

E-SPLOST/ CAPITAL IMPROVEMENT UPDATE

MAY 1, 2025
BOARD RETREAT





CONTENT AND TOPICS

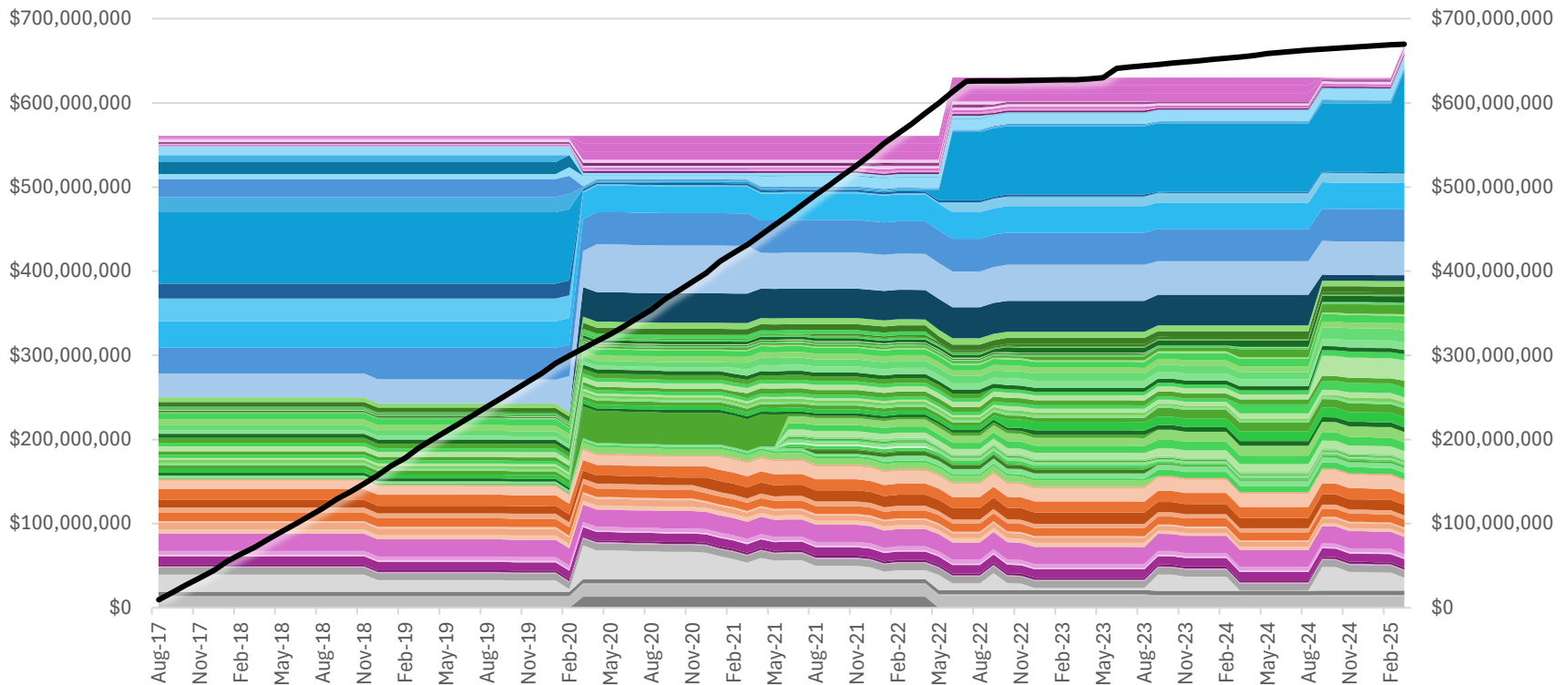
- 1. E-SPLOST PROGRAM AND FORECAST**
- 2. E-SPLOST- METHOD AND PLANNING**
- 3. ALTERNATIVE FUNDING (COPS)**



