



## SALES TAX ELECTION

# Fulton County 1% Public Safety Sales Tax Election

**ELECTION DATE:** Tuesday, Dec. 11, 2018

### What is being proposed?

Fulton County is asking voters to approve a 1 percent sales tax to improve, equip, staff, and provide for the operation and maintenance of the Fulton County Sheriff's office and Fulton County Detention facilities and to pay for the costs associated with the housing of prisoners.

### When is the election?

The election takes place December 11, 2018. Early voting starts December 4, 2018 at the Fulton County Courthouse. Fulton County voters can check their voter status or find out where they're supposed to vote on Election Day by calling the Fulton County Clerk's Office at 870-895-3310. You can also check your voter registration status online at [www.voterview.ar-nova.org](http://www.voterview.ar-nova.org).

### Why is this issue on the ballot?

A county sales tax must be approved by the voters.

### Why are county officials asking for a sales tax increase?

County officials say they do not have enough sheriff deputies or jail staff and that low salaries for those positions causes frequent employee turnover. The county does not have the money in its existing budget to increase spending at the sheriff's office and jail without increasing its revenue or decreasing its spending on other county departments.

### What are the staffing concerns?

The state's Criminal Detention Facilities Review Committee found the newer jail to be in good condition, but noted concerns in an

The following statements are examples of what supporters and opponents have made public either in media statements, campaign literature, on websites or interviews with Public Policy Center staff. The University of Arkansas System Division of Agriculture does not endorse or validate these statements.

### What do supporters say?

- The sales tax would allow the county to pay deputies higher wages, which would reduce turnover among employees. Staff often leave for higher pay in surrounding counties.
- If we are unable to hire additional jailers, we risk being out of compliance with jail standards and jeopardize the ability to house prisoners.

### What do opponents say?

- Property owners might pay less money over time if the county increased property taxes instead of the sales tax rate.
- We do not have a tax base. You cannot tax your way into prosperity. You have to grow it.

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## QUICK LOOK: What does your vote mean?

**FOR:** A FOR vote on the 1 percent county-wide sales and use tax measure means you are in favor of increasing the Fulton County sales tax rate from 2 percent to 3 percent to pay for the county to improve, equip, staff, and provide for the operation and maintenance of the Fulton County Sheriff's office and Fulton County Detention facilities and to pay for the costs associated with the housing of prisoners.

**AGAINST:** An AGAINST vote on the 1 percent county-wide sales and use tax measure means you are not in favor of increasing the Fulton County sales tax rate from 2 percent to 3 percent to pay for the county to improve, equip, staff, and provide for the operation and maintenance of the Fulton County Sheriff's office and Fulton County Detention facilities and to pay for the costs associated with the housing of prisoners.

### Exercising your voting privilege:

We live in a democratic society where voting is a privilege of citizenship. Democracy works best when informed citizens exercise their voting privilege.

**Election Day for this issue is Dec. 11, 2018. Early voting begins Dec. 4, 2018. Please exercise your right to vote on this issue.**

August 2018 report about staffing levels. The jail side of the sheriff's office often has only one employee working. According to the report, the operation struggles with training and emergency preparedness because of insufficient staffing levels. Staff safety was also a noted concern.

The sheriff will have to provide the state with an updated staffing plan by December.

The Fulton County jail's average daily population in 2018 was 23, according to the committee report. The jail has the capacity to hold 27 people.

### How much revenue would the sales tax generate?

According to Fulton County officials, the permanent 1 percent sales tax would generate an estimated \$700,000 a year. The proceeds from this tax would be used to help operate and maintain the Fulton County Sheriff's Office and Jail. The tax revenue would not be used for any other county departments.

The County Sheriff's budget is currently \$620,000. The proposed sales tax and additional funding from the county's general fund would increase the budget to \$1.5 million a year, according to county officials.

### If approved, how would the sales tax revenue be spent?

The sales tax revenue would be used to pay for day-to-day operations at the Sheriff's Office and Jail, which can include any supplies or equipment they need, and to pay for employee salaries.

The Sheriff would increase the base pay for deputies from \$19,000 a year to \$30,000 a year. Other sheriff's office employees would also receive a pay raise. The county would also hire a full-time investigator with a base pay of \$36,000. According to the county, an additional nine part-time positions would need to be filled to remain in compliance with state standards.

Currently, the county has nine full-time jailers/dispatchers, four part-time jailer/dispatcher positions, six full-time deputies, one part-time deputy/court bailiff, a jail administrator, and one administrative secretary position.

### Why doesn't the county reduce spending in other areas to pay for the needs of the sheriff's office?

County officials say they have cut spending to the bare minimum in each department and they don't have any other areas where they can cut spending.



## How do Fulton County's law enforcement expenses compare to other Arkansas counties of its size?

Fulton County is considered a Class 2 County, which are counties with populations of 10,000 to 19,999 people. There are 27 counties in Arkansas that fall into this category.

