Assumptions and Footnotes to Statement of Projected Coverage Levels
Special Obligation Student Fee Revenue Bonds

(A) Assumptions used to build the forecasted and projected revenues and expenses are as follows:

Revenue

**Infrastructure Maintenance Fee** - The Infrastructure Maintenance Fee, which funds certain Special Obligation Student Fee Revenue debt service, facilities operating and maintenance costs and preventive and deferred maintenance costs, was instituted on July 1, 1997. For FY20, the Infrastructure Maintenance Fee rate is $468 for full-time Undergraduate and Graduate/Professional students (Excluding Graduate Assistants) representing no growth over FY19 rates. The projections for FY21 to FY24 are based on no rate increases.

**General University Fee** - The General University Fee primarily supports Jorgensen Center for the Performing Arts, Student Health Services, Student Activities, Student Union, Wellness and Prevention Services, Athletics, Career Services, Student Recreation and certain other departments. For FY21, the General University Fee rate is $1,960 for full-time Undergraduate students and $1,462 for full-time Graduate/Professional students at the Storrs campus with a $400 credit to Graduate Assistants. In FY21 online only students will pay a rate 50% less than those in person. FY21-FY24 assume no rate increases.

**Investment Income** - Bond proceeds are invested in the State Treasurer's Short Term Investment Fund, which has daily liquidity and rates. Interest rates have moved up recently and the University is using for the purposes of this table a projected rate of return for future earnings of 1.9% from FY21-FY24. The actual historical rates may be found on the State of Connecticut Office of the State Treasurer website. The investment earnings on this table do not reflect the investment of proceeds from the Trustee Bank held Renewal and Replacement Fund.

**Residential Life Room Fee and Student Apartment Rentals** - The Undergraduate regular double room rate for FY21 is $8,868; Due to campus closure, students were refunded 45% of their board and housing fees. FY21 housing counts are at 4,678 beds, down from FY20 of ~12,000. FY21-FY24 assume flat rates.

**Board (Dining) Fee** - In FY21, the most popular meal plans are the Ultimate Meal Plan and the Value Meal Plan which cost $6,308 and $6,020 respectively. A Custom Meal Plan is also available for $5,710. Due to campus closure, students were refunded 45% of their board and housing fees. FY21 meal plans are down to 3,336, down from FY20 of 10,251. FY21-FY24 assume flat rates.

**Husky Village (Greek Housing) Fee** - This room rate is $8,868 for FY21; students were refunded 45% in FY20 due to campus closure. FY21-FY24 rates are assumed to be flat with social distancing guidelines adjusting vacancy.

**Parking and Transportation Fees** - Parking and Transportation Fees consist of the Transit Fee, Parking Permits, Parking Tickets, Transient Parking, Meter Revenue, Event Parking and rental income paid by the UConn Co-op (thru FY15). Parking permit revenue increases are based on a five year rate plan that was implemented in FY14 for students and in FY15 for employees. FY21-FY24 assumes 3% growth. Due to campus closure, students were refunded 45% of their spring parking fee. FY21 assumes a reduced number of parking permits for both employees and students.

**New Student Recreation Center Fee** - Mandatory student fee for Storrs based students, assumes Undergraduate rate of $500/year and Graduate rate of $400/year beginning FY20. Online only students will pay a rate 50% less than those in person in FY21. The fee is assumed to be held flat from FY21-FY24

**New Athletic Stadia - FIT (Facility Investment Together) Fee** - Beginning FY18, a $5 surcharge on football tickets, $2 surcharge on men’s ice hockey, men’s basketball and women’s basketball tickets, and a $1 surcharge on men's and women’s soccer tickets. FY21 assumes no FIT revenues, driven from the cancellation of football and uncertainty related to the upcoming basketball season.
Expenses - Included in expenses are all direct expenses and certain operating transfers.

Residential Life Rooms and Student Apartments - FY21 reflects savings associated with reduced capacity.

Board (Dining) - FY21 reflects savings related to reduction of dining plan contracts.

Husky Village (Greek Housing) - FY21 reflects savings associated with reduced capacity.

Parking and Transportation - FY21 assumes reduced costs related to on campus parking and transit demand, including busing,

(B) Pursuant to the Indentures, the debt listed herein is of equal rank with the pledge created by this Special Obligation debt. Other non-Special Obligation parity debt has been retired; this included the parity self-liquidating debt that was retired in FY17 and the parity debt from the Department of Education Loan that was retired in 2008. On December 13, 2012 the Special Obligation 2012 Refunding Series A Revenue Bonds refunded all the outstanding $75,430,000 of Special Obligation 2002 Series A Revenue Bonds and $96,130,000 of 2002 Series A Refunding Revenue Bonds. The 2000 Series A Revenue Bonds were refunded in February 2002 and the 1998 Series A Revenue Bonds were refunded in June 2010. All of the $16,745,000 outstanding 2010 refunding bonds were called and retired on November 15, 2019 with pledged revenue.

(C) No assurance can be given that these coverage levels will not change since projections can vary and the University may authorize additional projects and issue additional bonds under the Special Obligation Indenture; the effect of which may change coverage levels subject to the rate covenant of 1.25 times the maximum Debt Service Requirement on all Outstanding Bonds (including the additional bonds). See indentures for related information.

