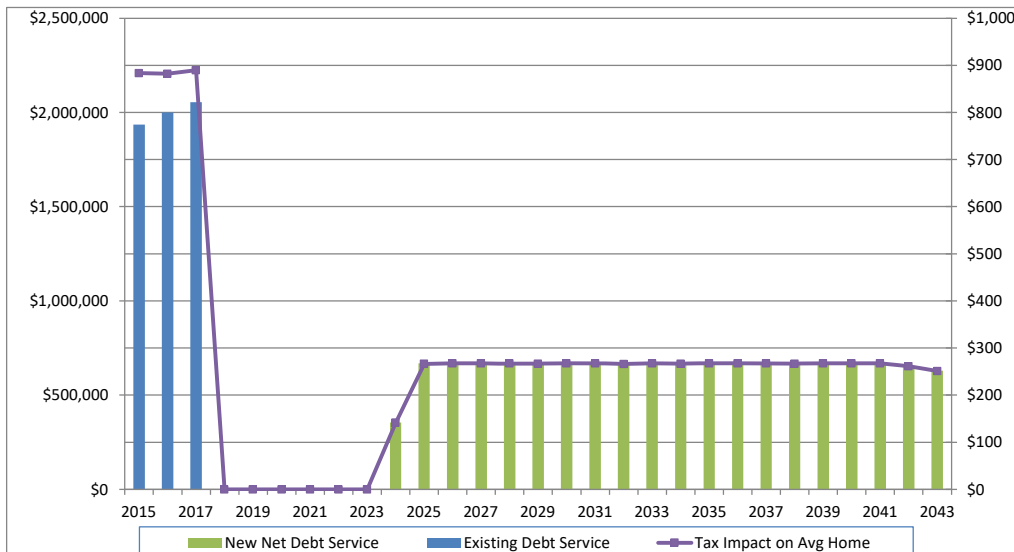




\$12,807,000
Watchung Borough Board of Education
Preliminary Analysis of Tax Impact - SUMMARY
20 Years - Conforming Maturity

<u>Assumptions</u>	
Par Amount of Bonds:	\$12,807,000
Bond Term:	20 Years
Bond Structure:	Conforming Maturity
Borrowing Rate:	4.25%
2022 Assessed Valuation:	\$1,908,500,900
Assessed Valuation Growth:	No Growth
2022 Average Home Assessed Valuation:	\$760,895
State Aid for Debt Service:	32.92%*

<u>Tax Impact Summary</u>			
	<u>Per \$100 of A.V.</u>	<u>For Every \$100,000 of A.V.</u>	<u>On \$760,895 Avg Home A.V.</u>
<u>New Net Debt Tax Impact</u>			
First Year Impact (FY2024):	\$0.019	\$18.60	\$141.53
Average Annual Impact:	\$0.034	\$34.14	\$259.76
Total Net Debt Service:		\$13,030,970	
Average Annual Net Debt Service:		\$651,548	
<u>Existing Debt Tax Impact</u>			
First Year Impact (FY2024):	\$0.000	\$0.00	\$0.00
<u>Total Debt Tax Impact</u>			
First Year Impact (FY2024):	\$0.019	\$18.60	\$141.53
Average Annual Impact:	\$0.034	\$34.00	\$259.76



* Estimated based PEC Letters. State Aid has been reduced by 15% to reflect the reduction in aid imposed on school districts over the past several years.



\$12,807,000
Watchung Borough Board of Education
Somerset County, New Jersey
School Bonds, Series 2023

