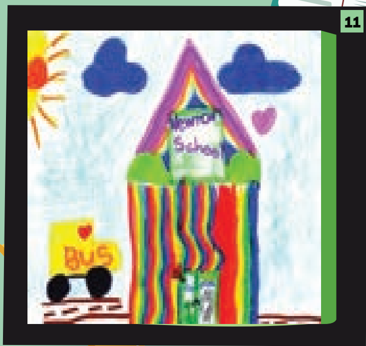
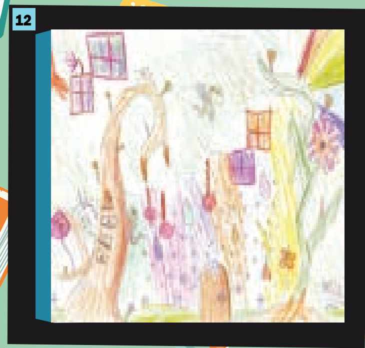
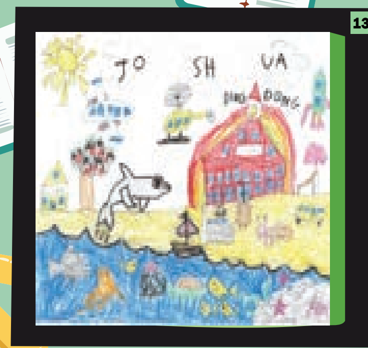
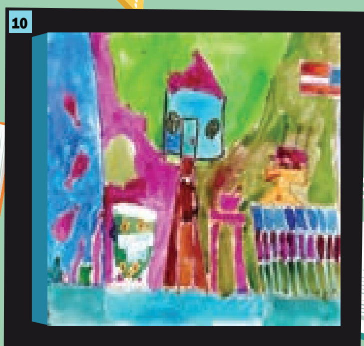






