



# 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 Proposal with State Reimbursement 57.80%		Coventry's Normal State Reimbursement 42.80%		Coventry's Differences w/o State Reimbursement Pay-Go program
School Project Cost	89,384,022		89,384,022		-
RI Pay-Go Amount	(8,149,022)		-		(8,149,022)
<b>Required Bond</b>	<b>81,235,000</b>		<b>89,384,022</b>		<b>(8,149,022)</b>
Principal Costs (Town)	81,235,000		89,384,022		(8,149,022)
Principal Costs (State funded under PayGo)	8,149,022				8,149,022
Interest Costs	50,982,541		57,508,725		(6,526,184)
<b>Total Project Cost Prior State Aid</b>	<b>140,366,563</b>	<b>A</b>	<b>146,892,747</b>		<b>(6,526,184)</b>
State of Rhode Island Housing Aid Shown on the Town Budget As Revenue	(64,435,066)	B	(62,870,096)		(1,564,970)
State of Rhode Island Housing Aid- Pay as you Go	(8,149,022)				(8,149,022)
<b>Net Cost of Project After State Housing Aid Revenue to the Town</b>	<b>67,782,475</b>	<b>C</b>	<b>84,022,651</b>		<b>(16,240,176)</b>
(A+B) = C					
PayGo 15% Bonus program	(2,855,820)	D			(2,855,820)
<b>Net Cost of Project After State Housing Aid Revenue to the Town</b>	<b>64,926,655</b>	<b>E</b>	<b>84,022,651</b>		<b>(19,095,996)</b>
(C+D) = E					
<b>True costshare of project to taxpayers</b>	<b>46.26%</b>	<b>F</b>	<b>57.20%</b>		<b>-10.94%</b>
(E/A) = F					

We would pay more principal with financing. No direct Pay-go "reduction"

Interest Cost will be larger due to more principal financed

Difference in Housing Aid (57.8% vs 42.8%)

State funded PayGo program

Additional Housing Aid if we meet Bonus Requirement (15%).

# Total Financed Cost of School Bond

## School Bond

### Interest

2023- Interest Only until Completion of School	\$87,725
2024- Interest Only until Completion of School	\$400,000
2025- Interest Only until Completion of School	\$893,750
2025- Interest Only until Completion of School	\$1,751,066
2026-2050 Bond Interest Expense	\$47,850,000
<b>Total Bond Interest Expense</b>	<b>I \$50,982,541</b>

### Principal

<b>Total Amount of Bond Principal Expense</b>	<b>P \$81,235,000</b>
---	-----------------------

<b>Total Financed Cost of School</b>	<b>A \$132,217,541</b>
--------------------------------------	------------------------

(I + P = A)

State Funded Housing Aid @ 57.80% Reimbursement	<b>B (\$64,435,066)</b>
---	-------------------------

**Housing Aid would be received yearly, following the year of submission of bond debt to RIDE. This will be Shown on the Town Budget As Revenue**

<b>Total Cost of School to be Funded by Taxpayers</b>	<b>C \$67,782,475</b>
---	-----------------------

( A + B = C Cost to taxpayer)

