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

TO: University Affairs Board

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PRESENTER: Sandy Welsh, Vice-Provost, Students
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DATE: February 27th, 2017 for March 6, 2017

AGENDA ITEM: 2c

ITEM IDENTIFICATION:

2017-18 Operating Plans for St. George Campus Service Ancillaries

JURISDICTIONAL INFORMATION:

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

GOVERNANCE PATH:

1. **University Affairs Board [For Approval] (March 6, 2017)**
2. Business Board [For Information] (April 6, 2017)

PREVIOUS ACTION TAKEN:

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

HIGHLIGHTS:

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

St. George Service ancillaries are budgeting a net income of $4.1 million before transfers and capital costs as at April 30, 2018 on projected revenues of $123.9 million (See Schedule I). Rate increases vary between ancillaries (see Schedule VI).

The 2017-18 operating plan combines residential, retail and catering operations from St. George, Chestnut and New College food operations. Under this self-funded model, the University will report the total revenues earned instead of reporting only the commission earned on food sales as revenue. This change in accounting method leads to an increase in both total revenues and total expenses.

There is a tentative agreement in place to provide residential dining services at the new private residence at 245 College Street. The start-up investment for this project is budgeted for 2017-18.

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

The budgets and rates provided for approval for 2017-18, are reasonable on a one year basis given the challenges facing some of the ancillaries, with the understanding that there will be continuing work to address the various issues.

FINANCIAL IMPLICATIONS:

The anticipation of each ancillary in achieving the objectives of the budget guidelines are summarized on page 36.

RECOMMENDATION:

BE IT RESOLVED:

THAT the proposed 2017-18 operating plans and budgets for St. George service ancillaries, as summarized in Schedule I; the St. George service ancillary capital budgets as summarized in Schedule V, and the St. George rates and fees in Schedule VI be approved, effective May 1, 2017, be approved.

DOCUMENTATION PROVIDED:

St. George Service Ancillary Report on Operating Plans 2017-18.

UNIVERSITY OF TORONTO

ST. GEORGE

Service Ancillaries Report on Operating Plans
2017-2018

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Introduction

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

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

1. To operate without subsidy from the operating budget. Should the need for a subsidy be identified, the subsidy must be expressed as a matter of policy and compete on equal terms with other priorities in the operating budget.

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

3. Having achieved the first two objectives, create and maintain an operating reserve (excluding capital requirements) at a minimum level of ten percent of annual expenditure budgets (net of cost of goods sold, capital renewal costs and deans and dons' expenses), as a protection against unforeseen events which would have a negative financial impact on the operation.

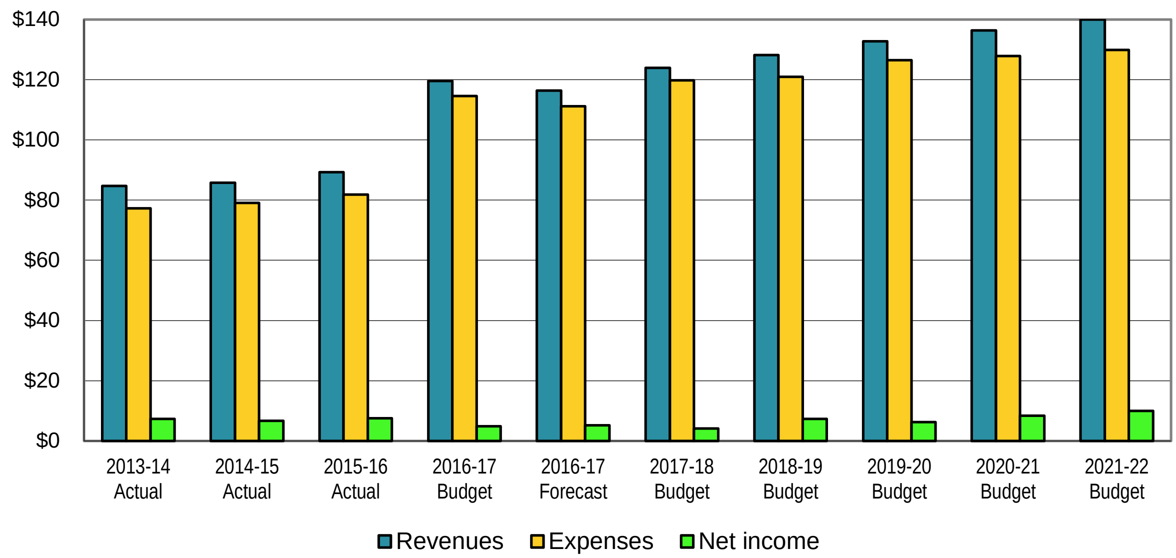
4. Having obtained the first three objectives, service ancillaries will contribute net revenues to the operating budget[1]. The rate of contribution will be established by each individual campus for each individual ancillary.

[1] For purposes of clarification, the fourth objective relates to all contributions of net revenues made by the ancillary operation to any operating budget outside of their own operations.

Financial Summary

St. George service ancillaries are forecasting a net income of $5.2 million before transfers for 2016-17 on projected revenues of $116.4 million. The forecasted net income represents a $2.3 million decrease from last year's actual net income of $7.5 million. The net income for 2016-17 is forecasted to be $0.3 million higher than the budgeted net income of $4.9 million. This favourable variance from budget is attributed to residence services ($1.4M), offset by food & beverage services (-$0.2M) and Transportation Services (-$0.9M) (see table on Page 5). For the 2017-18 budgets, the service ancillaries are anticipating a net income of $4.1 million with $123.9 million of revenues and $119.8 million of expenses. The $4.1 million net income projected for 2017-18 represents a decrease of $1.1 million from the forecasted 2016-17 net income.

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



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	% to Total Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Residences & Conferences	57.2	57.8	60.7	55.6	54.6	55.4	45%	57.1	58.9	60.8	62.7
Food & beverage	5.4	5.7	5.6	40.3	38.4	44.4	36%	46.2	47.5	48.8	50.1
Transportation Services	5.6	5.9	6.1	6.2	6.2	6.4	5%	6.7	7.8	8.0	8.1
Hart House	16.5	16.4	16.9	17.4	17.2	17.7	14%	18.2	18.5	18.7	18.9
Total Revenue	84.7	85.8	89.3	119.5	116.4	123.9	100%	128.2	132.7	136.3	139.8
Total Expense	77.3	79.1	81.8	114.6	111.2	119.8		120.9	126.5	127.9	129.8
Net income	7.4	6.7	7.5	4.9	5.2	4.1		7.3	6.2	8.4	10.0

For 2016-17, the St. George service ancillaries are forecasting revenues to be $3.1 million lower than budget. The decrease in revenues can be attributed to residence services ($1.0M), food and beverage services ($1.9M) and Hart House ($0.2M). The total forecasted revenues for 2016-17 are $27.1 million higher than 2015-16 actuals. This large variance is mainly due to the change in the accounting method used for Food and Beverage Services, which became self-operated as of August 1, 2016. The sales from Food and Beverage Services are recorded as revenue on a gross basis instead of reporting only the commission earned on food sales.

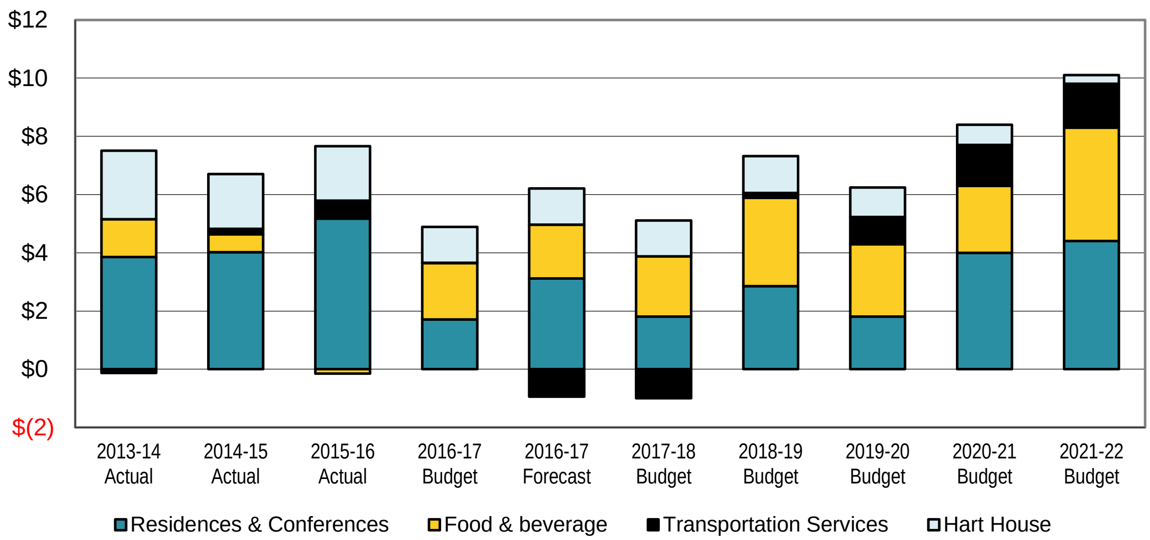
For many residences, revenues from summer business have a significant impact on their net income. With stiff competition for summer business, each ancillary continues to work diligently to increase or maintain their current volume of summer business.

A majority of residences are anticipating revenue growth with rental rate increases ranging from 0.3% to 5.0%, while maintaining their optimal fall and winter session occupancy rates. Food and beverage services have incorporated sales improvements due to projected increases in enrolment and meal plan rates. Transportation Services proposed rate increases ranging from 2.1% to 8.3% for all parking permit areas. Parking permit areas with a higher demand and designated reserved spaces will see the highest rate increases. Hart House also anticipates higher revenues from increases in both student fee rates and enrolment. Surpluses and capital renewal reserves are expected to be spent on pressing deferred building maintenance.

The long-range plan projects revenues to increase by $15.9 million (12.8%) from 2017-18 to 2021-22. Of this increase, $7.3 million is estimated to come from residence services, $5.7 million from food and beverage services, $1.7 million from Transportation Services, and $1.2 million from Hart House.

Net Income

The forecasted net income for 2016-17 is $5.2 million, which is $0.3 million higher than the 2016-17 budget and $2.3 million lower than the 2015-16 actual net income. The largest contributor to the forecasted net income in 2016-17 is residence services ($3.1 million). This is mainly due to strong summer business and some residences are forecasting expenses lower than budget.



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	% to Total Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Residences	3.9	4.0	5.2	1.7	3.1	1.8	44%	2.8	1.8	4.0	4.4
Food & beverage	1.3	0.6	(0.2)	2.0	1.8	2.1	51%	3.0	2.5	2.3	3.9
Transportation Services	(0.1)	0.2	0.6	0.0	(0.9)	(1.0)	-24%	0.2	0.9	1.4	1.4
Hart House	2.3	1.9	1.9	1.2	1.2	1.2	29%	1.3	1.0	0.7	0.3
Net income (loss)	7.4	6.7	7.5	4.9	5.2	4.1	100%	7.3	6.2	8.4	10.0

The outlook for net income for the coming five years is positive since the long-range plan includes some rate increases each year while loan principal and interest payments remain constant. These rate increases continue to be needed to restore the ancillaries to a healthy financial position and are necessary to ensure all essential major capital expenditures are made. The long-range plan shows an increase of $5.9 million in net income from 2017-18 to 2021-22. This is mainly due to an increase of $2.4 million from

Transportation Services, $2.6 million from residences, $1.8 million from food and beverage services offset by a decrease of $0.9 million from Hart House.

