

Executive Committee Meeting

Collins Building
2051 East Paul Dirac Drive
Tallahassee, FL 32310
Thursday September 21, 2023
11:00am – 1:00pm

Agenda

Anyone wishing to address the Committee may appear in person or submit written comments by 9:00am the day before the scheduled meeting date so that the comments can be distributed to the Committee members. Comments submitted after this time (up to the time of the meeting) will be accepted and included in the official record of the meeting. Email comments to: publicinput@inn-park.com and reference the meeting title and date in the subject line. Include your name and contact information.

1. Call to Order

2. Introduction of Guests

3. Approval of Participation by Electronic Means (if needed)

In accordance with the Bylaws, there being a quorum of members present in person, the members of the Committee present in person are required to approve participation by those participating via Electronic Means acknowledging that the absence is due extraordinary circumstances.

4. Modifications to the Agenda

5. Public Comment

Any public comment received prior to the meeting will be provided to the Committee members in addition to any in-person public comment.

6. Approval of Draft Meeting Minutes – July 17, 2023 and August 31, 2023 (Attachments A-1 and A-2)

7. Approval of CIMES & Rider Storage Lease in Morgan Building

Storage on second floor – 835 sf - \$1000/month for 6 months (w/ 2 renewals)

8. Treasury Report

- a. YTD Financial Summary
- b. Updated/Final 2023-2024 Budgets for NFIL & LCRDA (Attachments B-1, B-2 and B-3)
- c. Property and Casualty Insurance Renewal

9. IPTLH/NFIL

- a. Grants and Sponsorship Progress
- b. Leasing Leads
- c. FF&E Process
- d. Website

10. LCRDA

- a. FAMU/FSU Updates
- b. ACH Incident
- c. NFIL Update – Change Orders, Timing, AC
- d. Elevator Status
- e. Leasing – Red Cross, National Parks Service, CareerSource, Idea Lab Tenants

10. DRC Update

- a. DOT Vehicle Shelter

11. New Business

12. Adjourn

UPCOMING MEETINGS AND
EVENTS

TechTopics <i>October 2023</i> <i>11:00am – 12:00pm</i> <i>Details TBA</i>	
Board of Governors Meeting Thursday, October 5, 2023 11:00am – 1:00pm	Executive Committee Meeting Thursday, November 16, 2023 11:00am – 1:00pm
Board of Governors Meeting Thursday, December 7, 2023 11:00am – 1:00pm	Executive Committee Meeting Thursday, January 18, 2024 11:00am – 1:00pm

Executive Committee Meeting

Collins Building
2051 East Paul Dirac Drive
Tallahassee, FL 32310
Monday, July 17, 2023
11:00am – 1:00pm

DRAFT Minutes

Members in Attendance: Chair Kevin Graham, Jessica Griffin, David Ramsay.

Members Not in Attendance: Tom Allen.

Guests: Michael Kramer, Bill Lickson, Ayne Markos, Peggy Bielby, LCRDA Staff.

1. Call to Order

Kevin Graham called the meeting to order at 11:00am.

2. Introduction of Guests

All present introduced themselves.

3. Approval of Participation by Electronic Means (if needed)

As a quorum of members was present in person, no approval was needed.

4. Modifications to the Agenda

None.

5. Public Comment

None.

6. Approval of Draft Meeting Minutes – May 12, 2023

Dave Ramsay offered a motion to approve the draft minutes. Kevin Graham seconded the motion which passed unanimously.

7. Treasury Report

a. YTD Financial Summary

b. 2023-2024 Budgets

Dave Ramsey reviewed the Treasury Report for March – June 2023, and noted the October 2022 – May 2023 Income Statement shows an actual net loss of \$382k which is \$129k ahead of budget. Michael Kramer presented draft budgets for FY 2023-2024 for both LCRDA and NFIL. He reviewed the assumptions and expectations upon which the budgets are based.

After discussion Dave Ramsay offered a motion to recommend adoption of the budgets to the Board of

Governors at the next meeting on August 3, 2023, and forgo holding a Budget Committee meeting if the Budget Committee has no objection and the Bylaws do not prohibit it. Jessica Griffin seconded the motion which passed unanimously.

