

Massachusetts School Building Authority

Deborah B. Goldberg, State Treasurer and Receiver-General

Chairperson

James MacDonald

Interim Chief Executive Officer

Jack McCarthy

Executive Director



Board Meeting

February 15, 2017



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Project Votes



Project Removal from Accelerated Repair Program | **Vote**

District	School	Invitation Date
Quaboag Regional School District	Quaboag Regional Middle/High School	July 20,2016



2017 Statement of Interest

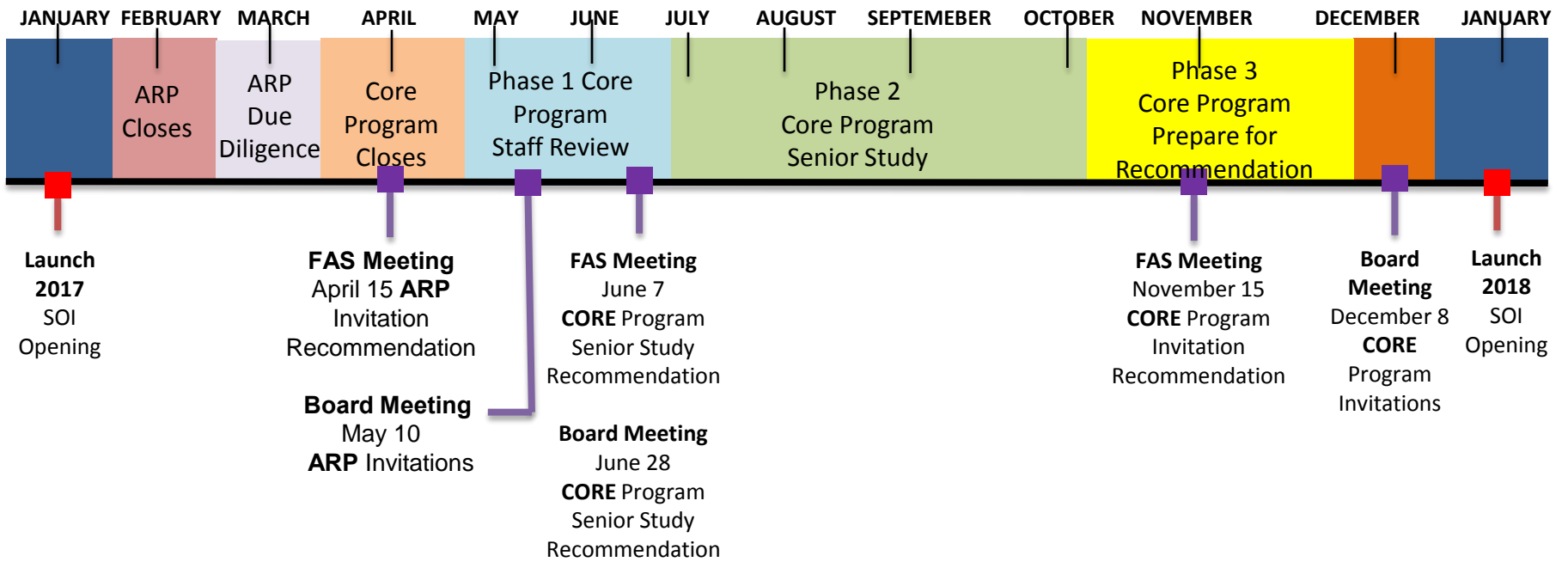
The 2017 Statement of Interest process opened **January 6, 2017** with Accelerated Repair Program Statement of Interests due on or before Friday, **February 17, 2017** and CORE Statement of Interests due on or before **April 7, 2017**.

The next slide reflects anticipated actions by the MSBA.



2017 Statement Of Interest Overview

SCHEDULE





Invitation to Eligibility Period | Vote

2016 Core Program SOI Applicants

District	School
Acton-Boxborough Regional School District	CT Douglas Elementary School
Braintree	South Middle School
Bridgewater-Raynham Regional School District	George H. Mitchell Elementary School
Easton	Center School
Fitchburg	Crocker Elementary School
Gardner	Waterford Street Elementary School
Gloucester	East Gloucester Elementary School
Lawrence	Oliver Partnership School
Leicester	Leicester Middle School

District	School
Millbury	Raymond E. Shaw Elementary School
Nauset Regional School District	Nauset Regional High School
Orange	Dexter Park School
Rockland	Jefferson Elementary School
Sharon	Sharon High School
Springfield	William N. Deberry School
Westborough	Annie E. Fales Elementary School
Worcester	Doherty Memorial High School



Invitation to Feasibility Study | Vote

District	School
Arlington	Arlington High School
Framingham	Fuller Middle School
Marblehead	Elbridge Gerry Elementary School
Shrewsbury	Beal Early Childhood Center
Springfield	Brightwood Elementary School
Tewksbury	Louise Davy Trahan Elementary School
Wareham	Minot Forest Elementary School



Authorization to Execute PFA- Accelerated Repair| **Vote**

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Agawam	Roberta G. Doering School	Boiler	\$968,569	\$477,631
Auburn	Pakachoag Elementary School	Roof	\$958,492	\$429,975
Boston	Boston Latin School	Partial Boiler	\$1,923,254	\$1,203,077
	James F. Condon Elementary School	Boiler	\$1,063,022	\$666,881
	John W. McCormack Middle School	Roof	\$3,105,492	\$1,933,116
	Paul A. Dever Elementary School	Roof	\$2,772,056	\$1,728,096
	William E. Channing Elementary School	Boiler	\$938,357	\$587,717
Boxford	Spofford Pond Elementary School	Roof; Window/Door	\$4,981,379	\$1,635,089
Cambridge	Fletcher Maynard Academy	Roof	\$1,265,677	\$390,486
Canton	Lt. Peter M. Hansen Elementary School	Roof	\$1,740,000	\$730,947
Chicopee	Patrick E. Bowe School	Window/Door	\$3,182,085	\$2,119,199
	Chicopee Academy at Selser School	Partial Roof	\$1,699,814	\$1,134,709



Authorization to Execute PFA- Accelerated Repair| **Vote**

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Dartmouth	Dartmouth Middle School	Roof	\$5,894,699	\$2,865,109
Gloucester	Gloucester High School	Roof	\$4,942,950	\$1,933,365
Halifax	Halifax Elementary School	Roof; Window/Door	\$7,262,124	\$3,280,476
Lawrence	High School Learning Center	Boiler	\$1,497,662	\$1,142,606
Marshfield	Furnace Brook Middle School	Roof	\$8,503,235	\$2,856,660
North Brookfield	North Brookfield Elementary School	Roof	\$3,909,508	\$2,299,172
Northampton	Bridge Street School	Partial Roof	\$1,729,632	\$802,484
	Leeds Elementary School	Partial Roof	\$1,836,008	\$853,787
Quincy	Atherton Hough Elementary School	Partial Boiler	\$967,121	\$581,131
	Beechwood Knoll Elementary School	Boiler	\$723,785	\$457,697
	Merrymount Elementary School	Partial Boiler	\$994,133	\$600,927
	Wollaston Elementary School	Partial Boiler	\$856,976	\$541,403



