

MINUTES

FIT STAFF HOUSING CO. INC.

SEVENTY-NINTH MEETING

MARCH 27, 2008

PRESENT

Elizabeth T. Peek, Vice Chair
Christina R. Davis
Yaz Hernández
George S. Kaufman
Jay Mazur
Matthew R. Fiel

ABSENT AND EXCUSED

Edwin A. Goodman, Chairman
Jay H. Baker
Robin Burns-McNeill
Peter G. Scotese (Chairman Emeritus)

John Pomerantz (Emeritus)

OFFICERS

Dr. Joyce F. Brown, President
Sherry F. Brabham, Treasurer
Jeffrey I. Slonim, Secretary

The seventy-ninth meeting of the F.I.T. Staff Housing Co. Inc. was called to order by Vice Chair Elizabeth T. Peek. She invited Treasurer Sherry Brabham to report.

A. Treasurer's Report

Ms Brabham first commented generally on the dormitory budgets and some of the things we are proposing this year. She indicated that some of her comments applied equally to the FIT Student Housing Corporation, which was also meeting today.

The two housing corporation budgets being presented today will total about \$25.7 million. As President Brown mentioned in her remarks, even though FIT is a public college, the dormitories are self sufficient. The housing corporations are free-standing and receive no public dollars. All of the revenue that comes into the housing companies must support any expenses they have.

For that reason, when we determine the price point for room rates, it is critical that we get it right. We must find a place somewhere between the highest end of the market, considering what other colleges and universities in our area are charging but also generating sufficient funds to make sure that we meet our

AGENDA

F.I.T. STAFF HOUSING CO. INC.

EIGHTIETH MEETING

JUNE 16, 2008

- | | | |
|-----|--|---|
| 1.1 | Approval of Minutes of the Meeting Held March 27, 2008 | 80.1 |
| 1.2 | Election of Directors: | 80.2 |
| | Edwin A. Goodman
Meredith Atchison
Jay H. Baker
Robin Burns-McNeill
Christina Davis | Yaz Hernandez
George Kaufman
Jay Mazur
Elizabeth T. Peek |
| 1.3 | Election of Officers: | 80.3 |
| | Edwin A. Goodman, Chair
Dr. Joyce F. Brown, President
Sherry F. Brabham, Treasurer
Jeffrey I. Slonim, Secretary | |
| 1.4 | Adjournment | 80.4 |

budget every year. Of course, we also must make sure that we are able to rent out the rooms.

We are recommending an increase across the board, in all room rates, of 7% this year. Choosing that amount had a lot to do with finding that perfect point in between what our competitors are charging and what we believe the market would bear. Initially we had proposed an 8.5% increase but reduced it because of the state of the economy.

Vice President Cohen's office and our budget office did some price checking across other colleges and universities in the New York City area. For the rates published in academic year 2008, we are slightly higher than Columbia but, as people are quick to mention, some of the dorms at Columbia are not nearly as nice as some of the FIT dorm rooms. We are definitely below New York University, Fordham and the New School. So we think that we have probably hit exactly the right point in terms of our pricing.

In addition, when we put together the budgets we try to decide what we need to do in the dormitories. As you probably know, the dormitories on 27th Street are old and so every year need significant work. This past year in Co-Ed Hall we replaced all of the windows, which made a significant difference not only in the appearance from the outside but also to the students living in those rooms. The rooms are not as cold and drafty in the winter and, hopefully, the new windows will keep in the cooling during the summer as well.

One of the things that we know we need to do more aggressively is some of the major work needed in these facilities, particularly Nagler Hall, which is by far the oldest of the residence halls. Depending on the college master plan, we may have to put in air conditioning and do other significant work there. So we are proposing in this budget to set up and build over three years a capital reserve fund. That fund would enable us to do major renovations in the infrastructure, electrical work, broad scale plumbing work, and other things that these older facilities will need over time.

One of the things we will be doing this year is improving the technology in all of our dorm facilities by installing wireless technology. This technology is common and not even state-of-the-art anymore. Students come to campus expecting wireless technology in the dormitories, so we will be doing that this summer.