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

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2021-22 Budget	Improve-ment 2021-22 over 2017-18	Five year planning period
Residences									
Innis College	0.4	0.5	0.5	0.1	0.4	0.2	0.9	0.7	3.0
New College	(0.0)	0.2	0.0	0.2	0.6	0.4	1.0	0.6	3.1
University College	0.3	0.8	0.7	0.9	0.9	0.2	1.7	1.5	4.4
Graduate House	0.5	0.6	0.7	0.1	0.4	0.1	0.1	0.0	0.4
Family Housing	1.5	1.1	1.1	0.5	0.2	0.8	0.7	(0.1)	2.9
Chestnut Residence	1.0	0.7	1.8	(0.1)	0.3	(0.0)	(0.2)	(0.2)	0.5
Woodsworth College	0.1	0.2	0.4	(0.0)	0.3	0.1	0.2	0.1	0.5
	3.9	4.0	5.2	1.7	3.1	1.8	4.4	2.6	14.8
Food & beverage	1.3	0.6	(0.2)	2.0	1.8	2.1	3.9	1.8	13.8
Transportation Services	(0.1)	0.2	0.6	0.0	(0.9)	(1.0)	1.4	2.4	2.9
Hart House	2.3	1.9	1.9	1.2	1.2	1.2	0.3	(0.9)	4.5
Total net income	7.4	6.7	7.5	4.9	5.2	4.1	10.0	5.9	36.0

Notes:

1. Conference businesses are combined with the residence ancillary.

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

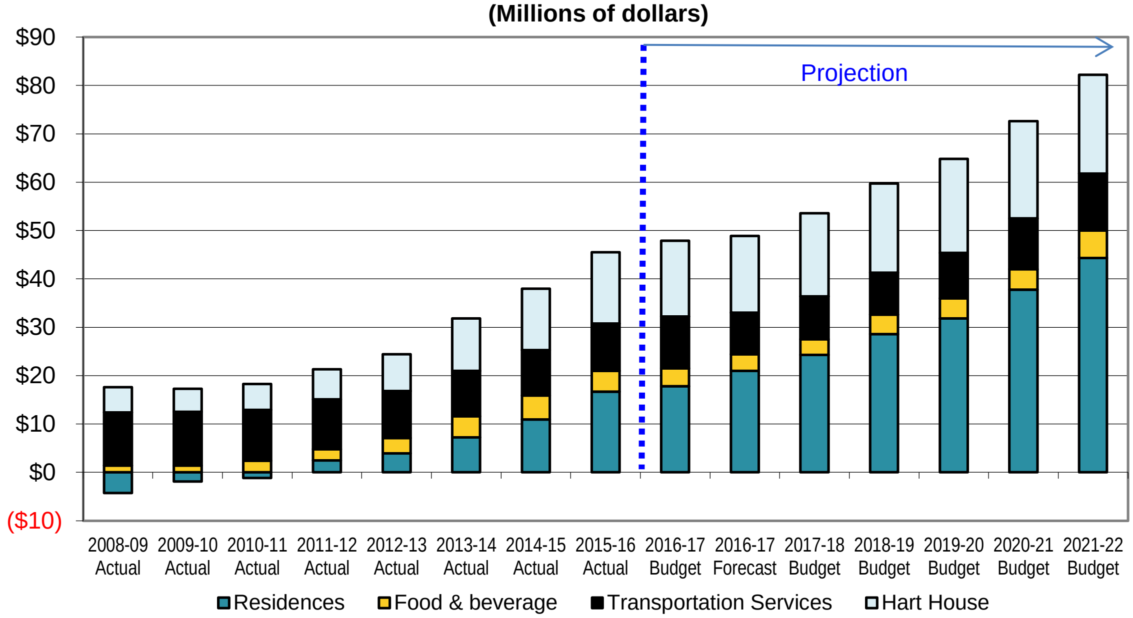
Net Assets

Net assets reflect the net worth of the St. George service ancillaries. Over time, net assets change due to: net income or loss for the year, transfers in or out of ancillary operations, and operating fund subsidies. Net assets are recorded in several sub-categories and the sum of these various categories represents the total net worth of each ancillary:

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

The following chart shows the history of actual net assets for St. George service ancillaries from 2008-09 to 2015-16 and projects the net assets in accordance with long-range plans to 2021-22.

Service Ancillaries at St. George Campus
Net Assets by Service Types
for the years ended April 30
(Millions of dollars)



The above chart also shows the impact of the major expansion of residence beds and the growth in other service ancillaries to accommodate the large increases in enrolment and student population that have occurred since 2003.

Ancillary Operations – Service Ancillaries
Net Assets
for the years ended April 30
(millions 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
Innis College	2.9	2.5	3.1	3.2	3.3	4.0	4.7	5.5
New College	(5.1)	(3.1)	(3.1)	(2.0)	(0.9)	0.4	2.0	3.7
University College	6.5	7.0	7.3	7.4	8.4	8.5	9.6	11.1
Graduate House	4.6	4.6	5.0	5.1	5.2	5.3	5.4	5.5
Family Housing	4.6	2.7	3.5	3.9	4.3	3.9	4.5	5.3
Chestnut Residence	(3.2)	(1.8)	(1.4)	(0.1)	1.5	2.9	4.9	6.2
Woodworth College	6.3	5.9	6.6	6.7	6.7	6.8	6.8	7.0
Residences	16.6	17.8	21.0	24.2	28.5	31.8	37.9	44.3
Food & beverage	4.3	3.7	3.4	3.3	4.0	4.2	4.2	5.7
Transportation Services	9.8	10.7	8.6	8.8	8.8	9.4	10.5	11.7
Hart House	14.7	15.7	15.9	17.2	18.5	19.4	20.1	20.4
Total Net Assets	45.4	47.9	48.9	53.5	59.8	64.8	72.7	82.1

For 2016-17, the St. George service ancillaries are forecasting total net assets of $48.9 million. The Family Housing ancillary also has a trust fund of $0.6 million, which is reserved for major capital improvements based on the purchase agreement with the Ontario Housing Corporation (OHC). The 2017-18 budget projects total net assets of $53.5 million.

Ancillary Operations – Service Ancillaries
Net Assets by Category
for the budget year 2017-18
(millions of dollars)

	Unrestricted Surplus/(Deficit)	Investment in Capital Assets	Capital Renewal Reserve	Operating Reserve	New Construction Reserve	Total Net Assets
Residences	(11.1)	22.8	7.7	3.8	1.0	24.2
Food & beverage	(0.1)	2.1	1.0	0.3	0.0	3.3
Transportation Services	0.0	6.4	0.5	0.5	1.4	8.8
Hart House	1.1	8.1	5.2	2.8	0.0	17.2
	(10.1)	39.4	14.4	7.4	2.4	53.5

Net assets are expected to grow to $82.1 million by 2021-22, reflecting an increase of $28.6 million from 2017-18. The anticipated total net assets of $53.5 million for 2017-18 are the sum of $39.4 million investment in capital assets; $14.4 million capital renewal reserves, $7.4 million to operating reserves, $2.4 million to new construction reserves partially offset by $10.1 million in unrestricted deficit (see Schedules II and III for details). As depreciation is charged and funded from future revenues, the $39.4 million investment in capital assets will decrease with a corresponding decrease in unrestricted deficit. Residences with accumulated deficits are charged interest on their deficits and must absorb any interest rate changes on this short-term financing of deficits (note that all long-term loans are at a fixed rate).

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

Ancillary Debt

For 2017-18, the St. George service ancillaries are projecting a total outstanding debt of $111.2 million (on original loans issued of $200.3 million), of which $104.9 million is for residence services and $6.3 million for Transportation Services. The estimated principal and interest repayment on the debt for residence services is projected to be $15.5 million, representing 28.0% of residence services revenues. The estimated interest costs on debt will be $7.2 million (13.0% of revenues or 13.7% of expenses). However, on an individual residence basis, principal and interest costs can be as high as 42.0% of revenues. This represents the main reason why certain residence ancillaries were not breaking even in the past.

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

	2015-16 Actual	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Innis	1.5	1.0	0.6	0.1	-	-	-
New College	18.2	17.0	15.8	14.4	13.2	11.9	10.6
University College	11.8	11.2	10.6	10.0	9.4	8.7	8.0
Graduate House	10.1	9.2	8.3	7.3	6.2	5.0	3.7
Family Housing	10.6	9.6	8.5	7.2	6.0	4.9	4.2
Chestnut Residence	51.0	48.2	45.3	42.1	38.8	35.2	31.3
Woodsworth	17.7	16.8	15.8	14.8	13.7	12.6	11.3
Residences	120.9	113.0	104.9	95.9	87.3	78.3	69.1
Transportation Services	7.2	6.8	6.3	5.8	5.2	4.6	4.0
Total Loan Balance	128.1	119.8	111.2	101.7	92.5	82.9	73.1

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

All residence ancillaries have implemented strategies to strive for financial stability while maintaining the highest quality of residence life for students and keeping residences viable and attractive. The following are the key accomplishments for 2016-17:

- Innis College Residence will complete the installment of Wi-Fi by March 2017.
- Summer business remains strong in 2016 for New College Residence. The investment in facilities renewal over the past five years appears to be paying off as the residence is seeing a continuation of the overall trend in decreasing minor maintenance expenses. A video intercom system was implemented at the major perimeter doors while completing the conversion of all three buildings to the standard Salto residence electronic lock system.
- University College Residence continued to enjoy success in obtaining donations from alumni to renovate residence rooms and kitchenettes, refurbish pianos, and redecorate and refurnish common rooms in Whitney Hall.
- The recent transition from an ongoing deficit position to an ongoing surplus has allowed Graduate House to continue their ambitious program of facilities renewal, refurbishment of residents' suites, and enhancement of programs and services. Major capital projects includes renovation to the lobby, front desk and office spaces. The existing keycard system was replaced with a contactless Fob system by Salto.
- Family Housing continues to contribute an additional $1.2 million to construct two laneway properties for student families in the Huron Sussex neighborhood. Family Housing will continue to build up reserves for future development which will increase the housing inventory.
- With the surplus from the summer business, Chestnut Residence made further facility improvements such as improvements to the 28th floor study room with designated group study areas, 27th floor lounge seating with urban seating and washroom facilities. The last "grad floor" was converted during the summer and two floors received new furnishings and flooring.
- Woodsworth College Residence continued to experience a very successful summer business. To maximize the opportunities associated with the summer, Woodsworth must maintain a rigorous maintenance plan. As part of this plan, the residence is also addressing its sustainability weaknesses through a complete LED lighting retrofit which will be completed in January 2017. The LED light retrofit, along with the replacement of the appliances, will reduce the carbon footprint of the residence and provide significant energy savings.
- It is hard to overstate the significant amount of effort and commitment that the staff from St. George Food and Beverage Services made to ensure the transition from an outsourced food operation to a successful in-house operation. This transition to an in-house operation has received positive feedback from the community, which has been accompanied by strong revenue growth in most of the retail locations. New franchises such as Tortillas and Sambal have been well received along with the unexpected success of the new grab-and-go packaged program. This program was utilized by the many time-pressed students and other community members. The result is that sales for these programs in particular have exceeded expectations. This operation also added a new outlet at the Faculty of Law that opened in the fall of 2016.
- University College Food Services experienced a substantial increase in catering business since the hiring of their Executive Chef.

Transportation Services implemented the Transportation Demand Management (TDM) strategy which successfully lowered overall demand while keeping revenues consistent with the previous fiscal year. With the loss of supply, both recent and anticipated, this ancillary is envisioned to make further and broader use of TDM tools to better balance supply and demand.

A five-year strategic plan was finalized to help steer the Hart House operation. Hart House launched two new publications, and a mentorship program pilot project was developed and is ready to be rolled out next fiscal year. A task force was established to review compliance with the Accessibility for Ontarians with Disabilities Act (AODA). Many of the recommendations will be included in future infrastructure renewal projects.

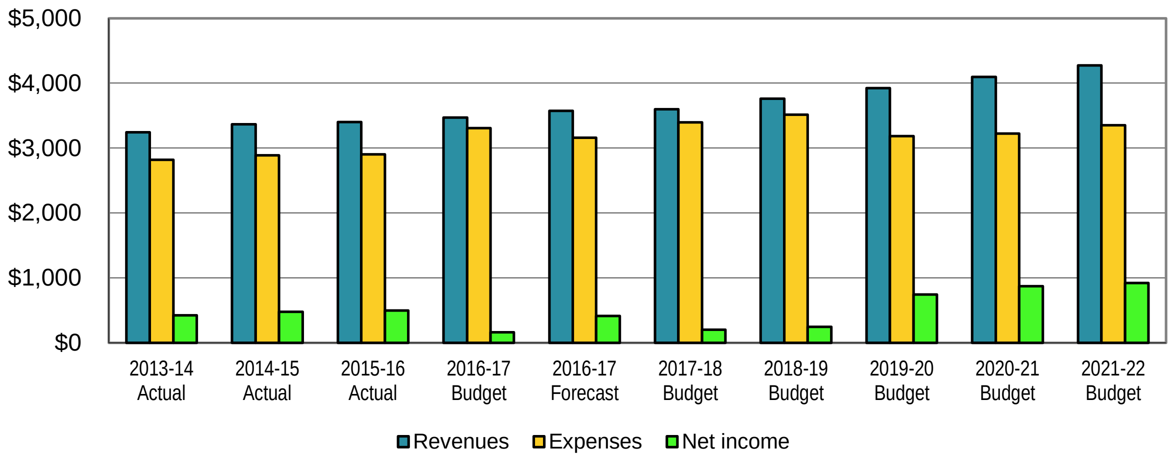
Residence Services

For the 2017-18 budget year, Innis College, University College and Family Housing will meet all four objectives (see Page 1). Woodsworth College will meet the first three objectives and New College will meet the first two objectives. Graduate House will meet the first, third and fourth objectives while Chestnut Residence will meet the first objective (see Schedule II for details).

Innis College

The Innis College residence opened in 1994 and has a total of 331 beds in 81 suite-style apartments. The ancillary is forecasting an operating surplus of $412,476 in 2016-17, which is $250,655 better than budget. This favourable variance is mainly due to higher than budgeted residence fees and lower than budgeted salary and utility costs.

