



**FOR APPROVAL**

**PUBLIC**

**OPEN SESSION**

**TO:** Business Board

**SPONSOR:** Scott Mabury, Vice President University Operations  
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**PRESENTER:** Anne Macdonald, Assistant Vice-President, Ancillary Services  
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**DATE:** April 7, 2020 for April 28, 2020

**AGENDA ITEM:** 4

**ITEM IDENTIFICATION:**

Ancillary Services: Residential Housing – Operating Plan and Budget, 2020-21

**JURISDICTIONAL INFORMATION:**

Pursuant to Section 5.4 (b.) of the Business Board *Terms of Reference*, the Board reviews and approved the annual budget of unincorporated business ancillaries.

**GOVERNANCE PATH:**

**1. Business Board [for approval] (April 28, 2020)**

**PREVIOUS ACTION TAKEN:**

Business Board approved the change of mandate for the Real Estate Ancillary to focus on rental housing at the January 2007 meeting.

The 2019-20 Budget was approved at the Business Board meeting on April 23, 2019.

**HIGHLIGHTS:**

The Residential Housing Ancillary manages 88 residential addresses with a total of 162 rental units in the Huron-Sussex neighbourhood. Close to half of these units provide faculty housing, for both newly appointed and visiting faculty. As of 20-21, there will be 15 units for student family housing. The remainder is rented to long-term tenants, some of whom have been residents for decades.

The forecast for 2019-20 reflects a positive variance of \$611.0K, which is primarily attributable to a deferral of major maintenance work: roof repairs (\$200K) and the windows replacement program (\$150K). The plan was to spend \$500K on roof replacements but only \$300K will be spent as the pricing came in very high (fewer roofs at a higher price than planned will be replaced this year). In addition, the window pricing came in higher than anticipated and a decision was made not to award the work this year.

The long range plan assumes continued transitioning of vacated long term rental housing to faculty and student family housing, and cyclical capital maintenance. The implementation of the recommendations of the Huron Sussex neighbourhood plan will also be a priority for this ancillary, and should impact the financial picture in a positive way.

The office of the Vice-President, Operations and Real Estate Partnerships developed a real estate strategy, known as the Four Corners Strategy, to guide advancement of real estate projects and opportunities for University lands at the campus edges. One objective of the strategy is to grow the portfolio of good quality, attainable housing to help attract and retain outstanding faculty, librarians and senior staff.

While university development and strategic plans for growing faculty housing are underway, this ancillary operation will continue to experience impacts of aging and costly inventory. Rental revenue is budgeted to increase for all the years of the plan and operating costs have been assigned inflationary increases, as have overhead expenses. Building sustainable elements and improvements will continue to be explored and, as budget permits, improvements will be made to the infrastructure that will improve energy efficiency and costs as we continue to manage these assets in an economically sustainable way.

#### **FINANCIAL IMPLICATIONS:**

It is the goal of the Residential Housing Ancillary to operate the properties on at least a breakeven basis, to avoid the need for permanent subsidy from the operating budget. Over the last 14 years, revenue growth from the new management approach has significantly outpaced growth of operating costs and the ancillary is now a stable operation.

#### **RECOMMENDATION:**

Be It Resolved

THAT the operating budget for the Residential Housing Ancillary for 2020-21, as contained in the '2020-21 Budget' column of Schedule 1 to the *Overview of Operations and Business Plan for 2020-2025*, be approved.

**DOCUMENTATION PROVIDED:**

*St. George Campus Residential Housing Ancillary – Overview of Operations and Business Plan for 2020-2025*

*St. George Campus Residential Housing Ancillary – Statement of Operating Results 2018-19 to 2024-25*

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## Overview of Operations and Business Plan for 2020-2025

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The Residential Housing Ancillary manages 88 residential addresses with a total of 162 rental units in the Huron-Sussex neighbourhood (a small number of the 162 are currently closed/unrentable). Close to half of these units provide faculty housing, for both newly appointed and visiting faculty. As of 20-21, there will be 15 units for student family housing. The remainder is rented to long-term tenants, some of whom have been residents for decades. Day to day property management is contracted to an external property management firm, with capital work supervised and tendered by a University property manager. Rental rates for faculty Housing are at market, rental rates for student family housing are slightly below market, and the rents for long-term tenants have been significantly constrained by rent control legislation.

