

# Massachusetts School Building Authority

Deborah B. Goldberg, State Treasurer and Receiver-General

*Chairperson*

Maureen Valente

*Chief Executive Officer*

Jack McCarthy

*Executive Director*



## Board Meeting

**November 9, 2016**



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# Economic Impact Report Update

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# MSBA Impact on the Economy

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- Between 2005 and 2015, the MSBA made over \$11.2 billion in payments to cities, towns and regional school districts, including full or partial payment to all of the eligible waiting list projects.



# MSBA Economic Impact (FY05-FY15)

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- During this report period, there were more than 300 construction, renovation and repair projects in the MSBA's Capital Pipeline.
- MSBA Grants have a direct and indirect positive impact on the economy. In addition, the "induced impact" of MSBA spending creates state tax revenue, employment and earnings far beyond the construction project itself.



# Key Findings (FY05-FY15)

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Between **FY2005-FY2015**, MSBA had **three impacts** on the **economy**:

- **Direct Impact** – spending that directly benefits construction workers, managers, construction firms, and the industry through earnings, employment, and the value-added to the economy.
- **Indirect Impact** – of workers, managers, and owners of firms in other industries that supply goods and services to the construction industry.
- **Induced Impact** - benefits from spending of school construction workers, managers, or investors who spend some of their earnings to buy items for their families (i.e., purchasing work clothing or eating at a restaurant from the income earned on the job).



# Key Findings (FY05-FY15)

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MSBA investments generated the following economic benefits between FY05-FY15 (*dollar amounts are in 2013 dollars*):

- Spending created between 7,300 and 11,600 jobs per year (construction employment of between 4,200 and 6,600 per year)
- In total - Creation of between 80,000 and 127,000 job-years including between 45,900 and 73,100 job-years on school construction sites



# Key Findings (FY05-FY15)

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## Economic Benefits (Continued)

- In this 11-year period, MSBA investments added between \$6.5 billion and \$10.4 billion in output (GDP) to the state's economy.
  - Of this, between \$3.5 billion and \$5.6 billion were directly attributed to school construction;
  - and the remaining \$3.0 billion to \$4.8 billion consisted of indirect and induced impacts.





# Key Findings (FY05-FY15)

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## Economic Benefits (Continued)

- In this 11-year period, the additional economic activity raised between \$346 million and \$550 million in additional state tax revenues, consisting of:
  - Between \$264 million and \$421 million in additional state income tax revenues;
  - Between \$44 million and \$70 million in additional state sales and excise tax revenues; and
  - Between \$37 million and \$60 million in additional state business taxes.



# Thank You!

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- Questions?

Alan Clayton-Matthews, *Associate Professor of Economics and Public Policy*,  
Northeastern University.

[a.clayton-matthews@northeastern.edu](mailto:a.clayton-matthews@northeastern.edu)



# Project Votes

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# Invitation to Feasibility Study | Vote

District	School
Belmont	Belmont High School
Danvers	Ivan G. Smith Elementary School
Dennis- Yarmouth Regional School District	Mattacheese Middle School
Foxborough	Mabelle M. Burrell Elementary School
Ludlow	Chapin Street Elementary School
Northbridge	W. Edward Balmer Elementary School
Pentucket	Pentucket Regional High School
Weymouth	Maria Weston Chapman Middle School



# Amendment to Feasibility Study Agreement | **Vote**

District	School
Braintree	East Middle School
Boston	Josiah Quincy Upper School



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

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Carver	Carver Middle- High School	Roof, Boiler, Window/ Door	\$5,608,559	\$2,747,959
New Bedford	John A. Parker Elementary School	Window/ Door	\$8,336,514	\$3,095,218
<b>Totals</b>			<b>\$13,945,073</b>	<b>\$5,843,177</b>



# Preferred Schematic Design | **Vote**

District	School	Project Scope	Estimated Total Construction	Estimated Total Project Costs
Lynn	Pickering Middle School	New	\$145,835,940	\$183,297,809
<b>Totals</b>			<b>\$145,835,940</b>	<b>\$183,297,809</b>



# Preferred Schematic Design | Lynn

## Pickering Middle School

- Year Opened: 1917
- Current Grade Configuration: 6-8
- Agreed Upon Grade Configuration: 6-8
- Agreed Upon Enrollment: 1,660
  - West Lynn Enrollment: 1,008
  - New Pickering Enrollment: 652
- Proposed Scope of Project: Two new buildings
- Existing Square Footage: 78,600
- Total Proposed Square Footage: 313,172
  - West Lynn Middle School: 181,847
  - New Pickering Middle School: 131,325
- Estimated Total Construction Cost of Preferred Schematic: \$145,835,940





# Preferred Schematic Design | Lynn

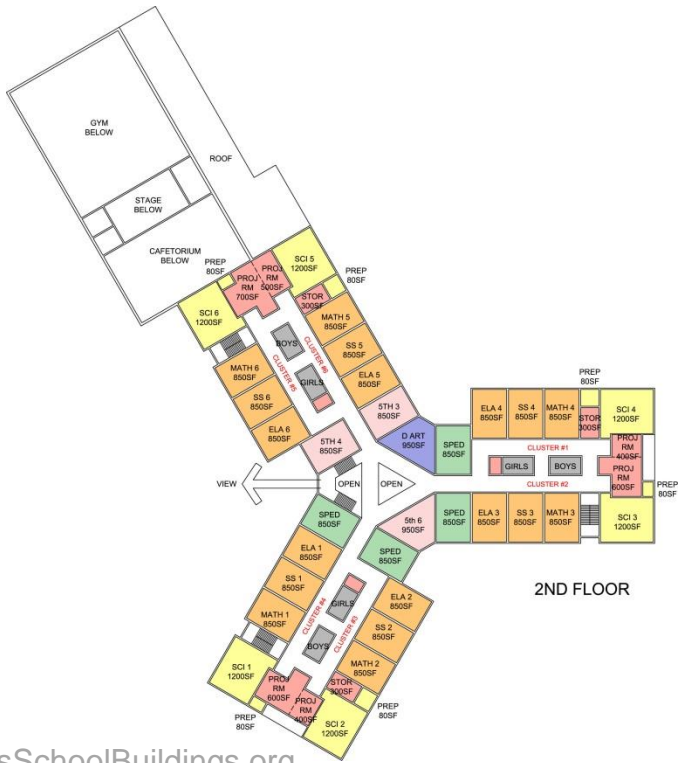
## West Lynn Middle School





# Preferred Schematic Design | Lynn

## Pickering Middle School





# Project Scope and Budget | **Vote**

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Bourne	Peebles Elementary School	New	\$39,919,041	\$14,686,949
Newton	Cabot Elementary School	Addition/ Renovation	\$48,999,776	\$13,636,546
<b>Total</b>			<b>\$88,918,817</b>	<b>\$28,323,495</b>



# Project Scope and Budget | Bourne

## James F. Peebles Elementary School

- Year Opened: 1953
- Current Grade Configuration: K-4
- Agreed Upon Grade Configuration: 3-5 (District-wide)
- Agreed Upon Enrollment: 460
- Scope of Project: New
- Existing Square Footage: 55,191
- Proposed Square Footage: 72,680
- District Total Project Budget: \$39,919,041
- Estimated Basis Total Facilities Grant: \$30,201,416
- Reimbursement Rate\*: 48.63%
- Estimated Maximum Total Facilities Grant: \$14,686,949

