

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

Draft

September 15, 2021

MEMBERS PRESENT

Sarah Liddle, Chair
Vanessa Rakestraw, Vice-Chair
Elise Nelson, Treasurer
Marques Jones
Douglas Bierly
Kristoffer Peterson
Ron Lanier
LaMont Henry
Chris Grandle
Michael VanDyke

MEMBERS ABSENT

Clay Huie

ALSO PRESENT

Sandra Prince Banker, Executive Director
Joe Stepp, Financial Director
Christy Crowther, Program Manager

CALL TO ORDER

The Assistive Technology Loan Fund Authority Board of Directors met for a quarterly meeting at the office of ATLFA, 1602 Rolling Hills Drive, Suite 107, Richmond, Virginia on September 15, 2021. Sarah Liddle, Chair, called the meeting to order at approximately 9:35 AM.

INTRODUCTION OF NEW BOARD MEMBERS

Sarah Liddle, Chair, recognized the two new Board members, Chris Grandle and Michael VanDyke. Each Board member introduced themselves and spoke about their position on the Board. Welcome to the new members!

APPROVAL OF MINUTES

Sarah Liddle, Chair, asked Board members to review the minutes of the June 16, 2021 meeting as presented. **A motion was made by Marques Jones to approve the June 16, 2021 minutes as presented. The motion was seconded by Vanessa Rakestraw and unanimously carried.**

PUBLIC COMMENT

None.

OLD BUSINESS

None.

FINANCIAL REPORT

Joe Stepp, Financial Director, requested that Board members refer to the information on the loan program for the year-end June 30, 2021 as well as a summary of financial information for budget versus actual operating statement provided to them in the Board packets. He noted that the direct loan portfolio as of June 30, 2021 is 246 loans with a balance of \$3,725,513. The loan activity for FY 2021 is 58 loans totaling \$1,167,066. He noted that the default rate for FY 2021 is 0.65% with nine write-offs in FY 2021.

Mr. Stepp provided a bar graph of the direct loan portfolio for FY 14 to FY 21, and a bar graph of loans by type and value for FY 21. He also provided a graph of loans made from FY 2017 through June 30, 2021

A motion was made by Marques Jones to approve the financial report as presented. The motion was seconded by Ron Lanier and unanimously carried.

DIRECTOR'S REPORT

Sandra Prince Banker, Executive Director, provided the Board with an update on loan program data included in the Board notebooks. She pointed out that also included under the loan program data is the loan activity summary report June 1, 2021 to August 31, 2021. She noted loan committee from June through August 2021 reviewed 51 applications totaling \$808,365. Thirty (30) applications were approved totaling \$564,054 and fifteen (15) applications were declined, with six applications being withdrawn. Ms. Banker also briefly discussed updates on special initiatives/legislative activity and agency administration since the last Board meeting as outlined in the handout.

Ms. Banker provided an update to the Board on federal legislation for reauthorization of the rehabilitation act and discussions held with the other state programs and staff with Senator Casey's office regarding this issue.

Ms. Banker also provided an update to the Board members with pertinent information regarding a title issue with a mobility vendor. She noted that the individual had been charged with fraudulent activity and had one year to repay the ATLFA loan holder who purchased the vehicle and never received a free title. The loan holder returned the vehicle to the vendor and recently paid the ATLFA loan in full.

A motion was made by Chris Grandle to approve the director's report as presented. The motion was seconded by Kristoffer Peterson and unanimously carried.

NEW BUSINESS

Interest Rate Adjustment

Sandra Prince Banker, Executive Director, noted that the prime rate did not change for next quarter for indexing the interest rate. It was the consensus of the Board that the rate remain at 3.25% for the next quarter.

Loan Committee Policy

Sandra Prince Banker, Executive Director, noted that a sentence should to be added to the existing policy in the loan manual for the banker representative on the Board to approve loans in the case of a state of emergency.

After discussion, a motion was made by Ron Lanier that the Board authorize the banker representative on the loan committee to review and approve loans in the case of a state of emergency and the Board and Loan committees are unable to meet in person due to the state of emergency. This sentence will be added to the current loan manual policy regarding the banker approval of loans. The motion was seconded by Kristoffer Peterson and unanimously carried.

