

Town of Coventry

SCHOOL BOND FINANCIAL IMPACT-

DECEMBER 13, 2021

Financial Context

Town of Coventry Bond Process

Total School Project Cost

Total Financed Cost of School Bond

Proposed School Debt Service for Bond – PFM Advisors

Total Debt Service

Total Debt Service- Chart

Debt Service – Town Bonds

Debt Service – Sewer Bonds

Budget Projection – 6.80% Assumptions

Budget Projection – 6.80% Tax Levy Increase

Budget Projection Factors

Risk Factors

Budget Projection – 3.00% Tax Levy with no bond

Litmus Test



Town of Coventry Bond Process

School Bond Process:

- Step 1: Coventry Town Council votes to refer school bond to the voters
- Step 2: Enabling legislation is submitted for approval to have school bond referendum
- Step 3: School Bond is Voted on by State Legislature (If Step 1 passes)
- Step 4: School Bond is Voted on by Town of Coventry Citizens Bond Referendum (If Step 3 passes)

Total School Project Cost

	Current School Bond		Coventry's	Coventry's	
	Proposal with		Normal	Differences w/o	
	State Reimbursement		State Reimbursement	State Reimbursement	
	57.80%		42.80%	Pay-Go program	
School Project Cost	89,384,022		89,384,022	-	
RI Pay-Go Amount	(8,149,022)		-	(8,149,022)	
Required Bond	81,235,000		89,384,022	(8,149,022)	
					We would pay more principal with
Principal Costs (Town)	81,235,000		89,384,022	(8,149,022)	financing. No direct Pay-go "reductio
Principal Costs (State funded under PayGo)	8,149,022			8,149,022	initiationing. No uncert ay go reductio
Interest Costs	50,982,541		57,508,725	(6,526,184)	Interest Cost will be larger due to mo
					principal financed
Total Project Cost Prior State Aid	140,366,563	Α	146,892,747	(6,526,184)	
					Difference in Housing Aid
State of Rhode Island Housing Aid	(64,435,066)	В	(62,870,096)	(1,564,970)	(57.8% vs 42.8%)
Shown on the Town Budget As Revenue					
State of Rhode Island Housing Aid- Pay as you Go	(8,149,022)			(8,149,022)	State funded PayGo program
Net Cost of Project After State					
Housing Aid Revenue to the Town	67,782,475	С	84,022,651	(16,240,176)	
(A+B) = C					Additional Housing Aid if we meet
PayGo 15% Bonus program	(2,855,820)	D		(2,855,820)	Bonus Requirement (15%).
	(,))			())	
Net Cost of Project After State					
Housing Aid Revenue to the Town	64,926,655	Ε	84,022,651	(19,095,996)	
(C+D) = E					
True costshare of project to taxpayers	46.26%	F	57.20%	-10.94%	
(E/A) = F					

Total Financed Cost of School Bond

School Bond						Housing	(
Interest						State Aid- Relating	
2023- Interest Only until Completion of School		\$87,725		riod of		Strictly with	N
, , ,				Bond Pymt	FYE	Potential School Bond	
2024- Interest Only until Completion of School		\$400,000		terest	2023	\$0	_
2025- Interest Only until Completion of School		\$893,750	In	iterest	2024	\$0	
			In	terest	2025	\$0	
2025- Interest Only until Completion of School		\$1,751,066	-	1 2	2026 2027	\$4,203,617 \$2,510,717	
2026-2050 Bond Interest Expense		\$47,850,000		3	2027	\$2,510,914	
2020-2050 Bond Interest Expense	-	\$47,850,000		4	2029	\$2,509,535	
Total Bond Interest Expense	I	\$50,982,541		5	2030	\$2,509,043	
·				6	2031	\$2,509,338	
<u>Principal</u>	-		-	7 8	2032 2033	\$2,510,323 \$2,509,437	
Total Amount of Bond Principal Expense	Р	\$81,235,000		9	2033	\$2,509,141	
		<i>+++++++++++++++++++++++++++++++++++++</i>		10	2035	\$2,509,338	
	_			11	2036	\$2,509,929	
		6422 247 544		12	2037	\$2,510,816	
Total Financed Cost of School	A	\$132,217,541		13	2038	\$2,509,437	
(I + P = A)			-	14 15	2039 2040	\$2,510,717 \$2,509,535	
				16	2040	\$2,508,353	
				17	2042	\$2,509,535	
State Funded Housing Aid @ 57.80% Reimbursement	В	(\$64,435,066)		18	2043	\$2,510,422	
Housing Aid would be received yearly, following				19	2044	\$2,508,401	
				20	2045	\$2,508,500	
the year of submission of bond debt to RIDE.				21 22	2046 2047	\$2,510,470 \$2,509,189	
This will be Shown on the Town Budget As Revenu	e			23	2047	\$2,509,583	
	•			24	2049	\$2,508,992	
	-			25	2050	\$2,509,784	
Total Cost of School to be Funded by Taxpayers	С	\$67,782,475				64,435,066	
						Revenue	
(A + B = C Cost to taxpayer)							

BOND FINANCIAL ADVISORS RECOMMENDATION TO UTILIZE BANS FOR THE FIRST YEARS UNTIL SCHOOL IS COMPLETED, THEN THE TOTAL BOND FINANCED Net Increase

in Expenses

to be

Budgeted

NET COST TO

THE TOWN

after Housing

Aid

(87,725)

(400,000)

(2,644,816)

(2,585,783)

(2,587,083)

(2,587,286)

(2,585,865)

(2,585,357)

(2,585,662)

(2,586,677)

(2,585,763)

(2,585,459)

(2,585,662)

(2,586,271

(2,587,184)

(2,585,763)

(2,587,083)

(2,585,865)

(2,584,647

(2,585,865)

(2,586,778)(2,584,799)

(2,584,900)

(2,586,930)

(2,585,611)

(2,586,017)

(2,585,408)

(2,586,216)

(67,782,475)

Revenue less Expense

New School

Bond

(Revenue)

New School

Bond (Debt

Expense)

(Principal &

Interest)

