Appendix "A" for
Report 95 of P&B

Long-Range Budget Guidelines

2004-05 to 2009-10

1

The Budget Situation

- Inflation is affecting construction costs
- Enrolment rising; costs increasing
- Salaries becoming uncompetitive
- Yearly deficit increasing
- New government, future is uncertain

October 1919 (Friedland, pg. 278)

2

Presentation Overview

- Long-range budget planning
- Governing Council Policy
- Underlying assumptions
- Projections for the 2004-05 to 2009-10 budget cycle

Multi-Year Budgeting

1994 95 96 97 98 99 00 01 02 03 04 05 06 07 08 09 10

1994-95 to 1999-2000

1998-99 to 2003-04

2004-05 to 2009-10

We are about to start our fifth multi-year planning period

Multi-Year Budgeting

- Allows for planning
- Manageable and fiscally responsible
- Provides opportunity to close gap between revenue and aspirations

Guidelines

- Policy requires budget variance no more than 1.5% of gross operating revenue
- Under long-range budget guidelines GC has allowed larger variances in intervening years as long as:
  - University exits each cycle with a balanced budget
  - Accumulated deficit does not exceed 1.5% in final year
- Long-range planning using this policy has served us well

Assumptions

- Based on present circumstances and known Government policies
- Conservative, for fiscal prudence
- Not advocacy objectives

Assumptions - Revenue

- Enrolment
  - No change in existing plans
  - Some reduction in undergraduate intake (end of double cohort)
  - Modest increase in graduate intake

Assumptions - Revenue

- Government operating grants
  - Accessibility program will continue
  - Quality Assurance Fund for three more years
  - 2% increase in BIU value after that
  - Replacement for tuition freeze at 2%
  - Cap on graduate BIUs maintained

Assumptions - Revenue

- Tuition
  - Freeze for two years for all programs
  - 2% increase in subsequent years, for all programs
  - Flow-through of recent tuition increases allowed
  - Proposed increase in international tuition

Assumptions - Revenue

- Canada Research Chairs program will be renewed
- Federal and Provincial Indirect Cost of Research programs will continue
- EFIP loss amortized over three years

Assumptions - Expense

- Compensation
  - Current agreement covers 2004-05
  - 2% increase in salaries and benefits after that
- A slight increase in benefits rate to 20.75%

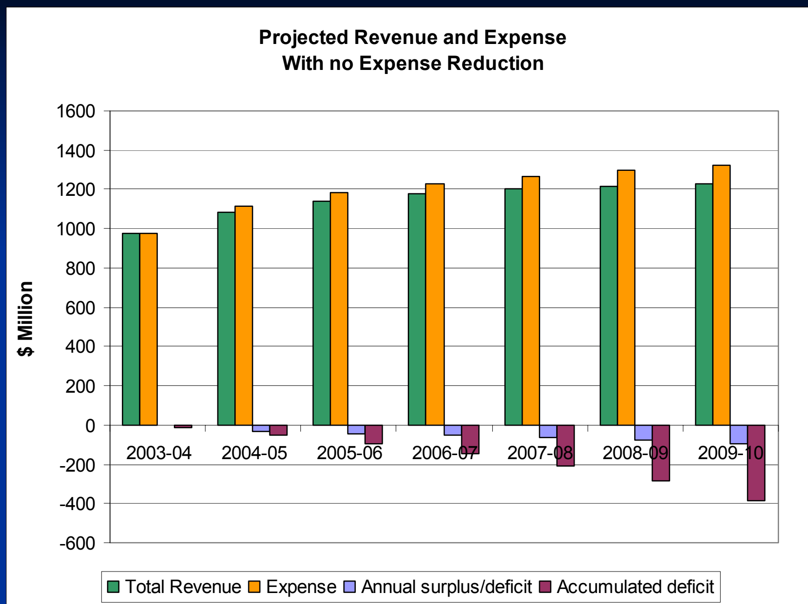
Assumptions - Expense

- Enrolment Growth Fund
  - Revenues associated with increases in tuition and enrolment will continue to be shared with divisions
- 30% of increases in tuition revenue will be set aside for student aid

Six-Year Revenue/Expense Projection

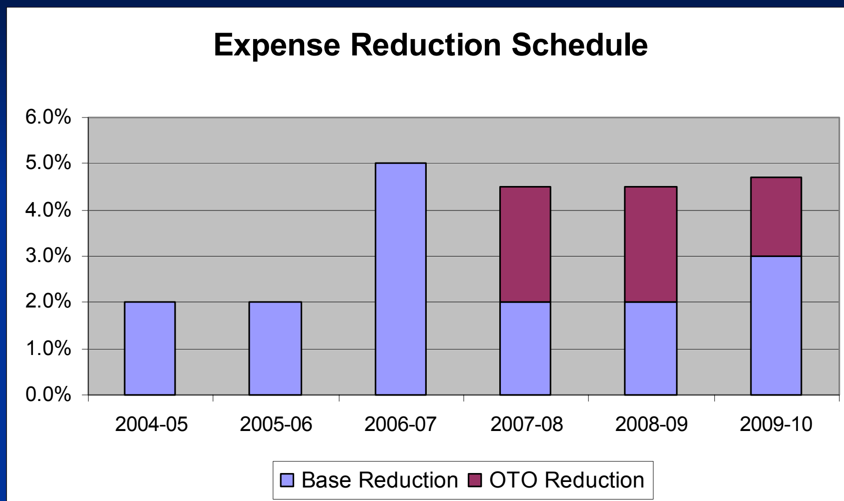
(With no adjustments, in $Million)

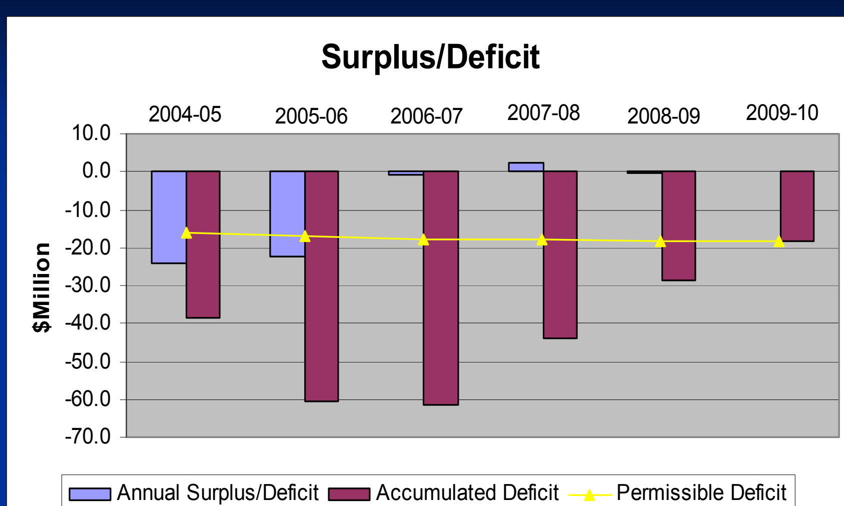
	2003-04	2009-10	Change
Revenue	978	1229	251
Expense	978	1325	347
Surplus/(Deficit)	0	96	
Accumulated Deficit	15	384	



Expense Reduction

- The expense reduction schedule:
  - Allows time for Divisions to plan
  - Is compatible with the academic planning process in progress
  - Does not impose too high a reduction in one year
  - Guards against a runaway accumulated deficit
  - Allows for changes in reductions if new sources of revenue are realized in out years

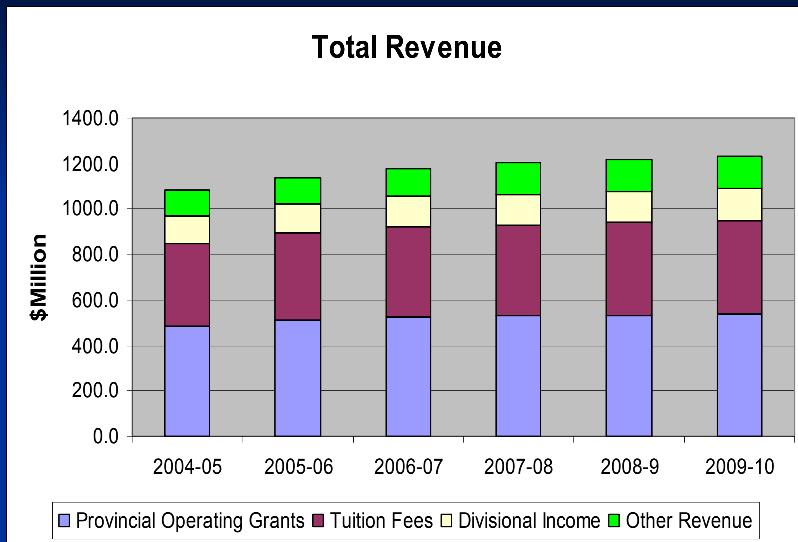

Expense Reduction Schedule
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
2004-05
2005-06
2006-07
2007-08
2008-09
2009-10
Base Reduction
OTO Reduction

