FOR APPROVAL **PUBLIC** **OPEN SESSION**

TO: University Affairs Board

SPONSOR: Sandy Welsh, Vice-Provost, Students
CONTACT INFO: (416) 978-3870, vp.students@utoronto.ca

PRESENTER: Anne MacDonald, Director, Ancillary Services
CONTACT INFO: (416) 978-7830, anne.macdonald@utoronto.ca

DATE: February 29th, 2016 for March 15, 2016

AGENDA ITEM: 2(c)

ITEM IDENTIFICATION:

2016-17 Operating Plans for St. George Campus Service Ancillaries

JURISDICTIONAL INFORMATION:

Under Section 5.1.1.b of the University Affairs Board (UAB) Terms of Reference, UAB approves operating plans for the St. George campus and student services ancillaries. The plans describe the services and programs to be offered, within the financial parameters set by the University's operating budget and financial policies set by the Business Board. The plans include each ancillary's annual operating budget, and describe changes to programs and levels of service, categories of users, accessibility, and compulsory or optional fees.

GOVERNANCE PATH:

1. **University Affairs Board [For Approval] (March 15, 2016)**
2. Business Board [For Information] (April 5, 2016)

PREVIOUS ACTION TAKEN:

Consultation around each of these plans occurs first at the local level, with stakeholder groups that are directly affected, and that form part of the decision-making structures of each operation. Students are included in these groups. Draft plans for each ancillary have been reviewed by the Financial Services Department, whose report has been considered by the St. George Service Ancillary Review Group (SARG). Three members of the University Affairs Board are members of SARG.

HIGHLIGHTS:

The services provided by St. George residences, conference services, food and beverage services, transportation services and Hart House are important contributors to the student experience and to the experience of faculty and staff at the University.

St. George Service ancillaries are budgeting a net income of $4.9 million before transfers and capital costs at April 30, 2017 on projected revenues of $119.5 million (See Schedule I). Rate increases vary between ancillaries (see Schedule VI).

After significant research, analysis and consultation, the University has decided to self-operate the campus food services outlets when the contract with ARAMARK expires at the end of July 2016. The budget for this new operation combines residential, retail and catering operations from St. George Food Services, Chestnut Residence and New College Residence. When the food outlets become self-operated, the University will report the total revenues earned instead of reporting only the ARAMARK earned commission. This change in accounting method will lead to a change in total revenues and total expenses going forward.

The long-range plan shows positive net income for the next five years since the plans include some rate increases each year while loan principal and interest repayments remain constant, as required by the original expansion plans. These rate increases continue to be needed to restore the ancillaries to a strong financial position and to build up reserves for future building maintenance.

The budgets and rates provided for approval for 2016-17, are reasonable on a one year basis given the challenges facing some of the ancillaries, with the understanding that there will be continuing work to address the various issues.

FINANCIAL IMPLICATIONS:

The anticipation of each ancillary in achieving the objectives of the budget guidelines are summarized on page 34.

RECOMMENDATION:

Be It Approved by the University Affairs Board:

THAT the proposed 2016-17 operating plans and budgets for St. George service ancillaries, as summarized in Schedule I; the St. George service ancillary capital budgets as summarized in Schedule V, and the St. George rates and fees in Schedule VI be approved, effective May 1, 2016.

DOCUMENTATION PROVIDED:

St. George Service Ancillary Report on Operating Plans 2016-17.

UNIVERSITY OF TORONTO

ST. GEORGE

Service Ancillaries Report on Operating Plans
2016-2017

TABLE OF CONTENTS

Introduction

The St. George service ancillaries include the St. George residences (conference businesses are combined with the residence ancillary), food and beverage services, transportation services and Hart House. Collectively, these operations have experienced significant growth over a period of more than a decade in response to growth in student enrolment on campus, and are moving forward to recover from the high fixed costs associated with that growth. The growth in enrolment required a major building program for facilities such as student residences. The costs associated with additional facilities required debt financing with the expectation that over time, with inflation, the repayment of loans would come to represent a declining proportion of revenue. That has in fact taken place and the operations are moving back to a break-even, or in some cases a surplus situation.

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

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.

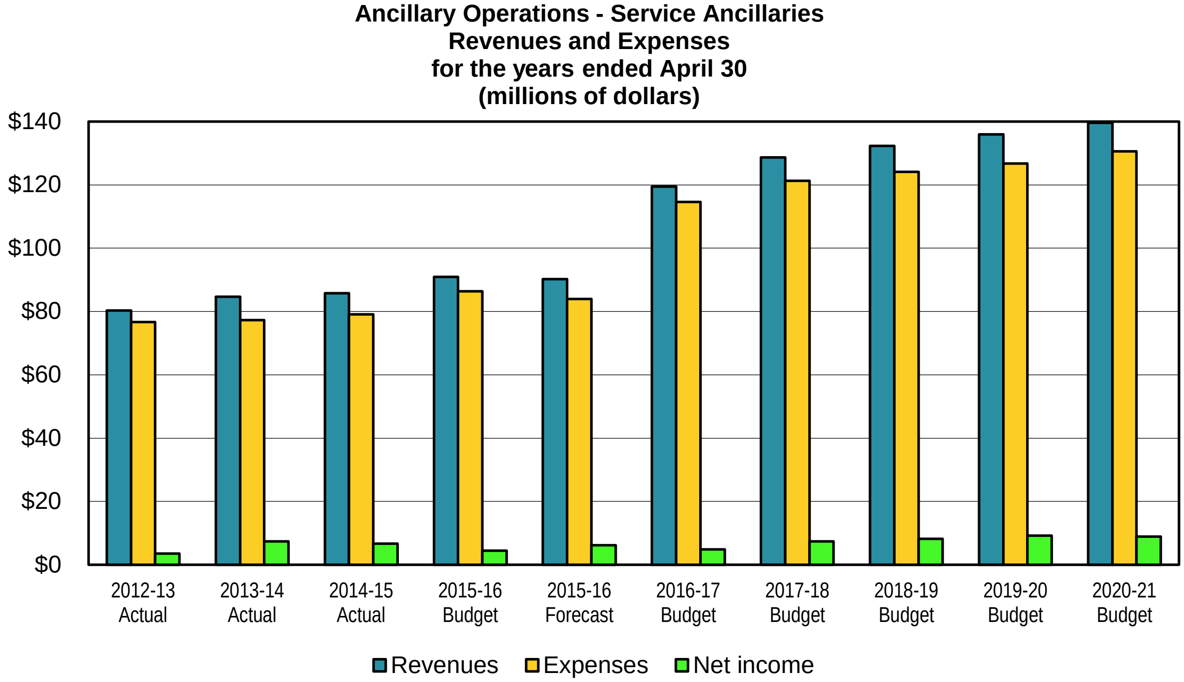
3. Having achieved the first two objectives, create and maintain an operating reserve (excluding capital requirements) at a minimum level of ten percent of annual expenditure budgets (net of cost of goods sold, capital renewal costs and deans and dons' expenses), as a protection against unforeseen events 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[1]. The rate of contribution will be established by each individual campus for each individual ancillary.

[1] 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.

Financial Summary

St. George service ancillaries are forecasting a net income of $6.2 million before transfers for 2015-16 on projected revenues of $90.1 million. The forecasted net income represents a $0.5 million decrease from last year's actual net income of $6.7 million. The net income for 2015-16 is forecasted to be $1.7 million higher than the budgeted net income of $4.5 million. This favourable variance from budget is attributed to residence services ($1.0M), food & beverage services ($0.1M), transportation services ($0.1M) and Hart House ($0.5M) (see table on page 5). For the 2016-17 budgets, the service ancillaries are anticipating a net income of $4.9 million with $119.5 million of revenues and $114.6 million of expenses. The $4.9 million net income forecasted for 2016-17 represents a decrease of $1.3 million from 2015-16.



Revenue	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	% to Total Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Residences & Conferences	54.2	57.2	57.8	61.3	60.8	55.6	46%	57.6	59.7	61.7	63.9
Food & beverage	5.2	5.4	5.7	5.9	6.1	40.3	34%	46.8	47.8	48.9	49.9
Transportation Services	5.4	5.6	5.9	6.2	6.0	6.2	5%	6.5	6.7	6.8	6.9
Hart House	15.5	16.5	16.4	17.5	17.2	17.4	15%	17.8	18.1	18.5	18.9
Total Revenue	80.3	84.7	85.8	90.9	90.1	119.5	100%	128.7	132.3	135.9	139.6
Total Expense	76.7	77.3	79.1	86.4	83.9	114.6		121.3	124.1	126.7	130.6
Net income	3.6	7.4	6.7	4.5	6.2	4.9		7.4	8.2	9.2	9.0

For 2015-16, the St. George service ancillaries are forecasting revenues to be $0.8 million lower than budget. The decrease in revenues can be attributed to residence services ($0.5M), transportation services ($0.2M) and Hart House ($0.3M), offset by an increase in food and beverage services ($0.2M). The total forecasted revenues for 2015-16 are $4.3 million higher than 2014-15 actuals.

For many residences, revenues from summer business have a significant impact on their net income. With stiff competition for summer business, each ancillary worked diligently to increase or maintain their current volume of summer business.

After significant research, analysis and consultation, the University has decided to self-operate the campus food services outlets when the contract with ARAMARK expires at the end of July 2016. The budget for this new operation combines residential, retail and catering operations from St. George Food Services, Chestnut Residence and New College Residence. Both Chestnut Residence and New College Residence will be treated as partners, ensuring that neither residence is disadvantaged by this change in operation. When the food outlets become self-operated, the University will report the total revenues earned instead of reporting only the ARAMARK earned commission. This change in accounting method will lead to a change in total revenues and total expenses going forward.

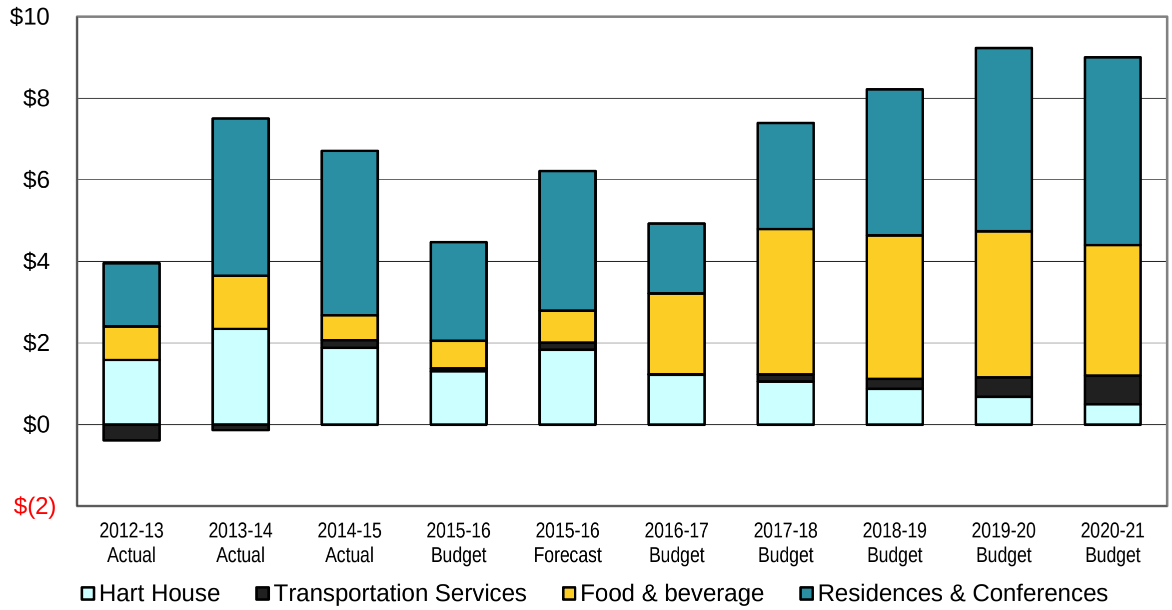
A majority of residences are anticipating revenue growth with rental rate increases ranging from 2.4% to 5.0%, while maintaining their optimal fall and winter session occupancy rates. Food and beverage services have incorporated sales improvements due to projected increases in enrolment and meal plan rates. Continuous sales growth for the non-resident meal plan is also anticipated in this budget. Transportation services has proposed rate increases ranging from 2.8% to 6.8% for all parking permit areas. Parking permit areas with a higher demand and designated reserved spaces will see the highest rate increases. Hart House also anticipates higher revenues from increases in both student fee rates and enrolment. However, surplus and capital renewal reserves are expected to be spent on urgent deferred building maintenance.

The long-range plan projects revenues to increase by $20.1 million (16.8%) from 2016-17 to 2020-21. Of this increase, $8.3 million will come from residence services, $9.6 million from food and beverage services, $0.7 million from transportation services, and $1.5 million from Hart House.

Net Income

The forecasted net income for 2015-16 is $6.2 million, which is $1.7 million higher than the 2015-16 budget but $0.5 million lower than the 2014-15 actual net income. The largest contributor to the forecasted net income in 2015-16 is residence services ($3.4 million), mainly due to a decrease in expenses.