Bond Debt

Service For

New School

Bond

@57.8%

87,725

400,000

2,644,816

6,789,400

5,097,800

5,098,200

5,095,400

5,094,400

5,095,000

5,097,000

5,095,200

5,094,600

5,095,000

5,096,200

5,098,000

5,095,200

5,097,800

5,095,400

5,093,000

5,095,400

5,097,200

5,093,200

5,093,400

5,097,400

5,094,800

5,095,600

5,094,400

5,096,000

132,217,541

Expense

Proposed School Debt Service for Bond-PFM

Town of Coventry

School Bond Assumptions - Scenario III

November 2024 School Bonds Project Amount: s 89.384.022 November November November Period 2021 BANs 2022 BANs 2023 BANs Period Net Debt Ending Interest Interest Ending State Aid Service State Base Share Ratio: 42.80% Interest Principal Interest State Aid Ratio with Bonus: 57.80% 6/30/2023 s 87.725 \$ - 5 6/30/2023 s s s s ------Total Aid: s 72,584,119 6/30/2024 -400,000 -6/30/2024 ----Pay-Go Amount: s 8,149,022 6/30/2025 893,750 6/30/2025 1,751,066 -..... s Annual Reimbursement: 64,435,097 6/30/2026 -6/30/2026 3,540,000 3,249,400 (4,203,617)2,585,783 --Bond Amount: s 81.235.000 6/30/2027 6/30/2027 1.990.000 3.107.800 (2,510,717)2,587,083 -6/30/2028 6/30/2028 2,070,000 3,028,200 (2,510,914)2,587,286 ---November 2021 BANS: s 6/30/2029 6/30/2029 2.150.000 2,945,400 (2,509,535)2,585,865 7,018,000 -Pay-Go: s 5,082,000 6/30/2030 6/30/2030 2.235.000 2,859,400 (2,509,043)2.585.357 ---2,325,000 Issue Date: 11/1/2021 6/30/2031 6/30/2031 2,770,000 (2.509.338)2.585.662 -6/30/2032 Interest Rate: 1.25% 6/30/2032 2,420,000 2,586,677 ---2,677,000 (2,510,323)Term: 12 Months 6/30/2033 6/30/2033 2,515,000 2,580,200 (2.509.437)2,585,763 -6/30/2034 6/30/2034 2.615.000 (2,509,141)2,585,459 ---2,479,600 6/30/2035 6/30/2035 (2.509.338)2,585,662 November 2022 BANS: s 32,000,000 2,720,000 2,375,000 -Pay-Go: s 3,067,022 6/30/2036 6/30/2036 2.830.000 2,266,200 (2,509,929)2,586,271 -_ -Issue Date: 11/1/2022 6/30/2037 6/30/2037 2,945,000 2,153,000 (2,510,816)2,587,184 Interest Rate: 1.25% 6/30/2038 --6/30/2038 3,060,000 2,035,200 (2,509,437)2,585,763 -Term: 12 Months 6/30/2039 -6/30/2039 3,185,000 1,912,800 (2,510,717)2,587,083 6/30/2040 6/30/2040 3.310.000 (2.509.535)2.585.865 ---1.785.400 November 2023 BANS: s 71,500,000 6/30/2041 6/30/2041 2,584,647 3,440,000 1,653,000 (2,508,353)-Issue Date: 11/1/2023 6/30/2042 6/30/2042 3,580,000 1.515.400 (2.509.535)2.585.865 ---Interest Rate: 1.25% 6/30/2043 6/30/2043 3,725,000 1,372,200 (2,510,422)2,586,778 -12 Months 6/30/2044 6/30/2044 3,870,000 1.223.200 (2.508.401)2.584,799 Term: ---6/30/2045 6/30/2045 4,025,000 1,068,400 (2,508,500)2,584,901 -November 2024 Bond: s 81,235,000 6/30/2046 6/30/2046 4,190,000 907,400 (2.510.470)2,586,931 ---Issue Date: 11/1/2024 6/30/2047 6/30/2047 4,355,000 739,800 (2,509,189)2,585,611 -Interest Rate: 4.00% 6/30/2048 6/30/2048 4,530,000 565,600 (2,509,583)2,586,017 ---25 Year 6/30/2049 6/30/2049 4,710,000 2,585,408 Term: 384,400 (2,508,992)6/30/2025 6/30/2050 6/30/2050 4,900,000 Project Substantial Completion Date: 196,000 (2,509,780)2,586,220 -Project Eligible for Aid: 6/30/2026 Totals 87,725 \$ 400,000 \$ 893,750 \$ 81,235,000 \$ 49,601,066 \$ (64,435,066) \$ 64,649,934 s Totals

FOR DISCUSSION PURPOSES ONLY INTEREST RATES PRELIMINARY AND SUBJECT TO CHANGE

BOND FINANCIAL ADVISORS SCHOOL BOND ASSUMPTIONS

S

Total School Net

Debt Service

S

87,725

400,000

2,644,816

2,585,783

2.587.083

2,587,286

2,585,865

2,585,357

2,585,662

2,586,677

2,585,763

2,585,459

2,585,662

2,586,271

2,587,184

2,585,763

2,587,083

2.585.865

2,584,647

2.585,865

2,586,778

2.584,799

2,584,901

2,586,931

2,585,611

2,586,017

2,585,408

2,586,220

67,782,474

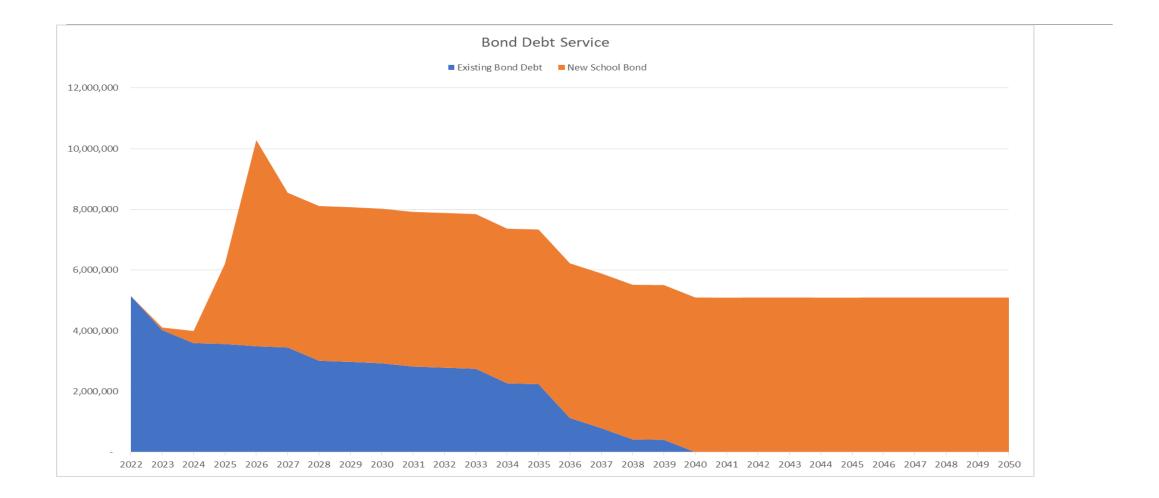
Total Debt Service-Bonds

		Net Debt Service		
		Total Bonds		
Slide 9		Net Debt Service Existing Bonds	\$47,786,994	Per B
Slide 6		Potential New School Bond	\$132,217,541 *	Р
		Total Bond Interest & Principal Expense	\$180,004,535	Ac Int Int
Slide 10		Total Sewer Debt	\$22,330,133	Int
	А	Total Bond Debt Service	\$202,334,668	
	_			
Slide 5	В	State Housing Aid @ 57.80% Reimbursement Housing Aid would be received yearly, following the year of	(\$64,435,066) *	
		submission of bond debt to RIDE. This will be Shown on the Town		
		Budget As Revenue		
A-B=C	С	Total Bond Debt w/ New School	\$137,899,602	
		With State Aid Housing Aid Revenue		
		Recognized Over the 25 year Bond		
		* If School Bond Passes		
		Total Amount of Bond Payments, Principal & Interest is reflected on Coventry's Expenditure Budget		
		Total State Housing Aid is reflected on Coventry's Revenue Budget		

