failure to perform.	Y / N

- |     |  |       |
|-----|--|-------|
| 6.  | Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Issuer's obligations, or other material events affecting the tax status of the Issuer's obligations.                                       | Y / N |
| 7.  | Modification to rights of holders of the Issuer's obligations, if material.  | Y / N |
| 8.  | Calls of the Issuer's obligations, if material, and tender offers.   | Y / N |
| 9.  | Defeasances of the Issuer's obligations.   | Y / N |
| 10. | Release, substitution or sale of property securing repayment of the Issuer's obligations, if material.   | Y / N |
| 11. | Rating changes.  | Y / N |
| 12. | Bankruptcy, insolvency, receivership or similar event of the Issuer.   | Y / N |
| 13. | The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material. | Y / N |
| 14. | Appointment of a successor or additional trustee or the change of name of a trustee, if material.  | Y / N |
| 15. | Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material.   | Y / N |
| 16. | Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.  | Y / N |

**9. If any such Event Occurred, was Proper Notice Provided?**

\_\_\_\_\_ Yes

\_\_\_\_\_ No (Call your dissemination agent or counsel immediately to discuss)

\_\_\_\_\_ N/A

**10. Has the Issuer Retained a Dissemination Agent?**

\_\_\_\_\_ Yes: Name/Contact: \_\_\_\_\_

\_\_\_\_\_ No



NEW ISSUE – BOOK-ENTRY-ONLY

RATING: See “RATING” herein.

INSURANCE: See “BOND INSURANCE AND RELATED RISK FACTORS” herein.

*In the opinion of Greenberg Traurig, LLP, Bond Counsel, assuming the accuracy of certain representations and certifications and the continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Bonds will be excludable from gross income for federal income tax purposes. Further, interest on the Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals but in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Internal Revenue Code of 1986, as amended (the “Code”), on applicable corporations (as defined in Section 59(k) of the Code), interest on the Bonds is not excluded from the determination of adjusted financial statement income for tax years beginning after 2022. See “TAX EXEMPTION” herein for a description of certain other federal tax consequences of ownership of the Bonds. Bond Counsel is further of the opinion that interest on the Bonds will be exempt from income taxation under the laws of the State of Arizona.*

*The District Board (as defined herein) has designated the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended, which relates to the ability of certain financial institutions to deduct interest expense allocable to holding and carrying tax-exempt obligations for federal income tax purposes. The District Board, through one or more of its representatives, will represent and warrant that it does not reasonably anticipate that the aggregate amount of tax-exempt obligations that will be issued by or on behalf of the District in calendar year 2024 will exceed \$10,000,000. See “QUALIFIED TAX-EXEMPT OBLIGATIONS” herein.*

**\$4,420,000\***

**TUBAC FIRE DISTRICT  
OF SANTA CRUZ COUNTY, ARIZONA  
GENERAL OBLIGATION BONDS, PROJECT OF 2008, SERIES B (2024)  
(BANK QUALIFIED)**

*Dated:* Date of Initial Authentication and Delivery

*Due:* July 1, as shown on the inside front cover page

The General Obligation Bonds, Project of 2008, Series B (2024) (the “Bonds”) of Tubac Fire District of Santa Cruz County, Arizona (the “District”), will be issued in the form of fully-registered bonds, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Beneficial ownership interests in the Bonds may be purchased in amounts of \$5,000 of principal due on a specific maturity date or integral multiples thereof. The Bonds will mature on the dates and in the principal amounts and will bear interest from their dated date to their maturity or prior redemption as set forth on the inside front cover page from their initial date of delivery to their maturity or prior redemption. Interest on the Bonds will accrue from the date of initial authentication and delivery and will be payable semiannually on July 1 and January 1 of each year commencing on July 1, 2024\*, until maturity or prior redemption. Proceeds of the Bonds are expected to be used to (i) acquire interests in, construct, equip and furnish new fire stations and training facilities, (ii) acquire firefighting, rescue and other life preserving equipment and related apparatus, (iii) fund capitalized interest on the Bonds through July 1, 2025 and (iv) pay costs incurred in connection with the issuance of the Bonds. See “THE BONDS – Authorization and Purpose.”

**SEE MATURITY SCHEDULE ON INSIDE FRONT COVER PAGE**

Certain of the Bonds will be subject to redemption prior to their stated maturity dates as described under “THE BONDS – Redemption Provisions” herein.\*

The District will initially utilize DTC’s “book-entry-only system,” although the District and DTC each reserve the right to discontinue the book-entry-only system at any time. Utilization of the book-entry-only system will affect the method and timing of payment of principal of and interest on the Bonds and the method of transfer of the Bonds. So long as the book-entry-only system is in effect, a single fully-registered Bond, for each maturity of the Bonds will be registered in the name of Cede & Co., as nominee of DTC, on the registration books maintained by [Paying Agent], the initial bond registrar and paying agent for the Bonds. DTC will be responsible for distributing the principal and interest payments to its direct and indirect participants who will, in turn, be responsible for distribution to the Beneficial Owners (as defined in APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM” herein) of the Bonds. So long as the book-entry-only system is in effect and Cede & Co. is the registered owner of the Bonds, all references herein (except under the heading “TAX EXEMPTION”) to owners of the Bonds will refer to Cede & Co. and not the Beneficial Owners. See APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM” herein.

Principal of and interest on the Bonds will be payable from a continuing, direct, annual, *ad valorem* tax levied against all taxable property located within the boundaries of the District as more fully described herein. The Bonds will be payable from such tax without limit as to rate or amount. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS” herein.

The Bonds will be offered when, as and if issued by the District and received by the underwriter identified below (the “Underwriter”), subject to the legal opinion of Greenberg Traurig, LLP Phoenix, Arizona, Bond Counsel, as to validity and tax exemption. In addition, certain legal matters will be passed upon for the Underwriter by its counsel, Gust Rosenfeld, P.L.C., Phoenix, Arizona. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about February \_\_, 2024\*.

*This cover page contains certain information with respect to the Bonds for convenience of reference only. It is not a summary of the series of which the Bonds are a part. Investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision with respect to the Bonds.*

\* Subject to change.

**\$4,420,000\***  
**TUBAC FIRE DISTRICT**  
**OF SANTA CRUZ COUNTY, ARIZONA**  
**GENERAL OBLIGATION BONDS, PROJECT OF 2008, SERIES B (2024)**  
**(BANK QUALIFIED)**

**MATURITY SCHEDULE\***

Maturity Date (July 1)	Principal Amount	Interest Rate	Yield	CUSIP® <sup>(1)</sup> No. 89856A
2029	\$ 480,000	%	%	
2030	155,000			
2031	210,000			
2032	220,000			
2033	235,000			
2034	245,000			
2035	260,000			
2036	270,000			
2037	285,000			
2038	300,000			
2039	315,000			
2040	335,000			
2041	350,000			
2042	370,000			
2043	390,000			

\$ \_\_\_\_\_ % Term Bond due \_\_\_\_\_ 1, 20\_\_ – Yield \_\_\_\_\_ CUSIP ®<sup>(1)</sup> \_\_\_\_\_

\* Subject to change.

<sup>(1)</sup> CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (“CGS”) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2024 CGS. All rights reserved. CUSIP® data herein is provided by CGS. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, Bond Counsel, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.

## REGARDING THIS OFFICIAL STATEMENT

No dealer, broker, salesperson or other person has been authorized by Tubac Fire District of Santa Cruz County, Arizona (the “District”) or Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the District’s General Obligation Bonds, Project of 2008, Series B (2024) (the “Bonds”) by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth in this Official Statement, which includes the cover page, inside front cover page and appendices hereto, has been obtained from the District, the Arizona Department of Revenue, the Assessor and the Treasurer of Santa Cruz County, Arizona, and other sources that are considered to be accurate and reliable and customarily relied upon in the preparation of similar official statements, but such information has not been independently confirmed or verified by the District or the Underwriter, is not guaranteed as to accuracy or completeness, and is not to be construed as the promise or guarantee of the District or the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement: “The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.”

None of the District, the Underwriter, counsel to the Underwriter or Bond Counsel (as defined herein) are actuaries. None of them have performed any actuarial or other analysis of the District’s share of the unfunded liabilities of the Public Safety Personnel Retirement System.

The presentation of information, including tables of receipts from taxes and other sources, shows recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. All information, estimates and assumptions contained herein are based on past experience and on the latest information available and are believed to be reliable, but no representations are made that such information, estimates and assumptions are correct, will continue, will be realized or will be repeated in the future. To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of these statements have been or will be realized. All forecasts, projections, opinions, assumptions or estimates are “forward looking statements” that must be read with an abundance of caution and that may not be realized or may not occur in the future. Information other than that obtained from official records of the District has been identified by source and has not been independently confirmed or verified by the District or the Underwriter and its accuracy cannot be guaranteed. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made pursuant hereto will, under any circumstances, create any implication that there has been no change in the affairs of the District or any of the other parties or matters described herein since the date hereof.

The Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the accuracy or adequacy of this Official Statement or approved the Bonds for sale.

A wide variety of information, including financial information, concerning the District is available from publications and websites of the District and others. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such publications and websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

The District will undertake to provide continuing disclosure as described in this Official Statement under the heading “CONTINUING DISCLOSURE” and in APPENDIX F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE” all pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM THE INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS, AND THE UNDERWRITER MAY OVERALLOT OR ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET IN ORDER TO FACILITATE THEIR DISTRIBUTION. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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**OFFICIAL STATEMENT**  
**\$4,420,000\***  
**TUBAC FIRE DISTRICT**  
**OF SANTA CRUZ COUNTY, ARIZONA**  
**GENERAL OBLIGATION BONDS, PROJECT OF 2008, SERIES B (2024)**  
**(BANK QUALIFIED)**

**INTRODUCTORY STATEMENT**

This Official Statement, which includes the cover page, the inside front cover page and appendices hereto, has been prepared on behalf of Tubac Fire District of Santa Cruz County, Arizona (the “District”), in connection with the issuance of \$4,420,000\* aggregate principal amount of bonds designated General Obligation Bonds, Project of 2008, Series B (2024) (the “Bonds”). Certain information concerning the authorization, purpose, terms, conditions of sale and sources of payment of and security for the Bonds is stated in this Official Statement. See APPENDIX A – “THE DISTRICT – DISTRICT INFORMATION” and APPENDIX B – “THE DISTRICT – FINANCIAL DATA” for certain information about the District.

Reference to provisions of State of Arizona (the “State” or “Arizona”) law, whether codified in the Arizona Revised Statutes, or uncodified, or of the State Constitution, are references to the current provisions. These provisions may be amended, repealed or supplemented.

Neither this Official Statement nor any statement that may have been made orally or in writing in connection herewith is to be considered as or as part of a contract with the original purchasers or subsequent owners or beneficial owners of the Bonds.

