

**Virginia Birth-Related Neurological Injury Compensation Program
Board of Director's Meeting
Minutes for April 11, 2006**

****AMENDED****

Attendees:

Melina Dee Perdue, Chair
William "Bill" LeHew, MD, Vice-Chair
Edward Mazur, CPA
McLain O'Ferrall
Ralph Shelman

Also Present:

George Deebo, Executive Director
Candace Thomas, Deputy Director
Iris Allen, Claims Manager
Angela Conley, Executive Assistant
Frank Ferguson, Deputy Attorney General, OAG
Bill McKelway, Richmond Times Dispatch

Call to Order:

Melina Dee Perdue, Chair, called the meeting to order at 1:10 p.m.

Minutes:

Ed Mazur presented changes to the March Board minutes for clarification. Ralph Shelman seconded the motion and the motion passed unanimously. Revised minutes will be sent to the Board members in the May Board packet.

Finance:

Candace Thomas reviewed the financial highlights that included Balance Sheet, Profit and Loss Report, and introduction of option for physicians to pay their annual assessment with credit cards effective February 1st, 2006. Ed Mazur asked Candace Thomas to look at the Program's level of cash to see if it was earning any type of interest while in the bank. He also asked if the Program had an Accounts Payable policy in place so that we are paying invoices in a timely manner. Candace Thomas responded that she would verify the interest with the bank and that the Program did have a policy in place for timely payment of invoices.

Candace Thomas asked the Board members if they wanted to continue to receive the detailed financial statements or if they would prefer a condensed version of the reports. Ed Mazur and Melina Dee Perdue, Chair, both commented that they preferred the detailed financial statements and would like her to continue with that format.

Ed Mazur made a motion to approve the March financial statements. Ralph Shelman seconded the motion and the motion carried unanimously.

Finance Committee:

Edward Mazur stated that Cherry, Bekaert and Holland, the Program's Public Account Firm, had completed the 2005 Audit Report as of March 15, 2006 and the report was available as of March 31, 2006. Candace Thomas provided copies of the Audit Report for the Board members. Ed Mazur asked the Board members to read the Audit Report carefully and bring any questions back for discussion at the next Board meeting.

Investment Committee:

Laine O'Ferrall notified the Board members that the Investment Committee had met with Jim Rorrer, Investment Consultant with Cap Group, earlier in the morning and had decided on the Large Cap Growth and Value managers. The Investment Committee had chosen Intech/Janus Capital Group and Rainier Investment Management, Inc. as the large cap growth managers. Great Lakes Advisors and Alliance/Bernstein were chosen as the large cap value managers. The Program invested eight million in each manager. At its next scheduled meeting, the Investment Committee would be looking at managers for the Bonds.

No motion was necessary for the Investment Committee actions. Laine O'Ferrall did request that George Deebo, Executive Director, consult with financial advisor to draft contract for the selected managers and to seek counsel from the Attorney General's Office regarding communication with the Virginia Retirement System and to be in compliance with the current legislation.

Public Comment:

Bill McKelway, Richmond Times Dispatch, stated that during the recent presentation at the Medical Society of Virginia information was stated that the Program had a deficit but was also financially sound. Was that accurate information? Ed Mazur explained that the Program had enough financial resources to meet current obligations on a timely basis, but that the Program's reserves and future revenues were not sufficient to cover the full long-term liability to current and IBNR (Incurred But Not Reported) claimants. It was noted that the Program has tried to use terminology that the public can understand and relate the Program to.

Closed Session Regarding Personnel and Claimant Issues:

Melina Dee Perdue, Chair, moved that the meeting convene in a closed session to discuss claimant issues pursuant to the exemption at 2.2-3705 (this references §38.2-5002.2). The motion was seconded by Bill LeHew, Vice-Chair, and unanimously passed.

Melina Dee Perdue, Chair, made a motion that the Board certify the closed session, to the best of each member's knowledge, discussed only public business matters lawfully exempted and only such matters as were identified in the motion that closed the meeting. The motion was seconded and unanimously passed.

Results of Closed Session:

- Edward Mazur motioned to approve the request of the addition of a roll-in shower in the home of [REDACTED] Motion passed unanimously.

- Ed Mazur motioned to extend the rental assistance for [REDACTED] over the next 12 months. At the end of 12 months, the Board will review the monthly benefit based on the normal methodology of calculating rental housing assistance. Melina Dee Perdue seconded the motion. Motion passed unanimously.

Closed Session Regarding Legal Advice:

Melina Dee Perdue, Chair, moved that the meeting convene in a closed session to discuss legal issues pursuant to the exemption at 2.2-3705 (this references §38.2-5002.2). The motion was seconded and unanimously passed.

Melina Dee Perdue, Chair, made a motion that the Board certify the closed session, to the best of each member's knowledge, discussed only public business matters lawfully exempted and only such matters as were identified in the motion that closed the meeting. The motion was seconded and unanimously agreed.

Executive Director's Report:

George Deebo, Executive Director, mentioned to the Board that he and Bill LeHew had participated in a meeting with the Medical Society of Virginia and it was a good turnout and went well. George Deebo announced that in 2006 the Program had the highest amount of participating physicians totaling more than 550. This is the highest amount participating in the history of the Program.

Adjournment:

A motion to adjourn was made by Melina Dee Perdue, Chair, and unanimously agreed to at 2:50 p.m.