

# Massachusetts School Building Authority

Steven Grossman  
*Chairman, State Treasurer*

John K. McCarthy  
*Executive Director*



## Board Meeting

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June 5, 2013



# Table of Contents

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- Executive Director's Report
  - Project Visits and Local Votes
- Project Votes
- Project Overview Report
- Audit Update
- Finance Update



# Project Visits and Local Votes

- Since the April 3, 2013 Board meeting, the MSBA has visited 36 projects.
- 7 Districts have voted affirmatively to support proposed Core Program projects.
- 1 District has voted affirmatively to appropriate feasibility funds.

Project Visits			Project Votes
Andover Arlington Berlin-Boylston RSD Blackstone RVT Danvers Douglas Dracut East Bridgewater Easthampton Essex-North Shore RVT Fairhaven Fall River	Franklin Hingham Hudson Leominster Longmeadow Marblehead Marshfield Maynard Melrose Methuen Newburyport Norfolk Agricultural	Norton Quincy Salem (Collins) Salem (Saltonstall) Shrewsbury Somerset-Berkley RSD Somerville Springfield (Forest Park) Sutton Wellesley West Springfield Winchester	Auburn Lynn North Adams (City Council) Peabody Revere South Hadley Wachusett RSD Woburn



# Accelerated Repair Site Visits

- Since the April 3, 2013 Board meeting, the MSBA has visited 29 Districts for potential Accelerated Repair Projects.

## Accelerated Repair Site Visits

Amherst-Pelham RSD  
Ashland  
Barnstable  
Blackstone-Millville RSD  
Central Berkshire RSD  
Chesterfield-Goshen RSD  
Dighton-Rehoboth RSD  
Easton  
Hamilton-Wenham RSD  
Hatfield  
Hopedale  
Lenox  
Mansfield  
Medford  
Narragansett RSD

Nashoba Valley RVT  
Nauset RSD  
Pathfinder RVT  
Pembroke  
Pentucket RSD  
Quincy  
Randolph  
South Middlesex RVT  
Springfield  
Stoughton  
Wellfleet  
Westford  
Westhampton  
Worcester



# Project Milestones

Since the April 3, 2013 Board meeting, the MSBA has attended 9 project milestone celebrations.

## Groundbreakings

- Wilmington High School
- Stoneham Central Middle School
- Wakefield Galvin Middle School
- Williamsburg - Dunphy Elementary School
- Greenfield High School
- Newburyport - Nock Middle School

## Ribbon Cutting Ceremony

- Shrewsbury – Sherwood Middle School
- Billerica – Parker Elementary School
- Rockland High School



State Representative Jason Lewis, Executive Director Jack McCarthy, and State Senator Katherine Clark at the Stoneham Central Middle School Groundbreaking Ceremony on May 21, 2013.



Treasurer Steve Grossman, Executive Director Jack McCarthy, and local and state officials at the Wilmington High School Groundbreaking on April 25, 2013.



# Project Visits and Local Votes

Upcoming events anticipated in June and July

Project Visits			Project Votes
Andover Arlington Ashburnham-Westminster RSD Berlin-Boylston RSD Concord Danvers Douglas Dracut Duxbury East Bridgewater Essex-North Shore RVT Fairhaven Fall River Franklin	Hingham Hudson Leominster Lexington Marblehead Marshfield Maynard Melrose Methuen Newburyport Norfolk Agricultural North Reading Norton	Quincy Salem (Collins) Salem (Saltonstall) Saugus Shrewsbury Somerset-Berkley RSD Somerville Southeastern RVTHS Springfield (Dryden) Springfield (Forest Park) Sutton West Springfield Winchester	<p><b><u>June</u></b> Holyoke</p> <p><b><u>July</u></b> Lynn</p>



# Accelerated Repair Program Reduction of Scope

District	School	Scope Removed
Taunton	Harold H. Galligan School	Boiler

*Note: Board authorized a roof replacement at the Harold H. Galligan School at the January 30, 2013, Board of Directors Meeting.*



# Invitation to Feasibility Study

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District	School
Scituate	Gates Intermediate School





# 2013 SOI Update

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- FY 2013 Statement of Interest (SOI) Process  
Opened on January 9, 2013 and closed on April 10, 2013
- Filing options for Districts:
  - Re-submit a previously filed SOI
  - Submit new SOI



# SOI Submissions

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- 201 Statements of Interest have been filed by 117 Districts
- 129 of the 201 SOIs are re-submittals, and have been filed in previous years
- 72 are SOIs that have been filed for the first time



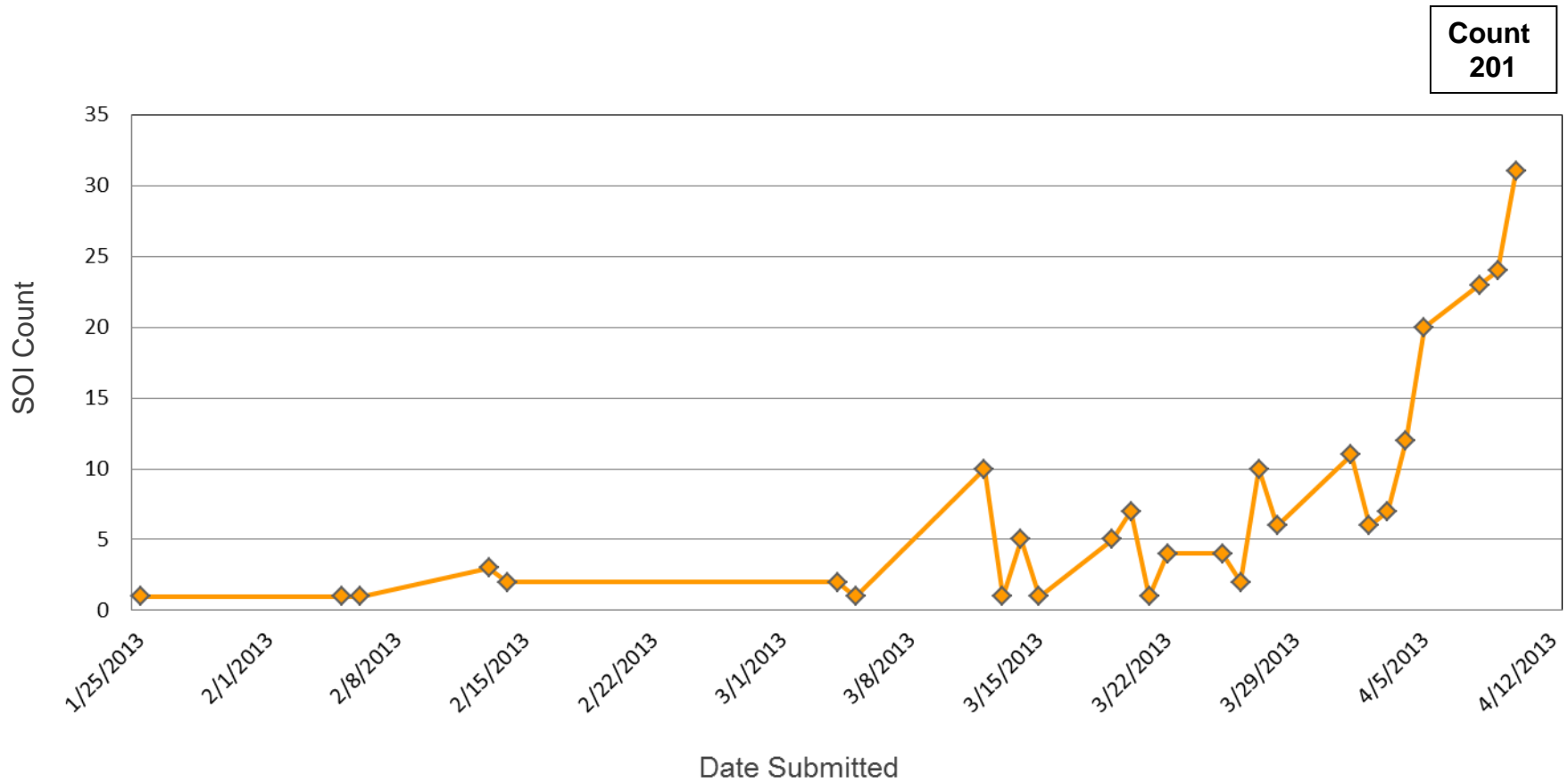
## SOI Submissions *(cont.)*

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- District identified scope of work for the 201 SOIs:
  - 37 – New Construction
  - 66 – Addition / Renovation
  - 98 – Repair



# SOI Submissions by Date





# Districts Filing Multiple SOIs

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- Springfield (12)
- Worcester (7)
- Pembroke\* (5)
- Fitchburg (5)
- Dighton-Rehoboth RSD (5)
- Quincy (4)
- Tewksbury (4)
- Walpole (4)
- Boston (4)
- Southern Berkshire RSD\* (4)

*\*First time the District has filed an SOI.*



# SOI Review

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- Internal Review of proper SOI submittal (*complete*)
- SOI Review for Accelerated Repair Program (ARP: *underway*)
  - 77 of the 201 moved for consideration in the Accelerated Repair Program
  - 57 of the 77 have received site visits
  - 43 of the 57 will be invited into program at today's Board
  - Potential for more ARP invites at the July Board meeting
- Content Review of Core program SOIs (*underway*)
  - MSBA due diligence review process will continue through July
  - Senior Studies and site visits conducted in late summer and early fall
  - Anticipate recommendations into Eligibility Period at the fall / winter Board Meetings



# Invitation to Accelerated Repair Program

Districts that are recommended for invitation into the Accelerated Repair Program.

