

## THE MARSHALL CENTER

The Marshall Center serves as the student union for the University's Tampa Campus. The Marshall Center was originally built in 1960 as a 107,000 square foot structure to serve the needs of the University's small but growing population. In 2008, the University completed construction of the new Marshall Center which replaced the original Marshall Center and is an approximately 229,000 square foot state-of-the-art facility that provides the University community with food service operations, retail venues, conference and meeting spaces, and student organization space.

The Marshall Center Revenues are the primary source of revenues pledged by the Financing Corporation under the Indenture. "Marshall Center Revenues" means the Marshall Center Use Fees, the Allocable Portion of the A&S Fees and the Retail and Rental Revenues. See "Historical Summary of Fiscal Balances" and "Historical Summary of Revenues and Expenditures" below for more information.

### UNIVERSITY OF SOUTH FLORIDA Marshall Student Center

#### Combined Statements of Activities and Changes in Net Assets Historical Summary of Fiscal Balances (Unaudited Special Purpose Financial Reports)

Fiscal Year Ended June 30,

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Assets <sup>(1)</sup></b>					
Cash & Investments	\$7,859,554	\$9,084,578	\$9,407,794	\$10,346,739	\$12,140,802
Designated Reserves <sup>(2)</sup>	2,405,591	2,410,433	2,506,663	2,507,329	2,509,177
Accounts Receivable	<u>136,514</u>	<u>24,116</u>	<u>46,176</u>	<u>165,710</u>	<u>133,309</u>
<b>Total Assets</b>	<b><u>\$10,401,659</u></b>	<b><u>\$11,519,127</u></b>	<b><u>\$11,960,633</u></b>	<b><u>\$13,019,778</u></b>	<b><u>\$14,783,288</u></b>
<b>Liabilities</b>					
Current Liabilities	<u>\$30,948</u>	<u>\$3,014</u>	<u>\$4,601</u>	<u>\$1,826</u>	<u>\$1,285</u>
<b>Total Liabilities</b>	<b><u>\$30,948</u></b>	<b><u>\$3,014</u></b>	<b><u>\$4,601</u></b>	<b><u>\$1,826</u></b>	<b><u>\$1,285</u></b>
<b>Net Change in Fund Balance</b>	<b>\$401,384</b>	<b>\$1,145,402</b>	<b>\$439,919</b>	<b>\$1,061,920</b>	<b>\$1,764,051</b>
Fund Balance Beginning of Year	<u>9,969,327</u>	<u>10,370,711</u>	<u>11,516,113</u>	<u>11,956,032</u>	<u>13,017,952</u>
<b>Fund Balance End of Year</b>	<b><u>\$10,370,711</u></b>	<b><u>\$11,516,113</u></b>	<b><u>\$11,956,032</u></b>	<b><u>\$13,017,952</u></b>	<b><u>\$14,782,003</u></b>
<b>Total Liabilities and Fund Equity</b>	<b><u>\$10,401,659</u></b>	<b><u>\$11,519,127</u></b>	<b><u>\$11,960,633</u></b>	<b><u>\$13,019,778</u></b>	<b><u>\$14,783,288</u></b>

#### NOTES

- (1) Capital assets and related outstanding debt are maintained at the University System level or by the Financing Corporation, not at the Marshall Student Center level. As a result, these activities are not included in this financial report.
- (2) Designated reserves are funds held at the Trustee in an amount equal to maximum annual debt service pursuant to bond agreements, plus interest earned thereon.

