Service Ancillaries Report on Operating Plans 2012-2013

Hart House is a student activity centre at the University of Toronto established in 1919

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BACKGROUND

The University Affairs Board approves operating plans for all service ancillaries on an annual basis. This report 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 include each ancillary's annual operating budget, as well as changes to programs and levels of service, categories of users, accessibility, and compulsory or optional fees.

The service ancillaries' annual budgets for 2012-13 and long-range plans for 2013-14 to 2016-17 were reviewed by a number of local committees and councils. Membership in these committees and councils include students who play an integral part in the overall consultation process (see page 59).

Following this consultation process, the Financial Services Department (FSD) reviewed the management reports submitted by each ancillary. FSD analyzed the reports for completeness, adherence to fiscal policies and financial feasibility. FSD also assessed the progress made by measuring their performance against the four financial objectives established for ancillaries. These are:

1. 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.

2. To provide for all costs of capital renewal, including deferred maintenance. Provision must be made for regular replacement of furniture and equipment.

3. Having achieved the first two objectives, create and maintain an operating reserve (excluding capital requirements) at a minimum level of ten 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.

4. Having obtained the first three objectives, service ancillaries will contribute net revenues to the operating budget*. The rate of contribution will be established by each individual campus for each individual ancillary. (*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 operations.)

Issues requiring further action were identified by FSD and addressed by the ancillaries. Finally, the budgets were reviewed by the Service Ancillaries Review Group (SARG), which included three members of the University Affairs Board.

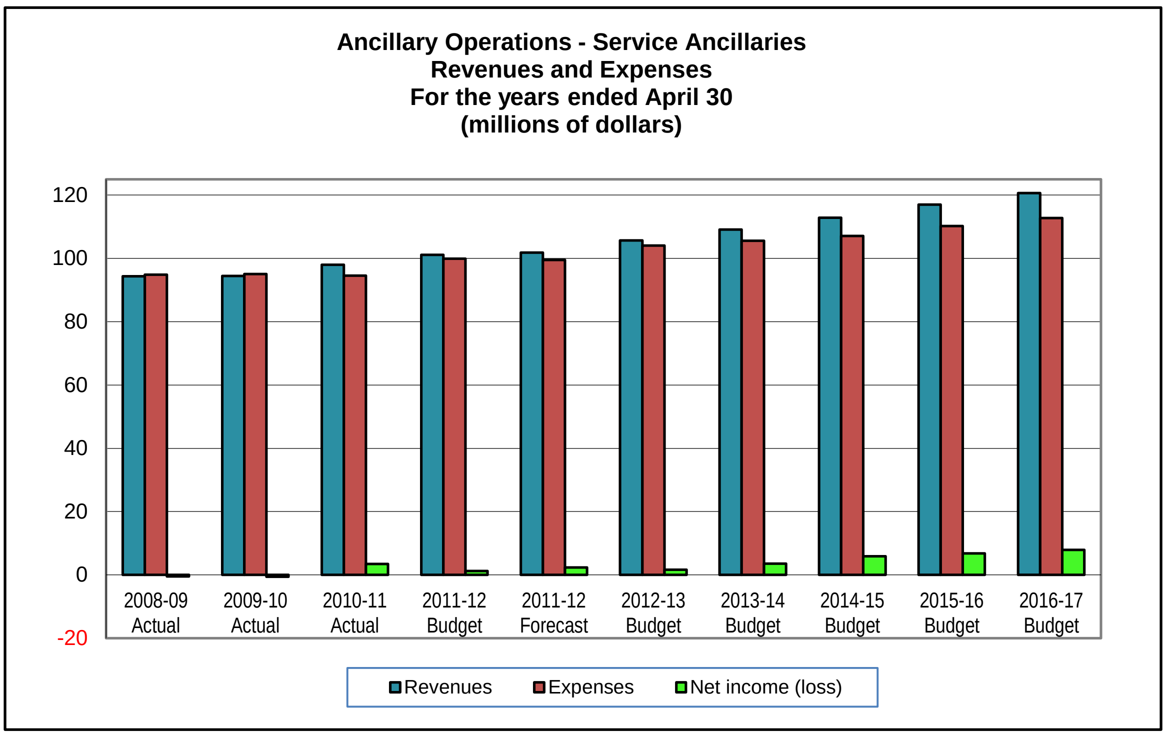
The SARG provides advice and formulates recommendations on the operating plans for all service ancillaries. The SARG process contributes to the success of the ancillary operations by providing direction and guidance on short and long-range planning. It reviews, monitors and provides recommendations on operating plans for approval. It also considers other matters that fall within its purview.

This report includes an executive summary and financial highlights with 2011-12 forecasts, 2012-13 budgets and long-range plans. The report also includes summary financial schedules. Copies of the detailed submissions may be obtained from any of the following offices: Governing Council, Vice-President, University Operations and Vice-Provost, Students.

Executive Summary

Financial Highlights

Service ancillaries are forecasting a net income of $2.3 million before transfers and subsidies at April 30, 2012 on projected revenues of $101.8 million. The forecasted net income represents a $1.1 million decrease from last year's net income of $3.4 million. The forecasted net income for 2011-12 was $1.1 million better than budget. This favourable variance from budget is attributed to residence and conference services ($1.2M), parking services ($0.5M), offset by net income decreases from food and beverage services ($0.5M) and Hart House ($0.1M). For the 2012-13 budget, the services ancillaries are anticipating a surplus of $1.6 million with $105.6 million of revenues and $104.0 million of expenses. This budget is projecting a decrease of $0.7 million in net income with an increase of 3.7% in revenues and 4.5% in expenses compared to the 2011-12 forecast.

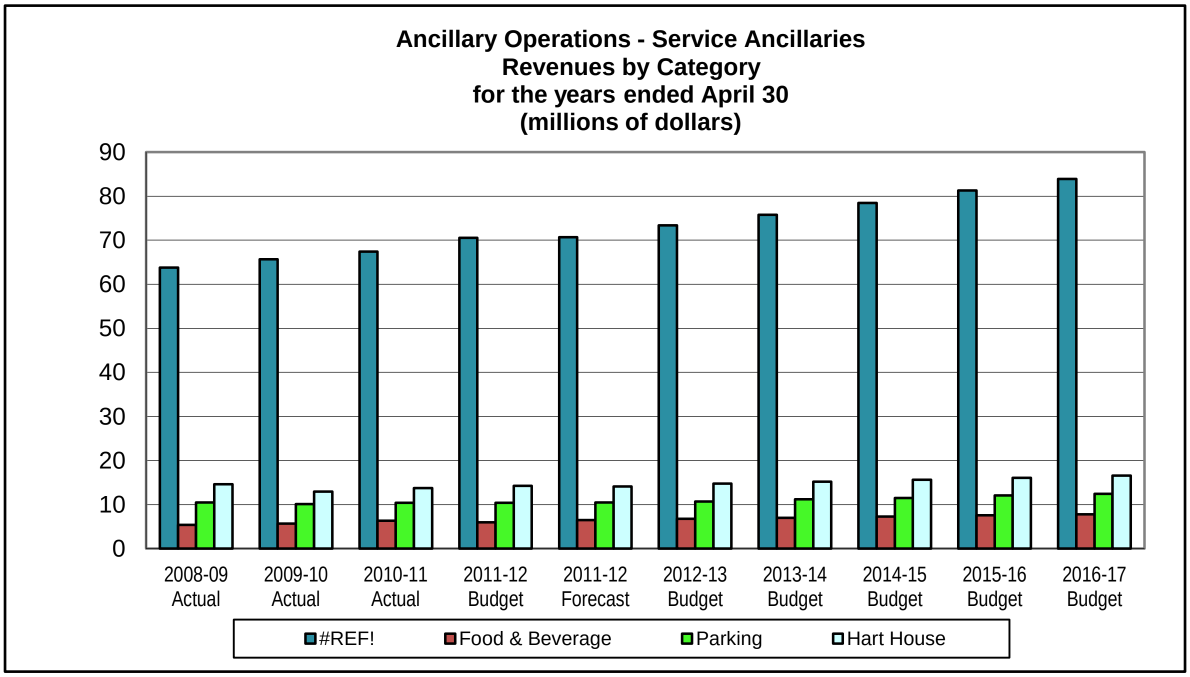


Service Ancillaries	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	94.3	94.4	97.9	101.1	101.8	105.6	109.1	112.9	117.0	120.7
Expenses	94.8	95.2	94.5	99.9	99.5	104.0	105.6	107.1	110.2	112.8
Net income (loss)	(0.5)	(0.8)	3.4	1.2	2.3	1.6	3.5	5.8	6.8	7.9

The long-range plans project a revenue increase of $15.1 million or 14% from 2012-13 to 2016-17. The projected average revenue growth in five years is: 14% from residence and conference services, 15% from food and beverage services, 16% from parking services and 12% from Hart House. This plan is anticipating operating surpluses annually for each budgeting period and to generate a net income of $7.9 million in 2016-17. This projected favourable result is mainly due to the loan principal and interest repayments remaining constant while revenues continue to grow. The positive outlook is mostly due to the anticipated net income of $6.4 million from residence and conference services, $0.9 million from food and beverage services, $0.3 million from parking services and $0.3 million from Hart House.

Revenues

The ancillaries are forecasting revenues to be $0.7 million better than budget. The $0.1 million decrease in revenues from Hart House was offset by an increase in revenues from food and beverage services ($0.5M), residence and conference services ($0.2M) and parking services ($0.1M). The total forecasted revenues for 2011-12 is $3.9 million higher than 2010-11 actual.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Residences & Conferences	63.8	65.7	67.5	70.5	70.7	73.3	75.7	78.4	81.3	83.9
Food & Beverage	5.4	5.7	6.3	6.0	6.5	6.8	7.0	7.3	7.6	7.8
Parking	10.5	10.1	10.4	10.4	10.5	10.7	11.2	11.5	12.1	12.4
Hart House	14.6	12.9	13.7	14.2	14.1	14.8	15.2	15.6	16.1	16.6
Total Revenues	94.3	94.4	97.9	101.1	101.8	105.6	109.1	112.9	117.0	120.7

The majority of residences are anticipating revenue growth with rental rate increases ranging from 2.7% to 5.0% while maintaining their optimal fall and winter session occupancy rates. It has been the experience of University of Toronto Scarborough (UTSC) that the returning and international students are more price sensitive with the ongoing competition from an off-campus housing market that provides accommodation at a lower price. Residence services had an excellent year in summer business. Conference services at UTSC had acquired a one-time-only lucrative filming contract that contributed substantially to its operating surplus. However, these special events are not expected to be repeated in 2012-13. Food and beverage services have incorporated sales improvements due to projected increases in enrolment, service capacity, and meal plan rates. A strong and cohesive marketing strategy also led to an increase in meal plan sales for non-residential students at the St. George Campus, a new stream of revenue. Parking services of University of Toronto Mississauga (UTM) and UTSC are projecting a modest revenue growth while parking services at St. George is budgeting 0.9% growth (see table on page 53). With the declining parking inventory and other financial pressures on the St. George campus, a comprehensive review of the parking operation was undertaken this year, to try to develop strategies to deal with the current unsustainable business model. Hart House also anticipates a modest increase in revenues; however, surplus and capital renewal reserves are expected to be spent on urgent deferred building maintenance. Overall, each service ancillary continues to develop strategies to strengthen their revenues and to operate more efficiently and effectively to achieve their missions.

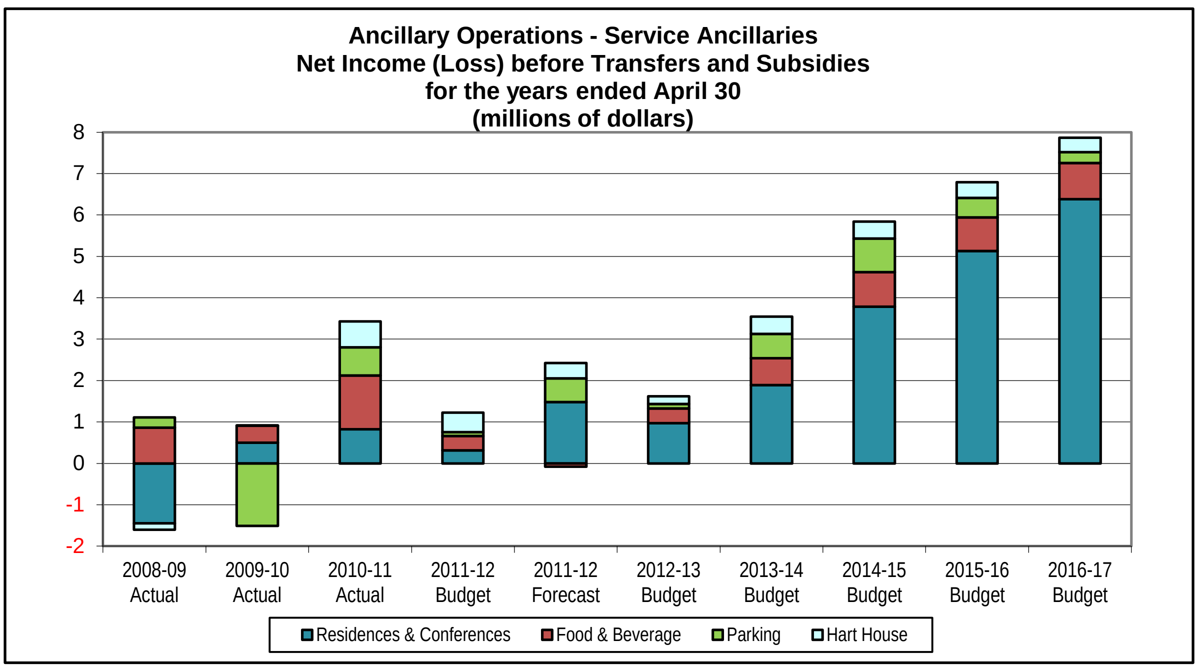
The 2012-13 budget incorporates a $3.8 million (3.7%) increase in revenues of which $2.6 million (a 3.7% increase) is from residence and conference services and $0.3 million (a 4.6% increase) is from food and beverage services. Hart House projects a revenue increase of $0.7 million (a 5.0% increase) while parking services anticipate a moderate increase of $0.2 million (a 1.9% increase).

The long-range plan projects revenues to increase by $15.1 million (14.3%) from 2012-13 to 2016-17. Of this increase, $10.6 million will come from the residence and conference services, $1.0 million from food and beverage services, $1.7 million from parking services and $1.8 million from Hart House.

Net Income (Loss)

The forecasted net income for 2011-12 is $2.3 million which is $1.1 million better than budget and represents a $1.1 million decrease from 2010-11. This net income is mainly as a result of the residence and conference services ($1.5 million) due to the continuing strong occupancy rates, excellent summer business and some one-time-only events for UTSC conference services. Parking services and Hart House also contribute to this favourable result.

This budget anticipates that the one-time-only summer business opportunities will not be repeated and builds in an increase in building major repairs and maintenance. A net income of $1.6 million is budgeted for 2012-13 which is $0.7 million lower than the forecasted income for 2011-12. This net income assumes a contribution of $1.0 million from residence and conference services, $0.3 million from food and beverage services, $0.1 from parking services and $0.2 million from Hart House.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Residences & Conferences	(1.4)	0.5	0.8	0.3	1.5	1.0	1.9	3.8	5.1	6.4
Food & Beverage	0.9	0.4	1.3	0.3	(0.1)	0.3	0.6	0.8	0.8	0.9
Parking	0.2	(1.5)	0.7	0.1	0.6	0.1	0.6	0.8	0.5	0.3
Hart House	(0.2)	(0.2)	0.6	0.5	0.3	0.2	0.4	0.4	0.4	0.3
Net income (loss)	(0.5)	(0.8)	3.4	1.2	2.3	1.6	3.5	5.8	6.8	7.9

The outlook on net income for the coming five years is very positive since the plans include some rate increases each year while loan principal and interest repayments remain constant. The long-range plan is showing an improvement in the net income position, an increase from $1.6 million in 2012-13 to $7.9 million in 2016-17. This is mainly due to an improvement of $5.4 million from residence and conference services, $0.6 million from food and beverage services, $0.2 million from parking services and $0.1 million from Hart House.

Ancillary Operations – Service Ancillaries
Net Income (Loss) before Transfers and Subsidies
for the years ended April 30
(millions of dollars)

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Forecast	2012-13 Budget	2016-17 Budget	Improvement 2016-17 over 2012-13	Five year planning period
Residences & Conferences								
UTM *	(0.5)	0.2	0.7	0.6	0.7	2.0	1.3	7.8
UTSC*	0.2	0.2	0.3	0.3	0.1	0.1	0.0	0.3
Family Housing	0.4	0.5	(0.6)	0.5	(0.1)	0.4	0.5	1.4
Innis College	0.2	0.3	0.3	0.3	0.2	0.6	0.4	2.1
Graduate House	(0.0)	(0.3)	0.2	0.2	0.2	0.4	0.2	1.7
Woodsworth College	(0.5)	(0.4)	(0.2)	(0.1)	(0.1)	(0.2)	(0.1)	(0.8)
New College	(0.8)	(0.0)	(0.2)	(0.1)	0.2	0.3	0.1	0.8
University College	0.1	0.2	0.4	0.4	0.0	0.6	0.6	1.2
Chestnut Residence **	(0.5)	(0.2)	(0.1)	(0.6)	(0.2)	2.2	2.4	3.7
	(1.4)	0.5	0.8	1.5	1.0	6.4	5.4	18.2
Food & Beverage	0.9	0.4	1.3	(0.1)	0.3	0.9	0.6	3.4
Parking	0.2	(1.5)	0.7	0.6	0.1	0.3	0.2	2.3
Hart House	(0.2)	(0.2)	0.6	0.3	0.2	03	0.1	1.7
Total Net income (loss)	(0.5)	(0.8)	3.4	2.3	1.6	7.9	6.3	25.6

** UTM and UTSC manage conferences as a separate ancillary while the other ancillaries combined their conference businesses with the residence ancillary.*

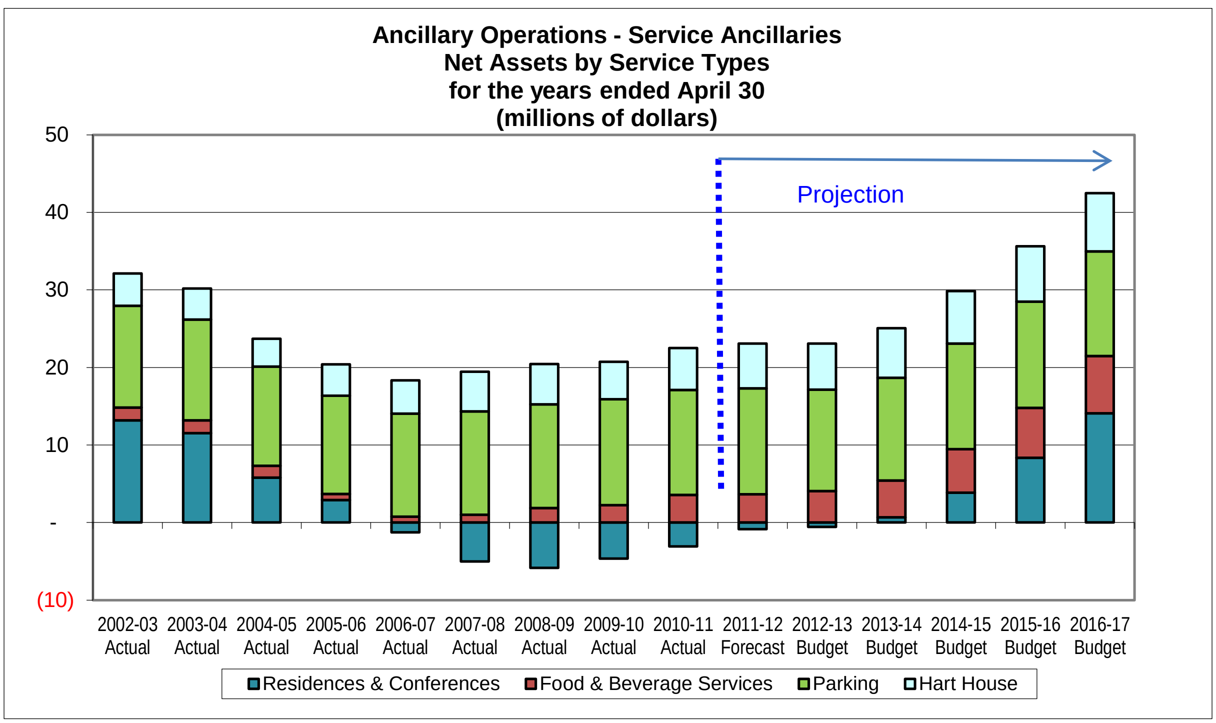
***Chestnut Residence includes revenue and expenses from Conferences, Food & Beverage and Parking.*

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, due to transfers in or out of ancillary operations, and due to operating fund subsidies. Net assets are recorded in several sub-categories and the sum of these various categories represents the total net worth of each ancillary.

