

# West Boylston, MA

## Financial Impact Police Station and Senior Center Projects

September 2015





# West Boylston, MA

## Senior Center

### Financial Impact

- Current Rent is \$36,570 per year including utilities

# West Boylston, MA

## Senior Center

### Financial Impact

- Estimated cost of new construction for a 10,000 SF building is \$300 SF or \$3,000,000
- Cost to purchase an existing 12,000 SF building and renovate **\$1,300,000 (108 SF)**
- Decision made to pursue existing property (BBC).
- No impact on tax rate as it is a purchase from a non-profit

# West Boylston, MA

Towns Currently Building Senior Centers

.... Or have been recently approved



**Sterling-** 6,450 SF/  
\$2.71 million (**\$420 SF**)

**Hubbardston-**  
6,000 SF



# West Boylston, MA

Towns Currently Building Senior Centers  
.... Or have been recently approved



**Westminster Senior  
Center- 2015**  
7,400 SF - \$3,000,000  
(\$405 SF)



# West Boylston, MA

## Towns Currently Building Senior Centers

.... Or have been recently approved



**Northborough Senior Center**  
14,500 SF -  
\$5,900,000 (**\$407 SF**)



# West Boylston, MA

## Senior Center

### Financial Impact

- Purchase price expected to be \$990,000
- With renovation and other moving expenses, the total borrowing will be **\$1.3 million or less**.
- A debt exclusion for 20 years would cost the average taxpayer (\$250,000 home) about **\$28 a year**.



# West Boylston, MA

## Senior Center Renovations

- Renovation costs include:
  - Painting
  - Flooring
  - Interior and Exterior lighting
  - Paving of Parking Lot / Driveway
  - Redo Kitchen
  - Furniture and Fixtures
  - Network Wiring
  - Demolition (Bathroom and Baptismal Platform)

# West Boylston, MA

## Senior Center

### Operating Costs

Cost Type	Annual Expense	Comments
Maintenance costs/repairs	\$11,600	Similar to annual costs for other municipal buildings
Added supplies	\$1,500	Estimate based on usage
Insurance	\$1,500	Estimate by MIIA
Custodial	\$6,000	Incremental costs for larger space
Utilities	\$11,000	Based on estimate from existing utilities
Total	\$31,600	This is estimated amount

# West Boylston, MA

## Police Station

### Financial Impact

- Original estimates of the cost for a new police station were \$3.4M
- After design revisions and optimization, price reduced to \$2.9M
- This includes an 18% contingency
- No impact on tax revenues, currently it is town-owned land



# West Boylston, MA

## Police Station

### Financial Impact

- Construction costs expected to be \$2.9M
- A debt exclusion for 20 years would cost the average taxpayer (\$250,000 home) about **\$62 a year.**

# West Boylston, MA

## Police Station

### Operating Costs

Cost Type	Annual Expense	Comments
Maintenance costs/repairs	\$9,900	Similar to annual costs for other municipal buildings
Added supplies	\$1,500	Estimate based on usage
Insurance	\$2,000	Estimate
Custodial	\$3,600	Incremental costs for larger space
Utilities	\$32,000	Based on estimate from existing utilities
Total	\$49,500	This is estimated amount

# West Boylston, MA

## Capital Projects

Borrowing cost per \$100k property assessment

Year	Senior Center	Police Station	Combined
<b>Amount Borrowed</b>	<b>\$1.3M</b>	<b>\$2.9M</b>	<b>\$4.2M</b>
FY17	\$14.04	\$31.32	\$45.36
FY 22	\$12.48	\$27.84	\$40.32
FY 27	\$10.92	\$24.36	\$35.28
FY 32	\$9.36	\$20.88	\$30.24
FY 37	\$0	\$0	\$0
<b>20 yr Average</b>	<b>\$11.08</b>	<b>\$24.71</b>	<b>\$35.79</b>

# West Boylston, MA

## Impact of Borrowing

Affect of New Borrowing and Old Debt expiring

### ADD New debt( FY17 costs)

Police Station	\$243K	
Senior Center	\$126K	
<b>Total</b>		<b>\$378K</b>

### SUBTRACT Expiring debt

FY 2016 debt	\$55K	
FY 2017 debt	\$235K	
<b>Total</b>		<b>\$290K</b>

**Net change in debt costs, FY 16/17** **+\$88K**

# West Boylston, MA

## Impact of Borrowing

Net new debt over time compared to FY 16/17

In thousands ( \$'000s)

Year	New Senior Debt(\$1.3M)	New Police Debt (\$2.9M)	Total New Debt	Less Expiring Debt	Net debt
FY17	\$117	\$261	\$378	\$290	\$88
FY 22	\$104	\$232	\$336	\$290	\$46
FY 27	\$91	\$203	\$294	\$290	\$4
FY 32	\$78	\$174	\$252	\$290	-\$38
FY 37	0	0	0	\$290	-\$290

# West Boylston, MA

## Impact of Borrowing

Cost of new debt compared to FY 16/17

- The year one borrowing costs for both buildings net of expiring debt for the average taxpayer (\$250,000 home) would be **\$26.**

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## Impact on Operating Costs

### Senior Center

Elimination of Rent	-\$36,600
Added Operating expense	\$31,600
<b>NET CHANGE</b>	<b>-\$ 5,000</b>

### Police Station

Added Operating expense	\$49,500
<b>TOTAL of combined projects</b>	<b>\$44,500</b>