



UDA Board Meeting – December 15, 2008

The Board of Directors of the Utah Defense Alliance met on December 15, 2008, at 7:30 a.m. at Weber Basin's District Headquarters, Layton, Utah. The meeting was called to order by President Jerry Stevenson. On roll call, the following directors/visitors were found to be present:

Present

Jerry Stevenson
 Peter Jenks
 Rick Mayfield
 Charlie Precourt
 Ron Kusina
 Vickie McCall
 Ron Richins
 Pat Condon
 Kent Sulser
 Collette Mercier
 Steve Rush
 Louenda Downs
 Mike Bouwhuis
 Ken Warnick
 Jan Zogmeister

Scott Waterfall
 Gary Harter
 Mart Bushnell
 John Matthews
 David Nydam

Staff/Visitors

Ron Richins
 John Peterson
 Brian Arnold
 Beverley Jacobs

Excused

Ann Millner
 Tage Flint
 John Clay

Lisa Roskelley
 Sheldon Killpack
 Brad Dee
 Colleen Johnson
 Don Wood
 Steve Curtis
 Dave Harmer
 Wilf Sommerkorn
 Debra Tanzi
 Barney Chapman
 Lane Beattie
 Steve Petersen
 Ed Kleyn
 Ivan Flint

Everyone was wished a Merry Christmas and a Happy New Year. Kent Sulser and Scott Waterfall were welcomed as new Board members. Charlie Precourt presented a briefing on ATK. Once the website has been updated, this will be available on the UDA website.

Approval of Minutes

President Mike Bouwhuis made a motion to approve the UDA Board and Annual Meeting minutes from November 17, 2008. Commissioner Louenda Downs seconded the motion followed by a unanimous vote.

Ron Kusina noted that a word needed to be corrected on the Annual Meeting minutes. President Mike Bouwhuis and Commissioner Louenda Downs both accepted the correction amending their previous motion. A unanimous vote followed accepting the amended minutes.

Commissioner Louenda Downs reported that Commissioner Colleen Johnson, from Tooele, had indicated that she would like to remain on the UDA Board.

Financial Report

Two budget reports were distributed. The 2008 Budget vs. Actual report reflected the FY08 year end budget which ended June 30, 2008. This information will be used for the audit.

Tage has received a bid from the auditor. After reviewing the bid, the Finance Committee recommended that the auditor be contacted and the price re-negotiated.

The second one-page budget report, 2008-09 Amended Budget, was previously approved by the Board, but there were a few items that needed to be clarified or that were missed in the original budget requiring a budget amendment (changes are noted in the attached report). These changes were thoroughly reviewed and discussed.

An amendment had been previously approved to roll over any remaining Procurement Service funds from the Fiscal Year 08 to Fiscal Year 09. The original Shipley contract had included \$37,000 that had been earmarked for program review, but it was determined that UDA should not be a third-party reviewer of State programs. Since the contract had been amended to cancel the Program Reviews, it was questioned if the \$37,000 were actually still included as part of the original contract and if these funds were to be included in the rollover amount for Fiscal Year 2009. Further research will be done to clarify this issue.

At this point, budget reductions from the State are unknown. UDA has had to use some of its reserve funds from last year for this year's operating budget. In an effort to promote UDA and request additional operating funds, Board members were encouraged to talk to their legislators to gain UDA support and funding.

UDA is moving from a cash financial reporting system to an accrual reporting method. The Cash Flow Report, 2008-09 Budget vs. Actual, included transactions through September 30, 2008. Items, such as insurance, will be reported on a percentage related to the specific time period. The Balance Sheet reflects the cash balances as of June 30th which is the end of the Fiscal Year.

Ron Kusina made a motion that the amended budget be approved as presented. Peter Jenks seconded the motion. Because of outside interests, two (2) Board members, Pat Condon and President Mike Bouwhuis, abstained from voting. Excluding those who abstained, the vote was unanimous to accept the amended budget as presented.

Ken Warnick made a motion that the Financials be accepted as presented. Commissioner Louenda Downs seconded the motion followed by a unanimous vote that the Financials be accepted.

Procurement Outreach Report

A copy of the Utah Procurement Team Report that had been prepared as a quick summary for the legislature was distributed. The Board copies of the report contained a collection of success stories from throughout the State. Each Legislator will receive a personalized copy that will only contain the success stories from their particular region. Ron Richins reviewed the document with the group noting that for every dollar the State invests, Utah companies have been awarded \$167—a good rate of return. For the first quarter of FY 2009, the Utah Procurement Team has already helped Utah businesses win \$132 million in contract awards.

