

STATE BOARD OF EDUCATION

**Analysis of the Financial Plan for University of South Florida
Intercollegiate Athletic Facility
for Fiscal Year 2004-2005***

(Intercollegiate Athletic Facility)

<u>Sources of Funds</u>		<u>Basis for Amounts</u>
Certificates of Participation Amount	\$ 13,200,000.00	Series 2003-A amount is based on a variable interest rate of 6% (all-inclusive) for 20 years. The bond sizing assumes no upfront credit enhancement premium. The 6% rate is inclusive of ongoing fees for remarketing, liquidity, and credit enhancement.
Less: Cost of Issuance	\$ (125,000.00)	Estimated issuance cost for bond counsel, and other costs associated with the issuance of the 2003-A Certificates of Participation.
Underwriter's Discount	(39,600.00)	Assumed to be \$3.00 per thousand.
Net Bond Proceeds	\$ 13,035,400.00	
Plus: Interest Earnings (Construction Trust Fund)	\$ 140,498.00	Estimate is based on net bond proceeds on deposit in the 2003-A Project Construction Fund invested for 15 months at an interest rate of 2%.
Plus: Interest Earnings (Capitalized Interest Account)	\$ 17,547.00	Estimate is based on net bond proceeds on deposit in the Capitalized Interest Account at a rate of 2%.
Total Sources of Funds	\$ 13,193,445.00	
 <u>Uses of Funds</u>		
Planning, Construction & Equipment (including contingency for construction)	\$ 12,200,000.00	The building construction cost per square foot is \$105.03. The total project cost for the Athletic Facility is \$15,000,000. Other funding sources to support the Facility include: \$1,000,000 from donations, \$970,000 from Capital Improvement Fee funds, and \$900,000 from pouring contract. Revenue to be collected by November, 2003.
Rounding/Contingency Amount	\$ 3,445.00	
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)	\$ 990,000.00	Estimate is based on net bond proceeds on deposit in the Capital Interest Account at a rate of 2%.
Total Uses of Funds	\$ 13,193,445.00	
 <u>Debt Service Coverage - Athletic Facility</u>		
Total USF Athletics Facility Revenue	\$ 17,224,399.00	Projected revenues generated by the USF Athletic Facility during 2004-2005.
Less: Operating Costs	\$ (15,741,744.00)	Projected operating expenditures for the USF Athletic Facility during 2004-2005.
Revenue Available for Debt Service	\$ 1,482,655.00	Net revenue available for debt service from operation: during 2004-2005.
Annual Debt Service for 2004-2005	\$ 594,000.00	Debt Service payment for Series 2003 bonds for 2004-2005.
Debt Service Coverage Ratio	2.50	

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