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

TO: University Affairs Board

SPONSOR: Sandy Welsh, Vice-Provost, Students
CONTACT INFO: (416) 978-3870, vp.students@utoronto.ca

PRESENTER: See Sponsor
CONTACT INFO:

DATE: February 14, 2022 for March 3, 2022

AGENDA ITEM: 4c

ITEM IDENTIFICATION:

2022-23 Operating Plans and Rates for St. George Campus Service Ancillaries and 2022-23 Rates for St. George Campus Business Ancillaries

JURISDICTIONAL INFORMATION:

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

Beginning in fiscal year 2021-22, University Development and Campus Services (UDCS) was established as a business ancillary, and includes operations that were previously considered service ancillaries: St. George Food and Beverage Services, University Family Housing (a merger of Student Family Housing and Residential Housing), Chestnut Residence and Conference Centre, Graduate House Residence, and Transportation Services. Certain operations within the new business ancillary remain student-focused, and as such, continue to seek fee approvals and feedback on operating plans through the established processes at University Affairs Board, while their detailed operating budgets for 2022-23 will be approved by the Business Board.

GOVERNANCE PATH:

1. **University Affairs Board [For Approval] (March 3, 2022)**
2. Business Board [For Information] (March 15, 2022)

PREVIOUS ACTION TAKEN:

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

HIGHLIGHTS:

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

Due to the ongoing COVID-19 pandemic, each residence operation has had to address the health and safety of residents and staff and follow provincial regulations and protocols, and have taken the necessary precautions to help prevent the spread of the virus. Each has had to reduce their bed inventory to allow for physical distancing and reduce their operating capacity. During this time, higher operating costs associated with additional cleaning, sanitation, communication, and staff absentee coverage were experienced. In order to partially mitigate these revenue shortfalls and cost increases, all residences reduced or delayed non-critical capital and major maintenance projects, and avoided discretionary costs. With appropriate health and safety measures in place, all residence operations were able to achieve higher than planned occupancy levels in fall 2021, generating operating results that were significantly better than budget.

The pandemic also negatively affected Food Services, Transportation Services and Hart House, as revenues for these services primarily depend on faculty, staff, students and visitors attending, working, and visiting the University. With lower levels of on-campus activity over the last year, revenue streams for these operations diminished drastically.

Members of the University of Toronto community, including all ancillary operations, have risen to the unprecedented challenge of the COVID-19 pandemic with remarkable creativity. The University is delivering on three fundamental elements of the University's core mission as it continues its work in terms of teaching, research and other business remotely; by

- ensuring that students completed their term by offering courses through alternative means without in-person meetings or class sessions,

- providing a place to live for those students in residence who were unable to return home, and
- supporting the critical COVID-19 and time-sensitive research endeavors of our world class scholars.

Each ancillary operation has its own unique circumstances relating to its specific operations and revenue sources and is impacted in varying degrees by the pandemic. The divisional communities which they serve determine the mix of students who are undergraduate vs graduate, domestic vs international, and the proportion of on-campus vs online activity. As a result, ancillaries are working with their divisional communities and the University, and anticipating the likely timing of a return to full capacity for their specific operations and revenue streams. Therefore, each ancillary operation has been encouraged to make assumptions relevant to their own circumstances for 2022-23 and beyond. It is anticipated that the pandemic will gradually recede throughout the coming year, and outer year budget assumptions will be updated next year as part of the 2023-24 budget submission for each ancillary.

Under normal circumstances, service ancillaries are expected to operate without subsidy from University's operating budget and rely solely on revenue from the services they provide. The University is allowing ancillary operations to incur deficits totaling up to $50 million in the aggregate over the next five years. Deficits will be allowed only in those ancillary units where it is necessary to do so, after considering cost containment strategies, levels of operating reserves, and necessary funding for critical infrastructure projects. Units with sufficient reserves will continue without need to carry a deficit. This approach is intended to ensure that the level of the ancillary deficits will be only as high as absolutely necessary.

St. George service ancillaries are budgeting a combined net income of $3.7 million before transfers and capital costs for the year ended April 30, 2023 on projected revenues of $52.6 million (See Schedule I). Proposed rate increases for 2022-23 vary between ancillaries (see Schedule VI). It should be emphasized that the proposed rate increases are intended to cover normal cost increases; they do not address the deficits created as a result of the pandemic.

The long-range plans assume a gradual return to normal operations over the planning period, with net income approaching pre-pandemic levels beginning in 2023-24. Plans assume gradual easing of COVID-19 restrictions, modest rate increases each year, and no change to debt service payments as required by the original capital expansion plans.

FINANCIAL IMPLICATIONS:

Refer to highlights.

RECOMMENDATION:

BE IT RESOLVED,

THAT the proposed 2022-23 operating plans and budgets for St. George service ancillaries, as summarized in Schedule I; the St. George service ancillary capital budgets as summarized in Schedule V, St. George service ancillary rates and fees in Schedule VI, and the St. George business ancillary rates and fees in Schedule VII be approved, effective May 1, 2022.

DOCUMENTATION PROVIDED:

- St. George Service Ancillaries Report on Operating Plans & Rates and Business Ancillaries Report on Rates 2022-23.

UNIVERSITY OF TORONTO

ST. GEORGE

Service Ancillaries Report on Operating Plans & Rates
and
Business Ancillaries Report on Rates
2022-23

TABLE OF CONTENTS

Introduction

Beginning in fiscal year 2021-22, the new division University Development and Campus Services (UDCS) was established as a business ancillary, and includes operations that were previously considered service ancillaries: St. George Food and Beverage Services, University Family Housing (a merger of Student Family Housing and Residential Housing), Chestnut Residence and Conference Centre, Graduate House Residence, and Transportation Services. Certain operations within the new business ancillary remain student-focused and, as such, will continue to seek approvals for fees charged to students and the University community, and feedback on operating plans through the established processes at University Affairs Board, while their detailed operating budgets for 2022-23 will be approved by the Business Board. Throughout the first section of the report "Service Ancillaries", we will be excluding the operating budgets and other historical and future-facing financial data (i.e., revenues and expenses, net income, net assets, principal loan balances, etc.) of UDCS. Later in the report, the section "Business Ancillaries" will focus on the operating plans and proposed fees charged to students and the University community for these operations.

