**HARRIS COUNTY, GEORGIA**

**SPLOST – 2019 PROPOSAL**

**Revision #6**

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**April 1, 2019 to March 31, 2025**

**Background on the Current SPLOST**

The referendum for the current SPLOST was held during November 2013 to determine if the county voters wanted to continue the 1% Special Purpose Local Option Sales Tax (SPLOST) for an additional five-year period to raise $19,000,000 for economic development activities including industrial park improvements, library construction, public safety equipment, water system improvements, agri-center improvements, road and bridge improvements, fire equipment, recreation improvements and equipment, debt reduction, jail addition, an AWOS system for the airport, and city projects.

During the referendum, 1,674 citizens voted – 1,277 (76.3%) for the SPLOST and 397 (23.7%) against. At the time of the referendum, the county had 18,780 registered voters. Therefore, the referendum had an 8.9% voter turn-out rate.

Since the referendum was approved, the SPLOST went into effect on April 1, 2014 and will continue until March 31, 2019.

**Current SPLOST Distributions**

SPLOST funding is received each month by the county and is distributed monthly to each of the county’s municipalities by an agreed upon percentage as follows:

* Waverly Hall - 15.3%
* West Point (that portion in Harris County) – 7.9%
* Pine Mountain – 6.8%
* Shiloh – 2.6%
* Hamilton – 2.1%
* Unincorporated Harris County – 65.3%

**Current SPLOST Accomplishments**

* Construction of a new Harris County Public Library (under construction, opening March 2018).
* Purchase of nine new fire trucks and a new building for the volunteer fire departments.
* Construction of an agricultural building.
* Installation of an AWOS system for the airport.
* Construction of Washington Road.
* Construction of Pate Park concession stand and press box.
* Improvements to the Northwest Harris Business Park and Hamilton Business Park.
* Upgrade of the 911 Center’s telephone system.
* Installation of water lines on Mulberry Drive, Hudson Mill Circle, Goat Rock Road, Hamilton Business Park, fire line to Animal Control, and Hardage Road (under construction)
* Development of Ellerslie Park (under construction).

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**Current SPLOST Collection Chart**

The current SPLOST generates an average of $204,830 per month or about $2,457,960 per year in revenues at the current trend. As can be seen from the chart below, the sales tax has been flat during the current collection period. The current SPLOST has 13 months remaining.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Month** | **FY 2013-14** | **FY 2014-15** | **FY 2015-16** | **FY 2016-17** | **FY 2017-18** | **FY 2018-19** |
| **July** |  | 225,181.27 | 245,821.69 | 224,392.66 | 243,750.32 |  |
| **Aug.** |  | 217,415.09 | 207,094.58 | 193,552.53 | 213,552.32 |  |
| **Sept.** |  | 194,652.36 | 193,271.16 | 197,993.03 | 219,293.95 |  |
| **Oct.** |  | 186,628.68 | 185,349.84 | 194,632.98 | 196,698.35 |  |
| **Nov.** |  | 211,306.32 | 213,147.77 | 200,804.23 | 224,825.79 |  |
| **Dec.** |  | 257,306.76 | 239,459.30 | 234,068.93 | 253,328.71 |  |
| **Jan.** |  | 195,848.14 | 164,645.60 | 197,582.01 | 180,359.00 |  |
| **Feb.** |  | 179,249.77 | 168,658.70 | 172,272.62 | 169,280.44 |  |
| **Mar.** |  | 187,876.08 | 184,225.05 | 184,097.70 |  |  |
| **Apr.** | 186,906.82 | 184,413.49 | 194,012.62 | 210,974.50 |  |  |
| **May** | 190,618.08 | 202,801.17 | 192,539.17 | 210,843.53 |  |  |
| **June** | 214,520.58 | 217,465.14 | 226,289.54 | 238,014.03 |  |  |
| **Total** | **592,045.48** | **2,460,144.27** | **2,414,515.02** | **2,459,228.75** | **1,701,088.88** |  |
| **Total to Date - $9,627,022.40 or an average of $204,830 per month.** | | | | | | |
| **FY 2013-14 monthly average - $197,348** | | | | | | |
| **FY 2014-15 monthly average - $205,012** | | | | | | |
| **FY 2015-16 monthly average - $201,210** | | | | | | |
| **FY 2016-17 monthly average - $204,936** | | | | | | |
| **FY 2017-18 monthly average - $212,636** | | | | | | |
| **Projected collections during the 60-month period - $12,289,800 or 64.7% ($19,000,000 budgeted)** | | | | | | |
| **Collection period ends March 31, 2019. 47 of the 60 months have been collected or 78.3%.** | | | | | | |

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**SPLOST-2019 Tentative Timeline**

The current SPLOST will end on March 31, 2019. To continue the SPLOST without interruption, another referendum needs to occur asking the voters to continue the SPLOST for an additional five or six years. A tentative schedule is listed below to have a May 22, 2018 election in conjunction with a major state-wide general primary:

August 2017: Board reviews election timeline, proposed county capital projects, cost estimates, revenue estimates, distribution formulas, among other items.

