

**STATE OF FLORIDA
UNIVERSITY OF SOUTH FLORIDA
PARKING SERVICES**

**ANNUAL FINANCIAL REPORT
For the Fiscal Years Ended June 30, 2020 and 2019**

Unaudited

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Management's Discussion and Analysis

Governance

The University of South Florida (the "University" or "USF") is a public educational institution accredited by the Commission on Colleges of the Southern Association of Colleges and Schools. The University is a part of the State University System and accordingly, the University is governed, regulated and coordinated by the Florida Board of Governors and the University Board of Trustees.

Financial Highlights

- Operating revenues from sales and services of \$12,550,041 decreased 13 percent below prior year's sales and services of \$14,422,183, as a result of a significant reduction in the number of decals and permits sold, parking fines of \$1.5 million and lower transportation access fee revenue of \$451,679 due to the University's decision in March 2020 to convert all classes to remote instruction for the remainder of the spring 2020 semester.
- Interest earnings decreased \$173,618, or 25.2 percent, due to decreased investment balances of \$1,045,562.
- Operating expenses showed a modest increase, principally related to salaries and benefits, higher by \$557,338 offset by a decrease in regular expenses of \$312,918. The increase in salaries and benefits was largely due to significant increases in pension expenses and OPEB expenses.
- Net cash provided by operating activities of approximately \$3.9 million directly corresponds to sales receipts net of operating expenses.
- The Parking System remains very solvent at June 30, 2020 with net assets of \$47.8 million, as total assets of \$65.6 million exceed total liabilities of \$17.8 million.
- Unrestricted cash, cash equivalents and investments of \$17.4 million provide excellent liquidity to the Parking System.
- The Parking System maintains restricted cash and investments of \$12 million for capital projects, a debt service reserve and funds for renewal and replacement costs.

Overview of Financial Statements

The Parking System financial statements include the following financial elements:

- A Statement of Net Position provides detail for the assets of the Parking System as well as its outstanding liabilities. The difference between assets and liabilities is reported as net position. The net position presentation shows additional breakdowns of available resources of the Parking System versus those that are restricted. Changes in net position over time indicate an improving or deteriorating financial position.

- The Statement of Revenues, Expenses and Changes in Net Position, presents the revenues and expenses of the current fiscal year which resulted from operations. The net revenue less expense when combined with other non-operating sources such as interest income and interest expenses results in the net income to the Parking System generated for the fiscal year, which increased the Net Position presented on the Statement of Net Position.
- The Statement of Cash Flows shows those items that resulted in sources and uses of cash to the Parking System's cash balance for the fiscal year for both restricted and unrestricted cash. A reconciliation of the change in cash to the operating income of the Parking System is also included.
- The Notes to the Financial Statements provide background information that meets stringent governmental accounting reporting requirements and gives additional information that may not be readily seen on the actual statements. Examples of such information include: a summary of significant accounting policies, capital assets, compensated absences, and bond indebtedness. The notes are an integral part of the financial statements.

Analysis of Financial Statements

	<u>2020</u>	<u>2019</u>
Assets:		
Current assets	\$ 17,495,727	\$ 17,921,754
Included: cash and cash equivalents	1,889,742	1,179,076
Investments	15,479,210	16,524,771
Capital assets	34,934,853	35,584,295
Restricted cash and cash equivalents	1,300,587	770,018
Restricted Investments	10,654,218	10,797,315
Total Assets	<u>\$ 64,385,385</u>	<u>\$ 65,073,382</u>
Deferred Outflow s of Resources	<u>\$ 1,256,861</u>	<u>\$ 823,091</u>
Total Assets & Deferred Outflow s of Resources	<u>65,642,246</u>	<u>65,896,473</u>
Liabilities		
Current liabilities	\$ 2,832,032	\$ 2,967,859
Noncurrent liabilities	14,410,598	16,166,843
Total Liabilities	<u>\$ 17,242,630</u>	<u>\$ 19,134,702</u>
Deferred Inflow s of Resources	<u>\$ 562,879</u>	<u>\$ 546,806</u>
Total Liabilities & Deferred Outflow s of Resources	<u>\$ 17,805,509</u>	<u>\$ 19,681,508</u>
Net Positon:		
Invested in capital assets, net of related debt	\$ 22,598,978	\$ 20,649,941
Restricted	12,656,219	11,472,420
Unrestricted	12,581,540	14,092,604
Total net position	<u>\$ 47,836,737</u>	<u>\$ 46,214,965</u>
Total operating revenues	<u>\$ 12,550,041</u>	<u>\$ 14,422,183</u>
Total operating expenses	<u>\$ 11,097,334</u>	<u>\$ 10,798,575</u>
Operating income	<u>\$ 1,452,707</u>	<u>\$ 3,623,608</u>
Interest income	<u>\$ 515,694</u>	<u>\$ 689,311</u>
Interest/other expenses	<u>\$ (341,851)</u>	<u>\$ (397,951)</u>
Capital Appropriations	<u>\$ -</u>	<u>\$ -</u>
Transfers, net	<u>\$ -</u>	<u>\$ -</u>
Change in net position	<u>\$ 1,621,772</u>	<u>\$ 3,914,968</u>
Net cash provided by operating activities	<u>\$ 3,460,390</u>	<u>\$ 4,862,982</u>
Net cash provided/(used) by noncapital financing activities (transfers)	<u>\$ -</u>	<u>\$ -</u>
Net cash (used) by capital and related financing activities	<u>\$ (3,923,507)</u>	<u>\$ (3,400,058)</u>
Net cash provided (used) by investing activities	<u>\$ 1,704,352</u>	<u>\$ (4,050,054)</u>
Net change in cash and cash equivalents	<u>\$ 1,241,235</u>	<u>\$ (2,587,130)</u>

