



FLORIDA STATE
UNIVERSITY

Finance & Business Committee

Kyle Clark

Senior Vice President for Finance & Administration

February 27, 2025



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Action Item I:

OUTSTANDING REVENUE BONDS



University Auxiliary Facilities with Outstanding Revenue Bonds

- BOG 9.008 was amended effective June 22, 2017, to include additional language regarding maintenance and equipment reserves, as well as reporting requirement clarifications, for certain auxiliary revenue bond issues.
 - *“In order to satisfy bond covenant requirements, it is necessary for each university to develop and submit operating budget detail approved by the University Board of Trustees for auxiliary facilities with such bond covenants and to report the anticipated amount to be deposited in the (facility) Maintenance and Equipment Reserve Fund(s).”*



FSU Auxiliary Debt

	<u>Outstanding Debt¹</u>	<u>ABT</u>	<u>FY 2024 Coverage</u>
Parking	\$8,055,000	1.20x	3.66x
Housing	\$108,025,000	1.30x	2.49x
Wellness	\$8,845,000	1.20x	8.62x
Student Union²	\$41,905,000	1.20x	1.40x
Aggregate	\$166,830,000		

¹ As of July 1, 2024. Represents par only and excludes unamortized premium or discount. Excludes debt issued by direct support organizations.

² This program was fully leveraged to 1.20x with the initial issuance in September 2022.

Parking System

Income Statement

	2023-24 <u>Actual</u>	2024-25 <u>Estimated</u>	2025-26 <u>Projected</u>
Revenue			
Operating Revenues	\$13,009,379	\$14,388,311	\$14,535,536
Interest Income - Operating Funds	584,921	686,978	622,190
Interest Income - Reserve Funds	178,562	219,982	219,982
Other	2,664	0	0
Total Revenues	\$13,775,527	\$15,295,271	\$15,377,707
Expenditures			
Salaries and Matching	\$1,613,400	\$1,537,550	\$1,583,677
Other Personal Services	65,467	116,379	110,200
Operating Expenses	6,624,590	7,557,808	7,577,848
Repairs and Maintenance	472,114	462,439	437,503
Debt Service	2,591,500	2,883,300	1,977,750
Repair and Replacement Expense	636,609	225,000	1,300,000
Operating Capital Outlay	59,681	60,000	60,000
Other Expense & Transfers Out	1,321,146	1,318,216	1,473,912
Total Expenditures	\$13,384,507	\$14,160,692	\$14,520,889
Transfers Out From Reserve Fund	\$0	\$0	\$0
Net Income	\$391,020	\$1,134,580	\$856,819
Beginning Balance	\$18,609,136	\$19,000,155	\$20,134,735
Ending Balance	\$19,000,155	\$20,134,735	\$20,991,554



Parking System

Reserve Fund Activity

	<u>2023-24</u> <u>Actual</u>	<u>2024-25</u> <u>Estimated</u>	<u>2025-26</u> <u>Projected</u>
Reserve Fund - Beginning Balance	\$3,882,333	\$4,210,895	\$4,630,877
Interest Income	178,562	219,982	219,982
Transfers In	150,000	200,000	150,000
Transfers Out		0	0
Reserve Fund - Ending Balance	\$4,210,895	\$4,630,877	\$5,000,858



Housing System

Income Statement

	2023-2024	2024-2025	2025-2026
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Revenue			
Operating Revenues	\$53,815,586	\$54,910,429	\$57,959,559
Interest Income - Operating Funds	2,517,282	805,196	1,207,794
Interest Income - Reserve Funds	2,568,777	2,042,789	2,183,838
Other	745,604	563,052	568,605
Total Revenues	\$59,647,249	\$58,321,466	\$61,919,796
Expenditures			
Salaries and Matching	\$8,060,274	\$7,104,856	\$7,460,099
Other Personal Services	3,029,402	3,762,730	4,112,730
Operating Expenses	11,643,634	16,310,396	16,976,737
Repairs and Maintenance	2,334,295	2,300,000	2,415,000
Debt Service	13,809,545	13,885,000	13,894,953
Repair and Replacement Expense	5,000,734	5,750,000	5,750,000
Operating Capital Outlay	0	90,750	90,750
Other Expense & Transfers Out	3,583,118	3,788,568	4,034,013
Total Expenditures	\$47,461,002	\$52,992,300	\$54,734,282
Transfers Out From Reserve Fund	\$0	(\$5,000,000)	(\$3,000,000)
Net Income	\$12,186,247	\$329,166	\$4,185,514
Beginning Balance	\$89,112,691	\$101,298,938	\$101,628,104
Ending Balance	\$101,298,938	\$101,628,104	\$105,813,618



Housing System

Reserve Fund Activity

	2023-2024	2024-2025	2025-2026
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Reserve Fund - Beginning Balance	\$57,317,043	\$63,184,157	\$63,499,273
Interest Income	2,568,777	2,042,789	2,183,838
Transfers In	3,298,337	3,272,327	5,001,676
Transfers Out	0	(5,000,000)	(3,000,000)
Reserve Fund - Ending Balance	\$63,184,157	\$63,499,273	\$67,684,787





Request for Approval

- Approval of Housing System 2025-2026 Budget Projections and Reserve Fund Activity
- Approval of Parking System 2025-2026 Budget Projections and Reserve Fund Activity
- Approval of the President or Designee to make any changes to the Housing and Parking Systems 2025-2026 Budgets within available resources



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Action Item II:

REGULATION AMENDMENT ATTENDANCE & LEAVE



Regulation Amendment

- FSU-4.0015 Attendance and Leave, Hours of Work Requirements
- Amendment allows employees classified as A&P to earn compensatory leave when working during a university closure
- Amendment increases the year-end maximum annual leave balance for all categories of leave-earning employees



Maximum Annual Leave in Hours

Class	Original Year End	Amended Year End
Faculty	352	432
A&P	352	432
AEX	480	560
USPS	240	320



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Action Item III:

**AMEND FSU ATHLETICS ASSOCIATION,
INC. DEBT RESOLUTION**



FSUAA Football Stadium Renovation Project

- On October 27, 2023, the BOT approved a resolution authorizing the FSUAA to issue debt not to exceed \$265M for the purpose of financing renovations of the west side and south endzone of Doak Campbell Stadium.
- In July 2024 the FSUAA issued \$221.8M in bonds for the Stadium Premium Seating Improvement Project.
- The Project has significant savings totaling over \$30M, which Athletics wants to utilize to address other major repair or replacement of damaged or obsolete infrastructure, technology, and equipment throughout the Stadium.



