



North Smithfield, Rhode Island Debt Service Projections and Tax Rate Impact

August 31, 2023

PFM Financial Advisors
LLC

100 High Street
Suite 2300
Boston, MA 02110

(617) 330.6914
pfm.com

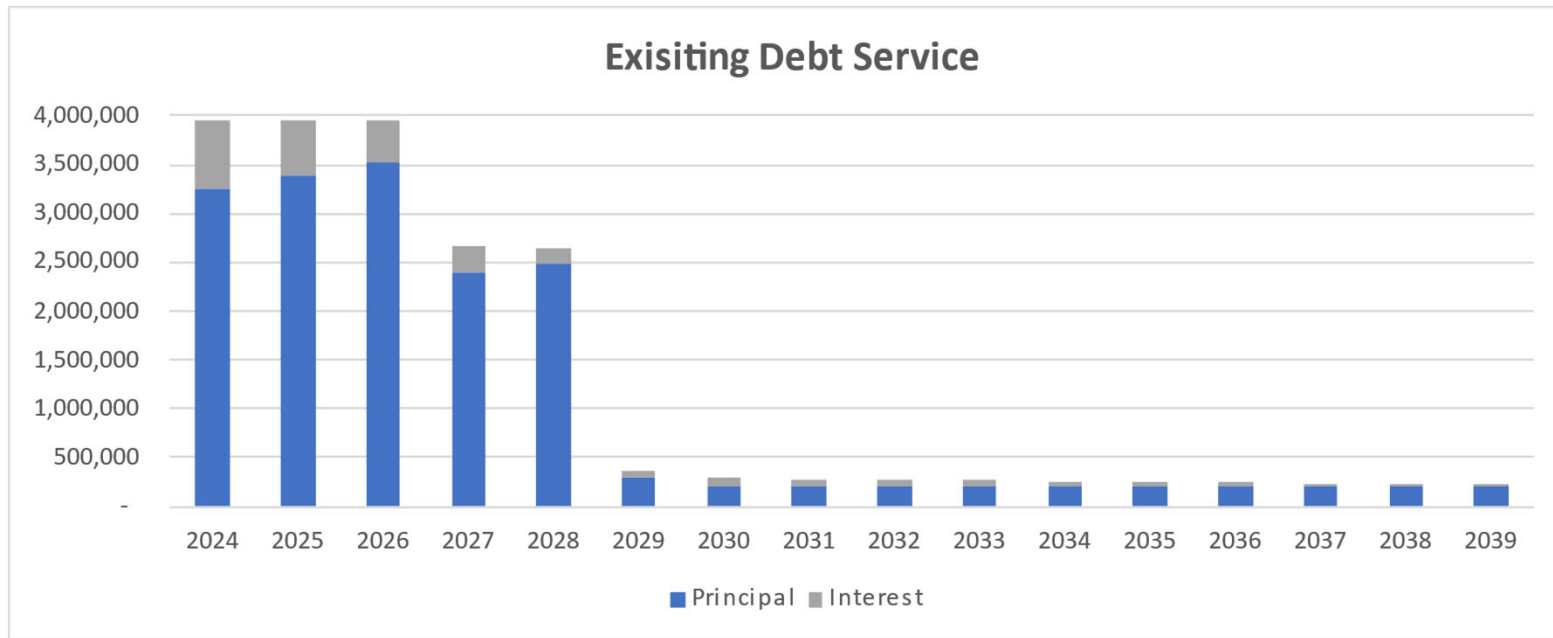


Existing Debt Service



Existing Debt Service

- ◆ The Town had \$17,475,000 outstanding General Fund debt as of June 30, 2023
- ◆ The Town's existing debt has rapid amortization – 90% amortized during the next 10 years
- ◆ Debt service begins to decline in FY2027





Proposed New Debt Service



Proposed Bonds – Sample Level Debt Service

Bond Debt Service Town of North Smithfield, Rhode Island Sample Debt Service Schedule

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
6/30/2024					18,000,000	18,000,000
6/30/2025	605,000	4.000%	720,000	1,325,000	17,395,000	17,395,000
6/30/2026	630,000	4.000%	695,800	1,325,800	16,765,000	16,765,000
6/30/2027	655,000	4.000%	670,600	1,325,600	16,110,000	16,110,000
6/30/2028	680,000	4.000%	644,400	1,324,400	15,430,000	15,430,000
6/30/2029	705,000	4.000%	617,200	1,322,200	14,725,000	14,725,000
6/30/2030	735,000	4.000%	589,000	1,324,000	13,990,000	13,990,000
6/30/2031	765,000	4.000%	559,600	1,324,600	13,225,000	13,225,000
6/30/2032	795,000	4.000%	529,000	1,324,000	12,430,000	12,430,000
6/30/2033	825,000	4.000%	497,200	1,322,200	11,605,000	11,605,000
6/30/2034	860,000	4.000%	464,200	1,324,200	10,745,000	10,745,000
6/30/2035	895,000	4.000%	429,800	1,324,800	9,850,000	9,850,000
6/30/2036	930,000	4.000%	394,000	1,324,000	8,920,000	8,920,000
6/30/2037	970,000	4.000%	356,800	1,326,800	7,950,000	7,950,000
6/30/2038	1,005,000	4.000%	318,000	1,323,000	6,945,000	6,945,000
6/30/2039	1,045,000	4.000%	277,800	1,322,800	5,900,000	5,900,000
6/30/2040	1,090,000	4.000%	236,000	1,326,000	4,810,000	4,810,000
6/30/2041	1,130,000	4.000%	192,400	1,322,400	3,680,000	3,680,000
6/30/2042	1,180,000	4.000%	147,200	1,327,200	2,500,000	2,500,000
6/30/2043	1,225,000	4.000%	100,000	1,325,000	1,275,000	1,275,000
6/30/2044	1,275,000	4.000%	51,000	1,326,000		
	18,000,000		8,490,000	26,490,000		



