ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF LIMITED TAX GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS; PLEDGING TAX REVENUES SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; PRESCRIBING OTHER MATTERS RELATING THERETO; TO DELCARE AN EMERGENCY.

WHEREAS, by Ordinance No. 22,132 duly adopted by the Board of Directors on May 17, 2022 ("Ordinance No. 22,132"), there was submitted to the qualified electors of the City of Little Rock, Arkansas (the "City"), the questions of the issuance of capital improvement bonds in the following maximum amounts for the following purposes as more particularly described in the ballot form contained in Ordinance No. 22,132: $40,500,000 to finance Street Improvements; $40,500,000 to finance facilities for Drainage Improvements; $19,500,000 to finance Fire Apparatus; $37,000,000 to finance Park and Recreational Improvements; $8,500,000 to finance District Court Facility Improvements; and $15,800,000 to finance Port Industrial Park Improvements; and

WHEREAS, at the special election held on August 9, 2022, the electors approved the issuance of capital improvement bonds for each of said purposes; and

WHEREAS, pursuant to Ordinance No. 22,192 duly adopted by the Board of Directors on November 15, 2022 ("Ordinance No. 22,192"), the City issued its Limited Tax General Obligation Capital Improvement Bonds, Series 2022A in the aggregate principal amount of $53,510,000 (the "Series 2022 Bonds") and its Limited Tax General Obligation Capital Improvement Bonds, Taxable Series 2022B in the aggregate principal amount of $5,055,000 (the "Series 2022B Bonds"); and

WHEREAS, the principal amount of the Series 2022 Bonds plus net original issue premium ($53,792,462) was allocated as follows: $23,070,791.50 for Street Improvements; $12,968,086.15 for Drainage Improvements; $7,077,503.30 for Fire Apparatus; $10,107,994.25 for Park and Recreational Improvements; and $568,086.80 for District Court Facility Improvements; and

WHEREAS, the principal amount of the Series 2022B Bonds was allocated to Port Industrial Park Improvements; and

WHEREAS, the Series 2022B Bonds matured on February 1, 2024;

WHEREAS, pursuant to Ordinance No. 22,192 and Ordinance No. 22,553 duly adopted by the Board of Directors on November 19, 2024, the City issued its Limited Tax General Obligation Capital Improvement Bonds, Series 2024A in the aggregate principal amount of $26,565,000 (the "Series 2024A

Bonds") and its Limited Tax General Obligation Capital Improvement Bonds, Taxable Series 2024B in the aggregate principal amount of $10,745,000 (the "Series 2024B Bonds" and collectively with the Series 2024A Bonds, the "Series 2024 Bonds"); and

WHEREAS, the principal amount of the Series 2024A Bonds plus net original issue premium ($27,056,720.90) was allocated as follows: $13,179,079.45 for Park and Recreational Improvements; $7,929,369.25 for District Court Facility Improvements and $5,948,272.20 for Fire Apparatus; and

WHEREAS, the principal amount of the Series 2024B Bonds was allocated to Port Industrial Park Improvements; and

WHEREAS, the Board of Directors has determined to issue a fifth series of capital improvement bonds in the aggregate principal amount of $54,590,000 designated as "City of Little Rock, Arkansas Limited Tax General Obligation Capital Improvement Bonds, Series 2026A" (the "Series 2026A Bonds") for the purpose of financing Street Improvements, Drainage Improvements, Fire Apparatus and Park and Recreational Improvements (collectively, the "Series 2026A Improvements"); and

WHEREAS, the Board of Directors has determined to issue a sixth series of capital improvement bonds in the aggregate principal amount of $9,105,000 designated as "City of Little Rock, Arkansas Limited Tax General Obligation Capital Improvement Bonds, Taxable Series 2026B" (the "Series 2026B Bonds") for the purpose of financing Park and Recreational Improvements; and