Innis College
Revenue and Expenses
for the years ended April 30
(thousands of dollars)



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	3,243	3,367	3,400	3,467	3,572	3,599	3,758	3,924	4,095	4,274
Expenses	2,820	2,890	2,903	3,305	3,160	3,396	3,514	3,183	3,222	3,353
Net income	423	477	497	162	412	203	244	741	873	921
% change in revenues		*3.8%*	*1.0%*	*2.0%*	*3.0%*	*0.8%*	*4.4%*	*4.4%*	*4.4%*	*4.4%*

This ancillary is forecasting annual operating surpluses for the next five years. For the 2017-18 budget year, this ancillary is projecting net assets of $3.2 million after a transfer of $0.125 million to the Innis College operating budget in support of its academic mission (programs and student scholarships). The fall and winter room rates are budgeted to increase by 3.75% and the summer rate will increase by 4.0% (see Schedule VI).

It is projected that net assets will be at $5.5 million by the end of this long-range plan with an unrestricted surplus of $2.1 million, $0.7 million in investment in capital assets, $2.4 million in capital renewal reserve and $0.3 million in operating reserve.

The capital renewal reserve will build up with reference to a new *System Renewal Report* which is scheduled to be completed in the summer 2017. This report will replace the one that was completed in the summer of 2009. The purpose of this capital reserve is to set aside monies on an annual basis to provide sufficient funds for the major repair and replacement of primary building systems on a long-term basis. This capital reserve provides a mechanism to share this funding among all residents from year one through year twenty-five.

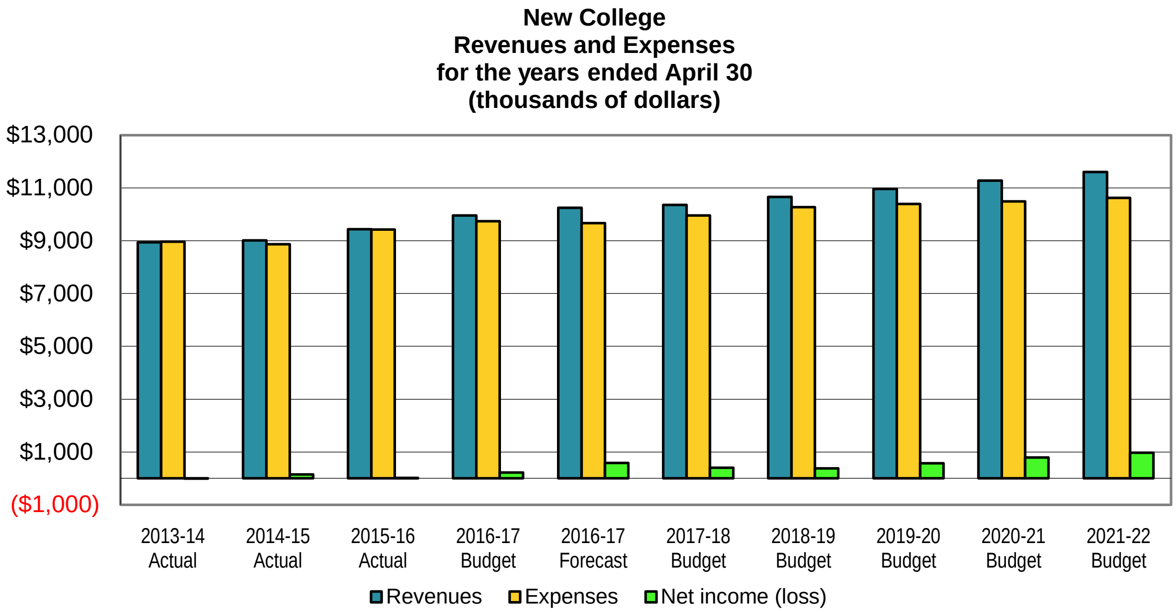
Innis Residence proposes a substantial facility capital renewal in 2020 to address deficiencies in the current configuration of the lobby, administrative and main floor common areas. This renovation will respond to the changing needs of the students and the change in administrative structure.

New College

The residents of New College are housed in three buildings: Wetmore Hall, Wilson Hall, and 45 Willcocks. Wetmore Hall and Wilson Hall went into service in the late 1960's and 45 Willcocks was opened in September 2003. The dormitory design favours community living and the provision of air conditioning is an added amenity for summer residents. These three buildings house 880 undergraduate students, 21 dons, the Assistant Dean, and the Residence and Student Life Assistant.

New College residence operations made multiple changes over past years to help eliminate the recurring operating deficits. The new arrangement has the Faculty of Arts and Science paying for academic space and some student space. New College pays for the William Doo auditorium, the New College Council office and meeting room space. This year's recovery of this space cost was $472,160. To accelerate deficit reduction in the residence, New College Food Services transferred $500,000 of its estimated unrestricted surplus while in transition of wrapping up its operations on July 31, 2016.

This ancillary is forecasting an operating surplus of $586,602 for 2016-17, which is $363,955 more than previously budgeted. This favourable variance is mainly due to a record high summer business. Total expenditures are expected to be close to budget. St. George Food Services is the new food and beverage operator at the College. A $629,802 commission on sales at New College dining facilities is forecasted to be transferred from St. George Food Services. For 2016-17, there will be a final transfer of $721,158 from the New College Food Service ancillary representing the net book value of the assets as of the close of operations. Net operating results after transfers is forecasted to be $1.9 million.



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	8,944	9,013	9,434	9,960	10,246	10,354	10,655	10,961	11,276	11,600
Expenses	8,958	8,862	9,425	9,737	9,659	9,950	10,274	10,393	10,485	10,626
Net income (loss)	(14)	151	9	223	587	404	381	568	791	974
% change in revenues		*0.8%*	*4.7%*	*5.6%*	*2.9%*	*1.1%*	*2.9%*	*2.9%*	*2.9%*	*2.9%*

With the strong demand for residence rooms, and with the 45 Willcocks funding issue resolved, this ancillary is budgeting an operating surplus of $403,639 for 2017-18. Commission on sales at New College dining facilities is budgeted at $720,530. Net assets are projected to be in a deficit of $2.0 million, with $3.0 million in investment in capital assets, $0.6 million in capital renewal reserve and $5.6 million in unrestricted deficit. For 2017-18, the fall and winter residence rates increase will range from 0.3% to 3.5% (see Schedule VI). For the first time, during 2016-17, all three New College residence buildings were open and supported (with an additional charge) during the winter holiday break.

A facility condition report of Wetmore Hall and Wilson Hall was commissioned by New College and Facilities & Services to help with the development of a long-term strategy for major maintenance and improvements. This report identified $5.2 million of needed work in these two buildings over a five-year period. The major maintenance expense budget was significantly increased over the past few years and will again be $1.4 million for 2017-18. Some of the major maintenance will include: phase two of the 45 Willcocks renovation which includes electronic locks on stairwell doors and cross-over floor; roof replacement at the Wetmore and Wilson buildings; rehabilitation of the exterior walls and windows at Wetmore Hall; and, replacement of the fire alarm system. A major streetscape project, the New College Plaza, is expected to begin construction in May 2017. This project is largely funded by donations and will improve the appearance of the Wetmore/Wilson side of Willcocks Avenue.

With efforts made to restore the residence ancillary back to financial equilibrium, positive operating results are anticipated in the coming years, with net assets turning positive in 2019-20. The unrestricted deficit drops by $10.5 million over six years to a positive balance of $1.9 million from 2015-16 to 2021-22.

University College

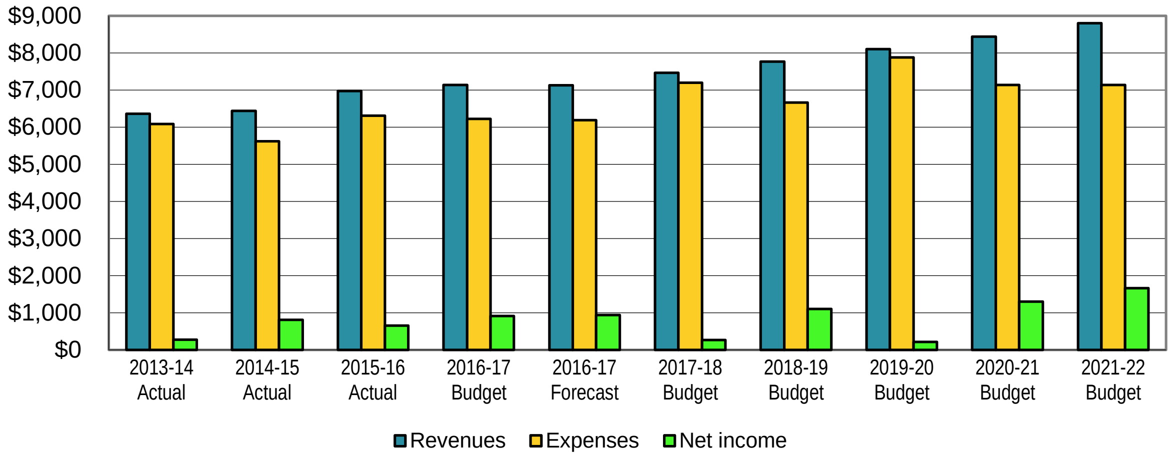
University College is at the historic heart and geographic centre of the University of Toronto's St. George campus. The residence ancillary consists of approximately 730 beds in three buildings: Sir Daniel Wilson Hall, Whitney Hall and Morrison Hall. All residences are co-educational and house mainly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

The residence continues to enjoy success in obtaining donations from alumni for special projects, mainly in Whitney Hall. Donations have been used to complete various renovations to residence rooms and kitchenettes, refurbish pianos, redecorate and refurnish common rooms. This ancillary has followed (and the budget has provided for) the on-going program for building and equipment maintenance as outlined in a revised engineering study and has therefore avoided major unanticipated expenditures. The budget provides for the maintenance and replacement of fabric and mechanical systems as outlined in the study. A positive operating result of $938,958 is forecasted in 2016-17 with net assets of $7.3 million.

This ancillary is budgeting an operating surplus of $0.3 million for 2017-18. This budget only includes summer business that has been confirmed while negotiations for some additional business have not yet been finalized. University College is budgeting net assets of $7.4 million by the end of 2017-18 and $11.1 million in 2021-22. The capital renewal reserve is budgeted at $1.1 million for 2017-18 and will remain close to this level throughout the long-range budget.

In 2017-18, this ancillary will continue its differentiated fee structure with increases ranging from 3% to 6% (see Schedule VI) depending on the type of room. This change in fee structure is necessary to be in line with fee schedules of other campus residences. The new fee structure will also differentiate between non-standard rooms in the older buildings and standard newer rooms in the Morrison Hall Residence. These fees remain the lowest on the St. George campus.

University College
Revenues and Expenses
for the years ended April 30
(thousands of dollars)



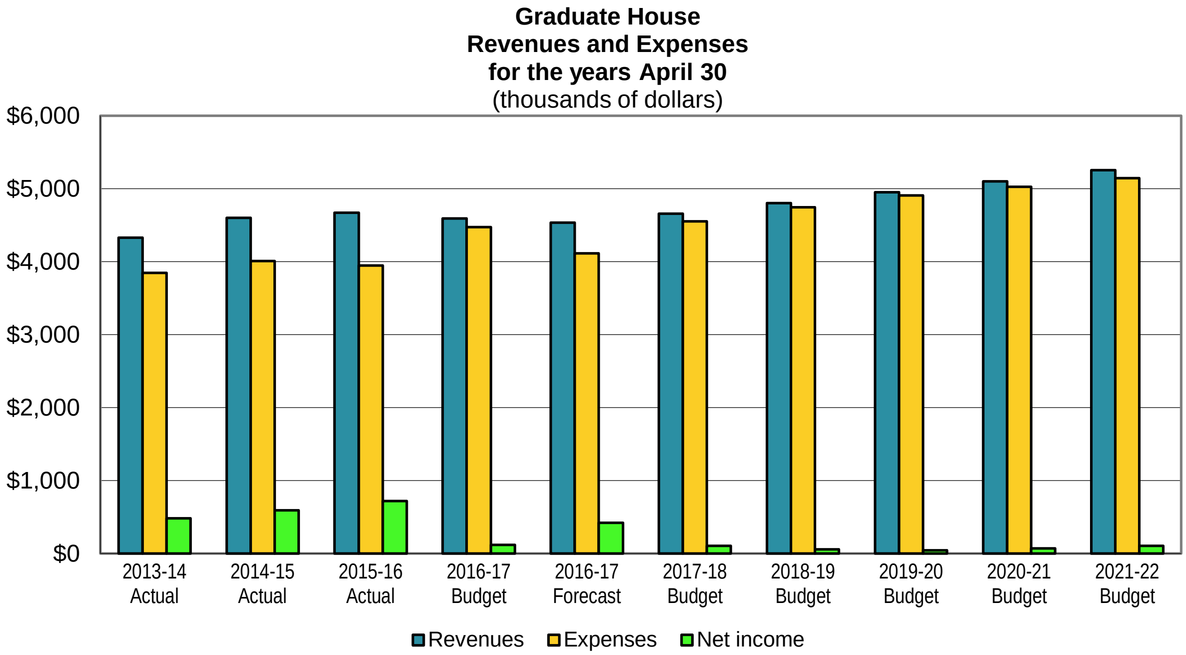
	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	6,358	6,435	6,973	7,137	7,124	7,465	7,768	8,097	8,440	8,798
Expenses	6,081	5,620	6,312	6,222	6,185	7195	6,665	7,878	7,136	7,134
Net income	277	815	661	915	939	270	1,103	219	1,304	1,664
% change in revenues		*1.2%*	*8.4%*	*2.4%*	*(0.2%)*	*4.8%*	*4.1%*	*4.2%*	*4.2%*	*4.2%*

The stream of rate increases are necessary to ensure all essential major capital expenditures are made and the quality of the residences is maintained without any deferral of essential maintenance work. Students of the residences have been great contributors to the capital improvements of the buildings in terms of their care for the buildings, and this stewardship on their part has enabled University College to hold rate increases at reasonable levels.

