

Ms. Stevens

Was there ^{been} a correction of sanitation fees inaccuracy from Mr. McDaniel's first presentation

My name is Iris Stevens, I live at 2714 Turtle Cove. I'm also the coordinator of the Northeast Arkansas Tea Party.

First of all, I don't see a problem with your list of projects, but I DO have some questions and concerns about the process of this proposal and I'm hoping to come to you to get some answers. My first concern is that raising this tax 1% (one percentage point) would take us from 8.5% to 9.5% percentage increase of the sales tax and would actually result in an 11.76% or almost 12% percent increase in taxes paid by the consumer. So that would raise the price of almost everything bought in Jonesboro almost 12%. That is correct, isn't it? Because I don't think that has been explained in the previous discussions of this proposal.

If so, that is concerning in that a 9.5% sales tax (combined local and state) pushes us into a level that is higher than the highest average state/local sales tax in the country – Tennessee - which has a 9.46% rate, but also has, as most of you know, NO income tax. Arkansas, as a state, is already number 3 in the nation in combined state/local sales tax with a 9.42% rate).

And then, of course, there is the future problem of the Craighead County Detention Center that has significant needs. What kind of tax increase are we looking at for that project? As Chris Wessel of the Jonesboro Sun said, "You can only go to the taxpayer well so often."

*According to the DFA, Jonesboro is right in the middle of state and local sales taxes for the state. I think the implication made in one of the previous meetings was that Jonesboro was low in its sales tax. However, I believe the cities they compared us to were a little cherry-picked.

I also have a question about something that wasn't quite clear to me during the last meeting. I believe Ms. Duncan stated that, "We do have to pass the levy before we can call for the election." Does that mean that only after the tax has passed would the committee begin working on what projects would be considered? Is that correct? If so, isn't that a little like "We have to pass the bill so you can see what's in it?" When I go to a store, I don't hand them a \$50 bill and tell them to surprise me. I examine what I'm buying before I turn loose of my money. And this proposal is anticipated to raise around \$220 million dollars.

Also, in my notes it appears that Mr. McDaniel stated that there would be no list of projects now because it would "remove the creativity, set a floor and ceiling to the projects, it would take away the competition, and it would be unwise to anchor the committee." But there HAS been a list given in several of our media. Is that list not accurate? Furthermore, Mr. Frierson stated that "We would be extremely foolish to give the council or administration a list of projects to hand the committee and say, work on these..." But to me It seems terribly vague that people wouldn't know what they're voting for before they voted for a significant tax increase even if the projects themselves are basically good. Could you explain that again?

Another issue is the fact that this is a really truncated process of about 13 weeks leading to a special election. I'm sure that you everyone on the council knows that the easiest way to get a tax increase passed is through a special election. According to a report from UCA, the turnout for these is usually only about 19%, possibly because most people aren't even aware of the election, and they result in a pass rate on tax increases of **about 76%** compared to a tax issue in a general election of **about 44%**. They're

expensive too, costing Arkansans about \$200,000 a year. I see this election as replicating those stats because this is vacation time and most people aren't paying attention to what is being done. Do you consider that fair especially since this proposal, with the possible exception of the police and fire, isn't really an emergency?

We all know that sales taxes most affect the economically challenged, the elderly, and retired and on a fixed income. So they definitely have a stake in this proposal. I know the problem for people like Mrs. Moore who had the heartfelt letter In the Sun recently is about the effect such a tax will have on the people least able to pay them. She was also upset about the possibility of a new sanitation fee which had been mentioned by Mr. McDaniel in his first presentation when he said that Jonesboro didn't have one. Of course that inaccuracy should have been corrected with the information that in 2000, in exchange for a permanent 1% sales tax, the city would not charge for residential garbage collection. In her letter Moore seems more worried about the lack of police and fire protection, and many others agree especially if they read the daily crime pages in the Sun. She would prefer the entire tax go to police and fire. I know many in our community agree because there is enormous support for the police and firefighters here.

Only if time allowed by the council

- Then , what about corporate sponsorships for projects? Will that be considered? Walmart has funded over \$74 million during the last 10 years for bicycle trails around Fayetteville. Have we even considered soliciting for corporate funding of some of these projects?

- The implication by one of the council, I think Mr. Moore, that the city council meetings on these three ordinances were not to hash out the problems people have with them. (“We’re not here to litigate the merit of the sales tax. We’re just being asked to send it to a public referendum. The time to litigate this is not tonight. We’re not here to debate the merits or not. We’re here to ask, do we want to send it and let the public vote on it?”) If so, then does that mean that ANY proposal brought by a private group automatically is okayed to go forward to a vote? Because I could see that might be a problem depending on some proposed ordinances.
- This proposal has been mentioned as a way to encourage new growth and retain the ones already here in Jonesboro. But in May of this year, an article in the Sun celebrated a 14.4% growth rate between 2010 and 2018, “almost twice the nation growth rate for similarly sized cities.” Can you help reconcile those two conflicting ideas?