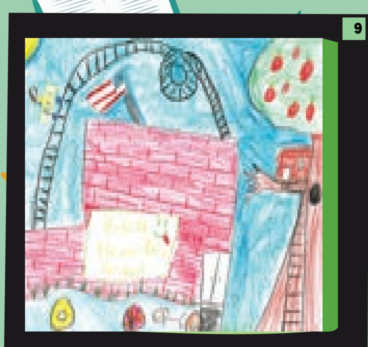
MSBA MY IDEAL SCHOOL CONTEST

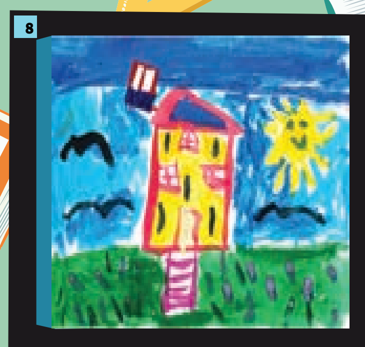
My School

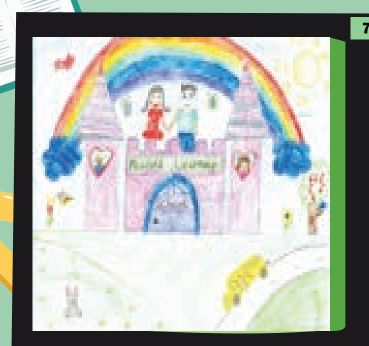


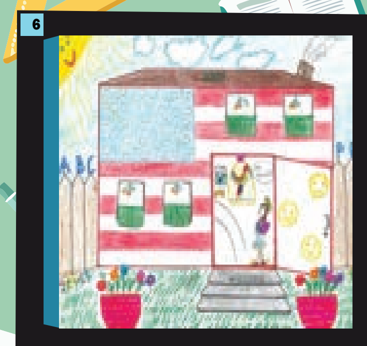
ANNUAL REPORT

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

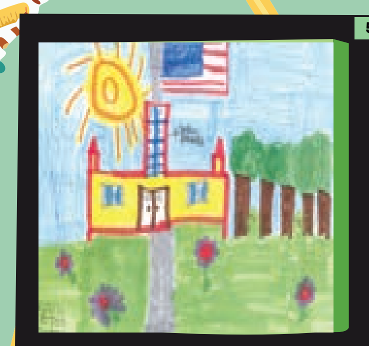


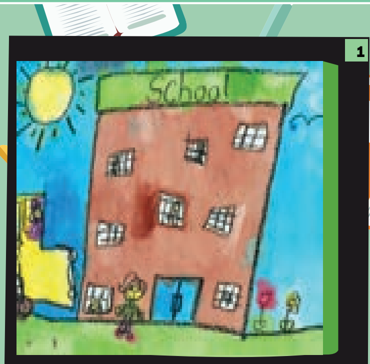


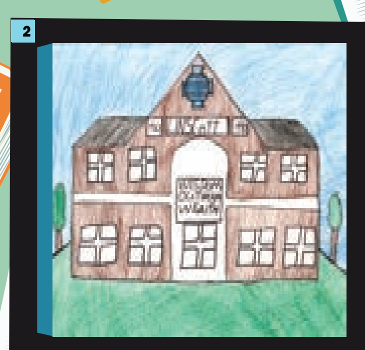


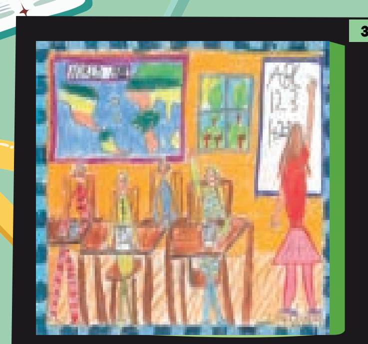


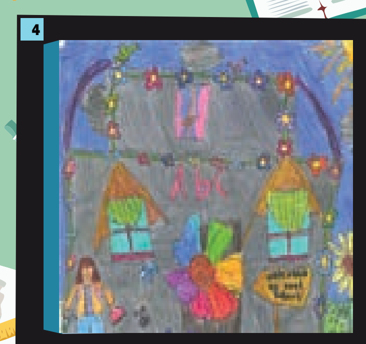
2020 - 2022











ABOUT THE COVER:

Open to all first-grade students currently attending Massachusetts public schools, the My Ideal School Contest gets students and teachers talking about how thoughtful design and construction of local schools supports student engagement and 21st-century learning. Students are asked to create images of what their ideal school would look like and describe three things they love about their school.

Each of the annual grand-prize winners from 2005 to 2019 are featured on the cover.

And the winners are...

2005 - Christine Pye, Douglas Elementary School, Douglas MA 1
(2006-2007) - Charles Wang, The Linscott School, Woburn MA 2
(2008-2009) - Wally Heller, Cunningham School, Milton MA 3
2010 - Ava Gaughan, Abner Gibbs School, Westfield MA 4
2011 - Hana Hussain, Page Hilltop Elementary, Ayer MA 5
2012 - Yeva Medvedeva, Waterford Street School, Gardner MA 6
2013 - Gianna DeMello, Joseph C. Chamberlain School, Taunton MA 7
2014 - Anahi Gutierrez, East Somerville Community School, Somerville MA 8
2015 - Sarah Parsons, Brimfield Elementary School, Brimfield MA 9
2016 - Marlee Thrasher, East Somerville Community School, Somerville MA 10
2017 - Mariya Stytsenko, Newton School, Greenfield MA 11
2018 - Helen Porter, Mullen Hall School, Falmouth MA 12
2019 - Joshua Liu, East Somerville Community School, Somerville MA 13

A Note From Our Treasurer

Dear Partners and Communities,

I am pleased to present to you the Massachusetts School Building Authority's (MSBA) 2020-2022 Annual Report. This report highlights our commitment and progress in building sustainable, efficient, and affordable school facilities for all students and staff throughout Massachusetts.

At the MSBA, we are investing in 21st-century learning environments where teachers can provide a top-notch education for all our children. Since our inception, we have participated in or worked on 1,087 projects and have made over $15.8 billion in reimbursements for construction projects, ensuring long-term sustainability and resilience of our buildings. These investments can be seen in every corner of our state.

Over the 2020-2022 period, the MSBA invited 42 new districts into our CORE Program for future projects and invited 34 districts into our Accelerated Repair Program, issuing over $2 billion in payments to cities and towns. We are dedicated to working with communities to provide the financial tools they need to achieve their goals.

