



FOR INFORMATION

PUBLIC

OPEN SESSION

TO: University Affairs Board

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DATE: February 22, 2017 for March 6, 2016

AGENDA ITEM: 2 (a)

ITEM IDENTIFICATION:

2017-18 Operating Plans: UTM Service Ancillaries

JURISDICTIONAL INFORMATION:

Each year, the University Affairs Board approves operating plans for the ancillaries listed in 5.1.1(a). of the Board's Terms of Reference. The plans describe the services and programs proposed to be offered within the financial parameters set by the University's operating budget and financial policies and include each ancillary's annual operating budget.

With respect to the approval of plans for the UTM Service Ancillaries, under the terms of Reference for the University of Toronto Mississauga Campus Affairs Committee, sections 5.1 and 5.3.1, provide that the Committee "considers and recommends to the UTM Campus Council for approval the operating plans for the campus and student services ancillaries."

GOVERNANCE PATH:

1. UTM Campus Affairs Committee [For Recommendation] (January 11, 2017)
2. UTM Campus Council [For Approval] (February 1, 2017)
- 3. University Affairs Board [For Information] (March 6, 2017)**
4. Executive Committee [For Confirmation] (March 28, 2017)

PREVIOUS ACTION TAKEN:

The 2016-17 UTM service ancillaries were presented for information to the University Affairs Board on March 15, 2016.

HIGHLIGHTS:

The UTM Campus Affairs Committee approves operating plans for all UTM service ancillaries on an annual basis. These plans include a Management Report that describes the proposed services and programs offered within the financial parameters of the University's operating budget and financial policies set by the Business Board. The plans also include each ancillary's annual operating budget, as well as changes to program and levels of service, categories of users, accessibility, and compulsory or optional fees. This year, the plans include actual financial results for the 2015-16 fiscal year, the forecast for 2016-17 and projections for the five year period, 2017-18 to 2021-22. Only the proposed budget for 2017-18 is presented for information.

Presented for information to members are the following:

- The proposed 2017-18 Operating Plans and Budgets for the UTM Service Ancillaries, as summarized in Schedule 1 (page 21), the service ancillary capital budgets as summarized in Schedule 5 (page 27), and the rates and fees in Schedule 6 (page 28).

For a comprehensive look at the budgets, the detailed management reports and operating plans for each ancillary are contained in Appendices 2 to 5 (page 33 to 73).

Consultation:

The review and consultation process is detailed in Appendix 1, on page 31. A number of bodies or groups continue to be involved in consultative processes for major ancillaries prior to the operating plans being submitted to the Campus Affairs Committee. The Student Housing & Residence Life operating plan is reviewed by the Student Housing Advisory Committee (SHAC) that includes membership from all residence constituencies, including graduate and undergraduate students in residence, families in residence, student staff in residence as well as representation from UTM's undergraduate Residence Council. Food Services is reviewed by the Food Service Advisory Committee with membership of students (undergraduate, graduate, UTMSU, Residence Council), faculty and staff. Details of the Meal Plan component of Food Services is also reviewed by the Resident Student Dining Committee drawing membership from each of the residences (including first and upper year townhouse clusters). The Parking operating plan is reviewed by the Transportation & Parking Advisory Committee that includes undergraduate and graduate students, faculty and staff. All of the advisory committees (Student Housing, Food Services and Transportation & Parking) were provided with an opportunity to review and give feedback on their respective ancillary's management plans, proposed rates and financials. While most of the discussion focused on the proposed 2017-18 year, long term budget projections were also provided. The advisory committees had detailed discussions of the issues affecting each ancillary, including the following: the possible restructuring of the Meal Plan for residents, the management of parking supply and demand; accelerating payment strategy of the new parking deck; enhancements to shuttle stops; balancing proposed residence rate fee increases with maintenance and programming; and sustaining residence guarantees for new and international students. In addition, the ancillary operating plans and management reports were reviewed by the University of Toronto Financial Services Department (FSD).

Service Ancillaries Overview:

The service ancillaries include the Student Housing & Residence Life (residence), conference, food and parking services at UTM. These operations are currently experiencing the effects of the continued growth in enrolment on campus in different ways. The Residence operation is nearing completion of the challenging financial plan necessary to recover from large investments in new residences and is now focusing on planning for major capital renewal and maintenance of its residences. Conference Services is experiencing an increase in revenues from film crews and other customers. Food Services continue to plan for large investments in outlets to service the UTM population and Parking is facilitating demand with the opening of parking deck 2 and the selling of additional parking permits.

2017-18 Service Ancillary Operating Plans and Budgets:

The 2017-18 budget incorporates a \$0.4 million (2.0%) increase in revenues of which: \$0.4 million is from Residence; \$0.03 million from Food Services; \$0.2 million from Parking Services; Conference Services anticipates a slight decrease of \$0.2 million.

