The Council

Finance Committee Meeting Minutes
Social Equity Council
Date: September 18, 2025
Time: 2:04 PM
Location: Teams

Call to Order
The meeting was called to order at 2:04 PM by Chair Avery Gaddis.

Attendance

- **Present:** Chair Avery Gaddis, Councilman Ed Shirley, Councilman Kyle Abercrombie, Executive Director Brandon McGee, Legal Counsel Mariedy Collazo Cruz, Chief Operations Officer Kristina Diamond, Associate Accountant Jennifer Stevens
- **Absent:** Councilwoman Fanita Borges (excused absense)

Approval of Minutes

- Motion to approve the minutes of the March 20, 2025, motion was made and seconded.
- Motion carried unanimously.

Executive Director's Report (Brandon McGee)

- Presented the **FY 2026 Comprehensive Financial Summary** (year-to-date through September 18, 2025).
    - **Approved Budget:** $16.4 million
        - Personnel Services: $2.74 million
        - Other Expenses: $13.64 million
        - Community Reinvestment: $12 million (part of a $36 million three-year commitment, $12 million annually)
    - **Expenditures to Date:** $392,000 (July 1, 2025 – September 18, 2025)
- Report emphasized controlled early-year spending and ongoing monthly monitoring of revenues and expenditures.

Contracts Over $25,000

- **CohnReznick** – Vendor supporting application review.
- **Miranda Creative** – Council-approved communications vendor.
- Training/capacity building grant managers and community-based organizations (not yet executed)
- Total contract commitments: **$490,000**

Next Steps

- Continue monthly revenue and expenditure monitoring.
- Provide quarterly financial reports to stakeholders, including the Black and Puerto Rican Caucus.
- Review financial implications of pending policy issues.

Loan Program Update

- Loan Advisory Committee has allocated funding to **four entities**.
- Disbursed: **$1.68 million**; Remaining: **$8 million** in Cannabis Revolving Loan Fund.
- Council staff expressed appreciation to Loan Advisory Committee members and legal staff for their support.

Revenue Update

- Current fund balance: **~$69 million** in the Cannabis Social Equity and Innovation Fund.
- Revenue sources: excise tax (60% share FY26, increasing in subsequent years), conversion fees, and cannabis tax.
- Funds managed directly by the Social Equity Council in coordination with the Department of Consumer Protection, Department of Revenue Services, and OPM.
- Internal financial controls in place; recent review preserved over **$1 million** in revenue.

Discussion

- Councilman Shirley inquired about vendor payment structures and fund management regarding application verifications.
- Legal Counsel confirmed CohnReznick is paid hourly under a state master service agreement.
- Executive Director McGee explained revenue management and monitoring practices.
- Members discussed potential future opportunities to grow fund balances through investment strategies.

Adjournment

With no further business, the meeting was adjourned at 2:30 PM.