Revised Refinance Policy

Sandra Prince Banker, Executive Director, noted that the existing refinance policy approved at the June 2021 meeting needed to be revised to include existing ATLFA loans.

After discussion, a motion was made by Marques Jones that the existing refinance policy adopted by the Board in June 2021 be replaced with the following language:

The Authority will consider the refinance of vehicle loans by individuals with disabilities who have obtained a higher interest rate loan through another financial institution that is often driven by and offered by a vendor and meet ATLFA lending criteria. The Authority will also refinance ATLFA loans for existing loan holders at the lower interest rate on vehicles financed within the past year and are in good standing at the time of refinance. The refinancing would not extend the initial loan term. Vehicles must be new or no older than two model years to be considered for refinance. An exception may be made if the existing vehicle has low mileage and is within one year of the current requirements. There will be a \$150.00 finance fee added to the amount to be refinanced. Many vendors are required to offer their own financing rather than send them to other lenders who have a lower interest rate, and this process impacts the person with a disability because of the high cost of the equipment.

The motion was seconded by Doug Bierly and unanimously carried.

Revised ACH Fee Policy

Sandra Prince Banker, Executive Director, noted that the motion passed at the June 16, 2021 meeting needed to be clarified as to whether all new loans with existing interest rates would be included or if it was only for 5% loans.

After discussion, a motion was made by Kristoffer Peterson to replace the current policy with the following language:

A quarter percent (.25%) reduction from the current 5% interest rate will be effective for new loans if the loan holders use the program's recurring payment service and are active with recurring payments. If recurring payments stop, the discounted interest rate will stop. The loan payment amount will remain as outlined in the Promissory Note. The interest rate for non-use of the program's recurring payment service will remain at 5%.

The motion was seconded by Doug Bierly and unanimously carried.

Future Board Meeting Dates

A discussion was held regarding 2022 meeting dates. It was the consensus of the Board to have three meetings in 2022, with items for September and December to be included in an October meeting. The following 2022 dates for the Board meetings were selected:

March 16, 2022
June 8, 2022
October 12, 2022

Update to the Business Plan

Joe Stepp, Financial Director, provided the Board with a one page financial model update as of September 2021 that was included in the Board notebooks. He noted that the starting point for the model was the actual June 30, 2021 financial statement balances and investments and the loan portfolio. The model included assumptions, unknown risks, short-term results, long-term impacts and recommendations.

Annual Report

Sandra Prince Banker, Executive Director, noted that a copy of the annual report approved by the Board's Executive Committee for submission to the Governor and General Assembly is included in the Board notebooks for their information. Sarah Liddle, Chair, noted that the annual report and the one page overview of ATLFA with loan portfolio performance are excellent documents that could be used by the Board for discussions with their legislators for future ATLFA funding.

CLOSED SESSION

Sarah Liddle, Chair, made the following motion to go into closed session:

I, Sarah Liddle, 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 Sandra Prince Banker, Executive Director and, if necessary, staff members, Joe Stepp and Christy Crowther, attend the closed meeting because their presence will aid the Board in its consideration of these matters. The motion was seconded by LaMont Henry and unanimously carried.

RESULTS OF THE CLOSED SESSION

Sarah Liddle, Chair, convened the Board meeting in regular session.

**Sarah Liddle, Chair, 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 – Liddle, Henry, Rakestraw, Lanier, Peterson, Nelson, Bierly, Grandle, VanDyke. Nays – None**

During closed session, the Board members also reviewed and discussed the current delinquency report as presented. The Board members also reviewed and discussed the Board detail activity report for loan decisions by the Loan Committee as presented for the period June 1, 2021 – August 31, 2021.

Sarah Liddle, Chair, adjourned the meeting at 12:15 PM. The next Board meeting is scheduled for December 8, 2021 at the ATLFA, 1602 Rolling Hills Drive, Suite 107, Richmond, Virginia.