*\*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 accordingly.*





# Project Scope and Budget | Bourne

## James F. Peebles Elementary School



*Exterior Rendering*



*Entrance Perspective*

Flansburgh Architects



# Project Scope and Budget | Newton

## Cabot Elementary School

- Year Opened: 1929
- Current Grade Configuration: K-5
- Agreed Upon Grade Configuration: K-5
- Agreed Upon Enrollment: 480
- Scope of Project: Addition/Renovation
- Existing Square Footage: 43,940 (includes modular classrooms)
- Proposed Square Footage: 84,262
- District Total Project Budget: \$48,999,776
- Estimated Basis Total Facilities Grant: \$33,904,888
- Reimbursement Rate\*: 40.22%
- Estimated Maximum Total Facilities Grant: \$13,636,546

*\*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 accordingly.*



# Project Scope and Budget | **Newton**

## Cabot Elementary School



*Aerial Perspective*



*View from Cabot Street*



# Audit Update

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- **Audit Status Report**
- Approval of Final Audits with no appeals, Capital Pipeline Program MSBA grants of \$51,341,934 | Vote

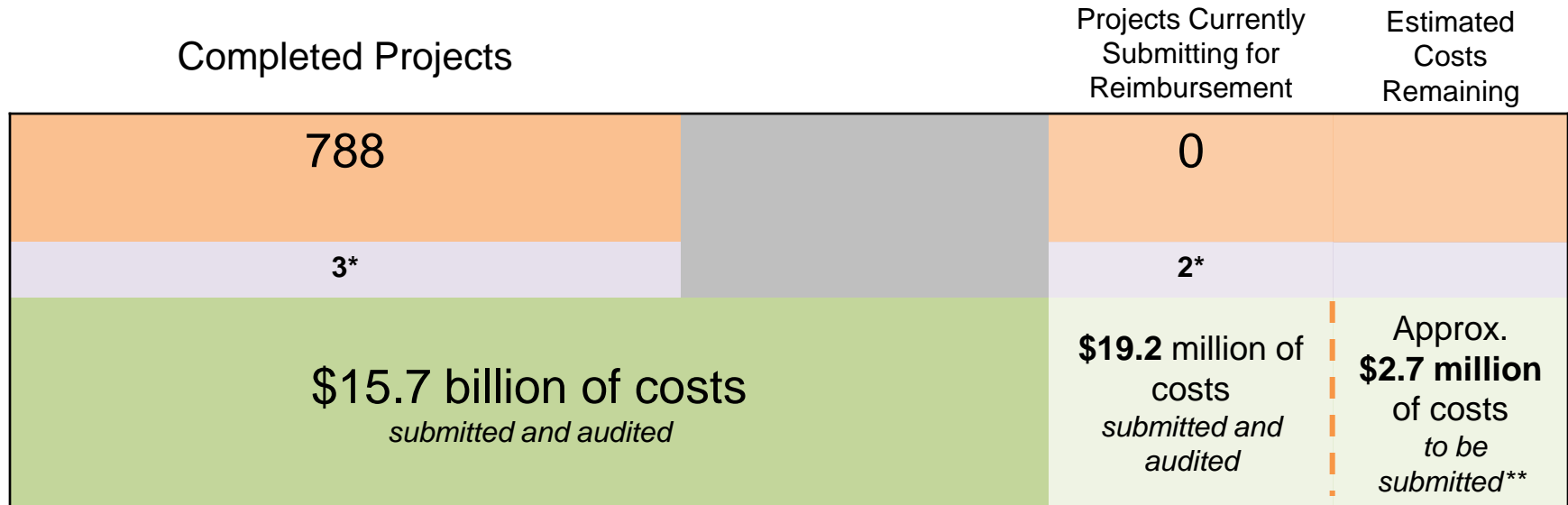




# Audit Status Update

## Former Program

## ■ Today's Vote



\* Grant Conversion

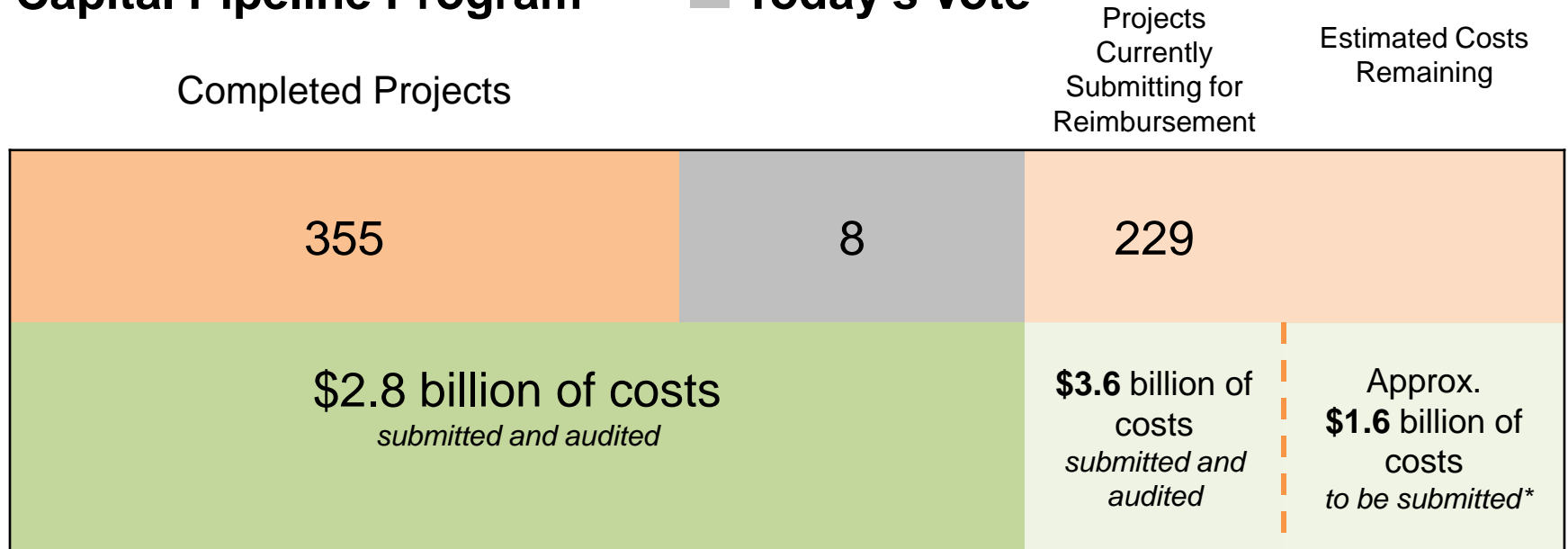
\*\* Estimated based on Total Project Budgets from executed funding and submitted costs as of October 31, 2016.