Conforming Maturity - 20 Years - Question 1

Preliminary Analysis of Impact on Board of Education Budget

Fiscal Year Ending 6/30	Gross New Debt Service			Net New Debt Service		Assessed Value	Impact on Budget Debt	
	Principal	Interest	Total D/S	State Aid	Net D/S		Per \$100 A.V.	Home at \$760,895
2015						1,666,087,434	0.116	883.55
2016						1,724,988,537	0.116	881.80
2017						1,756,744,611	0.117	889.49
2018						1,797,883,724		
2019						1,801,787,004		
2020						1,816,800,254		
2021						1,836,075,954		
2022						1,908,500,900		
2023						1,908,500,900		
2024		529,178	529,178	(174,215)	354,964	1,908,500,900	0.019	141.53
2025	452,000	544,298	996,298	(327,998)	668,299	1,908,500,900	0.035	266.47
2026	475,000	525,088	1,000,088	(329,246)	670,841	1,908,500,900	0.035	267.45
2027	495,000	504,900	999,900	(329,184)	670,716	1,908,500,900	0.035	267.38
2028	515,000	483,863	998,863	(328,843)	670,020	1,908,500,900	0.035	267.15
2029	535,000	461,975	996,975	(328,221)	668,754	1,908,500,900	0.035	266.62
2030	560,000	439,238	999,238	(328,966)	670,271	1,908,500,900	0.035	267.23
2031	585,000	415,438	1,000,438	(329,361)	671,076	1,908,500,900	0.035	267.53
2032	605,000	390,575	995,575	(327,760)	667,815	1,908,500,900	0.035	266.24
2033	635,000	364,863	999,863	(329,172)	670,691	1,908,500,900	0.035	267.38
2034	660,000	337,875	997,875	(328,518)	669,357	1,908,500,900	0.035	266.85
2035	690,000	309,825	999,825	(329,160)	670,665	1,908,500,900	0.035	267.38
2036	720,000	280,500	1,000,500	(329,382)	671,118	1,908,500,900	0.035	267.53
2037	750,000	249,900	999,900	(329,184)	670,716	1,908,500,900	0.035	267.38
2038	780,000	218,025	998,025	(328,567)	669,458	1,908,500,900	0.035	266.92
2039	815,000	184,875	999,875	(329,176)	670,699	1,908,500,900	0.035	267.38
2040	850,000	150,238	1,000,238	(329,295)	670,942	1,908,500,900	0.035	267.53
2041	885,000	114,113	999,113	(328,925)	670,187	1,908,500,900	0.035	267.23
2042	900,000	76,500	976,500	(321,481)	655,019	1,908,500,900	0.034	261.14
2043	900,000	38,250	938,250	(308,888)	629,362	1,908,500,900	0.033	250.94
TOTAL	\$12,807,000	\$6,619,513	\$19,426,513	(6,395,543)	13,030,970			

New Issue Average Tax Impact:

Per \$100 Assessed Value:	\$0.034
For Every \$100,000 of Assessed Value:	\$34.14
Home at \$760,895 (Average Assessment):	\$259.76

Assumptions:

Borrowing Rate:	4.250%
State Aid for Debt Service:	32.92% *
Assessed Value Growth Rate:	0.00%
Amortization:	20 Years

Key Dates:

Dated:	01/25/23
Delivery:	01/25/23
First Interest:	07/15/23
First Maturity:	01/15/25
Last Maturity:	01/15/43

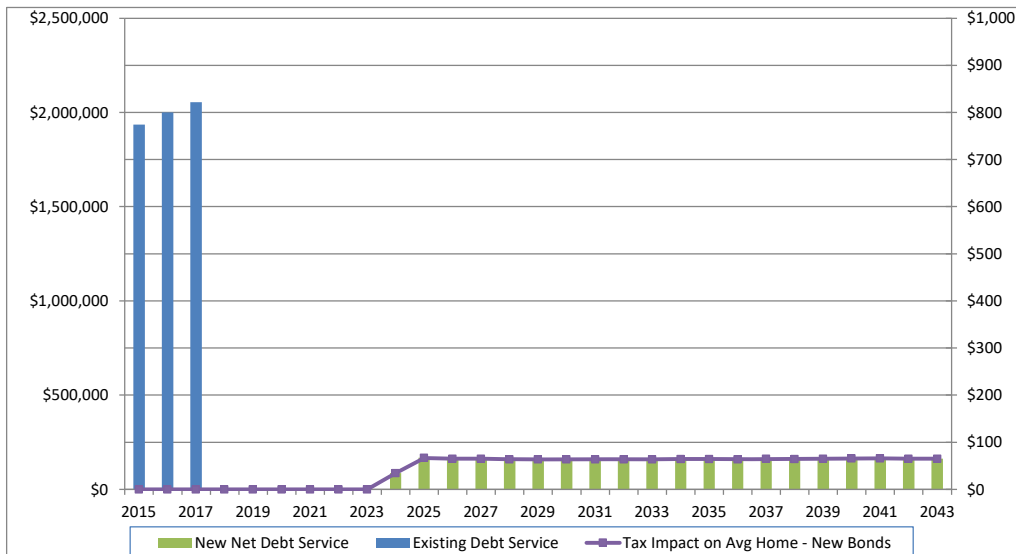
* Estimated based PEC Letters. State Aid has been reduced by 15% to reflect the reduction in aid imposed on school districts over the past several years.



