

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and appointed City Clerk of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "A RESOLUTION OF THE CITY COUNCIL SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY OF BILLINGS, MONTANA, THE QUESTION OF ISSUING GENERAL OBLIGATION BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED ONE HUNDRED FORTY THREE MILLION DOLLARS (\$143,000,000) FOR THE PURPOSE OF PAYING COSTS OF PARKS, TRAILS AND RECREATION IMPROVEMENTS IN THE CITY AND COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council at a regular meeting on July 10, 2023, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council members voted in favor thereof: _____
_____; voted
against the same: _____; abstained from voting
thereon: _____; or were absent:
_____.

WITNESS my hand officially this __ day of _____, 2023.

Denise Bohlman, City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY OF BILLINGS, MONTANA, THE QUESTION OF ISSUING GENERAL OBLIGATION BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED ONE HUNDRED FORTY THREE MILLION DOLLARS (\$143,000,000) FOR THE PURPOSE OF PAYING COSTS OF PARKS, TRAILS AND RECREATION IMPROVEMENTS IN THE CITY AND COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS

BE IT RESOLVED by the City Council (the “Council”) of the City of Billings, Montana (the “City”) as follows:

Section 1. Recitals.

1.01. Authorization. Pursuant to Section 7-16-4104, Montana Code Annotated (“MCA”), upon approval of the qualified electors of the City, the City is authorized to issue general obligation bonds pledging the general credit of the City for the purpose of purchasing and improving lands for public parks and grounds; procuring by purchase, construction or otherwise various cultural, social or recreational facilities, including civic centers, and furnishing, equipping, repairing or rehabilitating such facilities; provided that such indebtedness will not cause the total indebtedness of the City to exceed 0.9% of the total assessed value of taxable property of the City, determined as provided in Section 15-8-111, MCA, ascertained by the last assessment for state and county taxes. The Council is authorized pursuant to Section 7-7-4223, MCA, to call a bond election by adopting a resolution to that effect.

1.02. Proposed Improvements; Bonds. The Council has determined that it is in the best interest of the City and its citizens to improve the City’s parks, trails, and recreation properties and facilities to provide greater recreational opportunities for all citizens. Therefore, the Council hereby determines that there should be submitted to the qualified electors of the City the question of whether the Council shall be authorized to sell and issue bonds of the City for the purpose of providing funds to pay the costs of designing, constructing, improving, installing, and equipping City parks and recreation properties and facilities in the Heights, Downtown, South Side and West End of the City to improve the health and safety of the City through increased recreational opportunities for all citizens, including funds for repairs and improvements to existing City parks, trails, and playgrounds, thereby providing more equitable access to City recreation properties and facilities, for leveraging and/or matching state and federal grants and other sources for parks and recreation improvements, for a new recreation center to be located on the south side of the City, and for park properties, facilities and trails at the new water reservoir; and to pay the costs associated with the sale and issuance of the bonds. It is the judgment of the Council that the total principal amount of up to \$143,000,000 in general obligation bonds will be necessary to carry out the purpose set forth above. It is also the judgment and determination of the Council that such general obligation bonds may be issued in multiple series, each series payable during a term not to exceed twenty (20) years.

1.03. Debt Limitation. The Council acknowledges that, based on the total assessed value of taxable property in the City applicable for fiscal year 2023 (\$14,257,070,989), the City is

authorized to issue \$128,313,639 in principal amount of general obligation bonds for cultural, social and recreational purposes under Section 7-16-4104, MCA. If the electors approve the issuance of up to \$143,000,000 in principal amount of general obligation bonds, the Council will issue bonds in such amounts and at such times that the issuance of such bonds will not cause the City to exceed its general obligation indebtedness limitation under Section 7-16-4104, MCA, taking into account other outstanding indebtedness issued under Section 7-16-4104, MCA, including the City's General Obligation Refunding Bonds, Series 2015, which were issued to refinance the baseball stadium and related improvements in Athletic Park.

Section 2. Calling of the Election. The Council hereby calls and directs that a special City election be held on November 7, 2023, to be conducted in accordance with the provisions of Title 13, Chapter 19, Parts 1-3, MCA, for the purpose of voting on the following question:

For the purpose of providing funds to pay the costs of designing, constructing, improving, installing, and equipping City parks, trails, and recreation properties and facilities in the Heights, Downtown, South Side and West End of the City to improve the health and safety of the City through increased recreational opportunities for all citizens, including funds for repairs and improvements to existing City parks, trails, and playgrounds, thereby providing more equitable access to City recreation properties and facilities, for leveraging and/or matching state and federal grants and other sources for parks and recreation improvements, for a new recreation center to be located on the south side of the City, and for park properties, facilities and trails at the new water reservoir; and to pay the costs associated with the sale and issuance of the bonds, shall the City of Billings, Montana (the "City") be authorized to issue and sell general obligation bonds of the City, in one or more series, in an aggregate principal amount not to exceed One Hundred Forty Three Million Dollars (\$143,000,000), bearing interest at rates to be determined at the time of the sale, payable semiannually, during a term as to each series of bonds of not more than twenty (20) years?