Service Ancillary Capital Budgets:

Facilities improvements and equipment purchases, which could include items such as computers and roof replacements, total \$1,829,000 for Residence, \$25,000 for Food Services and \$6,000 for Parking Services in 2016-17.

2017-18 Service Ancillary Rates and Fees:

The 2017-18 parking budget includes a 3% permit price increase and Pay & Display daily maximum rates will remain the same as 2016-17. Residence rates are set to increase by 5% in 2017-18. Meal plan rates includes a 3.7% increase (a detailed breakdown of rate increases can be found in schedule 6).

FINANCIAL IMPLICATIONS:

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

RECOMMENDATION:

This memorandum is presented for information.

DOCUMENTATION PROVIDED:

UTM Service Ancillary Report on Operating Plans 2017-18 (November 21, 2016).



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.

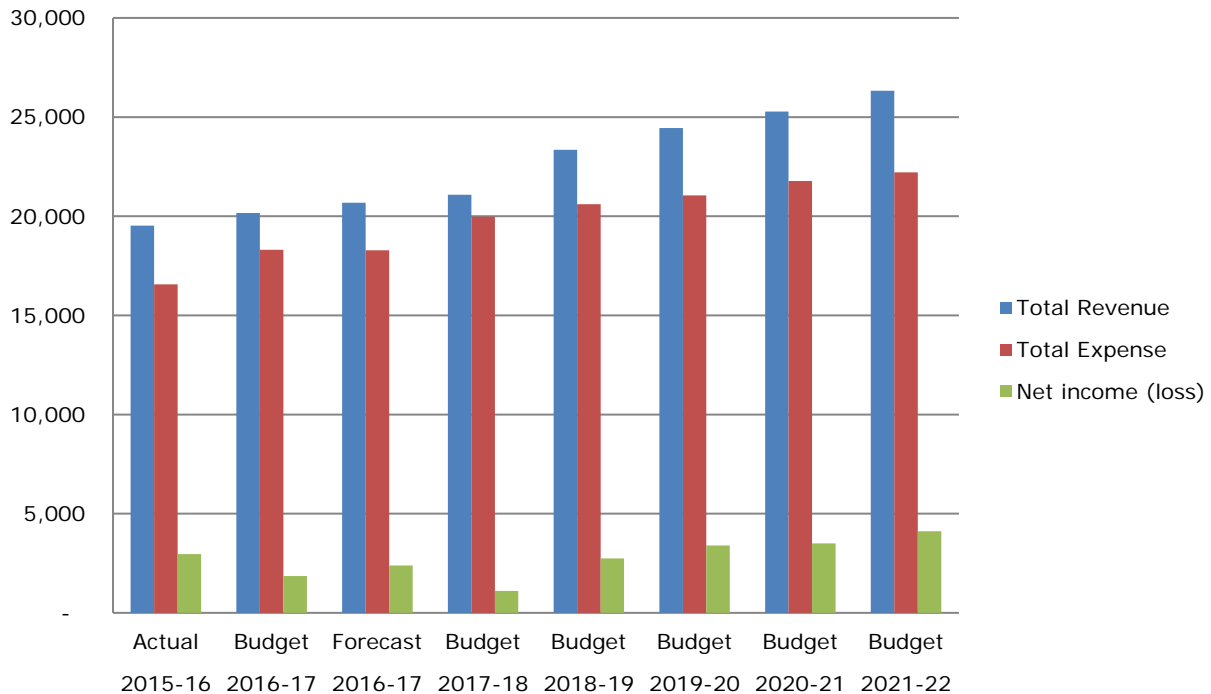
These operations are measured over the long-term on their success in meeting the following four objectives:

- 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.

