

## TITLE 3

### FISCAL AFFAIRS

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- 3.04 Purchases
- 3.05 Travel
- 3.08 Cash Management Trust
- 3.12 Hotel or Motel Tax
- 3.16 Professional Services
- 3.20 Economic Development Grant Program
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#### CHAPTER 3.04

#### PURCHASES

#### Sections:

- 3.04.01 Emergency fund
- 3.04.02 Contracts without approval
- 3.04.03 Report to the Council
- 3.04.04 Excess of \$20,000.00

3.04.01 Emergency fund There is hereby created and funded an "Emergency Fund" of Five Thousand Dollars (\$5,000.00) for use by the Mayor for any legal city expenditures or purchases without prior approval of the City Council. (Ord. No. 2006-7, Sec. 1.)

3.04.02 Contracts without approval The Mayor is also authorized to enter into any legal commitment for public purpose contracts for the city, for amounts up to Twenty Thousand Dollars (\$20,000.00) without prior approval of the City Council, in accordance with applicable state laws. (Ord. No. 2012-5, Sec. 1.)

3.04.03 Report to the Council Any purchase, expenditure or commitment by the Mayor under 3.04.01 or 3.04.02 above, shall be reported to the City Council at the next regular monthly meeting of the City Council. The Council shall, at that time, consider and determine whether and to what extent the Emergency Fund should be replenished and review any contracts or expenditures by the Mayor for amount up to Twenty Thousand Dollars (\$20,000.00) or less. (Ord. No. 2012-5, Sec. 1.)

3.04.04 Excess of \$20,000.00 All contracts and purchases in excess of Twenty Thousand Dollars (\$20,000.00) shall be made in accordance with applicable state law. (Ord. No. 2012-5, Sec. 1.)

## **CHAPTER 3.05**

### **TRAVEL**

#### Sections:

#### 3.05.01 Travel

3.05.01 Travel Travel reimbursement rates are adopted using current GSA rules. GSA information can be found at [www.GSA.gov](http://www.GSA.gov).

- A. Travel consisting of one day will require submission of receipts for reimbursement of meals and mileage.
- B. Travel consisting of an overnight stay will be paid at GSA per diem rates for the city(s) in which the overnight occurred.
- C. Vehicle mileage will be reimbursed at the prevailing GSA rate.
- D. Multiple personnel traveling in the same vehicle will not be reimbursed for mileage. Only the owner/operator of the vehicle will be eligible for mileage reimbursement. (Ord. No. 2008-2, Sec. 1.)

## CHAPTER 3.08

### CASH MANAGEMENT FUND

Sections:

- 3.08.01 Authorization of Trust
- 3.08.02 Execution of document
- 3.08.03 Authorization of investment
- 3.08.04 Treasurer
- 3.08.05 Member of Board
- 3.08.06 Further authority

3.08.01 Authorization of Trust The city is hereby authorized to become a participant in the Arkansas Local Government Cash Management Trust, in substantially the form attached to this ordinance and marked Exhibit A (the "Trust Agreement"), is submitted to and reviewed by the governing body of the city, a copy of which shall be filed with the minutes of the meeting at which this ordinance is adopted, with such changes therein as shall be approved by the representatives of the city executing the Agreement, such representatives signatures thereon being conclusive evidence of their approval thereof. (Ord. No. 03-3, Sec. 1.)

3.08.02 Execution of document The Mayor and the City Recorder/Treasurer are hereby authorized and directed to execute and attest, respectively, and deliver the joinder agreement to the Trust Agreement for and on behalf of and as the act and deed of the city.

Such officers are further authorized to execute and attest, respectively, such other documents, certificates and instruments and take and perform such further acts on behalf of the city as may be necessary or desirable to carry out and comply with and give effect to the intent of this ordinance and the Trust Agreement. (Ord. No. 03-3, Sec. 2.)

3.08.03 Authorization of investment The city hereby authorizes the investment and withdrawal of its available funds from time to time in accordance with the Trust Agreement. The city hereby confirms that the permitted interests set forth in the Trust Agreement do not violate any local ordinance or other governing documents and shall indemnify and hold harmless the Arkansas Local Government Cash Management Trust, its Board of Trustees and any employees or agents thereof for any liability arising from any such violation. (Ord. No. 03-3, Sec. 3.)

3.08.04 Treasurer The following officer (or successor) is hereby designated as Treasurer, as defined in the Trust Agreement, who shall have full power and authority to invest and withdraw invested funds of the city as provided in the Trust Agreement and shall represent and vote on behalf of the city as a participant as provided in the Trust Agreement:

(Ord. No. 03-3, Sec. 4.)

