

NWFSC College Foundation Finance Committee Meeting
January 26, 2021 8:00a.m.
Room 133, SSC, Niceville Campus

Members Present:

Bo Arnold	Don Litke
Destin Cobb	J.D. Peacock
Cindy Frakes	Ken Wampler
Chad Hamilton	

Others Present:

Gloria Frazier	Shane O'Dell
Kyle Hock	Evan Seagle
Ray McGovern	

Staff Present:

Shiri Brandenburg	Kira Magruder
Kelly Copeland	Carla Reinlie
Cristie Kedroski	

Absent:

Eric Aden	Jonathan Ochs
Marek Bakun	Dennis Peters
Wayne Campbell	Steve Rhodes
Walter Hooks	Steve Wills

Call to Order:

Mr. Arnold called the meeting to order at 8:00a.m.

Approval of Committee Meeting Minutes:

The minutes of the October 27, 2020 committee meeting were approved as presented. **Motion to approve minutes, Mr. Hamilton; Second, Mr. Wampler. Motion carried unanimously.**

Financial Reports:

Ms. Brandenburg presented the Statement of Financial Position, Statement of Activities, Investment Report, and Operating Budget Review as of December 31, 2020. Total Assets are \$59,899,100 and Total Liabilities are \$25,295, bringing the Total Fund Balance to \$59,873,805.

For the previous fiscal year as of December 31, 2019, the Total Fund Balance was \$55,779,130. Total Revenues were \$9,190,327 and Total Expenses were \$1,880,367 for a Net Increase in Fund balance of \$7,309,961. The Net Increase to the Merrill Lynch EMA account since July 1, 2020 was \$7,898,857, bringing the Total Market Value to \$54,695,666 at December 31, 2020. The Net Increase to the Vanguard Wellington Account (Science Development Fund) since July 1, 2020 was \$37,496, bringing the Total Market Value to \$293,960 as of the last statement date of December 31, 2020. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$54,989,626. The portfolio allocation was 3.73% Cash & Cash Equivalents, 63.13% Equity, 8.67% Alternative Investments and 24.47% Fixed Income. **Motion to approve financials, ~~Motion of approve financials~~, Mr. Litke; Second, Mr. Hamilton. Motion carried unanimously.**

Approval of Checks over \$5000:

Ms. Brandenburg presented a listing of checks over \$5,000 from October 1st through January 15, 2021 for the committee to review. **Motion to approve checks over \$5,000, Mr. Hamilton; Second, Destin Cobb. Motion carried unanimously.**

New Endowments:

Ms. Brandenburg presented two new endowments: Howard and Irene Fisher Scholarship
Howard and Irene Fisher have created an endowed scholarship with a gift of \$25,000. The scholarship will provide scholarship support to a NWFSC student who is pursuing a degree in nursing. Glenn and Eula Dotson Scholarship Gloria Dotson is a Northwest Florida State College graduate and is creating an endowment in memory of her parents, Glenn and Eula Dotson. The purpose of the fund is to provide scholarship support to a Baker High School graduate who is enrolled at NWFSC. Ms. Reinlie informed the committee that the Glenn and Eula Dotson is a planned gift. **Motion to approve the endowment agreements to be presented to the Board, Ms. Frakes; Second, Mr. Wampler. Motion carried unanimously.**

College Apartment RFI Firm Discussion/Selection:

Ms. Frakes recused herself from this discussion. As per the Finance Committee's direction, staff released an RFI for a Real Estate Brokerage Services firm on January 6, 2021. There were five responses to the RFI; ERA America Real Estate, RealJoy, Livin' Right Real Estate, Dale E. Peterson Realty, and NextHome Cornerstone Real Estate. Scorecards were provided to Board members to rank the brokerage firms. The scoring of the proposals was as follows: ERA American Real Estate: 534, Dale E. Peterson: 481, Livin' Right Real Estate: 474, RealJoy 435, NextHome Cornerstone Realty: 253. ERA was the number one choice. **Motion to present ERA to the Foundation Board, Mr. Wampler; Second, Mr. Litke. Motion to default to second and third ranking firms if agreement cannot be made with ERA, J.D. Peacock; Second, Mr. Wampler. Motion carried unanimously.**

Investment Report by McGovern, O'Dell & Associates/Merrill Lynch:

Mr. McGovern presented a portfolio review as of December 30, 2020. Investment statement shows the Foundation is on track and finishing strong despite the market dropping 35% in 33 days in the spring. Mr. McGovern presented the benchmark report for Blackrock, which

reflected a market value of \$54,695,666 as of December 30, 2020. Investment allocations stand at 63.13% Equity, 24.47% fixed income/annuity, 8.67 alternative investments, and 3.73 cash & money. He states the portfolio is properly allocated with the best investment being in technology.

Professional Services Contract Schedule:

Dr. Arnold stated the Rental Property Management Services are scheduled to be bid in Spring 2021. Currently, the Foundation is contracted with ERA American Real Estate. Due to the current situation of the potential sale of the College Courtyard Apartments, Foundation staff recommend this action be postponed until a determination is made on the sale of the apartments. **Motion to postpone engaging in the bid process for rental property management until 1) a determination is made that the apartments will not be sold or 2) for one-year, whichever comes first, J.D. Peacock; Second, Mr. Litke. Motion carried unanimously.**

Future Meetings:

Foundation Board meeting February 3, 2021, at 8:00 a.m.

Adjournment: There being no further business, the meeting adjourned at 9:20 a.m.



Bo Arnold, Chair



Cristie Kedroski, Secretary

4/27/21

Date

4/27/21

Date