Greater Phoenix Economic Council

EXECUTIVE COMMITTEE
November 6th, 2025

1. **Call to Order**
   Brad Vynalek, Secretary

2. **Welcome Christine Mackay**

3. **Approval of Consent Agenda Items**
   a. September 4, 2025 Meeting Minutes

4. **GPEC Committee and Council Updates: Presentation, Discussion and Action**

   a. **Finance Committee: Year to Date Financials**
      Brooke Westemeier, Chair

5. **CEO Update: Presentation and Discussion**
   Christine Mackay, President & CEO

6. **Open Discussion, Other Business and Closing Comments**

7. **Adjournment**

For further information or reasonable accommodations, please contact Alexis Peterson at apeterson@gpec.org or at 602-262-8603.

EXECUTIVE COMMITTEE MEETING MINUTES

DATE: Thursday, September 4, 2025

LOCATION: Meeting was conducted in person at the GPEC Office and by Zoom video conference.

DIRECTORS ATTENDANCE: Please see attached for attendance.

OTHER ATTENDEES: Dana Drew Shaw with Grand Canyon University and various members of GPEC Staff.

1. **Call to Order.** Chair, Derrick Hall called the meeting to order at 9:04 am.

2. **Approval of Consent Agenda Items**. Hall announced one item for approval and asked for motion to approve consent agenda item.

Steve Betts made a motion to approve the consent agenda items. Ed Aaronson seconded the motion. There was no further discussion. The motion was unanimously approved.

3. **GPEC Committee Updates: Presentation, Discussion and Action**

   a. **Audit Committee: FY25 Audit and 990 Form.** Committee Chair, Chris Zaharis, provided an update on behalf of the Audit Committee. The committee met twice over the summer: First, to prepare for the annual audit; and second, to review the performed audit. CliftonLarsonAllen performed the annual audit.

   Zaharis highlighted from the audit report: Management was prepared and easy to work with. Zaharis shared some details surrounding lease calculations. The auditors issued an unqualified opinion, the most desirable audit outcome.

   Hall asked for motion to approve the drafted audited financials for fiscal year 2025.

Steve Betts made a motion to approve the drafted audited financial report. Brad Vynalek seconded the motion. There was no further discussion. The motion was unanimously approved.

   Zaharis discussed the drafted Form 990 Tax Return. Noting that this is available to the board and the public upon request.

Steve Betts made a motion to approve the drafted Form 990. Sharon Harper seconded the motion. There was no further discussion. The motion was unanimously approved.

b. **Performance Committee: FY25 Performance Review.** Chair, Hall, provided an update on behalf of the Performance Committee.

   The Performance Committee met at the end of July. The committee reviewed the organization's annual performance metrics and results, plus reviewed the CEO's performance.

   Hall turned it over to Maynard to review the summary of GPEC's performance as outlined in the meeting packet.

   Hall stated the committee determined satisfaction with performance year-end results.

c. **Nominating Committee: Proposed FY26 Board of Directors, Officers of the Board, and Committees.** Chair, Sharon Harper, provided an update on behalf of the Nominating Committee. Harper referred members to the meeting packet for Summary Board of Director Changes Fiscal Year 2025; and Exhibits A, B, and C.

   Harper introduced Maynard to present Board changes including board of director seats, officers of the board, and committees. Committees were updated with additional members.

Paul Luna made a motion to approve the fiscal year 2026 board of directors, officers of the board, and committees. Tony Houston seconded the motion. There was no further discussion. The motion was unanimously approved.

4. **CEO Update: Presentation and Discussion.** Thomas Maynard, Interim CEO, provided a robust update including the new CEO announcement, mega events, the need for a state AI playbook, opportunities in healthcare & the biosciences, and the Washington, D.C. ExecMission. Maynard then introduced Brad Smidt, Senior Vice President of Business Development to present a recap of FY25 metrics, FY26 prospects and recent announcements. Serena Remy, Senior Vice President of Marketing & Communications, followed with an update on progress of the new regional branding platform.

5. **Open Discussion, Other Business and Closing Comments.** Brad Vynalek and Paul Luna shared experiences with economic development professionals in other markets. The committee expressed gratitude towards the search committee, staff and all supporting the search committee process.

6. **Adjournment.** Hall adjourned the meeting at 9:56 am.