Ms Brabham's final general remark about the dorm budgets was the rates for the meal service. As Dr. Brown reported, we are proposing an increase of 5% in the meal plan cost. After three years at the same rate, we believe that is reasonable.

She referred the Board to page 54 in the agenda, which is the budget for Co-ed Hall. Co-ed Hall is the only dormitory that is part of the Staff Housing Company. Many of the items on that page are the same as those already discussed at the Student Housing Corporation meeting: the 7% increase, the rental fees, the \$25 technology fee increase, and the 5% increase in meal plans.

Ms Brabham invited questions, but there were none.

B. Business Session

Ms Peek invited a blanket motion to approve action items 1.1 and 1.2. The motion was duly made and seconded. Ms Peek called for questions or further discussion. There was no response. On a voice vote the motion carried without opposition and the following resolutions were adopted:

1.1 Approval of the Minutes of the Meeting Held June 19, 2007 79.1

It was

RESOLVED, That the Minutes of the seventy-eighth meeting, held on June 19, 2007, were approved.

1.2 Dormitory Fees and Budget for Fiscal Year 2009 79.2

The Corporation is required to adopt its annual budget for Fiscal Year 2009 and to approve all related fees.

A proposed budget for Fiscal Year 2009 is attached.

Based on projected operating expenditures and an ongoing need for capital expenditures, an increase of 7% is now warranted, as follows:

	<i>Students</i>	<i>Rates per Semester Per Student (Current)</i>	<i>Rates per Semester Per Student (Proposed)</i>
<i>Co-ed Hall</i>			
Large Studio	10	\$5,096	\$5,455
Small Studio	75	\$4,844	\$5,185
One Bedroom	19	\$4,485	\$4,800
Dorm Room	<u>309</u>	\$3,190	\$3,415
Total Students	<u>413</u>		

The fee for the mandatory meal plan for dorm-room students will range from \$2,930 to \$3,770 in FY09, an increase of 5% above current rates.

The technology fee for data, telecommunications and cable service was \$275 per year in the 2007-2008 academic year, and whereas a study of technology costs has shown that this amount does not cover services that are provided, an increase of \$25, to \$300 per year, is proposed to continue to align actual costs with revenues generated by this fee.

The student resident association fee of \$50 per year will not increase in the upcoming academic year.

Therefore, it was

RESOLVED, That:

- A. The attached budget for the Corporation for Fiscal Year 2009 was adopted.
- B. The proposed dormitory rental rates and the proposed fees for technology, meal plans and student resident association services were approved.

Ms Peek called for any other business but there was no response.

With the completion of the agenda and there being no further business, the seventy-ninth meeting of the FIT Staff Housing Co. Inc. was adjourned by acclamation.

Respectfully submitted,

Jeffrey I. Slonim
Secretary

Staff Housing Corporation Financial Plan

Coed Hall

		Current 2008	Proposed 2009	2010	2011	2012
Annual Student Rental Rates						
	# of Students		Increase Rate 7%	Increase Rate 7%	Increase Rate 3.5%	Increase Rate 3.5%
Coed Hall						
Dorm room rate per month/9 months	309	\$6,380 \$709	\$6,830 \$759	\$7,308 \$812	\$7,564 \$840	\$7,829 \$870
Small studio rate per month/9 months	75	\$9,688 \$1,076	\$10,370 \$1,152	\$11,096 \$1,233	\$11,484 \$1,276	\$11,886 \$1,321
Large studio rate per month/9 months	10	\$10,192 \$1,132	\$10,910 \$1,212	\$11,674 \$1,297	\$12,082 \$1,342	\$12,505 \$1,389
One bedroom rate per month/9 months	19	\$8,970 \$997	\$9,600 \$1,067	\$10,272 \$1,141	\$10,632 \$1,181	\$11,004 \$1,223
Total number of students at Coed Hall	413					

