

BAXTER COUNTY QUORUM COURT AGENDA
JANUARY 9, 2018

THE BAXTER COUNTY QUORUM COURT WILL MEET FOR REGULAR SESSION ON **TUESDAY, JANUARY 9, 2018 AT 6:00 PM** IN THE 2ND FLOOR COURTROOM OF THE COURTHOUSE, WITH JUDGE MICKEY PENDERGRASS PRESIDING.

- CALL TO ORDER
- DISPOSITION OF MINUTES FROM PREVIOUS MEETING
- COMMITTEE REPORTS
- ELECTION OF BAXTER COUNTY'S DELEGATE TO THE ARKANSAS QUORUM COURT ASSOCIATION
(Note: First meeting of 2018 will be held on Saturday, April 14.)
- NEW BUSINESS
 1. AN ORDINANCE AUTHORIZING THE ISSUANCE OF A PROMISSORY NOTE TO PROVIDE FINANCING FOR COUNTY JAIL FACILITIES; PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.
 2. AN ORDINANCE APPROPRIATING FEES AND REIMBURSEMENTS RECEIVED IN THE MONTH OF NOVEMBER TO THE SHERIFF'S DEPARTMENT 2017 BUDGET.
 3. AN ORDINANCE APPROPRIATING GRANT FUNDS IN THE AMOUNT OF \$5,307.47 INTO THE SHERIFF'S GRANT FUND BUDGET.
 4. A RESOLUTION CONFIRMING THE RE-APPOINTMENTS OF SID EDELBROCK AND MARY NORGAARD BY THE COUNTY JUDGE TO THE CLARKRIDGE FIRE PROTECTION DISTRICT BOARD OF COMMISSIONERS.
 5. A RESOLUTION CONFIRMING THE APPOINTMENT OF MARRY FERRON BY THE COUNTY JUDGE TO THE CLARKRIDGE FIRE PROTECTION DISTRICT BOARD OF COMMISSIONERS.
- ANNOUNCEMENTS
- ADJOURNMENT

ORDINANCE NO. 2018 - _____

BE IT ENACTED BY THE QUORUM COURT OF THE COUNTY OF BAXTER, STATE OF ARKANSAS; AN ORDINANCE TO BE ENTITLED:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF A PROMISSORY NOTE TO PROVIDE FINANCING FOR COUNTY JAIL FACILITIES; PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, Baxter County, Arkansas (the "County") is authorized and empowered under the provisions of Amendment No. 78 to the Arkansas Constitution ("Amendment 78") and Title 14, Chapter 78 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation"), to issue notes and to expend the proceeds thereof to finance the cost of acquiring and constructing real property or tangible personal property having an expected useful life of more than one (1) year; and

WHEREAS, the County proposes to acquire, construct, improve, furnish and equip facilities for an expansion of the County Jail (the "County Jail Facilities"); and

WHEREAS, it is proposed that the County issue its promissory note in the principal amount of \$4,210,000 (the "Note") under Amendment 78 and the Authorizing Legislation for the purpose of financing all or a portion of the costs of the County Jail Facilities; and

WHEREAS, the County has made arrangements with First Community Bank (the "Purchaser") to purchase the Note;

NOW, THEREFORE, BE IT ORDAINED by the Quorum Court of Baxter County, Arkansas that:

Article 1. The Quorum Court hereby finds that the County Jail Facilities will consist of real and tangible personal properties having a useful life of more than one (1) year and that the aggregate principal amount of the Note and all other outstanding obligations of the County issued or incurred under Amendment 78 does not exceed two and one-half percent (2.5%) of the assessed value of taxable property located within the County as determined by the last tax assessment.

Article 2. The issuance of the Note in the principal amount of \$4,210,000 is hereby authorized under Amendment 78 and the Authorizing Legislation in order to finance all or a portion of the cost of the acquisition and construction of the County Jail Facilities. The Note shall be dated the date of delivery to the Purchaser and shall bear interest on the outstanding principal amount at the rate of 2.58% per annum calculated on the basis of a 365 day year and actual number of days elapsed. Interest on the outstanding principal of the Note shall be payable one year from the date the Note is issued and at maturity. Principal of the Note shall be due two years from the date of the Note.

Article 3. The Note shall be prepayable at the option of the County, in whole or in part, at any time at a prepayment price equal to the principal amount being prepaid plus accrued interest.

Article 4. The Note shall be sold to the Purchaser for the purchase price of par. The purchase price shall be paid in multiple advances as funds are needed for the County Jail Facilities. The County Treasurer shall keep a record of all advances and payments.

