



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

VIRTUAL MEETING

October 27, 2023

9:00 am

Via ZOOM

The agenda will be followed in subsequent order and items may be heard earlier than the scheduled time.

I. CALL TO ORDER AND WELCOME

Mr. Peter Collins, Chair

II. PUBLIC COMMENTS

III. NEW BUSINESS AND UPDATES

- A. Action Item I: Request for Approval:** BOT Resolutions Approving the FSU Athletics Association, Inc. Debt Financing to Fund a Portion of the Doak Campbell Stadium Premium Seating Project.

IV. OPEN FORUM FOR BOARD OF TRUSTEES

Mr. Peter Collins, Chair

V. ADJOURNMENT



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES
Finance and Business Committee

ACTION ITEM I



FLORIDA STATE UNIVERSITY
FINANCE AND ADMINISTRATION
Office of the Vice President for Finance & Administration

MEMORANDUM

TO: Richard McCullough, President

FROM: Kyle Clark, Senior Vice President for Finance & Administration

DATE: October 13, 2023

SUBJECT: Request for Approval
FSU Athletics Association, Inc. Doak Campbell Stadium Improvement Financing

In compliance with the Board of Governors Debt Management Guidelines, The Board of Trustees must adopt a formal resolution(s) requesting the Board of Governors approval to issue debt for the purpose of financing a portion of the Doak Campbell Stadium Improvement Project.

I recommend approval of the attached resolution, authorizing the FSU Athletics Association to issue debt for the Doak Campbell Stadium Improvement Project.

KC

Attachments

A RESOLUTION TO DECLARE INTENT TO BE
REIMBURSED FOR EXPENDITURES RELATED TO
CERTAIN CAPITAL PROJECTS; AND PROVIDING FOR
AN EFFECTIVE DATE.

BE IT RESOLVED by the Board of Trustees of Florida State University (the
“Board”) that:

1. The Board expects to incur capital expenditures in the aggregate amount not to exceed \$381,000,000 in connection with the incurrence of debt for the purpose of constructing, equipping, and installing certain capital improvements consisting of the renovation of Doak S. Campbell Stadium and the construction of a football operations facility on the main campus of Florida State University (the “Project”).

2. The Board hereby expresses its intention to be reimbursed from proceeds of future tax-exempt financings for capital expenditures in connection with the incurrence of debt for the purpose of acquiring, constructing, equipping, and installing the Project. The Board expects to use legally available funds to pay such costs, including, but not limited to, capital expenditures, costs of design, engineering, retrofitting, and other costs associated with the incurrence of debt. It is reasonably expected that the total amount of debt to be incurred, in one or more financings, with respect to the Project will not exceed \$381,000,000. This Resolution shall constitute a “declaration of official intent” within the meaning of Treas. Reg. § 1.150-2 (Proceeds of bonds used for reimbursement) promulgated pursuant to the Internal Revenue Code of 1986, as amended, with respect to the debt incurred, in one or more financings, to finance the Project.

3. This Resolution shall take effect immediately upon its adoption.

DATED this ____ day of _____, 2023.

A RESOLUTION AUTHORIZING THE ISSUANCE OF DEBT AND REQUESTING THE FLORIDA BOARD OF GOVERNORS TO APPROVE THE ISSUANCE OF SUCH DEBT TO FINANCE THE RENOVATION OF DOAK S. CAMPBELL STADIUM ON THE MAIN CAMPUS OF FLORIDA STATE UNIVERSITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE FLORIDA STATE UNIVERSITY BOARD OF TRUSTEES:

Section 1. The Florida State University Board of Trustees (the "Board of Trustees") hereby authorizes the issuance of taxable and/or tax-exempt debt by the Division of Bond Finance of the State Board of Administration of Florida (the "Division") on behalf of Florida State University Athletics Association, Inc. ("FSUAA"), a University direct support organization ("DSO"), and requests the State University System Board of Governors (the "Board of Governors") to approve the issuance of taxable and/or tax-exempt debt in an amount not to exceed \$265,000,000 (the "Bonds") for the purpose of financing (i) the renovation of the west side and south endzone of Doak S. Campbell Stadium (the "Project"), a football stadium located on the main campus of Florida State University (the "University" or "FSU"); (ii) a debt service reserve, if necessary; (iii) capitalized interest, if any; and (iv) certain costs relating to the issuance of the Bonds.

Section 2. The Project will result in a full renovation of the west side of Doak S. Campbell Stadium, removing approximately 27,000 seats and adding back over 16,000 seats. Improvements to the west side of the stadium will include new club seating, a commissary and kitchen, suites, lounges, and upgrades to antiquated infrastructure. The Project will also result in a renovation of the south endzone of the stadium, which will include the addition of loge boxes and the installation of breathable mesh seats. The Project is reflected on the approved master plan for the University and is consistent with the mission and strategic plan of the University because it will benefit the University's athletics program. Project construction is expected to commence in November 2023 and is expected to be completed by September 2025. Proceeds of the Bonds will not pay for all the costs of construction of the Project; as of August 9, 2023, approximately \$8.0 million in private capital gifts to the University and/ or Seminole Boosters, Inc. ("Seminole Boosters") have been received. FSU also projects receiving additional donations in Fiscal Years 2024 through 2028 totaling \$22.0 million, which are expected to be pledged to pay debt service on the Bonds. The Project received legislative approval in the 2023-24 General Appropriations Act. Proceeds of the Bonds will not be used to finance operating expenses of the University or its athletics DSOs.

Section 3. The Bonds will be secured by certain revenue streams contractually pledged to FSUAA by FSU's athletics department and Seminole Boosters, including athletic conference distribution revenue, recurring annual Seminole Booster

membership fees, Project-specific donations received within 5 years of issuance, sponsorships and advertising money, proceeds from ticket sales, and game guarantees (collectively, the "Pledged Revenues"). The University is committed to ensuring that sufficient revenue will be generated to fulfill FSUAA's debt service obligations with respect to the Bonds.

Section 4. It is expected that the Bonds will be sold through a competitive sale. The Bonds will mature not more than 30 years after issuance, including any extensions or renewals thereof. The Project has an estimated useful life of 80 years, which exceeds the anticipated final maturity of the Bonds. It is expected that the Bonds will bear interest at a fixed interest rate.

Section 5. The Board of Trustees will comply with all requirements of federal and state law relating to the Bonds, including, but not limited to, laws relating to maintaining any exemption from taxation of interest payments on the Bonds and continuing secondary market disclosure of information regarding the Bonds, if necessary. The University will promptly notify the Division of any information required to be disclosed pursuant to the Continuing Disclosure Agreement for the Bonds and will respond to requests for information from the Division in a timely manner.

Section 6. The University and FSUAA will comply with the Board of Governors' Debt Management Guidelines and the debt management policy of the University.

Section 7. The Chair and Chief Executive Officer of FSUAA, the University President, the University Vice President, the Senior Vice President for Finance and Administration, and other authorized representatives of FSUAA, the University, and the Board of Trustees are hereby authorized to take all actions and steps, to execute all instruments, documents, and contracts, and to take all or actions, as necessary or desirable in connection with the execution, sale, and delivery of the Bonds.

Section 8. The Board of Trustees hereby declares that the Bonds shall have a first lien on the Pledged Revenues and such lien shall be senior in priority to any obligations created by that certain internal loan agreement between the University and the University's athletics department dated March 31, 2016, including any amendments or modifications thereto.

Section 9. In making the determination to finance the Project, the Board of Trustees has reviewed the information attached to Appendix A, attached hereto.

Section 10. This Resolution shall become effective immediately upon its adoption.

ADOPTED this ____ day of _____, 2023.

APPENDIX A

The following documents have been reviewed by the Board of Trustees prior to the execution of this Resolution:

- (a) The Project program, feasibility study, or consultant report.
- (b) A draw schedule for the Project.
- (c) Sources and uses of funds for the Project.
- (d) An estimated debt service schedule.
- (e) A description of the security supporting repayment of the Bonds and the lien position the Bonds will have on that security.
- (f) A five year projection of the Pledged Revenues and the debt service coverage.
- (g) Statement of legislative approval for the Project.
- (h) A competitive versus negotiated sale analysis.
- (i) Analysis of the Project's expected return on investment.

DOAK CAMPBELL STADIUM MARKET & FINANCIAL FEASIBILITY STUDY UPDATE

MAY 26, 2020



- Participation & Maximize Attendance From Constituent Groups
- Maximize Amenities & Comfort Level Of Stadium
- Maximize Donor & Customer Experience
- Design Stadium To Respond To Current & Future Opportunities
- Address Football Operational Needs
- Activate Stadium Beyond Football
- Identify and Maximize Untapped Revenue Streams
- Increase Net Operating Income
- Mitigate Financial Risk





EYES TO THE FUTURE GOALS STADIUM MASTER PLAN

APPENDIX A - (a)

- Participation & Maximize Attendance From Constituent Groups
- Maximize Amenities & Comfort Level Of Stadium
- Maximize Donor & Customer Experience
- Design Stadium To Respond To Current & Future Opportunities
- Address Football Operational Needs
- Activate Stadium Beyond Football
- Identify and Maximize Untapped Revenue Streams
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- Mitigate Financial Risk

SOCIAL GATHERING SPACES



SEATING DIVERSIFICATION





EYES TO THE FUTURE GOALS STADIUM MASTER PLAN

APPENDIX A - (a)

- Participation & Maximize Attendance From Constituent Groups
- Maximize Amenities & Comfort Level Of Stadium
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- Address Football Operational Needs
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- Identify and Maximize Untapped Revenue Streams
- Increase Net Operating Income
- Mitigate Financial Risk

ENHANCED CONCOURSE SPACES



OUTSIDE THE STADIUM ACTIVATION





2012 DOAK CAMPBELL STADIUM MASTER PLAN

	Original Project Costs	2020 Dollars Project Costs ¹
East Sideline Cost	\$65M - \$70M	\$82M - \$89M
West Sideline Cost	\$70M - \$80M	\$89M - \$101M
South End Zone Cost*	\$38M - \$50M	\$38M - \$63M
Unfinished Master Plan Cost	\$135M - \$150M	\$171M - \$190M
+ Roof Canopy	\$25M - \$47M	\$32M - \$60M
Unfinished Master Plan + Roof Cost	\$160M - \$197M	\$203M - \$250M