E-SPLOST PROGRAM AND FORECAST

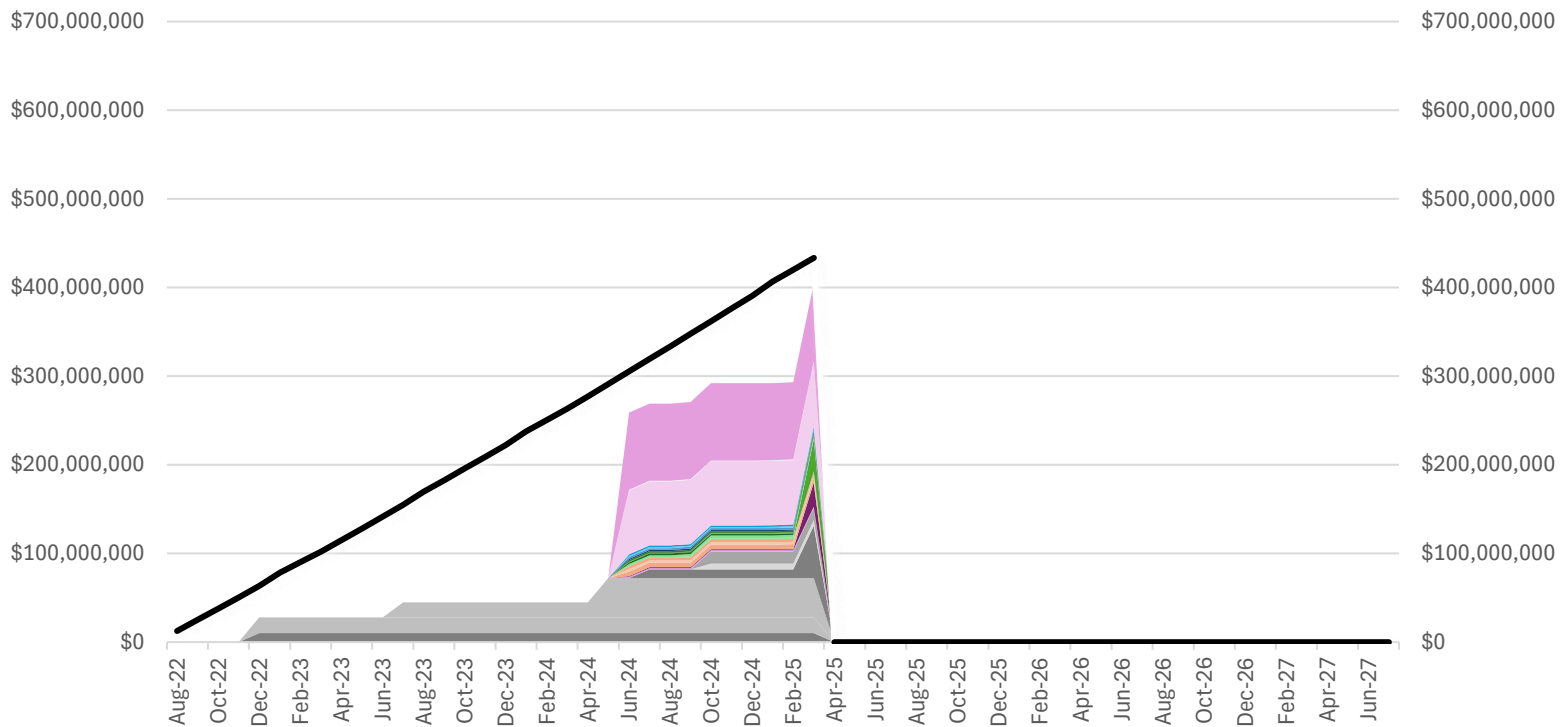
BUDGET & REVENUE – E-SPLOST V

Program entirely budgeted from the beginning; Project budgets could not be adjusted without affecting entire program



BUDGET & REVENUE – E-SPLOST VI

Project budgets only added upon Board approval; future potential budget issues no longer require immediate action, allowing time to see if forecast is accurate and to determine best course of action



