



UNIVERSITY OF
TORONTO
MISSISSAUGA

Service Ancillary Report on Operating Plans

2017-18

November 21, 2016

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Introduction

The service ancillaries at UTM include Student Housing & Residence Life (Residence), Conference, Food and Parking Services. The ancillaries each face unique challenges on campus. The Residence operation is focusing on planning for major capital renewal and maintenance of its residences. Conference Services is experiencing an increase in revenues from its conference groups but struggles to maintain conference groups due to the ever changing availability of meeting room and accommodation space. Food Services continues to plan for large investments in outlets to service the UTM population, including the renovation of the Davis Food Court and Parking has completed its construction of the parking.

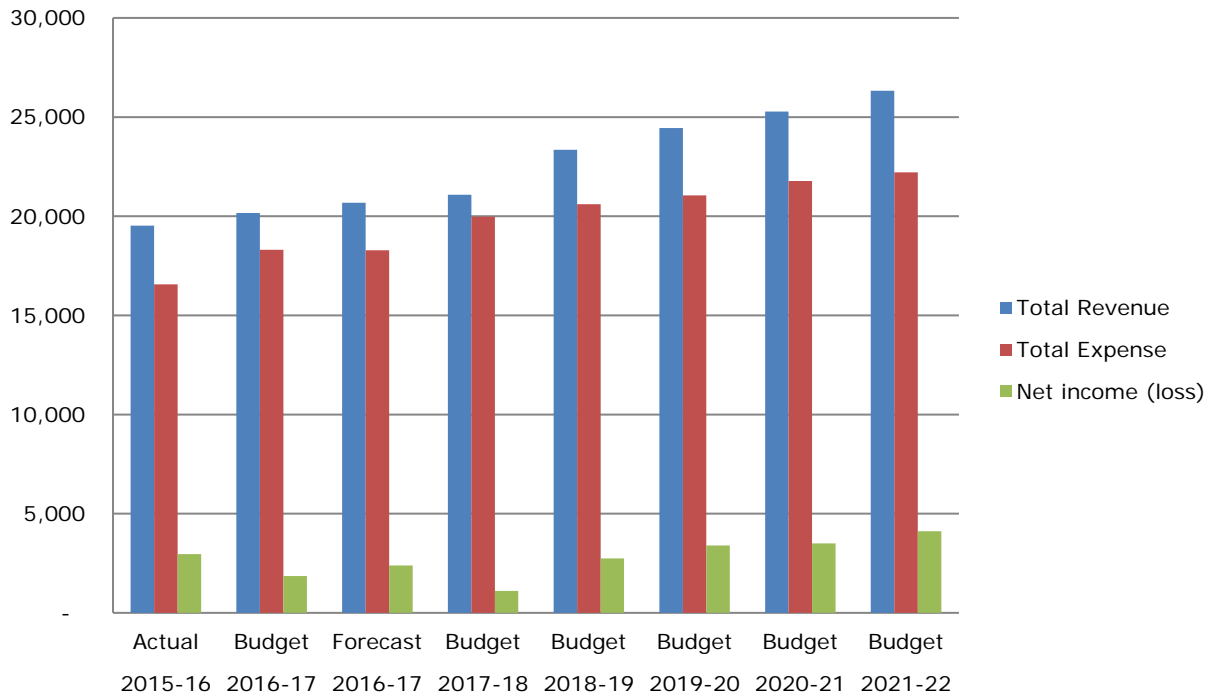
These operations are measured over the long-term on their success in meeting the following four objectives:

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

This report includes financial highlights for 2016-17 forecasts, 2017-18 budgets and long range plans. The report also includes summary financial schedules. Detailed operating statements and schedules are available by contacting the Assistant Director, Ancillary and Student Services, Business Services.

Budget Highlights

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



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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|--------------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | | | | |
| Residence | 12,726 | 13,059 | 13,445 | 13,808 | 15,483 | 16,244 | 17,042 | 17,879 |
| Conference | 905 | 845 | 1,113 | 875 | 1,042 | 1,118 | 1,148 | 1,170 |
| Food | 2,168 | 2,196 | 2,238 | 2,266 | 2,585 | 2,703 | 2,612 | 2,708 |
| Parking | 3,729 | 4,063 | 3,880 | 4,133 | 4,242 | 4,384 | 4,476 | 4,571 |
| Total Revenue | 19,528 | 20,163 | 20,676 | 21,082 | 23,352 | 24,449 | 25,278 | 26,328 |
| Total Expense | 16,566 | 18,310 | 18,287 | 19,976 | 20,607 | 21,051 | 21,775 | 22,214 |
| Net income (loss) | 2,962 | 1,853 | 2,389 | 1,106 | 2,745 | 3,398 | 3,503 | 4,114 |

The UTM service ancillaries are forecasting net income of \$2.4M before transfers for the year ending April 30, 2017 on total projected revenues of \$20.7M, which is \$0.5M more than budget. Total expenses are expected to be slightly less than budget. The resulting forecasted net income is \$0.6M less than prior year actuals of \$3.0M.

Compared to budget, the forecasted net income difference of \$0.5M, is mainly due to better than expected results for Residence, Food and Conference offset by less than expected results for Parking, as follows:

- Residence revenues are expected to exceed budget due to better occupancy rates in the Fall/Winter sessions, better than expected Conference revenues, but slightly less than budgeted Summer session revenues. Expenses are expected to be slightly less than budget due to savings in Salaries and Benefits from some delayed hiring and Utilities rates that were better than budgeted. These savings are offset by increased spending in Annual and Major Maintenance costs incurred on aging buildings and Furniture and Equipment Depreciation from increased capital expenditures on improvements to the buildings.
- Food Services net revenues are expected to be slightly better than budget from increased Cafeteria Sales as a result of the addition of new food outlets and from students buying larger meal plans. Cost of Sales is also higher than budget as it correlates to the increase in food sales. Some costs savings were derived from unexpected staff turnover and subsequent delays in hiring.
- Conference Services revenues are forecast to be better than budget due to increased number of delegates by a returning group and from a number of groups unexpected in the budget. Expenses are also expected to increase in direct consequence of the increased revenues.
- Parking Services results are expected to be less than budget due to a two month delay in completing the new parking deck. The revenues and associated expenses reflect delayed permit sales for the upper portion of the deck that was opened in November 2016, two months later than planned.
- The long range plan projects revenues to increase by \$5.7M by 2021-22 of which \$4.4M is from Residence, \$0.06M from Conference, \$0.5M from Food and \$0.7M from Parking.

Review of the UTM Ancillary Operations

Residence bed inventory remains reduced by the conversion of 100 rooms in Erindale Hall into offices for faculty and staff displaced during the North2 construction project. Residence is planning for significant capital renewal in the coming years. The Housing Master Plan, which includes a demand and market analysis and capital renewal plan that will provide detailed data to inform the long range financial planning, is being finalized.

Food Services continues to plan for expansion of food services on campus to meet the overall food service capacity shortfall and making changes to food service outlets to ensure variety of food options. Changes will be introduced in 2017-18 to the meal plan structure. The new structure will provide students simpler choices when purchasing a meal plan and an increase in the amount carried over to the following year. All realized profits are redirected to investment in new outlets, such as the planned Davis Building Food Court.

Conference Services exceeded its budget due to a higher than expected number of customers who used UTM facilities for conferences and training sessions. This was achieved despite increasing number of spring/summer students and students enrolled in ACE@UTM (an English as a second language program), required maintenance and the re-purposing of the 100 rooms in Erindale Hall, all of which contribute to reduced conference space availability.

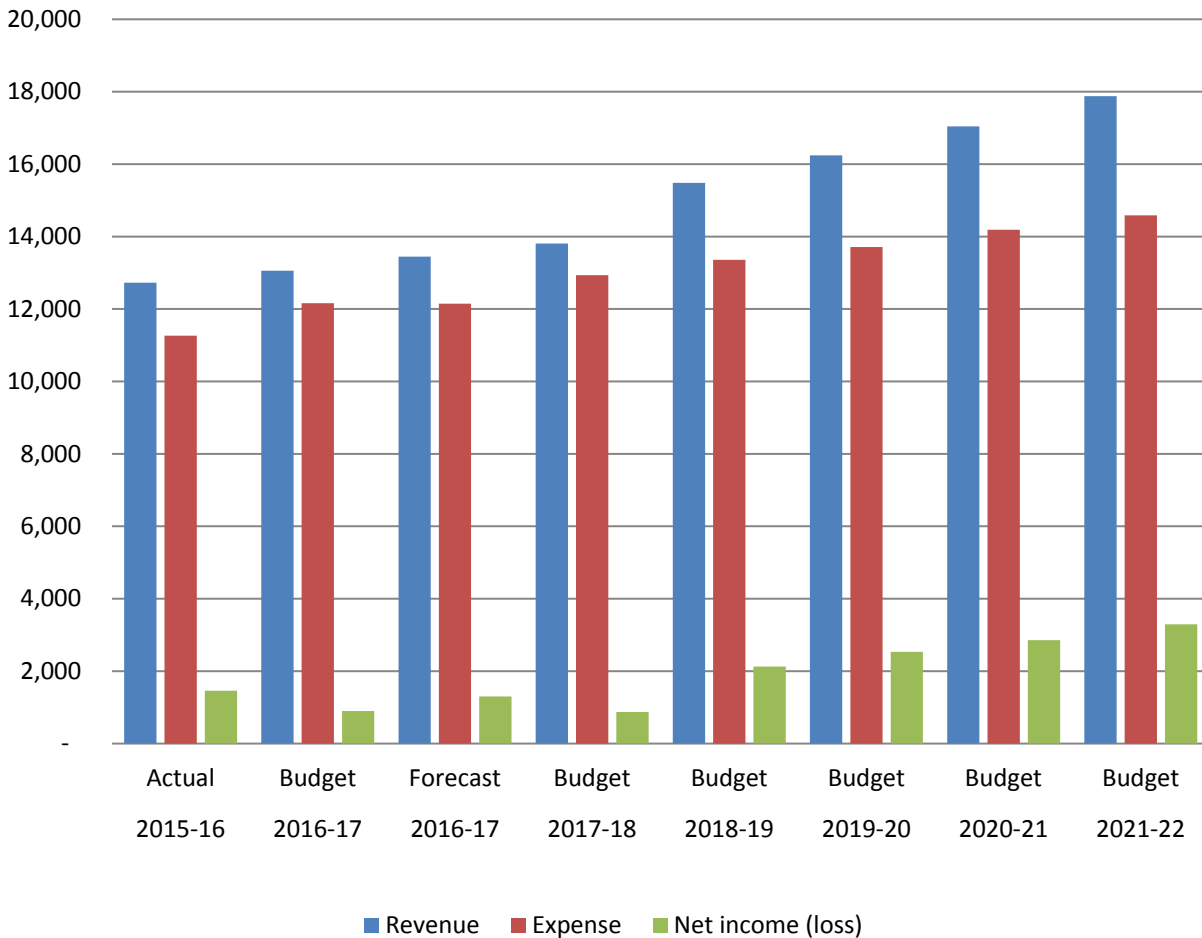
Parking capacity was challenged at peak times due to the delay in opening the upper portion of the new parking deck. This delay resulted in lost parking permit revenues. The new parking deck fully opened in November 2016. Parking will direct the surplus generated from operations to repay the loan received from UTM to pay for the parking deck.

Residence

With 1,280 single undergraduate student beds and 121 family and graduate student units, the UTM residences provide accommodation to over 1,500 residents in eight building complexes with a multitude of options, such as 3 and 4 bedroom townhouses, 2 and 4 bedroom apartment suites, and traditional style suites, including single and some double occupancy units. During this current fiscal year, Residence experienced an increase in first year applicants.

The ancillary will meet three of the objectives in 2017-18, as it does not contribute to the operating budget (see Schedule 2).

Student Housing & Residence Life
(thousands of dollars)



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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | 12,726 | 13,059 | 13,445 | 13,808 | 15,483 | 16,244 | 17,042 | 17,879 |
| Expense | 11,264 | 12,160 | 12,146 | 12,935 | 13,357 | 13,710 | 14,188 | 14,585 |
| Net income (loss) | 1,462 | 899 | 1,299 | 873 | 2,126 | 2,534 | 2,854 | 3,294 |

2016-17 Forecast:

Revenues are expected to be better than budget because the ancillary was able to exceed the budgeted occupancy of 96% due to process improvements and better marketing. First year applicants make up most of this increase. Residence is accommodating 920 first year students vs 860 in 2015-16.

Summer residence business was less than budget due to reduced enrollment, although participation in the summer ACE@UTM program and summer conference business were higher than had been anticipated in the budget.

Salaries, wages and benefits are down due to various vacancies and staff turnover but currently the ancillary is at a full staff complement.

Major maintenance is expected to exceed budget due to some unexpected repairs and equipment parts replacements.

The operating result before transfers is projected to be \$1.3M. The closing total fund balance, after the transfer in from UTM operating for the 100 Erindale Hall rooms of \$0.9M, is expected to be a surplus of \$3.4M. The surplus will be put toward future major maintenance and renovation projects.

2017-18 Budget & Long Range Plan:

The 2017-18 operating plan includes a 5% rate increase and assumes an occupancy rate of 96%. The occupancy rate has remained static despite occupancy rates surpassing the 96% target in recent years because student enrollment is expected to plateau over the next five years. The increase in the revenues in 2018-19 is due to Erindale Hall beds reverting back to regular revenue.

Salaries, wages and benefits reflect increases related to contractual obligations and staffing changes, including a full staff complement. The ancillary is dedicated to reinvesting into the residence facilities and has planned \$2.3M in projects to be completed in 2017-18, including interior renovations (townhouses); replacements of window/vinyl replacements (townhouses), conversion of office space back to residence (Erindale Hall) and a community kitchen (OPH). The capitalization of these major capital improvements will be amortized

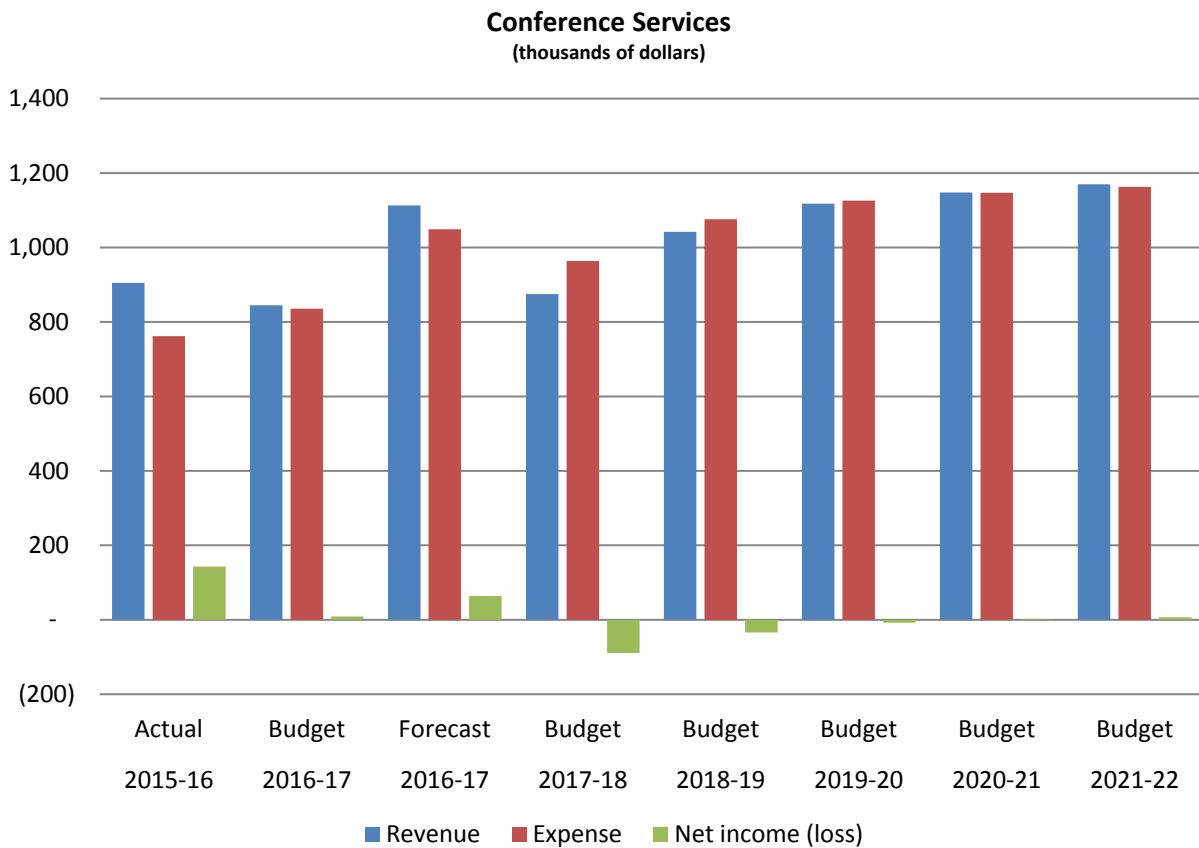
over their useful life and expensed through the Furniture & Equipment or Building Depreciation lines.

