

ORDINANCE NO. 1319

AN ORDINANCE AMENDING CHAPTER 4.33 OF THE EUREKA SPRINGS MUNICIPAL CODE CHANGING THE DISTRIBUTION OF THE CITY SALES TAX ENACTED BY ELECTION ON MAY 12, 1981

- WHEREAS, at the time the City of Eureka Springs proportioned certain amounts of the Act #990 sales tax to specific city funds, primarily funds concerning capital improvements, the City General Fund was considered sound and capable of generating income sufficient to pay for costs of desired services, and
- WHEREAS, it has been discovered through laborious financial reassessment, that the city General Fund is in severe shortage of incoming revenues to offset the remainder of expenditures for the fiscal year 1988, and
- WHEREAS, the State of Arkansas has statutes binding municipalities to balance spending with revenue without carry over of debt from one year to the next at penalty of law for violation thereof, and
- WHEREAS, even extremely conservative management of the remaining months of October, November and December, General Fund accounts will not allow for sufficient funds to carry over and begin and continue the 1989 budget months of January, February, March, April and May;
- NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EUREKA SPRINGS, ARKANSAS, that:

SECTION 1: That Section 4.33.04 is herein to be amended in its entirety until midnight December 31, 1988, whereupon this amendment shall cease to be in effect and revert to the original Section 4.33.04 currently defining the Distribution of Tax Revenues. During this interim time, Section 4.33.04 will be amended to read as follows:

4.33.04 Distribution of Tax Revenues.

The revenue from taxes collected this Chapter shall be distributed as follows:

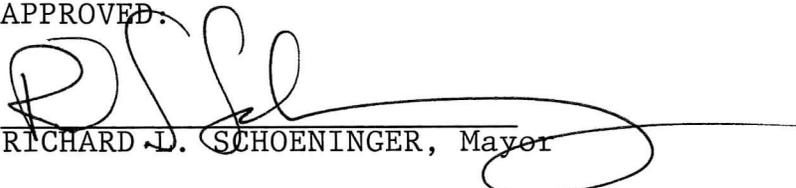
100% for the General Fund operating

SECTION 2: Severability. If any part of this Ordinance is held to be unenforceable by any reason by a court of competent jurisdiction, such holding shall not affect the remaining parts of this Ordinance, which shall remain in full force and effect.

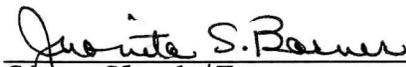
SECTION 3: Emergency Declared. There is hereby found by the City Council of the City of Eureka Springs, Arkansas, that unless the sale and use tax is reallocated in accordance with the terms of the Ordinance, the City will suffer a serious financial crisis, the City services and functions may be drastically effected. Therefore, an emergency is declared to exist; and this Ordinance, being necessary for the preservation of the public peace, health and safety, shall take effect and be in full force from the date of its passage, approval and publication according to law.

PASSED AND ORDAINED BY THE CITY COUNCIL OF THE CITY OF EUREKA SPRINGS, ARKANSAS, THIS 4th DAY OF OCTOBER, 1988.

APPROVED:


RICHARD D. SCHOENINGER, Mayor

ATTEST:


City Clerk/Treasurer

Seal