Authorization to Execute PFA- Accelerated Repair| **Vote**

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Revere	Garfield Middle School	Boiler	\$1,288,843	\$871,699
Sharon	Heights Elementary School	Roof	\$2,324,663	\$947,353
Springfield	Alfred G. Zanetti Montessori Magnet School	Window/Door	\$3,156,421	\$2,396,427
	Kensington Avenue International School	Roof	\$1,488,913	\$1,091,826
	M. Marcus Kiley Middle School	Window/Door	\$9,498,611	\$7,210,934
	Mary M. Lynch Elementary School	Roof	\$2,117,130	\$1,618,626
Swansea	Elizabeth S. Brown Elementary School	Window/Door	\$1,468,488	\$754,824
Worcester	Belmont Street Community School	Window/Door	\$4,098,316	\$3,092,573
	Chandler Elementary Community School	Boiler; Window/Door	\$1,492,592	\$1,088,943
	Gerald Creamer Center	Partial Boiler; Window/Door	\$3,135,856	\$2,365,951
	Wawecus Road School	Window/Door	\$2,218,334	\$1,612,608
Totals			\$96,004,197	\$54,303,504



Preferred Schematic Design | **Vote**

District	School	Project Scope	Estimated Total Construction	Estimated Total Project Cost
Blue Hills Reg. School District	Blue Hills Regional Technical School	Limited Repair	\$71,665,900	\$86,460,000
Braintree	East Middle School	Add/Reno	\$67,869,363	\$83,143,498
Cape Cod Reg. Voc/Tech District	Cape Cod Regional Technical High School	New	\$113,131,000	\$141,414,000
Ipswich	Winthrop Elementary School	New	\$53,913,497	\$66,687,466
Lexington	Maria Hastings Elementary School	New	\$49,894,630	\$61,737,630
Saugus	Saugus High School	New	\$127,885,356	\$160,860,953
Triton Regional School District	Pine Grove Elementary School	Limited Repair	\$28,336,465	\$34,003,758
Westport	Westport Middle School	New	\$78,702,802	\$95,230,390

Totals **\$591,399,013** **\$729,537,695**



Preferred Schematic Design | Blue Hills

Blue Hills Regional Technical High School

- Year Opened: 1966
- Current Grade Configuration: 9-12
- Agreed Upon Grade Configuration: 9-12
- Agreed Upon Enrollment: 900 students
- Proposed Scope of Project: Limited renovation and repair project
- Existing Square Footage: 342,000 gsf
- Proposed Square Feet of Renovated Space: 292,400 gsf
- Estimated Total Construction Cost of Preferred Schematic: \$71,665,900



Preferred Schematic Design | Braintree

East Middle School

- Year Opened: 1961
- Current Grade Configuration: 6-8
- Agreed Upon Grade Configuration: 5-8
- Agreed Upon Enrollment: 1,180 students
- Proposed Scope of Project: Addition/Renovation
- Existing Square Footage: 106,761
- Proposed Square Footage: 181,233
- Estimated Total Construction Cost of Preferred Schematic: \$67,869,363



Preferred Schematic Design | Cape Cod

Cape Cod Regional Technical High School

- Year Opened: 1975
- Current Grade Configuration: 9-12
- Agreed Upon Grade Configuration: 9-12
- Agreed Upon Enrollment: 650 students
- Proposed Scope of Project: New construction on existing site
- Existing Square Footage: 214,000
- Proposed Square Footage: 228,000
- Estimated Total Construction Cost of Preferred Schematic: \$113,131,000



Winthrop Elementary School

- Year Opened: 1956
- Current Grade Configuration: PK-5
- Agreed Upon Grade Configuration: PK-5 (Consolidating Winthrop and Doyon Elementary Schools)
- Agreed Upon Enrollment: 775 students
- Proposed Scope of Project: New on the existing Winthrop site
- Existing Square Footage: 41,000
- Proposed Square Footage: 123,700
- Estimated Total Construction Cost of Preferred Schematic: \$53,913,497



Preferred Schematic Design | **Lexington**

Maria Hastings Elementary School

- Year Opened: 1955
- Current Grade Configuration: K-5
- Agreed Upon Grade Configuration: K-5
- Agreed Upon Enrollment: 645 students
- Proposed Scope of Project: New construction on the existing site
- Existing Square Footage: 64,980 gsf (including 8 modulars)
- Proposed Square Footage: 110,379 gsf
- Estimated Total Construction Cost of Preferred Schematic: \$49,894,630



Preferred Schematic Design | Saugus

Saugus High School

- Year Opened: 1954
- Current Grade Configuration: 9-12
- Agreed Upon Grade Configuration: 6-12
- Agreed Upon Enrollment: 1,360 students
- Proposed Scope of Project: New 6-12 Middle/High School on existing site
- Existing Square Footage: 193,200
- Proposed Square Footage: 271,320
- Estimated Total Construction Cost of Preferred Schematic: \$127,885,356



Preferred Schematic Design | Triton

Pine Grove School

- Year Opened: 1954
- Current Grade Configuration: PK-6
- Agreed Upon Grade Configuration: PK-6
- Agreed Upon Enrollment: 415 students
- Proposed Scope of Project: Limited renovation and repair project
- Existing Square Footage: 90,852 gsf
- Proposed Square Feet of Renovated Space: 90,852 gsf
- Estimated Total Construction Cost of Preferred Schematic: \$28,336,465



Preferred Schematic Design | Westport

Westport Middle School

- Year Opened: 1969
- Current Grade Configuration: 6-8
- Agreed Upon Grade Configuration: 5-12 District wide
- Agreed Upon Enrollment: 860 students
- Proposed Scope of Project: A new Middle/High School, grades 5-12 on the existing site
- Existing Square Footage: 115,592
- Proposed Square Footage: 185,610
- Estimated Total Construction Cost of Preferred Schematic: \$78,702,802

- As requested by the Town of Westport it is being invited to evaluate the Model School Program designer for the Longmeadow High School



Project Votes

- **City of Somerville Poverty Factor | Vote**



Project Scope and Budget | **Vote**

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Lynn	Pickering Middle School	New	\$83,661,513	\$41,758,421
	West Lynn Middle School	New	\$104,590,019	\$55,342,186
Somerville	Somerville High School	Add/Reno	\$255,982,704	\$119,706,988*
Total			\$444,234,236	\$216,807,595*

* Estimated Maximum Total Facilities Grant amount is pending Board Approval



Project Scope and Budget | Lynn

Pickering Middle School

- Year Opened: 1917
- Current Grade Configuration: 6-8
- Agreed Upon Grade Configuration: 6-8
- Agreed Upon Enrollment: 652
- Scope of Project: New at the Reservoir site
- Existing Square Footage: 78,600
- Total Proposed Square Footage: 131,295
- District Total Project Budget: \$83,661,513
- Estimated Basis Total Facilities Grant: \$52,198,026
- Reimbursement Rate*: 80%
- Estimated Maximum Total Facilities Grant: \$41,758,421

West Lynn Middle School

- Agreed Upon Enrollment: 1,008
- Scope of Project: New at the McManus Field site
- Total Proposed Square Footage: 185,444
- District Total Project Budget: \$104,590,019
- Estimated Basis Total Facilities Grant: \$69,177,732
- Reimbursement Rate*: 80%
- Estimated Maximum Total Facilities Grant: \$55,342,186

* By statute, 80% is the maximum reimbursement rate. Here, the District reaches the maximum rate of 80%, with the addition of the incentive reimbursement points for maintenance.