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



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	% to Total Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Residences	1.6	3.9	4.0	2.4	3.4	1.7	35%	2.6	3.6	4.5	4.6
Food & beverage	0.8	1.3	0.6	0.7	0.8	2.0	40%	3.6	3.5	3.6	3.2
Transportation Services	(0.4)	(0.1)	0.2	0.1	0.2	0.0	0%	0.2	0.2	0.4	0.7
Hart House	1.6	2.3	1.9	1.3	1.8	1.2	25%	1.0	0.9	0.7	0.5
Net income (loss)	3.6	7.4	6.7	4.5	6.2	4.9	100%	7.4	8.2	9.2	9.0

The outlook for net income for the coming five years is positive since the plans include some rate increases each year while loan principal and interest payments remain constant, as required by the original expansion plans. These rate increases continue to be needed to restore the ancillaries to a good financial position and are necessary to ensure all essential major capital expenditures are made. The long-range plan shows an increase of net income from $4.9 million in 2016-17 to $9.0 million in 2020-21. This is mainly due to an increase of $2.9 million from residence services.

Ancillary Operations – Service Ancillaries
Net income (loss) before Transfer and Subsidies
for the year ended April 30
(millions of dollars)

	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2020-21 Budget	Improve-ment 2020-21 over 2016-17	Five year planning period
Residences									
Innis College	0.2	0.4	0.5	0.3	0.3	0.1	0.8	0.7	2.0
New College	(0.4)	0.0	0.1	0.4	0.7	0.2	0.7	0.5	1.8
University College	0.4	0.3	0.8	0.2	0.4	0.9	1.5	0.6	6.1
Graduate House	0.4	0.5	0.6	0.1	0.6	0.1	0.1	0.0	0.4
Family Housing	0.8	1.6	1.1	0.1	0.0	0.5	0.0	(0.5)	3.7
Chestnut Residence	0.0	1.0	0.7	1.4	1.3	(0.1)	1.3	1.4	2.6
Woodsworth College	0.1	0.1	0.2	(0.1)	0.1	0.0	0.2	0.2	0.4
	1.6	3.9	4.0	2.4	3.4	1.7	4.6	2.9	17.0
Food & beverage	0.8	1.3	0.6	0.7	0.8	2.0	3.2	1.2	15.9
Transportation Services	(0.4)	(0.1)	0.2	0.1	0.2	0.0	0.7	0.7	1.5
Hart House	1.6	2.3	1.9	1.3	1.8	1.2	0.5	(0.7)	4.3
Total net income	3.6	7.4	6.7	4.5	6.2	4.9	9.0	4.1	38.7

Notes:

1. Conference businesses are combined with the residence ancillary.

2. Chestnut Residence includes revenue and expenses from conferences, food & beverage and parking from 2012-13 to 2015-16. In the 2016-17 budget and beyond, revenue from food & beverage is excluded from Chestnut Residence.

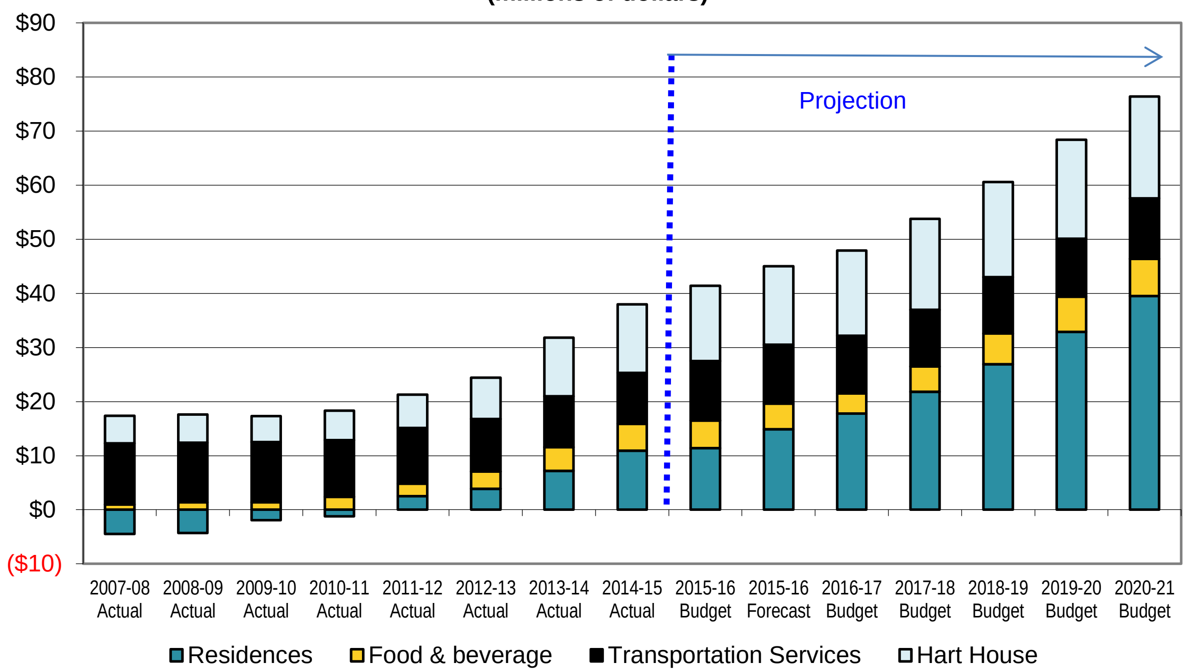
Net Assets

Net assets reflect the net worth of the St. George service ancillaries. Over time, net assets change due to: net income or loss for the year, transfers in or out of ancillary operations, and 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 St. George service ancillaries from 2007 to 2015 and projects the net assets in accordance with long-range plans to 2021.

Ancillary Operations - Service Ancillaries
Net Assets by Service Types
for the years ended April 30
(millions of dollars)



The above chart also 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 2003.

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

	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Innis College	2.5	2.5	2.8	2.5	2.6	2.6	3.2	3.9
New College	(6.0)	(5.5)	(4.8)	(3.1)	(2.1)	(1.0)	0.2	1.7
University College	6.0	5.2	6.3	7.0	7.9	8.9	10.3	11.6
Graduate House	3.8	3.7	4.5	4.6	4.7	4.8	4.9	4.9
Family Housing	6.1	3.6	3.6	2.7	3.3	3.9	4.5	4.6
Chestnut Residence	(7.3)	(3.7)	(3.2)	(1.8)	(0.4)	1.6	3.7	6.5
Woodworth College	5.8	5.6	5.9	5.9	5.9	6.0	6.1	6.3
Residences	10.9	11.4	15.1	17.8	21.9	26.8	32.9	39.5
Food & beverage	5.0	5.1	4.7	3.7	4.7	5.7	6.5	6.9
Transportation Services	9.4	11.0	10.9	10.7	10.5	10.5	10.7	11.2
Hart House	12.7	13.9	14.5	15.7	16.8	17.7	18.3	18.8
Total Net Assets	38.0	41.4	45.2	47.9	53.9	60.7	68.4	76.4

For 2015-16, the St. George service ancillaries are forecasting total net assets of $45.2 million. The 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 2016-17 operating plans project total net assets of $47.9 million.

Ancillary Operations – Service Ancillaries
Net Assets by Category
for the budget year 2016-17
(millions of dollars)

	Unrestricted Surplus/(Deficit)	Investment in capital assets	Capital Renewal Reserve	Operating Reserve	New Construction Reserve	Total Net Assets
Residences	(14.0)	21.2	7.8	2.8	0.0	17.8
Food & beverage	0.3	1.2	1.0	1.2	0.0	3.7
Transportation Services	0.0	7.1	0.5	0.5	2.6	10.7
Hart House	0.3	6.0	6.8	2.6	0.0	15.7
	(13.4)	35.5	16.1	7.1	2.6	47.9

Net assets are expected to grow to $76.4 million by 2020-21 reflecting an increase of $28.5 million from 2016-17. The anticipated total net assets of $47.9 million for 2016-17 are the sum of $35.5 million investment in capital assets; $16.1 million commitments to capital renewal, $7.1 million to operating reserves, $2.6 million to new construction reserves partially offset by $13.4 million in unrestricted deficit (see schedules II and III for details). As depreciation is charged and funded from future revenues, the $35.5 million investment in capital assets will decrease with a corresponding decrease in unrestricted deficit. Residences with accumulated deficits are charged interest on their deficits and must absorb any interest rate changes on this short-term financing of deficits (note that long-term loans are all fixed rates).

Graduate House, Family Housing, Chestnut Residence, St. George Food & Beverage Services and Transportation Services will participate in a two year pilot project. Planning & Budget will establish a new fund to receive contributions from these ancillaries for use in supporting investments to enhance the student experience on the St. George campus. Contributions will come from across-the-board percentage of a combination of discretionary sources such as summer conference business, commercial rent, retail food services and parking fees. Transfers will begin in 2016-17 and the fund will be administered by Planning & Budget.

Ancillary Debt

For 2016-17, the St. George service ancillaries are projecting a total outstanding debt of $119.9 million (on original loans issued of $200.3 million), of which $113.1 million is for residence services and $6.8 million for transportation services. The estimated principal and interest repayment on the debt for residence services is projected to be $15.5 million, representing 27.9% of residence services revenues. The estimated interest costs on debt will be $7.7 million (13.9% of revenues or 14.4% of expenses). However, on an individual residence basis, principal and interest costs can be as high as 44.4% of revenues. This represents the main reason why certain residence ancillaries were not breaking even in the past. The majority of this debt is allocated to residence ancillaries. Subsidies were provided to some ancillaries from the University's operating budget and from existing operations with a plan that these ancillaries would break even annually in year five, and cumulatively in year eight from inception of the building.

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

	2014-15 Actual	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Innis	1.9	1.5	1.0	0.6	0.1	-	-
New College	19.3	18.2	17.0	15.8	14.4	13.2	11.9
University College	12.3	11.8	11.2	10.6	10.0	9.4	8.7
Graduate House	10.9	10.1	9.2	8.3	7.3	6.2	5.0
St. George Family Housing	11.6	10.6	9.6	8.5	7.2	6.0	4.9
Chestnut Residence	53.6	51.0	48.2	45.3	42.1	38.8	35.2
Woodsworth	18.9	17.7	16.8	15.8	14.8	13.7	12.6
Residences	128.5	120.9	113.1	104.9	95.9	87.3	78.3
Transportation Services	7.6	7.2	6.8	6.3	5.8	5.2	4.6
Total Loan Balance	136.1	128.1	119.9	111.2	101.7	92.5	82.9

Factors such as enrolment growth, the first year residence guarantee program and demand from upper-year students to return to residence have continued to sustain the optimal fall and winter session occupancy rates for residence services. The building expansion 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 debt and, in turn, large annual principal and interest costs. The impact of this debt led to financial deficiencies in some of the newly constructed residences and continues to impact their 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 have led to increased operating costs for some residence operations.

All residence ancillaries have implemented strategies to strive for financial stability while maintaining the highest quality of residence life for students and keeping residences viable and attractive. The following are the key accomplishments for 2015-16:

- Innis College Residence added a staff member dedicated solely to the Residence Life programming to build and maintain the community within the Residence.
- New College Residence resolved the funding issue surrounding the academic/administrative use of 45 Willcocks. Summer business remains strong in 2015.
- University College continued to enjoy success in obtaining donations from alumni to renovate three residence rooms in Whitney Hall.
- Graduate House recruited an Assistant to the Dean, Residence Life & Communication, which provides full-time leadership and support to the residence life team and programs. Graduate House also completed its seventh round of suite renovations and extended the hours of operation to meet the students' needs.
- Family Housing continues to maintain a healthy occupancy level (97%). Reserves have been used in participation of various capital projects in progress. Family Housing will continue to build up reserves for future development which will increase the housing inventory.
- Chestnut Residence added 22 bed spaces in keeping with demand for first-year students. With the residual equity contribution from the former VPBA office, Residence Life Offices and the Chestnut Tree dining hall were renovated. This funding has also assisted with the cost of replacing old furniture, carpeting and tiling of rooms.
- Woodsworth College Residence continued to experience a very successful summer business through their strategy in the management of the product mix. Woodsworth College made an additional $500,000 of principal repayment on their existing loan.

St. George Food and Beverage Services worked with a consultant on a master planning exercise for the campus. The goals of the study included overall recommendations related to better meeting the needs of students, faculty and staff, a geographic scan of campus food services, and a framework for making decisions about new facilities. This year, five new concepts (Gourmet Burger House, Tortillas, Not Just Greens, Soup!, and Stove Oven Pizza) were added at Sid Smith and the Medical Sciences Building.

Transportation Services implemented the Transportation Demand Management (TDM) strategy which successfully lowers the overall demand while revenues remain consistent with last fiscal year. This ancillary also took a leadership role in Phase 2 of the Traffic Calming project in collaboration with Campus Police, Campus and Facilities Services. This included modifications to the Convocation Plaza area in front of Convocation Hall. Bollards, pedestrian crosswalks and stop signs at the intersections were installed to help motorists as well as pedestrians and cyclists. Funds will be contributed to the cost of constructing a new parking garage in the new engineering building.

