



**TOWN OF KITTERY**  
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**REPORT TO TOWN COUNCIL**

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Meeting Date: July 8, 2019  
UPDATED: August 12, 2019  
From: Kendra Amaral, Town Manager  
CC: Library Building Committee  
Subject: Library Bond Referendum  
Council Sponsor: Chairperson Judy Spiller

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The Library Building Committee has advanced the library renovation and expansion design to a point that is reasonable to seek the funding authorization for construction. The Council will be asked to consider two measures:

- 1) Authorization to place a binding bond referendum on the ballot for November 5, 2019;
- 2) Adoption of Issuance Authorization which includes the various legal and regulatory requirements and authorizations for issuance of bonds under state and local law. This authority can only be exercised if the voters approve the ballot measure.

### **OVERVIEW**

As previously reported, the Library Building Committee has been advancing through its charge; working with the design team to complete the existing conditions analysis and concept design phase. The schematic design phase of the renovation and expansion project is being wrapped up in July.

The Committee has met 17 times since its formation in April of 2018. It has held two public meetings; one at the concept design phase and one at the schematic design phase, and has gathered input via the Block Party, emails, and letters.

The design has been funded through capital appropriations totaling \$500,000 (FY19 and FY20).

The design team, led by Scott Simons Architects, has assessed the existing program and Rice Building, developed a recommended building program (approximately 15,000 to 16,000 square feet), and developed multiple concept designs.

At the current phase of design, the interior organization of public and back-of-house space has been determined. Though walls and windows will likely still shift some during the remainder of the design; the internal layout is set.

The exterior design of the expansion has undergone a number of revisions to arrive at a structure that reaches towards the Foreside, does not pretend to be historic, but complements the historic structure in interesting ways.

A Schematic phase cost estimate for the design is underway and should be complete in the coming week. A preliminary estimate has the design within reaching distance of the \$5,000,000 budget maximum, and a plan to value engineer and refine the design to bring it within budget. The schematic design cost estimate will be completed and provided for the August meeting.

The design team is finishing up the schematic design phase, and plan to “put pencils down” until the bond referendum vote occurs; with the exception of pre-permitting work.

### **STATEMENT OF NEED**

In accordance with Town Charter 6.07 and 30-A MRS §5721 and 5772 the Town Council is to submit to the qualified voters of the town at regular or special election, after public hearings, proposed financing through the issuance of bonds for a capital project.

Additionally, the Town Council must also adopt an ordinance governing the manner in which such bonds are to be issued and utilized. Upon adoption, the bonds still cannot be issued without the majority affirmative vote of the voters of Kittery in November.

The proposed language has been drafted by and reviewed with both Bond Counsel (William Stockmeyer, Drummond Woodsum) and Bond Advisor Joseph Cuetara.

### **PROPOSED SOLUTION/RECOMMENDATION**

Approve as presented.

### **ATTACHMENTS**

- Proposed Binding Bond Referendum for November ballot
- Proposed Bond Authorization Ordinance
- Library Project Presentation

## BOND REFERENDUM

### RICE PUBLIC LIBRARY EXPANSION, RENOVATIONS AND IMPROVEMENT

1 “Shall the Town of Kittery council be authorized to issue bonds in a total amount not to exceed  
2 \$5,000,000 for the purpose of funding costs to expand, renovate, and improve the Rice Public  
3 Library?”

4 Yes

5 No

#### 6 **Background**

7 The Town of Kittery is seeking to expand, renovate, and improve the Rice Public Library. The  
8 project will result in a 21<sup>st</sup> century library that is consolidated into a single building, accessible to all  
9 visitors/ADA accessible; with space for collections, children, young adult, and adult programs,  
10 flexible community meeting and program space, technology to meet the evolving needs for  
11 information access, and adequate parking.

12 The construction and associated soft costs for implementation of the project are estimated to be  
13 \$5,000,000. Grants and private donations may be used to augment the project budget for  
14 enhanced building features, landscaping, furniture, fixtures, equipment and technology.

15 The Library is a department of the Town of Kittery, and all assets of the Library including the Rice  
16 Building and the Taylor Building are owned by the Town.

17 The debt will be general obligation bonds, funded through annual tax revenue. The estimated cost  
18 of interest, at 3%, is \$1,574,583, and the estimated total cost of principal and interest at maturity is  
19 \$6,574,583.

20 The total amount of bonds outstanding and unpaid is \$23,927,920. The Town’s capital  
21 improvement program (“CIP”) policy bonding limit, 2.5% of Total Valuation, is \$42,997,500. If the  
22 proposed bonds are approved, the Town will be at 67.3% of its total CIP policy bonding limit. The  
23 Town does not have authorized, unissued bonds.

24 The validity of the bond and of the voters' ratification of the bond may not be affected by any errors  
25 in the estimate made pursuant to Town Charter 6.07 paragraph (2). If the actual amount of the total  
26 debt service for the bond varies from the estimate, the ratification by the voters is nevertheless  
27 conclusive and the validity of the bond is not affected by reason of the variance.

Motion: The Kittery Town Council moves to adopt an ordinance entitled, “Ordinance to Authorize Issuance of General Obligation Bonds in Principal Amount of up to \$5,000,000 to Expand, Renovate, and Improve the Rice Public Library.”

**TOWN COUNCIL OF THE TOWN OF KITTERY**

**ORDINANCE TO AUTHORIZE ISSUANCE OF GENERAL OBLIGATION BONDS  
IN PRINCIPAL AMOUNT OF UP TO \$5,000,000  
TO EXPAND, RENOVATE, AND IMPROVE THE RICE PUBLIC LIBRARY**

1 The Town of Kittery hereby ordains, pursuant to the requirements of the Charter of the Town  
2 of Kittery (the “Charter”) and 30-A M.R.S. §§ 5721 and 5772, the following:

3 **Section 1. Authorization of Bonds and Bond Anticipation Notes.**

4 1.1 The Town of Kittery (the “Town”) is hereby authorized to issue general obligation bonds  
5 in an amount not to exceed \$5,000,000 and notes in anticipation thereof (collectively, the  
6 “Bonds”) for the purpose funding costs to expand, renovate, and improve the Rice Public  
7 Library (the “Project”).

8 1.2 The Town is hereby authorized to accept and use Project gifts and donations, and may  
9 use the net sales proceeds of the Taylor Building, if any and if received prior to the sale  
10 of the Bonds, to reduce the principal amount of Bonds issued for the Project.

11 **Section 2. Appropriation of Bond Proceeds; Tax Levy.**

12 2.1 The proceeds of the Bonds, including investment earnings, accrued interest, and bond  
13 premium, if any, are appropriated for the costs of the Project, including costs of the  
14 Project in excess of the principal amount of the Bonds.

