

School Options - Financial Models

Public Forum
Saturday, March 19, 2016



School Options

	<u>Option 1</u>	<u>Option 2</u>	<u>Option 2b</u>
New Elementary School	24,457,965	-	-
Efficiency savings over 28 years (2016 est. \$60,758; 3% inflation)	(2,493,218)	-	-
Repair Junior High	5,671,873	5,671,873	5,671,873
Repair Coffin	-	3,525,101	3,525,101
12 Unit Modular	-	2,604,778	2,604,778
Add'l 8 Unit Modular	-	-	1,366,750
	<u>\$27,636,620</u>	<u>\$11,801,752</u>	<u>\$13,168,502</u>

Basis/Assumptions for financial models

- Construction Estimates – PDT, March 2016
 - New Elementary School – 660 students / 86,500 sf
 - Repair Coffin – 396 students / 54,718 sf
 - Repair Junior High – 600 students / 98,834 sf
 - 12 Unit Modular – 14,076 sf
- Additional Modular costs – P.Caron, March 2016
 - 8 Unit Modular - \$1,361,000
 - Relocation costs - \$5,750
- Efficiency Savings estimate – P.Caron, January 2016
 - Utilities, Maintenance, Equipment, Security
 - New school estimated at HBS rate - \$2.59/sf
 - 3% annual inflation
- Interest rates for Debt Service
 - 10 years 2.50%
 - 25 years 3.00%



Brunswick School Dept.			
2014/2015 Operational costs			
Cost accts: 2600-2620-2640-2660-2670-2690			
Includes Utilities, Maintenance, Equipment, Security, Safety			
	Operating costs	SQ.FT.	Cost/SQ.FT.
Coffin School	284,793.00	57,440	4.96
Harriet Beecher Stowe	245,843.00	94,836	2.59
Brunswick Junior High	399,195.00	98,380	4.06
Brunswick High School	672,022.05	172,500	3.90
Hawthorne	82,983.00	23,490	3.53
Bus Garage	36,798.00	8,292	4.44
Totals	\$ 1,721,634.05	454,938	\$ 3.91
Option 1 - New Elementary School; Repair Junior High			
	Annual		
	Operating costs	SQ.FT.	Cost/SQ.FT.
Coffin School	284,793.00	57,440	4.96
New Elementary Sch	224,035.00	86,500	2.59
Est annual cost <u>reduction</u>	\$ 60,758.00	current dollars	

Using square foot cost from Harriet Beecher Stowe School

Option 1: New Elementary School; Repair Junior High

ASSUMPTIONS

	New Elementary	Junior High	Efficiency Savings	Current 1% Tax	\$395,000
Amount	\$24,457,965	\$5,671,873	\$ (60,758)	1% Tax Growth	0.00%
Term	25	10			
Rate	3.00%	2.50%	3.00%		\$24,457,965
Start Year	4	1	4	Construction Inflation	3.00%

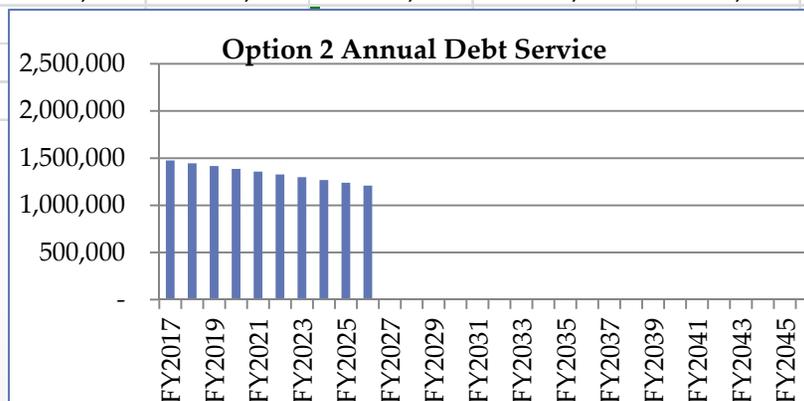
	Year	Principal	Interest	Principal	Interest	Efficiency Savings	Annual Debt Service Less Efficiency Savings	YOY Tax Impact	Cost per \$115,700 property	1% Tax Impact
FY2016	0						-			395,000
FY2017	1			567,187	141,797		708,984	1.79%	58.90	395,000
FY2018	2			567,187	127,617		694,804	-0.04%	57.72	395,000
FY2019	3			567,187	113,437		680,625	-0.04%	56.54	395,000
FY2020	4	978,319	733,739	567,187	99,258	(68,384)	2,310,119	4.13%	191.90	395,000
FY2021	5	978,319	704,389	567,187	85,078	(70,435)	2,264,538	-0.12%	188.11	395,000
FY2022	6	978,319	675,040	567,187	70,898	(72,548)	2,218,896	-0.12%	184.32	395,000
FY2023	7	978,319	645,690	567,187	56,719	(74,725)	2,173,190	-0.12%	180.53	395,000
FY2024	8	978,319	616,341	567,187	42,539	(76,966)	2,127,419	-0.12%	176.72	395,000
FY2025	9	978,319	586,991	567,187	28,359	(79,275)	2,081,581	-0.12%	172.92	395,000
FY2026	10	978,319	557,642	567,187	14,180	(81,654)	2,035,674	-0.12%	169.10	395,000
FY2027	11	978,319	528,292			(84,103)	1,422,507	-1.55%	118.17	395,000
FY2028	12	978,319	498,942			(86,626)	1,390,635	-0.08%	115.52	395,000
FY2029	13	978,319	469,593			(89,225)	1,358,686	-0.08%	112.87	395,000
FY2030	14	978,319	440,243			(91,902)	1,326,660	-0.08%	110.21	395,000
FY2031	15	978,319	410,894			(94,659)	1,294,553	-0.08%	107.54	395,000
FY2032	16	978,319	381,544			(97,499)	1,262,364	-0.08%	104.86	395,000
FY2033	17	978,319	352,195			(100,424)	1,230,090	-0.08%	102.18	395,000
FY2034	18	978,319	322,845			(103,436)	1,197,727	-0.08%	99.49	395,000
FY2035	19	978,319	293,496			(106,540)	1,165,275	-0.08%	96.80	395,000
FY2036	20	978,319	264,146			(109,736)	1,132,729	-0.08%	94.10	395,000
FY2037	21	978,319	234,796			(113,028)	1,100,087	-0.08%	91.38	395,000
FY2038	22	978,319	205,447			(116,419)	1,067,347	-0.08%	88.66	395,000
FY2039	23	978,319	176,097			(119,911)	1,034,505	-0.08%	85.94	395,000
FY2040	24	978,319	146,748			(123,509)	1,001,558	-0.08%	83.20	395,000
FY2041	25	978,319	117,398			(127,214)	968,503	-0.08%	80.45	395,000
FY2042	26	978,319	88,049			(131,030)	935,337	-0.08%	77.70	395,000
FY2043	27	978,319	58,699			(134,961)	902,057	-0.08%	74.93	395,000
FY2044	28	978,319	29,350			(139,010)	868,658	-0.08%	72.16	395,000
FY2045	29						-	-2.20%	-	395,000