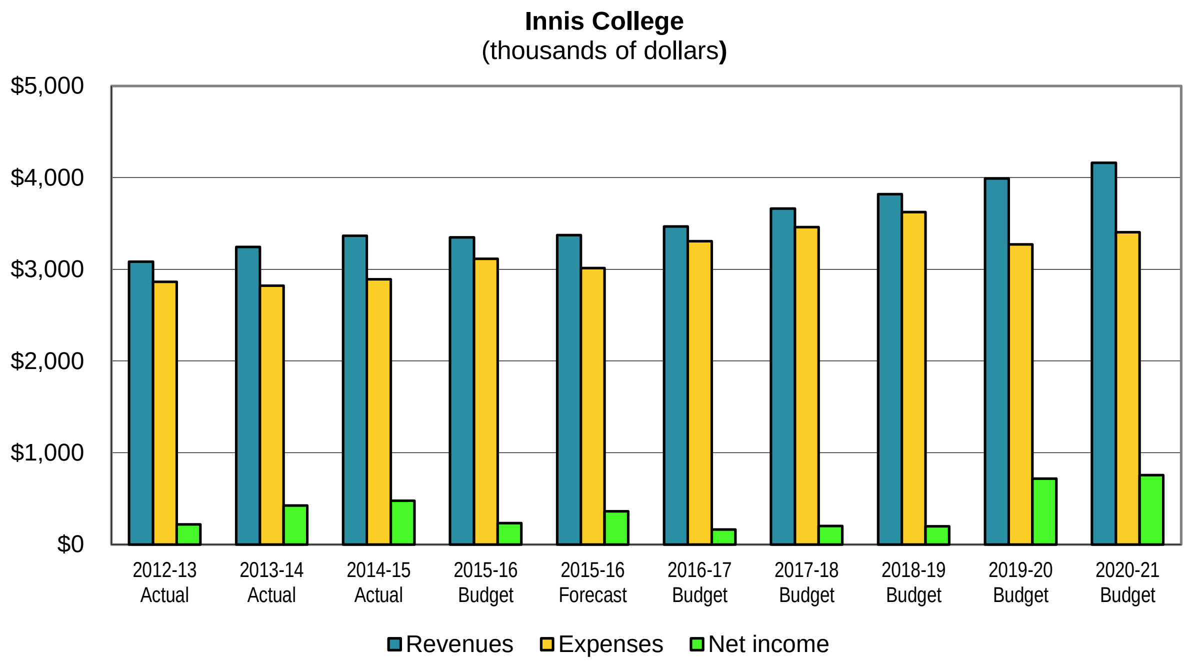
The development of a five year strategic plan is underway for Hart House that will advance its vision and mandate from 2016 until the next planning cycle in 2020. The current budget is designed to continue to support and expand the co-curricular offerings for University of Toronto students and strengthen services offered to students, faculty, staff, alumni and members of the general public.

Residence Services

For the 2016-17 budget year, Innis College and University College will meet all four objectives (see page 1). Woodsworth College will meet the first three objectives and New College will meet the first two objectives. Graduate House will meet the first, third and fourth objectives while Family Housing will meet the last three objectives. Chestnut Residence will not meet any of the objectives. (See schedule II on page 34 for details).

Innis College

The Innis College residence opened in 1994 and has a total of 331 beds in 81 suite-style apartments. The ancillary is anticipating an operating surplus of $360,349 in 2015-16, which is $126,829 better than budget. This favourable variance is mainly due to a higher than budgeted summer revenue and lower than budgeted utility costs.



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	3,083	3,243	3,367	3,349	3,374	3,467	3,662	3,821	3,990	4,161
Expenses	2,864	2,820	2,890	3,115	3,014	3,305	3,461	3,624	3,271	3,405
Net income	219	423	477	234	360	162	201	197	719	756
Change in revenues		*5.2%*	*3.8%*	*(0.5%)*	*0.7%*	*2.8%*	*5.6%*	*4.3%*	*4.4%*	*4.3%*

This ancillary is forecasting annual operating surpluses for the next five years. For the 2016-17 budget year, this ancillary is projecting net assets of $2.5 million after a transfer of $0.125 million to the Innis College operating budget in support of its academic mission (programs and student scholarships). The fall and winter room rates are budgeted to increase by 4.99% and the summer rate will increase by 2.75% (see schedule VI).

It is projected that net assets will be at $3.9 million by the end of this long-range plan with unrestricted surplus of $0.6 million, $1.3 million in investment in capital assets, $1.7 million in capital renewal reserve and $0.3 million in operating reserve.

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 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.

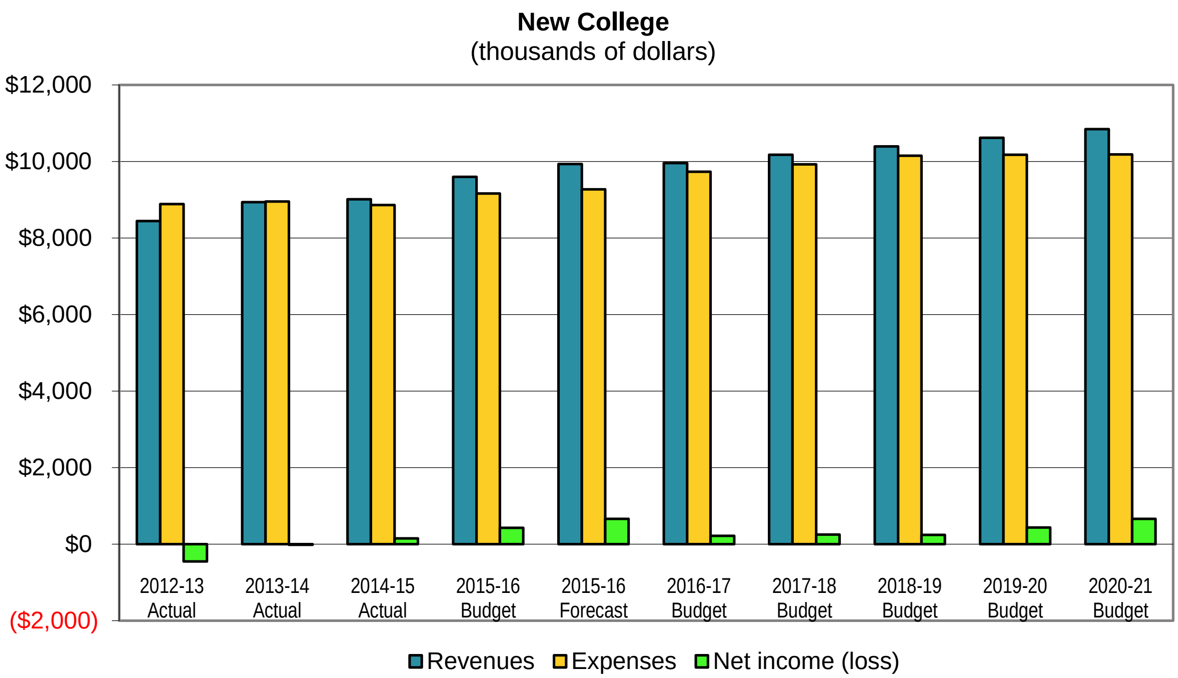
Although the residence building is in excellent condition, Innis College proposes a substantial facility capital renewal in 2020. In response to the changing needs of students, this capital renewal will spend an estimated $1.2 million to address the lobby and common areas.

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 880 undergraduate students.

New College residence operations made multiple changes over the past years to help eliminate the recurring operating deficits. The inability to find a funding source to contribute to the costs of the academic and administrative space in 45 Willcocks has been resolved this year. The new arrangement has the Faculty of Arts and Science paying for academic and some student space. New College pays for the William Doo auditorium, the New College Council office and meeting room space. To accelerate deficit reduction in the residence, New College Food Services will transfer $539,682 of its unrestricted surplus.

This ancillary is forecasting an operating surplus of $661,126 for 2015-16 which is $228,592 more than previously budgeted. This favourable variance is mainly due to strong winter and summer operations. Expenditures are expected to be on budget except for major maintenance. This is to take advantage of the reduced cost from completing a large continuous portion of the roof at once rather than breaking it into two smaller projects.



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	8,444	8,944	9,013	9,599	9,936	9,960	10,177	10,396	10,618	10,845
Expenses	8,894	8,958	8,862	9,166	9,275	9,737	9,927	10,149	10,182	10,185
Net income (loss)	(450)	(14)	151	433	661	223	250	247	436	660
Change in revenues		*5.9%*	*0.8%*	*6.5%*	*3.5%*	*0.2%*	*2.2%*	*2.2%*	*2.1%*	*2.1%*

With the strong demand for residence rooms and the 45 Willcocks funding issue resolved, this ancillary is budgeting an operating surplus of $222,647 for 2016-17. Net assets for 2016-17 are projected to be in a deficit of $3.1 million, with $3.0 million in investment in capital assets, $0.6 million in capital renewal reserve and $6.5 million in unrestricted deficit. For 2016-17, the fall and winter residence rates increase will range from 2.4% to 3.2% (see schedule VI).

With the large increases in room rates over the past years, it is imperative to provide residents with well-maintained, modern surroundings to help maintain full occupancy. In addition to an annual $2.1 million budget for major maintenance, a capital budget of $1.02 million has been requested for the planning horizon extending out to 2020-21 to continue to improve the residence facilities.

New College Food Services ancillary will wind up its operations on July 31, 2016 when the contract with ARAMARK expires. New College will join the new food services operation model on the St. George campus. The residence ancillary will receive commission modelled on the type of contribution that might have been paid by a contracted supplier. The commission is estimated at $730,865 for 2016-17. As a result of this change, the residence ancillary will pick up the allocated salaries and overheads associated with the former New College Food Services ancillary. New College Food

Services will also transfer $794,909 (at book value) of the investment in capital assets to the residence to accelerate its efforts to restore its financial equilibrium. These transfers, together with the projected operating surplus, will reduce the deficit by $1.7 million during 2016-17. With the 2.25% price increases scheduled for the remainder of the planning period, the mortgage on Wetmore and Wilson Halls being paid off in 2019-20, the new business model for St. George Food Services, as well as a funding source now secured for the non-residential use of 45 Willcocks, the fund balance turns positive in 2019-20 with the unrestricted deficit dropping by $9.0 million over the six years of the planning period.

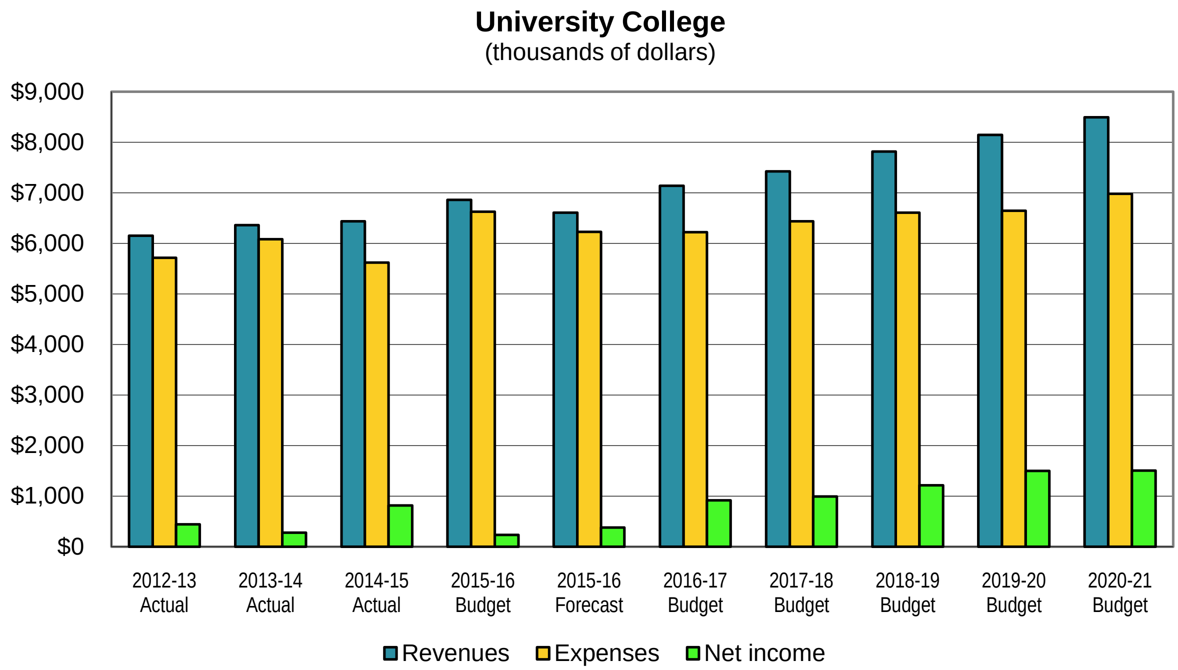
University College

University College is at the historic heart and geographic centre of the University of Toronto's 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 success in obtaining donations from alumni. Donations have been used to complete various renovations to the buildings and to refurbish pianos. This year the residence received a donation to upgrade an additional three residence rooms in Whitney Hall. This ancillary has followed (and the budget has provided for) the on-going program for building and equipment maintenance as outlined in the revised engineering study and has therefore avoided major problems. The budget provides for the maintenance and replacement of fabric and mechanical systems as outlined in the study. A positive operating result of $380,533 is forecasted in 2015-16, which is mainly attributed to the favourable variance in residence fees for the summer.

