

FLORIDA BOARD OF EDUCATION DIVISION OF COLLEGES AND UNIVERSITIES
Analysis of the Financial Plan for USF Residence Life Enhancement Project - Phase IIA
for Fiscal Year 2003-2004*
(Housing System)

Sources of Funds

Basis for Amounts

Series 2002 Certificates of Participation Par Amount	\$ 23,360,000	Maximum Series 2002 Certificates of Participation amount based on an interest rate of 6% for 30 years. The bond sizing assumes the issuance of variable rate debt, no interest rate cap, and no upfront credit enhancement premium. The 6% interest rate is inclusive of ongoing fees for remarketing, liquidity, and credit enhancement. It is anticipated that the variable rate will be converted to a fixed rate for at least the first five year.
Less: Cost of Issuance	(223,000)	Estimated cost for bond counsel and other costs associated with the issuance of the Series 2002 Certificates of Participation.
Underwriter's Discount	(70,080)	Assumed to be \$3.00 per thousand.
Net Bond Proceeds	23,066,920	
Plus: Interest Earnings (Construction Fund)	486,786	Estimate is based on net bond proceeds on deposit in the 2002 Project Construction Fund, invested for 23 months at an interest rate of 2.5% with a declining balance
Plus: Interest Earnings (Capitalized Interest Account)	62,369	Estimate is based on net bond proceeds on deposit in the Capitalized Interest Account invested through October 1, 2003 at an interest rate of 2.5% with a declining balance
Total Sources of Funds	\$ 23,616,075	

Uses of Funds

Planning, Construction & Equipment (Including contingency for construction)	\$ 21,248,928	The construction cost for Andros Corners is \$106.13 per square foot. The total project cost is \$36,312 per bed and \$132.35 per square foot. The construction cost for Special Purpose Housing is \$103.48 per square foot. The total project cost is \$37,542 per bed and \$126.89 per square foot. This cost is comparable to Holly I and Holly II that were built at a total project cost of \$33,050 per bed and \$106 per square foot (including commons space). Additional costs will be incurred for the reconfiguration of a parking lot (\$100,000) and the demolition of the Village Complex (\$647,678). These costs and an additional amount of \$73,322 will be paid auxiliary revenues and excess funds from the Series 2000 Construction Fund
Debt Service Reserve Account	N/A	Variable rate financing does not require a debt service reserve fund
Estimated Interest to be Paid During Construction (Capitalized Interest)	2,367,147	Capitalized interest through and including the October 1, 2003 debt service payment at 6%.
Total Uses of Funds	\$ 23,616,075	

Debt Service Coverage - Housing System

Total USF Housing System Revenue (Excludes Holly I, Holly II, Magnolia I Andros Corners and Special Purpose Housing) (Includes Gamma Hall)	\$ 5,601,829	Based on projected rental rates, an occupancy rate of 95% and other revenues generated by the USF Housing System during 2003-2004. Village Complex demolished. Beta Hall closed for renovations.
Less: Operating Costs (Excludes Holly I, Holly II, Magnolia I Andros Corners and Special Purpose Housing) (Includes Gamma Hall)	(4,066,725)	Projected operating expenditures for the USF Housing System during 2003-2004. Village Complex demolished. Beta Hall closed for renovations.
Less: Prior Lien Debt Service	(1,054,313)	The Series 1965 Certificates have a senior lien on the revenues generated by Andros II. The Series 1983 Bonds have a senior lien on the revenues generated by the Village Complex. The Series 1996A Bonds have a senior lien on the revenues generated by the remaining housing facilities
Less: Building Maintenance and Equipment Reserve Fund	(168,055)	Pursuant to Chancellor's Memorandum CM-D-31.00-02/97. Based on 3% of total operating revenues
Revenue Available for Debt Service from USF Housing System	\$ 312,737	
Total Revenue - Foundation Housing System (Includes Holly I, Holly II, Magnolia I Andros Corners and Special Purpose Housing)	\$ 8,514,596	Based on projected rental rates, an occupancy rate of 95% and other revenues generated during 2003-2004 by the student housing facilities financed through the USF Foundation.
Less: Operating Costs-Foundation Housing System (Includes Holly I, Holly II, Magnolia I Andros Corners and Special Purpose Housing)	\$ (2,897,101)	Projected operating expenditures generated during 2003-2004 by the student housing facilities financed through the USF Foundation.
Revenue Available for Debt Service from USF Foundation Housing System	\$ 5,617,495	
Total Revenue Available for Debt Service	\$ 5,930,232	
Estimated Annual Debt Service	4,379,925	Debt service payment for the outstanding Series 1999 and Series 2000 Certificates of Participation and the proposed Series 2002 Certificates Includes interest due 4/1/04, with interest and principal due 10/1/04.

