

Massachusetts School Building Authority

2025

ANNUAL REPORT



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About the Cover



Contest | My Ideal School

Each spring, the Massachusetts School Building Authority (MSBA) invites first grade students currently attending a Massachusetts public school to participate in the “My Ideal School” contest. The contest encourages first graders and their teachers to consider the ways that school design can support curiosity, creativity, and 21st century learning. Students are asked to showcase their ideal school, bringing their ideas to life with both a written essay and a drawing. Students are asked to submit an illustration of what their ideal school would look like and explain three things that they would want to see in their ideal school.

The MSBA receives hundreds of entries from students across the Commonwealth, representing the unique perspectives and experiences of young learners attending Massachusetts public schools.

Annually, 10 regional winners and one grand prize winner are honored at a special awards ceremony hosted by Treasurer Deborah Goldberg at the Massachusetts State House. Regional winners receive a special prize generously donated by M&T Bank, and the grand prize winner is awarded with having their artwork featured on the upcoming MSBA Annual Report.

Displayed on the front cover of this report is the thoughtful artwork designed by the 16th Annual “My Ideal School” Grand Prize winner, Abby Backus of Nantucket Elementary School, Nantucket.



On the Front Cover

2025 Grand Prize Winner Abby Backus

Nantucket Elementary School, Nantucket

“My ideal school is a lighthouse school which a water slide that goes down to the pool. There is a library which floating chairs. There’s a zipline from the three to the lighthouse. Finally there is a telescope to see all the planets in our solar system.”



Letter from the **Treasurer**

Dear MSBA Partners,

The Massachusetts School Building Authority's (MSBA's) 2025 Annual Report reflects our continued commitment to funding affordable, efficient, and sustainable school building projects. While capturing a full year of work is no small task, this report highlights the MSBA's ongoing investment in school infrastructure across the state.

In 2025, the MSBA invited 15 districts into the Core Program for future New Construction and Addition/Renovation work. Additionally, 93 projects from 45 districts were invited into the Accelerated Repair Program to support window and door replacements, roof work, and heat pump installations.

The MSBA also issued \$755.1 million in payments to cities and towns for school construction, bringing total payments since 2004 to more than \$18 billion.

I am proud of the progress and milestones achieved in 2025 and appreciate the dedication of the communities that partnered with the MSBA throughout the year.

I look forward to continuing our work with municipal, legislative, and educational partners and remain grateful for their ongoing collaboration and shared commitment to strengthening education in Massachusetts.

Sincerely,

Deborah B. Goldberg

Treasurer and Receiver General
Chain, Massachusetts School
Building Authority

Pictured above: Stoneham High School Entrance

Since 2004, the MSBA
has issued
\$18.3 Billion
in payments to cities and towns

Letter from the **Executive Director**



Dear Readers,

Reflecting on this past year, I am proud of the work the MSBA has done to increase opportunity and support more school projects. Together with the leadership of Treasurer Goldberg and the MSBA Board of Directors, we partnered with school districts across the state to fund the construction, renovation, and repair of school facilities.

The MSBA's progress this year went beyond the construction of new schools. With the benefit of recent legislation, we were able to make significant improvements to the ways that the MSBA can support districts undergoing the school construction process, including:

- Updating the existing MSBA Project Funding Level Policy with increased funding in multiple categories;
- Increasing the number of Accelerated Repair Program (ARP) invitations to 93 schools, 95% of those who applied;
- Introducing a new Heat Pump category in the Accelerated Repair Program that supports reduction of carbon emissions and conversion to sustainable energy sources including invitations to 25 schools, in its first year of release; and
- Completing the 2025 A&B Bond Offering to allow the MSBA to continue to invest in Massachusetts school construction and reduce overall interest costs.

As of the end of 2025, the MSBA has invited over 1,200 projects into its pipeline and made grant payments totaling \$8.3 billion for school construction projects. Through partnership with the MSBA, 10 Core Program projects have reached substantial completion, bringing the total number of completed Core Program projects to 245.

The MSBA's work is ultimately measured not only in projects completed, but in opportunities created for students. Modern, safe, and inspiring schools are investments in our communities and in the future of Massachusetts. I am deeply grateful to the legislators, officials, school leaders, and local advocates whose continued partnership makes this progress possible. Together, we are building more than facilities. We are building a solid foundation for generations to come.

Sincerely,

Mary L. Pichetti

Executive Director / Deputy Chief Executive Officer
Massachusetts School Building Authority

Pictured above: Stoneham High School

Made grant payments totaling

\$8.3 Billion
for school construction projects



The Board

Behind the MSBA

The MSBA Board of Directors is comprised of seven individuals with decades of experience in educational facilities planning, school building construction, architecture and school design, educational standards, and finance.

Their unique backgrounds allow them to make informed decisions that drive the progress of projects through the MSBA's Capital Pipeline. Thanks to their scrutiny, support, and diligence, the MSBA can lend support to so many Core Program and Accelerated Repair Program (ARP) projects.

The MSBA offers gratitude to all members of the Board of Directors, who are listed below:



Deborah B. Goldberg

Chair of the MSBA

Treasurer and Receiver General of the Commonwealth



Matthew J. Deninger

Designee of the Commissioner of Education

Chief Strategy and Research Officer, MA Dept. of Elementary and Secondary Education



Anne Brockelman

Appointed Member

Principal, Director of Sustainability, Perry Dean Rogers Partners Architects



Terry Kwan

Appointed Member

Former Teacher and Brookline School Committee Member



Sean R. Cronin

Designee of the Secretary of Administration and Finance

Senior Deputy Commissioner for Local Services



Cassandra McKenzie

Appointed Member

Associate Vice President, Real Estate and Capital Projects, Northeastern University



Sheila Vanderhoef

Appointed Member

Former Town Administrator for Eastham

Each of the dedicated Board Members also serves on one of two subcommittees, which meet throughout the year. The Administration, Operations and Finance Subcommittee gathers to review budgetary and financing matters, while the Facilities Assessment Subcommittee gathers to review district presentations regarding proposed projects and provides feedback before projects are presented to the full Board.

