



Item: AF: A-1

Wednesday, November 16, 2016

SUBJECT: APPROVAL OF THE 2017-18 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 2017-18 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 2017.

FISCAL IMPLICATIONS

Not Applicable.

Supporting Documentation: PowerPoint Presentation on Housing FY 17-18 Budget Summary

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

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**FAU Finance Corporation
Housing FY2017-18 Budget
SUMMARY**

	Total FY18
OPERATING REVENUES:	
Resident Housing Fees	35,047,755
Student Repair Fees	110,000
Application Fees	316,500
Conference/Guest Housing Fees	373,320
Interest Income	50,000
TOTAL OPERATING REVENUES	35,897,575
TOTAL EXPENSES	15,038,877
TOTAL DEBT SERVICE	17,117,843
NET REVENUE OVER EXPENSE	3,740,854

October 2016



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

**FAUFC Meeting
Housing Updates/
Budget Proposal**

Making Waves



Occupancy Evaluation

	Actual FY14	Actual FY15	Actual FY16	Actual FY17	Budget FY18
Total Revenue (available beds)	4,102	4,055	4,165	4,165	4,165
4 th week of classes	3,617	3,512	3,988	4,117	3,915
% Occupancy	88.2%	86.6%	95.9%	98.8%	94.0%

FY18 Proposed Rates

No Proposed Rate Increases for FY18

Florida Atlantic University Finance Corporation						
On-Campus Rates - Per Semester - Housing FY 17-18 Budget						
	Historical Rates			Current	Proposed	% Change
	FY14	FY15	FY16	FY17	FY18	FY17 vs. FY18
Algonquin Hall						
Single	2,966	3,000	3,300	3,300	3,300	0.0%
Double				3,050	3,050	0.0%
Indian River Towers						
Double	3,237	3,300	3,365	3,365	3,365	0.0%
Single	4,407	4,500	4,600	4,600	4,600	0.0%
University Village Apartments						
4-Bedroom (Single)	4,045	4,100	4,200	4,200	4,200	0.0%
4-Bedroom (Single, 12 months)			4,330	4,330	4,330	0.0%
Double (Studio)	3,085	3,100	3,100	3,050	3,050	0.0%
1-Bedroom (Single, Efficiency)	4,500	4,500	4,600	4,600	4,600	0.0%
Studio (12 months)			5,100	5,100	5,100	0.0%
Heritage Park Towers						
Double (Suite A)	2,938	3,000	3,050	3,050	3,050	0.0%
Double (Suite C)	3,537	3,600	3,650	3,650	3,650	0.0%
Single (Suite B)	4,012	4,100	4,160	4,160	4,160	0.0%
Glades Park Towers						
Double (Suite A)	2,938	3,000	3,050	3,050	3,050	0.0%
Double (Suite C)	3,537	3,600	3,650	3,650	3,650	0.0%
Single (Suite B)	4,012	4,100	4,160	4,160	4,160	0.0%
Innovation Village Apartments North						
4-Bedroom (Single)	5,006	5,100	5,180	5,180	5,180	0.0%
2-Bedroom (Single)	5,311	5,400	5,480	5,480	5,480	0.0%
1-Bedroom (Single)	5,537	5,600	5,680	5,680	5,680	0.0%
Innovation Village Apartments South						
4-Bedroom (Single)	4,690	4,800	5,180	5,180	5,180	0.0%
1-Bedroom (Single)	5,537	5,600	5,680	5,680	5,680	0.0%
Parliament Hall						
Double	3,237	3,300	3,365	3,365	3,365	0.0%
Single	4,407	4,500	4,600	4,600	4,600	0.0%
Jupiter						
4-Bedroom Suite	3,237	3,300	4,300	4,300	4,300	0.0%

Making Waves

Revenue & Expense Analysis

FAU Finance Corporation					
Housing FY2017-18 Budget Summary					
	Actual FY15	Actual FY16	Budgeted FY17	Proposed FY18	
OPERATING REVENUES:					
Resident Housing Fees	30,026,721	34,591,281	34,450,894	35,047,755	
Student Repair Fees	85,865	85,361	103,000	110,000	
Application Fees	-	316,500	275,000	316,500	
Conference/Guest Housing Fees/Orientation	720,315	427,413	418,450	373,320	
Interest Income	52,287	186,660	78,000	50,000	
TOTAL OPERATING REVENUES	30,885,188	35,607,215	35,325,343	35,897,575	
TOTAL OPERATING EXPENSES	10,746,562	11,516,646	12,589,342	13,113,954	
TOTAL NON-OPERATING EXPENSES	913,415	1,610,881	1,597,024	1,924,923	
TOTAL EXPENSES	11,659,977	13,127,527	14,186,365	15,038,877	
TOTAL DEBT SERVICE	17,068,930	17,090,381	17,112,976	17,117,843	
NET REVENUES OVER EXPENSES	2,156,281	5,389,307	4,026,001	3,740,854	
	Budgeted Occupancy	87%	91%	93%	94%
	Occupancy Rate as reported 4th Week of Classes	87%	96%	99%	-
	Budgeted Debt Service Coverage Ratio	1.89	2.27	2.37	2.69
	Continuing Disclosure Debt Service Coverage Ratio	2.29	3.03	-	-

Making Waves

FY18 Housing Maintenance- \$2.3 Million

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

Proposed HVAC project **\$5.2M**