AHS Funding Scenarios

Improvement Project + Potential New Building



School Committee Workshop
February 26, 2026

Agenda

- Overview of Analysis & Assumptions
- Current Schedule for Exempt Debt
- Andover High School Improvement Project (AHSIP) – Summary of Options 1-3
  - Total Cost
  - Tax Impacts
- Potential New Andover High School
  - General Timeline for a project funded with MSBA
  - Estimated Total Cost based on SOI submission (2027,2030,2035 & 2040)
  - Estimated Tax Impacts
- Financial Impacts of Integrated Scenarios (AHSIP + New Building)
- Projected Debt Schedules with Integrated Scenarios
- Integrated Scenarios + Outstanding Exempt Debt Service

Overview & Assumptions

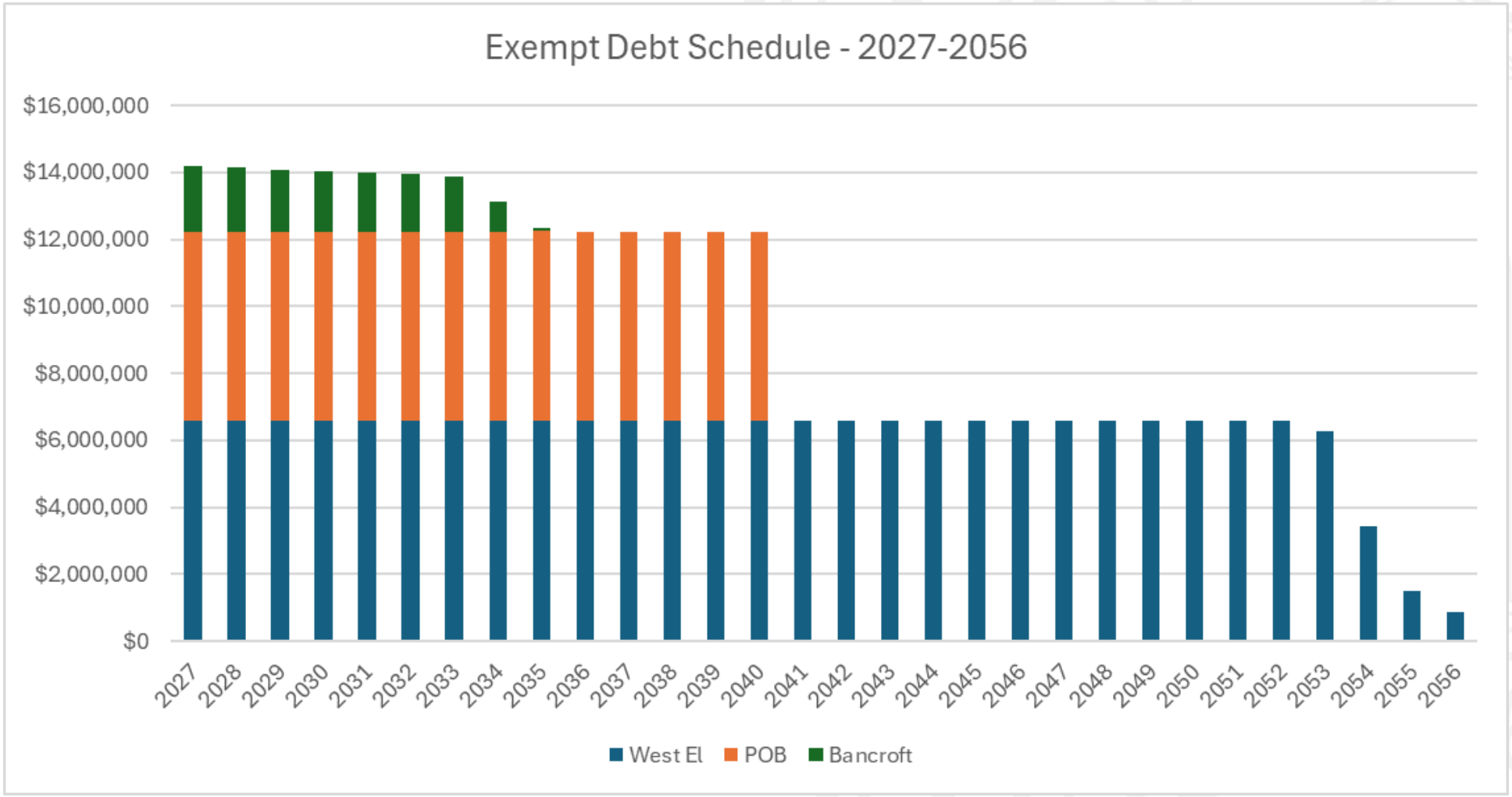
The analysis is intended to show order of magnitude of various options in the context of the existing debt schedule.

- Project costs, tax impacts and the MSBA reimbursement rate are estimates.
- The model assumes a borrowing strategy & sequence similar to what has been used in the past and is subject to change.
- Model uses “level debt” as the method of financing and all scenarios are based on approval of both Town Meeting and a debt exclusion at the ballot box.
- The model does not include a projection for future projects funded through debt exclusions.

Current Schedule for Exempt Debt Service

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Current Schedule for Exempt Debt Service



Andover High School Improvement Project (AHSIP)

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Three AHS Improvement Options

Option 1
Base Scope + Science Wing

Estimated cost: $80M

- Full Base Scope: Furniture, security, mechanicals, electrical, lighting
- Construction of Science Wing
- Renovation of spaces within current high school

Estimated Tax Impact:
$502

Option 2
Base Scope

Estimated cost: $17-27M

Based on single phase or two phase project

- Furniture, security, mechanicals, electrical, lighting

Estimated Tax Impact:
$204

Option 3
Furniture, Security, & Facility Reserve

Estimated Appropriation: $15-18M

Cost based on need and actual spending

- Furniture, security, mechanicals, electrical, lighting, as needed
- Can proceed to Town Meeting in April 2026

Estimated Tax Impact:
$96

AHSIP – Options 1-3

Estimated Costs, Tax Impact & Debt Timeline

	Total Estimated Project Cost	Andover's Total Estimated Cost	Average Annual Tax Impact	Annual Tax Impact (Full Issuance)	Total Tax Impact (15-19 years)	Debt Starts	Debt is Amortized
Option 1	$80,000,000	$80,000,000	$439	$502	$7,525	2029	2045
Option 2	$27,000,000	$27,000,000	$204	$204	$3,060	2029	2043
Option 3	$15,000,000	$15,000,000	$72	$96	$1,440	2028	2047

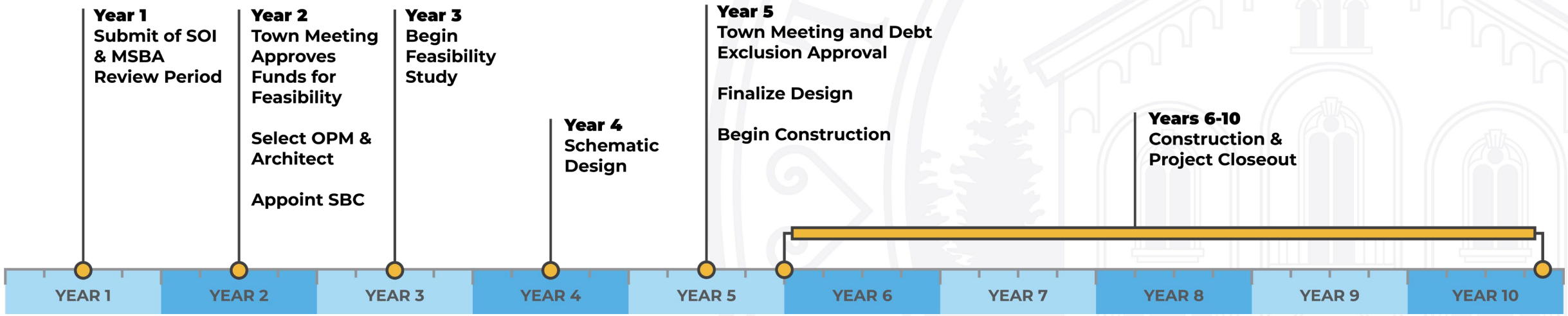
- The estimated start and end date for debt service reflects scope of project and an estimated number of debt issuances:
  - Option 1: Three issuances with debt service beginning in 2029 and ending in 2045
  - Option 2: One issuance with debt service beginning in 2029 and ending in 2043
  - Option 3: Three issuances, totaling $15,000,000, with debt service beginning in 2028 and ending in 2047
    - The amount may be less depending on timing of a new building