I am proud of the MSBA team, and I appreciate the time, dedication, and perseverance of everyone we collaborate with. I look forward to continuing to work with our partners at both the state and local levels to maintain and improve one of the highest standards of education in the country.

Deborah B. Goldberg

Treasurer and Receiver General of the Commonwealth
Chair, Massachusetts School Building Authority

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Designed by Lamoreux Pagano Associates | Architects, Inc.

MSBA

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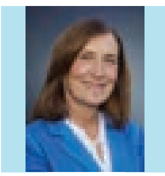
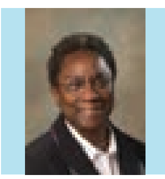
Meet our Board

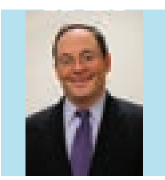
The Board of Directors at the Massachusetts School Building Authority (MSBA) provides strategic oversight and governance to ensure the organization fulfills its mission of supporting the design and construction of cost-effective, sustainable, and educationally appropriate public school facilities.



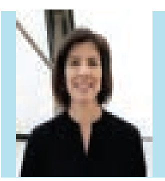
Deborah B. Goldberg
Chair of the MSBA
Treasurer and Receiver General of the Commonwealth



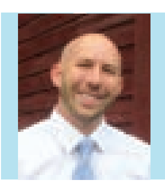
Sheila Vanderhoef
Appointed Member
former town administrator for Eastham



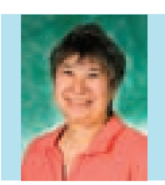
Sean R. Cronin
Designee of the Secretary of Administratoon and Finance
Senior Deputy Commissioner for Local Services



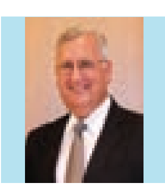
Anne Brockelman
Appointed Member
Principal, Perry Dean Rogers Partners Architects (PDR)



Matt Deninger
Designee of the Commissioner of Education



Terry Kwan
Appointed Member
former teacher and Brookline School Committee member



Greg Sullivan
Former Massachusetts Inspector General (October 2012- August 2022)

Middleborough High School
Designed by Drummey Rosane Anderson, Inc.

Our Mission

The Massachusetts School Building Authority (MSBA) is dedicated to partnering with local communities to fund, plan, and oversee the construction or renovation of public school buildings.

The MSBA operates a grant program, where we provide financial assistance for projects that address critical infrastructure needs, such as outdated, overcrowded, or unsafe school facilities.
By assessing and prioritizing applications from school districts, the MSBA ensures funds are allocated to the most urgent and impactful projects.

Through our efforts, the MSBA plays a vital role in improving the quality of education by providing Massachusetts students inspiring learning environments that meet modern standards, are energy-efficient, and support student learning.

Lucretia and Joseph Brown Elementary School, Marblehead
Designed by Raymond Design Associates, Inc.

FINANCIAL REPORT OVERVIEW FY 2020 – 2022

Financial Overview 2020

For fiscal year 2020, the Authority's primary funding sources are the portion of the Commonwealth's state-wide sales tax revenue dedicated to the MSBA, interest and grant income.

The primary component of the Authority's expenditures for fiscal year 2020 was grant payments to cities, towns and regional school districts. On a cash basis, these grant payments totaled approximately $713 million. The other major component of the Authority's expenditures resulted from the approximately $564 million expended, on a cash basis, on debt service and related costs from debt obligations issued by the Authority. At the end of fiscal year 2004, according to data maintained under the former program and furnished to the Authority, the Commonwealth was reimbursing cities, towns and regional school districts for 728 previously approved projects, with the Commonwealth's estimated share of the borrowing and construction costs for these projects totaling approximately $5.1 billion. In addition, according to data compiled under the former program and furnished to the Authority, approximately 428 school projects were maintained on a waiting list for funding ("Waiting List projects"), with the Commonwealth's estimated share of the borrowing and construction costs for these projects totaling approximately $5.5 billion. The amounts the Authority will ultimately fund for approved eligible project costs will be determined through an audit of the completed project conducted by the Authority. These audits may increase or decrease the project cost estimates and will determine the actual amount to be reimbursed.

