

MINUTES

LEON COUNTY EDUCATIONAL FACILITIES AUTHORITY

August 28, 2008

The Leon County Educational Facilities Authority met Thursday, August 28, 2008 in the Board Room at the University Center, Florida State University, pursuant to public notice.

Authority Members Present: Bob Kellam, Liz Maryanski, Bill Hilaman and Randy Guemple.

Authority Members Absent: Henry Lewis, Craig Fletcher, Anne Peery

Others in Attendance: Calvin Ogburn, Terry Madigan, Ray Allen, Bob Powell and Kevin Warren, Linda Fortenberry, Bernie Edwards and Lawrence Carter, James Thomas and Ken Mills, and prior ERA member, Dean Minardi.

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

The minutes of the meeting of June 9, 2008 were approved with a motion by Bill Hilaman, seconded by Liz Maryanski and all were in favor.

Chairman Kellam was recognized as being the recipient of the Man of Honor Award from Bethel Baptist Church.

Chairman Kellam then gave a brief report on CREATE stating that since the TEEFRA hearing the bond market had gone "crazy." In his opinion, there probably will be a few more bumps and he anticipates an update in three or four weeks. He is confident and certain that CREATE will ultimately succeed. Bernie Edwards stated his concurrence with Chairman Kellam's comments.

Southgate – Liz Maryanski reported that the Executive Committee met with Jamie and Ken and approved the operating budget for 08-09 based on a 55% occupancy. The approved budget projects a \$4 million dollar income with a net loss projection of approximately \$70,000 for the year. Jamie reported that he is restructuring staff, reducing some full time employees to part time and assigning resident assistants duties in exchange for room and board. He is continuing to recruit international students, FSU Circus activities, TCC students and will concentrate on Spring 09 students. Liz moved, seconded by Randy that the budget be approved. All were in favor.

Management Contract Southgate – Liz reviewed a worksheet that showed a comparison between the old contract and the proposed contract with Asset Housing, Inc. She was pleased to report at least a \$70,000 per year savings in this contract. The new contract is for one year with a possible roll over to a second year, depending on performance. A motion to approved the management contact with made by Billy, seconded by Randy and all were in favor.

Fiscal Review of Administration - Bob Powell, Kevin Warren and Liz reported that after reviewing the monthly financial arrangements, an arrangement has now been made with Capital City Bank to remove the monthly fees. After discussion it was agreed that Scholarship funds would now be accrued for three years and shown as a liability rather than unobligated funds. A motion was made by Billy, seconded by Randy and all were in favor.

Liz further reported that she and Cal were working on the administrative procedures and would report later to the Authority.

Heritage Grove - Billy reported that in his opinion the individual visit by the Leon County Commissioners was time and effort well spent and he suggested that we schedule this as an annual visit in the future. He further reported that his committee met with Ray Allen and reviewed the budget for 08-09. Although expenses are up, his recommendation is that the rental rates remain the same inasmuch as we have a 97% current occupancy with a projection of a 100% for the fall. Also Heritage Grove has not been forced into offering incentives to renters.

Ray Allen then reported on the market conditions in Tallahassee (his report is attached.) Other highlights included a successful CAM meeting at which an escrow account was established to fund major repairs and improvements. Several budget questions were raised and were explained by Ray. Liz moved that the Heritage Grove budget be approved, seconded by Randy and all were in favor.

Defease Project - Randy reported on the progress of this assignment. It was agreed that Randy's committee would seek proposals from two professionals in the field and report back to the committee. Chairman Bob asked the committee to keep the option open to allow an additional house to be built on the property.

Tallahassee Rowing Association - Prior EFA member, Dean Minardi, was recognized and he delivered a comprehensive report as to this group's activities and how conceivably the EFA could become involved at a future date. It is visualized that the Tallahassee Rowing facility will be able to accommodate all Olympic sports activities.

It was agreed that the next meeting would be at noon on Wednesday, Oct. 8, 2008.

There being no further business, the meeting was adjourned at 1:58 p.m...

Robert E. Kellam, Chairman

Calvin P. Ogburn, Executive Director