



**ROCKVILLE ECONOMIC DEVELOPMENT, INC.**

**FINANCE COMMITTEE**

October 13, 2020 5:30 p.m.

VIA Zoom

**Committee Attendees:** Susan Prince, Nancy Regelin, Jennifer Hester, Angela Chaney, Todd Pearson, Bridget Donnell Newton

**Not Present:** Scot Browning

**Staff:** Cindy Rivarde

**Presenting:** Keith Jennings, Katilin Daimler, and Jeffrey Whipple of Snyder Cohn

**1. Financial.**

- Review of August 2020 financials - The new Fiscal Year started July 1, 2020, and the financials reflect the timing for new grant revenues coming in from the City of Rockville, as well as some delayed SBA payments.
- Rockville City Budget Request FY2022 – Ms. Rivarde will be submitting a budget request for FY2022 by October 15 (which got extended to October 30).
- MWBC FY 2020
  - Ms. Wortham is submitting an official request to carry over the SBA COVID grant funds until April 30, 2022. It is expected the approval will be easily obtained.
  - The Greater Washington Community Foundation grant to commission research on the Childcare Industry in Montgomery and Prince George’s Counties is closing October 14, 2020. The preliminary reporting required by the GWCF was provided by Ms. Wortham.
  - The Capital One grant that funds the We Grow program is ending with the calendar year. Ms. Wortham is exploring the availability of an extension.
- MWBC FY 2021
  - The renewal request for the SBA CORE (\$150,000) was submitted on September 27.
  - Prince George’s County approved a \$45,000 grant on September 30, 2020.
  - Ms. Wortham submitted a request for \$50,000 to MCEDC for support of the MWBC in 2021.
  - Ms. Wortham will submit the Wells Fargo grant application by October 23, 2020.
- MWBC FY 2019 Audit – the additional requested materials were submitted on September 23, 2020. There was approximately \$500 in Staples billings for which accounting/staff were not able to find supporting invoices.

## 2. FY2020 Snyder Cohn Audit

Keith Jennings of Snyder Cohen presented the draft FY2020 audit. He noted that there were less adjustments in prior years, and commended staff and SHS Services for their work. He noted there was an increase in cash, which is mainly due to incentive funding, the COVID/CARES Act funding, and support from Montgomery County Economic Development Corporation and the Greater Washington Community Foundation. Increased expenses were mainly due to payments for Carma Fauntleroy as the interim MWBC Managing Director and GKA marketing. The percentages for functional expenses showed that programming was down, while administration was increased. This is likely due to the increased administration by SHS Services and legal services, as well as keeping track of allocations on an actual basis, rather than estimating. Mr. Jennings noted that the unrestricted net assets went from \$67,000 to \$56,000 from 2019 to 2020, and that the total change in net assets went from \$92,159 to \$125,000, which was entirely driven by the Move/Expansion and Small Business Impact funding. There were no Move/Expansion incentive fund payments in FY2020. It was requested that incentive accounts be clearly labelled Move/Expansion, so that they are more easily distinguished from the Small Business Impact Fund. Mr. Jennings noted with regard to the liquidity footnote that the organization is in a position to be able to move some funds to reserves. He noted the allocation of website costs between expense and capitalization, as well as the real estate and copier lease commitments. There were not significant related party transactions to disclose. Mr. Jennings also pointed out the notation that there is not a concern with the amount of funds being held at Capital Bank Maryland.

The 990 is in process, and will be presented at a later date.

## 3. Other Business.

Reserves: Ms. Rivarde completed moving \$50,000 from the REDI operating account to the Money Market account.

Next meeting Tuesday, TBD, 5:30 p.m. VIA ZOOM