

2017/18 Budget Request

University Corporation at Monterey Bay

June 15, 2017

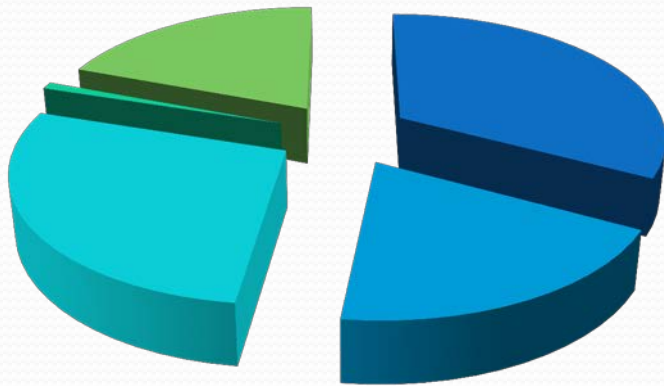
Briefly

\$52,745,479	Gross Revenues
\$6,231,311	Employee Expenses
\$30,497,790	Operating Costs
\$13,137,409	Other Expenses
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\$2,878,969	Net Revenue Before University Support
\$1,799,064	Direct University Support
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\$1,079,905	Net Revenue After University Support
\$1,079,905	Reserves
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\$ 0	Net Revenue After Reserves

Reserves will be funded by any positive cash flow at the end of the year
Does not include depreciation recognition of \$4,284,928 put into reserves

Revenue Breakdown - Housing

Housing Revenue



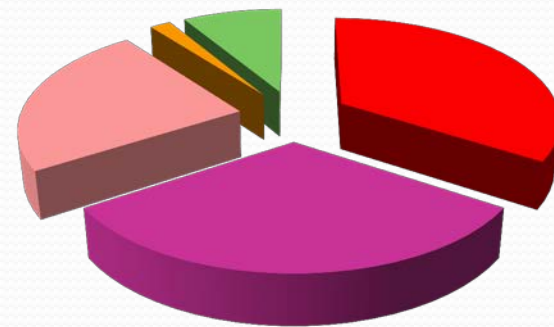
- Main Campus
- Frederick Park
- Schoonover Park
- Home Ownership
- Promontory

- Percent of total housing revenue:
 - Main Campus 32.8%
 - Frederick 19.2%
 - Promontory 19.2%
 - Schoonover 27.9%
 - Home Ownership 0.9%

Expense Breakdown - Housing

- Includes Res Life
- Percent to total housing expense:
 - Main Campus 34.1%
 - Frederick 31.7%
 - Schoonover 23.7%
 - Home Ownership 1.8%
 - Promontory 8.6%

Housing Expense - less depreciation



- Main Campus
- Frederick Park
- Schoonover Park
- Home Ownership
- Promontory

Revenue Breakdown – Aux Svcs

Revenue



- Comm Svcs
- Dining Ops
- Ext Conf & Events
- KAZU 90.3FM
- Child Dev Center

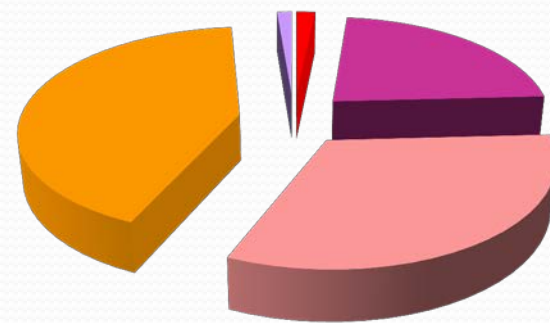
- Percent of total Aux Svcs revenue
 - Comm Svcs 11.0%
 - Dining Ops 19.0%
 - External Events 10.0%
 - KAZU 90.3FM 60.0%
 - Child Dev Center 0.0%

Expense Breakdown – Aux Svcs

- Percent of Aux Services Operating Expenses

- Comm Services 1.6%
- Dining Ops 22.5%
- External Events 32.3%
- KAZU 90.3FM 42.3%
- Child Dev Center 1.3%

Aux Svcs expenses less depreciation



- Comm Svcs
- Dining Ops
- Ext Conf & Events
- KAZU 90.3FM
- Child Dev Center

Financial Support: Direct and Indirect

- Direct support for the University
 - Scholarships, Community Outreach Funds, Unrestricted Contribution, GGU and North Main Leases
 - \$1,799,064
- Indirect support for the University
 - University House operations, Reading Center operations, debt incurred, consultants, etc.
 - \$1,097,620

Financial Support: Unrestricted

- Annual contribution to support the University
 - No conditions attached to the contributions but have been traditionally used for one-time strategic initiatives determined by the University Senior Leadership Team and community outreach
 - Over \$30 million transferred to date
 - (including funds in support of the Library project)
 - \$786,250 budgeted for 2017/18

Financial Support: Debt Service

- Total Debt Service
 - SRB Leases: \$190,014,408
 - Purchase of Promontory Housing
 - Renovation of Sanderling Hall
 - Construction of North Quad Housing
 - Refinancing of Series 1998, 1999, and 2001 Bonds – which include Renovations of Cypress to Tortuga Halls, Wet Labs, Classrooms, Office Space, and the Black Box Cabaret
- Annual Debt Service
 - SRB Lease Payments: \$8,361,891

Reserves

Working Capital and Current Operations

- \$9,350,000

Capital Replacement

- \$7,250,000

Future Operations

- \$3,000,000

Audit Disallowance

- \$400,000

Staff recommends designating the dollar amounts above for the 17/18 Reserves

Summary

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\$0	Net Revenue After Reserves

Corporation staff recommends the approval of the 2017/18
Budget Request

Questions?