District	School	Scope
Ashland	Ashland Middle School	Roof
	Henry E. Warren Elementary School	Roof
Barnstable	Horace Mann Charter School* <i>(Barnstable United Elementary School)</i>	Roof
Blackstone-Millville Regional School District	Millville Elementary School	Roof
Central Berkshire Regional School District	Berkshire Trail Elementary School	Roof
Chesterfield Goshen Regional School District	New Hingham Regional Elementary School	Roof
Easton	Moreau Hall Elementary School	Roof, Boiler
Hamilton-Wenham Regional School District	Bessie Buker Elementary School	Boiler
	Winthrop Elementary School	Window, Boiler
Hatfield	Smith Academy	Roof, Window
Hopedale	Memorial Elementary School	Roof
Lenox	Lenox Memorial Middle and High School	Roof
	Morris Elementary School	Roof
Medford	Medford High School	Window, Boiler

\*District notified the MSBA that the facility's name has changed to the Barnstable United Elementary School.



# Invitation to Accelerated Repair Program *(cont.)*

Districts that are recommended for invitation into the Accelerated Repair Program.

District	School	Scope
Nashoba Valley Technical School District	Nashoba Valley Technical High School	Roof
Nauset Regional School District	Nauset Regional Middle School	Roof
Pathfinder Regional Vocational Technical School District	Pathfinder Regional Vocational Technical High School	Roof
Pembroke	Hobomock Elementary School	Roof
	North Pembroke Elementary School	Roof
	Pembroke Community Middle School	Roof
	Pembroke High School	Roof
Pentucket Regional School District	Pentucket Regional Middle School	Roof, Boiler
Quincy	Merrymount Elementary School	Window
	North Quincy High School	Window
	Wollaston Elementary School	Window
Randolph	Randolph Community Middle School	Boiler
	Randolph High School	Roof





# Invitation to Accelerated Repair Program *(cont.)*

Districts that are recommended for invitation into the Accelerated Repair Program.

District	School	Scope
South Middlesex Regional Vocational Technical School District	Joseph P. Keefe Regional Technical School	Roof
Springfield	Springfield High School of Science and Technology	Roof
	Margaret C. Ells School	Roof
	South End Middle School	Roof
	Springfield Public Day High School	Roof
Stoughton	Helen H. Hansen Elementary School	Window
	Joseph R. Dawe, Jr. Elementary School	Window
	West Elementary School	Roof
Wellfleet	Wellfleet Elementary School	Roof
Westford	Colonel John Robinson Elementary School	Window
	Norman E. Day Elementary School	Window
Westhampton	Westhampton Elementary School	Roof, Window, Boiler
Worcester	Columbus Park Preparatory Academy	Window, Boiler
	Tatnuck Magnet School	Window
	Worcester Arts Magnet School	Window
	Worcester East Middle School	Roof, Window, Boiler



# Project Update | City of Revere: McKinley Elementary School

## Update on Project Scope and Budget Authorization

- MSBA Board approval on January 30, 2013
- Local Authorization secured on March 11, 2013
- Project advancement contingent upon eminent domain takings at the city level and permission for reuse of parkland at the state and federal level; National Park Service and the Massachusetts Legislature approval pursuant to Article 97 of the Articles of Amendment to the Constitution of the Commonwealth of Massachusetts
- The District seeks extension of an additional 120 days to the 120-day period to successfully secure the project site
- In no event would the extended schedule result in an increase to the Estimated Maximum Total Facilities Grant as authorized by the Board on January 30, 2013.

Staff supports an extension beyond the initial 120-day deadline of an additional 120 days in furtherance of the District's efforts to secure the project site for the proposed project.



# Project Update | City of North Adams: Silvio O. Conte Middle School

## Update on Project Scope and Budget Authorization

- MSBA Board approval on November 14, 2012
- Local Authorization secured on March 13, 2013
- Project advancement was delayed due to challenge to the City Council's appropriation motion for Project Scope and Budget funds in the form of a referendum petition.
- A Special Election was scheduled for April 30, 2013 to seek city-wide approval of the funding vote.
- The Special City Election passed (1,388 for / 1,250 against)

Staff supported an extension beyond the 120-day deadline in furtherance of the District's efforts to secure the project funding for the proposed project.



# Summary of Bid Data

Year	Number of Projects	Design Basis for Enrollment	Project Budget	Construction Budget
2009	11	8,188	\$205.6 M	\$171.5 M
2010	33	26,184	\$1.37 B	\$1.07 B
2011	20	16,113	\$896.6 M	\$688.6 M
2012	25	21,157	\$1.28 B	\$979.2 M
*2013	31	23,523	\$1.21 B	\$969.8 M
2014	3	2,820	\$138.0 M	\$101.7 M
<b>Grand Total</b>	123	97,985	\$5.10 B	\$3.98 B

Note: These numbers are based on preliminary information received from the District and are subject to further review and calculation

\* These numbers include Core Program and SLI projects not Accelerated Repair Projects

- Anticipated Bids in 2013:
  - June – Andover, Greenfield, North Reading, Southern Worcester RVT (Bay Path), Wakefield, Webster, Wilmington
  - July – Medford (SLI), Southwick-Tolland-Granville RSD MS/HS
  - August – Greater New Bedford RSD, Springfield (Central HS)
  - September – Springfield (Brookings ES), West Bridgewater MS/HS



# Core Program

## Construction Estimate vs. 2013 Bid Amount


- 7 bids received and 3 GMPs executed in 2013
- Of the 10 projects, 8 bids came in within the estimated budget

District	School	Scope	Project Type	Bid Date	Construction Estimate **	Bid Amount **	Variance from Construction Estimate	Reimbursement Rate	Potential Grant Variance *
				Total	\$253,648,396	\$238,192,474	\$15,455,922	-	\$9,669,524
Lexington	Estabrook ES	New	CMR	Jan-13	\$31,145,045	\$32,792,348	-\$1,647,303	37.27%	\$0
Monomoy RSD	Monomoy Regional HS	New	DBB	Feb-13	\$52,962,105	\$47,490,700	\$5,471,405	51.53%	\$2,819,415
Newburyport	Bresnhan ES	New	DBB	Feb-13	\$31,117,441	\$27,405,000	\$3,712,441	52.78%	\$1,959,426
Williamsburg	Anne T. Dunphy IS	Add/Reno	DBB	Mar-13	\$9,553,527	\$8,990,457	\$563,070	61.86%	\$348,315
Assabet Valley RVTSD	Assabet Valley RVTHS	Repair/Reno	DBB	Mar-13	\$50,755,300	\$45,215,000	\$5,540,300	53.48%	\$2,962,952
Stoneham	Stoneham MS	Add/Reno	CMR	Mar-13	\$32,028,239	\$33,086,864	-\$1,058,625	57.50%	\$0
Old Colony RSD	Old Colony RVTHS	Roof/SLI	DBB	Apr-13	\$2,179,947	\$2,037,200	\$142,747	54.16%	\$77,312
Newburyport	Nock	Add/Reno	CMR	Apr-13	\$21,831,202	\$20,877,414	\$953,788	53.78%	\$512,947
***Southwick-Tolland-Granville RSD	Powder Mill ES / Woodland ES	Repair	DBB	May-13	\$22,075,590	\$20,297,491	\$1,778,099	55.63%	\$989,156

\*These numbers are based on preliminary information received from the district and are subject to further review and calculation.

\*\*The construction estimate and bid amount do not include pre-construction services and alternatives.

\*\*\*Southwick-Tolland-Granville Powder Mill ES & Woodland ES projects are two separate projects but were bid as one project. The data is combined until further information is available.



# Science Lab Initiative

## Construction Estimate vs. 2013 Bid Amount

- Of the 8 projects, 6 bids have been received
- All 6 are within the district's estimated budget

District	School	Scope	Project Type	Bid Date	Construction Estimate **	Bid Amount **	Variance from Construction Estimate	Reimbursement Rate	Potential Grant Variance *
				Total	\$19,741,979	\$15,879,316	\$3,862,663	-	\$2,408,557
Melrose	Melrose HS	SLI	DBB	Feb-13	\$4,938,311	\$3,239,000	\$1,699,311	50.79%	\$863,080
Gardner	Gardner HS	SLI/Windows	DBB	Feb-13	\$2,934,333	\$2,745,319	\$189,014	78.95%	\$149,227
Blackstone Valley RSD	Blackstone Valley RHS	SLI	DBB	Feb-13	\$625,395	\$553,997	\$71,398	53.53%	\$38,219
Holyoke RSD	William Dean VTHS	SLI	DBB	Mar-13	\$5,352,000	\$4,022,000	\$1,330,000	80.00%	\$1,064,000
Tir-County RVTSD	Tri-County RVTHS	SLI	DBB	Mar-13	\$1,241,940	\$908,000	\$333,940	50.79%	\$169,608
N. Attleborough	N. Attleborough HS	SLI	DBB	Apr-13	\$4,650,000	\$4,411,000	\$239,000	52.06%	\$124,423

\*These numbers are based on preliminary information received from the district and are subject to further review and calculation.

\*\*The construction estimate and bid amount do not include pre-construction services and alternatives.




