UNIVERSITY OF TORONTO

OFFICE OF THE GOVERNING COUNCIL

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

TO: University Affairs Board

SPONSOR: Sandy Welsh, Vice-Provost, Students
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PRESENTER: Sandy Welsh, Vice-Provost, Students
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DATE: February 12, 2019 for March 4, 2019

AGENDA ITEM: 1c

ITEM IDENTIFICATION:

2019-20 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 4, 2019)**
2. Business Board [For Information] (March 18, 2019)

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, 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 combined net income of $6.1 million before transfers and capital costs for the year ended April 30, 2020 on projected revenues of $136.4 million (See Schedule I). Rate increases vary between ancillaries (see Schedule VI).

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 2019-20 are reasonable on a one-year basis given the challenges some of the ancillaries face, with the understanding that there will be continuing work to address the various issues.

The extent to which each ancillary is anticipating to meet the financial objectives of the budget guidelines are summarized on page 33.

FINANCIAL IMPLICATIONS:

Refer to highlights.

RECOMMENDATION:

BE IT RESOLVED,

THAT the proposed 2019-20 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, 2019.

DOCUMENTATION PROVIDED:

- St. George Service Ancillary Report on Operating Plans 2019-20.

UNIVERSITY OF TORONTO

ST. GEORGE

Service Ancillaries Report on Operating Plans
2019-20

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Introduction

The St. George service ancillaries include the St. George residences (including summer business), food & beverage services, Transportation Services and Hart House. Collectively, the operations have experienced significant growth in response to growing student enrolment on campus, and are recovering from the high fixed costs associated with that growth. The growth in enrolment required a major building program which included student residences and parking garages. The costs associated with these additional facilities required debt financing with the expectation that over time, with inflation, the repayment of loans would become a declining proportion of revenue. The operations are moving back to a break-even, or in some cases a surplus, position.

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.

Having achieved the first two objectives:

3. To 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.

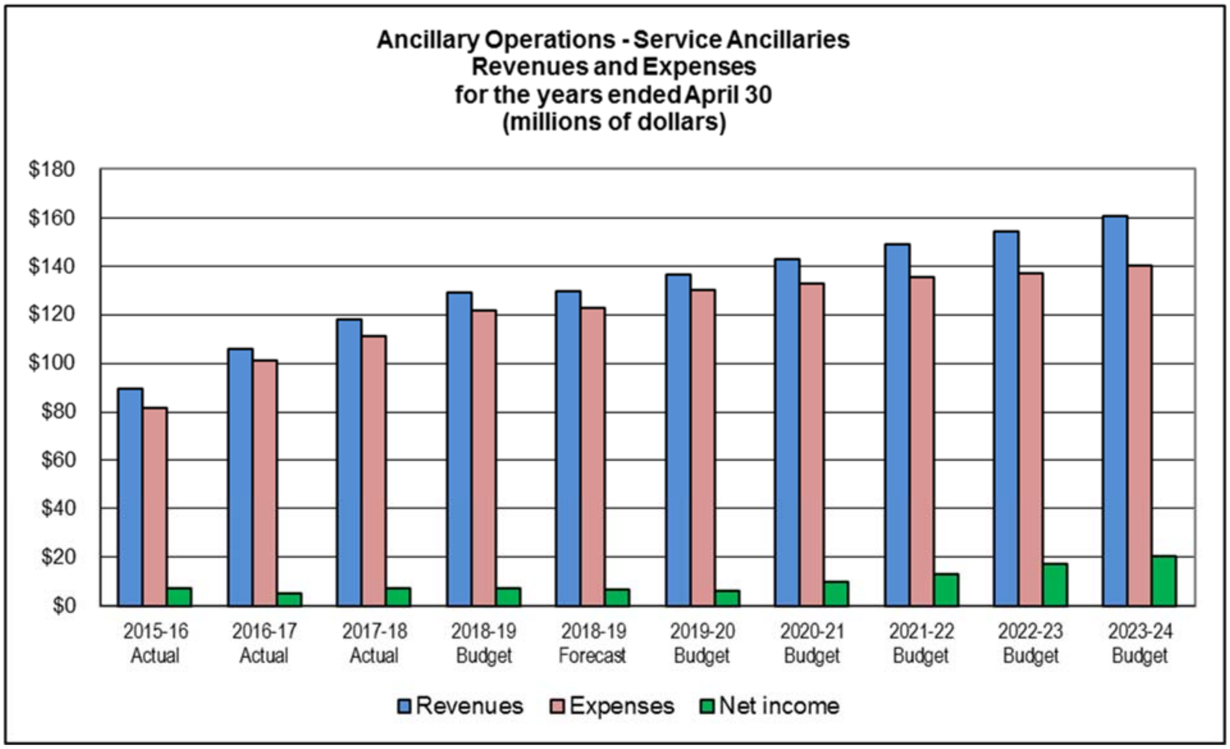
Having obtained the first three objectives:

4. To contribute net revenues to the operating budget[1]. The rate of contribution will be established by each individual campus for each individual ancillary.

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

Financial Summary

St. George service ancillaries are forecasting a net income of $6.7 million before transfers for 2018-19 on projected revenues of $129.4 million. The forecasted net income represents a decrease from last year's actual net income. The net income for 2018-19 is forecasted to be $0.7 million lower than the budgeted net income of $7.4 million. This unfavorable variance from budget is attributable to food & beverage services (-$1.1M), offset by residence services ($0.3M) and Transportation Services ($0.1M) (see table on Page 5).



Revenue	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	% to Total Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Residences & conferences	60.7	54.1	57.4	57.7	59.0	61.0	0.4	63.6	66.1	68.5	70.9
Food & beverage	5.6	28.3	36.3	45.2	45.0	48.0	0.4	50.2	52.6	54.4	56.4
Transportation Services	6.1	6.4	6.8	7.2	6.8	7.6	0.1	7.8	7.9	8.1	8.2
Hart House	16.9	17.2	17.5	19.0	18.6	19.8	0.1	21.0	22.3	23.6	25.1
Total Revenue	89.3	106.0	118.0	129.1	129.4	136.4	1.0	142.6	148.9	154.6	160.6
Total Expense	81.8	101.1	110.9	121.7	122.7	130.3		132.7	135.6	137.1	140.2
Net income	7.5	4.9	7.1	7.4	6.7	6.1		9.9	13.3	17.5	20.4

The total forecasted revenues for 2018-19 are $11.4 million higher than 2017-18 actuals. This variance is mainly due to rates increases, and higher summer revenue and higher occupancy rates. Pay and display revenues is forecasted to be lower than the prior year for Transportation Services, and Hart House is forecasting food revenues to be higher than the previous year. For 2018-19, the St. George service ancillaries are forecasting revenues to be $0.3 million higher than budget. The increase in revenues can be attributed to residence services ($1.3M), offset by decreases from food and beverage services (-$0.2M), Transportation Services (-0.4M) and Hart House (-$0.4M).

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. St. George Food & Beverage Services opened a new residential dining hall at CampusOne (245 College Street) last year, and 2018-19 represents the first full year of operation of this new residential dining hall.

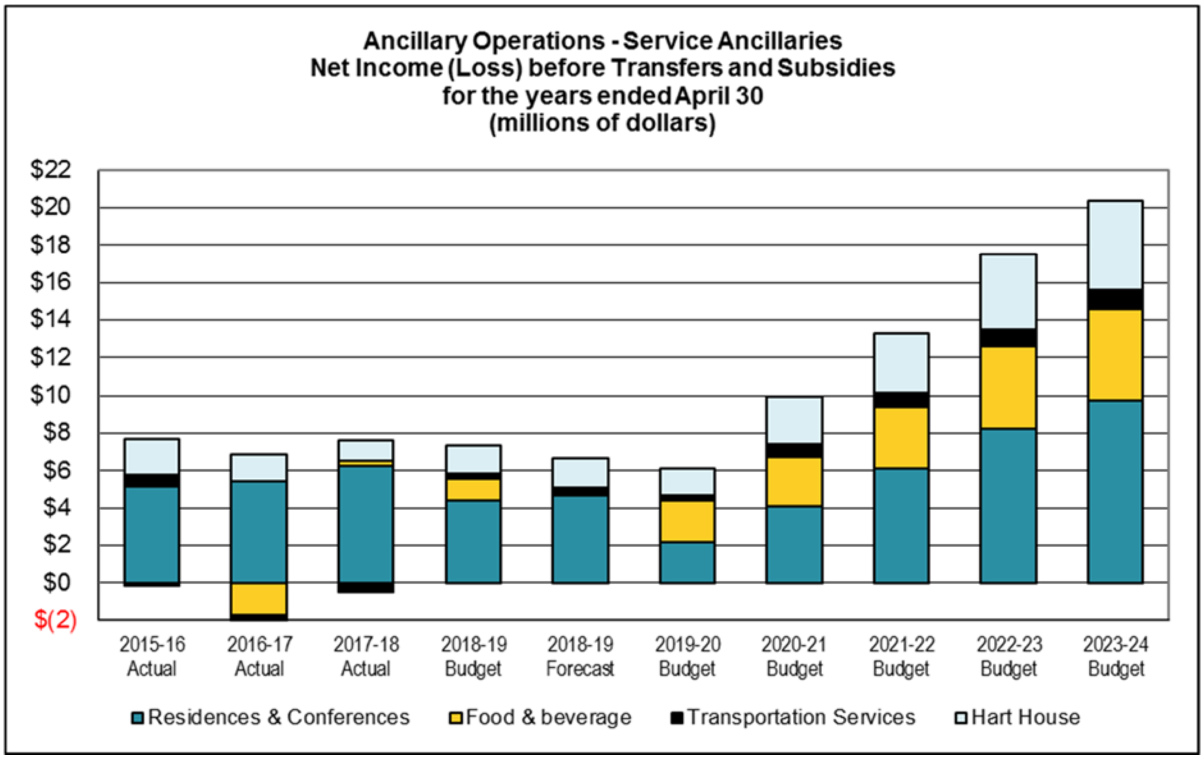
For the 2019-20 budgets, the service ancillaries are anticipating a net income of $6.1 million with $136.4 million of revenues and $130.3 million of expenses. The $6.1 million net income projected for 2019-20 represents a decrease of $0.6 million from the forecasted 2018-19 net income.

A majority of residences are anticipating revenue growth with rental rate increases ranging from 3.3% to 6.1% (the 6.1% rate increase includes additional weekly suite cleaning services at Woodsworth Residence), while maintaining their optimal occupancy rates for the fall and winter sessions. Food and beverage services have incorporated sales improvements due to projected increases in enrolment and meal plan rates. Transportation Services have proposed rate increases ranging from 0.0% to 15.0% for all parking permit areas. Parking permit areas with a higher demand and with 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 $24.2 million (17.7%) from 2019-20 to 2023-24. Of this increase, $9.9 million is estimated to come from residence services, $8.4 million from food and beverage services, $0.6 million from Transportation Services, and $5.3 million from Hart House.

Net Income

The forecasted net income before transfers for 2018-19 is $6.7 million, which is $0.7 million lower than the 2018-19 budget and $0.4 million lower than 2017-18 actual net income. The largest contributor to the forecasted net income in 2018-19 is residence services ($4.7M). This is mainly due to strong summer business and that some residences are forecasting expenses lower than budget.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	% to Total Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Residences & Conferences	5.2	5.4	6.2	4.4	4.7	2.1	0.3	4.1	6.1	8.2	9.7
Food & beverage	(0.2)	(1.7)	0.3	1.2	0.1	2.2	0.4	2.6	3.3	4.4	4.9
Transportation	0.6	(0.3)	(0.5)	0.2	0.3	0.3	0.1	0.7	0.7	0.9	1.0
Hart House	1.9	1.5	1.1	1.6	1.6	1.5	0.2	2.5	3.2	4.0	4.8
Net income (loss)	7.5	4.9	7.1	7.4	6.7	6.1	1.0	9.9	13.3	17.5	20.4

Net income for the next five years is forecasted to increase 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 $14.3 million in net income from 2019-20 to 2023-24. This is mainly due to an increase of $7.6 million from Residences Services, $2.7 million from food & beverage services, $0.7 million from Transportation Services and $3.3 million from Hart House.

