



SEC Finance Committee Meeting Minutes

Date: Thursday, December 18, 2025

Time: 2:01 PM

Location: Virtual Meeting


Committee: Finance Committee

1. Call to Order


Finance Committee Chair **Avery Gaddis** called the meeting to order at **2:01 PM**.

2. Roll Call / Quorum

The following members were present:

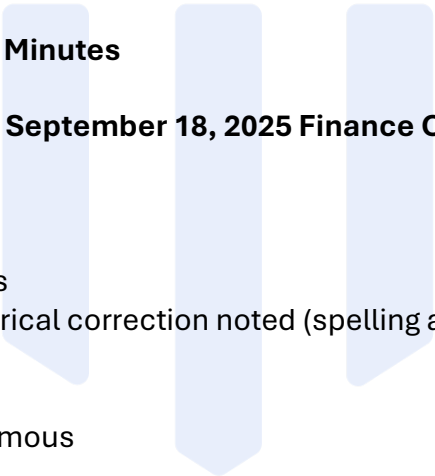
- Avery Gaddis, Chair
 - Ed Shirley
 - Fanita Borges
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A quorum was established.



3. Approval of Prior Meeting Minutes

The Committee approved the **September 18, 2025 Finance Committee meeting minutes**.

- **Motion:** Ed Shirley
 - **Second:** Fanita Borges
 - **Discussion:** Minor clerical correction noted (spelling and wording correction regarding “motion”).
 - **Vote:**
 - In Favor: Unanimous
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- Opposed: None
- Abstentions: None

Result: Motion carried. The minutes were approved as amended.

4. Executive Director's Financial Report

Executive Director **Brandon L. McGee, Jr.** presented a comprehensive financial update covering fiscal discipline, transparency, and strategic momentum aligned with the Council's mission.

FY 2026 Adopted Budget Overview

- **Personnel Services:** \$2.97 million
- **Other Expenses:** \$14.6 million
- **Total FY 2026 Budget:** Approximately \$17.5 million
- **Community Reinvestment Fund:** \$12 million dedicated to direct community investment

FY 2026 Expenditures (July 1 – November 30, 2025)

- **Personnel Services:** \$675,974
- **Other Expenses:** \$138,603
- **Refunds Received (2023 Pilot Program):** \$110,736
- **Total Year-to-Date Expenditures:** \$703,841

The Executive Director noted that early fiscal pacing was intentional to align spending with program readiness, contract execution, and compliance benchmarks.

5. Contracts Over \$25,000 (Approved as of November 30, 2025)

Total approved contracts: **\$670,000**

Key vendors included:

- **CohnReznick:** Social Equity Application verification and compliance
- **Miranda Creative:** Communications, branding, and organizational rebranding (statement of work-based contract)
- **Tow Youth Justice Institute:** Training for grant managers and community-based organizations
- **Subject Matter Expert Vendor:** Sole source request pending OPM approval to strengthen program design and oversight

Chair Gaddis inquired about Miranda Creative’s payment structure. The Executive Director confirmed compensation is based on a defined **statement of work/scope of work**, not hourly billing.

6. Cannabis Revolving Loan Fund Update

- **Bonds Authorized:** \$50 million
- **Loan Capital Allocated:** \$10 million
- **Loans Issued:** 4 loans totaling \$1.68 million
- **Remaining Loan Balance:** \$8.32 million

This reflects continued deployment of capital while maintaining prudent reserves.

7. Cannabis Social Equity & Innovation Account

- **Beginning Balance (July 1, 2025):** \$66 million
 - **FY 2026 Cannabis Tax Revenue (YTD):** \$6.41 million
 - **Loan Interest Revenue (YTD):** \$65,747
 - **Total Revenue (YTD):** Approximately \$73 million
 - **Innovation Account Expenditures (YTD):** \$703,841
 - **Ending Balance:** Approximately \$72.7 million
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8. \$2 Million Justice-Impacted Investment Initiative

The Executive Director highlighted a **\$2,000,000 investment** focused on justice-impacted individuals, emphasizing housing stability and re-entry success. The investment will:

- Provide gap funding to **five approved Re-Entry Welcome Centers**
- Support housing vouchers, short-term housing stabilization, and wraparound services
- Address documented housing backlogs impacting re-entry outcomes

The SEC is pursuing a **Memorandum of Agreement (MOA)** with the **Department of Correction** and **Department of Housing** to ensure interagency coordination, reduce duplication, and position the SEC as a strategic investor.

9. Revenue Sources & Projections

The Executive Director reviewed SEC revenue sources, including:

- Cannabis excise tax revenue allocations
- Hybrid retailer conversion fees
- Revolving loan interest income

Preliminary projections, based on Connecticut State Budget FY 26 – 27 Office of Fiscal Analysis estimates, indicate potential revenues of approximately **\$14 million annually**, with projected increases of about \$2 million year-over-year. Discussions are underway with the Office of the Treasurer regarding potential investment strategies to generate interest income for program sustainability.

10. Committee Discussion

Committee members expressed appreciation for the clarity, transparency, and fiscal stewardship reflected in the report. No additional questions were raised.

11. Adjournment

With no further business, Chair Gaddis adjourned the meeting at **2:15 PM**.

