



**MINUTES**  
**EDC-VC EXECUTIVE COMMITTEE MEETING**  
February 1, 2017

- Location:** 1601 Carmen Drive, Suite 215, Camarillo
- Attendance:** Haider Alawami– Economic Roundtable Representative, City of Thousand Oaks  
Harold Edwards – Limoneira Company  
Cheryl Heitmann, *Chair* – City of Ventura  
Chris Meissner, *Vice-Chair* – Meissner Filtration Products  
Roseann Mikos – City of Moorpark  
Sim Tang-Paradis – City National Bank  
John Procter – City of Santa Paula  
Carmen Ramirez – City of Oxnard  
Peter Zierhut, *Secretary/Treasurer* – Haas Automation
- Absent:**
- Legal Counsel:** Nancy Kierstyn Schreiner – Law Offices of Nancy Kierstyn Schreiner
- Guests:** None
- Staff:** Ray Bowman, EDC/SBDC Director  
Marvin Boateng, Loan Officer  
Kelly Noble, Office Manager  
Bruce Stenslie, President/CEO
- Call to Order:** 8:34 a.m. Chair Cheryl Heitmann thanked everyone for a great Annual Meeting and for all the hard work putting it together.
- Roll Call:** Kelly Noble
- Amendment to the Agenda:** None
- Public Comment:** None
- Approval of Executive Committee Minutes** Chair Heitmann requested a motion to approve the minutes from the January 11, 2017 Executive Committee meeting. John Procter moved to approve and file the minutes from the January 11, 2017 Executive Committee Meeting. Sim Tang-Paradis seconded the motion. Carmen Ramirez was not in attendance for this motion. All remaining Executive Members listed in attendance in favor, motion carried.
- Administration** **Consideration of the Draft 2017 Budget. Recommendation to Approve Draft and Forward to the Full Board of Directors.**  
It is recommended that the Executive Committee:

1. Review the draft 2017 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.

Stenslie noted 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 2016, though staff has delayed its presentation to early in the year the last five 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.

Stenslie informed the Executive Committee that while 2016 closeout figures remain preliminary, *we are projecting a strong year-end net income.*

Based on the strength of the year just ended, and based on assessment of new opportunities for contributing to the region's economic development interests, staff is recommending two new items for 2017:

We have long had a priority to increase our professional staff capacity. Current staff are doing extraordinarily well, though are largely funded or directed and responsible for specific service areas (e.g., lending, or Small Business Development Center management). Where we are short-staffed is on new project development and management; relationship development for promoting our services to key sectors, particularly relative to Employment Training Panel services which are revenue generating for EDC-VC; coordination with regional and state partners on business attraction; industry sector organizing and support. Further, with additional professional staff capacity, we could improve our existing program integration, such that assures more efficient service delivery for better outcomes and improved reporting of the results.

Anticipated expense, inclusive of wages and benefits, is projected at \$100,000. Funding will be drawn from the following sources in these approximate shares:

- 40% SBDC, out of existing and anticipated increased grant revenue in 2017;
- 20% City and County existing grant matching revenues;
- 20% Employment Training Panel;
- 10% redirected from existing expenditures in our Marketing line item (reducing our marketing expense from approximately \$70,000 to \$60,000 annually, though also see item below);
- 10% existing revenues, various, reduced from year-end net income.

Another long held priority is for increasing our profile in publishing and commenting on Ventura County and regional economic data. We are currently working on a three way partnership, with the CLU Center for Economic Research and Forecasting, for data, and the Pacific Coast Business Times, for production and distribution. The expense projection is very preliminary. Should the amount increase, we'll consider the development of new revenue sources, such as sponsorships.

Anticipated expense is projected at \$15,000. Funding will be drawn from the following sources in these approximate shares:

- 40% Employment Training Panel;
  - 40% redirected from existing expenditures in our Marketing line item (reducing our marketing an additional \$6,000, to \$54,000 annually);
  - 20% existing revenues, various, reduced from year-end net income.
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- 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.
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- 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 closed saying 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 Heitmann asked for a motion for the Executive Committee to:

Harold Edwards motioned to:

Approve the draft 2017 budget as presented though removing Monsanto and recommend to the full board its approval of a final budget;

Recommend full board approval for the renewal of board memberships as noted for dues in Sections 4200 and 4300, with the removal of Monsanto;

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.

### **Consideration of the 2017 Business Plan Executive Summary and Supplement. Recommendation to Approve.**

Stenslie noted that in late 2008 and early 2009 our Executive Committee and full Board spent considerable time in reviewing and updating our Business Plan. For final action, we concentrated on developing an up-to-date Executive Summary and Supplement on Priorities in Regional Economic Competitiveness, rather than on a long and detailed plan.

In each year since, we have updated the Plan's "Objectives and Work Plan" to remain current with program and service activities and priorities.

