

MINUTES

**VIRGINIA SMALL BUSINESS FINANCING AUTHORITY
BOARD OF DIRECTORS MEETING
September 11, 2018 - 12:00 P.M.
101 N. 14th Street, 11th Floor Board Room
Richmond, Virginia**

- I. Board Directors present: Chairman John Hopper, Mr. Corey Holeman, Ms. Janet Aylor (on behalf of The Honorable Manju Ganeriwala), Mr. Michael Joyce, Ms. Tracey Wiley, Dr. Monique Johnson, Ph.D., Mr. Linh Hoang, and Mr. William Smith

Board Directors absent: Vice Chairman Neil Amin

VSBF Staff: Mr. Mark Heede, Ms. Anna Mackley, Ms. Barbara Carter, Ms. Robin Foster, Ms. Todd Boyle, and Ms. Linda Gilbert (via telephone)

Others present: Mr. Don Ferguson (Senior Assistant Attorney General) and Ms. Jennifer Mayton (DSBSD)

Chairman Hopper called the meeting to order.

- II. Approval of Minutes - On a motion by Mr. Hoang, seconded by Mr. Holeman, the July 10, 2018 Board of Directors Meeting minutes were unanimously approved, as amended (Ms. Wiley's name was added to the directors present at the July meeting). Voting aye: Chairman Hopper, Mr. Hoang, Mr. Holeman, Ms. Aylor, Dr. Johnson, Ms. Wiley, and Mr. Smith. Voting no: None. (Mr. Joyce was not present for the vote.)

III. Economic Development Loan Fund Application

- A. 8965 Pocahontastrail, LLC - James City County - \$720,000. Mr. Heede presented this application to the Board. He explained the credit request, background on the business, the proposed transaction with Farmers Bank and answered questions from the Board. On a motion by Mr. Holeman, seconded by Mr. Hoang, the Board of Directors unanimously approved the application as presented with the following conditions: require opinion from counsel to the trust and review of contract status by Executive Director. Voting aye: Chairman Hopper, Mr. Holeman, Mr. Hoang, Ms. Aylor, Dr. Johnson, Ms. Wiley, Mr. Smith and Mr. Joyce. Voting no: None.

- IV. Administrative Matters - Mr. Heede presented and discussed the following matters with the Board:

- A. Dashboard Report - Going forward VSBFA staff will provide the Board with information on the performance of the portfolio, program activity, and other specific information as appropriate, on a quarterly basis. A draft Report was circulated and discussed.

- B. Capital Access Program - Desire to end CAP program due to lack of use by banks and administrative burden. VSBFA can terminate the program with 90 days notice. Existing loans would remain enrolled but further enrollments would not be allowed. VSBFA is looking to replace the cash accounts with a guaranty for ease of administration if the program is terminated. The latter substitution would require approval by all of the Banks.
 - C. Initiatives - The following ideas were shared:
 - 1. Develop and codify policies and procedures to improve efficiency and accountability.
 - 2. Develop a database, pipeline information, and sales management using client contact software such as Salesforce.
 - 3. Loan compliance training for staff.
 - 4. Purchase financial statement analysis software so information presented in a uniform way.
 - 5. Third party person to look at bookkeeping systems; met with John Montoro, Realtime Accounting, who is a former senior partner with the Government Services team at Cherry-Bekeart.
 - D. Types of calls received by VSBFA staff were discussed.
 - E. Recruitment for the two vacant RLM positions has ended; 50 applications received; interviews have been scheduled.
- V. A motion was made by Mr. Hoang, seconded by Mr. Smith to adjourn the meeting. Voting aye: Chairman Hopper, Mr. Hoang, Mr. Smith, Mr. Holeman, Ms. Aylor, Ms. Wiley, and Mr. Joyce. Voting no: None. (Dr. Johnson was not present for the vote.)