Article 5. As provided in Amendment 78, the annual debt service payments on the Note in each fiscal year shall be charged against and paid from the general revenues of the County, including moneys in the County Road Fund, for such fiscal year. For the purpose of making the annual debt service payments there is hereby, and shall be, appropriated to pay the Note, an amount of general revenues of the County sufficient for such purposes. The County Treasurer is hereby authorized and directed to withdraw from the General Fund, the amounts and at the times necessary to make the annual debt service payments on the Note. If moneys in the General Fund are not sufficient for such purposes, the County Treasurer is hereby authorized and directed to withdraw from the County Road Fund the amount necessary to make up any shortfall in the General Fund in order to make the annual payment.

Article 6. (a) The County covenants with the Purchaser that it shall not take any action or suffer or permit any action to be taken or condition to exist which causes or may cause the interest payable on the Note to be included in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the County covenants with the Purchaser that the proceeds of the sale of the Note will not be used directly or indirectly in such manner as to cause the Note to be treated as an “arbitrage bond” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”).

(b) The County covenants with the Purchaser that it will not use or permit the use of the County Jail Facilities or the proceeds of the Note, in such manner as to cause the Note to be a “private activity bond” within the meaning of Section 141 of the Code. In this regard, the County covenants with the Purchaser that while the Note is outstanding the County Jail Facilities will only be used by state and local governmental entities to house state and local prisoners.

(c) The Note is hereby designated as a “qualified tax exempt obligation” within the meaning of the Code. The County represents to the Purchaser that it does not reasonably expect that the aggregate principal amount of its qualified tax exempt obligations (excluding “private activity bonds” within the meaning of Section 141 of the Code which are not “qualified 501(c)(3) bonds” within the meaning of Section 145 of the Code), including those of its subordinate entities, to be issued in calendar year 2018 will exceed \$10,000,000.

(d) The County covenants with the Purchaser that it will not reimburse itself from Note proceeds for any costs paid prior to the date the Note is issued except in compliance with United States Treasury Regulation No. 1.150-2 (the “Regulation”). This Ordinance is an “official intent” within the meaning of the Regulation.

(e) The County covenants with the Purchaser that it will submit to the Secretary of the Treasury of the United States, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Note is issued, a statement concerning the Note which contains the information required by Section 149(e) of the Code.

Article 7. The County covenants with the Purchaser that it will provide the Purchaser with the following information while the Note is outstanding:

(a) not later than 90 days after the end of each fiscal year, financial statements of the County for such fiscal year accompanied by a certificate from an officer of the County that the County was in compliance with its state regulatory minimum guidelines for such fiscal year, including statutory reserve requirements; and

(b) not later than December 31 of each year, a budget for the next fiscal year.

Article 8. It is covenanted and agreed by the County with the Purchaser that it will faithfully and punctually perform all duties with reference to the Note required by Amendment 78 and the laws of the State of Arkansas and by this Ordinance.

Article 9. If there be any default in the payment of the principal of or interest on the Note or if the County defaults in the performance of any of the other covenants contained in this Ordinance, the Purchaser may, by proper suit, compel the performance of the duties of the officials of the County under the laws of the State of Arkansas.

Upon the occurrence of a default by the County under this Ordinance, the Purchaser may exercise any and all remedies available to it under the laws of the State of Arkansas. No remedy herein conferred upon or reserved to the Purchaser is intended to be exclusive of any other remedy or remedies herein provided or provided by law, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or given by law. No delay or omission of the Purchaser to exercise any right or power accrued upon any default shall impair any such right or power or shall be construed to be a waiver of any default or an acquiescence therein; and every power and remedy given by this Ordinance to the Purchaser may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon. Any costs of enforcement of the Note or of any provision of this Ordinance, including reasonable attorney's fees, shall be paid by the County.

Article 10. The County Judge, County Clerk and County Treasurer, for and on behalf of the County, are hereby authorized and directed to do any and all things necessary to effect the issuance, execution, sale and delivery of the Note, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance. The County Judge, County Clerk and County Treasurer are hereby further authorized and directed, for and on behalf of the County, to execute all papers, documents, agreements, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Article 11. The provisions of this Ordinance are hereby declared to be separable, and if any article, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the articles, phrases and provisions.

Article 12. All ordinances, resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Article 13. It is hereby ascertained and declared that the County Jail Facilities must be accomplished as soon as possible in order for the County to have adequate facilities to house prisoners, without which the life, health, safety and welfare of the County and its inhabitants are jeopardized, and that the issuance of the Note and the taking of the other action authorized by this Ordinance is necessary for the accomplishment thereof. It is, therefore, declared that an emergency exists and this Ordinance being necessary for the immediate preservation of the public peace, health and safety shall take effect and be in force from and after its passage.

APPROVED:

MICKEY D. PENDERGRASS, COUNTY JUDGE

Date Signed:_____

ATTEST:

CANDA J. REESE, COUNTY CLERK

Sponsor:_____

Date Adopted: _____

Votes: For:_____ Against:_____

Abstain:_____ Present:_____ Absent:_____