

Betterment Presentation

March 3, 2009



Betterment vs. Property Tax

- Make decision before Town Meeting
- Assume 100% sewer
- Which is most cost effective/fair to average taxpayer

Costs Associated with Sewer Installation

- Connection
- Annual User Charge
- Betterment
- Tax Rate

Connection Costs

\$10,000

Home Equity Loan
10 Years @ 4%

\$1,215/yr
\$101.25/month

Annual User Charge

- \$400/year average \$33/month

Fixed Costs

Annual/Monthly

● Home Equity Loan	\$1,215/\$101
● Annual User Charge	\$400/\$33
Total Fixed Cost	\$1,615/\$134

25% Betterment

- 25% (\$30,000 Unit Cost) = \$ 7,500
- \$455/year or \$37.94/month

Betterment vs. Property Tax Impact

0% Betterment
100% Property Tax

25% Betterment
75% Property Tax

Prop Value

Monthly
(\$)

Monthly
(\$)

600,000

$$0 + 16 = 16$$

$$38 + 14 = 52$$

700,000

$$0 + 18 = 18$$

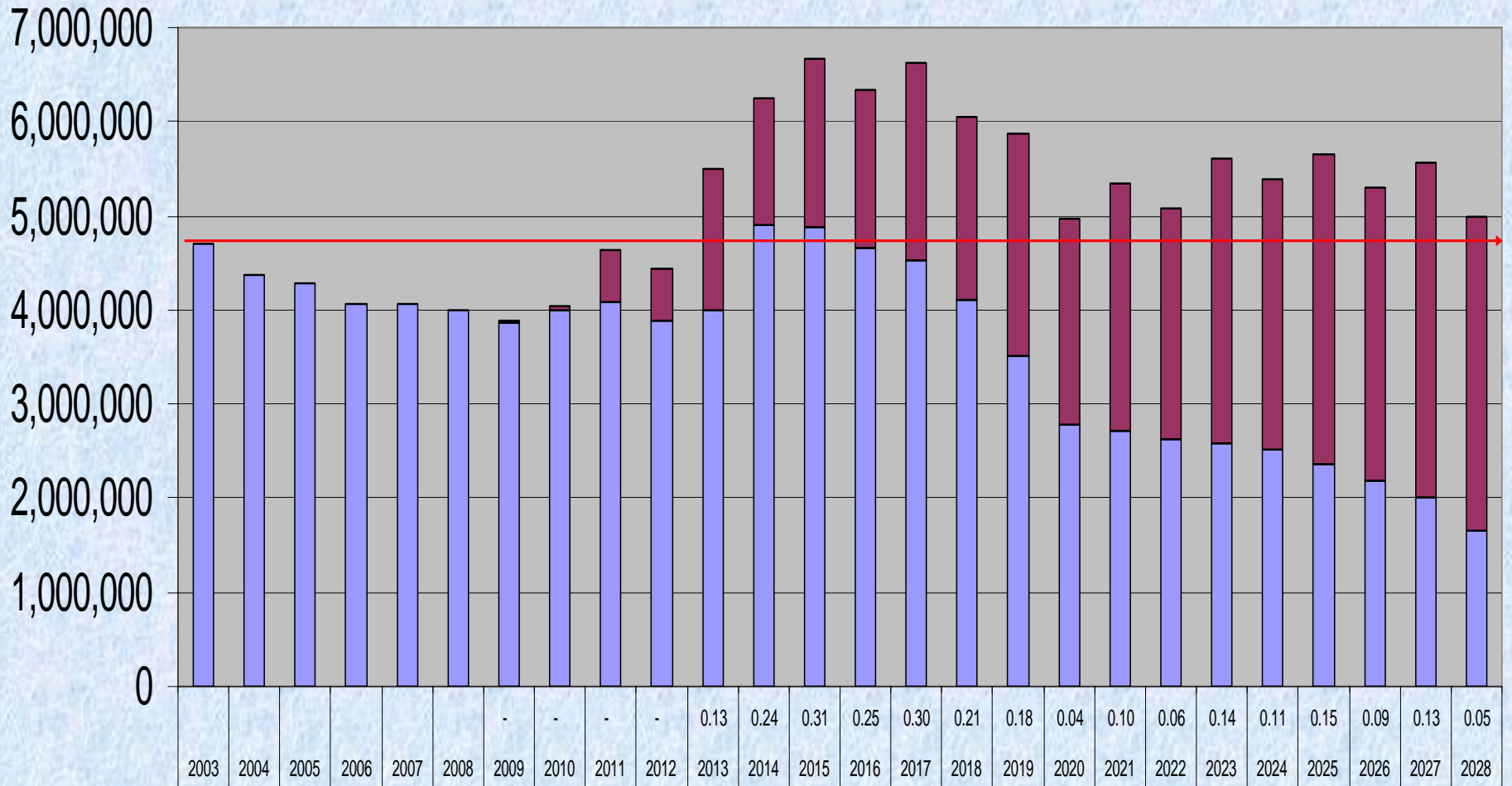
$$38 + 16 = 54$$

800,000

$$0 + 21 = 21$$

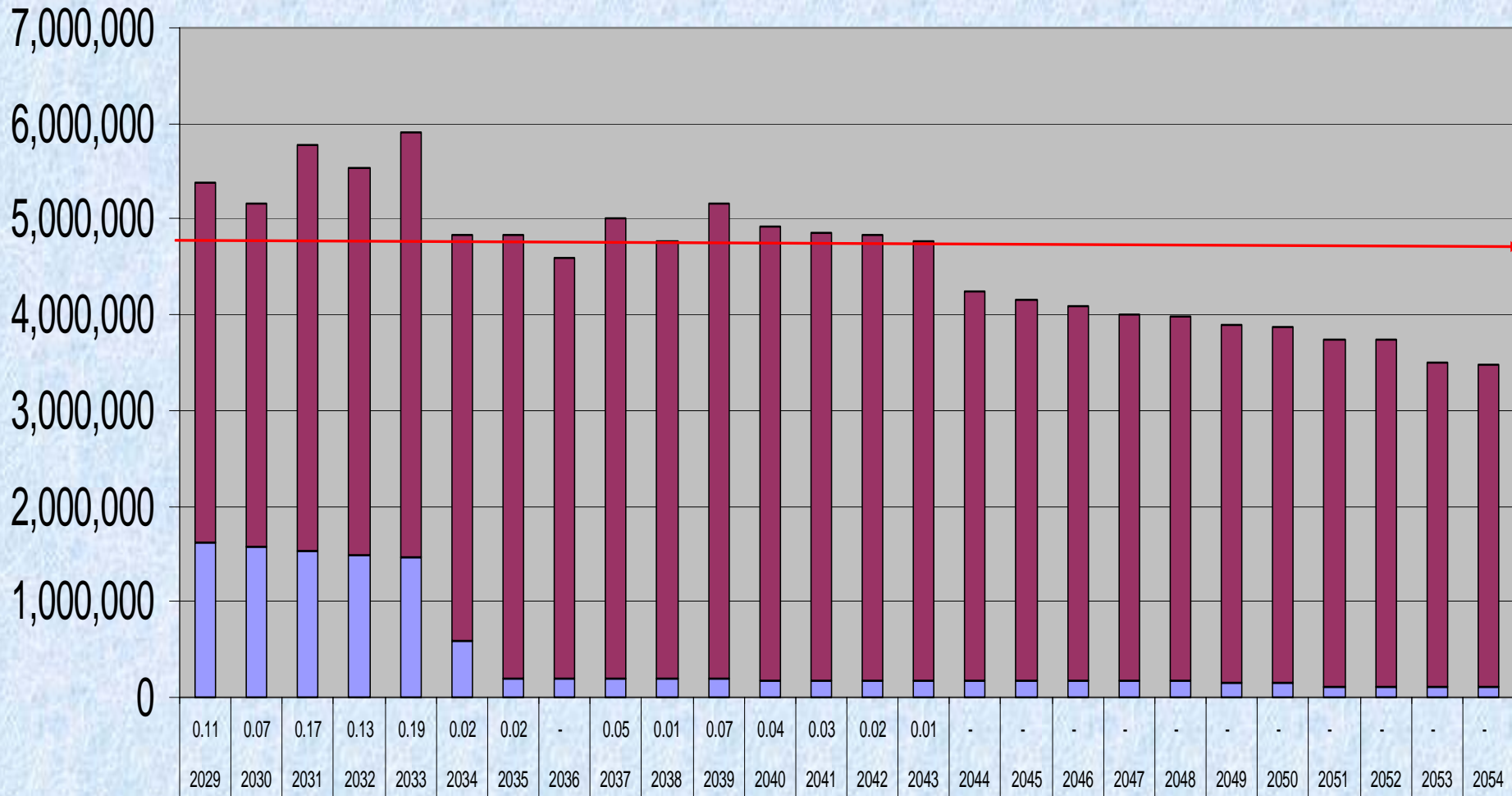
$$38 + 19 = 57$$

WASTEWATER EXPANSION FULL COST



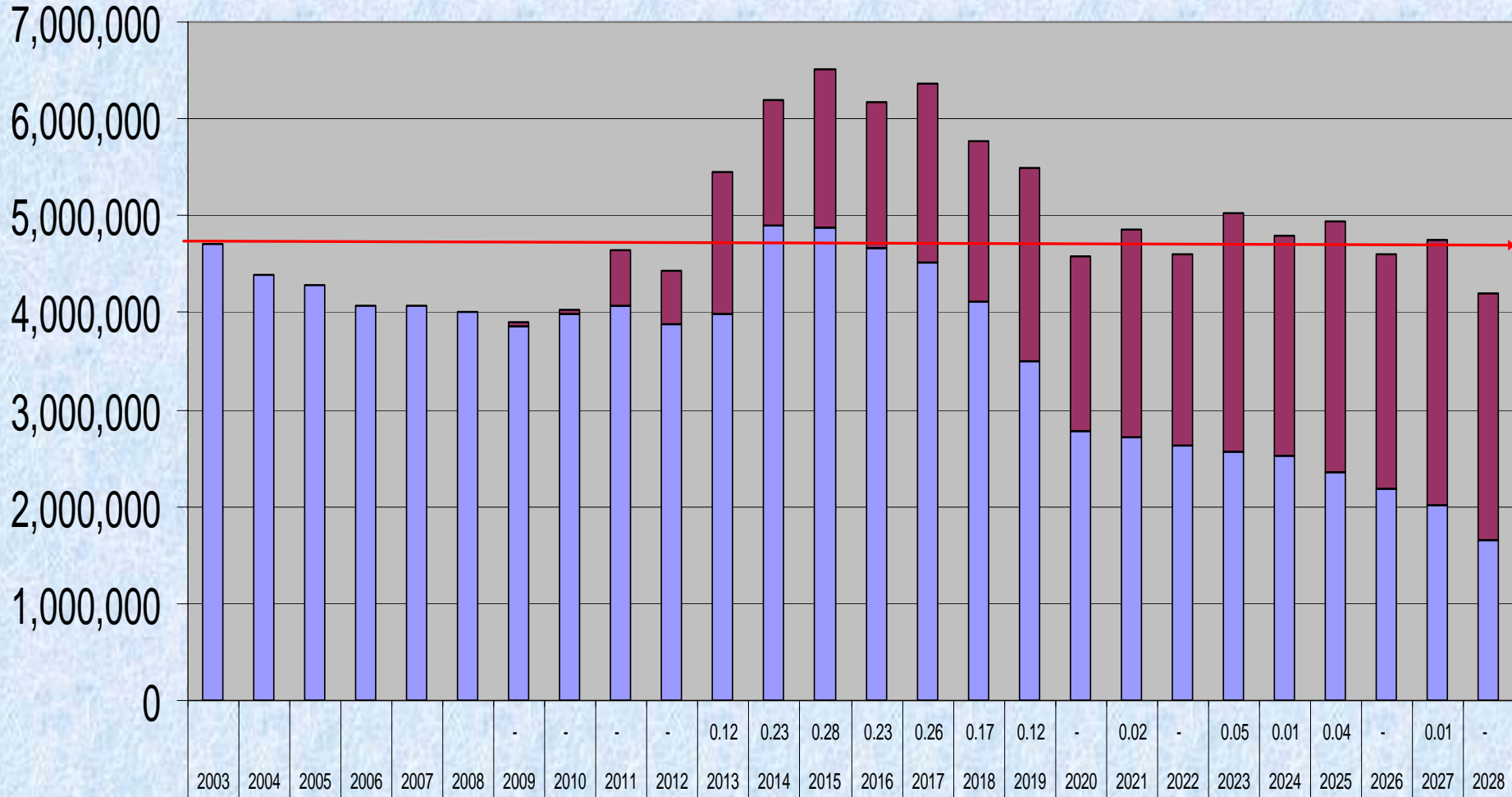
Existing Debt Wastewater Exp.

WASTEWATER EXPANSION FULL COST



■ Existing Debt
 ■ Wastewater Exp.

WASTEWATER EXPANSION WITH 25% BETTERMENT



Existing Debt 25% Bett.

WASTEWATER EXPANSION WITH 25% BETTERMENT

