

Sevier County SALES TAX ELECTION

1% HOSPITAL SALES TAX FACTS



Sevier County Hospital
De Queen, AR

WD & D ARCHITECTS

➔ **What is being proposed?** Sevier County is asking voters to approve two measures:

- 1) A measure allowing the sale of bonds with a cap amount of \$24,250,000 and,
- 2) a 1 percent sales tax to pay for construction, maintenance and operations of a county owned hospital. County sales tax increases must be approved by voters.

The proposed sales tax increase is one percent, which is equal to one cent per every dollar spent on taxable sales. This is NOT a property tax.

➔ **How is the county's existing sales tax distributed?**

Revenue from the existing 2¼% county-wide sales tax goes to several specific purposes that were previously approved by voters, as follows:

- 1 % General Sales Tax (split by county and cities based on population – roughly 49% to County and 51% to Cities and Towns)
- 1/2 % Solid Waste Tax
- 3/8 % Jail Maintenance & Operations
- 1/4 % College

➔ **When will sales tax collections begin and end?**

If approved by voters, sales tax collections are expected to begin June 1, 2020, and would not expire. The taxes would be paid by everyone purchasing goods or services subject to a sales and use tax in Sevier County, including inside city limits.

➔ **How much will the construction of the proposed hospital cost?** If approved, bonds have a cap in the amount of \$24,250,000 to construct a new 12 bed, state of the art hospital. This is maximum amount required by law for this project. Right now, projections are calling for only \$18,000,000 in total project costs. Only the amount needed will be borrowed. A portion of the one percent

sales tax collected will go toward paying off bond debt. The remainder of sales tax collected will be spent toward operations and maintenance of the hospital.

➔ **How much revenue will be generated by the additional one percent sales tax?** According to historical data, the proposed one percent sales and use tax increase would generate approximately \$1.9 million annually.

➔ **Who will manage the new hospital?** The proposed hospital will be overseen by a board composed of seven Sevier County residents appointed by the County Judge and Quorum Court. In order to allow the Emergency Room to open as soon as possible, there is a plan to partner with Mena Regional Medical Center on a temporary basis for emergency room services.

➔ **How will the voters' decision on this measure impact our region economically?** It is anticipated that the proposed hospital has the potential to employ more than one hundred people and generate approximately \$5.5 million in local taxpayer salaries. The addition of a new hospital to health services already available in Sevier County would undoubtedly be an asset for attracting businesses and potential residents to Sevier County. Lack of emergency room and inpatient health care could be a factor that prevents businesses and industries from looking to locate in Sevier County.

➔ **When is the election?** The election takes place on October 8, 2019. Sevier County voters can check their voter status or find out where they are supposed to vote on Election Day by calling the Sevier County Clerk's Office at (870) 642-2852.

OFFICIAL BALLOT Oct. 8, 2019

**Official Ballot
Special Election
Sevier County, Arkansas - October 8, 2019
Bear Creek West**

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<p>INSTRUCTIONS TO VOTER</p> <p>1. Vote on measures by placing an appropriate mark below the measure either FOR or AGAINST.</p> <p>2. Use the marking device provided.</p> <p>3. If you darken more than one oval on a measure, your vote on that measure will not count. If you make a mistake on your ballot, return it to an election official for a replacement ballot. You may replace up to two ballots in an election.</p>	<p>1% SALES AND USE TAX</p> <p>Adoption of a 1% local sales and use tax within Sevier County, the net collections of which remaining after deduction of the administrative charges of the State of Arkansas and required rebates will be distributed only to the County and used for one or more of the following: (a) to acquire, construct, improve, repair, expand, equip, furnish, operate and maintain a new county hospital facility and any future additions thereto ("Hospital 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 Hospital Facilities.</p> <p><input type="radio"/> FOR</p> <p><input type="radio"/> AGAINST</p>	
	<p>HOSPITAL BONDS</p> <p>An issue of bonds of Sevier County in one or more series in the maximum aggregate principal amount of \$24,250,000 for the purpose of financing all or a portion of the costs of acquiring, constructing, furnishing and equipping a new county hospital facility (the "Hospital") and any necessary land acquisition and utility, road, parking, drainage or other improvements for the Hospital, funding capitalized interest, providing a debt service reserve and paying costs of issuing the bonds, and, in order to pay the bonds, the pledge of the net collections received by the County from a new county-wide one percent (1%) sales and use tax levied by Ordinance No. 2019-03, adopted August 5, 2019, if approved by the voters.</p> <p><input type="radio"/> FOR</p> <p><input type="radio"/> AGAINST</p>	