

INTERGOVERNMENTAL AGREEMENT

PURSUANT TO ARTICLE IX OF THE CONSTITUTION OF THE STATE OF GEORGIA THIS INTERGOVERNMENTAL AGREEMENT (“Agreement”) is given this 16th day of July, 2015, by and among the Board of Education of Gwinnett County, the governing authority of the Gwinnett County School District (“Gwinnett”) and the Board of Education of the City of Buford, the governing authority of the Buford Independent School District (“Buford”).

WITNESSETH

WHEREAS each Board is cognizant of the continuing goal to improve its educational system and is faced with the challenge of meeting the financial and growth demands of their respective school districts arising from the need of additional and improved facilities and is desirous of providing these capital improvements by a sales and use tax for educational purposes (hereinafter “SPLOST”); and,

WHEREAS both Boards have a history of cooperation and collaboration and wish to proceed in a fair and just manner and remain working for the benefit of both school districts; and,

WHEREAS the distribution of proceeds generated by the SPLOST collection in counties containing two or more school districts shall be based on the most recent FTE count or such other local law as may be agreed to by the parties; and,

WHEREAS Buford is desirous of commencing improvement projects as expeditiously as possible and cannot commence such construction based on its monthly FTE allowance without incurring additional expense through bond financing or other means; and,

WHEREAS Gwinnett is desirous of maximizing its full allotment under a FTE allocation to fund its many projects county-wide; and,

WHEREAS, Buford agrees to its FTE allotment of approximately 2.35% which is more specifically calculated as the percentage ratio based on the October, 2015 cycle of FTE as opposed to and in lieu of a potentially higher percentage as set forth by local legislation, in consideration of entering into an Intergovernmental Agreement with Gwinnett concerning the timing of the distribution of such funds as provided below:

NOW THEREFORE, in consideration of the terms set forth herein, the mutual covenants contained herein, and other good and valuable consideration, the receipt and adequacy of which is hereby expressly acknowledged, the parties do hereby agree as follows:

1. Buford agrees to forego local legislation which would entitle it to a greater share of the proceeds from the SPLOST, than that apportioned by the most recent FTE count; and,

2. Gwinnett, as an incentive to Buford to forgo such potential proceeds, shall relinquish its initial collections upon receipt thereof from the State of up to approximately \$22,325,000, or such amount according to the ratio of student enrollment of all school districts in the county based on the October, 2015 FTE count, assuming final collections amount to at least approximately \$927,675,000 over the duration of the SPLOST collections in order that Buford recover all of its anticipated proceeds from the SPLOST immediately after payments necessary to pay debt service on any related general obligation bonded indebtedness of Gwinnett in the estimated amount of \$18,750,000; and,

3. Provided, however, Gwinnett shall be allowed to deduct a sum of money from its approximate \$22,325,000 payment to Buford which represents any deficiency of collected funds arising from the prior SPLOST program (to the extent not previously paid by Buford from unspent prior SPLOST funds or otherwise) to reconcile and allow an accurate pro rata dispersion according to actual collections based upon FTE as set forth in the prior SPLOST program. Nothing herein shall be construed to relieve Buford of its obligation to remit to Gwinnett said deficiency if the 2015 SPLOST referendum fails to pass or if for any reason the provisions of this Agreement are deemed null and void.

4. Buford agrees that once it has received its sum based upon its respective ratio per the October, 2015 FTE count in aggregate amount from the State and Gwinnett, it will relinquish upon receipt from the State its proceeds from the SPLOST until Gwinnett has received its share of the collections from SPLOST in the approximate amount of \$927,675,000;

5. Given that it is impossible to project the specific amount of funds which will be recovered pursuant to the SPLOST, both Boards agree that at the end of the five year SPLOST program, to reconcile the dispersed funds, based on the actual return over the life of the SPLOST, as necessary to achieve an accurate pro rata dispersion according to projections developed based on the proceeds of the SPLOST for that term as apportioned by the already agreed upon FTE count; thus,

6. At the end of the SPLOST term, both Boards will have received funds from the SPLOST based upon their FTE numbers from the most recent FTE count prior to the referendum, of which funds Buford will have received the majority of its share at the outset of the collections as its incentive for foregoing local legislation entitling it to a greater share;

7. This Agreement constitutes the entire agreement between the parties and no other understandings, agreements or representations, verbal or otherwise, exist or have been made in connection with the subject matter hereof or may be relied upon, other than as set forth herein. This Agreement may only be modified by a writing executed by the parties hereto.

IN WITNESS WHEREOF, Board of Education of the Gwinnett County and the Board of Education of the City of Buford have executed this Intergovernmental Agreement as of the date and year written below.

This 16th day of July 2015.

This 17th day of July, 2015

**THE BOARD OF EDUCATION OF
GWINNETT COUNTY, GEORGIA**

**THE BOARD OF EDUCATION OF
THE CITY OF BUFORD**

By: _____
Dr. Mary Kay Murphy, Chairwoman

By: _____
Phillip Beard, Chairman