The goals of the Residential Housing Ancillary are to manage the housing in the Huron-Sussex area in a fiscally responsible manner, perform necessary repairs and capital refurbishment and maintain good relationships with tenants. Units vacated by long-term tenants are refurbished when funds permit, and are rented to University tenants (i.e., faculty or student tenants). Student family housing rentals were added a decade ago and have proven a good fit; these are often graduate students, many of whom have children of their own and appreciate the amenities and quiet atmosphere that the area offers. Student Family Housing and New Faculty Housing both have strong demand that exceeds the current supply.

The Residential Housing Ancillary is part of the Ancillary Services department, reporting to the Assistant Vice-President, Ancillary Services. There is one full-time employee, with support provided by the Ancillary Services accounting team. Student Family Housing admissions is supported by the Admissions staff in the Charles Street Student Family Housing office, also part of Ancillary Services. In 2011, the department added a Director (at 45% FTE) to improve supervision and coordination of staff and contractors, and enhance neighbourhood relations. In 2015, the administrative support to this department from Student Family Housing grew to include the assistance of a Business Officer (at 30% FTE). As of 2019, support includes a Building Operations and Services Manager and, in 2020, an Assistant Director (each at 30% FTE).

### **Overview of operations, 2019-20**

The forecast for 2019-20 reflects a positive variance of \$611.0K, which is primarily attributable to a deferral of major maintenance work: roof repairs (\$200K) and the windows replacement program (\$150K). The plan was to spend \$500K on roof replacements but only \$300K will be spent as the pricing came in very high (fewer roofs at a higher price than planned will be replaced this year). In addition, the window pricing came in higher than anticipated and a decision was made not to award the work this year. In fiscal 20-21, the roofing and window

repair programs will be re-examined in order to proceed in an economically sustainable way. As a result, the lower spending on major maintenance represents a deferral of needed work rather than a cost saving.

At the end of this fiscal year, we anticipate a net income from operating results before transfers of \$369.4K.

### **Operating Plan, 2020-21**

We are budgeting \$490K for major maintenance work, which includes \$300K in roof replacements and a more modest window replacement pilot project, which will help build a program for a more economical delivery of this needed work. In addition, an architectural assessment will be conducted at several of the vacant properties on Spadina which will help identify various options to renovate and create an optimal number of needed rentable units.

The much anticipated laneway housing project will be completed in early 20-21 with planned occupancy of the three new rental units in August of 2020. This project was funded by Student Family Housing (SFH) as well as contributions from the VP Operations & Real Estate Partnerships (VP, OREP). Lessons learned from this initial project will inform future development plans for the creation of additional laneway units in the neighbourhood.

Demand is expected to remain strong, and new faculty rents will be increased by 3% with planned increases in the 3% to 3.5% range going forward. Larger periodic rent adjustments will continue to be made on all market-rent units, generally after they are refurbished, or if we feel that they have dipped too far below market rates. Long-term tenanted housing is subject to the rent increase guideline set by the Ontario government, which this year is 2.2%. Whenever possible, we apply for above-guideline increases for these units to cover the cost of capital repairs, but legislation also caps the amount and duration of these increases (3% per year, for a maximum of 3 years), which means that many units in the neighbourhood are already capped and costs of capital work cannot be recovered while the current tenant remains in the unit.

Other operating costs have been assigned inflationary increases. Property management fees are charged as a percentage of gross rental income, and salary and benefits expenses are linked to collective agreements and across the board increases at the University.

Overall, we expect a net operating result before transfers of (\$95.8K) for 2020-21.

