

**FINANCIAL STATEMENTS  
HOUSING OPERATION  
JUNE 30, 2017**

**DRAFT**

**FLORIDA AGRICULTURAL & MECHANICAL UNIVERSITY  
HOUSING REVENUE BONDS  
STATEMENT OF NET POSITION  
FOR FISCAL YEAR ENDED JUNE 30, 2017**

**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents		
Cash on Hand	\$	-
Cash in Bank		3,744,485.81
Cash with SBA		13,692.29
Total Cash and Cash Equivalents		<u>3,758,178.10</u>
Investments		
Special Investments with State Treasury		4,258,486.73
Investments with State Board of Administration		4,704,359.21
Adjustment to Fair Market Value		(58,545.55)
Total Investments		<u>8,904,300.39</u>
Receivables		
Accounts Receivable		5,258,062.29
Interest Receivable		-
Allowance for Uncollectibles		(4,145,649.72)
Total Receivables		<u>1,112,412.57</u>
<b>TOTAL CURRENT ASSETS</b>		<b><u>13,774,891.06</u></b>

**CAPITAL ASSETS**

Depreciable Capital Assets		
Buildings		99,112,007.31
Infrastructure		1,890,461.42
Furniture and Equipment		733,844.55
Accumulated Depreciation		(23,886,538.86)
Total Depreciable Capital Assets		<u>77,849,774.42</u>
Non-Depreciable Capital Assets		
Construction in Progress		-
Total Non-Depreciable Capital Assets		<u>-</u>
<b>TOTAL CAPITAL ASSETS</b>		<b><u>77,849,774.42</u></b>
<b>TOTAL ASSETS</b>		<b><u>\$ 91,624,665.48</u></b>

**DEFERRED OUTFLOWS OF RESOURCES** **97,887.45**

**LIABILITIES**

**CURRENT LIABILITIES**

Accounts Payable and Accrued Liabilities		
Accounts Payable	\$	530,823.23
Accrued Salaries and Wages		82,727.64
Construction Contracts Payable		-
Total Accounts Payable and Accrued Liabilities		<u>613,550.87</u>
Deferred Revenues		<u>1,878,459.67</u>
Long-Term Liabilities - Current Portion		
Capital Improvement Debt Payable - Current		3,266,000.00
Compensated Absences Liability		16,226.14
Total Long-Term Liabilities - Current Portion		<u>3,282,226.14</u>
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>5,774,236.68</u></b>

**NON-CURRENT LIABILITIES**

Capital Improvement Debt Payable - Noncurrent		56,378,293.40
Compensated Absences Liability		220,651.82
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b><u>56,598,945.22</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>\$ 62,373,181.90</u></b>

**NET POSITION**

Invested in Capital Assets, Net of Related Debt	\$	19,517,789.98
Restricted - Expendable		5,222,737.95
Unrestricted		4,608,843.10
<b>TOTAL NET POSITION</b>		<b><u>\$ 29,349,371.03</u></b>

FLORIDA AGRICULTURAL & MECHANICAL UNIVERSITY  
HOUSING REVENUE BONDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR FISCAL YEAR ENDED JUNE 30, 2017

<b>OPERATING REVENUES</b>	
Housing Revenue	\$ 14,524,114.77
Other Operating Revenue	-
<b>TOTAL OPERATING REVENUES</b>	<b><u>14,524,114.77</u></b>
<b>OPERATING EXPENSES</b>	
Compensation and Employee Benefits	3,092,757.31
Services and Supplies	2,131,105.44
Utilities	1,267,193.86
Scholarships	117,043.06
Depreciation Expense	2,081,909.86
<b>TOTAL OPERATING EXPENSES</b>	<b><u>8,690,009.53</u></b>
<b>TOTAL OPERATING INCOME</b>	<b><u>5,834,105.24</u></b>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Investment loss	(66,027.20)
Interest on Asset-Related Debt	(2,811,140.20)
Other Non-Operating Revenues	514,589.58
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b><u>(2,362,577.82)</u></b>
<b>CHANGE IN NET POSITION</b>	<b>3,471,527.42</b>
<b>TOTAL NET POSITION - BEGINNING</b>	<b>25,820,494.58</b>
<b>ADJUSTMENT TO BEGINNING NET POSITION</b>	<b>57,349.03</b>
<b>TOTAL NET POSITION</b>	<b><u>\$ 29,349,371.03</u></b>

