

Town of Moultonborough



Community Center Bond Hearing
February 13, 2020

Why Are We Here?

CHAPTER 33 . MUNICIPAL FINANCE ACT

Section 33:8-a

33:8-a Procedure for Authorizing Bonds or Notes in Excess of \$100,000. —

- I. There shall be at least one public hearing concerning any proposed municipal bond or note issue in excess of \$100,000 held before the governing board of any municipality. Said hearing shall be held at least 15 days, but not more than 60 days prior to the meeting, or adjourned session thereof, at which the bond or note issued is to be voted upon. Notice of the time, place and subject of such hearing shall be published in a newspaper of general circulation in the municipality at least 7 days before it is held, Whenever possible the governing board shall determine the form of the warrant article after the public hearing.
- II. All articles appearing in the warrant which propose a bond or note issue exceeding \$100,000 shall appear in consecutive numerical order and shall be acted upon prior to other business except the election of officers, action on the adoption, revision, or amendment of a municipal charter, and zoning matters or as otherwise determined by the voters at the meeting. Polls shall remain open and ballots shall be accepted by the moderator on each such article, for a period of not less than one hour following the completion of discussion on each respective article, A separate ballot box shall be provided for each bond article to be voted upon pursuant to this section.
- III. The provisions of this section shall not apply to cities nor to any borrowing under the authority of RSA 33:7, relative to tax anticipation notes.
- IV. Upon favorable approval on the motion to reconsider the vote on a bond or note issue under paragraphs I and II, actual reconsideration of the bond issue shall not take place until the expiration of at least 7 days from the date on which the original vote on the motion was taken. Notice of time and place where such reconsideration shall take place shall be published in a newspaper of general circulation in the municipality at least 2 days before the reconsideration vote. Wherever required, the provisions of RSA 33:8-a shall apply.
- V. Bonding authority under this section may be limited or rescinded as provided in RSA 33 :8-f.

Source. 1971, 270:1. 1973, 25:1; 543:1. 1979, 43:1. 1983, 160:3, eff. Aug. 9, 1983. 2009, 229:2, eff. Jan. 1, 2010. 2014, 292:3, eff. sept. 30, 2014.

2020 Town Warrant Article 5

To see if the Town will vote to raise and appropriate the sum of Three Million Dollars (\$3,000,000) for the design, engineering, construction and equipping of a Community Center and certain outdoor improvements to the surrounding grounds, contingencies and all other costs associated with the project and for the expenses related to the issuance of municipal bonds and notes, and to authorize the issuance of bonds or notes in an amount not to exceed Two Million Five Hundred Dollars (\$2,500,000) in accordance with the Municipal Finance Act RSA Chapter 33, to authorize the Select Board to apply for and obtain and accept any Federal, State, other such aid and/or donations that may be available for said project and to use such funds to reduce the amount of bonds or notes issued for said project; to authorize the Select Board to issue and negotiate such bonds or notes and to determine the rate of interest, maturity and other terms thereon; and to authorize the Select Board to take any other action relative thereto, and further to authorize the withdrawal of Five Hundred Thousand Dollars (\$500,000) from the Municipal Building Capital Reserve Fund. (2/3 ballot vote required). The vote on this Article 5 shall be by ballot and the polls shall remain open for not less than one hour following completion of discussion on this Article. Said Community Center to be located on property owned by the Town known as the former Lions Club property located on Old Route 109.

