

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Governance Report on University Residence Systems
Date: March 1, 2004

Recommended Actions:

1. Receive a summary report on the university residence systems including the five-year plans for FY 2005 through FY 2009.
 2. Consider the universities' academic year 2004-2005 proposed rate increases for a combined double occupancy residence hall room and full board plan of \$5,882 at SUI, \$5,958 at ISU, and \$5,261 at UNI.
 3. Consider the universities' academic year 2004-2005 proposed rates for all residence halls, board options, apartments, and miscellaneous residence charges as provided in detail with each university attachment.
 4. Consider the universities' preliminary FY 2005 residence system budgets, which are subject to further review and action when the Board approves the final FY 2005 institutional budgets.
 5. Direct the universities to provide updated projections for fall 2004 university enrollment and residence system occupancy with the final presentation of FY 2005 residence system budgets.
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Executive Summary:

Residence systems, which include dining services, are operated by each of the Regent universities as part of their educational responsibilities. The residence systems improve the quality of students' university experiences through broad-based programs focused on educational, social, cultural, and recreational interests.

The residence systems are self-supporting operations and do not receive state-appropriated funds for operations or capital improvements.

Timeline

The Residence System governance report is presented to the Board in March of each year. It includes the proposed rate increases and preliminary residence system budget for FY 2005. In addition, it includes the residence systems capital and financial plans for the next five years (FY 2005 – FY 2009).

In April, the Board will be requested to approve rate increases. This process allows the Board to give notice to students as required by law.

The residence system budgets are given preliminary consideration in March, before final approval in the summer.

FIVE-YEAR PLANS
FY 2005 - FY 2009

Five-year enrollment and occupancy projections form the basis for residence system financial forecasts.

The following table contains current and projected occupancies.

	FY 2004 (Fall 2003)	FY 2005 (Fall 2004)	FY 2006 (Fall 2005)	FY 2007 (Fall 2005)	FY 2008 (Fall 2007)	FY 2009 (Fall 2008)
SUI						
Occupancy	6,263	6,190	6,190	6,218	6,218	6,218
% Capacity	100.8%	100.0%	100.0%	100.0%	100.0%	100.0%
ISU						
Occupancy	8,376	8,424	8,424	8,416	8,418	8,422
% Capacity	89.8%	90.1%	89.2%	89.1%	89.1%	96.4%
UNI						
Occupancy	4,181	4,051	3,989	4,000	4,052	4,121
% Capacity	79.1%	77.7%	76.5%	76.7%	77.7%	79.0%

The University of Iowa will soon present the schematic design for construction of a new residence hall and community center. The University reports that rate increases above inflationary cost increases will be necessary to finance the construction and to maintain the required debt service ratios.

Iowa State University's residence system master plan was first approved by the Board in July 1998 and later updated in July 2000. All new construction and renovation projects in the original master plan have either been completed or are under construction with the exception of Union Drive Suite Building 3 which has been postponed indefinitely. Further information on the current plan is included in the table on page 23.

The University of Northern Iowa's five-year plan has no plans for new construction or renovation to be financed from new bond issues.

The Residence Systems continue to address fire safety and deferred maintenance issues.

PROPOSED RATES
2004-2005

The universities proposed rate increases for 2004-2005 for a double occupancy room with full board are as follows:

Double Occupancy Room with Full Board

	2003 - 2004	2004 - 2005	\$	%
	<u>Rate</u>	<u>Proposed Rate</u>	<u>Increase</u>	<u>Increase</u>
SUI	\$5,701	\$5,882	\$181	3.2%
ISU	\$5,740	\$5,958	\$218	3.8%
UNI	\$4,918	\$5,261	\$343	7.0%

These rates are effective beginning with the 2004-2005 academic year.

Current double occupancy room and full board rates compared to peer institutions rank as follows with 1 being the most expensive: 10th of 11 at SUI, 6th of 11 at ISU, and 8th of 11 at UNI.

Room Options

Each University offers a variety of room and board options to meet the varied needs of the students. The following table identifies the range of rates for 2003-2004 and the proposed rates for housing. The range is significant because it includes all room types from the standard double occupancy room to single suites.

Residence Hall Room Rates

	2003-2004		2004-2005		\$ Range Increase**
	Lowest Rate	Highest Rate	Lowest Proposed Rate	Highest Proposed Rate	
SUI	\$2,229	\$6,413	\$2,313	\$6,849	\$ 84 - \$436
ISU	\$2,592	\$6,024	\$3,168	\$5,918	\$128 - \$230*
UNI	\$2,350	\$4,578	\$2,710	\$4,898	\$179 - \$320

*Includes Frederiksen Court

**Range represents increases in facilities that are operational during 2004-2005

Board Options

All three Regent universities are continuing the process of changing from traditional meal plans to plans with greater flexibility. The intent is to provide students with more opportunities to use the board plans and greater variety within the plans. In addition, significant facility changes have been made or are currently underway to provide market place dining. Each university is also in some stage of combining food service operations of its residence system and student union.

The following table identifies the proposed range of rates for board plans.

Residence System Board Rates

	2003-2004		2004-2005		\$ Range Increase*
	Lowest Rate	Highest Rate	Lowest Proposed Rate	Highest Proposed Rate	
SUI	\$2,425	\$2,630	\$2,425	\$2,695	\$ 0 - \$ 65
ISU	\$2,300	\$3,200	\$2,364	\$3,312	\$(106) - \$112
UNI	\$2,188	\$3,300	\$2,300	\$3,540	\$50 - \$240

*Range represents increases in available meal plans during 2004-2005

Total Student Increase

When combining the tuition and fee increases previously approved for 2004 - 2005 with the proposed residence system increases based on double occupancy and full board, the total incremental cost increase to an undergraduate student would be \$584 at SUI, \$616 at ISU, and \$814 at UNI.

FY 2004 AND PRELIMINARY FY 2005 BUDGET

Each University has provided revised FY 2004 estimates and proposed FY 2005 budgets as illustrated in the table on page 12.

At the conclusion of FY 2005, voluntary reserves, which are used for repairs and capital improvements, are estimated to be \$13.5 million at SUI, \$3.0 million at ISU, and \$4.2 million at UNI.

CHALLENGES

Iowa State University and the University of Northern Iowa residence systems are both facing fiscal challenges. Lower residence system occupancy has resulted from lower enrollments and students choosing off-campus housing. ISU is affected primarily in the most recent year. UNI has experienced several years of declining occupancy. Both systems have bonded indebtedness that requires certain financial tests to be met. The universities have taken actions to address these challenges and specifically to meet the requirements of the bond covenants.

Iowa State University

The Department of Residence currently anticipates revenues to be \$6.0 million lower than originally budgeted for FY 2004, due primarily to a reduction in occupancy. In addition, nearly \$842,000 of the revenue shortfall is due to reduced sales in the food service venues placed under the Department in January 2003.

The Department has reduced expenses and used reserve funds to call bonds (as approved by the Board in February 2004) enabling it to meet the required bond covenant ratios for FY 2004.

The Department is planning to permanently close Fisher-Nickell Hall at the end of the current academic year. The Department is also planning to close Barton Hall due to a drop in housing demand.

University of Northern Iowa

The Department of Residence has seen two consecutive years of lower occupancy, down 807 students (16.2%) and is expecting FY 2005 occupancy to be reduced even further by an additional 130 students (3.1%). One of the consequences of University's plan to lower enrollment, as reported in the budget discussion at the February Board meeting, is the impact of lower enrollment on the residence system. The Department has taken a variety of actions to deal with the declining revenues.

- In prior years, the Department has cut expenses and closed some floors within the residence halls.
- In July 2003, the Board approved a pilot program at UNI titled "Two-Year Advantage to encourage students to commit to a two-year contract with no rate increase in the second year. The plan is expected to increase occupancy enough that students who do not participate in the program will not see significant rate increases.
- In the proposed FY 2005 budget, the Department is closing Commons Dining and Shull Hall.

Despite these efforts, the Board Office was recently notified that Standard & Poor's Ratings Services (S&P) lowered its rating on the University of Northern Iowa's outstanding dormitory revenue bonds to 'BBB+' from 'A-'. The outlook on the dormitory revenue bonds was also revised to negative from stable.

S&P stated that the lower rating on UNI's dormitory revenue bonds reflects the financial effect of several years of competition from private, off-campus housing and reduced freshman enrollment (the primary users of university housing).

**Potential Further
Action**

If occupancy continues to decline, the Board and universities could be required to take further action because of bond covenants.

One option available to the Board and universities is implementing parietal rules. This option is specifically provided for in the bond covenants and the Board Policy 7.04C. The universities have identified advantages and disadvantages of implementing parietal rules (see page 10).

The Board Office recommends that the universities provide an update to the Board with the FY 2005 final budget presentation. The update should include fall 2004 university enrollment and residence system occupancy projections and any other pertinent information.

Strategic Plan:

The Board's strategic plan has as one of its priorities that the Board will demonstrate public accountability and effective stewardship of resources. The strategic planning objective 4.4 specifically addresses ensuring compliance with Board policies through responsible oversight of operations.

Each residence system, which is a self-supporting entity, is expected to operate its system on a revenue-producing basis, and use and apply its resources appropriately.

Background:

Each university's Department of Residence has many responsibilities, including managing residence hall and apartment utilization as well as summer conference housing; providing social, cultural, and educational programs such as learning communities and student councils; and providing dining services including catering, convenience stores, nutrition education, athletic department support, and child care support.

The residence systems are self-supporting operations and do not receive state-appropriated funds for operations or capital improvements. The FY 2004 combined estimate of gross revenues is approximately \$117 million.

The residence systems collectively maintain and operate a total of 7.0 million square feet of facilities. The replacement value of these facilities totals \$1.3 billion.

The residence systems collectively house approximately 17,500 students.

FY 2003 Annual
Report Highlights

In October 2003, the Board received the FY 2003 Annual Residence System report as part of the Comprehensive Fiscal Report. The following table provides key residence system data for FY 2003.

**Residence System Data
FY 2003**

		SUI	ISU	UNI
Student Statistics Fall 2002	Enrollment	29,697	27,898	13,926
	Occupancy			
	Residence Halls / Apartments	5,609	9,303	4,121
	Occupancy as % of Enrollment	18.9%	33.3%	29.6%
Financial (millions)	Gross Revenues	\$35.0	\$54.4	\$24.2
	Operating Expenses	25.1	38.1	18.5
	Debt Service & Mandatory Transfers	5.7	9.2	3.5
	Net Revenues	4.2	7.1	2.2
	Outstanding Bonds (principal)	41.0	142.2	37.9
	Voluntary Reserves	4.0	17.4	6.5
	% of Gross Revenues	11.4%	32.0%	26.8%
Facilities (millions)	Building Replacement Value	\$419.5	\$575.9	\$262.3
	Plant improvement, maintenance repair expenditures	17.1	2.6	2.8
	% of replacement value	4.1%	0.5%	1.1%

In 1998, the Board requested that the universities place greater emphasis on long-term planning for significant renovations and capital replacement of the aging residence system facilities. The universities have completed more comprehensive plans and, as a result, have used bond financing to renovate or replace the aging facilities.

