



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Finance and Business Committee



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES
Finance and Business Committee

MEETING AGENDA

Wednesday, January 31, 2024
3:30 p.m.

Augustus B. Turnbull Conference Center, Room 208
555 W Pensacola St, Tallahassee, FL 32306

The agenda will be followed in subsequent order and items may be heard earlier than the scheduled time.

I. Call to Order and Welcome
Trustee Jim Henderson, Chair

II. Approval of Minutes
November 10, 2023, Meeting Minutes

III. Action Items for Consideration of Recommendation to the Board of Trustees:

a. Action Item I: Request for Approval: 2024-2025 Budget Projections for Auxiliaries with Outstanding Revenue Bonds

IV. Finance & Administration Updates & Information Items
Mr. Kyle Clark, Senior Vice President for Finance & Administration

a. Financial Statement Audit

V. Open Forum for Trustees

VI. Adjournment



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES
Finance and Business Committee

MEETING MINUTES

November 10, 2023



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Finance and Business Committee

MEETING MINUTES (DRAFT)

FSU Board of Trustees
Finance & Business Committee
Friday, November 10, 2023

Miller Hall
DeVoe L. Moore University Center C
296 Champions Way, Tallahassee, FL 32304
3rd Floor of University Center C, Room 3300

Committee Members in Attendance: Trustee Jim Henderson, Chair, Trustee Maximo Alvarez, Trustee Jorge Gonzalez, Trustee Drew Weatherford.

Committee Staff: Kyle Clark, Senior Vice President for Finance & Administration

Committee Members Absent: None

Also in attendance: Trustee Bridgett Birmingham, Board Chair Peter Collins, Trustee Jackson Hitchcock, Trustee Justin Roth, Board Vice Chair Bob Sasser, Trustee Deborah Sargeant, Trustee John Thiel, President Richard McCullough and University Vice Presidents and staff.

I. Call to Order and Welcome

As previous committee meetings concluded early, Trustee Jim Henderson, Chair, called meeting to order at 11:22 a.m.

II. Approval of Minutes

Trustee Alvarez moved to approve the October 18, 2023, meeting minutes. The motion was seconded by Trustee Gonzalez and the minutes were approved unanimously by all committee members.

III. Finance & Administration Updates & Information Items

Senior Vice President Clark began by giving an overview of the new Funding Formula that was given to the universities at the Board of Governors meeting. He explained that this model will help to achieve a more stabilized funding base for the universities. The six funding components were displayed and discussed. Senior Vice President Clark spoke about the allocations of funds and shared a chart that broke down the funding between the universities.

Senior Vice President Clark continued with Finance & Administration updates, giving an overview of the Employee Appreciation Event that took place last month. This year's event was hosted by the First Lady; it had the highest attendance than past events with nineteen awards given to honorees.

Updates continued, giving key points relating to Budget Office, Police Department, DSOs, Human Resources, Controller's Office, Facilities, Business Services, Construction, and Procurement.

The investment updates were next; the depiction of the University Investment Committee was discussed. Its plans for investment revisions were shared along with graphs showing the investment allocations by month and the yield return for fiscal year 2023. The Functional Classifications of Expenses were briefly reviewed, showing the expenditure percentages were greater in Instruction and Research areas.

Senior Vice President Clark continued with Facilities' Project Updates and gave the next steps on the Doak Campbell Stadium Enhancement Project and explained the process of going before the Governor and thereafter. Brief updates were given, and designs shared of the Interdisciplinary Research & Commercialization Building, Legacy Hall, Deferred Maintenance projects, FSU-TMH Academic Health Center and Kellogg Remodel and Expansion. He continued discussing projects that are in planning phases.

IV. Adjournment

Meeting was adjourned at 12:06 p.m.



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES
Finance and Business Committee

ACTION ITEM I



FLORIDA STATE UNIVERSITY
FINANCE AND ADMINISTRATION
Office of the Vice President for Finance & Administration

MEMORANDUM

TO: Richard McCullough, President

FROM: Kyle Clark, Senior Vice President for Finance & Administration

DATE: January 12, 2024

SUBJECT: Request for Approval
2024-2025 Budget Projections for Auxiliaries with Outstanding Revenue Bonds

The Board of Governors Regulation 9.008 “University Auxiliary Facilities with Outstanding Revenue Bonds” was amended effective June 22, 2017, to include additional language regarding maintenance and equipment reserves, as well as reporting requirement clarifications, for certain auxiliary revenue bond issues.