# Accelerated Repair Project Construction Estimate vs. 2013 Bid Amount

- Out of 36 projects, 32 expected to bid in 2013.
- Of the 32, 27 projects have been bid.
- Of the 27, 18 bids have been received and 9 are still being evaluated by the Districts.
- Of the 18 projects, 16 bids came within the estimated budget.

District	School	Scope	Project Type	Bid Date	Construction Estimate **	Bid Amount **	Variance from Construction Estimate	Reimbursement Rate	Potential Grant Variance *
				Total	\$20,344,932	\$15,666,141	\$4,678,791	-	\$2,913,436
Weymouth	Willian Seach ES	Boiler	DBB	Dec-12	\$425,213	\$459,104	-\$33,891	54.16%	\$0
Granton-Dunstable RSD	Granton-Dunstable MS	Roof	DBB	Feb-13	\$1,316,890	\$942,000	\$374,890	45.74%	\$171,475
Hamilton-Wenham RSD	Cutler Es	Roof	DBB	Feb-13	\$547,326	\$444,150	\$103,176	43.42%	\$44,799
N. Brookfield	N. Brookfield ES	Windows	DBB	Feb-13	\$274,254	\$199,400	\$74,854	62.67%	\$46,911
Shawsheen Valley RVTSD	Shawsheen Valley VTHS	Boiler	DBB	Mar-13	\$805,423	\$535,000	\$270,423	52.06%	\$140,782
Sudbury	Gen. John Nixon ES	Roof	DBB	Mar-13	\$621,554	\$538,000	\$83,554	36.89%	\$30,823
Easton	Easton Jr. HS	Roof	DBB	Mar-13	\$1,850,830	\$1,889,000	-\$38,170	50.16%	\$0
Norton	Solmonese ES	Roof	DBB	Mar-13	\$1,166,044	\$986,000	\$180,044	55.63%	\$100,158
Attleborough	Irvin Studley ES	Roof	DBB	Mar-13	\$773,363	\$489,000	\$284,363	57.74%	\$164,191

\*These numbers are based on preliminary information received from the district and are subject to further review and calculation.

\*\*The construction estimate and bid amount do not include pre-construction services and alternatives.



# Accelerated Repair Project Construction Estimate vs. 2013 Bid Amount *(cont.)*

- Out of 36 projects, 32 expected to bid in 2013.
- Of the 32, 27 projects have been bid.
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- Of the 18 projects, 16 bids came within the estimated budget.

District	School	Scope	Project Type	Bid Date	Construction Estimate **	Bid Amount **	Variance from Construction Estimate	Reimbursement Rate	Potential Grant Variance *
				Total	\$20,344,932	\$15,666,141	\$4,678,791	-	\$2,913,436
Lynn	Lynn Voc. Tech	Roof	DBB	Mar-13	\$4,173,000	\$3,097,000	\$1,076,000	80.00%	\$860,800
Gardner	Gardner MS	Boiler	DBB	Apr-13	\$438,439	\$396,100	\$42,339	78.95%	\$33,427
N. Attleborough	Roosevelt Ave. ES	Windows	DBB	Apr-13	\$768,000	\$656,483	\$111,517	52.06%	\$58,056
Quabaog RSD	Warren ES	Boiler	DBB	Apr-13	\$207,000	\$182,444	\$24,556	68.34%	\$16,782
Quabbin RSD	Ruggles Lane ES	Roof & Windows	DBB	Apr-13	\$2,588,409	\$2,287,836	\$300,573	57.74%	\$173,551
Westfield	Munger Hill ES	Roof	DBB	Apr-13	\$1,170,735	\$593,499	\$577,236	59.84%	\$345,418
Westfield	Paper Mill ES	Roof	DBB	Apr-13	\$1,170,735	\$562,525	\$608,210	59.84%	\$363,953
Southampton	William Norris ES	Roof	DBB	May-13	\$1,504,147	\$922,000	\$582,147	55.00%	\$320,181
Taunton	Galligan School	Roof	DBB	May-13	\$543,570	\$486,600	\$56,970	73.95%	\$42,129

\*These numbers are based on preliminary information received from the district and are subject to further review and calculation.

\*\*The construction estimate and bid amount do not include pre-construction services and alternatives.





# Building Construction Costs

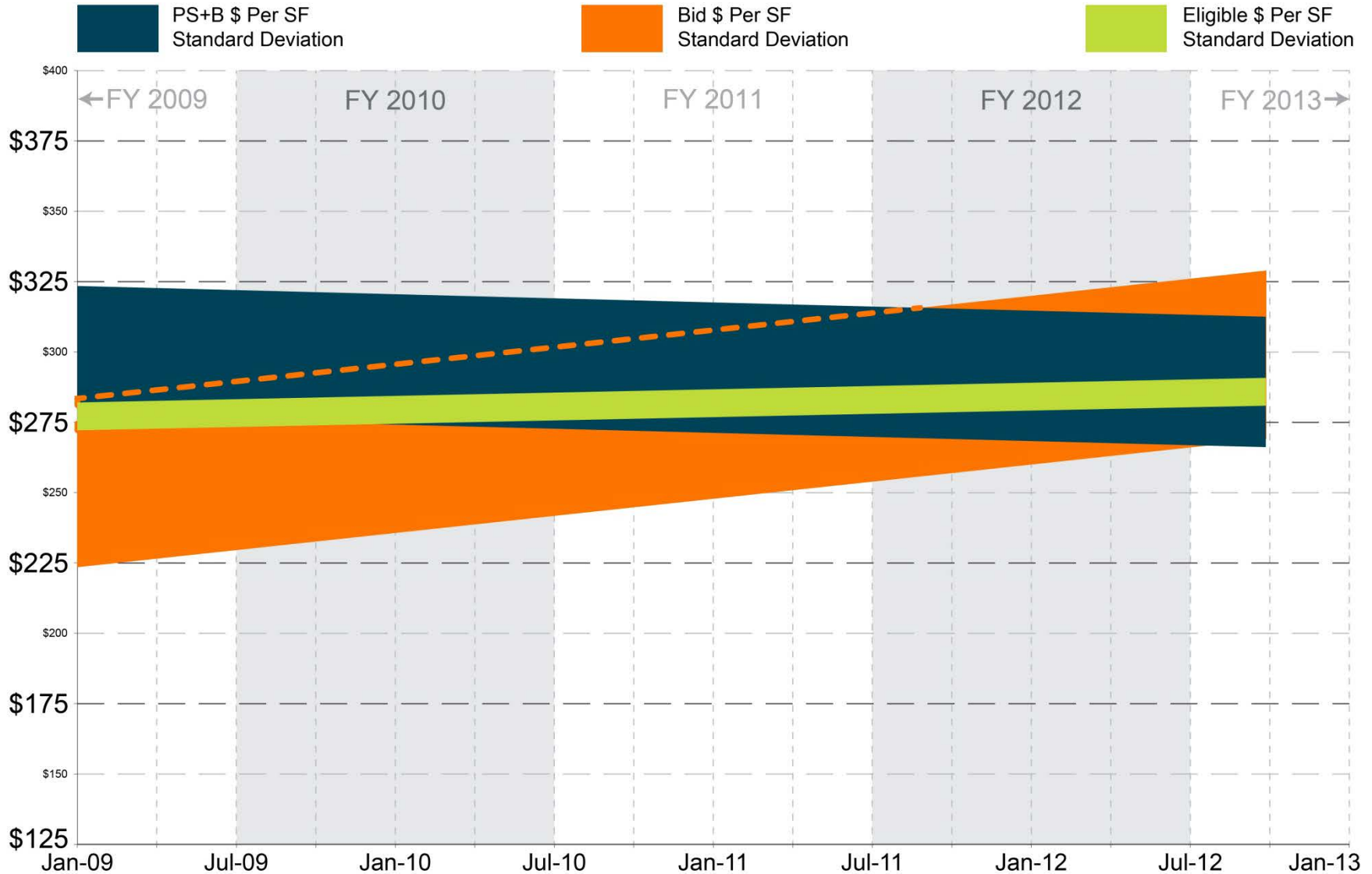
Marked Up Building Only Construction Cost		2009 (9)*	2010 (12)*	2011 (5)*	2012 (12)
Schematic Design	Average	\$250	\$243	\$240	\$270
	Range	\$229 - \$271	\$218 - \$268	\$231 - \$249	\$245 - \$295
Bid Results	Average	\$209	\$231	\$236	TBD
	Range	\$181- \$236	\$205- \$257	\$228 - \$244	TBD