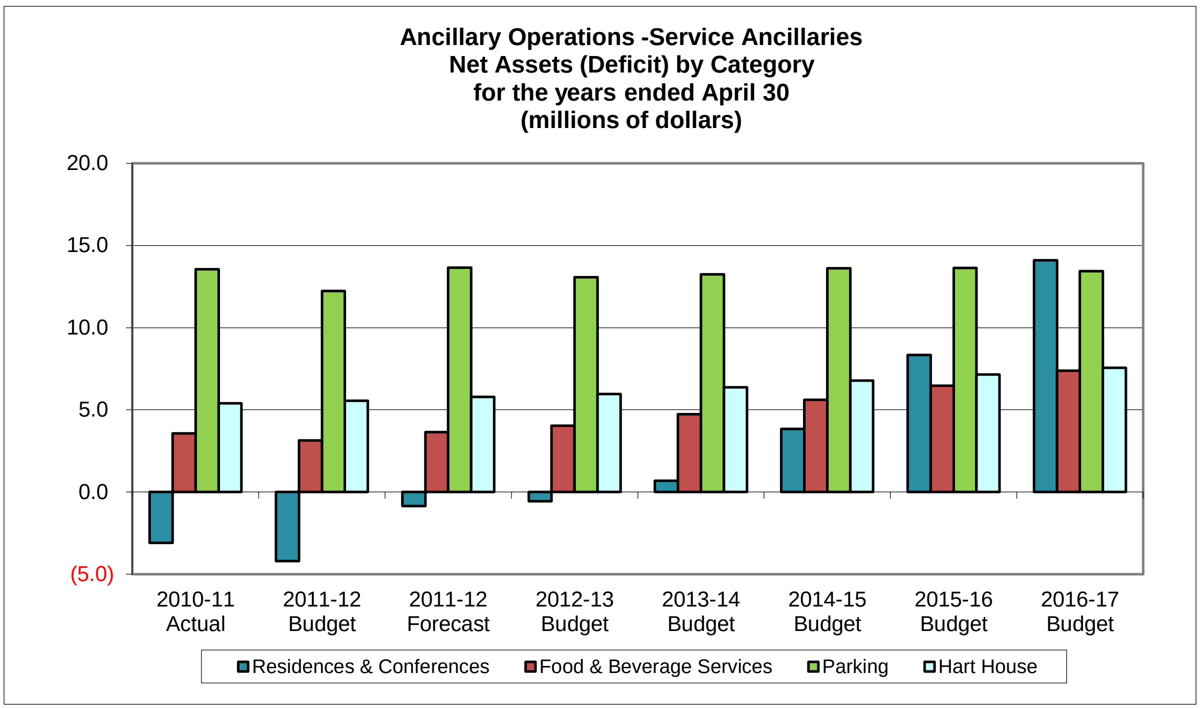
- The unrestricted net assets category represents net assets on hand that have not been set aside for any of the specific purposes listed below.
- Various reserves such as the operating reserve, capital renewal reserve and new construction reserve represent net assets that have been set aside for these specific purposes.
- Investment in capital assets represents university funds that have previously been spent on capital assets. When those funds are spent they result in an increase to this category and an offsetting decrease in unrestricted net assets. Over time, depreciation charges cause a decrease in the investment in capital assets category as the depreciation is funded from future revenues, thus increasing the unrestricted net assets category.

The following chart shows the history of actual net assets for service ancillaries from 2003 to 2011 and projects the net assets in accordance with long-range plans to 2017.



This chart shows the impact of the major expansion of residence beds and other service ancillaries to accommodate the large increases in enrolment and student population that has occurred since 2002.

For 2011-12, the service ancillaries are forecasting total net assets of $22.2 million. The St. George Family Housing ancillary also has a trust fund of $0.6 million, which is reserved for major capital improvements based on the purchase agreement with the Ontario Housing Corporation (OHC). The 2012-13 operating plans project total net assets of $22.5 million after transfers of $0.2 million from ancillary operations to the operating fund.



The anticipated total net assets of $22.5 million for 2012-13 are the sum of $27.4 million investment in capital assets, $11.0 million commitments to capital renewal, $8.2 million to operating reserves, $3.5 million to new construction reserves partially offset by $27.6 million in unrestricted deficit (see schedule II and III for details). As depreciation is charged and funded from future revenues, the $27.4 million investment in capital assets will decrease and the unrestricted deficit will also decrease. It should be noted that this report assumes that borrowing that has been internally financed with funds sourced from outside ancillary operations, is treated as external financing. In the University's financial statements such internal borrowing must be recorded as an $89.7 million increase in both the investment in capital assets and unrestricted deficits with no overall change in net assets.

Ancillary Operations – Service Ancillaries
Net Assets (Deficit)
for the years ended April 30
(millions of dollars)

	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
UTM	(4.1)	(4.2)	(3.5)	(3.0)	(1.7)	(0.1)	1.9	3.8
UTSC	2.2	2.0	2.5	2.6	2.6	2.6	2.8	2.8
Family Housing	3.1	2.4	3.2	2.7	2.3	2.3	2.4	2.4
Innis	3.0	3.0	3.2	3.2	3.4	3.8	4.2	4.8
Graduate House	1.8	1.9	2.1	2.2	2.7	3.2	3.4	3.8
Woodworth	4.1	4.8	5.1	5.0	4.9	4.7	4.5	4.3
New College	(6.0)	(5.9)	(6.0)	(5.8)	(5.8)	(5.7)	(5.6)	(5.3)
University College	4.0	3.9	4.4	4.4	4.4	4.6	4.9	5.5
Chestnut Residence	(11.2)	(12.1)	(11.7)	(11.9)	(12.1)	(11.6)	(10.2)	(8.0)
Residences & Conferences	(3.1)	(4.1)	(0.9)	(0.6)	0.7	3.8	8.3	14.1
Food & Beverage	3.6	3.1	3.6	4.0	4.7	5.6	6.5	7.4
Parking	13.5	12.2	13.6	13.1	13.3	13.6	13.7	13.5
Hart House	5.4	5.6	5.8	6.0	6.4	6.8	7.2	7.5
Total Net Assets	19.4	16.7	22.2	22.5	25.1	29.8	35.7	42.5

Most residences (except Innis College and St. George Family Housing) are projecting an unrestricted deficit. Residences with accumulated deficits are charged interest on the deficits and must absorb any interest rate changes on this short-term financing of deficits (long-term loans are all at fixed rates).

Net assets are expected to grow to $42.5 million by 2016-17 reflecting an increase of $20 million from 2012-13. This increase consists of growth of $14.7 million from residence and conference services, $3.4 million from food and beverage services, $0.4 million from parking services and $1.5 million from Hart House.

Ancillary Debt

For 2011-12, the service ancillaries are projecting a total outstanding debt of $237.7 million (on original loans issued of $305.3 million), of which $212.1 million is for residence services and $25.6 million for parking services. The estimated principal and interest repayment on the borrowing for residence services is projected to be $22.1 million, representing 32.0% of revenues. The estimated interest costs on borrowing will be $14.1 million or 20.5% of revenues or 20.8% of expenses.

However, on an individual residence basis, principal and interest costs can be as high as 52.3% of revenues. This represents the main reason why certain residence ancillaries are not currently breaking even. The majority of this borrowing is allocated to the residence ancillaries and, therefore, subsidies were provided to some ancillaries from the University's operating budget and from existing operations with a plan that they would break even annually in year five and cumulatively in year eight from inception of the building.

In this long-range plan, UTM has included additional borrowing for future capital projects for their food and beverage services and parking services operations.

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

	2010-11 Actual	**2011-12 Forecast**	**2012-13 Budget**	**2013-14 Budget**	**2014-15 Budget**	**2015-16 Budget**	**2016-17 Budget**
Residences:							
Chestnut Residence	62.4	60.4	58.3	56.0	53.6	51.0	48.2
UTM	50.3	48.5	46.6	44.6	42.4	40.1	37.7
New College	23.1	22.2	21.3	20.3	19.3	18.2	17.0
Woodsworth	21.9	21.2	20.5	19.8	19.0	18.1	17.2
UTSC	16.6	15.7	14.8	13.9	13.0	12.0	11.0
St. George Family Housing		14.3	13.4	12.6	11.6	10.6	9.6
University College	14.2	13.7	13.3	12.8	12.3	11.8	11.2
Graduate House	13.6	13.1	12.4	11.7	10.9	10.1	9.2
Innis	3.3	3.0	2.7	2.3	1.9	1.5	1.0
Sub-total	220.5	212.1	203.3	194.0	184.0	173.5	162.3
Food & Beverage							
UTM (new loan)					1.9	1.8	1.6
Parking:							
UTM	10.6	10.3	9.9	9.5	9.0	8.6	8.1
UTM Parking Deck (new loan)						5.6	4.9
UTSC	6.9	6.6	6.4	6.2	5.9	5.6	5.3
St. George	9.0	8.7	8.4	8.0	7.6	7.2	6.8
Sub-total	26.5	25.6	24.7	23.7	22.6	27.0	25.0
Total Loan Balance	247.0	237.7	228.0	217.7	208.6	202.3	188.9

Factors such as enrolment growth, the first year residence guarantee program and demand from upper year students to return to residence has continued to sustain the optimal fall and winter session occupancy rate for residence services. The building expansion on all three campuses to increase residence spaces has put a strain on the financial viability of most residence operations. Minimal down payments for new residence buildings resulted in substantial borrowings and in turn large annual principal and interest costs. The impact of these large borrowings leads to financial deficiencies in some of the newly constructed residences and continues to impact the long-range budget plans. Residence ancillary operations with new buildings supported by partial down payments, donations or operating fund subsidies are more financially sound. Increasing repairs and maintenance costs for older buildings has led to increased operating costs for some residence operations.

Although subsidies received from the Academic Priorities Fund and the former office of the Vice-President, Business Affairs provided some relief from the financial pressure of substantial borrowings, residences continue to seek opportunities to maximize their revenues and to be cost effective in order to break even. In 2008, a pilot group was set up with financial representatives from each residence operation to develop a “per bed” analysis. The comparative study provided valuable information to residence ancillaries to better understand their relative position among operations and allowed for various benchmarks. That report will continue to serve as a benchmark for all residence operations.

All residence services implemented strategies to maximize their revenues and/or reduce costs for their operations while maintaining the highest quality of residence life to students and keeping residences viable and attractive. The followings are the key accomplishments for 2011-12:

- UTSC has completed the kitchen/bathroom renovation in Koa Hall and installed a wireless network throughout the residences. The Academic Programmer & Promoter team has expanded to increase academic support and focus on the residence. A new team of student leaders was established to serve as digital community facilitators.
- At St. George Family Housing, healthy occupancy levels were achieved through aggressive advertising and marketing strategies, continued partnerships with academic areas and university departments, residence life services, residence tours for applicants and high service levels and building fabric improvements.
- Innis College had an excellent summer primarily due to the flawless logistical planning around summer maintenance. Rooms were opened early enough to house a second round of summer residents.
- Graduate House will provide admissions and residence administration on-line using the StarRez system and substantial energies have been focused to

providing a diverse and dynamic residence life program and on-going facility renewal initiatives.

- Woodsworth College experienced a very successful summer business and excess funds were allocated to capital renewal and operating reserves.
- New College had an opportunity to join a larger elevator modernization project to refurbish the five elevators in Wetmore Hall and Wilson Hall, a project originally scheduled for 2012-13. The elevator modernization will include both security and accessibility enhancements. This has a beneficial effect on their summer residence operations which have become increasingly important to the residence ancillary's financial position.
- University College continues to enjoy success in obtaining donations from alumni to cover expenses for renovation and refurbishment for the residence. All required maintenance has been completed, a window replacement program began in the Sir Daniel Wilson Residence and the Whitney Hall Porters' Office was relocated and renovated.
- Chestnut Residence converted several rooms from single to double occupancy and fewer rooms were offered to exchange students in order to meet an increased demand from first-year guarantee students. This has increased the expected academic year revenues from students.

In 2011-12, food services have one new addition, Café and Lounge at. There was no new development on the St. George campus, but food outlets were renovated at Robarts, MSB and the Multi-Faith Centre. Although the food service ancillary at St. George is not responsible for every food operation on campus, it plays an important coordinating role and has taken responsibility for implementing numerous campus-wide events and programs. In addition, Food Service took over the operation of meal plan sales and marketing previously handled by Aramark on the St. George campus.

It has always been a challenge to increase revenues for conference ancillaries due to the shortage of meeting and conference space on campus. However, UTSC acquired an unanticipated filming contract as well as profited from a one-time-only opportunity to introduce a level 1 program for Green Path students.

The parking space inventory has almost returned to its original level after construction of the buildings at UTM whereas inventory at UTSC has declined over the years with no new construction since 2003-04. Parking services at the St. George campus undertook a review of the operation by an outside consultant. It undertook a comprehensive review of the operation and recommended strategies to deal with the current unsustainable business model. The ancillary began to follow some of these recommendations and is in the process of reviewing others in order to reduce the projected deficits. It is important to note that on the St. George campus, the supply of parking is adequate for student, staff, faculty, and visitors.

Hart House has taken several initiatives to enhance the student experience and improve operational efficiency and effectiveness over the long term. These initiatives include: establishing key co-curricular linkages between Hart House programs and other divisions, creating additional multi-use space for recreational classes by renovating the shooting range and increasing a variety of programming events, series and classes in the areas of self-expression and self-knowledge.

Residence Services

Over the years, the residence expansion has presented the University with a financial challenge. New residence buildings with minimal down payments carry large annual principal and interest costs. The approved subsidy from the Academic Priorities Fund (APF) in support of residence expansion is ending in 2011-12.

The residence expansion has necessitated temporary changes to the ancillary principles mentioned earlier for Woodsworth College, New College and Chestnut Residence. In the case of the first objective, a subsidy can be provided for a maximum of eight years through the APF from the University's operating budget to a college's residence ancillary budget to cover a portion of the cost of borrowing. The combined ancillary operation will be required to break even annually in year five and cumulatively in year eight. The subsidy amount was calculated at the time to achieve those break-even targets. In the case of the second objective, the normal 1.5% capital renewal provision for new residence buildings will be deferred until the sixth year of operation. The third objective will remain unchanged, i.e., the residence ancillary will continue to be responsible for funding operating and maintenance contingencies in the residences. It should be noted that for all residence operations, the first three objectives must be met before the fourth can be invoked, i.e., transfers from residence and conference services to the divisional operating budget can only occur when residence and conference services combined meet the first three objectives.

In the intervening period, it is expected that residence and conference services will remain within their ancillary budgets and use the funds normally transferred to their college operating budget. The ancillaries will use these funds to support the expansion program. This expectation has been factored into the financial plans. The colleges have submitted their financial plan for their residence expansion program and have included the calculation of the maximum subsidy available to each division from the APF. Each year, during which a central subsidy flows to a college, the actual amounts generated by the residence and conference ancillaries combined will be compared to the amounts required in the subsidy model. Colleges will be allowed to transfer any excess amount to their operating budgets as required by the subsidy model in order to generate annual break-even results for the ancillary in year five and cumulative break-even results in year eight.

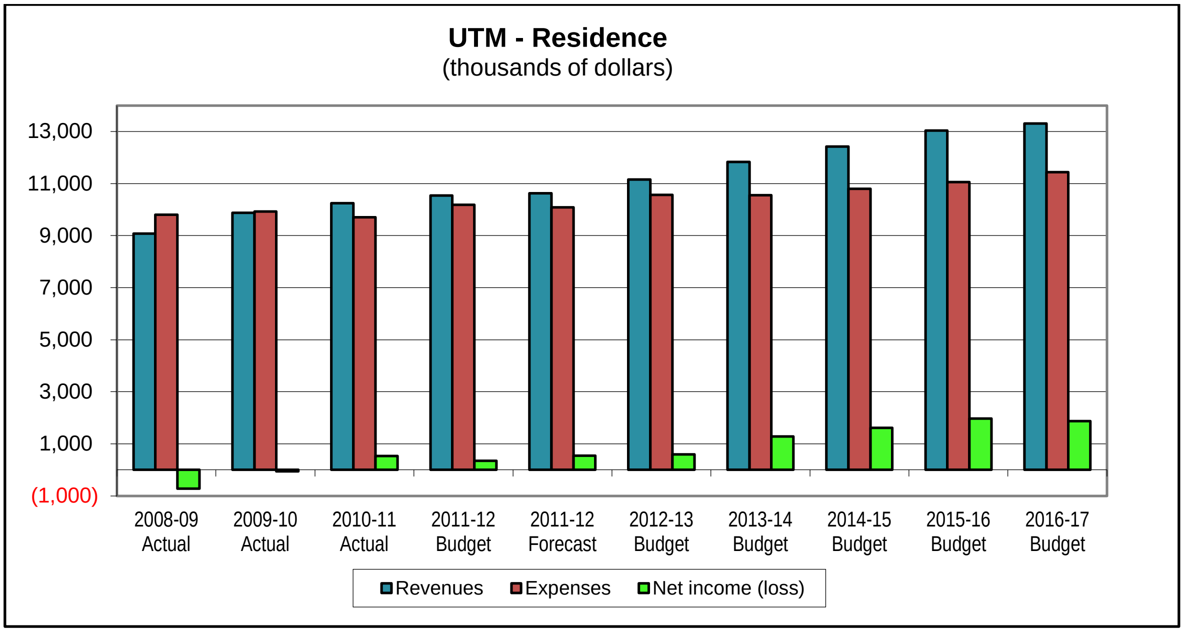
The ancillary objectives have been modified for UTM, New College, Woodsworth College and University College Residences to allow for deficits, with targets of annual break-even in year five and cumulative break-even in year eight, with deferral of the capital renewal provision on new construction to year six. For the 2012-13 budget year, Innis College will meet all four objectives and UTSC, University College, St. George Family Housing and Woodsworth College are budgeting that the first three objectives will be met in the 2012-13 budget. UTM, New College, Graduate House and Chestnut Residence will meet only one objective.

UTM

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 2011-2012 fall and winter is forecasted slightly above projections of 95%.

The ancillary is forecasting an operating surplus of $540,459 in 2011-12, which is $193,069 higher than budget. The favourable variance is mainly due to higher summer occupancy than what was projected due to increased demand and availability. Savings from salaries, utilities, communications costs and interest expenses also contributed to this favourable variance.

This ancillary is projecting its operations to have a positive operating result in 2012-13 (year six of Phase 8 residence) and a positive total fund balance by approximately 2015-16 (year nine of Phase 8 residence). The ancillary is anticipating a $592,236 surplus for 2012-13. The UTM residences ancillary is forecasting net assets to be in a deficit of $3.4 million in 2012-13 and projecting net assets will be positive in 2015-16. For its 2012-13 budget, this ancillary is projecting an unrestricted deficit of $5.1 million with a $0.5 million capital renewal reserve and a $0.9 million operating reserve.



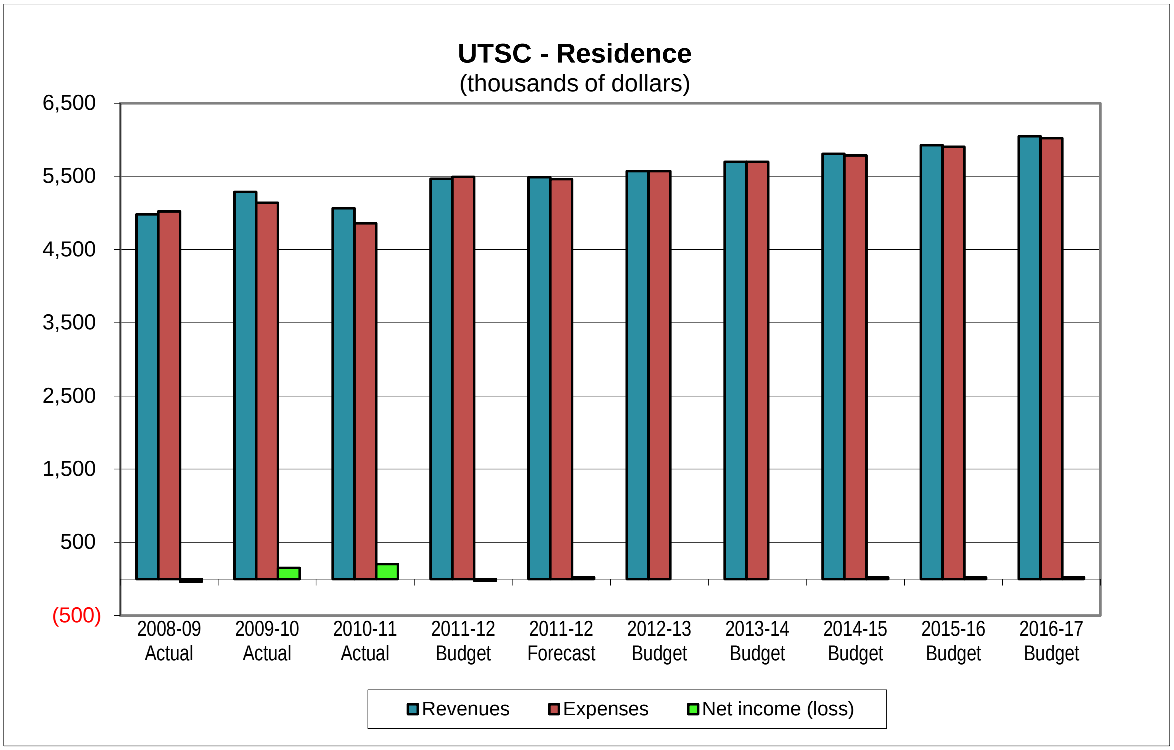
	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	9,079	9,873	10,242	10,537	10,623	11,154	11,832	12,422	13,032	13,306
Expenses	9,801	9,928	9,707	10,190	10,082	10,561	10,549	10,803	11,058	11,432
Net income (loss)	(722)	(55)	535	347	541	592	1,283	1,619	1,974	1,874
Percentage increase in revenues		*8.7%*	*3.7%*	*2.9%*	*0.8%*	*5.0%*	*6.1%*	*5.0%*	*4.9%*	*2.1%*

This operating plan is based on a 5% rate increase in 2012-13 assuming occupancy will remain at 95%. However, beginning in 2013-14, occupancy is anticipated to increase to 96% based on anticipated recruitment targets. Major maintenance projects are planned throughout the five-year operating plan which includes replacement of roof and individual air-handling units. Furniture and equipment depreciation is anticipated to increase in 2015-16 with planned furniture replacement in 100 townhouses at a projected cost of $1 million dollars. The ancillary is currently developing a comprehensive 20-year facilities replacement cycle in an effort to enhance future budget and operational planning practices. Upon completion, the replacement cycle will allow for more specific budget planning practices related to the annual and major maintenance expenditures, based on anticipated life cycles of items established on current and anticipated replacement costs.

