

Concept B: Phased Long Term Plan

This plan is based in part on the fact that Concept B will invest up to \$34.5 million in essential repairs and replacement of core infrastructure in all three schools. This assures that going forward each school will not require investments in major equipment and major maintenance for 15-25 years, assuming a properly funded Capital Improvement Plan (CIP). Accordingly, the next major investment can be focused almost entirely on new construction.

Specifically, the plan calls for replacing select building sections in 11-12 years with a **50,000 square feet** two story building for either the middle or elementary school. The cost in 2035 dollars is estimated at \$51,808,550 and financing would raise taxes **2.8%**.

This strategy will recover open space and preserve the basic footprint of the campus that under Concept B provides for a shared performing arts theater, a shared cafeteria and a shared secure entrance. Building “up” on roughly the same footprint will result in a more compact, cost-effective and efficient middle and elementary school complex with reduced sprawl. Also, excess space would be demolished, freeing the land for other purposes.

The repair and renovation program for Concept B would be revised, calibrated and possibly scaled back somewhat depending on which school is targeted first for phased new construction. This could materially reduce the cost of Concept B.

Phased Construction (Cooling ES and MS Classrooms)

- 1) Implement Concept B with \$83 million in two tranches (\$41.5 million each) with a tax increase of 9.8% over two years. Target either the middle or elementary school to replace existing space with a 50,000 square foot, two story building.
- 2) At the 10th year of the amortization schedule, refinance 30 year bonds: roll remaining principal of \$64,690,621 into new 30 year bonds, reducing annual debt service from \$4,655,273 to \$3,628,343. Refinancing will free up revenue sufficient to finance \$18,309,379 of additional debt with a ZERO increase in taxes in 2035.
- 3) 50,000 square feet building @ \$700/SF = \$ 35 million (2025 dollars), adjusted with 4% annual inflation escalator = \$51,808,550 (2035 dollars)
- 4) Finance as follows based on assumptions for the Town Manager’s tax impact calculator extended to 2035:
\$18,309,379 bond with a ZERO tax increase, plus new \$33,499,171 bond with **2.8 % tax increase** = \$51,808,550 (see below for calculations)
- 5) Repeat in 11-12 years

NOTES: all above calculations based on 3.75% 30-year, level P&I, AAA bonds

Calculations

Tax data for 2035 is based on Town Manager's tax impact calculator assumptions, extended five years:

2035 budget: \$67,028,745

2025 budget: \$41,800,000.00

Annual budget increase: 4% starting 2030

2035 taxable valuation: \$3,994,332,501

2025 taxable valuation: \$3,800,000,000.00

Annual increase in valuation: 0.5% starting 2025

2035 building cost: \$51,808,549

2025 building: \$35,000,000.00

Annual increase: 4%


2035 tax rate 0.0167809 (\$67,028,494/\$3,994,332,501)

Prepared by Larry Benoit, SBAC Community Member (5-21-24)

Option B	2025	2026	2027	2028	2029	2030
Fiscal Year	2025	2026	2027	2028	2029	2030
Tax Rate Valuation	\$ 3,800,000,000	\$ 3,819,000,000	\$ 3,838,095,000	\$ 3,857,285,475	\$ 3,876,571,902	\$ 3,895,954,762
Mill Rate	\$ 11.00	\$ 11.94	\$ 12.88	\$ 13.29	\$ 13.71	\$ 14.14
Assessed Home Value	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000
Budget	\$ 41,800,000	45,590,326	49,447,532	51,255,967	53,136,740	55,092,743
Total Taxes	\$ 7,700	\$ 8,358	\$ 9,016	\$ 9,303	\$ 9,597	\$ 9,898
new debt service		2,118,326	2,118,326			
debt service +4%	41,800,000.00	45,590,326	49,447,532	51,255,967	53,136,740	55,092,743
tax rate	0.01100	0.01194	0.01288	0.01329	0.01371	0.01414

Inflation Calculator

This calculator helps determine the buying power of a dollar over time in the United States



