

**DRAFT REFERENDUM QUESTION**

Question \_\_\_\_:            Shall the Order entitled, “**Order authorizing up to \$2,810,000 of the Town’s Bonds to finance one-half the cost (not to exceed \$2,810,000 ) to renovate and expand the Falmouth Memorial Library, to be matched by additional funds to be provided by the Falmouth Memorial Library Association through a capital campaign and other fundraising efforts, up to \$300,000 of which Bonds may initially be issued for preliminary design, architectural and engineering costs and the balance of which Bonds may not be issued until the Falmouth Memorial Library Association has collected sufficient additional funds to complete the Library Project substantially as designed**” be adopted?

**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 October 31, 2014:

A. Town Debt:

1. Bonds outstanding and unpaid:	\$62,782,000
2. Bonds authorized but unissued:	\$2,000,000
3. Bonds to be issued if Article <span style="background-color: yellow;">  </span> is adopted:	\$2,810,000

B. Costs:

The anticipated average interest rate on the proposed bonds is between 2.75% and 3.50%. Assuming an average rate of 3.30%, and a 20 year term, the estimated cost of the new bonds will be:

Bond Principal:	\$2,810,000
<u>Estimated Interest Cost:</u>	<u>970,695</u>
Total Estimated Debt Service:	\$3,780,695

C. Validity:

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 and the ratification by the voters is conclusive and the validity of the bond issue is not affected by reason of any variance of actual costs from the estimates provided above.

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Treasurer, Town of Falmouth

The Town Council recommends that Question    be approved.