



**Maryland Economic Development Corporation
June Board of Directors Meeting Minutes
Meeting Date: 06/23/2025
Meeting Location: Virtual (MS Teams)**

Board Members:

Present: The following board members were in attendance virtually the Honorable Harry Coker, Eric Costello; Lester Davis; Andy Fish (attending on behalf of Commerce); the Honorable Jessica Fitzwater; Jaclyn Hartman (attending on behalf of Department of Transportation); the Honorable Keasha Haythe; Omar Karim; Lester Davis; Dr. Gina Merritt; Andy Navarrete; J. Thomas Sadowski, Jr., Secretary; Jim Soltesz, and Jessica Underwood, Esq.

Absent: Tehma Smith Wilson, Esq., Treasurer; Richard Woo, Vice Chairperson; Ex Officio; and Paul Wiedefeld, Ex Officio.

Others Present Virtually:

MEDCO Team Members: Izara Crown, Candace Dodson-Reed, Jared Engel, John Genakos, Nick Henninger-Ayoub, Debbie Hontz, Sarah Horta, Ruth Johnson, Matthew Lucas, Blake Longley, Daniel McCrea, Heleana McFadden, Jim Miller, April Perry, Wyatt Shiflett, and Danielle Wildman.

MEDCO Guest Present Virtually: Erin Charles (SC&H Auditor), Megan DeGroat (SC&H Auditor), Ashley Tsapalas (SC&H Auditor) Michele Whelley (MEDCO Consultant) and Michael Schollaert (MEDCO Counsel), and Anit Thakrar.

Proceedings:

Following the announcement that a quorum was reached, the meeting of the MEDCO Board of Directors was called to order by J. Thomas Sadowski, Secretary, on June 23, 2025, 10:30 am. The board meeting was recorded live and is posted on the MEDCO website (www.medco-corp.com)

Tom Sadowski, Executive Director of MEDCO and Chairman, Scott Dorsey of the MEDCO Board of Directors welcomed meeting attendees and facilitated the Introduction of the MEDCO Board members.

Meeting called to order at 10:35 am

Scott Dorsey requested approval for past meeting minutes:

- Minutes of April 21, 2025: Motioned: Michele Whelley, Seconded: Dr. Gina Merritt, unanimously approved. Minutes Approved.
- Minutes of May 19, 2025: Motioned: Harry Coker, Seconded: Jim Miller, unanimously approved. Minutes Approved.

Jim: Intro and hand-off to SC&H Consulting & Financial Services

(Digital Presentation shared by Megan DeGroat, CPA, Director at SC&H)

Company Overview:

SC&H National Consulting and financial services firm, 400 employees, 80 employees provide audit practices, 12 service lines offering. SC&H is aiming to be a one-stop shop to service clients. The company has 34 years of experience, headquarters located in Sparks, Maryland, office. Other locations include Columbia, MD, Tyson Corner, and most recent an office opened in Chicago this year. SC&H has 144 service lines within industries, 100% employee-owned company. MEDCO has a dedicated team working on audits which consists of:

- 5 Engagement Directors
- 5 Engagement Senior Managers/Managers
- 5 Engagement Seniors
- 4 Engagement Staff and counting

Audit Process: (Communications, Planned Scope & Timing of Audits)

- MEDCO has 19 audits this calendar year
- 2 new projects will not have stand-alone statements (UMBC & EAU)
- Final fieldwork – spanning the length of 12 weeks beginning in July
- Audits began in May 2025 and issue reports during October 2025
- Complete all audit testing and finalize statements prior to October 31st due date

Pronouncements effective for Year end June 2025:

- GASB Statement No. 101, Compensated Absences – no changes, same language from previous year.
- GASB Statement No. 102, Certain Risk Disclosures – start including the concentration or constraint on statements
- GASB Statement No. 103, Financial Reporting Model Improvements – Analysis for years, 2023, 2024, & 2025 to be included in audit.
- GASB Statement No. 104 - utilization of assets MEDCO currently holds to be included in audit.

Compliments by Scott Dorsey, Chairman & Tom Sadowski, Executive Director to SC&H for professionalism, quality of work, new partnerships, and detailed audits in a timely manner.

Tom Sadowski, Executive Director, discussed the accounting department's overview for projects, development construction fees, advisory service fees, and financial resources from the state of Maryland (\$3.5 million for Site Readiness, \$10 million for Infrastructure Bank Revolving Fund)

Financial Overview: Jim Miller, Treasurer at MEDCO
(Digital Presentation shared)

Income Statement

- Month-to-Month end May 31, 2025
- Year-To-Date end May 31, 2025 (11 months)

Financial Overview question on staff increases: (Dr. Gina Merritt)



Jim Miller: Staff increases breakdown:

- New employee hired last month
- Budgeted for 2 new employees
- As the portfolio increases, reviews will be made to ensure adequate staffing needs are met.
- Revenue streams certainly occur, which would cover administrative costs, staff in place to grow the business and not just incur cost.

