

# Explaining the ESPLOST

*March 2017*

Voters in the city of Dalton and Whitfield County will have an opportunity to go to the polls on March 21 and vote for or against the extension of a one percent sales tax for schools, or Education Special Purpose Local Option Sales Tax (ESPLOST). The purpose of this article is not to try and persuade the reader to vote in favor of the tax, but to simply present some relevant facts that should enable an informed decision at the polls.

Funds for operating the school system come from three main sources: state, federal and local. Whitfield County Schools get approximately 67 percent of its funding from the state. The state formula gives systems a specified amount of money for each student enrolled and additional money for supplementary services that the student may need such as gifted or remedial. This amount is reduced by things such as the local fair share and austerity. Local fair share is the instructional costs the state expects local systems to pay with locally raised funds. Whitfield's total local fair share deduction this year is \$9,673,886.

Austerity was implemented several years ago in order to help with funding the state budget. It is a portion of earned dollars that is subtracted from the system earnings. Whitfield County Schools' austerity reduction was about \$1.5 million this school year, leaving approximately \$77 million in state funds for the school district.

Federal funds are approximately 7 percent of our budget. This money is mostly restricted to providing things such as special education services and title funding for high poverty schools. The approximate amount of federal funding for Whitfield County Schools is \$8 million.

Local property taxes make up 26 percent of our budget. County school tax is computed on 40 percent of the assessed value of the property. The school board has set the school millage rate at 18.756 which means that the school tax is \$18.756 for every \$1,000 of assessed value. For example, a \$100,000 house in the county would be assessed on \$40,000 so the school tax would be \$750.

We believe that children reach their maximum learning potential when they are taught by highly qualified teachers and support staff. That is why almost 87 percent of the system budget goes to salaries and benefits. This leaves approximately 13 percent to pay for the other operational costs of running a school system. Operations include, for example, maintenance, buses, repairs and fuel for the buses. ESPLOST has become the main vehicle used in school systems across the state for financing capital improvements. Only two counties in Georgia do not currently have an ESPLOST.

ESPLOST is shared between Whitfield County Schools and Dalton Public Schools based on student enrollment. Dalton would get 37.7 percent and WCS 62.3 percent of funds. Except for one year, Whitfield County has had a continuous ESPLOST since January 1997. ESPLOST dollars have built New Hope, Beavertdale and Cedar Ridge elementaries. They also financed New Hope Middle, Eastbrook Middle, Coahulla Creek High, the Career Academy, the Eastbrook gym and renovations at Eastside Elementary. ESPLOST funded roofs, sewer connections, technology and HVAC upgrades across the system.

Whitfield County Schools' state facility report identifies more than \$140 million in facility needs. If approved by the voters in March, ESPLOST would provide Whitfield County Schools with approximately \$50 million over a five-year period. Funds generated cannot be used for salaries, benefits or maintenance. They are restricted to capital improvements. The two most critical projects for Whitfield County Schools are the replacement of North Whitfield Middle and Valley Point Middle. They were built in 1953 and have major challenges. In order to have the least impact on student learning, it is proposed that we build on the same properties enabling students to remain in the old buildings until the new ones are completed. Other projects include a car rider loop at Tunnel Hill Elementary and replacement of the Westside Middle gym. Depending on collections, various other improvements would be made across the system.

One of the most valuable privileges that we have as American citizens is the opportunity to vote on key issues that affect our community. Such an opportunity is coming up on March 21. I encourage you to take advantage of this opportunity and vote.

