



Item: A-3

Wednesday, July 21, 2010

SUBJECT: APPROVAL OF THE FAU FINANCE CORPORATION'S 2010-11 ANNUAL BUDGET.

PROPOSED BOARD ACTION

Review and provide approval of the 2010-11 FAU Finance Corporation's (FAUFC) Operating Budget with the authority to amend this budget as appropriate during the fiscal year consistent with Legislative, Board of Governors' and Board of Trustees' directives and guidelines.

BACKGROUND INFORMATION

The FAU Finance Corporation By-laws, adopted November 13, 2009, require the preparation of an annual budget. The budget must be prepared before the beginning of the University's fiscal year, approved by the Directors and recommended by the University President to the Board of Trustees each year no later than sixty (60) days following the beginning of the Corporation's fiscal year. The Board of Trustees must approve the Corporation's budget before it can be enacted.

During the June 29, 2010 FAUFC Board meeting this budget was approved for the fiscal year. On July 14, 2010, the President Saunders approved this budget.

IMPLEMENTATION PLAN/DATE

Upon approval of the Board of Trustees.

FISCAL IMPLICATIONS

Supporting Documentation: Proposed 2010-11 FAUFC Operating Budget.

Presented by: Dennis Crudele, Interim Senior VP-Financial Affairs

Phone: 561-297-3266

Florida Atlantic University Finance Corporation
BALANCE SHEET
For Fiscal Year Ending June 30, 2011

Assets

| | | |
|-------|-------------------------------------|-----------------------|
| 11400 | Claim on Cash | - |
| 14301 | Deposit with Trustee - BABS 2010A | - |
| 14302 | Deposit with Trustee - 2010A Const | - |
| 14303 | Dep. with Trustee - Debt Service FD | 9,380,494.16 |
| 14304 | Dep. with Trustee - Reserve Fund | 10,957,569.40 |
| 14305 | Dep. with Trustee- Cost of Issuance | 38,059.23 |
| 19500 | Prepaid Operating Lease - Ground | 11,466,666.68 |
| 19550 | Prepaid Insurance | 82,940.78 |
| 25150 | Deferred Charges-Bond Issuance Cost | 1,419,564.65 |
| 27800 | Construction in process | 92,625,815.54 |
| | Total Assets | 125,971,110.44 |

Liabilities

| | | |
|-------|------------------------------------|-----------------------|
| 31100 | Accounts Payable | - |
| 35700 | Due To Component Unit/Primary Govt | 1,911.25 |
| 46150 | Bonds Payable - 2010A | 120,930,000.00 |
| 46151 | Bonds Payable - 2010B | 3,365,000.00 |
| 46350 | Unamortized Premium | 720,300.88 |
| | Total Liabilities | 125,017,212.13 |

Net Assets

| | |
|-------------------------|-------------------|
| FY10 Net Income | 354,898.31 |
| FY11 Net Income | 599,000.00 |
| Total Net Assets | 953,898.31 |

Total Liabilities and Net Assets **125,971,110.44**

Florida Atlantic University Finance Corporation
INCOME STATEMENT
For Fiscal Year Ending June 30, 2011

Revenues

| | | |
|--------|-----------------------|---------------------|
| 005030 | Invest-Income DSO | 1,000,000.00 |
| | Total Revenues | 1,000,000.00 |

Expenses

| | | |
|--------|-----------------------------|-------------------|
| 134010 | Construction Contracts | - |
| 419050 | Insurance-Construction | - |
| 499000 | Other Current Charges-Other | 1,000.00 |
| 499500 | Lease amortization | 400,000.00 |
| | Total Expnses | 401,000.00 |

Net Income **599,000.00**