



COMMONWEALTH of VIRGINIA  
*Assistive Technology Loan Fund Authority*

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October 7, 2019

The Honorable Ralph S. Northam, Governor of Virginia  
and the Members of the General Assembly of Virginia

In accordance with Section 51.5-59 of the *Code of Virginia* and on behalf of the Board of Directors, it is my pleasure to submit the annual report of the Assistive Technology Loan Fund Authority for the fiscal year ended June 30, 2019. During fiscal year 2019, the Authority helped 89 Virginians with disabilities obtain over \$2 million in loans for assistive technology.

With a dedicated Board and staff, our alternative finance lending model has proven to be very successful with outstanding direct loans of over \$4.5 million and \$4.1 million available for lending. The Assistive Technology Loan Fund Authority has enabled Virginians with disabilities since 1999 to obtain nearly \$28 million in loans for assistive technology.

Virginia's Assistive Technology Loan Fund Authority is one of the largest sources in the country providing credit financing for individuals with disabilities and their families to purchase assistive technology directly related to their disability. This program addresses a significant and unique need to Virginians across incomes and disabilities supporting the acquisition of needed equipment and devices.

Please feel free to contact Sandra W. Banker, Executive Director, with any questions, comments, or concerns regarding this report at 804-662-7021.

Sincerely,

A handwritten signature in cursive script that reads "Joyce Viscomi".

Joyce Viscomi, Chair  
ATLFA Board of Directors

Cc: The Honorable Daniel Carey, M.D.

*"Affordable Loans for Assistive Technology"*



Assistive Technology Loan Fund Authority

PROVIDING HELP FOR A BETTER TOMORROW

1602 Rolling Hills Drive, Suite 107  
Richmond, Virginia 23229  
866-835-5976

# Annual Report

FISCAL YEAR 2019

## Mission Statement

Promoting alternative funding resources for Virginians with disabilities to acquire assistive technology that can enhance independence and improve quality of life.



## Fiscal Year 2019 Highlights

- ATLFA assisted 89 Virginians with disabilities obtain loans to purchase over \$2 million in assistive technology in the year ended June 30, 2019. This is the first time ATLFA has made more than \$2 million in direct loans in program history.
- As of June 30, 2019, ATLFA was managing a direct loan portfolio of over \$4.5 million with 308 borrowers in repayment. This portfolio balance has more than doubled in the past five years.
- The dollar value of direct loans issued by ATLFA in FY 2019 was 11% more than in the previous fiscal year.

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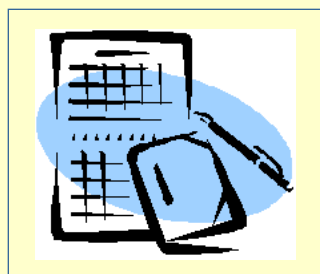
***For the first time in program history, ATLFA made more than \$2 Million in direct loans for assistive technology in a year.***

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## Financial Information

**ATLFA conducted an awareness marketing campaign during FY19 spending \$45,000 on various multimedia platforms.**

**Investment revenues were 33% above budgeted amounts due to higher interest rates.**



### Statement of Net Assets

(dollars in thousands)

Assets:	
Cash	\$4,119
Loans Receivable	<u>4,283</u>
(net of allowance of \$225)	
Total Assets	8,402
Liabilities:	
Accrued Leave	<u>(9)</u>
Net Assets	<u>\$8,393</u>

Cash balances at June 30, 2019 included \$309,000 in federally insured cash balances with our banking partner and \$3,810,000 in the State Treasurer's investment pool.

Note: As of June 30, 2019, ATLFA had no outstanding loan guarantees.

### Statement of Revenues and Expenses

(dollars in thousands)

Revenues:	
Contributions	\$1
Loan Interest and Fees	187
Investment Income	<u>100</u>
Total Revenues	288
Expenses:	
Grant Awards	(1)
Loan Services	(2)
Payroll	(328)
Administration	(138)
Marketing	(46)
Loan Allowance	<u>(48)</u>
Total Expenses	<u>(563)</u>
Net Expenses	<u>\$(275)</u>

For fiscal year 2019, actual expenses were more than the \$532,000 budgeted amount. This was mainly due to a mid-year extension of the marketing program.

## Write-offs and Delinquencies Remain at Low Levels

ATLFA continued to diligently monitor loan holder payments in fiscal year 2019. During the year, ATLFA had to write-off only 8 loans totaling \$22,094. Sadly, three of these loans had to be written-off due to the death of the loan holder.

These write-offs represent an annual default rate of 0.37% which was consistent with FY18 and still well within the performance measure target of 2.5% and the 5% historical rate.

At June 30, 2019, total past-due amounts were \$133,670 or 3.0% of the total portfolio amount of \$4,507,929. At June 30, 2019, only 27 loan holders of 308 active loan holders had past due amounts with no payments in the past 30 days. By September 1, 2019, 25 of these 27 loan holders had made a payment.

