

# Massachusetts School Building Authority

Deborah B. Goldberg, State Treasurer and Receiver-General

*Chairperson*

James MacDonald

*Chief Executive Officer*

Jack McCarthy

*Executive Director*



## Board Meeting

**March 2, 2022**



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# In Memoriam

## Avram Goldberg





# Project Votes

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# Invitation to Eligibility Period | Vote

District	School
Berkshire Hills Regional School District	Monument Mountain Regional High School
Canton	William H. Galvin Middle School
Dracut	Joseph E. Campbell Elementary School
Dudley-Charlton Regional School District	Shepherd Hill Regional High School
Hamilton-Wenham Regional School District	Cutler School
Leominster	Fall Brook Elementary School
Lexington	Lexington High School
Littleton	Shaker Lane Elementary School
Longmeadow	Glenbrook Middle School
Martha's Vineyard Regional School District	Martha's Vineyard Regional High School
Millis	Millis High School
North Andover	Kittredge Elementary School
North Attleborough	North Attleborough High School
Old Colony Regional Vocational Technical School District	Old Colony Regional Vocational Technical High School
Reading	J. Warren Killam Elementary School
Southborough	Margaret A. Neary Elementary School
South Shore Regional Vocational Technical School District	South Shore Technical High School

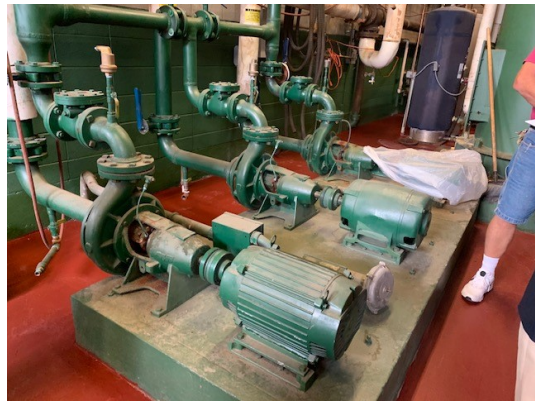


# 2021 SOIs

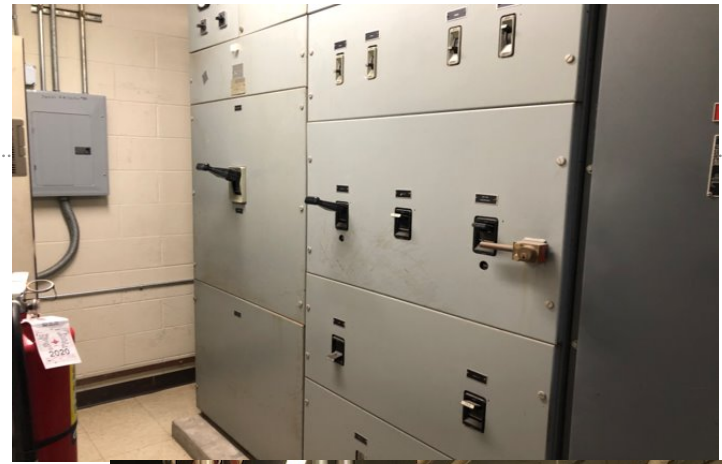
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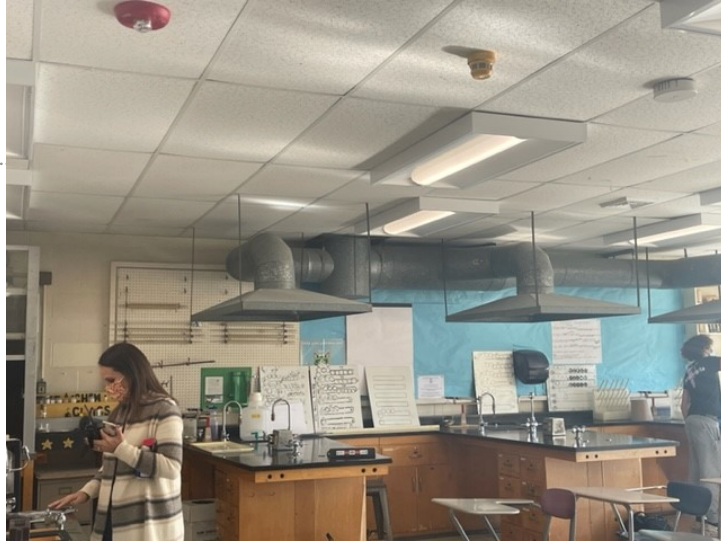














# Invitation to Feasibility Study | **Vote**

District	School
Clinton	Clinton Middle School
Dedham	Oakdale Elementary School
Scituate	Hatherly Elementary School
Stoughton	South Elementary School



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

District	School	Invitation Date
Boston	Samuel Adams Elementary School	December 16, 2020





# Authorization to Execute PFA – ARP | Vote

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Braintree	Highlands Elementary School	Partial Roof	\$2,207,531	\$948,969
	Liberty Elementary School	Roof	\$2,647,317	\$1,211,949
Worcester	Worcester Arts Magnet School	Roof	\$6,993,509	\$2,851,909
<b>Totals</b>			<b>\$11,848,357</b>	<b>\$5,012,827</b>



# Preferred Schematic Design | **Vote**

District	School	Project Scope	Estimated Total Construction	Estimated Total Project Costs
Brookline	John R. Pierce School	Add/ Reno	\$150,518,572	\$220,000,000
Hingham	William L. Foster Elementary School	New	\$84,272,289	\$105,258,403
<b>Total</b>			<b>\$234,790,861</b>	<b>\$325,258,403</b>



## **John R. Pierce School**

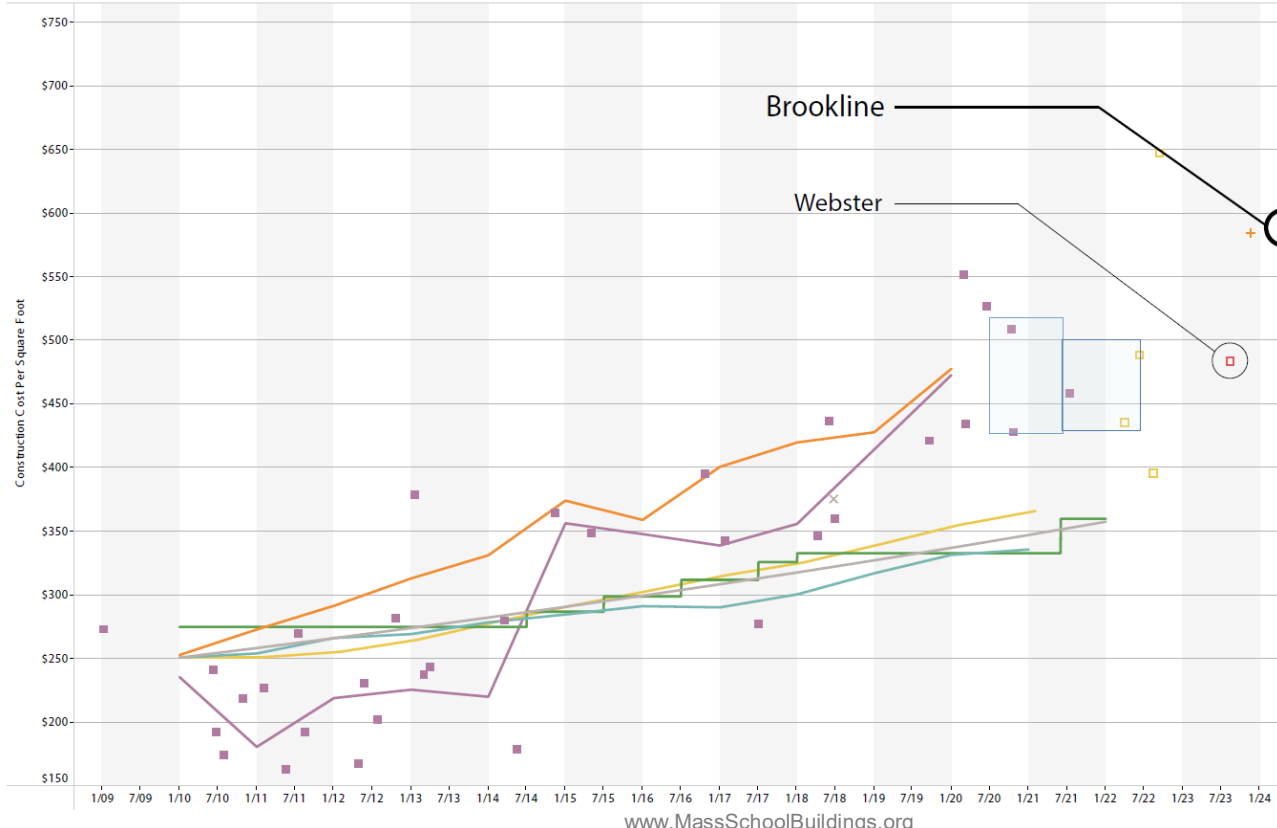
- Year Opened: 1855
- Current Grade Configuration: K-8
- Agreed Upon Grade Configuration: PK; K-8
- Agreed Upon Enrollment: 725
- Proposed Scope of Project: Addition/Renovation
- Existing Square Footage: 147,690
- Proposed Square Footage: 255,363
- Estimated Total Construction Cost of Preferred Schematic: \$150,518,572



# Preferred Schematic Design | Brookline

## John R. Pierce School

Addition/Renovation Costs Compared to Common Economic Indicators | February 9, 2022



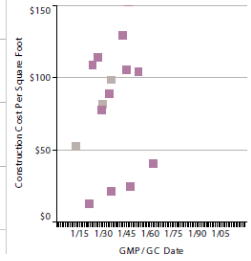
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  - Addition / Renovation PSR Boar.. +
  - Addition / Renovation SD □
  - Addition / Renovation PFA Ame.. ■
  - Addition / Renovation Vote Failed ×
  - Addition / Renovation SD - Boar.. □
  - 3% Escalation ▨
  - Average- New Construction ... ▨
  - BLS PPI- New School Const. ▨
  - MSBA Construction Funding... ▨
  - RLB Comparative Cost- Bos... ▨
  - Average \$/SF for Add/Reno ▨

The information and data contained in this chart is based on the MSBA's review of construction cost estimates, contracts and other documentation provided by cities, towns, and regional school districts.

