



## **WEDC BOARD MEETING MINUTES BOARD OF DIRECTORS MEETING**

**WEDC  
First Floor Conference Room  
201 West Washington Avenue  
Madison, WI 53703**

**July 11th, 2018  
1:00 - 4:00 P.M.**

(These minutes should be read in conjunction with the agenda and documents prepared for the meeting.)

### **BOARD MEMBERS PRESENT:**

- Lisa Mauer, Rickert Industries (Chair)
- Senator Caleb Frostman
- David Drury, WING Capital Group
- Senator Dan Feyen
- Randy Hopper, Mountain Dog Media
- Secretary Rick Chandler, Department of Revenue

### **BOARD MEMBERS PRESENT VIA TELECONFERENCE:**

- Nancy Hernandez, ABRAZO (Depart at 2:30 PM)
- Ray Dreger, Seeds 'N Stuff Farm Market, Inc.
- Representative Dana Wachs
- Jim Ladwig, SC Johnson

### **BOARD MEMBERS EXCUSED:**

- Secretary Ellen Nowak, Department of Administration
- Representative Rob Hutton

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## **CALL TO ORDER AND ROLL CALL**

Lisa Mauer called the meeting to order at 1:00 p.m.

## **CHAIR REPORT**

Lisa Mauer acknowledged State Senator Tim Carpenter and R.D. Nair for their time served on the WEDC board. The Chair then introduced and welcomed State Senator Caleb Frostman and Randy Hopper to the WEDC Board.

## **VOTE TO APPROVE RESOLUTION ON ELECTION OF OFFICERS**

Lisa Mauer requested a motion to approve the Resolution on Election of Officers with Lisa Mauer as Chair, Nancy Hernandez to remain Vice Chair, Nancy Hernandez to remain Secretary, and David Drury to remain as Treasurer. Motion was made by Senator Dan Feyen with a second by Ray Dreger. The motion to approve the Resolution on Election of Officers was passed unanimously.

## **VOTE TO APPROVE MINUTES**

Lisa Mauer requested a motion to approve the minutes from the April 26, May 22, and June 28, 2018 meetings. Motion was made by David Drury with a second by Senator Dan Feyen. The motion to approve the minutes was passed unanimously, with Senator Caleb Frostman abstaining.

## **BOARD ETHICS PRESENTATION**

A presentation by CLO Jennifer Jin was made regarding board compliance, and ethics training. Jennifer Jin emphasized WEDC's standards in statutes and policies regarding the ethics code and compliance by board members. This included regulations regarding Statements of Economic Interest, Conflicts of Interest, Open Meeting Laws, and Public Records Law.

## **CEO REPORT**

A presentation by Secretary and CEO Mark R. Hogan was made regarding Credit and Risk Quarterly Reports. Mark Hogan discussed historical trends on both loan principal and loan payment delinquencies. Mark Hogan highlighted the decision to charge off two loans in the current quarter and that eight borrowers make up around 40 percent of all current past dues.

Following the report summary, there was a presentation by Public Affairs and Communications Director Mark Maley regarding WEDC in the News. Mark Maley's presentation highlighted the work WEDC has been doing out in the community, including top stories appearing in local newspapers and T.V. stations statewide.

## **COO REPORT**

A presentation was made by COO Tricia Braun. Tricia Braun enlightened the board on a recent trip to Germany, which included the International Business Development Team along with six Wisconsin companies. The companies themselves had meetings in the Dusseldorf area and Stuttgart. Meetings were also held in Berlin to meet with the Global Water Partnership and Luxembourg to discuss how their values aligned with Wisconsin. Regionally, Tricia Braun discussed the warm reception of Main Street Days within eight communities across the state.

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## **CFO REPORT**

A presentation by CFO Brian Nowicki was made regarding Quarterly Financials. Brian Nowicki elaborated on the Quarterly Financial summaries. He described the seasonality of business at WEDC, pointing to the increase in awards during the last quarter. Out of roughly 360 awards that were contracted this fiscal year, 47% of those awards were contracted within the last 3 months.

## **VOTE ON FY18 BUDGET AMENDMENT AND FY19 BUDGET & OPERATIONS PLAN**

CFO Brian Nowicki presented regarding the FY19 Budget & Operations Plan and the FY18 Budget Amendment. The FY18 Budget Amendment recognizes the full \$6.8 million for the Talent Attraction and Retention Initiative passed by the Legislature in the Spring of 2018. There was a discussion surrounding how Wisconsin compared to other states regarding talent attraction marketing spending. COO Tricia Braun explained each states spending isn't necessarily comparable, as states can be funded by different sources and in different ways. Following this presentation, Senior Director of Public Policy Amy Young presented on the FY19 Program Guidelines, highlighting changes from FY18 Program Guidelines, including the Business Development Loan Program providing support for rural areas and community development programs which have seen an increase in funding. Amy Young also introduced a new Disaster Recovery Microloan Program, which will be unfunded in FY19 but available to implement in response to natural disasters.

Lisa Mauer requested a motion to approve the Resolution accepting the Fiscal Year 2019 Budget and Operations Plan and Third Resolution Amending the Fiscal Year 2018 Budget ("Resolution"). Motion was made by David Drury with a second by Senator Dan Feyen. The motion to approve the Resolution was passed unanimously.

## **ANNUAL COMPLIANCE PLAN PRESENTATION**

A presentation was made by CLO Jenn Jin on the FY18 and FY19 Annual Compliance Plans, which included discussion of WEDC's progress as it relates to Compliance and Oversight, Education and Training, Monitoring and Auditing, and Reporting, Investigating, and Outcomes. Lisa Mauer requested a motion to approve the FY19 Annual Compliance Plan. Motion was made by Raymond Dreger with a second by David Drury. The motion to approve the FY19 Annual Compliance Plan was unanimous.

## **COMMITTEE REPORTS**

Lisa Mauer announced the appointment of Dave Drury as Chair of the Audit Committee and Nancy Hernandez as Chair of the Budget & Finance Committee.

Representative Dana Wachs and Randy Hopper have been appointed to the Audit Committee and Senator Caleb Frostman has been appointed to the Budget & Finance Committee.

### **Budget & Finance Committee**

The Board was provided a summary of the June 29, 2018 Budget & Finance Committee meeting.

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**Awards Administration Committee Report**

The Board was provided a summary of the May 21, 2018 and June 27, 2018 Awards Administration Committee meeting.

**Audit Committee Report**

The Board was provided a summary of the June 28, 2018 Audit Committee meeting.

**CLOSED SESSION**

Lisa Mauer requested a motion to approve entering closed session. Motion was made by Senator Dan Feyen with a second by Senator Caleb Frostman.

*Members of the public excused themselves for closed session.*

*See separate minutes for closed session.*

**RESUMPTION OF OPEN MEETING**

The meeting reconvened in open session at 2:42 p.m.

**ADJOURNMENT**

Lisa Mauer adjourned the meeting at 2:43 p.m.