Project Scope and Budget | Somerville

Somerville High School

- Year Opened: 1895
- Current Grade Configuration: 9-12
- Agreed Upon Grade Configuration: 9-12 including the Full Circle High School and the Next Wave Junior High School students
- Agreed Upon Enrollment: 1,590
- Scope of Project: Addition/Renovation
- Existing Square Footage: 360,150
- Proposed Square Footage: 369,496
- District Total Project Budget: \$255,982,704
- Estimated Basis Total Facilities Grant: \$158,994,538
- Reimbursement Rate*: 75.29%**
- Estimated Maximum Total Facilities Grant: \$119,706,988**

* The MSBA has provisionally included two (2) incentive points for energy efficiency, subject to the District meeting certain sustainability requirements for the project. If the District does not meet the requirements for the energy efficiency, the District will not qualify for these incentive points and the MSBA will adjust the reimbursement rate and grant accordingly.

** Pending Board Approval



Audit Update

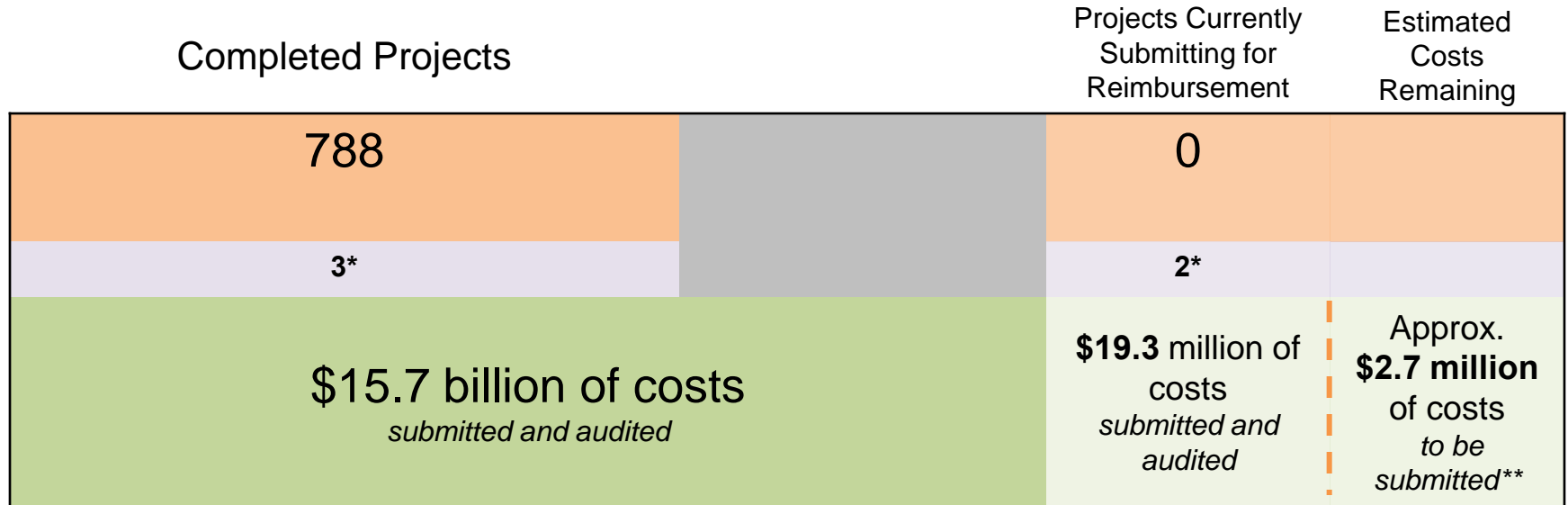
- **Audit Status Report**
- Approval of Final Audits with no appeals, Capital Pipeline Program MSBA grants | Vote



Audit Status Update

Former Program

■ Today's Vote



* Grant Conversion

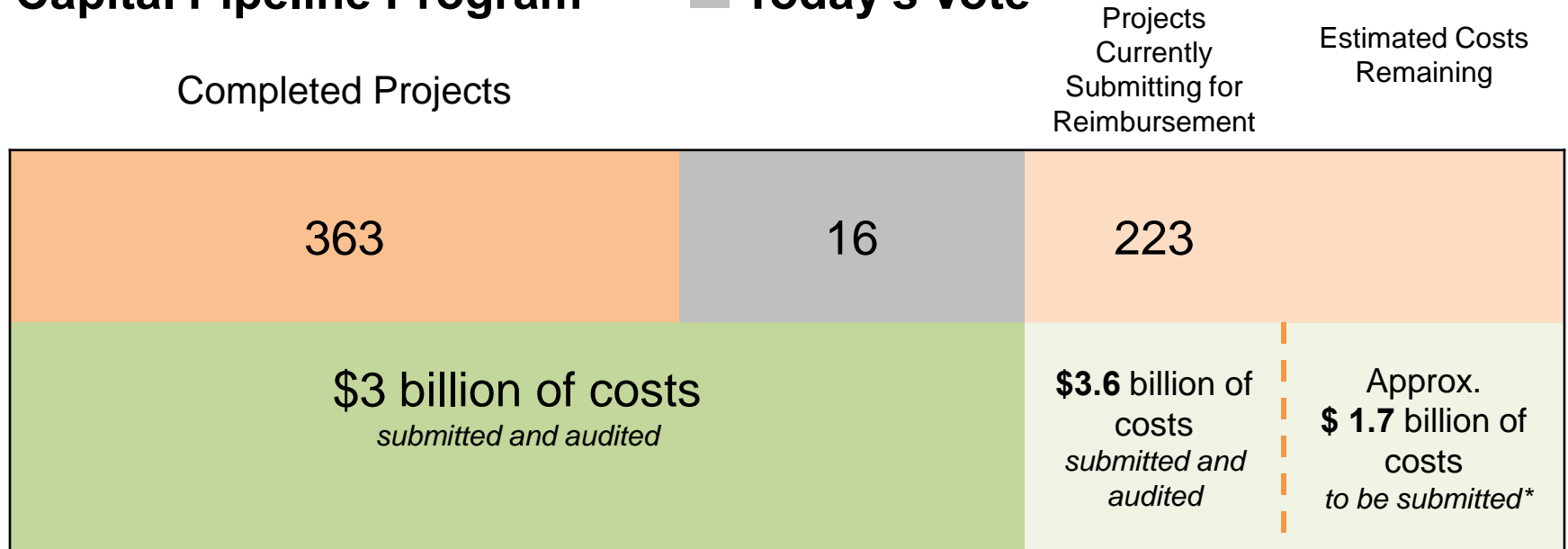
** Estimated based on Total Project Budgets from executed funding and submitted costs as of February 10, 2017.