Request for Approval

Request to approve Action Item III: Amend the BOT 2023 Debt Resolution authorizing the FSU Athletic Association, Inc. to use available bond proceeds to repair or replace damaged or obsolete infrastructure, technology, and equipment throughout the Stadium.



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FSU FINANCIAL STATEMENTS



Annual Financial Report

Condensed Statement of Revenues, Expenses, and Changes in Net Position (Income Statement)

(in thousands)

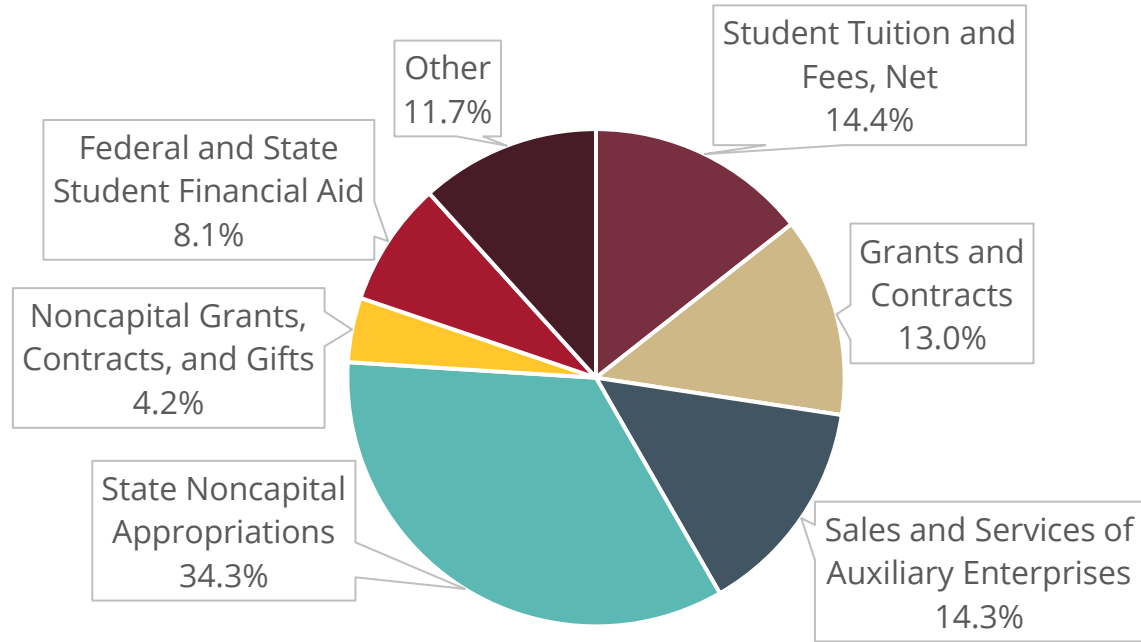
	2023-24	2022-23	Change	%
Operating Revenues	\$ 905,900	\$ 888,120	\$ 17,780	2.0%
Less, Operating Expenses	(1,849,098)	(1,630,113)	(218,985)	13.4%
Operating Loss	(943,198)	(741,993)	(201,205)	27.1%
Net Nonoperating Revenues	1,090,346	888,162	202,184	22.8%
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	147,148	146,169	979	0.7%
Other Revenues, Expenses, Gains, or Losses	135,731	32,568	103,163	316.8%
Net Increase in Net Position	282,879	178,737	104,142	58.3%
Net Position, Beginning of Year	2,504,862	2,326,125	178,737	7.7%
Net Position, End of Year	\$ 2,787,741	\$ 2,504,862	\$ 282,879	11.3%

Revenues

(in thousands)

	2023-24	2022-23	Change	%
Net Tuition and Fees	\$ 308,385	\$ 307,785	\$ 600	0.2%
Grants and Contracts	280,192	256,816	23,376	9.1%
Sales and Services of Auxiliary Enterprises	307,640	313,200	(5,560)	-1.8%
Other	9,683	10,319	(636)	-6.2%
Operating Revenues	905,900	888,120	17,780	2.0%
State Noncapital Appropriations	737,216	600,076	137,140	22.9%
Federal and State Student Financial Aid	173,806	172,020	1,786	1.0%
Noncapital Grants, Contracts, and Gifts	89,716	78,369	11,347	14.5%
Other	105,363	51,754	53,609	103.6%
Nonoperating Revenues	1,106,101	902,219	203,882	22.6%
State Capital Appropriations	87,677	24,711	62,966	254.8%
Capital Grants, Contracts, Donations, and Fees	48,054	7,857	40,197	511.6%
Other Revenues	135,731	32,568	103,163	316.8%
Total Revenues	\$ 2,147,732	\$ 1,822,907	\$ 324,825	17.8%