Facilities / Bonding

In the past five calendar years, bonding activity for residence system facilities has increased significantly. There is no bonding activity planned for residence systems for calendar year 2004.

**Bonding Activity for Residence Hall Facilities by Calendar Year
(Millions)**

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>Planned 2004</u>
SUI	\$10.0	\$16.0	\$13.7	\$ ---	\$25.0	\$ ---
ISU	\$34.3	9.5	21.7	15.0	30.9	---
UNI	7.0	14.0	---	---	9.2	---

The bond covenants require that certain financial tests be met prior to the sale of any dormitory bonds. These tests are intended to insure the financial viability of the system. Tests must be met after the bonds are sold to provide security to the bondholders.

Rate Notification

To increase room and board charges, the Board of Regents is required by Iowa Code §262.9 (18) to take action no sooner than 30 days after notification of the proposed increase to presiding officers of each student government organization at each affected institution. The Board gives preliminary consideration to the residence system rates in March with final approval scheduled for April.

Parietal Rules

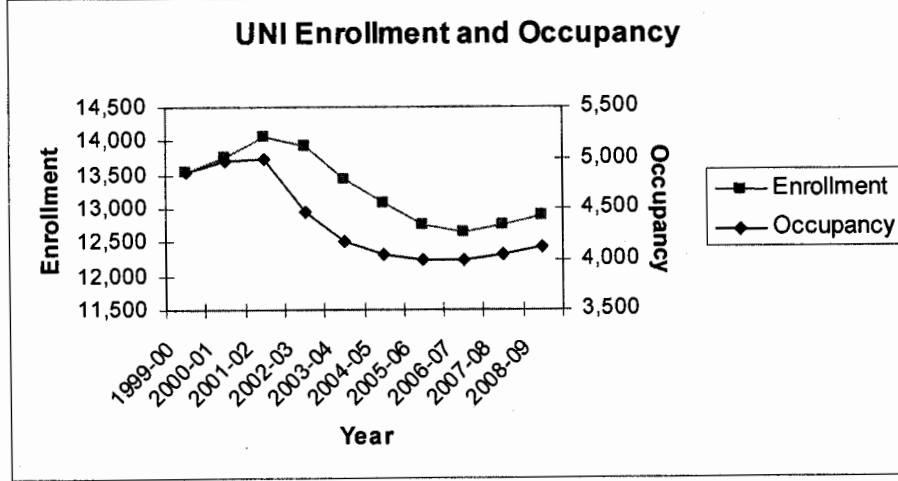
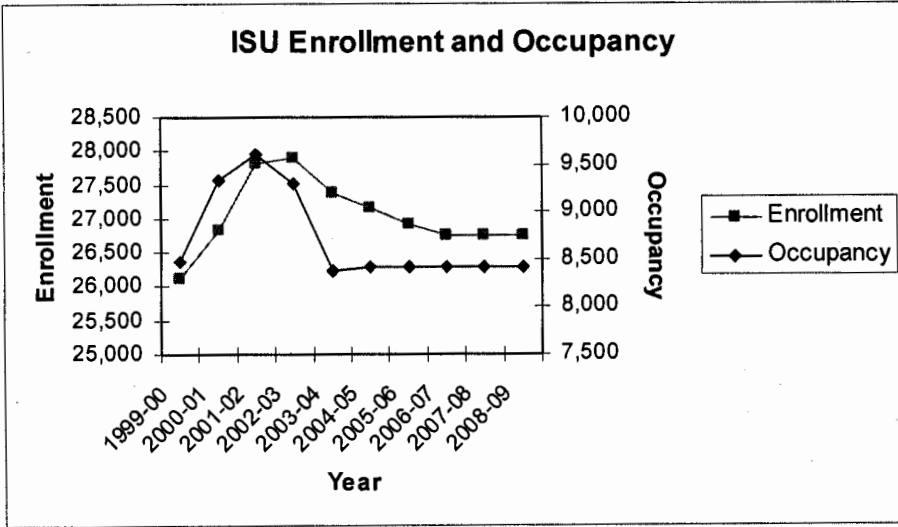
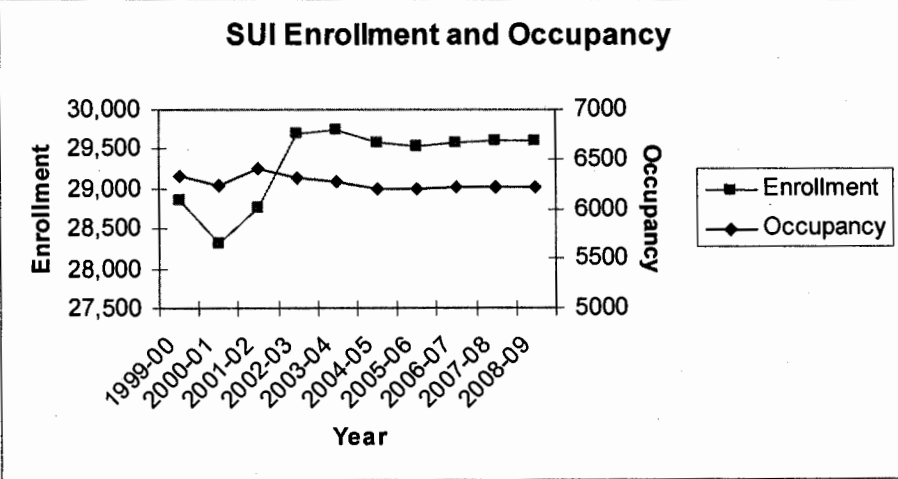
Parietal rules are provided for in the bond covenants and the Board Policy 7.04C. Currently, students may choose to live in university residence halls, university apartments, fraternities, sororities, or off-campus housing. If the parietal rule were implemented, students could be required to live on campus in the residence systems. It could be implemented for various levels (i.e. freshman only or lower division students) and could exempt students who are commuting from home.

The parietal rule was suspended for the Regent universities beginning in 1979. In 1995, the Board rescinded the parietal rule.

Analysis:

Historical
Enrollment /
Occupancy

The following graphs show ten years of enrollment and occupancy in the residence system for each of the Regent universities. The first four years represent actual data and the remaining six years represent forecasted data.



FIVE-YEAR PLANS
FY 2005 - FY 2009

Five-year plans prepared by the universities include enrollment and occupancy projections, capital renewal plans, and financial forecasts.

The following information presents projected trends in total enrollment, current housing operating capacity, housing occupancy, and occupancy ratios for the five-year period.

FIVE YEAR PROJECTED ENROLLMENT, HOUSING CAPACITY, AND OCCUPANCY

	Academic Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
University of Iowa					
Enrollment (Headcount)	29,570	29,536	29,589	29,609	29,597
Operating Capacity*	6,192	6,192	6,220	6,220	6,220
Total Occupancy*	6,190	6,190	6,218	6,218	6,218
Occupancy Ratio**	100.0%	100.0%	100.0%	100.0%	100.0%
Occupancy as % of	20.9%	21.0%	21.0%	21.0%	21.0%
Iowa State University					
Enrollment (Headcount)	27,165	26,916	26,748	26,746	26,759
Operating Capacity*	9,348	9,448	9,448	9,448	8,735
Total Occupancy*	8,424	8,424	8,416	8,418	8,422
Occupancy Ratio**	90.1%	89.2%	89.1%	89.1%	96.4%
Occupancy as % of	31.0%	31.3%	31.5%	31.5%	31.5%
University of Northern Iowa					
Enrollment (Headcount)	13,088	12,753	12,658	12,754	12,888
Operating Capacity*	5,215	5,215	5,215	5,215	5,215
Total Occupancy*	4,051	3,989	4,000	4,052	4,121
Occupancy Ratio**	77.7%	76.5%	76.7%	77.7%	79.0%
Occupancy as % of	31.0%	31.3%	31.6%	31.8%	32.0%

* Includes residence halls and apartments.

** Percent of capacity.

Enrollment projections and financial information for the three Regent universities are presented in greater detail in the five-year plan summaries for the individual institutions (SUI – page 16, ISU – page 24, and UNI – page 34). Five-year estimates are stated in 2003-2004 dollars. No attempt has been made to estimate the effects of inflation.

Parietal Rules

In light of enrollment and occupancy trends as highlighted above, one option that the Board and universities could consider is parietal rules. The universities have identified advantages and disadvantages of adopting parietal rules. However, at the present time, this is not a preferred option of the universities.

Advantages

- Students benefit academically, socially and educationally from living in the residence halls.
- Students who live in the residence halls tend to be more involved in campus life.
- Students will have more opportunities to access campus resources and those resources will be used to a higher level.
- Financial resources will flow to programs and departments not supported by general fund dollars.

Disadvantages

- Students and families lose a choice, after over twenty years of choice, about living on or off campus.
 - Loss of choice could contribute to students living in the residence halls who really do not want to be there and this discontent could have a negative impact on resident communities and staffing needs.
 - Loss of choice could also negatively effect enrollment efforts as students choose a different institution that does not have parietal rules.
 - Some students and families may not have the financial resources and parietal rules may put an additional barrier in the way to attaining a four-year degree
 - Additional time and human resources will be needed to administer it.
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PROPOSED RATES
2004-2005

Each of the Regent universities has proposed rate increases for residence hall room and board, and student apartment rent, for the 2004-2005 academic year. The following table shows the proposed rates for double occupancy rooms with full board.

RESIDENCE HALL RATES
DOUBLE OCCUPANCY ROOMS WITH FULL BOARD

	2003 - 2004 Rate	2004 - 2005 Proposed Rate	\$ Increase	% Increase
University of Iowa	\$5,701	\$5,882	\$181	3.2%
Iowa State University	\$5,740	\$5,958	\$218	3.8%
University of Northern Iowa	\$4,918	\$5,261	\$343	7.0%

The following table shows the average increase in apartment rates. Apartment rates are effective June 1, 2004 at SUI, and July 1, 2004 at ISU and UNI.

2004 - 2005
PROPOSED APARTMENT RATES

	Average Increase
University of Iowa	1.0%
Iowa State University	1.3%
University of Northern Iowa	4.5%

The following table shows the total incremental cost to undergraduate resident students.

Incremental Costs to Undergraduate Resident Students

	Tuition & Fees 2004-2005	Proposed Residence System 2004-05	Total Incremental Costs	% Increase
University of Iowa	\$403	\$181	\$584	5.5%
Iowa State University	398	218	616	5.7%
University of Northern Iowa	471	343	814	8.3%

The proposed residence system rate increases with double occupancy and full board, when combined with the tuition and fee increases approved in Fall 2003, result in total incremental increases to an undergraduate resident student for double occupancy and full board of \$584 at SUI, \$616 at ISU, and \$814 at UNI.

This incremental cost may vary depending on the room and dining options selected by the student.