\* Costs exclude Site, Demolition and Abatement

\* Averages and Ranges are based on projects with SD and Bid Data only

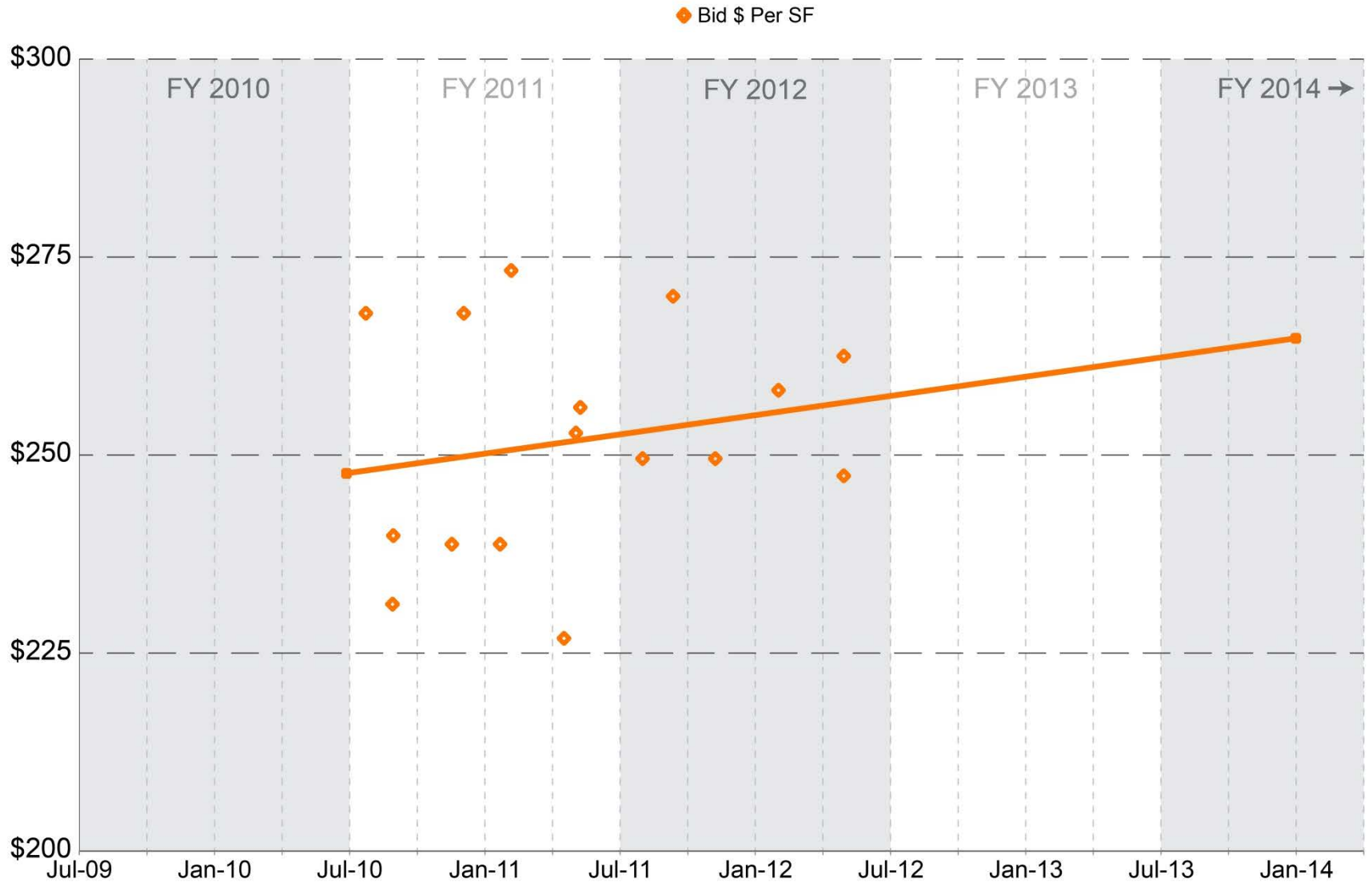


# Construction Cost Trends





# Construction Cost Trends





# Recommendations

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- Continue current policy of funding up to \$275/sf plus eligible demolition and abatement
- Conduct similar analysis with most recent available data and report findings in the Spring of 2014
- Annually conduct construction funding level analysis based on bid/GMP data from the two previous fiscal years



# Audit Status Update

## Former Program

## Today's Vote

Completed Projects		Projects Currently Submitting for Reimbursement	Estimated costs remaining
780	4	4	
\$15.3 billion of costs submitted and audited		\$211 million of costs submitted and audited	Approx. \$50 million of costs to be submitted*

→ \$1.4 billion in audit savings to date

→ \$1.4 billion in estimated grant payments remaining

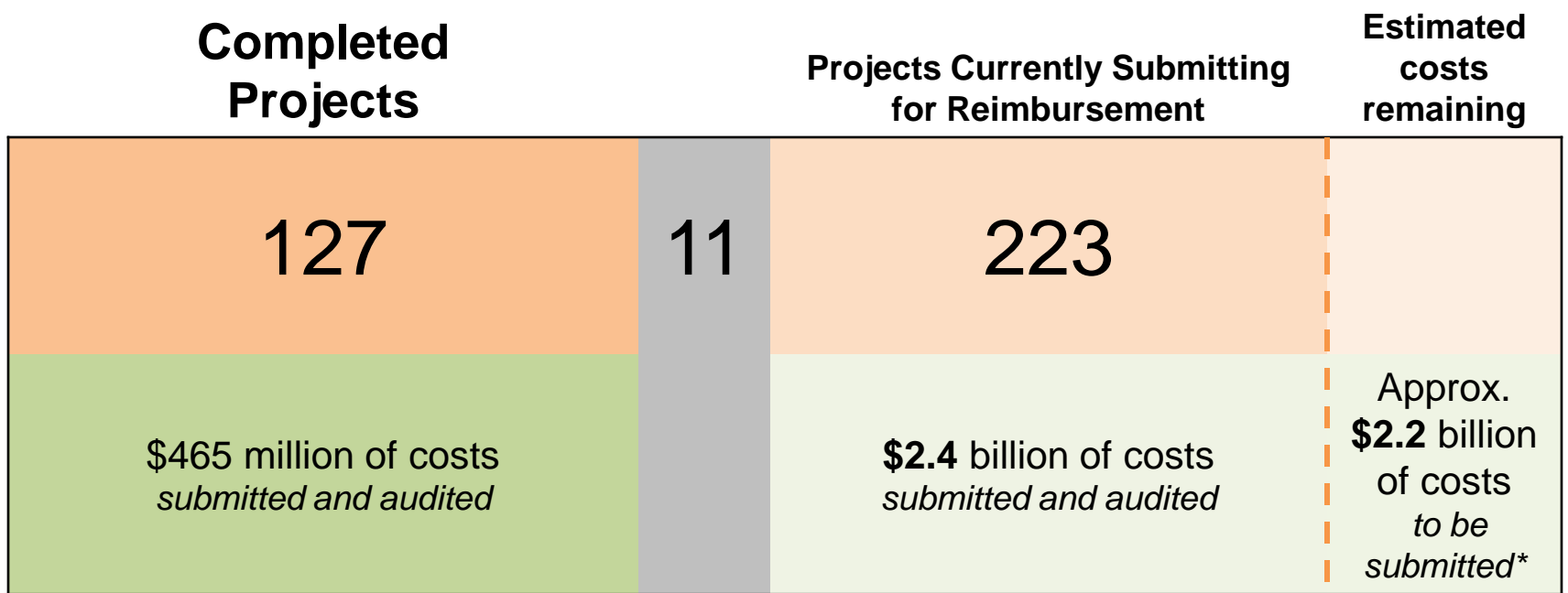
*\*Estimated based on Total Project Budget and submitted costs to date*