UTSC

Student housing at UTSC consists of 767 beds in 114 townhouses and 56 apartments. Five houses and one apartment are specially designed with disability access.

In 2011-12, this ancillary has completed the kitchen/bathroom renovation in Koa Hall and installation of a wireless network throughout the residences. The Academic Programmer & Promoter team has expanded to increase academic support and focus in the residences. New team student leaders have been established to serve as digital community facilitators.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	4,983	5,290	5,063	5,468	5,487	5,570	5,699	5,808	5,925	6,047
Expenses	5,021	5,138	4,858	5,493	5,464	5,570	5,699	5,787	5,904	6,021
Net income (loss)	(38)	152	205	(25)	23	0	0	21	20	26
Percentage increase in revenues		*6.2%*	*-4.3%*	*8.0%*	*0.3%*	*1.5%*	*2.3%*	*1.9%*	*2.0%*	*2.1%*

The residence ancillary is forecasting an operating surplus of $22,865 for 2011-12, which is $47,598 better than budget. The favourable result over budget is due to a decrease in cleaning and other miscellaneous expenses. Net assets are forecasted to be $1.4 million, of which $0.9 million is in the capital renewal reserve, $0.6 million in the operating reserve and $1.5 million for investment in capital, leaving $1.6 million in the unrestricted deficit.

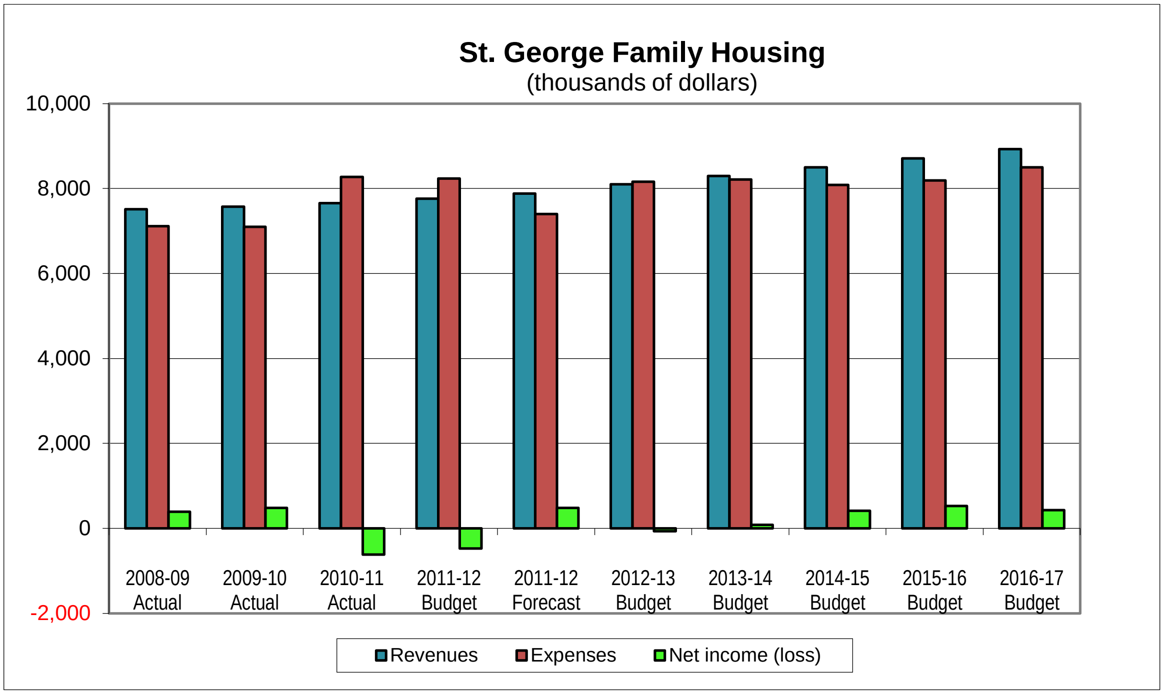
The 2012-13 budget anticipates a break-even operation. Net assets will remain at $1.4 million with a similar net asset allocation as forecasted in 2011-12. This budget projects the operation will turn into surplus in 2014-15. Net assets are projected to be at $1.5 million in 2016-17 with a $1.1 million unrestricted deficit.

Both upper year and international students have shown signs of price sensitivity, creating a barrier to funding program growth and renovation projects through fee increases. The ancillary also faces ongoing competition from an off-campus housing market that provides local accommodation at a lower price. As a result, the ancillary continues to make efforts to balance program growth and rising expenses with sustainable fee increases, targeting the 2-3% range over the next five years. There will be no rate increase for the suite style room this summer. This budget assumes various occupancy rates by type of room and by session. The occupancy rate assumption is less than 100% in the winter semester due to academic suspension (and various other causes) that lead students to withdraw from residence.

St. George Family Housing

St. George Family Housing (Family Housing) has 712 apartment units in the two buildings at 30 and 35 Charles Street West with child care on-site operated by George Brown College's Early Childhood Education program. There is also a roof top garden at 30 Charles Street which provides additional space for outdoor events, as well as a children's garden and play area. These two buildings house approximately 2,000 women, men and children of which 50% are international students coming from over 60 different countries. The tenancy is partially covered by the Residential Tenancies Act. The ancillary is committed to providing a safe, well-maintained, affordable living environment where student families can participate in a supportive community.

Family Housing continues to experience healthy occupancy levels and maintains a moderate sized wait list of applicants. This is mainly due to aggressive advertising and marketing strategies implemented several years ago, continued partnerships with academic areas and university departments, residence life services, residence tours for applicants and the reputation of high service levels and building fabric improvements. Many large capital repairs have been completed including repairs to the underground parking garage at 35 Charles Street, painting of the building lobbies, corridors and apartment doors with the installation of durable wall protection material in high traffic areas and new directional signage throughout both buildings. In addition to these capital projects, laundry equipment was also replaced with energy efficient or "energy-star" rated commercial laundry equipment.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	7,513	7,577	7,659	7,765	7,881	8,097	8,297	8,503	8,713	8,929
Expenses	7,117	7,096	8,272	8,235	7,400	8,163	8,216	8,086	8,188	8,498
Net income (loss)	396	481	(613)	(470)	481	(66)	81	417	525	431
Percentage increase in revenues		*0.9%*	*1.1%*	*1.4%*	*1.5%*	*2.7%*	*2.5%*	*2.5%*	*2.5%*	*2.5%*

Family Housing is forecasting an operating surplus of $480,921 in 2011-12, which is $951,223 better than budget. The timing of the capital expenditure was the main cause to this favourable variance. Out of the $1.6 million budgeted expense in major maintenance, $544,000 of the expenses were completed between January and April 2011. In addition, healthier occupancy levels and new laundry equipment have contributed a favourable variance of $116,252 in revenues. The operation will end the year with net assets of $3.2 million ($1.3 million capital renewal reserve, $0.6 million operating reserve, $0.4 million investments in capital assets and the remaining $0.9 million in unrestricted surplus).

The operating plan for 2012-13 assumes a rental rate increase of 3% in order to maintain the desired level of services, annual maintenance and necessary improvements to the buildings. An engineering study on the two buildings has been completed and improvements outlined are included in the capital planning. An operating loss of $66,381 is budgeted for 2012-13 with net assets reduced to $2.7 million.

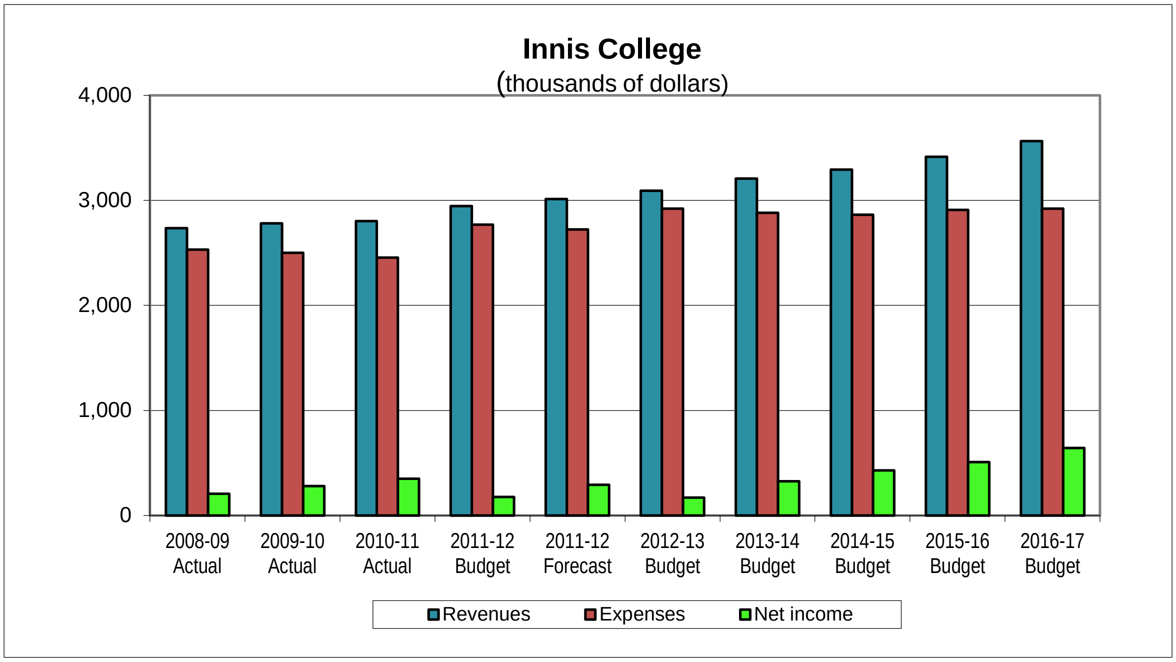
The long-range plans assume rent increases of 2.5% to 3% per year over the next few years. These rate increases will allow the ancillary to maintain the buildings at a level that both the University and the residents desire. In 2016-17, net assets are projected to be at $2.4 million.

Innis College

The Innis College residence opened in 1994 and has a total of 339 beds in 81 suite style apartments. The ancillary is anticipating an operating surplus of $291,123 in 2011-12, which is $115,772 better than budget. Two factors that contribute to the surplus are higher summer revenues and lower direct expenses. The favourable variance from summer revenues was primarily due to the flawless logistical planning around summer maintenance. Rooms were opened early enough to house a second round of summer residents. The contributors to the favourable variance in expenditures are:

- exterior insulation cladding maintenance of $50,000 was deferred to 2012-13
- elevator controls and the fire annunciator panel replacement were postponed after being checked and serviced.

This ancillary is forecasting annual operating surpluses for the next five years. The forecasted net assets for 2011-12 are $3.2 million, and are projected to increase to $4.7 million by 2016-17. For the 2012-13 budget year, this ancillary is projecting an unrestricted surplus of $0.7 million with $0.4 million in investment in capital assets, a $2.0 million capital renewal reserve and a $0.2 million operating reserve. The capital renewal reserve is projected to increase to $4.2 million by the end of this long-range plan.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	2,736	2,780	2,803	2,945	3,014	3,093	3,208	3,292	3,416	3,564
Expenses	2,531	2,500	2,454	2,769	2,723	2,922	2,882	2,862	2,909	2,923
Net income	205	280	349	175	291	171	326	430	507	641
Percentage increase in revenues		*1.6%*	*0.8%*	*5.1%*	*2.4%*	*2.6%*	*3.7%*	*2.6%*	*3.8%*	*4.3%*

Summer room rates will increase by 2.0% year-over-year. The fall and winter room rates are budgeted to increase 5.0% (at a 98% occupancy rate) in order to gradually provide for:

- Replacement of a declining provincial government bed grant;
- Increased maintenance and repairs as the building ages; and
- Sufficient future funds for replacement of major building systems.

The capital renewal reserve is being built up with reference to the *System Renewal Report* issued in the summer of 2009 where asset replacement funding (by major building system) is provided for over the remaining estimated service life of the asset system on a straight line basis, adjusted for inflation. The purpose of a capital reserve is to set aside monies on an annual basis in order to provide sufficient funds for the major repair and replacement of primary building systems on a long-term basis. A capital reserve provides a mechanism to share this funding among all residents from year one through year twenty-five.

The total renewal cost of capital assets to be replaced between 2019 and 2034 is estimated to be over $13 million. Building system components that require replacement and/or maintenance prior to this renewal period have been addressed and are provided for in budget periods 2012 through 2016. Given the projected capital renewal reserve funding increases required over the next 5 years, the unrestricted surplus amount will be held for this purpose.

With the continued success of the residence's summer business, the adequacy of its reserves and expected future positive financial performance, $125,000 will be transferred in fiscal 2011-12 to the College in support of its academic mission.

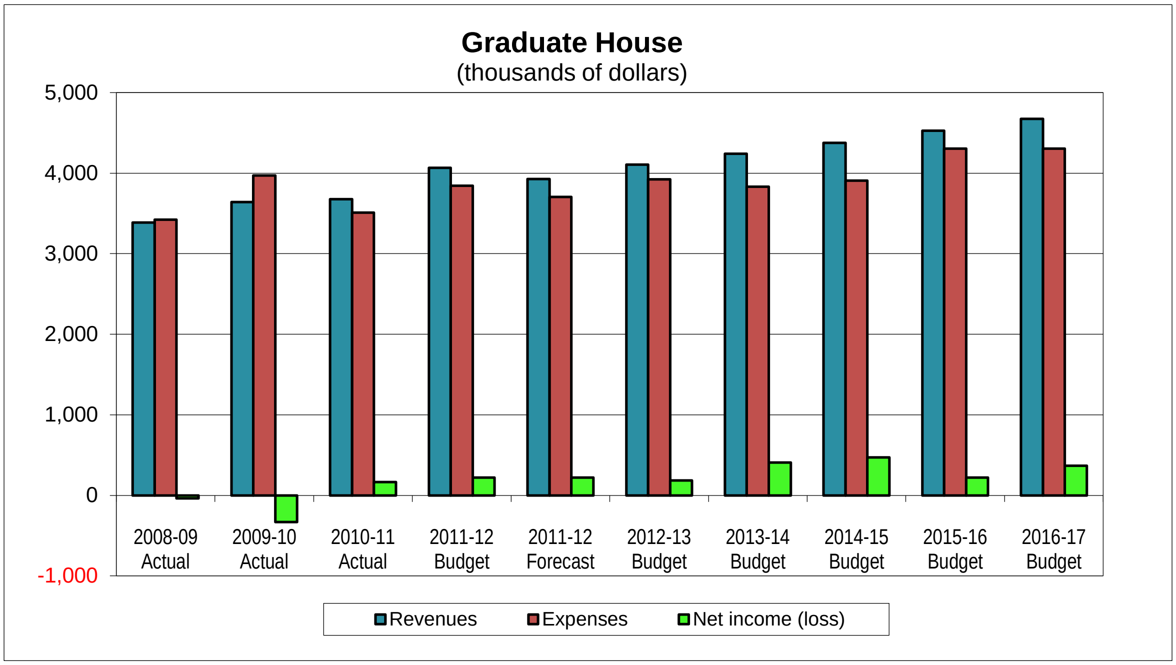
Graduate House

Graduate House opened in 2000 and is a 423-bed, suite-style residence operated by Ancillary Services in cooperation with the School of Graduate Studies as primary stakeholder. It is home to both students from the School of Graduate Studies and students from six second-entry professional faculties (Dentistry, Law, Medicine, Nursing, Education, and Pharmacy).

This year, considerable energies have been focused on the provision of a diverse and dynamic residence life program, ongoing facility renewal initiatives, and continuous efforts to improve service to the residents. Key accomplishments include:

- Continuation of the phased suite renovation programs
- Provide on-line admissions and residence administration through the implementation of StarRez system
- Roof repairs completed in Fall 2011
- Expanded residence life programs and higher participation and attendance at events
- On-going efforts to streamline and improve customer service through the existing student feedback mechanisms.

The ancillary is forecasting a surplus of $221,419 for 2011-12, which is almost on budget. While summer revenues were 11% higher than the previous year, they still fell short of this year's budget due to stiff competition for summer business. This revenue shortfall was offset by savings from office supplies and cleaning.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	3,386	3,642	3,678	4,067	3,927	4,108	4,242	4,377	4,527	4,674
Expenses	3,424	3,972	3,512	3,846	3,706	3,922	3,833	3,907	4,304	4,305
Net income (loss)	(38)	(330)	167	221	221	186	409	470	223	369
Percentage increase in revenues		*7.6%*	*1.0%*	*10.6%*	*-3.4%*	*4.6%*	*3.3%*	*3.2%*	*3.4%*	*3.2%*

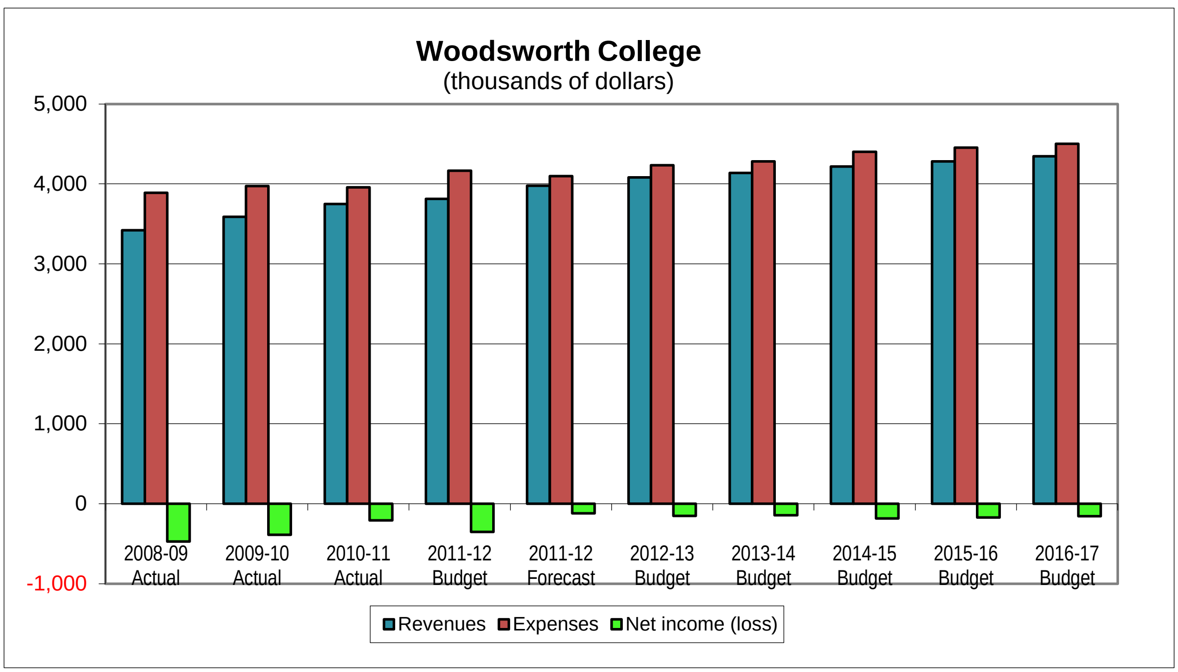
Graduate House is budgeting an operating surplus of $185,738 for 2012-13. Net assets are anticipated to increase from $2.3 million to $3.8 million in 2016-17. The ancillary is budgeting an unrestricted deficit of $0.4 million but it also projects that an unrestricted surplus can be reached by 2013-14. Graduate House will be in a position to maintain an adequate operating reserve and to contribute towards a capital renewal reserve starting in 2015-16.

For 2012-13, room rates will increase by approximately 3.5% and no increase is proposed for the summer rate. Revenues were based on a projected occupancy level of 97% in the winter and 74% in the summer. Although demand for Graduate House remains strong during the academic year, demand for summer housing has started to soften over the last 2 years. Occupancy levels are susceptible to changes in the off-campus housing market and a challenging economic climate. Future decreases in occupancy levels will likely occur as a result of the proposed fee increase, regardless of how necessary it may be.

Woodsworth College

Woodsworth College residence opened its doors in May 2004 and has a total of 371 private, single bedroom units arranged in suite-style apartments. Three suites are specially designed with disability access. Since the residence is new and has no existing ancillary operations to draw from, an annual subsidy of $1.2 million from the APF is being made for the first eight years of operation. This subsidy ends in 2011-12.