The ongoing outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization has declared to constitute a pandemic, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. In 2021, members of the University of Toronto community have risen to the unprecedented challenge of the COVID-19 pandemic with remarkable generosity, patience and creativity. The University is delivering on three fundamental elements of the University's core mission as it continued its work in terms of teaching, research and other business remotely, by

- ensuring that students could complete their academic work by offering courses through alternative means when needed,
- continuing to provide a place to live for those students in residence who were unable to return home, and
- supporting the critical COVID-19 and time-sensitive research endeavors of our world class scholars.

Levels of on-campus activity were significantly reduced in 2020-21, and campus services such as residences, food, and parking were particularly hard hit. Service ancillaries implemented significant cost-saving strategies, but in many cases, the magnitude of revenue reductions made it impossible to avoid financial losses. The University continued to provide a welcoming home for international students, students whose family members were in self isolation and out-of-province students who needed more time to make travel arrangements. As a result, revenues for residence, parking and food service operations have decreased significantly due to the above measures and reduced activities on campus.

Each residence operation has had to address the health and safety of residents and staff and follow provincial regulations and protocols, and have taken the necessary precautions to help prevent the spread of the virus. Each has had to reduce their bed inventory to allow for physical distancing and reduce their operating capacity. This has resulted in greatly reduced revenues. During this time, higher operating costs associated with additional cleaning, sanitation, communication, and staff absentee coverage were experienced. In order to partially mitigate these revenue shortfalls and cost increases, all residences reduced or delayed non-critical capital and major maintenance projects, avoided discretionary costs, applied temporary staff layoffs, and froze hiring. With these measures in place, all residence operations experienced higher than anticipated occupancy levels in fall 2021, generating operating results that were significantly better than budget.

The pandemic also negatively affected Food Services, Transportation Services and Hart House, as revenues for these services primarily depend on faculty, staff, students and visitors attending, working, and visiting the University. When the University moved classes and non-essential operations online in March 2020, revenue streams for these operations diminished drastically.

Each ancillary operation has its own unique circumstances relating to its specific operations and revenue sources and is impacted in varying degrees by the pandemic. The divisional communities which they serve determine the mix of students who are undergraduate vs graduate, domestic vs international, and the proportion of on-campus vs online activity. As a result, ancillaries are working with their divisional communities and the University, and anticipating the likely timing of a return to full capacity for their specific operations and revenue streams. Therefore, each ancillary operation has been encouraged to make assumptions relevant to their own circumstances for 2022-23 and beyond. As it is anticipated that the pandemic will gradually recede throughout the coming year, these assumptions will be updated next year as part of the 2023-24 budget submission for each ancillary.

Under normal circumstances, service ancillaries are expected to operate without subsidy from University's operating budget and rely solely on revenue from the services they provide. The University is allowing ancillary operations to incur deficits totaling up to $50 million in the aggregate over the next five years. Deficits will be allowed only in those ancillary units where it is necessary to do so, after considering cost containment strategies, levels of operating reserves, and necessary funding for critical infrastructure projects. Units with sufficient reserves will continue without need to carry a deficit. This approach is intended to ensure that the level of the ancillary deficits will be only as high as absolutely necessary.

Ancillary units will be expected to reduce to zero any deficits over a five-year period. These campus services are crucial to ensuring that students, faculty, and staff are able to participate in University life on all three campuses, and it is expected that the University may need to support some ancillaries as they develop a path to recovery over the coming years. The University will work with each unit to assess their financial health each year, and may provide support to assist with annual deficit reductions in cases where the reduction would jeopardize the unit's ongoing sustainability. The University continues to present a balanced operating budget, and any subsidy to ancillary units will be provided from existing operating reserves. No operating support has been included in the 2021-22 forecast, nor included in the long-range budget for services ancillaries at this time.

Prior to the pandemic, collectively, the service ancillary operations had experienced significant growth in response to growing student enrolment on campus, and are recovering from the high fixed costs associated with that growth. The growth in enrolment required a major building program which included student residences and parking garages. The costs associated with these additional facilities required debt financing with the expectation that, over time and with inflation, the repayment of loans would become a declining proportion of revenue. Prior to the pandemic, the operations were moving back to a break-even, or in some cases a surplus, position.

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

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

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

Having achieved the first two objectives:

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

Having obtained the first three objectives:

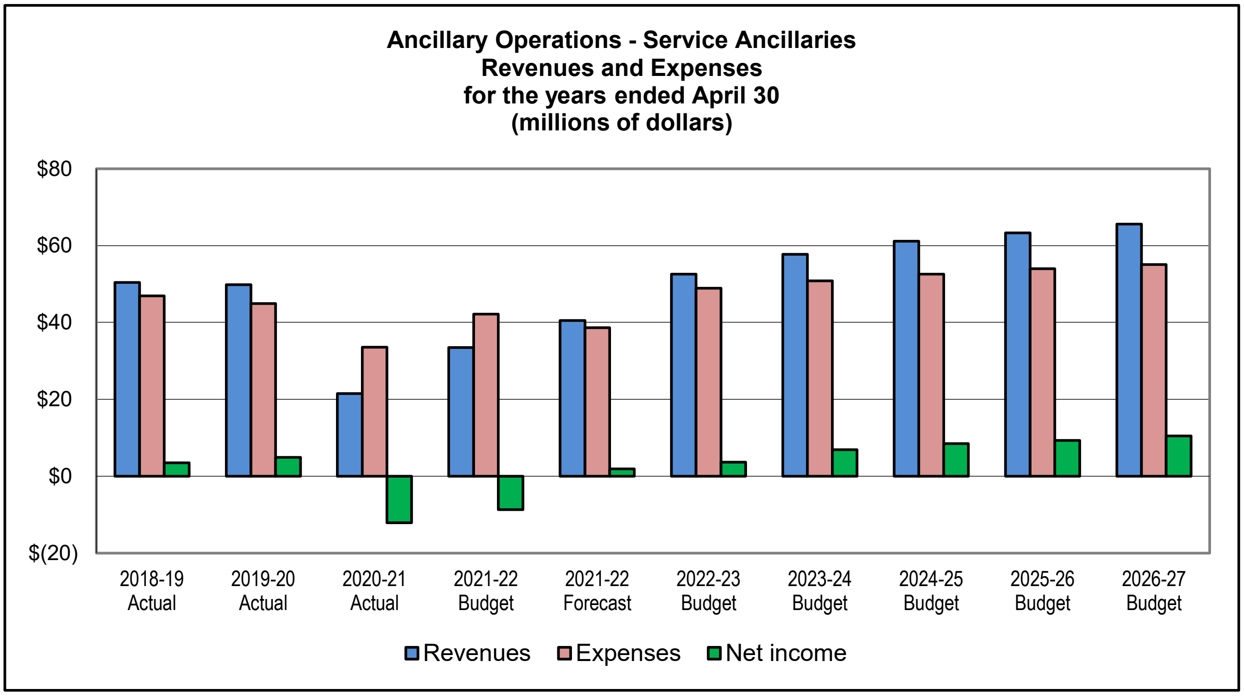
4. To contribute net revenues to the operating budget [1]. The rate of contribution will be established by each individual campus for each individual ancillary.