# Audit Status Update

**New Program**

■ **Today's Vote**

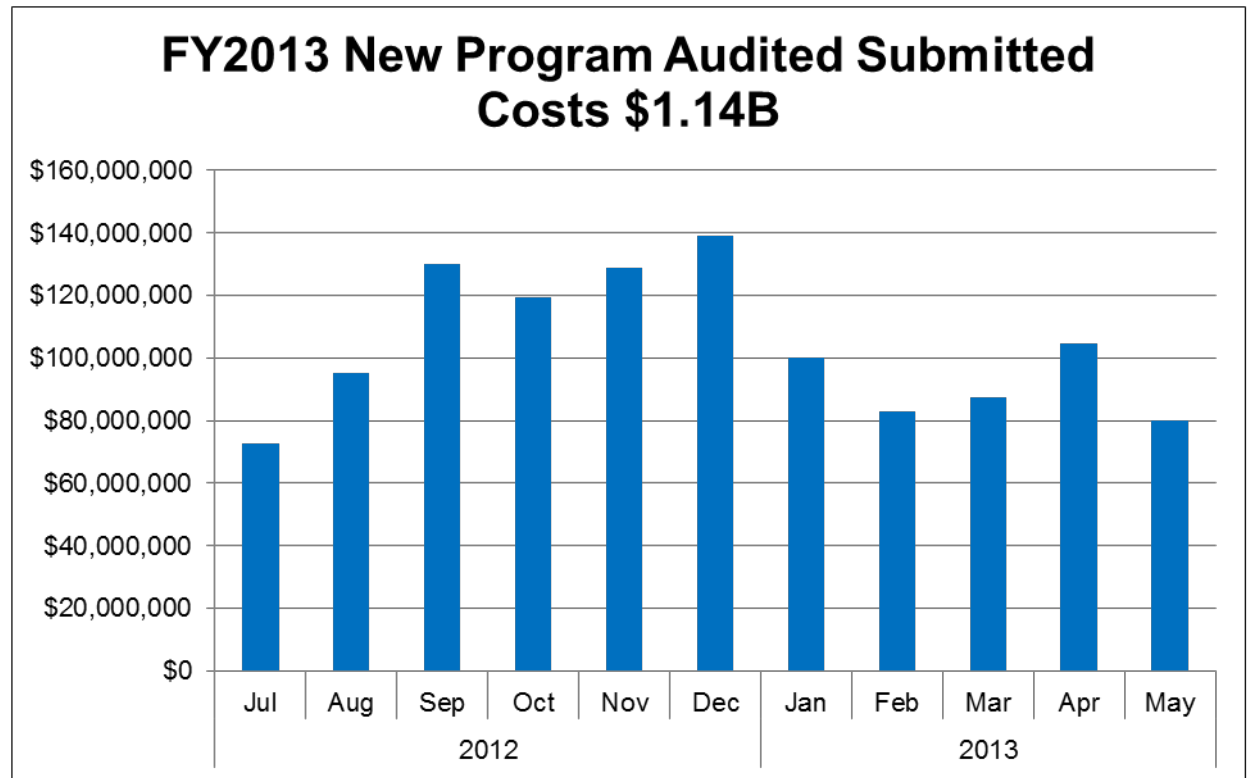


*\*Estimated based on Total Project Budget and submitted costs to date*



# FY13 New Program Audited Costs

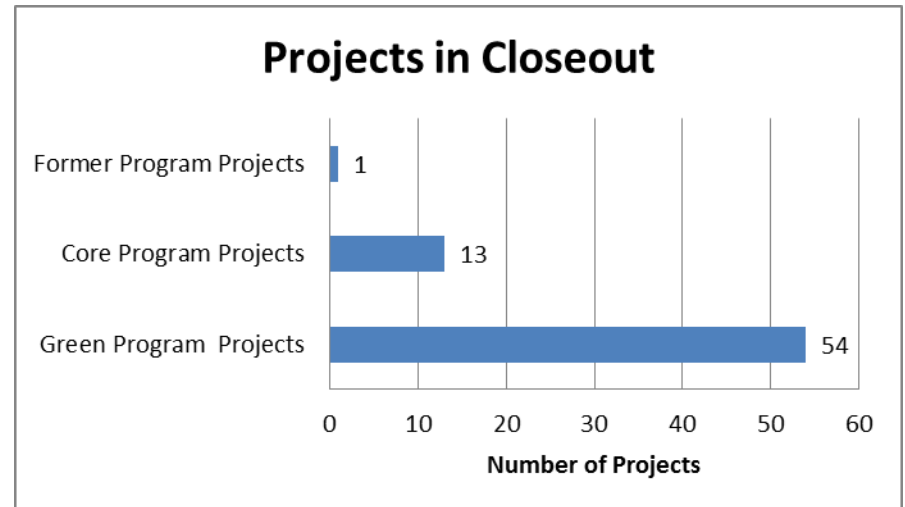
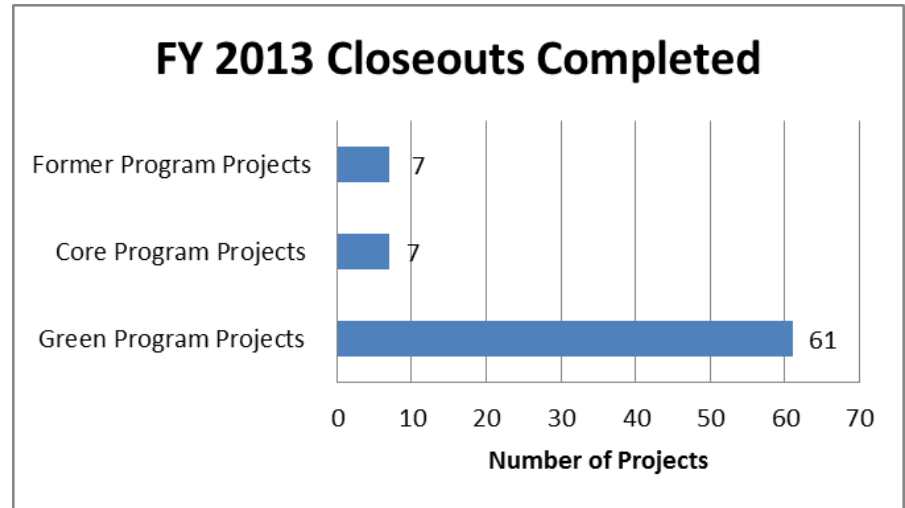
- Year-to-date monthly submitted costs average of \$104 million in FY 2013





# Current Closeout Status

- 75 Projects closed out in FY 2013







# Closeout Audit – Former Program

Today's Vote: Exhibit A, Approval of Final Audits

District	School Name	Reimb. Rate	Estimated Budget	Final Construction Costs Submitted	Audited Eligible Project Costs	Final Total Facilities Grant
Cambridge	Rindge & Latin High School	69.47%	\$112,116,300	\$109,591,683	\$40,344,000	\$28,026,977
New Bedford	Keith Middle School	90.00%	\$83,163,598	\$85,065,240	\$80,270,780	\$73,344,254
Newton	Newton North High School	60.00%	\$197,499,511	\$191,486,608	\$77,628,610	\$46,577,166
Taunton	Taunton High and John F. Parker Middle School	83.00%	\$112,759,827	\$112,323,649	\$111,461,471	\$92,513,021
			<b>\$505,539,236</b>	<b>\$498,467,180</b>	<b>\$309,704,861</b>	<b>\$240,461,418</b>



# Closeout Audits - New Program

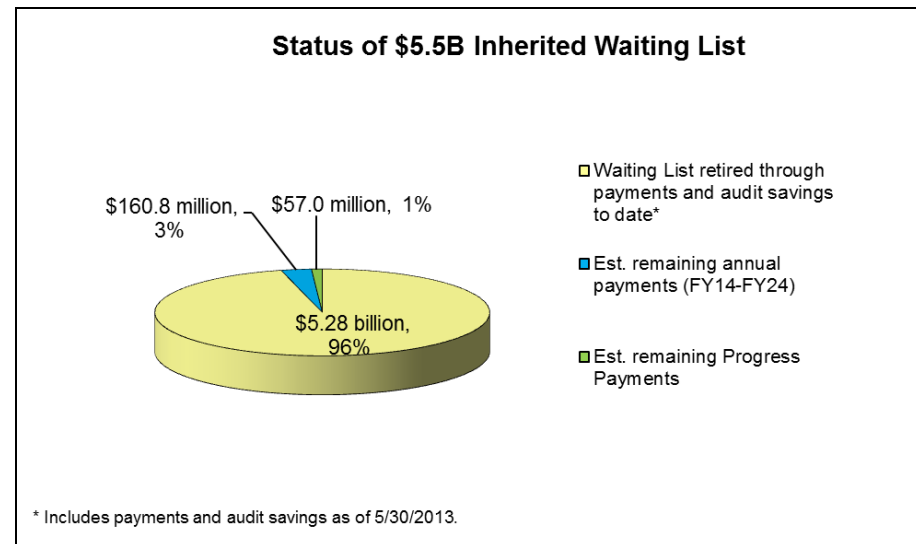
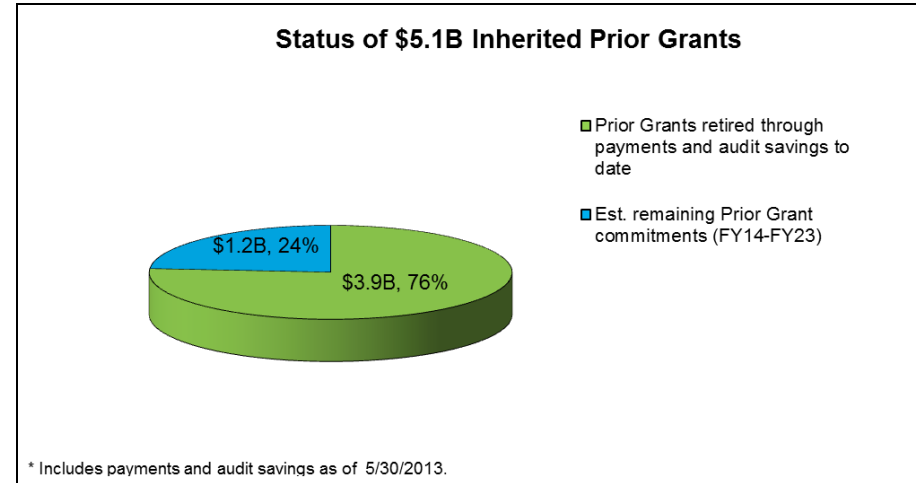
Today's Vote: Exhibit D, Approval of Final Audits

District	School Name	MSBA Cx	Reimb. Rate	Estimated Budget	Final Costs Submitted	Basis for Final Total Facilities Grant	Final Total Facilities Grant
Lincoln	Lincoln K - 8 School	NA	35.42%	\$650,000	\$654,382	\$645,931	\$228,789
Nashoba	Nashoba Regional High School	NA	45.95%	\$200,838	\$200,838	\$200,838	\$92,285
New Salem-Wendell	Swift River School	X	69.70%	\$1,287,714	\$1,189,788	\$1,060,464	\$739,143
North Attleborough	Falls Elementary School	X	52.06%	\$710,000	\$713,327	\$661,960	\$344,616
Norwood	Norwood High School	X	59.21%	\$68,655,476	\$66,644,535	\$61,060,261	\$36,153,781
Pentucket	Helen R Donaghue School	X	51.42%	\$433,426	\$422,410	\$417,379	\$214,616
Springfield	Gerena Community School	X	80.00%	\$1,414,794	\$1,386,972	\$1,386,972	\$1,109,578
Springfield	Homer Street Elementary School	X	80.00%	\$539,352	\$513,345	\$511,624	\$409,229
Springfield	John F Kennedy Middle School	X	80.00%	\$1,781,796	\$1,780,902	\$1,760,470	\$1,408,376
Springfield	Liberty School	X	80.00%	\$684,327	\$686,408	\$680,854	\$544,683
Springfield	Rebecca M Johnson School	X	80.00%	\$696,052	\$656,928	\$656,396	\$525,117
				<b>\$77,053,775</b>	<b>\$74,849,835</b>	<b>\$69,043,149</b>	<b>\$41,770,214</b>



