

**MINUTES**  
**EDC-VC EXECUTIVE COMMITTEE MEETING**  
May 1, 2019

<b>Location:</b>	EDC-VC, 4001 Mission Oaks Blvd., Founder’s Room, Suite A-1, Camarillo, CA 93012
<b>Attendance:</b>	Haider Alawami– Economic Roundtable Representative, City of Thousand Oaks Nan Drake, <i>Vice Chair</i> – E.J. Harrison Industries Kelly Long – County of Ventura Chris Meissner– Meissner Filtration Products Peter Zierhut, <i>Secretary/Treasurer</i> – Haas Automation
<b>Absent:</b>	Harold Edwards – Limoneira Company Cheryl Heitmann – City of Ventura Carmen Ramirez, <i>Chair</i> – City of Oxnard Anthony Trembley – City of Camarillo
<b>Legal Counsel:</b>	Nancy Kierstyn Schreiner – Law Offices of Nancy Kierstyn Schreiner
<b>Guests:</b>	Michel Abedian, Farber Hass Hurley LLP
<b>Staff:</b>	Bill Bartels, EDC Film Liaison Marvin Boateng, Loan Officer Ray Bowman, EDCSBDC Director Shalene Hayman, Comptroller Kelly Noble, Office Manager Bruce Stenslie, President/CEO
<b>Call to Order:</b>	3:41 p.m. Vice Chair Nan Drake thanked everyone for attending.
<b>Roll Call:</b>	Kelly Noble
<b>Amendment to the Agenda:</b>	None
<b>Public Comment:</b>	None
<b>Approval of Executive Committee Minutes</b>	<b>Executive Committee Meeting April 3, 2019</b> Vice Chair Drake asked for a motion to approve the minutes from April 3, 2019 Executive Committee meeting. Haider Alawami moved to approve and file the minutes from April 3, 2019 Executive Committee meeting. Chris Meissner seconded the motion. All Executive Members listed in attendance in favor, motion carried.
<b>Administration</b>	<b>Consideration of the Draft 2018 Auditor’s Report and Financial Statements for December 31, 2018. Recommendation to Approve.</b> Stenslie noted that as per our bylaws, Section 7.2, we contract annually for an independent audit of our corporate accounts, financial statements and internal controls. That audit and related materials—in final development by Farber Hass Hurley LLP, for our FY 2018—has been distributed for review.

Along with the financial statements, the auditor's report includes a "single audit" report on internal control over financial reporting and compliance for our U.S. Department of Commerce funded revolving loan program, as required by OMB Circular A-133.

Stenslie introduced Michel Abedian, the Partner at Farber Hass Hurley overseeing the audit.

Abedian stated that Stenslie asked if he could have comparative financials to the previous year. He will go back & do that and you will see it on the next draft. Abedian reviewed the 2018 audit explaining that the audit provides an unqualified opinion for the representation of our financial statements.

Abedian provided a brief update on new audit standards that affect the 2018 report, though none are highly impactful for the EDC audit.

There are no findings reported for 2018, and no findings from prior years requiring tracking.

Abedian asked that the Executive Committee contact him if they felt there were any fraud or subsequent events.

Vice Chair Drake asked for a motion that the Executive Committee approve the FY 2018 draft Auditor's Report and Financial Statements for December 31, 2018 as prepared by Farber Hass Hurley LLP, and forward to the full Board of Directors for final approval. Kelly Long was not in attendance for this action item. Chris Meissner motioned to approve the FY 2018 draft Auditor's Report and Financial Statements for December 31, 2018 as prepared by Farber Hass Hurley LLP, and forward to the full Board of Directors for final approval. Peter Zierhut seconded the motion. All remaining Executive Committee Members in attendance in favor, motion carried.

#### **Update on Ventura County Film Commission and Film Liaison Activity**

Stenslie stated that In 2013 our Board approved a two year pilot to launch a more active role as the Ventura County Film Commission. The approved action established both the framework for funding—through voluntary assessments or contributions from the County, the cities and other stakeholders—and the contract function of "Film Liaison."

In 2015 our Board re-affirmed its support for the Film Commission activity, and we have budgeted for it in each year since, anticipating \$55,000 in revenue contributed by the County, cities and lodging association.

For more on the Film Liaison function and funding, see attached, "Film Liaison Funding Levels, 2019."

Stenslie introduced Bill Bartels, The EDC Film Liaison. Bartels provided detailed information on film permits issued by jurisdiction and region and on the types of film activity most prevalent. Bill noted that film activity continues to trend upward, emphasizing that we the cities are now getting to be much more detailed in their reporting. There was a discussion about funding levels, and how they track to the distribution of permits and film activity. Stenslie noted that there's not a close correlation on an annual basis, as permits can fluctuate a lot year-over-year, though staff agreed to look at this more closely over the next year.

### **Membership report**

Stenslie stated that there is nothing new in membership other than confirming we had received a resignation in April from Nancy Mayerson. There was a discussion about securing another member from that sector that is now unrepresented. Staff will follow up later this year.

### **Consideration of a Draft Report on Business Migration Patterns**

Stenslie noted that one of the most common complaints we hear about the “business climate” of California and Ventura County is that the cost and misery of taxation and regulation overwhelmingly drives business out of the state and our region.

While that story is prevalent there doesn’t appear to be evidence to support it. Given the lack of data on the story, we’ve thought it prudent to look at and analyze the actual data on business migration.

To do this analysis, we have purchased two completely separate data bases, better to assure we’re getting a complete picture:

- Dun & Bradstreet’s National Establishment Time Series (NETS). The data is current only to 2015, though is inclusive back to 1990.
- Data from the Business Dynamics Research Consortium (BDRC), a component of the University of Wisconsin. The BDRC data appears more reliable and is current to 2018.

Both provide enormous annual record sets, including establishment job creation and destruction, sales growth performance, survivability of business startups, mobility patterns, changes in primary markets.

We have contracted with the research and consulting firm Xopolis LLC to examine the detail on business relocations in Ventura, Santa Barbara and San Luis Obispo Counties.

Stenslie presented the information and a draft of a summary of the research. Considering input from the Committee, staff will return with an updated draft next month.

### **President’s Report**

Stenslie mentioned that The world trade week celebration at the Port of Hueneme is on May 21<sup>st</sup>. Stenslie added that on June 4<sup>th</sup> we will be going to the Ventura County Supervisors board meeting to present on film commission activity; EDC will also be participating that day on an update to the County Board on the Economic Vitality Strategic Plan.

**New or Unfinished Business:**

None

**Executive Committee Comments:**

None

**Adjournment**

At 5:24 pm., Vice Chair Drake announced that the meeting is adjourned to June 5, 2019.

Minutes taken by Kelly Noble