The ancillary is projecting an operating surplus of \$0.9M, a net operating result after transfer of the Erindale Hall rental income of \$1.0M, to net \$1.9M and a closing total fund balance of \$5.2M in 2017-18.

Conference Services

The Conference ancillary produces income through the utilization of campus resources that would otherwise remain idle. Due to limitations on residence beds and the loss of larger conference space, the ancillary has found it harder to maintain and attract larger conference groups and film crews have steered away from the campus due to the construction taking place.

Conference Services will meet three objectives because the ancillary is not contributing to the operating budget for 2017-18 but will contribute \$0.05M to the Food ancillary in 2016-17 (see Schedule 2).



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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | 905 | 845 | 1,113 | 875 | 1,042 | 1,118 | 1,148 | 1,170 |
| Expense | 762 | 836 | 1,049 | 964 | 1,076 | 1,126 | 1,147 | 1,163 |
| Net income (loss) | 143 | 9 | 64 | (89) | (34) | (8) | 1 | 7 |

2016-17 Forecast:

Conference Services revenues are better than budget due to a major increase in the number of delegates one conference brought in and from a number of groups that were not expected in the budget. Direct expenses are also expected to be more than budget as conference accommodation expenses vary directly with the revenue generated.

The operating result before transfers is expected to be \$0.06M and the closing total fund balance is expected to be \$0.4M after transferring \$0.05M to the Food Services ancillary as its contribution towards the new food court and conference space in North2.

2017-18 Budget & Long Range Plan:

The 2017-18 budget reflects a conservative plan realizing that, due to challenges with obtaining sufficient meeting and accommodation space and the uncertainty of some groups returning, only groups known to be returning have been budgeted.

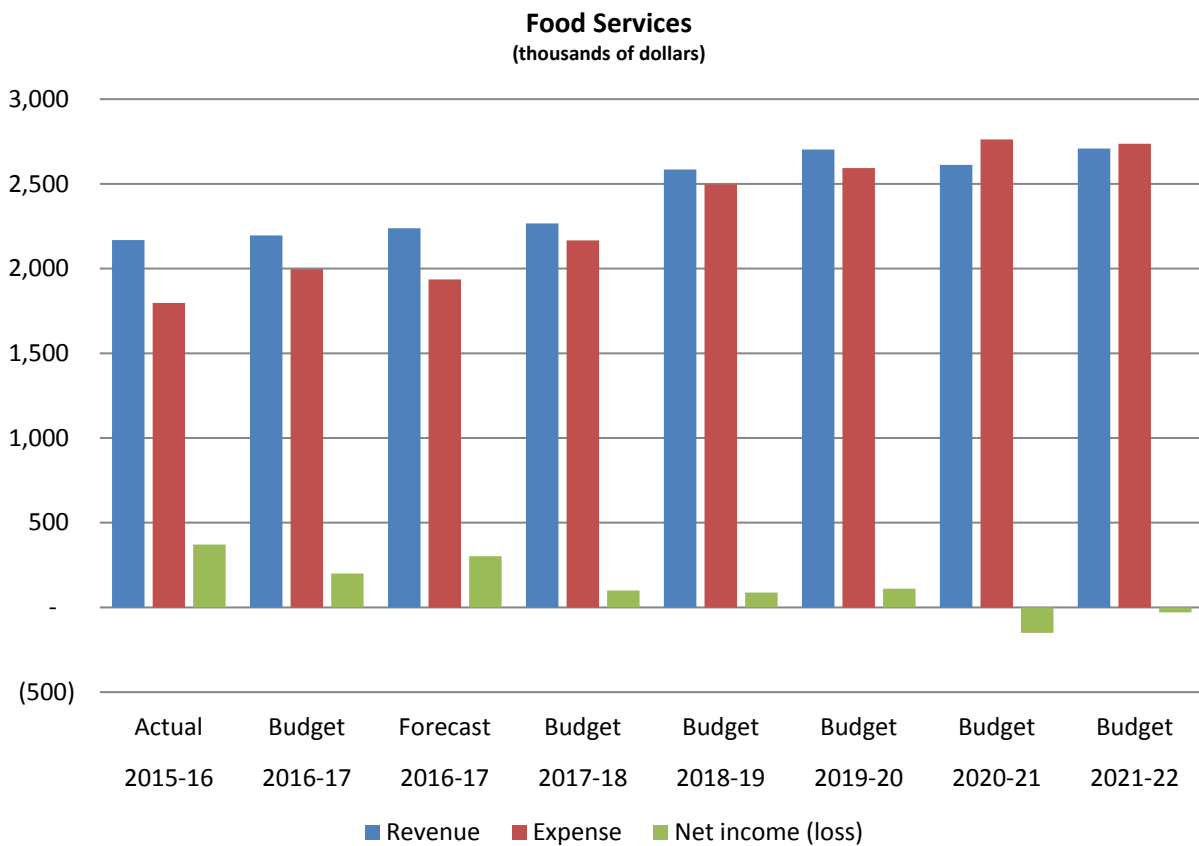
Direct expenses, as noted above, are largely variable to the revenues and therefore reflect the same reduction where applicable.

Total operating results before transfers are budgeted to be a deficit of \$0.09M and the total fund balance, closing is expected to be \$0.3M.

Food Services

Food Services are delivered through an independent food services provider with management oversight provided by the Director of Hospitality & Retail Operations, who works closely with the food services provider on all aspects of food service at UTM. Food Services continually reviews food outlet choices in order to better meet the needs of the UTM community and has made some changes during the year including replacing underperforming outlets with new outlets and making menu changes. UTM has also obtained the *Fair Trade* designation and is offering gluten free menu choices from a gluten free dedicated space in the Temporary Food Court.

As per Schedule 2, Food Services will meet three of the objectives, as it will not contribute to the operating budget.



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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | 2,168 | 2,196 | 2,238 | 2,266 | 2,585 | 2,703 | 2,612 | 2,708 |
| Expense | 1,797 | 1,996 | 1,936 | 2,166 | 2,497 | 2,593 | 2,762 | 2,737 |
| Net income (loss) | 371 | 200 | 302 | 100 | 88 | 110 | (150) | (29) |

2016-17 Forecast:

The 2016-17 forecasted net revenue is better than budget because more full meal plans were purchased than anticipated in the budget. In addition, changes made to replace underperforming outlets, the addition of a salad bar and improved menu options has increased cafeteria sales.

Direct expenditures are expected to be lower than budget due to savings in salary, wages and benefits and major maintenance. Savings in salaries were due to staff vacancies and delayed re-hiring. Major maintenance was not required as anticipated in the budget. The anticipated savings are offset by increased spending in non-depreciable assets due to the changes in food outlets and installing the salad bar and other expenses where additional advertising was undertaken to promote the Fair Trade designation.

The forecasted operating result before transfers is anticipated to be \$0.3M with a total fund balance, closing of \$3.6M. The transfer of \$0.2M is the replacement of lost meal plan revenue related to Erindale Hall being used for non-Residence activities and the transfer of \$0.05M is from Conference Services to spend on small wares related to catering.

2017-18 Budget & Long Range Plan:

Total revenues for 2017-18 are expected to increase due to increases in meal plan rates, food prices, enrollment and UTM's 50th Anniversary events and activities. Meal plan rates will increase 3.7%, however meal plan revenue is expected to decrease due to the change in the meal plan structure which will allow students to carryover an increased amount of the academic year-end residual meal plan funds.

Salary, wages and benefits are expected to increase due to union wage increases. The budget also assumes a full staff complement.

Operating results before transfers are budgeted to be \$0.1M and the closing total fund balance is expected to be \$4.0M at the end of 2017-18, which includes the transfer of \$0.2M related to the lost meal plan revenue replacement. All unrestricted surplus is being allocated to the construction reserve to be used for projects like the Davis Building Food

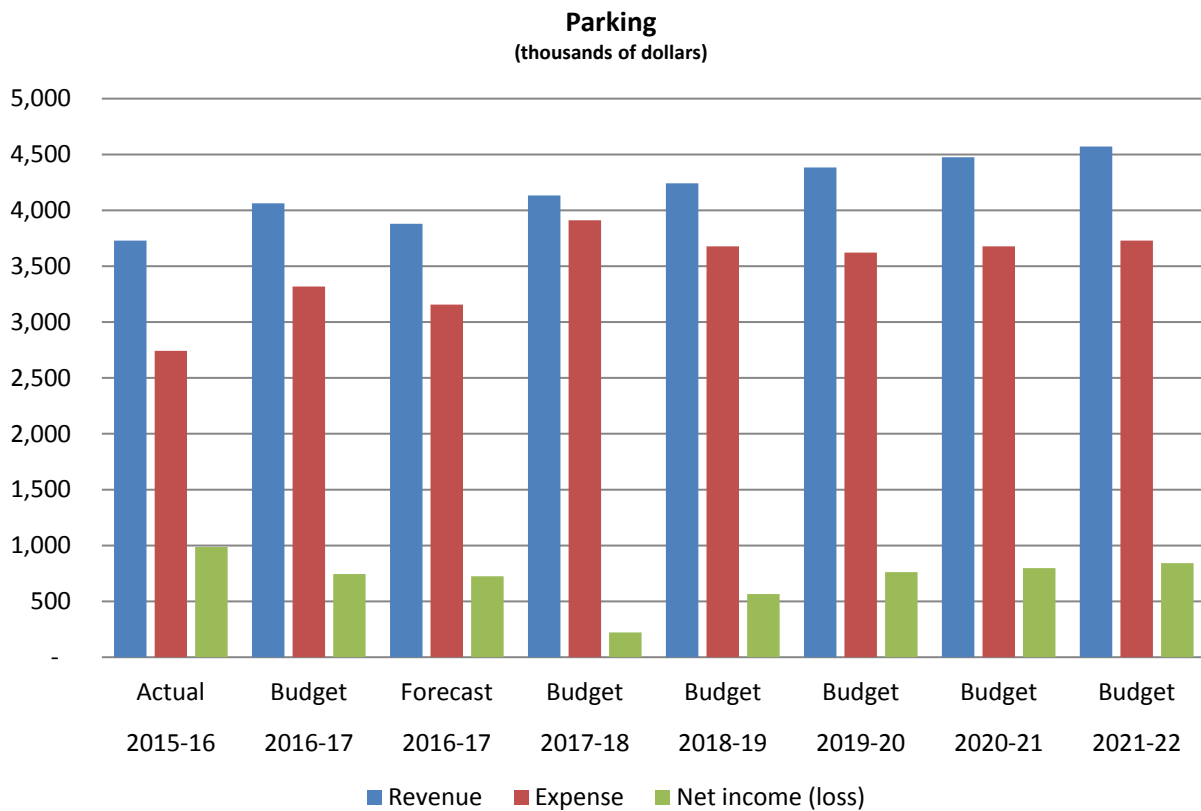
Court, North2 food outlets, Starbucks renovations and a new commerce management system.

Parking Services

UTM is a suburban commuter campus where the use of cars is more of a necessity than the downtown campus. As of September 2016, UTM had 2,302 (gross) parking spaces, a decrease from the same time last year due to the closure of Lot 1 for North2 construction and a loss of spaces at the back of Lot 8 to add a required fire route.

The ancillary is a member of SustainMobility (formerly Smart Commute), an association that works to reduce traffic congestion and encourages other modes of transportation, such as bikes. Parking continues to focus on sustainability through initiatives such as carpooling, car sharing, the discounted TTC pass program, UPass and the Brampton shuttle pilot project, to help reduce congestion on campus. In March 2016, the construction of the second parking deck commenced however due to construction delays the upper part of the deck was not completed until November 2016.

The Parking ancillary will meet three objectives for the 2017-18 budget year. The ancillary does not contribute net revenues to the operating budget (see Schedule 2).



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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | 3,729 | 4,063 | 3,880 | 4,133 | 4,242 | 4,384 | 4,476 | 4,571 |
| Expense | 2,743 | 3,318 | 3,156 | 3,911 | 3,677 | 3,622 | 3,678 | 3,729 |
| Net income (loss) | 986 | 745 | 724 | 222 | 565 | 762 | 798 | 842 |

2016-17 Forecast:

Permit revenues will be less than budget because the upper part of the deck opened in November 2016, two months later than originally planned. This has resulted in selling permits at a reduced cost for the remainder of the term. Pay & Display revenue is expected to be better than budget due to this delay in opening the upper part of the deck, an increase in contractor paid parking and evening visitors.

Expenses are forecast to be less than budget due to a savings in Salary, Wages & Benefits and Major Maintenance. Salary savings come from the replacement of staff on leave with casual staff at a reduced cost and a gap in hiring a position. Major Maintenance work (paving) that was budgeted to occur has been postponed to next fiscal year.

The cost of the parking deck has been paid for by the ancillary via its construction reserve of \$3.0M and a loan from the UTM operating budget of \$6.97M. The cost of the deck will be amortized over 25 years.

The operating result before transfers is expected to be a surplus of \$0.7M. The total closing fund balance of \$10.1M includes the transfer to the operating budget of \$1.7M which is the year's repayment of the loan from UTM for the parking deck. Parking will repay the loan to the extent of its unrestricted surplus each year until the loan is repaid (approximately 7 years).

2017-18 Budget & Long Range Plan:

The 2017-18 budget includes a 3% permit price increase and the Pay & Display daily maximum remains at \$14. Revenues are expected to increase because the new deck will be open all year.

