

FAU FINANCE CORPORATION

BOARD OF DIRECTORS

AGENDA

Thursday, May 21, 2020 10:00am

Conference Call

Dial-in: 888-585-9008 / Passcode: 581019807#

1. Roll Call and Approval of the Draft Minutes of the April 9, 2020 Meeting
of the FAUFC Board of DirectorsMr. Barbar

2. Request for Approval of the Updated 2020-21 Housing and Administrative
Operating Budget.....Mr. Kite

FAU FINANCE CORPORATION

Item: 1

BOARD OF DIRECTORS

Thursday, May 21, 2020 10:00am

SUBJECT: ROLL CALL AND APPROVAL OF THE DRAFT MINUTES OF THE APRIL 9, 2020 MEETING OF THE FAU FINANCE CORPORATION BOARD OF DIRECTORS.

PROPOSED BOARD ACTION

Initiate roll call to document member participation to ensure that appropriate quorum numbers are achieved and to approve the minutes of the April 9, 2020 FAU Finance Corporation board of Directors meeting.

BOARD MEMBERS

Mr. Anthony Barbar, Chair _____

Mr. Robert K. Rollins, Jr., Vice Chair _____

Mr. Michael Woody _____

Mr. Thomas Workman _____

FAU FINANCE CORPORATION

BOARD OF DIRECTORS

DRAFT MINUTES

Thursday, April 9, 2020

1. ROLL CALL AND APPROVAL OF THE DRAFT MINUTES OF THE OCTOBER 14, 2019 FAU FINANCE CORPORATION (FAUFC) BOARD OF DIRECTORS (BOD) MEETING.

The meeting of the FAUFC BOD was convened via conference call at 2:00p.m. by Mr. Anthony Barbar, Chair. Roll call commenced, confirming quorum, with the following members of the FAUFC BOD in addition to Mr. Barbar, participating: Mr. Thomas Workman, Mr. Robert Rollins, Mr. Michael Woody.

The following officers were in attendance: Mr. Art Kite, Executive Director

The following guests were in attendance: Ms. Stacey Bell, Associate Vice President for Finance, Planning and Analysis; Ms. Jessica Cohen, Assistant Vice President and University Controller; Dr. Larry Faerman, Acting Vice President Student Affairs & Enrollment Management; Mr. David Kian, Vice President Legal Affairs & General Counsel; Ms. Elizabeth Rubin, Associate General Counsel; Ms. Wendi Applebaum, Associate General Counsel; Ms. Priscilla Moxey, Associate Director, Accounting and Finance; Ms. Jessica Camacho, Administrative Assistant.

A motion was made and seconded to approve the minutes of the October 14, 2019 meeting without change or correction. **The motion passed unanimously.**

2. REQUEST FOR APPROVAL OF THE TRANSFER OF ALL CASH FROM STADIUM REFI FROM RELEASE OF RESTRICTED SUBACCOUNT TO THE UNIVERSITY FROM THE FAUFC.

Mr. Kite recommended approval of the proposed transfer of funds. When the FAUFC refinanced the stadium debt on 8/30/2017 Regions Bank released funds of \$3,497,100 from a restricted subaccount that supported this debt. The current balance as of 3/31/2020 is \$3,502,812.75. Originally, these funds came from a FAU Auxiliary account and the board agreed the funds should go back to that account.

With no further discussion a motion was made and seconded to approve the transfer of all cash in this account. **The motion passed unanimously.**

3. UPDATE ON HOUSING PROJECTIONS FOR FY20.

Mr. Kite provided an update on housing financial data due to COVID-19 and reviewed best and worst-case scenarios in regard to how many students can stay on campus during the summer and what the refunding impact might be. Last week the BOT provided approval to use carryforward to cover refunding. There are currently 633 contracts for students planning to be on campus for summer 2020. If there is no summer housing, expenses will be reduced by \$1.4M. There is a surplus currently of \$10.8M which is a healthy balance for repairs/replacements. Housing operations are not impacted.

4. ADJOURNMENT OF MEETING. A motion was made and seconded to adjourn the meeting. The meeting was adjourned at 2:17p.m.

FAU FINANCE CORPORATION

Item: 2

BOARD OF DIRECTORS

Thursday, May 21, 2020 10:00am

SUBJECT: REQUEST FOR APPROVAL OF THE UPDATED 2020-21 HOUSING AND ADMINISTRATIVE OPERATING BUDGET.

PROPOSED BOARD ACTION

Review and recommend approval of the updated proposed Housing and Administrative budget for 2020-21.