# Audit Status Update

## Capital Pipeline Program

## ■ Today's Vote



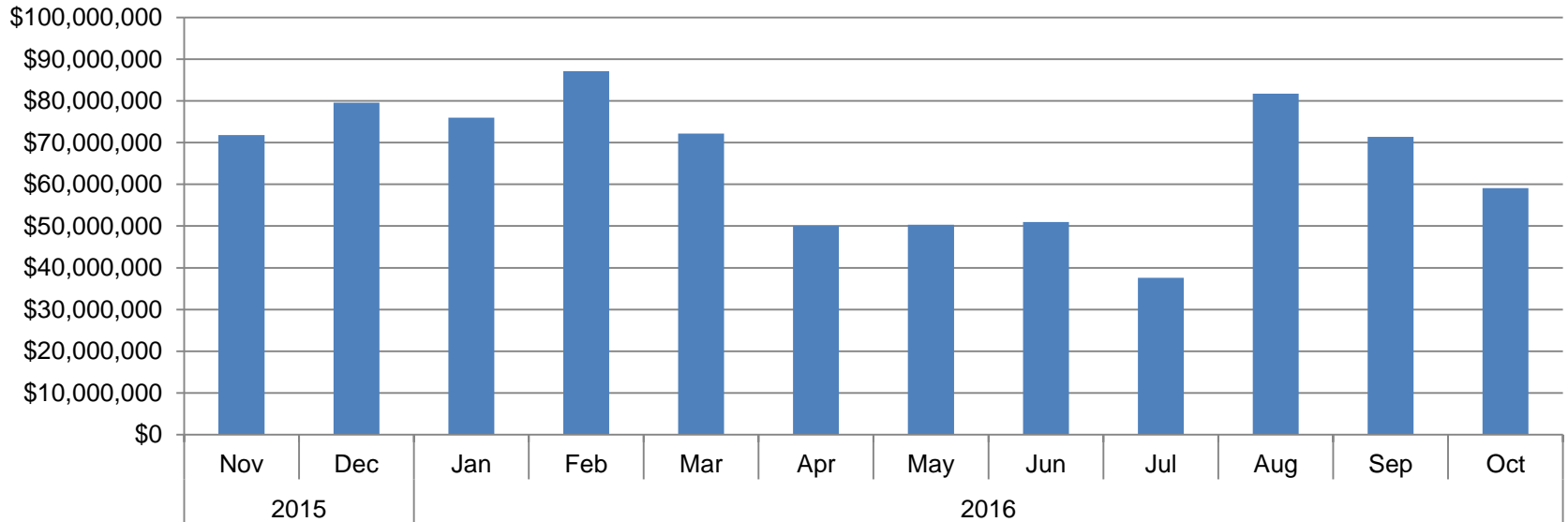
*\*Estimated based on Total Project Budgets from executed funding agreements and submitted costs as of October 31, 2016.*



# Capital Pipeline Program | Monthly Audited Project Costs

- Rolling 12 month submitted costs monthly average of \$66 million
- Total 12 Month Audited Costs = \$788 million

## Capital Pipeline Program Monthly Audited Project Costs





# Audit Update

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- Audit Status Report
- **Approval of Final Audits with no appeals, Capital Pipeline Program MSBA grants of \$51,341,934 | Vote**



# Capital Pipeline Program | Closeout Audits

## Today's Vote: Exhibit B, 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
201206220505	Blackstone-Millville	Blackstone Millville RHS	X	57.74%	\$2,445,669	\$2,525,754	\$2,348,852	\$1,356,227
200902180505	Norton	Norton High	X	64.42%	\$34,589,955	\$35,353,059	\$31,814,929	\$20,495,177
201402200010	Norwood	Cornelius M Callahan	X	50.58%	\$485,809	\$333,671	\$308,954	\$156,269
201402430075	Quincy	Francis W Parker	X	71.16%	\$1,309,639	\$1,139,317	\$1,136,150	\$808,484
201402430035	Quincy	Lincoln-Hancock Comm Sch	X	71.16%	\$2,521,196	\$1,793,757	\$1,692,853	\$1,204,634
201302850010	Stoughton	Helen Hansen Elementary	X	54.16%	\$1,157,112	\$926,277	\$788,145	\$426,859
201302850014	Stoughton	Joseph R Dawe Jr Elem	X	54.16%	\$1,363,925	\$933,726	\$918,996	\$497,728
200802900305	Sutton	Sutton Middle School	X	55.39%	\$60,130,536	\$59,883,964	\$47,655,812	\$26,396,554
<b>TOTAL</b>					<b>\$104,003,841</b>	<b>\$102,889,525</b>	<b>\$86,664,691</b>	<b>\$51,341,934</b>



# MSBA Updates

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- **Executive Director's Report**
- Project Status Updates
  - Project Overview Report
    - Staff Recommendation to Remove Incentive Point for Construction Manager at Risk Methodology | Vote
    - Staff Recommendation to Remove Model Schools | Vote
    - Staff Recommendation for policy revisions on Space Summary Guidelines | Vote



# Project Visits and Local Votes

- Since the September 28, 2016 Board meeting, the MSBA has visited 11 projects.
- 6 Districts have voted affirmatively to appropriate full project funds or feasibility study funds.

Project Visits		Local Votes	
Abington Boston Beverly Brookline Chelsea Holbrook	New Bedford Scituate Pittsfield Westborough Worcester	<b>Feasibility Study Funds</b> Ludlow Springfield Pentucket Weymouth	<b>Full Project Funds</b> Hanover Needham



# Project Visits

**Upcoming site visits anticipated in November, December, and January:**

Project Visits	
Abington	Pittsfield
Boston	Plymouth
Beverly	Provincetown
Chelsea	Scituate
Haverhill	Westborough
Holbrook	Winchester
New Bedford	Woburn
North Middlesex	Worcester





# MSBA Events

## Athol Community Elementary School

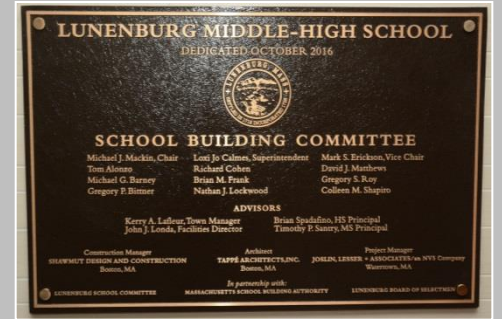


Mitchell R. Grosky  
Photography



# MSBA Events

## Lunenburg Middle/High School, Lunenburg



LUNENBURG MIDDLE-HIGH SCHOOL

DEDICATED OCTOBER 2016



### SCHOOL BUILDING COMMITTEE

Michael J. Mackin, Chair	Lou Jo Calmes, Superintendent	Mark S. Erickson, Vice Chair
Tom Abrams	Richard Cohen	David J. Matthews
Michael G. Barney	Brian M. Frank	Gregory S. Roy
Gregory P. Bimzer	Nathan J. Lockwood	Colleen M. Shapiro

### ADVISORS

Kerry A. Lafont, Town Manager	Brian Spaulfin, HS Principal
John J. Londa, Facilities Director	Timothy P. Samsy, MS Principal

Construction Manager	Architect	Project Manager
SEAFORTH DESIGN AND CONSTRUCTION Boston, MA	TAPPÉ ARCHITECTURE, INC. Boston, MA	JOHNS, LEWIS & ASSOCIATES Wareham, MA

In partnership with:

LUNENBURG SCHOOL COMMITTEE    MANAGER/PROPERTY ACTION BOARD AUTHORITY    LUNENBURG BOARD OF SELECTMEN



# MSBA Events

## Mountview Middle School, Wachusett RSD







# MSBA Events



Early Elementary  
School, Hopkinton



# MSBA Events



Woodland Elementary School, Milford





# MSBA Events

## Carver Elementary School, Carver





# MSBA Outreach

**Since last Board meeting, MSBA Staff have meet attended several meetings where they have participated as presenters or as stakeholders:**

- Hosted webinar for the Massachusetts Association of School Superintendents (M.A.S.S)
- Attended the MASC/MASS Joint Conference



*Jack presenting @ M.A.S.S. webinar*



# MSBA Outreach

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**Since last Board meeting, MSBA Staff have meet with representatives from the following districts:**