8. IPTLH/NFIL

- a. Construction
- b. Funding
- c. FF&E
- d. Sponsorships

Bill Lickson reported construction has proceeded rapidly until now but the delayed delivery of an HVAC component may postpone the parts of construction which require climate control and low humidity. Michael Kramer noted that the third EDA reimbursement has been received and that he is identifying the process for using \$1.5 legislative funding for FF& E that was awarded. Bill Lickson commented that he will lead the specification of the actual FF&E details and determine the appropriate purchasing processes to comply with internal policy and state statutes. In addition, he will begin an effort to identify and obtain sponsorships for the new lab.

9. LCRDA

- a. Leasing
- b. Facilities

Michael Kramer reviewed current and expected state of leasing, and the HVAC repairs/replacements currently underway. The age of existing HVAC equipment was noted as a significant cash exposure in the near term.

10. DRC Update

- a. Danfoss Sign

Michael Kramer reported that that the Development Review Committee held a public hearing on the Danfoss application for variance for two new signs to be located at 1737 West Paul Dirac Drive and unanimously recommended denial of the variance application as presented.

11. FAMU/FSU Updates

- a. July 20, 2023 Bus Trip
- b. October 19, 2023 Bus Trip

Bill Lickson will accompany several members of the FSU Office of Research on a trip to Sid Martin Biotechnology Incubator on July 20, 2023. He will also use the time there to gather information and receive guidance on FF&E purchases for NFIL. The October 19, 2023 trip will start from NFIL and will need to include the right attendees from the Tallahassee/Leon County community. Dave Ramsay will reserve the bus and potential sponsorship will be revisited.

12. New Business

Dave Ramsay recommended a Grand Opening celebration when NFIL construction is complete to be sure the community, including all strategic partners, are fully engaged and appreciate the significance of the economic impact of NFIL on the region.

13. Adjourn

The meeting adjourned at 11:48am.

Emergency Executive Committee Meeting

Collins Building
2051 East Paul Dirac Drive
Tallahassee, FL 32310
Thursday, August 31, 2023
11:00am – 12:00pm

DRAFT Minutes

Members in Attendance: Chair Kevin Graham, Tom Allen, David Ramsay.

Members Not in Attendance: None.

Guests: Michael Kramer, Bill Lickson, Ayne Markos, Peggy Bielby, LCRDA Staff.

1. Call to Order

Chair Graham called the meeting to order at 11:00am.

2. Introduction of Guests

All present introduced themselves.

3. Approval of Participation by Electronic Means (if needed)

As all committee members were present in person no approval was needed.

4. Modifications to the Agenda

None.

5. Public Comment

None.

6. Staff Requests Approval of Certain Change Orders for NFIL – Michael Kramer

Michael Kramer explained that delaying the decisions could result in additional costs due to lead times and extension of the project. The alternate pricing list prepared and updated by Culpepper contains five alternates. Based on the guidance and recommendations from FSU, UF, and others, the first four alternates should be approved as change orders utilizing approximately one-half of the contingency funds.

Tom Allen offered a motion to approve the change orders. Dave Ramsay seconded the motion which passed unanimously.

10. New Business

The November 23, 2023 regular Executive Committee meeting will be held on Thursday, November 16, 2023 due to the Thanksgiving holiday.

11. Adjourn

The meeting adjourned at 11:10am.

**NFIL - Annual Operating Budget (Cash Flow Based)
Oct 2023-Sep 2024**

Budget Assumptions:

- Facility turned over the NFIL on January 1, 2024. (9 months of FY 2023-24)
- Revenue generation starts April 1, 2024 (6 months of FY 2023-24)
- FF&E delivered prior to April 1, 2024.
- FF&E will be funded using legislative appropriation, amount leftover from construction fund and loan from FSU RF
- Payment of Debt from FSU RF does not start until FY 2024-25
- \$484k of \$779k of budgeted revenue is derived from grants and sponsorships in FY 2024
- Revenue and occupancy rates are based on the original budget prepared during FY2022 project proposal submission.