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

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2023-24 Budget	Change from 2023-24 over 2019-20	Five year planning period
Innis College	0.5	0.7	0.7	0.3	0.5	0.7	1.1	0.4	4.6
New College	0.0	0.3	1.0	0.7	1.2	0.6	1.7	1.0	6.4
University College	0.7	1.0	(0.5)	0.8	0.1	0.7	1.9	1.2	5.9
Graduate House	0.7	0.7	0.8	0.2	0.6	0.2	0.8	0.6	3.0
Family Housing	1.1	0.9	2.0	1.5	1.3	0.9	0.8	(0.1)	3.4
Chestnut Residence	1.8	1.3	1.3	0.8	0.6	(1.2)	3.1	4.4	5.9
Woodsworth College	0.4	0.5	0.9	0.1	0.4	0.2	0.3	0.1	1.0
Residences	5.2	5.4	6.2	4.4	4.7	2.1	9.7	7.6	30.2
St. George	(0.2)	(1.7)	0.0	1.0	0.0	2.1	4.5	2.4	16.0
New College	0.3								
University College	(0.3)	0.0	0.3	0.2	0.1	0.1	0.4	0.3	1.4
Food & beverage	(0.2)	(1.7)	0.3	1.2	0.1	2.2	4.9	2.7	17.4
Transportation Services	0.6	(0.3)	(0.5)	0.2	0.3	0.3	1.0	0.7	3.6
Hart House	1.9	1.5	1.1	1.6	1.6	1.5	4.8	3.3	16.0
Total net income	7.5	4.9	7.1	7.4	6.7	6.1	20.4	14.3	67.2

Notes:

1. Conference businesses are combined with the residence ancillary.

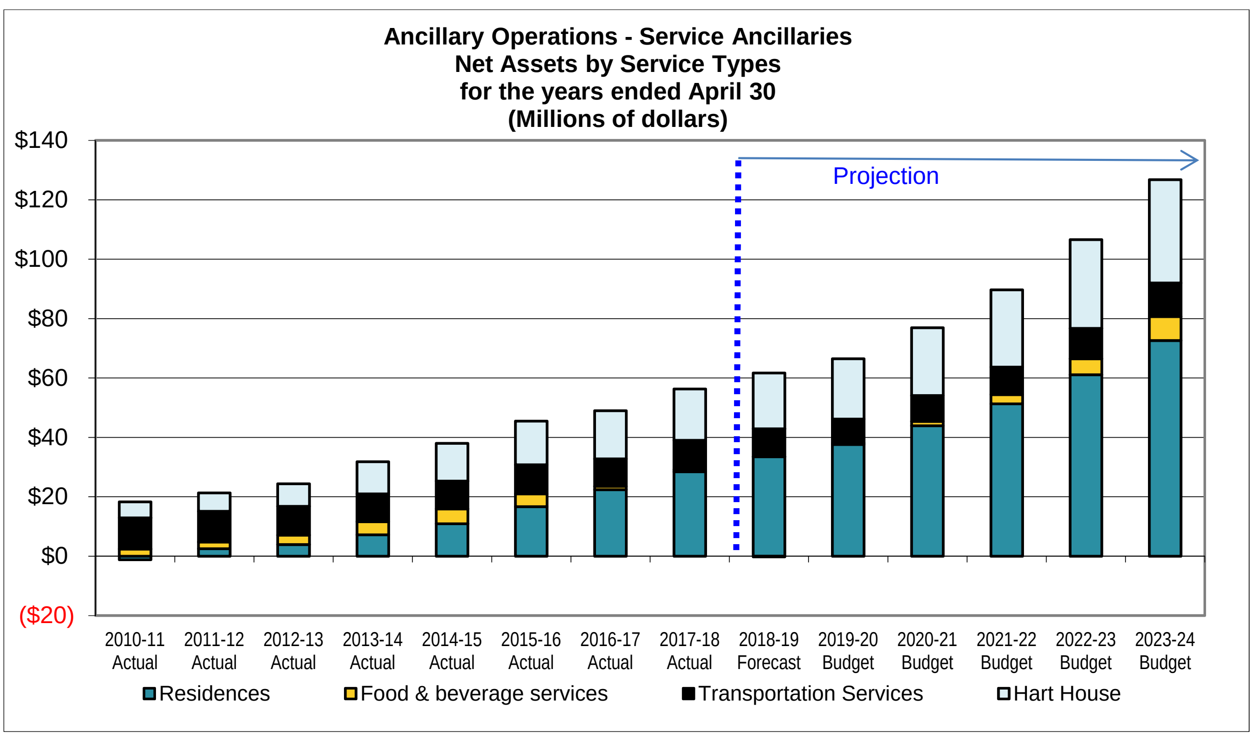
2. Chestnut Residence includes revenue and expenses from conferences, food & beverage and parking in 2015-16. Beginning in 2016-17, revenue from food & beverage is excluded from Chestnut Residence.

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 specific purpose.
- 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 2010-11 to 2017-18 and projects the net assets in accordance with long-range plans to 2023-24.



The previous 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 Assetsfor the years ended April 30
(millions of dollars)

	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Innis College	3.9	3.9	4.2	4.6	5.1	5.7	6.4	7.3
New College	(1.1)	0.3	1.0	2.4	4.5	6.7	9.1	11.8
University College	6.8	8.0	6.7	7.3	7.8	8.7	10.2	11.9
Graduate House	6.1	5.8	7.2	7.9	8.5	9.2	10.1	10.9
Family Housing	5.8	5.9	5.8	5.7	7.3	8.1	9.1	10.1
Chestnut Residence	(0.7)	0.2	0.5	1.4	2.4	4.4	7.5	11.6
Woodworth College	7.6	7.2	8.1	8.2	8.3	8.5	8.7	9.0
Residences	28.4	31.3	33.5	37.5	43.9	51.3	61.1	72.6
Food & beverage	0.7	0.6	(0.2)	0.5	1.5	3.1	5.4	8.1
Transportation Services	9.9	9.6	9.4	8.1	8.7	9.3	10.2	11.3
Hart House	17.3	18.5	18.8	20.3	22.8	26.0	29.9	34.8
Total Net Assets	56.3	60.0	61.5	66.4	76.9	89.7	106.6	126.8

For 2018-19, the St. George service ancillaries are forecasting total net assets of $61.5 million. The Family Housing ancillary also has a trust fund of $0.8 million, which is reserved for major capital improvements based on the purchase agreement with the Ontario Housing Corporation. The 2019-20 budget projects total net assets of $66.4 million.

Ancillary Operations – Service Ancillaries
Net Assets by Category for the budget year 2019-20
(millions of dollars)

	Unrestricted Surplus/(Deficit	Investment in Capital Assets	Capital Renewal Reserve	Operating Reserve	New Construction Reserve	Total Net Assets
Residences	(6.1)	25.6	11.8	4.9	1.3	37.5
Food & beverage	(3.4)	2.9	0.7	0.3	0.0	0.5
Transportation Services	0.0	7.1	0.5	0.5	0.0	8.1
Hart House	0.0	12.2	5.6	2.5	0.0	20.3
	(9.5)	47.8	18.6	8.2	1.3	66.4

Net assets are expected to grow to $126.8 million by 2023-24, an increase of $60.4 million from 2019-20. The anticipated total net assets of $66.4 million for 2019-20 is the sum of $47.8 million investment in capital assets, $18.6 million capital renewal reserves, $8.2 million operating reserves, and $1.3 million new construction reserves partially offset by $9.5 million of unrestricted deficit (see Schedules II and III for details). As depreciation is charged and funded from future revenues, the $47.8 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).

Planning & Budget has established a new fund to receive contributions from the participating ancillaries (Graduate House, Family Housing, Chestnut Residence, St. George Food & Beverage Services and Transportation Services) 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. Graduate House and Transportation Services included these contributions as internal transfers (after net income) in the 2018-19 forecast.

Ancillary Debt

For 2019-20, the St. George service ancillaries are projecting a total outstanding debt of $91.4 million (on original loans issued of $200.3 million), of which $86.2 million is for residence services and $5.2 million for Transportation Services. The estimated principal and interest repayment on the debt for residence services is projected to be $14.9 million in 2019-20, representing 24% of residence services revenues. The estimated interest costs on debt will be $6.0 million (9.8% of revenues or 10.2% of expenses). However, on an individual residence basis, principal and interest costs can be as high as 39% 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)

	2017-18 Actual	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Innis	0.6	0.1	-	-	-	-	-
New College	15.8	14.4	13.2	11.9	10.6	9.2	7.7
University College	10.6	10.0	9.4	8.7	8.0	7.2	6.4
Graduate House	8.3	7.3	6.2	5.0	3.7	2.3	0.8
St. George Family Housing	8.5	7.2	6.0	4.9	4.2	3.3	2.4
Chestnut Residence	45.3	42.1	38.8	35.2	31.3	27.2	22.8
Woodsworth	15.8	13.8	12.6	11.4	10.1	8.7	7.2
Residences	104.9	94.9	86.2	77.1	67.9	57.9	47.3
Transportation Services	6.3	5.8	5.2	4.6	4.0	3.3	2.6
Total Loan Balance	111.2	100.7	91.4	81.7	71.9	61.2	49.9

Factors such as enrolment growth, the first year residence guarantee program and demand from upper-year students to return to residence have continued to sustain the optimal fall and winter session occupancy rates for residence services. The building expansion to increase residence spaces has put a strain on the financial viability of most residence operations. Minimal down payments for new residence buildings resulted in substantial debt and, in turn, large annual principal and interest costs. The impact of this debt led to financial deficits in some of the newly constructed or acquired 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 2018-19:

- Innis College Residence achieved an occupancy rate of 100% for the fall term and is projecting a 98% occupancy for the winter term.
- Summer business remained strong in 2018 for New College Residence. 2018-19 is a landmark year for the New College Residence. For the first time in well over a decade, the closing net assets is forecasted to be positive by the end of this fiscal year.
- University College Residence continues to focus on the renovations and upgrades to all three residence buildings, bringing the older rooms up to a more competitive standard. The residence has been following an on-going program for building and equipment maintenance to avoid major problems.
- Graduate House continues to achieve higher than expected summer business. The increase in summer revenue includes new external group bookings.
- Occupancy levels have been reasonably high over the past several years at Family Housing. The cumulative reserves enable the ancillary to contribute to large-scale major maintenance projects and loan $0.5 million to the Graduate Residence in 2018-19 and $0.5 million for the residence extension on Harbord Street in 2019-20. This ancillary will also provide property management services for the commercial retail spaces at 30 Charles Street starting January 1, 2019 and 730 Yonge Street starting June 30, 2019.
- Occupancy rates for the summer and early fall at Chestnut Residence were both higher than budget, thus contributing positively to the total forecasted revenues.
- Woodsworth College Residence continued to do well in their summer business. This ancillary will make a $1 million principal repayment this fiscal year while maintaining adequate reserves for its capital renewal and operation.
- 2018-19 represents the second full year of operation of the in-sourced food services department. This year, St. George Food & Beverage Services is focused on creating and maintaining a sustainable business model where managers are encouraged to be more entrepreneurial. Revenues from CampusOne increased as its occupancy levels improved.
- University College Food Services added meal plans to the summer business and maintained adequate reserves for equipment replacements and annual maintenance costs.
- Transportation Services used Transportation Demand Management (TDM) initiatives to maximize efficient utilization of the University's limited parking facilities. In line with this strategy, a reserved parking area at 60 St. George St parking garage has been converted to a mixed-use parking area in order to maximize its utilization. With its cumulative net assets, this ancillary made a contribution to the Ancillary fund, loaned $0.5 million to St. George Food & Beverage Services for the banquet space renovation project, and made a $1.5 million loan to Chestnut Residence for the

parking structure repairs planned for 2018-19.