# Inherited Programs Status

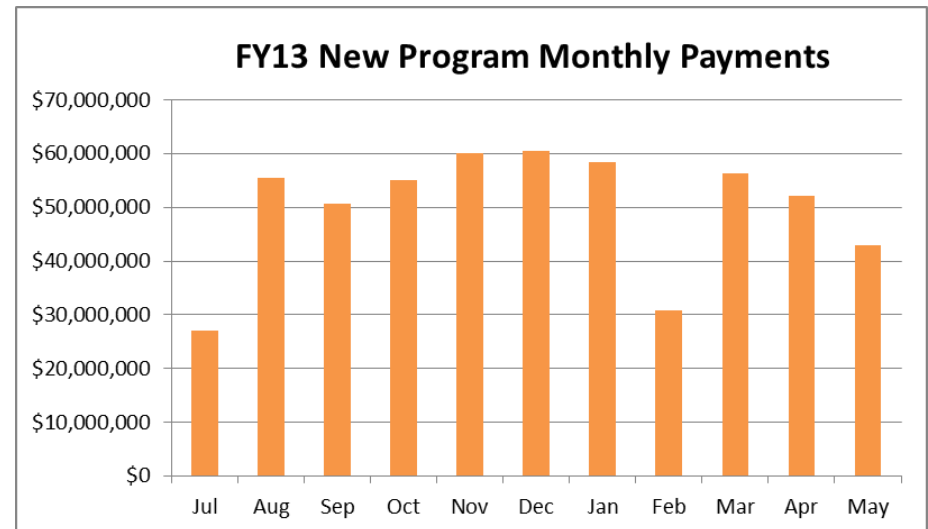
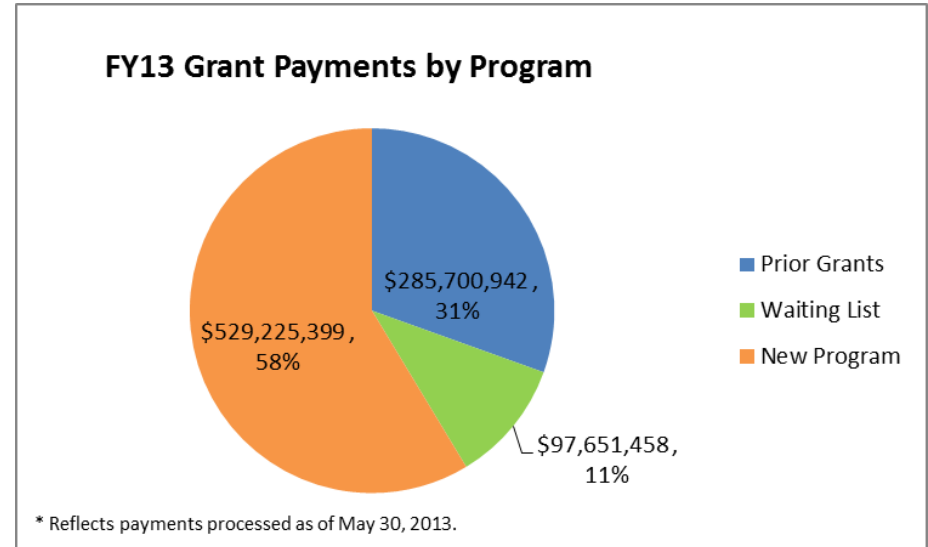
- **MSBA's proactive and aggressive management of inherited projects eliminated the uncertainty associated with the former program**
  - More than \$9.2 billion of estimated inherited financial commitments from former program have been retired through payments and audit savings
  - Approximately \$1.4 billion inherited commitments outstanding
  - More than \$1.3 billion of outstanding inherited commitments will be paid from cash and not from debt issuance
  - 76% of the total inherited Prior Grant financial commitment retired to date. 100% of the projects have completed and approved final audits
  - 96% of the total inherited Waiting List financial liability and commitment retired to date. 98% of the projects have completed and approved final audits





# FY13 New Program Grant Payments

- More than \$549 million New Program grants paid to date in FY13
  - Payments made towards 260 projects in 148 districts
  - Represents 58% of all grant payments made in FY13
  
- Year-to-date monthly New Program payments average of \$50 million in FY13





# MSBA Five Year Capital Programs Outlook

Grants	FY13	FY14	FY15	FY16	FY17	FY18
Statements of Interest Submitted by Districts <sup>1</sup>	280	200				
New Program <sup>2</sup>						
Core Program Projects (# project invitations) <sup>3</sup>	\$398M (17)	\$474M (12-25)	\$479M (12-25)	\$484M (12-25)	\$489M (12-25)	\$494M (12-25)
Accelerated Repair (# project invitations) <sup>4</sup>	\$37M (36)	\$25M (10-25)	\$25M (10-25)	\$25M (10-25)	\$25M (10-25)	\$25M (10-25)
Science Lab Initiative (# project invitations)	<u>\$47M (8)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated New Program Grant Authorizations	\$482M	\$499M	\$504M	\$509M	\$514M	\$519M
Estimated New Program Ceiling <sup>5</sup>	\$494M	\$499M	\$504M	\$509M	\$514M	\$519M
Inherited Programs <sup>6</sup>						
Prior Grants (# projects)	\$286M (327)	\$209M (290)	\$198M (264)	\$186M (228)	\$172M (198)	\$140M (169)
Wait List (# projects) <sup>7</sup>	<u>\$113M (46)</u>	<u>\$49M (31)</u>	<u>\$28M (28)</u>	<u>\$17M (27)</u>	<u>\$17M (27)</u>	<u>\$16M (26)</u>
Estimated Inherited Program Grant Payments	\$395M	\$258M	\$226M	\$203M	\$189M	\$156M

<sup>1</sup> FY13 reflect calendar year 2012 Statements of Interest filed for FY13 invitation period. FY14 reflects calendar year 2013 Statements of Interest filed for FY14 invitation period.

<sup>2</sup> FY13 reflects actual Estimated Maximum Facilities Grant through June Board meeting. FY14 and beyond reflect estimated invitations for project approvals, and assume districts have the ability to complete work through schematic design within an average timeframe, and are able to obtain local funding approvals for a proposed project. Assumes 1% annual growth in dedicated sales tax collections from Commonwealth's estimated FY13 collections.

<sup>3</sup> Assumes average grants for major elementary, middle and high school projects of \$19M-\$41M. Invitation assumption is not project-specific, and is based upon average grants only.

<sup>4</sup> Assumes average grant for roof, window and boiler projects of \$500,000 - \$2.5M. Invitation assumption is not project-specific, and is based upon average grants only.

<sup>5</sup> Assumes Commonwealth's estimated FY13 collections, and 1% annual growth beyond FY13.

<sup>6</sup> Reflects estimated grant payments based upon payment schedule of final project audit, revised payment schedule as a result of district refunding, or estimated remaining progress payment reimbursements.

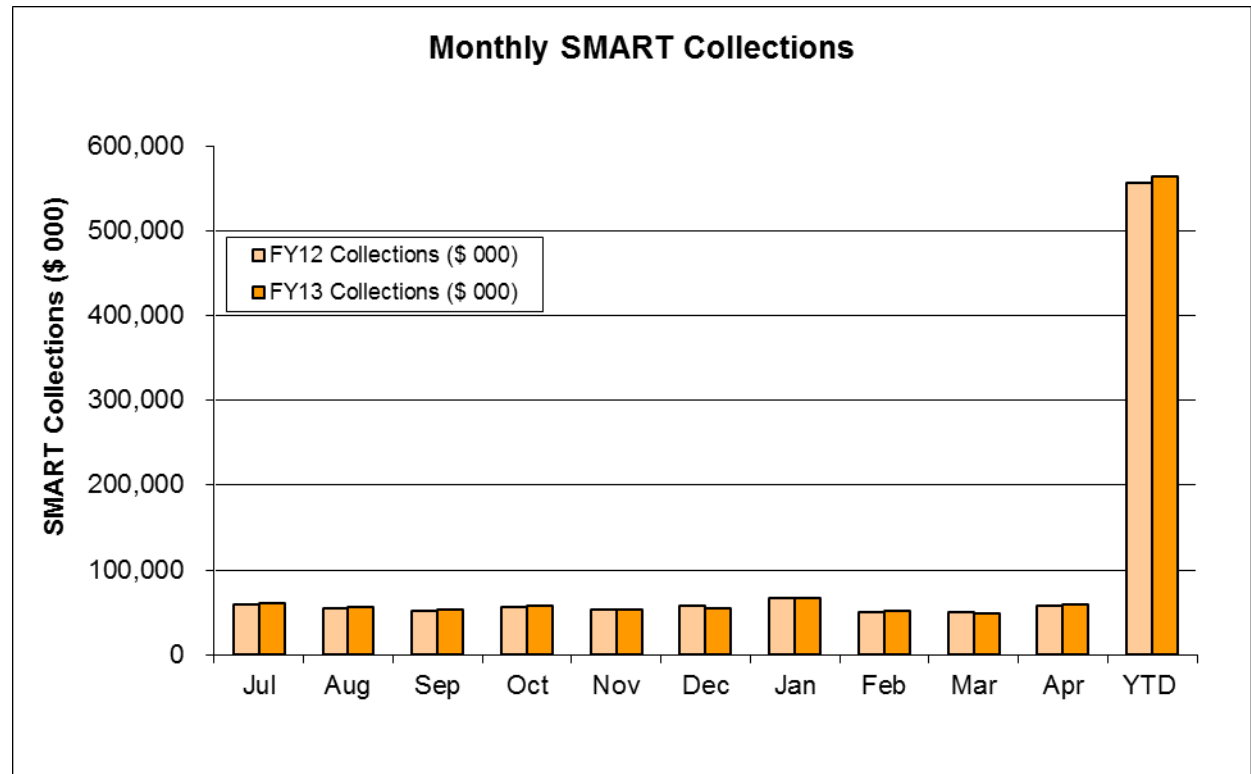
<sup>7</sup> FY13 estimated remaining payments through 6/30/13. FY14 and beyond reflects estimated closeout audit calendar as of 4/16/13 and remaining wait list annual payments schedule as of 5/29/13.