15 2.2 An amount sufficient for the payment of the annual payments of principal and interest  
16 on the Bonds, not payable from other sources, shall be included in the tax levy of each  
17 year until the debt represented by the Bonds is extinguished.

18 **Section 3. Authorization of Treasurer to Arrange for Sale of Bonds and Determine Bond  
19 Details.**

20 3.1 The Treasurer of the Town (the “Treasurer”) is authorized to arrange for the sale of the  
21 Bonds, at one time or from time to time, as one or more separate bond issues, as tax-  
22 exempt or as taxable obligations, at public or private sale to such parties as the Treasurer  
23 determines to be in the Town’s interest, and to execute and deliver loan agreements and  
24 other contracts for that purpose, all on such terms not inconsistent with the Charter and  
25 this Ordinance as the Treasurer shall approve, such approval to be conclusively  
26 evidenced by the execution thereof.

27 3.2 In connection with the sale of any of the Bonds, the Treasurer is authorized to select and  
28 hire municipal advisors, other consultants, underwriters, registrars, paying agents, and  
29 transfer agents and to execute and deliver such contracts or agreements for that purpose  
30 as may be necessary or appropriate, and all actions the Treasurer has previously taken  
31 consistent with this authorization is hereby ratified and confirmed in all respects.

32 3.3 To the extent not inconsistent with the Charter or this Ordinance, the Treasurer is  
33 authorized to determine the date(s), maturity(ies), denomination(s), interest rate(s),  
34 place(s) of payment, form(s), and all other details, terms, and provisions of each issue of  
35 the Bonds, and to approve the form and manner of their sale and award, said approval to  
36 be conclusively evidenced by the execution thereof.

37 3.4 The Treasurer is authorized to provide on behalf of the Town that the Bonds may be  
38 redeemable or callable, with or without premium, prior to their maturity.

39 3.5 The Treasurer is authorized to prepare, or cause to be prepared, a Preliminary Official  
40 Statement and an Official Statement for use in the offering and sale of any of the Bonds  
41 in such form and containing such information as may be approved by the Treasurer with  
42 the advice of bond counsel for the Town. The use and distribution of any such  
43 Preliminary Official Statement and Official Statement in the name and on behalf of the  
44 Town in connection with offering the Bonds for sale is hereby approved.

45 **Section 4. Bonds To Be Registered.**

46 4.1 The Bonds shall be issued in the name of the Town and in registered form transferable  
47 only on the registration books of the Town, which registration books may be kept by the  
48 Town or its transfer agent, upon surrender thereof with a written instrument of transfer,  
49 duly executed by the registered owner or his/her attorney duly authorized in writing.

50 4.2 As an alternative to the provisions of Section 4.1, above, regarding physical transfer of  
51 Bonds, the Treasurer is authorized to undertake all acts necessary to provide for the  
52 issuance and transfer of the Bonds in book-entry form pursuant to the Depository Trust  
53 Company Book-Entry Only System and to enter into a Letter of Representation or any  
54 other contract, agreement, or understanding necessary or, in the Treasurer's opinion,  
55 appropriate in order to qualify the Bonds for and participate in the Depository Trust  
56 Company Book-Entry Only System.

57 **Section 5. Form of Execution; Other Bond Terms.**

58 5.1 The Bonds shall be executed and delivered by the Treasurer and countersigned by the  
59 Chairperson of the Town Council (the "Chairperson") under the official seal of the Town,  
60 attested by the Town Clerk of the Town (the "Clerk"), and otherwise be in such form and  
61 contain such terms and provisions not inconsistent herewith, as they shall approve, their  
62 approval to be conclusively evidenced by their execution thereof. Any signature thereon  
63 may be by facsimile to the extent permitted by law.

64 5.2 The appropriate officials of the Town are authorized to execute and deliver on behalf of  
65 the Town such other documents and certificates as may be necessary or convenient to the  
66 issuance, execution, or delivery of the Bonds.

67 **Section 6. Conformance with Arbitrage and Private Activity Rules.**

68 6.1 If the Bonds, or any of them, are issued on a tax exempt basis, the Treasurer is authorized  
69 and directed to certify on behalf of the Town that no part of the proceeds of the issue and  
70 sale of the Bonds shall be used, directly or indirectly, to acquire any securities and  
71 obligations, the acquisition of which would cause the Bonds to be "arbitrage bonds" or  
72 "private activity bonds" within the meaning of Sections 148 and 141 of the Internal

73 Revenue Code of 1986, as amended (the “Code”), and the Treasurer is authorized to so  
74 covenant and certify on behalf of the Town.

75 **Section 7. Authorization of Treasurer to Ensure Compliance with Applicable Federal**  
76 **Laws and Rules.**

77 7.1 If the Bonds, or any of them, are issued on a tax exempt basis, the Treasurer is authorized  
78 in connection with the Bonds to execute and deliver on behalf of the Town an arbitrage  
79 and use of proceeds certificate in form approved by bond counsel for the Town, and to  
80 covenant on behalf of the Town to file any information report and pay any rebate due to  
81 the United States in connection with the issuance of the Bonds, and to take all other  
82 lawful actions necessary to ensure that the interest on the Bonds will be excludable from  
83 the gross income of the owners thereof for purposes of federal income taxation and to  
84 refrain from taking any action which would cause interest on the Bonds to become  
85 includable in the gross income of the owners thereof.

86 7.2 The Treasurer is authorized to covenant, certify, and agree, on behalf of the Town, for  
87 the benefit of the holders of the Bonds, that the Town will file any required reports, make  
88 any annual financial or material event disclosure, and take any other actions that may be  
89 necessary to ensure that the disclosure requirements imposed by Rule 15c2-12 of the  
90 Securities and Exchange Commission, if applicable, are met.

91 7.3 The Treasurer, in consultation with bond counsel for the Town, is authorized to  
92 implement written procedures with respect to the Bonds for the purpose of (i) ensuring  
93 timely “remedial action” for any portion of the Bonds that may become “non-qualified  
94 bonds,” as those terms are defined in the Code and regulations thereunder; and (ii)  
95 monitoring the Town’s compliance following the issuance of the Bonds with the  
96 arbitrage, yield restriction, and rebate requirements of the Code and regulations  
97 thereunder.

98 **Section 8. Authorization of Treasurer to Designate Bonds as Bank Qualified.**

99 8.1 The Treasurer may designate, and is authorized to take all such actions as may be  
100 necessary to designate, any of the Bonds as qualified tax-exempt obligations for purposes  
101 of Section 265(b)(3) of the Code.

102 **Section 9. Authorization to Effect Issuance, Sale, and Delivery of the Bonds.**

103 9.1 The Treasurer, Chairperson, and Clerk and other proper officials of the Town, acting  
104 singly, are hereby authorized and empowered in its name and on its behalf to do or cause  
105 to be done all such acts and things, not inconsistent herewith, as may be necessary or  
106 desirable in order to effect the issuance, sale, and delivery of the Bonds and the  
107 accomplishment of the Project herein authorized.