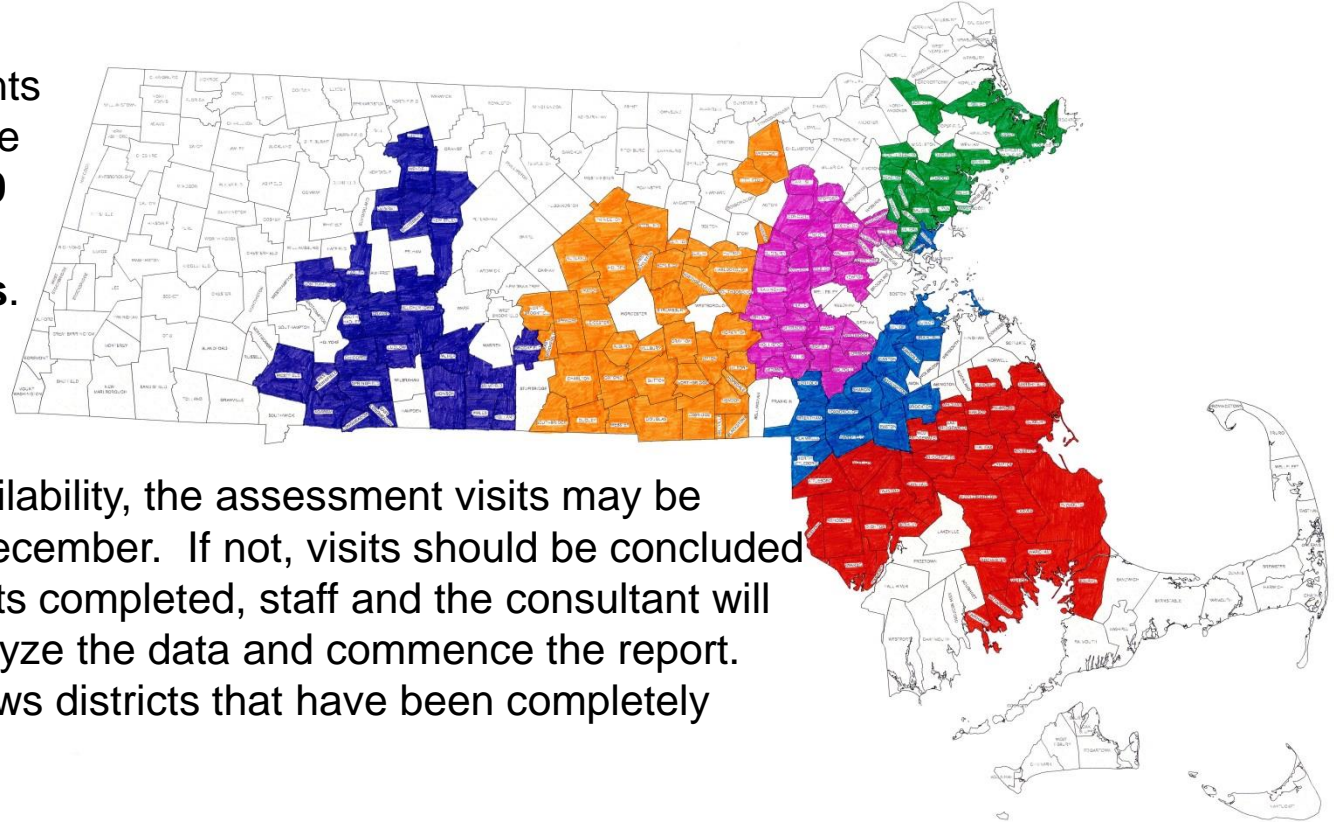
- Braintree
- Fall River
- Holyoke
- Lincoln
- Mount Greylock





# School Survey Assessment

School survey assessments have been underway since 9/26 and to date **over 750 schools** have been assessed in **148 Districts**.



Dependent on district availability, the assessment visits may be complete by the end of December. If not, visits should be concluded in early January. With visits completed, staff and the consultant will begin to compile and analyze the data and commence the report. The map on the slide shows districts that have been completely assessed as of 11/4.



# Roundtable Subcommittees

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## 1. Cost Analysis

- a) Review costs at uniformat level
- b) Analyze by division, trade, or material
- c) Cost comparison between Charter and Private Schools

## 2. Design effect on cost

- a) Complex building layouts
- b) Material choices - both exterior (i.e. metal panels) and interior (i.e. millwork, tile)
- c) Sustainable Features / “Smart” Buildings with sophisticated building systems
- d) Code and Sustainability Certification changes
- e) Schools being designed as a community asset



# Roundtable Subcommittees Cont.

## 3. **Manpower, trade participation, competition**

- a) Aging workforce / Limited interest from younger people to get into trades
- b) Is there a difference in contractor and subcontractor participation rates between CM-R and DBB?
- c) Are other projects in the public sector experiencing the same difficulties?
- d) Does the location or size of the project largely affect the amount of participation?

## 4. **Opportunities to increase competition in public construction**

- a) How did construction reform affect the pool of contractors?
- b) Many districts seek contractors with previous school or public work experience
  - Pre-qualification process
  - RFQ/RFP process for CM-Rs



# MSBA Staff Update

*Welcome!*



**Colleen Smith** *(Staff Attorney)*



# MSBA Updates

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# 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	6	4,493	\$568.24 million	\$456.03million
<b>Totals</b>	<b>20</b>	<b>12,643</b>	<b>\$1.38 billion</b>	<b>\$1.12 billion</b>

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

## Anticipated Bids in 2016:

- November – Brookline (CMR), Beverly (CMR),
- December – Narragansett (DBB), Hopkinton (CMR), Woburn (CMR)



# Core Program

## Construction Estimate vs. 2016 Bid Amount

- Of the 14 bids and/or executions of a GMP in 2016, seven have been reported to date.
- Of the seven, all seven 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
<b>Total</b>					<b>\$301,091,081</b>	<b>\$293,889,223</b>	<b>-\$7,201,858</b>	<b>-</b>	<b>-\$5,082,186</b>

\*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

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## **2015 Accelerated Repair Program**

- 24 of the 26 reported projects bid within the estimated budget
- 16 of remaining 17 projects are scheduled to be bid by end of January 2017





# MSBA Updates

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# Recommendation to Remove Phases I-V Projects

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Staff recommends that the schools listed on the next slide be removed for use in the Model School Program for the following reasons:

- The MSBA Board has approved 12 new Model Schools that better meet current building codes and MSBA standards; and
- The original Model Schools, with the exception of the Lincoln Elementary School in New Bedford, do not meet the minimum threshold requirements described in the 2015 solicitation for Model Schools.

This recommendation will be effective January 1, 2017.



# Recommendation to Remove Phases I-V Projects

District	School Name	Grade	Design Firm	Completion*	Phase	BoD Approval Date
Ashland	HS	9-12	Mount Vernon Group Architects	2005	I	Aug. 8, 2008
Whitman-Hanson	HS	9-12	Ai3 Architects	2005	I	Aug. 8, 2008
Hudson	HS	8-12	Symmes Maini & McKee Associates	2003	II	3-Jun-09
Groton, CT	Northeast Academy ES	PK-5	JCJ Architects & Interiors	2008	III-IV	28-Jul-10
Fairhaven	East Fairhaven ES	PK-5	HMFH Architects	2007	III-IV	28-Jul-10
Lynnfield	MS	5-8	Ai3 Architects	2003	III-IV	28-Jul-10
Williamstown**	ES	PK-6	Margo Jones Architects	2002	III-IV	28-Jul-10
Winthrop	Fort Banks ES	PK-5	DiNisco Design Partnership	2001	III-IV	28-Jul-10
Ipswich	M/HS	6-12	Flansburgh Architects	1999	III-IV	28-Jul-10
New Bedford***	Lincoln ES	PK-5	Mount Vernon Group Architects	2010	V	8-Jun-11
Bourne	Bournedale ES	PK-4	Kaestle Boos Associates	2009	V	8-Jun-11
Manchester-Essex	Jr/Sr HS	6-12	Mount Vernon Group Architects	2009	V	8-Jun-11
Woburn	Malcolm White ES	PK-5	Tappe Associates	2004	V	8-Jun-11
Shrewsbury	HS	9-12	Lamoureux Pagano Associates	2002	V	8-Jun-11
Dover	Chickering ES	PK-5	Flansburgh Architects	2001	V	8-Jun-11
Lanesborough	ES	PK-6	Dore & Whittier Architects	2001	V	8-Jun-11

\*7<sup>th</sup> edition MBC became mandatory for permit in March 2009

\*\* The City of Westfield selected the Williamstown model school for the replacement of the Abner Gibbs Elementary School. However, construction stopped in 12/12 due to a preliminary injunction based upon project site status as Article 97 "Protected Land". Although removed from future use, this model or another may be grandfathered for use by the City of Westfield if they are able to proceed under the current PFA for the Abner Gibbs Elementary School Project.