Proposed rate increases for all residence hall, board options, and apartment units of the individual universities are provided in detail with each university attachment. (SUI – page 17, ISU – pages 25-29, and UNI – pages 35-36).

FY 2004 AND
PRELIMINARY
FY 2005 BUDGET

The preliminary FY 2005 budget proposals contain current FY 2004 Board approved revenue and expenditure detail and revised estimates for FY 2004.

FY 2005 gross revenues at all three universities are expected to increase from the revised FY 2004 estimates, while net revenues are expected to increase at ISU and decrease at SUI and UNI.

Debt service and mandatory transfers at SUI and ISU for FY 2005 are expected to increase due to the proposed issuance of new bonds and increased debt service payments for bonds previously issued.

Detailed budgets for the individual universities are provided in each university attachment. (SUI – page 18, ISU – page 30, and UNI – page 37).

PRELIMINARY BUDGETS SUMMARY

	(1)	(2)	(3)	(4)	(5)	(6)
	Prior Year Actual FY 2003	Current Year Approved FY 2004	Current Year Revised Estimates FY 2004	Next Year Preliminary FY 2005	\$ Change (4) - (3)	% Change (5) / (3)
<i>University of Iowa</i>						
Gross Revenue	\$34,980,611	\$38,033,296	\$37,712,287	\$38,923,222	\$1,210,935	3.2%
Expenditures for Operations	25,061,687	28,131,890	27,097,517	28,036,766	939,249	3.5%
Debt Service & Mand. Transfers	5,749,070	5,889,435	5,603,962	7,018,983	1,415,021	25.3%
Net Revenue*	4,169,854	4,011,971	5,010,808	3,867,473	(1,143,335)	(22.8)%
Net Revenue as % of Gross Rev.	11.9%	10.5%	13.3%	9.9%	(3.4)%	
<i>Iowa State University</i>						
Gross Revenue	\$54,417,868	\$62,139,896	\$56,131,568	\$61,569,909	\$5,438,341	9.7%
Expenditures for Operations	\$38,108,215	\$46,531,195	\$42,751,402	\$46,642,379	\$3,890,977	9.1%
Debt Service & Mand. Transfers	\$9,188,892	\$11,514,567	\$10,149,040	\$10,567,310	\$418,270	4.1%
Net Revenue*	\$7,120,761	\$4,094,134	\$3,231,126	\$4,360,220	\$1,129,094	34.9%
Net Revenue as % of Gross Rev.	13.1%	6.6%	5.8%	7.1%	1.3%	
<i>University of Northern Iowa</i>						
Gross Revenue	\$24,158,490	\$23,627,380	\$23,546,222	\$24,163,706	\$617,484	2.6%
Expenditures for Operations	\$18,491,104	\$19,107,823	\$18,975,784	\$19,587,965	\$612,181	3.2%
Debt Service & Mand. Transfers	\$3,467,817	\$3,142,104	\$3,142,104	\$3,339,341	\$197,237	6.3%
Net Revenue*	\$2,199,569	\$1,377,453	\$1,428,334	\$1,236,400	(\$191,934)	(13.4)%
Net Revenue as % of Gross Rev.	9.1%	5.8%	6.1%	5.1%	(0.9)%	

* After expenditures for operations, debt service, and mandatory transfers.

Deb A. Hendrickson
Deb A. Hendrickson

Approved: *Gregory S. Nichols*
Gregory S. Nichols

UNIVERSITY OF IOWA

FIVE-YEAR PLAN FY 2005 – FY 2009	The University of Iowa's five-year plan provides enrollment and occupancy projections, significant policy and program considerations, plans for renovation of facilities and new construction, and financial forecasts. (Summary on page 16).
Enrollment / Occupancy Projections	The enrollment projections, prepared by the University in the fall of each year, serve as the basis for estimating future occupancy. The most recent data for FY 2005 project an entering first year class of 4,000 students, a decrease of 175 students. The University is projecting occupancy for residence halls to be at 100.0% and apartments at 99.7% through FY 2009.
Policy / Program Considerations	<p>The University is planning to combine the residence system and union contract and retail dining operations into a single coordinated administrative unit to better utilize resources, consolidate key production and administrative functions, and eliminate duplication of efforts. Full implementation of the blended food service is expected by fall 2005. A financial arrangement is being developed to maintain the financial integrity of both the Department of Residence and the Iowa Memorial Union (IMU). The arrangement must be consistent with bond covenants for Dormitory and IMU bonds.</p> <p>Residence Services is in the process of hiring a consultant to assist in developing a master plan for University Apartments to address residents concerns including paying rent increases without an increase in services. The residents of University Apartments want better facilities with more amenities and inexpensive rent. Some requests include better insulation, larger and more efficient water heaters, and an interior social space for gatherings. The University believes it is important to have functional, cost efficient apartments that are not subsidized by any other residential entity.</p>
Renovation / New Construction of Facilities	<p>The University of Iowa is continuing to upgrade and maintain residence system facilities by spending adequate resources for major repairs, replacements, and renovations.</p> <p>The five-year plan includes the completion of the Burge Dining renovations, continued fire safety upgrades, Mayflower renovations, and restroom renovations in Burge, Rienow, Daum, and Stanley Halls.</p> <p>The University will soon present the schematic design for the proposed construction of a new residence hall and community center, including a retail food court on the west side of campus. The program statement was approved by the Board in September 2003. A new residence hall would serve two main purposes:</p> <ul style="list-style-type: none">• It will allow the University to better meet the demands of today's students for semi-private rooms with baths and shared living spaces.• It will provide the University with the flexibility to take other buildings off-line for major renovations. <p>Once the new facility is completed, the Department plans to begin a major renovation and conversion of Slater Hall from double loaded corridors with community bathrooms to semi-private rooms with baths. Fire detection and suppression systems would be installed in the entire building at the same time.</p>

The Department's five-year plan includes the use of revenue bonds to finance several of the larger capital projects.

- Phased bonding over three years is planned for the construction of a new residence hall. A preliminary estimate includes bonding of \$16 - \$18 million in the spring of years 2005, 2006, and 2007.
- Bonding of \$15 - \$24 million is included in the fall of 2007 for major renovations of Slater Hall.

Project funding needed to replace a portion of University Apartments is not yet known and is not included in the five-year plan.

Financial Forecasts

Expenditures for capital renewals from voluntary reserves are estimated to total \$27.0 million during the next five years.

Maintaining reserves necessary to fund capital renewals at the planned level, as well as funding the new debt service, will require future rate increases each year in excess of inflationary cost increases.

PROPOSED RESIDENCE RATES 2004 - 2005

The following table shows the University's rate increases for the past five years, as well as the proposed rates for double occupancy residence hall rooms with full board contracts.

	Double Occupancy Room and Full Board	Dollar Increase	Percent Increase
FY 2000	\$4,188	\$200	5.0%
FY 2001	4,398	210	5.0%
FY 2002	4,671	273	6.2%
FY 2003	5,255	584	12.5%
FY 2004	5,701	446	8.5%
FY 2005 Proposed Rate	\$5,882	\$181	3.2%

The major factors leading to this year's proposed rates are increases in salaries, utilities, food, telecommunications, and insurance and decreases in fringe benefits.

Room Options

The University of Iowa offers a variety of room and board options to meet the varied needs of the students. The following table identifies the proposed range of rates for housing. The range is significant because it includes all room types from the standard double occupancy room to single suites.

Residence Hall Room Rates			
	2004 - 2005 Lowest Proposed Rate	2004 - 2005 Highest Proposed Rate	\$ Range Increase
SUI	\$2,313	\$6,849	\$84 - \$436

Board Options The following table identifies the proposed range of rates for board plans.

Residence System Board Rates			
	2004 - 2005	2004 - 2005	\$
	Lowest	Highest	Range
	<u>Proposed Rate</u>	<u>Proposed Rate</u>	<u>Increase</u>
SUI	\$2,425	\$2,695	\$0 - \$65

Proposed increases for apartments average 1.0%.

The entire schedule of proposed rate increases for residence hall room and board and student apartment rents for the 2004-2005 academic year is identified on page 17.

Student Notification.

The Department made a formal presentation of the proposed rate increases to the Associated Residence Halls (ARH), the residence hall student government, during a special house meeting on February 2, 2004.

Apartment tenants will receive rate information prior to a town meeting where they will have the opportunity to comment on rate increases before the March Board meeting.

FY 2004 ESTIMATE AND PRELIMINARY FY 2005 BUDGET

The following table identifies key elements of the original FY 2004 budget, the revised FY 2004 estimates, and the preliminary FY 2005 budget. For further detail including FY 2003 actual revenue and expenditure detail, see page 18.

UNIVERSITY OF IOWA			
Residence System Preliminary Budget 2004-2005			
	Approved Budget	Revised Estimate	Proposed Budget
	FY 2004	FY 2004	FY 2005
Gross Revenue	\$38,033,296	\$37,712,287	\$38,923,222
Expenditures for Operations	\$28,131,890	\$27,097,517	\$28,036,766
Debt Service & Mand. Transfers	<u>\$5,889,435</u>	<u>\$5,603,962</u>	<u>\$7,018,983</u>
Net Revenue	\$4,011,971	\$5,010,808	\$3,867,473
Net Revenue as % of Gross Rev.	10.5%	13.3%	9.9%

FY 2004

FY 2004 revised net revenue, after debt service and mandatory transfers, is estimated to be \$5.0 million, or 13.3% of gross revenue and \$998,837 higher than the Board approved budget. Voluntary reserves, which are used for repairs and capital improvements are expected to be \$13.7 million as of June 30, 2004.

FY 2005

The FY 2005 budgeted revenues assume a decrease of 73 students (1.3%) in occupancy and the approval of the proposed rate increases. The \$38.9 million in gross revenues represent an increase of 3.2% over the revised FY 2004 budget.

The FY 2005 preliminary budget is subject to further review and action when the Board approves the final FY 2005 institutional restricted fund budgets, currently scheduled for this summer.