# FY13 YTD Monthly SMART Collections

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	YTD
<b>FY12 Collections (\$ 000)</b>	59,646	54,111	52,414	56,434	52,892	57,303	67,440	49,632	49,645	57,959	557,477
<b>FY13 Collections (\$ 000)</b>	60,514	56,214	53,253	57,667	54,031	55,053	67,562	51,348	49,312	59,362	564,315
<b>Change (\$ 000)</b>	868	2,103	839	1,232	1,138	(2,250)	122	1,716	(333)	1,403	6,838
<b>% Change</b>	1.5%	3.9%	1.6%	2.2%	2.2%	-3.9%	0.2%	3.5%	-0.7%	2.4%	1.2%

- SMART collections through April were \$6.8M (1.2%) greater than collections through same period in FY12
- With the exception of two months, SMART collections in FY13 have exhibited growth each month over the same month in the previous year





# FY14 Administrative Operations and Grant Program Recommendation

Expense Category	FY12		FY13				FY14				
	FY12 Final Expenditures		FY13 Budget	FY13 Est. Actual	Variance	% Variance	FY14 Budget Recommendation	Variance Est. Actual	% Variance Est. Actual	Variance FY13 Budget	% Variance FY13 Budget
<b>Administrative Expense Budget</b>											
Salaries & Benefits <sup>[1]</sup>	\$ 4,391,662	\$	\$ 5,909,845	\$ 5,082,116	\$ (827,728)	-14.0%	\$ 6,467,594	\$ 1,385,477	27.3%	\$ 557,749	9.4%
General & Administrative Office Expenses <sup>[2]</sup>	\$ 197,091	\$	\$ 198,840	\$ 234,441	\$ 35,600	17.9%	\$ 216,857	\$ (17,584)	-7.5%	\$ 18,017	9.1%
Occupancy & Utilities <sup>[3]</sup>	\$ 947,535	\$	\$ 1,189,048	\$ 1,025,161	\$ (163,887)	-13.8%	\$ 1,207,998	\$ 182,837	17.8%	\$ 18,950	1.6%
Consulting & Professional Support Services	\$ 202,482	\$	\$ 207,242	\$ 204,754	\$ (2,488)	-1.2%	\$ 210,000	\$ 5,246	2.6%	\$ 2,758	1.3%
Information Technology <sup>[4]</sup>	\$ 259,695	\$	\$ 282,282	\$ 409,696	\$ 127,414	45.1%	\$ 382,258	\$ (27,438)	-6.7%	\$ 99,976	35.4%
<b>Total Administrative Expense Budget<sup>[5]</sup></b>	<b>\$ 5,998,466</b>	<b>\$</b>	<b>\$ 7,787,257</b>	<b>\$ 6,956,168</b>	<b>\$ (831,089)</b>	<b>-10.7%</b>	<b>\$ 8,484,707</b>	<b>\$ 1,528,539</b>	<b>22.0%</b>	<b>\$ 697,450</b>	<b>9.0%</b>
<b>Other Post Employment Benefits (OPEB)<sup>[6]</sup></b>	<b>\$ 350,000</b>	<b>\$</b>	<b>\$ 160,000</b>	<b>\$ -</b>	<b>\$ (160,000)</b>	<b>-100.0%</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ (160,000)</b>	<b>-100.0%</b>
<b>Capital Program Professional Support Services</b>											
Project Related Legal, Audit & Professional Support Services <sup>[7]</sup>	\$ 6,299,505	\$	\$ 11,793,000	\$ 8,269,736	\$ (3,523,264)	-29.9%	\$ 10,473,493	\$ 2,203,756	26.6%	\$ (1,319,508)	-11.2%
Cost of Issuance <sup>[8]</sup>	\$ 669,808	\$	\$ 1,023,500	\$ 991,489	\$ (32,011)	-3.1%	\$ 450,000	\$ (541,489)	-54.6%	\$ (573,500)	-56.0%
<b>Total Capital Program Professional Support Services</b>	<b>\$ 6,969,313</b>	<b>\$</b>	<b>\$ 12,816,500</b>	<b>\$ 9,261,225</b>	<b>\$ (3,555,275)</b>	<b>-27.7%</b>	<b>\$ 10,923,493</b>	<b>\$ 1,662,267</b>	<b>17.9%</b>	<b>\$ (1,893,008)</b>	<b>-14.8%</b>
<b>Grant Program</b>											
Prior Grants <sup>[9]</sup>	\$ 393,960,046	\$	\$ 257,111,868	\$ 285,700,942	\$ 28,589,074	11.1%	\$ 215,069,346	\$ (70,631,596)	-24.7%	\$ (42,042,522)	-16.4%
Waiting List <sup>[10]</sup>	\$ 110,220,287	\$	\$ 221,908,512	\$ 112,651,458	\$ (109,257,054)	-49.2%	\$ 80,000,000	\$ (32,651,458)	-29.0%	\$ (141,908,512)	-63.9%
New Program Grants <sup>[11]</sup>	\$ 504,299,522	\$	\$ 600,000,000	\$ 612,730,600	\$ 12,730,600	2.1%	\$ 675,000,000	\$ 62,269,400	10.2%	\$ 75,000,000	12.5%
<b>Total Grant Program</b>	<b>\$ 1,008,479,855</b>	<b>\$</b>	<b>\$ 1,079,020,380</b>	<b>\$ 1,011,083,000</b>	<b>\$ (289,845,892)</b>	<b>-26.9%</b>	<b>\$ 970,069,346</b>	<b>\$ (41,013,654)</b>	<b>-4.1%</b>	<b>\$ (108,951,034)</b>	<b>-10.1%</b>
<b>Grand Total - Operating Budget</b>	<b>\$ 1,021,797,633</b>	<b>\$</b>	<b>\$ 1,099,784,137</b>	<b>\$ 1,027,300,393</b>	<b>\$ (294,392,256)</b>	<b>-26.8%</b>	<b>\$ 989,477,545</b>	<b>\$ (37,822,848)</b>	<b>-3.7%</b>	<b>\$ (110,306,592)</b>	<b>-10.0%</b>

[1] FY13 Budget included funding for the phased hiring of 13 additional FTEs, for a forecasted total headcount of 69 employees as of June 30, 2013. Total headcount as of May 9, 2013 is 59. Estimated headcount as of June 30, 2013 based upon hires in process and anticipated postings is 62. FY14 includes phased hiring for the remaining six positions from the FY13 staffing plan that are not anticipated to be filled prior to June 30, 2013 and also includes one additional request for a Project Field Coordinator position in FY14. Total forecasted headcount at June 30, 2014 is 71. Variance from budgeted amount reflects pace of hiring slightly less than forecasted phasing, as well as turnover savings from five transitions during FY13.

[2] FY13 Est. Actual reflects costs for FF&E for additional leased space.

[3] FY13 Est. Actual reflects actual lease costs for additional space at 40 Broad Street less than forecast in FY13 Budget Authorization. FY14 Budget Recommendation includes annualization of additional leased office space at 40 Broad Street executed in Q3 of FY13 in order to implement staffing plan for effective oversight priority from strategic planning effort.

[4] FY13 Est. Actual includes the MSBA's contribution towards the Commonwealth's Open Checkbook transparency initiative.

[5] FY14 variance reflects annualization of additional leased space at 40 Broad Street, and also reflects annualization of FY13 staffing plan hires and phased hiring of remaining staffing plan hires in FY14.

[6] On June 28, 2012, the FY12 transfer of \$350K, combined with the \$1.4 million previously set aside by the MSBA, was transferred to the Health Care Security Trust (HCST) to fully fund the MSBA's OPEB obligation as of 6/30/12. The updated actuarial valuation completed in May 2013, for data as of December 31, 2012, indicates that there is no required FY13 or FY14 contribution towards unfunded OPEB liability, as the outstanding liability has been fully funded based on the contributions and earnings to date.

[7] FY13 Est. Actual variance from FY13 Budget due to updated commissioning payments forecast of approximately \$1.2 million less than original FY13 forecast. FY13 Est. Actual variance from original budget also reflects \$1.1 million less than anticipated expenditures on Architectural Services, and \$456 thousand less than anticipated on Project Management Services. Additionally, the procurement for Cost Estimating Services resulted in a work order that expended \$420 thousand less than original budgeted amount, and the applications development effort from the Capital Pipeline systems are forecast to require \$196 thousand less than assumed in FY13 budget.

[8] FY13 Est. Actual reflects expenditures related to 2012 refundings and anticipated expenditures for the 2013 Series A in June 2013.