¹ ~3% Cost Escalation per Year

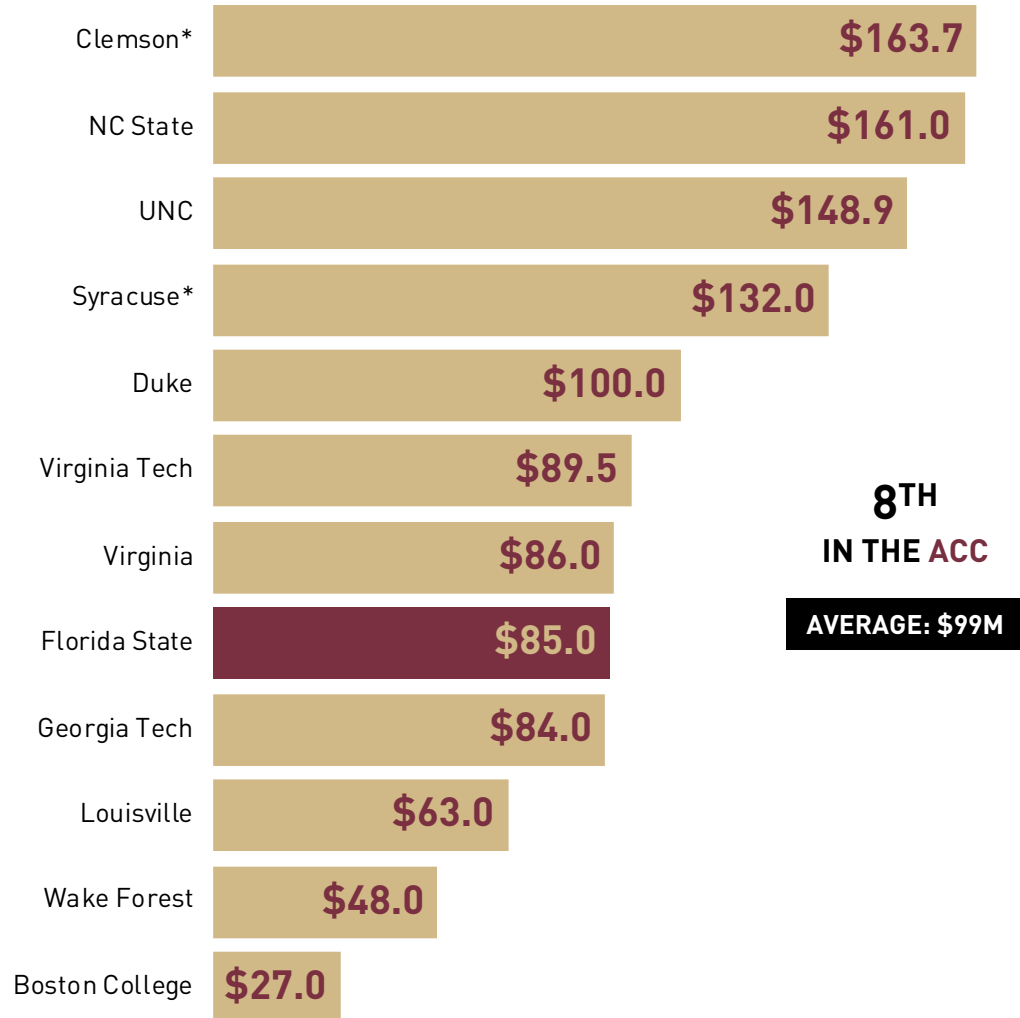
**AN \$85 MILLION SOUTH END ZONE
RENOVATION WAS COMPLETED IN 2016.**



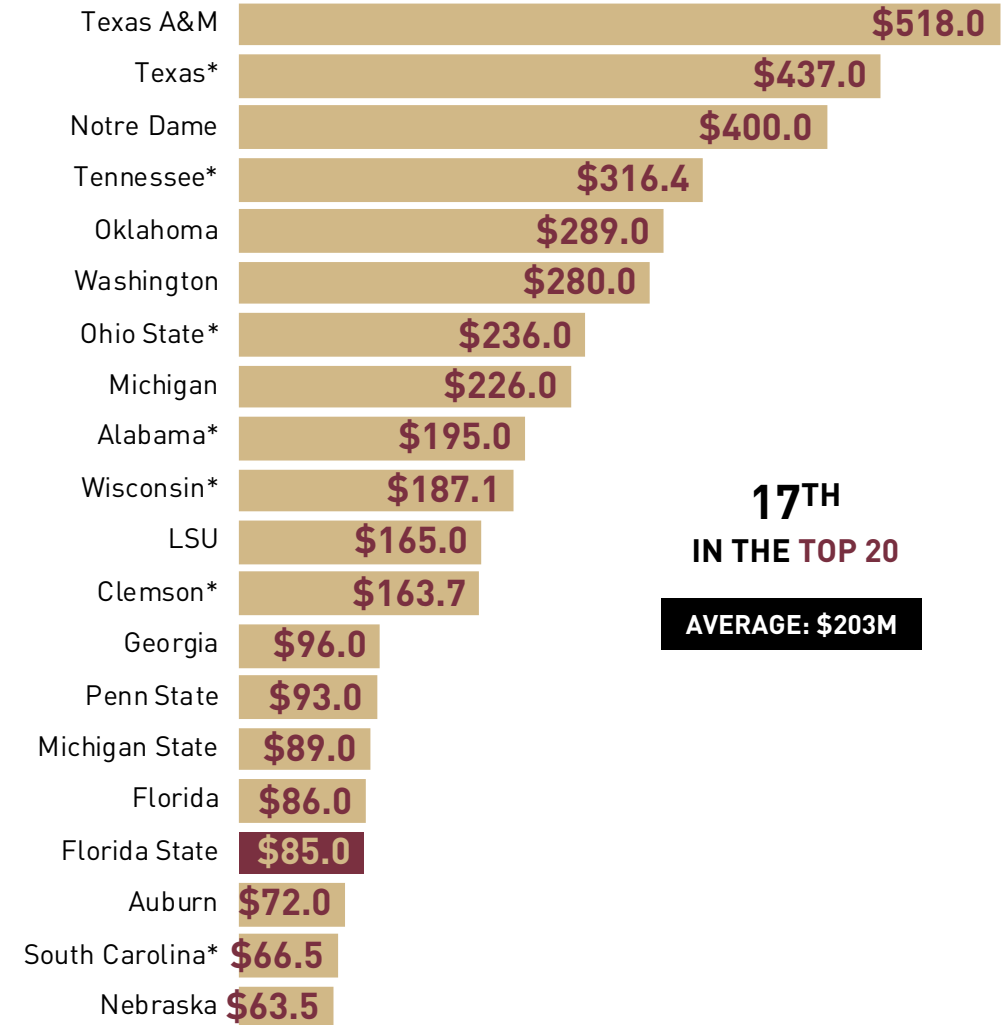
STADIUM INVESTMENT PAST 20 YEARS

APPENDIX A - (a)

ACC INSTITUTIONS (IN \$M)



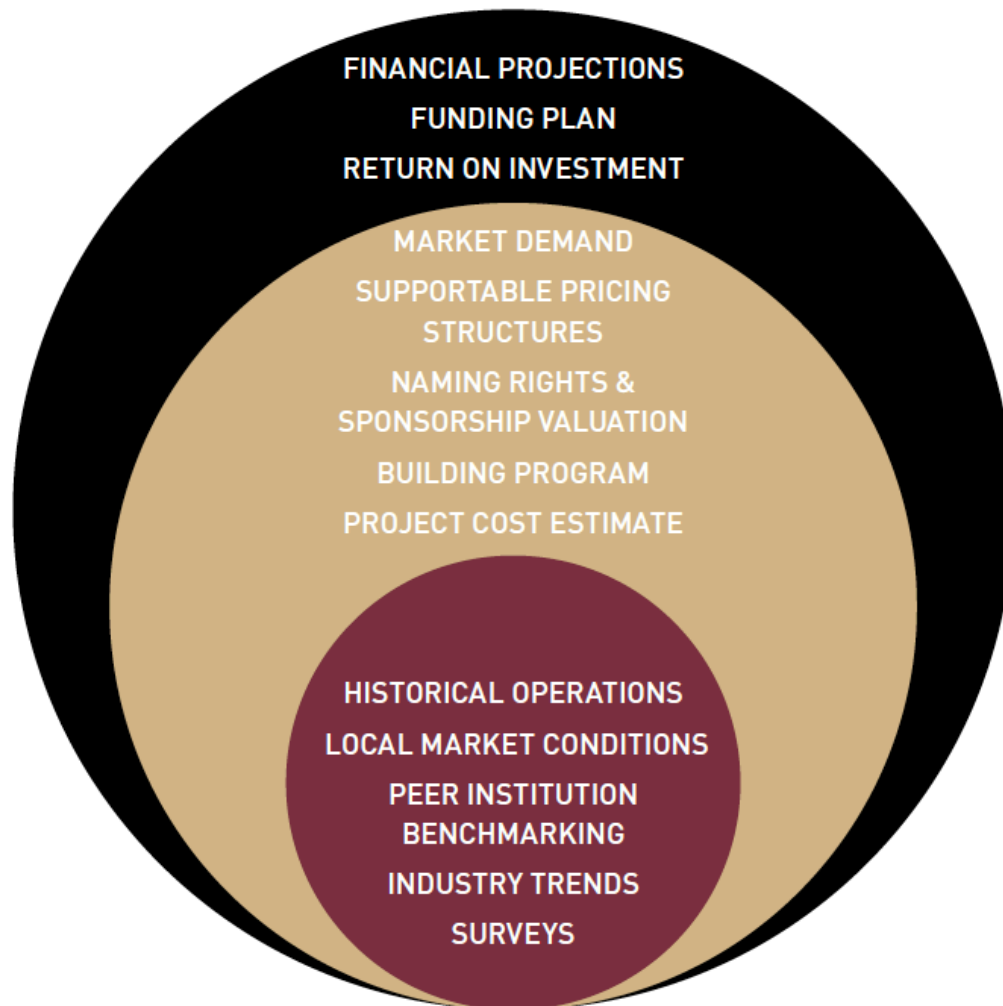
TOP 20 ATTENDANCE INSTITUTIONS (IN \$M)



*Includes projects under construction/planned



MARKET STUDY GOALS & OBJECTIVES



- 1** **COLLABORATE WITH FSU** to develop new and enhanced seating concepts
- 2** Ensure **DONOR AND FAN ENGAGEMENT** in decision-making process
- 3** **TEST THE FEASIBILITY** of a variety of new and enhanced seating concepts and quantify demand in the market
- 4** Understand appetite for donor seating and **ESTIMATE POTENTIAL INCREMENTAL REVENUE FROM A RE-PRICED SEATING BOWL**
- 5** **IDENTIFY OTHER REVENUE** opportunities to help cover capital costs and increase net operating income
- 6** Project **INCREMENTAL OPERATING REVENUE & EXPENDITURES** associated with a renovated stadium
- 7** **RECOMMEND PHASING** of market-supportable renovation projects
- 8** Evaluate **PROJECT FUNDING CAPACITY**
- 9** Ensure best **RETURN ON INVESTMENT**



