

**Leon County Research and Development Authority  
Investment Advisory Committee Meeting**

Knight Administrative Centre  
1736 West Paul Dirac Drive  
Tallahassee, FL 32310

November 8, 2018  
1:00pm

**Minutes**

**Members Present:** Kim Williams, Chair; Kim Dixon, James Francis, David Reid, William Giudice, Jordan Steffens (nonvoting)

**Members Absent:** None

**Guests:** Ron Miller, LCRDA Executive Director; Peggy Bielby, LCRDA Administrative Coordinator

1. Call to Order  
The meeting was called to order at 1:00pm.
2. Introduction of Members and Guests  
All present introduced themselves.
3. Public Comment  
None.
4. Approval of the Meeting Minutes: November 20, 2017  
*David Reid offered a motion to approve the November 20, 2017 meeting minutes. James Francis seconded the motion which passed unanimously. William Giudice was not yet present and did not participate in the vote.*
5. Annual Review of Investment Advisory Committee Charter  
The IAC Charter requires the committee review and assess the adequacy of the Investment Advisory Committee Charter annually requesting Board approval for proposed changes. Ron Miller provided an overview of the IAC Charter as revised June 2, 2016. The Committee agreed that no changes were needed at this time.
6. Annual Review of Investment Policy  
The IAC Charter requires the committee review the Authority's investment policy, objectives and guidelines, including risk tolerance, at least annually, presenting to the Board recommendations for any additions, deletions, or modifications. The Committee agreed that no changes were needed at this time.

William Giudice joined the meeting at 1:05pm

7. Investment Performance FY 2017-18  
David Reid noted that the current SPIA cap is \$3 million, and that although the current FL Prime rate is higher, the committee may want to revisit increasing the SPIA balance if long term rates increase. For FY 17/18 the total investment portfolio yield was 1.773%. \$185k was liquidated from SPIA for the central pond trail construction, and in June 2018 \$1.1 million, the maximum

liquidation allowed by SPIA, was moved from SPIA to FL Prime to take advantage of higher returns and expected higher continued rising interest rates.

8. Financial Statements FY 2017-18

Net operating income for FY 17/18 was forecasted to be \$135k (budgeted was breakeven) due to increased leasing.

9. Budget Review FY 2018-19

Jordan Steffens noted that \$1.4 million is a designated unrestricted net position for each of the years ended September 30, 2017 and 2016 for future capital projects and is reported on the monthly statement as “Investments Limited as to Use (Capital Improvement Fund).” Ron Miller explained that the designation of funding was made by the Board prior to his employment with LCRDA, but that his understanding was that the Board’s intent was to ensure funds would be available for future capital improvements.

In a follow up email to members, Ron Miller further explained that while these funds are “designated,” in the case of a proprietary fund such as LCRDA, no formal reserve or capital projects fund is required. This is not a restriction on net position as defined in GASB. The designated funds are still included in Unrestricted Net Position, and simply indicate the Board’s desire that the funds should be used for capital projects and not be used for general operations. LCRDA could change this designation at any time. Funds required for capital projects may be used from the designated funds or remaining undesignated funds. The Board of Governors may wish to keep all or some of the \$1.4 million “Designated” for additional future capital projects and spend the \$1.8 million for the incubator/accelerator from undesignated funds.

10. Executive Director Update

Ron Miller provided a status update regarding progress executing the LCRDA strategic plan. He explained that the \$1.8 million allocated to the Collins Building renovation was, at the direction of the Board of Governors, reallocated to the construction of a new incubator/accelerator in order to support an EDA grant application. FSU has committed \$2.5 million to the project, OEV has committed \$2.5 million, and with the LCRDA commitment of \$1.8 million, the EDA 60/40 match sought is \$10.2 million, for a total of \$17 million. The award will be announced by the end of November.

Options will be considered for the Knight Building to be converted to a breakfast/lunch operation with a private partner, and the current tenants, including LCRDA staff, moved to the Collins Building. The central pond trail will be completed in early 2019. OEV will focus on business attraction implementing recommendations from the magnetics taskforce.

11. New Business

None.

12. Adjourn

The meeting was adjourned at 2:04pm.

**Next Investment Advisory Committee Meeting:**

TBD