

# **Ennis Public Schools**

## **School Bond Election- February 8, 2022**

### *Frequently Asked Questions and Answers*

Updated: 11/30/2021

#### **I. VOTER INFORMATION**

##### ***A. When does the election take place?***

The actual election date is February 8, 2022 but the election will be held by mail ballot. Ballots will be mailed January 20, 2022 and must be returned no later than 8:00 p.m. on February 8, 2022 (ballots postmarked on February 8, but received on a later date will **NOT** be counted.)

##### ***B. Why is the District conducting the election by mail ballot, doesn't that cost more than a regular election?***

Yes, it does cost more for a mail ballot election. However, when running a regular election, not mail ballot, Montana law has minimum voter turnout requirements that must be met in order for a bond issue to pass. In a regular election, if there is less than a 30% voter turnout the bond resolution can not pass, if the voter turnout is greater than 30% but less than 40%, a 60% yes vote is required to pass a bond resolution. When running a mail ballot election, the voter turnout requirement does not apply. To pass a mail ballot election a simple majority of those voting is all that is needed.

##### ***C. How do I register to vote?***

Individuals can register to vote until 30 days before the election (January 11, 2022) at the Madison County Election Office (103 W Wallace St, First Floor, Virginia City, MT 59755). Voter registration application forms can be found online at <http://sosmt.gov>.

##### ***D. How can ballots be returned?***

Ballots may be returned to the following locations:

<b><u>Location</u></b>	<b><u>Office Hours</u></b>	<b><u>Election Day Hours</u></b>
Madison County Election Office 103 W Wallace St., First Floor Virginia City, MT 59755	8:00 am – 5:00 pm	7:00 am – 8:00 pm

\* Ballots may also be returned by placing a stamp (58 cents) on the enclosed, self-addressed envelope and dropping it in the mail allowing enough time for delivery prior to the February 8, 2021 deadline.

#### **II. THE PROJECT**

##### ***A. What is included in the Bond Issue?***

Designing, constructing, renovating, equipping, and furnishing improvements to the Ennis school facilities and grounds, to include:

1. Replacing the existing high school building with a new junior high school and high school building to include:
2. a secure entry,
3. shared common space,
4. classrooms, and other instructional space including a library, music and art spaces, a new high school gymnasium, weight and fitness rooms, locker rooms, a vo-tech shop and associated spaces,
5. administration offices, and storage and support spaces;
6. Renovating the current high school gymnasium and locker rooms for use by the junior high school, upgrading fire alarm and suppression systems, and replacing some or all of the roof;
7. Repurpose the existing junior high school wing into elementary classrooms and other instructional spaces, altering the existing junior high wing heating system, improving the existing elementary gymnasium and stage area, and improving existing electrical, data, technology and security systems;
8. Making associated school facility site improvements, such as roads, drop-off and pick-up areas, parking lots, and playing fields;
9. On the bus-barn property north of the main campus,
  - a) installing new track and field improvements and outdoor courts, constructing associated concessions, changing and restrooms, installing utilities and making related site improvements, such as parking;
10. If bond proceeds are available after paying for the foregoing improvements, providing additional staff housing;
11. Related costs and improvements; and paying costs associated with the sale and issuance of the bonds

***B. Why is the School District proposing this project?***

Student enrollment has increased and the existing 1971 High School building is not meeting space and infrastructure needs, including not being ADA accessible and building code compliant. The current school site has safety issues with students being required to cross a street to access educational space. The District completed a comprehensive facility review and master-planning process. This process determined that anticipated growth will start to outpace the current facility in 2 years (Fall of 2023) and continue for the next 7 years, requiring an additional classroom yearly. The District is prioritizing adding needed educational space to accommodate student enrollment growth and replacing the outdated High School with a Junior High/Senior High School that meets current code and educational standards.

The project will result in a better learning environment for students, up to date support for technology so our rural students aren't left behind, increased safety, planning ability to add on in the future at the same site.

***C. What is the need for a third gymnasium?***

The District will make the move to class B which will bring in tournaments during the fall and winter season resulting in increased business at hotels, restaurants and stores.

This will also give each school their own gymnasium for Health Enhancement classes, practice, and competition purposes. Right now two gyms is not enough. For example, due to large participation numbers, our gym time has to be spread out which results in students getting home late.. Also, sub-varsity squads will typically practice early mornings. In addition, we recently added high school wrestling to be in compliance with Title IX. We will eventually need a space to have wrestling practices and competition.

The third gym will also allow for more opportunities for concerts, school performances, and increased flexibility for public use.