			Existing Bonds	New School Bond (Debt Expense)	Total Debt
			Old Debt Service (Bonds Only)	(Principal & Interest) Bond	
_	Period of		includes	Debt Service For	Total Debt
	Bond		school and	New School Bond	with School
	Pymt	FYE	town	@57.8%	Bond
	Actuals	2022	5,143,800	_	5,143,800
	Interest	2023	4,019,768	87,725	4,107,493
	Interest	2024	3,593,120	400,000	3,993,120
	Interest	2025	3,564,420	2,644,816	6,209,236
	1	2026	3,490,692	6,789,400	10,280,092
	2	2027	3,450,122	5,097,800	8,547,922
	3	2028	3,012,458	5,098,200	8,110,658
	4	2029	2,976,382	5,095,400	8,071,782
	5	2030	2,927,038	5,094,400	8,021,438
	6	2031	2,820,850	5,095,000	7,915,850
	7	2032	2,784,438	5,097,000	7,881,438
	8	2033	2,747,775	5,095,200	7,842,975
	9	2034	2,268,887	5,094,600	7,363,487
	10	2035	2,242,025	5,095,000	7,337,025
	11	2036	1,125,875	5,096,200	6,222,075
	12	2037	791,325	5,098,000	5,889,325
	13	2038	420,181	5,095,200	5,515,381
	14	2039	407,838	5,097,800	5,505,638
	15	2040	-	5,095,400	5,095,400
	16	2041	-	5,093,000	5,093,000
	17	2042	-	5,095,400	5,095,400
	18	2043	-	5,097,200	5,097,200
	19	2044	-	5,093,200	5,093,200
	20	2045	-	5,093,400	5,093,400
	21	2046	-	5,097,400	5,097,400
	22	2047	-	5,094,800	5,094,800
	23	2048	-	5,095,600	5,095,600
	24	2049	-	5,094,400	5,094,400
	25	2050	-	5,096,000	5,096,000
			47,786,994	132,217,541	180,004,535

THE FIRST THREE YEARS WILL BE INTEREST ONLY BANS UNTIL CONSTRUCTION IS COMPLETE

Total Debt Service Chart- Bonds



THIS CHART DOES NOT INCLUDE ANY SEWER BOND DEBT

Debt Service- Town Bonds

NET DEBT SERVICE

Net Debt Service	RIIB Fee (0.50%)	Total Debt Service	Interest	Coupon	Principal	Period Ending
5,143,049.86	3,515.00	5,139,534.86	1,223,534.86	** %	3,916,000	06/30/2022
4,019,768.10	3,030.00	4,016,738.10	1,123,738.10	** %	2,893,000	06/30/2023
3,593,119.80	2,535.00	3,590,584.80	1,035,584.80	** %	2,555,000	06/30/2024
3,564,420.26	2,025.00	3,562,395.26	953,395.26	** %	2,609,000	06/30/2025
3,490,692.41	1,597.50	3,489,094.91	872,094.91	** %	2,617,000	06/30/2026
3,450,122.06	1,257.50	3,448,864.56	779,864.56	** %	2,669,000	06/30/2027
3,012,458.00	907.50	3,011,550.50	685,550.50	** %	2,326,000	06/30/2028
2,976,381.90	547.50	2,975,834.40	612,834.40	** %	2,363,000	06/30/2029
2,927,038.25	182.50	2,926,855.75	533,855.75	** %	2,393,000	06/30/2030
2,820,850.00		2,820,850.00	460,850.00	** %	2,360,000	06/30/2031
2,784,437.50		2,784,437.50	384,437.50	** %	2,400,000	06/30/2032
2,747,775.00		2,747,775.00	307,775.00	** %	2,440,000	06/30/2033
2,268,887.50		2,268,887.50	228,887.50	** %	2,040,000	06/30/2034
2,242,025.00		2,242,025.00	162,025.00	** %	2,080,000	06/30/2035
1,125,875.00		1,125,875.00	85,875.00	** %	1,040,000	06/30/2036
791,325.00		791,325.00	51,325.00	** %	740,000	06/30/2037
420,181.26		420,181.26	25,181.26	3.125%	395,000	06/30/2038
407,837.50		407,837.50	12,837.50	3.250%	395,000	06/30/2039
47,786,244.40	15,597.50	47,770,646.90	9,539,646.90		38,231,000	

