



Item: BF: A-2

BUDGET AND FINANCE COMMITTEE

Tuesday, November 13, 2018

SUBJECT: REVIEW AND APPROVAL OF THE 2019-20 PROJECTED HOUSING BUDGET AND PROPOSED RENTAL RATES.

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 2019-20 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 2019.

FISCAL IMPLICATIONS

N/A.

Supporting Documentation: PowerPoint Presentation on Housing FY19-20 Budget Summary

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

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**FAU Finance Corporation
Housing FY19-20 Budget
SUMMARY**

OPERATING REVENUES:

Resident Housing Fees	36,491,028
Student Repair Fees	66,672
Application Charges	360,000
Conference/Guest Housing Fees	505,129
Interest Income	54,231

TOTAL OPERATING REVENUES 37,477,060

TOTAL EXPENSES 19,534,930

TOTAL DEBT SERVICE 15,612,175

Net Revenue over Expense 2,329,956

October, 2018

Division of Student Affairs and Enrollment Management
Department of Housing and Residential Education

FAUFC Meeting
Housing Updates/Budget Proposal



Occupancy Evaluation

	Actual FY14	Actual FY15	Actual FY16	Actual FY17	Actual FY18	Actual FY19	Budgeted FY20
Total Revenue (available beds)	4,102	4,055	4,165	4,165	4,165	4,165	4,165
4 th week of classes	3,617	3,512	3,988	4,117	4,182	4,361	4,165
% Occupancy	88.2%	86.6%	95.9%	98.8%	100.4%	104.7%	100.0%

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FY20 Proposed Rates

No Proposed Rate Increases for FY20

Florida Atlantic University Finance Corporation																		
On-Campus Rates - Per Semester - NO Proposed Rate Increase for FY20																		
	2007-08	2008-09	2009-10	Historical Rates		FY14	FY15	FY16	FY17	FY18	Current	Budgeted	% Change	Increase	Pro Forma	Pro Forma	Pro Forma	
				2010-11	2011-12						FY19	FY20	FY19 vs. FY20		FY21	FY22	FY23	
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	NA	0.0%	NA	-	4,800	4,884
Double									3,050	3,050	3,050	3,050	NA	0.0%	NA	-	4,300	4,375
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	3,365	0.0%	59	3,424	3,484	3,545
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	4,600	0.0%	81	4,681	4,762	4,846
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	4,200	0.0%	74	4,274	4,348	4,424
4-Bedroom (Single, 12 months)									4,330	4,330	4,330	4,330	4,330	0.0%	76	4,406	4,483	4,561
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	3,100	0.0%	54	3,154	3,209	3,266
1-Bedroom (Single)	-	-	-	-	-	-	4,500	4,500	4,600	4,600	4,600	4,600	4,600	0.0%	81	4,681	4,762	4,846
Studio (12 months)									5,100	5,100	5,100	5,100	5,100	0.0%	89	5,180	5,280	5,372
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	3,050	0.0%	53	3,103	3,158	3,213
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	3,650	0.0%	64	3,714	3,779	3,845
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	4,160	0.0%	73	4,233	4,307	4,382
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	3,050	0.0%	53	3,103	3,158	3,213
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	3,650	0.0%	64	3,714	3,779	3,845
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	4,160	0.0%	73	4,233	4,307	4,382
Innovation Village Apartments North																		
4-Bedroom (Single)	-	-	-	-	4,599	4,859	5,006	5,100	5,180	5,180	5,180	5,180	5,180	0.0%	91	5,271	5,363	5,457
2-Bedroom (Single)	-	-	-	-	4,803	5,057	5,311	5,400	5,480	5,480	5,480	5,480	5,480	0.0%	96	5,576	5,673	5,773
1-Bedroom (Single)	-	-	-	-	-	-	5,537	5,600	5,680	5,680	5,680	5,680	5,680	0.0%	99	5,779	5,881	5,983
Innovation Village Apartments South																		
4-Bedroom (Single)	-	-	-	-	4,475	4,690	4,690	4,800	5,180	5,180	5,180	5,180	5,180	0.0%	91	5,271	5,363	5,457
1-Bedroom (Single)	-	-	-	-	5,085	5,424	5,537	5,600	5,680	5,680	5,680	5,680	5,680	0.0%	99	5,779	5,881	5,983
Parliament Hall																		
Double	-	-	-	-	-	-	3,237	3,300	3,365	3,365	3,365	3,365	3,365	0.0%	59	3,424	3,484	3,545
Single	-	-	-	-	-	-	4,407	4,500	4,600	4,600	4,600	4,600	4,600	0.0%	81	4,681	4,762	4,846
Average Rate	2,658	2,658	2,761	2,901	3,465	3,622	4,049	4,116	4,206	4,206	4,206	4,206	4,206		74	4,280		
* Rate type eliminated.																		
Jupiter																		
4-Bedroom Suite	-	-	-	-	-	-	3,237	3,300	4,370	4,370	4,370	4,370	4,370	0.0%	76	4,446	4,524	4,603



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Revenue & Expense Analysis

FAU Finance Corporation						
Housing FY2019-20 Budget Summary						
	Actual	Actual	Actual	Actual	Budget	Proposed
	FY15	FY16	FY17	FY18	FY19	FY20
OPERATING REVENUES:						
Resident Housing Fees	30,026,721	34,591,281	36,053,816	36,579,297	35,563,292	36,491,028
Student Repair Fees	85,865	85,361	101,005	70,043	110,000	66,672
Application Fees	0	316,500	291,400	351,100	300,000	360,000
Conference/Guest Housing Fees/Orientation	720,315	427,413	340,280	400,452	370,000	505,129
Interest Income	52,287	186,660	200,736	54,230	200,000	54,231
TOTAL OPERATING REVENUES	30,885,188	35,607,215	36,987,237	37,455,122	36,543,292	37,477,060
TOTAL OPERATING EXPENSES	10,746,562	11,516,646	12,016,750	12,190,739	12,643,749	15,781,413
TOTAL NON-OPERATING EXPENSES	913,415	1,610,881	1,561,063	1,776,527	3,962,875	3,753,517
TOTAL EXPENSES	11,659,977	13,127,527	13,577,813	13,967,266	16,606,624	19,534,930
TOTAL DEBT SERVICE	17,068,930	17,090,381	16,909,447	17,117,843	16,720,400	15,612,175
NET REVENUES OVER EXPENSES	2,156,281	5,389,307	6,499,977	6,370,014	3,216,268	2,329,956
Budgeted Occupancy	87%	91%	93%	94%	96%	100%
Occupancy Rate as reported 4th Week of Classes	87%	96%	99%	100%		
DBF Budgeted Debt Service Coverage Ratio	1.30	1.49	1.29	1.27	1.37	1.49
DBF Continuing Disclosure Debt Service Coverage	1.26	1.48	1.62	1.93		



FY20 Housing Maintenance - \$3.3 Million

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

\$2.4M R&R/Maintenance Projects + \$900K Capital Projects (Security Locks – GPT, HPT, IRT)

FY20 Proposed Hotel Program

- Total Revenue \$877,950
- Hotel Lease (50 rooms) \$1,302,450
- Operating/OH Expenses \$82,527
- Algonquin Expense Savings \$300,000