UNIVERSITY OF
TORONTO

Service Ancillaries Report on Operating Plans 2011-2012

Sir Daniel Wilson residence is home to 200 students and is divided into six houses: McCaul, Loudon, Hutton, Wallace, Taylor, and Jeanneret.

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BACKGROUND

The University Affairs Board approves operating plans for all 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 service ancillaries' annual budgets for 2011-12 and long-range plans for 2012-13 to 2015-16 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 57).

Following this consultation process, the Financial Services Department (FSD) reviewed the management reports submitted by each ancillary. FSD analyzed the reports for completeness, adherence to fiscal policies and financial feasibility. FSD also assessed the progress made by measuring their performance against the four financial objectives established for ancillaries. These are:

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*. The rate of contribution will be established by each individual campus for each individual ancillary. (*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.)

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

The SARG provides advice and formulates recommendations on the operating plans for all service ancillaries. The SARG process contributes to the success of the ancillary operations by providing direction and guidance on short and long-range planning. It reviews, monitors and provides recommendations on operating plans for approval. It also considers other matters that fall within its purview.

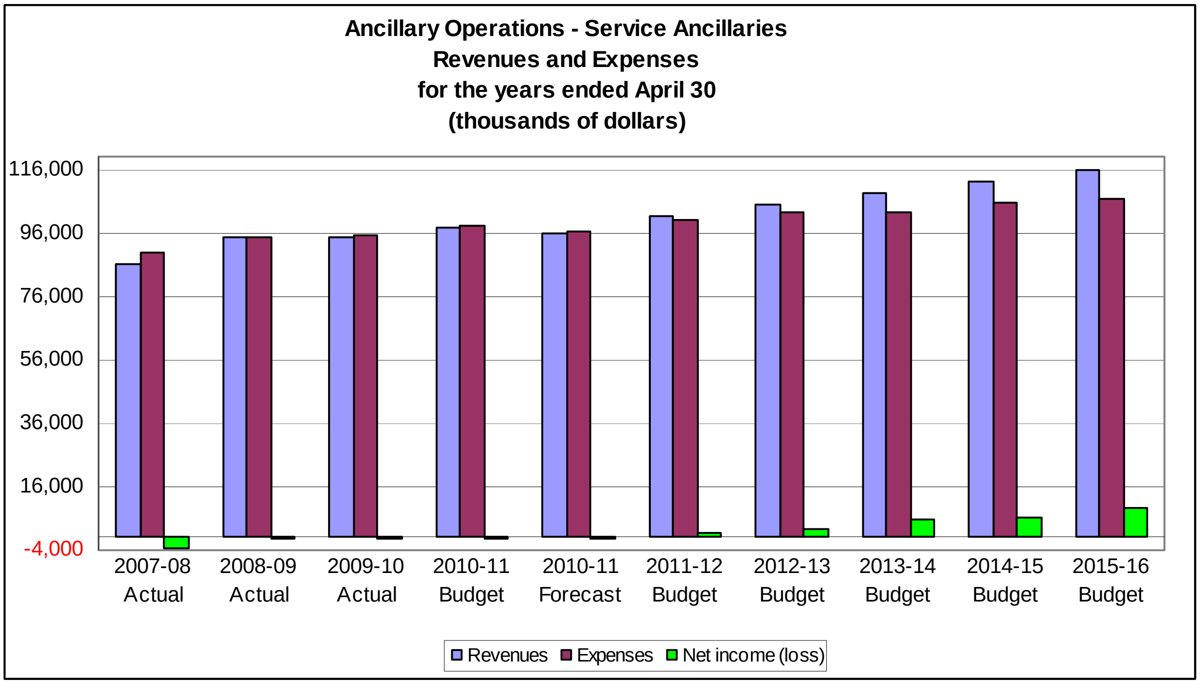
This report includes an executive summary and financial highlights with the 2010-11 forecasts, 2011-12 budgets and long-range plans. The report also includes summary financial schedules. Copies of the detailed submissions may be obtained from any of the following offices: Governing Council, Vice-President, Business Affairs and Vice-Provost, Students.

Summary

Financial Highlights

Service Ancillaries are forecasting a net loss of $0.4 million before transfers and subsidies at April 30, 2011 on projected revenues of $95.9 million. The forecasted net loss represents a $0.2 million decrease from last year's net loss of $0.6 million. For the 2011-12 budget, the ancillary services are anticipating a surplus of $1.2 million with $101.1 million of revenues and $99.9 million of expenses. This budget is projecting an improvement of $1.6 million in net income with an increase of 5.4% in revenues and 3.7% in expenses compared to the 2010-11 forecast. The actual net loss for 2009-10 was $3.9 million better than budget despite the financial impact from the global economic downturn and a couple of one-time-only events. The two one-time-only events were the $2.0 million cost of repairing the Ontario Institute for Studies in Education (OISE/UT) parking garage and the $0.9 million cost of installing a curtain wall system over the hundreds of windows at Graduate House.

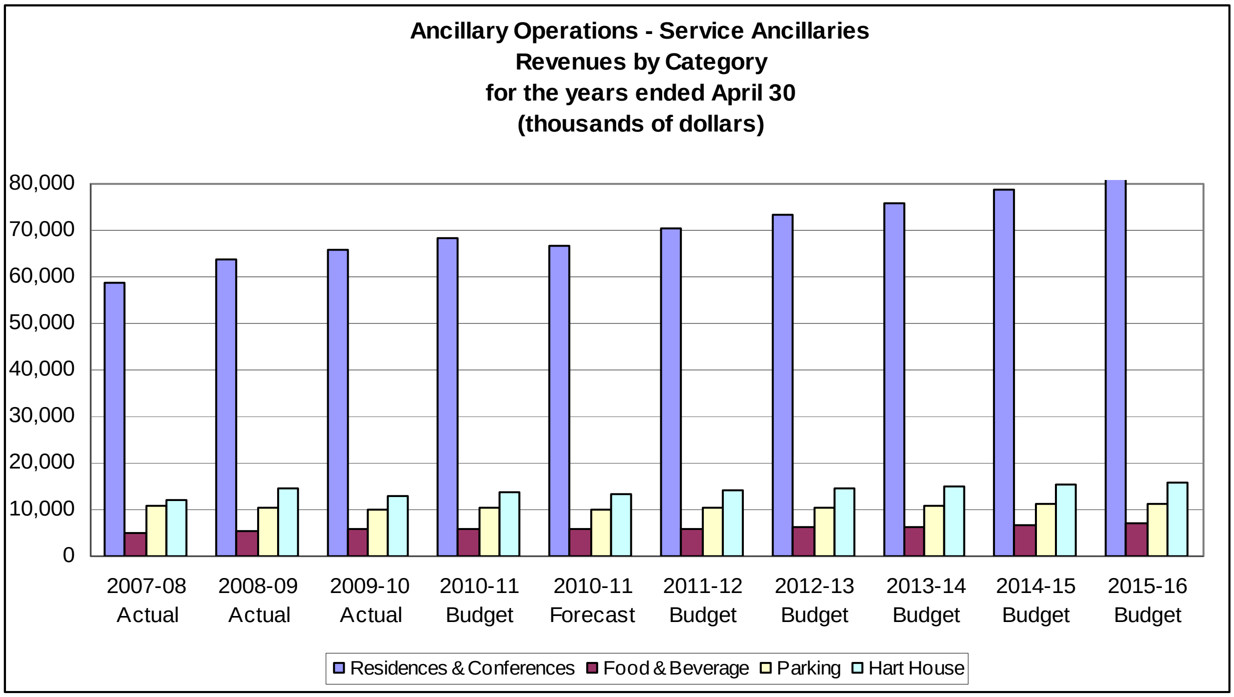
The ancillary operations are projecting an increase in revenue for summer business and food sales as the economy becomes stabilized. This budget is also anticipating some growth in revenue for conferences, food & beverage and parking as facility capacity increases and parking inventory returns at completion of the new construction at UTM and UTSC. However, parking inventory continues to decrease at St. George campus and new strategies have to be explored to deal with its currently unsustainable business model. Continuous efforts will be made to develop new revenue streams while striving to be operationally effective and efficient.



Total Ancillaries	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenues	86,373	94,319	94,444	97,864	95,942	101,137	104,627	108,264	111,985	115,682
Expenses	89,540	94,818	95,037	98,243	96,331	99,915	102,235	102,657	105,583	106,620
Net income (loss)	(3,167)	(499)	(593)	(379)	(388)	1,222	2,392	5,607	6,402	9,062

The long-range plans project a revenue increase of $14.5 million or 14.4% from 2011-12 to 2015-16. This is mainly due to revenue increases from residence operations. This plan is anticipating operating surpluses annually for each budgeting period and to generate a net income of $9.0 million in 2015-16. This positive outlook is mostly due to the anticipated net income of $7.6 million from residence and conference operations, $0.7 million from food and beverage services, $0.7 million from parking services and $0.1 million from Hart House.

Revenue



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Residences & Conferences	58,770	63,803	65,691	68,204	66,712	70,511	73,271	76,015	78,824	81,613
Food and Beverage	4,930	5,392	5,677	5,672	5,784	5,989	6,180	6,440	6,679	6,929
Parking	10,675	10,506	10,145	10,358	10,124	10,376	10,615	10,877	11,131	11,391
Hart House	11,998	14,618	12,932	13,630	13,323	14,262	14,562	14,932	15,352	15,749
Total Revenue	86,373	94,319	94,444	97,864	95,942	101,137	104,627	108,264	111,985	115,682

Although the impact from the soft economy was factored in when the 2010-11 budget was prepared, the Ancillaries are forecasting revenues to be $1.9 million less than budget. The $0.1 million increase in revenue from Food & Beverage Services was offset by the $1.5 million decrease in revenue from Residences and Conferences and a combined $0.5 million decrease in revenue from Parking Services and Hart House. The total forecasted revenue for 2010-11 is $1.5 million higher than 2009-10 actual.

The 2011-12 budget incorporates a $5.2 million (5.4%) increase in revenues of which $3.8 million (a 5.7% increase) is from Residence and Conferences and $0.2 million (a 3.5% increase) is from Food and Beverage Services. Hart House projects a revenue increase of $0.9 million (a 6.9% increase) while Parking Services anticipate a moderate increase of $0.3 million (a 2.5% increase).

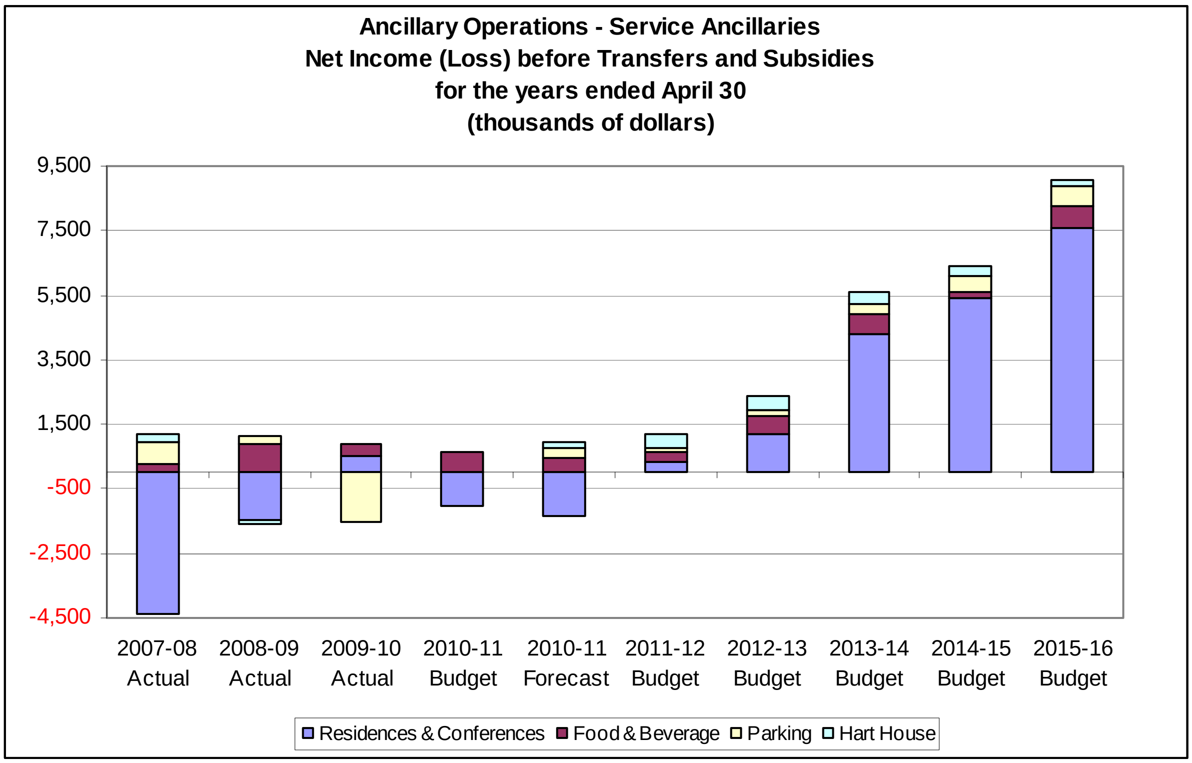
The majority of residences are anticipating revenue growth with rental rate increases ranging from 2.5% to 5.0%. Food and Beverage Service operations have incorporated sales improvements due to projected increase in enrolment, service capacity, meal plan rate and a stronger economy. Parking Services at Mississauga (UTM) and University of Toronto at Scarborough (UTSC) are projecting revenue growth with spaces that would be returned to generate revenue at completion of their new construction. In contrast, spaces would not be returned to the parking inventory with development on the St. George campus. It is at the point where the increased revenues from any rate increases will not be enough to compensate for the revenue loss from the declining parking inventory. Hart House will focus on developing new revenue streams, expand its donor base, pursue external grants and bring additional income from Hart House Farm.

The long-range plan projects revenues to increase by $14.5 million (14%) from 2011-12 to 2015-16. Of this increase, $11.1 million will come from the Residence and Conference Services, $0.9 million from Food & Beverage Services, $1.0 million from Parking Services and $1.5 million from Hart House. The projected revenue growth includes: $3.8 million from 89 Chestnut, $2.7 million from UTM and $0.8 million each from Graduate House and New College.

Net Income (Loss)

The forecasted net loss for 2010-11 is $0.4 million which is essentially on budget and represents a $0.2 million decrease in the net loss from 2009-10. This net loss is mainly as a result of the Residence and Conference operations ($1.4 million) resulting primarily from the continuing weak economy and major capital maintenance/repair costs.

A net income of $1.2 million is budgeted for 2011-12 which is $1.6 million higher than the forecasted loss for 2010-11. This net income assumes a contribution of $0.3 million from Residence and Conferences, $0.3 million from Food and Beverage, $0.1 from Parking and $0.5 million from Hart House.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2009-10 Budget	2009-10 Forecast	2011-12	2012-13	2013-14	2014-15	2015-16
Residences & Conferences	(4,383)	(1,450)	501	(1,003)	(1,362)	307	1,177	4,326	5,392	7,597
Food and Beverage	263	861	404	616	468	355	596	602	202	655
Parking	660	247	(1,508)	(2)	321	91	168	299	476	651
Hart House	293	(157)	10	10	184	469	451	380	331	159
Net income (loss)	(3,167)	(499)	(593)	(379)	(388)	1,222	2,392	5,607	6,402	9,062

The long-range plan is showing an improvement in the net income position from a $1.2 million income in 2011-12 to a net income of $9.1 million in 2015-16, mainly due to a $7.3 million improvement in the financial position of Residence and Conferences. Parking Services and Food and Beverage Services are anticipating an improvement of $0.3 million and $0.6 million respectively from 2011-12 to 2015-16. Hart House is expecting a $0.2 million net income in 2015-16 which is $0.3 million less when compared to the 2011-12 budget.

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

	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Forecast	2010-12 Budget	2015-16 Budget	Improvement in 2015-16 over 2011-12	Cumulative net income(loss) for five year planning period
Residences & Conferences								
UTM *	(285)	(538)	232	249	452	2,138	1,687	6,688
UTSC*	252	171	276	(65)	79	453	374	1,456
Family Housing	549	396	481	(526)	(470)	1,164	1,634	1,065
Innis College	155	205	280	366	175	566	391	1,936
Graduate House	94	(38)	(330)	0	221	769	548	2,822
Woodsworth College	(590)	(471)	(386)	(340)	(351)	(174)	177	(1,312)
New College	(2,170)	(751)	(45)	(383)	149	481	332	1,535
University College	(316)	126	182	114	200	146	(54)	708
89 Chestnut Street **	(2,072)	(550)	(189)	(778)	(148)	2,054	2,202	3,901
	(4,383)	(1,450)	501	(1,362)	307	7,597	7,290	18,799
Food & Beverage Services	263	861	404	468	355	655	300	2,410
Parking	660	247	(1,508)	321	91	651	560	1,685
Hart House	293	(157)	10	184	469	159	(310)	1,791
Total Net income (loss)	(3,167)	(499)	(593)	(388)	1,222	9,062	7,840	24,686

** UTM and UTSC manage conferences as a separate ancillary while the other ancillaries combined their conference businesses with the residence ancillary.*

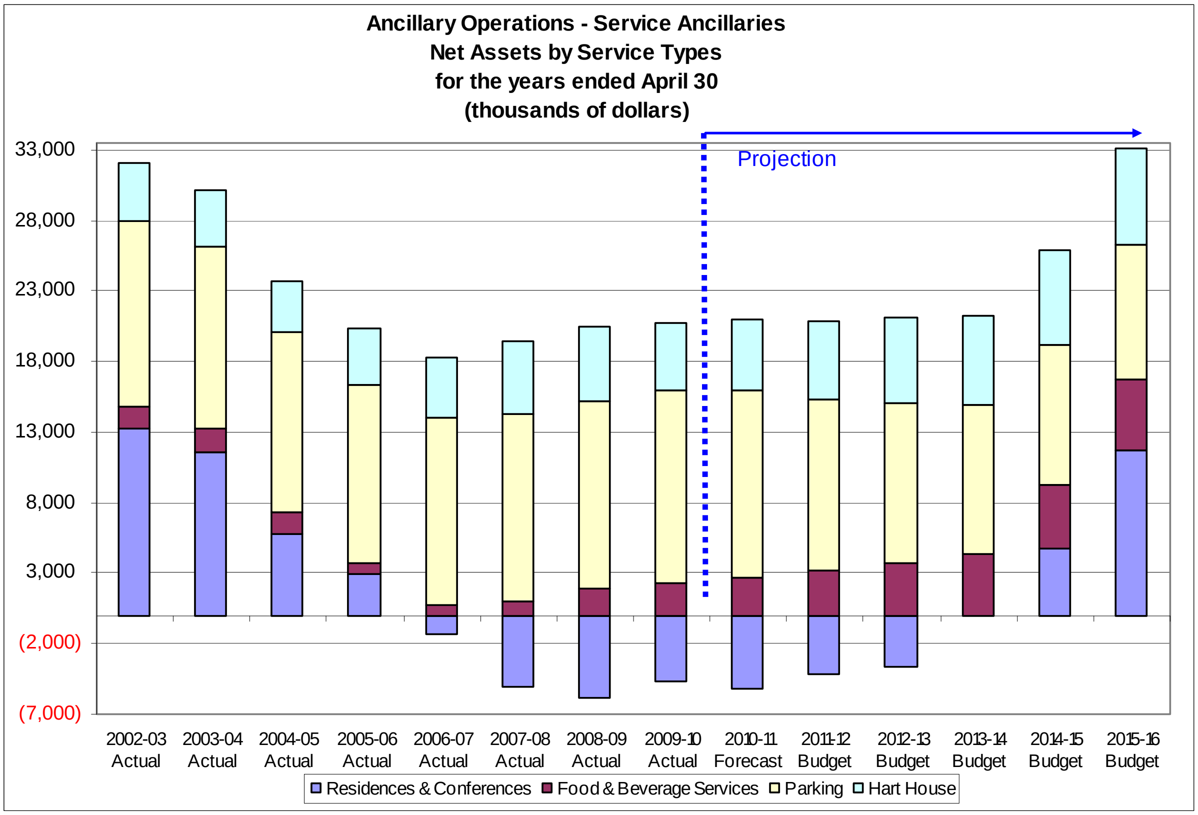
***89 Chestnut includes revenue and expenses from conferences, food & beverage and parking.*

Net Assets

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

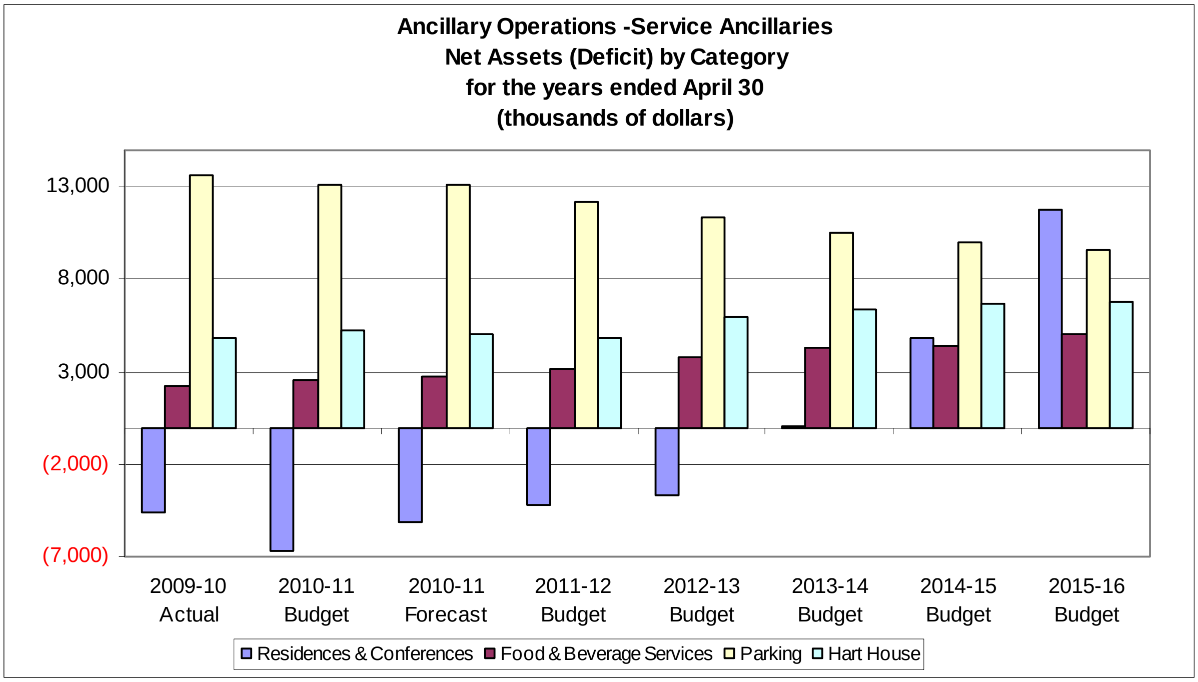
- The unrestricted net assets category represents net assets on hand that have not been set aside for any of the specific purposes listed below.
- Various reserves such as the operating reserve, capital renewal reserve and new construction reserve represent net assets that have been set aside for these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

The following chart shows the history of actual net assets for service ancillaries from 2003 to 2011 and projects the net assets in accordance with long-range plans to 2016.