TABLE A

The University of Iowa
Department of Residence Services
Ten-Year Planning Indicators (2002-2003 Dollars with 000's Omitted)

INDICATORS	Actual		Estimated		Planned		
	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
1 - ENROLLMENT & OCCUPANCY							
(a) Fall Enrollment Head Count	29,697	29,745	29,570	29,536	29,589	29,609	29,597
Residence Hall Housing							
(b) Current Operating Capacity (# of beds)	5,567	5,521	5,498	5,498	5,526	5,526	5,526
(c) Occupancy	5,609	5,571	5,498	5,498	5,526	5,526	5,526
(d) Occupancy Ratio	100.8%	100.9%	100.0%	100.0%	100.0%	100.0%	100.0%
Apartment Housing							
(e) Current Operating Capacity (Units)	694	694	694	694	694	694	694
(f) Units Occupied	693	692	692	692	692	692	692
(g) Occupancy Ratio	99.9%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%
2 - CAPITAL IMPROVEMENTS & REPAIRS							
(a) Improvements from Bond Proceeds	\$ 12,217	\$ 12,168	\$ 4,184	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
(b) Improvements from Voluntary Reserves	\$ 4,425	\$ 3,319	\$ 5,652	\$ 5,516	\$ 5,485	\$ 5,200	\$ 5,175
(c) Repairs from Current Revenues	\$ 3,201	\$ 3,455	\$ 3,494	\$ 3,494	\$ 3,494	\$ 3,494	\$ 3,494
(d) Gross Square Feet Maintained (000's)	2,239	2,239	2,239	2,239	2,239	2,442	2,442
3 - OPERATING REVENUES & EXPENDITURES							
(a) Total Revenues	\$ 34,981	\$ 37,712	\$ 38,923	\$ 40,009	\$ 41,043	\$ 42,818	\$ 42,854
(b) Less Expenditures (Excluding Univ O.H.)	25,062	27,098	28,037	28,059	28,046	28,438	28,437
(c) Net Operating Revenues	9,919	10,614	10,886	11,950	12,997	14,380	14,417
(d) Less Mandatory Transfers	600	600	600	600	600	600	600
(e) Less Debt Service	5,149	5,004	6,419	7,212	7,969	8,297	9,287
(f) Net to Voluntary Reserves	\$ 4,170	\$ 5,010	\$ 3,867	\$ 4,138	\$ 4,428	\$ 5,483	\$ 4,530
4 - VOLUNTARY (UNRESTRICTED) RESERVES							
(a) Beginning Balance	\$ 11,277	\$ 3,958	\$ 13,695	\$ 13,523	\$ 12,351	\$ 11,500	\$ 13,152
(b) Add Mandatory Transfers from (3d)	600	600	600	600	600	600	600
(c) Add Net to Voluntary Reserves from (3f)	4,170	5,010	3,867	4,138	4,428	5,483	4,530
(d) Less Improvements (2b) & Other Costs	12,089	(4,127)	4,639	5,910	5,879	4,431	5,574
(e) Year-End Balance	\$ 3,958	\$ 13,695	\$ 13,523	\$ 12,351	\$ 11,500	\$ 13,152	\$ 12,708

The University of Iowa
 Residence System Rates--Proposed Rate Schedule for 2004-05

	Present Rates	Proposed Rates	Increase	
			Amount	Percent
Residence Halls Academic Year 2004-05				
Basic Room Rates (per person)				
Single	\$ 3,677	\$ 3,996	\$ 319	8.7%
Double	3,071	3,187	116	3.8%
Triple	2,587	2,685	98	3.8%
Multiple	2,229	2,313	84	3.8%
Double as Single	n/a	4,462	n/a	n/a
Additional Rate Per Room For:				
Rooms with airconditioning	\$ 520	\$ 542	\$ 22	4.2%
Rooms with private bath	1,766	1,842	76	4.3%
Rooms with kitchen units	450	469	19	4.2%
Suites	1,245	1,299	54	4.3%
Temporary Housing (daily rate)	\$ 5	\$ 5	-	-
Board Rates **				
Full Board (20 meals per week)	\$ 2,630	\$ 2,695	\$ 65	2.5%
Any 14 meals per week	2,530	2,595	65	2.6%
Any 10 meals per week	2,425	2,425	-	-
** All board rates include \$200 (\$100 per semester) Hawkeye Dollars				
Linen Rates				
Linen and Bedding	\$ 75	\$ 75	-	-
Linen only	65	65	-	-
Residence Halls Summer Session 2005				
Basic Room Rates (per person)				
Single	\$ 889	\$ 999	\$ 110	12.4%
Double	743	797	54	7.3%
Triple	626	671	45	7.2%
Multiple	540	578	38	7.0%
Double as Single	n/a	1,116	n/a	n/a
Additional Rate Per Room For:				
Rooms with airconditioning	\$ 520	\$ 542	\$ 22	4.2%
Rooms with private bath	428	461	33	7.7%
Rooms with kitchen units	108	117	9	8.3%
Suites	311	325	14	4.5%
Board Rates (7-day plans)				
Full Board (20 meals per week)	\$ 653	\$ 674	\$ 21	3.2%
Any 14 meals per week	625	649	24	3.8%
Any 10 meals per week	595	606	11	1.8%
University Apartments (effective 6/1/2004)				
Hawkeye Court				
1 Bedroom	\$ 400	\$ 405	\$ 5	1.3%
2 Bedroom	445	450	5	1.1%
Hawkeye Drive				
2 Bedroom	\$ 535	\$ 540	\$ 5	0.9%
Staff & Faculty (Additional)	25	25	-	-

The University of Iowa
Residence System Preliminary Budget 2004-05

	Actual 2002-03	Board Approved Budget 2003-04	Revised Estimate 2003-04	Proposed Budget 2004-05
OPERATIONS (Modified Cash Basis)				
Revenues	\$ 34,980,611	\$ 38,033,296	\$ 37,712,287	\$ 38,923,222
Expenditures for Operations	25,061,687	28,131,890	27,097,517	28,036,766
Net Revenues	9,918,924	9,901,406	10,614,770	10,886,456
% of Revenues	28.4%	26.0%	28.1%	28.0%
Debt Service (due July 1)	5,149,070	5,289,435	5,003,962	6,418,983
Mandatory Transfers	600,000	600,000	600,000	600,000
Net After Debt Service & Mandatory Transfers	\$ 4,169,854	\$ 4,011,971	\$ 5,010,808	\$ 3,867,473
% of Revenues	11.9%	10.5%	13.3%	9.9%
University Overhead Payment From Surplus	\$ 371,652	\$ 373,032	\$ 373,032	\$ 393,560
CASH AND INVESTMENT BALANCES (June 30)				
Revenue Fund	\$ 427,390	\$	\$	\$
Operation & Maintenance Fund	602,060	1,000,000	1,000,000	1,000,000
Improvement Fund	2,806,407	4,958,000	5,651,550	5,516,000
Surplus Fund	122,077	3,895,833	7,044,266	7,008,730
Subtotal--Voluntary Reserves	3,957,934	9,853,833	13,695,816	13,524,730
Sinking Fund	4,099,535	4,308,734	4,059,558	4,597,366
Bond Reserve Fund	5,271,473	6,250,655	6,348,855	7,651,855
Bond Construction Fund	0	12,000,000	4,184,150	10,000,000
Subtotal--Mandatory Reserves	9,371,008	22,559,389	14,592,563	22,249,221
Total Cash Balances (June 30)	\$ 13,328,942	\$ 32,413,222	\$ 28,288,379	\$ 35,773,951
REVENUES AND EXPENDITURES DETAIL				
Revenues				
Contracts	\$ 31,103,806	\$ 33,913,179	\$ 33,672,318	\$ 34,632,585
Interest	780,898	780,083	655,427	912,610
Other Income	3,095,907	3,340,034	3,384,542	3,378,027
Total Revenues	\$ 34,980,611	\$ 38,033,296	\$ 37,712,287	\$ 38,923,222
Expenditures for Operations				
Salaries, Wages & Benefits	9,638,805	11,502,721	10,654,058	11,036,688
Cost of Food or Goods Sold	2,635,597	2,785,448	3,028,461	3,288,675
Other Operating Expense	5,594,084	6,073,388	5,860,226	5,953,400
Utilities	3,991,866	4,233,459	4,100,185	4,264,162
Repairs & Maintenance	3,201,335	3,536,874	3,454,587	3,493,841
Total Expenditures	\$ 25,061,687	\$ 28,131,890	\$ 27,097,517	\$ 28,036,766

IOWA STATE UNIVERSITY

FIVE-YEAR PLAN FY 2005 – FY 2009 Iowa State University's five-year plan provides enrollment and occupancy projections, significant policy and program considerations, plans for new construction and renovation of facilities, and financial forecasts. (Summary on page 24).

Enrollment / Occupancy Projections The enrollment projections, prepared by the University in the fall of each year, serve as the basis for estimating future occupancy. The University is projecting occupancy to be in the 90.1% - 96.4% range of operating capacity. The capacity will fluctuate as new facilities come on-line and old ones are demolished.

Policy / Program Considerations In response to market research, ISU has created three distinct neighborhood types:

- Single student neighborhoods designed to meet the needs of younger single students;
- Single student neighborhoods designed to meet the needs of older single students; and
- Student family neighborhoods.

These neighborhoods differ in several important aspects, including location, unit type, staff levels, policies, expectations for involvement, and program goals.

Residence Hall Academic Support Program

The Fresh Start Program, initiated in fall 1999 in Maple Hall and extended to Union Drive residence halls, continues to successfully integrate first-year students into the ISU campus. Program results include improved academic performance, better retention, and increased confidence in academic ability.

The University reports that for the first time since the Department began keeping records in 1997 for students residing in residence halls, the Fall 2003 grade point average (GPA) for all single student residence halls (2.86) surpassed the University undergraduate GPA (2.85). Both the residence hall GPA and the University undergraduate GPA have been increasing steadily over the past few years.

Renovation / New Construction of Facilities Iowa State University is continuing to upgrade and maintain the residence system facilities including fire safety projects that are identified and prioritized in cooperation with the State Fire Marshal's office.

ISU's Residence System master plan that was first presented to the Board in July 1998 and later updated in July 2000 includes new construction, renovation, and demolition of certain system facilities. All new construction and renovation projects in the original master plan have either been completed or are under construction with the exception of Union Drive Suite 3 which has been postponed indefinitely. Three demolition projects: Storms and Knapp Halls and Helser South have been scheduled for summer 2005 and summer 2008 respectively.

The Department is planning to permanently close Fisher-Nickell Hall, the smallest residence facility housing 44 students, at the end of the current academic year. Permanent removal of a facility from the system will require Board action. The Department is also planning to temporarily close Barton Hall, a building with a capacity of 98 residents, due to a drop in housing demand.

Occupancy has been declining in University Family Housing. The University remains committed to providing housing options for student families. The Department has planned two projects in this area:

- A new community center that will have a computer lab, meeting space, fitness center, and grocery space. The grocery space will produce income through a lease arrangement. The project was delayed because the bids received were over budget. The Department is working to redesign the project to be completed within the original budget.
- One four-plex apartment building in University village will be renovated to improve kitchen space, add laundries and refurbish existing space. Bids for this project will be received in March 2004.

The table on page 23 shows the original and revised master plans and identifies the current plan.

Financial
 Forecasts

The University does not plan to request that new revenue bonds be issued over the next five years.

The residence system is facing challenges in the most recent year with lower occupancy that has resulted from lower university enrollment and students choosing off-campus housing. The system has bonded indebtedness that requires certain financial tests to be met. The University has taken actions to address these challenges and specifically meet the requirements of the bond covenants. The University will need to continue monitoring closely the financials to ensure that the provisions of the bond covenants are maintained.

PROPOSED
 RESIDENCE
 RATES
 2004 - 2005

The following table shows the University's rate increases for the past five years as well as the current proposed rates for double occupancy residence hall rooms with full board contracts. ISU's FY 2004 increase was due primarily to a \$502 increase in the board plan resulting from significant changes in the dining options.

