



## **BOXBOROUGH AFFORDABLE HOUSING TRUST**

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### **Meeting Minutes**

**April 15, 2015**

**11:00 AM**

**Grange Meeting Room, Town Hall, 29 Middle Road**

**Members Present:**

Les Fox, Chair

Al Murphy

Ron Vogel

Channing Wagg

**Members Absent:**

Neal Hesler

**Others in Attendance:**

Jennifer Barrett, Town Accountant

Adam Duchesneau, Town Planner

Patrick McIntyre, Town Treasurer

Charles Patterson, Bartholomew & Company, Inc.

Joshua Paul, Bartholomew & Company, Inc.

Selina Shaw, Town Administrator (arrived at 12:45 PM)

The Chair called the meeting to order at 11:00 AM.

#### **Review of Boxborough Affordable Housing Trust Funds**

Mr. Patterson went over the background on Bartholomew & Company, Inc. and how each of the Town of Boxborough accounts is structured. He noted Town of Boxborough funds are pooled, but separated internally within each unit. Mr. Patterson also indicated each town has a separately managed set of holdings. Mr. Paul stated that each community has their own separate account as required by laws and regulations. He also explained that, by statute, Bartholomew may invest the Town funds only in a set of financial instruments or vehicles as defined by statute on the “Authorized List of Allowed Investments” that is prepared by the Commonwealth’s Commissioner of Banks. This list of allowed vehicles is also referred to as the “names on the legal list.”

Mr. Fox asked for an explanation about the columns in the chart that had been distributed and Mr. Patterson provided an explanation for each. Mr. Wagg asked who was generating the numbers for the chart and Mr. Patterson indicated the Town of Boxborough as well as Bartholomew & Company, Inc. Mr. Patterson noted the numbers in the chart are what are in the account on a cash basis. He explained that the reported yields reflect earnings only, not including appreciation. For 2014 the average yield was 1.63%, and for 2015 to date, it is 1.71%. Mr. Murphy asked if the earnings plus the principal are the total amount of funds and Mr. Paul indicated that was correct. Mr. Wagg asked what Bartholomew & Company, Inc.’s fees were and

Mr. Paul stated they were 0.55%, with  $\frac{1}{4}$  of the fee being charged each quarter against the portfolio. Mr. Paul indicated there are 2.5% investing limits on the Common and Preferred Stocks for the portfolio. Mr. Fox asked if all holdings were managed separately or if they were lumped together, and Mr. Paul stated all items were lumped together. At this time Mr. Patterson, Mr. Paul, and Mr. McIntyre departed from the meeting.

### **Review of Trust Fund Structure and Update on Reporting and Tracking**

Mr. Fox noted there has been an on-going discussion about the best way to track what is going on with the Boxborough Affordable Housing Trust (BAHT) funds and he had a proposal to track funding. Ms. Barrett stated she had revised the account reports to make it more clear what are Housing Board funds and what are BAHT funds. She gave a brief overview of the VADAR Expense-Variance reports relevant to the Trust and Housing Board. She stated that accounts that begin with 812 are only BAHT funds.

Mr. Murphy asked why the Regional Housing Services funds are separated out from the BAHT funds. Ms. Barrett indicated this is because of the way the BAHT voted it. Mr. Fox indicated this was correct and stated the BAHT has not been consistent with the way they have been voting on allocations. Mr. Murphy clarified the BAHT needed to make sure they are wording their votes more appropriately and Mr. Fox indicated that was correct.

Mr. Murphy stated he felt the Boxborough Meadows and Summerfields monitoring funds could be used to pay for Year 2 of the Regional Housing Services. Mr. Fox noted the BAHT needed to think about how Community Preservation Act (CPA) funds fit into payment for the Regional Housing Services in the future. Mr. Wagg noted it would make sense to send any newly acquired funds directly into the BAHT. There was then discussion about how to handle the existing monitoring funds.

Ms. Barrett noted she would prefer to spend the money out of the existing monitoring fund accounts. Mr. Murphy felt there should be two kinds of groupings in the BAHT funds: allocated and unallocated. Mr. Fox then provided a recap of past appropriations, authorizations, grants, etc. from the BAHT funds. Mr. Wagg stated it would be a good idea for the BAHT to meet quarterly to go over the financials of the BAHT.

At this time Ms. Shaw arrived at the meeting.