2020 Town Warrant Article 6

To see if the Town will vote to raise and appropriate the sum of Six Million Seven Hundred Twenty Thousand Dollars (\$6,720,000) for the design, engineering, construction and equipping of a Community Center (defined here as “A place where community members of all ages can meet for social, educational and recreational activities”. Building will include storage and a full gymnasium) and certain outdoor improvements to the surrounding grounds, contingencies and all other costs associated with the project to be built on land to be acquired from the Moultonborough School District Map 66, Lot 7 and a portion of adjacent Town owned property known as the former Adele Taylor property, Map 52, Lot 14, and for the expenses related to the issuance of municipal bonds and notes, and to authorize the issuance of bonds or notes in an amount not to exceed Five Million Seven Hundred Twenty Thousand Dollars (\$5,720,000), in accordance with the Municipal Finance Act RSA Chapter 33, to authorize the Select Board to apply for and obtain and accept Federal, State, other such aid and/or donations that may be available for said project and to use such funds to reduce the amount of bonds or notes issued for said project; to authorize the Select Board to issue and negotiate such bonds or notes and to determine the rate of interest, maturity and other terms thereon; and to authorize the Select Board to take any other action relative thereto, and further to raise and appropriate the sum of Fifteen Thousand Dollars (\$15,000) for the first year payments on such bonds or notes, said amount to come from the Unassigned Fund Balance as of December 31, 2019. The total appropriation of Six Million Seven Hundred Twenty Thousand Dollars (\$6,720,000) would be met by withdrawing Three Hundred Thousand Dollars (\$300,000) from the Unassigned Fund Balance as of December 31, 2019, and withdrawing Seven Hundred Thousand Dollars (\$700,000) from the Municipal Building Capital Reserve Fund as of December 31, 2019. (2/3 ballot vote required). The vote on this Article shall be by ballot and the polls shall remain open for not less than one hour following completion of discussion on this Article.

Estimated Construction Cost & Bond Amounts

<u>Article</u>	<u>Location</u>	<u>Total Estimated Cost</u>	<u>Bond Amount</u>
• Article 5	Old Route 109	\$ 3,000,000*	\$ 2,500,000
• Article 6	School/Taylor Property	\$ 6,720,000**	\$ 5,720,000

* approximately 9975 sq. ft. community building

** approximately 9975 sq. ft. community building plus 9120 sq. ft. gym, storage and utility addition.

Latest Bond Rates

NH Municipal Bond Bank

- Approximate Interest Rates Last Bond Issue: (from the January 8, 2020 bond issue)
 - 10 Year Loan 1.47%
 - 15 Year Loan 1.83%
 - 20 Year Loan 2.15%

Bond Summary Estimates

TOWN OF MOULTONBOROUGH					2/13/2020
BOND SUMMARY ESTIMATES					
Bond Amount	Total Years	Interest Rate**	Total Interest Cost*	Total of Payments***	
\$ 2,500,000.00	10	2.50%	\$ 328,097.00	\$ 2,828,097.00	
\$ 2,500,000.00	15	3%	\$ 607,617.00	\$ 3,107,617.00	
\$ 5,720,000.00	15	3%	\$ 1,390,229.00	\$ 7,110,229.00	

* Based on level payments for the term of the loan

** Estimated rates. Actual rates may be lower or higher at the time of the bond sale

*** Does not include any borrowing fees or bond counsel

Estimated Property Tax Rate Impact

Project	Bond Amount	Rate	# Years	Av. Property Tax Impact Over Life of Bond
New 10K sq.ft. Building	2,500,000	2.50%	10	\$0.09/1000
School/Taylor Site w/gym	5,720,000		15	\$0.14/1000
School/Taylor Site w/gym	5,720,000	2.50%	10	0.19/1000
New 10Ksq.ft. Building	2,500,000	3.00%	15	\$0.06/1000
Note: Estimates based on 2019 Assessed Valuation of \$3,377,500,000				

Bond Property Tax Bill Impact

Assumes 2019 Total Town Assessment of \$3,377,500,000

Assessed Value	\$2,500,000 Bond		\$5,720,000 Bond	
	Cost/1000 *	Annual Tax Impact	Cost/1000**	Annual Tax Impact
\$200,000.00	0.09	\$18.00	0.14	\$28.00
\$250,000.00	0.09	\$22.50	0.14	\$35.00
\$300,000.00	0.09	\$27.00	0.14	\$42.00
\$350,000.00	0.09	\$31.50	0.14	\$49.00
\$400,000.00	0.09	\$36.00	0.14	\$56.00
\$450,000.00	0.09	\$40.50	0.14	\$63.00
\$500,000.00	0.09	\$45.00	0.14	\$70.00