Expenses increase mainly due to union wage increases and inflation, with some increasing due to the additional parking space volume. Major maintenance will increase significantly due repair work on the CCT garage to fix the leaking roof and paving of the surface lot that was postponed in 2016-17.

The operating result before transfers is expected to be \$0.2M at the end of 2017-18. The closing total fund balance is expected to be \$9.7M after transferring out the loan repayment

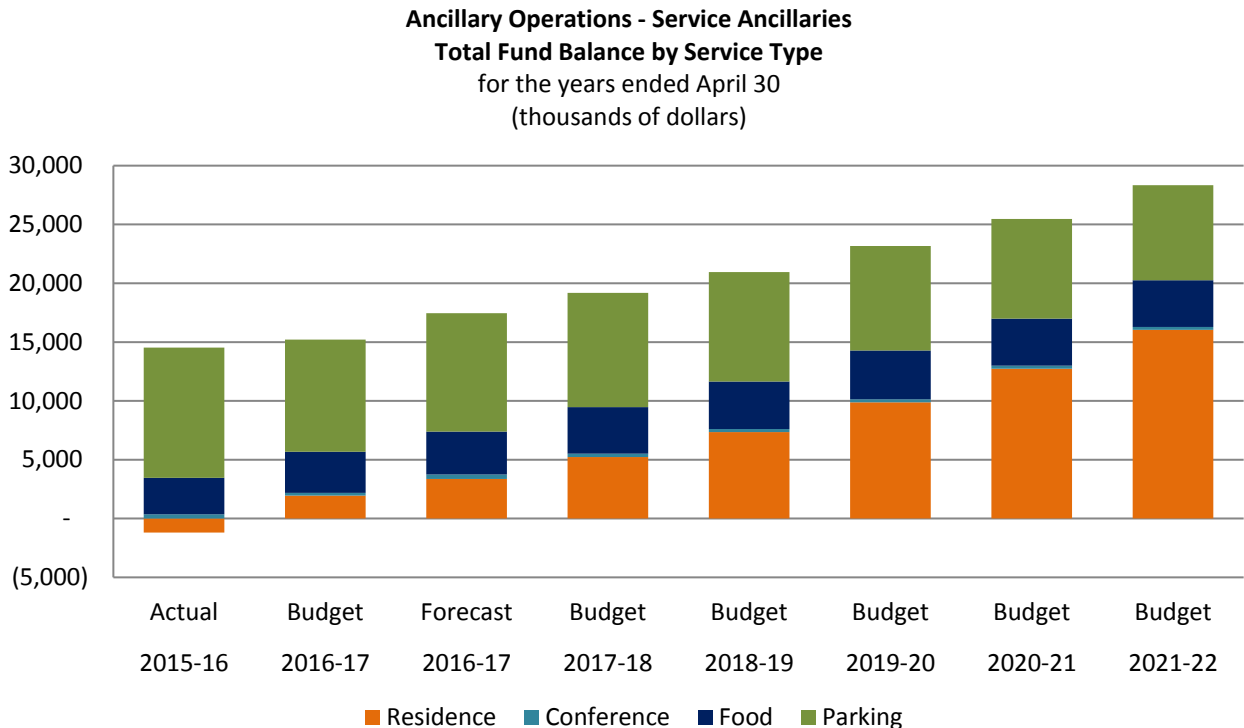
to the UTM operating budget of \$0.6M. As noted above, the unrestricted surplus is \$0 in each year until the loan has been repaid.

Total Fund Balance

Total Fund Balance reflects the net worth of the service ancillaries. Over time the total fund balance changes due to the net income or loss for the year and transfers in or out of the operation. The total fund balance is recorded in several sub-categories and the sum of these categories represents the total net worth of each ancillary.

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

The following chart shows the total fund balance for the ancillaries from 2015-16 to 2021-22.



Ancillary Operations - Service Ancillaries
Total Fund Balance by Service Type
for the years ended April 30
(thousands of dollars)

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Residence | 1,138 | 1,951 | 3,372 | 5,227 | 7,353 | 9,887 | 12,741 | 16,036 |
| Conference | 366 | 232 | 380 | 291 | 257 | 249 | 250 | 257 |
| Food | 3,100 | 3,493 | 3,645 | 3,953 | 4,041 | 4,151 | 4,001 | 3,972 |
| Parking | 11,065 | 9,543 | 10,059 | 9,707 | 9,298 | 8,889 | 8,481 | 8,080 |
| Net assets | 15,669 | 15,219 | 17,456 | 19,178 | 20,949 | 23,176 | 25,473 | 28,345 |

For 2016-17, the service ancillaries are forecasting total net assets of \$17.5M. The 2017-18 operating plans are projecting total net assets of \$19.2M, the difference coming from the Net Income, described above, and the transfer in of rental income to Residence and meal plan revenue to Food related to the Erindale Hall office space less the amount of the principal and interest repayment from the loan to Parking.

Net assets are expected to grow to \$28.3M by 2021-22, reflecting an increase of \$10.9M from 2016-17. This increase consists of a growth of \$12.7M from Residence and \$0.3M from Food offset by decreases of \$0.1M from Conference and \$2.0M from Parking. This growth comes from the large investments in capital assets being projected for Residence, Food and Parking. Capital assets are depreciated over their useful life. The expense to the operating statement is the amount of depreciation not the total amount spent at the time of purchase/renovation. The investment in capital asset, which makes up the balance of the total fund reflects the amount of investment made in capital.

The total fund balance is made up of various reserves as set by the ancillary and/or required to ensure the ancillary meets the four objectives noted above.

Ancillary Operations - Service Ancillaries
Total Fund Balance by Category
for the budget year 2017-18
(thousands of dollars)

| | Unrestricted Surplus/Deficit | Investment in Capital Assets | Capital Renewal Reserve | Operating Reserve | Construction Reserve | Total Fund Balance |
|------------|---------------------------------|------------------------------------|-------------------------------|----------------------|-------------------------|-----------------------|
| Residence | (2,214) | 5,885 | 526 | 1,030 | - | 5,227 |
| Conference | 250 | - | - | 41 | - | 291 |
| Food | - | 573 | 10 | 158 | 3,212 | 3,953 |
| Parking | - | 9,422 | - | 285 | - | 9,707 |
| | (1,964) | 15,880 | 536 | 1,514 | 3,212 | 19,178 |

The anticipated total fund balance for 2017-18 is \$19.2M. The Residence unrestricted deficit is due to building expansions to increase residence spaces in prior years. Food is allocating all unrestricted surplus to their construction reserves for future capital

expansions. And Parking is allocating all unrestricted surplus to repay the UTM loan on the new deck.

Ancillary Debt

The service ancillaries are projecting a total outstanding debt of \$45.7M (on original loans issued of \$64.3M) for 2016-17. Estimated principal and interest repayments for Residence are \$4.3M on an outstanding balance of \$37.7M and for Parking are \$1.0M on an outstanding balance of \$8.0M. This represents 32.2% and 26.9% of revenue, respectively.

The estimated interest cost on borrowing is \$2.5M or 18.5% of revenue or 20.5% of expenses for Residence and \$0.5M for Parking which represents 13.9% of revenues or 17.1% of expenses.

Ancillary Operations - Service Ancillaries

Principal Loan Balances for the years ended April 30 (thousands of dollars)

| | 2015-16 Actual | 2016-17 Forecast | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|--------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Residence | 40,121 | 37,671 | 35,060 | 32,277 | 29,310 | 26,917 | 24,361 |
| Conference | - | - | - | - | - | - | - |
| Food | - | - | - | - | - | - | - |
| Parking | 8,565 | 8,062 | 7,527 | 6,955 | 6,345 | 5,695 | 5,001 |
| Total Loan Balance | 48,686 | 45,733 | 42,587 | 39,232 | 35,655 | 32,612 | 29,362 |

The building expansion from 1997-8 to 2006-7 created a financial strain for Residence, including large borrowings and the resulting accumulated deficit (see Schedule 2).

The second parking deck has been paid for by a contribution by the Parking ancillary of \$3.0M and a loan from UTM operating account for \$6.97M which is being repaid as follows:

Ancillary Operations - Service Ancillaries

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

| | 2015-16 Actual | 2016-17 Forecast | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|----------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Parking Loan | - | 6,968 | 5,238 | 4,664 | 3,691 | 2,521 | 1,315 |
| Principal Repayments | - | (1,730) | (574) | (973) | (1,170) | (1,206) | (1,243) |
| Total Loan Balance | - | 5,238 | 4,664 | 3,691 | 2,521 | 1,315 | 72 |

The Parking ancillary will repay this loan from the UTM operating account in approximately 7 years. Principal and interest repayments will be made to the full extent of the net balance of the unrestricted surplus each year, until the loan is repaid.

The total principal and interest repayment is for 2016-17 is expected to be \$1.7M. Annual repayments are expected to be as noted above.

Given enrollment and overall campus growth, it may be necessary to further expand the parking deck. Consequently, the Parking ancillary will continue to review its permit and daily pricing and monitor expenses in order to try and build up a construction reserve once the loan to UTM has been repaid.

SCHEDULE 1

University of Toronto Mississauga
Service Ancillary Operations Budget Summary
Projected Operating Results for the year ending April 30, 2018
 (with comparative projected surplus for the year ending April 30, 2017)
 (thousands of dollars)

| Service Ancillary | | | Net Operating Results before Transfers | | Net Operating Results after Transfers 2017 | Net Operating Results after Transfers 2016 |
|-------------------|---------------|---------------|--|--------------------|--|--|
| | Revenue | Expense | | Transfers in/(out) | | |
| Residence | 13,808 | 12,935 | 873 | 982 | 1,855 | 2,234 |
| Conference | 875 | 964 | (89) | - | (89) | 14 |
| Food | 2,266 | 2,166 | 100 | 208 | 308 | 545 |
| Parking | 4,133 | 3,911 | 222 | (574) | (352) | (1,006) |
| Total | 21,082 | 19,976 | 1,106 | 616 | 1,722 | 1,787 |

SCHEDULE 2

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

| Service Ancillary | 2017-18 | | | | Unrestricted Surplus/ (Deficit) | Projected Investment in Capital Assets | Projected Commitment to Capital Renewal (Schedule 3) | Projected Operating Reserve (Schedule 3.1) | Projected Construction Reserve (Schedule 3.1) | 2017-18 | 2019-20 | 2021-22 |
|-------------------|-------------------------------------|-----|-----|----|---------------------------------|--|--|--|---|------------|------------|------------|
| | Objectives to be met within 2016-17 | | | | | | | | | Net Assets | Net Assets | Net Assets |
| | 1 | 2 | 3 | 4 | | | | | | | | |
| Residence | yes | yes | yes | no | (2,214) | 5,885 | 526 | 1,030 | - | 5,227 | 9,887 | 16,036 |
| Conference | yes | n/a | yes | no | 250 | - | - | 41 | - | 291 | 249 | 257 |
| Food | yes | yes | yes | no | - | 573 | 10 | 158 | 3,212 | 3,953 | 4,151 | 3,972 |
| Parking | yes | yes | yes | no | - | 9,422 | - | 285 | - | 9,707 | 8,889 | 8,080 |
| | Total | | | | (1,964) | 15,880 | 536 | 1,514 | 3,212 | 19,178 | 23,176 | 28,345 |

Objectives:

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

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

SCHEDULE 3

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

| Service Ancillary | Balance May 1, 2017 | Net increase (decrease) in commitments to capital renewal | Balance April 30, 2018 | Balance April 30, 2022 |
|-------------------|------------------------|--|---------------------------|---------------------------|
| Residence | 526 | - | 526 | 5,922 |
| Conference | - | - | - | - |
| Food | 10 | - | 10 | 10 |
| Parking | - | - | - | - |
| Total | 536 | - | 536 | 5,932 |

SCHEDULE 3.1

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

| Service Ancillary | Operating Reserve | | | | Construction Reserve | | | |
|-------------------|---------------------|---|------------------------|------------------------|----------------------|--|------------------------|------------------------|
| | Balance May 1, 2017 | Increase/ (Decrease) in Operating Reserve | Balance April 30, 2018 | Balance April 30, 2022 | Balance May 1, 2017 | Increase/ (Decrease) in Construction Reserve | Balance April 30, 2018 | Balance April 30, 2022 |
| Residence | 992 | 38 | 1,030 | 1,091 | - | - | - | - |
| Conference | 35 | 6 | 41 | 47 | - | - | - | - |
| Food | 134 | 24 | 158 | 182 | 2,248 | 964 | 3,212 | 2,487 |
| Parking | 254 | 31 | 285 | 302 | 9,893 | (9,893) | - | - |
| Total | 1,415 | 99 | 1,514 | 1,622 | 12,141 | (8,929) | 3,212 | 2,487 |

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

| Service Ancillary | 2016-17 Forecast | | | 2017-18 Budget | | | 2018-19 Budget | | |
|-------------------|--|--------------------|---------------------------------------|--|--------------------|---------------------------------------|--|--------------------|---------------------------------------|
| | Net Operating Results before Transfers | Transfers in/(out) | Net Operating Results after Transfers | Net Operating Results before Transfers | Transfers in/(out) | Net Operating Results after Transfers | Net Operating Results before Transfers | Transfers in/(out) | Net Operating Results after Transfers |
| Residence | 1,299 | 935 | 2,234 | 873 | 982 | 1,855 | 2,126 | - | 2,126 |
| Conference | 64 | (50) | 14 | (89) | - | (89) | (34) | - | (34) |
| Food | 302 | 243 | 545 | 100 | 208 | 308 | 88 | - | 88 |
| Parking | 724 | (1,730) | (1,006) | 222 | (574) | (352) | 565 | (973) | (408) |
| Total | 2,389 | (602) | 1,787 | 1,106 | 616 | 1,722 | 2,745 | (973) | 1,772 |

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

| Service Ancillary | 2019-20 Budget | | | 2020-21 Budget | | | 2021-22 Budget | | |
|-------------------|--|--------------------|---------------------------------------|--|--------------------|---------------------------------------|--|--------------------|---------------------------------------|
| | Net Operating Results before Transfers | Transfers in/(out) | Net Operating Results after Transfers | Net Operating Results before Transfers | Transfers in/(out) | Net Operating Results after Transfers | Net Operating Results before Transfers | Transfers in/(out) | Net Operating Results after Transfers |
| Residence | 2,534 | - | 2,534 | 2,854 | - | 2,854 | 3,294 | - | 3,294 |
| Conference | (8) | - | (8) | 1 | - | 1 | 7 | - | 7 |
| Food | 110 | - | 110 | (150) | - | (150) | (29) | - | (29) |
| Parking | 762 | (1,170) | (408) | 798 | (1,206) | (408) | 842 | (1,243) | (401) |
| Total | 3,398 | (1,170) | 2,228 | 3,503 | (1,206) | 2,297 | 4,114 | (1,243) | 2,871 |

SCHEDULE 5

University of Toronto Mississauga
Service Ancillaries Operations Budget Summary
Summary of 2017-18 Capital Budgets
with comparative figures for 2016-17
(thousands of dollars)

| Service Ancillary | 2017-18 | 2016-17 |
|-------------------|--------------|--------------|
| Residence | 2,305 | 1,829 |
| Conference | - | - |
| Food | 25 | 25 |
| Parking | 30 | 6 |
| Total | 2,360 | 1,860 |

