

# FAU FINANCE CORPORATION

## BOARD OF DIRECTORS

### MINUTES

Wednesday, January 17, 2024

1. **ROLL CALL AND APPROVAL OF THE MINUTES OF OCTOBER 30, 2023, OF FAU FINANCE CORPORATION (FAUFC) BOARD OF DIRECTORS.**

The meeting of the FAUFC BOD in person and via Teams was convened at noon by Chair Bob Rubin. The roll call commenced, confirming the quorum, with the following members participating in addition to Mr. Rubin: Mr. Pablo Paez, Mr. Thomas Workman, Mr. Roland Valdivieso, and Mr. Joseph Ambrosio.

*No public comments.*

The following officers were in attendance:

Mr. Jayson Iroff, Executive Director and VP of Financial Affairs & CFO

The following guests attended:

Dr. Larry Faerman, Vice President of Student Affairs; Ms. Elizabeth Rubin, Associate General Counsel; Dr. Brian Fisher, Associate VP for Student Affairs and Operations; Ms. Louisa Kelly, Associate VP of Financial Operations and University Controller; Mrs. Azita Dotiwala, Director; Budget and Planning, Mrs. Henri Padron, Executive Assistant.

The following guests attended:

Mr. Ken Kurdziel, CPA: James Moore & Co. Mr. Craig Dunlap, Brailsford & Dunlavey, Mr. Brenden Kollar, BOA, Mr. Brad Noyes, Brailsford & Dunlavey, Mr. Ted Matozzo, Director – B of A Securities, Inc, and Mr. Ken Artin, Attorney Bryant Miller & Olive.

A motion was made and seconded to approve the October 30, 2023, minutes without change or correction. **The motion passed unanimously.**

2. **HOUSING RESOLUTION.**

Mr. Jayson Iroff presents housing resolution issuance of debt to finance the construction of new student housing. The Division of Finance will review this resolution along with the Board of Governors (BOG) for approval. We want to move forward with a traditional 30-year bond finance for this project.

3. **REIMBURSEMENT RESOLUTION.**

Ms. Elizabeth Rubin presented the Reimbursement Resolution that will be submitted to the Board of Governors (BOG) along with attachments providing the framework of the budget, debt, lien structures, and authorizations associated with the current legal lien document.

Brandon Kollar: I presented and reviewed the project summary. The project will be 670 beds based on a market analysis that was presented in 2023. The projection is to not exceed 117.750 million for this project based on market research data, financed through a 30-year fixed rate. Once the architect and a contractor are selected, construction managers will assist with the development of drawings and design along with the management of remaining with the proposed and approved budget for the project. Brandon presented a Housing Feasibility Analysis and discussed, highlighting the project demand of the housing system is projected to be able to absorb the annual debt service while remaining above the 1.20x debt service coverage ratio and achieving similar DCRs as FY24 within 5-years of operation, which the BOG prefers this to be achieved with 5-years of construction. The rental rate in the current market analysis shows the FAU falls within the university and market rates.

Mrs. Azita Dotiwala, the anticipated draw schedule was presented, showing that the draw schedule will follow a bell curve, forecasting the largest amount of funds being drawn in the middle of the project timeline being FY25 and 2026 while completing in FY2027.

Ted Matozzo, BOA, presented the university anticipation using the bond system: Bond Summary Statistics, Bond Pricing, Bond Debt Services, and anticipated debt service.

Jayson provided the complete Debt Service schedule along with a projection of what it will look like as debit begins to reduce as performance increases.

Craig Dunlap presented the additional Debit Test for the university with a data slide providing detailed financial bond service for FY 2024 and then again for FY 2027 and FY 2028.

A description of the Security Supporting repayment and lien position was presented and reviewed with a legal description for the proposed housing project.

Mr. Ken Artin, Attorney Bryant Miller & Olive presents the 5-Year History and Projection of Pledge Revenue and Debt Services Coverage, along with a detailed financial graphic highlighting current actuals from FY 2019 to FY 2024 and the projected FY 2026 – 2027 findings.

Craig Dunlap presented the Negotiated Sale Analysis as is to be given to the Board of Governors (BOG) and the University System, providing details on the Method of Sale-Competitive Versus Negotiated Sales, Improvement, and Revenue Bonds from 2024, including debit Structure, sale types, and explanation of sale conditions.

**The motion was made seconded to approve the proposed Housing Resolution and was approved unanimously.**

**ADJOURNMENT OF MEETING.** With no other issues to discuss, a motion was made and seconded to adjourn the meeting. The meeting was adjourned at 1:25 p.m.