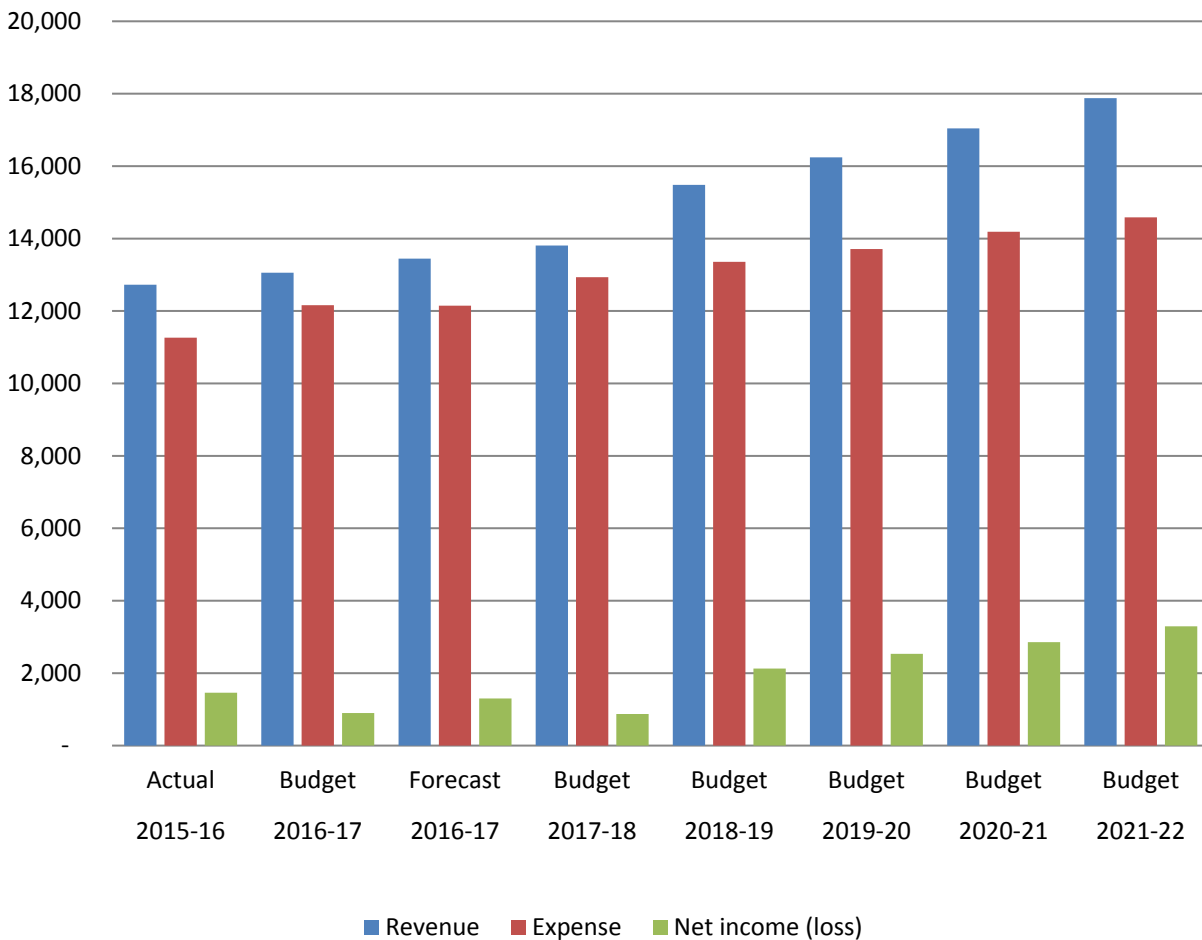
Parking capacity was challenged at peak times due to the delay in opening the upper portion of the new parking deck. This delay resulted in lost parking permit revenues. The new parking deck fully opened in November 2016. Parking will direct the surplus generated from operations to repay the loan received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

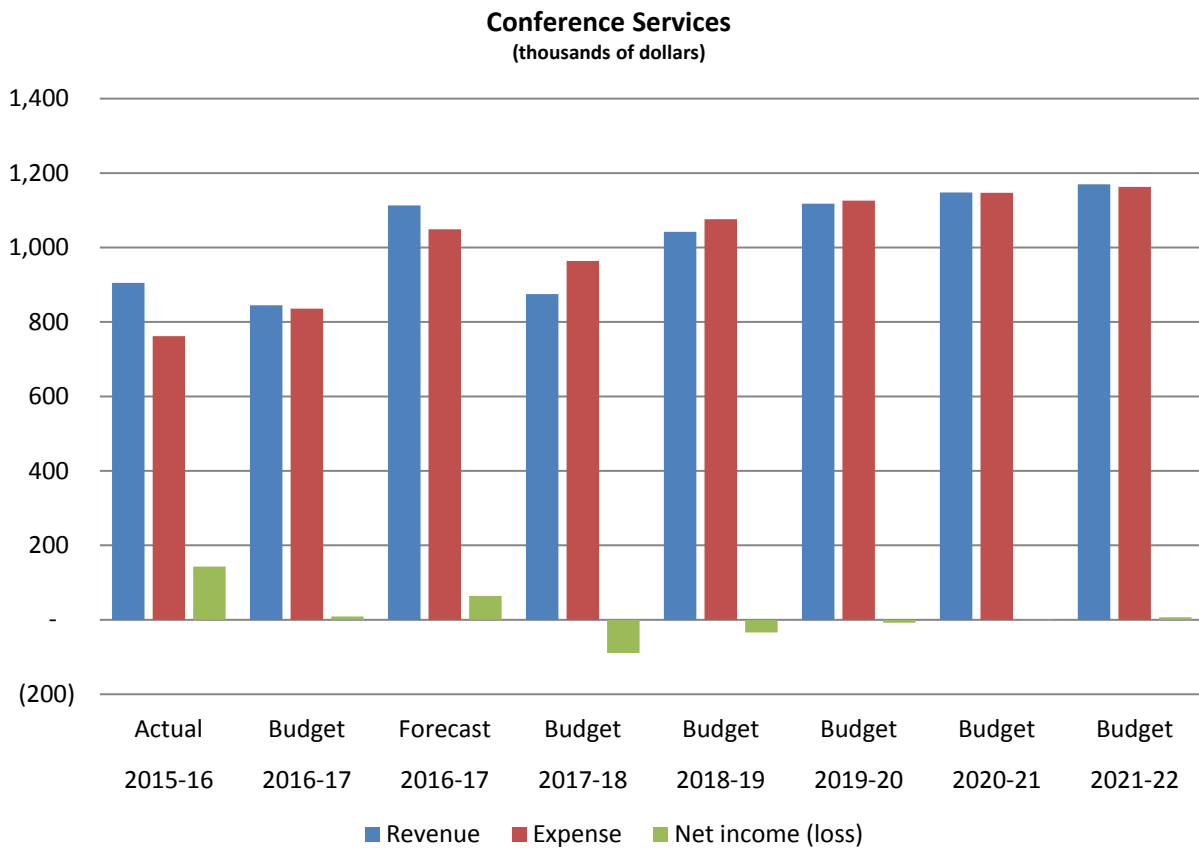
over their useful life and expensed through the Furniture & Equipment or Building Depreciation lines.