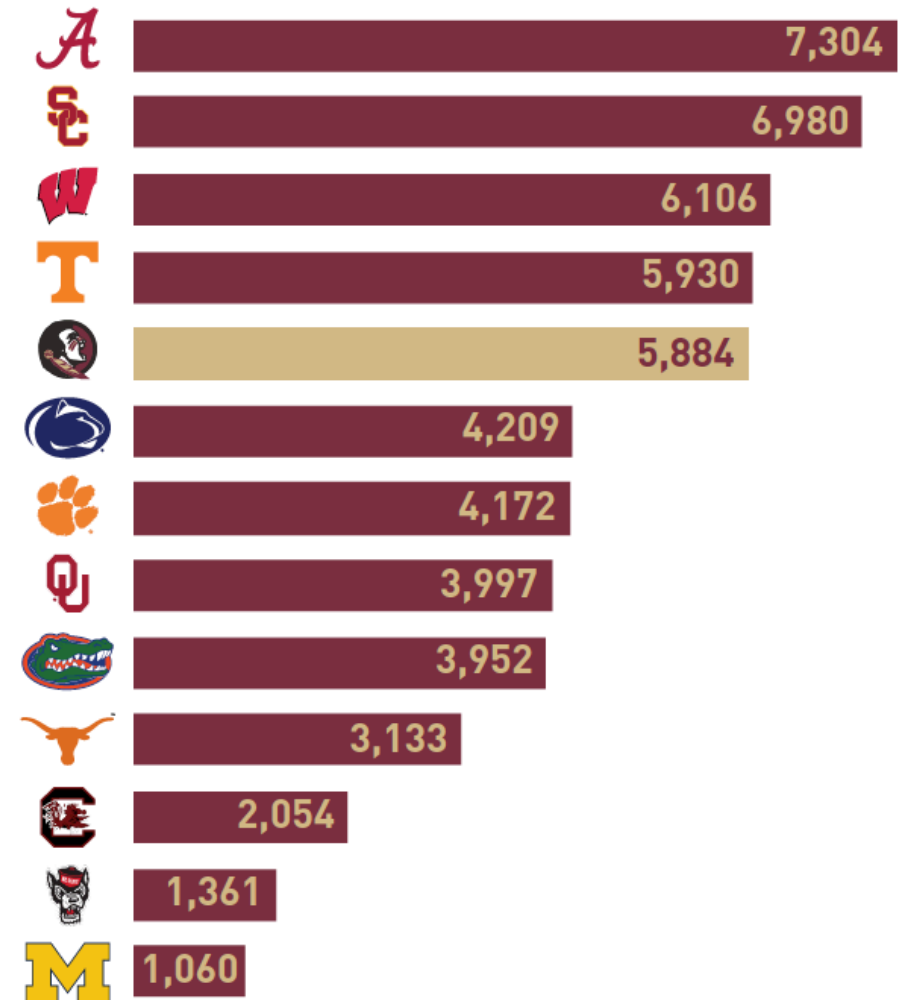
SURVEY RESPONSE OVERVIEW

SURVEY GROUP	POPULATION	COMPLETED SURVEYS	% OF POPULATION SURVEYED
Seminole Boosters & Season Ticket Holders	16,359	2,860	17.5%
Football Occasional Ticket Buyers (Non-Donors)	69,582	1,681	2.4%
Other	153,997	1,343	0.9%
TOTAL	239,938	5,884	2.5%

5,884 RESPONDENTS COMPLETED THE SURVEY, REPRESENTING A STATISTICALLY SIGNIFICANT SAMPLE SIZE FROM WHICH TO ASSESS INTEREST & DEMAND

MARGIN OF ERROR: +/-1.3%

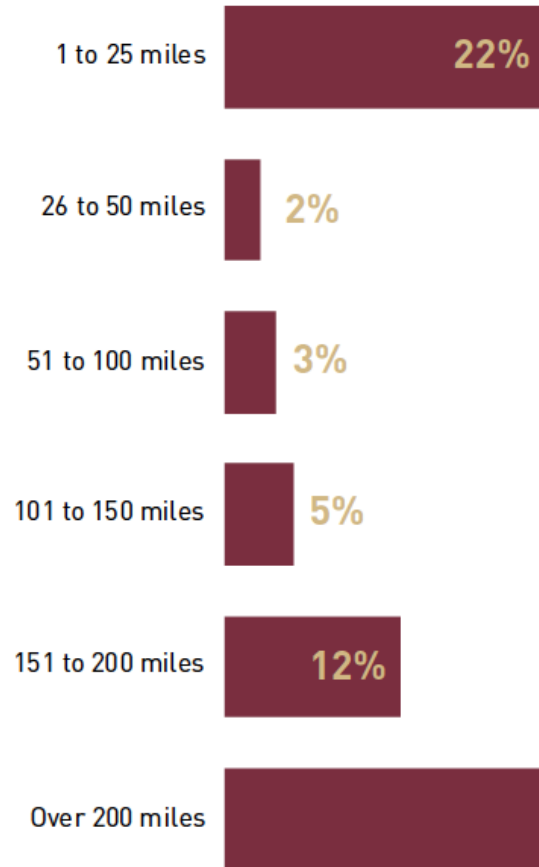
TOTAL SURVEYS COMPLETED COMPARISON










*99% of surveys were completed prior to the widespread implementation of COVID-19 social distancing measures on March 16th



DISTANCE TRAVELED ON GAME DAY (ONE WAY)

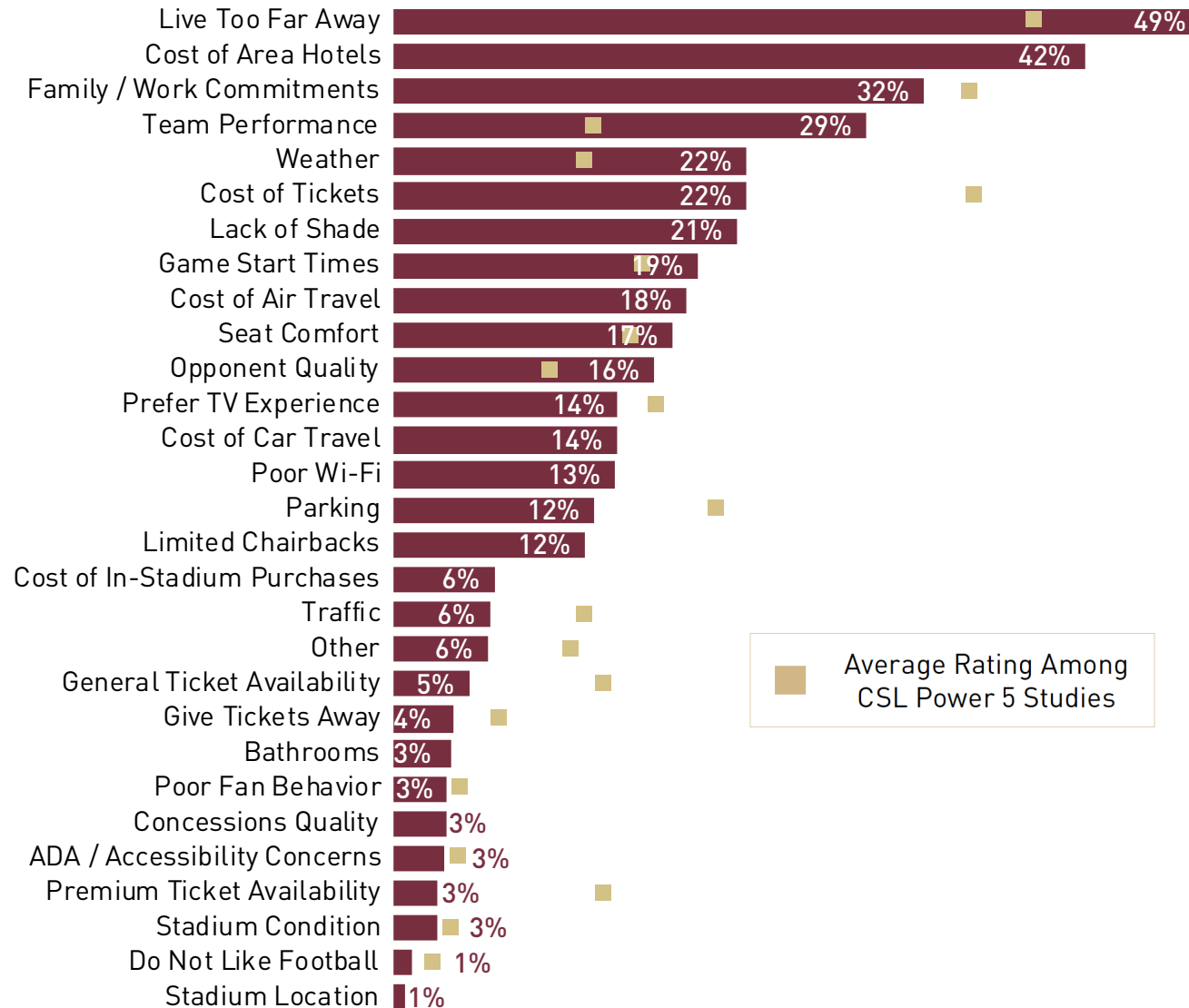


% TRAVELING OVER 200 MILES	
	55%
	25%
	22%
	17%
	13%
	8%
	4%





REASONS FOR NOT ATTENDING MORE GAMES



BARRIERS SIGNIFICANTLY GREATER

LIVE TOO FAR AWAY

TEAM PERFORMANCE

WEATHER

OPPONENT QUALITY

BARRIERS SIGNIFICANTLY LESS

COST OF TICKETS

PARKING

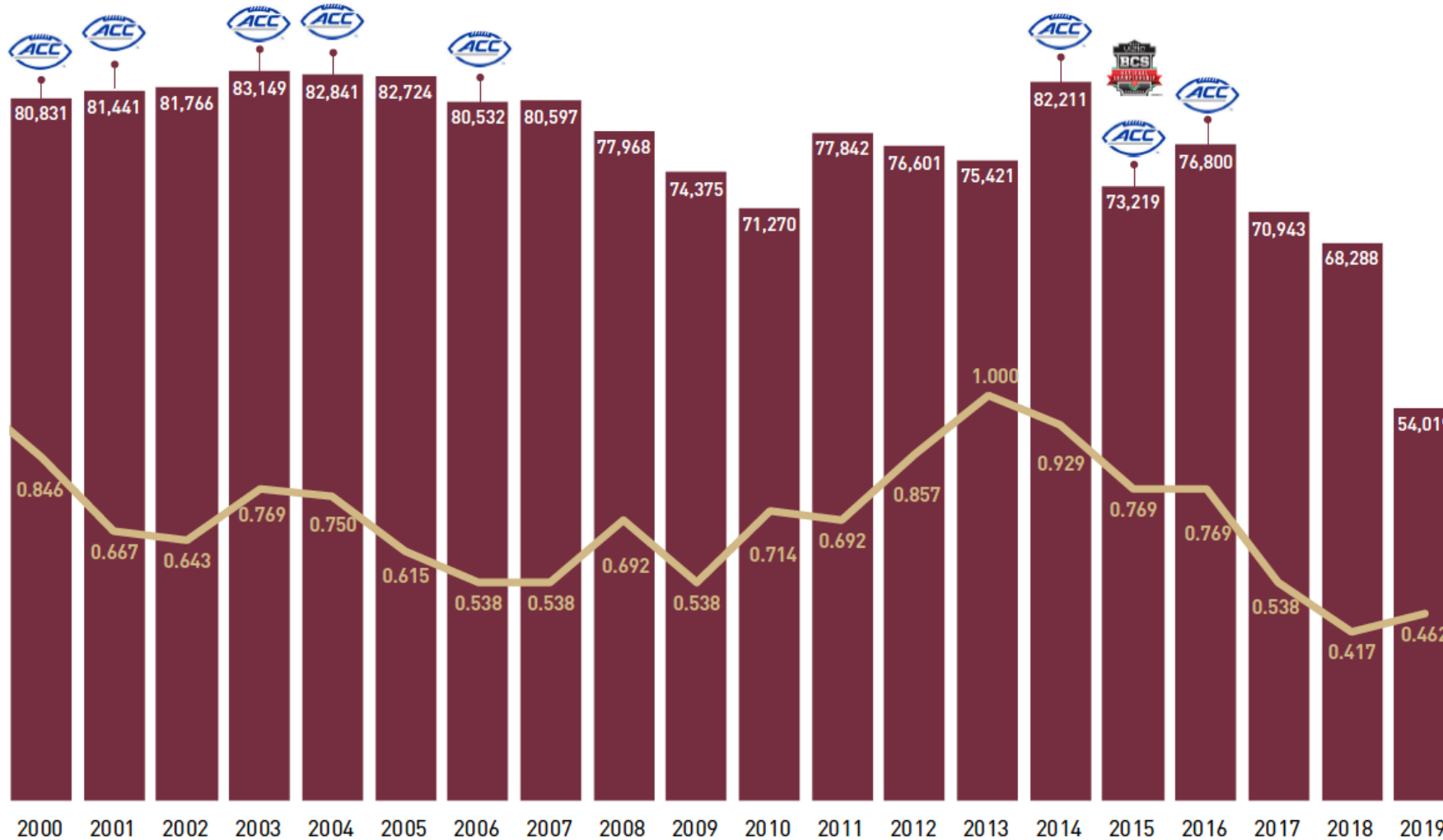
TRAFFIC

TICKET AVAILABILITY

Note: Asked of those respondents attending less than four home games per year; multiple responses accepted