Debt Service Coverage Ratio **1.35**

* The financial analysis is based upon information provided by the University of South Florida and Public Financial Management, Inc., as financial advisor to the University of South Florida Foundation

**STATE BOARD OF EDUCATION
DEPARTMENT OF EDUCATION
Analysis of the Financial Plan for UCF Parking Garage V Revenue Bonds
for Fiscal Year 2004-2005*
(Parking Garage V)**

<u>Sources of Funds</u>		<u>Basis for Amounts</u>
Bond Sale Amount	\$ 13,550,000	Maximum Series 2003 Bond sale amount based on an interest rate of 6.00% for 20 years. The bonds will be issued as fixed-rate, tax exempt bonds through the Division of Bond Finance.
Less: Underwriter's Discount	\$ (135,500)	Estimate is based on a 1.00% discount rate.
Bond Insurance	\$ (178,183)	Estimate is based on .75% of total debt service payments.
Cost of Issuance (including Arbitrage Fee)	\$ (100,000)	Estimated by the Division of Bond Finance based upon comparable bond issues.
Net Bond Proceeds	\$ 13,136,317	
Plus: Interest Earnings (Construction Trust Fund)	\$ 270,264	Estimate is based on the net bond proceeds on deposit in the 2003 Project Construction Fund invested for 18 months at an interest rate of 3.00%.
University Contribution:	\$ 790,000	These funds are being added to fully fund the project and are from funds remaining in Parking Garage IV project.
Total Sources of Funds	\$ 14,196,581	
 <u>Uses of Funds</u>		
Planning, Construction & Equipment	\$ 13,000,000	The construction cost per space is \$7,000. The total project cost is \$8,125 per space. This cost is comparable to the previously constructed UCF parking garages.
Debt Service Reserve Account	1,183,500	Equivalent to the highest debt service payment due during the period the Series 2003 Bonds are outstanding. It is anticipated that a debt service reserve account surety bond will be purchased, resulting in a lower cost.
Estimated Interest to be Paid During Construction (Capitalized Interest)	0	No capitalized interest will be paid from proceeds of the bonds. Interest during construction is to be paid from Parking System reserves or other auxiliary reserves.
Rounding/Contingency Amount	13,081	
Total Uses of Funds	\$ 14,196,581	
 <u>Debt Service Coverage -</u>		
Total Parking Garage V Revenues	\$ 7,840,016	Based on projected per credit hour transportation access fee, decal sales, parking fines, visitor parking permit revenues, metered parking revenues, and other miscellaneous revenues projected for the parking system during fiscal year 2004-05. This represents the first year of operation of the proposed parking garage.
Less: Operating Costs	(1,893,825)	Projected operating expenditures for the parking system during fiscal year 2004-05.
Revenue Available for Debt Service From Housing System Revenue	\$ 5,946,191	
Annual Debt Service - Outstanding Bonds	2,480,061	Debt Service payment for the outstanding bonds for 2004-05
Annual Debt Service - Series 2003 Bonds	1,180,800	Debt Service payment for the 2003 bonds for 2004-05
Total Annual Debt Service	\$ 3,660,861	
Debt Service Coverage Ratio	1.62	

* The financial analysis is based upon information provided by the University of Central Florida.