SCHEDULE 6

University of Toronto Mississauga
Schedule of 2017-18 Ancillary Rates

| | 2016-17 \$ | 2017-18 \$ | Increase | Increase | Prior Year Increase |
|---|---------------|---------------|----------|----------|------------------------|
| Parking | | | | | |
| Reserved & CCT Garage (annual) | 1,020.54 | 1,051.16 | 30.62 | 3.0% | 3.0% |
| Premium Unreserved (annual - Lots 4,8,9) | 728.34 | 750.19 | 21.85 | 3.0% | 3.0% |
| Unreserved (annual - Lots 4 & 8 only) | 704.73 | 725.87 | 21.14 | 3.0% | 3.0% |
| Student Unreserved (sessional - Lots 4 & 8 only) | 293.62 | 302.43 | 8.81 | 3.0% | 3.0% |
| Unreserved Afternoon (annual - after 3:30pm) | 200.00 | 210.00 | 10.00 | 5.0% | 5.3% |
| Commercial (annual - Lots 4,8,9) | 1,180.68 | 1,216.10 | 35.42 | 3.0% | 3.0% |
| Pay & Display (daily maximum) (6:30am to 8:00am next day) | 14.00 | 14.00 | - | 0.0% | - |
| Pay & Display (evening/weekend) (5:00pm to 8:00am next day) | 6.00 | 6.00 | - | - | - |
| Pay & Display (per half hour) (6:30am to 5:00pm) | 2.50 | 2.50 | - | - | - |
| Pay & Display (per half hour) (weekdays 5:00pm to 8:00am next day; weekends & holidays) | 1.00 | 1.00 | - | - | - |

SCHEDULE 6, continued

University of Toronto Mississauga
Schedule of 2017-18 Ancillary Rates

| | 2016-17 \$ | 2017-18 \$ |
|--------------|---------------|---------------|
| Food | | |
| Group A | | |
| Plus | 4,799 | |
| Regular | 4,399 | |
| Light | 3,999 | |
| Minimum | 3,699 | |
| Regular +500 | | 4,325 |
| Regular +250 | | 4,075 |
| Regular +100 | | 3,925 |
| Small +500 | | 3,925 |
| Small +250 | | 3,675 |
| Small +100 | | 3,525 |
| Group B | | |
| Regular | 2,549 | |
| Light | 2,249 | |
| Minimum | 1,949 | |
| Regular +500 | | 2,825 |
| Regular +250 | | 2,575 |
| Regular +100 | | 2,425 |
| Small +500 | | 2,500 |
| Small +250 | | 2,250 |
| Small +100 | | 2,100 |

University of Toronto Mississauga
Schedule of 2017-18 Ancillary Rates

| | 2016-17 \$ | 2017-18 \$ | Increase \$ | Increase | Prior Year Increase |
|--|---------------|---------------|----------------|----------|---------------------------|
| Residence | | | | | |
| <u>Undergraduate Students</u> | | | | | |
| FY Townhouses (SW, McL, PN, LC) | 8,690 | 9,125 | 435 | 5% | 5% |
| UY Townhouses (SW, McL, PN, LC) | 8,495 | 8,920 | 425 | 5% | 5% |
| FY Premium Townhouses (LC 2 bedroom) | 9,639 | 10,121 | 482 | 5% | 5% |
| UY Premium Townhouses (LC 2 bedroom) | 9,444 | 9,916 | 472 | 5% | 5% |
| FY Suites (RI, ED) | 9,639 | 10,121 | 482 | 5% | 5% |
| UY Suites (RI, ED) | 9,444 | 9,916 | 472 | 5% | 5% |
| FY Dormitory (OPH) | 8,690 | 9,125 | 435 | 5% | 5% |
| UY Dormitory (OPH) | 8,495 | 8,920 | 425 | 5% | 5% |
| FY Premium Townhouses (MV) | 9,639 | 10,121 | 482 | 5% | 5% |
| UY Premium Townhouses (MV) | 9,444 | 9,916 | 472 | 5% | 5% |
| FY Premium Townhouses (MV - doubles) | 7,062 | 7,415 | 353 | 5% | 5% |
| UY Premium Townhouses (MV - doubles) | 6,867 | 7,210 | 343 | 5% | 5% |
| <u>Family & Graduate Housing (rent per month)</u> | | | | | |
| SW | | | | | |
| 3 bedroom townhouse | | | | | |
| May to Aug | 1,512 | 1,588 | 76 | | |
| Sept to April | 1,588 | 1,667 | 79 | 5% | 5% |
| 4 bedroom townhouse | | | | | |
| May to Aug | 1,568 | 1,646 | 78 | | |
| Sept to April | 1,646 | 1,728 | 82 | 5% | 5% |
| Small Bachelor | | | | | |
| May to Aug | 906 | 951 | 45 | | |
| Sept to April | 951 | 999 | 48 | 5% | 5% |
| Large Bachelor | | | | | |
| May to Aug | 952 | 1,000 | 48 | | |
| Sept to April | 1,000 | 1,050 | 50 | 5% | 5% |
| Shared Bachelor | | | | | |
| May to Aug | 952 | 1,000 | 48 | | |
| Sept to April | 1,000 | 1,050 | 50 | 5% | 5% |

Review and Consultation Process

The UTM Campus Affairs Committee makes recommendations to the UTM Campus Council on the annual budget related to service ancillaries. The budgets approved by the Campus Council require confirmation by the Executive Committee of Governing Council. Those plans include a Management Report that describes the proposed services and programs offered within the financial parameters of the University's operating budget and financial policies set by the Business Board. The plans also include each ancillary's annual operating budget, as well as changes to program and levels of service, categories of users, accessibility, and compulsory or optional fees. This year, the plans will report on actual financial results for the 2015-16, the forecast for 2016-17 and budgets for the five year period 2017-18 to 2021-22. Only the proposed budget for 2017-18 is presented for approval, the remaining budgets, actual and forecast is for comparison and information purposes.

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

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

The Parking operating plan is reviewed by the Transportation & Parking Advisory Committee that includes undergraduate and graduate students, faculty and staff.

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

Review and Consultation Process

Advisory Committee Meeting Dates:

Transportation and Parking Advisory Committee

October 27th

November 15th

Food Services Advisory Committee

September 21st

November 9th

Resident Student Dining Committee

October 5th

November 2nd

Student Housing Advisory Committee

September 27th

October 5th

October 19th

November 9th

Ancillary Management Reports and Operating Statements



Student Housing & Residence Life Operating Plans 2016-17 to 2021-22

Management Report

1. Overview of Mission, Issues and Services

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

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

- i. Operate without a subsidy from the University operating budget.
- ii. Include all costs of capital renewal and deferred maintenance.
- iii. Generate sufficient surplus to cover operating contingencies.
- iv. Contribute net revenue to the operating budget, where possible.

1.2 Background, Issues and Service

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

Main accomplishments or issues facing the ancillary include:

- SHRL experienced an increase in first year applicants to residence in 2016-17. With our first year guarantee, we accommodated 920 first year students (up from 860 in 2015-16).
- As anticipated, the SHRL's long-range plan to turn a positive total fund balance in 2016-17 was achieved.

- Building upon SHRL's established Mission & Values, we further refined our process for designing, implementing and assessing our annual goals through the Student Housing & Residence Life *Playbook*.
- Since July 2014, SHRL has continued to provide the University with 100 residence space during the construction project of North2. The 2017-18 budget year will be the fourth year of this four-year project finishing in summer 2018. The Fall/Winter occupancy has been assumed at 99% and the Summer Revenues have been assumed to be unaffected despite the re-purposing of the 100 residence spaces because the financial impact is uncertain. The University will continue to compensate for lost Residence Fee Revenue resulting from the ancillary's reduced residence room availability of these 100 rooms. Currently Erindale Hall is an upper year residence therefore the temporary elimination of 100 beds does not impact the 1st year guarantee. However, it will does have an impact on strategic occupancy management and the waitlist.
- SHRL introduced significant operational improvements, including: the launch of an app that enables a more efficient and effective check in/out process for students, advanced room self-selection for upper year students and the expansion of "double room" options for First Year students offered at a reduced rate. All with the goal of meeting the needs of our students and improving occupancy.
- In close partnership with numerous academic departments & other campus partners, SHRL launched its first discipline-specific (Biology) Living Learning Community intent on improving student learning through community building, research opportunities, professional skill development, and enhanced faculty-student interaction. For 2017-18, SHRL will launch an innovative Living Learning Community for Health Sciences.
- SHRL implemented a "blended" residence rate for the undergraduate fee category. Historically SHRL has charged a fee for a residence room plus additional charges for First Year Experience fee (FYE), Laundry & RezNet. This blended rate is more transparent and much easier for students to understand in their ROSI accounts. Residence Council fees will continue to be charged separately.
- The recommendations regarding the UTM Housing Master Plan are being finalized and received by SHRL. Informed by the completed demand and Market Analysis and Capital Renewal Plan, these recommendations and the accompanying program plan will be used to guide the long range planning for on-campus housing at UTM.

2. 2016-2017 Operating Plan Forecast

Residence Fees are expected to be better than budget forecast by \$250,804, due to overall campus residence occupancy exceeding 96% due to process improvements as well as enhanced marketing. Summer conference business was higher than budget forecast by \$92,122. We continue to see an interest for housing by students participating in the summer ACE@UTM program.

Salary, Wages & Benefits are expected to be very close to budget as SHRL is continuing to enjoy a full staff compliment. The plan moving forward is to maintain the current staff compliment.

The decrease in Utilities is attributable to better rates than had been anticipated in the budget.

Variations in the Annual & Major Maintenance of approximately \$100,000 are due to required projects that emerged after the budget was set e.g., four heat exchanges in Roy Ivor Hall (\$50,000).

Capital projects include, new laminate flooring installed in the remaining 2 blocks of Roy Ivor Hall at a cost of approximately \$205,000. Interior renovations completed in a number of family units in Schreiberwood. Washrooms renovated where necessary across all townhouse phases at a cost of \$170,000. Major painting completed in McLuhan Court at a cost of approximately \$40,000. Consequently, the Furniture & Equipment Depreciation variance of \$107,961 is due to the additional capital projects that have been and are expected to be completed, such as the new roof at Roy Ivor.

Loan Principal and Interest Expense of \$4,334,021 continues to dominate the Student Housing & Residence Life operating budget making up 36% of our total expenses.

Therefore, the operating result before transfers is projected to be \$1,299,013 which is \$400,236 better than budget. The total fund closing balance as shown on Schedule 2 is forecasted at \$3,372,331.

3. 2017-18 Budget

Fall/Winter session revenues are based on occupancy of 96%. The occupancy assumption has remained static despite occupancy rates above target in 2015-16 & 2016-17. The conservative approach is considered reasonable, as domestic first year student and international student growth is intended to plateau over the next five years. International students represent a greater percentage of those who require on-campus housing. In addition, other internal challenges such as FINCA dates, could dampen occupancy growth despite the past couple years increases. Occupancy metrics are captured and evaluated weekly by SHRL and are used to inform strategic decision making as required throughout the annual cycle. Summer session revenues are expected to remain similar to 2016-17. SHRL anticipates continued demand for summer housing as well as continued demand for the summer ACE@UTM program.

Maintenance and Capital Renewal continues to be a top priority for Student Housing & Residence Life. Annual and Major Maintenance expenses reflect costs associated with repairs and maintenance required annually or periodically (e.g. painting, electrical, plumbing). Capital Renewal (see Schedule 5) are larger projects such as renovations and replacement of major systems and are subject to capitalization and depreciation. The investment in capital renewal is seen by the increase in the Furniture and Equipment Depreciation that is taking into account the furniture and flooring in Erindale Hall and other projects in line with the Housing Master Plan recommendations (e.g. OPH 6th Floor kitchen).

Loan Principal & Interest Expense continues to be the largest expense accounting for 33% of total expenses. Mortgage-related expenses and capital renewal are the two biggest pressures on the SHRL budget.

In total the indirect expenses to SHRL are \$561,333, which is a 10% increase over 2015-16 forecast. Overhead charges reflect an increase as a result of contractual obligations and departmental reorganizations elsewhere on campus.

The Operating Results before Transfers is budgeted to be \$873,030. After the \$981,684 transfer for the rental income related to the Erindale offices this will result in a Total Fund Balance-Closing at the end of 2017-18 of \$5,227,045.

4. Category of Users and Accessibility

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

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

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

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

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

5. Long Range Plan: 2018-19 to 2021-22

The long-range plan assumes rate increases of 5% in each of the years 2017-18 to 2021-22, and that 2018-19 onward assumes the return of the 100 beds in EH to SHRL due to the completed construction of North2.

Following the Housing Master Plan process, Student Housing & Residence Life is embarking on a significant, multi-year capital renewal plan guided by established principles & standards for UTM Residences. The Housing Master Plan addresses specific facilities assessment and renovation plans for our existing stock. Any unrestricted surplus in 2019-20 and beyond has been allocated to capital renewal reserve in order to fund the capital renewal and renovation plan associated with the Housing Master Plan.

**University of Toronto Mississauga
Student Housing Advisory Committee Membership**

Student representatives are elected (or acclaimed) from various residence sub-populations. I wish to thank all representatives for the time invested in consultation with SHRL leadership team. Membership is comprised of:

Two (2) Graduate Student Representatives within Residence

(Elected by a majority of completed ballots from graduate students living in residence)

Mark MacDougall
Vacant

One (1) Family Representative within Residence

(Elected by a majority of completed ballots from family households)

Maria Mejia

Three (3) Undergraduate Representatives within Residence Council

(Elected by a majority of completed ballots from the Residence Council)

Emily Kim
Katherine Zdanowski
Wilson Zou

Two (2) UTM First Year Residence Community Representatives

(Elected by majority of completed ballots from first year residents)

Eric Hall
Jazzlin Carr

One (1) UTM Upper Year Residence Community Representatives

(Elected by majority of completed ballots from upper year residents)

Maria Beck

One (1) Residence Life Don

(Elected by majority of completed ballots from Don team)

Darren Clift

One (1) Residence Peer Academic Leader

(Elected by majority of completed ballots from PAL team)

Nikki Sigurdson

One (1) Residence Service Desk Staff

(Elected by majority of completed ballots from service desk team)

Storm Elworth

Students looking to share feedback or input on matters pertaining to housing services, programming for students, resources and departmental budget priorities, are encouraged to contact their area representative(s).

