

AGENDA

Florida SouthWestern State College Financing Corporation (the “Corporation”)

Thomas Edison (Lee) Campus – Community Room I-223

October 22, 2024

4:00 p.m.

I. Public Comment

II. Vote to Take Action On

1. Approval of the August 13, 2024 meeting minutes. Presenter: Mrs. Mann

III. Information Only

1. FY25 2nd Quarter Financial Statements. (Agenda Item 1). Presenter: Dr. Doeble
2. Residence Life update. Presenter: Dr. Neuhard & Dr. Palmer

Board Members’ Comments

President’s Comments

Adjournment

DRAFT

Minutes

Florida SouthWestern State College Financing Corporation
Thomas Edison (Lee) Campus – President's Community Room I-223
August 13, 2024
4:00 pm

The Florida SouthWestern State College Financing Corporation met in Lee County, Florida. Mrs. Mann, Chair, called the meeting to order at 4:00 pm.

Members Present:

Mary Lee Mann, Chair (Zoom)
Dr. Robert Jones, Vice-Chair
Dr. Jeffery Allbritten, Corporation President
Joe Coleman, Secretary
Dr. Gina Doeble, Treasurer
Eddie Webb, III
John Noland

Absent:

Tristan Chapman
Dr. Randall Parrish, Jr.

Others Present:

Kathleen Porter
Linda Saunders
Dr. Ian Neuhard
Dr. April Palmer
Ileana Malavsky
Patricia Lewis (Public Guest)

Public Comment: None

Vote to Take Action On:

Approval of the minutes from the March 19, 2024, meeting.

Approval of minutes. Approved unanimously.

Financials for the Fiscal Year Ending on March 31, 2024, and audit review checklist

Mr. Kessler and Ms. Mitchell of CliftonLarsonAllen provided an overview of financials and an audit review checklist. FSW received a Clean Opinion. MOTION by Dr. Jones and seconded by Mr. Webb. Approved unanimously.

Approval of the 2023 Federal IRS Return of Organization Exempt from Income Tax Form 990

Mr. Kessler and Ms. Mitchell of CliftonLarsonAllen provided an overview of the 2023 Federal IRS return overview. MOTION by Mr. Noland and seconded by Mr. Webb. Approved unanimously.

The Lee Campus Athletic Fields Batting Cage Cover

Dr. Doeble discussed the athletic field's batting cage for baseball. We appreciate the contribution from Financing Corporation to the baseball field. Add the cover to the batting cage in a new phase costing \$500,000.00. The Board of Trustees approved the funding, and we are seeking to split that with the Financing Corporation and requesting \$250,000.00. MOTION by Mr. Noland and seconded by Mr. Webb. Approved unanimously.

Budget Amendment for the Pool and Courtyard Landscape Project

Dr. Doeble discussed the landscape of the pool area and the courtyard. We can use some of the money set aside for the pool area. Mat Mason in Facilities came back with the quote for the additional cost of completing the pool area and the courtyard, which was \$425,000.00. MOTION by Dr. Allbritten and seconded by Dr. Jones. Approved unanimously.

Information Only:

FY25 1st Quarter Financial Statements

Ms. Porter presented the 1st quarter financial statements.

Lighthouse Commons updates

Dr. Neuhard, Dr. Palmer, and Ms. Malavsky provided an update on what is happening in Lighthouse Commons regarding programming and approach for the upcoming year. Occupancy update: We have close to 200 people on the waitlist. The total bed space is 396, meaning our residents are 274 and 112 student-athletes. We have two emergency spaces for any of our students who are in dire crisis. The students would go through the FSW Care office, and we would give them a temporary place— no longer than five days- and assist in connecting them to a community resource.

Board Members' Comments:

- Mr. Webb congratulated Dr. Doeble, Ms. Porter, and their staff for the excellent audit and tax return.

President's Comments:

- The cost of the future field house is approximately \$5 million. The building will include visitor areas, bathrooms, and locker rooms for practice.
- This is my 13th anniversary as president of FSW.
- In June 2024, I became Chair of the Council of Presidents.
- The last legislative session was the first time in the history of the State College System. Florida State Colleges were signed into law to be part of the State Health Insurance Plan. All twenty-eight college presidents are working with their CFO staff to push this through.
 - At the same time, we requested \$80 million from the legislature to fund the differential of what we currently pay through our insurance plans. A consortium effort was approved at 11:50 am on June 13, and the governor then vetoed the \$80 million. The funding is not there, but legally, January 1 is part of the State Health Insurance Plan. We are all working with our human resources and information technology areas to submit several data uploaded into the state system.
 - The Department of Management Services is working with us to figure it all out so that we can make an October enrollment.
 - The Board approved our annual allocations for health insurance of \$5.5 million, and the increase is 2.4 million for six months; the entire year would be twice that.
 - We are working with the Commissioner and Chancellor. I have a call with them on Thursday and all day on Friday.
- We had a good legislative year. We did well in nonrecurring money and zero in recurring money.
 - \$12 million in nonrecurring dollars; some were projects.
 - \$5.9 million for the building here will house our public safety and shipping and receiving.
 - \$2.4 million for the Charlotte Campus to begin work on Building E.
 - One-time money, \$2.2 million for radiology technology
 - Around \$1.5 million for our Institute of Emerging Technologies.

- We have our Risk Cyber Institute and the \$1.9 million received from the Frank G. Daveler Foundation.
- Next week, we begin a new journey called "Destination Charlotte." Dr. Neuhard has been the point on this and managing all the pieces (marketing, logistics, and people involved). How can we reinvigorate our Charlotte Campus in an area with not many college-aged students? This fall, three new magnet programs will begin on the Charlotte Campus.
 - Advanced Medical Assistant (AS) with certificates
 - Supply Chain Logistic Management Program
 - Physical Therapy Program (inherited from Hodges)
- Dr. Doeble and her team are finding ways to help with food services and find alternative ways of providing opportunities for students on all campuses.
- Tomorrow is Convocation, and we will talk about accreditation; the governor, two years ago, passed a law that every state college and university has to leave SACS, and we had to apply; we are in the process of leaving the SACS; we are ahead of every state college and university by six months. Tomorrow, we will launch this effort collegewide.
- Events happening. Saturday BUCS Bash (every campus) at the arena with a rock band, Salty Dogs.

Additional Comments:

- NONE


Adjournment – The meeting adjourned at 5:00 pm

Dr. Jeffery S. Allbritten
Corporate President
Board of Directors

Joe Coleman, Secretary
Board of Directors

Date

Date

Florida SouthWestern State College Financing Corporation Agenda Item Summary Meeting Date: 10/22/2024	
<p>1. Title: Florida SouthWestern State College Financing Corp 2nd Qtr. Financial Statements and Investment Summary</p> <p>2. Action Requested/Purpose: Information Only</p> <p>3. Fiscal Impact: <input type="checkbox"/> Yes <input type="checkbox"/> No X N/A</p> <p>4. Funding Source: Amount: \$</p> <p>5. Administration Recommendation:</p>	
<p>6. Agenda Item Type:</p> <p><input type="checkbox"/> Action Item</p> <p><input type="checkbox"/> Consent Agenda</p> <p>X Information Only</p> <p><input type="checkbox"/> Board Requested Information/Report</p>	<p>7. Requirement/Purpose (Include Citation)</p> <p><input type="checkbox"/> Statute</p> <p><input type="checkbox"/> Administrative Code</p> <p><input type="checkbox"/> Other</p>
<p>8. Background Information:</p> <p>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.</p> <p>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.</p> <p>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.</p>	
<p>Requested by:</p>	<p style="text-align: center;"><u><i>Kathleen Porter</i></u> <small>Kathleen Porter (Oct 16, 2024 14:31 EDT)</small></p> <hr/> <p>Kathleen Porter, Assistant Vice President, Finance & Accounting</p>
<p>Funding Verified by:</p>	<p style="text-align: center;"><u><i>Gina Doeble</i></u> <small>Gina Doeble (Oct 16, 2024 16:02 EDT)</small></p> <hr/> <p>Dr. Gina Doeble, CPA, Senior Vice President, Chief Operating Officer</p>
<p>Approved for Agenda by:</p>	<p style="text-align: center;"> <hr/> President</p>



