



Cathy Sheehan, Executive Director

Main Office and Public Housing Department  
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Section 8 Department & Procurement/Modernization  
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**MINUTES OF THE  
SEVENTY-SEVENTH (77TH) SPECIAL ANNUAL MEETING  
WEDNESDAY, MARCH 11, 2026  
AT 6:00 P.M.**

**I. Called Meeting to Order at 6:09 p.m.**

**II. Roll Call**

Present

Aaron Paternoster  
Romell Kidd  
Emily Ullman  
Patricia Morsillo  
Veronica Miranda

Absent

Also Present: Also Present: Cathy Sheehan, Executive Director, Gary Dean, Director of Maintenance, Anne Cameron, Executive Assistant, Massiel Garcia, Finance Director, (Virtual) Jacqueline Guzman, Director of Leased Housing, (Virtual) Maureen Thomas, (Virtual) Director of Public Housing, and Joshua Bocko, Assistant Director of Public Housing (Virtual).

**III Election of Officers**

Office of the Chair

The term limit is 2 years per the SHA By-Laws for the current Chair. The Chair, Aaron Paternoster term will expire in August of 2027.

The Board of Directors agreed to postpone the election of officers to a later date.  
The vote was as follows:

Romell Kidd moved to postpone the election of officers to a later date. Emily Ullman seconded the motion and the roll call vote was as follows:

Ayes

Aaron Paternoster  
Romell Kidd  
Emily Ullman  
Patricia Morsillo  
Veronica Miranda

Nays



**IV. Board Member Signature Stamp -Paper Check Signers with Alternates**

The current signature stamps – Romell Kidd and Aaron Paternoster

The current alternates are Romell Kidd/Aaron Paternoster and Aaron Paternoster/Romell Kidd.

Emily Ullman moved that the following are designated as check signers and alternates:

Check Signer: Romell Kidd

Alternate: Veronica Miranda

Counter Signer: Aaron Paternoster

Alternate: Veronica Miranda

Romell Kidd seconded the motion and the vote was as follows:

Ayes

Nays

Aaron Paternoster

Romell Kidd

Emily Ullman

Patricia Morsillo

Veronica Miranda

**VI. Release of Executive Session Minutes**

Pursuant to the Attorney General’s recommendation, the Salem Housing Authority reviews the Executive Session Meeting Minutes annually. The Executive Session Minutes may be released once the purpose for going into Executive Session no longer exists. After review, by Cathy Sheehan, Executive Director and Anne Cameron, Executive Assistant, there are no Executive Session Minutes to be released at this time.

**VII. Presentation of By-Laws**

The By-Laws of the Salem Housing Authority were distributed for review and will be discussed at the May 2026 Board Meeting.

**VIII. Order of Voting For Roll Call Votes**

Board Members agreed that roll call vote will be conducted alphabetically according to last name.

Aaron Paternoster moves that the roll call vote will be conducted alphabetically according to last name to wit: Romell Kidd, Veronica Miranda, Patricia Morsillo, Aaron Paternoster and Emily Ullman.

Veronica Miranda seconded the motions and the vote was as follows:

Ayes

Nays

Romell Kidd

Veronica Mianda

Patricia Morsillo

Aaron Paternoster

Emily Ullman

**IX. Adjournment into the Regular Meeting of March 11, 2026**

Veronica Miranda moved that the Board convene into the Regular Meeting of March 11, 2026 at 6:24 p.m. and will adjourn the meeting from the Regular Board of Directors Meeting. The Board will not reconvene into the Special Annual Meeting. Romell Kidd seconded the motion and the **roll call** vote was as follows:

Ayes

Nays

Romell Kidd

Veronica Mianda

Patricia Morsillo

Aaron Paternoster

Emily Ullman

## **Summary of the Salem Housing Authority 77<sup>th</sup> Special Annual Meeting held**

**On March 11, 2026 at 6:00 p.m.**

The Salem Housing Authority held its 77<sup>th</sup> Special Annual Meeting, discussing key agenda items including officer elections, check signatory roles, and the SHA By-Laws review. The board decided to maintain the current check signatory system with Romel Kidd and Aaron Paternoster as primary check signer and counter signer and Veronica Miranda as an alternate. Cathy Sheehan, Executive Director and Anne Cameron, Executive Assistant reviewed executive session minutes and stated that there were no Executive Session Minutes to Release at this time.

The Board unanimously voted not to elect officers at this meeting and postpone the election of officer to a later date.