The Board of Directors meets approximately seven times per year to review progress, make funding decisions, and advance projects through the MSBA pipeline.

Pictured above: Carter School, Boston
Wheelchair-accessible swings



Payments on Supplemental Grants

In Calendar Year 2023, the Commonwealth’s Legislature issued the Fiscal Year 2024 Budget with a dedicated allocation of \$100 million to the MSBA to provide additional funding that would offset rising construction costs for a total of 30 Core projects in 28 Districts. The MSBA Board of Directors allocated an additional \$170 million for these projects. The \$270 million was designed to assist school districts with managing the impact of unanticipated, pandemic-related, and escalating construction costs while maintaining progress on approved school building projects.

As of Calendar Year 2025, the MSBA completed payments in full for the \$100 million supplemental grant assistance, designated by the Legislature. Nineteen of the thirty districts have received full payment.

With payments scheduled through January of 2026, \$100 million of the \$100 million has been paid and \$165.4 million of the \$170 million has been paid.

Category 1

School facility construction projects that received project scope and funding agreement approval by the Authority’s Board of Directors prior to October 1, 2022 and have accepted or will accept bids on or after January 1, 2022.

District	School Name	Increase to Maximum Total Facilities Grant
Andover	West Elementary School	\$451,944
Ashland	David Mindess Elementary School	\$5,570,913
Boston	Josiah Quincy Upper School	\$8,542,768
Boston	William E. Carter School	\$4,324,797
Bristol-Plymouth Regional Vocational Technical School District	Bristol-Plymouth Regional Vocational Technical High School	\$20,187,291
Fitchburg	Crocker Elementary School	\$4,493,501
Gloucester	East Gloucester Elementary School	\$5,516,973
Greater Fall River Vocational School District	Diman Regional Vocational Technical High School	\$24,402,466

Payments on Supplemental Grants

District	School Name	Increase to Maximum Total Facilities Grant
Groton-Dunstable Regional School District	Florence Roche Elementary School	\$5,806,507
Hingham	William L. Foster Elementary School	\$3,803,493
Lawrence	Francis M. Leahy Elementary School	\$5,441,720
Lawrence	Oliver Partnership School	\$11,224,077
Lowell	Lowell High School	\$36,971,459
Nauset Regional School District	Nauset Regional High School	\$8,062,731
Northeast Metropolitan Regional Vocational School District	Northeast Metropolitan Regional Vocational Technical High School	\$22,531,222
Peabody	William A. Welch Elementary School	\$451,944
Randolph	Elizabeth G. Lyons Elementary School	\$4,558,560
Somerset	Somerset Middle School	\$6,886,598
Spencer-East Brookfield Regional School District	David Prouty High School	\$7,158,742
Stoneham	Stoneham High School	\$7,606,688
Swampscott	Hadley Elementary School	\$5,357,778
Tyngsborough	Tyngsborough Middle School	\$4,684,386
Walpole	Bird Middle School	\$5,644,350
Watertown	Watertown High School	\$6,254,899
Webster	Bartlett High School	\$7,820,928
Wellesley	John D. Hardy (fka Ernest F. Upham) Elementary School	\$2,077,273
Westfield	Franklin Avenue Elementary School	\$5,124,512
Worcester	Doherty Memorial High School	\$28,753,085

Payments on Supplemental Grants

Category 2

Projects approved for project scope and budget approval between October 1, 2022 and October 1, 2023.

District	School Name	Increase to Maximum Total Facilities Grant
Amherst	Fort River Elementary School	\$9,730,862
Brookline	Pierce K-8 School	\$7,563,948
Haverhill	Consentino Middle School	\$19,845,991
Holyoke	Peck Middle School	\$11,693,280
Maynard	Green Meadow Elementary School	\$7,036,392
Nashoba	Nashoba Regional High School	\$14,938,628
Tri-County	Tri-County Regional Vocational Technical High School	\$20,046,000
Wakefield	Wakefield High School	\$14,960,696
Winchester	Lynch Elementary School	\$4,965,089



Pictured left: Oliver Partnership School, Lawrence; Top right: Carter School, Boston Media center/library; Bottom right: Tri-County Regional Vocational Technical High School



Increase to Project Funding Level Policy

The MSBA has continually supported the outfitting of new school projects, planning and design efforts, and related building costs like sitework and demolition by providing additional funding to offset a portion of these necessary but costly expenses.

Over the course of 2025, MSBA staff completed a review of proposed project costs, grant data, and the MSBA's annual program funding cap. The review panel concluded with a recommendation to revise MSBA funding levels for Core Program projects regarding fixtures, furniture, and equipment ("FF&E") and computer equipment; Owner's Project Management ("OPM") and Designer services; and construction costs, including building costs, sitework costs, and demolition and abatement costs.

At the August 2025 Board Meeting, the MSBA Board of Directors voted to adjust the current policy of funding for the following items:



1) Fixed Furniture and Equipment:

60%

increase from \$1,200 to \$1,910 per student



3) Building costs: increased from \$586/sf to

\$605/sf

a total increase of nearly 50% over the last 3 years since 2022.



