

We are calling for a special item to be added to the election to be held on November 12, 2019, to vote on issues regarding bonds, taxes, and the city sewer system.

Our current sewer system is 25 years old and has had no major improvements since its construction, even though Vilonia has experienced tremendous growth in that time. The current collection and treatment facilities are nearing engineered capacity. Without expansion and improvements to the collection system, we will soon be forced to no longer allow new hookups to the system. In addition, as the components age out, the system will grow increasingly inefficient, reducing maximum capacity. While upgrading our systems is necessary for continued growth in Vilonia, it is also, in the long run, essential at our current level.

Ordinance 2019-1 is long and detailed but basically boils down to this:

1. The City sewer system needs improvements and expansions
2. The City wants to issue new bonds, with a maximum principal amount of \$4,845,000, to help pay for these improvements
3. The City currently has \$1,005,000 bonds outstanding, which are being paid for through a 0.5% sales and use tax instituted in 2013
4. The City wants to replace that 0.5% tax with two totaling 0.75% to pay for the new bonds
5. The special election will be held on November 12, 2019, with two options:
  - a. Refunding Bonds: issue new bonds up to \$1,005,000 to refund the 2013 bonds, discontinue the original 0.5% tax, and institute the new combined 0.75% tax
  - b. Sewer Improvement Bonds: issue new bonds up to \$4,845,000 to help pay for the sewer system improvements, discontinue the original 0.5% tax, and institute the new combined 0.75% tax
6. Refunding Bonds must pass for the Sewer Improvement Bonds to pass. If both Bonds pass, the new combined tax will be 0.75%.

Currently, 9.5% is collected in sales and use taxes. If both bonds are passed, that rate will increase to 9.75%. That means a \$5 lunch combo will go from an after-tax cost of \$5.48 to \$5.49 and a \$100 grocery bill will increase by 25 cents.

If you have any questions, you can add them to our comments section, email our website administrator at [cityofvilonia@gmail.com](mailto:cityofvilonia@gmail.com), attend the City Council meeting on September 17, and attend the Public Hearing to be held on October 1<sup>st</sup>.