### **Long-range plan**

The office of the Vice-President, Operations and Real Estate Partnerships developed a real estate strategy, known as the Four Corners Strategy, to guide advancement of real estate projects and opportunities for University lands at the campus edges. One objective of the

strategy is to grow the portfolio of good quality, attainable housing to help attract and retain outstanding faculty, librarians and senior staff. In addition, to quantify this demand, a housing survey was undertaken in the fall of 2018, in collaboration with the office of the Vice-Provost, Academic Life. Response rates to this survey were very high and confirmed that demand for University-affiliated housing of various types, both rental and ownership, is strong.

The existing faculty programme is available to new faculty hires as a recruitment measure to provide faculty with a landing opportunity upon their arrival. Despite the fact that there is little to no marketing/advertising for the housing programme, demand is strong, exceeding capacity of the existing programme. This is notable, and coupled with the broader University demand study, is strongly indicative that the development of additional housing be a priority.

While university development and strategic plans for growing faculty housing are underway, this ancillary operation will continue to experience impacts of aging and costly inventory. Rental revenue is budgeted to increase for all the years of the plan and operating costs have been assigned inflationary increases, as have overhead expenses. Building sustainable elements and improvements will continue to be explored and, as budget permits, improvements will be made to the infrastructure that will improve energy efficiency and costs as we continue to manage these assets in an economically sustainable way.

### **Notable**

This very small ancillary does not have the financial capacity to renovate the number of properties which currently sit vacant in the neighbourhood at a time when we have significant unmet demand. There are currently 5 properties in need of major renovation which could provide multiple rental units. Vacant units represent both recent University acquisitions, 29 Sussex and 693 Spadina, as well as houses which have recently become vacant after being rented for decades by long-term tenants. This significant repair/renovation work is currently unfunded and the cost is not reflected in the budget plan. The 20-21 architectural assessment of properties at 691, 693 and 695 Spadina will help inform plans to renovate and create needed rental units as well as to quantify some of the funding required. Options for funding solutions will be explored once we can better quantify the amount of investment needed.

As neighbourhood development plans progress, it is anticipated that some existing tenancies may be relocated within the neighbourhood, causing additional pressure on the existing faculty housing inventory. Given the developments anticipated in the neighbourhood over the coming years, it is reasonable to anticipate short-term (3 to 7 year) reduction of housing inventory while construction is underway.

**UNIVERSITY OF TORONTO**  
**ST. GEORGE CAMPUS RESIDENTIAL HOUSING ANCILLARY**  
**STATEMENT OF OPERATING RESULTS VERSUS BUDGET FOR 2016-17 TO 2018-19**