This chart shows the impact of the major expansion of residence beds and other ancillary services to accommodate the large increase in enrolment and in the resident student population that has occurred since 2002. The results can also be compared to the cost of subsidy in leasing residence space at the Primrose Hotel and the Delta Chelsea Hotel. The financial impact of leasing residence space was substantial and would require the subsidy to grow from $3.5 million in 2002-03 to about $5 million in 2003-04.

For 2010-11, the service ancillaries are forecasting total net assets of $15.9 million. The St. George Family Housing ancillary also has a trust fund of $600,000, which is reserved for major capital improvements based on the purchase agreement with the Ontario Housing Corporation (OHC). The 2011-12 operating plans project total net assets of $16.7 million after transfers of $1.1 million from the ancillary fund to the operating fund.



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

	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
UTM	(4,683)	(5,070)	(4,534)	(4,183)	(3,302)	(1,994)	(384)	1,654
UTSC	1,961	1,396	1,897	1,975	2,142	2,493	2,900	3,353
Family Housing	4,305	2,937	3,303	2,371	1,186	1,420	1,358	2,061
Innis	2,780	2,814	3,021	3,071	3,226	3,566	3,916	4,367
Graduate House	1,670	1,616	1,684	1,918	2,443	3,065	3,791	4,573
Woodworth	3,067	3,756	3,931	4,784	4,479	4,233	3,997	3,822
New College	(6,180)	(6,321)	(6,211)	(5,945)	(5,847)	(5,547)	(5,039)	(4,558)
University College	3,553	3,500	3,667	3,868	4,012	4,173	4,304	4,475
89 Chestnut	(11,130)	(11,275)	(11,908)	(12,056)	(12,000)	(11,382)	(10,061)	(8,007)
Residences & Conferences	(4,657)	(6,646)	(5,152)	(4,196)	(3,662)	26	4,781	11,740
Food & Beverage	2,228	2,520	2,738	3,135	3,748	4,292	4,436	5,008
Parking	13,691	13,097	13,180	12,222	11,335	10,571	9,979	9,554
Hart House	4,828	5,221	5,087	5,561	6,012	6,392	6,680	6,795
Total Net Assets	16,090	14,192	15,854	16,722	17,433	21,282	25,875	33,097

The projected total net assets of $16.7 million for 2011-12 are the sum of $27.6 million investment in capital assets, $10.1 million commitments to capital renewal, $8.4 million to operating reserve, $1.6 million to new construction reserve partially offset by $31.0 million in unrestricted deficit (see schedule II and III for details). As depreciation is charged and funded from future revenues, the $27.6 million investment in capital assets will decrease and the unrestricted deficit will also decrease. It should be noted that this report assumes that borrowing that has been internally financed with funds sourced from outside ancillary operations, is treated as external financing. In the University's financial statements such internal borrowing must be recorded as a $93.4 million increase in both the investment in capital assets and unrestricted deficits with no overall change in net assets.

Most residences except Innis College and Family Housing are projecting an unrestricted deficit while residences with accumulated deficits are burdened by the associated interest charges (shown as finance charges on schedule II). These operations are also vulnerable to any interest rate changes on their short-term financing of deficits (long-term loans are all at fixed rates).

Net Assets are expected to grow to $33.1 million by 2015-16 reflecting an increase of $16.4 million from 2011-12. This increase consists of growth of $15.9 million from Residences and Conferences, $1.9 million from Food and Beverage Services and $1.2 million from Hart House. Total net assets will decrease by about $2.7 million for Parking Services.

Ancillary Debt

For 2010-11, the service ancillaries are projecting a total outstanding debt of $247.3 million (on original loans issued of $305.3 million), of which $220.8 million is for residences and $26.5 million for parking services. The estimated principal and interest repayment on the borrowing for residences is projected to be $22.6 million, representing 34.7% of revenues. The estimated interest costs on borrowing will be $14.8 million or 22.7% of revenues and 22.2% of expenses. This represents the main reason why certain residence ancillaries are not currently breaking even. The majority of this borrowing is allocated to the residence ancillaries and, therefore, subsidies were provided to some ancillaries from the University's operating budget and from existing operations with a plan that they will break even in year five and cumulatively in year eight from inception of the building.

In this long-range plan, two external loans and one internal loan will mature. A $0.8 million loan for UTM Phase III will mature in November 2011, a $1.5 million loan for UTSC Phase II will mature in November 2012 and a $0.9 million loan for University

College Morrison Hall will mature in December 2012. UTM has also included additional borrowing for their future capital projects in this operating plan for Food and Beverage Services.

Ancillary Operations – Service Ancillaries
Loan Balances
for the years ended April 30
(thousand of dollars)

Loan Balance	2009-10 Actual	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Residences:							
UTM	52,642	50,342	48,502	46,602	44,578	42,420	40,121
UTSC	17,437	16,584	15,671	14,769	13,910	12,992	12,010
St. George Family Housing	15,773	15,046	14,272	13,448	12,570	11,636	10,640
Innis College	3,644	3,337	3,011	2,663	2,293	1,900	1,481
Graduate House	14,206	13,649	13,048	12,399	11,699	10,944	10,128
Woodsworth	25,018	21,898	21,240	20,538	19,789	18,988	18,134
New College	23,883	23,079	22,223	21,310	20,338	19,303	18,199
Universtiy College	14,922	14,420	13,897	13,289	12,817	12,318	11,791
89 Chestnut	64,284	62,421	60,431	58,306	56,035	53,609	51,017
Sub-total	231,809	220,775	212,296	203,325	194,030	184,110	173,523
Food & Beverage Services							
UTM			-	-	1,911	1,767	1,612
Parking Services:							
UTM	10,984	10,643	10,279	9,891	9,477	9,036	8,565
UTSC	7,062	6,858	6,641	6,409	6,162	5,898	5,616
St. George	9,319	9,027	8,714	8,378	8,017	7,630	7,215
Sub-total	27,365	26,528	25,634	24,678	23,656	22,564	21,396
Total Loan Balance	259,173	247,303	237,929	228,003	219,596	208,441	196,530

Factors such as enrolment growth, the First Year Residence Guarantee program and demand from upper year students to return to residence continued to sustain the optimal fall and winter session occupancy rate for Residence Services. The building expansion on all three campuses to increase residence spaces has put a strain on the financial viability of most residence operations. Minimal equity down payments for new residence buildings resulted in substantial borrowings and in turn large annual principal and interest costs. The impact of these large borrowings leads to financial deficiencies in some of the newly constructed residences and continues to impact the 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 or as a result of construction deficiencies have led to increased operating costs for some residence operations.

Although subsidies received from the Academic Priorities Fund and the office of the Vice-President, Business Affairs provided some relief of financial pressure from substantial borrowings, residences continue to seek opportunities to maximize their revenues and to be cost effective in order to break even. In 2008, a pilot group was set up with financial representatives from each residence operation to develop a "per bed" analysis. The comparative study provided valuable information to residence ancillaries to better understand their relative position among operations and allowed for various benchmarks. This annual report will serve as a benchmark for all residence operations.

All Residence Services planned to explore opportunities and to implement strategies to maximize their revenues and/or reduce costs for their operations while maintaining the highest quality of residence life to students and keeping the residences viable and attractive. The followings are the key accomplishments for 2010/11:

- UTM implemented various programs to streamline processes and to enhance student experiences which include: a new residence application management system, Waawaahte Northern Light Initiative, utmTALK and a paperless work order system. The Waawaahte Northern Lights Initiative was recognized as Program of the Year by the University of Toronto Excellence Through Innovation Awards and by the Ontario Association of College and University Housing Officers.
- UTSC continued strategy meetings to support the individual development and community development model that drives the residence life programs. Off-campus housing advisory services were launched in February 2010 while keeping the residences viable through renovation and wireless internet.
- Family Housing participated in the University of Toronto open houses and worked with various faculties. Through aggressive advertising and marketing strategies, applicants have increased (with a small wait list). Large capital repair projects began in 2009 and Family Housing will continue with these repairs over the next three years as budget permits.
- Innis College achieved cost savings as a result of the assistant to the Dean, Student Life vacancy and due to delays in asset purchases. In addition, there was a significant reduction in cleaning costs.
- Graduate House placed a renewed focus on their residence life program and in training and developing the residence life staff.

- Woodsworth made another lump-sum mortgage payment to reduce its loan costs.
- New College reorganized the steward lodge system which generates a significant favourable variance on the salary expenditures. The 24/7 coverage at the steward lodges in all three buildings has been replaced with continuous coverage in a central lodge at Wilson Hall. As well, the position of Director of Residence and Student Life is now shared between the operating and ancillary budgets reducing the cost to the residence ancillary. The new facilities management team established in 2008 has completed many renovations and upgrades to all three buildings including replacement of furniture and installation of high-efficiency lighting and occupancy sensors which will reduce energy costs in the future.
- University College continues to enjoy the success in obtaining donations from alumni to cover expenses for renovation and refurbishment for the residence. Building and equipment maintenance is vigorously followed as outlined in their previous engineering studies to avoid major problems.
- 89 Chestnut converted several rooms back to doubles to meet an increased demand from student housing. This has generated a positive revenue variance for the Fall/Winter session. Catering Services are calling and visiting clients to ensure that they remain on their radar when they need the services.

There were no significant developments for Food Services in 2010-11 at all three campuses except for the addition of a new Spring Rolls station at Sid's Café and a new Veda location at the Multi-Faith Centre. However, Food Services are anticipating future growth associated with the new Instructional Center at UTM and as the economy strengthens. New restaurant facilities in the Instructional Centre at UTSC are not expected to have a significant impact on the ancillary as the food service facility will be operated by a third party. While Food Services at UTM and UTSC are putting some of their accumulated surplus towards new construction reserves, Food Services at St. George campus are building their capital renewal reserve in order to have the maximum operational flexibility when the campus-wide contract expires in 2016.

It has been a challenge in the past to increase revenue for conference ancillaries due to the shortage of meeting and conference space on campus. However, the new development at UTM and UTSC will create opportunities to explore new business.

The parking space inventory was reduced by over 1,000 spaces due to the construction of buildings on parking spaces at UTM and UTSC and as a result of the sale of parking lots on St. George campus. Both UTM and UTSC expect these temporary lost parking spaces to be returned to the ancillary's inventory of parking spaces upon the completion of the Instructional Centres. On the other hand, the lost parking spaces at St. George campus are not expected to be returned. It is important to note that on St. George campus, the supply of parking is adequate for student, staff, faculty, and visitors and technically meets the municipal by-laws to maintain a parking space inventory within a pre-defined boundary.

Hart House has taken several initiatives to enhance the student experience as well as to increase revenues and reduce costs over the long term. These initiatives include: creating an environment for greater student engagement through focused programming, partnerships and collaboration with a new administrative structure and vision statement; increased student usage of the renovated upper gym; expanding the range and number of Creative Classes and workshops and completing the renovation to the Justina M. Barnicke Gallery which was 90% funded by donations and a government grant.

Residence Services

Over the years, the residence expansion has presented the University with a financial challenge, in that the costs of building new residences have risen faster than residence rates. Currently, the approved subsidy from the Academic Priorities Fund (APF) in support of residence expansion is $1.55 million per year for the first eight years of operation, of which $1.2 million is allocated to Woodsworth College (ending in 2011-12) and $0.35 million to New College (ending in 2011-12). The Office of the Vice President, Business Affairs provided a subsidy of $0.9 million per year for five years to the 89 Chestnut residence which ended in 2009.

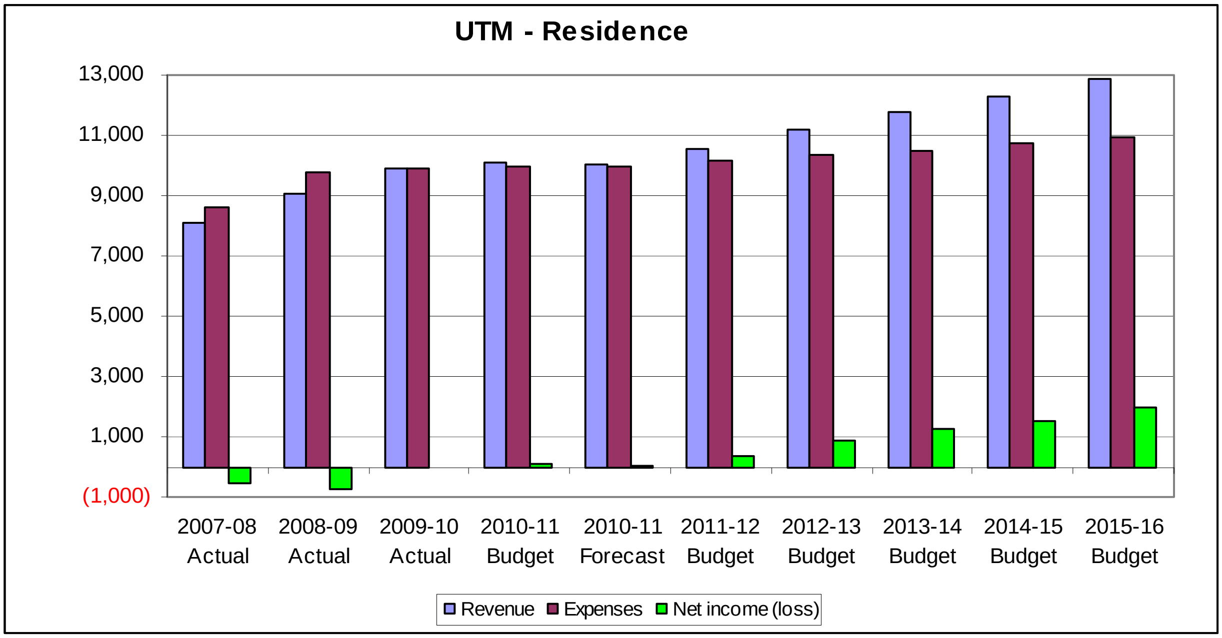
The residence expansion has necessitated temporary changes to the ancillary principles mentioned earlier for Woodsworth, New College and 89 Chestnut. In the case of the first objective, a subsidy will be provided for a maximum of eight years through the Academic Priorities Fund (APF) from the University's operating budget to a college's residence ancillary budget to cover a portion of the cost of borrowing. The combined ancillary operation will be required to break even annually in year five and cumulatively in year eight. The subsidy amount was calculated at the time to achieve those break-even targets. In the case of the second objective, the normal 1.5% capital renewal provision for new residence buildings will be deferred until the sixth year of operation. The third objective will remain unchanged, i.e., the residence ancillary will continue to be responsible for funding operating and maintenance contingencies in the residences. It should be noted that for all residence operations, the first three objectives must be met before the fourth can be invoked, i.e., transfers from the residence and conference ancillaries to the divisional operating budget can only occur when the residence and conference ancillaries combined meet the first three objectives.

In the intervening period, it is expected that the residence and conference ancillaries will remain within their ancillary budgets and use the funds normally transferred to their college operating budget. The ancillaries will use these funds to support the expansion program. This expectation has been factored into the financial plans. The colleges have submitted their financial plan for their residence expansion program and have included the calculation of the maximum subsidy available to each division from the APF. Each year, during which a central subsidy flows to a college, the actual amounts generated by the residence and conference ancillaries combined will be compared to the amounts required in the subsidy model. Colleges will be allowed to transfer any excess amount to their operating budgets as required by the subsidy model in order to generate annual break-even results for the ancillary in year five and cumulative break-even results in year eight.

The ancillary objectives have been modified for UTM, New College, Woodsworth College and University College residences to allow for deficits, with targets of annual break-even in year five and cumulative break-even in year eight, with deferral of the capital renewal provision on new construction to year six. Innis College met all four objectives for many years. For the 2011-12 budget year, Innis College meet all four objectives and Family Housing is budgeting that the first three objectives will be met in the 2011-12 budget. UTSC meets the first two objectives while Graduate House and 89 Chestnut meets only one objective.

