



SALES TAX ELECTION

Franklin County Jail and Law Enforcement Facilities

ELECTION DATE: Tuesday, August 8, 2017

What is being proposed?

Franklin County is proposing to build and equip a new jail, emergency dispatch center and sheriff's administration offices on county-owned property in Ozark. The county is proposing to pay for the construction and maintenance of the new facilities with two new county-wide sales taxes that combined would increase the county's overall sales tax rate from 1.5 percent to 2 percent. Voters are being asked to vote on two separate sales taxes and to allow the county to issue \$9 million in bonds to pay for the construction and furnishing of the new facilities up front. The bonds would be paid off with money collected from a temporary 0.375 percent sales and use tax that would expire when the debt is repaid. A second 0.125 percent sales tax would be permanent and would be used to pay for the construction, furnishing, operation and maintenance of the new jail and law enforcement facilities.

When is the election?

The election takes place Aug. 8, 2017. Early voting starts Aug. 1, 2017. Franklin County voters can check their voter status or find out where they're supposed to vote on Election Day by calling the Franklin County Clerk's Office at 479-667-3607.

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QUICK LOOK:

What does your vote mean?

FOR: A FOR vote means you are in favor of increasing the Franklin County sales tax rate and issuing bonds to pay for the construction, furnishing, operation and maintenance of a new jail, emergency dispatch center and law enforcement administration offices.

AGAINST: An AGAINST vote means you are not in favor of increasing the Franklin County sales tax rate or issuing bonds to pay for the construction, furnishing, operation and maintenance of a new jail, emergency dispatch center and law enforcement administrative offices.

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 Aug. 8, 2017. Early voting begins Aug. 1, 2017. Please exercise your right to vote on this issue.**

PUBLIC POLICY CENTER

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The following statements are examples of what supporters and opponents have made public either in media statements, campaign literature, on websites or in 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?

- We've done everything that we could possibly do for jail standards, but the overcrowding now is one of the biggest issues and also staffing power.
- Franklin County could not afford to transport and keep prisoners at a neighboring county jail.
- A lot of mentally ill people are arrested and have to be housed, and the jail doesn't currently have a way to separate them.

What do opponents say?

- There is no organized opposition. However, people in general may be opposed to paying a higher sales tax on their purchases.
- Franklin County would be paying the highest tax of any city or town around us and that could cause sales to decline, leaving the county with less money to pay off the jail debt.
- We should not spend additional tax dollars on non-contributing members of society.

Why is the issue on the ballot?

A sales tax must be approved by voters. The county does not have the money in its existing budget to build and maintain a new jail and law enforcement facility without increasing its revenue. The state has said the county's existing jail is inadequate to continue housing prisoners in the future and that the county must address the concerns. County officials have said problems with the existing jail would not be resolved by adding on to it, so a new facility at 300 Airport Road would be the best way to address deficiencies.

General Questions

Why is the existing jail inadequate?

The state's Criminal Detention Facilities Review Committee found several deficiencies with Franklin County's 44-year-old jail during recent inspections. The county has been put on notice that the jail may have to close unless the county addresses the issues. The current jail's official capacity is 26 people, according to county officials, but it averaged 42 people a day in 2015.

The committee's 2016 report cited 14 instances in which the jail was out of compliance, including that the jail does not have sufficient staff, that inmates can't be separated by classification, the cells do not meet square-footage requirements and the facility does not have sufficient space for security equipment and cleaning supplies.

What are the plans for a new jail?

The proposed 17,500-square-foot jail and law enforcement facility would have 92 beds. The building would house the sheriff's office and emergency dispatch center.

Why is a new jail better than the alternative of sending prisoners to a neighboring county?

County officials said the existing annual budget for the Franklin County jail is \$675,000. They estimate it would cost between \$700,000 and \$1 million a year to house prisoners in a neighboring county, not including transportation and medical costs for prisoners. Franklin County doesn't have the money in its budget to pay the higher cost of using a neighboring jail.

What are bonds?

Bonds are certificates of debt used by states, cities, counties or other government entities to finance large projects, such as roads, schools or sewer systems. They are similar to home mortgages.

How much revenue would the sales taxes generate?

According Franklin County officials, the permanent 0.125 percent (or 1/8 percent) sales tax would generate an estimated

\$216,000 a year. The county and cities in Franklin County would share this permanent sales tax revenue. The county would receive about \$123,000 from this tax for jail operations and maintenance and the remaining funds would go to the cities.

