



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Finance and Business Committee



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Finance and Business Committee

MEETING AGENDA

Thursday, February 27, 2025

3:30 – 4:45 pm

Florida State University
Westcott Building
Conference Room 214D
222 South Copeland 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 20, 2024, Meeting Minutes

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

Mr. Kyle Clark, Senior Vice President for Finance & Administration

A. Action Item I: Request for Approval: 2025-2026 Budget Projections for Auxiliaries with Outstanding Revenue Bonds

B. Action Item II: Request for Approval: Amend the 2023 FSU Athletic Association, Inc. Debt Resolution

IV. Informational Items and Updates

Mr. Kyle Clark, Senior Vice President for Finance & Administration

V. Open Forum for Trustees

Trustee Jim Henderson, Chair

VI. Adjournment

Trustee Jim Henderson, Chair



FLORIDA STATE UNIVERSITY
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Finance and Business Committee

MEETING MINUTES

November 20, 2024



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES
Finance and Business Committee

MEETING MINUTES (DRAFT)

Wednesday, November 20, 2024

3:00 - 4:30 p.m.

North Florida Innovation Labs Room 101

1729 West Paul Dirac Drive, Tallahassee, FL 32310

Attended in Person (committee): Jackson Boisvert, Jorge Gonzalez, Jim Henderson (Chair), Drew Weatherford

Attended via Zoom (committee): Not Applicable

Absent (committee): Maximo Alvarez

Staff (committee): Kyle Clark, Renisha Gibbs, Michael Williams

Others in attendance: Peter Collins (Board of Trustees Chair), Stacey Patterson, Alma Littles, Kevin Graham, Dustin Dailey, Will Reynolds, Ruth Storm, Sara Hamon, Lina Rojas.

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

II. Approval of Minutes
September 12, 2024 Meeting Minutes

Chairman Henderson moved to approve the September 12, 2024, meeting minutes and the minutes were approved as presented without objection.

III. Action Items for Consideration of Recommendation to the Board of Trustees
Mr. Kyle Clark, Senior Vice President for Finance & Administration

a. Action Item I: Request for Approval: New Regulation – FSU-5.101 Educational Locations

Senior Vice President Clark observed this was the second action item on the agenda but

will proceed with it as the first action item. He introduced Sara Hamon, Assistant Vice President for Academic Affairs. Sara gave an overview of the new regulation FSU-5.101 regarding Educational Locations and implementing the Board of Trustees to adopt the Board of Governors regulation BOG8.009 giving consistency with all procedures of the regulation and establishing basic procedures. These procedures were then explained in more detail.

There was a motion by BOT Chair Collins to approve the New Regulation FSU-5.101 Educational Locations. The motion was seconded by Trustee Boisvert, and it was approved unanimously by all present at the meeting.

b. Action Item II: Request for Approval: Internal Loan in Support of the Lacrosse Program

Associate Vice President Michael Williams began by explaining the logistics for the \$12 million dollar loan and its benefits of expanding into Women's Lacrosse for FSU Athletics. He explained the benefits to building the lacrosse complex. Senior Vice President Clark continued with more details about the building plans and the timeline of completion for Fall 2025.

There was a motion by BOT Chair Collins to approve the Internal Loan in Support of the Lacrosse Program. The motion was seconded by Trustee Gonzalez, and it was approved unanimously by all present at the meeting.

IV. Informational Items and Updates

Mr. Kyle Clark, Senior Vice President for Finance & Administration

Vice President for Research Dr. Stacey Patterson, with input from Dean Alma Littles from the College of Medicine, gave overview and latest report of FSU Health and Panama City Beach FSU Health. Images of the buildings and rooms were previewed, and project updates were given. The timelines of both projects were shared. The clerical partners for the projects and the goals of each project were discussed.

V. Open Forum for Trustees

Trustee Jim Henderson, Chair

VI. Adjournment

Trustee Jim Henderson, Chair

The meeting was adjourned at 4:45pm.