[9] FY13 Est. Actual reflects annual payments processed for Q1-Q4 Prior Grant projects, and also includes payments associated with Prior Grant current refundings of approximately \$59.9 million.

[10] FY13 Est. Actual includes payments made through May 9, 2013, including \$41.4 million Progress Payments, \$20.8 million Waiting List annual payments processed, and current refunding lump sum payments of \$34.7 million.

FY14 Budget Recommendation includes assumption of \$20.8 million annual Waiting List payments and approximately \$60 million of estimated progress payments towards the 8 remaining projects still in active construction or closeout audit.

[11] FY14 Budget Recommendation reflects anticipated monthly reimbursement requests from projects in the Capital Pipeline as well as final payments to projects that may receive a final approved audit during FY14.



# Capital Pipeline Professional Support Services Summary

	FY12 Final Expenditures	FY13 Budget	FY 13 Est. Actual	Budget Variance	% Variance	FY14 Budget Recommendation Budget	Variance (FY13 Budget)	% Variance (FY13 Budget)	Variance (FY13 Est. Actual)	% Variance (FY13 Est. Actual)
Commissioning Consultants <sup>[1]</sup>	4,221,242	6,200,000	5,007,785	(1,192,215)	-19.2%	5,000,000	(1,200,000)	-19.4%	(7,785)	-0.2%
Project Management Services <sup>[2]</sup>	1,422,570	2,750,000	2,393,401	(356,599)	-13.0%	3,060,000	310,000	11.3%	666,599	27.9%
Architectural Services <sup>[3]</sup>	366,861	1,693,000	589,397	(1,103,603)	-65.2%	1,520,000	(173,000)	-10.2%	930,603	157.9%
Cost Estimating Services <sup>[4]</sup>	-	500,000	78,756	(421,244)	-84.2%	250,000	(250,000)	-50.0%	171,244	217.4%
Audit & Other Compliance <sup>[5]</sup>	4,578	50,000	39,640	(10,360)	-20.7%	50,000	-	0.0%	10,360	26.1%
Capital Program Information Systems <sup>[6]</sup>	283,066	350,000	157,832	(192,168)	-54.9%	165,493	(184,507)	-52.7%	7,661	4.9%
Cost of Issuance <sup>[7]</sup>	669,808	1,023,500	991,489	(32,011)	-3.1%	450,000	(573,500)	-56.0%	(541,489)	-54.6%
Other <sup>[8]</sup>	1,188	125,000	2,925	(122,075)	-97.7%	303,000	178,000	142.4%	300,075	10259.0%
Legal <sup>[9]</sup>	-	75,000	-	(75,000)	-100.0%	125,000	50,000	66.7%	125,000	
<b>Capital Program Support Services</b>	<b>6,969,313</b>	<b>12,766,500</b>	<b>9,261,225</b>	<b>(3,505,275)</b>	<b>-27.5%</b>	<b>10,923,493</b>	<b>(1,843,007)</b>	<b>-14.4%</b>	<b>1,662,267</b>	<b>17.9%</b>

[1] FY13 Budget reflects anticipated increase associated with additional 83 contracts estimated to be executed during FY13 for projects in the Capital Pipeline.

[2] Project Management Services are estimated based on anticipated schedules of active projects in the Capital Pipeline. FY14 Budget reflects anticipated increase in OPM services associated with the Essex North Shore Agricultural & Technical School project.

[3] Architectural Services are allocated on a project specific basis as necessary for projects progressing through the Capital Pipeline. FY13 Est. Actual reflects less utilization than anticipated in original FY13 Budget. FY14 Budget includes anticipated increased utilization of specialized support services for schematic design and construction document reviews, and also includes anticipated expenditures for senior studies related to the review process for 2013 SOI submittals.

[4] FY13 Est. Actual reflects actual expenditures for procurement that facilitated a review of benchmark data for projects in Capital Pipeline. FY14 Budget reflects anticipated expenditures associated with furthering the benchmark data analysis that was initiated in FY13. These funds may also be allocated for any project specific cost estimates which may be necessary during the fiscal year.

[5] FY13 Est. Actual reflects expenditures for 2 temporary staff during FY13 Q1 that supported reviews of weekly reimbursement requests. FY14 Budget Recommendation includes funding which may be allocated on a project specific basis to external audit firms to assist on project audits conducted under current MSBA audit policy.

[6] FY13 Est. Actual reflects adjusted forecast for allocation of expenditures for development of Capital Pipeline support applications. FY14 Budget Recommendation anticipates expenditures for continued development of Progress Payment, Project Management and Enrollment applications.

[7] FY13 Est. Actual reflects expenditures related to 2012 refundings and anticipated expenditures for the 2013 Series A in June 2013.

[8] For Capital Pipeline professional support services which may not be specifically allocated through other cost categories. FY13 YTD expenditures reflect costs associated with insurance risk management consultants. FY14 Budget Recommendation also includes funding for procurements associated with the analysis of vocational technical projects in the MSBA Capital Pipeline, and an analysis of the impact of the MSBA's Capital Pipeline on the labor market.

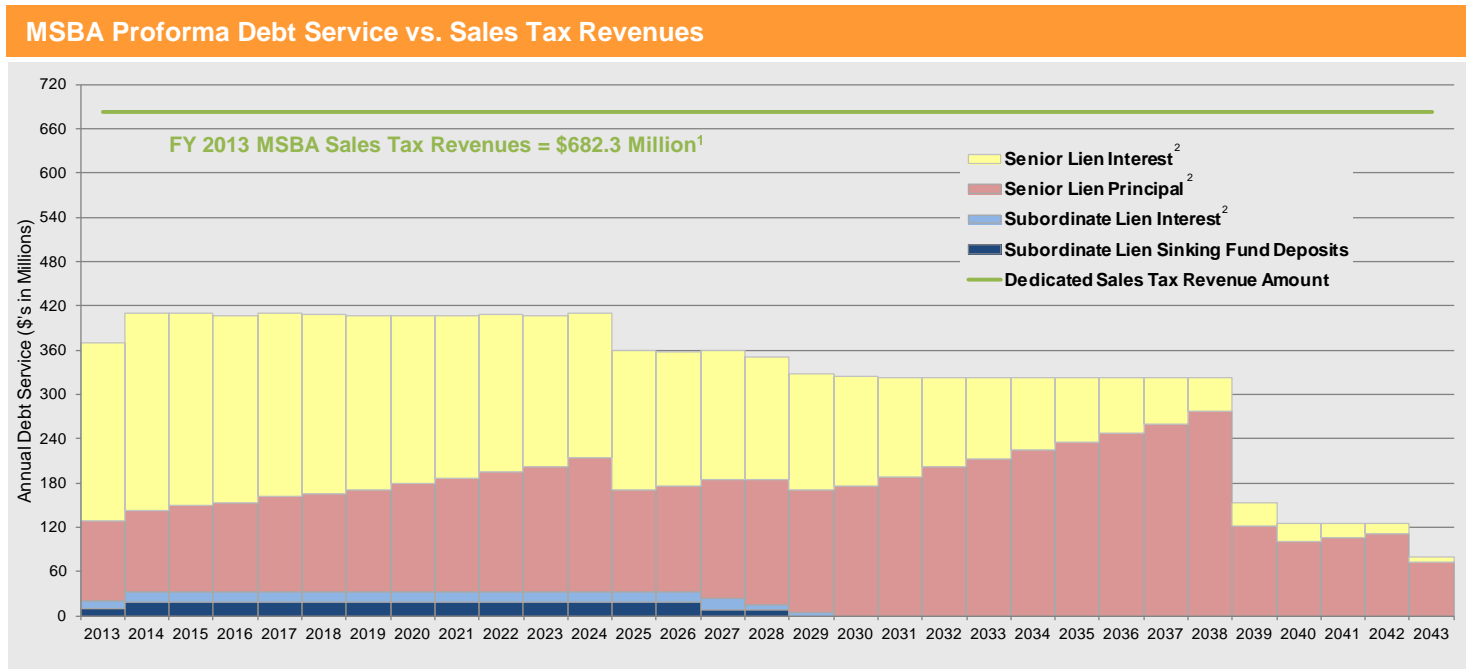
[9] This expenditure category includes funding for the costs, if any, that the MSBA may incur associated with litigation regarding projects in the Capital Pipeline. There is no litigation currently pending against the Authority. FY14 Budget Recommendation also includes funding for regulations review.





# MSBA Debt Profile

- Prior to the 2013 Series A, MSBA has approximately \$4.9 billion of Senior Lien debt outstanding and \$293 million of Subordinate Lien debt outstanding
- Gross FY14 debt service for senior and subordinate lien following 2013 Series A issuance is estimated at \$406.7 million
- 100% of MSBA's debt portfolio comprises fixed rate debt



<sup>1</sup> Amounts for Fiscal Year 2013 are based on the tax revenue estimate of \$21.496 billion, which was revised from the \$22.011 billion budget estimate of the Commonwealth's Executive Office for Administration and Finance on December 4, 2012. The \$22.011 billion estimate reflected the January 12, 2012 consensus tax revenue estimate of \$21.950 billion, as adjusted for the impact of revenue initiatives included in the Commonwealth's Fiscal Year 2013 budget, including the impact of a subsequently enacted two-day sales tax holiday in August, 2012.

<sup>2</sup> Debt service does not account for expected Debt Service Reserve Account earnings and the Federal BAB and QSCB subsidies; however, debt service is net of the amounts that are expected to be paid from Debt Service Reserve Account releases.