2) Computer Equipment:

30%

increase from \$1,200 to \$1,570 per student



4) Site work cost allowance

Increases for the second year in a row from 10% to

12%

of the MSBA's building cost for otherwise eligible sitework cost

Pictured above: Foster Elementary School, Hingham



Increase to MSBA

Project Funding Level Policy



5) Site work cost allowance guidelines: Includes up to \$73/sf for otherwise eligible sitework costs in addition to the proposed building cost increase of \$605/sf, plus eligible demolition and abatement;



6) Project management funding levels: For otherwise eligible Owner's Project Management basic services, adjusts the current policy of funding up to 3.5% of a maximum funding level of \$550/sf, or the construction budget, whichever is less, to funding up to 3.5% of a maximum funding level that is equal to the sum of MSBA's building cost funding level (\$605/sf) and MSBA's sitework costs allowance (\$73/sf), or \$678/sf, or the construction budget, whichever is less;



7) Designer funding levels: For otherwise eligible Designer basic services, adjusts the current policy of funding up to 10% of a maximum funding level of \$550/sf, or the construction budget, whichever is less, to funding up to 10% of a maximum funding level that is equal to the sum of MSBA's building cost funding level (\$605/sf) and MSBA's sitework costs allowance (\$73/sf), or \$678/sf, or the construction budget, whichever is less;



8) Demolition and abatement costs: Adjusts the current policy that deems costs associated with the demolition and abatement of asbestos containing floor and ceiling tiles as ineligible for reimbursement to allow for reimbursement of costs associated with the demolition and abatement of asbestos containing floor and ceiling tiles;



9) Demolition and abatement funding levels: Implements a maximum funding level on potentially eligible demolition and abatement of \$42/sf of the existing school building, inclusive of costs associated with the demolition and abatement of asbestos containing floor and ceiling tiles.

The above policies effective for districts receiving Board approval of a Project Scope and Budget on or after January 1, 2026.
Pictured above: Stoneham High School, Stoneham-STEAM classroom



2025 School Survey Results

The MSBA's School Survey assesses the elementary and secondary public schools across the Commonwealth in accordance with our enabling statute. The data collected from the School Survey is one of many tools that the MSBA uses when assessing applications for funding and to evaluate and develop programs that allow the MSBA to maximize its limited resources to ensure fair and equitable funding of school construction, renovation, and repair projects across the Commonwealth.

The scope of the 2025 School Survey included 1,556 school assessments of the total 1,818 public schools, representing a significant increase in the number of schools assessed in 2025 compared to the most recent 2016 School Survey, during which 1,419 schools were surveyed. The increase in the number of schools assessed was largely attributable to the MSBA's intentional inclusion of recently constructed buildings that were not included in the 2016 School Survey.*

Building Condition

- **89% of Massachusetts schools received a building condition rating of 1 or 2, meaning that their site and building systems are in generally good condition, with few building systems that may need attention.**
- **148 or 9.5% of schools received an overall building condition rating of 3, meaning they may require moderate to extensive renovation to address the physical deficiencies at those facilities.**
- **1.2% of schools in the Commonwealth, or 19 schools, received a building condition rating of 4, meaning that they are in poor condition, in need of major renovation, discontinued use, or replacement.**

*In 2016, MSBA School Assessors did not visit schools that had received funding for new construction since 2007 and were either substantially complete or were in the MSBA's grant process.



308
Districts Surveyed



1,446
School Campuses Visited




73.2K
Acres Reviewed



1,548
Buildings Assessed




162 Million
Gross Square Feet Walked



Invites for Accelerated Repair Program (ARP)

Start of Biennial Program

The MSBA Accelerated Repair Program (ARP) is intended for roofs, windows, doors, and heat pump conversions in existing school facilities. After a temporary one-year pause to the ARP in 2023, the MSBA Board of Directors voted to reopen the Program in 2024 with an increased estimated budget following the approval of the Commonwealth's FY24 Budget, which provided that grant amounts related to the ARP shall not be included as part of the MSBA's Annual Cap limit, as set forth in Section 7 of Chapter 70B of the Massachusetts General Laws.



Commencing in January 2025, the ARP now maintains a biennial Statement of Interest (SOI) opening (every two years). Districts will file SOIs biennially and staff will review invitations for roofs and windows/doors based on a budget of \$300 million (representing two years' worth of projects) and for heat pump conversion projects based on a budget of \$250 million (representing two years' worth of projects).

The MSBA believes that a biennial opening will provide more predictability and flexibility for district officials who are administering facilities improvements in their districts. Pacing the start dates for invited districts will not only help mitigate the impact of introducing so many projects into the construction market, but will also help support districts who may need longer preparatory time than the former iteration of the ARP allowed.

Accelerated Repair Program (ARP) Heat Pump Program Report

Background

To encourage schools moving toward Massachusetts's goal for net-zero carbon emissions by 2050, the MSBA researched and reviewed data regarding the potential formation of a program to facilitate the funding of sustainable energy systems in the form of ground source and air source heat pumps. The report's recommendations for technical and programmatic approaches serve to inform the MSBA's grant program on how to best support heat pump conversion within the existing Accelerated Repair Program (ARP).

The MSBA and its research partner, Salas O'Brien, selected a total of 18 public K-12 schools to evaluate so preliminary study options could be compared. The selected schools were chosen to reflect ranges in grades served, facility age, facility size, fuel source, HVAC system type, cooling distribution, roof area to site ratio, and the probability of electrical capacity for the installation of heat pumps.

Published in May 2025, the MSBA Heat Pump Study revealed that there is a large range in scope of work and potential costs that may be required for Districts to convert their existing facility to a heat pump-based system, with the major impacts on anticipated cost being the existing HVAC system.

Pictured above: Crocker Elementary School, Fitchburg





Accelerated Repair Program

Heat Pump Program Report

Report Results

The average projected total project cost for a heat pump conversion project is between \$25/sf and \$180/sf, with school buildings utilizing hydronic (water) based heating and cooling having a lower associated cost than their counterparts. Lower costs were calculated based on the assumption that much of the existing HVAC system would remain in place, and conversion efforts would be localized to the mechanical rooms and cooling or heating generation systems. Higher costs were associated with schools that did not have any existing cooling or hydronic distribution systems, meaning that conversion would require a more invasive scope of work and therefore carry a higher project cost.

