

PUBLIC FACILITIES BOARD  
FOR THE UNITED STATES MARSHALS MUSEUM

The Arkansas Constitution and law enacted by the Arkansas Legislature require that public funds (proceeds from a Gross Receipts or Sales Tax) be expended for public purposes. If expended for a facility, the property may be owned by a “Public Facilities Board” (PFB).

Under the law:

- A PFB may be created by ordinance of the City of Fort Smith Board of Directors (“the Board”) for the purpose of purchasing the United States Marshals Museum building and grounds and leasing the building and grounds to the U.S. Marshals Museum, Inc., (“USMM”) a private, Arkansas non-profit corporation recognized by the Internal Revenue Service as a 501(c)(3) tax exempt corporation;
- The PFB’s name is “The United States Marshals Museum Public Facilities Board.”
- The PFB is governed by five members. The initial five members are appointed by the Mayor for staggered terms of up to five years. Successor members are nominated by a majority of the Board, appointed by the Mayor and confirmed by the Board for five year terms;
- Proceeds from a sales tax are collected by the Department of Finance and Administration, remitted to the Fort Smith City Treasurer, who shall remit the monies collected to the PFB;
- The PFB leases the Museum building and grounds to the USMM pursuant to a long term lease and contract that require the USMM
  - To engage in activities that benefit the public including, but not limited to, educational programming for school-aged children and adults;
  - To partner with other educational institutions locally and nationally to promote its educational programming;
  - To market the educational, cultural, historical, and law enforcement attributes of the Museum nationally for the purpose of attracting local, national, and international visitors to Fort Smith and surrounding areas;
  - To collaborate with local and regional partners to develop and promote tourism in the region;
  - To collaborate with local and regional partners to engage in activities that will promote the development of the Arkansas River riverfront and revitalization of historic downtown Fort Smith, support preservations of regional and national history,
  - To engage in activities that will promote economic development and job creation in the hospitality and tourism industry;
  - To work with the Arkansas Department of Parks and Tourism in promoting the Museum and other historic and cultural institutions;
  - To account to the PFB for sales tax monies transferred to the USMM for the above purposes and for any other purposes related to the design, fabrication, and installation of exhibits and experience, and any other purposes necessary to make

the Museum operational and able to perform its public purposes whether enumerated above or not;

- To report to the PFB no less than annually on its activities that benefit the public.
- Upon the approval of a Lease Agreement and Contract between the PFB and the USMM and a conveyance of the subject real property from the USMM to the PFB, the City Treasurer will disburse the proceeds of the sales tax to the PFB which shall then disburse to the USMM and will continue to do so until the nine-month sales tax collection expires as provided for by ordinance.
- The USMM Board of Directors shall have the right and the obligation to operate the Museum free and clear of any restrictions, requirements, oversight, or control of the Fort Smith Board of Directors.
- The USMM Board of Directors shall have the right and the obligation to operate the Museum free and clear of any restrictions, requirements, or control of the PFB except as provided for by law and as set forth in the Lease Agreement and Contract entered into between the PFB and the USMM.
- Neither the City of Fort Smith nor the PFB are responsible for future operational expenses of the USMM,
- The PFB's powers are those set forth herein, and those additional powers, if any, as specified by the Ordinance creating the PFB, those set forth in the Lease Agreement and Contract, all to be in accordance with law. Those powers are described and specified as follows (This is required to be in the ordinance—which shall be descriptive of the powers of the PFB and shall specify the powers. See Ark Code 14 14-137-111 for enumeration of powers.