



**BOARD OF DIRECTORS MEETING MINUTES
DAY ONE - October 26, 2022, 12:00 P.M.
700 Settlers Landing Road Peninsula Ballroom
Hampton, VA 23669**

Available by Public Teleconference: (866) 845-1266, 65069804#

- I. Chairman Bew called the meeting to order on Wednesday, October 26, 2022 at 1:28 p.m. and welcomed the Board and guests.
 - a) Board Directors present: Chairman Ronald Bew, Vice Chairman Linh Hoang, Mses. Mary Margaret Kastelberg and Victoria Vasques; and Messrs. Ronald Hobson, Ronnie Johnson, Michael Joyce, Willis Morris and David Richardson
 - b) Board Directors absent: Messrs. John Dane, and William Smith
 - c) VSBFA Staff present: Mses. Cheryl Bostick, Shari Adams, Anna Mackley, Todd Boyle, Angela Reese, Linda Tackett and Karen White; and Messrs. Donald Jacubec, Howard Pisons, and Terrence Rogers.
 - d) Others present: Don Ferguson (Senior Assistant, Attorney General of Virginia)
- II. Introductions

The Members of the Board and VSBFA Staff each introduced themselves.
- III. VSBFA Program Presentations
 - a) Agenda Review

Mr. Pisons presented the agenda for the first day, followed by an overview of VSBFA, its mission, key drivers, what value we provide, and what constitutes as a small business in the state of Virginia.
 - b) Microloans and Child Care Financing Program presented by Ms. White
 - c) Economic Development Loan Fund presented by Ms. Tackett
 - d) Loan Guaranty and Loan Participation presented by Ms. Tackett and Mr. Pisons
 - e) Small Business Investment Grant Fund presented by Ms. Boyle
 - f) Tax-Exempt Bonds presented by Ms. Mackley
 - g) Rebuild! VA Grant Fund presented by Mr. Pisons
 - h) SSBCI 2.0 Grant Fund presented by Ms. Bostick
- IV. Other Discussion
 - a) Discussion raised about possible changes to programs offered, ways to improve
- V. Adjourned at 5:00 p.m.

DAY TWO – October 27, 2022, 9:00 A.M.

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VI. Chairman Bew called the meeting to order on Wednesday, October 26, 2022, at 1:28 p.m. and welcomed the Board and guests.

- a) Board Directors present: Chairman Ronald Bew, Vice Chairman Linh Hoang, Mses. Mary Margaret Kastelberg and Victoria Vasques; and Messrs. Ronald Hobson, Ronnie Johnson, Willis Morris and David Richardson
- b) Board Directors absent: Messrs. John Dane, Michael Joyce and William Smith
- c) VSBA Staff present: Mses. Cheryl Bostick, Shari Adams, Anna Mackley, Todd Boyle, Angela Reese, Linda Tackett and Karen White; and Messrs. Donald Jacubec, Howard Pisons, and Terrence Rogers.
- d) Others present: Don Ferguson (Senior Assistant, Attorney General of Virginia)

VII. SWOT – Discussion involved the following

a) Programs

- A. Strengths – Programs offered have, low interest, are flexible, no fees, competitive pricing, and the Microloan program takes care of unmet needs by small businesses, programs support bank financing
- B. Weakness – Microloan dollar limit may need to be adjusted, programs are under-utilized, marketing, possible better terms to match SBA loans
- C. Opportunities – Create a start-up loan program, microloan program dollar limit increase, bridge programs
- D. Threats – Childcare loan production is low, SBA competition, CDFI competition

b) Competition

- A. Strengths – backed by the commonwealth, programs are designed to fill gaps so as to not compete with banks
- B. Weakness – Banker turnover causes relationships to be lost, technology
- C. Opportunities – Collaboration with banks and SBA, possible market for items that SBA cannot finance, marketing and self-advertising
- D. Threats – Responsiveness, not streamlined, bankers are not knowledgeable about our programs, time to process

c) Reputation

- A. Strength – Trusted partner, reliability, board members, partnerships, staff is friendly and strives to help, past customers advertise our programs due to success

with them

- B. Weakness – Perception of government agencies being less effective or efficient, communication, risk adverse, approval process, JLARC report, not well known
 - C. Opportunities – New RLMs, digital marketing, explore working with larger regional banks, increase microloan, increase guaranty percentage, rebranding, provide RLMs with loan authority for approval process
 - D. Threats – Approval process, possible loss of bond volume, too many major projects and priorities, not reaching target market, program volume
- d) Organization
- A. Strength – Knowledge, client services, repeat business, teamwork, customer sensitive, VSBFA does not rely on general assembly funds
 - B. Weakness – lacking automated computer system, no financial analyst, loan documents in Microsoft word, lack of loan portal, bond approval time, employee turnover, no 2nd review process
 - C. Opportunities – Start up Grants, RLM loan authority, Cross-training
 - D. Threats – No underwriter, no large direct loans, procurement process for software with IT and procurement, projection bond revenue possible decrease in future

VIII. Strategic Planning

- a) Current Program Assessment – Idea to increase microloan amount, increase total borrower exposure percentage to make the programs more available to the places that are most in need and are utilizing the programs
- b) New Program Ideas – Start-Up loan, line of credit; would need to assess risk and workload
- c) Loan terms and conditions – terms are generally thought of as favorable, could be longer to match more in line with SBA
- d) Awareness – Attend more conferences, boots on the ground, and work on marketing plan to increase awareness of VSBFA to the general public

IX. Wrap Up

X. Adjourned at 3:00 P.M.