

MINUTES

VIRGINIA SMALL BUSINESS FINANCING AUTHORITY BOARD OF DIRECTORS MEETING - LOAN BUSINESS

April 12, 2016 - 12:00 P.M.
101 N. 14th Street, James Monroe Building
11th Floor Board Room
Richmond, Virginia 23219

- I. Board Members Present: Ms. Gail Letts, Mr. Andrew Lock, Ms. Tracey Wiley, Ms. Monica Rao, Mr. Linh Hoang, Mr. John Hopper, and Mr. Nicholas Jordan
- Absent Board Members: Mr. Neil Amin, Ms. Manju Ganeriwala, Mr. Brad Jiulianti, and Mr. Prescott Sherrod
- Others Present: Mr. David Richardson and Ms. Amy Green (McGuireWoods, LLP), Mr. Chip Broadway (Church Schools in Diocese of Virginia), Mr. Don Ferguson (OAG/VSBFA Counsel), Mr. Scott Parsons, Ms. Barbara Carter, Mary Jo Sisson-Vaughan, Ms. Anna Mackley, and Mr. Ousman Kah (VSBFA), and Mr. Robert Summers (DSBSD)
- II. Approval of Minutes - On a motion by Mr. Hopper, seconded by Mr. Hoang, the March 8, 2016 Board of Directors - Loan Business Meeting minutes were unanimously approved. Voting Aye: Mr. Hopper, Mr. Hoang, Ms. Letts, Ms. Wiley, Mr. Lock, and Ms. Rao. Voting Nay: None. (Mr. Jordan was not present for the vote.)
- III. 501 c3 Tax-Exempt Bond Request
- A. Church Schools in the Diocese of Virginia, Inc. - Henrico County. Ms. Mary Jo Sisson-Vaughan presented this request for an amendment to bonds issued in 2010. Mr. Dave Richardson and Mr. Chip Broadway responded to questions about the project from the Board. On a motion by Linh Hoang, seconded by Monica Rao, the Board of Directors unanimously approved an amendment to the Series 2010C bonds to reflect a change in the amortization. Voting Aye: Mr. Hoang, Ms. Rao, Mr. Hopper, Ms. Letts, Ms. Wiley, Mr. Lock, and Mr. Jordan. Voting Nay: None.
- IV. Board Review and Ratification of Loans Approved/Declined by Staff - On a motion by Mr. Hopper, seconded by Mr. Jordan, the Board unanimously ratified loan decisions made by staff under its delegated authority. Voting Aye: Mr. Hopper, Mr. Jordan, Ms. Letts, Mr. Hoang, Ms. Wiley, Ms. Rao, and Mr. Lock. Voting Nay: None.

V. Other Business - Mr. Parsons led a discussion on the need for a three to five year strategic plan for long term viability of VSBFA due to turnover of the majority of the current staff over the next ten years. There is a need to continue to recruit young talent to have a strong staff and the lending experience that's needed. One primary issue Mr. Parsons spoke about is the availability of funding sources, i.e., federal and state appropriations, and the decline in bond fee revenue. The other primary issue is increasing VSBFA awareness among its partners and end users. Mr. Parsons asked for the Board's help in crafting a strategic plan to address these issues and any others they may have. The plan should be ready by September 2016 if there are any legislative changes that need to be made. Ms. Letts suggested the use of Virginia Non-Profit Associates, LLC, to help with the strategic planning of the process. To begin that process, she suggested Executive Director address the following questions:

1. Programs/services that must be done by mandate (what cannot be changed)?
2. Against those requirements, what are the impacts?
3. What are we doing beyond that (not by mandate) and what are the implications?
4. What are the strengths, weaknesses, opportunities, and threats?

After further comments from the Board, Mr. Parsons concluded that it would be helpful for staff to do a SWOT analysis. The Board then discussed having a work session and/or meeting, including input from partners/customers, using surveys, having regional roundtables, and/or Mr. Parsons attending the Virginia Bankers Association conference and surveying the CEOs.

Mr. Parsons responded that staff will work on the SWOT analysis and share top three concerns as well as responses to the four questions above, with the Board. Based on the Board's feedback, staff will follow up with regional meetings and/or a survey. Mr. Parsons will also reach out to the Virginia Bankers Association. Mr. Hoang suggested the use of MBA interns to help with the analysis data and presentation of the information.

Mr. Hoang invited the Board to attend an Access to Capital conference in Northern Virginia, hosted by Senator Warner, on April 28th. Ms. Artus, VSBFA staff member, will be a participant in the event.

VI. Adjourn - On a motion by Mr. Hoang, seconded by Mr. Jordan, the meeting was adjourned. Voting Aye: Mr. Hoang, Mr. Jordan, Ms. Letts, Mr. Hopper, Ms. Wiley, Ms. Rao, and Mr. Lock. Voting Nay: None.