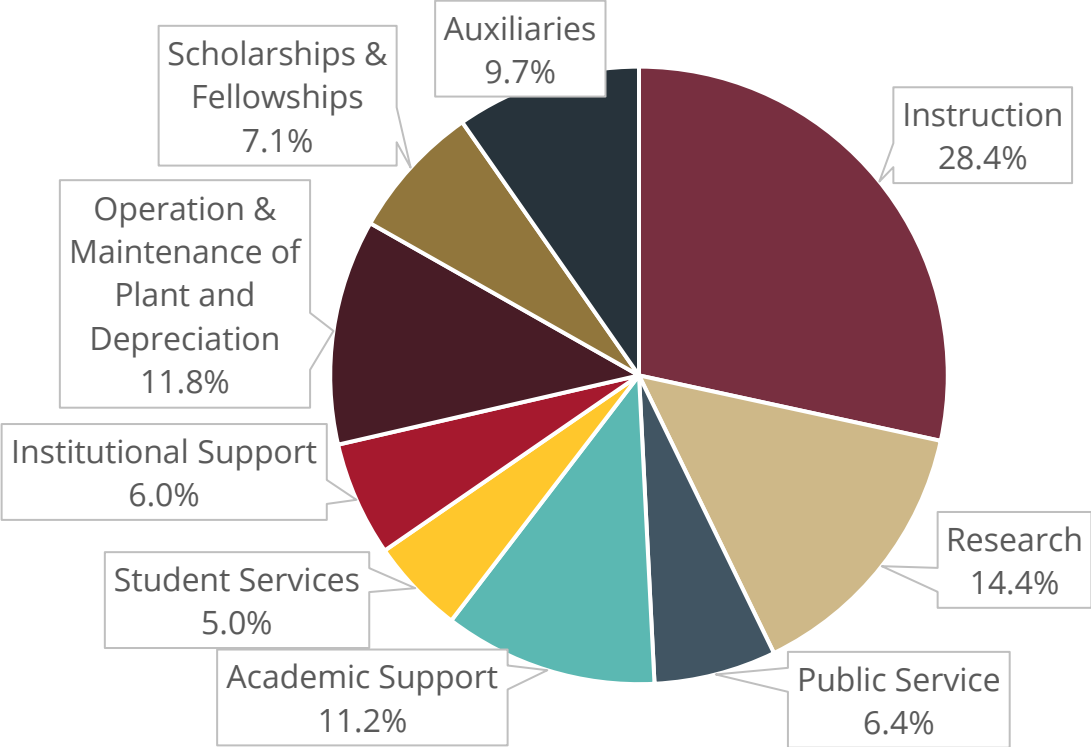
2023-24 Revenues by Major Source



Expenses (in thousands)

	2023-24	2022-23	Change	%
Compensation and Employee Benefits	\$ 1,106,073	\$ 950,888	\$ 155,185	16.3%
Services and Supplies	456,525	404,689	51,836	12.8%
Utilities and Communications	44,222	42,724	1,498	3.5%
Scholarships and Fellowships	130,709	122,137	8,572	7.0%
Depreciation	111,569	109,675	1,894	1.7%
Operating Expenses	1,849,098	1,630,113	218,985	13.4%
Nonoperating Expenses	15,755	14,057	1,698	12.1%
Total Expenses	\$ 1,864,853	\$ 1,644,170	\$ 220,683	13.4%

2023-24 Expenses by Function



Functional Classification of Expenses – IPEDS

(in thousands)

Functional Classification	2023-2024	2022-2023	Change	%
Instruction	\$ 575,799	\$ 529,302	\$ 46,497	8.8%
Research	296,640	269,279	27,361	10.2%
Public Service	130,757	126,939	3,818	3.0%
Academic Support	220,909	183,521	37,388	20.4%
Student Services	97,326	94,472	2,854	3.0%
Institutional Support	113,375	105,286	8,089	7.7%
Auxiliary Enterprises	192,361	163,216	29,145	17.9%
Total Expenses	\$ 1,627,166	\$ 1,472,015	\$ 155,151	10.5%

Condensed Statement Net Position (Balance Sheet)

(in thousands)

	2023-24	2022-23	Change	%
Assets				
Current Assets	\$ 1,504,537	\$ 1,327,613	\$ 176,924	13.3%
Capital Assets, Net	2,292,215	2,162,148	130,067	6.0%
Other Noncurrent Assets	339,328	297,989	41,339	13.9%
Total Assets	4,136,080	3,787,750	348,330	9.2%
Deferred Outflows of Resources	182,900	181,943	957	0.5%
Liabilities				
Current Liabilities	482,995	441,515	41,480	9.4%
Noncurrent Liabilities	924,573	868,264	56,309	6.5%
Total Liabilities	1,407,568	1,309,779	97,789	7.5%
Deferred Inflows of Resources	123,671	155,052	(31,381)	-20.2%
Net Position				
Net Investment in Capital Assets	2,022,793	1,859,158	163,635	8.8%
Restricted	540,602	464,594	76,008	16.4%
Unrestricted	224,346	181,110	43,236	23.9%
Total Net Position	\$ 2,787,741	\$ 2,504,862	\$ 282,879	11.3%

Unrestricted Net Position

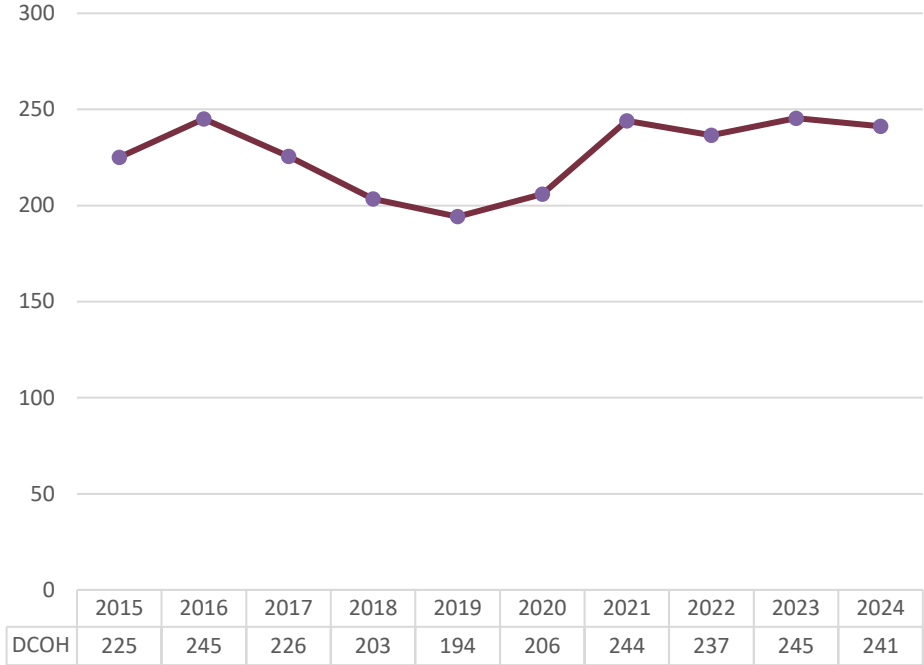
(in thousands)

