

RECEIVED APR 20 2009

Attachment # 1
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VISION2020
Value beyond equity investments

Summit East Technology & Research Park
1650 Summit Lake Drive, Suite 101
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T: 850.219.5128
F: 888.855.0252

To: Leon County Commissioners
From: George Banks, General Manager 
Subject: Vision 2020 LLC Status Report March 31, 2009
Date: April 17, 2009

This is the Vision 2020 status report through the first quarter of 2009. Vision 2020 is pleased to report it continues to operate the private equity fund as entrusted by the Leon County Commission.

Vision 2020 as agreed has continued to utilize the grant funds received by the County for administrative and operational costs. In no event have the funds been used for investment purposes, including but not limited to, investing in target businesses, or otherwise.

I have included excerpts from the Vision Fund Investor letter mailed January 26, 2009 prior to the Board of Directors meeting held March 31, 2009 to help keep the Commission apprised on Vision 2020's progress. Mr. Rick Kearney, Vision Fund, LLC Chairman is available to meet with you to provide any additional information you may request.

"The last months of 2008 brought us some pretty harsh economic developments. During that same time, our investment fund had planned to break escrow and start making investments, however due to the global economic turbulence, the board of directors opted to proceed with caution. Therefore, Vision Fund has retained all of the investors' principle with interest in FDIC accounts.

At first, we had hoped that the recession was minor, but now it is being classified as a deep recession with a 2+ year recovery.

Our initial investment strategy was to syndicate with other private equity funds and banks across a broader array of businesses in our area than just those businesses we would invest in alone. With the meltdown of the credit industry, that's not a viable strategy anymore - at least not for the foreseeable future.

Therefore, we are making some course corrections that we think will meet our investors' objectives and still serve our stated purpose. In summary the objectives are:

- Preserve the investment principle, with independent accountability
- Grow the investment at greater than 10% per year
- Increase jobs and stimulate the economy in our community
- Identify one or more high potential investments that could offer 3X or more return on investment as the fund matures
- Utilize the skills of our investors and community resources to help portfolio companies succeed and grow

In order to accomplish the above, this is what we are doing:

- Reduce our monthly administrative overhead from \$15,000+ to less than \$1,000 per month in order to preserve the Vision 2020 funds provided by Leon County. Executive Director Christopher Campbell is transitioning to a new job over the next 90 days and our office has been moved under Summit East Management, who will handle our administrative needs for a monthly fixed fee.
- Pursue minority investments with FSU and other local universities, professors and graduates where the proven product has high potential, with letters of interest from real paying customers.
- Explore participation in a community microfinance program in conjunction with Leon County, local Small Business Administration offices, local banks and higher education mentors. This is an ever increasing option being pursued across the U.S. to stimulate both the finance industry and very small business, where there is the most growth opportunity.
- Reach out to local tech companies to look into mezzanine / bridge loans to assist them fulfill business contracts whereby they have been denied credit from conventional banks. Such loans would be collateralized with the assignment of contracts and/or equity and other guarantees.
- Participating in a Leon and surrounding county business "match-making" program where local businesses showcase their opportunities and challenges and what is needed to realize their potential. Vision Fund would partner with local banks, angel investors, business mentors and university partners to ensure the highest success rates with these investment candidates.
- All of the above decisions would be vetted by the Board of Directors and its investment committee. Over the next 90 days we will be adding 3-5 new board members with expertise in the above areas."

Vision 2020 offices remain at the Summit East Technology & Research Park, conveniently located across the street from their previous address, now co-located with Summit East Management at 1625 Summit Lake Drive, Suite 229, Tallahassee, Florida 32317.

Vision 2020 sincerely appreciates all the efforts of Christopher Campbell to get their investments to the point where they can break escrow and start making prudent investments. The Board and investors wish him the very best and will remember his efforts fondly.

In summary, the markets and economy Vision 2020 will face in early 2009 are unprecedented. However, they understand that in turmoil there is opportunity. They intend to capitalize on this unique opportunity to carefully invest Vision Fund.

Encls: (4)



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Vision 2020 has agreed to submit the following quarterly reports:

Financial 4th Quarter 2008 Reports:

Vision 2020 LLC

**Summary of Run Rate & Key Financial Ratios
 January 2008 – December 31, 2008**

	<u>Total YTD</u>	<u>Average</u>
Income		
Total Income	<u>10,835</u>	<u>903</u>
Expense		
Payroll Expense	162,567	13,547
General & Administrative	102,068	8,506
Marketing & Programs	3,867	322
Travel & Entertainment	<u>14,852</u>	<u>1,238</u>
Total Expense	<u>283,354</u>	<u>23,613</u>
Leon County Grant Funds	\$ 208,104	

Notes:

1. *General administrative expenses increased for the legal and due diligence costs associated with the due diligence of a number of potential portfolio companies.*
2. *Vision 2020's usage rate of the Leon County Grant Funds is projected to provide for 12 additional months of operation before Vision2020 will need to use funds from the investor administration fees.*



