# What Ipswich's Major Projects Could Cost Taxpayers

There has been a great deal of discussion lately about affordability, inflation, and the rising cost of living. With several major projects facing Ipswich taxpayers, I think it is important that residents understand their potential financial impact before we vote.

I want to be clear at the outset: **I believe that Ipswich needs a new or substantially improved public safety facility.** My concerns with the current proposal are its design and location, not the need for better facilities for our police and fire departments.

Regardless of how one feels about the individual projects, the costs are significant and deserve to be looked at in aggregate.

Massachusetts towns operate under Proposition 2½, which generally limits annual increases in the property-tax levy. Large capital projects can be funded through voter-approved debt exclusions, allowing the town to collect additional property taxes while the debt is being paid. Ipswich's FY2026 Tax Rate Recapitulation shows a total assessed valuation of approximately $5.01 billion and a current tax rate of $10.78 per $1,000 of assessed value.

Ipswich is dealing with two major projects that involve, or are expected to involve, this type of borrowing: the Public Safety Building and a new Elementary School.

A third major project, the Water Treatment Facility, will largely be paid through water rates rather than property taxes. It is financed differently, but it still comes out of residents' household budgets.

## Public Safety Building

The town is currently seeking an additional $9.8 million for the Public Safety Building. For purposes of estimating the tax impact of the overall project, I am using approximately $37.8 million as the amount supported by property-tax borrowing.

Using the FY2026 assessed valuation of approximately $5.01 billion and assuming that $37.8 million is financed over 30 years at approximately 4%, the estimated annual tax impact is about 44 cents per $1,000 of assessed property value.

| Home Value | Approx. Added Cost Per Year | Cumulative Cost Over 30 Years |
|---|---|---|
| $500,000 | $218 | $6,540 |
| $750,000 | $327 | $9,810 |
| $1,000,000 | $436 | $13,080 |
| $1,500,000 | $655 | $19,650 |
| $2,000,000 | $873 | $26,190 |

These are estimates. Actual costs will depend on borrowing terms, interest rates, the timing and structure of the debt, and changes in the town's total assessed valuation.

## School Project

Ipswich is also pursuing state assistance for a new elementary school project.

For planning purposes, a total cost of approximately $150 million has been discussed. If approximately 40% were reimbursed by the state, Ipswich taxpayers would still be responsible for roughly $90 million.

Using the same FY2026 assessed valuation and a 30-year, 4% financing assumption, approximately $90 million of local borrowing would represent an estimated annual tax impact of about $1.04 per $1,000 of assessed value.

| Home Value | Approx. Added Cost Per Year | Cumulative Cost Over 30 Years |
|---|---|---|
| $500,000 | $519 | $15,570 |
| $750,000 | $779 | $23,370 |
| $1,000,000 | $1,039 | $31,170 |
| $1,500,000 | $1,558 | $46,740 |
| $2,000,000 | $2,078 | $62,340 |

The school numbers are preliminary, and both the final cost and state reimbursement could change.

## Looking at the Total

Taken together, the estimated Public Safety Building and school borrowing could add approximately $1.48 per $1,000 of assessed value each year:

| Home Value | Approx. Added Cost Per Year | Cumulative Cost Over 30 Years |
|---|---|---|
| $500,000 | $738 | $22,140 |
| $750,000 | $1,106 | $33,180 |
| $1,000,000 | $1,475 | $44,250 |
| $1,500,000 | $2,213 | $66,390 |
| $2,000,000 | $2,951 | $88,530 |

That does not include the effect of higher water rates needed to pay for the Water Treatment Facility.

Each project will come before residents at a different time, and each deserves to be evaluated on its own merits, but, from the taxpayer's perspective, these expenses do not exist in separate boxes. They all become part of the same household cost of living.

In my view, acknowledging the need for a better public safety facility does not require us to approve a flawed and controversial proposal. A "no" vote can also mean that residents believe the town should come back with a better solution.

Before Ipswich makes these long-term financial commitments, residents should understand both the merits of each proposal and the cumulative cost we are being asked to bear.

That is particularly important at a time when affordability is already a concern for many households.

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**I serve on Ipswich Design Review Board but these comments are my own and not necessarily shared by those on the Committee*

*Calculation basis: FY2026 Ipswich total assessed valuation of approximately $5.01 billion; 30-year financing at 4%; level annual debt-service estimate. The current FY2026 tax rate of $10.78 is shown for context and is not used as the project tax-impact rate. FY 26 Average residential property value is $903,108.*