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ACTION ITEM I



FLORIDA STATE UNIVERSITY
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ACTION ITEM I
February 27, 2025

SUBJECT: Fiscal year 2025-2026 Budget Projections for Auxiliaries with Outstanding Bonds

PROPOSED COMMITTEE ACTION

1. Approve the 2025-2026 budget projections for auxiliaries with outstanding revenue bonds.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Board of Governors – Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds

BACKGROUND INFORMATION

Board of Governors (BOG) Regulation 9.008 was amended in 2017, to include additional language regarding maintenance and equipment reserves, as well as reporting requirement clarification for certain auxiliary revenue bond issues.

The University's Housing and Parking Systems auxiliary revenue bonds contain covenant language requiring an annual Income and Expenditure statement to be submitted to the BOG for approval. The operating budgets for these auxiliary facilities must be approved by the University Board of Trustees in advance of submission to the BOG.

ADDITIONAL COMMITTEE CONSIDERATIONS

Supporting Documentation Included: Attachment – Housing and Parking 2025-2026 Budget Projections

Submitted by: Kyle Clark, Senior Vice President Finance and Administration

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

	2023-2024 Actual	2024-2025 Estimated	2025-2026 Projected
Revenue			
Operating Revenues	\$ 53,815,586	\$ 54,910,429	\$ 57,959,559
Interest Income - Operating Funds	2,517,282	805,196	1,207,794
Interest Income - Reserve Funds	2,568,777	2,042,789	2,183,838
Other	745,604	563,052	568,605
Total Revenues	59,647,249	58,321,466	61,919,796
Expenditures			
Salaries and Matching	8,060,274	7,104,856	7,460,099
Other Personal Services	3,029,402	3,762,730	4,112,730
Operating Expenses	11,643,634	16,310,396	16,976,737
Repairs and Maintenance	2,334,295	2,300,000	2,415,000
Debt Service	13,809,545	13,885,000	13,894,953
Repair and Replacement Expense	5,000,734	5,750,000	5,750,000
Operating Capital Outlay	0	90,750	90,750
Other Expense & Transfers Out	3,583,118	3,788,568	4,034,013
Total Expenditures	47,461,002	52,992,300	54,734,282
Transfers Out From Reserve Fund	0	(5,000,000)	(3,000,000)
Net Income	12,186,247	329,166	4,185,514
Beginning Balance	89,112,691	101,298,938	101,628,104
Ending Balance	\$ 101,298,938	\$ 101,628,104	\$ 105,813,618

	2023-2024 Actual	2024-2025 Estimated	2025-2026 Projected
Reserve Fund - Beginning Balance	\$ 57,317,043	\$ 63,184,157	\$ 63,499,273
Interest Income	2,568,777	2,042,789	2,183,838
Transfers In	3,298,337	3,272,327	5,001,676
Transfers Out	0	(5,000,000)	(3,000,000)
Reserve Fund - Ending Balance	\$ 63,184,157	\$ 63,499,273	\$ 67,684,787

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

	2023-2024 Actual	2024-2025 Estimated	2025-2026 Projected
Revenue			
Operating Revenues	\$ 13,009,379	\$ 14,388,311	\$ 14,535,536
Interest Income - Operating Funds	584,921	686,978	622,190
Interest Income - Reserve Funds	178,562	219,982	219,982
Other	2,664	0	0
Total Revenues	13,775,526	15,295,271	15,377,708
Expenditures			
Salaries and Matching	1,613,400	1,537,550	1,583,677
Other Personal Services	65,467	116,379	110,200
Operating Expenses	6,624,590	7,557,808	7,577,848
Repairs and Maintenance	472,114	462,439	437,503
Debt Service	2,591,500	2,883,300	1,977,750
Repair and Replacement Expense	636,609	225,000	1,300,000
Operating Capital Outlay	59,681	60,000	60,000
Other Expense & Transfers Out	1,321,146	1,318,216	1,473,912
Total Expenditures	13,384,507	14,160,692	14,520,890
Transfers Out From Reserve Fund	0	0	0
Net Income	391,019	1,134,579	856,818
Beginning Balance	18,609,136	19,000,155	20,134,734
Ending Balance	\$ 19,000,155	\$ 20,134,734	\$ 20,991,552

	2023-2024 Actual	2024-2025 Estimated	2025-2026 Projected
Reserve Fund - Beginning Balance	\$ 3,882,333	\$ 4,210,895	\$ 4,630,877
Interest Income	178,562	219,982	219,982
Transfers In	150,000	200,000	150,000
Transfers Out	0	0	0
Reserve Fund - Ending Balance	\$ 4,210,895	\$ 4,630,877	\$ 5,000,859