Graduate House

Graduate House, which opened in 2000, is a 426-bed, suite-style residence operated by Ancillary Services in cooperation with the School of Graduate Studies as the primary stakeholder. It is home to both students from the School of Graduate Studies and students from six second-entry professional faculties (Dentistry, Law, Medicine, Nursing, Education, and Pharmacy). In addition to being a home to its residents, Graduate House is also a valuable aid in attracting the best students to the University of Toronto.

This ancillary is forecasting a surplus of $421,304 for 2016-17, which is $301,825 higher than budget. This is due to the capitalization of the cost of the lock replacement project and suite washroom upgrades, which were budgeted under major maintenance. In addition, other expenditures are forecasted to be lower than budget.



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	4,330	4,601	4,669	4,593	4,535	4,657	4,801	4,950	5,098	5,252
Expenses	3,845	4,008	3,947	4,473	4,114	4,550	4,743	4,906	5,026	5,144
Net income	485	593	722	120	421	107	58	44	72	108
% change in revenues		*6.3%*	*1.5%*	*(1.6%)*	*(1.3%)*	*2.7%*	*3.1%*	*3.1%*	*3.0%*	*3.0%*

Graduate House is budgeting an operating surplus of $107,240 for 2017-18. It is projecting the net assets will be at $5.1 million, of which $4.3 million in investment in capital asset, $0.7 million in operating reserve and $0.1 million in unrestricted surplus. Net assets are anticipated to decrease from $5.1 million in 2017-18 to $5.5 million in 2021-22. As part of Graduate House's long-term reserve fund plan, operating and capital reserves will initially be depleted in 2017-18 to fund the ground floor renovation and building-wide lock replacement projects. As reserve funds begin to re-accumulate, 20% of annual expenditure budgets (net of capital renewal costs and deans and dons' expenses) will be reserved for unforeseen events, and therefore will have a negative financial impact on the operation. Further reserves will eventually be set aside for capital renewal or expansion. Over the past several years, demand has grown to approximately three times the available space. The University has identified an expansion of graduate residence spaces as a priority, and an opportunity exists for a physical expansion on adjacent lands. Reserve funds (if available) could be directed toward this expansion, with considerable benefit to new students as well as the existing Graduate House community.

For 2017-18, room rates will increase by approximately 3% (see Schedule VI). Graduate House must give consideration to sustainable facility renewal, requiring a long-term commitment of funds and several large projects which may pose challenges for short-term cash flow in future years. This process will begin in the fall of 2017 with a facilities audit. The results of this audit will be included in future planning and budgeting submissions.

Family Housing

Family Housing has 711 apartment units in the two buildings at 30 and 35 Charles Street West, with on-site child care operated by George Brown College's Early Childhood Education program. There is also a rooftop garden at 30 Charles Street that provides additional space for outdoor events, as well as a children's garden and play area. These two buildings house approximately 2,000 people, of whom approximately 50% are international students coming from over 60 different countries. The tenancy is partially covered by the Residential Tenancies Act. This ancillary is committed to providing a safe, well-maintained and affordable living environment where student families can participate in a supportive community.

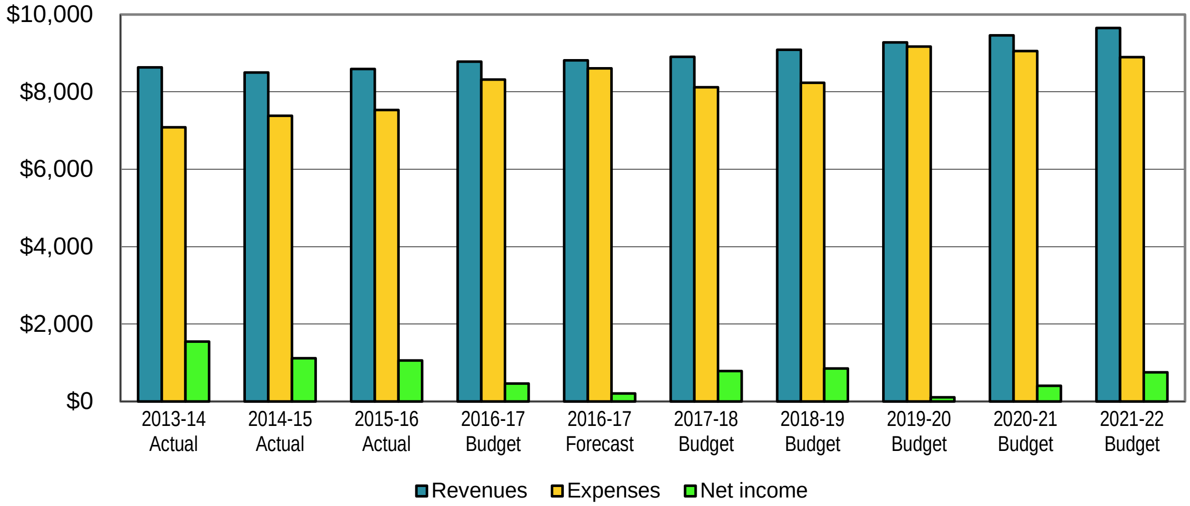
Family Housing occupancy levels will be close to 97%. Occupancy levels have been consistently high over the past several years and a waitlist of current and prospective students with families is maintained. Services such as residence life programs, community recreation activities, and a responsive level of building maintenance are contributing factors to maintaining such healthy occupancy and retention levels.

This ancillary is forecasting an operating surplus of $204,698 in 2016-17, which is $257,644 below budget. This variance is mainly due to the timing of the construction spending on the Resident Life Centre which was deferred from 2015-16 to 2016-17. For the Laneway Project, an additional $1.2 million will be transferred to the Residential Housing Ancillary in 2016-17. Family Housing will receive $300,000 from the office of Vice-President, University Operations as their contribution to the Laneway Project. After transfers, this operation will end the year with forecasted net assets of $3.5 million ($1.2 million capital renewal reserve, $0.6 million operating reserve, $1.0 million in new construction reserve, $0.3 million investments in capital assets, and the remaining $0.4 million in unrestricted surplus).

The operating plan for 2017-18 assumes a rental rate increase of 1.5% (see Schedule VI) to maintain the desired level of services, annual maintenance and necessary improvements to the buildings. An operating surplus of $785,719 is budgeted for 2017-18 with $3.9 million net assets. Family Housing and the Residential Housing Ancillary[2] have many things in common. They share staff and numerous operating procedures. Both operations are under the same management serving a common group of students. In view of future development possibilities and the strategic fit, these two units will be seeking governance approval to combine into one operation in 2017-18. This will support the long range plan for both areas and enhance their financial sustainability.

[2] The budget for Residential Housing Ancillary is not included on this report. The annual budget is approved by the Business Board.

Family Housing
Revenues and Expenses
for the years ended April 30
(thousands of dollars)



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	8,634	8,496	8,587	8,782	8,815	8,901	9,090	9,276	9,456	9,649
Expenses	7,085	7,383	7,529	8,319	8,610	8,116	8,236	9,170	9,052	8,895
Net income	1,549	1,113	1,058	463	205	785	854	106	404	754
% change in revenues		*(1.6%)*	*1.1%*	*2.3%*	*0.4%*	*1.0%*	*2.1%*	*2.0%*	*1.9%*	*2.0%*

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

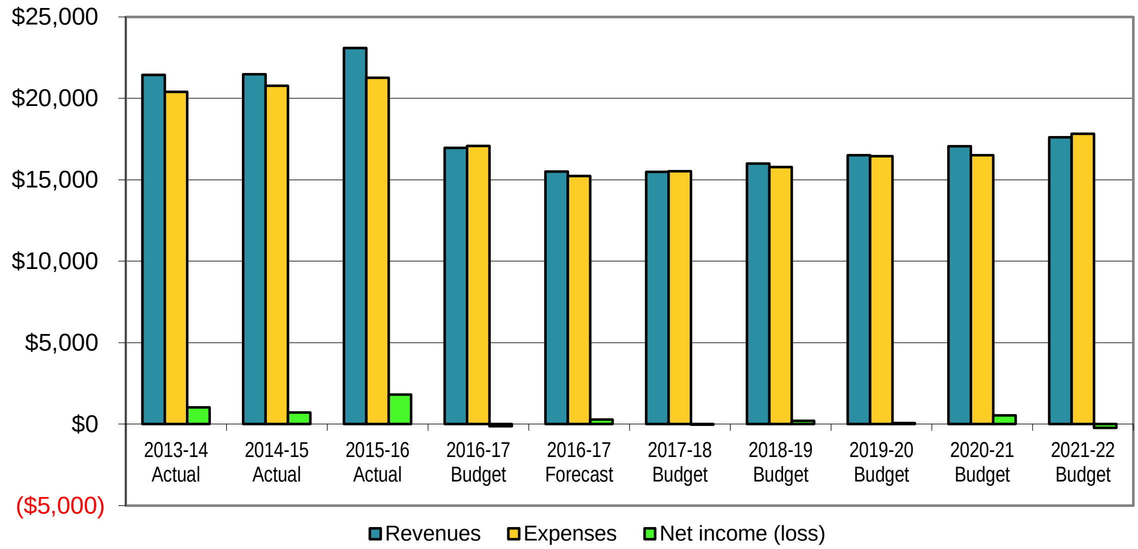
Chestnut Residence

Chestnut Residence (Chestnut) is home to 1,137 students from diverse cultural backgrounds and academic disciplines, as well as home to 22 dons and 2 residence life coordinators. First year student spaces (896) account for 79% of available bed spaces with the remaining (241) offered to upper year or graduate students. There are four accessible rooms in this residence. When capacity permits, it also offers housing to international exchange students. Housing is offered during the winter break for an additional fee to existing Chestnut students who apply in advance and have compelling academic or personal reasons for requiring accommodation. A variety of amenities are available to students and regular cleaning of rooms is also provided. There is also high-speed internet access with wireless connectivity throughout the building. Students have access to a number of part-time employment opportunities, particularly in the food &

beverage department and the Division of University Advancement's call centre in the lower level of the building. Students at this residence continue to benefit from an exceptional food program that went through a major change this year with the advent of the food services department's expanded operation on St. George Campus. A meal plan that combines unlimited access to the Chestnut Tree dining room, while providing a variety of options on campus through the Flex dollars, is included in each plan. Chestnut's food program is the leading participant in the St. George campus' evolving local foods initiatives. A "Green Dining" program continues to promote healthy eating, waste reduction, physical activity and environmental responsibility.

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

Chestnut Residence
Revenues and Expenses
for the years ended April 30
(thousands of dollars)



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	21,435	21,482	23,086	16,952	15,512	15,486	15,989	16,510	17,049	17,606
Expenses	20,403	20,778	21,266	17,085	15,237	15,520	15,785	16,448	16,510	17,828
Net income (loss)	1,032	704	1,820	(133)	275	(34)	204	62	539	(222)
% change in revenues		*0.2%*	*7.5%*	*(26.6%)*	*(8.5%)*	*(0.2%)*	*3.2%*	*3.3%*	*3.3%*	*3.3%*

In 2016-17, Chestnut is forecasting a net income variance of $407,976 from budget and expects to end the year with a $275,143 surplus before transfers from Food Services and University Operations. Chestnut occupancy levels are very strong (about 97%). This ancillary is forecasting negative net assets of $1.4 million in 2016-17 with $8.7 million in investment in capital assets and $10.1 million in unrestricted deficit.

The forecasted revenues and expenses reflect a major change that was approved in the 2016-17 Chestnut budget. St. George Food Services took over the full revenue and cost of the food operation at Chestnut on August 1, 2016. This includes the Chestnut Tree dining hall and the catering business. The St. George Food Services will pay Chestnut an equitable commission in return, which is forecasted at $1.3 million.