***D. How will construction of this project impact our staff and students?***

Construction will be phased in a way that will allow students to continue their education in the current facility and not be interrupted by construction. The district will ensure that all safety measures are in place during construction as well as maintain a positive and safe learning environment.

***E. What is the finished student capacity of this project?***

Functional capacity of a school building depends on the grade level of the students and the program offerings. For example, Montana Accreditation Standards set the maximum class size for K-2 students at 20, grades 3-4 at 28 and 30 students for most 5-12 classes. In order to provide a high level of instruction, we currently maintain class sizes that are lower than the State required maximum. If this level of class size is maintained, the maximum K-12 student capacity will be approximately 850 after the construction is complete. If the class sizes are increased to the State maximum the capacity will increase to around 920. These maximum capacities assume every classroom is used for classes every period of the day, which is not practical. A reasonable goal for a Junior High and High School is 80% efficiency for classroom use. Therefore, the functional capacity will be closer to 680 using the current class sizes and around 740 using the State maximum class sizes.

***F. Why is the cost of this project so high?***

The cost of construction has risen due to the current building supply and labor market. The project estimate has taken this into account, as well as anticipating other impacts due to material supply shortages. As a frame of reference, when starting to review costs and options for the project, we found that \$25 million would only bring the current high school up to code standards. \$25 million does NOT provide any additional space, provide for enrollment growth or improve site safety.

In addition, The District will use an institutional grade of construction, which is the highest building standard. Durability is the main reason for using this standard. Schools require high durability due to their heavy use. They are used extensively year round and sometimes seven days a week for school and community use starting early in the morning until late at night. As a result of this required durability, the new construction will result in lower annual maintenance and energy costs.

***G. What public-use amenities will be provided?***

The new building will have a second JH/HS gym, making the school a great location for tournament and academic event opportunities. The Gym/Flex space will be flexible enough to be used for many different functions. The building layout would allow for more secure access to the building after-hours. Traffic flows will be improved adjacent to the school. New courts and track will be built at the 50 Acre site by the Rodeo grounds for both District and public use.

***H. Does the plan address Staff Housing?***

Staff housing is very important to this District and as part of this planning project. We have located where the housing could be addressed, but haven't included costs because we want to be cognizant of pricing and minimize the costs for the project. The ballot language allows the Trustees to add housing to the project if they are able once the other identified program components are complete.

***I. How does the construction process work?***

The GCCM (General Contractor/Construction Manager) process is very specifically outlined in Montana Law. It starts with a district declaring certain conditions exist. Once these conditions are found to exist, the district may start the process. The district then advertises for a request for qualifications/request for proposals to all licensed contractors. Once the proposals are received a screening process narrows the field to three or four contractors who then make presentations to the Board for their consideration. The Board chooses the GCCM from those presentations. Minimum selection criteria are specified in the law. There is a strong emphasis in the law on assuring that favoritism or bias are not part of the award process and that competition for the contract or subcontracts is not diminished. The GCCM works with the architect in the development of the project for a set fee. He/she can then bid on the general conditions of the project to see it to completion. All components of the project (Site work, HVAC, Painting, Windows, etc) are separately bid and local contractors are encouraged to bid.

***J. What will the building look like?***

While preliminary planning and estimating has occurred, the new school has not been designed. Montana School funding does not include money for new building design, Building design funds are included in the bond issue request and design will begin after the passage of the ballot question.

***K. Where will the building be located?***

There was strong support for keeping the K-12 campus together. Therefore Elementary, Junior High and High School services will continue to be provided at the existing campus site.

***L. Why not locate the new High School Building on the District owned 50 acre site?***

The Board of Trustees heard the community's desire to have all students together. The costs of two sets of staff, increased utility cost, the need to transport students and /or teachers that are shared were considered in the decision. The cost of infrastructure (site grading, cut/fill, paving, water, storm/sanitary sewer (or drain field), electrical utilities and landscaping) alone is estimated to be \$10.5M to \$15.1M. At the time of any future expansion of the school, the Board will need to decide where that expansion will occur, either at the current site or the 50 acre site. The team feels both of these sites will be viable options for further future expansion.

***M. What is the projected student enrollment?***

Projecting student enrollment is not an exact science. Assumptions of community growth and student retention have to be made. Using various assumptions results in a projected K-12 enrollment in 2031 ranging from 590 to 680 students.

