

Massachusetts School Building Authority

Deborah B. Goldberg, State Treasurer and Receiver-General

Chairperson

Maureen Valente

Chief Executive Officer

Jack McCarthy

Executive Director



Board Meeting

September 28, 2016



Table of Contents

Project Votes

- Invitation to Feasibility Study
- Recommendation for Preferred Schematic Design
- Invitation to Project Scope and Budget

Audit Update

- Audit Status Report
- Approval of Final Audits with no appeals, Capital Pipeline Program MSBA grants of \$71,426,489 | Vote

MSBA Updates

- Executive Director's Report
- Project Status Updates
 - Project Overview Report
 - Model School Administration Procedures

Finance Update

- Sales Tax Collection Update
- Grants Payments | Update
- Plan of Finance
- Budget | Budget Update

Legal

- IT Loan Program | Update

Executive Session



Project Votes



Invitation to Feasibility Study | Vote

District	School
Manchester Essex Regional School District	Manchester Memorial Elementary School
Natick	John F. Kennedy Middle School



Preferred Schematic Design | **Vote**

District	School	Project Scope	Estimated Total Construction	Estimated Total Project Costs
Millis	Clyde F. Brown Elementary School	New	\$43,260,078	\$54,559,000
Totals			\$43,260,078	\$54,559,000



Preferred Schematic Design | Millis

Clyde F. Brown Elementary School

- Year Opened: 1954
- Current Grade Configuration: PK-4
- Agreed Upon Grade Configuration: PK-5
- Agreed Upon Enrollment: 515 students
- Proposed Scope of Project: New construction of the Clyde F. Brown Elementary School on the existing site.
- Existing Square Footage: 67,210 gsf
- Proposed Square Footage: 91,644 gsf
- Estimated Total Construction Cost of Preferred Schematic: \$43,260,078



Project Scope and Budget | **Vote**

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Amherst	Wildwood Elementary School	New	\$67,207,225	\$33,716,673
Total			\$67,207,225	\$33,716,673



Project Scope and Budget | Amherst

Wildwood Elementary School

- Year Opened: 1970
- Current Grade Configuration: K-6
- Agreed Upon Grade Configuration: 2-6
- Agreed Upon Enrollment: 750
- Scope of Project: New
- Existing Square Footage: 82,000
- Proposed Square Footage: 122,272
- District Total Project Budget: \$67,207,225
- Estimated Basis Total Facilities Grant: \$49,430,721
- Reimbursement Rate*: 68.34%
- Estimated Maximum Total Facilities Grant: \$33,716,673



Audit Update

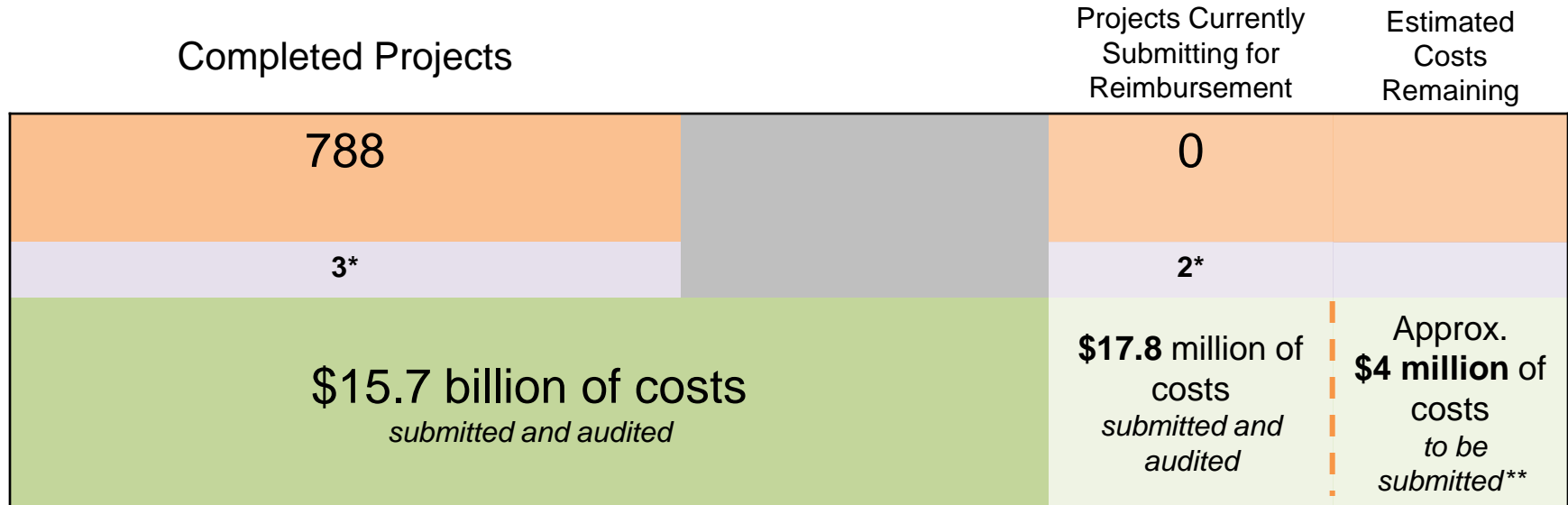
- **Audit Status Report**
- Approval of Final Audits with no appeals, Capital Pipeline Program MSBA grants of \$71,426,489 | Vote



