



(APPROVED)

**Salem State University Assistance Corporation
Board of Directors Meeting Minutes
July 23, 2024
Via Zoom**

Present Zoom Meeting: Mike Wheeler, President John Keenan, Beth Debski, Elizabeth Haran, Rinus Oosthoek, Tom Daniel and Anthony Nickas.

Guests: Laura Swanson, Kim Crowley and Noreen Hazelton

Board Chairman Mike Wheeler called the meeting to order at 11:03am.

Chairman Wheeler asked for a motion to approve the June 20, 2024 Board Meeting minutes. Board Member Anthony Nickas asked for a correction in the spelling of his last name. A motion was made by Beth Haran and seconded by Tom Daniel to approve the minutes of the June 20, 2024 as amended. All in favor, none opposed.

Swanson stated that SSUAC currently has one mortgage through Rockland Trust and two lines of credit (\$50,000 each) with Rockland Trust and North Shore Bank. She reported that the line of credit with the Rockland Trust is tied to the existing mortgage and cannot be increased independently.

Swanson presented the itemized capital expenditures that were to be funded through the second mortgage. She stated the majority of the funding was allocated to the replacement of six aging HVAC units with other projects including replacement of an existing fire alarm control panel and devices, painting of the entire exterior of the building, loading dock door and system replacement, and exterior masonry work.

Swanson reported they had applied to the Mass Save rebate program for HVAC unit replacements. She stated they are waiting to receive a commitment letter from Mass Save confirming the rebate eligibility amount.

Swanson stated the Board would be voting to approve a second mortgage up to \$400,000 for capital improvements to the Enterprise Center building, increasing the Rockland Trust line of credit from \$50,000 to \$100,000 and authorize use of both lines of credit. She stated the Borrowing Resolutions prepared by SSUAC attorney were included in their Board packet.

Finance Manager Crowley reported that the terms of the second mortgage would have a 5-year rate, 10-year term and 20-year amortization. She stated the interest rate was 6.99% fixed for 5 years; to reprice at 5-year FHLB + 2.25% for the remaining term; 50 bps fee and after year 10 there is a balloon payment. Crowley stated that at that time, the bank will review and typically just rewrite the note for the remaining 10-year amortization. Crowley stated the attorney closing fees, appraisal and environmental review would be additional costs. She reported there is a prepayment penalty clause and reviewed that schedule with the Board.

A motion was made by Mike Wheeler and seconded by Anthony Nickas to approve the Board Resolutions prepared by SSUAC attorney or a second mortgage up to \$400,000, increase the Rockland Trust line of credit from \$50,000 to \$100,000, allow the use of both lines of credit and authorize the Board Chair and Finance Committee Chair to follow up with the lender to negotiate more favorable loan terms.

BORROWING RESOLUTIONS

MICHAEL ROBERT WHEELER, being the CHAIRMAN of **SALEM STATE UNIVERSITY ASSISTANCE CORPORATION**, formerly known as SALEM STATE COLLEGE ASSISTANCE CORPORATION, established pursuant to Section 277 of Chapter 60 of the 1994 Massachusetts Acts and Resolves, as amended by Sections 1 and 1A of Chapter 185 of the 1995 Massachusetts Acts and Resolves, by Chapter 225 of the 2007 Massachusetts Acts and Resolves, and by Sections 49A – 49D of Chapter 118 of the 2012 Massachusetts Acts and Resolves, a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts, CERTIFIES that the following resolutions were adopted at a duly called and conducted meeting of the Directors of said corporation held on July 23, 2024 at which a quorum was present and voting throughout, and are in conformity with the By-Laws of said corporation (as amended to date) and that each of the following resolutions presently is in full force and effect without change:

BORROWING AUTHORITY

RESOLVED, That Michael Robert Wheeler, Chairman of the Board of Directors, acting **singly** is authorized to act from time to time hereafter in the name of and on behalf of this corporation concerning the following:

To borrow money from Rockland Trust Bank (the “Bank”) in the form of a second real estate mortgage on the corporation’s property at 121 Loring Avenue, Salem, MA 01970, not to exceed \$400,000, and to increase this corporation’s existing line of credit with the Bank from \$50,000 to \$100,000 on the credit of this corporation, and to negotiate the terms of and obtain loans, advances, and other financial accommodations from the Bank and to incur liabilities, obligations, and indebtedness to the Bank on the credit of this corporation in such amounts, upon such terms and conditions, and with such collateral security as such officer(s) and/or person(s) may determine, and to obtain renewals and extensions thereof.

To grant security interests, mortgage, pledge, assign, hypothecate, convey, and otherwise encumber and transfer, as collateral security in favor of the Bank, all or any portion of the property and assets of this corporation of every type or description including, without limitation, all or any portion of the real, personal, tangible, and intangible property of this corporation.

To provide written, oral, electronic, or other information, documentation, and instructions to the Bank to effect any of the foregoing and in connection therewith the Bank may rely on such of the foregoing instructions as the Bank believes to be made by the person authorized hereunder.

In connection with the foregoing, each of said officers and/or persons, acting as described above, is authorized to execute, seal, acknowledge, and deliver in the name of and on behalf of this corporation such instruments, documents, and papers which relate thereto as may be appropriate, each in such form and upon such terms as the officer(s) and/or person(s) so authorized determines, such execution and delivery to be conclusive of such officer(s) and/or person(s) authority so to act in the name of and on behalf of this corporation.

DELEGATION OF AUTHORITY

RESOLVED, That any one (1) of the officers and/or persons authorized by the foregoing Resolutions, acting singly, may by written instrument furnished the Bank delegate to any other officer or person the same authority which is vested (singly and individually) by said Resolutions in the person(s) or officer(s) so delegating authority, which written delegation shall be in such form

as may be requested by the Bank and may be subject to such restrictions and limitations as may be indicated thereon.

CONTINUATION OF AUTHORITY

RESOLVED, That all resolutions and delegations relative to the authority of any officer or person to act on behalf of this corporation shall remain in full force and effect until the Bank's receipt of written notice of the revocation or modification of such authority from the person signing below as the Secretary of this corporation or from that person whom the Bank reasonably believes to be authorized to act in this regard on behalf of this corporation.

REVOCATION OF INCONSISTENT RESOLUTIONS

RESOLVED, That any and all resolutions of this corporation which may be in conflict with any of the foregoing resolutions be, and they hereby are, revoked.

RESOLVED, That the resolutions of this corporation's Directors concerning this corporation's relationship with and borrowing from the Bank pursuant to which, among other things, this corporation may be granting the Bank a security or other collateral interest in and to, and/or mortgaging, all or any portion of the assets of this corporation, be, and said resolutions are hereby approved, adopted, and incorporated herein by reference.

Under discussion, Chairman Wheeler stated that as a non-profit organization there could be a possibility for more favorable pre-payment penalty terms. Finance Committee Chairman Nickas agreed. There was Board consensus to follow up with the mortgage lender. No further discussion. All in favor, none opposed.

Swanson reported they would also follow up on the status of the Mass Save committal letter.

A motion to adjourn the meeting was made by Tom Daniel and seconded by Beth Debski. All in favor, none opposed. The meeting adjourned at 11:31am.