

**REFERENDUM QUESTION
CONCERNING CLASSROOM AND ROOF RENOVATIONS
AT FALMOUTH MIDDLE SCHOOL**

Question __: 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 __.

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

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 __ 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