<b>Actual Enrollment (October 1)</b>				
<b><u>Year</u></b>	<b><u>PK-5</u></b>	<b><u>6-8</u></b>	<b><u>9-12</u></b>	<b><u>Total</u></b>
2011	161	71	101	325
2012	149	78	96	323
2013	161	74	108	343
2014	167	76	96	339
2015	154	79	111	344
2016	175	95	117	387
2017	165	102	110	377
2018	169	94	118	381
2019	173	86	115	374
2020	172	88	127	387
2021	191	96	124	411

<b>Projected Enrollment (Using 10 year CSR)</b>				
<b><u>Year</u></b>	<b><u>PK-5</u></b>	<b><u>6-8</u></b>	<b><u>9-12</u></b>	<b><u>Total</u></b>
2022	202	99	125	426
2023	207	109	130	446
2024	222	106	131	459
2025	241	108	134	483
2026	246	110	153	509
2027	251	121	151	523
2028	262	131	145	538
2029	263	135	163	561
2030	263	142	165	570
2031	263	154	173	590

The above projections use a 10 year Cohort Survival Method. This method assumes student growth for the next 10 years will be similar to the last 10 years. If you use a five year CSR, which assumes growth over the next 10 years will be similar to the growth that has occurred over the last five years, the projected 2031 K-12 enrollment is 680 students.

***N. Why is the district only looking at 10 year enrollment projections and asking for a 20-year bond? Will the district outgrow the facility before the bond is paid?***

Projecting enrollment beyond 10 years is very speculative. Assuming that the rate of the current enrollment growth will continue forever would likely result in implausible projections. This could result in over or under building. Overbuilding would result in excess building square footage to maintain and provide utilities. Since Montana funds the operating budgets of schools based on enrollment, it is important to not overspend on utilities and maintenance, which takes money from the core purpose of the District. Under building, on the other hand, would cause the District to come back to the voters in a short period of time.

Ennis School District has historically maintained smaller class sizes than required by State law. We feel this provides an improved educational experience with more individualized instruction. It also provides increased flexibility to increase class sizes if needed.

***O. Has a backup plan been developed if the voters fail to support the bond measure?***

Failure of this bond issue would require the Board to decide on undesirable alternatives. This would entail discussions with staff and other community members concerning what options are possible. These might include:

1. Purchasing modular classrooms to use on the existing site.
2. Rental of available commercial or large residential space for classrooms.
3. Continue with the current facility and utilize common areas/lobbies for additional space. While these spaces are not designed for or conducive to learning, it is possible.
4. Combine classes to open up additional space, which will result in larger class sizes but will still meet State Accreditation standards.

### **III. FINANCING THE PROJECT/TAX IMPACT**

***A. How much will it cost me?***

Bond Issue (\$59 Million)

The tax increase will be approximately \$33.14 annually for a home with an assessed market value for tax purposes of \$100,000.

**Anticipated Bond Impact for School District Residents**

Assessed Market Value	Estimated Tax Assessed	
	Per Year	Per Month
\$100,000	\$33.14	\$2.76
\$200,000	\$66.28	\$5.52
\$300,000	\$99.42	\$8.28

The above amounts can be directly multiplied for other assessed property values (for example: a \$230,000 property value is 2.3 times \$100,000, so multiply the estimated tax assessed by 2.3, to get the estimated tax for this property).

What your house can sell for is NOT the taxable value. This relationship varies, but the taxable value in this District is typically between 1/3 to 2/3 of what a house might sell for.

***B. If I don't know my property value how can I calculate my tax increase?***

The estimated tax impact per \$100,000 of assessed market value is \$33.14 for the Bond Issue request. There are two ways to calculate your estimated annual cost for this issue:

1. Take the "2021/22 CURRENT ASSESSED VALUE" from your 2021 Assessment Notice and multiply it by 0.0003314. If you do not have your Assessment Notice available:
2. Find your Taxable value on your tax bill and multiply it by .02455. See the sample Tax Bill attached at the end of this FAQ document. Visit the County Treasurer site on the Web at <http://madisoncountymt.gov> "How do I...Property Tax Information" to find a copy of your tax bill.

The actual tax increase will depend on the total District taxable value, the duration of the bonds and the interest rate we pay on the bonds, which is determined when the bonds are actually sold. We are currently using a term of 20 years, 2.53% as an interest rate estimate. Over the last ten years the Ennis School District's tax base has increased by an average of 6.2% per year. As the overall tax base of the District increases, each individual taxpayer's burden for this and other outstanding bond issues will decrease.

***C. Are there existing bonds that will be paid off in the near future?***

No, Ennis School District does not have any outstanding bond debt.

***D. How does financing work?***

When the community approves the bond in the February of 2022, the process is started. The District completes the appropriate paperwork and bonds will be sold shortly thereafter (anticipated in May 2022). The resultant tax to repay the bonds will show up on the fall of 2022 tax bills.