September - October 2017: Board meets with the five municipalities to discuss the above information and their proposed capital projects. The initial meeting shall be held at least 30 days prior to the issuance of the call for the referendum and at least 69 days before the scheduled election. The meeting notice must be sent to each of the municipalities at least 10 days prior to the date of the meeting and must contain the date, time, place, and purpose of the meeting.

October - November 2017: Once the county’s and municipalities’ projects, their cost estimates, overall revenue estimates, and distribution formulas are known and agreed upon, the county attorney can then begin to develop an intergovernmental agreement for all parties to approve.

The intergovernmental agreement is very important since it details how the SPLOST proceeds will be distributed to the municipalities. The intergovernmental agreement must contain at a minimum the specific capital projects to be funded, the estimated cost of each project, procedures for distributing the SPLOST proceeds to the municipalities, a schedule for distributing the SPLOST proceeds to the municipalities that includes the order of priority in which each project will be fully or partially funded, provision that all projects in the agreement will be funded, provision stating the SPLOST proceeds shall be kept in separate accounts, not commingled with other funds, and used exclusively for the specified purposes, record keeping and audit procedures to meet the requirements of the law, and any other provisions the county and municipalities want to address including revenue shortages or excesses, and earned interest income among other issues. If there is no intergovernmental agreement, the SPLOST proceeds will be distributed according to a population-based formula and on a monthly basis.

The benefits of having an intergovernmental agreement is that the collection period can be six years rather than five years and that the SPLOST does not expire until the full time is reached even if the revenues exceed the estimated cost of all projects.

November - December 2017: The county and the five municipalities approve the intergovernmental agreement during their meetings.

January 2018: Once the intergovernmental agreement is approved by all parties, the county attorney can then prepare a resolution or ordinance for the Board of Commissioners to adopt calling for the continuation of the sales tax. The resolution or ordinance must include a list of the county and municipal projects for which the proceeds of the tax are to be used, the estimated cost of each project to be funded from the proceeds of the tax, and the time period of the levy stated in calendar years or calendar quarters.

February 2018: Once the resolution or ordinance calling for the SPLOST is approved by the Board of Commissioners, the county attorney, in conjunction with the Election Superintendent, will call for the election. The call must be at least 90 days before the date of the election if it is held in conjunction with a state-wide general primary or state-wide general election (Feb. 20, 2018). The call must be published in the county’s legal organ once a week for four weeks immediately before the election (January 25, February 1,8, and 15, 2018).

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**SPLOST-2019 Tentative Timeline**

April 23, 2018: Registration deadline.

April 30-May 18, 2018: Advance voting.

May 22, 2018: The SPLOST election occurs in conjunction with a major state-wide general primary election. The offices up for election are county commission districts 1,2, and 3, school board districts 2, 5, and 7, superior court judge, state court of appeals judges, state supreme court judges, state representatives from districts 133, 134, and 137, state senate district 29, third U.S. congressional representative, state public service commissioner, state commissioner of labor, state school superintendent, state commissioner of insurance, state commissioner of agriculture, state attorney general, secretary of state, governor, lt. governor, and U.S. senator.

April 1, 2019: Assuming approval, the SPLOST continues for an additional six years without interruption until March 31, 2025. If the SPLOST is not approved, the next election cannot occur until 12 months following the month in which the election failed.

**Authorized Uses of SPLOST Proceeds**

SPLOST proceeds can only be used to fund capital projects and cannot be used for maintenance and operations of the government. Capital projects are defined as permanent long-lived items such as land, structures, and equipment including roads, bridges, public safety vehicles, garbage trucks, storm water and drainage projects, etc. State law list the following purposes for which SPLOST proceeds can be used:

* Road, street, bridge, sidewalk, and bicycle path purposes including maintenance and major equipment.
* Courthouse, administrative buildings, civic center, jail, correctional institution, library, coliseum, and solid waste handling facilities.
* Cultural facilities, recreational facilities, and historic facilities.
* Water and sewer purposes.
* Retirement of previously incurred general obligation debt.
* Public safety facilities, airport facilities or related capital equipment used in the operation of public safety or airport facilities.
* Capital equipment used in voting in official elections.
* Transportation facilities such as railroads, ports, harbor facilities, and mass transportation facilities.
* Hospital facilities.
* Repairs to capital facilities damaged or destroyed by a natural disaster.