Audit Status Update

Capital Pipeline Program

■ Today's Vote



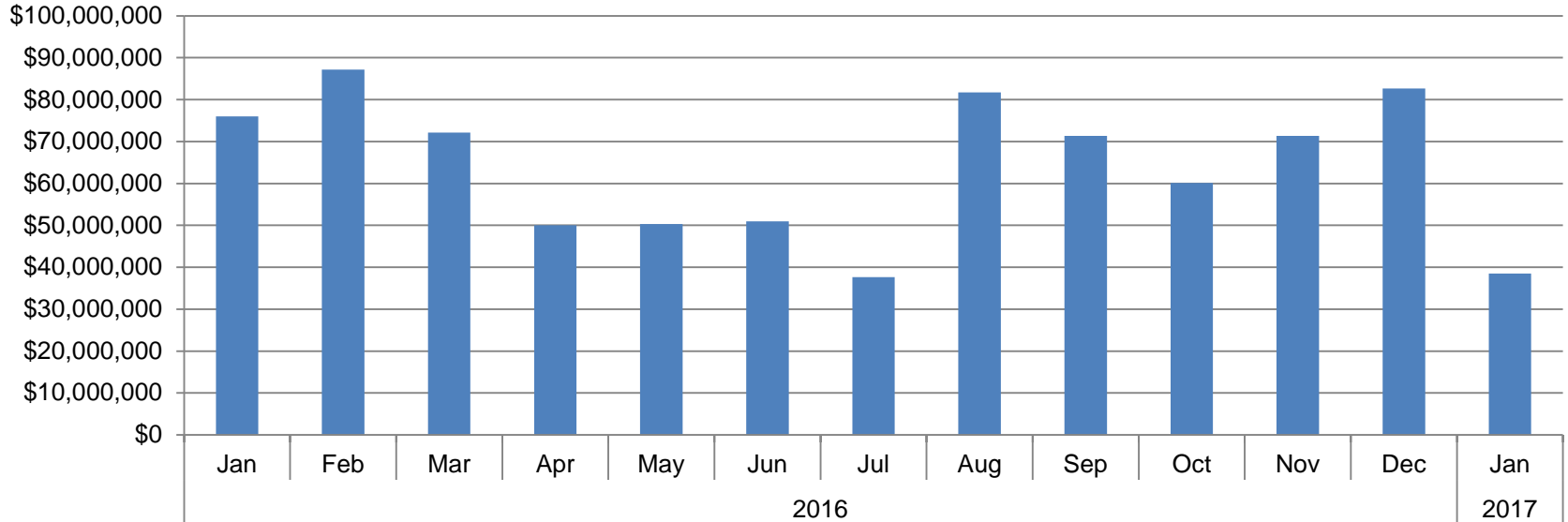
*Estimated based on Total Project Budgets from executed funding agreements and submitted costs as of February 10, 2017.



Capital Pipeline Program | Monthly Audited Project Costs

- Rolling 12 month submitted costs monthly average of \$63 million
- Total 12 Month Audited Costs = \$754 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 | Vote**



Capital Pipeline Program | Closeout Audits

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

MSBA ID	District Name	School Name	MSBA Cx	Reimb. Rate	Total Project Budget	Final Costs Submitted	Basis for Final Total Facilities Grant	Final Total Facilities Grant
201206250320	Bridgewater-Raynham	Bridgewater Middle School	X	55.63%	\$2,243,995	\$1,812,162	\$1,809,828	\$1,006,807
201206250050	Bridgewater-Raynham	Laliberte Elementary School	X	55.63%	\$1,076,100	\$924,807	\$923,484	\$513,734
201206250020	Bridgewater-Raynham	Merrill Elementary School	X	55.63%	\$1,167,100	\$991,559	\$977,660	\$543,872
200800770010	Douglas	Douglas Elementary School	X	62.07%	\$32,231,824	\$31,378,247	\$26,714,543	\$16,581,717
200800770100G	Douglas	Douglas Intermediate School	X	54.16%	\$17,400,803	\$17,523,350	\$14,145,305	\$7,661,097
201108230605	Greater Lawrence RVT	Regional Vocational Technical High School	X	78.95%	\$4,802,770	\$4,475,562	\$3,182,456	\$2,512,549
201008250605	Greater New Bedford	Regional Vocational Technical High School	X	80.00%	\$15,936,589	\$16,396,249	\$15,323,303	\$12,258,642
201401630040	Lynn	William P. Connery Elementary School	X	78.95%	\$1,101,402	\$758,360	\$756,860	\$597,541
201102040005	Newburyport	Francis T. Bresnahan Elementary School	X	52.78%	\$37,118,204	\$36,148,519	\$29,146,206	\$15,383,368
201402100025	Northampton	Leeds Elementary School	X	56.26%	\$680,871	\$442,115	\$441,381	\$248,321
201402100029	Northampton	R. K. Finn Ryan Road Elementary School	X	56.26%	\$1,076,554	\$637,905	\$626,351	\$352,385
201302430060	Quincy	Merrymount Elementary School	X	69.74%	\$879,702	\$846,428	\$701,645	\$489,327
201302430510	Quincy	North Quincy High School	X	69.74%	\$4,076,124	\$3,894,558	\$3,479,172	\$2,426,375
201302430110	Quincy	Wollaston Elementary School	X	69.74%	\$963,104	\$931,840	\$859,913	\$599,703
201408730605	South Shore RVT	Regional Vocational Technical High School	X	54.16%	\$498,100	\$443,017	\$427,158	\$231,349
200803170505	Wellesley	Wellesley High School	X	40.00%	\$115,987,740	\$111,811,467	\$93,286,707	\$37,314,683
				TOTAL	\$237,240,982	\$229,416,145	\$192,801,972	\$98,721,470



MSBA Updates

- **Executive Director's Report**
- Project Status Updates
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 - Mashpee ARP Update
 - Sustainable Design Policy - Vote
 - City of Holyoke Update



Project Visits and Local Votes

- Since the November 9, 2016 Board meeting, the MSBA has visited 19 projects.
- 7 Districts have voted affirmatively to appropriate full project funds or feasibility study funds.