The report identified that the highest costs per square foot appear most often in elementary schools, schools less than 70,000 GSF, and schools that are older than 60 years since their opening. This may not indicate a direct correlation that these schools are more expensive to convert, but rather that the HVAC systems often found in these types of buildings are more costly.

In comparison, high schools are more likely to have a larger square footage and an existing chiller-based system that already provides a certain level of cooling. The combination can make for more cost-effective heat pump solutions per square foot.

These heat pump conversion options promote air- and ground-source heat pumps as a way to reduce fossil fuel dependency in school buildings. The MSBA looks forward to further developing the Heat Pump Conversion program within the Accelerated Repair Program.

Average projected total cost
for heat pump conversion

\$25-\$180/sf

for school construction projects

Massachusetts's
goal for carbon emissions

NET-ZERO
by 2050

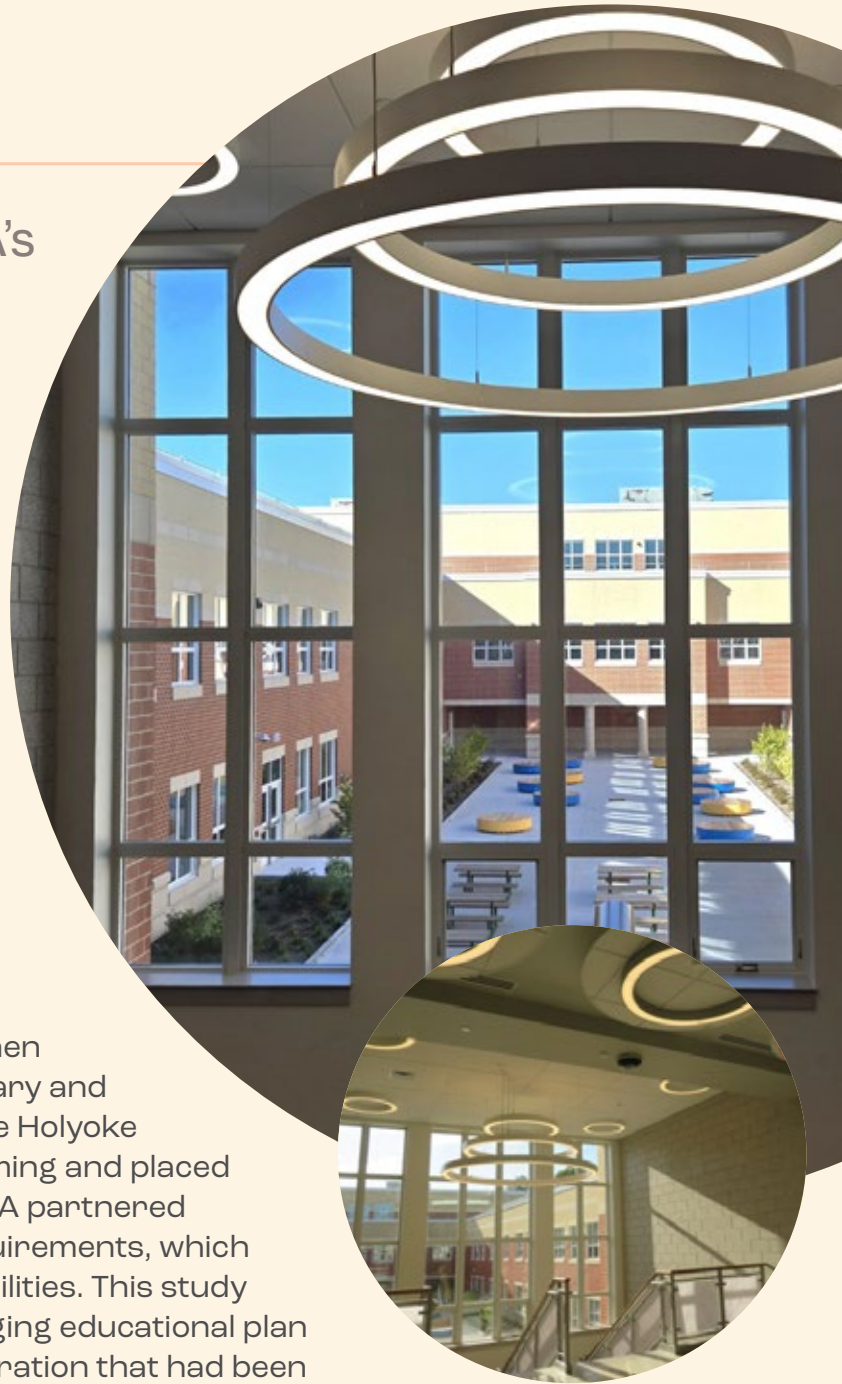
Holyoke success in the MSBA's **Model School Program**

Congratulations to the City of Holyoke for welcoming over 500 sixth through eighth grade students to the new William R. Peck Middle School in August of 2025. The City of Holyoke chose to participate in the MSBA's Model School Program, which allowed the City the choice of a tried-and-true design, a streamlined design process, an accelerated project schedule, and a cost-effective project budget.

The MSBA is proud to have partnered with Holyoke since 2013 and continued collaboration through many challenges. When the Massachusetts Department of Elementary and Secondary Education voted to designate the Holyoke Public Schools as chronically underperforming and placed them in state receivership in 2015, the MSBA partnered with the district to complete one of the requirements, which was to assess the conditions of all of the facilities. This study helped inform and support the City's emerging educational plan to step away from the existing PK-8 configuration that had been acting as a barrier to improving educational outcomes and implement distinct, suitably sized middle schools.

