

FILED

MAY 26 2023

STACEY SHELLEY
County Clerk
Crawford County, AR

**CITY OF ALMA, ARKANSAS
ORDINANCE NO. 2023-09**

AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF ALMA, ARKANSAS ON THE QUESTIONS OF ISSUING BONDS UNDER AMENDMENT NO. 62 TO THE CONSTITUTION OF THE STATE OF ARKANSAS FOR THE PURPOSE OF FINANCING THE COSTS OF CAPITAL IMPROVEMENTS; LEVYING A ONE PERCENT (1%) SALES AND USE TAX FOR THE PURPOSE OF RETIRING SUCH BONDS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City Council of the City of Alma, Arkansas (the "City") has determined that the City is in need of (a) new or improvements to existing streets and roads, and any sidewalks, lighting and utility adjustments and curb, gutter and drainage improvements related thereto (the "Street Improvements"), (b) new or improvements to existing park and recreational facilities and any necessary equipment and parking, drainage, lighting and utility improvements therefor (the "Park and Recreational Improvements"), (c) equipment, apparatus and new, or improvements to existing, facilities for the City's fire department, including any necessary parking and utility improvements therefor (the "Fire Department Improvements"), (d) equipment, apparatus and new, or improvements to existing, facilities for the City's police department, including any necessary land acquisition and parking and utility improvements therefor (the "Police Department Improvements"), (e) betterments and improvements to the City's water system (the "Water Improvements") and (f) betterments and improvements to the City's sewer system (the "Sewer Improvements"); and

WHEREAS, pursuant to a special election held August 12, 2014, the City issued and has outstanding its Sales and Use Tax Refunding and Improvement Bonds, Series 2014, its Sales and Use Tax Bonds, Series 2015 and its Sales and Use Tax Bonds, Series 2016 (collectively, the "Prior Sales and Use Tax Bonds"); and

WHEREAS, the Prior Sales and Use Tax Bonds were issued to finance various capital improvements and are secured by and payable from collections of a 1% City-wide sales and use tax levied pursuant to Ordinance No. 2014-6 of the City adopted May 15, 2014 (the "2014 Tax"); and

WHEREAS, the 2014 Tax will expire when there are sufficient funds on hand to fully retire the Prior Sales and Use Tax Bonds and when the required notice period has run; and

WHEREAS, the City expects that the 2014 Tax will expire on October 1, 2023; and

WHEREAS, the City Council proposes to finance all or a portion of the costs of the Street Improvements, the Park and Recreational Improvements, the Fire Department Improvements, the Police Department Improvements, the Water Improvements and the Sewer Improvements (collectively, the "Improvements") by the issuance of capital improvement bonds (the "Bonds") under the authority of Amendment No. 62 to the Constitution of the State of Arkansas

("Amendment 62") and Title 14, Chapter 164, Subchapter 3 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation"), allocated as follows: \$4,300,000 in maximum aggregate principal amount for the Street Improvements; \$565,000 in maximum aggregate principal amount for the Park and Recreational Improvements; \$4,000,000 in maximum aggregate principal amount for the Fire Department Improvements; \$4,500,000 in maximum aggregate principal amount for the Police Department Improvements; \$1,950,000 in maximum aggregate principal amount for the Water Improvements and \$1,750,000 in maximum aggregate principal amount for the Sewer Improvements; and

WHEREAS, the City can pay the principal of and interest on the Bonds from the proceeds of a City-wide 1% sales and use tax to be levied under the authority of the Authorizing Legislation, which is the same rate as the 2014 Tax; and

WHEREAS, based upon the date of the special election called in Section 1 hereof, the sales and use tax levied by this Ordinance would take effect on January 1, 2024; and

WHEREAS, the purpose of this Ordinance is to submit to the electors of the City the questions of issuing the Bonds for the Improvements under Amendment 62 and the Authorizing Legislation at a special election to be called for that purpose and to levy a sales and use tax at the rate of one percent (1%) on the receipts from the sales at retail within the City of all items which are subject to taxation under the Arkansas Gross Receipts Act of 1941, as amended (A.C.A. §§26-52-101, et seq.), and the receipts from storing, using, distributing or consuming within the City tangible personal property under the Arkansas Compensating Tax Act of 1949, as amended (A.C.A. §§26-53-101, et seq.) (collectively, the "Sales and Use Tax");

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Alma, Arkansas:

SECTION 1: There is hereby called a special election to be held on August 8, 2023, at which election there shall be submitted to the electors of the City the questions of issuing the Bonds under Amendment 62 and the Authorizing Legislation to pay all or a portion of the costs of accomplishing the Improvements in the maximum aggregate principal amounts described above, to be payable from collections of the Sales and Use Tax remaining after deduction of administrative charges of the State of Arkansas and required rebates.

SECTION 2: In order to provide for the payment of the principal of and interest on the Bonds and all obligations of the City in connection therewith, there is hereby levied the Sales and Use Tax. The levy of the Sales and Use Tax shall not become effective until the special election called in Section 1 above has been held and the issuance of the Bonds for at least one purpose is approved by the voters. The Sales and Use Tax shall be levied and collected on the gross receipts, gross proceeds or sales price in the maximum amount allowed from time to time by Arkansas law, subject to rebates and limitations from time to time required by Arkansas statutes for certain single transactions.

SECTION 3: The questions of issuing the Bonds shall be placed on the ballot for the election in substantially the following form:

The bonds described below that are approved may be combined into a single issue or may be issued in series from time to time. If the bonds for one or more of the purposes are approved, there will be levied a 1% sales and use tax for the sole purpose of retiring bonds. The net collections of the tax remaining after deduction of administrative charges of the State of Arkansas and required rebates, will be used solely to retire the bonds and obligations of the City with respect thereto. The tax will not go into effect until after the City's existing 1% sales and use tax levied in 2014 for the sole purpose of retiring bonds has expired. The rate of taxation will be 1% even if bonds for more than one purpose are approved.