Initial Sum

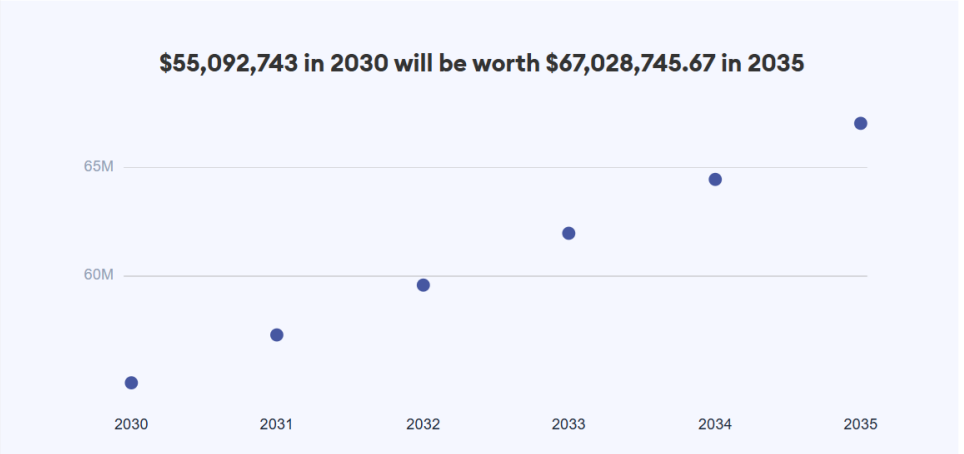
 Initial Year

 Final Year

Forward Flat Rate Inflation %

Recalculate ↻

Disclaimer: Inflation rates in the past are based on U.S. Bureau of Labor Statistics (BLS) data from the Consumer Price Index (CPI). Future rates of inflation are based on a default inflation rate provided by the user.



Schedule

Period	Amount	Absolute Inflation	Nominal Inflation Rate
2030	\$55,092,743.00	0.00%	0.00%
2031	\$57,296,452.00	4.00%	4.00%
2032	\$59,588,310.00	8.16%	4.00%
2033	\$61,971,843.00	12.49%	4.00%
2034	\$64,450,716.00	16.99%	4.00%
2035	\$67,028,745.00	21.67%	4.00%

Calculations for new construction bond:

AmortizationTable level interest and principal 2035-1 - Compatibility...

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Level Annual Payments (P&I)				Taxpayer Tax Impact Calculator			
1	Loan Terms						Enter Tax Info
2	33,499,171			Loan Amount	33,499,171	Total Taxable Valuation	3,994,332,501
3	30	PROTOTYPE -- NOT VALIDATED		Total Interest	22,867,496	Tax Rate	0.0167809
4	3.75%					Total Property Tax Revenue	\$67,028,494
5	1						
6	\$1,878,888.91						

Single Bond			
Home Valuation	\$700,000	Loan Payment Tax Rate	0.000470388710014639
Tax	\$11,747	Tax Increase	\$329
Percentage Increase	2.8%		

Two Equal Bonds (Tranches) Each:			
			\$16,749,586
Tax Increase (2035 Base)		Percent Increase (2035 Base)	
Year 1	\$165	1.4%	
Year 2	\$165	1.4%	
Total	\$329	2.8%	Total Increase

Payment	Interest	Principal	Balance
33,499,171.00			33,499,171.00
1,878,888.91	1,256,218.91	622,670.00	32,876,501.00
1,878,888.91	1,232,868.79	646,020.13	32,230,480.87
1,878,888.91	1,208,643.03	670,245.88	31,560,235.00
1,878,888.91	1,183,508.81	695,380.10	30,864,854.90
1,878,888.91	1,157,432.06	721,456.85	30,143,398.04
1,878,888.91	1,130,377.43	748,511.49	29,394,886.56
1,878,888.91	1,102,308.25	776,580.67	28,618,305.89
1,878,888.91	1,073,186.47	805,702.44	27,812,603.45
1,878,888.91	1,042,972.63	835,916.28	26,976,687.16
1,878,888.91	1,011,625.77	867,263.14	26,109,424.02
1,878,888.91	979,103.40	899,785.51	25,209,638.51
1,878,888.91	945,361.44	933,527.47	24,276,111.04
1,878,888.91	910,354.16	968,534.75	23,307,576.29
1,878,888.91	874,034.11	1,004,854.80	22,302,721.49
1,878,888.91	836,352.06	1,042,536.86	21,260,184.63
1,878,888.91	797,256.92	1,081,631.99	20,178,552.64
1,878,888.91	756,695.72	1,122,193.19	19,056,359.46
1,878,888.91	714,613.48	1,164,275.43	17,892,084.02
1,878,888.91	670,953.15	1,207,935.76	16,684,148.26
1,878,888.91	625,655.56	1,253,233.35	15,430,914.91
1,878,888.91	578,659.31	1,300,229.60	14,130,685.30
1,878,888.91	529,900.70	1,348,988.21	12,781,697.09
1,878,888.91	479,313.64	1,399,575.27	11,382,121.82
1,878,888.91	426,829.57	1,452,059.34	9,930,062.48
1,878,888.91	372,377.34	1,506,511.57	8,423,550.91
1,878,888.91	315,883.16	1,563,005.75	6,860,545.15
1,878,888.91	257,270.44	1,621,618.47	5,238,926.68
1,878,888.91	196,459.75	1,682,429.16	3,556,497.52
1,878,888.91	133,368.66	1,745,520.26	1,810,977.27
1,878,888.91	67,911.65	1,810,977.27	(0.00)

Notes:
Find home valuation here >
<https://www.mygovnow.com/capeto/invision/assessing/index.htm>
Assumes no other increase in property taxes, no growth in tax base

Simple Amortization Schedule Copyright Info