

Searcy City Council – Special Session
November 19, 2013 7:00 p.m.
Minutes

Mayor David Morris called to order a Special Session of the Searcy City Council. Alderman Don Raney gave the Invocation, with the Pledge of Allegiance following, led by Alderman Steve Sterling. City Clerk Jerry Morris called the roll with the following Aldermen answering “present”: Logan Cothorn, Mary Ann Arnett, JR Howard, Steve Sterling, Dale English, Don Raney, Dale Brewer and Mike Chalenburg.

Item (3) on the agenda was a public comment session for hearing comments regarding the immediate and future needs of the City of Searcy and the possible revenue source options to fulfill the said needs. Mayor Morris stated that there would be no sign-in sheet and that anyone who wishes to speak before the Council would be given an opportunity and that they are requested to limit their comments to a three minute time frame in order to give all who wish to speak a chance to do so. A total of five (5) persons spoke before the Council:

- Mr. Paul Love
- Mr. Jay Shock
- Mr. Jerry Nelson
- Mr. Randy Skinner
- Ms. Anna Wood

Mayor Morris thanked all who came forward and made comments on this issue and assured them that their comments are heard and are taken with serious consideration by the Council and the Administration of the City of Searcy. The public comments portion of the special meeting was then declared closed by Mayor Morris.

Item (4) on the agenda was for Council discussion regarding possible revenue source options and/or other measures for the funding of the immediate and future needs of the City of Searcy. Mayor Morris reminded the council of various funding proposals that had been suggested as possibilities and that it is the Council’s responsibility to make a decision that is in the best interest of the citizens of the City of Searcy. Addressing a concern expressed during the public comment session, Alderman Sterling reminded this person that a document showing the past five (5) years sales tax collection revenues was passed out earlier. Alderman Brewer stated that ultimately it will be the voice of the voters to decide what services they want provided to them and what services they are willing to pay for. He also stated that all sales tax revenues that are received are used for the benefit of the citizens of the city. Alderman Cothorn said that the idea of a two (2) tiered proposal for a ¼% permanent tax along with a 1% tax with a sunset of five (5) is a proposal that he could possibly support, with the ¼% used for operating expenses and the 1% for a five (5) period to be used for capital expenditures. Alderman Brewer expressed his concern that a ¼% tax would be insufficient in meeting the needs and would possibly only allow the city to maintain the status quo, specifically because of the LOPFI obligation which will continue to grow with each coming year. Alderman Chalenburg stated that he is concerned that the city does not have a mechanism in place for replacing

worn-out equipment/vehicles/machinery. He reminded the Council that the current operational sanitation trucks are on average thirteen (13) years in age and that the average lifespan of a sanitation truck is five (5) years. The cost of maintaining these old trucks is growing as they get older. He stated that this is true for all vehicles/equipment that is used to provide services for the city. Mr. Chalenburg also reminded the Council of the state mandated LOPFI obligation that is currently an approximate \$740,000.00 annually and that it continues to increase every year. Mr. Brewer and Mr. Chalenburg also stated that the city has serious needs in the area of street repair and drainage problems that urgently need attention and that, without a new revenue source, these needs cannot be addressed appropriately. Mayor Morris noted that the ½% sales tax that is currently in place for the city has been in place since 1994 and the city has grown tremendously since then as well as have the costs of providing the services that are currently being provided. Mrs. Arnett stated her concern that the city does not have a “rainy day” reserve and asked the question of whether it could be mandated that a portion of any new revenue could be set aside as a reserve. Mr. Brewer answered that although this would be a good idea, this could not be mandated in the sense that it would not be allowable to obligate or bind the future leaders and government of the city to do so. He stated that this could be the policy of this administration but that it could not be mandated permanently. Alderman Howard stated that he commends the various department heads for their efforts in keeping the aging equipment in working order. Alderman Raney stated that he agrees with Alderman Chalenburg in that it is the time for a ‘call to take action,’ and even though a number of options had been presented, he did not feel that there was a consensus as to what that action should be. He thought that it would be prudent to obtain more feedback in order to help in coming to a consensus as to the action that should be taken. He suggested that there be two (2) ordinances drafted and reviewed by the Friday Law Firm and brought to the Council either at the next agenda meeting (December 2, 2013) or to call a special Council meeting. His suggestion for the two (2) ordinances:

1. For the levy of a permanent sales and use tax with a blank space to be filled in as to an agreed upon tax rate percentage
2. For the levy of a sales and use tax that would have a definitive effective period (sunset), with two (2) blank spaces to be filled in; one blank space for an agreed upon tax rate percentage and the other blank space for the definitive effective period (sunset) for the stated tax rate percentage

Mr. Raney then made a motion for two (2) ordinances to be prepared, as noted above, and that these ordinances are to be presented to the Council in a special called meeting on December 2, 2013. Mr. Chalenburg seconded the motion made by Mr. Raney. The motion carried with the following voting “yes”; Arnett, Howard, Sterling, English, Raney, Brewer, Chalenburg, and Cothorn.

Mayor Morris then called for a Special meeting of the Searcy City Council to be held at Searcy City Hall on Monday, December 2, 2013 at 5:00 p.m., at which time a possible action(s) can be taken regarding this issue. He stated that when these two (2) ordinances are drafted and reviewed, they would be distributed to the Council members in order for them to have time to look at them.

A motion was made and seconded to adjourn.

Minutes Approved: December 10, 2013

/s/ David Morris
MAYOR

ATTEST:

/s/ Jerry Morris
CITY CLERK

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