

CITY OF DIAMOND CITY, BOONE COUNTY, ARKANSAS

ORDINANCE NO. 06-2024

AN ORDINANCE BY THE CITY COUNCIL OF DIAMOND CITY, ARKANSAS TO AMEND SECTION VIII "WATER RATES" ITEM 3 OF ORDINANCE NO. 02-2022 "MINIMUM DEPOSIT" OF 5% (FIVE) PER ANNUM OF "GROSS" REVENUE TO 2.5% (TWO AND ONE-HALF) EACH OF "GROSS" PROFIT REVENUE IN A DEDICATED REFURBISHMENTS AND REPLACEMENT ACCOUNT ACCOMPLISHED WITHIN 12 (TWELVE) MONTHS OF THE IMPLEMENTATION OF THE RATE.

WHEREAS; The City of Diamond City to clarify the asset management plan to fund the Replacement and Refurbishment account as required by ACT 605. This will be met ongoing from January 1<sup>st</sup>, 2024.

WHEREAS; This "rate" will change from 5% of GROSS revenue to 2.5% each "GROSS PROFIT" revenue based upon year ending Financial Statements from the prior year, then after the merger of the 2 (TWO) accounts in each of the 4 (FOUR) funds takes place eliminating 4 (FOUR) Bank Accounts, will then revert to 5% (FIVE) of each on the GROSS PROFIT balance ongoing upon the completion of the merger.

WHEREAS; This Ordinance will satisfy the Refurbishment and Replacement fund from each account for the city to be compliant with the requirement of ACT 605.

NOW. THEREFORE. BE IT ORDAINED BY THE CITY COUNCIL OF DIAMOND CITY TO AMEND SECTION VIII OF ORDINANCE NO. 02-2022 ITEM NUMBER 3.

SECTION VIII "DEPOSITS"

The City Council of Diamond City shall deposit a minimum of 2.5% "each" per annum of "gross profit" revenues in a dedicated refurbishment and replacement account within the 12 (TWELVE) months of 2024 implementation of the rate. Upon the merger of accounts, it will return to the 5% dedication of the account "gross profits" instead of the 2.5% each.

SERVERABILITY: This Ordinance is hereby declared to be severable. Should any provision of this Ordinance be declared by the courts to be unconstitutional or invalid, the decision shall not affect the ordinance as a whole.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF DIAMOND CITY, ARKANSAS

THIS 26th DAY OF DECEMBER 2024.

  
JOE JORDAN - RECORDER

  
JACOB GLIDEWELL - MAYOR