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.

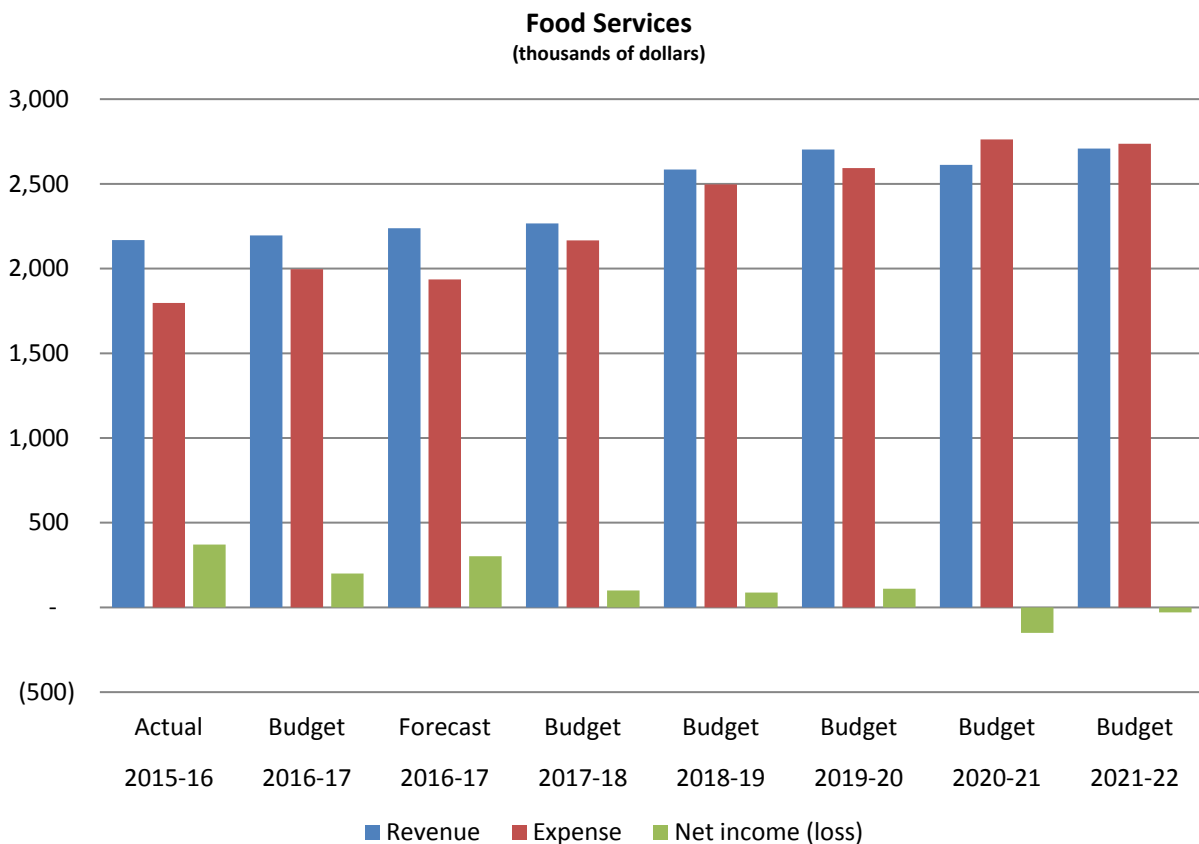
Direct expenses, as noted above, are largely variable to the revenues and therefore reflect the same reduction where applicable.