2021 Debt Book Coventry RI 2021 Aggregate GO Debt

PFM Financial Advisors LLC

100 High Street 23rd Floor

Boston, MA 02110

PFM DEBT SUMMARY BOOK- TOWN OF COVENTRY, RHODE ISLAND DEBT SUMMARY AS OF JUNE 30,2021

Debt Service- Sewer Bonds

NET DEBT SERVICE

Coventry RI Sewer Debt 2021 Coventry RI 2021 Aggregate Sewer Debt

Net Debt Service	Debt Service Reserve Fund	State Credit	RIIB Fee	Total Debt Service	Interest	Coupon	Principal	Period Ending
1,938,747.72		-24,970.89	56,644.27	1,907,074.34	483,610.56	** %	1,423,463.78	06/30/2022
2,362,836.21		-24,763.34	50,141.66	2,337,457.89	453,290.57	** %	1,884,167.32	06/30/2023
2,363,269.15		-24,554.95	43,224.04	2,344,600.06	412,761.12	** %	1,931,838.94	06/30/2024
2,108,202.11		-24,500.64	36,778.43	2,095,924.32	370,763.70	** %	1,725,160.62	6/30/2025
2,108,201.13		-23,732.04	30,807.57	2,101,125.60	329,490.75	** %	1,771,634.85	6/30/2026
1,937,790.93		-20,213.20	25,111.25	1,932,892.88	287,861.73	** %	1,645,031.15	6/30/2027
1,936,930.08		-13,845.57	19,716.24	1,931,059.41	246,491.40	** %	1,684,568.01	6/30/2028
1,744,702.86		-7,263.15	14,684.18	1,737,281.83	204,063.89	** %	1,533,217.94	6/30/2029
1,399,358.61		-2,150.80	10,882.36	1,390,627.05	164,648.60	** %	1,225,978.45	6/30/2030
1,238,939.91			8,261.26	1,230,678.65	128,824.86	** %	1,101,853.79	6/30/2031
1,235,619.64			5,968.13	1,229,651.51	93,810.80	** %	1,135,840.71	6/30/2032
1,231,236.29			3,596.25	1,227,640.04	56,862.53	** %	1,170,777.51	6/30/2033
385,369.25	674,000		1,575.00	1,057,794.25	21,201.64	** %	1,036,592.61	6/30/2034
338,928.97			380.00	338,548.97	2,074.80	2.730%	336,474.17	06/30/2035
22,330,132.86	674,000	-165,994.58	307,770.64	22,862,356.80	3,255,756.95		19,606,599.85	

PFM Financial Advisors LLC

100 High Street

23rd Floor

Boston, MA 02110

Budget Projection with a 6.80 % Tax Levy Increase-(Slide 12 summary) Assumptions Stated Below:

Revenue Budget Assumptions

>FY22 Year (current year) Property Tax Levy increase is 2.99%

>FY23 Year projected Property Tax Levy increase is 1.99%

>FY24 Year projected Property Tax Levy increase is 3.00%

FY25 Year projected Property Tax Levy increase is 6.80%... This is the year before the new school is projected to be completed. We would require special legislation to increase taxes greater than 4%

>FY26-FY35 Years Property Tax Levy increase is 2.99% every year.

>FY36 2.50% is when old bond debt drops off

>FY37-FY50 levy varies from 3.00%-3.30%.

State Educational Aid for School and School Miscellaneous revenue has a growth rate of 2% a year

State Aid, including Meals & Beverage Tax, Telephone Tax, includes a growth rate of 2% plus State housing aid not relating to the "new" school bond

Housing Aid Revenue- "pink column" reflects the State Housing Aid the Town would receive if the new school bond is passed.

> Expenditure Budget Assumptions

Municipal expenditures are at 3% growth rate, which includes a modest CIP.

Long-term CIP issues are not addressed in this projection. This includes, but is not limited to, Road Improvements & Paving, repairs on existing Town Facilities and any large contingencies that might arise.

School Appropriations are at 3.3% growth rate per year

>No other school CIP need is addressed in this model.

➤ Total Existing Bond Debt is shown on "tan" column. "New School Bond Debt" has a separate "pink" column. All debt ties out to PFM Advisors debt schedules. The remaining Bond Debt for the General Fund, see slide 8 for totals.

