



FOR CONFIRMATION

PUBLIC

CLOSED SESSION

TO: Executive Committee

SPONSOR: Paul Donoghue, Chief Administrative Officer

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PRESENTER: Paul Donoghue, Chief Administrative Officer; Chad Nuttall, Director,
CONTACT INFO: Student Housing and Residence Life; and Ms Vicky Jeziarski, Director,
Hospitality & Retail Operations

DATE: March 16, 2015 for March 24, 2015

AGENDA ITEM: 5(d.)

ITEM IDENTIFICATION:

2015-16 Operating Plans: UTM Service Ancillaries

JURISDICTIONAL INFORMATION:

Under Section 5.3.1.b, the Campus Affairs Committee “considers and recommends to the UTM Council for approval the operating plans for the campus and student services ancillaries.”

GOVERNANCE PATH:

1. Campus Affairs Committee [For Recommendation] (January 8, 2015)
2. UTM Campus Council [For Approval] (February 5, 2015)
3. University Affairs Board [For Information] (March 17, 2015)
4. **Executive Committee [For Confirmation] (March 24, 2015)**

PREVIOUS ACTION TAKEN:

The 2015-16 UTM service ancillaries were recommended for approval by the Campus Affairs Committee, on January 8, 2015.

HIGHLIGHTS:

The UTM Campus Affairs Committee approves operating plans for all UTM service ancillaries on an annual basis. These plans include a Management Report that describes the proposed services and programs offered within the financial parameters of the University’s operating budget and financial policies set by the Business Board. The plans also include each ancillary’s annual operating budget, as well as changes to program and levels of service, categories of users, accessibility, and compulsory or optional fees. This year, the plans include actual financial results for the 2013-14 fiscal year, the forecast for 2014-15 and projections for the five year period, 2015-16 to 2019-20. Only the proposed budget for 2015-16 is presented for approval.

Presented for consideration and approval to members are the following:

- The proposed 2015-16 Operating Plans and Budgets for the UTM Service Ancillaries, as summarized in Schedule 1 (page 23), the service ancillary capital budgets as summarized in Schedule 5 (page 29), and the rates and fees in Schedule 6 (pages 30 and 31).
- For a comprehensive look at the budgets, the detailed management reports and operating plans for each ancillary are contained in Appendices 1 to 4 (page 32 to 66).

Consultation:

A number of bodies or groups continue to be involved in consultative processes for major ancillaries prior to the operating plans being submitted to the Campus Affairs Committee. The Student Housing & Residence Life operating plan is reviewed by the Student Housing Advisory Committee (SHAC) that includes membership from all residence constituencies, including graduate and undergraduate students in residence, families in residence, student staff in residence as well as representation from UTM's undergraduate Residence Council. Food Services is reviewed by the Food Service Advisory Committee with membership of students (undergraduate, graduate, UTMSU, Residence Council), faculty and staff. Details of the Meal Plan component of Food Services is also reviewed by the Resident Student Dining Committee drawing membership from each of the residences (including first and upper year townhouse clusters). The Parking operating plan is reviewed by the Transportation & Parking Advisory Committee that includes undergraduate and graduate students, faculty and staff.

All of the advisory committees (Student Housing, Food Services and Transportation & Parking) were provided with an opportunity to review and give feedback on their respective ancillary's management plans, proposed rates and financials. While most of the discussion focused on the proposed 2015-16 year, long term budget projections were also provided. The advisory committees had detailed discussions of the issues affecting each ancillary, including the following: the mandatory nature of the Meal Plan, the need for building a reserve for an extension onto the existing parking deck, the management of parking supply and demand, balancing proposed residence rate fee increases with maintenance and programming, and sustaining residence guarantees for new and international students. In addition, the ancillary operating plans and management reports were reviewed by the University of Toronto Financial Services Department (FSD). The review and consultation process is detailed in Appendix 5, on page 77.

Service Ancillaries Overview:

The service ancillaries include the Student Housing & Residence Life (residence), conference, food and parking services at UTM. These operations are currently experiencing the effects of the continued growth in enrolment on campus in different ways. All of the UTM ancillaries operate without subsidy except for Conference services, which has a budgeted deficit for 2015-16 (a shortfall that can be covered by their Operating Reserve). The Residence operation is well on its way to achieving the challenging financial plan necessary to recover from large investments in new residences, the last of which were built in 2003 and 2007. Conference Services has been and continues to be challenged by a reduction in space available in which to operate. Food Services continues to make further, large investments in outlets to service the growing population and Parking

perseveres in providing adequate inventory at peak times while continuing to save for an expansion of the existing parking deck.

2015-16 Service Ancillary Operating Plans and Budgets:

The 2015-16 budget incorporates a \$0.9 million (5.1%) increase in revenues of which: \$0.5 million is from Residence; \$0.1 million is from Conference Services; \$0.4 is from Parking Services; while Food Services anticipates a decrease of \$0.1million.

Service Ancillary Capital Budgets:

Facilities improvements and equipment purchases, which can include everything from a stove to a roof replacement, total \$905,000 for Residence, \$75,000 for Food Services and \$9.3 million for Parking Services in 2015-16.

2015-16 Service Ancillary Rates and Fees:

The 2015-16 parking budget includes a 3% permit price increase. Pay & Display daily maximum rates will increase by \$1 (last increased in 2007). Residence rates are set to increase by 5.5% in 2015-16. Meal plan rates are set to increase on average by 1.5%, while retail food prices are expected to increase by 2.76% (a detailed breakdown of rate increases can be found in schedule 6).

FINANCIAL IMPLICATIONS:

The anticipation of each ancillary in achieving the objectives of the budget guidelines is summarized in Schedule 2.

RECOMMENDATION:

Be it Confirmed

THAT, the proposed 2015-16 Operating Plans and Budgets for the UTM Service Ancillaries, as summarized in Schedule 1, the service ancillary capital budgets as summarized in Schedule 5, and the rates and fees in Schedule 6, as recommended by Mr. Paul Donoghue, Chief Administrative Officer, in the proposal dated December 1, 2014 be approved, effective May 1, 2015.

DOCUMENTATION PROVIDED:

UTM Service Ancillary Report on Operating Plans 2015-16 (December 1, 2014).



UNIVERSITY OF
TORONTO
MISSISSAUGA

Service Ancillary Report on Operating Plans

2015-16

December 1, 2014

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Summary

The service ancillaries at UTM include the Student Housing & Residence Life (Residence), Conference, Food and Parking Services. These operations are currently experiencing the effects of the continued growth in enrolment on campus in different ways. The Residence operation is well on its way to achieving the challenging financial plan necessary to recover from large investments in new residences. Conference Services has been and continues to be challenged by a reduction in space available in which to operate. Food Services continues to make large investments in outlets to service the growing population and Parking perseveres in providing adequate inventory at peak times while continuing to save for an expansion of the existing parking deck.

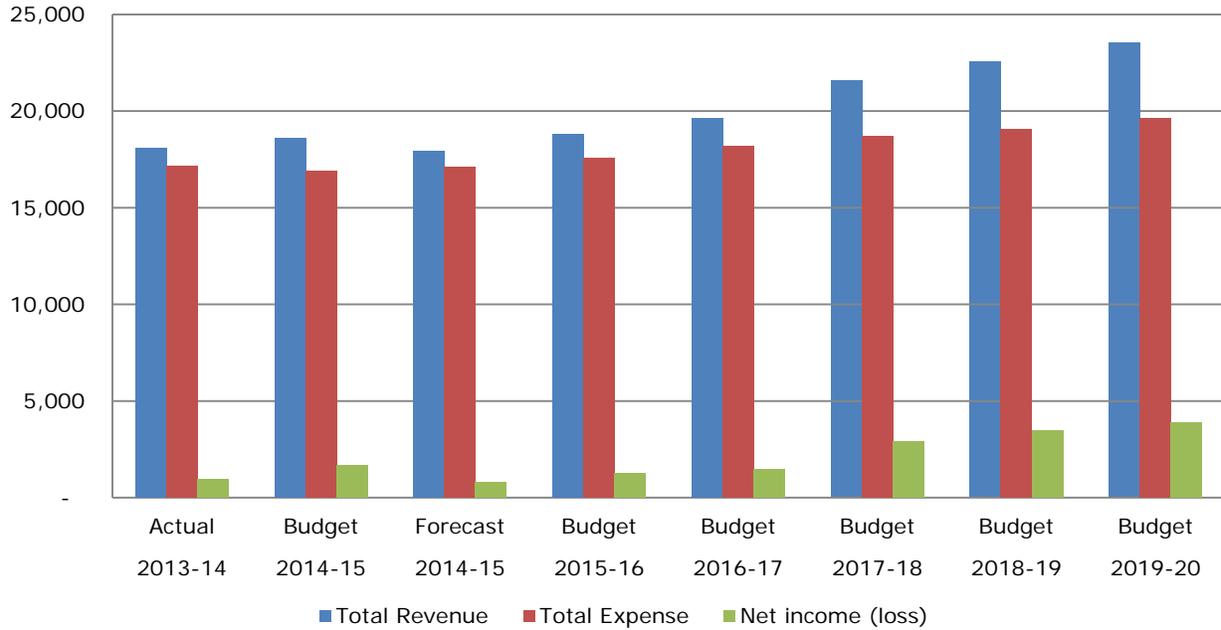
These operations are measured over the long-term on their success in meeting the following four objectives:

- To operate without subsidy from the operating budget. Should the need for a subsidy be identified, the subsidy must be expressed as a matter of policy and compete on equal terms with other priorities in the operating budget.
- To provide for all costs of capital renewal, including deferred maintenance. Provision must be made for regular replacement of furniture and equipment.
- Having achieved the first two objectives, create and maintain an operating reserve (excluding capital requirements) at a minimum level of 10 percent of annual expenditure budgets (net of cost of goods sold, capital renewal costs and deans' and dons' expenses), as a protection against unforeseen events which would have a negative financial impact on the operation.
- Having obtained the first three objectives, service ancillaries will contribute net revenues to the operating budget (for purposes of clarification, the fourth objective relates to all contributions of net revenues made by the ancillary operation to any operating budget outside of their own operation). The rate of contribution will be established by each individual campus for each individual ancillary.

This report includes financial highlights for 2014-15 forecasts, 2015-16 budgets and long range plans. The report also includes summary financial schedules which can be seen at Appendices 1 to 4.

Budget Highlights

Ancillary Operations - Service Ancillaries Revenues and Expenses for the years ended April 30 (thousands of dollars)



	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Revenue								
Residence	12,027	12,603	11,919	12,386	12,922	14,483	15,170	15,884
Conference	710	799	576	725	748	789	844	916
Food	1,991	1,810	1,994	1,867	1,984	2,215	2,290	2,343
Parking	3,336	3,370	3,431	3,847	3,977	4,112	4,252	4,396
Total Revenue	18,064	18,582	17,920	18,825	19,631	21,599	22,556	23,539
Total Expense	17,135	16,904	17,103	17,547	18,177	18,704	19,082	19,631
Net income (loss)	929	1,678	817	1,278	1,454	2,895	3,474	3,908

(*See detailed management reports and operating plans at Appendices 1 to 4)

The UTM service ancillaries are forecasting net income of \$0.8M before transfers at April 30, 2015 on total projected revenues of \$17.9M, which is \$0.9M less than budget. The forecasted net income is \$0.1M less than prior year actuals of \$0.9M. Compared to budget, the forecasted net income difference is \$0.8M, mainly due to a change in presentation by Residence of revenues for its Fall/Winter Fees for the Erindale Hall rooms that the UTM is replacing from the North 2 capital project. The

budget assumed this as revenue, however in the forecast, the revenue has been included as a transfer to ancillary operations on the Statement of Reserves (see Schedules 1 & 4). Food and Parking Services are anticipating better than budgeted results of 10.2% and 1.8%, respectively, due to higher sales from a larger campus population. Conference Services revenues are 27.9% less than budget due to a reduction in the availability of conference accommodation units with the loss of the Erindale Hall rooms and increased use by Residence for summer programs.

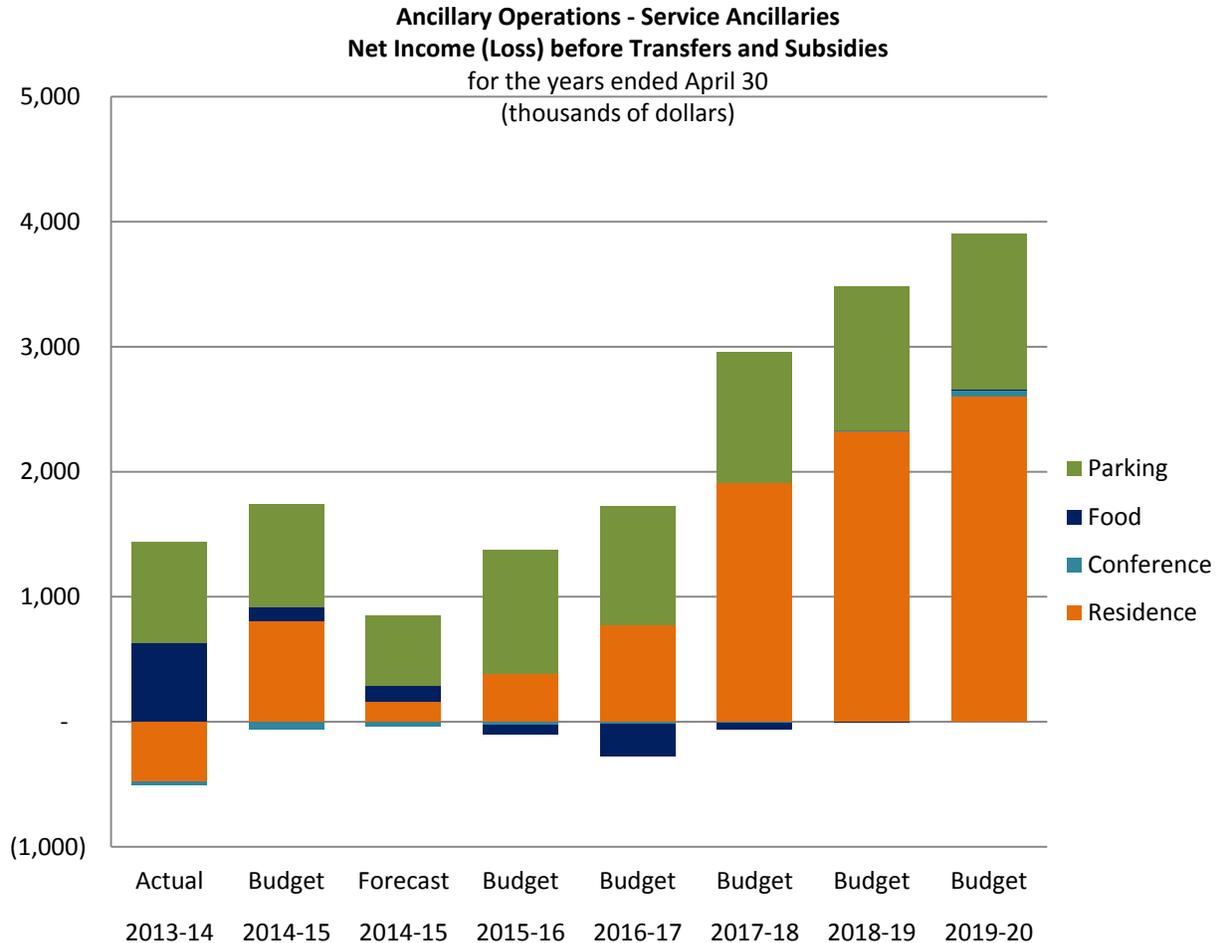
In 2015-16 the service ancillaries are budgeting an increase in revenues (from the 2014-15 forecast) of \$0.9M to \$18.8M, of which \$0.5M is from Residence, \$0.1M is from Conference and \$0.4M is from Parking, offset by a decrease of \$0.1M from Food. The revenue increases come from volume increases related to enrolment growth and price/rate increases in: Residence (5.5%), Food (meal plan average increase of 1.5% and retail prices at 2.76%) and Parking (3%). The overall decrease in Food revenues is due to an assumed decrease in commission rates with the new food services contract that is expected to be in effect commencing May 1, 2015. Parking revenues are expected to increase with the addition of 300 parking spaces from the construction of the new parking deck that is expected to open in the fall 2015.

Expenses are expected to increase \$0.4M (2.6%) over 2014-15 forecast reflecting increases due to contractual obligations and inflation.

The long range plan projects revenues to increase by \$4.7M of which \$3.5M is from Residence, \$0.2M from Conference, \$0.5M from Food and \$0.5M from Parking.

Net Income (Loss)

The forecasted net income for 2014-15 is \$0.8M before transfers and subsidies, which is \$0.9M less than budget. The apparent shortfall in net income is due to a change in presentation of the revenue from the UTM North 2 capital project for the Erindale Hall rooms that were repurposed into office space, as noted above. Contributing to Net Income are Food (\$0.02M) and Conference (\$0.02M), offset by Residence (\$0.6M) and Parking (\$0.3M).



