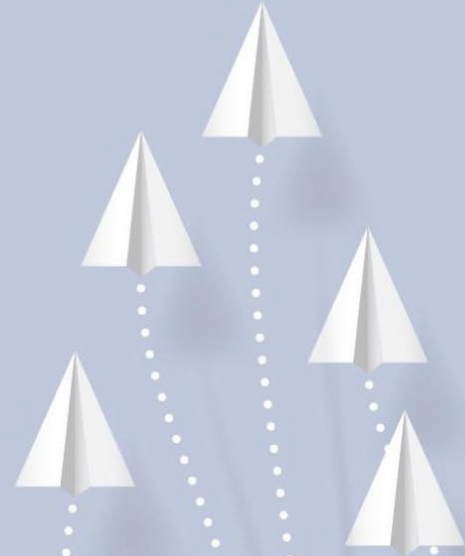




# **New High School Bond Project Options & Analysis**

---

Joint Session of the Town Council,  
School Committee & School Building  
Committee October 24, 2023



# \$150,000,000 School Bond Comparison (20-yr Amortization vs 30-yr Amortization)

Bond Term	Interest Rate	Average Annual Payments			Total Payments Over the Term			
		Ttl Principal & Interest	State-Aid Reimbursement	Town Payments	Town Payments	State Payments	% Town	% State
20-Year Bond Amortization	4.00%	\$11,013,720	(\$3,606,993)	\$7,406,727	\$139,814,534	\$80,459,866	63.47%	36.53%
30-Year Bond Amortization	4.50%	\$9,251,148	(\$2,894,582)	\$6,356,566	\$180,512,169	\$95,155,231	65.48%	34.52%

<b>Net Diff. in Annual Payments</b>	<b>(\$1,762,572)</b>	<b>\$712,411</b>	<b>(\$1,050,161)</b>
-------------------------------------	----------------------	------------------	----------------------

<b>30-Year Amortization - Additional Debt Service Payments</b>	<b>\$40,697,635</b>
--	---------------------

# \$150,000,000 School Bond Project (20-Year Amortization) – Rollout Plan

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
	Obligation	Obligation	Obligation	Obligation	Obligation	Obligation
Annual Debt Service Payment Summary	Summary	Summary	Summary	Summary	Summary	Summary
Current Year Debt Service Obligations	\$2,590,406	\$3,734,203	\$4,795,095	\$6,676,090	\$8,589,285	\$8,501,074
Current Year Additional Funds Needed	\$946,358	\$1,143,797	\$1,060,892	\$1,880,995	\$1,913,195	(\$88,211)
						<b>Total</b>
Tax Rate Increase	\$0.12	\$0.15	\$0.14	\$0.25	\$0.25	\$0.91
Levy - % Change	1.22%	1.43%	1.29%	2.22%	2.17%	8.33%

# Projected Impacts on Property Taxes, based on a \$150,000,000 School Bond Project (20-Year Amortization)

	EST. TAX RATE							Net Change
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	
By Year	\$11.05	\$11.05	\$11.17	\$11.32	\$11.46	\$11.71	\$11.96	\$0.91