**SPLOST-2019 Anticipated Collections**

SPLOST-2019 collections are anticipated to follow the existing collection trend. SPLOST-2019 is anticipated to collect $212,500 per month or $2,550,000 per year or $15,300,000 over a six-year collection period. These figures are about 3.7% higher than the current collections due to expected natural growth in sales taxes from 2019 to 2025.

**Proposed County Projects, Estimated Cost, and Municipal Distribution Percentages**

The SPLOST-2019 proposal is that the county retains 84.0% and the five municipalities retain16.0% of the SPLOST collections based on current population figures and negotiated amounts. Assuming $15,300,000 collections over six years, that would equate to the county

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receiving $12,858,000 and the municipalities receiving $2,442,000 to allocate toward their capital projects. Below is a breakdown of proposed county projects, their estimated cost, and municipal allocations.

|  |  |  |
| --- | --- | --- |
| **Project Type** | **Project Description** | **Estimated Cost** |
| **Proposed County Projects** | | |
| Public Safety | Acquire 30+/- public safety vehicles and associated equipment, 2+/- ambulances and associated equipment, and Volunteer Fire Dept. equipment. | $3,730,000 |
| Community Center Debt Repayment | Debt payments for the community center. | $3,700,000 |
| Renovations to Courthouse, Old Library, and Community Development Building | Professionally inspect, prepare a plan, equip, and renovate the interior and exterior of the historic courthouse, old library and community development building. | $1,750,000 |
| Economic Development and Broadband | Acquire industrial sites, develop, install, and maintain infrastructure including water, wastewater, natural gas, and roads, construction of industrial buildings, payment of debt thereon, acquire broadband equipment to provide services, and uses associated therewith. | $1,250,000 |
| Public Works Facility | Professionally plan, design, construct, and equip a public works facility. | $1,200,000 |
| Roads & Bridges | Repair, maintain, and construct county roads and bridges. | $982,100 |
| Rails to Trails Recreation Project | Continue the rails to trails project. | $245,900 |
| **Total County Projects**  **86.2% of population (29,020)**  **84.0% of the SPLOST** |  | **$12,858,000**  **$2,143,000/year**  **$178,583/month** |
| **City Allocations** | | |
| Pine Mountain | Allocation for city projects.  4.0% of total population (1,358)  4.1% of the SPLOST | $625,000  $104,167/year  $8,681/month |
| Hamilton | Allocation for city projects.  3.5% of total population (1,158)  3.7% of the SPLOST | $565,000  $94,167/year  $7,847/month |
| Waverly Hall | Allocation for city projects.  2.5% of total population (823)  3.2% of the SPLOST | $493,000  $82,167/year  $6,847/month |
| West Point (portion in Harris County) | Allocation for city projects.  3.0% of total population (1,030)  3.0% of the SPLOST | $459,000  $76,500/year  $6,375/month |
| Shiloh | Allocation for city projects.  1.3% of total population (443)  2.0% of the SPLOST | $300,000  $50,000/year  $4,167/month |
| **Total City Allocations**  **13.8% of population (4,632)**  **16.0% of the SPLOST** |  | **$2,442,000**  **$407,000/year**  **$33,917/month** |
| **Grand Total of Estimated SPLOST Collected Over the Six Year Period**  **100% of population (33,652)** |  | **$15,300,000**  **$2,550,000/year**  **$212,500/month** |

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**Proposed County Project Schedule and Municipal Allocation Schedule**

**Year 1 (FY 2019-20)**

|  |  |  |  |
| --- | --- | --- | --- |
| **County Department** | **Capital Item** | **New or Replacement** | **Estimated Cost** |
| Facilities Maintenance | Old Library Renovations | R | 350,000 |
| EMS | Vehicle (2) w/Stretchers | R | 400,000 |
| EMS | Jaws of Life Tool (2) | N | 50,000 |
| EMS | Cardiac Monitors | R | 180,000 |
| Recreation | Rails to Trails Project | N | 245,900 |
| Economic Development | Various Improvements | N | 250,000 |
| Sheriff’s Office | Vehicle (5+/-) | R | 200,000 |
| Volunteer Fire Depts. | Equipment | R | 166,667 |
| Public Safety | Equipment | R | 125,000 |
| **Total County** |  | | **1,967,567** |
| **City Allocations** |  |  |  |
| Pine Mountain Allocation |  |  | 104,167 |
| Hamilton Allocation |  |  | 94,167 |
| Waverly Hall Allocation |  |  | 82,167 |
| West Point Allocation |  |  | 76,500 |
| Shiloh Allocation |  |  | 50,000 |
| **Total City** |  | | **407,000** |
| **Total Cost for FY 2019-20** | | | **2,374,567** |