STREET IMPROVEMENT BONDS

Bonds of the City of Alma in the maximum aggregate principal amount of \$4,300,000 for the purpose of financing all or a portion of the costs of new or improvements to existing streets and roads, and any sidewalks, lighting and utility adjustments and curb, gutter and drainage improvements related thereto, and, in order to pay the bonds, the levy and pledge of a 1% local sales and use tax within the City.

FOR..... ☐

AGAINST ☐

PARK AND RECREATIONAL IMPROVEMENT BONDS

Bonds of the City of Alma in the maximum aggregate principal amount of \$565,000 for the purpose of financing all or a portion of the costs of new or improvements to existing park and recreational facilities and any necessary equipment and parking, drainage, lighting and utility improvements therefor, and, in order to pay the bonds, the levy and pledge of a 1% local sales and use tax within the City.

FOR..... ☐

AGAINST ☐

FIRE DEPARTMENT IMPROVEMENT BONDS

Bonds of the City of Alma in the maximum aggregate principal amount of \$4,000,000 for the purpose of financing all or a portion of the costs of equipment, apparatus and new, or improvements to existing, facilities for the City's fire department, including any necessary parking and utility improvements therefor, and, in order to pay the bonds, the levy and pledge of a 1% local sales and use tax within the City.

FOR..... ☐

AGAINST ☐

POLICE DEPARTMENT IMPROVEMENT BONDS

Bonds of the City of Alma in the maximum aggregate principal amount of \$4,500,000 for the purpose of financing all or a portion of the costs of equipment, apparatus and new, or improvements to existing, facilities for the City's police department, including any necessary land acquisition and parking and utility improvements therefor, and, in order to pay the bonds, the levy and pledge of a 1% local sales and use tax within the City.

FOR..... ☐

AGAINST ☐

WATER IMPROVEMENT BONDS

Bonds of the City of Alma in the maximum aggregate principal amount of \$1,950,000 for the purpose of financing all or a portion of the costs of betterments and improvements to the City's water system and, in order to pay the bonds, the levy and pledge of a 1% local sales and use tax within the City.

FOR..... ☐

AGAINST ☐

SEWER IMPROVEMENT BONDS

Bonds of the City of Alma in the maximum aggregate principal amount of \$1,750,000 for the purpose of financing all or a portion of the costs of betterments and improvements to the City's sewer system and, in order to pay the bonds, the levy and pledge of a 1% local sales and use tax within the City.

FOR..... ☐

AGAINST ☐

SECTION 4: The election shall be held and conducted and the vote canvassed and the results declared under the law and in the manner now provided for municipal elections unless otherwise provided in the Authorizing Legislation and only qualified voters of the City shall have the right to vote at the election.

SECTION 5: The results of the election shall be proclaimed by the Mayor, and his Proclamation shall be published one time in a newspaper having a general circulation in the City, which Proclamation shall advise that the results as proclaimed shall be conclusive unless attacked in the courts within thirty days after the date of publication.

SECTION 6: A copy of this Ordinance shall be filed with the Crawford County Clerk at least 70 days prior to the date of the special election. A copy of this Ordinance shall be given to the Crawford County Board of Election Commissioners so that the necessary election officials and supplies may be provided. A certified copy of this Ordinance shall also be provided to the Commissioner of Revenues of the State of Arkansas as soon as practical.

SECTION 7: The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to call and hold the special election as herein provided and to perform all acts of whatever nature necessary to carry out the authority conferred by this Ordinance.

SECTION 8: Collections of the 2014 Tax not necessary to pay the Prior Sales and Use Tax Bonds may be used if necessary or appropriate to provide for the payment of the Bonds.

SECTION 9: If the Bonds are approved and issued, the City intends to negotiate with Stephens Inc., which has assisted the City in preparation of the Bond size and repayment structure, for the sale of the Bonds.

SECTION 10: Following adoption, this Ordinance shall be posted in the following public places in the City: Alma Municipal Complex, Alma Water Department, Alma School District Administration Office, Alma Public Library and Alma Post Office, being five of the most public places in the City.

SECTION 11: The provisions of this Ordinance are hereby declared to be separable and if any

provision shall for any reason be held illegal or invalid, such holding shall not affect the validity of the remainder of this Ordinance.

SECTION 12: All ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.


PASSED AND APPROVED THIS THE 25th DAY OF MAY, 2023.

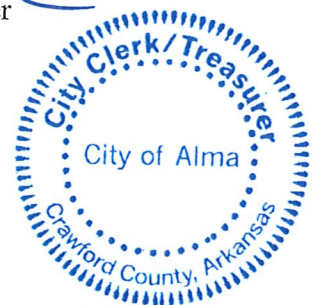
APPROVED:


Jim Fincher, Mayor



ATTESTED:


Khris Miller, Clerk-Treasurer



CERTIFICATE

The undersigned, City Clerk of the City of Alma, Arkansas, hereby certifies that the foregoing pages are a true and correct copy of Ordinance No. 2023-09, adopted at a Special session of the City Council of the City of Alma, Arkansas, held at the regular meeting place of the City Council in the City at 07:00 p.m., on the 25th day of May, 2023, and that said Ordinance is of record in Ordinance Record Book 2023, now in my possession.

GIVEN under my hand and seal this the 25th day of May, 2023.


Khris Miller, Clerk - Treasurer