This ancillary is budgeting an operating surplus of $915,350 for 2016-17. This budget only includes summer business that has been confirmed while negotiations for some business have not yet been finalized. University College is budgeting net assets of $7.0 million by the end of 2016-17 and $11.6 million in 2020-21. The capital renewal reserve is budgeted at $1.2 million for 2016-17 and will remain close to this level throughout the long-range budget.

In 2016-17, this ancillary will continue its differentiated fee structure with increases ranging from 2.5% to 6% (see schedule VI) depending on the type of room. This change in fee structure is necessary to be in line with fee schedules of other campus residences. The new fee structure will also differentiate between non-standard rooms in the older buildings and standard newer rooms in the Morrison Hall Residence. These fees remain the lowest on the St. George campus.



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	6,152	6,358	6,435	6,862	6,607	7,137	7,426	7,816	8,146	8,490
Expenses	5,714	6,081	5,620	6,628	6,226	6,223	6,436	6,605	6,646	6,983
Net income	438	277	815	234	381	914	990	1,211	1,500	1,507
Change in revenues		*3.4%*	*1.2%*	*6.6%*	*(3.7%)*	*8.0%*	*4.1%*	*5.2%*	*4.2%*	*4.2%*

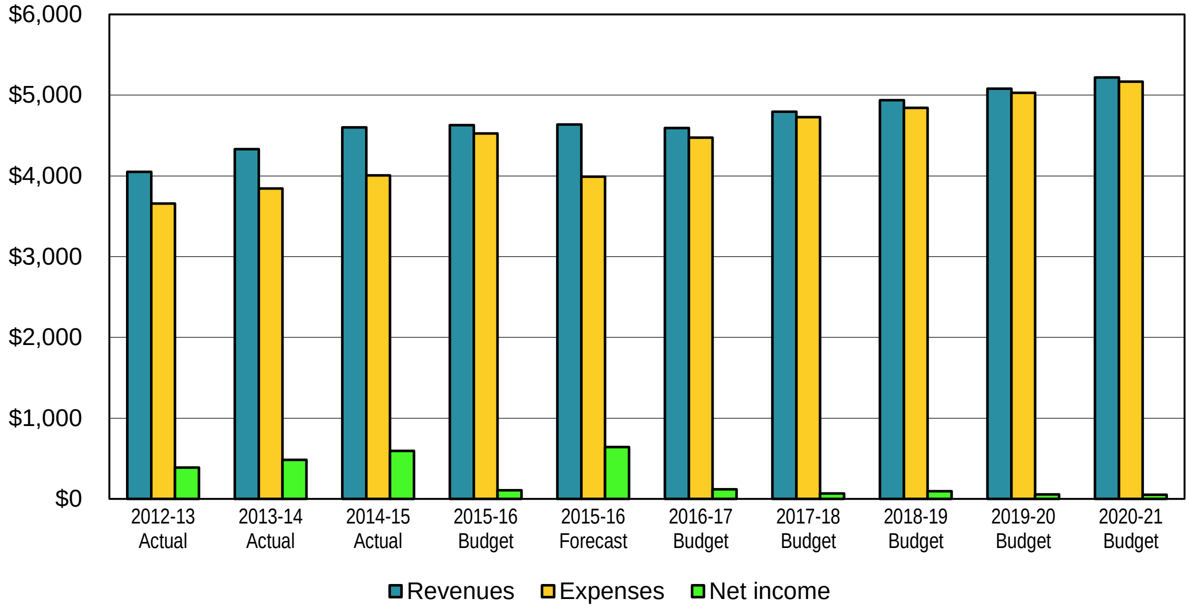
The main focus for 2016-17 will be the Design Project. A capital budget proposal in this budget plan includes interior design to all the resident rooms to bring the older rooms up to a more competitive standard.

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 the 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). In addition to being a home to its residents, Graduate House is also a valuable aid in recruiting and attracting the best students to the University of Toronto.

This ancillary is forecasting a surplus of $642,583 for 2015-16, which is $537,613 higher than budget. This is due to the capitalization of the cost of ground-floor renovations, which was budgeted under major maintenance. In addition, other expenditures are forecasted to be lower than budget.

Graduate House
(thousands of dollars)



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	4,049	4,330	4,601	4,630	4,635	4,593	4,796	4,937	5,082	5,220
Expenses	3,659	3,845	4,008	4,525	3,992	4,474	4,729	4,844	5,027	5,168
Net income	390	485	593	105	643	119	67	93	55	52
Change in revenues		*6.9%*	*6.3%*	*0.6%*	*0.1%*	*(0.9%)*	*4.4%*	*2.9%*	*2.9%*	*2.7%*

Graduate House is budgeting an operating surplus of $119,477 for 2016-17. Net assets are anticipated to increase from $4.6 million in 2016-17 to $4.9 million in 2020-21. As part of Graduate House's long-term reserve fund plan, operating and capital reserves will initially be depleted in 2016-17 to fund the ground floor renovation and building-wide lock replacement projects. As reserve funds begin to re-accumulate, consideration will be given to responding to the on-going excess demand from September admissions. The University has identified an expansion of graduate residence spaces as a priority and an opportunity exists for a physical expansion on adjacent land. Reserve funds could be directed toward this expansion, with considerable benefit to new students as well as the existing Graduate House community.

For 2016-17, room rates will increase by approximately 2.8% to 2.9% for fall and winter fees and no increase is proposed for the summer rate (see schedule VI).

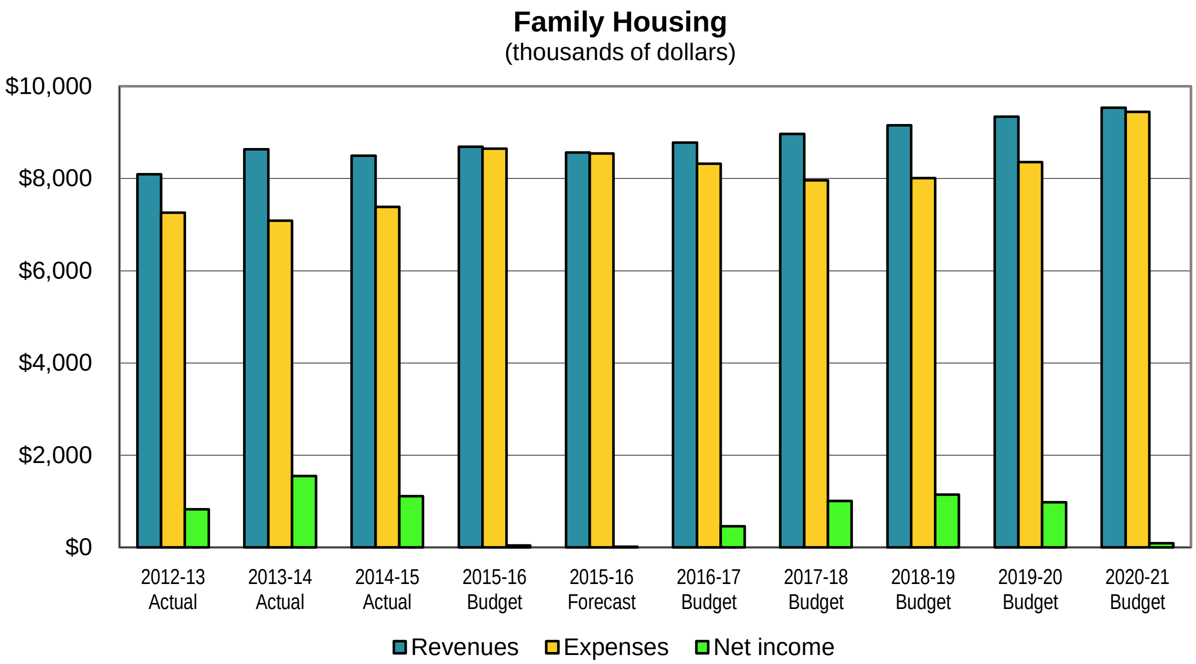
Family Housing

Family Housing (Family Housing) has 711 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 rooftop 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 people, of whom approximately 50% are international students coming from over 60 different countries. The tenancy is partially covered by the Residential Tenancies Act. This ancillary is committed to providing a safe, well-maintained and affordable living environment where student families can participate in a supportive community.

Family Housing continues to experience healthy occupancy levels with a wait list of approximately 600 families. Services such as residence life programs, community development, apartment renovations and responsive building maintenance are contributing factors to maintaining such high occupancy levels.

This ancillary is forecasting an operating surplus of $18,486 in 2015-16, which is $23,030 below budget. In 2015-16, $2.1 million will be transferred to the Residential Housing Ancillary for the renovation of 2 properties in Huron/Sussex that will have two apartments designated for student families, $1.0 million will be transferred in a form of an internal loan to be repaid over 15 years, $0.5 million will be transferred as a contribution to this project and $0.6 million will be a contribution to the laneway properties project. After transfers, this operation will end the year with forecasted net assets of $3.6 million ($1.3 million capital renewal reserve, $0.6 million operating reserve, $1.0 million in new construction reserve, $0.3 million investments in capital assets and the remaining $0.4 million in unrestricted surplus).

The operating plan for 2016-17 assumes a rental rate increase of 2.5% (see schedule VI) in order to maintain the desired level of services, annual maintenance and necessary improvements to the buildings. An operating surplus of $462,342 is budgeted for 2016-17, but with the transfer of $1.2 million to Residential Housing Ancillary, net assets will decrease to $2.7 million. Student Family Housing and the Residential Housing Ancillary have many things in common. They share staff and numerous operating procedures. Both operations are under the same management serving a common group of students. In view of future development possibilities and the strategic fit, these two units will be seeking governance approval to combine into one operation in 2016-17. This will support the long range plan for both areas and enhance their financial sustainability.



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	8,092	8,634	8,496	8,693	8,566	8,782	8,970	9,154	9,343	9,534
Expenses	7,261	7,085	7,383	8,651	8,548	8,319	7,965	8,008	8,359	9,444
Net income	831	1,549	1,113	42	18	463	1,005	1,146	984	90
Change in revenues		*6.7%*	*(1.6%)*	*2.3%*	*(1.5%)*	*2.5%*	*2.1%*	*2.1%*	*2.1%*	*2.0%*

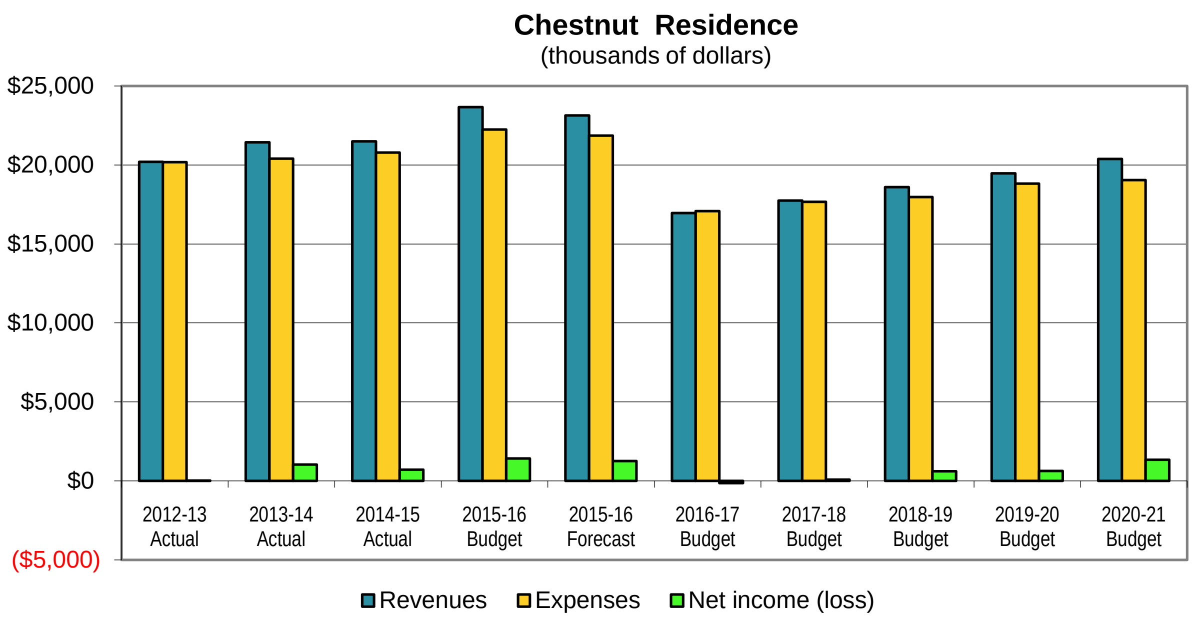
The long-range plans assume rent increases of 2% to 3% per year over the next few years. These rate increases will offset the increased operating costs that would allow the ancillary to maintain the buildings at a level that both the University and the residents desire. In 2019, the 50-year land lease associated with the commercial properties at 30 and 35 Charles will expire. As the properties revert to the University, this creates opportunities which the University will explore in the coming years.