Net Income (Loss) before Transfers and Subsidies
for the years ended April 30
(thousands of dollars)

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Residence	(477)	807	164	388	775	1,906	2,323	2,602
Conference	(30)	(60)	(32)	(21)	(19)	(8)	11	49
Food	626	109	125	(78)	(257)	(53)	(7)	9
Parking	810	822	560	989	955	1,050	1,147	1,248
Net income (loss)	929	1,678	817	1,278	1,454	2,895	3,474	3,908

(*See detailed management report and management reports at Appendices 1 to 4)

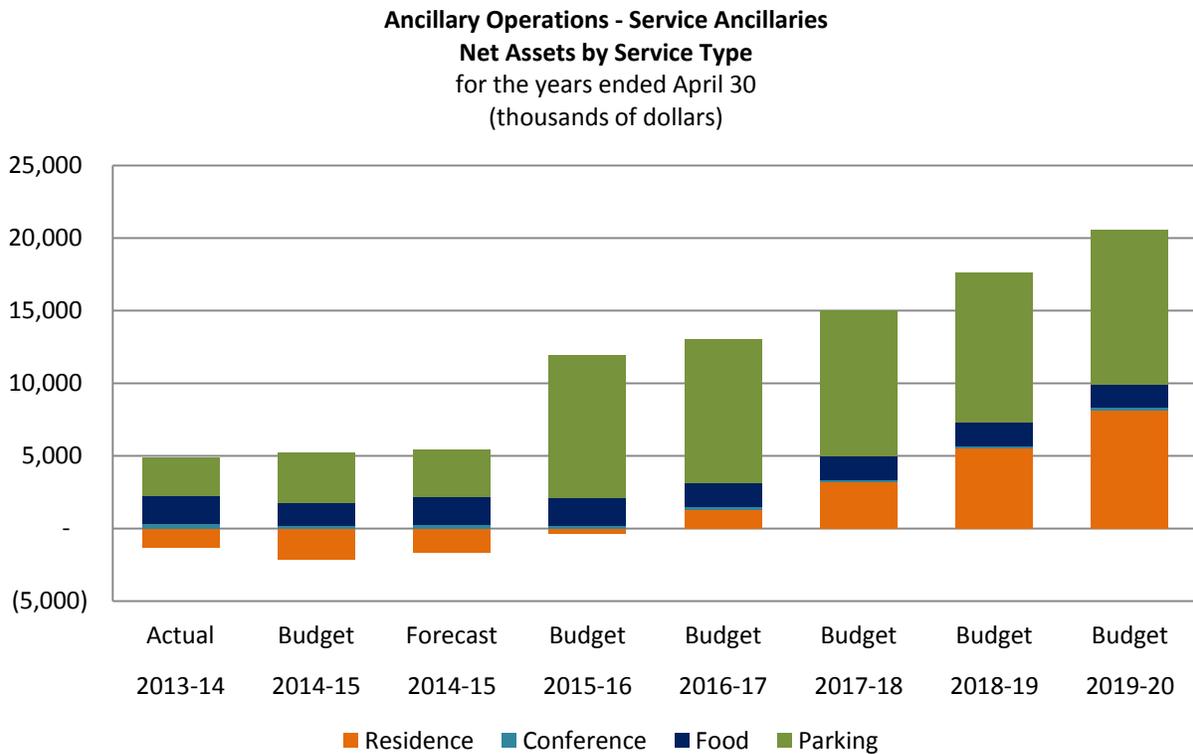
The chart shows the impact of expansion of parking spaces and food service outlets to accommodate growth over the period and a rebuilding of the conference business. Residence net income increases due to planned rate increases.

Net Assets

Net assets reflect the net worth of the service ancillaries. Over time net assets change due to the net income or loss for the year and transfers in or out of the operation. Net assets are recorded in several sub-categories and the sum of these categories represents the total net worth of each ancillary.

- The unrestricted net assets category represents net assets on hand that have not been set aside for any specific purpose.
- Various reserves such as operating reserve, capital renewal reserve and construction reserve represent net assets that have been set aside for these specific purposes.
- Investment in capital assets represents university funds that have been spent on capital assets less depreciation. The funds spent when a capital asset is purchased results in an increase in the investment in capital assets category and a decrease in the unrestricted net assets. Depreciation charges over the life of the capital asset will result in a decrease in the investment in capital assets and an increase in the unrestricted net assets.

The following chart shows the net assets for the ancillaries from 2013-14 to 2019-20.



Net Assets by Service Types
for the years ended April 30
(thousands of dollars)

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Residence	(1,322)	(2,156)	(1,639)	(385)	1,297	3,203	5,527	8,129
Conference	348	201	216	194	175	167	178	227
Food	1,858	1,534	1,983	1,905	1,648	1,595	1,588	1,597
Parking	2,665	3,464	3,225	9,844	9,892	10,033	10,273	10,613
Net assets	3,549	3,043	3,785	11,558	13,012	14,998	17,566	20,566

(*See detailed management reports and operating plans at Appendices 1 to 4)

For 2014-15, the service ancillaries are forecasting total net assets of \$3.8M. The 2015-16 operating plans are projecting total net assets of \$11.6M, the difference coming from the Net Income, described above, and an internal loan transferred in from the UTM operating budget to the Parking ancillary for the parking deck that is being built in 2015, less the amount of the loan principal and interest repayment.

Net assets are expected to grow to \$20.6M by 2019-20, reflecting an increase of \$9.0M from 2015-16. This increase consists of a growth of \$8.5M from Residence, \$0.03M from Conference and \$0.8M from Parking offset by a decrease of \$0.3M from Food.

Net assets are made up of various reserves as set by the ancillary and/or required to ensure the ancillary meets the four objectives noted above.

Ancillary Operations - Service Ancillaries
Net Assets (Deficit) by Category
for the budget year 2015-16
(thousands of dollars)

	Unrestricted Surplus/Deficit	Investment in Capital Assets	Capital Renewal Reserve	Operating Reserve	Construction Reserve	Total Net Assets
Residence	(4,358)	2,453	527	993	-	(385)
Conference	159	-	-	35	-	194
Food	-	1,045	10	133	717	1,905
Parking	-	9,015	-	255	574	9,844
	(4,199)	12,513	537	1,416	1,291	11,558

(*See detailed management reports and operating plans at Appendices 1 to 4)

The anticipated total net assets for 2015-16 are \$11.6M. The Residence net deficit is due to building expansions to increase residence spaces in prior years. Food and Parking are allocating all unrestricted surpluses to their construction reserves for future capital expansions.

Ancillaries with accumulated deficits are charged interest on their deficits. The interest on this short term financing is charged through their operating account.

Ancillary Debt

The service ancillaries are projecting a total outstanding debt of \$51.5M (on original loans issued of \$64.3M) for 2014-15. Estimated principal and interest repayments for Residence is \$4.4M on an outstanding balance of \$42.4M and for Parking is \$1.0M on an outstanding balance of \$9.0M. This represents 36.9% and 30.4% of revenue, respectively.

The estimated interest cost on borrowing is \$2.8M or 23.4% of revenue or 23.7% of expenses for Residence and \$0.6M for Parking which represents 17.5% of revenues or 20.9% of expenses.

Ancillary Operations - Service Ancillaries
Principal Loan Balances
for the years ended April 30
(thousands of dollars)

	2013-14 Actual	2014-15 Forecast	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Residence	44,578	42,420	40,121	37,671	35,060	32,277	29,310
Conference	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-
Parking	9,477	9,036	8,565	8,062	7,527	6,955	6,345
Total Loan Balance	54,055	51,456	48,686	45,733	42,587	39,232	35,655

The building expansion from 1997-8 to 2006-7 created a financial strain for Residence, including large borrowings and the resulting accumulated deficit (see Schedule 2). Continuing enrolment growth, the first year and four year international residence guarantee program, and demand from upper year students to return to residence have all contributed to sustain strong fall and winter session occupancy rates for Residence. Therefore, Residence expects its total fund balance, closing to turn positive in 2016-17.

A second parking deck, providing approximately 300 spaces, is planned to be constructed and opened in the fall of 2015. The challenge facing the Parking ancillary is that although all operating reserves in excess of expenses are being contributed to the construction reserve, the balance of this reserve will be insufficient to cover the estimated cost of the parking expansion. The construction reserve is estimated to be \$3.0M as of April 30, 2015. The difference of will be loaned from the UTM operating account.

Ancillary Operations - Service Ancillaries
Principal Loan Balance - Transfer in from UTM Operating
for the years ended April 30
(thousands of dollars)

	2013-14 Actual	2014-15 Forecast	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Parking Loan			6,235	5,956	5,508	5,024	4,499
Principal Repayments	-	-	(279)	(448)	(484)	(525)	(568)
Total Loan Balance	-	-	5,956	5,508	5,024	4,499	3,931

The Parking ancillary will repay this loan from the UTM operating account over a maximum of 10 years, commencing in September 2015.

The total principal and interest repayment is for 2015-16 is expected to be \$605k reflecting repayments from September 2015 to April 2016. Annual repayments are expected to be \$908k.

Given enrollment and overall campus growth, it may be necessary to further expand the parking deck by 2020-21. Consequently, the Parking ancillary will continue to set aside excess operating surpluses in the construction reserve as it has been for the current deck. The long range plan projects the construction reserve at \$2.8M and therefore there will be the requirement to borrow significantly more for the cost of that deck. The Parking ancillary will continue to review its permit and daily pricing and monitor expenses in order to try and build up the construction reserve, if possible.

Review of the 2014-15 Ancillary Operations

Residence bed inventory was impacted by the conversion of 100 rooms in Erindale Hall into offices for faculty and staff displaced during the demolition of phase 2 of the North Building construction. The occupancy rate for 2014-15 is slightly better than the 96% occupancy goal budgeted and about the same as the prior year.

Food Services opened a number of new outlets, including the North Side Bistro in Deerfield Hall. Grab and Go items and the Second Cup moved to the Kaneff/Innovation Complex and rotating food trucks were introduced as well. Revenues remain strong, outperforming the budget, with all realized profits redirected to investment in new outlets.

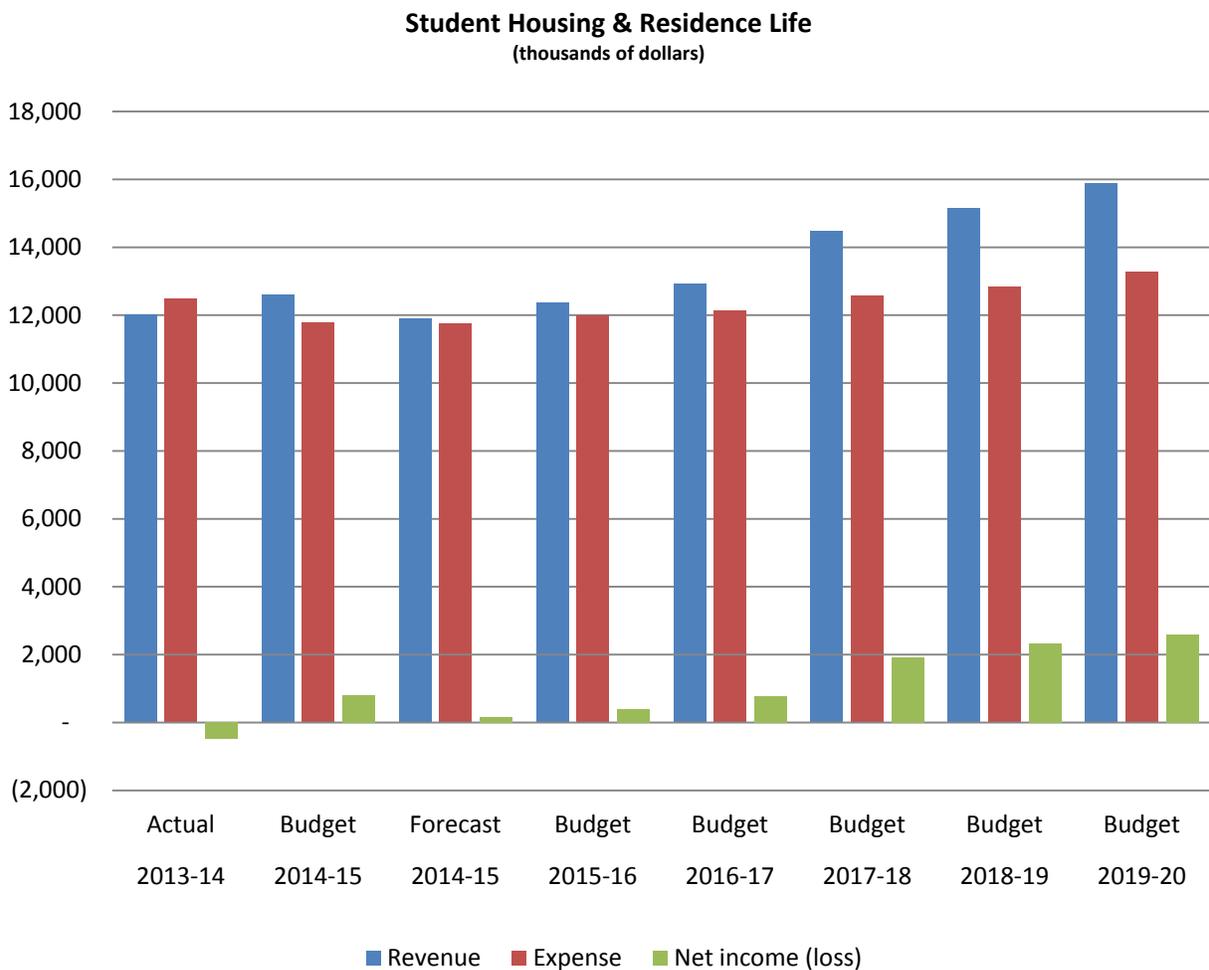
Conference Services was unable to meet its budget due to a reduction of residence rooms at Erindale Hall, as noted above, that were not available for conference groups. There were also fewer rooms in Oscar Peterson Hall due to summer courses and the ACE@UTM program.

Parking lots were very close to maximum capacity in the first six weeks of the fall term, after which, very few issues were encountered finding parking spaces. Parking continues to work with the Registrar's Office, examining traffic patterns and keeping a close eye on campus activities that may impact the ability to park at peak times. Parking continues to generate a surplus that is directed to the construction reserve that will help pay for the deck expansion scheduled to be completed over the summer of 2015, one year earlier than previously planned.

Residence

With 1,280 single undergraduate student beds and 121 family and graduate student units, the UTM residences provide accommodation to over 1,500 residents in eight building complexes with a multitude of options, such as 2, 3, and 4 bedroom townhouses, 2 and 4 bedroom apartment suites, and traditional style suites. The occupancy rate for 2014-15 is slightly better than budget of 96%.

This ancillary meets two of the objectives and it does not operate without a subsidy nor contribute to the operating budget.



**Ancillary Operations - Service Ancillaries
Student Housing & Residence Life
Revenue & Expense**
for the years ended April 30
(thousands of dollars)

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Revenue	12,027	12,603	11,919	12,386	12,922	14,483	15,170	15,884
Expense	12,504	11,796	11,755	11,998	12,147	12,577	12,847	13,282
Net income (loss)	(477)	807	164	388	775	1,906	2,323	2,602
<i>Revenue increase</i>		4.8%	-5.4%	3.9%	4.3%	12.1%	4.7%	4.7%

(*See detailed management report and operating plan at Appendix 1)

2014-15 Forecast:

Revenues are expected to be better than budget because the ancillary was able to slightly exceed the budgeted occupancy of 96%. It should be noted that the \$645k variance from budget is due to a change in the presentation of the revenue. The budget showed the replacement of lost revenue in Erindale Hall as revenue. However, in the forecast, it is now shown more appropriately as a transfer in to ancillary operations. The net effect to the ancillary is nil.

Although there was continued interest for housing by summer ACE@UTM students and from the new International Experience week, summer conference revenues were down, but overall the ancillary achieved slightly better than budgeted summer revenues.

Salaries, wages and benefits were down due to various vacancies and staff turnover. Annual and major maintenance costs are also expected to be less than budget, reflecting changes in the projects that were completed during the year and actual costs coming in better than had been budgeted. Utilities are expected to be more than budget due to changes in utility rates.

The operating result before transfers is projected to be \$0.2M. The total fund balance closing, after the transfer in from UTM operating for the 100 Erindale Hall rooms, is expected to be a deficit of \$1.6M.

2015-16 Budget & Long Range Plan:

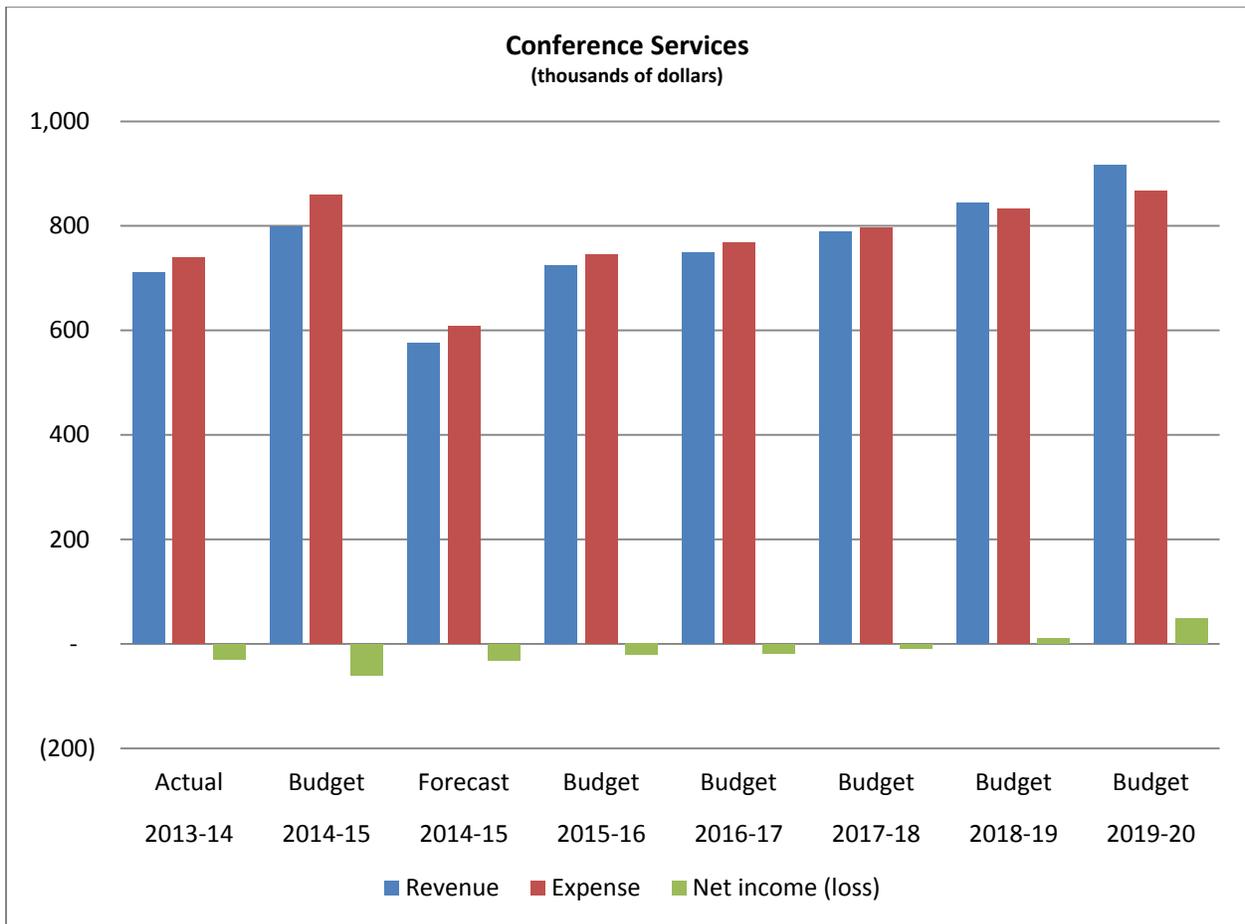
The 2015-16 operating plan includes a 5.5% rate increase and assumes an occupancy rate of 96%. Salaries, wages and benefits reflect increases related to contractual obligations and staffing changes, including a full staff complement. The ancillary is dedicated to reinvesting into the residence facilities and has planned \$0.9M in projects to be completed in 2015-16, including the installation of a new roof in Roy Ivor Hall, townhouse interior renovations and attic repairs, renewing the flooring in Roy Ivor Hall and complete various valve and plumbing repairs. The capitalization of these major capital improvements will be amortized over their useful life and expensed through the Furniture & Equipment Depreciation line.