Audit Status Update

Former Program

■ Today's Vote



* Grant Conversion

** Estimated based on Total Project Budgets from executed funding and submitted costs as of September 13, 2016.



Audit Status Update

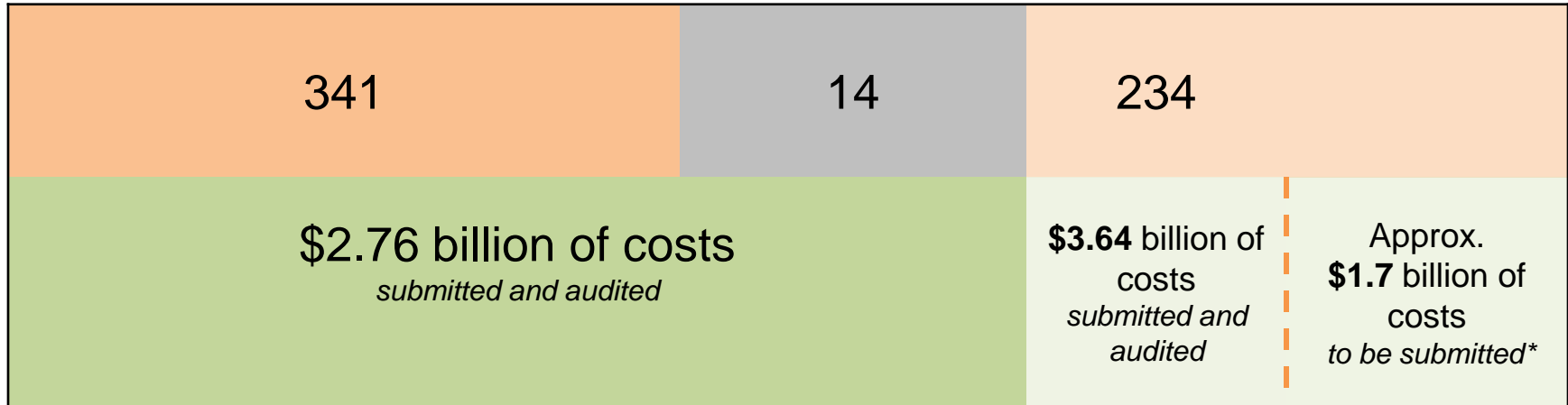
Capital Pipeline Program

■ Today's Vote

Completed Projects

Projects
Currently
Submitting for
Reimbursement

Estimated Costs
Remaining



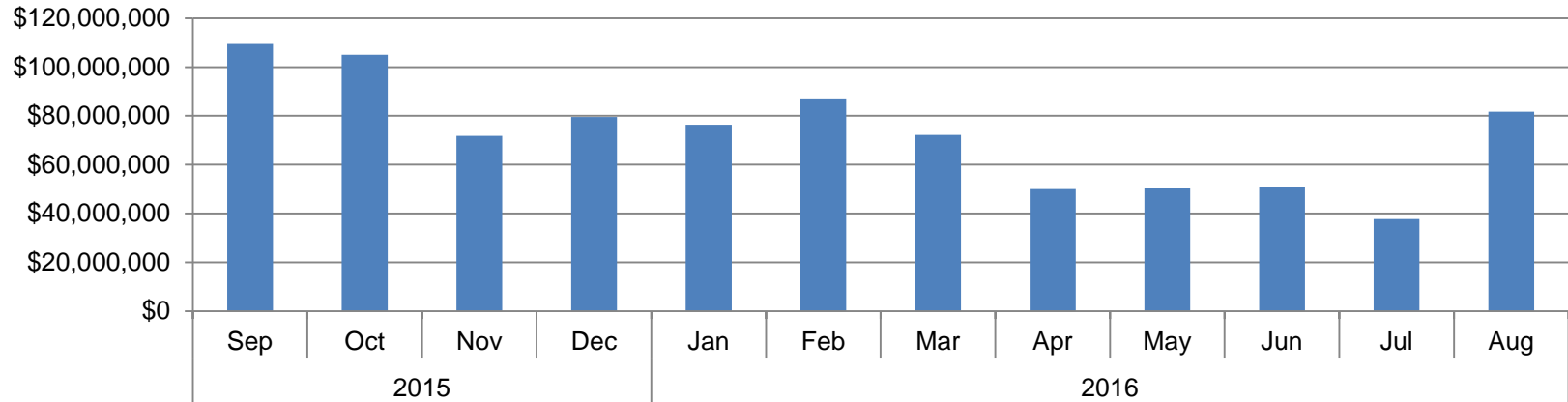
*Estimated based on Total Project Budgets from executed funding agreements and submitted costs as of September 13, 2016.



