



UWF Business Enterprises, Inc. Board of Directors Meeting
Scenic Hills Country Club Argonaut Ballroom
April 25, 2016

Present

Chair K. C. Clark, Vice-chair Patel, President Judy Bense, Secretary Suzanne Lewis, Treasurer Hal White, Member C. Ray Jones, Member Judge Lacey Collier, Member John Todorovich, General Counsel Pat Lott, Chief Executive Officer Steve Cunningham, SGA Representative Jake Hebert, and Staff Support Secretary Tiffany Nisewonger.

Guests: BOT Chair Lewis Bear, Martha Saunders, Ed Ranelli, Kevin Bailey, James Barnett, Rick Gorman, Megan Gonzalez, Ellen Till, Jim Hurd, Chip Chism, Joy Ward, Dan Lucas, Wes Barnes, Richard Kelly, Jenny Hamilton, Betsy Bowers, Angela Wallace, Gail McGrady, Colleen Asmus, Susan Darby, Eric Ingerman, Diane DiFebbo, Clifton Larson Allen, Bryan Simkanich, Clifton Larson Allen, and Brock Oliver, Clifton Larson Allen.

Welcome/Opening Remarks

Chair Clark called the meeting to order at 1:00 p.m. Ms. Nisewonger called roll and confirmed that a quorum was present.

University Update

President Bense provided the latest University updates about UWF Football, Senator Negron's visit, and Commencement.

Treasurer's Report

Treasurer White provided the Treasurer's Report.

- Bookstore sales decreased 5% in the 3rd quarter of this fiscal year compared to the 3rd quarter of last fiscal year. Clothing sales decreased 20% in spring 2016 compared to spring 2015. There is also increased retail competition both locally and on-line.
- Sales for Campus Dining Services increased 3.72% in the 3rd quarter of this fiscal year compared to the 3rd quarter of last fiscal year (same % increase as the 2nd quarter) from price increases on meal plans, Nautilus Market door rates, and retail (which now includes sales for Starbucks at Argo Village).
- Parking and Transportation Services revenue is approximately 47% higher in the 3rd quarter of this fiscal year compared to the 3rd quarter of last fiscal year from the 20% increase in permit prices over previous year. The parking information system (T2) has a component which allows Parking Services to connect to the DMV (Department of Motor Vehicles) and via license plates identify individuals parking on campus without permits

(this component was used in spring term 2015 but the Parking Services staff have become more efficient in using this feature). Also, there are timing differences for posting waivers and exemptions for the Transportation Services account.

- Scenic Hills Country Club revenue at the end of the 3rd quarter is approximately 15% less than the amount budgeted with a 10% decrease in revenue in the 3rd Qtr. of this fiscal year compared to the 3rd quarter of last fiscal year. The Introductory Memberships ended February 29, 2016. Also, there were three (3) weekends with rain in March 2016, which was a factor.
- Scenic Hills Country Club fiscal year-to-date total revenue through March 31, 2016 is down approximately 8% compared to last fiscal year.
- Scenic Hills Country Club year-to-date expenses through the end of the 3rd quarter are slightly below the year-to-date expense budget and the quarterly expense budget with approximately 12% reduction in operating expenses through March 31, 2016 compared to last fiscal year.
- Revenue from the Digital Signs in the 3rd quarter is consistent with the 2nd quarter of this fiscal year.
- The Treasurer and CEO meet to review and discuss BEI financial information and sign checks, transfer requests, and other financial documents.

CEO's Report

CEO Cunningham discussed entering into a strategic planning stage with the board beginning later this summer and fall to discuss BEI's role for the university, prospective projects and future opportunities. He stated he is looking forward to working collaboratively with the board to finalize the strategic plan moving forward.

Public Comments

None

Action Items

- 1) 2016 – 2017 Meeting Dates - The Board reviewed the potential meeting dates as provided in the agenda and agreed to meet on September 19, 2016, November 7, 2016, February 6, 2017 and April 17, 2017.

Motion to approve: Member Judge Collier

Second: Secretary Lewis

Motion passed unanimously.

- 2) BEI Bylaws Revision - General Counsel Lott recommended the Board approve the attached BEI Bylaws Revisions as provided in the agenda. The changes include adding a Student Government Representative to the BEI Board, conforming language changes and delegation of authority.

Motion to approve: Treasurer White

Second: Member Patel

Motion passed unanimously.

- 3) Reappointment of C. Ray Jones – CEO Cunningham recommended the Board take appropriate action to reelect Member Jones for another term. Chair Clark thanked Member Jones for the work he has done and appreciates his willingness to continue to serve.

Motion to approve: Treasurer White

Second: Member Todorovich

Motion passed unanimously.

- 4) UWF/REG-5.001 Parking and Traffic Control - CEO Cunningham, Ellen Till and Chip Chism discussed the 5 year proposed parking rate increases and recommend eliminating the final year annual increase to the parking permit rate. Chair Clark suggested looking at a 4-5% rollback on prices for a possible price decrease. Member Herbert also provided information on parking availability for the students, current complaints and a possible decrease of rates would be a great surprise for students. Secretary Lewis stated that all of the parking funds are only spent on maintaining and continuing parking facilities and structures, they are not diverted to any other programs or areas. CEO Cunningham asked if the board could undertake a focus group with our student government representative and our parking staff and come back with some near term objectives as well as what the student's interests are.

Motion to recommend to the BOT to suspend the 5th year previously approved rate increases with a note that we are exploring an option to look into reduction in parking fees.

Motion to approve: Vice Chair Patel

Second: Member Todorovich

Motion passed unanimously.

- 5) Scenic Hills Country Club Lease Agreement – CEO Cunningham discussed the status of the SHCC lease agreement as provided in the agenda including major terms such as Integrity paying for taxes, insurance, maintenance, and minimum annual lease payment of \$125,000 (15% is pledged toward faculty development for the university). Chair Clark brought up some discussion regarding the proposed Integrity start date of July 1st and CLA's end of year Audit reports closing out on June 30th. A possible delay to the start date to Aug 1st or later may be a realistic issue.

Motion to recommend that the BEI Board of Directors authorize the CEO to execute a lease agreement for the Scenic Hills Golf Course, Club and Grill with Integrity Golf Company, LLC, provided that the terms are substantially as described by the CEO.

Motion to approve: Treasurer White

Second: Member Judge Collier

Motion passed unanimously.

Information Items

- 1) External Audit Entrance – Clifton Larson Allen (CLA)

Clifton Larson Allen, certified public accountants, will perform the BEI financial statements audit for the fiscal year ending June 30, 2016. A formal entrance conference was held during today's meeting. CLA is looking to accelerate timelines of the BEI audit.

- 2) Budget to Actual - Ms. Wallace explained the Budget to Actual Report represented a summary of actual revenue and expense transactions for all BEI projects and functions from the beginning of the fiscal year through the end of the 3rd quarter (July 1, 2015- March 31, 2016) compared to the revenue and expense budgets established for the fiscal year. Ms. Wallace discussed the details of transactions listed on the reports and supporting documentation as presented to the Board.
- 3) Argonaut Village Update – CEO Cunningham provided the Board a brief update on the status of operations as Argonaut Village.

Other Business

None

New Business

With the end of Clifton Larson Allen's position, Chair Clark charged CEO Cunningham to, expeditiously as possible, hire a new Audit Firm.

Motion to approve: Vice Chair Patel

Second: Member Todorovich

Motion passed unanimously.

Adjournment

There being no further business, Chair Clark adjourned the meeting at 2:38 p.m.

Respectfully submitted,

Susan Darby, Assistant Staff Support Secretary