Revenue is derived from the student transportation access fee assessed on a per credit-hour basis, faculty/staff and student permit sales, citations, visitor vending/meter collections, and other miscellaneous income such as advertising revenues and charter fees. The Parking System uses the revenue to provide parking and transportation services to students and University employees. The Parking System must operate as efficiently as possible while still providing the University community with a superior level of service.

Over the past several years there has been a significant improvement in sales of services, revenue collection and budgetary controls. This has resulted in a very strong financial position for future capital expansion. The above improvements to sales, collections, and budgetary controls were made possible by:

- Improved debt collection strategies and follow-up
- Improved management of fixed and variable expense
- Short and long-term goal setting

**STATE OF FLORIDA,
UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
STATEMENT OF NET POSITION
JUNE 30,
Unaudited**

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,889,742	\$ 1,179,076
Investments	15,479,210	16,524,771
Accounts receivable, net	125,760	216,494
Due from other funds	1,015	1,413
Total current assets	17,495,727	17,921,754
Noncurrent assets		
Restricted cash	1,300,587	770,018
Restricted Investments	10,654,218	10,797,315
Capital assets	34,934,853	35,584,295
Total noncurrent assets	46,889,658	47,151,628
Total assets	\$ 64,385,385	65,073,382
Deferred Outflows of Resources		
Deferred Outflows of Pension Resources	730,038	776,713
Deferred Outflows of Other Post Employment Benefits	526,823	46,378
Total Assets & Deferred Outflows of Resources	65,642,246	65,896,473
LIABILITIES		
Current liabilities		
Accounts payable	\$ 136,152	\$ 330,195
Bonds payable, current portion	2,653,479	2,598,479
Post Employment Health Care Benefits Payable, current portion	34,584	29,514
Pension Liability- HIS, current portion	7,817	9,671
Total current liabilities	2,832,032	2,967,859
Noncurrent liabilities		
Bonds payable	9,682,396	12,335,875
Post Employment Health Care Benefits payable	2,639,750	2,018,801
Pension liability	1,799,597	1,535,062
Compensated absences payable	288,855	277,105
Total noncurrent liabilities	14,410,598	16,166,843
Total liabilities	17,242,630	19,134,702
Deferred Inflows of Resources		
Deferred Inflows of Pension Resources	112,313	134,341
Deferred Inflows of Other Post Employment Benefits	450,566	412,465
Total Liabilities & Deferred Inflows of Resources	17,805,509	19,681,508
NET POSITION		
Invested in capital assets, net of related debt	22,598,978	20,649,941
Restricted for capital projects	8,585,757	8,231,001
Restricted for debt service	727,681	50,566
Restricted for renewal and replacement	3,342,781	3,190,853
Unrestricted	12,581,540	14,092,604
Total net position	47,836,737	46,214,965
Total liabilities and net position	\$ 65,642,246	\$ 65,896,473

The accompanying notes to financial statements are an integral part of this statement
Totals may not foot due to rounding.

**STATE OF FLORIDA,
UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30
Unaudited**

	<u>2020</u>	<u>2019</u>
Revenues		
Operating revenues		
Sales and services	\$ 12,550,041	\$ 14,422,183
Other revenues	-	-
Total operating revenues	<u>12,550,041</u>	<u>14,422,183</u>
Expenses		
Operating expenses		
Salaries and related benefits	4,848,276	4,290,938
Expenses	3,723,219	4,036,137
Overhead expense	897,998	829,459
Depreciation	<u>1,627,841</u>	<u>1,642,041</u>
Total operating expenses	11,097,334	10,798,575
Operating income	1,452,707	3,623,608
Nonoperating revenues (expense)		
Interest income	515,694	689,311
Interest expense	(341,851)	(397,951)
Loss on disposal of equipment	<u>(4,778)</u>	-
Total nonoperating income (expenses)	169,065	291,360
Income Before Other Revenues	1,621,772	3,914,968
Capital Appropriations	<u>-</u>	<u>-</u>
Change in net position	1,621,772	3,914,968
Total net position		
Beginning of year	46,214,965	42,299,997
Adjustments to Beginning Net Position	<u>-</u>	<u>-</u>
End of year	<u>\$ 47,836,737</u>	<u>\$ 46,214,965</u>

The accompanying notes to financial statements are an integral part of this statement.
Totals may not foot due to rounding.

