

Leon County Research and Development Authority
Budget Committee Meeting
North Florida Innovation Labs
1729 West Paul Dirac Drive
Tallahassee, FL 32310

Tuesday, September 17, 2024
10:00am – 11:00am

Wi-Fi: "Innovation Staff"
SSID: Passoftheweek!

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. Public Comment**
- 4. Agenda Modifications**
- 5. Approval of Budget Committee Meeting Draft Minutes, August 30, 2022 (Attachment A)**
- 6. Budget Presentation/Discussion – Executive Director Michael Kramer (Attachment B)**
 - a. Actual vs Budget 2023-2024
 - b. Assumptions for 2024-2025
 - c. Budget for 2024-2025
- 7. Draft Budget Approval**

Staff requests the committee recommend approval of the draft budget to the Executive Committee and to the Board of Governors.
- 8. Calendar for Budget Approval**
 - a. Executive Committee Review/Approval, September 19, 2024
 - b. Board Review/Approval, October 3, 2024

9. New Business

10. Adjourn

**Leon County Research and Development Authority
Budget Committee Meeting**

Collins Building
Seminar Room
2051 East Paul Dirac Drive
Tallahassee, FL 32310

Tuesday, August 30, 2022
9:00am – 10:30am

DRAFT Minutes

Members in Attendance: Dave Ramsay (Chair), Tom Allen, Brian Bautista, Ray Bye, Shawnta Friday-Stroud.

Members not in Attendance: None.

Guests: Ron Miller, Bill Lickson, Peggy Bielby (LCRDA Staff), Stephanie Shoulet (NAI Talcor).

1. Call to Order

Chair Dave Ramsay called the meeting to order at 9:03am

2. Introduction of Guests

All present introduced themselves.

3. Public Comment

None.

4. Agenda Modifications

None.

5. Approval of Budget Committee Meeting Draft Minutes, September 7, 2021

Tom Allen offered a motion to approve the draft minutes from the September 7, 2021 Budget Committee meeting. Ray Bye seconded the motion which passed unanimously.

6. Budget Presentation/Discussion

Executive Director Ron Miller reviewed the budget narrative, including significant changes from the current year budget and other assumptions, as well as the budget by building, administrative budget, capital projects and major maintenance, rent roll, grants, and revenue potential. The property insurance renewal quote has not yet been received but is expected to increase 5 percent.

The draft budget reflects budgeted total revenue: \$13,629,399; total operating expense: \$1,334,798; and net income/loss after the \$12,697,500 NFIL revenue recognized, of \$402,900 net operating loss plus \$261,000 ordinary capital expenditures: a total projected loss of \$663,900 for FY 2022-23.

After discussion the Committee agreed to recommend to the Executive Committee and Board of Governors that the Executive Director be authorized to work with FSU and FAMU to offer a significant rent reduction in exchange for a multi-year commitment for a substantial amount of available space. *Tom Allen offered a motion to recommend that the Executive Director be authorized to work with him to craft a rent reduction proposal to submit to the Executive Committee to entice the Authority's university partners and others to expeditiously lease space at a reduced rate in exchange for a big commitment. Shawnta Friday-Stroud seconded the motion which passed unanimously.*

7. Draft Budget Approval

Staff requests the committee recommend approval of the draft budget and that it be forwarded to the Executive Committee for its consideration.

Tom Allen offered a motion to recommend approval of the draft budget, allowing the Executive Director to adjust the cost of P&C insurance once it is known. Brian Bautista seconded the motion which passed unanimously.

8. Calendar for Budget Approval

- a. Executive Committee Review/Approval, September 22, 2022.
- b. Board Review/Approval, October 6, 2022.

9. New Business

None.

10. Adjourn

The meeting adjourned at 1:40pm.

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

Budget Assumptions:

- Assignment completed by 12/24
- FSU Manages Operations, Member vetting, programming etc.
- B2S not transferred
- Initial Interest payment Scheduled for June 2025
- NFIL responsible for insurance, janitorial, landscape, utilities, disposal, etc.

	FY 2024-25
Total Revenue	\$ -
<i>Operating Expenditure (Detail provided)</i>	\$ (148,000)
<i>Capital Expenditures</i>	(45,000)
Total Expenditure	\$ (193,000)
Net cash flow (deficit)	\$ (193,000)

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

10/24 to 12/24

Operating Revenue	
Total Revenue	\$ -
Operating Expenses	
Payroll Expense	\$ -
Utilities	(90,000)
Services, Maintenance & Repairs ⁽¹⁾	(32,000)
Cleaning	(2,000)
Property Administration ⁽²⁾	(9,000)
Insurance	(15,000)
Total Operating Expenses	\$ (148,000)
Capital Expenditures ⁽³⁾	(45,000)
Net Cash Flow (Deficit)	(193,000)

- ⁽¹⁾ Preventive maintenance and facility upkeep (Landscaping, Equipment maintenance, Janitorial etc.)
- ⁽²⁾ Property management by TALCOR
- ⁽³⁾ Cost of floor sealing

**Annual Operating Budget
LCRDA (Cash Flow Based)
Oct 2024-Sep 2025**

Budget Assumptions:

- NFIL and LCRDA budgets are separated
- LCRDA continues CAM billing for all of FY2025
- Insurance Coverages for CAM, GL, D & O, etc.
- Retain Existing payroll/staff for FY 2025
- Reserves will be used to fund cash needs

	FY 2024-25
Cash Inflow	
<i>Income-Common Area Maintenance</i>	100,000
<i>Income- Interest</i>	20,000
<i>Income- Other Program</i>	4,200
<i>Tornado recovery proceeds (estimated)</i>	200,000
Total anticipated cash inflow	324,200
<i>Operating Expenditure (Detail provided)</i>	(686,200)
<i>Non Operating Expenditures</i>	(375,000)
Total anticipated cash outflow	(1,061,200)
Net Cash flow (Deficit)	\$ (737,000)
NFIL Operation Support	\$ (193,000)
Consolidated Net Cash flow (Deficit)	\$ (930,000)

**Annual Operating Budget
LCRDA (Cash Flow Based)
Oct 2024-Sep 2025**

FY 2024-25

Operating Revenue	
Income-Common Area Maintenance	\$ 100,000
Income- Interest	20,000
Income- Other Program ⁽¹⁾	4,200
Tornado recovery proceeds (estimated)	200,000
Total Revenue	\$ 324,200
Operating Expenses	
Authority Employee Expense	\$ (520,000)
Utilities	(2,000)
Services, Maintenance & Repairs ⁽²⁾	(104,200)
Property Administration ⁽³⁾	(40,000)
Insurance	(20,000)
Other Expenditures	\$ (686,200)
Non-Operating Expenditures	
Capital Expenditures	-
Tornado Damage	(375,000)
Total Expenditure	\$ (1,061,200)
Net Cash Flow (Deficit)	(737,000)

- ⁽¹⁾ Restitution from Lewis lawsuit
- ⁽²⁾ Accounting and Auditing (\$35K) Legal (\$25K) IT Service (\$12K) Landscaping (\$22K) and CAM (Trail, Holding Pond, Tree Trimming, etc.) (\$10K)
- ⁽³⁾ Property management by TALCOR