Proposed Bonds – Modified Debt Service

Bond Debt Service
Town of North Smithfield, Rhode Island
Sample Debt Service Schedule
Dated July 15, 2024

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
6/30/2025			360,000	360,000	18,000,000	18,000,000
6/30/2026			720,000	720,000	18,000,000	18,000,000
6/30/2027	645,000	4.000%	707,100	1,352,100	17,355,000	17,355,000
6/30/2028	670,000	4.000%	680,800	1,350,800	16,685,000	16,685,000
6/30/2029	700,000	4.000%	653,400	1,353,400	15,985,000	15,985,000
6/30/2030	725,000	4.000%	624,900	1,349,900	15,260,000	15,260,000
6/30/2031	755,000	4.000%	595,300	1,350,300	14,505,000	14,505,000
6/30/2032	790,000	4.000%	564,400	1,354,400	13,715,000	13,715,000
6/30/2033	820,000	4.000%	532,200	1,352,200	12,895,000	12,895,000
6/30/2034	855,000	4.000%	498,700	1,353,700	12,040,000	12,040,000
6/30/2035	890,000	4.000%	463,800	1,353,800	11,150,000	11,150,000
6/30/2036	925,000	4.000%	427,500	1,352,500	10,225,000	10,225,000
6/30/2037	965,000	4.000%	389,700	1,354,700	9,260,000	9,260,000
6/30/2038	1,000,000	4.000%	350,400	1,350,400	8,260,000	8,260,000
6/30/2039	1,045,000	4.000%	309,500	1,354,500	7,215,000	7,215,000
6/30/2040	1,085,000	4.000%	266,900	1,351,900	6,130,000	6,130,000
6/30/2041	1,130,000	4.000%	222,600	1,352,600	5,000,000	5,000,000
6/30/2042	1,175,000	4.000%	176,500	1,351,500	3,825,000	3,825,000
6/30/2043	1,225,000	4.000%	128,500	1,353,500	2,600,000	2,600,000
6/30/2044	1,275,000	4.000%	78,500	1,353,500	1,325,000	1,325,000
6/30/2045	1,325,000	4.000%	26,500	1,351,500		
	18,000,000		8,777,200	26,777,200		



Existing and Proposed New Debt Service



Existing and Proposed Debt Service

Fiscal Year	General Long-Term Debt		State Aid on	Proposed New Debt		Total
	Principal	Interest	School Bonds ⁽¹⁾	Principal	Interest	Debt Service
2024	\$ 3,260,000	\$ 695,667	\$ (887,000)	\$ -	\$ -	\$ 3,068,667
2025	3,390,000	566,427	(891,000)	-	360,000	3,425,427
2026	3,520,000	431,377	(897,000)	-	720,000	3,774,377
2027	2,390,000	284,525	(750,000)	645,000	707,100	3,276,625
2028	2,475,000	173,275	(750,000)	670,000	680,800	3,249,075
2029	290,000	79,225	-	700,000	653,400	1,722,625
2030	215,000	69,875	-	725,000	624,900	1,634,775
2031	215,000	62,350	-	755,000	595,300	1,627,650
2032	215,000	54,825	-	790,000	564,400	1,624,225
2033	215,000	47,300	-	820,000	532,200	1,614,500
2034	215,000	39,775	-	855,000	498,700	1,608,475
2035	215,000	32,250	-	890,000	463,800	1,601,050
2036	215,000	25,800	-	925,000	427,500	1,593,300
2037	215,000	19,350	-	965,000	389,700	1,589,050
2038	215,000	12,900	-	1,000,000	350,400	1,578,300
2039	215,000	6,450	-	1,045,000	309,500	1,575,950
2040	-	-	-	1,085,000	266,900	1,351,900
2041	-	-	-	1,130,000	222,600	1,352,600
2042	-	-	-	1,175,000	176,500	1,351,500
2043	-	-	-	1,225,000	128,500	1,353,500
2044	-	-	-	1,275,000	78,500	1,353,500
2045	-	-	-	1,325,000	26,500	1,351,500
TOTAL	\$ 17,475,000	\$ 2,601,371	\$ (4,175,000)	\$ 18,000,000	\$ 8,777,200	\$ 42,678,571

(1) 35% State aid reimbursement on RIHEBC Bonds.



Tax Rate Impact



Tax Rate Impact

SAMPLE LEVEL DEBT SERVICE	New Issue	New Issue	New Issue
Bond Amount	\$18,000,000	\$18,000,000	\$18,000,000
Max Annual Debt Service	\$ 1,324,500	\$ 1,324,500	\$ 1,324,500
Net Assessed Value* (000)	\$ 1,956,663	\$ 1,956,663	\$ 1,956,663
Estimated Tax Rate Impact/Per \$1000	\$0.68	\$0.68	\$0.68
Home Assessed Value	\$350,000	\$450,000	\$550,000
Estimated Tax Rate Impact/Per Home Value	\$236.92	\$304.61	\$372.30

MODIFIED DEBT SERVICE	FY2025	FY2026
Bond Amount	\$18,000,000	\$18,000,000
Annual Debt Service Increase	\$ 356,760	\$ 348,950
Net Assessed Value* (000)	\$ 1,956,663	\$ 1,956,663
Estimated Tax Rate Impact/Per \$1000	\$0.182	\$0.178
Home Assessed Value	\$450,000	\$450,000
Estimated Tax Rate Impact/Per Home Value	\$82.05	\$80.25

**Residential and Commercial*