**STATE OF FLORIDA,
UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30
Unaudited**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Sales receipts	\$ 12,640,775	\$ 14,474,829
Payment for salaries and related benefits	(4,365,522)	(4,136,602)
Payment for expenses	(4,815,260)	(5,475,025)
Advances to/ from other funds	398	(220)
Net cash provided by operating activities	3,460,390	4,862,982
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of fixed assets	(983,177)	(463,628)
Capital Appropriations	-	-
Debt service principal payments	(2,610,000)	(2,550,000)
Debt service interest payments	(330,331)	(386,430)
Net cash used by capital and related financing activities	(3,923,507)	(3,400,058)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	1,188,659	(4,739,365)
Interest on investments	515,693	689,311
Net cash provided (used) by investing activities	1,704,352	(4,050,054)
Net increase/(decrease) in cash and cash equivalents	1,241,235	(2,587,130)
Cash and cash equivalents, beginning of year	1,949,094	4,536,224
Cash and cash equivalents, end of year	\$ 3,190,329	\$ 1,949,094
Reconciliation of net operating revenues to net cash provided by operating activities		
Operating income		
Adjustments to reconcile operating income to net cash provided by operating activities-	\$ 1,452,707	\$ 3,623,608
Depreciation expense	1,627,841	1,642,041
Change in assets and liabilities		
Accounts receivable	90,733	52,646
Due from other funds	398	(220)
Accounts payable	(194,043)	(609,429)
Post Employment Health Care Benefits Payable	183,676	34,341
Pension Liability	287,327	112,159
Compensated absences payable	11,751	7,836
Net cash provided by operating activities	\$ 3,460,390	\$ 4,862,982

The accompanying notes to financial statements are an integral part of this statement.
Totals may not foot due to rounding.

**STATE OF FLORIDA,
UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the University of South Florida Parking Facility Revenue Bonds are an integral part of the financial statements of the University of South Florida (the University). The University is a part of the State University System and accordingly, the University is governed, regulated and coordinated by the Florida Board of Education and the University Board of Trustees.

The Parking System's financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The significant accounting policies of the Parking System are described below:

Basis of Presentation: The Parking System is classified as a business type activity and accounts for its operations through the use of an enterprise fund. Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration.

Basis of Accounting: Basis of accounting refers to when revenues, expenses, and related assets, deferred outflows of resources, liabilities, and deferred inflows of resources, are recognized in the accounts and reported in the financial statements. The financial statements are prepared on the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when incurred. All fund assets and liabilities, current and noncurrent, are accounted for on the statement of net assets. Enterprise funds have the option under Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting* to elect to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The Parking System has elected not to apply FASB pronouncements issued after the applicable date.

Investments: Investments are stated at fair value, which is based on quoted market prices; investment fund shares are determined by the fair value per share of the fund's underlying portfolio.

Deferred Loss on Refunding: In connection with the issuance of the Parking System's bonds, certain related costs are deferred and amortized over the life of the related issue using the straight-line method. The use of the straight-line method does not materially differ from the effective interest method.

**STATE OF FLORIDA,
UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets: Capital assets are stated at cost. Depreciation on buildings is computed using the straight-line method over an estimated useful life of the asset. The useful lives of the asset are as follows:

➤ Buildings	-	20 to 40 years
➤ Furniture, fixtures and equipment	-	5 to 15 years
➤ Vehicles	-	10 years
➤ Software	-	5 years

When assets are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the results from operations in the period of disposal. Net interest costs are capitalized during the construction period.

Revenue Recognition:

Investment Income: Interest on investments is recorded as income when earned.

Sales and Services: Revenue is derived from the student transportation access fee assessed on a per credit-hour basis, faculty/staff and student permit sales, citations visitor vending/meter collections, and other miscellaneous income such as advertising revenues and charter fees. Revenue is recognized when earned.

Compensated Absences Liability: Employees earn the right to be compensated during absences for annual leave (vacation) and sick leave pursuant to the Florida Administrative Code, and to bargaining agreements between the State of Florida and the United Faculty of Florida.

Leave earned is accrued to the credit of the employee and records are kept on each employee's unpaid (unused) leave balances. GASB Statement No. 16, Accounting for Compensated Absences, requires that the University accrue a liability for employees' rights to receive compensation for future absences when certain conditions are met. At June 30, 2020 and 2019, the estimated liability for annual and sick leave was \$288,856 and \$277,105, respectively.

Allowance for doubtful receivables: Accounts Receivable was calculated by aging the accounts over one year as doubtful. Immaterial amounts from accrued receivables are not recognized in these financial reports.

**STATE OF FLORIDA,
UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 2 – CASH AND CASH EQUIVALENTS

Amounts reported as cash and cash equivalents consist of cash on hand and cash held in demand accounts. University cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by the Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool required by Chapter 280, Florida Statutes.

NOTE 3 – INVESTMENTS

Pursuant to Section 218.415(16), Florida Statutes, the University is authorized to invest in the Local Government Surplus Funds Trust Fund investment pool; interest-bearing time deposits and savings accounts in qualified public depositories; direct obligations of the US Treasury; obligations of Federal agencies; securities of, or interests in, certain open-end or closed-end management type investment companies; SEC registered money market funds; and other investments approved by the University's Board of Trustees.

Investments set aside to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital assets are classified as restricted.