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ACTION ITEM II



FLORIDA STATE UNIVERSITY

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ACTION ITEM II

February 27, 2025

SUBJECT: Amend FSU Athletic Association's 2023 Doak Campbell Stadium Debt Resolution

PROPOSED COMMITTEE ACTION

1. Approve amendment to the FSU Athletic Associations, Inc. 2023 Debt Resolution.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Florida Statute 1010.62 Revenue Bonds and Debt
Board of Governors Debt Management Guidelines

BACKGROUND INFORMATION

On October 27, 2023 the Board of Trustees approved a resolution authorizing the FSU Athletic Association, Inc to issue debt not to exceed \$265,000,000 for the purpose of financing (i) the renovation of the west side and south endzone of Doak S. Campbell Stadium; (ii) a debt service reserve, if necessary; (iii) capitalized interest, if any; and (iv) certain costs relating to the issuance of the bonds. Stadium improvements included new club seating, a commissary kitchen, suites, lounges, and upgrades to antiquated infrastructure. In July 2024, the Association issued \$325.2M in taxable and tax-exempt debt, which included \$221.8M for the Stadium Improvement project.

The Project has achieved significant savings and the FSU Athletics Association, Inc. is requesting to amend the resolution to allow repairs and/or replacement of damaged or obsolete infrastructure, technology, and equipment throughout the Stadium.

ADDITIONAL COMMITTEE CONSIDERATIONS

Florida Board of Governors Approval Required

Supporting Documentation Included: Attachment – Amended resolution authorizing the issuance of debt and requesting the Florida Board of Governors to approve the issuance of such debt to finance the renovation of Doak S. Campbell Stadium.

Submitted by: Kyle Clark, Senior Vice President Finance and Administration

**AN AMENDED RESOLUTION AUTHORIZING THE
ISSUANCE OF DEBT AND REQUESTING THE FLORIDA
BOARD OF GOVERNORS TO APPROVE THE
ISSUANCE OF SUCH DEBT TO FINANCE THE
RENOVATION OF DOAK S. CAMPBELL STADIUM ON
THE MAIN CAMPUS OF FLORIDA STATE UNIVERSITY;
AND PROVIDING AN EFFECTIVE DATE.**

BE IT RESOLVED BY THE FLORIDA STATE UNIVERSITY BOARD OF TRUSTEES:

Section 1. The Florida State University Board of Trustees (the “Board of Trustees”) hereby authorizes the issuance of taxable and/or tax-exempt debt by the Division of Bond Finance of the State Board of Administration of Florida (the “Division”) on behalf of Florida State University Athletics Association, Inc. (“FSUAA”), a University direct support organization (“DSO”), and requests the State University System Board of Governors (the “Board of Governors”) to approve the issuance of taxable and/or tax-exempt debt in an amount not to exceed \$265,000,000 (the “Bonds”) for the purpose of financing (i) the renovation of the west side and south endzone of Doak S. Campbell Stadium (the “Project”), a football stadium located on the main campus of Florida State University (the “University” or “FSU”); (ii) a debt service reserve, if necessary; (iii) capitalized interest, if any; and (iv) certain costs relating to the issuance of the Bonds.

Section 2. The Project will primarily result in a full renovation of the west side of Doak S. Campbell Stadium, removing approximately 27,000 seats and adding back over 16,000 seats. Improvements to the west side of the stadium will include new club seating, a commissary and kitchen, suites, lounges, and upgrades to antiquated infrastructure. The Project will also result in a renovation of the south endzone of the stadium, which will include the addition of loge boxes and the installation of breathable mesh seats. In addition to upgrading fan amenities throughout the stadium, the Project will also result in repairs to or replacements of antiquated or damaged infrastructure, technology, and equipment, except that bond proceeds utilized to replace antiquated or damaged technology and equipment shall be derived from the first four (4) maturities of the Bonds. The Project is reflected on the approved master plan for the University and is consistent with the mission and strategic plan of the University because it will benefit the University’s athletics program. Project construction is expected to commence in November 2023 and is expected to be completed by September 2025. Proceeds of the Bonds will not pay for all the costs of construction of the Project; as of August 9, 2023, approximately \$8.0 million in private capital gifts to the University and/or Seminole Boosters, Inc. (“Seminole Boosters”) have been received. FSU also projects receiving additional donations in Fiscal Years 2024 through 2028 totaling \$22.0 million, which are expected to be pledged to pay debt service on the Bonds. The Project received legislative approval in the 2023-24 General Appropriations Act. Proceeds of the Bonds will not be used to finance operating expenses of the University or its athletics DSOs.