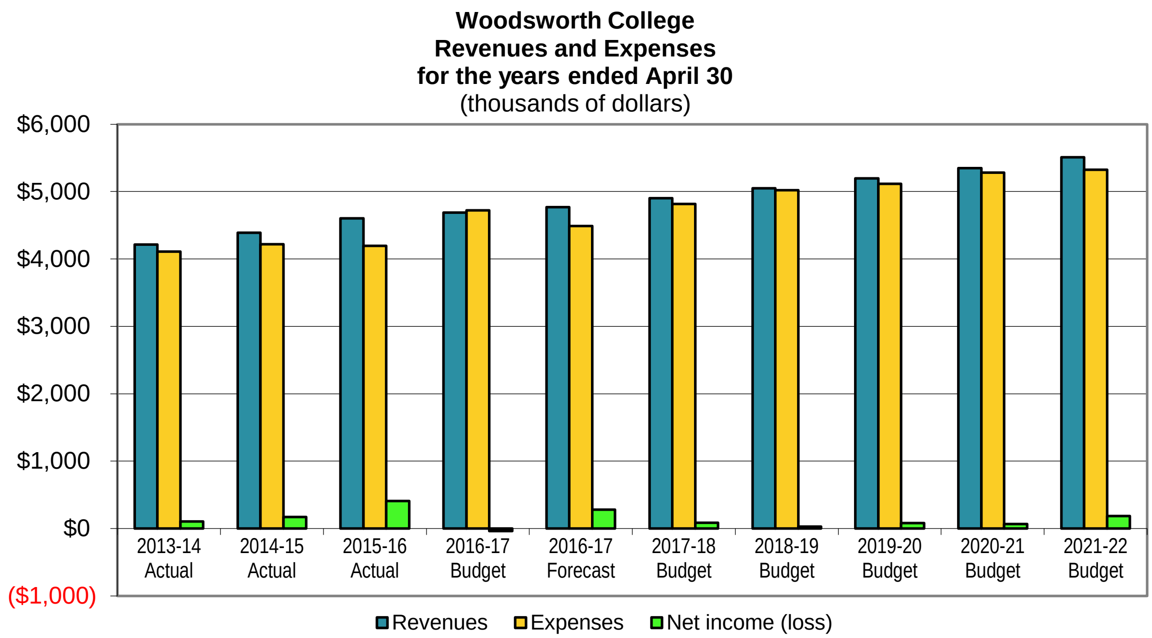
For the 2017-18 budget, the residence anticipates that occupancy will continue to be high. This budget includes a 5% room rate increase to single accommodation and a 3% increase on shared accommodation (see Schedule VI) which is needed to offset the considerable capital and major maintenance expenses. Operating results, after an interfund transfer of $1.4 million representing a commission from St. George Food Service, is budgeted to show a surplus of $1.3 million. Chestnut is budgeting capital expenditures of $1.2 million and is anticipating an investment in capital assets of $9.2 million. Net assets will be negative $0.1 million with an unrestricted deficit of $9.3 million.

The long-range plan assumes a rent increase of 3% each year and 3% increases for parking. Operating costs are projected to increase at negotiated rates or at inflation. Utility projections will remain challenging, since expected increases are not known and could vary significantly. The projected positive operating results will reduce the accumulated deficit to $5.78 million by 2021-22.

Woodsworth College

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

Woodsworth is forecasting a surplus of $281,084 for 2016-17. This forecasted decrease in surplus compared to 2015-16 is mainly due the projected increase in spending on utilities, and annual and major maintenance expenses. The summer business continues to be strong, maintaining the product mix by prioritizing long over short stays and booking fewer group stays. This ancillary paid down $0.5 million in mortgage principal and is forecasting net assets of $6.6 million in 2016-17, of which $1.8 million for each of operating reserve and investment in capital assets, and $3.0 million for capital renewal reserve. The sound financial position of the residence is signified by the strength of the reserves. The residence is able to maintain an acceptable level of operating reserve to mitigate risks, particularly to address the volatile summer business.



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	4,215	4,390	4,602	4,688	4,768	4,903	5,047	5,196	5,350	5,509
Expenses	4,110	4,221	4,193	4,724	4,487	4,816	5,021	5,115	5,282	5,323
Net income (loss)	105	169	409	(36)	281	87	26	81	68	186
% change in revenues		*4.2%*	*4.8%*	*1.9%*	*1.7%*	*2.8%*	*2.9%*	*3.0%*	*3.0%*	*3.0%*

Woodsworth proposes a 3% residence rate increase (see Schedule VI) in 2017-18. This conservative increase in fees takes into account that Woodsworth continues to have the highest fall and winter fees for its suite-style residences, and its principal and interest charges on debt currently make up 41.3% (forecasted to be 42.5% in 2016-17) of its budgeted revenues.

An operating surplus of $87,506 is budgeted for 2017-18. This ancillary is projecting net assets at $6.7 million with $1.7 million in operating reserve, $2.0 million in investment in capital assets and $3.0 million in capital renewal reserve at end of 2017-18.

Funds will continue to be drawn from the operating reserve when necessary to assist with the annual loan payments as in the past two years. Summer occupancy rates are currently at maximum levels. The key to ensure that summer operations continue to provide optimal results is to maintain a rigorous maintenance plan. As part of this plan, Woodsworth will complete the LED lighting retrofit in January 2017 along with the replacement of the appliances which will reduce the carbon footprint of the Residence and will result in significant energy savings.

Food and Beverage Services

Food and beverage services on each of the University of Toronto's three campuses are delivered in different ways, according to the needs of each campus population as well as the practical and business considerations governing relationships with vendors. For the last decade, ARAMARK has provided food services at several locations on the St. George campus (including New College). This has changed as of August 1, 2016, as the University took over operations of the locations previously contracted to ARAMARK on St. George campus. St. George campus also has a number of additional local vendors and self-operated food outlets (including University College). These operations are not affected by the change to the ARAMARK outlets.

For the 2016-17 budget, University College will meet all four objectives (see Page 1). St. George Food and Beverage Service budget will meet the first and third objectives (see Schedule II for details).

St. George Food and Beverage Services

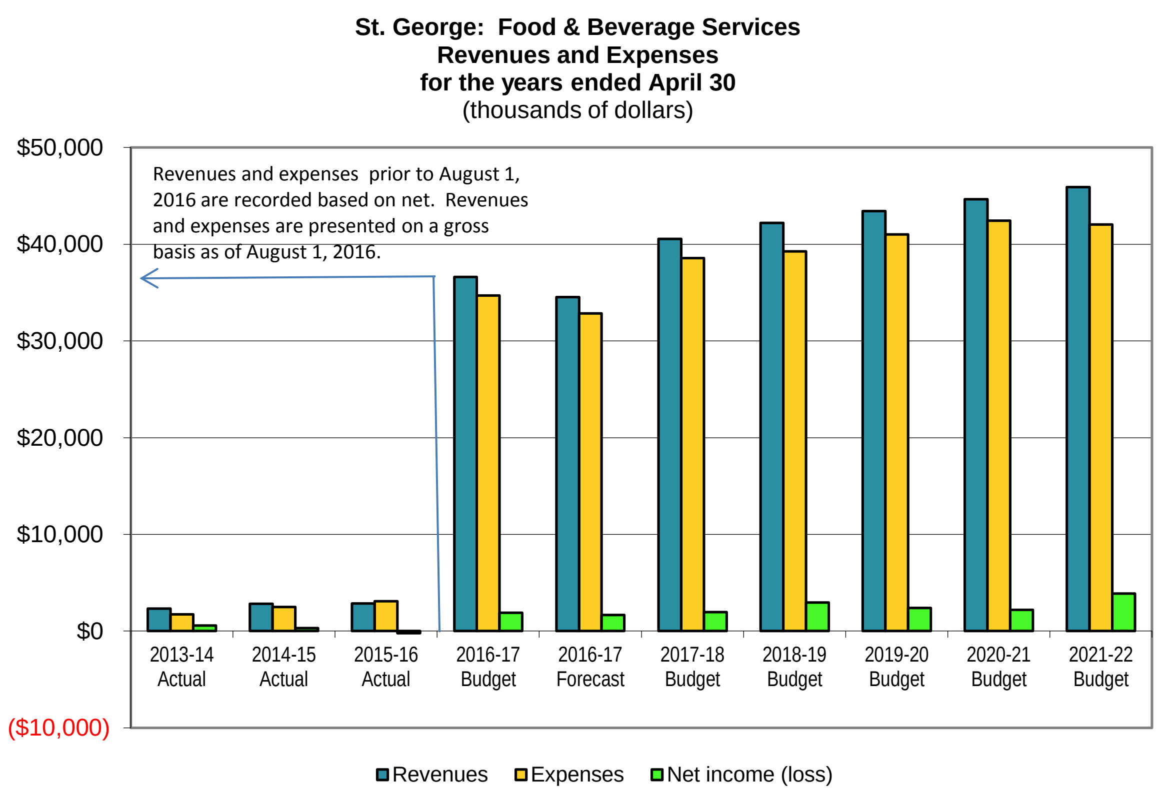
St. George Food and Beverage Services changed its business model as of August 1, 2016. The primary reasons for the change in model include building capacity towards a fully portable meal plan for students, making strategic use of physical resources to improve the ability to serve fresh, nutritious food on all parts of the campus, and to keep dollars generated on campus invested in the student experience, rather than paid to a third party.

To support the new operation, a budget has been developed which combines residential, retail and catering operations from the former St. George operation, the Chestnut Residence and New College. Both Chestnut Residence and New College contribute significant physical resources to this business model and are therefore treated as partners: the residences receive financial compensation for space costs, as well as a revenue share from the food service operation, much like a contracted service provider would pay. The blended budget sets the stage for future exploration of a more open meal plan, makes the scale of the operation transparent in order to leverage procurement benefits, and allows for flexibility of key staff assignments across the whole system. Beverage Services also transitioned to self-operation in August 2016.

The transition went seamlessly due to the extraordinary effort and commitment from staff. While the goal of this project was not to gain media attention, it has been heartening to see the efforts recognized in a positive fashion.[3] As with any start-up business, some unexpected challenges have resulted in costs that were not budgeted. This includes the replacement of aging kitchen equipment at New College and Chestnut in

3 . http://www.macleans.ca/education/university/what-a-food-critic-thinks-of-university-of-torontos-new-fresh-local-food-program/, http://www.macleans.ca/education/university/university-of-toronto-makes-dramatic-shift-to-independent-local-from-scratch-food/

order to support the large production operation, a need to hire additional skilled staff, an investment in networking infrastructure in the food service locations, renovation cost to replace outlets that were formerly franchise locations that were not able to renew, and a larger closing pay-out to ARAMARK than anticipated for capital assets. The two franchises that were not renewed were replaced by ***Tortillas*** at Robarts and a new concept developed called ***Sambal*** at MSB and Sid Smith. These changes have been well received. In addition, an unexpected success has been the new grab-and-go packaged program. This program focuses on package items that are made fresh every day and are great tasting. The sales of these items are higher than expected. In addition to all these changes, a new outlet was opened this fall at the Faculty of Law as planned.



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	2,316	2,811	2,861	36,608	34,530	40,562	42,219	43,419	44,653	45,922
Expenses	1,747	2,495	3,090	34,692	32,860	38,582	39,277	41,015	42,441	42,050
Net income (loss)	569	316	(229)	1,916	1,670	1,980	2,942	2,404	2,212	3,872
% change in revenues		*21.4%*	*1.8%*	*1179.6%*	*(5.7%)*	*17.5%*	*4.1%*	*2.8%*	*2.8%*	*2.8%*

St. George Food and Beverage Services is forecasting a surplus of $1.7 million in 2016-17 which is $244,930 less than budget. This variance is mainly due to forecasted cafeteria sales being lower than budget. Net assets are forecasted to be $2.0 million with $1.7 million in investment in capital assets and $0.3 million in operating reserve.

The 2016-17 operating plan includes St. George Food Services under the old business model for the first quarter. Beginning in August 2016, this plan combines residential, retail and catering operations from St. George, Chestnut and New College food operations. Under this new model, the University will report the total revenues earned instead of reporting only the commission earned on food sales as revenue. This change in accounting method leads to an increase in both total revenues and total expenses.

There is a tentative agreement in place to provide residential dining services at the new private residence at 245 College Street. Final lease negotiations are anticipated in the winter of 2017, with the building scheduled to open in August 2017. The start-up investment for this project is budgeted at $981,000 for 2017-18. There will also be a new outlet opening in September 2017 at the Faculty of Music. 2017-18 will be another year with large start-up costs. The budget is targeted to break even after commission on sales are distributed to New College and Chestnut residences.

Meal plan rates for mandatory residential plans are shown on Schedule VI of this report. Existing plans for Chestnut and New College are increasing by 3%, but the flex balances included in the plans have been adjusted down, since the University is now the operator and flex dollars can be added by meal plan holders at any time. Pricing for the 245 College Street plans are consistent with other pricing on St. George campus. Rates for non-residential plans and retail outlets have been assigned inflationary increases throughout the long range plan, and will have to remain competitive. Prices for products in franchised operations must be consistent with the requirements of the franchise agreement.