The University's recurring fair value measurements as of June 30, 2020 are valued using the following valuation techniques and inputs:

United States Treasury securities and Bonds and notes: These securities are valued daily by a pricing service that uses evaluated pricing applications which incorporate available market information. Available information is also applied through benchmarking processes, sector groupings, and matrix pricing (Level 2 inputs).

Stocks and other equity securities: This type includes domestic and international equities valued at quoted prices in an active market (Level 1 inputs).

Equity Mutual Funds: This category includes investments on domestic and international equities through commingled fund structures. The investment objective of these funds is to track the performance of their respective benchmarks. Investments in this category are valued at quoted prices in an active market (Level 1 inputs).

Bond Mutual Funds: This category includes investments in fixed income securities through commingled fund structures. The investment objective of these funds is to track the performance of their respective market-weighted indices with a short-term dollar-weighted average maturity. Investments in this category are valued at quoted prices in an active market (Level 1 inputs).

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

Money Market Mutual Funds: This category includes investments in high-quality money market instruments through commingled fund structures. The investment objective of these funds is to maximize current income, to the extent consistent with the preservation of capital, and maintain liquidity. Investments in this category are valued at quoted prices in an active market (Level 1 inputs).

The University's investments at June 30, 2020, are reported as follows:

	Amount	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
SBA Debt Service Accounts	\$ 881	\$ 881	\$ -	\$ -
United States Treasury Securities	21,009,224		21,009,224	
Bonds and Notes	24,921,835	-	24,921,835	-
Stocks and Other Equity Securities	20,008,983	20,008,983	-	-
Mutual Funds:				
Equities	1,400,626	1,400,626	-	-
Bonds	573,585,913	573,585,913	-	-
Money Market	24,786,820	24,786,820	-	-
Total investments by fair value level	\$ 665,714,282	\$ 619,783,223	\$ 45,931,059	\$ -

Because the University reports under the GASB reporting model, it is required to disclose various investment risks. The University Board of Trustees has adopted a written investment policy. The University's investment policy allows investments in cash and cash equivalents, equities, and fixed income investments. The following risks apply to these investments:

Interest Rate and Credit Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The University investment policy limits the short term fixed income portfolio (United States Treasury securities, United States government agency obligations, mortgage-backed securities, corporate debt, state and municipal securities investments) to a weighted average duration of less than five years. For long term investments, the investment policy does not limit the duration for long term corporate notes or other direct debt obligations. The University investment policy provides for interest rate risk. The risk varies depending on the type of investment.

Credit Risk: Credit risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The University investment policy provides that all fixed income securities investments shall be rated in the top three rating classifications as defined by both Moody's and Standard & Poor's. The University investment policy provides for credit rate risk. The risk varies depending on the type of investment.

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UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

The following interest rate and credit risks apply to the University's investments in debt securities and money market mutual funds at June 30, 2020:

University Debt Investment Maturity and Quality Ratings

<u>Investment Type</u>	<u>Weighted Average Maturities</u>	<u>Credit Quality Rating</u>		<u>Fair Value</u>
		<u>Moody's</u>	<u>Standard and Poor's</u>	
United States Treasury Securities (2)	3.99 Years	(1)	(1)	\$ 21,009,224
Bonds and Notes (2)	4.06 Years	Aaa - A3	AAA - A-	24,921,835
Bond Mutual Funds (3)	3.03 Years	Not Rated	Not Rated	573,585,913
Money Market Mutual Funds (2)	48 Days	Aaa-mf	AAAm	788,802
Money Market Mutual Funds (3)	42 Days	Aaa-mf	AAAm	23,998,018
Total				<u>\$ 644,303,792</u>

Notes: (1) Disclosure of credit risk is not required for this investment type.

(2) USF Health Sciences Center Self-Insurance Program

(3) University

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer. The University's investment policy provides that the maximum amount that may be invested in the securities of an individual issuer not backed by the full faith and credit of the U.S. Government shall not exceed five percent of the assets of the investment portfolio, and no single corporate bond issuer shall exceed five percent of the market value of the investment portfolio. Direct investments in securities of the U.S. Government, Government agencies and State of Florida Investment Pools, or Pooled Funds comprised solely of U.S. Government Securities are not subject to these restrictions.

The Parking System investments are held in the bond and money market mutual funds listed above. Investment earnings for the year ended June 30, 2020 and 2019 were \$515,694 and \$689,311, respectively.

NOTE 4 – NET RECEIVABLES

Accounts receivable is reported net of an allowance for uncollectible accounts. At June 30, 2020, allowance for uncollectible accounts was estimated to be \$246,295.