*Copies of the staff's recommended Executive Summary and Supplement as updated for 2016 are attached.*

The Business Plan Executive Summary is used primarily for internal purposes, to document our annual work plan priorities. The Business Plan is useful for grant applications and for sharing with other stakeholders our operational priorities. The Supplement, by contrast, is used more as an external document, to highlight larger regional economic priorities.

Both of these documents are supplemented by numerous professionally developed outreach materials, program service overviews and success stories. These collateral materials are mostly targeted to clients that may benefit from our services and to partner organizations that serve as referral resources. All of these materials in combination may be mixed and matched, customized to purpose and to the particular stakeholder or client target.

There are two recommended changes, one each to the Business Plan Executive Summary and to the Supplement:

Executive Summary, Section C, Program Delivery, item §5 (in a highlighted box): We completed the work on Market Based Groundwater, so we have deleted that, and replaced it with a new paragraph relating to work prioritized this year by the California Stewardship Network. The new paragraph follows

"Initiate a new concentration of activity to enhance the connectivity of local business and the region's network of workforce training resources, toward improving our region's competitiveness in skilled labor."

Supplement (bottom bullet in left hand column): We have added a bullet on our interest this year for expanding our work in providing data and commenting on the local economy:

"Monitor, comment on and interpret the evolving Ventura County economy, focusing on economic needs and responding to emerging regional trends."

Chair Heitmann asked for a motion that the Executive Committee approve the updated 2017 Business Plan Executive Summary and Supplement and forward to the full Board for final approval.

Peter Zierhut motioned to approve the updated 2017 Business Plan Executive Summary and Supplement and forward to the full Board for final approval. Sim Tang-Paradis seconded the motion. All remaining Executive Members listed in attendance in favor, motion carried.

### **Report on 2016 Small Business Development Center Activity and Outcomes**

Stenslie stated that Ray and his team knocked it out of the park again. This

month's report summarizes year-end contract performance for 2016. The SBDC program is focused on delivering specific economic outcomes with small business clients, generally defined as any firm with fewer than 500 employees. Most clients we serve employ fewer than 30 workers, though there is a wide distribution by size.

The primary service activity is direct, professional client advising and technical assistance, organized around scopes of work focused on assisting businesses achieve positive economic outcomes. To deliver that service we maintain some 30 consultants on contract, available to business at no cost.

We exceeded all of our contract goals, as noted below.

<b><u>Performance Goals</u></b>	<b><u>Outcome Target</u></b>	<b><u>4<sup>th</sup> Qtrr Outcomes</u></b>
<b>Long Term Clients</b> (5+ hours)	310	329
<b>New Capital Infusion</b>	\$25,000,000	\$32,631,650
<b>Business Starts</b>	60	61

A comparison of our Center's performance to the larger regional performance continues to show that we contribute an oversized share of the region's outcomes. For example, while Ventura and Santa Barbara counties comprise only some 8% of the three county region's firms, we contributed 18.3% of the long-term clients, 26.2% of the outcomes in capital infusion, and 18% of business starts.

Beginning mid-year 2015 we began to serve the entire Los Angeles region as the lead for international business consulting. We have exceeded all contract goals. We continue to be particularly effective in facilitating business access to capital. Adding the capital infusion outcomes for the international program to the data displayed above for our two counties, shows that our program contributed more than 50% of the LA region's impact in capital infusion.

### **Membership Report**

Stenslie stated that as noted in prior months, we are currently in a push for 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, economic significance of the business and sector as well as the personal and professional characteristics of the individual members representing the industries and firms we recruit.

Prior months' reports included a more detailed summary of priorities in recruitment. The current or immediate focus is on the following four firms:

- Health Services Sector: Kaiser
- Early Stage/High Growth Tech Firm: The Trade Desk
- Manufacturing/Defense: Kellstrom Defense and Aerovironment

Several others remain high priorities, particularly in the biotech and finance & insurance sectors, as well as others.

### **President's Report**

Stenslie announced that Alma Ferrel owner of ABC Childcare in Fillmore is the winning provider in responding to a Request for Proposals by the Oxnard and

Port Hueneme Boys & Girls Club, to operate a new child care center on 5<sup>th</sup> street in Oxnard. Based on the square footage, this will bring in 50 new slots. This loan, assuming lease approval, will just about exhaust our Child Care loan fund.

**New or Unfinished Business:** None

**Executive Committee Comments:** None

**Closed Session Real Property Negotiations Pursuant to Government Code Section 54956.8** **Property: 1601 Carmen Drive, Suite 215, Camarillo CA**  
**Entity Negotiators: Bruce Stenslie, Nancy Kierstyn Schreiner**  
**Negotiating Party: Ventura Investment Company**  
**Under Negotiation: Terms and Payment**  
Vice Chair Heitmann announced that the Executive Committee is going into closed session at 9:45 a.m. Marvin Boateng and Kelly Noble stepped out.

**Report Out of Closed Session** The Executive Committee returned from closed session at 9:51 a.m. The Executive Committee had nothing to report.

**Adjournment to March 1, 2017** 9:32 a.m.

Minutes taken by Kelly Noble