

ORDINANCE NO. A-438

AN ORDINANCE AUTHORIZING THE ISSUANCE OF BONDS UNDER AMENDMENT NO. 13 TO THE CONSTITUTION OF THE STATE OF ARKANSAS FOR THE PURPOSE OF FINANCING THE COST TO THE CITY OF CONSTRUCTING AND EQUIPPING IMPROVEMENTS DESCRIBED IN THE ORDINANCE; AUTHORIZING AND DIRECTING THAT THE IMPROVEMENTS DESCRIBED IN THE ORDINANCE BE CONSTRUCTED AND EQUIPPED; LEVYING A TAX TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; PRESCRIBING OTHER MATTERS RELATING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Conway, Arkansas (called "City") is a City of the first class; and

WHEREAS, by Ordinance No. A-417 of the Ordinances of the City adopted and approved on the 22nd day of September, 1964, there were submitted to the qualified electors of the City the questions of issuing bonds under Amendment No. 13 to the Constitution of the State of Arkansas for the following purposes: \$62,500 in principal amount for the purpose of financing the cost to the City of developing and improving the Municipal Flying Field (Airport); and \$92,500 in principal amount for the purpose of paying the cost to the City of acquiring a site for and constructing and equipping a City Hall, (herein called "improvements") with provision made for the combining of those bonds approved by the electors into a single bond issue in the principal amount of \$155,000 (with it being contemplated that the balance of the estimated cost of the improvements will be obtained by a grant or grants from an agency or agency of the government of the United States); and

WHEREAS, due notice of the election was given as required by law and the election was held on the 27th day of October, 1964, at which election the issuance of all of the bonds was approved; and

WHEREAS, the results of the election have been proclaimed by the Mayor as required by and in accordance with the provisions of Amendment No. 13, by a proclamation duly published on the

WHEREAS, the City duly offered for sale bonds in the aggregate principal amount of \$155,000 which, after due advertisement for the time and in the manner required by Amendment No. 13, were sold on the 24th day of May, 1966 to an account headed by E. L. Villareal & Co., and Dabbs Sullivan Company, Inc., both of Little Rock, Arkansas (called "Purchasers") at a price of par plus accrued interest and plus a premium of \$52.40 for bonds bearing interest as follows: Bonds maturing in the years 1967 to 1976, inclusive, bear interest at the rate of 3.60% per annum; bonds maturing in the years 1977 and 1978 bear interest at the rate of 3.75% per annum; bondsmaturing in the years 1979 to 1984, inclusive, bear interest at the rate of 3.90% per annum; bonds maturing in the years 1985 to 1988, inclusive, bear interest at the rate of 3.75% per annum; and bonds maturing in the years 1989 to 1991, inclusive, bear interest at the rate of 2.05% per annum; and

WHEREAS, pursuant to the authorization in the notice of sale, the Purchasers have elected to convert the \$155,000 in principal amount of 3.60%, 3.75%, 3.90% and 2.05% bonds to an issue of \$180,000 in principal amount of 3.60%, 3.75%, 3.90% and 0% bonds, hereinafter described in detail, and the Council has examined the conversion and has found the same to be within the provisions of the notice of sale and that by virtue of which the City will pay no more and receive no less than it would pay and receive if the bonds had not been converted;

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

Section 1. That the improvements be accomplished and the Mayor and City Clerk be and they are hereby authorized and directed to take such action, or cause such action to be taken, and to execute such documents as may be necessary in the accomplishing of the improvements.

Section 2. That the sale of the bonds to the Purchasers for the price, and the conversion of the bonds, all as set forth above, be, and the same hereby are, approved and confirmed.