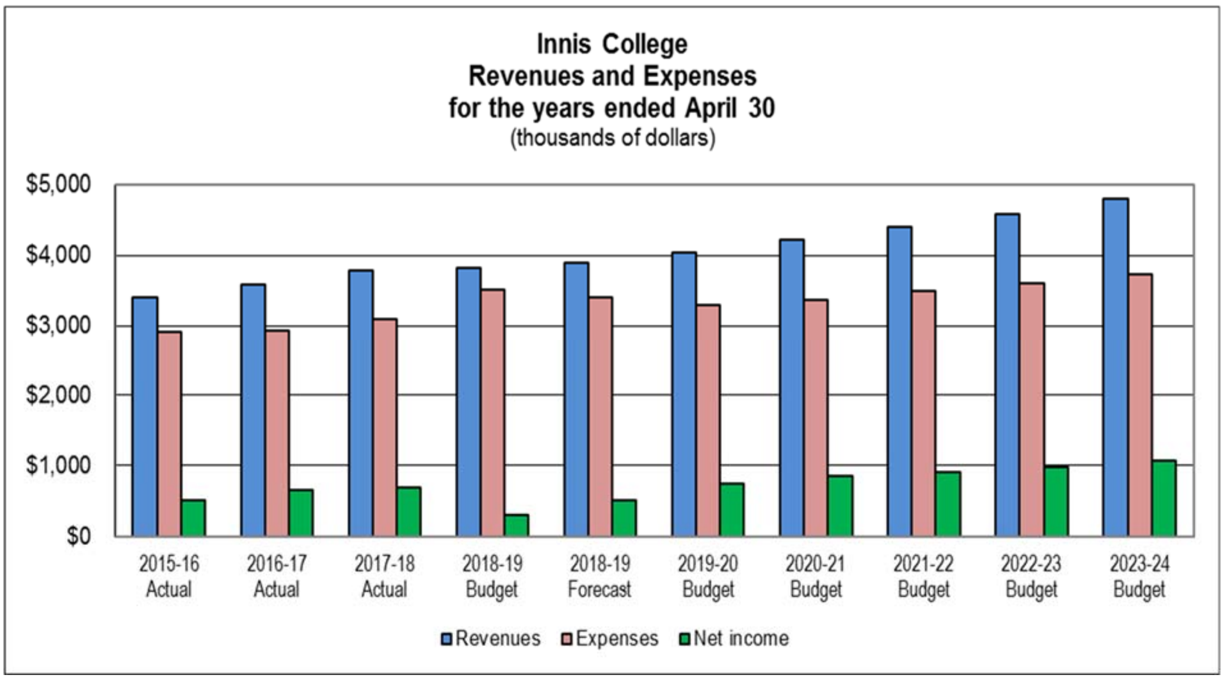
- One of the targets of Hart House's strategic plan is to ensure that "no more than 50% of Hart House revenue was derived from student fees" and has been successfully moving in that direction for the past three years.

Residence Services

For the 2019-20 budget year, Innis College, University College, Graduate House and Family Housing will meet all four objectives (see Page 1). Woodsworth College will meet the first three objectives while New College will meet the first two objectives. 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 326 beds in 77 suite-style apartments. The ancillary is forecasting an operating net income of $0.5 million in 2018-19, which is $0.2 million higher than budget. This favorable variance is mainly due to higher than budgeted investment income and lower than budgeted utility and replacement of non-depreciable assets costs.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	3,400	3,580	3,785	3,830	3,901	4,036	4,218	4,408	4,588	4,797
Expenses	2,903	2,929	3,101	3,518	3,395	3,300	3,360	3,500	3,610	3,723
Net income	497	651	684	312	506	736	858	908	978	1,074
% change in revenues		*5.3%*	*5.7%*	*1.2%*	*1.9%*	*3.5%*	*4.5%*	*4.5%*	*4.1%*	*4.6%*

This ancillary is forecasting positive annual operating net income for the next five years. For the 2019-20 budget year, this ancillary is projecting net assets of $4.6 million after a transfer of $0.35 million to the Innis College operating budget in support of its academic mission (programs and initiatives).

The fall and winter room rates are budgeted to increase by 4.99% and the summer rate will increase by 2.5% (see Schedule VI). Maintenance of aging housing infrastructure is an ongoing challenge, which requires increasingly larger capital investments. In 2019-20, Innis College Residence will invest significant capital to replace the four elevators and upgrade all the common areas.

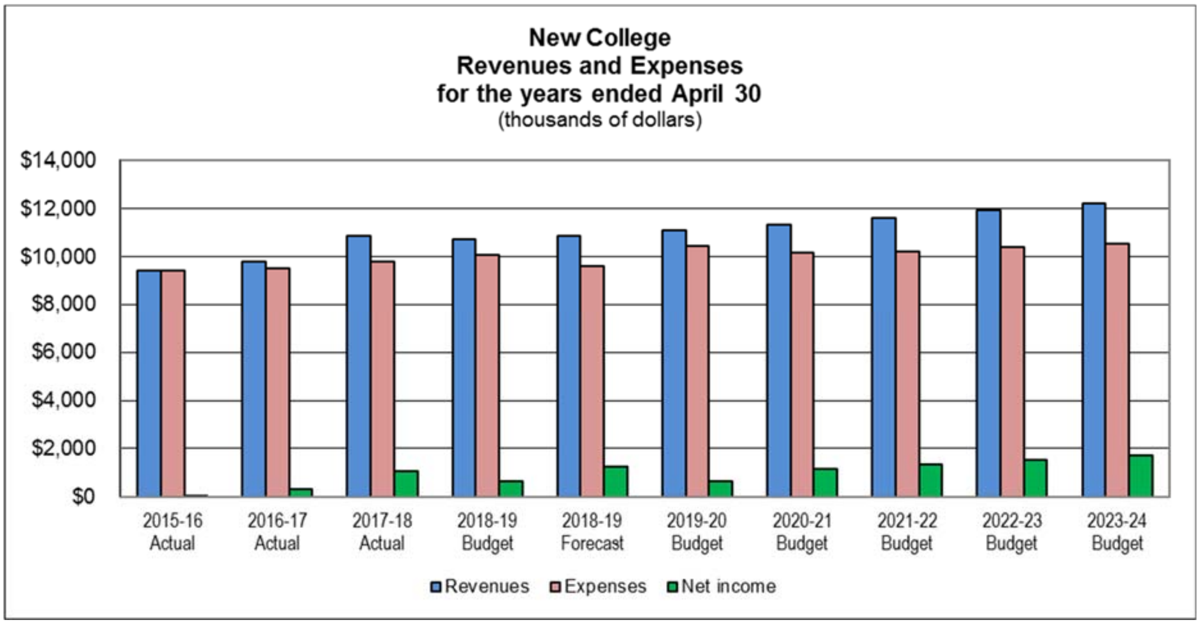
It is projected that net assets will be at $7.3 million by the end of this long-range plan with an investment in capital assets of $3.5 million, a capital renewal reserve of $3.2 million and an operating reserve of $0.6 million.

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.

2018-19 is a landmark year for the New College Residence. For the first time in well over a decade, the closing net assets is forecasted to be positive. A major streetscape project, the New College Plaza, was completed in October 2018. A failure in a main circuit breaker in Wilson Hall led to a one-month elevator outage and this entire main breaker panel was replaced in December 2018.

This ancillary is forecasting an operating net income of $1.2 million for 2018-19, which is $0.6 million more than previously budgeted. This favorable variance is mainly due to a record high summer business. Major maintenance expenses are projected to be $0.5 million lower than budget due to some projects being deferred to next fiscal year. St. George Food & Beverage Services is the new food and beverage operator at New College. A $0.8 million commission on sales at New College dining facilities is forecasted to be transferred from St. George Food & Beverage Services. Net operating results after transfers is forecasted to be $2.0 million.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	9,434	9,800	10,846	10,724	10,861	11,081	11,337	11,600	11,924	12,245
Expenses	9,425	9,492	9,785	10,072	9,618	10,431	10,158	10,237	10,384	10,543
Net income	9	308	1,061	652	1,243	650	1,179	1,363	1,540	1,702
% change in revenues		*3.9%*	*10.7%*	*-1.1%*	*1.3%*	*2.0%*	*2.3%*	*2.3%*	*2.8%*	*2.7%*

For 2019-20, the fall and winter residence rate increases will range from 2.8% to 3.3% (see Schedule VI). For 2019-20, all three New College residence buildings will remain open and supported (with an additional charge) during the winter holiday break. With the strong demand for residence rooms, and with the 45 Willcocks funding issue resolved, this ancillary is budgeting an operating net income (excluding commission on sales at New College dining facilities) of $0.7 million for 2019-20. Commission on sales at New College dining facilities is budgeted at $0.8 million. Net assets are projected to be $2.4 million, with $2.3 million in investment in capital assets, $0.6 million in the capital renewal reserve, offset by $0.5 million in unrestricted deficit.

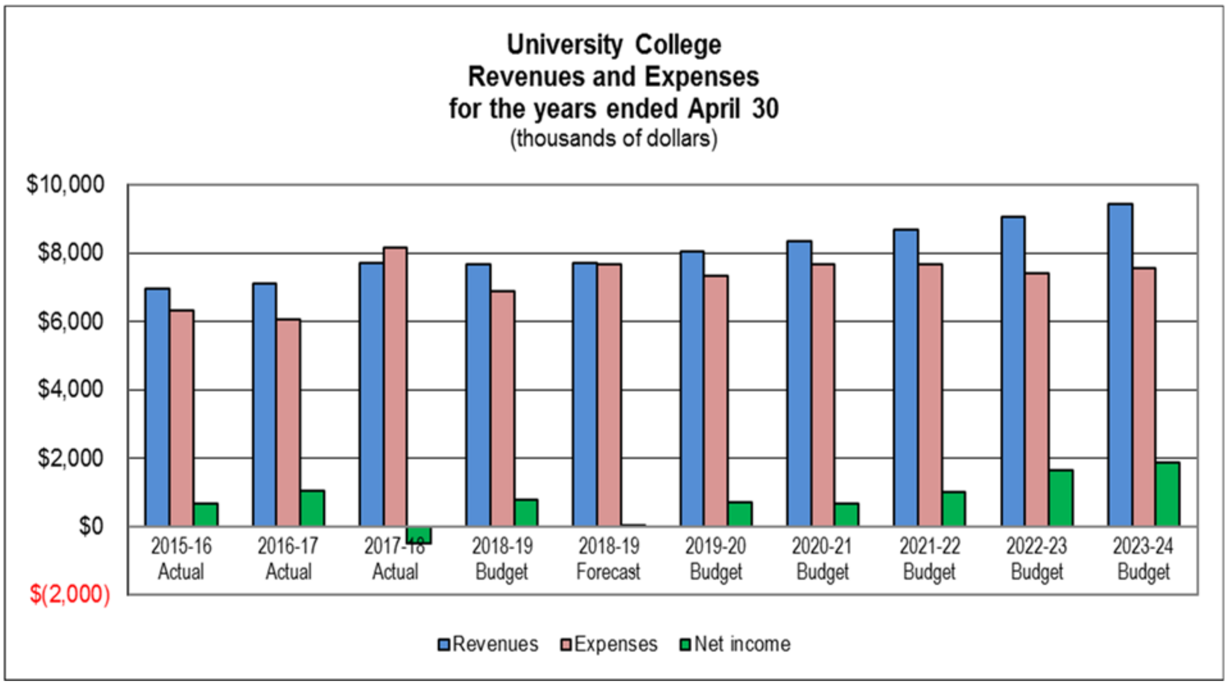
New College's Wetmore Hall and Wilson Hall went into service in the late 1960's. Even though the buildings are in reasonably good condition, the major maintenance budget was substantially increased a number of years ago in anticipation of planned replacements of critical building components. The College's newest building (opened in September 2003) also requires some of the major maintenance budget. Total major maintenance is budgeted at $1.9 million for 2019-20. The College will be hiring a consulting firm to develop a strategy for upgrading the aging infrastructure.

Strong operating results are projected over the next five years with sufficient resources allocated to necessary building improvement projects. This ancillary is projecting to eliminate its unrestricted deficit in two years.

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.

This ancillary is forecasting an operating net income of $0.05 million in 2018-19, which is $0.7 million lower than budget. This unfavorable variance is mainly due to the renovation costs for Sir Daniel Wilson Hall which came in higher than budget. These additional costs are related to the age of the building and the very short summer timeline available to complete the work.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	6,973	7,116	7,689	7,655	7,701	8,057	8,343	8,693	9,058	9,440
Expenses	6,312	6,073	8,157	6,872	7,650	7,329	7,681	7,684	7,423	7,555
Net income	661	1,043	(468)	783	51	728	662	1,009	1,635	1,885
% change in revenues		*2.1%*	*8.1%*	*(0.4%)*	*0.6%*	*4.6%*	*3.5%*	*4.2%*	*4.2%*	*4.2%*

This ancillary is budgeting an operating net income of $0.7 million for 2019-20. This budget includes summer business that would utilize Sir Daniel Wilson Hall, Whitney Hall and Morrison Hall for the summer program. University College is budgeting net assets of $7.3 million, with $3.3 million in investment in capital assets, $1.6 million in the capital renewal reserve, $0.6 million in the operating reserve and $1.8 million in unrestricted surplus.

In 2019-20, this ancillary will continue its differentiated fee structure with increases ranging from 2.5% to 5.0% (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.