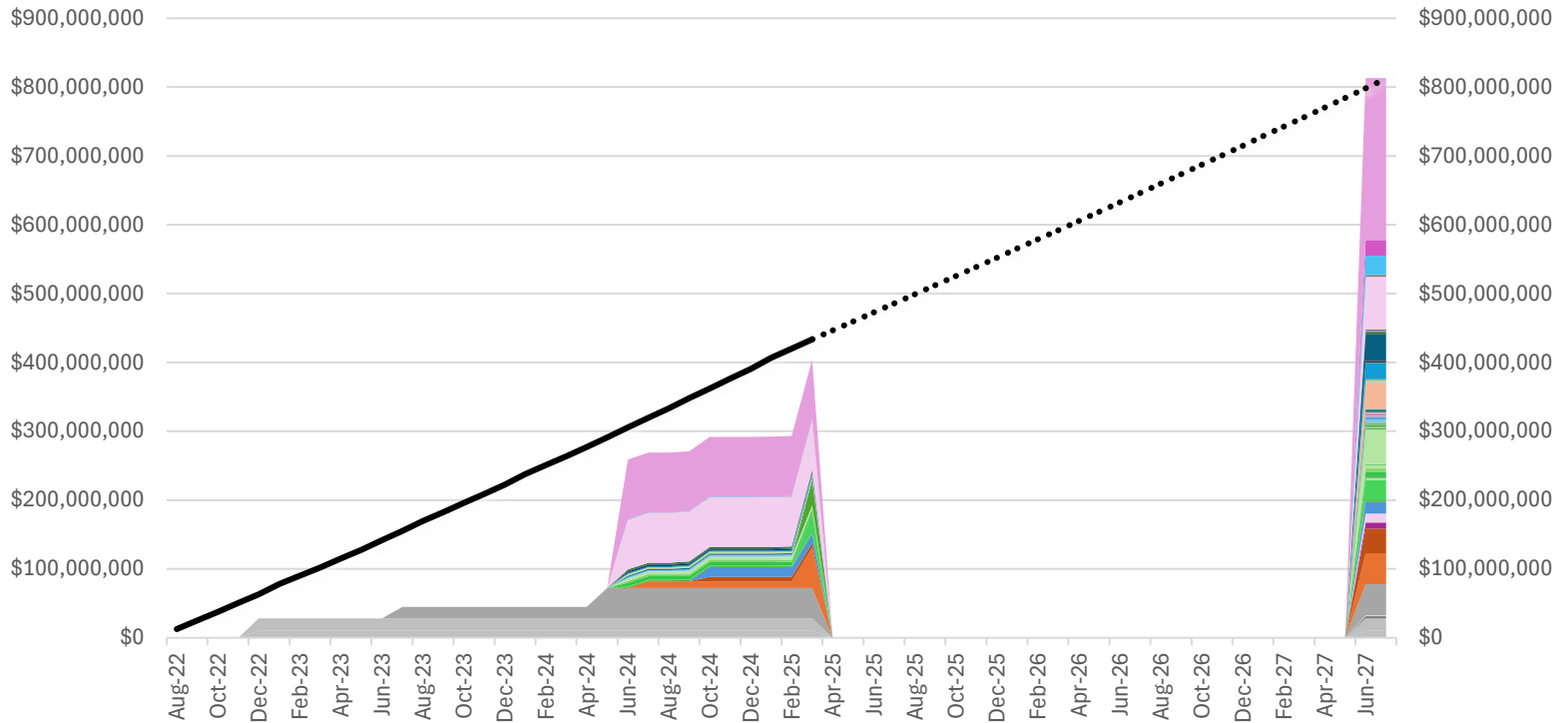
E-SPLOST VI PROGRAM LEVEL BUDGET APPROACH

- Revenue forecasts are intentionally low, meaning revenue is likely to exceed forecast
- Immediate action is no longer required when estimated cost exceeds forecasted revenue
- District has greater flexibility to ensure E-SPLOST budgets do not exceed revenue:
 1. *Delay award of large contracts until sufficient revenue is collected*
 2. *Reduce scope of upcoming projects to reduce financial commitment*
 3. *Defer projects to future funding source*
 4. *Cancel new construction projects*
 - *Renovation projects can only be deferred, not canceled, unless facility is closed*
 - *All existing new construction projects are already fully committed/contracted*

BUDGET & REVENUE FORECAST – E-SPLOST VI

Project budgets only added upon Board approval; Estimate-At-Completion of projects floats up and down as appropriate

- Future potential budget issues do not require immediate action, allowing time to see if forecast is accurate and to determine best course of action





E-SPLOST METHOD & PLANNING

2025-2026

WHAT IS E-SPLOST?