This information and data is intended for informational purposes only. The data may have changed based on actual construction bids or contract amendments, for example, and the MSBA shall have no responsibility or duty to update any of the information.

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### Projects Below \$150/SF





# Preferred Schematic Design | Hingham

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## **William A. Foster Elementary School**

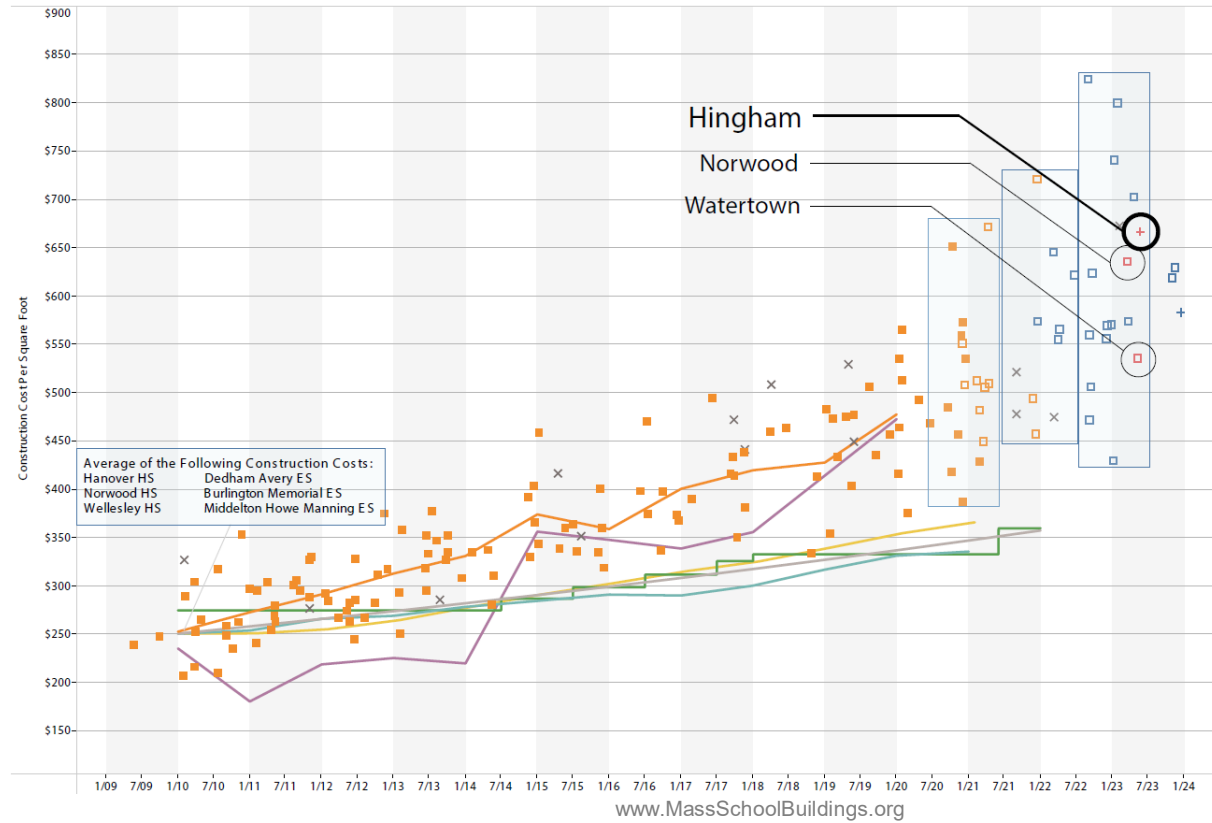
- Year Opened: 1951
- Current Grade Configuration: K-5
- Agreed Upon Grade Configuration: PK; K-5
- Agreed Upon Enrollment: 605
- Proposed Scope of Project: New Construction
- Existing Square Footage: 71,982
- Proposed Square Footage: 126,434
- Estimated Total Construction Cost of Preferred Schematic: \$84,272,289



# Preferred Schematic Design | Hingham

## William A. Foster Elementary School

New Construction Costs Compared to Common Economic Indicators | February 9, 2022



- Legend
- New Construction PSR +
  - PSR Board Vote +
  - New Construction SD □
  - New Construction SD - Board Vote □
  - New Construction Vote Failed ×
  - New Construction Bid □
  - New Construction PFA Amended ■
  - 3% Escalation —
  - Average - New Construction Projects —
  - PLS PPI- New School Construction —
  - MSBA Construction Funding Limit —
  - RLB Comparative Cost- Boston —
  - Average S/S/F for Add/Reno —

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# Project Scope and Budget | **Vote**

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Norwood	Dr. Philip O. Coakley Middle School	New	\$150,028,844	\$45,331,282
Watertown	Watertown High School	New	\$201,461,673	\$44,283,365
Webster	Bartlett High School	Add/ Reno	\$101,417,044	\$51,577,337
<b>Total</b>			<b>\$452,907,561</b>	<b>\$141,191,984</b>



# Project Scope and Budget | Norwood

## Dr. Philip O. Coakley Middle School

- Year Opened: 1972
- Current Grade Configuration: 6-8
- Agreed Upon Grade Configuration: 5-8
- Agreed Upon Enrollment: 1,070
- Scope of Project: New construction
- Existing Square Footage: 128,000
- Proposed Square Footage: 187,840
- District Total Project Budget: \$150,028,844
- Estimated Basis Total Facilities Grant: \$83,441,750
- Reimbursement Rate\*: 54.34
- Estimated Maximum Total Facilities Grant: \$45,331,282

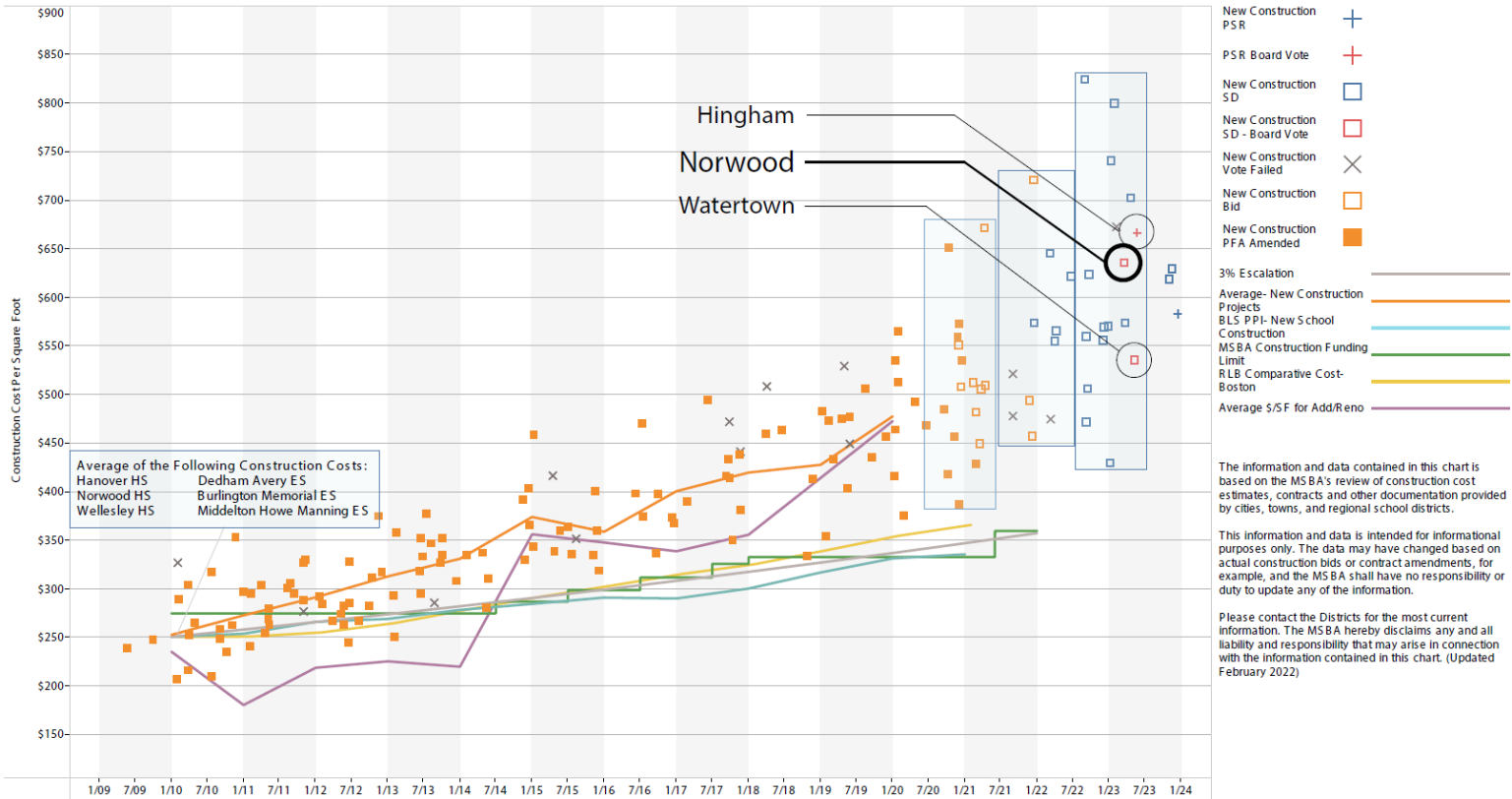
*\*The MSBA has provisionally included two (2) incentive points for energy efficiency, subject to the District meeting certain sustainability requirements for the project. If the District does not meet the requirements for the energy efficiency, the District will not qualify for these incentive points,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