Assessed Value	EST. PROPERTY TAXES							Net Change
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	
\$300,000	\$3,315	\$3,315	\$3,352	\$3,396	\$3,438	\$3,512	\$3,588	\$273
\$350,000	\$3,868	\$3,868	\$3,910	\$3,963	\$4,011	\$4,098	\$4,186	\$318
\$400,000	\$4,420	\$4,420	\$4,469	\$4,529	\$4,583	\$4,683	\$4,784	\$364
\$450,000	\$4,973	\$4,973	\$5,028	\$5,095	\$5,156	\$5,268	\$5,382	\$409
<b>\$468,300</b>	<b>\$5,175</b>	<b>\$5,175</b>	<b>\$5,232</b>	<b>\$5,302</b>	<b>\$5,366</b>	<b>\$5,483</b>	<b>\$5,601</b>	<b>\$426</b>
\$500,000	\$5,525	\$5,525	\$5,586	\$5,661	\$5,729	\$5,854	\$5,980	\$455
\$550,000	\$6,078	\$6,078	\$6,145	\$6,227	\$6,302	\$6,439	\$6,578	\$500
\$600,000	\$6,630	\$6,630	\$6,704	\$6,793	\$6,875	\$7,024	\$7,176	\$546
\$650,000	\$7,183	\$7,183	\$7,262	\$7,359	\$7,448	\$7,610	\$7,774	\$591
\$700,000	\$7,735	\$7,735	\$7,821	\$7,925	\$8,021	\$8,195	\$8,372	\$637
\$750,000	\$8,288	\$8,288	\$8,379	\$8,491	\$8,594	\$8,781	\$8,970	\$682
\$800,000	\$8,840	\$8,840	\$8,938	\$9,057	\$9,167	\$9,366	\$9,568	\$728
\$850,000	\$9,393	\$9,393	\$9,497	\$9,623	\$9,740	\$9,951	\$10,166	\$773
\$900,000	\$9,945	\$9,945	\$10,055	\$10,189	\$10,313	\$10,537	\$10,764	\$819
\$950,000	\$10,498	\$10,498	\$10,614	\$10,755	\$10,886	\$11,122	\$11,362	\$864
\$1,000,000	\$11,050	\$11,050	\$11,173	\$11,322	\$11,459	\$11,707	\$11,960	\$910

# \$150,000,000 School Bond Project (30-Year Amortization) – Rollout Plan

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
	Obligation	Obligation	Obligation	Obligation	Obligation	Obligation
Annual Debt Service Payment Summary	Summary	Summary	Summary	Summary	Summary	Summary
Current Year Debt Service Obligations	\$2,590,406	\$3,584,203	\$4,545,095	\$5,935,947	\$7,461,127	\$7,370,448
Current Year Additional Funds Needed	\$946,358	\$993,797	\$960,892	\$1,390,852	\$1,525,180	(\$90,679)
						<b>Total</b>
Tax Rate Increase	\$0.12	\$0.13	\$0.12	\$0.18	\$0.20	\$0.75
Levy - % Change	1.22%	1.24%	1.17%	1.64%	1.75%	7.02%

# Projected Impacts on Property Taxes, based on a \$150,000,000 School Bond Project (30-Year Amortization)

	EST. TAX RATE							Net
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Change
By year	\$11.05	\$11.05	\$11.17	\$11.30	\$11.42	\$11.61	\$11.81	\$0.76

Assessed Value	EST. PROPERTY TAXES							Net
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Change
\$300,000	\$3,315	\$3,315	\$3,352	\$3,390	\$3,427	\$3,482	\$3,542	227
\$350,000	\$3,868	\$3,868	\$3,910	\$3,955	\$3,999	\$4,062	\$4,132	264
\$400,000	\$4,420	\$4,420	\$4,469	\$4,520	\$4,570	\$4,642	\$4,722	302
\$450,000	\$4,973	\$4,973	\$5,028	\$5,086	\$5,141	\$5,223	\$5,312	340
<b>\$468,300</b>	<b>\$5,175</b>	<b>\$5,175</b>	<b>\$5,232</b>	<b>\$5,292</b>	<b>\$5,350</b>	<b>\$5,435</b>	<b>\$5,528</b>	<b>354</b>
\$500,000	\$5,525	\$5,525	\$5,586	\$5,651	\$5,712	\$5,803	\$5,903	378
\$550,000	\$6,078	\$6,078	\$6,145	\$6,216	\$6,284	\$6,383	\$6,493	415
\$600,000	\$6,630	\$6,630	\$6,704	\$6,781	\$6,855	\$6,964	\$7,083	453
\$650,000	\$7,183	\$7,183	\$7,262	\$7,346	\$7,426	\$7,544	\$7,673	491
\$700,000	\$7,735	\$7,735	\$7,821	\$7,911	\$7,997	\$8,124	\$8,264	529
\$750,000	\$8,288	\$8,288	\$8,379	\$8,476	\$8,569	\$8,705	\$8,854	566
\$800,000	\$8,840	\$8,840	\$8,938	\$9,041	\$9,140	\$9,285	\$9,444	604
\$850,000	\$9,393	\$9,393	\$9,497	\$9,606	\$9,711	\$9,865	\$10,034	642
\$900,000	\$9,945	\$9,945	\$10,055	\$10,171	\$10,282	\$10,445	\$10,625	680
\$950,000	\$10,498	\$10,498	\$10,614	\$10,736	\$10,853	\$11,026	\$11,215	717
\$1,000,000	\$11,050	\$11,050	\$11,173	\$11,301	\$11,425	\$11,606	\$11,805	755