108 9.2 If the Treasurer, Chairperson, or Clerk for any reason are unavailable to, as applicable,  
109 approve, execute, attest, or deliver the Bonds or any other documents necessary or  
110 convenient to the issuance, execution, attestation, or delivery of the Bonds or the  
111 accomplishment of the Project, the person or persons then acting in any such capacity,  
112 whether as assistant, deputy, successor, or otherwise, shall be authorized to act for such  
113 unavailable official with the same force and effect as if such official had performed such  
114 act.

115 9.3 If any of the officers or officials of the Town who have signed, attested, or sealed the  
116 Bonds shall cease to be such officers or officials before the Bonds so signed, attested,  
117 and sealed shall have been actually authenticated or delivered by the Town, such Bonds  
118 nevertheless may be authenticated, delivered, and issued with the same force and effect  
119 as though the person or persons who signed, attested, or sealed the Bonds had not ceased  
120 to be such officer or official; and also, any such Bonds may be signed, attested, or sealed  
121 on behalf of the Town by those persons who, at the actual date of execution of the Bonds,  
122 shall be the proper officers or officials of the Town, although at the nominal date of the  
123 Bonds any such person shall not have been such officer or official.

124 **Section 10. Consolidation; Exchanges or Transfers of Bonds; Redemption.**

125 10.1 Any or all of the Bonds may be consolidated with and become a part of any other issue  
126 of bonds or notes authorized to be issued by any previous or subsequent ordinance of the  
127 Town Council.

128 10.2 The Treasurer, Chairperson, and Clerk is authorized to, from time to time, execute such  
129 Bonds as may be required to provide for exchanges or transfers of Bonds authorized  
130 hereunder.

131 10.3 The Bonds (or bonds issued to refund such Bonds) may be made subject to redemption  
132 prior to their stated dates of maturity at the option of the Town, as a whole or in part at  
133 any time, in such order of maturity as the Treasurer, in the Treasurer's discretion, may  
134 determine at the respective redemption prices. While any of the Bonds (or bonds issued  
135 to refund such Bonds) are outstanding, the Treasurer is authorized to issue and deliver  
136 refunding bonds to refund some or all of the Bonds then outstanding, and to determine  
137 the date, form, interest rate, maturities, and all other terms and details of such refunding  
138 bonds, including the form and manner of their sale and award. The Treasurer is further  
139 authorized to provide that any of such refunding bonds be made callable, with or without  
140 premium, prior to their stated date(s) of maturity. Each refunding bond issued hereunder  
141 shall be signed by the Treasurer and Chairperson, either of both of whose signatures may  
142 be by facsimile to the extent permitted by law, attested to by the Clerk under the seal of  
143 the Town, and shall be in such form and contain such terms and provisions not  
144 inconsistent herewith as they may approve, their approval to be conclusively evidenced  
145 by their execution thereof.

146 **Section 11. Reimbursement Resolution.**

147 11.1 The Town hereby resolves and declares its official intent pursuant to Section 1.150-2(e)  
148 of the Treasury Regulations that the Town reasonably expects to use the proceeds of the  
149 Bonds to reimburse certain original expenditures from the Town's general or other fund,  
150 paid not earlier than 60 days prior to adoption of this Ordinance or to be paid, which  
151 original expenditures have been or will be incurred in connection with costs of the  
152 Project. The Town reasonably expects that the maximum principal amount that the Town  
153 will issue to finance the Project is **\$5,000,000**. An attested copy of this Ordinance and  
154 declaration of official intent shall be kept in the permanent records of the Town and be  
155 reasonably available for public inspection.

156 **Section 12. Costs of the Project.**

157 12.1 The term “cost” or “costs,” as used in this Ordinance and applied to the Project, includes  
158 all costs related to the Project, including without limitation (1) costs to acquire, design,  
159 engineer, construct, renovate, repair, improve, equip, and furnish all or any portion of the  
160 Project and of any infrastructure related to the Project, and of any addition or expansion  
161 to existing building(s) for the Project, as applicable; (2) costs of landscaping, site  
162 preparation, and removal and demolition of any existing buildings and improvements;  
163 (3) costs of land, easements, other real property interests, and licenses acquired or  
164 conveyed in connection with the Project; (4) costs of planning and development, site  
165 selection, preparation of specifications, surveys, engineering and feasibility studies, and  
166 other professional services associated with the Project; (5) costs of environmental  
167 studies, appraisals, and assessments; (6) interest costs on the Bonds for the period prior  
168 to and during construction and for a period not greater than the earlier of the date the  
169 Project is placed in service and the date three years from the issue date of the Bonds; and  
170 (7) financing charges and issuance costs related to the sale and issuance of Bonds,  
171 including without limitation premiums for insurance, capitalized interest, financial  
172 advisor fees and costs, underwriters’ fees and costs, legal and accounting fees and costs,  
173 application fees, and other fees and expenses.

174 **Section 13. Filing; Publication.**

175 13.1 An attested copy of this Ordinance shall be filed with the Clerk.

176 **Section 14. Referendum Election.**

177 14.1 In accordance with Section 6.07 of the Charter, the Bonds and the Project shall be  
178 submitted to the qualified voters of the Town at a referendum election to be held on  
179 Tuesday, November 5, 2019, after public hearings in the manner and form prescribed in  
180 Section 2.14 of the Charter and by law; the Clerk shall take all actions required of the  
181 Clerk for that referendum election to be called and held; and a referendum question in  
182 the following form shall appear in the warrant and on the ballot at said referendum  
183 election, accompanied by a signed statement of the Treasurer setting forth the  
184 information required by Section 6.07(4) of the Charter:

185                                Shall the Town of Kittery council be authorized to issue bonds in a total  
186                                amount not to exceed \$5,000,000 for the purpose of funding costs to  
187                                expand, renovate, and improve the Rice Public Library?

188 **Section 15. Effective Date.**

189 15.1 This Ordinance shall become effective 30 days after its adoption by the Town Council,  
190 in accordance with Section 2.14(3) of the Charter.

191 **INTRODUCED** in a public session of the Town Council on the 12th day of August, 2019,

192 by: \_\_\_\_\_ {NAME}.

193 Motion to approve by Councilor \_\_\_\_\_ {NAME}, as seconded

194 by Councilor \_\_\_\_\_ {NAME} and passed by a vote of \_\_\_\_\_.



195 **THIS ORDINANCE IS DULY AND PROPERLY ORDAINED** by the Town Council of  
196 the Town of Kittery, Maine, on the 12th day of August, 2019,

197

198

199 \_\_\_\_\_ {NAME}, Chairperson.