This ancillary is forecasting a deficit of $119,714 before subsidy for 2011-12, which is $231,009 better than budget. This favourable variance is mainly due to a very successful summer business, which is $153,323 higher than budget, and no overhead costs charged by the College to the ancillary. The ancillary is forecasting net assets of $5.1 million of which there is a $2.7M operating reserve, a $1.9M investment in capital assets and a $0.5 million capital renewal reserve. These funds will ensure a sound financial position as the ancillary continues its operation without subsidy from the University.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	3,420	3,587	3,751	3,815	3,979	4,083	4,138	4,220	4,282	4,346
Expenses	3,891	3,973	3,959	4,166	4,099	4,233	4,282	4,403	4,455	4,503
Net income (loss)	(471)	(386)	(208)	(351)	(120)	(150)	(144)	(184)	(173)	(157)
Percentage increase in revenues		*4.9%*	*4.6%*	*1.7%*	*4.3%*	*2.6%*	*1.3%*	*2.0%*	*1.5%*	*1.5%*

The 2012-13 budget includes an operating deficit of $149,607. This ancillary is projecting net assets of $5 million with a $2.2 million operating reserve, a $1.8 million investment in capital assets and a $1 million capital renewal reserve at end of the budget year.

Woodworth College has the highest fall and winter fee for the suite-style residences and its principal and interest charge are currently making up 52% (57% in 2011-12, 64% in 2009-10) of its budgeted revenues. The residence's annual operation is not expected to break even until 2017-18. However, with a careful review of the various long-range financial models, it indicates that there will be more than sufficient funds in the operating reserve to support the operation. The fall and winter room rates are budgeted to increase by 2.9% with a 99% occupancy rate in 2012-13.

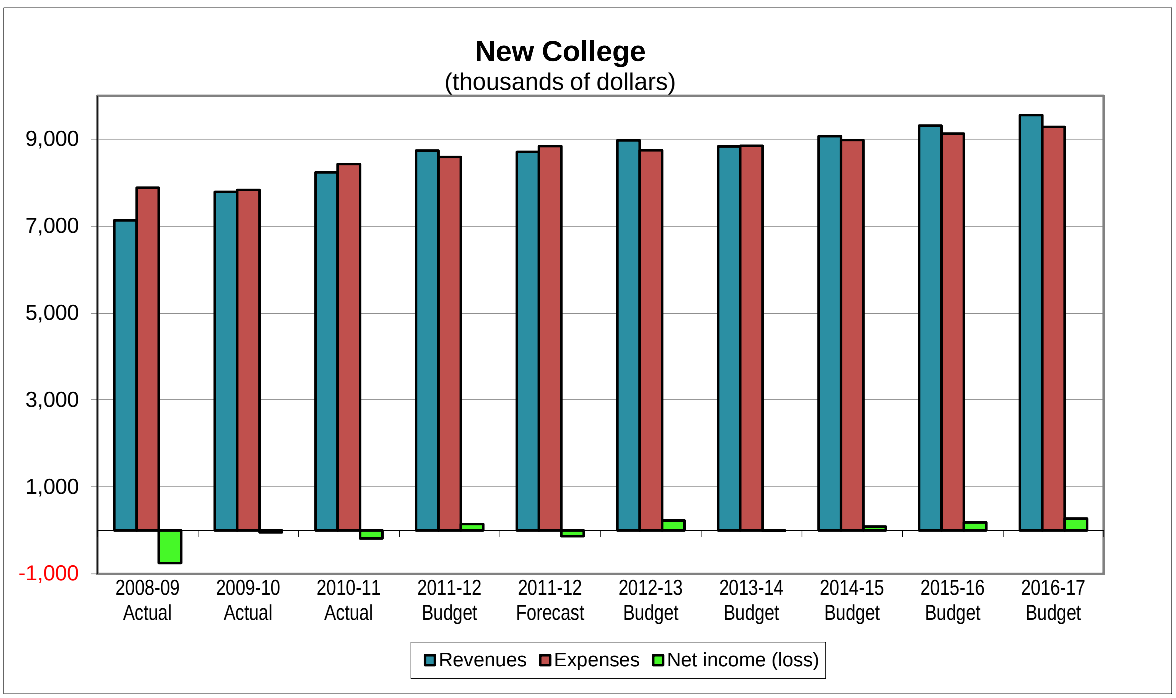
New College

The residents of New College are housed in three buildings: Wetmore Hall, Wilson Hall, and 45 Willcocks. Wetmore Hall and Wilson Hall went into service in the late 1960's and 45 Willcocks was opened in September 2003. The dormitory design favours community living and the provision of air conditioning is an added amenity for summer residents. These three buildings house 786 undergraduate students. Two residence floors of 45 Willcocks were converted to university office space in 2008. The current plan calls for returning both floors to residence use in September 2012 increasing the number of beds by 78.

New College residence operations face many challenges: substantial major maintenance is necessary for the aging Wetmore and Wilson buildings; construction and design deficiencies require some major maintenance for the eight-year old New College residence at 45 Willcocks, debt financing for the new building and the interest charges on the large accumulated deficit are a significant drain on the residence finances. Four major changes have been made over the past five years to help correct the operating deficit position. The first change was to depart from a pricing policy that has ensured New College's traditional position of having the lowest rates on the St. George campus. The second major change was to deal with the maintenance issues on the two older buildings by increasing the budget to more realistic levels. A third major change was to convert two floors of the residence at 45 Willcocks into office space part way through 2008-09. However, these floors will return to residence use in September 2012. The fourth major change was to recognize that the residence ancillary budget has been subsidizing the operating budget since the new residence at

45 Willcocks went into service. A 12.6% share of the total building net assignable square meters was used for academic and administrative purposes. New College has met with the Planning and Budget Department and has been assured that a funding solution will be found to contribute to the operating costs of the academic and administrative space at 45 Willcocks. The ability to find a funding source for this space will have a significant impact on the ancillary's bottom line.

The new facilities management team established in 2008 has completed many renovations and upgrades to all three buildings. Continuous efforts are being made to reduce future energy costs during renovations with the installation of high-efficiency lighting and occupancy sensors. The ancillary has also reinstituted a refurbishment schedule to ensure that all residence floors remain in top shape. The five elevators in both Wetmore and Wilson halls have been modernized to include accessibility and security enhancements.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	7,134	7,787	8,239	8,739	8,707	8,971	8,836	9,070	9,311	9,558
Expenses	7,885	7,832	8,429	8,590	8,839	8,748	8,848	8,981	9,128	9,284
Net income (loss)	(751)	(45)	(189)	149	(131)	223	(13)	88	182	274
Percentage increase in revenues		*9.1%*	*5.8%*	*6.1%*	*-0.4%*	*3.0%*	*-1.5%*	*2.6%*	*2.7%*	*2.7%*

The ancillary is forecasting an operating deficit before subsidy of $131,124 for 2011-12, which is $279,647 less than previously budgeted. Overall, revenues are projected to be $31,451 under budget. This negative variance is due to the inability to find a funding source to contribute to the costs of the academic and administrative space at 45 Willcocks. Excluding this item, revenues were up by $368,549 or a 4.4% increase over budget. However, expenditures are forecasted to be over budget by $248,196 or 2.9%. Additional major renovation projects were undertaken in 2011-12 to take advantage of the central matching funds available in this fiscal year. Excluding this major maintenance budget variance, the expenditure forecast is $191,804 or 2.2% under budget.

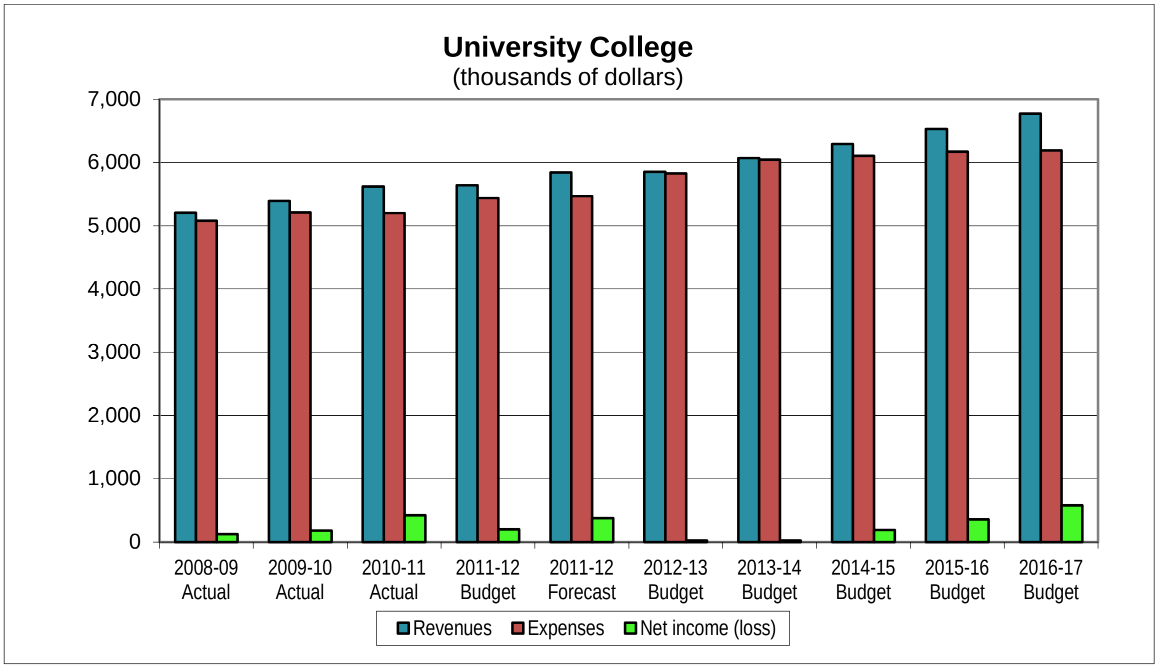
The New College residence is making efforts to restore the residence ancillary back to financial equilibrium. The central subsidy ended in 2011-12 and a surplus of $223,084 is anticipated for 2012-13 with only three months of office lease revenue. The small operating deficit in 2013-14 reflects the loss of the office space rental revenue at 45 Willcocks. Beyond that, surpluses are expected for the remainder of the planning period. The accumulated operating debt at the end of the planning period is expected to be $8.7 million. Debt service charges on the accumulated operating debt continue to be a significant drain on the available resources. Net assets are projected to be in a deficit of $5.9 million for 2012-13 and in a deficit of $5.3 million by 2016-17.

The ancillary will continue to follow the recommendation from the Residence Review Committee to implement differential room rates which was first implemented in 2009-10. Going forward, rates will be further differentiated and a wider variety of rooms and services will be made available. For 2012-13, the fall and winter residence rates will increase by 0.9% (bed-over desk double) to 4.5% (single room in 45 Wilcocks).

University College

University College is at the historic heart and geographic centre of the University of Toronto St. George campus. The residence ancillary consists of approximately 730 beds in three buildings: Sir Daniel Wilson Hall, Whitney Hall and Morrison Hall. All residences are co-educational and house mainly undergraduate Arts & Science students.

The residence continues to enjoy good success in obtaining donations from alumni to complete various improvements to the building. The ancillary has followed, and the budget has provided for, the on-going program for building and equipment maintenance as outlined in an engineering study completed in late 2006. This engineering study will be updated in 2011-12. There is no deferred maintenance and a window replacement program for the Sir Daniel Wilson Residence, which began in 2011-12, will be on-going for the next few years. A positive operating result of $376,543 is anticipated for 2011-12 which is mainly attributed to the favourable variance in residence fees. Most expenditures are forecasted to be closely in line with budget.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	5,207	5,391	5,620	5,638	5,844	5,852	6,067	6,294	6,528	6,772
Expenses	5,081	5,209	5,199	5,438	5,467	5,827	6,043	6,106	6,171	6,191
Net income (loss)	126	182	421	200	377	25	24	187	357	582
Percentage increase in revenues		*3.5%*	*4.2%*	*0.3%*	*3.7%*	*0.1%*	*3.7%*	*3.7%*	*3.7%*	*3.7%*

This ancillary is projecting a smaller operating surplus for 2012-13 and 2013-14. The main reason is that the ancillary is anticipating spending more on major maintenance compared to prior years. University College is expecting net assets of $4.4 million by the end of 2012-13 and $5.5 million for 2016-17. The capital renewal reserve is budgeted at $1.6 million for 2012-13 and will remain at this level throughout the plan.

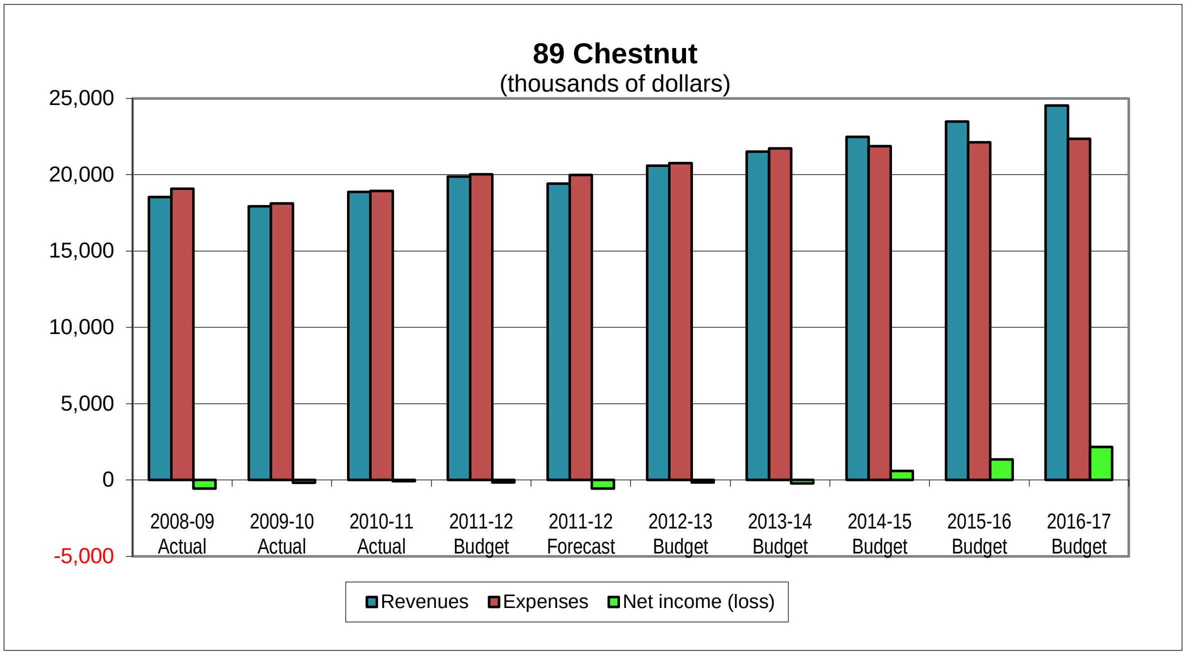
The operating plan anticipates a 98% occupancy rate with a 2012-13 fall and winter rate increase of 4.0%. This fee remains the lowest on the St. George Campus. Rate increases for 2013-14 through to 2016-17 are budgeted in the 4.0% range. This stream of increases is necessary to ensure all essential major capital expenditures are made and the quality of residence life is maintained without any deferral of essential maintenance work.

Chestnut Residence

Chestnut Residence expanded single rooms to double rooms during the summer of 2011 to meet the increasing demands of the first year guarantee: it is now home to 1,060 students from diverse cultural backgrounds and academic disciplines, as well as home to 20 dons and 2 residence life coordinators. There are four accessible rooms in this residence and it offers housing per term to international exchange students. Housing is offered during the December holiday break for an additional fee to existing Chestnut Residence students who apply in advance. A variety of amenities is available to students and regular cleaning of rooms is also provided. Students have access to a number of part-time employment opportunities, particularly in the Food & Beverage department and the Division of University Advancement's call centre in the lower level of the building. Students at this residence also benefit from a food program designed by a chef with an international reputation. Chestnut Residence's main cafeteria is a leading participant in the LFP program, offering local sustainably produced foods. A "Green Dining" program continues to promote healthy eating, waste reduction, physical activity and environmental responsibility.

The ancillary has several revenue streams in addition to the residence fee and meal plan. Revenues are generated from several commercial spaces including a call centre for the Division of University Advancement, a 370-space parking garage and a 22,000 square foot banquet and meeting facility.

The purchase of the Chestnut Residence in 2003 provided a place for all St. George campus colleges, including the Federated Colleges, to house students that could not be accommodated in their home college, as well as students from first-entry professional faculties who do not have a college affiliation or home residence. With the surge in demand for residence space and the University's first-year residence guarantee, students has been housed in leased hotel spaces at substantial cost to the operating budget and with minimal access to the residence life programs which are so integral to the operation of residences and important to student academic success. The annual cost to the operating budget in 2003-04 for these hotel spaces would have been $5 million if Chestnut had not been acquired. Although these savings have never been expressed on the Chestnut Residence income statement over the years, they are substantial and is therefore noted here.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	18,534	17,923	18,867	19,880	19,423	20,592	21,510	22,471	23,475	24,525
Expenses	19,084	18,112	18,938	20,027	19,975	20,756	21,733	21,882	22,114	22,357
Net income (loss)	(550)	(189)	(71)	(148)	(552)	(164)	(223)	589	1,361	2,168
Percentage increase in revenues		*-3.3%*	*5.3%*	*5.4%*	*-2.3%*	*6.0%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*

For 2011-12, Chestnut Residence is forecasting a deficit of $0.6 million with an unfavourable variance of $0.4 million. Revenues from the summer session and catering fell below budget due to continuing challenge in the economy. Annual maintenance expenses were higher than budget due to unexpected events such as the flood in the Grande Ballroom and the breakdown of elevators. Some costs were recovered through insurance.

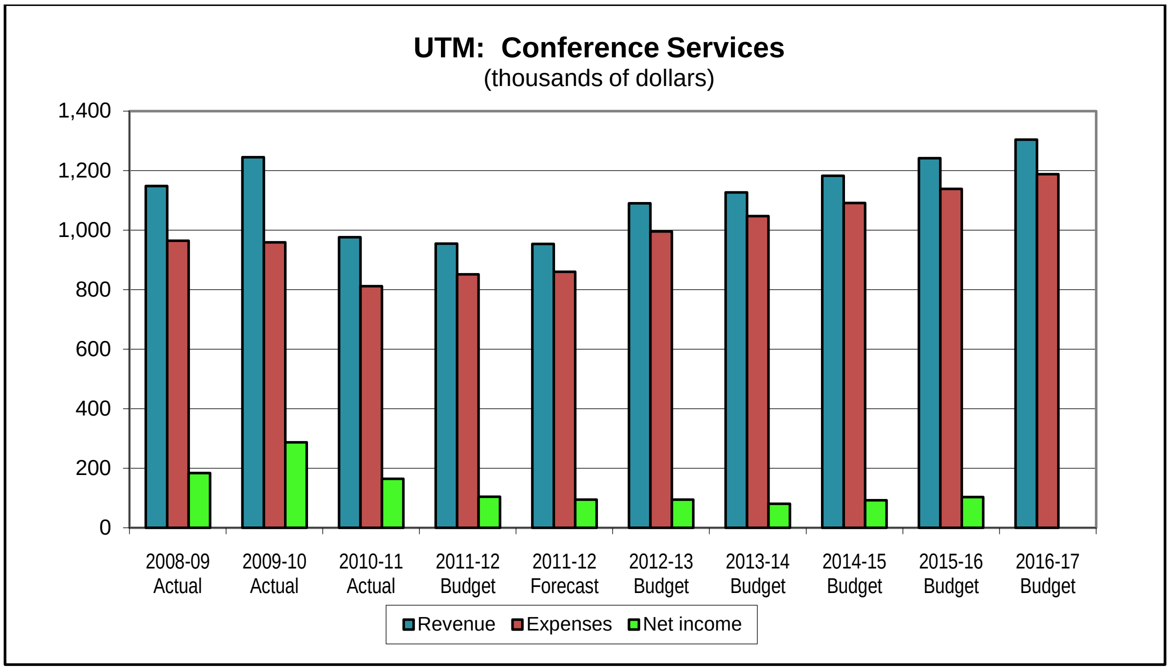
For the budget year 2012-13, the residence continued to be under pressure to house more students. More rooms are planned to be converted from single to double occupancy to create an additional 20 spaces. This budget includes a 5% room rate increase and a 3% meal plan price increase. Chestnut Residence remains at the top end of the residence cost on campus which still offers great value for the level of amenities and services provided.

The long-range budget assumes a 5% rate increase for accommodation, a 4% increase for food services and a 3% increase for parking fees. The planned garage repair will be deferred for another year until funding is available. However, the replacement of the fading hotel furnishings was deemed to be a significant need by the students in order to retain value at the high end residence pricing. The ancillary is projecting that a positive cash flow can be achieved in 2014-15. Once this is achieved, the ability to reduce the accumulated deficits will improve significantly year-over-year.

Conference Services

Most of the residences run conference operations. However, only UTM and UTSC manage their conference operations as ancillaries separate from their residence operations. The common challenge of increasing sales in a conference operation is that they are constrained by the shortage of meeting and conference space on campus. The key to success is making cooperative efforts to optimize the available space and to control operating expenses. UTM's 2012-13 budget meets all four objectives while UTSC meets the first three objectives. Instead of contributing to the operating budget, the surplus at UTSC is used to build up the new construction reserve.

