



ROCKVILLE ECONOMIC DEVELOPMENT, INC.
FINANCE COMMITTEE
MINUTES

July 11, 2023, 5:30 p.m.

Hybrid Meeting – REDI office/Zoom

Committee Attendees: Todd Pearson, Nancy Regelin, Bridget Donnell Newton, Susan Prince

Not Present: Angela Chaney, Bei Ma

Staff: Cindy Rivarde, Danette Nguyen

1. CEO/CFO/Treasurer report

- a. Review of Financials - through June 30. Mr. Pearson walked through the end of year financials. It was noted that this is a soft close, and the D and D CPA is doing a final reconciliation as well as finalizing accrued payroll, but numbers are not expected to deviate much from the reports. At the end of the year REDI has total cash funds in the amount of 1.6 million, with 900,000 being unrestricted, \$261,427 in reserves, and the remainder restricted. There is enough unrestricted cash to cover approximately 8 months of operating expenses that are averaging \$178,000 per month.

In the comparison to budget, Mr. Pearson noted that he would obtain clarifications from Ms. Devan (who could not attend the meeting) with regard to 1) the City of Rockville funding, 2) office and operations expenses and 3) program expenses. Mr. Pearson noted that all lines of business ended up in the black this year. He mentioned that funds could be moved to reserves. Ms. Rivarde noted that Ms. Devan advised that looking at a movement to reserves should be done in October at the conclusion of the SnyderCohn audit. REDI is still not at the recommended reserve level, so the continued effort to increase reserves each year is prudent.

- b. Pending Grant Applications.
 - i. Yield Giving – as mentioned in the Executive Committee, REDI made it past the first stage with regard to the MWBC program.
 - ii. Minority Business (MBDA) – we are still waiting to hear with regard to this grant application for MWBC.
 - iii. Partnership with Worksource Montgomery – Mrs. Nguyen is working with Worksource on a grant application to provide joint training in job skills and entrepreneurship for persons re-entering after incarceration.
- c. Annual Audit – SnyderCohn has started the audit process. Staff is providing documentation, and D and D CPA will provide accounting information after closing out the financials for the year. An on-site inspection is expected the week of August 14.

- d. Procurement for IT. Ms. Rivarde has a meeting with Airiam this week to go over the contract and scope of work. The annual fee has been approximately \$28,000 for IT services, so it may not be a large enough amount to justify a full RFP process. She will ask Airiam if they have a contract that could be used for piggy backing. She will report back. The current contract ends in November, but automatically renews if neither party takes action. Mr. Pearson offered to have his IT staff assist with review of proposed scope.
 - e. SBA FY2022 audit – all requested materials were submitted, and we are waiting for a response. Ms. Devan is following up with the SBA auditor Felicia Smith.
 - f. SBA FY2019 audit – the response to our submission to the auditors remains pending.
2. Other Business
- a. Ms. Prince asked whether the reserve funds should be invested. Mr. Pearson noted that D and D CPA was going to develop an investment policy. The current reserves are \$261,427, slightly over the FDA insured amount.

Next Meeting: July 11, 2023, 5:30 p.m. Hybrid REDI Office/Zoom