Legal Authority

- Constitution of the State of Georgia - Article VIII, Section VI
- GA Code § 48-8-140-144 (2024)
- 1% sales tax on goods sold in the county (1-cent)
- Used only for school capital improvements
- Must be approved by voters
- Five Year referendum collected and distributed in 60-monthly distributions

WHY E-SPLOST MATTERS

- Local control of school funding
- Keeps property taxes stable
- Primary funding driver to build, improve, and equip schools without dipping into general funds



WHAT HAPPENS IF IT'S NOT RENEWED?

...Would likely face significant challenges in funding capital projects, may need to rely on alternative funding sources; more specifically:

Capital Projects and Infrastructure:

- Projects on hold or canceled
- Delayed maintenance
- Reduced access to technology:
- Delayed equipment upgrades

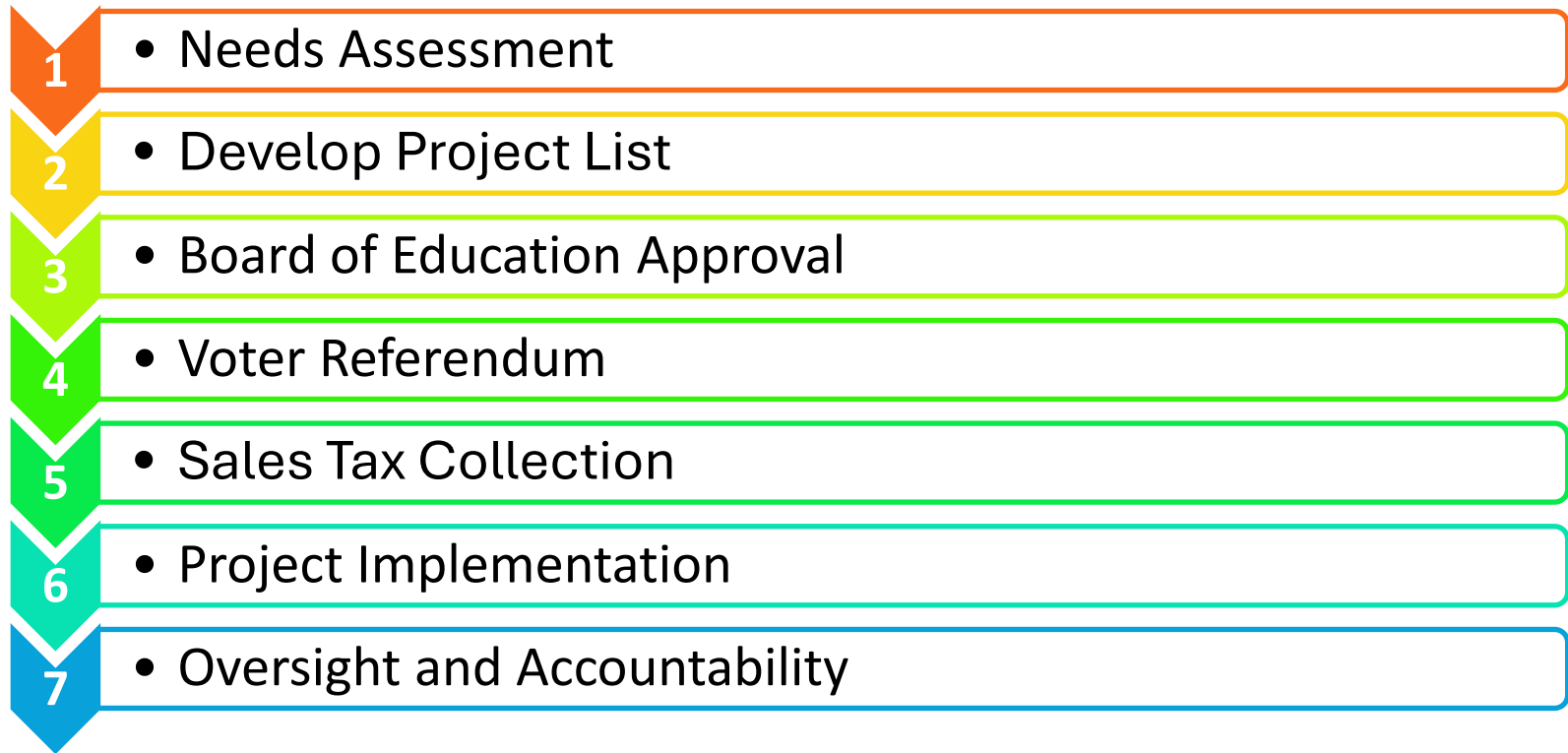
Public and Community Impacts:

- Decreased community benefits
- Increased public scrutiny

Alternative Funding/Budgetary Impacts:

- Increased property taxes
- Reallocation of existing funds
- Seeking alternative funding

STRUCTURE OF THE E-SPLOST PROCESS



DEKALB E-SPLOST RESOLUTION

RESOLUTION

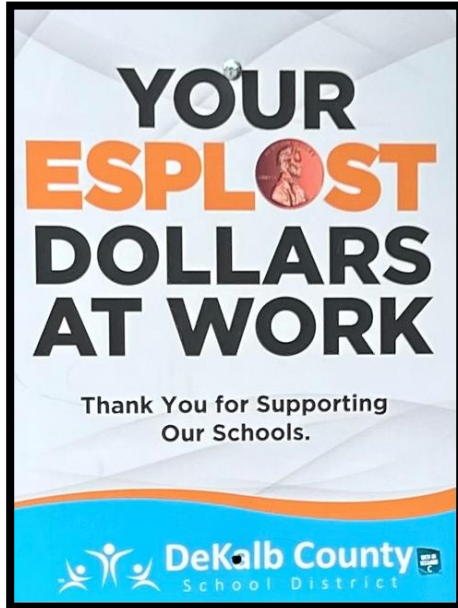
CONCURRENT RESOLUTIONS OF THE BOARDS OF EDUCATION FOR DEKALB COUNTY, THE CITY OF DECATUR, AND THE ATLANTA INDEPENDENT SCHOOL SYSTEM TO PROVIDE FOR THE CALLING OF AN ELECTION TO DETERMINE THE REIMPOSITION OR NONIMPOSITION OF A ONE PERCENT SALES AND USE TAX WITHIN DEKALB COUNTY FOR EDUCATIONAL PURPOSES; AND FOR OTHER PURPOSES.

E-SPLOST VI Concurrent Resolution

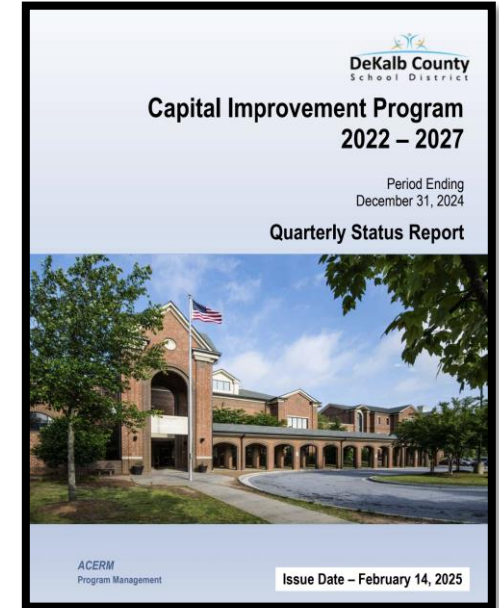
E-SPLOST VII Key Dates:

- *E-SPLOST VII Proposed Voting Date:* November 3, 2026
- *E-SPLOST VII Board Resolution Date:* June 2026 Board Meeting