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|---|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | | | | | |
| Residence Fees - Fall/Winter Session | 10,648,935 | 11,558,594 | 11,809,398 | 250,804 | 12,172,860 | 13,781,090 | 14,470,145 | 15,193,652 | 15,953,334 |
| Residence Fees - Summer Session | 620,544 | 646,145 | 620,544 | (25,601) | 620,043 | 651,045 | 683,597 | 717,777 | 753,666 |
| Conference | 105,546 | 70,000 | 162,122 | 92,122 | 104,413 | 106,814 | 109,164 | 111,347 | 113,574 |
| Laundry Income | 135,219 | 5,000 | 6,000 | 1,000 | 6,219 | 6,219 | 6,219 | 6,219 | 6,219 |
| Other Income | 624,490 | 160,000 | 191,159 | 31,159 | 215,000 | 215,000 | 215,000 | 215,000 | 215,000 |
| Value of Don's & Dean's Rooms | 591,929 | 619,351 | 656,179 | 36,828 | 688,988 | 723,437 | 759,609 | 797,589 | 837,469 |
| Total Revenue | 12,726,663 | 13,059,090 | 13,445,402 | 386,312 | 13,807,523 | 15,483,605 | 16,243,734 | 17,041,584 | 17,879,262 |
| Direct Expenditures | | | | | | | | | |
| Salary, Wages & Benefits - SHRL | 1,973,901 | 2,221,642 | 2,105,077 | 116,565 | 2,351,449 | 2,420,921 | 2,492,427 | 2,566,012 | 2,634,772 |
| Supplies | 64,442 | 65,634 | 69,883 | (4,249) | 71,490 | 73,063 | 74,524 | 76,014 | 77,534 |
| Utilities | 1,272,907 | 1,567,998 | 1,418,787 | 149,211 | 1,568,690 | 1,647,125 | 1,729,481 | 1,815,955 | 1,906,753 |
| Garbage | 45,697 | 57,910 | 57,910 | - | 59,647 | 61,436 | 63,279 | 65,177 | 67,132 |
| Snow Removal, Grounds Maintenance | 237,913 | 246,248 | 246,248 | - | 254,895 | 263,864 | 273,169 | 282,822 | 292,837 |
| Insurance | 63,267 | 68,826 | 65,108 | 3,718 | 68,363 | 71,781 | 75,370 | 79,139 | 83,096 |
| Communication - Computer Svcs | 224,246 | 224,246 | 224,246 | - | 157,310 | 155,234 | 93,511 | - | - |
| Communication - Cable/Telephone/Cell | 78,075 | 78,826 | 82,500 | (3,674) | 84,398 | 86,255 | 87,980 | 89,740 | 91,535 |
| Furniture & Equipment Repair | 3,282 | - | - | - | - | - | - | - | - |
| Annual Maintenance | 795,456 | 749,974 | 779,973 | (29,999) | 797,912 | 815,466 | 831,775 | 848,411 | 865,379 |
| Major Maintenance | 314,562 | 280,266 | 354,266 | (74,000) | 414,389 | 388,029 | 411,519 | 500,000 | 500,000 |
| Furniture & Equipment Depreciation | 139,496 | 284,656 | 383,537 | (98,881) | 679,345 | 911,383 | 1,086,100 | 1,309,636 | 1,420,427 |
| Non-Depreciable Assets | 63,000 | 50,105 | 50,000 | 105 | 51,150 | 52,275 | 53,321 | 54,387 | 55,475 |
| Loan Principal & Interest Expenses | 4,368,457 | 4,334,021 | 4,334,021 | - | 4,297,518 | 4,258,823 | 4,217,806 | 4,194,674 | 4,194,674 |
| Finance Charges | 11,191 | 30,000 | 15,000 | 15,000 | 22,000 | 15,000 | - | - | - |
| Value of Don's & Dean's Rooms | 591,929 | 619,351 | 656,179 | (36,828) | 688,988 | 723,437 | 759,609 | 797,589 | 837,468 |
| Cleaning Costs | 117,812 | 116,280 | 120,428 | (4,148) | 125,924 | 128,820 | 131,654 | 134,287 | 136,973 |
| Residence Life Expenses | 134,679 | 169,129 | 165,000 | 4,129 | 175,000 | 179,025 | 182,964 | 186,623 | 190,355 |
| Residence Admin Expenses | 113,049 | 175,610 | 155,610 | 20,000 | 206,000 | 210,738 | 215,374 | 219,681 | 224,075 |
| Miscellaneous | 189,122 | 308,506 | 351,531 | (43,025) | 298,692 | 305,263 | 311,368 | 317,595 | 323,947 |
| Total Direct Expenditures | 10,802,483 | 11,649,228 | 11,635,304 | 13,924 | 12,373,160 | 12,767,938 | 13,091,231 | 13,537,742 | 13,902,432 |
| Indirect Expenditures | | | | | | | | | |
| Central Overhead Charges | 45,970 | 49,563 | 49,563 | - | 46,772 | 49,111 | 51,567 | 54,145 | 56,852 |
| Department/College Overhead Charges | 397,221 | 440,217 | 440,217 | - | 485,261 | 509,524 | 535,000 | 561,750 | 589,838 |
| Facilities & Services Overhead Charges | 18,751 | 21,305 | 21,305 | - | 29,300 | 30,765 | 32,303 | 33,918 | 35,614 |
| Total Indirect Expenditures | 461,942 | 511,085 | 511,085 | - | 561,333 | 589,400 | 618,870 | 649,813 | 682,304 |
| Total Expenditures | 11,264,425 | 12,160,313 | 12,146,389 | 13,924 | 12,934,493 | 13,357,338 | 13,710,101 | 14,187,555 | 14,584,736 |
| | | | | | | | | | |
| Operating Results Before Transfers | 1,462,238 | 898,777 | 1,299,013 | 400,236 | 873,030 | 2,126,267 | 2,533,633 | 2,854,029 | 3,294,526 |

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

| | <u>2015-16 Actual</u> | <u>2016-17 Budget</u> | <u>2016-17 Forecast</u> | <u>2016-17 Variance</u> | <u>2017-18 Budget</u> | <u>2018-19 Budget</u> | <u>2019-20 Budget</u> | <u>2020-21 Budget</u> | <u>2021-22 Budget</u> |
|--|---------------------------|---------------------------|-----------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Total Fund Balance - Opening | (1,188,740) | 117,697 | 1,138,362 | 1,020,665 | 3,372,331 | 5,227,045 | 7,353,312 | 9,886,945 | 12,740,974 |
| Net Operating Results before Transfers | 1,462,238 | 898,777 | 1,299,013 | 400,236 | 873,030 | 2,126,267 | 2,533,633 | 2,854,029 | 3,294,526 |
| Transfers in (out) of Ancillary Operations | 864,864 | 934,956 | 934,956 | - | 981,684 | - | - | - | - |
| Net Operating Results after Transfers | 2,327,102 | 1,833,733 | 2,233,969 | 400,236 | 1,854,714 | 2,126,267 | 2,533,633 | 2,854,029 | 3,294,526 |
| Total Fund Balance - Closing | 1,138,362 | 1,951,430 | 3,372,331 | 1,420,901 | 5,227,045 | 7,353,312 | 9,886,945 | 12,740,974 | 16,035,500 |
| <i>Closing Fund Balance is made up of:</i> | | | | | | | | | |
| Investment in Capital Assets | 2,033,654 | 2,987,947 | 4,259,117 | 1,271,170 | 5,884,657 | 6,984,594 | 7,657,372 | 8,408,902 | 9,022,649 |
| Internally Restricted: | | | | | | | | | |
| Capital Renewal Reserve | 526,528 | 526,528 | 526,528 | - | 526,528 | 526,528 | 1,172,795 | 3,264,319 | 5,922,252 |
| Operating Reserve | 935,670 | 1,017,596 | 992,243 | (25,353) | 1,030,271 | 1,046,675 | 1,056,778 | 1,067,753 | 1,090,599 |
| Construction Reserve | | | | | | | | | |
| Unrestricted Surplus/(Deficit) | (2,357,490) | (2,580,641) | (2,405,557) | 149,731 | (2,214,411) | (1,204,485) | - | - | - |

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|--------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Major Maintenance | 314,562 | 280,266 | 354,266 | (74,000) | 414,389 | 388,029 | 411,519 | 500,000 | 500,000 |
| Total Major Maintenance | 314,562 | 280,266 | 354,266 | (74,000) | 414,389 | 388,029 | 411,519 | 500,000 | 500,000 |

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|-----------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Deferred Maintenance | | | | | | | | | |
| Total Deferred Maintenance | - | - | - | - | - | - | - | - | - |

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|----------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Building | - | 606,000 | 1,601,000 | (995,000) | 400,000 | 900,000 | 591,992 | - | - |
| Renovations | 2,084,998 | 693,000 | 1,008,000 | (315,000) | 1,684,885 | 1,111,320 | 1,166,886 | - | 1,200,000 |
| Furniture & Equipment | 132,961 | 530,000 | - | 530,000 | 220,000 | - | - | 2,061,166 | 834,174 |
| Total Capital Expenditure | 2,217,959 | 1,829,000 | 2,609,000 | (780,000) | 2,304,885 | 2,011,320 | 1,758,878 | 2,061,166 | 2,034,174 |

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

| Type | Period | 2016-17 | % Change | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | |
|--|-----------------------------------|-----------------|----------|---------|---------|---------|---------|---------|--------|
| Undergraduate Students | | | | | | | | | |
| <i>(rates are per Fall/Winter session)</i> | | | | | | | | | |
| FY | Townhouses (SW, McL, PN, LC) | Sept 1 - Apr 30 | 8,690 | 5% | 9,125 | 9,581 | 10,060 | 10,563 | 11,091 |
| UY | Townhouses (SW, McL, PN, LC) | Sept 1 - Apr 30 | 8,495 | 5% | 8,920 | 9,366 | 9,834 | 10,326 | 10,842 |
| FY | Premium Townhouses (LC 2 bedroom) | Sept 1 - Apr 30 | 9,639 | 5% | 10,121 | 10,627 | 11,158 | 11,716 | 12,302 |
| UY | Premium Townhouses (LC 2 bedroom) | Sept 1 - Apr 30 | 9,444 | 5% | 9,916 | 10,412 | 10,933 | 11,480 | 12,054 |
| FY | Suites (RI, ED) | Sept 1 - Apr 30 | 9,639 | 5% | 10,121 | 10,627 | 11,158 | 11,716 | 12,302 |
| UY | Suites (RI, ED) | Sept 1 - Apr 30 | 9,444 | 5% | 9,916 | 10,412 | 10,933 | 11,480 | 12,054 |
| FY | Dormitory (OPH) | Sept 1 - Apr 30 | 8,690 | 5% | 9,125 | 9,581 | 10,060 | 10,563 | 11,091 |
| UY | Dormitory (OPH) | Sept 1 - Apr 30 | 8,495 | 5% | 8,920 | 9,366 | 9,834 | 10,326 | 10,842 |
| FY | Premium Townhouses (MV) | Sept 1 - Apr 30 | 9,639 | 5% | 10,121 | 10,627 | 11,158 | 11,716 | 12,302 |
| UY | Premium Townhouses (MV) | Sept 1 - Apr 30 | 9,444 | 5% | 9,916 | 10,412 | 10,933 | 11,480 | 12,054 |
| FY | Premium Townhouses (MV) - Doubles | Sept 1 - Apr 30 | 7,062 | 5% | 7,415 | 7,786 | 8,175 | 8,584 | 9,013 |
| UY | Premium Townhouses (MV) - Doubles | Sept 1 - Apr 30 | 6,867 | 5% | 7,210 | 7,571 | 7,950 | 8,348 | 8,765 |
| Family & Graduate Housing | | | | | | | | | |
| <i>(rates are rent per month)</i> | | | | | | | | | |
| SW | | | | | | | | | |
| | 3 bedroom townhouse | May 1 - Aug 31 | 1,512 | 5% | 1,588 | 1,667 | 1,750 | 1,838 | 1,930 |
| | | Sept 1 - Apr 30 | 1,588 | 5% | 1,667 | 1,750 | 1,838 | 1,930 | 2,027 |
| | 4 bedroom townhouse | May 1 - Aug 31 | 1,568 | 5% | 1,646 | 1,728 | 1,814 | 1,905 | 2,000 |
| | | Sept 1 - Apr 30 | 1,646 | 5% | 1,728 | 1,814 | 1,905 | 2,000 | 2,100 |
| | Small Bachelor | May 1 - Aug 31 | 906 | 5% | 951 | 999 | 1,049 | 1,101 | 1,156 |
| | | Sept 1 - Apr 30 | 951 | 5% | 999 | 1,049 | 1,101 | 1,156 | 1,214 |
| | Large Bachelor | May 1 - Aug 31 | 952 | 5% | 1,000 | 1,050 | 1,103 | 1,158 | 1,216 |
| | | Sept 1 - Apr 30 | 1,000 | 5% | 1,050 | 1,103 | 1,158 | 1,216 | 1,277 |
| | Shared Bachelor | May 1 - Aug 31 | 952 | 5% | 1,000 | 1,050 | 1,103 | 1,158 | 1,216 |
| | | Sept 1 - Apr 30 | 1,000 | 5% | 1,050 | 1,103 | 1,158 | 1,216 | 1,277 |

Conference Services Operating Plan 2016-17 to 2021-22

Management Report

1. Overview of Mission, Issues and Services

1.1 Objectives

- To manage room bookings and offer support for catering orders for all UTM departments (internal events) and conference groups; increasing departmental operating efficiency by providing this one stop service for larger all-encompassing events.
- To support UTM departments and student groups in the planning of details related to conferences and special events.
- To produce income for UTM through the utilization of campus resources that might otherwise remain idle.
- To maintain and replace campus resources which can be used for both conference and other uses.
- To maintain an operating reserve equal to ten percent of total annual expenses net of capital renewal and Conference Expense – Food.
- To further the academic mission and recruiting efforts by providing opportunities for academic and youth conferences.
- To increase campus activity in the spring/summer by contributing to a vibrant campus; providing increased employment opportunities for campus service staff; and stabilizing the annual work cycle of this typically seasonal campus group.
- To put systems, procedures and plans in place to streamline process, increase productivity and capitalize on transient business.
- To have all staff on the same page so anyone can pick up a group in progress if necessary
- To increase training and knowledge by all staff members in the conference and events department
- To contribute to the Hospitality and Retail sales department for future construction and growth.
- To work on marketing and selling the summer business through advertising, word of mouth and posting packages (to be mailed out to groups who are planning larger scale conferences in the area – i.e. ministry groups, sporting camps)

1.2 Background, Issues and Service

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

Main issues facing the ancillary include:

- Increase in bookings throughout the day and late into the evening for facilitated study groups, reduces previously available space for internal and external room bookings.
- Effective utilization and availability of space in a rapidly changing campus environment.
- Provide support of and service to increasing requests from internal departments - while UTM continues to experience a shortage of meeting and conference space.
- Increasing external sales and operating contributions while meeting the U of T temporary use of space guidelines.
- To maintain and improve historical operating results before transfers in light of a reduction in accommodation (residence rooms) available to conference due to:
 - Increasing number of spring/summer session residence students and students enrolled in the ACE@UTM program and other language programs.- currently 4 floors in Oscar Peterson hall for ACE
 - Required maintenance in some of the residences.
 - The use of 100 rooms in Erindale Hall as offices to accommodate staff due to the construction of North2.
 - Roy Ivor Hall and McGrath Valley will be used to accommodate UTM students during the summer session, in prior years these residence units were available for renting to external guests.

2. 2016-17 Operating Plan and Experience

Total Revenue is expected to be \$268,159 over than what was originally budgeted. The increase in revenues is due to an increase in Conference Income – Accommodation from a major increase in Tamwood’s delegate numbers, as well as other unexpected groups.

Because of the extra accommodation, food sales nearly doubled in conferences and catering this summer.

Conference Income – Facilities/Space Rental is expected to be approximately \$20k under budget. This is due to a major lack of space on site during the school year for room bookings. We are busier than ever supporting internal departments and student groups on room bookings, events and food orders.

Production companies from the film industry have been active customers of the UTM Campus however parking renovations has been a deterrent from holding more filming on site.