Budget projection with a 6.80% Tax Levy Increase

						REVENUE						-							EXPENDITUR	-s						
		_				NEVENOL															3.30%	2.00%	Total	1		Surplus
							New School											New School			School Yrly	2.00/0	i otai		- /	Surpius
							Bond										Existing	Bond (Debt			Increase in	State Aid				4 1
Town of	Covent	ry - Projectio	n of Future	Budgets			(Revenue)	2.00%	2.00%					5.00%			Bonds	Expense)	Total Debt		Appropriatoin	School	School			(Deficit)
											FYE 2021 %s		Includes											FYE 2021 %s		
		67.25%	3.08%	0.50%	70.33%	0.25%	0.00%	3.75%	23.70%	1.98%	By Category		CIP	0.19%	27.37%		4.84%			32.40%	43.91%	23.70%	67.60%	100.00%	1	4 /
											_,															Add 'l
																	Old Debt	(Principal &								Dollar
							Housing	State Taxes									Service	Interest)								Amount
		General					State Aid-	M&B,									(Bonds	Bond Debt								Needed To
		Property Ta	x			Other Taxes	Relating	Hotel, Tele,	School			Total %	%		Town		Only)	Service For		Total Town	Total School	Total School			Total %	6 Pay for
Period		Revenue				(PILOT and	Strictly with	MV &	Revenue and	Other		of	Increase	Town CIP	Expenditure		includes	New School		Expenditure	s Expenditures	Expenditures	Total School	Total Town &	م of	School
of Bond	Tax Le	vy (Using X%	Motor	Allowance	Total General	Prior Yr	Potential	Housing	School State	Town		Revenue	in Town	(using X%	(using X%		school and	Bond		Including	(Town MOE)	(the State Aid	Expenditures -	- School	Expense	e Bonds
Pymt FY	'E Increa	se increase)	Vehicle Tax	for Uncollect	Property Taxes	Collections)	School Bond	State Aid	Aid	Revenue	Total Revenue	Increase	Expenses	increase)	increase)	Total	town	@57.8%	Total Debt	Bond Debt	Excluding Debt	& Misc Piece)	Excluding Deb	t Expenditure:	s Increase	e (Deficit)
A	10 2.2		44 64 024 47		674 072 000	¢502.000	ćo	ća 562.000	624.062.074	ća 222 707	6400 007 455				27.004.270		5 453 064		5 457 064	22 420 424	44.004.450	24.052.074	60,000,004	402 227 45	. /	
Actuals 20						\$592,898		\$2,563,900			\$102,227,455		1 5 10/	-	27,981,270	20 404 250	5,157,861		5,157,861	33,139,131	44,224,450	24,863,874	69,088,324	102,227,455		- 1
Actuals 20 Actuals 20			27 \$4,359,36 95 \$3,868,52			\$535,120 \$216,565		\$3,699,101 \$4,212,375			\$103,934,261 \$108,150,086		1.51% 3.19%	- 200,000	28,404,356 29,310,629	28,404,356 29,510,629	5,056,423 5,232,760		5,056,423 5,232,760	33,460,779 34,743,389	45,960,115 47,078,589	24,513,367 26,328,108	70,473,482 73,406,697	103,934,261		
Actuals 20 Actuals 20			32 \$3,299,70			\$216,565		\$4,212,373			\$108,150,088		0.12%	200,000	29,310,629	29,510,629	5,232,760		5,232,760	34,736,617	47,078,589	25,407,003	72,485,592	108,150,080		
Actuals 20					\$76.888.114	\$433.000		\$4,963,503	\$25,407,003	. , ,	\$107,222,209		6.36%	200,000	31.212.541	31.212.541	5,143,800		5,143,800	36,356,341	48.632.182	26,774,641	75,406,823	111.763.164		- 0
Interest 20			. ,, .		, ,,,	\$433,866			\$27,310,134	. , ,	\$113,941,525		3.00%	210,000	31,938,917	32,148,917	4,019,768	87,725	4,107,493	36,256,410	50,237,044	27,310,134	77,547,178	113,803,588	-	137,937
Interest 20			24 \$3,040,03						\$27,856,336		\$116,936,116		3.00%	220,500	32,892,885	33,113,385	3,593,120	400,000	3,993,120	37,106,505	51,894,866	27,856,336	79,751,203			78,408
Interest 20			42 \$3,070,43		\$85,976,965	\$435,603			\$28,413,463		\$122,962,749		3.00%	231,525	33,875,261	34,106,786	3,564,420		6,209,236	40,316,022	53,607,397	28,413,463	82,020,860	122,336,883		625,866
1 20		1 / /	04 \$3,101,14						\$28,981,732		\$130,407,851		3.00%	243,101	34,886,889	35,129,990	3,490,692	6,789,400	10,280,092	45,410,082	55,376,441	28,981,732	84,358,174	129,768,256		639,596
2 20	27 2.9					. ,	., ,		\$29,561,367	. , ,	\$132,045,484		3.00%	255,256	35,928,633	36,183,890	3,450,122		8,547,922	44,731,812	57,203,864	29,561,367	86,765,231	131,497,042		548,442
3 20	28 2.9	\$91,022,9	31 \$3,163,47	5 -\$455,115			\$2,510,914	\$5,589,715	\$30,152,594	\$3,045,037	\$135,467,775	2.59%	3.00%	268,019	37,001,387	37,269,406	3,012,458	5,098,200	8,110,658	45,380,064	59,091,591	30,152,594	89,244,186	134,624,250	2.38%	843,525
4 20	29 2.9	\$93,744,5	16 \$3,195,11	0 -\$468,723	\$96,470,904	\$439,098	\$2,509,535	\$5,701,510	\$30,755,646	\$3,105,938	\$138,982,632	2.59%	3.00%	281,420	38,106,068	38,387,488	2,976,382	5,095,400	8,071,782	46,459,270	61,041,614	30,755,646	91,797,260	138,256,531	2.70%	726,102
5 20	30 2.9	\$96,547,4	78 \$3,227,06	1 -\$482,737	\$99,291,801	\$439,977	\$2,509,043	\$5,815,541	\$31,370,759	\$3,168,057	\$142,595,178	2.60%	3.00%	295,491	39,243,622	39,539,113	2,927,038	5,094,400	8,021,438	47,560,551	63,055,987	31,370,759	94,426,746	141,987,297	2.70%	607,881
6 20	31 2.9	\$99,434,2	47 \$3,259,33	2 -\$497,171	\$102,196,408	\$440,857	\$2,509,338	\$5,931,852	\$31,998,174	\$3,231,418	\$146,308,047	2.60%	3.00%	310,266	40,415,021	40,725,286	2,820,850	5,095,000	7,915,850	48,641,136	65,136,835	31,998,174	97,135,009	145,776,146	5 2.67%	531,901
7 20	32 2.9	\$102,407,3	31 \$3,291,92	5 -\$512,037	\$105,187,220	\$441,738	\$2,510,323	\$6,050,490	\$32,638,138	\$3,296,046	\$150,123,955	2.61%	3.00%	325,779	41,621,266	41,947,045	2,784,438	5,097,000	7,881,438	49,828,483	67,286,350	32,638,138	99,924,488	149,752,971	2.73%	370,984
8 20	33 2.9	\$105,469,3	10 \$3,324,84	5 -\$527,347	\$108,266,808	\$442,622	\$2,509,437	\$6,171,500	\$33,290,901	\$3,361,967	\$154,043,235	2.61%	3.00%	342,068	42,863,389	43,205,456	2,747,775	5,095,200	7,842,975	51,048,431	69,506,800	33,290,901	102,797,700	153,846,132	2 2.73%	197,103
9 20	34 2.9	9% \$108,622,8	43 \$3,358,09	3 -\$543,114		\$443,507	\$2,509,141	\$6,294,930	\$33,956,719	\$3,429,207	\$158,071,325		3.00%	359,171	44,142,449	44,501,620	2,268,887	5,094,600	7,363,487	51,865,107	71,800,524	33,956,719	105,757,243			448,975
10 20	35 2.9		66 \$3,391,67			\$444,394			\$34,635,853		\$162,211,191		3.00%	377,130	45,459,539	45,836,669	2,242,025	5,095,000	7,337,025	53,173,694	74,169,941	34,635,853	108,805,794			231,703
11 20	36 2.5	1 / / /	32 \$3,425,59		. , ,	\$445,283		1 - / /	\$35,328,570	1-//	\$165,920,460		3.00%	395,986	46,815,782	47,211,769	1,125,875	5,096,200	6,222,075	53,433,844	76,617,549	35,328,570	111,946,120	165,379,963		540,497
12 20	37 3.0		55 \$3,459,84		\$120,976,765	\$446,173			\$36,035,142		\$170,288,228		3.00%	415,786	48,212,336	48,628,122	791,325	5,098,000	5,889,325	54,517,447	79,145,929	36,035,142	115,181,070			589,711
13 20	38 3.0		79 \$3,494,44		. , ,	\$447,066	., ,		\$36,755,844		\$174,774,937		3.00%	436,575	49,650,391	50,086,966	420,181	5,095,200	5,515,381	55,602,347	81,757,744	36,755,844	118,513,589	174,115,93		659,002
14 20	39 3.0		99 \$3,529,38		\$128,203,088	\$447,960			\$37,490,961	\$3,786,121	\$179,388,960		3.00%	458,404	51,131,171	51,589,574	407,838	5,097,800	5,505,638	57,095,212	84,455,750	37,490,961	121,946,711	179,041,924		347,037
15 20 16 20	40 3.0 41 3.0		05 \$3,564,68						\$38,240,781	. , ,	\$184,128,724		3.00%	481,324	52,655,938	53,137,262	-	5,095,400	5,095,400	58,232,662	87,242,789	38,240,781	125,483,570	183,716,232		412,492 48.562
16 20	41 3.0 42 3.3	+,,	81 \$3,600,33 04 \$3.636.33			\$449,754 \$450.653	., ,		\$39,005,596 \$39,785,708		\$189,000,339 \$194,406,724		3.00% 3.00%	505,390 530,660	54,225,990 55,842,661	54,731,380 56.373.321	-	5,093,000 5,095,400	5,093,000 5.095.400	59,824,380 61,468,721	90,121,802 93,095,821	39,005,596 39,785,708	129,127,398 132,881,529	188,951,777 194,350,250		48,562
17 20	43 3.3	1 - 7 - 7			1 ., . , .	. ,	., ,		\$40,581,422		\$199,977,285		3.00%	557,193	57,507,328	58,064,521		5,095,400	5,093,400	63,161,721	96,167,983	40,581,422	136,749,405	199,911,120		66,159
19 20	44 3.3		11 \$3,709,42				., ,		\$41,393,051		\$205,714,566		3.00%	585,052	59,221,404	59,806,456		5,093,200	5,093,200	64,899,656	99,341,526	41,393,051	140,734,577	205,634,233		80,332
20 20	45 3.3		08 \$3,746,51						\$42,220,912	. , ,	\$211,628,918		3.00%	614,305	60,986,345	61,600,650		5,093,400	5,093,400	66,694,050	102,619,797	42,220,912	144,840,709			94,160
20 20 20 21 20			77 \$3,783,98						\$43,065,330		\$217,725,587		3.00%	645,020	62,803,649	63,448,669		5,097,400	5,097,400	68,546,069	106,006,250	43,065,330	149,071,580	217,617,649		107,938
22 20		1,,	82 \$3,821,82	. ,	. , ,	. ,	., ,		\$43,926,637		\$224,005,118		3.00%	677,271	64,674,858	65,352,129	-	5,094,800	5,094,800	70,446,929	109,504,456	43,926,637	153,431,093	223,878,022		127,096
23 20		0% \$166,850,8	.,,,		. , ,	. ,		.,,,	\$44,805,169	. , ,	\$230,478,290		3.00%	711,135	66,601,559	67,312,693	-	5,095,600	5,095,600	72,408,293	113,118,103	44,805,169	157,923,273	230,331,566		146,724
24 20	_	0% \$172,356,9	. , ,	. ,	. , ,			. , ,	\$45,701,273	. , ,	\$237,148,480		3.00%	746,691	68,585,383	69,332,074	-	5,094,400	5,094,400	74,426,474	116,851,001	45,701,273	162,552,274	236,978,748		169,732
25 20	_	\$178,044,				. ,		.,,,	\$46,615,298		\$244,024,287		3.00%	784,026	70,628,011	71,412,036	-	5,096,000	5,096,000	76,508,036	120,707,084	46,615,298	167,322,382	243,830,418		193,869
						Total	64,435,066								Total		52,977,061	132,217,541	185.194.602						-	
				1			21,100,000										52,577,501		200,20 .,002		Į	l	·		_	4

