

After Agenda

**Board of Commissioners of Spalding County
Work Session
Friday, July 15, 2022
9:00 AM
Room 108, Spalding County Annex Building**

The Spalding County Board of Commissioners held a joint work session with the Cities of Griffin, Orchard Hill and Sunny Side on Friday, July 15, 2022, in Room 108 of the Spalding County Annex Building beginning at 9:00 a.m.

Present for Spalding County were Chairman Clay Davis and Commissioners Gwen Flowers-Taylor and Rita Johnson. Also present were County Manager, Dr. Steve Ledbetter, Director of Community Development, Kellie Littlefield, Administrative Services Director, Jinna Garrison, County Attorney, Stephanie Windham and County Clerk, Kathy Gibson to record the minutes.

Present for the City of Griffin were Mayor Doug Hollberg and Commissioner Rodney McCord. Also present were City Manager Jessica O'Connor, County Attorneys Drew Whalen and Kelsie Carden and Administrative Secretary Susan Bartholomew to record the minutes.

Present for the City of Orchard Hill was Mayor Brian Hayes.

Present for the City of Sunny Side was Mayor William Slaughter and Commissioner Gay Whitman.

I. OPENING (CALL TO ORDER)

Chairman Davis called the meeting to order for Spalding County.

II. INVOCATION

City of Griffin Mayor, Doug Hollberg, delivered the invocation.

III. PLEDGE TO THE FLAG

Spalding County Commissioner Rita Johnson led the pledge to the flag.

IV. AGENDA ITEMS

1. Spalding County and the Cities of Griffin, Orchard Hill and Sunny Side will meet to discuss LOST (Local Option Sales Tax) revenue distribution.

Dr. Ledbetter advised that all of the cities should have received a letter from the County regarding OCGA 38-8-89 which requires that the county and cities renegotiate the distributions received from the Local Option Sales Tax within two years of each decennial census and submit a new distribution certificate to the Department of Revenue no later than December 30, 2022. The decennial census was in 2020 and here we are in June of 2022 renegotiating. As such, counties and cities must begin renegotiation by July 1, 2022, and the call for a renegotiation went out on June 20th.

We have notified the Department of Revenue Commissioner know that we are in negotiation for our LOST and he then presented the Local Option

Sales Tax Requirements:

- LOST is approved by the voters and will continue annually, subject to certain conditions.
- LOST is a joint tax between the county government and its municipalities: LOST collections in Spalding County are distributed between Spalding County and the City of Griffin.
- The law requires that the county governing officials negotiate with the governing officials of the municipalities upon implementation of a LOST and must renegotiate percentages each will receive every ten years following a new census.
- If a consensus is not reached by all parties in accordance with Georgia Law, then the tax terminates.
- LOST funds distributed go into the general funds of the county and the cities and reduce the amount of property tax needed to fund the budgets of these governments.

Dr. Ledbetter stated that the one item that was highlighted during the training with both ACCG and GMA was bullet point #4 "If a consensus is not reached by all parties in accordance with Georgia Law, then the tax terminates.

Dr. Ledbetter advised that the purpose of the discussion today is to define the process for this negotiation. Using GMA's process, we have already completed Step #1 We have initiated our renegotiation for LOST. Today the County and City needs to proceed in developing a strategy and adopting a Resolution to move us forward. How are we collectively, as a community going to renegotiate our LOST? There are a lot of steps and SDS is a huge part of that requirement.

Dr. Ledbetter then stated that one of the things he would request is that during the next regular meeting our Boards direct the County and City Managers to go into full negotiation over the next 45 days to finalize the SDS and then come back to the Boards with a recommendation for the LOST percentages. This puts us in the position where we are spending most of our time getting through this. This is a once in a ten-year period opportunity for us. It is also a lot of work that is going to be required for us to move this forward. He then pointed out that we have 167 days which includes holidays and weekends to complete this renegotiation, so we are on a very tight timetable.

Ms. O'Connor stated that she agrees with Dr. Ledbetter. While working on the SDS and getting the forms together, they have realized there are a lot of questions. This has not been done right in the past. She doesn't feel it is complete and she doesn't think that it is right, so they are having to start from scratch. So not only are they having to make sure they are providing the services correctly, but they are also having to start over with regard to double taxation issues and then determine who is to provide what. There is a lot of opportunity for discussion with regards to services. She is definitely onboard with a call to have 45 days to bring something back.

Dr. Ledbetter then stated that bringing this back in 45 days would be the first part of September and it would allow, us the opportunity to find someone to assist in the negotiation efforts if we find we cannot agree. He feels that 45-days would be sufficient for staff to work through these challenges. He agrees there are a lot of challenges with the IGA's. The

challenges are substantial and some of the IGA's are extremely old and we need to update how we perform together as a community.

Commissioner Flowers-Taylor then asked Ms. O'Connor if some of the problems currently being faced by everyone involved is going to make it hard for you to work and come back to us in 45-days? That is a concern for her.

Dr. Ledbetter stated it is a concern for staff as well. If we get to the 45-day mark and we still have matters to be resolved he will propose that staff come back to the Boards and ask for an extension to finalize. However, if we get to the end of the 45-days and are at an absolute impasse and can't move forward, that is a different conversation that we will need to have. This would give us 90-days before the December deadline.

Commissioner Flowers-Taylor then expressed her concern that if we should have to have mediation, you can't expect that to start and complete within a 90-day period. If we hit December and we don't have anything, it doesn't matter because the money will be gone.

Stephanie Windham, Spalding County Attorney, advised that we can go ahead and contact a mediator and have them in place should we need one. Not to have anything set in stone but say that we may need to call you in September.

Drew Whalen stated that he has had recent contact with DCA, and mediators are not easily found because nobody is showing up for training anymore. They are currently going around the State and calling on folks to see if they would be willing to spend time mediating LOST before the end of the year. It is going to be tough finding someone.

Commissioner Flowers-Taylor then stated that if that is part of getting us to the end of this, then we need to be looking at that now.

Dr. Ledbetter advised that part of what he is requesting is that both the County and the City amend their agendas for their next meetings and direct both managers to invest their time in negotiating SDS and LOST over the next 45-days and report their progress frequently toward a September deadline. He stated that if this is done, he feels we are in a good position for us to do what is required for this process.

Commissioner Flowers-Taylor then asked that as part of the negotiation we look at what other counties are doing with authorities within the counties and the cities. The LOST is clearly about reducing the burden of property taxes and none of us want to add that amount of money back to the property taxes.

Ms. O'Connor then stated that LOST is not just about property tax, there are eight criteria now that has to be looked at in determining the percentage of tax.

Ms. Windham advised there is a publication from ACCG on the criteria and she will share it with everyone.

Mayor Hollberg advised that the city does not have a quorum present to decide today, but that he will ask staff to place this on the next agenda for consideration.

Chairman Davis then advised that everyone needs to understand that we cannot not come to an agreement by the December deadline. We cannot tell our citizens that we could not reach some resolution. That is not an

option.

Ms. Windham then stated that the Board may want to go ahead and instruct the County Manager to find a mediator.

Motion/Second by Flowers-Taylor/Johnson to allow the County Manager to proceed with looking for a mediator. Motion carried unanimously by all.

V. ADJOURNMENT

Motion/Second by Johnson/Flowers-Taylor to adjourn the meeting for Spalding County at 9:30 a.m.