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

SERVICE ANCILLARIES

Financial Summary

St. George service ancillaries are forecasting a net income of $2.0 million before transfers in 2021-22 on forecasted revenues of $40.5 million. The forecasted net income represents an increase from last year's actual net loss of $12.1 million. The net income for 2021-22 is forecasted to be $10.7 million higher than the budgeted net loss of $8.7 million. This variance from budget is attributable to favourable variances in residence services ($10.6M) and food & beverage services ($1.4M), offset by an unfavourable variance at Hart House (-$1.3M) (see table on Page 6).



	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	% to Total Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Residences [2]	27.9	27.3	9.6	13.2	23.4	27.7	53%	31.5	33.2	34.3	35.4
UC Food & Beverage	4.4	3.6	1.2	1.6	3.0	3.8	7%	4.0	4.4	4.6	4.8
Hart House	18.0	18.9	10.7	18.7	14.1	21.1	40%	22.3	23.5	24.4	25.4
Total Revenue	50.3	49.8	21.5	33.5	40.5	52.6	100%	57.8	61.1	63.3	65.6
Total Expense	46.7	44.9	33.5	42.2	38.5	48.9		50.9	52.6	54.0	55.1
Net income	3.6	4.9	(12.0)	(8.7)	2.0	3.7		6.9	8.5	9.3	10.5

[2] Throughout the remainder of this report, "Residences" refers to Innis College Residence, New College Residence, University College Residence, and Woodsworth College Residence

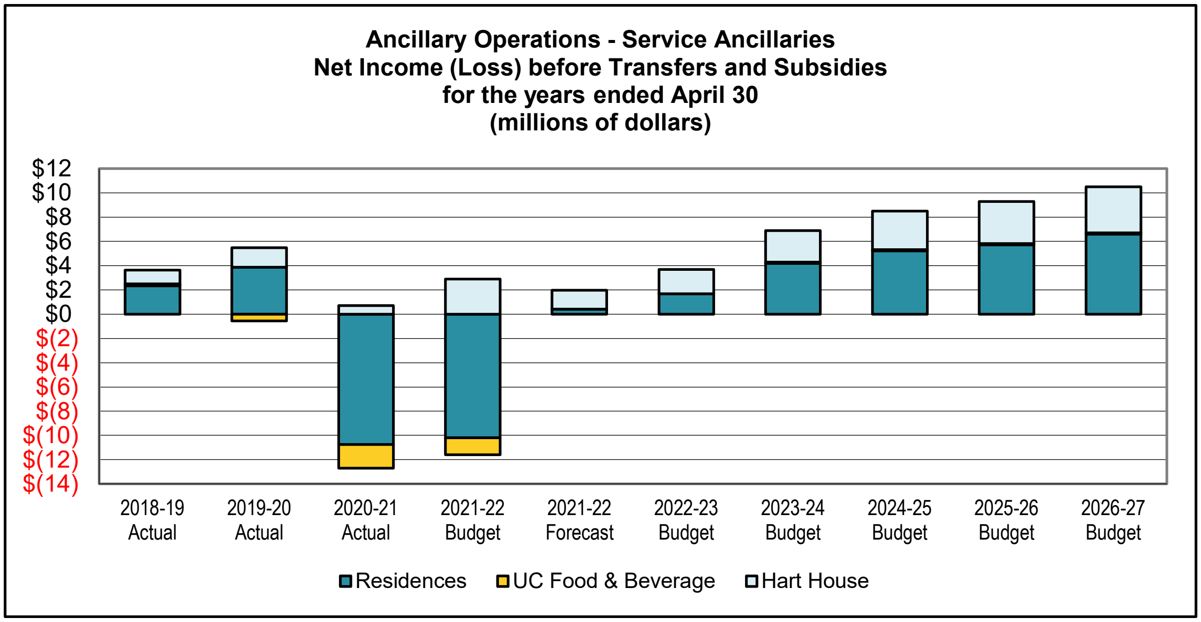
The total forecasted revenues for 2021-22 are $19.0 million higher than 2020-21 actuals. This variance is primarily due to higher occupancy levels in the 2021-22 fall and winter terms compared to the 2020-21 during the onset of the global pandemic. This revenue forecast is $7.0 million higher than budget, which can be attributed to positive variances from residence services ($10.2M) and food and beverage services ($1.4M), offset by a negative variance for Hart House (-$4.6M).

For the 2022-23 budgets, the service ancillaries are anticipating a net income of $3.7 million with $52.6 million of revenues and $48.9 million of expenses. The $3.7 million net income budgeted for 2022-23 represents an improvement of $1.7 million from the forecasted 2021-22 net income.