At the end of fiscal year 2020, the Authority's estimated remaining liabilities and commitments totaled approximately$43 million for Waiting List projects, and approximately $80 million for Prior Grant projects. The Authority expects to fund its remaining share of approved eligible project costs for Annual Waiting List projects as scheduled through fiscal year 2024. The Authority expects to fund its remaining share of approved eligible project costs for Prior Grant projects according to the schedule that was established by the Department of Education which continues through fiscal year 2023.

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, 2021, MSBA had an outstanding liability of $122 million, and $1.6 billion commitments outstanding, for the New Program projects. The Commonwealth dedicates a 1% 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, 2020. 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. The information set forth above is dated as of a certain date and has not been updated since that date, and the Authority disclaims any duty to provide an update of any information contained in this section.*

2020 Financial Overview

Revenues	Dollars in Thousands
Dedicated Sales Tax	924,504
Other income	215,864
Total Revenues	**1,140,368**
Expenditures	
Grant payments to cities, towns and regional school districts	562,341
Administration	13,559
Debt service, refunding and inssuance related costs	257,897
Pension Expense	3,576
Total Expenditures	**837,373**
Change in Fund Blance/Net Position	**302,995**
Assets and Deferred Outflows of resources	
Cash and cash equivalents	512,847
Restricted funds and funds held by bond trustee	1,020,657
Sales tax due from Commonwealth	159,049
Interested Receivable	4,713
Grant receivable	6,560
Loan receivable	74,229
Other assets	75,617
Loss on bond refunding	133,318
Total Assets and Deferred Outflows*	**1,986,990**
Liabilities and Fund Balance/Net Position	
Accounts payable	2,028
Grants payable to cities, towns and regional school districts	235,244
Outstanding Authority debt and accrued interest	6,139,737
Bond premium	516,424
Gain on Bond Refunding	6,780
OPEB	1,952
Other liabilities	2,688
Total Liabilities & Deferred Inflows	**6,904,853**
Fund Balance/Net Position	**(4,917,863)**
Total Liabilities and Fund Balance/Net Position	**1,986,990**
Waiting List and Prior Grants Project Summary	
Value of oustanding estimated Waiting List grants as of July 1, 2019	(59,359)
Value of oustanding estimated Prior Grants as of July 1, 2019	(162,546)
Total Amount of Estimated Oustanding Waiting List and Prior Grants	**(221,905)**
Waiting List Grant Payments/Audit Adjustments	16,592
Prior Grants Payments/Audit Adjustments	82,147
Total Amount of Grant Payments/Audit Adjustments During FY 2020	**98,739**
Estimated Value of Remaining Waiting List Grants as of June 30, 2020	(42,767)
Estimated Value of Remaining Prior Grants as of June 30, 2020	(80,399)
Total Amount of Estimated Reamining Grant Payments	**(123,166)**

The MSBA utilizes the full accrual basis of accounting, which focuses on changes in total economic resources, in the preparation of government-wide financial statements. Under the full accrual basis of accounting, changes in long-term assets and liabilities are incorporated into the financial statements

*Does not include $5.98 million held in a separate irrevocable OPEB Trust as of June 30, 2021.

Financial Overview 2021

For fiscal year 2021, the Authority's primary funding sources are the portion of the Commonwealth's state-wide sales tax revenue dedicated to the MSBA, interest and grant income.

The primary component of the Authority's expenditures for fiscal year 2021 was grant payments to cities, towns and regional school districts. On a cash basis, these grant payments totaled approximately $752 million. The other major component of the Authority's expenditures resulted from the approximately $593 million expended, on a cash basis, on debt service. At the end of fiscal year 2004, according to data maintained under the former program and furnished to the Authority, the Commonwealth was reimbursing cities, towns and regional school districts for 728 previously approved projects, with the Commonwealth's estimated share of the borrowing and construction costs for these projects totaling approximately $5.1 billion. In addition, according to data compiled under the former program and furnished to the Authority, approximately 428 school projects were maintained on a waiting list for funding ("Waiting List projects"), with the Commonwealth's estimated share of the borrowing and construction costs for these projects totaling approximately $5.5 billion. The amounts the Authority will ultimately fund for approved eligible project costs will be determined through an audit of the completed project conducted by the Authority. These audits may increase or decrease the project cost estimates and will determine the actual amount to be reimbursed.

