

Agenda

Florida SouthWestern State College Financing Corporation (the "Corporation")

Thomas Edison (Lee) Campus – President's Conference Room I-223

January 21, 2020

4:00 p.m.

I. Public Comment

II. Vote to Take Action On

1. Approval of the minutes for the October 15, 2019 meeting. Presenter: Mr. Webb (Page 2)

III. Information Only

2. Third Quarter Financial Statements. Presenter: Kathleen Porter (Page 3)
3. LightHouse Commons Updates. Presenter: Mark Lupe
4. Update on LightHouse Commons Consultant. Presenter: Gina Doeble

Board Members' Comments

President's Comments

Adjournment

Minutes

Florida SouthWestern State College Financing Corporation
Thomas Edison (Lee) Campus – President's Conference Room I-223
October 15, 2019
4:00 PM

The Florida SouthWestern State College Financing Corporation met in Lee County, Florida, on October 15, 2019. Mr. Webb, Chair called the meeting to order at 4:04 p.m.

Members Present: Eddie Webb, III, Chair
Jeffery Allbritten, Corporation President
Mark Lupe, Secretary
Gina Doeble, Treasurer
Randall Parrish, Jr.
William "Dennie" Hamilton
Mary Lee Mann
Tristan "Tris" Chapman
John Noland

Absent: None

Others Present: Kathleen Porter
Susan Marcy
Valerie Miller (Recorder)

Public Comment: None

Vote to Take Action On:

Agenda Item #1- Approval of Minutes – Regular Meeting held on August 13, 2019.

MOTION by Mr. Noland; to approve the minutes of the regular meeting on the August 13, 2019; seconded by Mr. Chapman. Approved unanimously.

Information Only:

Ms. Porter, reviewed the 2nd quarter financial reports with the Board.

Board Comments:

Mrs. Mann inquired about phase 2 of student housing. Dr. Allbritten reports a consultant would be hired to help the College to determine if we should undertake phase II. Dr. Doeble will provide an update at the January 2020 meeting.

President Comments:

- Our Vice Provost, Christine Davis has accepted a new job out of state and will be leaving the College at year end.
- The College had made changes in its insurance benefits for employees. The new policy that is being offered is a Health Savings Account (HAS) plan. It will be more affordable for employees who are covering dependents. The College will match our insurance consortium and provide employees with money to be placed into their HSA account each pay period. For those who wish to continue with the Cadillac plan, there will now be a \$100 monthly premium. The HMO plan remains unchanged.
- June Hollingshead will be retiring in December 2019.
- The Chancellor visited the Thomas Edison “Lee” Campus and the visit went very well.
- The College is ending its relationship with the contracted lobbyist. In addition, Matthew Holliday has left the College’s employment. The Commissioner of Education will serve as an advocate for the legislative issues impacting the Florida College System.
- Enrollment is up 1.8 in FTEs.
- The remodel for the Barbara B. Mann’s Office space, additional bathrooms, President Club and Commodore Club is completed.
- First basketball game of the season is on November 1, 2019.
- Woman’s volleyball is doing well.
- Lease ending with Charlotte County Airport Authority on October 29, 2019.
- FGCU is holding some of their classes on the Charlotte Campus. There is a good partnership with FGCU.
- Pickle ball is doing well; courts full most of the time on the Charlotte Campus.
- Crowther Roofing has sponsored the naming of the Arena floor. The floor was updated with the sponsorship, a large buc-head, and new color edging the floor.
- There are plans to bring some well know artist to the Arena. An announcement will go out as soon as contracts are finalized.

Adjournment – The meeting was adjourned at 4:42pm.

Dr. Jeffery S. Allbritten
Corporate President
Board of Directors

Mark Lupe, Secretary
Board of Directors

Date

Date

**Florida SouthWestern State College Financing Corporation
Agenda Item Summary**

Meeting Date: 1/21/2020

1. **Title:** Florida SouthWestern State College Financing Corp 3rd Qrt. Financial Statements and Investment Summary
2. **Action Requested/Purpose:** Informtion Only
3. **Fiscal Impact:** Yes No X N/A
4. **Funding Source:** Amount: \$
5. **Administration Recommendation:**

6. **Agenda Item Type:**
- Action Item
 Consent Agenda
 Information Only
 Board Requested Information/Report

7. **Requirement/Purpose (Include Citation)**
- Statute
 Administrative Code
 Other

8. **Background Information:**

Table 1 – The Statement of Net Position reflects the assets and liabilities of the Financing Corporation using the accrual basis of accounting and presents the financial position at a specified time.

Table 2 - The Statement of Revenues, Expenses and Changes in Net Position is used to evaluate the financial position of the Financing Corporation and is provided to show the reader how the net assets are increasing or decreasing throughout the year.