Option 2: Repair Coffin and Junior High; 12 Classroom Modular

ASSUMPTIONS

	Coffin	Junior High	12 Classroom Modular	Current 1% Tax	\$395,000
Amount	\$3,525,101	\$5,671,873	\$2,604,728	1% Tax Growth	0.00%
Term	10	10	10		
Rate	2.50%	2.50%	2.50%		
Start Year	1	1	1	Construction Inflation	3.00%

	Year	Principal	Interest	Principal	Interest	Principal	Interest	Annual Debt Service	YOY Tax Impact	Cost per \$115,700 property	1% Tax Impact
FY2016	0							-			395,000
FY2017	1	352,510	88,128	567,187	141,797	260,473	65,118	1,475,213	3.73%	122.55	395,000
FY2018	2	352,510	79,315	567,187	127,617	260,473	58,606	1,445,708	-0.07%	120.09	395,000
FY2019	3	352,510	70,502	567,187	113,437	260,473	52,095	1,416,204	-0.07%	117.64	395,000
FY2020	4	352,510	61,689	567,187	99,258	260,473	45,583	1,386,700	-0.07%	115.19	395,000
FY2021	5	352,510	52,877	567,187	85,078	260,473	39,071	1,357,196	-0.07%	112.74	395,000
FY2022	6	352,510	44,064	567,187	70,898	260,473	32,559	1,327,691	-0.07%	110.29	395,000
FY2023	7	352,510	35,251	567,187	56,719	260,473	26,047	1,298,187	-0.07%	107.84	395,000
FY2024	8	352,510	26,438	567,187	42,539	260,473	19,535	1,268,683	-0.07%	105.39	395,000
FY2025	9	352,510	17,626	567,187	28,359	260,473	13,024	1,239,179	-0.07%	102.94	395,000
FY2026	10	352,510	8,813	567,187	14,180	260,473	6,512	1,209,674	-0.07%	100.49	395,000
FY2027	11								-3.06%	-	395,000
FY2028	12									-	
FY2029	13									-	

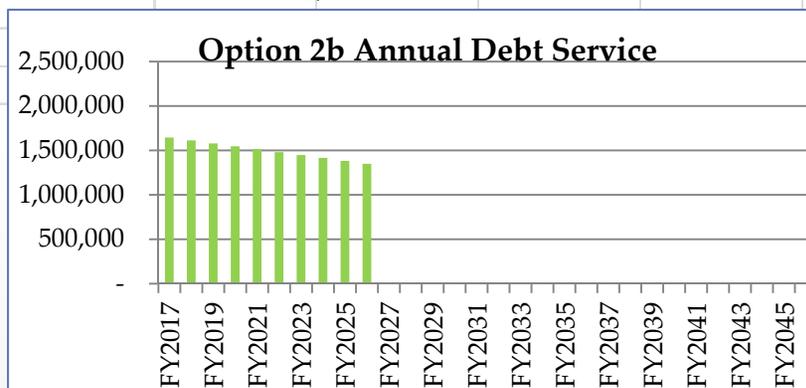


Option 2b: Repair Coffin and Junior High; 12 Classroom Modular plus 8 Classroom Modular