**STATE OF FLORIDA,
UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	<i>July 1, 2019</i>	<i>Additions</i>	<i>Retirements</i>	<i>June 30, 2020</i>
Buildings	51,925,662	446,749	-	52,372,411
Construction in Progress	-	900,920	446,749	454,171
Furniture, Fixtures & Equipment	1,033,899	77,004	324,888	786,015
Software	6,000	-	-	6,000
Vehicles	3,859,550	70,269	221,392	3,708,427
Total	56,825,111	1,494,942	993,029	57,327,024
Less Accumulated Depreciation:				
Buildings	18,312,947	1,302,482	-	19,615,429
Furniture, Fixtures & Equipment	737,422	46,229	277,110	506,541
Software	6,000	-	-	6,000
Vehicles	2,184,447	279,130	199,376.00	2,264,201
Total Accumulated Depreciation	21,240,816	1,627,841	476,486	22,392,171
Capital Assets Net	35,584,295	(132,899)	516,543.00	34,934,853

NOTE 6 – LONG TERM DEBT

Long-term liability activity for the year ended June 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Bonds Payable					
2016A Parking (Refunded 2002, 2004A, and 2006A)	15,015,000	-	2,610,000	12,405,000	2,665,000
Unamortized Premium	-	-	-	-	-
Unamortized Loss	(80,646)	-	(11,521)	(69,125)	(11,521)
Unamortized Bond Discount	-	-	-	-	-
Total Bonds Payable	14,934,354	-	2,598,479	12,335,875	2,653,479
Other liabilities					
Post Employment Health Care Benefits Payable	2,048,314	1,132,188	506,169	2,674,333	34,584
Pension Liability	1,544,734	1,168,730	906,050	1,807,414	7,817
Compensated absences	277,105	37,590	25,839	288,856	-
Total Other liabilities	3,870,153	2,338,508	1,438,058	4,770,603	42,401
Total	18,804,507	2,338,508	4,036,537	17,106,478	2,695,880

**STATE OF FLORIDA,
UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

Bonds were issued to construct University parking garages. Bonds outstanding are secured by a pledge of traffic and parking fees and various other student fee assessments. A summary of pertinent information related to the University's indebtedness resulting from the issuance of the bonds follows:

<u>Bond Type and Series</u>	<u>Amount of Original Issue</u>	<u>Amount Outstanding</u>		<u>Interest Rates</u>
		<u>Principal</u>	<u>Interest</u>	
2016A Parking	21,545,000	12,405,000	811,140	2.20
Less: Bond Discount/Premium		-		
Amt deferred on Refunding		(69,125)		
Total Bonds Payable	<u>21,545,000</u>	<u>12,335,875</u>	<u>811,140</u>	

Annual requirements to amortize all bonded debt outstanding as of June 30, 2020 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	2,665,000	272,910	2,937,910
2022	2,715,000	214,280	2,929,280
2023	2,780,000	154,550	2,934,550
2024	1,950,000	93,390	2,043,390
2025	1,135,000	50,490	1,185,490
2026	1,160,000	25,520	1,185,520
subtotal	12,405,000	811,140	13,216,140
Less: Bond Discount/Premium	-		-
Amount Deferred on Refunding	(69,125)		(69,125)
Total (net of discount)	12,335,875	811,140	13,147,015

The bond resolutions provide for the establishment of Sinking Funds to be held and administered by the State Board of Administration (SBA) for the purpose of paying the principal and interest on the bonds as they become due. The bond resolutions provide for the establishment of a Reserve Account which is to be used for payments of debt service when amounts in the Sinking Fund are insufficient. The Reserve Account will be funded in an amount equivalent to Maximum Annual Debt Service by surety bond from Municipal Bond Investors Assurance Corporation.

The bond covenants require the establishment of facility maintenance and equipment reserve funds. Proposed annual operating budgets of the University shall provide for at least 3% of the total annual projected pledged revenues for each specific bond issue to be deposited into a reserve fund(s) for auxiliary facilities until an amount equal to at least 30% of the current year annual pledged revenue is reached. The required amount is currently 30% of the current year annual pledged revenue.

**STATE OF FLORIDA,
UNIVERSITY OF SOUTH FLORIDA
PARKING FACILITY REVENUE BONDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

The monies in said Parking System Maintenance and Equipment Reserve Fund may be drawn on and used by the University for the purpose of paying the cost of unusual or extraordinary maintenance or repairs, renewals and replacements, and the renovating or replacement of the equipment and furnishings not paid as part of ordinary and normal expense of the operation and maintenance of the Parking System.

Interest paid on bonds for the fiscal year ended June 30, 2020 and 2019 respectively was \$330,330 and \$386,430.

STATISTICAL INFORMATION

I. Campus Population and Parking Spaces

**Tampa Campus
Population and Parking Spaces**

Fall Semester	Student Headcount Enrollment	Total Personnel Headcount*	Total Vehicle Spaces
2015-16	42,191	16,905	20,824
2016-17	42,925	17,344	20,708
2017-18	43,675	17,838	20,530
2018-19	43,967	18,087	20,370
2019-20	44,351	18,170	20,743

*Includes both full time and part-time personnel.

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II. Number and Costs of Parking Decals Issued by Type¹ and Student Transportation Access Fees.

