



ALBUQUERQUE REGIONAL ECONOMIC ALLIANCE (AREA) EXECUTIVE COMMITTEE MEETING – AGENDA

2024 OFFICERS:

CHAIR – Don Tarry | CHAIR-ELECT – Josh Parsons | TREASURER – Teresa Costantinidis
SECRETARY – Celina Bussey | PRESIDENT - Danielle Casey

Tuesday, June 11, 2024 | 3 – 4:30 p.m. – HYBRID MEETING

Join us via Zoom:

<https://us02web.zoom.us/j/83486117393?pwd=TWxjZlJaRDZrL0ZldEZCSWdzY0dDdz09>

Meeting ID: 834 8611 7393, Passcode: 222920

Full meeting packet materials available online by June 6, 2024

<https://www.abq.org/executivedocuments/> Password: AREA_87102

AGENDA

3 p.m.	Meeting Called to Order and Chair's Opening Remarks	Don Tarry
3:05 p.m.	April 23 Executive Minutes – ACTION REQUIRED	Don Tarry
3:10 p.m.	Treasurer's Report – ACTION REQUIRED <i>Financial Reports April 2024, & May 2024</i> <i>Briefing from June 10, 2024 Investment Fund Meeting</i> <i>Audit Update</i>	Teresa Costantinidis
3:30 p.m.	Continuity Of Ops. Plan/ Disaster Recovery – ACTION REQUIRED	Mary Tieman
3:40 p.m.	Operations Update <i>Investor Prospect Meetings</i> <i>Past Due Investment Review/Investor Relations Update</i> <i>Upcoming Events & 505 Awards Update</i>	Mary Tieman
3:55 p.m.	ASU Market Visit Debrief & Next Steps	Danielle Casey & Attending Board Members
4 p.m.	President's Report <i>Projects and Pipeline Update</i> <i>Board Retreat Final Preparations</i>	Danielle Casey
4:20 p.m.	Old/New Business	Don Tarry
4:30 p.m.	Adjournment	Don Tarry

NEXT MEETING: Board Retreat & Town Hall – June 26, 4:30 p.m. – June 27, 5 p.m.

Albuquerque Regional Economic Alliance

EXECUTIVE COMMITTEE MEETING MINUTES

Tuesday, April 23, 2024 – 3 p.m. (Virtual Meeting)

ATTENDING: Chair Don Tarry | Josh Parsons | Teresa Costantinidis | Janice Torrez| Joe Farr | |Justin Horwitz|
Celina Bussey| Michelle Dearholt | Caroline Garcia | Kyle Beasley
STAFF PRESENT: Danielle Casey | Mary Tieman
GUESTS PRESENT: Deborah Thompson - Presentation

Call to Order and Chair's Opening Remarks

Chair Don Tarry called the meeting to order at 3:01 p.m. as he welcomed the Committee and encouraged each member to provide a brief introduction.

Approval of January 30, 2024, Executive Meeting Minutes

The minutes of the January 30, 2024 , Executive Committee meeting were reviewed and on a motion by **Teresa Costantinidis** and a second by **Janice Torrez** the minutes were unanimously approved as presented.

Treasurer's Report

Ms. Teresa Costantinidis provided a detailed financial update and report for February 2024. AREA remains conservative on spending and expenditures.

As of Feb. 29, AREA shows \$19,756 ahead of revenue projections, and \$89,307 below expenditure projections. Total Liabilities and Net Assets were at \$3,859,251.81 (\$3,375,097.07 of which is Long Term Reserve, up from \$3.28 million at the end of January). Net operating revenue as of the end of February was \$95,885 to the positive, but this was expected and anticipated due to the large Bernalillo County contribution received in February.

Investment Fund Update

The net value of the portfolio as of March 28th - \$3,460,531

The value of the portfolio February 29th was \$3,375,097

The investment committee had a meeting on April 16th with Merrill Lynch. A follow up discussion will be scheduled for June.

Audit Update

Nelson & Company and AREA COO are providing the information requested in the PBC list. Staff is completing the Continuity of Operations/Disaster Recovery Policy document. This will be presented to the Executive Committee in June for review and adoption.