(D) Reflects expenditure of the General University Fee for operating support for various Auxiliary Enterprise programs, including New Student Recreation Center.

(E) Additional funding for UCONN 2000 Operating & Maintenance expenditures is also provided from other non-pledged operating revenues.

(F) Funds reserved for the payment or reimbursement of extraordinary expenses incurred for the rebuilding, replacement, relocating, repair and restoration of any UCONN 2000 project financed by the University under the Indentures and other facilities which are part of the physical plant enabling the University to operate and maintain the physical plant in sound operating condition. Funds may also be used in the event of significant revenue or expense variances. Additionally, pursuant to the Indenture, the University established a Renewal and Replacement Fund at the Trustee Bank and deposited $10 million in May 2018 which may be used for similar purposes and/or debt service, and the assets are pledged as part of the Trustee Bank and are shown at the bottom of the coverage table. The R&RF balance includes actual and projected investment income at the STIF rate retained in the R&RF. The University is budgeting an allocation of an additional $5 million per year to the R&RF held at the trustee bank in FY21-FY24.

(G) Additionally, not reflected on this table, the University maintains other unrestricted funds apart from Pledged Revenues which are available to pay debt service for current and future Special Obligation Student Fee Revenue Bonds and other uses including renewal and replacement, which as of June 30, 2020 had a balance of $11.9 million which was invested in the State Treasurer's Short Term Investment Fund (STIF).

(H) The University received $10.75M for refunded room and board income in FY20 under the CARES Act, Higher Education Emergency Relief Fund (HEERF) Program. This income is not reflected under this coverage table.
University of Connecticut
Statement of Projected Coverage Levels(A)
Fiscal Year Ended June 30

(Amounts in Thousands) DRAFT SUBJECT TO CHANGE INTERNAL ONLY as of 11/3/20

Notes:

(a) See the accompanying assumptions and footnotes which are an integral part of this statement.

<table>
<thead>
<tr>
<th>Actual</th>
<th>Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2018</td>
</tr>
<tr>
<td>$12,044</td>
<td>$12,081</td>
</tr>
<tr>
<td>$52,429</td>
<td>52,429</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>51,486</td>
<td>52,429</td>
</tr>
</tbody>
</table>

Pledged Revenues (Subject to Expenses Below)(A)

Residential Life Room Fee and Student Apartment Rentals
89,984 90,079 92,229 74,143 42,959 94,996 94,996 94,996
Board (Dining) Fee
71,011 71,394 72,673 57,659 24,507 74,853 77,099 79,412
Husky Village (Greek Housing) Fee
2,495 2,544 2,597 2,659 1,091 1,123 1,123 1,123
Parking and Transportation Fees
8,954 9,934 11,077 9,513 5,178 11,409 11,409 11,409

Total Pledged Revenues (Subject to Expenses Below)
172,444 173,951 178,576 143,974 73,734 182,382 184,628 186,940

Expenses(A)

Residential Life Rooms and Student Apartments
(61,983) (61,254) (64,139) (61,620) (51,402) (67,987) (70,027) (72,127)
Board (Dining)
(61,991) (61,297) (59,097) (54,428) (36,108) (62,643) (64,522) (66,458)
Husky Village (Greek Housing)
(611) (664) (632) (667) (432) (670) (690) (711)
Parking and Transportation
(8,157) (8,587) (8,021) (7,362) (6,112) (10,077) (10,432) (10,736)

Total Expenses
(132,742) (131,743) (131,889) (124,017) (94,055) (141,387) (145,662) (150,832)

Net Revenues Available
39,702 42,208 46,487 19,957 (26,321) 40,995 38,965 36,908

Total Gross and Net Revenue Available for Debt Service
91,188 94,637 100,359 82,975 20,434 192,216 100,221 98,195

Debt Service(B)

Debt Service on 2018 Series A Revenue Bonds
- (882) (7,615) (9,143) (9,151) (9,145) (9,148)
Debt Service on 2012 Refunding Series A Revenue Bonds
(6,621) (6,625) (6,621) (6,620) (6,615) (9,264) (9,262)
Debt Service on 2010 Refunding Series A Revenue Bonds
(4,932) (4,925) (4,761) (21,777) 0 0 0 0
Residence Halls/Dining Debt Service
-119 - 0 - - - -

Total Debt Service
(11,673) (12,432) (19,017) (37,542) (15,772) (15,760) (18,407) (18,410)

Coverage Calculation (A,B)
7,81 7,64 5,28 2,21 1,50 6,49 5,44 5,33

(Total Gross & Net Revenue Available - Debt Service)

Total Gross and Net Revenue Available for Debt Service
91,188 94,637 100,359 82,975 20,434 192,216 100,221 98,195

Less: Debt Service
(11,673) (12,432) (19,017) (37,542) (15,772) (15,760) (18,407) (18,410)

Expenditures for Auxiliary Enterprise Support (A)
(39,437) (38,795) (38,260) (50,304) (28,664) (49,151) (49,181) (49,212)
Expenditures for Operations & Maintenance-UCONN 2000 Projects (A)
(12,048) (12,838) (14,662) (12,714) (12,070) (12,070) (12,074) (12,074)

Transfer to Reserves Available for Renewal, Replacement and Operations
28,030 30,572 28,479 17,585 (36,093) 25,234 20,558 18,499

Notes: