

## **STEWART COUNTY SCHOOLS - - ESPLOST 2015 FREQUENTLY ASKED QUESTIONS**

### **1. What is an EDUCATION SPLOST (ESPLOST)?**

An Education Special Purpose Location Option Sales Tax (ESPLOST) allows local school districts the option to ask voters for the ability to levy and collect a one percent sales tax to help fund school facility and 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. ESPLOSTs are enacted by referendum.

### **2. When is the ESPLOST vote?**

Tuesday, November 3, 2015. The polls will be open from 7 a.m. to 7 p.m. There will be an early voting period from October 13 – October 30.

### **3. Would the proposed ESPLOST be a tax increase?**

**No!** If approved, the sales tax would remain at its current level. A 'yes' vote would simply extend the current 1% sales tax for education an additional three years or until \$1.2 million has been collected, whichever comes first. Collection of the ESPLOST extension would begin only after the current ESPLOST ends in November 3, 2015.

**4. Why do we need to extend our current ESPLOST?** The Stewart County Board of Education needs revenue from every source possible. The ESPLOST is a source of funds everyone pays. There are needed improvements in the school system and there is a need to plan for the best facility organization for future years. Our citizens have actively supported education for years and the passage of this ESPLOST extension would be a strong demonstration of continued school support by our community.

### **5. Why an ESPLOST?**

The education SPLOST is not a property tax. It provides a method of funding the cost of educational improvements that everyone, not just property owners, contributes to. Additionally, the sales tax is paid by everyone who shops or stays in Stewart County, including our numerous visitors.

### **6. What would the school system do with the money raised from the ESPLOST extension?**

As stated in question # 4, the Board of Education needs sales tax as a source of revenue. Among the proposed projects would be improvements to present facilities, purchasing textbooks, technology, school busses, and safety and security equipment. ESPLOST funds may also be needed for long range planning.

### **7. How much money would be raised and how long would this sales tax be in place?**

The ESPLOST extension for the school system is for a \$4.5 million collection cap or 5 years, whichever comes first.

### **8. Why is the school system proposing to sell bonds in the ESPLOST extension?**

By selling bonds, the school system will be able to immediately begin some of the school improvements. Without bonds, the school system would need to delay certain projects for several years. The sale of bonds also helps lock out construction cost inflation and presently interest rates are very favorable. The decision to sell bonds will be made only if the ESPLOST is successful and it is in best interest of the school district.

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

State laws prohibit using ESPLOST proceeds for salaries or instructional materials. However, passing this sales tax vote will free up funds for the School Board to meet its required financial obligations without having to rely on more ad valorem taxes.

### **10. Has the current ESPLOST been a success?**

**Yes!** The current ESPLOST revenue has been wisely spent by the school system and needed improvements have been made.

### **11. Why should people who do not have children in school support the ESPLOST extension?**

The ESPLOST extension helps keep ad valorem taxes stable. Additionally, the 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 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?"

### **12. Will the school system need to renew the ESPLOST in future years?**

Yes and No. This will be a future Board of Education decision. The ESPLOST has been very beneficial to Stewart County Schools and there will be other facility and equipment needs in the future. A small, economically challenged system such as Stewart needs all the financial resources available and it would be unwise to give up the ESPLOST revenue.

### **13. Is the school system ESPLOST different from the Stewart County Commission**

**SPLOST?** YES!! The Education SPLOST is a special purpose tax approved by the citizens for improvements of school facilities and equipment. The County SPLOST is a special purpose tax designed to fund county projects identified by the Stewart County Commissioners.

### **14. What would happen if the ESPLOST did not pass?**

Without the renewal of the current ESPLOST, the construction of a new Stewart County Middle-High School will be impossible without a major property tax increase. Delaying the project for years will mean the cost will be much greater and the students of Stewart County will not have access to the quality education that they deserve.