UTM

With 1,280 single undergraduate student beds and 121 family and graduate student units, UTM residences provide accommodation to over 1,500 residents in eight building complexes with a multitude of options, such as 2, 3 and 4 bedroom townhouses, 2 and 4 bedroom apartment suites, and traditional style suites. The occupancy rate for 2010-2011 Fall and Winter is forecasted at 95%, 1% less than budget.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	8,065	9,079	9,873	10,086	10,032	10,537	11,215	11,744	12,288	12,858
Expenses	8,635	9,801	9,928	9,996	9,969	10,190	10,375	10,493	10,749	10,907
Net income (loss)	(570)	(722)	(55)	90	63	347	840	1,251	1,539	1,951

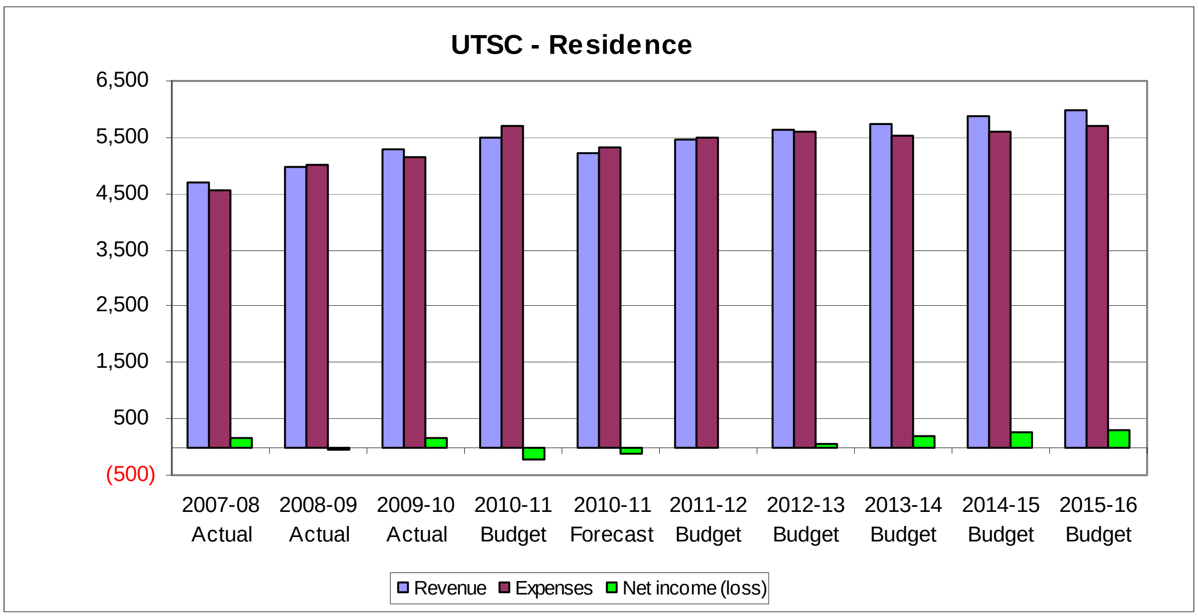
The ancillary is forecasting an operating surplus of $63,309 in 2010-11, which is $26,738 less than budget. The unfavorable variance is mainly due to a drop in occupancy rate from 96% to 95% for Fall and Winter. An increase in summer occupancy and in Commissions & Other Income was not enough to compensate the loss revenue from Fall and Winter Session. An increase in Commissions & Other Income is a result of the agreement related to the management of conference accommodations. Accommodation fees are charged to Conference and Event Services on a bed night basis.

This ancillary is projecting its operations to have a positive operating result in 2011-12 (year five of Phase 8 residence) and a positive total fund balance by approximately 2015-16 (year nine of Phase 8 residence). The ancillary is anticipating a $347,391 surplus for 2011-12. UTM residence is forecasting net assets to be in a deficit of $4.7 million in 2011-12 and in a deficit of $1 million by 2014-15. It projects that net assets will be positive in 2015-16. For its 2011-12 budget, this ancillary is projecting an unrestricted deficit of $6.3 million with $0.5 million in capital renewal reserve and $0.9 million in operating reserve.

This operating plan is based on a 5% combined rate increase in 2011-12. A blended 5.08% increase in eight month undergraduate residence fees is proposed (5.2% in 2010-2011). Oscar Peterson Hall fees will increase at 6.48% to match similar campus rates while all other undergraduate rates will increase by 4.4%. Family and graduate rental rates are planned to be increased by 4.15%, as compared to a 4.5% increase in 2010-2011. Housing demand for graduate students and students with families has seen a decline over recent years, while housing demand for undergraduates continues to increase. One of the operational priorities for UTM in 2011-12 is to explore strategic accommodation partnerships with graduate faculties, greater housing options and to increase contract flexibility in order to address the declining demand from graduate students.

UTSC

The Student Housing at UTSC consists of 767 beds in 114 townhouses and 56 apartments. Five houses and one apartment are specially designed with disability access.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	4,695	4,983	5,290	5,489	5,216	5,468	5,636	5,755	5,867	5,987
Expenses	4,550	5,021	5,138	5,714	5,317	5,493	5,594	5,545	5,610	5,695
Net income (loss)	145	(38)	152	(225)	(101)	(25)	42	210	257	292

The residence ancillary is forecasting an operating deficit of $101,538 for 2010-11, which is $123,349 better than budget. The favourable result over budget is due to a decrease in replacement of non-depreciable assets and major maintenance which are more than enough to compensate for a revenue decrease due to an experienced vacancy in residence. Net assets are forecasted to be $1.1 million, of which $0.9 million is for capital renewal reserve, $0.5 million for operating reserve and $1.4 million for investment in capital, leaving a $1.8 million in unrestricted deficit.

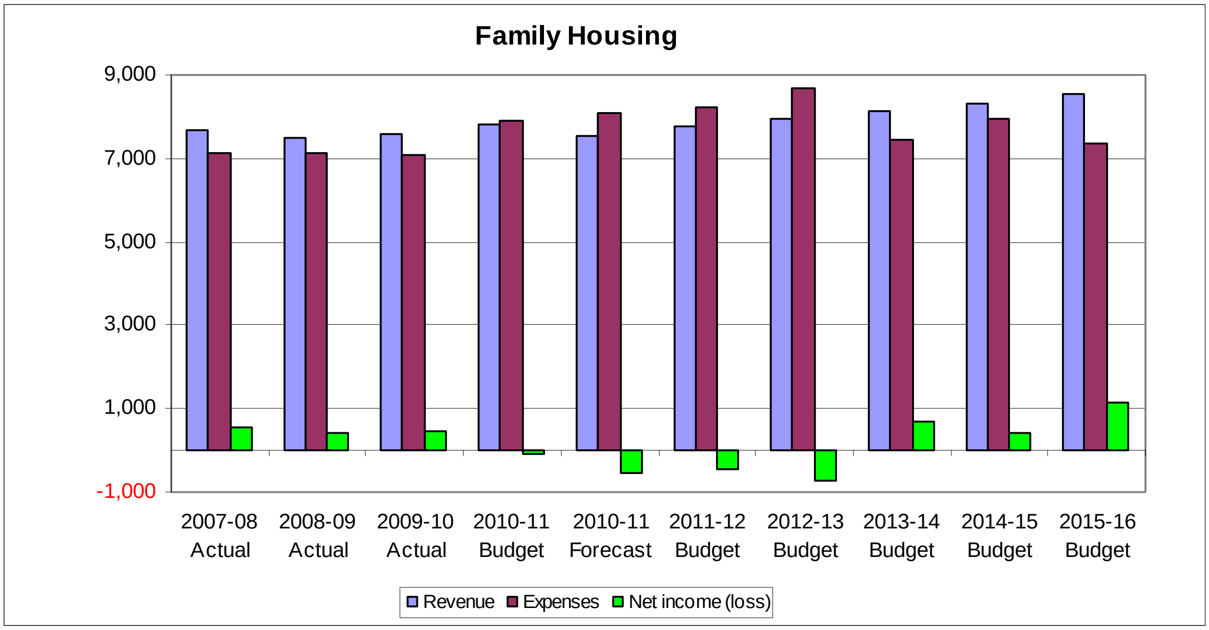
The 2011-12 budget anticipates a small net loss of $24,733. Net assets will remain at $1.1 million with the same net asset allocation as forecasted in 2010-11. When a $1.5 million loan matures in 2012-13, the operation will turn into surplus. Net assets are projected to be at $1.9 million in 2015-16 with a $0.2 million unrestricted deficit.

Fall/Winter residence fees will increase by 4% for the suite style room and 2% for the townhouses in 2011-12. The long range budget assumes an increase of 2% annually over the next four years. The rate increases are required to fund the on-going renovations in Phase III, major capital projects and residence mortgages. There will be no rate increase for the suite style room for summer. This budget assumes various occupancy rates by type of room and by session. The occupancy rate assumption is lower in the winter semester due to academic suspension and of various other causes that lead residents to withdraw from residence in the winter.

St. George Family Housing

Family Housing has 712 apartment units in the two buildings at 30 and 35 Charles Street West with child care on site operated by George Brown College's Early Childhood Education program. There is also a roof top garden at 30 Charles Street which provides additional space for outdoor events, as well as a children's garden and play area. The ancillary is committed to providing a safe, well-maintained, affordable living environment where student families can participate in a supportive community.

This year, Family Housing has an increase in applicants due to aggressive advertising and marketing strategies implemented several years ago. Large capital repairs in the underground parking garage at 35 Charles Street continue from the last budget year and will be on-going for another two to three years. The painting of the building lobbies, corridors and apartment doors will also be completed in 2010-11. Due to unforeseen complications, the painting projects, the installation of wall protection to high traffic areas, new directional signage and apartment door signage were not completed until this year even though these projects were budgeted and scheduled for 2009-10. This timing difference contributed to an unfavourable variance on the major maintenance expenses.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	7,698	7,513	7,577	7,835	7,552	7,765	7,945	8,134	8,337	8,543
Expenses	7,149	7,117	7,096	7,926	8,078	8,235	8,668	7,439	7,937	7,379
Net income (loss)	549	396	481	(91)	(526)	(470)	(724)	695	400	1,164

Family Housing is anticipating an operating deficit of $526,093 in 2010-11, which is $434,995 worse than previously budgeted. In addition to the timing of the capital expenditure, this unfavourable result is mainly due to lower revenue from return on investment and lower revenue from other sources. The operation will end the year with net assets of $3.3 million ($1.35 million capital renewal reserve, $0.6 million operating reserve, $0.3 million investments in capital assets and the remaining $1.05 million in unrestricted surplus).

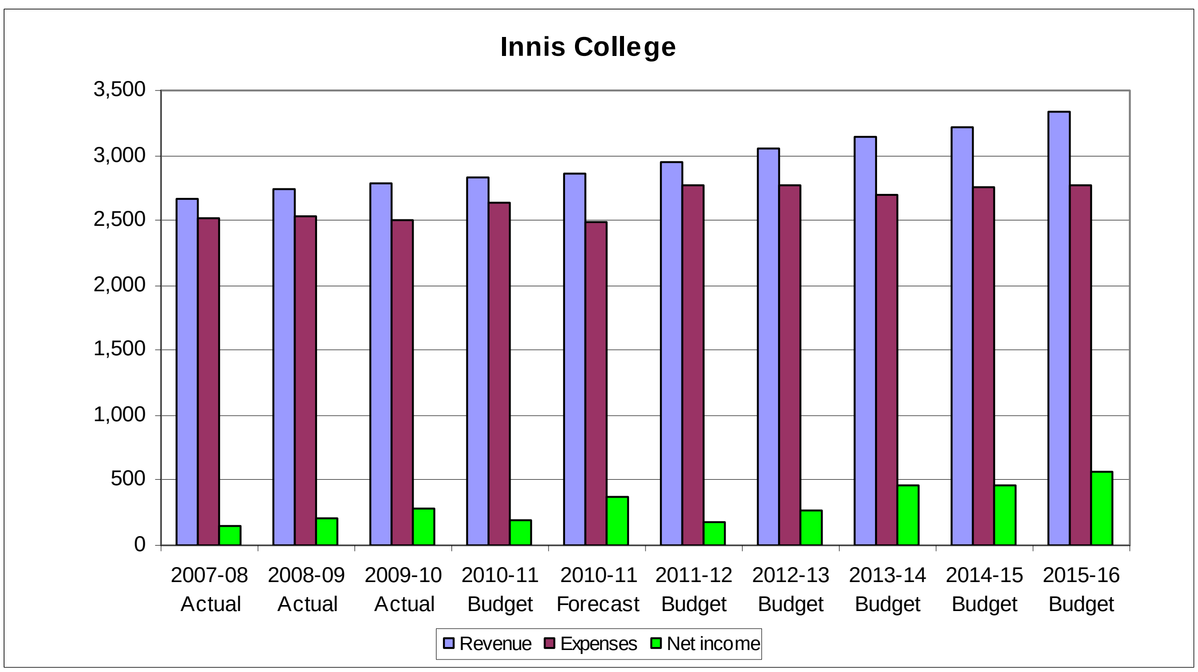
The operating plan for 2011-12 assumes an increase of 2.5% in rental rates. Major maintenance projects such as parking garage structural rehabilitation and repairs to the podium deck area at 35 Charles Street will be on-going for another two to three years. With these major maintenance expenses, the ancillary projects a net loss of $470,302 and net assets of $2.4 million.

The long-range plans assume rent increases of 2.5% to 3% per annum over the next few years. These rate increases will allow the ancillary to maintain the buildings at a level that both the University and the residents desire. In 2015-16, net assets are projected to be at $2.1 million.

Innis College

The Innis Residence opened in 1994 and has a total of 339 beds in 81 suite style apartments. The ancillary is anticipating an operating surplus of $366,212 in 2010-11, which is $166,823 better than budget. Two factors that contribute to the surplus are higher summer revenues and lower direct expenses. The favourable variance from summer revenue was primarily from the domestic individual rentals. The reasons for the favourable variance in expenditures are:

- asset replacement not required as early as previously expected
- vacancy of the Assistant to the Dean, Student Life
- reduction in cleaning costs



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	2,667	2,736	2,780	2,828	2,856	2,945	3,046	3,149	3,213	3,335
Expenses	2,512	2,531	2,500	2,629	2,490	2,769	2,772	2,693	2,748	2,769
Net income	155	205	280	199	366	175	274	455	465	566

This ancillary is forecasting annual operating surpluses for the next five years. The forecasted net assets for 2011-12 are $3.1 million, and are projected to increase to $4.4 million by 2015-16. For the 2011-12 budget year, this ancillary is projecting an unrestricted surplus of $1 million with $0.4 million in investment in capital assets, $1.5 million in capital renewal reserve and $0.2 million in operating reserve. The capital renewal reserve is projected to increase to $3.9 million by the end of this long-range plan.

The Fall/Winter room rates are budgeted to increase 5% (at a 98% occupancy rate) in order to smoothly provide for:

- A declining provincial government bed (capital) grant;
- Increased maintenance as the building ages; and
- A proper capital renewal reserve.

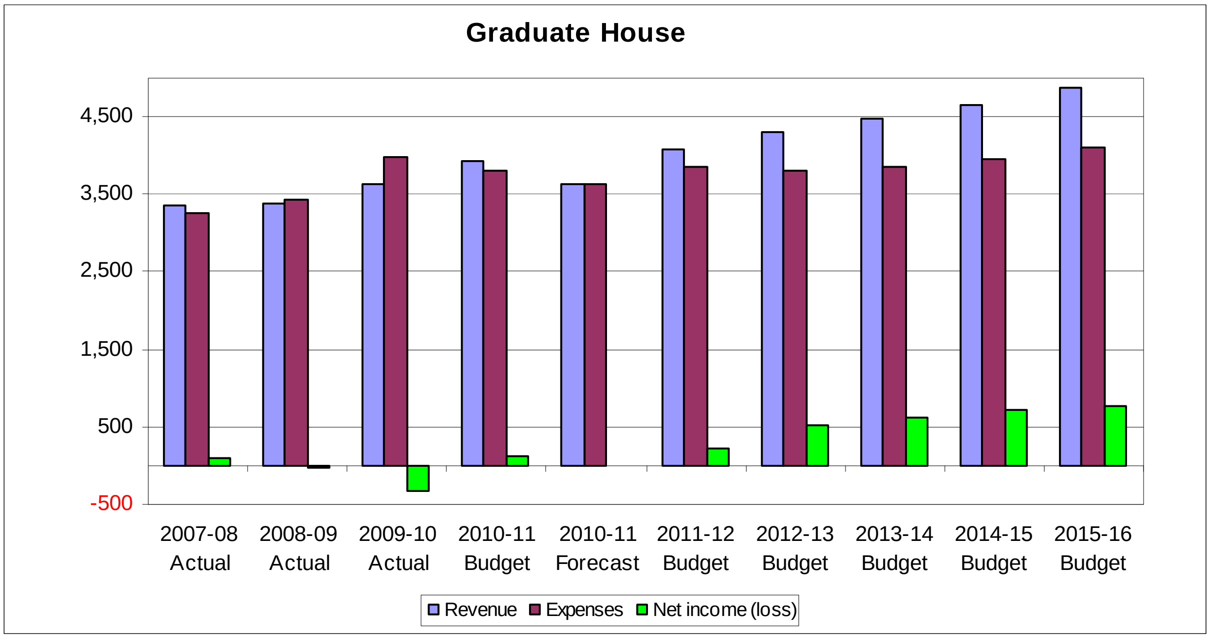
Summer room rates will increase by 4.2%. Innis College is projecting that domestic individual rental volumes will repeat prior year's levels.

The Capital Renewal Reserve has been built up with reference to the System Renewal Report issued in the summer 2009 where asset replacement is provided for in current year dollars over the remaining estimated service life of the asset system on a straight line basis, adjusted annually for inflation. The total renewal (future) cost of $13,115,563, with asset replacement dates between 2019 to 2034, represents the building systems that must be replaced as they are approaching the end of their useful life within the next 25 years. Building system components that require replacement and/or maintenance prior to this renewal period have been addressed and are provided for in budget periods 2011 through 2015. Given the projected Capital Renewal Reserve funding increases required over the next 5 years, the Unrestricted Surplus amount will be held in abeyance to help meet these requirements and keep winter / fall room rate increases to 5%. In addition to this, a new capital item, the StarRez on-line residence admissions database, is also included in 2011-12 budget. This is concomitant with the central Office of Student Life's plan to initiate a central on-line admissions portal for residence admissions. StarRez will bring Innis on stream and prepare it for the eventual convergence of NGSIS (next generation student information services).

Given the adequacy of the Operating and Capital Renewal reserves and expected future positive financial performance, $125,000 will be transferred in fiscal 2009-10 to the College in support of its academic mission.

Graduate House

Graduate House opened in 2000 and is a 423-bed, suite-style residence operated by Ancillary Services in cooperation with the School of Graduate Studies as 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).



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	3,352	3,386	3,642	3,919	3,629	4,067	4,306	4,475	4,660	4,867
Expenses	3,258	3,424	3,972	3,808	3,629	3,846	3,795	3,866	3,948	4,098
Net income (loss)	94	(38)	(330)	111	0	221	511	608	712	769

The ancillary is forecasting a break-even operation for 2010-11, which is $110,893 less than previously budgeted. This is mainly due to a significant shortfall in summer revenue. Several factors contributed to this shortfall:

- a negative impact from the G20 Summit
- lower than anticipated renewals from existing residents
- overall reduced number of applicants for Fall/Winter occupancy
- staff turnover which required an entirely new admissions team to simultaneously learn and administer Graduate House's intake process

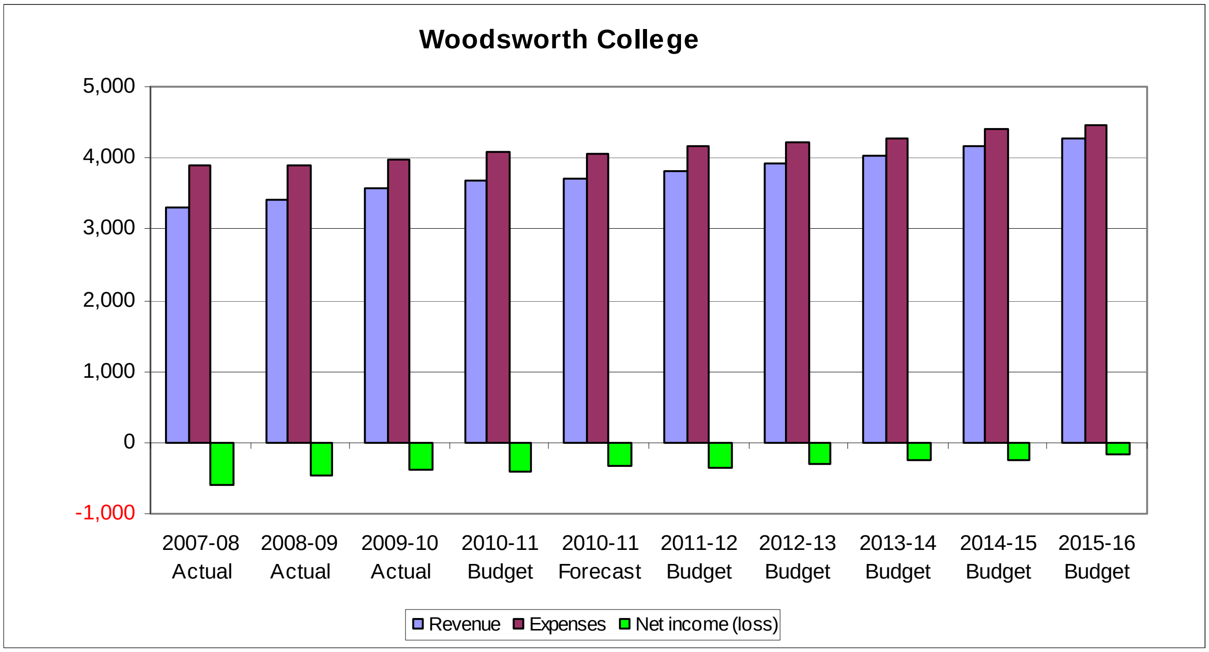
Graduate House is budgeting an operating surplus of $220,711 for 2011-12. Net assets are anticipated to increase from $1.9 million to $4.6 million in 2015-16. The ancillary is budgeting an unrestricted deficit of $1.0 million but it also projects that an unrestricted surplus can be reached by 2013-14. Graduate House will be in a position to maintain an adequate operating reserve and to contribute towards a capital renewal reserve starting in 2014-15.