Chestnut Residence

Chestnut Residence (Chestnut) is home to 1,122 students from diverse cultural backgrounds and academic disciplines, as well as home to 22 dons and 2 residence life coordinators. There are four accessible rooms in this residence. When capacity permits, it also offers housing to international exchange students. Housing is offered during the winter break for an additional fee to existing Chestnut students who apply in advance and have compelling academic or personal reasons for requiring accommodation. A variety of amenities are 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's food program is the leading participant in the St. George campus' evolving local foods initiatives. A "Green Dining" program continues to promote healthy eating, waste reduction, physical activity and environmental responsibility.

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

In 2015-16, Chestnut is forecasting a small variance from budget and expects to end the year with a $1.3 million surplus, before accounting for the special grant from VPUO and Provost Offices. This special grant was targeted to improve various facilities to meet the increased numbers and student expectations. Chestnut is expecting to end the year with a small surplus after capital expenditures. Chestnut occupancy levels are very strong (about 99%). This ancillary is forecasting negative net assets of $3.2 million with $8.7 million in investment in capital assets and $11.9 million in unrestricted deficit.



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	20,190	21,435	21,482	23,657	23,130	16,952	17,751	18,588	19,466	20,386
Expenses	20,179	20,403	20,778	22,237	21,864	17,085	17,667	17,971	18,827	19,049
Net income (loss)	11	1,032	704	1,420	1,266	(133)	84	617	639	1,337
Change in revenues		*6.2%*	*0.2%*	*10.1%*	*(2.2%)*	*(26.7%)*	*4.7%*	*4.7%*	*4.7%*	*4.7%*

A major change is reflected in the 2016-17 Chestnut budget. The St. George Food Services will take over the full revenue and cost of the food operation at Chestnut. This will include the Chestnut Tree dining hall and the catering business. The St. George Food Services will pay Chestnut an equitable commission in return.

For the 2016-17 budget, the residence anticipates that occupancy will continue to be high. This budget includes a 5% room rate increase (see schedule VI) which is needed to offset the considerable capital expense of the ground floor renovation project and an additional residence don. Chestnut is anticipating an investment in capital assets of $9.5 million and unrestricted deficit of $11.3 million. Net assets will be negative $1.8 million.

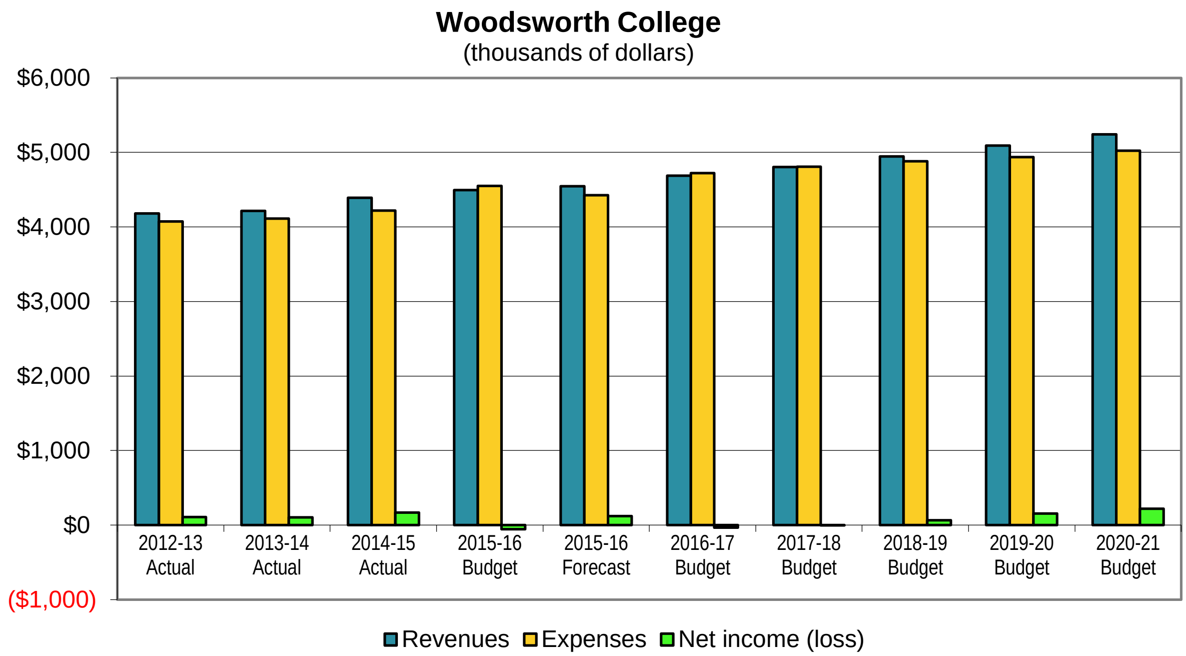
Chestnut remains at the top end of residence cost on the St. George campus, which is why it is important to offer superior amenities and services. This is challenging in an old building with an accumulated deficit. Chestnut will take advantage of advice from the Sustainability Office (and their knowledge of available grants, where possible) to help fund conversions from electrical based units to gas or other sources.

The long-range plans assume rent increase of 5% each year, 3% increase for parking and negotiated or inflationary increases for costs. The projected positive operating results will reduce the accumulated deficit to $7.2 million by 2020-21.

Woodsworth College

Woodsworth College residence (Woodsworth) opened its doors in May 2004 and has a total of 371 private, single-bedroom units arranged in suite-style apartments. The residence is barrier-free and three suites are specially designed with disability access. It also provides three study rooms, six TV lounges, a fitness room, a games room, a multi-purpose room, bicycle storage and a laundry room.

Woodsworth is forecasting a surplus of $92,612 for 2015-16 which is $76,681 less than the actual surplus of $169,293 in 2014-15. The forecasted decrease in surplus is mainly due the projected increase in spending on utilities and non-depreciable expenses. The summer business continues to be strong, maintaining the product mix with prioritizing long over short stays and booking fewer group stays. This ancillary paid down $0.5 million in mortgage principal and is forecasting net assets of $5.9 million in 2015-16, of which $1.5 million is for operating reserve, $1.9 million for investment in capital assets and $2.5 million for capital renewal reserve. These funds will ensure a sound financial position as the ancillary continues its operation without subsidy from the University.



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	4,181	4,215	4,390	4,496	4,546	4,688	4,803	4,945	5,092	5,243
Expenses	4,072	4,110	4,221	4,550	4,453	4,723	4,806	4,880	4,936	5,023
Net income (loss)	109	105	169	(54)	93	(35)	(3)	65	156	220
Change in revenues		*0.8%*	*4.2%*	*2.4%*	*1.1%*	*3.1%*	*2.5%*	*2.9%*	*3.0%*	*3.0%*

Woodsworth proposes a 2.5% rate increase (see schedule VI) in 2016-17. The conservative increase in fees takes into account that Woodsworth continues to have the highest fall and winter fees for its suite-style residences, and its principal and interest charges on debt currently make up 43.2% (forecasted to be 46.3% in 2015-16) of its budgeted revenues.

The 2016-17 budget includes a small operating deficit. This ancillary is projecting net assets will remain at $5.9 million with $1.1 million in operating reserve, $1.8 million in investment in capital assets and $3.0 million in capital renewal reserve at end of the budget year.

Funds will continue to be drawn from the operating reserve when necessary to assist with the annual loan payments until the point is reached where the loan payments can be safely paid from operational income. The strong summer business has assisted the residence in attaining this level of financial sustainability. Now that the summer operation has grown to its peak, the emphasis is on maintaining the summer business at existing levels. Focus has shifted towards maintenance of the aging, obsolete infrastructure and non-depreciable assets. Over the next few years the plan is to replace and upgrade these critical components on a prioritized basis.

Food and Beverage Services

Food and beverage services on each of the University of Toronto's three campuses are delivered in different ways, according to the needs of each campus population as well as the practical and business considerations governing relationships with vendors. For the last decade, ARAMARK has provided food services at several locations on the St. George campus (including New College). This will be transitioning to a new model in the summer of 2016. The St. George campus also has a number of additional local vendors and self-operated food outlets (including University College). These operations are not affected by the change to the ARAMARK outlets.

For the 2016-17 budget, University College will meet all four objectives (see page 1). St. George Food and Beverage Service budget will meet the first three objectives while New College will meet the first objective (see schedule II for details).

St. George Food and Beverage Services

After several years of research, analysis and consultation, the University has decided to self-operate the campus food services outlets when the contract with ARAMARK expires at the end of July 2016. Contracted operations (The Exchange, Second Cup, Veda and the Innis Café) elsewhere on campus will be unaffected.

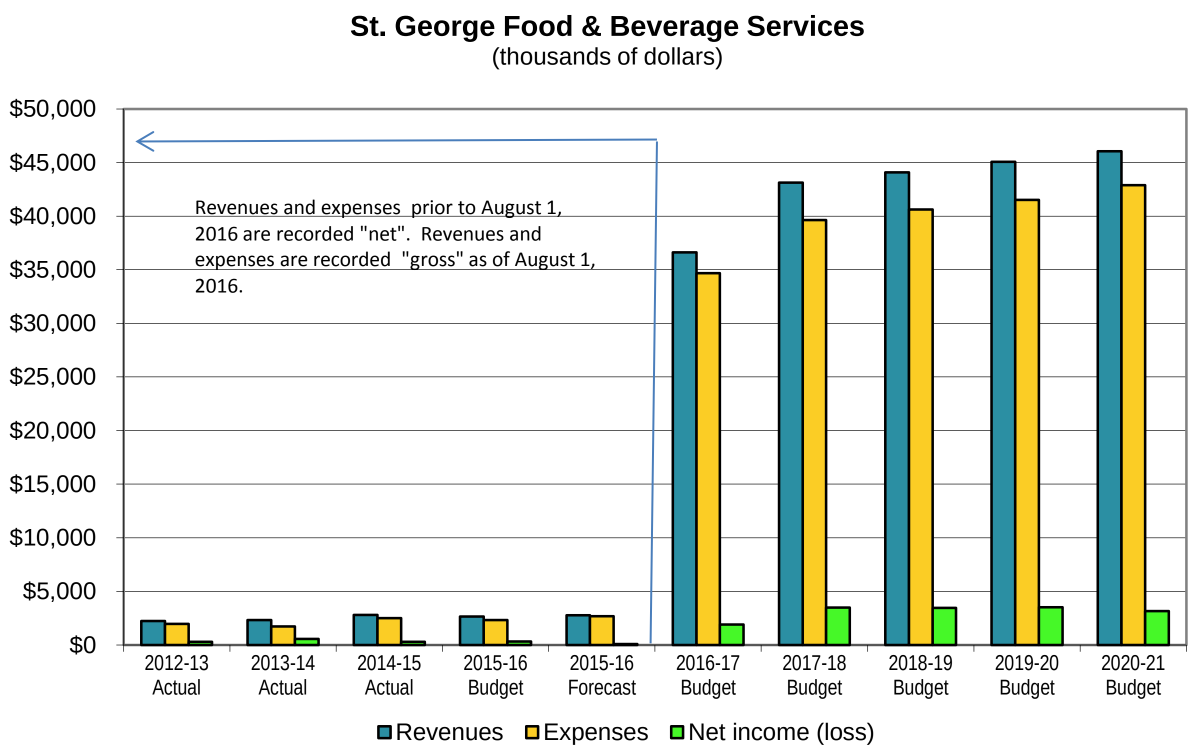
The primary reasons leading to this new model include: building capacity towards a fully portable meal plan for students; making strategic use of physical resources to improve our ability to serve fresh, nutritious food on campus; and, to keep dollars generated on campus invested in the student experience, rather than paid to a third party.

This project could not have been undertaken without the cooperation and goodwill of New College, which with its central location and cost-effective facilities, is a key element of the strategic plan. The Chestnut Residence will also be a critical resource in the new operation, and will be the central production facility for campus commissary and catering. To support the new operation, a budget model has been developed which combines residential, retail and catering operations from St. George, Chestnut Residence and New College food operations. Both Chestnut and New College residences will be treated as partners, ensuring that neither residence is disadvantaged by the change of this food operation. Beverage Services will also be transitioning to self-operation in August 2016.

Five new concepts have been added at Sid Smith and the Medical Sciences Building: Gourmet Burger House, Tortillas, Not Just Greens, Soup! and Stove Oven Pizza. In each case, the goal was to bring better food quality, variety and healthier options to these two central food courts.

At the beginning of 2015, Food Services engaged a consulting firm to work on a master plan for the campus. Recommendations from this project will continue to be implemented in future years. Throughout 2015, Food Services hosted a number of events to build community support and to draw attention to the great work of the campus chefs. This year, the popular Mac and Cheese Smack down event was so successful that the Toronto Star featured it as the headline article in its Lifestyle and Entertainment section. Beverage Services had streamlined their Server Training Program. All servers are required to obtain a Smart Serve certification combined with attending a streamlined University training session. “Smart Serve” is a third-party developed course endorsed by the Alcohol ad Gaming Commission of Ontario, delivered online. These changes made certification more convenient for campus alcohol servers, and reduced the administrative burden for Beverage Services.

Food and beverage services is forecasting a surplus of $98,075 in 2015-16 which is $220,293 less than budget. This variance is mainly due to increased spending on major maintenance. Net assets are forecasted to be $2.0 million with $1.0 million in capital renewal reserve, $0.2 million in operating reserve, $0.7 million of unrestricted surplus and $0.1 million in investment in capital assets.