The loan default rate has been below 1.5% for the past five consecutive years.

## ATLFA Continues to Meet Performance Measures

In fiscal year 2019, ATLFA continued to monitor its strategic plan performance measures. While ATLFA met many performance measures, decreases in applications and a midyear increase in the awareness/marketing campaign prevented meeting other measures.

### Loan activity:

Applications	Target 180
	Actual 161
Closed Loans	Target 106
	Actual 89
Average closed loan	Target \$17,000
	Actual \$22,488

### Collection activity:

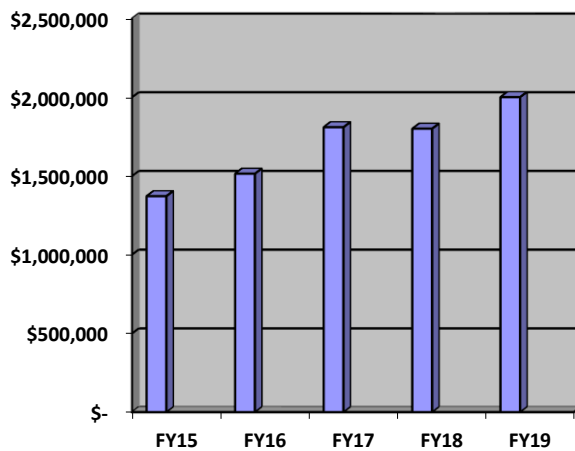
Delinquent Borrowers	Target 2.00%
	Actual 3.90%
Past due Amounts:	Target 2.00%
	Actual 2.96%
Loan Write-offs	Target \$50,000
	Actual \$22,094
Default Rate	Target 2.00%
	Actual 0.37%

### Administrative activity:

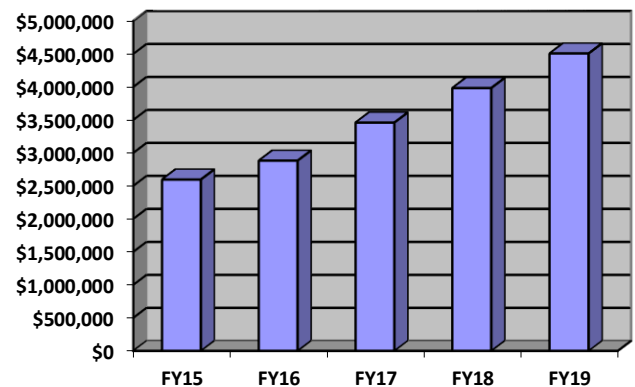
Program Events	Target 12
	Actual 14
Investment Return	Target 1.66%
	Actual 2.30%
Investment Income	Target \$75,000
	Actual \$99,857
Administrative Expenses	Target \$482,000
	Actual \$515,346

## Direct Loans and Loan Portfolio Continue to Increase

Direct Loans By Fiscal Year



Loan Portfolio Balance



ATLFA made direct loans in fiscal year 2019 with a value of over \$2 million, an 11.1% increase over the value of loans made in fiscal year 2018 and the first time loans have exceeded \$2 million. Of the 89 loans, 65 were for converted vehicles, 8 were for hearing aids, and 4 were for home modifications.

Loan portfolio balance continued to increase in fiscal year 2019 with 308 loan holders having over \$4.5 million outstanding. This represents a 30% increase over the portfolio balance of just two years ago.

## ATLFA Offers Loans for Recreational Equipment

ATLFA can offer low interest loans for innovative all terrain recreational equipment. One of the key components of a fulfilling life for all individuals is the opportunity to take part in hobbies, sports, recreation, and other interests outside of academics or work. Adaptive recreational equipment can help ensure that individuals with disabilities can participate more fully in recreational activities that otherwise would have difficult barriers to entry.

All terrain wheelchairs can expand mobility range and access by taking an individual where they always wanted to go but were not able. All terrain wheelchairs come in different types and have specific strengths, such as being top performers on sand or gravel, in snow, over hilly terrain or on hills.



## Combined Virginia Campaign Charity # 03153

ATLFA received nearly \$1,000 from the Combined Virginia Campaign. These funds are added to the Consumer Services Program and are used to support disabled Virginians who do not qualify for the loan program. During fiscal year 2019, an award of \$500 for a bath lift was made.

All ATLFA staff, several Board members, and other Commonwealth employees contributed to CVC through ATLFA.

To designate funds to ATLFA in the 2019 CVC program, please use charity number 03153.

### Current ATLFA Board Members

Joyce Viscomi, Chair

Sarah Liddle, Vice Chair

Elise Nelson, Treasurer

Douglas Bierly

Dean Bonney

Michael Costanzo

Marques Jones

Ronald Lanier

Vanessa Rakestraw

Brian Taylor

Dr. Daniel Carey

Clay Huie

### ATLFA Staff

Sandra Banker  
Executive Director

Christy Crowther  
Program Manager

Joseph Stepp  
Financial Director