



Town of Sturbridge

Barbara A. Barry, Finance Director

TO: Board of Selectmen

FROM: Barbara Barry, Finance Director

DATE: December 27, 2021

RE: Senior Center Project - Financing

Attached is a debt service schedule for the Senior Center Project. This schedule shows the repayment schedule based on several assumptions for financing the project.

It is expected that the total project will not be bonded until fiscal year 2024 with the first full debt payments made in fiscal year 2026. Prior to this time the town will issue bond anticipation notes as the project is progressing.

Based on the attached schedule and a median home value of \$341,829 the increase to the average home tax bill would be \$1.77 in FY23, \$14.15 in FY24, \$73.42 in FY25 and then once the project is totally bonded \$229.93 in FY26. The annual debt payments then begin to decline slightly over the full life of the bond which will twenty (20) years.

All of these numbers are approximate and based on the following assumptions:

- FY23 interest due on \$500,000 bond anticipation note
- FY24 interest due on \$3,000,000 bond anticipation note
- FY25 interest due on \$11,450,00 bond plus a principal paydown on the first \$500,000 borrowed in FY23
- FY26 full repayment begins of total project costs

Please let me know if you have any questions or need additional information.

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TOWN OF STURBRIDGE

10/7/2021

Prepared by UniBank Fiscal Advisory Services, Inc.

\$ 1,449,147,910 2022 Assessed Valuation

\$ 341,829 Median Home Value

GENERAL FUND DEBT				SENIOR CENTER FINANCING - EQUAL/DECLINING PRINCIPAL					Total Debt
Fiscal Year	Principal	Interest	Total Debt Service	Principal	Interest(1)	Total Debt Service	Avg. Tax Rate Impact	Increase to average home tax bill	Service: Existing Debt and Senior Center
2022	\$ 1,160,000.00	\$ 379,380.00	\$ 1,539,380						\$ 1,539,380
2023	1,151,000.00	333,635.00	1,484,635		\$ 7,500	\$ 7,500	0.01	\$ 1.77	1,492,135
2024	1,148,800.00	292,895.00	1,441,695		60,000	60,000	0.04	14.15	1,501,695
2025	1,150,000.00	252,363.00	1,402,363	\$ 25,000	286,250	311,250	0.21	73.42	1,713,613
2026	1,150,000.00	210,550.00	1,360,550	575,000	399,875	974,875	0.67	229.96	2,335,425
2027	1,150,000.00	169,200.00	1,319,200	575,000	379,750	954,750	0.66	225.21	2,273,950
2028	1,150,000.00	129,069.00	1,279,069	575,000	359,625	934,625	0.64	220.46	2,213,694
2029	1,150,000.00	88,775.00	1,238,775	575,000	339,500	914,500	0.63	215.71	2,153,275
2030	1,095,000.00	52,569.00	1,147,569	575,000	319,375	894,375	0.62	210.97	2,041,944
2031	905,000.00	23,300.00	928,300	570,000	299,250	869,250	0.60	205.04	1,797,550
2032	335,000.00	5,025.00	340,025	570,000	279,300	849,300	0.59	200.34	1,189,325
2033	0	0	0	570,000	259,350	829,350	0.57	195.63	829,350
2034	0	0	0	570,000	239,400	809,400	0.56	190.92	809,400
2035	0	0	0	570,000	219,450	789,450	0.54	186.22	789,450
2036	0	0	0	570,000	199,500	769,500	0.53	181.51	769,500
2037	0	0	0	570,000	179,550	749,550	0.52	176.81	749,550
2038	0	0	0	570,000	159,600	729,600	0.50	172.10	729,600
2039	0	0	0	570,000	139,650	709,650	0.49	167.39	709,650
2040	0	0	0	570,000	119,700	689,700	0.48	162.69	689,700
2041	0	0	0	570,000	99,750	669,750	0.46	157.98	669,750
2042	0	0	0	570,000	79,800	649,800	0.45	153.28	649,800
2043	0	0	0	570,000	59,850	629,850	0.43	148.57	629,850
2044	0	0	0	570,000	39,900	609,900	0.42	143.86	609,900
2045	0	0	-	570,000	19,950	589,950	0.41	139.16	589,950
\$ 11,544,800 \$ 1,936,761 \$ 13,481,561				\$ 11,450,000 \$ 4,545,875 \$ 15,995,875					\$ 29,477,436

(1) Interest due on \$500,000 BAN @1.50%.

Interest due on \$3,000,000 BAN @ 2.00%.

Interest due on \$11,450,000 BAN @ 2.50% plus \$25,000 principal paydown on first \$500,000 BAN issued.

20 year bond estimated @ 3.00% NIC.