WHEREAS, the Series 2026A Bonds and the Series 2026B Bonds (collectively, the "Series 2026 Bonds") are being issued pursuant to Ordinance No. 22,192 as "Additional Parity Bonds" thereunder; and

WHEREAS, the City has fixed, established and levied an ad valorem tax on taxable property located within the City at the rate of 3.0 mills on the dollar of assessed valuation (the "Special Tax") which will, subject to rollback as provided in Amendment No. 59 to the Arkansas Constitution ("Amendment 59"), constitute a continuing annual tax to be collected each year so long as necessary to pay the principal of and interest on the Series 2022 Bonds, the Series 2024 Bonds and the Series 2026 Bonds; and

WHEREAS, the City has made arrangements for the sale of the Series 2026A Bonds to Stephens Inc. and Crews & Associates, Inc. (the "Underwriters"), at a price of $55,619,127.45 (principal amount less Underwriters' discount of $409,425 plus net original issue premium of $1,438,552.45) (the "Series 2026A Purchase Price"), pursuant to a Bond Purchase Agreement between the Underwriters and the City (the "Bond Purchase Agreement"), which has been exhibited to and is before the Board of Directors at the meeting at which this Ordinance is adopted; and

WHEREAS, the City has made arrangements for the sale of the Series 2026B Bonds to the Underwriters, at a price of $9,036,712.50 (principal amount less Underwriters' discount of $68,287.50) (the "Series 2026B Purchase Price"), pursuant to the Bond Purchase Agreement; and

WHEREAS, the Preliminary Official Statement dated October 26, 2026, offering the Series 2026 Bonds for sale (the "Preliminary Official Statement"), has been exhibited to and is before the Board of Directors at the meeting at which this Ordinance is adopted; and

WHEREAS, the Continuing Disclosure Agreement (the "Disclosure Agreement"), providing for the ongoing disclosure obligations of the City with respect to the Series 2026 Bonds, has been exhibited to and is before the Board of Directors at the meeting at which this Ordinance is adopted; and

WHEREAS, the principal amount of the Series 2026A Bonds plus net original issue premium ($56,028,552.45) is allocated among the Series 2026A Improvements as follows: $17,427,582.70 for Street Improvements, $27,526,983.20 for Drainage Improvements, $6,470,843.70 for Fire Apparatus and $4,603,142.85 for Park and Recreational Improvements; and

WHEREAS, the principal amount of the Series 2026B Bonds is allocated to Park and Recreational Improvements;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

Section 1. The Series 2026 Bonds are hereby sold to the Underwriters at the purchase prices specified above. The Bond Purchase Agreement, in substantially the form exhibited to this meeting, is approved and confirmed. The Mayor is hereby authorized and directed to execute and deliver the Bond Purchase Agreement for and on behalf of the City and to take all action required on the part of the City to fulfill its obligations under the Bond Purchase Agreement.

Section 2. The Preliminary Official Statement is hereby approved and the previous use of the Preliminary Official Statement by the Underwriters in connection with the sale of the Series 2026 Bonds is in all respects authorized, approved and confirmed. The Mayor is hereby authorized and directed, for and on behalf of the City, to execute a final Official Statement and deliver the same to the Underwriters for use in connection with the sale of the Series 2026 Bonds as set forth in the Bond Purchase Agreement.

Section 3. The Disclosure Agreement, in substantially the form submitted to this meeting, is approved, and the Mayor is hereby authorized and directed to execute and deliver the Disclosure Agreement for and on behalf of the City. The Mayor and other officials of the City are authorized and directed to take all action required on the part of the City to fulfill the City's obligations under the Disclosure Agreement.

Section 4. Under the authority of the Constitution and laws of the State of Arkansas, including particularly Amendment No. 62 to the Constitution of the State of Arkansas, and Title 14, Chapter 164, Subchapter 3 of the Arkansas Code of 1987 Annotated, the Series 2026 Bonds are hereby authorized and ordered issued in the following principal amounts: $54,590,000 of Series 2026A Bonds and $9,105,000 of Series 2026B Bonds. The proceeds of the Series 2026A Bonds shall be used to finance the Series 2026A Improvements and to pay costs of issuing the Series 2026A Bonds. The proceeds of the Series 2026B

Bonds shall be used to finance Park and Recreational Improvements and to pay costs of issuing the Series 2026B Bonds.

