

**COMMONWEALTH OF VIRGINIA
ASSISTIVE TECHNOLOGY LOAN FUND AUTHORITY
Board of Directors Meeting**

Minutes Adopted by the Board of Directors on April 15, 2011

January 21, 2011

MEMBERS PRESENT

Linda Harris, Chairperson
Amy Odhner, Treasurer
Mike Haydon
Thomas Hock
Ron Lanier
Barb Ostrander
Rose Ann Janis
Jay McLaughlin

ABSENT

Dean Bonney, Vice-Chair
Juan Martinez
David Axselle

ALSO PRESENT

Joey Wallace, Executive Director
Rachel Baer, Assistant Attorney General
Sandra Prince
Christy Crowther
Shilpa Joshi
Steve Fletcher, Fletcher Performance Solutions
Elaine Kiziah, Facilitator

CALL TO ORDER

The Assistive Technology Loan Fund Authority Board of Directors met for a regular quarterly meeting at the Westin Hotel, Richmond, Virginia on January 21, 2011. Linda Harris, Chairperson, called the meeting to order at approximately 9:10 AM.

PUBLIC COMMENT

There was no public comment.

APPROVAL OF MINUTES

Linda Harris, Chairperson, asked if everyone had an opportunity to review the Board minutes of the October 14, 2010 meeting.

A motion was made by Mike Haydon to approve the October 14, 2010 minutes. The motion was seconded by Amy Odhner and unanimously carried.

PROGRAM

Introduction of New Board Members

Linda Harris welcomed Rose Ann Janis and Jay McLaughlin to the Board and asked them to provide a brief bio for other Board members and staff. The Board members and staff introduced themselves and welcomed Ms. Janis and Mr. McLaughlin to the Board.

Old Business

There was no old business brought forward.

Rules for Public Meetings

Rachel Baer, Assistant Attorney General, handed out a summary of selected Freedom of Information Act (FOIA) provisions to Board members for discussion. She discussed in detail the meeting and record requirements of the Board to ensure compliance with FOIA. The Freedom of Information Act ensures Virginia's citizens ready access to records in the custody of public officials and ensures free entry to meetings of public bodies wherein business of the people is being conducted.

Financial Report

Shilpa Joshi, Financial Director, requested that the Board members refer to the statement of net assets through December 31, 2010 and statement of revenues and expenditures from July 1, 2010 through December 31, 2010 provided to them in the Board packets. Ms. Joshi noted that the current assets are approximately \$9.7 million, with total assets of approximately \$11 million. Ms. Joshi noted that the direct loan portfolio is over \$1.2 million. Rose Ann Janis asked if the Certificate of Deposits are only with Virginia banks. Amy Odhner explained the CDARS program whereby non-profits can invest funds and how the funds are dispersed out to various banks.

Shilpa Joshi pointed out that the contingent liabilities (SunTrust guaranteed loans) at December 31, 2010 are \$684,096. The actual net expenditures in excess of revenues as of December 31, 2010 were negative \$146,534. Ms. Joshi discussed the Statement of Revenue and Expenditures from July 1, 2010 through December 31, 2010. She noted that the NewWell Fund is on budget with expenditures, and would be glad to provide more detail on any line items in question. Mike Haydon requested that Ms. Joshi include last year's loan loss allowance next to that line item for easy comparison to the current loan loss allowance. Rose Ann Janis asked if the loan loss allowance is just a general allowance for loan loss. Ms. Joshi noted that the figure is 5% of doubtful loans of the direct loan portfolio.

Ms. Joshi noted that a draft FY 2012 budget was included in the Board packets for information and review. She noted that this budget will require action by the Board at the April meeting to become effective July 1, 2011.

Ms. Joshi discussed the handout of the comparison of select data for the direct loans, booked SunTrust loans and cash receipts for Fiscal Years 2010 and 2011. She noted that direct loan activity is lower in FY 11, but the volume of booked loans depends on when the consumers return the signed closing documents. Ms. Joshi noted that only one guaranteed loan has been purchased from SunTrust, but the activity for closed SunTrust loans increased significantly. Cash receipts also increased in FY 11 as compared to FY 10.

Director's Report

Dr. Joey Wallace, Executive Director, directed the Board members to the Director's Report included in the Board packets. He discussed training and activities that staff have been involved in during the last quarter. He discussed the goals of the strategic plan and noted completed activities by staff for each goal.

Dr. Wallace noted that discussions have been put on hold with Citizens and Farmers Bank as a potential new lending partner until the Business Plan is finalized.

