

TITLE 3

FISCAL AFFAIRS

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- 3.12 City Officials Conducting Business with City
- 3.16 Sales and Use Tax

CHAPTER 3.04

PURCHASES

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- 3.04.01 Less than \$500.00
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3.04.01 Less than \$500.00 The Mayor or his duly authorized representative shall have exclusive power and responsibility to make purchases of all supplies, apparatus, equipment, materials for the city where the total expenditure therefore is below the sum of Five Hundred Dollars (\$500.00). (Ord. No. A-582, Sec. Aug. 21, 1995.)

3.04.02 Less than \$2,000.00 All purchases for the city of supplies, apparatus, equipment, materials and other things requisite for public purposes where the expenditure therefore is Five Hundred Dollars (\$500.00) or more, but less than Two Thousand Dollars (\$2,000.00) shall be made by the Mayor, or his duly authorized representative after the securing of quotation bids therefor. Quotation bids may be verbal or written. Bids will be awarded to the lowest responsible bidder. (Ord. No. A-582, Sec. 2, Aug. 21, 1995.)

3.04.03 Under \$10,000.00

- A. All purchases for the city where the expenditure therefore is Two Thousand Dollars (\$2,000.00) or more up to and including Ten Thousand Dollars (\$10,000.00), inclusive, will be made by the Mayor or his duly authorized representative, after the securing of written bids therefor. Bids shall be awarded to the lowest responsible bidder.
- B. The Mayor, or his duly authorized representative, shall have exclusive power and responsibility to make purchases of all supplies, apparatus, equipment, materials and other things requisite to public purposes for the city 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 purchase or contract does not exceed the sum of Ten Thousand Dollars (\$10,000.00). (Ord. No. A-171, Sec. 3, Oct. 19, 1959; Ord. No. A-468, Sec. 3, May 19, 1986; Ord. No. A-476, Sec. 2, May 11, 1987; Ord. No. A-582, Sec. 3, Aug. 21, 1995.)

3.04.04 Purchases over \$10,000.00 Where the amount of expenditure for any purchase or contract exceeds the sum of Ten Thousand Dollars (\$10,000.00), the Mayor or his duly authorized representative shall invite competitive bids thereon by legal advertisement in any local newspaper. Bids received pursuant to the advertisement shall be opened and read on the date set for receiving the bids in the presence of the Mayor, or his duly authorized representative, together with any committee that may be named by the Mayor or the City Council for this purpose, and the officials designated to receive such bids shall have exclusive power to award the bid to the lowest responsible bidder; provided, however, the Mayor and any committee designated to receive bids may reject any and all bids received. (Ord. No. A-171, Sec. 4, Oct. 19, 1959; Ord. No. A-468, Sec. 4, May 19, 1986; Ord. No. A-476, Sec. 2, May 11, 1987; Ord. No. A-582, Sec. 4, Aug. 21, 1995; ACA 14-58-303 (2003 Supp.))

3.04.05 Bills, debts and liabilities 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. The payment or disapproval of any bills, debts or liabilities not covered by a previous appropriation shall require confirmation of the City Council. (Ord. No. A-171, Sec. 5, Oct. 19, 1959; Ord. No. A-476, Sec. 2, May 11, 1987.)

3.04.06 Sale or exchange of supplies 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). No supplies, materials or equipment shall be sold without receiving competitive bids therefor if the value thereof equals or exceeds the sum of Five Thousand Dollars (\$5,000.00); provided, however, if the Mayor shall certify in writing to the City Council 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. (Ord. No. A-171, Sec. 6, Oct. 19, 1959; Ord. No. A-476, Sec. 2, May 11, 1987.)

3.04.07 Purchase of used equipment or supplies The provisions of this article shall only apply to the purchase of new supplies, apparatus, equipment, materials and other things requisite to public purposes for the city and shall not apply with respect to purchase of used supplies, apparatus, equipment, materials or other things requisite to public purposes. Due to the difficulty in comparing the quality of used equipment, merchandise or other property, the Mayor and the purchasing committee are authorized to negotiate for the purchase of used property without complying with the requirements for advertising as provided in this article. Before purchasing used equipment or property, the Mayor shall certify to the City Council, in writing, that it would be in the best interest of the city to purchase used equipment or property, describing the property to be purchased and the reason for not purchasing new property. (Ord. No. A-476, Sec. 2, May 11, 1987.)

3.04.08 Exceptional and emergency purchases In any circumstance where the Mayor deems it not feasible or practical to advertise for bids for purchase of property that equals or exceeds Ten Thousand Dollars (\$10,000.00), the Mayor shall certify to the City Council the exceptional circumstances that make it not feasible or practical to advertise for bids. Upon a specific finding by the City Council of the city of Crossett, Arkansas, that an exceptional situation exists where they also deem it not feasible or practical to advertise for bids, the Mayor or his designated representative may purchase items that equal or exceed Ten Thousand Dollars (\$10,000.00), without advertising for bids. (Ord. No. A-476, Sec. 2, May 11, 1987; Ord. No. 2000-10, Sec. 1, Nov. 20, 2003; ACA 14-58-303(b)(2)(B)(2003 Supp.)

3.04.09 Issuance of checks The Mayor or the City Clerk/Treasurer shall issue and sign all checks issued in the name of the city, to be countersigned by the other. The Mayor, or the City Clerk/Treasurer, may each designate, in writing, a person to be authorized to issue and to sign checks issued in the name of the city, or to countersign checks, only in his absence. That written designation shall be filed with the financial institution on which the checks are drawn. (Ord. No. A-633, Sec. 1, Jan. 4, 1999.)

