



Item: A-1

Tuesday, November 14, 2017

SUBJECT: APPROVAL OF THE 2018-19 PROJECTED HOUSING BUDGET AND PROPOSED RENTAL RATES.

PROPOSED BOARD ACTION

Approval of the proposed housing rental rates and budget for the next fiscal year.

BACKGROUND INFORMATION

The Department of Housing and Residential Life is not proposing rate increases for the 2018-19 fiscal year. FAU Housing operates as an auxiliary operation and must maintain a positive cash flow and meet minimum debt service coverage ratio as required under bond covenants.

IMPLEMENTATION PLAN/DATE

Fall 2018.

FISCAL IMPLICATIONS

Not Applicable.

Supporting Documentation: PowerPoint Presentation on Housing FY18-19 Budget Summary

Presented by: Dr. Corey King, Vice President for Student Affairs

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**Florida Atlantic University Finance Corporation
Housing FY 18-19 Budget
SUMMARY**

Operating Revenues:

Resident Housing Fees	35,563,292
Student Repair Fees	110,000
Application Fees	300,000
Conference/Guest Housing Fees	370,000
Interest Income	200,000

Total Operating Revenues **36,543,292**

Total Expenses **16,606,625**

Total Debt Service **16,720,400**

Net Revenue over Expense **3,216,267**

November 2017

**Division of Student Affairs
Department of Housing and Residential Life**

**FAUFC Meeting
Housing Updates/
FY19 Budget Proposal**

Occupancy Evaluation

	Actual FY14	Actual FY15	Actual FY16	Actual FY17	Actual FY18	Budgeted FY19
Total Revenue (available beds)	4,102	4,055	4,165	4,165	4,165	4,165
4 th week of classes	3,617	3,512	3,988	4,117	4182	3,998
% Occupancy	88.2%	86.6%	95.9%	98.8%	100.4%	96.0%

FY19 Proposed Rates

Florida Atlantic University Finance Corporation

On-Campus Rates - Per Semester - NO Proposed Rate Increase for FY19

	Historical Rates						FY14	FY15	FY16	FY17	Current	Budgeted	% Change
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13					FY18	FY19	FY18 vs. FY19
Algonquin Hall													
Single	2,260	2,260	2,373	2,519	2,684	2,825	2,966	3,000	3,300	3,300	3,300	3,300	0.0%
Double									3,050	3,050	3,050	3,050	0.0%
Indian River Towers													
Double	2,882	2,882	2,995	3,085	3,147	3,237	3,237	3,300	3,365	3,365	3,365	3,365	0.0%
Single	3,418	3,418	3,616	3,836	4,068	4,271	4,407	4,500	4,600	4,600	4,600	4,600	0.0%
University Village Apartments													
4-Bedroom (Single)	3,108	3,108	3,249	3,447	3,661	3,842	4,045	4,100	4,200	4,200	4,200	4,200	0.0%
4-Bedroom (Single, 12 months)									4,330	4,330	4,330	4,330	0.0%
Double (Studio)	2,712	2,712	2,769	2,853	2,910	2,995	3,085	3,100	3,100	3,100	3,100	3,100	0.0%
1-Bedroom (Single, Efficiency)	-	-	-	-	-	-	4,500	4,500	4,600	4,600	4,600	4,600	0.0%
Studio (12 months)									5,100	5,100	5,100	5,100	0.0%
Heritage Park Towers													
Double (Suite A)	2,656	2,656	2,712	2,797	2,853	2,938	2,938	3,000	3,050	3,050	3,050	3,050	0.0%
Double (Suite C)	2,938	2,938	3,051	3,237	3,435	3,537	3,537	3,600	3,650	3,650	3,650	3,650	0.0%
Single (Suite B)	3,164	3,164	3,305	3,503	3,712	3,899	4,012	4,100	4,160	4,160	4,160	4,160	0.0%
Glades Park Towers													
Double (Suite A)	2,656	2,656	2,712	2,797	2,853	2,938	2,938	3,000	3,050	3,050	3,050	3,050	0.0%
Double (Suite C)	2,938	2,938	3,051	3,237	3,435	3,537	3,537	3,600	3,650	3,650	3,650	3,650	0.0%
Single (Suite B)	3,164	3,164	3,305	3,503	3,712	3,899	4,012	4,100	4,160	4,160	4,160	4,160	0.0%
Innovation Village Apartments North													
4-Bedroom (Single)	-	-	-	-	4,599	4,859	5,006	5,100	5,180	5,180	5,180	5,180	0.0%
2-Bedroom (Single)	-	-	-	-	4,803	5,057	5,311	5,400	5,480	5,480	5,480	5,480	0.0%
1-Bedroom (Single)	-	-	-	-	-	-	5,537	5,600	5,680	5,680	5,680	5,680	0.0%
Innovation Village Apartments South													
4-Bedroom (Single)	-	-	-	-	4,475	4,690	4,690	4,800	5,180	5,180	5,180	5,180	0.0%
1-Bedroom (Single)	-	-	-	-	5,085	5,424	5,537	5,600	5,680	5,680	5,680	5,680	0.0%
Parliament Hall													
Double	-	-	-	-	-	-	3,237	3,300	3,365	3,365	3,365	3,365	0.0%
Single	-	-	-	-	-	-	4,407	4,500	4,600	4,600	4,600	4,600	0.0%
Jupiter													
4-Bedroom Suite	-	-	-	-	-	-	3,237	3,300	4,370	4,370	4,370	4,370	0.0%

Revenue & Expense Analysis

FAU Finance Corporation					
Housing FY2017-18 Budget Summary	Actual FY15	Actual FY16	Actual FY17	Budget FY18	Proposed FY19
OPERATING REVENUES:					
Resident Housing Fees	30,026,721	34,591,281	36,053,816	35,047,755	35,563,292
Student Repair Fees	85,865	85,361	101,005	110,000	110,000
Application Fees	-	316,500	291,400	316,500	300,000
Conference/Guest Housing Fees/Orientation	720,315	427,413	340,280	373,320	370,000
Interest Income	52,287	186,660	200,736	50,000	200,000
TOTAL OPERATING REVENUES	30,885,188	35,607,215	36,987,237	35,897,575	36,543,292
TOTAL OPERATING EXPENSES	10,746,562	11,516,646	12,016,750	13,113,954	12,643,749
TOTAL NON-OPERATING EXPENSES	913,415	1,610,881	1,561,063	1,924,923	3,962,875
TOTAL EXPENSES	11,659,977	13,127,527	13,577,813	15,038,877	16,606,625
TOTAL DEBT SERVICE	17,068,930	17,090,381	16,909,447	17,117,843	16,720,400
NET REVENUES OVER EXPENSES	2,156,281	5,389,307	6,499,977	3,740,855	3,216,267
Budgeted Occupancy	87%	91%	93%	94%	96%
Occupancy Rate Reported Census	87%	96%	99%	100%	
Budgeted Debt Service Coverage Ratio	1.89	2.27	2.37	2.31	2.60
Continuing Disclosure Debt Service Ratio	2.29	3.03	3.17		

FY19 Housing Maintenance - \$3.1M

	ALG	HPT	GPT	IRT	UVA	IVA-N	IVA-S	PAR	Admin
Exterior Windows							X		
Lighting Fixtures	X	X	X	X	X				
Roofing/Restorations		X	X	X					
Plumbing Fixtures									
Furniture/Bed Frames/Mattresses		X	X	X	X	X	X	X	
Walkways/Paintings									
LVT Flooring/Carpet					X		X	X	
Appliances						X	X		

Proposed Re-Roofing Project- \$2.3M