

LCEFA Meeting Minutes
January 27, 2023
1st Floor Board Room--Capital City Trust Company Building
304 E. Tennessee Street (Corner of Tennessee and Calhoun)
DRAFT

Members Present – Chairman Ramsay Sims; Todd Sperry, Richard Givens; Rica Calhoun; and Curt Bender
Also in attendance were Assistant Executive Director Michael Kramer; and Executive Director Fran Gilbert
The meeting was called to order by Chairman Ramsay Sims at 9:00 am

Approval of Minutes

Motion by Todd Sperry, seconded by Richard Givens to approve the minutes of the October 25, 2022 meeting as distributed to the members. Motion passed unanimously.

Audit Status

Mr. Kramer reported that the Audit is moving forward and is on-track to be completed on schedule. He noted the past fiscal year was a complex one that included the approved and executed EMET agreement transaction, the transition of the receivership, and the Zeta Row agreement. He reported that the planned scope and timing letter from Thomas Howell Ferguson, P.A. was shared with the Board.

Heritage Grove

Leasing

Mr. Kramer reported that Heritage Grove is 100% leased for Fall 2023 in the 4 buildings that were completed earlier. The other 4 four buildings are also now completed. Leases for the four recently completed buildings will pick up when acceptance letters go out.

Zeta Rho Note for Advances

Mr. Kramer noted that the documents regarding loans and advance for repairs on the Zeta Rho house were provided to the Board. These documents formalize LCEFA's agreement with Zeta Rho. Motion by Todd Sperry, seconded by Richard Givens to approve the note and documents as prepared and presented. Motion passed unanimously.

Construction Status

The former Chapter Houses that are being repurposed into a new leasing office, study rooms, fitness centers, and student lounge will be completed 2023.

Litigation

Mr. Kramer reported that LCEFA and EMET have been named in litigation filed on behalf of a welder who was fired from work by the contractor Facilities Maintenance Management, LLC. He noted that LCEFA is fully indemnified and FMM is handling the costs associated with the litigation.

Southgate

Leasing

Mr. Kramer reported that Southgate is leased at 97% for Spring and is 13% leased for Fall 2023. This will increase when acceptance letters from the universities go out.

Kitchen Work

Mr. Kramer reported that all work on the kitchen is almost completed. There were some supply-chain issues, but all construction on the kitchen should be completed in the next few weeks.

2022-2023 Budget

Chairman Sims presented the 2022-2023 budget. It was noted that liability insurance premiums will increase. It was also noted that LCEFA revenue will be increasing \$140,000 - \$150,000 as part of the agreement with EMET.

Motion by Richard Givens, seconded by Todd Sperry to approve the budget as presented. Motion passed unanimously.

New Business

Chairman Sims asked that Board members consider how LCEFA can best position itself to be completely out of Heritage Grove once the transition has been executed in October 2024. Following the put date of October 2024, LCEFA will still own two equity lots and will remain as landlord for the two fraternities located at Heritage Grove. The Board will discuss further at upcoming Board meetings.

At a previous meeting, Chair Sims noted that the current LCEFA fund is approximately \$700,000 and he requested Board members consider the potential ways to allocate these funds. Todd Sperry presented the idea of creating and endowing scholarships for Leon County students in low socio-economic neighborhoods for consideration and further discussion at future board meetings.

Adjournment

Meeting adjourned at 9:38 am