Student government voted to add \$14 per year / per student to increase dedicated Internet bandwidth; the amount is included in the proposed rate increase.

	Double Occupancy Full Board	Dollar Increase	Percent Increase
FY 2000	\$4,171	\$213	5.4%
FY 2001	4,432	261	6.3%
FY 2002	4,666	234	5.3%
FY 2003	5,020	354	7.6%
FY 2004	5,740	720	14.3%
FY 2005 Proposed Rate	\$5,958	\$218	3.8%

Room Options Iowa State University offers a variety of room and board options to meet the varied needs of the students. The following table identifies the proposed range of rates for housing. The range is significant because it includes all room types from the standard double occupancy room to single suites.

Residence Hall Room Rates			
	2004 - 2005	2004 - 2005	\$
	Lowest	Highest	Range
	<u>Proposed Rate</u>	<u>Proposed Rate</u>	<u>Increase</u>
ISU	\$3,168	\$5,918	\$128 - \$230 *

*Includes Frederiksen Court

Board Options The following table identifies the proposed range of rates for board plans.

Residence System Board Rates			
	2004 - 2005	2004 - 2005	\$
	Lowest	Highest	Range
	<u>Proposed Rate</u>	<u>Proposed Rate</u>	<u>Increase</u>
ISU	\$2,364	\$3,312	\$64 - \$112

Proposed increases for apartments average 1.3%. The Department is proposing no increase for students living in Schilleter Village and a 2% increase for students living in University Village.

The entire schedule of proposed rate increases for residence hall room and board and student apartment rents for the 2004-2005 academic year is identified on pages 25-29.

Student Notification The University presented the rate proposals to the student residence association and councils in January and February 2004. These councils include IRHA - Inter Residence Hall Association, FCC - Frederiksen Court Community Council, and UFHC - University Family Housing Council.

- IRHA voted 18-1 to support the room rate increase and the internet fee increase
- FCCC voted 7-1 to support both increases.
- UFHC did not vote on rate increases. The residents were notified of the rate in early February and no responses have been filed.

FY 2004
ESTIMATE AND
PRELIMINARY
FY 2005
BUDGET

The following table identifies key elements of the original FY 2004 budget, the revised FY 2004 estimates, and the preliminary FY 2005 budget. For further detail including FY 2003 actual revenue and expenditure detail, see page 30.

IOWA STATE UNIVERSITY
Residence System Preliminary Budget 2004-2005

	Approved Budget FY 2004	Revised Estimate FY 2004	Proposed Budget FY 2005
Gross Revenue	\$62,139,896	\$56,131,568	\$61,569,909
Expenditures for Operations	\$46,531,195	\$42,751,402	\$46,642,379
Debt Service & Mand. Transfers	\$11,514,567	\$10,149,040	\$10,567,310
Net Revenue	\$4,094,134	\$3,231,126	\$4,360,220
Net Revenue as % of Gross Rev.	6.6%	5.8%	7.1%

FY 2004

FY 2004 revised net revenue, after debt service and mandatory transfers, is estimated to be \$56.1 million, or 5.8% of gross revenue. Voluntary reserves, which are used for repairs and capital improvements, are expected to be \$3.0 million as of June 30, 2004.

The Department of Residence currently anticipates revenues to be \$6.0 million lower than originally budgeted, due primarily to a reduction in occupancy. In addition, nearly \$842,000 of the revenue shortfall is due to reduced sales in the food service venues placed under the Department in January 2003. The Department has reduced expenses and used reserve funds to call bonds (as approved by the Board in February 2004) enabling it to meet the required bond covenant ratios.

FY 2005

The FY 2005 budgeted revenues assume an increase of 48 students (0.6%) in occupancy and the approval of the proposed rate increases. The \$61.6 million in gross revenues represent an increase of 9.7% over the revised FY 2004 budget. This increase results from: 1) National Order of the Arrow conference; 2) Union Drive Suite Building 2 and Buchanan price differential; 3) 48 more room and board contracts; 4) Increased dining opportunities with the full year impact of the Business Café and Lagomarcino Café coming on line in FY 2005; and 5) the proposed rate increases.

The FY 2005 preliminary budget is subject to further review and action when the Board approves the final FY 2005 institutional restricted fund budgets in the summer.

Project	Action	1998	2000	Buchanan	Today's Status	Notes
		Master Plan Schedule	Master Plan Progress Report Schedule	Hall Bond Issue Schedule		
Buchanan Hall Phase 1	Renovation	FY1999	Future	FY2005	On-line fall 2004	All phases of Buchanan Renovation combined into one project; under construction
Elm Hall	Renovation	FY1999	Future		Completed FY2000	Oak, Elm, and Addition combined into one project; sum of \$2.0M roof, dormers, windows, stair towers, attic. Completed under budget
Frederiksen Ct Apts Phase 1a	New Constr	FY1999	FY2001		On-line fall 2000	Completed under budget
Frederiksen Food & Comm Ctr	New Constr	FY1999			On-line fall 2001	Completed under budget
Maple Hall	Renovation	FY1999	Future	FY2005	On-line fall 1999	Completed under budget; more than 1,200 applications were received in 1st year.
Buchanan Hall Phase 2	Renovation	FY2000	Future		On-line fall 2004	All phases of Buchanan Renovation combined into one project; under construction
Frederiksen Ct Apts Phase 1b	New Constr	FY2000	Tabled		On-line fall 2000	Completed under budget
Friley Hall - 1938 Addition	Demolition	FY2000	Tabled		Tabled	UDA Comm Center relocated
Heiser Hall - North	Demolition	FY2000			Completed FY2001	Undertaken to make space for UDA Suite 1 and UDA Comm Ctr.
Oak Hall	Demolition	FY2000			Completed FY2000	Oak, Elm, and Addition combined into one project; sum of \$2.0M roof, dormers, windows, stair towers, attic. Completed under budget
UDA Comm Ctr	New Constr	FY2000	FY2001		On-line fall 2003	Completed under budget
Buchanan Hall Phase 3	Renovation	FY2001	Future	FY2005	On-line fall 2004	All phases of Buchanan Renovation combined into one project; under construction
Frederiksen Ct Apts Phase 2	New Constr	FY2001	FY2001		On-line fall 2001	Completed under budget
Hawthorn Ct Apts	Demolition	FY2001			Off-line fall 1999	Undertaken to make room for new single student apartments (Frederiksen Court)
Oak/Elm Addition	Renovation	FY2001	FY2001		Completed FY2000	Oak, Elm, and Addition combined into one project; sum of \$2.0M roof, dormers, windows, stair towers, attic.
UDA Suite 1	New Constr	FY2001	FY2004		On-line fall 2002	Completed under budget, included needed utility infrastructure
Westgate Hall	Demolition	FY2001	Future		Completed FY 2004	Related to UDA projects; over budget - asbestos abatement; off-line fall 2003
Buchanan Hall Phase 4	Renovation	Future	Future	FY2005	On-line fall 2004	All phases of Buchanan Renovation combined into one project; under construction
Freeman Hall	Demolition	Future	Tabled		Tabled	
Friley Hall - 1927 Addition	Demolition	Future	FY2003		Tabled	To make room for New UDA Suite 3 building.
Heiser Hall - Remainder	Demolition	Future	FY2004		Tabled	Part of UDA neighborhood plan
Knapp Hall	Demolition	Future	FY2002		Summer of 2008	Demolition required due to facade. Off-line winter 2004. Building required for contracted conference July 2004.
Knapp/Storms Commons	Demolition	Future	FY2003		Summer of 2005	Related to Knapp/Storms demolition. Other use examined; not feasible.
New Towers Apts #1	New Constr	Future	FY2003		FY2005	
New Towers Apts #2	New Constr	Future	Tabled		Tabled	
RCA Comm Ctr	New Constr	Future	Future		Future	Pending Dining Feasibility Study.
Storms Hall	Demolition	Future	FY2003		Summer of 2005	Demolition required due to facade deterioration, off-line fall 2003
UDA Suite 2	New Constr	Future	FY2002		On-line fall 2004	currently completed under budget
UDA Suite 3	New Constr	Future	FY2004		Future	
UDA Work Site Restoration	New Constr	Future	FY2004		FY2009	Part of UDA neighborhood plan; in 1998 and 2000 was part of UDA Suite 3 project.
Barton Hall	Refurbish	Future			FY2005	Proposed, in year response to excess capacity. Back on-line fall 2005
Buchanan Hall Study	Study		FY2001		Completed FY2001	
Friley Hall Study	Study		FY2001		FY2005	Proposed.
Friley Hall Remodel	Renovation		Future		Future	Facilities review required first
Phase 2 Birch-Welch-Roberts	Renovation		FY2001		Completed FY2001	roof repair
Resid. Academic Space Ph. 1	Renovation		FY2003		Tabled	
Resid. Academic Space Ph. 2	Renovation		FY2004		Tabled	
Resid. Academic Space Ph. 3	Renovation		Future		Future	
Schilleter Village Study	Study		FY2001		Completed FY2001	
Schilleter Village Remodel	Renovation		Future		Future	
Univ. Farm. Housing Comm Ctr	New Constr		Future		FY2005	Approved, old comm ctr remodeled for child care center in return for new comm ctr. Marketability issue.
University Village Remodel	Renovation		Future		Future	UV 172 Prototype to be renovated this summer
University Village Study	Study		FY2001			
University Village Renov. Ph. 1	Renovation		FY2002			
University Village Renov. Ph. 2	Renovation		FY2003			
Wallace Hall Reconfiguration	Refurbish				On-line fall 2002	Convert to super single rooms, response to excess system capacity and student preference
Wilson Hall Reconfiguration	Refurbish				On-line fall 2001	Convert to super single rooms, response to excess system capacity and student preference.