Unfortunately, Holyoke's first proposal to support the construction of two custom-designed middle schools at once was not supported by the community due to the cost and resulting tax impact. With a second invitation to the MSBA's program and recognizing the criticality of a cost-effective school, especially given the construction cost escalation that had occurred, the City of Holyoke selected to further understand the benefits of the MSBA's Model School Program and quickly recognized how the program was a good match for them.

Pictured: Peck Middle School, Holyoke



Holyoke Model School Program

The City was able to work with its designer to complete the design process and develop a total project budget that could be supported within its tax levy limit, thereby limiting the burden on the community. When the school opened in August 2025, the project was estimated to be approximately 10% under budget.

At the Peck Middle School, Holyoke students now benefit from thoughtfully designed classrooms with ample space, bright lighting and flexible configurations; hands-on-spaces for enrichment, allowing students to explore their passions in STEM, science, art, music, and physical education; and a beautiful courtyard, that provides a welcoming outdoor space that supports learning, wellness, and a sense of community. Holyoke's journey through the MSBA's Core Program with the Peck Middle School demonstrated the district's dedication to improving the educational opportunities accessible to all students, marking the historic milestone of constructing the first new school building in the City in over 35 years. The MSBA is pleased to have been with Holyoke throughout this journey to offer support and potential solutions through the grant program.

In selecting the MSBA Model School program, the district reaffirmed their commitment to creating a sustainable community for the future. The William R. Peck Middle School incorporates air-source heat pumps in its sustainable design, achieving compliance with NE-CHPS certification as a high-efficiency building within the MSBA's Green Schools Program.

The MSBA's model school program allows district representatives to visit recently built local schools and see them in operation to understand how different design aspects could function with their education plan. The MSBA is pleased to continue to offer its Model School Program to school districts and regularly updates the available prototype schools with the next Request for Qualifications issuing in early 2026.



Pictured: Peck Middle School, Holyoke



**As of August 2025,
the project was estimated
to be approximately**

**10% under
budget**

Green Schools



The MSBA has continually supported and encouraged the adoption of sustainable elements for all MSBA-funded projects, reflecting a growing commitment to reducing energy consumption, improving indoor air quality, and minimizing exposure to hazardous materials. These programs include updated standards for both new construction and major renovations or additions.

Setting new base requirements and offering new incentives reinforces the MSBA's expectation that sustainable, energy-conscious design is now an essential component of every school project. As Federal and State standards continue to require increasing levels of energy efficiency in line with Massachusetts's goal to reach 'Net-Zero Greenhouse Gas Emissions' by 2050, MSBA school projects have already made significant progress by utilizing sustainable energy systems.

MSBA Green School Program Projects Completed in 2025

School District	School	Core Program Project Type
Arlington	Arlington High School	New Construction (All-Electric)
Boston	Carter School	New Construction (All-Electric and Air-Source Heat Pumps)
Hingham	Foster Elementary School	New Construction (All-Electric and Ground-Source Heat Pumps)
Holyoke	William R. Peck Middle School	New Construction (Air-Source Heat Pumps)
Lawrence	Francis M. Leahy Elementary School	New Construction (All-Electric and Air-Source Heat Pumps)
Lawrence	Oliver Partnership School	Addition/Renovation (Air-Source Heat Pumps)
Nauset	Nauset Regional High School	Addition/Renovation (Air-Source Heat Pumps)
Norwood	Dr. Philip M. Coakley Middle School	New Construction (Air-Source Heat Pumps and Photovoltaic Arrays)
Stoneham	Stoneham High School	New Construction (Net-Zero, Carbon Neutral, All-Electric, Ground-Source and Air-Source Heat Pumps)
Westfield	Franklin Avenue Elementary School	New Construction (Air-Source Heat Pumps and Photovoltaic Arrays)
Winchester	Lynch Elementary School	New Construction (All-Electric and ready for Photovoltaic Array)

Pictured: Francis M. Leahy Elementary School, Lawrence



Green Schools

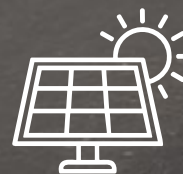
Energy Efficiency, Decarbonization, and Sustainable Design



Approximately 26 schools now have buildings designed to meet Net-Zero Energy standards



Approximately 16 buildings are heated and cooled with geothermal ground-source heat pump systems

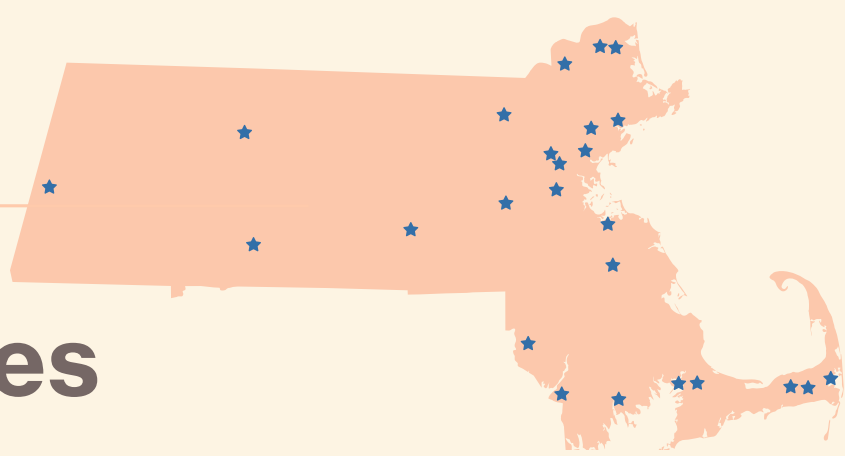


311 (21%) of assessed campuses have solar photovoltaic panels installed

Pictured above:
Foster Elementary School,
Hingham; Right: Lynch
Elementary School,
Winchester



MSBA's Work with Gateway Cities



The MSBA consistently works to develop new ways to improve its already successful school building grant program. In doing so, the MSBA encourages the participation of Gateway Cities, defined as midsize urban centers with legacies of economic success that still possess unrealized potential, in submitting a SOI and partnering with the MSBA to complete their school projects. At the close of Calendar Year 2025, the MSBA will have partnered with all 26 Gateway Cities since its inception on a total of 251 completed Core Program and Accelerated Repair Program projects, having made over \$1.82 billion in total payments. The MSBA is currently working with 16 Gateway Cities on 52 projects in total.