Project Visits		Local Votes	
Abington	North Middlesex	Feasibility Study Funds	Full Project Funds
Boston	Scituate	Amesbury	Bourne
Beverly	Pittsfield	Braintree (Supplement)	Newton (Cabot)
Brookline	Plymouth	Framingham	
Carver	Provincetown	Shrewsbury	
Chelsea	Westborough	West Springfield	
Haverhill	Winchester		
Holbrook	Woburn		
Minuteman RVTSD	Worcester		
New Bedford			



Project Visits

Upcoming site visits anticipated in March and April:

Project Visits	
Abington Brookline Carver Chelsea Haverhill Holbrook New Bedford	North Middlesex Pittsfield Plymouth Scituate Westborough Winchester Worcester



Outreach

3 Meetings with Legislators

- Lowell Delegation
- Freshmen Representatives and Senators
- Senator Hinds

5 Meetings with Mayors

- Revere
- Lawrence
- Worcester
- Somerville
- Newton



Outreach (cont.)

Districts

- Orange
- Holyoke
- Millville
- Whittier Regional Vocational Technical
- Haverhill



Outreach (cont.)

3 Presentations

- American Council of Engineering Companies (ACEC)
- Story of a Building
- Construction Management Association of America (CMAA)

Other

- Met with Department of energy Resources(DOER)
- Met with Commissioner Chester (DESE)
- Mass Municipal Association Annual Conference (MMA)
- 2 Designer roundtables



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Summary of Bid Data

Year	Number of Projects	Design Basis for Enrollment	Project Budget	Construction Budget
2016	11	6,605	\$665.20 million	\$549.80 million
2017	9	5,888	\$733.09 million	\$580.26 million
Totals	20	12,493	\$1.40 billion	\$1.13 billion

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

Anticipated Bids in 2017:

- February – Beverly (CMR)
- March – Mount Greylock (CMR)
- April – Quincy (CMR)



Core Program

Construction Estimate vs. 2016 Bid Amount

- Of the 11 bids and/or executions of a GMP in 2016, 10 have been reported to date.
- Of the 10, all 10 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
Pittsfield	Taconic HS	New	CMR	Sep-16	\$97,757,373	\$97,757,373	\$0	80.00%	\$0
Brookline	Devotion ES	Add/Reno	CMR	Nov-16	\$89,672,865	\$89,502,172	-\$170,693	38.30%	-\$65,375
Woburn	Wyman ES	New	DBB	Dec-16	\$27,017,841	\$24,970,000	-\$2,047,841	54.74%	-\$1,120,988
Hopinton	Early ES	New	CMR	Dec-16	\$35,140,982	\$33,149,711	-\$1,991,271	44.50%	-\$886,116
Total					\$452,922,769	\$441,511,106	-\$11,411,663	-	-\$7,154,665

*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.



Core Program

Construction Estimate vs. 2017 Bid Amount

- Of the nine bids and/or executions of a GMP in 2017, one has been reported to date.
- The one reported bid 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 **
Granby	West ES	Add/Reno	DBB	Jan-17	\$26,453,000	\$23,590,000	-\$2,863,000	50.66%	-\$1,450,396
				Total	\$26,453,000	\$23,590,000	-\$2,863,000	-	-\$1,450,396

*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. 2016-2017 Bid Amount

2015 Accelerated Repair Program

- 29 of the 31 reported projects bid within the estimated budget
- The remaining 11 projects are scheduled to be bid by end of March 2017



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Accelerated Repair Program Project Scope Extension | Update

District	School	Invitation Date	Scope at Invitation	Scope Extension
Mashpee	Quashnet ES	May 25,2016	Window/Door	Roof

- Original invitation was for windows/doors.
- During the development of the Schematic Design, the District and the Designer learned that the removal of the windows encroaches into the roof system.
- District has requested opportunity to replace the 25 year old roof in conjunction with the windows under its current Accelerated Repair Program project.
- Staff recommended that the roof scope be added to the original invitation at the December 14, 2016 Facilities Assessment Subcommittee Meeting.
- Staff recommend that the scope extension vote be taken at the May 10, 2017 Board of Directors Meeting concurrent with an authorization vote for a Project Funding Agreement.



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Current Policy & Proposed Policy

Minimum Requirements

Current Policy (2015-2017)	Proposed Policy (2017)
<p>Using LEED-S V4, for no additional reimbursement, achieve a minimum of “Certified” (40 points), including a minimum of 3 points in EA Credit “Optimize Energy Performance”.</p> <p>OR;</p> <p>Using NE-CHPS 3.0, for no additional reimbursement, achieve a minimum of “Verified” (110 points for new construction or 85 points for addition / renovation), including 6 points in EE Prerequisite #1.0.</p>	<p>Using LEED-S, achieve a minimum of “Certified”, OR;</p> <p>Using NE-CHPS, achieve a minimum of “Verified”. AND;</p> <p>Exceed the level of energy efficiency required in the current Massachusetts (base) energy code by 10%, using the LEED-S EA “Optimize Energy Performance” credit submittal or the NE-CHPS “Energy Efficiency” credit submittal to demonstrate that performance.</p>

Additional Reimbursement

Current Policy (2015-2017)	Proposed Policy (2017)
<p>Using LEED-S V4, for 2% additional reimbursement points, achieve a minimum of “Silver” (50 points), including a minimum of 6 points in EA Credit “Optimize Energy Performance”.</p> <p>OR;</p> <p>Using NE-CHPS 3.0, for 2% additional reimbursement, achieve a minimum of “Verified” (110 points for new construction or 85 points for addition / renovation), including a minimum of 9 points in EE Credit #1.1.</p>	<p>In addition to the minimum requirements described above, projects must exceed the level of energy efficiency required in the current Massachusetts (base) energy code by 20%, using the LEED-S EA “Optimize Energy Performance” credit submittal or the NE-CHPS “Energy Efficiency” credit submittal to demonstrate that performance</p>



Implementation

- Consistent with current policy, this updated policy requires all core projects to achieve, at a minimum, and for no additional reimbursement, the basic level of certification in LEED-S or NE- CHPS

- The previous policy remains in effect for all core projects that submit for Preferred Schematic approval before the June 28, 2017 MSBA Board meeting

- Projects that submit for Preferred Schematic approval for the June 28, 2017 MSBA Board meeting will be required to meet the new policy

- Summer 2017 Board Update goals:
 - *Review reimbursement/ additional point opportunities*



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City of Holyoke Update

- To support Holyoke's Level 5 District Turnaround plan, Board authorized the District to complete a survey of the conditions at all of the District's educational facilities as part of the feasibility study for the Lt. Elmer J. McMahon Elementary School at March 30, 2016 Board meeting.
- MSBA staff engaged with its technical consultant STV and in July 2016 kicked off the survey of 11 schools and 1 closed facility.



City of Holyoke Update

- Based upon the data gathered, the Survey developed three strategies for the City's consideration for potential use of existing facilities:
 - Strategy A: Options that maintain the District's current grade configuration of PK-8 and 9-12.
 - Strategy B: Options that include a grade reconfiguration to PK-5, 6-8 middle school and 9-12 high school.
 - Strategy C: Options that include a grade reconfiguration to PK-5 and a 6-12 middle/high school consolidation.



City of Holyoke Update

- MSBA and its consultants presented to the School Committee and to the community.
- The District held four public meetings to solicit feedback from the community regarding the strategies and the District's educational plan.
- The District has worked with consultants to consider its vision for the middle and high school students.
- The District has communicated to the MSBA that it is ready to proceed with the feasibility study and based on its educational plan and community feedback would like to study options in Strategy B for a potential project that will serve the District's middle school population.



