

# TOWN OF STONEHAM

Arena Financials Analysis

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# BACKGROUND INFORMATION

- Generated an average of \$62,000 a year since 2008
- Rates for the 2017/2018 season went up between \$20 /hr (Stoneham teams ) and \$30 / hr.
- Using the 16/17 season rental hours of 2215 at a blended increase of \$25 /hr, the rink should produce an additional \$55,375 revenue.
- Total expected profit would be  $\$62,000 + 55,373 = \$117,373$

# COST OF REPAIR VS REVENUE

- Cost of repairs estimated at \$1.6m
- The Town Common and Police Station debt matures in 2019 freeing 266,501 of borrowing capacity without an override.
- The first year's payment on the area is \$167,350 leaving another \$99,151 of debt capacity.
- 20 Year Profit vs Cost of Repairs:
  - Total Cost Equal Principle Loan: \$2.4m
  - Total Cost Level Debt: \$2.5m
  - Projected total "profit" to fund debt: \$2.35m

# CHART OF DEBT VS "PROFITS"