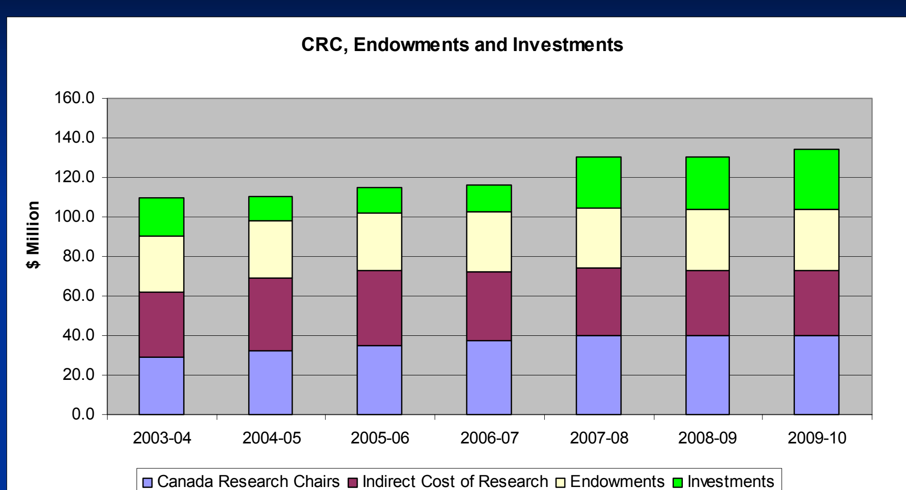

Surplus/Deficit
$Million
10.0
0.0
-10.0
-20.0
-30.0
-40.0
-50.0
-60.0
-70.0
2004-05
2005-06
2006-07
2007-08
2008-09
2009-10
Annual Surplus/Deficit
Accumulated Deficit
Permissible Deficit

Breakdown of revenue and expense

Revenue

- Government Operating grant constitutes about 44% of total revenue, on average
- Tuition about 34%
- Divisions earn about 11%
- All other sources add another 11%
  - CRC program — assumed to continue
  - Federal funding of indirect cost — assumed to continue at a rate of 20%
  - Investment income


Total Revenue
1400.0
1200.0
1000.0
800.0
600.0
400.0
200.0
0.0
$Million
2004-05
2005-06
2006-07
2007-08
2008-9
2009-10
Provincial Operating Grants
Tuition Fees
Divisional Income
Other Revenue

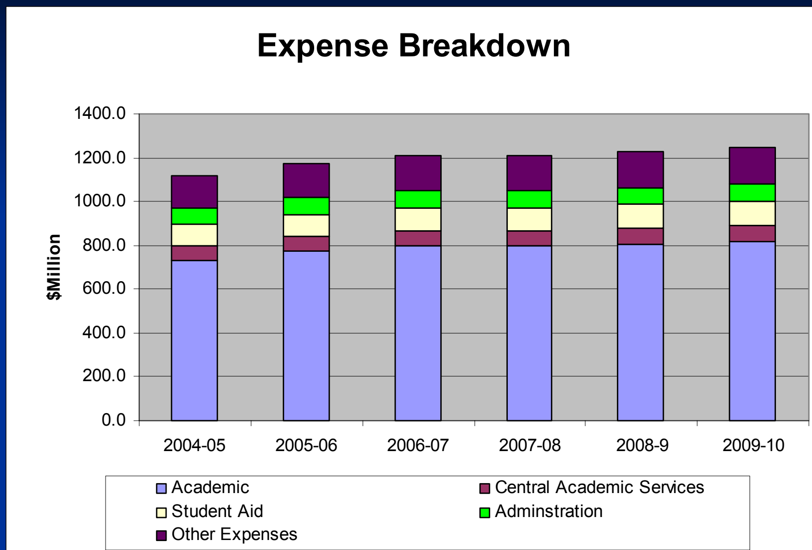

CRC, Endowments and Investments
160.0
140.0
120.0
100.0
80.0
60.0
40.0
20.0
0.0
$ Million
2003-04
2004-05
2005-06
2006-07
2007-08
2008-09
2009-10
Canada Research Chairs
Indirect Cost of Research
Endowments
Investments

Expense Budget

- The major component is funding to academic divisions — about 66%
- This includes
  - $30M set aside for academic planning
  - $50.9M in EGF allocations
- Academic services provided centrally 6%
- Student assistance 9%
- Administrative expenses 6.5%
- All other costs 13%

Other Expenses

- These include some significant increases:
  - Annual pension cost rising to $84.3M
  - $10.9M allocated to improved and deferred maintenance
  - $15.7M for debt service



Why a Deficit?

- The University exits 2003-04 with a balanced budget
- Revenue is expected to increase by $251M over the next six years
- So, why are we projecting a deficit?

New Expenses and Expense Increases that are Higher than Inflation (in $million):

Pension deficit amortization	$26.5
Increase in benefits cost	48.0
Increase in cost of capital	4.0
Increase in student aid	14.6
Improved maintenance and deferred maintenance	11.3
Total	**104.4**

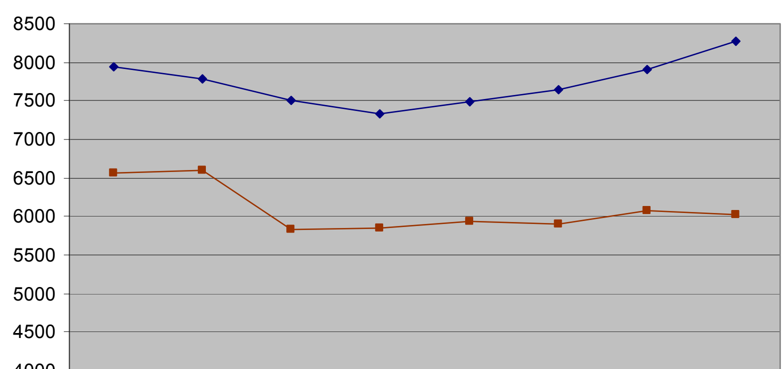
Growth and Inflation

New expenses	104.4
Academic initiatives	30.0
Direct cost of enrolment growth	50.9
Inflation over six years (at 2% per yr)	123.4
Total	308.7

Long-Term Advocacy Goals

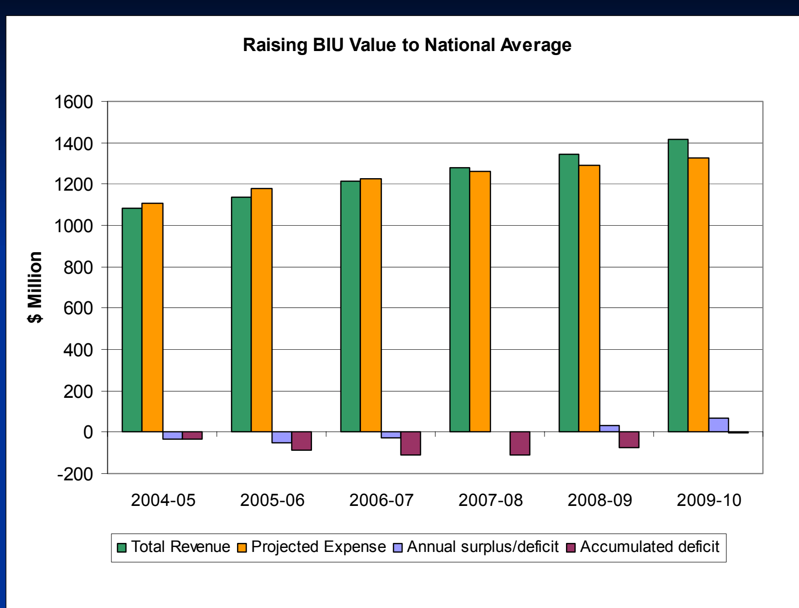
- Ontario Government should increase funding to national average
- This means increasing the BIU value by 36%

Per FTE Provincial Grant



	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02
Other 9 Provinces	7945	7779	7503	7330	7489	7652	7906	8279
Ontario	6556	6606	5826	5853	5928	5901	6079	6018

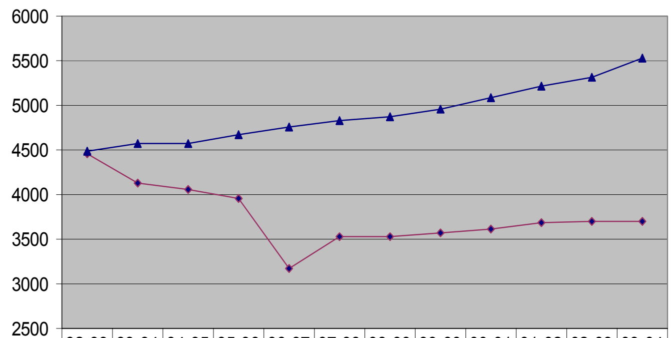
- If BIU value rises to the national average over the next six years



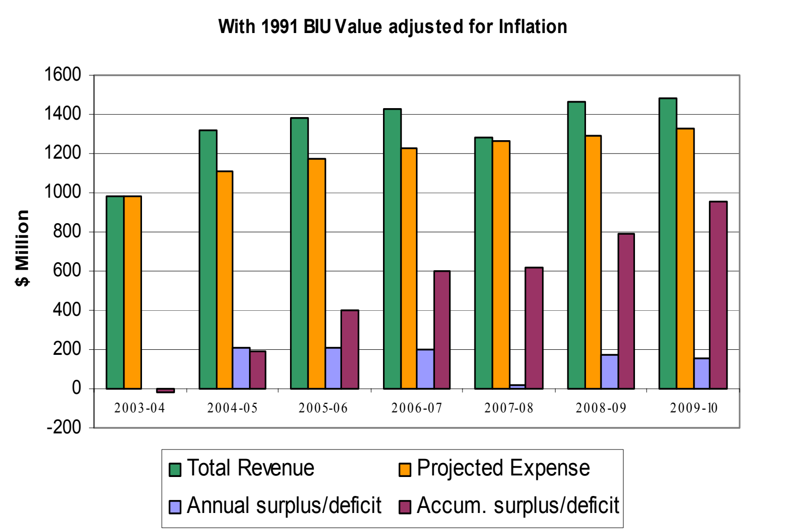
- The last scenario shows a surplus of $70M
- This is an indication of how far we have fallen behind sister institutions in Canada
- The shortfall is reflected in higher student-to-faculty and student-to-staff ratios and the "Crumbling Foundations"

