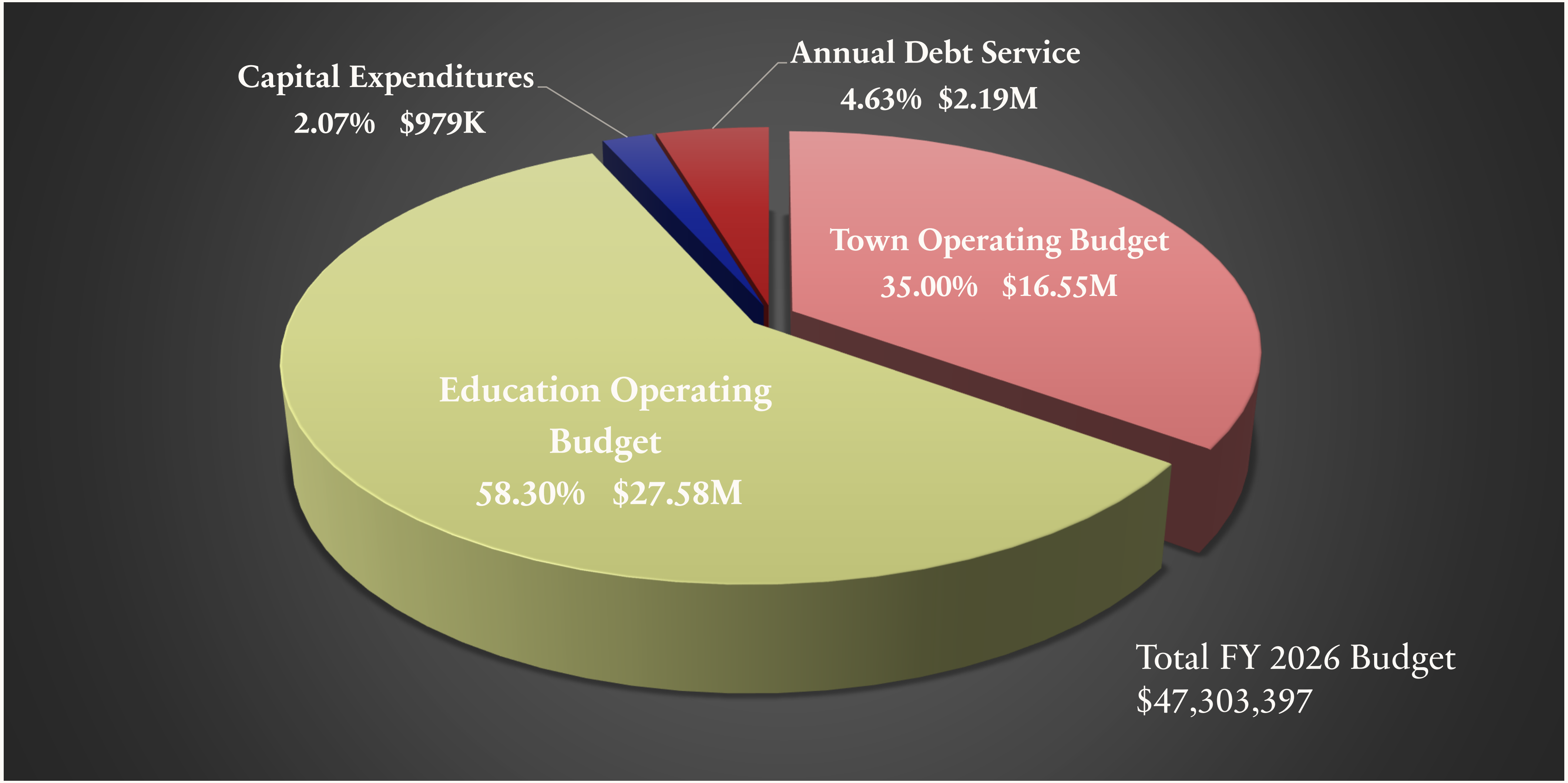
HOW ARE WE GOING TO PAY FOR A NEW POLICE FACILITY AND ROAD IMPROVEMENTS?

CURRENT DEBT SERVICE PICTURE

Amounts presented include all bond and capital lease principal and interest

- **$2,286,104 Annual debt service FY 2026**
- **From FY 2025 – FY, debt service dropped by $765,419**
- **$10.027M Outstanding bonds at 6/30/2026**
- **$3.65M Outstanding capital leases including upcoming obligations**
- **Additional $1.8M Bond maturities from FY 2026 – FY 2028**
- **Bond maturities provide borrowing capacity for needed capital infrastructure improvements.**

WHERE DO MY CURRENT TAX DOLLARS GO?