There was discussion by the Board surrounding needing an additional 4<sup>th</sup> person to sign checks. The conclusion by some board members was that it wasn't necessary, however, Veronica Miranda motioned that she be designated as an alternate check signer. The motion passed unanimously.

Veronica Miranda – stated for the record that the Board of Directors did review Executive Session Meeting Minutes in January of 2025 and after review released those minutes that they felt the purpose for going into Executive Session no longer existed.

Aaron Paternoster asked the Board Members that if they wanted to make changes to the By-Laws that they send them to all other board members in April 2026 so that they have ample time to review their proposed changes.



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**MINUTES OF THE  
REGULAR MEETING  
WEDNESDAY, MARCH 11, 2026  
6:00 p.m.**

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**This meeting will be a hybrid meeting.**

**I. Called Meeting to Order at 6:26 p.m.**

**II. Roll Call**

Present

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Absent

Also Present: Cathy Sheehan, Executive Director, Gary Dean, Director of Maintenance, Anne Camron, Executive Assistant, Maureen Thomas, Director of Public Housing and Jacqueline Guzman, Director of Leased Housing, Massiel Garcia, Finance Director and Joshua Bocko, Assistant Director of Public Housing

**III. Minutes of Previous Meeting(s)**

Veronica Miranda moved to accept the Minutes of the Regular Meeting held on Wednesday, January 14, 2026. Emily Ullman seconded the motion, and the vote was as follows:

Ayes

Romell Kidd  
Veronica Miranda  
Aaron Paternoster  
Emily Ullman

Nays

Patricia Morsillo abstained from voting.



**FOR ARTICLES IV THROUGH XII OF THE MINUTES OF THE REGULAR  
BOARD OF DIRECTORS ,MEETING HELD ON MARCH 11, 2026**

**IV. Tenant/Public Engagement**

See attached email sent to Board of Directors from Judith Reilly, member of the public.

**V. Executive Director Report**

**VI. Communications**

- Mass NAHRO News Letter – January/February 2026
- Updated Waitlist
- SHA Department Reports ( Move In, Move Out, State and Federal, CHAMP Report, State Self-Sufficiency Report (Future Forward) Modernization Report, Voucher Report, Family Self-Sufficiency Program Report (Quarterly), Resident Service Coordinator Reports and Completed Work Orders for Month of January 2025)
- Section 8 Management Assessment Program (SEMAP) Score  
The overall Section 8 Management Assessment Program score is 97%. The Authority is designated as a High Performer-
- Housing AI – SHA’s New 24/7 Housing Assistant
- Women’s Money Matters – Financial Wellness Programs
- Women’s Money Matters – The Heart of WMM Programs – Volunteers, Coaches and Presenters

**VII. Reports of the Committees**

The Policy Committee has not met.

**VIII. Recommendations of the Chair**

There are no recommendations of the Chair.

**IX. Report of the Treasurer**

Bills and Transfers

Veronica Miranda moved to approve the bills and transfers for the period January 1, 2026, through January 31, 2026, as presented. Romell Kidd seconded the motion, and the **roll call** vote was as follows:

Ayes

Romell Kidd

Veronica Miranda

Nays

email from  
Judith Reilly

To the Board of Commissioners of the Salem Housing Authority:

In preparation for the board's consideration of the FY 2026 budget, I submit these observations in the spirit of supporting the board's oversight responsibilities and strengthening SHA's governance. As stewards of public resources, the board's proactive review of these matters will help safeguard the integrity of SHA operations and reinforce public trust.

I am highlighting several items that may benefit from clarification before the board votes. These issues relate primarily to administrative salaries, organizational changes, and certain compensation practices.

### **1. Use of HOSI Administrative Services Fees for SHA Salaries**

The budget appears to rely on administrative services fees from HOSI to cover SHA salaries. Specifically, 35% of the SHA Director of Finance's salary (\$39,481) is funded by HOSI.

The board has an opportunity to ensure that administrative services fees are justified by documented activity, thereby reinforcing compliance and transparency. If hours billed to HOSI are not supported by documented administrative activity, this may not meet standard fee-for-service requirements. Confirming that these fees are supported by appropriate documentation will demonstrate the board's commitment to prudent financial management. SHA must be able to document that the Director of Finance has spent/will spend approximately 13 hours per week (35% of a 37.5-hour week) on HOSI administration beginning October 1, 2025.

Alternatively, if the SHA and HOSI boards wish to use HOSI profits to support SHA operations, that can be done through an explicit board-approved transfer of assets not framed as an administrative services agreement.