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HOUSING OPERATION  
JUNE 30, 2017**

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**FLORIDA AGRICULTURAL & MECHANICAL UNIVERSITY  
HOUSING REVENUE BONDS  
STATEMENT OF CASH FLOWS  
FOR FISCAL YEAR ENDED JUNE 30, 2017**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Sales and Services of Auxiliary Enterprises	\$ 14,557,676.40
Payments to Employees	(3,088,447.34)
Payments to Suppliers for Goods and Services	(3,174,142.82)

**NET CASH PROVIDED FROM OPERATIONS**

**8,295,086.24**

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Purchase or Construction of Capital Assets	(69,672.95)
Principal Paid on Capital Debt	(3,110,000.00)
Interest Paid on Capital Debt	(2,811,140.20)

**NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

**(5,990,813.15)**

**CASH FLOWS FROM INVESTING ACTIVITIES**

Net Change in Investments	(522,035.59)
Investment Income	(66,027.20)

**NET CASH FLOWS FROM INVESTING ACTIVITIES**

**(588,062.79)**

**NET CHANGE IN CASH**

**1,716,210.30**

**CASH - BEGINNING OF THE YEAR**

**2,041,967.80**

**CASH - END OF THE YEAR**

**\$ 3,758,178.10**

**NOTES TO FINANCIAL STATEMENTS**  
**HOUSING OPERATION**  
**JUNE 30, 2017**

**DRAFT**

Florida Agricultural and Mechanical University  
Housing System  
Historical Debt Service Coverage<sup>1</sup>

	Fiscal Year Ended June 30,				
	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Operating Revenues <sup>2</sup>	\$11,600,052	\$11,145,846	\$14,067,751	\$14,909,918	\$14,524,115
Less Current Expense <sup>3</sup>	<u>6,855,911</u>	<u>7,296,757</u>	<u>7,498,676</u>	<u>7,605,430</u>	<u>6,608,100</u>
Pledged Revenues	\$4,744,141	\$3,849,089	\$6,569,075	\$7,304,488	\$7,916,015
Annual Debt Service Parity Bonds	\$4,361,302	\$5,912,358	\$5,915,999	\$5,916,067	\$5,921,140
Revenues Available After Debt Service	\$382,839	(\$2,063,269)	\$653,076	\$1,518,172	\$1,994,875
Maximum Annual Debt Service	\$5,936,908	\$5,936,908	\$5,936,908	\$5,936,908	\$5,936,908
Debt Service Coverage Ratios					
Annual Debt Service	1.09x	0.65x <sup>4</sup>	1.11x	1.23x	1.34x
Maximum annual Debt Service	0.80x	0.65x <sup>4</sup>	1.10x	1.23x	1.33x

<sup>1</sup> The financial information related to revenues and expenses was provided by the University.

<sup>2</sup> The decrease in operating revenues in 2012-13 was primarily a result of a decline in enrollment which lead to a decline in housing system occupancy.

<sup>3</sup> Current expenses are net of depreciation. The increase in current expenses in 2012-13 was primarily a result of an increase in services and supplies expenses of \$508,756, primarily due to a bad debt expense related to an increase in aged accounts receivable resulting from changes in Federal financial aid regulations, and an increase in utilities expenses of \$250,251.

<sup>4</sup> FAMU used a portion of the available cash balance within the housing system to support debt service costs in 2013-14. The deficit in funding debt service from operations was primarily due to the one-year delay in opening of the residence hall financed with proceeds of the 2012A Bonds.