City/Town	School Name	Program
Brockton	Brockton High School	Core Program (TBD)
Chicopee	Barry Elementary School	Core Program (TBD)
Everett	Everett High School	Core Program (TBD)
Fall River	Resiliency Preparatory Academy	Accelerated Repair Program (Windows/Doors)
Haverhill	John G. Whittier Middle School	Core Program (TBD)
Haverhill	Moody Elementary	Accelerated Repair Program (Boiler)
Haverhill	Silver Hill Elementary	Accelerated Repair Program (Boiler and Roof)
Holyoke	Holyoke High School	Accelerated Repair Program (Roof)
Holyoke	Kelly Elementary School	Accelerated Repair Program (Roof)
Holyoke	Lt. Clayre Sullivan Elementary School	Accelerated Repair Program (Roof)
Holyoke	Lt. Elmer J. McMahon Elementary School	Accelerated Repair Program (Roof)
Holyoke	Maurice A. Donahue Elementary School	Accelerated Repair Program (Roof)
Leominster	Fall Brook Elementary School	Core Program (New Construction)
Lowell	B.F. Butler Middle School	Accelerated Repair Program (Boiler)
Lynn	A. Drewicz Elementary School	Accelerated Repair Program (Windows/Doors)
Lynn	Edward A. Sisson Elementary School	Accelerated Repair Program (Windows/Doors)
Lynn	Pickering Middle School	Core Program (New Construction)
New Bedford	Alfred J. Gomes Elementary School	Accelerated Repair Program (Roof)
New Bedford	Carlos Pacheco Elementary School	Accelerated Repair Program (Roof)
New Bedford	Casimir Pulaski Elementary School	Accelerated Repair Program (Roof)
New Bedford	Charles S. Ashley Elementary School	Core Program (TBD)

MSBA's Work with Gateway Cities



City/Town	School Name	Program
New Bedford	Elizabeth Carter Brooks Elementary School	Accelerated Repair Program (Roof)
New Bedford	Ellen R. Hathaway Elementary School	Accelerated Repair Program (Roof)
New Bedford	Elwyn G. Campbell Elementary School	Accelerated Repair Program (Windows/Doors)
New Bedford	Hayden/McFadden Elementary School	Accelerated Repair Program (Roof)
New Bedford	John B. Devalles Elementary School	Core Program (New Construction)
New Bedford	Sgt. William H. Carney Academy	Accelerated Repair Program (Roof)
New Bedford	Whaling City Jr./Sr. High School	Accelerated Repair Program (Roof)
Peabody	Peabody Veterans Memorial High School	Core Program (TBD)
Pittsfield	Crosby Elementary School	Core Program (TBD)
Quincy	Francis W. Parker Elementary School	Accelerated Repair Program (Boiler)
Quincy	Montclair Elementary School	Accelerated Repair Program (Roof)
Quincy	Squantum Elementary School	Core Program (Addition/Renovation)
Quincy	Wollaston Elementary School	Accelerated Repair Program (Roof)
Revere School	Revere High School	Core Program (New Construction)
Salem	Salem High School	Core Program (New Construction)
Springfield	German Gerena Community School	Core Program (TBD)
Springfield	Glenwood Elementary School	Accelerated Repair Program (Roof)
Springfield	High School of Commerce	Accelerated Repair Program (Roof)
Springfield	Indian Orchard Elementary School	Accelerated Repair Program (Roof)
Springfield	Mary O. Pottenger Elementary School	Accelerated Repair Program (Windows/Doors)
Springfield	Milton Bradley Elementary School	Accelerated Repair Program (Windows/Doors)
Springfield	Rebecca M. Johnson Elementary School	Accelerated Repair Program (Windows/Doors)
Springfield	Samuel Bowles Elementary School	Accelerated Repair Program (Roof)
Springfield	Springfield Central High School	Accelerated Repair Program (Windows/Doors)
Springfield	Sumner Avenue Elementary School	Accelerated Repair Program (Roof)
Springfield	White Street Elementary School	Core Program (TBD)
Worcester	Burncoat Senior High School	Core Program (TBD)

Pictured: Groundbreaking for Clinton Middle School, Clinton



Building a **Logo Contest**

The MSBA's Building a Logo Contest was created to connect our most important clients—the students—to the MSBA's work. This undertaking acted as a hallmark to acknowledge the progression of the authority since its founding in 2004. Harnessing the creativity and innovation of high school students, the contest contributed to the MSBA's ability to develop a deeper understanding of the authority's identity, goals, and role within the Commonwealth.

The 10-week Building a Logo Contest received 157 submissions from 10th, 11th, and 12th grade students representing 56 Massachusetts cities and towns.

Entries moved through an anonymous three-phase scoring and selection process, which included the contest team, MSBA senior team, MSBA Board of Directors, MSBA all-staff and Treasurer Goldberg, recognizing the importance of a shared vision among all MSBA teams. Each submission was evaluated based on the incorporation of color, inclusion of imagery, selection of font, and overall relevance to the MSBA's work.