### **2. Marblehead Management Services Agreement**

The Marblehead MSA was originally presented to the board and the public as a means for SHA staff to gain additional experience and income and to bring resources into SHA for housing purposes. The budgeted net revenue ("profits") for the Marblehead MSA is down to \$8,189 in the FY 2026 proposal.

A breakdown of the experience and additional income earned by SHA's union tradespeople from the Marblehead MSA would provide valuable insight into the agreement's impact.

With respect to administrative staff, under the FY 2026 budget they will receive 86% of the incoming management fees (\$116,646 of \$135,288), in salaries and benefits. This includes

compensation to the Executive Director at the maximum allowable 20% of Marblehead management fees (\$27,058).

### **3. Creation of the Director of Operations Position & Budgeting for Same**

#### Creation of Position

The proposed budget introduces a new Director of Operations position with a salary of \$185,250. If the board did not pre-approve this new position at a previous meeting, clarification of the SHA Personnel Policy with respect to new positions would benefit all stakeholders. The Personnel Policy is otherwise clear that the authority to appoint, promote, reassign, demote, and separate employees is vested in the board of commissioners. Even if you did pre-approve this position at a prior meeting, the Personnel Policy could be clarified on this issue.

#### Posting of Position

You may wish to inquire about SHA's efforts to attract applicants for the Director of Operations position, to consider whether you are satisfied with SHA's candidate recruitment process for this important job. According to the posting on Ziprecruiter.com, the position was advertised on February 8 and applications closed on February 15. Interviews were conducted and a candidate was selected by February 21. The position was also posted on LinkedIn, but via the personal profile of an employee, as the SHA does not seem to have a profile. Perhaps there were other, longer postings.

#### Budget for Transition

The current Maintenance Director, Gary Dean, is proposed as the new Director of Operations. The budget lowers the Maintenance Director salary from \$161,083 (FY 2025) to \$135,000 (FY 2026). Clarifying the process for salary transitions and documenting changes will help maintain accuracy and transparency in payroll practices. For example:

- Would the lowered Maintenance Director salary of \$135,000 be applied retroactively?
- Would Mr. Dean receive five months at the lowered Maintenance Director rate and seven months at the Director of Operations rate?
- Will payroll require adjustments if the \$161,083 rate from FY 2025 was applied for the first five months?

A clear written explanation of how these changes will be implemented would support the board's efforts to maintain transparency.

#### **4. Assistant Executive Director Transition**

The budget does not appear to contain a line item for the Assistant Executive Director position for the first four months of FY 2026. It appears that Debbie Tucker retired at the end of January and was re-hired as the Modernization and Development Coordinator. Clear documentation of this transition will help ensure transparency and accuracy in budgeting. For clarity, the board may wish to confirm:

- Whether Ms. Tucker was paid at the FY 2025 Assistant Executive Director rate of \$142,212 annually for the first four months of FY 2026;
- Whether those four months of salary are included in the Director of Operations budget line;
- Whether the Modernization and Development Coordinator is intended as a permanent position;
- Whether the \$60,567 figure represents eight months of salary only, or an annualized amount that will continue (with adjustments) into FY 2027.

#### **5. Administrative Salary Overages and Overtime**

As of September 30, 2025, the end of FY 2025, administrative salaries in the Federal Housing Choice Voucher program were \$148,848 over budget. According to the FY 2025 Top 5 Compensation form prepared by the fee accountant and signed by the board (attached), the Directors of Section 8 and Public Housing received \$56,460 in overtime in FY 2025.

Routine review by the board of job descriptions and overtime classifications will help ensure compliance with federal and state labor rules. If these director-level positions are classified as non-exempt, the board may wish to review and confirm the justification and ensure compliance. Should the job descriptions say the positions are non-exempt, it would be prudent to confirm that EOHLC and HUD are aware of and approve of that.

Implementing routine monthly overtime reports would align SHA with industry best practices and facilitate early identification of emerging issues.

#### **6. Federal “Other Compensation” – Vacation Time Buyouts(?)**

The FY 2025 Top 5 Compensation form shows significant amounts paid from Federal funds as “Other Compensation.” For example, the Executive Director received \$23,190 and the Assistant Executive Director received \$14,464. Similar payments appear to have been made since at least FY 2021.

Based on information I found this week, these payments appear likely to consist largely of **vacation time buyouts**. Given that understanding, the board may wish to consider why these buyouts are recorded exclusively under Federal funding rather than being allocated between Federal and State sources for employees whose work spans both categories.