200 **A true copy, attest:**

201 \_\_\_\_\_  
202 Town Clerk

# RICE PUBLIC LIBRARY

RENOVATION & EXPANSION  
PROJECT



# PROJECT BACKGROUND

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- Non-Binding Referendum Options – November 2017
  - 1) No Build
  - 2) Build at Community Center
  - 3) Build at Existing Library Site
- Voters Decided
  - #3 - Build at Existing Library Site
- Town Council Action
  - Three Committee Initiative
    - Merge Library into Town Government
    - Taylor Building Disposition
    - Rice Library Building Committee
  - Rice Library Building Committee Formed May 2018

# COMMITTEE – A YEAR IN REVIEW



Month	Activity
June 2018	Master Budget and Schedule Developed
July to October 2018	Develop Designer (AE) RFP & Release
November / December 2018	Receive/Shortlist/Interview/Select AE
January 2019	AE Contract Negotiations and On Boarding
February 2019	Programming Reconciliation & Building Assessment / Stakeholder Group Meetings
March 2019	Conceptual - Needs, Massing, Circulation
April 2019	Public Brainstorming / Feedback Meeting & Reconciled Master Budget
May 2019	Schematic Design, Preliminary Cost Estimate Commenced
Early June 2019	Block Party Presentation / Design Refined
Late June 2019	Public Presentation / Cost Estimate

# MILESTONES – LOOKING AHEAD

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## **Phase 1**

- ✓ Building Committee Formed – May 2019
- ✓ Architectural Team Launched – January 2019
- ✓ Schematic Design Completed – June 2019
- Town Council Consideration – Summer 2019
- Voter Referendum (Build It) – November 2019

## **Phase 2**

- Final Design Development – February 2019
- Permitting and Costing – March 2019
- Construction Documents – April 2019
- Contractor Bid & Award – June 2020
- Construction Period – October 2021
- Occupancy and Ribbon Cutting – November 2021

# EXPANSION & RENOVATION

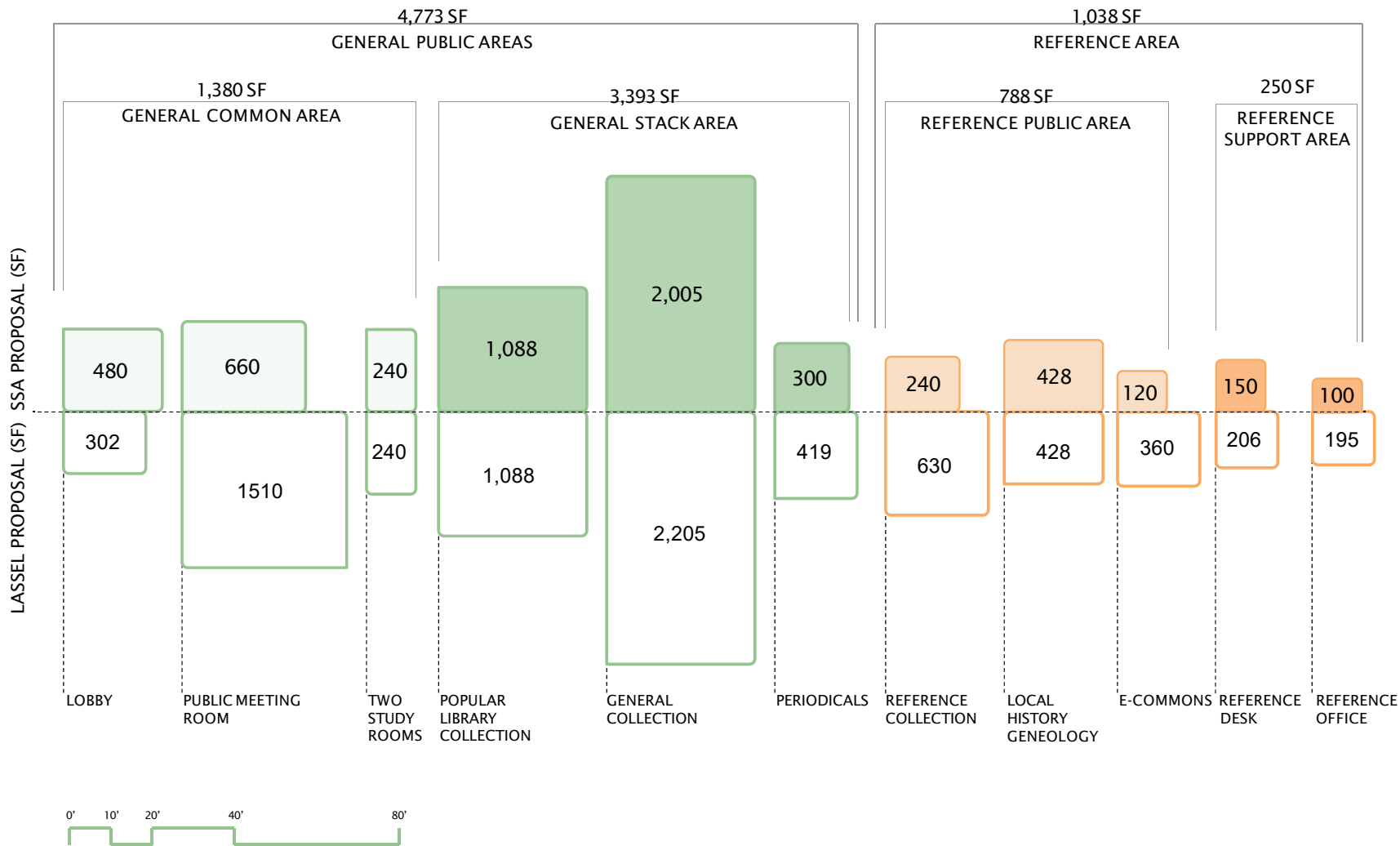
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SCHEMATIC DESIGN PHASE