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	2,253	2,316	2,811	2,661	2,792	36,608	43,124	44,078	45,054	46,051
Expenses	1,959	1,747	2,495	2,343	2,694	34,692	39,625	40,613	41,521	42,898
Net income	293	569	316	318	98	1,916	3,499	3,465	3,533	3,153

The 2016-17 operating plan includes St. George Food Services under the old business model for the first quarter. Beginning in August 2016, this plan combines residential, retail and catering operations from St. George, Chestnut and New College food operations. Under this new model, the University will report the total revenues earned instead of only reporting the previous ARAMARK earned commission. This change in accounting method leads to a change in total revenues and total expenses. This ancillary is projecting a net income of $1.9 million. The transition to self-operation will require significant start-up investment, including investment in equipment and small wares, and a vehicle fleet to support food logistics and catering. Because of the increase in scale of the operation, the new operating reserve required is also significantly increased, thus reducing the reserves.

There is tentative agreement in place to provide residential dining services at the new private residence at 245 College Street. The program will be self-operated. Work will be completed this year to refine the operating plan. A $941,000 investment is budgeted for 2017-18. The impact of this project is shown from 2017-18 onwards.

Meal plan rates for mandatory residential plans will be shown beginning in next year's budget submission, as the individual residences remain solely in charge of these decisions this year. In the future, the rates will be set in collaboration with residence management, and in accordance with any local governance process.

New College

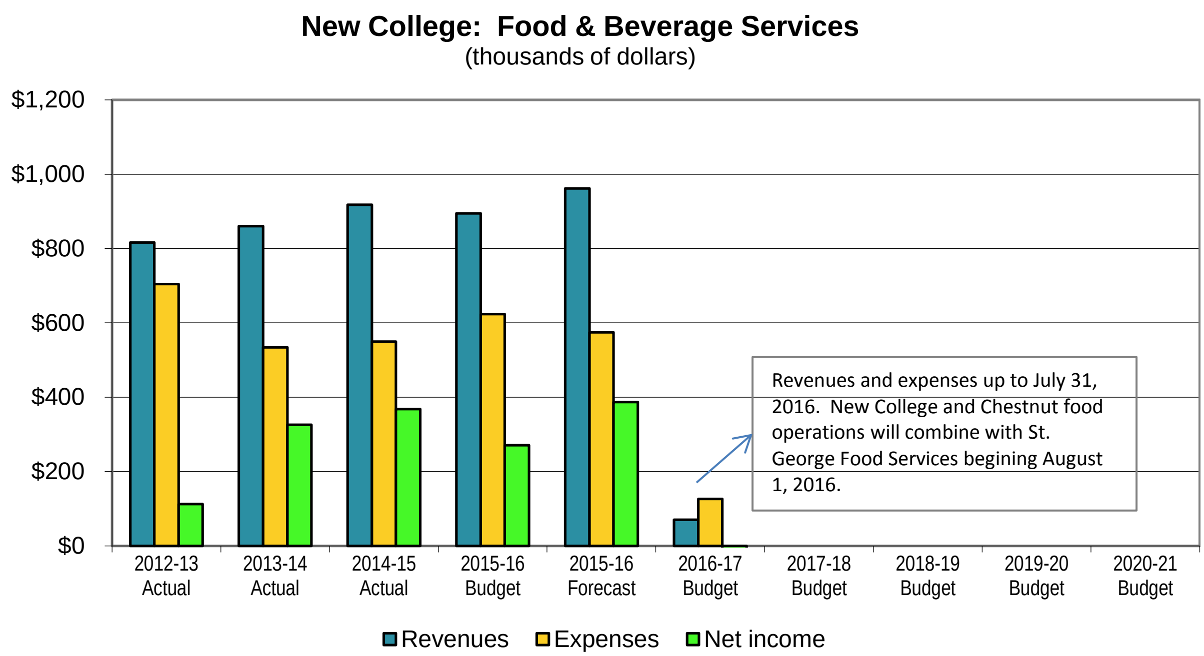
New College has a compulsory meal plan for students living in residence. A number of different plans is offered, giving students flexibility to choose the number of meals they wish to purchase. In addition, some of the plans include "flex" dollars that allow students to eat at any food outlets on the 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 five years. As a result, the dining hall server areas were renovated, and the kitchen, its equipment, and dining room furniture were updated or replaced. During last summer, improvements to seating arrangements, lighting and the hardwood floor in the Wetmore dining hall were also completed.

The forecasted revenues and expenses are expected to essentially meet the budget plan. An operating surplus of $386,684 is forecasted in 2015-16 which is 42% above the budgeted operating result for the year. Food Services moved to an unrestricted surplus position last year for the first time in many years. New College has decided to transfer $539,682 of the unrestricted surplus from Food Services to accelerate deficit reduction in the Residence ancillary.

When the ten-year contract with Aramark expires on July 31, 2016, New College Food Services will become part of the self-operated St. George Food Services ancillary.

The investment in capital assets will also be sold at net book value to the St. George Food Services ancillary at that time.

New College welcomes the opportunity to become a partner in the new food services operating model at the St. George campus. A new budget model has been developed which combines residential, retail and catering operations from St. George, Chestnut and New College food operations. Both Chestnut and New College will contribute significant physical resources to assist the new program and will therefore be treated as partners. The residences will be paid a commission which is modelled on the type of contribution that might have been paid by a contracted supplier, thus ensuring that neither residence is disadvantaged by the change in the operating model. In addition, a dividend will be distributed to the two partners in years where there is an operating surplus.



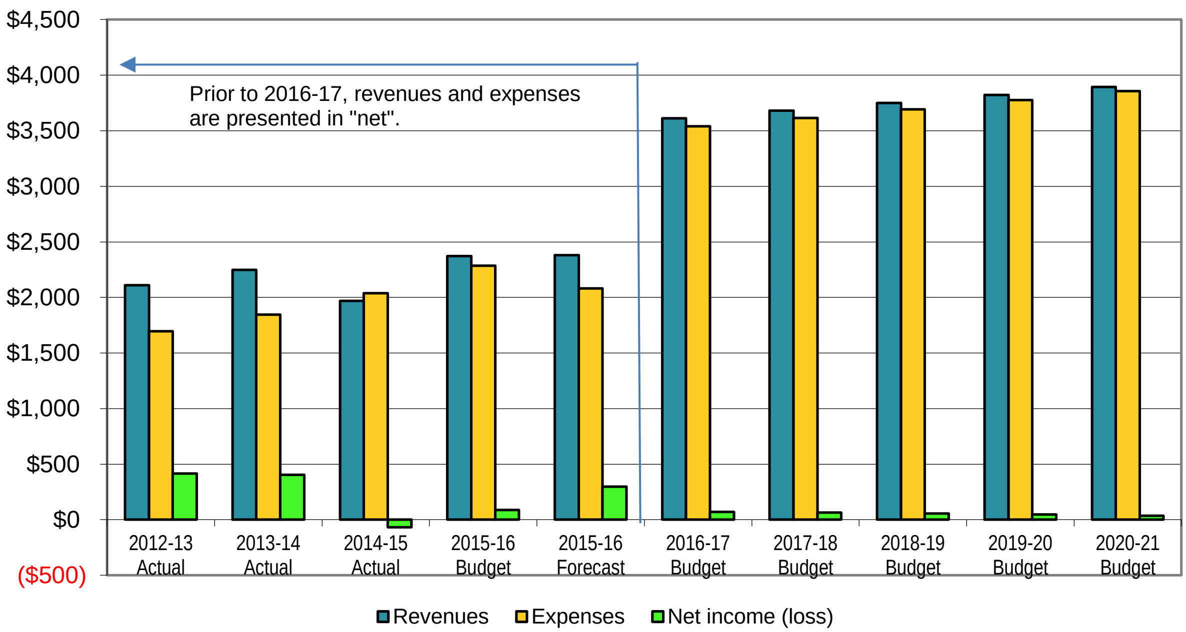
	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	817	860	918	895	962	70	0	0	0	0
Expenses	704	534	550	624	575	126	0	0	0	0
Net income	113	326	368	271	387	(56)	0	0	0	0

The New College operation will continue to offer three meal plans in 2016-17, the first year under the new model. The price increase on the three meal plans will average 2.62% (see schedule VI). This operating plan reflects summer operations under the remaining ARAMARK contract. The investment in capital assets will be sold at net book value to the St. George Food Services and any unrestricted surplus will be transferred to New College residence ancillary.

University College

The Howard Ferguson Dining Hall is a "self-operated" food service operation which provides services to approximately 730 residence students as well as 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. Some items required for special dietary needs are arranged individually as requested. Café Reznikoff is a small outlet that provides lighter meals, sandwiches, confectionary and some convenience items. It remains open during the summer term as part of the summer residence operation, providing a daily hot lunchtime meal from Monday to Friday. This ancillary also offers catering services and this catering business has increased substantially since the hiring of an Executive Chef.

University College: Food & Beverage Services
(thousands of dollars)



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	2,111	2,249	1,970	2,373	2,380	3,612	3,680	3,750	3,822	3,894
Expenses	1,695	1,845	2,039	2,286	2,082	3,541	3,616	3,694	3,775	3,858
Net income (loss)	416	404	(69)	87	298	71	64	56	47	36

With increases in sales while keeping costs under control, this ancillary is forecasting for 2015-16, a net income of $297,940. The capital reserve is forecasted to be $1.1 million with an operating reserve of $0.2 million.

This ancillary is proposing a fee increase of 2.9% (see schedule VI) to its meal plans for 2016-17. This increase is necessary to meet increases in the cost of food, other expenses and to maintain adequate reserves. With the staff compliment completed, the cost of sales is budgeted at 34% (30% in 2015-16) of sales, and labour is budgeted at 50% (50% in 2015-16) of sales. This ancillary is projecting an operating surplus of $71,127. The surplus will increase the capital and operating reserves moderately, while $150,000 is planned to be transferred to the college operation in support of its academic mission and capital project.

The long-range plan includes a price increase of 2% to 3% which provides for growth in its operating reserve while maintaining a healthy reserve for anticipated equipment replacements and annual maintenance costs. An annual transfer of $150,000 to the operating fund will continue for the next four years.

Transportation Services

For the 2016-17 budget year, Transportation Services meets the first three objectives (see schedule II for details). The annual surplus has been allocated to the capital renewal reserve and the new construction reserve.

Transportation Services operates 38 surface lots and 9 underground garages, providing 2,048 parking spaces for students, faculty and staff. As a result of population growth and campus development, the per capita parking supply has decreased significantly. In 2015, Transportation Services lost 96 parking spaces at the Simcoe Hall parking lot for the construction of the new engineering building. Part of this project includes the construction of a parking garage with 50 spaces. This garage will cost $3.3 million to construct, $1.83 million of which will be coming from Transportations Services' reserves. With the loss of supply, both recent and anticipated, this ancillary will make broader use of the Transportation Demand Management (TDM) initiatives to better balance supply and demand. Additional initiatives include:

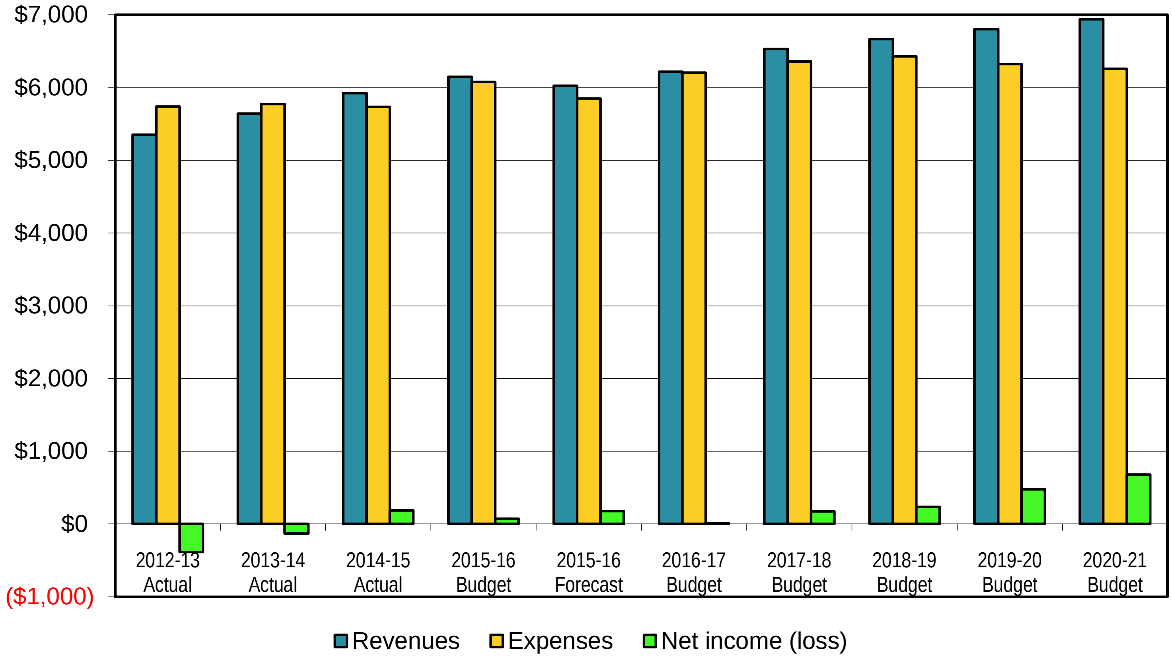
- Price/location incentives for carpool vehicles.
- Creation of a flex-pass option to encourage occasional drivers versus purchasing a permit.