		New School Bond (Revenue)	New School Bond (Debt Expense)	Net Increase in Expenses to be Budgeted
Period of Bond Pymt	FYE	Housing State Aid-Relating Strictly with Potential School Bond	(Principal & Interest) Bond Debt Service For New School Bond @57.8%	NET COST TO THE TOWN after Housing Aid
	Interest 2023	\$0	87,725	(87,725)
	Interest 2024	\$0	400,000	(400,000)
	Interest 2025	\$0	2,644,816	(2,644,816)
	1 2026	\$4,203,617	6,789,400	(2,585,783)
	2 2027	\$2,510,717	5,097,800	(2,587,083)
	3 2028	\$2,510,914	5,098,200	(2,587,286)
	4 2029	\$2,509,535	5,095,400	(2,585,865)
	5 2030	\$2,509,043	5,094,400	(2,585,357)
	6 2031	\$2,509,338	5,095,000	(2,585,662)
	7 2032	\$2,510,323	5,097,000	(2,586,677)
	8 2033	\$2,509,437	5,095,200	(2,585,763)
	9 2034	\$2,509,141	5,094,600	(2,585,459)
	10 2035	\$2,509,338	5,095,000	(2,585,662)
	11 2036	\$2,509,929	5,096,200	(2,586,271)
	12 2037	\$2,510,816	5,098,000	(2,587,184)
	13 2038	\$2,509,437	5,095,200	(2,585,763)
	14 2039	\$2,510,717	5,097,800	(2,587,083)
	15 2040	\$2,509,535	5,095,400	(2,585,865)
	16 2041	\$2,508,353	5,093,000	(2,584,647)
	17 2042	\$2,509,535	5,095,400	(2,585,865)
	18 2043	\$2,510,422	5,097,200	(2,586,778)
	19 2044	\$2,508,401	5,093,200	(2,584,799)
	20 2045	\$2,508,500	5,093,400	(2,584,900)
	21 2046	\$2,510,470	5,097,400	(2,586,930)
	22 2047	\$2,509,189	5,094,800	(2,585,611)
23 2048	\$2,509,583	5,095,600	(2,586,017)	
24 2049	\$2,508,992	5,094,400	(2,585,408)	
25 2050	\$2,509,784	5,096,000	(2,586,216)	
		<b>64,435,066</b>	<b>132,217,541</b>	<b>(67,782,475)</b>
		<b>Revenue</b>	<b>Expense</b>	<b>Revenue less Expense</b>

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

# Proposed School Debt Service for Bond-PFM

Town of Coventry

FOR DISCUSSION PURPOSES ONLY  
INTEREST RATES PRELIMINARY AND SUBJECT TO CHANGE

## School Bond Assumptions - Scenario III

<b>Project Amount:</b>	<b>\$ 89,384,022</b>
State Base Share Ratio:	42.80%
State Aid Ratio with Bonus:	57.80%
Total Aid:	\$ 72,584,119
Pay-Go Amount:	\$ 8,149,022
Annual Reimbursement:	\$ 64,435,097
<b>Bond Amount:</b>	<b>\$ 81,235,000</b>
<b>November 2021 BANS:</b>	<b>\$ 7,018,000</b>
Pay-Go:	\$ 5,082,000
Issue Date:	11/1/2021
Interest Rate:	1.25%
Term:	12 Months
<b>November 2022 BANS:</b>	<b>\$ 32,000,000</b>
Pay-Go:	\$ 3,067,022
Issue Date:	11/1/2022
Interest Rate:	1.25%
Term:	12 Months
<b>November 2023 BANS:</b>	<b>\$ 71,500,000</b>
Issue Date:	11/1/2023
Interest Rate:	1.25%
Term:	12 Months
<b>November 2024 Bond:</b>	<b>\$ 81,235,000</b>
Issue Date:	11/1/2024
Interest Rate:	4.00%
Term:	25 Year
Project Substantial Completion Date:	6/30/2025
Project Eligible for Aid:	6/30/2026

Period Ending	November 2021 BANS Interest	November 2022 BANS Interest	November 2023 BANS Interest
6/30/2023	\$ 87,725	\$ -	\$ -
6/30/2024	-	400,000	-
6/30/2025	-	-	893,750
6/30/2026	-	-	-
6/30/2027	-	-	-
6/30/2028	-	-	-
6/30/2029	-	-	-
6/30/2030	-	-	-
6/30/2031	-	-	-
6/30/2032	-	-	-
6/30/2033	-	-	-
6/30/2034	-	-	-
6/30/2035	-	-	-
6/30/2036	-	-	-
6/30/2037	-	-	-
6/30/2038	-	-	-
6/30/2039	-	-	-
6/30/2040	-	-	-
6/30/2041	-	-	-
6/30/2042	-	-	-
6/30/2043	-	-	-
6/30/2044	-	-	-
6/30/2045	-	-	-
6/30/2046	-	-	-
6/30/2047	-	-	-
6/30/2048	-	-	-
6/30/2049	-	-	-
6/30/2050	-	-	-
<b>Totals</b>	<b>\$ 87,725</b>	<b>\$ 400,000</b>	<b>\$ 893,750</b>