\$2,926,000
Watchung Borough Board of Education
Preliminary Analysis of Tax Impact - SUMMARY
20 Years - Conforming Maturity

<u>Assumptions</u>	
Par Amount of Bonds:	\$2,926,000
Bond Term:	20 Years
Bond Structure:	Conforming Maturity
Borrowing Rate:	4.25%
2022 Assessed Valuation:	\$1,908,500,900
Assessed Valuation Growth:	No Growth
2022 Average Home Assessed Valuation:	\$760,895
State Aid for Debt Service:	28.69%*

<u>Tax Impact Summary</u>			
	<u>Per \$100 of A.V.</u>	<u>For Every \$100,000 of A.V.</u>	<u>On \$760,895 Avg Home A.V.</u>
<u>New Net Debt Tax Impact</u>			
First Year Impact (FY2024):	\$0.005	\$4.52	\$34.39
Average Annual Impact:	\$0.008	\$8.30	\$63.16
Total Net Debt Service:		\$3,168,643	
Average Annual Net Debt Service:		\$158,432	
<u>Existing Debt Tax Impact</u>			
First Year Impact (FY2024):	\$0.000	\$0.00	\$0.00
<u>Total Debt Tax Impact</u>			
First Year Impact (FY2024):	\$0.005	\$4.52	\$34.39
Average Annual Impact:	\$0.008	\$8.00	\$63.16



* Estimated based PEC Letters. State Aid has been reduced by 15% to reflect the reduction in aid imposed on school districts over the past several years.



\$2,926,000
Watchung Borough Board of Education
Somerset County, New Jersey
School Bonds, Series 2023

Conforming Maturity - 20 Years - Question 2

Preliminary Analysis of Impact on Board of Education Budget

Fiscal Year Ending 6/30	Gross New Debt Service			Net New Debt Service		Assessed Value	Impact on Budget	
	Principal	Interest	Total D/S	State Aid	Net D/S		Debt	
							Per \$100 A.V.	Home at \$760,895
2015						1,666,087,434	0.116	883.55
2016						1,724,988,537	0.116	881.80
2017						1,756,744,611	0.117	889.49
2018						1,797,883,724		
2019						1,801,787,004		
2020						1,816,800,254		
2021						1,836,075,954		
2022						1,908,500,900		
2023						1,908,500,900		
2024		120,901	120,901	(34,687)	86,214	1,908,500,900	0.005	34.39
2025	111,000	124,355	235,355	(67,524)	167,831	1,908,500,900	0.009	66.88
2026	110,000	119,638	229,638	(65,884)	163,754	1,908,500,900	0.009	65.28
2027	115,000	114,963	229,963	(65,977)	163,986	1,908,500,900	0.009	65.36
2028	115,000	110,075	225,075	(64,575)	160,500	1,908,500,900	0.008	63.99
2029	120,000	105,188	225,188	(64,607)	160,581	1,908,500,900	0.008	63.99
2030	125,000	100,088	225,088	(64,578)	160,509	1,908,500,900	0.008	63.99
2031	130,000	94,775	224,775	(64,489)	160,286	1,908,500,900	0.008	63.92
2032	135,000	89,250	224,250	(64,338)	159,912	1,908,500,900	0.008	63.76
2033	140,000	83,513	223,513	(64,126)	159,386	1,908,500,900	0.008	63.53
2034	150,000	77,563	227,563	(65,288)	162,274	1,908,500,900	0.009	64.68
2035	155,000	71,188	226,188	(64,894)	161,294	1,908,500,900	0.008	64.30
2036	160,000	64,600	224,600	(64,438)	160,162	1,908,500,900	0.008	63.84
2037	170,000	57,800	227,800	(65,356)	162,444	1,908,500,900	0.009	64.75
2038	175,000	50,575	225,575	(64,718)	160,857	1,908,500,900	0.008	64.14
2039	185,000	43,138	228,138	(65,453)	162,684	1,908,500,900	0.009	64.83
2040	195,000	35,275	230,275	(66,067)	164,208	1,908,500,900	0.009	65.44
2041	205,000	26,988	231,988	(66,558)	165,430	1,908,500,900	0.009	65.97
2042	210,000	18,275	228,275	(65,493)	162,782	1,908,500,900	0.009	64.90
2043	220,000	9,350	229,350	(65,801)	163,549	1,908,500,900	0.009	65.21
TOTAL	\$2,926,000	\$1,517,493	\$4,443,493	(1,274,850)	3,168,643			