The ancillary is projecting a closing Total Fund Balance deficit of \$0.4M in 2015-16. The Total Fund Balance, Closing is expected to turn positive in 2016-17.

Conference Services

The Conference ancillary produces income through the utilization of campus resources that would otherwise remain idle. Due to increasing limitations on residence beds and the loss of larger conference space, the ancillary has found it harder to maintain and attract larger conference groups.

Conference Services currently meets three objectives because the ancillary is expecting to have operating losses and therefore is not operating without subsidy from the operating budget.



Ancillary Operations - Service Ancillaries
Conference Services
Revenue & Expense
for the years ended April 30
(thousands of dollars)

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Revenue	710	799	576	725	748	789	844	916
Expense	740	859	608	746	767	797	833	867
Net income (loss)	(30)	(60)	(32)	(21)	(19)	(8)	11	49
<i>Revenue increase</i>		12.5%	-27.9%	25.9%	3.2%	5.5%	7.0%	8.5%

(*See detailed management report and management report at Appendix 2)

2014-15 Forecast:

Conference Services revenue shortfalls are attributable to the effect of space constraints in a rapidly changing campus environment, including reduced meeting and conference space and residence rooms. Direct expenses are also expected to be less than budget. Salaries, wages and benefits shortfall is due to department reorganization and a staff vacancy for part of the year. Conference expenses are lower than budget as these vary directly with revenues.

The operating result before transfers is expected to be less than \$0.1M deficit and the closing total fund balance is expected to be \$0.2M after transferring \$0.1M to the UTM operating budget.

2015-16 Budget & Long Range Plan:

2015-16 reflects a conservative plan but the ancillary is expecting to increase its revenues as the ancillary is committed to promoting UTM as an ideal place for conference events and economical short term accommodation. The ancillary is designing a competitive pricing structure for accommodation, food and space venue rental rates and is adding a conference programming system to allow better capturing of transient accommodation business.

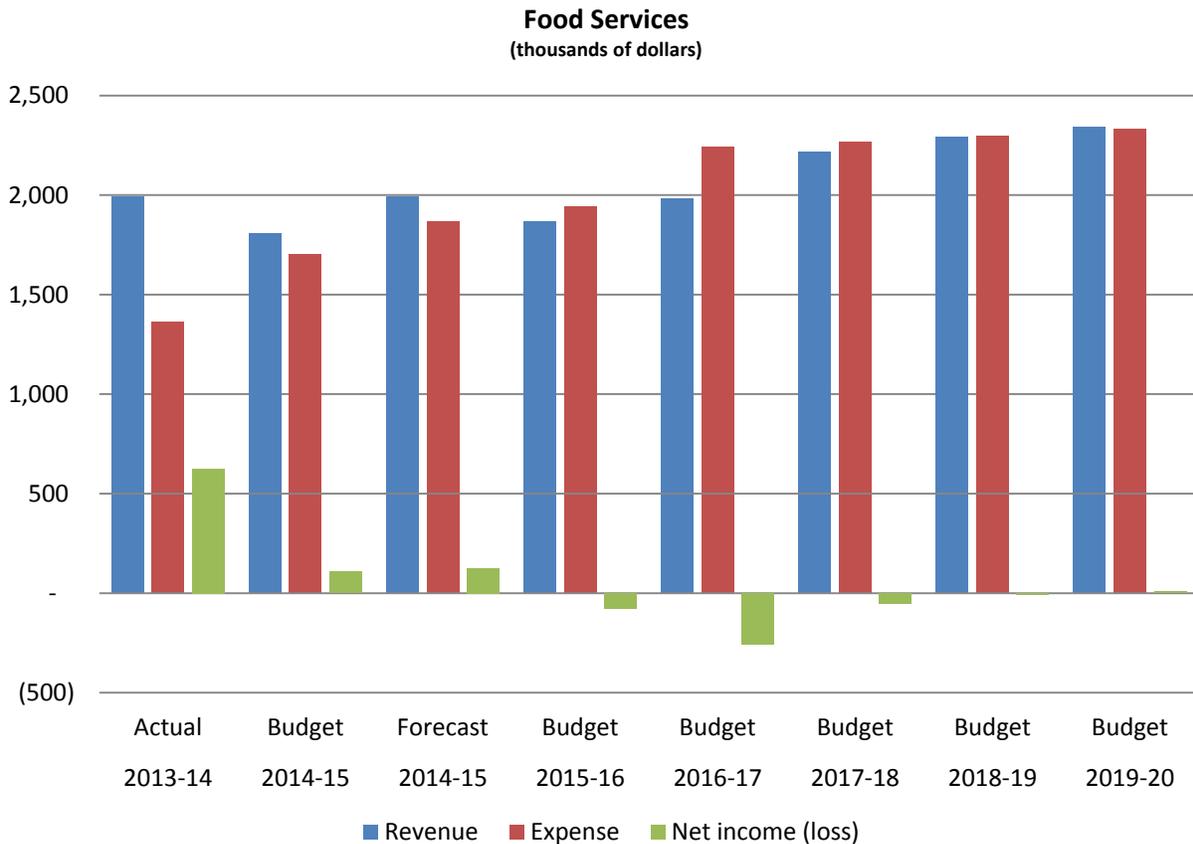
Direct expenses as noted above are largely variable to the revenues and therefore expected to also increase.

Total operating results before transfers are budgeted to be a deficit of less than \$0.1M and the total fund balance, closing is expected to be \$0.2M.

It is unclear as to whether the \$0.1M contribution to the University operating budget will be possible beyond 2014-15.

Food Services

Food Services are currently delivered through an independent provider, Chartwells, with management oversight provided by the Director of Hospitality & Retail Operations, who works closely with Chartwells on all aspects of Food Service at UTM. The Chartwells contract has been extended to April 30, 2015. A self-op feasibility study was completed, concluding that an independent service provider was the only financially feasible choice. The tendering of the Request for Proposal (RFP) for the food service provider will be completed in January 2015, with the contract planned to be awarded prior to the year end.



Ancillary Operations - Service Ancillaries
Food Services
Revenue & Expense
for the years ended April 30
(thousands of dollars)

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Revenue	1,991	1,810	1,994	1,867	1,984	2,215	2,290	2,343
Expense	1,365	1,701	1,869	1,945	2,241	2,268	2,297	2,334
Net income (loss)	626	109	125	(78)	(257)	(53)	(7)	9
<i>Revenue increase</i>		-9.1%	10.2%	-6.4%	6.3%	11.6%	3.4%	2.3%

(*See detailed management report and operating plan at Appendix 3)

2014-15 Forecast:

The 2014-15 forecast is better than budget as a result of selling more larger sized meal plans and selling more meal plans were purchased by non-residents than anticipated. As well, increased revenues came from the opening of the North Side Bistro, the Food Truck program, and catering. Forecasted salaries, wages and benefits are higher than budget due to the addition of a casual communications position and a reallocation of labour to the food services ancillary. Furniture & Equipment depreciation increased due to the investments made in the newly opened food outlets and the expanded Colman Commons. Other expenses are forecast higher than budget due to consulting costs incurred in planning for the Davis Building Food Court and increased support of community events.

The forecasted operating result before transfer is anticipated to be \$0.1M with a total fund balance, closing of \$2.0M.

2015-16 Budget & Long Range Plan:

Total revenues for 2015-16 are expected to increase by 6.5% over forecast. This is due to increased enrollment on campus and a modest increase in the average student meal plan of 1.5%. Cost of sales is expected to increase by 9.7% over forecast due to the increased revenues and the anticipated terms of the new contract for service provision. Direct expenses are expected to increase due to contractual obligations, the increased use of the casual communications position, and the full year depreciation of furniture and equipment associated with the North Side Bistro, Innovation Centre Café, Colman Commons expansion, and Spigel kitchen renovations.

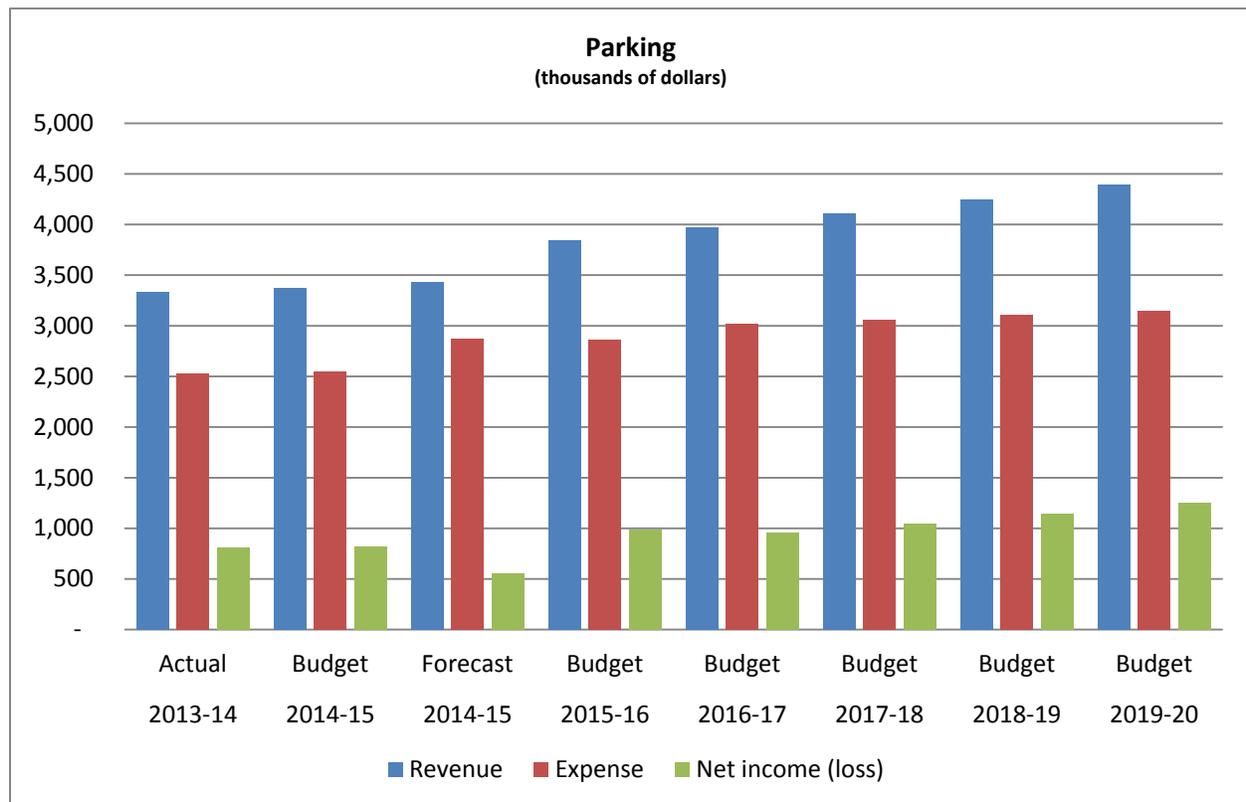
Operating results before transfers are budgeted to be a deficit of \$0.1M and the closing total fund balance is expected to be \$1.9M at the end of 2015-16.

The long range plan provides for investment of approximately \$0.2M for the construction of the North Building phase 2 food outlets, \$0.7M for the construction of the Davis Building permanent food court and \$0.2M in Starbucks renovations to support brand requirements.

Parking Services

UTM is a suburban commuter campus where the use of cars is more of necessity than the downtown campus. As of January 2015, UTM will have 2,348 (gross) parking spaces. With the completion of the parking deck expansion, there will be 2,648 parking spaces. The ancillary is a member of Smart Commute, an association that works to reduce traffic congestion and encourages other modes of transportation, such as bikes. Many initiatives such as carpooling, car sharing, the discounted TTC pass program and UPass have been introduced in recent years and help to reduce congestion on campus. Nevertheless, enrolment growth has resulted in the need for a second parking deck of approximately 300 spaces one year earlier than projected, or in 2015. Although operating revenues in excess of expenses are contributed to the construction reserve, the accumulated amount will be insufficient to cover the entire cost of the new deck. Therefore a loan will be provided to cover the difference from the UTM operating budget.

The Parking ancillary meets two objectives for the 2015-16 budget year (see Schedule 2). The ancillary will not operate without a subsidy from the UTM operating budget and does not contribute net revenues to the operating budget.



**Ancillary Operations - Service Ancillaries
Parking
Revenue & Expense**
for the years ended April 30
(thousands of dollars)

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Revenue	3,336	3,370	3,431	3,847	3,977	4,112	4,252	4,396
Expense	2,526	2,548	2,871	2,858	3,022	3,062	3,105	3,148
Net income (loss)	810	822	560	989	955	1,050	1,147	1,248
<i>Revenue increase</i>		1.0%	1.8%	12.1%	3.4%	3.4%	3.4%	3.4%

(*See detailed management report and operating plan at Appendix 4)

2014-15 Forecast:

Permit and Pay & Display revenues are expected to be better than budget due to having more permits available for sale and higher demand for parking. The increase in expenses over budget is mainly due to expansion of Lot 8 and the paving of Lot 11 that were not anticipated in the budget.

Therefore, the operating result before transfers is expected to be a surplus of \$0.6M and the total fund balance, closing of \$3.2M.

2015-16 Budget & Long Range Plan:

The 2015-16 budget includes a 3% permit price increase and the Pay & Display daily maximum will increase \$1 to \$14. Revenues are expected to also increase as a result of the opening of approximately 300 spaces on the 2nd deck, in the fall of 2015.

The cost of the parking deck will be paid for by the ancillary via its construction reserve and a loan from the UTM operating budget. The building depreciation expenses will increase as result of this investment which will be amortized over 25 years. Other expenses increase mainly due to contractual obligations and inflation.

The operating result before transfers is expected to be \$1.0M at the end of 2015-16. The closing total fund balance is expected to be \$9.8M in 2015-16 reflecting the loan as a transfer in to the ancillary from the UTM operating budget, less the principal and interest repayment. The closing total fund balance remains positive in the long range plan while taking into account annual payments of \$0.9M per year.

University of Toronto Mississauga
Service Ancillary Operations Budget Summary
Projected Operating Results for the year ending April 30, 2016
(with comparative projected surplus for the year ending April 30, 2015)
(thousands of dollars)

Service Ancillary	Revenue	Expense	Net Income/(Loss) before Transfers	Transfers in/(out)	Net Income/(Loss) after Transfers 2016	Net Income/(Loss) after Transfers 2015
	Residence	12,386	11,998	388	865	1,253
Conference	725	746	(21)	-	(21)	(132)
Food	1,867	1,945	(78)	-	(78)	125
Parking	3,847	2,858	989	5,630	6,619	560
Total	18,825	17,547	1,278	6,495	7,773	237

University of Toronto Mississauga
Summary of Service Ancillary Operations Long-Range Budget Results
(thousands of dollars)

Service Ancillary	2015-16				Unrestricted Surplus/ (Deficit)	Projected Investment in Capital Assets	Projected Commitment to Capital Renewal (Schedule 3)	Projected Operating Reserve (Schedule 3.1)	Projected Construction Reserve (Schedule 3.1)	2015-16	2017-18	2019-20
	Objectives to be met within 2015-16									Net Assets	Net Assets	Net Assets
	1	2	3	4								
Residence	no	yes	yes	no	(4,358)	2,453	527	993	-	(385)	3,203	8,129
Conference	yes	no	no	yes	159	-	-	35	-	194	167	227
Food	yes	yes	no	no	-	1,045	10	133	717	1,905	1,595	1,597
Parking	no	yes	yes	no	-	9,015	-	255	574	9,844	10,033	10,613
	Total				(4,199)	12,513	537	1,416	1,291	11,558	14,998	20,566

Objectives

Plans reflect (yes) or do not reflect (no) that the Ancillary:

1. Operates without subsidy from the operating budget.
2. Includes all costs of capital renewal including deferred maintenance.
3. Generates sufficient surplus to cover operating contingencies.
4. Contributes net revenue to the operating budget.

