



## **BOARD OF DIRECTORS MEETING**

Thursday, June 27, 2019

10:30 AM

Schrafft's City Center, 529 Main Street, Suite 201, Charlestown, MA 02129

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### **AGENDA**

- I. Establishment of Quorum
  
- II. Administrative Matters and Governance
  - Review and Approval of Minutes – April 11, 2019
  - MGCC Credit Committee Update (Presented at Meeting)
  - Financials
  - Compliance Update – Audit Committee
    - State Audit, Draft
    - AAF (Presented at Meeting)
    - Cobblestone (Presented at Meeting)
  - 2020 Budget
  - Updated Employee Handbook
  - Write Offs
  
- III. President's Report
  
- IV. Marketing & Outreach

Adjourn

*Next Meeting:* September 5, 2019



## Minutes of the Meeting of the Board of Directors

June 27, 2019

10:30 AM

529 Main Street, Suite 201, Charlestown, MA 02129

**Directors in Attendance:** Chair: Esther Schlorholtz, Rafael Diaz-Granados, John Farmer, Janet Fogarty, Joe Kriesberg, Tom O'Connor, Ed Owens, David Slutz

**Directors Not in Attendance:** Carmen Panacopoulos, Warren Pepicelli, Nam Pham, Sushil Tuli

**Other Attendees:** Larry Andrews, Katie Janowski, Neil Martin, Angela Miele

A meeting of the Board of Directors of the Massachusetts Growth Capital Corporation (MGCC) was held at 529 Main Street, Suite 201, Charlestown, MA 02129 on June 27, 2019 at 10:30 AM pursuant to notice duly given.

### **Establishment of Quorum**

In the absence of the Chair, the Vice Chair, Ms. Schlorholtz presided. Ms. Schlorholtz established that a quorum was present and called the meeting to order.

### **Approval of Minutes**

The Vice Chair called for a motion to approve the minutes of the April 11, 2019 Board of Directors meeting. Thereupon, after a motion duly made and seconded, it was

**VOTED:** To approve the minutes of the Board of Directors meeting held on April 11, 2019.

Tom O'Connor abstained from voting as he was not present at the April 11<sup>th</sup> meeting.

The Vice Chair welcomed new Board member, Tom O'Connor.

### **YTD Financial Performance**

Mr. Martin discussed the operating performance through 11 months for MGCC and reported on the comparative YTD's of FY19 and FY18.

### **Credit Committee Update**

Mr. Martin gave an update on the Credit Committee and reported an uptick in activity in the pipeline from a variety of industries and locations.

### **2020 Budget**

Mr. Martin reviewed the Fiscal Year 2020 proposed budget of revenues and expenses.

**VOTED:** To approve the FY2020 Budget as presented.

### **Audit Committee**

Mr. Martin gave a compliance update of the Audit Committee, detailing the upcoming schedule of AAF's audit. He went on to say that the Audit Committee will plan to meet over the summer and again on the week of September 23, 2019.

Ms. Miele presented the findings and recommendations from Cobblestone's recent audit. There was a discussion on the recommendation that MGCC look at potential lender liability risks with technical assistance implementation on deals.

### **State Audit, Draft**

Mr. Andrews presented the State Auditor's report and MGCC's response to their findings as well as to their press release. He informed the members that MGCC administered according to Chapter 40W on both lending and the Small Business Technical Assistance Grant program.

In response to questions regarding the Auditors findings, Board members requested that talking points, a summary detailing the inaccuracies discovered and a drafted policy statement be provided at the next Board meeting.

### **Employee Handbook**

Mr. Andrews and Mr. Martin presented the revised Employee Handbook, detailing the sections that have been updated. Mr. Martin went on to say that PFML is not yet included due to a 3-month delay to the program updates. The PFML will be an addendum to the handbook once program guidance is finalized.

The Board asked MGCC management if they feel comfortable executing and holding to the statements made within the handbook. MGCC management confirmed.

### **Write Offs**

Mr. Martin presented the write offs for Fiscal Year 2019.

**VOTED:** To approve the FY2019 Write Offs.

### **President's Report**

Mr. Andrews updated the Board on recent and upcoming activities. He went on to address the volume of loans, how MGCC is looking at ways to be creative and that MGCC is continuing to keep its eye out for a loan officer but is not actively looking.

There was a discussion of ways in which MGCC can continue to strengthen partnerships with banks.

Mr. O'Connor left the meeting.

### **Marketing & Outreach**

Mr. Andrews touched upon the marketing and outreach efforts made in recent months.

After discussion and upon a motion duly made and seconded, it was

**VOTED:** To adjourn the meeting.

*Katie Janowski, Recorder*