

NWFSC Foundation Finance Committee Meeting
October 22, 2024 at 8:00 AM
Room 132/133, Building 400

Members Present:

Christie Austin
James Bagby
Destin Cobb
Cindy Frakes
Todd Grisoff
Fran Hendricks
Heather Kilbey
Don Litke
Wendy McAdams Dorr

Jonathan Ochs
Brian Pennington
Steve Rhodes
Hu Ross
Chris Stowers
Alan Wood

Staff Present:

Pinar Archangel
Tara Thomson

Conner Rogers

Others Present:

Brian Carter
Ray McGovern
Shane O'Dell

Absent:

Bernard Johnson
Vince Mayfield

Call to Order:

Mr. Rhodes called the meeting to order at 8:02 AM

Approval of Meeting Minutes:

The minutes from the July 23, 2024 Finance Committee meeting were approved as presented.

Motion to approve the meeting minutes, Mr. Cobb; Second, Mr. Pennington. Motion carried unanimously.

Finance and Investment Reports:

Ms. Thomson presented the Statement of Financial Position, Statement of Activities, Investment Report, and Operating Budget Review as of September 30, 2024. Statement of Financial Position Total Assets are \$70,666,645 and Total Liabilities are \$244, bringing the Total Fund Balance to \$70,666,401. For the previous fiscal year as of September 30, 2023, the Total Fund Balance was \$59,971,636. Statement of Activities Total Revenues were \$3,075,722 and Total Expenses were \$1,558,953 for a Net Increase in Fund balance of \$1,516,768. A Statement of Activities from the previous fiscal year from July 1, 2023 through September 30, 2023 shows Total Revenues of \$1,172,013 and Total Expenses of \$170,145 for a Net Decrease in Fund balance of \$1,342,158. Investment Report The Net decrease to the Merrill Lynch EMA account since July 1, 2024 was \$1,567,735 bringing the Total Market Value to \$66,388,997 on September 30, 2024. The Net increase to the Vanguard Wellington Account (Science Development Fund and First Responders Fund) since July 1, 2024 was \$27,281, bringing the Total Market Value to \$553,280

as of the last statement date of September 30, 2024. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$66,942,277. The portfolio allocation was 1.73% Cash & Cash Equivalents, 65.10% Equity, 8.90% Alternative Investments and 24.28% Fixed Income. Raider Village Loan Investment Report as of September 30, 2024, The Jay Odom Group has withdrawn \$2,091,886, completing the developer's 20% equity. As of September 30, 2024, the Jay Odom Group has drawn up to \$3,044,509 of the Foundation's portion of the construction loan of \$5,358,484 with a remaining balance of \$2,313,975. Operating Budget Review As of September 30, 2024, Total Operating Expenditures were \$113,721, leaving 78% of the budget available for the fiscal year.

Motion to approve the Finance and Investment Reports as presented for presentation to the board presented by Mr. Wood; Second, Gen. Litke. Motion carried unanimously.

FY 2024 Draft Audited Financial Statements/IRS Form 990:

Mr. Carter presented the Fiscal Year 2024 Northwest Florida State College Foundation Audited Financial Statements. The IRS Form 990 has not been finalized and will be delivered to the Foundation in the coming days. Both documents have been prepared by the independent auditing firm Mauldin & Jenkins, Certified Public Accountants of Bradenton, Florida. Highlights of the Audit Net position was \$69,149,634 at the close of the fiscal year. This reflects an increase of 12.78% over the previous fiscal year. Of the \$69.16 million in total assets, \$13 thousand rested in capital assets. Total liabilities were \$6 thousand, with \$750 due to the college and \$5 thousand due to other outside vendors. The Foundation's investments increased 12.03% from July 1, 2023 to June 30, 2024 after a reported decrease of 7.14% from July 1, 2022 to June 30, 2023. The increase and subsequent increase were principally due to financial market conditions. At June 30, 2024 the number of funds in underwater status was zero. Endowments with a fair market value below corpus will receive no spending allocation. The reduction in underwater funds can be attributed to favorable market conditions generated by positive investment earnings. Total gifts, contributions, grants and other income, increased by \$1.5 million from 2023 to 2024, totaling \$2,398 thousand at June 30, 2024. Additions to permanent endowments totaled \$568 thousand at year-end. Total college support was \$2.4 million. These payments reflected \$675 thousand in scholarship expenses, and \$1.8 million in program and other support to the college.

Motion to accept the FY 2024 Draft Audited Financial Statements for presentation to the Board, Mr. Bagby; Second, Mr. Ross. Motion carried unanimously.

New Endowment:

Jeff and Leonora Claudio donated \$25,000 to establish the John Jeffrey Claudio Memorial Scholarship Endowment at Northwest Florida State College. This endowment is in memory of their late son, John, who passed away last year at the age of 45. This endowment will provide scholarship support to students in our Physical Therapy Assistant Program with financial need.

Motion to approve the John Jeffrey Claudio Memorial Scholarship Endowment as presented for presentation to the Board, Ms. Kilbey, second Mr. Grisoff. Motion approved unanimously.

Checks Over \$5,000:

Ms. Thomson presented a listing of checks over \$5,000 from July 1, 2024 through September 30, 2024.

Motion to approve the checks over \$5,000 as presented, Mr. Cobb; Second, Ms. Kilbey. Motion carried unanimously.

Investment Report and Market Overview:

Mr. McGovern presented a portfolio review as of September 30, 2024 and provided an overview of current market conditions. He presented the custom benchmark report from Blackrock, which reflected a market value of \$58,112,693 as of September 30, 2024. The Merrill Lynch report shows investment allocations stand at 66.41% Equity, 23.05% Fixed Income, 1.57% Cash, and 8.97% Alternative Investments.

Executive Director's Report:

Mr. Stowers encouraged the Board members to participate to the Scholars & Donors Luncheon on November 15. He also informed that the Holiday Pops Reception is being hosted by the Foundation this year on December 6.

Adjournment:

There being no further business, the meeting adjourned at 8:48 AM

Steve Rhodes, Chair

Date

Chris Stowers, Secretary

Date