In the Spring of 2025, the MSBA and Treasurer Goldberg announced the first place winner, Jax Greenwald, an 11th grade student at Joseph P. Keefe Regional Technical High School.

The MSBA's Building a Logo Contest was a success, revealing the talent, skill, and dedication of high school students throughout the Commonwealth. It is with appreciation and respect for all contest submissions that the MSBA presents the new official cover of the 2025 School Survey report.

First Place Winner: Jax Greenwald, Grade 11

Joseph P. Keefe Regional Technical School, Framingham



"My main goal with the design was to represent both the education and construction aspects of the MSBA. I did this by including objects in the design that are easily recognizable as being linked to these two topics. The base of the design is a simple schoolhouse, with part of it being made up of three windows and a door, but it is mostly made up of a pencil, which is used in education, a level, which is used in construction, and a triangular ruler, which can be used in both. I additionally designed my logo to be simple so it can be shown on both a large and small scale, allowing it to be used for many different purposes. This simplicity also allows for quick and easy recognition from a wide range of distances." – Jax

Pictured: Jax Greenwald and Treasurer Deborah B. Goldberg



Bond Offering

In Calendar Year 2025, the MSBA successfully returned to the bond market to access financing for the grant program and refinance existing bonds. Combined with a cash defeasance, the outcome of this active management of the debt portfolio will allow the MSBA to continue investing in school construction projects.

Beginning with the February 26, 2025 Board Meeting, the MSBA Board of Directors voted to authorize the issuance of up to \$500 million in new money bonds (2025A), up to \$1.5 billion in current refunding bonds (2025B), and, for the first time in the history of the MSBA, to make tender offers to current bond holders of selected outstanding bonds in order to effectuate a refunding.

At the June 12, 2025 Board Meeting, the MSBA Board provided an additional authorization to utilize up to \$400 million in available funds to defease other select bonds.

After conducting separate formal Request for Information (RFI) processes, the MSBA selected BofA Securities to serve as the underwriter and dealer manager for the issuance, Jefferies and Loop Capital Markets as co-senior managers, Morgan Stanley, J.P. Morgan, Ramirez & Co., Inc., and Goldman Sachs & Co. LLS, as co-managers, and Omnicap to serve as the MSBA's financial advisor for the bond sale.

Bond Results:

- The MSBA achieved a 4.115% all-in True Interest Costs (TIC) and \$200.1 million in present value savings across the current refunding, tender offer refunding, and cash defeasance, or 8.6% of prior par.
- The MSBA used the refunding savings to recast the old debt service to create a level and declining profile and ultimately increase aggregate debt service coverage from 3.12x to 3.37x, despite the inclusion of \$500 million in new money principal.

New Money Bonds (2025A)

- \$500 million in principal issued as new money for the purpose of funding Core Program;
- Proceeds were deposited to the cash portfolio of the Massachusetts Municipal Depository Trust (MMDT); and,
- The 2025A series bonds have an average life of 23.9 years, reflecting a customized amortization to complement the repayment schedule after the associated refunding and defeasances, and a True Interest Cost (TIC) of 4.937%, with a final maturity date of February 15, 2055.

**MSBA's 2025AB
transaction was awarded
Social Bond of the
Year - US Muni Bond
by Environmental Finance**

Pictured: Westfield River Elementary School, Westfield



Refunding Bonds (2025B)

- Approximately \$1.495 billion in principal issued along with various debt service fund and debt service reserve fund releases, totaling approximately 152.1 million to refund or purchase approximately \$1.848 billion in previously issued bonds from the following series: 2015B, 2015C, 2015D, 2016A, 2016B, 2016C, 2018A, 2019B (Taxable), 2020B (Taxable), 2020C (Taxable), and before 2021(A).
- This refunding resulted in budgetary savings of \$217.7 million and a net present value savings of approximately \$168.6 million and a percentage savings of 9.1236%.
- The tender solicitation resulted in over \$1.0 billion of tendered bonds representing 41.7% participation from bond holders. This participation rate was higher than projected and reflected the thoughtful decision-making that resulted in an attractive offer to bond holders and a great result for the MSBA.

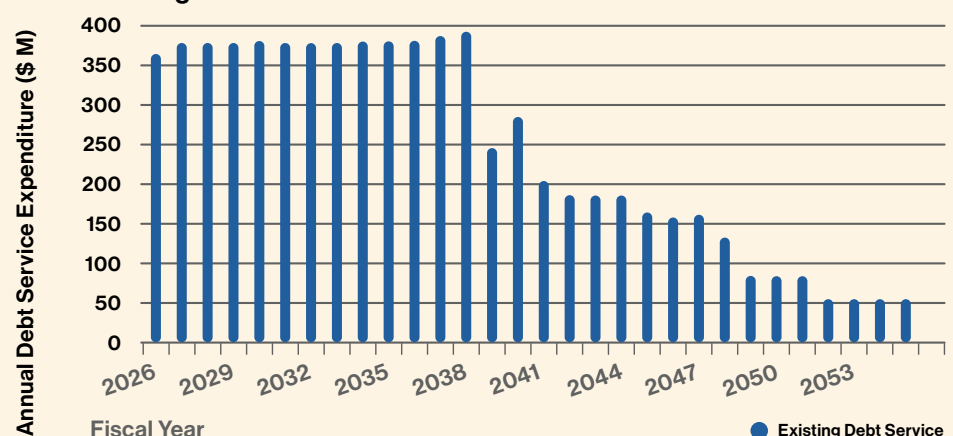
Cash Defeasance

- \$505 million executed in cash defeasance of outstanding federally-taxable bonds in Series 2019B, 2020C, and 2021A by utilizing \$397.4 million in available funds and \$3.8 million of debt service fund releases; and,
- Cash defeasance of outstanding bonds allows the MSBA to manage debt service profile, improve coverage ratios, reduce debt service costs, and achieve net present value savings of approximately \$46.6 million and a net present value percentage savings of 9.2176%.