The bond term is anticipated to be 20-years at which time they are totally paid off and are taken off the tax rolls. The Board of Trustees will consider the advantages of a shorter or longer term when the bonds are sold and determine if it is prudent to issue them for a different term. A primary factor considered in that decision will be interest rates and impact on the taxpayers

***E. When will the taxes for this new bond show up on my tax bill?***

We are anticipating the sale of these bonds will occur before July 1 2022, which means the taxes will show up on your November 2022 tax bill.

***F. I feel like I am getting taxed out of my home, are there programs to help with that?***

For information on different Montana Property Tax-Relief Programs for veterans and those on a fixed or limited income, please visit <https://mtrevenue.gov/taxes/tax-relief-programs/> to see if you qualify or need additional information.

***G. What is the timeline for this project?***

1. January 20, 2022 – Ballots are mailed.
2. February 8, 2022 – Election day. Ballots must be returned by 8:00 p.m.
3. March - 2023 – Design completed.
4. June - 2023 – Construction starts.
5. August - 2025 – School construction completed.

***H. Why hasn't money been saved over time for construction of a new school?***

State law prohibits "saving" money in the school district budgets. The District has a building reserve fund that is used for general upkeep and maintenance. It is not sufficient for construction of a new school. Voter approved bonds are the expected use for this type of major construction.

***I. What is the District's Bonding Capacity?***

Bonding capacity, also referred to as Legal Debt Margin, is the maximum amount of debt a school is allowed to have in accordance with State law. It is basically calculated as 100% of the District's total taxable value less any outstanding debt. As of June 30, 2021 the Ennis School District Legal Debt Margin was \$355,324,820.

**IV. WHO SUPPORTS THE BOND**

***A. Where does the School Board, Superintendent, staff and students stand on this issue?***

A strong majority of the School Board supports the bond issue and voted to take the issue to the voters.

Casey Klasna, Superintendent of Schools as well as administration strongly supports the bond issue. A strong majority of students and staff support the bond issue. It will allow us to continue the excellent education we provide to Ennis students.



## UNDERSTANDING YOUR NOTICE

Your classification and appraisal notice is to inform you how your property is classified and valued for property assessment and tax billing. Hover over the tooltip icons for additional information.

Here is an example of a data table from a classification and appraisal notice.

For residential, commercial, industrial real property, the current assessed value shown is the department's determination of market value. Market value is the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts. 15-8-111(2)(a), MCA.

For agricultural and forest land, current assessed value is the department's determination of productivity value; land values are based on productivity capacity per acre.

For personal property (i.e. business equipment), current assessed value is the depreciated value of the personal property less any exempt amount as of January 1, 2021.

Mill levies are determined by local government each **September**. This number is the total amount of mills levied against the property last year.

**Owners(s):**  
Smith John

**Assessment Code:** 0004532189  
**Levy District:** 0832-4

Property Classification	Acres/ Quantity	Previous Assessed Value	Current Assessed Value	Previous Taxable Value	Current Taxable Value	Prior Year Millage Rate	Estimated 2021 General Taxes**
HALL TOWNSITE, S13, T03 S, R07 E, BLOCK 2, LOT 4-7 08-4523-13-7-17-05-0000*							
2201 - Residential City or Town Lots	-	-	-	-	-		
3501 - Improvement on Residential City or Town Lots	-	-	-	-	-		
Land and Improvement Value	0.21	147,700	155,050	1,994	2,093		
Totals		147,700	155,050	1,994	2,093	857.38	\$1,795**

Classification Codes

Represents the \$7,350 change in value from January 1, 2018 to January 1, 2020.

Move decimal 3 places to the left to calculate estimated tax. (.85738)

Geocode (property id)

\*\*The tax amount shown is an estimate of the 2021 general property taxes based upon the 2019 millage rate where this property is located.

Note: The property may be subject to the local government's special assessments and fees in addition to the general taxes. Property owners should review their previous year tax bill or contact their county treasurer's office for more information about special assessments and fees that affect their property.