THE FIRST THREE YEARS WILL BE INTEREST ONLY BANS UNTIL CONSTRUCTION IS COMPLETE

Budget Projection Concerns

Revenue

- An annual tax levy of ≤3% cannot keep pace with yearly School Appropriations of 3.3%
- Real Property taxes produce 67% of all revenue for the Town of Coventry and 2.6% comes from motor vehicle taxes.
- State Educational Aid makes up 24% of revenue of which 100% is directly transferred to the school department as it comes in. Another 4% comes from state aid.
- Only 2.4% of Coventry's revenue is not made up of real property taxes or RI State Aid
- Alternative sources of revenue need to be explored, this could be recreation or other sources

Expenditures

Yearly School Expenditures make up 69% of total Town of Coventry Budget

No Capital Improvement Plan has been completed for the Town of Coventry. No significant expenditures are represented in this projection. A modest 200K with increases was assigned to CIP within the 3% assumption increase for the town.

No Capital Improvement Plan for the schools is included in this projection. Also, the State Maintenance Requirement is included as part of the 3.3% school appropriation. The school is currently unable to make the Maintenance requirements under the 3.3% appropriation.

Risk Factors

Budget funding uncertainty. Coventry Taxpayers would have to vote for the respective tax increase <u>every year</u> to pay for the increase in bond debt payments. When a budget does not get passed, the town is level funded and will not have sufficient resources to operate without making cuts to the budget to cover contractual increases and inflation.

Lack of resources. This is an opportunity cost of not having the resources to focus on priority needs identified in the strategic plan, including roads, facilities, equipment and services.

Lack of development capacity. Investment in areas to build additional revenue, (recreation department) will be a moot point. No funds to build this department that could potentially fund future projects. The Town of Coventry must grow additional sources of revenue to lessen the burden on the taxpayers.

➢ Growing debt, exacerbating limits. Outstanding liabilities of \$243,158,319 need to be addressed. We need a plan to pay the debt off within the town's budgets. Currently we are paying minimum ARC payments for the pensions which is severely impeding the Town from funding current needs. The town's pension plans are among the least funded in the State of Rhode Island. As of 6.30.20 we have a negative net position of 136M due to our excess liabilities ➤ Unmet facility needs. No maintenance funding plan for all schools for 25 years. Tiogue has increasing enrollment growth now, with no plans to address this issue. If 3 of the 5 schools were consolidated into 1 new school, the town could save money on operations and repurpose buildings (possible leasing them out). The savings could later be used to partially fund a new middle school on the same site.

Maximum credit utilization. The Town will utilize all but 8% of available credit. This puts the town in a weak position and potentially without options to respond to unforeseen needs or emergencies. We are effectively maxing out our credit line. Lack of CIP for schools. No Capital Improvement Plan for other schools in this projection. This bond will not solve all current issues with all schools.

Lack of CIP for town. Capital Improvement Plan for the Town is not addressed in this plan. If any major issues arise, the ability for the Town to respond will be very limited.

