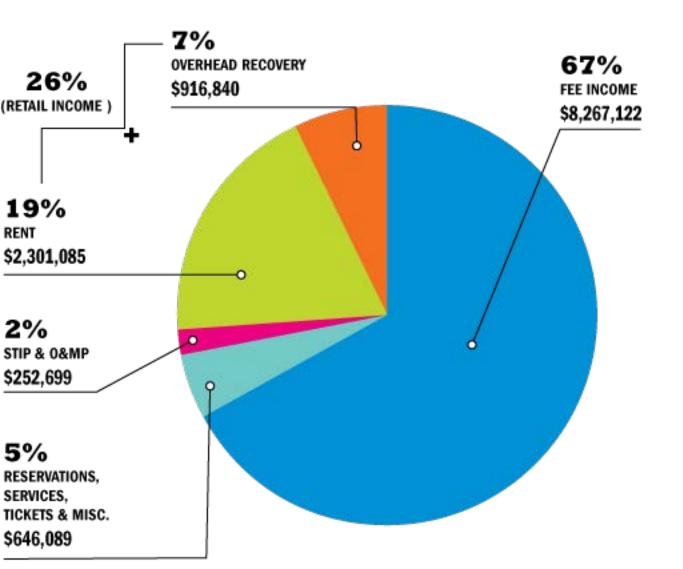
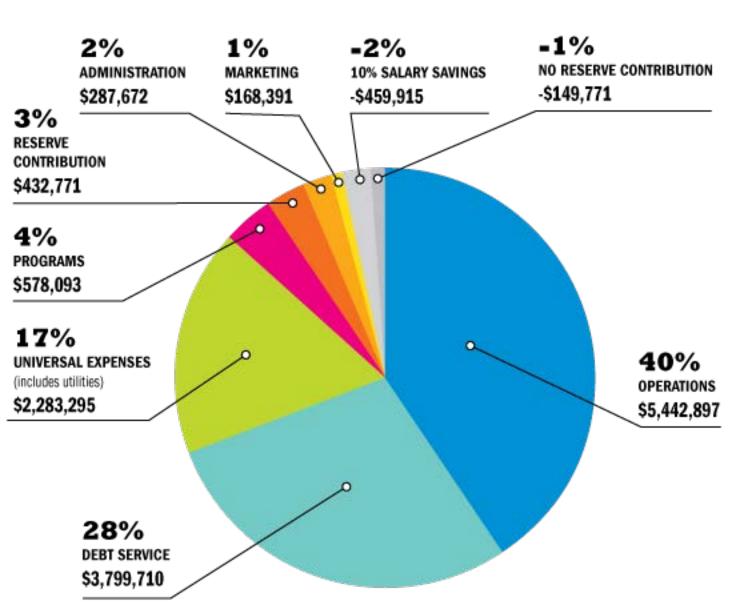
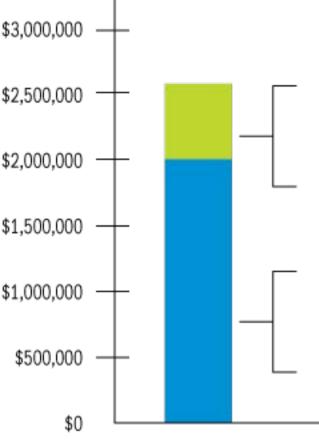
## FACILITY FEE & BUSINESS INCOME



# **BUDGETED EXPENSES**



# **RESERVES AND DEFINITIONS**



# \$518,357 PLANT REPAIR / REPLACEMENT

This reserve is the remainder of any carry-forward balances (unspent expenses and surplus income), after the operating reserve obligation is met. With the long-term facility needs of University Centers, this reserve would ideally sit between \$3-4 million each year.

#### \$2,000,000 EMERGENCY

This reserve is calculated at 25% of the debt service payment (mandated by the bond covenant) plus 25% of non-fee income (three months operating), which currently totals \$2 million. This reserve meets the debt-service obligation and provides an operating safety net.

### UNIVERSITY CENTERS RESERVES

In support of financial best practices and long term planning, University Centers maintains two reserves.