**Year 2 (FY 2020-21)**

|  |  |  |  |
| --- | --- | --- | --- |
| **County Department** | **Capital Item** | **New or Replacement** | **Estimated Cost** |
| EMS | Vehicle (2) w/Stretchers | R | 400,000 |
| EMS | Jaws of Life Tool (2) | N | 50,000 |
| Recreation | Community Center Debt | R | 741,404 |
| Sheriff’s Office | Vehicle (5+/-) | R | 200,000 |
| Volunteer Fire Depts. | Equipment | R | 166,667 |
| Information Technology | Broadband | N | 500,000 |
| **Total County** |  | | **2,058,071** |
| **City Allocations** | | | |
| Pine Mountain Allocation |  |  | 104,167 |
| Hamilton Allocation |  |  | 94,167 |
| Waverly Hall Allocation |  |  | 82,167 |
| West Point Allocation |  |  | 76,500 |
| Shiloh Allocation |  |  | 50,000 |
| **Total City** |  | | **407,000** |
| **Total Cost for FY 2020-21** | | | **2,465,071** |

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**Proposed County Project Schedule and Municipal Allocation Schedule**

**Year 3 (FY 2021-22)**

|  |  |  |  |
| --- | --- | --- | --- |
| **County Department** | **Capital Item** | **New or Replacement** | **Estimated Cost** |
| Public Works | Public Works Facility  (Phase I) | N | 600,000 |
| Recreation | Community Center Debt | R | 738,942 |
| Sheriff’s Office | Vehicle (5+/-) | R | 240,000 |
| Volunteer Fire Depts. | Equipment | R | 166,667 |
| Information Technology | Broadband | N | 500,000 |
| **Total County** |  | | **2,245,609** |
| **City Allocations** | | | |
| Pine Mountain Allocation |  |  | 104,167 |
| Hamilton Allocation |  |  | 94,167 |
| Waverly Hall Allocation |  |  | 82,167 |
| West Point Allocation |  |  | 76,500 |
| Shiloh Allocation |  |  | 50,000 |
| **Total City** |  | | **407,000** |
| **Total Cost for FY 2021-22** | | | **2,652,609** |

**Year 4 (FY 2022-23)**

|  |  |  |  |
| --- | --- | --- | --- |
| **County Department** | **Capital Item** | **New or Replacement** | **Estimated Cost** |
| Facilities Maintenance | Courthouse Renovations (Phase I) | R | 650,000 |
| Facilities Maintenance | Community Development Building Renovations | R | 100,000 |
| Public Works | Public Works Facility  (Phase II) | N | 600,000 |
| Recreation | Community Center Debt | R | 741,279 |
| Sheriff’s Office | Vehicle (5+/-) | R | 240,000 |
| Volunteer Fire Depts. | Equipment | R | 166,667 |
| **Total County** |  |  | **2,497,946** |
| **City Allocations** | | | |
| Pine Mountain Allocation |  |  | 104,167 |
| Hamilton Allocation |  |  | 94,167 |
| Waverly Hall Allocation |  |  | 82,167 |
| West Point Allocation |  |  | 76,500 |
| Shiloh Allocation |  |  | 50,000 |
| **Total City** |  | | **407,000** |
| **Total Cost for FY 2022-23** | | | **2,904,946** |

Note: TSPLOST ends in Dec. 2022.