The long-range plan projects revenues to increase by $13.0 million (24.7%) from 2022-23 to 2026-27. Of this increase, $7.7 million is estimated to come from residence services, $1.0 million from food and beverage services, and $4.3 million from Hart House.

Net Income

The forecasted net income before transfers for 2021-22 is $2.0 million, which is $10.7 million higher than the 2021-22 budget and $14.0 million higher than the 2020-21 actual net loss.



Net income (loss)	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Residences	2.3	3.9	(10.8)	(10.2)	0.4	1.7	4.2	5.2	5.7	6.6
UC Food & Beverage	0.2	(0.6)	(1.9)	(1.4)	0.0	0.0	0.1	0.1	0.1	0.1
Hart House	1.1	1.6	0.7	2.9	1.6	2.0	2.6	3.2	3.5	3.8
Net income (loss)	3.6	4.9	(12.0)	(8.7)	2.0	3.7	6.9	8.5	9.3	10.5

Net income for the next five years is forecasted to increase as the global pandemic recedes, with the long-range plan including some rate increases each year, while loan principal and interest payments remain constant. Rate increases continue to be needed to restore the ancillaries to a healthy financial position and are necessary to ensure all essential major capital expenditures are made. The long-range plan shows net income in 2026-27 that is $6.8 million higher than the net income in 2022-23. This planned increase is attributed to a budgeted increase of $4.8 million from Residences Services, $0.1 million from Food & Beverage services, and $1.9 million from Hart House.

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

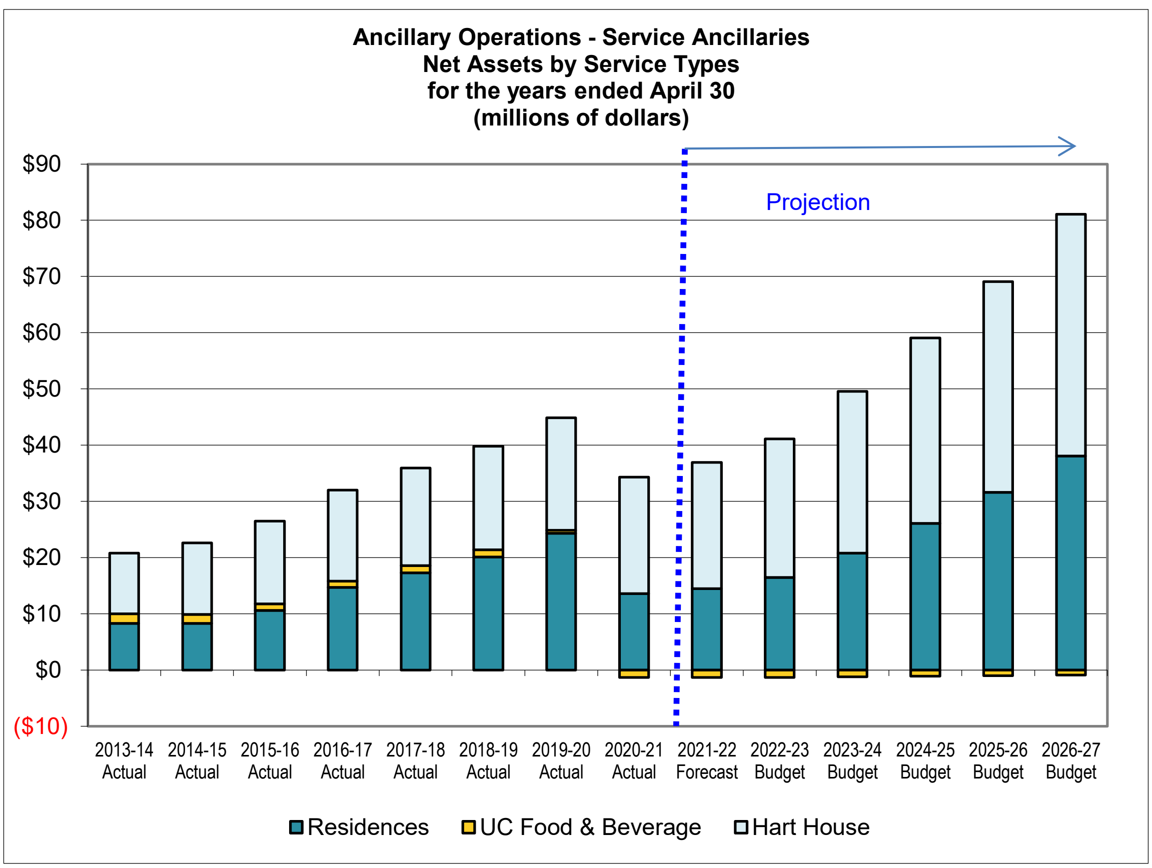
	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2026-27 Budget	Change from 2026-27 over 2022-23	Five-year planning period
Innis College	0.7	1.2	(0.9)	(1.5)	0.1	0.4	1.2	0.8	4.9
New College	0.7	1.8	(3.8)	(2.4)	0.6	1.5	2.6	1.1	10.1
University College	0.2	0.4	(3.2)	(3.5)	0.2	1.0	1.6	0.6	6.3
Woodsworth College	0.7	0.5	(2.9)	(2.8)	(0.5)	(1.2)	1.1	2.3	2.0
Residences	**2.3**	**3.9**	**(10.8)**	**(10.2)**	**0.4**	**1.7**	**6.5**	**4.8**	**23.3**
University College Food & beverage	**0.2**	**(0.6)**	**(1.9)**	**(1.4)**	**0.0**	**0.0**	**0.1**	**0.1**	**0.5**
Hart House	1.1	1.6	0.7	2.9	1.6	2.0	3.9	1.9	15.2
Total Net Income	**3.6**	**4.9**	**(12.0)**	**(8.7)**	**2.0**	**3.7**	**10.5**	**6.8**	**39.0**

Net Assets

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

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

The following chart shows the history of actual net assets for St. George service ancillaries from 2013-14 to 2020-21 and projects the net assets in accordance with long-range plans to 2026-27.



