

University of New Brunswick

**Saint John Campus
Residence Budget
2006-07**

**Proposed Residence Budget Plan
University of New Brunswick
Saint John Campus
2006 – 2007**

INTRODUCTION

UNB Saint John's residence system offers students the opportunity to live on campus in modern, convenient accommodations. Our two residences offer standard house amenities that include furnished TV and study lounges, high-speed internet and cable TV connections along with modern laundry facilities. Both residences foster an academic and cultural environment in non-smoking, co-ed and security card locked buildings. The residence system is supported by our residence life staff along with key partnerships with Student Services and other academic and administrative support units.

The Saint John residence system consists of the Sir James Dunn Residence (traditional residence) and the Dr. Colin B. Mackay Residence (two bedroom suite residence) which are operated as an ancillary operation for residential financial purposes. The MPHEC does not provide financial support to residence facilities and therefore the residence system budget is a cost-recovery budget which relies completely on accommodation revenue from residence students and conference services.

The proposed residence budget is a comprehensive report of revenues, operating expenses and capital expenditures associated with the Saint John campus residence system.

The Saint John campus has two residential buildings which can accommodate 239 students. Overall annual occupancy for 2005-2006 was 97%.

Our strengths in residence & conference services are our students, clients and staff along with a high residence demand from new and returning students along with recurring conference business customers.

Our goal is to be continually committed to our students, university community and to maintain and grow our conference business while offering professional development to our staff/students and continued support of our residence programs with our diverse student residence population.

2006-2007 BUDGET PREPARATION

The successful experience of the residence system (239 beds) was used in preparing the 2006-2007 financial plan.

To date (March 1), approximately 25% of the residence system is booked for the 2006-2007 academic year including returning students. These favourable results are the direct result of the continuation of initiatives put in place in previous years.

It is **recommended** that the room portion of the residence fee be increased by 2.5% in order to offset expected future increases in operating costs including electrical and steam heat, water, garbage disposal and maintenance in order to ensure that a reserve fund for future maintenance for the buildings is maintained. A summary of all room rates from the beginning of our first year of operation is attached as Appendix 'A'. The existing Saint John Market and vacancy rates (see Appendix 'B') have also been taken into consideration in determining this increase in the residence fee.

Recent History Average last five years 3.5%
2005-2006 – 5%
2004-2005 – 5%
2003-2004 – 2.5%
2002-2003 – 2.5%
2001-2002 – 2.5%

It is **recommended** that the meal plan fees be changed to two meal plans in the amount of \$2,100 and \$2,400. In the previous year, the University offers three meal plans. The amounts were \$1,995, \$2,205. The \$300 meal plan for the students living in the suites will remain unchanged.

The residence house dues of \$50 that the University collects on behalf of the students will remain unchanged. The budgeted operating expenditures are based upon the previous years' actual expenditures, with minor changes in both directions as appropriate.

The following table summarizes the 2006-2007 fees associated with the residence system in Saint John:

Saint John Campus Summary of Residence Fees 2006-2007					
Sir James Dunn Residence	Large Single	Single	Double	Meal Plan I	Meal Plan II
Proposed 2006-2007	\$4,257	\$3,924	\$3,449	\$2,100	\$2,400
Dr. Colin B. Mackay Residence	Two Bedroom Suites		Meal Plan III		
Proposed 2006-2007	\$4,401		\$300		

Food Plan

The Saint John Campus residence food plan, operated by an external food contractor, Aramark Campus Services, is a 'declining balance' board plan which offers several advantages over the traditional types of plans:

Convenience – students do not need to rush to meals served only in one dining hall. Students have the flexibility to eat in the Baird Dining Hall or at Tim Horton's, which are both operated by Aramark.

No missed meals – students who go home on weekends, play team sports or have untimely schedules for meals need not worry about paying for meals they miss.

No HST – meal plans are tax exempt

Security – students do not need to carry cash at any time on campus to enjoy a meal or a snack – they just use their student ID card.

Students are **not expected to eat limited menu items** at precise meal times. They have the flexibility to eat at their leisure, and choose a menu that agrees with them for that meal.

All plans allow students to **purchase additional 'debits'** in increments of \$25.00 should they original balance purchased reach zero.

Conference Services

Recruitment of the Conference Coordinator position, June 2004, has had a positive impact on Conference Services. The Conference Coordinator has increased awareness in the local community about UNB Saint John's summer hotel services by use of marketing materials and by nurturing local partnerships with the Saint John Tourism community and Sport New Brunswick. As a result of increasing awareness and having an individual dedicated to Conference Services, summer revenue was increased by 34 % in 2004-2005 and again increased in 2005-2006 by 41%, with the greatest increases seen in the modern Dr. Colin B. Mackay Residence.

The 2006-2007 summer rates will remain the same as 2005-2006 rates. This will keep UNB Saint John's accommodation prices competitive with other universities in the Atlantic Provinces with similar facilities and services.