At the end of fiscal year 2021, the Authority's estimated remaining liabilities and commitments totaled approximately$28 million for Waiting List projects, and approximately $29 million for Prior Grant projects. The Authority expects to fund its remaining share of approved eligible project costs for Annual Waiting List projects as scheduled through fiscal year 2024. The Authority expects to fund its remaining share of approved eligible project costs for Prior Grant projects according to the schedule that was established by the Department of Education which continues through fiscal year 2023.

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, 2021, MSBA had an outstanding liability of $122 million, and $1.6 billion commitments outstanding, for the New Program projects. The Commonwealth dedicates a 1% 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.

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2021 Financial Overview

Revenues	**Dollars in Thousands**
Dedicated Sales Tax	1,071,686
Other income	1,855
Total Revenues	**1,073,541**
Expenditures	
Grant payments to cities, towns and regional school districts	714,508
Debt Service, refunding and issuance related costs	205,555
Loss on Defeasence & refunding	89,462
Pension Expense	2,731
Total Expenditures	**1,012,256**
Change in Fund Blance/Net Position	**61,285**
Assets and Deferred Outflows of resources	
Cash and cash equivalents	637,378
Restricted funds and funds held by bond trustee	968,348
Sales tax due from Commonwealth	153,143
Interested Receivable	5,162
Grant receivable	3,507
Loan receivable	68,012
Other assets	3,004
Loss on bond refunding	95,806
Total Assets and Deferred Outflows*	**1,934,360**
Liabilities and Fund Balance/Net Position	
Accounts payable	1,591
Grants payable to cities, towns and regional school districts	179,299
Outstanding Authority debt and accrued interest	73,542
Bond premium	404,145
Gain on Bond Refunding	20,778
OPEB	2,539
Arbitrage Rebate	3,682
Other liabilities	6,108,984
Total Liabilities & Deferred Inflows	**6,794,560**
Fund Balance/Net Position	**(4,860,200)**
Total Liabilities and Fund Balance/Net Position	**1,934,360**
Waiting List and Prior Grants Project Summary	
Value of oustanding estimated Waiting List grants as of July 1, 2020	(42,767)
Value of oustanding estimated Prior Grants as of July 1, 2020	(80,399)
Total Amount of Estimated Oustanding Waiting List and Prior Grants	**(123,166)**
Waiting List Grant Payments/Audit Adjustments	14,535
Prior Grants Payments/Audit Adjustments	51,283
Total Amount of Grant Payments/Audit Adjustments During FY 2021	**65,818**
Estimated Value of Remaining Waiting List Grants as of June 30, 2021	(28,232)
Estimated Value of Remaining Prior Grants as of June 30, 2021	(29,116)
Total Amount of Estimated Reamining Grant Payments	**(57,348)**

The MSBA utilizes the full accrual basis of accounting, which focuses on changes in total economic resources, in the preparation of government-wide financial statements. Under the full accrual basis of accounting, changes in long-term assets and liabilities are incorporated into the financial statements

*Does not include $5.98 million held in a separate irrevocable OPEB Trust as of June 30, 2021.

Financial Overview 2022

For fiscal year 2022, the Authority's primary funding sources are the portion of the Commonwealth's state-wide sales tax revenue dedicated to the MSBA, interest and grant income.

The primary component of the Authority's expenditures for fiscal year 2022 was grant payments to cities, towns and regional school districts. On a cash basis, these grant payments totaled approximately $628 million. The other major component of the Authority's expenditures resulted from the approximately $386 million expended, on a cash basis, on debt service. At the end of fiscal year 2004, according to data maintained under the former program and furnished to the Authority, the Commonwealth was reimbursing cities, towns and regional school districts for 728 previously approved projects, with the Commonwealth's estimated share of the borrowing and construction costs for these projects totaling approximately $5.1 billion. In addition, according to data compiled under the former program and furnished to the Authority, approximately 428 school projects were maintained on a waiting list for funding ("Waiting List projects"), with the Commonwealth's estimated share of the borrowing and construction costs for these projects totaling approximately $5.5 billion. The amounts the Authority will ultimately fund for approved eligible project costs were determined through an audit of the completed project conducted by the Authority.