- Projected timelines assume approval at 2026 Annual Town Meeting

Potential New Building – *Estimated Cost, Tax Impact & Debt Schedule*

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Full Building Project Timeline with MSBA Requirements



Potential New Building -
Estimated Costs, Tax Impact & Debt Timeline

SOI Submission	Total Estimated Project Cost	Andover's Total Estimated Cost	Average Annual Tax Impact	Annual Tax Impact (Full Issuance)	Total Tax Impact (33 years)	Debt Starts	Debt is Amortized
2027	$638,226,913	$491,434,723	$1,674	$1,898	$56,917	2030	2063
2030	$717,918,478	$552,797,228	$1,883	$2,134	$64,008	2033	2066
2035	$873,457,600	$672,562,352	$2,287	$2,595	$77,841	2038	2071
2040	$1,062,694,724	$818,274,938	$2,781	$3,152	$94,570	2043	2076

- Project costs are estimates and have been escalated based on potential funding dates
- The SOI submission date is the starting point for each scenario included in the analysis
- 23% was used as the effective MSBA reimbursement rate
- Each scenario assumes five debt issuances

Integrated Scenarios – *AHSIP + New Building Tax Impact & Debt Schedule*

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Integrated Scenarios

Estimated Costs & Tax Impacts

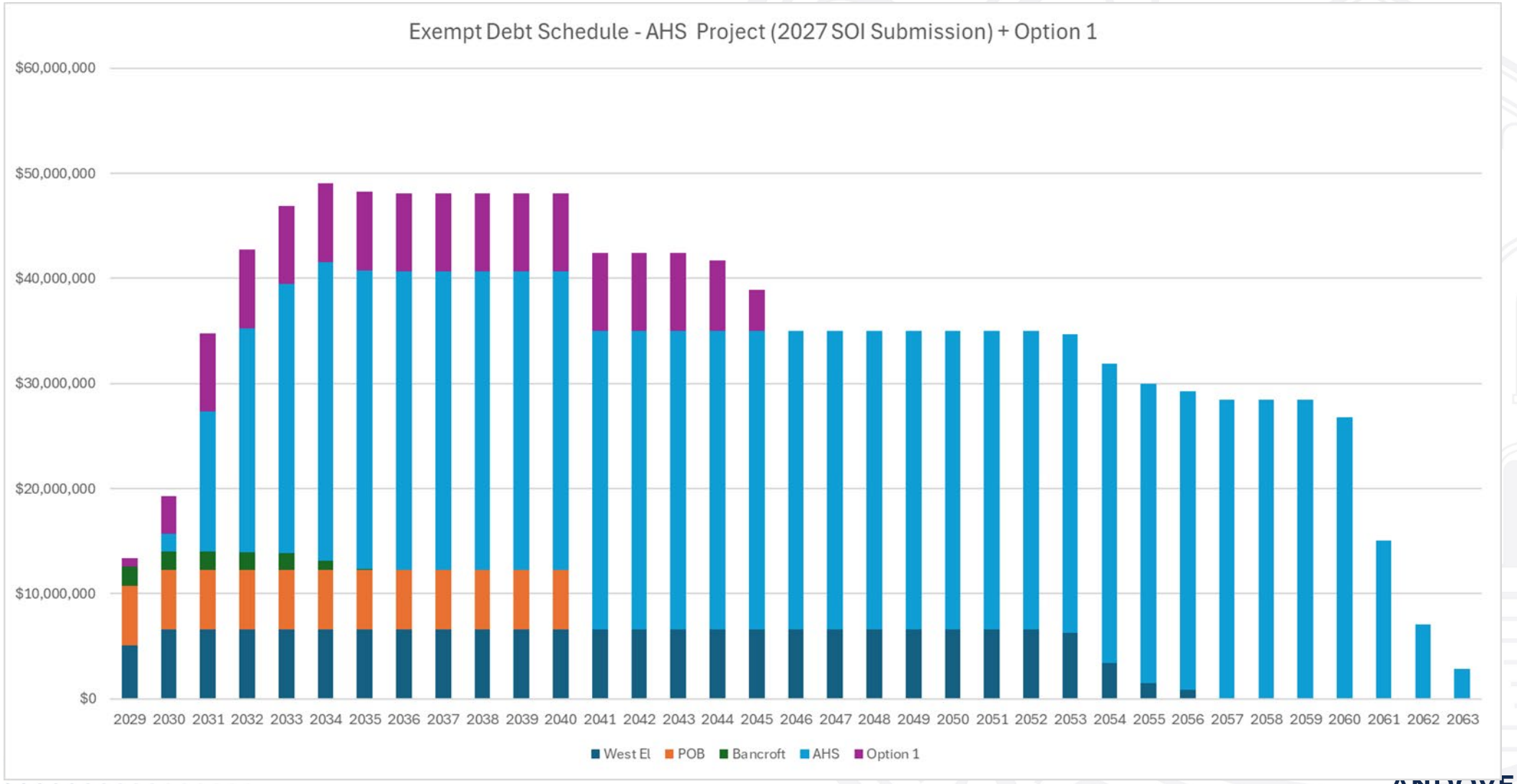
SOI Submission	Interim Option	New Building Estimated Cost	AHS Improvement Project Estimated Cost	Total Cost of AHS (New + Interim)	Tax Tax Impact	Overlap (# of years)
2027	Option 1	$491,434,723	$80,000,000	$571,434,723	$64,442	15
2027	Option 2	$491,434,723	$27,000,000	$518,434,723	$59,977	13
2027	Option 3	$491,434,723	$15,000,000	$506,434,723	$58,357	17
2030	Option 1	$552,797,228	$80,000,000	$632,797,228	$71,533	12
2030	Option 2	$552,797,228	$27,000,000	$579,797,228	$67,068	10
2030	Option 3	$552,797,228	$15,000,000	$567,797,228	$65,448	14
2035	Option 1	$672,562,352	$80,000,000	$752,562,352	$85,366	7
2035	Option 2	$672,562,352	$27,000,000	$699,562,352	$80,901	5
2035	Option 3	$672,562,352	$15,000,000	$687,562,352	$79,281	9
2040	Option 1	$818,274,938	$80,000,000	$898,274,938	$102,095	2
2040	Option 2	$818,274,938	$27,000,000	$845,274,938	$97,630	0
2040	Option 3	$818,274,938	$15,000,000	$833,274,938	$96,010	4