Section 3. That under the authority of the Constitution and laws of the State of Arkansas, including particularly Amendment No. 13 to the Constitution of the State of Arkansas, City of Conway, Arkansas, General Obligation Improvement Bonds are hereby authorized and ordered issued in the total principal amount of \$180,000, the proceeds of the sale of which are necessary to provide funds for paying the cost to the City of accomplishing the above described improvements, paying necessary expenses incidental to the above and to the issuance of the bonds authorized hereby (which will be herein referred to as the "bonds"). The bonds shall be dated December 1, 1964 and interest thereon shall be payable semiannually on June 1 and December 1 of each year, commencing June 1, 1965. The bonds shall be in the denomination of \$1,000 each and shall be numbered consecutively from 1 to 180, inclusive. The bonds shall bear interest as follows: Bonds Nos. 1 to 38, inclusive, being the bonds maturing in the years 1967 to 1976, inclusive, shall bear interest at the rate of 3.60% per annum; Bonds Nos. 39 to 49, inclusive, being the bonds maturing in the years 1977 and 1978, shall bear interest at the rate of 3.75% per annum; Bonds Nos. 50 to 92, inclusive, being the bonds maturing in the years 1979 to 1984, inclusive, shall bear interest at the rate of ~~3.90%~~ per annum; Bonds Nos. 93 to 116, inclusive, being the bonds maturing in the years 1985 to 1987, inclusive, shall bear interest at the rate of 3.75% per annum; and Bonds Nos. 117 to 180, inclusive, being the bonds maturing in the years 1988 to 1991, inclusive, shall bear no interest. The principal and interest shall be payable in lawful money of the United States of America upon presentation of the bond or proper coupon at the principal office of Worthen Bank & Trust Company, Little Rock,

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Arkansas. The bonds shall mature annually on December 1 in each of the years 1987 to 1991, inclusive, as set forth in the schedule appearing in Section 3 hereof, but shall be subject to redemption prior to maturity as hereafter set forth.

Section 4. That the bonds shall be executed on behalf of the City by the Mayor and City Clerk and shall have impressed thereon the seal of the City. The interest coupons attached to the **bonds** shall have the facsimile signature of the Mayor of the City lithographed or printed thereon. The Mayor's signature on the bonds may be either a manual or facsimile signature, but **the** City Clerk shall manually sign each of said bonds. The facsimile signature of the Mayor shall have the same force and effect as if he had personally signed each of said bonds and coupons.

Section 5. That the bonds and coupons shall be in substantially the following **form**:

UNITED STATES OF AMERICA
STATE OF ARKANSAS
COUNTY OF FAULKNER
CITY OF CONWAY
_____ % GENERAL OBLIGATION IMPROVEMENT BOND

No. _____

\$1,000

KNOW ALL MEN BY THESE PRESENTS:

That the City of Conway (called "City") in the County of Faulkner and State of Arkansas, acknowledges itself to owe and, for value received, promises to pay to bearer, the sum of

ONE THOUSAND DOLLARS

in lawful money of the United States of America on the first day of December, 19____, and to pay interest hereon at the rate of _____ per cent (%) per annum from date, semiannually on June 1 and December 1 of each year, commencing June 1, 1965, upon presentation and surrender of the annexed coupons as they severally become due. Both principal and interest of this bond are hereby made payable at the principal office of Worthen Bank & Trust Company, Little Rock, Arkansas.

This bond is one of an issue of one hundred eighty (180) bonds, aggregating One Hundred Eighty Thousand Dollars (\$180,000) dated December 1, 1964 and numbered from one (1) to one hundred eighty (180), inclusive, all of like tenor and effect except as to number, rate of interest, maturity and right of prior redemption, issued for the purpose of financing the cost to the City of developing and improving the Municipal Flying Field (Airport) and acquiring a site for and constructing and equipping a City Hall (herein called "improvements"), with it being contemplated that the balance of the estimated cost of the improvements will be obtained by a grant or grants from an agency or agencies of the government of the United States.

The bonds of this issue are being issued pursuant to and in full compliance with the Constitution and laws of the State of Arkansas, including particularly Amendment No. 13 to the Constitution of the State of Arkansas, and pursuant to Ordinances of the City Council of the City and an election duly held at which a majority of the qualified electors of the City voting on the questions voted in favor of the issuance of the bonds. The bonds are general obligations of the City to the payment of the principal of and interest on which the City pledges its full faith, credit and taxing power, including a two (2) mill continuing annual tax duly levied under the provisions of Amendment No. 13.