\*\*\*Approved for continued use in the July 20 Board Meeting



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# Finance Update

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- **Sales Tax Collection Update**
- Grants Payments Update
- Results of the 2016 B and C Pricings
- Authorization to Fund up to \$50m Lump Sum Payments for Prior Grant and/or Annual Waiting List Payments | Vote
- Budget Update



# FY 2017 SMART Collections Update

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
<b>FY15 (\$ 000)</b>	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
<b>FY16 (\$ 000)</b>	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
<b>Change (\$ 000)</b>	4,259	3,466	3,900	3,824	3,486	3,915	3,036	2,667	3,880	608	1,688	(307)	34,421
<b>% Change</b>	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%
<b>FY17 (\$ 000)</b>	71,513	66,555	67,659										205,726
<b>Change (\$ 000)</b>	(960)	723	4,206										3,969
<b>% Change</b>	-1.33%	1.10%	6.63%										

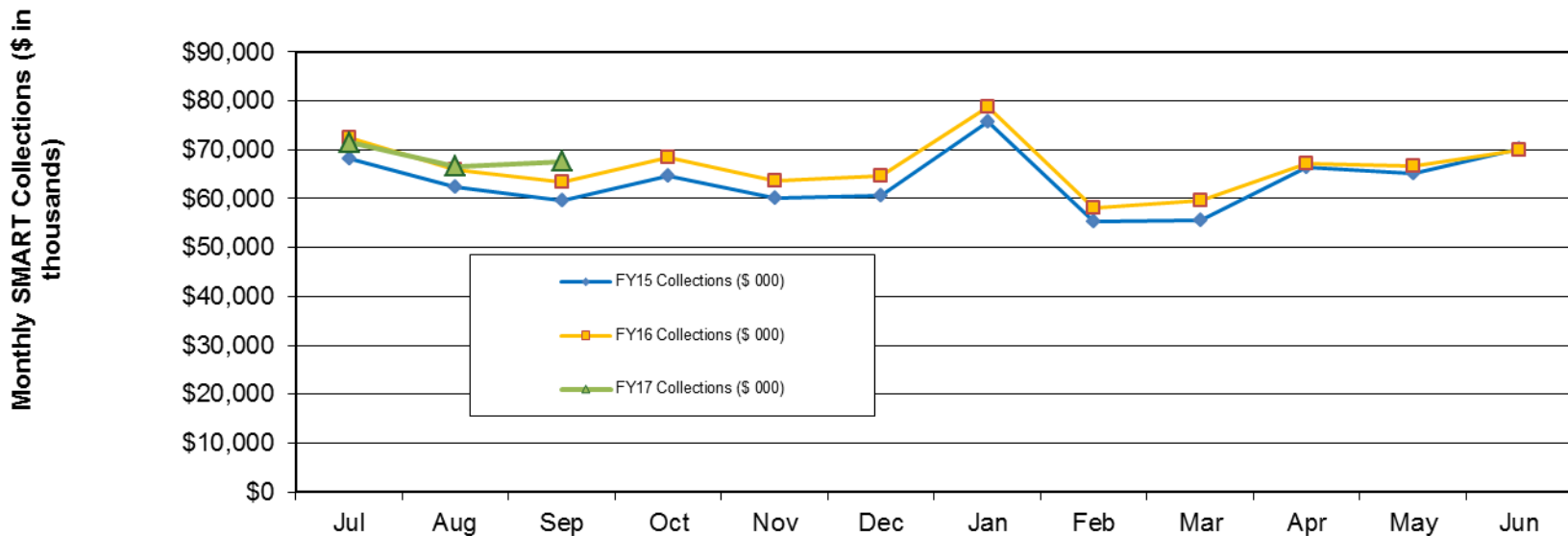
Unaudited FY16 SMART collections were approximately \$34.4 million (4.50%) greater than FY15. Growth in every month except June 2016. FY 17 SMART Fund estimate has been updated to \$813.208 million. This revised amount would produce growth of 1.84% over the FY 16 unaudited amount.

FY17 collections through September 2016 are \$3.969 million (1.97%) greater than FY16 collections during the same period.



