



# Debt Estimates Hanlon School Building Project

**DRAFT**

**February 2021**

# Long Term Debt Outstanding – General Fund

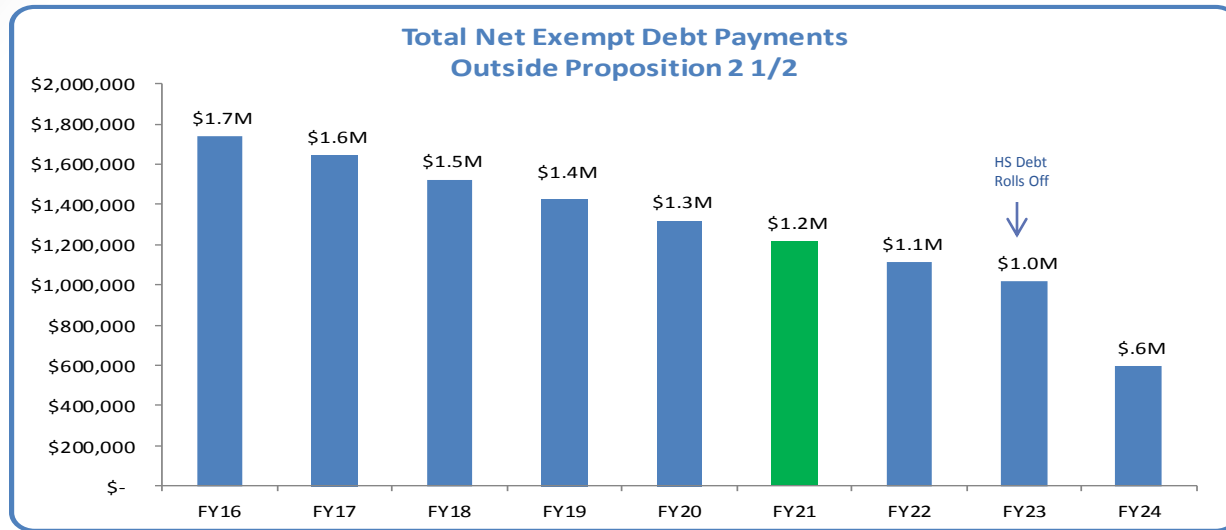
Description	Rate of Interest	Date Issued	Maturity Date	Amount Issued	Total Outstanding 30-Jun-21
Outside of Prop 2 1/2					
High School Project	1.63	5/2012	06/01/2023	\$39,262,300	\$3,540,000
Library Construction	3.37	3/10/11	03/10/2031	\$9,300,000	\$4,650,000
Within Prop 2 1/2					
High School Completion	3.48	8/01/08	02/01/2023	\$1,950,000	\$260,000
Middle Sch Modular Construction	3.79	6/15/09	06/15/2029	\$3,500,000	\$1,400,000
School Roof	1.43	12/20/12	06/01/2022	\$935,000	\$89,000
DPW Roads/Equipment	1.43	12/20/12	06/01/2022	\$3,700,000	\$366,000
DPW Roads/Equipment	1.62	05/15/14	05/15/2024	\$1,400,000	\$420,000
Design Fire Station	2.66	9/1/2015	09/01/2035	\$850,000	\$637,500
Construct Fire Station	2.66	9/1/2015	09/01/2035	\$8,650,000	\$6,487,500
LED Lights Upgrade	2.66	9/1/2015	09/01/2025	\$500,000	\$250,000
Cemetery Expansion	2.66	9/1/2015	09/01/2020	\$450,000	\$0
Deerfield Rd/Parking Imprvments	2.42	9/1/2016	06/30/2026	\$2,000,000	\$1,000,000
Land Purchase	2.42	9/1/2016	06/30/2026	\$890,000	\$440,000
Police Station Design	2.42	9/1/2016	06/30/2045	\$1,000,000	\$825,000
Police Station Construction	2.42	9/1/2016	06/30/2046	\$12,755,000	\$10,625,000
<b>Total General Fund</b>					<b>\$30,990,000</b>

**General Fund Debt Authorized - Not Yet Issued Long Term**

School MSBA Eligibility Phase	ATM 2018	\$1,750,000
Redevelopment Islington /Wentworth Library	ATM 2018	\$3,500,000
Road Improvement Project	ATM 2019	\$900,000
DPW Equipment	ATM 2020	\$325,000
Road Improvement Project	ATM 2020	\$4,650,000
<b>Total</b>		<b>\$11,125,000</b>

Short term debt outstanding: \$3,150,000 one year Ban issued 6/2/2020.