The university’s Housing System and Parking System auxiliary revenue bonds contain covenant language requiring an annual Income and Expenditure Statement be submitted to the Board of Governors for approval. The operating budgets for these auxiliary facilities must be approved by the University Board of Trustees in advance of submission to the Board of Governors. The Board of Governors is charged with approving the Income and Expenditure Statements as required by bond covenants that have been previously endorsed by the respective University Board of Trustees.

I recommend approval of the 2024-2025 Budget Projections for Auxiliaries with Outstanding Revenue Bonds.

KC

Attachments

**HOUSING SYSTEM REVENUE BONDS
INCOME AND EXPENDITURE STATEMENT**

	2022-2023	2023-2024	2024-2025
	Actual	Estimated	Projected
Revenue			
Operating Revenues	\$ 51,193,308	\$ 52,681,850	\$ 55,290,707
Interest Income - Operating Funds	784,630	584,947	741,457
Interest Income - Reserve Funds	830,769	723,082	916,150
Other	669,791	526,534	598,000
Total Revenues	53,478,498	54,516,413	57,546,314
Expenditures			
Salaries and Matching	9,410,419	13,190,927	6,619,351
Other Personal Services	2,726,529	3,317,342	3,580,966
Operating Expenses	8,210,523	9,120,252	16,570,620
Repairs and Maintenance	2,003,911	2,300,000	2,300,000
Debt Service	14,645,685	13,897,655	13,846,966
Repair and Replacement Expense	5,233,086	5,586,000	5,750,000
Operating Capital Outlay	26,118	90,750	90,750
Other Expense & Transfers Out	3,100,729	3,251,915	3,901,822
Total Expenditures	45,357,000	50,754,841	52,660,475
Transfers Out From Reserve Fund	2,237	0	0
Net Income	8,119,261	3,761,572	4,885,839
Beginning Balance	80,991,192	89,110,453	92,872,025
Ending Balance	\$ 89,110,453	\$ 92,872,025	\$ 97,757,864

	2022-2023	2023-2024	2024-2025
	Actual	Estimated	Projected
Reserve Fund - Beginning Balance	\$ 53,022,301	\$ 57,314,805	\$ 61,076,677
Interest Income	830,769	723,082	916,150
Transfers In	3,463,972	3,038,790	3,969,659
Transfers Out	(2,237)	0	0
Reserve Fund - Ending Balance	\$ 57,314,805	\$ 61,076,677	\$ 65,962,486

**PARKING SYSTEM REVENUE BONDS
INCOME AND EXPENDITURE STATEMENT**

	2022-2023	2023-2024	2024-2025
	Actual	Estimated	Projected
Revenue			
Operating Revenues	\$ 12,605,379	\$ 13,125,470	\$ 13,237,972
Interest Income - Operating Funds	207,739	483,433	481,676
Interest Income - Reserve Funds	58,038	151,079	150,000
Other	0	0	0
Total Revenues	12,871,156	13,759,982	13,869,648
Expenditures			
Salaries and Matching	1,357,608	1,549,361	1,549,362
Other Personal Services	104,021	84,914	84,915
Operating Expenses	6,260,936	6,473,449	6,942,146
Repairs and Maintenance	248,158	915,019	809,259
Debt Service	3,656,082	2,617,750	2,612,750
Repair and Replacement Expense	0	230,000	1,300,000 *
Operating Capital Outlay	55,926	66,604	60,000
Other Expense & Transfers Out	872,789	1,118,638	1,335,380
Total Expenditures	12,555,520	13,055,735	14,693,812
Transfers Out From Reserve Fund	0	0	0
Net Income	315,636	704,247	(824,164)
Beginning Balance	14,025,784	14,341,420	15,045,667
Ending Balance	\$ 14,341,420	\$ 15,045,667	\$ 14,221,503

	2022-2023	2023-2024	2024-2025
	Actual	Estimated	Projected
Reserve Fund - Beginning Balance	\$ 3,724,295	\$ 3,882,333	\$ 4,133,412
Interest Income	58,038	151,079	150,000
Transfers In	100,000	100,000	100,000
Transfers Out	0	0	0
Reserve Fund - Ending Balance	\$ 3,882,333	\$ 4,133,412	\$ 4,383,412

* FY2025 Woodward Parking Garage improvements based on 10 Year Assessment Plan.