

TITLE 3

FISCAL AFFAIRS

Chapters:

- 3.04 Purchases
- 3.08 Council Employment
- 3.12 Authority to Accept a Lower Interest Rate
- 3.16 Sales & Use Tax

CHAPTER 3.04

PURCHASES

Sections:

- 3.04.01 \$5,000.00 or under
- 3.04.02 Over \$5,000.00
- 3.04.03 Approval of payments
- 3.04.04 Sale or exchange of supplies, materials or equipment valued at less than \$5,000.00
- 3.04.05 Capital addition
- 3.04.06 Sale or disposal of property
- 3.04.07 Waive Competitive Bidding

3.04.01 \$5,000.00 or under. The Mayor or his duly authorized representative shall have exclusive power and responsibility to make or authorized to make purchases of all supplies, apparatus, equipment, materials and other things requisite for public purposes for the city of Decatur, Arkansas, and to make all necessary contracts for work or labor to be done, or material or other necessary things to be furnished for the benefit of the city where the amount of the expenditure for any purpose or contract does not exceed the sum of Five Thousand Dollars (\$5,000.00). (Ord. No. 96-04, Sec. 1.)

3.04.02 Over \$5,000.00.

- A. That the Mayor and Council are hereby authorized and directed to act in accordance with the laws of the State of Arkansas with respect to all purchases or contracts on behalf of the City of Decatur, including without limitation, those purchases or contracts not exceeding the sum of \$20,000.00. (Ord. No. 16-01, Sec. 1.)
- B. That such purchases or contracts may or may not require advertising and/or competitive bidding, depending upon the particular application of the laws of the state of Arkansas from time to time. (Ord. No. 16-01, Sec. 2.)

3.04.03 Approval of payments. The Mayor or his duly authorized representative may approve for payment out of any funds previously appropriated for that purpose, or disapprove any bills, debts or liabilities asserted as claims against the city, when funds on hand are adequate to pay such bills, debts or liabilities. That the payment or disapproval of any bills, debts or liabilities not covered by a previous appropriation shall require confirmation of the governing body.

- The City is authorized to purchase the radios and is further authorized, pursuant to Amendment 78 of the Arkansas Constitution, by and through the undersigned, to execute and deliver to Grand Savings Bank ("Lender") a short-term financing agreement in essentially the form attached hereto (the "Agreement"), providing for the purchase of the Property and for a debt obligation in the principal sum not to exceed \$35,000.00 for a term which will be five (5) years, at an interest rate of 3.25%, with repayment secured by a security agreement covering the radios if so required by Lender. (Ord. No. 20-03, Sec. 1)
- The City does not reasonably anticipate that more than Ten Million and no/100 Dollars (\$10,000,000.00) of "qualified tax-exempt obligations" as the term is defined in Section 265(b)(3)(D) of the Internal Revenue Code of 1986 (the "Code"), will be issued by the City and any subordinate, superior or affiliated entities during the calendar year in which the Agreement is executed; the City hereby designates the obligation evidenced by the Agreement as comprising a portion of the Ten Million and No/100 Dollars (\$10,000,000.00) in aggregate issues to be designated as "qualified tax-exempt obligations" eligible for the exemption contained in Section 265(b)(3)(D) of the Code. (Ord. No. 20-03, Sec. 3)
- As provided in Amendment 78, the annual debt service payments pursuant to the Agreement in each fiscal year shall be charged against and paid from the general revenues of the City for such fiscal year. For the purpose of making annual debt service payments, there is hereby, and shall be, appropriated to pay the amounts due under the short-term financing agreement, an amount of general revenues of the City sufficient for such purposes. The City's Clerk is hereby authorized and directed to withdraw from the General Fund of the City the amounts required at the times necessary and appropriate to fulfill the terms and provisions of the Agreement. (Ord. No. 20-03, Sec. 5)
- The City is authorized to purchase the radios and SCBA Bottles and is further authorized, pursuant to Amendment 78 of the Arkansas Constitution, by and through the undersigned, to execute and deliver to Grand Savings Bank ("Lender") a short-term financing agreement in essentially the form attached hereto (the "Agreement"), providing for the purchase of the radios and bottles and for a debt obligation in the principal sum not to exceed \$60,000.00 for a term which will be five (5) years, at an interest rate of 3.25%, with repayment secured by a security agreement covering the radios and bottles if so required by Lender. (20-04, Sec. 1)

