



Northern Virginia Regional Commission

RESOLUTION

Resolution No. 16-22

PATRON: G. Mark Gibb
Executive Director
DATE: May 26, 2016

AUTHORIZATION TO ESTABLISH A LINE OF CREDIT

WHEREAS, the Northern Virginia Regional Commission receives and subgrants, to local government agencies and community based organizations, several million dollars of federal grant funds annually in administering HIV/AIDS and other programs; and

WHEREAS, from time to time, the Commission's operating fund does not have sufficient cash on hand to cover routine operating expenditures while making timely subgrant payments in advance of receiving the grant funds that eventually will become available as reimbursements to the Commission; and

WHEREAS, it is necessary to establish a cash management strategy that will allow the Commission to make reasonably prompt subgrant payments, and to comply with some grantors' requirements for proof that the Commission has made the subgrant payments before federal grant funds will be issued to the Commission for these expenses; and

WHEREAS, in FY 2011 the Commission authorized establishing a \$500,000 line of credit that subsequently was increased to \$1,000,000; and

WHEREAS, with no balance outstanding, that line of credit expired in March 2016; and;

WHEREAS, staff has determined the terms for a line of credit from Branch Banking & Trust Company (BB&T), where NVRC's checking account resides; and

WHEREAS, BB&T will require payment of initial fees totaling approximately \$550 to establish a line of credit for business working capital having an interest rate equal to the bank's variable prime rate, adjusted daily, with a minimum of 3.75%; and

WHEREAS, BB&T requests a Resolution authorizing the loan (line of credit), and specifying who is authorized to sign subject loan documents on behalf of the Commission;

THEREFORE BE IT RESOLVED, that the Northern Virginia Regional Commission authorizes the Executive Director, Chairman, or Treasurer to sign loan documents satisfactory to BB&T to evidence and secure the loan (line of credit) in accordance with the terms stated in this Resolution.

CERTIFICATION

The undersigned certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Northern Virginia Regional Commission on May 26, 2016.

A handwritten signature in blue ink, appearing to read "G. Mark Gibb", is written over a horizontal line.

G. MARK GIBB, CERTIFYING OFFICER

