



**Community Development Finance Authority
Finance Committee Meeting**

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

**August 17, 2021
9:15 AM**

CDFA FINANCE COMMITTEE PRESENT: Michael Claflin, *Chair*, John Manning, Robert Tourigny, Rick Wyman and Deborah Morin, *Secretary/Treasurer*.

STAFF: Katherine Easterly Martey, *Executive Director*.

Mr. Claflin opened the meeting at 9:15 AM and stated there were no announcements or members of the public in attendance. There was no public comment.

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

Motion – 9:16 AM

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

A. June 8, 2021 Finance Committee Minutes

Mr. Claflin called for questions or comments on the June 8, 2021 minutes.

Motion – 9:17 AM

There being no questions or comments, Mr. Tourigny moved to approve the Finance Committee minutes, as presented. Mr. Manning seconded and the motion carried with three (3) yeas and one (1) abstention of the Committee. Mr. Wyman abstained from the vote as he was not present at the meeting.

B. FY2021 Year End Financial Statements and Allowance for Loan Losses

Ms. Morin provided an overview of CDFA's Fiscal Year 2021 financial statements. She reviewed the changes on the balance sheet and each area on the income statement. Ms. Morin noted that there was one known entry still to be booked for FY2021, the entry related to OPEB for State of NH Retirement System. The information from the State was received late last week and that number will be \$62,568. She stated that the net operating surplus was in line with budgeted amounts. Ms. Morin also reviewed the Allowance for Loan Losses for June 30, 2021. She discussed the methodology and noted that most allowance percentages did not materially change from last year. Of particular note were the two credit relationships of Capital Hotel and MEDC. Capital Hotel had been on deferment due to COVID-19 and has begun repayment, but due to the nature of the hotel and entertainment industry, the financials dictated an increase in the allowance percentage. The Committee is aware of the financial and operational changes

taking place with MEDC. As part of a restructuring arrangement with MEDC, CDFA agreed to forgive a portion of the debt owed, in particular the Job Retention Fund loan. CDFA wrote down the loan by \$27,913.97 and increased the allowance percentage on both MEDC loans. Ms. Morin and Ms. Easterly Martey answered questions from the Committee. Ms. Morin stated the year end audit is progressing and the audited financial statements will be presented by Leone, McDonnell and Roberts at the September meeting.

Motion – 9:45 AM

There being no further questions or comments, Mr. Wyman moved to recommend the FY2021 Financial Statements and Allowance for Loan Losses, as presented, to the Board of Directors for approval. Mr. Tourigny seconded and the motion carried by a unanimous vote of the Committee.

C. Other Business

Ms. Easterly Martey provided an update on the status of the CFO search. An offer has been made to and accepted by Nathalie Fortier. Ms. Fortier will start on September 20, 2021 but will also be attending the annual Board meeting on September 14, 2021. Ms. Easterly Martey thanked Mr. Clafin and Mr. Wyman, both of whom helped with the process. Mr. Clafin interviewed Ms. Fortier and Mr. Wyman assisted with reviewing resumes.

Mr. Clafin inquired on the status of the EQ2 investment with Bangor Savings Bank. Ms. Morin stated that Bangor is awaiting updated financials for FY2021, the FY2022 budget, an updated loan portfolio listing and a current pipeline report. Once the financials are approved at the upcoming Board meeting, all of the requested materials will be sent to Bangor.

D. Adjourn

Motion – 10:00 AM

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



Deborah Morin, Chief Financial Officer



Michael Clafin, Chair
CDFA Finance Committee