University of Toronto Mississauga
Service Ancillary Operations Budget Summary
Projected Funds to be Committed for Capital Renewal
for the years ending April 30
(thousands of dollars)

Service Ancillary	Balance May 1, 2015	Net increase (decrease) in commitments to capital renewal	Balance April 30, 2016	Balance April 30, 2020
Residence	527	-	527	527
Conference	-	-	-	-
Food	10	-	10	10
Parking	-	-	-	-
Total	537	-	537	537

University of Toronto Mississauga
Service Ancillary Operations Budget Summary
Projected Funds to be Committed for Operating and New Construction Reserves
for the years ending April 30
(thousands of dollars)

Service Ancillary	Operating Reserve				Construction Reserve			
	Balance May 1, 2015	Increase/ (Decrease) in Operating Reserve	Balance April 30, 2016	Balance April 30, 2020	Balance May 1, 2015	Increase/ (Decrease) in Construction Reserve	Balance April 30, 2016	Balance April 30, 2020
Residence	933	60	993	1,025	-	-	-	-
Conference	33	2	35	40	-	-	-	-
Food	130	3	133	151	663	54	717	429
Parking	230	25	255	282	2,993	(2,419)	574	2,819
Total	1,326	90	1,416	1,498	3,656	(2,365)	1,291	3,248

University of Toronto Mississauga
Service Ancillary Operations Budget Summary
Projected Operating Results
for the years ending April 30
(thousands of dollars)

Service Ancillary	2014-15 Forecast			2015-16 Budget			2016-17 Budget		
	Net Income/(Loss) before Transfers	Transfers in/(out)	Net Income/(Loss) after Transfers	Net Income/(Loss) before Transfers	Transfers in/(out)	Net Income/(Loss) after Transfers	Net Income/(Loss) before Transfers	Transfers in/(out)	Net Income/(Loss) after Transfers
Residence	164	(480)	(316)	388	865	1,253	775	908	1,683
Conference	(32)	(100)	(132)	(21)	-	(21)	(19)	-	(19)
Food	125	-	125	(78)	-	(78)	(257)	-	(257)
Parking	560	-	560	989	5,630	6,619	955	(908)	47
Total	817	(580)	237	1,278	6,495	7,773	1,454	-	1,454

University of Toronto Mississauga
Service Ancillary Operations Budget Summary
Projected Operating Results
for the years ending April 30
(thousands of dollars)

Service Ancillary	2017-18 Budget			2018-19 Budget			2019-2020 Budget		
	Net Income/(Loss) before Transfers	Transfers in/(out)	Net Income/(Loss) after Transfers	Net Income/(Loss) before Transfers	Transfers in/(out)	Net Income/(Loss) after Transfers	Net Income/(Loss) before Transfers	Transfers in/(out)	Net Income/(Loss) after Transfers
Residence	1,906	-	1,906	2,323	-	2,323	2,602	-	2,602
Conference	(8)	-	(8)	11	-	11	49	-	49
Food	(52)	-	(52)	(7)	-	(7)	9	-	9
Parking	1,050	(908)	142	1,147	(908)	239	1,248	(908)	340
Total	2,896	(908)	1,988	3,474	(908)	2,566	3,908	(908)	3,000

University of Toronto Mississauga
Service Ancillaries Operations Budget Summary
Summary of 2015-16 Capital Budgets
with comparative figures as at April 30
(thousands of dollars)

Service Ancillary	2015-16	2014-15
Residence	905	953
Conference	-	-
Food	75	560
Parking	9,265	-
Total	10,245	1,513

**University of Toronto Mississauga
Schedule of 2015-16 Ancillary Rates**

	2014-15 Rate \$	2015-16 Rate \$	Increase \$	Increase %	Prior Year Increase %
Parking					
Reserved (annual)	961.96	990.82	28.86	3.0%	3.0%
Premium Unreserved (annual - Lots 4,8,9)	686.53	707.13	20.60	3.0%	3.0%
Unreserved (annual - Lots 4 & 8 only)	664.27	684.20	19.93	3.0%	3.0%
Student Unreserved (sessional - Lots 4 & 8 only)	276.77	285.07	8.30	3.0%	3.0%
Unreserved Afternoon (annual - after 3:30pm)	180.00	190.00	10.00	5.6%	-67.0%
Commercial (annual - Lots 4,8,9)	1,112.90	1,146.29	33.39	3.0%	3.0%
Pay & Display (daily maximum) <i>(6:30am to 8:00am next day)</i>	13.00	14.00	1.00	7.7%	-
Pay & Display (evening/weekend) <i>(5:00pm to 8:00am next day)</i>	6.00	6.00	-	-	-
Pay & Display (per half hour) <i>(6:30am to 5:00pm)</i>	2.50	2.50	-	-	-
Pay & Display (per half hour) <i>(weekdays 5:00pm to 8:00am next day; weekends & holidays)</i>	1.00	1.00	-	-	-
Food					
Group A					
Plus	4,699	4,799	100	2.1%	4.4%
Regular	4,349	4,399	50	1.1%	3.6%
Light	3,999	3,999	-	0.0%	1.3%
Minimum	3,649	3,699	50	1.4%	0.3%
Group B					
Regular	2,499	2,549	50	2.0%	4.2%
Light	2,199	2,249	50	2.3%	2.3%
Minimum	1,899	1,949	50	2.6%	2.7%

**University of Toronto Mississauga
Schedule of 2015-16 Ancillary Rates**

	2014-15 Rate \$	2015-16 Rate \$	Increase \$	Increase %	Prior Year Increase %
Residence					
<u>Undergraduate Students</u>					
Townhouses (Schreiberwood, McLuhan, Putnam, Leacock)	7,424	7,832	408	5.5%	5.0%
Premium Townhouses (Leacock 2 bedroom, MaGrath Valley)	8,281	8,736	455	5.5%	5.0%
Suites (Roy Ivor, Erindale)	8,281	8,736	455	5.5%	5.0%
Dormitory (Oscar Peterson)	7,424	7,832	408	5.5%	5.0%
<u>Family & Graduate Housing (per month)</u>					
Schreiberwood					
2 bedroom townhouse	1,325	1,391	66	5.0%	14.0%
May to Aug	1,391	1,512	121	8.7%	5.0%
Sept to April					
3 bedroom townhouse					
May to Aug	1,365	1,433	68	5.0%	14.0%
Sept to April	1,433	1,512	79	5.5%	5.0%
4 bedroom townhouse					
May to Aug	1,415	1,486	71	5.0%	16.0%
Sept to April	1,486	1,568	82	5.5%	5.0%
Small Bachelor					
May to Aug	818	859	41	5.0%	5.0%
Sept to April	859	906	47	5.5%	5.0%
Large Bachelor					
May to Aug	859	902	43	5.0%	5.0%
Sept to April	902	952	50	5.5%	5.0%
Shared Bachelor					
May to Aug	859	902	43	5.0%	5.0%
Sept to April	902	952	50	5.5%	5.0%

Student Housing & Residence Life Operating Plans 2014-15 to 2019-20

Management Report

1. Overview of Mission, Issues and Services

The University of Toronto Mississauga department of Student Housing & Residence Life advances the mission of the University by creating a holistic student experience that promotes academic and personal success. We provide facilities that are safe & secure, well-maintained, and competitively priced in an effort to foster a supportive community that values diversity, equity, and inclusion. Informed by research & assessment, we offer innovative programs & services that enhance student learning & development. Our peer-based approach, dedicated professional staff, and collaborative attitude contribute to a unique and unparalleled student *experience*.

1.1 Strategic Priorities as per the Service Ancillary Review Group (SARG)

- i. Operate without a subsidy from the University operating budget.
- ii. Include all costs of capital renewal and deferred maintenance.
- iii. Generate sufficient surplus to cover operating contingencies.
- iv. Contribute net revenue to the operating budget, where possible.
- v. Where capital expansion has occurred, the operating budget is in a surplus position within 5 years of the building opening, and the Total Fund Balance is in a positive position within 8 years of the building opening.

1.2 Background, Issues and Service

Student Housing & Residence Life (SHRL) provides housing in various Academic Living Communities, meaning the student is living in a community (floor/row/townhouse) with student in the same or a similar academic discipline. First year communities include: Oscar Peterson Hall, McLuhan Court, Putman Place, Leacock Lane and Schreiberwood. Upper year communities are housed in Erindale Hall, Roy Ivor Hall, Leacock Lane, Schreiberwood and MaGrath Valley.

Main accomplishments or issues facing the ancillary include:

- Overall Student Housing & Residence Life slightly exceeded our 96% goal for occupancy management for the 2013-14 academic year.
- In spring 2014 Student Housing & Residence Life participated in the Residence Assessment provided by Educational Benchmarking (EBI). This assessment compares UTM's residence experience, learning and satisfaction against 350+ institutions worldwide. UTM did well in Safety and Security

and satisfaction with student-staff (Dons, RECs, RSA) and will develop strategic objectives to continue to improve in other areas.

- Student Housing & Residence Life has provided the University with 100 residence spaces effective July 2014, for the duration of the North Building Phase II construction project. The 15-16 budget year will be the second year of this three year project. The Fall/Winter occupancy has been assumed at 99% and the Summer Revenues have been assumed to be unaffected despite the re-purposing of the 100 residence spaces because the financial impact is uncertain. The University will compensate for lost Residence Fee Revenue resulting from the ancillary's reduced residence room availability of these 100 rooms. Currently Erindale Hall is an upper year residence therefore the temporary elimination of 100 beds does not impact the 1st year guarantee. However it will have an impact on strategic occupancy management and the waitlist.

2. 2014-2015 Operating Plan Forecast

Residence Fees are expected to be better than budget due to overall campus residence occupancy exceeding 96% early in the academic cycle. Summer residence business was down slightly. However we did see a continued interest for housing by students participating in the summer ACE@UTM program, and added an International Experience week. However summer revenue related to the conference business number were down from 2013-14.

Residence Fees – Fall/Winter appear to be \$645,953 less than budget due to a change in the presentation of the revenue paid by UTM for the Erindale Hall rooms that have been temporarily to office space. The forecast accounts for this revenue in Schedule 2 as a Transfer in to Ancillary Operations, whereas it is included in the Operating Statement, Schedule 1, in the budget. There is no financial impact, other than the presentation.

Student Housing & Residence Life invested in new asphalt roadway and concrete sidewalks and landscaping in McLuhan Court and Putman Place (~\$525k). Centralized garbage collection bins were also built in these communities.

New exterior lighting was added on the front and back of all townhouses complexes as a security enhancement (~\$60k).

Salary, Wages & Benefits are expected to be slightly under budget (\$73,590) as a result of various vacancies and a great deal of staff changeover. However we do expect all vacancies to be full by mid-cycle and have budgeted a full team in future years.

Although still early in the academic cycle, utilities are projected to be over budget (\$140K). Most of the increase can be accounted for in increased utility rates.

The Communications forecast is greater than budget as a direct result of increased occupancy and the rezNET fee transfer to accommodate the increased rezNET users.

We are projecting Cleaning Costs to be over budget again in 2014-15. This is primarily connected to third party cleaning contracts during peak demand periods (e.g. check-out). Student Housing & Residence Life will continue to work closely with Facilities Management and Planning (FMP) to ensure careful monitoring during transition and turnover periods.

Therefore, the Operating Result before Transfers is projected to be a surplus of \$163,535 which is \$643,264 less than the budgeted amount. The Total Fund Balance-Closing, shown on Schedule 2, is a forecast cumulative deficit of approximately (\$1,638,753).

3. 2015-16 Budget

Student Housing & Residence Life provided considerable opportunity for student consultation on the 2015-16 budget. The Student Housing Advisory Committee (SHAC) had four (4) budget related meetings in October. SHAC supported a draft 2015-16 budget and a 5.5% across the board increase in residence fees.

Fall/Winter Session revenues are based on occupancy of 96%. Summer Session revenues are expected to remain similar to 2014-15. SHRL projects continued demand for summer housing, continued demand with the summer ACE@UTM program demand.

Loan Principal & Interest Expenses continue to be the largest expense accounting for 40% of expenses. Mortgage-related expenses and the policy requirement to be in a positive fund balance position at 2016-17 closing are the two biggest pressures on the SHRL budget.

Other Income primarily reflects the anticipated Summer Conference, rezNET and rezONE fee revenues.

Major Maintenance expenses reflect costs associated with a number of projects: although it appears that there will be less spending on Major Maintenance in 2015-16, the figure actually reflects \$900k in project spending that will be capitalized. Based on feedback from SHRL and FMP staff and members of SHAC we are dedicated to re-investing as much as possible into the residence facilities including but not limited to: a new roof in Roy Ivor Hall, townhouse interior renovations, townhouse attic repairs, Roy Ivor Hall flooring, and various valve and plumbing repairs.

Department/College Overhead Charges reflect a 20% increase as a result of contractual obligations and residence services cost recovery for campus police, human resources, mail, etc.

The Operating Results before Transfers is budgeted to be \$388,343. The Total Fund Balance- Closing at the end of 2015-16 a deficit of \$385,546.

4. Category of Users and Accessibility

Student Housing & Residence Life is the largest UofT residence department with over 1,500 student residence spaces, providing the most diverse range of housing options for undergraduate, graduate and professional students, and for students with families.

Residence is guaranteed for all new full-time students entering their first year of university in an undergraduate program for the first time, have indicated their interest in residence when completing their University common residence application and have accepted an offer of admission.

New international permit-holding undergraduate students admitted to UTM who receive a UofT Housing Guarantee for their first year of study, also will receive an exclusive four-year International Student Housing Guarantee, assuming they meet the minimum returning eligibility requirements.

Exchange students accepted to the UofT exchange program are also guaranteed housing assuming they meet the minimum eligibility requirements for exchange students.

Student Housing & Residence Life also continues the commitment to provide a residence room at no charge to one student through the World University Service of Canada (WUSC) student refugee program.

5. Long Range Plan: 2016-17 to 2019-20

The long range plan assumes rate increases of 5% in each of the years 2016-17 to 2019-20 and that there is limited revenue loss (~\$10,000 in Laundry revenue) in 2015-16 and 2016-17 related to the 100 residence rooms in Erindale Hall that have been temporarily converted to office space for the North Building Phase 2 construction. In the 2015-2016 cycle Student Housing & Residence Life will embark on a Demand and Market Analysis to inform Long Range Planning.

The ancillary's long-range plans remain on pace to turn a positive total fund balance in year 9 (2016-2017) of the plan.

**University of Toronto Mississauga
Student Housing & Residence Life
Statement of Operating Results
in \$'s**

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Revenue									
Residence Fees - Fall/Winter Session	10,297,796	10,789,549	10,143,596	(645,953)	10,584,284	11,065,878	12,534,592	13,161,321	13,811,531
Residence Fees - Summer Session	548,600	500,000	501,282	1,282	517,264	543,127	570,283	598,797	628,737
Laundry Income	143,854	131,087	128,957	(2,130)	131,087	131,087	141,587	141,587	141,587
Other Income	499,513	639,199	606,242	(32,957)	588,141	588,141	604,045	604,045	604,045
Value of Don's & Dean's Rooms	537,546	543,292	538,555	(4,737)	565,325	593,643	632,957	664,605	697,835
Total Revenue	12,027,307	12,603,127	11,918,632	(684,495)	12,386,101	12,921,876	14,483,464	15,170,355	15,883,735
Direct Expenditures									
Salary, Wages & Benefits	1,651,658	1,989,637	1,916,047	73,590	2,212,133	2,287,071	2,360,839	2,440,775	2,523,893
Supplies	64,331	83,546	82,000	1,546	84,460	86,994	89,604	92,292	95,061
Utilities	1,206,743	1,178,757	1,320,158	(141,401)	1,470,679	1,514,799	1,560,243	1,607,050	1,655,262
Garbage	47,438	29,244	54,882	(25,638)	42,580	43,858	45,173	46,529	47,924
Snow Removal, Grounds Maintenance	226,021	230,923	230,923	-	237,913	245,050	252,402	259,974	267,773
Insurance	61,239	63,961	60,926	3,035	63,363	65,264	67,222	69,239	71,316
Communication	317,190	280,355	303,997	(23,642)	303,435	306,571	259,151	176,984	180,591
Furniture & Equipment Repair	3,815	6,409	6,409	-	6,601	6,799	7,003	7,213	7,429
Annual Maintenance	627,033	772,248	662,936	109,312	732,607	739,135	769,450	792,533	816,309
Major Maintenance	2,333,061	1,051,009	1,040,830	10,179	489,920	462,266	521,639	453,791	533,070
Furniture & Equipment Depreciation	71,018	209,665	124,515	85,150	222,470	351,853	560,979	775,712	918,677
Non-Depreciable Assets	53,071	48,410	48,000	410	49,440	50,923	52,451	54,025	55,646
Loan Principal & Interest Expenses	4,452,114	4,400,943	4,400,943	-	4,368,456	4,334,021	4,297,519	4,258,824	4,217,806
Finance Charges	7,626	20,000	20,000	-	15,000	8,000	5,000	5,000	5,000
Value of Don's & Dean's Rooms	537,546	543,292	538,555	4,737	565,325	593,643	632,957	664,605	697,835
Cleaning Costs	106,132	76,722	131,343	(54,621)	114,584	118,022	121,562	125,209	128,965
Residence Life Expenses	155,506	153,425	153,425	-	161,096	169,151	177,609	186,489	195,813
Miscellaneous	232,887	262,868	262,868	-	395,754	278,877	287,243	295,860	301,777
Total Direct Expenditures	12,154,427	11,401,414	11,358,757	42,657	11,535,816	11,662,297	12,068,046	12,312,104	12,720,147
Indirect Expenditures									
Central Overhead Charges	36,284	42,580	42,580	-	45,970	48,269	50,682	53,216	55,877
Department/College Overhead Charges	288,592	325,450	327,062	(1,612)	397,221	417,082	437,936	459,833	482,825
Facilities & Services Overhead Charges	24,642	26,584	26,698	(114)	18,751	19,689	20,673	21,707	22,792
Total Indirect Expenditures	349,518	394,614	396,340	(1,726)	461,942	485,040	509,291	534,756	561,494
Total Expenditures	12,503,945	11,796,028	11,755,097	40,931	11,997,758	12,147,337	12,577,337	12,846,860	13,281,641
Operating Results Before Transfers	(476,638)	807,099	163,535	(643,564)	388,343	774,539	1,906,127	2,323,495	2,602,094

**University of Toronto Mississauga
Student Housing & Residence Life
Statement of Loan Payments
in \$'s**

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Loan Interest Expense	2,917,630	2,784,682	2,784,682	-	2,642,947	2,491,845	2,330,750	2,158,997	1,975,877
Loan Principal Expense	1,513,958	1,616,261	1,616,261	-	1,725,509	1,842,176	1,966,769	2,099,827	2,241,929
Total Loan Payments	4,431,588	4,400,943	4,400,943	-	4,368,456	4,334,021	4,297,519	4,258,824	4,217,806

**University of Toronto Mississauga
Student Housing & Residence Life
Statement of Reserves
in \$'s**

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Total Fund Balance - Opening	(2,145,469)	(1,662,830)	(1,322,107)	340,723	(1,638,753)	(385,546)	1,297,120	3,203,247	5,526,741
Net Operating Results before Transfers	(476,638)	807,099	163,535	(643,564)	388,343	774,539	1,906,127	2,323,495	2,602,094
Transfers in (out) of Ancillary Operations	1,300,000	(1,300,000)	(480,181)	819,819	864,864	908,127	-	-	-
Net Operating Results after Transfers	823,362	(492,901)	(316,646)	176,255	1,253,207	1,682,666	1,906,127	2,323,495	2,602,094
Total Fund Balance - Closing	(1,322,107)	(2,155,731)	(1,638,753)	516,978	(385,546)	1,297,120	3,203,247	5,526,741	8,128,835
<i>Closing Fund Balance is made up of:</i>									
Investment in Capital Assets	942,745	2,219,153	1,770,784	(448,369)	2,453,314	3,519,961	5,013,732	6,788,499	7,648,574
Internally Restricted									
Capital Renewal Reserve	526,528	526,528	526,528	-	526,528	526,528	526,528	526,528	526,528
Operating Reserve	887,840	916,500	933,385	16,886	993,140	994,272	1,003,286	1,009,898	1,025,268
Construction Reserve									
Unrestricted Surplus/(Deficit)	(3,679,221)	(5,817,912)	(4,869,451)	948,461	(4,358,528)	(3,743,641)	(3,340,299)	(2,798,184)	(1,071,534)

University of Toronto Mississauga
Student Housing & Residence Life
Schedule of Major Maintenance
 in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Major Maintenance	2,333,061	1,051,009	1,040,830	- (10,179) - -	489,920	462,266	521,639	453,791	533,070
Total Major Maintenance	2,333,061	1,051,009	1,040,830	(10,179)	489,920	462,266	521,639	453,791	533,070

University of Toronto Mississauga
 Student Housing & Residence Life
 Schedule of Deferred Maintenance
 in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Deferred Maintenance									
Total Deferred Maintenance	-	-	-	-	-	-	-	-	-

University of Toronto Mississauga
 Student Housing & Residence Life
 Schedule of Capital Expenditure
 in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Building	99,488	1,049,359	627,977	(421,382)	475,000	542,000	556,750	534,288	593,652
Renovations		350,000	214,705	(135,295)	430,000	346,500	363,826	382,017	401,117
Furniture & Equipment			109,872	109,872		530,000	1,134,174	1,634,174	783,983
Total Capital Expenditure	99,488	1,399,359	952,554	(446,805)	905,000	1,418,500	2,054,750	2,550,479	1,778,752