20-YEAR REPORTED ATTENDANCE HISTORY



**AVERAGE
ATTENDANCE**
2000-09: 80,622
2010-19: 72,661

**AVERAGE WINNING
PERCENTAGE**
2000-09: 66%
2010-19: 72%

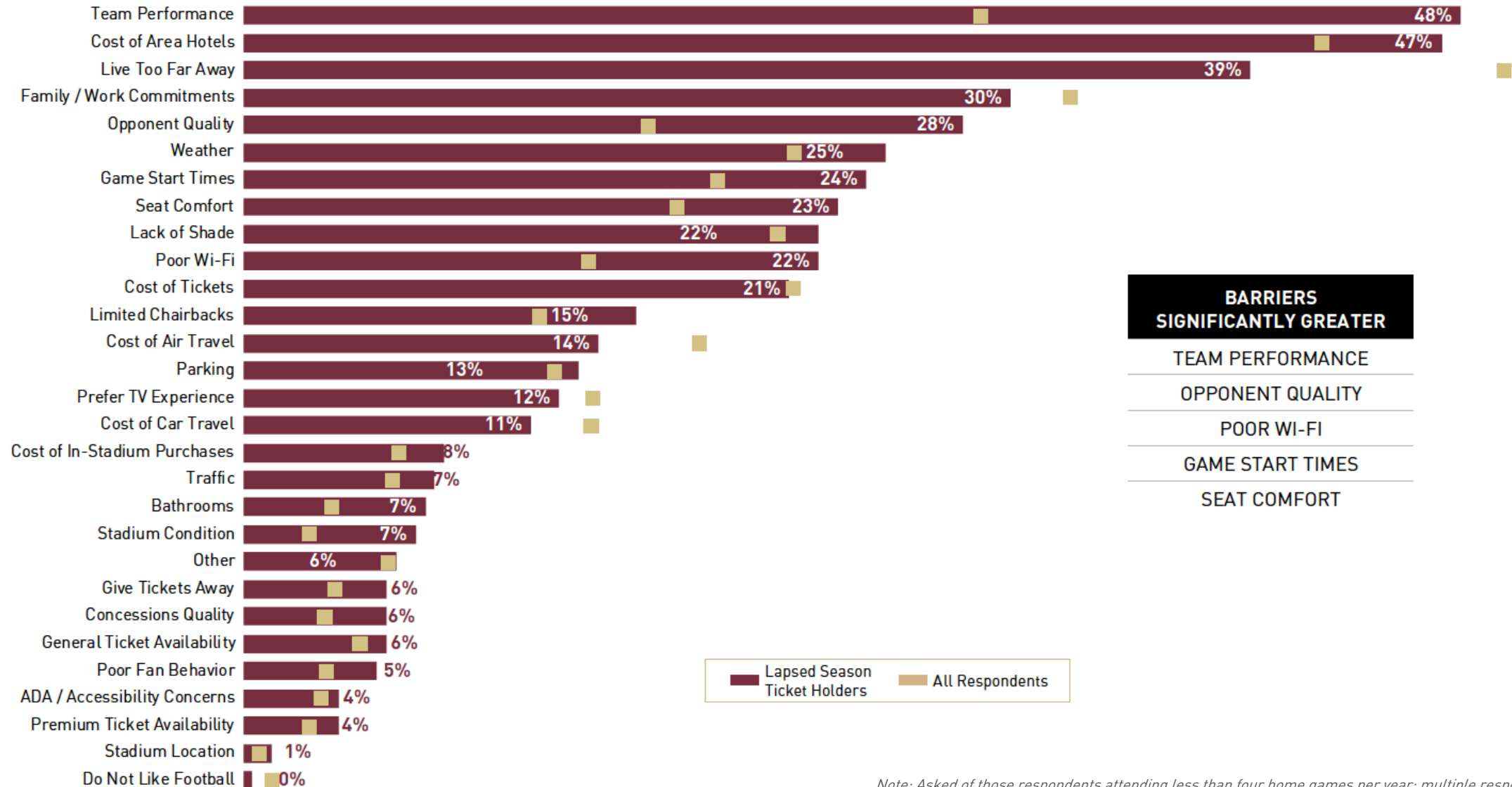
■ Average Reported Attendance
— Winning Percentage

Source: NCAA.



LAPSED SEASON TICKET HOLDERS

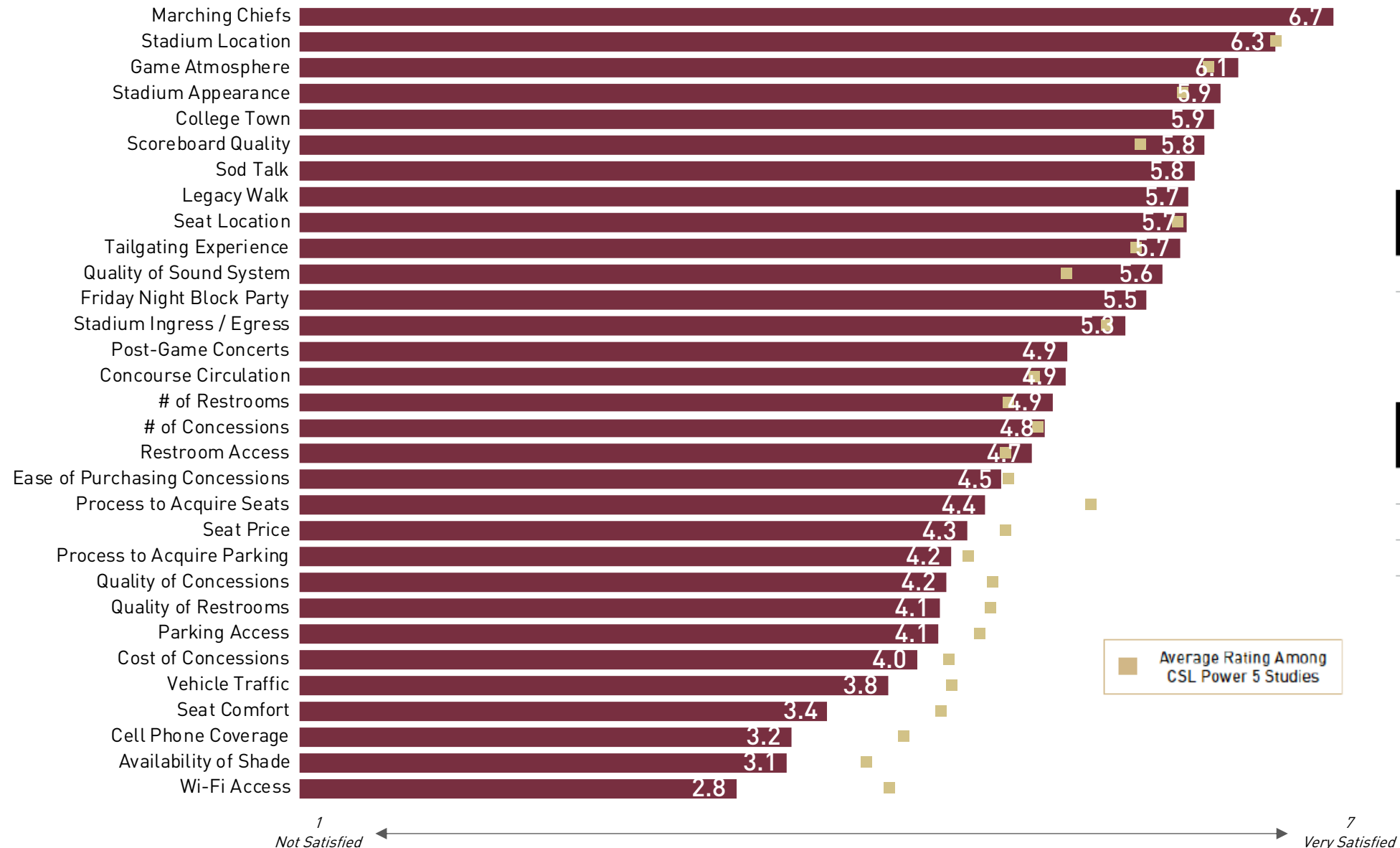
REASONS FOR NOT ATTENDING MORE



Note: Asked of those respondents attending less than four home games per year; multiple responses accepted



CURRENT STADIUM SATISFACTION



**AREAS OVER PERFORMING
VS. POWER 5**

QUALITY OF SOUND SYSTEM

SCOREBOARD QUALITY

**AREAS UNDER PERFORMING
VS. POWER 5**

PROCESS TO ACQUIRE SEATS

SEAT COMFORT

CELL PHONE / WIFI ACCESS

AVAILABILITY OF SHADE

■ Average Rating Among
CSL Power 5 Studies



SATISFACTION BY SEAT LOCATION

		Seat Location	Stadium Appearance	Scoreboard Quality	Entry / Exiting	Quality of Sound System	Concourse Circulation	# of Restrooms	# of Concessions	Restroom Access	Process to Acquire Seats	Ease of Purchasing Concessions	Seat Price	Quality of Restrooms	Quality of Concessions	Seat Comfort	Availability of Shade	Cost of Concessions	Cell Phone Coverage	Wi-Fi Access
<div>More Satisfied</div> <div>↑</div> <div>↓</div> <div>Less Satisfied</div>	Average	6.2	6.0	5.7	5.5	5.4	5.1	5.0	5.0	4.8	4.8	4.6	4.3	4.2	4.2	4.0	3.8	3.8	3.0	2.7
	Suites	6.3	6.5	6.1	6.4	6.5	6.5	5.8	5.8	5.8	5.1	5.4	5.0	5.3	4.9	4.8	4.1	4.5	4.3	3.4
	Dunlap	6.2	6.1	5.7	6.0	6.2	5.2	5.6	5.5	5.4	4.9	5.2	4.6	4.8	5.1	4.7	3.9	4.4	3.6	3.6
	End Zone	6.7	6.5	5.4	6.0	5.5	5.7	4.9	5.4	4.9	4.7	5.0	5.4	4.0	4.6	4.6	3.8	4.1	2.5	2.4
	West Sideline	6.1	5.9	5.6	5.4	5.1	4.9	5.0	4.9	4.8	4.7	4.5	4.2	4.2	4.1	3.9	4.0	3.5	3.0	2.7
	East Sideline	5.9	5.8	5.5	5.1	5.5	4.9	4.4	4.7	5.0	5.2	4.0	4.3	3.5	3.8	3.8	3.1	4.0	1.8	1.8
		<div>← More Satisfied</div> <div>More Satisfied</div> <div>Less Satisfied →</div>																		