The Procurement Outreach Team meets regularly and is working well together. It was noted that Mike Sullivan, of GOED, had been instrumental in helping put the Utah Procurement Team Report together. Gary Harter and GOED's efforts and support are greatly appreciated.

MIDA Update

At the December MIDA Board meeting the Board approved the Guidelines and Standards, the Three-Party Agreement between MIDA, the Air Force and the Developer, adopted the Final Project Area Plan and adopted a UDOT contract. The bid package for the Hill AFB gate and road has been sent out. It is hoped that construction can begin in early spring. The project is moving forward.

Other Business

There was no other business.

Next Meeting

The next scheduled UDA Board meeting is on January 19, 2009, which is Martin Luther King Day. It was the general consensus that it still should be held on that day, and the February meeting will not be held.

As his last act as President, Jerry Stevenson thanked the UDA Board members for all they have done showing appreciation for allowing him the opportunity to serve. He stated it had been a pleasure to work with them.

Ken Warnick made a motion that the meeting be adjourned. The meeting ended at 8:45 a.m.

Utah Defense Alliance
 2008-09 Amended Budget
 As of 12/15/08

	Approved Budget Nov 2008	Proposed Amended Budget
REVENUE (Source of Funds)		
Contract Revenue		
GOED Contract #090334 (7/1/08-6/30/09)	750,000	750,000
GOED Contract #090596 (7/1/08-6/30/09)	100,000	100,000
Contributed support		
In-Kind/Service Contributions	15,000	15,000
Interest Income		
	24,000	24,000
Total Revenue	889,000	889,000
EXPENSES (Use of Funds)		
Contracted Services		
MIDA Contract	140,000	100,000 1
Public Relations	10,000	10,000
SWDA Support	20,000	20,000
SWDA Travel	10,000	10,000
Special Projects		
MIDA Setup	-	80,500 2
Procurement Outreach	712,500	868,851 3
Contracted Studies		
Baseline	-	-
HAFB Workload		
Tooie Workload		
Workforce		
Other		
Future Projects	400,000	400,000
Total Contracted Services	1,292,500	1,489,351
Operations		
Equipment Depreciation (or purchase or rental)	500	500
Insurance	4,700	4,700
Local Meetings / Conferences	5,000	5,000
Out-of-Area Meetings / Conferences	30,000	30,000
In-Kind Travel	15,000	15,000
Memberships	2,000	2,000
Postage, shipping, delivery	600	600
Presentations	-	-
Printing & copying	1,500	1,500
Publications	1,000	1,000
Rent - Office Space	7,700	7,700
Research	-	-
Supplies	200	200
Telephone/Internet	200	200
UDA Staff Support		
Financial Staff	14,000	14,000
Legal & Professional	1,000	1,000
Secretary/Administration	-	-
In-Kind Services	-	-
Total Operations & Staff Support	83,400	83,400
Total Expenses	1,375,900	1,572,751
Total Increase (Decrease)	(486,900)	(683,751)
Prior Fund Balance	876,372	876,372
Ending Fund Balances	389,472	192,621

Notes

- MIDA Contract reduced to \$100,000 from \$140,000
- MIDA Setup Costs has been added for \$80,500. This is to fulfill the UDA contract obligations under contract #080596 requiring UDA to setup MIDA. This budget item will cover the expenses paid for MIDA until MIDA established its own accounts and hired staff in September 1, 2008.
- Procurement Outreach
*The 2008-2009 FY Contract with Shipley states:
 b. Payment. UDA shall pay the invoice amount if the amount is between \$40,000 and \$73,800. If the work performed amounts to less than \$40,000, then UDA shall pay \$40,000 and a credit shall carry to the next month(s). If the work performed amounts to more than \$73,800, then UDA shall pay \$73,800 and a negative balance shall carry to the next month(s). In other words, UDA shall pay a minimum of \$40,000 per month and a maximum of \$73,800 per month. The amount of services and expenses for the term of the contract shall not exceed \$712,500 plus the remaining amount of procurement services funds from the 07-08 procurement service contract.*

Based on our contractual obligations, the amount budgeted for 2008-09 has been increased to \$868,850.91. This amount is comprised of:

07-08 Contract Balance	118,924.36
07-08 GOED Contract Surplus	37,426.55
08-09 Shipley/LSI Contract	712,500.00
	<u>868,850.91</u>

Utah Defense Alliance
Statement of Changes in Financial Position
2008 Budget vs Actual