The Total Direct Expenditures are expected to be higher than Budget due to:

- Conference Accommodation– due to the higher conference income noted above and increased costs.
- Departmental training of all programs.

The Operating Result before Transfers is expected to be a surplus of \$64,269 which is \$55,595 more than budgeted. The Total Fund Balance, Closing is expected to be \$380,326 after contributing \$50,000 to Food Services in support of the new food court and conference space in North2.

3. 2017-18 Budget

The Conference Services Budget for 2017-18 reflects a conservative approach to operational and financial planning. The budget includes only known or probable conference customers returning in 2017-18.

The shortage in the number of accommodation units will remain during the 2017-18 operating season due to:

- Increasing number of spring/summer session residence students and students enrolled in the ACE@UTM program and other language programs.- currently 3 floors in Oscar Peterson Hall for ACE
- Required maintenance of residence buildings.
- Availability in 2017-18 will mainly be 3 floors in OPH and the town houses which are run down and don't have air conditioning.
- Major increase in charge from residence and housing for short term stay groups. This could cause us to lose some long standing relationships.
- Highest nightly rate for UofT single night stay across all UofT residences (except – Chestnut).

Conference Services remains committed to promote UTM as both an ideal place for conference events, teaching facilities and economical short term (3plus days) accommodation for individuals. The Department is also expecting a modest growth in Conference Income – Facilities/Space Rental.

Total direct expenses are largely variable; they are directly proportional to the revenue. The total direct operating expenditures are budgeted to be \$858,289.

The operating result before transfers is budgeted to be a loss of \$88,942 and the Total Fund Balance, Closing is expected to be \$291,384.

4. Categories of Users and Accessibility

Conference Services provides event and conference planning advisory to both external and internal groups. However the demand from internal departments and student groups continues to increase every year, reducing the options for promoting UTM's facilities to external guests. Conference Services continues to work on a long range plan to maximize space, standardize procedures and sell the available space to external guests through social media, marketing and word of mouth advertising. The Department will continue to offer high quality services while taking into account our competition and market trends.

5. Long Range Plan: 2018-19 to 2021-22

The long range plan shows the Conference Ancillary is moving to a just about break-even budget. This is largely due to uncertainty regarding the availability of both residence accommodation and event space and increasing indirect expenditures.

Every summer season the campus is becoming busier. The increasing offer of academic courses from the main curriculum, extra-curricular courses and programs from the

School of Continuing Studies reduces the space available for external groups' sales. However, Conference Services stays committed to its mission with UTM of providing valuable professional advisory and exceptional customer service. The Department remains focused in its vision of promoting UTM as an exceptional conference and event venue while finding new business opportunities and maintaining high standards in customer service.

Conference Services is looking forward to the addition of North2 with a dedicated special events space that will permit hosting events for various internal and external customers.

To conclude, the long range plan shows Conference Services commitment to a steady and sustainable growth.

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|---|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | | | | | |
| Conference Income - Accommodation | 237,809 | 238,000 | 391,320 | 153,320 | 250,000 | 300,000 | 325,000 | 340,000 | 350,000 |
| Conference Income - Food | 320,659 | 370,854 | 500,000 | 129,146 | 400,000 | 450,000 | 490,000 | 500,000 | 500,000 |
| Conference Income - Facilities/Space Rental | 331,730 | 227,400 | 207,593 | (19,807) | 213,210 | 275,000 | 285,500 | 290,000 | 300,000 |
| Investment Income | 2,162 | 3,500 | 2,000 | (1,500) | 2,100 | 2,200 | 2,300 | 2,400 | 2,500 |
| Other Income | 13,095 | 5,000 | 12,000 | 7,000 | 10,000 | 15,000 | 15,000 | 16,000 | 17,000 |
| Total Revenue | 905,456 | 844,754 | 1,112,913 | 268,159 | 875,310 | 1,042,200 | 1,117,800 | 1,148,400 | 1,169,500 |
| Direct Expenditures | | | | | | | | | |
| Salary, Wages & Benefits | 178,599 | 232,968 | 209,403 | 23,565 | 268,789 | 278,359 | 288,234 | 298,423 | 308,070 |
| Conference Expense - Food | 320,659 | 370,854 | 500,000 | (129,146) | 400,000 | 450,000 | 490,000 | 500,000 | 500,000 |
| Supplies | 17,497 | 5,000 | 12,000 | (7,000) | 12,500 | 17,000 | 14,000 | 12,500 | 11,000 |
| Communications Cost | 6,314 | 6,100 | 5,000 | 1,100 | 5,000 | 8,000 | 8,000 | 6,000 | 6,000 |
| Conference Accommodation | 105,546 | 100,000 | 160,555 | (60,555) | 125,000 | 150,000 | 154,000 | 159,000 | 165,000 |
| Furniture & Equipment Repair | 8,956 | 2,000 | 10,000 | (8,000) | 9,000 | 15,000 | 10,000 | 8,000 | 8,000 |
| Replacement of Non-Depreciable Assets | 6,785 | 2,000 | 24,000 | (22,000) | 18,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Other | 28,486 | 20,800 | 31,427 | (10,627) | 20,000 | 30,000 | 31,000 | 31,000 | 30,000 |
| Total Direct Expenditures | 672,841 | 739,722 | 952,385 | (212,663) | 858,289 | 968,359 | 1,015,234 | 1,034,923 | 1,048,070 |
| Indirect Expenditures | | | | | | | | | |
| Central Overhead Charges | 3,772 | 3,175 | 3,175 | - | 3,270 | 3,335 | 3,402 | 3,470 | 3,540 |
| Department/College Overhead Charges | 72,159 | 79,529 | 79,529 | - | 88,203 | 89,967 | 91,766 | 93,602 | 95,474 |
| Facilities & Services Overhead Charges | 13,426 | 13,654 | 13,555 | 99 | 14,490 | 14,780 | 15,075 | 15,377 | 15,684 |
| Total Indirect Expenditures | 89,358 | 96,358 | 96,259 | 99 | 105,963 | 108,082 | 110,244 | 112,449 | 114,698 |
| Total Expenditures | 762,199 | 836,080 | 1,048,644 | (212,564) | 964,252 | 1,076,441 | 1,125,478 | 1,147,372 | 1,162,768 |
| Operating Results Before Transfers | 143,257 | 8,674 | 64,269 | 55,595 | (88,942) | (34,241) | (7,678) | 1,028 | 6,732 |

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|--|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Fund Balance - Opening | 222,799 | 273,137 | 366,057 | 92,920 | 380,326 | 291,384 | 257,142 | 249,464 | 250,493 |
| Operating Results before Transfers | 143,257 | 8,674 | 64,269 | 55,595 | (88,942) | (34,241) | (7,678) | 1,028 | 6,732 |
| Transfers in (out) of Ancillary Operations | - | (50,000) | (50,000) | - | - | - | - | - | - |
| Net Operating Results after Transfers | 143,257 | (41,326) | 14,269 | 55,595 | (88,942) | (34,241) | (7,678) | 1,028 | 6,732 |
| Total Fund Balance - Closing | 366,057 | 231,811 | 380,326 | 148,515 | 291,384 | 257,142 | 249,464 | 250,493 | 257,225 |
| <i>Closing Fund Balance is made up of:</i> | | | | | | | | | |
| Investment in Capital Assets Internally Restricted | - | - | - | - | - | - | - | - | - |
| Capital Renewal Reserve | - | - | - | - | - | - | - | - | - |
| Operating Reserve | 32,025 | 36,123 | 35,409 | (714) | 41,225 | 44,144 | 45,148 | 46,037 | 46,977 |
| Construction Reserve | - | - | - | - | - | - | - | - | - |
| Unrestricted Surplus/(Deficit) | 334,031 | 195,688 | 344,917 | 147,801 | 250,158 | 212,998 | 204,317 | 204,455 | 210,248 |

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|--------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | - | | | | | |
| | | | | - | | | | | |
| | | | | - | | | | | |
| Total Major Maintenance | - | - | - | - | - | - | - | - | - |

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|-----------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | - - - | | | | | |
| Total Deferred Maintenance | - | - | - | - | - | - | - | - | - |

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|----------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | - | | | | | |
| | | | | - | | | | | |
| | | | | - | | | | | |
| Total Capital Expenditure | - | - | - | - | - | - | - | - | - |

Food Services Operating Plan 2016-17 to 2021-22

Management Report

1. Overview of Objectives, Issues and Services

1.1 Objectives

- To serve a variety of quality products in well maintained, relaxing and engaging food service outlets at prices which provide value to customers;
- To cover both direct and indirect costs and provide for the renewal of capital equipment;
- To operate a financially viable ancillary; and
- To reduce the overall campus food service capacity shortfall by planning and developing new conveniently located, engaging and efficient food service spaces which are in keeping with the quality of new buildings on the UTM campus.

1.2 Background, Issues and Service

Food Service is currently provided through:

- Davis Building Meeting Place
 - Tim Horton's full service outlet, Subway kiosk
- Davis Building Temporary Food Court
 - Tim Horton's Express kiosk, Booster Juice, Pizza Pizza, fusion 5, International Kitchen, Elements, Vegelicious, Quesada, salad bar, and various Grab and Go items
- The Tim Hortons Café Express in the CCT Building
- Starbucks Café located in the Hazel McCallion Academic Learning Centre
- The multi-concept Colman Commons Dining Hall located in Oscar Peterson Hall, including the Tea Bar
- Deerfield Hall
 - North Side Bistro
- Instructional Centre Café & Lounge
 - Second Cup, Bento, various Grab and Go Items
- Kaneff Centre/Innovation Complex
 - Second Cup, various Grab and Go items
- Rotating Food Trucks
- An arrangement enabling students to use their student meal plans to purchase:
 - pizza for delivery from Pizza Pizza
 - pita for delivery and from in-store from Pita Pit
 - meals at Sheridan College
 - meals at the Blind Duck in the Student Center, operated by the University of Toronto Mississauga Student's Union

1.3 Highlights for 2016-17

- Continuation of the planning process for the expansion of food services on campus.
 - Refining the space requirements for the food service operations for the North2 reconstruction
 - Development of the conceptual plan for Davis Building reconstruction to include comprehensive Food Court to replace Temporary Food Court
- Opening of fusion 5 and salad bar in the TFC, and Bento in the Instruction Centre Café & Lounge, small menu changes in Colman Commons
- Expansion of vending card reader installations across campus
- Fair Trade campus designation
- TCard contactless trial

2. 2016-17 Forecast

Forecasted total food and beverage revenue is expected to be higher than budget by \$483,884 as a result of:

- Successful additions of new concepts to replace underperforming ones (Bento, fusion 5)
- Higher proportion of students selecting larger meal plans

Forecasted total cost of sales and service are forecasted to be \$442,179 higher than budget as a direct result of higher than expected revenue.

Forecasted total direct expenditures are expected to be \$59,474 lower than budget primarily due to Salary, Wages, and Benefits expenses being lower than budget due to unexpected staff turnover and subsequent delays in hiring for those vacant positions

Therefore, the forecasted operating result before transfers is a surplus of \$301,592 and the resultant forecasted closing total fund balance is a positive \$3,644,679 at the end of 2016-17.

3. 2017-18 Budget

The budget for 2017-18 shows the total revenue increasing by 2.0% to \$11,553,992 and total direct expenses increasing by 11.5% when compared to 2016-17 forecasted amounts. Operating results before transfers are expected to be \$100,161 in 2017-18.

The increase in sales is primarily a result in the increase in student enrolment.

The Food Service ancillary is committed to providing meal plans that provide value and are competitively priced with peer institutions. Meal plan structure will change, accounting for the following:

- A forecasted increase in average cheque based on a food CPI increase of 3.6%, resulting in an adjustment of the Small B Meal Plan rate by over 7% to comply with CRA meal plan requirements
- A drop from 7 (4 first-year plans and 3 upper-year plans) to 4 (2 first-year plans and 2 upper-year plans)
- Offering a fixed element of Basic Dollars but a choice from 3 levels of Flex Dollars
- An increase in the amount of residual meal plan funds that are eligible for carryover each year

In general, the new meal plan structure will be simpler to administer and will offer more flexibility to the students. Outside of the Small B Meal Plan increase referred to above, Basic Dollar amounts for each plan will increase by 3.7% over 2016-17 meal plan Basic Amounts to parallel the forecasted food CPI increase of 3.6%

Meal Plan revenue for 2017-18 is expected to decrease by 4.7%. The increase in the amount of residual meal plan funds that are eligible for carryover will result in an increase in deferred revenue (carryover) in 2017-18 that will be realized in 2018-2019 and a resultant decrease in meal plan revenue realized in 2017-18. This phenomenon will only occur in 2017-18 – the balance of realized revenue and deferred revenue will return to normal in subsequent years.

Cafeteria revenue is expected to increase by 7.1% primarily as a result of:

- o higher participation rate related to a projected enrollment increase of 2.6% for the fall of 2017
- o forecasted food CPI of 3.6%

Regarding Cost of Sales and Service, the total Cost of Sales and Service expense is expected to increase by 2.4%. This expense increase is as a direct result of the increase in budgeted overall revenue for 2017-18.

The total direct expenditures are expected to increase by 11.5% due to the following factors:

- Salary, Wages & Benefits increases due to the filling of a vacant position and the addition of one full-time staff position along with contractual increases
- Other Expenses increases due to the additional consultancy for the Davis Building Food Court project

Operating results before transfer are budgeted to be \$100,161, and the closing total fund balance is projected to be a positive \$3,952,740 at the end of 2017-18.

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

4. Categories of Users and Accessibility

Food Services are available and used by faculty, staff, students and visitors. In addition to the locations noted above, vending machines are available in most buildings. Hours of operation vary but facilities are open from 7:30 am to midnight. Hours are extended to 3:00 am most days, through an arrangement with an off campus partner, for resident student meal plan customers looking to purchase pizza or pitas when the UTM facilities are closed.

5. Long Range Plan: 2017-2021

The Food Service ancillary will continue to make strides in reducing the food space deficiency on campus with the opening of the North2 Food Service Outlet, the opening of a food service location in the Davis Building Science Wing, and – the culmination of the Food Service Master Plan – the Davis Building Food Court. With the opening of this Food Court, the Food Service space on campus is positioned to fall in line with food service facility standards as indicated by the Council of Ontario Universities.

The immediate UTM Food Service Department investment requirement is:

- An estimated \$2,000,000 for the construction of the Davis Building Permanent Food Court
- An estimated \$200,000 in Starbucks renovations to support brand requirements
- An estimated \$200,000 for the construction of a Food Service concept in the North2 to complement the North Building Phase I food outlet and to support the proposed Event Space in the North2
- An estimated \$200,000 investment to support the implementation of a new Commerce Management System

As a result of the many food service construction projects over the next 4 years and the significant resultant increase in direct expenditures (most notably with regards to depreciation and consultation), the Food Service ancillary at UTM is budgeted to have negative operating results before transfers in 2020-21 and 2021-22:

- For 2018-19 – The 12.1% increase in revenue is primarily due to projected enrolment increases, price increases as a result of CPI increasing, and an increase due to the opening of the Davis Building Food Court (tempered by the loss of the TFC and potential redistributed sales from other outlets) as well as the opening of the North2 Concept, increased meal plan purchases due to the return of the 2 floors of Erindale Hall to Residence, and the deferred revenue from the increase in carryover from 2017-18 meal plans. This revenue increase is offset by the increased costs for realized depreciation due to the opening of the Food Court and for increased occupancy. Consequently, the operating results before transfers are projected to decrease to \$88,355.
- For 2019-20 – The total food and beverage revenue is budgeted to increase by approximately 4.1% primarily due to projected enrolment increases, price increases as a result of CPI increasing. This revenue increase will result in a projected operating surplus before transfers of \$109,848.
- For 2020-21 – The total food and beverage revenue is budgeted to increase by approximately 3.8% as a result of a slight enrolment increases and price increases as a result of CPI increasing. However, an increase in the Cost of Sales & Services due to an anticipated reduction in Commission in the new food service contract will result in a projected operating loss before transfers of \$150,056.
- For 2021-22 – The total food and beverage revenue is budgeted to increase by approximately 3.7% due to an anticipated leveling out of enrolment and price increases as a result of CPI increasing. This budgeted revenue increase will come close to offsetting any expense increases, resulting in an operating loss before transfers of \$29,311.