Prepared by:	**Submitted by:**
Alexis Peterson, Executive Assistant	Brad Vynalek, Secretary

Approved by:

Derrick Hall, Chair

Attendance

Attendance	First Name	Last Name
Present	Ed	Aaronson
Not present	Megan	Ackaert
Not present	Jeff	Barton
Present	Steve	Betts
Not present	Jarett	Brock
Not present	Ron	Butler
Present - virtual	Wendy	Cohen
Not present	Angela	Creedon
Not present	Ted	Geisler
Present	John	Graham
Present - virtual	Chris	Grogan
Present	Derrick	Hall
Present	Sharon	Harper
Present	Anthony	Houston
Present	Brett	Johnson
Not present	Chris	Koch
Not present	Andre	Kudelski
Present	Paul	Luna
Not present	Tammy	McLeod
Present - virtual	Sally	Morton
Not present	Brian	Mueller
Not present	Kevin	Phelps
Not present	Scott	Phillips
Not present	Will	Rehrig
Present	Paul	Rivers
Not present	David	Rousseau
Present - virtual	Keri	Tignini
Present	Brad	Vynalek
Present - virtual	Andy	Warren
Present - virtual	Brooke	Westemeier
Not present	Brad	Wright
Present - virtual	Chris	Zaharis

Greater Phoenix Economic Council

Finance Committee

FINANCIAL ANALYSIS

As of and for the Three Months Ending September 30, 2025

OVERVIEW

As of September 30, 2025, GPEC is in a solid financial position with net current assets of $6.73 million and $5.89 million in cash on hand. Net income for the three months ended September 30, 2025, was $15 thousand which is $284 thousand below budgeted net income of $299 thousand. GPEC had a net income in the same period last year of $684 thousand.

REVENUES

Revenues for the three months ended September 30, 2025, were $2.12 million, which was below the YTD budget by $276 thousand and $688 thousand lower than the same period last year.

<u>City/County Contract revenue</u> totaled $1.1 million, which is $206 thousand below budget and $225 thousand below last year. The variance is due to the Maricopa County contract which has not been signed yet, therefore not included in the income.

<u>Current investor pledge revenue</u> totaled $838 thousand, which was $137 thousand below budget and $181 thousand below last year. This is due to the attrition and timing of renewals this year.

<u>New pledge revenue</u> totaled $128 thousand, which was $65 thousand above budget and $11 thousand below last year. There are currently 9 new investors.

<u>Grant Income</u> totaled $21 thousand. Currently, the Flinn Foundation grant is being allocated monthly, totaling $84 thousand per year.

EXPENSES

Expenses for the three months ended September 30, 2025, totaled $2.1 million which was $8 thousand above the budget and $19 thousand below last year. All departments are below budget apart from Marketing. The adopted FY25 budget did not account for dedicated funds raised or spent related to the A New Way to City brand platform, those funds were primarily raised in FY25 but will be spent throughout FY26 in addition to typical marketing activities that are reflected in the budget.

FINANCIAL POSITION

As of September 30, 2025, GPEC had total assets of $10.39 million and total liabilities of $3.64 million resulting in total net assets of $6.75 million compared to June 30, 2025, total assets of $11.04 million, total liabilities of $4.31 million, and total net assets of $6.73 million. The current ratio of 9.2:1 reflects a strong ability to meet current obligations. GPEC policy guidelines require a minimum current ratio of 2.0:1.

Current cash-on-hand as of September 30, 2025, totaled $5.89 million (8.2 months of expenses), compared to $7.05 million (9.8 months of expenses), as of June 30, 2025. This exceeds the minimum of 2 months' reserve required by GPEC policy guidelines as well as the organization's target goal of 5.0 months of reserves. The higher than typical reserve represents monies received for the New Way to City fundraising campaign that will be expended in FY26 as well as remaining funds from the Maricopa County IDA international grant received in FY25 that will continue to be expended throughout FY26.

Greater Phoenix Economic Council
Statements of Financial Position
September 30, 2025 and June 30, 2025

ASSETS

		9/30/2025		6/30/2025
CURRENT ASSETS				
Cash and cash equivalents	$	5,889,397	$	7,046,224
Pledges receivable		638,750		80,000
Contracts receivable		621,587		411,850
Accounts receivable, net		(19,750)		337,789
Prepaid expenses and other		413,747		238,953
Total current assets		7,543,731		8,114,816
LONG-TERM PROMISES TO GIVE, net		-		-
EQUIPMENT AND LEASEHOLD IMPROVEMENTS, net		2,841,673		2,923,338
TOTAL ASSETS	$	10,385,404	$	11,038,155

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES				
Accounts payable, accrued expenses short term leases	$	802,213	$	1,252,873
Deferred revenue		15,500		36,500
Total current liabilities		817,713		1,289,373
LONG-TERM LIABILITIES				
Accrued expenses and Long term leases		2,821,932		3,018,154
Total liabilities		3,639,645	-	4,307,527
Without Donor Restrictions		5,426,480		5,411,349
With Donor Restrictions		1,319,279		1,319,279
Total net assets		6,745,759		6,730,628
TOTAL LIABILITIES AND NET ASSETS	$	10,385,404	$	11,038,155