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**Proposed County Project Schedule and Municipal Allocation Schedule**

**Year 5 (FY 2023-24)**

|  |  |  |  |
| --- | --- | --- | --- |
| **County Department** | **Capital Item** | **New or Replacement** | **Estimated Cost** |
| Facilities Maintenance | Courthouse Renovations  (Phase II) |  | 650,000 |
| Public Works | Annual Road & Bridge Improvement Program | R | 491,050 |
| Recreation | Community Center Debt | R | 738,315 |
| Sheriff’s Office | Vehicles (5+/-) | R | 240,000 |
| Volunteer Fire Depts. | Equipment | R | 166,667 |
| **Total County** |  | | **2,286,032** |
| **City Allocations** | | | |
| Pine Mountain Allocation |  |  | 104,167 |
| Hamilton Allocation |  |  | 94,167 |
| Waverly Hall Allocation |  |  | 82,167 |
| West Point Allocation |  |  | 76,500 |
| Shiloh Allocation |  |  | 50,000 |
| **Total City** |  | | **407,000** |
| **Total Cost for FY 2023-24** | | | **2,693,032** |

**Year 6 (FY 2024-25)**

|  |  |  |  |
| --- | --- | --- | --- |
| **County Department** | **Capital Item** | **New or Replacement** | **Estimated Cost** |
| Public Works | Annual Road & Bridge Improvement Program | R | 491,050 |
| Recreation | Community Center Debt | R | 740,060 |
| Sheriff’s Office | Vehicles (5+/-) | R | 280,000 |
| Volunteer Fire Depts. | Equipment | R | 166,667 |
| Public Safety | Equipment | R | 125,000 |
| **Total County** |  |  | **1,802,777** |
| **City Allocations** | | | |
| Pine Mountain Allocation |  |  | 104,167 |
| Hamilton Allocation |  |  | 94,167 |
| Waverly Hall Allocation |  |  | 82,167 |
| West Point Allocation |  |  | 76,500 |
| Shiloh Allocation |  |  | 50,000 |
| **Total City** |  | | **407,000** |
| **Total Cost for FY 2024-25** | | | **2,209,777** |

**Other Issues**

Georgia state law prohibits local governments from spending public funds for advertisements, flyers, mailings, or any other direct promotion in support of the passage of a SPLOST. Local governments can, however, expend public funds to prepare descriptions of the SPLOST proposal and the impact of the SPLOST projects on the county and its citizens as an education tool, but not to express an opinion regarding the SPLOST proposal or advocate for which way a person should vote. Chambers of Commerce or other civic groups can provide the leadership and funding to promote SPLOST approval.

ACCG has a great resource entitled, *Special Purpose Local Option Sales Tax, A Guide for County Officials, 6th Edition* (2016) at <https://www.accg.org/library/legal/SPLOST%202016.pdf>. This document details the state laws and has many FAQs.

Updated on March 29, 2018.

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**HARRIS COUNTY, GEORGIA**

**SPLOST – 2019 PROPOSAL**

**Talking Points**

* SPLOST-2019 is a continuation of the current 1% Special Purpose Local Option Sales Tax, it is not a new tax.
* The current SPLOST will end on March 31, 2019 and has funded many needed projects over the previous five years including a new library, new fire trucks and a new fire building, agricultural building, airport improvements, road improvements, park improvements, business park improvements, 911 Center improvements, water line installations, among many others.
* Election day is Tuesday, May 22, 2018. Advance voting is April 30-May 18, 2018.
* If approved, the sales tax will continue beginning April 1, 2019 and go for six years until March 31, 2025.
* SPLOST-2019 will generate approximately $2,550,000 per year or $15,300,000 over the six-year collection period.
* The $15,300,000 will be distributed to the county (84%) and the five cities within the county (16%) on a population basis for specific capital projects.
* The county is estimated to receive $12,858,000 over the six year collection period and the county’s specific projects are public safety vehicles and equipment such as sheriff’s vehicles, ambulances, and equipment for the volunteer fire departments, community center debt payments to have visitors help pay this debt, renovations to the historic courthouse, old library, and community development building, economic development purposes, equipment to provide broadband services, new public works facility, road and bridge improvements, and rails to trails recreation project.
* Pine Mountain is estimated to receive $625,000 over the six-year collection period and the city’s specific projects are water and sewer improvements, public safety such as police vehicles, and street improvements.
* Hamilton is estimated to receive $565,000 over the six-year collection period and the city’s specific projects are street improvements and equipment and public safety such as police vehicles.
* Waverly Hall is estimated to receive $493,000 over the six-year collection period and the city’s specific projects are water improvements, public safety and equipment, and street improvements.
* West Point is estimated to receive $459,000 over the six-year collection period and the city’s specific projects are water and sewer improvements.
* Shiloh is estimated to receive $300,000 over the six-year collection period and the city’s specific projects are water improvements, public works, and public safety.
* This sales tax is paid by property owners as well as visitors to the community.
* The consequences of not approving this continuing sales tax is that the projects of the county and the cities do not get accomplished or that property taxes may have to be increased to pay for the listed improvements.