Please note that the Food Services ancillary maintained a strong positive Fund Balance to support the anticipated food service construction planned for the next few years. As a result, the ancillary is not projected to have an Unrestricted Deficit during this time. In addition, the Food Services ancillary is expected to return to above break-even operating results before transfers in 2022-23. Therefore, the aforementioned investments will not put the Food Service ancillary in violation of any of SARG's financial objectives for Service Ancillaries.

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

| | 2015-2016 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|---|---------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | | | | | |
| Meal Plans | 4,745,061 | 5,019,997 | 5,155,858 | 135,861 | 4,915,063 | 5,260,962 | 5,433,539 | 5,577,264 | 5,719,436 |
| Cafeteria | 4,498,322 | 5,146,311 | 5,439,552 | 293,241 | 5,824,810 | 6,782,235 | 7,099,620 | 7,434,987 | 7,774,360 |
| Catering | 416,924 | 434,135 | 473,603 | 39,468 | 539,718 | 612,580 | 646,272 | 681,817 | 719,317 |
| Vending | 205,906 | 228,535 | 243,081 | 14,546 | 253,765 | 273,348 | 279,228 | 285,355 | 291,173 |
| Investment Income | 12,333 | 16,847 | 17,035 | 188 | 19,200 | 19,872 | 20,568 | 14,875 | 14,500 |
| Other Income | 1,949 | 815 | 1,394 | 579 | 1,436 | 1,479 | 1,523 | 1,569 | 1,616 |
| Total Revenue | 9,880,495 | 10,846,640 | 11,330,524 | 483,884 | 11,553,992 | 12,950,477 | 13,480,750 | 13,995,866 | 14,520,402 |
| Cost of Sales & Services | | | | | | | | | |
| Meal Plans & Cafeteria | 7,251,757 | 8,133,046 | 8,533,679 | (400,633) | 8,672,447 | 9,696,194 | 10,078,364 | 10,604,984 | 10,997,444 |
| Catering | 327,091 | 364,674 | 390,723 | (26,049) | 445,268 | 477,813 | 504,092 | 579,545 | 611,420 |
| Vending | 133,891 | 153,118 | 168,614 | (15,496) | 170,022 | 191,344 | 195,460 | 199,748 | 203,821 |
| Total Cost of Sales & Service | 7,712,739 | 8,650,838 | 9,093,017 | (442,179) | 9,287,737 | 10,365,350 | 10,777,916 | 11,384,277 | 11,812,684 |
| Contribution Margin - Net Revenue | 2,167,756 | 2,195,802 | 2,237,507 | 41,705 | 2,266,254 | 2,585,126 | 2,702,834 | 2,611,589 | 2,707,718 |
| Direct Expenditures | | | | | | | | | |
| Salary, Wages & Benefits | 448,989 | 663,095 | 524,997 | 138,098 | 661,184 | 669,370 | 693,161 | 717,732 | 741,630 |
| Supplies | 7,452 | 10,042 | 24,994 | (14,952) | 25,744 | 26,516 | 27,312 | 28,131 | 28,975 |
| Insurance | 6,165 | 6,473 | 6,022 | 451 | 6,203 | 6,389 | 6,580 | 6,778 | 6,981 |
| Communications | 5,662 | 8,548 | 6,274 | 2,274 | 6,785 | 6,989 | 7,198 | 7,414 | 7,637 |
| Furniture & Equipment Repair | 99,193 | 68,625 | 56,299 | 12,326 | 57,988 | 46,390 | 47,782 | 49,216 | 50,692 |
| Annual Maintenance | 126,399 | 76,059 | 86,675 | (10,616) | 78,007 | 80,348 | 82,758 | 85,241 | 87,798 |
| Major Maintenance | 45,817 | 80,162 | 50,000 | 30,162 | 51,500 | 53,045 | 54,636 | 56,275 | 57,964 |
| Furniture & Equipment Depreciation | 202,061 | 184,822 | 198,546 | (13,724) | 185,468 | 403,741 | 542,220 | 529,726 | 511,835 |
| Non-Depreciable Assets | 163,289 | 135,038 | 200,743 | (65,705) | 206,765 | 186,088 | 191,671 | 197,421 | 203,344 |
| Occupancy & Space | 322,359 | 352,957 | 352,957 | - | 380,416 | 418,458 | 439,380 | 461,350 | 484,417 |
| Garbage & Recycling | 52,935 | 32,425 | 31,974 | 451 | 32,710 | 37,420 | 38,917 | 40,474 | 42,093 |
| Cleaning | 5,274 | 8,522 | 4,094 | 4,428 | 4,216 | 4,824 | 5,017 | 5,217 | 5,426 |
| Other | 228,399 | 274,549 | 298,269 | (23,720) | 357,217 | 436,434 | 325,927 | 435,704 | 355,776 |
| Total Direct Expenditures | 1,713,993 | 1,901,317 | 1,841,843 | (59,474) | 2,054,203 | 2,376,012 | 2,462,559 | 2,620,679 | 2,584,567 |
| Indirect Expenditures | | | | | | | | | |
| Central Overhead Charges | 7,435 | 7,472 | 7,472 | - | 12,077 | 12,681 | 13,315 | 13,981 | 14,680 |
| Department/College Overhead Charges | 62,180 | 66,841 | 66,841 | - | 73,426 | 80,769 | 88,845 | 97,730 | 107,503 |
| Facilities & Services Overhead Charges | 13,686 | 19,759 | 19,759 | - | 26,387 | 27,311 | 28,266 | 29,256 | 30,280 |
| Total Indirect Expenditures | 83,301 | 94,072 | 94,072 | - | 111,890 | 120,760 | 130,427 | 140,966 | 152,462 |
| Total Expenditures | 1,797,294 | 1,995,389 | 1,935,915 | (59,474) | 2,166,093 | 2,496,772 | 2,592,986 | 2,761,645 | 2,737,029 |
| Operating Results Before Transfers | 370,462 | 200,413 | 301,592 | 101,179 | 100,161 | 88,355 | 109,848 | (150,056) | (29,311) |

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

| | 2015-2016 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|--|---------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Fund Balance - Opening | 2,536,723 | 3,049,247 | 3,100,136 | 50,889 | 3,644,679 | 3,952,740 | 4,041,095 | 4,150,943 | 4,000,887 |
| Operating Results before Transfers | 370,462 | 200,413 | 301,592 | 101,179 | 100,161 | 88,355 | 109,848 | (150,056) | (29,311) |
| Transfers in (out) of Ancillary Operations | 192,951 | 192,951 | 192,951 | - | 207,900 | - | - | - | - |
| Transfers in (out) of Ancillary Operations | - | 50,000 | 50,000 | - | - | - | - | - | - |
| Net Operating Results before Transfers | 563,413 | 443,364 | 544,543 | 101,179 | 308,061 | 88,355 | 109,848 | (150,056) | (29,311) |
| Total Fund Balance - Closing | 3,100,136 | 3,492,611 | 3,644,679 | 152,068 | 3,952,740 | 4,041,095 | 4,150,943 | 4,000,887 | 3,971,576 |
| <i>Closing Fund Balance is made up of:</i> | | | | | | | | | |
| Investment in Capital Assets Internally Restricted | 726,805 | 686,873 | 733,418 | 46,545 | 572,950 | 2,794,287 | 2,278,590 | 1,776,183 | 1,292,485 |
| Capital Renewal Reserve | 10,000 | 10,000 | 10,000 | - | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Operating Reserve | 115,487 | 144,214 | 133,738 | (10,476) | 157,958 | 172,017 | 166,672 | 183,635 | 181,776 |
| Construction Reserve | 2,247,844 | 2,651,524 | 2,767,523 | 115,999 | 3,211,832 | 1,064,791 | 1,695,681 | 2,031,069 | 2,487,314 |
| Unrestricted Surplus/(Deficit) | - | - | - | - | - | - | - | - | - |

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

| | 2015-2016 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|-------------------------------------|---------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Capital Renewal - Major Maintenance | 45,817 | 80,162 | 50,000 | (30,162) | 51,500 | 53,045 | 54,636 | 56,275 | 57,964 |
| | | | | - | | | | | |
| | | | | - | | | | | |
| | | | | - | | | | | |
| Total Major Maintenance | 45,817 | 80,162 | 50,000 | (30,162) | 51,500 | 53,045 | 54,636 | 56,275 | 57,964 |

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

| | 2015-2016 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|-----------------------------------|---------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | - | | | | | |
| | | | | - | | | | | |
| | | | | - | | | | | |
| | | | | - | | | | | |
| Total Deferred Maintenance | - | - | - | - | - | - | - | - | - |

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

| | 2015-2016 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|----------------------------------|---------------------|-------------------|---------------------|---------------------|-------------------|----------------------|-------------------|-------------------|-------------------|
| Equipment Construction | 104,586 - | 25,000 | 90,159 115,000 | 65,159 115,000 | 25,000 | 1,689,413 935,665 | 26,523 | 27,318 | 28,138 |
| Total Capital Expenditure | 104,586 | 25,000 | 205,159 | 180,159 | 25,000 | 2,625,078 | 26,523 | 27,318 | 28,138 |

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

| | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|----------------|---------|---------|---------|---------|---------|---------|
| Group A | | | | | | |
| Plus | 4,799 | | | | | |
| Regular | 4,399 | | | | | |
| Light | 3,999 | | | | | |
| Small | 3,699 | | | | | |
| Regular+500 | | 4,325 | 4,475 | 4,600 | 4,700 | 4,800 |
| Regular+250 | | 4,075 | 4,225 | 4,350 | 4,450 | 4,550 |
| Regular+100 | | 3,925 | 4,075 | 4,200 | 4,300 | 4,400 |
| Small+500 | | 3,925 | 4,075 | 4,200 | 4,300 | 4,400 |
| Small+250 | | 3,675 | 3,825 | 3,950 | 4,050 | 4,150 |
| Small+100 | | 3,525 | 3,675 | 3,800 | 3,900 | 4,000 |
| Group B | | | | | | |
| Regular | 2,549 | | | | | |
| Light | 2,249 | | | | | |
| Small | 1,949 | | | | | |
| Regular+500 | | 2,825 | 2,925 | 3,025 | 3,125 | 3,225 |
| Regular+250 | | 2,575 | 2,675 | 2,775 | 2,875 | 2,975 |
| Regular+100 | | 2,425 | 2,525 | 2,625 | 2,725 | 2,825 |
| Small+500 | | 2,500 | 2,600 | 2,700 | 2,800 | 2,900 |
| Small+250 | | 2,250 | 2,350 | 2,450 | 2,550 | 2,650 |
| Small+100 | | 2,100 | 2,200 | 2,300 | 2,400 | 2,500 |

Parking Services Ancillary Operating Plans 2016-17 to 2021-22

Management Report

1. Overview of Objectives, Issues and Services

1.1 Objectives

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

1.2 Background and Issues

The Mississauga campus is a suburban, commuter campus where the use of cars is more extensive than that of a downtown campus. UTM Parking strives to embrace the Transportation Demand Management (TDM) philosophy – supporting alternative transportation modes to ease congestion - and this is demonstrated through the implementation of carpooling initiatives, a car sharing program, various campus commuter promotions, a discounted TTC Metropass program for faculty and staff, and the UTM Shuttle Bus service. Though there are many campus initiatives to encourage the use of buses and bike to school/work campaigns, such as the student Upass, the Brampton bus pilot project and collaboration with SustainMobility, the use of cars and the related need for a substantial number of parking spaces continues.

As of September 2016, UTM had 2,302 gross parking spaces, a decrease of 131 spaces over the same time last year. The decrease, although temporary, is a result of closing parking lot P1 due to North2 construction and requiring to add a fire route in the back of parking lot P8. Not surprisingly, the utilization of available parking spaces during peak times did increase compared to last year.

The construction of parking deck 2 is expected to be complete in November 2016 and this will increase parking space inventory to 2,659.

Through careful review and monitoring of lot utilization, slightly fewer permits were sold by early October vs the same period in 2015. This reflects the available parking space inventory in September 2016 during the August permit sales. As a result, the number of persons requesting to be added to waitlists has significantly increased. Upon completion of the P4 parking deck, upper level (November 2016), a significant amount of permits will be sold to persons on the waitlist.

The ancillary continues to monitor supply and demand which is based on current information, such as campus population growth projections, specific hourly course enrollment over the week and net usable parking spaces at peak times. As previously determined, the construction of the 2nd parking deck was required to accommodate continuing population growth and demand. The supply and demand will continue to be monitored.

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

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

UTM Parking & Transportation Services continues to offer space to Zipcar, a short term car sharing service that provides service to the UTM community. As of September 2016, two cars are parked in Lot P9 and three are available in Lot P5. Zipcar services are also available to UTM departments as an alternative transportation resource. Further details can be obtained by contacting UTM Parking & Transportation Services.

2. 2016-17 Operating Plan

Permit revenues are expected to be less than budget by \$269,768. The loss in permit revenues is due to the delayed completion of parking deck 2, which limited permit sales to less than what was originally projected since the additional spaces were not available during the main parking permit presale. Loss of spaces due to North2 construction, parking deck construction hoarding and the installation of a fire route in the back part of P8 also tapered some sales.

Cash fees (day passes) are forecasted slightly higher than budget by \$5,034. This increase can be attributed to slightly more event parking paid for by departments and an increase in clients of the Trillium Cardiac Rehab Program who purchase day passes for their visits.

Pay and Display revenues are expected to be higher than budget by \$56,857. This can be attributed to an increase in contractor paid parking, evening visitors, and

more purchases by users who may be on a permit waitlist but require occasional day parking to supplement other modes of transportation.

Salaries, Wages & Benefits expense is forecasted to be less than budget by \$48,611. This difference is due to the replacement of staff on unpaid leave with casual staff at a reduced cost. There was also a gap in hiring for a full time position which yielded some savings.

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

Annual Maintenance is forecasted to be \$22,413 over budget. This difference is due to the need for additional signage to meet fire code for the new deck and to properly mark the location of parking structures on campus for emergency services and wayfinding. Added salt costs for winter maintenance of the new parking deck. Some line painting maintenance is also expected.

Major Maintenance expenses are forecasted to be \$122,628 under budget as anticipated repaving projects were delayed and are not expected to occur this late in the year. They are expected to be deferred to 2017-18.

Due to the delayed completion of the parking deck, Building Depreciation – Capital Investment is forecasted to be \$47,030 less than budget.