Materially Over-Indexes Stadium Average

Materially Under-Indexes Stadium Average

PATRONS SITTING IN PREMIUM SEAT LOCATIONS ARE GENERALLY MORE SATISFIED WITH STADIUM ELEMENTS

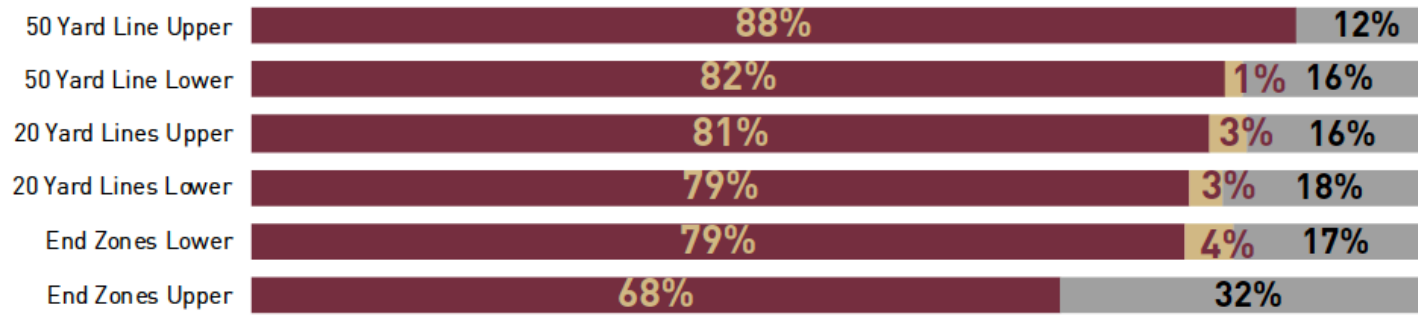
PATRONS SITTING ALONG THE EAST SIDELINE ARE GENERALLY LESS SATISFIED WITH STADIUM ELEMENTS



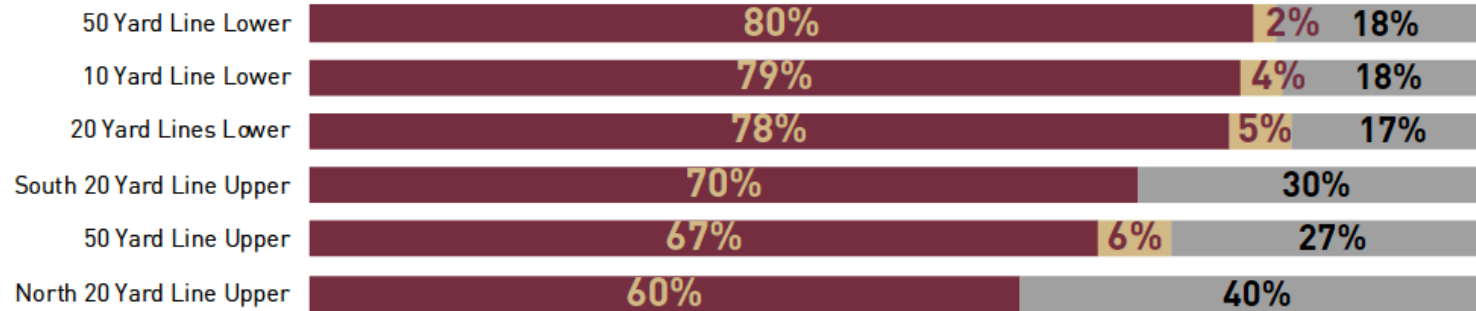
SEASON TICKET HOLDER RENEWAL INTENT

APPENDIX A - (a)

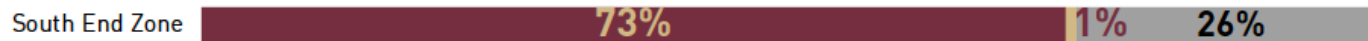
WEST SIDELINE



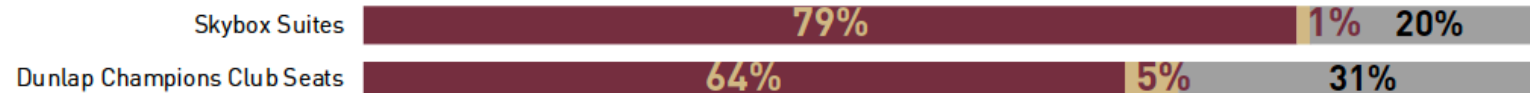
EAST SIDELINE



END ZONE



PREMIUM SEATING



Yes No Undecided

% INTENDING TO RENEW

	97%
	90%
	81%
	78%
	77%

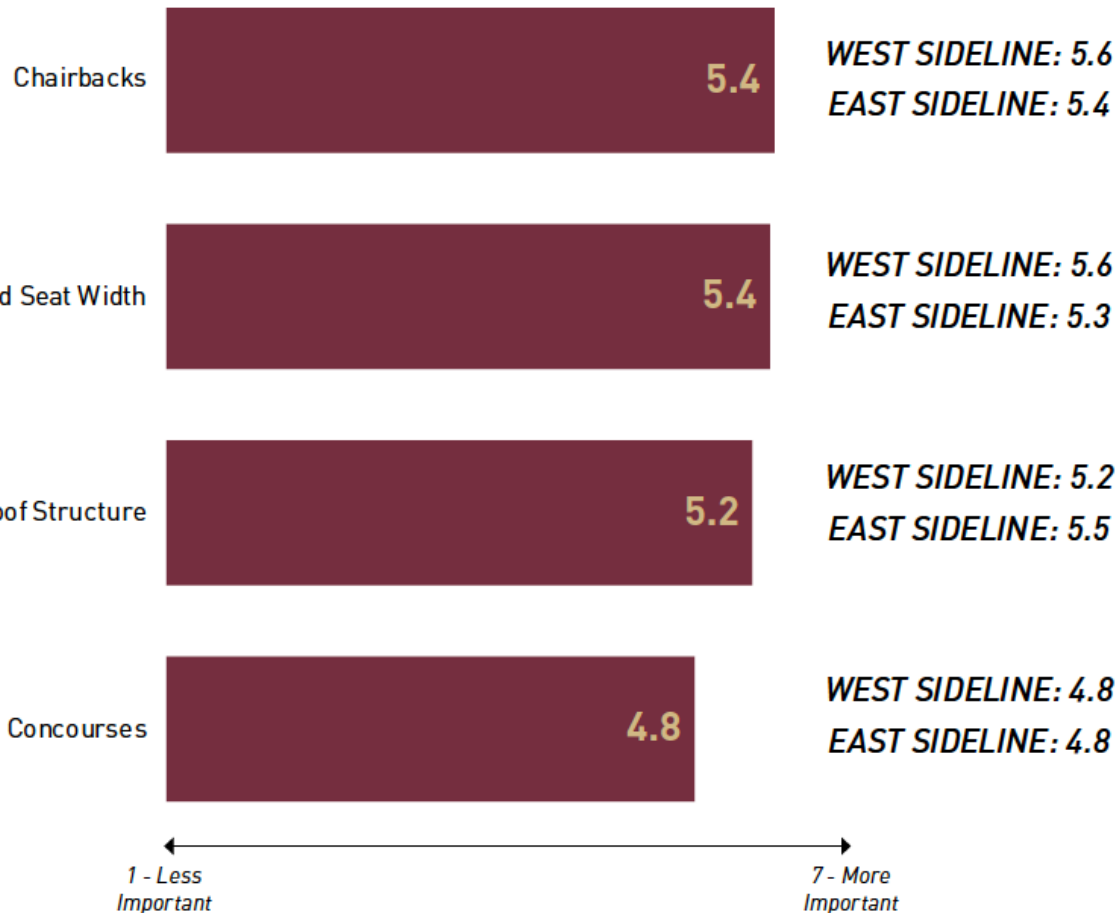
RENEWAL UNCERTAINTY DRIVEN BY:

- > Team Performance
- > Lack of Patron Comfort
- > Poor Heat Mitigation

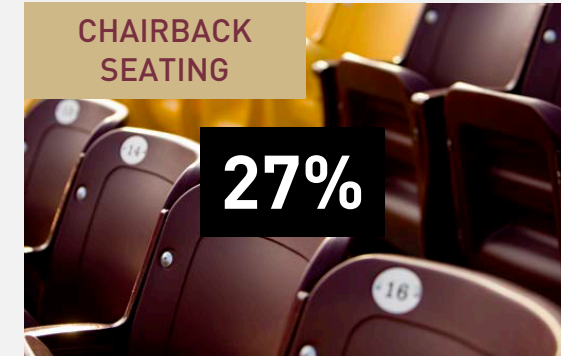
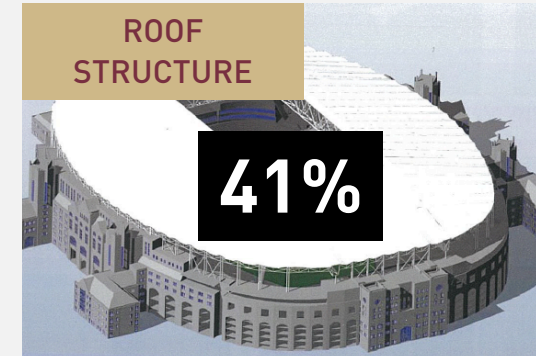