**University of Toronto Mississauga
Student Housing & Residence Life
Schedule of Rates
in \$'s**

	Period	2014-15	% Change	2015-16	2016-17	2017-18	2018-19	2019-20
Undergraduate Students								
<i>(rates are per Fall/Winter session)</i>								
Townhouses (Schreiberwood, McLuhan, Putnam, Leacock)	Sept 1 - Apr 30	7,424	5.5%	7,832	8,224	8,635	9,067	9,520
Premium Townhouses (Leacock 2 bedroom)	Sept 1 - Apr 30	8,281	5.5%	8,736	9,173	9,632	10,114	10,620
Suites (Roy Ivor, Erindale)	Sept 1 - Apr 30	8,281	5.5%	8,736	9,173	9,632	10,114	10,620
Dormitory (Oscar Peterson)	Sept 1 - Apr 30	7,424	5.5%	7,832	8,224	8,635	9,067	9,520
Premium Townhouses (MaGrath Valley)	Sept 1 - Apr 30	8,281	5.5%	8,736	9,173	9,632	10,114	10,620
Family & Graduate Housing								
<i>(rates are rent per month)</i>								
Schreiberwood								
3 bedroom townhouse	May 1 - Aug 31	1,365		1,433	1,512	1,588	1,667	1,750
	Sept 1 - Apr 30	1,433	5.5%	1,512	1,588	1,667	1,750	1,838
4 bedroom townhouse	May 1 - Aug 31	1,415		1,486	1,568	1,646	1,728	1,814
	Sept 1 - Apr 30	1,486	5.5%	1,568	1,646	1,728	1,814	1,905
Small Bachelor	May 1 - Aug 31	818		859	906	951	999	1,049
	Sept 1 - Apr 30	859	5.5%	906	951	999	1,049	1,101
Large Bachelor	May 1 - Aug 31	859		902	952	1,000	1,050	1,103
	Sept 1 - Apr 30	902	5.5%	952	1,000	1,050	1,103	1,158
Shared Bachelor	May 1 - Aug 31	859		902	952	1,000	1,050	1,103
	Sept 1 - Apr 30	902	5.5%	952	1,000	1,050	1,103	1,158

Conference Services Operating Plans 2014-15 to 2019-20

Management Report

1. Overview of Mission, Issues and Services

1.1 Objectives

- To manage room bookings and offer support for catering orders for all UTM departments and groups; increasing departmental operating efficiency by providing this one stop service for larger all-encompassing events.
- To support UTM departments in the planning of details related to conferences and special events.
- To produce income for UTM through the utilization of campus resources that might otherwise remain idle.
- To cover both direct and indirect costs and produce a contribution to the operating budget annually.
- To maintain and replace campus resources which can be used for both conference and other uses.
- To maintain an operating reserve equal to ten percent of total annual expenses net of capital renewal and Conference Expense – Food.
- To further the academic mission and recruiting efforts by providing opportunities for academic and youth conferences.
- To increase campus activity in the spring/summer by contributing to a vibrant campus; providing increased employment opportunities for campus service staff; and stabilizing the annual work cycle of this typically seasonal campus group.
- To put systems, procedures and plans in place to streamline process, increase productivity and capitalize on transient business
- To work on marketing and selling the summer business through advertising, word of mouth and posting packages

1.2 Background, Issues and Service

Conference Services provides group arrangements, including accommodations and food arrangements, classrooms and meeting spaces for a very diverse group of customers including youth groups, professional groups, academic departments, governmental groups, language camps and sports teams.

Main issues facing the ancillary include:

- Effective utilization and availability of space in a rapidly changing campus environment.

- Provide support of and service to increasing requests from internal departments - while UTM continues to experience a shortage of meeting and conference space.
- Increasing external sales and operating contributions while meeting the U of T temporary use of space guidelines.
- To maintain and improve historical operating results before transfers in light of a reduction in accommodation (residence rooms) available to conference due to:
 - Increasing number of spring/summer session residence students and students enrolled in the ACE@UTM program and other language programs.
 - Required maintenance of residence buildings.
 - Repurposing residence rooms to office space during the construction of the North Building Phase 2 for the summers of 2014-2016.

2. 2014-15 Operating Plan and Experience

Total Revenue is expected to be \$223,215 less than what was originally budgeted. Low revenues are a consequence of shortfalls in Conference Income – Accommodation of \$102,797. These shortfalls are attributed to a reduction of residence rooms at Erindale Hall that were not available for conference groups over the 2014 Summer because they were being prepared to be assigned to UTM departments that will be relocated from the North Building due to construction of North 2. There were also fewer rooms available at Oscar Peterson Hall because a higher number of summer students renting rooms during their summer courses and international students enrolled in the ACE@UTM program. In addition, Conference Income – Food is expected to \$131,473 short of Budget, as a direct result of the lower accommodation.

Conference Income – Facilities/Space Rental is expected to grow with the addition of new vibrant and multipurpose locations for Conference symposiums, such as the Innovation Complex Rotunda and Deerfield Hall. The Rotunda will be used less than originally anticipated as it is primarily a student space and parameters have been put in place to limit use of the space.

The Total Direct Expenditures are expected to be \$250,895 less than Budget. These savings are primarily coming from:

- Salaries, Wages and Benefits with \$84,363 –due to a department reorganization that modified the full time employment (FTE) factor.
- Conference Expense – Food with \$131,473–which has been driven by the lower catering revenue.
- The lower Conference Accommodation expense due to the lower conference income from accommodation.

The Operating Result before Transfers is expected to be a deficit of \$32,214 which is \$27,680 less than budgeted.

A transfer out of the Conference Ancillary to the University Operating Budget of \$100,000 is planned.

The total closing fund balance is expected to be \$215,679 at the end of 2014-15.

3. 2015-16 Budget

The Conference Services Budget for 2015-16 reflects a conservative approach to operational and financial planning.

The number of accommodation units will be significantly decreased for the 2015-16 operating season due to:

- Required maintenance some of the residences.
- The use of 100 rooms in Erindale Hall as offices to accommodate staff due to the construction of North 2.
- Roy Ivor Hall and MaGrath Valley will be used to accommodate UTM students during the summer session.
- International students enrolling in the ACE@UTM program are expected to use 250 rooms.

Even with a fewer number of units available for use, Conference Income – Accommodation in 2015-16 is expected to grow in comparison to 2014-15. Conference Services is committed to promote UTM as both an ideal place for conference events and economical short term accommodation for individuals. Conference Services is now working on designing a competitive pricing structure both in accommodation, food and space venue rental rates. We are also adding a conference programming system which could allow us to capture more transient accommodation business.

Total direct expenses are largely variable; they are directly proportional to the revenue. The total direct operating expenditures are budgeted to be \$656,710.

Total indirect expenses include an allocation for human resources, police, mail, utilities, caretaking, etc. and are expected to decrease to \$89,358 in 2015-16.

The operating result before transfers is budgeted to be a deficit of \$21,566 and the total closing fund balance is budgeted to be \$194,113.

It is unclear as to whether or not the contribution of \$100,000 to the University Operating Budget will be possible beyond 2014-15. The Department is expecting a period of three years of deficits before the budget returns to a break-even point or starts generating a surplus. Those operating deficits will be covered by the

ancillary's operating reserve. Any further contribution to the University Operating Budget will reduce the Total Fund Balance.

4. Categories of Users and Accessibility

Conference Services are used by both external and internal groups however the overwhelming demand from internal departments and student groups leaves little space options to be sold to external guests. Conference Services will be working on a long range plan to maximize space, standardize procedures and sell the available space to external guests through social media, marketing and word of mouth advertising. The Department will continue to offer exceptional services while taking into account our competition and market trends.

5. Long Range Plan: 2016-17 to 2019-20

The long range plan continues to budget conservatively for the Conference Revenues while maintaining a healthy Fund Balance and progressively reducing its budget deficits. This approach accommodates the anticipated growth in expenses, especially the Department/College Overhead Charges. The approach will also support the Department in its effort to "re-build" the conference business at UTM during a period of rapid campus changes.

UTM is becoming busier every summer season due to the increasing offer of academic courses from the main curriculum, extra-curricular courses and programs from the School of Continuing Studies. Furthermore these activities are demanding more classrooms as well as residence rooms reducing the spaces available for external groups' sales. That said, we believe we have an opportunity to re-focus and re-build Conference Services at UTM.

Conference Services believes that an educational setting is the best place for learning. The Department is focusing in capturing business from groups that are interested in using the space for events that pursue educational purposes.

Therefore Conference Services is planning to implement a system that will improve tracking individual and short term hosting so as to more efficiently manage workload and inform specific marketing initiatives that will maximize financial return to the department.

Conference Services is looking forward to the addition of North 2 that along with Deerfield Hall, Spigel Hall, Colman Commons and the Innovation Complex Rotunda will permit hosting events simultaneously from various internal and external customers.

To conclude, Conference Services remains committed to its vision of providing excellent customer service while maximizing the University's revenues by assisting individuals and groups with the organization of the events being hosted at UTM's world class infrastructure and breathtaking nature green surroundings.

**University of Toronto Mississauga
Conference Services
Statement of Operating Results
in \$'s**

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Revenue									
Conference Income - Accommodation	209,687	261,085	158,288	(102,797)	180,500	187,720	197,106	216,817	238,498
Conference Income - Food	327,652	338,918	207,445	(131,473)	327,652	337,482	347,606	358,034	368,775
Conference Income - Facilities/Space Rental	168,243	195,400	203,222	7,822	211,350	217,691	239,460	263,406	302,916
Investment Income	4,028	4,000	3,983	(17)	3,500	3,605	3,713	3,825	3,939
Other Income	35	-	3,250	3,250	1,500	1,545	1,591	1,639	1,688
Total Revenue	709,644	799,403	576,188	(223,215)	724,502	748,042	789,476	843,720	915,817
Direct Expenditures									
Salary, Wages & Benefits	181,231	274,376	190,013	84,363	234,299	244,752	255,955	267,718	275,564
Conference Expense - Food	327,652	338,918	207,445	131,473	327,652	337,482	347,606	358,034	368,775
Supplies	4,881	11,200	28,241	(17,041)	8,000	6,000	6,000	6,000	6,000
Communications Cost	5,247	6,530	5,181	1,349	5,200	5,356	5,517	5,682	5,853
Conference Accommodation	98,375	109,349	67,923	41,426	61,009	66,002	72,062	82,434	94,302
Furniture & Equipment Repair	-	500	1,465	(965)	2,500	2,500	2,500	2,500	2,500
Other Expenses	13,998	20,250	9,960	10,290	18,050	13,000	13,000	13,000	13,000
Total Direct Expenditures	631,382	761,123	510,228	250,895	656,710	675,092	702,640	735,368	765,994
Indirect Expenditures									
Central Overhead Charges	2,832	3,305	3,305	-	3,900	4,017	4,138	4,262	4,389
Department/College Overhead Charges	93,249	82,167	82,167	-	72,159	74,324	76,553	78,850	81,216
Facilities & Services Overhead Charges	12,632	12,702	12,702	-	13,299	13,698	14,109	14,532	14,968
Total Indirect Expenditures	108,713	98,174	98,174	-	89,358	92,039	94,800	97,644	100,573
Total Expenditures	740,096	859,297	608,402	250,895	746,068	767,131	797,439	833,012	866,568
Operating Results Before Transfers	(30,452)	(59,894)	(32,214)	27,680	(21,566)	(19,089)	(7,963)	10,708	49,250

**University of Toronto Mississauga
Conference Services
Statement of Reserves
in \$'s**

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Total Fund Balance - Opening	478,345	360,818	347,893	(12,925)	215,679	194,113	175,025	167,061	177,769
Operating Results before Transfers	(30,452)	(59,894)	(32,214)	27,680	(21,566)	(19,089)	(7,963)	10,708	49,250
Transfers in (out) of Ancillary Operations	(100,000)	(100,000)	(100,000)	-	-	-	-	-	-
Net Operating Results after Transfers	(130,452)	(159,894)	(132,214)	27,680	(21,566)	(19,089)	(7,963)	10,708	49,250
Total Fund Balance - Closing	347,893	200,924	215,679	14,755	194,113	175,025	167,061	177,769	227,019
<i>Closing Fund Balance is made up of:</i>									
Investment in Capital Assets	-	-	-	-	-	-	-	-	-
Internally Restricted	-	-	-	-	-	-	-	-	-
Capital Renewal Reserve	-	-	-	-	-	-	-	-	-
Operating Reserve	31,407	41,053	33,157	(7,896)	35,491	36,115	37,527	39,004	40,099
Construction Reserve	-	-	-	-	-	-	-	-	-
Unrestricted Surplus/(Deficit)	316,486	159,871	182,522	22,651	158,623	138,910	129,534	138,764	186,920

University of Toronto Mississauga
 Conference Services
 Schedule of Major Maintenance
 in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
				- - -					
Total Major Maintenance	-	-	-	-	-	-	-	-	-

University of Toronto Mississauga
 Conference Services
 Schedule of Deferred Maintenance
 in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
				-					
				-					
				-					
Total Deferred Maintenance	-	-	-	-	-	-	-	-	-

University of Toronto Mississauga
 Conference Services
 Schedule of Capital Expenditure
 in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
				- - -					
Total Capital Expenditure	-	-	-	-	-	-	-	-	-

**Food Services
Operating Plans 2014-15 to 2019-20**

Management Report

1. Overview of Objectives, Issues and Services

1.1 Objectives

- To serve a variety of quality products in well maintained, relaxing and engaging food service outlets at prices which provide value to customers;
- To cover both direct and indirect costs and provide for the renewal of capital equipment;
- To maintain an operating reserve equal to ten percent of total annual expenses net of capital renewal and cost of sales;
- To operate a financially viable ancillary;
- To reduce the overall campus food service capacity shortfall by planning and developing new conveniently located, engaging and efficient food service spaces which are in keeping with the quality of new buildings on the UTM campus; and
- Having attained the above objectives, provide net contributions to the College operating budget.

1.2 Background, Issues and Service

Food Service is currently provided through:

- Davis Building Meeting Place
 - Tim Horton's full service outlet, Subway kiosk
- Davis Building Temporary Food Court
 - Tim Horton's Express kiosk, Booster Juice, Pizza Pizza, Tandoori, International Kitchen, Elements, vegelicious, Deli Station, various Grab and Go items
- The Circuit Break Café in the CCT Building
- Starbucks Café located in the Hazel McCallion Academic Learning Centre
- The multi-concept Colman Commons Dining Hall located in Oscar Peterson Hall
- Deerfield Hall

- North Side Bistro
- Kaneff Centre/Innovation Complex
 - Second Cup, various Grab and Go items
- Mike's Dog House + Rotating Food Trucks
- An arrangement enabling students to use their student meal plans to purchase:
 - pizza for delivery from Pizza Pizza
 - meals at Sheridan College
 - meals at the Blind Duck in the Student Center, operated by the University of Toronto Mississauga Student's Union

1.3 Highlights for 2014-15

- Continuation of the planning process for the expansion of food services on campus.
 - Space requirements for the food service operations for the North Building Phase II reconstruction have been established
 - Preliminary conceptual planning for Davis Building reconstruction to include comprehensive Food Court to replace Temporary Food Court
- Completion of Self-Op Feasibility Study
- Tendering of RFP for new Food Service Provider
- Opening of North Side Bistro, Innovation Centre Café, and expansion and renovation of Colman Commons
- Expansion of vending card reader installations across campus

2. 2014-15 Forecast

Forecasted total food and beverage revenue is expected to be higher than budget by \$549,658 as a result of:

- Higher than expected positive impact of the North Side Bistro
- Higher than expected number of meal plans purchased by non-resident students
- Higher proportion of larger-sized meal plans sold than expected
- Unplanned additional incremental revenue from Food Truck program
- Higher than expected Catering Revenue despite the loss of the Argos

Forecasted total cost of sales and service are forecasted to be \$184,034 higher than budget as a direct result of higher than budget revenue.

Forecasted total direct expenditures are expected to be \$168,171 higher than budget primarily due to:

- Salary, Wages, and Benefits expense are expected to be higher than budget due to the plan to add a Casual Communications position and due to an increased reallocation of labour to the food services ancillary
- Other Expenses are forecasted to be higher due to the addition of consulting costs due to the earlier than expected planning process for the Davis Building Food Court and increased goodwill to support community events
- Please note: the higher than budgeted Depreciation Expense is offset by the lower than budgeted Replacement of Non-Depreciable Assets expense due to the change in capitalization rules that were put in place after the 2014-15 Budget was set

Operating results before transfers will decrease from \$124,911 to a deficit of \$78,392 and the resultant forecasted closing total fund balance is a positive \$1,982,869 at the end of 2014-15.

3. 2015-16 Budget

The budget for 2015-16 shows the total revenue increasing by 6.5% and total direct expenses increasing by 3.7% when compared to 2014-15 forecasted amounts. Operating results before transfers will decrease from 2014-15 and be a deficit of \$78,392.

The total revenue for 2015-16 is budgeted to be \$10,737,242. The increase in sales is primarily the result the increased enrolment and inflation.

The Food Service ancillary is committed to providing meal plans that provide value and are competitively priced with peer institutions. The effective rate of increase for resident student meal plans is proposed to be 1.5% when assessed on an average basis.

Hospitality and Retail Services is forecasting a CPI increase on food of 2.76% for next year based on analysts' predictions – this increase is factored into the determination of the Group B Minimum Meal Plan rate (dependent on average cheque).

Specifically the meal plan increases are proposed as follows:

Group A:

Small Plan	increase of 1.37%
Light Plan	increase of 0.00%
Regular Plan	increase of 1.15%
Plus Plan	increase of 2.13%

Group B:

Small Plan	increase of 2.63%
Light Plan	increase of 2.27%
Regular Plan	increase of 2.00%

Cafeteria revenue is expected to increase by 8.6% as a result of:

- o higher participation rate related to projected enrollment increases for the fall of 2014
- o CPI increase on price of food

Regarding Cost of Sales and Service, the total Cost of Sales and Service expense is expected to increase by 9.7%. This expense increase is as a direct result of the increase in budgeted overall revenue for 2014-15 identified earlier along with expected increases associated with the implementation of the new Food Service Contract.

The total direct expenditures are expected to increase by 3.7% due to the following factors:

- Salary, Wages & Benefits increases due to the increased use of Casual Communications position
- Furniture and Equipment Depreciation increases due to the first full year of depreciation cycle for the investment in the North Side Bistro, the Innovation Centre Café, Colman Commons, and Spigel Kitchen renovation

Operating results before transfer are budgeted to be a deficit of \$78,392, and the closing total fund balance is projected to be a positive \$1,904,477 at the end of 2015-16.