Greater Phoenix Economic Council

Summary Statement of Income

Three Months Ending September 30, 2025

	YTD ACTUAL VS BUDGET			YTD FY26 VS YTD FY25		YTD VS ANNUAL BUDGET	
	Actual	Budget	Variance	Actual FY25	Variance	Budget	% of Budget
REVENUE							
City/County Contract	$ 1,104,056	$ 1,309,981	(205,925)	$ 1,329,372	$ (225,316)	$ 3,210,154	34.4%
Pledge Revenue	837,500	974,588	(137,088)	1,018,750	(181,250)	3,898,350	21.5%
New Pledges	127,500	62,500	65,000	116,250	11,250	250,000	51.0%
In-Kind Contributions	2,086	6,000	(3,914)	12,456	(10,370)	140,000	1.5%
Events & Programs		-	-	186,900	(186,900)	165,000	0.0%
Sponsorships	1,500	7,000	(5,500)	27,347	(25,847)	363,500	0.4%
Grant Income	21,000	20,750	250	115,838	(94,838)	83,000	N/A
NWTC Campaign	-	-	-	-	-	-	n/a
Other Income	25,796	15,000	10,796	350	25,446	15,000	172.0%
Total Revenue	**2,119,438**	**2,395,818**	**(276,380)**	**2,807,262**	**(687,824)**	**8,125,004**	**26.1%**
EXPENSE							
Business Development	56,335	112,353	(56,018)	192,068	(135,733)	864,527	6.5%
Marketing	355,970	132,925	223,045	127,164	228,807	463,443	76.8%
Research & Analytics	87,117	117,966	(30,849)	69,793	17,324	284,242	30.6%
Engagement & PR	25,213	28,483	(3,270)	30,781	(5,569)	1,525,668	1.7%
Regional Initiatives	22,605	23,000	(395)	3,418	19,187	128,413	17.6%
Admin & Operations	122,142	142,617	(20,475)	102,969	19,173	411,982	29.6%
Personnel	1,286,034	1,387,550	(101,516)	1,309,810	(23,776)	5,551,200	23.2%
Facilities	127,891	130,650	(2,759)	121,008	6,883	522,600	24.5%
Events & Programs	-	-	-	14,952	(14,952)	200,000	0.0%
Grant Expenses	21,000	21,000	-	151,651	(130,651)	83,000	N/A
Total Expense	**2,104,307**	**2,096,544**	**7,763**	**2,123,614**	**(19,308)**	**8,661,975**	**24.3%**
Net Income (Loss)	**$ 15,131**	**$ 299,274**	**$ (284,143)**	**$ 683,647**	**$ (668,516)**	**$ (536,971)**	

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Statement of Cash Flow

Three Months Ending September 30, 2025

	Three Months Ending 9/30/2025	Year Ending 6/30/2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 15,131	$ 1,159,544
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	82,909	115,041
Increase (decrease) in cash resulting from changes in:		
Pledge receivable	(558,750)	80,000
Contracts receivable	(209,737)	(227,349)
Accounts receivable	357,539	(276,644)
Other assets	(174,793)	182,090
Accounts payable and accrued expenses	(646,882)	153,188
Deferred revenue	(21,000)	(10,000)
Defererred rent	-	
Net cash provided by (used in) operating activities	(1,155,583)	1,175,870
CASH FLOWS FROM INVESTING ACTIVITIES		
Changes in equipment and leasehold improvements	(1,244)	(63,564)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,156,827)	1,112,306
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	7,046,224	5,933,919
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 5,889,397	$ 7,046,224

Greater Phoenix Economic Council
Current Ratio & Cash Reserve Calculations
September 30, 2025

Current Assets - Cash		5,889,397
Current Assets - Other		1,654,334
	Total Current Assets	7,543,731
Current Liabilities		817,713
	Net Current Assets	6,726,017
Current Ratio*		**9.2 : 1**
FY 26 Budget Expenses less Grants		8,578,975
Board directed cash reserve**		1,429,829
Cash in excess of board requirement		**4,459,567**
Actual Cash Reserve		412%
Months of actual cash reserve		**8.2**

*Current ratio is defined as total current assets divided by total current liabilities.

** May 2015 Board Resolution - Maintain a minimum cash reserve equal to two (2) months of budgeted operating expenses in the form of cash and cash equivalents, net of grant funded expenses.