# FY 2017 SMART Collections Update

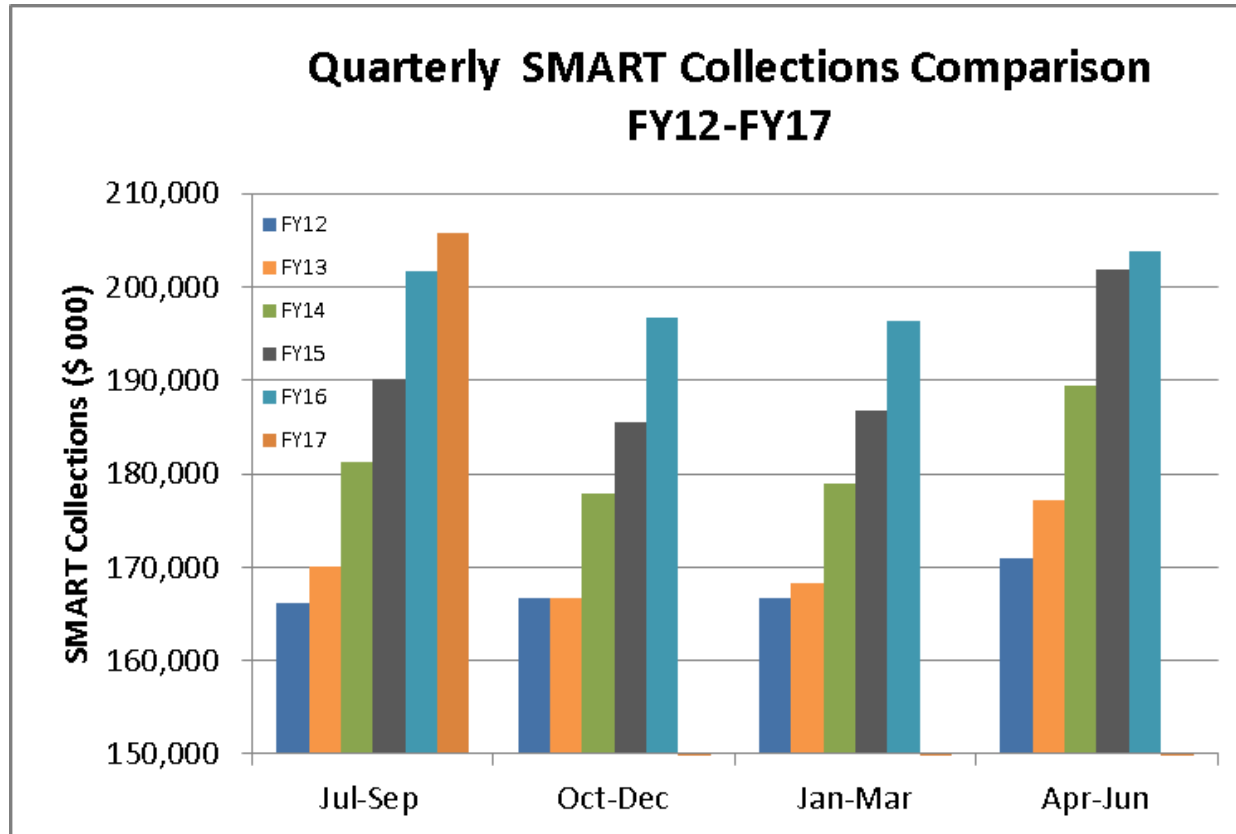
FY15 - FY17 Monthly SMART Collections





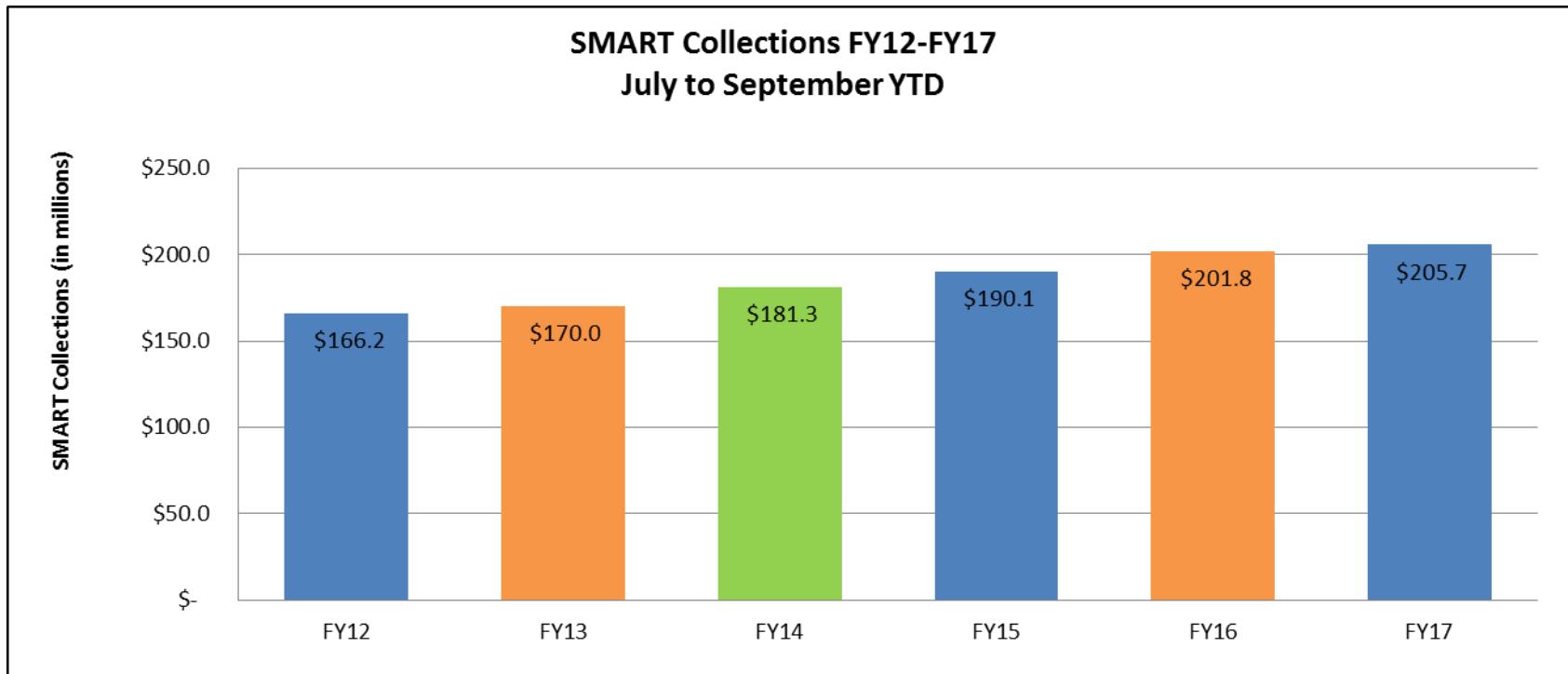


# Quarterly SMART Collections





# Smart Collections Year To Date





# Finance Update

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- Sales Tax Collection Update
- **Grants Payments Update**
- Results of the 2016 B and C Pricings
- Authorization to Fund up to \$50m Lump Sum Payments for Prior Grant and/or Annual Waiting List Payments | Vote
- Budget Update

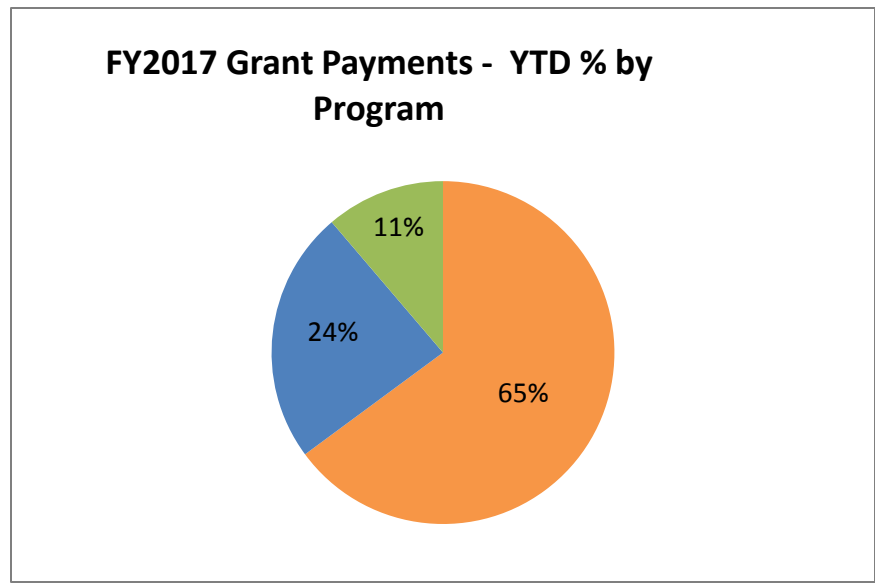
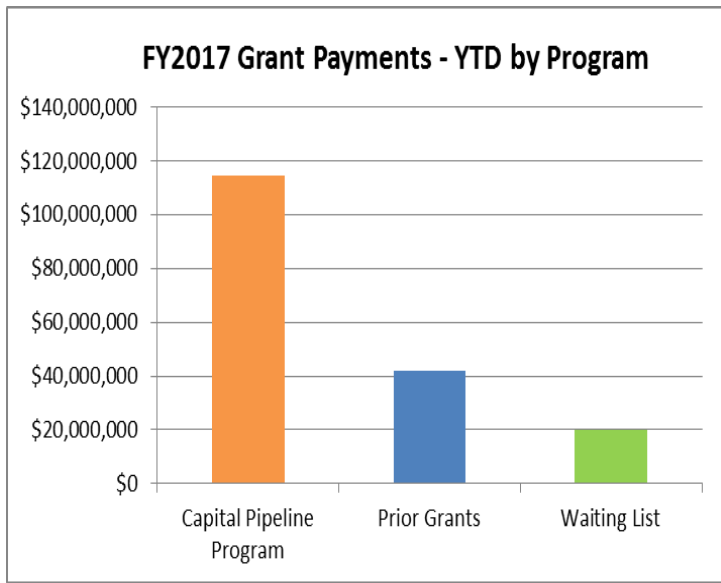


# Grant Payments | FY2017 YTD Update

## FY2017 YTD Grant Payments Summary\*

Program	Grant Payments	# Projects	# Districts	% of FY17 Payments
Capital Pipeline Program	\$ 114,338,337	110	89	65%
Prior Grants	\$ 42,066,348	54	45	24%
Waiting List	\$ 19,811,453	28	21	11%
<b>Total</b>	<b>\$ 176,216,138</b>	<b>192</b>	<b>132</b>	

\* Reflects grant payment data as of October 20, 2016.