**THE BONDS**

**Authorization and Purpose**

The Bonds will be issued, executed and delivered pursuant to the Arizona Constitution and the laws of the State, including particularly Title 48, Chapter 5, Article 1, Arizona Revised Statutes, a vote of the qualified electors of the District at an election held on November 4, 2008 (the “Election”), and a resolution adopted by the board of directors of the District (the “District Board”) on December 20, 2023 (the “Bond Resolution”).

The Bonds represent the second installment of an aggregate voted principal amount of \$15,000,000 of general obligation bonds approved at the Election. Proceeds from the sale of the Bonds are expected to be used to (i) acquire interests in, construct, equip and furnish new fire stations and training facilities, (ii) acquire firefighting, rescue and other life preserving equipment and related apparatus, (iii) fund capitalized interest on the Bonds through July 1, 2025 and (iv) pay costs incurred in connection with the issuance of the Bonds. After the issuance of the Bonds, the District will have \$3,785,000\* remaining authorized but unissued voter authorization for school improvement bonds from the Election. Bonds payable from the same source as the Bonds are outstanding and additional bonds payable from the same source as the Bonds may be issued in the future pursuant to authority remaining from the Election and authority approved at subsequent elections in and for the District. See TABLES 1 and 11 herein for information concerning the District’s currently outstanding bonds, which are payable from the same source as the Bonds.

**Terms of the Bonds – Generally**

The Bonds will be dated the date of delivery and will be registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), under the book-entry-only system described herein

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\* *Subject to change. See footnote (b) to TABLE 12 for a description of the treatment of certain proceeds of the Bonds for State voter authorization and debt limit purposes.*

(the “Book-Entry-Only System”). See APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM.” The Bonds will mature on the dates and in the principal amounts and will bear interest from their date at the rates set forth on the inside front cover page of this Official Statement. Beneficial ownership interests in the Bonds may be purchased in amounts of \$5,000 of principal due on a specific maturity date or integral multiples thereof. Interest on the Bonds will be payable semiannually on each July 1 and January 1, commencing July 1, 2024\* (each an “Interest Payment Date”) until maturity or prior redemption. The District has chosen the fifteenth day of the month preceding each Interest Payment Date as the “Record Date” for the Bonds.

See “TAX EXEMPTION” herein for a discussion of the treatment of interest income on the Bonds for federal and State income tax purposes.

**Bond Registrar and Paying Agent**

[Paying Agent] will serve as the initial bond registrar, paying agent and transfer agent (the “Bond Registrar and Paying Agent”) for the Bonds. The District may change the Bond Registrar and Paying Agent without notice to or consent of the owners of the Bonds.

**Redemption Provisions\***

*Optional Redemption.* The Bonds maturing on or before July 1, 20\_\_ will not be subject to redemption prior to their stated maturity dates. The Bonds maturing on or after July 1, 20\_\_ will be subject to redemption prior to their stated maturity dates, at the option of the District, in whole or in part from maturities selected by the District on July 1, 20\_\_, or on any date thereafter, by the payment of a redemption price equal to the principal amount of each Bond called for redemption, plus interest accrued to the date fixed for redemption but without premium.

*Mandatory Redemption.* The Bonds maturing on \_\_\_\_\_ 1, 20\_\_ (the “Term Bonds”) will be subject to mandatory redemption and will be redeemed in the years and in the amounts set forth below, at a redemption price equal to the principal amount thereof, without premium, plus interest accrued to the date fixed for redemption as follows:

Term Bond due _____ 1, 20__	
<u>Redemption</u>	<u>Principal</u>
<u>Dates</u>	<u>Amount</u>

See APPENDIX G for DTC’s method of appointment when less than all of the Bonds of a maturity are called prior to redemption. If the Book-Entry-Only System is discontinued, the Bond Registrar and Paying Agent shall proceed to select for redemption (by lot in such manner as the Bond Registrar and Paying Agent may determine) from the Term Bonds, a principal amount of the Term Bonds equal to the aggregate principal amount of the Term Bonds redeemable with the required mandatory payment, and shall call such Term Bonds for redemption on the next [\_\_\_\_\_] 1 and give notice of such redemption.

Whenever Bonds subject to mandatory redemption are purchased, redeemed (other than pursuant to mandatory redemption) or delivered by the District to the Bond Registrar and Paying Agent for cancellation, the principal amount of the Bonds so retired shall satisfy and be credited against the mandatory redemption requirements for such Bonds for such years as the District may direct.

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\* *Subject to change.*

*Notice of Redemption.* So long as the Bonds are held under the Book-Entry-Only System, notices of redemption will be sent to DTC in the manner required by DTC. See APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM.” If the Book-Entry-Only System is discontinued, notice of redemption of any Bond will be mailed to the registered owner of the Bond or Bonds being redeemed at the address shown on the bond register maintained by the Bond Registrar and Paying Agent not more than sixty (60) nor less than thirty (30) days prior to the date set for redemption. Notice of redemption may be sent to any securities depository by mail, facsimile transmission, wire transmission or any other means of transmission of the notice generally accepted by the respective securities depository. Neither the failure of any registered owner of Bonds to receive a notice of redemption nor any defect therein will affect the validity of the proceedings for redemption of Bonds as to which proper notice of redemption was given.

Notice of any redemption will also be provided as set forth in APPENDIX F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE,” but no defect in said further notice or record nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

If monies for the payment of the redemption price and accrued interest are not held in separate accounts by the District, the Santa Cruz County, Arizona Treasurer (the “Treasurer of the County”) or the Bond Registrar and Paying Agent prior to sending the notice of redemption, such redemption shall be conditional on such monies being so held on the date set for redemption and if not so held by such date, the redemption shall be cancelled and be of no force and effect.

*Effect of Redemption.* On the date designated for redemption, the Bonds or portions thereof to be redeemed will become and be due and payable at the redemption price for such Bonds or portions thereof, and, if monies for payment of the redemption price are held in a separate account by the Bond Registrar and Paying Agent, interest on such Bonds or portions thereof to be redeemed will cease to accrue, such Bonds or portions thereof will cease to be entitled to any benefit or security under the Bond Resolution, the owners of such Bonds or portions thereof will have no rights in respect thereof except to receive payment of the redemption price thereof and such Bonds or portions thereof will be deemed paid and no longer outstanding. DTC’s practice is to determine by lot the amount of each Direct Participant’s (as defined in APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM”) proportionate share that is to be redeemed.

*Redemption of Less than All of a Bond.* The District may redeem any amount which is included in a Bond that is subject to prior redemption in a denomination equal to or in excess of, but divisible by, \$5,000. In the event of a partial redemption, the Bond will be redeemed in accordance with DTC’s procedures. In the event of a partial redemption if the Book-Entry-Only System is discontinued, the registered owner will submit the Bond for partial redemption and the Bond Registrar and Paying Agent will make such partial payment and will cause to be issued a new Bond in a principal amount which reflects the redemption so made, to be authenticated and delivered to the registered owner thereof.

### **Registration and Transfer When Book-Entry-Only System Has Been Discontinued**

If the Book-Entry-Only System is discontinued, the Bonds will be transferred only upon the bond register maintained by the Bond Registrar and Paying Agent and one or more new Bonds, registered in the name of the transferee, of the same principal amount, maturity and rate of interest as the surrendered Bond or Bonds will be authenticated, upon surrender to the Bond Registrar and Paying Agent of the Bond or Bonds to be transferred, together with an appropriate instrument of transfer executed by the transferor if the Bond Registrar and Paying Agent’s requirements for transfer are met. The Bond Registrar and Paying Agent may, but is not required to, transfer or exchange any Bonds during the period from the Record Date to and including the respective Interest Payment Date.

The transferor will be responsible for all transfer fees, taxes, fees and any other costs relating to the transfer of ownership of individual Bonds.



## SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS

### General

For the purpose of paying the principal of and interest on the Bonds and costs of administration of the Bonds, the District will be required by law to cause to be levied on all the taxable property in the District a continuing, direct, annual, *ad valorem* property tax sufficient to pay all principal, interest, and costs of administration for the Bonds as the same become due. The Bonds will be payable from such tax without limit as to rate or amount. The taxes will be levied, assessed and collected at the same time and in the same manner as other similar taxes are levied, assessed and collected. For information concerning the *ad valorem* property tax levy and collection procedures, see APPENDIX B – “THE DISTRICT – FINANCIAL DATA – PROPERTY TAXES.”

### Defeasance

Pursuant to the Bond Resolution, payment of all or any part of the Bonds may be provided for by the irrevocable deposit, in trust, of monies or obligations issued or guaranteed by the United States of America (“Defeasance Obligations”) or both, which, with the maturing principal of and interest on such Defeasance Obligations, if any, will be sufficient, as evidenced by a certificate or report of an accountant, to pay when due the principal or redemption price of and interest on such Bonds. Any Bonds so provided for will no longer be outstanding under the Bond Resolution or payable from *ad valorem* taxes on taxable property in the District, and the owners of such Bonds shall thereafter be entitled to payment only from the monies and Defeasance Obligations deposited in trust.

### Investment of Debt Service Funds

The amounts collected from the tax levy described above are required by law to be kept in a special fund of the District (the “Debt Service Fund”) held by the Treasurer of the County to be used only for the payment of principal, interest, and costs of administration of the Bonds as above-stated. The District instructs the Treasurer of the County to invest the monies credited to the Debt Service Fund. The District does not monitor the manner in which the Treasurer of the County invests monies in the Debt Service Fund.

ALTHOUGH THE PROCEEDS OF THE SALE OF THE BONDS WILL BE DEPOSITED IN THE CAPITAL FUND OF THE DISTRICT (THE “CAPITAL FUND”) AND INVESTED SIMILARLY TO THE AMOUNTS HELD IN THE DEBT SERVICE FUND, THE PROCEEDS OF THE SALE OF THE BONDS WILL NOT BE PLEDGED TO, NOR DO THEY SECURE, PAYMENT OF THE BONDS. THE BONDS WILL NOT BE SECURED BY PHYSICAL ASSETS OF THE DISTRICT (INCLUDING THOSE FINANCED WITH THE PROCEEDS OF THE SALE OF THE BONDS) OR AMOUNTS ON DEPOSIT IN THE CAPITAL FUND.

### Coronavirus Disease 2019 (“COVID-19”)

COVID-19 continues to affect the nation and the State with ongoing concerns related to health and safety, appropriate preventative protocols, fiscal and economic issues, and student learning loss. At present, government and business operations in the State essentially function without government-imposed restrictions relating to the pandemic.

The District does not anticipate that the collection of property taxes, which may be a significant revenue source for operating purposes and is the security and source of payment of principal and interest due on the Bonds, will be affected unless severe economic hardship causes a significant decrease in property tax collections. Such a decline in property tax collections could negatively affect the District’s ability to pay debt service on the Bonds.

Additionally, the District cannot accurately predict future costs associated with a potential infectious disease outbreak such as operational costs to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. The District cannot predict what impact responses by federal, State or local governments to the spread of COVID-19, might have on the District, its operations or its financial position.