The results of this strategy are promising with an 11% decrease in demand for the Pay & Display area for the first six months of 2015-16 while revenues remain consistent with last fiscal revenue results. The demand for permit parking also dropped by 2% while permit revenues increases. The forecasted 2015-16 operating surplus before commitments is $178,685 with a total reserve balance of $10.9 million of which $7.3 million represents investments in capital assets leaving $0.5 million for capital renewal reserve, $0.5 million for operating reserve and $2.6 million for construction reserve.

Transportation Services is proposing a 2.8% to 6.8% permit rate increase for all parking permit areas. Parking permit areas with a higher demand will see a higher rate increase (see schedule VI for details). Permit sales and pay & display revenues have been budgeted conservatively assuming a reduction in demand associated with the fee increases. The 2016-17 budget is anticipating a surplus of $11,434 with net assets of $10.7 million of which $7.1 million is in investment in capital assets, $0.5 million in capital renewal reserve, $0.5 million in operating reserve and $2.6 million set aside for new parking structures if principal contributions are required.

Transportation Services

(thousands of dollars)



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	5,352	5,644	5,924	6,150	6,026	6,218	6,531	6,668	6,802	6,938
Expenses	5,739	5,776	5,736	6,078	5,847	6,207	6,357	6,431	6,325	6,259
Net income (loss)	(387)	(132)	188	72	179	11	174	237	477	679
Change in revenues		*5.5%*	*5.0%*	*3.8%*	*(2.0%)*	*3.2%*	*5.0%*	*2.1%*	*2.0%*	*2.0%*

The long-range budget assumes inflationary increases for revenues and most expenses. The rates and budgets should be viewed as plans and they will be adjusted annually to reflect any changes at the time the budget is prepared. This ancillary will allocate any unrestricted surplus into the new construction reserve. This is to take a proactive approach in the event that any new parking structures are contemplated. Capital expenditure planned for the next five years include upgrading the Pay & Display machines and purchasing ticketing hardware and software. Transportation Services will also be funding the Chestnut Residence Parking automation project in fiscal 2017. The project is expected to cost $500,000 with a ten-year revenue share agreement in place with Chestnut Residence. This ancillary will supply expertise in developing procedures and best practices learned from the 107 St. George parking garage automation project.

Hart House

Hart House is considered one of the pre-eminent centres for co-curricular education in North America. The goal is to give every student the opportunity to shape and participate in co-curricular programs that will broaden their horizons, help them forge Canadian perspectives on global challenges and develop them as leaders and change-makers in a more challenging world. The House provides enriching opportunities for learning about and contributing to the visual, performing and literary arts, sport and physical activity, public policy and social justice, and through the Hart House Farm, agriculture and food. It 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.

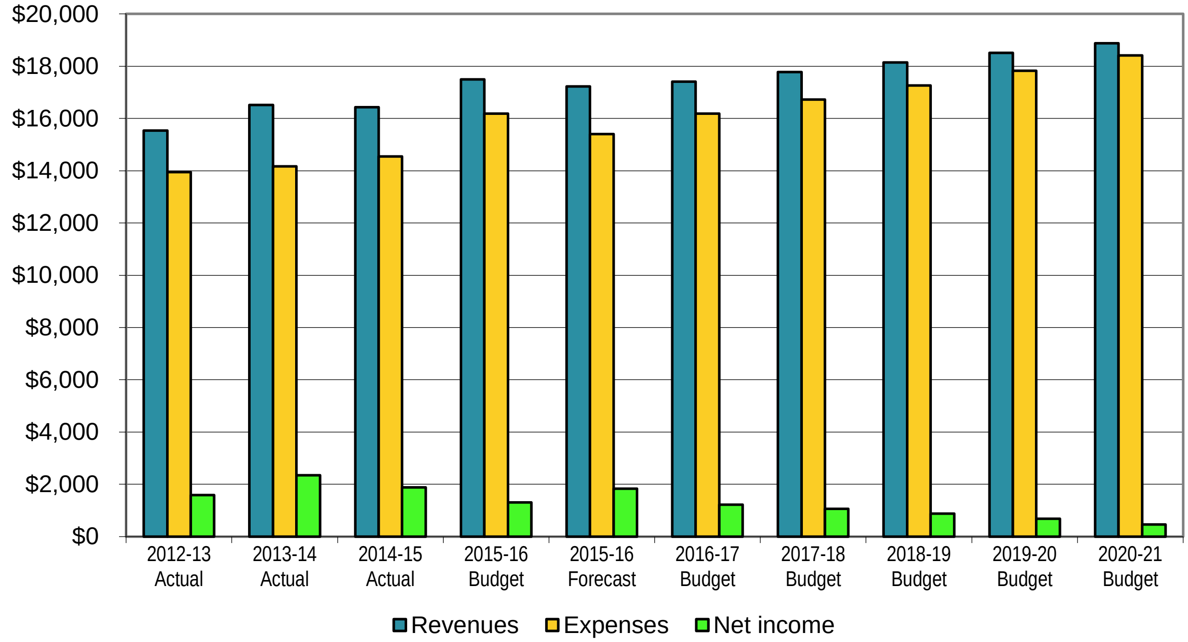
Several initiatives are being undertaken to enhance the student experience and to improve operational efficiency and effectiveness over the long term. Some major new initiatives are as follows:

- Develop a five year strategic plan that will advance its vision and mandate from 2016 until the next planning cycle in 2020;
- Developing a mentorship program tailored to the needs of graduate and part-time students;
- Working with CIUT on some exciting joint programming opportunities and also in negotiations with the Station to free up some of their space for use by the House;
- Will begin Phase II of the I.T. wiring project in spring 2016;
- Will expand the female staff locker room space to accommodate staffing complements through a reconfiguration of the spaces in the basement.

With a forecasted net income of $1.8 million for 2015-16, Hart House is projecting a balanced budget after setting aside reserves for programs and for major maintenance. Net income remains at the 2014-15 level with an increase in salaries, wages and benefits offsetting the increases from revenues. Net assets are forecasted to be $13.9 million at the end of fiscal 2015-16.

The 2016-17 budget was prepared to support and expand the co-curricular offerings for students and to strengthen services offered to all users. This budget anticipates a student fee rate increase of 1.97%, and a 2% increase for staff members under the joint plan (see schedule IV). With the ancillary projecting a net income of $1.2 million, this budget includes $2.3 million spending on capital improvements, plus an additional $1 million for insurance, deferred, major and annual maintenance. Hart House is projecting net assets to be $15.7 million in 2016-17 with $6.8 million in capital renewal reserve.

Hart House
(thousands of dollars)



	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Forecast	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget
Revenues	15,537	16,518	16,428	17,497	17,230	17,410	17,778	18,148	18,509	18,874
Expenses	13,953	14,169	14,546	16,190	15,398	16,184	16,719	17,267	17,828	18,408
Net income	1,584	2,349	1,882	1,307	1,832	1,226	1,059	881	681	466
Change in revenues		*6.3%*	*(0.5%)*	*6.5%*	*(1.5%)*	*1.0%*	*2.1%*	*2.1%*	*2.0%*	*2.0%*

The long-range plan budgets for annual operating surpluses (before commitments) in each planning period. However, once surpluses are allocated to new capital assets, operating and maintenance reserves, the five-year financial plan will have a series of balanced budgets. An on-going challenge is rate increases for salaries, wages, benefits and utility costs, which are much higher than the stated inflation factor upon which fees are based. Despite repeated repairs to the building, some aspects of the fabric and infrastructure of the building are coming to the end of their useful life. A major renewal is necessary to ensure that Hart House will continue to carry out its important role in the 21st century and to meet the needs of a much larger, more diverse student body. The current budget model will not be sufficient to accommodate the costs associated with the infrastructure overhaul. Discussions are being held to develop a fundraising campaign with the goal of raising sufficient funds to upgrade its infrastructure over the next several years.

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEAR ENDING APRIL 30, 2017 **SCHEDULE I**
(with comparative projected surplus for the year ending April 30, 2016)
(thousands of dollars)

	Revenues	Expenditures	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers 2017	2016
RESIDENCE SERVICES						
Innis College	3,467	3,305	162	(125)	37	352
New College	9,960	9,737	223	1,526	1,749	1,201
University College	7,137	6,222	915	(150)	765	231
Graduate House	4,593	4,473	120	13	133	657
Family Housing	8,782	8,319	463	(1,303)	(840)	(2,510)
Chestnut Residence	16,952	17,085	(133)	1,534	1,401	4,067
Woodsworth College	4,688	4,724	(36)	-	(36)	93
Total Residence Services	55,579	53,865	1,714	1,495	3,209	4,091
FOOD & BEVERAGE SERVICES						
St. George Campus	36,608	34,692	1,916	(2,003)	(87)	(360)
New College	70	126	(56)	(795)	(851)	(153)
University College	3,612	3,541	71	(150)	(79)	148
Total Food & Beverage Services	40,290	38,359	1,931	(2,948)	(1,017)	(365)
TRANSPORTATION SERVICES	6,218	6,206	12	(204)	(192)	1,474
HART HOUSE	17,410	16,184	1,226	-	1,226	1,832
TOTAL	**119,497**	**114,614**	**4,883**	**(1,657)**	**3,226**	**7,032**

SCHEDULE II

SUMMARY OF SERVICE ANCILLARY OPERATIONS LONG-RANGE BUDGET RESULTS

(thousands of dollars)

Service Ancillaries	Objectives to be met within the 2016-17 Budget: 1	2	3	4	2016 - 2017 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)	2016 - 2017 Net Assets	2018-2019 Net Assets	2020-2021 Net Assets
Residence Services												
Innis College	yes	yes	yes	yes	257	201	1,768	273	-	2,499	2,646	3,872
				125								
New College	yes	yes	no	no	(6,475)	2,780	600	-	-	(3,094)	(1,028)	1,688
University College	yes	yes	yes	yes	2,880	2,467	1,184	494	-	7,026	8,926	11,634
				150								-
Graduate House	yes	no	yes	yes	23	4,242	-	350	-	4,615	4,801	4,937
				0.9								-
Family Housing **	no	yes	yes	yes	601	260	1,250	615	-	2,726	3,937	4,542
				3.4								
Chestnut Residence	no	no	no	no	(11,322)	9,485	-	-	-	(1,837)	1,640	6,481
Woodsworth College	yes	yes	yes	no	-	1,778	3,000	1,118	-	5,896	5,957	6,333
Total Residence Services					**(14,036)**	**21,213**	**7,802**	**2,850**	**-**	**17,831**	**26,879**	**39,487**
Food & Beverage Services												
St. George Campus	yes	yes	yes	no		986		969	-	1,955	4,214	5,626
New College	yes	n/a	n/a	n/a			-	-	-	-		-
University College	yes	yes	yes	yes	311	165	1,000	224	-	1,700	1,520	1,303
				150								
Total Food & Beverage Services					**311**	**1,151**	**1,000**	**1,193**		**3,655**	**5,734**	**6,929**
Transportation Services												
St. George Campus	yes	yes	yes	no		7,148	500	459	2,558	10,665	10,441	11,189
Hart House	yes	yes	yes	no	352	5,974	6,820	2,564	-	15,709	17,648	18,795
	TOTAL			**429**	**(13,373)**	**35,486**	**16,122**	**7,066**	**2,558**	**47,860**	**60,702**	**76,400**

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**

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, 2016	Net increase (decrease) in commitments to capital renewal	Balance April 30, 2017	Balance April 30, 2021
RESIDENCE SERVICES				
Innis College	1,539	229	1,768	1,717
New College	600	-	600	600
University College	1,074	110	1,184	1,074
Graduate House	-	-	-	570
Family Housing *	1,250		1,250	1,250
Chestnut Residence	-	-	-	-
Woodsworth College	2,500	500	3,000	3,000
Total Residence Services	6,963	839	7,802	8,211
FOOD & BEVERAGE SERVICES				
St. George Campus	-	-	-	1,500
New College	-	-	-	-
University College	1,116	(116)	1,000	1,000
Total Food & Beverage Services	1,116	(116)	1,000	2,500
TRANSPORTATION SERVICES	500	-	500	500
HART HOUSE	7,371	(551)	6,820	4,182
TOTAL	**15,950**	**172**	**16,122**	**15,393**

* 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 major capital projects are expensed through this fund. The fund balance at April 30, 2016 is expected to be $443,266, and $0 in 2020-21.

