



**WEDC BOARD OF DIRECTORS
BUDGET AND FINANCE COMMITTEE MEETING MINUTES**

**Hosted in WEDC's 6th Floor Conference Room A
201 West Washington Avenue
Madison, WI 53703**

**September 18, 2017
3:00 - 4:00 p.m.**

COMMITTEE MEMBERS PRESENT:

- Dave Drury, WING Capital Group
- Senator Tim Carpenter, 3rd Senate District

COMMITTEE MEMBERS PRESENT VIA TELECONFERENCE:

- Lisa Mauer, Rickert Industries
- Nancy Hernandez, ABRAZO
- Senator Dan Feyen, 18th Senate District

COMMITTEE MEMBERS EXCUSED:

THINK·MAKE·HAPPEN.

CALL TO ORDER AND ROLL CALL

Dave Drury called the meeting to order at 3:03 p.m.

APPROVAL OF MINUTES FROM THE JUNE 30, 2017 BUDGET & FINANCE COMMITTEE MEETING

Draft minutes from the June 30, 2017 meeting were distributed to all committee members prior to this meeting.

Senator Tim Carpenter moved to approve the minutes, motion seconded Lisa Mauer with a unanimous vote to approve the minutes.

QUARTERLY FINANCIALS

Brian Nowicki reviewed the June 30, 2017 financial report with the Committee.

Revenues show an unfavorable variance of \$0.9 million, mainly due to timing differences of when draws are requested for WEDC's federal grant programs - WEDC will be able to draw on these federal grant funds in FY18. In addition, investment interest income is lower than FY16, as WEDC recorded an unrealized loss due short-term interest rates rising in FY17.

Expenditures show a favorable variance of \$8.7 million due mainly to:

- actual cash disbursements from current and prior year program awards being less than their program budgets
- lower loan loss reserves, due primarily to reduced activity in the performance-based loan portfolio
- operational expense savings in professional fees, travel, events and conferences, supplies and equipment, and research and marketing tools

The fund balance shows favorable variance of \$7.8 million which will be used to fund the deficit spending plan for FY18.

Fiscal Year 2017 program activity shows an 89% placement rate for FY17 funds with \$31.5 million in grants, loans, and key strategic partnerships committed or contracted.

MANAGEMENT PROCUREMENT

Kelly Lietz and Sarah Bownds reviewed the exhibit management purchasing request with the Committee. WEDC does several large national or international trade shows per year and requires a company to provide exhibit management services such as: show selection consultation, structure rental and/or purchase, repair, storage of owned components, production of large format graphics, transportation, installation, dismantle, booth staff training, engagement consultancy, and turnkey show services management on an as needed basis to facilitate its presence at these shows.

WEDC's selection panel recommends signing a 5-year contract with Derse because their fees are competitive, they have familiarity with WEDC's brand and mission, and have consistently delivered on previous projects for WEDC.

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Lisa Mauer moved to approve Derse as WEDC's exhibit management vendor for the next five years, motion seconded by Senator Tim Carpenter with a unanimous vote to approve the RFP.

ADJOURNMENT

The meeting was adjourned at 3:33 p.m.