## QUALIFIED TAX-EXEMPT OBLIGATIONS

The District Board has designated the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the “Code”), which relates to the ability of certain financial institutions to deduct interest expense allocable to holding and carrying tax-exempt obligations for federal income tax purposes. The District Board, through one or more of its representatives, will represent and warrant that it does not reasonably anticipate that the aggregate amount of tax-exempt obligations that will be issued by or on behalf of the District in calendar year 2024 will exceed \$10,000,000.

### SOURCES AND USES OF FUNDS

#### Sources of Funds

Principal Amount	\$4,420,000.00*
[Net] Original Issue Premium (a)	_____
Total Sources of Funds	=====

#### Uses of Funds

Deposit to the Capital Fund	
Payment of Costs of Issuance (b)	
Deposit to the Debt Service Fund (c)	_____
Total Uses of Funds	=====

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\* *Subject to change.*

- (a) *Net original issue premium consists of original issue premium on the Bonds, less original issue discount on the Bonds.*
- (b) *Will include bond insurance premium, if any, and compensation and costs of the Underwriter (as defined herein) with respect to the Bonds.*
- (c) *Represents capitalized interest on the Bonds through July 1, 2025.*

## ESTIMATED DEBT SERVICE REQUIREMENTS

The following table illustrates (i) annual debt service on the outstanding bonds of the District, (ii) estimated annual debt service on the Bonds and (iii) total estimated annual debt service on all bonds of the District outstanding after the issuance of the Bonds.

**TABLE 1**

**Schedule of Estimated Annual Debt Service Requirements (a)  
Tubac Fire District**

Fiscal Year	Bonds Outstanding		The Bonds*		Total Estimated Annual Debt Service Requirements*
	Principal	Interest	Principal	Interest (b)	
2023/24	\$ 428,805	\$ 53,044		\$ 139,967 (c)	\$ 621,816
2024/25	438,925	42,925		209,950	691,800
2025/26	449,284	32,566		209,950	691,800
2026/27	459,887	21,963		209,950	691,800
2027/28	470,740	11,109		209,950	691,800
2028/29			\$ 480,000	209,950	689,950
2029/30			155,000	187,150	342,150
2030/31			210,000	179,788	389,788
2031/32			220,000	169,813	389,813
2032/33			235,000	159,363	394,363
2033/34			245,000	148,200	393,200
2034/35			260,000	136,563	396,563
2035/36			270,000	124,213	394,213
2036/37			285,000	111,388	396,388
2037/38			300,000	97,850	397,850
2038/39			315,000	83,600	398,600
2039/40			335,000	68,638	403,638
2040/41			350,000	52,725	402,725
2041/42			370,000	36,100	406,100
2042/43			390,000	18,525	408,525
	<u>\$ 2,247,642</u>		<u>\$ 4,420,000</u>		

\* Subject to change.

(a) Prepared by Stifel, Nicolaus & Company, Incorporated (the "Underwriter").

(b) Interest on the Bonds is estimated.

(c) The first interest payment on the Bonds will be due on July 1, 2024\*. Thereafter, interest payments will be made semiannually on each January 1 and July 1 until maturity or prior redemption.

## LITIGATION

No litigation or administrative action or proceeding is pending to restrain or enjoin, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, the levy and collection of taxes to pay the debt service on the Bonds, to contest or question the proceedings and authority under which the Bonds have been authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds. Representatives of the District will deliver a certificate to the same effect at the time of the initial delivery of the Bonds.

## RATING

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "\_\_\_" to the Bonds. Such rating reflects only the view of Moody's. An explanation of the significance of a rating assigned by Moody's may be obtained at One Front Street, Suite 1900, San Francisco, California 94111. Such rating may be revised or withdrawn entirely at any time by Moody's if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of such rating may have an adverse effect on the market price or marketability of the Bonds. The District will covenant in its continuing disclosure certificate with respect to the Bonds that it will file notice of any formal change in any rating relating to the Bonds. See "CONTINUING DISCLOSURE" and APPENDIX F – "FORM OF CONTINUING DISCLOSURE CERTIFICATE" herein.

## BOND INSURANCE AND RELATED RISK FACTORS

The District intends to apply, or has applied, to bond insurance companies (each a "Bond Insurer") for a municipal bond insurance policy (the "Policy") for the Bonds to guarantee the scheduled payments of principal of and interest on the Bonds. A commitment to provide the Policy has not been issued, and representatives of the District have yet to determine whether, if such commitment is issued, the Policy will be purchased. If the Policy is purchased, the following are risk factors relating to bond insurance generally.

If the District ultimately determines to obtain the Policy for the Bonds, in the event of default of the payment of principal or interest with respect to any of the Bonds when all or some become due, any owner of the Bonds on which such principal or interest was not paid will have a claim under the Policy for such payments. In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds will remain payable solely from *ad valorem* property taxes as described under "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS." In the event the Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance will be given that such event will not adversely affect the market price of the Bonds and the marketability (liquidity) of the Bonds.

The long-term ratings on the Bonds will be dependent in part on the financial strength of the Bond Insurer and its claims paying ability. The Bond Insurer's financial strength and claims paying ability will be predicated upon a number of factors which could change over time. No assurance will be given that the long-term rating of the Bond Insurer and of the rating on the Bonds insured by the Bond Insurer will not be subject to downgrade, and such event could adversely affect the market price of the Bonds and the marketability (liquidity) of the Bonds.

The obligations of the Bond Insurer will be general obligations of the Bond Insurer, and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law, state receivership or other similar laws related to insolvency of insurance companies.

None of the District, the Underwriter, or their respective attorneys, agents or consultants have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer will be given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal of and interest on the Bonds and the claims paying ability of the Bond Insurer, particularly over the life of the investment.

## LEGAL MATTERS

The Bonds are to be sold with the understanding that the District will furnish the Underwriter with the approving opinion of Greenberg Traurig, LLP Phoenix, Arizona, Bond Counsel (“Bond Counsel”) addressing legal matters relating to the validity of the Bonds under Arizona law, and with regard to the tax-exempt status of the interest income thereon (see “TAX EXEMPTION”). The signed legal opinion of Bond Counsel is dated and premised on the law in effect only as of the date of original delivery of the Bonds and will be delivered to the District at the time of original issuance. The fees of Bond Counsel and counsel to the Underwriter are expected to be paid from the proceeds of the sale of the Bonds and are contingent upon delivery of the Bonds.

The proposed text of the legal opinion is set forth as APPENDIX E – “FORM OF APPROVING LEGAL OPINION.” The legal opinion to be delivered may vary from the text of APPENDIX E – “FORM OF APPROVING LEGAL OPINION” if necessary to reflect the facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution, by recirculation of this Official Statement or otherwise, should not be construed as a representation that Bond Counsel has reviewed or expressed any opinion concerning any matters relating to the Bonds subsequent to the original delivery of the Bonds.

Bond Counsel has reviewed the information in the tax caption on the cover page as well as the information under the headings “THE BONDS,” “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS” (except with respect to the subheading entitled “Coronavirus Disease 2019 (“COVID-19”)”), “QUALIFIED TAX-EXEMPT OBLIGATIONS,” “TAX EXEMPTION,” “RELATIONSHIP AMONG PARTIES” (but only as it applies to Bond Counsel) and “CONTINUING DISCLOSURE” (except as it relates to the District’s compliance with prior continuing disclosure undertakings, if any) and in APPENDICES E – “FORM OF APPROVING LEGAL OPINION” and F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE” but otherwise has not participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has neither examined nor attempted to examine nor verify any of the financial or statistical statements or data contained in this Official Statement and will express no opinion with respect thereto.

Certain legal matters will be passed upon for the Underwriter by Gust Rosenfeld, P.L.C., Phoenix, Arizona, counsel to the Underwriter.

From time to time, there are legislative proposals (and interpretations of such proposals by courts of law and other entities and individuals) which, if enacted, could alter or amend the property tax system of the State and numerous matters, both financial and non-financial, impacting the operations of fire districts which could have a material impact on the District and could adversely affect the secondary market value and marketability (liquidity) of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations (such as the Bonds) issued prior to enactment.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. The rendering of an opinion also does not guarantee the outcome of any legal dispute that may arise out of the transaction.

## TAX EXEMPTION

### In General

The Internal Revenue Code of 1986, as amended (the “Code”), includes requirements which the District must continue to meet after the issuance of the Bonds in order that the interest on the Bonds be and remain excludable from gross income for federal income tax purposes. The District’s failure to meet these requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. The District has covenanted in the Bond Resolution to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds.

In the opinion of Bond Counsel, assuming the accuracy of certain representations and certifications of the District and continuing compliance by the District with the tax covenants referred to above, under existing statutes, regulations, rulings and court decisions, the interest on the Bonds will be excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, but in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Bonds is not excluded from the determination of adjusted financial statement income for tax years beginning after 2022. Bond Counsel is further of the opinion that the interest on the Bonds will be exempt from income taxation under the laws of the State. Bond Counsel will express no opinion as to any other tax consequences regarding the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors as to the status of interest on the Bonds under the tax laws of any state other than the State.

The above opinion on federal tax matters with respect to the Bonds will be based on and will assume the accuracy of certain representations and certifications of the District, and compliance with certain covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Bonds will be and will remain obligations the interest on which is excludable from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations. Bond Counsel will express no opinion as to any other consequences regarding the Bonds.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Bonds, or the ownership or disposition of the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of the Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Bonds, (iii) the inclusion of the interest on the Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, (v) the inclusion of interest on the Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits, (vi) net gain realized upon the sale or other disposition of property such as the Bonds generally must be taken into account when computing the Medicare tax with respect to net investment income or undistributed net investment income, as applicable, imposed on certain high income individuals and specified trusts and estates, and (vii) receipt of certain investment income, including interest on the Bonds, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors as to the impact of these other tax consequences.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

### **Original Issue Discount and Original Issue Premium**

Certain of the Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond determined under Code Section 1273 or 1274 (i.e., for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excludable from the owner's gross income

for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Bond.

Certain of the Bonds ("Premium Bonds") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

Owners of Discount Bonds and Premium Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount Bonds or Premium Bonds and as to other federal tax consequences, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

### **Changes in Federal and State Tax Law**

From time to time, there are legislative proposals suggested, debated, introduced or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters, or State tax matters, respectively, described above including, without limitation, the excludability from gross income of interest on the Bonds, adversely affect the market price or marketability of the Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would affect the Bonds. Prospective purchasers of the Bonds should consult their tax advisors as to the impact of any proposed or pending legislation.

On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (H.R. 5376) into law. For tax years beginning after 2022, this legislation will impose a minimum tax of 15 percent on the adjusted financial statement income of applicable corporations as defined in Section 59(k) of the Code (which is primarily designed to impose a minimum tax on certain large corporations). For this purpose, adjusted financial statement income is not reduced for interest earned on tax-exempt obligations. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential consequences of owning the Bonds.