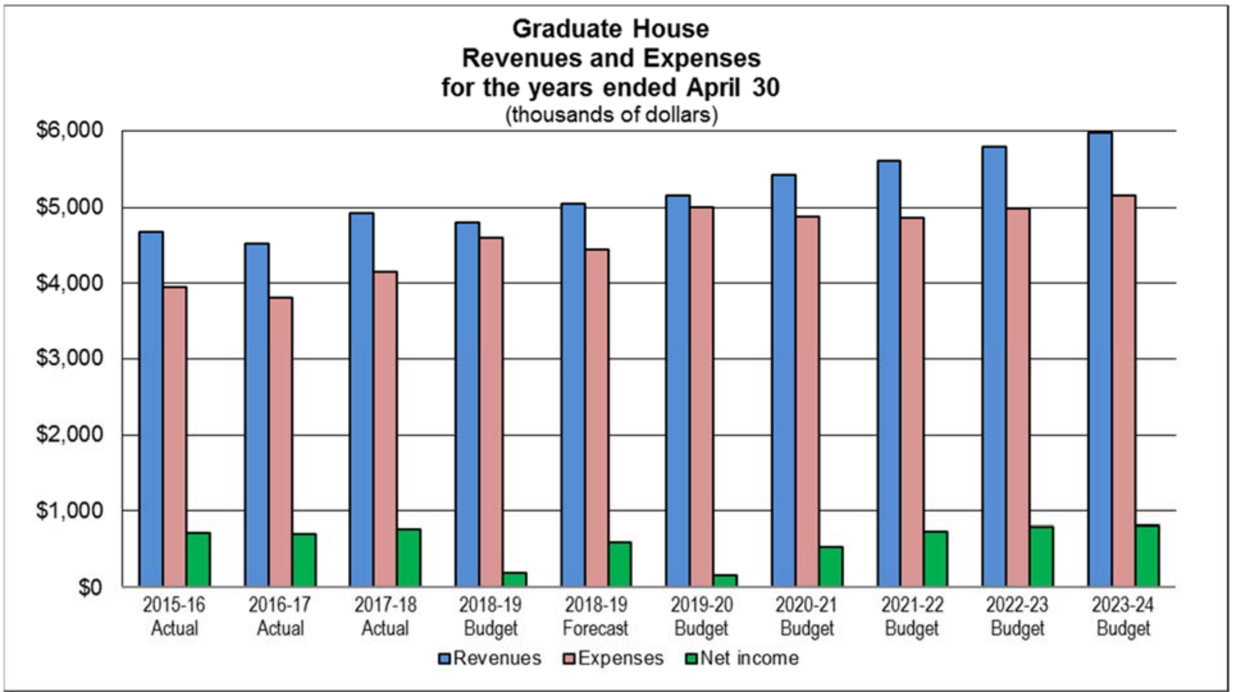
The stream of rate increases is necessary to ensure all essential major capital expenditures are made and the quality of the residences is maintained without any deferral of essential maintenance work. The focus for the next three years is to complete renovations and upgrades to all three residence buildings to bring the older rooms up to a more competitive standard.

Graduate House

Graduate House which opened in 2000, is a 436-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 five second-entry professional faculties (Dentistry, Law, Medicine, Nursing, 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 net income of $0.6 million for 2018-19, $0.4 million higher than budget. This is mainly due to summer business that was higher than budget and major maintenance expenditures forecasted to be lower than budget. Major maintenance expenditures are forecasted to be lower as a result of pushing back the timeline on washroom renovations while accelerating suite renovations due to the unexpected high tender prices for the washroom component.

For 2019-20, room rates will increase by 6% (see Schedule VI). Graduate House is budgeting an operating net income of $0.2 million for 2019-20. It is projecting the net assets will be at $7.9 million, with $6.5 million in investment in capital asset, $0.7 million in the capital renewal reserve, $0.7 million in the operating reserve and $0.02 million in unrestricted surplus. Net assets are anticipated to increase from $7.9 million in 2019-20 to $10.9 million in 2023-24. This ancillary is planning to direct its annual surpluses over the next five years to facilities renewal.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	4,669	4,523	4,920	4,796	5,040	5,163	5,424	5,608	5,787	5,971
Expenses	3,947	3,813	4,150	4,598	4,447	4,994	4,884	4,867	4,992	5,162
Net income	722	710	770	198	593	169	540	741	795	809
% change in revenues		*(3.1%)*	*8.8%*	*(2.5%)*	*5.1%*	*2.4%*	*5.1%*	*3.4%*	*3.2%*	*3.2%*

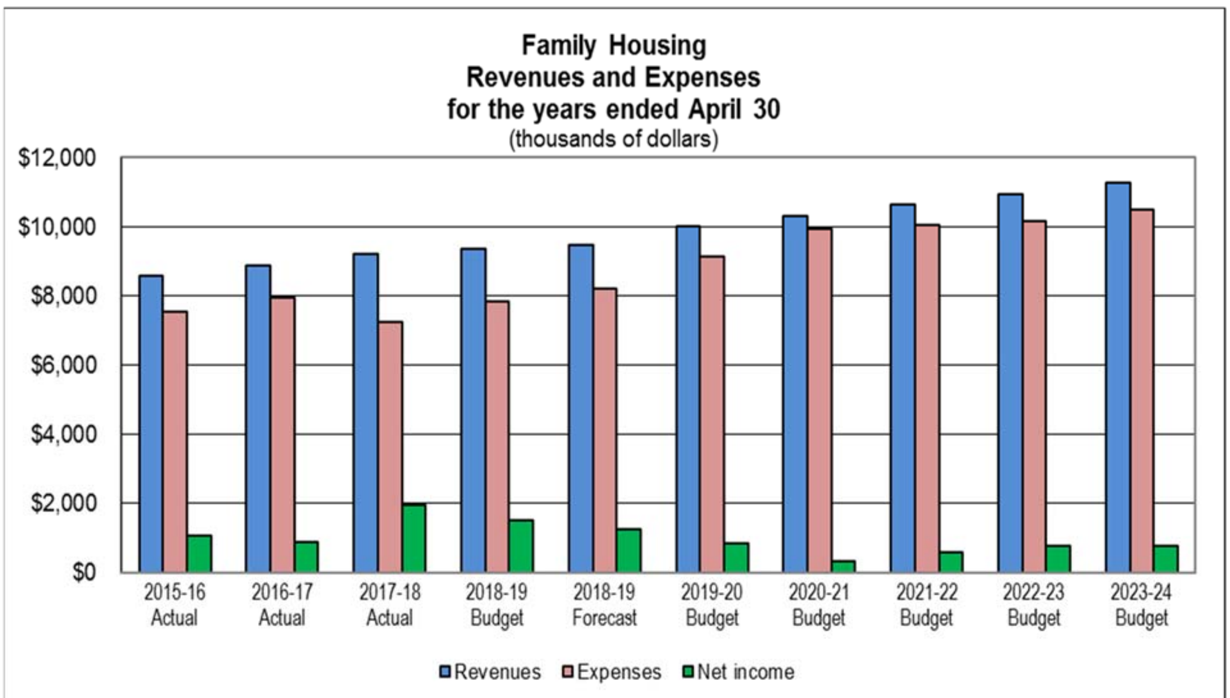
Demand has grown over the past several years, with approximately three times as many applications being received than spaces available. This ancillary is currently participating in the planning process for the construction of a new Graduate Residence which will be built adjacent to Graduate House. Graduate House is contributing reserve funds to the design phase of this project, however full funding for the project has not yet been identified by the University.

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 reasonably 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 net income of $1.3 million in 2018-19, which is $0.3 million below budget. This variance is mainly due to a heightened security protocol put in place last August. In addition to the higher security costs, 413 units at 30 Charles Street were re-keyed. These unplanned expenditures were partially offset by the favorable variance in residence fees. Family Housing successfully improved the utilization of the garage which is now at 88% capacity. This is a positive impact directly attributed to the multi-year garage rehabilitation project. After transfers, this operation will end the year with forecasted net assets of $5.7 million, with $3.3 million in the capital renewal reserve, $0.3 million in the operating reserve, $1.2 million in the new construction reserve, $0.4 million investments in capital assets, and the remaining $0.5 million in unrestricted surplus.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	8,587	8,860	9,211	9,343	9,479	10,016	10,317	10,638	10,955	11,285
Expenses	7,529	7,960	7,236	7,828	8,213	9,149	9,966	10,046	10,170	10,510
Net income	1,058	900	1,975	1,515	1,266	867	351	592	785	775
% change in revenues		*3.2%*	*4.0%*	*1.4%*	*1.5%*	*5.7%*	*3.0%*	*3.1%*	*3.0%*	*3.0%*

In 2019, the 50-year land lease associated with the commercial properties at 30 and 35 Charles Street will expire. As the properties revert to the University, commencing January 1, 2019, Family Housing will provide property management services for the retail space at 35 Charles Street. This service is provided on a cost recovery basis and it is being reflected in the 2018-19 forecast. On July 1, 2019, Family Housing will also provide the property management servies for the commercial retail space at 730 Yonge Street. A major strategic planning exercise is underway to explore various opportunities that may emerge from this transition including synergies with the residential housing operation in the Huron/Sussex neighborhood.

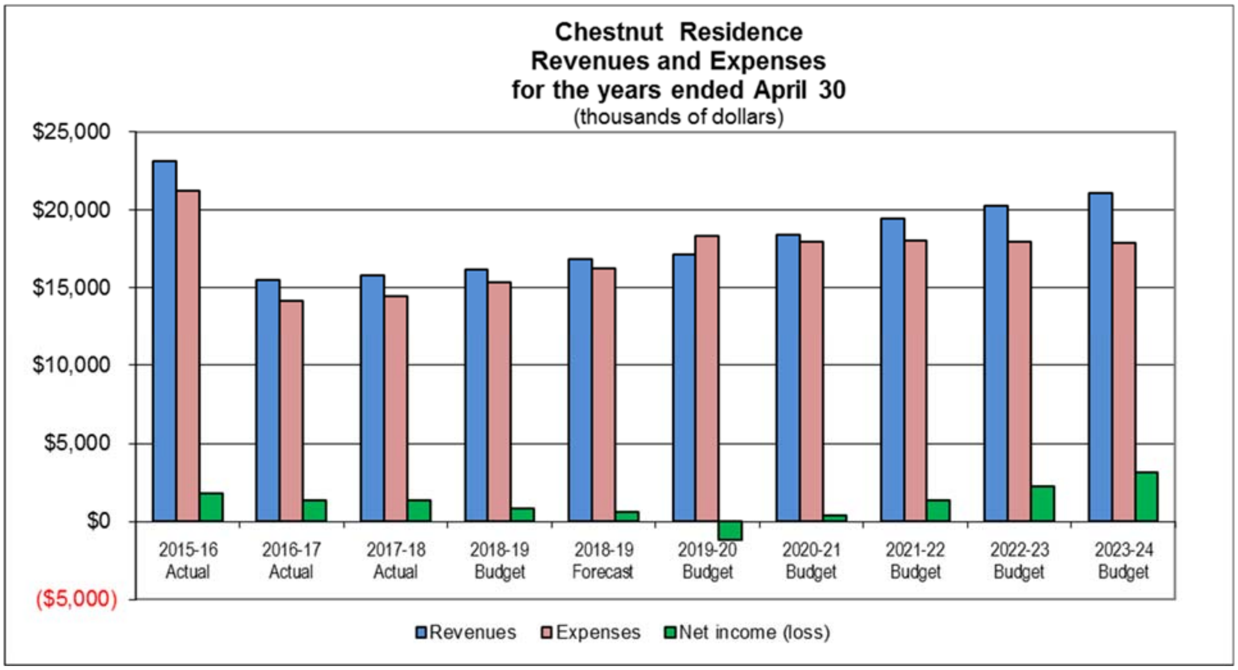
The operating plan for 2019-20 assumes a rental rate increase of 3.5% (see Schedule VI) to maintain the desired level of services, heightened security protocols, annual maintenance and various building improvements, and planning for the apartment unit and common area modernization program. An operating net income of $0.9 million is budgeted for 2019-20 with net assets of $5.7 million with $3.3 million in the capital renewal reserve, $0.7 million in the operating reserve, $1.2 million in the new construction reserve, $0.4 million investments in capital assets, and the remaining $0.1 million in unrestricted surplus. The balance in the Charles Street trust account is expected to be depleted at the end of the 2019-20 fiscal year.