For 2011-12, room rates will increase by approximately 6.0% and no increase is proposed for the summer rate. Despite ongoing increases in graduate enrolment, there has not been an increase in demand for spaces at Graduate House and occupancy levels at Graduate House have begun to soften. Occupancy levels are susceptible to changes in the off-campus housing market and the economic climate. Future decreases in occupancy levels will likely occur as a result of the proposed fee increase, regardless of how necessary it may be.

Woodsworth College

Woodsworth College residence opened its doors in May 2004 and has a total of 371 private, single bedroom units arranged in suite-style apartments. Three suites are specially designed with disability access. Since the residence is new and has no existing ancillary operations to draw from, an annual subsidy of $1.2 million from the APF is being made for the first eight years of operation. This subsidy ends in 2011-12.

This ancillary is forecasting a deficit of $340,394 before subsidy for 2010-11, which is $74,246 better than budget. This favourable variance is due to a better than expected investment and rental income and no overhead costs charged by the College. The ancillary also made a lump-sum mortgage payment of $1 million from its Net Assets in order to maximize the utilization of the reserve funds while carrying a sufficient level of operating reserve to support the operation after the end of the operating subsidy. The anticipated net reduction in loan payment and depreciation expenses for 2011 is $12,841.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	3,294	3,420	3,587	3,684	3,706	3,815	3,923	4,039	4,159	4,282
Expenses	3,884	3,891	3,973	4,098	4,046	4,166	4,228	4,286	4,395	4,456
Net loss	(590)	(471)	(386)	(414)	(340)	(351)	(305)	(246)	(236)	(174)

The 2011-12 budget includes an operating deficit of $350,724 before subsidy. With the assistance of the subsidy, the residence will build up its reserves to support the operation and carry the remainder of the mortgage payments after the subsidy ends in 2011-12. This ancillary is projecting $2.4 million in operating reserves, $1.9 million in investment in capital assets and $0.5 million in capital renewal reserve at end of the budget year.

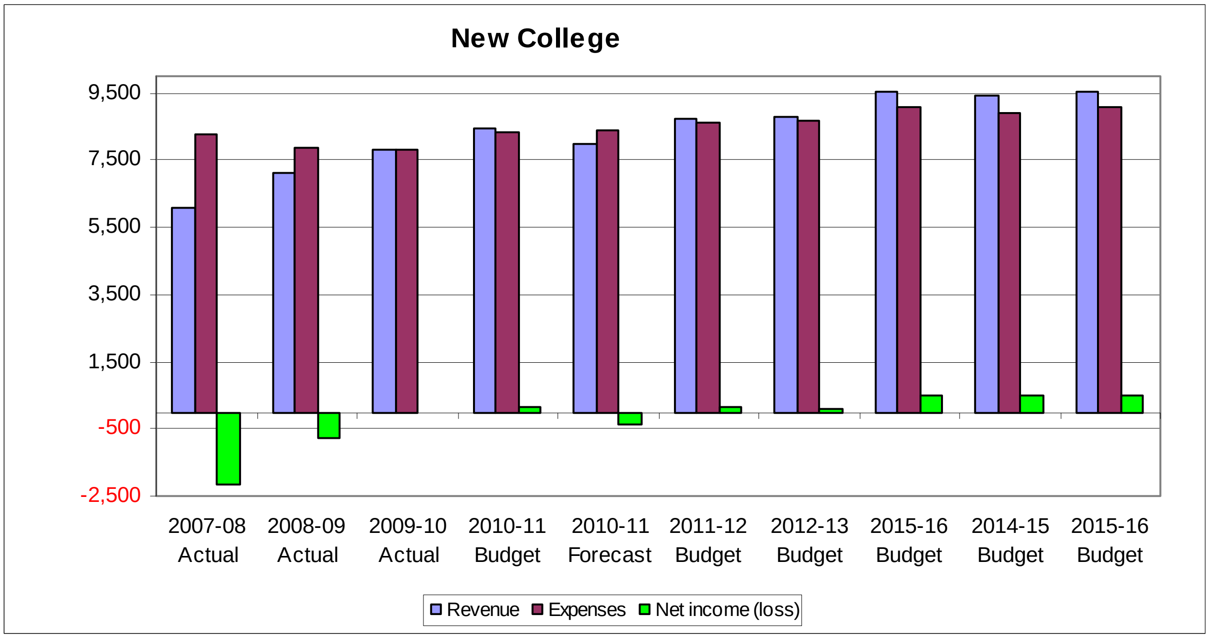
Woodworth has the highest Fall/Winter fee for the suite-style residences and its principal and interest charge are currently making up 55% (59% in 2010-11, 64% in 2009-10) of its budgeted revenue. The residence's annual operation is not expected to break even until 2017-18. However, with a careful review of the various long-range financial models, it indicates that there will be more than sufficient funds in the operating reserve to support the operation after the subsidy ends in 2011-12. The Fall/Winter room rates are budgeted to increase by 3.2% with a 99% occupancy rate in 2011-12.

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 786 undergraduate students.

New College residence operations face many challenges: substantial major maintenance is necessary for the aging Wetmore and Wilson buildings; construction and design deficiencies require some major maintenance for the seven-year old New College residence, debt financing for the New College building and the finance charges on the large accumulated deficit are a significant drain on the residence finances. Four major changes have been made over the past three years to help correct the operating deficit position. The first change was to depart from a pricing policy that has ensured New College's traditional position of having the lowest rates on the St. George campus. The second major change was to deal with the maintenance issues on the two older buildings by increasing the budget to more realistic levels. A third major change was to convert two floors of the residence at 45 Willcocks into office space. One leased floor will end in 2012-13 while the entire leasing arrangement will end in 2015-16. The fourth major change was to recognize that the residence ancillary budget has been subsidizing the operating budget since the new residence at 45 Willcocks went into service. A 12.1% share of the total building NASM was used for academic and administrative purposes. It has been agreed that the Planning and Budget Department, the Faculty of Arts and Science and New College will meet to find a funding solution from the operating budget to contribute to the operating costs of the academic and administrative space of 45 Willcocks. The ability to find a funding source for this space has a significant impact on the ancillary's bottom line.

New College reorganized the steward lodge system which generates a significant favourable variance on the salary expenditures. The 24/7 coverage at the steward lodges in all three buildings has been replaced with continuous coverage in a central lodge at Wilson Hall. The position of Director of Residence and Student Life is now shared between the operating and ancillary budgets reducing the cost to the residence ancillary. The new facilities management team established in 2008 has completed many renovations and upgrades to all three buildings including replacement of furniture and installation of high-efficiency lighting and occupancy sensors which will reduce energy costs in the future. The ancillary has also reinstituted a refurbishment schedule to ensure that all residence floors remain in top shape.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2015-16 Budget	2014-15 Budget	2015-16 Budget
Revenue	6,092	7,134	7,787	8,469	8,011	8,739	8,778	9,546	9,415	9,546
Expenses	8,262	7,885	7,832	8,329	8,394	8,590	8,680	9,065	8,907	9,065
Net income (loss)	(2,170)	(751)	(45)	140	(383)	149	98	481	508	481

The ancillary is forecasting an operating deficit before subsidy of $382,580 for 2010-11, which is $522,563 less than previously budgeted. Overall, revenues are projected to be 5.4% under the budget plan. This negative variance is due to the inability to find a funding source to contribute to the costs of the academic and administrative space in 45 Willcocks. Excluding this item, revenue was up by $224,613 (2.9% increase from 2009-10 actual). The ancillary is forecasting a significant saving in finance charges due to the low interest rates charged on the accumulated deficit. Salaries, wages and benefits continue to decrease year over year with careful attention to staffing levels and overtime. These favourable variances will be partly offset by increases in major maintenance expense.

The New College residence is projecting an operating surplus in each year of the plan, after a last partial operating subsidy in the amount of $117,316 from the APF in

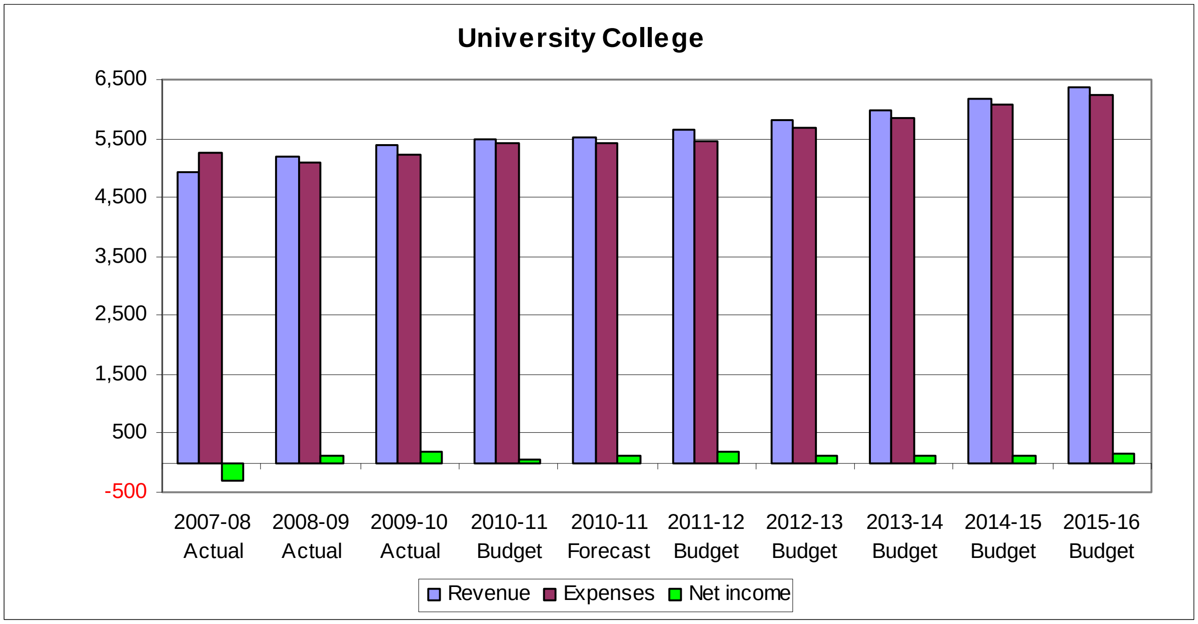
2012. This long-range plan shows that a positive financial position will be achieved assuming that revenue is recovered for the academic and administrative use of 45 Willcocks. The plan also assumes that one of the converted floors will be renovated back to residence rooms in 2012-13 with the other to take place in 2015-16. Net assets are projected to be in deficit of $6 million for 2011-12 and in deficit of $4.6 million by 2015-16. For the 2011-12 budget year, this ancillary is projecting an unrestricted deficit of $9.6 million with $3.1 million in investment in capital assets and $0.6 million in capital renewal reserves.

The ancillary will continue to follow the recommendation from the Residence Review Committee to implement differential room rates for 2011-12 and will increase the Fall/Winter residence rates by 3% to 9.3%. Prices will be adjusted downward for double rooms and Bed-over-desk double rooms at Wilson Hall and Wetmore Hall. This strategy is intended to move the ancillary away from its past practice where one rate increase will apply to all. This operating plan reflects New College's efforts to restore the residence ancillary back to financial equilibrium. For 2012-13, the first year without a central residence subsidy, the operating surplus is expected to be $98,083 which continues the trend of annually improving results.

University College

The University College is at the historic heart and geographic centre of the University of Toronto 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 good success in obtaining donations from the alumni of Whitney Hall to complete various improvements to the building. These donations were used to renovate residence rooms, refurbish pianos, redecorate and refurnish common rooms, renovate kitchenettes, and many other improvements. The ancillary has followed, and the budget has provided for, the ongoing program for building and equipment maintenance as outlined in previous engineering studies and was able to avoid major problems. There is no deferred maintenance and a window replacement program for the Sir Daniel Wilson Residence has begun and will be on-going for the next few years. A positive operating result of $113,968 is anticipated for 2010-11 which is mainly attributed to the favourable variance in summer residence fees. Most expenditures are forecasted to be closely in line with budget.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	4,930	5,207	5,391	5,492	5,534	5,638	5,813	5,993	6,179	6,372
Expenses	5,246	5,081	5,209	5,420	5,420	5,438	5,693	5,857	6,073	6,226
Net income (loss)	(316)	126	182	72	114	200	120	136	106	146

This ancillary is projecting an operating surplus of $200,364 for 2011-12 as well as surpluses for the next four years. University College is expecting net assets of $3.9 million by end of 2011-12 and $4.5 million for 2015-16. The capital renewal reserve is budgeted at $1.8 million for 2011-12 and will remain close to this level throughout this plan.

The operating plan anticipates a 98% occupancy rate with a 2011-12 Fall/Winter rate increase of 3.5% (4.25% in 2010-11). This fee remains the lowest on St. George Campus. Increases range from 2% to 6.25% for the Summer residence fees based on room type and occupant status. University College residence will continue to focus their marketing efforts on seasonal stays. The key objective is to fill as many rooms as possible for the entire session, as opposed to monthly or weekly stays. Rate increases for 2012-13 through to 2015-16 are budgeted in the 3.5% range. This stream of increases is necessary to ensure all essential major capital expenditures are made and the quality of the residence life is maintained without any deferral on essential maintenance work.

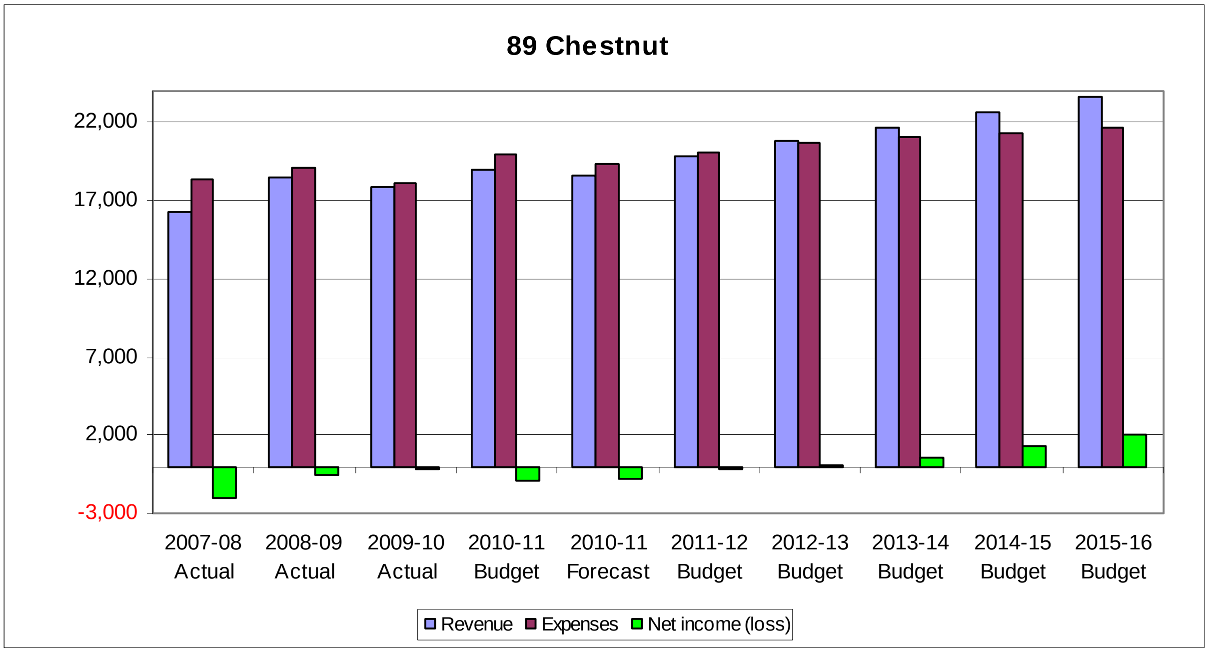
Students living in residences have taken great care of the buildings and, through this stewardship, University College is able to hold residence rate increases at reasonable levels.

89 Chestnut

89 Chestnut Residence is home to 1,030 students from diverse cultural backgrounds and academic disciplines, as well as home to 21 dons, a Dean of Residence and 2 Residence Life Coordinators. There are four accessible rooms in this residence and it offers housing per term to International Exchange Students. Students have access to a number of part-time employment opportunities, particularly in the Food & Beverage department and the Division of University Advancement's call centre in the lower level of the building. Students at this residence also benefit from a food program designed by a chef with an international reputation. Chestnut's main cafeteria is a leading participant in the LFP program, offering local sustainably produced foods. A "Green Dining" program continues to promote healthy eating, waste reduction, physical activity and environmental responsibility.

The ancillary has several revenue streams in addition to the residence fee and meal plan. Revenue is generated from several commercial spaces including a call centre for the Division of University Advancement. In addition, there is a 370-space parking garage and a 22,000 square foot banquet and meeting facility.

The purchase of the Chestnut residence in 2003 provided a place for all St. George campus college residences, including the Federated Colleges, to house students that could not be accommodated in their home college. With the surge in demand for residence and the University's first-year residence guarantee, these students were previously housed in leased hotel spaces, at substantial cost to the operating budget and with minimal access to the residence life programs so integral to the operation of University residences, and important to student academic success. The annual cost to the operating budget in 2003-04 for these hotel spaces would have been $5 million if Chestnut had not been acquired. Although these savings have never been expressed on the Chestnut income statement over the years, it is substantial and is therefore noted here.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	16,231	18,534	17,923	18,982	18,548	19,880	20,764	21,689	22,655	23,665
Expenses	18,303	19,084	18,112	19,950	19,325	20,027	20,709	21,070	21,334	21,611
Net income (loss)	(2,072)	(550)	(189)	(968)	(778)	(148)	55	619	1,321	2,054

For 2010-11, 89 Chestnut is forecasting a deficit of $0.8 million with a favourable variance of $0.2 million. Revenue from the summer session fell below budget due to the continuing weak economy. The two major city-wide conventions in town (G20 Summit and Shriners) did not bring in additional revenues. Catering revenues continue to be challenged, with clients still requiring a minimalist approach to their meetings and many expecting their attendees to fend for themselves for lunch.

Operationally, several rooms were converted back to doubles this year and fewer rooms were offered to exchange students in order to meet an increased demand from Student Housing. The cooling tower/chiller project will be completed through the fall and winter months. Good responses to the Desk Request for Proposal (RFP) allow this ancillary to continue to supply new desks to most double and single rooms.