Projection of cash inflow and outflow during FY 2023-2024

- Member occupancy rate for FY 2023-2024 is 35% of full capacity for 6 months (April to September) which is 17.5% for FY2024 (70% for FY 2025)
- Existing grants received (B2S)
- Anticipated new grants awarded and received
- Anticipated sponsorships received

Total Anticipated Cash Inflows

Total Expenditure

Interest & Debt Payment

Net cash flow (deficit)

Net cash flow w/o new grants & sponsorships

FY 2023-24	FY 2024-25
\$ 114,500	\$ 431,600
180,000	187,000
60,000	180,000
424,000	645,100
\$ 778,500	\$ 1,443,700
(952,800)	(1,568,700)
	(217,300)
\$ (174,300)	\$ (342,300)
(658,300)	(1,167,400)

**LCRDA- Annual Operating Budget (Cash Flow Based)
Oct 2023-Sep 2024**

Budget Assumptions & Changes:

- The NFIL budget is separated from the LCRDA budget
- CAM billing is done quarterly and will be fully collected during the fiscal year.
- 10% inflation adjustment for most expense categories over FY 2023
- 30% inflation adjustment for insurance
- New tenants will generate incremental \$30k in FY 2024
- The Career Source lease agreement will not be renewed in FY2024 (loss of \$42k vs FY 2023)
- All other existing tenants will remain for FY 2024
- Anticipate award and receipt of new grants totaling \$50k in FY 2024
- Capital expenditures limited to \$200k in FY 2024
- No reserves used for NFIL building completion or FFE

	<u>Approved</u>		<u>Amended</u>
Revenue Projections			
Rent Revenue	659,538		659,538
Existing Grants (OEV- MOU Juggernaut, ARPA)	273,000		273,000
New grant	50,000		50,000
CAM	94,266		94,266
Other-income (interest, misc.)	43,900		43,900
Total	\$ 1,120,704		\$ 1,120,704
Total Operating Expenses	1,251,401		1,261,181
Net Operating Loss	(130,697)		(140,477)
Projected Capital expenditures	(200,000)		(350,000)
LCRDA Cash flow (Deficit)	\$ (330,697)		\$ (490,477)
NFIL operation support (from NFIL Budget detail)	(174,300)		(174,300)
**** Assumes \$484,000 Grants and Sponsorships received			
		<u>9/30/2024 Cash</u>	<u>9/30/2024 Cash</u>
Consolidated net cash flow w/ grants and sponsorship	\$ (504,997)	\$ 882,000	\$ (664,777) \$ 722,000
Without Grants and Sponsorships	\$ (988,997)	\$ 398,000	\$ (1,148,777) \$ 238,000

Leon County R&D Authority and North Florida Innovation Lab
Approved Budget (Cash Flow Based): Fiscal Year 2023-24

	LCRDA Proposed Budget FY 2023-24								Budget Adjustments	Adjusted Budget	Notes	FY 2022-23		
	Tenants In Common	Knight/ Admin	Collins	Fuqua Shared	Morgan	Johnson	Phipps	LCRDA Total Budget				+ 3 months Budget	Current Year Budget	Variance
INCOME														
OPERATING INCOME														
Income- Rent		\$ 11,784	88,200		\$ 147,718	\$ 306,972	\$ 104,864	\$ 659,538		\$ 659,538	a	651,806	\$ 643,408	8,398
Income-Common Area Maintenance	\$ 85,266			\$ 9,000				94,266		94,266	a	100,418	111,415	(10,997)
Income - Grant Revenue		323,000						323,000		323,000	b	326,180	150,298	175,882
Income- Interest	25,000							25,000		25,000	b	35,369	17,283	18,086
Income- Other Program		16,500						16,500		16,500	c	108,572	8,000	100,572
Income- Other Income			2,400					2,400		2,400		1,554		1,554
TOTAL OPERATING INCOME	110,266	351,284	90,600	9,000	147,718	306,972	104,864	1,120,704	-	1,120,704		1,223,899	930,404	293,495
EXPENSES														
OPERATING EXPENSES														
Total Authority Employee Expense		568,833						568,833		568,833	d	491,068	525,711	(34,642)
Total Utilities	1,320	4,600	48,160	6,560	30,270	28,210		119,120		119,120	e	108,198	123,214	(15,016)
Total Maintenance & Repairs	1,520	16,660	15,890		16,620	20,100	1,980	72,770		72,770	f	85,277	54,423	30,854
Total Cleaning & Improvements			5,000		5,000			10,000		10,000	g	66,721	104,000	(37,279)
Total Services	12,860	12,510	30,880	3,390	23,030	41,320	1,670	125,660		125,660	h	114,097	131,049	(16,952)
Property Administrative	-	187,010	-					187,010		187,010	i	162,980	244,858	(81,878)
Total Other Expenses (TALCOR)		11,424	19,920		26,016	22,704	11,724	91,788		91,788		91,788	91,788	-
Total Insurance & Taxes	7,910	2,470	18,850	4,700	7,350	23,840	11,100	76,220	9,780	86,000	j	66,121	66,120	1
TOTAL OPERATING EXPENSES	23,610	803,507	138,700	14,650	108,286	136,174	26,474	1,251,401	9,780	1,261,181		1,186,251	1,341,163	(154,913)
NET OPERATING INCOME (LOSS)	\$ 86,656	\$ (452,223)	\$ (48,100)	\$ (5,650)	\$ 39,432	\$ 170,798	\$ 78,390	\$ (130,697)	\$ (9,780)	\$ (140,477)		37,648	(410,759)	448,408