Finally, it is important to note that although the Food Service Department continues to generate a positive contribution which is being held in the Total Closing Fund Balance, the Department is working toward an annual break even operating model for the future.

Operating results will continue to be in the negative as the self-funded investments in new food service facilities over the next 3 years become realized. These investments are expected to total over \$1,000,000.

4. Categories of Users and Accessibility

Food Services are available and used by faculty, staff, students and visitors. In addition to the locations noted above, vending machines are available in most buildings. Hours of operation vary but facilities are open from 7:30 am to midnight.

Hours are extended to 3:00 am most days, through an arrangement with an off campus partner, for resident student meal plan customers looking to purchase pizza when the UTM facilities are closed.

5. Long Range Plan: 2016-2020

The Food Service ancillary will continue to make strides in reducing the food space deficiency on campus with the opening of the North Building Phase II Food Service Outlet, the Davis Building Science Wing Food Service Outlet, and – the culmination of the Food Service Master Plan – the Davis Building Food Court. With the opening of this Food Court earlier than originally anticipated, the Food Service space on campus is positioned to fall in line with food service facility standards as indicated by the Council of Ontario Universities sooner than forecasted.

The immediate UTM Food Service Department investment requirement is:

- An estimated \$200,000 for the construction of a Food Service concept in the North Building Phase II project to complement the North Building Phase I food outlet
- An estimated \$700,000 for the construction of the Davis Building Permanent Food Court
- An estimated \$150,000 in Starbucks renovations to support brand requirements

As a result of the many food service construction projects over the next 4 years and the significant resultant increase in direct expenditures (most notably with regards to depreciation and consultation), the Food Service ancillary at UTM is budgeted to have negative operating results before transfers from 2016 to 2019:

- For 2016-17 – The 6.4% increase in revenue primarily due to projected enrolment increases and an increase due to the opening of the Davis Building Food Court (tempered by the loss of the TFC and potential redistributed sales from other outlets) is offset by the increased costs for realized depreciation due to the opening of the Food Court and for increased occupancy. Consequently, the operating results before transfers are projected to decrease to (\$256,809).
- For 2017-18– The total food and beverage revenue is budgeted to increase by approximately 9.2% primarily due to projected enrolment increases, increased meal plan purchases due to the return of the 2 floors of Erindale Hall to Residence, and the opening of the North Building Phase II food service outlet. However, the offsetting increased costs for depreciation will result in a projected deficit in the operating result before transfers of (\$52,361).

- For 2018-19 – The total food and beverage revenue is budgeted to increase by approximately 5.8% as a result of enrolment increases and CPI increases. At this point, the Food Service ancillary approaches breakeven, with a projected small negative operating result before transfers of (\$7,153).
- For 2019-20 – The total food and beverage revenue is budgeted to increase by approximately 2.5% due to an anticipated leveling out of enrolment. The Food Service ancillary will continue to perform near break-even with a projected operating result before transfers of \$8,874.
- Please note that the Food Services ancillary maintained a strong positive Fund Balance to support the anticipated food service construction planned for the next few years. As a result, the ancillary is only projected to have an Unrestricted Deficit for two consecutive years (2016-17 and 2017-18). As indicated in this report, the Food Services ancillary will return to above break-even operating results before transfers in 2019-20. Therefore, the aforementioned investments will not put the Food Service ancillary in violation of any of SARG's financial objectives for Service Ancillaries.

**University of Toronto Mississauga
Food Services
Statement of Operating Results
in \$'s**

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Revenue									
Meal Plans	4,546,018	4,593,228	4,729,211	135,983	4,935,636	5,060,978	5,457,240	5,597,240	5,669,214
Cafeteria	4,373,879	4,477,937	4,763,747	285,810	5,172,786	5,645,201	6,247,200	6,787,772	6,991,874
Catering	375,720	256,352	388,861	132,509	419,560	496,968	537,471	581,275	628,649
Vending	189,252	196,114	181,279	(14,835)	193,480	203,895	219,066	222,286	224,524
Investment Income	9,888	5,000	13,293	8,293	13,880	13,331	11,534	11,167	11,117
Other Income	-	-	1,900	1,900	1,900	1,938	1,977	2,017	2,057
Total Revenue	9,494,757	9,528,633	10,078,291	549,658	10,737,242	11,422,311	12,474,488	13,201,757	13,527,435
Cost of Sales & Services									
Meal Plans & Cafeteria	7,079,804	7,377,188	7,662,035	(284,847)	8,362,988	8,854,497	9,673,572	10,232,953	10,461,661
Catering	298,212	210,209	299,423	(89,214)	377,604	447,272	438,724	523,148	565,784
Vending	126,066	131,397	122,960	8,437	129,632	136,610	146,774	155,600	157,167
Total Cost of Sales & Service	7,504,083	7,718,794	8,084,418	(365,624)	8,870,224	9,438,379	10,259,070	10,911,701	11,184,612
Contribution Margin - Net Revenue	1,990,674	1,809,839	1,993,873	184,034	1,867,018	1,983,932	2,215,418	2,290,056	2,342,823
Direct Expenditures									
Salary, Wages & Benefits	411,010	457,732	479,921	(22,189)	537,947	563,564	591,141	620,204	641,911
Supplies	11,300	36,050	19,972	16,078	20,571	21,188	21,824	22,479	23,153
Insurance	5,964	6,324	6,024	300	6,265	6,453	6,647	6,846	7,051
Communications	7,620	5,150	7,988	(2,838)	8,228	8,475	8,729	8,991	9,261
Furniture & Equipment Repair	143,752	84,771	85,490	(719)	88,055	90,697	93,418	96,221	99,108
Annual Maintenance	66,220	65,091	71,616	(6,525)	73,764	75,977	86,082	88,664	91,324
Major Maintenance	(35,678)	57,732	55,094	2,638	59,464	161,248	114,585	66,523	68,519
Furniture & Equipment Depreciation	102,657	136,339	182,624	(46,285)	210,576	323,445	373,531	384,597	359,711
Non-Depreciable Assets	107,222	243,634	166,987	76,647	171,997	177,157	182,472	187,946	193,584
Occupancy & Space	235,633	286,985	298,878	(11,893)	322,359	332,030	376,190	387,476	399,100
Garbage & Recycling	43,120	21,844	34,235	(12,391)	35,946	37,743	41,517	43,593	45,773
Cleaning	6,877	13,200	10,022	3,178	11,024	11,575	12,518	13,770	14,459
Other	189,235	212,443	376,615	(164,172)	315,913	345,390	270,752	278,875	287,241
Total Direct Expenditures	1,294,930	1,627,295	1,795,466	168,171	1,862,109	2,154,942	2,179,406	2,206,185	2,240,195
Indirect Expenditures									
Central Overhead Charges	7,037	8,051	7,580	471	7,883	8,119	8,363	8,614	8,872
Department/College Overhead Charges	49,503	52,319	52,317	2	62,180	64,045	65,966	67,945	69,983
Facilities & Services Overhead Charges	13,044	13,599	13,599	-	13,238	13,635	14,044	14,465	14,899
Total Indirect Expenditures	69,583	73,969	73,496	473	83,301	85,799	88,373	91,024	93,754
Total Expenditures	1,364,514	1,701,264	1,868,962	168,644	1,945,410	2,240,741	2,267,779	2,297,209	2,333,949
Operating Results Before Transfers	626,161	108,575	124,911	16,336	(78,392)	(256,809)	(52,361)	(7,153)	8,874

University of Toronto Mississauga
 Food Services
 Statement of Loan Payments
 in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Loan Interest Expense		-	-	-	-	-	-	-	-
Loan Principal Expense		-	-	-	-	-	-	-	-
Total Loan Payments	-	-	-	-	-	-	-	-	-

**University of Toronto Mississauga
Food Services
Statement of Reserves
in \$'s**

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Total Fund Balance - Opening	1,231,797	1,425,488	1,857,958	432,470	1,982,869	1,904,477	1,647,668	1,595,307	1,588,154
Operating Results before Transfers	626,161	108,575	124,911	16,336	(78,392)	(256,809)	(52,361)	(7,153)	8,874
Transfers in (out) of Ancillary Operations	-	-	-	-	-	-	-	-	-
Net Operating Results before Transfers	626,161	108,575	124,911	16,336	(78,392)	(256,809)	(52,361)	(7,153)	8,874
Total Fund Balance - Closing	1,857,958	1,534,063	1,982,869	448,806	1,904,477	1,647,668	1,595,307	1,588,154	1,597,028
<i>Closing Fund Balance is made up of:</i>									
Investment in Capital Assets	802,679	1,011,540	1,180,162	168,622	1,044,586	1,528,391	1,584,428	1,281,786	1,006,488
Internally Restricted									
Capital Renewal Reserve	193,692	50,000	10,000	(40,000)	10,000	10,000	10,000	10,000	10,000
Operating Reserve	97,272	110,855	129,916	19,061	133,333	140,374	140,896	146,427	151,244
Construction Reserve	764,315	361,668	662,791	301,123	716,558	-	-	149,941	429,296
Unrestricted Surplus/(Deficit)	-	-	-	-	-	(31,097)	(140,017)	-	-

University of Toronto Mississauga
Food Services
Schedule of Major Maintenance
in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Capital Renewal - Major Maintenance	(35,678)	57,732	55,094	(2,638)	59,464	161,248	114,585	66,523	68,519
				-					
				-					
				-					
Total Major Maintenance	(35,678)	57,732	55,094	(2,638)	59,464	161,248	114,585	66,523	68,519

University of Toronto Mississauga
 Food Services
 Schedule of Deferred Maintenance
 in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
				-					
				-					
				-					
				-					
Total Deferred Maintenance	-	-	-	-	-	-	-	-	-

**University of Toronto Mississauga
Food Services
Schedule of Capital Expenditure
in \$'s**

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Equipment	111,335	100,000	20,000	(80,000)	75,000	807,250	179,568	81,955	84,413
Construction	105,564	250,000	540,107	290,107			250,000		
Total Capital Expenditure	216,899	350,000	560,107	210,107	75,000	807,250	429,568	81,955	84,413

University of Toronto Mississauga
Food Services
Schedule of Rates
in \$'s

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Group A						
Plus	4,699	4,799	4,899	4,999	5,099	5,149
Regular	4,349	4,399	4,499	4,599	4,699	4,749
Light	3,999	3,999	4,099	4,199	4,299	4,349
Minimum	3,649	3,699	3,799	3,899	3,999	3,999
Group B						
Regular	2,499	2,549	2,599	2,559	2,619	2,679
Light	2,199	2,249	2,299	2,309	2,369	2,429
Minimum	1,899	1,949	1,999	2,059	2,119	2,179

Parking Services Operating Plans 2014-15 to 2019-20

Management Report

1. Overview of Objectives, Issues and Services

1.1 Objectives

- To provide cost effective and safe parking facilities for students, faculty, staff and visitors.
- To protect the campus green space.
- To cover direct and indirect costs capital renewal and capital expansion.
- To maintain an operating reserve (excluding capital) equal to ten percent of the annual expense budget.
- To operate a financially viable ancillary while keeping rates as low as possible.
- Having attained the above objectives, provide net contributions to the UTM operating budget.

1.2 Background and Issues

The Mississauga campus is a suburban, commuter campus where the use of cars is more extensive than that of a downtown campus. UTM Parking strives to embrace the Transportation Demand Management (TDM) philosophy and this is demonstrated through the introduction of carpooling initiatives, a car sharing program, various campus commuter promotions, UPass, a discounted TTC Metropass program for faculty and staff, and the UTM Shuttle Bus service. Though there are many campus initiatives to encourage the use of buses and bike to school/work campaigns, the use of cars and the related need for a substantial number of parking spaces will likely continue.

As of October 2014, UTM had 2,413 spaces, marginally increasing from the prior year. This increase is due to the reabsorbing the Argo parking lot, offset by the closure of Lot 6 due to construction. Through careful review and monitoring, more permits were sold to date vs the same period in 2013.

The ancillary continues to monitor supply and demand which is based on current information, such as campus population growth projections. We have determined that the construction of a parking deck, that would increase our space inventory by approximately 300 additional parking spaces, is needed one year earlier than initially expected. It is hoped that the new parking deck will be completed by Fall 2015.

UTM Parking & Transportation Services continues to focus on sustainability at the Mississauga campus. Parking Services provides multiple car-pool spaces in various lots for faculty, staff and students to encourage ride sharing and lessen Parking's carbon footprint. The Eco-Park Rebate program supports a 'green' community by promoting the use of low-emission vehicles. This program partially reimburses an eligible applicant for their annual parking permit. UTM Parking is also a proud member of Smart Commute which is an association that works to reduce traffic congestion and encourages the use of other sustainable modes of transportation, such as bikes.

UTM Parking & Transportation Services also uses parking equipment that runs off solar power. The use of this equipment cuts this Ancillary's power consumption which essentially makes part of the parking operation "off the grid".

UTM Parking & Transportation Services continues to offer space to Zipcar, a short term car sharing service, to the UTM community. Two cars are parked in Lot 9 and one is in Lot 5. We are also looking to the feasibility of expanding car-sharing for use by UTM departments. Further details can be obtained by contacting UTM Parking & Transportation Services.

2. 2014-15 Operating Plan

Permit revenues are expected to exceed budget by \$44,944. The gain in permit revenues is due to having more permits available for sale from better lot utilization monitoring and reporting.

Pay and Display revenues are expected to exceed budget by \$19,156. This gain can be attributed to a higher demand for daily parking and increased customer compliance due to effective enforcement.

Security Services is the cost of Campus Police, a unit that works very closely with UTM Parking, in enforcement, incidents and safety issues related to parking.

Salaries, Wages & Benefits expense are forecasted to be \$400,883 or \$22,357 over budget. This difference is mainly attributed to university compensation settlements.

Major Maintenance expenses are forecasted to be \$340,377, an increase of \$300,377 from budget. This difference is attributed to the paving of Lot 11 and the upgrade of Lot 8.

Direct expenses, other than salaries, wages and benefits, varying from budget are mainly due to savings in snow removal. Snow removal expense relates to moving the snow from the campus in case of extreme weather and therefore, UTM Parking is predicting that this expense will not be utilized for 2014-15.

Therefore, the operating result before transfers is expected to be a surplus of \$560,333, down from the budgeted surplus amount of \$821,598.

3. 2015-16 Operating Plan

The 2015-16 budget includes a 3% permit price increase. The Reserved permit price will increase from the current price of \$961.96/annum to \$990.82/annum. Premium Unreserved will increase from \$686.53 to \$707.13/annum; Unreserved from \$664.27 to \$684.20/annum; Afternoon permits will increase from \$180.00 to \$190.00/annum; Commercial rates increased from \$1,112.90 to \$1,146.29/annum.

Pay & Display revenues are expected to continue to increase marginally from the 2014-15 forecast. This increase is due to increased enrollment and continued effective enforcement practices. The Pay & Display rates will increase from \$13.00 daily maximum to \$14.00 daily maximum. The evening/weekend and half hour rates will remain the same as the 2014-15 rates.

The expansion of the new parking deck is scheduled for 2015-16. This will increase our space compliment by approximately 300 spaces and increase revenues as a result.

Expenses are expected to be similar to the forecast for 2014-15, increasing in line with inflation and contractual obligations, except for Building Depreciation – Capital Investment, which reflects the deprecation of the parking deck over 25 years. The operating result before transfers is a surplus of \$988,881. The total fund balance, closing is \$9,843,849 and includes the \$6.235 million loan for the parking deck from UTM operating, less the repayment for 2015-16.

4. Categories of Users and Accessibility

Parking is available for faculty, staff, students and visitors. Parking inventory in 2014-15 is adequate. Space utilization continues to be monitored closely in light of increasing enrollment. Demand for parking, increases every year, especially as campus population grows.

5. Capital Initiatives, Planning and Funding

Future construction, if planned on existing parking lots, would impact parking inventory and may translate to reduced revenues and increased supply and demand issues.

The rates and budgets for the long range plan for 2016-17 to 2019-20 should be viewed as plans and do not reflect set amounts.