# Project Scope and Budget | Norwood

## Dr. Philip O. Coakley Middle School

New Construction Costs Compared to Common Economic Indicators | February 9, 2022



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# Project Scope and Budget | Norwood

## Dr. Philip O. Coakley Middle School





## Watertown High School

- Year Opened: 1929
- Current Grade Configuration: 9-12
- Agreed Upon Grade Configuration: 9-12
- Agreed Upon Enrollment: 720
- Scope of Project: New construction
- Existing Square Footage: 222,866
- Proposed Square Footage: 258,914
- District Total Project Budget: \$201,461,673
- Estimated Basis Total Facilities Grant: \$89,920,231
- Reimbursement Rate\*: 49.33%
- Estimated Maximum Total Facilities Grant: \$44,283,365

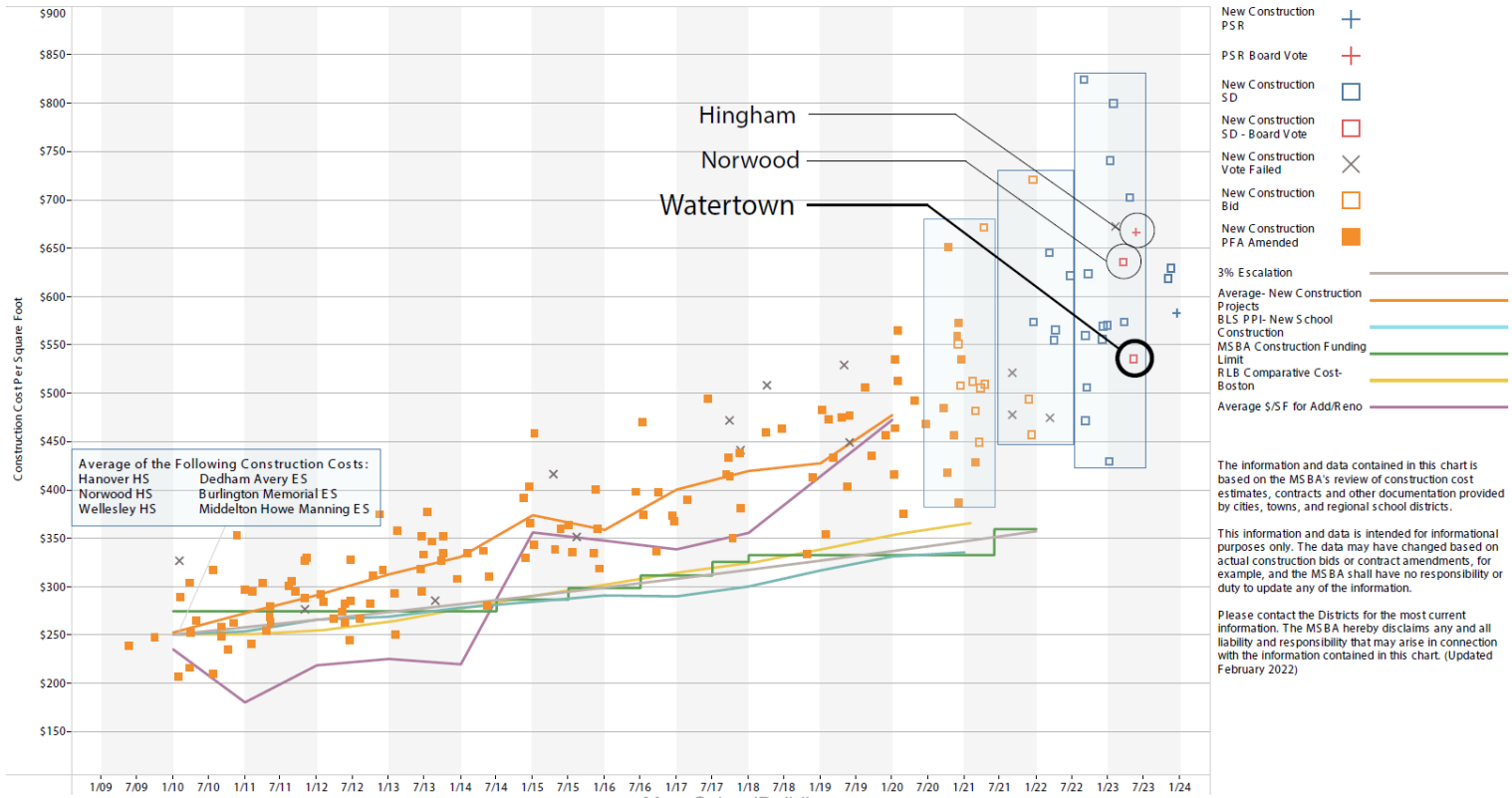
*\*The MSBA has provisionally included two (2) incentive points for energy efficiency, subject to the District meeting certain sustainability requirements for the project. If the District does not meet the requirements for the energy efficiency, the District will not qualify for these incentive points,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



# Project Scope and Budget | Watertown

## Watertown High School

New Construction Costs Compared to Common Economic Indicators | February 9, 2022







# Project Scope and Budget | Watertown

## Watertown High School





# Project Scope and Budget | Webster

## Bartlett High School

- Year Opened: 1979
- Current Grade Configuration: 9-12
- Agreed Upon Grade Configuration: PK; 9-12
- Agreed Upon Enrollment: 445
- Scope of Project: Major Renovation
- Existing Square Footage: 186,000
- Proposed Square Footage: 161,436
- District Total Project Budget: \$101,417,044
- Estimated Basis Total Facilities Grant: \$64,499,893
- Reimbursement Rate\*: 80.00
- Estimated Maximum Total Facilities Grant: \$51,577,337

*\*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.*

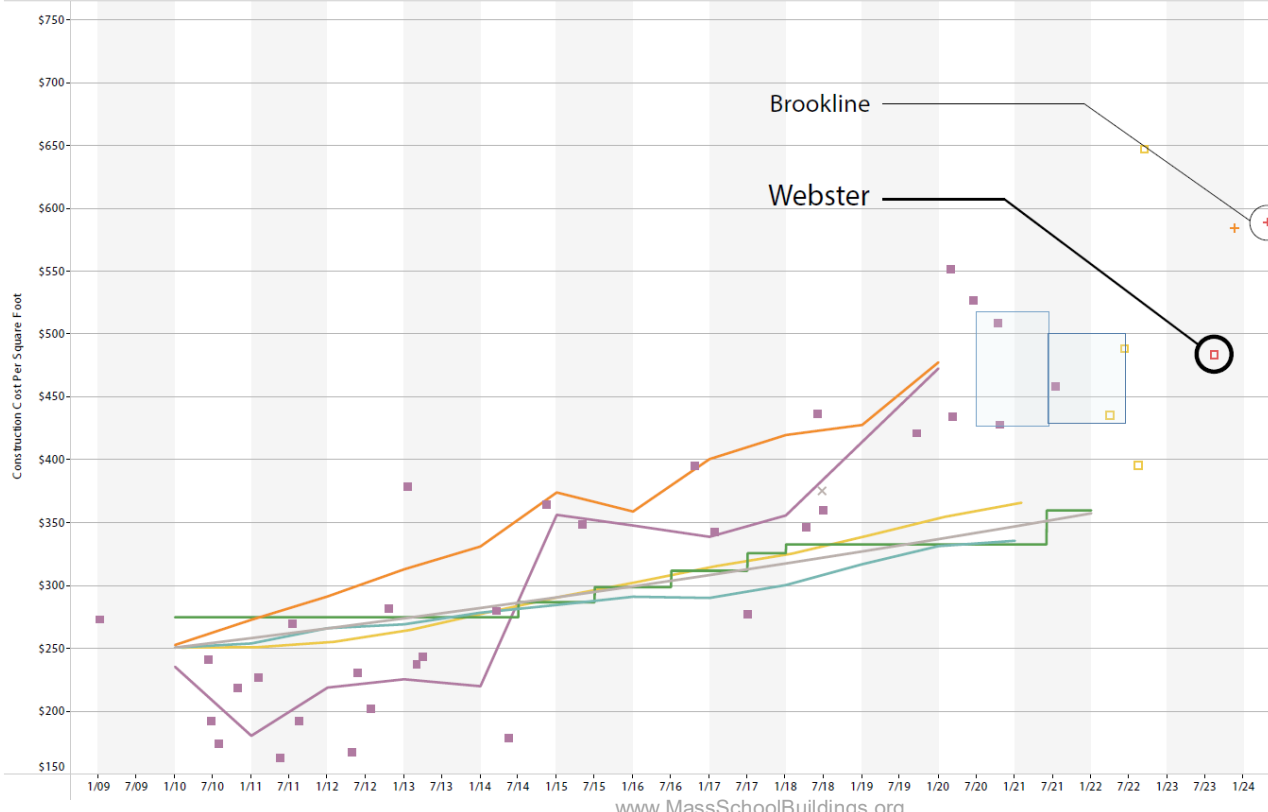
*\*By statute, 80.00% is the District's maximum reimbursement rate. Here, the District's base reimbursement rate is 77.47% before applying any incentive points. After applying the maintenance incentive points and a portion of the major renovation/reuse incentive points, this results in a maximum reimbursement rate of 80.00%.*