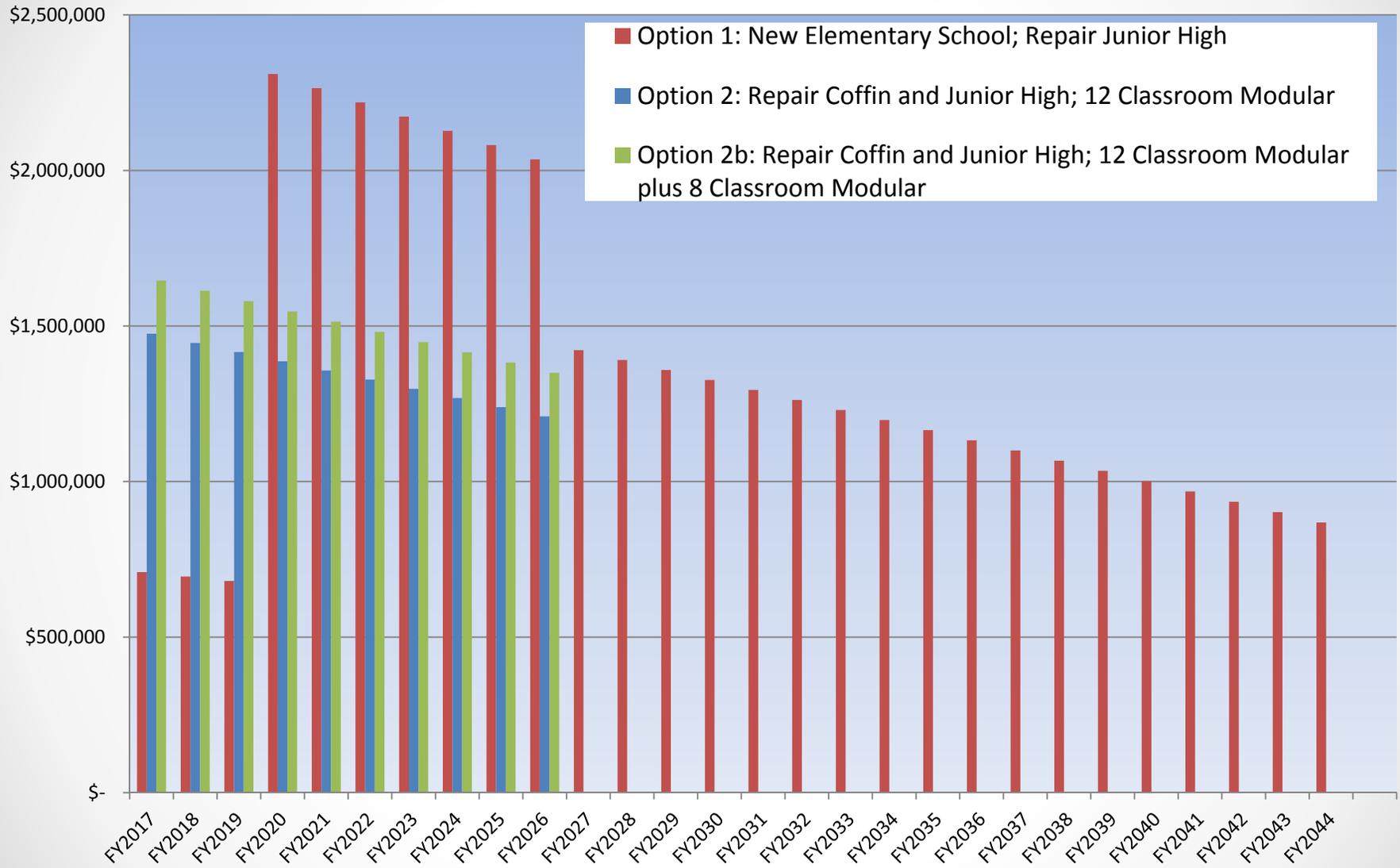
ASSUMPTIONS

	Coffin	Junior High	12 + 8 Classroom Modulares	Current 1% Tax	\$395,000
Amount	\$3,525,101	\$5,671,873	\$3,971,478	1% Tax Growth	0.00%
Term	10	10	10		
Rate	2.50%	2.50%	2.50%		
Start Year	1	1	1	Construction Inflation	3.00%

	Year	Principal	Interest	Principal	Interest	Principal	Interest	Annual Debt Service	YOY Tax Impact	Cost per \$115,700 property	1% Tax Impact
FY2016	0							-			395,000
FY2017	1	352,510	88,128	567,187	141,797	397,148	99,287	1,646,057	4.17%	136.74	395,000
FY2018	2	352,510	79,315	567,187	127,617	397,148	89,358	1,613,135	-0.08%	134.00	395,000
FY2019	3	352,510	70,502	567,187	113,437	397,148	79,430	1,580,214	-0.08%	131.27	395,000
FY2020	4	352,510	61,689	567,187	99,258	397,148	69,501	1,547,293	-0.08%	128.53	395,000
FY2021	5	352,510	52,877	567,187	85,078	397,148	59,572	1,514,372	-0.08%	125.80	395,000
FY2022	6	352,510	44,064	567,187	70,898	397,148	49,643	1,481,451	-0.08%	123.06	395,000
FY2023	7	352,510	35,251	567,187	56,719	397,148	39,715	1,448,530	-0.08%	120.33	395,000
FY2024	8	352,510	26,438	567,187	42,539	397,148	29,786	1,415,609	-0.08%	117.59	395,000
FY2025	9	352,510	17,626	567,187	28,359	397,148	19,857	1,382,687	-0.08%	114.86	395,000
FY2026	10	352,510	8,813	567,187	14,180	397,148	9,929	1,349,766	-0.08%	112.12	395,000
FY2027	11								-3.42%	-	395,000
FY2028	12									-	
FY2029	13									-	