Capital Pipeline Program | Monthly Audited Project Costs

- Rolling 12 month submitted costs monthly average of \$73 million
- Total 12 Month Audited Costs = \$872 million

Capital Pipeline Program Monthly Audited Project Costs





Audit Update

- Audit Status Report
- **Approval of Final Audits with no appeals, Capital Pipeline Program MSBA grants of \$71,426,489 | Vote**



Capital Pipeline Program | Closeout Audits

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

District Name	School Name	MSBA Cx	Reimb. Rate	Total Project Budget	Final Costs Submitted	Basis for Final Total Facilities Grant	Final Total Facilities Grant
East Bridgewater	East Bridgewater High	X	64.94%	\$77,012,539	\$76,838,137	\$61,597,007	\$40,001,096
Hamilton-Wenham	Winthrop School	X	44.05%	\$2,256,507	\$1,994,079	\$1,746,434	\$769,304
Hampden-Wilbraham	Soule Road	N/A	53.73%	\$54,719	\$54,719	\$54,719	\$29,401
Medway	John D Mc Govern Elem	X	50.16%	\$978,809	\$875,040	\$765,756	\$384,103
North Attleborough	Roosevelt Avenue	X	53.53%	\$400,000	\$365,744	\$339,190	\$181,568
Saugus	Belmonte Saugus Middle	X	53.32%	\$18,932,249	\$19,003,043	\$18,341,148	\$9,779,500
Springfield	Chestnut Accelerated Middle School	X	80.00%	\$2,208,697	\$2,017,138	\$1,632,929	\$1,306,343
Springfield	High School/Science-Tech	X	80.00%	\$2,816,955	\$2,559,028	\$2,420,325	\$1,936,260
Springfield	Margaret C Ells	X	80.00%	\$1,218,912	\$988,090	\$970,824	\$776,659
Springfield	South End Middle School	X	80.00%	\$478,001	\$427,729	\$420,103	\$336,082
Springfield	Springfield Public Day High School	X	80.00%	\$819,439	\$777,138	\$743,890	\$595,112
Tri County	Tri County Reg Voc Tech	X	51.42%	\$998,120	\$674,524	\$609,958	\$313,640
Weston	Field Elem School	X	34.54%	\$31,504,146	\$32,174,622	\$23,130,161	\$7,989,158
Williamsburg	Anne T Dunphy	X	61.86%	\$12,390,519	\$12,273,854	\$11,361,560	\$7,028,261
TOTAL				\$152,069,612	\$151,022,885	\$124,134,004	\$71,426,489



MSBA Updates

- **Executive Director's Report**
- Project Status Updates
 - Project Overview Report
 - Model School Administration Procedures



Project Visits and Local Votes

- Since the July 20, 2016 Board meeting, the MSBA has visited 24 projects.
- 1 District has voted affirmatively to appropriate full project funds.

Project Visits			Local Votes
Abington Athol Royalston RSD Boston Chelsea Duxbury Gloucester Haverhill Holbrook	Lunenburg Milford New Bedford Newton North Middlesex RSD Northborough Scituate Peabody	Pittsfield Plymouth Provincetown Wachusett RSD Westborough Winchester Winthrop Worcester	Full Project Funds Minuteman RVTSD (9/20)



Project Visits

Upcoming site visits anticipated in October and November:

Project Visits	
Abington Boston Chelsea Holbrook	Northborough Pittsfield Scituate Westborough Worcester



MSBA Updates

- Executive Director's Report
- **Project Status Updates**
 - **Project Overview Report**
 - Model School Administration Procedures



Summary of Bid Data

Year	Number of Projects	Design Basis for Enrollment	Project Budget	Construction Budget
2016	14	8,150	\$811.75 million	\$665.06 million
2017	3	2875	\$332.64 million	\$264.13million
Totals	17	11,025	\$1.14 billion	\$930 million

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

Anticipated Bids in 2016:

- September – Pittsfield (CMR)



Core Program

Construction Estimate vs. 2016 Bid Amount

- Of the fourteen bids and/or executions of a GMP in 2016, six have been reported to date.
- Of the six, all six bids came in within the estimated budget.