The Series 2026 Bonds shall be dated the date of issuance and delivery to the Underwriters. Interest shall be payable semiannually on February 1 and August 1 of each year commencing August 1, 2027. The Series 2026 Bonds shall be fully registered bonds in the denomination of $5,000 or an integral multiple thereof. Payment of each installment of interest shall be made to the person in whose name the Series 2026 Bond is registered on the registration books of the City maintained by First Security Bank, Searcy, Arkansas, as Trustee and Paying Agent (the "Trustee"), at the close of business on the fifteenth day of the month (whether or not a business day) next preceding each interest payment date (the "Record Date"), irrespective of any transfer or exchange of any such bond subsequent to such Record Date and prior to such interest payment date, by check or draft mailed by the Trustee to such owner at his address on such registration books; provided, however, payment of interest shall be made by wire transfer if requested by a registered owner of the Series 2026 Bonds of a particular series in the aggregate principal amount of $1,000,000 or more. Principal of the Series 2026 Bonds shall be payable at the principal corporate trust office of the Trustee. Each Series 2026 Bond shall have a CUSIP number, but the failure of a CUSIP number to appear on any Series 2026 Bond shall not affect its validity.

The Series 2026 Bonds of each series shall be numbered from R-1 upward in order of issuance and shall mature (or become subject to mandatory sinking fund redemption) on February 1 of each year and bear interest as follows:

SERIES 2026A BONDS

Maturity Date (February 1)	Principal Amount	Interest Rate
2031	$ 2,570,000	5.000%
2032	2,695,000	5.000
2033	2,835,000	5.000
2034	2,980,000	5.000
2035	3,125,000	5.000
2036	3,280,000	5.000
2037	3,455,000	5.000
2045*	33,650,000	4.250

* Term Bonds

SERIES 2026B BONDS

Maturity Date (February 1)	Principal Amount	Interest Rate
2028	$1,100,000	4.830%
2029	3,905,000	4.930
2030	4,100,000	5.020

Each Series 2026 Bond shall bear interest from the payment date next preceding the date on which it is authenticated unless it is authenticated on an interest payment date, in which event it shall bear interest from such date, or unless it is authenticated prior to the first interest payment date, in which event it shall bear interest from its dated date, or unless it is authenticated during the period from the Record Date to the next interest payment date, in which case it shall bear interest from such interest payment date, or unless at the time of authentication thereof interest is in default thereon, in which event it shall bear interest from the date to which interest has been paid.

Only such Series 2026 Bonds as shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Section 5 hereof (the "Certificate") duly executed by the Trustee shall be entitled to any right or benefit under this Ordinance. No Series 2026 Bond shall be valid and obligatory for any purpose unless and until the Certificate shall have been duly executed by the Trustee, and the Certificate of the Trustee upon any such Series 2026 Bond shall be conclusive evidence that such Series 2026 Bond has been authenticated and delivered under this Ordinance. The Certificate on any Series 2026 Bond shall be deemed to have been executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the Certificate on all of the Series 2026 Bonds.

Section 5. The Series 2026 Bonds and the Trustee's Certificate of Authentication shall be in substantially the following form with appropriate variations between the Series 2026A Bonds and the Series 2026B Bonds:

(Form of Series 2026 Bond)

REGISTERED **REGISTERED**

No. _____ **$_____**

UNITED STATES OF AMERICA

STATE OF ARKANSAS

COUNTY OF PULASKI

CITY OF LITTLE ROCK

LIMITED TAX GENERAL OBLIGATION

CAPITAL IMPROVEMENT BOND

[SERIES 2026A]

[TAXABLE SERIES 2026B]

Dated Date: _____, 2026 **Interest Rate: _____%**

Maturity Date: February 1, 20__ **CUSIP: _____**

Principal Amount: _____ Dollars

Registered Owner: Cede & Co.