Parking Decal Types	2016	2017	2018	2019	2020
Student Annual					
Number Issued	14,522	13,945	13,794	13,893	12,787
Cost	\$183	\$183	\$183	\$183	\$183
Student Semester					
Number Issued	17,153	16,764	16,849	16,971	13,744
Cost	\$91	\$91	\$91	\$91	\$91
Resident Student Annual					
Number Issued	1,725	1,594	1,769	2,010	2,257
Cost	\$226	\$226	\$226	\$226	\$226
Resident Student Semester					
Number Issued	2,905	2,776	2,761	2,892	2,320
Cost	\$113	\$113	\$113	\$113	\$113
Staff Annual					
Number Issued	4,965	5,152	5,217	5,378	5,201
Cost	\$270	\$270	\$270	\$270	\$270
Staff Semester					
Number Issued	1,157	1,129	1,190	1,186	990
Cost	\$135	\$135	\$135	\$135	\$135
Staff Gold Annual ¹					
Number Issued	1,235	1,281	1,284	1,336	1,295
Cost	\$450	\$450	\$450	\$450	\$450
Moffit/Affiliate Annual					
Number Issued	1,000	1,000	1,000	700	700
Cost	\$305	\$305	\$305	\$305	\$305
Moffit/Affiliate Annual Gold					
Number Issued	300	290	290	290	290
Cost	\$494	\$494	\$494	\$494	\$494
Vendor Annual					
Number Issued	200	182	195	144	103
Cost	\$356	\$356	\$356	\$356	\$356
Reserved					
Number Issued	1,170	1,234	1,231	1,307	1,415
Cost	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076
Park n Ride					
Number Issued	1,812	1,577	1,446	1,433	1,276
Cost	\$59	\$59	\$59	\$59	\$59
Motorcycle					
Number Issued	283	236	240	241	172
Cost	\$62	\$62	\$62	\$62	\$62
Alumni Annual					
Number Issued	42	41	36	37	29
Cost	\$88	\$88	\$88	\$88	\$88
Friends of USF Annual					
Number Issued	48	36	40	42	44
Cost	\$290	\$290	\$290	\$290	\$290
Friends of USF Semester					
Number Issued	22	31	27	27	15
Cost	\$145	\$145	\$145	\$145	\$145
Total Number of Decals Issued	48,539	47,269	47,369	47,887	42,670
Student Transportation Access Fee					
Per Credit Hour Fee	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Student Credit Hours	1,062,278	1,061,890	1,073,840	1,077,486	1,088,288

¹ The number of parking decals issued includes decals that were issued as replacements at no charge or which were prorated throughout the year. State Sales tax is added in addition to price listed.

² This decal allows staff members access to certain designated lots on campus (currently there are six gold lots). The number of gold permits sold directly corresponds to the available spaces in the gold lots; consequently, those staff members possessing a gold decal are guaranteed an available parking space.

¹ This decal allows staff members access to certain designated lots on campus (currently there are six gold lots). The number of gold permits sold directly corresponds to the available spaces in the gold lots; consequently, those staff members possessing a gold decal are guaranteed an available parking space.

III. Comparison of Budget to Actual for Fiscal Year

Comparison of Budget to Actual
For Fiscal Year ended June 30,
Accrual Basis^{1,2} (Unaudited)

	2015-16			2016-17			2017-18			2018-19			2019-20		
	Budget	Actual	Difference	Budget	Actual	Difference	Budget	Actual	Difference	Budget	Actual	Difference	Budget	Actual	Difference
Revenues															
Decal Sales ³	\$10,420,000	\$10,861,184	\$441,184	\$10,658,004	\$10,643,029	\$(14,975)	\$10,713,525	\$11,089,782	\$376,257	\$10,689,525	\$11,218,610	\$529,085	\$10,574,525	\$9,798,147	\$776,378
Transportation Access Fees	3,065,717	3,186,835	121,118	3,359,924	3,185,670	(174,254)	3,079,430	3,221,520	142,090	3,141,872	3,203,573	61,701	3,156,552	\$2,751,894	\$404,658
Nongovernmental Grants and Contracts		(765)	(765)		380	380		425	425						
Total Revenues	\$13,485,717	\$14,047,255	\$561,538	\$14,017,928	\$13,829,079	\$(188,849)	\$13,792,955	\$14,311,727	\$518,772	\$13,831,397	\$14,422,183	\$590,786	\$13,731,077	\$12,550,041	\$1,181,036
Operating Expenses															
Total Payroll	\$4,269,188	\$4,095,193	\$(173,995)	\$4,439,779	\$4,268,129	\$(171,650)	\$4,638,171	\$4,415,696	\$(222,475)	\$4,402,965	\$4,290,938	\$(112,027) ⁶	\$5,013,604	\$4,848,276	\$(165,328) ⁶
Regular Expenses	<u>4,832,300</u>	<u>4,826,883</u>	<u>(5,417)</u>	<u>6,555,530</u>	<u>4,443,719</u>	<u>(2,111,811)⁴</u>	<u>7,085,438</u>	<u>4,981,967</u>	<u>(2,103,471)⁵</u>	<u>6,765,171</u>	<u>4,865,596</u>	<u>(1,899,575)⁷</u>	<u>6,783,232</u>	<u>4,621,217</u>	<u>(2,162,015)⁹</u>
Total Expenses	\$9,101,488	\$8,922,077	\$(179,411)	\$10,995,309	\$8,711,848	\$(2,283,461)	\$11,723,609	\$9,397,662	\$(2,325,947)	11,168,136	\$9,156,534	\$(2,011,602)	11,796,836	\$9,469,493	\$(2,327,343)
Other Income (Expenses):															
Capital Outlay ¹	-	-	-												
Depreciation Expenses/Gain Loss on Disposal ¹	(1,597,120)	(1,597,120)	-	(1,582,838)	(1,582,838)	-	(1,564,871)	(1,564,871)	-	(1,642,041)	(1,642,041)	-	(1,632,619)	(1,632,619)	-
Interest Income	63,470	103,138	39,668	85,860	148,135	62,275	101,541	389,393	287,852	304,000	689,311	385,311	302,000	515,694	213,694
Interest Expense	(1,077,459)	(1,077,459)	-	(755,201)	(755,201)	-	(662,875)	(452,841)	210,034	(386,430)	(397,951)	(11,521)	(330,330)	(341,851)	(11,521)
Miscellaneous	-	-	-	<u>(147,389)</u>	<u>(149,389)</u>	<u>(2,000)</u>	-	<u>3,240</u>	<u>3,240</u>	-	-	-	-	-	-
Total Other Income	\$(2,611,109)	\$(2,571,441)	\$39,668	\$(2,399,568)	\$(2,339,293)	\$60,275	\$(2,126,205)	\$(1,625,078)	\$501,127	\$(1,724,471)	\$(1,350,681)	\$373,790	\$(1,660,949)	\$(1,458,776)	\$202,173
Net Revenue (Loss)	\$1,773,120	\$2,553,737	\$780,617	\$623,051	\$2,777,938	\$2,154,887	\$(56,859)	\$3,288,986	\$3,345,845	\$938,790	\$3,914,968	\$2,976,178	\$273,292	\$1,621,772	\$1,348,480