KEY STADIUM ENHANCEMENT PRIORITIES

IMPORTANCE OF POTENTIAL ENHANCEMENTS

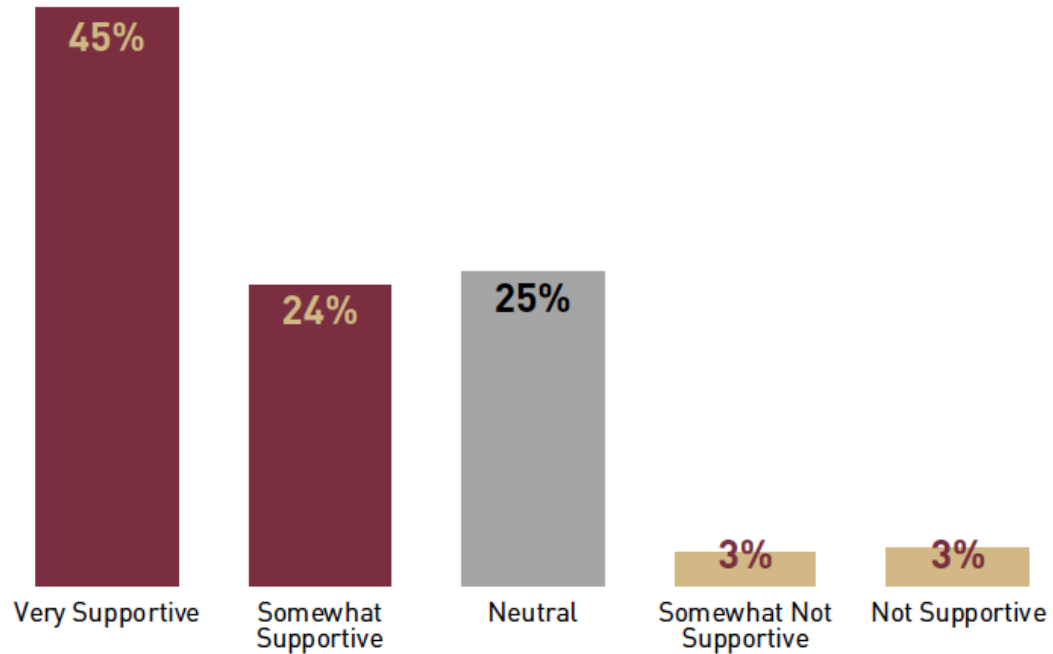


SINGLE MOST IMPORTANT ENHANCEMENT





ENHANCEMENT SUPPORT IF RE-SEAT REQUIRED

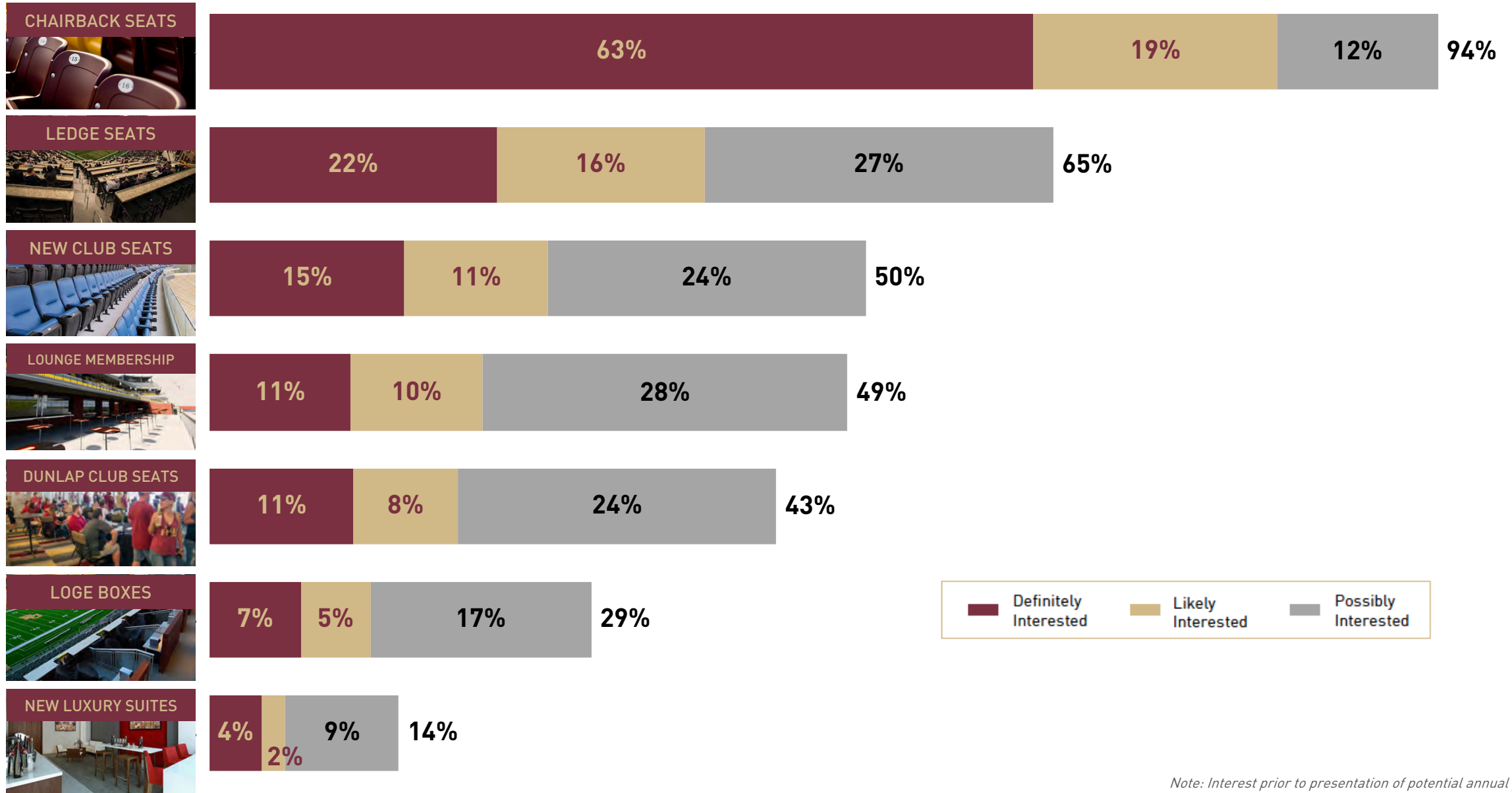


94%
OF RESPONDENTS WOULD NOT
OPPOSE STADIUM ENHANCEMENTS
IF A STADIUM RE-SEAT IS REQUIRED





INITIAL SEATING CONCEPT INTEREST



Note: Interest prior to presentation of potential annual price points



DEMAND SUMMARY

\$
↑
↓
\$\$\$\$

	DEMAND			PRICE POINTS		
Chairback Seats	8,200	-	12,500	\$1,000	-	\$1,500
Lounge Membership	370	-	1,030	\$500	-	\$1,500
Ledge Seats	690	-	1,400	\$1,000	-	\$2,000
Dunlap Club Seats	1,200	-	1,600	\$1,825	-	\$2,725
New Club Seats	420	-	710	\$3,000	-	\$5,000
Loge Boxes	30	-	80	\$12,000	-	\$20,000
New Luxury Suites	7	-	18	\$45,000	-	\$75,000
Total Premium Seats	11,112	-	17,848			



**APPETITE FOR
ENHANCED GENERAL
SEAT EXPERIENCE**

**INTEREST IN DIVERSE
PREMIUM PRODUCT
TYPES AT VARIETY OF
PRICE POINTS**



IDENTIFIED STADIUM ENHANCEMENTS

Eyes To The Future Goals									
	Maximize Attendance From Constituent Groups	Maximize Amenities & Comfort Level Of Stadium	Maximize Donor & Customer Experience	Design Stadium To Respond To Current & Future Opportunities	Address Football Operational Needs	Activate Stadium Beyond Football	Identify and Maximize Untapped Revenue Streams	Increase Net Operating Income	Mitigate Financial Risk
NEAR-TERM ENHANCEMENTS									
Social Gathering Spaces	✓	✓	✓	✓		✓	✓	✓	TBD
MID-TERM ENHANCEMENTS									
Roof Structure	✓	✓	✓	✓		✓	✓	✓	TBD
LONG-TERM ENHANCEMENTS									
Dunlap Club / South End Zone Premium	✓	✓	✓	✓		✓	✓	✓	TBD
East & West Sidelines	✓	✓	✓	✓	✓	✓	✓	✓	TBD



REVENUE FUNDING OPPORTUNITIES

	REQUIRES CAPITAL INVESTMENT	UPFRONT REVENUE	ANNUAL REVENUE
1. Premium Seating	YES		✓
2. Capital Seat Gifts	YES	✓	
3. Founders Program	YES	✓	
4. Title Naming Rights	NO		✓
5. Presenting Sponsor	NO		✓
6. Donor Recognition Opportunities	YES/NO	✓	
7. Seating Bowl Donation Lift	NO		✓
8. Ticket Surcharge/Fee	NO		✓
9. Non-Game Day Rentals/Events	YES/NO		✓
10. Game-Day Alcohol Sales	NO		✓
11. University Club	YES		✓
12. Hotel / Condo Licenses	YES	✓	✓
13. Stadium Chairbacks	YES		✓
14. Student Fees	YES/NO		✓
15. IMG Media Rights	YES	✓	✓
16. Parking	YES/NO	✓	✓

Revenue Identified

Requires Further Investigation

Not Applicable



PRELIMINARY FUNDING CONSIDERATIONS

APPENDIX A - (a)

	Low	High	Mid
Annual Revenues			
Net Incremental Premium & Ticket Revenue ⁽¹⁾	\$8.0M	\$8.0M	\$8.0M
Presenting Sponsor Naming Rights	\$1.5M	\$2.0M	\$1.8M
Ticket Surcharge (\$4 to \$5 increment)	\$1.4M	\$1.7M	\$1.6M
Club Rentals & Other Events	\$1.0M	\$1.4M	\$1.2M
Concessions Optimization	\$0.3M	\$0.3M	\$0.3M
Net Annual Incremental Income	\$12.2 M	\$13.4 M	\$12.8 M
Funding Potential			
Net Annual Incremental Income ⁽⁴⁾	\$159M	\$175M	\$167M
Donor Recognition	\$25M	\$30M	\$28M
Capital Seat Gifts	\$12M	\$19M	\$15M
30-Year Funding Potential	\$196M	\$224M	\$210M

⁽¹⁾Annual ticket revenues are incremental, net of existing revenues, inclusive F&B costs and increased operating costs