Budget Projection-no Bond 3.00% Tax Levy Increase

		•				REVENUE						-						EXPENDITUR	-s						
																				3.30%	2.00%	Total	68.53%		Surplus
							New School										New School			School Yrly			001007	-	Salpius
							Bond									Existing	Bond (Debt			Increase in	State Aid				
Town of Co	ventry -	Projection	of Future	Budgets			(Revenue)	2.00%	2.00%					5.00%		Bonds	Expense)	Total Debt		Appropriation	School	School			(Deficit)
		-									FYE 2021 %s		Includes										FYE 2021 %s	1	
		67.25%	3.08%	0.50%	70.33%	0.25%	0.00%	3.75%	23.70%	1.98%	By Category		CIP	0.19%	27.37%	4.84%			32.40%	43.91%	23.70%	67.60%	100.00%		
																									Add 'l
																Old Debt	(Principal &								Dollar
							Housing	State Taxes								Service	Interest)								Amount
		General					State Aid-	M&B,								(Bonds	Bond Debt								Needed To
		Property Tax				Other Taxes	Relating	Hotel, Tele,	School			Total %	%		Town	Only)	Service For		Total Town	Total School	Total School			Total %	Pay for
Period		Revenue				(PILOT and	Strictly with	MV &	Revenue and	Other		of	Increase	Town CIP	Expenditure	includes	New School		Expenditures	Expenditures	Expenditures	Total School	Total Town &	of	School
of Bond	Tax Levy	(Using X%	Motor	Allowance	Total General	Prior Yr	Potential	Housing	School State	Town		Revenue		(using X%	(using X%	school and	Bond		Including		-	Expenditures -	School	Expense	Bonds
Pymt FYE	Increase	increase)	Vehicle Tax	for Uncollect	Property Taxes	Collections)	School Bond	State Aid	Aid	Revenue	Total Revenue	Increase	Expenses	increase)	increase)	town	@57.8%	Total Debt	Bond Debt	Excluding Debt	& Misc Piece)	Excluding Debt	Expenditures	Increase	(Deficit)
Actuals 2018	3.30%	\$66,948,511	\$4,924,475	\$0	\$71,872,986	\$592,898	\$0	\$2,563,900	\$24,863,874	\$2 333 707	\$102,227,455			-	27,981,270	5,157,861		5,157,861	33,139,131	44,224,450	24,863,874	69,088,324	102,227,455		
Actuals 2018 Actuals 2019		\$69.626.227		-\$1,024,932	\$72,960,664	\$535,120		\$3.699.101	\$24,803,874		\$102,227,455	1.67%	1.51%		28,404,356	5.056.423		5,056,423	33,460,779	45,960,115	24,803,874	70,473,482	102,227,455	1.67%	
Actuals 2010		\$72,109,095		-\$724,526	\$75,253,094	\$216,565		\$4.212.375	\$26,328,109	. , .,	\$103,554,201		3.19%	200.000	29,310,629	5,232,760		5,232,760	34,743,389	47,078,589	26,328,108	73,406,697	108,150,086	4.06%	_
Actuals 2021	0.00%	\$72,108,532		\$0		\$264,910		., ,			\$107,222,209		0.12%	200,000	29,346,550	5,190,067		5,190,067	34,736,617	47,078,589	25,407,003	72,485,592	107,222,209	-0.86%	_
Actuals 2022	2.99%	\$74,267,631		-\$359,654	\$76,888,114	\$433,000		\$4,963,503	\$26,774,641		\$111,763,164		6.36%	-	31,212,541	5,143,800		5,143,800	36,356,341	48,632,182	26,774,641	75,406,823	111,763,164	4.24%	0
Interest 2023	1.99%	\$75,745,557		-\$378,728	\$78,376,768	\$433,866	\$0	\$5,062,774	\$27,310,134	\$2,757,984	\$113,941,525	1.95%	3.00%	210,000	31,938,917	4,019,768		4,019,768	36,168,685	50,237,044	27,310,134	77,547,178	113,715,863	1.75%	225,662
Interest 2024	3.00%	\$78,017,924		-\$390,090	\$80,667,872	\$434,734	\$0	\$5,164,030	\$27,856,336	\$2,813,144	\$116,936,116	2.63%	3.00%	220,500	32,892,885	3,593,120		3,593,120	36,706,505	51,894,866	27,856,336	79,751,203	116,457,708		478,408
Interest 2025	3.00%	\$80,358,461	\$3,070,438	-\$401,792	\$83,027,107	\$435,603	\$0	\$5,267,311	\$28,413,463	\$2,869,407	\$120,012,891	2.63%	3.00%	231,525	33,875,261	3,564,420		3,564,420	37,671,206	53,607,397	28,413,463	82,020,860	119,692,067	2.78%	320,825
1 2026	2.99%	\$82,761,179	\$3,101,143	-\$413,806	\$85,448,516	\$436,474		\$5,372,658	\$28,981,732	\$2,926,795	\$123,166,176	2.63%	3.00%	243,101	34,886,889	3,490,692		3,490,692	38,620,682	55,376,441	28,981,732	84,358,174	122,978,856	2.75%	187,320
2 2027	2.99%	\$85,235,739	\$3,132,154	-\$426,179	\$87,941,714	\$437,347		\$5,480,112	\$29,561,367	\$2,985,331	\$126,405,871	2.63%	3.00%	255,256	35,928,633	3,450,122		3,450,122	39,634,012	57,203,864	29,561,367	86,765,231	126,399,242	2.78%	6,629
3 2028	2.99%	\$87,784,287	\$3,163,475	-\$438,921	\$90,508,841	\$438,222		\$5,589,715	\$30,152,594	\$3,045,037	\$129,734,410	2.63%	3.00%	268,019	37,001,387	3,012,458		3,012,458	40,281,864	59,091,591	30,152,594	89,244,186	129,526,050	2.47%	208,360
4 2029	2.99%	\$90,409,037	\$3,195,110	-\$452,045	\$93,152,102	\$439,098		\$5,701,510	\$30,755,646	\$3,105,938	\$133,154,295	2.64%	3.00%	281,420	38,106,068	2,976,382		2,976,382	41,363,870	61,041,614	30,755,646	91,797,260	133,161,131	2.81%	(6,835)
5 2030	3.30%	\$93,392,536	\$3,227,061	-\$466,963	\$96,152,634	\$439,977		\$5,815,541	\$31,370,759	\$3,168,057	\$136,946,968	2.85%	3.00%	295,491	39,243,622	2,927,038		2,927,038	42,466,151	63,055,987	31,370,759	94,426,746	136,892,897	2.80%	54,071
6 2031	3.30%	\$96,474,489	\$3,259,332	-\$482,372	\$99,251,449	\$440,857		\$5,931,852	\$31,998,174	\$3,231,418	\$140,853,750	2.85%	3.00%	310,266	40,415,021	2,820,850		2,820,850	43,546,136	65,136,835	31,998,174	97,135,009	140,681,146	2.77%	172,604
7 2032	2.99%	\$99,359,077		-\$496,795	\$102,154,206	\$441,738		\$6,050,490	\$32,638,138	., ,	\$144,580,619		3.00%	325,779	41,621,266	2,784,438		2,784,438	44,731,483	67,286,350	32,638,138	99,924,488	144,655,971	2.83%	(75,352)
8 2033	3.30%	\$102,637,926		-\$513,190	\$105,449,581	\$442,622		\$6,171,500	\$33,290,901		\$148,716,571	2.86%	3.00%	342,068	42,863,389	2,747,775		2,747,775	45,953,231	69,506,800	33,290,901	102,797,700	148,750,932		(34,361)
9 2034	2.99%	\$105,706,800		-\$528,534	\$108,536,359	\$443,507		\$6,294,930	\$33,956,719	., ,	\$152,660,721	2.65%	3.00%	359,171	44,142,449	2,268,887		2,268,887	46,770,507	71,800,524	33,956,719	105,757,243	152,527,750		132,972
10 2035	3.30%	\$109,195,124		-\$545,976	\$112,040,823	\$444,394		\$6,420,829	\$34,635,853		\$157,039,690		3.00%	377,130	45,459,539	2,242,025		2,242,025	48,078,694	74,169,941	34,635,853	108,805,794	156,884,488		155,202
11 2036	2.50%	\$111,925,003		-\$559,625	\$114,790,968	\$445,283		\$6,549,246	\$35,328,570		\$160,681,814		3.00%	395,986	46,815,782	1,125,875		1,125,875	48,337,644	76,617,549	35,328,570	111,946,120	160,283,763		398,050
12 2037	3.00%	\$115,282,753		-\$576,414	\$118,166,185	\$446,173		\$6,680,231	\$36,035,142		\$164,966,833		3.00%	415,786	48,212,336	791,325		791,325	49,419,447	79,145,929	36,035,142	115,181,070	164,600,517	2.69%	366,316
13 2038 14 2039	3.00% 3.00%	\$118,741,235 \$122,303,472		-\$593,706 -\$611,517	\$121,641,974 \$125,221,344	\$447,066 \$447,960		\$6,813,836 \$6,950,113	\$36,755,844 \$37,490,961		\$169,370,604 \$173,896,500		3.00% 3.00%	436,575 458,404	49,650,391 51,131,171	420,181 407,838		420,181 407,838	50,507,147 51,997,412	81,757,744 84,455,750	36,755,844 37,490,961	118,513,589 121,946,711	169,020,735 173,944,124		349,869 (47,624)
14 2039 15 2040	3.00%	\$122,303,472		-\$611,517	\$125,221,344	\$447,960 \$448,856		\$6,950,113	\$37,490,961		\$173,896,500		3.00%	458,404 481,324	52,655,938	407,638		407,638	53,137,262	84,455,750	37,490,961 38,240,781	121,946,711 125,483,570	173,944,124		(47,624)
15 2040 16 2041	3.50%	\$130,381,617		-\$651,908	\$133,330,039	\$449,754		\$7,230,899	\$39,005,596		\$183,955,368		3.00%	505,390	54,225,990				54,731,380	90,121,802	39,005,596	129,127,398	183,858,777		96,591
17 2042	3.30%	\$134,684,210		-\$673,421	\$137,647,122	\$450,653		\$7,375,517	\$39,785,708		\$189,276,863		3.00%	530,660	55,842,661	_		_	56,373,321	93,095,821	39,785,708	132,881,529	189,254,850		22,013
18 2043	3.50%	\$139,398,157		-\$696,991	\$142,373,863	\$451,554		\$7,523,028	\$40,581,422		\$195,028,087		3.00%	557,193	57,507,328	_		_	58,064,521	96,167,983	40,581,422	136,749,405	194,813,926		214,161
19 2044	3.30%	\$143,998,297		-\$719,991	\$146,987,729	\$452,457		\$7,673,489	\$41,393,051		\$200,686,910		3.00%	585,052	59,221,404	-		-	59,806,456	99,341,526	41,393,051	140,734,577	200,541,033		145,876
20 2045	3.30%	\$148,750,240		-\$743,751	\$151,753,007	\$453,362		\$7,826,959	\$42,220,912		\$206,518,028		3.00%	614,305	60,986,345	_		-	61,600,650	102,619,797	42,220,912	144,840,709	206,441,358	2.94%	76,669
21 2046	3.30%	\$153,658,998		-\$768,295	\$156,674,686	\$454,269		\$7,983,499	\$43,065,330		\$212,526,848		3.00%	645,020	62,803,649	-		-	63,448,669	106,006,250	43,065,330	149,071,580	212,520,249	2.94%	6,598
22 2047	3.30%	\$158,729,745	., ,	-\$793,649	\$161,757,920	. ,		\$8,143,169	\$43,926,637	\$4,436,044	\$218,718,947	2.91%	3.00%	677,271	64,674,858	-		-	65,352,129	109,504,456	43,926,637	153,431,093	218,783,222	2.95%	(64,275)
23 2048	3.30%	\$163,967,827	\$3,860,041	-\$819,839	\$167,008,029	\$456,088		\$8,306,033	\$44,805,169	\$4,524,765	\$225,100,084	2.92%	3.00%	711,135	66,601,559	-		-	67,312,693	113,118,103	44,805,169	157,923,273	225,235,966	2.95%	(135,882)
24 2049	3.30%	\$169,378,765	\$3,898,642	-\$846,894	\$172,430,513	\$457,000		\$8,472,154	\$45,701,273	\$4,615,261	\$231,676,200	2.92%	3.00%	746,691	68,585,383	-		-	69,332,074	116,851,001	45,701,273	162,552,274	231,884,348	2.95%	(208,147)
25 2050	3.00%	\$174,968,264	\$3,937,628	-\$874,841	\$178,031,051	\$457,914		\$8,641,598	\$46,615,298	\$4,707,566	\$238,453,427	2.93%	3.00%	784,026	70,628,011	-		-	71,412,036	120,707,084	46,615,298	167,322,382	238,734,418	2.95%	(280,991)
						Total	-								Total	52,977,061	-	52,977,061							
																								P	

