

Town Hall - Saving vs Bonding 2022

Savings vs Project Cost

	2021	2022	2027	2032	2037	2042
Project Cost (est. 4% increase per year)		\$2,600,000	\$3,163,298	\$3,848,635	\$4,682,453	\$5,696,920
SAVINGS (\$150K per year per CIP; 1% interest)	\$257,526	\$407,784	\$1,161,328	\$1,918,648	\$2,679,762	\$3,444,689
DEFICIENCY (w/150K saved beginning 2022)		\$2,192,216	\$2,001,970	\$1,929,987	\$2,002,691	\$2,252,231
SAVINGS (\$200K per year 2023 and beyond; 1% int)	\$257,526	\$407,784	\$1,411,829	\$2,420,904	\$3,435,035	\$4,454,246
SAVINGS (\$250K per year 2023 and beyond; 1% int)	\$257,526	\$407,784	\$1,662,329	\$2,923,160	\$4,190,307	\$5,463,803
SAVINGS (\$275K per year 2023 and beyond; 1% int)	\$257,526	\$407,784	\$1,787,579	\$3,174,288	\$4,567,944	\$5,968,582
SAVINGS (\$300K per year 2023 and beyond; 1% int)	\$257,526	\$407,784	\$1,912,830	\$3,425,416	\$4,945,580	\$6,373,361

Bond Schedules

	2021	2022	2027	2032	2037	2042	Total Paid
BOND - 2022: \$2.2M; 20 yrs 3%; level principal			\$162,800	\$146,300	\$129,800	\$113,300	\$2,915,000
BOND - 2022: \$2.2M; 20 yrs 3%; level debt			\$145,500	\$145,950	\$149,000	\$149,350	\$2,977,850

In 2021, \$150,000 equated to .60/1000 on the tax rate.

The 2022 plan proposes spending ~\$150,000 on a bond payment for 20 years instead of saving \$150,000/year.

The figures above show that with the cost of building inflation, the Town will never accumulate enough to complete the project if saving \$150,000/year.