DeKalb County School District Quick Facts



- (i) Adding to, modifying, replacing, reconfiguring schools and/or facilities or creating new schools and/or facilities to accommodate current and future student enrollment, address major facility conditions, develop early childhood centers, enhance regional support of schools, and accommodate expanded or new programmatic needs, and acquiring land for constructing and equipping new and/or replacement schools/facilities, or equivalent facility capacity, including, but not limited to, site preparation and the demolition of all or portions of existing structures and/or acquiring leasehold interests or the purchasing of facilities/properties as needed based on DeKalb County School District's determination of need priorities;
- (ii) Adding to, renovating, modifying, reconfiguring, equipping, upgrading, supplementing, acquiring, replacing, and installing capital improvements for various existing and new schools, buildings and facilities (including schools, buildings and facilities to be constructed pursuant to this resolution, once completed and including any site preparation and demolition of existing structures if necessary)--e.g., roofing, plumbing, wiring, painting, water piping, HVAC, making athletic field and physical education facility upgrades and improvements, ADA renovations, infrastructure improvements, repaving, restroom facilities, systems for environmental and air quality control, physical education facilities, kitchens, technology improvements, safety and security improvements, surveillance systems, fire alarms systems, fire sprinkler installation, perimeter fencing, improvements to comply with health, safety and applicable building codes, traffic control and optimization, parking and parking capacity, stormwater management facilities, and program-driven



\$2,792,262,918.01+
since January 1, 1999

\$12,792,259.89
Average Monthly Collection
(March 2024 – March 2025)

Georgia Tax Center

DEKALB E-SPLOST METHODOLOGY

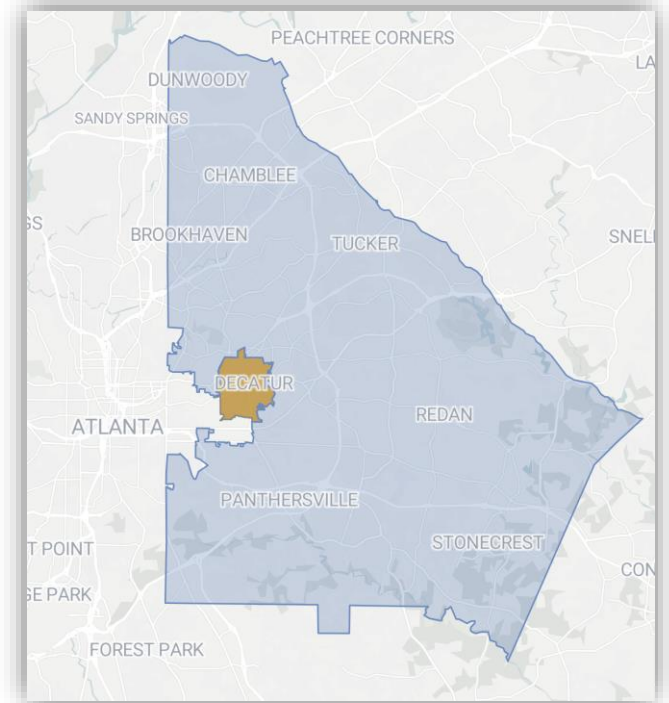
E-SPLOST VI (Nov 2021)

...the actual amount of the proceeds to be determined by the ratio of DeKalb County School District students to Atlanta Independent School System students and City of Decatur School System students as determined by the latest FTE count prior to the referendum

GA Code § 48-8-143 (2024)