The bonds will be subject to redemption prior to maturity in inverse numerical order at a price of par and accrued interest as follows: From surplus proceeds of the sale of the bonds not required for completing the improvements and from surplus tax collections on any interest paying date; from funds from any source on any interest paying date on or after December 1, 1971. The City covenants that surplus collections from the continuing annual tax (being collections in excess of the amount necessary to insure the prompt payment of the principal of, interest on and Paying Agent's fees in connection with the bonds as they become due) must be used from time to time on each interest payment date as and to the extent of available surplus tax collections for the redemption of bonds prior to maturity.

Notice of the call for redemption shall be published one time in a newspaper published in the City of Little Rock, Arkansas, and having a general circulation throughout the State of Arkansas, giving the number and maturity of each bond being called, with the publication to be at least fifteen (15) days prior to the redemption date, and after the date fixed for redemption each bond so called shall cease to bear interest, provided funds for its payment are on deposit with the Paying Agent at that time.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed, under the Constitution and laws of the State of Arkansas, particularly Amendment No. 13 to the Constitution of the State of Arkansas, precedent to and in the issuance of this bond have existed, have happened and have been performed in due time, form and manner as required by law; that the indebtedness represented by this bond and the issue of which it forms a part does not exceed any constitutional or statutory limitation; and that a tax sufficient to pay this bond and the issue of which it forms a part, together with interest thereon, has been duly levied in accordance with said Amendment No. 13 to the Constitution of the State of Arkansas and made payable annually until all of the bonds and interest thereon have been fully paid and discharged.

This bond shall not be valid until it shall have been authenticated by the certificate hereon duly signed by First State Bank & Trust Company, Conway, Arkansas.

IN WITNESS WHEREOF, the City of Conway, Arkansas, has caused this bond to be executed by either the manual or facsimile signature of its Mayor and by the manual signature of its City Clerk, and its corporate seal to be affixed and has caused the coupons attached hereto to be executed by the facsimile signature of its Mayor, all as of the first day of December, 1964.

CITY OF CONWAY, ARKANSAS

By *Walter D. Dumas*
Mayor

ATTEST:

John Taylor
City Clerk

(SEAL)

(Form of Coupon)

No. _____

\$ _____

June,
On the first day of December, 19____, the City of Conway,
Faulkner County, Arkansas, unless the bond to which this coupon is attached
is paid prior thereto, hereby promises to pay to bearer

_____ DOLLARS

in lawful money of the United States of America at the principal office of
Worthen Bank & Trust Company, Little Rock, Arkansas, being **six** months'
interest then due on its General Obligation Improvement Bond, dated
December 1, 1964, and numbered _____

CITY OF CONWAY, ARKANSAS

By _____
(facsimile signature)
Mayor

On each bond shall appear the following:

CERTIFICATE

This is to certify that this is one of the one hundred eighty
(180) bonds of this issue mentioned and described within.

FIRST STATE BANK & TRUST COMPANY
CONWAY, ARKANSAS

By _____
(Authorized Signature)

Section 6. That in order to pay the principal of and interest on the **bonds** as the same mature, **the City Council** on November 10, 1964 by Resolution levied a two (2) mill tax on each dollar of assessed valuation of the taxable real and personal property within the City, to be collected in the year 1965, and the levy of the said two (2) mill tax is hereby confirmed and is to be collected each year through the year 1991 and as long thereafter as may be necessary to pay the principal of, interest on and Paying Agent's fees in connection with the bonds authorized by this Ordinance, and the City Clerk is directed to transmit a copy of this Ordinance to the County Clerk of Faulkner County, Arkansas, to the end that said tax may be extended on the tax books of the County and collected annually along with the other taxes until the bonds and interest thereon are paid in full. The City covenants and agrees that all of the revenues derived from said two (2) mill tax shall be placed in a separate fund which is hereby created and designated "1964 General Obligation Improvement Bond Fund" (called "Bond Fund"), and shall be used solely for the payment of the principal of, interest on and Paying Agent's fees in connection with the bonds of this issue, as set forth in this Ordinance. The amount of said deposit in excess of that insured by the Federal Deposit Insurance Corporation must be continuously secured by bonds or other direct or fully guaranteed obligations of the United States of America. (The City covenants that surplus collections from the continuing annual tax (being tax collections in excess of the amount necessary to insure the prompt payment of the principal of, interest on and Paying Agent's fees in connection with the bonds as the same become due) must be used from time to time on each interest payment date as and to the extent of available surplus tax collections for the redemption of bonds prior to maturity.)

