

**FLORIDA STATE UNIVERSITY ATHLETICS ASSOCIATION
MEETING MINUTES**

**March 20, 2020
10:00 AM**

FLORIDA STATE UNIVERSITY
201 Westcott Building
Tallahassee, FL

Members Present: President John Thrasher

Members Calling In: Ed Burr, Dr. James Clark, Bob Davis, Dr. Pam Perrewé

I. CALL TO ORDER AND WELCOME

President John Thrasher, Chair

Chair Thrasher welcomed everyone and called the meeting to order at 10:00 am. Vicki Cupp conducted the roll call and confirmed a quorum.

II. APPROVAL OF MINUTES

The February 11, 2020 meeting minutes were approved as presented.

III. PUBLIC COMMENTS

No public comments were provided.

IV. ACTION ITEMS

Andy Miller, President & CEO of Seminole Boosters

Mr. Miller presented an action item seeking approval for the refinancing of College Town Phase I and College Town Phase II. Reflecting a presentation made to the FSUAA Board on February 11 by Vice President of Finance and Administration Kyle Clark, the Seminole Boosters are seeking to finance \$45M for College Town Phase I and College Town Phase II.

College Town Phase I – Refinancing of the \$15M interest-only Hancock loan, which will give the Boosters 100% ownership.

College Town Phase II – Pay off developer’s loan of \$22.8M; buy out developer’s \$1.8M option, which expires on May 1, 2020; buy out \$4.9M of outside investors’ option expiring on December 31, 2020, which includes a 5% discount on the purchase price. The Boosters are working with several investors with an expectation of receiving the remaining \$2.1M as a donation.

College Town Phases I, II and III are near 100% occupancy. All commercial properties are fully leased, and are pre-leased for fall at 98.52% for Phase I, 98.48% for Phase II, and 98.38% for Phase III.

SBI employees have answered all of the questions from the Board of Governor’s staff. They’ve had questions from various board members including Chairman Huizenga, and Mr. Miller believes they will make a recommendation to approve refinancing of the project. Mr. Miller then asked the FSUAA Board to give approval for the refinancing. Not knowing what the future holds, SBI does have options to be able to sell off parts of the project if needed in order to put more cash into the athletics program.

Knowing that restaurants and retail establishments will very likely be challenged to capitalize during the tough economic times looming with the pandemic, Board of Trustees Chair Ed Burr requested a sensitivity analysis on restaurant and retail lease revenue and debt-service calculations. J.P. Sinclair will prepare this analysis for the Board of Trustees members to review prior to their meeting.

Chair Thrasher asked if there were any additional questions or comments. Being none, Director Davis moved to approve the refinancing of College Town Phase I. Director Perrewé seconded the motion and it was approved unanimously.

Director Davis moved to approve College Town Phase II refinancing. The motion was seconded by Director Clark and it was approved unanimously by the Board.

Having been adopted, these action items will now be referred to the Board of Trustees for consideration at their meeting on Monday, March 23, at 11:00am.

V. ATHLETICS REPORT

David Coburn, Director of Athletics

Mr. Coburn reported that since the COVID-19 situation began, he has had a number of conference calls with the Atlantic Coast Conference staff and athletic directors. President Thrasher has participated in several calls with the university presidents.

From a budget perspective, Mr. Coburn believes that we are looking at a loss of revenue between \$3 million and \$5 million. Refunding baseball tickets alone will cost \$400,000. There will be considerable savings in expenses as well, although they cannot be projected yet. Overall, we anticipate a loss for the current fiscal year ending June 30.

Athletics has frozen open positions and is reducing every expenditure possible for the rest of the fiscal year. Any significant expenditure must be approved on a case-by-case basis by the Athletics Director.

The campus is now almost shut down. Campus Recreation has been closed. Therefore, athletics is close to making decisions about the weight rooms, track and aquatics center. These are areas where some elite (Olympic) athletes have been permitted to train.

The Athletics Academic Support Unit is working entirely online from home, and they're going to keep the computer lab open for now with skeleton staffing. Decisions will soon be made as to which essential personnel need to continue to work on campus. One of these areas will be facilities staff, specifically those focused on turf management, so that our competition fields continue to be maintained properly.

The question of the extra year of eligibility is still up in the air. While it has not been decided, there are hints from the NCAA that an extra year of eligibility will be granted for spring athletes. This will most likely not be granted to those student-athletes participating in winter sports, since their seasons were almost completed.

The other big, pending issue is football, and whether they will be allowed in early or mid-summer to make up those practice dates that they have lost. It is still undecided at this time and is the subject of considerable debate.

VI. OPEN FORUM FOR BOARD MEMBERS

Andy Miller reviewed the possibility of transitioning to digital ticketing, a trend for the future and a practice which is now becoming commonplace across the nation. The timing to implement this in athletics now would be ideal. It is much more efficient and it will allow us to push back our priority deadline for purchasing football tickets from April 1 to May 1. It will also save the cost of printing tickets which is approximately \$110,000.

There is an expectation that our less tech-savvy customers may not be happy with this change. It will be beneficial for everyone to be aware of the potential pushback and to be on the same page to help with the transition. Some ticket stock will be available to create hard tickets if absolutely necessary.

Mr. Miller stated that our food and beverage deal with Sodexo has reached the two-year opt-out period of a ten-year contract. Sodexo came back with a renegotiation of their current contract and, after several meetings, the offer is still problematic and will result in a significant loss of revenue. Alternatives will need to be explored, including a discussion with Global Spectrum who operates at The Tucker Center.

Updates were also given by Mr. Miller on the following:

- Champions Hall sale and Cross Creek property;
- Goals and efforts of Boosters and sales staff working remotely
- Boosters open positions frozen and employees being evaluated
- University Center Club - 120 employees laid off; thousands of layoffs nationally from Club Corp

Boosters Chair Davis encouraged each FSUAA board member to reach out to donors in their geographic area(s) to reassure them that we will get through this pandemic together. He also stated that another conference call with the Boosters CEO search firm will be held with the selection committee next week.

President Thrasher provided university updates that included:

- Closing international programs and bringing students home;
- Transitioning all summer sessions online;
- Hiring freezes with the exception of faculty members;
- Staff travel restrictions;
- Exploring virtual options for spring graduations;
- Encouraging staff to work remotely wherever possible;
- Status of students still in dorms and efforts to have leave town safely.

VII. ADJOURNMENT

With no further business, Chair Thrasher adjourned the meeting at 10:42 am.