

FY 2018 BUDGET FOR ILLUSTRATION ONLY

OB Total Budget	\$29,399,000	100.00%	\$8.15 - per \$1000 assessed value
OB School	\$7,772,626	32.52%	\$2.65
MVRHS	\$4,739,984	19.88%	\$1.62
Debt Service	\$2,763,194	11.60%	\$0.95

How will we pay for a new Town hall that has a project price tag of \$9,880,753?

The short answer is through a debt exclusion of a bond for 20 years with an interest rate as low as is available, presently around 3%. The timing in the debt chart displays three years of Bond Anticipation Notes followed by decreasing principal and interest payments for 20 years.

If we had no other debt, the Town Hall bond would add about \$0.30 to the tax-rate and would add \$109 to the tax for a property valued at the Median. For a property of Average value the increase in tax would be \$176.

Because we do have debt that is decreasing rapidly, even with the Town Hall debt, the actual tax-rate applied to pay the debt service, \$0.95 of your \$8.15 this year, will decrease slightly each year until FY 2024 which for planning purposes is three years into a major Wastewater project.

What are the financial implications of a delay approving the project? A six-month delay will add an estimated 4% increase in the Project price to \$10,275,983 and about \$7.00 to the annual tax for an Average property. More significant is the risk and cost of rising Interest rates. The project delayed 6 months and then financed at 4% would add about \$30 per year to the tax bill of an Average property.