UTM



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	1,148	1,246	976	955	954	1,090	1,127	1,183	1,242	1,304
Expenses	964	959	812	851	860	996	1,047	1,091	1,139	1,188
Net income	184	287	164	104	94	94	80	92	103	116
Percentage increase in revenues		*8.5%*	*-21.6%*	*-2.2%*	*-0.1%*	*14.3%*	*3.4%*	*5.0%*	*5.0%*	*5.0%*

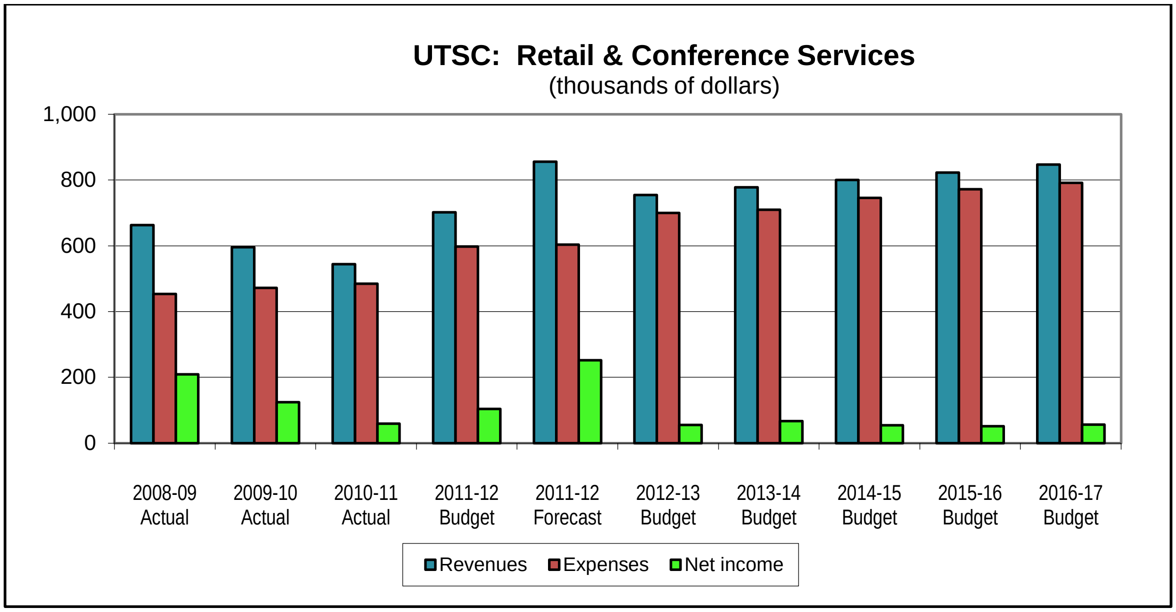
There were reductions in room bookings by professional school preparation courses such as Princeton, Kaplan and CMA. The Conference services operation is expecting a surplus of $94,237 in 2011-12 which is $10,038 less than previously budgeted.

The ancillary's 2012-13 budget reflects a conservative approach which excludes any unconfirmed conference group. The operating results before transfers are anticipated to be at the same level as in 2011-12. The Instructional Centre addition has not resulted in any incremental increases in meeting room capacity due to the closure of other classrooms which were repurposed for office space. The elimination of some meeting room capacity in the North Building will further reduce the space capacity. With the opening of the Mississauga Academy of Medicine, conference services has a service agreement to provide services to the Medical Academy but does not have the ability to use space in the Medical Academy for conferences. The loss of Spigel Hall's event space capacity poses a serious threat to the ability of Conference Services to host business at UTM. Revenues are projected to increase by 3.3% in 2013-14 and a 5% increase in each subsequent year of the long-range plan. Total direct expenditures are generally budgeted to increase by 5.2% in 2013-14 and increase by 4.5% from 2014 to 2017. A transfer out from the conference ancillary to the UTM operating budget of $100,000 is planned for the four years of the long range plan.

UTSC

The Green Path program (a 12-week summer English as a second language (ESL) program for recent high school graduates from China who receive offers from UTSC, subject to successful completion of the ESL courses) continues to be the best opportunity to maintain its summer accommodation business. UTSC continues to benefit from this program in terms of increased international student enrolment and demand for residence in the following academic terms. Youth group and conference business continues to improve and is making a contribution to profitability. Efforts are underway to develop new sources of conference income to reduce the ancillary's reliance on the Green Path program. Business activity should continue to improve as facilities expand with the opening of the Instructional Centre. The focus is on growing its summer conference business, specifically targeting the professional associations of our highly motivated faculty and youth groups with an educational purpose.

The forecasted operating result for 2011-12 is $252,209, $148,586 better than budget. This favourable variance is due to an unanticipated filming contract and a one-time-only opportunity to introduce a level 1 program for Green Path students in March to May 2011. Net assets are forecasted at $1.1 million at end of fiscal 2011-12.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	663	596	544	702	856	755	778	800	823	847
Expenses	454	472	485	598	603	699	710	746	772	792
Net income	209	124	59	104	252	55	68	54	51	55
Percentage increase in revenues		*-10.1%*	*-8.8%*	*29.1%*	*21.9%*	*-11.8%*	*3.0%*	*2.9%*	*2.9%*	*2.9%*

Although the availability of facilities in general is limited, there is a more diverse inventory of space than in previous years, enabling this ancillary to broaden the scope of its client base. Marketing is planned and will be adjusted to target markets according to available space. In 2012-13, the ancillary is anticipating that revenues will be less than the current year once revenues from the one-time-only events are excluded from the budget. This operation is projecting a surplus for the next five years. Net assets are projected to grow steadily from $1.1 million in 2012-13 to $1.4 million by 2016-17, of which $0.6 million will be set aside for new construction in 2012-13 and $0.9 million in 2016-17.

Food and Beverage Services

Food services are delivered by institutional and independent providers. ARAMARK is the independent food provider for the St. George campus and UTSC, while Chartwells is for UTM. There are also a number of independent, University-operated and branded food providers. This diversity serves to cater to the wide range of dietary tastes and needs that make up the U of T community. UTM made some new arrangements to enable residence students to purchase pizza for delivery from Pizza Pizza, as well as meals at Sheridan College and The Blind Duck Pub using their resident student meal plan. UTSC will have their first occupant of food space (La Prep) in the new Instructional Centre. Although the food service ancillary at St. George is not responsible for every food operation on the campus, it plays an important coordinating role and has taken responsibility for implementing numerous campus-wide events and programs. In 2011-12, food service ancillary at St. George also took over the operation of meal plan sales and marketing previously handled by ARAMARK. Beverage services provide the means to licence events and operations on campus.

For the 2012-13 budget year, only the UTSC, St. George food service and University College ancillary budgets meet the first three objectives. New College meet the first two objectives while UTM food service budget meets the first and third objective.

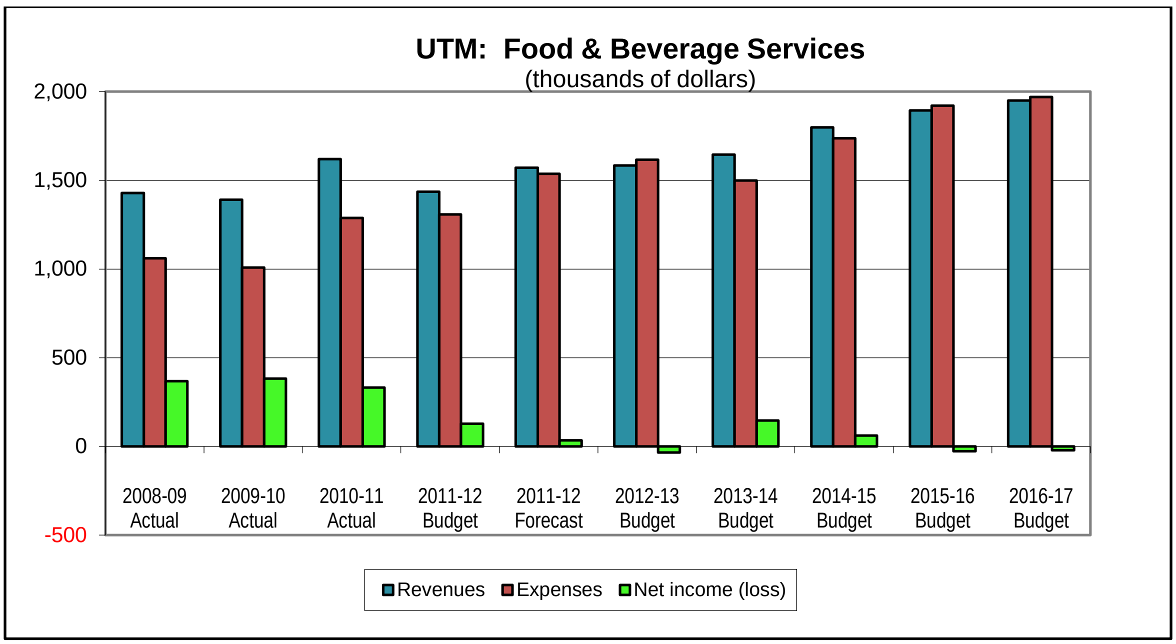
UTM

The highlights for the 2011-12 year include the following:

- Opened the Café and Lounge in the Instructional Building in July 2011.
- Began the planning process for the expansion of food services on campus.
    - Analysis of the results from the over 2,300 responses to the on-line food service survey in planning for the Meeting Place Renovation/Davis Building redevelopment.
    - Development of food service plans for the North Building renovated space and the Kaneff addition.
- Participated in the University's bottle-free water initiative.
- Implemented a new seven-year contract with Canteen Vending.
- Integrated a new unit level management team from Chartwells with the previous General Manager for the UTM account.

Forecasted total food and beverage revenues are expected to exceed budget by $1.1 million due to increased cash sales, meal plans and students who selected a higher value meal plans. Net revenues are forecasted to be $1.6 million which is 9.4% higher than budget. Operating surplus before commitments is forecasted at $34,681, $94,936 less than previously budgeted. This is mainly due to the construction costs from the Instructional Centre Café and Lounge which are being recognized in 2011-12.

This ancillary is budgeting net revenues of $1.6 million in 2012-13, a 0.6% increase over the 2011-12 forecast. The increase in sales is mainly due to inflationary price increases. This 2012-13 budget anticipates that the meal plan sales volume will decrease based on historical averages. Major maintenance expense remains high due to the planned addition to food service capacity in the Meeting Place. The budgeted operating result for 2012-13 will be a deficit of $33,618 and the net assets will be $0.8 million.

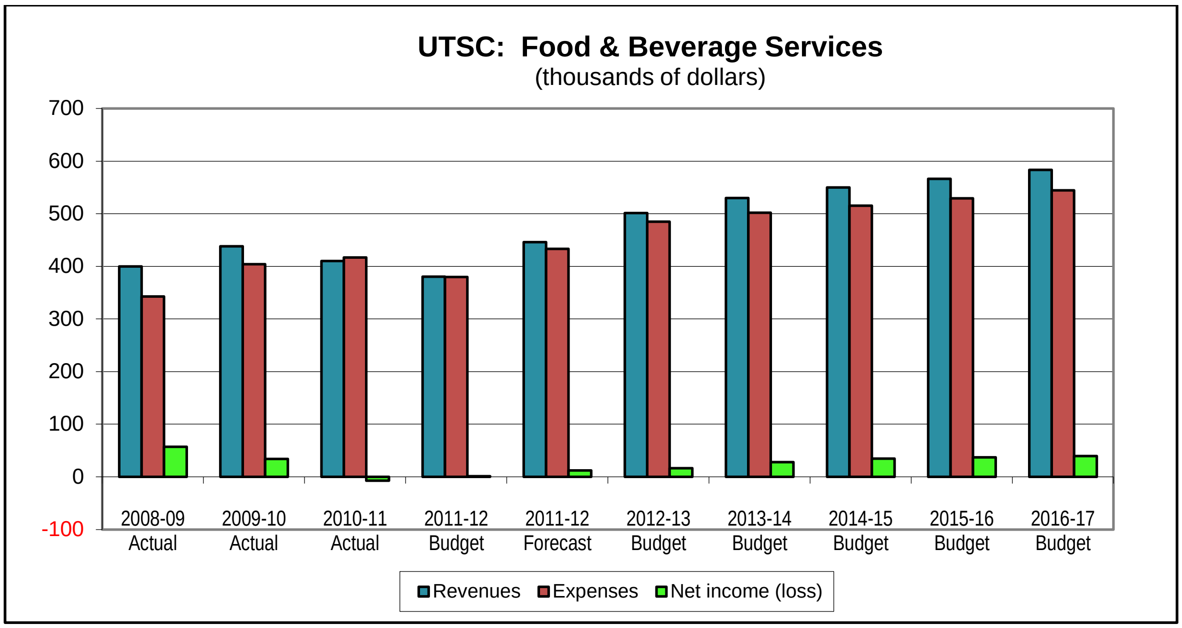


	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	1,429	1,391	1,621	1,437	1,572	1,584	1,645	1,797	1,894	1,950
Expenses	1,061	1,009	1,289	1,308	1,537	1,617	1,499	1,737	1,921	1,971
Net income (loss)	368	382	332	129	35	(34)	146	60	(27)	(21)
Percentage increase in revenues		*-2.7%*	*16.5%*	*-11.4%*	*9.4%*	*0.7%*	*3.9%*	*9.3%*	*5.3%*	*3.0%*

The surpluses currently being generated are required to fund the planned growth according to the campus food service master plan. The food and beverage services will need to self-fund and seek borrowing to make investments totalling over $3 million over the next three budget years. The ancillary projects positive operating results until expenses relating to the construction of the Davis Building, North Building, and Kaneff Building food service outlets are incurred, thereby resulting in small operating deficits.

UTSC

Recognizing the needs and preferences of users on campus, the ancillary has emphasized franchise operations which provide the largest patronage and source of revenue. Food and beverage services also participated in the university wide food policy and introduced a number of programmes including the bottle-free water initiative, the halal standards programme and encouraged the sourcing of locally produced products.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	400	438	410	381	446	501	530	550	567	584
Expenses	343	404	417	380	434	485	502	516	530	544
Net income (loss)	57	34	(7)	1	12	16	28	34	37	39
Percentage increase in revenues		*9.5%*	*-6.4%*	*-7.2%*	*17.1%*	*12.4%*	*5.8%*	*3.8%*	*3.0%*	*3.0%*

The ancillary is forecasting a surplus of $12,475 for 2011-12 which is $11,191 better than budget. Favourable revenues are mainly due to an increase in cash sales, improving the ancillary's contribution margin by $64,490. This margin is offset by an increase in capital renewal expenditures which are higher than budget. In 2012, a La Prep franchise will become the first occupant of the food services space in the Instructional Centre. This restaurant is anticipated to meet the demand of a broader range of clients including the external community.

Operating plans are based on the objectives identified in the Food Visioning exercise, the opening of a La Prep frandise in the Instructional Centre and decisions regarding the current food service contracts (the existing food service agreement has been renewed until 2014). For 2012-13, this ancillary is budgeting a surplus of $16,527 with net assets of $323,107.

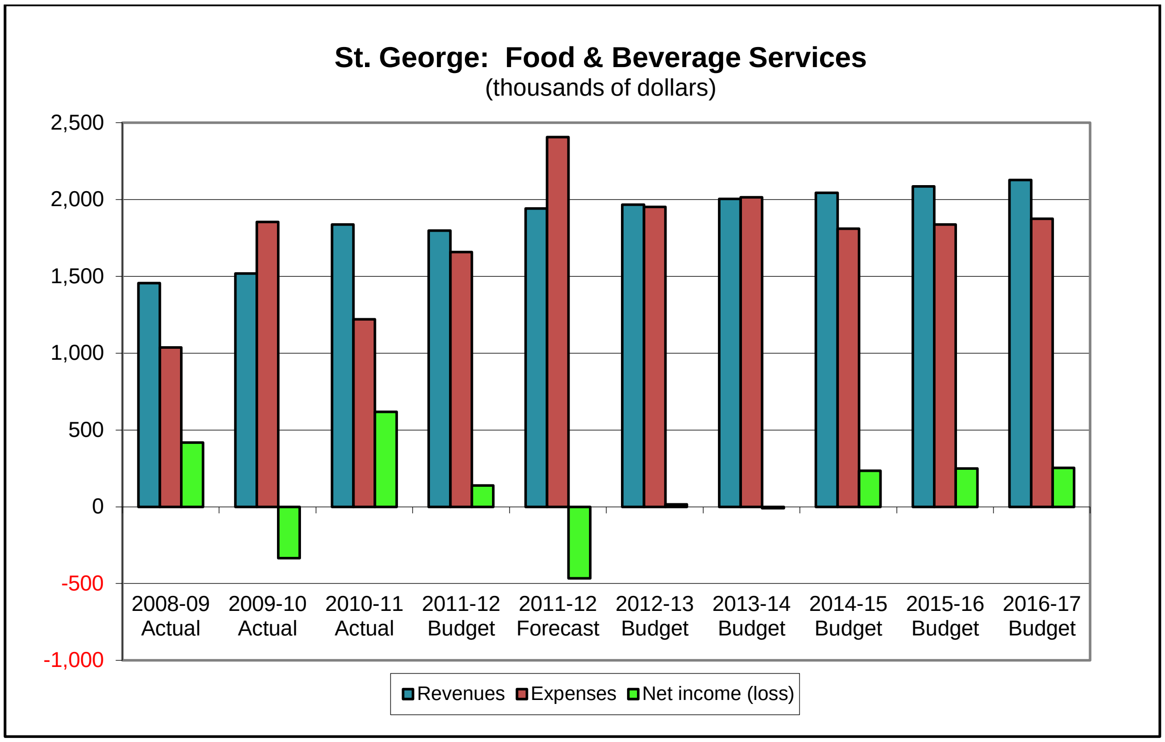
The long-range plan for the ancillary is based on the development of the campus which includes increases in the campus population and activity from the local community. The business models are created to reflect the goals of the food visioning project as well as the flexibility to adapt to the changing needs of the campus, consistent with the University of Toronto mission. This ancillary is projected to allocate its annual surplus to the new construction reserve resulting in a balance of $298,635 by the end of 2016-17.

St. George

The St. George campus food and beverage ancillary oversees food services at 19 locations on campus and operates the Beverage Services department. Catering services are also provided for campus events. Seven firms manage retail food operations: ARAMARK, Sodexho, Innis Café, Veda, The Engineering Society, Second Cup and Imperial Vending. These services are expected to be financially and environmentally responsible. In addition, key goals are to maintain a balance of high quality, affordable pricing and a large selection. Of equal concern are nutritional awareness, variety, convenience and availability.

Although this ancillary is not responsible for every food service operation on the campus, it does play an important coordinating role and has taken responsibility for implementing numerous campus-wide events and programs. In 2009, the “UeaT” brand was developed to give St. George campus food services a unified voice and a mechanism for marketing, communications and social media. All campus food providers are encouraged to participate in events and programs, and benefit from its marketing and communications.

In 2011-12, food services took over the operation of meal plan sales and marketing previously handled by ARAMARK. This involved moving to a one-card system, networking all locations to a central server, selling and maintaining meal plans and providing continuous promotions for meal plan users. This also allowed meal plan holders to use their plans at any participating location on campus. Extending the sale of meal plans to the non-resident students and staff has increased sales equivalent to $513,000 in meal plan dollars. Through the enhanced marketing by food services and increased access to resident dining halls, campus food vendors and self-operated units have experienced an increase in cash-and-carry revenues. There are significant costs incurred to administer and market this program. Moving forward, there may be a need to re-evaluate if any operating costs or overheads should be shared by the participating ancillary residences.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	1,455	1,519	1,838	1,798	1,942	1,967	2,004	2,044	2,085	2,127
Expenses	1,038	1,854	1,220	1,659	2,407	1,952	2,014	1,810	1,837	1,875
Net income (loss)	417	(335)	617	139	(465)	15	(10)	234	248	252
Percentage increase in revenues		*4.4%*	*21.0%*	*-2.1%*	*8.0%*	*1.3%*	*1.9%*	*2.0%*	*2.0%*	*2.0%*

Working with the Food Advisory Committee and the Food Network Committee; events such as: “Nutrition Week”, “Chinese New Year”, “Lug a Mug”, “Field to Fork”, “Local Food Trucks events” and “Econ-Tray” took place in 2011-12. Many renovation projects also took place to enhance the offerings and services to the campus.

Food services will not meet its budget this year as the Robarts Library Starbucks project was not anticipated at this time last year and it carries a hefty price tag. The forecasted increase in net revenues will not be enough to offset the negative variance of $748,276 from expenses. The ancillary is forecasting a net loss of $465,286 which is $604,195 less than budget. The operation anticipates that net assets will be at $1.2 million, of which $0.75 million is for the capital renewal reserve and $0.1 million for the operating reserve.