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

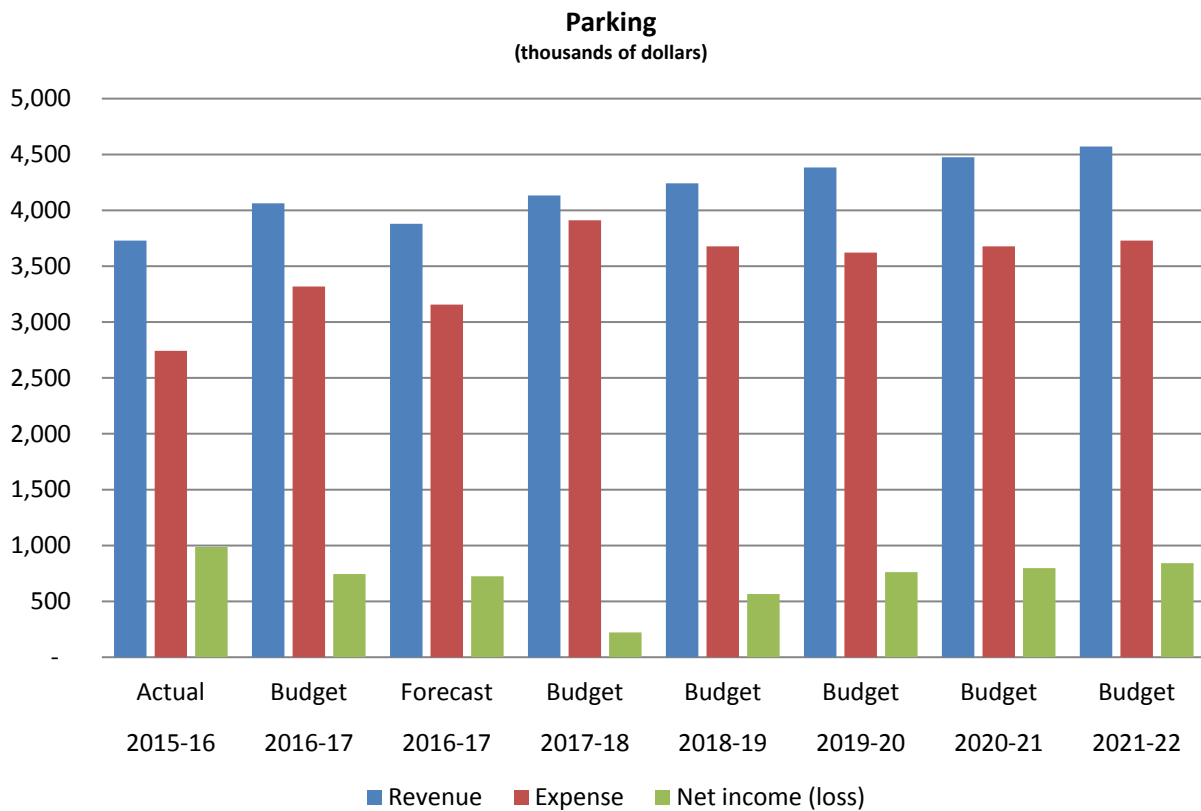
Court, North2 food outlets, Starbucks renovations and a new commerce management system.

