

**North Campus University Park Development Corporation
FY 11/12 Budget Summary**

3/8/11

	Budget FY 10/11	Projected FY 10/11	Budget FY 11/12	Change from Proj 10/11	Actual FY 09/10
Revenue					
Medtronic parcels 1,2,3 & 4 ground rental	479,544	479,550	479,544	(6)	457,759
Medtronic rent credit	(81,728)	(82,726)	-	82,726	(122,604)
Licensing activities	24,000	25,922	26,400	478	26,115
Investment income - dividends	6,000	6,036	6,000	(36)	7,875
Investment gain(loss)	14,400	62,425	18,000	(44,425)	38,340
Interest Income	600	97	600	503	1,883
Total Revenue	442,816	491,304	530,544	39,240	409,368
Operating expenses					
Salaries & Wages	44,152	41,702	43,120	(1,418)	45,462
Benefits	16,963	16,380	16,920	(540)	16,801
Administrative fees	2,400	2,592	2,640	(48)	2,612
Audit fees	10,000	10,556	13,000	(2,444)	9,000
CSUN charges	-	-	-	-	-
Dues & subscriptions	350	350	400	(50)	410
Insurance	6,000	5,918	6,000	(82)	5,095
Interest	21,630	23,366	13,507	9,859	29,334
Legal fees	-	1,129	1,000	129	110
Office supplies & marketing	600	200	500	(300)	91
Repairs & maintenance	17,750	23,200	70,000	(46,800)	20,642
Return to University (See note 1)	175,000		175,000	(175,000)	-
Total Operating Expenses	294,845	125,393	342,087	(216,694)	129,557
Operating Surplus/(Deficit)	147,971	365,911	188,457	(177,454)	279,811
Rent adjustment - Medtronic (See note 2)	97,432	56,566	(25,164)	(81,730)	97,431
Net Surplus/(Deficit)	245,403	422,477	163,293	(259,184)	377,242

Note 1: For the past three years, CSUN has authorized North Campus management to apply the funds budgeted for the \$175,000 Return to University payment against the outstanding loan balance to TUC. The FY 11/12 budget reflects the \$175,000 Return to University payment going to CSUN. Approval to use the funds against the outstanding loan balance to TUC has not yet been approved.

Note 2: As a result of implementing FASB Tech. Bulletin 85-3, lease revenue and credits are required to be spread evenly over the entire life of the lease. This amount represents the reduction to the deferred rent receivable for FY 11/12.

**North Campus UPDC
FY 11/12 Budget Assumptions**

3/8/11

	<u>Budget</u>
1. Medtronic Minimed monthly rent is now \$39,962	
a) \$39,962 times 12 months	\$ 479,544
b) Amortization of deferred rent credit (\$2097 per month)	<u>(25,164)</u>
Net annual rent amount	\$ 454,380
2. Licensing activities -	
a) Cell site revenue is \$6,600 per quarter	\$ 26,400
b) Other licensing activities reduced due to the economy	<u>0</u>
Total licensing activities	\$ 26,400
3. Investment income -	
a) We are assuming a conservative investment gain as the financial markets continue to move slowly forward	\$ 18,000
4. Salaries & benefits expense -	
a) Expense level similar to last year. 20% of TUC Executive Director and Assoc. Director Real Estate salary and benefits is allocated to North Campus to cover G & A support from TUC.	P/R \$ 43,120
	Benefits \$ 16,920
5. Audit fees -	
a) Increase over 10/11 due to change in audit firms	\$ 13,000
6. Repairs & Maintenance -	
a) Increase for additional weed control provided by outside firm	\$ 20,000
b) Demolition of press box and surrounding area	<u>50,000</u>
Total repairs & maintenance	\$ 70,000
7. Surplus contribution to University	
a) Management believes the campus will once again allow us to apply the \$175,000 payment towards the outstanding loan balance with TUC	\$ 175,000