This will be the same method for E-SPLOST VII

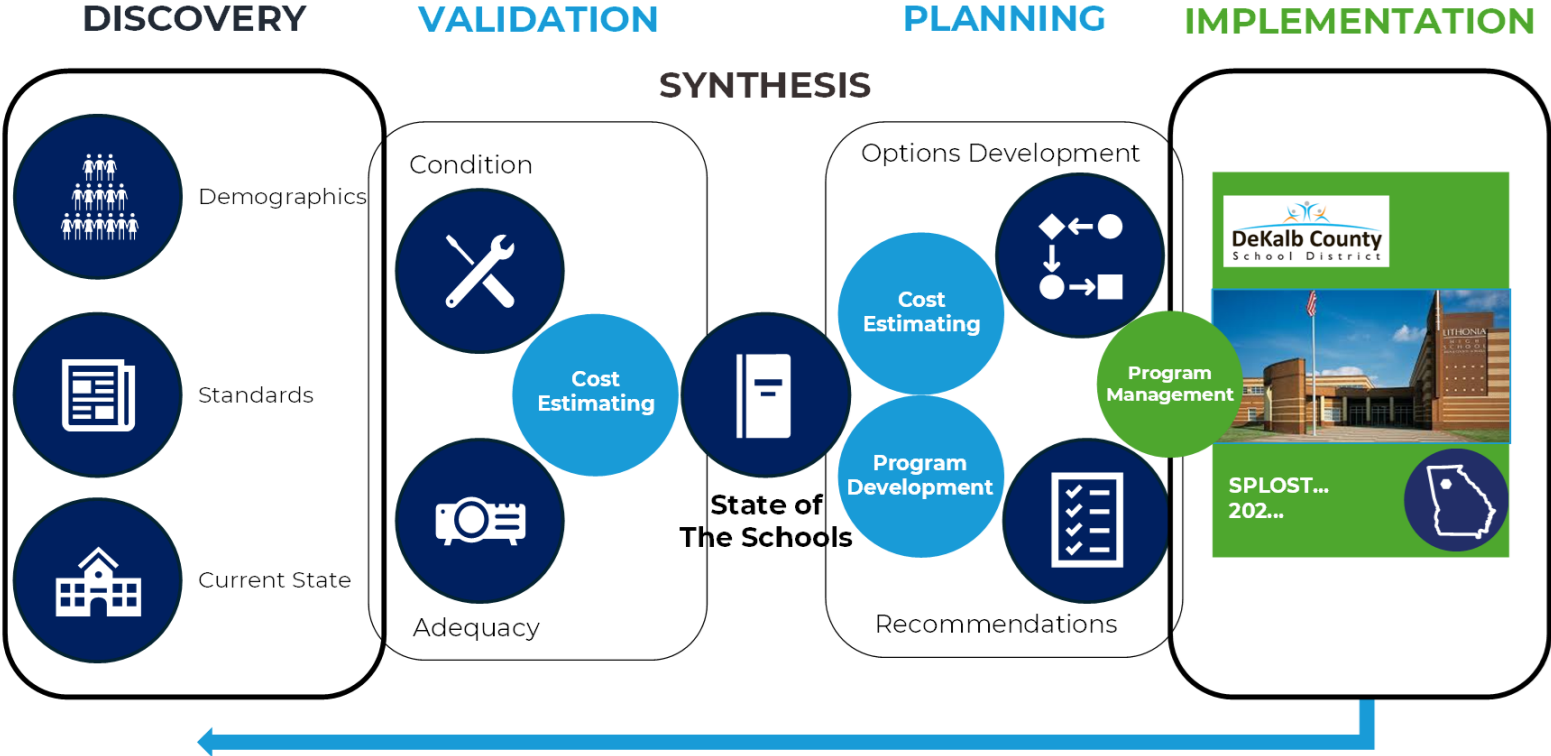
Total	\$ 816,235,158.00	100%
DCSD	\$ 742,773,993.78	91%
APS	\$ 32,649,406.32	4%
CSD	\$ 40,811,757.90	5%



E-SPLOST VII RESOLUTION PLANNING



FACILITIES PLANNING PROCESS



RESOLUTION TIMELINE

Tentative



		2025										2026
		March	April	May	June	July	August	September	October	November	December	January - June
DISCOVERY												
Demographics	Enrollment Projections Population/Housing Live-Attend Analysis GIS Mapping	█	█									
Standards	Design Standards New and Renovation Educational Specifications		█	█								
Policy / Practice	Review & Validation Board Level Interaction			█	█							
VALIDATION												
Condition Assessments	Validation of Previous Data On-Site Validation (where required)		█	█	█							
Adequacy/Suitability Assessments	On-Site Evaluation (All Campuses)			█	█							
SYNTHESIS												
State of the Schools Report	Summary Level Data Report Primary Planning Document Board Engagement					█						
PLANNING												
Options Development	District Level Work Sessions Board Level Interaction Surveying						█	█				
Recommendations Development	District Level Work Sessions Board Level Interaction Surveying								█			
FACILITIES PLAN												
Report	5-year priority 10-15 year vision Board Engagement									█		
SPLOST PLANNING												
Scope / Timeline / Costs	Guided from Facilities Plan Scheduling / Costing Board Level Interaction											█
Community Engagement	TBD											█
Report	5-Year SPLOST Program Priorities Board Engagement											█