Payment Processing Fees was added to the statement for better transparency of expenses. This amount is expected to increase each year as the amount varies directly with permits sold.

The operating result before transfers is expected to be a surplus of \$724,355, similar to the budgeted surplus amount of \$745,022. The total fund balance, closing is expected to be \$10,058,840.

3. 2017-18 Operating Plan

The 2017-18 budget includes a 3% permit price increase. The Reserved and CCT Garage permit price will increase from the current price of \$1,020.54 to \$1,051.16/annum. Premium Unreserved will increase from \$728.34 to \$750.19/annum; Unreserved will increase from \$704.73 to \$725.87/annum; Commercial rates will increase from \$1,180.68 to \$1,216.10/annum. Afternoon permits will also increase, from \$200.00 to \$210.00/annum.

Permit revenue will increase as a result of the increase in permit price but also with the deck fully open the revenues will reflect full selling capacity.

Pay & Display revenues are expected to continue to increase marginally from the 2016-17 forecast. This increase is due to increased enrollment, the addition of the new parking deck, and effective enforcement practices.

Expenses are expected to increase with inflation and contractual obligations, except for Major Maintenance Expenses, which reflects anticipated paving of the original Argo lot and substantial repairs to the CCT Garage are anticipated in order to fix and stop further water damage above the ramp.

Building Depreciation – Capital Investment reflects the deprecation of the parking deck over 25 years, commenced in 2016-2017. A full year of depreciation will be realized in 2017-18, which accounts for the increase.

A new telecommunications line is expected to be installed in the CCT Garage to service the six pay and display machines which are hardwired.

The operating result before transfers is expected to be a surplus of \$221,669. The total fund balance is expected to have a closing balance of \$9,706,407.

The 2017-18 Operating Plan assumes that the loan transferred to the Parking ancillary is repaid to the extent of its Unrestricted Surplus. The amount paid exceed the operating results in a given year because depreciation is a non-cash expense.

4. Categories of Users and Accessibility

Parking is available for faculty, staff, students and visitors. Parking inventory in 2016-17, with the completion of the parking deck, will provide sufficient parking; however utilization is high and demanding at peak times of the day and year (i.e. September). Space utilization continues to be monitored closely in light of increasing enrollment. Demand for parking increases every year, especially as campus population grows.

Barrier-free parking is available for faculty, staff, students and visitors in various lots around campus. Barrier-free parking inventory in 2016-17 meets Provincial requirements.

5. Capital Initiatives, Planning and Funding

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

The rates and budgets for the long range plan for 2018-19 to 2021-22 should be viewed as plans and do not reflect set amounts.

The 2017-18 Operating Plan assumes that the loan transferred to the Parking ancillary is repaid over a period of 7 years, one year later than previously anticipated due to the increased cost of the overall deck construction and the unanticipated repairs to the CCT garage. It is assumed that repayment will be made to the full extent of the Unrestricted Surplus in each year.

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|--|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | | | | | |
| Parking Permits | 2,312,513 | 2,690,311 | 2,420,543 | (269,768) | 2,610,939 | 2,689,267 | 2,807,945 | 2,892,183 | 2,978,948 |
| Cash Fees | 89,188 | 62,257 | 67,291 | 5,034 | 68,637 | 70,010 | 71,060 | 71,415 | 71,772 |
| Pay & Display Meters | 1,296,154 | 1,310,781 | 1,367,638 | 56,857 | 1,453,742 | 1,482,817 | 1,505,059 | 1,512,584 | 1,520,147 |
| Investment Income | 30,858 | - | 24,642 | 24,642 | - | - | - | - | - |
| Total Revenue | 3,728,713 | 4,063,349 | 3,880,114 | (183,235) | 4,133,318 | 4,242,094 | 4,384,064 | 4,476,182 | 4,570,867 |
| Direct Expenditures | | | | | | | | | |
| Salaries, Wages & Benefits | 361,011 | 422,502 | 373,891 | 48,611 | 412,421 | 426,856 | 441,796 | 457,259 | 473,263 |
| Security Services | 167,462 | 197,182 | 197,182 | - | 199,069 | 209,022 | 219,473 | 230,447 | 241,969 |
| Supplies | 30,813 | 29,100 | 26,452 | 2,648 | 31,236 | 31,923 | 32,561 | 33,212 | 33,876 |
| Furniture & Equipment Repair | 418,717 | 403,922 | 427,264 | (23,342) | 455,299 | 465,316 | 474,622 | 484,114 | 493,796 |
| Annual Maintenance | 380,485 | 444,889 | 467,302 | (22,413) | 483,931 | 494,577 | 504,469 | 514,558 | 524,849 |
| Major Maintenance | - | 150,000 | 27,372 | 122,628 | 450,000 | 159,900 | 51,000 | 52,020 | 53,060 |
| Furniture & Equipment Depreciation | - | 1,200 | 7,930 | (6,730) | 13,930 | 13,930 | 13,930 | 13,930 | 6,600 |
| Replacement of Non-Depreciable assets | - | 2,000 | 2,816 | (816) | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Utilities | 102,050 | 97,378 | 106,556 | (9,178) | 116,140 | 118,695 | 121,069 | 123,490 | 125,960 |
| Loan Principal and Interest Expense | 1,042,157 | 1,042,157 | 1,042,157 | - | 1,042,157 | 1,042,157 | 1,042,157 | 1,042,157 | 1,042,157 |
| Building Depreciation - Capital Investment | - | 246,400 | 199,370 | 47,030 | 398,740 | 398,740 | 398,740 | 398,740 | 398,740 |
| Payment Processing Fees | 71,278 | 69,077 | 74,686 | (5,609) | 80,313 | 82,080 | 83,722 | 85,396 | 87,104 |
| Finance Charges | - | 18,000 | 24,700 | (6,700) | 21,345 | 19,103 | 15,348 | 10,849 | 6,221 |
| Insurance | 12,000 | 12,561 | 12,496 | 65 | 13,091 | 13,484 | 13,889 | 14,306 | 14,735 |
| Telecommunications | 7,810 | 8,231 | 7,758 | 473 | 13,980 | 14,288 | 14,574 | 14,865 | 15,162 |
| Other | 50,483 | 70,086 | 54,185 | 15,901 | 55,273 | 56,489 | 57,619 | 58,771 | 59,946 |
| Total Direct Expenditures | 2,644,266 | 3,214,685 | 3,052,117 | 162,568 | 3,788,425 | 3,548,060 | 3,486,469 | 3,535,614 | 3,578,938 |
| Indirect Expenditures | | | | | | | | | |
| Central Overhead Charges | 8,828 | 10,026 | 10,026 | - | 11,549 | 12,126 | 12,732 | 13,369 | 14,037 |
| Departmental/College Overhead Charges | 41,187 | 42,193 | 42,193 | - | 50,059 | 52,562 | 55,190 | 57,950 | 60,848 |
| Facilities & Services Overhead Charges | 48,211 | 51,423 | 51,423 | - | 61,616 | 64,697 | 67,932 | 71,329 | 74,895 |
| Total Indirect Expenditures | 98,226 | 103,642 | 103,642 | - | 123,224 | 129,385 | 135,854 | 142,648 | 149,780 |
| Total Expenditures | 2,742,492 | 3,318,327 | 3,155,759 | 162,568 | 3,911,649 | 3,677,445 | 3,622,323 | 3,678,262 | 3,728,718 |
| Operating Results Before Transfers | 986,221 | 745,022 | 724,355 | (20,667) | 221,669 | 564,649 | 761,741 | 797,920 | 842,149 |

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

| | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|--|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Fund Balance - Opening | 3,746,062 | 10,252,717 | 11,064,682 | 811,965 | 10,058,840 | 9,706,407 | 9,298,006 | 8,889,488 | 8,481,058 |
| Net Operating Results before Transfers | 986,221 | 745,022 | 724,355 | (20,667) | 221,669 | 564,649 | 761,741 | 797,920 | 842,149 |
| Transfers in to Ancillary operations | 6,332,399 | - | - | - | - | - | - | - | - |
| Transfer out of Ancillary operations (1) (2) | - | (1,454,325) | (1,730,197) | (275,872) | (574,102) | (973,050) | (1,170,259) | (1,206,350) | (1,243,090) |
| Net Operating Results after Transfers | 7,318,620 | (709,303) | (1,005,842) | (296,539) | (352,433) | (408,401) | (408,518) | (408,430) | (400,941) |
| Total Fund Balance - Closing | 11,064,682 | 9,543,414 | 10,058,840 | 515,426 | 9,706,407 | 9,298,006 | 8,889,488 | 8,481,058 | 8,080,117 |
| Closing Fund balance is made up of: | | | | | | | | | |
| Investments in Capital Assets Internally Restricted | 945,602 | 9,281,128 | 9,804,462 | 523,334 | 9,421,792 | 9,009,122 | 8,596,452 | 8,183,782 | 7,778,442 |
| Capital Renewal Reserve | | | | | | | | | |
| Operating Reserve | 225,996 | 262,286 | 254,378 | (7,908) | 284,615 | 288,884 | 293,036 | 297,276 | 301,675 |
| Construction Reserve | 9,893,084 | - | - | - | - | - | - | - | - |
| Unrestricted Surplus/(Deficit) | - | - | - | - | - | - | - | - | - |

(1) Transfer out of Ancillary operations is the repayment of the loan from UTM for the deck.

(2) Loan repayment exceeded the operating result for the year because it represents the cash available for repayment. Depreciation is a non-cash expense.

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

| Description | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|-------------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Capital Renewal - Major Maintenance | - | 150,000 | 27,372 | (122,628) | 450,000 | 159,900 | 51,000 | 52,020 | 53,060 |
| Total | - | 150,000 | 27,372 | (122,628) | 450,000 | 159,900 | 51,000 | 52,020 | 53,060 |

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

| Description | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|----------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Deferred Maintenance | | | | | | | | | |
| Total | - | - | - | - | - | - | - | - | - |

Notes:
 There is no Scheduled Deferred Maintenance

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

| Description | 2015-16 Actual | 2016-17 Budget | 2016-17 Forecast | 2016-17 Variance | 2017-18 Budget | 2018-19 Budget | 2019-20 Budget | 2020-21 Budget | 2021-22 Budget |
|---|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Replacement of Parking Van | - | | - | - | 30,000 | | | | |
| Parking Deck Expansion - paid from construction reserve | - | | 3,000,000 | (3,000,000) | | | | | |
| Parking Deck Expansion - loan | 6,332,399 | | - | - | | | | | |
| Office Computers | - | 6,000 | 6,000 | - | | | | | |
| Office Furniture | - | - | 6,000 | (6,000) | | | | | |
| Security Cameras | - | - | 30,650 | (30,650) | | | | | |
| Total | 6,332,399 | 6,000 | 3,042,650 | (3,036,650) | 30,000 | - | - | - | - |

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

| | <u>2016-17</u> | <u>\$ Increase</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> |
|--|----------------|--------------------|----------------|----------------|----------------|----------------|----------------|
| Reserved & CCT Garage (annual) | 1,020.54 | 30.62 | 1,051.16 | 1,082.69 | 1,115.17 | 1,148.63 | 1,183.09 |
| Premium Unreserved (annual - Lots 4,8,9) | 728.34 | 21.85 | 750.19 | 772.70 | 795.88 | 819.76 | 844.35 |
| Unreserved (annual - Lots 4 & 8 only) | 704.73 | 21.14 | 725.87 | 747.65 | 770.08 | 793.18 | 816.98 |
| Student Unreserved (sessional - Lots 4 & 8 only) | 293.62 | 8.81 | 302.43 | 311.50 | 320.85 | 330.48 | 340.39 |
| Unreserved Afternoon (annual - after 3:30pm) | 200.00 | 10.00 | 210.00 | 220.00 | 230.00 | 240.00 | 250.00 |
| Commercial (annual - Lots 4,8,9) | 1,180.68 | 35.42 | 1,216.10 | 1,252.58 | 1,290.16 | 1,328.86 | 1,368.73 |
| Pay & Display (daily maximum) (6:30am to 8:00am next day) | 14.00 | - | 14.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| Pay & Display (evening/weekend) (5:00pm to 8:00am next day) | 6.00 | - | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| Pay & Display (per half hour) (6:30am to 5:00pm) | 2.50 | - | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 |
| Pay & Display (per half hour) (weekdays 5:00pm to 8:00am next day; weekends & holidays) | 1.00 | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <i>Note: Rates include HST where applicable</i> | | | | | | | |
| Rate Increases (percentage) | | | | | | | |
| Reserved | | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Premium Unreserved | | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Unreserved | | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Unreserved Sessional | | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Unreserved Afternoon | | | 5.0% | 4.8% | 4.5% | 4.3% | 4.2% |
| Commercial | | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Pay & Display - daily maximum | | | 0.0% | 7.1% | 0.0% | 0.0% | 0.0% |
| Pay & Display - evening/weekend | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

**University of Toronto Mississauga
Parking Services
Competitor Rates - 2016-17
in \$'s**

| | <u>UTM</u> | <u>UTSC</u> | <u>St. George</u> | <u>York</u> | <u>McMaster</u> | <u>Waterloo</u> | <u>Credit Valley Hospital</u> |
|------------------------------------|------------|-------------|-------------------|-------------|-----------------|-----------------|-------------------------------|
| Reserved: | | | | | | | |
| Most expensive | 1,020.54 | \$971.93 | \$3,300.00 | \$1,735.68 | \$1,212.00 | \$515.28 | N/A |
| Least expensive | 1,020.54 | \$886.85 | \$1,620.00 | \$1,410.24 | \$576.00 | \$515.28 | N/A |
| Unreserved: | | | | | | | (2) |
| Most expensive | 728.34 | N/A | \$1,440.00 | | N/A | \$508.50 | \$750.00 |
| Least expensive | 704.73 | N/A | \$1,440.00 | \$1,098.36 | N/A | \$508.50 | \$675.00 |
| Pay & Display (daily maximum) | | | | | | | |
| Most expensive | 14.00 | \$12.00 | \$20.00 | \$20.00 | \$20.00 | \$15.00 | \$25.00 |
| Least expensive | 14.00 | \$7.50 | \$12.00 | \$10.00 | \$7.00 | \$5.00 | \$16.00 |
| Pay & Display (evening/weekend) | | | | | | | |
| Most expensive | 6.00 | \$6.00 | \$12.00 | \$8.00 | \$7.00 | \$6.00 | N/A |
| Least expensive | 6.00 | \$2.00 | \$7.00 | \$5.00 | \$3.00 | \$0.00 | N/A |
| Pay and Display (per half hour) | | (1) | | | (1) | (1) | |
| Most expensive | 2.50 | \$1.50 | \$4.00 | \$2.50 | \$3.50 | \$1.00 | \$3.00 |
| Least expensive | 1.00 | \$1.50 | \$4.00 | \$1.50 | \$2.50 | \$1.00 | \$3.00 |
| Evening Permit | | | | | | | |
| Most expensive | 200.00 | \$532.20 | \$840.00 | | \$576.00 | N/A | N/A |
| Least expensive | 200.00 | \$532.20 | \$840.00 | | \$576.00 | N/A | N/A |

Note:

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

(2) New hospital public parking options in effect; used multi-use parking pass options to calculate cost based on 260 weekdays in a year.