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

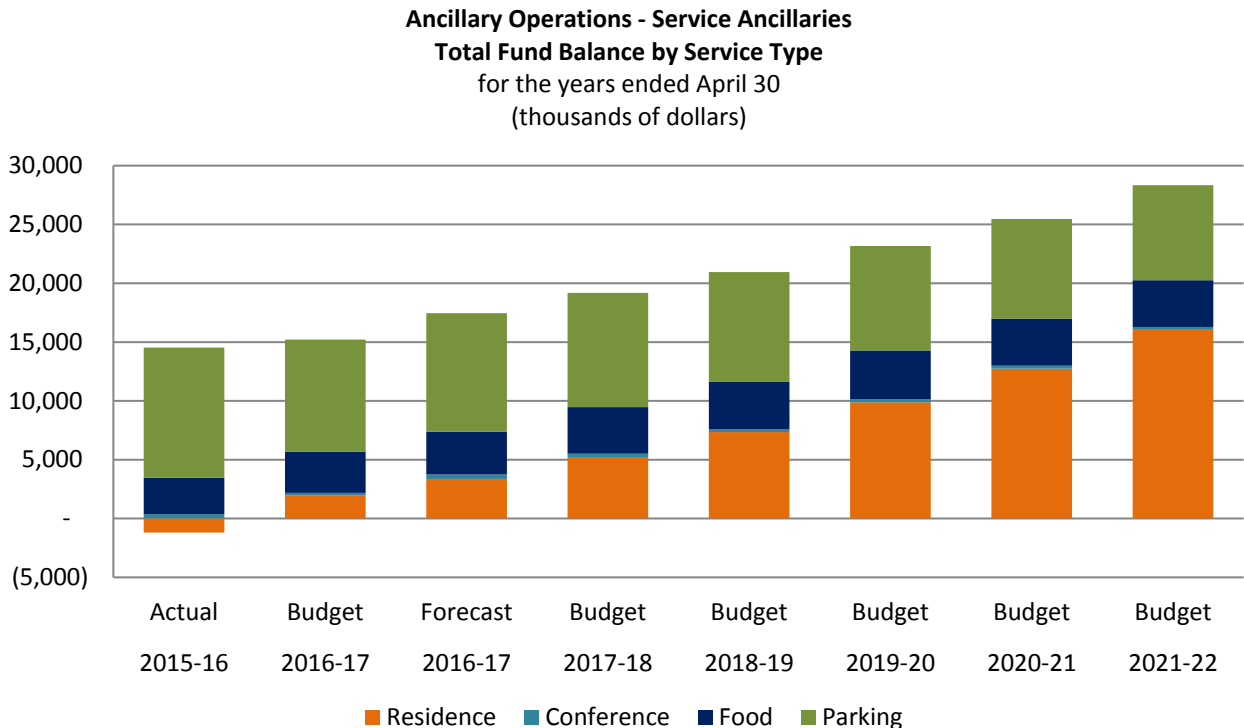
to the UTM operating budget of \$0.6M. As noted above, the unrestricted surplus is \$0 in each year until the loan has been repaid.

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	Revenue	Expense	Net Operating Results before Transfers	Transfers in/(out)	Net Operating Results after Transfers 2017	Net Operating Results after Transfers 2016
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

SCHEDULE 4

**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.

UTM Ancillaries

Campus Affairs Committee

January 11, 2017



Four Financial Objectives

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

Based on 2016-17

Ancillary Consultation Process for Proposed Operating Plans/Budgets

Meal Plans

- Resident Student Dining Committee
 - October 5th and November 2nd

Food Services

- Food Services Advisory Committee
 - September 21st and November 9th

Residences

- Student Housing Advisory Committee
 - September 27th, October 5th, 19th and November 9th

Parking

- Transportation & Parking Advisory Committee
 - October 27th and November 15th

Projected Revenues/Expenses

2016-17

(\$000's)

	<u>Residence</u>	<u>Food</u>	<u>Conference</u>	<u>Parking</u>
Revenues	13,445	2,238	1,113	3,880
Expenses	<u>12,146</u>	<u>1,936</u>	<u>1,049</u>	<u>3,156</u>
Net	1,299	302	64	724
Transfers	<u>935*</u>	<u>243**</u>	<u>(50)**</u>	<u>(1,730)***</u>
Net Income (Loss) after transfers	<u>2,234</u>	<u>545</u>	<u>14</u>	<u>(1,006)</u>
Net Income (Loss) after transfers 2015-16	<u>1,138</u>	<u>563</u>	<u>143</u>	<u>7,319</u>

Notes:

* Transfer is for lost residence revenues related to the Erindale Hall rooms that have been re-purposed to office space

** Transfer is for lost meal plan revenues related to the Erindale Hall rooms and from Conference Services for purchase of smallwares.

*** Transfer relates to repayment of loan from UTM for the Parking Deck.



Student Housing & Residence Life

1,536 beds

- 1,471 fee-paying beds
- Mix of styles, sizes
- 2016-17 = \$13.4M



Residence

Highlights & Challenges

- Occupancy rate is expected to be better than budget; no-shows main reason for vacancies
- Increased spending in capital projects and major maintenance
- Completion of 'Focus 15' Strategic Plan, recommendations to guide future investment in capital renewal
- 100 beds in Erindale Hall are being used as temporary swing space from May 2014 to August 2018

Proposed Residence Rate Change

- 5% rate increase for 2017-18
- Undergrad Fall/Winter price ranges from \$7,210 to \$10,121
- Inclusive of meal plan (first year, regular+250), total \$13,200
- Family & Graduate from \$951 to \$1,728 per month

Market Comparison

- Lower than 5 of 8 UofT residences
 - Less than New College, St. Michael's College, Trinity College, University College, Victoria College
 - More than UTSC, Innis College, Woodsworth College, McMaster, Brock, York, Ryerson, Guelph
- "All-in" pricing competitive with local, off-campus alternatives (CHMC data for 2015)

Residence

Summary Statement of Operating Results

(\$000's)

	2015-16 Actual	2016-17 Forecast	2017-18 Budget
Total Revenue	12,726	13,445	13,808
Total Expense	11,264	12,146	12,935
Operating Results before Transfers	1,462	1,299	873

