

VERMONT STATE HOUSING AUTHORITY
ANNUAL & REGULAR MEETING MINUTES
SEPTEMBER 17, 2025

1. CALL TO ORDER

The Annual & Regular Meetings of the Vermont State Housing Authority was held at One Prospect Street, Montpelier, Vermont, allowing both in-person and remote attendance via Microsoft Teams. The hearing was called to order at 11:00 a.m. by Alex Farrell, Chairperson; and upon roll call, the following Commissioners answered present: Cory Richardson, Vice-Chairperson; Mary Houghton; Bryan Plant II, Jo Ann Troiano, and Annick Paul. Absent: Aaron Jones.

Staff present: Kathleen Berk, Executive Director/Secretary; Kelly Pembroke, Chief Financial Officer; Susan Kuegel, Managing Director of Portfolio Operations; Ellen Danahy Liptak, Director of Human Resources & Administration; and Robert Abbott, Office Manager.

Guests and Members of the Public present: Dan Coppock, VSHASF/VSEA Representative.

2. CHANGES TO THE AGENDA

Berk requested to add a resolution for former Commissioner Linda Joy Sullivan to Item 11. Other Business.

Additionally, the Board Members also made time for introductions to the newest member, Annick Paul.

3. PUBLIC PARTICIPATION

There was no public participation.

4. ELECTION OF OFFICERS

Berk introduced the slate of officers for election: Farrell as the Chairperson, and Richardson as the Vice-Chairperson. Her role as the Secretary is not technically a Board Member and, as described in the bylaws, she is the Executive Director of Vermont State Housing Authority, is not up for re-election.

➤ Troiano moved to retain the current slate in their current positions. Houghton seconded the motion. Troiano, Houghton, Plant, and Paul voted to re-elect Farrell as Chairperson and Richardson as Vice-Chairperson.

Berk reminded the Board that Jones' term is due to expire in February 2026. The meeting was turned over to Farrell.

5. CONSENT AGENDA

➤ Richardson moved to approve the two items in the Consent Agenda without discussion: the minutes from the meeting on 16 July, and the Financials. Troiano seconded. The motion passed unanimously.

6. Secretary's Report

Berk raised attention to the lack of a federal spending bill. Without one, the government may choose to pass Continuing Resolution or go into government shutdown. She reported that industry professionals are saying that there is a high likelihood of a shutdown this year. In the meantime, the lack of a solid budget is adding difficulty to planning and budgeting for VSHA. If the shutdown happens, any funds that have been obligated will continue to flow.

She then provided an update on the work with Gallagher & Flynn. The Organizational Assessment, new Organizational Chart and revisions to job descriptions are mostly complete. We are moving forward with the second phase of this work, process improvements and organizational efficiency. VSHA is currently in the process of recruiting for the Controller and two Site Manager positions. Part of the reorganization is to not fill the Director of Community Development that was left open by Chris Trombley's departure. Those responsibilities will be shifted to Kuegel under her new title as the Managing Director of Portfolio Operations and Pembroke, CFO. She gave an update on building improvements for the Main Office and mentioned VSHA's website needs to be overhauled.

➤ Troiano motioned to adopt the Secretary's Report. Plant seconded. The motion carried unanimously.

7. Finance & Information Systems

Pembroke mentioned the need to set parameters around the situation of unpaid management fees from two HFI properties. Depot II and Northwoods II owe fees for maintenance salaries, site management salaries, and miscellaneous items such as mileage. The total debt between the two properties by the end of the year is expected to exceed \$47,000.

Farrell left the meeting at 11:26am. Richardson chaired the remainder of the meeting.

Richardson suggested that VSHA set a comfort level as far as how long before they request funds from HFI. Pembroke suggested billing after three months of delinquency. This was generally accepted as an administrative process not requiring a vote.

Pembroke and her team had a meeting with Microsoft last week to potentially buy new accounting software called Microsoft Business Central. She will also review new housing software for the contract administration portfolio. She expects the transition to take place in FY26.

Pembroke presented the proposed budget, stating that it was created with an estimate of a 7% increase in management fees. She was informed recently that this year there would be no management fee increase. She also used an 80% lease-up rate and an 89% proration rate. Unfortunately, with the possibility of a federal government shut down, she will likely need to return to the Board in the future with a revised budget. Pembroke has hopes that HUD would be able to cover any shortfalls left by the federal government not providing necessary Housing Assistance Payments, reminded the board that there is an Unrestricted Net Position account that she can fall back on if needed to cover shortfall.

➤ Troiano moved to accept the budget as presented. Plant seconded. The Board unanimously approved the FY26 Operating Budget.

8. Housing Program Administration

Berk briefed the Board on the status of funding in the HPA sector. The two main programs administered by Bacon's team, the Mainstream Voucher and the Housing Choice Voucher, will both experience a shortfall this year. Combined funding shortfall will be roughly \$546,000. Berk discussed ways that the team are mitigating expenses to the best of their abilities. The attrition rate is not what it was projected to be. Participants are holding on to their vouchers out of fear that once they give them up, they will not have another way to pay their rent.

Berk and Paul agreed to meet and go over some of the documents that may be new to her.

9. Human Resources

Liptak notified the Board of the Employee Appreciation Ceremony taking place on September 19th, and on the vacant positions still be recruited for.

11. Other Business

Richardson shared the Board Expectations with the Commissioners and gave a brief overview. The Board Members all had very positive comments about the document.

Richardson read the following resolution aloud:

WHEREAS Linda Joy Sullivan served as a member of the Vermont State Housing Authority Board of Commissioners from 2022 - 2025;

WHEREAS Linda Joy Sullivan has been an invaluable counselor to this Board of Commissioners and to the management and employees of the VSHA;

WHEREAS the members of the Board of Commissioners wish to thank Linda Joy Sullivan for her many contributions to the VSHA Board of Commissioners; and

NOW THEREFORE, BE IT RESOLVED, that the Board of Commissioners hereby expresses its gratitude to Linda Joy Sullivan for her service on the Board of Commissioners for her sound advice and valued counsel and for all that she has contributed to the Board of Commissioners and to the VSHA; and

FURTHER RESOLVED, that the Board of Commissioners wishes Linda Joy Sullivan continued success in all her endeavors and expresses our hope for her continued health, happiness, and prosperity.

10. Portfolio Operations

Kuegel informed the Board that she has not received any of the proposed budgets back from Rural Development. She hopes to present them to the Board at the next meeting. If she does not hear anything back, as of October 1st she will be operating on the proposed budget. Many properties have proposed rent increases of \$80-\$100.

12. Adjournment

➤ The Board voted unanimously to adjourn the meeting at 12:12pm. Upon a motion by Troiano, seconded by Plant.

Respectfully submitted,

Kathleen Berk
Executive Director/Secretary
/RTA