New College

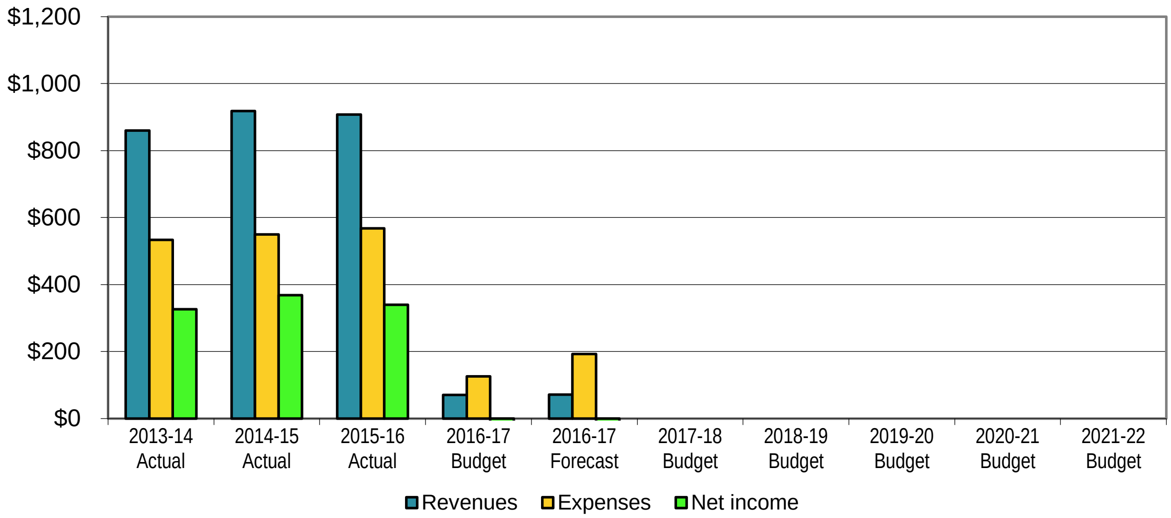
New College has a compulsory meal plan for students living in residence. A number of different plans are offered, giving students flexibility to choose the number of meals they wish to purchase. In addition, some of the plans include “flex” dollars that allow students to eat at any food outlet on the St. George campus. Food is served in Wetmore and Wilson dining rooms on an “all you can eat” basis.

The New College Food Services ancillary wound up operations on July 31, 2016 with the end of the 10-year ARAMARK contract. Effective August 1, 2016, New College joined the new food services operating model on the St. George campus. St. George Food Services is now the food services provider at New College. Meal plan offerings remain the same.

The budget and forecast reflects summer food operations for the period of May 1st through July 31st representing the last three months of the ARAMARK contract. Clients served include participants in the College’s summer educational programs as well as residents in the College’s summer hostel operations. The forecasted expenditures are projected to be $66,809 above budget. In addition to some prior year expenses not accrued, unbudgeted maintenance costs were incurred in repairing kitchen equipment to a standard acceptable to St. George Food Services. To close the books on the New College Food Services Ancillary, a final transfer of $721,158 will be transferred to the Residence.

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

New College: Food & Beverage Services
Revenues and Expenses
for the years ended April 30
(thousands of dollars)

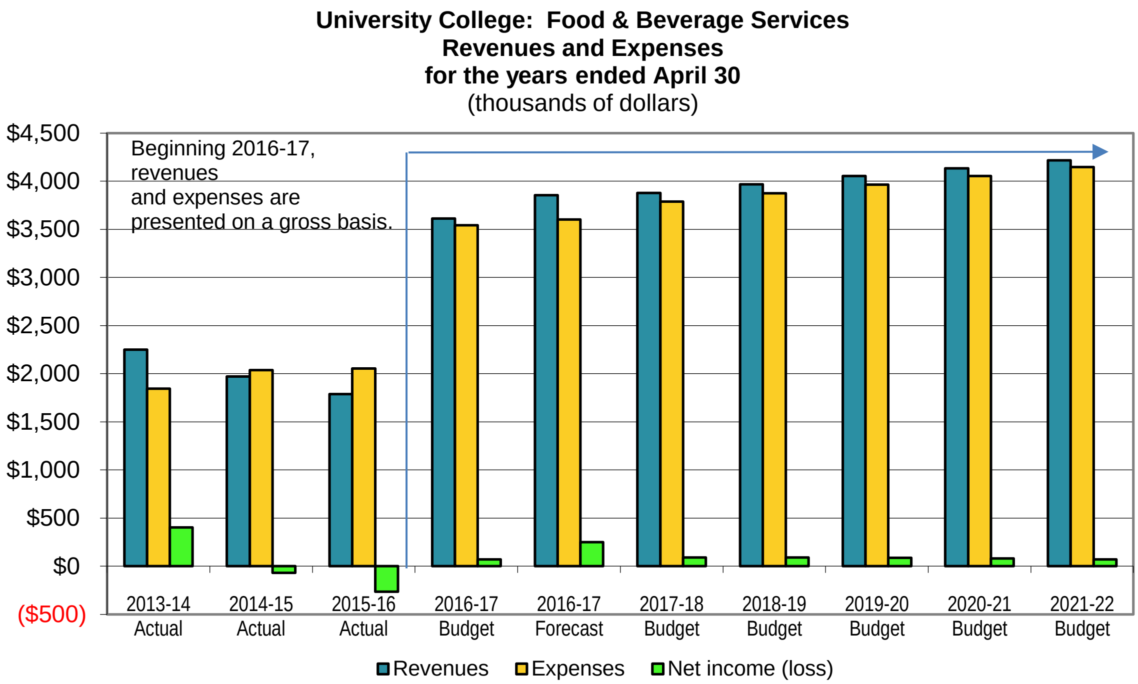


	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	860	918	908	70	71	0	0	0	0	0
Expenses	534	550	568	126	193	0	0	0	0	0
Net income	326	368	340	(56)	(122)	0	0	0	0	0
% change in revenues		*6.7%*	*(1.1%)*	*(92.3%)*	*1.4%*					

The New College operation will continue to offer three meal plans in 2017-18, the price increase on the three meal plans will be 3% (see Schedule VI). The mandatory "flex" dollars component has been decreased on two of the plans making them more affordable. All three plans include guest passes.

University College

The Howard Ferguson Dining Hall is a "self-operated" food service operation which provides services to approximately 730 residence students as well as to other U of T students, faculty and staff, and the general public. Its key goal is to maintain a balance of high quality, affordable pricing and a wide selection of menu choices. Vegetarian and halal selections are available at every meal. Some items required for special dietary needs are arranged individually as requested. Café Reznikoff is a small outlet that provides lighter meals, sandwiches, confectionary and some convenience items. It remains open during the summer term as part of the summer residence operation, providing a daily hot lunchtime meal from Monday to Friday. This ancillary also offers catering services and this catering business has increased substantially since the hiring of an Executive Chef.



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	2,249	1,970	1,790	3,612	3,854	3,878	3,966	4,053	4,135	4,217
Expenses	1,845	2,039	2,055	3,541	3,603	3,788	3,876	3,964	4,053	4,146
Net income (loss)	404	(69)	(265)	71	251	90	90	89	82	71
% change in revenues		*(12.4%)*	*(9.1%)*	*101.8%*	*6.7%*	*0.6%*	*2.3%*	*2.2%*	*2.0%*	*2.0%*

With increases in sales while keeping costs under control, this ancillary is forecasting for 2016-17, a net income of $250,795. The capital reserve is forecasted to be $1.1 million with an operating reserve of $0.2 million.

This ancillary is proposing a fee increase of 2.9% (see Schedule VI) to its meal plans for 2017-18. This increase is necessary to meet increases in the cost of food, other expenses and to maintain adequate reserves. With a full staff compliment, the cost of sales is budgeted at 34% (33% in 2016-17) of sales, and labour is budgeted at 52% (47% in 2016-17) of sales. This ancillary is projecting an operating surplus of $89,912. The capital reserves will drop moderately, while $150,000 is planned to be transferred to the college operation in support of its academic mission and capital project.

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

Transportation Services

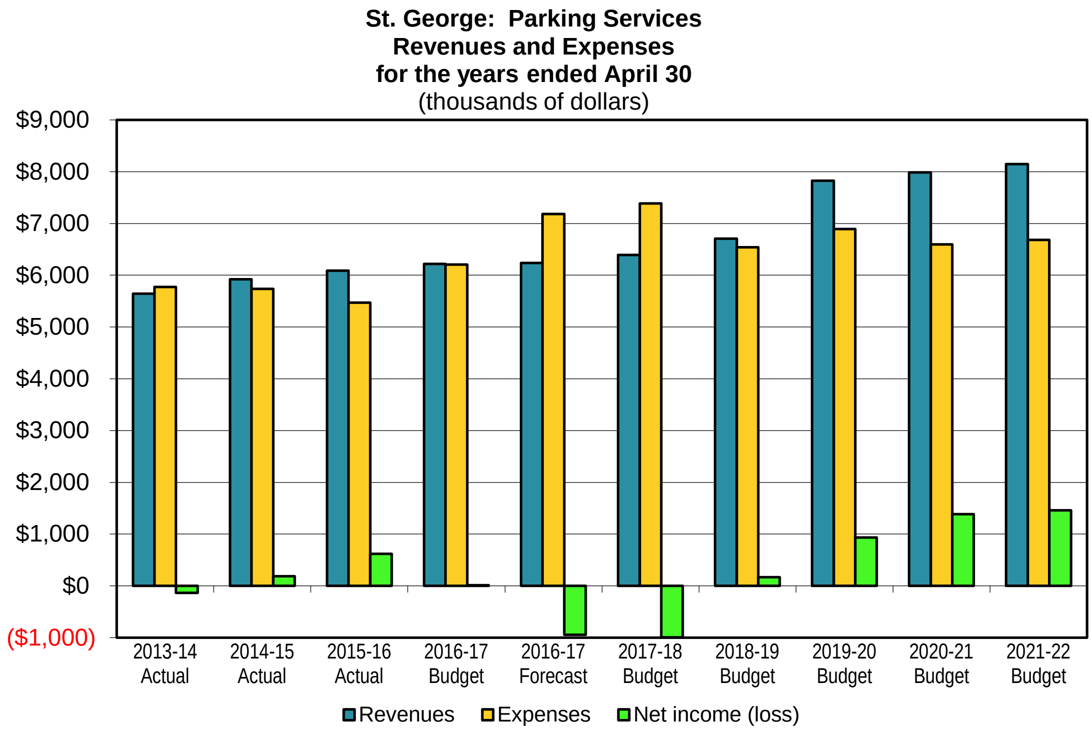
For the 2017-18 budget year, Transportation Services meets the last three objectives (see Schedule II for details). The annual surplus has been allocated to the capital renewal reserve and the new construction reserve.

Transportation Services operates 38 surface lots and 9 underground garages, providing 2,061 parking spaces for students, faculty and staff. As a result of population growth and campus development, the per capita parking supply has decreased significantly. In 2015, Transportation Services lost 96 parking spaces at the Simcoe Hall parking lot for the construction of the new engineering building (CEIE). Part of this project includes the construction of a parking garage with 50 spaces. This garage will cost $3.3 million to construct, $1.83 million of which will be coming from Transportation Services' reserves. With the loss of supply, both recent and anticipated, this ancillary will make further and broader use of the Transportation Demand Management (TDM) initiatives to better balance supply and demand. Additional initiatives include:

- Continuing price increases in high demand areas
- Restricting visitor parking during peak periods in certain areas
- Restricting contractor parking
- Restricting use of parking spaces for storage
- Encouraging alternate transportation
- Initiating price/location incentives for carpool vehicles.
- Creating of a flex-pass option to encourage occasional drivers versus purchasing a permit.

The results of this strategy are promising, with a 5%(11% in 2015-16) decrease in demand for the Pay & Display area for the first six months of 2016-17 while revenues are also lower by 2% as compared to last year's fiscal results. Total revenue is forecasted to be in line with budget. Annual maintenance expenses are forecasted to be $1.1 million higher than budget. This is mainly due to the cost of the traffic topping repair to the garage at 107 St. George Street which was opened in 1994. The commissioned condition survey revealed that the traffic topping would need to be replaced in order to protect the structure from water damage and deterioration. Level 1 of the parking garage was repaired during the summer, and repair to level 2 is planned for 2018. The forecasted 2016-17 operating deficit before commitments is $942,856 with a total reserve balance of $8.6 million of which $3.9 million represents investments in capital assets leaving $0.5 million in the capital renewal reserve, $0.4 million in the operating reserve and $3.8 million in the construction reserve.

Transportation Services is proposing a 2.1% to 8.3% permit rate increase for all parking permit areas. Parking permit areas with a higher demand will see a higher rate increase (see Schedule VI for details). Permit sales and pay & display revenues have been budgeted conservatively assuming a reduction in demand associated with the fee increases. The 2017-18 budget is anticipating a deficit of $994,762 primarily due to the cost to repair level 2 of the St. George Garage. Salary expenditures are budgeted to be 12% higher than the 2016-17 forecast since this ancillary will no longer manage the UTM Parking & Transportation ancillary. It is projecting that the net assets will be at $8.8 million of which $6.4 million is in investment in capital assets, $0.5 million in capital renewal reserve, $0.5 million in operating reserve and $1.4 million set aside for new parking structures if principal contributions are required.