	2016-17				2017-18				2018-19			
	Budget	Actual	Variance		Budget	Actual	Variance		Budget	Actual	Variance	
			\$	%			\$	%			\$	%
<b>Revenue:</b>												
Faculty/Student Housing (includes Parking rental)	2,043,010	2,070,903	27,893	1.4%	2,107,011	2,161,489	54,478	2.6%	2,225,176	2,223,515	(1,661)	-0.1%
Residential Rentals	545,814	539,089	(6,725)	-1.2%	550,219	554,653	4,434	0.8%	564,231	540,585	(23,646)	-4.2%
Commercial Rentals			-				-				-	
Institutional and Divisional Rentals			-				-				-	
Miscellaneous income	8,131	8,131	(0)	0.0%	8,131	8,131	(0)	0.0%	8,131	8,131	(0)	0.0%
Interest income	1,000	2,622	1,622	162.2%	1,000	14,266	13,266	1326.6%	6,000	30,727	24,727	412.1%
<b>Total Revenue</b>	<b>2,597,955</b>	<b>2,620,746</b>	<b>22,791</b>	<b>0.9%</b>	<b>2,666,361</b>	<b>2,738,539</b>	<b>72,178</b>	<b>2.7%</b>	<b>2,803,538</b>	<b>2,802,957</b>	<b>(581)</b>	<b>0.0%</b>
<b>Expenses:</b>												
Direct Expenses:												
Property Operating Expenses	1,170,009	1,057,553	(112,456)	-9.6%	1,209,625	1,105,719	(103,906)	-8.6%	1,249,711	1,168,543	(81,168)	-6.5%
Capital Renewal - Major Maintenance	525,000	546,264	21,264	4.1%	385,000	268,958	(116,042)	-30.1%	493,000	66,948	(426,052)	-86.4%
Property Taxes/Grants in Lieu	158,687	159,104	417	0.3%	166,189	163,671	(2,518)	-1.5%	167,411	176,864	9,453	5.6%
Salaries, Benefits and Office Expenses	201,457	167,315	(34,142)	-16.9%	200,293	218,448	18,155	9.1%	214,063	228,483	14,420	6.7%
Legal Fees	28,000	3,954	(24,046)	-85.9%	15,000	50,511	35,511	236.7%	20,000	(12,067)	(32,067)	-160.3%
Insurance	18,511	18,509	(2)	0.0%	19,435	19,231	(204)	-1.0%	19,925	20,001	76	0.4%
Amortization of Improvements	462,339	413,854	(48,485)	-10.5%	272,901	263,202	(9,699)	-3.6%	218,355	214,590	(3,765)	-1.7%
Loan Interest	46,930	46,930	(0)	0.0%	45,416	45,416	(0)	0.0%	43,808	43,807	(1)	0.0%
Finance Fees			-				-				-	
Total Direct Expenses	2,610,933	2,413,483	(197,450)	-7.6%	2,313,859	2,135,156	(178,703)	-7.7%	2,426,273	1,907,169	(519,104)	-21.4%
Indirect Expenses:												
Institutional Overhead	10,299	10,299	(0)	0.0%	10,853	10,853	(0)	0.0%	10,377	10,377	(0)	0%
Departmental Overhead	41,051	41,051	0	0.0%	43,104	43,104	-	0.0%	79,688	88,000	8,312	10%
F&S Overhead	11,712	11,712	0	0.0%	11,968	11,968	0	0.0%	12,020	12,020	0	0%
Total Indirect Expenses	63,062	63,062	(0)	0.0%	65,925	65,925	(0)	0.0%	102,085	110,397	8,312	8%
<b>Total Expenses</b>	<b>2,673,995</b>	<b>2,476,545</b>	<b>(197,450)</b>	<b>-7.4%</b>	<b>2,379,784</b>	<b>2,201,081</b>	<b>(178,703)</b>	<b>-7.5%</b>	<b>2,528,358</b>	<b>2,017,566</b>	<b>(510,792)</b>	<b>-20%</b>
<b>Net Operating Results</b>	<b>(76,040)</b>	<b>144,201</b>	<b>220,241</b>	<b>-289.6%</b>	<b>286,577</b>	<b>537,458</b>	<b>250,881</b>	<b>87.5%</b>	<b>275,180</b>	<b>785,391</b>	<b>510,211</b>	<b>185%</b>

**UNIVERSITY OF TORONTO**  
**ST. GEORGE CAMPUS RESIDENTIAL HOUSING ANCILLARY**  
**STATEMENT OF OPERATING RESULTS 2018-19 TO 2024-25**