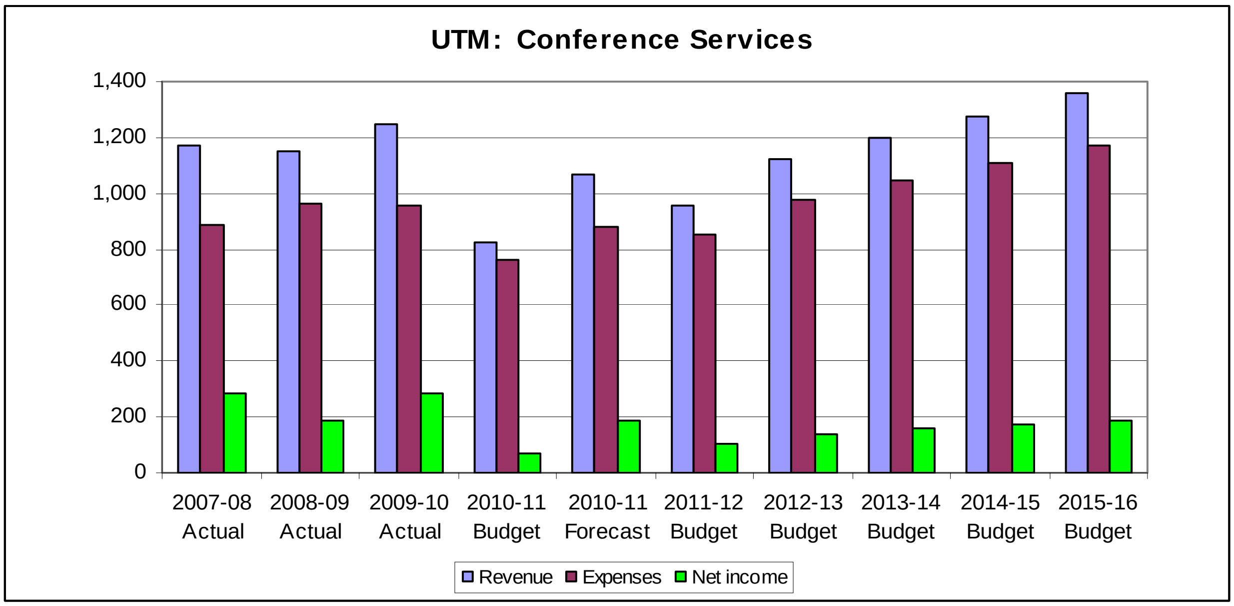
For the budget year 2011-12, the residence is expecting a continual high occupancy for the academic year. As the economy recovers, this ancillary is expecting a return of significant revenues from summer business. Pricing for parking will be increased as the economy shows signs of recovery. The 2011-12 budget anticipates a deficit of $147,602 with net assets at negative $12.1 million. This ancillary is projecting an unrestricted deficit of $14.5 million with $2.4 million in investment in capital assets.

Residence room rate will increase by 5% and meal plan rate will increase by 3% for 2011-12. The long-range budget assumes a 5% rate increase for accommodation, a 4% increase for food services and a 3% increase for parking fees. As the building is aging, major work in the heating and cooling of the building is necessary and these expenditures will be capitalized over 25 years. The budget for garage repair will spread over 5 years and will be funded through operating revenues. The replacement of the fading hotel furnishings was deemed to be a significant need by the students. The ancillary received good responses from this RFP and this means more new desks for more rooms.

Conference Services

Most of the residences run conference operations. However, only UTM and UTSC manage their conference operations as ancillaries separate from their residence operations. The common challenge of increasing sales in a conference operation is that they are constrained by the shortage of meeting and conference space on campus. The key to success is making cooperative efforts to optimize the available space and to control operating expenses. UTM's 2011-12 budget meets all four objectives while UTSC meets the first three objectives.

UTM



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	1,173	1,148	1,246	827	1,065	955	1,121	1,201	1,278	1,360
Expenses	888	964	959	761	879	851	980	1,045	1,107	1,173
Net income	285	184	287	66	186	104	141	156	171	187

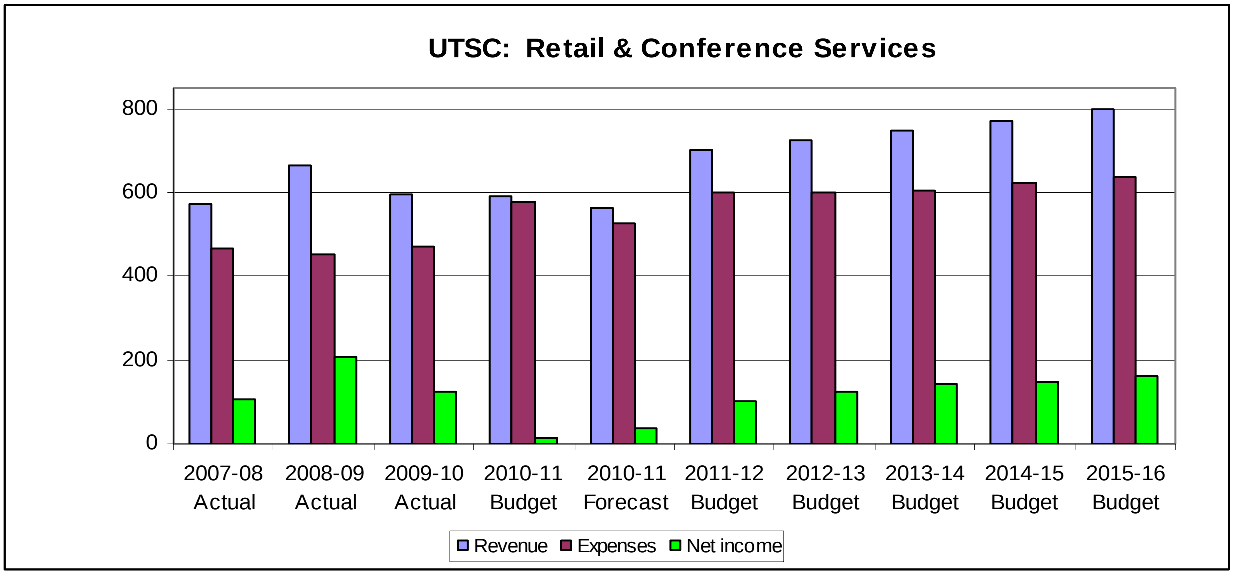
There were a number of groups that confirmed their conference after the budget was submitted contributing to a favourable revenue variance of $237,787. An increase in food and accommodation revenue also contributed to this favourable revenue variance. The conference services operation is expecting a surplus of $185,703 in 2010-11, which is $119,437 better than previously budgeted. With a new operating agreement between Conference/Event Services and Student Housing/Residence Life, accommodation fees are charged to Conference and Event Services on a bed night basis. This accommodation fee replaces the costs (previously paid directly), on the operating statement's accommodation line. This agreement also shifted the responsibility for the inventory of rooms available for use by conference delegates from Conference and Event Services to the Department of Student Housing and Residence Life.

The ancillary's 2011-12 budget shows a decrease of 10% in revenue and 44% in net income before transfers and subsidies compared to forecast for 2010-11. The drop in revenue is based on a reduction in the number of confirmed conference groups for the summer. As the campus develops, there may be opportunities to explore new business assuming available facilities for conferences and events will increase with the newly constructed buildings and in the Davis Building as it is redeveloped. Revenues are projected to increase by 17%, 7%, 6% and 6% in each respective year of the long-range plan. Total direct expenditures are generally budgeted to increase by the same percentages as the revenues. There are no capital expenditures planned for this operation over the next five years. A transfer out from the Conference Ancillary to the UTM operating budget of $100,000 is planned for the four years of the long range plan. Net assets are anticipated to increase from $481,946 in 2011-12 to $737,162 by 2015-16.

UTSC

The Green Path program (a 12-week summer English as a second language (ESL) program for recent high school graduates from China who receive offers from UTSC, subject to successful completion of the ESL courses) continued to be the best opportunity to maintain its summer accommodation business. UTSC continues to benefit from this program in terms of increased international student enrolment and demand for residence in the following academic terms. Youth group and Conference business continues to improve and is making a contribution to profitability. Efforts are underway to develop new sources of conference income to reduce the ancillary's reliance on the Green Path program. Business activity should continue to improve as facilities expand with the opening of the Instructional Centre in the Spring 2011.

The forecasted operating result for 2010-11 is $36,487, $22,723 better than budget. A decrease of $27,592 in revenue is forecasted to be offset by cost savings of $50,315 from direct expenditures. Net assets are forecasted at $813,902 at end of fiscal 2010-11.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	573	663	596	590	563	702	724	748	772	798
Expenses	466	454	472	576	526	598	600	606	623	637
Net income	107	209	124	14	36	104	125	142	150	161

Although the availability of facilities in general is limited, there is a more diverse inventory of space than in previous years particularly in light of new academic facilities. The ancillary is now able to broaden the scope of its client base and its marketing strategy will be adjusted accordingly. Looking forward to the 2011-12, the operation is projecting a surplus for the next five years. Net assets are projected to grow from $0.9 million in 2011-12 to $1.5 million by 2015-16, of which $0.5 million will be set aside for new construction in 2011-12 and $1.1 million in 2015-16.

Food and Beverage Services

Food Services are delivered by institutional and independent providers. ARAMARK is the independent food provider for St. George and UTSC and Chartwells is for UTM. There are also a number of independent, University-operated and branded food providers. This diversity serves to cater to the wide range of dietary tastes and needs that make up the U of T community. UTM made some new arrangements to enable residence students to purchase Pizza for delivery from Pizza Pizza, meals at Sheridan College and The Blind Duck Pub using their resident student meal plan. Beverage Services provide the means to licence events and operations on campus.

For the 2010-12 budget year, only UTSC and St. George food service ancillary budgets meet the first three objectives, New College and University College meeting the first two objectives while UTM food service budget meet only the first objective.

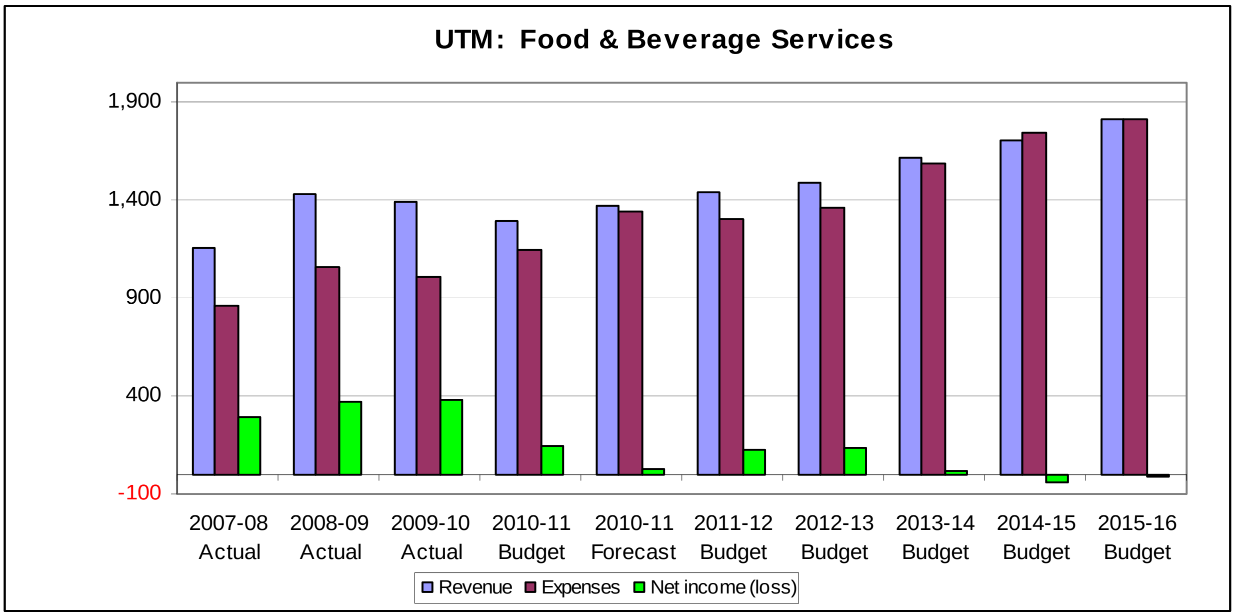
UTM

Although there was no new development for Food Services in 2010-11, the focus for this ancillary includes:

- the operational planning and development of a new food service outlet in the UTM Instructional Centre
- commencement of the community consultation process for the expansion of food service on campus
- continual investment in the development of the Chartwells Educations Dining Services management team to stabilize operations, strengthen organizational commitment and improve the quality of service across all facets of the UTM food service spectrum

Net revenue is forecasted to be $1.4 million which is 6.2% higher than budget. An operating surplus before commitments of $32,072 is forecasted for 2010-11 and is $109,546 less than previously budgeted. This is mainly due to the replacement cost of non-depreciable assets being $115,820 higher than budget. This cost include reconfiguration of storerooms, replacement of a walk-in cooler and costs associated with the implementation of the new Second Cup in the Davis Building Meeting Place.

This ancillary is budgeting net revenue to be $1.4 million, a 4.7% increase over forecasted 2010-11. The increase in sales is mainly due to meal plan rate increase and inflationary price increases. This 2011-12 budget also anticipates the sales volume will increase due to the additional food service capacity at the new Instructional Centre, enrolment increases and reduced impact of recessionary forces on consumer spending as economy continues to improve. The budgeted operating result for 2011-12 will be a surplus of $129,617 and the net assets will be at $652,513.



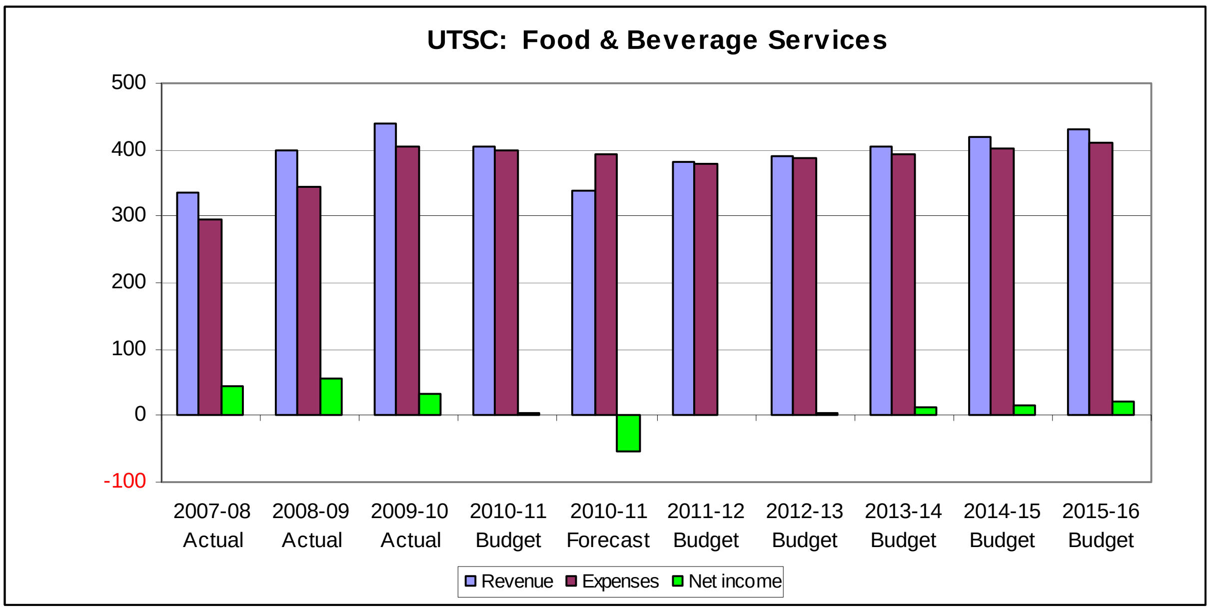
	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Net Revenue	1,159	1,429	1,391	1,293	1,373	1,437	1,494	1,613	1,708	1,809
Expenses	865	1,061	1,009	1,151	1,341	1,308	1,362	1,592	1,748	1,817
Net income (loss)	294	368	382	142	32	130	132	21	(40)	(8)

The surpluses which are currently being generated are required to fund the planned growth according to the campus food service master plan. The Food and Beverage Services will need to self-fund investments in food service facilities totalling over $2 million in the coming budget years. The ancillary is working toward an annual break even operating model for the future. The long-range plan projects positive results for three years of the five year period. Despite the additional food services outlet at the new Instructional Centre, the campus still finds itself in a space deficiency with respect to food service facilities when compared to the guidelines from the Council of Ontario

Universities. This deficiency becomes magnified in the context of potential enrolment growth on the Mississauga campus.

UTSC

Recognizing the needs and preferences of users on campus, the ancillary made changes to its operation to reflect the growth in the campus population, preference for high profile franchise brands, and diverse dietary requirements. These changes have the food and beverage services moving away from traditional institutional services. Experience to date continues to underscore the importance of franchise operations as an essential component of retail food services on this campus. Emphasis on recognized brands will be increased in the future as the current complement now generates over 50% of retail revenues.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Net Revenue	337	400	438	404	339	381	392	405	418	432
Expenses	294	343	404	400	393	379	387	393	402	411
Net income (loss)	43	57	34	4	(54)	1	5	12	16	21

The ancillary is forecasting a loss of $54,170 for 2010-11 which is $58,082 less than budget. This unfavourable revenue is mainly due to a decline in sales in key retail areas. Net assets are projected to be $251,998 at the end of 2010-11.

Operating plans for the next five years are based on the direction toward the emphasis on national franchise brands and the development of the campus. New restaurant facilities in the Instructional Centre are not expected to have a significant impact on the ancillary as they will be operated by a third party. For 2011-12, this ancillary is budgeting a break-even operation with net assets of $253,282.

The long-range plans for the ancillary will be based on the outcome of the development of the campus. The business models created will reflect the nature of the campus population patterns arising from the addition of new facilities on the north campus as well as the flexibility to adapt to changing needs of the campus. This ancillary is projected to make annual contributions to the new construction reserve resulting in a $207,731 balance by the end of 2015-16.

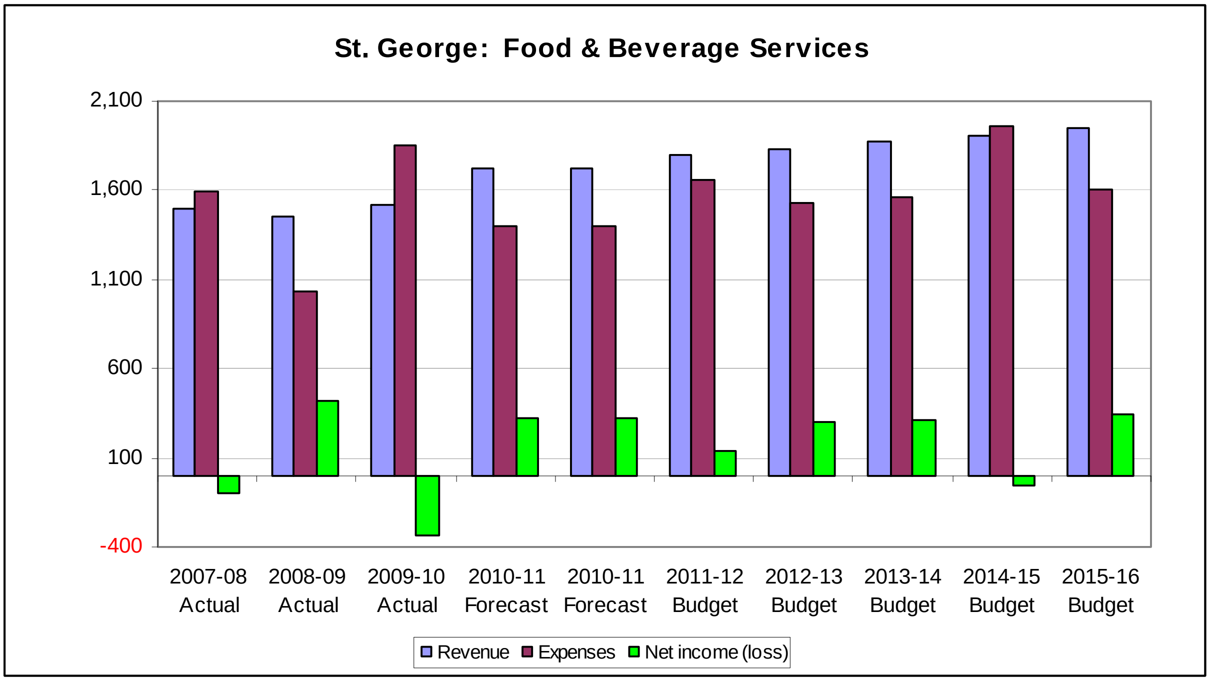
St. George

The St. George Campus Food and Beverage Ancillary provides food services at 19 locations on campus and operates the Beverage Services department. Catering services are also provided for campus events.

Seven firms manage retail food operations: Aramark, Sodexho, Innis Café, Veda, The Engineering Society, Second Cup and Canteen (for vending). These services are expected to be financially and environmentally responsible. In addition, key goals are to maintain a balance of high quality, affordable pricing and selection. Of equal concern are nutritional balance, variety, convenience and availability.

In 2009, in partnership with Student Life, Foodservices developed a new brand and a new approach to communications and community-building. "UeaT" was developed to create a University-driven approach to events, communications, new initiatives and even educational programming related to food services. This brand seeks to link together all of the disparate food providers on the campus and gives them a united public face.

