

Castine Taxpayers cost for a new Fire Rescue Station

Opponents of a new Fire Rescue Station publicly opine that it will cost \$6,000,000 to build even, though we lack estimates on sitework, design, engineering, architectural services, pre-construction management, bid packages, construction bids and construction management. On the wild chance their guess is right here's what borrowing \$6,000,000 will mean for you.

Castine pools its borrowing with the borrowings of other Maine Towns through the Maine Bond Bank to get the most competitive rate. The Bond Bank advised me that if Castine borrows \$6,000,000 over 30 years (maximum term so as many as who benefit from it will share in its cost) the annual debt payment cost to the Town will be \$350,000 per year.

Based upon the current year's budget. The increased cost to a taxpayer currently assessed at \$300,000 would be \$6.81 per week. For a taxpayer currently assessed at \$600,000 the additional cost would be \$12.34 per week.

Here are the numbers:	<u>Current</u>	<u>W/ Fire Rescue Bldg.</u>
<u>Net to be raised for</u> Town, School, County and Overlay)	\$3,491,632	\$3,491,632
plus Annual Debt payment on 30 Year Station bond	\$0 No station	\$350,000 W/Station
Total \$ to raise from property taxes	\$3,491,632	\$3,841,632
Divide by: The Total Valuation Base	\$295,901,100	\$295,901,100
Equals: TAX RATE per Thousand Assessed	\$11.80	\$12.98
Tax Increase: per thousand Assessed	\$0	\$1.18
If \$300,000 property valuation	\$3,540/yr.	\$3,895\yr.
Total Increase Per Week		\$6.81/ Week
Tax Bill If \$600,000 property valuation	\$7,134/yr.	\$7,788/yr.
Total Increase Per Week		\$12.34/Week

Finally, if we only borrowed \$5,000,000 the annual debt service would drop from \$350,000 to \$300,000 per year.

Joe Slocum

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