

spaces that are transparent and encourage community identity and passive security.

The student center component will be approximately 32,000 GSF and will include the following spaces and services: student success center (student government, veteran success, student activities), wellness center (student health, counseling, fitness), bookstore/technology center, student lounge, multi-purpose meeting rooms, and dining.

The new student center will offer high-quality programs, services, engagement opportunities, and an environment to support student success. Facilities will be modern, innovative, inclusive, and promote student learning and a sense of pride. The new student center will offer inviting spaces where students, faculty, staff, alumni and community members can connect, collaborate, and contribute. The University expects the project to be an attractive on-campus destination through the use of space and diverse programmatic opportunities.

This Project will enhance student engagement by creating diverse social spaces and co-locating a student center, dining, health and wellness, retail, and residential space. The University believes that the creation of a quality-of-life activity hub will enhance the Project's desirability amongst students. The Project will provide a competitive, "value-added" campus element when compared to peer institutions in support of the University's goal of increasing its competitive profile for highly qualified, geographically diverse incoming students, as well as when compared to the available off-campus residential offerings. Offering a desirable residential experience that is accessible to the USF student body is a priority.

The Project is included in the University's approved 2015-2025 Campus Master Plan, and was approved by the USF Board of Trustees (BOT) on December 3, 2015.

Site Location:

The site is located on the USF Santa-Manatee campus and within the boundary of the existing Campus Development Agreement. The identified Project site is on the north side of State Drive adjacent to the South Parking Lots. This site location and zoning will allow for the development of the full Project program.

Projected Start and Opening Date:

The DSO Board of Directors approved the Project on May 5, 2022. The USF Board of Trustees is expected to approve the Project on June 15, 2022. The Florida Board of Governors is expected to consider the Project for approval on September 13-14, 2022.

Project design is expected to commence upon Project approval in September 2022 and the Project is expected to be completed in May 2024.

On March 9, 2022, the DSO initiated a competitive procurement process for design and construction services. Four proposals were received from qualified, experienced firms by the April 8, 2022 due date. The selection process is underway, with final selection and award expected in May 2022.

Project Cost:

The University estimates that design and construction costs for the proposed housing and student center Project total between \$36.2 M to \$41.7M. For the purpose of projections, the cost of design and construction is assumed to equal \$39M, including furniture, fixtures and equipment, with the housing component estimated to cost \$21M and the student center estimated to cost \$17M and construction contingency of \$1M (2.6%).

The University will also include a \$2M (5.3%) owner's contingency to mitigate current environmental risks such as supply chain disruptions and cost inflation.

The dining and bookstore spaces within the student center will be delivered as warm, white shells. The University outsourced dining services operator and bookstore operator will be responsible for interior build-out and equipping of the dining spaces and bookstore spaces, respectively.

The Total Project Cost is estimated to equal \$40,950,000. (See *Sources and Uses of Funds*).

The estimated cost of the housing component at \$21M results in a cost of \$105,000 per bed. By comparison, the recent USF St. Petersburg Housing and Dining Project was approved in November 2018 with a cost of \$80,400 per bed. Factors contributing to the higher project per bed cost compared to the USF St. Petersburg Project include the use of TL, white shell units, and higher quality finishes.

The Project scope does not include parking as the campus has sufficient spaces available to meet any increase in demand resulting from the proposed Project.

Financing Structure:

The Project will be financed with 30-year, fixed rate, tax-exempt debt issued by the USF Financing Corporation ("DSO") on an amount expected to equal \$27M and, in any event, not to exceed \$30M; inclusive of capitalized interest (\$2.25M) and cost of issuance (\$300k) as well as a \$16.5M cash equity contribution from the University. The debt will be on parity with the DSO's outstanding \$176M of USF Housing System debt. The bonds will be structured with a level debt service over a final maturity not to exceed 2052.

According to the University, current market rates are 4.25%-4.75%. However, for the purpose of project costs, debt service coverage is conservatively based on a tax-exempt interest rate of 5.00%.