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	5,644	5,924	6,090	6,218	6,237	6,394	6,707	7,828	7,984	8,144
Expenses	5,776	5,736	5,473	6,206	7,180	7,388	6,539	6,892	6,598	6,683
Net income (loss)	(132)	188	617	12	(943)	(994)	168	936	1,386	1,461
% change in revenues		*5.0%*	*2.8%*	*2.1%*	*0.3%*	*2.5%*	*4.9%*	*16.7%*	*2.0%*	*2.0%*

The long-range budget assumes inflationary increases for revenues and most expenses. The rates and budgets should be viewed as plans and they will be adjusted annually to reflect any changes at the time the budget is prepared. This ancillary will allocate any unrestricted surplus into the new construction reserve. This strategy was developed to take a proactive approach in the event that any new parking structures are contemplated. The number of parking spaces is expected to increase in the next few years with the opening of the new CEIE garage which is expected to be operational in fiscal 2019. The Landmark Project will also include an underground parking structure underneath the front campus and the Graduate Garage may add one or two levels of additional parking adjacent the garage. The University will take possession of the garage at 730 Yonge Street in 2020.

This ancillary is projected to accumulate net assets of $11.8 million of which $4.4 million is in investment in capital assets, $0.5 million in the capital renewal reserve, $0.5 million in the operating reserve and $6.4 million will be set aside for the construction reserve.

Hart House

Hart House is considered one of the pre-eminent centres for co-curricular education in North America. The goal is to give every student the opportunity to shape and participate in co-curricular programs that will broaden their horizons, help them forge Canadian perspectives on global challenges and develop them as leaders and change-makers in a more challenging world. Hart House provides enriching opportunities for learning about and contributing to the visual, performing and literary arts, sport and physical activity, public policy and social justice, and through the Hart House Farm, agriculture and food. It is open 365 days per year and continues to fulfill its mission as a welcoming and inclusive space on campus, providing excellent programs and services. Hart House will celebrate its 100th Anniversary in 2019.

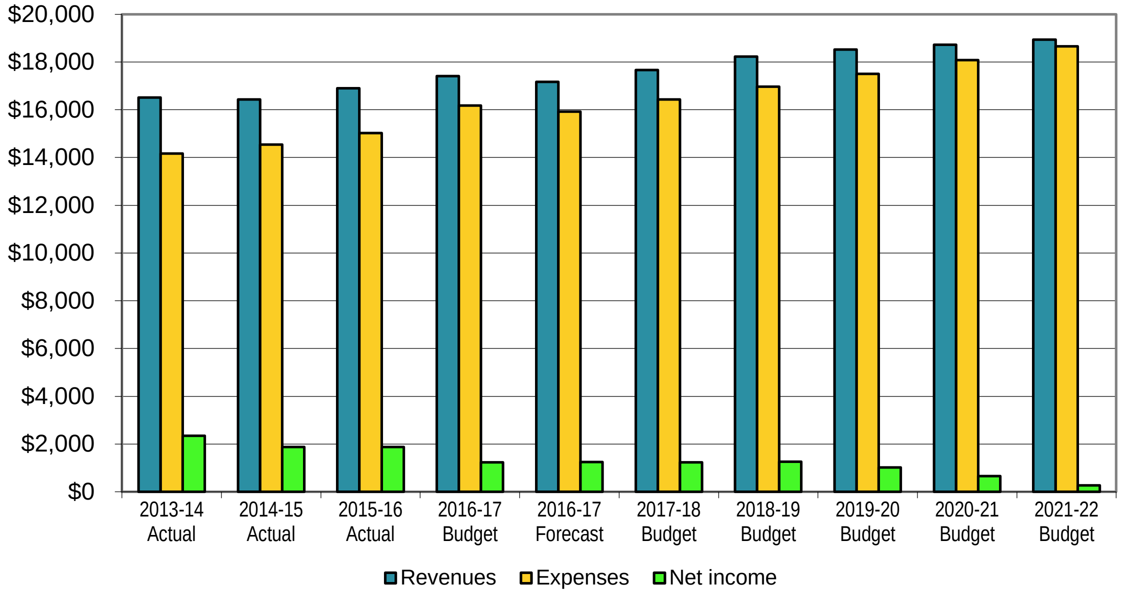
Several initiatives are being undertaken to enhance the student experience and to improve operational efficiency and effectiveness over the long term. Some major new initiatives are as follows:

- Finalizing a five year strategic plan that will steer the operations from 2016 until the next planning cycle in 2020;
- Launching a mentorship program tailored to the needs of graduate and part-time students on the basis of both their professional pursuits and personal priorities in 2016-17;
- Working with CIUT 89.5 FM radio station on some exciting joint programming opportunities and currently in final negotiations to free up some of their space for use by Hart House;
- Launching two new publications: The Annual Report, which looks back at initiatives and achievements over the past year, and the Hart House Quarterly Newsletter which features in-depth interviews, personal reminiscences and insider views;
- Establishing task force to review compliance with the Accessibility for Ontarians with Disabilities Act (AODA).

With a forecasted net income of $1.2 million for 2016-17, Hart House is projecting a balanced budget after setting aside reserves for programs and for major maintenance. Net assets are forecasted to be $15.9 million at the end of fiscal 2016-17.

The 2017-18 budget was prepared to support and expand the co-curricular offerings for students and to strengthen services offered to all users. This budget meets the first three objectives (see Schedule II for details). This budget anticipates a student fee rate increase of 2.5%, and a 2% increase for staff members under the joint plan (see Schedule VI). With the ancillary projecting a net income of $1.2 million, this budget includes $4.3 million spending on capital improvements ($2.1 million was approved in 2016-17), plus an additional $1.0 million for insurance, deferred, major and annual maintenance. Hart House is projecting net assets to be $17.2 million in 2017-18 with $5.2 million in the capital renewal reserve.

Hart House
Revenues and Expenses
for the years ended April 30
(thousands of dollars)



	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Budget	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Revenues	16,518	16,428	16,895	17,410	17,168	17,668	18,227	18,522	18,730	18,935
Expenses	14,169	14,546	15,023	16,184	15,928	16,436	16,964	17,510	18,075	18,663
Net income	2,349	1,882	1,872	1,226	1,240	1,232	1,263	1,012	655	272
% change in revenues		*-0.5%*	*2.8%*	*3.0%*	*(1.4%)*	*2.9%*	*3.2%*	*1.6%*	*1.1%*	*1.1%*

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

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEAR ENDING APRIL 30, 2018 **Schedule I**
(with comparative projected surplus for the year ending April 30, 2017)
(thousands of dollars)

	Revenues	Expenditures	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers 2018	Forecast 2017
RESIDENCE SERVICES						
Innis College	3,599	3,396	203	(125)	78	287
New College	10,354	9,967	387	721	1,108	1,938
University College	7,465	7,195	270	(150)	120	789
Graduate House	4,657	4,550	107	20	127	441
Family Housing	8,901	8,116	785	(402)	383	(1,113)
Chestnut Residence	15,486	15,520	(34)	1,353	1,319	1,749
Woodsworth College	4,903	4,816	87	-	87	281
Total Residence Services	55,365	53,560	1,805	1,417	3,222	4,372
FOOD & BEVERAGE SERVICES						
St. George Campus	40,562	38,582	1,980	(2,032)	(52)	(171)
New College						(844)
University College	3,878	3,788	90	(150)	(60)	101
Total Food & Beverage Services	44,440	42,370	2,070	(2,182)	(112)	(914)
TRANSPORTATION SERVICES	6,394	7,388	(994)	1,201	207	(1,147)
HART HOUSE	17,668	16,436	1,232	-	1,232	1,240
TOTAL	**123,867**	**119,754**	**4,113**	**436**	**4,549**	**3,551**

Schedule II

SUMMARY OF SERVICE ANCILLARY OPERATIONS LONG-RANGE BUDGET RESULTS

(thousands of dollars)

Service Ancillaries	Objectives to be met within the 2017-18 Budget: 1	2	3	4	2017 - 2018 Projected Unrestricted Surplus/(Deficit)	Projected investment in capital assets	Projected Commitments to Capital Renewal (Schedule III)	Projected operating reserve (Schedule III.1)	Projected new constr. reserve (Schedule III.1)	2017 - 2018 Net Assets	2019-2020 Net Assets	2021-2022 Net Assets
Residence Services												
Innis College	yes	yes	yes	yes	764	320	1,856	285	-	3,225	3,960	5,504
				125								
New College	yes	yes	no	no	(5,719)	3,092	600	-	-	(2,027)	399	3,710
University College	yes	yes	yes	yes	2,351	3,550	1,063	494	-	7,458	8,480	11,149
				150								-
Graduate House	yes	no	yes	yes	99	4,350	-	693	-	5,142	5,285	5,507
				1.0								-
Family Housing **	yes	yes	yes	yes	735	264	1,250	644	1,000	3,893	3,951	5,245
				4.1								
Chestnut Residence	yes	no	no	no	(9,346)	9,240	-	-	-	(106)	2,946	6,182
Woodsworth College	yes	yes	yes	no	-	1,944	3,000	1,725	-	6,669	6,777	7,031
Total Residence Services					**(11,116)**	**22,760**	**7,769**	**3,841**	**1,000**	**24,254**	**31,798**	**44,328**
Food & Beverage Services												
St. George Campus	yes	no	yes	no	6	1,933		53	-	1,992	3,073	4,682
University College	yes	yes	yes	yes	(147)	157	1,000	246	-	1,256	1,136	989
				150								
Total Food & Beverage Services					**(141)**	**2,090**	**1,000**	**299**		**3,248**	**4,209**	**5,671**
Transportation Services												
St. George Campus	no	yes	yes	yes		6,446	500	457	1,452	8,855	9,389	11,755
				95								
Hart House	yes	yes	yes	no	1,086	8,135	5,150	2,795	-	17,166	19,441	20,368
TOTAL				**525**	**(10,171)**	**39,431**	**14,419**	**7,392**	**2,452**	**53,523**	**64,837**	**82,122**

OBJECTIVES:

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

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

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

Schedule III

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

	Forecast Balance May 1, 2017	Net increase (decrease) in commitments to capital renewal	Balance April 30, 2018	Balance April 30, 2022
RESIDENCE SERVICES				
Innis College	1,768	88	1,856	2,437
New College	600	-	600	600
University College	1,315	(252)	1,063	1,315
Graduate House	-	-	-	400
Family Housing *	1,250		1,250	1,250
Chestnut Residence	-	-	-	-
Woodsworth College	3,000	-	3,000	3,500
Total Residence Services	7,933	(164)	7,769	9,502
FOOD & BEVERAGE SERVICES				
St. George Campus	-	-	-	1,250
University College	1,116	(116)	1,000	1,000
Total Food & Beverage Services	1,116	(116)	1,000	2,250
TRANSPORTATION SERVICES	500	-	500	500
HART HOUSE	7,725	(2,575)	5,150	6,268
TOTAL	**17,274**	**(2,855)**	**14,419**	**18,520**

* Family Housing has a trust fund set up as part of the purchase agreement whereby the ancillary contributes $600,000 annually to the fund and major capital projects are expensed through this fund. The fund balance at April 30, 2016 is expected to be $443,266, and $0 in 2020-21.

