outside //

The icon for MASCO’s new placemaking program, named outside, is the two dashed lines you see above. For those of you who are fortunate to spend some time in the music world, you know that the dashed lines are a caesura and tell us when to pause or take a breath. We thought this would be useful in the Longwood Area.
Left: Of an Oak Brass Band performs amid the ever-evolving and always improving landscape of the Longwood Medical Area. Stoneman Park, Brigham and Women’s Hospital.

On the cover: Shapiro Plaza at Beth Israel Deaconess Medical Center.
Dear Members,

This year I am especially gratified to be among you who are building a moral, just, cultured, educated and healthy society in the midst of rapidly changing times and disquieting events.

Despite the many opportunities and challenges that each of our member institutions faces, MASCO appreciates that dedicated and talented individuals in the Longwood community have volunteered to serve on our committees, where the membership is robustly represented.

Surpassing Goals

Like all of you, MASCO staff set dynamic goals. MASCO exceeded its FY19 Budget for Income from Operations. Although we own or lease 2,300 parking spaces in the Longwood Area to support those whom public transit doesn’t serve, we strongly encourage alternative transportation methods. MASCO’s program for decreasing the cars in Longwood by helping employees find substitutions to driving solo, increased the number of registrants to over 10,000. Our shuttle bus system was on-time over 90% of the time. Eleven thousand employees are riding our buses from off-site parking lots and the commuter rail, instead of adding to congestion in the LMA. To make sure that those on the road — both bicyclists and automobile drivers — are safe for themselves and others, we encouraged learning the “Rules of the Road” with a campaign of gift cards, posters and social media. Over 1,800 participants representing 90% of our member institutions took the updated Karma Campaign safety quiz.

Our telecommunications center is an important link throughout Longwood. MASCO operators have been successful in answering calls within 20 seconds 89% of the time.

MASCO employees continue to stretch themselves with challenging goals and complex initiatives that benefit members. We have many people to thank for their help in building a community here.
Making changes

After 15 enormously successful years, we are especially thankful for Marilyn Swartz-Lloyd, MASCO’s President and CEO, who has decided to move to her next chapter in January, 2020.

Marilyn has made an immense contribution to MASCO and its employees. Working closely with our member institutions, she has been a tireless advocate in terms of public policy, sustainability and transportation, ownership and operations of the LMA shuttles and the telecommunications center, financial strength for the organization and, most recently, the launch of the outside program.

Marilyn has been a key voice on our behalf in the State House, City Hall, business centers and neighborhood organizations, consistently promoting the important role that the LMA plays as an economic power house, as well as a leader in healthcare, life sciences, education and jobs. Her leadership has been critical to assuring that our members’ concerns are addressed by public policy leaders, elected officials and regulators across the nation.

Marilyn has brought a keen eye not only to member relations and public engagement, but also governance, operations, facilities, planning, management, marketing and communications. Her past experience in high profile roles at major nonprofit institutions, public entities and in the private sector has enabled her to benefit MASCO, our member institutions and the community at large.

With a deeply committed MASCO staff, her vision for a greater sense of community is visible throughout the Longwood area.

While we will certainly miss Marilyn’s visionary leadership, the organization is financially robust and ready for future opportunities, as well as challenges. The governing structure of the Board and committees is strong, member participation is active and the staff is excellent.

On behalf of all of us, I wish Marilyn the best in her very richly deserved next stage.

Dick Argys
Chair, MASCO Board of Directors
Chief Administrative Officer, Boston Children’s Hospital
Dear Longwood Community,

Guiding a mission driven organization has been immensely rewarding, and I have been fortunate to work with wonderful people and extraordinary institutions for over 15 years. Here are some perspectives on projects and experiences at MASCO that will grow and serve us all.

A transportation vision for Longwood

In 2016, with our members, we created a vision for Longwood that looks to the future for pedestrians, bikes, autos, buses, trucks and emergency vehicles. The planning staff had forecast close to 7 million square feet of building development and over 13,000 additional employees. Just three years later, overcrowded transit, congested roadways and busy sidewalks continue to create conflicts. To address these needs, a centrally located Transit Hub that includes bus pull-out lanes, consolidates existing MBTA stops, provides sheltered waiting areas, increases building setbacks, accommodates bicycles, and strengthens the LMA physical identity, has been studied, evaluated and proposed by the Area Planning Department and Strategic Planning Committee to be created over 10 years as building owners design new developments.

