

FILED

MAR 09 2021

LESLI PENNY

COUNTY & PROBATE COURT CLERK

ORDINANCE NO. 2021-03

AN ORDINANCE AMENDING ORDINANCE NO. 2015-25 IN ORDER TO AUTHORIZE THE NET COLLECTIONS OF THE 2% SALES AND USE TAX LEVIED WITHIN THE CITY OF BROOKLAND, ARKANSAS BY ORDINANCE NO. 2015-25 TO BE USED TO PAY AND SECURE THE REPAYMENT OF BONDS APPROVED BY THE VOTERS AND ISSUED BY THE CITY FROM TIME TO TIME TO FINANCE AND REFINANCE CAPITAL IMPROVEMENTS; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, pursuant to Ordinance No. 2015-25, adopted August 31, 2015 ("Ordinance No. 2015-25"), and an election held November 10, 2015, the City of Brookland, Arkansas (the "City") has levied a City-wide 2% sales and use tax (the "Tax"); and

WHEREAS, the net collections of the Tax are currently used by the City to pay and secure the repayment of bonds approved by the voters and issued by the City for the purpose of financing all or a portion of the costs of extensions, betterments and improvements to the City's water facilities; and

WHEREAS, the City Council has determined that it would be in the best interest of the City to issue bonds (the "Bonds") to refund the City's Sales and Use Tax Bonds, Series 2016 and to finance the following capital improvements: (a) park and recreational facilities and improvements, including particularly, without limitation, ball fields, any land acquisition therefor, and any furnishings, equipment, utility adjustments and lighting, street, parking, landscaping, signage and drainage improvements related thereto or in support thereof, (b) the acquisition and construction of a municipal building that will contain city offices and a police station, any land acquisition therefor, and any furnishings, equipment, utility adjustments and lighting, street, parking, landscaping, signage and drainage improvements related thereto or in support thereof, and (c) extensions, betterments and improvements to the City's sewer facilities, and to secure the Bonds with a pledge of the collections of the Tax; and

WHEREAS, it is necessary to amend Ordinance No. 2015-25 to change the purposes for which the net collections of the Tax may be used in order for the Bonds to be secured by Tax receipts;

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

Section 1. The title of Ordinance No. 2015-25 is hereby amended to read as follows:

"AN ORDINANCE PROVIDING FOR THE LEVY OF A TWO PERCENT (2%) SALES AND USE TAX WITHIN THE CITY OF BROOKLAND, ARKANSAS TO PAY AND SECURE THE REPAYMENT OF BONDS ISSUED TO FINANCE AND REFINANCE ALL OR A PORTION OF THE COSTS OF CAPITAL IMPROVEMENTS; REPEALING ORDINANCE NOS. 2015-23 AND

2015-24; AND PRESCRIBING OTHER MATTERS PERTAINING
THERE TO. "

Section 2. The first and fourth WHEREAS clauses of Ordinance No. 2015-25 are hereby amended to read as follows:

"WHEREAS, the City Council of the City of Brookland, Arkansas (the "City") has determined that there is a great need for a source of revenue to pay and secure the repayment of bonds approved by the voters and issued by the City from time to time for the purpose of financing and refinancing all or a portion of the costs of capital improvements ("Capital Improvement Bonds"); and

WHEREAS, the City Council has proposed the levy of a two percent (2%) city-wide sales and use tax under the authority of the Authorizing Legislation to pay and secure Capital Improvement Bonds;"

Section 3. Section 2 of Ordinance No. 2015-25 is hereby amended to read as follows:

"Section 2. The Sales and Use Tax shall be levied, and the net collections received after deduction of the administrative charges of the State of Arkansas and required rebates shall be used by the City to pay and secure the repayment of Capital Improvement Bonds and all obligations of the City with respect thereto; provided, however, that any amounts not necessary to pay in full the Capital Improvement Bonds and all obligations of the City with respect thereto may be used for any lawful municipal purpose."

Section 4. Section 3 of Ordinance No. 2015-25 is hereby amended to read as follows:

"Section 3. The Sales and Use Tax shall expire on the first date on which the Sales and Use Tax can be administratively removed when (a) there are sufficient funds to pay in full any outstanding Capital Improvement Bonds secured by a pledge of collections of the Sales and Use Tax and (b) the City Council determines that the purposes of the Sales and Use Tax cannot be or cannot continue to be fulfilled because no Capital Improvement Bonds secured by a pledge of collections of the Sales and Use Tax will be issued in the future."

Section 5. Section 7 of Ordinance No. 2015-25 is hereby amended to read as follows:

"This Ordinance shall not take effect until an election is held on the question of levying the Sales and Use Tax at which a majority of the electors voting on the question shall have approved (a) the levy of the Sales and Use Tax and (b) the issuance of bonds secured by a pledge of collections of the Sales and Use Tax."

Section 6. Following adoption, this Ordinance shall be posted in the following public places in the City: City Hall, Police Station, Post Office, LaCascada Restaurant, and Dollar General.

Section 7. The provisions of this Ordinance are hereby declared to be separable, and if any provision shall for any reason be held illegal or invalid, it shall not affect the validity of the remainder of this Ordinance.

Section 8. Ordinance No. 2015-25, as amended hereby, shall remain and be in full force and effect.

PASSED: March 8, 2021

ATTEST:



City Clerk

APPROVED:



Mayor

(SEAL)



CERTIFICATE

The undersigned, City Clerk of Brookland, Arkansas, hereby certifies that the foregoing pages are a true and perfect copy of Ordinance No. 2021-03, passed at a regular session of the City Council of Brookland, Arkansas, held at the regular meeting place of the City Council at 7:00 o'clock p.m., on the 8th day of March, 2021, and that the Ordinance is of record in the Ordinance Record Book now in my possession.

GIVEN under my hand and seal this 8th day of March, 2021.


City Clerk

(SEAL)