- If BIU value had risen with inflation since 1991, its current value would be 49% higher than it is today

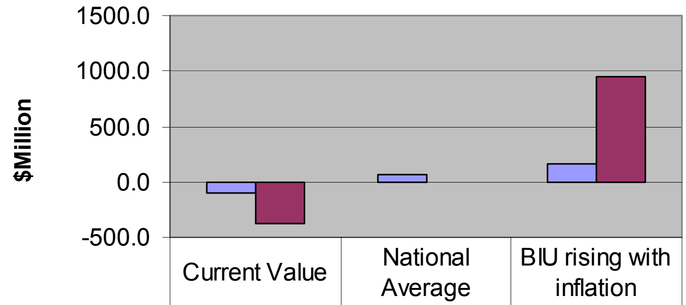
Government Operating Funding per BIU



	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04
In Absolute $	4458	4122	4051	3958	3176	3530	3529	3577	3619	3691	3694	3695
1991-2 value adjusted for Inflation	4486	4566	4575	4674	4750	4827	4872	4957	5091	5221	5310	5523



Surplus/Deficit vs. BIU Value



	Current Value	National Average	BIU rising with inflation
Annual surplus/deficit	-99.8	69.7	157.4
Accumulated surplus/deficit	-377.3	-5.4	950.4

Impact on Academic Planning

- Collectively, we must aggressively seek new revenues
  - Advocacy with the Provincial and Federal Governments
  - Divisional initiatives
  - Development
  - Continuing education/Summer programs
- We must seek efficiencies
  - E.g., e-Procurement

Impact on Academic Planning

- Divisions have been asked to plan on the basis of a 17% reduction over six years
- Phase in new initiatives to maintain budget flexibility
- Explore new approaches for program delivery
- Set clear priorities
- Some transitional funds will be available

Our Challenge

- Long-range budgeting serves us well in supporting our plans
  - It also makes us more aware of our funding gaps
- Focus on generating the revenues necessary to meet our needs and aspirations
- Be selective in choosing our priorities
  - Tie our priorities clearly to development and advocacy
- Seek out efficiencies in our operations
- Read our history books

Appendix "B" for
Report 95 of P&B

University of Toronto TORONTO ONTARIO M5S 1A1

OFFICE OF PLANNING AND BUDGET

TO: Planning and Budget Committee

SPONSOR: Safwat Zaky, Vice-Provost Planning & Budget
CONTACT INFO: (416) 978-7116, safwat.zaky@utoronto.ca

DATE: February 18, 2004 for meeting on March 2, 2004

AGENDA ITEM: **#5**

ITEM IDENTIFICATION:

- Long-Range Budget Guidelines for the planning cycle 2004-2010

JURISDICTIONAL INFORMATION:

Excerpt from the terms of reference for the Planning and Budget Committee:

4.3.1. The Committee recommends to the Academic Board for consideration guidelines for long-range planning and budgeting that are the basis for the development of the University's annual Operating Budget..

OTHER ACTION TAKEN:

N/A

HIGHLIGHTS:

The financial assumptions for budget planning for the period 2004-2010 are described in the attached report. The main assumptions relate to Government operating grant projections and tuition fees. It is assumed that the Quality Assurance Fund announced in the spring of 2003 will continue, providing an increase of about $15M each year until 2006-07, and that the total operating grant will increase by 2% each year after that. Tuition will be frozen at the 2003-04 levels for two years. After that, it is assumed that Government will limit tuition increases in all programs to 2% each year.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

Based on the financial assumptions, revenues will increase to $1229M by 2009-10. With no expenditure reduction, the projected expense would rise to $1325M, resulting in an annual deficit of $96M. At the same time, the accumulated deficit would rise significantly by the end of the planning period. Hence, expense reduction must be introduced to meet University Policy. Namely, we must move towards a balanced budget in 2009-10 and the accumulated deficit must not exceed 1.5% of gross revenue, or $18.4M. The attached report includes a budget plan with expenditure reductions totalling $96M (about 17%) in base and an additional $41.1M in one-time-only reductions. These result in a balanced budget in 2009-10 and an accumulated deficit of $18.4M.

Although the Committee is approving the Framework for the next six years, it is understood that the financial assumptions will be revised each year as necessary and the budget projections updated. Specific expenditures for the year are approved separately as part of the annual Budget Report. The Budget Report for 2004-05 will be presented to the Planning and Budget Committee for approval in the coming March 16 meeting.

RECOMMENDATION:

The Planning and Budget Committee recommends to the Academic Board:

> THAT the "Long-Range Budget Framework, Guidelines and Projections, 2004-05 to 2009-10", pages 1 to 11 inclusive, dated March 2, 2004, be approved.

Long-Range Budget Framework

Guidelines and Projections, 2004-05 to 2009-10

1. Background

The University of Toronto adopted its current practise of multi-year budgeting in 1990, with the first budget plan spanning the period 1990-91 through 1995-96. The second plan covered the period 1994-95 through 1999-2000 and the third from 1998-99 to 2003-04. This framework proposes to continue the practise for the six year planning period 2004-10. With the benefit of hindsight, the University was extremely well-served by its decision to adopt multi-year budgeting in 1990; the last 13 years have proven to be the most financially unstable in the University's contemporary history. Multi-year budgeting was central to the University's ability to adapt to radically altered financial circumstances in a carefully planned manner and to permit effective long range academic planning. Two cycles of academic planning that were closely linked to budget plans have been successfully undertaken: the *White Paper Planning Process* (1995-2000) and the *Raising Our Sights Process* (2000-2004). Long-term planning and budgeting should prove equally valuable as the University undertakes the goals of Stepping Up and deals with the current enrolment expansion.

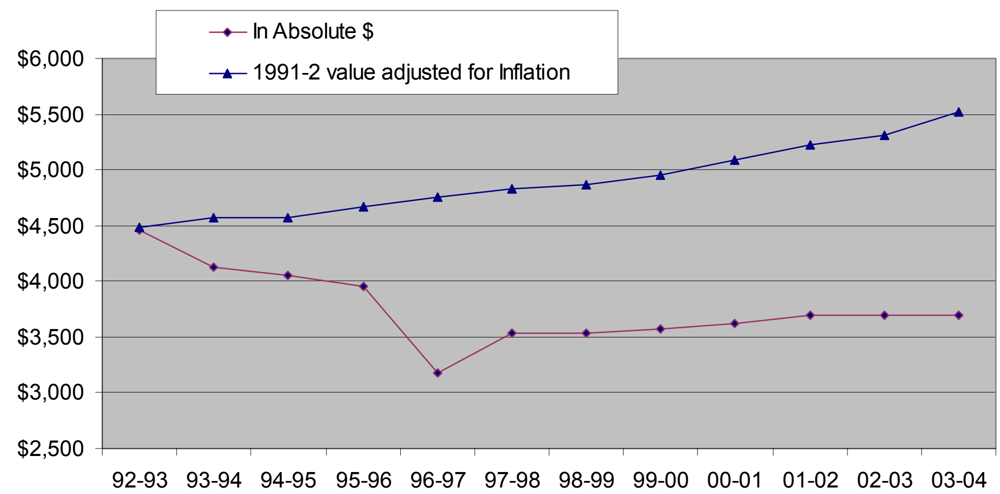
As they entered the 1990's the University of Toronto and all other Ontario universities were experiencing a period of relative financial stability and recovery; government grants and tuition were increasing at rates slightly above the general inflation rate, and budget reductions were, relatively speaking, modest in scale. With the full onset of the economic recession in 1992 through 1994, operating grants were frozen and then reduced through the Social Contract ($17.3 million) and the Expenditure Control Plan ($5 million). Tuition fees increased by a range of 8 to10 per cent annually to partially compensate for the loss of grant revenue. The Ontario Student Assistance Plan was modified by government from a combined grant/loan program to an all-loan program as a cost reduction measure.

In 1995 the new government fulfilled its election promise to further reduce operating grants to universities by $280 million, a loss of $53.9 million to the University of Toronto. Again as a partial offset to the loss of grant revenue, government permitted significant increases in tuition fee rates; 20 per cent in 1996-97 and 10 per cent on average in each subsequent year up to and including 1999-2000. Tuition fees were deregulated for international students, and for students in some professional and all graduate programs.