A debt service reserve equal to the maximum annual debt service on the bonds will be accomplished via intern

The University engaged Brailsford & Dunlavey (“B&D”) to study demand for new on-campus housing, the findings of which were reported in an April 2022 analysis. B&D highlighted the 52% increase in the total students served and the 15% increase in the total credit hours and FTE populations over the past three years at the USF Sarasota-Manatee campus (see *graph below*).

B&D concluded that sufficient demand

Manatee market have increased significantly (30%) over the last two years
(see chart below).

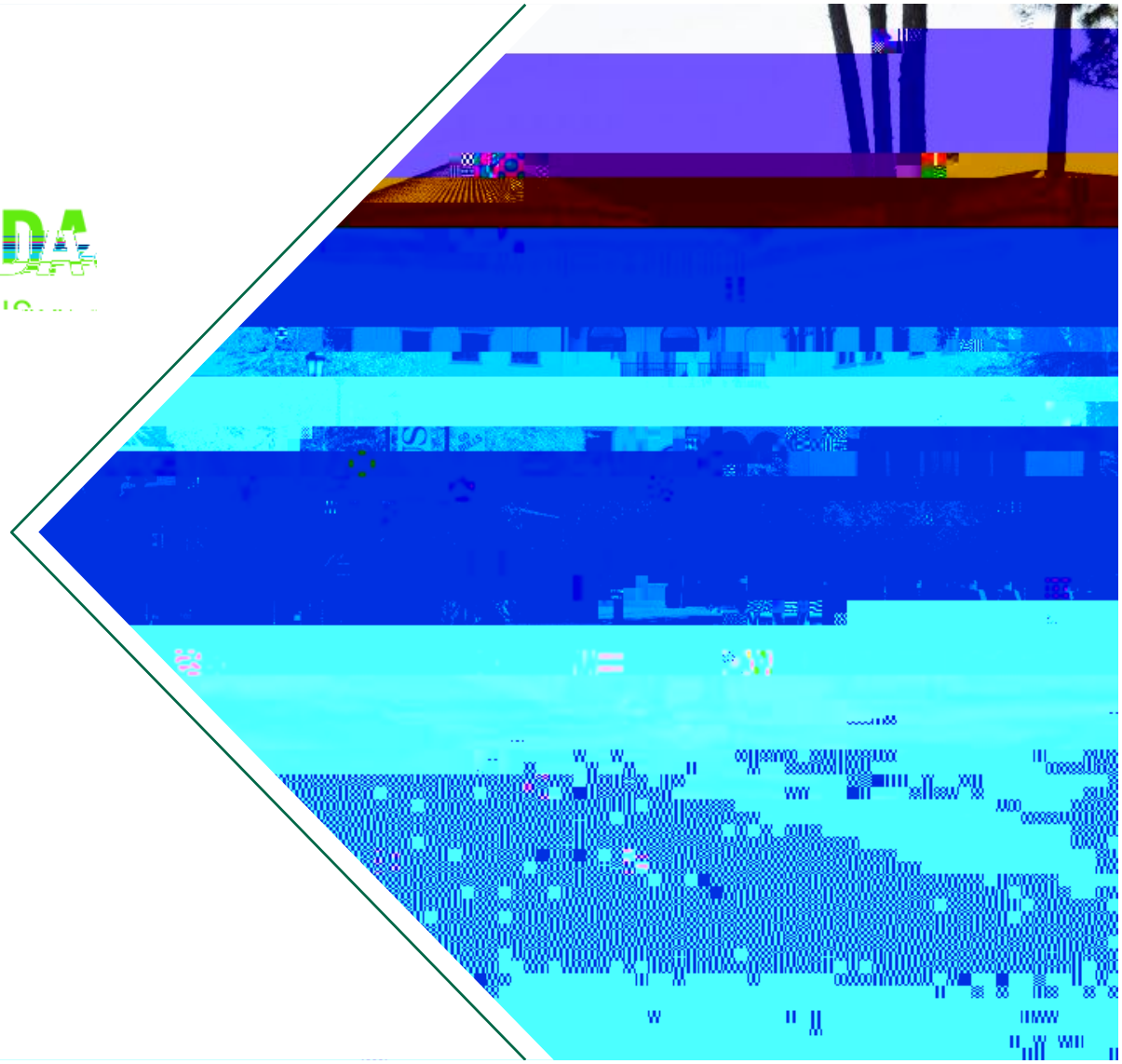
The following chart shows current and projected on-campus rental rates for
the accommodations available to student