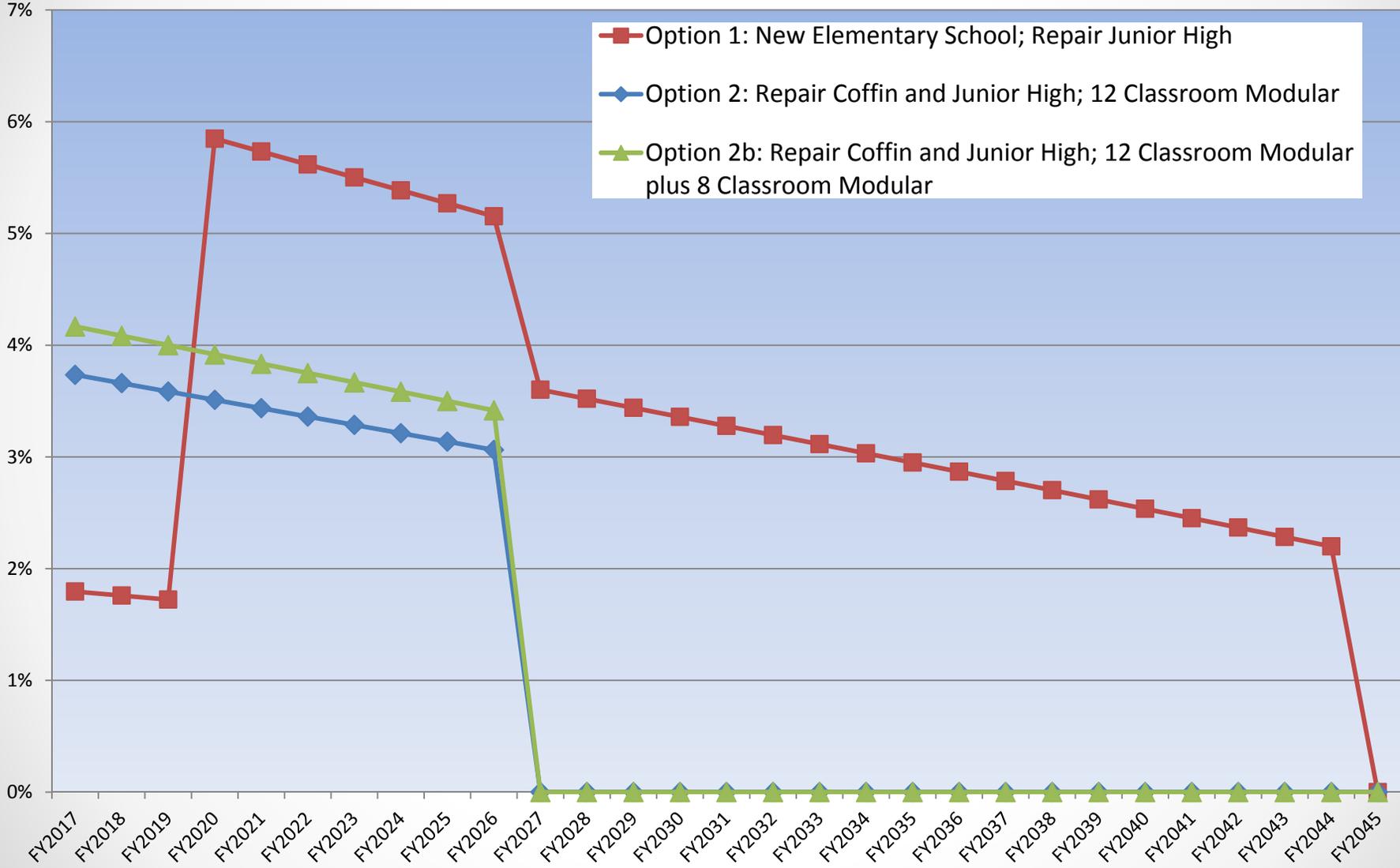


Net Debt Service and Operating Costs

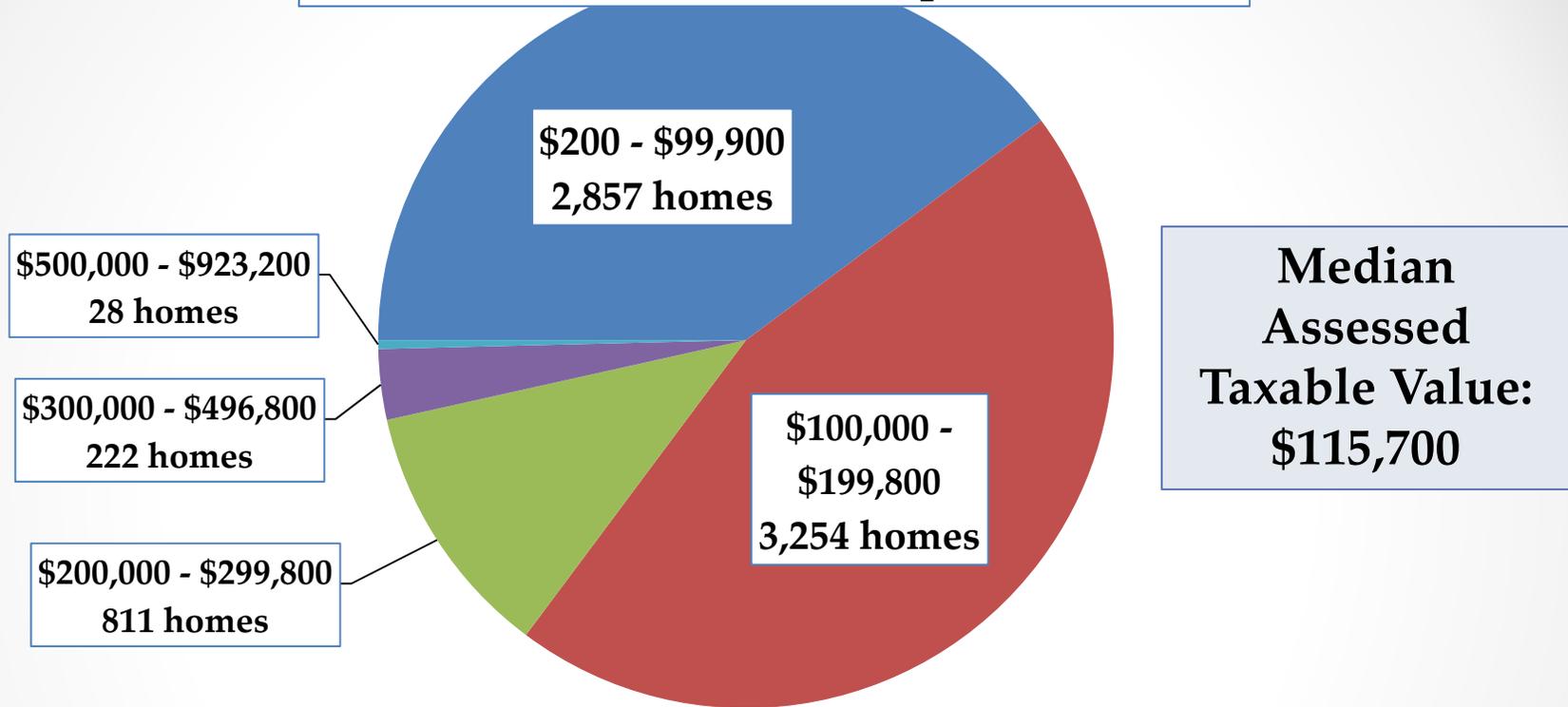


Net Debt Service and Operating Costs Effect on Tax Rate