Schedule III.1

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

	OPERATING RESERVE				NEW CONSTRUCTION RESERVE			
	Forecast Balance May 1, 2017	Increase or (decrease)	Balance April 30, 2018	Balance April 30, 2022	Forecast Balance May 1, 2017	(decrease)	Balance April 30, 2018	Balance April 30, 2022
RESIDENCE SERVICES								
Innis College	262	23	285	270	-	-	-	-
New College	-	-	-	-	-	-	-	-
University College	486	8	494	542	-	-	-	-
Graduate House	625	68	693	756	-	-	-	-
Family Housing	625	19	644	661	1,000	-	1,000	2,750
Chestnut Residence	-	-	-	-	-	-	-	-
Woodsworth College	1,796	(71)	1,725	2,089	-	-	-	-
Total Residence Services	3,794	47	3,841	4,318	1,000	-	1,000	2,750
FOOD & BEVERAGE SERVICES								
St. George Campus	43	10	53	1,327	-	-	-	-
University College	229	17	246	270	-	-	-	-
Total Food & Beverage Services	272	27	299	1,597	-	-	-	-
TRANSPORTATION SERVICES	439	18	457	468	3,833	(2,381)	1,452	6,389
HART HOUSE	2,767	28	2,795	2,902	-	-	-	-
TOTAL	**7,272**	**120**	**7,392**	**9,285**	**4,833**	**(2,381)**	**2,452**	**9,139**

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

	2016-2017 (Forecast)			2017 - 2018			2018-2019		
	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers
RESIDENCE SERVICES									
Innis College	412	(125)	287	203	(125)	78	244	(125)	119
New College	587	1,351	1,938	387	721	1,108	364	755	1,119
University College	939	(150)	789	270	(150)	120	1,103	(150)	953
Graduate House	421	20	441	107	20	127	58	20	78
Family Housing	205	(1,318)	(1,113)	785	(402)	383	854	(403)	451
Chestnut Residence	275	1,474	1,749	(34)	1,353	1,319	204	1,391	1,595
Woodsworth College	281	-	281	87		87	26	-	26
Total Residence Services	3,120	1,252	4,372	1,805	1,417	3,222	2,853	1,488	4,341
FOOD & BEVERAGE SERVICES									
St. George Campus	1,670	(1,841)	(171)	1,980	(2,032)	(52)	2,942	(2,130)	812
New College	(122)	(722)	(844)		-		-	-	
University College	251	(150)	101	90	(150)	(60)	90	(150)	(60)
Total Food & Beverage Services	1,799	(2,713)	(914)	2,070	(2,182)	(112)	3,032	(2,280)	752
TRANSPORTATION SERVICES	(943)	(204)	(1,147)	(994)	1,201	207	168	(337)	(169)
HART HOUSE	1,240	-	1,240	1,232	-	1,232	1,263	-	1,263
TOTAL	**5,216**	**(1,665)**	**3,551**	**4,113**	**436**	**4,549**	**7,316**	**(1,129)**	**6,187**

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

	2019-2020			2020-2021			2021-2022		
	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers
RESIDENCE SERVICES									
Innis College	741	(125)	616	873	(125)	748	921	(125)	796
New College	550	756	1,306	773	766	1,539	955	818	1,773
University College	219	(150)	69	1,305	(150)	1,155	1,664	(150)	1,514
Graduate House	44	21	65	72	21	93	108	21	129
Family Housing	106	(500)	(394)	404	68	472	754	68	822
Chestnut Residence	62	1,394	1,456	539	1,412	1,951	(222)	1,507	1,285
Woodsworth College	81	-	81	68	-	68	186	-	186
Total Residence Services	1,803	1,396	3,199	4,034	1,992	6,026	4,366	2,139	6,505
FOOD & BEVERAGE SERVICES									
St. George Campus	2,404	(2,135)	269	2,212	(2,163)	49	3,872	(2,311)	1,561
New College		-		-	-		-	-	
University College	89	(150)	(61)	82	(150)	(68)	71	(150)	(79)
Total Food & Beverage Services	2,493	(2,285)	208	2,294	(2,313)	(19)	3,943	(2,461)	1,482
TRANSPORTATION SERVICES	936	(234)	702	1,386	(238)	1,148	1,461	(243)	1,218
HART HOUSE	1,012	-	1,012	655	-	655	272	-	272
TOTAL	**6,244**	**(1,123)**	**5,121**	**8,369**	**(559)**	**7,810**	**10,042**	**(565)**	**9,477**

Schedule V

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS
SUMMARY OF 2017-2018 CAPITAL BUDGETS
(with comparative figures for 2016-2017)
(thousands of dollars)

	Budget 2017 - 2018	Budget 2016-2017
RESIDENCE SERVICES		
Innis College	38	-
New College	765	360
University College	2,102	760
Family Housing	110	-
Graduate House	151	551
Chestnut Residence	1,222	1,316
Woodsworth College	351	-
Total Residence Services	4,739	2,987
FOOD & BEVERAGE SERVICES		
St. George Campus	531	1,005
University College	20	40
Total Food & Beverage Services	551	1,045
TRANSPORTATION SERVICES	-	616
	-	-
HART HOUSE	2,124	2,296
TOTAL	**7,413**	**6,943**

SCHEDULE OF 2017-2018 ANCILLARY RATES

	2017/18 RATE $	2016/17 RATE $	INCREASE $	INCREASE %	PRIOR YEAR's INCREASE %
RESIDENCE SERVICES					
St. George Campus					
Innis College					
Innis College - Winter	9,064	8,736	328	3.75	4.99
Innis College - Summer	3,099	2,980	119	4.00	2.75
New College					
Winter					
Residence Room - Wilson Hall & Wetmore Hall					
Double room (per bed)	7,425	7,175	250	3.5	2.5
Single room	8,825	8,525	300	3.5	2.4
Bed-over-desk double room (per bed)	6,100	5,900	200	3.4	2.6
Residence Room - 45 Willcocks					
Double room (per bed)	7,975	7,950	25	0.3	3.2
Single room	9,400	9,300	100	1.1	3.1
Summer/Single					
Continuing New College Students					
Sessional	2,520	2,442	78	3.2	0.9
Registered Students					
Sessional	2,515	2,461	54	2.2	(2.7)
Others					
Sessional	2,622	2,568	54	2.1	(2.7)
Summer/Double					
Continuing New College Students					
Sessional	2,128	1,998	130	6.5	4.0
Registered Students					
Sessional	2,033	1,926	107	5.6	3.0
Others					
Sessional	2,140	2,033	107	5.3	2.7
University College					
SDW	8,372	7,989	383	4.8	4.0
DW Standard Doubles	7,766	7,540	226	3.0	2.5
WH Standard Singles	8,374	7,990	384	4.8	4.0
WH & SDW Alcove Singles	7,766	7,540	226	3.0	2.5
WH Doubles	7,766	7,540	226	3.0	2.5
MH Singles	8,882	8,379	503	6.0	6.0

SCHEDULE OF 2017-2018 ANCILLARY RATES

	2017/18 RATE $	2016/17 RATE $	INCREASE $	INCREASE %	PRIOR YEAR's INCREASE %
RESIDENCE SERVICES					
St. George Campus					
Graduate House					
Grad. House Res/month - Single - premium	1,127	1,094	33	3.0	2.9
Grad. House Res/month - Single - regular	1,010	981	29	3.0	2.8
Grad. House Res/month - Singles in suite 970	895	869	26	3.0	2.8
Grad. House Res/month - Singles in suite 670	973	945	28	3.0	2.8
Grad. House Res/month - Regular Double	771	749	22	2.9	2.9
Family Housing					
Bachelor	754	743	11	1.5	2.5
1 bedroom (standard)	935	921	14	1.5	2.5
1 bedroom (20) 'B'	950	936	14	1.5	2.5
1 bedroom (large) 'A'	991	976	15	1.5	2.5
1 bedroom (19/23) 'C'	1,015	1,000	15	1.5	2.5
1 bedroom (Extra Large)'D'	1,228	1,210	18	1.5	2.5
2 bedroom (standard)	1,236	1,218	18	1.5	2.5
Chestnut Residence					
Single	12,579	11,980	599	5.0	5.0
Double	10,162	9,866	296	3.0	5.0
Summer Rates per month					
Single	1,365	1,295	70	5.4	5.6
Double	1,045	995	50	5.0	7.5
Summer Rates full summer					
Single	4,469	4,281	188	4.4	8.4
Double	2,746	2,592	154	5.9	3.9
Summer Rates full summer with discount					
Single	3,799	3,585	214	6.0	11.3
Double	2,335	2,203	132	6.0	8.3
Woodsworth College					
Woodsworth College - Winter	9,482	9,206	276	3.0	2.5
HART HOUSE					
St. George Full Time	86.38	84.27	2.1	2.5	2.0
St. George Part Time	17.29	16.87	0.4	2.5	2.0
Scarborough & Mississauga (Full time)	2.65	2.59	0.1	2.5	2.0
Scarborough & Mississauga (Part time)	0.53	0.52	0.0	2.5	2.0

SCHEDULE OF 2017-2018 ANCILLARY RATES

	2017/18 RATE $	2016/17 RATE $	INCREASE $	INCREASE %	PRIOR YEAR's INCREASE %
TRANSPORTATION SERVICES					
St. George Campus					
Permit					
Faculty of Education	130	120	10	8.3	4.3
School of Continuing Ed.	290	275	15	5.5	5.8
42 Harbord Street	130	120	10	8.3	4.3
Graduate Garage	140	135	5	3.7	-
OISE	150	145	5	3.4	3.6
Bedford	190	185	5	2.7	2.8
St. George Garage	160	150	10	6.7	3.4
Faculty of Law	225	215	10	4.7	4.9
BCIT	190	185	5	2.7	2.8
McLennan Physics	225	215	10	4.7	4.9
E/S Hart House Circle	175	170	5	2.9	3.0
Triangle	245	235	10	4.3	6.8
Front Campus (KCC & HHC)	230	225	5	2.2	2.3
Simcoe Hall- Engineering Garage (under construction)	n/a	310	n/a	n/a	n/a
Galbraith	245	235	10	4.3	6.8
200 College St (Rear) I.S.C	245	235	10	4.3	6.8
Tower Road - Unreserved	130	120	10	8.3	4.3
Tower Road - Reserved	245	235	10	4.3	6.8
256 McCaul Street-Reserved	245	235	10	4.3	4.4
155 College Street - Garage	260	250	10	4.0	6.4
155 College Street - Surface	245	235	10	4.3	4.4
100 College Street - Banting	130	120	10	8.3	4.3
112 College Street - Best	190	180	10	5.6	5.9
88 College Street - Women's college	190	180	10	5.6	5.9
Dentistry - Garage	225	215	10	4.7	4.9
Dentistry - Surface	205	200	5	2.5	2.6
6 King's College Road	240	235	5	2.1	6.8
Permit Misc					
Commercial monthly	250.00	235.00	15.00	6.4	6.8
Commercial weekly	76.50	72.00	4.50	6.3	7.5
After 4pm parking	73.50	70.00	3.50	5.0	2.9
Summer Conference monthly	225.75	215.00	10.75	5.0	3.4
Summer Conference weekly	78.25	74.50	3.75	5.0	2.8
UTM/UTSC designated lot	49.88	47.50	2.38	5.0	4.4
UTM/UTSC hunting permit	80.85	77.00	3.85	5.0	4.1
24-Hour Reserve	290.00	275.00	15.00	5.5	5.8
24-Hour Reserve (256 McCaul)	290.00	275.00	15.00	5.5	5.8
Z-Permit (unrestricted)	245.00	230.00	15.00	6.5	4.5
Motorcycle	33.50	32.00	1.50	4.7	6.7

SCHEDULE OF 2017-2018 ANCILLARY RATES

	2017/18 RATE $	2016/17 RATE $	INCREASE $	INCREASE %	PRIOR YEAR's INCREASE %
FOOD & BEVERAGE SERVICES					
St. George Campus					
New College					
15 Meals per week with $100 flex.	4,745	4,835	(90)	-1.9	2.6
330 Meals during the academic year with $200 flex	4,725	4,870	(145)	-3.0	2.5
Carte Blanche Meal plan (unlimited access does not include flex)	5,300	5,145	155	3.0	2.8
Chestnut					
Unlimited Access plan 1 $100 flex	5,456	5,400	56	1.0	n/a
Unlimited Access plan 2 $200 flex	5,556	5,600	(44)	-0.8	n/a
Unlimited Access plan 3 $300 flex	5,656	5,800	(144)	-2.5	n/a
245 College Meal Plans(Declining Balance Program)					
Light Plan (Includes $200 flex)	5,200	-	n/a	n/a	n/a
Average Plan (Includes $100 flex)	5,400	-	n/a	n/a	n/a
Hearty Plan (Includes $100 flex)	5,600	-	n/a	n/a	n/a
.					
University College					
Plan A	4,888	4,750	138	2.9	2.9
Plan B	4,315	4,193	122	2.9	2.9

Budget Preparation Review and Consultation Process

The University Affairs Board approves operating plans for the St. George service ancillaries on an annual basis. This report describes the proposed services and programs offered within the financial parameters of the University's operating budget and financial policies set by the Business Board. The plans include each ancillary's annual operating budget, as well as changes to programs and levels of service, categories of users, accessibility, and compulsory or optional fees.

The St. George service ancillaries' annual budgets for 2017-18 and long-range plans for 2018-19 to 2021-22 were reviewed by a number of local committees and councils. Membership in these committees and councils include students who play an integral part in the overall consultation process (see page 48).

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

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

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

Student / Local Committees and Councils

Residences

New College:
- Priority, Planning and Budget Committee
- New College Council

Innis College:
- Innis Residence Committee

Graduate House:
- Graduate House Council (residents)
- SGS Graduate House Governing Body

University College:
- University College Residence Council

Chestnut Residence:
- Residence Council
- Residence Board

Family Housing:
- Joint Committee, Management and Tenant Executive
- Student Family Housing Advisory Board

Woodsworth College:
- Woodsworth Residence Council

Food Services

New College Food Services:
- Priority, Planning and Budget Committee
- New College Council

University College Food Services:
- University College Residence Council Food Committee

Hart House

Finance Committee
Board of Stewards
Council on Student Services

Members of the St. George Service Ancillary Review Group

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

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

Students	Katie Dunlop
Ex-Officio	Larry Whatmore
Administrative Staff	Vikram Sainadh Chadalawada

Financial Services:

Manager, Accounting Services	Selina Law
Financial Accounting Analyst	Savitha Sampathkumar