District	School	Scope	Project Type	Bid Date	Construction Estimate *	Bid Amount *	Variance from Construction Estimate	Reim. Rate	Potential Grant Variance **
Provincetown	Provincetown Schools K-8	Repair	DBB	Feb-16	\$5,709,882	\$4,859,600	-\$850,282	50.68%	-\$430,923
Worcester	Nelson Place School	New	CMR	May-16	\$46,546,300	\$44,234,023	-\$2,312,277	80.00%	-\$1,849,822
Westborough	Sarah Gibbons MS	Reno	CMR	Jun-16	\$21,595,600	\$21,457,347	-\$138,253	46.51%	-\$64,301
Boston	Dearborn	New	CMR	Jul-16	\$60,245,740	\$60,243,223	-\$2,517	75.34%	-\$1,896
New Bedford	J. Hannigan	New	DBB	Jul-16	\$29,792,732	\$27,762,587	-\$2,030,145	80.00%	-\$1,624,116
Carver	Carver ES	New	DBB	Sep-16	\$39,443,454	\$37,575,070	-\$1,868,384	59.47%	-\$1,111,128
Total					\$203,333,708	\$196,131,850	-\$7,201,858	-	-\$5,082,186

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

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



Construction Estimate vs. 2016 Bid Amount

2014 Accelerated Repair Program

- 40 of the 47 reported projects bid within the estimated budget

2015 Accelerated Repair Program

- 21 of the 23 reported projects bid within the estimated budget
- 12 of the 20 remaining projects are scheduled to be bid by October 2016



MSBA Updates

- Executive Director's Report
- **Project Status Updates**
 - Project Overview Report
 - **Model School Administration Procedures**



Model School Administration

Project Phase/ Milestone	Model School Program Administration
OPM & Designer Procurements	<ul style="list-style-type: none">• District may express an interest in the Model School Program in the OPM and Designer Request For Services advertisements
Feasibility Study	<ul style="list-style-type: none">• District's feasibility study indicates a preference for a new construction option, and includes district interest in the Model School Program• Staff performs simultaneous reviews of the feasibility study and comparison of available model schools with District's educational program
FAS Meeting	<ul style="list-style-type: none">• District presents its feasibility study, MSBA staff presents applicable model school design(s), if any
District Interviews	<ul style="list-style-type: none">• District conducts interviews of model school designer(s) and the original feasibility study designer
Preferred Schematic Board meeting	<ul style="list-style-type: none">• Board approves new construction and invites the District into the Model School Program



Model School Administration

Project Phase/ Milestone	Model School Program Administration
Continuing Contracts	<ul style="list-style-type: none">• District enters into model school contract with the selected designer or continues with the original feasibility study designer• MSBA reimburses:<ul style="list-style-type: none">• model school designer basic services fees up to 4.75% of construction costs, exclusive of feasibility study fees• OPM's basic services fees up to 3.30% of construction costs
Schematic Design	<ul style="list-style-type: none">• District generates and submits a schematic design submittal for approval
Design & Bid	<ul style="list-style-type: none">• District proceeds with accelerated design schedule• MSBA requires one (60% CD) design submittal; District may require additional submittals



Finance Update

- **Sales Tax Collection Update**
- Grants Payments | Update
- Plan of Finance
- Budget | Budget Update



FY 2016 & 2017 SMART Collections Update

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
FY15 (\$ 000)	68,214	62,366	59,553	64,652	60,072	60,703	75,691	55,434	55,661	66,538	65,063	70,163	764,110
FY16 (\$ 000)	72,473	65,832	63,453	68,475	63,558	64,618	78,727	58,102	59,541	67,146	66,751	69,901	798,577
Change (\$ 000)	4,259	3,466	3,900	3,824	3,486	3,915	3,036	2,667	3,880	608	1,688	(262)	34,467
% Change	6.24%	5.56%	6.55%	5.91%	5.80%	6.45%	4.01%	4.81%	6.97%	0.91%	2.59%	-0.37%	4.51%
FY17 (\$ 000)	71,513												71,513
Change (\$ 000)	(960)												(960)
% Change	-1.33%												

