**KATLC Board of Directors Meeting**

September 14, 2016

Charles McDowell Center

Louisville, KY

**Members Present:** Jackie Butts, Keith Hosey, Dave Matheis, Shari ‘George’ Polur, Kathy Sheppard-Jones, and Sandra Williams, Vice-Chair

**Members Absent:** Rowena Holloway, Chair

**Staff Present:** Sarah Richardson and Nanci Soard

**Guests Present:** Chris Maggard, Fifth Third Bank Securities

Keith Hosey called the meeting to order at 9:06 a.m. and made a motion to elect Dave Matheis to be chair due to Row Holloway’s absence second by Shari ‘George’ Polur. Motion carried. Introductions were made and guests were recognized.

**Motion to Approve June 1, 2016 Minutes**

A motion to approve the June 1, 2016 minutes was made by Kathy Sheppard-Jones, second by Jackie Butts. Motion carried.

**Fifth Third Bank Loan & Securities Report**

Fifth Third Securities representative, Chris Maggard provided the report. He explained to the Board it has been increasingly more difficult to find low risk investments. He continued to say, there is a 60% chance that interest rates go up in December and that would include short term interest rates first. He assured the Board he will continue to search for the least risk. Mr. Maggard reviewed with the Board the current investments. He said the ultimate goal would be to try to maintain and produce interest and to eliminate all risk within the portfolio. He said he would continue to be in touch with Sarah Richardson to see if there is anything available to protect against loss. He said there will be roughly $150,000 available and the Board will need to decide where they would like to invest the amount. Mr. Maggard informed the Board there would be other investment opportunities offered next year. He also informed the Board he is consistently looking for highly rated, low risk options that pay when due. He said he will send the available options to Sarah Richardson for review and the Board can tell him how to proceed.

Unit investment trusts were discussed among the group. Mr. Maggard explained it is basically investing in a trust and managing it internally for KATLC. He continued to explain that currently the highest interest rates are corporate bonds and new issues of the Ford Bonds.

Sarah Richardson provided information about Justin Preece’s promotion within Fifth Third Bank. She said his position is currently open and he has trained a backup person to handle KATLC applications. She said there are 166 loans on the books in the amount of $744,789. Ms. Richardson continued to say that the loans on the books are dwindling and informed the Board about the expected interest rate increase at the end of the year.

**Program Director & Administrative Agency Reports**

**Loan Verification Report**

15 Approved Loans

 8 Denied Loans

 0 Withdrawn Loans

 7 Incomplete

 3 Did not accept

 0 Ineligible

**Motions to Affirm E-Group Votes**

**Motion to Affirm the Approved Loans**

Motion to affirm the following approved loans: Q00601 R-HM, Q0602 J-A (override), Q0603 T-HM, Q0604 C-A (override), Q0605 C-A (override), Q0607 L-A (override), Q0608 F-EH (override) and Q0609 P-A (override), Q0802 M-V #2, Q0804 S-A (override), Q0805 P-MAT #2 (override), Q0807 E-A, Q0901 C-A, Q0902 S-A, Q0903 M-A made by Keith Hosey, second by Kathy Sheppard-Jones. Motion carried.

**Motion to Affirm the Denied Loans**

Motion to affirm the following denied loans: Q0606 S-V, Q0701 R-L, Q0703 M-V, Q0801 T-A, Q003 M-HM, Q0809 I-V #2, Q0810 S-V, and Q0811 B-V, made by Dave Matheis, second by Kathy Sheppard-Jones. Motion carried.

**Incomplete Loans**

Sarah Richardson informed the Board there were seven incomplete applications. Five applications were for hearing aids, one for a ramp and scooter and one for a van. A motion was made by Dave Matheis to accept the incomplete applications, second by Keith Hosey. Motion carried.

**Withdrawn Application**

Sarah Richardson informed the Board no applications were withdrawn. No action was needed from the Board.

**Did Not Accept Loan**

Sarah Richardson informed the Board there were three applications that were not accepted this quarter. Two applications were approved for hearing aids in the amounts of $4,775.00 and $6,990.00. There was also an application for a van that was not accepted in the amount of $2,500.00. A motion was made by Dave Matheis to affirm the three approved loans that were not accepted, second by Kathy Sheppard-Jones. Motion carried.

**Ineligible Loans**

Sarah Richardson informed the board there were no ineligible applications. No action was needed from the Board.

**Marketing Activities**

Sarah Richardson informed the Board about the past marketing activities. She said staff attended six different exhibit opportunities that were mostly the family support centers across the state. She reported there have been some applications generated from exhibiting at these events.

**Old Business**

**Regulation Change**

Sarah Richardson provided an update on the regulation change where the maximum amount for modified vehicles has increased from $25,000 $50,000. She explained that as of Wednesday, September 13th, the paperwork had been signed and submitted. Ms. Richardson said that once the documents are filed with the Legislative Research Committee (LRC), there will be a hearing scheduled and if approved, the regulation will take effect 30 days after the hearing.

**New Business**

**Appeals**

Sarah Richardson explained the appeals process.

She read aloud the board sheet, the bank recommendation for application Q0402 C-C and the letter and supporting documentation submitted by the applicant. Discussion among the Board and staff was held. Dave Matheis suggested the applicant reapply and see if the credit improves. Jackie Butts suggested referring the applicant to a budgeting class. Sarah said she will send the applicant information about the Hart Supported Living Grant and financial education resources. A motion was made by Shari ‘George’ Polur to deny the appeal, second by Keith Hosey. Dave Mathies, abstain. Motion carried.

Sarah read aloud the Board Sheet and the bank recommendation for Q0606 S-V for a van. She also read aloud the supporting documentation submitted by the applicant which was his entire application, a letter from a clinic and another of medical professional. Discussion was held. It was suggested by the Board to recommend that the individual pull their credit report, clean up any errors and reapply with a lower amount. Kathy Sheppard-Jones made a motion to uphold the denial, second by Dave Matheis. Motion carried.

Sarah read aloud the Board Sheet and the bank recommendation for Q0803 M-HM. She also read aloud a letter submitted by the applicant and submitted her credit report. Discussion was held. A motion was made by Dave Matheis to deny the appeal based on the debt to income, second by Kathy Sheppard-Jones. Motion carried.

**New Items**

Dave Matheis explained to new member, Shari ‘George’ Polur, how the Board votes on applications through email. It was suggested once KATLC staff receive four votes on an application, staff would close the poll in question within 24 hours before closing unless there are special circumstances.

A brief discussion was held in regards to providing financial education to applicants when denied by KATLC.

**Next Meeting Dates**

The next KATLC Board will tentatively be held at the Charles McDowell Center in Louisville, KY on Thursday, December 15, 2016.

**Motion to Adjourn**

A motion was made by Dave Matheis to adjourn the meeting, second by Keith Hosey. Meeting adjourned at 12:06 p.m. Motion carried.