### **Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of the Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Bonds and proceeds from the sale of the Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of the Bonds. This withholding generally applies if the owner of the Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

## UNDERWRITING

The Bonds will be purchased by the Underwriter at an aggregate purchase price of \$ \_\_\_\_\_, pursuant to a bond purchase agreement (the “Purchase Contract”) entered into by and between the District and the Underwriter. If the Bonds are sold to produce the prices or yields shown on the inside front cover page hereof, the Underwriter’s compensation will be \$ \_\_\_\_\_. The Purchase Contract provides that the Underwriter will purchase all of the Bonds so offered if any are purchased. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into unit investment trusts) and others at prices higher or yields lower than the public offering prices or yields stated on the inside front cover page hereof. The initial offering prices or yields set forth on the inside front cover page may be changed, from time to time, by the Underwriter without amendment of this Official Statement.

## RELATIONSHIP AMONG PARTIES

Bond Counsel has previously represented, and is currently representing, the Underwriter with respect to other financings and has acted or is acting as bond counsel with respect to other bonds underwritten by the Underwriter and may do so in the future. Bond Counsel and counsel to the Underwriter also serve and have served as bond counsel for one or more of the political subdivisions that the District territorially overlaps. Counsel to the Underwriter has previously acted or is acting as bond counsel with respect to other bonds underwritten by the Underwriter and may continue to do so in the future if requested.

## CONTINUING DISCLOSURE

The District will covenant for the benefit of the owners of the Bonds to provide certain financial information and operating data relating to the District by not later than February 1 in each year commencing February 1, 2025 (the “Annual Reports”), and to provide notices of the occurrence of certain enumerated events (the “Notices of Listed Events”). The Annual Reports, the Notices of Listed Events and any other document or information required to be filed by the District as such will be filed with the Municipal Securities Rulemaking Board (the “MSRB”) through the MSRB’s Electronic Municipal Market Access system (“EMMA”), each as described in APPENDIX F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” The specific nature of the information to be contained in the Annual Reports and the Notices of Listed Events is also set forth in APPENDIX F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants will be made in order to assist the Underwriter in complying with the Securities and Exchange Commission’s Rule 15c2-12(b)(5) (the “Rule”). A failure by the District to comply with these covenants must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price. *Pursuant to Arizona Law, the ability of the District to comply with such covenants will be subject to annual appropriation of funds sufficient to provide for the costs of compliance with such covenants.* Should the District not comply with such covenants due to a failure to appropriate for such purpose, the District has covenanted to provide notice of such fact to the MSRB through EMMA. Absence of continuing disclosure, due to non-appropriation or otherwise, could adversely affect the Bonds, specifically their market price and transferability.

The District has implemented procedures to facilitate compliance with the continuing disclosure undertaking related to the Bonds and future similar continuing disclosure undertakings in all material respects.

## GENERAL PURPOSE FINANCIAL STATEMENTS

The annual comprehensive financial report of the District for the fiscal year ended June 30, 2023, a copy of which is included in APPENDIX C – “THE DISTRICT – AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023” of this Official Statement, includes the District’s financial statements for the fiscal year ended June 30, 2023 that were audited by [BeachFleischman PLLC], to the extent indicated in its report thereon. **The District has not requested or received the consent of [BeachFleischman PLLC] to include its report and [BeachFleischman PLLC] has performed no procedures subsequent to rendering its report on the financial statements.**



## CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of these statements have been or will be realized. All forecasts, projections, opinions, assumptions or estimates are “forward looking statements” that must be read with an abundance of caution and that may not be realized or may not occur in the future. All financial and other information in this Official Statement has been derived by the District from official records and other sources and is believed by the District to be accurate and reliable. Information other than that obtained from official records of the District has been identified by source and has not been independently confirmed or verified by the District and its accuracy is not guaranteed. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future.

The District Board has authorized the execution and use of this Official Statement.

TUBAC FIRE DISTRICT  
OF SANTA CRUZ COUNTY, ARIZONA

By: \_\_\_\_\_  
Chairman of the District Board

**THE DISTRICT –  
DISTRICT INFORMATION**

**General Information**

The District was created and organized in 1974 and is located in the northwestern portion of Santa Cruz County, Arizona (the “County”) which encompasses the unincorporated communities of Amado, Arizona, Tubac, Arizona (“Tubac”), Tumacacori, Arizona, Carmen, Arizona and a portion of the unincorporated community of Rio Rico, Arizona. See APPENDIX C for certain information specific to the County. Currently, the District encompasses an area of approximately 166 square miles and serves an estimated population of approximately 10,000.

The District provides a range of dedicated emergency services to residential and commercial property owners. In addition to fire protection, the District provides emergency medical services and public education.

The District responds to approximately 1,600 requests for emergency and non-emergency service annually. The facilities of the District currently include four fire stations placed throughout the District with the administrative offices located at the headquarters in Tubac.

**Administration and Governance**

The District has 23 full-time personnel, of which 11 are state certified paramedics and 12 are emergency technicians, and 5 administrative personnel. The District also has 13 part-time reserve personnel.

The District operates under the supervision of a five-member District Board (the “Board”). The members of the Board are elected at large from within the District’s boundaries for four year terms. The present members of the Board are:

**TABLE 2**

**DISTRICT BOARD  
Tubac Fire District**

Mary Dahl, *Board Chair*  
Herb Wisdom, *Clerk*  
Peter Benequista, *Treasurer*  
Rich Bohman, *Director*  
Sandy Johnson, *Director*

**THE DISTRICT –  
FINANCIAL DATA**

**PROPERTY TAXES**

As described under the heading “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS,” the District will be required by law to cause to be levied on all the taxable property in the District a continuing, direct, annual, *ad valorem* property tax sufficient to pay all principal, interest, and costs of administration for the Bonds as the same become due. The State’s *ad valorem* property tax levy and collection procedures are summarized under this heading “PROPERTY TAXES.”

**Taxable Property**

Real property and improvements and personal property are either valued by the Assessor of the County or the Arizona Department of Revenue (the “Department of Revenue”). Property valued by the Assessor of the County is referred to as “locally assessed” property and generally encompasses residential, agricultural and traditional commercial and industrial property. Property valued by the Department of Revenue is referred to as “centrally valued” property and generally includes large mine and utility entities.

Locally assessed property is assigned two values: Full Cash Value and Limited Property Value (both as defined herein). Centrally valued property is assigned one value: Full Cash Value.

**Full Cash Value**

In the context of a specific property parcel, full cash value (“Full Cash Value”) is statutorily defined to mean “the value determined as prescribed by statute” or if a statutory method is not prescribed it is “synonymous with market value, which means the estimate of value that is derived annually by using standard appraisal methods and techniques,” which generally include the market approach, the cost approach and the income approach. In valuing locally assessed property, the Assessor of the County generally uses a cost approach to value commercial/industrial property and a market approach to value residential property. In valuing centrally valued property, the Department of Revenue begins generally with information provided by taxpayers and then applies procedures provided by State law. State law allows taxpayers to appeal such Full Cash Values by providing evidence of a lower value, which may be based upon another valuation approach. Full Cash Value is used as the ceiling for determining Limited Property Value. Unlike Limited Property Value, increases in Full Cash Value are not limited.

**Limited Property Value**

In the context of a specific property parcel, limited property value (“Limited Property Value”) is a property value determined pursuant to the Arizona Constitution and the Arizona Revised Statutes. Except as described in the next sentence, for locally assessed property in existence in the prior year, Limited Property Value is limited to the lesser of Full Cash Value or an amount 5% greater than Limited Property Value determined for the prior year for such specific property parcel. In the following circumstances, Limited Property Value is established at a level or percentage of Full Cash Value that is comparable to that of other properties of the same or a similar use or classification: property that was erroneously totally or partially omitted from the property tax rolls in the preceding tax year, except as a result of the matters described in this sentence; property for which a change in use has occurred since the preceding tax year and property that has been modified by construction, destruction, or demolition since the preceding valuation year such that the total value of the modification is equal to or greater than fifteen percent of the Full Cash Value. (Limited Property Value of property that has been split, subdivided or consolidated varies depending on when the change occurred.) A separate Limited Property Value is not provided for centrally valued property.

**Full Cash Value and Limited Property Value for Taxing Jurisdictions**

The Full Cash Value in the context of a taxing jurisdiction is the sum of the Full Cash Value associated with each parcel of property in the jurisdiction. Full Cash Value of the jurisdiction is the basis for determining constitutional and statutory debt limits for certain political subdivisions in Arizona, but not for fire districts.

The Limited Property Value in the context of a taxing jurisdiction is the sum of the Limited Property Value associated with each parcel of locally assessed property within the jurisdiction plus the sum of the Full Cash Value associated with each parcel of centrally valued property within the jurisdiction. Limited Property Value of the jurisdiction is used as the basis for levying both primary and secondary taxes and as the basis for determining debt limits for fire districts, including the District. See “Primary Taxes” and “Secondary Taxes” below.

**Property Classification and Assessment Ratios**

All property, both real and personal, is assigned a classification (defined by property use) and related assessment ratio that is multiplied by the Limited Property Value or Full Cash Value of the property, as applicable, to obtain the “Limited Assessed Property Value” and the “Full Cash Assessed Value,” respectively.

The assessment ratios for each property classification are set forth by tax year in the following table.

**TABLE 3**

**Property Tax Assessment Ratios (Tax Year)**

Property Classification (a)	2019	2020	2021	2022	2023
Mining, utilities, commercial and industrial (b)	18%	18%	18%	17.5%	17%
Agricultural and vacant land	15	15	15	15	15
Owner occupied residential	10	10	10	10	10
Leased or rented residential	10	10	10	10	10
Railroad, private car company and airline flight property (c)	15	15	15	15	14

(a) *Additional classes of property exist, but seldom amount to a significant portion of a municipal body’s total valuation.*

(b) *The assessment ratio for this property classification will decrease to 16.5% for tax year 2024, 16% for tax year 2025, 15.5% for tax year 2026 and 15% for each tax year thereafter.*

(c) *This percentage is determined annually pursuant to Section 42-15005, Arizona Revised Statutes.*

Source: *State and County Abstract of the Assessment Roll, Arizona Department of Revenue.*

**Primary Taxes**

Per State statute, taxes levied for the maintenance and operation of counties, cities, towns, school districts, community college districts and the State are “primary taxes.” Primary taxes are levied against Net Limited Assessed Property Value (as defined herein). “Net Limited Assessed Property Value” is determined by excluding the value of property exempt from taxation from Limited Assessed Property Value of locally assessed property and from Full Cash Assessed Value of centrally valued property and combining the resulting two amounts. Fire districts do not levy primary taxes.