There was significant interest in the bonds being offered, which included bifurcated coupon rates that were attractive to different types of investors. The retail order period generated \$1.7 billion in retail orders and the offering ultimately received \$8.2 billion of aggregate orders (4.1x subscription), which allowed yields to be reduced in several maturities, reducing the overall cost to the MSBA.

The overall result of the new money, refunding, and defeasance was to increase coverage and create capacity for future debt issuance. The chart below reflects the existing, fixed rate, long-term debt after the impact of the 2025 A&B and cash defeasance.

MSBA Existing Debt Service After 2025 A&B



Pictured: Arlington High School, Arlington

Financial Overview

For fiscal year 2025 the Authority had three major funding sources: a portion of the Commonwealth's state-wide sales tax revenue dedicated to the MSBA, net investment income and grant income. During fiscal year 2025, these amounts totaled approximately \$1.402 billion.

The primary component of the Authority's expenses for fiscal year 2025 was grant payments to cities, towns and regional school districts. These grant payments totaled approximately \$755 million. The other major component of the Authority's expenses resulted from approximately \$384 million expended on debt service. For fiscal year 2025, the total expenses for the MSBA were approximately \$971 million.

With the creation of the MSBA, new grant programs for school construction, renovation and repairs were established through which communities submit monthly requests for reimbursement in order to receive grants for approved projects. These "New Program" projects are funded via a progress payment method, and a liability is generally recognized once a grantee requests reimbursement from the MSBA.

Outstanding grants for projects that have approved funding agreements with the MSBA, but for which eligible project costs have not been submitted, are considered commitments of the MSBA.

As of June 30, 2025, MSBA had an outstanding liability of \$251 million, and \$2.002 billion in commitments outstanding, for the New Program

Subsequent Events:

On September 18, 2025, the Authority closed on the following debt transactions:

1. **Issued \$500 million in Subordinated Dedicated Sales Tax Bonds, 2025 Series A (Social Bonds)**, with interest rates of 5.00% to 5.50%. The bonds mature on February 15, 2055, and will be used to fund grants to cities, towns and regional school districts for school construction and renovation projects.
2. **Issued approximately \$1.495 billion in Subordinated Dedicated Sales Tax Refunding Bonds, 2025 Series B (Social Bonds)** and used a combination of debt service releases and Authority funds totaling approximately \$152 million to refund and purchase tendered bonds. This transaction refunded or purchased approximately \$1.848 billion of outstanding debt. The bonds carry 5% interest rate and mature on February 15, 2042.
3. **Utilized approximately \$397 million in available funds and \$4 million of debt service releases** to execute a cash defeasance of \$505 million of outstanding federally taxable bonds.

projects. The Commonwealth dedicates a portion, or 1%, of the statewide sales tax (drawn from the existing statewide 6.25% sales tax), excluding sales tax revenues on meals and from certain additional statutorily exempted revenues from sales, to the School Modernization and Reconstruction Trust Fund (the "SMART Fund"), in support of these grant programs and for all other operations of the MSBA, including debt service.

*** The information above was derived from the Authority's audited financial statements for the fiscal year ending June 30, 2025. This information is provided for general information purposes only and is not intended to be the basis of and should not be relied upon in making an investment in the Authority's Bonds.*

FY25 Financial Overview

Condensed Statement of Activities & Statement of Net Position*
(Amounts in thousands)

Condensed Statement of Activities

Revenues	
Dedicated sales tax	1,276,666
Intergovernmental revenues	22,836
Other income	102,428
Total revenues	1,401,930
Expenses	
Grant payments to cities, towns and regional school districts	755,115
Operations, amortization and other expenses	8,469
Debt service interest	205,205
Pension expense	1,727
Total expenses	970,516
Change in Net Position	\$431,414

Condensed Statement of Net Position

Assets	
Cash, cash equivalents and short-term investments	1,685,905
Restricted funds and funds held by bond trustee	658,978
Sales tax due from Commonwealth	155,288
Interest receivable	3,606
Grant receivable	12,181
Loan receivable	45,154
Other assets	24,612
Total assets	\$2,585,724
Deferred outflows of resources	
OPEB related	1,239
Loss on bond refunding	60,029
Total deferred outflows of resources	61,268
Total assets and deferred outflows of resources	\$2,585,724
Liabilities	
Accounts payable	2,546
Grants payable to cities, towns and regional school districts	250,805
Bonds payable and accrued interest	5,330,194
Bond premium	254,419
Other liabilities	21,544
Total liabilities	\$5,859,508
Deferred inflows of resources	
OPEB related	1,749
Gain on bond refunding	15,379
Total deferred inflows of resources	17,128
Total liabilities and deferred inflows of resources	5,876,636
Net position/(deficit)	(3,229,644)
Total liabilities, deferred inflows of resources and net position	\$2,646,992

* The Statement of Activities and Statement of Net Position are prepared on the full accrual basis of accounting, which focuses on changes in total economic resources. Under the full accrual basis of accounting, all long-term assets and long-term liabilities are incorporated into the financial statements.

MSBA Mission

The Massachusetts School Building Authority partners with Massachusetts communities to support the design and construction of educationally appropriate, flexible, sustainable, and cost-effective public school facilities.



Pictured left: Fort River Elementary School, Amherst; Top Right: Treasurer Goldberg and MSBA CEO Jim MacDonald at Northeast Metropolitan Regional Vocational Technical School, Wakefield; Bottom right: Executive Director Pichetti at Groundbreaking for Hatherly Elementary School, Scituate