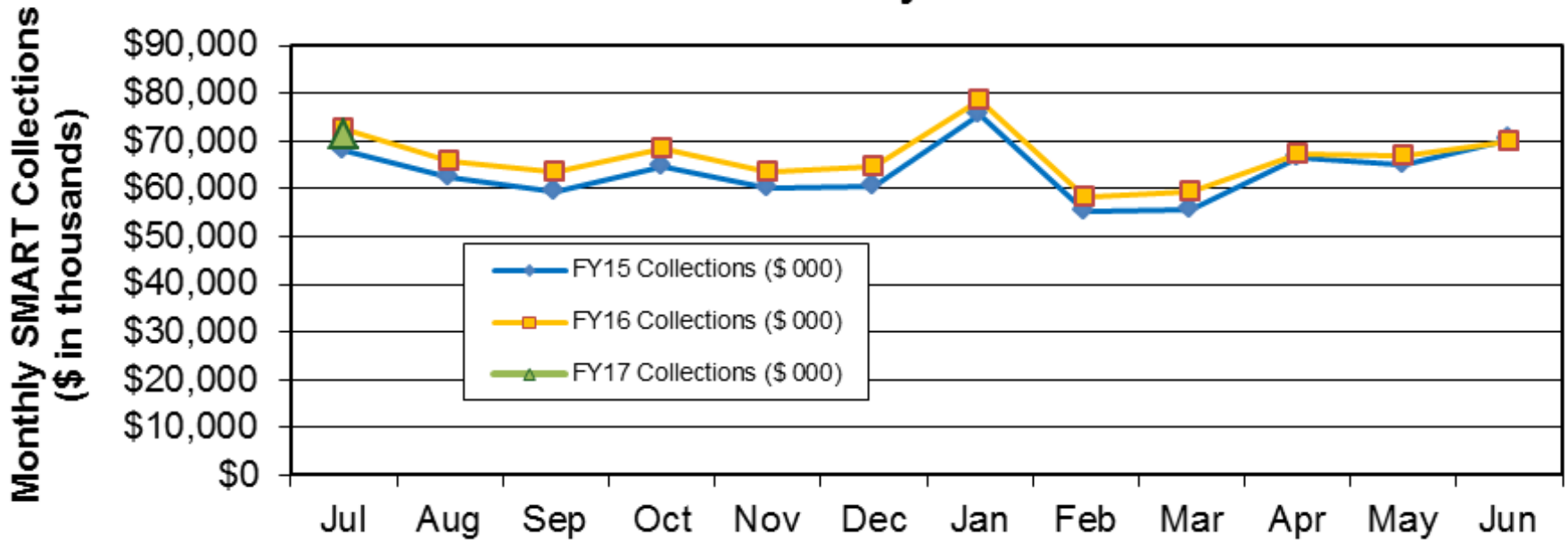
Unaudited FY16 SMART collections were approximately \$34.4 million (4.51%) greater than FY15. Growth in every month except June 2016. FY 17 SMART Fund estimate has been updated to \$837.9 million. This revised amount would produce growth of 4.92% over the FY 16 unaudited amount.

Collections for July 2016 are \$960 thousand (1.33%) less than July 2015, but \$3.2 million (4.84%) more than July 2014.