Government operating grant revenue reached a peak at approximately $400 million in 1992-93, fell to $339 million in 1997-98 and has risen to $413M in 2003-04 with the introduction of a number of new funding envelopes targeted to enrolment increases and performance indicators. However during the past decade, the system-wide *Government operating funding per BIU* has decreased in absolute terms by over 16% and in real terms by 30% (see Figure 1). At the same time, tuition revenue has increased from $100 million in 1992-93 to $320 million in 2003-04, as a result of both tuition fee rate and enrolment increases. Starting in 1996-97 the Government mandated that 10% of the revenue from tuition fee increases be spent on student aid; this was increased to 30% in 1997-98 and subsequent years.

The practical effect of the Government funding policy has been that the University has had to introduce budget reductions to absorb a significant portion of cost increases for compensation, library acquisitions, graduate student funding, and utilities. The university's expenditure patterns have also changed significantly over this period; support for student aid has increased dramatically, from $7.7 million in 1991 to $95.9 million in 2003-04. Overall, the increase in expenditures on student financial aid is approximately 40% of the increase in tuition revenue, making the University of Toronto one of the most accessible in the Country. Library acquisition costs have continued to increase sharply throughout the period, from $9 million in 1991 to a projected $22.2 million in 2003-04.

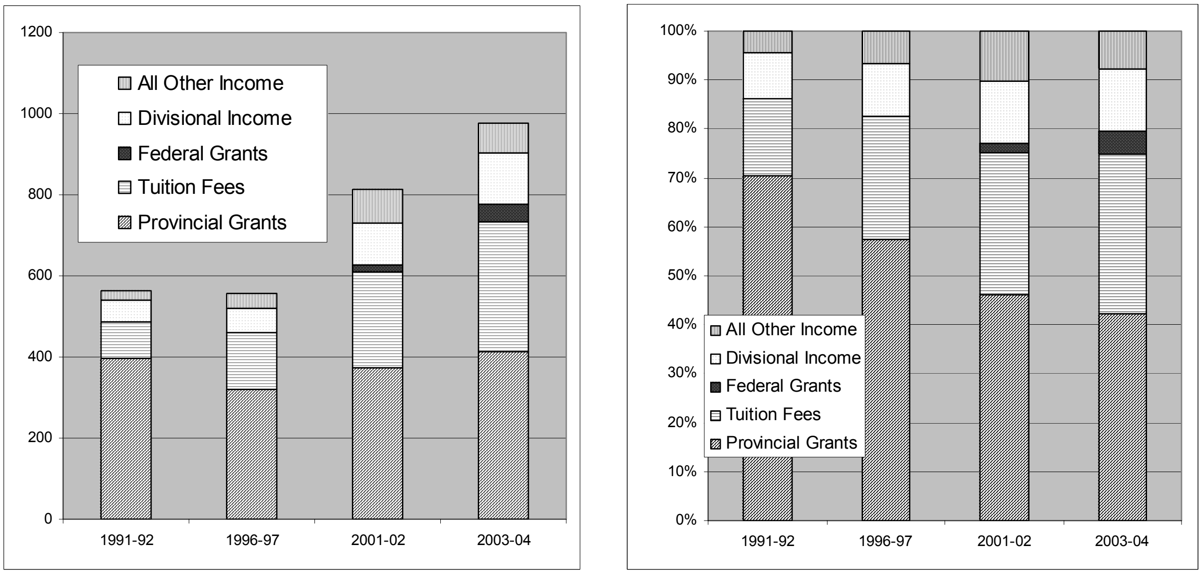
Fig. 1. Government Operating Funding per BIU



In 2000 the Government announced a cap on tuition fee increases for all regulated programs in each of the five years 2000-01 to 2004-05 at 2% per year, not compounded. During this period the University has also limited tuition fee increases for all continuing students in the deregulated programs to 5% (0% in 2004-05 as a result of the expected provincially mandated tuition freeze). Fee increases for new students in the deregulated programs were generally set at 5% (0% in 2004-05), with the exception in some years of professional programs in business, dentistry, computer science, engineering, information technology, medicine, pharmacy and law, where the revenue from larger increases is being used to enhance quality in these programs.

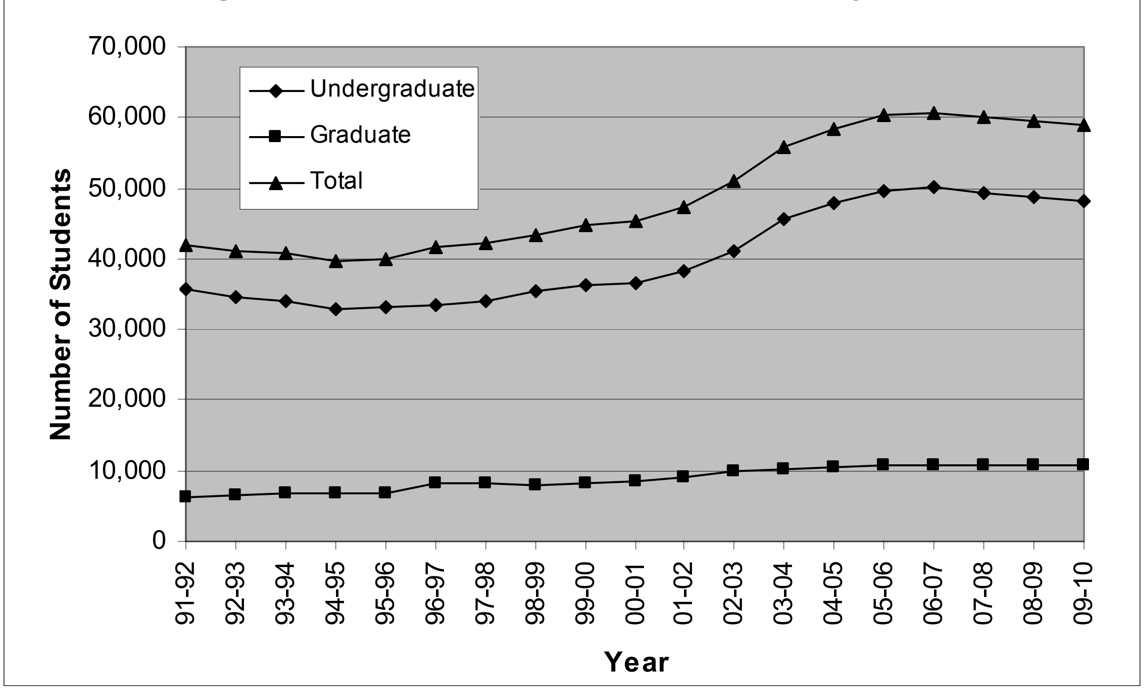
These circumstances, taken together, have dramatically altered the size and composition of the operating budget, as shown in Figure 2. Provincial government operating grants now represent just over 40 per cent of total revenue, down from 70 per cent in 1991-92. Tuition revenue has doubled in proportional terms, from 16 per cent to 33 per cent of the total. Other sources of revenue, such as endowment payout, federal government support and divisionally-generated income, have increased and diversified considerably. These sources now represent 25 per cent of the revenue base. As a result, the University is much less dependent upon a single dominant source of revenue, but at the same time is exposed to a wider array of risks such as stock market performance.

Figure 2. Sources of Revenue



The major challenge facing the University in the new planning period will be to deal with the increase in enrolment resulting from the double cohort and the projected increase, by 2010, of 190,000 in the population of the 18 to 24 year old demographic group. Figure 3 displays actual enrolments to 2003-04 and the projections through to the end of the planning period. The projected graduate enrolment includes a steady state increase of 500 doctoral stream students which will be realized only if the current cap on graduate accessibility funding is relaxed to prevent an increase in the University's unfunded graduate BIUs. Achieving this goal is a major component of the University's advocacy with the Government.

Figure 3. Enrollment, Actual and Projected



2. Planning Assumptions for 2004-10

The projection of revenue and expense used in this framework is based on a number of assumptions. These assumptions are, in turn, based on available information at the time of preparation of this document and will be updated at least annually, or more frequently if necessary. At this time, very little is known about Government policy with regard to funding of colleges and universities, other than the expectation that a tuition freeze is likely to be mandated for the two years 2004-05 and 2005-06.

The assumptions used in this framework are summarized in Table 1. They are, by necessity, conservative. They must not be construed as representing an adequate level of funding for the University or as goals for our revenue generation efforts. None the less, they must guide our long-term budget planning to ensure fiscal prudence. Section 3 presents a six-year budget plan based on these assumptions. Significant expense reductions are needed in each year of the plan to meet the limits on annual and accumulated deficits mandated by Governing Council.

The University of Toronto, often in concert with other universities, is engaged in on-going advocacy with both the Provincial and Federal Governments to address the substantial short fall in funding that all universities face. It is essential that we continue to seek new revenues, both from Government and from other sources, to maintain the quality of university education and to realize our aspirations as expressed in our academic plan Stepping Up.

Table 1. Revenue and Expense Assumptions for the period 2004-05 to 2009-10.

#	Budget Model Line	Assumption
	General Assumptions	
1.	Period of Budget Guidelines	2004-05 to 2009-10
2.	General Rate of Inflation (CPI)	CPI assumed to be 2.0% annually. While the CPI for 2002-03 was greater than 2%, the projections from the Provincial and Federal Governments and the Institute for Policy Analysis range between 1.97 and 2.04 for the period 2004-10.
	Revenue Assumptions	
3.	Domestic U/G Enrolment	Enrolment is assumed to follow the plans described as Phases 1 and 2 in *Update on Enrolment Expansion,* which has received Governing Council approval. A further increase of 750 was added in Phase 3 of this plan. Two additional increases in intake of 750 and 85 students in 2003-04 were included in the March 2003 and April 2003 Enrolment Target Agreements with the Provincial Government.
4.	International U/G Enrolment	International enrolment intake assumptions will be maintained at least at the 2000-01 level. In 2003-04 international enrolment increased. Flow through of this increase is reflected in outer year projections.
5.	Graduate Enrolment	For the purposes of budget projections, modest growth has been assumed. Domestic and international doctoral stream enrolment targets and revenue sharing arrangements will be negotiated as part of new Divisional plans.