Projected Debt Schedules – *Current Debt Service + AHSIP + New Building*

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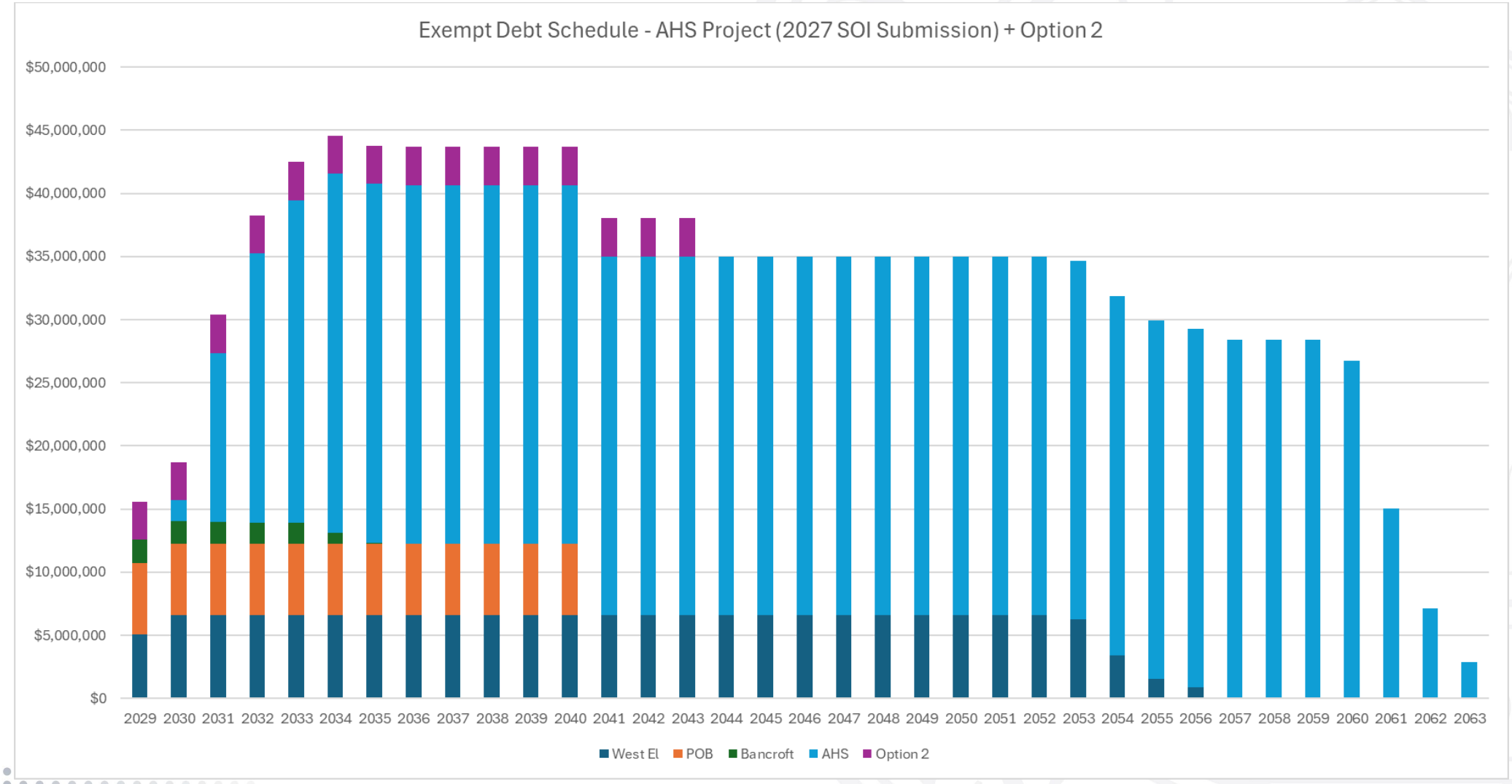
New Building – 2027 SOI