## Programming Interviews, Assessments and Meetings

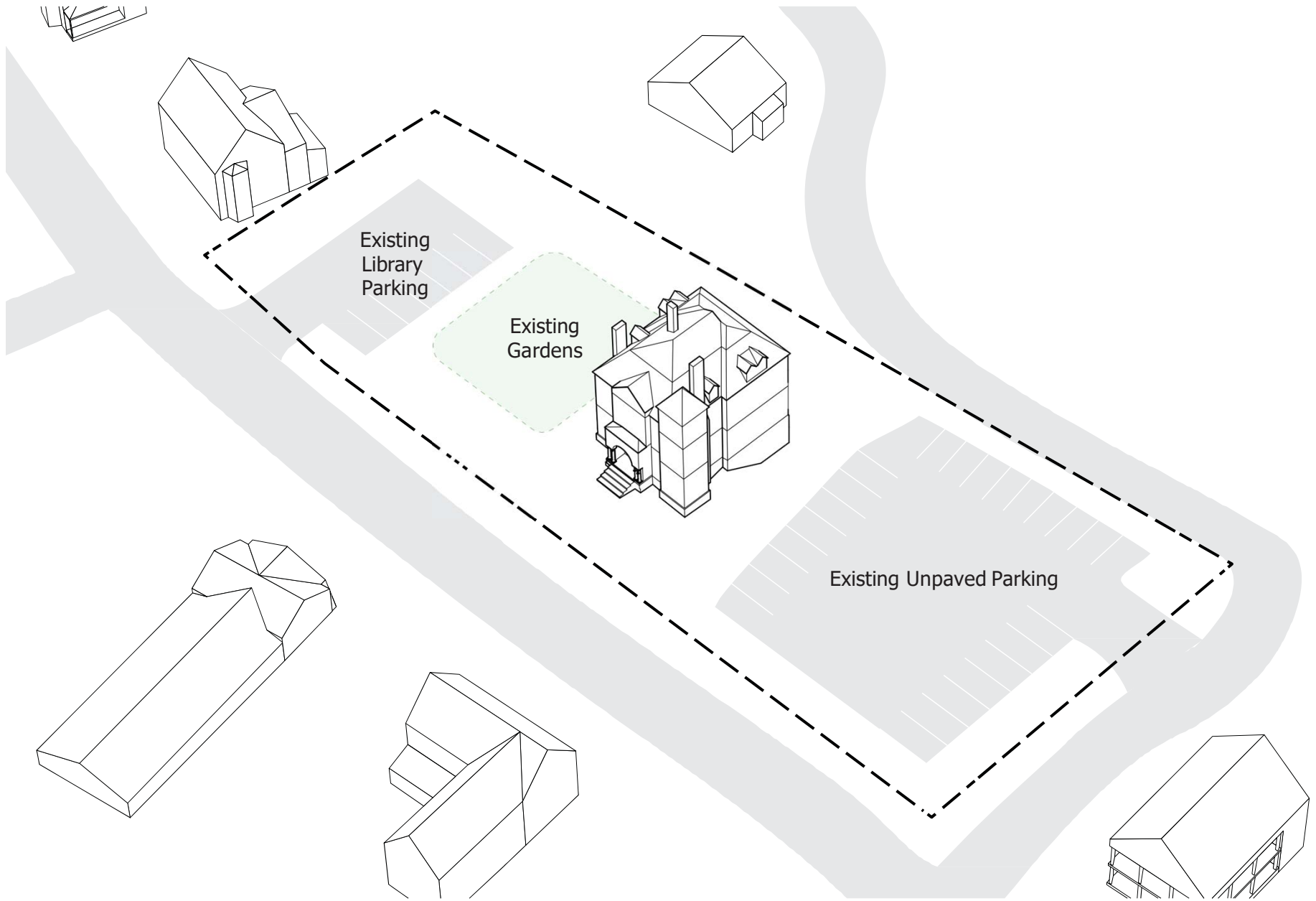
<b>Library Staff Interviews</b>	Feb 06, 2019
<b>Friends of the Library Interviews</b>	Feb 06, 2019
<b>Kittery Schools Interviews</b>	Feb 13, 2019
<b>Library Board Interviews</b>	Feb 26, 2019
<b>Kittery Community Center Interviews</b>	Feb 26, 2019
<b>Kittery Foreside Group Interviews</b>	Feb 26, 2019
<b>Teen User Interviews</b>	Feb 26, 2019
<b>Community Meeting</b>	Apr 24, 2019
<b>Kittery Block Party</b>	Jun 15, 2019
<b>Community Meeting</b>	Jun 26, 2019









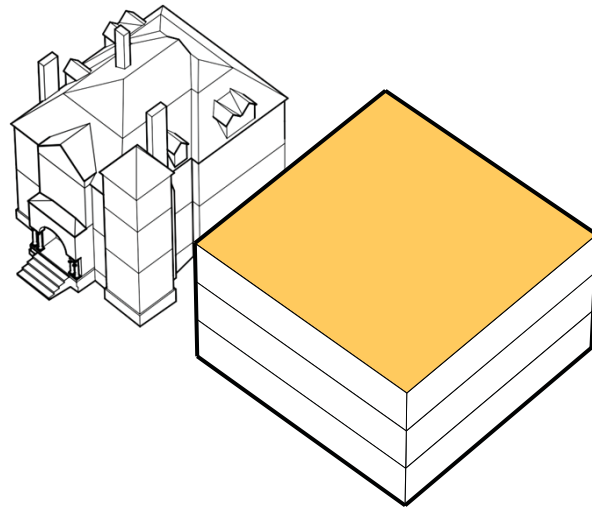


Existing  
Library  
Parking

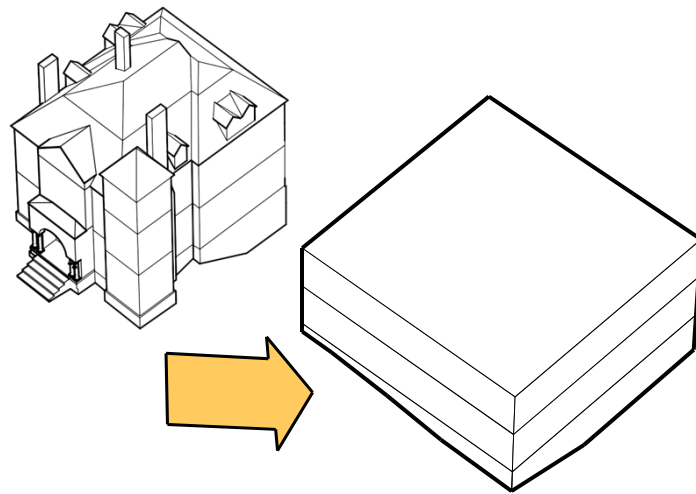
Existing  
Gardens

Existing Unpaved Parking

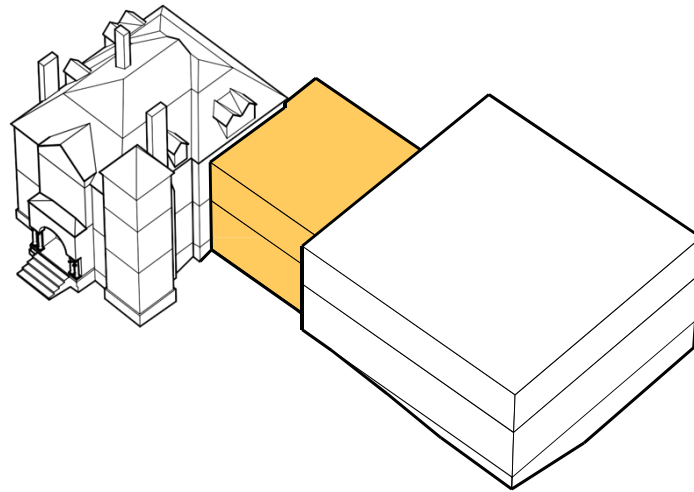
South Scheme -  
Step 1 - Required SquareFootage