3.04.10 Fixed Asset And Equipment Records Policy

- A. The City of Crossett, Arkansas shall comply with all Arkansas state laws concerning fixed assets. The City of Crossett, Arkansas shall create a fixed asset and equipment record for items over \$2,500.00. Ark. Code Ann.§ 14-59-107 (2013 Supp.).
- B. The City of Crossett, Arkansas shall establish by major category, and maintain, as a minimum, a listing of all fixed assets owned by it.
- C. The listing shall be totaled by category with a total for all categories.
- D. The categories of fixed assets shall include:

- (1) Land;
- (2) Buildings;
- (3) Motor vehicles, by department;
- (4) Equipment, by department; and
- (5) Other.

E. The listing shall contain as a minimum:

- (1) Property item number, if used by the City of Crossett;
- (2) Brief description;
- (3) Serial number, if available;
- (4) Date of acquisition; and
- (5) Cost of property. (Ord. No. 2014-04, Sec. 1.)

CHAPTER 3.08

PURCHASING COMMITTEE

Sections:

- 3.08.01 Created
- 3.08.02 Duties

3.08.01 Created There is hereby created a committee to be known as the City Purchasing Committee, composed of four qualified electors of the city who shall have the qualifications and duties and be selected in the manner provided in this section:

- A. One member of the City Council shall be designated by the Mayor as a member to serve until expiration of this term as councilmember.
- B. The Mayor shall nominate three members, at least one of whom shall be a registered engineer or a graduate of an accredited engineering college or university, who shall become members upon approval of a majority of the City Council and shall serve until expiration of the term of the Mayor by whom they were nominated unless sooner removed by the Council for cause or if they shall cease to be a qualified elector of the city. (Ord. No. A-569, Sec. 1, Jan. 27, 1995.)

3.08.02 Duties The Purchasing Committee shall consult with the Mayor and advise him on all city purchases and sales of city property where the amount of such purchase or sale equals or exceeds Ten Thousand Dollars (\$10,000.00). (Ord. No. A-476, Sec. 1, May 11, 1987.)

CHAPTER 3.12

CITY OFFICIALS CONDUCTING BUSINESS WITH CITY

Sections:

3.12.01 Authorization

3.12.01 Authorization Aldermen, Councilmembers, officials, or municipal employees are authorized and allowed to conduct business with the city. (Ord. No. 2013-2, Sec. 1, Mar. 18, 2013.)

CHAPTER 3.16

SALES AND USE TAX

Sections:

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| 3.16.01 | Sales tax |
| 3.16.02 | Use |
| 3.16.03 | Economic Development Tax |

3.16.01 Sales tax Under the authority of the authorizing legislation, there is hereby levied a one-half of one percent (.50%) tax on the gross receipts from the sale at retail within the city of all items which are subject to the Arkansas Gross Receipts Tax 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 of 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-half of one percent (.50%) 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”). The Sales and Use Tax will be levied and the net collections received after deduction of the administrative charges of the state of Arkansas and require rebates (the “Net Collections”) shall be used for one or more of the following:

- A. For any purposes for which the city’s General Fund may legally be used, and
- B. To pay and secure the repayment of the city’s Capital Improvement Bonds.

The Sales and Use Tax shall be levied and collected on the gross receipts, gross proceeds or sales price in the maximum amount allowed from time to time under Arkansas law, subject to rebates and limitations as required for certain single transactions as from time to time required by Arkansas statutes. (Ord. No. 2013-5, Sec. 1, May 7, 2013.)

3.16.02 Use The Sales and Use Tax shall be levied, and the Net Collections shall be used by the city for one or more of the following:

- A. For any purposes for which the city’s General Fund may legally be used, and
- B. To pay and secure the repayment of bonds approved by the voters and issued by the city from time-to-time to finance
 - 1. All or a portion of the costs of a new Community Center Complex and facilities related thereto or in support thereof (the “Community Center Bonds”);

2. All or a portion of the costs of renovating and refurbishing the Crossett Municipal Building located at 307-309 Main Street in the city, and facilities related thereto or in support thereof (the “Municipal Building Bonds”), and
3. All or a portion of the cost of two (2) new fire stations and facilities and apparatus related thereto or in support thereof (the “Firefighting Bonds” and together with the Community Center Bonds and the Municipal Building Bonds, the “Capital Improvement Bonds”). (Ord. No. 2013-5, Sec. 2, May 7, 2013.)

3.16.03 Economic Development Tax Under the authority of the Act, there is hereby levied a one-fourth of one percent (0.25%) tax on the gross receipts from the sale at retail within the City of all items which are subject to the Arkansas Gross Receipts Tax 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 or other consumption within the City of 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-fourth of one percent (0.25%) of the sale price of the property or, in the case of leases or rentals, of the lease or rental price (collectively, the "Economic Development Sales and Use Tax"). The Economic Development Sales and Use Tax shall be levied and the net collections received, after the State deducts its administrative charges, shall be expended solely for the purpose of funding the Economic Development. The Economic Development Sales and Use Tax shall be levied and collected on gross receipts, gross proceeds, or sales price in the maximum amount allowed from time to time by State law subject to such rebates and limitations as required from time to time by State law. (Ord. No. 2015-06, Sec. 1.)