NFIL Proposed Budget FY 2023-24			
	NFIL Total Budget	Budget Adjustments	Adjusted Budget
INCOME			
OPERATING INCOME			
Membership Fees	88,100		88,100
Meeting space, events and seminars	26,400		26,400
Income - Grant Existing	180,000		180,000
Income - New grants	60,000		60,000
Sponsorships	424,000		424,000
TOTAL OPERATING INCOME	778,500		778,500
EXPENSES			
OPERATING EXPENSES			
Payroll	300,000		300,000
Utilities	280,700		280,700
Software Services	36,000		36,000
Programing Cost	60,100		60,100
Professional Dev	10,600		10,600
Lab Operating Expense	265,400		265,400
TOTAL OPERATING EXPENSES	952,800		952,800
NET OPERATING INCOME (LOSS)	\$ (174,300)		\$ (174,300)

**Leon County R&D Authority and North Florida Innovation Lab
Approved Budget (Cash Flow Based): Fiscal Year 2023-24**

LCRDA Proposed Budget FY 2023-24								FY 2022-23					
Tenants In Common	Knight/Admin	Collins	Fuqua Shared	Morgan	Johnson	Phipps	LCRDA Total Budget	Budget Adjustments	Adjusted Budget	Notes	YTD Actual + 3 months Budget	Current Year Budget	Variance
COMBINED LCRDA+NFIL NET CASH FLOW BEFORE CAPEX							(304,997)	(9,780)	(314,777)		n		
Less: Capital Expenditures							(200,000)	(150,000)	(350,000)				
COMBINED LCRDA+NFIL NET CASH FLOW AFTER CAPEX							\$ (504,997)	\$ (159,780)	\$ (664,777)				
COMBINED LCRDA+NFIL NET CASH BALANCE FORECAST													
Estimated Combined Cash Balance - (10/1/2023)							1,387,000		1,387,000				
Plus: Combined Net Cash Flow After Capex							(504,997)	(159,780)	(664,777)				
EST. COMBINED CASH BALANCE - (9/30/2024)							\$ 882,003	\$ (159,780)	\$ 722,223				
Without Grants and Sponsorships - NFIL							(484,000)		(484,000)	o			
EST. COMBINED CASH BALANCE - W/O GRANTS AND SCHOLARSHIPS (9/30/2024)							\$ 398,003		\$ 238,223				

Notes:

- a \$30K new lease revenue less departing tenants
- b Lower interest income
- c Settlement of Due from IPTLH is completed
- d 4% inflation adjustment from current levels
- e 10% inflation adjustment from current levels
- f Elevator Maintenance in Fuqua
- g Renovation in Collins and Morgan largely completed
- h 10% inflation adjustment from current levels plus allowance for single audit increase
- i 10% inflation adjustment from current levels
- j 30% inflation adjustment from current levels
- k Revenue is estimated on 17.5% occupancy rate
- l Majority of the revenue is derived from grants and sponsorships (\$484K)
- m Payroll is limited as facility is not functioning at full capacity,
- n Capital Expenditure (CAPEX) is budgeted to cover critical improvements only.
- o Impact of not securing grants and sponsorship (\$484K) on estimated ending cash balance