

Carmel Central School District

2019 Capital Project Financial Update

#Carmel6Cs



Our Mission

The Carmel Central School District educates the whole student through partnerships to become lifelong learners in an ever-changing world.



Here are the highlights

Two separate & independent propositions

- Proposition A: \$16,623,404
- Proposition B: \$10,925,736



Financial Summary– Proposition A only

NO CHANGE

Cost	15 Year Amortization
Projected Cost	\$16,623,405
Projected Interest	+\$4,821,739
Projected Cost with Interest	\$21,445,144
Projected NYS Building Aid	-\$12,353,233 (58%)
Projected Net Cost with Interest	\$ 9,091,911 (42%)

Tax Levy	15 Year Amortization
Average Annual Increase/Decrease 2020-21 to 2025-26	\$24,043
Average Annual Increase/Decrease per \$1,000 Assessed Value	0.007113
Average Annual Increase/Decrease for a house assessed at \$350,000	\$2.49



Financial Summary– Proposition A only

Average Annual Increase/Decrease for a house assessed at \$350,000:

\$2.49

Year	Annual Increase/Decrease
2020-2021	\$0.07
2021-2022	\$1.51
2022-2023	\$6.84
2023-2024	\$2.01
2024-2025	\$2.56
2025-2026	\$1.95



Financial Summary– Proposition B only

Cost	30 Year Amortization	15 Year Amortization
Projected Cost	\$10,925,736	\$10,925,736
Projected Interest	+\$5,685,291	+\$3,408,716
Projected Cost with Interest	\$16,611,027	\$14,334,452
Projected NYS Building Aid	-\$9,948,895 (60%)	-\$9,948,895 (69%)
Projected Net Cost w/Interest	\$ 6,662,132 (40%)	\$ 4,385,557 (31%)



Financial Summary– Proposition B only

Average Annual Increase/Decrease for a house assessed at \$350,000:

\$2.18

Year	Annual Increase/Decrease (15 Years)
2020-2021	\$(0.30)
2021-2022	\$0.16
2022-2023	\$7.05
2023-2024	\$2.19
2024-2025	\$2.26
2025-2026	\$1.71



Financial Summary– Propositions A & B

Cost	Split 15 & 30 Year Amortization	15 Year Amortization
Projected Cost	\$27,549,141	\$27,549,141
Projected Interest	+\$10,715,231	+\$8,651,631
Projected Cost with Interest	\$38,264,372	\$36,200,772
Projected NYS Building Aid	-\$22,302,127 (58%)	-\$22,302,127 (62%)
Projected Net Cost with Interest	\$15,962,245 (42%)	\$13,898,645 (38%)



Financial Summary– Propositions A & B

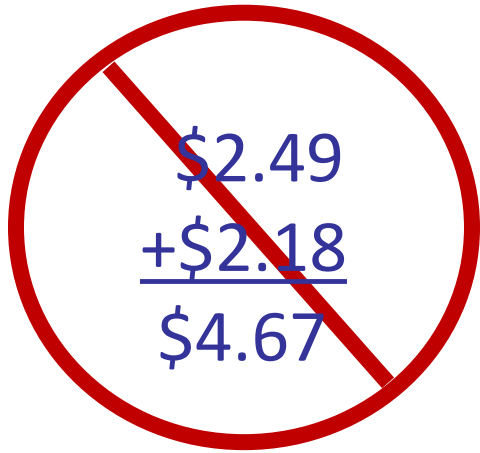
Average Annual Increase/Decrease for a house assessed at \$350,000:

\$11.04

Year	Annual Increase/Decrease
2020-2021	\$41.40
2021-2022	\$12.30
2022-2023	\$6.04
2023-2024	\$2.40
2024-2025	\$2.36
2025-2026	\$1.70



When A + B don't add up


$$\begin{array}{r} \$2.49 \\ +\$2.18 \\ \hline \$4.67 \end{array}$$

Should voters approve both Proposition A and Proposition B, the average annual cost during the peak years of bonding (2020-2026) for a house assessed at \$350,000 is \$11.04. Why?

There are 3 primary reasons:

- ❖ **Debt Service:** Old debt service falling off does not change. New debt service is higher than for only Prop. A or only Prop B
- ❖ **NYS Building Aid:** Aid does not begin immediately
- ❖ **Bonding over 15 years:** Borrowing over 15 years rather than 30 results in higher principal payments. It also shifts the costs to the beginning of the bonding period. The benefit is reduced interest payments over the life of the bond.
 - ❖ **INTEREST SAVED:** Over \$2 Million

Here's the bottom line

- The average annual increase/decrease for a house assessed at \$350,000 during the peak years (2020-2026)
 - **\$2.49 per YEAR for Prop. A only**
 - **\$2.18 per YEAR for Prop B only**
 - **\$11.04 per YEAR for Prop. A & B**



Capital Project Vote

Tuesday, March 26, 2019

6:00 a.m. to 9:00 p.m.

Matthew Paterson Elementary School

Kent Elementary School

Carmel High School