6.	Government Operating Grants	It is assumed that Government will continue to provide full funding for increased enrolment associated with the double cohort and its flow through the system. Funding per student will be held at the same level as in 2003-04, but beyond 2006-07, the revenue from Government Operating Grants will increase year over year by CPI to cover increased costs. This increase will be in addition to any revenue from enrolment increases. It is also assumed that there will be no change in the cap on graduate funding over the period of the guidelines. As a result, some graduate BIUs will continue to be unfunded. Only tuition revenue will be realized for any increase in graduate enrolment.
7.	Ontario Quality Assurance Fund	The Double Cohort Quality Assurance Fund will be maintained at the levels announced last year. The University will receive its pro-rata share of this Fund, starting at $14.7M in 2003-04 and rising to steady state of $39.1M by 2006-07.
8.	Replacement Funding for Tuition Freeze	It is assumed that the provincial government will provide replacement funding to compensate for tuition fees lost as a result of the two-year freeze. The foregone revenue has been estimated as $11M in 2004-05 and $24M in 2005-06. However, for budgeting purposes, lower estimates of $6.3M and $13.3M, respectively, have been used to reflect the uncertainty.
9.	Tuition Fee Rates: Domestic	Fees in all programs are assumed to be frozen in 2004-05 and 2005-06 at 2003-04 levels. However, flow through of previous increases is allowed. Fees to be increased by CPI (estimated to be 2%) in 2006-07 and beyond.
10.	Tuition Fee Rates: International	A new tuition fee schedule for international students will be introduced, with a 5% increase in 2004-05 and further increases in 2005-06.
11.	Endowment Revenue for Chairs and Student Aid	The endowment income is based on projected payout rates of $6.73 for 2003-04, rising by 2% a year to $7.58 by 2009-10. Revenue includes endowed income from student aid and divisional income from endowed chairs.
12.	Canada Research Chairs Program	The Canada Research Chairs program will be renewed with the same terms after its expiry in 2007-08, and the University of Toronto will maintain its current share of the program.
13.	Indirect Cost Recovery on Research Grants and Contracts	Revenue from indirect cost recovery flows to general university income, from : • Provincial Centres of Excellence • Connaught and I'Anson Funds • Other Grants and Contracts • ORDCF • Canada Research Chairs • Ontario Research Performance Fund • Federal Granting Councils
14.	Other Grants and Contracts	Revenue projected to increase by approximately 1% per year.
15.	Ontario Research Performance Fund	This is projected to be $5.4 M in 2004-05 through to 2009-10.

16.	Federal Government Indirect Cost of Research Program	The Federal Government confirmed a fund of $225M for the indirect costs of federally supported research in 2003-04 and beyond. The University's share, excluding the affiliated teaching hospitals, is projected at $15.1M. The program is a 3-year program with an IDC rate of 20%. This will be reviewed in 2005-06 with advocacy toward increasing the rate to 40%. The long range plan is based on a 20% rate.
17.	Endowment Administration and Investment Management Fees	In 2000-01 the University introduced an investment management overhead fee on EFIP, LTCAP and pension funds and an endowment stewardship fee on LTCAP to recover from those funds the indirect costs incurred by the University for these purposes. The projected investment management fee revenue is $0.6M and the projected endowment administration fee is $5.4M in 2004-05. Fees are projected to rise at 4% per year thereafter.
18.	Investment Income	UBS Cash-in-Action: 2.93%for 2004-05 and beyond Investments managed by UTAM: 4.5% for 2004-05 and beyond Internal loans with signed agreements: 5.76% for 2004-05, 6.11% for 2005-06, 6.31% 2006-07, 6.34% for 2007-08 and beyond.
19.	Amortization of Investment Losses	The recent market loss in EFIP investment is being amortized at $10.6M a year for 3 years.
20.	Other Income	This includes revenue from: • Surcharge on unpaid fees • Application fees • Central overhead charges to self-funded academic programs Projections for the surcharge and application fees are calculated based on projected enrolment levels. Projections for overhead revenue are based on an established overhead model.
21.	Divisional Income	Increased divisional revenues are offset by increased divisional expense allocations. Divisional income is projected to increase at 2% a year.

	Expenditure Assumptions	
22.	Contractual Obligations and Policy Commitments (COPC)	This section includes expenditures which are protected because they are required through contractual obligations or policy. For further detail, refer to the 2004-05 COPC Report.

23.	Compensation	The following assumptions are for modelling purposes only and do not represent a strategy for salary negotiations. • Compensation increases for 2003-04 and 2004-05 for UTFA are included. • Compensation increases for all university employees, including the costs associated with benefit improvements, are assumed to be as follows for 2005-06 and beyond: UTFA: CPI plus cost of PTR annually, Professional/ management: CPI plus merit Other employees: CPI annually (step increases are funded by the Divisions) • Cost increases associated with the provision of the existing level of employee benefits are captured in assumption # 24. • The sum of $0.5M in base will be transferred annually from general university revenue to the Faculty Retention Fund.
24.	Pension Deficit Amortization	The deficit in the pension fund is being amortized at $26.5M a year for 15 years.
25.	Employer Benefits Costs	It is assumed that the standard benefit rates will increase to 20.75% for appointed employees and at 9.75% for non-appointed employees. The higher rates do not include the pension amortization payments that are required beginning 2004-05. The Guidelines include the full current service costs for the regular pension plan and the supplementary retirement allowance (SRA) in base. Projections have been updated based on latest consultations with actuaries which have resulted in the Pension Strategy that was approved by the Business Board on January 19, 2004.
26.	Enrolment Growth Fund	Expenditures from this fund are based on the same enrolment levels used for operating grant and tuition revenue projections. In general, Divisions will receive: • 75% of the tuition fee revenue net of mandated student aid plus 75% of the operating grant revenue generated by the approved increased undergraduate domestic enrolment, • 60% of tuition fee revenue generated by the increased undergraduate international enrolment, • In certain approved cases, 75% of the tuition fee revenue net of mandated student aid generated by increased enrolment in professional masters programs. Funding will not be allocated for enrolment increases planned prior to 2000-01, nor those increases funded from other funding envelopes.

27.	Student Aid Reinvestment	A portion of tuition revenue will continue to be set aside for undergraduate student aid. The retained portion consists of 30% of the incremental tuition revenue due to tuition fee increases above the 1995-96 levels. Projections have been updated to reflect the impact of the tuition freeze. The Stepping Up academic plan includes as an important objective a substantial increase in student aid. The amount set aside from incremental tuition fee revenue will form part of this increase. In addition, the University will strive to achieve its objectives in this area through the OSOTF program and other development efforts.
28.	Graduate Student Support	A portion of tuition revenue will continue to be set aside for graduate student support. The retained portion consists of 100% of the incremental tuition revenue due to tuition fee increases above the 1995-96 levels. Projections have been updated to reflect the impact of the tuition freeze.
29.	Matching Programs	$2.5M in base is allocated for various matching programs.
30.	Quality Enhancement Funds from Tuition Sharing	Revenue from tuition fee increases greater than 5%, net of mandated student aid, will flow to the Tuition Sharing Fund to be allocated to Divisions in response to plans for quality improvement. Projections have been updated to reflect the impact of tuition freeze.
31.	International Tuition Sharing	Revenue from international tuition fee increases greater than 5%, net of 30% for student aid and recruitment, will flow to the International Tuition Sharing Fund to be allocated to Divisions.
32.	Academic Program Planning	$5M in base is allocated for academic planning program initiatives under Stepping Up.
33.	Academic Service Initiatives	$0.5M in base will be transferred to the Academic Service Initiatives fund from general university revenue in 2004-05 and 2005-06 and $0.25M in 2006-07. This fund supports such services as libraries (other than book acquisition) and academic computing, and the added funding is needed to meet the increased demands resulting from enrolment expansion.
34.	Information Technology Initiatives and Upgrades	$2M in base is allocated for administrative information technology initiatives and upgrades.
35.	Transitional Funding	This fund is used to assist a limited number of divisions who are in transition. The provision of funding will be dependent on attainment of transitional objectives developed by agreement with the Provost.
36.	Administrative Priorities	$0.5M in base will be transferred to the Administrative Priorities fund from general university revenue each year to meet the increased demands resulting from enrolment expansion.
37.	UIIF; Renovations and Deferred Maintenance	About 1% of the Operating Budget has been allocated to renovations and deferred maintenance on all campuses, $3.7M in base in 2004-05 and a further $4.7M in 2005-06. This is in addition to funding expected from the Provincial Government for deferred maintenance, via the Facilities Renewal Program (FRP). Expenditure of these funds will be approved by the Accommodation and Facilities Directorate (AFD) and in accordance with FRP regulations.
38.	Endowment Matching Funds	Approximately $44M is needed from 2004-05 to 2009-10 to meet existing matching commitments. Debt service charges on this are included in item # 22.