Finance Update

- **Fiscal Year 2016 Financial Statements**
- Investment Management Policy | Vote
- Sales Tax Collection Update
- Grants Payments Update
- Budget Update



MSBA FY2016 Financial Statements

As a result of the 2016 Audit, KPMG has issued an unmodified (i.e. clean) opinion

Report on compliance and internal controls:

- No material weaknesses involving internal control over financial reporting and its operation
- Testing disclosed no instances of non-compliance or other matters required to be reported under *Government Auditing Standards*.



MSBA FY2016 Financial Statements

KPMG Areas of Emphasis

Grants Payable – accounting, disclosure, valuation

Debt Financing – disclosures, new issuances, bond covenants, outstanding balances

Investments – reviewed for impairment, balances per financial institutions, income, independent pricing of securities, required disclosures

Other – conformity with GASB* and industry practice, legal letter, disclosure, form & content of MD&A, minutes of Board meetings

**Implementation of GASB 72 and commercial paper activity*



MSBA FY2016 Financial Statements

Auditors' Required Communications

Topic	Auditors' Response
Our responsibilities under generally accepted auditing standards and <i>Government Auditing Standards</i>	<ul style="list-style-type: none"> ▪ Our audit was designed to obtain reasonable assurance that basic financial statements are free of material misstatement
Management judgments and accounting estimates, including: <ul style="list-style-type: none"> ▪ Grants payable ▪ OPEB liability 	<ul style="list-style-type: none"> ▪ Accounting estimates are an integral part of the financial statements ▪ We evaluated key factors and assumptions used to develop management's estimates and found them reasonable in relation to the financial statements taken as a whole.
Significant audit adjustments affecting the financial reporting process	<ul style="list-style-type: none"> ▪ No significant audit adjustments were identified affecting the financial reporting process
Other information in documents containing audited financial statements	<ul style="list-style-type: none"> ▪ Evaluated form and content of MD&A
Uncorrected audit misstatements	<ul style="list-style-type: none"> ▪ None
Disagreements with management	<ul style="list-style-type: none"> ▪ None
Difficulties encountered in performing the audit	<ul style="list-style-type: none"> ▪ No difficulties were noted



Finance Update

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Investment Management Policy

- Primary objective is preservation of principal while maintaining sufficient liquidity to meet financial obligations and providing a reasonable investment return.
- Permitted Investments: Deposits with the Massachusetts Municipal Depository Trust, Government & agency obligations, bank deposits, money market funds, commercial paper, and investment contracts.
- Bank deposits are either FDIC insured or collateralized at 102% of deposit amount. Investments, such as money market funds, are rated in highest rating category by each rating agency.



Finance Update

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FY 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	69,856	798,531
Change (\$ 000)	4,259	3,466	3,900	3,824	3,486	3,915	3,036	2,667	3,880	608	1,688	(307)	34,421
% Change	6.24%	5.56%	6.55%	5.91%	5.80%	6.45%	4.01%	4.81%	6.97%	0.91%	2.59%	-0.44%	4.50%
FY17 (\$ 000)	71,513	66,555	67,659	70,041	62,532	65,937							404,236
Change (\$ 000)	(960)	723	4,206	1,565	(1,026)	1,319							5,827
% Change	-1.3%	1.1%	6.6%	2.3%	-1.6%	2.0%							

FY16 SMART collections were approximately \$34.4 million (4.50%) greater than FY15. Growth in every month except June 2016, which reflects a year end adjustment of \$45,495.61.

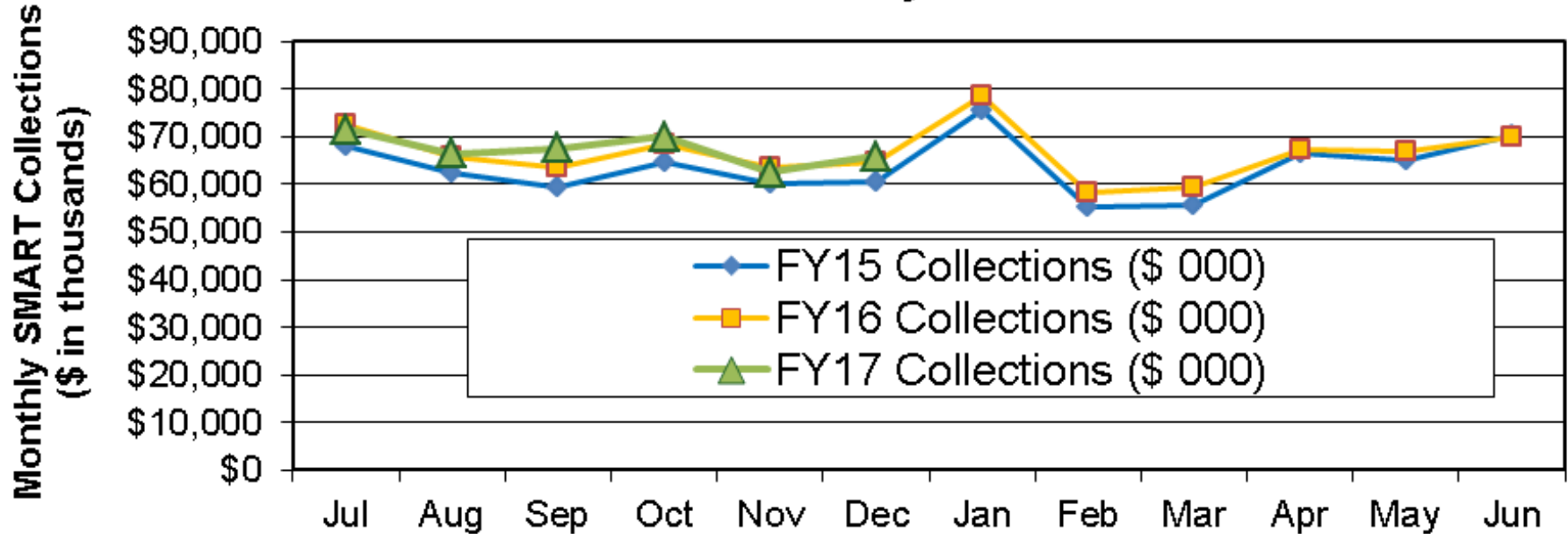
FY 17 SMART Fund estimate has been updated to \$813.208 million. This revised amount would produce growth of 1.84% over the FY 16 unaudited amount.

FY17 collections through December 2016 are \$5.827 million (1.46%) greater than FY16 collections during the same period.



