

*ALTERNATIVES VENTURE FUND*  
**BOARD OF DIRECTORS**  
**MINUTES OF DECEMBER 18, 2006**

Present: Richie Berg, Dick Furnas, Leslyn McBean, Myra Kovary (Board), Deirdre Silverman, Bill Myers (Staff).

1. Approve minutes of 2005 Meeting: Leslyn moved, Richie seconded. Minutes were approved unanimously.

2. Update on Growth Opportunities Fund—currently 4 investments totaling \$98,765

One of these, for \$14,400, held by AVF, the others guaranteed

New investment/disbursements—Disbursements of \$10,000 and \$4,000 to Ithaca Analog in 2006

Other investments--\$80,000 certificate at Syracuse Co-op CU

Business lending issues—Staff turnover has led to a temporary decrease in business lending. We expect this to pick up in 2007, and hope to make more investments, as the Fund has capital available. Members of the Board expressed the wish that the Fund be more active, and have more of an impact in the community.

3. Update on IDAs

2 Assets programs—federally funded, one ends 9/30/07, one will be extended to 9/30/08.

All slots (>100 between the two programs) are filled.

New small program (10 slots, all filled) for business savers—The AVF holds the matching funds for this program and the federal programs

First Home Club—no AVF involvement

Hope to apply to federally-funded program in 2007—should AVF be the applicant?

This would give the AVF more program activity, and simplify the financial aspect, because the program operator would also be holding the funds. We still need to find non-federal funds as a match.

4. Funding Report

CDFI Fund—2004 technical assistance grant gave us money for a capitalization study, which we still haven't used. Need to get an extension. Site visit from CDFI Fund evaluator covered AVF as well as the credit union.

Annie E. Casey Foundation—Received \$60,000 from Annie E. Casey Foundation for the Credit Path Research project. The report should be available soon.

Empire State Development— For women- and minority-owned businesses. Completed goals of 2004 grant in 2006. NYS CDFI program is broadening its purpose, may apply again in 2008.

Center for Economic Progress—Applying for ~\$6,000 for tax program, to model practices that link to asset-building. Hope to be included in a larger, more fully funded demonstration in 2008.

Side Note: The credit union has received funding from Empire State Development to offer business loans with a subsidized (lower) interest rate to women and minority borrowers. We

expect this to increase our lending among these groups, and hope to have some spillover to AVF investments.

5. Financial Report—The Board discussed the financial report. \$25,000 from the operating account and \$55,000 from the GO Fund have been invested in a certificate at Syracuse Co-op Credit Union. The operating account has \$29,000 unallocated, and the GO Fund has \$111,000 available for investing, either as direct loans from the AVF, or as guarantees on loans made by the credit union.

7. Management Agreement with AFCU—Riche moved, Dick seconded. Unanimously approved.

8. Board Terms and Election of Officers—Expiration dates for Board seats are: Richie 12/31/06, Leslyn 12/31/06, Dick 12/31/07, Myra 12/31/08. Richie and Leslyn agreed to additional 3-year terms.

Officers for 2007 are: President-Richie Berg; Secretary-Dick Furnas, Treasurer-Myra Kovary.