The Executive Committee reviewed the financial report and found no discrepancies. On a motion by **Joe Farr** and a second by **Celina Bussey** the financial report was unanimously approved as presented.

Board of Directors Nominations

There were two nominations presented to the AREA Executive Committee for consideration to serve on the board. Troy Greer is the Market President & CEO for Lovelace Health Systems. He would be fulfilling the term for Megan Oblack.

Lori Anne McBride is the Market President and CEO for Manpower. She will be taking the seat the Beth Barrella resigned from.

After a brief discussion and on a motion by **Janice Torrez** and seconded by Justin Horwitz both **Troy Greer**

and **Lori Anne McBride** were approved to serve on the AREA Board of Directors.

President's Organization Update

Ms. Danielle Casey shared the AREA Executive that the City of Albuquerque responded to our RFP and let us know we are one of three finalists to be interviewed May 7 for more information prior to the award. Ms. Casey provided an invitation for any committee members to join her for the interview. Don is traveling during the scheduled interview, however he offered to submit a letter on behalf of the board stating the value that AREA will bring to the projects outlined in the RFP.

Ms. Casey shared updates from the current pipeline, recent wins and high probability to close from the 98 opportunities.

As a follow-up from the presentation from Duke Reiter at the full board meeting, Ms. Casey shared the information for the ASU Best Practices Market Visit. AREA is proud to take a delegation of partners from the greater Albuquerque region May 13th and 14th to visit the greater Phoenix area and share best practices. This trip will focus on the university driven innovation and development at ASU.

The AREA staff continues to help with the planning for the Bio Science Conference in June. This partnership will be a great opportunity for New Mexico to build regional awareness amongst a national network of Bio Science industry leaders and companies. The event expects to host 20K plus participants representing 9K companies.

AREA is excited to celebrate and highlight the national Economic Development Week May 6-10. We are planning to share testimonials on what Economic Development means to the community and also promote the IEDC resources and benefits for economic developers.

Ms. Casey shared the JTIP Policy Amendments for FY25. Eligibility for Multiple Awards – employees who are promoted may be eligible for additional funding through JTIP; existing positions must be filled. Small Business Incentives – employers with a workforce < 50 will may be eligible for a \$1k incentive. Increased Hours for Interns – reimbursable training hours will increase from 640 to 1040 for intern positions. Elimination of \$100K Limit for Step-Up – total Step-Up funding cannot exceed \$1 Million in a single fiscal year.

Ms. Casey reviewed the 2024 AREA focus and priorities: Site readiness, ESG ready report development, increasing AREA generated lead pipeline, talent attraction strategy advancement, foreign direct investment policy and regional development playbook.

Operations Update

Ms. Mary Tieman provided a brief update on AREA operations. AREA is excited to welcome Erin Brubaker to the team. She will fill the role of Graphic Design and Media Specialist. Also joining the team is Anita Campbell and she will focus on Business Retention and Workforce Engagement. Johannah Saavedra was promoted to Operations and Event Specialist and Antonio Granillo was promoted to Senior Analyst. Both are doing an excellent job in their new roles.

Ms. Tieman and Ms. Casey shared the updated ageing invoice list. We welcome the support of the board to help reconnect with these investors and encourage them to make their annual contributions.

Ms. Tieman shared an update from the 505 Awards and Annual Dinner. There are still opportunities to sponsor this event. The theme Building Boomtown – A Night Under Construction really highlights the efforts AREA is making to focus on site readiness.

Guest Speaker

Ms. Casey introduced Deborah Thompson, MAOM, PCC. Deborah has a prestigious background with 25 plus years in facilitating board retreats and strategic discussions. She presented her ideas for the board retreat and made a suggestion to use BoardSource Self-Assessment to survey the board. After discussion, it was determined that it may be too involved of a tool for this year.

Old/New Business

No old or new business was presented for discussion.

Adjournment

On a motion by **Celina Bussey** to end the April 23 Executive Committee Meeting and a second by **Joe Farr** all members unanimously approved the motion. Don Tarry adjourned the meeting at 4:50p.m.