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Unrestricted Fund Balance per SNP	\$ 224,346
Amount Expected to be Funded in Future Years:	
Compensated Absences	102,486
Other Postemployment Benefits	219,866
Pension	295,542
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Total Amount Expected to be Funded in Future Years	617,894
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Restated Unrestricted Net Position	\$ 842,240
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Select Financial Ratios

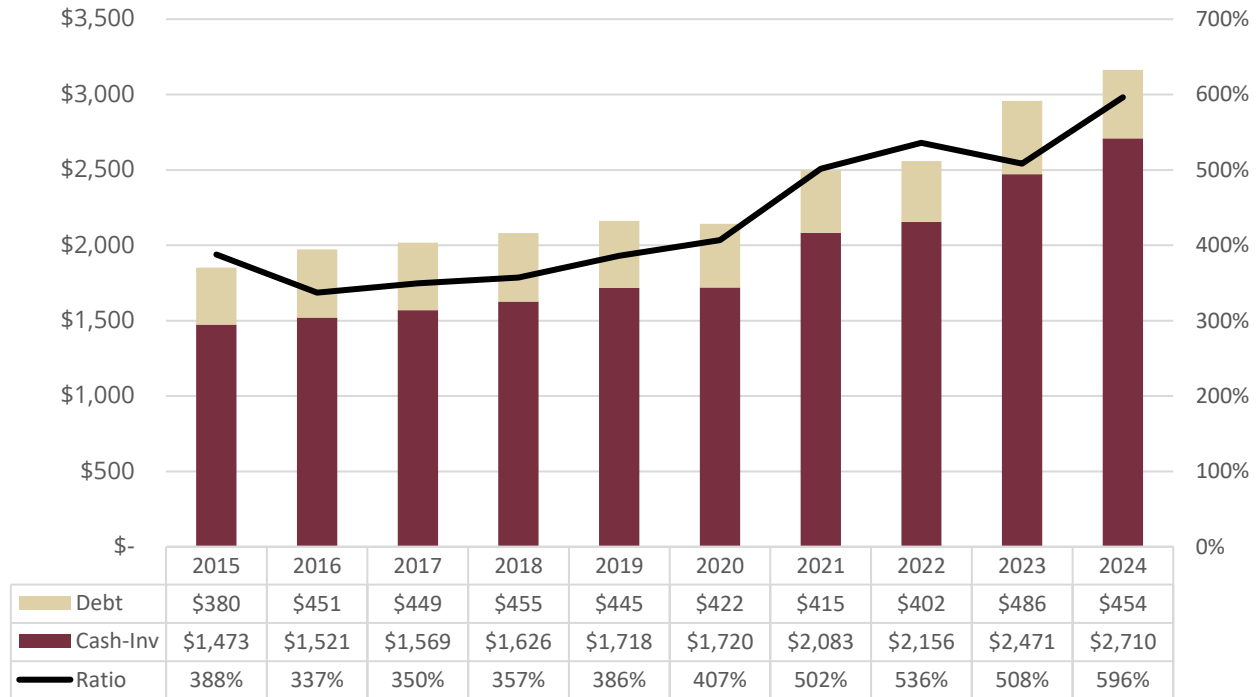
Days Cash on Hand

Fiscal Years 2014/15 – 2023/24



Cash & Investment to Debt

Fiscal Years 2014/15 – 2023/24



University Debt Capacity - As of July 1, 2024

Program	Outstanding Debt ¹	ABT	Capacity
Parking	\$8,055,000	1.20x	\$77,500,000
Housing	\$108,025,000	1.30x	\$166,250,000
Wellness	\$8,845,000	1.20x	\$160,500,000
Student Union ²	\$41,905,000	1.20x	N/A
Aggregate	\$166,830,000		\$404,250,000

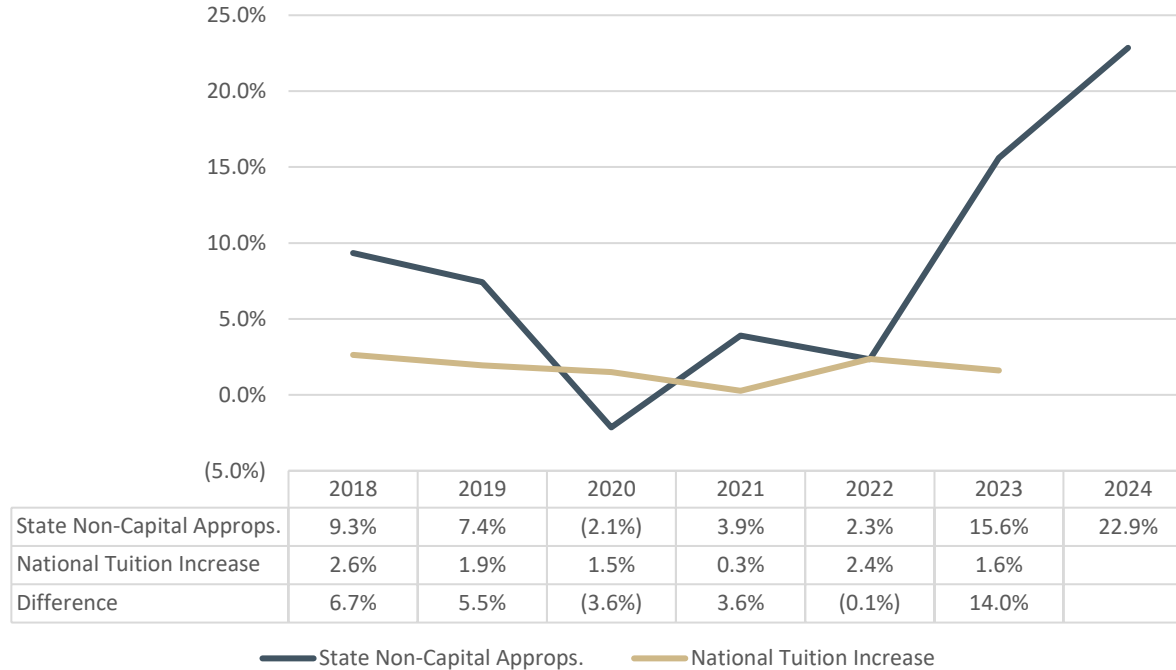
Note: All capacity calculations are for Fiscal Year 2025 and assume a 30-year level debt service structure with annual amortizations. The interest rate used is 5.25%, which is the rate adopted by the July 19, 2024 Economic Estimating Conference, which is consistent with BOG and Division of Bond Finance practice.