The long-range plans assume rent increases of 2.5% to 3.5% per year over the next few years. These rate increases will offset the increased operating costs which would allow the ancillary to maintain the buildings at a level that both the University and the residents desire.

Chestnut Residence

Chestnut Residence (Chestnut) is home to 1,134 students from diverse cultural backgrounds and academic disciplines, as well as home to 22 dons and 2 residence life coordinators. First year student spaces (890) account for 78% of available bed spaces with the remaining (244) 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 with a single full-service meal plan that combines unlimited access to the Chestnut Tree dining room, while providing a variety of options on campus through Flex dollars included in each plan.

This ancillary has several revenue streams in addition to residence fees. 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 is forecasting a net income of $0.6 million for 2018-19 which is $0.2 million lower than budget. This is mainly due to the space cost recovery from the St. George Food & Beverage Services, forecasted to be lower than budget.



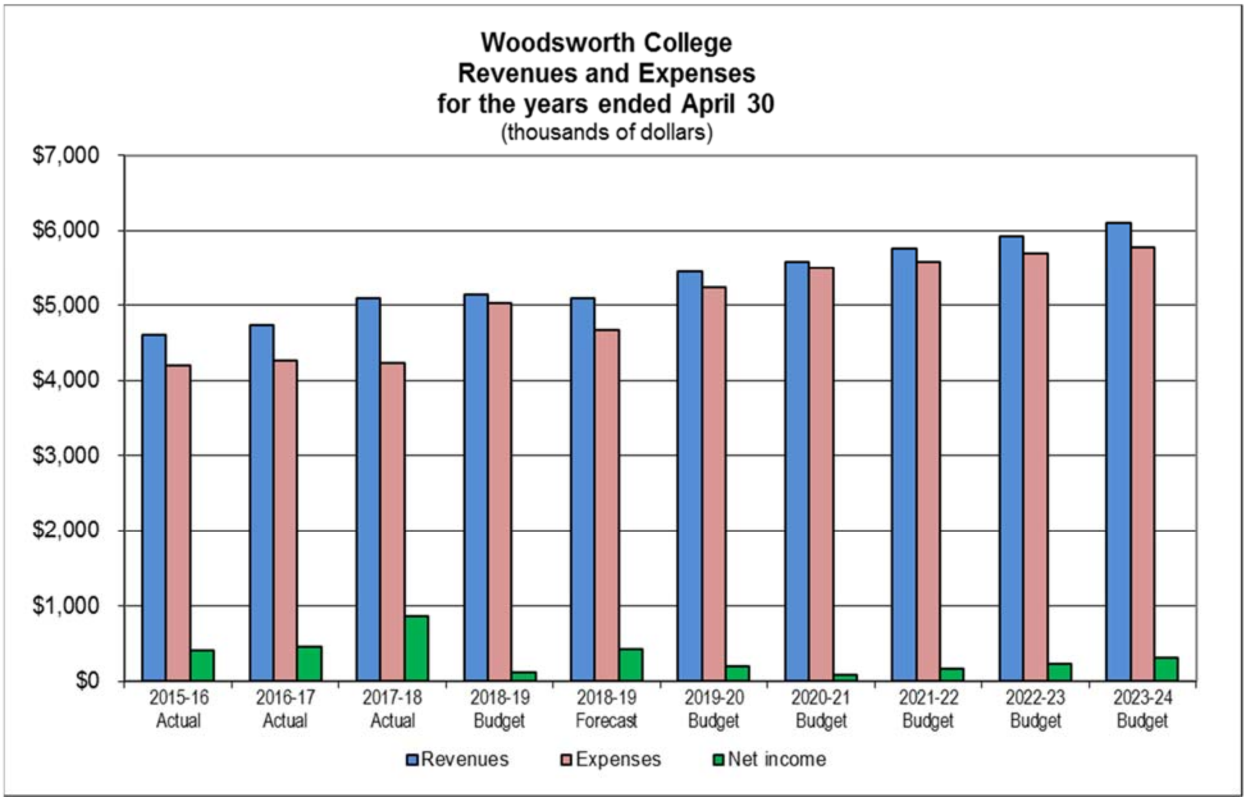
	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	23,086	15,481	15,813	16,180	16,880	17,162	18,394	19,430	20,249	21,073
Expenses	21,266	14,159	14,472	15,343	16,246	18,364	18,001	18,081	17,998	17,923
Net income (loss)	1,820	1,322	1,341	837	634	(1,202)	393	1,349	2,251	3,150
Percentage change in revenues		*(32.9%)*	*2.1%*	*2.3%*	*4.3%*	*1.7%*	*7.2%*	*5.6%*	*4.2%*	*4.1%*

For the 2019-20 budget, the residence anticipates that occupancy rates will continue to be high. This budget includes a 5% room rate increase to single and shared accommodation (see Schedule VI) which is needed to offset the considerable capital and major maintenance expenses. In 2019-20, Chestnut is budgeting a net loss of $1.2 million and capital expenditures of $0.8 million. Net assets will be $1.4 million, with investment in capital assets of $8.9 million offset by an unrestricted deficit of $7.5 million. Major maintenance is budgeted at $2.5 million, of which $1.9 million will be spent on the garage renovation. Transportation Services will issue an internal loan ($1.5 million) to cover some of the cost of this renovation and repayment is scheduled when the project is completed.

The long-range plan assumes annual increases of 5% for rent and parking. The projected positive operating results will reduce the accumulated deficit to $0.9 million by 2023-24.

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 has a ten-member Residence Life Staff team which provides a residence life program including counselling, mentoring, leadership, programming and policy enforcement.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	4,602	4,732	5,101	5,148	5,095	5,445	5,588	5,755	5,927	6,103
Expenses	4,193	4,266	4,233	5,029	4,677	5,249	5,505	5,584	5,702	5,786
Net income	409	466	868	119	418	196	83	171	225	317
Percentage change in revenues		*2.8%*	*7.8%*	*0.9%*	*-1.0%*	*6.9%*	*2.6%*	*3.0%*	*3.0%*	*3.0%*

Woodsworth is forecasting a net income of $0.4 million for 2018-19. This is a forecasted decrease in net income compared to 2017-18. The summer business continues to be strong, representing 27% of the total forecasted revenue. This ancillary is forecasting net assets of $8.1 million in 2018-19, of which $2.5 million is in investment in capital assets, $3.0 million in the capital renewal reserve, and $2.6 million in the operating reserve. The forecasted investment in capital assets for 2018-19 increased by $0.9 million compared to $1.6 million in 2017-18. This change reflects a $1.0 million principal repayment on the long-term loan offset by $0.1 million in depreciation expenses. The sound financial position of the residence is reflected in 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.

Woodsworth proposes a new fee structure that includes the cost of additional suite cleaning services that are offered to the residents on a weekly basis, a 6.07% residence rate increase (see Schedule VI) for fall and winter, and a 9% increase in the summer fees. Its principal and interest charges on debt currently make up 37% (forecasted to be 39% in 2018-19) of its budgeted revenues.

A net income of $0.2 million is budgeted for 2019-20. This ancillary is projecting net assets of $8.3 million with $2.5 million in the operating reserve, $2.8 million in investment in capital assets and $3.0 million in the capital renewal reserve at end of 2019-20.

Over the next two to three years, major capitals projects that are planned include:

- purchase of key card system,
- replacement of the telephone system,
- installation of blinds, replacement of washroom floor, carpet, cabinet and countertop

Woodsworth has put aside a sizeable capital reserve in anticipation of capital costs associated with the redevelopment of the main floor.

Food & Beverage Services

Food services on the St. George campus is provided by the St. George Food & Beverage Services and the University College Food Services. The St. George Food & Beverage Services is made up of operations at New College and Chestnut residences, several local vendors, and the residential dining hall at CampusOne. The University College Food Services operates Howard Ferguson Dining Hall and Café Reznikoff.

For the 2018-19 budget, University College Food Services will meet all four objectives while St. George Food & Beverage Services will not meet any of the objective (see Schedule II for details).

St. George Food & Beverage Services

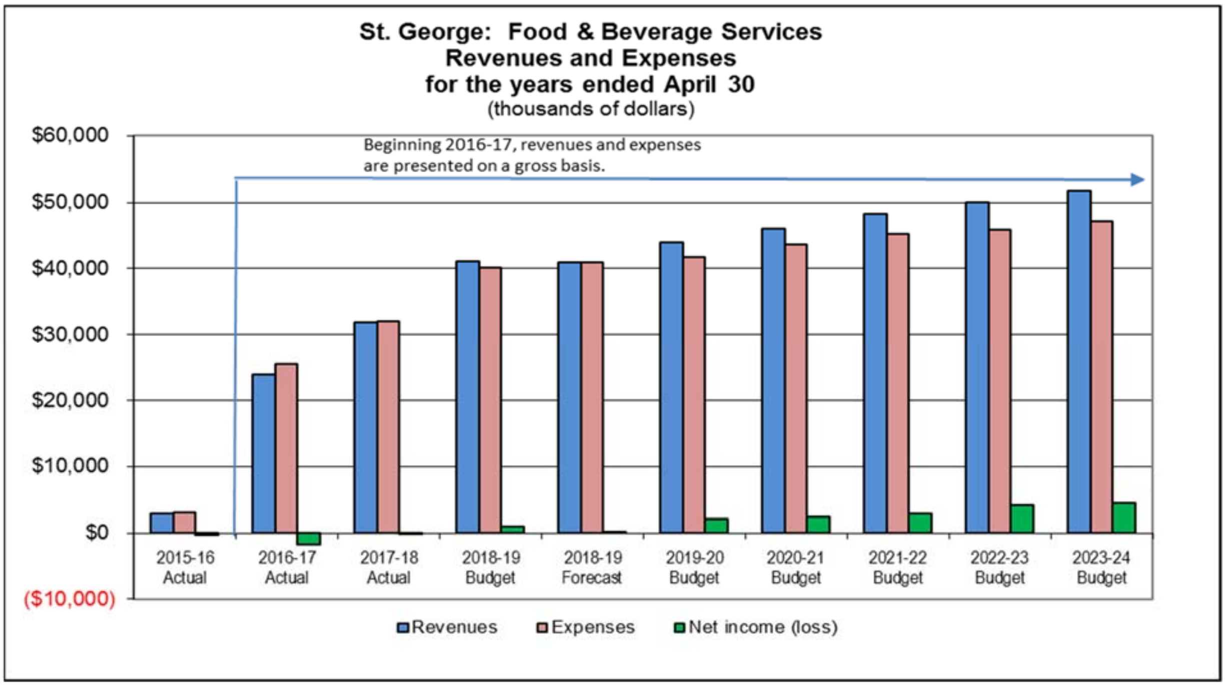
St. George Food & Beverage Services changed its business model on August 1, 2016. The primary reasons for the change in the model included building capacity towards a fully portable meal plan for students, making strategic use of physical resources to improve the ability to serve fresh, nutritious food 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, both Chestnut Residence and New College contribute significant physical resources and are therefore treated as partners, with the residences receiving financial compensation for space costs, as well as a revenue share from the food service operation.

2018-19 represents the second full year of operation of the in-sourced Food Services department. This year, the ancillary is focused on creating and maintaining a sustainable business model where managers are encouraged to be more entrepreneurial. While significant progress has been made with addressing the labour cost, overspending attributable to the start-up continues to be an issue that will take several years to balance.

Food Services continues to operate a dining hall at CampusOne (245 College Street). This year has shown improvement in occupancy levels in comparison to the previous year (the meal plan is mandatory for residents). A contract agreement which provides protection from swings in occupancy, and the daily cost controls resulted in net revenue being higher than expected.

The Chestnut Residence staff decertified with Unite Here in March 2018 resulting in a new collective agreement with CUPE. This new agreement contributed more than half of the negative variance on the labour expenses.

St. George Food & Beverage Services is forecasting a net income (before commissions on sales) of $0.9 million in 2018-19, which is close to budget. However, the unanticipated transition cost of $0.9 million has offset all of its net operating income. Net assets are forecasted to be negative $1.4 million with $4.1 million in unrestricted deficit and offset by $2.7 million in investment in capital assets. The net income presented in the table below do not reflect sales commission payout and other internal transfers. After paying out commission to New College Residence ($0.8 million) and to Chestnut Residence ($0.5 million) and other net transfers ($0.5 million), this ancillary is forecasting a net deficit of $0.8 million.