	2018-19	2019-20		Variance		2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Forecast	\$	%	Budget	Budget	Budget	Budget	Budget
<b>Revenue:</b>										
Faculty/Student Housing (includes Parking rental)	2,223,515	2,340,155	2,217,537	(122,618)	-5.24%	2,278,086	2,425,682	2,498,452	2,573,406	2,650,608
Residential Rentals	540,585	527,706	559,710	32,004	6.06%	581,242	592,867	604,724	616,819	629,155
Commercial Rentals			-	-	0.00%	-	-	-	-	-
Institutional and Divisional Rentals			-	-	0.00%	-	-	-	-	-
Miscellaneous income	8,131	8,131	8,131	-	0.00%	8,131	8,131	8,131	8,131	8,131
Interest income	30,727	6,000	61,256	55,256	0.00%	30,995	25,000	25,000	25,000	25,000
<b>Total Revenue</b>	<b>2,802,957</b>	<b>2,881,992</b>	<b>2,846,634</b>	<b>(35,358)</b>	<b>-1.23%</b>	<b>2,898,454</b>	<b>3,051,680</b>	<b>3,136,308</b>	<b>3,223,356</b>	<b>3,312,894</b>
<b>Expenses:</b>										
Direct Expenses:										
Property Operating Expenses	1,168,543	1,274,209	1,178,261	(95,948)	-7.53%	1,216,472	1,263,104	1,300,997	1,340,027	1,380,228
Capital Renewal - Major Maintenance	66,948	837,537	445,510	(392,027)	-46.81%	490,000	380,000	380,000	380,000	380,000
Property Taxes/Grants in Lieu	176,864	183,225	173,434	(9,791)	-5.34%	181,861	187,317	192,936	198,724	204,686
Salaries, Benefits and Office Expenses	228,483	345,480	260,448	(85,032)	-24.61%	322,010	331,670	341,620	351,869	362,425
Legal Fees	(12,067)	20,000	10,000	(10,000)	-50.00%	15,000	15,000	15,000	15,000	15,000
Insurance	20,001	20,801	22,302	1,501	7.22%	23,751	24,606	25,492	26,410	27,360
Amortization of Improvements	214,590	282,143	221,019	(61,124)	-21.66%	563,154	371,465	372,767	374,155	375,632
Loan Interest	43,807	42,100	42,100	-	0.00%	34,089	26,497	25,194	23,807	22,329
Finance Fees	-	-	-	-	0.00%	-	-	-	-	-
<b>Total Direct Expenses</b>	<b>1,907,169</b>	<b>3,005,495</b>	<b>2,353,074</b>	<b>(652,421)</b>	<b>-21.71%</b>	<b>2,846,337</b>	<b>2,599,659</b>	<b>2,654,006</b>	<b>2,709,991</b>	<b>2,767,660</b>
Indirect Expenses:										
Institutional Overhead	10,377	11,498	11,498	-	0.00%	11,785	12,139	12,503	12,878	13,264
Departmental Overhead	88,000	94,000	97,000	3,000	3.19%	110,000	113,300	116,699	120,200	123,806
F&S Overhead	12,020	12,597	15,704	3,107	24.66%	26,082	26,864	27,670	28,501	29,356
<b>Total Indirect Expenses</b>	<b>110,397</b>	<b>118,095</b>	<b>124,202</b>	<b>6,107</b>	<b>5.17%</b>	<b>147,867</b>	<b>152,303</b>	<b>156,872</b>	<b>161,578</b>	<b>166,426</b>
<b>Total Expenses</b>	<b>2,017,566</b>	<b>3,123,590</b>	<b>2,477,276</b>	<b>(646,314)</b>	<b>-20.69%</b>	<b>2,994,204</b>	<b>2,751,962</b>	<b>2,810,878</b>	<b>2,871,570</b>	<b>2,934,086</b>
<b>Net Operating Results</b>	<b>785,391</b>	<b>(241,598)</b>	<b>369,358</b>	<b>610,955</b>	<b>252.88%</b>	<b>(95,750)</b>	<b>299,718</b>	<b>325,429</b>	<b>351,786</b>	<b>378,808</b>



**ST. GEORGE CAMPUS RESIDENTIAL HOUSING ANCILLARY**  
**STATEMENT OF OPERATIONS - ACTUAL 2018-19, FORECAST 2019-20 and BUDGET 2020-21**