Mr. Murphy asked if the BAHT should make a motion to determine where new incoming funds should be allocated for the 70-72 Stow Road property. Mr. Fox noted this had already been addressed and these funds go back into the BAHT. Mr. Murphy asked what happens to future monitoring funds that are collected. Ms. Shaw stated she only remembered that conditions were put on the Applicant for what fees needed to be paid. She did not recall any funding restrictions on the Town's usage of the monitoring funds that were collected. Mr. Murphy pointed out if that was correct; the Housing Board has funds to pay for Year 2 of the Regional Housing Services.

Mr. Fox then MADE a MOTION that the trustees affirm that the Trust holdings as reported in account 812-177-5799-7705, reflect the balance of previously authorized allocations of Trust assets, as requested by the Boxborough Housing Board, to be used "to pay off past expenses, maintain the 72 Stow Road property, and pay for future pre-development," and approved by the

trustees unanimously on July 20, 2011; and, further, that expenditures against this allocation are to be made upon approval of the Boxborough Housing Board or its chair, as directed by the Boxborough Housing Board. Mr. Murphy SECONDED the MOTION. All members voted in favor.

Mr. Fox then MADE a MOTION that, pursuant to a request by the Boxborough Housing Board dated March 20, 2015, the trustees allocate the sum of \$5,465, to be retained by the Trust for use by the Housing Board to engage the services of Metro West Collaborative Development, Inc. to provide monitoring and support activities to the Housing Board for 2015, as described by the Housing Board's request; and, further, that expenditures against this allocation are to be made upon approval of the Boxborough Housing Board or its chair, provided that the Housing Board first expend available funds from the Monitoring Accounts 248-177-5399-7702 and 248-177-5399-7704. The Town Accountant is requested to set up new BAHT subaccount 812-177-5799-XXXX to track expenditures against this allocation. Mr. Murphy SECONDED the MOTION. All members voted in favor.

Mr. Fox then MADE a MOTION that, pursuant to a request by the Boxborough Housing Board dated April 9, 2015, that the trustees allocate the sum of \$2000 for use by the Housing Board for attendance of conferences and ancillary expenses as described in their request; and, further, that expenditures against this allocation are to be made upon approval of the chair of the Boxborough Housing Board or by vote of its members. The Town Accountant is requested to set up new BAHT subaccount 812-177-5799-XXXX to track expenditures against this allocation. Mr. Murphy SECONDED the MOTION. All members voted in favor.

#### **Use of Trust Funds with Community Preservation Act Funds: Guidelines and Process**

Ms. Shaw stated that CPA funds at the May 2015 Annual Town Meeting are going to be reserved for open space and recreation, historic preservation, and affordable housing, but none are being appropriated directly to the BAHT. Ms. Barrett indicated the BAHT needs to request the Community Preservation Committee (CPC) to appropriate funds directly to the BAHT. Should the CPC approve this request, it could then be put on a Town Meeting Warrant for approval and if passed by Town Meeting, the funds would be appropriated to the BAHT. Mr. Murphy pointed out that both the Housing Board and the BAHT can make requests to the CPC for funding appropriations.

At this time Ms. Barrett departed from the meeting.

#### **Approval of Meeting Minutes**

Mr. Murphy MADE a MOTION to approve the meeting minutes of December 11, 2013, January 29, 2014, and November 10, 2014. Mr. Vogel SECONDED the MOTION. Mr. Wagg asked that Elizabeth Hughes, Town Planner at the time of the December 11, 2013 meeting, be added to the attendees of the meeting on December 11, 2013 as she was present.

Mr. Murphy then MADE a MOTION to approve the meeting minutes of December 11, 2013, January 29, 2014, and November 10, 2014 as amended by Mr. Wagg. Mr. Vogel SECONDED the MOTION. All members voted in favor

At this time Mr. Vogel departed from the meeting.

**Election of Chair**

Mr. Wagg MADE a MOTION to nominate Mr. Fox as Chair of the BAHT. Mr. Murphy SECONDED the MOTION. All members voted in favor.

Mr. Murphy then noted the BAHT needed to think about how it can address affordable housing options in town. Mr. Duchesneau noted the Regional Housing Services entity, Metro West Collaborative Development, would be putting on a forum regarding the challenges of creating affordable housing in communities. Mr. Fox suggested perhaps the Planning Board needed to look again into developing a cluster housing Zoning Bylaw.

**Adjournment**

With no further business, the meeting was adjourned at 1:40 PM on a MOTION by Mr. Murphy, SECONDED by Mr. Fox, with all members voting in favor.