Planned - Constant Dollars

Indicators

Actual 2002-03	Estimated 2003-04	Proposed 2004-05	2005-06	2006-07	2007-08	2008-09
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ENROLLMENT AND OCCUPANCY

(a) Fall Enrollment Head Count	H.C.	27,898	27,380	27,165	26,916	26,748	26,746	26,759
Residence Hall Housing								
(b) Original Design Capacity	Beds	7,295	6,632	6,654	6,754	6,754	6,754	6,041
(c) Current Operating Capacity	Beds	7,295	6,627	6,654	6,754	6,754	6,754	6,041
(d) Beds Occupied	H.C.	6,749	5,796	5,796	5,796	5,788	5,790	5,794
(e) Occupancy Ratio (d/b)	%	92.5%	87.4%	87.1%	85.8%	85.7%	85.7%	95.9%

Apartment Housing

(f) Original Design Capacity	Units	2,752	2,752	2,752	2,752	2,752	2,752	2,752
(g) Current Operating Capacity	Units	2,730	2,728	2,728	2,728	2,728	2,728	2,728
(h) Student Occupancy	H.C.	2,730	2,728	2,728	2,728	2,728	2,728	2,728
(i) Non-Student Occupancy	H.C.	45	46	46	46	46	46	46
(j) Units occupied	Units	2,554	2,580	2,628	2,628	2,628	2,628	2,628
(k) Occupancy Ratio (j/f)	%	92.8%	93.8%	95.5%	95.5%	95.5%	95.5%	95.5%

CAPITAL IMPROVEMENTS & REPAIRS

(a) New Construction from Bonds or Loans	\$	30,935,000	0	0	0	0	0	0
(b) Improvements from Voluntary Reserves	\$	2,499,952	5,664,382	2,422,493	4,398,916	1,748,916	3,088,916	4,806,779
(c) Repairs from Current Revenues	\$	1,013,437	1,300,589	1,439,220	1,443,709	1,443,709	1,439,191	1,439,191
(d) Change in Operating Capacity	Beds-Units		(663)	22	100	-	-	(713)
(e) Gross Square Feet Maintained(000's)	GSF	3,349,978	3,346,200	3,420,703	3,420,703	3,420,703	3,420,703	3,270,098

OPERATING REVENUES & EXPENDITURES

(a) Total Revenues	\$	54,417,868	56,131,568	61,569,909	61,682,377	60,734,161	60,939,842	62,204,679
(b) Less Expenditures (Exclude Univ OH)		37,094,777	41,450,813	45,203,159	45,123,955	44,892,601	43,879,615	44,243,127
(c) Net Operating Revenues (a-b)		17,323,091	14,680,756	16,366,749	16,558,422	15,841,560	17,060,227	17,961,552
(d) Less Mandatory Transfers		500,000	500,000	500,000	500,000	500,000	500,000	500,000
(e) Less Debt Service		8,688,892	9,649,040	10,067,310	10,060,770	10,064,137	10,069,305	10,078,113
(f) Less Transfers		1,109,478	1,287,157	1,622,413	1,929,790	2,222,735	2,625,736	2,761,012
(g) Net to Voluntary Reserves	\$	7,024,721	3,244,558	4,177,026	4,067,662	3,054,688	3,865,186	4,622,427

VOLUNTARY UNRESTRICTED RESERVES

(a) Beginning Balance	\$	14,267,467	17,928,641	14,708,228	15,523,541	14,048,778	14,210,841	13,847,921
(b) Add Mandatory Transfers from (3d)		500,000	500,000	500,000	500,000	500,000	500,000	500,000
(c) Add Net to Voluntary Reserves (3g)		7,024,721	3,244,558	4,177,026	3,867,662	2,854,688	3,665,186	4,422,427
(d) Add Transfer from Plant & other revenues		(3,158)	(1,768,311)	1,000,000	0	0	0	0
(e) Less Improvements (2.b) & other costs		3,513,389	6,964,972	3,861,713	5,842,625	3,192,625	4,528,107	6,245,970
(f) Year-End Balance	\$	17,928,641	14,708,228	15,523,541	14,048,778	14,210,841	13,847,921	12,524,377

**PROPOSED RESIDENCE SYSTEM RATES
Academic Year 2004-2005**

Undergraduate Residence Room and Board

Room and Board Combined

		<u>Present</u> <u>Rate</u>	<u>Proposed</u> <u>Rate</u>	<u>\$</u> <u>Increase</u>	<u>%</u> <u>Increase</u>
Double - Standard					
	Premium Cy Plan 200	\$6,240	\$6,480	\$240	3.8%
	Cyclone 17 Plus 300	\$5,740	\$5,958	\$218	3.8%
	Cyclone 14 Plus 300	\$5,640	\$5,854	\$214	3.8%
	Cyclone 10 Plus 150	\$5,400	\$5,610	\$210	3.9%
	Cyclone 7 Plus 600	\$5,340	\$5,532	\$192	3.6%
Double - Maple					
	Premium Cy Plan 200	\$6,644	\$6,898	\$254	3.8%
	Cyclone 17 Plus 300	\$6,144	\$6,376	\$232	3.8%
	Cyclone 14 Plus 300	\$6,044	\$6,272	\$228	3.8%
	Cyclone 10 Plus 150	\$5,804	\$6,028	\$224	3.9%
	Cyclone 7 Plus 600	\$5,744	\$5,950	\$206	3.6%
Suite - Maple					
	Premium Cy Plan 200	\$6,804	\$7,064	\$260	3.8%
	Cyclone 17 Plus 300	\$6,304	\$6,542	\$238	3.8%
	Cyclone 14 Plus 300	\$6,204	\$6,438	\$234	3.8%
	Cyclone 10 Plus 150	\$5,964	\$6,194	\$230	3.9%
	Cyclone 7 Plus 600	\$5,904	\$6,116	\$212	3.6%
Suite Double - Union Drive					
	Premium Cy Plan 200	\$7,472	\$7,766	\$294	3.9%
	Cyclone 17 Plus 300	\$6,972	\$7,244	\$272	3.9%
	Cyclone 14 Plus 300	\$6,872	\$7,140	\$268	3.9%
	Cyclone 10 Plus 150	\$6,632	\$6,896	\$264	4.0%
	Cyclone 7 Plus 600	\$6,572	\$6,818	\$246	3.7%

*Room rates include the \$14 per student/per year Internet charge.

Board and Meal Plans Only

	Present Rate	Proposed Rate	\$ Increase	% Increase
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Board Plans

(Available to system residents and all non-residents)

Premium Cy Plan 200	\$3,200	\$3,312	\$112	3.5%
Cyclone 17 Plus 300	\$2,700	\$2,790	\$90	3.3%
Cyclone 14 Plus 300	\$2,600	\$2,686	\$86	3.3%
Cyclone 10 Plus 150	\$2,360	\$2,442	\$82	3.5%
Cyclone 7 Plus 600	\$2,300	\$2,364	\$64	2.8%

Block Meal Plans Plus

(Available To Wallace/Wilson, Buchanan Hall, Frederiksen Court, and UFH residents and all non-residents)

100 Meal Block Plan Plus 900	\$1,550	\$1,574	\$24	1.5%
150 Meal Block Plan Plus 600	\$1,550	\$1,586	\$36	2.3%
200 Meal Block Plan Plus 300	\$1,550	\$1,596	\$46	3.0%

Block Meal Plans

(Available to Frederiksen Court and UFH Residents and all non-residents)

10 Meal Block Plan	\$63	\$65	\$2	3.2%
20 Meal Block Plan	\$119	\$123	\$4	3.4%
30 Meal Block Plan	\$173	\$179	\$6	3.5%
40 Meal Block Plan	\$225	\$233	\$8	3.6%

Dining Dollar Meal Plans

(Available to Frederiksen Court and UFH Residents and all non-residents)

\$10-\$190 Dining Dollars	Face Value
\$200-390 Dining Dollars	5.00% Discount from Face Value
\$400-590 Dining Dollars	7.50% Discount from Face Value
\$600 Plus Dining Dollars	10.00% Discount from Face Value

* All Plus plans include an amount of Dining Dollars, as indicated in plan name.

Undergraduate Rooms, Suites & Apartments Only

	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>\$ Increase</u>	<u>% Increase</u>
Lower Division Neighborhood (effective May 12, 2004)				
<i>Dormitories</i>				
Double - Standard	\$3,040	\$3,168	\$128	4.2%
Double - Maple	\$3,444	\$3,586	\$142	4.1%
Double - Suite Buildings		\$4,454		
Single - Standard	\$3,940	\$4,110	\$170	4.3%
Super Single - Standard	\$4,272	\$4,446	\$174	4.1%
Super Single - Maple	\$4,676	\$4,864	\$188	4.0%
<i>Suites</i>				
Suite Triple - Maple	\$3,604	\$3,752	\$148	4.1%
Suite Double - Union Drive	\$4,272	\$4,454	\$182	4.3%
Suite Single - Union Drive	\$5,506	\$5,736	\$230	4.2%
Super Suite - Union Drive	\$6,024	\$5,918	\$(106)	-1.8%
Upper Division Neighborhood				
<i>Dormitories (to be effective May 12, 2004)</i>				
Super Single - Wallace Wilson	\$3,970	\$4,132	\$162	4.1%
Single - Wallace Wilson	\$3,694	\$3,846	\$152	4.1%
<i>Suites (to be effective May 12, 2004)</i>				
<i>9-month contract</i>				
Single - Buchanan		\$4,802		
Double-Buchanan		\$4,178		
Super Single - Buchanan		\$4,964		
Frederiksen Court Apartments (to be effective August 11, 2004)				
<i>12-month contract</i>				
2 Bedroom Apartment Shared	\$4,264	\$4,278	\$14	0.3%
4 Bedroom Apartment Single	\$4,820	\$4,930	\$110	2.3%
2 Bedroom Apartment Super Single	\$5,966	\$6,098	\$132	2.2%
<i>9-month contract</i>				
2 Bedroom Apartment Shared	\$3,326	\$3,438	\$112	3.4%
4 Bedroom Apartment Single	\$4,056	\$4,230	\$174	4.3%
2 Bedroom Apartment Super Single	\$4,961	\$5,170	\$209	4.2%
<i>3-month contract (Summer only)</i>				
2 Bedroom Apartment Shared	\$1,118	\$1,154	\$36	3.2%
4 Bedroom Apartment Single	\$1,326	\$1,366	\$40	3.0%
2 Bedroom Apartment Super Single	\$1,596	\$1,642	\$46	2.9%

* Meal plans are offered, but not required, at Frederiksen Court Apartments.

Optional Dormitory Room Alternatives – Individual (to be effective May 12, 2004)

Add-on for Semester Break Housing	\$224	\$240	\$16	7.1%
Add-on for Air-conditioning for Acad. Year	\$75	\$82	\$7	9.3%

* Residents of Wallace, and Wilson Hall may stay through semester break without charge

***STUDENT GOVERNMENT VOTED TO INCREASE RATES \$14.00 PER STUDENT/PER YEAR TO COVER THE COST OF INCREASED INTERNET BANDWIDTH WHICH IS INCLUDED IN THE PROPOSED RATES. DINING AND UNIVERSITY FAMILY HOUSING RATES ARE UNAFFECTED.**

Summer Session 2004

	Present Rate	Proposed Rate	\$ Increase	% Increase
Undergraduate Dormitory Room and Board (to be effective May 12, 2004)				
Double - Std with Cyclone 17 Plus 75	\$1,423	\$1,444	\$21	1.5%
Single - Std with Cyclone 17 Plus 75	\$1,622	\$1,643	\$21	1.3%
Super Single - Std w/ Cyclone 17 Plus 75	\$1,718	\$1,739	\$21	1.2%
Single - Buchanan w/ Cyclone 17 Plus 75		\$2,280		
Double-Buchanan with Cyclone 17 Plus 75		\$2,073		
Super Single - Buchanan w/ Cyclone 17 Plus 75		\$2,335		
Board Plans Only				
Premium Cy Plan Plus 50	\$780	\$806	\$26	3.3%
Cyclone 17 Plus 75	\$659	\$680	\$21	3.2%
Cyclone 14 Plus 75	\$634	\$654	\$20	3.2%
Cyclone 10 Plus 40	\$578	\$598	\$20	3.5%
Cyclone 7 Plus 150	\$564	\$580	\$16	2.8%
Room Plans Only				
Double - Standard	\$764	\$764	\$0	0.0%
Single - Standard	\$963	\$963	\$0	0.0%
Super Single - Standard	\$1,059	\$1,059	\$0	0.0%
Single - Buchanan		\$1,601		
Double-Buchanan		\$1,393		
Super Single - Buchanan		\$1,655		

University Family and Older Single Student Housing (to be effective July 1, 2004)

Schilleter Village				
Students - Standard	\$519	\$519	\$0	0.0%
Students - Large	\$529	\$529	\$0	0.0%
Staff	\$679	\$679	\$0	0.0%
Renovated	\$541	\$541	\$0	0.0%
Mortenson Road				
Students	\$485	\$485	\$0	0.0%
University Village (2 Bedroom)				
Students - Standard	\$501	\$511	\$10	2.0%
Students - Large	\$512	\$522	\$10	2.0%
Students One Level	\$480	\$490	\$10	2.1%
Staff	\$657	\$670	\$13	2.0%
University Village (1 Bedroom)				
Students	\$448	\$457	\$9	2.0%
Staff	\$662	\$670	\$8	1.2%

* Meal plans are offered, but not required, at University Family Housing.