¹ As of July 1, 2024. Represents par only and excludes unamortized premium or discount. Excludes debt issued by direct support organizations.

² This program was fully leveraged to 1.20x with the initial issuance in September 2022.

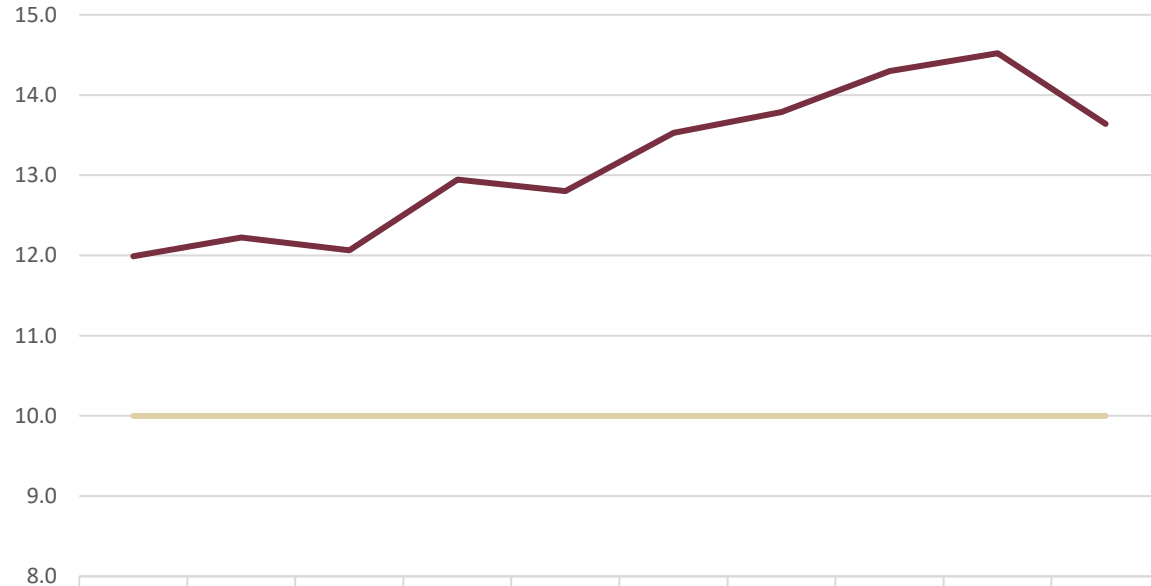
Appropriation Growth Rate Comparison

Fiscal Years 2017/18 – 2023/24



Age of Plant

Fiscal Years 2014/15 – 2023/24



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Age of Plant (Years)	12.0	12.2	12.1	12.9	12.8	13.5	13.8	14.3	14.5	13.6
Benchmark Age	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0



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CAPITAL PROJECT UPDATES



NW Housing, Dining & Parking – Phase I

Project Status: Design

GSF: TBD gsf

Project Budget: \$232.5M

Project Schedule: Planning/Programming Completion May 2025

Project Information:

This project will include master planning for Housing needs. The overall objective is to reach 8,000 beds by 2030. The initial phase is anticipated to offer housing for 1,000 beds, 500 dining and 500 parking spaces without eliminating any existing housing. Planning and programming will begin to identify the optimal phasing plan for the overall space needs, followed by design and construction of Phase I scope.

Project Partners:

Design Professional: Walker Architects, Gainesville, FL

Contractor: TBD – **CMR Selection Spring 2025**

Owner's Representative: Cumming Management Group, Nashville, TN



NW Housing, Dining & Parking – Phase I



Aerial view of project site

2025

Q1: Planning & programming meetings

Q2: Planning & programming continues including cost and schedule refinement (May)

Q3: Design begins



FSU-TMH Academic Health Center

Project Status: Construction

GSF: 139,700 gsf

Project Budget: \$137.5M

Project Schedule: Substantial Completion December 2024

Project Information:

Constructs an Academic Health Center that will accommodate both dry and wet labs, clinical space, administrative space, teaching space, and research space. The facility is proposed to offer space to be utilized by a blend of THM Family Medical Residency Program, the TMH Internal Medicine Residency Program, and the Tallahassee Regional Medical School Campus.

Project Partners:

Design Professional: HOK, Tampa, FL

Contractor: AJAX Building Company, Midway, FL

Owner's Representative: Cumming Management Group, Nashville, TN



Academic Health Center – January 2025 Photos



Concrete placement for foundations in process



Pre-tying rebar for columns for faster installation



Academic Health Center – January 2025 Photos



View of site looking east



Academic Health Center – Project Timeline

Design / Construction Update:

- 100% Construction Documents submitted for building permitting
- GMP CM Contract executed for full scope (under budget)
- Mass grading of site complete
- *NIH Grant submission January 2025 for partial fit out of 4th floor

2025

- Q1: Foundation walls & deep foundations
- Q2: Structural frame erection
- Q3: Building envelope & interior buildout begins – building top out anticipated
- Q4: Building envelope & interior build out continues

2026

- Q1: Building envelope & interior buildout complete, Nurses Drive connection made
- Q2: Commissioning
- Q3: Substantial Completion (August)
- Q4: Final Completion & Occupancy



Howser Baseball Facility Upgrades

Project Status: Substantial Completion

GSF: NA

Project Budget: \$1.2M

Project Schedule: Completion coordinated with the 2025 Baseball Season

Project Information:

The scope of work includes upgrading and repairing multiple areas of the existing baseball stadium. Work includes foul line fencing and padding, training room finishes, batting cage turf, netting and lighting, right field fence replacement.

