



## **MINUTES**

### **REGULAR/QUARTERLY MEETING OF WEST VIRGINIA JOBS INVESTMENT TRUST BOARD**

**JANUARY 20, 2021**

The regular/quarterly meeting of the West Virginia Jobs Investment Trust Board (WVJITB) was held by teleconference on Wednesday, January 20th at 10:00 a.m. at the WVJIT office located at 1012 Kanawha Boulevard, East, Fifth Floor; Charleston, WV. A quorum was confirmed. Those participating were:

**CHAIRMAN:** Ann Urling, Deputy Chief of Staff; WV Governor's Office

**BOARD MEMBERS:**

Ann Starcher, Vice Chairman  
Erica Boggess, Treasurer  
Bill Goode  
Tim Millne  
Ginny Painter  
Robert Pepper  
Dr. Javier Reyes  
Senator Eric Tarr (Ex-Officio)

**STAFF:**

C. Andrew Zulauf, WVJIT Executive Director  
Michele O'Connor, WVJIT Investment Manager  
Brad Sergent, WVJIT Investment Analyst  
Wilma Groves, WVJIT Administrative Assistant

**OTHERS:**

Elizabeth Benedetto; Spilman Thomas & Battle, representing WVJIT

**BOARD MEMBERS ABSENT:**

Christian Asam  
Gale Gray  
Mark Grigsby  
Dr. Sarah Armstrong Tucker

The Chairman called the meeting to order. The agenda for the meeting and action taken consisted of the following:

**I. APPROVAL OF ACTION TAKEN AT AND MINUTES OF THE SEPTEMBER 9, 2020 BOARD MEETING.**

The Chairman presented the September minutes as the first order of business. The Board had no questions or objections for approval.

**MOTION – Approval of Minutes.**

Mr. Millne moved that the minutes of and the action taken at the September 9, 2020 board meeting be approved. Ms. Boggess seconded the motion. The motion carried.

**II. EXECUTIVE SESSION.**

**MOTION – Executive Session.**

Ms. Starcher moved that, since the Board needs to consider certain matters involving confidential, commercial, financial and/or personal information relating to investments or prospective investments of the West Virginia Jobs Investment Trust, that the Board convene into executive session pursuant to West Virginia Codes §12-7-11 and §6-9A-4.” Ms. Boggess seconded the motion, and the motion was carried. The Board entered into executive session at 10:04 a.m.

The Board reconvened into regular session at 10:45 a.m. There were no motions made during executive session.

**III. PROPOSAL FOR WV MEDTECH INNOVATION CLUSTER INITIATIVE.**

The WV MedTech Proposal was the next order of business. Mr. Zulauf opened the discussion by telling the Board that WVJIT is proposing a unique “fund-to-fund” investment into the WV MedTech Innovation Cluster Initiative to be used as business formation capital to startup companies, specifically in the medical technology field/market/industry. This Initiative is a direct result of the efforts and positive outcomes of the “3 Steps to Startup” program and will be capitalized with \$250K from INNOVA, \$250K from the Appalachian Regional Commission, and \$500K from WVJIT for a total of \$1M.

Ms. O’Connor told the Board that the purpose of the WV MedTech Initiative is to address economic opportunities in the MedTech sector of the State. This Initiative will assist entrepreneurs by assessing their company’s status in terms of management capacity, company formation, professional needs, and product design and development to compile a business strategy with recommendations for how to move forward and how to access assistance where needed through five critical stages of evaluation. Those that meet the required criteria will go before an Investment Committee for approval of funding. The seven-member Investment Committee has not yet been finalized, but those prospects that have been contacted have expressed interest in serving.

Mr. Zulauf noted that the WVJIT funds committed will be to an entity while the operational assistance activities will be funded through a U.S. Economic Development Grant of \$750,000 under the U.S. EDA SPRINT program and a \$300,000 grant from the Claude Worthington Benedum Foundation. He concluded that the WV MedTech Innovation Cluster Initiative meets the overall objectives of the WVJIT mission and he recommends this Proposal to the Board.

**MOTION – Approval of WV MedTech Innovation Cluster Initiative Proposal.**

After further discussion regarding expenses and collaborators of the WV MedTech Initiative, Mr. Goode moved to approve the Proposal as presented with the condition that WVJIT would have a seat on the Investment/Advisory Committee. Mr. Pepper seconded the motion and the motion carried. The resolution, as adopted, reads as follows:

WHEREAS, The Jobs Investment Trust is proposing a “fund-to-fund” investment into the WV MedTech Innovation Cluster Initiative (the “Fund”) that will be used to provide business formation capital to startup companies, specifically in the medical technology field/market/industry;

WHEREAS, The Executive Director has reviewed and approved this investment in his sole discretion;

WHEREAS, The Executive Director has proposed the following resolution for adoption by the Board; and

WHEREAS, After consideration of the said review and approval by the Executive Director and discussion regarding the circumstances relating to said investment, the Board has determined that said Fund (1) is worthy of an investment by the Jobs Investment Trust and (2) will benefit the West Virginia economy and the job creation potential and economic circumstances of the State by, among other things: (i) expanding a service not readily available; (ii) adding to the state and local tax base; and (iii) creating new jobs; and (3) is otherwise prudent and meets the investment criteria established by the Board.

NOW, THEREFORE, BE IT:

RESOLVED, That the Board hereby approves an investment of up to \$500,000 in the Fund with specific terms to be negotiated between the Executive Director for the Jobs Investment Trust and the Fund; and

FURTHER RESOLVED, That the Executive Director of the Board shall, in his capacity, negotiate, review, modify and consummate the terms and conditions as laid out in the January 20, 2021 proposal, and execute and deliver all documents related to this investment in WV MedTech Innovation Cluster Initiative, determined by the Executive Director to be required or desired, all of which shall be fully authorized and effective upon execution thereof by the Executive Director and shall not require countersigning by other officers of the Board as otherwise set forth in the Bylaws of the Board; and

FURTHER RESOLVED, That the Board hereby approves and ratifies all actions taken by the Executive Director, the Chairman, the Executive Committee and all other officers, agents, and employees with regard to this investment.

**IV. REVIEW OF DECEMBER 31, 2020 WVJIT FINANCIAL STATEMENTS.**

Mr. Zulauf reviewed with the Board the December financials.

**V. OTHER BUSINESS AND ADJOURNMENT.**

Paycheck Protection Program Update – Mr. Zulauf told the Board that approximately 60% of WVJIT’s portfolio companies applied for and received the Paycheck Protection Program (PPP) loans. Effective January 19<sup>th</sup>, companies may be eligible for a second draw if certain requirements have been met. He noted that Troy LLC is still awaiting a PPP loan forgiveness decision by the SBA for the loan received last year.

New Administration Stimulus Package-SSBCI Renewal – Mr. Zulauf told the Board that the New Administration recently announced their American Rescue Plan to support COVID-19 recover and relief. The Plan will include \$15B in small business grants and another \$35B in low-cost capital for small businesses. He noted that the CDFA has confirmed a portion of this money will be used to launch a lending program for states similar in structure to the SSBCI program.

**MOTION - Adjournment.**

There was no other business. The Chairman asked for a motion to adjourn. Mr. Millne moved to adjourn the meeting. Mr. Pepper seconded the motion and the meeting adjourned at 10:55 a.m.



Ann Urling  
Chairman



Wilma Groves  
Board Secretary