# Total Net Exempt Debt – Outside Proposition 2 1/2

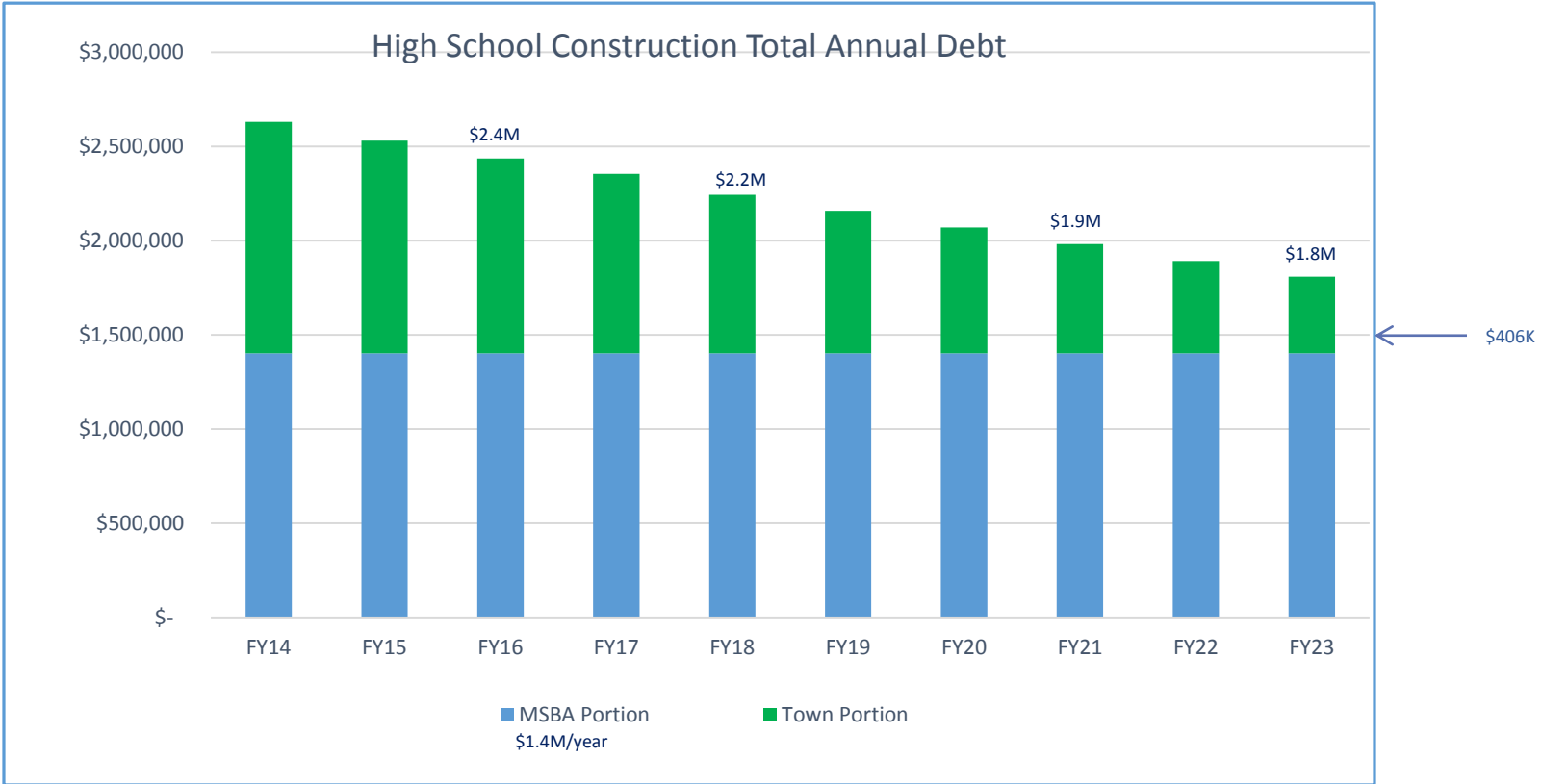


## Debt outside of Proposition 2 ½

- High School and Library Bonds.
- Principal and interest payments for projects approved outside Proposition 2 ½.
- Exact amount of debt cost, net of state school reimbursement, is raised in taxes.
- When bond ends, exempt taxes end.
- FY21: High School \$573K, Library \$644K.
- High School bond ends FY2023, Library FY2031.
- Payments decline approximately \$100K per year.
  
- High School bond ends 2023
  - Debt roll off comes as Elementary School Project begins
  - FY23 High School net amount - \$406K

# High School Remaining Debt

## Subsidized with MSBA Funding



- Annual debt declines each year.
- MSBA subsidy is level at \$1.4M.
- Net Town portion declines each year.
- FY23 High School net amount \$406K.
- High School Project
  - Total net cost to average house \$4,693 or an average of \$233/year for 20 years

# Debt Estimates

## Construction of New Hanlon/Deerfield Elementary School

Estimated Total Cost:	\$86,834,207
• MSBA estimated effective reimbursement at 21.29% rate:	<u>\$18,486,628</u>
• Town Estimated Cost:	\$68,347,579

Bond issued as 30 year level debt service payment

	<b>Annual Principal and Interest Debt Service at 4%/30 Years</b>	<b>Cost per \$100,000 of Home Value</b>	<b>Cost per Department of Revenue Average Home FY21 Value of \$837,300 FY21 Tax Bill \$12,375</b>
Total Cost	\$119,575,285	\$2,117	\$17,728
Average Annual Cost	\$3,985,843	\$71	\$591

The current \$44M 20 year High School bond, reimbursed at 59% by MSBA, will be completed in FY2023.

- At the time of the last debt payment, the \$406K currently raised in taxes, would service an approximate \$7M, 4%, 30 year bond.

Last Year of Payment – Impact of Roll off	(\$406,000)	(\$7.20)	(\$60)
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