



MINUTES
EDC-VC EXECUTIVE COMMITTEE MEETING
February 8, 2018

- Location:** EDC-VC, 1601 Carmen Drive, Suite 215, Camarillo, CA 93010
- Attendance:** Haider Alawami– Economic Roundtable Representative, City of Thousand Oaks
Cheryl Heitmann – City of Ventura
Chris Meissner, *Chair* – Meissner Filtration Products
Sim Tang-Paradis – City National Bank
John Procter – City of Santa Paula
Carmen Ramirez, *Vice Chair* – City of Oxnard
Peter Zierhut, *Secretary/Treasurer* – Haas Automation
- Absent:** Harold Edwards – Limoneira Company
Anthony Trembley – City of Camarillo
- Legal Counsel:** Nancy Kierstyn Schreiner – Law Offices of Nancy Kierstyn Schreiner
- Guests:** None
- Staff:** Marvin Boateng, Loan Officer
Ray Bowman, SBDC Director
Shalene Hayman, Controller
Bruce Stenslie, President/CEO
- Call to Order:** 8:04 a.m. Chair Chris Meissner thanked everyone for attending the meeting.
- Roll Call:** Bruce Stenslie
- Amendment to the Agenda:** None
- Public Comment:** None
- Approval of Executive Committee Minutes** **Executive Committee Meeting, January 9, 2018**
Chair Meissner requested a motion to approve the minutes from the January 9, 2018 Executive Committee meeting. Cheryl Heitmann moved to approve and file the minutes from the January 9, 2018 Executive Committee Meeting. John Procter seconded the motion. Sim Tang-Paradis and Carmen Ramirez were not in attendance for this motion. All remaining Executive Members listed in attendance in favor, motion carried.
- Administration** **Adoption of the Executive Committee’s 2018 Meeting Calendar.**
It is recommended that the Executive Committee approve its 2018 meeting schedule as displayed and highlighted below.

The meeting time and day of the week has been selected based on a polling of

executive committee members. The table below also includes the approved meeting schedule for the full Board of Directors

Starting in March, the Executive Committee will meet at 4001 Mission Oaks Boulevard, in the conference room at Suite A.

<u>Month , 2017</u>	<u>Executive Committee</u>	<u>Full Board</u>
January	1/9	1/18 (Annual Meeting, 1:30 PM)
February	2/8	2/15
March	3/8	3/15
April	4/10	4/19
May	5/8	5/17
June	6/12	6/21
July	7/10	7/19
	no August meetings	
September	9/11	9/20
October	10/9	10/18
November	11/8	11/15
December	12/11	No December Board Meeting
January, 2019	1/8	1/17/19 (Annual Meeting, 3:00 PM)

Chair Meissner requested a motion to approve the Executive Committee's 2018 Meeting Calendar. John Procter moved to approve Executive Committee's 2018 Meeting Calendar. Cheryl Heitmann seconded the motion. Carmen Ramirez was not in attendance for this motion. All remaining Executive Members listed in attendance in favor, motion carried.

Consideration of a Draft Memorandum of Understanding with the Ventura County Community College District, for the Development and Operation of a Center for Competitive Economies and Workforce Innovation. Recommendation to Approve.

Stenslie noted for the Executive Committee that over the last year, and also embedded annually in our organizational Business Plan, we have had a priority to play a strong regional role for commenting on, interpreting and sharing information on the Ventura County economy.

As we have worked this past year on the development of a Quarterly Indicator Report, and through our development of the user's guide for business in accessing career education resources, we have been working closely with the Ventura County Community College District (VCCCD) as a partner providing technical expertise.

In consideration of the value of that partnership, we are looking at the development of a Memorandum of Understanding (MOU) with VCCCD that puts some structure to how we might work more together and for what purposes.

A draft of that MOU, as prepared by VCCCD, Economic and Workforce Development Division (VCCCD EWD), was reviewed by the Executive Committee in December. A revised draft, along with a summary statement on the Center for Competitive Economies and Workforce Innovation, is attached.

Our intent is to have agreement for a final draft of the MOU by the end of our meeting today. With such approval, we anticipate taking the final MOU to the full board at its regular meeting in February.