The Board of Trustees hereby expresses its intention for the University to be reimbursed from proceeds of this tax-exempt financing for capital expenditures to be paid by the University in connection with the incurrence of debt for the purpose of acquiring, constructing, equipping, and installing the Project. The University expects to use legally available funds to pay such costs, including, but not limited to, capital expenditures, costs of design, engineering, retrofitting, and other costs associated with the incurrence of debt. It is reasonably expected that the total amount of debt to be incurred, in one or more financings, by the University with respect to the Project will not exceed \$265,000,000. This Resolution shall constitute a “declaration of official intent” within the meaning of Treas. Reg. § 1.150-2 (Proceeds of bonds used for reimbursement) promulgated pursuant to the Internal Revenue Code of 1986, as amended, with respect to the debt incurred, in one or more financings, to finance the Project.

Section 3. The Bonds will be secured by certain revenue streams contractually pledged to FSUAA by FSU’s athletics department and Seminole Boosters, including athletic conference distribution revenue, recurring annual Seminole Booster membership fees, Project-specific donations received within 5 years of issuance, sponsorships and advertising money, proceeds from ticket sales, and game guarantees (collectively, the “Pledged Revenues”). The University is committed to ensuring that sufficient revenue will be generated to fulfill FSUAA’s debt service obligations with respect to the Bonds.

Section 4. It is expected that the Bonds will be sold through a competitive sale. The Bonds will mature not more than 30 years after issuance, including any extensions or renewals thereof. The Project has an estimated useful life of 80 years, which exceeds the anticipated final maturity of the Bonds. It is expected that the Bonds will bear interest at a fixed interest rate.

Section 5. The Board of Trustees will comply with all requirements of federal and state law relating to the Bonds, including, but not limited to, laws relating to maintaining any exemption from taxation of interest payments on the Bonds and continuing secondary market disclosure of information regarding the Bonds, if necessary. The University will promptly notify the Division of any information required to be disclosed pursuant to the Continuing Disclosure Agreement for the Bonds and will respond to requests for information from the Division in a timely manner.

Section 6. The University and FSUAA will comply with the Board of Governors’ Debt Management Guidelines and the debt management policy of the University.

Section 7. The Chair and Chief Executive Officer of FSUAA, the University President, the University Vice President, the Senior Vice President for Finance

and Administration, and other authorized representatives of FSUAA, the University, and the Board of Trustees are hereby authorized to take all actions and steps, to execute all instruments, documents, and contracts, and to take all or actions, as necessary or desirable in connection with the execution, sale, and delivery of the Bonds.

Section 8. The Board of Trustees hereby declares that the Bonds shall have a first lien on the Pledged Revenues and such lien shall be senior in priority to any obligations created by that certain internal loan agreement between the University and the University's athletics department dated March 31, 2016, including any amendments or modifications thereto.

Section 9. In making the determination to finance the Project, the Board of Trustees has reviewed the information attached to Appendix A, attached hereto.

Section 10. This Resolution shall become effective immediately upon its adoption.

ADOPTED this ____ day of _____, 2025.

APPENDIX A

The following documents have been reviewed by the Board of Trustees prior to the execution of this Resolution:

- (a) The Project program, feasibility study, or consultant report.
- (b) A draw schedule for the Project.
- (c) Sources and uses of funds for the Project.
- (d) An estimated debt service schedule.
- (e) A description of the security supporting repayment of the Bonds and the lien position the Bonds will have on that security.
- (f) A five year projection of the Pledged Revenues and the debt service coverage.
- (g) Statement of legislative approval for the Project.
- (h) A competitive versus negotiated sale analysis.
- (i) Analysis of the Project's expected return on investment.