

December 2021 NHLP Committee Meeting

Minutes

December 9, 2021

2:00-3:00 PM EDT



1. Opening

Mr. Brandon Palermo called the meeting to order at 2:10. The meeting was recorded. No member presented an issue with being recorded.

Members Present: Mr. Brandon Palermo, Mr. TJ Moon, Mr. Horace Brown.

Staff Present: Mr. Eric Reed, Mr. Eric Zimmerman

Members of the Public: None

A quorum was established.

2. Approval of Agenda

No members of the public commented. Mr. Reed requested to have two items added to the agenda. Mr. Brown motioned to accept the agenda with the additions. Mr. Palermo seconded and the agenda was accepted.

3. Approval of minutes

Minutes from the November 10 and December 2 committee meetings were presented for approval. Mr. Brown motioned to approve the minutes. Mr. Palermo seconded the motion. The minutes were approved unanimously.

4. ACF Report

Mr. Reed provided a brief overview of the ACF report and financial updates since the November meeting. He noted the negative change in the investment balances as a result of the normal operating expense reimbursement to FAAST. The loan activity for 2021 will end higher than any previous year with growth expected to continue in 2022. The discussion primarily focused on past due accounts and updates to collection activities.

5. AB loan write-off

Mr. Reed provided a brief overview of the loan and explained that the borrower has died and there is no known estate or family that may help with

the recovery of the loan balance. The loan is unsecured so there is no collateral to sell. The committee voted unanimously to allow the debt to be written off. Mr. Reed then brought to the committee the request to discuss this balance, along with other similar situations in the future, would be considered a charge-off or categorized differently so it does not impact the tracked charge-off ratio. The committee agreed that moving forward, this should be a different category and not impact the charge-off ratio. It will be tracked on a separate line on the ACF report.

6. DB-new loan request (added)

Mr. Reed provided an update to a prior loan request that was sent and approved pending what vehicle was found. The borrower has found a vehicle that meets the program requirements and what the committee was requiring. Mr. Reed also requested that if the current vehicle is sold and borrower must find another vehicle, that if it meets the program requirements, fits the approved price range and has appropriate Carfax reports. Mr. Brown motioned to approve the loan with the presented vehicle, Mr. Palermo seconded and it was approved unanimously. Mr. Brown then motioned to approve Mr. Reed to accept other vehicles if they meet the preset requirements. Mr. Palermo seconded and the loan was approved unanimously.

7. DOC/TOC new loan request (added)

Mr. Reed shared that this loan request was not a unanimous approval through the eVote but was a majority approving. The committee member who voted no, provided Mr. Reed with concern of outstanding medical collection debt. Mr. Reed provided information for the committee that the loan policy manual has several examples where medical collections are not included in underwriting or do not play or do not have to play a role in decision making. Mr. Palermo opened the voting and Mr. Brown seconded and the loan was approved unanimously.

8. NHLP manual revisions

Mr. Reed informed the committee that Mr. Zimmerman and himself will be working on revisions and will work to get the revised manual on the next agenda.

9. CDFI/NHLP separation updates

There are no substantial updates and Mr. Reed believes that they are receiving push back from the commissioner's office due to unfair connections to the prior AbleTrust issues. There are also some leadership changes in DOE and VR including main contacts for this effort that will impact continued communication.

10. Closing

There was no public comment.

The next meeting will be Thursday, Jan 13 at 2:00 PM

Mr. Palermo adjourned the meeting at 2:42.