Section 7. That for the prompt payment of the bonds of this **issue, with** interest, **the City hereby** pledges **its** full faith, credit and taxing power, including the special tax referred to in Section 6 of this Ordinance.

Section 8. That in order to pay the principal of and interest on said bonds as they mature and as they are redeemed prior to maturity, there are hereby appropriated the entire proceeds of the special tax referred to in Section 6 hereof, and if said proceeds be not sufficient to pay the principal of and interest on the bonds as they mature, then there are hereby appropriated sufficient additional sums out of the General Revenues of the City to accomplish said payment at maturity. The principal of and interest on the bonds shall mature according to the following schedule:

YEAR	BOND NOS.	AMOUNT	INTEREST		TOTAL
			JUNE 1	DECEMBER 1	
1965			\$2,178.75	\$2,178.75	\$4,357.50
1966			2,178.75	2,178.75	4,357.50
1967	1 - 3	\$3,000	2,178.75	2,178.75	7,357.50
1968	4 - 6	3,000	2,124.75	2,124.75	7,249.50
1969	7 - 9	3,000	2,070.75	2,070.75	7,141.50
1970	10 - 13	4,000	2,016.75	2,016.75	8,033.50
1971	14 - 17	4,000	1,944.75	1,944.75	7,889.50
1972	18 - 21	4,000	1,872.75	1,872.75	7,745.50
1973	22 - 25	4,000	1,800.75	1,800.75	7,601.50
1974	26 - 29	4,000	1,728.75	1,728.75	7,457.50
1975	30 - 33	4,000	1,656.75	1,656.75	7,313.50
1976	34 - 38	5,000	1,584.75	1,584.75	8,169.50
1977	39 - 43	5,000	1,494.75	1,494.75	7,989.50
1978	44 - 49	6,000	1,401.00	1,401.00	8,802.00
1979	50 - 55	6,000	1,288.50	1,288.50	8,577.00
1980	56 - 62	7,000	1,171.50	1,171.50	9,343.00
1981	63 - 69	7,000	1,035.00	1,035.00	9,070.00
1982	70 - 76	7,000	898.50	898.50	8,797.00
1983	77 - 84	8,000	762.00	762.00	9,524.00
1984	85 - 92	8,000	606.00	606.00	9,212.00
1985	93 - 100	8,000	450.00	450.00	8,900.00
1986	101 - 108	8,000	300.00	300.00	8,600.00
1987	109 - 116	8,000	150.00	150.00	8,300.00
1988	117 - 131	15,000			15,000.00
1989	132 - 146	15,000			15,000.00
1990	147 - 162	16,000			16,000.00
1991	163 - 180	18,000			18,000.00

Section 9. That the bonds of this issue shall be callable for payment prior to maturity in accordance with the terms set out in the face of the bond form in Section 5 of this Ordinance.

Section 10. That the Treasurer of the City is hereby ordered and directed to place on deposit with Worthen Bank & Trust Company, Little Rock, Arkansas, the Paying Agent, at least five (5) days before the maturity or redemption of any bond or interest coupon issued hereunder, an amount from the funds herein appropriated equal to the amount of such bonds or coupons for the sole purpose of paying the same, together with the customary Paying Agent's fees. Such deposit shall be at the risk of the City and shall not operate as a payment of the bonds or coupons until so applied. This instruction to the Treasurer is irrevocable and may be enforced by mandamus.