The board may also wish to review how it monitors the ED's total compensation relative to EOHLC's global ED salary cap. For FY 2025, the ED's reported total compensation of \$232,166 slightly exceeded the cap of \$231,567. More broadly, the board may wish to revisit the personnel policy governing vacation accrual and buybacks, because required minimum usage is a common internal control measure for employees with financial responsibilities.

Additionally, the absence of limits on vacation time carryover or on the amount of vacation time that may be bought back at one time can make budgeting and monitoring expenditures more challenging for the board.

#### **7. Executive Director Salary Calculation**

On the Executive Director Salary Calculation Worksheet for FY 2026, the maximum allowable salary calculated through EOHLC's Excel tool is \$212,535. The budget proposal requests authorization for \$212,534 — one dollar below the maximum. This may simply be a clerical error. If the board intends to authorize the maximum allowable amount, it is cleaner to authorize the figure produced by the EOHLC worksheet. Otherwise it looks like you are avoiding using the maximum amount.

Thank you for your time and attention to these matters. I hope the board will seek clarification on these matters before approving the budget, and I appreciate your service and oversight.

Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Balance Sheet and Statements of Revenues and Expenses

Veronica Miranda moved to accept the Balance Sheet and Statements of Revenues and Expenses prepared by Rick Fenton of Fenton, Ewald & Associates, P.C. for three (3) months ending December 31, 2026. Romell Kidd seconded the motion, and the **roll call** vote was as follows:

Ayes

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Nays

**X. Unfinished Business**

There was no unfinished business.

**XI. New Business**

Management Services Agreement Amendment

Cathy Sheehan presented and explained to the Board of Directors the Management Services Agreement Amendment to the Board of Directors.

Veronica Miranda moved to postpone the vote to approve and extend the Management Services Agreement Amendment dated February 2026 between Marblehead Housing Authority and the Salem Housing Authority from December 31, 2026, to December 31, 2031, with an annual contract sum of \$135,287.50, prorated monthly at a rate of \$11,273.96. Romell Kidd seconded the motion, and the roll call vote was as follows:

Ayes

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster

Nays

Emily Ullman

New Hire – Director of Operations

There were three (3) candidates chosen to be interviewed for the open position of Director of Operations. One of the chosen candidates withdrew her applications Cathy Sheehan interviewed the two candidates. Cathy Sheehan presented the candidate of her choice.

Veronica Miranda moved to make a conditional offer of employment to Gary Dean for the full-time position as Director of Operations at an annual salary as presented in the 2026 budget with a start date TBD. Romell Kidd seconded the motion, and the **roll call** vote was as follows:

Ayes

Nays

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

#### Budget Presentation – Fiscal Year Ending September 30, 2026

Paul Pavia, Certified Public Accountant, from Fenton, Ewald & Associates, P.C. presented in detail the State 4001 and MRVP/DMH budgets for fiscal year ending September 30, 2026.

Veronica Miranda moved to approve the **MRVP/DMH** Budget for fiscal year ending September 30, 2026. Romell Kidd seconded the motion, and the **roll call** vote was as follows:

Ayes

Nays

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Veronica Miranda moved to approve the **Program 4001** Budget for fiscal year ending September 30, 2026. Romell Kidd seconded the motion, and the **roll call** vote was as follows:

Ayes

Nays

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Emily Ullman

Executive Director Calculation Sheet

Cathy Sheehan presented to the Board the Executive Director's Salary Calculation Sheet to the Board of Directors.

Emily Ullman moved to approve the Executive Director's Salary Calculation Sheet as presented. Patricia Morsillo seconded the motion, and the **roll call** vote was as follows:

Ayes

Nays

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Vote to Elect Patricia Morsillo as a Director of Housing Opportunities of Salems, Inc.

Veronica Miranda moved to elect Patricia Morsillo as a Director of Housing Opportunities Salem Inc. Emily Ullman seconded the motion and the roll call was as follows:

Ayes

Nays

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Section 18 Conversion Closing for Federal Public Properties

Cathy Sheehan presented and explained to the Board of Directors the Section 18 Closing Procedure and purpose of the following votes necessary to effectuate the Section 18 Closing.

The Salem Housing Authority Board of Directors does hereby approve the following resolutions relative to the Section 18 Closing:

DECLARATION OF TRUST

Resolved: That the authority enter into and record a Declaration of Tru. for the public housing units located at 121 ½ Bridge Street, 122 ½ Bosto. treet, 73 Boston Street, and 2 Hathorn Crescent, which Declaration of Tr. shall be released by HUD upon the conveyance of the Property and executi. of the HAP Documents and Use Agreement in connection therewith.

