

## Projected Tax Rate Effect for Debt Override Items

### Projected Tax Rate Effect of debt service override items in 2008 ATM Warrant

<u>override amount</u>	<u>additional rates for debt service overrides:</u>	<u>residential rate</u>
		current residential tax rate, FY 2008 \$ 2.67
		projected 2009 tax rate with NO override: \$ 2.64
	<u>FULL YEAR'S DEBT SERVICE:</u>	
\$ 5,036,540	Article 10 general capital needs	\$ 0.045 for five years, then two cents for fifteen years
\$ 23,100,000	Article 11 2 Fairgrounds project	\$ 0.080 for twenty years
\$ 3,600,000	Article 27 Construction of Sports Complex	\$ 0.015 for fifteen years
	projected rate with ALL overrides:	<u>\$ 2.78</u>

### Projected Tax Bill Effect, based on home values from \$800,000 to \$3,000,000

**projected tax with NO override:**

Assessed Value	\$ 800,000	\$ 1,865,000	\$ 3,000,000
projected residential exemption	<u>(373,000)</u>	<u>(373,000)</u>	<u>(373,000)</u>
value for taxation purposes:	<u>\$ 427,000</u>	<u>\$ 1,492,000</u>	<u>\$ 2,627,000</u>
tax with no override:	\$ 1,127	\$ 3,939	\$ 6,935
CPC surcharge with no override:	<u>\$ 34</u>	<u>\$ 118</u>	<u>\$ 208</u>
Total estimated tax bill:	<u>\$ 1,161</u>	<u>\$ 4,057</u>	<u>\$ 7,143</u>

**additional tax to pay debt service for override:**

Article 10 general capital needs	\$ 19	\$ 68	\$ 119
Article 11 2 Fairgrounds project	34	119	209
Article 27 playing fields project	<u>6</u>	<u>22</u>	<u>39</u>
Total cost of ALL overrides:	<u>\$ 60</u>	<u>\$ 209</u>	<u>\$ 368</u>

**Estimated tax if ALL overrides are approved:** \$ 1,221                      \$ 4,266                      \$ 7,511

**percent added to tax bill:                      5.15%    5.15%    5.15%**

**NOTES:**

- (1) Projections are based on reasonable assumptions about future events, including property values, interest rates, and timing of debt issuance.
- (2) Tax rate is estimated based on 4.5% borrowing.
- (3) For full disclosure of the tax effect, these projections include principal and interest. However, in Fiscal 2009, only interest would be paid.
- (4) Previously authorized debt for fire station expansion will add less than 1/2 cent to the tax rate when the debt is issued.
- (5) Total CPC effect for all three articles ranges from \$1.79 for a home assessed at \$800,000, to \$11.00 for a home assessed at \$3,000,000.
- (6) Other funding sources that may be available in the future would reduce the 2 Fairgrounds project cost of borrowing further.