

BOARD OF REGENTS

EASTERN MICHIGAN UNIVERSITY

RECOMMENDATION

2005-06 AUXILIARY FUND OPERATING BUDGET

ACTION REQUESTED

It is recommended that the 2005-06 Auxiliary Fund Operating Budget in the amount of \$42,502,195 be approved.

STAFF SUMMARY

The recommended budget has been prepared in accordance with the approved policies and procedures. It is a balanced budget and includes funding for all contractual obligations.

The revenue estimates for Housing and Dining Services are contingent upon the approval of the accompanying recommendation, 2005-06 Housing and Dining Rates.

The 2005-06 auxiliary revenue budget is \$42,502,195. This is an increase of \$891,983 over the 2004-05 budgeted, primarily due to the 4.5% Housing and Dining room and board rates increase.

The total operating expense budget before debt requirements, administrative fees and contributions to maintenance reserves is \$35,555,380 an increase of \$1,273,568 over the 2004-05 budget expense.

The total net of operations is \$6.95 million of which \$2.3 million is allocated for debt; \$2.7million earmarked for reserves; and \$1.7 million for administrative fees, facility plan commitments and operations power plant.

The Housing and Dining Services budget includes \$2,381,711 to fund Maintenance and Renovation plan; \$618,373 from the operating budget and \$1,763,338 from reserves.

This recommendation is summarized in the accompanying report 2005-06 Budget Plan – Auxiliary Fund.

FISCAL IMPLICATIONS

After all obligations are met and reserves replenished, the total operating balance at year end is projected to be \$143,778.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.

University Executive Officer

Date