

FLORIDA BOARD OF GOVERNORS

April 30, 2003

SUBJECT: 2003-2004 Summary Operating Budgets and Facility Maintenance and Equipment Reserve Fund Reports for Auxiliary Facilities that have Bond Covenants Requiring Approval.

UNIVERSITIES AFFECTED: The University of Florida, Florida State University, Florida A&M University, The University of South Florida, New College of Florida, Florida Atlantic University, The University of Central Florida, and Florida International University.

PROPOSED BOARD ACTION

Approve summary operating budget information and facility maintenance and equipment reserve amounts for auxiliary facilities that have bond covenants requiring approval.

BACKGROUND INFORMATION

Section 1010.60, Florida Statutes, authorizes the State Board of Education (SBOE) to request the issuance of bonds or other forms of indebtedness pursuant to the State Bond Act to finance or refinance capital projects authorized by the Legislature. Specific bond covenants, as set forth in the authorizing resolutions of SBOE bond issues, require approval of operating budgets and certification that funds shall be deposited into a Facility Maintenance and Equipment Reserve Fund.

Chancellor's Memorandum CM-D31.00-02/97 relating to Auxiliary Facilities requires that a minimum of 3% of annual projected pledged operating revenues for each specific bond issue be deposited into a Facility Maintenance and Equipment Reserve Fund, until a cumulative amount equal to at least 30% of the current year annual pledged revenue is reached. These reserves shall be used or loaned for unusual / extraordinary maintenance or repairs, renewals, and replacements. The renovation or replacement of equipment and furnishings not paid as part of the ordinary, normal expense of the operation and maintenance of the facility are also specified uses. The Chancellor's Memorandum establishes the required procedures for the universities to follow in meeting the bond covenant requirements.

A review of the university budgets for facilities affected by the specific bond covenants indicates that in most cases there are sufficient revenues to meet the estimated expenditures and the minimum annual 3% reserve deposit for 2003-2004, in the event sufficient reserves are not currently on deposit. Where projected annual expenditures exceed projected revenues, 2002-2003 ending cash balances and anticipated revenues are sufficient to fund projected expenditures and required reserve fund deposits.

Supporting Documentation Included: Summary report by University of Repair and Replacement Reserve amounts and Operating Budget projected pledged revenues and expenditures.

Facilitators/Presenters:

Wayne V. Pierson



2003-04 SUMMARY

BUILDING NAME(S) UF	TYPE OF AUXILIARY OPERATION	YEAR BONDED	ESTIMATED 2003-2004 AMOUNT TO BE DEPOSITED	ESTIMATED 2003-2004 ACCUMULATIVE RESERVE BALANCE	2003-2004 OPERATING REVENUES	2003-2004 OPERATING BUDGET EXPENDITURES
Parking Garage #3	Parking Services	1993				
Parking Garage #4	Parking Services	1993				
Parking Garage #5	Parking Services	1993				
Parking Garage #7	Parking Services	1993				
Parking Garage #8	Parking Services	1993				
Parking Garage #9	Parking Services	1993				
Parking Garage #11	Parking Services	1998				
Parking Garage #12	Parking Services	1998				
			\$500,000	\$418,158	\$8,069,758	\$7,864,824
FSU						
Jennie Murphree, Reynolds, Broward, Gilchrist, Cawthon & "New" Halls	Housing	'93, '94, '96 01, and 01A Series	\$3,024,848	\$20,181,141	\$22,279,807	\$19,879,219
Parking Garage-Woodward	Parking Services	1992	\$195,000	\$809,549	\$4,927,000	\$4,480,000
FAMU						
N.B. Young Hall	Housing	1992				
McGuinn Hall	Housing	1992				
Truth Hall	Housing	1992				
Cropper Hall	Housing	1992				
Diamond Hall	Housing	1992				
Sampson Hall	Housing	1992				
Wheatley Hall	Housing	1992				
Gibbs Hall	Housing	1992				
Paddyfoote Complex	Housing	1992				
Polkinghorne Village	Housing	1992				
Palmetto Street Apts.	Housing	1992				
Palmetto Street South	Housing	1992				
Housing Facilities	Housing	1996				
			\$274,930	\$2,306,668	\$9,089,317	\$9,204,429
Student Service Center	Multiple Auxiliary	1997	\$70,956	\$346,685	\$2,365,198	\$1,977,758
Parking Facility	Parking Services	1997	\$63,000	\$264,666	\$2,100,000	\$2,004,134

2003-04 SUMMARY

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BUILDING NAME(S)	TYPE OF AUXILIARY OPERATION	YEAR BONDED	ESTIMATED 2003-2004 AMOUNT TO BE DEPOSITED	ESTIMATED 2003-2004 ACCUMULATIVE RESERVE BALANCE	2003-2004 OPERATING BUDGET REVENUES	EXPENDITURES
USF						
Bookstore & Text Center	Bookstore	1994	\$37,937	\$761,404	\$1,264,589	\$1,282,402
Parking Facility	Parking	1994	\$117,670	\$739,802	\$3,922,362	\$3,419,055
Housing Facilities	Housing	1996A & 1999A	\$387,641	\$2,729,063	\$12,421,362	\$12,726,191
NCF						
Housing - New College	Housing	1996B & 1998	\$48,099	\$300,233	\$1,603,305	\$1,635,102
FAU						
Apartment Facilities	Housing	1993	\$91,327	\$600,682	\$2,683,202	\$2,479,234
UCF						
Student Housing Facilities	Housing	1992 1996 1999 2000				
			\$486,221	\$2,993,596	\$15,949,857	\$14,362,292
Parking Garage	Parking Services	1995 1997 1999 2001				
			\$263,352	\$1,123,810	\$8,623,428	\$5,126,760
Bookstore	Bookstore	1997	\$49,443	\$254,558	\$1,635,195	\$649,838
FIU						
Parking Facility	Parking Services	1995 & 1999	\$134,978	\$627,464	\$4,121,250	\$3,075,647
NOTE: UWF, UNF, & FGCU do not have facilities with bond covenants that require approval.						