Business Area 1020 Cost Centre CF Centre Description	Visiting Faculty 13389 102266			Faculty Housing Co-op 13390 102266			Student Family Housing 13896 102266			Residential Rentals 13391 102267			Total		
	Year end 30-Apr-19	Forecast 2019-20	Budget 2020-21	Year end 30-Apr-19	Forecast 2019-20	Budget 2020-21	Year end 30-Apr-19	Forecast 2019-20	Budget 2020-21	Year end 30-Apr-19	Forecast 2019-20	Budget 2020-21	Year end 30-Apr-19	Forecast 2019-20	Budget 2020-21
<b>Revenue:</b>															
Rental Income	215,381	96,807	-	1,766,257	1,876,441	1,987,981	241,877	244,289	290,105	540,585	559,710	581,242	2,764,100	2,777,247	2,859,328
Miscellaneous income	-	-	-	8,131	8,131	8,131	-	-	-	-	-	-	8,131	8,131	8,131
Interest income	-	-	-	30,727	61,256	30,995	-	-	-	-	-	-	30,727	61,256	30,995
<b>Total Revenue</b>	<u>215,381</u>	<u>96,807</u>	<u>-</u>	<u>1,805,114</u>	<u>1,945,828</u>	<u>2,027,107</u>	<u>241,877</u>	<u>244,289</u>	<u>290,105</u>	<u>540,585</u>	<u>559,710</u>	<u>581,242</u>	<u>2,802,957</u>	<u>2,846,634</u>	<u>2,898,454</u>
Interfund Transfer						227,622							-	-	227,622
Total Revenue with Transfers:	<u>215,381</u>	<u>96,807</u>	<u>-</u>	<u>1,805,114</u>	<u>1,945,828</u>	<u>2,254,729</u>	<u>241,877</u>	<u>244,289</u>	<u>290,105</u>	<u>540,585</u>	<u>559,710</u>	<u>581,242</u>	<u>2,802,957</u>	<u>2,846,634</u>	<u>3,126,076</u>
<b>Expenses:</b>															
<b>Direct Expenses</b>															
Property Operating Expenses	144,940	93,551	-	721,689	751,113	777,849	74,182	90,143	125,995	227,732	243,454	312,629	1,168,543	1,178,261	1,216,472
Capital Renewal - Major Maintenance	3,542	-	-	43,376	187,446	185,400	5,205	46,289	16,800	14,825	211,775	287,800	66,948	445,510	490,000
Property Taxes/Grants in Lieu	-	-	-	-	-	-	-	-	-	176,864	173,434	181,861	176,864	173,434	181,861
Salaries, Benefits and Office Expenses	-	-	-	221,776	260,519	313,680	1,458	40	1,794	5,249	(111)	6,536	228,483	260,448	322,010
Legal Fees	-	-	-	(18,085)	-	5,000	-	-	-	6,018	10,000	10,000	(12,067)	10,000	15,000
Insurance	1,290	1,004	-	11,871	13,827	14,488	1,678	2,119	2,850	5,162	5,352	6,413	20,001	22,302	23,751
Building Depreciation Expense	11,272	2,818	-	145,739	158,632	441,186	52,401	54,391	116,790	5,178	5,178	5,178	214,590	221,019	563,154
Loan Interest	-	-	-	31,829	30,553	23,001	11,978	11,547	11,088	-	-	-	43,807	42,100	34,089
Finance Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Direct Expenses</b>	<u>161,044</u>	<u>97,373</u>	<u>-</u>	<u>1,158,194</u>	<u>1,402,090</u>	<u>1,760,604</u>	<u>146,903</u>	<u>204,529</u>	<u>275,317</u>	<u>441,028</u>	<u>649,082</u>	<u>810,417</u>	<u>1,907,169</u>	<u>2,353,074</u>	<u>2,846,337</u>
<b>Indirect Expenses:</b>															
Divisional Overhead	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutional Overhead	669	517	-	6,159	7,129	7,189	871	1,092	1,414	2,678	2,760	3,182	10,377	11,498	11,785
Departmental Overhead	5,676	4,365	-	52,228	60,140	67,100	7,383	9,215	13,200	22,713	23,280	29,700	88,000	97,000	110,000
F&S Overhead	775	707	-	7,134	9,736	15,910	1,008	1,492	3,130	3,102	3,769	7,042	12,020	15,704	26,082
<b>Total Indirect Expenses</b>	<u>7,121</u>	<u>5,589</u>	<u>-</u>	<u>65,521</u>	<u>77,005</u>	<u>90,199</u>	<u>9,262</u>	<u>11,799</u>	<u>17,744</u>	<u>28,493</u>	<u>29,809</u>	<u>39,924</u>	<u>110,397</u>	<u>124,202</u>	<u>147,867</u>
<b>Total Expenses</b>	<u>168,165</u>	<u>102,962</u>	<u>-</u>	<u>1,223,715</u>	<u>1,479,095</u>	<u>1,850,803</u>	<u>156,165</u>	<u>216,328</u>	<u>293,061</u>	<u>469,522</u>	<u>678,891</u>	<u>850,341</u>	<u>2,017,566</u>	<u>2,477,276</u>	<u>2,994,204</u>
<b>Net Income (Loss)</b>	<u>47,217</u>	<u>(6,155)</u>	<u>-</u>	<u>581,399</u>	<u>466,733</u>	<u>176,304</u>	<u>85,712</u>	<u>27,961</u>	<u>(2,956)</u>	<u>71,064</u>	<u>(119,181)</u>	<u>(269,099)</u>	<u>785,391</u>	<u>369,358</u>	<u>(95,750)</u>
Less: Interfund transfer	-	-	-	74,917	75,607	75,577	(1,596,439)	-	-	-	-	14,011	(1,521,522)	75,607	89,588
<b>Net Income (Loss)</b>	<u>47,217</u>	<u>(6,155)</u>	<u>-</u>	<u>506,481</u>	<u>391,126</u>	<u>328,349</u>	<u>1,682,151</u>	<u>27,961</u>	<u>(2,956)</u>	<u>71,064</u>	<u>(119,181)</u>	<u>(283,110)</u>	<u>2,306,913</u>	<u>293,751</u>	<u>42,284</u>