Student Housing Analysis

MARKET OPPORTUNITY ASSESSMENT

April 14, 2022



State the DSO's Statutory Mission that Supports the Goals of the University

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- x Between FY20 - FY22 the practice plan received \$23M in federal CARES act funding to reimburse for lost revenues and \$2.5M in additional UPL funding in response to the COVID-19 pandemic. These funds will no longer be available, and they account for the reduction in other revenue in FY23.
- x The practice plan received \$14.7M of CARES Act funding in FY22 to reimburse for lost revenue associated with the COVID pandemic. In FY22 and FY23, those funds will be used to replenish the Dean's Academic Support fund for investment in future research recruits.
- x USF Health leadership requested a premium holiday for UMSA for FY21-FY22 due to continuing financial concerns related to COVID, successful SIP claims management (resulting in significant financial savings), and expenses related to the formation of an academic medical group with Tampa General Hospital. The SIP Council approved this request. The premium holiday amount was \$3M for FY 2021-2022. This does not affect premiums paid by USF affiliates for resident services, nor does it affect the Risk Management Loss Prevention assessment. UMSA is budgeting a return to its usual malpractice rates in FY23.
- x The Dean's Academic Support Fund is currently included in the financial statements of UMSA and is projected to have a balance of \$29M at the end of

(In thousands)	FY23 UMSA		Impact of Transfer to HSSO
	FY23 UMSA Financial Plan	Financial Plan less Dean's Fund Transfer to HSSO	
Total Cash & Investments	\$38,334	\$11,410	\$26,924
Net Assets	\$89,862	\$60,261	\$29,600
Total Revenue	\$367,528	\$350,338	\$26,924
Total Expenses	\$368,376	\$348,510	\$37,076
Net Operating Profit (Loss)	\$(848)	\$1,828	\$(2,676)

(In thousands)

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Board of Trustees Finance Committee - New Business - Action Items

(In thousands)	2017	2016	2017	2016	2017	2016	2017	2016
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Net Income	(1,551)	(11,249)	\$9,698	86 %	(589)	\$25,966	\$3,438	
Adjustments for Non-Cash Activities:								
Add Non-Cash Investment Loss (Less Inv Income)	(2,071)	8,720	(10,790)	(124)%	(1,566)	(16,875)	(1,550)	
Less Other Non-Cash Operating Revenue	-	-	-	%	-	(7,685)	(18)	
Add back Depreciation/Amortization Exp	4,292	3,255	1,037	32 %	3,389	2,786	2,562	
Add back Other Non-Cash Expenses	50	65	(15)	(23)%	65	119	333	
Changes in Operating Assets and Liabilities	(400)	(400)	-	0 %	(400)	(2,381)	(1,113)	
Principal Payments - Notes Payable	(835)	(805)	(30)	(4)%	(805)	(775)	(1,745)	
Principal Payments Capital Lease - UDI Building	(263)	(252)	(11)	(4)%	(252)	(261)	(261)	
Principal Payment - New Building	(975)	(936)	(38)	(4)%	(936)	(900)	-	
Redeem								

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FY 2023 Annual Financial Plan

