

Southfield Redevelopment Authority
Advisory Board
Wednesday, May 23, 2018 @ 7:00pm
Conference Room, SRA office

Directors Present: Carol Karlberg, Chairman
Joseph Shea
Bruce Hughes
Lawrence Leahy
Eric Miller
Martin Pillsbury
William Koplovsky

Also Present: Paul Niedzwiecki, Executive Director
Eric Hart, Treasurer

The Chairman called the meeting to order at 7:00pm.

State Auditor's Report, Discussion

Treasurer, Eric Hart, said the State Auditor's Report raised some serious issues that need to be dealt with, such as late reporting and the need for a contingency plan in the event something happened to the Master Developer. Mr. Hart said a minimum of half a Parkway Bond payment needs to be set aside as reserved money in the Stabilization Fund; discussion regarding various appropriate amounts followed.

Paul Niedzwiecki, Executive Director, said the report deserves a comprehensive look. He also said another source of revenue would be to seek money from other sources but, with only two staff members, it is difficult to write grant applications. He added that a clear, and more robust, development plan needs to be written, and projections need to be provided by June 30.

Regarding the Navy Payment Note, Mr. Niedzwiecki said \$3,000,000 of the original \$10,000,000 has been paid and LStar will probably look to re-negotiate the balance. He said the MassDevelopment Finance Agency (MDFA) has been making payments on the Parkway Bond, and they may want the Authority to provide partial reimbursement (claw-back payments) for recent years.

Mr. Hart said the State appears to be willing to work with SRA to come to a resolution that is workable.

VOTED: Motion made by Joe Shea, seconded by Bill Koplovsky, that the Advisory Board strongly recommends moving at least \$1,100,000.00 from Free Cash to the Stabilization Fund with future yearly increases.

VOTED 6-1 with Eric Miller opposed

VOTED: Motion made by Joe Shea, seconded by Martin Pillsbury that the Board supports sufficient staffing as reflected in the proposed current expense budget.

Unanimous 7-0 vote

VOTED: Motion made by Joe Shea, seconded by Bruce Hughes, that the Board of Directors (BOD) work with the Executive Director and financial staff to ensure stability issues raised by the state audit are addressed in any future negotiations, e.g. DDA, or other agreements.

Unanimous 7-0 vote

VOTED: The Advisory Board supports future actions of the Board of Directors in complying with contingent liabilities (Parkway Bond) on pages 7 and 8 of the audit report.

Unanimous 7-0 vote

FY19 Budget

Expenses were reviewed; some of the increases/decreases explained included:

- Increase to approximately \$5,000.00 for each member of the BOD
- Increase in the Recording Secretary expense (no longer being done in-house)
- A decrease in accounting support by either lowering the cost of Munis, or selecting other software
- A significant reduction in legal fees as Executive Director, Mr. Niedzwiecki, is an attorney

VOTED: Motion made by Eric Miller, seconded by Martin Pillsbury to set the Board of Director's salaries at \$5,000.00 per person, per year.

6-0-1, with Joe Shea abstaining

VOTED: Motion made by Martin Pillsbury, seconded by Bill Koplovsky, to recommend the budget, as presented, to the Board of Directors.

Unanimous 7-0 vote

Status of Vacancies

Director Niedzwiecki reported that the BOD recommended a half time finance position and a part time bookkeeper position, which has been advertised. With Rob Downey recently leaving, resources will be looked at to see if 3 full time positions may make more sense. He also recommended the Advisory Board meet quarterly.

Next Meeting: date uncertain


Adjournment

VOTED: Motion of Joe Shea, seconded by Bruce Hughes to adjourn the meeting at 8:37pm.

Unanimous 7-0 vote



Patricia Fitzgerald, Recording Secretary



Carol Karlberg, Chairman

Documents reviewed during the meeting:

Budget FY19