

FAU FINANCE CORPORATION

BOARD OF DIRECTORS

APPROVED MINUTES

Monday, October 14, 2019

1. ROLL CALL AND APPROVAL OF THE DRAFT MINUTES OF THE APRIL 18, 2019 FAU FINANCE CORPORATION (FAUFC) BOARD OF DIRECTORS (BOD) MEETING.

The meeting of the FAUFC BOD was convened at 1:00p.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 and Mr. Michael Woody (via phone).

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. Jeff Atwater, Vice President of Strategic Initiatives and CFO; Ms. Elizabeth Rubin, Associate General Counsel; Ms. Priscilla Moxey, Associate Director, Accounting and Finance; Mr. Keven Allen, Director First Generation Student Success; Ms. Catherine Kellman, Director Housing Residential Education; Mr. Craig Dunlap, Dunlap and Associates (via phone), Mr. Steve Brest, COCM; Ms. Jessica Camacho, Administrative Assistant.

The following guests were in attendance only for Item 2: Mr. Israel Gomez, C.P.A. Partner with Keefe McCullough and Mr. Marc Grace, C.P.A. Manager with Keefe McCullough.

A motion was made and seconded to approve the minutes of the April 18, 2019 meeting without change or correction. **The motion passed unanimously.**

2. REVIEW OF THE AUDITED FAU FINANCE CORPORATION FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2019.

Mr. Gomez presented the Financial Statements, provided highlights and stated it was a clean opinion with no modifications. No issues or compliance requirements related to debt, no deficiencies or material weaknesses on internal controls and no unusual transactions or audit adjustments.

3. REQUEST FOR APPROVAL OF THE 2020-2021 HOUSING BUDGET AND RENTAL RATES.

Mr. Kite stated that there are no rate increases for 2020-21. The occupancy evaluation shows 102% actual occupancy. In the FY21 proposed budget, Art explained there is a small drop in revenue due to the demolition of Algonquin, which will increase again in 2022 with the new dorm project. The proposed housing program includes a hotel lease for 15 rooms. Capital projects for FY21 include roofs, elevator replacement and other maintenance items in which the R&R balance has sufficient coverage.

A motion was made and seconded to approve the 2020-21 Housing Budget and Rental Rates. **The motion passed unanimously.**

4. **HOUSING REPORT AS OF SEPTEMBER 30, 2019.**

Mr. Kite provided an update on housing comparing budget to actuals and year over year change.

5. **A RESOLUTION AUTHORIZING THE FINANCING OF NEW STUDENT HOUSING FACILITIES AND AUTHORIZING THE ADVANCE REFUNDING OF CERTAIN OUTSTANDING CAPITAL IMPROVEMENT REVENUE BONDS.**

Mr. Kite informed the board that this item is to approve a resolution to approve the financing of housing facilities on the Boca Raton and Jupiter campuses of FAU and authorizing the advance refunding of certain capital improvement revenue bonds pertaining to the financing of Parliament Hall in total not to exceed an aggregate principal amount of \$123,500,000. The new housing project was approved by the Board of Governors and this is the approval for financing. The refunding of Series 2012A will achieve an estimated net present value savings of \$3.3M. Art also advised of the A+ Fitch rating and A1 Moody's rating.

A motion was made and seconded to approve the new housing debt. **The motion passed unanimously.**

A motion was made and seconded to approve the refunding with a savings of \$3.3M. **The motion passed unanimously.**

6. **DISCUSSION OF OTHER ITEMS.**

Development Agreement – Ms. Rubin will provide an answer to the board regarding project specific limits of liability and builders risk.

7. **ADJOURNMENT OF MEETING.** With no other issues to discuss, a motion was made and seconded to adjourn the meeting. The meeting was adjourned at 1:35p.m.