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(In thousands)) < \$ & 78 \$ /) < \$ & 78 \$ /) <) 25 (& \$ 67) < 3 / \$ 1) <) 25 (& \$ 67) <) 25 (& \$ 67
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Cash & Investments	\$46,106	\$57,521	\$54,187	\$49,101	\$47,066	\$49,805
Fixed Assets	34,512	33,225	58,825	60,454	60,987	56,968
Other Assets	19,247	40,148	29,956	29,840	29,724	29,608
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Payables	\$2,089	\$10,178	\$5,052	\$5,418	\$5,509	\$5,526
Long-Term Debt	18,654	17,618	42,625	40,553	38,394	36,147
Other Liabilities	9,196	7,205	7,422	7,644	7,874	8,110
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Rental Revenue	\$8,968	\$9,252	\$9,596	\$10,763	\$13,943	\$15,532
Intellectual Property Revenue	2,666	9,993	3,800	4,100	4,400	4,600
Other Revenues	495	416	170	170	179	187
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Salaries & Benefits	\$1,297	\$1,196	\$1,246	\$1,466	\$1,510	\$1,555
Operations - Research Park	3,489	3,212	4,154	4,444	4,918	5,712
Other Expenses	5,421	5,733	9,807	13,145	13,947	14,604
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Total Non-Operating, Net	1,516	16,446	(9,607)	2,471	2,344	2,372
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USF Health Professions Conferencing Corporation
FY 2023 Annual Financial Plan

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State the DSO's Statutory Mission which Supports the Goals of the University

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x In FY2023, HPCC already contracted \$1,500K of external client revenue inclusive of any remaining FY2020 programs affected by COVID19. CAMLS affirmative actions to proactively postpone many programs with long lead times, has strengthened relationships with external clients and as a result, is projected to return revenue and operating earnings for FY2023 to pre-COVID levels. FY2023 has a much more diversivied cleint base and new virtual reality and live streaming capabilities compared to CAMLS pre-COVID cleint mix and offerings.

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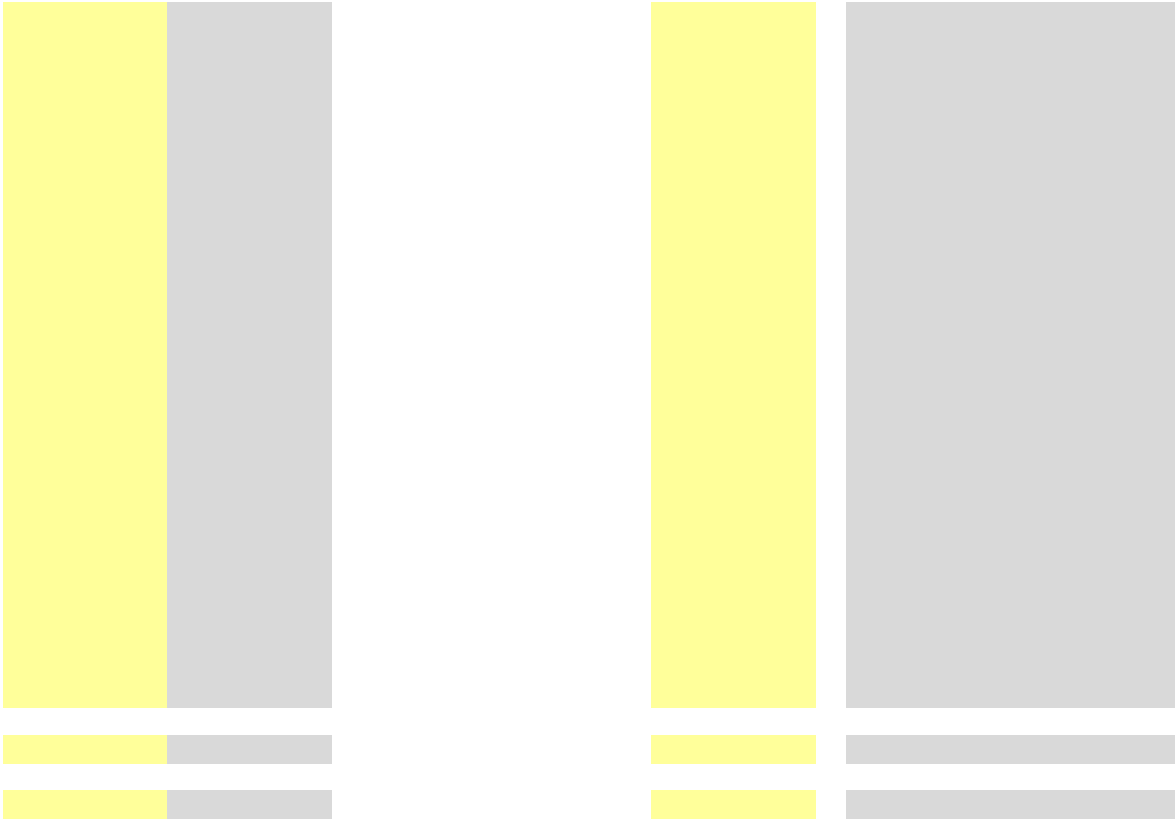
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(In thousands)