# Project Scope and Budget | Webster

## Bartlett High School

Addition/Renovation Costs Compared to Common Economic Indicators | February 9, 2022

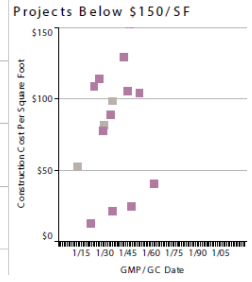


- Legend**
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  - MSBA Construction Funding.. —
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  - Average \$/SF for Add/Reno —

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# Project Scope and Budget | Webster

## Bartlett High School





# Audit Update

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# Audit Status Update

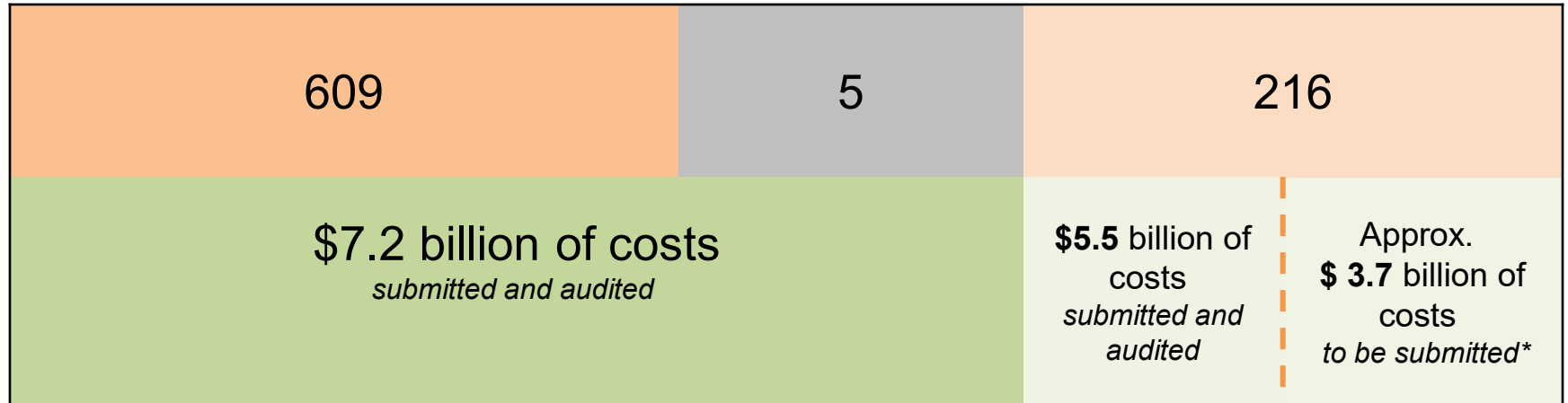
## Capital Pipeline Program

## ■ Today's Vote

Completed Projects

Projects  
Currently Have  
Executed FSA  
and PFA

Estimated Costs  
Remaining



\*Estimated based on Total Project Budgets from executed funding agreements and submitted costs as of February 14, 2022.

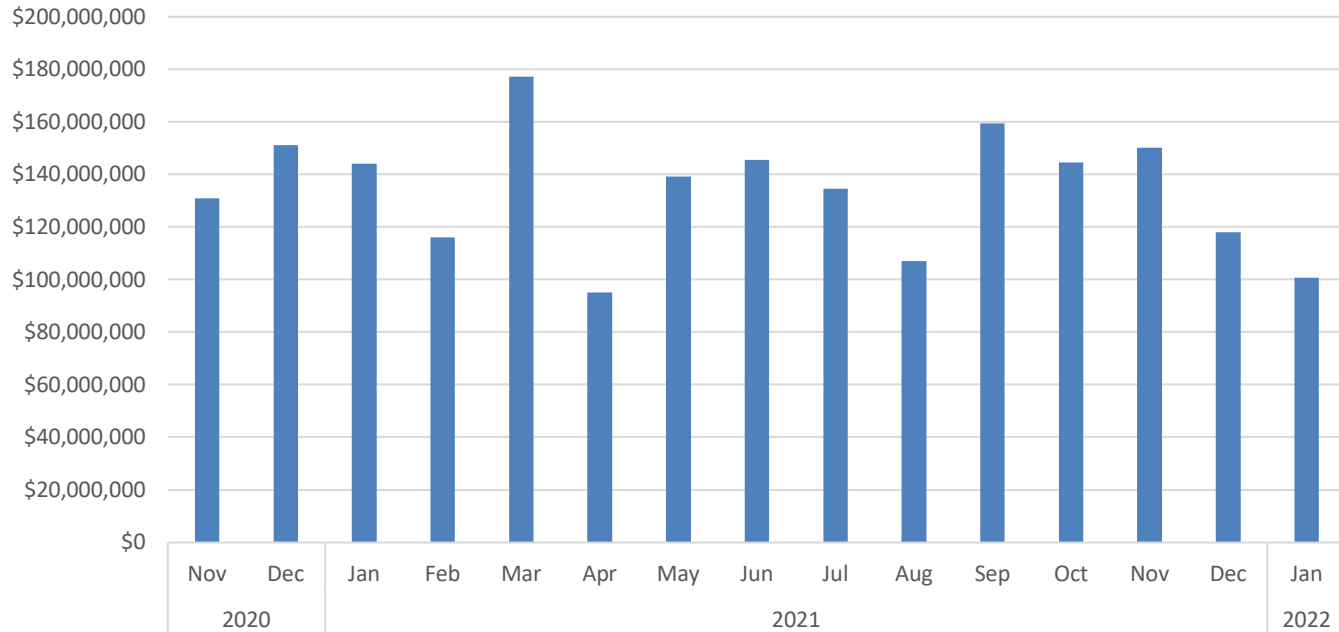




# Capital Pipeline Program | Monthly Audited Project Costs

**Rolling 12 month submitted costs monthly average of \$132.3 million**

**Total 12 Month Audited Costs = \$1.59 billion**





# Capital Pipeline Program | Closeout Audits

## Today's Vote: March 2, 2022 Approval of Final Audits – Capital Pipeline Projects

	MSBA ID	District Name	School Name	Project Type	Project Scope	Reimb. Rate	Total Project Budget	Final Costs Submitted	Ineligible Costs	Basis for Final Total Facilities Grant	Authorized Grant for Cap Reconciliation	Final Total Facilities Grant	Grant Reconciliation FY	Additional Savings in Final Audit Grant for Cap Reconciliation	
1	201600610015	Chicopee	Bowe	Accelerated Repair	Windows / Doors	79.58%	\$3,182,085	\$2,708,781	\$320,708	\$2,388,073	\$2,227,090	\$1,900,428	<b>ARP FY17</b>	\$326,662	
2	201600610050	Chicopee	Chicopee Academy at Selser	Accelerated Repair	Roof	79.58%	\$1,699,814	\$1,088,300	\$126,633	\$961,667	\$1,187,226	\$765,295	<b>ARP FY17</b>	\$421,931	
3	201701370040	Holyoke	Kelly Elementary	Accelerated Repair	Windows / Doors, Boiler	80.00%	\$6,422,623	\$5,202,810	\$77,678	\$5,125,132	\$4,944,887	\$4,100,106	<b>ARP FY18</b>	\$844,781	
4	201701370055	Holyoke	Lt Clayre Sullivan Elementary	Accelerated Repair	Windows / Doors	80.00%	\$4,943,669	\$4,592,277	\$160,689	\$4,431,588	\$3,802,404	\$3,545,270	<b>ARP FY18</b>	\$257,134	
5	201701370025	Holyoke	William G. Morgan	Accelerated Repair	Windows / Doors	80.00%	\$2,431,288	\$2,376,612	\$86,030	\$2,290,582	\$1,864,509	\$1,832,466	<b>ARP FY18</b>	\$32,043	
							<b>TOTAL</b>	\$18,679,479	\$15,968,780	\$771,738	\$15,197,042	\$14,026,116	\$12,143,565		\$1,882,551

\*The Fiscal Years highlighted in bold are not included in the original FY08-FY16 Grant Reconciliation summary.





# MSBA Updates

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- **Executive Director's Report**
- Project Status Updates
  - Recommendation to Execute Master Services Agreement for Project Management Services Consultant | Vote
  - Project Overview Report



# Project Visits/ Meetings and Local Votes

- Since the December 15<sup>th</sup> Board meeting, the MSBA has visited or spoken with 23 projects.
- 8 Districts have voted affirmatively to appropriate feasibility study funds or full project funds as of February 25<sup>th</sup>, 2022.

Project Visits/Meetings		Local Votes	
Acton-Boxborough	Gardner	<b>Feasibility Study Funds</b>	<b>Full Project Funds</b>
Arlington	Millbury		
Attleboro	Northbridge		
Belmont	Orange		
Bridgewater-Raynham	Pentucket		
Bristol County	Sharon		
Cape Cod	Somerset		
Danvers	Tewksbury		
Dennis-Yarmouth	Wareham		
Easthampton	Weymouth		
Easton	Worcester		
Fall River			
		Amherst (supplemental)	Northeast Metro RVSD
		Burlington	Westfield
		Holyoke	
		Watertown (supplemental)	



# Project Visits/Meetings

**Upcoming site visits and calls anticipated in March and April:**

Project Visits/Meetings	
Acton-Boxborough	Gardner
Arlington	Lowell
Attleboro	Millbury
Belmont	Pentucket
Bridgewater-Raynham	Rockland
Bristol County	Sharon
Dennis-Yarmouth	Springfield
Easthampton	West Springfield
Easton	Worcester



# Topping Offs

Springfield DeBerry Elementary  
School 1/4/2022





# Groundbreakings

## Braintree South Middle School 2/9/2022







# Ribbon Cuttings

Foxborough Burrell  
Elementary School  
12/21/2021



Central Berkshire Wahconah  
Regional High School  
1/26/2022





## Project Update:

# Bristol-Plymouth Regional Vocational School District

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- The District received a Project Scope and Budget vote at the October 27, 2021 Board of Director's Meeting.
- On December 27, 2021, the District requested an extension of 60 days beyond the 120-day deadline of February 24, 2022 to secure local authorization and funding.
- Staff support an extension of time through April 25, 2022, so that the District can complete the associated local actions and submit the properly certified documentation to the MSBA.