Working with the Food Advisory Committee, the Food Network Committee, student groups and First Nations House; events such as: "Nutrilicious", "Chinese New Year", "Aboriginal Day", "Black History Week", "Lug a Mug", "Field to Fork" and "Econ-Tray" took place in 2010-11. Other food service projects that continue to take place on the campus include the Halal program and Farmer's Market.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Net Revenue	1,499	1,455	1,519	1,700	1,725	1,798	1,834	1,870	1,908	1,946
Expenses	1,598	1,038	1,854	1,329	1,403	1,659	1,534	1,562	1,963	1,601
Net income (loss)	(99)	417	(335)	371	322	139	300	308	(55)	345

In 2010-11, the food outlet Spring Rolls was added at Sid's Café and Veda was added at the Multi-Faith Centre. These were successful additions to the space and well received by the University community.

Although gross revenue is forecasted to fall below budget, with the guaranteed commission rate, commission revenue will achieve budget. The ancillary forecasted a surplus of $321,964, slightly less than budget. The operation anticipates the net assets will be at $1.2 million, of which $0.75 million is for the capital renewal reserve and $0.1 million for the operating reserve.

The general goals for 2011-12 will be to:

- continue to promote the UeaT brand,

- grow nutritional awareness, increase sustainable initiatives, increase the number of campus-wide food events and launch an expanded communications and marketing campaign,
- network all Food Service outlets together and transfer ownership of the Blackboard POS system to the University (currently owned by Aramark). This will expand the options for students with meal plans,
- Develop and implement a tri-campus food policy.

The operating plan projects a 3% to 5% growth as the economy stabilizes and with the newly renovated Sid's Café. This plan includes expenses for one major capital project, to refurbish the Tim Hortons outlet at MSB. The ancillary is projecting a net income of $138,910 for 2011-12. The net assets will be at $1.4 million with the capital renewal reserve balance at $1 million and the operating reserve balance remains at $0.1 million.

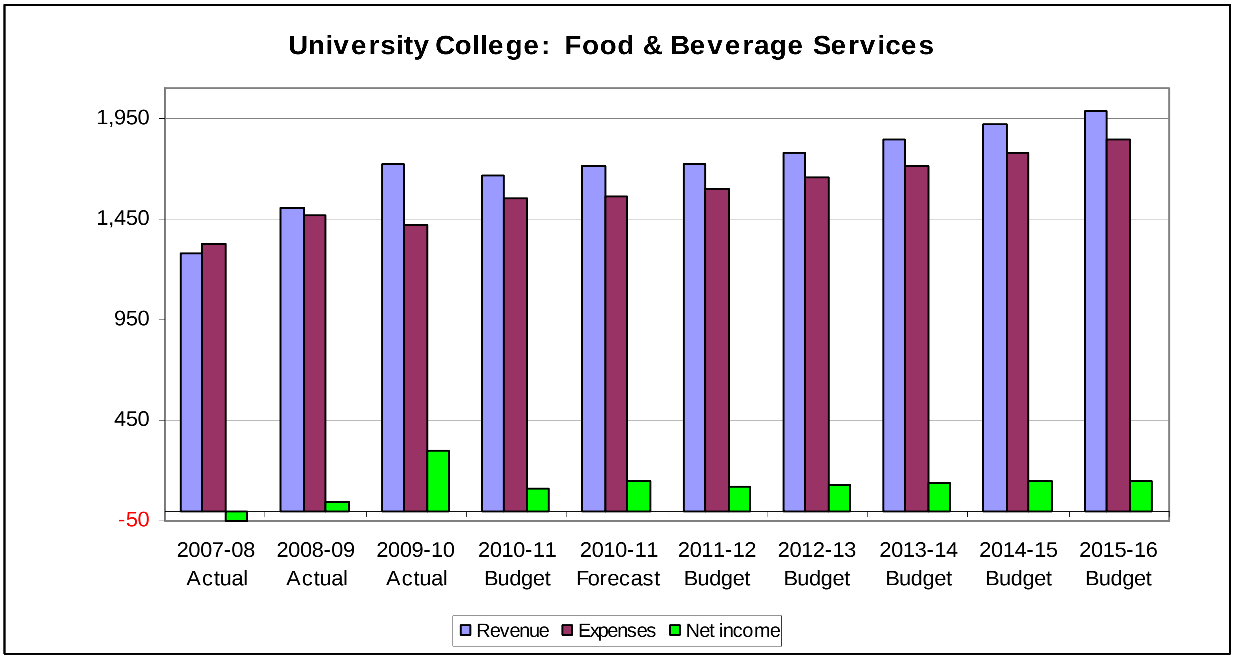
The long-range budget assumes inflationary increases for sales and expenses. Major maintenance and replacement of non-depreciable furniture reflects a plan for renovations and upgrades to current facilities. Net revenue is projected to grow with the net assets balance increasing from $1.4 million to $2.5 million in 2015-16. Of the $2.5 million, $2.0 million is for the capital renewal reserve. This significant capital renewal reserve has been intentionally budgeted to give the maximum operational flexibility when the campus-wide contract expires in 2016. Future large-scale renovations will be funded through Aramark, capital renewal and/or new construction reserves.

University College

The Howard Ferguson Dining Hall is a "self-operated" food service operation that not only provides services to approximately 730 residence students but also to other UofT students, faculty and staff, and the general public. Their key goals are 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, and most meals include other offerings such as kosher. Café Reznikoff is a small outlet that provides lighter meals, sandwiches, confectionary and some convenience items. It is also open as part of the summer residence operation providing a daily hot lunchtime meal from Monday to

Friday. This ancillary also offers catering services and maximizes the use of meeting and lecture space in University College.

Several years of hard work in obtaining favourable pricing from suppliers, bringing food costs under control, optimizing labour scheduling and other initiatives has resulted in a record breaking surplus of over $300,000 in 2009-10. This ancillary is forecasting a net income of $151,001, $40,604 better than budget. Capital Reserve is forecast to be $576,954, and with an Operating Reserve of $149,106, leaving an unrestricted deficit of $133,521.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Net Revenue	1,281	1,506	1,726	1,664	1,716	1,718	1,783	1,850	1,919	1,991
Expenses	1,329	1,466	1,424	1,554	1,565	1,602	1,658	1,716	1,776	1,842
Net income (loss)	(48)	40	302	110	151	116	125	134	143	149

The ancillary is proposing a fee increase of 2.5% to the meal plans for 2011-12. This increase is necessary to meet increases in the cost of labour and food. By keeping the same summer business model and food costs under control, it is projecting an operating surplus of $115,941. The surplus will increase the capital renewal and operating reserves moderately while reducing the unrestricted deficit.

The long-range plan includes a price increase of 3% which allows a moderate growth of operating and capital reserves while bringing in an unrestricted surplus by 2012-13. The total Fund Balance is anticipated to be $1.0 million by 2015-16, but this may change as equipment requires replacement and if there are any increases in annual maintenance costs.

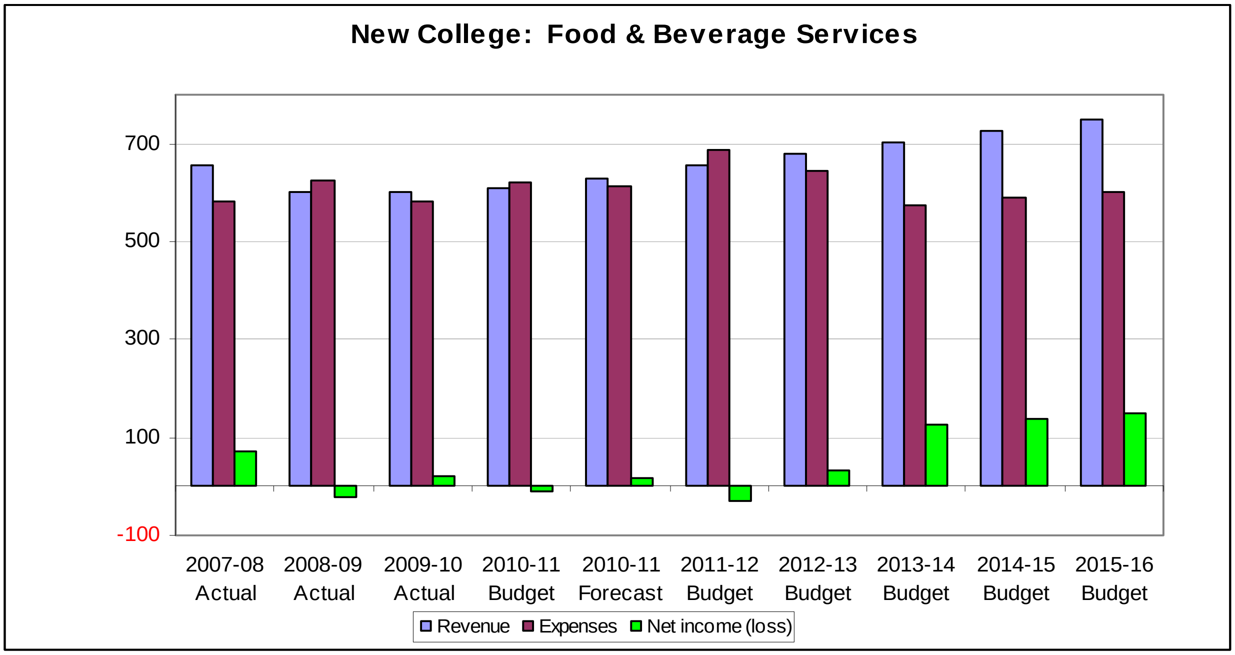
New College

New College has a compulsory meal plan for students living in residence. A number of different plans are offered, giving the students flexibility to choose the number of meals that they wish to purchase. In addition, some of the plans include “flex” dollars that allow students to eat at any Aramark food outlet on the University campus. Food is served in New College’s two older buildings, Wetmore and Wilson Dining rooms on an “all you can eat” basis. The two buildings are aging despite on-going repair and maintenance. An increased allocation for capital renewal is necessary and has been included in the business model.

Net revenue is forecasted to be $630,500 which is 3% more than budget. This favourable variance is mainly due to additional catering commissions. With this increase in revenue and savings on finance charges, the operating result is forecasting to be a surplus of $17,422 instead of a deficit of $10,845 as in the 2010-11 budget. This is $28,267 better than budget.

Due to the conversion of two floors from residence to office space at 45 Wilcocks, Aramark invoked a material change clause in its contract and reduced the commission by two percentage points. The operating plan for the residence ancillary assumes that one floor will be converted back to residence in 2012-13 and the second in 2015-16. Aramark has agreed that this change will restore the commission rate back to its original value.

An agreement in principle has been reached with Ancillary Services regarding a cost-sharing arrangement for Aramark’s use of New College’s facilities to conduct its catering business. This beneficial effect of the Ancillary Services agreement and the increased Aramark commissions from the termination of the lease has not been reflected in the operating plan. It is expected that this additional resource will allow the modernization of the kitchen equipment to proceed more quickly. The ancillary is projecting a deficit of $30,491 for 2011-12 with net assets of $46,139. The operating plan also includes replacing the wooden floor in the Wilson dining hall.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Net Revenue	654	602	603	611	630	655	678	701	726	751
Expenses	581	623	582	622	613	685	643	575	588	603
Net income (loss)	73	(21)	21	(11)	17	(30)	34	126	137	148

The budget assumes a fee increase of 3.5%. The long-range budget assumes a fee increase of 3.5% and anticipates operating surplus (before commitments) starting 2012-13. Net assets are budgeted to be at $46,139 in 2011-12 increasing to $491,547 by 2015-16.

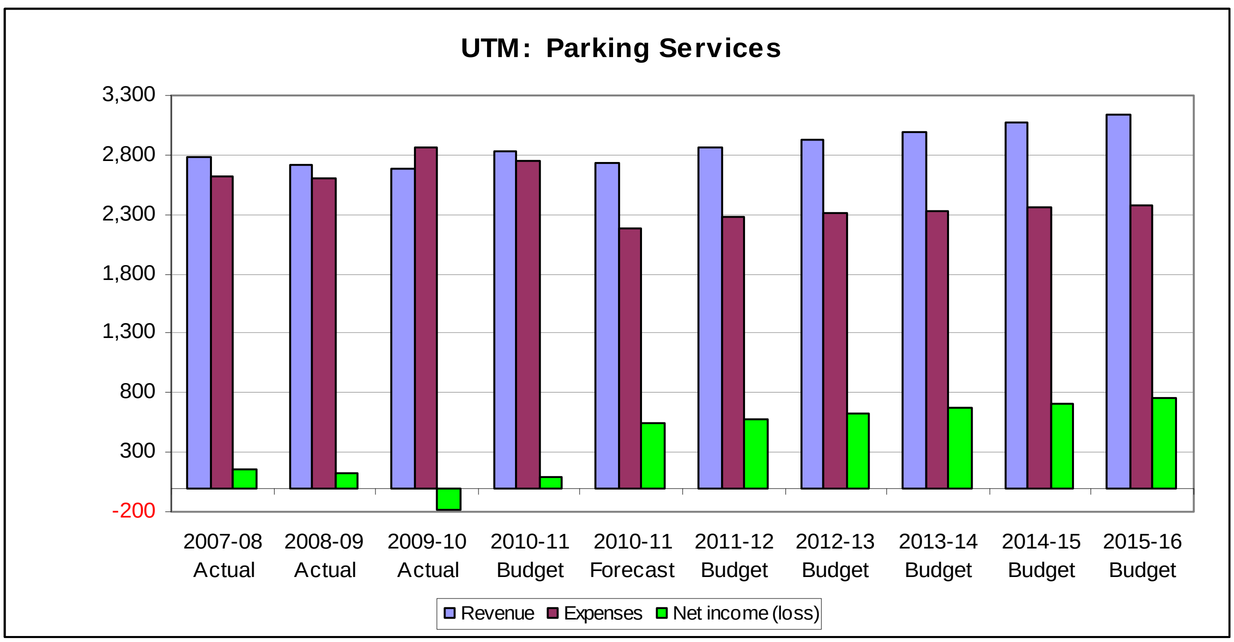
Parking Services

For the 2011-12 budget year, UTSC and UTM parking operations meet all four objectives, while St. George meets the first three objectives.

UTM

The UTM campus is a suburban commuter campus where the use of cars is more extensive and consistent. The Parking Ancillary lost a significant number of parking spaces due to various construction projects throughout the years. To alleviate the parking pressures associated with the space lost, the building of a parking deck was planned and executed. UTM will have 2,448 parking spaces by September 2011.

The projected operating surplus before commitments for 2010-11 is $548,378 which is $455,141 more than previously budgeted. This favourable variance is mainly due to a planned loan that was not needed.



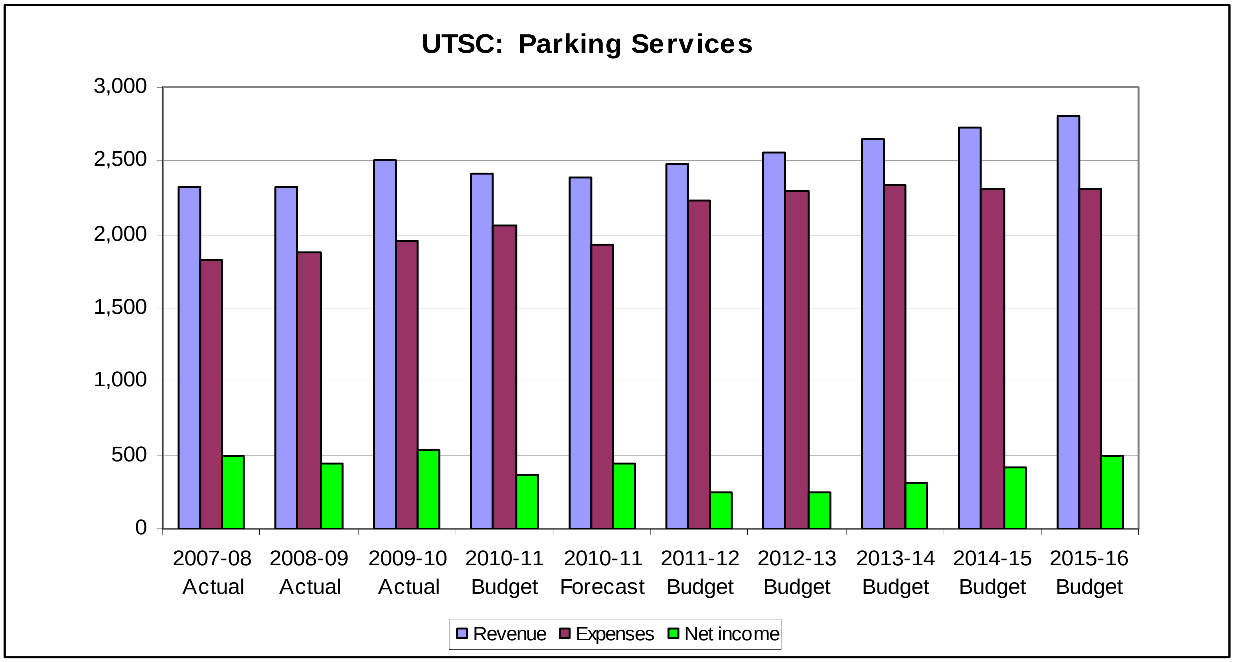
	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	2,778	2,716	2,681	2,838	2,735	2,868	2,932	2,998	3,066	3,136
Expenses	2,615	2,598	2,862	2,745	2,187	2,282	2,305	2,331	2,356	2,381
Net income (loss)	163	118	(181)	93	548	586	627	667	710	755

The 2011-12 budget includes a 3% permit price increase and a revenue increase from Pay and Display is projected due to increased enrolment and effective enforcement practices. There is no rate increase for Pay & Display. This ancillary is projecting an operating surplus of $585,658 and net assets of $377,740.

The long-range budget is projecting an operating surplus and an annual transfer of $630,000 to the operating budget for the next four years. In 2015-16, net assets will be at $617,446 with $196,042 in operating reserve, $403,979 in unrestricted surplus and $17,425 in investment in capital assets and no provision for capital renewal reserve and for new construction reserve.

UTSC

The mission of this parking ancillary is to provide a quality parking facility and services in a safe, effective environment. Ongoing capital improvements and program initiatives are the keys in maintaining the quality of service for parking at UTSC. Accessible parking is made available at the Inner parking facility, Outer Lot 2 and spaces adjacent to the S-wing main entrance. There will be more accessible parking at the newly constructed Instructional Centre East parking lot. While still in the planning phase, the East Arrival Court project will provide additional accessible parking. Outer Lot 3 was recently re-aligned to provide improved access and payment options for visitors. In summer 2009, Outer Lot 1 with 499 spaces was removed from use as a parking lot. This area is now the site of the Instructional Centre. It is anticipated that some parking spaces will be returned to the ancillary's inventory upon its completion in 2011. By 2011-12, the Parking operation will have 2,861 parking spaces to accommodate the parking requirements of staff, faculty, students and visitors to both U of T and Centennial HP Science and Technology Centre.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	2,328	2,318	2,498	2,418	2,381	2,477	2,551	2,644	2,725	2,809
Expenses	1,828	1,879	1,959	2,059	1,934	2,232	2,301	2,329	2,306	2,314
Net income	500	439	539	359	447	245	250	315	419	495

The ancillary is forecasting a net operating surplus of $446,649 which is $87,360 better than previously budgeted. The favourable variance is mainly attributed to savings in major maintenance, supplies and other direct expenses. After the transfer of $209,079 to UTSC's operating budget, net assets are projected to be at $2.5 million of which $0.4 million will be allocated as capital renewal reserve, $0.4 million as Operating Reserve and $1.1 million as new construction reserve.

In 2011-12, the ancillary will:

- Create a second passenger pickup/drop-off facility and increase visitor parking by revitalizing the East Arrival Court project which was put onhold.
- Harmonize the Inner and Outer lot permit rates recognizing that the Inner lots are no longer closest to all campus destinations with the opening of the Instructional Centre and plans for further north campus development.
- Modify the twelve-month annual Outer lot permit to an eight-month Fall/Winter Outer lot permit to meet the needs of the majority of students.

The result of bringing the Inner and Outer lot permit rates into one and with the re-structured Student Fall/Winter parking permit, the ancillary is projecting no increase in permit revenue for 2011-12. The operation is anticipating a surplus of $244,933 and a transfer of $215,351 to UTSC's operating budget with net assets of $2.5 million.

The long-range budget assumes permit price increases of 3% through the remainder of the period. The ancillary will remain self-funded, providing efficient and quality services, continued maintenance of its facilities, contributions of surplus funds to fund future initiatives, and to UTSC’s operating budget. Net assets are anticipated to be at $3.1 million by the end of the planning period with $302,599 in the capital renewal reserve, $469,041 in the operating reserve and $1,863,922 for future construction projects.