Table 3 - Compares the actual sources and uses of operating and housing funds to the budgeted sources and uses of funds for the current fiscal period. It is provided to give the reader an indication of how the Financing Corporation is performing in relation to its current budget.




Requested by:	 <hr/> Kathleen Porter, Director Finance and Accounting
Funding Verified by:	 <hr/> Vice President, Adminjstrative Services
Approved for Agenda by:	 <hr/> President



TABLE 1
STATEMENT OF NET POSITION
FOR THIRD QUARTER ENDED DECEMBER 31, 2019

	General Operating	Housing	Unexpended Plant Fund	Debt Service	Investment in Plant	12/31/19 Actual (YTD)	12/31/18 Actual (YTD)	% Change from Prior Year
CURRENT ASSETS								
Cash & Cash Equivalents	\$ 1,109,848	\$ 2,156,352	\$ 106,235	\$ -	\$ -	\$ 3,372,435	\$ 2,725,585	23.7%
Accounts Receivable		1,393,384	-	-	-	1,393,384	1,404,920	-0.8%
Prepaid Expense	19,367	104	12,359	-	-	31,829	19,209	65.7%
NONCURRENT ASSETS								
Investments	4,775,945	-	-	-	-	4,775,945	4,648,067	2.8%
Restricted Cash & Cash Equivalents	-	-	105,485	1,412,171	-	1,517,656	1,783,267	-14.9%
Reserve for Uncollectible Accts	-	(25,735)	-	-	-	(25,735)	(99,793)	-74.2%
Capital Assets, Net	-	-	-	-	18,222,437	18,222,437	18,851,387	-3.3%
TOTAL ASSETS	\$ 5,905,160	\$ 3,524,105	\$ 224,079	\$ 1,412,171	\$ 18,222,437	\$ 29,287,952	\$ 29,332,642	-0.15%
CURRENT LIABILITIES								
Bonds Payable - Current	-	-	-	-	-	-	-	0.0%
NONCURRENT LIABILITIES								
Bonds Payable - Non-Current	-	-	-	-	20,972,998	20,972,998	21,709,633	-3.4%
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ 20,972,998	\$ 20,972,998	\$ 21,709,633	-3.4%
NET POSITION	5,905,160	3,524,105	224,079	1,412,171	(2,750,561)	8,314,954	7,623,008	9.1%
TOTAL LIABILITIES & NET POSITION	\$ 5,905,160	\$ 3,524,105	\$ 224,079	\$ 1,412,171	\$ 18,222,437	\$ 29,287,952	\$ 29,332,642	-0.15%

*Note: \$1,048,176 - Corp Acct
61,672 - Invest Acct



TABLE 2
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
FOR THIRD QUARTER ENDED DECEMBER 31, 2019

	General Operating	Housing	Unexpended Plant	Debt Service	Investment in Plant	12/31/19 Total (YTD)	12/31/18 Total (YTD)	% Change from Prior Year
REVENUE								
FSW/Broadband Lease	\$ 268,992	\$ -	\$ -	\$ -	\$ -	\$ 268,992	\$ 269,433	-0.2%
Collegiate High Schools	175,000	-	-	-	-	175,000	150,000	16.7%
Rent Revenue	-	2,752,175	-	-	-	2,752,175	2,842,944	-3.2%
Resident Activity Fee	-	34,560	-	-	-	34,560	36,040	-4.1%
Canc.Fees/Forfeit Dep/Fines	-	34,970	-	-	-	34,970	27,460	27.3%
Application Fees	-	20,500	-	-	-	20,500	18,895	8.5%
Cleaning Fees	-	43,250	-	-	-	43,250	39,700	8.9%
Interest	83,595	7,582	-	9,350	-	100,528	95,514	5.2%
Gain/Loss on Investments	46,341	-	-	-	-	46,341	(2,053)	2357.7%
Subtotal Before Transfers:	573,928	2,893,037	0	9,350	0	3,476,315	3,477,933	
Transfer	-	144,450	150,000	651,827	736,635	1,682,911	2,126,811	-20.9%
Total Revenue	\$ 573,928	\$ 3,037,487	\$ 150,000	\$ 661,177	\$ 736,635	\$ 5,159,227	\$ 5,604,744	-7.95%
EXPENSES								
General Expense								
Operating Expenses	\$ 34,572	\$ -	\$ -	\$ -	\$ -	\$ 34,572	\$ 34,257	0.9%
Travel	-	2,185	-	-	-	2,185	5,448	-59.9%
Data & Other Communications Services	-	76,225	-	-	-	76,225	127,793	-40.4%
Technology Equipment & Supplies	-	-	98,135	-	-	98,135	111,881	-12.3%
Utilities	-	138,555	-	-	-	138,555	123,714	12.0%
Resident Activities	-	25,016	-	-	-	25,016	20,521	21.9%
Insurance	116,053	-	-	-	-	116,053	101,380	14.5%
Repairs & Maintenance	-	145,375	153,425	-	-	298,800	191,817	55.8%
Contract Services	72,000	257,019	-	-	-	329,019	146,791	124.1%
Other Expense	-	7,789	-	-	-	7,789	7,194	8.3%
Interest Expense	-	-	-	435,995	-	435,995	452,564	-3.7%
Depreciation Expense	-	-	-	-	469,279	469,279	479,013	-2.0%
Subtotal Before Transfers:	222,626	652,165	251,560	435,995	469,279	2,031,625	1,802,374	
Transfer	-	1,682,911	-	-	-	1,682,911	2,126,811	-20.9%
Total Expenses	\$ 222,626	\$ 2,335,077	\$ 251,560	\$ 435,995	\$ 469,279	\$ 3,714,537	\$ 3,929,185	-5.46%
Change in Net Position	351,302	702,410	(101,560)	225,182	267,355	1,444,690	1,675,559	13.8%
Beginning Net Position	5,553,857	2,821,695	325,638	1,186,990	(3,017,916)	6,870,264	5,947,448	
Ending Net Position	5,905,160	3,524,105	224,079	1,412,171	(2,750,561)	8,314,954	7,623,008	9.08%

