

MINUTES OF
LEON COUNTY EDUCATIONAL FACILITIES AUTHORITY

March 15, 2007

The Leon County Educational Facilities Authority met Thursday, March 15, 2007 on the 6th floor of the University Center, Florida State University.

Authority Members Present: Bob Kellam, Liz Maryanski, Craig Fletcher and Bill Hilaman.

Authority Members Absent: Henry Lewis (death in family).

Others in Attendance: Calvin Ogburn; Terry Madigan; Ray Allen, Heritage Grove; Chris Cayer, CPA; Jamie Thomas, Chip Schell and Ken Mills, Campus Advantage.

Bob Kellam called the meeting to order at 12:30 p.m.

The minutes of October 18 were approved with motions by Maryanski and Hilaman and all were in favor.

Fiscal Year ending 9/30/06 audit report was given by Chris Cayer. He reported that the operating income for both SouthGate and Heritage Grove had increased over the prior year. The significant increase in expenses were primarily due to insurance cost on both projects. He recommended that at Heritage Grove there be stronger internal control of the monthly financial statements and timelier reporting of these statements. He also recommended that the accounting period be adjusted to reflect a year end of September 30. He further recommended that at SouthGate, the security deposit fund be funded at a higher level and a closer and more frequent review by the staff. After discussion, a motion was made to approve by Hilaman, seconded by Maryanski and approved by all.

SouthGate Report: Vice President of Campus Advantage, Chip Schell, was introduced to the group. Thomas discussed leasing activities and reported that they were on schedule for leasing for the fall of 07 and he again discussed his concern of 1,400 additional units being added on campus. It is anticipated that the freshman class of 07 would be 6300 students. He said the rental rates would remain the same for next year as they are this year. He said the retail operation, Students Notes, has closed and in its location there will now be a computer shop known as the Tech Shop.

Heritage Grove Report: Allen reported that there are now a total of 6 fraternities signed up for the fall, with several others pending. He is increasing his marketing which now includes banners and flags at the site. The rates at Heritage Grove will remain the same for next year and they are this year resulting in Heritage Grove being more competitive. The blue lights on the bike trail have now been activated. The several staff changes at the site are now complete. The new manager has reinstated a periodic fraternity presidents meeting resulting in the first meeting being quite productive.

“Lake Phi Tau” and “Teke Creek” were discussed and it was agreed that management company would immediately do whatever was necessary to correct this situation.

Madigan reported on the steps to be taken in the event of a transition from a dormitory to a chapter house. He refreshed the Authority Members memories that according to the loan agreement, such a transition could be offered in August 2009 and again in August 2013. This offer to “buy” would be subject, to among other things, an established fair market value and evidence from the buyer indicating their ability to pay for such a property. It would be the Authority’s responsibility to determine the FMV of the property at that time.

Failure on the part of an Equity to complete a project was discussed. It was understood by the Authority that any Equity fraternity has the right to sell their property to another entity, subject to the Authority’s approval. It was discussed that the date for construction commencement for all remaining parcels is now August of 07.

Also was discussed was the failure of one Equity (Phi Delta Theta) to complete the construction activities on their parcel. Staff was instructed to contact the fraternity advisors on this matter.

Chairman Kellam discussed the ongoing scholarship program of the Authority and distributed checks for the 2007 Scholarships in the amount of \$20,000 to be paid to each of the universities and the community college.

It was agreed that the next meeting would be held Wednesday, July 18, 2007 at SouthGate and the next Executive Committee meeting would be Wednesday, April 18.

There being no further business, the meeting adjourned at 2:35 p.m.

Robert E. Kellam, Chairman

Calvin P. Ogburn, Executive Director