# Finance Update

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- Sales Tax Collection Update
- Grants Payments Update
- **Results of the 2016 B and C Pricings**
- Authorization to Fund up to \$50m Lump Sum Payments for Prior Grant and/or Annual Waiting List Payments | Vote
- Budget Update



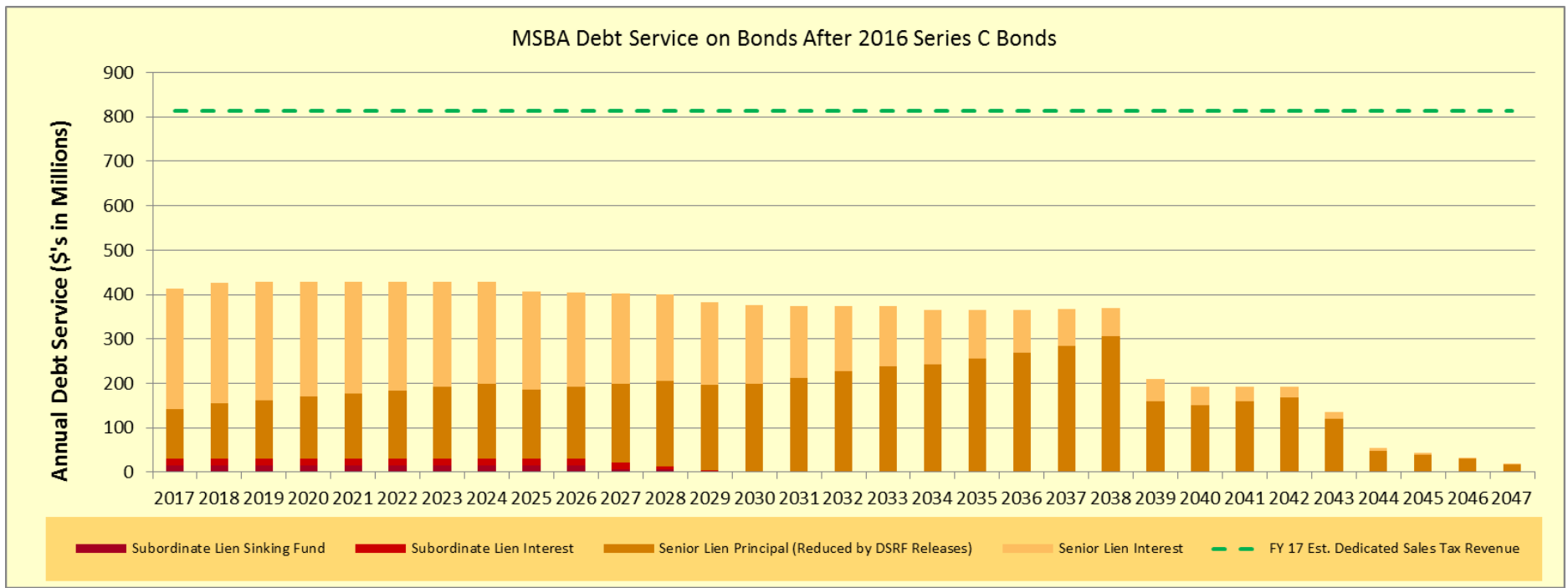
# Results of 2016 B and C Pricings

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- Senior lien ratings of AA+, Aa2, and AA+ were affirmed by Fitch, Moody's, and S&P, respectively. Fitch upgraded the outstanding Subordinate Lien Bonds to AA+.
- 2016 Series B Senior Lien New Money Bonds
  - True interest cost of 3.37%.
  - Final maturity of November 15, 2046 and an average life of 19.86 years.
- 2016 Series C Senior Lien Refunding Bonds
  - True interest cost of 3.29%.
  - Final maturity of November 15, 2035 and an average life of 18.08 years.
  - Gross Savings approximately \$44.8 million over the life of the bonds.
  - Present value savings approximately \$31.3 million or 15%.



# Debt Service on Bonds After August 2016 Defeasance and 2016 B and C Pricings





# Finance Update

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- Sales Tax Collection Update
- Grants Payments Update
- Results of the 2016 B and C Pricings
- **Authorization to Fund up to \$50m Lump Sum Payments for Prior Grant and/or Annual Waiting List Payments | Vote**
- Budget Update





# Lump Sum Payments | Vote

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- Benefits to the MSBA

- Discounting the annual payments back to present value reduces the MSBA's outstanding liabilities.

- Making these payments in FY 17, provides flexibility in future fiscal years to apply unrestricted funds towards Pay-go for the Capital Pipeline, defeasance of outstanding debt to improve coverage, and other initiatives, such as supporting the Technology Loan Program, or offset fluctuations in SMART fund receipts.

- Benefits to the Districts

- Requesting a lump sum payment is completely at the District's option. Lump sum payment requested by District only if it produces additional savings over a traditional refunding.

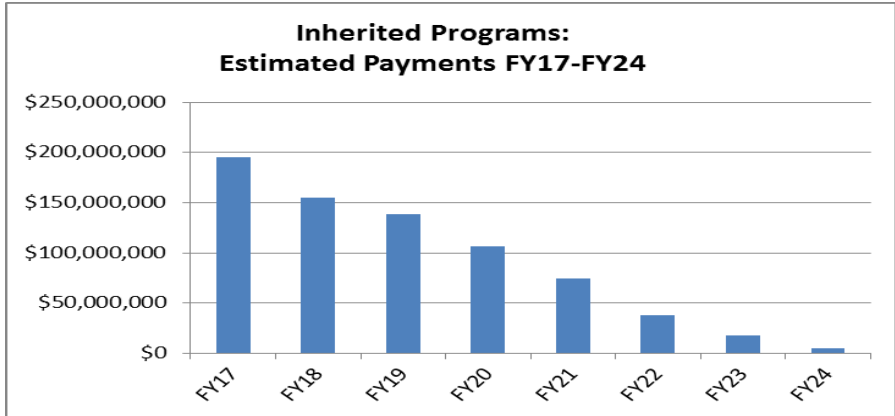
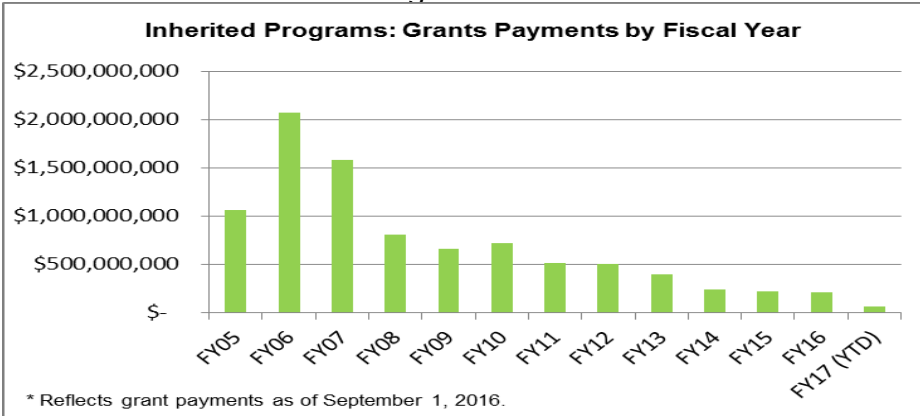
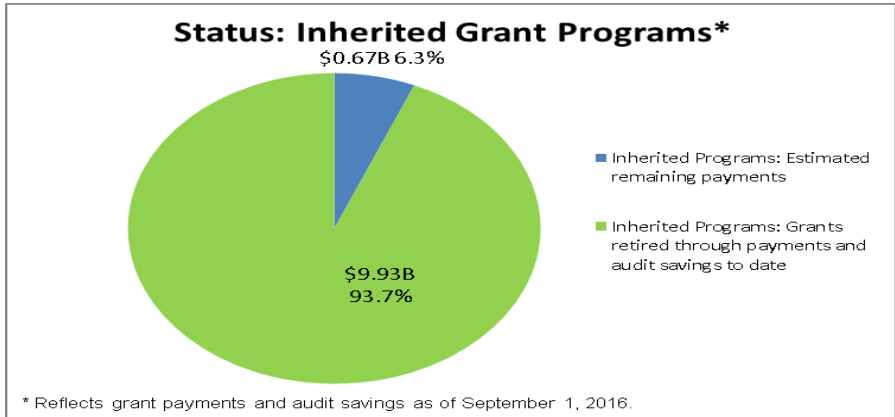
- Using the lump sum received by the MSBA reduces the amount of bonds that must be issued to complete the refunding. A lower level of outstanding debt may be a credit positive and assist some districts to remain within their statutory debt limits.