# Project Update: Greater Fall River Vocational School District

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- The District received a Project Scope and Budget vote at the December 15, 2021 Board of Director's Meeting.
- On January 20, 2022, the District requested an extension of 61 days beyond the 120-day deadline of April 15, 2022 to secure local authorization and funding.
- Staff support an extension of time through July 15, 2022, so that the District can complete the associated local actions and submit the properly certified documentation to the MSBA.



# MSBA Updates

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- Executive Director's Report
- **Project Status Updates**
  - **Recommendation to Execute Master Services Agreement for Project Management Services Consultant | Vote**
  - Project Overview Report



# MSBA Updates

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- Executive Director's Report
- **Project Status Updates**
  - Recommendation to Execute Master Services Agreement for Project Management Services Consultant | Vote
  - **Project Overview Report**





# Accelerated Repair – Bid Summary

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## **2020 Accelerated Repair Program**

- 4 of the 5 reported projects bid within the estimated budget
- Additional 9 projects are anticipated to bid by the April Board of Directors meeting



# Core Program – Bid Results 2021

- 12 projects received sub-bids in 2021, 10 have reported DBB bids or GMP executions to date
- 9 reported 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 **
Millbury	Raymond E. Shaw ES	New	DBB	2/10/2021	\$49,269,791	\$46,273,468	-\$2,996,323	61.37%	-\$1,838,843
Rockland	Jefferson ES	New	DBB	2/24/2021	\$68,249,754	\$58,190,000	-\$10,059,754	67.08%	-\$6,748,083
Easton	Center School	New	DBB	2/23/2021	\$74,886,581	\$63,637,537	-\$11,249,044	55.93%	-\$6,291,590
Dennis-Yarmouth	Mattacheese Middle School	New	DBB	3/16/2021	\$93,744,492	\$84,013,640	-\$9,730,852	57.68%	-\$5,612,755
Sharon	Sharon HS	New	CMR	3/22/2021	\$126,242,153	\$121,544,639	-\$4,697,514	48.95%	-2,299,433
Amesbury	Amesbury ES	New	DBB	4/20/2021	\$48,946,932	\$50,040,000	\$1,063,068	58.98%	\$0
Orange	Dexter Park School	Add/Reno	DBB	7/14/2021	\$45,730,728	\$44,513,553	-\$1,217,175	80.00%	-\$973,740

\*The construction estimate and bid amount include pre-construction services and alternates.

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



# Core Program – Bid Results 2021

- 12 projects received sub-bids in 2021, 10 have reported DBB bids or GMP executions to date
- 9 reported 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 **
Springfield	William N DeBerry ES	New	CMR	11/1/2021	\$77,814,250	\$77,126,270	-\$687,980	80.00%	-\$550,384
Braintree	South MS	New	DBB	12/7/2021	\$69,181,416	\$66,700,700	-\$2,480,716	53.96%	-\$1,338,594
Waltham	Waltham HS	New	CMR	12/13/2021	\$299,523,790	\$299,304,940	-\$218,850	65.71%	-\$143,806
<b>Total</b>					<b>\$953,619,887</b>	<b>\$911,344,747</b>	<b>-\$42,275,140</b>	<b>-</b>	<b>-\$25,797,230</b>

\*The construction estimate and bid amount include pre-construction services and alternates.

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



# Core Program - Anticipated Bids

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## **Anticipated Sub-Bids in March, April, and May:**

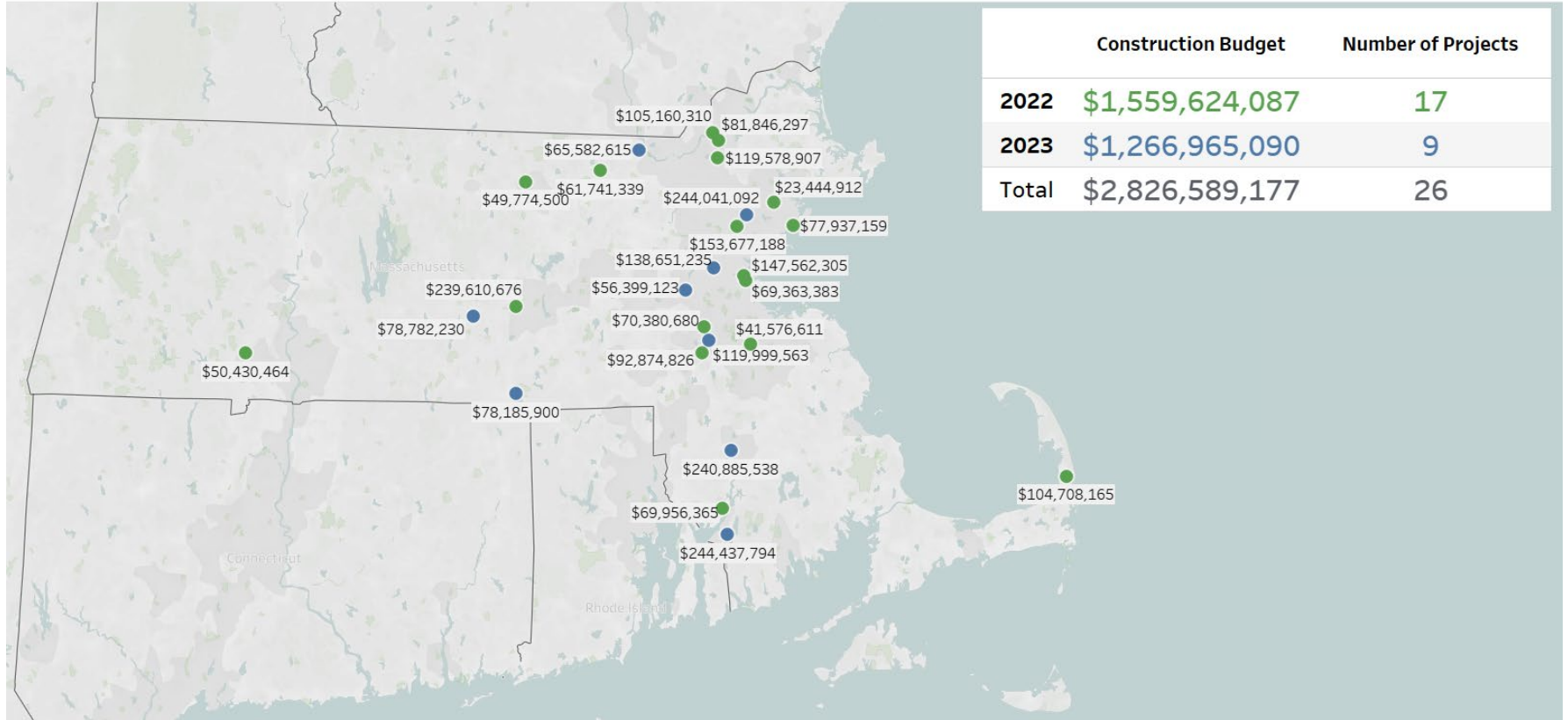
- March – Worcester (CMR)
- April – Boston JQUS (CMR)
- May – Nauset Regional (DBB)

## **Anticipated DBB Bids or GMP Executions in March, April, and May:**

- March – Ashland (CMR), Gloucester (CMR), Lowell (CMR)
- April – Worcester (CMR)
- May – None

