

NWFSC Foundation Finance Committee Meeting
July 19, 2017 8:00 a.m.
Arpke Room 315, Costa Leadership Institute

Members Present

Wayne Campbell
Don Litke

Jeff McInnis
Steve Wills

Staff Present:

Serena Brown
Cristie Kedroski

Jason Masters
Carla Reinlie

Others Present:

Ray McGovern

Shane O'Dell

Absent:

Bo Arnold, David Costa, Jeff Floyd, J.D. Peacock, Dennis Peters, Devin Stephenson, Dewayne Youngblood

Call to Order:

Mr. McInnis called the meeting to order at 7:57 a.m.

Approval of Minutes:

The Minutes of the May 17, 2017 meeting were approved as presented. **Motion to approve minutes, Mr. Wills; Second, Mr. Campbell. Motion carried unanimously.**

Review and Approval of June 30, 2017 Financials and Checks over \$5,000:

Ms. Brown presented the Statement of Financial Position, Statement of Activities and Investment Report as of June 30, 2017. Total assets are \$49,109,238 and Total Liabilities are \$8,352, bringing the Total Fund Balance to \$49,100,886. The Statement of Activities reflected \$6,636,693 in Revenues and \$2,578,378 in Expenditures for a total Net increase in Fund balance of \$4,058,315. Combined investment holdings with Merrill Lynch and Vanguard Wellington total \$44,312,806, allocated as 3.04% Cash & Cash Equivalents, 62.70% Equity, 10.83% Alternative Investments and 23.43% Fixed Income. **Motion to approve financials, Maj Gen Litke; Second, Mr. Wills. Motion carried unanimously.**

Approval of Checks over \$5000:

Ms. Brown also presented a listing of checks over \$5,000 from May 1 - June 30, 2017 for the committee to review. **Motion to approve checks over \$5000, Mr. Campbell; Second, Mr. Wills. Motion carried unanimously.**

Investment Report by the McGovern Group – Merrill Lynch:

Mr. McGovern presented a portfolio review as of July 18, 2017. In the past twelve months, the total portfolio is up 12.87%. Current holdings stand at 66.08 percent in equity, 19.87 percent in fixed income, 3.15 percent in cash and 10.90 percent in alternative investments. Mr. McGovern also presented the custom benchmark report from Blackrock which reflected a market value of \$36,748,692 as of June 30, 2017. The total Blackrock portfolio is up 8.06 percent year to date and up 8.25 percent since its inception on February 26, 2013. Mr. McGovern noted that the market has been at a record low volatility, and continues to see sizeable gains due to the improvement of the global economy. He also noted that there has been around a 2 percent growth in the market recently and that stocks are the

assets of choice even though returns are more subdued. He lastly touched upon the Foundation's investment portfolio and noted that the portfolio has been doing well since May's Finance Committee meeting, but the asset allocation is a little less than what is dictated by board policy. **Motion to accept investment report, with the understanding that, for the next two months, the committee will monitor allocation target ranges and determine if there is a need for rebalancing, Maj Gen Litke; Second, Mr. Wills. Motion carried unanimously.**

Professional Services Contract Schedule – Insurance Review:

Ms. Brown presented the Foundation's current professional services contract schedule and reminded members that all professional services contracts, or engagements, between the Foundation and a third party shall be re-examined at a minimum of every three years by the Finance Committee. She noted that at this time it is necessary to review the Foundation's contract for insurance. Currently Fisher Brown Bottrell Insurance, Inc. handles insurance services for the Foundation. Ms. Brown also mentioned that Fisher Brown continues to be very responsive to staff questions and that additionally, they were able to secure a premium reduction in the most recent term for property insurance on the College Courtyard Apartments. She noted that staff has no concerns about continuing with Fisher Brown for the next three years. **Motion to approve continued contract for insurance services with Fisher Brown Bottrell Insurance, Inc. through February 2020, Mr. Wills.; Second, Mr. Campbell. Motion carried unanimously.**

Matching Fund – First Generation Matching Grant:

Ms. Brown noted that the state of Florida has notified NWFSC that it has been allotted \$22,369 for academic year 2017-18 in FGMG funds. This is an increase of 65% compared to last academic year (\$13,592 for academic year 2016-17). She noted that receipt of the FGMG funds requires a 1:1 match in private contributions with certification due to the state no later than December 1, 2017. She also noted that this program provides financial assistance to students whose parents did not complete a baccalaureate degree and that these students must be enrolled as a NWFSC undergraduate, degree-seeking student, with a minimum of six credit hours. The Foundation will promote this match opportunity to donors, but emphasizes that these are "in and out" funds that are not available for endowment purposes.


Other Business:

Ms. Kedroski noted that the Foundation would be looking to utilize the Finance Committee to overlook the Investment Services RFP in the next year.

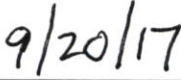
Foundation Chair Remarks:

No Report

Adjournment: There being no further business, the meeting adjourned at 8:34 a.m.




Jeff McInnis, Treasurer



Date



Cristie Kedroski, Secretary



Date