The Association of Arkansas Counties surveys county governments every year to see how much they have budgeted to pay for each position. Because salary can depend on years of service and varying responsibilities, we looked at the lowest salary reported for sheriff deputies in these 27 counties.

The average pay for those positions was \$29,622, with Fulton County at the bottom and Desha County at the top.

In 2016, Class 2 Counties spent an average of \$2.3 million on law enforcement and public safety, according to an analysis of the most recent audits prepared by the Arkansas Legislative Audit office. Fulton County reported spending \$1.05 million in 2016 on law enforcement and public safety.

## When was the last time the county increased its sales tax rate?

Fulton County voters changed the county's sales tax rate in 2004.

## How is the county's existing sales tax distributed?

Revenue from the existing 2 percent county-wide sales tax goes to several specific purposes that were previously approved by voters, such as:

- ½ percent for the Fulton County Hospital
- ½ percent for fire departments. The revenue from this county-wide sales tax is distributed between 11 fire departments in the county.
- 1 percent for local government operations. The revenue from this county-wide sales tax is split between Fulton County and area cities.

## When would the sales tax begin and end?

If approved by voters, the 1 percent sales tax would go into effect April 1, 2019. The sales tax would not expire.

## Who would pay the additional taxes?

The taxes would be paid by everyone purchasing goods or services subject to a sales and use tax in the county, including in its cities.

## How does Fulton County's sales tax compare to neighboring counties?

If voters approve the county's proposed sales tax, Fulton County's sales tax rate would increase from 2 percent to 3 percent in April 2019.

Other counties in Arkansas have sales tax rates ranging from 0 percent in Monroe County to 3.25 percent in Cleveland County. As of Nov. 1, 2018, the median sales tax rate for Arkansas' 75 counties was 1.75 percent. Nearby counties have the following sales tax rates:

County	Current County Sales Tax Rate
Baxter	1%
Fulton	2% (3%*)
Izard	0.5%
Sharp	1% (1.75% **)

\*Rate if proposed sales tax is approved.

\*\* Sharp County voters approved a sales tax increase Nov. 6, 2018. The new rate will take effect April 1, 2019.

*Source: Arkansas Department of Finance and Administration, List of Cities and Counties with Local Sales and Use Tax; October-December 2018.*

## What would happen if the tax fails?

Fulton County officials say the Quorum Court would look at raising the county's property tax rate to cover the cost of hiring additional employees. The Quorum Court has the legal authority to increase property taxes for the county's general fund and road fund.

## What is the county's existing property tax rate?

When you pay your property tax bill, portions of your tax dollars are distributed to the county, city, school and possibly other entities like a library depending on the tax rates they have set.

Counties can levy up to 5 mills for general county funds. The government of Fulton County levies 3 mills for its general fund that helps pay for the sheriff's department, jail, and operations of county offices.

The county also levies 2 mills for roads, with that money split between the county and local cities.

Property owners also pay 1 mill in property taxes to support the local library.

A mill is equal to \$1 of property tax for each \$1,000 of a property's assessed value. In Arkansas, the assessed value of property is calculated as 20 percent of the true market value. If your home has a market value of \$100,000, one mill would cost you \$20 per year.

### **Why did the county propose a sales tax increase instead of a property tax increase?**

County officials cited several reasons for choosing to go the sales tax route over increasing the property tax rate.

With a sales tax, citizens get to vote and have a say in the process. County officials say the proposed sales tax would generate more money than a higher millage rate.

According to county officials, one mill of property tax could generate up to \$100,000 in one year whereas the county anticipates a 1 percent sales tax would generate \$700,000 per year.

The following is the official wording for the sales tax question as it will appear on the ballot.

**LEVY OF A ONE PERCENT (1%) SALES  
AND USE TAX WITHIN  
FULTON COUNTY, ARKANSAS**

The levy of a one percent (1.0%) Sales and Use Tax within Fulton County, Arkansas beginning April 1, 2019 and to be used to improve, equip, staff, and provide for the operation and maintenance of the Fulton County Sheriff's office and Fulton County Detention facilities and to pay for the costs associated with the housing of prisoners.

- FOR
- AGAINST

***Conflict of interest:** this fact sheet was prepared to provide the citizens of Fulton County with information to help them in making an informed choice on Election Day. An effort has been made to ensure the information is presented in a fair and balanced way that best represents the facts associated with this ballot issue. As part of this effort, we are obligated to divulge potential conflict of interest and to recognize their influence on the educational programs and matter we produce. The University of Arkansas System Division of Agriculture and Fulton County Cooperative Extension Service are partially funded by state and county general funds. As such, any laws affecting revenues of the state or county has the potential to affect the Fulton County Extension Office.*