The previous chart also shows the impact of the major expansion of residence beds and the growth in other service ancillaries to accommodate the large increases in enrolment and student population over the last number of years, as well as the impact of the pandemic on the ancillary operations beginning in March 2020 and the subsequent anticipated return to normal operations later in the long-range budget.

Ancillary Operations - Service Ancillaries
Net Assets for the years ended April 30
(millions of dollars)

	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Innis College	4.4	1.9	4.5	4.8	5.7	6.5	7.2	7.8
New College	(0.5)	(2.7)	0.6	2.6	4.6	7.3	10.1	13.3
University College	3.9	0.2	4.1	4.9	5.9	7.0	8.2	9.6
Woodworth College	5.9	2.6	5.3	4.1	4.6	5.3	6.2	7.3
Residences	**13.7**	**2.0**	**14.5**	**16.4**	**20.8**	**26.1**	**31.7**	**38.0**
UC Food & Beverage	(1.3)	(2.1)	(1.3)	(1.3)	(1.2)	(1.1)	(1.0)	(0.9)
Hart House	20.7	21.8	22.4	24.6	28.8	33.0	37.5	43.0
Total Net Assets	**33.1**	**21.7**	**35.6**	**39.7**	**48.4**	**58.0**	**68.2**	**80.1**

For 2021-22, the St. George service ancillaries are forecasting total net assets of $35.6 million. The 2022-23 budget projects total net assets of $39.7 million.

Ancillary Operations - Service Ancillaries
Net Assets by Category for the budget year 2022-23
(millions of dollars)

	Unrestricted Surplus/(Deficit)	Investment in capital assets	Capital Renewal Reserve	Operating Reserve	New Construction Reserve	Total Net Assets
Residences	(0.5)	11.6	3.1	2.2	0.0	**16.4**
UC Food & Beverage	(1.5)	0.2	0.0	0.0	0.0	**(1.3)**
Hart House	0.0	17.4	3.9	3.3	0.0	**24.6**
Total	**(2.0)**	**29.2**	**7.0**	**5.5**	0.0	**39.7**

Net assets are expected to grow to $80.1 million by 2026-27, an increase of $40.4 million from 2022-23. The anticipated total net assets of $39.7 million for 2022-23 is the sum of $29.2 million investment in capital assets, $7.0 million capital renewal reserves, $5.5 million operating reserves, partially offset by $2.0 million of unrestricted deficit (see Schedules II and III for details). As depreciation is charged and funded from future revenues, the $29.2 million investment in capital assets will decrease with a corresponding decrease in unrestricted deficit. Residences with accumulated deficits are charged interest on their deficits and must absorb any interest rate changes on this short-term financing of deficits (note that all long-term loans are at a fixed rate).

Ancillary Debt

For 2022-23, the St. George service ancillaries are projecting a total outstanding debt of $24.5 million (on original loans issued of $70.4 million) all of which is for residence services. The estimated principal and interest repayment on the debt for residence services is projected to be $5.3 million in 2022-23, representing 19% of revenues for residence services with outstanding debt. The estimated interest costs on debt in 2022-23 will be $1.7 million (6% of revenues of residence services with outstanding debt).

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

	2020-21 Actual	2021-22 Forecast	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
New College	11.9	10.6	9.2	7.7	6.1	4.4	2.6
University College	8.7	8.0	7.2	6.4	5.5	4.5	3.6
Woodsworth	10.8	9.5	8.1	6.5	4.9	3.1	1.2
Residence Services	31.4	28.1	24.5	20.6	16.5	12.0	7.4
Total Loan Balance	31.4	28.1	24.5	20.6	16.5	12.0	7.4

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

Residence Services

For the 2022-23 budget year, University College Residence will meet all four objectives (see Page 1 for the ancillary objectives), and Innis College Residence, New College Residence and Woodsworth College Residence will meet the first three objectives (see Schedule II for details). As stated earlier in this report, the following section does not include the operations of University Family Housing, Graduate House Residence, or Chestnut Residence and Conference Centre as these operations converted to business ancillaries as of May 1, 2021. Commentaries related to these operations, and information regarding fees increases, are included in the Business Ancillaries section later in this report.

As stated in the introduction to this report, all residence operations have been significantly impacted by the global pandemic. Each operation has had to address the health and safety of residents and staff and to follow provincial regulations and protocols, and have taken the necessary precautions to help prevent the spread of the virus. Each has had to reduce their bed inventory for physical distancing and reduce their operating capacity. This has resulted in reduced revenues. While all residences scaled back or deferred non-critical spending (including salaries & wages, maintenance and capital spending) to address the steep drop in revenues in 2020-21, the residences have generally been able to resume spending with the higher than anticipated occupancy levels in 2021-22.

Innis College

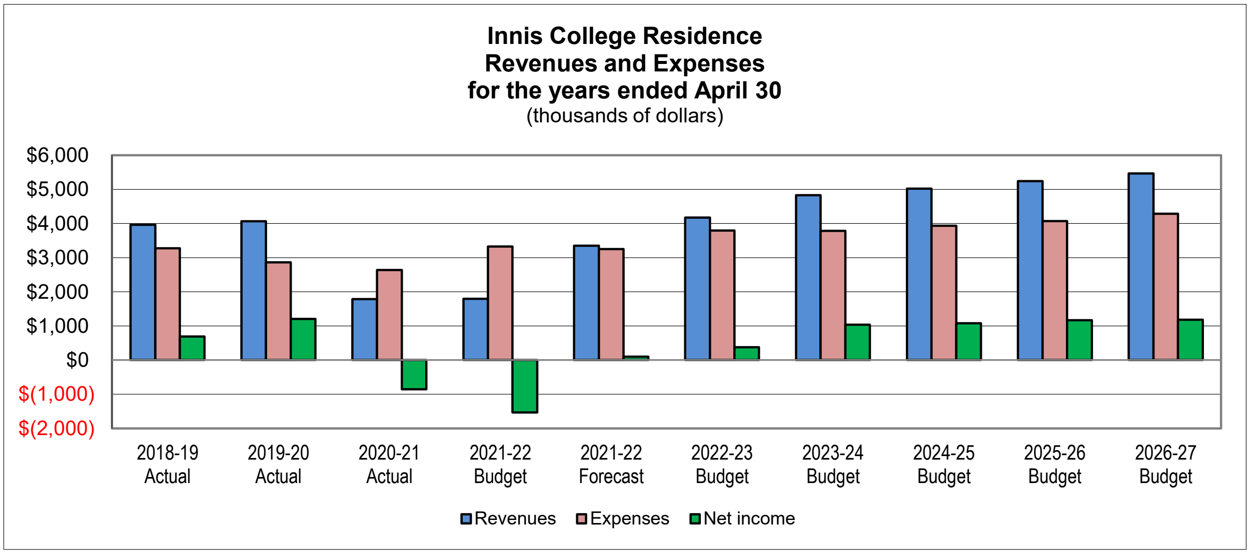
The Innis College residence opened in 1994 and has a total of 326 beds in 77 suite-style apartments.