Chair Meissner requested a motion to approve the draft Memorandum of Understanding with the Ventura County Community College District, for the Development and Operation of a Center for Competitive Economies and Workforce Innovation. Carmen Ramirez moved to approve the draft Memorandum of Understanding with the Ventura County Community College District, for the Development and Operation of a Center for Competitive Economies and Workforce Innovation. Sim Tang-Paradis seconded the motion. Cheryl Heitmann seconded the motion. All Executive Members listed in attendance in favor, motion carried.

Discussion of a \$60,000 Proposal to the Morgan Family Foundation, for Continuing Participation in the California Stewardship Network and Funding for a Project for Improving Ventura County Career Education Outcomes.

Stenslie stated that as previously reported, EDC-VC has for over the last four years served as one of 15 members of the California Stewardship Network. The Network is self-governing, though essentially sustained through funding provided by the Morgan Family Foundation.

The purpose of the network is to encourage innovative thinking, regional and statewide collaboration and exchange of ideas intended to address the state's economic, environmental and social challenges and opportunities.

A primary interest of the Stewardship Network is to look at these major California challenges from a "triple bottom line" perspective, that is, in consideration of the Economy, Social Equity and Environmental Balance.

See attachments in your packet for a display of the Network partners, summaries of the Network's purpose and its focus on triple bottom line stewardship.

Stenslie commented the Executive Committee that In each of the last several years, the Morgan Family Foundation has provided funding to each of the Network partners. Our projects have been the development of our regional Comprehensive Economic Development Strategy, an analysis of economic opportunity in local food processing and food systems, support for local work on developing market-based groundwater trading, and, this past year, developing a business resource guide for accessing career training.

While prior to 2017, each Network partner had wide latitude in developing local projects, starting in 2017 the Foundation and Network set a priority for concentrating on advancing the priorities of the California Economic Summit In 2017 the directed priorities were on contributing to the goal of "one million more skilled workers," specifically by strengthening relationships between workforce and community colleges. That priority has been extended into 2018

In keeping with the Foundation's guidelines, an estimated \$45,000 of the grant is dedicated to the workforce/community college component, with up to \$15,000 to be used for continuing CSN engagement, including attendance at statewide meetings and the support of two "steward leaders" identified in the region, to participate with others from around the state, toward building a new generation of civic entrepreneurs.

Stenslie commented that we anticipate learning whether the proposal is being funded by the end of February. Assuming it is funded, and with Executive Committee and full Board approval, staff will develop a contract agreement with the Community College District to implement the activity. We anticipate having a contract in place no later than the end of March.

Membership Report and Review of 2018 Annual Meeting

Stenslie stated that as noted in prior months, we are actively recruiting new members, with a key consideration to fill vacancies relative to gaps in industry sector representation. Our recruitment considerations include not only distribution and diversity by industry sector but also by region of the county, significance of the business and sector as well as the personal and professional characteristics of the individuals representing the industries and firms we recruit.

Current active recruitments have focused on the following:

- Health Services Sector
- Early Stage/High Growth Tech Firms
- Firms Highly Associated with Region's Lifestyle Advantages
- Manufacturing and Related

Several others remain high priorities, particularly in the biotech, medical device, finance & insurance sectors, and other sectors.

Executive Committee members also briefly reviewed the outcomes and activities of the Annual Meeting held in January.

Consideration of the Draft 2018 Budget. Recommendation to Approve Draft and Forward to the Full Board of Directors.

Stenslie stated that our bylaws call for the board's annual adoption of a budget, which, given our January to December fiscal year, would better have been approved prior to the end of 2017, though staff has delayed its presentation to early in the year the last six years, better to capture year-end information and a cleaner read on revenue and expense projections. In the absence of a regular December meeting, and the busy Annual Meeting agenda in January, the recommendation has fallen to our February board meeting.

While 2017 closeout figures remain preliminary, *we are projecting a strong year-end net income.*

We are projecting an increase in both revenue and expense for 2018, over 2017, still with a moderate net income for 2018.

Stenslie stated that the Continuing Policy and Governance Considerations for 2018 are as follows:

- **No Recommended Changes to Membership Dues:** Membership Dues were last increased, in 2015, by 10%. No additional changes are recommended for 2017. Private sector dues are set at \$6,750 annually. Dues for the cities are on a sliding scale, ranging from \$1,100 for the smallest city (Ojai) to \$9,900 for the largest (Oxnard). The County's dues are set at \$27,500 annually. Prior to 2015, our last *private* sector dues

increase was in 2008, when we moved it from \$6,000 to \$6,250, and our last *public* sector dues increase was in 2006.