That the City of Little Rock, County of Pulaski, State of Arkansas (the "City"), for value received, hereby promises to pay to the Registered Owner shown above upon the presentation and surrender hereof at the principal corporate trust office of First Security Bank, Searcy, Arkansas, or its successor or successors, as Trustee and Paying Agent (the "Trustee"), on the Maturity Date shown above, the Principal Amount shown above, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and to pay by check or draft to the Registered Owner shown above interest thereon, in like coin or currency from the interest commencement date described below at the Interest Rate per annum shown above, payable on each February 1 and August 1 after the Dated Date shown above, commencing August 1, 2027, until payment of such Principal Amount or, if this bond or a portion hereof shall be duly called for redemption, until the date fixed for redemption, and to pay interest on overdue principal and interest (to the extent legally enforceable) at the rate borne by this bond. Payment of each installment of interest shall be made to the person in whose name this bond is registered on the registration books of the City maintained by the Trustee at the close of business on the fifteenth day of the month (whether or not a business day) next preceding each interest payment date (the "Record Date"), irrespective of any transfer or exchange of this bond subsequent to such Record Date and prior to such interest payment date. Notwithstanding the above, payment of interest shall be made by wire transfer when requested by the Registered Owner hereof if it is the registered owner of bonds of this issue in the aggregate principal amount of $1,000,000 or more.

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is required by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This bond shall bear interest from the payment date next preceding the date on which it is authenticated unless it is authenticated on an interest payment date, in which event it shall bear interest from such date, or unless it is authenticated during the period from the Record Date to the next interest payment date, in which case it shall bear interest from such interest payment date, or unless it is authenticated prior to the first interest payment date, in which event it shall bear interest from the Dated Date shown above, or unless at the time of authentication hereof interest is in default hereon, in which event it shall bear interest from the date to which interest has been paid.

This bond is issued under the authority of the Constitution and laws of the State of Arkansas, including particularly Amendment No. 62 to the Arkansas Constitution ("Amendment 62") and Title 14, Chapter 164,

Subchapter 3 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation"). It shall not be valid unless the Certificate of Authentication shall have been signed by the Trustee.

This bond is one of an issue of bonds of the City designated "Limited Tax General Obligation Capital Improvement Bonds, [Series 2026A] [Taxable Series 2026B]" (the "Series 2026_ Bonds") in the aggregate principal amount of $[54,590,000] [9,105,000]. The City is also issuing simultaneously with the issuance of the Series 2026_ Bonds, an issue of bonds of the City designated "Limited Tax General Obligation Capital Improvement Bonds, [Series 2026A] [Taxable Series 2026B] in the aggregate principal amount of $[54,590,000] [9,105,000] (the "Series 2026_ Bonds"). The Series 2026A Bonds and the Series 2026B Bonds are equally and ratably secured and are hereafter collectively referred to as the "Bonds."

The Bonds are limited tax general obligations of the City, payable from the proceeds of a continuing annual tax of 3.0 mills on the dollar of the assessed valuation of the taxable real and personal property in the City, subject to rollback as provided in Amendment No. 59 to the Arkansas Constitution (the "Special Tax"), including penalties and interest payable with respect thereto, and all payments received by the City from the State of Arkansas in lieu thereof under Amendment No. 79 to the Arkansas Constitution (collectively, the "Special Tax Collections"), levied by the Board of Directors under the authority of Amendment 62 and the Authorizing Legislation. The City hereby pledges the Special Tax Collections for the equal and ratable payment of the Bonds on a parity with the pledge in favor of the City's Limited Tax General Obligation Capital Improvement Bonds, Series 2022A (the "Series 2022 Bonds"), the City's Limited Tax General Obligation Capital Improvement Bonds, Series 2024A (the "Series 2024A Bonds") and the City's Limited Tax General Obligation Capital Improvement Bonds, Taxable Series 2024B (the "Series 2024B Bonds"). The Special Tax shall be collected with the property taxes payable in 2026 and continuing annually thereafter until all of the Bonds and interest thereon have been paid in full or deemed paid in accordance with the provisions of Ordinance No. 22,192 of the City duly adopted on November 15, 2022 and Ordinance No. _____ of the City duly adopted on November 2, 2026 (collectively, the "Authorizing Ordinance").

