

Maine School Administrative District No. 75

High School Construction Referendum

The Cost Impact of the New High School

Note: The numbers below are subject to current assessed values and bond interest rates, and therefore subject to change.

Please Vote!
March 7, 2017



What will the new high school cost? The State of Maine has approved a total construction budget of \$60,704,671. The table below identifies the sources of funding for the Project.

Funding Source	Amount
Bond Proceeds	\$60,344,139
Previous appropriations from Budget	\$ 39,532
Energy Rebates	\$ 119,220
Fundraising	\$ 201,780

The District will assume responsibility for a bond with principal and interest payments over 20 years. The largest portion of the Project to be bonded—\$53,486,792—qualifies for state support with a local match under Maine’s school funding formula. A smaller portion of the bond—\$6,857,347—reflects construction costs that must be funded at the local level without state support.

What impact will the cost of the new high school have on District taxpayers for the state-subsidized portion of the Project?

Based on the current state subsidy formula for approved costs of education, the State of Maine will reimburse the District for the full cost of principal and interest payments for the towns of Bowdoin, Bowdoinham and Topsham. Because the value of property in Harpswell is higher than in the other

three towns, the town of Harpswell will have to pay a portion of the cost, currently estimated at \$274,000, with the State funding costs above that level. A Harpswell homeowner with a home locally assessed at \$425,000 will therefore see an annual property tax increase of about \$65 to pay for the additional cost of the Project.

What impact will the cost of the new high school have on District taxpayers for the local portion of the Project?

For the \$6.8 million in construction costs not qualifying for a state subsidy, all four towns will share in the cost of annual principal and interest payments based on the District’s local school funding formula. This will result in an average increase of between \$33 and \$46 in annual property taxes over the 20-year life of the bond based on homes assessed at \$178,000 in Bowdoin and Bowdoinham, \$182,000 in Topsham and \$425,000 in Harpswell.

These costs are summarized in the table below. If your house is assessed higher or lower than the assessed values in the table, then the tax impact will be proportionally higher or lower.

Average Cost	Bowdoin	Bowdoinham	Harpswell	Topsham
Local Assessed Value	\$178,000	\$178,000	\$425,000	\$182,000
State-approved Costs	\$0	\$0	\$65	\$0
Additional Local Costs	\$46	\$41	\$41	\$33
Total Annual Tax Increase	\$46	\$41	\$106	\$33