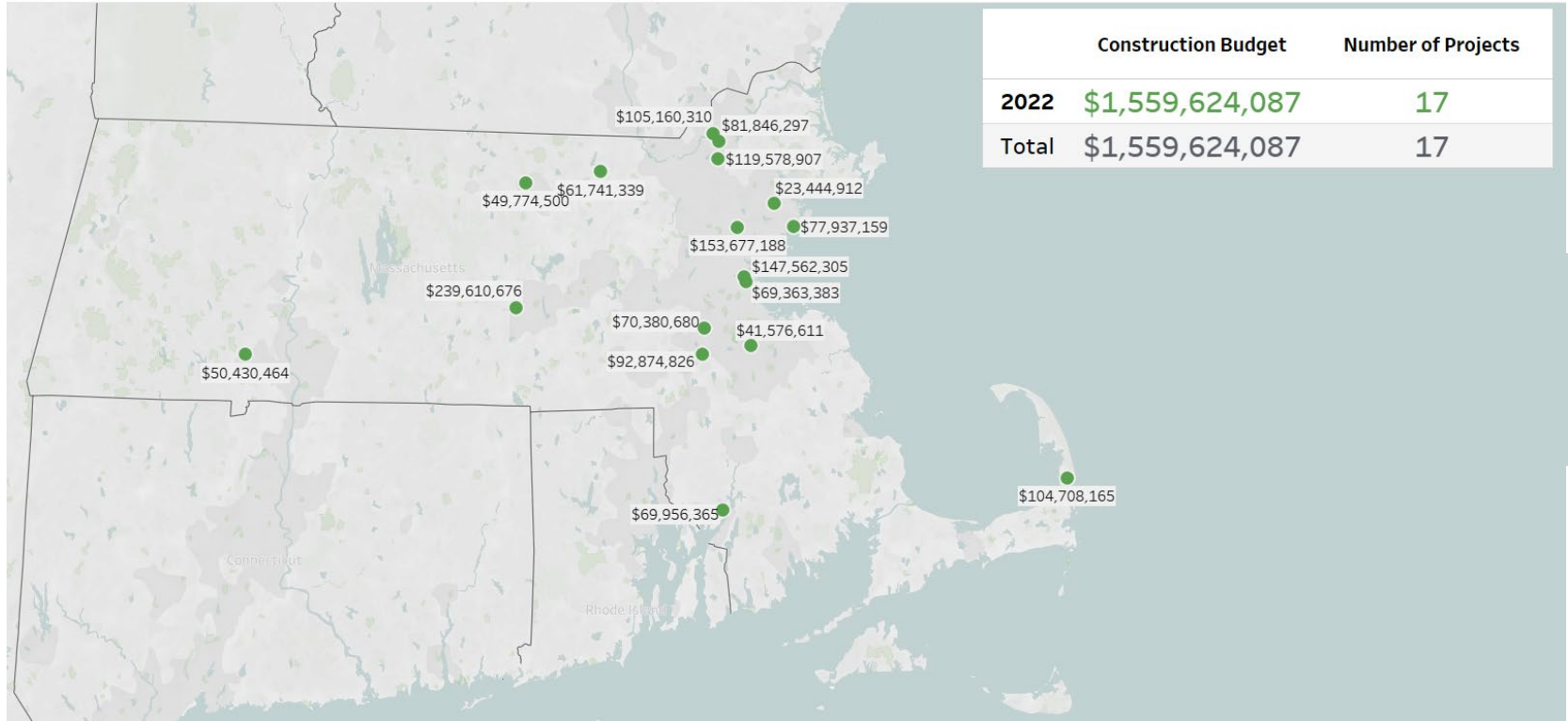


# Upcoming MSBA Bids





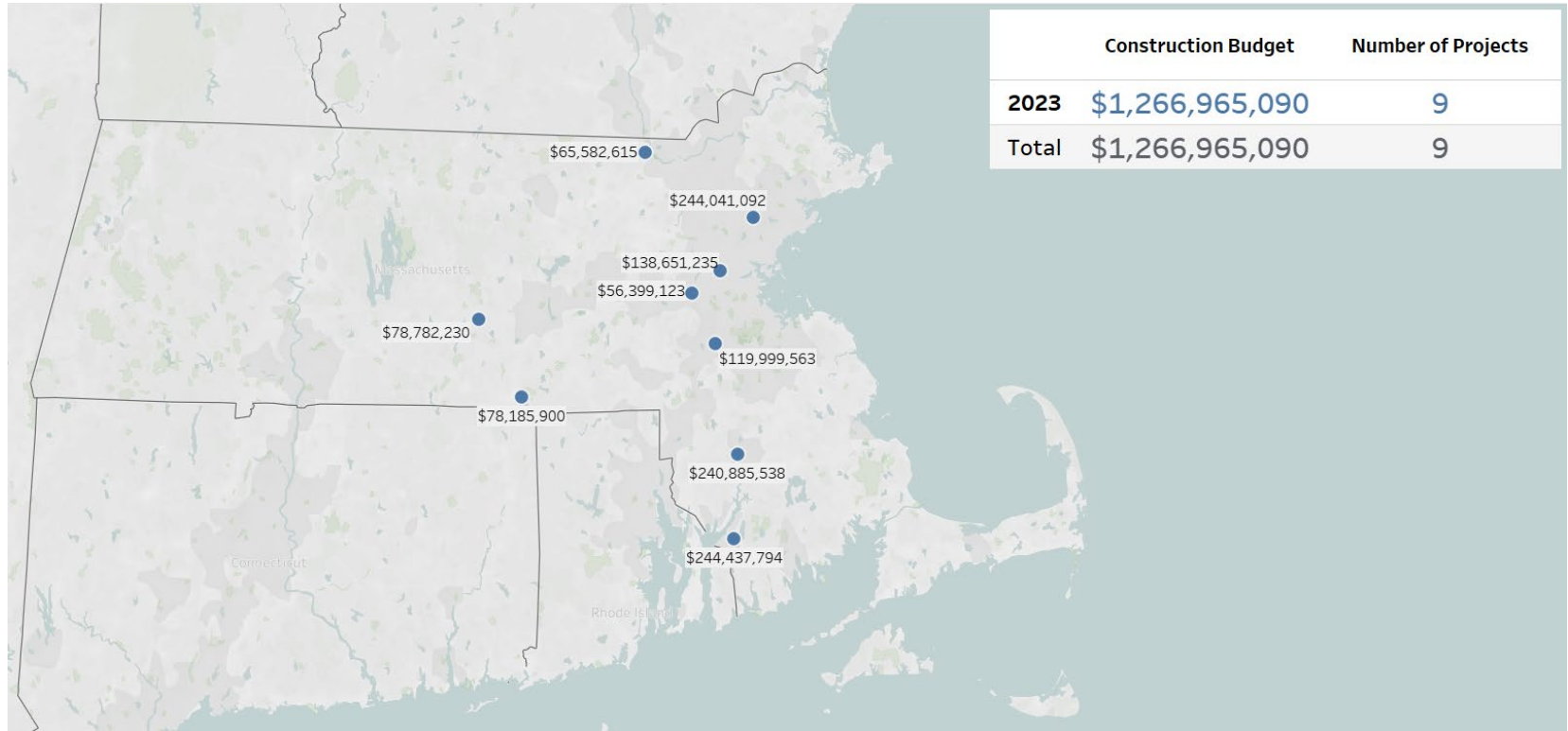
# Upcoming MSBA Bids 2022







# Upcoming MSBA Bids 2023





# Finance Update

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- **Sales Tax Collections Update**
- Grant Payments Update
- FY 2022 Budget Update
- FY21 Financial Audit Review



