



(APPROVED)

**Salem State University Assistance Corporation
Board of Directors Meeting Minutes
June 20, 2024
Via Zoom**

Present Zoom Meeting: Acting Chairman SSU President John Keenan, Beth Debski, Elizabeth Haran, Helen Corbett, Mayor Dominick Pangallo, Tom Daniel and Anthony Nickas.

Guests: Laura Swanson, Kim Crowley

Swanson reported Board Chairman Mike Wheeler notified her that he was unable to attend the June 20th Board meeting.

Vice-Chairman President John Keenan called the meeting to order at 3:02pm.

President Keenan asked for a motion to approve the Board meeting minutes of March 18, 2024. A motion was made by Beth Debski and seconded by Beth Haran to approve the Board minutes of March 18, 2024. All in favor, none opposed.

Finance Committee Chairman Anthony Nickas reported that Executive Director Swanson and Finance Manager Crowley had been diligently working on the FY25 budget. He stated they presented the proposed budget to the Finance Committee prior to submitting it to the Board for preliminary approval.

Swanson and Crowley presented the Preliminary FY25 Budget to the Board for approval. Swanson stated the FY25 budget was a balanced budget that reflected a reliable history of rental payments, anticipated vacancy replacement lease income and the inclusion of payments for a second mortgage in the amount of \$400,000 to address the Enterprise Center building capital maintenance needs. Swanson stated that due to the uncertainty of multiple large square footage vacancies, the Preliminary Budget reflected the current staffing level only through the end of September 2024. She stated that if these spaces remained unoccupied by the end of the first fiscal quarter they would need to make staffing and programming adjustments to maintain a balanced budget. She stated the Finance Committee met via Zoom on June 12th to review the FY25 Preliminary Budget and voted to recommend approval to the full Board based on the preliminary rental income model projections, anticipated expenses and first quarter staffing model. Crowley reviewed the individual income and expense account variances. Swanson reported they would also be conducting an FY24 year-end review of income and expenses and make additional adjustments to the FY25 budget if needed. She stated they plan to submit a Final FY25 Budget at the September Board meeting. A motion to approve the Preliminary FY25 budget was made by Tom Daniel and seconded by Beth Debski. All In favor, none opposed.

President Keenan provided the Board a Salem State update. He reported that graduation went well and honorary degrees were given to Education Secretary Patrick Tutwiler and business owner Brian Kelly. He stated that Project Bold continues to go well. He reported on the decarbonization efforts of the buildings on North Campus and that the purchase and sale of South Campus had been executed. President Keenan reported that SSU would be hosting the Inaugural Hispanic and Minority Serving Institution Conference schedule for July 18 & 19th.

Swanson reported they hosted a Spring Tenant Luncheon on May 5th with approximately 50 tenants and their employees attending. Swanson stated that since the last meeting the leases for three large light manufacturing spaces were not renewed as anticipated. She stated that the commercial realtor had toured these spaces and was actively marketing all of the Enterprise Center vacant spaces.

Swanson reported several HVAC rooftop units and restroom exhaust fan repair work had been completed in May. She stated they discovered water leakage in one of the vacant light manufacturing spaces after a heavy rainstorm. She reported they had repaired the exterior wall foundation where the water was coming in but additional work on that exterior wall was needed. She stated they ordered an inspection of the entire exterior building and would include these repairs in the scope of work through the second mortgage funding. Swanson reported that several of the HVAC units needed imminent replacement. She stated these units may be eligible for a rebate program and was working with the HVAC company to determine eligibility and replacement costs.

Swanson reported they had reviewed the Enterprise Center building repair and capital improvement quotes with the Finance Committee for the anticipated second mortgage in the amount of \$400,000. She stated that they had provided the bank with the requested information and would follow up with the Board for final loan approval once all the repair costs had been confirmed.

Swanson reviewed the year-to-date financials and credit card statements with the Board. Swanson stated the year-to-date total income was under budget by approximately \$3,900 largely due to the projected replacement vacancy income, donations and program coming in under budget. She reported the total year-to-date expenses were under budget by approximately \$20,000 despite the Repairs and Maintenance account being over budget by approximately \$15,000. Swanson stated this was largely a result of not filling the vacant Administrative Assistant position.

Swanson stated that the combined Spring programs offered between April 1st and June 11th resulted in a total of 399 registrations. She stated there was one remaining event for the Spring season which was the Resource Showcase for Minority Owned and Diverse Businesses which was scheduled for June 25th.

Swanson reported that through their meeting with the City of Salem's DEI Director, the Enterprise Center and the Alliance were invited to be partner in the CommonWealth Development Compact North Shore event held on May 22nd at the Enterprise Center. She stated this Compact aims to build economic opportunity for minority and women-owned firms and real estate development through municipal pilot projects.

Swanson reported the SSU Art Department installed its 2024 Annual Student Art Awards Exhibit at the Enterprise Center. She stated there were approximately 50 student art pieces on display and the Awards Ceremony was held in late April with approximately 70 people in attendance.

Swanson reported the Enterprise Center Foundation Board met on May 6th with their accountant who presented the Foundation tax filings for the year ending June 30, 2024. Swanson reported the Foundation Board authorized the accountant to file its MA Form PC report on behalf of the Foundation and that the Annual Report had been filed last November.

Swanson reported the Alliance FY24 REDO Grant initiatives had been progressing well with most of the projects completed or on track for completion by the June 30th deadline. She stated the Alliance hosted Transportation Secretary Monica Tibbets-Nutt on May 20th with 55 registrants for this event. Swanson reported the Alliance's major initiatives included two economic reports, expanded work with the Diversity Directory and Priority Development Site Listing Landing page, program partnership with the North Shore Technology Council, Small Business Technical Assistance Workshops and Webinar, Alliance Policymaker Series and Offshore Wind offerings. She stated a more comprehensive update would be provided at the September Board meeting.

Acting Chairman President Keenan reported there was no need to go into Executive Session for the purposes of a real estate discussion.

President Keenan informed the Board that the SSU Board of Trustees does not meet in the summer but had given him authorization to act on real estate matters during this timeframe. He reported that SSU had received recent inquiries about the Salem Diner and expressed the University's continued interest in the disposition of the Diner. President Keenan asked the Board for authorization to act on the Salem Diner to sell or dispose of the Diner based on the criteria of the previously released RFP to have the Diner remain in Salem for active use. A motion was made by Tom Daniel and seconded by Beth Debski authorizing President to take action related to the Salem Diner as outlined in the previous RFP. All in favor, none opposed.

President Keenan reported that SSU was no longer in need of the 68 Loring Avenue property. He stated the space has been vacant and the University would like to put out an RFP to sell that property. He reported that a portion of the proceeds could be allocated to SSUAC for its capital maintenance needs. He asked the Board for approval to begin exploring the disposition of this property. A motion was made by Tom Daniel and seconded by Beth Debski authorizing President Keenan to begin the process of selling 68 Loring Avenue as long as a portion of the proceeds were allocated to SSUAC Capital Maintenance Fund. All in favor, not opposed.

President Keenan asked for volunteers from the SSUAC Board to serve on an SSU Working Committee to explore potential future development opportunities of the Weir property. Board members Tom Daniel and Anthony Nickas volunteered for this University Committee.

President Keenan asked if there was any other business. Seeing that there was none, he requested a motion to adjourn.

A motion to adjourn the meeting was made by Beth Debski and seconded by Anthony Nickas. All in favor, none opposed. The meeting adjourned at 4:01pm.