



**Community Development Finance Authority  
Finance Committee Meeting**

**14 Dixon Avenue, Suite 102  
Concord, NH 03301**

**November 12, 2019  
12:50 PM**

CDFA FINANCE COMMITTEE PRESENT: Mike Clafin, *Chair*, John Manning; Robert Tourigny; and Debbie Morin.

CDFA FINANCE COMMITTEE PRESENT TELEPHONICALLY: Rick Wyman

STAFF: Katy Easterly Martey, *Executive Director*, Kevin Peterson, *Director of Economic Development*; and Scott Maslansky, *Director of Clean Energy*.

Mr. Clafin opened the meeting at 12:50 PM and stated there were no announcements or members of the public in attendance. There was no public comment.

Mr. Clafin called for a motion to approve the agenda, as presented.

**Motion – 12:51 PM**

Mr. Manning moved to approve the meeting agenda, as presented. Mr. Tourigny seconded and the motion carried by a unanimous vote of the Committee.

**A. September 17, 2019 Finance Committee Minutes**

Mr. Clafin called for questions or comments on the September 17, 2019 minutes.

**Motion – 12:52 PM**

There being no questions or comments, Mr. Manning moved to approve the Finance Committee minutes, as presented. Mr. Tourigny seconded and the motion carried by a unanimous vote of the Committee.

**B. Quarterly Financial Statement Review**

Ms. Morin provided an overview of CDFA's financial statements for the quarter ended September 30, 2019. She highlighted changes on the balance sheet and income statement and stated that operating revenue and expenses are tracking close to budgeted amounts. Ms. Morin responded to questions from the Committee.

**C. Quarterly Loan Portfolio Review**

Ms. Morin provided an overview of CDFA's loan portfolio for the quarter ended September 30, CDFA Finance Committee Meeting: November 12, 2019

2019. The Committee inquired on why loans that have been charged off or fully reserved for remain on the listing. Ms. Morin stated that CDFA holds collateral on these loans, and in the event the collateral is sold at some point, there is an opportunity for CDFA to recoup some value. The Committee decided this made some sense and that loans should remain on the listing until the associated collateral is sold or disbursed.

#### **D. Annual Loan Rate Review**

Ms. Morin provided an overview of CDFA's existing Loan Programs and associated rates and terms. She stated that the Credit Committee reviewed the same information at their meeting earlier in the day. Mr. Maslansky and Ms. Morin responded to questions. CDFA is proposing no substantive changes to the offerings, other than to define an interest rate range for the Enterprise Energy Fund and Better Buildings loans of 2.00% to 2.50% for non-profits and 3.00% to 3.50% for for-profits. Mr. Maslansky stated that depending on the size of the entity and term and size of the loan, he would like to have the ability to price at each end of the range.

#### **Motion – 2:10 PM**

There being no further questions or comments, Mr. Tourigny moved to recommend the CDFA Loan Program rates and terms as presented to the Board for approval. Mr. Manning seconded and the motion carried by a unanimous vote of the Committee.

#### **E. Loan Funds Re-appropriation**

Ms. Morin, Ms. Easterly Martey and Mr. Maslansky discussed the current situation regarding CDFA's Clean Energy Programs. Mr. Maslansky moved forward with a concentrated effort to deploy funds within the Federal Energy Programs, Better Buildings Fund and Energy Efficiency Fund. He was able to bring several projects to fruition and CDFA closed on these loans. When Ms. Morin sent the quarterly reports to OSI, who aggregates CDFA information with others and sends along to DOE, DOE reached back out to let OSI know that there were additional approvals that needed to occur with these loans at DOE. CDFA requested a meeting to discuss the process as well as provided the necessary information to OSI for the particular loans. These projects have been subsequently approved by DOE, however, one large project needed to move forward before this occurred or they would lose their opportunity. CDFA determined it was best to transfer this project from the federal program to CDFA's Clean Energy Fund. As a result, all funds have been exhausted and there are still projects in the pipeline Mr. Maslansky is working.

Staff is requesting a temporary re-allocation of \$500,000 from the Pre-Development Loan Fund to the unrestricted Clean Energy Fund until such time as OSI and DOE can develop a working plan with CDFA on how to utilize the federal funds. Ms. Easterly Martey reminded the Committee that the Board voted in August 2018 to add \$750,000 in funds to CDFA's loan capital from the sale of the building, specifically to the Pre-Development Loan Fund. At this time the Pre-Development Loan Fund does not have volume in the pipeline and the funds are sitting idle. The Committee discussed that it would be helpful if these funds could be useful to other programs at least in the interim.

#### **Motion – 2:25 PM**

There being no further questions or comments, Mr. Manning moved to recommend the re-appropriation of \$500,000 from the CDFA Pre-Development Loan Fund to the unrestricted Clean

Energy Fund as presented to the Board for approval. Mr. Tourigny seconded and the motion carried by a unanimous vote of the Committee.

#### **F. Investment Strategy**

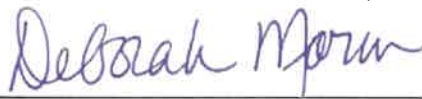
Ms. Morin and Ms. Easterly Martey continued the Investment Committee discussion from the September 17, 2019 Finance Committee meeting. Ms. Morin referred the Committee to the previously distributed materials that included the Finance section from the current Board Manual, a summary document of the history of the loan program balances as well as usage of tax credit funds, and a draft Investment Policy with discussion items. Ms. Morin stated she had received some other investment policies in addition to those secured previously by Mr. Peterson. In particular, Ms. Morin briefly discussed the State of NH Treasury Department's Investment Policy, stating it was very similar to what CDFA currently has. The Committee engaged in discussion around policy limits, mission investments, liquid investment and programs.

The Committee agreed the current policy, with some minor adjustments, encompasses the essence of risk tolerance at this time. The Committee asked that Ms. Morin make the suggested edits to the current policy and redistribute for further comment. When the Committee meets again in 2020, there will be further discussion.

#### **G. Adjourn**

#### **Motion – 2:45 PM**

Mr. Manning moved to adjourn the meeting. Mr. Tourigny seconded and the motion carried by a unanimous vote of the Committee.



Debbie Morin, Chief Financial Officer



Mike Clafin, Chair  
CDFA Finance Committee