

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

Members Present: Carol Karlberg, Chairman, Weymouth
Bill Koplovsky, Hingham
Eric Hart, Rockland
Jesse McSweeney, Rockland
Martin Pillsbury, MAPC
Eric Miller, Weymouth
Joe Shea, Abington

Members unable to attend: Bruce Hughes, OCPC

Also in attendance: Scott Bois, Treasurer/Collector
Walter Flynn, Chairman of the Board of Directors

Minutes

**VOTED: Motion of Martin Pillsbury, seconded by Eric Hart, to accept the minutes of the March 16, 2015 meeting of the Advisory Board
5-0-2 vote Koplovsky and McSweeney abstained**

FY16 Budget

The Advisory Board received the FY16 Budget in their agenda packets. Mr. Bois reviewed Revenue Projections, including Tax Pledged Revenue collections by the Host Towns, Entitlement Fees received from development land sales, Earnings on Investments and the District Tax Levy, totaling \$2,125,115.

The Board was informed that the Host Towns must pledge tax revenue back to the SRA, in accord with the 2010 Infrastructure Bond and Assessment Plan. The Board was informed that the SRA's budget included the annual payments for the Bond, and would need to front the payment due August 1st from Free Cash. A cash flow process needed to be established with the Towns to receive funds throughout the fiscal year. The second payment was due February 1st. A policy needed to be in place, moving forward, to maintain an annual reserve at an amount no less than the annual bond payment.

Mr. Koplovsky was informed that a Balance Sheet would be prepared for the Board of Directors on May 11, 2015, to report on financials as of that date. Information was provided on the Parkway Financing Agreement and how deficiency payments are calculated utilizing new state revenue generated by development and construction, versus the annual parkway debt obligation.

Mr. Hart was informed that year-end educational costs were estimated because the number of students was not known at this time; and that Pledged Tax Revenue due to SRA (based on FY15 valuations) would

amount to approximately \$20K/Rockland, \$1,300/Abington, and \$500K/Weymouth. Mr. Koplovsky noted that the original Legislation (1998) had projected that Rockland would receive up to 25% of their budget from shared surplus revenue.

The Board was informed that based on FY15 Tax Levy and Valuations, the Southfield Rate would be about \$2 per \$1000. Discussion ensued on earmarking some Free Cash to the FY16 Budget in order to bring the Southfield rate down to \$0.50 cents.

Salaries were reviewed for staff and directors. It was noted that a Director made a suggestion at their last meeting that the Board take a zero salary in consideration of reducing the Southfield rate (by \$0.40). A lengthy discussion ensued on health insurance and retirement benefits for SRA employees. Questions were raised about Directors eligibility to claim health and retirement benefits.

The Treasurer reviewed each expense line item and supporting detail. Questions were asked on SRA liability exposure in FY16. It was noted that building and roadway O&M would be reduced to zero; compensation for the Board of Directors would increase from 5 to 9 officials.

Concerns were voiced by several Advisory Board members that FY15 legal expenses exceeded the budget. Mr. Miller requested copies of the paid legal invoices, and was informed that they were not public documents at this time, they were being held under lawyer/client privilege.

Mr. Miller made a motion to recommend that the Board of Directors evaluate their legal needs to determine if the firm of Burns & Levinson could fulfill that need. There was no second.

The Board was informed that the Reserve fund could be removed from the budget based upon available Free Cash; removing it from the Budget would reduce the Southfield rate by about \$0.15.

Further discussion ensued on the transfer of roads to Weymouth, the operation/maintenance of the consecutive water system and the Delahunt Parkway, and ways to further reduce the Southfield Tax Levy.

The Board reviewed the FY16 Water/Sewer Enterprise Fund and voiced concern on the cost of water. Mr. McSweeney suggested a letter be sent to the Town of Weymouth requesting an explanation as to why Southfield residents were charged more for water than other Weymouth residents.

VOTED: Motion of Jesse McSweeney, seconded by Eric Miller to ask Board of Directors to send inquiry to Town of Weymouth asking why Southfield residents were charged more for water than Weymouth residents

Unanimous vote

VOTED: Motion of Eric Hart, seconded by William Koplovsky, to recommend that the Board consider being paid on a reimbursable basis for their expenditures, rather than a fixed amount compensation

Unanimous vote

VOTED: Motion Eric Hart, seconded by Jesse McSweeney, to recommend that the \$45K Reserve Fund be removed from the FY16 Budget

Unanimous vote

VOTED: Motion of Eric Hart, seconded by Joseph Shea, to recommend that the MUNIS expense line be moved from #133 Finance Computer Services to #155 Information Systems

Unanimous vote

VOTED: Motion of Eric Hart, seconded by Bill Koplovsky, to recommend that the Board use up to \$287K in Free Cash to bring the Southfield tax rate down to \$.50 per 1000 of value

Unanimous vote

VOTED: Motion of Eric Hart, seconded by Jesse McSweeney to recommend that the Board transfer \$42,500 from the Enterprise Fund Salaries & Allocations to the General Fund.

Unanimous vote

The Chairman suggested that LStar representatives be invited to the next Advisory Board meeting, and that another letter be sent to the Governor requesting his three appointments that were needed to complete the Advisory Board. The Board discussed crafting a recommendation on the Budget after hearing back from the SRA, Plymouth County Retirement Board and Town of Weymouth.

VOTED: Motion of Eric Hart, seconded by Bill Koplovsky, to present preliminary recommendations on the FY16 Budget to the Directors for their review and comment at their May 11th meeting

Unanimous vote

Mr. Shea stated there was an urgent need for the three Towns to receive mitigation funds that were negotiated by Starwood in return for supporting their new Legislation, and that LStar should be informed that Starwood defaulted on this binding commitment. Mr. Shea further stated that the Directors were the Authority overseeing the Master Developer, and had the authority to allow Starwood to transfer their interests in the Southfield project over to LStar Management, and that LStar Management should be told that Starwood reneged on the deals they negotiated with the Three Towns.

VOTED: Motion of Joseph Shea, seconded by Eric Hart, that the Advisory Board strongly recommend that the Board of Directors notify LStar that Starwood is still obligated to render mitigation payments to the Host Towns.

6-0-1 vote Miller abstained

Mr. Galluzzo, Weymouth, stated that the ability to provide Weymouth water to Southfield was over estimated by the Mayor; there was a dramatic drop in water level in Great Pond and Whitman Pond; Weymouth could not afford to give up the water being sold to Southfield.

Mrs. Parsons, Rockland, stated the new Legislation was very clear that the Developer was responsible for finding a water source for Southfield, and that the Advisory Board still needed to send a report to the Governor.

VOTED: Motion of Bill Koplovsky, seconded by Eric Hart, to adjourn the meeting

Unanimous vote

The meeting ended 9:30pm

Next Meeting - June 11th

Mary Cordeiro, Recording Secretary

Carol Karlberg, Chairman of the Board