FINANCING CORPORATION

TABLE 1
STATEMENT OF NET POSITION
FOR SECOND QUARTER ENDED SEPTEMBER 30, 2024

	General Operating	Housing	Unexpended Plant Fund	Debt Service	Investment in Plant	9/30/24 Actual (YTD)	9/30/23 Actual (YTD)	% Change from Prior Year
CURRENT ASSETS								
Cash & Cash Equivalents	\$ 631,227	\$ 1,505,851	\$ 3,158,559	\$ -	\$ -	\$ 5,295,636	\$ 5,719,618	-7.4%
FineMark CD Account	2,095,665	-	-	-	-	2,095,665	2,010,464	4.2%
Accounts Receivable	-	216,577	-	-	-	216,577	162,464	33.3%
Prepaid Expense	29,377	7,649	-	-	-	37,026	27,580	34.3%
NONCURRENT ASSETS								
Investments	8,012,957	-	-	-	-	8,012,957	7,208,039	11.2%
Restricted Cash & Cash Equivalents	-	-	-	1,479,618	-	1,479,618	1,447,504	2.2%
Reserve for Uncollectible Accts	-	(24,851)	-	-	-	(24,851)	(48,781)	-49.1%
Capital Assets, Net	-	-	-	-	18,806,715	18,806,715	19,659,246	-4.3%
TOTAL ASSETS	\$ 10,769,227	\$ 1,705,226	\$ 3,158,559	\$ 1,479,618	\$ 18,806,715	\$ 35,919,345	\$ 36,186,133	-0.74%
CURRENT LIABILITIES								
Accounts Payable	\$ -	\$ 44,874	\$ 5,796	\$ -	\$ -	\$ 50,669	\$ 64,235	-21.1%
Bonds Payable - Current	-	-	-	-	433,596	433,596	420,899	3.0%
NONCURRENT LIABILITIES								
Bonds Payable - Non-Current	-	-	-	-	16,943,203	16,943,203	17,797,697	-4.8%
TOTAL LIABILITIES	\$ -	\$ 44,874	\$ 5,796	\$ -	\$ 17,376,798	\$ 17,427,468	\$ 18,282,831	-4.7%
NET POSITION	10,769,227	1,660,352	3,152,763	1,479,618.19	1,429,917	18,491,877	17,903,301	3.3%
TOTAL LIABILITIES & NET POSITION	\$ 10,769,227	\$ 1,705,226	\$ 3,158,559	\$ 1,479,618	\$ 18,806,715	\$ 35,919,345	\$ 36,186,133	-0.74%

*Note: \$ 556,812.83 - Corp Acct
74,413.87 - Invest Acct

**Note: This \$3,158,559 includes
\$ 2,877,700 for capital expenditures
(furniture turnover, flooring replacement,
landscaping, HVAC, and future chiller)



FINANCING CORPORATION

TABLE 2
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
FOR SECOND QUARTER ENDED SEPTEMBER 30, 2024

	General Operating	Housing	Unexpended Plant	Debt Service	Investment in Plant	9/30/24 Total (YTD)	9/30/23 Total (YTD)	% Change from Prior Year
REVENUE								
Collegiate High Schools	200,000	-	-	-	-	200,000	200,000	0.0%
Rent Revenue	-	1,823,315	-	-	-	1,823,315	1,831,527	-0.4%
Resident Activity Fee	-	20,448	-	-	-	20,448	20,040	2.0%
Canc.Fees/Forfeit Dep/Fines	-	9,341	-	-	-	9,341	17,180	-45.6%
Application Fees	-	19,450	-	-	-	19,450	21,200	-8.3%
Cleaning Fees	-	25,508	-	-	-	25,508	25,050	1.8%
Interest	166,931	58,965	-	16,098	-	241,994	195,496	23.8%
Gain/Loss on Investments	219,240	-	-	-	-	219,240	(127,645)	271.8%
Transfer from College/Softball field	-	-	-	-	-	-	51,916	-100.0%
Subtotal Before Transfers:	586,170	1,957,027	-	16,098	-	2,559,295	2,234,763	
Transfer	-	-	1,401,000	269,833	420,899	2,091,732	2,015,271	3.8%
Total Revenue	\$ 586,170	\$ 1,957,027	\$ 1,401,000	\$ 285,931	\$ 420,899	\$ 4,651,027	\$ 4,250,034	9.44%
EXPENSES								
General Expense								
Operating Expenses	\$ 60,465	\$ -	\$ -	\$ -	\$ -	\$ 60,465	\$ 53,088	13.9%
Travel	-	919	-	-	-	919	-	100.0%
Data & Other Communications Services	-	12,444	-	-	-	12,444	12,000	3.7%
Technology Equipment & Supplies	-	16,506	-	-	-	16,506	7,950	107.6%
Utilities	-	127,012	-	-	-	127,012	130,221	-2.5%
Resident Activities	-	18,959	-	-	-	18,959	12,893	47.1%
Insurance	181,770	-	-	-	-	181,770	176,366	3.1%
Repairs & Maintenance	-	240,532	270,996	-	-	511,528	358,606	42.6%
Contract Services	65,000	169,000	-	-	-	234,000	204,000	14.7%
Other Expense	250,000	1,298	-	-	-	251,298	92,320	172.2%
Interest Expense	-	-	-	92,893	-	92,893	95,680	-2.9%
Depreciation Expense	-	-	-	-	520,980	520,980	511,887	1.8%
Subtotal Before Transfers:	557,235	586,670	270,996	92,893	520,980	2,028,774	1,655,010	
Transfer	-	2,091,732	-	-	-	2,091,732	2,015,271	3.8%
Total Expenses	\$ 557,235	\$ 2,678,402	\$ 270,996	\$ 92,893	\$ 520,980	\$ 4,120,507	\$ 3,670,281	12.27%
Change in Net Position	28,935	(721,376)	1,130,004	193,038	(100,080)	530,521	579,753	
Beginning Net Position	10,740,292	2,381,728	2,022,759	1,286,580	1,529,998	17,961,356	17,323,548	
Ending Net Position	\$ 10,769,227	\$ 1,660,352	\$ 3,152,763	\$ 1,479,618	\$ 1,429,917	\$ 18,491,877	\$ 17,903,301	3.29%

