

Southfield Redevelopment Authority  
Advisory Board meeting  
March 16, 2015 @ 7:00pm  
Conference Room, 223 Shea Memorial Drive

Members Present: Carol Karlberg, Chairman  
Bruce Hughes, Vice Chairman  
Eric Hart, Secretary  
Martin Pillsbury  
Eric Miller  
Joseph Shea

Members Unable to Attend: Bill Koplovsky  
Joe Gambon

Also in Attendance: Scott Bois, Treasurer/Collector

The Chairman called the meeting to order at 7:00pm and informed the Board that she spoke to the SRA attorney and confirmed that the Directors were allowed, per Legislation, to approve the FY15 budget even though the Advisory Board had not yet provided their recommendations.

Mr. Bois reviewed the FY15 Additional Appropriation Request of \$448K and the five departments impacted with increased operational expenses: Board of Directors, DPW, Legal, Pension & Benefits and Education. He noted many of the increases were related to the new Legislative implementations. Discussion ensued on snow, legal and education expenses. The Board was informed that \$60K in legal bills were withheld in the warrant; and that some SRA Directors had issues with the per-pupil cost formula in the Weymouth Contract for Southfield students. Mr. Hart noted his opposition to the additional appropriation request for education expenses because of overcharges in the FY15 Weymouth Education Agreement. Mr. Pillsbury was informed that the education expense would come off the SRA books in FY16.

Discussion ensued on the continuing Parkway maintenance costs to SRA, and the assumption (per new Legislation) that LNR was now the responsible party. The annual Parkway debt of \$1.8M could be reduced based on new state revenue generated by the redevelopment project. Concerns were raised that there would not be enough development to offset the Parkway debt. The new Legislation required the SRA to renegotiate the Parkway Agreement, and the State established a deferral of the parkway payment obligation until FY18, but the SRA must still submit new state revenue calculations each year.

The new Legislation also required the Towns to take over municipal services in consideration of the collection and retention of taxes. The SRA Tax Plan was amended to reimburse the Towns for municipal services from January – June 2015. The SRA and the Town of Weymouth were still working on a Service Agreement for those reimbursements.

The Treasurer reviewed the Infrastructure Bond, an approximate \$1M annual obligation, with revenue coming from tax pledges and a Special Assessment for any shortfall. Currently the Special Assessment only included parcels owned by the Master Developer. Beginning in FY16 the Towns would collect Southfield taxes and remit to the SRA a percentage as pledged tax revenue toward the Bond, as well as monies collected from the Special Assessment for the remaining balance.

The Board was informed that this year's tax levy was \$200K less than last year; the commercial tax rate would drop from \$30.73 to \$22.12 and the residential rate from \$13.47 to \$11.39. Mr. Shea was informed that DOR certification of the SRA tax rate was still pending, so the 3<sup>rd</sup> and 4<sup>th</sup> quarter tax bills would be mailed together in April with payment due in May.

Discussion ensued on the factors revolving around the FY16 Southfield Tax Rate, which could differ in each of the three Host Communities based upon their valuations and tax classifications. Mr. Hart questioned whether the Towns' existing accounting systems could handle a program to calculate an additional tax rate onto Southfield property bills. Mr. Shea suggested that the three Towns have regular meetings with DOR to make sure there were no problems.

The Treasurer reviewed the FY15 Revenue Sources, noted a reserve of \$291K, required by the State as part of previous Parkway debt obligation, was expected to be refunded and utilized as FY15 revenue. Mr. Bois recommended that \$324K be appropriated from free cash to restore the Stabilization Fund.

The Board was informed that after June 30, 2015 the SRA would still be a water/sewer district, with Planning, Debt and DOR obligations. Mr. Pillsbury was informed that Stormwater management was part of the DPW Budget, and that there were no changes to the FY15 water/sewer budget except for allocations within the Budget (as per DOR) to include salaries and allocations for management of the Enterprise Fund.

Further discussion ensued on the new Legislation and the need to clarify if all obligations were met and the Legislation in effect; otherwise a completely different FY16 Budget must be prepared.

It was noted that the SRA paid on average over \$21 per unit of water to the Town of Weymouth and that the Weymouth Agreement would expire at the end of FY16. It was recommended to renegotiate the water supply cost, which could further assist in reducing rates. Discussion ensued on unaccounted water flow (approximately \$30K) in the old NAVY infrastructure (LNR property), and unpaid outstanding water bills totaling approximately \$100K. There were additional unresolved issues with LNR/Starwood that still needed to be addressed.

**VOTED: Motion of Joseph Shea, seconded by Martin Pillsbury, to acknowledge that the Advisory Board reviewed and recommended approval the FY15 Supplemental Budget 5-1 vote Hart opposed**

In other business, Mr. Shea requested a discussion of LNR mitigation payments due to the Towns on the next agenda; the Towns will need those funds to help with the transition costs.

Mr. Pillsbury was informed the mitigation payments were due 30 days after all Legislative obligations were met (Dec. 31, 2014), and that Starwood had publicly stated that the Phase 2 Parkway Financing Agreement was not viable, and they would not meet their obligations under the new Legislation until that agreement was amended to their satisfaction. It was noted that a working group was established to go back to the State to try to expand the Phase 2 Parkway Agreement.

#### Status of Governor Appointees

The Advisory Board reviewed and amended the letter to be sent to Governor Baker requesting appointments to the three vacant seats on the Board that were under his authority.

**VOTED: Motion of Eric Hart, seconded by Eric Miller, to send the amended letter to Governor Baker requesting the three Legislative appointments to the Advisory Board**

**Unanimous vote**

#### Minutes

**VOTED: Motion of Eric Hart, seconded by Eric Miller, to approve the minutes of the Advisory Board held on Oct. 27, 2014**

**5-0-1 vote Shea abstained**

A request was made for updated contact lists of Advisory Board members.

**VOTED: Motion of Eric Miller, seconded by Bruce Hughes, to adjourn the meeting**

**Unanimous vote**

The meeting ended 8:30pm

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Mary Cordeiro, Recording Secretary

Carol Karlberg, Chairman

Documents reviewed during the meeting

FY15 Supplemental Budget

Letter of request to Gov. Baker