Tom described new hires in the Advisory State area, assistant controller, and administrative needs roles to help manage the new projects added to the portfolio. MEDCO must ensure that those projects are managed correctly and some of those projects have mandates.

MEDCO Corporate Budget Overview: Jim Miller

- \$6.4 million in revenue for fiscal year 2026
- 40% increase over fiscal year 2025
- In fiscal year 2022, MEDCO was at \$2.9 million in revenue
- Last 4 years MEDCO has doubled its revenue
- Development projects are a focus area of growth for MEDCO

Tom shared partnerships with the Department of Transportation and local government, developing plans and visions of projects that lead to financials. Allocation of funds from the state to manage these types of projects (SKIT projects). MEDCO's relationship with Morgan State University with additional projects to roll out within a year or two. MEDCO is very pleased with the revenue growth.

Jim concurred with Tom's overview of MEDCO's growth in revenue over the last four (4) years with a focus on development projects and local partnerships.

- Provided a KUDOS to MEDCO's team and the board for continual efforts.
- Described the expansion projects to accommodate new staff, an increase of three (3) staff hires, and the current staff total of 24 employees.
- Detailed there was an increase in training and conferences costs, as MEDCO's staffing needs have increased.
- Shared MEDCO's Net Income is slightly under \$6.4 million for fiscal year 2026.

Jim requested approval for the FY 2026 Budget as presented.

Scott expressed great pleasure with the impact that MEDCO is having on development and projects within Maryland.

FY 2026 Budget presented for approval: Motioned: Jessica Underwood, Seconded: Scott Dorsey, unanimously approved. Fiscal Year 2026 Budget approved as presented.

Executive Director's Report: Tom Sadowski
(Digital Presentation shared)

- Executive Director's Report provides more content on the financials
- Highlights engagements at local, state and federal levels
- Discussed that almost every County is looking for economic growth currently
- Shared that regular meetings are held to ensure MEDCO adherence to Strategic Objectives along with our core values
- Looking for ways to partner with private sectors. Increase Private-Public partnership opportunities.
- Overview of new MEDCO Objectives
 1. MEDCO is participating as an active member of the Governor's new Economic Competitiveness Subcabinet.
 2. MEDCO is an active member of the newly created Maryland Coordinated Permit Review Council.
 3. MEDCO launched and is accepting applications for the Maryland Business Ready Sites program. (\$3.5 million state funding)
 4. MEDCO to receive \$10 million in state funds July 1st to administer the new Strategic Infrastructure Revolving Loan program approved last legislative session.
 5. MEDCO and MSA to assume Pimlico Plus project management responsibilities, with MEDCO focus on operational oversight of new Maryland Jockey Club (TMJC) with sunset of the MTROA effective July 1, 2025.
- Looking to create PILOT programs, matching grants, bringing businesses online, etc.
- Tenant development and expansion opportunities are a goal of MEDCOs.
- MEDCO is working to help The Maryland Jockey Club to become successful and self-sufficient.
- MEDCO is looking to work with the federal government on P3 opportunity projects that will have impacts within the state of Maryland like; Curtis Bay Depot, NASA Goddard, and Army Research Laboratory – Adelphi and APG.
- Project Pipeline Summary overview detailed financials for projects.
 1. 2024 - \$1.2 billion in bond financing
 2. 2025 – Projecting another \$1 billion year in revenues
 3. More than 130 projects
 4. 7 projects valued at more than \$400 million
 5. 10+ projects exceeding \$50 million (new development)
 6. Projects involve major TODs and facilities on behalf of companies representing target “lighthouse” industry sectors
 7. Hyatt Residential construction underway (Bond restructuring talks paused until rate settles)

Minority data points requested by Omar Karim.

- Are black & brown minorities accessing resources through MEDCO?
- How is data being captured for minority business?



Tom expressed that engaging with and capturing minority business enterprise data points are major areas of focus, having invested more than \$58 million with minority firms last Fiscal Year. MEDCO is working with IT firms to assist with ensuring these data points are included in the reporting matrix.

A motion to adjourn was made by Scott Doresy, Board Secretary. The motion was seconded by Dr. Gina Merritt with unanimous approval from the Board.

The MEDCO Board of Directors meeting ended at approximately 11:56 am. The next board meeting is scheduled for July 21, 2025.

JTS/tc

A handwritten signature in black ink, appearing to read "Tom", with a long horizontal line extending to the right.

