

NOTICE OF PUBLIC HEARING

TO: Edward Tolan, Chief of Police of the Town of Falmouth: In the name of the State of Maine you are hereby required to notify the voters of the Town of Falmouth of the Public Hearing described in this Notice of Public Hearing.

TO: The Voters of the Town of Falmouth:

Take notice that a public hearing will be held on May 9, 2011 at 7:00 p.m., at the Falmouth Town Hall, 271 Falmouth Road in Falmouth on the following article which will be the subject of a referendum vote on June 14, 2011.

Question 3: Shall the Order entitled, “**ORDER AUTHORIZING: (i) AN ENERGY CONSERVATION PROJECT AT FALMOUTH MIDDLE SCHOOL INCLUDING THE INSTALLATION OF A BIOMASS BOILER AND THE CONSTRUCTION OF A STORAGE BUILDING AND RELATED FACILITIES AND IMPROVEMENTS WITH A TOTAL PROJECT COST NOT TO EXCEED \$1,995,000 (THE “PROJECT”), (ii) ACCEPTANCE OF A FEDERAL UNITED STATES DEPARTMENT OF AGRICULTURE GRANT ADMINISTERED BY THE MAINE DEPARTMENT OF CONSERVATION IN AN ESTIMATED AMOUNT OF UP TO \$500,000 TO PROVIDE FINANCING FOR THE PROJECT AND (iii) THE ISSUANCE OF BONDS, NOTES OR LEASE PURCHASE AGREEMENTS IN AN AMOUNT NOT TO EXCEED \$1,200,000 (PLUS ISSUANCE COSTS) (WHICH ISSUANCE IS CONDITIONED ON THE ACCEPTANCE OF THE FOREGOING GRANT) TO FINANCE THE PROJECT WITH THE BALANCE OF PROJECT COSTS TO BE PAID WITH FUNDS FROM THE PREVIOUSLY ESTABLISHED FALMOUTH SCHOOLS CAPITAL RESERVE FUND**” 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 April 25, 2011:

1. The Town has \$51,988,500 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 Article ___ is adopted is \$1,200,000.

4. The anticipated interest rate on the proposed bonds is between 4.5% and 5.5%. Assuming a borrowing of the full \$1,200,000 proposed to be authorized, level principal payments over a 20 year term and an average annual interest rate of 5.0%, the interest cost associated with the borrowing would be \$630,000, which would result in a total cost of principal and interest to be paid at maturity of \$1,830,000.

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.

Informational Note: The Project described in this Question 3 will only be undertaken and the bonds, notes and lease purchase agreements to finance the Project will only be issued if the United States Department of Agriculture Grant described in this Question 3 is awarded to the School Department, and the Project may also serve the new Falmouth elementary school and the Falmouth Town Hall provided the project budget is not exceeded.

Treasurer, Town of Falmouth

The Town Council recommends that Question 3 be approved.

Signed and dated at the Town of Falmouth, April 25, 2011

_____	_____
_____	_____
_____	_____
_____	_____

Majority of Municipal Officers of the Town of Falmouth

A true copy of the Notice, attest: _____

Ellen Planer
Town Clerk
Town of Falmouth

RETURN

Cumberland, ss.

State of Maine

TO: The Municipal Officers of the Town of Falmouth

I have notified and warned the voters of the Town of Falmouth of the time and place of the within described public hearing by posting an attested copy of said notice at:

Shaw's Supermarket
Hannaford Brothers
Nina's Variety Store
Falmouth Town Hall
Waldo's General Store

being a public and conspicuous place in said Town, on the _____ day of April, 2011.

Edward Tolan
Chief of Police