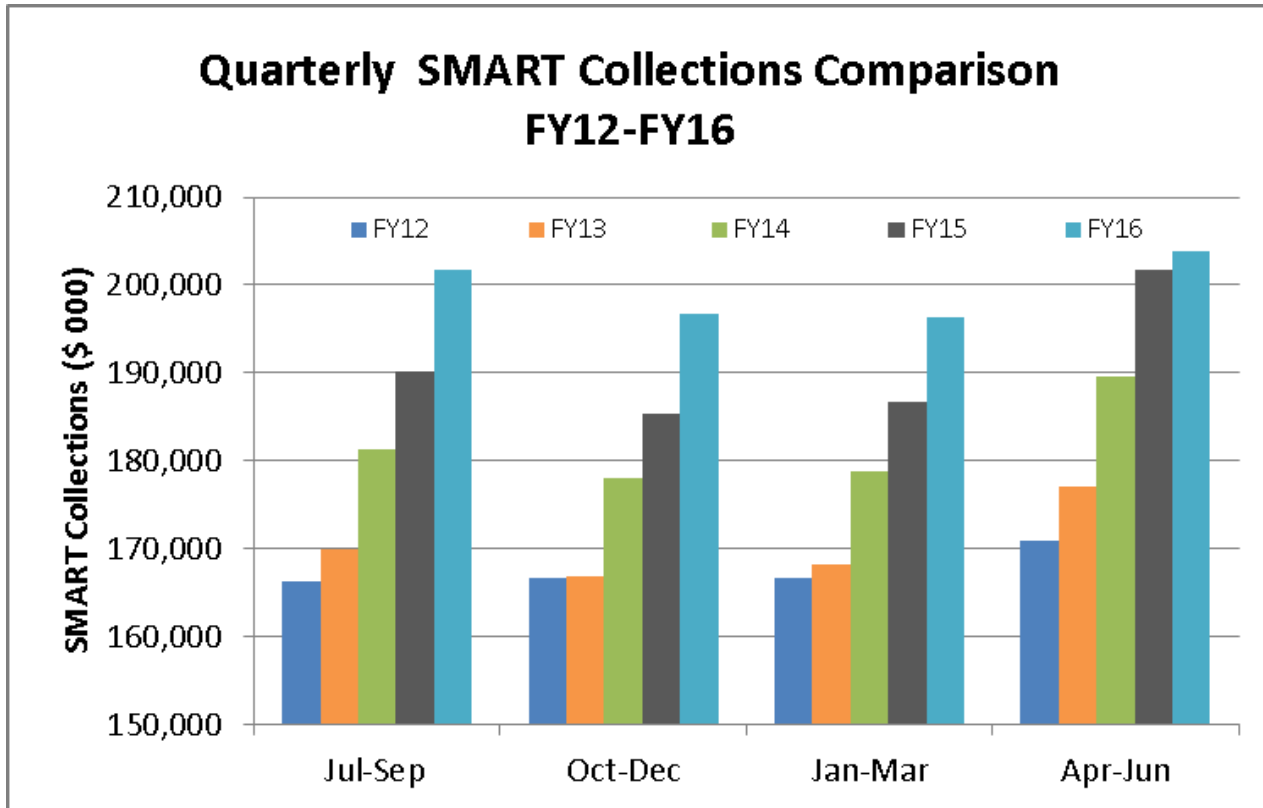
FY 2016 & 2017 SMART Collections Update

FY15 - FY17 Monthly SMART Collections





Quarterly SMART Collections





Finance Update

- Sales Tax Collection Update
- **Grants Payments | Update**
- Plan of Finance
- Budget | Budget Update



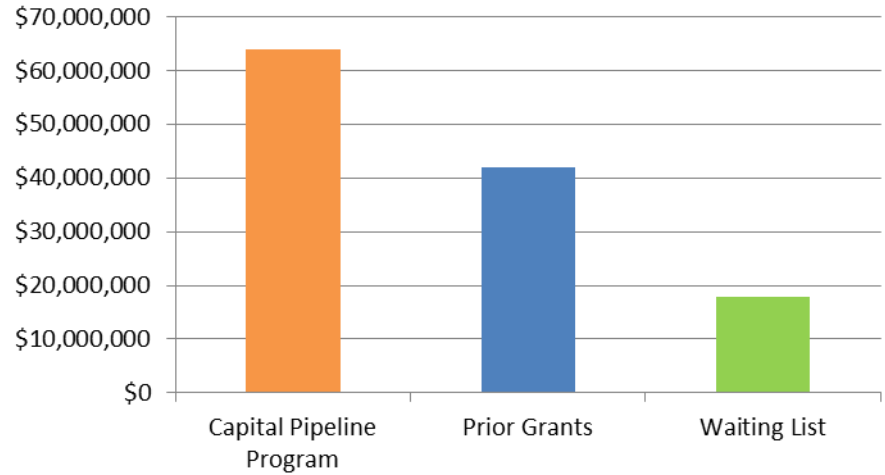
Grant Payments | FY2017 YTD Update

FY2017 YTD Grant Payments Summary*

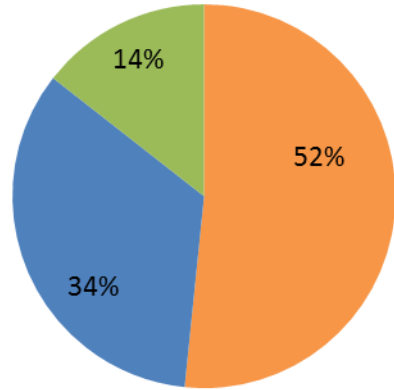
Program	Grant Payments	# Projects	# Districts	% of FY17 Payments
Capital Pipeline Program	\$ 63,992,287	75	69	52%
Prior Grants	\$ 42,066,348	54	45	34%
Waiting List	\$ 17,905,484	28	21	14%
Total	\$ 123,964,119	157	117	

* Reflects grant payment data as of September 9, 2016.

