



ROCKVILLE ECONOMIC DEVELOPMENT, INC.
FINANCE COMMITTEE
MINUTES
March 8, 2022, 5:30 p.m.
VIA Zoom Meeting

Committee Attendees: Susan Prince, Angela Chaney, Todd Pearson, Nancy Regelin

Not Present: Jennifer Hester, Bridget Donnell Newton

Staff: Cindy Rivarde, Walt Mannherz (Vault), Keith Jennings (SnyderCohn)

1. CEO/CFO/Treasurer report

- a. Review of Financials Through January.
Mr. Pearson and Mr. Mannherz presented the January financial information. The organization is at 97% of revenue received per budget, has coverage for 9 months of expenses with unrestricted funds, and is at 88% programming. The second half of funds from the City of Rockville were received, and the PPP loan was forgiven. Montgomery County HHS funding for the childcare industry support for FY22 was recently finalized in the amount of \$30,000.
- b. Updated Finance Policies and Procedures. The Committee adopted the Finance Policies and Procedures with an amendment changing the amount of target reserves to 3 months and the ability to use up to 1 month of funds upon consultation of the CEO, Chair and Treasurer to only \$20,000 – any amounts over \$20,000 require full Board vote. **Motion to accept the finance policies and procedures (with acceptance of amendment proposed by Mr. Pearson) and forward to the Board for adoption made by Susan Prince and Seconded by Angela Chaney (who also seconded accepting the amendment). The motion passed unanimously.**
- c. PPP Loan Forgiveness. Capital Bank has formally received a loan forgiveness from the SBA, and the financials will be changed to reflect this. Mr. Mannherz noted that the January Financials showing 97% income received does not yet include the forgiven loan.
- d. SBA Audits. Still pending response from the SBA. The SBA is focusing on processing payments, and will later focus on audits.
- e. 990. Mr. Jennings from SnyderCohn was available to answer questions. He noted that the 990 is to prior filings and consistent with the audit. **Motion to accept the 990 and forward it to the Board for approval and direction to file was made by Mr. Pearson and seconded by Ms. Regelin. The motion passed unanimously.**
- f. Banking. Ms. Rivarde and Mr. Mannherz reported difficulties in setting up the reserve account at SECU. Staff was not very knowledgeable, and to gather information on requirements was a cumbersome process. The Committee discussed the fact that having an initially difficult customer service experience did not bode well for the ongoing relationship where REDI is also looking for good service. Ms. Prince noted that she feels it is important to maintain relationships with more than one bank in the community. Ken Sonner from Westbanco recently joined the Incentive Review Committee, and Westbanco was considered previously as one of the banking options for

REDI. A motion to recommend to the Board that the reserve account be moved to Westbanco instead of SECU was made by Mr. Pearson and seconded by Ms. Regelin. The motion passed unanimously.

2. Other Business

- a. Budget. Ms. Rivarde noted that she and Mr. Mannherz were starting the budget process. She reminded the committee that the CARES Act funding for MWBC will be ending soon. MWBC deferred use of \$250,000 from the Washington Commanders to FY2023. The Committee discussed that the funds were an expression of retribution, and that the agreement with the grantor did not require acknowledgment of the source of funding in marketing materials. Those funds will permit an extension of operations expanded pursuant to the CARES Act funding. Ms. Rivarde also noted that the Bowie location appears to be eligible as an HBCU for an additional SBA matching grant of \$150,000. This would be a recurring funding source. Ms. Rivarde noted that in addition to maintaining current levels of programming, a new position of a grants administrator to support MWBC would be desired.

Next Meeting: April 12, 2022, 5:30 p.m. via Zoom.