SUMMER ACCOMODATIONS RATES		
	Daily	Weekly
Student Rates		(Per Person)
Single	\$ 25.30	\$ 100.00
Double	\$ 36.80	\$ 80.00
Suite	N/A	\$ 125.00
Tourist & Conference		
Single	\$ 34.00	
Double	\$ 47.00	
Two Bedroom Suite	\$72.00	(2 Persons)
\$5.00 each additional person		

All rats include applicable tax

UNB SAINT JOHN CAMPUS
 CONSOLIDATED RESIDENCE SYSTEM
 2006-07 BUDGET

	<u>2006-07</u>	<u>2005-06</u>
NUMBER OF RESIDENTS	239	239
REVENUE	\$	\$
Students Income	977,472	950,580
Summer Income	245,000	245,000
Vacancy Allowance	-	-
Meal Plan Income	170,000	170,000
Apartment Rentals	13,000	13,000
Coin Laundry	12,000	12,000
House Fines	1,000	1,000
TOTAL REVENUE	<u>1,418,472</u>	<u>1,391,580</u>
OPERATING EXPENSES		
Travel/Entertainment Pool	11,870	11,870
Residence Assistant Training	2,400	2,400
Steam Heat	32,000	45,000
Electrical	84,000	65,000
Water	23,000	23,000
Renovation/Maintenance Pool	23,500	23,500
Cleaning Contractor	60,000	60,000
Meal Plan Expenses Contractor	170,000	170,000
Garbage Contractor	12,000	12,000
Telephone Contract	89,000	91,100
Internet Contract	48,000	53,100
Cable Contract	27,050	25,800
Elevator Contract	5,000	5,000
Management Fee Physical Plant	39,500	39,500
Misc. Maintenance Contracts	5,000	5,000
Repair/Cleaning Supplies	17,000	17,000
Laundry Service	4,000	4,000
Furniture & Equipment	12,000	14,000
Office operating expenses	23,063	22,816
House fines - spent	1,000	1,000
TOTAL OPERATING EXPENSES	<u>689,383</u>	<u>691,086</u>
SALARY EXPENSES		
Full Time Salaries	141,773	133,707
Maternity Leave	8,727	-
Residence Assistants	26,202	26,142
Summer Students Office/Cleaning	25,095	25,095
Fringe Benefit Costs	34,137	26,069
Meal Plan - RAL	2,100	1,900
TOTAL SALARY EXPENSES	<u>238,034</u>	<u>212,913</u>
TOTAL EXPENSES BEFORE DEBT SERVICE AND CAPITAL RENEWAL	<u>927,417</u>	<u>903,999</u>
CAPITAL RENEWAL	98,535	95,061
DEBT SERVICE	<u>392,520</u>	<u>392,520</u>
FINAL NET INCOME	<u>-</u>	<u>-</u>

APPENDIX 'A'

SIR JAMES DUNN RESIDENCE

ROOM & APARTMENT RATES

	Large Single*	Single	Double	Apartments
1993-94	2,734	2,734	2,189	\$575.00 mth
1994-95	2,734	2,734	2,189	\$575.00 mth
1995-96	2,835	2,835	2,260	\$575.00 mth
1996-97	3,050	3,050	2,350	\$575.00 mth
1997-98	3,210	3,210	2,470	\$575.00 mth
1998-99	3,410	3,210	2,470	\$575.00 mth
1999-00	3,410	3,210	2,470	\$575.00 mth
2000-01	3,474	3,274	2,520	\$575.00 mth
2001-02	3,655	3,355	2,583	\$575.00 mth
2002-03	3,738	3,438	2,648	\$575.00 mth
2003-04	3,824	3,524	2,714	\$575.00 mth
2004-2005	4,015	3,700	2,850	\$575.00 mth
2005-2006	4,215	3,885	3,135	\$575.00 mth
2006-2007 Proposed	4,257	3,924	3,449	\$575.00 mth.

DR. COLIN B. MACKAY RESIDENCE

2003-2004	Two-Bedroom Suite	3,950 per person
2004-2005		4,150
2005-2006		4,357
2006-2007 Proposed		4,401 per person

APPENDIX 'B'
COMPARABLE (AVERAGE) APARTMENT RENTS

SAINT JOHN AREA

BACHELOR		1 BEDROOM UNIT		2 BEDROOM UNIT		3 BEDROOM UNIT		ZONE
2004	2005	2004	2005	2004	2005	2004	2005	
No data	376	444	451	578	565	592	no data	1
No data	No data	387	400	487	511	504	528	2
No data	388	425	442	531	533	552	595	3
No data	No data	442	442	504	509	567	No data	4
Saint John City (1-4)								
366	379	432	442	532	534	557	585	

Most sought after by students is **Zone 3** and preferably within walking distance of the University (Zone 3)
The above Saint John area rental charges may or may not include heat.

VACANCY RATES BY ZONES

2004 - 2005

BACHELOR		1 BEDROOM UNIT		2 BEDROOM UNIT		3 BEDROOM UNIT		ZONE
2004	2005	2004	2005	2004	2005	2004	2005	
5.4	8.6	8.4	5.8	3.4	3.8	3.2	2.9	1
No Data	No data	7.3	3.5	5.7	3.5	4.4	0.6	2
4.1	14.1	5.0	8.2	4.3	3.8	5.8	7.2	3
9.2	25.3	6.2	5.7	6.4	6.6	3.8	5.0	4
Saint John City (1-4)								
5.5	10.8	7.1	6.1	4.6	4.2	4.6	4.5	

**Source of information: CMHC Rental Market Report – October 2005 - Saint John
Canadian Mortgage and Housing Corporation**

Apartment rents increased slightly on the Canadian Average.