* **Schilleter and University Village previous rates first decreased for monthly amount of parking permit (\$4.75) before rate increase applied rounded to nearest dollar.**

Iowa State University
Residence System Preliminary Budget Proposal 2004-2005

	Actual 2002-2003	Revised Budget 2003-2004	Forecast 2003-2004	Prelim Budget 2004-2005
<u>OPERATIONS (Modified Accrual Basis)</u>				
Revenue	\$54,417,868	\$62,139,896	\$56,131,568	\$61,569,909
Expenditures for Operations	38,108,215	46,531,195	42,751,402	46,642,379
Net Operating Revenue	16,309,654	15,608,701	13,380,166	14,927,529
% of Revenues	30.0%	25.1%	23.8%	24.2%
Debt Service (due July 1)	\$8,688,892	\$11,014,567	\$9,649,040	\$10,067,310
Mandatory Transfers	500,000	500,000	500,000	500,000
Net after Debt Service and Mandatory Transfers	\$7,120,762	\$4,094,135	\$3,231,126	\$4,360,219
% of Revenues	13.1%	6.6%	5.8%	7.1%
University Overhead Payment from Surplus	\$749,478	\$1,027,956	\$927,157	\$1,262,413
% of Expenditures	2.0%	2.2%	2.2%	2.7%
University Scholarship Fund & <i>Parking</i>	\$662,847	\$360,000	\$360,000	\$360,000
% of Revenues	1.2%	0.6%	0.6%	0.6%
REVENUE AND EXPENDITURE DETAIL				
Revenues				
Contracts	\$44,043,998	\$47,646,907	\$43,839,358	\$47,885,931
Interest	1,414,287	1,977,372	899,970	797,865
Other Income	8,959,583	12,515,616	11,392,240	12,886,112
Total	\$54,417,868	\$62,139,896	\$56,131,568	\$61,569,909
Expenditures				
Salaries	\$20,344,470	\$23,941,681	\$22,252,612	\$23,920,321
Cost of Food	5,135,282	7,393,887	6,495,070	7,809,576
Other Operating	7,046,530	8,885,056	7,825,321	8,290,452
Utilities	4,564,032	4,904,646	4,877,809	5,182,810
Repairs	1,017,901	1,405,925	1,300,589	1,439,220
Total	\$38,108,215	\$46,531,195	\$42,751,402	\$46,642,379
Total Staff FTE ⁶	706	706	743	769
CASH AND INVESTMENT BALANCES (JUNE 30)				
Revenue Fund				
Operation and Maint Fund				
Improvement Fund				
Surplus fund	\$17,398,062	\$11,993,925	\$10,504,563	\$3,229,409
Subtotal--Voluntary reserve Balances	17,398,062	11,993,925	10,504,563	3,229,409
Sinking fund	6,084,761	11,014,567	9,649,040	10,067,310
Bond Reserve Fund	11,424,231	11,467,386	10,214,055	10,214,055
Construction Fund	29,349,685	2,498,363	2,498,363	0
Subtotal--Mandatory Reserve Balances	46,858,677	24,980,316	22,361,459	20,281,365
Total--All Reserve Balances June 30	64,256,739	36,974,241	32,866,021	23,510,774

UNIVERSITY OF NORTHERN IOWA

FIVE-YEAR PLAN FY 2005 – FY 2009 The University of Northern Iowa's five-year plan provides enrollment and occupancy projections, significant policy and program considerations, plans for renovation of facilities, and financial forecasts. (Summary on page 34).

Enrollment / Occupancy Projections The enrollment projections, prepared by the University in the fall of each year, serve as the basis for estimating future occupancy. The University is projecting residence system occupancy to decline by 130 to 3,688 in the fall of 2004 and then increase to 3,758 in the fall of 2008. Apartment occupancy is projected to be at capacity of 363.

Policy / Program Considerations The Department has hired a consultant to conduct a housing facility assessment and market study to improve occupancy and the financial viability of the system.

The University has taken steps for FY 2005 to address the financial challenges that result from further reductions in occupancy as follows:

- Commons Dining will close for resident dining in 2004/2005. It will be used to support catering functions. Most staff will be transferred to Rialto, Towers Center, when it opens in fall 2004.
- Shull Hall will close as a residence hall for 2004/2005. It will be used to house conference and special event guests.

Renovation of Facilities The University of Northern Iowa is continuing to upgrade and maintain the residence system facilities by spending resources for major repairs, replacements, and renovations. The five-year plan has no plans for new construction or renovation from new bond issues.

Financial Forecasts Deferred maintenance and facility improvements will be accomplished as part of regular repairs and maintenance to be funded by the improvement fund.

The residence system is facing challenges with several years of lower occupancy that has resulted from lower enrollments and students choosing off-campus housing. The system has bonded indebtedness that requires certain financial tests to be met. The University has taken actions to address these challenges and specifically meet the requirements of the bond covenants. The University will need to continue monitoring closely the financials to ensure that the provisions of the bond covenants are maintained.

PROPOSED RESIDENCE RATES 2004 - 2005 The following table shows the University's rate increases for the past five years as well as the current proposed rates for double occupancy residence hall rooms with full board contracts.

	Double Occupancy Room and Full Board	Dollar Increase	Percent Increase
FY 2000	\$3,914	\$290	8.0%
FY 2001	4,149	235	6.0%
FY 2002	4,398	249	6.0%
FY 2003	4,640	242	5.5%
FY 2004	4,918	278	6.0%
FY 2005 Proposed Rate	\$5,261	\$343	7.0%

The proposed rate increases are calculated based on estimated operating cost increases, the proposed infrastructure improvements, and the debt service requirements. The major factors leading to this year's rate increases are the decline in residence hall occupancy, salaries and fringe benefit increases, food costs, and reduced expenditures from the closing of Commons Dining, and Schull Hall.

Two-Year Advantage

In July the Board approved a pilot program at UNI titled "Two-Year Advantage". This plan allows students who choose to live on campus in the residence halls to commit to a two-year contract. The University proposed this pilot program as a means to address significantly declining enrollment.

This program keeps residence system housing and dining rates at the same level in the second year of the two year contract for students who choose this option. Other incentives are added to the plan, including an opportunity to move in early without additional expense to the students.

The initial pilot program is being administered over a three-year period beginning with the fall semester of 2003 and continuing through the 2005-06 academic year.

Currently, the University has 445 students enrolled in the Two-Year Advantage program. This represents over 30% of contracts received for fall 2004. These students will not be impacted by the proposed 7% rate increase.

Room Options

The University of Northern Iowa offers a variety of room and board options to meet the varied needs of the students. The following table identifies the proposed range of rates for housing. The range is significant because it includes all room types from the standard double occupancy room to single suites.

Residence Hall Room Rates			
	2004 - 2005 Lowest <u>Proposed Rate</u>	2004 - 2005 Highest <u>Proposed Rate</u>	\$ Range <u>Increase</u>
UNI	\$2,710	\$4,898	\$179 - \$320

Board Options

The following table identifies the proposed range of rates for board plans.

Residence System Board Rates			
	2004 - 2005 Lowest <u>Proposed Rate</u>	2004 - 2005 Highest <u>Proposed Rate</u>	\$ Range <u>Increase</u>
UNI	\$2,300	\$3,540	\$50 - \$240

Proposed increases for apartments average 4.5%.

The entire schedule of proposed rate increases for residence hall room and board and student apartment rents for the 2004-2005 academic year is identified on pages 35-36.

Student Notification Residence hall student leaders were informed of the planning involved with the 2005 budget and preliminary rates, and the closing of Commons Dining.

FY 2004 ESTIMATE AND PRELIMINARY FY 2005 BUDGET The following table identifies key elements of the original FY 2004 budget, the revised FY 2004 estimates, and the preliminary FY 2005 budget. For further detail including FY 2003 actual revenue and expenditure detail, see page 37.

UNIVERSITY OF NORTHERN IOWA
 Residence System Preliminary Budget 2004-2005

	Approved Budget FY 2004	Revised Estimate FY 2004	Proposed Budget FY 2005
Gross Revenue	\$23,627,380	\$23,546,222	\$24,163,706
Expenditures for Operations	\$19,107,823	\$18,975,784	\$19,587,965
Debt Service & Mand. Transfers	\$3,142,104	\$3,142,104	\$3,339,341
Net Revenue	\$1,377,453	\$1,428,334	\$1,236,400
Net Revenue as % of Gross Rev.	5.8%	6.1%	5.1%

FY 2004 FY 2004 gross revenue is expected to be slightly less than budget. FY 2004 revised net revenue, after debt service and mandatory transfers, is estimated to be \$1.4 million, or 6.1% of gross revenue.

Voluntary reserves, which are used for repairs and capital improvements are expected to be \$5.6 million as of June 30, 2004.

FY 2005 The FY 2005 budgeted revenues assume a decrease of 130 students in occupancy and the approval of the proposed rate increases. The \$24.2 million in gross revenues represent an increase of 2.6% over the revised FY 2004 budget.

Built into the budget is an increase in full time equivalent (FTE) employees. This increase is related to adding staff at the new venues in the Maucker Union and for the opening of the Towers Center, Rialto. At Rialto, the Department is anticipating a longer daily schedule. The Department will adjust the FTE in that facility as the realities of operation unfold.

The FY 2005 preliminary budget is subject to further review and action when the Board approves the final FY 2005 institutional restricted fund budgets.