**How estimated general taxes are calculated:** Residential Property Only  
To calculate your ANNUAL estimated tax impact of the Bond Issue:

Current Assessed Value x Tax Rate = Current Taxable Value **Assessed Value X .0003314**

$\$155,050 \times .0135 = \$2,093$

Current Taxable Value x Prior Year Millage Rate = Estimated 2021 General Taxes

$\$2,093 \times .85738 = \$1,795$

# 2021 REAL Property Tax Statement

MADISON CO TREASURER SHELLY BURKE

PO BOX 247, 103 W WALLACE

VIRGINIA CITY MT 59755

10/13/21

Tax Payer	Property Description	Tax Payer
		School District 27 32802 F
		Taxable Value 4,348
		Geo Code 0333-11-4-01-03-0000
		Street:

Tax Description	1st Half	2nd Half	Total Tax	Voted *	% of Tax	Tax Amount	Mill Levy
LAND	47.86	47.85	95.71	STATE SCHOOL LEVY	34.36 %	\$413.06	95.000
BLDS & IMPROVEMENTS	472.34	472.34	944.68	DISTRICT SCHOOL LEV	5.77 %	\$69.35	15.950
MADISON VALLEY SOIL	1.96	1.95	3.91	STATE LEVY - UNIVER	2.17 %	\$26.09	6.000
SOLID WASTE	158.00	0.00	158.00	COUNTYWIDE EDUCATIO	2.89 %	\$34.79	8.000
1st Half Due (11/30/21)	680.16			Total School	45.19 %	\$543.29	124.950
2nd Half Due (05/31/22)		522.14		County			
Total Bill			1,202.30	General	11.99 %	\$144.11	33.150
				Road	3.12 %	\$37.57	8.640
				* Nursing Homes	6.15 %	\$73.92	17.000
				Bridge	0.43 %	\$5.22	1.200
				* Weed	0.45 %	\$5.44	1.250
				County Fair Fund	0.42 %	\$5.00	1.150
				Airport	0.95 %	\$11.48	2.640
				District Court	0.36 %	\$4.35	1.000
				* Library	0.98 %	\$11.74	2.700
				Planning	0.36 %	\$4.35	1.000
				Emergency/Disaster	0.00 %	\$0.00	
				* Senior Citizens	0.72 %	\$8.70	2.000
				* Public Health	0.56 %	\$6.74	1.550
				Total County	26.49 %	\$318.62	73.280
				Other			
				Permissive Medical	1.47 %	\$17.65	4.060
				* Search/Rescue	0.36 %	\$4.35	1.000
				SRS Permissive Mill	0.05 %	\$0.61	0.140
				* Madison Valley RFD	9.02 %	\$108.44	24.940
				Madison Valley Cem	0.01 %	\$0.17	0.040
				* Madison Valley Hosp	3.93 %	\$47.26	10.870
				Madison Valley Soil	0.33 %	\$3.91	
				Total Other	15.17 %	\$182.39	42.050
				Fees			
				Solid Waste	13.14 %	\$158.00	
				Total Fees	13.14 %	\$158.00	0.000
				Total Bill	100.00 %	\$1,202.30	239.280

Checks payable to Madison County Treasurer  
Your check will be returned for penalties if late.  
Your check is your receipt.  
Call before making a late payment.  
You may pay your bill in full when received.  
Please put tax bill payer ID number on your check.  
Please do not staple, tape, or wrap up your checks  
or attach check stubs. This office does not mail out  
second half notices. To pay by credit card call  
1-800-272-9829 Jurisdiction (3614) or on-line at  
officialpayments.com (fees apply)  
Contact the schools for their voted levy information.  
If you have sold your property, please return the tax bill  
or our office or forward to the new owner.  
For questions regarding property value or to change an  
address call Department of Revenue at 406-900-1020. D.O.R.  
may enter your property to appraise per 15-7-139 and  
15-7-140. You have the right to be present when your  
property is being assessed by Department of Revenue or you  
can make an appointment.  
Notice: The availability of all property tax assistance  
programs is available to property taxpayers per 15-6-134.  
the extended property tax assistance program under  
15-6-193, the disabled or deceased veterans' residence  
exemption under 15-6-211, and the residential property tax  
credit for the elderly under 15-30-171 through 15-30-179.  
Call the Department of Revenue 406-900-1020 for more  
information regarding all programs available to you.

\*\*\* Tax Information sent to mortgage company. \*\*\*

To calculate your estimated ANNUAL tax impact

Taxable Value = \$4,348

Times .02455

Equals Estimated  
ANNUAL cost of the  
bond issue on your property

\$106.74

Total if both halves paid: 1,202.30



Name

Due 680.16 11/30/21

Return this stub with payment to:  
MADISON CO TREASURER SHELLY BURKE  
PO BOX 247, 103 W WALLACE  
VIRGINIA CITY MT 59755

Total if both halves paid: 1,202.30



Name

Due 522.14 05/31/22

Return this stub with payment to:  
MADISON CO TREASURER SHELLY BURKE  
PO BOX 247, 103 W WALLACE  
VIRGINIA CITY MT 59755