The primary taxes levied by each county, city, town and community college district are constitutionally limited to a maximum increase of 2% over the maximum allowable prior year’s levy limit plus any taxes on property not subject to taxation in the preceding year (e.g., new construction and property brought into the jurisdiction because of annexation). The 2% limitation does not apply to primary taxes levied on behalf of school districts.

The combined taxes on owner occupied residential property only, for purposes other than voter-approved bond indebtedness and overrides and certain special district assessments, are constitutionally limited to 1% of the Limited Property Value of such property. This constitutional limitation on the combined tax levies for owner occupied residential property is implemented by reducing the school district's taxes. To offset the effects of reduced school district property taxes, the State compensates the school district by providing additional State aid.

### **Secondary Taxes**

Per State statute, taxes levied for payment of bonds, voter-approved budget overrides, the maintenance and operation of special purpose districts such as sanitary, fire, road improvement, water conservation and career technical education districts, and taxes levied by school districts for qualified desegregation expenditures are "secondary taxes." Like primary taxes, secondary taxes are also levied against Net Limited Assessed Property Value. There is no constitutional or statutory limitation on annual levies for voter-approved bond indebtedness and overrides and certain special district assessments. Specific to fire districts, the law permits an annual operation and maintenance secondary tax levy that is limited to the lesser of the amount of the levy in the preceding tax year multiplied by 1.08 or a tax rate of \$3.50 per \$100 of Net Limited Assessed Property Value as of the date hereof and pursuant to Section 48-807(F), Arizona Revised Statutes, is increased to \$3.75 per \$100 of Net Limited Assessed Property Value for tax year 2024 and for each tax year thereafter. It should be noted that the assessment ratio of class one property, shown as "Mining, utilities, commercial and industrial" in TABLE 3 will decrease to 16.5% for tax year 2024, 16% for tax year 2025, 15.5% for tax year 2026 and 15% for each tax year thereafter. The District does not anticipate that the combined effect of the changes to tax rates and assessment ratios described above will be material. Additionally, State law permits an unlimited secondary tax for payment of voter approved bonds such as the Bonds. Fire districts also have a mechanism for imposition of a limited tax rate for voter approved operation and maintenance overrides.

### **Calculating Debt Limitations**

Net Limited Assessed Property Value is determined by excluding the value of property exempt from taxation from Limited Assessed Property Value of both locally assessed and centrally valued property and combining the resulting two amounts. This is the basis for determining bonded debt limitations for certain political subdivisions in Arizona, including the District.

### **Tax Procedures**

The State tax year has been defined as the calendar year, notwithstanding the fact that tax procedures begin prior to January 1 of the tax year and continue through May of the succeeding calendar year.

On or before the third Monday in August each year the Board of Supervisors of the County prepares the tax roll setting forth certain valuations by taxing district of all property in the County subject to taxation. The tax roll is then forwarded to the Treasurer of the County. (The Assessor of the County is required to have completed the assessment roll by December 15th of the year prior to the levy. This roll identifies the valuation and classification of each parcel located within the County for the tax year.)

With the various budgetary procedures having been completed by the governmental entities, the appropriate tax rate for each jurisdiction is then levied upon each non-exempt parcel of property in order to determine the total tax owed by each property owner. Any subsequent decrease in the value of the tax roll due to appeals or other reasons reduces the amount of taxes received by each jurisdiction.

The property tax lien on real property attaches on January 1 of the year the tax is levied. Such lien is prior and superior to all other liens and encumbrances on the property subject to such tax except liens or encumbrances held by the State or liens for taxes accruing in any other years and liens imposed by the United States. Set forth below is a record of property taxes levied and collected in the District for a portion of the current fiscal year and all of the previous five fiscal years.

**TABLE 4**

**Property Taxes Levied and Collected (a)  
Tubac Fire District**

Fiscal Year	District Tax Rate	Adopted District Tax Levy	Collected to June 30th of Initial Fiscal Year		Cumulative Collections to November 30, 2023	
			Amount	% of Adj. Levy	Amount	% of Adj. Levy
2023/24	\$ 3.4634	\$ 3,855,188	(b)	(b)	\$ 1,765,790	45.80 %
2022/23	3.5166	3,617,046	\$ 3,431,715	94.88 %	3,508,641	97.00
2021/22	3.3673	3,235,875	3,087,593	95.42	3,195,700	98.76
2020/21	3.3944	3,086,571	2,924,159	94.74	3,050,268	98.82
2019/20	3.4214	2,967,011	2,825,209	95.22	2,932,587	98.84
2018/19	3.4202	2,848,136	2,710,972	95.18	2,815,616	98.86

(a) *Taxes are collected by the Treasurer of the County. Taxes in support of debt service are levied by the Board of Supervisors of the County as required by Arizona Revised Statutes. Interest and penalty collections for delinquent taxes are not included in the collection figures above, but are deposited in the County’s General Fund.*

(b) *2023/24 taxes in course of collection:  
First installment due 10-01-23; delinquent 11-01-23;  
Second installment due 03-01-24; delinquent 05-01-24.*

Source: Office of the Treasurer of the County.

**Delinquent Tax Procedures**

The property taxes due the District are billed, along with State and other taxes, each September and are due and payable in two installments on October 1 and March 1 and become delinquent on November 1 and May 1, respectively. Delinquent taxes are subject to an interest penalty of 16% per annum, prorated at a monthly rate of 1.33% as of the first day of the month. (Delinquent interest is waived if a taxpayer, delinquent as to the November 1 payment, pays the entire year’s tax bill by December 31.) After the close of the tax collection period, the Treasurer of the County prepares a delinquent property tax list and the property so listed is subject to a tax lien sale in February of the succeeding year. In the event that there is no purchaser for the tax lien at the sale, the tax lien is assigned to the State, and the property is reoffered for sale from time to time until such time as it is sold, subject to redemption, for an amount sufficient to cover all delinquent taxes and interest thereon. After three years from the sale of the tax lien, the tax lien certificate holder may bring an action in a court of competent jurisdiction to foreclose the right of redemption and, if the delinquent taxes plus accrued interest are not paid by the owner of record or any entity having a right to redeem, a judgment is entered ordering the Treasurer of the County to deliver a treasurer’s deed to the certificate holder as prescribed by law.

In the event of bankruptcy of a taxpayer pursuant to the United States Bankruptcy Code (the “Bankruptcy Code”), the law is currently unsettled as to whether a lien can attach against the taxpayer’s property for property taxes levied during the pendency of bankruptcy. Such taxes might constitute an unsecured and possibly non-interest bearing administrative expense payable only to the extent that the secured creditors of a taxpayer are oversecured, and then possibly only on the prorated basis with other allowed administrative claims. It cannot be determined, therefore, what adverse impact bankruptcy might have on the ability to collect *ad valorem* taxes on property of a taxpayer within the District. Proceeds to pay such taxes come only from the taxpayer or from a sale of the tax lien on delinquent property. When an owner of land or property within the District (a “debtor”) files or is forced into bankruptcy, any act to obtain possession of the debtor’s estate, any act to create or perfect any lien against the property of the debtor or any act to collect, assess or recover a claim against the debtor that arose before the commencement of the bankruptcy is stayed pursuant to the Bankruptcy Code. While the automatic stay of a bankruptcy court may not prevent the sale of tax liens

against the real property of a bankrupt taxpayer, the judicial or administrative foreclosure of a tax lien against the real property of a debtor would be subject to the stay of bankruptcy court. It is reasonable to conclude that “tax sale investors” may be reluctant to purchase tax liens under such circumstances, and, therefore, the timeliness of the payment of post-bankruptcy petition tax collections becomes uncertain.

It cannot be determined what impact any deterioration of the financial conditions of any taxpayer, whether or not protection under the Bankruptcy Code is sought, may have on payment of or the secondary market for the Bonds. None of the District, the Underwriter or their respective agents or consultants has undertaken any independent investigation of the operations and financial condition of any taxpayer, nor have they assumed responsibility for the same.

In the event the County is expressly enjoined or prohibited by law from collecting taxes due from any taxpayer, such as may result from the bankruptcy of a taxpayer, any resulting deficiency could be collected in subsequent tax years by adjusting the District’s tax rate charged to non-bankrupt taxpayers during such subsequent tax years.

## ASSESSED VALUATIONS AND TAX RATES

**TABLE 5**

**Direct and Overlapping Net Limited Assessed Property Values and Tax Rates  
Per \$100 Net Limited Assessed Property Valuation**

Overlapping Jurisdiction	2023/24 Net Limited Assessed Property Value	2023/24 Combined Primary and Secondary Tax Rates per \$100 Net Limited Assessed Property Value
State of Arizona	\$83,026,514,349	None
Santa Cruz County	413,020,511	\$4.0265
Santa Cruz County Community College District	413,020,511	0.4305
Santa Cruz County Fire District Assistance Tax	413,020,511	0.1000
Santa Cruz County Flood Control District (a)	378,372,866	0.8053
Patagonia Elementary School District No. 6	22,291,806	3.6756
Patagonia Union High School District No. 20	61,383,677	2.4947
Santa Cruz Valley Unified School District No. 35	197,575,353	5.1523
Pima County Joint Technical Education District	339,477,433	0.0500
Tubac Fire District	111,143,455	3.4634

(a) *The assessed value of the Santa Cruz County Flood Control District does not include the personal property assessed valuation of the County.*

Source: *State and County Abstract of the Assessment Roll, Arizona Department of Revenue, Property Tax Rates and Assessed Values, Arizona Tax Research Association and the Assessor of the County.*





**TABLE 8**

**Comparative Net Limited Assessed Property Values  
Tubac Fire District**

<u>Fiscal Year</u>	<u>Tubac Fire District</u>	<u>Santa Cruz County</u>	<u>State of Arizona</u>
2023/24	\$ 111,143,455	\$ 413,020,511	\$ 83,026,514,349
2022/23	102,279,739	389,888,220	78,405,598,978
2021/22	95,935,995	375,427,809	74,200,360,570
2020/21	91,162,883	362,266,917	69,914,763,468
2019/20	86,860,331	344,280,485	66,157,223,639

Source: *Property Tax Rates and Assessed Values*, Arizona Tax Research Association.

**TABLE 9**

**Estimated Net Full Cash Value History  
Tubac Fire District**

<u>Fiscal Year</u>	<u>Estimated Net Full Cash Value (a)</u>
2023/24	\$ 1,212,186,354
2022/23	1,018,915,857
2021/22	923,091,314
2020/21	887,786,820
2019/20	819,245,437

(a) *Estimated Net Full Cash Value is the total market value of the property within the District less the estimated Full Cash Value of property exempt from taxation within the District.*

Source: *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue.

**DIRECT AND OVERLAPPING BONDED INDEBTEDNESS**

**TABLE 10**

**Current Year Statistics (For Fiscal Year 2023/24)  
Tubac Fire District**

Total General Obligation Bonds Outstanding and to be Outstanding	\$ 6,667,642* (a)
Net Limited Assessed Property Value	111,143,455
Net Full Cash Assessed Value	136,580,181
Estimated Net Full Cash Value	1,212,186,354

\* Subject to change.