Minutes provided by: Mary Tieman, Chief Operations Officer

TREASURERS REPORT

YEAR TO DATE THROUGH April 30, 2024, Summary:

- Overall, as of April 30, we were cumulatively \$67,844.07 BEHIND revenue projections, but also \$75,437.39 BELOW expenditure projections.
- Total Liabilities and Net Assets as of August were at \$3,587,353.09 (\$3,346,162.08 of which is Long Term Reserve, down slightly from the \$3.375 seen at the end of February, but still up from the \$3.28 million at the end of January)
- This is a noticeable total asset decrease from \$3.86 at the end of February, but is anticipated as February, March and April are traditionally AREA's smaller months in terms of invoice revenue
- Overall financial expectations based on budget developer are right on target; however, staff is seeking Board attention and assistance in new investor revenue required to offset several investment losses that were counted on as part of Capital Campaign commitments
- Net operating revenue as of the end of February was \$7,593.32 to the positive, as we catch up with large expenditures at the start of the year and await AREA's largest months of anticipated revenue due to many Gold investors due for renewal in June, July and August.

REVENUE VARIANCES

- Revenue projections are below target due completely to lags in contribution revenue from the private sector

EXPENSE VARIANCES

Program Expenses:

- Industry dues and research expenses remain around \$24k below budget as we have found a more economical approach to updating our economic impact model
- Professional consultancy services have not been needed yet so are tracking behind
- Travel and donor development slightly above budget due to costs associated with a high-profile client visit in February and deposits for our Fam Tour, the ASU site visit, as well as overall increases in cost when traveling against historical figures

Admin Expenses:

- \$66k below budget, largely as usual due to salaries and wages savings with pause on hiring full budgeted staff as we awaited the City RFP
- As of April 30, we had not paid professional fees yet for our annual Audit

General related updates:

- AREA has received notice of the City's INTENT TO AWARD the RFP to AREA but remains in waiting for a final contract to execute; we also have no information at this time as to whether any funds will be awarded soon

Albuquerque Regional Economic Alliance		
Statement of Financial Position		
April 30, 2024		
ASSETS		
<i>Current Assets</i>		
Cash	141,639.46	
Accounts Receivable	1,420.41	
Prepaid Expenses	43,836.28	
Total Current Assets		186,896.15
Long Term Reserve		3,346,162.08
Furniture, Fixtures & Equipment - Net of Accumulated Depreciation		
FF& E - Net of Accumulated Depreciation		54,294.86
Total Assets	\$	3,587,353.09
LIABILITIES AND NET ASSETS		
<i>Current Liabilities</i>		
Accounts Payable	6,818.81	
Accrued Expenses	115,779.71	
Payroll Liabilities	5,224.28	
Deferred Revenue	0.00	
Other Current Liability	66,588.37	
Total Current Liabilities		194,411.17
<i>Long-Term Liabilities</i>		
Notes Payables	149,900.00	
Accrued Interest	10,312.50	
Deferred Revenue	0.00	
Other Long-Term Liabilities	1,207.00	
Total Long-Term Liabilities		161,419.50
Total Liabilities		355,830.67
Total Net Assets		3,231,522.42
Total Liabilities & Net Assets	\$	3,587,353.09