#### CONVEYANCE

Resolved: That the Authority sell the Property to HOS, and that Cathy Sheehan, as Executive Director of the Authority, and/or any other officer of the Authority (each an "Authorized Agent"), either acting jointly or singly, are authorized, empowered and directed by the Authority to execute, acknowledge and deliver a quitclaim deed and/or any other document relating to the transfer of the Property to HOS (the "Conveyance") upon such terms and conditions as may be approved by the Authorized Agent in his/her sole discretion.

#### USE AGREEMENT

Resolved: That in connection with the Project, the Authority shall cause itself to enter into a Use Restriction Agreement (the "Use Agreement") with HOS, along with any amendments to the foregoing or other documents deemed necessary or convenient in connection with the Use Agreement as may be approved by the Authorized Agent in his/her sole discretion.

#### SUBSIDY CONTRACTS

Resolved: That in connection with the Project, the Authority shall enter into a Section 8 Housing Assistance Payments Contract relating to Section 8 Project-Based Vouchers that will benefit 39 units of the Project (together, the "HAP Contract") along with amendments to any of the foregoing or other documents deemed necessary or convenient in connection with the HAP Contract as may be approved by the Authorized Agent in his/her sole discretion (the "HAP Documents").

#### MISCELLANEOUS AND GENERAL AUTHORIZATIONS

Resolved: That the Authorized Agent is hereby authorized, empowered and directed by the Authority to execute, acknowledge and deliver any such documents or instruments as he/she may deem necessary or desirable in connection with the Acquisition, the Use Agreement, HAP Documents, and any other matters necessary or desirable in connection therewith and that the execution of any of the foregoing shall be conclusively deemed to have been authorized by this Resolution.

Resolved: That all actions previously taken by any officer or employee of the Authority or by any Authorized Agent with respect to the foregoing, be, and hereby are, ratified and approved.

Patricia Morsillo moved to approve the above resolutions including Declaration of Trust, Conveyance, Use Agreements, Subsidy Contracts and Miscellaneous and General Authorizations as presented above. Emily Ullman seconded the motion, and the roll call vote was as follows:

Ayes

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Nays

Change Order #1 for Project Low-Slope Roof Replacement at 292 Essex Street

Cathy Sheehan presented and explained to the Board of Directors Change Order #1 for Project Low-Slope Roof Replacement at 292 Essex Street.

Veronica Miranda moved to approve Change Order #1 in the amount of \$6,515.00 from Leading Way Construction for the project Low-Slope Roof Replacement at 292 Essex Street, the Zisson Building. This Change Order, which extends the contract by 10 days, represents labor and materials costs to install a skylight and to make repairs to the upper edge of the YMCA roof where it meets the SHA in order to avoid leaks at the lower roof. Patricia Morsillo seconded the motion, and the roll call vote was as follows:

Ayes

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Nays

Certificate of Substantial Completion for Project Low-Slope Roof Replacement at 292 Essex Street

Cathy Sheehan presented and explained to the Board of Directors the Certificate of Substantial Completion for Project Low-Slope Roof Replacement at 292 Essex Street.

Veronica Miranda moved to accept the Certificate of Substantial Completion effective as of December 12, 2025, for the Low-Slope Roof Replacement project at 292 Essex St., the Zisson Building, as submitted by the Contractor, Leading Way Construction Co., Inc. and approved by Andrew Brockway & Associates, the Architect. Patricia Morsillo seconded the motion, and the roll call vote was as follows:

Ayes

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Nays

**XII. Other Business/Late Communications**

Emily Ullman moved to accept the lowest, responsive, and responsible bid of \$167,900.00 from Oakridge Construction, Inc. for EOHLC project #258197 Site Work and Concrete Repair at Colonial Terrace (667-2) pending final approval from EOHLC and a positive reference check. Patricia Morsillo seconded the motion, and the roll call vote was as follows:

Ayes

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Nays

**XIII. Adjournment**

Romell Kidd moved that the Board adjourn the Regular Meeting of March 11, 2026, at 9:06 p.m. Emily Ullman seconded the motion, and the **roll call** vote was as follows:

Ayes

Romell Kidd  
Veronica Miranda  
Patricia Morsillo  
Aaron Paternoster  
Emily Ullman

Nays

## **SUMMARY OF ARTICLES IV THROUGH XII OF THE MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING HELD ON MARCH 11, 2026**

Cathy Sheehan, Executive Director, reviewed her Executive Director's Report in detail with the Board, Cathy spoke about the upcoming closure of the public housing program and acknowledged the maintenance team's efforts during the challenging winter season. A few highlights that Cathy discussed with the board was the start of the 2026 federal audit, high performance scores in the SEMAP program, and a new Women's Money Matters pilot program. Cathy also spoke about the management services agreement between Salem and Marblehead Housing Authorities, which is set to expire at year-end, with a proposed extension of 5 years..