(a) Includes the Bonds. See footnote (b) to TABLE 12 for a description of the treatment of certain proceeds of the Bonds for State voter authorization and debt limit purposes.

Source: Property Tax Rates and Assessed Values, Arizona Tax Research Association and State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

**TABLE 11**

**Direct General Obligation Bonded Debt Outstanding and to be Outstanding  
Tubac Fire District**

Issue Series	Original Amount	Purpose	Final Maturity Date (July 1)	Balance Outstanding and to be Outstanding
2019	\$ 3,861,800	Refunding	2028	\$ 2,247,642
Total General Obligation Bonded Debt Outstanding				\$ 2,247,642
Plus: The Bonds				4,420,000*
Total General Obligation Bonded Debt Outstanding and to be Outstanding				<u>\$ 6,667,642* (a)</u>

\* Subject to change.

(a) Includes the Bonds.

**Statutory Debt Limit / Unused Borrowing Capacity after Bond Issuance  
Tubac Fire District**

**TABLE 12**

2023/24 Debt Limitation	
(6% of Net Limited Assessed Property Value)	\$ 8,194,810
Less: General Obligation Bonds Outstanding and to be Outstanding (a)	(6,667,642)*
Less: Original Issue Premium on the Bonds (b)	( )*
Unused Borrowing Capacity	<u>\$ 1,527,168 *</u>

\* *Subject to change.*

(a) *Includes the Bonds.*

(b) *This amount represents premium on the Bonds, which has been or will be deposited into the Capital Fund for project cost use, and such amount reduces in equal amount the borrowing capacity of the District under State statutes and the principal amount of general obligation bonds authorized at the Election (as described under the heading "THE BONDS – Authorization and Purpose"). Such capacity (but not authorization) will be recaptured as premium is amortized.*

**TABLE 13**

**Direct and Overlapping General Obligation Bonded Debt  
Tubac Fire District**

*[To be updated upon receipt of information from the County Assessor's Office]*

Overlapping Jurisdiction	General Obligation Bonded Debt (b)	Proportion Applicable to the District (a)	
		Approximate Percent	Net Debt Amount
State of Arizona	None	0.13 %	None
Santa Cruz County	None	26.91	None
Santa Cruz Valley Unified School District No. 35	17,150,000	56.25	9,647,510
Tubac Fire District	6,667,642*	100.00	6,667,642*
Net Direct and Overlapping General Obligation Bonded Debt			<u>\$ 16,315,152*</u>

(a) *Proportion applicable to the District is computed on the ratio of Net Limited Assessed Property Value for 2023/24.*

(b) *Includes total stated principal amount of general obligation bonds outstanding. Does not include outstanding principal amount of certificates of participation, revenue obligations or loan obligations outstanding for the jurisdictions listed above. Does not include outstanding principal amounts of various County and city improvement districts, as the bonds of these districts are presently being paid from special assessments against property within the various improvement districts.*

*Does not include presently authorized but unissued general obligation bonds of such jurisdictions which may be issued in the future as indicated in the following table. Additional bonds may also be authorized by voters within overlapping jurisdictions pursuant to future elections.*

Overlapping Jurisdiction	General Obligation Bonds Authorized but Unissued
Tubac Fire District (d)	\$3,785,000*

(c) *Includes the Bonds.*

(d) *Reflects the reduction in authorization from the Election in connection with the issuance of the Bonds.*

Source: The various entities, *Property Tax Rates and Assessed Values*, Arizona Tax Research Association and Assessor of the County.

\* *Subject to change.*

**TABLE 14**

**Direct and Overlapping General Obligation Bonded Debt Ratios  
Tubac Fire District**

	Per Capita Bonded Debt Population Estimated @ 10,000	As % of District's 2023/24 Net Limited Assessed Property Value	As % of District's 2023/24 Estimated Net Full Cash Value
Net Direct General Obligation Bonded Debt (a)*	\$666.76	6.00%	0.55%
Net Direct and Overlapping General Obligation Debt (a)*	1,631.52	14.68	1.35

\* *Subject to change.*

(a) *Includes the Bonds.*

*Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue, Property Tax Rates and Assessed Values, Arizona Tax Research Association and the District.*

**TABLE 15**

**Other Obligations  
Tubac Fire District**

***[To be updated based upon information to be received from the District/The James Vincent Group]***

The District currently has [no/the following] capital lease payment obligations outstanding[./:]

Item	Payment Amount	Periods Due
[ ]	[ ]	[ ]
[ ]	[ ]	[ ]

# DISTRICT EMPLOYEE RETIREMENT SYSTEM

## Pension and Retirement Plans

The District contributes to the multiple-employer Public Safety Personnel Retirement System (“PSPRS”). Benefits are established by State statute and, depending on the plan, provide retirement, death, long-term disability, survivor and health insurance premium benefits. Both the District and each covered employee contribute.

The Governmental Accounting Standards Board (“GASB”) adopted Statement Number 68, Accounting and Financial Reporting for Pensions, which requires that cost-sharing employers report their “proportionate share” of a plan’s net pension liability in their government-wide financial statements and that the cost-sharing employer’s pension expense component include its proportionate share of the system’s pension expense, the net effect of annual changes in the employer’s proportionate share and the annual differences between the employer’s actual contributions and its proportionate share. GASB’s Statement No. 67, Financial Reporting for Pensions, is designed to improve financial reporting by state and local governmental pension plans.

In APPENDIX C – “THE DISTRICT – AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023” is information about the plan based on GASB’s Statements No.s 67 and 68. Please refer to APPENDIX C for more specific information about the plans. In the case of any difference between what is here versus what is in APPENDIX C, the latter supersedes the former.

## The Public Safety Personnel Retirement System

PSPRS is an agent multiple-employer defined benefit pension plan and an agent multiple employer defined benefit health insurance premium benefit plan that covers public safety personnel who are regularly assigned to hazardous duties for which the Arizona State Legislature establishes active plan members’ contribution rates and member benefits. This is not a “pooled” system – a separate account exists for the police and fire employees of each participating political subdivision. In total, there are 258 individual plans in PSPRS. Each plan has its own financial condition, funding status, etc. which varies greatly across the system.

A 2016 amendment to the State constitution (“Prop 124”) created an exception to the prohibition in the Constitution against diminishing or impairing public retirement system benefits by allowing for certain adjustments to PSPRS and preserved the State’s legislature ability to modify public retirement benefits. Prop 124 allowed for, among other things, the replacement of permanent benefit increases then required by law with COLA (defined below) provisions tied to the regional consumer price indexes.

PSPRS active membership is comprised of three separate “tiers” based on date of hire which are shown in the following table.

<u>“Tier 1” Members</u>	<u>“Tier 2” Members</u>	<u>“Tier 3” Members</u>
Hired into PSPRS position before January 1, 2012	Hired into PSPRS position on or after January 1, 2012 and before July 1, 2017	Hired into PSPRS position on or after July 1, 2017

The different tiers have different types of plans. Tier 1 members have a defined benefit plan, Tier 2 members have a defined benefit or defined benefit hybrid plan and Tier 3 members have a defined contribution, defined benefit or define benefit hybrid plan. (The hybrid plan is a pension with an additional defined contribution tax-deferred retirement savings account for Tier 2 and Tier 3 members who do not contribute to Social Security). For Tier 1 and Tier 2 members, the type of plan is determined automatically. For Tier 3 members the type of plan is an irrevocable career choice with a default to a defined benefit plan after 90 days. The actuarially determined employer contribution rate varies among the different tiers and the different types of plans as shown in the tables below.

As of June 30, 2022, the unfunded liability for Tiers 1 and 2 of PSPRS was \$7.1 billion with a funding ratio of 66.2% (using an assumed earning rate of 7.3%).

The following tables show the actuarially determined annual contribution rates, funded status and total audited contribution amounts of the District for PSPRS.

	Fiscal Year Ended				
	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021
<b>Contribution Rates</b>					
Tier 1 Defined Benefit Employer	31.63%	27.68%	26.35%	26.16%	27.33%
Tier 1 Defined Benefit Employee	7.65%	7.65%	7.65%	7.65%	7.65%
Tier 2 Defined Benefit Employer (a)	31.63%	27.68%	26.35%	26.16%	27.33%
Tier 2 Defined Benefit Employee (a)(b)	7.65%	7.65%	11.65%	11.65%	11.65%
Tier 3 Defined Benefit Employer (a)(c)	24.47%	22.17%	22.77%	21.00%	20.13%
Tier 3 Defined Benefit Employee (a)	8.89%	9.56%	9.94%	9.94%	9.94%
Tier 3 Defined Contribution Employer (c)	26.31%	23.21%	23.68%	20.94%	20.60%
Tier 3 Defined Contribution Employee	10.73%	10.60%	10.85%	9.88%	10.41%
Pension Funded Status	N/A	N/A	72.5%	75.0%	72.1%
Health Funded Status	N/A	N/A	256.8%	223.2%	222.0%
Total District (Employer) Pension and Health Contribution	N/A	N/A	[\$_____]	\$378,680	\$393,061

- (a) Not applicable for Tier 2 for fiscal years prior to Fiscal Year 2018. Does not include additional contribution percentage of 3% associated with Tier 2 defined benefit (“DB”) members additionally participating in the defined contribution (“DC”) plan. Employer rate is 4% for Tier 2 members for a period of time depending on the individual’s membership date.
- (b) Tier 2 employees contribute a maximum of 11.65%, but statutory requirements dictate only 7.65% is applied toward employer costs.
- (c) The amortization of unfunded liabilities for Tier 1 and Tier 2 is applied to the payroll for employees in all tiers, including Tier 3, on a level percent basis.

PSPRS has reported increases in its unfunded liabilities. The increases in unfunded liabilities is expected to result in increased future annual contributions by the District and its employees; however the specific impact on the District’s and its employees’ future contributions cannot be determined at this time.

**Statutory Changes and Court Decisions Regarding the PSPRS**

PSPRS is operated under the umbrella of the Public Safety Personnel Retirement System and the Public Safety Personnel Retirement System Board of Trustees. Since 2011, there have been various retirement program modifications designed to mitigate the increasing unfunded liabilities in the programs. Some of these modifications were enacted by the Arizona Legislature and other changes (like Prop 124) were implemented by voter approved amendments to the State Constitution. Additionally, in some instances, modifications enacted by the Arizona Legislature were reversed based on the outcome of successful court challenges. Substantively, the modifications have included changes to contribution rates, retirement criteria, funding horizons, retirement benefits and post-retirement benefit increase calculations.

**Potential Future State Legislation Affecting PSPRS**

Bills are frequently introduced at sessions of the State Legislature that, if enacted, could impact the administration of the PSPRS and the eligibility, timing and payment of benefits from such plans. The District is unable to determine whether any such bills will be enacted into legislation or in what form such legislation may be enacted and what the impact of any such legislation may be.

