



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Finance and Business Committee

MEETING MINUTES (Approved 6.15.23)

Thursday, February 23, 2023

3:40pm - 4:53pm

Jim Moran Building; Room 301

In person attendees: Jim Henderson, Jorge Gonzalez, Peter Collins

Attended via Zoom: None

Absent: Max Alvarez, Drew Weatherford

I. Call to Order and Welcome

Trustee Jim Henderson, Chair, called meeting to order at 3:40pm.

II. Approval of Minutes

Motion to approve given by Chairman Henderson for the November 17, 2022, meeting minutes.

The November 17, 2022, meeting minutes were approved.

III. Request for Approval: Amendment to 2022-2023 Fixed Capital Outlay Budget

Senior Vice President Clark began with the request for an amendment to add four projects to the Fixed Capital Outlay Budget:

- a. Stozier Library is a four-million-dollar project using E&G carryforward funds. Senior Vice President Clark explained Stozier had structure damage due to inclement weather over winter holiday. Along with these damage repairs, current Master Plan items would also be taken care of.
- b. Sliger Building is a remediation project, \$4 million using E&G carryforward.
- c. Mag Lab, also a remediation project, would cost \$3 million in funding.
- d. Legacy Hall project request is to add \$26 million dollars to funding, bringing the project to \$160 million using both E&G carryforward and non-appropriated funds.

- e. Request for President permission to make subsequent changes if needed.

There was a motion by Trustee Gonzalez to approve the Amendment to the 2022-2023 Fixed Capital Outlay Budget. The motion was seconded by Chairman Collins, and it was approved unanimously.

IV. Request for Approval: Campus Master Plan Minor Amendment

Senior Vice President Clark gave an overview of the buildings and plans requested to be added to the current Campus Master Plan:

- a. Relocation of Mendenhall Facility to Lake Bradford Road. Plans were discussed for a three-story office space to be constructed, creating an Academic Support Facility. The building could house Facilities and other office spaces. The Lake Bradford Road property is currently owned by FSU. The area in the middle of campus—where Mendenhall is currently located—could be used for student support or a research-based instruction area.
- b. Renovation or rebuilding of the Winchester Building. This building is located close to Gaines Street and was acquired from the state when state offices moved to Southwood. The building is currently empty and could be used for administrative or academic offices. It is three stories with 21,000 gross square feet. Plans for renovation repairs or complete demolition and rebuilding were discussed.

There was a motion by Trustee Gonzalez to approve the Campus Master Plan Minor Amendment. The motion was seconded by Chairman Collins, and it was approved unanimously.

V. Request for Approval: 2023-2024 Budget Projections for Auxiliaries with Outstanding Revenue Bonds

Senior Vice President Clark gave an update on the refunded revenue bonds. \$24.4 million was refunded. Recycling of these debts generated \$3.6 million in savings. Due to the generated savings, ratings for housing changed from AA- to AA. FSU continues to have the highest rating credit of the state and ranks fifteenth in the country.

Associate Vice President Michael Williams continued the discussion and explained this action item is to ensure the Board of Trustees and the Board of Governors that Parking and Housing Systems are maintaining their maintenance reserves as required by the bond covenants. Michael explained the income statement and the reserved fund activity of both housing and parking, sharing the breakdown of actual, estimated, and projected balances of each. The Committee is asked to approve the 2023-2024 budget projections of the Housing and Parking Systems, giving the President or designee ability to make changes as needed from available resources.

There was a motion by Trustee Gonzalez to approve the 2023-2024 Budget Projections for Auxiliaries with Outstanding Revenue Bonds Amendment. The motion was seconded by Chairman Collins, and it was approved unanimously.

VI. Request for Approval: Housing Rental Rates

Senior Vice President Clark began by noting Regulation 7.0035 “Fees, Fines and Penalties” outlines the housing rental rates.

- a. Request is asked to approve up to a 4.5% increase in rental rates for the next five academic years. The increase is needed due to changes in labor market, utilities, and deferred maintenance costs. Senior Vice President Clark added there are plans for two new residence halls to take the place of Sally and Rogers Halls. The money generated would help fund these changes in market and new residence halls. Charts were shared comparing FSU with other institutions and local market comparison. Updates will continually be given to the Committee.

There was a motion to approve the Housing Rental Rates by Chairman Collins. The motion was seconded by Trustee Gonzalez, and it was approved unanimously.

VII. Other Business

- a. 2022 Audited Financial Report
 - i. Controller, Judd Enfinger, gave an overview of the 2022 Audited Financial Report, explaining the breakdown in revenues, expenses, and changes of net position. A graph was provided showing 2021-2022 major source of revenues and operation expenses. Judd also compared Total Investments with Capital Improvement Debt.
- b. Finance and Administration Updates
 - i. Current updates on the Interdisciplinary Research and Commercialization Building will be given at the General Board Meeting and how quickly its process is moving.
 - ii. FSU Health updates will be provided, giving information on three sites that are being studied with TMH.
 - iii. Legacy Hall site is cleared and preparations have started.

VIII. Open Forum for Trustees

The Committee continued discussing construction and the supply and demand problems that are occurring.

IX. Adjournment

Meeting was adjourned at 4:53pm.