SPECIMEN BALLOT

QUESTIONS CONTINUED

○ YES
○ NO

Question 2: Do you favor approving the Town of Falmouth school budget for the upcoming school year that was adopted at the Town Council meeting held May 13, 2013?

○ YES
○ NO

Question 3: Do you wish to continue the budget validation referendum process in the Town of Falmouth for an additional three years?

Informational Note

A "YES" vote will require the Town of Falmouth to continue to conduct a referendum to validate its annual school budget for the next three years.

A "NO" vote will discontinue the budget validation referendum for at least three years and provide instead that the annual school budget shall be finally adopted at a meeting of the Town Council.

○ YES
○ NO

Question 4: Shall the Order entitled: "Order authorizing energy conservation and heating system improvements at the Falmouth Middle School including conversion of the heat distribution system from steam to hot water, installation of a new domestic hot water system, installation of an energy efficient window wall system and connection of the Middle School biomass boiler to the Elementary School and High School heat distribution system (the "Project") and the issuance of general obligation bonds in an amount not to exceed $3,250,000 (plus issuance costs) for a term not to exceed 20 years to fund Project costs" be adopted?

Town Council Recommendation: The Town Council recommends approval of Question 4.

School Board Recommendation: The School Board recommends approval of Question 4.

Treasurer's Statement

The undersigned Treasurer of the Town of Falmouth hereby provides the following statement as required by 30-A MRSA §5772(2-A). As of April 22, 2013:

1. **The Town has $47,560,000 of general obligation bonds outstanding and unpaid.**
2. **The Town has $2,000,000 of general obligation bonds authorized but unissued.**
3. **The total amount of general obligation bonds contemplated to be issued if Question 4 is adopted is $3,250,000.**
4. **The interest cost will depend on the prevailing interest rates at the time the bonds are issued. Assuming a borrowing of the full $3,250,000 proposed to be authorized, level principal payments over a 20-year term and an average annual interest rate of 3.45%, the interest cost associated with the borrowing would be $ 1,177,720, which would result in a total cost of principal and interest to be paid at maturity of $4,427,720.**

The foregoing represents an estimate of costs associated with the financing and such estimates will change due to market conditions. The validity of the voters' ratification of the bonds shall not be affected by any errors in the foregoing estimates. The ratification by the voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of any variance of actual costs from the estimates provided hereinabove.

Treasurer, Town of Falmouth

○ YES
○ NO

Question 5: Shall the Order entitled: "Order authorizing renovations and improvements to the Falmouth Middle School including renovations and upgrades to science and music classroom space and renovations and related structural upgrades to the roofs of the library, cafeteria and lower gymnasium (the "Project") and the issuance of general obligation bonds in an amount not to exceed $1,750,000 (plus issuance costs) for a term not to exceed 20 years to fund Project costs" be adopted?

Town Council Recommendation: The Town Council recommends approval of Question 5.

School Board Recommendation: The School Board recommends approval of Question 5.

Treasurer's Statement

The undersigned Treasurer of the Town of Falmouth hereby provides the following statement as required by 30-A MRSA §5772(2-A). As of April 22, 2013:

1. **The Town has $47,560,000 of general obligation bonds outstanding and unpaid.**
2. **The Town has $2,000,000 of general obligation bonds authorized but unissued.**
3. **The total amount of general obligation bonds contemplated to be issued if Question 5 is adopted is $1,750,000.**
4. **The interest cost will depend on the prevailing interest rates at the time the bonds are issued. Assuming a borrowing of the full $1,750,000 proposed to be authorized, level principal payments over a 20-year term and an average annual interest rate of 3.45%, the interest cost associated with the borrowing would be $634,156, which would result in a total cost of principal and interest to be paid at maturity of $2,384,156.**

The foregoing represents an estimate of costs associated with the financing and such estimates will change due to market conditions. The validity of the voters' ratification of the bonds shall not be affected by any errors in the foregoing estimates. The ratification by the voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of any variance of actual costs from the estimates provided hereinabove.

Treasurer, Town of Falmouth

YOU HAVE NOW COMPLETED VOTING