3.04.04 Sale or exchange of supplies, materials or equipment valued at less than \$5,000.00. That the Mayor or his duly authorized representative may sell or exchange any municipal supplies, materials or equipment without competitive bidding if such supplies, materials or equipment have a value of less than Five Thousand Dollars (\$5,000.00). That no supplies, materials or equipment shall be sold without receiving competitive bids therefore if the value thereof exceeds the sum of Five Thousand Dollars (\$5,000.00); provided, however, if the Mayor shall certify in writing to the governing body that, in his opinion, the fair market value of such item or lot (to be disposed of in one unit) is less than Five Thousand Dollars (\$5,000.00), the same may be sold by the Mayor without competitive bidding.

3.04.05 Capital addition The City Council of the city of Decatur hereby sets as a capital addition anything costing at least \$1500.00 or higher and having a useful life of more than two (2) years, should be held and listed by the city as inventory and should be reflected on the Fixed Asset Record of the city of Decatur. (Ord. No. 03-3, Sec. 1.)

3.04.06 Sale or disposal of property The Decatur City Council shall authorize the sale or disposal of any property listed on the fixed asset record of the city of Decatur or the Decatur Water/Wastewater Department. (Ord. No. 96-03, Sec. 2.)

3.04.07 Waive Competitive Bidding

- That pursuant to state law and applicable city ordinances, the City Council hereby waives competitive bidding for the purchase of three (3) 2022 Ford Police Interceptor Utility vehicles for the approximate price of \$147,201.00 as set forth in the quote attached as Exhibit “A” for the Decatur Police Department. That the Mayor of the City of Decatur, Arkansas is hereby authorized to take all other action necessary in order to carry out and perform the purposes of this Ordinance, and that all previous actions taken in that regard are hereby ratified. (Ord. No. 2022-04, Secs. 1 & 2)

CHAPTER 3.08

COUNCIL EMPLOYMENT

Sections:

3.08.01 Employment authorized

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- A. That the City of Decatur has various need s and open job positions that council members are or may be qualified to fill.

- B. That the City Council wishes to allow council members to be able to apply for any positions of employment with the city, following the normal process of employment application, as any prospective employee would ;
- C. That if a council member is deemed qualified for an open position, the City of Decatur is allowed to hire said council member for the position. (Ord. No. 16-05, Sec. 1.)

CHAPTER 3.12

AUTHORITY TO ACCEPT A LOWER INTEREST RATE

Sections:

3.12.01 Agreement Between the City and the Commission

3.12.01 Agreement Between the City and the Commission The City accepts the offer of the Commission to reduce the interest rate on the Bond from 3.40% per annum to 2.55% per annum, effective June 1, 2020. (Ord. No. 20-06, Sec. 1)

The City, in exchange for receiving a lower interest rate on the Bond, agrees not to prepay the bond before June 1, 2030. (Ord. No. 20-06, Sec. 2)

That the Mayor and City Recorder are hereby authorized to execute all documents, certificates and instruments necessary to accomplish the intent of this Ordinance, including particularly, without limitation, any filings with the Internal Revenue Service and any amendments to the Bond. (Ord. No. 20-06, Sec. 3)

That the Mayor and other representatives of the City are hereby authorized to adopt and implement a post-issuance compliance policy in order to assist the City in complying with federal tax laws if such policy is necessary. (Ord. No. 20-06, Sec. 4)

CHAPTER 3.16**SALES & USE TAX****Sections:****3.16.01 Sales & Use Tax**

3.16.01 Sales & Use Tax Under the authority of the Authorizing Legislation, there is hereby levied a one percent (1%) tax on the gross receipts from the sale at retail within City, all items which are subject to the Arkansas Gross Receipts Act of 1941, as amended (A.C.A. § 26-52-101, et seq.), and the imposition of an excise (or use) tax on the storage, use, distribution or other consumption within the City, tangible personal property subject to the Arkansas Compensating Tax Act of 1949, as amended (A.C.A. § 26-53-101, et seq.), at a rate of one percent (1%) of the sale price of the property or, in the case of leases or rentals, of the lease or rental price (collectively, the “Sales and Use Tax”). (Ord. No. 22-01, Sec. 1)