If this bond election is passed, based on the taxable value of the City in fiscal year 2023, and assuming the bonds are issued in one series at the interest rate of 4.00% per annum, the property taxes on a home with an assessed market value for tax purposes of \$100,000 would increase by \$64.28 per year; property taxes on a home with an assessed market value for tax purposes of \$300,000 would increase by \$192.83 per year; and property taxes on a home with an assessed market value for tax purposes of \$600,000 would increase by \$385.65 per year.¹ An increase in property taxes may lead to an increase in rental costs.

Section 3. Conduct of Election. All qualified electors of the City shall be entitled to vote at the bond election. The City Clerk is hereby authorized and directed to give notice of the call and details of this election to the Yellowstone County Election Administrator promptly, and in any event on or the before the date required by the Yellowstone County Election Administrator, to inform the Yellowstone County Election Administrator of the details of the special election

¹ To be updated to reflect fiscal year 2024 certified values, if possible.

and the pertinent requests and authorizations as to the conduct of the special election. The City, through the City Clerk, City Finance Director, City Administrator and/or other appropriate City officers and staff, shall coordinate with the Yellowstone County Election Administrator to update tax impact information on election materials to reflect fiscal year 2024 certified values, if possible. The Yellowstone County Election Administrator is requested to give notice of the close of registration and thereafter prepare printed lists of the qualified electors in the City entitled to vote in the election in the City and to conduct the election in the form and manner prescribed by law and consistent with the mail ballot plan.

Section 4. Notice of Election. The City Clerk is hereby authorized and requested to cause notice of the call and holding of the election to be given by publishing notice at least three times, no earlier than 40 days and no later than 10 days before the election, in the *Yellowstone County News*, a newspaper of general circulation in Yellowstone County. The notice of election as published shall read substantially as shown on Exhibit A hereto (which is incorporated by reference and made a part hereof), provided that tax impact information will be updated with fiscal year 2024 certified values, if possible.

Section 5. Form of Ballot. The ballot shall be printed in substantially the following form (with tax impact information to be updated with fiscal year 2024 certified values, if possible):

[remainder of page intentionally left blank]

FORM OF OFFICIAL BALLOT

CITY OF BILLINGS PARKS, TRAILS, AND FACILITIES
GENERAL OBLIGATION BOND

INSTRUCTIONS TO VOTERS: Completely fill in the oval using a blue or black ink pen before the words “BONDS—YES” if you wish to vote for the bond issue; if you are opposed to the bond issue, completely fill in the oval using a blue or black ink pen before the words “BONDS—NO.”

For the purpose of providing funds to pay the costs of designing, constructing, improving, installing, and equipping City parks, trails, and recreation properties and facilities in the Heights, Downtown, South Side and West End of the City to improve the health and safety of the City through increased recreational opportunities for all citizens, including funds for repairs and improvements to existing City parks, trails, and playgrounds, thereby providing more equitable access to City recreation properties and facilities, for leveraging and/or matching state and federal grants and other sources for parks and recreation improvements, for a new recreation center to be located on the south side of the City, and for park properties, facilities and trails at the new water reservoir; and to pay the costs associated with the sale and issuance of the bonds, shall the City of Billings, Montana (the “City”) be authorized to issue and sell general obligation bonds of the City, in one or more series, in an aggregate principal amount not to exceed One Hundred Forty Three Million Dollars (\$143,000,000), bearing interest at rates to be determined at the time of the sale, payable semiannually, during a term as to each series of bonds of not more than twenty (20) years?

If this bond election is passed, based on the taxable value of the City in fiscal year 2023, and assuming the bonds are issued in one series at the interest rate of 4.00% per annum, the property taxes on a home with an assessed market value for tax purposes of \$100,000 would increase by \$64.28 per year; property taxes on a home with an assessed market value for tax purposes of \$300,000 would increase by \$192.83 per year; and property taxes on a home with an assessed market value for tax purposes of \$600,000 would increase by \$385.65 per year.² An increase in property taxes may lead to an increase in rental costs.

BONDS – YES

BONDS – NO

² To be updated to reflect fiscal year 2024 certified values, if possible.

Section 6. Reimbursement Expenditures.

(a) For purposes of this Section 6, “project” means the parks, trails and recreation improvements as described in Section 1.02. The United States Department of Treasury has promulgated final regulations governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the City for project expenditures paid by the City prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the “Regulations”) require that the City adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds within 18 months (or three years, if the reimbursement bond issue qualifies for the “small issuer” exception from the arbitrage rebate requirement) after the later of (i) the date the expenditure is paid or (ii) the date the project is placed in service or abandoned, but (unless the issue qualifies for the “small issuer” exception from the arbitrage rebate requirement) in no event more than three years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the bonds.

