

Kentucky Assistive Technology Loan Corporation (KATLC)
Board of Directors Meeting
September 5, 2018
Louisville, KY

Members Present: Jackie Butts, Keith Hosey (Proxy, George Polur), Kathy Sheppard-Jones, Emily Kimbell and Shari “George” Polur, Chairperson

Members Absent: Kenneth Jones

Interpreters: Jessica King and Sara Logsdon

Guests Present: Chris Maggard, Fifth Third Bank Securities and Deepak Vanjani, Fifth Third Bank Representative

Staff Present: Sarah Richardson and Nanci Soard

Meeting called to order by Chair, Shari “George” Polur at 9:06 a.m. and introductions were made.

Approval of April 12, 2018 and June 14, 2018 Minutes

Motion to approve the April 12, 2018 minutes made by Sarah Richardson, second by Jackie Butts. Motion carried.

Motion to approve the June 14, 2018 minutes by Sarah Richardson, second by Emily Kimball. Motion carried.

Fifth Third Report

Chris Maggard of Fifth Third Securities said that as of September 4, 2018, the current total cash balance in the KATLC investment account is \$315,843.56. He distributed information to the group and explained which investments were coming due in the next couple of years. He said the bank should have a new inventory coming through within the week. Mr. Maggard said he would send the inventory to Sarah Richardson to see how the Board would like to proceed. He further stated he would be looking for three to seven year investments. Mr. Maggard then proposed the question of purchasing government bonds at 3.00-3.50 percent because the United States Department of Treasury backs them and the bonds are viewed as the most secure and safe. He continued to explain the typical payoff on those is 3.5 years. He also explained the Board could sell them at any time they choose. It was determined that the preference of the group is to stay with fixed instruments. Sarah Richardson suggested investing in something that would mature in 2024. Mr. Maggard concluded his report by stating that he has been pleased with the way the KATLC portfolio stands and the Money Market accounts are gaining 1.65% interest.

Deepak Vanjani, Fifth Third Bank Representative introduced himself. He informed the Board, the turnaround time for processing applications is the same unless an

application is over \$25,000. He explained to the Board that he is having some difficulty receiving loan documents from applicants who have been approved. He asked staff to inform applicants that within five to 7 business days, a representative from Fifth Third Bank would be contacting them to assist them with questions about the application process.

Program Director and Administrative Reports

Sarah Richardson stated there are 129 loans on the books with an outstanding balance of \$775,993.27 as of July 2018. She informed the Board, there have been 2,041 applications submitted since 2003.

Loan Verification Report

- 9 Approved Loans
- 6 Denied Loans
- 0 Withdrawn Loans
- 0 Incomplete
- 0 Did Not Accept
- 0 Ineligible

Motion to Affirm Approved Loans

Motion to affirm the following approved loans: S0605 H-V #2 (override), S0702 F-A, S0703 J-A, S0704 P-A, S0706 W-A, S0705 A-V #2, S0801 T-A, S0802 W-A and S0806 L-A made by Sarah Richardson, second by Jackie Butts. Motion carried.

Motion to Affirm Denied Loans

Motion to affirm the following denied loans: S0607 W-V #3, S0701 A-V, S0707 S-A #2, S0803 J-V, S0804 T-S and S0805 H-A made by Kathy Sheppard-Jones second by Emily Kimbell. Motion carried.

Motion to Affirm Incomplete Applications, Withdrawn Applications, Loans not Accepted and Ineligible Applications

Motion to affirm no incomplete applications, withdrawn applications, loans not accepted and ineligible applications for this quarter made by Kathy Sheppard-Jones, second by Emily Kimbell. Motion carried.

Financial Reports

Sarah Richardson stated the balance in the bank account is a \$67,878.40. The Directors and Officers Insurance was purchased in June for \$8,530.00.

Fifth Third Securities

Sarah Richardson explained the Fifth Third Securities report. She informed the Board that Credit Suisse was called. No discussion was held.

Defaults

The Board reviewed the potential defaults. Discussion was held regarding the repossession process. Jackie Butts asked staff to request that the bank include

unsecured credit utilization reports on their recommendations. Sarah said staff would request this in the future.

The Board reviewed the most recent defaults, R1202 L-A, R0406 K-A, P1102 F-A, P0504 M-A and R0609 C-A.

All defaults were for hearing aids. Of the five hearing aid loans, three were overrides and two were bank approved. One default was a result of death and another was due to bankruptcy.

Marketing Activities

Sarah Richardson reported on KATLC's marketing activities for the quarter. She said staff attended the Spina Bifida conference in Louisville, the KY Academy of Audiologists in Lexington and the Senior Expo in Newport.

Staff will investigate possibly attending APSE and the Assistive Technology Workshops in the fall.

Old Business

KATLC Board Appointment

Sarah Richardson informed the Board she has been in contact with the Governor's Office in regards to the appointment. She said she would keep the Board posted as she has not currently heard anything. Kathy Sheppard-Jones suggested asking Norb Ryan to send an application to serve on the board. Sarah informed the Board Jackie Butt's term will expire in February 2019 and she is not eligible for reappointment. As a result, the Board would need to appoint a new banking representative.

Agreement

The Board reviewed the information for the bank agreement. Sarah informed the Board the amended agreement would be good until September 30, 2018.

Next Meeting Date and Location

December 5, 2018
McDowell Center
Louisville, KY
9:00 a.m.

Motion to Adjourn

Sarah Richardson made a motion to adjourn, second by Jackie Butts. Motion carried. Meeting adjourned at 10:37 a.m.