FY2017 Grant Payments - YTD by Program



FY2017 Grant Payments - YTD % by Program





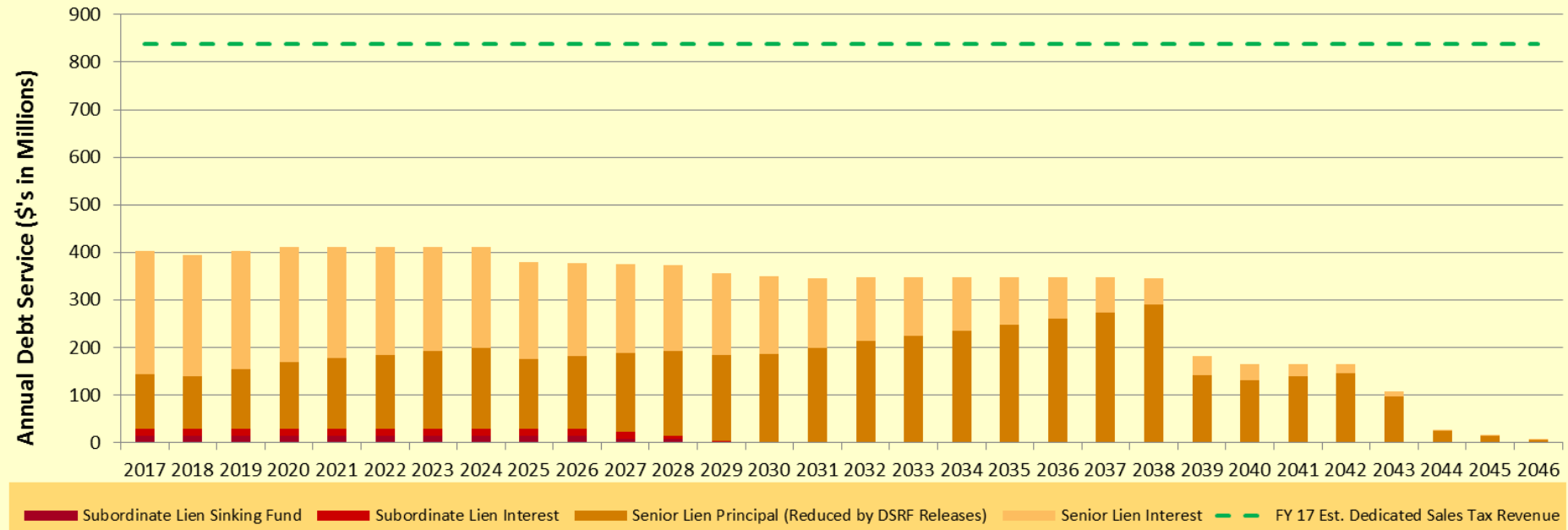
Finance Update

- Sales Tax Collection Update
- Grants Payments | Update
- **Plan of Finance**
- Budget | Budget Update



FY 17 Plan of Finance

MSBA Outstanding Debt After 2016 Series A Bonds





Finance Update

- Sales Tax Collection Update
- Grants Payments | Update
- Plan of Finance
- **Budget | Budget Update**



FY 16 and FY 17 Budget Update

MSBA Administrative Operations and Grant Programs Budget - Attachment A

Expense Category	FY 16			FY 17		
	FY16 Revised Budget	FY16 Expenditures 7/1-6/30	%(FY16 Revised Budget)	FY17 Budget	FY17 Expenditures thru 9/2/16	%(FY17 Budget)
Administrative Expense Budget						
Salaries & Benefits ^[1]	\$ 6,766,138	\$ 6,099,410	90.1%	\$ 7,442,813	\$ 809,562	10.9%
General & Administrative Office Expenses ^[2]	\$ 324,711	\$ 323,363	99.6%	\$ 378,629	\$ 44,911	11.9%
Occupancy & Utilities ^[3]	\$ 1,115,314	\$ 1,115,237	100.0%	\$ 1,122,821	\$ 267,648	23.8%
Consulting & Professional Support Services ^[4]	\$ 150,000	\$ 117,335	78.2%	\$ 203,905	\$ 35,266	17.3%
Information Technology ^[5]	\$ 124,445	\$ 111,183	89.3%	\$ 205,399	\$ 41,099	20.0%
Total Administrative Expense Budget^[6]	\$ 8,480,608	\$ 7,766,529	91.6%	\$ 9,353,567	\$ 1,198,486	12.8%
Other Post Employment Benefits (OPEB)^[7]	\$ 100,000	\$ 100,000	100.0%	\$ 100,000	\$ -	0.0%
Total Capital Pipeline Program Professional Support Services	\$ 8,857,262	\$ 8,090,614	91.3%	\$ 9,288,000	\$ 590,737	6.4%
Arbitrage Rebate^[10]	\$ 1,842,422	\$ 11,842,422	642.8%	\$ 2,000,000	\$ -	n/a
Grant Program						
Prior Grants ^[11]	\$ 185,093,670	\$ 184,937,437	99.9%	\$ 170,850,561	\$ 41,187,686	24.1%
Waiting List ^[12]	\$ 25,744,887	\$ 25,740,346	100.0%	\$ 24,403,354	\$ 17,662,091	72.4%
Capital Pipeline Program Grants ^[13]	\$ 584,745,000	\$ 411,764,406	70.4%	\$ 550,000,000	\$ 57,476,261	10.5%
Total Grant Program	\$ 795,583,557	\$ 622,442,189	78.2%	\$ 745,253,915	\$ 116,326,038	15.6%
Loan Program Disbursements^[14]				10,000,000	0	0
Grand Total - Operating Budget	\$ 814,863,849	\$ 650,241,754	79.8%	\$ 775,995,482	\$ 118,115,261	15.2%