3. Long-Range Budget Plan for 2004-10

A six-year budget plan has been developed for the University of Toronto based on the assumptions in Section 2. With no expenditure reduction, the projected expense would rise to $1325M by 2009-10 against revenue of $1229M, resulting in an annual deficit of $96M. At the same time, the accumulated deficit would reach $384M by the end of the planning period. Hence, significant expense reduction must be introduced to meet University Policy. Namely, the annual deficit must be eliminated by 2009-10 and the accumulated deficit must be reduced to less than 1.5% of gross revenue ($18.4M).

A plan for reducing expenses has been developed taking into account the following observations:

- Because of the severity of the reductions needed, university divisions must be given sufficient time to plan so as to minimize the negative impact on their operations.
- Budget planning is an integral component of the Stepping Up academic planning process, which is currently underway and will continue into the next year.
- Because of the nature of the operation of the university, it is extremely difficult, if not impossible, to reduce expenses by a very large amount in one year.
- If the accumulated deficit is allowed to rise too high, it becomes difficult to reduce it back to the mandated level by the end of the planning period.

The recommended expense reduction plan is summarized in Table 2 and illustrated in Figure 4. Both base budget reductions totalling $96M (about 17%) and one-time only expense control measures in the amount of $41.1M are necessary. The resulting surplus/deficit over the planning period is shown in Figure 5. At the end of the planning period, the projected annual deficit and the accumulated deficit are within Policy limits.

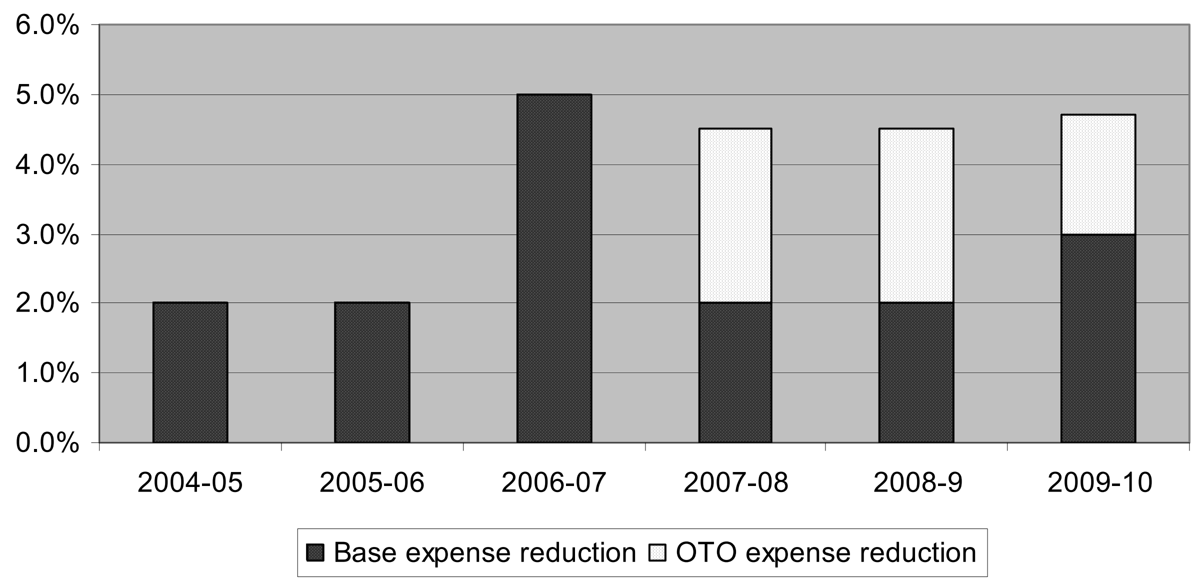
Budget details are attached as Appendix A, organized in the form of two tables. Table A1 shows the absolute values of revenue and expense. The categories used are the same as those that appear in the University's financial statements, for ease of reference. Table A2 shows year-over-year increases in expense, with expense categories broken down to give a much higher level of detail.

The expense reductions in Table 2 will inevitably have a significant detrimental effect on the teaching and research environment and on the University's infrastructure. It is paramount that the University continue its advocacy with both the Provincial and Federal Governments to seek increased level of support. We must also seek new sources of revenue and continue our fund-raising efforts.

Table 2. Expense reduction schedule
($millions)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Base reduction in dollars	$10.5	$11.7	$30.8	$12.2	$12.3	$18.5
Percentage Reduction	2.0%	2.0%	5.0%	2.0%	2.0%	3.0%
One-time-only reduction				$15.3	$12.3	$9.3
Percentage OTO reduction				2.5%	2.5%	1.7%

Figure 4. Percentage Base and OTO Expense Reductions



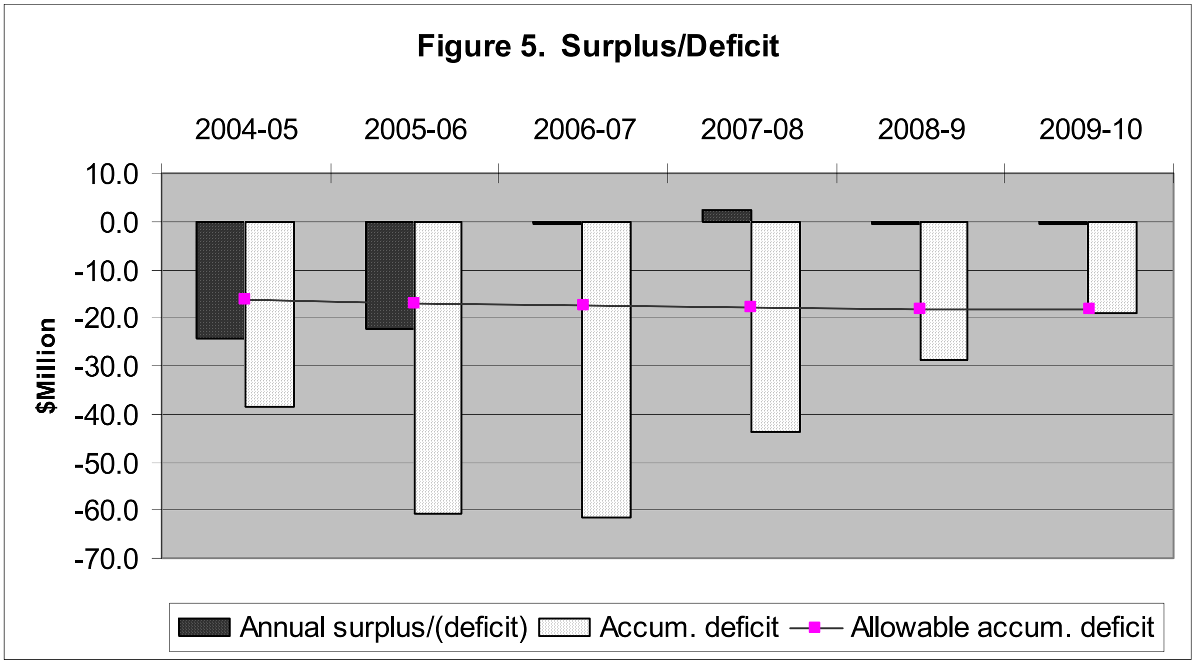


Figure 5. Surplus/Deficit
2004-05
2005-06
2006-07
2007-08
2008-9
2009-10
10.0
0.0
-10.0
-20.0
-30.0
-40.0
-50.0
-60.0
-70.0
$Million
Annual surplus/(deficit)
Accum. deficit
Allowable accum. deficit

Budget Model Summary ($ millions)

	Assumption #	2003-04	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
Projection of Operating Revenue								
Provincial Operating Grants	2,3,4,5,6,7,8	$ 412.9	$ 484.4	$ 513.0	$ 528.0	$ 529.7	$ 533.9	$ 538.2
Tuition Fees	9,10	320.2	361.1	382.4	396.5	401.9	408.9	413.3
Total Grants plus Fees		733.1	845.5	895.4	924.5	931.6	942.8	951.5
Endowment Revenue for Chairs and Student Aid	11	28.7	28.8	30.0	31.3	32.6	33.1	33.5
Canada Research Chairs	12	29.3	32.3	34.5	37.2	40.2	40.2	40.2
Indirect Cost Recovery on Research Grants and Contracts	13,14,15,16	32.7	29.8	31.1	30.4	30.0	29.6	30.0
Endowment Administration and Investment Management Fees	17	7.6	6.0	6.2	6.5	6.7	7.0	7.3
Investment Income	18	11.3	15.8	15.1	17.2	18.2	17.9	17.3
Amortization of Investment Losses	19		(10.6)	(10.6)	(10.6)	-	-	-
Other Income	20	10.5	8.1	8.3	8.5	8.6	8.7	8.8
Divisional Income - Government Grants	21	4.3	4.3	4.4	4.5	4.6	4.7	4.8
Divisional Income - Student Fees	21	50.0	51.0	52.0	53.1	54.1	55.2	56.3
Divisional Income - Ancillary Fees	21	29.3	29.9	30.5	31.1	31.8	32.4	33.0
Divisional Income - External Revenue	21	40.8	41.6	42.4	43.3	44.1	45.0	45.9
Total Operating Revenue		**$ 977.5**	**$ 1,082.6**	**$ 1,139.4**	**$ 1,176.9**	**$ 1,202.6**	**$ 1,216.7**	**$ 1,228.8**