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Vision 2020 has agreed to submit the following quarterly reports:

Financial 1st Quarter 2009 Reports:

Vision 2020 LLC

Summary of Run Rate & Key Financial Ratios
 January 2009 – March 31, 2009

	<u>Total YTD</u>	<u>Average</u>
Income		
Total Income	<u>23</u>	<u>274</u>
Expense		
Payroll Expense	21,091	7,030
General & Administrative	13,945	4,648
Marketing & Programs	2,140	713
Travel & Entertainment	<u>608</u>	<u>203</u>
Total Expense	<u>37,784</u>	<u>12,594</u>
Leon County Grant Funds	\$ 171,341	

Notes:

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**Vision 2020, LLC
 Financial Report**

Ending Balances as of 12/31/2008:	
Account:	Premier Bank - Checking/Operating Account
Principal Balance	\$ 25,000.00
Interest Earned:	\$ -
Total Account Balance:	<u>\$ 25,000.00</u>
Account:	Premier Bank - DDA Account
Principal Balance	\$ 147,390.32
Interest Earned:	\$ 37,534.91
Total Account Balance:	<u>\$ 184,823.90</u>

January 1- March 31, 2009 Activity	
Account:	Premier Bank - Checking/Operating Account
Beginning Balance:	\$ 25,000.00
Transfers from DDA:	\$ 36,023.57
Checks & Payments:	\$ (36,023.57)
Total Account Balance:	<u>\$ 25,000.00</u>
Account:	Premier Bank - DDA Account
Beginning Balance:	\$ 184,823.90
Transfers to Checking:	\$ (36,023.57)
Correction to Book:	\$ 101.33
Interest Earned:	\$ 822.89
Total Account Balance:	<u>\$ 149,724.55</u>

Ending Balances as of 3/31/2009:	
Account:	Premier Bank - Checking/Operating Account
Principal Balance	\$ 25,000.00
Interest Earned:	\$ -
Total Account Balance:	<u>\$ 25,000.00</u>
Account:	Premier Bank - DDA Account
Principal Balance	\$ 111,366.75
Interest Earned:	\$ 38,357.80
Total Account Balance:	<u>\$ 149,724.55</u>



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Vision Fund Management, LLC
 Financial Report

Ending Balances as of 12/31/2008	
Account: Farmers & Merchants Bank - Money Market	
Principal Balance	\$ 132,158.94
Interest Earned:	\$ 935.90
Total Account Balance:	<u>\$ 133,094.84</u>
Account: Florida Commerce Credit Union - Money Market	
Principal Balance	\$ (1,008.75) ****
Interest Earned:	\$ 4,863.64
Total Account Balance:	<u>\$ 3,854.89</u>
Account: Prime Meridian Bank - Money Market	
Principal Balance	\$ 587,995.00
Interest Earned:	\$ 4,328.43
Total Account Balance:	<u>\$ 592,323.43</u>

**** \$300,000.00 transferred to
 Prime Meridian MM Account
 on 7/2/2008

January 1 - March 31, 2009 Activity	
Account: Farmers & Merchants Bank - Money Market	
Beginning Balance:	\$ 133,094.84
Withdraws/Transfers Out:	\$ -
New Deposits:	\$ -
Interest Earned:	\$ 461.44
Total Account Balance:	<u>\$ 133,556.28</u>
Account: Florida Commerce Credit Union - Money Market	
Beginning Balance:	\$ 3,854.89
Withdraws/Transfers Out:	\$ -
New Deposits:	\$ -
Interest Earned:	\$ 6.62
Total Account Balance:	<u>\$ 3,861.51</u>
Account: Prime Meridian Bank - Money Market	
Beginning Balance:	\$ 592,323.43
Withdraws/Transfers Out:	\$ (60,000.00)
New Deposits:	\$ -
Interest Earned:	\$ 2,532.86
Total Account Balance:	<u>\$ 534,856.29</u>

Ending Balances as of 3/31/2009	
Account: Farmers & Merchants Bank - Money Market	
Principal Balance	\$ 132,158.94
Interest Earned:	\$ 1,397.34
Total Account Balance:	<u>\$ 133,556.28</u>
Account: Florida Commerce Credit Union - Money Market	
Principal Balance	\$ (1,008.75)
Interest Earned:	\$ 4,870.26
Total Account Balance:	<u>\$ 3,861.51</u>
Account: Prime Meridian Bank - Money Market	
Principal Balance	\$ 527,995.00
Interest Earned:	\$ 6,861.29
Total Account Balance:	<u>\$ 534,856.29</u>

Grand Totals	
**Principal Balance:	\$ 659,145.19
Interest Earned Balance:	\$ 13,128.89
Total in Accounts Combined:	<u>\$ 672,274.08</u>

** A reimbursement of \$854.81 for normal expenses is to be received from the county funds at the end of the 1st quarter.
 www.vision2020funds.com