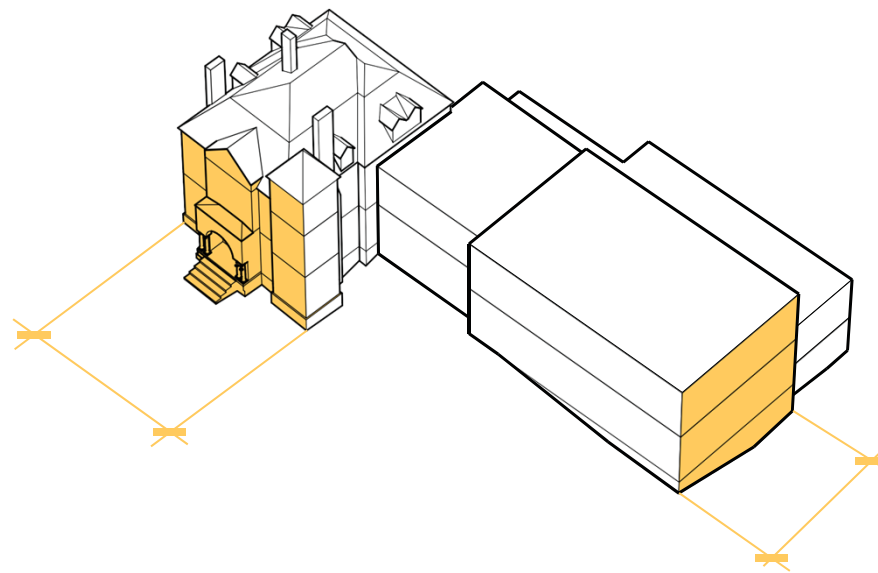
South Scheme -  
Step 2 - Moving Mass Down the Site



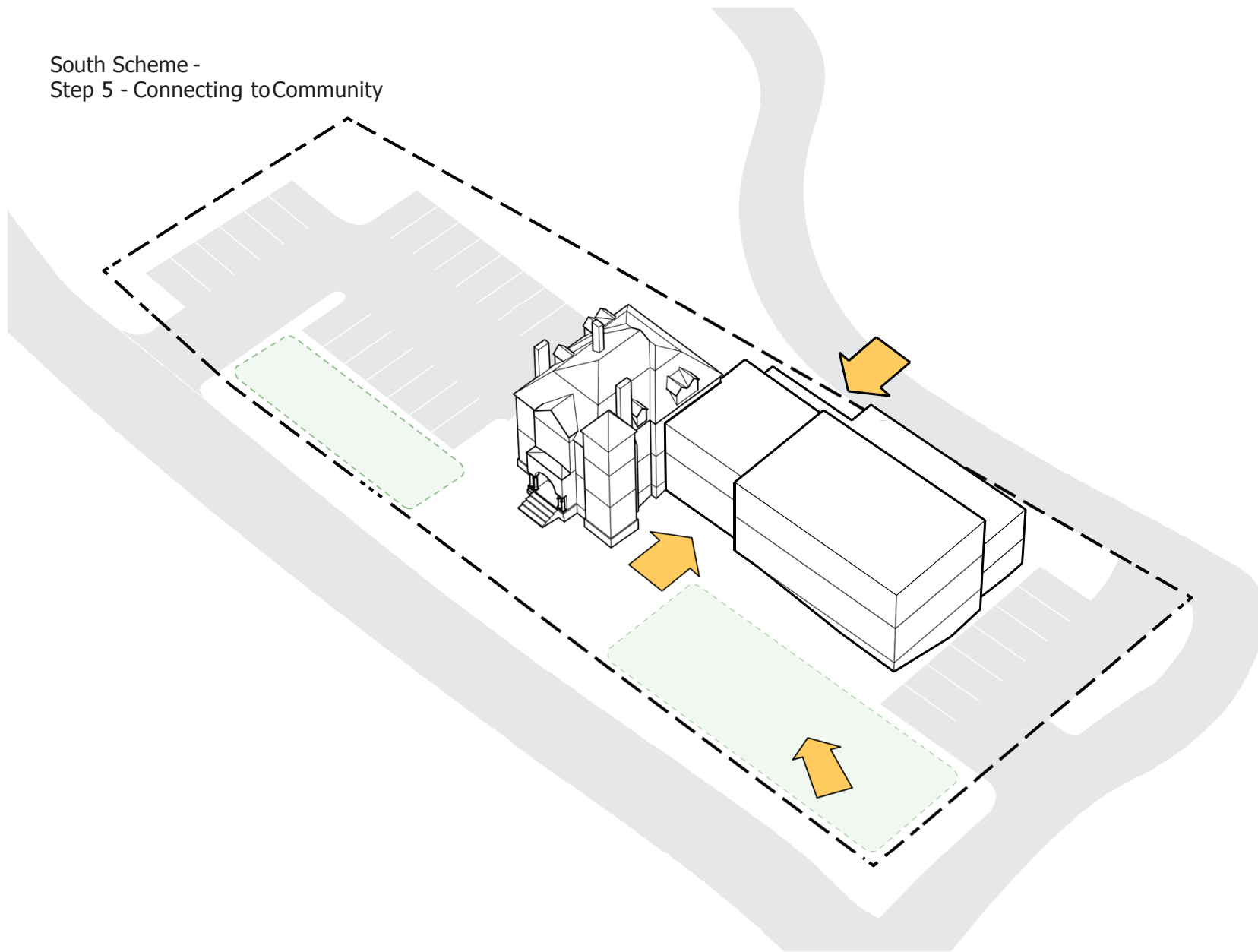
South Scheme -  
Step 3 - Connecting to Historic Building