Budget Model Summary ($ millions)

Budget Model Summary ($ millions)	Assumption #	2003-04	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
Projection of Operating Expenditures	(see Table A2)							
Academic		$ 626.7	$ 733.0	$ 771.5	$ 796.7	$ 796.7	$ 805.9	$ 816.9
Academic Services		39.9	43.8	45.0	45.3	43.2	43.2	43.3
Library Acquisitions		22.2	23.1	24.1	25.1	26.1	27.2	28.3
Campus & Student Services		16.2	17.4	18.2	18.9	19.6	20.2	20.3
Student Assistance		89.7	96.6	100.2	104.4	107.2	109.4	111.4
Maintenance & Services		38.1	46.1	52.4	53.4	54.4	55.4	56.6
Utilities		36.3	38.9	39.5	41.0	42.6	44.3	45.2
Adminstration		65.9	73.9	76.4	77.9	77.7	79.3	80.9
General University Expense		30.8	29.9	30.3	30.1	29.2	28.9	28.8
Operating Fund Transfer to Capital Fund		11.8	14.5	15.7	15.7	15.7	15.7	15.7
Base Budget Reduction			(10.5)	(11.7)	(30.8)	(12.2)	(12.3)	(18.5)
Operating Expenditure Budget for the year		**977.5**	**1,106.9**	**1,161.6**	**1,177.6**	**1,200.2**	**1,217.1**	**1,228.8**
Operating Surplus/(Deficit) for the year		**$ 0.0**	**$ (24.3)**	**$ (22.2)**	**$ (0.6)**	**$ 2.4**	**$ (0.5)**	**$ (0.0)**
Accumulated Surplus/(Deficit), beginning of year		**$ (34.0)**	**$ (14.3)**	**$ (38.6)**	**$ (60.8)**	**$ (61.4)**	**$ (43.8)**	**$ (28.9)**
Transfer of UIIF Debt to Capital Fund		**19.7**	**-**	**-**	**-**	**-**	**-**	**-**
One Time Only Deficit Control Measures		**-**	**-**	**-**	**-**	**15.3**	**15.4**	**10.5**
Accumulated Surplus/(Deficit), end of year		**$ (14.3)**	**$ (38.6)**	**$ (60.8)**	**$ (61.4)**	**$ (43.8)**	**$ (28.9)**	**$ (18.4)**
Maximum Deficit Permissable by Policy (1.5% of Revenue)		**$ (14.7)**	**$ (16.2)**	**$ (17.1)**	**$ (17.7)**	**$ (18.0)**	**$ (18.3)**	**$ (18.4)**

Incremental Format of Expenditures

	Assumption #	2003-04	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
Projection of Operating Expenditures								
Operating expenditures, Beginning of Year		904.2	977.5	1,106.9	1,161.6	1,177.6	1,200.2	1,217.1
Changes in Operating Expenditures, Year-Over-Year:								
Expenditures Funded by Endowment for Chairs & Student Aid		(5.9)	0.8	1.1	1.3	1.3	0.5	0.5
Indemnity Against Endowment Payout Losses		2.5	(2.5)					
Expenditures Funded by Divisional Income		14.8	2.5	2.5	2.6	2.6	2.7	2.7
Contractual Obligations and Policy Commitments (COPC)								
COPC - Affiliated Institutions	22	2.9	1.2	2.6	2.9	1.1	0.4	0.2
COPC - Other Contractual	22	0.0	(0.1)	0.1	(0.2)	(0.1)	(0.2)	-
COPC - Institutional Statutory	22	0.7	(0.0)	0.0	0.0	0.0	0.0	0.0
COPC - Utilities	22	0.4	2.5	0.4	1.3	1.5	1.6	0.7
COPC - Additional Cost New Space	22	0.8	1.5	0.0	-	-	-	-
COPC - Paid Leave	22	-	0.2	0.0	0.0	0.0	0.0	0.0
COPC - Library Acquisitions	22	0.9	0.9	1.0	1.0	1.0	1.1	1.1
COPC - Other Policy	22	0.3	0.7	0.1	0.1	0.1	0.1	0.1
COPC - Operating Fund Transfer to Capital Fund	22	5.7	2.7	1.2	-	-	-	-
COPC - Contingency	22	0.2	(0.9)	-	-	-	-	-
OTO Changes in COPC	22	(1.6)	(0.7)	0.4	(0.3)	(0.9)	(0.4)	(0.1)
Cost of Compensation Settlements	23	18.6	19.3	19.3	17.6	18.1	18.7	19.2
Pension Deficit Amortization	24		26.3	0.2	-	-	-	-
Cost of Employer Benefits	25	2.0	13.0	12.3	5.4	5.7	5.8	5.7
Compensation Savings Due to Faculty Retirements		(3.2)	(3.6)	(4.5)	(4.1)	(4.6)	(5.5)	(4.6)

Long Range Budget Guidelines
Planning and Budget
March 2, 2004
Incremental Expenditure Summary

Incremental Format of Expenditures

	Assumption #	2003-04	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
Enrolment Growth Fund	26	33.5	41.6	13.7	6.0	(2.6)	(4.6)	(3.9)
Student Aid Reinvestment	27	5.4	3.2	2.5	2.6	1.3	1.3	1.1
New Graduate Student Aid Funds	28	2.8	0.5	0.2	0.5	0.5	0.5	0.5
Matching Programs	29		2.5					
Canada Research Chair Fund (CRCF)	12	10.1	4.3	2.3	2.9	3.2	-	-
Salary Budget Transfers to Canada Research Chairs Fund	12	(2.6)	(0.6)	(0.6)	(0.7)	(0.8)	-	-
Funds Available through Reallocation (APF)		1.5	0.5	-	-	-	-	-
Quality Enhancement Funds from Tuition Revenue	30	3.0	1.7	1.4	0.5	0.0	0.1	0.1
Residence Ancillary Support		0.8		-	-	-	(0.1)	(0.6)
International Tuition Sharing	31		-	2.4	-	-	-	-
Academic Program Planning	32		5.0	5.0	5.0	5.0	5.0	5.0
Academic Service Initiatives	33	0.5	0.5	0.5	0.3	-	-	-
Information Technology Initiatives and Upgrades	34		2.0	-	-	-	-	-
Provost's Contingency		0.4	0.4	0.4	0.4	0.4	0.4	0.4
Transitional Funding	35	1.3	1.5	-	-	-	-	-
Administrative Priorities	36	0.7	0.5	0.5	0.5	0.5	0.5	0.5
Facilties Renovations & Upgrades Resulting from Program Planning	37		6.2	(4.2)	0.4	0.3	0.1	0.1
Deferred Maintenance Funding	37	-	3.7	4.7	-	-	-	-
Allocation to Rotman Under RCM		6.2	2.4	0.9	0.5	0.7	0.7	0.8
Allocation of Revenue to OISE/UT		(0.4)	-	-	0.2	0.6	0.6	0.6
New Reduction Requirement		(22.2)	(10.5)	(11.7)	(30.8)	(12.2)	(12.3)	(18.5)
Reallocation Requirement		(6.6)		-	-	-	-	-
Operating Expenditure Budget for the year		**977.5**	**1,106.9**	**1,161.6**	**1,177.6**	**1,200.2**	**1,217.1**	**1,228.8**
Operating Surplus/(Deficit) for the year		**$ (0.0)**	**$ (24.3)**	**$ (22.2)**	**$ (0.6)**	**$ 2.4**	**$ (0.5)**	**$ (0.0)**

Appendix "C" for
Report 95 of P&B

University of Toronto

OFFICE OF PLANNING AND BUDGET

TO: Planning and Budget Committee

SPONSOR: Safwat Zaky, Vice-Provost Planning & Budget
CONTACT INFO: 416 978-7116, safwat.zaky@utoronto.ca

DATE: February 19, 2004 for meeting on March 2, 2004

AGENDA ITEM: **#7.2**

ITEM IDENTIFICATION:

- Proposal to establish a Joint Collaborative Doctoral Program in the area of Ancient Greek and Roman History by the Department of Classics at the University of Toronto and the Graduate Program in History at York University.

JURISDICTIONAL INFORMATION:

Excerpt from the terms of reference for the Planning and Budget Committee:

4.4.2. The committee advises the Academic Board on the Planning and resource implications of plans and proposals to establish, disestablish or significantly restructure academic programs.

OTHER ACTION TAKEN:

This program has been approved by SGS Council on January 27, 2004. It will go to the Committee on Academic Policy and Programs at their March 3, 2004, meeting for approval.

HIGHLIGHTS:

The proposed program makes available to students of Ancient Greek and Roman History one of the largest and best concentrations of specialists in the field in North America.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

The Collaborative Program is expected to attract more and more qualified applicants to the Department of Classics, but these can be accommodated within the Department's approved growth targets. Administrative costs will alternate between York and Toronto and can be met within existing budgets.

RECOMMENDATION:

It is recommended that the Planning and Budget Committee recommend to the Academic Board:

> THAT the Joint Collaborative Doctoral Program in the area of Ancient Greek and Roman History, to be offered jointly with York University, be approved.