Albuquerque Regional Economic Alliance						
Statement of Activities & Changes in Net Assets						
Compared with Budget						
For the Four Months Ended April 30, 2024						
	April-24			Year-To-Date		
	Actual	Budget	Over/(Under) Budget	Actual	Budget	Over/(Under) Budget
REVENUE & PUBLIC SUPPORT						
Contributions	\$45,490.38	\$127,500.00	\$(82,009.62)	\$313,057.68	\$402,750.00	\$(89,692.32)
Public Sector and Grant Support	-	-	-	257,500.00	250,000.00	7,500.00
Sponsorship	1,500.00	-	1,500.00	15,500.00	5,000.00	10,500.00
Ticket Sales	700.25	-	700.25	11,848.25	8,000.00	3,848.25
AFF Reimbursement	-	-	-	20,000.00	20,000.00	-
Total Revenue & Public Support	\$ 47,690.63	\$ 127,500.00	\$ (79,809.37)	\$617,905.93	\$685,750.00	\$ (67,844.07)
EXPENDITURES						
Administrative Expenses						
401k Matching & Discretionary	\$ 4,842.07	\$ 5,850.00	\$ (1,007.93)	\$ 20,657.42	\$ 23,400.00	\$ (2,742.58)
Communications	2,745.88	1,450.00	1,295.88	9,808.75	5,800.00	4,008.75
Insurance - Business	2,093.84	1,062.50	1,031.34	8,394.36	11,925.50	(3,531.14)
Insurance - Employee	2,375.30	4,828.40	(2,453.10)	11,570.49	18,910.80	(7,340.31)
Leased Equipment	939.72	1,400.00	(460.28)	5,325.19	6,200.00	(874.81)
Meeting/Miscellaneous	1,297.00	584.33	712.67	7,191.50	2,337.32	4,854.18
Office Supplies	613.80	833.33	(219.53)	2,867.04	3,333.32	(466.28)
Postage	42.38	225.00	(182.62)	306.38	900.00	(593.62)
Professional Services Admin	4,433.74	16,354.33	(11,920.59)	17,510.95	41,529.32	(24,018.37)
Rent	7,422.62	7,000.00	422.62	28,408.48	28,000.00	408.48
Repairs and Maintenance	6,463.20	1,808.00	4,655.20	10,363.35	11,232.00	(868.65)
Salaries and Wages	113,273.50	90,549.00	22,724.50	368,831.44	401,196.00	(32,364.56)
Taxes	8,926.34	5,800.00	3,126.34	30,712.22	24,400.00	6,312.22
Training	2,660.50	4,000.00	(1,339.50)	13,669.64	19,365.00	(5,695.36)
Travel	(916.82)	1,710.00	(2,626.82)	5,006.18	8,840.00	(3,833.82)
Total Administrative Expenses	\$ 157,213.07	\$ 143,454.89	\$ 13,758.18	\$ 540,623.39	\$ 607,369.26	\$ (66,745.87)
Program Expenses						
505 Awards	\$ -	\$ -	\$ -	\$ 2,657.50	\$ 4,000.00	\$ (1,342.50)
Donor Development	49.22	583.33	(534.11)	21,313.28	10,333.32	10,979.96
Industry Dues and Research	8,723.54	6,098.00	2,625.54	43,689.96	67,537.00	(23,847.04)
Marketing	1,579.40	5,000.00	(3,420.60)	14,172.01	19,500.00	(5,327.99)
Professional Services	11.90	1,166.67	(1,154.77)	12,511.90	5,166.68	7,345.22
Prospect Development	76.61	11,216.67	(11,140.06)	34,252.08	22,866.68	11,385.40
Travel	4,951.67	10,500.00	(5,548.33)	37,315.43	45,200.00	(7,884.57)
Total Program Expenses	\$ 15,392.34	\$ 34,564.67	\$ (19,172.33)	\$165,912.16	\$174,603.68	\$ (8,691.52)
Total Expenditures	\$ 172,605.41	\$ 178,019.56	\$ (5,414.15)	\$706,535.55	\$781,972.94	\$ (75,437.39)
Net Operating Revenue	\$	\$	\$	\$	\$	\$
	\$(124,914.78)	\$ (50,519.56)	(74,395.22)	\$ (88,629.62)	\$ (96,222.94)	\$ 7,593.32
Other Revenue						
Investment Interest & Dividends	\$ 7,027.34	\$ -	\$ 7,027.34	\$ 23,722.21	\$ -	\$ 23,722.21
Realized Gain (Loss)	2,380.80	-	2,380.80	25,434.11	-	25,434.11
Unrealized Gain (Loss)	(121,830.17)	-	(121,830.17)	33,343.43	-	33,343.43
Total Other Revenue	\$(112,422.03)	\$ -	\$ (112,422.03)	\$ 82,499.75	\$ -	\$ 82,499.75
Depreciation	\$ 187.85	\$ -	\$ 187.85	\$ 751.40	\$ -	\$ 751.40
Fund Management Fees	1,946.06	-	1,946.06	7,526.93	-	7,526.93
Interest Expense (Loan Repayment)	641.00	650.00	(9.00)	10,256.00	2,600.00	7,656.00
Total Other Expenditures	\$ 2,774.91	\$ 650.00	\$ 2,124.91	\$ 18,534.33	\$ 2,600.00	\$ 15,934.33
Net Other Revenue (Expenditures)	\$(115,196.94)	\$ (650.00)	\$ (14,546.94)	\$ 63,965.42	\$ (2,600.00)	\$ 66,565.42
Net Assets	\$(240,111.72)	\$ (51,169.56)	\$(188,942.16)	\$(24,664.20)	\$ (98,822.94)	\$ 74,158.74