(b) Other than (i) expenditures to be paid or reimbursed from sources other than the bonds, (ii) expenditures permitted to be reimbursed under the transitional provision contained in Section 1.150-2(j)(2) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a “de minimus” amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for a project within the scope of this resolution have been paid by the City before the date 60 days before the date of adoption of this resolution.

(c) The City reasonably expects to reimburse the expenditures made for costs of such a project out of the proceeds of bonds in an estimated maximum aggregate principal amount of up to \$143,000,000 after the date of payment of all or a portion of the costs of such a project. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the bonds or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations.

(d) As of the date hereof, there are no City funds reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to such a project, other than pursuant to the issuance of the bonds. The statement of intent contained in this resolution, therefore, is determined to be consistent with the City’s budgetary and financial circumstances as they exist or are reasonably foreseeable on the date hereof.

(e) The City Finance Director shall be responsible for making the “reimbursement allocations” described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the bonds to reimburse the source of temporary financing used by the City to make prior payment of the costs of the project. Each allocation shall be evidenced by an entry on the official books and records of the City maintained for the bonds or the project and shall specifically identify the actual original expenditure being reimbursed.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana on this 10th day of July, 2023.

Mayor

Attest: _____
City Clerk

(SEAL)

EXHIBIT A

NOTICE OF CITY OF BILLINGS PARKS, TRAILS, AND FACILITIES
GENERAL OBLIGATION BOND ELECTION

City of Billings, Montana
November 7, 2023

NOTICE IS HEREBY GIVEN by the City Council of the City of Billings, Montana (the “City”), that pursuant to a certain resolution duly adopted at a regular meeting of the Council on July 10, 2023, a special election of the registered voters of the City will be held on November 7, 2023, for the purpose of voting on the following question:

For the purpose of providing funds to pay the costs of designing, constructing, improving, installing, and equipping City parks, trails, and recreation properties and facilities in the Heights, Downtown, South Side and West End of the City to improve the health and safety of the City through increased recreational opportunities for all citizens, including funds for repairs and improvements to existing City parks, trails, and playgrounds, thereby providing more equitable access to City recreation properties and facilities, for leveraging and/or matching state and federal grants and other sources for parks and recreation improvements, for a new recreation center to be located on the south side of the City, and for park properties, facilities and trails at the new water reservoir; and to pay the costs associated with the sale and issuance of the bonds, shall the City of Billings, Montana (the “City”) be authorized to issue and sell general obligation bonds of the City, in one or more series, in an aggregate principal amount not to exceed One Hundred Forty Three Million Dollars (\$143,000,000), bearing interest at rates to be determined at the time of the sale, payable semiannually, during a term as to each series of bonds of not more than twenty (20) years?

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The election will be conducted solely by mail ballot. Ballots will be mailed to all eligible registered electors on October 18, 2023, and must be returned by each voter (1) by mail, to the Yellowstone County Election Administrator, P.O. Box 35002, Billings, MT 59107, or (2) delivered in person to the Yellowstone County Election Office located at 217 N. 27th Street,

³ To be updated based on fiscal year 2024 certified values, if possible.

Room 101, in Billings, Montana during regular business hours (8:00 a.m. to 5:00 p.m.) weekdays (exclusive of holidays) October 19, 2023 through November 6, 2023.

If returning by mail, please use the then-prevailing first-class-postage price or one Forever Stamp. Postmark date does not apply; ballots returned by mail must be received by the 8:00 p.m. Election Day deadline to be counted.

On Election Day, November 7, 2023, the only places for deposit of voted ballots will be the office of the Yellowstone County Election Administrator in the Yellowstone County Election Office located at 217 N. 27th Street, Room 101, in Billings, Montana, and such other ballot drop-off locations as are identified in the election instructions provided by the Yellowstone County Election Administrator, which will be open from 7:00 a.m. to 8:00 p.m. All ballots will be tallied in the office of the Yellowstone County Election Administrator on November 7, 2023 as required by law.

A qualified voter who will be absent during the time the election is being conducted may:

(a) vote in person in the office of the Yellowstone County Election Administrator as soon as the ballots are available and until 8:00 p.m. on Election Day; or

(b) make a written request prior to noon on November 6, 2023, signed by the applicant and addressed to the office of the Yellowstone County Election Administrator requesting the ballot be mailed to an address other than that which appears on the registration records.

An elector may obtain a replacement ballot if his or her ballot is destroyed, spoiled, lost, or not received by the elector, by filling out and mailing, emailing, or faxing back a completed replacement ballot request form or by personally appearing at the office of the Yellowstone County Election Office located at 217 N. 27th Street, Room 101, in Billings, Montana.

Electors who miss the close of registration deadline may register late and vote in the election if the County Election Administrator receives and verifies the electors' voter registration information prior to 8 p.m. on November 7, 2023.

DATED this ____ day of _____, 2023.

/s/ K.V. Aldrich
Yellowstone County Election Administrator

Publish: October 8, October 15, and October 22, 2023