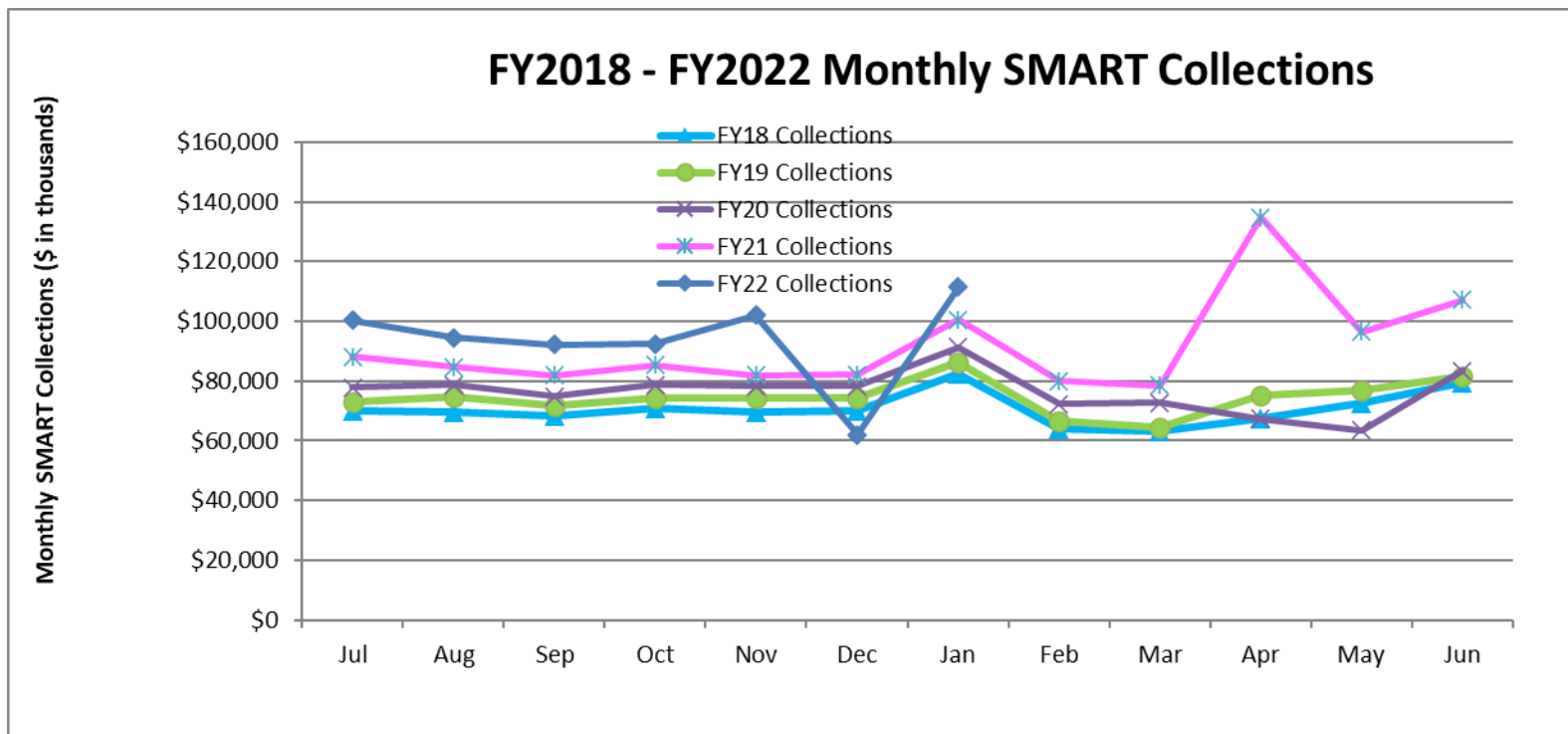
# SMART Collections Update

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
<b>FY21 Receipts</b>	\$ 88,108	\$ 84,707	\$ 81,869	\$ 85,292	\$ 81,978	\$ 82,039	\$ 100,578	\$ 79,993	\$ 78,442	\$ 134,696	\$ 96,553	\$ 107,227	\$ <b>1,101,482</b>
<b>\$ Change vs. FY20</b>	\$ 10,167	\$ 5,954	\$ 7,081	\$ 6,618	\$ 3,749	\$ 3,785	\$ 9,248	\$ 7,727	\$ 5,752	\$ 67,249	\$ 32,955	\$ 23,889	\$ <b>184,175</b>
<b>% Change vs. FY20</b>	13.05%	7.56%	9.47%	8.41%	4.79%	4.84%	10.13%	10.69%	7.91%	99.71%	51.82%	28.66%	<b>20.08%</b>
<b>FY22 Receipts</b>	\$ 100,316	\$ 94,496	\$ 92,282	\$ 92,365	\$ 102,050	\$ 61,929	\$ 111,428						\$ <b>654,866</b>
<b>\$ Change vs. FY21</b>	\$ 12,208	\$ 9,789	\$ 10,413	\$ 7,073	\$ 20,072	\$ (20,110)	\$ 10,850						\$ <b>50,294</b>
<b>% Change vs. FY21</b>	13.86%	11.56%	12.72%	8.29%	24.48%	-24.51%	10.79%						<b>8.32%</b>

- FY 22 collections for July through January are \$50.3 million (8.32%) higher than same period of FY 21

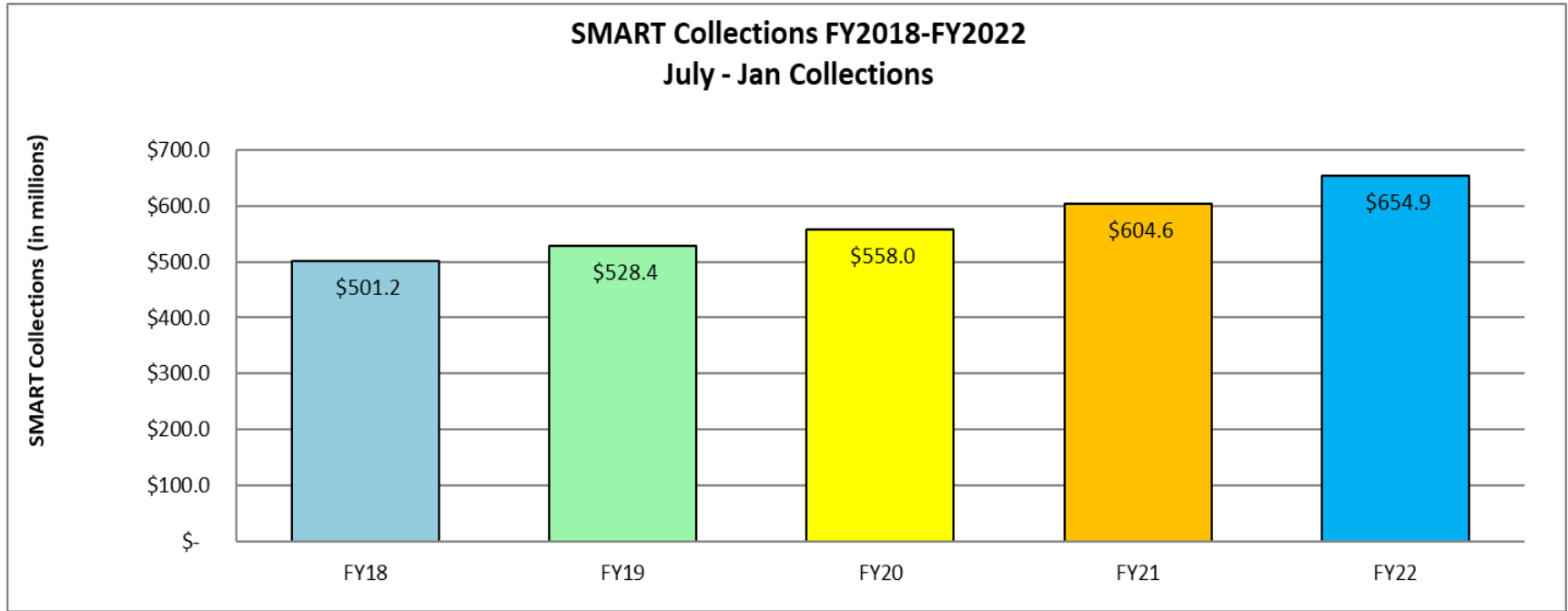


# SMART Collections Update





# SMART Collections Update





# Finance Update

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- Sales Tax Collections Update
- **Grant Payments Update**
- FY 2022 Budget Update
- FY21 Financial Audit Review



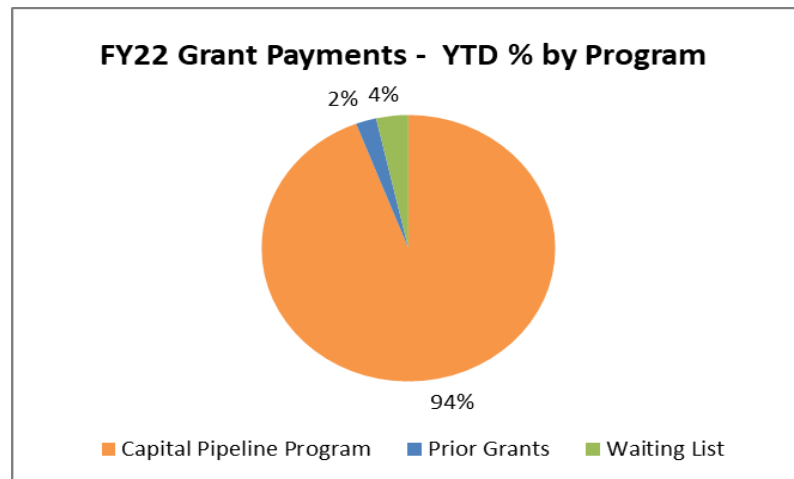
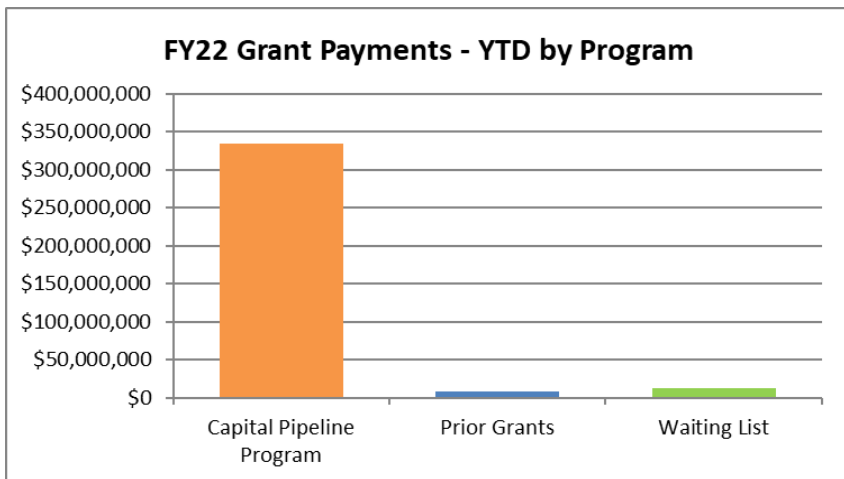


# Grant Payments | FY2022 YTD Update

## FY22 YTD Grant Payments Summary\*

Program	Grant Payments	YTD % by Program	# Projects	# Districts
Capital Pipeline Program	\$ 334,320,235	94%	129	96
Prior Grants	\$ 8,027,960	2%	8	8
Waiting List	\$ 12,533,998	4%	20	16
<b>Total</b>	<b>\$ 354,882,193</b>	<b>100%</b>	<b>157</b>	<b>111</b>

\*Reflects grant payment data as of January 28, 2022.