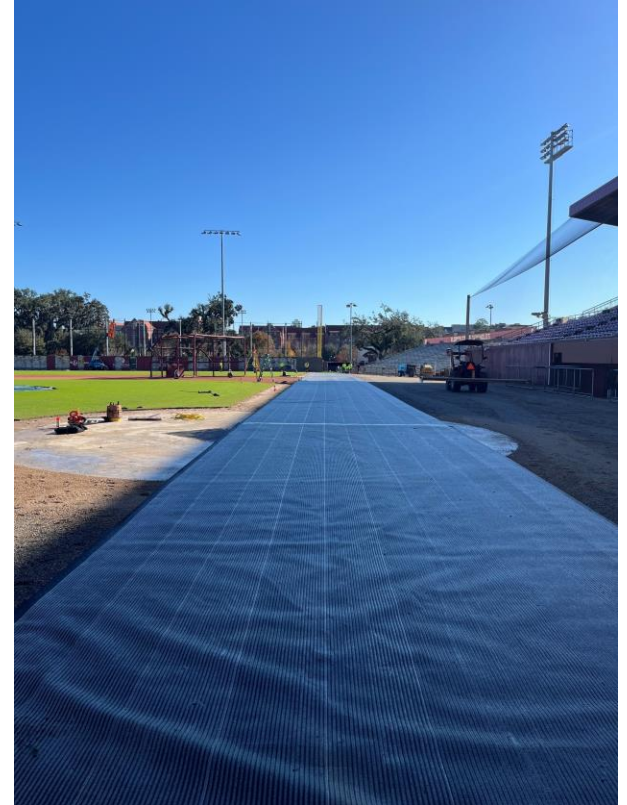
Project Partners:

Design Professional: The Lunz Group

Contractor: Mad Dog Design and Construction Co., Inc.



Howser Baseball Facility Upgrades





Howser Baseball Facility Upgrades





College of Business, Legacy Hall

Project Status: Construction

GSF: 219,000

Project Budget: \$160M

Project Schedule: Substantial Completion Anticipated August 2025

Project Information:

Provides a multi-functional and collaborative environment for students, faculty, and staff to teach, research, and learn. Facility will include classroom, instructional, seminar, multi-purpose event, technology, distance learning, Institute/Center, administrative, and café space. The new building is located between Madison St. and Gaines St. along MLK Jr. Blvd and will create a prominent east campus gateway.

Project Partners:

- Design Professional – Goody Clancy Architects, Boston, MA
- Contractor – Culpepper Construction Company, Tallahassee, FL
- Owner's Representative – Cumming Management Group, Nashville, TN



Legacy Hall Original Concept Renderings



View from west entry



Legacy Hall Original Concept Renderings



View from east entry



Legacy Hall Construction – January 2025



Roofing nearly complete all areas



Lower Commons Area



Legacy Hall Construction – January 2025



Office area – typical view



Classroom – typical view



Legacy Hall – Project Timeline

Construction Update:

Brick, precast stone accents, exterior window installation – 90 – 95% complete

Ceiling grid 50% complete, light fixture installation begun

Tile install in bathrooms complete

Permanent power to be energized (February)

2025

Q1: Electrical systems complete; life safety inspections; finishes continue

Q2: Mechanical system start-ups; Irrigation & landscape installation

Q3: Commissioning; interior complete; AV installation; Substantial Completion

Q4: Occupancy

2026

Classes held for spring semester



Interdisciplinary Research and Commercialization Building

Project Status: Construction/Substantial Completion

GSF: 116,000

Project Budget: \$130M

Project Schedule: Substantial Completion: February 2025

Project Information:

Constructs a new facility to house interdisciplinary teams creating a collaborative environment to conduct research and develop commercialization opportunities to bring products to market. Facility will include research labs, collaboration spaces, administrative spaces, and building support functions. Researchers in the disciplines of chemistry, physics, quantum sciences, materials sciences, and biomedical and chemical engineering will be accommodated.

Project Partners:

- Design Professional – HGA Architects, Boston, MA
- Construction Manager – Whiting-Turner, Tampa, FL
- Owner's Representative – Cumming Management Group, Nashville, TN



IRCB Construction – January 2025



Brick paver installation 95% complete



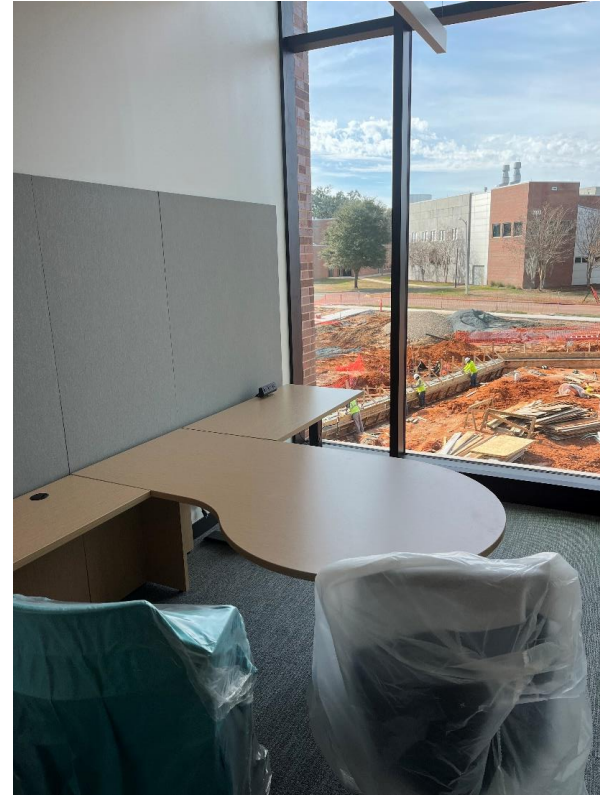
Site work looking west (impacted by sink hole discovery)



IRCB Construction – January 2025



Final cleaning



Furniture installation underway



IRCB – Project Timeline

Construction Update

- Exterior work 90% complete – sink hole discovered requiring additional investigation and design changes
- Final cleaning and furniture install progressing

2025

Q1: Installation of artwork. Commissioning and substantial completion. Project Final Completion. Move in of occupants begins.