### **Other Post-Employment Retirement Benefits**

The District was required to implement GASB 75, which requires reporting the actuarially accrued cost of post-employment benefits, other than pension benefits (“OPEB”), such as health and life insurance for current and future retirees. GASB 75 requires that such benefits be recognized as current costs over the working lifetime of employees, and to the extent such costs are not pre-funded, GASB 75 will require the reporting of such costs as a financial statement liability.

The District does not offer OPEBs. The District employees, their spouses and survivors may, however, be eligible for certain retiree health care benefits under health care programs provided by the State. Employees on long-term disability and their spouses may also qualify for retiree health care benefits through the State. It is expected that substantially all the District employees that reach normal or early retirement age while working for the District will become eligible for such benefits. Currently, such retirees may obtain the health care benefits offered by the State by paying the applicable health care insurance premium; such plan is available to all participants, whether retired or not, in the State’s health care program. It is not the responsibility of the District to fund such costs.

### **Governmental Accounting Standards**

*New Reporting Requirements* - Governmental Accounting Standards Board Statement No. 67, Financial Reporting for Pension Plans, An Amendment of GASB Statement No. 25, is designed to improve financial reporting by state and local governmental pension plans. This statement replaces the requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

## **REVENUES AND EXPENDITURES**

The following information of the District was derived from the annual budget of the District for fiscal years 2023/24 and the audited financial statements of the District for fiscal years 2019/20 through and including 2022/23. Budgeted figures for fiscal year 2023/24 are on a cash basis and are presented in the format required by State law. Budgeted figures for fiscal year 2023/24 are “forward looking” statements that may not be realized during the course of the fiscal year as presented herein and thus must be viewed with an abundance of caution. Audited figures for fiscal years 2019/20 through and including 2022/23 are on a modified accrual basis. The presentation which follows has not been independently subject to any audit procedures.

The following information should be read in conjunction with the audited financial statements of the District. **See APPENDIX C for the District’s most recent audited general purpose financial statements, which are for fiscal year ended June 30, 2023.** Such audited financial statements are the most recent available for the District, are not current and therefore must be considered with an abundance of caution. **The District has not requested the consent of [BeachFleischman PLLC] to include its report and [BeachFleischman PLLC] has performed no procedures subsequent to rendering its report on the financial statements.**



**TABLE 16**

**General Fund  
Tubac Fire District**

*[To be updated upon receipt of the District's 2023 audited financial statements]*

	Budgeted	Audited				
	2023/24 (a)	2022/23	2021/22	2021/22	2020/21	2019/20
FUND BALANCE AT BEGINNING OF YEAR			\$ 5,736,688	\$ 2,105,840	\$ 1,900,195	\$ 1,828,587
REVENUES						
Property taxes	\$ 3,167,588		\$ 2,760,328	\$ 2,589,971	\$ 2,443,276	\$ 2,245,131
Fire district assistance tax	175,430		146,266	140,984	134,202	128,442
State shared tax revenues	-		63,935	-	-	-
Charges for services	-		708,702	976,659	738,647	849,091
Investment earnings	-		2,052	1,810	2,160	2,328
Grants and contributions	-		-	24,680	479,762	7,188
Rental income	-		-	75,404	198,786	191,577
Other	-		53,770	105,030	75,967	77,344
EMS	610,000		-	-	-	-
Cell tower revenue	15,000		-	-	-	-
Wildland revenue	350,000		-	-	-	-
Grant & miscellaneous	787,500		-	-	-	-
Interest	2,000		-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 5,107,518</b>	<b>\$ -</b>	<b>\$ 3,735,053</b>	<b>\$ 3,914,538</b>	<b>\$ 4,072,800</b>	<b>\$ 3,501,101</b>
ADJUSTMENTS						
Proceeds from sale of capital assets	\$ -		\$ -	\$ 3,901,506	\$ 22,600	\$ 29,310
Issuance of capital lease obligations	-		-	-	-	295,115
Transfer to/(from) other funds	782,586		-	-	-	-
<b>TOTAL FUNDS AVAILABLE FOR EXPENDITURES</b>	<b>\$ 5,890,104</b>	<b>\$ -</b>	<b>\$ 9,471,741</b>	<b>\$ 9,921,884</b>	<b>\$ 5,995,595</b>	<b>\$ 5,654,113</b>
EXPENDITURES						
Current						
Public safety:						
Fire protection and emergency services	\$ -		\$ 2,884,591	\$ 3,503,091	\$ 3,146,874	2,702,448
Administration and support	-		600,980	199,099	438,971	513,557
Personnel costs	3,370,677		-	-	-	-
Capital outlay:						
Buildings and improvements	-		15,915	25,264	-	-
Fire equipment	-		69,773	199,764	213,909	114,914
Vehicles	-		187,418	197,440	17,417	411,000
Buildings & land	232,250		-	-	-	-
Vehicles & equipment	293,400		-	-	-	-
Communications & IT services	126,000		-	-	-	-
Travel & training	75,065		-	-	-	-
Managerial costs	227,540		-	-	-	-
Debt service:						
Principal	-		30,824	48,807	51,512	9,646
Interest	-		10,871	11,731	21,072	2,353
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,324,932</b>	<b>\$ -</b>	<b>\$ 3,800,372</b>	<b>\$ 4,185,196</b>	<b>\$ 3,889,755</b>	<b>\$ 3,753,918</b>
<b>FUND BALANCE AT END OF YEAR</b>		<b>\$ -</b>	<b>\$ 5,671,369</b>	<b>\$ 5,736,688</b>	<b>\$ 2,105,840</b>	<b>\$ 1,900,195</b>

(a) Reflects the District's budgeted figures for fiscal years 2023/24 and 2022/23 which are unaudited and subject to change upon audit. These amounts are "forward looking" statements and should be considered with an abundance of caution.

## APPENDIX C

### AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The following audited financial statements are for the fiscal year ended June 30, 2023. These are the most recent audited financial statements available to the District. THESE FINANCIAL STATEMENTS ARE NOT CURRENT AND MAY NOT REPRESENT THE CURRENT FINANCIAL CONDITION OF THE DISTRICT.

**Such audited financial statements are the most recent available for the District, are not current and, therefore, must be considered with an abundance of caution. The District has not requested or received the consent of [BeachFleischman PLLC] to include its report and [BeachFleischman PLLC] has performed no procedures subsequent to rendering its report herein, on the financial statements.**

**SANTA CRUZ COUNTY, ARIZONA**

*The following information regarding the County is provided for background information only. No attempt has been made to determine what part, if any, of the data presented is applicable to the District; consequently no representation is made as to the relevance of the data to the District or the Bonds. THE BONDS WILL NOT BE OBLIGATIONS OF THE COUNTY. The Bonds will be direct obligations of the District, payable solely from ad valorem taxes levied against all taxable property in the District as described under the heading "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS."*

**General**

The County was formed on March 15, 1899 from a portion of Pima County. It is named for the Santa Cruz River, which crosses the County from north to south. It is the State’s smallest county, encompassing 1,238 square miles, and has the largest percentage of privately-owned land of any Arizona county, 38 percent. The remainder is owned by the State and federal governments. Nogales is one of the major gateways into Mexico and also the County’s largest city and County seat. There are strong commercial, religious and cultural ties between Nogales and its sister city across the border, Nogales, Sonora, Mexico. Consequently, the majority of the population within the District and Nogales is Spanish speaking. The following table illustrates land ownership within the County.

**LAND OWNERSHIP  
Santa Cruz County, Arizona**

<u>Control/Ownership</u>	<u>Percent of Land in County</u>
U.S. Forest Service and Bureau of Land Management	54%
Individuals or Corporations	38
State of Arizona	8
Total	<u>100%</u>

Source: *Arizona County Profiles*, Arizona Commerce Authority.

**Municipal Government and Organization**

The governmental and administrative affairs of the County are carried out by a Board of Supervisors (the “Board”) with three members who serve four-year terms. The Board appoints a County Manager who is responsible for the day-to-day operation of the County. The County Manager supervises the work of appointed department directors and is responsible for the appointment of non-elected department directors, with concurrence of the Board. In addition, the Board appoints all members of the many boards and commissions that assist these programs.

The following table illustrates respective population statistics for Nogales, the County and the State.

**POPULATION STATISTICS**

<u>Year</u>	<u>City of Nogales</u>	<u>Santa Cruz County</u>	<u>State of Arizona</u>
2023 Estimate (a)	20,041	50,004	7,525,113
2020 Census	19,770	47,669	7,151,502
2010 Census	20,837	47,420	6,392,017
2000 Census	20,878	38,381	5,130,632
1990 Census	19,489	29,676	3,665,339
1980 Census	15,683	20,459	2,716,546

(a) Estimate as of July 2023 (data released in December 2023).

Source: Arizona Office of Economic Opportunity, prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

**Economy**

The County’s economy is based on high technology manufacturing, light manufacturing and commercial activities (including construction and trade), tourism, government and agriculture. The table below illustrates the employment structure of the County.

**NON-AGRICULTURAL EMPLOYMENT STRUCTURE  
Santa Cruz County, Arizona**

	<u>2023 Percent of Total (a)</u>
Goods Producing	5.3%
Trade, Transportation, and Utilities	40.9
Other Private Service-Providing	25.0
Government	28.8
Total	<u>100.0%</u>

(a) Data through October 2023.

Source: Arizona Office of Economic Opportunity, prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

**LABOR FORCE AND NONFARM EMPLOYMENT**  
**Santa Cruz County, Arizona**

	2023 (a)	2022	2021	2020	2019	2018
Goods producing	700	700	700	600	800	750
Trade, transportation, and utilities	5,400	5,500	5,400	5,400	5,450	5,525
Other private service-providing	3,300	3,200	3,200	2,850	3,025	3,000
Government	3,800	3,800	3,700	3,750	3,875	3,600
	<u>13,200</u>	<u>13,200</u>	<u>13,000</u>	<u>12,600</u>	<u>13,150</u>	<u>12,875</u>

(a) Data through October 2023.

Source: Arizona Office of Economic Opportunity, prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

The following table illustrates the unemployment rate averages for the County, the State and the United States of America.

**UNEMPLOYMENT RATE AVERAGES**

Calendar Year	Santa Cruz County (a)	State of Arizona (a)	United States of America
2023 (b)	7.5%	3.9%	3.6%
2022	7.5	3.8	3.5
2021	8.8	5.1	3.9
2020	11.3	7.8	6.7
2019	8.7	4.9	3.6
2018	9.2	4.8	3.9

(a) Each year, historical estimates from the Local Area Unemployment Statistics (LAUS) program are revised to reflect new population controls from the Census Bureau, updated input data, and reestimation. The data for model-based areas also incorporate new seasonal adjustment, and the unadjusted estimates are controlled to new census division and U.S. totals. Sub-state area data subsequently are revised to incorporate updated inputs, reestimation, and controlling to new statewide totals.

