



**ROCKVILLE ECONOMIC DEVELOPMENT, INC.  
FINANCE COMMITTEE  
MINUTES**

March 11, 2025, 5:30 p.m.  
Hybrid

**Committee Attendees:** Susan Prince, Nancy Regelin, Bei Ma

**Absent:** Todd Pearson, Monique Ashton

**Staff:** Cindy Rivarde, Amanda Bosland, Richelle Wilson, Karen Sippel, Rhonda Devan

1. CEO/CFO/Treasurer report

- a. Review of Financials through February. Ms. Devan reviewed financials. In an email to the Board transmitting financials, she noted:

The first three pages provide high level summary of the financial position, revenue and expenses by MWBC and REDI. The following pages provide more detail by City of Rockville funding categories and MWBC SBA vs nonfederal categories.

**High-Level Summary of Financial Update**

- **Cash Position:** Total cash funds stand at **\$1.86M**, with **\$841K** unrestricted, **\$300K** in reserve, and the remainder restricted for specific programs.
- **Financial Stability:** The organization has an estimated **9-11 months of cash flow available**, based on average monthly expenses of **\$168K**.
- **Expense Allocation:** **84% of expenditures** are dedicated to programs, with **16% for administration**.
- **Budget Utilization:**
  - **51% of the REDI budget** (encumbered program funds not reflected in expense) and
  - **57% of the MWBC budget** (vacant positions) have been spent year-to-date.
- **Revenue Tracking:** The organization has received **80% of its budgeted revenue**, City of Rockville, Federal SBA funding and strong support from other local grants.
- **Net Assets Growth:** Total net assets increased to **\$1.82M** (up from **\$1.71M** in the prior year).
- **Receivables:** **\$212K** due from SBA, **\$145K** due from Montgomery and **10K** due from Federick
- **Liabilities:** The organization maintains **\$828K in liabilities**, primarily from refundable advances, lease liabilities, and payroll obligations.
- **Program Funding & Expenses:**
  - Personnel costs make up the largest share of expenses (**61% of total**).
  - Contracted services, marketing, and office operations remain within expected spending levels.

Overall, the organization remains financially stable with a modest operating reserve. We will provide information shared with us from SBA re: funding. Expenses will continue to be monitored to ensure full program implementation by end of the fiscal year.

The Committee thanked her for the summary and noted that the summary email prior to the meeting was helpful.

b. Grants and Funding.

1. Ms. Sippel noted that she is meeting with local funders. Frederick County is willing to fund at the same level (\$66,000) as last year, provided state budget cuts do not impact them too negatively. The City of Bowie is working with her on the Shop Local timeline but generally is happy with the services from MWBC. Howard County funded \$38,500 last year but may want additional childcare business training. Montgomery County's funding should be a line item in the budget, and staff will confirm. Ms. Sippel is finalizing a MOU with FSC First that will bring in \$30,000 that was not budgeted for FY25.
2. The SBA has again stopped processing funding for the SBA grants, and staff is monitoring. There may be additional funding opportunities with private individuals and foundations who want to support women entrepreneurs, through partnership with other cities like Greenbelt, Laurel and Hyattsville, and there appears to be demand for more childcare business trainings.

c. Procurement Process.

- i. REDI and SBA Requirements – Ms. Rivarde noted that staff received information from the SBA that procurement for items between \$10,000 and \$250,000 should be in accordance with the policies and procedures of the grantee organization. REDI's procurement policy requires three quotes at \$5,000 or more, and an RFP if over \$25,000. This is a stricter policy than that of the SBA. The CEO and Finance Committee can agree to waive procurement requirements under appropriate circumstances.
- ii. 37 Oaks – 37 Oaks was the vendor who assisted previously with the small-scale manufacturing cohort training as well as a visual merchandising class for shop local. Staff believes their combinations of services and expertise is unique in the market, and would like to hire them to provide their retail curriculum to Shop Local and for them to deliver additional training and support for small-scale manufacturing cohorts. The Finance Committee generally agreed, but in an abundance of caution to make sure there is compliance with the SBA requirements, they requested that this matter be presented to the full Board for vote.

d. SBA FY 2019 and FY2022 audit – Continue to be pending.

2. Other Business

None.

**Next Meeting: April 8, 2025**