AHSIP Option 1



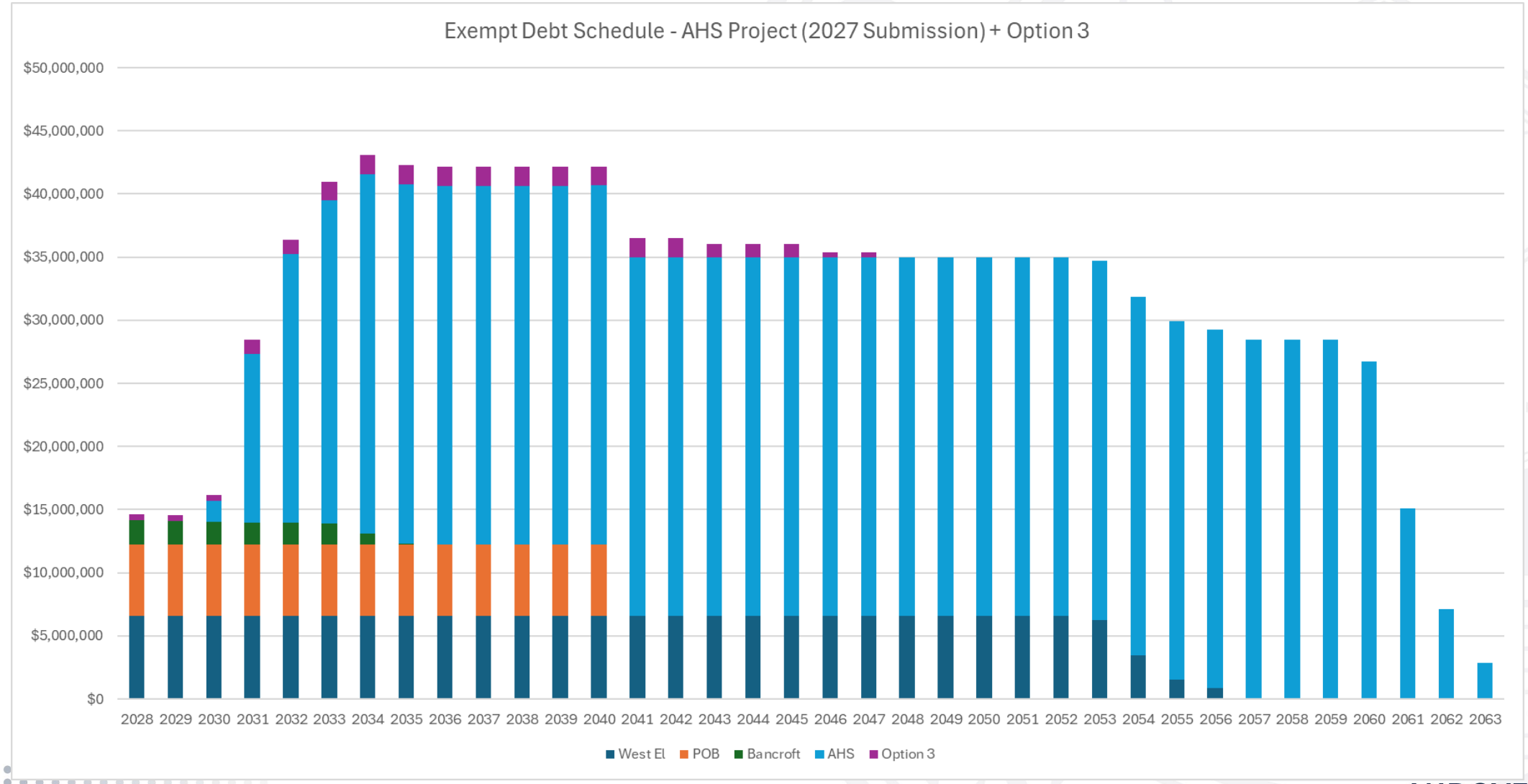
New Building – 2027 SOI

AHSIP Option 2



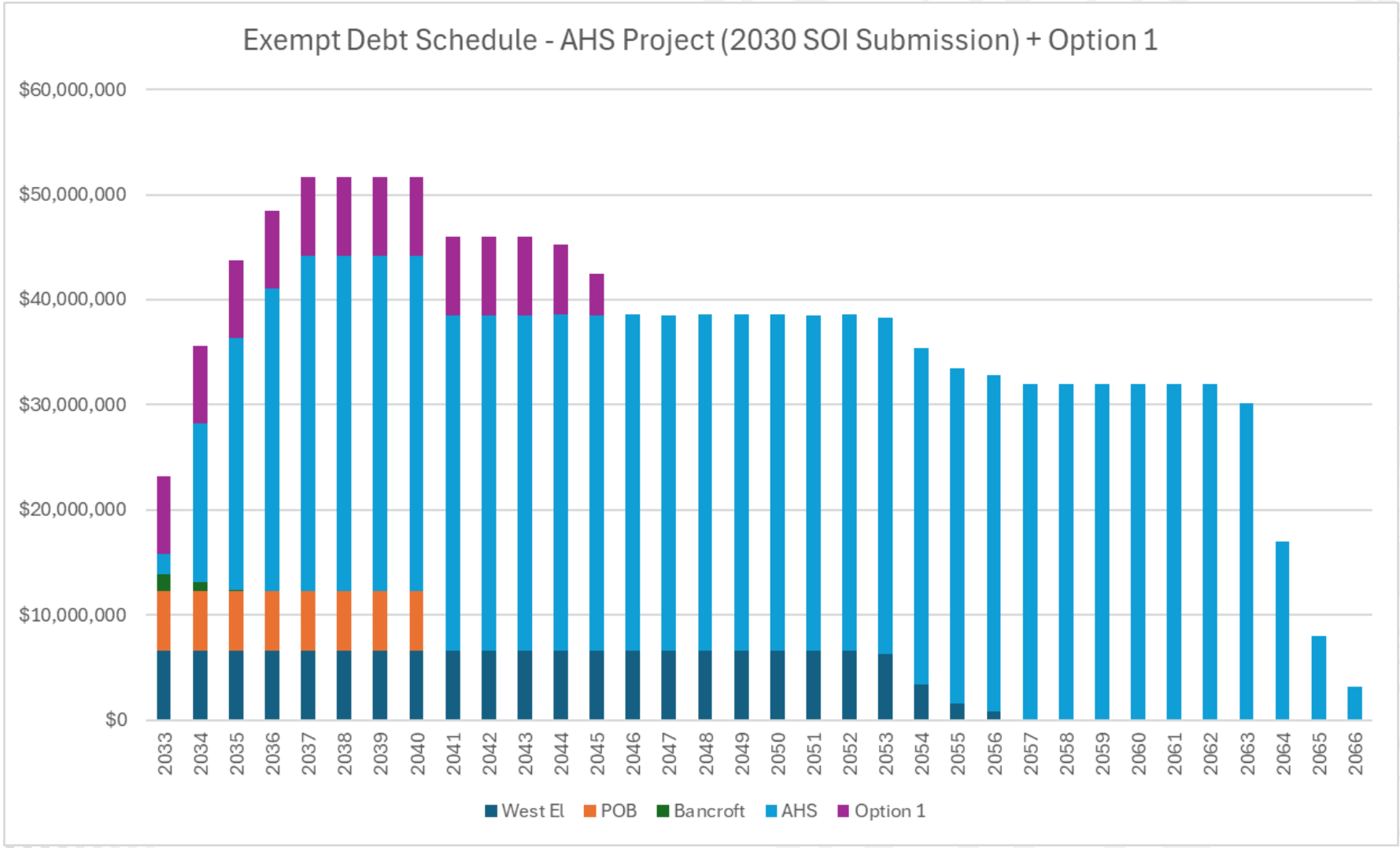
New Building – 2027 SOI

AHSIP Option 3



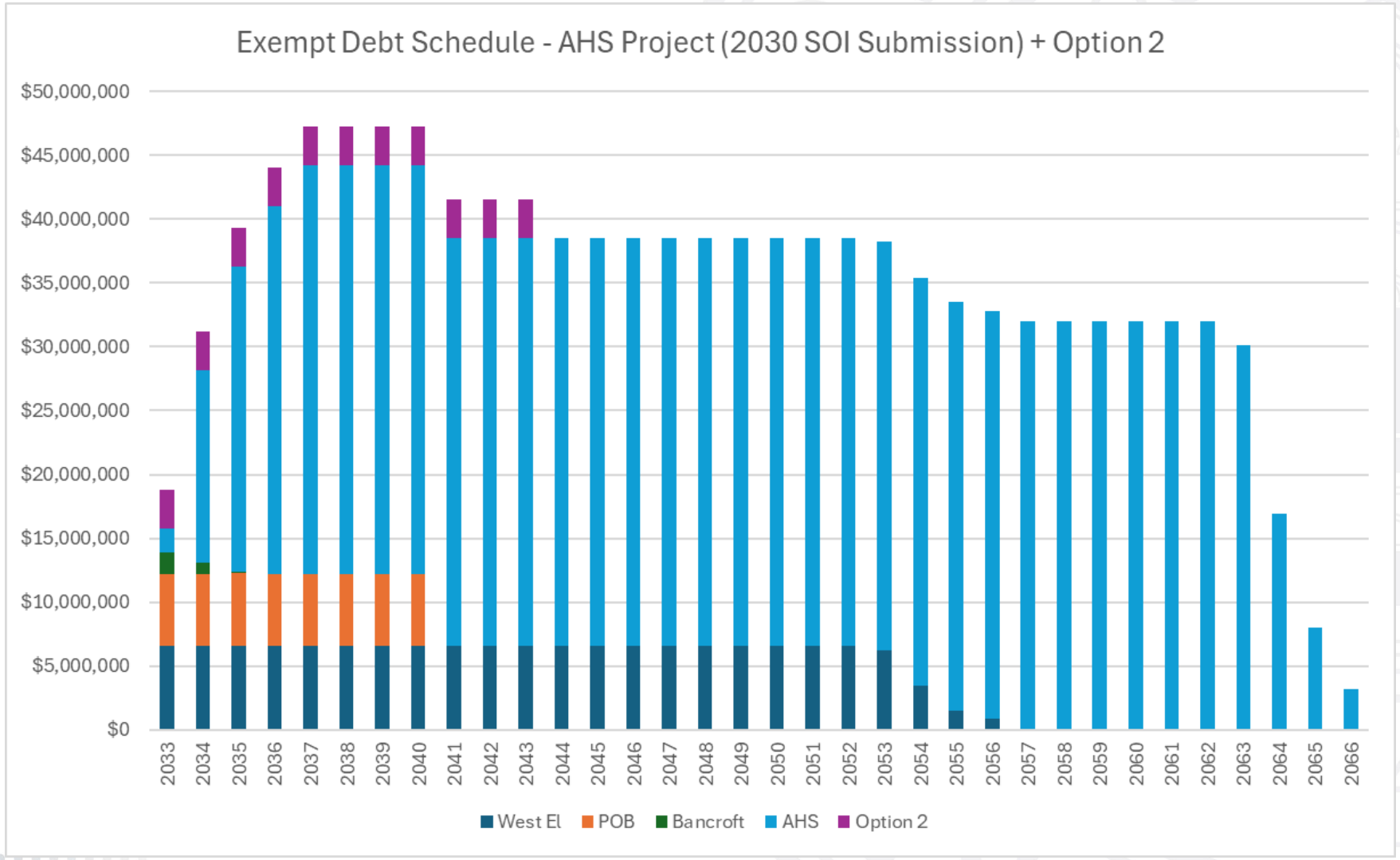
New Building – 2030 SOI

AHSIP Option 1



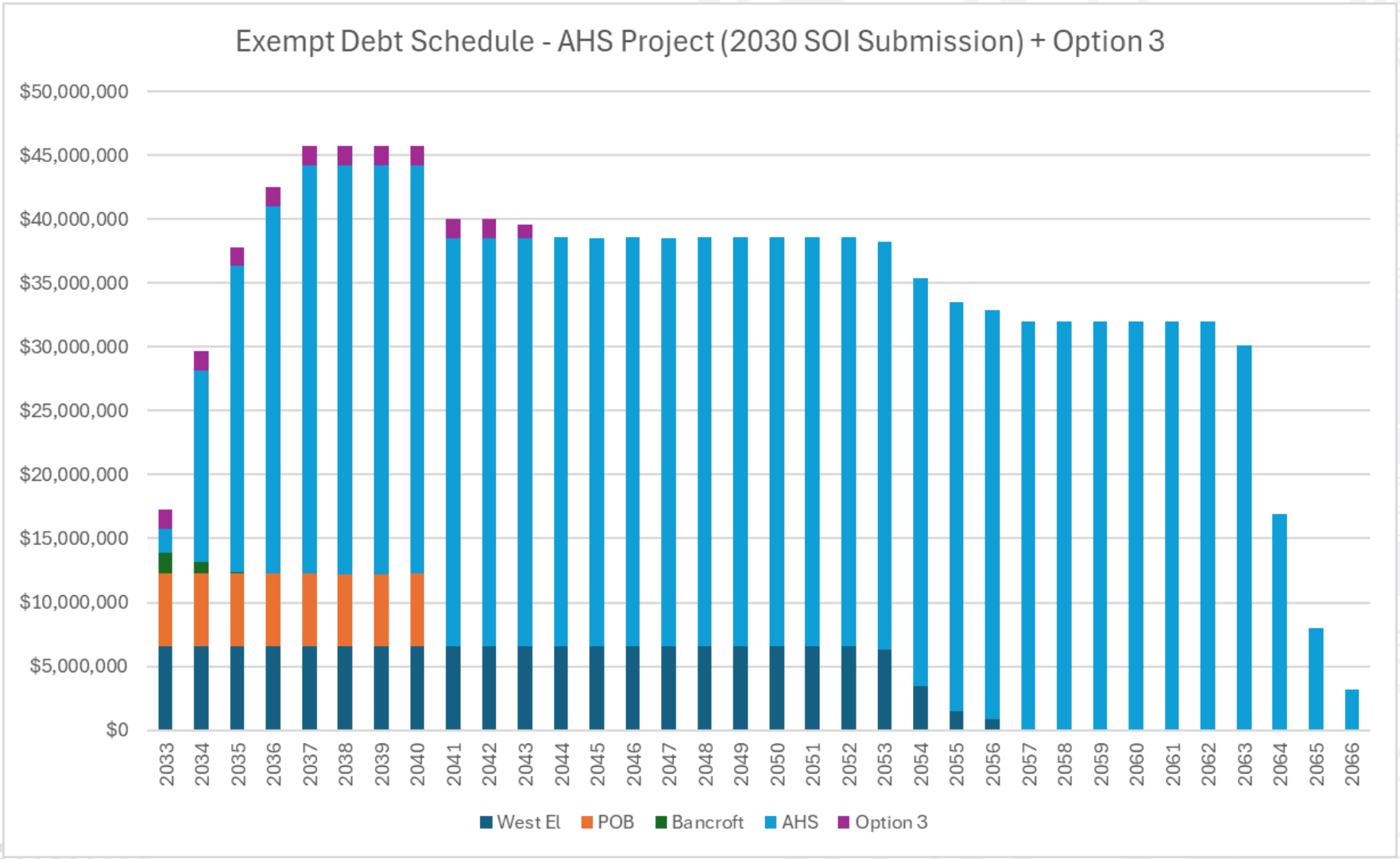
New Building – 2030 SOI

AHSIP Option 2



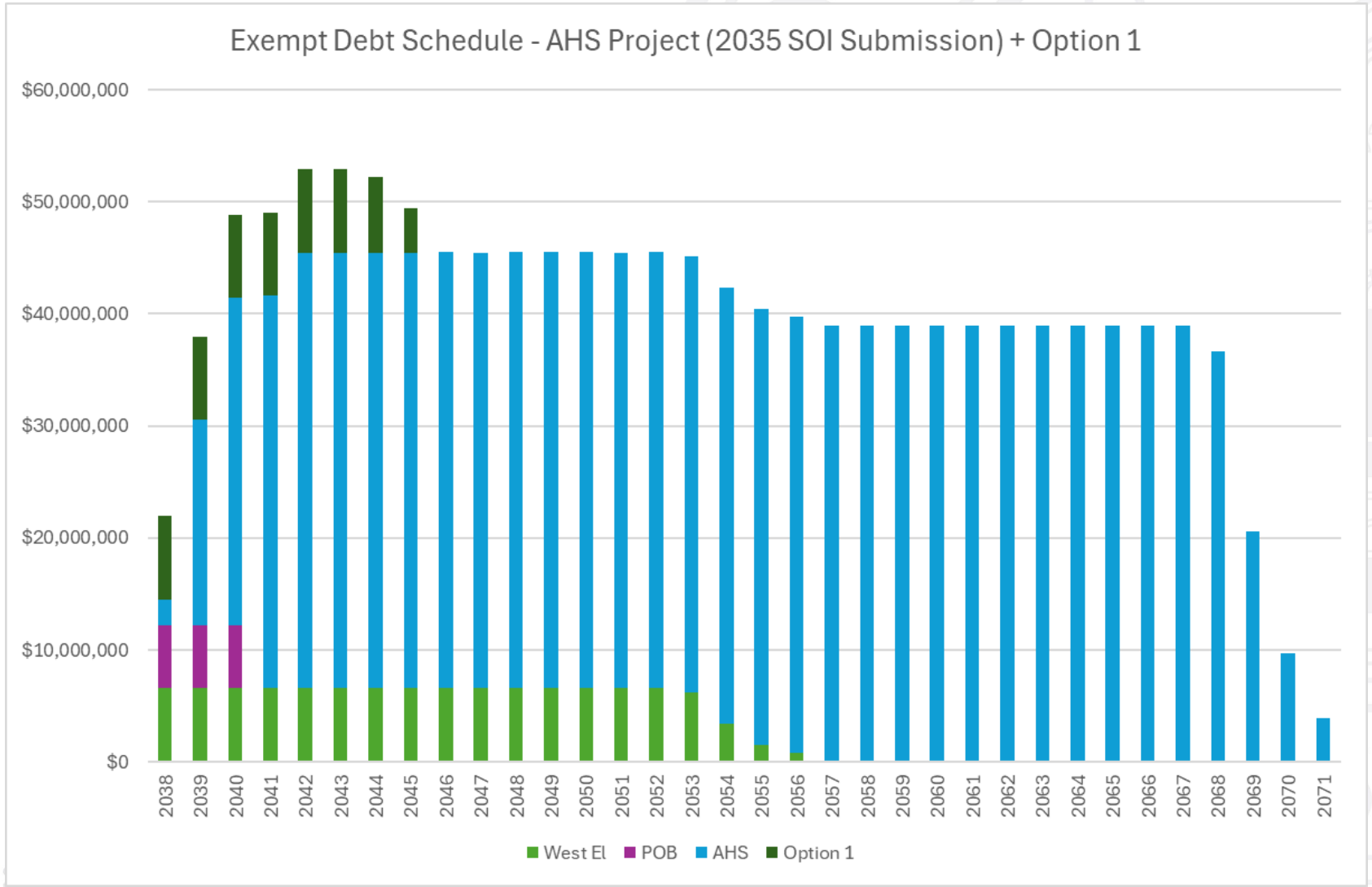
New Building – 2030 SOI

AHSIP Option 3



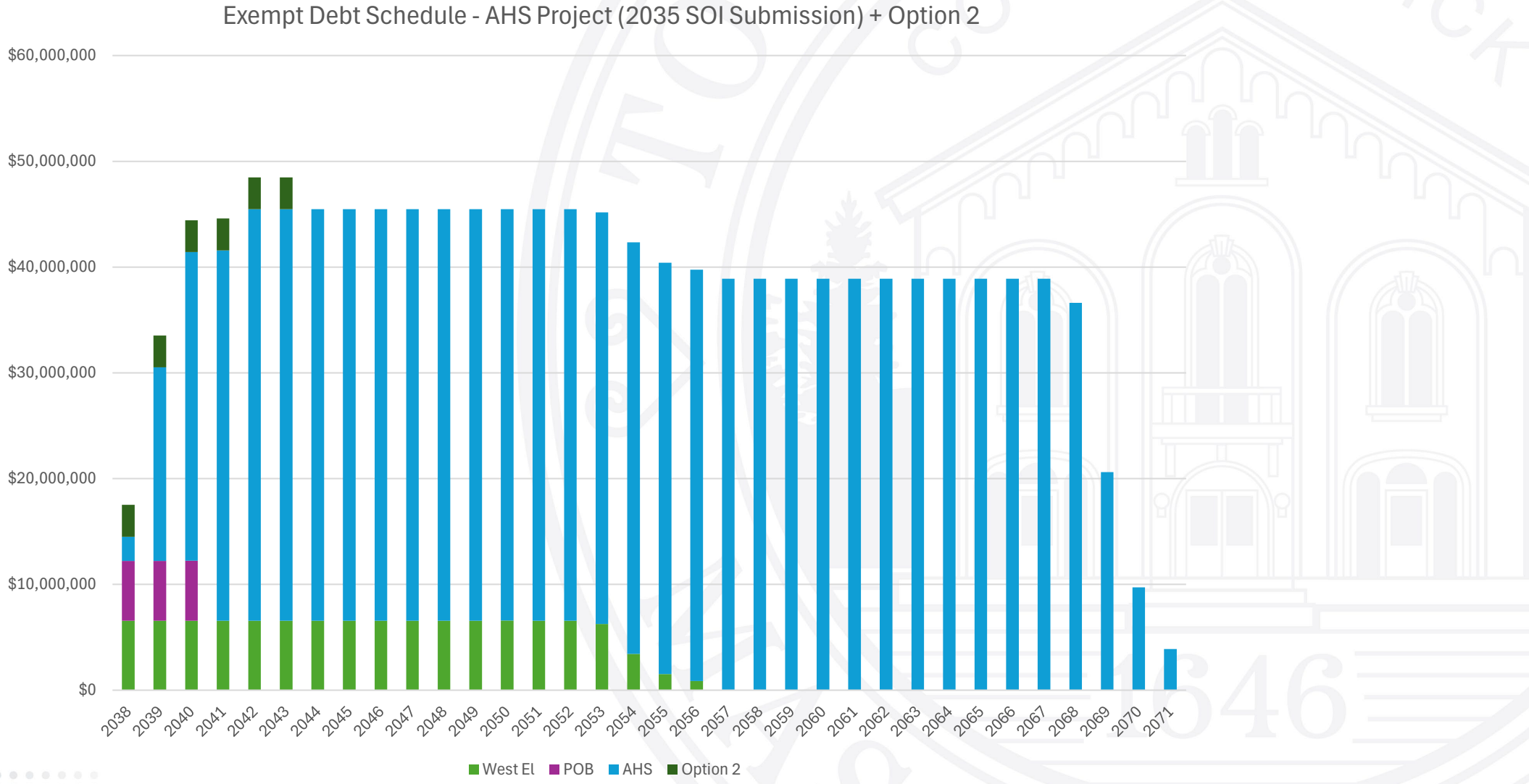
New Building – 2035 SOI

AHSIP Option 1



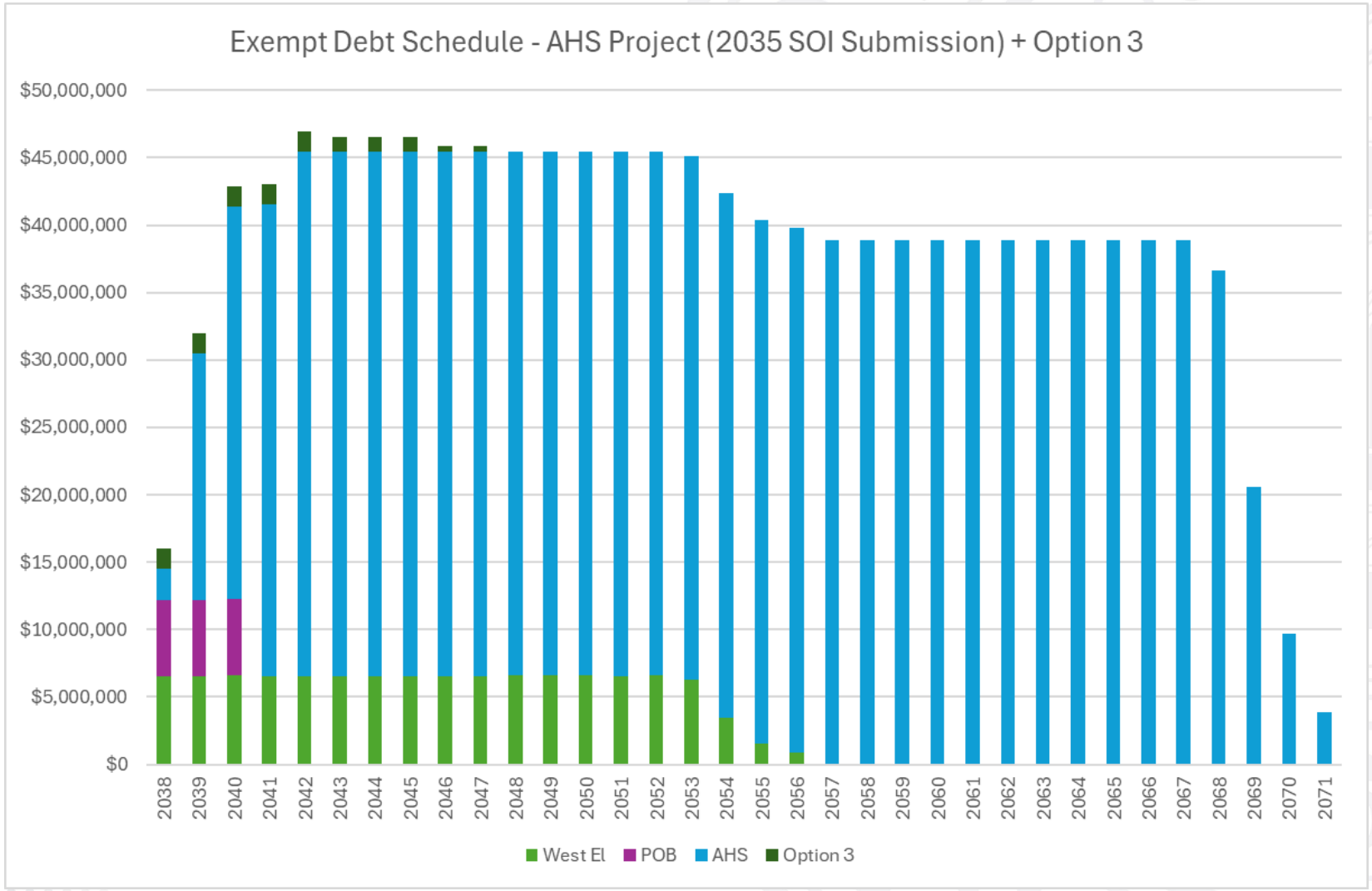
New Building – 2035 SOI

AHSIP Option 2