(b) Data through October 2023.

Source: Arizona Office of Economic Opportunity, prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

## Retail Sales

The following table illustrates retail sales for the County.

**TAXABLE RETAIL SALES**  
**Santa Cruz County, Arizona**  
**(\$000s omitted)**

Calendar Year	Taxable Retail Sales (a)
2023 (b)	\$ 441,915
2022	449,234
2021	369,305
2020	322,256
2019	348,754
2018	321,671

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(a) *The statutory definition of "Retail Sales" is the business of selling tangible personal property at retail. Therefore, this class does not include services or hotels, restaurants or food sales.*

(b) *Data through November 2023.*

Source: Arizona Department of Revenue, Office of Economic Research and Analysis.

## Bank Deposits

The following table illustrates bank deposits for the County.

**BANK DEPOSITS**  
**Santa Cruz County, Arizona**  
**(\$000s omitted)**

Fiscal Year	Amount
2023	\$ 1,213,958
2022	1,415,075
2021	1,060,734
2020	1,064,350
2019	886,113

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Source: Federal Deposit Insurance Corporation.

**FORM OF APPROVING LEGAL OPINION**

[Closing Date]

District Board  
Tubac Fire District  
of Santa Cruz County, Arizona

Re: Tubac Fire District of Santa Cruz County, Arizona General Obligation Bonds, Project of 2008, Series B (2024)

We have examined copies of the proceedings of the District Board of Tubac Fire District of Santa Cruz County, Arizona (the “District”), and other proofs submitted to us relative to the sale and issuance of the captioned Bonds (the “Bonds”). In addition, we have examined such other proceedings, proofs, instruments, certificates and other documents as well as such other materials and such matters of law as we have deemed necessary or appropriate for the purposes of the opinion rendered herein below. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. As to any facts material to our opinion, we have, when relevant facts were not independently established, relied upon the aforesaid proceedings and proofs.

We are of the opinion that such proceedings and proofs show lawful authority for the sale and issuance of the Bonds pursuant to the Constitution and laws of the State of Arizona now in force, and particularly the provisions of Title 48, Chapter 5, Article 1, Arizona Revised Statutes, as amended, and that the Bonds are valid and legally binding obligations of the District, all of the taxable property within which is subject to the levy of a tax, without limitation as to rate or amount, to pay the principal of and interest on the Bonds.

Under existing statutes, regulations, rulings and court decisions, subject to the reliance and assumption stated in the last sentence of this paragraph, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes. Furthermore, interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Internal Revenue Code of 1986, as amended (the “Code”) on applicable corporations (as defined in Section 59(k) of the Code), interest on the Bonds is not excluded from the determination of adjusted financial statement income for tax years beginning after 2022. (We express no opinion regarding other federal tax consequences resulting from the ownership, receipt or accrual of interest on, or disposition of, the Bonds.) The Code includes requirements which the District must continue to meet after the issuance of the Bonds in order that interest on the Bonds not be included in gross income for federal income tax purposes. The failure of the District to meet these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The District Board of the District has resolved in the resolution authorizing the issuance of the Bonds adopted by the District Board of the District on December 20, 2023, to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds. (Subject to the same limitations in the penultimate paragraph hereof, the District has full legal power and authority to comply with such covenants.) In rendering the opinion expressed above, we have assumed continuing compliance with the tax covenants referred to above that must be met after the issuance of the Bonds in order that interest on the Bonds not be included in gross income for federal tax purposes.

The rights of the holders of the Bonds and the enforceability of those rights may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors’ rights. The enforcement of such rights may also be subject to the exercise of judicial discretion in accordance with general principles of equity.

This opinion represents our legal judgment based upon our review of the law and the facts we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof, and we assume no obligation to review or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,



**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

**CONTINUING DISCLOSURE UNDERTAKING**

**\$4,420,000\***  
**TUBAC FIRE DISTRICT**  
**OF SANTA CRUZ COUNTY, ARIZONA**  
**GENERAL OBLIGATION BONDS, PROJECT OF 2008, SERIES B (2024)**

**(BASE CUSIP IDENTIFICATION NO. 89856A)**

This Continuing Disclosure Undertaking (this “Disclosure Undertaking”) is executed and delivered by Tubac Fire District of Santa Cruz County, Arizona (the “District”), in connection with the \$4,420,000\* aggregate principal amount of General Obligation Bonds, Project of 2008, Series B (2024) (the “Series 2024 Bonds”). The Series 2024 Bonds are being issued pursuant to a resolution adopted by the District Board of the District on December 20, 2023 (the “Bond Resolution”). The District covenants and agrees as follows:

SECTION 1. Definitions. In addition to the definitions set forth hereinabove, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Undertaking.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2024 Bonds (including persons holding Series 2024 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2024 Bonds for federal income tax purposes.

“Dissemination Agent” shall mean the District, or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

“EMMA” shall mean the Electronic Municipal Market Access system of the MSRB. As of the date of this Disclosure Undertaking, information regarding submissions to EMMA is available at <http://emma.msrb.org>.

“Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Undertaking.

“MSRB” shall mean Municipal Securities Rulemaking Board.

“Official Statement” shall mean the final Official Statement, dated \_\_\_\_\_, 2024, for the Series 2024 Bonds.

“Participating Underwriters” shall mean the original underwriters of the Series 2024 Bonds required to comply with the Rule in connection with the offering of the Series 2024 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Arizona.

SECTION 2. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the District for the benefit of the Beneficial Owners and in order to assist the Participating Underwriters in complying with the Rule.

SECTION 3. Provision of Annual Reports.

(a) Subject to annual appropriation to cover the costs of preparation and mailing thereof, the District shall, or shall cause the Dissemination Agent to, not later than February 1 following the end of the District’s fiscal year (presently June 30), commencing with the Annual Report for the 2023-2024 Fiscal Year, provide through EMMA an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a).

(b) Not later than fifteen (15) business days prior to the date on which the Annual Report shall be provided through EMMA pursuant to subsection (a), the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If the District is unable to provide through EMMA an Annual Report by the date required in subsection (a), the District shall send a notice on the form provided through EMMA for such purpose not more than ten (10) business days after the date on which the Annual Report is due.

(c) The Dissemination Agent shall, if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided.

SECTION 4. Content of Annual Reports. The District’s Annual Report shall contain or include by reference the following:

(a) If available at the time of such filing, the audited financial statements of the District for the prior fiscal year, prepared in accordance with generally accepted auditing standards. If the District’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report within 30 days of the date they become available.

(b) Additional financial information and operating data of the type included with respect to the District in the following tables in APPENDIX A – “THE DISTRICT – DISTRICT INFORMATION” and APPENDIX B – “THE DISTRICT – FINANCIAL INFORMATION” to the Official Statement:

- TABLE 4 – Property Taxes Levied and Collected;
- TABLE 6 – Net Limited Assessed Property Value by Property Classification;
- TABLE 7 – Net Limited Assessed Property Value of Major Taxpayers; and
- TABLE 12 – Statutory Debt Limit / Unused Borrowing Capacity after Bond Issuance.

SECTION 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, but subject to annual appropriation to cover the costs of preparation and mailing thereof, the District shall give, or cause to be given in a timely manner, but not more than ten (10) business days thereafter, through EMMA notice of the occurrence of any of the following events with respect to the Series 2024 Bonds:

1. Principal and interest payment delinquencies,
2. Nonpayment related defaults, if material,

3. Unscheduled draws on debt service reserves, if any, reflecting financial difficulties,
4. Unscheduled draws on credit enhancements reflecting financial difficulties,
5. Substitution of the credit or liquidity providers or their failure to perform,
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations, in each case, with respect to the tax status of the Series 2024 Bonds or other material events affecting the tax status of the Series 2024 Bonds,
7. Modifications to rights of holders of the Series 2024 Bonds, if material,
8. Bond calls, if material, or tender offers,
9. Defeasances,
10. Release, substitution or sale of property securing repayment of the Series 2024 Bonds, if material,
11. Rating changes,
12. Bankruptcy, insolvency, receivership or similar events of the District, being if any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District,
13. The consummation of a merger, consolidation or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material,
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material,
15. Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material,
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties, and
17. Notice of a failure of the District to provide required annual financial information on or before the date specified in Section 3 above, including any non-appropriation to cover applicable costs.

(b) Whether events subject to the standard “material” would be material shall be determined under applicable federal securities laws.

SECTION 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Undertaking shall terminate (A) upon the legal defeasance, prior redemption or payment in full of all of the Series 2024 Bonds, or (B) upon the termination of the continuing disclosure requirements of the Rule by legislative, judicial or administrative action. If termination pursuant to (A) occurs prior to the final maturity of the Series 2024 Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(a).

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Undertaking.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the District may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Series 2024 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized securities law counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2024 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized securities law counsel, materially impair the interests of the Beneficial Owners.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the District shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Undertaking, any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Bond Resolution, and the sole remedy under this Disclosure Undertaking in the event of any failure of the District to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriters and the Beneficial Owners from time to time of the Series 2024 Bonds, and shall create no rights in any other person or entity.

Dated: [Closing Date]

TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA

By .....  
Chairman, District Board

## BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Securities Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants” and together with the Direct Participants, the “Participants”). DTC has Standard & Poor’s rating of: “AA+.” The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the

Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and Paying Agent and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of principal of and interest on the Bonds and the redemption price of any Bond will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Bond Registrar and Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar and Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and interest on the Bonds and the redemption price of any Bonds will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or Bond Registrar and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Bond Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Honorable Members of the District Board  
Tubac Fire District of Santa Cruz County, Arizona

The enclosed draft of the preliminary official statement (“POS”) has been assembled by Stifel, Nicolaus & Company, Incorporated (“Stifel”), the underwriter to the District for the bonds, using information that is typically included in an Arizona fire district bond POS (sent to them by the district and other sources indicated therein), is currently in draft form and will be reviewed and edited by District officials and members of the District’s financing team before it is sent to potential investors. Stifel has suggested, with concurrence of bond counsel, Greenberg Traurig, LLP, that District Administration enclose the draft POS to allow District Board members an opportunity to review and return questions or comments, if any. A POS is required by Securities and Exchange Commission (“SEC”) regulations to be sent to prospective purchasers prior to conducting any public sale of bonds. The POS must contain all material information necessary to allow potential investors to make informed investment decisions and must not be misleading. However, we bring to the attention of District Board members that POS content is the sole responsibility of the District and that statements by SEC officials in recent years have clarified that District Board participation in POS review is required. Though an exhaustive detailed review by District Board members may be impractical and largely duplicative, we suggest that attention on portions relating directly to the District and the community (Appendices A, B and D) may identify information that has been excluded that a bond investor would want to know or included information that is confusing or appears inaccurate.

Please return any questions or comments you might have to Ben Guerrero, Fire Chief by December 20, 2023.