AUDIT AND FINANCE COMMITTEE  
Wednesday, May 26, 2010

SUBJECT:  REQUEST FOR CONSIDERATION OF HOUSING RATE INCREASE

PROPOSED COMMITTEE ACTION

Review a proposal to increase Florida Atlantic University’s housing rental rates for the next fiscal year.

BACKGROUND INFORMATION

The Department of Housing and Residential Life is proposing housing increases ranging from 3 - 6% for the 2010/11 fiscal year. Housing operates as an auxiliary operation at FAU and must maintain a positive cash flow and meet minimum debt service coverage ratio as required under bond covenants. The proposed increases are necessary to meet these requirements.

IMPLEMENTATION PLAN/DATE

Fall 2010

FISCAL IMPLICATIONS

The increases in rental rates will produce an additional income of $590,000. The increase will support:

- Personnel Costs (salary & benefits): $141,000
- Administrative Costs: $113,000
- Reserves: $336,000

Supporting Documentation:  Power Point Presentation: Housing Rate Increase Proposal

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RATE INCREASE REQUEST
UNIVERSITY HOUSING

May 26, 2010
Innovation Village
2010-2011 Reserve Projects
Cost: $2.1 million

• Energy conservation
• Carpet replacement
• Emergency Generator installation
• Painting
• Elevated Walkway repairs
• Transformer replacement
Proposed Rates for 2010-2011
Fall/Spring Semesters

Heritage Park and Glades Park Towers
- $2,796.75 – double*
- $3,503.00 – single
- $3,237.45 – super double

Indian River Towers
- $3,084.90 – double
- $3,836.35 – single

*Florida Prepaid Dormitory Plan
Proposed Rates (Continued)

University Village Apartments
$2,853.25 – studio double
$3,446.50 – single

Algonquin Hall (12 month)
$2,519.90 – single

Business & Professional Women’s Scholarship House
$335 – double

Jupiter Residence Halls
$3,745.95 – single
Rate Increase Yields

$590,000

Personnel Costs: salaries and benefits

$141,000

Administrative Costs:

$113,000

Reserves

$336,000
Thank you for your support of University Housing and our residents!