Reducing cars and improving access in Longwood now

Throughout the last decade a variety of major public transportation investments have been put in place as a direct result of MASCO’s advocacy. The creation of the Lansdowne Commuter Rail Station with its more than 44 service stops for employees living west of Boston was completed in 2014. For commuters south of Boston, MASCO developed the plan and helped to secure funding for a new rail platform at Ruggles Station that expands service there as well.

Other important transportation planning improvements throughout Longwood have included new bicycle lanes, pedestrian safety enhancements, improved traffic signals, wider turning radii and street striping.

Karma Commuting was established in 2012, reflecting MASCO’s commitment to spearheading safe and sustainable modes of transportation to and from the Longwood Medical Area. This awareness campaign is just one of the many advocacy strategies MASCO has employed over the years.
For seven years, “Karma Commuting”, MASCO’s area-wide safety and courtesy campaign has promoted the rules of the road and encouraged a better commuting experience for people using all modes of transportation.

MASCO’s Wayfinding vehicle and pedestrian signs define the LMA and guide access to our institutions.

Our Operations Department staff manages access for over 11,000 passengers on our shuttle system. This year, we entered into a new 5-year bus contract to operate MASCO’s 37 shuttles. The results will be improved customer service and keeping thousands of cars off the streets. Commuter Services folks from our member institutions and the Operating Services Committee bring to our table both seasoned experience and fresh perspectives.

Increasing connections and supporting the community

Another transformation has been in the telecommunications system. MASCO’s Call Center answers main line calls and administers pagers for Beth Israel Deaconess, Dana-Farber and Joslin and provides telephone answering service to 30 community health centers and 250 private medical practices. The Call Center also serves as the communication link among the LMA institutions for medical and non-medical emergencies.

This year, we upgraded the hardware and migrated to a new software platform used for all services that manage and operate telecommunications services. Having utilized the previous software platform for over a decade, the process has taken extensive planning, design, implementation and programming, with Beth Israel Deaconess and Dana-Farber working collaboratively with us.

Part of our customer service training in working with patients includes a Mr. Rogers video on caring. We ask operators to close their eyes and think about a person who made a difference in their lives from acts of kindness.
MASCO has also played an increasingly important role in coordinating the collective efforts of the area to improve its ability to respond to crises like paralyzing winter blizzards, transportation emergencies and the marathon bombing tragedy. Over the years, we’ve increased the number of organizations and institutional staff throughout the LMA who participate in our emergency preparedness Joint Operating Center training.

Responding to family needs of staff and students, we have also assured child care for nearly 200 youngsters per year in the Longwood Medical Area Child Care Center, founded by MASCO as a nonprofit, and through a contract with Bright Horizons at 401 Park. Continuing a tradition with another organization that MASCO incubated, we have supported the work of the Colleges of the Fenway to help implement a wide range of shared programs and initiatives.

Every day, from MASCO’s founding in 1972, we have addressed countless emerging issues facing our members.

**Taking a breath**

From advancing change, we enter the world of slowing down and building a healthy community. Just as we have evolved with rapidly changing technology, we have also been eager to create qualitative experiences where people come together.
Every day, from MASCO’s founding in 1972, we have addressed countless emerging issues facing our members.

We have completed our third upgrade for the MASCO.org website. In addition to extensive shuttle information, our companion site, LongwoodArea.org, includes 12 walking tours throughout the LMA to enhance the student, employee, patient and visitor experience, whether the interest is an academic, cultural, scientific, medical, retail or sustainable environmental experience. This additional newly developed site, Longwoodarea.org, urges people to “Get Social” and lists places to eat, play, visit and learn.

We have added public street furniture, seasonally colorful planters and hanging flowering baskets, and streetscape and public park improvements. Of particular note is the restoration of Evans Way Park where, in 2008, MASCO had coordinated members and abutters to raise funds for 33 new trees, replacement benches and rebuilt pathways, as well as the repair of street lights and sidewalks.

With the Strategic Planning Committee, the Area Planning Department has developed an exceptional new experience for Longwood this year, a “placemaking” program identified as outside//. We have begun funding capital expenses for a three-year pilot at seven sites in the LMA. Member institutions fund the operating expenses. You can see examples of the spaces, programs and experiences throughout this annual report.

An important aspect of much of what we do is build collaboration and involve many members in the creative process. We want to shape a program and places for the future for people to work, rest, rejuvenate, meditate or play here. Successful places have strong bones and will develop in organic ways.

Every day and every year in Longwood is special, and we at MASCO are particularly fortunate to work with such significant partners. I am grateful for having spent my days with such talented and dedicated people.

To the MASCO staff, Board and committees and all my friends and colleagues in Longwood and beyond, thank you for everything that you do for the people that you serve. As Mr. Rogers says in the Call Center’s training film, “When you care enough, you change the world.”

Marilyn Swartz-Lloyd
President and CEO
Rapidly changing science and technology is a driving force in the Longwood area. To offset this demanding pace, we are eager to create qualitative experiences and places where people come together and refresh. An important aspect of placemaking, and actually much of what we do at MASCO, is to build collaboration and involve many members in this creative process.

MASCO worked in conjunction with the Wyss Institute to create free outdoor art installations that nod to the area’s science research. Here a microscopic image of a butterfly’s wing is shown at the 77 Avenue Louis Pasteur site.

MASCO contracted a variety of food trucks several days a week at different locations in the neighborhood to encourage people to take their lunches outside. Here is Countway Courtyard, Harvard Medical School.

Namaste! The weekly Monday and Friday afternoon yoga had everyone, literally, taking a deep breath and easing into both the work week and weekend at 77 Avenue Louis Pasteur, Harvard Medical School.

Weekly Chess Simuls were held where members of the public could try their hand at competing with nationally ranked chess master, Marc Esserman in the Countway Courtyard, Harvard Medical School.
Ping Pong, board games and book carts, oh my! Outside, provided many activities to encourage people to take a break and have a little fun in Shapiro Plaza, Beth Israel Deaconess Medical Center.

For three days a week the strains of Classical, World, Blues, Soul and Jazz musicians could be heard throughout the neighborhood. Shapiro Plaza, Beth Israel Deaconess Medical Center.

This chair is waiting for you! Smith Plaza, Dana-Farber Cancer Institute.

Book carts were available at multiple sites with a variety of bestsellers, magazines and daily newspapers. These carts functioned as outdoor libraries where people could borrow something to read while enjoying the weather. Countway Courtyard, Harvard Medical School.

The Author and Storytellers Series occurred weekly on Tuesdays and Thursdays; authors, poets and speakers performed for audiences in Countway Courtyard, Harvard Medical School.
These pages provide an overview of MASCO’s Financial Performance for the year ending June 30, 2019. In addition to providing information for the most recent year, we went back to look at MASCO’s financial performance during Marilyn Swartz-Lloyd’s tenure at MASCO. The information presented captures many highlights. For a copy of MASCO’s audited financials for FY2019, please contact mascoinfo@masco.harvard.edu.

### Return on Investments

2.5%

For period ending June 2019

<table>
<thead>
<tr>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.5%</td>
<td>6.4%</td>
<td>3.6%</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

### Debt Coverage Ratio

4.34 times

MASCO’s lease for the shuttle buses requires a debt coverage ratio of no less than 1.00 times. MASCO has comfortably exceeded this requirement for all fiscal periods since the lease inception in FY14. Debt coverage ratio is total revenues minus total expenses divided by total debt service.

### Investment Portfolio

$43.4 million

### Net Assets

$59.5 million

### Capital Expenditures

$1.8 million

### Shuttle Bus Lease Liability

$6.5 million

In FY14, MASCO entered a lease with JP Morgan Chase Bank to provide funding for the 37 vehicle shuttle fleet. The initial amount of the lease was $13.5 million for a term of 10 years. As of the end of FY19, MASCO was more than half through the term of the lease with a balance of $6.5 million remaining. This lease is MASCO’s only outstanding debt.
### 15 Year Financial Performance Dashboard

**Statement of Financial Position**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2009</th>
<th>2014</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>2,915</td>
<td>4,712</td>
<td>2,283</td>
<td>3,090</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>866</td>
<td>1,086</td>
<td>793</td>
<td>888</td>
</tr>
<tr>
<td>Investments</td>
<td>13,464</td>
<td>17,224</td>
<td>33,317</td>
<td>43,385</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>19,796</td>
<td>19,274</td>
<td>27,805</td>
<td>21,176</td>
</tr>
<tr>
<td>Other assets</td>
<td>1,657</td>
<td>1,682</td>
<td>1,761</td>
<td>2,789</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>38,698</td>
<td>43,978</td>
<td>65,959</td>
<td>71,328</td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>1,598</td>
<td>1,443</td>
<td>1,990</td>
<td>1,906</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>1,035</td>
<td>759</td>
<td>1,544</td>
<td>2,571</td>
</tr>
<tr>
<td>Long term debt liability</td>
<td>21,409</td>
<td>13,901</td>
<td>14,690</td>
<td>6,460</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>698</td>
<td>906</td>
<td>518</td>
<td>862</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>24,740</td>
<td>17,009</td>
<td>18,742</td>
<td>11,799</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>13,958</td>
<td>26,969</td>
<td>47,217</td>
<td>59,529</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>38,698</td>
<td>43,978</td>
<td>65,959</td>
<td>71,328</td>
</tr>
</tbody>
</table>

**Statement of Activities**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2009</th>
<th>2014</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total operating revenue</strong></td>
<td>25,608</td>
<td>33,734</td>
<td>30,747</td>
<td>34,723</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>24,387</td>
<td>29,674</td>
<td>29,429</td>
<td>31,337</td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>3,483</td>
<td>4,318</td>
<td>5,140</td>
<td>5,767</td>
</tr>
<tr>
<td>Professional and contract services</td>
<td>11,710</td>
<td>14,748</td>
<td>14,106</td>
<td>12,836</td>
</tr>
<tr>
<td>Rent, maintenance and utilities</td>
<td>4,819</td>
<td>6,810</td>
<td>7,091</td>
<td>8,299</td>
</tr>
<tr>
<td>Equipment rentals and maintenance</td>
<td>1,114</td>
<td>467</td>
<td>653</td>
<td>585</td>
</tr>
<tr>
<td>Supplies, insurance and other</td>
<td>613</td>
<td>682</td>
<td>869</td>
<td>802</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,193</td>
<td>1,896</td>
<td>1,153</td>
<td>2,861</td>
</tr>
<tr>
<td>Interest expense</td>
<td>1,456</td>
<td>753</td>
<td>417</td>
<td>187</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>24,387</td>
<td>29,674</td>
<td>29,429</td>
<td>31,337</td>
</tr>
<tr>
<td><strong>Excess operating revenue over operating expenses</strong></td>
<td>1,221</td>
<td>4,060</td>
<td>1,318</td>
<td>3,385</td>
</tr>
<tr>
<td><strong>Other income (expense)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment Income, net of spending guideline</td>
<td>367</td>
<td>(1,513)</td>
<td>3,676</td>
<td>401</td>
</tr>
<tr>
<td>Recovery of (provision for) taxes on income</td>
<td>(40)</td>
<td>(105)</td>
<td>(15)</td>
<td>(92)</td>
</tr>
<tr>
<td>Loss on disposal of fixed assets</td>
<td>-</td>
<td>(23)</td>
<td>(61)</td>
<td>(6)</td>
</tr>
<tr>
<td><strong>Excess revenue over expenses</strong></td>
<td>1,548</td>
<td>2,419</td>
<td>4,918</td>
<td>3,688</td>
</tr>
</tbody>
</table>

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**Financial Milestones 2004 – 2019**

- **2004**
  - MASCO begins advertising on buses
- **2005**
  - Merck joins MASCO as first participant in new associate member program
- **2005**
  - MASCO adopts Investment Policy Statement
- **2006**
  - MASCO is one of the first private transit agencies to upgrade to low diesel buses
- **2006**
  - MASCO launches automatic payment at the garage exit lanes for 375 LWA
- **2007**
  - 375 Longwood Avenue debt refinancing eliminates need for member guarantee
- **2010**
  - 10th year of no Area Planning member assessment
- **2011**
  - MASCO provides accounting services for Longwood Medical Energy Collaboration
- **2014**
  - MASCO purchases bus fleet of 37 vehicles
- **2014**
  - 375 Longwood Avenue debt retired
- **2016**
  - Spending guideline to fund Strategic Initiatives adopted
- **2017**
  - MASCO provides accounting services for BCD Hospital Collaborative
- **2019**
  - MASCO launches outside// and funds start up costs
Board and Committee Members

BOARD OF DIRECTORS
(as elected at the June 24, 2019 Annual Meeting)

MASCO
Marilyn Swartz-Lloyd, President (ex officio)

Beth Israel Deaconess Medical Center (BIDMC)
Kevin Tabb, MD, Chief Executive Officer
Peter Healy, President

Boston Children's Hospital (BCH)
Sandra L. Fenwick, Chief Executive Officer
Dick Argys, Senior Vice President and Chief Administrative Officer