**Residential Housing Ancillary  
Statement of Reserves 2018-19 to 2024-25**

in \$'s

	<u>2018-19 Actual</u>	<u>2019-20 Budget</u>	<u>2019-20 Forecast</u>	<u>2019-20 Variance</u>	<u>2020-21 Budget</u>	<u>2021-22 Budget</u>	<u>2022-23 Budget</u>	<u>2023-24 Budget</u>	<u>2024-25 Budget</u>
<b>Total Fund Balance - Opening</b>	5,723,877	7,195,953	8,030,789	834,836	8,324,540	8,366,824	8,566,429	8,791,288	9,042,041
Net Operating Results before Transfers and Subsidy (Schedule 1)	785,391	(241,598)	369,358	610,956	(95,750)	299,718	325,429	351,786	378,808
Transfers in - RHA ancillary operation:				-	-	-	-	-	-
Laneway/SFD - 2018-19 transfer from VP, OREP \$796.4K	796,439	702,221		(702,221)					
Laneway/SFD - 2018-19 transfer from SFH \$400K	400,000	-	-	-					
Laneway/SFD - 2018-19 transfer from VP, OREP \$400K	400,000	-	-	-					
48 Harbord - 2020-21 balance of loan recovery from Harbord Project					227,622				
Transfers (out) - RHA ancillary operation:									
Loan Repayment to SFH for reno of 28 & 30 Sussex	(74,917)	(74,503)	(75,607)	(1,104)	(75,577)	(75,577)	(75,577)	(75,577)	(75,577)
67 Citation Rental to Scholarships (starts 20-21 after start-up cost recovery, first rented Aug 2019)					(14,011)	(24,537)	(24,993)	(25,456)	(25,927)
Operating Fund Subsidy	-	-	-	-	-	-	-	-	-
<b>Net Operating Results after Transfers and Subsidy</b>	2,306,913	386,120	293,751	(92,369)	42,284	199,604	224,859	250,753	277,304
<b>Total Fund Balance - Closing</b>	<b>8,030,789</b>	<b>7,582,073</b>	<b>8,324,540</b>	<b>742,467</b>	<b>8,366,824</b>	<b>8,566,429</b>	<b>8,791,288</b>	<b>9,042,041</b>	<b>9,319,345</b>
<b>Closing Fund balance is made up of:</b>									
<b>Investments in Capital Assets</b>	4,635,188	6,743,287	6,431,066	(312,221)	6,528,827	6,177,375	5,825,922	5,474,469	5,123,017
<b>Internally Restricted</b>									
Capital Renewal Reserve	-	-	-	-	1,500,000	2,250,000	2,750,000	3,500,000	4,000,000
New Construction Reserve (Laneway Project)	2,065,011	-	408,372	408,372	-	-	-	-	-
<b>Unrestricted Surplus/(Deficit)</b>	1,330,590	838,786	1,485,103	646,317	337,997	139,054	215,366	67,571	196,328

