

G.O. BOND



INSIDE:

- What to know 4 the election
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Gwinnett County Public Schools is focused on two important and related issues this fall— a General Obligation (G.O.) bond referendum to benefit all schools and the update of the school district's "Strategic Priorities for 2010–2020." Both initiatives will have a significant impact on the future of Georgia's largest school district.

The Gwinnett County Board of Education called for placing the bond issue on the November 6 General Election ballot. If approved, the projects it would fund are part of "The Plan," our long-range strategy for meeting our facility and technology needs. The Plan aligns with what our stakeholders said matters to them when we developed the district's Strategic Priorities for 2010–2020.

Here are a few examples. The proposed technology improvements to be funded by the G.O. bonds would expand learning inside the classroom and beyond, as called for in the strategic priorities. Students would have access to technological tools and resources both in school and out, allowing them "anytime, anywhere" learning. We also would expand GCPS' robust online environment to meet the needs of students and staff while promoting safe, responsible use of technology.

The strategic priority on Facilities and Operations calls for the development of theme schools and specialized programs that offer options for learning, as well as safe, attractive, energy-efficient, and well-maintained schools and athletic facilities. Bond proceeds would fund these improvements and more.

Consistent with the strategic priority on Financial Stewardship, we commit to be responsible stewards of taxpayers' money while providing the necessary resources to support teaching and learning. As a result, we have earned the confidence of Gwinnett's citizens and the highest performance ratings from nationally respected financial institutions. That means the bonds issued by the School Board will sell quickly on the bond market, at interest rates very favorable to the district.

In September we launched the review of the 2010–2020 Strategic Priorities to update them for the next 10 years. The year-long revision process will involve stakeholders throughout the county, because your involvement and support are critical to our ability to improve moving forward.

Knowing this, I encourage you to engage with us! Learn about the bond referendum and exercise your civic duty to vote in November. In addition, be on the lookout for upcoming opportunities to provide input on our Strategic Priorities for 2020–2030. Help us shape the future for Gwinnett County Public Schools and together we will build a system of world-class schools.



J. Alvin Wilbanks,
CEO/Superintendent

Handwritten signature of J. Alvin Wilbanks.

4 the November 6 Election... Things to Know

1

The Gwinnett County Board of Education is asking voters to approve a General Obligation (G.O.) bond referendum in the upcoming General Election. If approved, the School Board will be authorized to sell up to \$350 million in G.O. bonds to fund capital improvements for schools throughout the county.



2

No tax increase will be needed if the bond referendum passes.

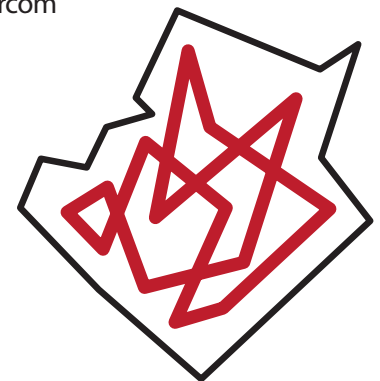
In fact, the School Board lowered the tax rate for debt service this year. Even at the lower rate, current taxes are sufficient to cover these bond payments, plus the payments for existing bonds that are being paid down each year.



3

The projects funded by the G.O. bonds would benefit every cluster, every school.

- Systemwide improvements to schools in every cluster, including general building renovations and maintenance, upgrades to labs and instructional spaces at middle and high schools, high school athletic facility improvements, intercom replacements, and artificial turf for athletic stadiums
- Enhancements to school safety systemwide
- Technology upgrades throughout the system
- New school buses and other transportation vehicles
- Other facility and infrastructure improvements in the district
- 1 new school— Mill Creek Cluster area high school
- Build-out at Discovery High School
- Renovations to Central Gwinnett High School's fine arts areas

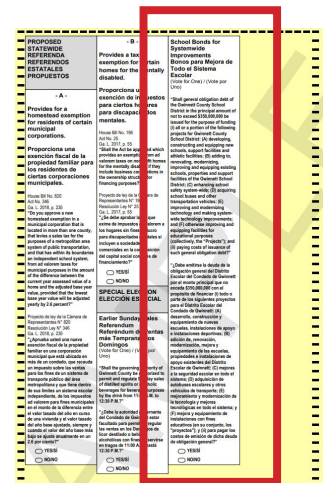


4

The bond issue question is long... and is the last item on the ballot.



It reads: "Shall general obligation debt of the Gwinnett County School District in the principal amount of not to exceed \$350,000,000 be issued for the purpose of funding (i) all or a portion of the following projects for Gwinnett County School District: (A) developing, constructing and equipping new schools, support facilities and athletic facilities; (B) adding to, renovating, modernizing, improving and equipping existing schools, properties and support facilities of the Gwinnett School District; (C) enhancing school safety system-wide; (D) acquiring school buses and other transportation vehicles; (E) improving and modernizing technology and making system-wide technology improvements; and (F) otherwise improving and equipping facilities for educational purposes (collectively, the "Projects"); and (ii) paying costs of issuance of such general obligation debt?"



Answers to some common questions about the 2018 G.O. Bond Referendum

What are general obligation bonds? How does GCPS use them?

General obligation (or G.O.) bonds are one of two ways by which school systems can obtain the funds they need to pay for capital needs, such as new schools and classrooms, renovations to existing facilities, school bus purchases, technology upgrades, and other improvements. With voter approval, the use of G.O. bonds allows the school system to acquire the money it needs right away so it can address its capital needs as quickly as possible. School bonds are sold to investors who provide the money to complete the capital improvement projects, and the seller (the school system) agrees to pay the investors back over a fixed period of time, similar to a home mortgage loan. The school system repays its financial obligation through property taxes that are collected for the sole purpose of servicing the debt.

Will there be a tax increase if the referendum passes?

No. The debt from the sale of the G.O. bonds would be paid off without raising the tax rate for Gwinnett County voters. Current taxes for debt service would be enough to cover all of the school system's bond debt, including this new series of bonds. In fact, because a portion of the school system's previous bond debt is paid off each year, the Gwinnett County Board of Education was able to lower the debt service tax rate by .10 mills in its FY2019 budget.

Voters approved extending the one-cent sales tax in November 2015, so why is a bond referendum needed?

The school district's capital needs continue to outpace the funding it receives from the E-SPLOST. The need for classrooms, technology, and infrastructure and safety enhancements continue as the system grows. The sale of G.O. bonds would allow GCPS to address some of those needs quickly without raising taxes.



Gwinnett County Voter Information

Adapted from the Gwinnett County Voter Registration and Elections Office Website

<https://www.gwinnettcountry.com/web/gwinnett/departments/elections>

Where can I find out information about the election and where I should go to vote?

- You can find your polling place for the upcoming election by visiting the My Voter Page on the Georgia Secretary of State's website (www.mvp.sos.ga.gov). This site also will tell you your registration status, the offices for which you may vote, and the advanced voting locations, as well as provide a sample ballot.

How do I request an absentee/mail-in ballot?

- Any registered voter who is eligible to vote in an election may apply for an absentee ballot up to 180 days prior to an election. Application forms are available online at: <https://www.gwinnettcountry.com/web/gwinnett/Departments/Elections/AbsenteeVoting-Civilians/ApplicationforAbsenteeBallot>
- The online application form must be downloaded, signed, and returned to the Voter Registrations and Elections Division before an absentee ballot is issued.
- Voters have until 7 p.m. on Election Day to return their ballots by mail or personal delivery to Gwinnett County Voter Registrations and Elections Division. Absentee ballots cannot be faxed or submitted through any other method.

When does early voting begin?

- Early voting will take place from October 15 through November 2 at the Elections Office. For voting locations and times, go to <https://www.gwinnettcountry.com/web/gwinnett/Departments/Elections/AbsenteeVoting-Civilians/AdvanceVoting>

Review of GCPS' Strategic Priorities to begin

Strategic Priorities



Gwinnett County Public Schools is a high-performing school district. To sustain this record of success, we must review our plans and our progress year after year, and envision what the school district must be in the future to educate and prepare students for the demands of the 21st century. The Strategic Priorities for 2010–2020 play an integral role in that essential work. They are not a “strategic plan.” Rather, they communicate the direction in which the school district is moving. The Strategic Priorities keep the school district focused on its core business—teaching and learning—and they drive continuous improvement in all that we do. They are one of the foundational pieces of the district’s strategic direction, linking its vision, mission, and beliefs to the goals, initiatives, and operational management plans/ local school plans for improvement. Most importantly, the Strategic Priorities help ensure the school district will do its part in building a better Gwinnett for all of us.

In 2018–2019, GCPS is reviewing its current Strategic Priorities and will begin drafting the 2020–2030 Strategic Priorities. Look for more information in the coming months!



October 2018 Update

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Favorable bond rating reflects GCPS' fiscal accountability, saves tax dollars

Gwinnett citizens have consistently supported critical school funding initiatives, including multiple bond and sales tax referenda. The taxpayers’ trust in the school system has been well-placed, based on findings from external audits of GCPS’ building programs. In recent audits, MGT of America commended GCPS on the management of its construction program. MGT found GCPS in full compliance in all areas audited and with state laws, noting that the school system effectively has met its E-SPLOST objectives. GCPS also was commended for implementing processes that resulted in lower construction costs than those in neighboring counties.

In addition, GCPS has consistently received good news regarding its bond rating.

The school district’s bond ratings were reaffirmed at the highest level (Aaa) by both Standard & Poor’s (S&P) in 2016 and Moody’s Investors Service in 2018.

GCPS is the only school district in Georgia and in the Southeastern region of the nation that has attained a “Aaa” bond rating from Moody’s and S&P. Only 24 school districts nationwide have earned this fiscal stamp of approval from both bond rating agencies.

GCPS’ favorable bond ratings are based on the school district’s strong financial management, which has allowed the district to maintain a stable financial position despite ongoing growth and budget challenges, and its low debt burden, due in large part to the district’s ability to fund its ongoing capital needs through the E-SPLOST and related G.O. bond referenda.



Gwinnett County Board of Education: (l-r) Dr. Mary Kay Murphy, District III; Dr. Robert McClure, District IV; Louise Radloff, District V; Daniel Seckinger, 2018 Vice Chairman, District II; Carole Boyce, 2018 Chairman, District I; and CEO/Superintendent J. Alvin Wilbanks.

Gwinnett County Public Schools employs processes that increase communication about the building program, and that provide transparency and ensure projects are completed on time and within budget. They include the following:

- **A master project list** guides the work in delivering what was promised.
- **A fair and open bidding process** is used for all projects. A standard “design, bid, build” methodology is used by the Facilities and Operations Division to ensure all projects are awarded to the lowest, qualified bidder at a cost-per-square-foot that is consistently below market averages.
- **Board action is required to approve bids on projects.** Meeting agendas are posted each month prior to the Board’s business meeting for citizens interested in updates on the E-SPLOST construction program. The construction report outlines each project, contractor, contract amount, change-order information, as well as any adjustments and comments regarding the projects.
- **The School Board approves land purchases at public Board meetings.**
- **A financial report**, including E-SPLOST revenue collections, is part of each monthly School Board meeting.
- **Updates regarding The Plan are posted on the district’s website.**