MEMORANDUM

To: Board of Directors, Massachusetts School Building Authority
From: James A. MacDonald, First Deputy Treasurer, Chief Executive Officer
Mary L. Pichetti, Executive Director, Deputy Chief Executive Officer
Date: April 17, 2025
Subject: MSBA Fiscal Year 2025 Budget Update

The following is a summary of the Massachusetts School Building Authority's (Authority) Fiscal Year 2025 (FY25) budget and expenditures update through April 17, 2025.

Administrative Expenses

Total Administrative Expenses budget for FY25 is $20.3 million. The original budget was $17.8 million and was increased due to an approved budget revision of $2.5 million to account for costs associated with the office move in June. The actual costs to date are $11.1 million or 55% of the revised budget.

Salary budget for FY25 totals $13.0 million for a total full-time equivalent (FTE) count of 126. This includes an estimated amount of $266,692 for a 3% cost of living adjustment (COLA) and an estimated $222,243 for a 3% merit pool. COLA adjustments for FY25 were implemented effective July 1, 2024 and the merit adjustments were implemented effective September 1, 2024. As of April 17, 2024, there were 103 positions filled and 24 positions open for a total FTE of 127, which includes the new Deputy ED, hired in March 2025 which was funded through realized budget savings. To date we have spent $8.0 million or 62% of the approved budget amount.

The Leased Space budget for FY25 is $1.5 million and have spent $1.2 million or 79% to date.

Utilities are budgeted at $50K in FY25, with actual costs of $26K, which represents 52% of the budget.

OPEB has a budget for FY25 of $250,000. Funds equal to the budget were transferred to the OPEB Trust on October 31, 2024.

Operating Expenses

Capital Pipeline Support Services budget for FY25 is $15.2 million. The original budget was $15.1 million and was increased due to an approved budget revision of $179 thousand to account for costs associated with the June office move. To date we have spent $7.6 million or 50% of the budget.

Total Operating Expenses

Total Operating Expenses budget (which includes Administrative and Capital Pipeline Support Services) for FY25 is $35.6 million. Actual expenses to date were $18.6 million or 52% of the budget.

Grant Program

Capital Pipeline Grants

The total budget for FY25 is $847.1 million, to date we have spent $577.7 million or 68% of the budget for Capital Pipeline Grants. The total expended amount includes payments related to the Authority's Supplemental Grants, which are reflected below the line on the Board Budget Report.

Total Operating and Capital Budget

The Authority's total overall budget (including operating and capital expenditures) for FY25 is $883 million. To date we have spent $596.3 million or 68% of the budget. The total budget of $883 million includes the approved budget amendment of $2.7 million for the upcoming office move in June 2025, as previously discussed above.