# Legal Debt Margin - Projections

## Current Debt Limit of the Town (3% of Net Assessed value)

Net Assessed Value as of 12/31/2022:	\$6,899,764,199
3% Debt Limit	\$206,992,926

**Outstanding General Obligation Debt, as of June 30, 2024** **\$14,339,000**

Amount Subject to the Debt Limit	\$1,534,299
----------------------------------	-------------

<b>Amount under/(Over) the Debt Limit</b>	<b>\$205,458,627</b>
---	----------------------

## \$150,000,000 School Bond Project

### Assumptions:

---

- 1) 20-Year Amortization Plan @ 4.00% Assumed Interest Rate.
- 2) 30-Year Amortization Plan @ 4.50% Assumed Interest Rate.
- 3) 52.50% State reimbursement on applicable expenses.
- 4) Assumes Bond Anticipation Notes as follows:
  - FY2026 \$35,000,000
  - FY2027 \$85,000,000
  - FY2028 \$149,580,000
- 5) Bond Issuance assumed in 2028.
- 6) Assumes annual growth of the Tax Base of the Town.
- 7) Assumes the use of the Debt Service Reserve Fund Bal.
- 8) This plan does not account for scheduled revaluations in FY2026 & FY2029.
- 9) The Town anticipates Tax Levy growth of approximately 1.67% annually to support Town operations



# Projected Impacts on Property Taxes, based on a \$150,000,000 School Bond Project (20-Year Amortization)

## With Anticipated Annual Growth needed for Town Operations

	EST. TAX RATE							Net
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Change
By Year	\$11.05	\$11.20	\$11.49	\$11.80	\$12.12	\$12.55	\$12.99	\$1.94

Assessed Value	EST. PROPERTY TAXES							Net
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Change
\$300,000	\$3,315	\$3,360	\$3,446	\$3,541	\$3,635	\$3,764	\$3,897	\$582
\$350,000	\$3,868	\$3,920	\$4,020	\$4,132	\$4,241	\$4,392	\$4,546	\$679
\$400,000	\$4,420	\$4,479	\$4,594	\$4,722	\$4,846	\$5,019	\$5,196	\$776
\$450,000	\$4,973	\$5,039	\$5,169	\$5,312	\$5,452	\$5,646	\$5,845	\$873
<b>\$468,300</b>	<b>\$5,175</b>	<b>\$5,244</b>	<b>\$5,379</b>	<b>\$5,528</b>	<b>\$5,674</b>	<b>\$5,876</b>	<b>\$6,083</b>	<b>\$908</b>
\$500,000	\$5,525	\$5,599	\$5,743	\$5,902	\$6,058	\$6,274	\$6,494	\$969
\$550,000	\$6,078	\$6,159	\$6,317	\$6,493	\$6,664	\$6,901	\$7,144	\$1,066
\$600,000	\$6,630	\$6,719	\$6,892	\$7,083	\$7,269	\$7,529	\$7,793	\$1,163
\$650,000	\$7,183	\$7,279	\$7,466	\$7,673	\$7,875	\$8,156	\$8,443	\$1,260
\$700,000	\$7,735	\$7,839	\$8,040	\$8,263	\$8,481	\$8,783	\$9,092	\$1,357
\$750,000	\$8,288	\$8,399	\$8,614	\$8,854	\$9,087	\$9,411	\$9,742	\$1,454
\$800,000	\$8,840	\$8,959	\$9,189	\$9,444	\$9,693	\$10,038	\$10,391	\$1,551
\$850,000	\$9,393	\$9,519	\$9,763	\$10,034	\$10,298	\$10,665	\$11,041	\$1,648
\$900,000	\$9,945	\$10,079	\$10,337	\$10,624	\$10,904	\$11,293	\$11,690	\$1,745
\$950,000	\$10,498	\$10,639	\$10,912	\$11,215	\$11,510	\$11,920	\$12,340	\$1,842
\$1,000,000	\$11,050	\$11,199	\$11,486	\$11,805	\$12,116	\$12,548	\$12,989	\$1,939