The Bonds are not secured by any lien on or security interest in any physical properties.

This Bond is transferable by the Registered Owner shown above in person or by his attorney-in-fact duly authorized in writing at the principal corporate trust office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Authorizing Ordinance, and upon surrender and cancellation of this bond. Upon such transfer a new fully registered Bond or Bonds of the same maturity and series, of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee in exchange therefor. This Bond is issued with the intent that the laws of the State of Arkansas shall govern its construction.

The City and the Trustee may deem and treat the Registered Owner shown above as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the City nor the Trustee shall be affected by any notice to the contrary.

The Bonds are issuable only as fully registered bonds in the denomination of $5,000, and any integral multiple thereof. Subject to the limitations and upon payment of the charges provided in the Authorizing Ordinance, fully registered bonds may be exchanged for a like aggregate principal amount of fully registered bonds of the same maturity, series and interest rate of other authorized denominations.

The Series 2026_ Bonds are subject to special mandatory[, optional and mandatory sinking fund] redemption prior to maturity as follows:

[(1)] The Series 2026_ Bonds shall be redeemed from Surplus Tax Collections (hereinafter defined) to the extent available therefor, on each February 1, in inverse order of maturity (and by lot within a maturity in such manner as the Trustee may determine), in whole or in part, at a redemption price equal to the principal amount being redeemed plus accrued interest to the redemption date. Surplus Tax Collections are the Special Tax Collections in excess of the amount necessary to (1) make the next two interest payments, the next principal payment, the Trustee's fees and expenses and other administrative charges with respect to the Bonds, the Series 2022 Bonds, the Series 2024A Bonds and the Series 2024B Bonds and (2) pay any arbitrage rebate due under Section 148(f) of the Internal Revenue Code of 1986, as amended.

While the Series 2022 Bonds are outstanding, the City shall apply 100% of the Surplus Tax Collections to the redemption of the Series 2022 Bonds. Thereafter, Surplus Tax Collections shall be used to redeem the Series 2024B Bonds. Once the Series 2022 Bonds and the Series 2024B Bonds are no longer outstanding, Surplus Tax Collections shall be used to redeem the Series 2024A Bonds. After the Series 2024A Bonds are no longer outstanding, Surplus Tax Collections shall be used to redeem the Series 2026B Bonds. After the Series 2026B Bonds are no longer outstanding, Surplus Tax Collections shall be used to redeem the Series 2026A Bonds. In the event of a redemption from Surplus Tax Collections, the bonds of a particular series shall be redeemed in inverse order of maturity and by lot within a maturity in such manner as the Trustee shall determine.

In case of any defeasance of the Bonds, redemption of defeased Bonds shall be scheduled on the basis of mandatory redemption requirements and assuming annual Special Tax Collections in an amount equal to receipts for the most recent twelve-month period.

[(2) The Series 2026A Bonds may be redeemed at the option of the City on and after February 1, 2032, from funds from any source, in whole or in part at any time, at a redemption price equal to the principal amount being redeemed plus accrued interest to the redemption date. If fewer than all of the Series 2026A Bonds shall be called for redemption, the particular maturities and interest rates of the Series 2026A Bonds to be redeemed shall be selected by the City in its discretion. If fewer than all of the Series

2026A Bonds of any one maturity and interest rate shall be called for redemption, the particular Series 2026A Bonds or portion thereof to be redeemed from such maturity and interest rate shall be selected by lot by the Trustee.]