- In-kind Membership Dues Continued for Three Members: Our bylaws stipulate that the Board may allow for not more than *five* members to be relieved from the payment of dues, in lieu of their providing in-kind services to the EDC-VC, at a value of at least two times the donation for voting Board membership (Article VI, Section 6.2). As noted in recommendation #3, we have three in-kind members renewing in 2016: Mayerson Marketing and Public Relations, Chambers of Commerce Alliance of Ventura and Santa Barbara Counties, and the Pacific Coast Business Times.

Stenslie stated that that the New Program and Revenue Considerations for 2018 are as follows:

- Layoff Aversion: This is a contract funded by the County Workforce Development Board and County Board of Supervisors. The Workforce Board has approved a baseline continuation of \$95,000, and at the time of this writing is considering a \$100,000 augmentation, through one-time funds from the CA Workforce Development Board for regional planning. Our proposal for the additional \$100,000 is to concentrate on improved regional business outreach coordination, communication and collaboration.
- Small Business Development Center: While we are recommending essentially no net change in our 2017 to 2018 SBDC revenue, it is important to disclose that the Governor's proposed budget for the state's FY 2018-19 includes a new \$20 million contribution to the support of organizations serving small business. In the past several years, the Governor's Office has approved some \$3 million annually statewide. The proposed \$20 million is a significant increase. The proposal creates the possibility that we may have access to an increased pool of revenue sometime mid this year. That noted, the final federal budget remains an unknown, so it is possible that we may see a decrease in SBA funds.

Staffing/Economic Development Management (Section 5000): Our 2017 budget included a placeholder for adding a new full time staff member. Owing to uncertainties early and through the middle of the year in the federal budget, we did not add a new staff person until we received new funding for Thomas Fire disaster response. Moving forward, we are continuing to recommend a budget including six regular, full-time staff (up from five the prior several years).

Office Overhead (Section 5200): We are projecting a small decrease in office overhead, largely owing to a decrease in rent expense, budgeting only six months of rent as we move into the new office. That savings is offset by costs in office supplies, marketing and advertising materials, and other expenses tied to the move. We'll see more of the office move savings in 2019.

Continuing Reliance on Consulting/Flexibility in Service Delivery (Section 5800): As noted in prior years, we continue to manage a demand driven service delivery model that is highly dependent on professional consultants. That is, rather than staffing up with several generalists in business assistance, we keep our staff small and maintain some 30 consultants on contract, deployed in business technical assistance as business need and circumstance warrant.

Stenslie concluded that we continue to trend in the right direction with healthy net income, managing expenses within prescribed limits and maintaining stable and growing revenue. All revenue sources remain dedicated to our core functions in economic development services. We are vigilant for new program and income opportunities consistent with our mission. We also remain cautious around the discretionary nature of our funding.

Chair Meissner requested a motion that the Executive Committee:

1. Review the draft 2018 budget (to be provided under separate cover prior to the meeting), consider adjustments and recommend to the full board its approval of a final budget as adopted by the Executive Committee;
2. Recommend full board approval for the renewal of board memberships as noted for dues in Sections 4200 and 4300;
3. Recommend full board approval for the renewal of in-kind memberships for Mayerson Marketing, Chambers of Commerce Alliance and Pacific Coast Business Times as allowed per our bylaws, Section 6.2.

Peter Zierhut motioned to

1. Review the draft 2018 budget (to be provided under separate cover prior to the meeting), consider adjustments and recommend to the full board its approval of a final budget as adopted by the Executive Committee;
2. Recommend full board approval for the renewal of board memberships as noted for dues in Sections 4200 and 4300;
3. Recommend full board approval for the renewal of in-kind memberships for Mayerson Marketing, Chambers of Commerce Alliance and Pacific Coast Business Times as allowed per our bylaws, Section 6.2.

Sim Tang-Paradis seconded the motion. All Executive Members listed in attendance in favor, motion carried.

Presidents Report

As submitted.

New or Unfinished Business: None

Executive Committee Comments: None

Adjournment to September 6, 2017 Adjourned to March 8, 2018, 8:00 a.m.

Minutes taken by Bruce Stenslie