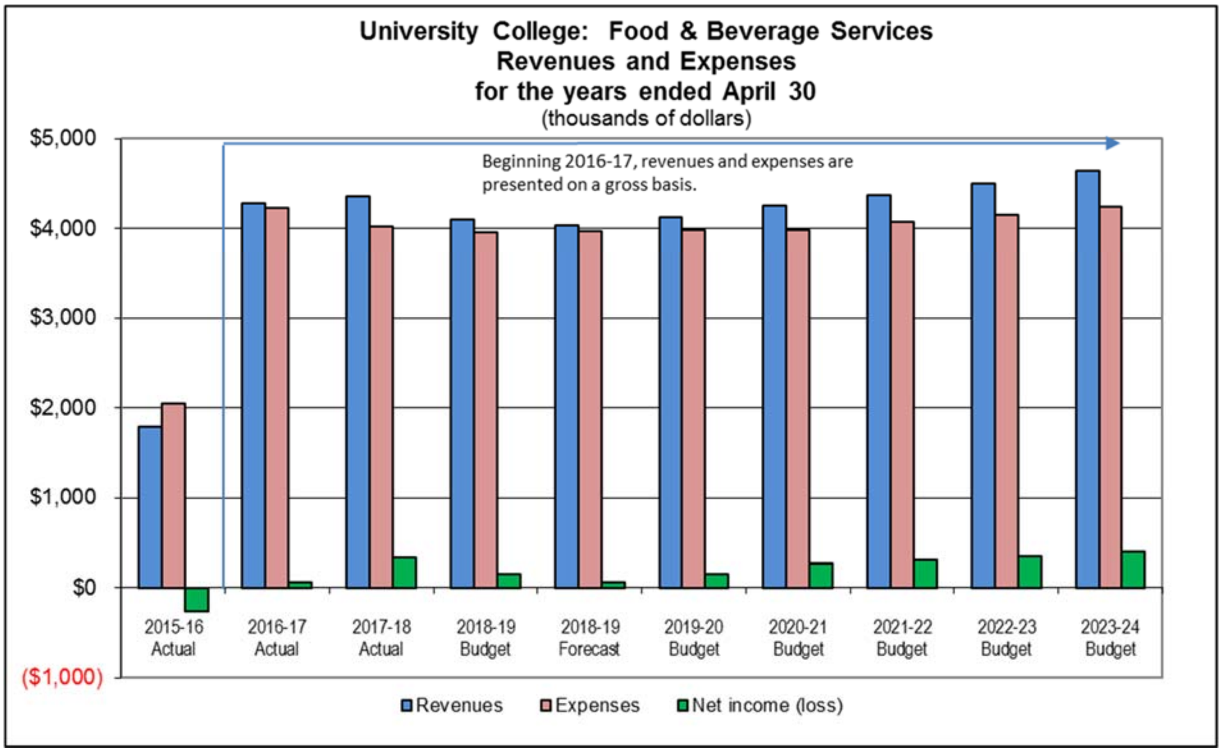
	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	2,861	23,877	31,921	41,105	40,992	43,904	46,004	48,206	49,941	51,739
Expenses	3,090	25,536	31,955	40,094	40,948	41,810	43,616	45,272	45,857	47,212
Net income (loss)	(229)	(1,659)	(34)	1,011	44	2,094	2,388	2,934	4,084	4,527
Percentage change in revenues		*734.6%*	*33.7%*	*28.8%*	*(0.3%)*	*7.1%*	*4.8%*	*4.8%*	*3.6%*	*3.6%*

In 2019-20, St. George Food & Beverage Services will continued to refine the operations in retail and catering. A design and phasing plan for the renovation of banquet and conference spaces at the Chestnut Residence is in progress. This space improvement will be staged over time as budget allows and it will provide an opportunity to better satisfy existing customers and attract new ones.

Meal plan rates for mandatory residential plans are shown on Schedule VI of this report. Existing plans for Chestnut, New College, Knox College and CampusOne are increasing between 2.6% and 3.0%. In each residence, the plan structure is slightly different, which reflects the circumstances of the residence, the wishes of its students and administrators, and the costs of the program. A net income of $2.1 million is budgeted for 2019-20, but after paying out the sales commissions, this ancillary is budgeting a net income of $0.7 million for 2019-20. In 2019-20, this ancillary is projecting negative net assets of $0.7 million, with $3.4 million ($4.1 million forecasted in 2018-19) in unrestricted deficit and $2.7 million in investment in capital assets.

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.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	1,790	4,289	4,361	4,101	4,040	4,131	4,254	4,379	4,508	4,641
Expenses	2,055	4,229	4,029	3,955	3,979	3,983	3,992	4,074	4,159	4,245
Net income (loss)	(265)	60	332	146	61	148	262	305	349	396
Change in revenues		*139.6%*	*1.7%*	*(6.0%)*	*(1.5%)*	*2.3%*	*3.0%*	*2.9%*	*2.9%*	*3.0%*

This ancillary is forecasting a net income of $0.06 million for 2018-19 which is $0.08 million lower than budget. The University College revitalization project has reduced the event space available to the College; hence, the unfavorable variance in net income is mainly due to a decrease in catering business. The net assets are forecasted to be $1.2 million, with $0.2 million in investment in capital assets, $0.7 million in the capital reserve and $0.3 million in the operating reserve and unrestricted surplus.

This ancillary is proposing a fee increase of 3.1% (see Schedule VI) to its meal plans for 2019-20. This increase is necessary to meet increases in the cost of food, other expenses and to maintain adequate reserves. The cost of sales is budgeted at 35% of sales, and labour is budgeted at 50% of sales. This ancillary is projecting a net income of $0.2 million in 2019-20. The capital and operating reserves will remain at the same level as the previous year, while $0.2 million is planned to be transferred to University College in support of its academic mission and its large scale renovation project.

The long-range plan includes a price increase of 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 five years.

Transportation Services

For the 2019-20 budget year, Transportation Services meets all four objectives (see Schedule II for details). The annual surplus has been allocated to the capital renewal reserve, operating reserve and the new construction reserve.

Transportation Services operates 42 surface lots and 10 underground garages, providing 2,109 parking spaces for students, faculty and staff. As a result of population growth and campus development, the per capita parking supply has decreased significantly. 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:

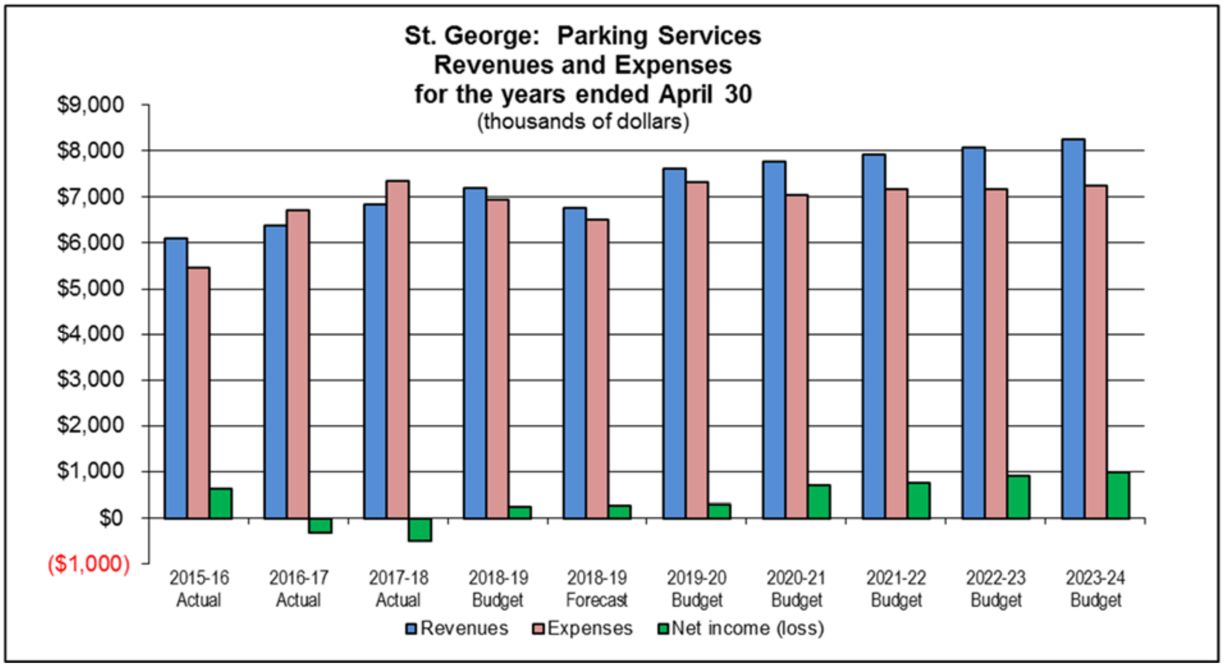
- Continuing price increases in high demand areas;
- Restricting visitor parking during peak periods in certain areas;
- Restricting contractor parking;
- Restricting use of parking spaces for storage;
- Encouraging alternative transportation;
- Notifing customers of disruption/closures;
- Providing price/location incentives for carpool vehicles;
- Creating a flex-pass option to encourage occasional drivers versus purchasing a permit; and
- Converting the 60 St. George Street parking garage from a reserved parking area to a mixed-use reserved lot in January 2019.

These strategies are intended to make the best and most efficient use of the parking spaces that remain and to minimize the need for the construction of new parking spaces.

Permit and Pay & Display revenues are forecasted to be lower than budget by 3% and 10% respectively. This unfavorable variance is mainly due to the delay in opening the garage at 55 St. George Street after its repair. Annual maintenance expenses are forecasted to be $0.7 million which include the repair to the OISE parking garage ramp and drains. A net income of $0.3 million is forecasted for 2018-19, with total net assets of $9.4 million after a loan to St. George Food & Beverage Services which is to be repaid over a 10-year period starting in fiscal 2021.

In July 2019, Transportation Services will take possession of the 730 Yonge Street Garage. This garage will increase the parking space complement by 178 and generate an estimated $0.6 million in annual parking revenue. The older parking structures on the St. George campus are beginning to show signs of aging. Higher annual maintenance expenses will continue to be a large percentage of the overall expenses. Transportation

Services is proposing a 0% to 15% permit rate increase for all parking permit areas. Parking permit areas with a higher demand and with designated reserved spaces will see a higher rate increase, while the OISE and 730 Yonge St. parking garages will have no permit rate increases. Daily Pay & Display rate increases will range from 14% to 32% (see Schedule VI for details). The 2019-20 budget is anticipating a net income of $0.3 million. It is projecting that net assets will be at $8.0 million after providing a $1.5 million loan to Chestnut Residence to fund parking structure repairs. This loan will be repaid over a 10-year period starting in fiscal 2023. This ancillary is projecting $8.0 million in net assets in 2019-20, with $7.0 million in investment in capital assets, $0.5 million in the capital renewal reserve and $0.5 million in the operating reserve.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	6,090	6,389	6,836	7,200	6,771	7,611	7,764	7,919	8,077	8,238
Expenses	5,473	6,709	7,346	6,952	6,507	7,316	7,058	7,175	7,179	7,261
Net income (loss)	617	(320)	(510)	248	264	295	706	744	898	977
Percentage change in revenues		*4.9%*	*7.0%*	*5.3%*	*-6.0%*	*12.4%*	*2.0%*	*2.0%*	*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 to the new construction reserve. This reserve will be needed for the various projects that are planned in the near future such as the Site 1 project (371 Bloor Street/UTS) and the Landmark Project (which will include an underground parking structure).