St. George

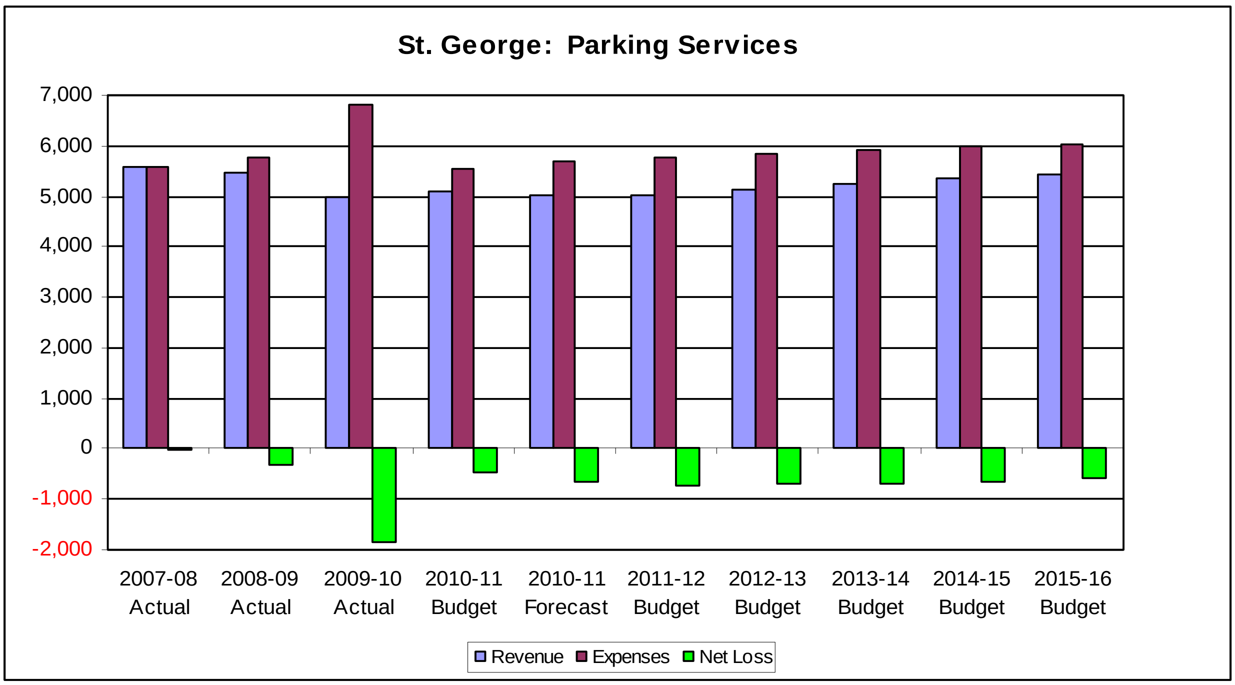
The St. George ancillary operates 40 surface lots and 9 underground garages, providing 2,245 parking spaces for students, faculty and staff. It also provides parking management services to UTM.

Up until 2004, St. George Parking Services met all 4 ancillary objectives and provided the University’s operating budget with nearly $14 million in revenue contributions. The subsequent impact of the financing of the BCIT garage is the single largest factor contributing to the current deteriorating financial situation. With the erosion of parking inventory due to landlocked campus development, and the financial, social and environment issues associated with driving, making alternative transportation more attractive, parking revenues have continued to decline, while costs continue to increase. The department adapted to these challenges by adjusting its operating model to include more automation, reducing staff numbers, seeking out new sources of income and adopting variable pricing to maximize revenues at popular lots. The operation is now approaching a point where incremental adjustments to pricing, staffing and operating costs will not have enough of an impact to sustain its operation as self-funded. The only reason that this department has not had a negative impact on the University yet is that it has large reserves, which are now being eroded at a fairly fast pace.

171 spaces were lost to development in 2010, which was factored into this year’s budget. Unfortunately, the financial impact from the ramp closure at the St. George garage, related to the Rotman expansion project was not fully anticipated. Sales at OISE

also have not bounced back to the level occurring before last year's closure. In addition, Parking Services took on the responsibility for the sale of discounted TTC passes to staff which provides no net revenue. Repairs which were deferred last year have been completed, and will be offset by the anticipated savings in salary expenditures as a result of a short-term outsourcing arrangement.

The forecasted 2010-11 operating loss before commitments is $673,608, an unfavourable variance of $219,192 compared to budget. The total net assets for 2010-11 is forecasted to be $10.2 million of which $7.1 million represents investment in capital assets (funds already spent on capital assets), $0.5 million in capital renewal reserve, $0.4 million in operating reserve and $2.2 million in unrestricted surplus.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	5,569	5,472	4,966	5,102	5,007	5,031	5,132	5,235	5,339	5,446
Expenses	5,572	5,782	6,831	5,556	5,681	5,771	5,841	5,918	5,992	6,045
Net income (loss)	(3)	(310)	(1,866)	(454)	(674)	(739)	(709)	(683)	(653)	(599)

Parking Services is undertaking a comprehensive review of its operations this year to develop strategies to deal with the depleted parking inventory and its currently unsustainable business model as described above. The 2011-12 budget presents an increase of less than 1% in revenue and an increase of 1.6% in expenses resulting in a loss of $0.7 million. This budget includes an annual repayment of $0.2 million to Facilities and Services for a ten-year repayment plan. The total net assets consist of $6.4 million in investment in capital assets, $0.5 million in capital renewal reserves and $0.4 million in operating reserves, leaving $2 million in unrestricted surplus.

The long-range budget assumes inflationary increases for revenue and most expenses. This ancillary is projecting the operation will continue to be in deficit for the remaining budget periods pending changes that would arise once a new long-term plan is developed. In the absence of fundamental change, the net assets would decrease to $5.8 million, of which $3.8 million represents investment in capital assets, $0.5 million in capital renewal reserves and $0.4 million in operating reserves leaving $1.1 million in unrestricted surplus.

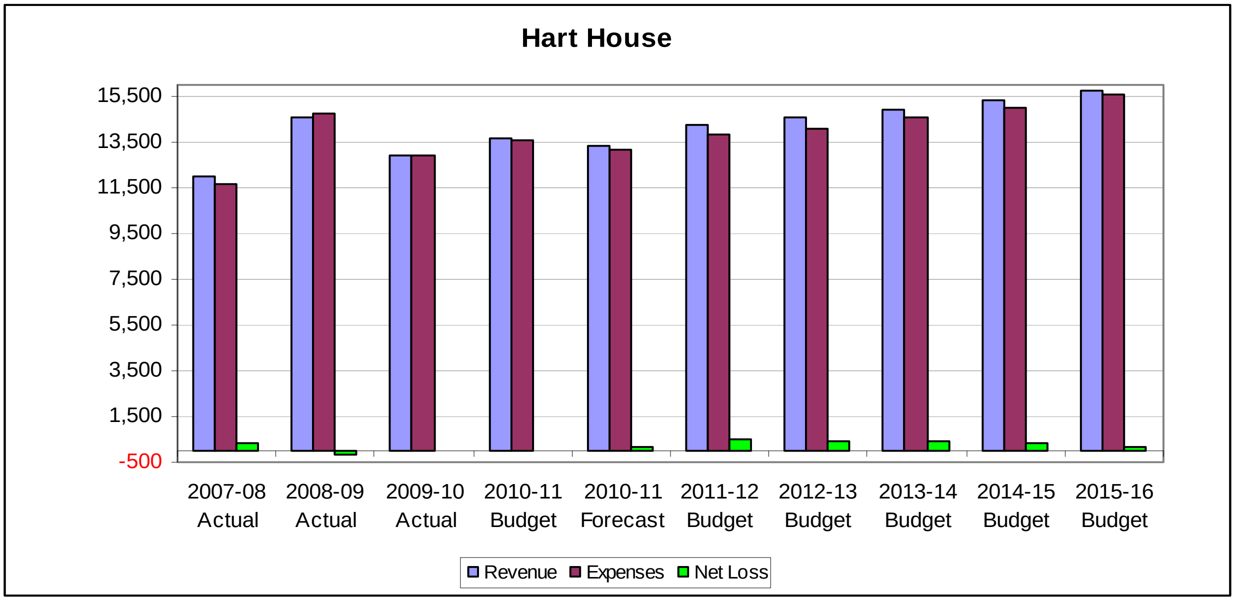
Hart House

Hart House is a multi-dimensional hub at the University where students, faculty, staff and alumni engage in social, artistic, cultural and recreational activities. Hart House also welcomes the general public to events such as theatre performances, art shows, talks, workshops, conferences, weddings, etc. Hart House 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 while balancing the budget and preserving the building.

Several initiatives were undertaken to enhance the student experience as well as to increase revenues and reduce costs over the long term.

- Created an environment for greater student engagement through focused programming, partnerships and collaboration with a new administrative structure and vision statement
- Increased student usage of the renovated upper gym.
- Expanded the range and number of creative classes and workshops which generated a modest profit
- Completed a renovation to the Justina M. Barnicke Gallery which was 90% funded by donations and a government grant.
- Shifted the fund raising focus to an annual fund campaign

With a forecasted operating result of $184,000, Hart House is projecting a balanced budget after setting funds aside for capital assets, the operating reserve and the deferred and major maintenance reserve. A decrease of $307,000 in revenue is forecasted to be offset by cost savings of $481,421 from direct expenditures. Net assets are forecasted at $5.1 million at end of fiscal 2010-11.



	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Revenue	11,998	14,618	12,932	13,630	13,323	14,262	14,562	14,932	15,352	15,749
Expenses	11,705	14,775	12,922	13,620	13,139	13,793	14,111	14,552	15,021	15,590
Net income (loss)	293	(157)	10	10	184	469	451	381	331	159

The 2011-12 budget represents a fiscally prudent approach in providing high quality programming and services while meeting increasing demands, and preserving the building. This budget plan anticipates a term increase of $2.52 per student and $8.66 per senior member. It projects an increase in room rental revenue as a result of improved room utilization and targeted marketing efforts. It also assumes that an expansion of creative classes and new workshops will produce a permanent revenue stream in future years. With the ancillary projecting a net income of $469,000, Hart House is forecasting a balanced budget after setting funds aside for capital assets, the operating reserve and the deferred and major maintenance reserve. The capital budget is set at $1.2 million which includes $187,700 for the acquisition of furniture and equipment, $77,000 for donor funded equipment for the theatre and $935,700 for capitalized deferred and major maintenance.

The long-range plan budgets for annual operating surpluses in each of the remaining four years, while projecting a balanced budget after setting funds aside for capital assets, the operating reserve and the deferred and major maintenance reserve. Despite the projected positive outlook, an ongoing challenge has been that rate increases for salaries, wages, benefits and utility costs are much higher than the stated inflation factor upon which fees are based; senior member fees are market-driven and need to stay competitive; and Hart House facilities are operating close to capacity.

To address the ongoing budgetary challenges, Hart House will focus on:

- Operational effectiveness and efficiencies
- Expanding the donor base
- Development of new revenue streams
- The pursuit of external grants for accessibility, sustainability and heritage
- Exploration of additional income through summer programming and from Hart House Farm

Members of the Service Ancillary Group

Chief Financial Officer (Chair)	Sheila Brown
Vice-Provost, Students	Jill Matus
Vice Provost, Academic Operations	Scott Mabury
Executive Director, Planning and Budget	Sally Garner

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

Part-time Undergraduate Student	Joeita Gupta
Full-time Undergraduate Student	Arman Hamidian
Administrative Staff	Christopher McGrath

Financial Services:

Manager, Accounting Services	Selina Law
Financial Accounting Analyst	Nira Rajaratnam

Review and Consultative Process with Student/Local Committees and Councils

1. UTM

Parking

Transportation and Parking Subcommittee

Resource, Planning and Priorities Committee

Erindale College Council

Residences

UTM Residence Council

Housing Sub-committee of UTM Association of Graduate Students

Resource, Planning and Priorities Committee

Erindale College Council

Food Services

Resource, Planning and Priorities Committee

Erindale College Council

Facilities Rental & Conference Services

Resource, Planning and Priorities Committee

Erindale College Council

2. UTSC

Parking

Planning & Budget Committee

Parking Advisory Review Committee (PARC)

Residences

Residences Advisory Committee

Planning & Budget Committee

Food Services

Planning & Budget Committee

Council on Student Services (approve for Alcohol Education and Monitoring Subsidy)

2. UTSC

Facilities Rental & Conference Services

Planning & Budget Committee

3. St. George Campus

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

89 Chestnut:

Residence Council

Residence Board

St. George 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

4. Hart House

Finance Committee

Board of Stewards

Council on Student Services

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEAR ENDING APRIL 30, 2012 **SCHEDULE I**
(with comparative projected surplus for the year ending April 30, 2011)
(in thousands)

	Revenues	Expenditures	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy 2012	Net Income (loss) after Transfers and Subsidy 2011
RESIDENCES						
UTM	10,537	10,189	347	-	347	63
UTSC	5,468	5,493	(25)	-	(25)	(102)
Innis College	2,945	2,769	175	(125)	50	241
New College	8,739	8,590	149	117	266	(31)
University College	5,638	5,438	200	-	200	114
Graduate House	4,067	3,846	221	14	234	14
Family Housing Residence	7,765	8,235	(470)	(461)	(932)	(1,003)
89 Chestnut Street	19,880	20,027	(148)	-	(148)	(778)
Woodsworth College	3,815	4,166	(351)	1,204	853	864
Total Residences	68,854	68,755	99	748	847	(616)
CONFERENCES						
UTM	955	851	104	(100)	4	86
UTSC	702	598	104	-	104	36
	1,657	1,449	208	(100)	108	122
FOOD & BEVERAGE SERVICES						
UTM	1,437	1,308	130	-	130	32
UTSC	381	379	1	-	1	(54)
St. George	1,798	1,659	139	42	181	364
New College	655	685	(30)	-	(30)	17
University College	1,718	1,602	116	-	116	151
Total Food Services	5,989	5,634	355	42	397	510
PARKING						
UTM	2,868	2,282	586	(630)	(44)	128
UTSC	2,477	2,232	245	(215)	30	238
St. George	5,031	5,771	(739)	(204)	(943)	(877)
Total Parking	10,376	10,285	91	(1,049)	(957)	(511)
HART HOUSE	14,262	13,793	469	-	469	184
TOTAL	101,137	99,915	1,222	(358)	864	(311)

SCHEDULE II

SUMMARY OF SERVICE ANCILLARY LONG RANGE BUDGET RESULTS

(in thousands)

ANCILLARY	Objectives met within the 2011/12 Budget: 1	2	3	4	2011 - 2012 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)	2011 - 2012 NET ASSETS	2013-14 NET ASSETS	2015-16 NET ASSETS
Residence Services												
UTM	yes	yes	no	no	(6,274)	211	527	873	-	(4,665)	(2,574)	917
UTSC	yes	yes	no	no	(1,915)	1,530	860	583	-	1,058	1,309	1,858
Innis College	yes	yes	yes	yes	970	384	1,466	251	-	3,071	3,566	4,367
				125								
New College	no	yes	no	no	(9,639)	3,094	600	-	-	(5,945)	(5,547)	(4,558)
University College	yes	yes	no	no	(615)	2,299	1,753	430	-	3,868	4,173	4,475
Graduate House	yes	no	no	no	(803)	2,721	-	-	-	1,918	3,065	4,573
Family Housing Residence**	yes	yes	yes	no	102	439	1,250	580	-	2,371	1,420	2,061
89 Chestnut Street	yes	no	no	no	(14,502)	2,447	-	-	-	(12,056)	(11,382)	(8,007)
Woodsworth College	no	yes	yes	no	-	1,898	500	2,386	-	4,784	4,233	3,822
Conference Services												
UTM	yes	n/a	yes	yes	440		-	42	-	482	579	737
				100								-
UTSC	yes	yes	yes	no	-	19	3	351	545	918	1,184	1,495
Food & Beverage Services												
UTM	yes	no	no	no	(196)	751		98	-	653	805	758
UTSC	yes	yes	yes	no	-	82	7	68	97	253	270	308
St. George	yes	yes	yes	no	191	83	1,000	123	-	1,397	2,089	2,463
New College	yes	yes	no	no	(1,020)	1,028	38	-	-	46	207	492
University College	yes	yes	no	no	(43)	70	607	153	-	786	921	989
Parking												
UTM	yes	yes	yes	yes	181	8	-	189	-	378	413	617
				630								
UTSC	yes	yes	yes	yes		771	370	414	982	2,536	2,650	3,086
				215								-
St. George	yes	yes	yes	no	1,961	6,421	500	426	-	9,309	7,509	5,851
Hart House	yes	yes	yes	no	155	3,334	646	1,426	-	5,561	6,392	6,795
	Summary totals			1,070	(31,008)	27,588	10,126	8,392	1,623	16,722	21,282	33,097

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 YEAR ENDING APRIL 30, 2012
(in thousands)

	Balance May 1, 2011	Net increase (decrease) in commitments to capital renewal	Balance April 30, 2012	Balance April 30, 2016
RESIDENCES				
UTM	527	-	527	527
UTSC	896	(36)	860	644
Innis College	1,137	329	1,466	3,851
New College	600	-	600	600
University College	1,515	238	1,753	1,515
Graduate House	-	-	-	1,320
Family Housing Residence*	1,350	(100)	1,250	650
89 Chestnut Street	-	-	-	-
Woodsworth College	425	76	500	800
Total Residences	6,449	507	6,956	9,906
CONFERENCES				
UTM	-	-	-	-
UTSC	3	-	3	3
Total Conference Services	3	-	2.50	3
FOOD & BEVERAGE SERVICES				
UTM	5	(5)	-	-
UTSC	7	-	7	7
St. George Campus	750	250	1,000	2,000
New College	38	-	38	38
University College	577	30	607	663
Total Food Services	1,377	275	1,652	2,708
PARKING				
UTM	-	-	-	-
UTSC	370	-	370	303
St. George	500	-	500	500
Total Parking	870		870	803
HART HOUSE	807	(161)	646	539
TOTAL	9,505	621	10,126	13,958

* 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 the major capital projects are expensed through this fund. The fund balance at April 30, 2012 is expected to be $20,371 and $846,750 in 2015-16.