Board of Trustees Finance Committee - New Business - Action Items

(In thousands)

	FY 2020 ACTUAL	FY 2021 ACTUAL	FY 2022 FORECAST	FY 2023 PLAN	FY 2024 FORECAST	FY 2025 FORECAST
<u>ASSETS</u>						
Cash & Investments	\$4,288	\$1,983	\$2,098	\$2,255	\$2,955	\$3,655
Fixed Assets	16,307	15,473	14,600	14,642	14,323	14,004
Other Assets	960	960	960	960	960	960
Total Assets	\$21,555	\$18,416	\$17,658	\$17,858	\$18,239	\$18,620
<u>LIABILITIES</u>						
Payables	\$1,760	\$1,482	\$1,760	\$1,760	\$1,760	\$1,760
Long-Term Debt	12,678	11,450	10,449	9,383	8,239	7,095
Other Liabilities and deferred inflows	3,554	3,004	2,654	2,654	2,654	2,654
Total Liabilities	\$17,992	\$15,936	\$14,863	\$13,797	\$12,653	\$11,509
NET ASSETS	\$3,563	\$2,480	\$2,795	\$4,061	\$5,586	\$7,111
Days Cash on Hand	112	79	55	56	74	90
<u>REVENUES</u>						
Program Revenues	13,973	8,739	14,741	16,312	\$16,812	\$17,312
Other Revenues	484	282	409	472	481	491
Total Revenues	\$14,458	\$9,021	\$15,150	\$16,784	\$17,293	\$17,803
<u>EXPENSES</u>						
Salaries & Benefits	\$4,148	\$3,682	\$3,651	\$4,243	\$4,328	\$4,414
Program services	10,357	6,076	10,806	11,016	11,316	11,616



State the DSO's Statutory Mission that Supports the Goals of the University

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x With the current economy there is the chance of a recession, however with high quality events we still expect to see great turnouts and record breaking shows.

x

x We would like to show incremental improvement on everything we are doing right now. If we continue to have steady growth, the success we are seeing now will continue, and grow.

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The Corporation is closely monitoring risks to the Project described above, specifically supply chain disruptions and cost inflation. The University will fund a \$2 million owner's contingency to mitigate some of these risks.

Implementation of GASB 87, Leases, is not yet reflected in the Financial Plan, but is expected to have a net zero impact to the Corporation's Net Assets and Net Operating Profit. Management is working closely with the independent auditors to complete the evaluation of its leases.

List Major Long-Term Goals That Will Drive Upside Financial Performance Beyond FY 2023

The Corporation will continue to work with the University and campus leaders to assist with structuring new debt programs or restructure existing programs to meet their needs.

(In thousands)

	FY 2023 FINANCIAL PLAN	FY 2022 FORECAST (as of 3/31/22)	\$	%	FY 2022 FINANCIAL PLAN	FY 2021 ACTUAL RESLAN	FY 2020 ACTUAL

(In thousands)



Agenda Item