### **Management Services Agreement Extension**

The board discussed a Management Services Agreement between their organization and Marblehead, which was initiated in 2021. Cathy highlighted the benefits of the collaboration, including financial gains, staff appreciation, and improved services for residents. The board agreed to postpone voting on the agreement until their next meeting to allow time to review performance data, such as work order response times and audit scores, which are already being tracked through state and federal audits.

Cathy highlighted improvements in resident satisfaction and tenant engagement since the current management team took over. Veronica Miranda raised concerns about the lack of clear benefits for Salem tenants and requested more data on the financial impact. Patricia Morsillo also requested additional performance data. The board agreed to review additional information before making a final decision on the Management Services Agreement Extension.

### **Gary Dean's Promotion to Director of Operations**

Cathy discussed the promotion of Gary Dean to the Director of Operations position, highlighting his current role as Director of Maintenance and his qualifications for the new position. She explained that the Director of Operations role would oversee maintenance for both agencies and modernization programs for both agencies, as well as development projects for both agencies and much more. Cathy emphasized the importance of this promotion for internal growth and team morale, while also addressing the need for additional leadership due to the agency's growth and upcoming projects.

### **Director of Operations Hire**

The board approved a new hire for the position of Director of Operations. Veronica Miranda motioned to offer Mr. Gary Dean a conditional offer of employment, which was approved by the board.

## **Budget Presentation by Paul Pavia, CPA, Fee Accountant and Discussion**

Paul Pavia, Fee Accountant from Fenton, Ewald & Associates, who provided an overview of the state and federal budgets for the fiscal year ending September 30th, 2026.

Paul Pavia presented a detailed budget analysis, highlighting key changes in revenue sources and expenses. He explained the impact of a new Section 8 contract rent program, which will significantly increase income from federal housing. Paul also discussed several new revenue streams, including solar credits and a Housing Now program. On the expense side, he noted increases in administrative salaries and social service positions, while reducing costs for Section 8 inspections. The budget shows a 6.5% increase in administrative expenses overall. Paul emphasized that the budget reflects stable, predictable income sources and removes resources from less critical areas to optimize spending within available funding.

Paul explained various budget components, including operating exemptions, Section 8 subsidies, and new initiatives like a heat pump exemption and a self-sufficiency coordinator program funded at \$100,000. Paul also discussed administrative salaries, noting a projected 2% increase for the executive director and the addition of new positions like the Director of Operations and a Modernization Development Coordinator (transitioning to part-time) to address succession planning and future development needs.

The meeting focused on reviewing and approving the fiscal year 2026 budget for various programs, including administrative, legal, maintenance, and employee benefits. Paul Pavia, Fee Accountant presented the budget details, highlighting areas of savings and increases, and explained how reserves can be used for essential non-routine expenses. The board approved the budgets for MRVP, DMH, and 4001 programs. The Board also discussed the Executive Director's salary calculation worksheet

The Board elected Patricia Morsillo as a director of the nonprofit Housing Opportunities of Salem, Inc. They approved a change order for a roof replacement project and a certificate of substantial completion for the same project.

The Board addressed the termination of a mediation contract with Conditioning Leaders, with Veronica Miranda expressing concerns about the decision-making process.

Veronica Miranda: For board members to unilaterally cancel that contract without bringing it to the full board, I think is an open meeting law violation. And so I am going to file an open meeting law violation for that. Also, I think it's very important, and just want to highlight for this body, and, you know, for the people who made that decision.

Emily Ullman: well before the summer, it was before I was on the board that the original contract was issued, and they... the folks we hired were the ones that were confused about their scope. So, it was, mutual. They decided that it was mutually beneficial to not continue with the

contract as well, so it was a mutual decision. We did not cut it off or fire them. They were very confused and frustrated with the length of the contract and of the scope of their work and by scope, I mean timeline. Yeah, that's more of what our discussion was, but I hear you, and, go ahead and file it.