1 The University has an accrual basis system. Expenses for capital outlay are capitalized on the balance sheet and corresponding depreciation expense is reflected in this schedule.

2 Totals may not foot due to rounding

3 Also includes meter collections, citation collections, vending permit collections and transportation collections, which are not budgeted separately, but are combined with Decal Sales for budgeting purposes.

4 The large variance in budgeted versus actual Regular Expenses in 2016-17 was due to transit bus purchases and special projects that were deferred, a decrease in reimbursement to the University for cost of services, and budgeted expenses that were subsequently capitalized.

5 The large variance in budgeted versus actual Regular Expenses in 2017-18 was due to special projects that were deferred, utility savings, lower than anticipated Upass expenses, and budgeted expenses that were subsequently capitalized.

6 The large variance in budgeted versus actual Total Payroll in 2018-19 was due to an increase in vacant positions resulting in decreased expenses for other postemployment benefits, wages, and compensated absences

7 The large variance in budgeted versus actual Regular Expenses in 2018-19 was due to special projects that were deferred and budgeted expenses that were subsequently capitalized.

8 The large variance in budgeted versus actual Total Payroll in 2019-20 was due to increase in vacant positions resulting in decreased expenses and for other postemployment benefits, wages, and compensated absences

9 The large variance in budgeted versus actual Regular Expenses in 2019-20 was due to special projects that were budgeted but not undertaken during the year, and due to reduction in expenses resulting from the University's decision in March 2020 to convert all classes to remote instruction for the remainder of the spring 2020 semester.

IV. Admission and Registration Headcounts and percentages by Type of Student ¹

	Fall 2016	Fall 2017	Fall 2018	Fall 2019*	Fall 2020*
All Students					
Applicants	58,857	64,579	63,104	63,324	59,600
Admitted	23,918	26,926	25,295	27,116	25,450
% of Applicants Admitted	40.6%	41.7%	40.1%	42.8%	42.7%
Enrolled	11,177	11,856	11,632	11,614	10,860
% of Admitted Enrolled	46.7%	44.0%	46.0%	42.8%	42.7%
First-Time-in-College					
Applicants	25,810	29,132	30,833	32,220	28,107
Admitted	10,077	11,190	11,375	13,701	11,581
% of Applicants Admitted	39.0%	38.4%	36.9%	42.5%	41.2%
Enrolled	2,945	3,063	3,282	3,773	3,234
% of Admitted Enrolled	29.2%	27.4%	28.9%	27.5%	27.9%
Florida College System					
Applicants	5,896	6,992	6,191	5,935	5,886
Admitted	4,403	5,309	4,557	4,240	4,282
% of Applicants Admitted	74.7%	75.9%	73.6%	71.4%	72.7%
Enrolled	3,009	3,128	3,115	2,900	2,672
% of Admitted Enrolled	68.3%	58.9%	68.4%	68.4%	62.4%
Other Undergraduate Transfers					
Applicants	5,233	5,818	5,063	4,797	4,886
Admitted	2,548	2,986	2,606	2,241	2,394
% of Applicants Admitted	48.7%	51.3%	51.5%	46.7%	49.0%
Enrolled	1,464	1,629	1,550	1,238	1,237
% of Admitted Enrolled	57.5%	54.6%	59.5%	55.2%	51.7%
Other Transfers ¹					
Applicants	1,101	956	770	1,165	1,071
Admitted	782	691	534	804	752
% of Applicants Admitted	71.0%	72.3%	69.4%	69.0%	70.2%
Enrolled	285	269	241	268	251
% of Admitted Enrolled	36.4%	38.9%	45.1%	33.3%	33.4%
Graduate					
Applicants	12,496	13,010	12,513	12,137	13,068
Admitted	5,538	6,031	5,501	5,391	5,705
% of Applicants Admitted	44.3%	46.4%	44.0%	44.4%	43.7%
Enrolled	3,092	3,346	3,033	3,048	3,060
% of Admitted Enrolled	55.8%	55.5%	55.1%	56.5%	53.6%
Professional Schools					
Applicants	8,321	8,671	7,734	7,070	6,582
Admitted	570	719	722	739	736
% of Applicants Admitted	6.9%	8.3%	9.3%	10.5%	11.2%
Enrolled	382	421	411	387	406
% of Admitted Enrolled	67.0%	58.6%	56.9%	52.4%	55.2%

