



BOARD OF DIRECTORS MEETING

Thursday, February 28, 2019

10:30 AM

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

AGENDA

- I. Establishment of Quorum
- II. State Auditors

- III. Administrative Matters and Governance
 - Review and Approval of Minutes – December 13, 2018
 - MGCC Credit Committee Update (Presented at Meeting)
 - Financials
 - Compliance Update – Audit Committee
 - Loan by Migration Report
 - Loans by Risk Rating

- IV. Glynn Lloyd, Business Equity Initiative
- V. Pilot loan fund- BEI
- VI. President's Report

- VII. Marketing & Outreach

Adjourn

Next Meeting: April 11, 2019



Minutes of the Meeting of the Board of Directors

February 28, 2019

10:30 AM

529 Main Street, Suite 201, Charlestown, MA 02129

Directors in Attendance: Chair: Nam Pham, Esther Schlorholtz, John Farmer, Janet Fogarty, Joe Kriesberg, Carmen Panacopoulos, David Slutz, Rafael Diaz-Granados

Directors Not in Attendance: Ed Owens, Warren Pepicelli, Sushil Tuli, Thomas O'Connor

Other Attendees: Larry Andrews, Neil Martin, Angela Miele, Day Ann Kelley, Jim Moriarity, Dan Smith, Glynn Lloyd

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 February 28, 2019 at 10:30 AM pursuant to notice duly given.

Establishment of Quorum

The Chair noted the presence of a quorum and called the meeting to order.

Approval of Minutes

The Chair called for a motion to approve the minutes of the December 13, 2018 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 December 13, 2018 with the addition of the including the motion to enter Executive Session after the Credit Committee update.

The Chair called for a motion to approve the executive session minutes of the October 11, 2018 Board of Directors meeting. Thereupon, after a motion duly made and seconded, it was

VOTED: To approve the executive session minutes of the Board of Directors meeting held on December 13, 2018

State Auditors Exit Interview

Mr. Moriarity, State Auditor reviewed the process and scope of the performance audit by the state auditors that began on October 5, 2018. He stated that the three finding were relatively minor in scope, and the lending and grants process were administered well and within the scope of the legislation.

Introduction of Day Ann Kelley, Credit Officer

Mr. Andrews introduced MGCC's newest Credit Officer, Day Ann Kelley, to the Board of Directors. Board members welcomed Ms. Kelley.

Credit Committee & Financials Update

Mr. Martin gave an update of the Credit Committee and reported that the portfolio is performing and the pipeline is beginning to show more activity. He also discussed the financials, informing the members that MGCC's operating expenses have been reflective of the market and are break even.

Ms. Miele discussed the Loan Migration report and Loans by risk rating, stating that there has not been significant decline in the portfolio. Additionally, the risk rating of loan approved by Credit Committee compared to internally approved loans is statistically identical.

Compliance Update (Audit Committee)

Mr. Martin provided an update on compliance and informed members that MGCC is in compliance for all known and required reporting and activities due by 12/31/18.

Business Equity Initiative- Glynn Lloyd

Mr. Lloyd discussed the Business Equity Initiative and Fund, which is charged with assisting Black and Latino business grow. This is done through intensive technical assistance and currently they are raising money for a loan/equity fund.

Pilot Loan Fund

Mr. Andrews presented a Pilot Loan Fund for \$2MM, utilizing MGCC's credit criteria but a 2% lower interest rate if the company was a participation with Eastern Bank's Business Equity Initiative (BEI). The Board discussed and amended the fund to include any company the was getting intensive technical assistance.

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

VOTED: To approve the Loan Fund with the expansion of any company receiving intensive technical assistance is eligible.

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

VOTED: To adjourn the meeting.

Neil Martin, Recorder