



Legislation Text

File #: RES-68:2012, Version: 1

RESOLUTION TO DECLARE PASSAGE OF THE MAY 21ST BOND ISSUE TO BE IN THE BEST INTEREST OF THE CITIZENS OF JONESBORO

WHEREAS, the City Council has during the past ten years authorized capital improvement projects amounting to more than \$1,700,000, and many of these projects have been completed and paid for with funds derived from capital notes and certificates of credit issued at an interest rate of 5 ½ per cent, and

WHEREAS, these projects include purchase of parking lots and street right-of-way, expansion and improvement at Municipal Airport and purchase of the Kathleen Street Industrial Park, and

WHEREAS, it is necessary to authorize expenditure of \$260,000 to help finance the \$ 5 ½ million Jonesboro Services Center to assure its construction, although federal appropriations may at a later date make it possible for the city to be repaid, and

WHEREAS, passage of the bond issue will assure long-term financing of the City's existing capital improvement debt, and it will assure construction of the Jonesboro Services Center, and

WHEREAS, the bonds are expected to be issued at less than 5 per cent interest, which will mean savings in interest to the taxpayers of Jonesboro of between \$15,000 and \$20,000 annually, since the 5 ½ percent certificates and capital notes will be called, and

WHEREAS, there are adequate non-general fund revenues at this time to make the annual bond payments without the collection of millage, and projected non-general fund revenues indicate adequate money to retire the entire bond issue with no collection of millage, and

WHEREAS, these non-general fund revenues come from the City Water & Light, parking meter revenues and other sources, and these moneys have always been used to pay capital improvements debts. Cost of repayment of the issue is estimated at \$142,000 annually, and these sources resulted in \$144,000 in revenue in 1967 and will generate more revenue in 1968, and

WHEREAS, all of these projects are vital to the future growth of Jonesboro, and completion of each will result in more growth. As the City grows, non-general fund revenues will increase, especially those based upon a percentage of the gross income of City Water & Light, and

WHEREAS, construction of the Services Center will result in major expansion of Jonesboro as a trade center and a medical center and will add to the growth of Arkansas State University; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Jonesboro, Arkansas, that for all of these reasons, passage of the \$ 2 million bond issue on May 21 is in the best interest of all citizens of Jonesboro, and the bonds are worthy of the support of each citizen at the polls on May 21.

PASSED AND ADOPTED THIS 6TH DAY OF May, 1968.