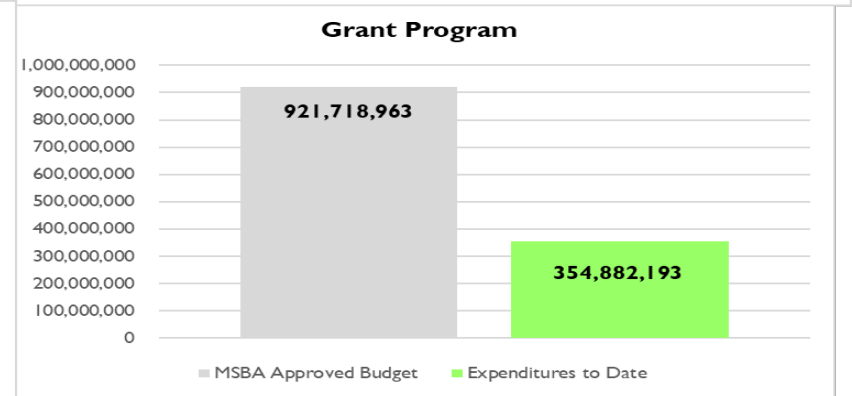
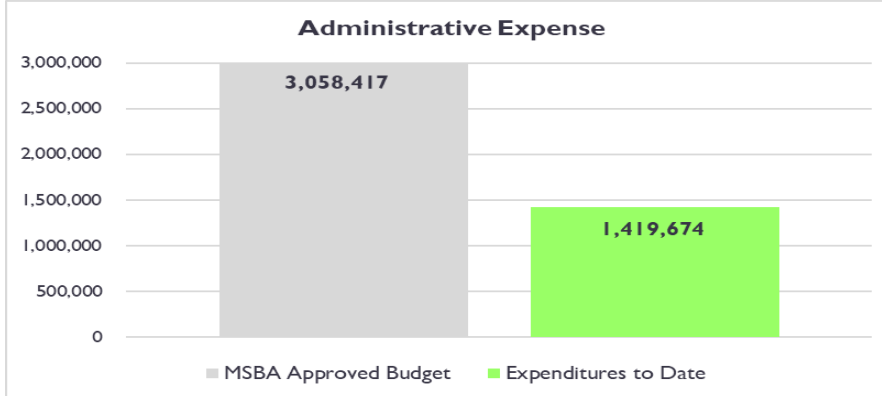
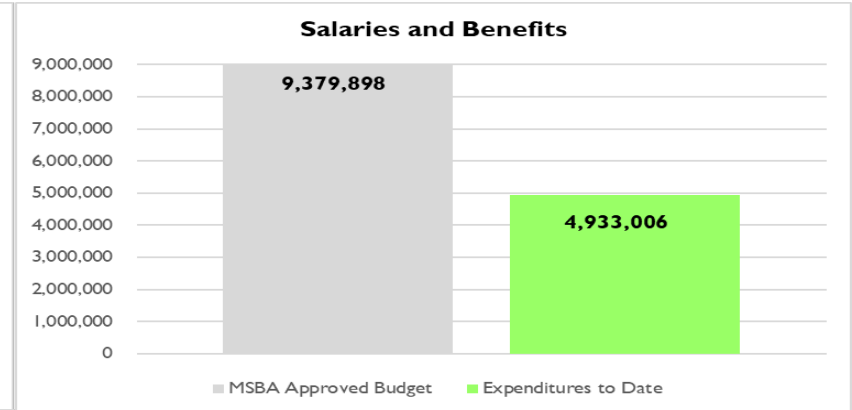
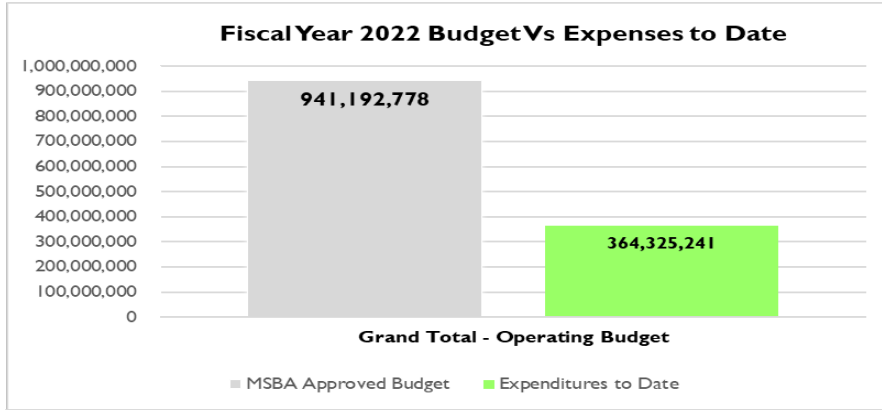
# Finance Update

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- Sales Tax Collections Update
- Grant Payments Update
- **FY 2022 Budget Update**
- FY21 Financial Audit Review

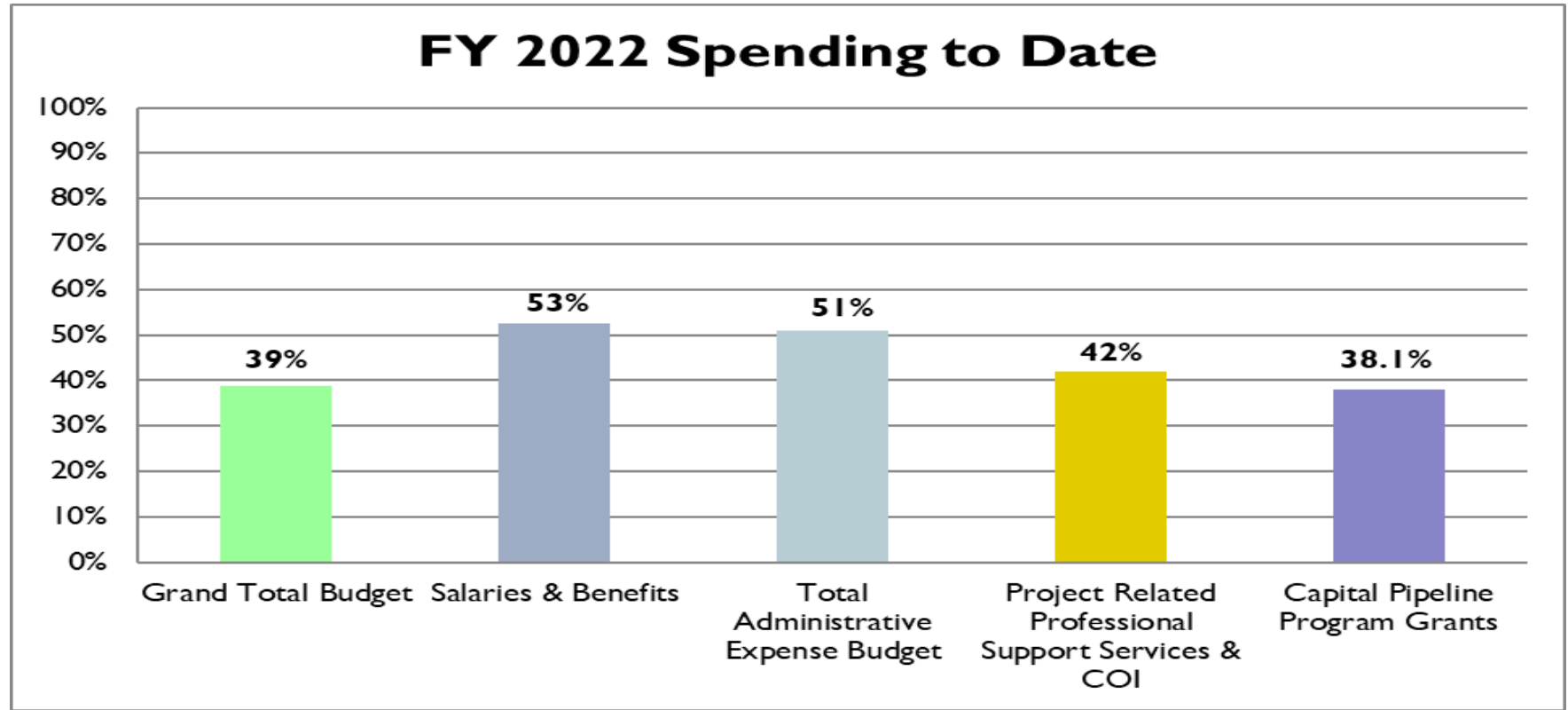


# Fiscal Year 2022 Budget vs Actuals





# Fiscal Year 2022 Spending to date





# Finance Update

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- Sales Tax Collections Update
- Grant Payments Update
- FY 2022 Budget Update
- **FY21 Financial Audit Review**



# FY2021 Financial Statements

- **As a result of the 2021 Audit, RSM has issued an unmodified (clean) opinion dated February 10, 2022**
- **Report on compliance and internal controls:**
  - No material weaknesses involving internal control over financial reporting and its operation
  - Testing disclosed no instances of non-compliance or other matters required to be reported under *Government Auditing Standards*



# FY2021 Financial Statements

## Areas of Audit Emphasis:

<ul style="list-style-type: none"><li>➤ Internal accounting and financial reporting controls</li><li>➤ Cash and investment disclosures</li><li>➤ Loans, grants and interest receivable, including assessment of allowances and related revenue</li><li>➤ Proper cut-off of accounts payable and accrued expenses</li><li>➤ Bonds payable and covenant compliance</li><li>➤ Grants payable and grant payments</li><li>➤ Sales tax revenue</li></ul>	<ul style="list-style-type: none"><li>➤ Implementation of GASB 86 and accounting for cash defeasance of debt</li><li>➤ Proper net position classification</li><li>➤ Litigation and other contingencies</li><li>➤ Net OPEB asset</li><li>➤ Internal control over financial reporting and compliance and other matters pursuant to Governmental Auditing Standards</li></ul>
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# FY2021 Financial Statements

## Auditors' Required Communications

Topic	Auditors' Response
<b>Selection of accounting policies and procedures</b>	<ul style="list-style-type: none"><li>▪ No instance of alternative accounting treatment available during FY21</li></ul>
<b>Adoption of, or change in accounting policies</b>	<ul style="list-style-type: none"><li>▪ GASB 92 was required to be adopted during the year ended June 30, 2021 and had no material effect on the Authority's financial statements.</li></ul>
<b>Significant or unusual transactions</b>	<ul style="list-style-type: none"><li>▪ None identified</li></ul>
<b>Disagreements with management</b>	<ul style="list-style-type: none"><li>▪ None</li></ul>
<b>Consultations with other accountants</b>	<ul style="list-style-type: none"><li>▪ None</li></ul>
<b>Significant issues discussed with management</b>	<ul style="list-style-type: none"><li>▪ None</li></ul>
<b>Significant issues/difficulties in performing audit</b>	<ul style="list-style-type: none"><li>▪ None</li></ul>
<b>Significant written communications between MSBA and RSM</b>	<ul style="list-style-type: none"><li>▪ Contained in Representation Letter and comments</li></ul>