Hart House

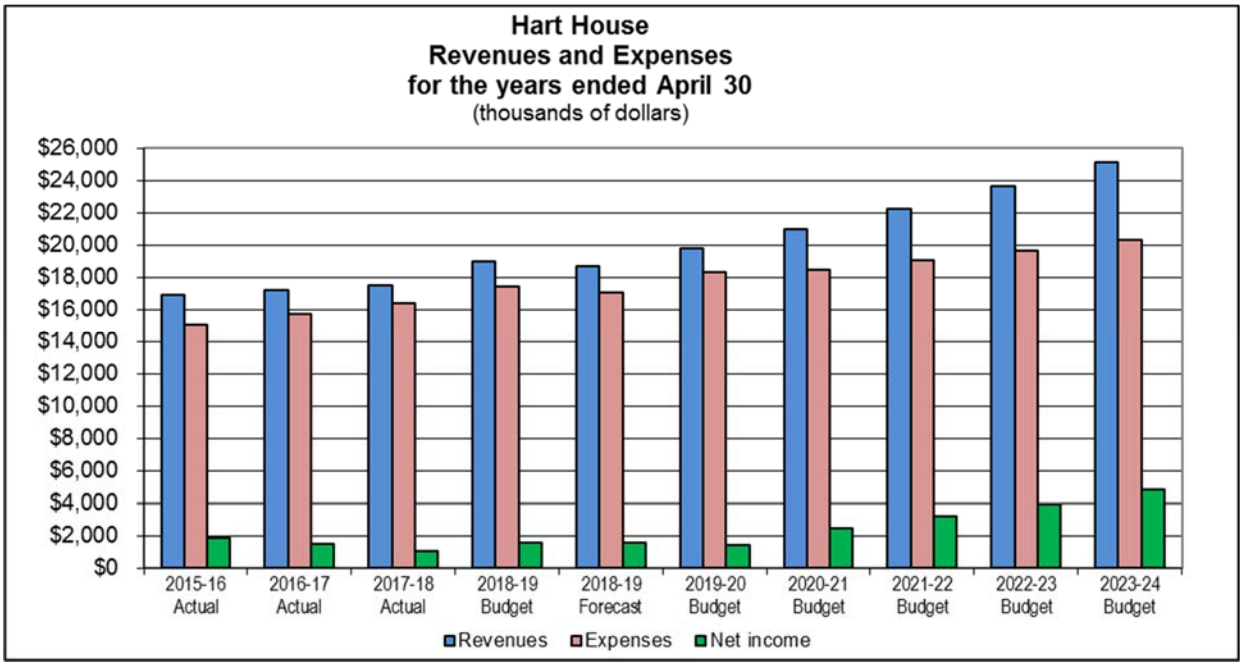
Hart House is considered one of the pre-eminent centres for co-curricular education in North America. The goal is to give every student the opportunity to shape and participate in co-curricular programs that will broaden their horizons, help them forge Canadian perspectives on global challenges and develop 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:

- One of the targets of the strategic plan is to ensure that "no more than 50% of Hart House revenue was derived from student fees" and Hart House has been successfully moving in that direction. Revenue from student fees was 53% in 2016-17, 52% in 2017-18 and continued to work towards this target in 2018-19. However, given the challenges of operating an aging facility, Hart House is unlikely to realize this goal in the near future;
- Based on a facility condition assessment completed by VFA Canada, Hart House Project Planning Committee is working closely with Campus and Facilities Planning, Capital Projects and DUA to develop a project plan including an estimated capital cost for a critical capital infrastructure upgrade to the building. This project will focus on replacing electrical, mechanical, HVAC and plumbing. It is anticipated that this report will be completed by January 2019;
- Hart House continues to be committed to accessibility with over $1.7 million in accessibility related capital projects planned for the year;
- The Mentorship Program is in its third year and it has matched the graduate students and mature part-time students to mentors on the basis of their professional pursuits and personal priorities, interests and passions;
- The Hart House Quarterly Newsletter which features in-depth interviews, personal reminiscences and insider views currently has 33,698 subscribers.

With a forecasted net income of $1.6 million for 2018-19, Hart House is projecting a balanced budget after setting aside reserves for programs and for major maintenance. Net assets are forecasted to be $18.8 million at the end of fiscal 2018-19 with $10.7 million in investment in capital assets, $5.3 million in the capital renewal reserve and the remaining balance for operating reserves and other restricted purposes.

For the 2019-20 budget year, Hart House will meet the first three objectives (see Schedule II for details). The 2019-20 budget was prepared to support and expand the co-curricular offerings for students and to strengthen services offered to all users. This budget anticipates a student fee rate increase of 9.57%, and a 2% increase for staff members under the joint plan (see Schedule VI). With this ancillary projecting a net income of $1.5 million in 2019-20, this budget includes $2.5 million in spending on capital improvements ($4.5 million was approved in 2018-19), plus an additional $0.8 million for annual maintenance. Hart House is projecting net assets to be $20.3 million in 2019-20 with $12.2 million in investment in capital assets, $5.6 million in the capital renewal reserve, $2.0 million in the operating reserve and $0.5 million internally restricted for other programs.



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2018-19 Forecast	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Revenues	16,895	17,177	17,490	18,968	18,650	19,786	20,968	22,246	23,629	25,123
Expenses	15,023	15,705	16,398	17,416	17,069	18,328	18,478	19,060	19,664	20,288
Net income	1,872	1,472	1,092	1,552	1,581	1,458	2,490	3,186	3,965	4,835
Percentage change in revenues		*1.7%*	*1.8%*	*8.5%*	*(1.7%)*	*6.1%*	*6.0%*	*6.1%*	*6.2%*	*6.3%*

The long-range plan anticipates annual operating net income (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.

There has never been a comprehensive renovation of the building since it was built a century ago, with equipment for many of the critical building systems being in use for 100 years. There is a critical need to upgrade all the infrastructure systems while providing an opportunity to improve accessibility and conserve energy. The current budget model will not be sufficient to accommodate the costs associated with the infrastructure overhaul. Hart House has set a goal to raise sufficient funds to cover the costs for this major project. Hart House currently has $5.6 million dedicated to this project and will continue to build up the reserve through operational effectiveness and efficiencies, increasing the donor base with an aggressive fundraising campaign, pursuing grants for accessibility, sustainability and heritage, and increasing revenues from corporate events, membership marketing and sales.

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEAR ENDING APRIL 30, 2020 **Schedule I**
(with comparative forecasted surplus for the year ending April 30, 2019)
(thousands of dollars)

	Revenues	Expenses	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers 2020	Forecast 2019
RESIDENCE SERVICES						
Innis College	4,036	3,300	736	(345)	391	256
New College	11,081	10,431	650	828	1,478	2,045
University College	8,057	7,329	728	(150)	578	(99)
Graduate House	5,163	4,994	169	521	690	1,113
Family Housing	10,016	9,149	867	(881)	(14)	(15)
Chestnut Residence	17,162	18,364	(1,202)	2,085	883	1,180
Woodsworth College	5,445	5,249	196	-	196	418
Total Residence Services	60,960	58,816	2,144	2,058	4,202	4,898
FOOD & BEVERAGE SERVICES						
St. George Campus	43,904	41,810	2,094	(1,371)	723	(813)
University College	4,131	3,983	148	(150)	(2)	(89)
Total Food & Beverage Services	48,035	45,793	2,242	(1,521)	721	(902)
TRANSPORTATION SERVICES	7,611	7,316	295	(1,652)	(1,357)	(522)
HART HOUSE	19,786	18,328	1,458	-	1,458	1,581
TOTAL	**136,392**	**130,253**	**6,139**	**(1,115)**	**5,024**	**5,055**

Schedule II

SUMMARY OF SERVICE ANCILLARY OPERATIONS LONG-RANGE BUDGET RESULTS

(thousands of dollars)

Service Ancillaries	Objectives to be met within the 2019-20 Budget: 1	2	3	4	2019 - 2020 Projected Unrestricted Surplus/(Deficit)	Projected investment in capital assets	Projected Commitments to Capital Renewal (Schedule III)	Projected operating reserve (Schedule III.1)	Projected new construction reserve (Schedule III.1)	2019 - 2020 Net Assets	2021-2022 Net Assets	2023-2024 Net Assets
Residence Services												
Innis College	Yes	Yes	Yes	Yes	-	1,388	2,667	537	-	4,592	5,658	7,307
				345								
New College	Yes	Yes	No	No	(471)	2,301	600	-	-	2,430	6,704	11,783
University College	Yes	Yes	Yes	Yes	1,824	3,323	1,623	543	-	7,313	8,684	11,904
				150								
Graduate House	Yes	Yes	Yes	Yes	20	6,537	649	715	-	7,921	9,245	10,896
				1								
Family Housing **	Yes	Yes	Yes	Yes	119	381	3,250	739	1,250	5,739	8,133	10,133
				5								
Chestnut Residence	Yes	No	No	No	(7,516)	8,909	-	-	-	1,393	4,394	11,570
Woodsworth College	Yes	Yes	Yes	No	-	2,770	3,000	2,478	-	8,248	8,502	9,044
Total Residence Services					**(6,024)**	**25,609**	**11,789**	**5,012**	**1,250**	**37,636**	**51,320**	**72,637**
Food & Beverage Services												
St. George Campus	No	No	No	No	(3,434)	2,736	-	-	-	(698)	1,618	6,155
University College	Yes	Yes	Yes	Yes	(13)	232	746	252	-	1,217	1,483	1,929
				150								
Total Food & Beverage Services					**(3,447)**	**2,968**	**746**	**252**		**519**	**3,101**	**8,084**
Transportation Services												
St. George Campus	Yes	Yes	Yes	Yes	-	7,043	500	493	14	8,050	9,287	11,266
				152								
Hart House	Yes	Yes	Yes	No	-	12,216	5,594	2,488	-	20,298	25,973	34,773
	TOTAL			**803**	**(9,471)**	**47,836**	**18,629**	**8,245**	**1,264**	**66,503**	**89,681**	**126,760**

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 ENDING APRIL 30, 2020 AND APRIL 30, 2024
(thousands of dollars)

	Forecast Balance May 1, 2019	Net increase (decrease) in commitments to capital renewal	Balance April 30, 2020	Balance April 30, 2024
RESIDENCE SERVICES				
Innis College	3,376	(709)	2,667	3,170
New College	950	(350)	600	600
University College	1,654	(31)	1,623	1,654
Graduate House	1,300	(651)	649	1,644
Family Housing *	3,250	-	3,250	5,250
Chestnut Residence	200	(200)	-	-
Woodsworth College	3,000	-	3,000	4,000
Total Residence Services	13,730	(1,941)	11,789	16,318
FOOD & BEVERAGE SERVICES				
St. George Campus	-	-	-	1,000
University College	712	34	746	605
Total Food & Beverage Services	712	34	746	1,605
TRANSPORTATION SERVICES	500	-	500	500
HART HOUSE	5,331	263	5,594	15,664
TOTAL	**20,273**	**(1,644)**	**18,629**	**34,087**

* 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, 2019 is expected to be $353,472 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 ENDING APRIL 30, 2020 THROUGH APRIL 30, 2024
(thousands of dollars)

	OPERATING RESERVE				NEW CONSTRUCTION RESERVE			
	Forecast Balance May 1, 2019	Increase or (decrease)	Balance April 30, 2020	Balance April 30, 2024	Forecast Balance May 1, 2019	Increase	Balance April 30, 2020	Balance April 30, 2024
RESIDENCE SERVICES								
Innis College	529	8	537	626	-	-	-	-
New College	-	-	-	-	-	-	-	-
University College	557	(14)	543	589	-	-	-	-
Graduate House	696	19	715	789	-	-	-	-
Family Housing	330	409	739	772	1,250	-	1,250	3,500
Chestnut Residence	-	-	-	-	-	-	-	-
Woodsworth College	2,608	(130)	2,478	3,416	-	-	-	-
Total Residence Services	4,720	292	5,012	6,192	1,250	-	1,250	3,500
FOOD & BEVERAGE SERVICES								
St. George Campus	-	-	-	1,397	-	-	-	-
University College	253	(1)	252	265	-	-	-	-
Total Food & Beverage Services	253	(1)	252	1,662	-	-	-	-
TRANSPORTATION SERVICES	482	11	493	504	1,649	(1,635)	14	5,504
HART HOUSE	2,853	(365)	2,488	3,021	-	-	-	-
TOTAL	**8,308**	**(63)**	**8,245**	**11,379**	**2,899**	**(1,635)**	**1,264**	**9,004**

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED ANNUAL OPERATING RESULTS FOR THE YEARS ENDING APRIL 30, 2018 THROUGH APRIL 30, 2024
(thousands of dollars)

