Question 1: Shall the Order entitled "Order authorizing the Town of Falmouth to make sewer upgrades and other infrastructure and improvements to Route 100 with a total project cost not to exceed $10,500,000, to include and be funded from the following:
1. Acceptance and use of a grant of up to $4,000,000 from the Maine Department of Transportation
2. Issuance of general obligation bonds in an amount not to exceed $6,000,000; and
3. Use of up to $500,000 from the existing balance of TIF funds in the Town's West Falmouth Crossing TIF account" be adopted?

The Town Council recommends that Question 1 be approved.

TREASURER'S STATEMENT

The undersigned Treasurer of the Town of Falmouth hereby provides the following statement as required by 30-A MRSA §3772(2-A).

A. Town Debt:
1. Bonds outstanding and unpaid (as of June 30, 2015): $54,840,000
2. Bonds authorized but unissued: $2,000,000
3. Bonds to be issued if Question 1 is adopted: $6,000,000

B. Costs:
The anticipated average interest rate on the proposed bonds is between 2.75% and 3.50%. Assuming an average rate of 3.00%, and a 12 year term, the estimated cost of the new bonds will be:

| Bond Principal:       | $6,000,000  |
| Estimated Interest Cost: | $1,170,000 |
| Total Estimated Debt Service: | $7,170,000 |

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.

________________________________________
Treasurer, Town of Falmouth

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 16, 2016?

- Yes
- No

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

- Yes
- No

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 municipal council.