University of Toronto Mississauga
Parking Services
Statement of Operating Results
in \$'s

	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Revenue									
Parking Permits	2,080,869	2,133,310	2,178,254	44,944	2,546,841	2,650,448	2,758,235	2,870,369	2,987,024
Cash Fees	50,571	55,129	47,715	(7,414)	45,785	47,159	48,574	50,031	51,532
Pay & Display Meter Revenue	1,182,048	1,161,061	1,180,217	19,156	1,226,971	1,251,511	1,276,541	1,302,072	1,328,113
Investment Income	22,479	20,000	25,000	5,000	27,500	28,050	28,611	29,183	29,767
Total Revenue	3,335,967	3,369,500	3,431,186	61,686	3,847,097	3,977,168	4,111,961	4,251,655	4,396,436
Direct Expenditures									
Salaries, Wages & Benefits	366,021	378,526	400,883	(22,357)	417,446	432,057	447,179	462,830	479,029
Security Services	130,138	152,442	152,442	-	167,462	173,323	179,389	185,668	192,166
Supplies	27,182	24,282	22,830	1,452	25,230	25,735	26,224	26,722	27,230
Furniture & Equipment Repair	374,145	402,150	369,065	33,085	383,391	391,059	398,880	406,858	414,995
Annual Maintenance Expenses	159,447	133,908	143,908	(10,000)	147,866	150,824	153,690	156,610	159,586
Major Maintenance Expenses	37,176	40,000	340,377	(300,377)	40,000	40,000	40,000	40,000	40,000
Furniture & Equipment Depreciation	1,493	-	373	(373)	6,000	6,000	6,000	6,000	6,000
Replacement of Non-Depreciable assets	1,737	2,000	7,927	(5,927)	2,000	2,000	2,000	2,000	2,000
Snow Removal	-	30,000	-	30,000	30,000	30,000	30,000	30,000	30,000
Utilities	76,096	82,024	74,219	7,805	79,657	82,843	86,157	89,603	93,187
Loan Principal and Interest Expense	1,042,157	1,042,157	1,042,157	-	1,042,157	1,042,157	1,042,157	1,042,157	1,042,157
Building Depreciation - Capital Investment	-	-	-	-	246,267	369,400	369,400	369,400	369,400
Insurance	11,636	11,500	10,954	546	11,392	11,620	11,841	12,066	12,295
Telecommunications	7,848	8,022	7,577	445	7,819	7,975	8,127	8,281	8,438
Other Miscellaneous Expenditures	201,765	145,094	201,968	(56,874)	153,303	156,369	159,340	162,367	165,452
Total Direct Expenditures	2,436,840	2,452,105	2,774,680	(322,575)	2,759,990	2,921,362	2,960,384	3,000,562	3,041,935
Indirect Expenditures									
Central Overhead Charges	8,006	8,598	8,598	-	9,219	9,403	9,582	9,764	9,950
Departmental/College Overhead Charges	36,989	39,054	39,054	-	41,187	42,011	42,809	43,622	44,451
Facilities & Services Overhead Charges	43,939	48,145	48,521	(376)	47,820	48,776	49,703	50,647	51,609
Total Indirect Expenditures	88,934	95,797	96,173	(376)	98,226	100,190	102,094	104,033	106,010
Total Expenditures	2,525,774	2,547,902	2,870,853	(322,951)	2,858,216	3,021,552	3,062,478	3,104,595	3,147,945
Operating Results Before Transfers	810,193	821,598	560,333	(261,265)	988,881	955,616	1,049,483	1,147,060	1,248,491

University of Toronto Mississauga
Parking Services
Statement of Loan Payments
in \$'s

Description	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Loan Interest Expense	628,301	600,694	600,694	-	571,246	539,833	506,325	470,581	432,453
Loan Principal Expense	413,856	441,463	441,463	-	470,911	502,324	535,832	571,576	609,704
Total Loan Principal and Interest Payments	1,042,157	1,042,157	1,042,157	-	1,042,157	1,042,157	1,042,157	1,042,157	1,042,157

University of Toronto Mississauga
 Parking Services
 Schedule of Major Maintenance
 in \$'s

Description	<u>2013-14 Actual</u>	<u>2014-15 Budget</u>	<u>2014-15 Forecast</u>	<u>2014-15 Variance</u>	<u>2015-16 Budget</u>	<u>2016-17 Budget</u>	<u>2017-18 Budget</u>	<u>2018-19 Budget</u>	<u>2019-20 Budget</u>
Capital Renewal - Major Maintenance	37,176	40,000	340,377	300,377	40,000	40,000	40,000	40,000	40,000
Total	37,176	40,000	340,377	300,377	40,000	40,000	40,000	40,000	40,000

University of Toronto Mississauga
 Parking Services
 Schedule of Deferred Maintenance
 in \$'s

Description	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Deferred Maintenance									
Total	-	-	-	-	-	-	-	-	-

Notes:
 There Is No Scheduled Deferred Maintenance

University of Toronto Mississauga
 Parking Services
 Schedule of Capital Expenditure
 in \$'s

Description	2013-14 Actual	2014-15 Budget	2014-15 Forecast	2014-15 Variance	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget
Replacement of Parking Van					30,000				
Parking Deck Expansion - paid from construction reserve					3,000,000				
Parking Deck Expansion - loan					6,235,000				
Total	-	-	-	-	9,265,000	-	-	-	-

**University of Toronto Mississauga
Parking Services
Schedule of Rates
in \$'s**

	<u>2014-15</u>	<u>\$ Increase</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Reserved (annual)	961.96	28.86	990.82	1,020.54	1,051.16	1,082.69	1,115.17
Premium Unreserved (annual - Lots 4,8,9)	686.53	20.60	707.13	728.34	750.19	772.70	795.88
Unreserved (annual - Lots 4 & 8 only)	664.27	19.93	684.20	704.73	725.87	747.65	770.08
Student Unreserved (sessional - Lots 4 & 8 only)	276.77	8.30	285.07	293.62	302.43	311.50	320.85
Unreserved Afternoon (annual - after 3:30pm)	180.00	10.00	190.00	200.00	210.00	220.00	230.00
Commercial (annual - Lots 4,8,9)	1,112.90	33.39	1,146.29	1,180.68	1,216.10	1,252.58	1,290.16
Pay & Display (daily maximum) (6:30am to 8:00am next day)	13.00	1.00	14.00	14.00	14.00	15.00	15.00
Pay & Display (evening/weekend) (5:00pm to 8:00am next day)	6.00	-	6.00	6.00	6.00	6.00	6.00
Pay & Display (per half hour) (6:30am to 5:00pm)	2.50	-	2.50	2.50	2.50	3.00	3.00
Pay & Display (per half hour) (weekdays 5:00pm to 8:00am next day; weekends & holidays)	1.00	-	1.00	1.00	1.00	1.00	1.00
<i>Note: Rates include HST where applicable</i>							
Rate Increases (percentage)							
Reserved			3.0%	3.0%	3.0%	3.0%	3.0%
Premium Unreserved			3.0%	3.0%	3.0%	3.0%	3.0%
Unreserved			3.0%	3.0%	3.0%	3.0%	3.0%
Unreserved Afternoon			5.6%	5.3%	5.0%	4.8%	4.5%
Commercial			3.0%	3.0%	3.0%	3.0%	3.0%
Pay & Display - daily maximum			7.7%	0.0%	0.0%	7.1%	0.0%
Pay & Display - evening/weekend			0.0%	0.0%	0.0%	0.0%	0.0%

**University of Toronto Mississauga
Parking Services
Competitor Rates - 2014-15
in \$'s**

	<u>UTM</u>	<u>UTSC</u>	<u>St. George</u>	<u>York</u>	<u>McMaster</u>	<u>Waterloo</u>	<u>Credit Valley Hospital</u>
Reserved:							
Most expensive	961.96	1,086.72	2,976.00	1,676.69	1,212.00	515.28	N/A
Least expensive	961.96	835.92	1,560.00	1,370.24	339.00	515.28	N/A
Unreserved:							
Most expensive	686.53	N/A	1,308.00	1,453.63	N/A	508.56	948.00
Least expensive	664.27	N/A	1,308.00	1,065.82	N/A	508.56	948.00
Pay & Display (daily maximum)							
Most expensive	13.00	12.00	20.00	20.00	20.00	15.00	25.00
Least expensive	13.00	7.50	8.00	10.00	7.00	5.00	16.00
Pay & Display (evening/weekend)							
Most expensive	6.00	6.00	12.00	8.00	7.00	5.00	N/A
Least expensive	6.00	2.00	6.00	5.00	3.00	5.00	N/A
Pay and Display (per half hour)		(1)			(1)	(1)	
Most expensive	2.50	1.50	4.00	2.50	3.50	1.00	3.00
Least expensive	1.00	1.50	2.00	1.50	2.50	1.00	3.00
Evening Permit							
Most expensive	180.00	501.60	780.00	1,522.11	552.00	N/A	N/A
Least expensive	180.00	501.60	780.00	989.88	552.00	N/A	N/A

Note:

(1) Does not provide a 1/2 hour rate. Posted amounts have been prorated from the posted hourly rate.

Review and Consultation Process

The UTM Campus Affairs Committee makes recommendations to the UTM Campus Council on the annual budget related to service ancillaries. The budgets approved by the Campus Council require confirmation by the Executive Committee of Governing Council. Those plans include a Management Report that describes the proposed services and programs offered within the financial parameters of the University's operating budget and financial policies set by the Business Board. The plans also include each ancillary's annual operating budget, as well as changes to program and levels of service, categories of users, accessibility, and compulsory or optional fees. This year, the plans will report on actual financial results for the 2013-14, the forecast for 2014-15 and budgets for the five year period 2015-16 to 2019-20. Only the proposed budget for 2015-16 is presented for approval, the remaining budgets, actual and forecast is for comparison and information purposes.

The Student Housing and Residence Life operating plan is reviewed by the Student Housing Advisory Committee that includes membership from all residence constituencies, including graduate and undergraduate students in residence, families in residence, and student staff in residence as well as representation from UTM's undergraduate Residence Council.

Food Services is reviewed by the Food Service Advisory Committee with membership of students (undergraduate, graduate, UTMSU, Residence Council), faculty and staff. Details of the Meal Plan component of Food Services are also reviewed by the Resident Student Dining Committee drawing membership from each of the residences (including first and upper year townhouse clusters).

The Parking operating plan is reviewed by the Transportation & Parking Advisory Committee that includes undergraduate and graduate students, faculty and staff. The discussion included the construction of a new deck, its location, and funding.

As well, the University of Toronto Financial Services Department (FSD) reviews the operating plans and management reports submitted by each ancillary. Issues requiring further attention are identified by FSD and are addressed by the ancillaries.

UTM Ancillaries

UTM Campus Council

February 5, 2015



Four Financial Objectives

<u>Objective</u>	<u>Residence</u>	<u>Food Services</u>	<u>Conference Services</u>	<u>Parking</u>
Operate without subsidy	Yes	Yes	Yes	Yes*
Provide for capital renewal	Yes	Yes	n/a	Yes
10% operating reserve	Yes	Yes	Yes	Yes
Contribute to operating	No	No	No	No

Based on 2015-16

* Subject to approval of Parking Deck 2

Ancillary Consultation Process for Proposed Operating Plans/Budgets

Meal Plans

- Resident Student Dining Committee
 - November 24, 2014

Food Services

- Food Services Advisory Committee
 - Dec 5, 2014

Residences

- Student Housing Advisory Committee
 - October 1, 8, 21, 29

Parking

- Transportation & Parking Advisory Committee
 - Nov 27, 2014

Projected Revenues/Expenses

2015-2016

(\$000's)

	<u>Residence</u>	<u>Food</u>	<u>Conference</u>	<u>Parking</u>
Revenues	12,386	1,867	725	3,847
Expenses	<u>11,998</u>	<u>1,945</u>	<u>746</u>	<u>2,858</u>
Net	388	(78)*	(21)*	989
Transfers	<u>865</u>	-	-	**5,630
Net Income (Loss) after transfers	<u>1,253</u>	<u>(78)</u>	<u>(21)</u>	<u>6,619</u>
Net Income (Loss) after transfers 2014-15	<u>(316)</u>	<u>125</u>	<u>(132)</u>	<u>560</u>

Notes: * To be covered by Ancillaries' Operating Reserves
 ** Subject to approval of Parking Deck #2 Project



Student Housing & Residence Life

1,536 beds

- 1,471 fee-paying beds
- Mix of styles, sizes
- 2015-16 'Y' = \$12.4m



Residence Highlights & Challenges

- Occupancy rate of 96% (average about 60 empty beds) re: no-shows
- Completion of unexpected maintenance/repairs from 2013-14 expensed in 2014-15 (\$1.3m 'advance' repaid)
- Accumulated deficit of \$0.4m at end of 2015-16 will be eliminated by 2016-17
- 100 beds in Erindale Hall are being used as temporary swing space from May 2014 to August 2017

Proposed Residence Rate Change

- 5.5% rate increase for 2015-16
- Undergrad Fall/Winter price ranges from \$7,832 to \$8,736
- Inclusive of meal plan, total of about \$12,231
- Family & Graduate from \$859 to \$1,568 per month

Market Comparison

- Lowest among 8 other U of T residences
 - < Ryerson, all St. George Colleges
 - > McMaster, Brock, York, Guelph
- “All-in” pricing competitive with local, off-campus alternatives (CHMC data for 2013)

2014-2015 Post-Secondary Institution Residence Rates

UTSC				
Type	w/o Meal Plan	w/ Small Meal Plan	UTM Comparable	Variance
Townhouse - Single	\$ 7,285.00		\$ 7,424.00	\$ 139.00
Foley Hall - Suite	\$ 7,960.00		\$ 7,424.00	\$ (536.00)
INNIS COLLEGE				
Type	w/o Meal Plan	w/ Small Meal Plan	UTM Comparable	Variance
Residence Suite	\$ 7,985.00		\$ 7,424.00	\$ (561.00)
NEW COLLEGE				
Type	w/o Meal Plan	w/ Small Meal Plan	UTM Comparable	Variance
Residence Suite - Option 1		\$12,808.00	\$ 11,073.00	\$ (1,735.00)
Residence Suite - Option 2		\$13,308.00	\$ 11,073.00	\$ (2,235.00)
ST. MICHAEL'S COLLEGE				
Type	w/o Meal Plan	w/ Small Meal Plan	UTM Comparable	Variance
Elmsley Hall - Suite		\$ 12,183.00	\$ 11,073.00	\$ (1,110.00)
Sorbara - Suite		\$ 12,502.00	\$ 11,073.00	\$ (1,429.00)
TRINITY COLLEGE				
Type	w/o Meal Plan	w/ Small Meal Plan	UTM Comparable	Variance
Residence Suite		\$ 12,500.00	\$ 11,073.00	\$ (1,427.00)

Residence

Summary Statement of Operating Results

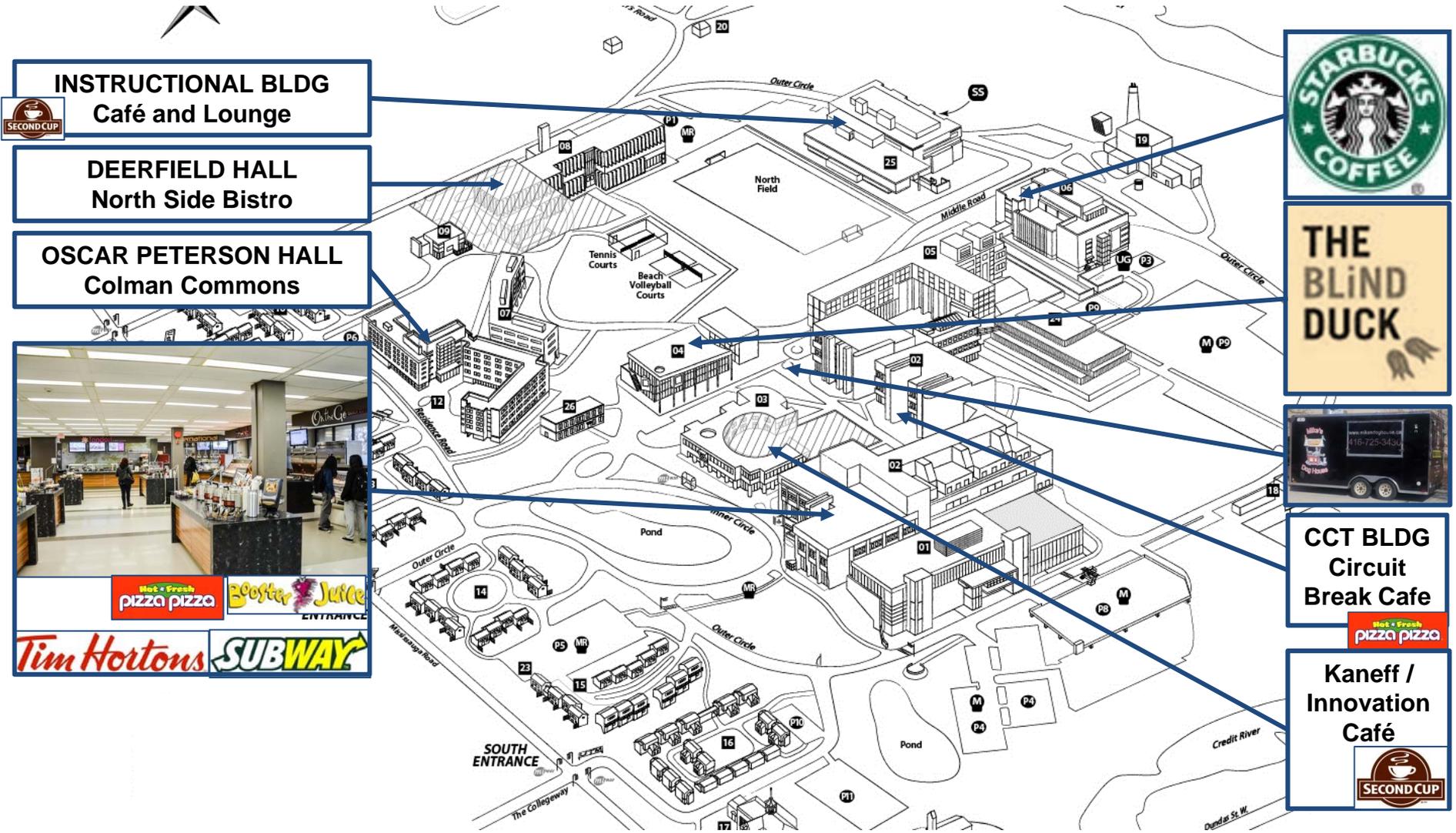
(\$000's)

	2013-14	2014-15	2015-16
	Actual	Budget	Budget
Total Revenue	12,027	12,603	12,386
Total Expense	12,504	11,796	11,998
Operating Results before Transfers	(477)	807	388

Food Services



Overview of Current Operations



INSTRUCTIONAL BLDG
Café and Lounge

DEERFIELD HALL
North Side Bistro

OSCAR PETERSON HALL
Colman Commons



Make & Fresh
pizza pizza **Booster Juice**
Tim Hortons **SUBWAY**



THE BLIND DUCK



CCT BLDG
Circuit
Break Cafe



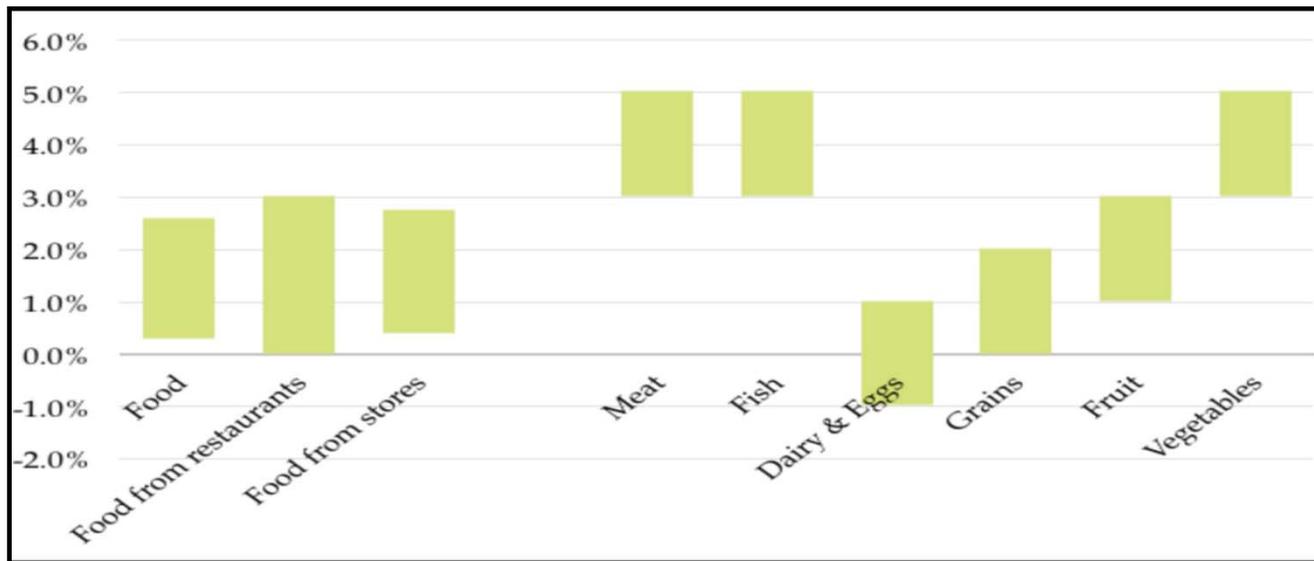
Kaneff / Innovation Café



Food Highlights & Challenges

- **North Side Bistro, Innovation Centre Café, and Colman Commons Renovation/Expansion**
 - Depreciation hits the books
- **New Food Service Contract**
 - New Food Service Contract and possibly separate Catering Contract – reduced commission
- **Loss of 100 Erindale Hall Rooms until 2017**
 - Impact on Meal Plan Revenue
- **Food Service Development**
 - 2016 – Davis Building Food Court
 - 2017 – North Building Phase II – Tim Hortons/Support Space
 - 2018 – Starbucks 10-Year Facelift

Proposed Food Rate Change



Source: Food Price Report 2015, The Food Institute, University of Guelph

- Overall food price increase forecasted to be 2.8%
- Based on:
 - Analysts' forecasted CPI increase of 2.1% for food sector
 - Higher increases expected in price of meat, fish, fruit/vegetables and baked goods.
 - Increases in wages, utilities, etc.