ALTERNATIVE FUNDING METHOD

CERTIFICATES OF PARTICIPATION FINANCING



CERTIFICATES OF PARTICIPATION (COPS) FINANCING

A particular type of lease-purchase contract financing that school districts sometimes use

- COPS transactions function much like general-obligation bonds.
- COPS are sold to investors on the municipal bond market, with each certificate representing an undivided interest in the right to receive periodic repayment of principal and interest on the amount originally received from the COPS sales.
- Unlike general obligation bonds, however, school districts retain the authority to choose to not renew a COPS transaction beyond the school district's current fiscal year.

As opposed to other lease-purchase contracts where the lender may be a single party (i.e., a bank), the use of COPS may be more advantageous where the amount of money the county seeks is more than a single bank may be willing to loan via a lease-purchase contract. As a result — and similar to bonds — COPS may be purchased by multiple investors, thereby broadening the borrowing market for a particular transaction.

EXAMPLE PROJECTION

DeKalb County School District (Georgia) Certificates of Participation ("COPs") Projections (4-24-25)

Assumptions: \$200 million principal amount
 Tax-Exempt "AAA" Scale (as of 4-24-25)
 Level Debt Service

<u>Term</u>		<u>"AAA" + 0.25%</u>	<u>"AAA" + 0.50%</u>	<u>"AAA" +0.75%</u>
10 years	Total P&I	\$240,989,826	\$244,039,704	\$247,105,979
	Avg. Annual P&I	\$24,098,983	\$24,403,970	\$24,710,598
	Equivalent Annual Millage	0.570 of a mill	0.577 of a mill	0.584 of a mill
	Yield	3.54%	3.79%	4.04%
15 years	Total P&I	\$265,636,913	\$270,358,781	\$275,124,168
	Avg. Annual P&I	\$17,709,128	\$18,023,919	\$18,341,611
	Equivalent Annual Millage	0.419 of a mill	0.426 of a mill	0.434 of a mill
	Yield	3.78%	4.03%	4.28%
20 years	Total P&I	\$296,045,590	\$302,680,067	\$309,388,307
	Avg. Annual P&I	\$14,802,280	\$15,134,003	\$15,469,415
	Equivalent Annual Millage	0.350 of a mill	0.358 of a mill	0.366 of a mill
	Yield	4.07%	4.32%	4.57%

EXAMPLE DEBT SERVICE SCHEDULE

▀ \$200,000,000.00

DeKalb County School District

Certificates of Participation ("COPs"), Series 2025*

(scales as of 4-24-25 plus)

15 Years

Projected Debt Service Schedule Ranges:

Date	"AAA" Scale +0.25%	"AAA" Scale +0.50%	"AAA" Scale +0.75%
09/01/2026	17,710,337	18,025,935	18,341,521
09/01/2027	17,711,460	18,022,740	18,339,957
09/01/2028	17,710,425	18,026,028	18,343,254
09/01/2029	17,709,620	18,022,835	18,343,424
09/01/2030	17,709,900	18,024,183	18,341,297
09/01/2031	17,706,327	18,024,865	18,341,760
09/01/2032	17,710,443	18,021,161	18,340,808
09/01/2033	17,709,811	18,025,953	18,341,097
09/01/2034	17,706,962	18,026,106	18,344,555
09/01/2035	17,708,943	18,023,574	18,342,643
09/01/2036	17,707,725	18,025,385	18,342,259
09/01/2037	17,710,196	18,022,909	18,339,627
09/01/2038	17,707,182	18,022,052	18,340,326
09/01/2039	17,710,174	18,023,813	18,340,032
09/01/2040	17,707,410	18,021,245	18,341,610
Total	\$265,636,913	\$270,358,781	\$275,124,168
Projected Bond Yield (Scales as of 4-24-25)	3.78%	4.03%	4.28%
Weighted Average Maturity	8.655 Years	8.700 Years	8.744 years
Equivalent Annual Millage	0.419 of a mill	0.426 of a mill	0.434 of a mill

QUESTIONS AND COMMENTS

THANK YOU