New Issue Average Tax Impact:

Per \$100 Assessed Value:	\$0.008
For Every \$100,000 of Assessed Value:	\$8.30
Home at \$760,895 (Average Assessment):	\$63.16

Assumptions:

Borrowing Rate:	4.250%
State Aid for Debt Service:	28.69% *
Assessed Value Growth Rate:	0.00%
Amortization:	20 Years

Key Dates:

Dated:	01/25/23
Delivery:	01/25/23
First Interest:	07/15/23
First Maturity:	01/15/25
Last Maturity:	01/15/43

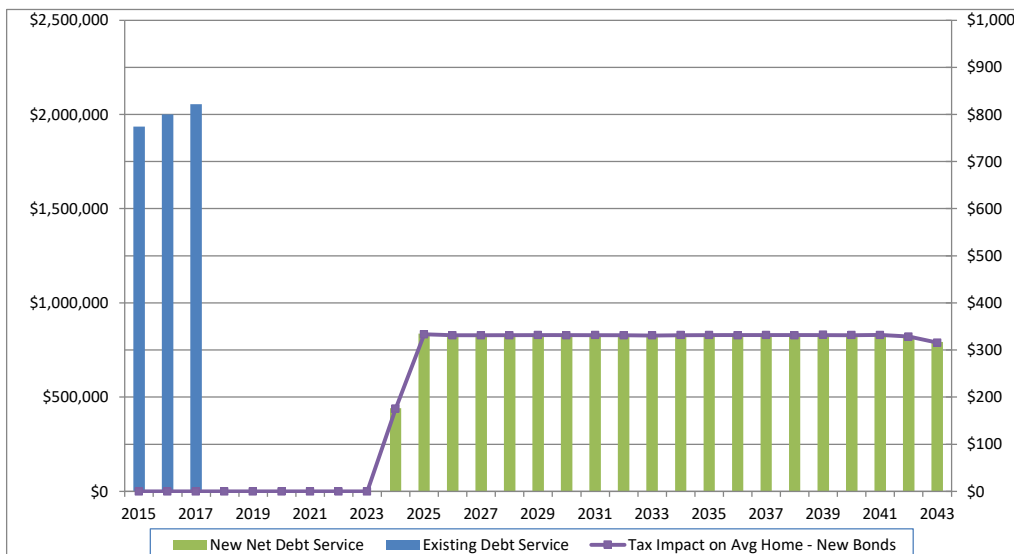
* Estimated based PEC Letters. State Aid has been reduced by 15% to reflect the reduction in aid imposed on school districts over the past several years.



\$15,734,000
Watchung Borough Board of Education
Preliminary Analysis of Tax Impact - SUMMARY
20 Years - Conforming Maturity

<u>Assumptions</u>	
Par Amount of Bonds:	\$15,734,000
Bond Term:	20 Years
Bond Structure:	Conforming Maturity
Borrowing Rate:	4.25%
2022 Assessed Valuation:	\$1,908,500,900
Assessed Valuation Growth:	No Growth
2022 Average Home Assessed Valuation:	\$760,895
State Aid for Debt Service:	32.13%*

<u>Tax Impact Summary</u>			
	<u>Per \$100 of A.V.</u>	<u>For Every \$100,000 of A.V.</u>	<u>On \$760,895 Avg Home A.V.</u>
<u>New Net Debt Tax Impact</u>			
First Year Impact (FY2024):	\$0.023	\$23.12	\$175.92
Average Annual Impact:	\$0.042	\$42.45	\$322.97
Total Net Debt Service:		\$16,201,772	
Average Annual Net Debt Service:		\$810,089	
<u>Existing Debt Tax Impact</u>			
First Year Impact (FY2024):	\$0.000	\$0.00	\$0.00
<u>Total Debt Tax Impact</u>			
First Year Impact (FY2024):	\$0.023	\$23.12	\$175.92
Average Annual Impact:	\$0.042	\$42.00	\$322.97



* Estimated based PEC Letters. State Aid has been reduced by 15% to reflect the reduction in aid imposed on school districts over the past several years.