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, 2025

General Operating Budget				
	Original Budget	Revised Budget	Actual at 09/30/24	% of Revised Budget
SOURCES OF FUNDS				
High School Lease Revenue	400,000	400,000	200,000	50.0%
Investment Income	230,000	230,000	386,170	167.9%
Total Funds Available	\$630,000	\$630,000	\$586,170	93.04%

USES OF FUNDS				
Operating Expenses	\$83,000	\$83,000	\$60,465	72.8%
Insurance	195,000	195,000	181,770	93.2%
Contract/Other Services	130,000	130,000	65,000	50.0%
Contingency	100,000	100,000	0	0.0%
Other - Ballfield Batting Cage	0	250,000	250,000	100.0%
Total Expenses	\$508,000	\$758,000	\$557,235	73.51%

Housing Budget				
	Original Budget	Revised Budget	Actual at 09/30/24	% of Revised Budget
SOURCES OF FUNDS				
Rent Revenue	\$2,658,000	\$2,658,000	\$1,823,315	68.6%
Resident Activity Fee	35,000	35,000	20,448	58.4%
Can.Fees/Forfeited Dep./Fines	57,000	57,000	9,341	16.4%
Application Fees	42,000	42,000	19,450	46.3%
Cleaning Fee	44,000	44,000	25,508	58.0%
Fund Balance - Activity Fees	20,000	20,000	20,000	100.0%
Fund Balance - Housing	827,180	827,180	827,180	100.0%
Interest	0	0	58,965	100.0%
Total Funds Available	\$3,683,180	\$3,683,180	\$2,804,207	76.14%

USES OF FUNDS				
General Expense				
Travel	\$5,000	\$5,000	\$919	18.4%
Data, Technology & Other Communication Serv.	42,780	40,280	28,950	71.9%
Rentals	3,000	3,000	0	0.0%
Professional Development/Others	8,400	8,400	1,298	15.5%
Utilities	310,000	310,000	127,012	41.0%
Resident Activities	29,000	29,000	18,959	65.4%
Repairs and Maintenance	432,000	434,500	240,532	55.4%
Contract Services	371,000	371,000	169,000	45.6%
Bad Debt Expense	16,000	16,000	0	0.0%
Uses Before Contingency & Reserve	\$1,217,180	\$1,217,180	\$586,670	48.2%
Contingency	100,000	100,000	0	0.0%
Capital Reserve	976,000	976,000	0	0.0%
Debt Service Payments:				
Principal Payments	861,000	861,000	420,899	48.9%
Interest Expense on Debt	529,000	529,000	92,893	17.6%
Total Expenses	\$3,683,180	\$3,683,180	\$1,100,463	29.88%

Capital Reserve Budget - Unexpended Plant				
	Original Budget	Revised Budget	Actual at 09/30/24	% of Revised Budget
SOURCES OF FUNDS				
Transfer - Housing	\$976,000	\$1,401,000	\$1,401,000	100.0%
Fund Balance	476,700	476,700	476,700	100.0%
Total Funds Available	\$1,452,700	\$1,877,700	\$1,877,700	100.00%
USES OF FUNDS				
Furniture / Equipment Turnover	\$195,000	\$195,000	\$90,725	46.5%
Flooring Replacement	156,000	156,000	155,686	99.8%
Landscaping Project	476,700	901,700	24,585	2.7%
HVAC Replacement	125,000	125,000	0	0.0%
Future Chiller Replacement	500,000	500,000	0	0.0%
Total Expenses	\$1,452,700	\$1,877,700	\$270,996	14.43%

Florida SouthWestern State College Financing Corporation
Executive Investment Summary
Second Quarter Ending 09-30-2024

