

Q. We have not heard much about the new SPLOST program since we voted to extend it back on 11/5/13. Can you update us?

A. Our current SPLOST III, which began April 2009, will expire in March 2015. The new SPLOST IV program will begin in April of 2015. The first actual proceeds of the new SPLOST will be received in May of 2015.

Q. Can you give us a reminder of what SPLOST is?

A. SPLOST stands for Special Purpose Local Option Sales Tax. It is one penny of the 7 pennies sales tax that you pay on each dollar when making a purchase. This money can be used by the county for capital projects and roads and bridges and related items.

Q. Have we completed all the projects that we had on our SPLOST III list that will end in March of next year?

A. There are two sets of projects in our SPLOST program. The City gets a portion of the SPLOST sales tax and I do not have any information on their projects. However, the county also has a list and we have expended funds on all projects, although because of a lack of funding we have had to reduce the scope on some projects.

Q. What does the SPLOST law require regarding starting and completing all projects?

A. There are two types of projects. Tier One projects and the "other projects." Tier One projects are declared at the time of passing the SPLOST and are generally major projects such as new courthouses or jails. If a Tier One project is identified, funds must be utilized to pay for completion of that project before any other funds are expended. Union County DID NOT have any Tier One projects in the current SPLOST III or the upcoming SPLOST IV, therefore the remaining projects do not have the funding and starting and completion date restrictions of Tier One projects.

Q. How do you determine what the revenue requirements will be for the projects that you work on or complete?

A. When projecting revenue for a SPLOST project of 6 years, we rely on experts in the field to make those estimates. The current SPLOST began in April of 2009, but planning of projects and estimates were made back in 2007 and 2008. That was before the financial collapse and economic downturn. The SPLOST law is designed to take these factors into account. It is obvious that estimates of revenue can vary and the cost of individual projects can vary widely. We can make educated estimates on all of it, but who could have guessed the severity of the fall of the economy back in late 2008 and the severe financial impact it would have on the entire world, much less Union County.