Planned - Constant Dollars

Indicators	Actual 2002-03	Estimated 2003-04	Proposed		2005-06	2006-07	2007-08	2008-09
			2004-05	2004-05				
ENROLLMENT AND OCCUPANCY								
(a) Fall Enrollment Head Count								
H.C.	13926	13441	13088	12753	12658	12754	12888	
Residence Hall Housing								
(b) Original Design Capacity	4923	4923	4852	4852	4852	4852	4852	4852
(c) Current Operating Capacity	4923	4923	4852	4852	4852	4852	4852	4852
(d) Beds Occupied	4121	3818	3688	3626	3637	3689	3758	3758
(e) Occupancy Ratio (d/b)	83.7%	77.6%	76.0%	74.7%	75.0%	76.0%	77.5%	77.5%
Apartment Housing								
(f) Original Design Capacity	363	363	363	363	363	363	363	363
(g) Current Operating Capacity	362	363	363	363	363	363	363	363
(h) Student Occupancy	375							
(i) Non-Student Occupancy	155							
(j) Units occupied	336	363	363	363	363	363	363	363
(k) Occupancy Ratio (j/f)	92.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CAPITAL IMPROVEMENTS & REPAIRS								
(a) New Construction from Bonds or Loans	\$ 2,157	15,280	1,698	-	-	-	-	-
(b) Improvements from Voluntary Reserves	\$ 1,405	2,151	2,305	1,400	1,400	1,400	1,400	1,400
(c) Repairs from Current Revenues	\$ 825	779	793	793	793	793	793	793
(d) Change in Operating Capacity			(71)					
(e) Gross Square Feet Maintained(000's)	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456
OPERATING REVENUES & EXPENDITURES								
(a) Total Revenues	\$ 24,158	23,546	24,164	24,138	24,075	24,346	24,705	24,705
(b) Less Expenditures (Exclude Univ OH)	18,491	18,976	19,588	19,532	19,542	19,589	19,651	19,651
(c) Net Operating Revenues (a-b)	5,667	4,570	4,576	4,606	4,533	4,757	5,054	5,054
(d) Less Mandatory Transfers	330	330	330	330	330	330	330	330
(e) Less Debt Service	3,138	2,812	3,009	3,303	3,291	3,290	3,285	3,285
(f) Add Rate Adj. to Maintain Reserves*								
(g) Net to Voluntary Reserves	\$ 2,199	1,428	1,237	973	912	1,137	1,439	1,439
VOLUNTARY UNRESTRICTED RESERVES								
(a) Beginning Balance	\$ 6,946	6,575	5,578	4,220	3,505	2,728	2,175	2,175
(b) Add Mandatory Transfers from (3d)	330	330	330	330	330	330	330	330
(c) Add Net to Voluntary Reserves (3g)	2,199	1,428	1,237	973	912	1,137	1,439	1,439
(d) Add Transfer from Plant & other revenues	156							
(e) Less Improvements (2.b) & other costs	3,056	2,755	2,925	2,018	2,019	2,020	2,020	2,020
(f) Year-End Balance	\$ 6,575	5,578	4,220	3,505	2,728	2,175	1,923	1,923

PROPOSED RESIDENCE HALL AND MEAL RATES FOR 2005

ACADEMIC YEAR	Current Rate	Proposed Rate	Dollar Increase	Percent Increase
<i>ROOM AND 19 MEALS PER WEEK PLAN</i>				
Double Occupancy				
Residence Hall (w/o air)	\$4,918.00	\$5,261.00	\$343.00	6.97%
Bartlett Hall (air)	\$4,996.00	\$5,346.00	\$350.00	7.00%
Physical Single				
Residence Hall (w/o air)	\$5,718.00	\$6,061.00	\$343.00	6.00%
Bartlett Hall (air)	\$5,796.00	\$6,146.00	\$350.00	6.03%
Double as Single				
Residence Hall (w/o air)	\$6,018.00	\$6,361.00	\$343.00	5.70%
Bartlett Hall (air)	\$6,096.00	\$6,446.00	\$350.00	5.74%
ROOM ONLY OPTION				
ROTH Double Occupancy				
8 Person Suite	\$2,531.00	\$2,710.00	\$179.00	7.07%
6 Person Apartment	\$3,000.00	\$3,210.00	\$210.00	7.00%
4 Person Apartment	\$3,000.00	\$3,210.00	\$210.00	7.00%
2 Person Apartment	\$3,480.00	\$3,725.00	\$245.00	7.04%
ROTH Single Occupancy				
8 Person Suite	\$3,366.00	\$3,602.00	\$236.00	7.01%
6 Person Apartment	\$3,973.00	\$4,250.00	\$277.00	6.97%
4 Person Apartment	\$3,973.00	\$4,250.00	\$277.00	6.97%
2 Person Apartment	\$4,578.00	\$4,898.00	\$320.00	6.99%
SUMMER				
ROOM ONLY				
Bartlett Hall /per week				
Double Occupancy	\$77.53	\$82.96	\$5.43	7.00%
Physical Single	\$102.56	\$108.74	\$6.18	6.03%
Double as Single	\$111.94	\$118.37	\$6.43	5.74%
ROTH Double Occupancy/per wk				
8 Person Suite	\$79.09	\$84.63	\$5.54	7.00%
6 Person Apartment	\$93.75	\$100.31	\$6.56	7.00%
4 Person Apartment	\$93.75	\$100.31	\$6.56	7.00%
2 Person Apartment	\$111.94	\$119.78	\$7.84	7.00%
ROTH Single Occupancy/per wk				
8 Person Suite	\$105.19	\$112.55	\$7.36	7.00%
6 Person Apartment	\$124.16	\$132.85	\$8.69	7.00%
4 Person Apartment	\$124.16	\$132.85	\$8.69	7.00%
2 Person Apartment	\$143.06	\$153.07	\$10.01	7.00%

MEAL PLANS				
Academic Year				
Premium (\$500 Dining Dollars)	\$3,300.00	\$3,540.00	\$240.00	7.27%
19 Plus (\$300 Dining Dollars)	\$2,870.00	\$3,070.00	\$200.00	6.97%
14 Plus (\$400 Dining Dollars)	\$2,840.00	\$3,040.00	\$200.00	7.04%
10 Plus (\$250 Dining Dollars)	\$2,304.00	\$2,415.00	\$111.00	4.82%
150 (\$600 Dining Dollars)	\$2,520.00	\$2700.00	\$180.00	7.14%
125 (\$250 Dining Dollars)	\$1,850.00	\$1,980.00	\$130.00	7.03%
19 Meals (\$100 Dining Dollars)	\$2,646.00	\$2,830.00	\$184.00	6.95%
14 Meals (\$200 Dining Dollars)	\$2,592.00	\$2,775.00	\$183.00	7.06%
10 Meals (\$150 Dining Dollars)	\$2,188.00	\$2,300.00	\$112.00	5.12%
Any 7 Meals (\$150 Dining Dollars)	\$1,478.00	\$1,700.00	\$222.00	15.02%
Any 5 Meals (\$180 Dining Dollars)	\$1,260.00	\$1,325.00	\$65.00	5.16%
Any 5 Meals – Lunch or Breakfast (\$0 Dining Dollars)	\$980.00	\$1,050.00	\$70.00	7.14%
Any 50 Meals (\$50 Dining Dollars)	\$710.00	\$760.00	\$50.00	7.04%

**PROPOSED APARTMENT HOUSING RATES FOR 2005
EFFECTIVE JULY 1, 2004**

HILLSIDE COURTS	Current Monthly Rate	Proposed Monthly Rate	Dollar Increase	Percent Increase
One bedroom (1972) air conditioned	\$319.50	\$330.00	\$10.50	3.29%
Two bedroom (1972) window air	\$394.00	\$405.00	\$11.00	2.79%
Two bedroom (1972) central air	\$411.00	\$430.00	\$19.00	4.62%
Two bedroom, two story (1972) air Conditioned	\$463.00	\$480.00	\$17.00	3.67%
Four bedroom central air	\$676.00	\$720.00	\$44.00	6.51%
JENNINGS DRIVE				
Two bedroom (1978) air conditioned	\$452.00	\$470.00	\$18.00	3.98%
COLLEGE COURTS				
Two bedroom (1956 & 1958) no air Conditioning	\$351.00	\$375.00	\$24.00	6.84%

UNIVERSITY OF NORTHERN IOWA
Residence System Preliminary Budget
2004-05

	Actual 2002-03	Approved Budget 2003-04	Revised Estimate 2003-04	Proposed Budget 2004-05
OPERATIONS (Accrual Basis)				
Revenues	\$ 24,158,490	23,627,380	23,546,222	24,163,706
Expenditures for Operations	18,491,104	19,107,823	18,975,784	19,587,965
Net Revenues	5,667,386	4,519,557	4,570,438	4,575,741
% of Revenues	23.5%	19.1%	19.4%	18.9%
Debt Service (due July 1)	3,137,817	2,812,104	2,812,104	3,009,341
Mandatory Transfers	330,000	330,000	330,000	330,000
Net after Debt Service and Mandatory Transfers	\$ 2,199,569	1,377,453	1,428,334	1,236,400
% of Revenues	9.1%	5.8%	6.1%	5.1%
University Overhead Payment from Surplus	612,234	607,696	604,395	619,699
% of Expenditures	3.3%	3.2%	3.2%	3.2%
CASH AND INVESTMENT BALANCES (June 30)				
Revenue Fund	177,129	-	106,532	-
Operation and Maintenance Fund	(106,532)	-	-	-
Improvement Fund	870,878	306,836	550,018	575,018 (2)
Surplus Fund	5,526,887	5,200,302	4,921,423	3,644,656
Subtotal - Voluntary Reserve Balances	6,468,362	5,507,138	5,577,973	4,219,674
Sinking Fund	-	-	-	-
Bond Reserve Fund	3,347,123	3,347,123	3,878,536	3,878,536
Construction Fund	7,790,609	1,494,407	1,697,843	-
Subtotal - Mandatory Reserve Balances	11,137,732	4,841,530	5,576,379	3,878,536
TOTAL - All Reserve Balances (June 30)	17,606,094	10,348,668	11,154,352	8,098,210
REVENUES AND EXPENDITURES DETAIL				
Revenues				
Contracts	19,714,073	19,401,378	19,058,806	19,767,206
Interest	744,802	525,000	715,000	425,000
Other Income	3,699,615	3,701,002	3,772,416	3,971,500
TOTAL	24,158,490	23,627,380	23,546,222	24,163,706
Expenditures				
Salaries, Wages & Benefits (1)	10,673,382	11,202,271	11,147,810	11,514,391
Cost of Food or Goods Sold	2,884,700	3,094,027	3,102,846	3,209,965
Other Operating Expense	2,623,447	2,639,166	2,544,070	2,568,835
Utilities	1,472,728	1,479,310	1,402,401	1,501,592
Repairs & Maintenance (1)	836,847	693,049	778,657	793,182
TOTAL	18,491,104	19,107,823	18,975,784	19,587,965
TOTAL STAFF FTE - October	462	442	435	450

(1) Excludes amounts for repair and maintenance supplied by Residence System staff.
Staff maintenance costs for the respective years are: \$655,685; \$654,868; \$675,463

(2) As a docket item to the Board, we will make a special request for an allocation of funds from the Surplus Fund to the Improvement Fund.