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NEWS RELEASE

Clayton County Public Schools

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June 27, 2018

Clayton County Public Schools & Delta Air Lines Foundation Inc. Reach Agreement on Fuel Tax Funds

JONESBORO- On Monday, June 25, the Clayton County Public Schools (CCPS) Board of Education voted unanimously to accept a resolution which would allow the Delta Air Lines Foundation Inc. to offset funds lost as a result of recent Georgia Tax Reforms. Announced late last week via the companies' intranet, Delta Air Lines Foundation has agreed to make grants to the school district to make up for the loss of local sales taxes collected for education (ESPLOST) through December 2019. This revenue is vital as it is used to support improvements to public education facilities, purchase school buses, improve technology and connectivity etc.

"I want to express my sincere gratitude to Governor Nathan Deal, The Georgia General Assembly, The Clayton County Delegation, Delta Air Lines Inc. and the Delta Air Lines Foundation for working toward a beneficial resolution to support Clayton County children and our school district," said Superintendent of Schools, Dr. Morcease J. Beasley. "As leaders, our priorities should always remain centered on solutions that are aligned with the best interest of all stakeholders. I am very proud that we were able to work together for the advancement of Clayton County, Clayton County Schools, and Delta as we continually build a partnership that will have a far-reaching impact for generations," he added.

In 2014, the Federal Aviation Administration ruled that local sales taxes on jet fuel could only be spent to directly fund aviation. As a result, Clayton County, which houses the world's busiest airport, Atlanta Hartfield Jackson International Airport, the counties seven municipalities and Clayton County Public Schools stood to lose nearly \$20 million in annual revenue. With this decision, and the recently announced change in policy by the State that stopped the collection of Clayton County local sales taxes on aviation fuels effective July 2018, the State (Governor Nathan Deal) through HB683 that was passed during the last session of the Georgia General Assembly now has offered to fund \$27 million from that State appropriation to provide replacement funding for the amount of local sales taxes on aviation fuel (LOST) that would be lost through year 2021, the end of the current referendum funding period. The revenue amount will be distributed to the county, and then to the seven cities within Clayton County.

"The foundation wants to ensure that no Clayton County Public Schools project that depends on this local option sales tax for education goes without funding," said Paul Jacobson, Trustee, The Delta Air Lines Foundation. "The children of many Delta employees and customers attend Clayton County schools, and this is essential to our core values of supporting the communities where we live, work and serve."

"The decisions of Governor Deal, the Georgia General Assembly and Delta Air Lines, Inc. clearly put the needs of the group over the wants of the few and I thank them for working with us to provide solutions that will allow us to remain focused on the work of achieving high performance," said Dr. Beasley. "We are hopeful that this

collaborative approach focused on doing what is right and best for children will continue well beyond the current situation," he concluded.

While the district is greatly appreciative of the financial and other support of the Delta Air Lines Foundation, it should be stated that the next planned ESPLOST budget will be impacted as the need to identify replacement revenue sources for the estimated over 18% of lost ESPLOST funds beyond December 2019 still exists. As the district does not want current or planned capital projects delayed or denied due to this loss in potential ESPLOST revenue, Clayton County Public Schools will be asking and counting on the Delta Foundation, through Delta Air Lines, Inc. as well as other beneficiaries of this state-wide tax relief, to support the education of the children of Clayton County in meaningful and tangible ways well beyond the current ESPLOST.

About Clayton County Public Schools

Clayton County Public Schools (CCPS) is fully accredited through AdvancED – Southern Association of Colleges and Schools Council on Accreditation and School Improvement. The district offers a focused world-class program based on a challenging curriculum which is taught from pre-kindergarten through 12th grade. Serving almost 55,000 students, Clayton County Public Schools is ranked among the 100 largest school districts in the U.S. and is the fifth largest school system in Georgia.

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