Food Pricing University Market Comparison

- 33 Canadian universities participated in 2013-14 annual food price comparison survey
- Prices were submitted for 73 food and beverage items across 7 categories
- UTM food prices, on average, were 8th lowest

UTM Meal Plan Rates 2015-16

- Forecasted weighted average meal plan increase for 2015-16 is 1.5%

	Plan Type	Current Cost	Proposed 2015-16	<i>Increase %</i>
Group A	Small	\$3,649	\$3,699	1.37%
First Year and OPH Students	Light	\$3,999	\$3,999	0.00%
	Regular	\$4,349	\$4,399	1.15%
	Plus	\$4,699	\$4,799	2.13%
Group B	Small	\$1,899	\$1,949	2.63%
Upper Year and Exchange Students	Light	\$2,199	\$2,249	2.27%
	Regular	\$2,499	\$2,549	2.00%
Weighted Average				1.50%

Meal Plan Rates

University Market Comparison

- UTM Meal Plan rates rank in the middle of all Ontario Universities with declining balance plans

Rank	University	First Year	Proposed Increase for 15/16	Proposed 15/16 First Year Rate
1	York	\$2,500	0%	\$2,500
2	Ottawa	\$2,900	?	\$2,900
3	McMaster	\$3,075	4.6%	\$3,215
4	Ryerson	\$3,303	3%	\$3,402
5	Guelph	\$3,575	3%	\$3,682
6	UTM	\$3,649	1.5%	\$3,699
7	Brock	\$3,750	4%	\$3,900
8	University College (St. George)	\$3,917	3%	\$4,035
9	Windsor	\$3,990	2%	\$4,070
10	Western	\$4,220	5%	\$4,431
11	Waterloo	\$4,080	3%	\$4,202

Food

Summary Statement of Operating Results

(in \$000's)

	2013-14 Actual	2014-15 Budget	2015-16 Budget
Total Revenue	9,495	9,529	10,737
Total Cost of Sales & Service	7,504	7,719	8,870
Contribution Margin-Net Revenue	1,991	1,810	1,867
Total Expense	1,365	1,701	1,945
Operating Results before Transfers	626	109	(78)*

Note: * To be funded from Food Service Operating Reserves



Conference Services



Conference Highlights & Challenges

- Limited Space for large-group dining
- Accommodation Limits
 - Residence repairs/maintenance during summer
 - Residence use for ACE & other programs
 - Loss of 100 rooms in Erindale Hall
- Meetings and other activities space
- Continued growth in summer enrolments

Conference

Summary Statement of Operating Results

(\$000's)

	2013-14 Actual	2014-15 Budget	2015-16 Budget
Total Revenue	710	799	725
Total Expense	740	859	746
Operating Results before Transfers	(30)	(60)	(21)*

Note: *To be funded from Conference Services Operating Reserve

Parking



2,413 Spaces (Gross)
at Oct/14

Parking Highlights & Challenges

- Campus population growing
- Lots near capacity - Sept to Nov
- Estimated need for expansion of the deck in 2015, one year earlier than previously anticipated
- All net revenues are earmarked for expansion of deck in a Construction Reserve
- Financing of new deck will come from General UTM Capital Reserves, repayable over 10 years

Average and Peak Parking Utilization:

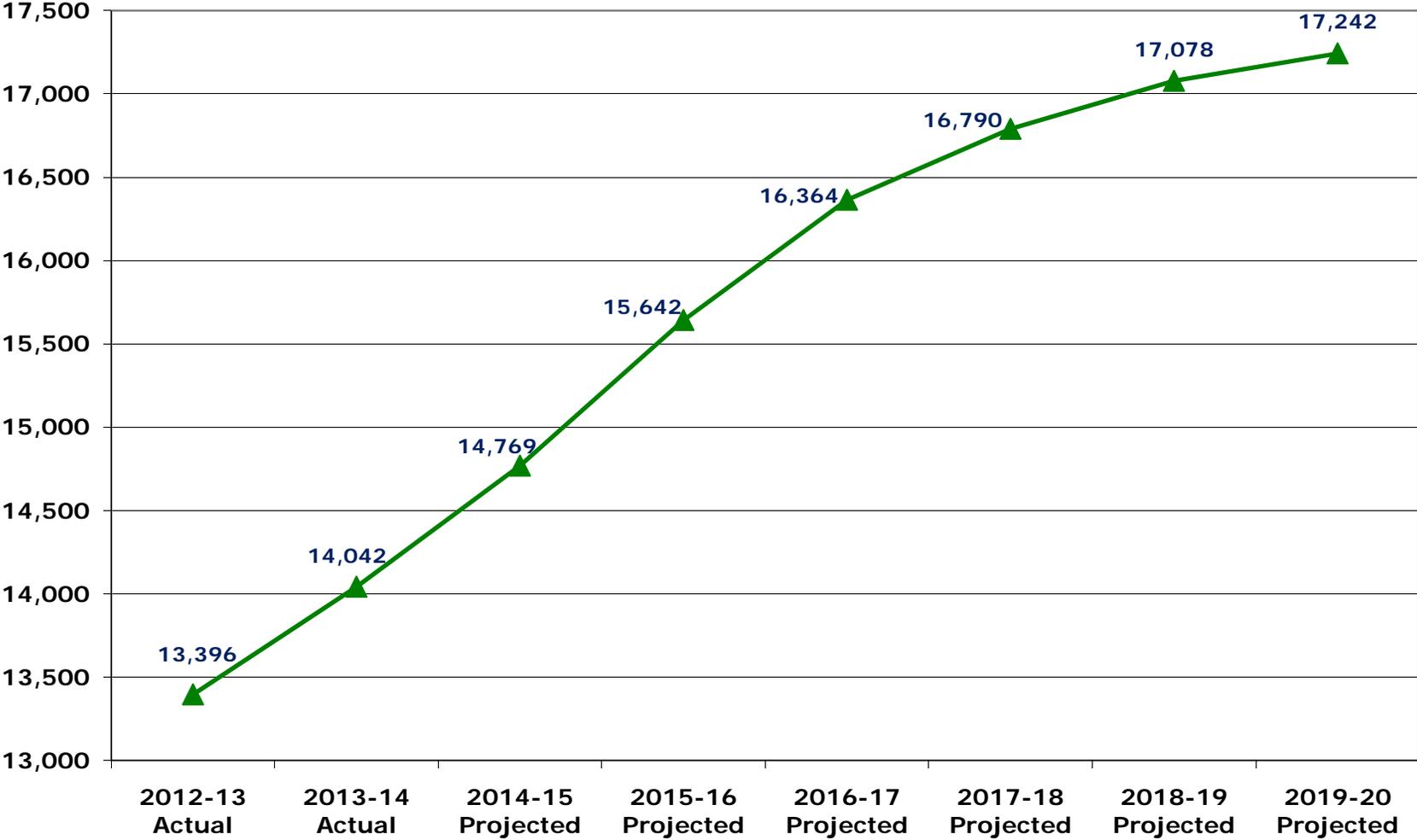
Fall Semester 2013 & 2014

As a percentage

		2013			
Parking Area	Capacity (Net)	September 2013 Average	September 2013 Peak	October 2013 Average	October 2013 Peak
P1	63	65%	92%	95%	108%
P4	350	66%	103%	73%	102%
P5	184	58%	76%	69%	78%
P8	872	76%	101%	89%	97%
P9	234	88%	103%	100%	102%
CCT Garage	361	60%	90%	77%	88%
Total Net	2064				

		2014			
Parking Area	Capacity (Net)	September 2014 Average	September 2014 Peak	October 2014 Average	October 2014 Peak
P1	63	56%	81%	60%	71%
P4	350	82%	112%	64%	82%
P5	187	53%	66%	50%	54%
P8	949	84%	99%	82%	96%
P9	233	92%	103%	96%	101%
CCT Garage	361	71%	94%	70%	85%
Total Net	2143				

UTM Population - Estimated Growth *



* Includes headcount estimates of undergraduate and graduate student populations (full-time & part-time), as well as appointed faculty and staff populations.

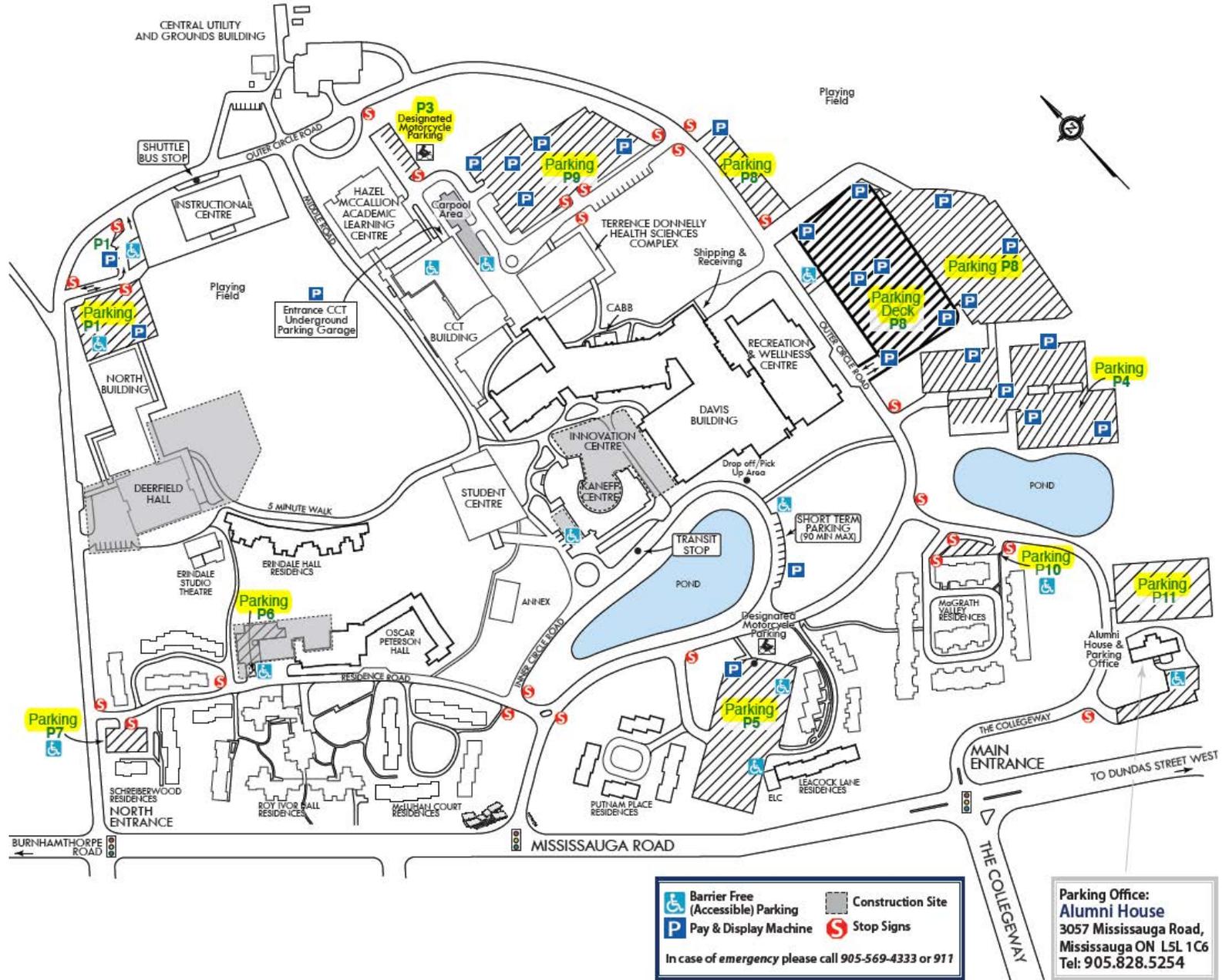
Proposed Parking Rate Change

- Permits will increase 3%, (annual 3% increase implemented in 2010/11)
- Range from \$570 (8-month) or 12-month @ \$684 to \$990 (competitive)
- **Increases:** from \$16.60 (8-month) or 12-month @ \$19.93 to \$28.86
- **Monthly Increase:** \$2.10 (8-months) or 12-month @ \$1.80 to \$2.40 (L Timmy's Coffee @ \$1.90)
- Pay & Display maximum daily rate to increase by \$1 to \$14 (last increased 7 years ago)

**University of Toronto Mississauga
Parking Services
Competitor Rates - 2014-15
in \$'s**

	<u>UTM</u>	<u>UTSC</u>	<u>St. George</u>	<u>York</u>	<u>McMaster</u>	<u>Credit Valley Hospital</u>
Reserved:						
Most expensive	961.96	1,086.72	2,976.00	1,676.69	1,212.00	N/A
Least expensive	961.96	835.92	1,560.00	1,370.24	339.00	N/A
Unreserved:						
Most expensive	686.53	N/A	1,308.00	1,453.63	N/A	948.00
Least expensive	664.27	N/A	1,308.00	1,065.82	N/A	948.00

Parking Lots

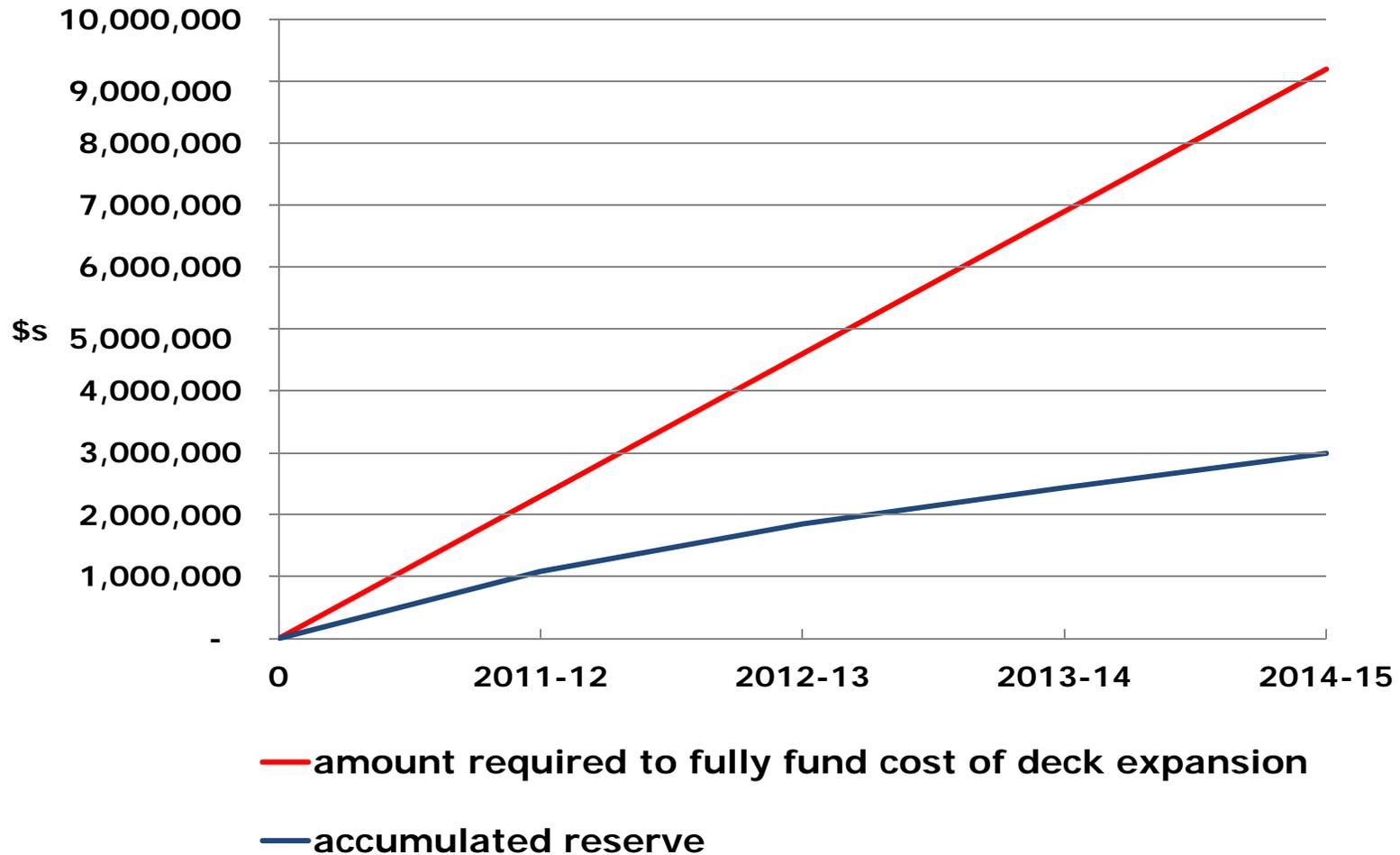


	Barrier Free (Accessible) Parking		Construction Site
	Pay & Display Machine		Stop Signs

In case of emergency please call 905-569-4333 or 911

Parking Office:
 Alumni House
 3057 Mississauga Road,
 Mississauga ON L5L 1C6
 Tel: 905.828.5254

Accumulated Reserve and Amount Required to Fully Fund Cost of Deck Expansion



Parking

Summary Statement of Operating Results

(\$000's)

	2013-14 Actual	2014-15 Budget	2015-16 Budget
Total Revenue	3,336	3,370	3,847
Total Expense	2,526	2,548	2,858
Operating Results before Transfers	810	822	989*

Note: * To be directed to Parking Ancillary's Capital Reserve
and used toward cost of Parking Deck #2

Summary



Schedules 1, 5 and 6

Thank You

Motion

Discussion & Questions