Food Services



Food

Highlights & Challenges

- Continued planning for expansion of food services on campus, including:
 - 2017 – Davis Building Food Court
 - 2017 – North Building Phase II
 - 2017 – Starbucks 10-Year Facelift
 - 2018 – New Transaction System

Food Services Budget Considerations

– Food Prices

- Trading Economics predicts 3.6% Inflation for Food
- Canada Food Price Report (Dalhousie University)
Predicts Food Price Increase by 3% to 5%
- Budgeted Cash price increase average 3.6%

– Meal Plans

- Budgeted Meal Plans increase on average 3.3%

Meal Plan Rates University Market Comparison

Rank 2017-18	University	Proposed Minimum Meal Plan Rate – First Year (Assumes 3.6% Inflation Increase)
1	York	\$2,849
2	UTM	\$3,525
3	McMaster	\$3,724
4	Ryerson	\$3,661
5	Guelph	\$3,932
6	Brock	\$4,040
7	University College	\$4,344
8	Windsor	\$4,471
9	Waterloo	\$4,558
10	Western	\$4,937

Shopping vs. Meal Plan Rates

- Costs associated with buying and preparing own food vs. Meal Plan
- 2008
 - Total Food Cost - \$2,515.52
- 2016
 - Total Food Cost - \$2,781.76
 - Total Time – 243.2 hours (7hr 36min per week)
 - Shopping Time – 71.7 hours (2hr 14min per week)
 - Prep Time – 171.5 hours (5hr 22min per week)
- 2016 Meal Plan
 - \$3,699.00
 - Convenience, budgeting, time-savings
- *Difference of \$917.24 vs. 243.2 hours*

Retail Food Pricing University Market Comparison

Categories	Average Price Rank	Ranking %	# of Items in Category	Weighted Score
Hot Beverages	11 out of 19 schools	58.74%	12	0.08
Cold Beverages	9 out of 17 schools	52.70%	17	0.11
Breakfast Items	11 out of 19 schools	57.62%	8	0.06
Deli Sandwiches	9 out of 21 schools	43.31%	6	0.03
Baked Goods	12 out of 20 schools	60.76%	8	0.06
Soup & Salad	9 out of 20 schools	43.56%	5	0.03
Pasta & Pizza	4 out of 17 schools	21.36%	6	0.02
Hot Entrees	4 out of 17 schools	24.64%	16	0.05
AVERAGE	9 out of 19 schools		78	0.43

If a score **0.50** is the average price among Canadian Universities, then UTM food and beverage prices are, in general, **below average**, or a score of **0.43**

Food

Summary Statement of Operating Results

(in \$000's)

	2015-16 Actual	2016-17 Forecast	2017-18 Budget
Total Revenue	9,881	11,331	11,554
Total Cost of Sales & Service	7,713	9,093	9,288
Contribution Margin-Net Revenue	2,168	2,238	2,266
Total Expense	1,797	1,936	2,166
Operating Results before Transfers	371	302	100



Conference Services



Conference Highlights & Challenges

- Limited Space for large-group
- Accommodation Limits
 - Residence repairs/maintenance during summer
 - Residence use for ACE & other programs
- Meetings and other activities space shortages despite increased demand

Conference

Summary Statement of Operating Results

(\$000's)

	2015-16	2016-17	2017-18
	Actual	Forecast	Budget
Total Revenue	905	1,113	875
Total Expense	762	1,049	964
Operating Results before Transfers	143	64	(89)

Parking



2,659 Spaces (Gross)
at November 2016

Parking Highlights & Challenges

- Parking Deck 2 upper level opened later than anticipated, November 2016
- Results in lost permit revenues
- Parking Deck 2 loan from UTM Capital Reserves repaid to the extent of unrestricted surplus (approximately 7 years)