1% = \$395,000



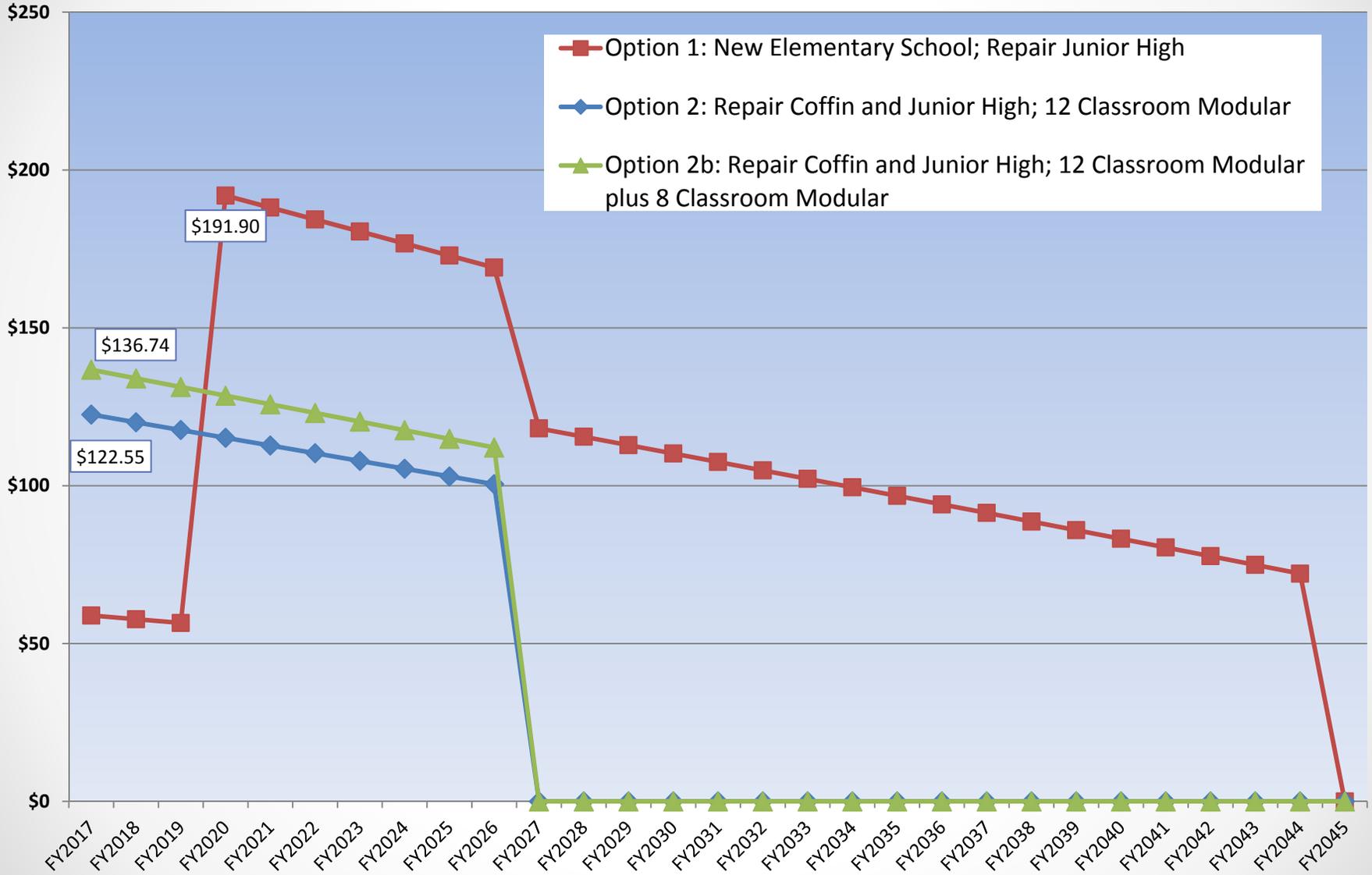
**2015 Assessed Taxable Value (70% of Market)
7,172 Residential Properties**