Debt Margin

Coventry's Debt Margin	6/30/2020	6/30/2021	6/30/2022	With Bond
Gross Assessed Value- (Taxpayer's Property)	3,619,962,306.00	4,159,861,835.00	4,176,557,769.00	4,176,557,769.00
Less: Exempt Property	(149,097,578.00)	(166,861,413.00)	(173,675,332.00)	(173,675,332.00)
Total Taxable Assessed Value	3,470,864,728.00	3,993,000,422.00	4,002,882,437.00	4,002,882,437.00
Debt Limit- 3% of Total Assessed Value	3.00%	3.00%	3.00%	3.00%
State of Rhode Island Debt Limit	104,125,941.84	119,790,012.66	120,086,473.11	120,086,473.11
Amount of debt applicable to debt limit:				
Less : GO Bonds only	(31,645,000.00)	(30,060,000.00)	(28,385,000.00)	(28,385,000.00)
Less : GO Bonds only				(81,235,000.00)
State of Rhode Island Legal Debt Margin	72,480,941.84	89,730,012.66	91,701,473.11	10,466,473.11

Does this proposal pass the Litmus Test?

Litmus test is a test in which a single factor is decisive. (an effective and definitive way of proving or measuring it)

Is this really needed?

Is this the best solution for the problem?

Is this a good, responsible use of tax dollars?

Will this serve the public interest?

Will this be sustainable?

Will this be a meaningful and impactful investment of limited public funds?

Will this investment help reduce the tax burden?