University Center A/B/C/D - Storm Damage Repairs

Project Status: Construction

GSF: NA

Project Budget: \$1.1M

Project Schedule: Select damage has been repaired while the roofing repairs continue.

Project Information:

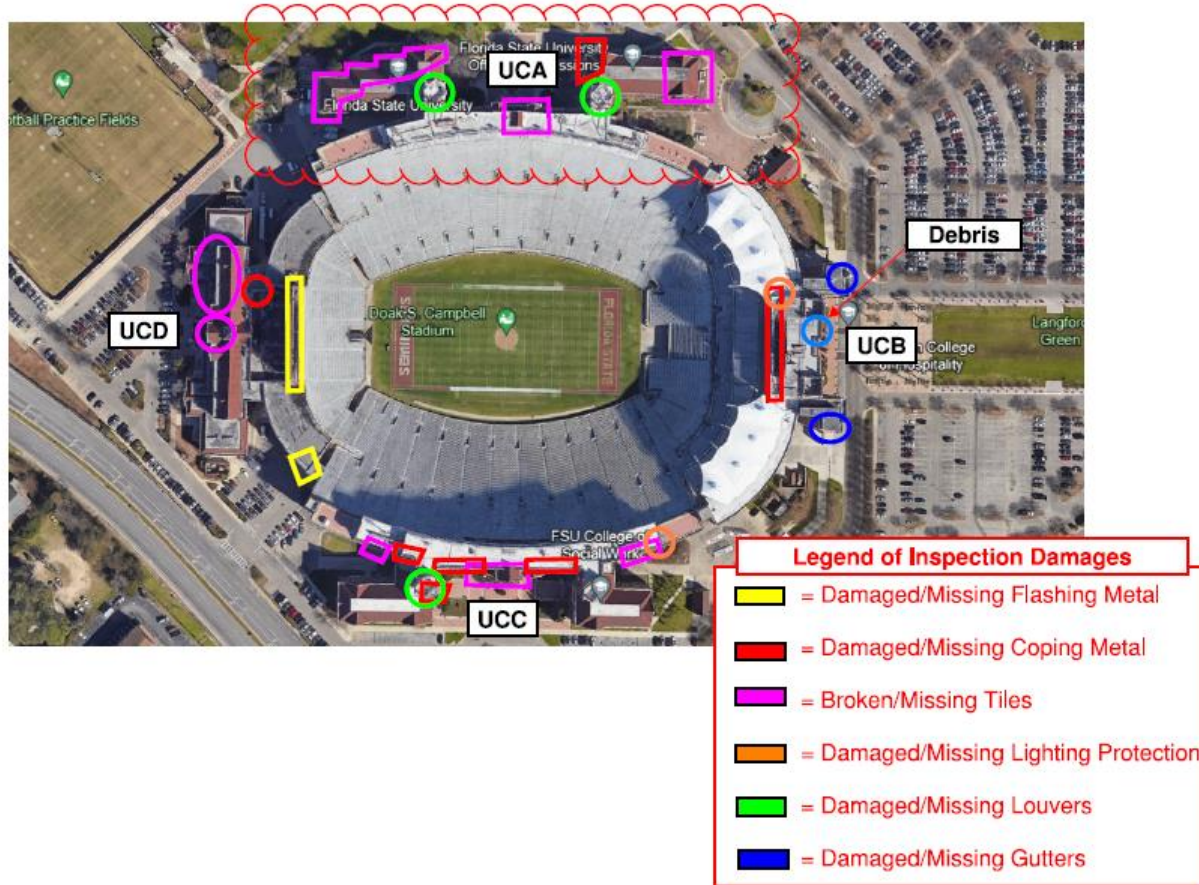
This project entails the removal of damaged roof tiles and associated debris, the replacement of damaged MCA clay roof tiles, and the repair of flat roof systems. Additionally, it includes the replacement of missing metal flashings, copings, and associated roof trim, missing and damaged acoustical ceiling tiles in exterior walkways, repair of damaged lightning protection systems, repair and replacement of damaged exterior audio/visual system components, replacement of broken glass and trim, and other miscellaneous repairs necessitated by the storm event on May 10, 2024.

Project Partners:

- Design Professional: Pennoni Associates Inc. and H2 Engineering
- Contractor: Roof Connect Logistics, Inc., Formetco, and Acousti Engineering Company of Florida