		<u>Assessed value</u>	<u>@ 70% =</u>	<u>Estimated Market Value</u>
2,857	homes	\$200 - \$99,900		\$286 - \$144,000
3,254	homes	\$100,000 - \$199,800		\$145,000 - \$284,000
811	homes	\$200,000 - \$299,800		\$285,000 - \$430,000
222	homes	\$300,000 - \$496,800		\$440,000 - \$710,000
28	homes	\$500,000 - \$923,200		\$720,000 - \$1,320,000

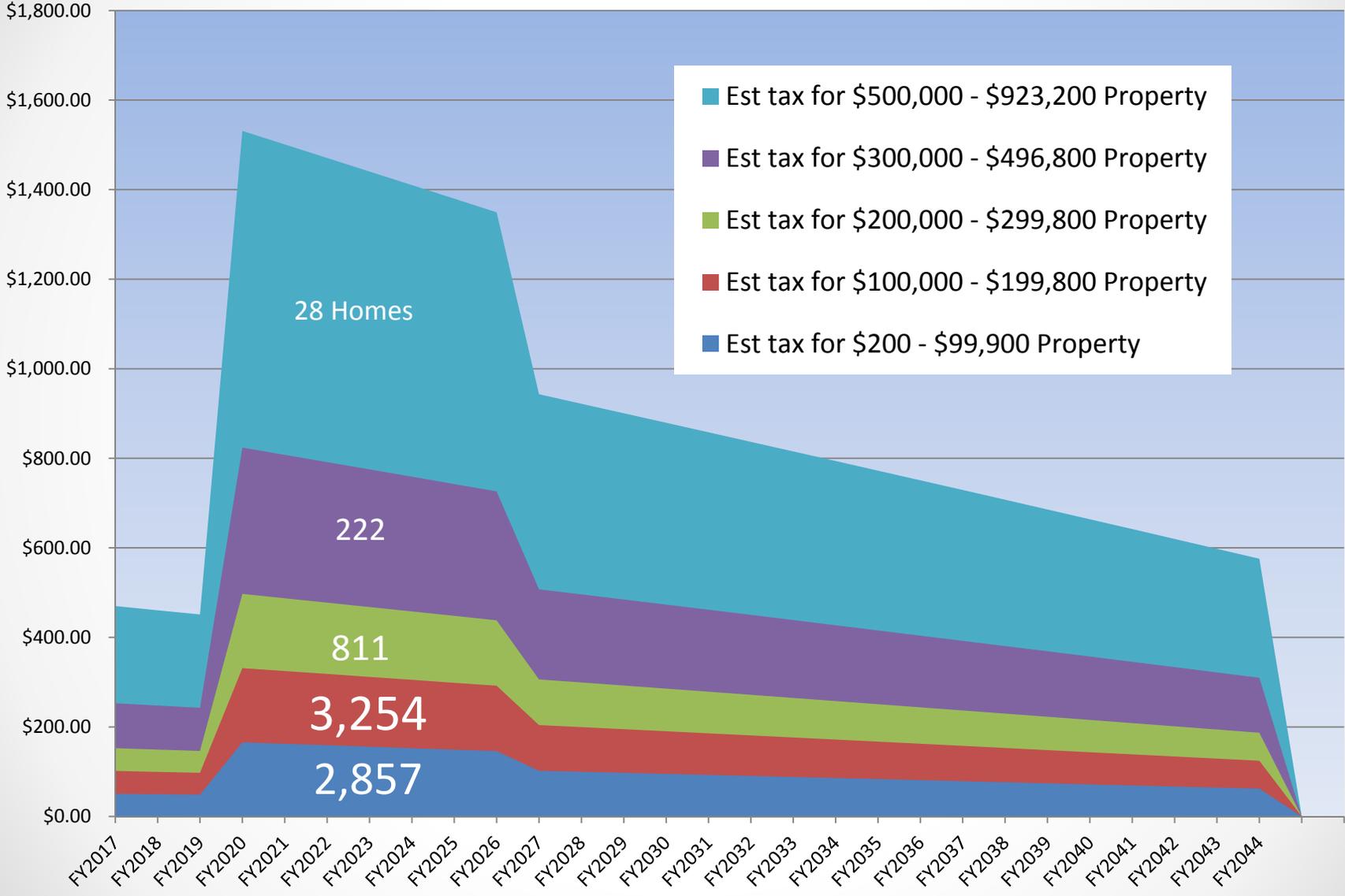
Net Debt Service and Operating Costs

Estimated Annual Tax cost for Median property - Assessed at \$115,700



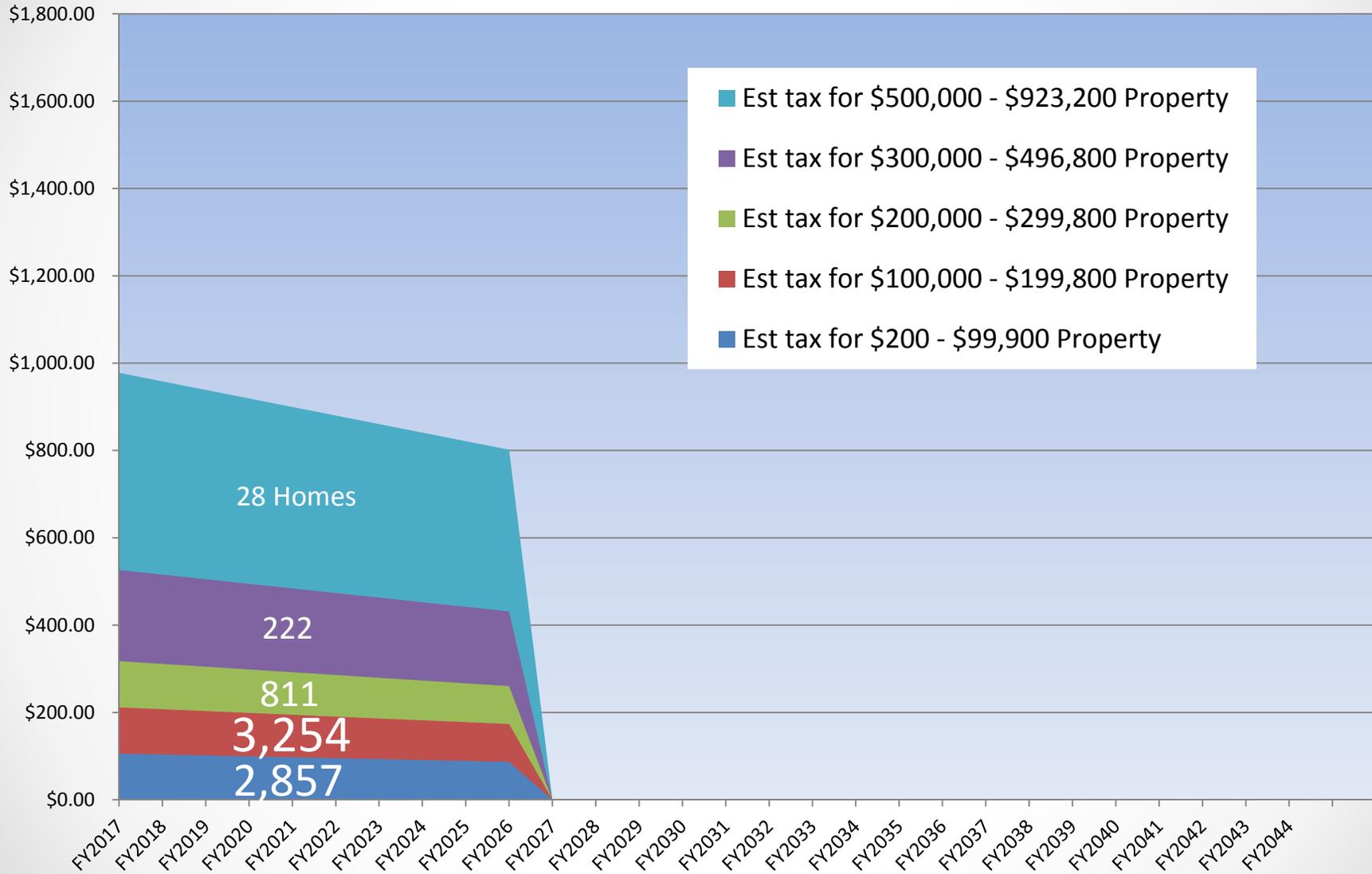
Net Debt Service and Operating Costs - Option 1