# Projected Impacts on Property Taxes, based on a \$150,000,000 School Bond Project (30-Year Amortization)

## With Anticipated Annual Growth needed for Town Operations

	EST. TAX RATE							Net
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Change
By year	\$11.05	\$11.20	\$11.49	\$11.78	\$12.08	\$12.44	\$12.83	\$1.78

Assessed Value	EST. PROPERTY TAXES							Net
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Change
\$300,000	\$3,315	\$3,360	\$3,446	\$3,535	\$3,624	\$3,732	\$3,848	\$533
\$350,000	\$3,868	\$3,920	\$4,020	\$4,124	\$4,228	\$4,354	\$4,489	\$621
\$400,000	\$4,420	\$4,479	\$4,594	\$4,713	\$4,832	\$4,976	\$5,130	\$710
\$450,000	\$4,973	\$5,039	\$5,169	\$5,302	\$5,436	\$5,598	\$5,772	\$799
<b>\$468,300</b>	<b>\$5,175</b>	<b>\$5,244</b>	<b>\$5,379</b>	<b>\$5,518</b>	<b>\$5,657</b>	<b>\$5,826</b>	<b>\$6,006</b>	<b>\$832</b>
\$500,000	\$5,525	\$5,599	\$5,743	\$5,892	\$6,040	\$6,220	\$6,413	\$888
\$550,000	\$6,078	\$6,159	\$6,317	\$6,481	\$6,644	\$6,842	\$7,054	\$977
\$600,000	\$6,630	\$6,719	\$6,892	\$7,070	\$7,248	\$7,465	\$7,695	\$1,065
\$650,000	\$7,183	\$7,279	\$7,466	\$7,659	\$7,852	\$8,087	\$8,337	\$1,154
\$700,000	\$7,735	\$7,839	\$8,040	\$8,248	\$8,456	\$8,709	\$8,978	\$1,243
\$750,000	\$8,288	\$8,399	\$8,614	\$8,837	\$9,060	\$9,331	\$9,619	\$1,332
\$800,000	\$8,840	\$8,959	\$9,189	\$9,427	\$9,664	\$9,953	\$10,260	\$1,420
\$850,000	\$9,393	\$9,519	\$9,763	\$10,016	\$10,268	\$10,575	\$10,902	\$1,509
\$900,000	\$9,945	\$10,079	\$10,337	\$10,605	\$10,872	\$11,197	\$11,543	\$1,598
\$950,000	\$10,498	\$10,639	\$10,912	\$11,194	\$11,476	\$11,819	\$12,184	\$1,687
\$1,000,000	\$11,050	\$11,199	\$11,486	\$11,783	\$12,080	\$12,441	\$12,826	\$1,776



# South Kingstown

*Rhode Island*

- Discussion & Questions