



Q&A on Education SPLOST (E-SPLOST)

The Gwinnett County Board of Education has called for a referendum on continuing the one-cent Special Purpose Local Option Sales Tax for education (E-SPLOST) for another five years. The question will be on the county's **November 3, 2015**, ballot. The following are answers to key questions regarding the E-SPLOST. For additional information, please visit the school district's web site at www.gwinnett.k12.ga.us.

What is an E-SPLOST for education?

- The Special Purpose Local Option Sales Tax for education, also known as E-SPLOST, is a 1-cent sales tax on all retail sales in Gwinnett County.
- The E-SPLOST is a sales tax, not a property tax.
- Everyone who makes a purchase in Gwinnett County, including visitors, contributes to the support of local schools.
- By law, an E-SPLOST can be used only for certain capital projects that support local schools.
- Such funds cannot be used for the day-to-day operational expenses of a school system.

Is the proposed E-SPLOST a new tax? How long would it be in effect?

- The E-SPLOST is not a new or additional tax but an extension of the one-cent tax already being collected on sales.
- The current sales tax will not increase.
- If approved by Gwinnett County voters, the 1-cent sales tax currently in place for schools would be continued for another five-year period. Sales tax would be collected July 1, 2017, through June 30, 2022.

How much will the proposed E-SPLOST raise for the school district?

A total of \$950 million is projected to be raised in the five-year collection period. It will be shared by Gwinnett County Public Schools (GCPS) and Buford City Schools (BCS), based on each district's FTE enrollment count. GCPS will receive up to \$927,675,000 and BCS will receive up to \$22,325,000 if the total amount is collected.

How will funds be used if voters approve a continuation of the 1-cent sales tax for education?

The Gwinnett County Board of Education proposes the following capital projects, which will benefit all clusters:

- Construct **4 new schools** (two theme-based high schools to provide relief for Norcross and Meadowcreek high schools, an elementary school in the Meadowcreek Cluster, and an elementary school in the Berkmar Cluster).
- **Renovate and add classrooms to 9 existing schools** (Chesney ES, Richards MS, Berkeley Lake ES, Parkview HS, Brookwood HS, Lilburn MS, Grayson HS, Berkmar HS, and Benefield ES).
- Provide significant **technology improvements in every cluster** to support teaching and learning.
- Catch up on **preventive maintenance of existing facilities**.
- **Purchase school buses and land**, and pay off existing debt associated with previous building programs.

What is included in the "preventive maintenance" of existing schools?

As a result of almost a decade of severe budget cuts, the district has had to postpone much of the preventive maintenance that is needed at all schools and facilities. Specific needs vary by school, but the following are examples of preventive maintenance needs across the system:

- Roof repairs
- Heating and air conditioning equipment replacement
- Electrical and data improvements
- Lighting and energy management improvements
- Replacement of floor coverings
- Interior and exterior painting

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Why does the school district need E-SPLOST funds for capital projects?

School district funds and expenses generally fall into two categories:

- **Operational Expenses** – Such expenses include teacher salaries, instructional materials, bus fuel, and utility bills. Funding is provided through state allocations and local property taxes.
- **Capital Expenses** – Such expenses include the construction and renovation of school facilities, and the purchase of costly items such as land, buses, and technology. Funding primarily is provided through a voter-approved E-SPLOST or bond referendum, with some supplemental funds provided by the state.
- Funds for operational expenses are not sufficient to cover the cost of capital project needs.

How have E-SPLOST funds been used in the past to support schools?

- Gwinnett County voters first approved a SPLOST for education in **1997**.
- Voters approved a continuation of the 1-cent sales tax for education in **2001, 2006, and 2011**.
- Previous E-SPLOST funds have been used to construct **nearly 60 new schools**, helping the school system to keep pace with enrollment growth.
- A portion of previous E-SPLOST funds has been used for classroom additions and renovations, technology enhancements, the purchase of buses, and to retire debt from previous bond referenda.

Why is the district looking to renew the E-SPLOST now?

- The current E-SPLOST **expires on June 30, 2017**. Holding the election at this time will allow the district to more aggressively plan the next building program to meet the district's needs as enrollment continues to grow.
- Approval in November of 2015 would allow GCPS to move forward with knowledge that the penny will continue to be collected beginning on July 1, 2017.

The ballot question on the E-SPLOST also mentions \$330,000,000 in general obligation bonds that will be approved as well. What are these for?

This will be the third E-SPLOST to also include approval of general obligation bonds. These bonds will provide the district with funding prior to the collection of the sales tax, allowing the district to get a jumpstart on building needed classrooms. These bonds will be paid for with sales tax proceeds as they are collected.

What happens if voters do not approve continuation of the E-SPLOST?

The E-SPLOST is the primary source of funding for building and maintaining quality school facilities for students. Without this source of funds, the school district will be limited in its ability to provide new schools and to maintain existing school facilities. In addition to buildings, the E-SPLOST has been a key funding source for ensuring that technology for students and teachers is updated. Educational technology is changing. The E-SPLOST is needed for GCPS to effectively meet the needs of students and teachers for teaching and learning and continue efforts to improve communication with parents.

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