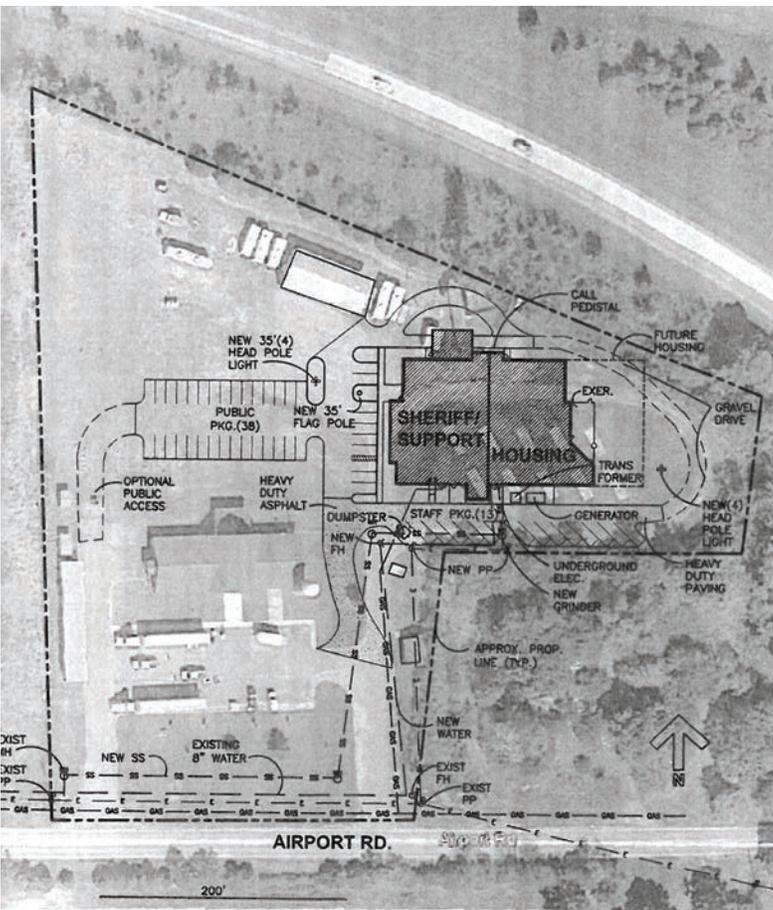
The 0.375 percent (or 3/8 percent) sales tax would generate an estimated \$648,000 per year over the 17 or so years it would be in place. All of the proceeds from this sales tax would go to the county to repay the bond debt issued to build the jail. Once the debt is paid off, this tax would expire.

When would the sales taxes begin and end?

Both taxes would start being collected Jan. 1, 2018. The 0.375 percent sales tax would be collected until the bond is repaid, which county officials estimate to be around 2033. The 0.125 percent tax would not expire.

Who would pay the additional taxes?

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



Architecture drawings show the location of the proposed county jail and sheriff's office on Airport Road in Ozark. The 17,500-square-foot building would have 92 beds, and also would house the emergency dispatch center.

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

If voters approved the two proposed taxes, Franklin County's sales tax rate would increase to 2 percent.

County	Current County Sales Tax Rate
Crawford	1.75%
Franklin	1.5% (2%)*
Johnson	1%
Logan	2%
Madison	2%
Sebastian	1.25%

*Rate if two sales taxes are approved.

What would happen if the tax does not pass?

County officials said Franklin County would face closure of the current jail and inmates being moved to neighboring counties. The state's Criminal Detention Facilities Review Committee has held off on closing the jail or turning it into a facility that can hold people for only 24-hours because of the county's plan to hold an election and ask voters to pay for a new facility.

What would happen if one ballot issue passes but not the other?

Franklin County officials have said they would have to ask for another election if one portion does not pass.

The following is the official wording for both sales tax questions as they will appear on the ballot.

0.125 % SALES AND USE TAX

Adoption of a 0.125% local sales and use tax within Franklin County, the net collections of which remaining after deduction of the administrative charges of the State of Arkansas and required rebates (the "Net Collections") will be distributed only to the County and each municipality located therein based upon population as determined by the State legislation authorizing the tax. The Net Collections received by the County shall be used for one or more of the following: (a) to acquire, construct, improve, expand, equip, furnish, operate and maintain new or existing jail and law enforcement facilities and (b) to pay and secure the repayment of bonds approved by the voters and issued by the County from time to time to finance jail and law enforcement facilities and facilities related thereto or in support thereof. The Net Collections received by the municipalities in the County shall be used by each municipality as determined by its governing body. The levy of the tax is not dependent on any bonds being approved or issued.

FOR

AGAINST

**JAIL AND LAW ENFORCEMENT FACILITIES BONDS AND
0.375% SALES AND USE TAX**

Bonds of Franklin County in the maximum aggregate principal amount of \$9,000,000 to finance all or a portion of the costs of acquiring, constructing, equipping and furnishing a new jail and law enforcement facility, including particularly, without limitation, a new jail, communications center, sheriff's office, arraignment room and administrative offices related to law enforcement and any necessary utility, road and parking improvements related thereto or in support thereof, and, in order to pay the bonds, the levy and pledge of a 0.375% local sales and use tax within the County.

If the bonds are approved, there will be levied within the County a new 0.375% sales and use tax, the net collections of which remaining after deduction of the administrative charges of the State of Arkansas and required rebates will be used solely to retire or pay obligations with respect to the bonds in accordance with Amendment No. 62 to the Arkansas Constitution. The tax will expire after the bonds have been paid or provision is made therefor in accordance with Arkansas statutes. In order to provide additional funds to pay or to further secure repayment of the bonds, the County may also pledge to the bonds the net collections received by the County from of an additional county-wide 0.125% sales and use tax, if such additional tax is separately approved by the voters. The issuance of the bonds is not dependent on the additional 0.125% sales and use tax being approved.

FOR

AGAINST

Conflict of interest: This fact sheet was prepared to provide the citizens of Franklin 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 Franklin 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 Franklin County Extension Office.