At the end of fiscal year 2022, the Authority's estimated remaining liabilities and commitments totaled approximately $16 million for Waiting List projects, and approximately $7 million for Prior Grant projects. The Authority expects to fund its remaining share of approved eligible project costs for Annual Waiting List projects as scheduled through fiscal year 2024. The Authority expects to fund its remaining share of approved eligible project costs for Prior Grant projects according to the schedule that was established by the Department of Education which continues through fiscal year 2023.

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 oncea 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, 2022, MSBA had an outstanding liability of $129 million, and $2 billion commitments outstanding, for the New Program projects. The Commonwealth dedicates a 1% 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, 2022. 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.*

The information set forth above is dated as of a certain date and has not been updated since that date, and the Authority disclaims any duty to provide an update of any information contained in this section.

BMC Durfee High School
Designed by Ai3 Architects LLC.

2022 Financial Overview

Revenues	**Dollars in Thousands**
Dedicated Sales Tax	1,189,633
Other income	(22,716)
Total Revenues	**1,166,917**
Expenditures	
Grant payments to cities, towns and regional school districts and Operations	624,611
Debt service, refunding and issuance related costs	204,378
Pension Expense	749
Total Expenditures	**829,738**
Change in Fund Blance/Net Position	**337,179**
Assets and Deferred Outflows of resources	
Cash and cash equivalents	896,679
Restricted funds and funds held by bond trustee	405,011
Sales tax due from Commonwealth	155,310
Interested Receivable	5,057
Grant receivable	7,400
Loan receivable	61,796
Other assets	432,265
Loss on bond refunding	90,268
Total Assets and Deferred Outflows *	**2,053,786**
Liabilities and Fund Balance/Net Position	
Accounts payable	767
Grants payable to cities, towns and regional school districts	152,413
Outstanding Authority debt and accrued interest	69,599
Bond premium	331,992
OPEB	1,056
Other liabilities	6,652,976
Total Liabilities & Deferred Inflows	**7,208,803**
Fund Balance/Net Position	**(5,155,017)**
Total Liabilities and Fund Balance/Net Position **	**2,053,786**
Waiting List and Prior Grants Project Summary	
Value of oustanding estimated Waiting List grants as of July 1, 2021	(28,232)
Value of oustanding estimated Prior Grants as of July 1, 2021	(29,116)
Total Amount of Estimated Oustanding Waiting List and Prior Grants	**(57,348)**
Waiting List Grant Payments/Audit Adjustments	12,534
Prior Grants Payments/Audit Adjustments	21,767
Total Amount of Grant Payments/Audit Adjustments During FY 2022	**34,301**
Estimated Value of Remaining Waiting List Grants as of June 30, 2022	(15,698)
Estimated Value of Remaining Prior Grants as of June 30, 2022	(7,349)
Total Amount of Estimated Reamining Grant Payments	**(23,047)**

The MSBA utilizes the full accrual basis of accounting, which focuses on changes in total economic resources, in the preparation of government-wide financial statements. Under the full accrual basis of accounting, changes in long-term assets and liabilities are incorporated into the financial statements.

* Does not include $5.95 million held in a separate irrevocable OPEB Trust as of June 30, 2022.

**The July 1,2022 special revenue fund's fund balance and July 1, 2022 governmental activities net position were restated for the correction of certain balances that should have been recognized in the special revenue fund but were only recognized in the governmental activities finacial statements. The impact of these corrections on the July 1, 2022 fund balance and net position is ($208,583) and ($96,743) respectively. The June 30, 2022 Special Revenue Fund Balance as reported was $1,713,640 and $1,505,057 as restated. The June 30, 2022 Governmental Activities Net Position was ($4,519,339) as reported and ($4,616,082) as restated.


MSBA
MY IDEAL
SCHOOL
CONTEST
My School