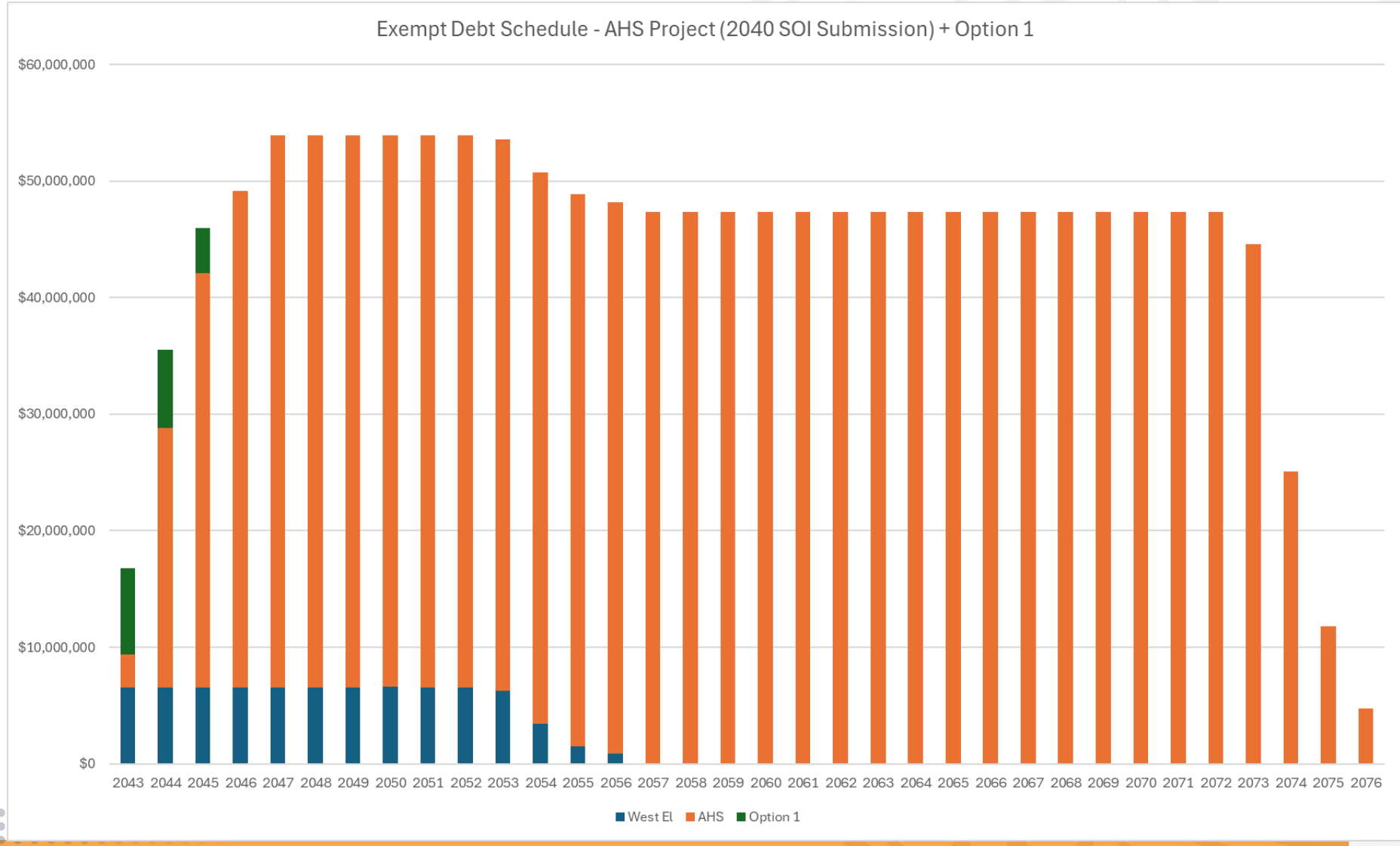
New Building – 2035 SOI

AHSIP Option 3



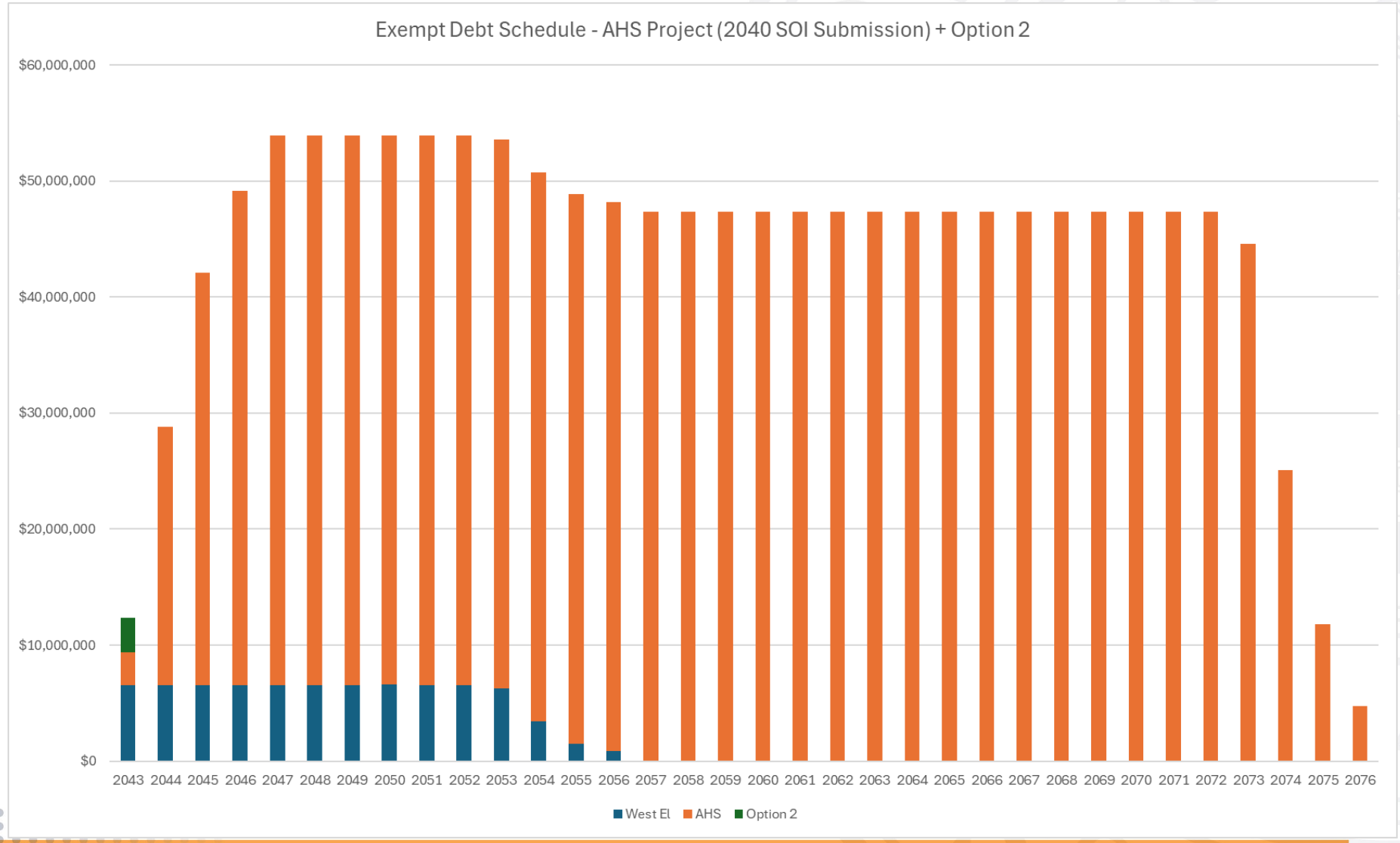
New Building – 2040 SOI

AHSIP Option 1



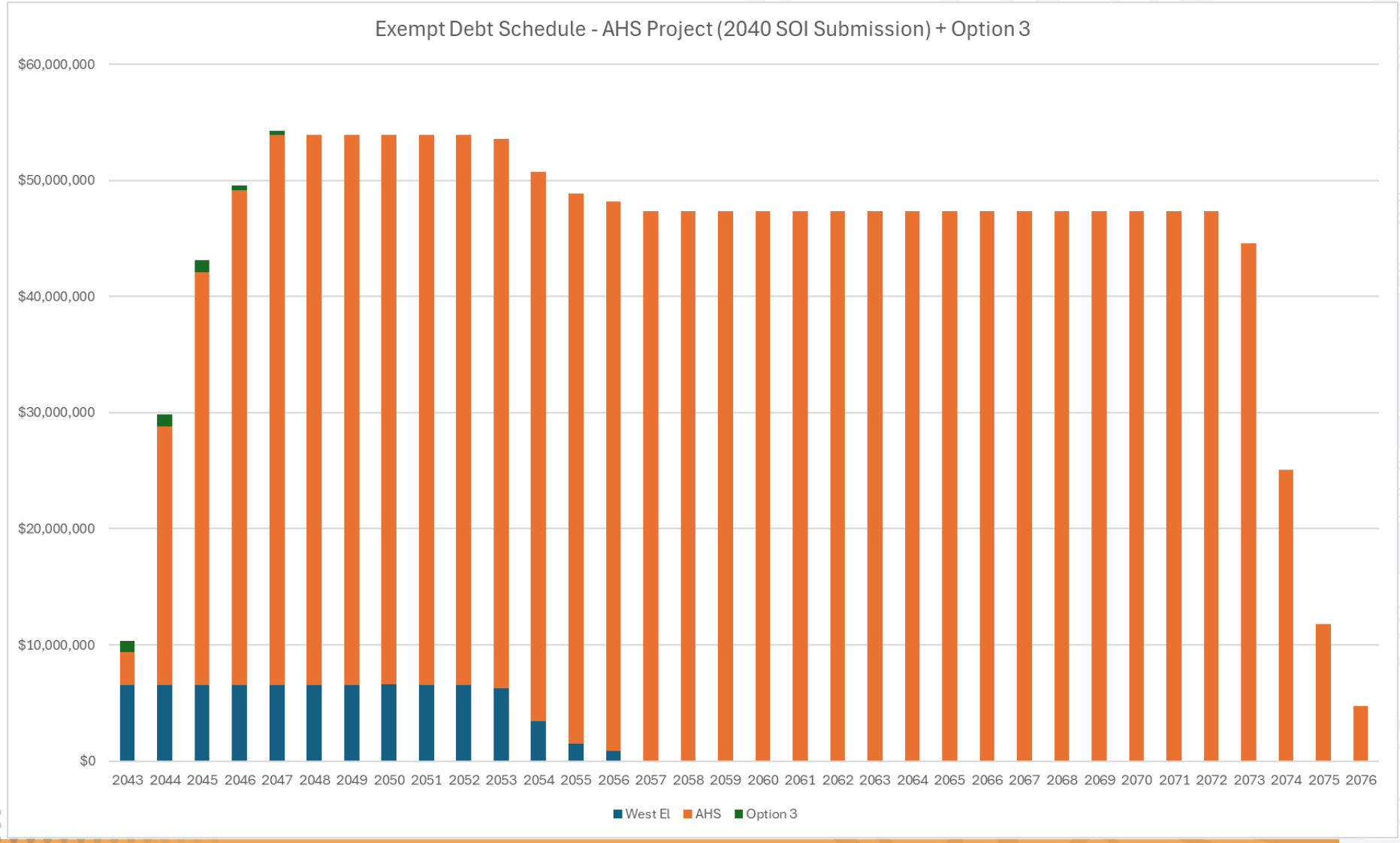
New Building – 2040 SOI

AHSIP Option 2



New Building – 2040 SOI

AHSIP Option 3



Integrated Scenarios for AHS + Current Exempt Debt

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Integrated Scenarios + Current Exempt Debt

Estimated Costs & Tax Impacts

SOI Submission	Interim Option	New Building Estimated Cost	AHS Improvement Project Estimated Cost	Total Cost of AHS (New + Interim)	Tax Tax Impact	Overlap (# of years)	Tax Impact Including Outstanding Debt Service