[(3) To the extent not previously redeemed, the Series 2026A Bonds maturing February 1, 2045 are subject to mandatory sinking fund redemption by lot in such manner as the Trustee may determine, on February 1 in the years and in the amounts set forth below, at a redemption price equal to the principal amount being redeemed plus accrued interest to the date of redemption:

Series 2026A Bonds Maturing February 1, 2045

Years	Principal Amounts
2038	$3,625,000
2039	3,775,000
2040	3,935,000
2041	4,100,000
2042	4,275,000
2043	4,455,000
2044	4,640,000
2045	4,845,000

[(4)] Bonds of denominations greater than $5,000 may be redeemed partially in the amount of $5,000 or any integral multiple thereof.

[(5)] Notice of redemption identifying the Bonds or portions thereof to be redeemed shall be given by the Trustee, not less than thirty nor more than sixty days prior to the date fixed for redemption, by mailing or sending by other means, including electronic or facsimile communication, a copy of the redemption notice to all registered owners of Bonds to be redeemed. Failure to send an appropriate notice or any such notice to one or more registered owners of Bonds to be redeemed shall not affect the validity of the proceedings for redemption of other Bonds as to which notice of redemption is duly given and in proper and timely fashion. All such Bonds or portions thereof thus called for redemption shall cease to bear interest on and after the date fixed for redemption, provided funds for their redemption are on deposit with the Trustee at that time. With respect to notice of redemption of the Bonds, unless moneys sufficient to pay the principal of and interest on the Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice, such notice shall state that such redemption shall be conditional upon the receipt of such moneys by the Trustee on or prior to the date fixed for such redemption. If such moneys shall not have been so received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this bond have existed, have happened and have been performed in due time, form and manner as required by law; that the indebtedness represented by this bond and the issue of which it forms a part does not exceed any constitutional or statutory limitation; and that a tax sufficient to pay the Bonds has been duly levied in accordance with Amendment 62 and the Authorizing Legislation and made payable annually until all of the Bonds and interest thereon have been fully paid and discharged.

IN WITNESS WHEREOF, the City has caused this bond to be executed by its Mayor and City Clerk, thereunto duly authorized, and its corporate seal to be impressed hereon all as of the Dated Date shown above.

CITY OF LITTLE ROCK, ARKANSAS

By _____
Mayor

ATTEST:

By _____
City Clerk

(SEAL)

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within mentioned Authorizing Ordinance and is one of the Limited Tax General Obligation Capital Improvement Bonds, [Series 2026A] [Taxable Series 2026B], of the City of Little Rock, Arkansas.

Date of Authentication: _____

FIRST SECURITY BANK
Searcy, Arkansas
Trustee

By:_____
Authorized Officer

(A Form of Assignment shall be attached to the Series 2026 Bonds.)

Section 6. For the prompt payment of the Series 2026 Bonds with interest, the City pledges collections of the Special Tax (levied at the rate of 3.0 mills, subject to rollback as provided in Amendment 59) that it receives, including penalties and interest payable with respect thereto, and all payments received by the City from the State of Arkansas in lieu thereof under Amendment No. 79 to the Arkansas Constitution (collectively, the "Special Tax Collections"). The pledge of Special Tax Collections in favor of the Series 2026 Bonds is on a parity with the pledge in favor of the Series 2022 Bonds and the Series 2024 Bonds. The Series 2026 Bonds are being issued as "Additional Parity Bonds" under Ordinance No. 22,192 and shall be a part of the "Bonds" within the meaning of such Ordinance. In this regard, all provisions of Ordinance No. 22,192 pertaining to the "Bonds" shall inure and appertain to the Series 2026 Bonds to the same extent and with like force and effect as if herein set out in full. The effect of the above provisions shall be to continue the applicable provisions of Ordinance No. 22,192 in full force and effect after the Series 2022 Bonds and the Series 2024 Bonds are paid or provision is made therefor.