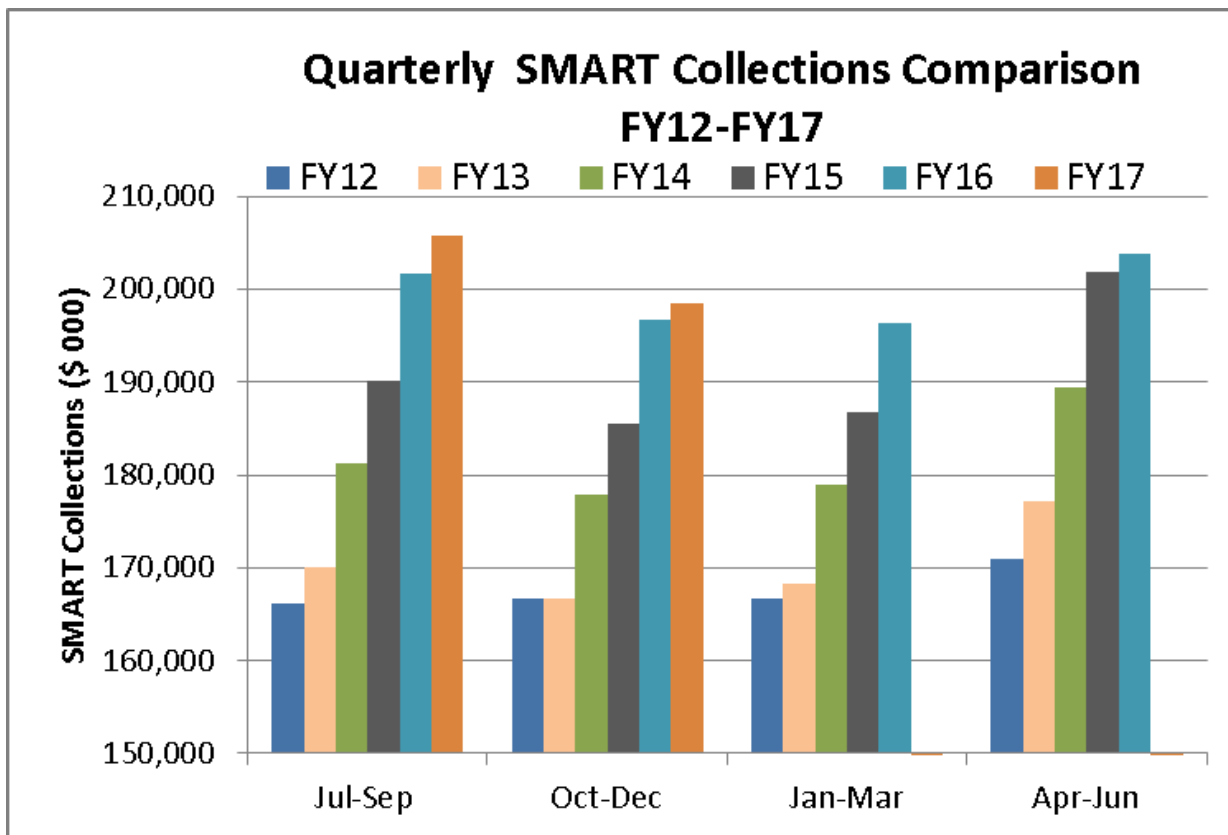
FY 2017 SMART Collections Update

FY15 - FY17 Monthly SMART Collections



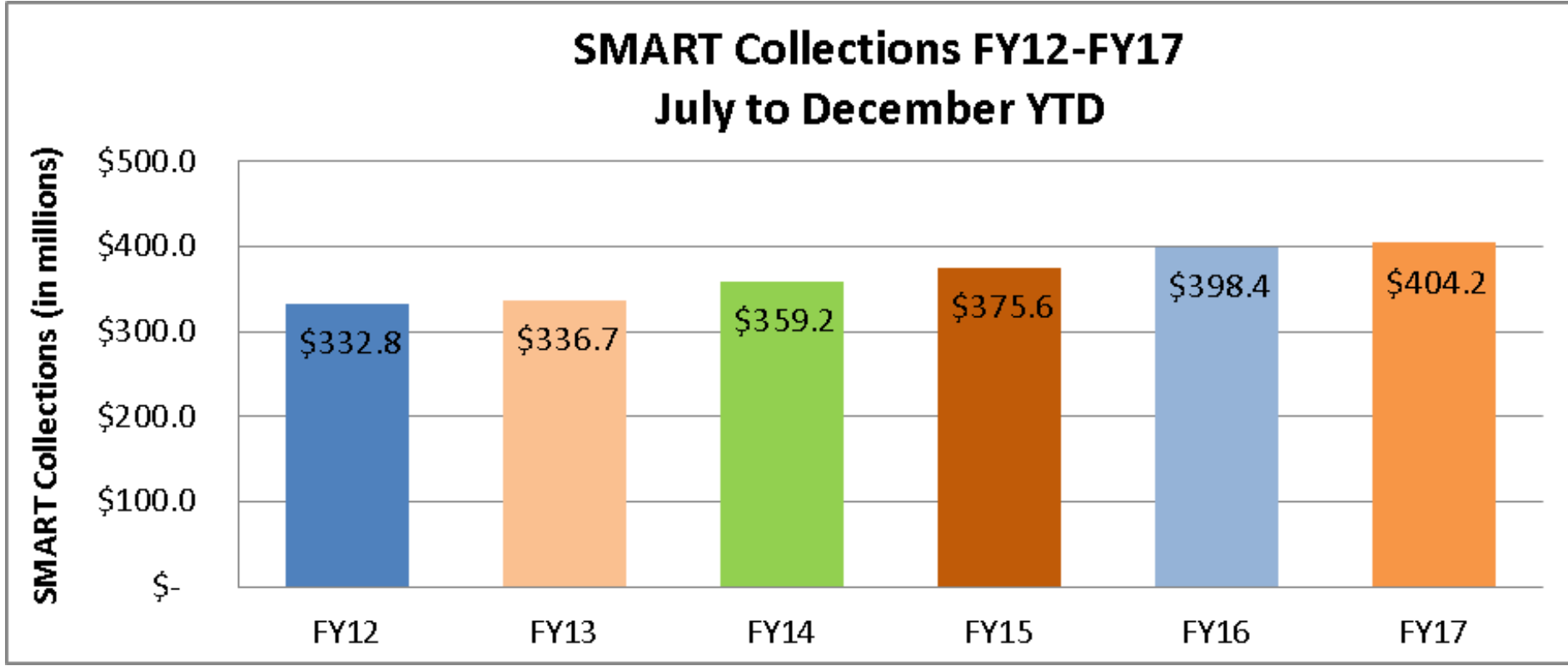


Quarterly SMART Collections





Smart Collections Year To Date





Finance Update

- Fiscal Year 2016 Financial Statements
- Investment Management Policy | Vote
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- **Grants Payments Update**
- Budget Update