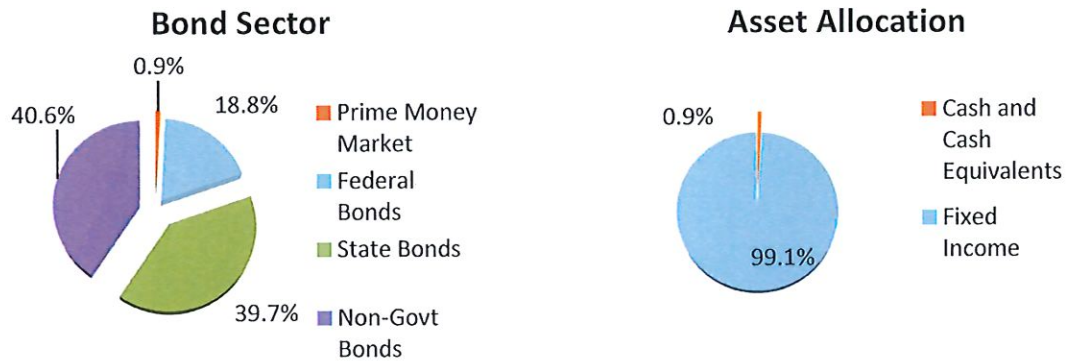
Investment Strategy

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:

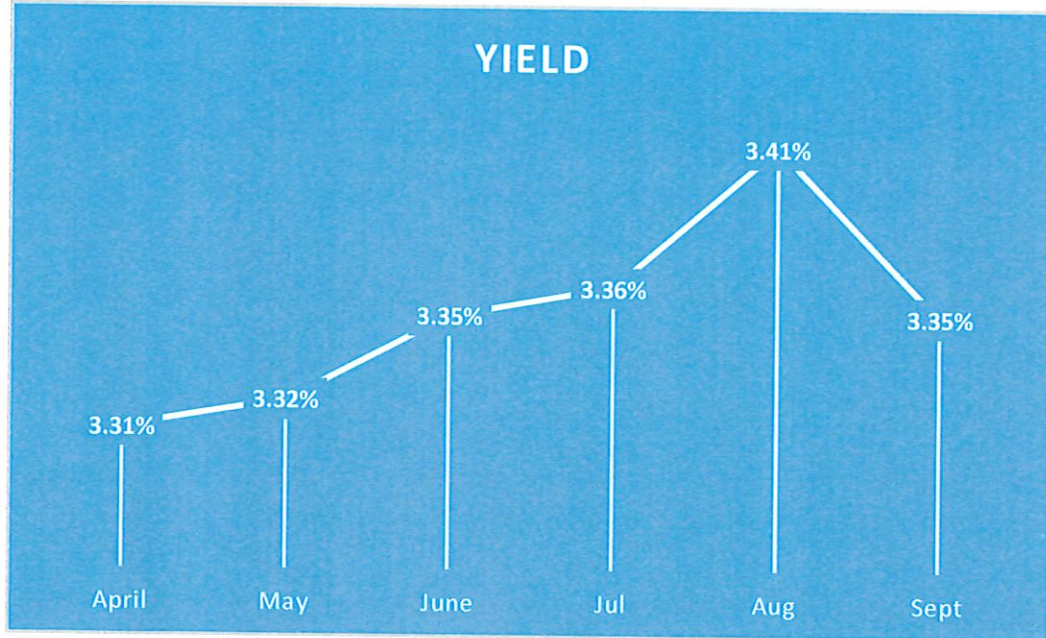
- Minimum allocation of portfolio to Wasmer’s short and intermediate duration bond shall be 75%.
- Maximum allocation of portfolio to Wasmer’s Intermediate IG Credit strategy shall be 25% with BBB category exposure limited to 30%.

All investments will be investment grade defined as Baa3/BBB-/BBB (Moody’s, Standard & Poor’s, Fitch) or higher at time of purchase with the further provision that no purchases will be made if a bond is rated below investment grade by any of the three ratings agencies. If a bond shall fall below investment grade by any of the three ratings services after purchase, FineMark and its sub-advisors must present a recommendation to the Treasurer of FSWFC to either hold or sell this security based upon their independent research while maintaining an overall average credit quality for the portfolio of A or better. As it relates to the above statement, it is understood that all three major ratings agencies may not rate a particular issuer.

Investment Allocation



Investment Earnings



As of September 30, 2024, the Financing Corporation Portfolio had a market value of \$8,087,371. Through the period ended September 30, 2024 the Financing Corporation had recorded investment income of \$238,109.30 net of fees.