

CITY OF OZARK ORDINANCE NO. 2005-5

AN ORDINANCE AUTHORIZING THE CITY OF OZARK TO ENTER INTO A LOAN TRANSACTION WITH THE BANK OF THE OZARKS; DECLARING AN EMERGENCY THEREFORE; AND FOR OTHER PURPOSES.

Witnesseth:

WHEREAS, the City of Ozark desires to enter into a loan transaction with the Bank of the Ozarks for the purpose of purchasing a vehicle for said City; and

WHEREAS, the Bank of the Ozarks desires to enter into said loan transaction with the City of Ozark; and

WHEREAS, the terms of the loan have been agreed to by the parties and are as set forth below; and

WHEREAS, the Bank of the Ozarks desires that this loan, and it is the intention of the parties that this loan, be exempt from taxation under federal laws, and that this tax exempt obligation be entered into pursuant to Arkansas Constitution.


BE IT THEREFORE ORDAINED BY THE CITY OF OZARK, ARKANSAS THAT:

SECTION 1: C. L. Coley and Carol Sneath, the duly authorized and acting mayor and city clerk, respectively, of the City of Ozark shall be and hereby are authorized to enter into a loan transaction for the purpose of obligating the City of Ozark in the amount of \$38,000, or an amount substantially close to this specified sum. The loan obligation shall be entered into with the Bank of the Ozarks, an Arkansas state bank. The purpose for the loan transaction shall be to allow the City to purchase a vehicle for the benefit of said City. The interest rate to be paid by the City for such loan obligation shall be 4.75%. The term of the loan obligation shall be for a period of 36 months.

SECTION 2: The loan is hereby designated as a "Qualified Tax-Exempt Obligation" within the meaning of Section 265 (b)(3) of the Internal Revenue Code of 1986. The City represents that the aggregate principal amount of the Qualified Tax-Exempt Obligation, (excluding private activity bonds within the meaning of Section 141 of the Code), including those of subordinate entities, issued in this calendar year is not expected to exceed \$10,000,000.00.


SECTION 3: It be necessary for the preservation of the public health, safety, peace and welfare, this Ordinance shall be in full force and effect immediately upon its passage.

APPROVED this 22nd day of February 2005.



Mayor, C. L. Coley

ATTEST:



City Clerk, Carol Sneath