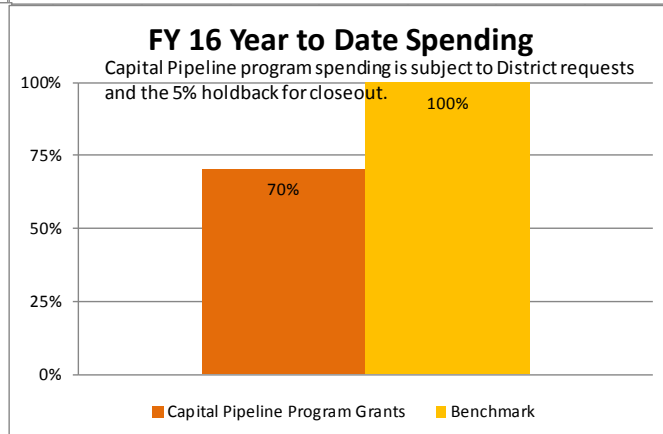
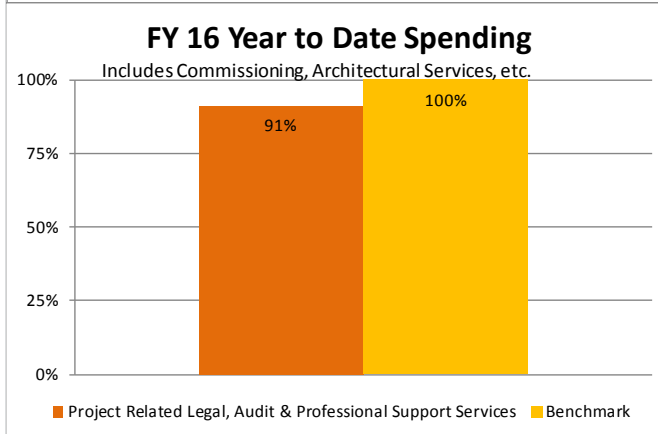
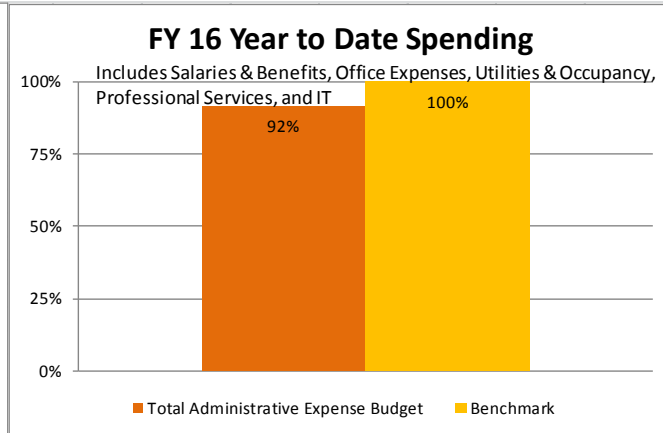
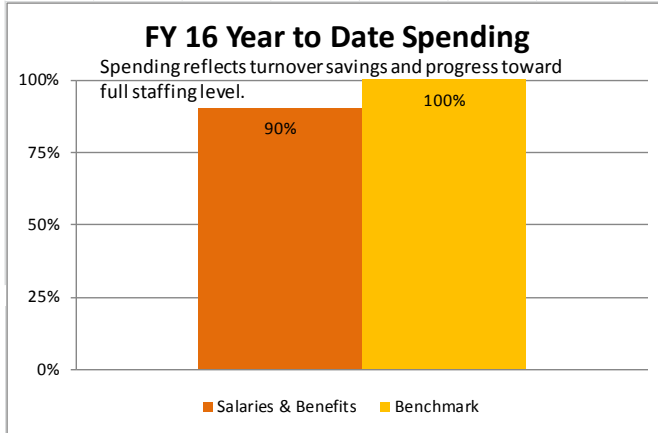
Capital Pipeline Professional Support Services Detail

Capital Pipeline Professional Support Services & Issuance Related Costs - Attachment B

	FY16 Revised Budget	FY16 Expenditures	% of FY16 Revised Budget	FY17 Budget	FY17 Expenditures thru 9/2/16	% (FY17 Budget)
Commissioning Consultants ^[1]	\$ 3,172,078	\$ 3,071,291	96.8%	\$ 2,300,000	\$ -	0.0%
Project Management Services ^[2]	\$ 1,150,000	\$ 1,028,765	89.5%	\$ 650,000	\$ 92,118	14.2%
Architectural Services ^[3]	\$ 675,000	\$ 460,201	68.2%	\$ 813,000	\$ 109,000	13.4%
Cost Estimating Services ^[4]	\$ -	\$ -	n/a	\$ -	\$ -	n/a
Audit & Other Compliance ^[5]	\$ -	\$ -	n/a	\$ -	\$ -	n/a
Capital Program Information Systems ^[6]	\$ 9,684	\$ 3,388	35.0%	\$ 75,000	\$ -	0.0%
Cost of Issuance ^[7]	\$ 3,650,500	\$ 3,398,969	93.1%	\$ 3,250,000	\$ 339,939	10.5%
School Survey ^[8]	\$ 200,000	\$ 128,000	64.0%	\$ 2,000,000	\$ 49,680	2.5%
Other - New Initiatives ^[9]	\$ -	\$ -	n/a	\$ 200,000	\$ -	0.0%
Legal ^[10]	\$ -	\$ -	n/a	\$ -	\$ -	n/a
Capital Program Support Services	\$ 8,857,262	\$ 8,090,614	91.3%	\$ 9,288,000	\$ 590,737	6.4%



Fiscal Year 2016 Expenditure Charts





Fiscal Year 2017 Expenditure Charts