Period Ending	November 2024 School Bonds				Total School Net Debt Service
	Principal	Interest	State Aid	Net Debt Service	
6/30/2023	\$ -	\$ -	\$ -	\$ -	\$ 87,725
6/30/2024	-	-	-	-	400,000
6/30/2025	-	1,751,066	-	-	2,644,816
6/30/2026	3,540,000	3,249,400	(4,203,617)	2,585,783	2,585,783
6/30/2027	1,990,000	3,107,800	(2,510,717)	2,587,083	2,587,083
6/30/2028	2,070,000	3,028,200	(2,510,914)	2,587,286	2,587,286
6/30/2029	2,150,000	2,945,400	(2,509,535)	2,585,865	2,585,865
6/30/2030	2,235,000	2,859,400	(2,509,043)	2,585,357	2,585,357
6/30/2031	2,325,000	2,770,000	(2,509,338)	2,585,662	2,585,662
6/30/2032	2,420,000	2,677,000	(2,510,323)	2,586,677	2,586,677
6/30/2033	2,515,000	2,580,200	(2,509,437)	2,585,763	2,585,763
6/30/2034	2,615,000	2,479,600	(2,509,141)	2,585,459	2,585,459
6/30/2035	2,720,000	2,375,000	(2,509,338)	2,585,662	2,585,662
6/30/2036	2,830,000	2,266,200	(2,509,929)	2,586,271	2,586,271
6/30/2037	2,945,000	2,153,000	(2,510,816)	2,587,184	2,587,184
6/30/2038	3,060,000	2,035,200	(2,509,437)	2,585,763	2,585,763
6/30/2039	3,185,000	1,912,800	(2,510,717)	2,587,083	2,587,083
6/30/2040	3,310,000	1,785,400	(2,509,535)	2,585,865	2,585,865
6/30/2041	3,440,000	1,653,000	(2,508,353)	2,584,647	2,584,647
6/30/2042	3,580,000	1,515,400	(2,509,535)	2,585,865	2,585,865
6/30/2043	3,725,000	1,372,200	(2,510,422)	2,586,778	2,586,778
6/30/2044	3,870,000	1,223,200	(2,508,401)	2,584,799	2,584,799
6/30/2045	4,025,000	1,068,400	(2,508,500)	2,584,901	2,584,901
6/30/2046	4,190,000	907,400	(2,510,470)	2,586,931	2,586,931
6/30/2047	4,355,000	739,800	(2,509,189)	2,585,611	2,585,611
6/30/2048	4,530,000	565,600	(2,509,583)	2,586,017	2,586,017
6/30/2049	4,710,000	384,400	(2,508,992)	2,585,408	2,585,408
6/30/2050	4,900,000	196,000	(2,509,780)	2,586,220	2,586,220
<b>Totals</b>	<b>\$ 81,235,000</b>	<b>\$ 49,601,066</b>	<b>\$ (64,435,066)</b>	<b>\$ 64,649,934</b>	<b>\$ 67,782,474</b>

# Total Debt Service- Bonds

## Net Debt Service

### Total Bonds

Slide 9 Net Debt Service Existing Bonds \$47,786,994

Slide 6 Potential New School Bond \$132,217,541 \*

Total Bond Interest & Principal Expense \$180,004,535

Slide 10 Total Sewer Debt \$22,330,133

**A Total Bond Debt Service \$202,334,668**

Slide 5 **B State Housing Aid @ 57.80% Reimbursement (\$64,435,066) \***

Housing Aid would be received yearly, following the year of submission of bond debt to RIDE. This will be Shown on the Town Budget As Revenue