Notes:

Repairs & Maintenance:

- Lock Maintenance / Key replacements
- Air Conditioning Maintenance
- Pest Control
- Carpet Replacement
- Fire Protection Maintenance
- Appliance Repairs
- Moving of furniture

Contracted Services:

- Administrative Services
- Personnel Serv. (Public Safety, Maintenance, Student Life)
- Custodial and Grounds Service



FINANCING CORPORATION

TABLE 3
COMPARISON OF CURRENT YEAR ACTUAL TO CURRENT YEAR BUDGET
for Fiscal Year Ending March 31, 2020

General Operating Budget				
	Original Budget	Revised Budget	Actual at 12/31/19	% of Revised Budget
SOURCES OF FUNDS				
Bandwidth Lease Revenue	\$358,656	\$358,656	\$268,992	75.0%
High School Lease Revenue	250,000	237,500	175,000	73.7%
Investment Income	60,502	60,502	129,936	214.8%
Total Funds Available	\$669,158	\$656,658	\$573,928	87.40%
USES OF FUNDS				
Operating Expenses	\$66,872	\$66,872	\$34,572	51.7%
Insurance	121,538	121,538	116,053	95.5%
Contract/Other Services	116,000	116,000	72,000	62.1%
Contingency	100,000	100,000	0	0.0%
Total Expenses	\$404,410	\$404,410	\$222,626	55.05%
Housing Budget				
	Original Budget	Revised Budget	Actual at 12/31/19	% of Revised Budget
SOURCES OF FUNDS				
Rent Revenue	\$2,482,000	\$2,482,000	2,752,175	110.9%
Resident Activity Fee	34,000	34,000	34,560	101.6%
Can.Fees/Forfeited Dep./Fines	49,000	49,000	34,970	71.4%
Application Fees	38,000	38,000	20,500	53.9%
Interest	0	0	7,582	0.0%
Cleaning Fee	38,000	38,000	43,250	113.8%
Fund Balance - Activity Fees	15,000	15,000	0	0.0%
Total Funds Available	\$2,656,000	\$2,656,000	\$2,893,037	108.92%
USES OF FUNDS				
General Expense				
Travel	\$10,700	\$10,700	\$2,185	20.4%
Data & Other Communication Serv.	155,000	155,000	76,225	49.2%
Others	9,068	9,068	7,789	85.9%
Utilities	196,143	196,143	138,555	70.6%
Resident Activities	28,000	28,000	25,016	89.3%
Repairs and Maintenance	302,371	195,671	145,375	74.3%
Contract Services	248,494	365,194	257,019	70.4%
Uses Before Contingency & Reserve	\$949,776	\$959,776	\$652,165	67.9%
Contingency	133,000	123,000	0	0.0%
Capital Reserve	200,000	200,000	0	0.0%
Debt Service Payments:				
Principal Payments	736,635	736,635	736,635	100.0%
Interest Expense on Debt	636,590	636,590	435,995	68.5%
Total Expenses	\$2,656,000	\$2,656,000	\$1,824,795	68.70%
Capital Reserve Budget - Unexpended Plant				
	Original Budget	Revised Budget	Actual at 12/31/19	% of Revised Budget
SOURCES OF FUNDS				
Transfer - Housing	\$150,000	\$150,000	\$150,000	100.0%
Fund Balance	225,398	225,398	101,560	45.1%
Total Funds Available	\$375,398	\$375,398	\$251,560	67.01%
USES OF FUNDS				
Housing Furniture / Equipment Turnover	\$243,745	\$243,745	\$153,425	62.9%
Wireless Project - Second Phase	131,653	131,653	98,135	74.5%
Total Expenses	\$375,398	\$375,398	\$251,560	67.01%