**UNIVERSITY OF TORONTO  
ST. GEORGE CAMPUS RESIDENTIAL HOUSING ANCILLARY  
SCHEDULE OF MAJOR MAINTENANCE 2019-20 TO 2024-25**

<b>Maintenance Type</b>	<b>2019-20 Forecast</b>	<b>2020-21 Budget</b>	<b>2021-22 Budget</b>	<b>2022-23 Budget</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>
Inspections		-				
Roofing	278,633	300,000	300,000	300,000	300,000	300,000
Porches & Decks		-				
Windows	-	60,000				
Concrete		-				
Air Conditioning		-				
Electrical Service						
Furnace & Boilers - Unit Controls 2019-20						
Interior Refresh/(Major Property Rehab)						
Flooring		-				
Exterior Work - Repair & Paint	77,865	-				
Landscaping		-				
Trees		-				
Brick, Tuck Pointing & Foundations	-	-				
Special Projects (includes surveys) 20-21 \$50K is Architectural Assessment of 691, 693 and 6	89,012	50,000				
Contingency		80,000	80,000	80,000	80,000	80,000
<b>Total</b>	<b>445,510</b>	<b>490,000</b>	<b>380,000</b>	<b>380,000</b>	<b>380,000</b>	<b>380,000</b>

**UNIVERSITY OF TORONTO**  
**ST. GEORGE CAMPUS RESIDENTIAL HOUSING ANCILLARY**  
**SCHEDULE OF CAPITAL EXPENDITURES 2019-20 TO 2024-25**

Description and Location	Forecast 2019-20	Budget 2020-21	Budget 2021-22	Budget 2022-23	Budget 2023-24	Budget 2024-25
Laneway Housing Project	1,987,486	408,372				
<b>Total Capital Expenditure</b>	<b>1,987,486</b>	<b>408,372</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Amortization/Principal Repayment Schedule</u>						
48 Harbord mortgage, partial (2008-09): 25 years	11,771	233,755	-	-	-	-
Loan for various improvements (2009-10): 25 years	17,640	18,789	20,012	21,314	22,702	24,180
Total Principal:	29,411	252,544	20,012	21,314	22,702	24,180
Amortization of improvements, various (2005-06): 12 years	-	-	-	-	-	-
Amortization 400 Huron: 25 years starting May 1, 2012	16,131	16,131	16,131	16,131	16,131	16,131
11/13 Washington: 25 years starting Apr 1, 2013	20,710	20,710	20,710	20,710	20,710	20,710
38 Sussex: 25 years starting Apr 1, 2013	16,908	16,908	16,908	16,908	16,908	16,908
392 Huron: 25 years starting Apr 1, 2013	10,354	10,354	10,354	10,354	10,354	10,354
32 Sussex: 25 years starting Apr 1, 2014	21,583	21,583	21,583	21,583	21,583	21,583
34 Sussex: 25 years starting Apr 1, 2014	22,796	22,796	22,796	22,796	22,796	22,796
31 Sussex: 25 years starting Mar 1, 2014	33,569	33,569	33,569	33,569	33,569	33,569
28 Sussex: 25 years starting May 1, 2017	26,379	22,855	22,855	22,855	22,855	22,855
30 Sussex: 25 years starting May 1, 2017	23,178	23,178	23,178	23,178	23,178	23,178
2 Laneway, 1 SFD: start Q2 Based on Componentization Schedule		122,526	163,369	163,369	163,369	163,369
Total:	191,608	310,610	351,453	351,453	351,453	351,453
<b>TOTAL AMORTIZATION:</b>	<b>221,019</b>	<b>563,154</b>	<b>371,465</b>	<b>372,767</b>	<b>374,155</b>	<b>375,632</b>