# Progress on Inherited Programs

▪ **Efforts and commitment to eliminate the audit and funding backlog from former programs have:**

- As of 9/1/16, facilitated \$9.07 billion of grant payments to districts since FY05 towards more than 1,100 inherited projects
- Created greater certainty of remaining financial commitments towards these programs for districts
- All audits for the Prior Grants and original Waiting List projects have been completed
- Over 93% of the obligation has been retired





# Finance Update

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- Sales Tax Collection Update
- Grants Payments Update
- Results of the 2016 B and C Pricings
- Authorization to Fund up to \$50m Lump Sum Payments for Prior Grant and/or Annual Waiting List Payments | Vote
- **Budget Update**



# FY 17 Q1 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	Proposed Revised FY17 Budget	FY17 Expenditures thru 9/30/16	%(FY17 Budget)
<b>Administrative Expense Budget</b>							
Salaries & Benefits <sup>[1]</sup>	\$ 6,766,138	\$ 6,099,410	90.1%	\$ 7,442,813	\$ 7,442,813	\$ 1,332,129	17.9%
General & Administrative Office Expenses <sup>[2]</sup>	\$ 324,711	\$ 323,363	99.6%	\$ 378,629	\$ 378,629	\$ 71,140	18.8%
Occupancy & Utilities <sup>[3]</sup>	\$ 1,115,314	\$ 1,115,237	100.0%	\$ 1,122,821	\$ 1,122,821	\$ 269,223	24.0%
Consulting & Professional Support Services <sup>[4]</sup>	\$ 150,000	\$ 117,335	78.2%	\$ 203,905	\$ 203,905	\$ 105,300	51.6%
Information Technology <sup>[5]</sup>	\$ 124,445	\$ 111,183	89.3%	\$ 205,399	\$ 205,399	\$ 46,339	22.6%
<b>Total Administrative Expense Budget<sup>[6]</sup></b>	<b>\$ 8,480,608</b>	<b>\$ 7,766,529</b>	<b>91.6%</b>	<b>\$ 9,353,567</b>	<b>\$ 9,353,567</b>	<b>\$ 1,824,131</b>	<b>19.5%</b>
<b>Other Post Employment Benefits (OPEB)<sup>[7]</sup></b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>100.0%</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Capital Pipeline Professional Support Services &amp; Issuance Related Costs</b>							
Project Related Legal, Audit & Professional Support Services <sup>[8]</sup>	\$ 5,206,762	\$ 4,691,645	90.1%	\$ 6,038,000	\$ 6,038,000	\$ 742,018	12.3%
Cost of Issuance <sup>[9]</sup>	\$ 3,650,500	\$ 3,398,969	93.1%	\$ 3,250,000	\$ 3,250,000	\$ 500,085	15.4%
<b>Total Capital Pipeline Program Professional Support Services</b>	<b>\$ 8,857,262</b>	<b>\$ 8,090,614</b>	<b>91.3%</b>	<b>\$ 9,288,000</b>	<b>\$ 9,288,000</b>	<b>\$ 1,242,104</b>	<b>13.4%</b>
<b>Arbitrage Rebate<sup>[10]</sup></b>	<b>\$ 1,842,422</b>	<b>\$ 11,842,422</b>	<b>642.8%</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 939,837</b>	<b>47.0%</b>
<b>Grant Program</b>							
Prior Grants <sup>[11]</sup>	\$ 185,093,670	\$ 184,937,437	99.9%	\$ 170,850,561	\$ 210,850,561	\$ 42,066,348	24.6%
Waiting List <sup>[12]</sup>	\$ 25,744,887	\$ 25,740,346	100.0%	\$ 24,403,354	\$ 34,403,354	\$ 19,811,453	81.2%
Capital Pipeline Program Grants <sup>[13]</sup>	\$ 584,745,000	\$ 411,764,406	70.4%	\$ 550,000,000	\$ 550,000,000	\$ 91,851,088	16.7%
<b>Total Grant Program</b>	<b>\$ 795,583,557</b>	<b>\$ 622,442,189</b>	<b>78.2%</b>	<b>\$ 745,253,915</b>	<b>\$ 795,253,915</b>	<b>\$ 153,728,889</b>	<b>20.6%</b>
<b>Loan Program Disbursements<sup>[14]</sup></b>				<b>10,000,000</b>	<b>10,000,000</b>	<b>0</b>	<b>0</b>
<b>Grand Total - Operating Budget</b>	<b>\$ 814,863,849</b>	<b>\$ 650,241,754</b>	<b>79.8%</b>	<b>\$ 775,995,482</b>	<b>\$ 825,995,482</b>	<b>\$ 157,734,961</b>	<b>20.3%</b>



# 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	Proposed Revised FY17 Budget	FY17 Expenditures thru 9/30/16	%(FY17 Budget)
Commissioning Consultants <sup>[1]</sup>	\$ 3,172,078	\$ 3,071,291	96.8%	\$ 2,300,000	\$ 2,300,000	\$ 338,585	14.7%
Project Management Services <sup>[2]</sup>	\$ 1,150,000	\$ 1,028,765	89.5%	\$ 650,000	\$ 650,000	\$ 144,010	22.2%
Architectural Services <sup>[3]</sup>	\$ 675,000	\$ 460,201	68.2%	\$ 813,000	\$ 813,000	\$ 209,036	25.7%
Cost Estimating Services <sup>[4]</sup>	\$ -	\$ -	n/a	\$ -	\$ -	\$ -	n/a
Audit & Other Compliance <sup>[5]</sup>	\$ -	\$ -	n/a	\$ -	\$ -	\$ -	n/a
Capital Program Information Systems <sup>[6]</sup>	\$ 9,684	\$ 3,388	35.0%	\$ 75,000	\$ 75,000	\$ -	0.0%
Cost of Issuance <sup>[7]</sup>	\$ 3,650,500	\$ 3,398,969	93.1%	\$ 3,250,000	\$ 3,250,000	\$ 500,085	15.4%
School Survey <sup>[8]</sup>	\$ 200,000	\$ 128,000	64.0%	\$ 2,000,000	\$ 2,000,000	\$ 50,387	2.5%
Other - New Initiatives <sup>[9]</sup>	\$ -	\$ -	n/a	\$ 200,000	\$ 200,000	\$ -	0.0%
Legal <sup>[10]</sup>	\$ -	\$ -	n/a	\$ -	\$ -	\$ -	n/a
<b>Capital Program Support Services</b>	<b>\$ 8,857,262</b>	<b>\$ 8,090,614</b>	<b>91.3%</b>	<b>\$ 9,288,000</b>	<b>\$ 9,288,000</b>	<b>\$ 1,242,104</b>	<b>13.4%</b>



# Fiscal Year 2017 Expenditure Charts