\$15,734,000
Watchung Borough Board of Education
Somerset County, New Jersey
School Bonds, Series 2023

Conforming Maturity - 20 Years - Total Both Questions

Preliminary Analysis of Impact on Board of Education Budget

Fiscal Year Ending 6/30	Gross New Debt Service			Net New Debt Service		Assessed Value	Impact on Budget	
	Principal	Interest	Total D/S	State Aid	Net D/S		Debt	
							Per \$100 A.V.	Home at \$760,895
2015						1,666,087,434	0.116	883.55
2016						1,724,988,537	0.116	881.80
2017						1,756,744,611	0.117	889.49
2018						1,797,883,724		
2019						1,801,787,004		
2020						1,816,800,254		
2021						1,836,075,954		
2022						1,908,500,900		
2023						1,908,500,900		
2024		650,120	650,120	(208,914)	441,206	1,908,500,900	0.023	175.92
2025	564,000	668,695	1,232,695	(396,123)	836,572	1,908,500,900	0.044	333.50
2026	580,000	644,725	1,224,725	(393,562)	831,163	1,908,500,900	0.044	331.37
2027	605,000	620,075	1,225,075	(393,674)	831,401	1,908,500,900	0.044	331.45
2028	630,000	594,363	1,224,363	(393,445)	830,917	1,908,500,900	0.044	331.29
2029	660,000	567,588	1,227,588	(394,482)	833,106	1,908,500,900	0.044	332.13
2030	685,000	539,538	1,224,538	(393,502)	831,036	1,908,500,900	0.044	331.29
2031	715,000	510,425	1,225,425	(393,787)	831,638	1,908,500,900	0.044	331.60
2032	745,000	480,038	1,225,038	(393,662)	831,375	1,908,500,900	0.044	331.45
2033	775,000	448,375	1,223,375	(393,128)	830,247	1,908,500,900	0.044	330.99
2034	810,000	415,438	1,225,438	(393,791)	831,647	1,908,500,900	0.044	331.60
2035	845,000	381,013	1,226,013	(393,975)	832,037	1,908,500,900	0.044	331.75
2036	880,000	345,100	1,225,100	(393,682)	831,418	1,908,500,900	0.044	331.45
2037	920,000	307,700	1,227,700	(394,518)	833,182	1,908,500,900	0.044	332.21
2038	955,000	268,600	1,223,600	(393,200)	830,400	1,908,500,900	0.044	331.07
2039	1,000,000	228,013	1,228,013	(394,618)	833,394	1,908,500,900	0.044	332.28
2040	1,040,000	185,513	1,225,513	(393,815)	831,698	1,908,500,900	0.044	331.60
2041	1,085,000	141,313	1,226,313	(394,072)	832,241	1,908,500,900	0.044	331.83
2042	1,120,000	95,200	1,215,200	(390,501)	824,699	1,908,500,900	0.043	328.78
2043	1,120,000	47,600	1,167,600	(375,205)	792,395	1,908,500,900	0.042	315.92
TOTAL	\$15,734,000	\$8,139,428	\$23,873,428	(7,671,655)	16,201,772			

New Issue Average Tax Impact:	
Per \$100 Assessed Value:	\$0.042
For Every \$100,000 of Assessed Value:	\$42.45
Home at \$760,895 (Average Assessment):	\$322.97

Assumptions:

Borrowing Rate: 4.250%
State Aid for Debt Service: 32.13% *
Assessed Value Growth Rate: 0.00%
Amortization: 20 Years

Key Dates:

Dated: 01/25/23
Delivery: 01/25/23
First Interest: 07/15/23
First Maturity: 01/15/25
Last Maturity: 01/15/43

* Estimated based PEC Letters. State Aid has been reduced by 15% to reflect the reduction in aid imposed on school districts over the past several years.