

1. What is an EDUCATION SPLOST (E-SPLOST)?

An Education Special Purpose Local Option Sales Tax (E-SPLOST) allows local school districts the option to ask voters for the ability to levy and to collect a one percent sales tax to help fund school improvements. It can be used to pay for capital projects or to retire debt but cannot be used to pay operating expenses such as salaries. E-SPLOSTs are enacted by referendum.

2. When is the E-SPLOST vote?

The election is Tuesday, November 3, 2009, with polls open from 7:00 a.m. until 7:00 p.m. There will be an early voting period from October 26-30, 2009.

3. Would the proposed E-SPLOST be a tax increase?

If approved, the sales tax for education would remain at its current level. A 'yes' vote would simply continue the current 1% sales tax for education for an additional five years or until approved SPLOST funds (\$3.75 million) are collected, whichever comes first. Collection of the E-SPLOST extension would begin only after the current E-SPLOST ends on March 31, 2011.

4. Why do we need to extend our current E-SPLOST?

A new and modern middle/high school is needed for the students of Montgomery County. We also need to continue to make other improvements to facilities and equipment, as well as upgrade technology resources. Our citizens have actively supported education for years and the passage of this SPLOST extension would be a strong demonstration of continued school support by our community.

5. Why an E-SPLOST?

The Education SPLOST is not a property tax. It provides a method of funding the cost of educational improvements and retires bond debt in which everyone, not just property owners, contributes to. Additionally, the sales tax is paid by everyone who shops or stays in Montgomery County including the Brewton-Parker students and other visitors.

6. What would the school system do with the money raised from the E-SPLOST extension?

The most important project would be the construction of a new state-of-the-art middle/high school. As other funds are available we would improve other facilities, upgrade technology, purchase school buses, safety and security equipment, textbooks, furnishings, and equipment.

7. How much is the proposed bond issue and how will it affect property taxes?

The Board of Education anticipates a bond issue in the range of \$ 8-10.9 million. The cost of construction, sales tax growth, and federal assistance all could influence any property tax increase. The Board hopes to avoid a property tax increase and any property tax increase would be small, well under one mill. If the increase was one-half mill, the annual property tax increase on a \$100,000 home would be less than \$ 29.

8. Why is the school system proposing to sell bonds in the E-SPLOST extension?

By selling bonds, the school system will be able to immediately address the new high school construction. Bond money would allow the system to start construction on a new school in 2010 instead of waiting for the proceeds to be collected. The sale of bonds also helps lock out construction cost inflation.

9. Why isn't the money being used for teacher salaries and curriculum development?

State laws prohibit using E-SPLOST proceeds for salaries or instructional materials. However, passing this sales tax will free up funds to meet required financial obligations without having to rely on excessive ad valorem taxes.

10. Has the current E-SPLOST been a success?

YES! The new Montgomery County Elementary School was constructed. We also used the funds for a Fieldhouse Addition, new flooring at the High School, improvements to the High School Science Lab, Cafeteria Equipment at the new Elementary School, and new lockers at the high school.

11. Why should people who do not have children in school support the E-SPLOST extension?

The E-SPLOST extension keeps ad valorem taxes stable. Additionally, children are not the only ones who benefit from good schools. The social and economic strength of a community are greatly influenced by the school system. Good schools mean well-prepared citizens, a strong labor market, and an inviting atmosphere for both living and working. One of the key questions asked by industrial/commercial or residential prospects looking to move into a community is, "What is the quality of the schools?" The Montgomery County School System was one of only 46 school districts in Georgia to make system-wide AYP this year. We want the quality of our facilities to match the quality of our instructional program.

12. Is the school system eligible for any state funds for facilities?

YES! If the E-SPLOST is approved by the voters, the system will apply for and expects to receive approximately \$ 5.2 million in state funds for the construction of the new middle/high school.

13. Will the school system need to continue to renew the E-SPLOST in future years?

Yes. Because the school system will need to issue bonds for more than five years, a renewal of E-SPLOST will be necessary to retire the twenty-five year bonds. This is a common practice used in smaller school systems to accomplish major projects. Depending on the growth of sales tax in the future, the bonds could be paid off sooner.

14. Why do we need a new Middle/High school?

The present middle/high school is a combination of 8 buildings. The oldest building was erected in 1929. Many of the buildings are old, outdated, and not conducive to instruction in the 21st century. In addition, it is costly to maintain and operate. The State Department of Education has determined it is more costly to renovate than build a new school and will provide state funds ONLY FOR CONSTRUCTION of a new school. After much study and planning, the Board of Education has decided to ask the citizens to approve construction of a new middle/high school.

15. What would happen if the E-SPLOST did not pass?

Without the extension of the current E-SPLOST, the new middle/high school cannot be built. There would be many lost opportunities for the future of Montgomery County students. However, identified needs for the new school and other facility priorities will not go away. The longer construction is delayed, the greater the cost to local taxpayers. To fund facility improvements without an extension of the E-SPLOST, the Board of Education would have to significantly raise property taxes. It would be almost impossible to build the needed new facilities and to improve present facilities. Any improvements to facilities would be at the expense of the local taxpayer.

16. Why consider a major construction project during a time of recession?

Because of the recession, construction costs are lower. Lower construction costs benefit taxpayers. It is a very cost effective time to build. Interest rates on bonds for school construction are lower during a recession which is also a benefit to local taxpayers. Construction projects can provide local jobs and a boost to the local economy. The need for the project and benefit to students doesn't go away. With the renewal of the current E-SPLOST, there is no new tax or tax increase.