

STATE OF CONNECTICUT  
FINANCE COMMITTEE MEETING MINUTES – **Draft**  
MARCH 20, 2025, Meeting 2:00 P.M.  
Virtual Meeting via Teams

### **Call to Order, Welcome and Attendance**

Avery Gaddis called the meeting to order at 2:00 p.m., welcoming committee members, and members of the public. He proceeded to conduct the roll call.

Avery Gaddis – Present

Fanita Borges – Present

Ed Shirley – Present

A quorum was confirmed.

### **Presentation by Chief Executive Officer**

Director McGee provided a comprehensive overview of the SEC's financial status and ongoing initiatives:

#### **A. Year-to-Date Budget Overview (as of February 28, 2025)**

- **FY25 Approved Budget:** \$10.2 million
- **Personnel & Services:** Spending within budgeted amounts
- **Community Reinvestment Budget:** \$5.6 million remains due to a pause on disbursements
  - Reinvestment program is under redesign to focus on a three-year funding model
  - Emphasis on impact metrics and program evaluation

#### **B. Vendor Contracts**

- Contracts with CohnReznick (social equity application verification) clarified with revised scopes
- Strategic planning contract completed
- Six-month contract with Miranda Creative for communications and rebranding underway

## **Revolving Loan & Innovation Fund Update**

Director McGee updated on key funding streams:

### **A. Revolving Loan Fund**

- \$50M bond authorized; \$10M allocated
- Two loans totaling \$1M have been executed
- Additional loans are under review, with a potential request to increase the allocation
- The loan program is undergoing redesign to improve data collection, underwriting, and applicant experience

### **B. Cannabis Social Equity & Innovation Fund**

- Revenue from cannabis conversion fees and cannabis tax contributions
- As of February 2025, ~\$7.2M in revenue received, with five months remaining in the fiscal year
- Total fund balance: ~\$68M

## **Acknowledgements and Commentary**

- Chair Gaddis publicly recognized Councilwoman Fanita Borges and Legal Director Mariedy Collazo Cruz for their leadership and commitment in loan program redevelopment
- Emphasis placed on establishing clear, repeatable systems and protecting taxpayer funds while supporting social equity entrepreneurs

## **Loan Program Redesign Discussion**

- Attorney Collazo Cruz and Councilwoman Borges shared progress on redesign efforts:
  - Revamped application to improve underwriting decisions
  - Exploration of applicant interviews and feedback-based improvements
  - Recognition of significant volunteer time and collaboration among committee members
- Chair Gaddis stressed the importance of Council responsiveness and accountability in program development
- Attorney Collazo Cruz and Councilwoman Borges shared progress on redesign efforts:
  - Revamped application to improve underwriting decisions
  - Exploration of applicant interviews and feedback-based improvements
  - Recognition of significant volunteer time and collaboration among committee members
- Chair Gaddis stressed the importance of Council responsiveness and accountability in program development

## **Legislative Context & Budget Considerations**

- Director McGee noted the Governor's recommendation to move the Social Equity and Innovation Fund to an off-budget account to enhance Council control
- Realignment of workforce development and reinvestment programs expected to impact FY26–27 budgeting
- Chair Gaddis expressed interest in holding a follow-up budget planning session

## **Questions & Closing Remarks**

- Councilwoman Borges requested a year-over-year revenue comparison, which staff agreed to provide

- No major concerns or "landmines" were reported, but public interest in loan funding remains high
- Committee praised for continued collaboration and transparency

## **Adjournment**

Chair Gaddis adjourned the meeting by consensus at approximately 3:00 PM.