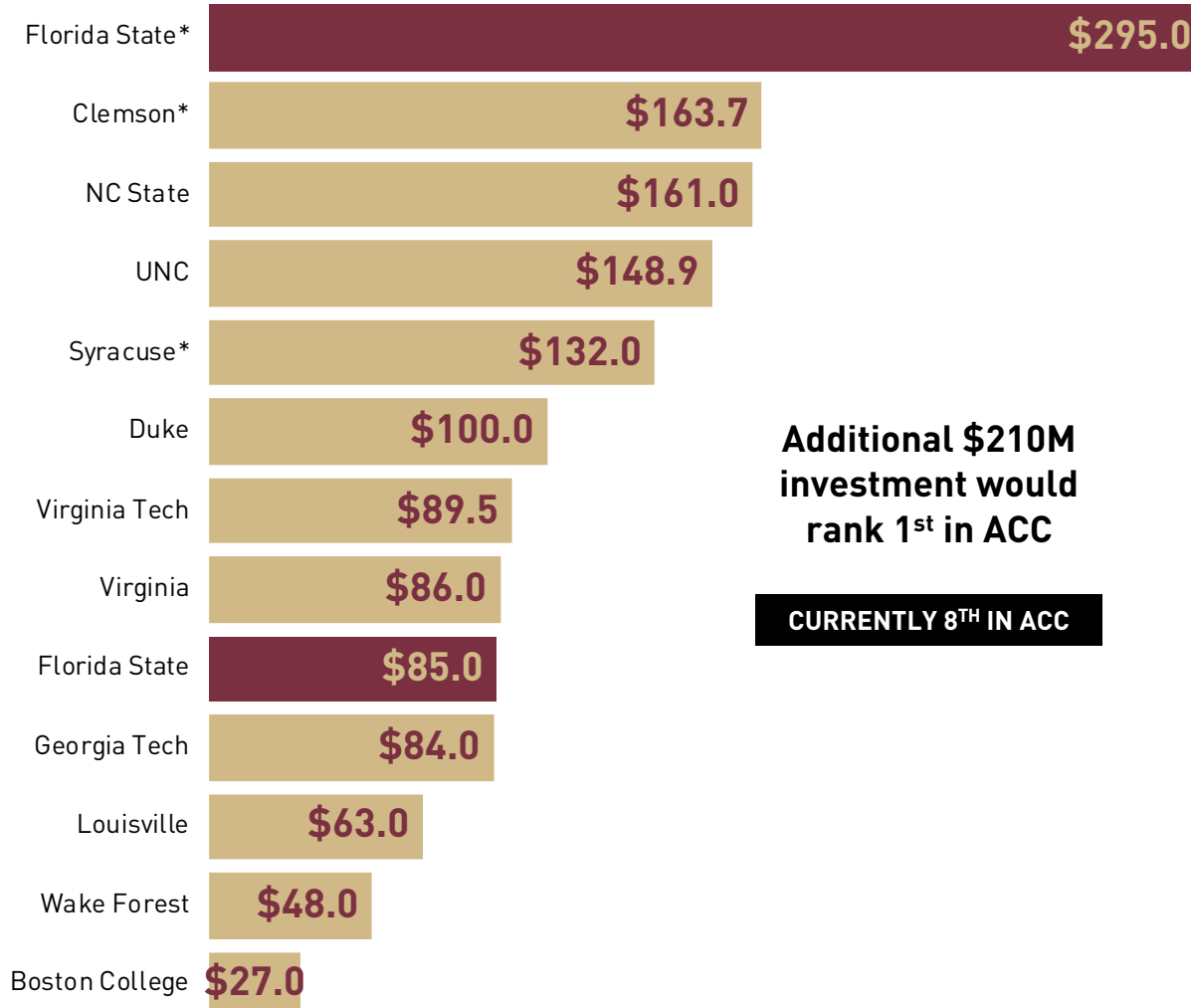
⁽³⁾Eyes to the Future Campaign estimates provided by University representatives

⁽⁴⁾Assumes 4.5% rate and 1.25x debt coverage over a 30-year period



STADIUM INVESTMENT PAST 20 YEARS

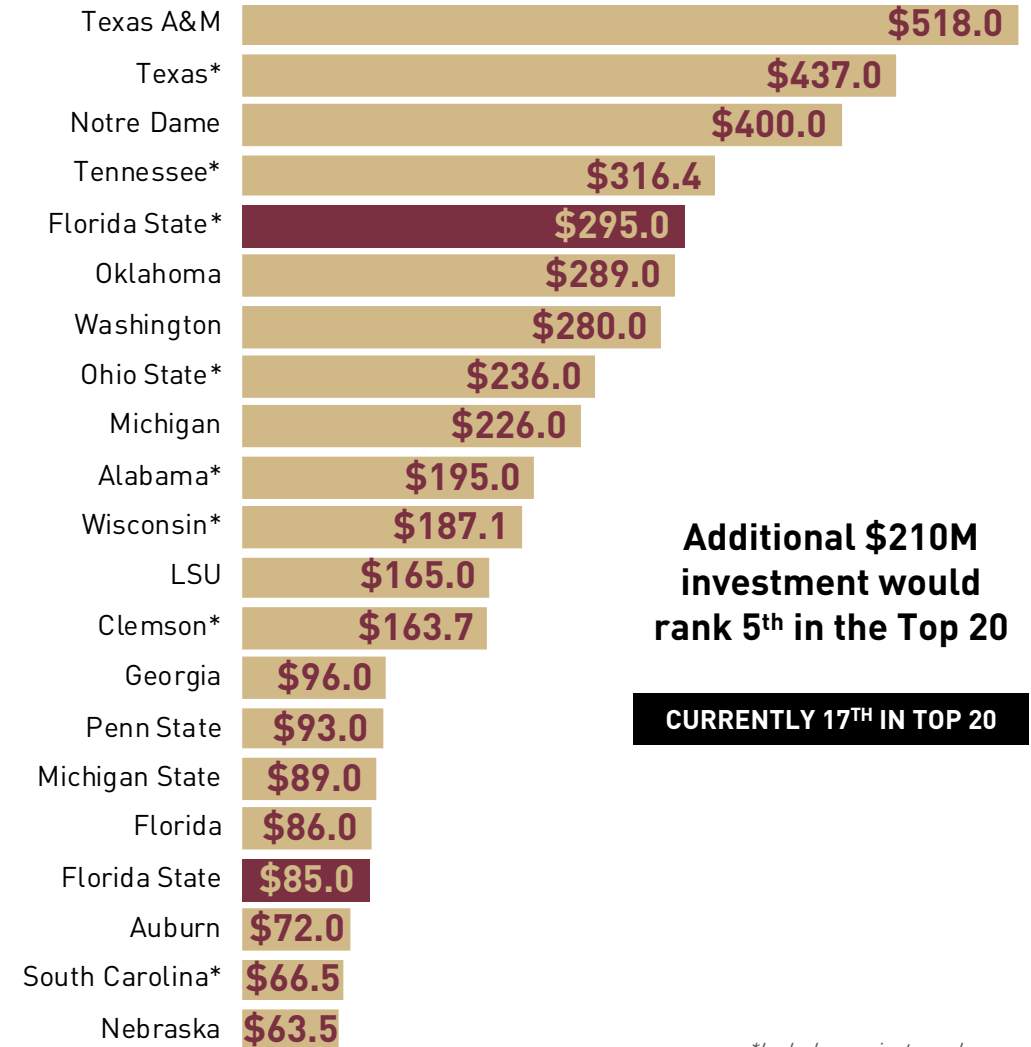
ACC INSTITUTIONS (IN \$M)



**Additional \$210M
investment would
rank 1st in ACC**

CURRENTLY 8TH IN ACC

TOP 20 ATTENDANCE INSTITUTIONS (IN \$M)



**Additional \$210M
investment would
rank 5th in the Top 20**

CURRENTLY 17TH IN TOP 20

**Includes projects under construction/planned*



UPDATE MASTER PLAN

UPDATE COST ESTIMATES

ASSESS RETURN ON INVESTMENT

DETERMINE PROJECT PHASING

Construction Costs

The total estimated cost for the project is \$233,305,705, consisting of \$60,969,000 of soft costs and \$172,336,705 of construction costs. The project is expected to start construction in November 2023 and be completed in August 2025. The estimated useful life of the facility is 80 years. The estimated draw schedule is provided below.

Month	Total Monthly Draw	% of Total
Nov-22	\$185,750	0.08%
Dec-22	0	0.00%
Jan-23	0	0.00%
Feb-23	351,346	0.15%
Mar-23	410,548	0.18%
Apr-23	60,000	0.03%
May-23	610,256	0.26%
Jun-23	715,160	0.31%
Jul-23	647,756	0.28%
Aug-23	848,239	0.36%
Sep-23	1,964,239	0.84%
Oct-23	2,501,739	1.07%
Nov-23	2,991,489	1.28%
Dec-23	3,765,989	1.61%
Jan-24	4,162,891	1.78%
Feb-24	5,486,151	2.35%
Mar-24	6,170,152	2.64%
Apr-24	6,629,584	2.84%
May-24	9,141,648	3.92%
Jun-24	9,958,713	4.27%
Jul-24	12,602,983	5.40%
Aug-24	14,088,506	6.04%
Sep-24	14,188,506	6.08%
Oct-24	13,528,083	5.80%
Nov-24	12,444,946	5.33%
Dec-24	11,350,925	4.87%
Jan-25	12,100,448	5.19%
Feb-25	12,100,448	5.19%
Mar-25	12,012,948	5.15%
Apr-25	12,112,948	5.19%
May-25	12,562,948	5.38%
Jun-25	12,312,948	5.28%
Jul-25	9,635,057	4.13%
Aug-25	6,541,985	2.80%
Sep-25	5,446,900	2.33%
Oct-25	3,142,028	1.35%
Nov-25	531,448	0.23%
Totals	\$233,305,705	100.00%

**STATE OF FLORIDA, BOARD OF GOVERNORS
FLORIDA STATE UNIVERSITY ATHLETICS ASSOCIATION
REVENUE BONDS, SERIES (to be determined)**

Estimated Sources and Uses of Funds

Sources of Funds

Bond Par Amount	\$	265,000,000	<i>Estimated bond sale amount based on a taxable interest rate of 7.00% for 30 years</i>
Stadium Improvement Donations on Hand		8,019,593	<i>Donations on Hand as of August 9, 2023</i>
Investment Earnings on Project Fund		4,923,113	<i>Estimated investment earnings at 2% based on the estimated draw schedule</i>
Total Sources of Funds	\$	277,942,706	

Basis for Amounts

Uses of Funds

Project Cost	\$	233,305,705	<i>Planning, Design, Construction & Equipment (includes \$25.0 million of budgeted owner's contingency)</i>
Capitalized Interest		30,340,188	<i>Estimated for long-term portion of debt through October 1, 2025</i>
Underwriter's Discount		5,300,000	<i>Estimated at 2% of par</i>
Costs of Issuance		301,023	<i>Estimated Costs of Issuance provided by DBF</i>
Contingency		8,695,791	<i>Contingency for project cost, bond sizing and donations on hand</i>
Total Uses of Funds	\$	277,942,706	

**State of Florida, Board of Governors
Florida State University Athletics Association
Revenue Bonds, Series (to be determined)**

Estimated Debt Service Schedule

Assumptions

Par Amount: \$ 265,000,000

Interest Rate¹: 7.00%

Term: 30 yrs

Structure: The bonds are structured with two components: an accelerated piece based on estimated receipt of donations for the Stadium project over the next 5 years, and a piece amortized over 30 years with level debt service.