Section 7. The Series 2026 Bonds shall be callable for payment prior to maturity in accordance with the terms set out in the Series 2026 Bond form in Section 5 of this Ordinance.

Section 8. When the Series 2026A Bonds have been executed and sealed as herein provided, they shall be delivered to the Trustee, which shall authenticate them and deliver them to the Underwriters upon payment of the Series 2026A Purchase Price. An amount from the Series 2026A Purchase Price sufficient to pay the expenses of issuing the Series 2026A Bonds shall be deposited into a special account of the City created with the Trustee and designated "2026A Cost of Issuance Fund" (the "2026A Cost of Issuance Fund"). Moneys in the 2026A Cost of Issuance Fund shall be expended as directed in the delivery instructions to the Trustee signed by the Mayor and City Clerk ("Delivery Instructions") or in requisitions, with any amount remaining on February 1, 2027 to be transferred to the Limited Tax General Obligation Capital Improvement Bond Fund established pursuant to Ordinance No. 22,192 (the "Bond Fund").

The balance of the Series 2026A Purchase Price shall be deposited into four special accounts of the City hereby created in the Trustee (each a "2026A Construction Fund" and collectively, the "2026A Construction Funds"). Moneys shall be allocated among the 2026A Construction Funds in proportion to the principal amount of Series 2026A Bonds allocated for each purpose. Each 2026A Construction Fund shall be designated to reflect the purpose, e.g., "2026A Street Construction Fund." The amounts credited to each 2026A Construction Fund shall be expended to accomplish the purpose for which the account was created. Costs of issuing the Series 2026A Bonds and other expenses not specific to any one purpose shall be joint obligations to be paid from each 2026A Construction Fund in proportion to the initial moneys credited thereto.

Disbursements shall be made from each 2026A Construction Fund on the basis of requisitions which shall specify: the name of the person, firm or corporation to whom payment is to be made; the amount of

the payment; and the purpose by general classification of the payment. Each requisition must be signed by the Chief Financial Officer or Comptroller of the City or such person or persons serving on an interim basis in such offices. The Trustee shall keep records as to all payments made from the 2026A Construction Funds.

Moneys in each 2026A Construction Fund shall also be used to pay the principal of and interest on the Series 2026A Bonds when due on a pro rata basis if moneys in the Bond Fund are not sufficient for that purpose and may be used to pay any arbitrage rebate due under Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code").

Section 9. When the Series 2026B Bonds have been executed and sealed as herein provided, they shall be delivered to the Trustee, which shall authenticate them and deliver them to the Underwriters upon payment of the Series 2026B Purchase Price. An amount from the Series 2026B Purchase Price sufficient to pay the expenses of issuing the Series 2026B Bonds shall be deposited into a special account of the City created with the Trustee and designated "2026B Cost of Issuance Fund" (the "2026B Cost of Issuance Fund"). Moneys in the 2026B Cost of Issuance Fund shall be expended as directed in the Delivery Instructions or in requisitions, with any amount remaining on February 1, 2027 to be transferred to the Bond Fund.

The balance of the Series 2026B Purchase Price shall be deposited in a special account of the City hereby created in the Trustee designated the "2026B Park and Recreational Construction Fund" (the "2026B Construction Fund"). Moneys credited to the 2026B Construction Fund shall be used to accomplish the Park and Recreational Improvements and to pay expenses of issuing the Series 2026B Bonds.

Disbursements shall be made from the 2026B Construction Fund on the basis of requisitions which shall specify: the name of the person, firm or corporation to whom payment is to be made; the amount of the payment; and the purpose by general classification of the payment. Each requisition must be signed by the Chief Financial Officer or Comptroller of the City or such person or persons serving on an interim basis in such offices. The Trustee shall keep records as to all payments made from the 2026B Construction Fund.