Innis is slowly recovering from the material effect of COVID-19 on ancillary services from 2021-22. The primary concern of Innis College is the health and safety of residents and staff, as they continue to take the necessary precautions to help prevent the spread of the virus and ensure compliance with pandemic protocols. Demand to live in the residence has returned in 2021-22, active occupancy management and an engaged residence team ensures that Innis is well positioned to recover from the adverse effects of COVID-19.

In 2021-22, the residence: (a) realized an occupancy rate of 87% and projects positive operating results; (b) maintained the quality of residence programs and services despite increased health, wellness, and financial pressures; (c) completed both the fire panel upgrade and renovation of five suite kitchens; (d) has consulted broadly with stakeholders regarding planned capital projects.

Innis is forecasting an annual operating net income of $0.1 million in 2021-22, which is $1.6 million higher than the budgeted net loss of $1.5 million, primarily due a realized occupancy rate of 87% of normal bed inventory, compared to a budgeted occupancy of 43%.

Residence rates are proposed to increase by 5% for all beds for both summer 2022 and fall/winter 2022-23 (see Schedule VI). Innis College is targeting a summer 2022 occupancy of 60% and a fall/winter 2022-23 occupancy of 99% of available beds. An operating net income of $0.4 million is budgeted in 2022-23, with a total fund balance estimated to be $4.9 million after transfers, with investment in capital assets of $4.1 million, a capital renewal reserve of $0.5 million and an operating reserve of $0.3 million at April 30, 2023.



	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Revenues	3,964	4,067	1,787	1,792	3,347	4,175	4,831	5,022	5,242	5,464
Expenses	3,275	2,861	2,644	3,327	3,251	3,793	3,790	3,940	4,075	4,285
Net income	689	1,206	-857	-1,535	96	382	1,041	1,082	1,167	1,179
% change in revenues		*2.6%*	*-56.1%*	*0.3%*	*87.3%*	*24.7%*	*15.7%*	*4.0%*	*4.4%*	*4.2%*

The objective of the long-range plan through 2026-27 has moved toward incremental capital renewal. The residence facility is now in its 27th year of operation and requires significant investment to ensure that the needs of students and staff are met well into the future, ensuring they continue to benefit from well designed and maintained facilities. In accordance with SARG guidelines, the residence will continue to self-fund capital renewal, renovation projects, and deferred maintenance. Total capital expenditures for the 2022-23 fiscal year are $1,375,000 (primarily for door lock replacement and suite renovations) plus a 10% contingency of $137,500 for a total of $1,512,500.

Innis is anticipating meeting all four ancillary objectives by 2023-24 and the remainder of the long-range budget period.

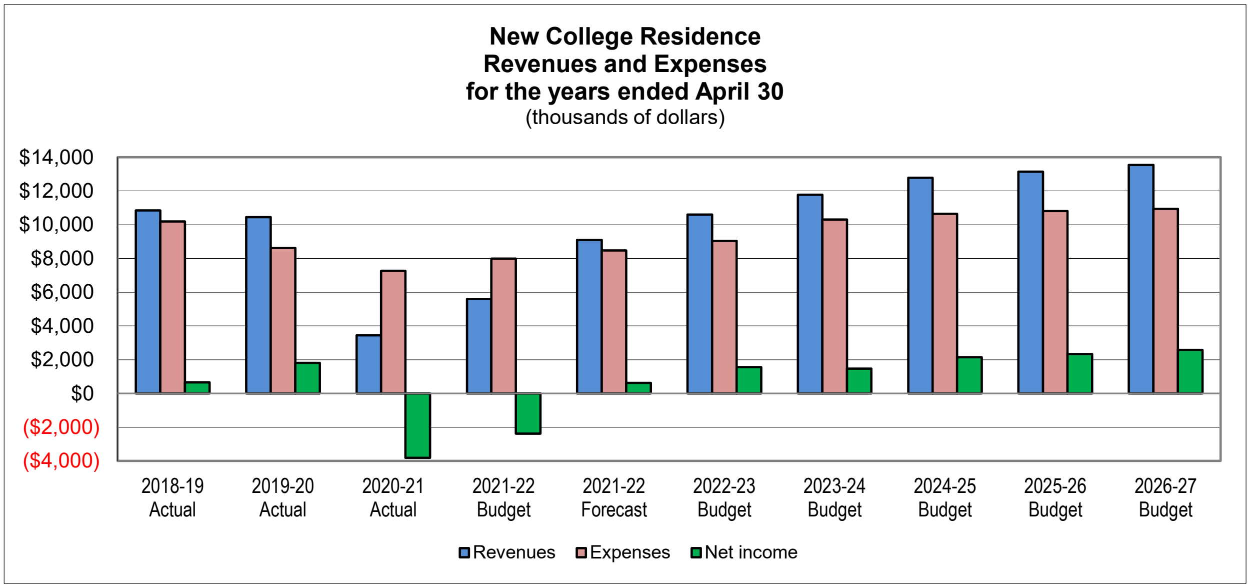
New College

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

Fiscal year 2018-19 was a landmark year for the New College Residence. For the first time in well over a decade, the closing fund balance entered positive territory. Last year, the unrestricted surplus was to have followed suit allowing the College to establish new operating and construction reserves throughout the five-year plan. Instead, the pandemic has returned the New College Residence back into a deficit position.

