Article 6: To see if the Town will vote to authorize the issuance of up to $975,000 in general obligation bonds or notes of the Town for the purpose of financing the Town's share of the costs of developing and building a town owned fiber optic broadband network capable of delivering internet access to all residences and businesses in the town, designed, implemented, operated, and maintained by Axiom Technologies as described in the report from the Chebeague Broadband Committee dated September 30, 2021. The details of such borrowing (including provisions that the bonds may be prepaid or subject to call for redemption with or without premium and the dates, maturities, denominations, and interest rates(s)) to be determined by the Board of Selectmen). Debt service will be paid by Axiom Technologies, not by the town's taxpayers.

<u>Bonding Costs:</u>
At an estimated interest rate of 2.86%, the estimated total costs of this borrowing will be (over 20 years):

Principal: $ 975,000.00
Interest: $ 232.929.96
Total Debt Service: $1,207,929.96

<u>Financial Statement:</u> *The issuance of bonds by the Town of Chebeague Island is one of the ways in which the Town borrows money for certain purposes. The following is a summary of the bonded indebtedness of the Town of Chebeague Island as of June 30, 2021:*

Bonds Now Outstanding and Unpaid:	*$3,157,366*
Interest to be Repaid on Outstanding Bonds:	
Bonds Authorized and unissued:	*$0*
Article 6 (Principal + Interest):	*$1,207,929.96*

When money is borrowed by issuing bonds, the Town must repay not only the principal amount of the bonds but also interest on the bonds. The amount of interest to be paid will vary depending upon the rate of interest and the years to maturity at the time of issue. The validity of the bonds and of the voters' ratification of the bonds may not be affected by any errors in the estimates made of the costs involved, including varying interest rates, the estimated cost of interest on the bond amount to be issued and the total cost of principal and interest to be paid at maturity.