Moneys in the 2026B Construction Fund shall also be used to pay the principal of and interest on the Series 2026B Bonds when due on a pro rata basis if moneys in the Bond Fund are not sufficient for that purpose and may be used to pay any arbitrage rebate due under Section 148(f) of the Code.

Section 10. Moneys held for the credit of the 2026A Construction Funds and the 2026B Construction Fund may be invested and reinvested in Permitted Investments (as defined in Ordinance No. 22,192) or other investments permitted by Arkansas law, which shall mature, or which shall be subject to redemption by the holder thereof, at the option of such holder, not later than the date or dates when such money will be required for the purposes intended. The Trustee may so invest and reinvest pursuant to the direction of the City and in the Trustee's discretion in the absence of any direct instructions from the City.

Section 11. (a) The City covenants that it shall not take any action or suffer or permit any action to be taken or condition to exist which causes or may cause the interest payable on the Series 2026A Bonds to be included in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the City covenants that the proceeds of the sale of the Series 2026A Bonds and the Special Tax Collections will not be used directly or indirectly in such manner as to cause the Series 2026A Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code.

(b) The City represents that it has not used or permitted the use of, and covenants that it will not use or permit the use of the Series 2026A Improvements or the proceeds of the Series 2026A Bonds, in such manner as to cause the Series 2026A Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. In this regard, the City covenants that (i) it will not use (directly or indirectly) the proceeds of the Series 2026A Bonds to make or finance loans to any person, and (ii) that while the Series 2026A Bonds are outstanding the Series 2026A Improvements will only be used by state and local governmental entities and by persons on a basis as members of the general public.

(c) The City covenants that it will not reimburse itself from Series 2026A Bond proceeds for any costs paid prior to the date the Series 2026A Bonds are issued except in compliance with United States Treasury Regulation § 1.150-2 (the "Regulation"). This Ordinance shall constitute an "official intent" within the meaning of the Regulation.

(d) The City covenants that it will, in compliance with the requirements of Section 148(f) of the Code, pay to the United States Government in accordance with the requirements of Section 148(f) of the Code, from time to time, an amount equal to the sum of (1) the excess of (A) the amount earned on all Non-purpose Investments (as therein defined) attributable to the Series 2026A Bonds, other than investments attributable to such excess over (B) the amount which would have been earned if such Non-purpose Investments attributable to the Series 2026A Bonds were invested at a rate equal to the Yield (as defined in the Code) on the Series 2026A Bonds, plus (2) any income attributable to the excess described in (1), subject to the exceptions set forth in Section 148 of the Code. The City further covenants that in order to assure compliance with its covenants herein, it will employ a qualified consultant to advise the City in making the determination required to comply with this subsection (d). Anything herein to the contrary notwithstanding this provision may be modified or rescinded if in the opinion of Bond Counsel such modification or rescission will not affect the tax-exempt status of the Series 2026A Bonds for federal income tax purposes.

Section 12. The City covenants that it will take no action which would cause the Series 2026A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code. The City further covenants that it will submit to the Secretary of the Treasury of the United States, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Series 2026A Bonds are issued,

a statement concerning the Series 2026A Bonds which contains the information required by Section 149(e) of the Code.

Section 13. *Severability.* In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of the ordinance.

Section 14. *Repealer.* All laws, ordinances, resolutions, or parts of the same that are inconsistent with the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

Section 15. *Emergency Clause.* *It is hereby ascertained and declared that the improvements to be financed with proceeds of the Series 2026 Bonds are immediately needed for the preservation of the public peace, health and safety and to remove existing hazards thereto. Such improvements cannot be accomplished without the issuance of the Series 2026 Bonds, which cannot be sold at the interest rates specified herein unless this ordinance is immediately effective. Therefore, it is declared that an emergency exists and this ordinance being necessary for the preservation of the public peace, health and safety shall be in force and take effect immediately upon and after its passage.*

PASSED: November 2, 2026

ATTEST:	**APPROVED:**
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Allison Segars, City Clerk	**Frank Scott, Jr., Mayor**

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney

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