Source: University of South Florida

**UNIVERSITY OF SOUTH FLORIDA**  
**Marshall Student Center**

**Historical Summary of Revenues and Expenditures <sup>(1)</sup>**  
**(Unaudited Special Purpose Financial Reports)**

**Fiscal Year Ended June 30,**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Operating Income</b>					
Marshall Center Use Fees <sup>(2)(3)</sup>	\$3,876,925	\$3,887,026	\$3,161,528	\$3,927,923	\$4,745,040
Allocable Portion of the A&S Fees <sup>(4)</sup>	2,877,796	2,766,978	2,782,779	2,992,086	2,738,558
Retail and Rental Revenues <sup>(3)</sup>	<u>1,595,323</u>	<u>1,545,679</u>	<u>1,228,809</u>	<u>315,463</u>	<u>1,105,765</u>
<b>Total Operating Income</b>	<b>\$8,350,044</b>	<b>\$8,199,683</b>	<b>\$7,173,116</b>	<b>\$7,235,472</b>	<b>\$8,589,363</b>
<b>Operating Expenses <sup>(3)</sup></b>					
Salaries and Benefits	\$2,513,063	\$2,536,777	\$2,643,092	\$2,512,019	\$2,506,106
Direct Operating Expenses	1,144,538	1,003,125	770,992	335,363	584,058
Telephone and Utilities	932,896	910,930	854,109	639,779	854,498
Administrative Overhead	<u>258,369</u>	<u>265,417</u>	<u>255,987</u>	<u>211,857</u>	<u>276,658</u>
<b>Total Operating Expenses</b>	<b>\$4,848,866</b>	<b>\$4,716,249</b>	<b>\$4,524,180</b>	<b>\$3,699,018</b>	<b>\$4,221,320</b>
Net Operating Income	\$3,501,178	\$3,483,434	\$2,648,936	\$3,536,454	\$4,368,043
Interest on Investments	<u>118,785</u>	<u>208,388</u>	<u>199,364</u>	<u>42,810</u>	<u>48,229</u>
<b>Net Operating Income Plus Interest</b>	<b>\$3,619,963</b>	<b>\$3,691,822</b>	<b>\$2,848,300</b>	<b>\$3,579,264</b>	<b>\$4,416,272</b>
<b>Other Revenues (Expenses)</b>					
Net Transfers (to) USFFC for Debt Service <sup>(5)</sup>	\$(2,397,645)	\$(2,398,095)	\$(2,401,995)	\$(2,398,195)	\$(2,401,845)
Net Transfers (to) other USF Funds <sup>(6)</sup>	(672,968)	(148,325)	(6,386)	(58,443)	(250,376)
Capital Outlay & Major Improvements	<u>(147,966)</u>	<u>0</u>	<u>0</u>	<u>(60,706)</u>	<u>0</u>
<b>Total Other Expenses</b>	<b>\$(3,218,579)</b>	<b>\$(2,546,420)</b>	<b>\$(2,408,381)</b>	<b>\$(2,517,344)</b>	<b>\$(2,652,221)</b>
<b>Net Change in Fund Balance</b>	<b>\$401,384</b>	<b>\$1,145,402</b>	<b>\$439,919</b>	<b>\$1,061,920</b>	<b>\$1,764,051</b>
Fund Balance Beginning of Year	<u>9,969,327</u>	<u>10,370,711</u>	<u>11,516,113</u>	<u>11,956,032</u>	<u>13,017,952</u>
<b>Fund Balance End of Year</b>	<b><u>\$10,370,711</u></b>	<b><u>\$11,516,113</u></b>	<b><u>\$11,956,032</u></b>	<b><u>\$13,017,952</u></b>	<b><u>\$14,782,003</u></b>

**NOTES**

- (1) Capital assets and related outstanding debt are maintained at the University System level or by the Financing Corporation, not at the department level. As a result, these activities are not included in this financial report.
- (2) The Marshall Center Use Fee is assessed at \$1.50 per credit hour and a flat fee of \$20 per semester.
- (3) In March 2020, the University of South Florida converted to remote instruction in response to the public health crisis created by the COVID-19 pandemic. Marshall Center Use Fees and Retail and Rental Revenue in fiscal years 2020 and 2021 were adversely affected by the pandemic; however, a portion of the federal funding for relief related to the pandemic was provided to the Marshall Student Center in the amount of \$0.8 million in fiscal year 2022 to offset losses. This amount is included in Marshall Center Use Fees above. Simultaneously, the Marshall Student Center implemented cost-cutting measures to preserve essential liquidity and maintain lease payments.
- (4) The Activity & Service (A&S) Fee is assessed at \$12.08 per credit hour and a portion is allocated for Marshall Center operations based on expected operating costs.
- (5) The Marshall Center lease payments are equal 100% of debt service.
- (6) Net transfers (to) from other USF funds primarily represents supplemental lease payments, including management fees.

Source: University of South Florida

The following table shows Marshall Center Revenues and the calculation of debt service coverage for the five most recent fiscal years:

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Marshall Center Use Fees	\$3,876,925	\$3,887,026	\$3,161,528	\$3,927,923	\$4,745,040
Allocable Portion of the A&S Fees	2,877,796	2,766,978	2,782,779	2,992,086	2,738,558
Retail and Rental Revenues	<u>1,595,323</u>	<u>1,545,679</u>	<u>1,228,809</u>	<u>315,463</u>	<u>1,105,765</u>
<b>Total Marshall Center Revenues <sup>(1)</sup></b>	<b>\$8,350,044</b>	<b>\$8,199,683</b>	<b>\$7,173,116</b>	<b>\$7,235,472</b>	<b>\$8,589,363</b>
<b>Net Operating Income Plus Interest</b>	<b>\$3,619,963</b>	<b>\$3,691,822</b>	<b>\$2,848,300</b>	<b>\$3,579,264</b>	<b>\$4,416,272</b>
<b>Annual Debt Service <sup>(2)</sup></b>	<b>\$2,370,445</b>	<b>\$2,355,845</b>	<b>\$2,420,245</b>	<b>\$2,395,895</b>	<b>\$2,399,645</b>
<b>Coverage Ratio</b>	<b>3.52</b>	<b>3.48</b>	<b>2.96</b>	<b>3.02</b>	<b>3.58</b>
<b>Net Coverage Ratio</b>	<b>1.53</b>	<b>1.57</b>	<b>1.18</b>	<b>1.49</b>	<b>1.84</b>

#### NOTES

- (1) In March 2020, the University of South Florida converted to remote instruction in response to the public health crisis created by the COVID-19 pandemic. Marshall Center Use Fees and Retail and Rental Revenue in fiscal years 2020 and 2021 were adversely affected by the pandemic; however, a portion of the federal funding for relief related to the pandemic was provided to the Marshall Student Center in the amount of \$0.8 million in fiscal year 2022 to offset losses. This amount is included in Marshall Center Use Fees above. Simultaneously, the Marshall Student Center implemented cost-cutting measures to preserve essential liquidity and maintain lease payments.
- (2) Annual Debt Service represents the actual Principal and Interest paid to bondholders.