3.08.05 Member of the Board The members of the governing body and officers of the city are hereby authorized to serve as members of the Board of Trustees of the Arkansas Local Government Cash Management Trust if they are a full-time employee of the city and are elected or appointed under the provisions of the Trust Agreement. (Ord. No. 03-3, Sec. 5.)

3.08.06 Further authority The city shall, and the offices and agents of the city are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out, and comply with and perform the duties of the city with respect to the Trust Agreement. (Ord. No. 03-3, Sec. 6.)

**CHAPTER 3.12**

**HOTEL OR MOTEL TAX**

Sections:

- 3.12.01 Tax
- 3.12.02 Collection
- 3.12.03 Advertising and Promotion Commission
- 3.12.04 Use of taxes

3.12.01 Tax A tax of three percent (3%) is hereby levied on the gross receipts or gross proceeds received from the renting, leasing or otherwise furnishing of hotel, motel or short-term condominium rental accommodations for lodging, sleeping, meeting or party room facilities for profit in the city of Fairfield Bay, Arkansas, but such accommodations shall not include the rental or lease of such accommodations for periods of thirty (30) days or more. (Ord. No. 99-67, Sec. 1.)

3.12.02 Collection

- A. The three percent (3%) tax described in this ordinance shall be paid by the persons, firms and corporations liable therefore and shall be collected by the Advertising and Promotion Commission of the city (hereinafter the "Commission"), or by a designated agent of the Commission, in the same manner and at the same time as the tax levied by the Arkansas Gross Receipts Act. A.C.A. 26-52-101, et. seq.

- B. The person paying the tax shall pay and report said tax on forms provided by the Commission and as directed by the Commission. The rules, regulations, forms or notice, assessment procedures, and the enforcement and collection of the tax under the Arkansas Gross Receipts Act shall, so far as is practicable, be applicable with respect to the enforcement and collection of the tax described herein. However, the administration and enforcement and all actions shall be by, and in the name of, the Commission through the proper Commission officials or agents.
- C. The tax levied by this article shall be collected from the purchaser or user of the accommodation by the person, firm or corporation selling or furnishing such accommodation. Such person shall pay to the city by the twentieth day of each month all collections of the tax for the preceding month, accompanied by reports on forms to be prescribed by the Commission. (Ord. No. 99-67, Sec. 2.)

3.12.03 Advertising and Promotion Commission There is hereby created the city of Fairfield Bay Advertising and Promotion Commission which shall be composed of seven members as follows:

- A. Four (4) members shall be owners or managers of businesses in the tourism industry, and the owner or manager may reside outside of the city but within the county in which the city is located, at least three (3) of whom shall be owners or managers of hotels, or motels and who shall serve for staggered terms of four (4) years;
- B. Two (2) members of the Commission shall be members of the governing body of the city and selected by the governing body and shall serve at the will of the governing body; and
- C. One (1) member shall be from the public at large who shall reside within the levying city and shall serve for a term of four (4) years. (Ord. No. 99-67, Sec. 3.)

3.12.04 Use of taxes

- A. All local taxes collected pursuant to this ordinance shall be used for those purposes as authorized by A.C.A. 26-75-601 through 26-75-613 as amended.
- B. Provided further, however, that all local taxes levied as authorized in this ordinance shall not be used for:
  - 1. General capital improvements within the city;
  - 2. The costs associated with the general operation of the city;

3. General subsidy of any civic group or Chamber of Commerce, provided however, that the Commission may contract with such groups to provide actual services to the Commission that are connected with tourism events.
- C. The authorization and limitations contained in this ordinance shall be reasonably construed so as to provide funds for promoting and encouraging tourism, while not authorizing such special revenue to be utilized for the expenditures that are normally paid for by the general revenues of the city. (Ord. No. 99-67, Sec. 4.)

## **CHAPTER 3.16**

### **PROFESSIONAL SERVICES**

#### Sections:

- 3.16.01 Purpose
- 3.16.02 Exemptions

3.16.01 Purpose A.C.A. 19-11-801 (Act 2171 of 2005) exempts competitive bidding for the procurement of legal, financial advisory, architectural, engineering, construction, management and land surveying, professional consultant services.

The city of Fairfield Bay may elect to exempt other professional services by a two-thirds majority of the City Council. (Ord. No. 05-5, Sec. 1.)

3.16.02 Exemptions By a 2/3 vote of the City Council on August 8, 2005, the following are added to professional services exempt from competitive bidding:

- A. Disaster Relief Management,
- B. Grant Writing Services,
- C. Road Maintenance Services.  
(Ord. No. 05-5, Sec. 2.)