BACKGROUND INFORMATION

Budget updated due to COVID-19.

Supporting Documentation: Budget Presentation

Presented by: Mr. Art Kite, Deputy CFO



**Division of Financial Affairs/ Division of Student Affairs
Department of Housing and Residential Education**

**FAUFC Meeting
Housing Occupancy/Facilities
Updates
May 21, 2020**



Slide 1. Occupancy Evaluation

Slide 2. Housing Financial Performance

Slide 3. Capital/R&R Maintenance

Slide 4. Stadium Operations Budget

Slide 5. FAUFC Operating Budget



Occupancy Evaluation

	ACTUALS					BUDGET
	FY16	FY17	FY18	FY19	FY20	FY21
Total Revenue Available Beds	4,165	4,165	4,165	4,165	4,071	4,071
Beds Filled 4 th Week of Classes	3,988	4,117	4,182	4,361	4,193	4,071
% Occupancy	95.8%	98.8%	100.4%	104.7%	103.0%	100.0%



Housing Financial Performance

	ACTUAL FY19	PROJECTED FY20	BUDGET FY21
Operating Revenues			
Resident Housing Fees	37,720,997	33,573,195	36,177,178
Student Repair Fees	92,939	91,000	91,000
Application Fees	335,701	333,500	360,000
Conference/Guest Housing Fees/Orientation	<u>241,302</u>		<u>315,000</u>
Total Operating Revenues	38,390,939	33,997,695	36,943,178
Total Operating Expenses	11,843,117	11,458,217	12,410,510
Total Non-Operating Expenses (R&R and Overhead)	<u>3,849,100</u>	<u>3,139,945</u>	<u>1,889,349</u>
Total Expenses	15,692,217	14,598,162	14,299,859
Total Debt Service	<u>14,785,558</u>	<u>15,612,175</u>	<u>15,726,679</u>
Net Revenues Over Expenses	<u>7,913,164</u>	<u>3,787,358</u>	<u>6,916,640</u>
Budgeted Occupancy	96%	100%	99.6%
Occupancy Rate as Reported 4 Week of Classes	105%	103%	N/A

**FY21 Capital/R&R Maintenance - \$2,356,500**

Project	Amount	Timing
IRT Roof	\$750K 50%	Scheduled: Summer 2021
HPT Roof	\$975K 75%	Scheduled: Summer 2020
IRT Access Points & Switches	\$375K	Scheduled: Summer 2021
Fan Coil Replacement	\$256K	Scheduled: Summer 2021



Florida Atlantic University Stadium Operations Operating Budget FY2021

	FY21
Operating/Pledged Revenues	
Ticket Sales/Premium/Priority Seating/Other Event Tickets	2,185,000
Game Guarantees	1,200,000
Student Fees (5% of Prior Year)	707,101
Corporate Sales	544,350
Catering/Concessions/Novelties	118,750
Facilities/Parking	1,119,500
Capital Gifts	50,000
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Total Operating/Pledged Revenues	5,924,701
Operating Expenses:	
Utilities/Maintenance/Facility Rental	282,900
Replacement/Repairs Fund	400,000
Rental Expenses	275,000
Game Day Expenses	1,062,272
Equipment/Supplies/Memberships	10,500
Debt Service	2,359,530
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Total Operating Expenses	4,390,202
Total Revenues in Excess of Expenses	1,534,499
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	26%



Florida Atlantic University Finance Corporation Operating Budget FY2021

	Housing	Administrative	Stadium	Total
Operating Revenue				
Pledged Revenue (100% Occupancy)	36,943,178	0	2,359,530	39,302,708
Operating Expenses				
Lease Expense	-	400,000	-	400,000
Housing Operating Expenses	12,410,510	-	-	12,410,510
Other Operating Expenses	1,889,349	1,484,931	-	3,374,280
Total Operating Expenses	14,299,859	1,884,931		16,184,790
Net Operating Income	22,643,319	-1,884,931	2,359,530	23,117,918
Non-Operating Revenues (Expenses)				
Investment Income		794,365	-	794,365
Depreciation	-6,000,000	-	-	-6,000,000
Bond Expenses	-7,966,679	-	-2,359,530	-10,326,209
Total Non-Operating Income (Expense)	-13,966,679	794,365	-2,359,530	-15,531,844
Transfer to Fund Scholarships (UMI)	0	-350,000	-	-350,000
Net Income (Financial Statement- Accrual)	8,676,640	-1,440,566	0	7,236,074