Long Range Budget Guidelines
Planning and Budget
March 2, 2004

Budget Model Summary ($ millions)

	Assumption #	2003-04	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
Projection of Operating Revenue								
Provincial Operating Grants	2,3,4,5,6,7,8	$ 412.9	$ 484.4	$ 513.0	$ 528.0	$ 529.7	$ 533.9	$ 538.2
Tuition Fees	9,10	320.2	361.1	382.4	396.5	401.9	408.9	413.3
Total Grants plus Fees		733.1	845.5	895.4	924.5	931.6	942.8	951.5
Endowment Revenue for Chairs and Student Aid	11	28.7	28.8	30.0	31.3	32.6	33.1	33.5
Canada Research Chairs	12	29.3	32.3	34.5	37.2	40.2	40.2	40.2
Indirect Cost Recovery on Research Grants and Contracts	13,14,15,16	32.7	29.8	31.1	30.4	30.0	29.6	30.0
Endowment Administration and Investment Management Fees	17	7.6	6.0	6.2	6.5	6.7	7.0	7.3
Investment Income	18	11.3	15.8	15.1	17.2	18.2	17.9	17.3
Amortization of Investment Losses	19		(10.6)	(10.6)	(10.6)	-	-	-
Other Income	20	10.5	8.1	8.3	8.5	8.6	8.7	8.8
Divisional Income - Government Grants	21	4.3	4.3	4.4	4.5	4.6	4.7	4.8
Divisional Income - Student Fees	21	50.0	51.0	52.0	53.1	54.1	55.2	56.3
Divisional Income - Ancillary Fees	21	29.3	29.9	30.5	31.1	31.8	32.4	33.0
Divisional Income - External Revenue	21	40.8	41.6	42.4	43.3	44.1	45.0	45.9
Total Operating Revenue		**$ 977.5**	**$ 1,082.6**	**$ 1,139.4**	**$ 1,176.9**	**$ 1,202.6**	**$ 1,216.7**	**$ 1,228.8**

Budget Model Summary ($ millions)

Budget Model Summary ($ millions)	Assumption #	2003-04	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
Projection of Operating Expenditures	(see Table A2)							
Academic		$ 626.7	$ 733.0	$ 771.5	$ 796.7	$ 796.7	$ 805.9	$ 816.9
Academic Services		39.9	43.8	45.0	45.3	43.2	43.2	43.3
Library Acquisitions		22.2	23.1	24.1	25.1	26.1	27.2	28.3
Campus & Student Services		16.2	17.4	18.2	18.9	19.6	20.2	20.3
Student Assistance		89.7	96.6	100.2	104.4	107.2	109.4	111.4
Maintenance & Services		38.1	46.1	52.4	53.4	54.4	55.4	56.6
Utilities		36.3	38.9	39.5	41.0	42.6	44.3	45.2
Adminstration		65.9	73.9	76.4	77.9	77.7	79.3	80.9
General University Expense		30.8	29.9	30.3	30.1	29.2	28.9	28.8
Operating Fund Transfer to Capital Fund		11.8	14.5	15.7	15.7	15.7	15.7	15.7
Base Budget Reduction			(10.5)	(11.7)	(30.8)	(12.2)	(12.3)	(18.5)
Operating Expenditure Budget for the year		**977.5**	**1,106.9**	**1,161.6**	**1,177.6**	**1,200.2**	**1,217.1**	**1,228.8**
Operating Surplus/(Deficit) for the year		**$ 0.0**	**$ (24.3)**	**$ (22.2)**	**$ (0.6)**	**$ 2.4**	**$ (0.5)**	**$ (0.0)**
Accumulated Surplus/(Deficit), beginning of year		**$ (34.0)**	**$ (14.3)**	**$ (38.6)**	**$ (60.8)**	**$ (61.4)**	**$ (43.8)**	**$ (28.9)**
Transfer of UIIF Debt to Capital Fund		**19.7**	**-**	**-**	**-**	**-**	**-**	**-**
One Time Only Deficit Control Measures		**-**	**-**	**-**	**-**	**15.3**	**15.4**	**10.5**
Accumulated Surplus/(Deficit), end of year		**$ (14.3)**	**$ (38.6)**	**$ (60.8)**	**$ (61.4)**	**$ (43.8)**	**$ (28.9)**	**$ (18.4)**
Maximum Deficit Permissable by Policy (1.5% of Revenue)		**$ (14.7)**	**$ (16.2)**	**$ (17.1)**	**$ (17.7)**	**$ (18.0)**	**$ (18.3)**	**$ (18.4)**

Long Range Budget Guidelines
Planning and Budget
March 2, 2004
Incremental Expenditure Summary

Incremental Format of Expenditures	Assumption #	2003-04	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
Projection of Operating Expenditures								
Operating expenditures, Beginning of Year		904.2	977.5	1,106.9	1,161.6	1,177.6	1,200.2	1,217.1
Changes in Operating Expenditures, Year-Over-Year:								
Expenditures Funded by Endowment for Chairs & Student Aid		(5.9)	0.8	1.1	1.3	1.3	0.5	0.5
Indemnity Against Endowment Payout Losses		2.5	(2.5)					
Expenditures Funded by Divisional Income		14.8	2.5	2.5	2.6	2.6	2.7	2.7
Contractual Obligations and Policy Commitments (COPC)								
COPC - Affiliated Institutions	22	2.9	1.2	2.6	2.9	1.1	0.4	0.2
COPC - Other Contractual	22	0.0	(0.1)	0.1	(0.2)	(0.1)	(0.2)	-
COPC - Institutional Statutory	22	0.7	(0.0)	0.0	0.0	0.0	0.0	0.0
COPC - Utilities	22	0.4	2.5	0.4	1.3	1.5	1.6	0.7
COPC - Additional Cost New Space	22	0.8	1.5	0.0	-	-	-	-
COPC - Paid Leave	22	-	0.2	0.0	0.0	0.0	0.0	0.0
COPC - Library Acquisitions	22	0.9	0.9	1.0	1.0	1.0	1.1	1.1
COPC - Other Policy	22	0.3	0.7	0.1	0.1	0.1	0.1	0.1
COPC - Operating Fund Transfer to Capital Fund	22	5.7	2.7	1.2	-	-	-	-
COPC - Contingency	22	0.2	(0.9)	-	-	-	-	-
OTO Changes in COPC	22	(1.6)	(0.7)	0.4	(0.3)	(0.9)	(0.4)	(0.1)
Cost of Compensation Settlements	23	18.6	19.3	19.3	17.6	18.1	18.7	19.2
Pension Deficit Amortization	24		26.3	0.2	-	-	-	-
Cost of Employer Benefits	25	2.0	13.0	12.3	5.4	5.7	5.8	5.7
Compensation Savings Due to Faculty Retirements		(3.2)	(3.6)	(4.5)	(4.1)	(4.6)	(5.5)	(4.6)

Long Range Budget Guidelines
Planning and Budget
March 2, 2004
Incremental Expenditure Summary

Incremental Format of Expenditures	Assumption #	2003-04	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
Enrolment Growth Fund	26	33.5	41.6	13.7	6.0	(2.6)	(4.6)	(3.9)
Student Aid Reinvestment	27	5.4	3.2	2.5	2.6	1.3	1.3	1.1
New Graduate Student Aid Funds	28	2.8	0.5	0.2	0.5	0.5	0.5	0.5
Matching Programs	29		2.5					
Canada Research Chair Fund (CRCF)	12	10.1	4.3	2.3	2.9	3.2	-	-
Salary Budget Transfers to Canada Research Chairs Fund	12	(2.6)	(0.6)	(0.6)	(0.7)	(0.8)	-	-
Funds Available through Reallocation (APF)		1.5	0.5	-	-	-	-	-
Quality Enhancement Funds from Tuition Revenue	30	3.0	1.7	1.4	0.5	0.0	0.1	0.1
Residence Ancillary Support		0.8		-	-	-	(0.1)	(0.6)
International Tuition Sharing	31		-	2.4	-	-	-	-
Academic Program Planning	32		5.0	5.0	5.0	5.0	5.0	5.0
Academic Service Initiatives	33	0.5	0.5	0.5	0.3	-	-	-
Information Technology Initiatives and Upgrades	34		2.0	-	-	-	-	-
Provost's Contingency		0.4	0.4	0.4	0.4	0.4	0.4	0.4
Transitional Funding	35	1.3	1.5	-	-	-	-	-
Administrative Priorities	36	0.7	0.5	0.5	0.5	0.5	0.5	0.5
Facilties Renovations & Upgrades Resulting from Program Planning	37		6.2	(4.2)	0.4	0.3	0.1	0.1
Deferred Maintenance Funding	37	-	3.7	4.7	-	-	-	-
Allocation to Rotman Under RCM		6.2	2.4	0.9	0.5	0.7	0.7	0.8
Allocation of Revenue to OISE/UT		(0.4)	-	-	0.2	0.6	0.6	0.6
New Reduction Requirement		(22.2)	(10.5)	(11.7)	(30.8)	(12.2)	(12.3)	(18.5)
Reallocation Requirement		(6.6)		-	-	-	-	-
Operating Expenditure Budget for the year		**977.5**	**1,106.9**	**1,161.6**	**1,177.6**	**1,200.2**	**1,217.1**	**1,228.8**
Operating Surplus/(Deficit) for the year		**$ (0.0)**	**$ (24.3)**	**$ (22.2)**	**$ (0.6)**	**$ 2.4**	**$ (0.5)**	**$ (0.0)**