¹ Other Transfers include post Bachelor's degree seeking and non-degree seeking transfers.

* Fall 2019 information has been revised with final number. Fall 2020 information is preliminary.

V. Headcount and Full-Time Equivalent Enrollment (FTE) by Level

Headcount Enrollment by Level

Fall	Undergraduate	Graduate	Annual Total
2015	37,180	11,804	48,984
2016	37,602	12,209	49,811
2017	38,124	12,660	50,784
2018	38,472	12,381	50,853
2019	38,804	12,278	51,082
2020	38,655	12,048	50,703

**Fall FTE Enrollment
(All Campuses)**

Level					Status FTE of		
Fall	Undergrad	Graduate	Professional	Total	Full-Time	Part-Time	Total
2015	31,593	7,341	860	39,794	33,556	6,238	39,794
2016	31,771	7,779	1,315	40,865	35,125	5,740	40,685
2017	32,439	8,056	1,376	41,871	36,140	5,731	41,871
2018	32,628	7,738	1,421	41,787	35,945	5,842	41,787
2019	32,964	7,542	1,442	41,948	36,068	5,880	41,948
2020	33,206	7,489	1,505	42,200	36,711	5,489	42,200

**Full-Time-Equivalent Enrollment by Level*
(Using IPEDS method)**

Academic Year	Undergraduate	Graduate	Annual Total
2014-15	33,681	8,555	42,236
2015-16	34,219	8,694	42,913
2016-17	34,215	8,734	42,949
2017-18	34,837	8,919	43,756
2018-19	34,992	8,856	43,848
2019-20	35,306	8,747	44,053

* The University has restated all FTE data. The University no longer reports FTE information using the "Florida" methodology, but now uses the "Federal" methodology referred to as "IPEDS" FTE (Independent Postsecondary Education Data System from the National Center for Education Statistics). Annual full-time equivalency under the "Federal" methodology is 30 hours for undergraduate students and 24 hours for graduate students. FTE enrollment is determined by dividing the total number of hours enrolled by all students in a specific category by the appropriate hour requirement. Annual full-time equivalency under the previously used "Florida" methodology is 40 hours for undergraduate students and 32 hours for graduate students.

VI. Debt Service Coverage from Pledged Revenues

Historical Debt Service Coverage¹ Fiscal Year Ended June 30,

	Fiscal Years Ending June 30,				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Pledged Revenues					
Operating Revenues ²	\$14,047,255	\$13,829,079	\$14,311,727	\$14,422,183	\$12,550,041
Less Operating Expenses ³	(8,148,196)	(7,880,349)	(8,525,803)	(8,327,075)	(8,571,495)
Plus Interest Earnings ⁴	<u>103,138</u>	<u>148,135</u>	<u>389,393</u>	<u>689,311</u>	<u>515,694</u>
Total Pledged Revenues	\$6,002,197	\$6,096,866	\$6,175,317	\$6,784,419	\$4,494,240
Debt Service on the Outstanding Bonds	\$3,559,829	\$3,057,465	\$2,936,320	\$2,936,430	\$2,940,330
Pledged Revenues After Debt Service and Available for Other Expenses	\$2,442,368	\$3,039,401	\$3,238,997	\$3,847,989	\$1,553,910
Maximum Annual Debt Service	\$3,559,829	\$3,057,465	\$2,940,330	\$2,940,330	\$2,937,910
Debt Service Coverage Ratios					
Annual Debt Service	1.69x	1.99x	2.10x	2.31x	1.53x
Maximum Annual Debt Service	1.69x	1.99x	2.10x	2.31x	1.53x

¹ The financial information related to revenues and expenses was provided by the University and has not been audited.

² The increase in operating revenues in 2017-18 was due to an increase in permits sold and an increase in student credit hours, and the decrease in 2019-20 was due to the University's decision in March 2020 to convert all classes to remote instruction for the remainder of the spring 2020 semester.

³ Excludes depreciation expense and University administrative overhead charges included as operating expenses in the financial statements. Administrative overhead charges were \$773,881 in 2015-2016, \$831,500 in 2016-2017 and \$871,859 in 2017-2018, \$829,459 in 2018-2019, and \$897,998 in 2019-2020.

⁴ Includes only interest earned on the operating account of the existing Parking System.