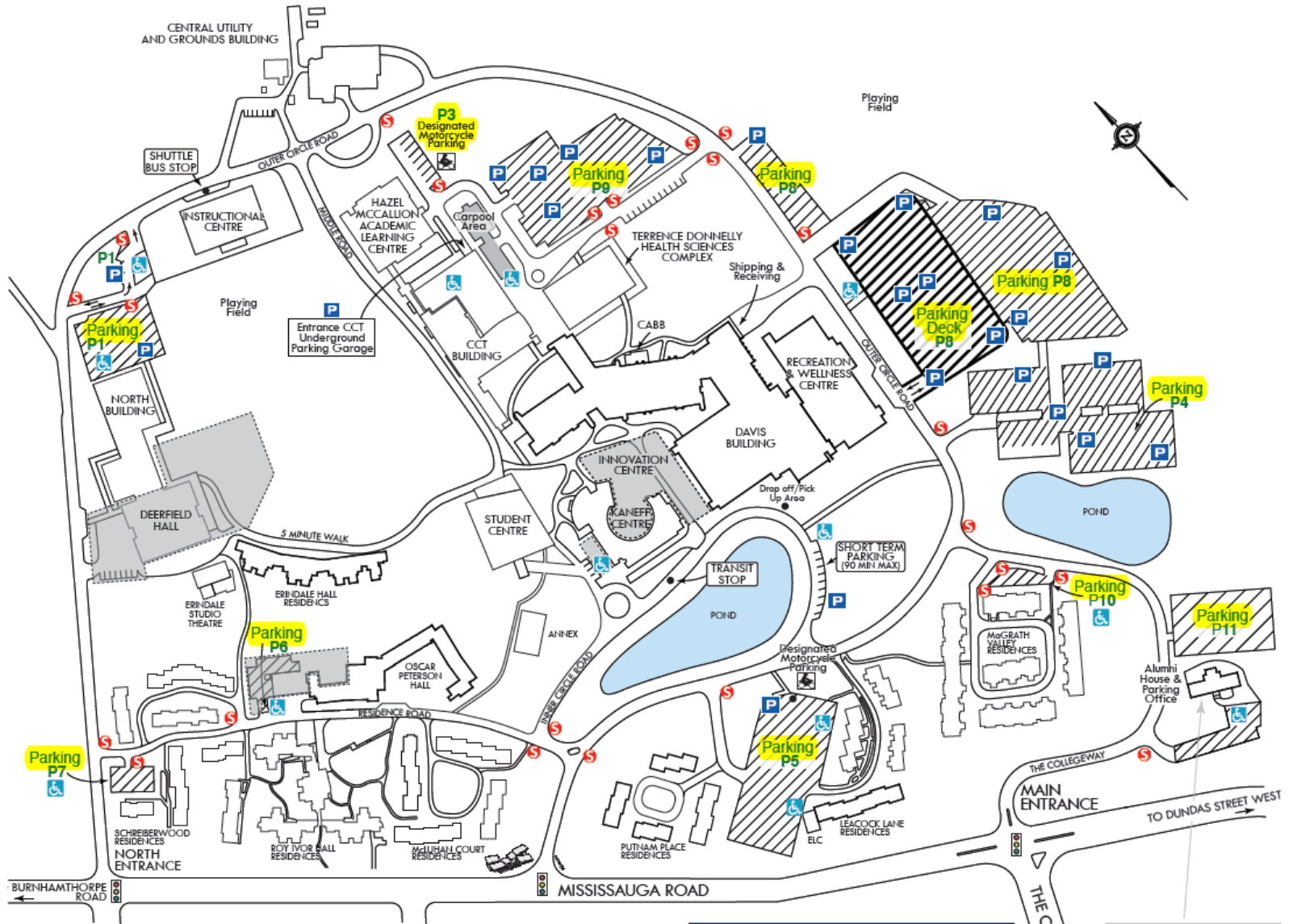
Proposed Parking Rate Change

- Permits will increase 3%, (annual 3% increase implemented in 2010/11)
- Range from \$605 (8-month) or 12-month @ \$726 to \$1,051 (competitive)
- **Increases:** from \$17.62 (8-month) or 12-month @ \$21.14 to \$30.62
- **Daily Increase:** \$0.07 (8-months) or 12-month @ \$0.06 to \$0.08
- Pay & Display maximum daily rate remains unchanged

**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:							
Most expensive	728.34	N/A	1,440.00	N/A	N/A	508.50	750.00
Least expensive	704.73	N/A	1,440.00	1,098.36	N/A	508.50	675.00

Parking Lots



	Barrier Free (Accessible) Parking		Construction Site
	Pay & Display Machine		Stop Signs
In case of emergency please call 905-569-4333 or 911			

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

Parking

Summary Statement of Operating Results

(\$000's)

	2015-16	2016-17	2017-18
	Actual	Forecast	Budget
Total Revenue	3,729	3,880	4,133
Total Expense	2,743	3,156	3,911
Operating Results before Transfers	986	724	222

Summary



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		Net Operating Results after Transfers 2017	Net Operating Results after Transfers 2016
	Revenue	Expense	Transfers	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 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

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) <i>(6:30am to 8:00am next day)</i>	14.00	14.00	-	0.0%	-
Pay & Display (evening/weekend) <i>(5:00pm to 8:00am next day)</i>	6.00	6.00	-	-	-
Pay & Display (per half hour) <i>(6:30am to 5:00pm)</i>	2.50	2.50	-	-	-
Pay & Display (per half hour) <i>(weekdays 5:00pm to 8:00am next day; weekends & holidays)</i>	1.00	1.00	-	-	-

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					
Undergraduate Students					
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%
Family & Graduate Housing (rent per month)					
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%

Thank You

Motion

Discussion & Questions