Dr. Wallace noted that the loan committee met monthly from October through December 2010, reviewing 48 applications and approving 18 direct loans totaling \$143,096.59, and 3 guaranteed loans totaling \$63,036.64. This does not include the four non-guaranteed loans approved by SunTrust Bank totaling \$105,772.15. Christy Crowther provided a loan activity summary report for the period October 1 through December 31 for FY 11 and a comparison for the same time period for FY 10. She noted that the dollar amount of approved loans has increased for FY 11 as compared to the same time last year, and the number of applications received has remained steady.

Dr. Wallace reported that staff have been presenting or attending various events around the state. He noted that he attended the grant proposal workshop at the Richmond Community Foundation and submitted an application to the Richmond Eye and Ear Foundation for \$50,000 to establish the Consumer Service Fund. He noted groups that staff had exhibited at such as the Collaborations Conference in Norfolk, Richmond Muscular Dystrophy Support Group, Downs Syndrome Buddy Walk, and VCU College 4U. He noted that the telework brochure had been finalized and copies of the new brochure were provided to the Board.

Sandy Prince noted that approximately 655 brochures have been given out since the last Board meeting in October. She also noted that contact had been made with MedInc in Richmond that supplies complex rehabilitation equipment primarily to those suffering from ALS, but also works with the Muscular Dystrophy Association. Ms. Prince noted that one voluntary repossession had been completed and that one involuntary repossession was in process.

Dr. Wallace discussed current activity related to funding for the Consumer Service Fund. He noted that the Disability Commission had met and a budget amendment was submitted for \$500,000 to re-establish the Consumer Service Fund. He noted that Delegate Riley Ingram was the House patron, but he did not have a patron on the Senate side since he missed the deadline for Senators to patron the amendment. He noted that he has been meeting with the legislators to get their support for the bill, but Delegate Ingram expressed to Dr. Wallace to not have high hopes for funding this year. The budget amendment is requesting \$500,000 to be appropriated during the second year of the biennial budget.

As a follow-up to the request for business cards for Board members, Sandy Prince handed out business cards to each Board member with their name and NewWell Fund contact information on the cards. These cards can be used by the Board members to pass out to potential customers.

Financial Projection Plan

Dr. Wallace introduced Steve Fletcher from Fletcher Performance Solutions who presented the business plan developed as a result of the Request for Proposal released by the NewWell Fund last October. Mr. Fletcher discussed the financial projection model that he developed for use by the Board and staff. He highlighted key assumptions and modeled results in the scenarios, and discussed some possible areas that the Board might want to consider changing as the NewWell Fund continues to make future loans. Mr. Fletcher noted that he enjoyed working with the NewWell Fund on

this project. The Board thanked Mr. Fletcher for his presentation and development of a business model that could be used to project future growth of the loan program.

BOARD ISSUES FOR DISCUSSION

Board Retreat Date

Since the Board Retreat had to be changed due to scheduling conflicts of some of the Board members, Joey Wallace provided two possible dates for a Board Retreat which will be held at the Westin Hotel in Richmond. **It was the consensus of the Board that the retreat be held on April 15-16, 2011.**

CLOSED SESSION

Linda Harris, Chairperson, made the following motion to go to closed session: I, Linda Harris, move that the Board convene in closed meeting pursuant to Virginia Code Section 2.2-3711A(1) and A(4) for discussion of personnel issues, loan approvals and other Board matters that are appropriate. Additionally I move that Joey Wallace and, if necessary, staff members Sandra Prince, Christy Crowther and Shilpa Joshi, attend the closed meeting because their presence will aid the Board in its consideration of these matters. The motion was seconded by Mike Haydon and unanimously carried.

RESULTS OF THE CLOSED SESSION

Linda Harris, Chairperson, convened the Board meeting in regular session.

Linda Harris, Chairperson, stated that a roll call vote will be held and all those who certify to the best of their knowledge that only business lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and that only business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting certify by stating your name and saying "Yea". Those who do not certify say "Naye".

Yeas – Harris, McLaughlin, Janis, Hock, Odhner, Haydon, Ostrander

Nayes – None

A motion was made by Amy Odhner that the Board ratify the Loan Committee decisions as presented to the Board. The motion was seconded by Barb Ostrander and unanimously carried.

Linda Harris, Chairperson, moved that the meeting be adjourned. The motion was seconded by Amy Odhner and unanimously carried. The meeting was adjourned at 1:30 PM. A Board retreat is scheduled for April 15-16, 2011 at the Westin Hotel, Richmond, Virginia.