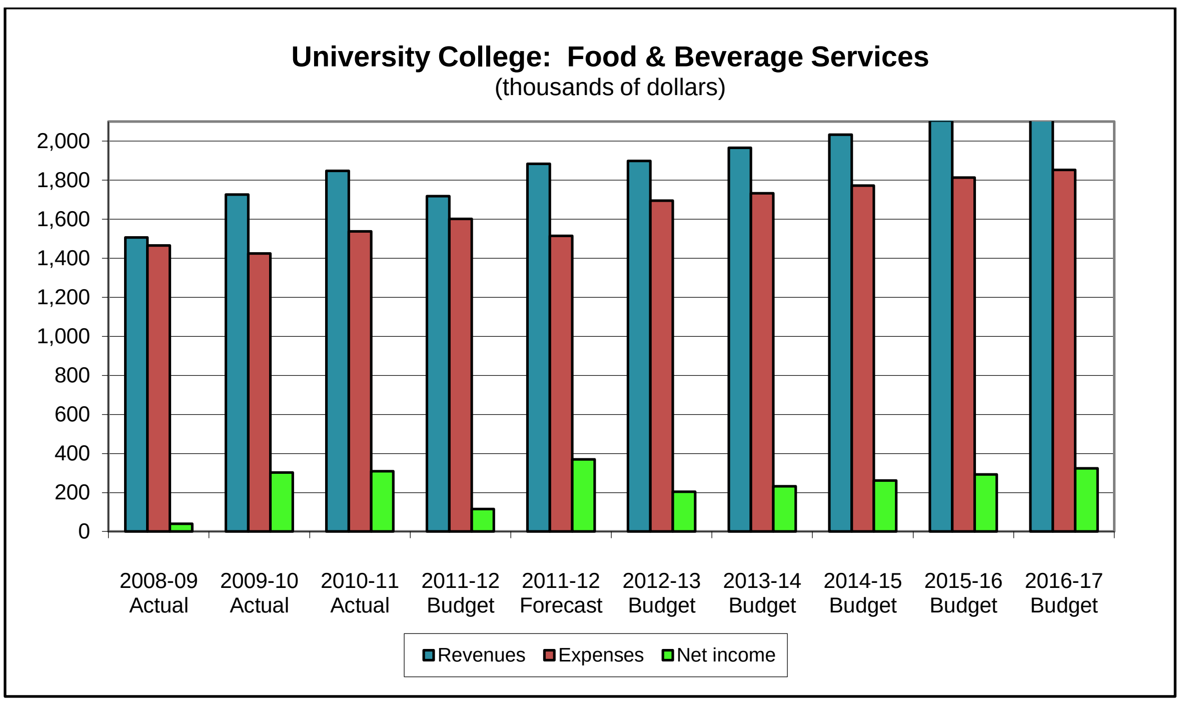
The operating plan projects a 3% to 5% growth in revenues. The ancillary is budgeting to spend less on major maintenance and is projecting a net income of $14,849 for 2012-13. The net assets will be at $1.3 million with the capital renewal reserve remaining at $0.8 million and the operating reserve balance remaining at $0.1 million.

The long-range budget assumes inflationary increases for revenues and expenses. Major maintenance and replacement of non-depreciable furniture reflects a plan for renovations and upgrades to current facilities. Net revenues are projected to grow, with the net assets balance increasing from $1.3 million in 2012-13 to $2.2 million in 2016-17. Of the $2.2 million, $1.5 million is for the capital renewal reserve. This significant capital renewal reserve has been intentionally budgeted to give the maximum operational flexibility when the campus-wide contract expires in 2016. Future large-scale renovations will be funded through ARAMARK, capital renewal and/or new construction reserves.

University College

The Howard Ferguson Dining Hall is a "self-operated" food service operation that not only provides services to approximately 730 residence students but also to other U of T students, faculty and staff, and the general public. Its key goal is to maintain a balance of high quality, affordable pricing and a wide selection of menu choices. Vegetarian and halal selections are available at every meal, and most meals include other offerings such as kosher. Café Reznikoff is a small outlet that provides lighter meals, sandwiches, confectionary and some convenience items. It is also open as part of the summer residence operation providing a daily hot lunchtime meal from Monday to Friday. This ancillary also offers catering services and maximizes the use of meeting and lecture space in University College.

Keeping costs under control, this ancillary is forecasting a net income of $369,166, $253,225 better than budget. The capital reserve is forecast to be $1 million and with an operating reserve of $143,811, leaving a small unrestricted surplus.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	1,506	1,726	1,848	1,718	1,884	1,899	1,966	2,034	2,105	2,178
Expenses	1,466	1,424	1,539	1,602	1,515	1,696	1,734	1,773	1,813	1,853
Net income	40	302	309	116	369	204	232	261	292	325
Percentage increase in revenues		*14.6%*	*7.1%*	*-7.0%*	*9.7%*	*0.8%*	*3.5%*	*3.5%*	*3.5%*	*3.5%*

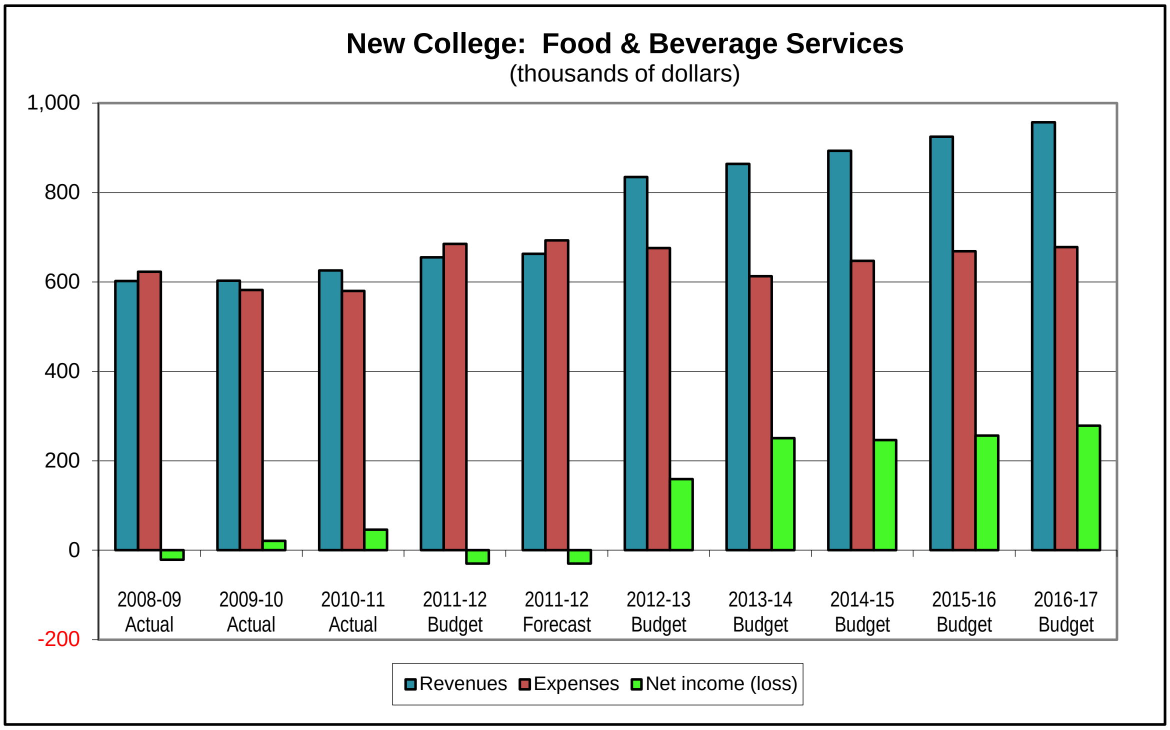
The ancillary is proposing a fee increase of 3.5% to its meal plans for 2012-13. This increase is necessary to meet increases in the cost of food and other expenses. By keeping the same summer business model and food costs under control, it is projecting an operating surplus of $203,765. The surplus will increase the operating reserves moderately while building up the unrestricted surplus.

The long-range plan includes a price increase of 4% which allows growth in operating and capital reserves while bringing in an unrestricted surplus in 2012-13. The unrestricted surplus is projected to be $1.3 million with a total fund balance of $2.5 million by 2016-17. This ancillary plans to maintain a health reserve which allows for equipment replacements and any increases in annual maintenance costs.

New College

New College has a compulsory meal plan for students living in residence. A number of different plans are offered, giving the students flexibility to choose the number of meals that they wish to purchase. In addition, some of the plans include "flex" dollars that allow students to eat at any food outlets on the St. George campus. Food is served in Wetmore and Wilson dining rooms on an "all you can eat" basis. The two buildings are aging despite on-going repairs and maintenance. An increased allocation for capital renewal has been included in the business model for the last three years. Much of the kitchen equipment is approaching its end of life. With the assistance of Services Ancillary at St. George, and in consultation with ARAMARK, an equipment modernization plan will be developed in 2012-13.

Net revenues are forecasted to be $663,000, which is 1.2% more than budget. This favourable variance is mainly due to additional catering commissions. A one-time-only maintenance expenditure of $63,000 to replace the floor in the Wilson Hall dining area accounts for the deficit of $30,379 in this fiscal year.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	602	603	626	655	663	835	864	894	925	957
Expenses	623	582	580	685	693	676	613	648	669	678
Net income (loss)	(21)	21	46	(30)	(30)	159	251	246	256	279
Percentage increase in revenues		*0.2%*	*3.8%*	*4.6%*	*1.2%*	*25.9%*	*3.5%*	*3.4%*	*3.5%*	*3.5%*

Due to the conversion of two floors from residence to office space at 45 Wilcocks, ARAMARK invoked a material change clause in its contract and reduced the commission by two percentage points. The operating plan for the residence ancillary assumes that both floors will be converted back to residence use in 2012-13. ARAMARK has agreed that this change will restore the commission rate back to its original value. The increased commission rate is reflected in the plan for 2012-13.

An agreement in principle has been reached with Ancillary Services regarding a cost-sharing arrangement for ARAMARK's use of New College's facilities to conduct its catering business. The commission for this business flows to Ancillary Services despite the fact that New College bears the entire cost of the kitchen, utilities and related facilities. The costing of the New College food services operation has been completed and it is expected that this will form the basis for the agreement which will be completed in 2012-13. It is expected that this additional resource will allow the modernization of the kitchen equipment to proceed more quickly.

The ancillary is projecting a surplus of $158,525 for 2012-13 with a fee increase of 3.5%. The long-range budget anticipates annual operating surpluses with the unrestricted deficit of $0.9 million eventually moving to a surplus of $78,509 in 2016-17.

Parking Services

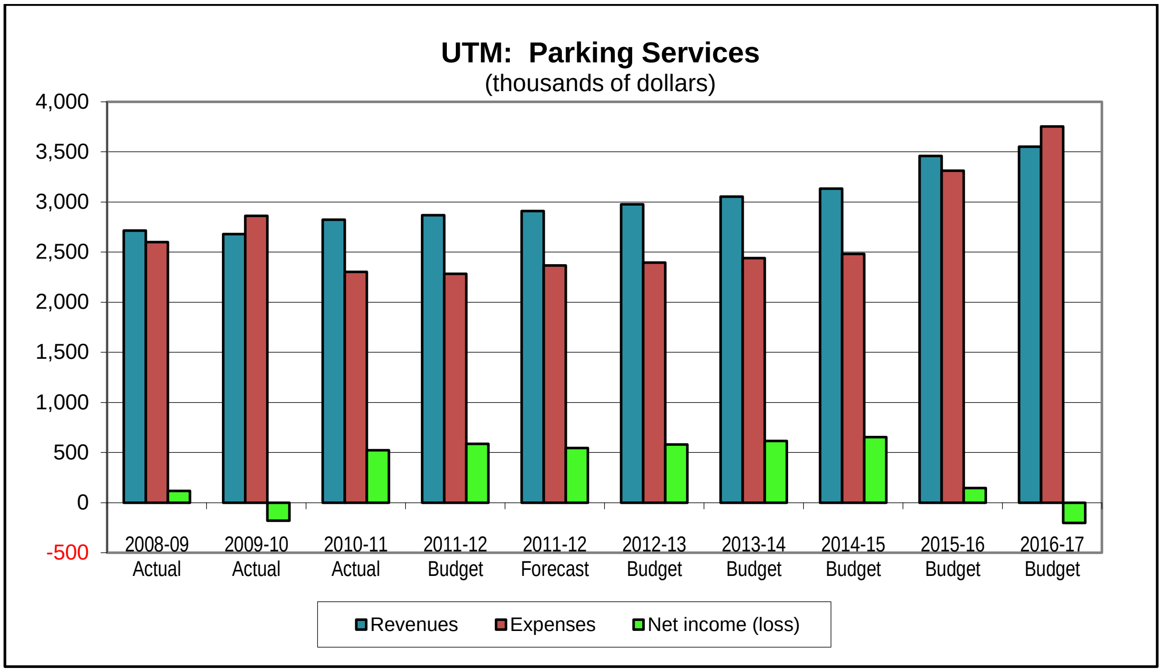
For the 2012-13 budget year, UTSC and St. George parking operations meet all four objectives, while UTM meets the first three objectives. Starting in 2011-12, UTM will be allocating most of the annual surplus to the new construction reserve since a second parking deck is planned for 2015-16 in this budget.

UTM

The UTM campus is a suburban commuter campus where the use of cars is more extensive and consistent. The parking ancillary lost a significant number of parking spaces due to various construction projects throughout the years. To alleviate the parking pressures associated with the space lost, the building of a parking deck was planned and executed. With the additional 291 spaces in the new deck, UTM currently has 2,378 parking spaces.

The projected operating surplus before commitments for 2011-12 is $546,253 which is $39,405 less than previously budgeted. This unfavourable variance is mainly due to some unplanned projects (the campus signage, parking deck rail installation, grounds maintenance charges, etc.) and higher annual maintenance expenses.

The 2012-13 budget includes a 3% permit price increase and is projecting a revenue increase from Pay and Display with increase enrolment and effective enforcement practices. There is no rate increase for pay & display. This ancillary is projecting an operating surplus of $0.6 million and net assets of $1.5 million.

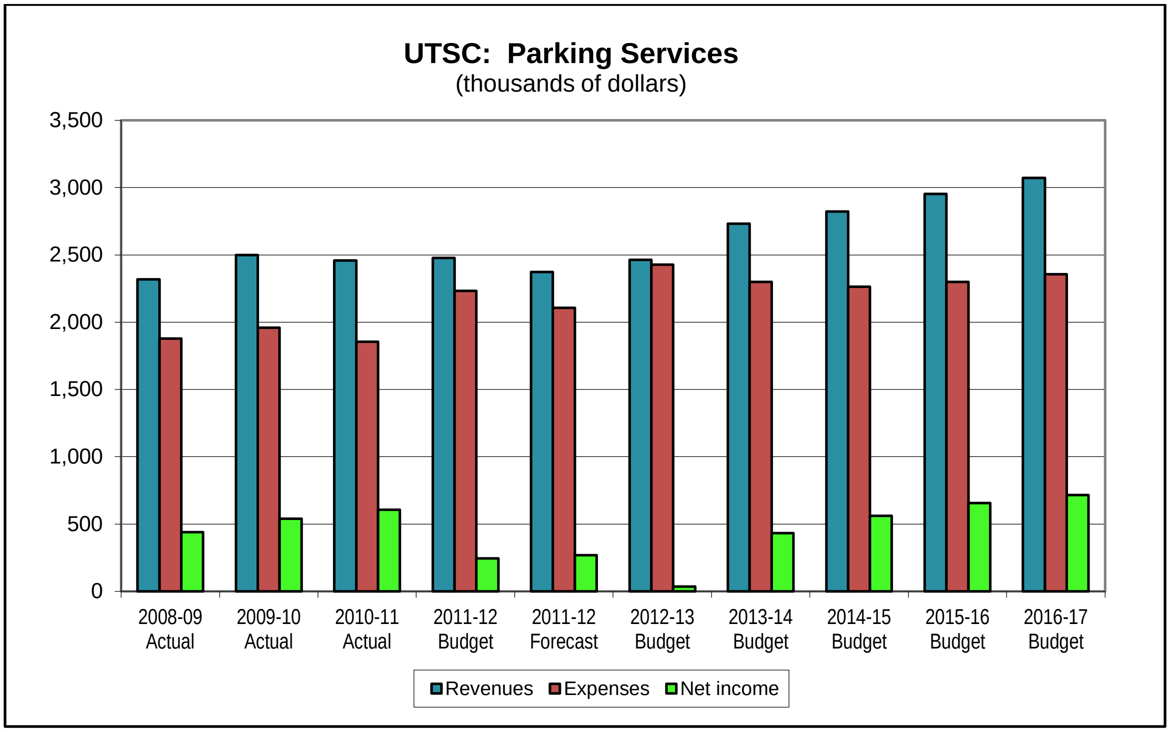


	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	2,716	2,681	2,824	2,868	2,911	2,975	3,054	3,134	3,459	3,552
Expenses	2,598	2,862	2,302	2,282	2,365	2,396	2,440	2,480	3,313	3,753
Net income (loss)	118	(181)	522	586	546	579	614	654	146	(201)
Percentage increase in revenues		*-1.3%*	*5.3%*	*1.6%*	*1.5%*	*2.2%*	*2.7%*	*2.6%*	*10.4%*	*2.7%*

The long-range budget is projecting an annual operating surplus and these surpluses will be contributing to a new construction reserve fund as a down payment for a parking deck extension planned for 2015-16. The ancillary is projecting that $2.6 million will be accumulated by 2014-15 for the parking deck extension.

UTSC

The mission of this parking ancillary is to provide a quality parking facility and services in a safe, effective environment. On-going capital improvements and program initiatives are the keys in maintaining the quality of service for parking at UTSC. Accessible parking is made available at the Inner parking facility, Outer Lot 2, spaces adjacent to the S-wing main entrance, Lot G near the Instructional Centre and Lot 2 (Centennial) in North Campus for a total of 33 designated spaces. Currently, the Parking operation has 2,860 parking spaces to accommodate the parking requirements of staff, faculty, students and visitors to both U of T and Centennial HP Science and Technology Centre.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	2,318	2,498	2,459	2,477	2,374	2,463	2,732	2,823	2,954	3,073
Expenses	1,879	1,959	1,854	2,232	2,106	2,429	2,299	2,263	2,299	2,357
Net income	439	539	605	245	268	35	433	560	655	716
Percentage increase in revenues		*7.8%*	*-1.6%*	*0.7%*	*-4.2%*	*3.7%*	*10.9%*	*3.3%*	*4.6%*	*4.0%*

The ancillary is forecasting a net operating surplus of $268,401 which is $23,468 better than previously budgeted. The favourable variance is mainly attributed to savings in major maintenance, furniture & equipment depreciation and security expenses. This saving of $125,879 is offset by the forecasted shortfall in revenues from student permits and the Pay and Display meter. After the transfer of $215,351 to UTSC's operating budget as a notional recognition in lieu of land rent for the parking operation, net assets are projected to be at $2.7 million of which $0.4 million will be allocated to the capital renewal reserve, $0.3 million to the operating reserve and $1.3 million to a new construction reserve.

In 2012-13, the ancillary will:

- Undertake the East Arrival Court project in May 2012, creating a dedicated bus loop, a second passenger pickup/drop-off facility and an increased number of visitor parking spaces.

- Establish a number of 24/7 reserved parking spaces within south campus parking lots C, Beechgrove and F. A premium will be applied to the cost of the reserved parking permits.
- Refurbish the dedicated, distinct areas of the south campus parking lots for permit holders, allowing employees and persons requiring barrier-free parking to park in the south campus lots and maximizing use of the facility.
- Eliminate two categories of permits, (i.e. motorcycle and evening employee permits.)

The 2012-13 budget proposes a 3% permit price increase for all categories of permits, and expects slightly lower demand for student permits. A premium is proposed for employee permits valid in South Campus lots C, E, and Beechgrove, and North Campus lot H due to the proximity of these lots to campus buildings. The operation is anticipating a surplus of $34,353 with an increase of $230,000 in spending on major maintenance compared to 2011-12 forecast. There will be a transfer of $221,812 to UTSC's operating budget in lieu of land rent and an additional one-time-only contribution of $249,961 to the East Arrival Court capital project. The net assets of $2.3 million are anticipated at end of 2012-13.

The long-range budget ensures the ancillary will remain fully self-funded, providing efficient and quality services, continued maintenance of its facilities, contributions of surplus funds to fund future initiatives, and to UTSC’s operating budget. Future campus growth is anticipated within the next five to seven years. While firm plans for building construction are not yet available, these anticipated construction projects will reduce the availability of surface land for the purpose of parking, requiring above- or below-ground parking structures. In order to afford these anticipated future capital costs, this budget places a priority on building its reserves.

