



Item: BF: A-1

**BUDGET AND FINANCE COMMITTEE**

**Tuesday, November 14, 2017**

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

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**PROPOSED COMMITTEE ACTION**

Review and recommend to the Board of Trustees 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.

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

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

**Phone:** 561-297-3988

**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 <sup>th</sup> 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
<b>Algonquin Hall</b>													
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%
<b>Indian River Towers</b>													
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%
<b>University Village Apartments</b>													
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%
<b>Heritage Park Towers</b>													
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%
<b>Glades Park Towers</b>													
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%
<b>Innovation Village Apartments North</b>													
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%
<b>Innovation Village Apartments South</b>													
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%
<b>Parliament Hall</b>													
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%
<b>Jupiter</b>													
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
<b>OPERATING REVENUES:</b>					
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
<b>TOTAL OPERATING REVENUES</b>	<b>30,885,188</b>	<b>35,607,215</b>	<b>36,987,237</b>	<b>35,897,575</b>	<b>36,543,292</b>
<b>TOTAL OPERATING EXPENSES</b>	10,746,562	11,516,646	12,016,750	13,113,954	12,643,749
<b>TOTAL NON-OPERATING EXPENSES</b>	913,415	1,610,881	1,561,063	1,924,923	3,962,875
<b>TOTAL EXPENSES</b>	<b>11,659,977</b>	<b>13,127,527</b>	<b>13,577,813</b>	<b>15,038,877</b>	<b>16,606,625</b>
<b>TOTAL DEBT SERVICE</b>	17,068,930	17,090,381	16,909,447	17,117,843	16,720,400
<b>NET REVENUES OVER EXPENSES</b>	<b>2,156,281</b>	<b>5,389,307</b>	<b>6,499,977</b>	<b>3,740,855</b>	<b>3,216,267</b>
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