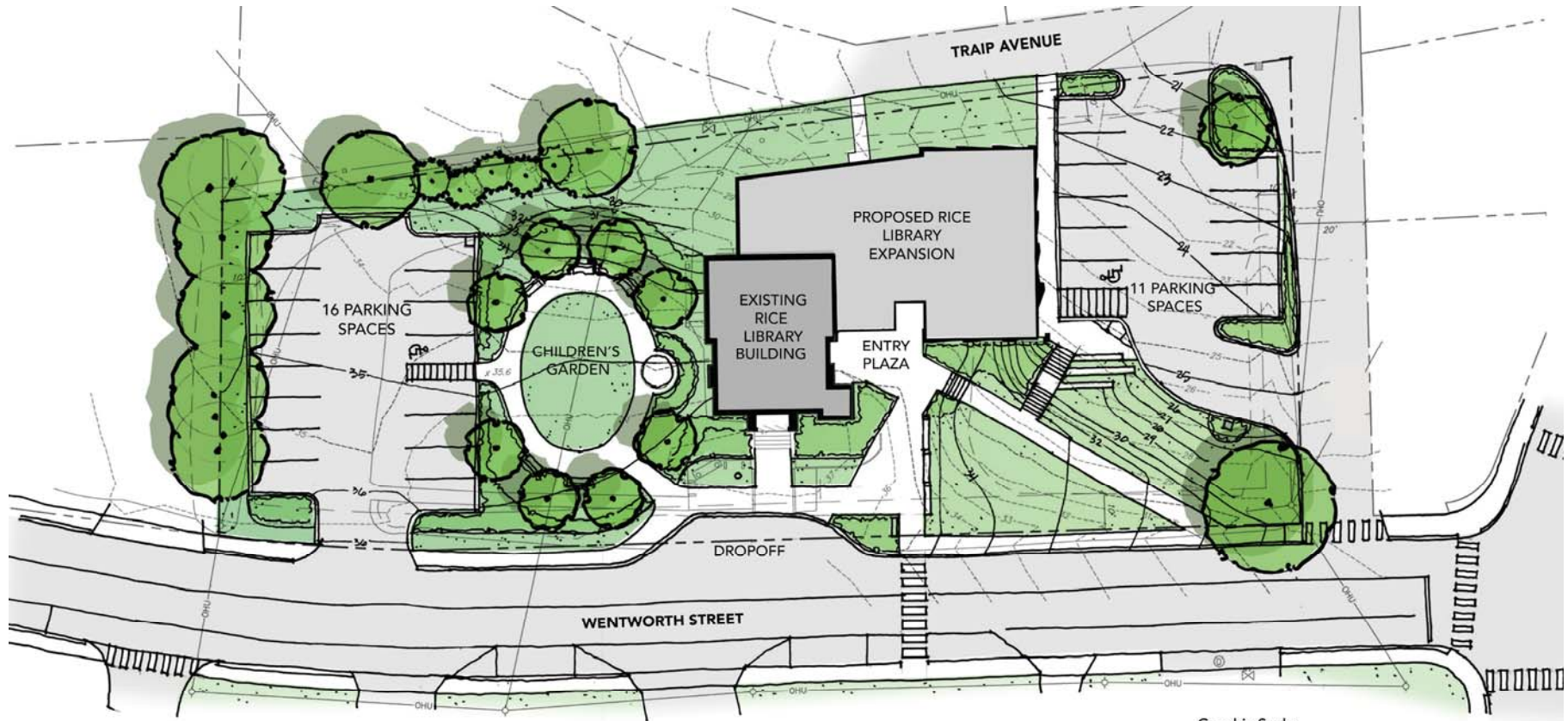
South Scheme -  
Step 4 - Scaling to Historic Building