SCHEDULE III.1

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED FUNDS TO BE COMMITTED FOR OPERATING AND NEW CONSTRUCTION RESERVE
FOR THE YEAR ENDING APRIL 30, 2012
(in thousands)

	OPERATING RESERVE				NEW CONSTRUCTION RESERVE			
	Balance May 1, 2011	Increase or (decrease) in operating reserve	Balance operating reserve April 30, 2012	Balance operating reserve April 30, 2016	Balance May 1, 2011	Increase or (decrease) in construction reserve	Balance new construction reserve April 30, 2012	Balance new construction reserve April 30, 2016
RESIDENCES								
UTM	851	21	873	925	-	-	-	-
UTSC	536	47	583	638	-	-	-	-
Innis College	236	15	251	260	-	-	-	-
New College	-	-	-	-	-	-	-	-
University College	424	6	430	464	-	-	-	-
Graduate House	-	-	-	663	-	-	-	-
Family Housing Residence	566	14	580	614	-	-	-	-
89 Chestnut Street	-	-	-		-	-	-	-
Woodsworth College	1,495	892	2,386	1,580	-	-	-	-
Total Residences	4,108	995	5,103	5,145	-			
CONFERENCES								
UTM	38	3	42	52	-	-	-	-
UTSC	281	70	351	399	506	39	545	1,092
Total Conference Services	320	73	393	451	506	39	545	1,092
FOOD & BEVERAGE SERVICES								
UTM	91	7	98	142	180	(180)	-	-
UTSC	61	7	68	78	86	10	97	208
St. George Campus	114	8	123	133	-	-	-	-
New College	-	-	-	-	-	-	-	-
University College	149	4	153	174	-	-	-	-
Total Food Services	416	26	442	526	266	(170)	97	208
PARKING								
UTM	181	8	189	196	-	-	-	-
UTSC	398	16	414	469	1,103	(121)	982	1,864
St. George	396	30	426	446	-	-	-	-
Total Parking	975	54	1,029	1,111	1,103	(121)	982	1,864
HART HOUSE	1,360	66	1,426	1,575	-	-	-	-
TOTAL	7,179	1,214	8,392	8,808	1,874	(251)	1,623	3,163

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED NET INCOME (LOSS) FOR THE PERIOD 2010/2011 TO 2015/2016
(in thousands)

	2010/2011 (Forecast)			2011/2012			2012/2013		
	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy
RESIDENCES									
UTM	63	-	63	347	-	347	840	-	840
UTSC	(102)	-	(102)	(25)	-	(25)	42	-	42
Innis College	366	(125)	241	175	(125)	50	274	(120)	154
New College	(383)	352	(31)	149	117	266	98	-	98
University College	114	-	114	200	-	200	120	25	145
Graduate House	0	14	14	221	14	234	511	14	525
Family Housing Residence	(526)	(476)	(1,003)	(470)	(461)	(932)	(724)	(461)	(1,185)
89 Chestnut Street	(778)	-	(778)	(148)		(148)	55	-	55
Woodsworth College	(340)	1,204	864	(351)	1,204	853	(305)	-	(305)
Total Residences	(1,584)	968	(616)	99	748	847	912	(543)	369
CONFERENCES									
UTM	186	(100)	86	104	(100)	4	141	(100)	41
UTSC	36	-	36	104	-	104	125	-	125
Total Conferences	222	(100)	122	208	(100)	108	266	(100)	166
FOOD & BEVERAGE SERVICES									
UTM	32	-	32	130	-	130	132	-	132
UTSC	(54)	-	(54)	1	-	1	5	-	5
St. George	322	42	364	139	42	181	300	42	342
New College	17	-	17	(30)	-	(30)	34	-	34
University College	151	-	151	116	-	116	125	(25)	100
Total Food Services	468	42.00	510	355	42	397	596	17	613
PARKING									
UTM	548	(420)	128	586	(630)	(44)	627	(630)	(3)
UTSC	447	(209)	238	245	(215)	30	250	(222)	28
St. George	(674)	(204)	(877)	(739)	(204)	(943)	(709)	(204)	(913)
Total Parking	321	(833)	(511)	91	(1,049)	(957)	168	(1,055)	(888)
HART HOUSE	184	-	184	469	-	469	451	-	451
TOTAL	(389)	77	(311)	1,222	(358)	864	2,392	(1,681)	711

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED NET INCOME (LOSS) FOR THE PERIOD 2010/2011 TO 2015/2016

	2013/2014			2014/2015			2015/2016		
	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy	Net Income (loss) before Transfers and Subsidy	Transfers in (out) and Operating Subsidy	Net Income (loss) after Transfers and Subsidy
RESIDENCES									
UTM	1,251	-	1,251	1,539	-	1,539	1,952	-	1,952
UTSC	210	-	210	257	-	257	292	-	292
Innis College	455	(115)	340	465	(115)	350	566	(115)	451
New College	300	-	300	508	-	508	481	-	481
University College	136	25	161	106	25	131	146	25	171
Graduate House	608	14	622	712	14	726	769	14	783
Family Housing Residence	695	(461)	234	400	(461)	(61)	1,164	(461)	703
89 Chestnut Street	619	-	619	1,321	-	1,321	2,054	-	2,054
Woodsworth College	(246)	-	(246)	(236)	-	(236)	(174)	-	(174)
Total Residences	4,027	(538)	3,490	5,072	(538)	4,534	7,249	(538)	6,711
CONFERENCES									
UTM	156	(100)	56	171	(100)	71	187	(100)	87
UTSC	142	-	142	150	-	150	161	-	161
Total Conferences	298	(100)	198	321	(100)	221	348	(100)	248
FOOD & BEVERAGE SERVICES									
UTM	21	-	21	(40)	-	(40)	(8)	-	(8)
UTSC	12	-	12	16	-	16	21	-	21
St. George	308	42	350	(55)	42	(13)	345	42	387
New College	126	-	126	137	-	137	148	-	148
University College	134	(100)	34	144	(100)	44	149	(125)	24
Total Food Services	602	(58)	544	202	(58)	144	655	(83)	572
PARKING									
UTM	668	(630)	38	710	(630)	80	755	(630)	125
UTSC	315	(228)	86	419	(235)	183	495	(242)	253
St. George	(684)	(204)	(887)	(653)	(204)	(856)	(598)	(204)	(802)
Total Parking	299	(1,062)	(763)	476	(1,069)	(593)	651	(1,076)	(425)
HART HOUSE	380	-	380	331	-	331	159	-	159
TOTAL	5,607	(1,758)	3,849	6,402	(1,765)	4,637	9,063	(1,797)	7,266

SCHEDULE V

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS
SUMMARY OF 2011-2012 CAPITAL BUDGETS
(with comparative figures for 2010-2011)
(in thousands)

	2011/2012	2010/2011
RESIDENCES		
Innis College	35	-
New College	100	750
UTM	66	-
UTSC	283	240
University College	185	-
89 Chestnut	262	2,130
Family Housing	168	168
Graduate House	32	-
Total Residences	1,130	3,288
FOOD & BEVERAGE SERVICES		
UTM	606	-
New College	30	30
St. George	40	40
Total Food Services	676	70
PARKING		
UTSC	262	49
St. George	30	10
Total Parking	292	59
HART HOUSE	1,200	1,273
TOTAL	3,299	4,691

SCHEDULE OF 2011-2012 ANCILLARY RATES

	2010/11 RATE $	2011/12 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
PARKING					
St. George Parking					
Permit					
Faculty of Education	95.00	95.00	-	0.0%	0.0%
School of Continuing Ed.	165.00	165.00	-	0.0%	0.0%
42 Harbord Street	95.00	95.00	-	0.0%	0.0%
Graduate Garage	110.25	110.25	-	0.0%	0.0%
OISE	120.00	120.00	-	0.0%	8.8%
Bedford	140.00	144.00	4.00	2.9%	0.0%
Devonshire	95.00	95.00	-	0.0%	0.0%
St. George Garage	110.25	110.25	-	0.0%	0.0%
Faculty of Law	165.00	170.00	5.00	3.0%	0.0%
Spadina Crescent (west side)	95.00	95.00	-	0.0%	0.0%
Spadina Crescent (east side)	110.25	95.00	(15.25)	-13.8%	0.0%
BCIT	135.00	139.00	4.00	3.0%	0.0%
McLennan Physics	165.00	165.00	-	0.0%	0.0%
E/S Hart House Circle	135.00	139.00	4.00	3.0%	22.4%
Triangle	165.00	170.00	5.00	3.0%	N/A
Front Campus (KCC & HHC)	165.00	170.00	5.00	3.0%	0.0%
Simcoe Hall	135.00	139.00	4.00	3.0%	0.0%
Galbraith	165.00	170.00	5.00	3.0%	0.0%
200 College St (Rear) I.S.C	165.00	170.00	5.00	3.0%	N/A
Tower Road - Unreserved	95.00	95.00	-	0.0%	0.0%
Tower Road - Reserved	165.00	170.00	5.00	3.0%	N/A
256 McCaul Street-Reserved	173.25	178.50	5.25	3.0%	5.0%
155 College Street - Garage	173.25	183.65	10.40	6.0%	5.0%
155 College Street - Surface	173.25	178.50	5.25	3.0%	N/A
100 College Street - Banting	95.00	95.00	-	0.0%	0.0%
112 College Street - Best	140.00	140.00	-	0.0%	0.0%
88 College Street - Women's college	140.00	140.00	-	0.0%	0.0%
Dentistry - Garage	165.00	170.00	5.00	3.0%	0.0%
Dentistry - Surface	165.00	165.00	-	0.0%	N/A
6 King's College Road	165.00	165.00	-	0.0%	49.7%
Permit Misc					
Commercial monthly	165.00	170.00	5.00	3.0%	0.0%
Commercial weekly	50.00	51.50	1.50	3.0%	0.0%
After 4pm parking	55.00	56.50	1.50	2.7%	0.0%
Summer Conference monthly	167.35	172.25	4.90	2.9%	0.0%
Summer Conference weekly	58.50	60.25	1.75	3.0%	0.0%
UTM/UTSC designated lot	36.75	37.75	1.00	2.7%	0.0%
UTM/UTSC hunting permit	59.75	61.50	1.75	2.9%	0.0%
24-Hour Reserve	200.00	206.00	6.00	3.0%	0.0%
24-Hour Reserve (256 McCaul)	210.00	216.50	6.50	3.1%	5.0%
Z-Permit (unrestricted)	165.00	170.00	5.00	3.0%	0.0%
Motorcycle	24.00	24.75	0.75	3.1%	0.0%
UTM					
Reserved - annual	854.69	880.33	25.64	3.0%	3.0%
Premimum Unreserved (Lots 9, 8 & 4)-Annual	609.97	628.27	18.30	3.0%	3.0%
Unreserved (Lots 4 & 8 only) - Annual	590.19	607.90	17.71	3.0%	3.0%
Student Unreserved (Lots 4 & 8 only) (Sessional)	245.91	253.29	7.38	3.0%	3.0%
Unreserved - afternoon - (after 3:30pm) - Annual	494.40	509.23	14.83	3.0%	3.0%
Commercial (Lots 4, 8 & 9) - Annual	988.80	1,018.46	29.66	3.0%	3.0%
Pay & Display					
Pay & Display (daily maximum) (6:30 am - 8:00 a.m. next day)	13.00	13.00	-	0.0%	8.3%
Pay & Display (evening/weekend) (5:00 pm - 8:00 a.m. next day)	6.00	6.00	-	0.0%	20.0%
Pay & Display per half hour	2.50	2.50	-	0.0%	0.0%

SCHEDULE OF 2011-2012 ANCILLARY RATES

	2010/11 RATE $	2011/12 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
UTSC					
Inner Lot: **Rates Have been re-aligned to match the outer lot rates**					
Annual	877.43	765.00	(112.43)	-12.8%	3.0%
Summer	491.36	154.00	(337.36)	-68.7%	3.0%
Residence Fall/ Winter	776.48	540.71	(235.77)	-30.4%	3.0%
Residence - Summer	434.83	136.28	(298.55)	-68.7%	3.0%
Evening - Annual	438.72	382.50	(56.22)	-12.8%	3.0%
Motorcycle, Fall/Winter	292.48	255.00	(37.48)	-12.8%	3.0%
Daily - short tem and visitors	12.00	12.00	-	0.0%	0.0%
Evening - flat rate	6.00	6.00	-	0.0%	0.0%
Athletics members - flat rate	17.58	18.11	0.53	3.0%	3.0%
Summer conference - daily rate	5.40	5.40	-	0.0%	0.0%
Summer conference - youth bed rate	1.20	1.20	-	0.0%	0.0%
Outer Lot:					
Annual	611.55	765.00	153.45	25.1%	3.0%
Fall/ Winter	611.55	611.55	-	0.0%	N/A
Fall or Winter Term	342.47	342.47	-	0.0%	3.0%
Annual Evening	305.77	305.77	-	0.0%	3.0%
Summer	342.47	153.45	(189.02)	-55.2%	3.0%
Centennial Permit (Sep - May)	591.54	621.11	29.57	5.0%	5.0%
Instructional Center East Lot					
Hourly Rate, day		3.00	new		
Flat Rate, Evening		6.00	new		
Flat Rate, Weekend		5.00	new		
Instructional Center West Lot					
Flat Rate, Day		10.00	new		
Flat Rate, Evening		5.00	new		
Flat Rate, Weekend		4.00	new		
Daily - flat rate	10.00	7.50	(2.50)	-25.0%	0.0%
Evening - flat rate	5.00	5.00	-	0.0%	0.0%
Weekend - flat rate	2.00	2.00	-	0.0%	N/A

SCHEDULE OF 2011-2012 ANCILLARY RATES

	2010/11 RATE $		2011/12 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
FOOD SERVICE						
University College						
Plan A	4,100.00		4,200.00	100.00	2.5%	4.1%
Plan B	3,620.00		3,710.00	90.00	2.5%	4.0%
New College						
15 Meal Plan ($250 Flex)	4,047.00		4,168.00	121.00	3.0%	3.5%
330 Meal Plan ($450 Flex)	4,087.00		4,210.00	123.00	3.0%	3.5%
Carte Blanche Meal plan	4,279.00		4,407.00	128.00	3.0%	3.5%
Summer Rates						
Breakfast	6.68	*	6.88	0.20	3.0%	3.5%
Lunch	9.84	*	10.14	0.30	3.0%	3.5%
Dinner	10.98	*	11.31	0.33	3.0%	3.5%
Per diem rate	26.38	*	27.17	0.79	3.0%	3.5%
Brunch (weekends)	9.84		10.14	0.30	3.0%	N/A

* Amounts for 2010/11 has changed from last year's submission because the contract was signed in late January

	2010/11 RATE $	2011/12 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
UTM					
Group A					
Plus	4,150.00	4,275.00	125.00	3.0%	4.1%
Regular	3,950.00	3,995.00	45.00	1.1%	4.1%
Light	3,750.00	3,795.00	45.00	1.2%	3.9%
Minimum	3,425.00	3,459.00	34.00	1.0%	3.9%
Group B					
Regular	2,130.00	2,195.00	65.00	3.1%	5%
Light	1,925.00	1,995.00	70.00	3.6%	4%
Minimum	1,670.00	1,725.00	55.00	3.3%	4%

SCHEDULE OF 2011-2012 ANCILLARY RATES

	2010/11 RATE $	2011/12 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
RESIDENCES					
St. George Campus					
Graduate House					
Grad. House Res/month - Single - premium	878.00	930.00	52.00	5.9%	5.9%
Grad. House Res/month - Single - regular	788.00	835.00	47.00	6.0%	5.9%
Grad. House Res/month - Singles in suite 970	698.00	739.00	41.00	5.9%	5.9%
Grad. House Res/month - Singles in suite 670	760.00	805.00	45.00	5.9%	6.0%
Grad. House Res/month - Regular Double	601.00	637.00	36.00	6.0%	6.0%
University College					
University College - Winter	6,260.00	6,480.00	220.00	3.5%	4.2%
Innis College					
Innis College - Winter	6,520.00	6,845.00	325.00	5.0%	5.0%
Innis College - Summer	2,400.00	2,500.00	100.00	4.2%	4.3%
New College					
Winter					
Residence Room - Wilson Hall & Wetmore Hall					
Double room (per bed)	6,560.00	6,510.00	(50.00)	-0.8%	4.5%
Single room	7,080.00	7,485.00	405.00	5.7%	4.5%
Bed-over-desk double room (per bed)	6,060.00	5,500.00	(560.00)	-9.2%	N/A
Residence Room - 45 Willcocks					
Double room (per bed)	6,560.00	6,760.00	200.00	3.0%	4.5%
Single room	7,080.00	7,735.00	655.00	9.3%	4.5%
New College - Summer/Single					
Continuing New College Students	2,016.00	2,153.50	137.50	6.8%	12.9%
Registered Students	2,090.00	2,262.00	172.00	8.2%	9.7%
Others	2,310.00	2,310.00	-	0.0%	9.4%
New College - Summer/Double					
Continuing New College Students	1,512.00	1,622.50	110.50	7.3%	10.8%
Registered Students	1,540.00	1,653.00	113.00	7.3%	10.8%
Others	1,705.00	1,732.50	27.50	1.6%	10.4%
Family Housing					
Bachelor	644.00	660.00	16.00	2.5%	2.5%
1 bedroom (standard)	798.00	818.00	20.00	2.5%	2.4%
1 bedroom (20) 'B'	811.00	831.00	20.00	2.5%	2.5%
1 bedroom (large) 'A'	846.00	867.00	21.00	2.5%	2.5%
1 bedroom (19/23) 'C'	866.00	888.00	22.00	2.5%	2.5%
2 bedroom (standard)	1,056.00	1,082.00	26.00	2.5%	2.5%
89 Chestnut Street					
Single	8,939.00	9,387.00	448.00	5.0%	5.0%
Super Single	10,316.00	10,831.00	515.00	5.0%	5.0%
Double	7,361.00	7,730.00	369.00	5.0%	5.0%
Meal Plan					
Regular Meal Plan	4,278.00	4,406.00	128.00	3.0%	5.0%
Carte Blanche Meals	4,520.00	4,656.00	136.00	3.0%	5.0%
Summer Rates per month					
Single	1,131.00	1,159.00	28.00	2.5%	6.5%
Super Single	1,131.00	1,159.00	28.00	2.5%	6.5%
Double	862.00	883.00	21.00	2.4%	6.9%
Breakfast and Dinner (mandatory)	330.00	345.00	15.00	4.5%	0.0%
Summer Rates full summer					
Single	3,404.00	3,510.00	106.00	3.1%	12.0%
Super Single	3,404.00	3,510.00	106.00	3.1%	12.0%
Double	2,206.00	2,282.00	76.00	3.4%	11.9%
Breakfast and Dinner (mandatory)	1,232.00	1,265.00	33.00	2.7%	6.7%
Summer Rates full summer with discount					
Single	2,715.00	2,803.00	88.00	3.2%	5.1%
Super Single	2,715.00	2,803.00	88.00	3.2%	5.1%
Double	1,760.00	1,824.00	64.00	3.6%	5.1%
Breakfast and Dinner (mandatory)	1,232.00	1,265.00	33.00	2.7%	6.7%

SCHEDULE OF 2011-2012 ANCILLARY RATES

	2010/11 RATE $	2011/12 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
Woodsworth College					
Woodsworth College - Winter	7,700.00	7,950.00	250.00	3.2%	4.1%
UTM					
Undergraduate Students					
Townhouses(Schreiberwood,McLuhan, Putnam, Leacock)	6,141.00	6,412.00	271.00	4.4%	5.2%
Premium townhouses (Leacock)	6,852.00	7,153.00	301.00	4.4%	5.2%
Suites (Roy Ivor Hall & Erindale Hall)	6,852.00	7,153.00	301.00	4.4%	5.2%
Dormitory (Oscar Peterson Hall)	6,022.00	6,412.00	390.00	6.5%	5.2%
Premium Townhouse MaGrath Valley	6,852.00	7,153.00	301.00	4.4%	5.2%
Family & Graduate Housing:					
Schreiberwood:					
2 bedroom townhouses/ month					
May to Aug	1,015.00	1,061.00	46.00	4.5%	3.3%
Sep to Apr	1,061.00	1,105.00	44.00	4.1%	4.5%
3 bedroom townhouses/ month					
May to Aug	1,049.00	1,096.00	47.00	4.5%	3.2%
Sep to Apr	1,096.00	1,142.00	46.00	4.2%	4.5%
4 bedroom townhouses/ month					
May to Aug	1,069.00	1,117.00	48.00	4.5%	3.3%
Sep to Apr	1,117.00	1,164.00	47.00	4.2%	4.5%
Bachelors (Small)					
May to Aug	682.00	713.00	31.00	4.5%	3.3%
Sep to Apr	713.00	742.00	29.00	4.1%	4.5%
Bachelors (Large)/ Shared Bachelors					
May to Aug	716.00	748.00	32.00	4.5%	3.3%
Sep to Apr	748.00	779.00	31.00	4.1%	4.5%
MaGrath Valley:					
2 bedroom Townhouses					
May to Aug	1,015.00	1,061.00	46.00	4.5%	3.3%
Sep to Apr	1,061.00	1,105.00	44.00	4.1%	4.5%
UTSC					
Winter					
Phase I - III single	6,474.00	6,604.00	130.00	2.0%	5.0%
Phase IV single	6,938.00	7,216.00	278.00	4.0%	5.0%
Phase I - III shared	4,794.00	4,890.00	96.00	2.0%	5.0%
Summer					
Phase I - III (May - August)	3,237.00	3,237.00	-	0.0%	5.0%
Visitor Weekly Rate	202.00	202.00	-	0.0%	4.7%
Phase IV Foley Hall (May - August)	3,469.00	3,469.00	-	0.0%	5.0%
Visitor Weekly Rate	217.00	217.00	-	0.0%	5.3%

SCHEDULE OF 2011-2012 ANCILLARY RATES

HART HOUSE

	2010/11 RATE $	2011/12 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
St. George Full Time	69.11	71.63	2.52	3.6%	3.5%
St. George Part Time	13.83	14.34	0.51	3.7%	3.6%
Scarborough & Mississauga (Full time)	2.12	2.20	0.08	3.8%	3.4%
Scarborough & Mississauga (Part time)	0.43	0.45	0.02	4.7%	2.4%