Fiscal Year	5-year Accelerated Component			30-year Level Debt Service Component			Total		
	Principal	Interest	Debt Service	Principal	Interest ²	Debt Service	Principal	Interest	Debt Service
2024	\$ -	\$ 303,188	\$ 303,188	\$ -	\$ -	\$ -	\$ -	\$ 303,188	\$ 303,188
2025	5,060,000	1,124,200	6,184,200	-	-	-	5,060,000	1,124,200	6,184,200
2026	4,920,000	772,450	5,692,450	-	8,668,625	8,668,625	4,920,000	9,441,075	14,361,075
2027	3,570,000	451,675	4,021,675	3,005,000	17,284,663	20,289,663	6,575,000	17,736,338	24,311,338
2028	2,150,000	226,625	2,376,625	3,220,000	17,070,550	20,290,550	5,370,000	17,297,175	22,667,175
2029	1,625,000	85,313	1,710,313	3,450,000	16,841,125	20,291,125	5,075,000	16,926,438	22,001,438
2030				3,695,000	16,595,338	20,290,338	3,695,000	16,595,338	20,290,338
2031				3,960,000	16,332,050	20,292,050	3,960,000	16,332,050	20,292,050
2032				4,240,000	16,049,950	20,289,950	4,240,000	16,049,950	20,289,950
2033				4,545,000	15,747,813	20,292,813	4,545,000	15,747,813	20,292,813
2034				4,870,000	15,423,975	20,293,975	4,870,000	15,423,975	20,293,975
2035				5,215,000	15,077,038	20,292,038	5,215,000	15,077,038	20,292,038
2036				5,585,000	14,705,513	20,290,513	5,585,000	14,705,513	20,290,513
2037				5,985,000	14,307,563	20,292,563	5,985,000	14,307,563	20,292,563
2038				6,410,000	13,881,175	20,291,175	6,410,000	13,881,175	20,291,175
2039				6,865,000	13,424,513	20,289,513	6,865,000	13,424,513	20,289,513
2040				7,355,000	12,935,388	20,290,388	7,355,000	12,935,388	20,290,388
2041				7,880,000	12,411,350	20,291,350	7,880,000	12,411,350	20,291,350
2042				8,440,000	11,849,950	20,289,950	8,440,000	11,849,950	20,289,950
2043				9,045,000	11,248,563	20,293,563	9,045,000	11,248,563	20,293,563
2044				9,685,000	10,604,213	20,289,213	9,685,000	10,604,213	20,289,213
2045				10,380,000	9,914,100	20,294,100	10,380,000	9,914,100	20,294,100
2046				11,115,000	9,174,638	20,289,638	11,115,000	9,174,638	20,289,638
2047				11,910,000	8,382,675	20,292,675	11,910,000	8,382,675	20,292,675
2048				12,755,000	7,534,188	20,289,188	12,755,000	7,534,188	20,289,188
2049				13,665,000	6,625,413	20,290,413	13,665,000	6,625,413	20,290,413
2050				14,640,000	5,651,800	20,291,800	14,640,000	5,651,800	20,291,800
2051				15,685,000	4,608,713	20,293,713	15,685,000	4,608,713	20,293,713
2052				16,800,000	3,491,250	20,291,250	16,800,000	3,491,250	20,291,250
2053				17,995,000	2,294,338	20,289,338	17,995,000	2,294,338	20,289,338
2054				19,280,000	1,012,200	20,292,200	19,280,000	1,012,200	20,292,200
Total	\$ 17,325,000	\$ 2,963,450	\$ 20,288,450	\$ 247,675,000	\$ 329,148,663	\$ 576,823,663	\$ 265,000,000	\$ 332,112,113	\$ 597,112,113

¹ Estimated interest rate provided by the Division of Bond Finance and assumes the financing is fully taxable.

² Interest on the 30-year Level Debt Service Component is net of capitalized interest through October 1, 2025.

Description of Security

The Bonds will be secured by a senior lien on certain gross revenues generated by FSU's Athletics Department and Seminole Boosters. The pledged revenue streams include athletic conference distribution revenue, annual Booster membership fees, Project-specific donations received within five years of issuance, sponsorships and advertising money, proceeds from ticket sales, concession revenues, and game guarantees (collectively, the "Pledged Revenues").

The Bonds will be secured by and payable from the Pledged Revenues pursuant to Section 1010.62(2)(a), Florida Statutes, which allows revenue bonds to be issued to finance or refinance capital outlay projects secured by or payable from the revenues authorized for such purpose, including those revenues derived from or received in relation to sales and services of auxiliary enterprises or component units of the University, including athletic activities or other similar services.

Additionally, in compliance with the requirements for structural features in the Debt Management Guidelines, the donations for the Stadium renovations received within the first 5 years of issuance will be pledged to the Bonds. Donations received after the first 5 years of issuance will not secure the Bonds, though may be used to pay debt service on the Bonds.

**State of Florida, Board of Governors
Florida State University Athletics Association, Inc.
\$265M Football Stadium Renovation Project**

Historical and Projected Debt Service Coverage

	Historical				Preliminary	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
FSUAA Pledged Revenues										
Conference Distribution Revenues ¹	\$ 28,244,293	\$ 32,199,496	\$ 37,162,169	\$ 38,719,836	\$ 42,400,000	\$ 42,534,623	\$ 48,023,903	\$ 49,698,141	\$ 56,706,561	\$ 58,770,971
Athletic Department Net Ticket Revenues ²	11,204,910	8,161,824	-	9,465,558	14,483,135	12,630,262	7,923,580	8,741,298	9,868,566	10,842,538
Game Guarantees Revenue	132,225	500,000	83,776	607,500	80,000	295,000	50,000	250,000	500,000	500,000
Unrestricted Contributions - Tied to Ticket Sales				8,705,035	8,776,736	9,480,630	9,527,036	23,685,722	24,489,819	25,961,459
Unrestricted Contributions - Other	18,109,588	16,901,001	15,439,633	9,268,922	10,412,917	9,519,370	8,941,472	9,605,022	9,636,700	9,802,055
Sponsorship & Advertising Revenues	14,085,018	8,834,453	10,788,819	16,115,910	14,752,709	15,136,709	15,745,334	17,430,656	18,585,798	20,345,296
Concession Revenues	2,208,377	1,100,000	-	827,916	500,000	1,500,000	1,486,840	1,998,866	2,071,364	2,107,164
Football Operations Facility Gifts & Donations ³	-	-	-	-	-	5,985,408	5,254,145	4,526,371	3,822,125	2,507,039
Stadium Improvements Gifts & Donations ³	-	-	-	-	-	6,807,456	6,264,224	4,428,357	2,617,739	1,886,140
Total Pledged Revenues	\$ 73,984,411	\$ 67,696,774	\$ 63,474,397	\$ 83,710,677	\$ 91,405,497	\$ 103,889,458	\$ 103,216,534	\$ 120,364,433	\$ 128,298,672	\$ 132,722,662
Estimated Annual Debt Service										
Football Operations Facility Debt Service	n/a	n/a	n/a	n/a	n/a	\$ 3,045,000	\$ 13,441,813	\$ 12,782,525	\$ 11,942,663	\$ 11,366,044
Short-Term 5-Year Debt Service	n/a	n/a	n/a	n/a	n/a	303,188	6,184,200	5,692,450	4,021,675	2,376,625
Long-Term 30-Year Debt Service ⁴	n/a	n/a	n/a	n/a	n/a	-	-	8,668,625	20,289,663	20,290,550
Total Debt Service	n/a	n/a	n/a	n/a	n/a	\$ 3,348,188	\$ 19,626,013	\$ 27,143,600	\$ 36,254,000	\$ 34,033,219
Debt Service Coverage Ratio	n/a	n/a	n/a	n/a	n/a	31.03x	5.26x	4.43x	3.54x	3.90x

¹ Conference Distribution Revenues are net of \$1.85M of athletic department rent pledged to FSUFA bonds.

² Represents net ticket revenues less \$7 million pledged to FSUFA bonds. The \$7 million portion pledged to FSUFA bonds is only secured by net ticket revenues. In FY21, net ticket revenues were approximately \$4.2 million resulting in no pledged revenues.

³ Gifts and donations for the Football Operations Facility and Stadium Improvement Project will only be pledged to the bonds for first five years following issuance. Donations prior to issuance will be used to partially fund construction of the facilities. Donations received five years after issuance may be used to pay debt service on the bonds, but will not secure the debt. The bonds will be structured with an accelerated debt service structure based on projected receipts of donations over that five year period; the five-year period is in keeping with the limitations required in Florida Statutes and SUS Debt Mgt Guidelines for debt secured with donations.

⁴ Excludes the interest payments on the bonds due in FY24 and FY25 and a portion of the interest payments on the bonds due in FY26, which will be paid from proceeds of the bonds (capitalized interest).

Legislative Approval

Legislative approval for the football stadium improvement project was included in the 2023 appropriations bill which was signed by the Governor on June 15, 2023.

Conclusion and Recommendation Regarding Method of Sale

Florida State University (the "University") proposes to finance the renovation of a football stadium with revenue bonds, under the newly created Florida State University Athletics Association, Inc. ("FSUAA") credit structure. The Debt Management Guidelines established by the Board of Governors require that prior to issuing any debt obligations by negotiated sale, an analysis be done to assess the relative benefits of a negotiated sale versus a competitive sale.

Based on the analysis of the characteristics of the proposed FSUAA Revenue Bonds, the University and the Division of Bond Finance anticipate issuing the bonds via competitive sale. If a determination is made to consider issuing the bonds through a negotiated sale, a detailed negotiated sale analysis will be provided.

**FSU Athletic Association
Internal Rate of Return Calculation**

**Internal Rate of Return
(entire project): 8.19%**

Construction Cost Outflow	(233,305,705)				
Cashflow by fiscal year:	Construction Costs¹	Foregone Revenue²	Gift Receipts³	Operational Revenue⁴	Net Cash Flow
FY2023	(2,333,060)	-	8,019,593	-	5,686,533
FY2024	(54,268,590)	-	15,718,451	-	(38,550,139)
FY2025	(151,406,637)	(5,000,000)	21,321,881	-	(135,084,756)
FY2026	(25,297,418)	-	20,029,255	10,596,742	5,328,579
FY2027	-	-	15,060,052	10,884,940	25,944,992
FY2028	-	-	5,368,950	10,237,891	15,606,841
FY2029	-	-	2,356,839	10,305,174	12,662,013
FY2030	-	-	2,306,839	12,621,390	14,928,229
FY2031	-	-	1,306,839	13,777,467	15,084,306
FY2032	-	-	1,306,839	13,738,630	15,045,469
FY2033	-	-	1,267,950	13,698,627	14,966,577
FY2034	-	-	868,950	13,657,424	14,526,374
FY2035	-	-	868,950	13,614,985	14,483,935
FY2036	-	-	868,950	14,810,795	15,679,745
FY2037	-	-	868,950	14,765,771	15,634,721
FY2038	-	-	868,950	14,719,397	15,588,347
FY2039	-	-	868,950	14,671,632	15,540,582
FY2040	-	-	868,950	14,622,433	15,491,383
FY2041	-	-	868,950	15,858,958	16,727,908
FY2042	-	-	868,950	15,806,763	16,675,713
FY2043	-	-	868,950	15,753,003	16,621,953
FY2044	-	-	868,950	15,697,629	16,566,579
FY2045	-	-	868,950	15,640,595	16,509,545
FY2046	-	-	868,950	16,918,752	17,787,702
FY2047	-	-	868,950	16,858,244	17,727,194
FY2048	-	-	868,950	16,795,921	17,664,871
FY2049	-	-	868,950	16,731,728	17,600,678
FY2050	-	-	868,950	16,665,609	17,534,559
FY2051	-	-	868,950	17,986,232	18,855,182
FY2052	-	-	868,950	17,916,087	18,785,037
FY2053	-	-	868,950	17,843,837	18,712,787
FY2054	-	-	868,950	17,769,420	18,638,370
	(233,305,705)	(5,000,000)	112,311,438	430,966,076	304,971,809

¹ Construction to begin in November 2023 with Project in-service in August 2025. Costs incurred prior to November 2023 represent preliminary and engineering costs.

² Represents revenue lost due to decreased attendance to football games during construction.

³ Gifts received and projected through the life of the project. Actual spread of collections could differ materially from projections. Contributions that will be pledged to the Bond will be provided separately based off current signed gifts and estimated collection schedules.

⁴ Includes increases in net revenues from ticket sales and contributions to Boosters.