New College Residence revenues are budgeted at $10.6 million for fiscal year 2022-23. The fall/winter session revenue reflects an occupancy level of 93.4%, far above the forecast made just last year when the pandemic occupancy level was 26.4%. Summer operations normally include the residence portion of summer educational programs, long-term stays, group bookings and the walk-in hostel business. The pandemic required the ancillary to cancel the summer educational programs and walk-in hostel business for a second consecutive summer reducing summer revenue to 7% of a typical year. Only long-term stays, largely international students, were housed in summer residence. Revenues also include transfers from the operating budget to cover the cost of the academic and administrative space in 45 Willcocks.

As a result of higher than anticipated residence occupancy, New College Residence is forecasting an annual net income of $0.6 million in 2021-22 before estimated transfers from St. George Food Services of $0.5 million, resulting in a forecasted net operating result after transfers of $1.1 million. This is $3.0 million higher than the annual budgeted operating deficit after transfers of $1.9 million. The ancillary is forecasting an unrestricted deficit of $1.4 million in 2021-22.



	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Revenues	10,853	10,446	3,449	5,603	9,105	10,603	11,784	12,787	13,154	13,537
Expenses	10,190	8,629	7,270	7,984	8,483	9,050	10,313	10,645	10,818	10,952
Net income	663	1,817	-3,821	-2,381	622	1,553	1,471	2,142	2,336	2,585
% change in revenues		*-3.8%*	*-67.0%*	*62.5%*	*164.0%*	*16.5%*	*11.1%*	*8.5%*	*2.9%*	*2.9%*

For 2022-23, the fall and winter residence rate increases will range from 1.0% to 4.1% (see Schedule VI). The revenue forecast for the coming year is based on a return to the typical demand for residence rooms. An occupancy rate of 98.5% is forecast for the academic year. Summer revenue is projected to be at $700,000 which is approximately a third of a typical summer. It is assumed that international travel will still be very limited, and that summer educational programs will be largely online. Summer tour operators are still not very optimistic about summer 2022. Dormitory-style communal bathrooms will make the walk-in hostel business challenging should the pandemic continue throughout the summer of 2022.

On the expense side, major maintenance will be reduced to one residence floor's renovation in Wetmore Hall resulting in budget savings of $1.05 million. Finance charges have resumed given the deficit position. Any increases in the expense budget for next year are largely inflationary in nature. The net operating result after estimated transfers in for commissions from St. George Food Service of $0.5 million, is net operating income for 2022-23 of $2.0 million. Net assets are projected to be $2.6 million, with $1.7 million in investment in capital assets, $0.6 million in the capital renewal reserve, and an operating reserve of $0.3 million.

The current business model assumes modest average residence rate increases over the five-year planning horizon of between 3% and 4%. New College residence is expecting that operations will return to more normal levels after the devastating financial impact of the pandemic, with strong operating results expected through the remainder of the budget period.

University College

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

University College Residences finished the 2020-21 fiscal year with an operating loss of $3.2 million. The increase in occupancy from the budgeted 33% to approximately 90% (earlier than anticipated in the pandemic phase) has enabled the ancillary to forecast a favourable net income variance of $3.7 million in 2021-22. In light of the return to full occupancy numbers, some of the postponed capital projects have been moved back into the long-range budget. Revenue in the summer session was mostly generated by U of T summer students. The larger group bookings were not realized as occupancy restrictions were not lifted until the fall session.

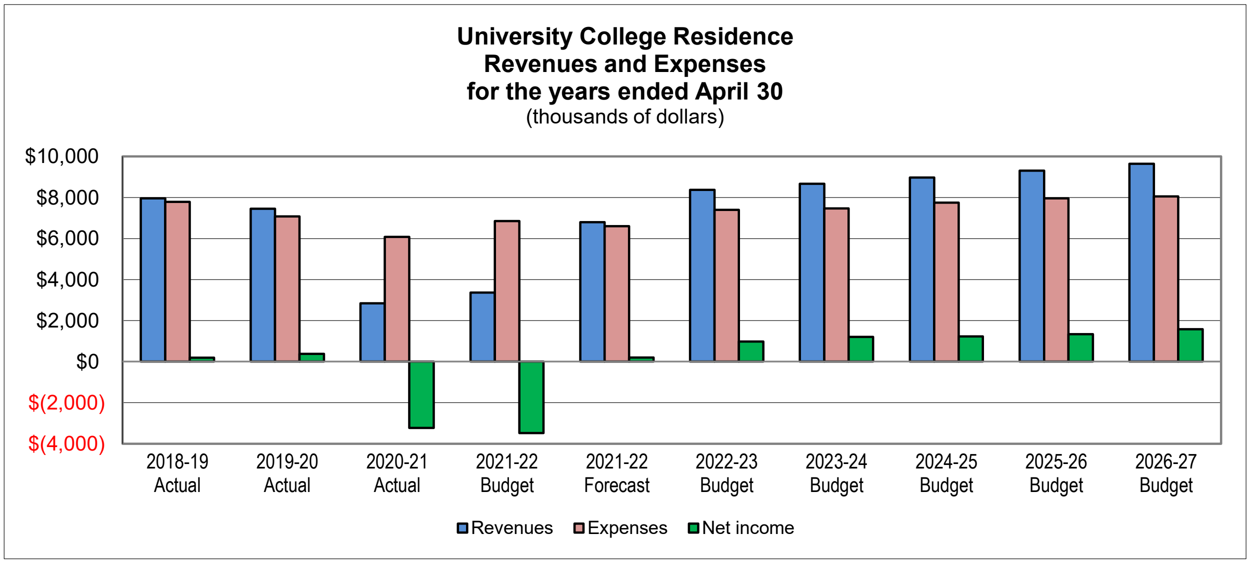
The closing fund balance is forecasted to be $4.1 million, consisting of investment in capital assets of $3.0 million, an operating reserve of $0.6 million, and an unrestricted surplus of $0.5 million at April 30, 2022.