Florida SouthWestern State College Financing Corporation

Executive Investment Summary

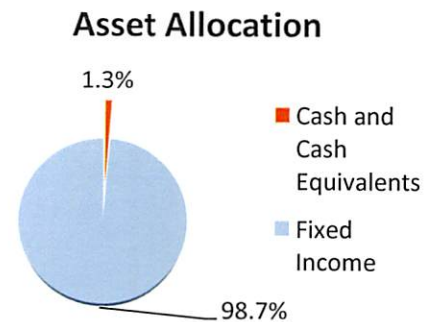
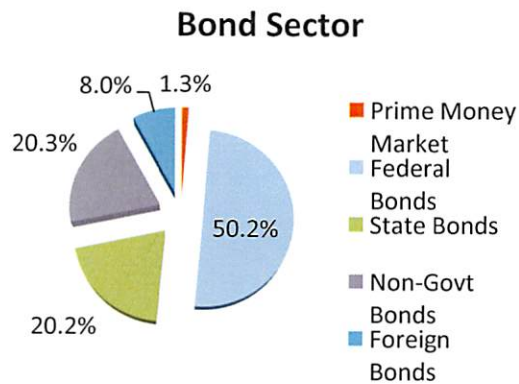
Third Quarter Ending 12-31-2019

Investment Strategy

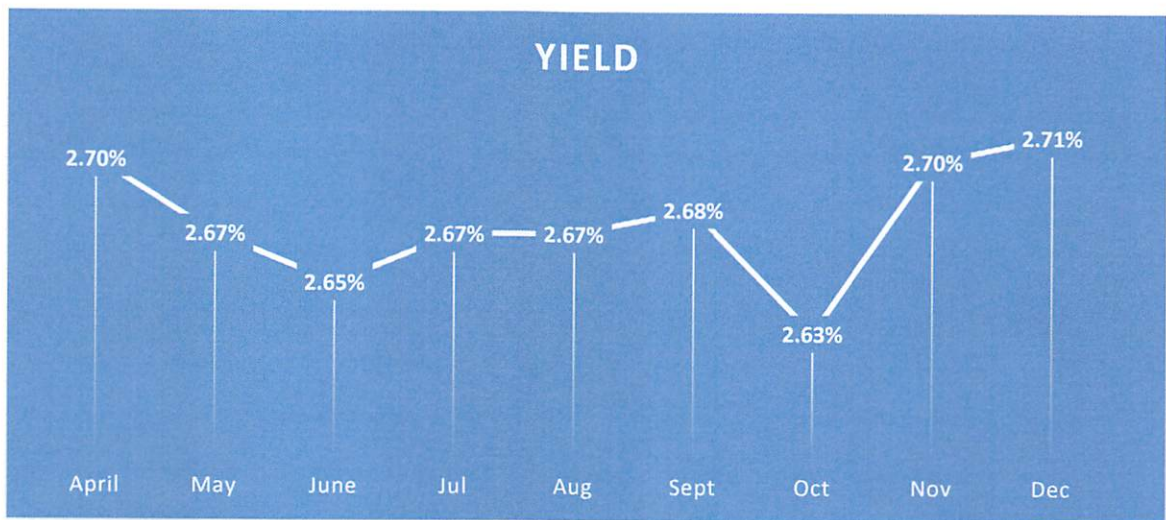
Investments will be limited to U.S. Treasuries, Government agency debt (including Agency mortgage-backed securities), taxable municipal bonds, and corporate bonds with the following portfolio limitations:

- Maximum allocation to taxable municipal bonds shall be 25%.
- Maximum allocation to corporate bonds shall be 25%.
- The minimum allocation to Government agency and agency mortgage-backed securities shall be 50%, with the additional provision that the maximum allocation to agency mortgage-backed securities shall be 20%. The Financing Corporation’s policy limits investments to U.S. Treasuries, U.S. Government Agency Bonds, and Corporate Bonds. All investments must be rated AA or better by any of the three rating agencies. The policy prescribes a final maturity of 3.5 years for any single issue.

Investment Allocation



Investment Earnings



As of December 31, 2019 the Financing Corporation Portfolio had a market value of \$4,837,616.32. Through the period ended December 31, 2019 the Financing Corporation had recorded investment income of \$119,624.71 net of fees.