Staff Housing Corporation Financial Plan

ad Hall

	Current 2008	Proposed 2009	2010	2011	2012
Operations					
Revenue					
Rentals	\$3,079,760	\$3,212,720	\$3,435,300	\$3,554,381	\$3,677,629
Technology Fee	\$112,475	\$123,900	\$123,900	\$123,900	\$123,900
Transfers	\$30,024	\$0	\$0	\$0	\$0
Staff Apartments	\$179,400	\$192,000	\$205,440	\$219,821	\$235,208
Interest & Laundry Revenue	\$28,000	\$25,000	\$25,750	\$26,523	\$27,318
Meals	\$806,310	\$846,770	\$846,770	\$872,173	\$872,173
Resident Association Fee	\$20,450	\$20,650	\$20,650	\$20,650	\$20,650
Total Operating Revenue	\$4,256,419	\$4,421,040	\$4,657,810	\$4,817,447	\$4,956,879
Expenses					
Employees	\$651,780	\$694,736	\$715,578	\$737,045	\$759,157
Maintenance	\$600,001	\$678,585	\$698,943	\$719,911	\$741,509
Utilities	\$370,000	\$415,000	\$427,450	\$440,274	\$453,482
Technology	\$117,348	\$111,212	\$122,333	\$134,567	\$148,023
Security	\$200,890	\$152,447	\$157,020	\$161,731	\$166,582
Other OTPS-Non discretionary	\$215,393	\$218,433	\$224,986	\$231,736	\$238,688
Residential Life Office	\$35,321	\$35,342	\$36,402	\$37,494	\$38,619
Meals	\$806,310	\$846,770	\$846,770	\$872,173	\$872,173
Total Operating Expenses	\$2,997,043	\$3,152,524	\$3,229,482	\$3,334,930	\$3,418,232
Operating net	\$1,259,376	\$1,268,516	\$1,428,329	\$1,482,518	\$1,538,647
Debt Service					
Income					
Foundation	\$0	\$0	\$0	\$0	\$0
Total	\$1,259,376	\$1,268,516	\$1,428,329	\$1,482,518	\$1,538,647
Debt Service Expense					
Debt Service	\$354,998	\$354,998	\$354,998	\$354,998	\$354,998
Surplus/(Deficit)	\$904,378	\$913,518	\$1,073,331	\$1,127,520	\$1,183,649
Capital Expenses					
Windows/security screens	\$1,100,000	\$400,000	\$0	\$0	\$0
Approved New Initiatives	\$0	\$240,465	\$45,615	\$45,615	\$45,615
Reserve for Capital Projects	\$0	\$273,053	\$1,027,716	\$1,081,905	\$1,138,034
Total Capital Expenses	\$1,100,000	\$913,518	\$1,073,331	\$1,127,520	\$1,183,649
Surplus/(Deficit) after Capital Expenses	(\$195,622)	(\$0)	(\$0)	(\$0)	(\$0)

F.I.T. STAFF HOUSING CO. INC.

EIGHTIETH MEETING

JUNE 16, 2008

- 1.1** **Approval of the Minutes of the Meeting Held March 27, 2008** **80.1**

Be it

RESOLVED, That the Minutes of the seventy-ninth meeting, held on March 27, 2008, be and they hereby are approved.

- 1.2** **Election of Directors** **80.2**

WHEREAS, The Bylaws of the F.I.T. Staff Housing Company Inc. call for the annual election of the Board of Directors by members of the Corporation,

Therefore, be it

RESOLVED, That Edwin A. Goodman, Jay H. Baker, Robin Burns-McNeill, Christina R. Davis, Yaz Hernandez, George Kaufman, Jay Mazur, Elizabeth T. Peek, and the 2008-2009 student trustee, Meredith Atchison, be elected to the Board of Directors of the F.I.T. Staff Housing Company Inc. for a one-year term of office, or until new directors are duly elected and qualified.

- 1.3** **Election of Officers** **80.3**

WHEREAS, The Bylaws of the F.I.T. Staff Housing Company Inc. call for the annual election or appointment of officers by the Board of Directors of the Corporation,

Therefore, be it

RESOLVED, That each of the following members be elected to serve a one-year term of office, or until new officers are duly elected and qualified:

Chairman of the Board:	Edwin A. Goodman
President	Dr. Joyce F. Brown
Treasurer:	Sherry F. Brabham
Secretary:	Jeffrey I. Slonim