Brigham and Women’s Hospital (BWH)
Ron M. Walls, MD, Executive Vice President and Chief Operating Officer

Dana-Farber Cancer Institute (DFCI)
James Terwilliger (DFCI)

Emmanuel College (EC)
Sister Janet Eisner, SND, President

Harvard University (HU)
Lisa Muto, PhD, Executive Dean for Administration

Isabella Stewart Gardner Museum (ISGM)
Peggy Fogelman, Norma Jean Calderwood Director

Joslin Diabetes Center (JDC)
Peter Amenta, MD, President and Chief Executive Officer

Judge Baker Children’s Center (JBCC)
Robert P. Franks, PhD, President and Chief Executive Officer

Massachusetts College of Art and Design (MCAD)
David Nelson, PhD, President
Robert Perry, Vice President of Administration and Finance

MCPHS University (MCPHSU)
Charles F. Monahan, Jr., President

Massachusetts Department of Mental Health (MDMH)
Joan Mikula, Commissioner

Simmons University (SU)
Helen Dinan, President

Temple Israel (TI)
Marc Maxwell, President
Dan Deutsch, Executive Director

Wentworth Institute Of Technology (WIT)
Mark Thompson, PhD, President

The Winsor School (WS)
Sarah Pelmas, PhD, Head of School

Directors at Large
Stephen P. Koster, Esq.
Edward H. Ladd
Meredith Weenick

Chairman Emeritus
Rudman J. Ham

MASCO GOVERNANCE COMMITTEES

Executive Committee
Dick Argys (BCH), MASCO Chair
Sister Janet Eisner (EC), MASCO Vice-Chair
Peter Healy (BIDMC)
Charles F. Monahan, Jr. (MCPHSU)
Lisa Muto (HU)
James Terwilliger (DFCI)
Ron M. Walls, MD (BWH)
Marilyn Swartz-Lloyd, MASCO President (ex officio)

Compensation Committee
Dick Argys (BCH), MASCO Chair
Charles F. Monahan, Jr. (MCPHSU)
Michael Reney (DFCI)

Finance Committee
Rick Lessard, Chair (MCPHSU)
Eliot Lurier, Vice-Chair (JDC)
Dick Argys (BCH), MASCO Chair
Michael Cullan (BIDMC)
Christophuer Dunleavy (BWH)
Edward H. Ladd (at large)
Michael Reney (DFCI)
Doug Vanderslice (BCH)
Marilyn Swartz-Lloyd, MASCO President (ex officio)

Nominating and Governance Committee
Dick Argys (BCH), MASCO Chair
Marilyn Swartz-Lloyd, MASCO President (ex officio)

Operating Services Committee
Walter Armstrong, Co-Chair (BIDMC)
Robert Totino (WIT), Co-Chair
John Crompton (WS)
Chris Correia (FH)
Dan Deutsch (TI)
Robert Dickson (HU)
Sister Anne Donovan (EC)
Hugh Flaherty (DFCI)
Kitty Howard (MDMH)
Rick Lessard (MCPHSU)
Joan Martinez Cuerva (SU)
Michael Melisi (JDC)
Christina O’Keefe (JBCC)
Robert Perry (MCAD)
Jeff Pike (MEEI)
George Player (BWH)
Sharon Rose (Merck)
Clifford Rust (ISGM)
Henry Tomasuolo (BCH)

P.J. Cappadona, Vice President for Operations, MASCO and Stephen P. Koster, Esq., MASCO Board of Directors, Director at Large.

Gina Vild, MASCO Guest Speaker, Chief Communications Officer for Harvard Medical School.

Mark Fuller, MASCO Board of Directors, Trustee Emeritus, MCPHS University and Sister Janet Eisner, Vice Chair, MASCO Board of Directors and President, Emmanuel College.

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 MASCO OFFICERS
President and Chief Executive Officer
Marilyn Swartz-Lloyd
Vice President of Finance and Administration, Treasurer and Chief Financial Officer
Holli G. Roth
Clerk
Jay E. Bothwick, Esq.
Assistant Clerk
Norva H. Kennard, Esq.

MASCO ASSOCIATE MEMBERS
BU Wheelock College of Education and Human Development
Fenway Community Health Center (FH)
Massachusetts Eye and Ear Infirmary
Merck Research Laboratories

Photos ©2019 Margaret Hastings
Of an Oak Brass Band performs at Stoneham Park, Brigham and Women’s Hospital.