	Annual Budget	2008 through June 30th	6/30/2008 Percent of Year 49.9%
REVENUE (Source of Funds)			
Contract Revenue			
GOED Contract #080596 (7/1/07-6/30/08)	250,000	250,000	100.0%
GOED Contract #080341 (7/1/07-6/30/08)	320,000	320,000	100.0%
		-	
Contributed support			
In-Kind/Service Contributions	21,000	-	
Interest Income	36,000	28,100	78.1%
		-	
Total Revenue	627,000	598,100	95.4%
EXPENSES (Use of Funds)			
Contracted Services			
Local Contracts	226,800	116,863	51.5%
MIDA Setup	100,000	6,987	7.0%
Public Relations	20,000	872	4.4%
SWDA Support	20,000	20,000	100.0%
SWDA Travel	10,000	3,001	30.0%
Special Projects		-	
Procurement Outreach	570,000	527,446	92.5%
Contracted Studies		-	
Baseline	30,000	30,000	100.0%
HAFB Workload		-	
Tooele Workload		-	
Workforce		-	
Other		-	
Future Projects	400,000	-	
Total Contracted Services	1,376,800	705,170	
Operations			
Equipment Depreciation (or rental)	1,800	-	
Insurance	4,700	-	
Meals & Entertainment	1,200	-	
Local Meetings / Conferences	2,700	4,404	163.1%
Out-of-Area Meetings / Conferences	30,000	8,768	29.2%
In-Kind Travel	15,000	-	
Memberships	2,500	620	24.8%
Postage, shipping, delivery	1,200	157	13.1%
Presentations	2,400	-	
Printing & copying	1,500	730	48.7%
Publications	1,000	-	
Rent - Office Space	7,200	3,553	49.3%
Research	6,000	-	
Supplies	600	148	24.6%
Telephone/Internet	1,200	565	47.1%
UDA Staff Support			
Financial Staff	7,550	3,600	47.7%
Legal & Professional	6,000	3,114	51.9%
Secretary/Administration	-	-	
In-Kind Services	6,000	-	
Total Operations & Staff Support	98,550	25,659	26.0%
Total Increase (Decrease)	(848,350)	(132,729)	

**Utah Defense Alliance
Balance Sheet**

6/30/08

ASSETS

Current Assets

Checking/Savings

America First CU

22,362.87

Barnes Bank

1,040,420.05

Total Checking/Savings

1,062,782.92

Total Current Assets

1,062,782.92

Equipment (Net)

4,310.44

TOTAL ASSETS

1,067,093.36

LIABILITIES & EQUITY

Accounts Payable

170,842.60

State of Utah Funding Liability

19,878.75

Equity

Fund Balance

1,009,100.61

Net Increase / Decrease

-132,728.60

Total Equity

1,067,093.36

TOTAL LIABILITIES & EQUITY

1,067,093.36

Utah Defense Alliance
Cash Flow Report
2008-09 Budget vs Actual

9/30/2008
Percent of Year

	Annual Budget	2008 through September 30th	25.2%
REVENUE (Source of Funds)			
Contract Revenue			
GOED Contract #090334 (7/1/08-6/30/09)	750,000	187,500	25.0%
GOED Contract #090596 (7/1/08-6/30/09)	100,000	25,000	25.0%
		-	
Contributed support			
In-Kind/Service Contributions	15,000	-	
Interest Income	24,000	10,997	45.8%
		-	
Total Revenue	889,000	223,497	25.1%
EXPENSES (Use of Funds)			
Contracted Services			
MIDA Contract	100,000	-	
Public Relations	10,000	3,222	32.2%
SWDA Support	20,000	-	
SWDA Travel	10,000	1,519	15.2%
Special Projects			
MIDA Setup	80,500	78,900	98.0%
Procurement Outreach	868,851	216,282	24.9%
Contracted Studies			
Baseline	-	-	
HAFB Workload	-	-	
Tooele Workload	-	-	
Workforce	-	-	
Other	-	-	
Future Projects	400,000	-	
Total Contracted Services	1,489,351	299,922	
Operations			
Equipment Depreciation (or purchase or renta	500	-	
Insurance	4,700	1,178	25.1%
Local Meetings / Conferences	5,000	1,061	21.2%
Out-of-Area Meetings / Conferences	30,000	5,874	19.6%
In-Kind Travel	15,000	-	
Memberships	2,000	150	7.5%
Postage, shipping, delivery	600	107	17.9%
Presentations	-	-	
Printing & copying	1,500	681	45.4%
Publications	1,000	-	
Rent - Office Space	7,700	3,208	41.7%
Research	-	-	
Supplies	200	12	5.9%
Telephone/Internet	200	100	50.0%
UDA Staff Support			
Financial Staff	14,000	1,800	12.9%
Legal & Professional	1,000	514	51.4%
Secretary/Administration	-	-	
In-Kind Services	-	-	
Total Operations & Staff Support	83,400	14,684	17.6%
Total Expenses	1,572,751	314,606	