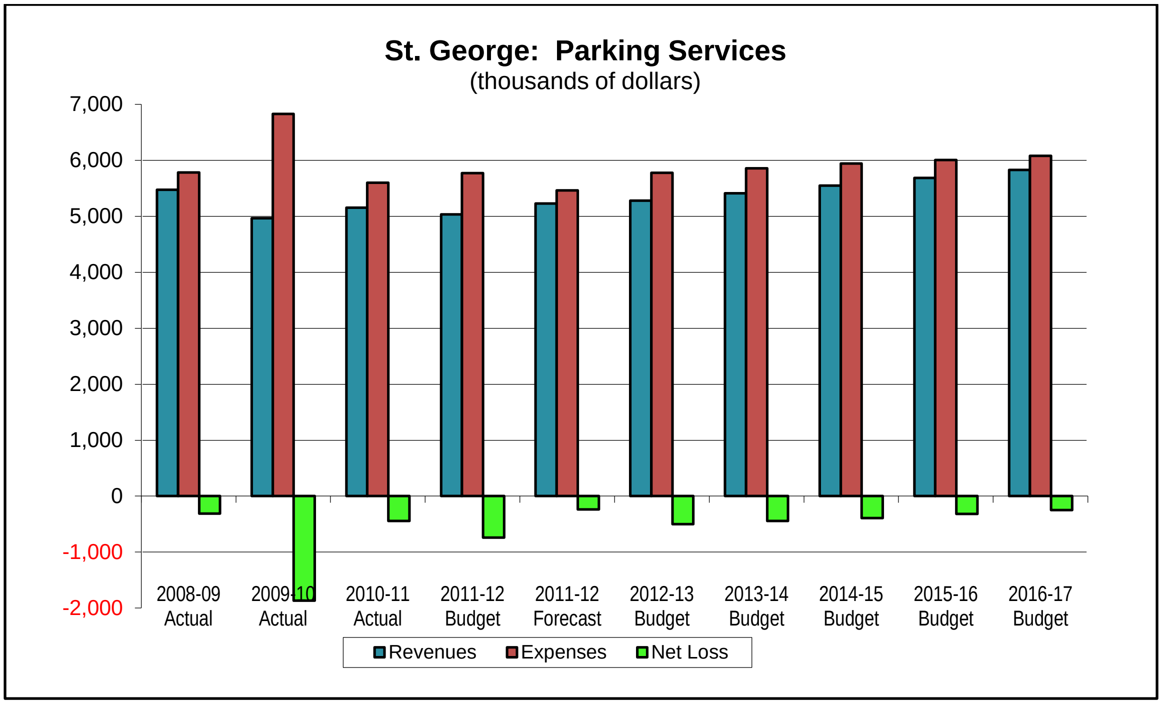
An annual surplus is anticipated in this long-range budget and net assets are projected to be $3.7 million by the end of the planning period with $0.7 million in investment in capital assets, a $0.3 million capital renewal reserve, a $0.4 million operating reserve and a $2.3 million reserve for future new construction projects.

St. George

The St. George ancillary operates 40 surface lots and 9 underground garages, providing 2,284 parking spaces for students, faculty and staff. It also provides parking management services to UTM.

The financing of the BCIT garage is the single largest factor contributing to the current deteriorating financial situation. With the erosion of parking inventory due to landlocked campus development, and the financial, social and environment issues associated with driving, making alternative transportation more attractive, parking revenues have continued to decline, while costs continue to increase. The department adapted to these challenges by adjusting its operating model to include more automation, reducing staff numbers, seeking out new sources of income and adopting variable pricing to maximize revenues at popular lots. The operation is now approaching a point where incremental adjustments to pricing, staffing and operating costs will not have enough of an impact to sustain its operation as self-funded. The only reason that this ancillary has not had a negative financial impact on the University is because it has large reserves, which are now being eroded at a fairly fast pace.

This year, Parking Services commenced a review of its operation by having a parking study commissioned with the use of an outside consultant. It undertook a comprehensive review of the operation and recommended strategies to deal with the current unsustainable business model. The ancillary has begun to follow some of these recommendations and is in the process of reviewing others in order to reduce its projected deficits. In particular, the ancillary will investigate potential further reductions in equipment costs which may equate to savings of $100,000 to $200,000 per year.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	5,472	4,966	5,156	5,031	5,229	5,278	5,411	5,547	5,687	5,830
Expenses	5,782	6,831	5,601	5,771	5,465	5,776	5,857	5,941	6,006	6,080
Net Loss	(310)	(1,866)	(445)	(739)	(236)	(498)	(446)	(394)	(319)	(250)
Percentage increase in revenues		*-9.3%*	*3.8%*	*-2.4%*	*3.9%*	*0.9%*	*2.5%*	*2.5%*	*2.5%*	*2.5%*

The forecasted 2011-12 operating loss before commitments is $235,776, a favourable variance of $503,457 compared to budget. The total net assets for 2011-12 is forecasted to be $10 million of which $6.4 million represents investment in capital assets (funds already spent on capital assets), a $0.5 million capital renewal reserve, a $0.4 million operating reserve and a $2.7 million unrestricted surplus.

Permit sales and pay & display revenues have been budgeted conservatively for 2012-13 based on the forecasted results for 2011-12 and the planned loss of the 1 Spadina Crescent and 100 Devonshire Place parking lots. The impact of these two parking lot closures on permit and pay & display revenues is difficult to assess. This budget also includes the implementation of using automated ticket writers. This recommendation from the parking study will significantly improve enforcement efficiency and data collection resulting in better overall lot demand and utilization figures.

The 2012-13 budget is anticipating a loss of $497,571 with net assets of $9.3 million of which a $5.8 million investment in capital assets, a $0.5 million capital renewal reserve and a $0.4 million operating reserve, leaving $2.5 million in unrestricted surplus.

The long-range budget assumes inflationary increases for revenues and most expenses. This ancillary is projecting the operation will continue to be in deficit for the remaining budget periods. In the absence of fundamental changes, the net assets would decrease to $7.1 million, represents a $3.1 million investment in capital assets, a $0.5 million capital renewal reserve and a $0.4 million operating reserve leaving a $3 million unrestricted surplus in 2016-17.

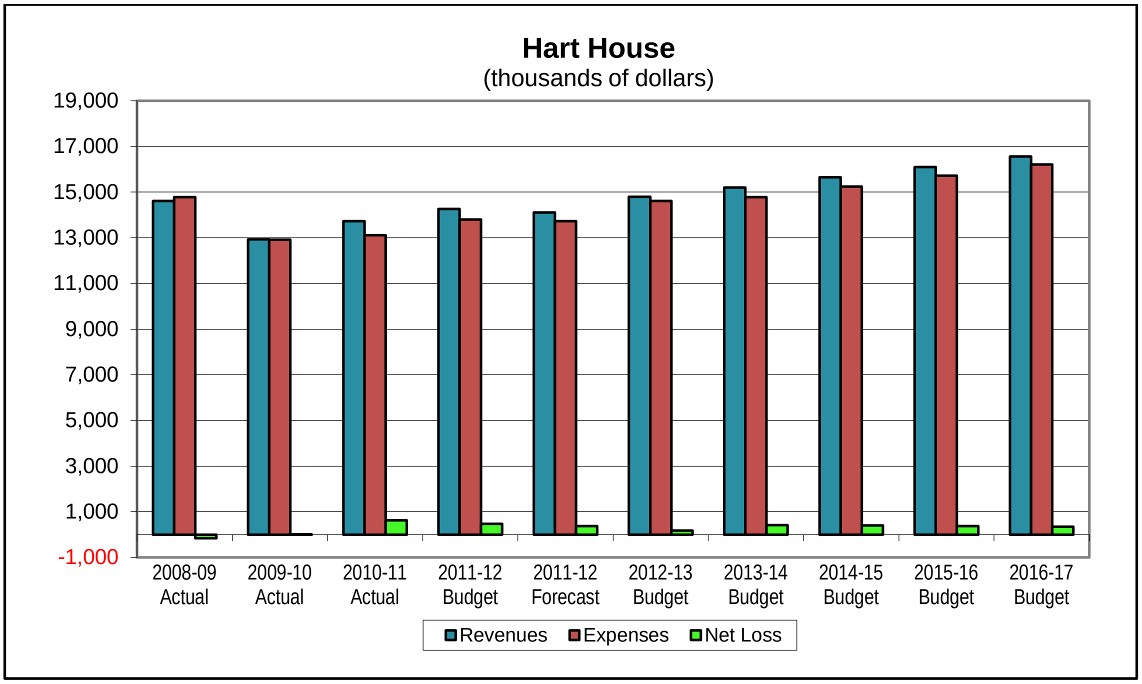
Hart House

Hart House is a multi-dimensional hub at the University where students, faculty, staff and alumni engage in social, artistic, cultural and recreational activities. Hart House also welcomes the general public to events such as theatre performances, art shows, talks, workshops, conferences, weddings, etc. Hart House is open 365 days per year and continues to fulfill its mission as a welcoming and inclusive space on campus, providing excellent programs and services while balancing its budget and preserving the building.

Several initiatives were undertaken to enhance the student experience, improve operational efficiency and effectiveness over the long term:

- Established key co-curricular linkages between Hart House programmes and other divisions (most notably the Faculty of Kinesiology and Physical Education, the Art Department and the Faculty of Music);
- Renovated the shooting range which created addition multi-use space for recreational classes;
- Made available a wide variety of athletic classes as well as increasing a variety of programming events, series and classes in the areas of self-expression and self-knowledge;
- Re-established the Hart House Players to provide students with a point of entry for involvement in the Hart House Theatre.

With a forecasted operating result of $370,500, Hart House is projecting a balanced budget after setting reserves aside for programme and major maintenance. The forecasted income is $98,500 less than budget due to a decrease of $155,500 in revenues. Net assets are forecasted at $5.8 million at end of fiscal 2011-12.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget
Revenues	14,618	12,932	13,732	14,262	14,107	14,790	15,195	15,648	16,093	16,556
Expenses	14,775	12,922	13,108	13,793	13,736	14,607	14,785	15,242	15,715	16,204
Net income (loss)	(157)	10	624	469	371	183	411	406	378	352
Percentage increase in revenues		*-11.5%*	*6.2%*	*3.9%*	*-1.1%*	*4.8%*	*2.7%*	*3.0%*	*2.8%*	*2.9%*

The 2012-13 budget was prepared to strengthen and diversify the co-curricular offerings for students and to strengthen services offered to all users. Room rental revenue is expected to increase as a result of improved room utilization and targeted marketing efforts. This budget anticipates a student fee rate increase and senior member fee increase of 5.3%, and a 3% increase for those members under the joint plan. With the ancillary projecting a net income of $182,800, it is necessary to utilize $108,000 of the deferred and major maintenance reserves in order to complete some urgent building maintenance and capital improvements. The capital budget is set at $1.6 million of which $0.3 million will be funded by donors. Also, following a recommendation from the Finance Committee to maintain a minimum of $0.6 million in the deferred and major maintenance reserve and to maintain 10% of annual budgeted revenues in the operating reserve. Hart House is projecting an operating deficit of $0.5 million after commitments and transfers, and $4.2 million net assets.

The long-range plan budgets for annual operating surpluses (before commitments) in each planning period. However, once surpluses are allocated to new capital assets and operating reserves, the five-year financial plan indicates a series of operating deficits. An ongoing challenge has been that rate increases for salaries, wages, benefits and utility costs are much higher than the stated inflation factor upon which fees are based; senior member fees are market-driven and need to stay competitive; and Hart House facilities are operating close to capacity. In order to maintain the building at the level of repair recommended in the Engineer's report, Hart House needs to find new sources of revenue.

To address the on-going budgetary challenges, Hart House will focus on:

- Operational effectiveness and efficiencies,
- Continuing to plan for a fundraising and marketing campaign,
- The development of new revenue streams such as external grants, sponsorships, farm revenue, heritage surcharge and funding for sustainability,
- The pursuit of U of T and donor appeal, with student top-up (for restoration of the building), and
- Space utilization business planning

Members of the Service Ancillary Review Group

Chief Financial Officer (Chair)	Sheila Brown
Vice-Provost, Students	Jill Matus
Vice President, University Operations	Scott Mabury
Executive Director, Planning and Budget	Sally Garner

***Co-opted members from University Affairs Board*:**

Student Member	Daniel DiCenzo
Student Member	Tina Hu
Administrative Staff	Diana Alli

Financial Services:

Financial Accounting Analyst	Justin Lim
Manager, Accounting Services	Selina Law

Review and Consultative Process
with Student/Local Committees and Councils

1. UTM

Parking

Transportation and Parking Subcommittee

Resource, Planning and Priorities Committee

Erindale College Council

Residences

UTM Residence Council

Housing Sub-committee of UTM Association of Graduate Students

Resource, Planning and Priorities Committee

Erindale College Council

Food Services

Resource, Planning and Priorities Committee

Erindale College Council

Facilities Rental & Conference Services

Resource, Planning and Priorities Committee

Erindale College Council

2. UTSC

Parking

Planning & Budget Committee

Parking Advisory Review Committee (PARC)

Residences

Residences Advisory Committee

Planning & Budget Committee

Food Services

Planning & Budget Committee

Council on Student Services (approve for Alcohol Education and Monitoring Subsidy)

Food User Committee

2. UTSC

Facilities Rental & Conference Services

Planning & Budget Committee

3. St. George Campus

Residences

New College:

Priority, Planning and Budget Committee

New College Council

Innis College:

Innis Residence Committee

Graduate House:

Graduate House Council (residents)

SGS Graduate House Governing Body

University College:

University College Residence Council

Chestnut Residence:

Residence Council

Residence Board

St. George Family Housing:

Joint Committee, Management and Tenant Executive

Student Family Housing Advisory Board

Woodsworth College:

Woodsworth Residence Council

Food Services

New College Food Services:

Priority, Planning and Budget Committee

New College Council

University College Food Services:

University College Residence Council Food Committee

4. Hart House

Finance Committee

Board of Stewards

Council on Student Services

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEAR ENDING APRIL 30, 2013 **SCHEDULE I**
(with comparative projected surplus for the year ending April 30, 2012)
(thousands of dollars)

	Revenues	Expenditures	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy 2013	2012
RESIDENCE SERVICES						
UTM	11,154	10,561	592	-	592	540
UTSC	5,570	5,570		-		23
Innis College	3,093	2,922	171	(125)	46	166
New College	8,971	8,748	223		223	(14)
University College	5,852	5,827	25	-	25	377
Graduate House	4,108	3,922	186	14	199	235
Family Housing	8,097	8,163	(66)	(458)	(525)	133
Chestnut Residence	20,592	20,756	(164)	-	(164)	(552)
Woodsworth College	4,083	4,233	(150)		(150)	1,084
Total Residence Services	71,518	70,702	816	(570)	246	1,993
CONFERENCE SERVICES						
UTM	1,090	996	94	(100)	(6)	(6)
UTSC	755	699	55	-	55	247
	1,845	1,696	149	(100)	49	241
FOOD & BEVERAGE SERVICES						
UTM	1,584	1,617	(34)	-	(34)	35
UTSC	501	485	17	-	17	7
St. George Campus	1,967	1,952	15	42	57	(305)
New College	835	676	159	-	159	(30)
University College	1,899	1,696	204	-	204	369
Total Food & Beverage Services	6,786	6,426	360	42	402	76
PARKING SERVICES						
UTM	2,975	2,397	579		579	546
UTSC	2,463	2,429	34	(472)	(437)	53
St. George Campus	5,278	5,776	(498)	(204)	(701)	(503)
Total Parking Services	10,716	10,601	116	(675)	(560)	97
HART HOUSE	14,790	14,607	183	-	183	371
TOTAL	105,655	104,031	1,624	(1,303)	320	2,778

SUMMARY OF SERVICE ANCILLARY OPERATIONS LONG-RANGE BUDGET RESULTS

(thousands of dollars)

Service Ancillaries	Objectives to be met within the 2012-13 Budget: 1	2	3	4	2012 - 2013 Unrestricted Surplus/(Deficit)	Projected investment in capital assets	Projected Commitments to Capital Renewal (Schedule III)	Projected operating reserve (Schedule III.1)	Projected new constr. reserve (Schedule III.1)	2012 - 2013 Net Assets	2014-2015 Net Assets	2016-2017 Net Assets
Residence Services												
UTM	yes	no	no	no	(5,131)	328	527	870	-	(3,407)	(505)	3,344
UTSC	yes	yes	yes	no	(1,621)	1,640	821	573	-	1,412	1,433	1,479
Innis College	yes	yes	yes	yes 125	676	357	1,956	227	-	3,216	3,772	4,745
New College	yes	no	no	no	(9,549)	3,141	600	-	-	(5,808)	(5,732)	(5,276)
University College	yes	yes	yes	no	(130)	2,457	1,600	453	-	4,379	4,591	5,530
Graduate House	yes	no	no	no	(445)	2,719	-	-	-	2,274	3,180	3,799
Family Housing **	yes	yes	yes	no	543	327	1,250	590	-	2,710	2,303	2,366
Chestnut Residence	yes	no	no	no	(14,201)	2,284	-	-	-	(11,917)	(11,551)	(8,022)
Woodsworth College	yes	yes	yes	no	-	1,784	1,000	2,214	-	4,998	4,670	4,339
Conference Services												
UTM	yes	n/a	yes	yes 100	410			34	-	444	416	436
UTSC	yes	n/a	yes	no	-	139	7	389	605	1,139	1,261	1,367
Food & Beverage Services												
UTM	yes	no	yes	no		102		96	626	824	1,031	983
UTSC	yes	yes	yes	no	-	151	7	90	76	323	386	462
St. George Campus	yes	yes	yes	no	296	71	750	146	-	1,263	1,572	2,156
New College	yes	yes	no	no	(901)	1,096	38	-	-	234	731	1,266
University College	yes	yes	yes	no	199	41	1,000	162	-	1,402	1,895	2,512
Parking Services												
UTM	yes	no	yes	no		4	-	212	1,314	1,530	2,798	2,743
UTSC	yes	yes	yes	no		738	356	303	884	2,280	2,810	3,689
St. George Campus	yes	yes	yes	no	2,543	5,805	500	428	-	9,276	8,029	7,053
Hart House	yes	yes	yes	no	(302)	4,187	600	1,479	-	5,965	6,781	7,512
	Summary totals			225	(27,613)	27,369	11,010	8,266	3,504	22,536	29,868	42,482

OBJECTIVES:

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

1. Operates without a 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.

** Family Housing has a trust fund for major capital renewal as per purchase agreement with OHC

***

SCHEDULE III

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED FUNDS TO BE COMMITTED FOR CAPITAL RENEWAL
FOR THE YEARS ENDED APRIL 30
(thousands of dollars)

	Balance May 1, 2012	Net increase (decrease) in commitments to capital renewal	Balance April 30, 2013	Balance April 30, 2017
RESIDENCE SERVICES				
UTM	527	-	527	527
UTSC	861	(40)	821	620
Innis College	1,466	489	1,956	4,234
New College	600	-	600	600
University College	1,600		1,600	1,600
Graduate House	-	-	-	510
Family Housing *	1,350	(100)	1,250	650
Chestnut Residence	-	-	-	-
Woodsworth College	500	500	1,000	2,000
Total Residence Services	6,903	849	7,753	10,740
CONFERENCE SERVICES				
UTM	-	-	-	-
UTSC	3	4	7	4
Total Conference Services	3	4.43	6.93	4
FOOD & BEVERAGE SERVICES				
UTM	-	-	-	-
UTSC	7	-	7	7
St. George Campus	750	-	750	1,500
New College	38	-	38	38
University College	1,000		1,000	1,000
Total Food & Beverage Services	1,795		1,795	2,545
PARKING SERVICES				
UTM	-	-	-	-
UTSC	368	(12)	356	300
St. George Campus	500	-	500	500
Total Parking Services	868	(12)	856	800
HART HOUSE	708	(108)	600	600
TOTAL	10,277	734	11,010	14,689

* Family Housing has a trust fund set up as part of the purchase agreement whereby the ancillary contributes $600,000 annually to the fund and the major capital projects are expensed through this fund. The fund balance at April 30, 2013 is expected to be $120,167 and $341,595 in 2016-17.