## CHAPTER 3.20

### ECONOMIC DEVELOPMENT GRANT PROGRAM

Sections:

3.20.01	Definitions
3.20.02	Administered
3.20.03	Awarded funds
3.20.04	Awarding of grants
3.20.05	Report
3.20.06	Selection

#### 3.20.01 Definitions

**Economic Development Grant Program** means a governmental program to award grants to non-profit corporations to encourage the location, relocation, creation, or development of a business, industry, manufacturing facility, transportation facility, or other economic units which creates jobs, employes people, generates economic activity or other services to the citizens of the city.

**Grant** means an award or transfer of public funds to a non-profit corporation under the criteria prescribed to accomplish the public purpose of economic development in the city.

**Grantee** means the non-profit corporation to whom the grant is awarded as prescribed by this ordinance. (Ord. No. 2005-6, Sec. 1.)

3.20.02 Administered The city's Economic Development Grant Program shall be administered by the Mayor with each grant awarded by the Mayor and funds appropriated by the City Council. (Ord. No. 2005-6, Sec. 2.)

3.20.03 Awarded funds The Mayor shall be responsible to ensure that funds awarded are used for the purpose for which the grant was awarded and expended in accordance with state law. (Ord. No. 2005-6, Sec. 3.)

3.20.04 Awarding of grants Grants may be awarded to any non-profit corporation registered with the Arkansas Secretary of State.

- A. Grants awarded must be expended to further the economic development purposes of the city of Fairfield Bay. Grants may be used for one time events or ongoing projects, one time per year.
- B. Grant applications must be received by the City Recorder/Treasurer not later than December 31<sup>st</sup> of each year.

- C. Grants will be provided on a ten percent (10%) matching basis by the requesting non-profit corporation or a higher percentage, at the Mayor's discretion when setting forth the availability of any proposed Grant. (Ord. No. 2012-1, Sec. 1.)
- D. Funding will be for a maximum of Twenty-Five Thousand Dollars (\$25,000.00) total (grant plus match) depending on funds availability.
- E. The purpose of the grant program is to spur economic development or an economic impact on the city through one-time or ongoing activator within the city. (Ord. No. 2005-6, Sec. 4.)

3.20.05 Report The grantee shall file a report with the City Council within thirty (30) days of the event or the end of the calendar year for on-going projects. The report shall contain the following:

- A. Exact amount expended.
- B. Purpose for which the grant funds were awarded and expended.
- C. Economic goals and objectives accomplished as a result of the Grant. (Ord. No. 2005-6, Sec. 5.)

3.20.06 Selection After receipt of applications the Mayor will prioritize the applicant and shall select the applications by rank order those that best fulfill the economic goals in the Mayor's opinion. Grants may only be awarded if and when the City Council appropriates funds. (Ord. No. 2005-6, Sec. 6.)

## **CHAPTER 3.24**

### **PROMISSORY NOTE**

Sections:

- 3.24.01 Term
- 3.24.02 Authorization
- 3.24.03 Powers of office
- 3.24.04 Tax exemption
- 3.24.05 Filed



3.24.01 Term The execution and delivery of the Promissory Note, providing for the financing in the principal amount not to exceed Three Hundred Thousand Dollars (\$300,000.00) for a term of five (5) years, secured by a pledge of the city's revenues is hereby authorized. (Ord. No. 2012-10, Sec. 1.)

3.24.02 Authorization The city Mayor is hereby authorized and directed to negotiate the terms of the Promissory Note in compliance with the terms approved herein, and to execute and acknowledge such note. The Mayor is authorized and directed to cause the Promissory Note to be accepted, executed and acknowledged by the Lender. The Mayor is hereby authorized to confer with the Lender in order to complete the Promissory Note in accordance with the terms approved herein. Execution shall constitute conclusive evidence of approval. (Ord. No. 2012-10, Sec. 2.)

3.24.03 Powers of office The Mayor, City Clerk, for and on behalf of the city are authorized and directed, all in accordance with the powers of their respective offices, to do any and all things necessary to effect the execution and delivery of the Note, the performance of all obligations of the city thereunder, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred hereby. The Mayor and City Clerk are further authorized to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof. (Ord. No. 2012-10, Sec. 3.)

3.24.04 Tax exemption The city hereby designates the load as a "qualified tax-exempt obligation" within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. It is reasonably expected that all obligations issued by the city during the current calendar year, the interest on which is exempt from federal income tax, will not exceed \$10,000,000 in principal amount (excluding "private activity bonds" within the meaning of Section 265). (Ord. No. 2012-10, Sec. 4.)

3.24.05 Filed A copy of the load shall remain on file in the office of the City Clerk where it shall be available for inspection by any person. (Ord. No. 2012-10, Sec. 5.)