Estimated Annual Tax Cost by Assessed Property Values



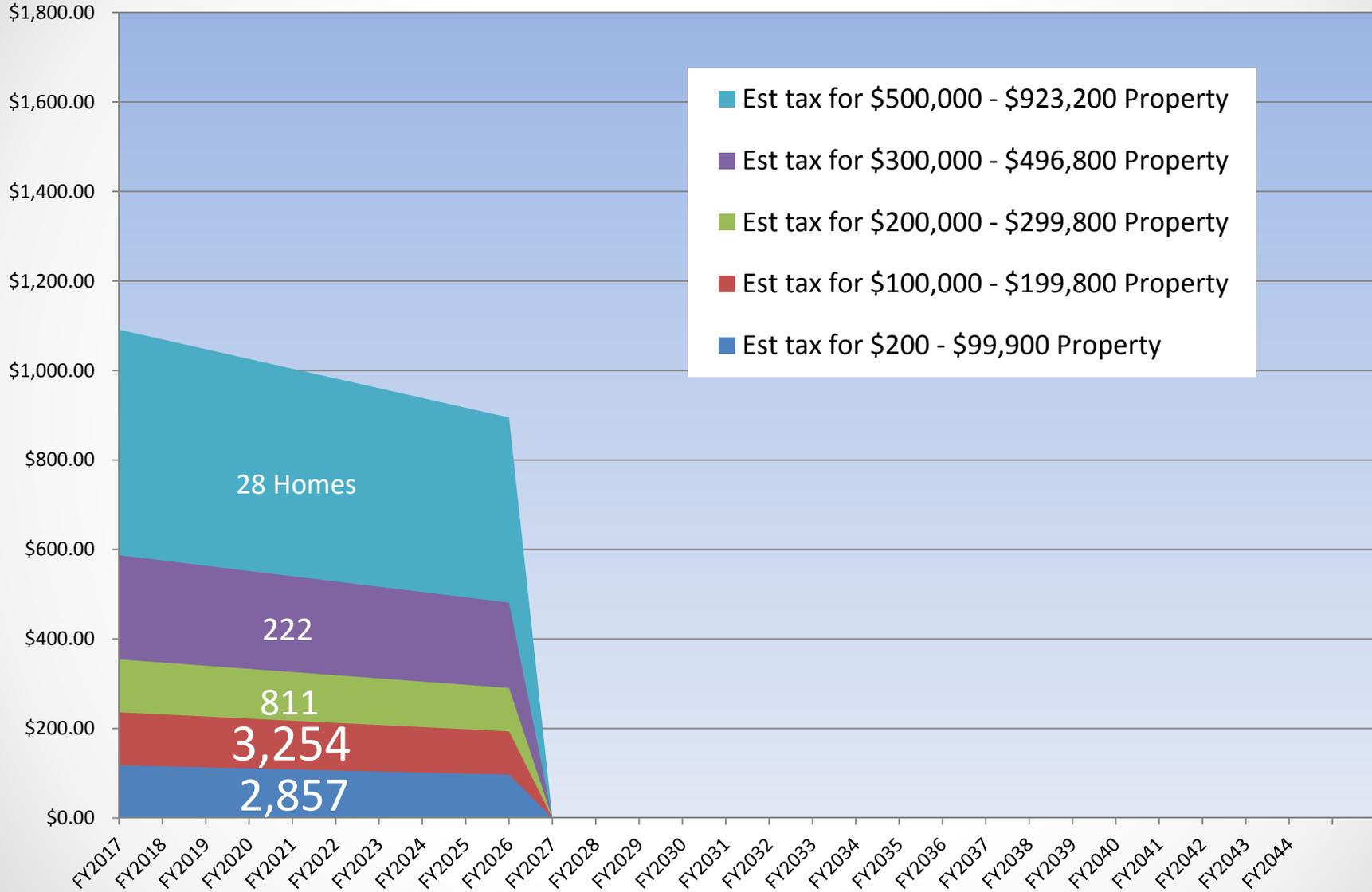
Net Debt Service and Operating Costs - Option 2

Estimated Annual Tax Cost by Assessed Property Values



Net Debt Service and Operating Costs - Option 2b

Estimated Annual Tax Cost by Assessed Property Values



28 Homes

222

811

3,254

2,857

Estimated tax costs

	Estimated tax for Property Assessed at: \$200 - \$99,900 (2,857 homes)	Estimated tax for Property Assessed at: \$100,000 - \$199,800 (3,254 homes)	Estimated tax for Property Assessed at: \$200,000 - \$299,800 (811 homes)	Estimated tax for Property Assessed at: \$300,000 - \$496,800 (222 homes)	Estimated tax for Property Assessed at: \$500,000 - \$923,200 (28 homes)	
<u>Option 1</u>						
Highest year	\$165.69	\$331.39	\$497.25	\$824.00	\$1,531.23	
Avg over 28 yrs	\$97.23	\$194.45	\$291.78	\$483.51	\$898.50	
Total	\$2,722.36	\$5,444.71	\$8,169.79	\$13,538.20	\$25,157.95	28 Years
<u>Option 2</u>						
Highest year	\$105.81	\$211.62	\$317.54	\$526.19	\$977.82	
Avg over 10 yrs	\$34.39	\$68.78	\$103.20	\$171.01	\$317.79	
Total	\$962.88	\$1,925.75	\$2,889.59	\$4,788.36	\$8,898.18	10 Years
<u>Option 2b</u>						
Highest year	\$118.06	\$236.13	\$354.31	\$587.13	\$1,091.06	
Avg over 10 yrs	\$38.37	\$76.74	\$115.15	\$190.82	\$354.60	
Total	\$1,074.39	\$2,148.77	\$3,224.24	\$5,342.90	\$9,928.67	10 Years

		Assessed value	@ 70% =	Estimated Market Value
2,857	homes	\$200 - \$99,900		\$286 - \$144,000
3,254	homes	\$100,000 - \$199,800		\$145,000 - \$284,000
811	homes	\$200,000 - \$299,800		\$285,000 - \$430,000
222	homes	\$300,000 - \$496,800		\$440,000 - \$710,000
28	homes	\$500,000 - \$923,200		\$720,000 - \$1,320,000

Questions?

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