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, 2016	Increase or (decrease) in	Balance April 30, 2017	Balance April 30, 2021	Balance May 1, 2016	(decrease)	Balance April 30, 2017	Balance April 30, 2021
RESIDENCE SERVICES								
Innis College	253	20	273	257	-	-	-	-
New College	-	-	-	-	-	-	-	-
University College	482	12	494	541	-	-	-	-
Graduate House	630	(280)	350	703	-	-	-	-
Family Housing	599	16	615	658	1,000	(1,000)	-	1,750
Chestnut Residence	-	-	-	-	-	-	-	-
Woodsworth College	1,503	(385)	1,118	2,153	-	-	-	-
Total Residence Services	3,467	(617)	2,850	4,312	1,000	(1,000)	-	1,750
FOOD & BEVERAGE SERVICES								
St. George Campus	176	793	969	2,023	-	-	-	500
New College	-	-	-	-	-	-	-	-
University College	200	24	224	243	-	-	-	-
Total Food & Beverage Services	376	817	1,193	2,266	-	-	-	500
TRANSPORTATION SERVICES	447	12	459	460	2,610	(52)	2,558	5,898
HART HOUSE	2,573	(9)	2,564	2,710	-	-	-	-
TOTAL	**6,863**	**203**	**7,066**	**9,748**	**3,610**	**(1,052)**	**2,558**	**8,148**

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

	2015-2016 (Forecast)			2016 - 2017			2017-2018		
	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers
RESIDENCE SERVICES									
Innis College	360	(125)	235	162	(125)	37	201	(125)	76
New College	661	540	1,201	223	1,526	1,749	250	778	1,028
University College	381	(150)	231	915	(150)	765	990	(150)	840
Graduate House	643	14	657	120	13	133	67	13	80
Family Housing	18	(2,527)	(2,509)	463	(1,303)	(840)	1,005	(471)	534
Chestnut Residence	1,266	2,801	4,067	(133)	1,534	1,401	84	1,377	1,461
Woodsworth College	93	-	93	(36)		(36)	(3)	-	(3)
Total Residence Services	3,422	553	3,975	1,714	1,495	3,209	2,594	1,422	4,016
FOOD & BEVERAGE SERVICES									
St. George Campus	98	(458)	(360)	1,916	(2,003)	(87)	3,499	(2,332)	1,167
New College	387	(540)	(153)	(56)	(795)	(851)	-	-	
University College	298	(150)	148	71	(150)	(79)	64	(150)	(86)
Total Food & Beverage Services	783	(1,148)	(365)	1,931	(2,948)	(1,017)	3,563	(2,482)	1,081
TRANSPORTATION SERVICES	179	1,296	1,475	12	(204)	(192)	174	(300)	(126)
HART HOUSE	1,832	-	1,832	1,226	-	1,226	1,059	-	1,059
TOTAL	**6,216**	**701**	**6,917**	**4,883**	**(1,657)**	**3,226**	**7,390**	**(1,360)**	**6,030**

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

	2018-2019			2019-2020			2020-2021		
	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers
RESIDENCE SERVICES									
Innis College	197	(125)	72	719	(125)	594	756	(125)	631
New College	247	791	1,038	436	807	1,243	660	813	1,473
University College	1,211	(150)	1,061	1,500	(150)	1,350	1,507	(150)	1,357
Graduate House	93	14	107	55	14	69	52	15	67
Family Housing	1,146	(469)	677	984	(466)	518	90	(2)	88
Chestnut Residence	617	1,400	2,017	639	1,428	2,067	1,337	1,437	2,774
Woodsworth College	65	-	65	156	-	156	220	-	220
Total Residence Services	3,576	1,461	5,037	4,489	1,508	5,997	4,622	1,988	6,610
FOOD & BEVERAGE SERVICES									
St. George Campus	3,465	(2,373)	1,092	3,533	(2,625)	908	3,153	(2,649)	504
New College		-		-	-		-	-	
University College	56	(150)	(94)	47	(150)	(103)	36	(150)	(114)
Total Food & Beverage Services	3,521	(2,523)	998	3,580	(2,775)	805	3,189	(2,799)	390
TRANSPORTATION SERVICES	237	(335)	(98)	477	(202)	275	679	(206)	473
HART HOUSE	881	-	881	681	-	681	466	-	466
TOTAL	**8,215**	**(1,397)**	**6,818**	**9,227**	**(1,469)**	**7,758**	**8,956**	**(1,017)**	**7,939**

SCHEDULE V

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS
SUMMARY OF 2016-2017 CAPITAL BUDGETS
(with comparative figures for 2015-2016)
(thousands of dollars)

	2016 - 2017	2015-2016
RESIDENCE SERVICES		
Innis College	-	-
New College	360	450
University College	760	323
Chestnut Residence	1,316	4,193
Family Housing	-	-
Graduate House	551	42
Woodsworth College	-	-
Total Residence Services	2,987	5,008
FOOD & BEVERAGE SERVICES		
New College	-	200
University College	40	40
St. George Campus	1,005	485
Total Food & Beverage Services	1,045	725
TRANSPORTATION SERVICES	616	10
	-	-
HART HOUSE	2,296	1,741
TOTAL	**6,943**	**7,484**

SCHEDULE OF 2016-2017 ANCILLARY RATES

	2016/17 RATE $	2015/16 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
RESIDENCE SERVICES					
St. George Campus					
Innis College					
Innis College - Winter	8,736	8,321	415	4.99	4.99
Innis College - Summer	2,980	2,900	80	2.75	3.6
New College					
Winter					
Residence Room - Wilson Hall & Wetmore Hall					
Double room (per bed)	7,175	7,000	175	2.5	1.1
Single room	8,525	8,325	200	2.4	1.5
Bed-over-desk double room (per bed)	5,900	5,750	150	2.6	0.4
Residence Room - 45 Willcocks					
Double room (per bed)	7,950	7,700	250	3.2	3.7
Single room	9,300	9,025	275	3.1	3.7
Summer/Single					
Continuing New College Students					
W/W Sessional(Actual 15-16: $2,373)	2,442	2,420	22	0.9	7.9
Registered Students					
W/W Sessional(Actual 15-16: $2,420)	2,461	2,530	(69)	(2.7)	10.2
Others					
W/W Sessional(Actual 15-16: $2,530)	2,568	2,640	(72)	(2.7)	9.6
Summer/Double					
Continuing New College Students					
W/W Sessional	1,998	1,921	77	4.0	4.4
Registered Students					
W/W Sessional	1,926	1,870	56	3.0	4.4
Others					
W/W Sessional	2,033	1,980	53	2.7	4.0
University College					
SDW	7,989	7,683	306	4.0	4.5
DW Standard Doubles	7,540	7,356	184	2.5	3.0
SDW Super Doubles	7,874	7,682	192	2.5	4.5
WH Standard Singles	7,990	7,682	308	4.0	4.5
WH Alcove Singles	7,540	7,356	184	2.5	3.0
WH Doubles	7,540	7,356	184	2.5	3.0
MH Singles	8,379	7,905	474	6.0	6.0

SCHEDULE OF 2016-2017 ANCILLARY RATES

	2016/17 RATE $	2015/16 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
RESIDENCE SERVICES					
St. George Campus					
Graduate House					
Grad. House Res/month - Single - premium	1,094	1,063	31	2.9	3.0
Grad. House Res/month - Single - regular	981	954	27	2.8	3.1
Grad. House Res/month - Singles in suite 970	869	845	24	2.8	3.0
Grad. House Res/month - Singles in suite 670	945	919	26	2.8	3.0
Grad. House Res/month - Regular Double	749	728	21	2.9	3.1
Family Housing					
Bachelor	743	725	18	2.5	2.0
1 bedroom (standard)	921	899	22	2.5	2.0
1 bedroom (20) 'B'	936	913	23	2.5	1.9
1 bedroom (large) 'A'	976	952	24	2.5	2.0
1 bedroom (19/23) 'C'	1,000	976	24	2.5	2.0
2 bedroom (standard)	1,218	1,188	30	2.5	2.0
1 bedroom (Extra Large)'D'	1,210	1,180	30	2.5	
Chestnut Residence					
Single	11,980	11,409	571	5.0	5.0
Double	9,866	9,396	470	5.0	5.0
Summer Rates per month					
Single	1,295	1,226	69	5.6	3.0
Double	995	926	69	7.5	3.2
Summer Rates full summer					
Single	4,281	3,951	330	8.4	6.1
Double	2,592	2,495	97	3.9	6.1
Summer Rates full summer with discount					
Single	3,585	3,222	363	11.3	3.4
Double	2,203	2,035	168	8.3	3.0
Woodsworth College					
Woodsworth College - Winter	9,206	8,981	225	2.5	2.5
HART HOUSE					
St. George Full Time	84	83	1.63	2.0	2.6
St. George Part Time	17	17	0.33	2.0	2.7
Scarborough & Mississauga (Full time)	3	3	0	2.0	2.8
Scarborough & Mississauga (Part time)	1	1	0	2.0	2.0

SCHEDULE OF 2016-2017 ANCILLARY RATES

	2016/17 RATE $	2015/16 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
TRANSPORTATION SERVICES					
St. George Campus					
Permit					
Faculty of Education	120	115	5	4.3	5.5
School of Continuing Ed.	275	260	15	5.8	4.8
42 Harbord Street	120	115	5	4.3	5.5
Graduate Garage	135	135	-	0.0	0.0
OISE	145	140	5	3.6	7.7
Bedford	185	180	5	2.8	5.9
St. George Garage	150	145	5	3.4	7.4
Faculty of Law	215	205	10	4.9	5.7
BCIT	185	180	5	2.8	5.9
McLennan Physics	215	205	10	4.9	2.5
E/S Hart House Circle	170	165	5	3.0	3.8
Triangle	235	220	15	6.8	4.8
Front Campus (KCC & HHC)	225	220	5	2.3	4.8
Galbraith	235	220	15	6.8	4.8
200 College St (Rear) I.S.C	235	220	15	6.8	4.8
Tower Road - Unreserved	120	115	5	4.3	5.5
Tower Road - Reserved	235	220	15	6.8	4.8
256 McCaul Street-Reserved	235	225	10	4.4	4.2
155 College Street - Garage	250	235	15	6.4	4.4
155 College Street - Surface	235	225	10	4.4	4.2
100 College Street - Banting	120	115	5	4.3	5.5
112 College Street - Best	180	170	10	5.9	5.6
88 College Street - Women's college	180	170	10	5.9	5.6
Dentistry - Garage	215	205	10	4.9	2.5
Dentistry - Surface	200	195	5	2.6	3.2
6 King's College Road	235	220	15	6.8	4.8
Permit Misc					
Commercial monthly	235	220	15	6.8	4.8
Commercial weekly	72	67	5	7.5	4.7
After 4pm parking	70	68	2	2.9	4.6
Summer Conference monthly	215	208	7	3.4	5.1
Summer Conference weekly	75	73	2	2.8	5.1
UTM/UTSC designated lot	48	46	2	4.4	5.2
UTM/UTSC hunting permit	77	74	3	4.1	4.9
24-Hour Reserve	275	260	15	5.8	4.8
24-Hour Reserve (256 McCaul)	275	260	15	5.8	4.8
Z-Permit (unrestricted)	230	220	10	4.5	4.8
Motorcycle	32	30	2	6.7	5.3

SCHEDULE OF 2016-2017 ANCILLARY RATES

	2016/17 RATE $	2015/16 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
FOOD & BEVERAGE SERVICES					
St. George Campus					
New College					
15 Meals per week with $325 flex.	4,835	4,714	121	2.6	2.7
330 Meals during the academic year with $475 flex	4,870	4,751	119	2.5	2.6
Carte Blanche Meal plan	5,145	5,006	139	2.8	3.0
Summer Rates					
Breakfast	8.0	8	0	5.0	2.9
Lunch	11	11	0	0.8	2.9
Dinner	12	12	(0)	(0.9)	2.9
Brunch (weekends)	11	11	0	0.8	2.9
Per diem rate	32	30	2	5.4	2.9
Chestnut					
15 Meals per week with $200 flex	-	4,960	n/a	n/a	3.0
330 Meals during the academic year with $400 flex	-	4,960	n/a	n/a	3.0
Carte Blanche Meal plan	-	5,242	n/a	n/a	3.0
New for 2016-17					
All access plan 1 $200 flex	5,400	-	n/a	n/a	n/a
All access plan 2 $400 flex	5,600	-	n/a	n/a	n/a
All access plan 3 $600 flex	5,800	-	n/a	n/a	n/a
University College					
Plan A	4,750	4,617	134	2.9	1.9
Plan B	4,193	4,075	119	2.9	2.0

Budget Preparation Review and Consultation Process

The University Affairs Board approves operating plans for the St. George 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 St. George service ancillaries' annual budgets for 2016-17 and long-range plans for 2017-18 to 2020-21 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 45).

Following this consultation process, the Financial Services department (FSD) reviewed the management reports submitted by each ancillary.

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

The SARG reviews the operating plans for all St. George service ancillaries. The SARG process contributes to the success of these ancillary operations by providing direction and guidance on short and long-range planning.

Student / Local Committees and Councils

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

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

Hart House

Finance Committee
Board of Stewards
Council on Student Services

Members of the St. George Service Ancillary Review Group

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

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

Student Member	Susan Froom
Student Member	Sylvia Mwangi
Administrative Staff	Vikram Sainadh Chadalawada

Financial Services:

Manager, Accounting Services	Selina Law
Financial Accounting Analyst	Savitha Sampathkumar