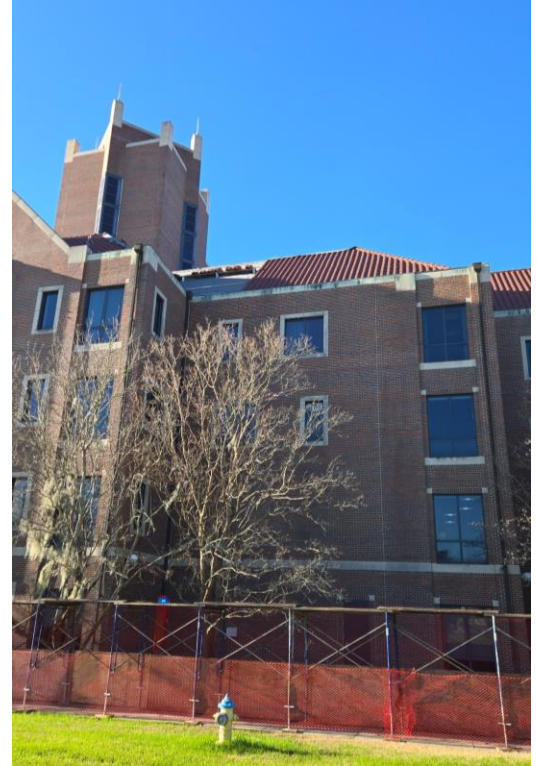
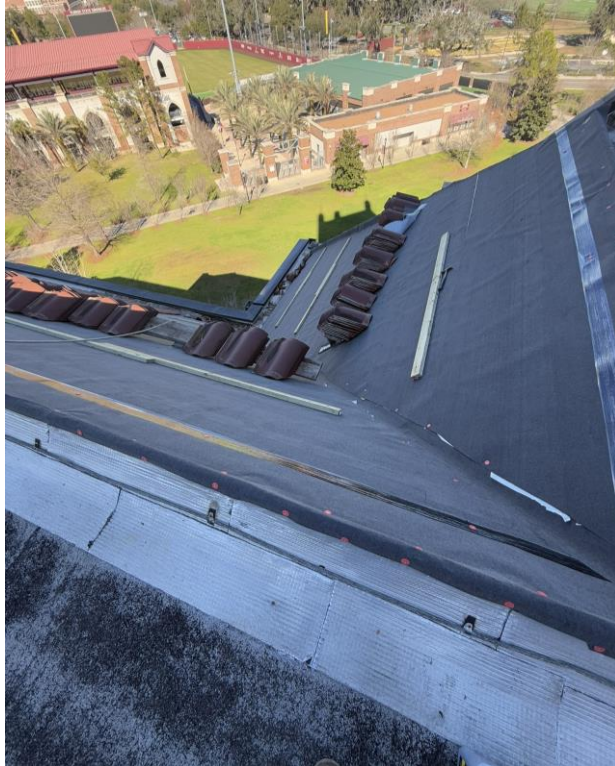
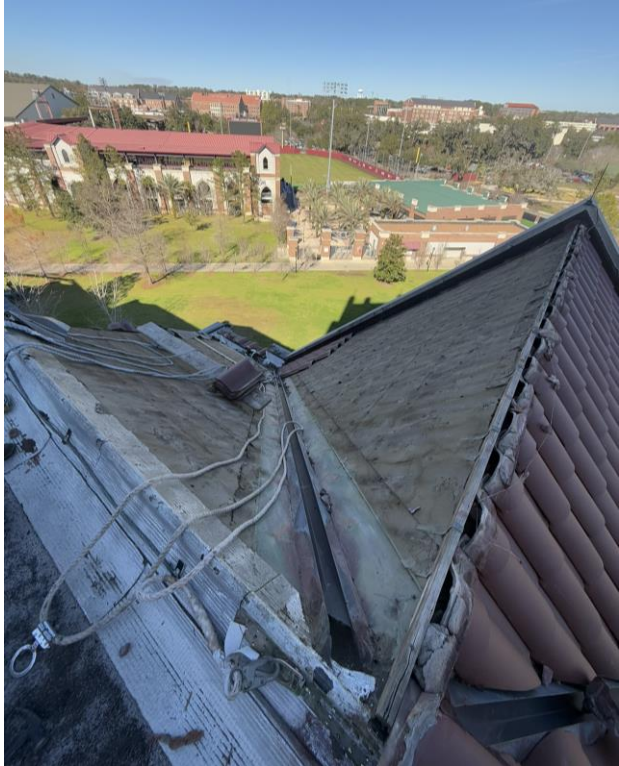


University Center A/B/C/D - Storm Damage Repairs



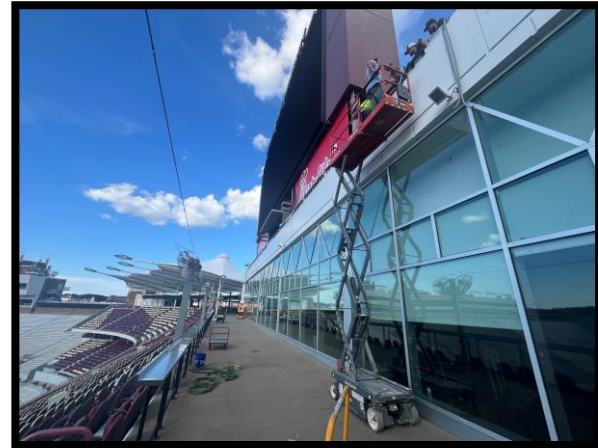
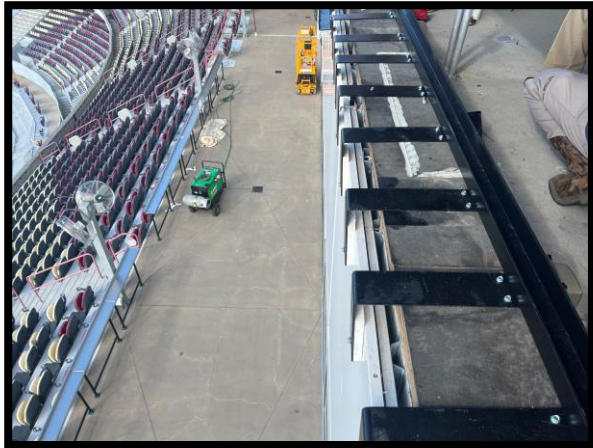


University Center A/B/C/D - Storm Damage Repairs





University Center A/B/C/D - Storm Damage Repairs





University Center A/B/C/D - Storm Damage Repairs





Deferred Maintenance

Project Status: Various (Design, Bidding, Construction, Warranty)

Main Tallahassee Campus - \$66,187,052

Panama City Campus - \$5,000,000

College of Engineering - \$855,000

28+ Roofing improvement projects

26+ Building Envelope (windows and foundations) improvement projects

13+ Fire & Life Safety improvement projects

16+ HVAC system improvement projects

36 projects are completed

Over **250** contracts/purchase orders have been issued

All SFRF funds fully committed

Approximately **\$35M** has been paid out



Deferred Maintenance Buildings

- Bellamy
- Bio Medical
- Bio Unit One
- Ca'd Zan
- Carothers Hall
- College of Engineering
- Collins
- Critchfield
- Diffenbaugh
- Dittmer
- Fine Arts
- HCB
- Housewright
- Immokalee
- Love
- Marine Lab
- Maryland Circle
- Master Craftsman
- Panama City Campus
- Pepper
- Recycling/Solid Waste
- Medicine Research
- Ringling Art Museum
- Rogers
- Rovetta
- Sandels
- Shaw
- Strozier
- Thrasher
- Turnbull
- University Center
- Westcott
- Williams



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Finance & Business Committee

Kyle Clark

Senior Vice President for Finance & Administration

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