SCHEDULE III.1

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED FUNDS TO BE COMMITTED FOR OPERATING AND NEW CONSTRUCTION RESERVES
FOR THE YEARS ENDED APRIL 30
(thousands of dollars)

	OPERATING RESERVE				NEW CONSTRUCTION RESERVE			
	Balance May 1, 2012	Increase or (decrease) in operating reserve	Balance operating reserve April 30, 2013	Balance operating reserve April 30, 2017	Balance May 1, 2012	Increase or (decrease) in construction reserve	Balance new construction reserve April 30, 2013	Balance new construction reserve April 30, 2017
RESIDENCE SERVICES								
UTM	859	11	870	944	-	-	-	-
UTSC	564	8	573	622	-	-	-	-
Innis College	221	6	227	243	-	-	-	-
New College	-	-	-	-	-	-	-	-
University College	447	6	453	482	-	-	-	-
Graduate House	-	-	-	668	-	-	-	-
Family Housing	570	20	590	645	-	-	-	-
Chestnut Residence	-	-	-		-	-	-	-
Woodsworth College	2,750	(536)	2,214	1,011	-	-	-	-
Total Residence Services	5,410	(484)	4,927	4,614	-			
CONFERENCE SERVICES								
UTM	27	7	34	40	-	-	-	-
UTSC	377	11	389	423	685	(80)	605	870
Total Conference Services	405	18	423	464	685	(80)	605	870
FOOD & BEVERAGE SERVICES								
UTM	82	14	96	139	589	37	626	283
UTSC	80	10	90	105	99	(23)	76	299
St. George Campus	126	20	146	158	-	-	-	-
New College	-	-	-	-	-	-	-	-
University College	144	18	162	176	-	-	-	-
Total Food & Beverage Services	433	62	495	578	688	14	701	582
PARKING SERVICES								
UTM	208	4	212	345	737	577	1,314	-
UTSC	292	11	303	378	1,312	(428)	884	2,288
St. George Campus	401	26	428	449	-	-	-	-
Total Parking Services	902	41	943	1,171	2,049	149	2,198	2,288
HART HOUSE	1,426	53	1,479	1,656	-	-	-	-
TOTAL	8,575	(310)	8,266	8,483	3,421	82	3,504	3,740

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEARS ENDED APRIL 30
(thousands of dollars)

	2011-2012 (Forecast)			2012 - 2013			2013-2014		
	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy
RESIDENCE SERVICES									
UTM	540	-	540	592	-	592	1,284	-	1,284
UTSC	23	-	23		-		-	-	
Innis College	291	(125)	166	171	(125)	46	326	(100)	226
New College	(131)	117	(14)	223		223	(13)	-	(13)
University College	377	-	377	25	-	25	24	-	24
Graduate House	221	14	235	186	14	199	409	14	422
Family Housing	481	(348)	133	(66)	(458)	(525)	81	(456)	(374)
Chestnut Residence	(552)	-	(552)	(164)		(164)	(223)	-	(223)
Woodsworth College	(120)	1,204	1,084	(150)		(150)	(144)	-	(144)
Total Residence Services	1,131	862	1,993	816	(570)	246	1,745	(542)	1,203
CONFERENCE SERVICES									
UTM	94	(100)	(6)	94	(100)	(6)	80	(100)	(20)
UTSC	252	(5)	247	55	-	55	68	-	68
Total Conference Services	346	(105)	241	149	(100)	49	148	(100)	48
FOOD & BEVERAGE SERVICES									
UTM	35	-	35	(34)	-	(34)	146	-	146
UTSC	12	(5)	7	17	-	17	28	-	28
St. George Campus	(465)	161	(305)	15	42	57	(10)	42	32
New College	(30)	-	(30)	159	-	159	251	-	251
University College	369	-	369	204	-	204	232	-	232
Total Food & Beverage Services	(79)	156	76	360	42	402	647	42	689
PARKING SERVICES									
UTM	546	-	546	579	-	579	614	-	614
UTSC	268	(215)	53	34	(472)	(437)	433	(228)	204
St. George Campus	(236)	(267)	(503)	(498)	(204)	(701)	(446)	(204)	(649)
Total Parking Services	579	(482)	97	116	(675)	(560)	601	(432)	169
HART HOUSE	371	-	371	183	-	183	411	-	411
TOTAL	2,347	430	2,778	1,624	(1,303)	320	3,551	(1,032)	2,519

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEARS ENDED APRIL 30
(thousands of dollars)

	2014-2015			2015-2016			2016-2017		
	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy
RESIDENCE SERVICES									
UTM	1,619	-	1,619	1,974	-	1,974	1,874	-	1,874
UTSC	20	-	20	20	-	20	26	-	26
Innis College	430	(100)	330	507	(100)	407	641	(75)	566
New College	88	-	88	182	-	182	274	-	274
University College	187	-	187	357	-	357	582	-	582
Graduate House	470	14	484	223	14	237	369	14	382
Family Housing	417	(450)	(33)	525	(448)	78	431	(445)	(14)
Chestnut Residence	589	-	589	1,361	-	1,361	2,168	-	2,168
Woodsworth College	(184)	-	(184)	(173)	-	(173)	(157)	-	(157)
Total Residence Services	3,637	(537)	3,100	4,977	(534)	4,443	6,207	(506)	5,701
CONFERENCE SERVICES									
UTM	92	(100)	(8)	104	(100)	4	116	(100)	16
UTSC	54	-	54	51	-	51	55	-	55
Total Conference Services	146	(100)	46	154	(100)	54	171	(100)	71
FOOD & BEVERAGE SERVICES									
UTM	61	-	61	(27)	-	(27)	(21)	-	(21)
UTSC	34	-	34	37	-	37	39	-	39
St. George Campus	234	42	276	248	42	290	252	42	294
New College	246	-	246	256	-	256	279	-	279
University College	261	-	261	292	-	292	325	-	325
Total Food & Beverage Services	837	42	879	807	42	849	874	42	916
PARKING SERVICES									
UTM	655	-	655	146	-	146	(201)	-	(201)
UTSC	560	(235)	325	656	(242)	413	716	(250)	467
St. George Campus	(394)	(204)	(598)	(319)	(204)	(522)	(250)	(204)	(454)
Total Parking Services	820	(439)	381	483	(446)	37	265	(453)	(188)
HART HOUSE	406	-	406	378	-	378	352	-	352
TOTAL	5,846	(1,034)	4,813	6,800	(1,038)	5,762	7,870	(1,017)	6,852

SCHEDULE V

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS
SUMMARY OF 2012-2013 CAPITAL BUDGETS
(with comparative figures for 2011-2012)
(thousands of dollars)

	2012 - 2013	2011-2012
RESIDENCE SERVICES		
Innis College	-	35
New College	317	100
UTM	42	66
UTSC	330	283
University College	340	185
Chestnut Residence	613	262
Family Housing	-	168
Graduate House	32	32
Woodsworth College		
Total Residence Services	1,673	1,130
CONFERENCE SERVICES		
UTSC	139	-
Total Conference Services	139	-
FOOD & BEVERAGE SERVICES		
UTM	-	606
UTSC	58	-
New College	100	30
University College	18	-
St. George Campus	40	40
Total Food & Beverage Services	216	676
PARKING SERVICES		
UTM	-	-
UTSC	81	262
St. George Campus	90	30
Total Parking Services	171	292
HART HOUSE	1,627	1,200
TOTAL	3,826	3,299

SCHEDULE OF 2012-2013 ANCILLARY RATES

	2011/12 RATE $	2012/13 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
PARKING SERVICES					
St. George Campus					
Permit					
Faculty of Education	95.00	101.00	6.00	6.3%	0.0%
School of Continuing Ed.	165.00	218.00	53.00	32.1%	0.0%
42 Harbord Street	95.00	101.00	6.00	6.3%	0.0%
Graduate Garage	110.25	117.00	6.75	6.1%	0.0%
OISE	120.00	120.00	-	0.0%	0.0%
Bedford	144.00	152.50	8.50	5.9%	2.9%
Devonshire	95.00	101.00	6.00	6.3%	0.0%
St. George Garage	110.25	117.00	6.75	6.1%	0.0%
Faculty of Law	170.00	180.00	10.00	5.9%	3.0%
Spadina Crescent (west side)	95.00	101.00	6.00	6.3%	0.0%
Spadina Crescent (east side)	95.00	101.00	6.00	6.3%	-13.8%
BCIT	139.00	147.00	8.00	5.8%	3.0%
McLennan Physics	165.00	175.00	10.00	6.1%	0.0%
E/S Hart House Circle	139.00	147.00	8.00	5.8%	3.0%
Triangle	170.00	180.00	10.00	5.9%	3.0%
Front Campus (KCC & HHC)	170.00	180.00	10.00	5.9%	3.0%
Simcoe Hall	139.00	147.00	8.00	5.8%	3.0%
Galbraith	170.00	180.00	10.00	5.9%	3.0%
200 College St (Rear) I.S.C	170.00	180.00	10.00	5.9%	3.0%
Tower Road - Unreserved	95.00	101.00	6.00	6.3%	0.0%
Tower Road - Reserved	170.00	180.00	10.00	5.9%	3.0%
256 McCaul Street-Reserved	178.50	189.00	10.50	5.9%	3.0%
155 College Street - Garage	183.65	195.00	11.35	6.2%	6.0%
155 College Street - Surface	178.50	189.00	10.50	5.9%	3.0%
100 College Street - Banting	95.00	101.00	6.00	6.3%	0.0%
112 College Street - Best	140.00	148.50	8.50	6.1%	0.0%
88 College Street - Women's college	140.00	148.50	8.50	6.1%	0.0%
Dentistry - Garage	170.00	180.00	10.00	5.9%	3.0%
Dentistry - Surface	165.00	175.00	10.00	6.1%	0.0%
6 King's College Road	165.00	175.00	10.00	6.1%	0.0%
Permit Misc					
Commercial monthly	170.00	180.00	10.00	5.9%	3.0%
Commercial weekly	51.50	54.50	3.00	5.8%	3.0%
After 4pm parking	56.50	60.00	3.50	6.2%	2.7%
Summer Conference monthly	172.25	182.50	10.25	6.0%	2.9%
Summer Conference weekly	60.25	64.00	3.75	6.2%	3.0%
UTM/UTSC designated lot	37.75	40.00	2.25	6.0%	2.7%
UTM/UTSC hunting permit	61.50	65.20	3.70	6.0%	2.9%
24-Hour Reserve	206.00	218.00	12.00	5.8%	3.0%
24-Hour Reserve (256 McCaul)	216.50	229.50	13.00	6.0%	3.1%
Z-Permit (unrestricted)	170.00	180.00	10.00	5.9%	3.0%
Motorcycle	24.75	26.25	1.50	6.1%	3.1%

SCHEDULE OF 2012-2013 ANCILLARY RATES

	2011/12 RATE $	2012/13 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
UTM					
Reserved - annual	880.33	906.74	26.41	3.0%	3.0%
Premimum Unreserved (Lots 9, 8 & 4)-Annual	628.27	647.12	18.85	3.0%	3.0%
Unreserved (Lots 4 & 8 only) - Annual	607.90	626.13	18.23	3.0%	3.0%
Student Unreserved (Lots 4 & 8 only) (Sessional)	253.29	260.89	7.60	3.0%	3.0%
Unreserved - afternoon - (after 3:30pm) - Annual	509.23	524.51	15.28	3.0%	3.0%
Commercial (Lots 4, 8 & 9) - Annual	1,018.46	1,049.02	30.56	3.0%	3.0%
Pay & Display					
Pay & Display (daily maximum) (6:30 am - 8:00 a.m. next day)	13.00	13.00	-	0.0%	0.0%
Pay & Display (evening/weekend) (5:00 pm - 8:00 a.m. next day)	6.00	6.00	-	0.0%	0.0%
Pay & Display per half hour	2.50	2.50	-	0.0%	0.0%
UTSC					
Inner Lot: **Rates Have been re-aligned to match the outer lot rates**					
Annual	765.00	945.54-1024.34			
South Lot Employee Reserved	-	1,323.76-1,434.07			
Summer	154.00	189.11-204.87			
Residence Fall/ Winter	540.71	669.41-725.19			
Residence - Summer	136.28	167.35-181.30			
Evening - Annual	382.50	472.77-512.17			
Motorcycle, Fall/Winter	255.00				
Daily - short tem and visitors	12.00				
Evening - flat rate	6.00				
Athletics members - flat rate	18.11	19.81-21.46			
Athletics Sunday Leagues		32.76-35.49			
Summer conference - daily rate	5.40				
Summer conference - youth bed rate	1.20				
Outer Lot:					
Annual North Lot Payroll, Employee (Premium Lot H)	765.00	866.75	101.75	13.3%	125.1%
Annual North Lot Payroll, Employee	765.00	787.95	22.95	3.0%	125.1%
Student, Fall/ Winter	611.55	629.90	18.35	3.0%	0.0%
Fall or Winter Term	342.47	352.74	10.27	3.0%	0.0%
Annual Evening	305.77				
Summer	153.45	158.05	4.60	3.0%	-55.2%
Centennial Permit (Sep - May)	621.11	652.17	31.06	5.0%	5.0%
Centennial Summer Permit	310.56	326.08	15.52	5.0%	
South(Inner)Lots					
Daily Maximum Rate - Short-term and visitors	12.00	12.00	-	0.0%	0.0%
Evening- Flat rate	6.00	6.00	-	0.0%	0.0%
Summer - Conference - Daily Rate	5.40	5.40	-	0.0%	0.0%
Summer - Conference - Youth bed rate	1.20	1.20	-	0.0%	0.0%

SCHEDULE OF 2012-2013 ANCILLARY RATES

	2011/12 RATE $	2012/13 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
UTSC					
Instructional Center Lot G					
Hourly Rate, day	3.00	3.00	-	0.0%	
Flat Rate, Evening	6.00	6.00	-	0.0%	
Flat Rate, Weekend	5.00	5.00	-	0.0%	
Instructional Center Lot H					
Flat Rate, Day	10.00	10.00	-	0.0%	
Flat Rate, Evening	5.00	5.00	-	0.0%	
Flat Rate, Weekend	4.00	4.00	-	0.0%	
Lots 4 and 5 (North Lots)					
Daily - flat rate	7.50	7.50	-	0.0%	-25.0%
Evening - flat rate	5.00	4.00	(1.00)	-20.0%	0.0%
Weekend - flat rate	2.00	2.00	-	0.0%	0.0%
Daily Visitor Event Rate (Various Locations)					
Event Parking Rate, Minimum		2.00	2.00		

SCHEDULE OF 2012-2013 ANCILLARY RATES

	2011/12 RATE $	2012/13 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
FOOD & BEVERAGE SERVICES					
University College					
Plan A	4,200.00	4,350.00	150.00	3.5%	2.5%
Plan B	3,710.00	3,840.00	130.00	3.5%	2.5%
New College					
15 Meal Plan ($250 Flex)	4,168.00	4,314.00	146.00	3.5%	3.0%
330 Meal Plan ($450 Flex)	4,210.00	4,357.00	147.00	3.5%	3.0%
Carte Blanche Meal plan	4,407.00	4,561.00	154.00	3.5%	3.0%
Summer Rates					
Breakfast	6.88	7.12	0.24	3.5%	3.0%
Lunch	10.14	10.48	0.34	3.4%	3.0%
Dinner	11.31	11.71	0.40	3.5%	3.0%
Brunch (weekends)	10.14	10.48	0.34	3.5%	3.0%
Per diem rate	27.17	28.12	0.95	3.5%	3.0%
UTM					
Group A					
Plus	4,275.00	4,399.00	124.00	2.9%	3.0%
Regular	3,995.00	4,099.00	104.00	2.6%	1.1%
Light	3,795.00	3,849.00	54.00	1.4%	1.2%
Minimum	3,459.00	3,549.00	90.00	2.6%	1.0%
Group B					
Regular	2,195.00	2,295.00	100.00	4.6%	3%
Light	1,995.00	2,095.00	100.00	5.0%	4%
Minimum	1,725.00	1,799.00	74.00	4.3%	3%

SCHEDULE OF 2012-2013 ANCILLARY RATES

	2011/12 RATE $	2012/13 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
RESIDENCE SERVICES					
St. George Campus					
Graduate House					
Grad. House Res/month - Single - premium	930.00	963.00	33.00	3.6%	5.9%
Grad. House Res/month - Single - regular	835.00	865.00	30.00	3.6%	6.0%
Grad. House Res/month - Singles in suite 970	739.00	765.00	26.00	3.5%	5.9%
Grad. House Res/month - Singles in suite 670	805.00	833.00	28.00	3.5%	5.9%
Grad. House Res/month - Regular Double	637.00	659.00	22.00	3.5%	6.0%
University College					
University College - Winter	6,480.00	6,732.00	252.00	4.0%	3.5%
Innis College					
Innis College - Winter	6,845.00	7,187.00	342.00	5.0%	5.0%
Innis College - Summer	2,500.00	2,550.00	50.00	2.0%	4.2%
New College					
Winter					
Residence Room - Wilson Hall & Wetmore Hall					
Double room (per bed)	6,510.00	6,610.00	100.00	1.5%	-0.8%
Single room	7,485.00	7,685.00	200.00	2.7%	5.7%
Bed-over-desk double room (per bed)	5,500.00	5,550.00	50.00	0.9%	-9.2%
Residence Room - 45 Willcocks					
Double room (per bed)	6,760.00	7,010.00	250.00	3.7%	3.0%
Single room	7,735.00	8,085.00	350.00	4.5%	9.3%
New College - Summer/Single					
Continuing New College Students	2,153.50	2,153.50	-	0.0%	6.8%
Registered Students	2,262.00	2,262.00	-	0.0%	8.2%
Others	2,310.00	2,310.00	-	0.0%	0.0%
New College - Summer/Double					
Continuing New College Students	1,622.50	1,622.50	-	0.0%	7.3%
Registered Students	1,653.00	1,653.00	-	0.0%	7.3%
Others	1,732.50	1,732.50	-	0.0%	1.6%
Family Housing					
Bachelor	660.00	680.00	20.00	3.0%	2.5%
1 bedroom (standard)	818.00	843.00	25.00	3.0%	2.5%
1 bedroom (20) 'B'	831.00	856.00	25.00	3.0%	2.5%
1 bedroom (large) 'A'	867.00	893.00	26.00	3.0%	2.5%
1 bedroom (19/23) 'C'	888.00	915.00	27.00	3.0%	2.5%
2 bedroom (standard)	1,082.00	1,114.00	32.00	3.0%	2.5%
Chestnut Residence					
Single	9,387.00	9,856.00	469.00	5.0%	5.0%
Super Single	10,831.00	11,372.00	541.00	5.0%	5.0%
Double	7,730.00	8,116.00	386.00	5.0%	5.0%
Meal Plan					
Regular Meal Plan	4,406.00	4,538.00	132.00	3.0%	3.0%
Carte Blanche Meals	4,656.00	4,795.00	139.00	3.0%	3.0%

Chestnut Residence

SCHEDULE OF 2012-2013 ANCILLARY RATES

	2011/12 RATE $	2012/13 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
Summer Rates per month					
Single	1,159.00	1,194.00	35.00	3.0%	2.5%
Super Single	1,159.00	1,194.00	35.00	3.0%	2.5%
Double	883.00	910.00	27.00	3.1%	2.4%
Breakfast and Dinner (mandatory)	345.00	360.00	15.00	4.3%	4.5%
Summer Rates full summer					
Single	3,510.00	3,724.00	214.00	6.1%	3.1%
Super Single	3,510.00	3,724.00	214.00	6.1%	3.1%
Double	2,282.00	2,351.00	69.00	3.0%	3.4%
Breakfast and Dinner (mandatory)	1,265.00	1,344.00	79.00	6.2%	2.7%
Summer Rates full summer with discount					
Single	2,803.00	2,979.00	176.00	6.3%	3.2%
Super Single	2,803.00	2,979.00	176.00	6.3%	3.2%
Double	1,824.00	1,880.00	56.00	3.1%	3.6%
Breakfast and Dinner (mandatory)	1,265.00	1,344.00	79.00	6.2%	2.7%
Woodsworth College					
Woodsworth College - Winter	7,950.00	8,180.00	230.00	2.9%	3.2%
UTM					
Undergraduate Students					
Townhouses(Schreiberwood,McLuhan, Putnam, Leacock)	6,412.00	6,733.00	321.00	5.0%	4.4%
Premium townhouses (Leacock)	7,153.00	7,511.00	358.00	5.0%	4.4%
Suites (Roy Ivor Hall & Erindale Hall)	7,153.00	7,511.00	358.00	5.0%	4.4%
Dormitory (Oscar Peterson Hall)	6,412.00	6,733.00	321.00	5.0%	6.5%
Premium Townhouse MaGrath Valley	7,153.00	7,511.00	358.00	5.0%	4.4%
Family & Graduate Housing:					
Schreiberwood:					
2 bedroom townhouses/ month					
May to Aug	1,061.00	1,105.00	44.00	5.0%	4.5%
Sep to Apr	1,105.00	1,160.00	55.00	5.0%	4.1%
3 bedroom townhouses/ month					
May to Aug	1,096.00	1,142.00	46.00	5.0%	4.5%
Sep to Apr	1,142.00	1,199.00	57.00	5.0%	4.2%
4 bedroom townhouses/ month					
May to Aug	1,117.00	1,164.00	47.00	5.0%	4.5%
Sep to Apr	1,164.00	1,222.00	58.00	5.0%	4.2%
Bachelors (Small)					
May to Aug	713.00	742.00	29.00	5.0%	4.5%
Sep to Apr	742.00	779.00	37.00	5.0%	4.1%
Bachelors (Large)/ Shared Bachelors					
May to Aug	748.00	779.00	31.00	5.0%	4.5%
Sep to Apr	779.00	818.00	39.00	5.0%	4.1%
MaGrath Valley:					
2 bedroom Townhouses					
May to Aug	1,061.00	1,105.00	44.00	5.0%	4.5%
Sep to Apr	1,105.00	1,160.00	55.00	5.0%	4.1%
Bachelors(Shared)					
May to Jul		779.00			
Aug to Apr		818.00			

SCHEDULE OF 2012-2013 ANCILLARY RATES

	2011/12 RATE $	2012/13 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
UTSC					
Winter					
Phase I - III single	6,604.00	6,769.00	165.00	2.5%	2.0%
Phase IV single	7,216.00	7,396.00	180.00	2.5%	4.0%
Phase I - III shared	4,890.00	5,012.00	122.00	2.5%	2.0%
Summer					
Phase I - III (May - August)	3,237.00	3,237.00	-	0.0%	0.0%
Visitor Weekly Rate	202.00	202.00	-	0.0%	0.0%
Phase IV Foley Hall (May - August)	3,469.00	3,469.00	-	0.0%	0.0%
Visitor Weekly Rate	217.00	217.00	-	0.0%	0.0%
HART HOUSE					
St. George Full Time	71.63	75.43	3.80	5.3%	3.6%
St. George Part Time	14.34	15.10	0.76	5.3%	3.7%
Scarborough & Mississauga (Full time)	2.20	2.32	0.12	5.5%	3.8%
Scarborough & Mississauga (Part time)	0.45	0.47	0.02	4.4%	4.7%