INVESTMENTS DUE THROUGH JULY 2024

The following is a list of all open investments in AREA's invoicing system, not including event sponsorships, through July 31:

Investment Company	Bill Date (due date+30)	Amount	Billing Contact
Tempur Pedic	10/2/2022	\$7,500	Cindy Mendez
Price Land & Development Group, inc.	10/9/2022	\$3,000	Rico Gallegos
Sunport South Business Park	1/27/2023	\$5,000	Solomon Sampson
Wilger Enterprises, Inc.	3/15/2023	\$5,000	John Wilger
Mesa del Sol, LLC	5/28/2023	\$25,000	Jerome Gonzales
Tamaya Ventures	8/15/2023	\$25,000	NEW CONTACT
Abrazo Homes	11/2/2023	\$7,500	Brian McCarthy
Manpower of New Mexico	1/1/2024	\$1,000	Lori Anne McBride
POMS	1/20/2024	\$3,000	Dan Foley
Manpower of New Mexico	2/1/2024	\$1,000	Lori Anne McBride
Meta	3/2/2024	\$10,000	David Williams
Hanna Plumbing & Heating Co., Inc.	3/2/2024	\$3,000	Taylor Juarez
Albuquerque Publishing Co.	4/2/2024	\$25,000	William Lang
New Mexico Education Trust Board	4/2/2024	\$3,000	Carolyn Fittipaldi
Bank of the West	4/3/2024	\$12,500	Mike Lowrimore
Western Sky Community Care (Centene)	4/27/2024	\$7,500	Jess Sanchez
New Mexico Gas Company	5/2/2024	\$25,000	Ryan Shell
TriCore Reference Laboratories	5/2/2024	\$15,000	Robin Divine
Lovelace Health System	5/2/2024	\$15,000	Joyce Carabajal
Dekker/Perich/Sabatini	5/2/2024	\$20,000	Dale Dekker
NAI Sun Vista	5/2/2024	\$25,000	Debbie Harms
Bank of Albuquerque	5/2/2024	\$25,000	Kyle Beasley
Huitt-Zollars, Inc.	5/2/2024	\$3,000	Anita Spacagna
Johnson Commercial Real Estate	5/11/2024	\$3,000	Erick Johnson
U.S. Bank	5/17/2024	\$12,500	Howie Herbert III
Titan Development	5/21/2024	\$25,000	Kurt Browning
Mesa del Sol, LLC	5/28/2024	\$25,000	Jerome Gonzales
Manpower of New Mexico	5/31/2024	\$1,000	Lori Anne McBride
The University of New Mexico	6/2/2024	\$50,000	Terry Babbitt
Aon	6/2/2024	\$15,000	Eric Weinstein
UNM Health System	6/2/2024	\$10,000	Rebecca Napier
Rodey Law Firm	6/5/2024	\$10,000	Justin Horwitz
Duke City Commercial LLC	6/7/2024	\$5,000	Joe Farr
Oso Grande Technologies, Inc.	6/13/2024	\$5,000	Dennis Jontz
Indian Pueblo Cultural Center	6/16/2024	\$3,000	Mike Canfield
Century Sign Builders	6/25/2024	\$5,000	Roxanna Meyers

Manpower of New Mexico	6/30/2024	\$1,000	Lori Anne McBride
Manpower of New Mexico	7/1/2024	\$1,000	Lori Anne McBride
Jaynes Corporation	7/1/2024	\$25,000	Shad James
New York Life Insurance Co.	7/1/2024	\$750	Jessica McElroy
Colliers International Albuquerque	7/1/2024	\$750	Danny Whiteman
Kaufman Fire Protection Systems, Inc.	7/1/2024	\$750	Madelyn Wilder
Enterprise Builders Corp.	7/1/2024	\$1,250	Kari Juvera
Modrall Sperling Roehl Harris & Sisk	7/2/2024	\$10,000	Meg Meister
Sunny505	7/2/2024	\$10,000	Joanie Griffin
RS21	7/12/2024	\$3,000	Charles Rath
Crowne Plaza Albuquerque	7/28/2024	\$3,000	Lynn Renfro
		\$498,000	