	2018-2019 (Forecast)			2019 - 2020			2020-2021		
	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income after Transfers
RESIDENCE SERVICES									
Innis College	506	(250)	256	736	(345)	391	858	(348)	510
New College	1,243	802	2,045	650	828	1,478	1,179	853	2,032
University College	51	(150)	(99)	728	(150)	578	662	(150)	512
Graduate House	593	520	1,113	169	521	690	540	21	561
Family Housing	1,266	(1,281)	(15)	867	(881)	(14)	351	1,237	1,588
Chestnut Residence	634	546	1,180	(1,202)	2,085	883	393	615	1,008
Woodsworth College	418	-	418	196	-	196	83	-	83
Total Residence Services	4,711	187	4,898	2,144	2,058	4,202	4,066	2,228	6,294
FOOD & BEVERAGE SERVICES									
St. George Campus	44	(857)	(813)	2,094	(1,371)	723	2,388	(1,475)	913
University College	61	(150)	(89)	148	(150)	(2)	262	(150)	112
Total Food & Beverage Services	105	(1,007)	(902)	2,242	(1,521)	721	2,650	(1,625)	1,025
TRANSPORTATION SERVICES	264	(786)	(522)	295	(1,652)	(1,357)	706	(105)	601
HART HOUSE	1,581	-	1,581	1,458	-	1,458	2,490	-	2,490
TOTAL	**6,661**	**(1,606)**	**5,055**	**6,139**	**(1,115)**	**5,024**	**9,912**	**498**	**10,410**

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED ANNUAL OPERATING RESULTS FOR THE YEARS ENDING APRIL 30, 2018 THROUGH APRIL 30, 2024
(thousands of dollars)

	2021-2022			2022-2023			2023-2024		
	Net Income before Transfers	Transfers in (out)	Net Income after Transfers	Net Income before Transfers	Transfers in (out)	Net Income after Transfers	Net Income before Transfers	Transfers in (out)	Net Income after Transfers
RESIDENCE SERVICES									
Innis College	908	(351)	557	978	(279)	699	1,074	(125)	949
New College	1,363	879	2,242	1,540	905	2,445	1,702	932	2,634
University College	1,009	(150)	859	1,635	(150)	1,485	1,885	(150)	1,735
Graduate House	741	22	763	795	23	818	809	24	833
Family Housing	592	215	807	785	218	1,003	775	221	996
Chestnut Residence	1,349	645	1,994	2,251	863	3,114	3,150	912	4,062
Woodsworth College	171	-	171	225	-	225	317	-	317
Total Residence Services	6,133	1,260	7,393	8,209	1,580	9,789	9,712	1,814	11,526
FOOD & BEVERAGE SERVICES									
St. George Campus	2,934	(1,531)	1,403	4,084	(1,994)	2,090	4,527	(2,079)	2,448
University College	305	(150)	155	349	(150)	199	396	(150)	246
Total Food & Beverage Services	3,239	(1,681)	1,558	4,433	(2,144)	2,289	4,923	(2,229)	2,694
TRANSPORTATION SERVICES	744	(108)	636	898	54	952	977	51	1,028
HART HOUSE	3,186	-	3,186	3,965	-	3,965	4,835	-	4,835
TOTAL	**13,302**	**(529)**	**12,773**	**17,505**	**(510)**	**16,995**	**20,447**	**(364)**	**20,083**

Schedule V

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS
SUMMARY OF 2019-2020 CAPITAL BUDGETS
(with comparative figures for 2018-2019)
(thousands of dollars)

	Budget 2019 - 2020	Budget 2018-2019
RESIDENCE SERVICES		
Innis College	1,150	500
New College	515	490
University College	952	902
Graduate House	2,762	48
Family Housing	-	-
Chestnut Residence	841	810
Woodsworth College	660	351
Total Residence Services	6,880	3,101
FOOD & BEVERAGE SERVICES		
St. George Campus	475	344
University College	10	20
Total Food & Beverage Services	485	364
TRANSPORTATION SERVICES	1,000	600
HART HOUSE	1,540	1,741
TOTAL	**9,905**	**5,806**

SCHEDULE OF 2019-2020 ANCILLARY RATES

	2019/20 RATE $	2018/19 RATE $	INCREASE $	INCREASE %	PRIOR YEAR's INCREASE %
RESIDENCE SERVICES					
St. George Campus					
Innis College					
Innis College - Winter	9,991	9,516	475	4.99	4.99
Innis College - Summer	3,256	3,177	79	2.50	2.50
New College					
Winter					
Residence Room - Wilson Hall & Wetmore Hall					
Double room (per bed)	7,825	7,650	175	2.3	3.0
Single room	9,450	9,150	300	3.3	3.7
Bed-over-desk double room (per bed)	6,425	6,250	175	2.8	2.5
Residence Room - 45 Willcocks					
Double room (per bed)	8,475	8,225	250	3.0	3.1
Single room	10,075	9,750	325	3.3	3.7
Summer/Single					
Continuing New College Students					
Sessional	2,700	2,562	139	5.4	1.6
Registered Students					
Sessional	2,678	2,472	206	8.3	(1.7)
Others					
Sessional	2,781	2,575	206	8.0	(1.8)
Summer/Double					
Continuing New College Students					
Sessional	2,268	2,180	88	4.0	2.4
Registered Students					
Sessional	2,163	2,060	103	5.0	1.3
Others					
Sessional	2,266	2,163	103	4.8	1.1
University College					
SDW	9,170	8,775	395	4.5	4.8
DW Standard Doubles	8,199	7,999	200	2.5	3.0
WH Standard Singles	9,170	8,775	395	4.5	4.8
WH & SDW Alcove Singles	8,199	7,999	200	2.5	3.0
WH Doubles	8,199	7,999	200	2.5	3.0
MH Singles	9,885	9,414	471	5.0	6.0

SCHEDULE OF 2019-2020 ANCILLARY RATES

	2019/20 RATE $	2018/19 RATE $	INCREASE $	INCREASE %	PRIOR YEAR's INCREASE %
RESIDENCE SERVICES					
St. George Campus					
Graduate House					
Grad. House Res/month - Single - premium	1,231	1,161	70	6.0	3.0
Grad. House Res/month - Single - regular	1,102	1,040	62	6.0	3.0
Grad. House Res/month - Singles in suite 970	977	922	55	6.0	3.0
Grad. House Res/month - Singles in suite 670	1,062	1,002	60	6.0	3.0
Grad. House Res/month - Regular Double	842	794	48	6.0	3.0
Family Housing					
Bachelor	796	769	27	3.5	2.0
1 bedroom (standard)	987	954	33	3.5	2.0
1 bedroom (20) 'B'	1,003	969	34	3.5	2.0
1 bedroom (large) 'A'	1,046	1,011	35	3.5	2.0
1 bedroom (19/23) 'C'	1,071	1,035	36	3.5	2.0
1 bedroom (Extra Large)'D'	1,297	1,253	44	3.5	2.0
2 bedroom (standard)	1,305	1,261	44	3.5	2.0
Chestnut Residence					
Single	13,868	13,208	660	5.0	5.0
Double	10,990	10,467	523	5.0	3.0
Summer Rates per month					
Single	1,440	1,392	48	3.4	2.0
Double	1,110	1,066	44	4.1	2.0
Summer Rates full summer					
Single	4,527	4,436	91	2.1	(0.7)
Double	2,781	2,725	56	2.1	(0.8)
Summer Rates full summer with discount					
Single	3,849	3,774	75	2.0	(0.7)
Double	2,365	2,315	50	2.2	(0.9)
Woodsworth College					
Woodsworth College - Winter	10,359	9,766	593	6.1	3.0
HART HOUSE					
St. George Full Time	97.96	89.40	8.56	9.57	3.5
St. George Part Time	19.61	17.90	1.71	9.57	3.5
Scarborough & Mississauga (Full time)	3.01	2.74	0.26	9.57	3.5
Scarborough & Mississauga (Part time)	0.60	0.55	0.05	9.57	3.5

SCHEDULE OF 2019-2020 ANCILLARY RATES

	2019/20 RATE $	2018/19 RATE $	INCREASE $	INCREASE %	PRIOR YEAR's INCREASE %
TRANSPORTATION SERVICES					
St. George Campus					
Permit					
Faculty of Education	140	135	5	3.7	3.8
School of Continuing Ed. (158 St. George St.)	315	305	10	3.3	5.2
42 Harbord Street	140	135	5	3.7	3.8
Graduate Garage (Lot N)	155	150	5	3.3	7.1
OISE Garage (Lot I)	155	155	-	0.0	3.3
Bedford Rd. (Lot M)	200	195	5	2.6	2.6
St. George Garage (Lot P)	180	175	5	2.9	9.4
Faculty of Law	240	235	5	2.1	4.4
BCIT (Lot C)	200	195	5	2.6	2.6
McLennan Physics (Reserved)	250	235	15	6.4	4.4
McLennan Physics (Lot B)	200	195	5	2.6	-
E/S Hart House Circle (Lot U)	190	185	5	2.7	5.7
Triangle	260	255	5	2.0	4.1
Front Campus (KCC & HHC) (Lot R)	245	240	5	2.1	4.3
Lot A Garage(55 St. George St.)	320	305	15	-	-
Galbraith Rd.	260	255	5	2.0	4.1
200 College St.(Rear)/I.S.C.	260	255	5	2.0	4.1
Tower Road - Unreserved	140	135	5	3.7	3.8
Tower Road - Reserved	260	255	5	2.0	4.1
256 McCaul Street - Reserved	260	255	5	2.0	4.1
155 College Street - Garage	285	275	10	3.6	5.8
155 College Street - Surface	260	255	5	2.0	4.1
100 College St. (Banting)	140	135	5	3.7	3.8
112 College St. (Best) (Lot K)	200	195	5	2.6	2.6
88 College St. (Women's college) (Lot L)	200	195	5	2.6	2.6
Dentistry - Garage	240	235	5	2.1	4.4
Dentistry - Surface	220	215	5	2.3	4.9
6 King's College Road (Lot O)	260	255	5	2.0	6.3
730 Yonge St Garage	203	-	n/a	0.0	-
Permit Misc					
Commercial monthly	280.00	275.00	5	1.8	10.0
Commercial weekly	86.00	84.00	2	2.4	9.8
After 4pm parking	80.00	75.00	5	6.7	2.0
Summer Conference monthly	240.00	235.00	5	2.1	4.1
Summer Conference weekly	84.00	81.00	3	3.7	3.5
UTM/UTSC designated lot	55.00	52.50	3	4.8	5.3
UTM/UTSC hunting permit	90.00	85.00	5	5.9	5.1
24-Hour Reserve	315.00	305.00	10	3.3	5.2
24-Hour Reserve (Lot A Garage)	350.00	305.00	45	14.8	-
24-Hour Reserve (256 McCaul)	315.00	305.00	10	3.3	5.2
Z-Permit (unrestricted)	260.00	255.00	5	2.0	4.1
Motorcycle	36.00	35.00	1	2.9	4.5

SCHEDULE OF 2019-2020 ANCILLARY RATES

	2019/20 RATE $	2018/19 RATE $	INCREASE $	INCREASE %	PRIOR YEAR's INCREASE %
FOOD & BEVERAGE SERVICES					
St. George Campus					
New College Meal Plan (tranditional board program)					
15 Meals per week (2018-19 includes $100 Flex; 2019-20 Flex is 0)	5,000	4,950	50	1.0	4.3
330 Meals during the academic year (2018-19 includes $200 Flex; 2019-20 Flex is 0)	4,800	4,850	(50)	-1.0	2.6
Carte Blanche Meal plan (unlimited access, does not include flex)	5,625	5,450	175	3.2	2.8
Chestnut Meal Plan (unlimited access program)					
Unlimited Access plan 1 (includes $100 flex)	5,790	5,625	165	2.9	3.1
Unlimited Access plan 2 (includes $200 flex)	5,890	5,725	165	2.9	3.0
Unlimited Access plan 3 (includes $300 flex)	5,990	5,825	165	2.8	3.0
245 College Meal Plans (declining balance program)					
Light Plan (Includes $100 flex)	5,400	5,300	100	1.9	1.9
Average Plan (Includes $100 flex)	5,650	5,500	150	2.7	1.9
Hearty Plan (Includes $100 flex)	5,850	5,700	150	2.6	1.8
Knox College Meal Plan (traditional board program)					
Carte Blanche Meal plan (Unlimited access, doesn’t include flex) .	5,615	5,450	165	3.0	-
University College					
Plan A	5,196	5,040	156	3.1	3.1
Plan B	4,587	4,449	138	3.1	3.1

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 2019-20 and long-range plans for 2020-21 to 2023-24 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 44).

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 (GHC)
Graduate House Governing Body (GHGB)

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

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 Operations and Real Estate Partnerships	Scott Mabury
Assistant Vice-President Planning and Budget	Trevor Rodgers

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

Alumni (Chair of UAB)	Andrew Szende
Alumni	Harvey Botting
Students	Sandhya Mylabathula

Financial Services:

Manager, Accounting Services	Selina Law
Financial Accounting Analyst	Savitha Sampathkumar