2027	Option 1	$491,434,723	$80,000,000	$571,434,723	$64,442	15	$79,386
2027	Option 2	$491,434,723	$27,000,000	$518,434,723	$59,977	13	$74,921
2027	Option 3	$491,434,723	$15,000,000	$506,434,723	$58,357	17	$73,301
2030	Option 1	$552,797,228	$80,000,000	$632,797,228	$71,533	12	$83,791
2030	Option 2	$552,797,228	$27,000,000	$579,797,228	$67,068	10	$79,326
2030	Option 3	$552,797,228	$15,000,000	$567,797,228	$65,448	14	$74,402
2035	Option 1	$672,562,352	$80,000,000	$752,562,352	$85,366	7	$94,320
2035	Option 2	$672,562,352	$27,000,000	$699,562,352	$80,901	5	$89,855
2035	Option 3	$672,562,352	$15,000,000	$687,562,352	$79,281	9	$88,235
2040	Option 1	$818,274,938	$80,000,000	$898,274,938	$102,095	2	$107,074
2040	Option 2	$818,274,938	$27,000,000	$845,274,938	$97,630	0	$102,609
2040	Option 3	$818,274,938	$15,000,000	$833,274,938	$96,010	4	$100,989

Analysis blends estimated project costs for AHS projects and outstanding exempt debt service for Bancroft, West EL/Shawsheen and POB

Tax Impacts – Potential new AHS and Amortization of Current Debt Service

- On average, the estimated annual tax impact of a **new high school** ranges from **$1,674** (2027 SOI) TO **$2,781** (2040 SOI)
- The last year of debt service for **Bancroft School** is **2037** and will reduce the tax impact of exempt debt service by an estimated **$58** when fully amortized
- The last year of debt service for **POB** is **2040** and will reduce the tax impact of exempt debt service by an estimated **$256** when fully amortized
- The last year of debt service for **West El/Shawsheen** is **2056** and will reduce the tax impact of exempt debt service by an estimated **$121** when fully amortized

Questions

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