Section 11. That Worthen Bank & Trust Company, Little Rock, Arkansas, is designated as Paying Agent. The holders of a majority in value of the outstanding bonds at any time may by an instrument duly executed and recorded in the office of the City Clerk appoint a new paying agent, who shall have all the powers of the paying agent originally named, and the paying agent herein named may resign at any time upon ten (10) days' notice in writing mailed to the City Clerk. In the event of a vacancy in the office of paying agent and the failure of the holders of a majority in value of the outstanding bonds to take the necessary action to appoint a new paying agent within thirty (30) days after such vacancy occurs, the City shall forthwith designate a new paying agent.

Section 12. That if default is made and continues for thirty (30) days in the payment of any interest coupon, the holder of the bond to which it is attached may declare the same immediately due and payable, and the failure of the holder to exercise this option upon any default shall not be a waiver of his right to exercise the option upon any subsequent default.

Section 13. That when the bonds herein authorized to be issued have been executed and the seal of the City impressed as herein provided, they should be delivered to First State Bank & Trust Company, Conway, Arkansas, which shall authenticate them and deliver them to the purchasers upon payment of the purchase price of \$155,000 plus accrued interest from June 1, 1966 to the date of the delivery and plus a premium of \$52.40 (called "total sale proceeds"), to be disbursed as follows:

1. The amount of the accrued interest is to be deposited in the Bond Fund;
2. There shall be deducted from the total sale proceeds, and paid to Stephens, Inc., Little Rock, Arkansas, an amount sufficient to pay the fiscal agent's fee, which amount will be specified in a Letter of Instructions delivered to First State Bank & Trust Company, Conway Arkansas, at the time of closing;
3. The remainder of the total sale proceeds shall be deposited in a special account of the City to be known as the "Construction Fund" in a bank designated by the City that is a member of the Federal Deposit Insurance Corporation, and the moneys in the Construction Fund shall be used solely for accomplishing the improvements, paying expenses incidental thereto, and paying any expenses incurred by the City in authorizing and issuing the bonds of this issue. If any moneys remain in the Construction Fund after the improvements are accomplished, they shall be deposited in the Bond Fund.

Section 14. That the terms of this Ordinance shall constitute a contract between the City of Conway, Arkansas, and the holder or holders of the bonds, and no variations or changes in the undertakings herein set forth shall be made while any of these bonds are outstanding, and the holder of any bonds may at any time for and on his own behalf or for and on behalf of all bondholders enforce the obligations of the City by a proper suit for that purpose.

Section 15. That the provisions of this Ordinance are separable and in the event that any section or part hereof shall be held to be invalid, such invalidity shall not affect the remainder of this Ordinance.

Section 16. That all ordinances and resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 17. That this Ordinance shall not create any right of any character and no right of any character shall arise under or pursuant to it until the bonds authorized by this Ordinance shall be issued and delivered.

Section 18. That it is hereby ascertained and declared that there is an immediate and urgent need for the improvements, in order to promote and protect the health, safety and welfare of the City and its inhabitants, and that said improvements can be accomplished only by the issuance of bonds. It is, therefore, declared that an emergency exists, and this Ordinance being necessary for the immediate preservation of the public peace, health, safety and welfare shall be in force and take effect immediately from and after its passage.

PASSED: June 14, 1966.

APPROVED:

Mayor

ATTEST :

Jalen Naylor
City Clerk

(SEAL)

CERTIFICATE

The undersigned, City Clerk of Conway, Arkansas, hereby certifies that the foregoing pages numbered 1 to 14, inclusive, are a true and perfect copy of Ordinance No. A-438 passed at a Regular session of the City Council of Conway, Arkansas, held at the regular meeting place of the Council at 7:00 o'clock P.m. on the 11 day of June, 1966, and that said Ordinance is of record in Ordinance Record Book No. 2, page _____ now in my possession.

GIVEN under my hand and seal this 14 day of June, 1966.

John Naylor
City Clerk

(SEAL)