A-B=C **C Total Bond Debt w/ New School \$137,899,602**

With State Aid Housing Aid Revenue

Recognized Over the 25 year Bond

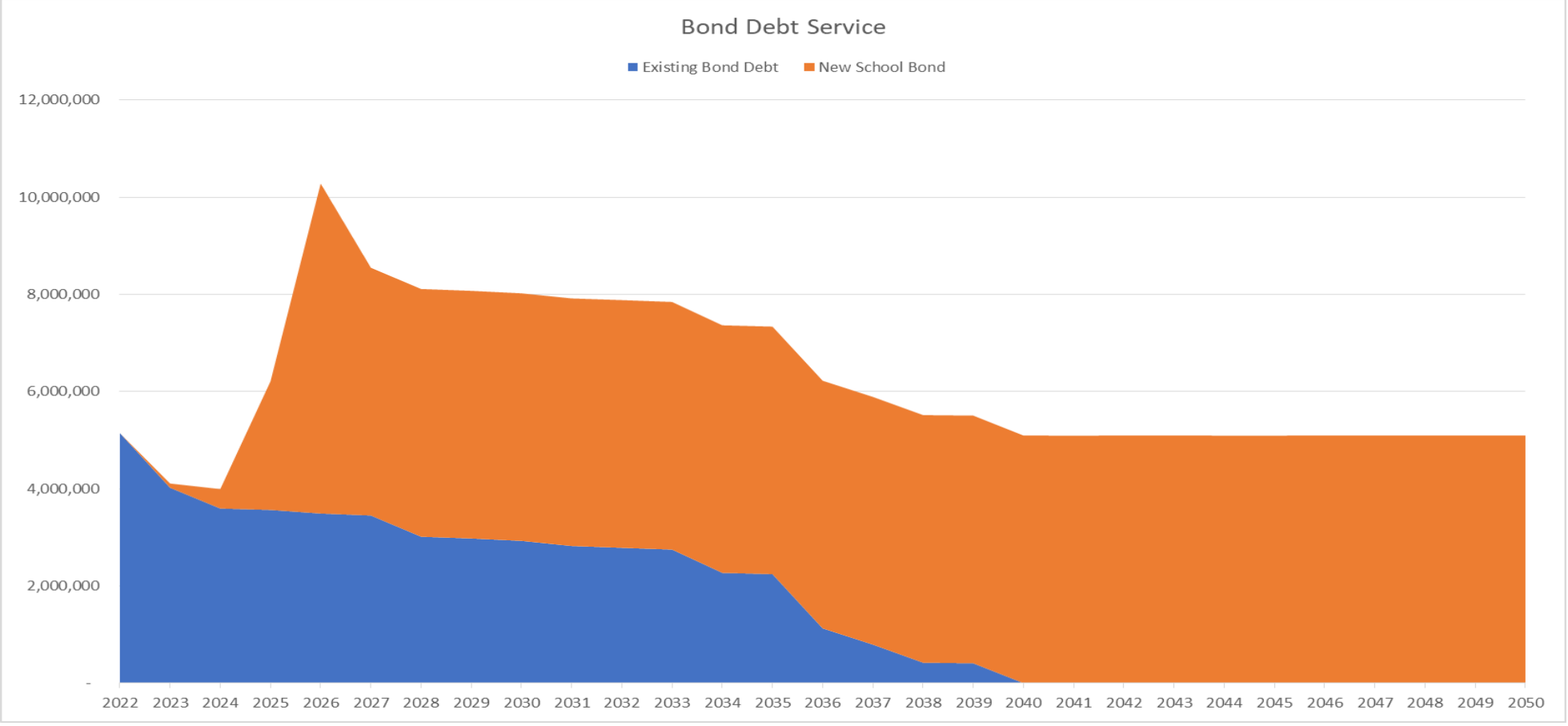
\* If School Bond Passes

*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) includes school and town	(Principal & Interest) Bond Debt Service For New School Bond @57.8%	Total Debt with School Bond
Period of Bond Pymt	FYE			
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

# Total Debt Service Chart- Bonds





# Debt Service- Town Bonds

## NET DEBT SERVICE

### 2021 Debt Book Coventry RI 2021 Aggregate GO Debt

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

**PFM Financial Advisors LLC**  
100 High Street  
23rd Floor  
Boston, MA 02110

# Debt Service- Sewer Bonds

## NET DEBT SERVICE

### Coventry RI Sewer Debt 2021 Coventry RI 2021 Aggregate Sewer Debt

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

**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 Concerns

---

## Revenue

- An annual tax levy of  $\leq 3\%$  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 every year 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.



# Debt Margin

<b>Coventry's Debt Margin</b>	<b>6/30/2020</b>	<b>6/30/2021</b>	<b>6/30/2022</b>	<b>With Bond</b>
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:				
<i>Less : GO Bonds only</i>	(31,645,000.00)	(30,060,000.00)	(28,385,000.00)	(28,385,000.00)
<i>Less : GO Bonds only</i>				(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?