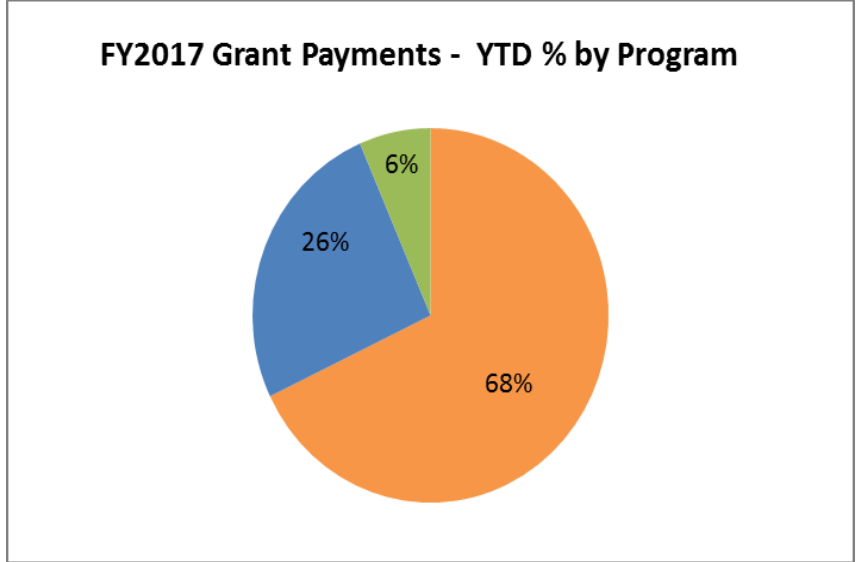
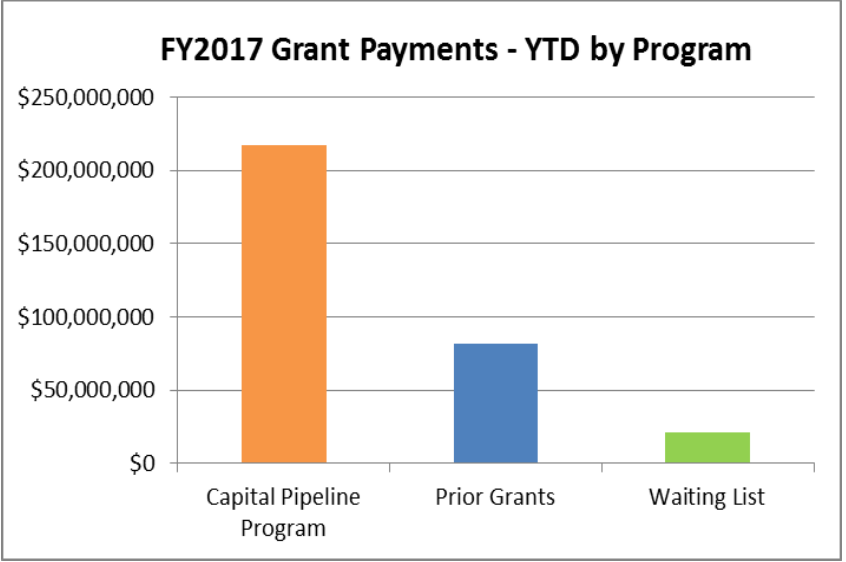


Grant Payments | FY2017 YTD Update

FY2017 YTD Grant Payments Summary*

Program	Grant Payments	# Projects	# Districts	% of FY17 Payments
Capital Pipeline Program	\$ 217,065,786	155	107	68%
Prior Grants	\$ 81,918,063	89	71	26%
Waiting List	\$ 20,752,749	28	21	6%
Total	\$ 319,736,598	272	155	

* Reflects grant payment data as of January 26, 2017.





Finance Update

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- Grants Payments Update
- **Budget Update**



FY 17 Budget Update

MSBA Administrative Operations and Grant Programs Budget

Expense Category	FY16 Expenditures 7/1-6/30	FY 17			
		Revised FY17 Budget	FY17 Expenditures thru 1/31/17	Variance (FY17 Revised Budget)	% (FY17 Revised Budget)
Administrative Expense Budget					
Salaries & Benefits ^[1]	6,099,410	7,442,813	3,267,476	(4,175,336)	43.9%
General & Administrative Office Expenses ^[2]	323,363	378,629	196,073	(182,556)	51.8%
Occupancy & Utilities ^[3]	1,115,237	1,122,821	646,865	(475,956)	57.6%
Consulting & Professional Support Services ^[4]	117,335	203,905	147,859	(56,046)	72.5%
Information Technology ^[5]	111,183	205,399	67,341	(138,058)	32.8%
T total Administrative Expense Budget^[6]	7,766,529	9,353,567	4,325,614	(5,027,953)	46.2%
Other Post Employment Benefits (OPEB)^[7]	100,000	100,000	0	(100,000)	0.0%
Capital Pipeline Professional Support Services & Issuance Related Costs					
Project Related Legal, Audit & Professional Support Services ^[8]	4,691,645	6,038,000	3,228,869	(2,809,131)	53.5%
Cost of Issuance ^[9]	3,398,969	3,250,000	1,877,386	(1,372,614)	57.8%
T total Capital Pipeline Program Professional Support Services	8,090,614	9,288,000	5,106,255	(4,181,745)	55.0%
Arbitrage Rebate^[10]	11,842,422	2,000,000	950,122	(1,049,878)	47.5%
Grant Program					
Prior Grants ^[11]	184,937,437	210,850,561	81,918,063	(128,932,498)	38.9%
Waiting List ^[12]	25,740,346	34,403,354	19,811,453	(14,591,901)	57.6%
Capital Pipeline Program Grants ^[13]	411,764,406	550,000,000	218,007,082	(331,992,918)	39.6%
T total Grant Program	622,442,189	795,253,915	319,736,598	(475,517,317)	40.2%
Loan Program Disbursements^[14]		10,000,000	0	(10,000,000)	0.0%
Grand Total - Operating Budget	650,241,754	825,995,482	330,118,589	(485,876,892)	40.0%



Capital Pipeline Professional Support Services Detail

Capital Pipeline Professional Support Services & Issuance Related Costs

	FY16 Expenditures	Revised FY17 Budget	FY17 Expenditures thru 1/31/17	Variance (FY17 Revised Budget)	% (FY17 Revised Budget)
Commissioning Consultants ^[1]	3,071,291	2,300,000	1,158,745	(1,141,255)	50.4%
Project Management Services ^[2]	1,028,765	650,000	289,382	(360,618)	44.5%
Architectural Services ^[3]	460,201	813,000	395,854	(417,146)	48.7%
Cost Estimating Services ^[4]	0	0	0	0	n/a
Audit & Other Compliance ^[5]	0	0	0	0	n/a
Capital Program Information Systems ^[6]	3,388	75,000	0	(75,000)	0.0%
Cost of Issuance ^[7]	3,398,969	3,250,000	1,877,386	(1,372,614)	57.8%
School Survey ^[8]	128,000	2,000,000	1,384,888	(615,112)	69.2%
Other - New Initiatives ^[9]	0	200,000	0	(200,000)	0.0%
Legal ^[10]	0	0	0	0	n/a
Capital Program Support Services	8,090,614	9,288,000	5,106,255	(4,181,745)	55.0%



Fiscal Year 2017 Expenditure Charts

