

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

**OPEN MEETING MINUTES**

**October 25, 2018**

The open session of the Annual Portfolio Review meeting of the Maryland Small Business Development Financing Authority convened at 11:00 a.m. at MMG.

**The following were in attendance at this meeting:**

<b>Authority Members</b>	<b>MMG Staff</b>
<b>Les Hall</b>	<b>Tim Smoot</b>
<b>Laura Pasternak</b>	<b>Anthony Williams</b>
<b>Chuck Martin</b>	<b>Mark Harrison</b>
<b>Gina Ramsey</b>	<b>Randy Croxton</b>
<b>Sharon Pinder</b>	<b>Stanley Tucker</b>
<b>Clemis Kaikis</b>	<b>Alex Agwuna</b>
	<b>Robin Harris</b>

**AGENDA**

1. MSBDFFA Performance Highlights showing the program's average annual transaction activity over the past 10 years, current program leverage ratios, and recommended budgetary requirements for fiscal years 2020 and 2021.
2. MSBDFFA Program Statistics showing the summary of loan activities for the current portfolio as of June 30, 2018, by County, Industry, and Program.
3. MSBDFFA Program Statistics Ten Year Portfolio History from FY 2009 through FY 2018 including Closed Transactions; Jobs Created/Retained; Geographic, Ethnic, and Gender Distribution Summaries; and Program Concentration Summary.
4. Schedule of Loan Losses from FY 2009 through FY 2018.
5. Geographical Distribution of Transactions Detail from FY 2009-2018.
6. MSBDFFA Portfolio Review Report for the period ended June 30, 2018 showing the portfolio characteristics by individual company performance, payment status and total exposure. The sales and earnings data were for the period ended December 31, 2017, and interim statement for the periods ended March 31, 2018, and June 30, 2018.

**The closed session of the October 11, 2018, meeting was summarized. The Authority Board meeting was attended by Les Hall, Mara Sierocinski, Clemis Kaikis, Chuck Martin, Sharon Pinder, and Gina Ramsey. The meeting was closed to comply with requirements of the Maryland Public Information Act so that there would not be disclosure of confidential, commercial, and financial information associated with the applicants. The meeting was held to discuss the new requests of Hakim’s Islamic Funeral Home, LLC; and modification requests of DTG Holding, Inc. dba Access Receivables Management and Reciprocall Health, Inc. dba Reciprocare. All of the requests were approved.**

**MMG Staff presented:**

1. MSBDFA Performance Highlights showing the program’s average annual transaction activity over the past 10 years, current program leverage ratios, and recommended budgetary requirements for fiscal years 2020 and 2021.
2. MSBDFA Program Statistics showing the summary of loan activities for the current portfolio as of June 30, 2018, by County, Industry, and Program.
3. MSBDFA Program Statistics Ten Year Portfolio History from FY 2009 through FY 2018 including Closed Transactions; Jobs Created/Retained; Geographic, Ethnic, and Gender Distribution Summaries; and Program Concentration Summary.
4. Schedule of Loan Losses from FY 2009 through FY 2018.
5. Geographical Distribution of Transactions Detail from FY 2009-2018.

**Action Taken:**

The Authority requested that MMG develop a case study on the graduations:

- a) provide a list of the graduations by industry and indicate the status of each business (open/closed) over a three year period
- a) Obtain client testimonials; a historical retention of companies that MSBDFA has helped. This was viewed to be particularly helpful as a case for future budget increase requests.
- b) Develop a five point questionnaire to clients
- c) Highlight the exemplary success stories (CCG, Paniagua, etc.)
- d) Highlight economic impact; full-time equivalents retained and created

MMG was also requested to email the Authority the latest Economic Impact Study done by RESI.

The Meeting then closed at 11:50 a.m. upon motion made and seconded, and approved by all voting members, the meeting was closed pursuant to General Provisions Article, Section 3-305(b) (13), “to comply with a specific... statutory... requirement that prevents public disclosures about a particular proceeding or matter”, that is, the Maryland Public

Information Act prohibits disclosure of trade secrets, confidential commercial and confidential financial information.

**APPROVED:**



Celester A. Hall  
**Chairman**

**DATE:**

12-5-18