

MUNICIPAL FINANCE OVERSIGHT BOARD

December 10, 2025

10:00AM

(conducted by conference call)

MINUTES

Board Members Present: Dr. Ben Tafoya, Chair (Designee for State Auditor Diana DiZoglio), Deborah Wagner (Department of Revenue), Margaret Hurley (Office of the Attorney General), Minot Powers (Office of the State Treasurer)

Board Members Absent: None

Quorum: Yes

Non-Board Members Present: Jared C. Nicholson (Mayor, City of Lynn), Michael Bertino (Chief Financial Officer, City of Lynn), Elyse Fannon (Treasurer/Collector, City of Lynn), Stephen Spencer (Comptroller, City of Lynn), Cinder McNerney (Hilltop Securities), Abby Jeffers (Hilltop Securities), Megan Hyland (Hilltop Securities), Courtney Cardello (Department of Revenue), Jana DiNatale (Office of the State Auditor), Sabiel Rodriguez (Office of the State Auditor), Sonia Kwon (Office of the State Auditor, Executive Assistant to the Board)

Proceedings:

Meeting called to order at 10:00AM by Chair, Dr. Ben Tafoya.

Dr. Tafoya made introductory remarks and read a statement noting that, in accordance with Section 20 of Chapter 20 of the Acts of 2021, as most recently extended by Section 1 of Chapter 2 of the Acts of 2025, and the Massachusetts Office of the Attorney General's guidance updated as of April 8, 2025, this meeting of the Municipal Finance Oversight Board was being held via conference call. The public meeting notice for this meeting provided a public call-in number to facilitate public access during a relaxation of Open Meeting Law requirements. After reading that statement, Dr. Tafoya announced that the meeting was being recorded.

Board member roll call: All members indicated orally that they were present.

Approval of Minutes – September 10, 2025:

Dr. Tafoya asked for any comments from the Board on the meeting minutes of September 10, 2025. There were none.

MOTION by Ms. Wagner to approve the meeting minutes of September 10, 2025. Seconded by Ms. Hurley. A call of the roll was made as follows:

Dr. Tafoya: YES

Ms. Wagner: YES

Ms. Hurley: YES

Mr. Powers: YES

Motion carried; meeting minutes of September 10, 2025, approved.

City of Lynn: Chapter 44A request for \$22,082,750 in state qualified bonds

Dr. Tafoya invited officials from the City of Lynn to introduce themselves and provide an overview of the request before the Board.

Mayor Nicholson introduced the City of Lynn's team and noted the City's commitment to fiscal discipline, meeting its financial targets and making investments in the City. CFO Bertino provided additional details, noting Lynn finished FY2025 with approximately a \$10 million surplus, hitting the City's target for free cash at 3-5% of the budget. CFO Bertino noted that the projects were planned out in the City's capital improvement plan and that Lynn anticipated borrowing within the next 60 days, in part to take advantage of favorable interest rates.

Dr. Tafoya opened the meeting to questions from the Board.

Ms. Hurley asked about the City's climate resiliency efforts and the status of the school construction project. Mayor Nicholson summarized efforts related to sewer separation and measures to address coastal resiliency and flooding, including ongoing work on Strawberry Brook and rebuilding the shore at Lynn Harbor Park. Mayor Nicholson also provided an update on the Pickering Middle School construction, noting the project is approximately two years from completion and anticipating move-in around winter break 2027-2028. Mayor Nicholson noted the project is intended to address overcrowding and that the project had experienced some early issues related to soil, which the City has been working through.

Dr. Tafoya asked for clarification regarding the Massachusetts School Building Authority (MSBA) participation in the school project. CFO Bertino noted the MSBA grant is approximately \$104 million, and the City's share is approximately \$78-79 million.

Mr. Powers asked for additional details regarding the heating system project. CFO Bertino noted the project involves replacement of primary boilers at the end of their useful life and is intended to preserve the option to electrify in the future with heat pumps, depending on future funding and feasibility. CFO Bertino also noted the City is seeking grants and rebates, including through Mass Save.

MOTION by Ms. Wagner that, in accordance with the provisions of Chapter 44A of the General Laws, after due investigation, the City of Lynn be entitled to issue qualified bonds and/or notes from time to time, in the amount of \$22,082,750, to finance the several projects listed in their application. Seconded by Mr. Powers.

A call of the roll was made as follows:

Dr. Tafoya: YES

Ms. Wagner: YES

Ms. Hurley: YES

Mr. Powers: YES

Motion carried; state qualified bond authorization application of the City of Lynn approved.

Officials from the City of Lynn exited the meeting.

Long-Range Municipal Fiscal Stability:

Ms. Wagner noted the Division of Local Services was in a busy period with communities setting tax rates, and that they were slightly ahead of where they were at the same time the prior year. Ms. Wagner also noted DLS continued to encounter some communities where budgets were out of balance or required corrective action before tax rates could be set, but that there was nothing critical to report.

Dr. Tafoya asked whether there were any trends in free cash compared to prior years. Ms. Wagner noted she had not reviewed overall trends but that some communities were ahead of last year, with last year's increases in free cash driven primarily by investment income.

Ms. Hurley asked whether DLS saw an increase in Proposition 2½ overrides and debt exclusion votes. Ms. Wagner noted there was an increase in such votes during the year, but that many were unsuccessful.

Board Processes:

Ms. Kwon noted no specific updates but that the plan is to revisit process and governance issues in early 2026, including discussion of proposed legislative changes introduced in the prior year.

Agenda Items for Next Meeting:

Ms. Kwon noted potential applications from Pittsfield, Fall River, and North Adams for the January meeting, and an inquiry from Berkley. Ms. McNerney noted Hilltop Securities would follow up after the meeting regarding Pittsfield and Fall River. Ms. Kwon noted earlier application due dates due to state holiday office closures and encouraged earlier submission of full applications. Ms. Hurley offered assistance for Berkley if needed. Board member availability was confirmed for the January meeting.

Adjournment

MOTION by Ms. Wagner to adjourn the meeting. Seconded by Mr. Powers. A call of the roll was made as follows:

Dr. Tafoya: YES

Ms. Wagner: YES

Ms. Hurley: YES

Mr. Powers: YES

Meeting adjourned at 10:25AM.

Respectfully submitted by,

Sonia Kwon, Executive Assistant to the Board