South Scheme -  
Step 5 - Connecting to Community



Rice Public Library - Site Plan

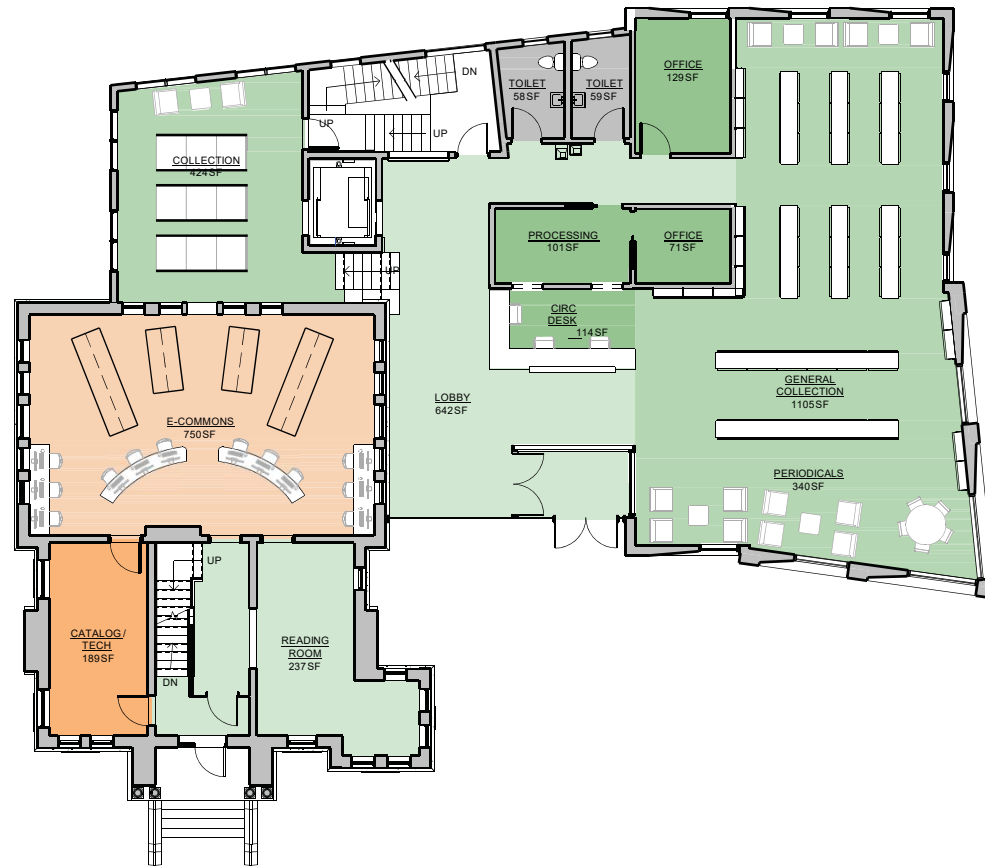


RICE PUBLIC LIBRARY  
PROPOSED EXPANSION  
SITE PLAN

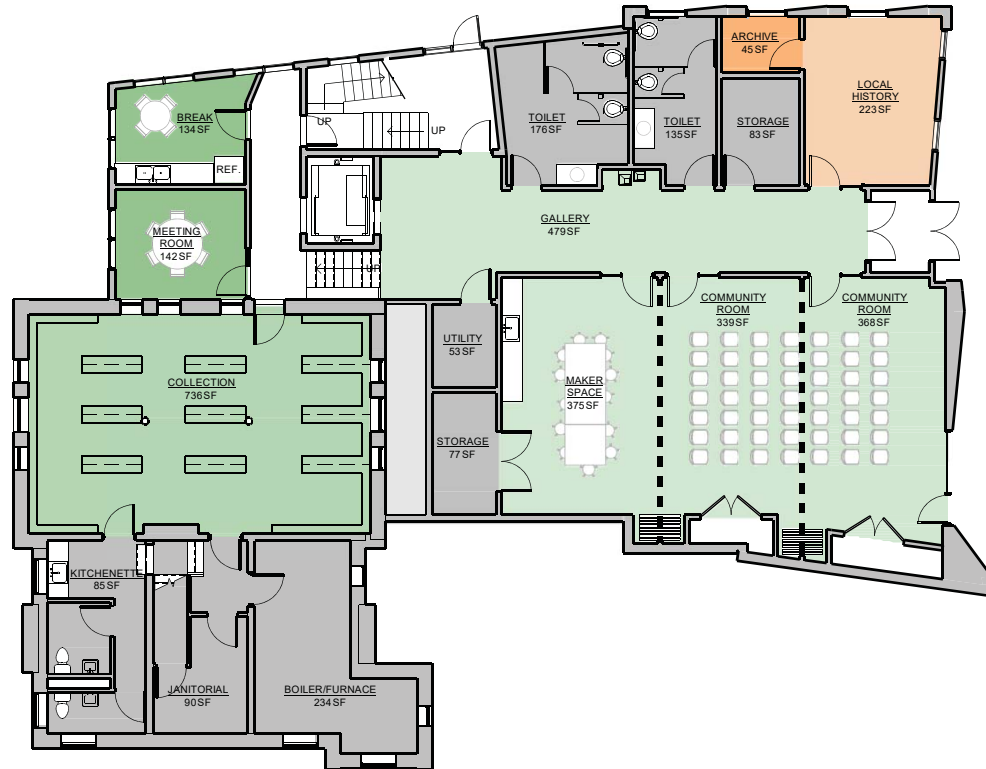




# South Scheme - First Floor Plan



Rice Public Library- Lower Level Floor Plan



# South Scheme - Second Floor Plan







Copper Cladding



Metal Cladding



STATION PLACE LOT 5  
Portland, OR









# FUNDING PLAN

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RICE PUBLIC LIBRARY RENOVATION AND EXPANSION

# EXISTING DEBT



- Town Policy: Total debt will not exceed 2.5% of the total property valuation
  - With bond, town will be at 1.7% of total property valuation

FY20	
Estimated Property Valuation	\$1,719,900,000
Total General Obligation Debt	\$23,927,920
Debt as %	1.4%
Total Debt Capacity Limit	\$ 42,997,500



# EXISTING DEBT



- Town Policy: Annual Debt Service will not exceed 15% of the total combined Town, School and Sewer operating budget
  - Available debt service capacity ~ \$2,937,536

FY20	
Combined Budgets	\$35,479,437
Annual Debt Service	2,384,379
Annual Debt Service as %	6.7%
Debt Service Policy Limit	\$ 5,321,915



# EXISTING DEBT



- Town Policy: Total tax revenue supported Debt Service will not exceed 8% of the approved annual combined Town and School budget
  - Available debt service capacity ~ \$1,026,129

FY20	
Combined Budgets	\$33,037,618
Annual Debt Service*	1,616,880
Annual Debt Service as %	4.9%
Debt Service Policy Limit	\$ 2,643,009



Notes:

\* - Sewer debt service is excluded. Sewer Bond is a General Obligation Bond but not paid using tax revenue

# PROPOSED DEBT



- Total tax revenue supported Debt Service will not exceed 8% of the approved annual combined Town and School budget
  - Remaining debt capacity will be held for unforeseen needs

PROJECTIONS – FY22	
Combined Town and School Budgets	\$35,050,000
Annual Debt Service	1,952,980
Annual Debt Service as %	5.6%
Debt Service Policy Limit	\$2,804,000



# PROPOSED DEBT



- \$5,000,000 and includes:

ESTIMATES	
Construction	
Renovation and Expansion (incl Contractor Contingency)	\$4,300,000
Furniture, Fixtures, Equipment, Technology	250,000
Other Costs	
Misc Soft Costs (RE, Consultants, etc.)	155,000
Bond Issuance	70,000
Owners' Contingency	225,000

Notes:

Costs are rounded estimates based on concept design phase and preliminary schematic cost estimating



# DEBT SERVICE PROJECTION



- Debt Service estimated:
  - 20 Year Bond
  - 3% rate
  
- Investment Grade/Rating
  - S&P: AA+
  - Moody's: Aa2

	PRINCIPAL	INTEREST	TOTAL
FY21	0	74,583	\$ 74,583
FY22	250,000	146,250	396,250
FY23	250,000	138,750	388,750
FY24	250,000	131,250	381,250
FY25	250,000	123,750	373,750
FY26	250,000	116,250	366,250
FY27	250,000	108,750	358,750
FY28	250,000	101,250	351,250
FY29	250,000	93,750	343,750
FY30	250,000	86,250	336,250
FY31	250,000	78,750	328,750
FY32	250,000	71,250	321,250
FY33	250,000	63,750	313,750
FY34	250,000	56,250	306,250
FY35	250,000	48,750	298,750
FY36	250,000	41,250	291,250
FY37	250,000	33,750	283,750
FY38	250,000	26,250	276,250
FY39	250,000	18,750	268,750
FY40	250,000	11,250	261,250
FY41	250,000	3,750	253,750
<b>TOTAL</b>	<b>5,000,000</b>	<b>1,574,583</b>	<b>\$ 6,574,583</b>

# FUNDING PLAN



- Debt Service for project has been anticipated and built into CIP

NET IMPACT OVER 5 YEAR CIP ~ (\$194,325)

	FY21 Plan	FY22 Plan	FY23 Plan	FY24 Plan
PROPOSED CAPITAL	\$2,011,517	\$1,891,017	\$1,828,517	\$1,745,517
PROJECTD DEBT SERVICE	1,659,505	\$1,952,980	\$1,917,030	\$1,667,555
TOTAL	3,671,022	3,843,997	3,745,547	3,413,072
VARIANCE VS. PRIOR YR	\$65,625	\$172,975	(\$98,450)	(\$332,475)

# GRANTS AND PRIVATE FUNDRAISING

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- Possible grants and private donations ~ \$750,000
- Grant and private donations will augment the project budget to enhance:
  - Building design features (add/alternatives)
  - Landscape design and implementation
  - Furniture, equipment, technology
- Taylor Bldg appraised at ~ \$720,000

# BOND SCHEDULE



Month	Activity
July 2019	Council schedule public hearings on bond referendum and bond ordinance
August 2019	Public hearings and votes on bond referendum and bond ordinance
October 2019	Public hearing on warrant article on referendum
November 2019	Bond referendum
September 2020	Sale of Bond Anticipation Notes (BAN) &/or Bond