***ADDITIONAL FUNDS ARE ANTICIPATED FROM PUBLIC SECTOR PARTNERS AROUND THE AUGUST TO OCTOBER TIMEFRAME:**

Sandoval County: \$56,136.96

Village of Los Lunas: \$6,868.44

Town of Edgewood: \$2,215.44

Rio Communities: \$1,793.88

PAST DUE INVOICES

Company	Due Date	Amount	Billing Contact	Investor Level
Tempur Pedic	11/1/2022	\$7,500	Cindy Mendez	Gold
Price Land & Development Group, inc.	11/7/2022	\$3,000	Rico Gallegos	Advocate
Sunport South Business Park	2/25/2023	\$5,000	Solomon Sampson	Advocate
Wilger Enterprises, Inc.	4/13/2023	\$5,000	John Wilger	Advocate
Mesa del Sol, LLC	6/28/2023	\$25,000	Jerome Gonzales	Gold
Tamaya Ventures	9/15/2023	\$25,000		Gold
Abrazo Homes	12/1/2023	\$7,500	Brian McCarthy	Advocate
POMS	2/18/2024	\$3,000	Dan Foley	Silver
Hanna Plumbing & Heating	3/31/2024	\$3,000	Taylor Juarez	Advocate

Total of ALL past due invoices (minus sponsorships for 505 Awards): \$109,250

Total of invoices assumed to be highly collectable: \$43,000

In addition to these past due contributions, AREA is working to recruit new investors to offset reductions in investment by the following entities – a total unexpected loss of \$29,000.

1. Fidelity Investments: reduced from \$10,000 to \$3,000 citing no budget increase but increased costs of other sponsorships in the community.
2. US Bank: As they no longer have a representative who can serve on the AREA Board, they reduced their investment from \$25,000 to \$12,500; however, AREA is seeking grant funding to 'make up' the balance. Assistance in those conversations will be helpful.
3. Brycon: Also without discussion or warning, following numerous attempts to set a meeting, reduced from \$12,500 to \$3,000.

Investments fully written off (deemed not collectable) since January 1 include:

1. TBK Bank (\$3,000) – fully unresponsive in all attempts
2. McKee Wallwork (\$3,000) – they have decided to terminate, no significant explanation

AREA Board of Directors Annual Retreat and Planning Session Agenda

June 26 - 27

Wednesday, June 26, 2024 – Indian Pueblo Cultural Center

4:30 p.m. Networking & Retreat Kickoff Activity
5:30 p.m. Board of Directors Dinner

Thursday, June 27, 2024 – Hotel Albuquerque

8:30 a.m. Breakfast (American Full Breakfast) & Governance Meeting

9 a.m. Board Retreat Begins -Welcome from Don Tarry
Objectives/ Deborah Thompson - Facilitator Instructions

9:30 a.m. Review of the 2023 Focus Goals and 12-month progress update

10 a.m. 2024 Board & Investor Survey Results & Discussion

10:30 a.m. Break

10:45 a.m. Open Strategy Discussion (Board & AREA Staff Only)
- What do we need to accomplish in the next 12 months?

12 p.m. Luncheon – Keynote Speakers
- Welcome – Don / Danielle
- Keynote Speakers (Tony & Jim) – 30 minutes

1 p.m. Town Hall Content and Breakout Discussions & Report Outs
Site Readiness
Regional Brand
Talent & Workforce

2:30 p.m. Break (Board Returns to Retreat and Planning Session)

2:45 p.m. Review from Town Hall Break Out Sessions

3:15 p.m. Breakout Discussions groups (Topics from Town Hall)

4 p.m. Report Out to Group (10 minutes each)

4:40 p.m. AREA Scope of Work and Focus for 2024-25
- Individual Board member commitments

5 p.m. Wrap Up