WILL MY TAXES INCREASE?

- Without a Crystal Ball this is a very Difficult Question to Answer.

- The Annual Budget is Impacted by a Multitude of Factors that make forecasting the future a challenge.

  - ➢ Grand List Fluctuations and Revaluation
  - ➢ Valuation Methodology Changes
  - ➢ Tax Collection Rates
  - ➢ State and Federal Grants and Other Funding
  - ➢ Local Departmental Revenues
  - ➢ Inflationary Impacts on Expenditures
  - ➢ Local Union Contract Obligations
  - ➢ Emergency/Unforeseen Expenditures

HOW DID WE DEVELOP THE ESTIMATES?

Debt Forecasting is Based Upon Estimates of Unknown Budget Impacts

Utilize historical budget data to determine the annual % increase as a forecast basis. Consider overall economic conditions, business growth and revaluation impacts on the annual grand list.

Utilized two different forecasting models: one using a high level overall budget increase % and one more in depth more detailed approach.

- ❑ Forecast model #1 3% overall annual budget increase
- ❑ Forecast model #2 4.75% Town, 2.0% BOE and .50% capital projects annual budget increases

Forecast model #1 and #2 utilize an estimated .50% annual grand list growth

AVERAGE – ESTIMATED TAXES FOR NEW DEBT

Figures presented are per $100,000 of assessed value for 20-year bonds.

Tax Bill	Forecast #1	Forecast #2	Average
7/1/2026	$29	$22	$26
7/1/2027	$151	$113	$132
7/1/2028	$245	$202	$223
7/1/2029	$238	$206	$222
7/1/2030	$231	$210	$221

ESTIMATED TAXES FOR NEW DEBT

Figures presented are per $100,000 of assessed value for 20-year bonds.

Tax Bill Date	Total Current Taxes for Debt Service	Total Taxes for Proposed Debt	Total Taxes for Debt Service Including Proposed Debt
7/1/2025	$251	$0	$251
7/1/2026	$215	$29	$244
7/1/2027	$137	$151	$288
7/1/2028	$127	$245	$372
7/1/2029	$118	$238	$356
7/1/2030	$102	$231	$333

ESTIMATED TAXES FOR NEW DEBT

	$100,000 Assessed Value		$200,000 Assessed Value		$300,000 Assessed Value	
Tax Bill Date	Total Taxes Proposed Debt	Cost Per Day	Total Taxes Proposed Debt	Cost Per Day	Total Taxes Proposed Debt	Cost Per Day
7/1/2026	$29	*$0.08*	$58	*$0.16*	$87	*$0.24*
7/1/2027	$151	*$0.41*	$302	*$0.83*	$453	*$1.24*
7/1/2028	$245	*$0.67*	$489	*$1.34*	$734	*$2.01*
7/1/2029	$238	*$0.65*	$476	*$1.30*	$714	*$1.96*
7/1/2030	$231	*$0.63*	$463	*$1.27*	$694	*$1.90*
7/1/2031	$225	*$0.62*	$450	*$1.23*	$675	*$1.85*
7/1/2032	$218	*$0.60*	$437	*$1.20*	$655	*$1.79*

TOTAL BOND COST OVER 20 YEARS

- Funding through issuance of 20-year general obligation bonds.
- Current S&P Rating – Upgraded October 2021 A+ with a Stable outlook. Required ratings review prior to new issuance.
- Forecast interest rate assumptions range from 3.0% - 4.0% per bond advisor.
- Bonds typically have a 7 year call feature. Potential exists to refund (refinance) for cost savings if interest rates are favorable.

Police Facility	
Principal *	$20,000,000
Interest	$8,137,500
Road Improvements	
Principal	$6,000,000
Interest	$2,441,250
ST Note - Police & Roads	
Interest	$20,000
Issuance Costs	$75,000
Total *	$36,673,750

*Corrected from original presentation

IMPACT OF SEWER PROJECT?

- Total project cost is undetermined.
- State or Federal Grant assistance unknown.
- Who will pay for the upgrades, all residents or users, is undetermined.
- Potential project start date is at least 2 years away.

PUBLIC COMMENT

QUESTIONS?