University College residence is recommending a differentiated fee schedule with rate increases between 3.3-5.3% for 2022-23. By approval of the University College Residence Council, comprised entirely of students, this rate applies to all UC Residences. This increase allows for inflation, capital improvements and an adequate rebuilding of reserves and fund surplus. Summer Residence Fees are increasing at a rate of 2.8% although for the next two summers there will be a budget for only a minimum number of U of T Community students and no budget for external or international group sales unless protocols change and allow for group studies.

Keeping the residences and food services open has been a key element in the student experience. Enrolment numbers have held steady, and the residence has provided a safe on-campus student experience for a reduced number of students over the summer and for an increase to higher occupancy rates for the academic year. It is crucial that the ancillary continues to run the residences safely. Due to the permitted increase in occupancy numbers, occupancy levels have been budgeted at approximately 90% for single rooms and 50% for doubles, as double rooms are assumed to be reduced to single occupancy for safety reasons.

As revenues have recovered with increases in occupancy permitted, UC Residence has been able to move Phase IV and V of the Sir Dan's roof replacement to 2023-24 and 2024-25, and repairs to the heritage steps to begin in 2022-23 through to 2025-26.

UC Residence is budgeting a net income in 2022-23 of $1.0 million, with a fund balance at April 30, 2023 of $4.9 million, consisting of investment in capital assets of $2.7 million, a capital renewal reserves of $1.0 million, an operating reserve of $0.6 million and an unrestricted surplus of $0.6 million.



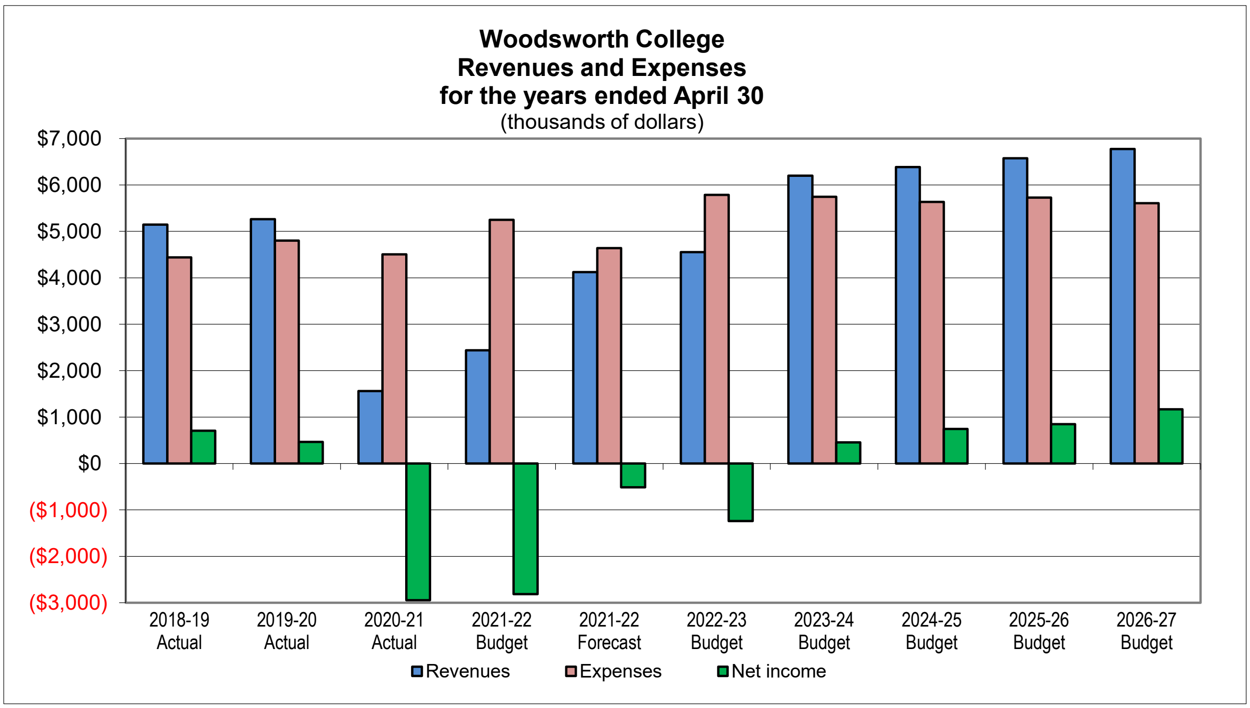
	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Revenues	7,965	7,458	2,841	3,373	6,806	8,370	8,669	8,981	9,305	9,641
Expenses	7,782	7,078	6,077	6,854	6,600	7,396	7,462	7,750	7,966	8,059
Net income	183	380	-3,236	-3,481	206	974	1,207	1,231	1,339	1,582
% change in revenues		*(6.4%)*	*(61.9%)*	*18.7%*	*139.6%*	*23.0%*	*3.6%*	*3.6%*	*3.6%*	*3.6%*

The current budget is predicated on occupancy of 90% for single rooms and 50% for doubles for 2022-2023 based on assumptions of how the current pandemic recovery will unfold. Summer business is budgeted on minimal occupancy of strictly U of T community students without any forecasted budget for group business. The ancillary has been in touch with both returning and new summer group clients and aims to fill as many rooms as possible for each summer session with summer programs that will contribute to both ancillary and college operations.

Rate increases for 2022-23 through 2026-27 are budgeted at between 3.3-5.3%, with occupancy at 90% for single rooms and 50% for doubles for 2022-23 and returning to full occupancy in 22023-24 and beyond. Under the current scenario, in 2026-27 the unrestricted surplus is budgeted to be $4.6M, a capital renewal reserve of $2.2 million, an operating reserve of $0.6 million, and investment in capital assets of $2.3 million, for a total fund balance of $9.6 million. Should the pandemic recovery be realized sooner, the financial position will improve at a faster pace.

Woodsworth College

The Woodsworth College Residence (Woodsworth) features a four-story podium plus a light-filled 13-storey glass tower. The Residence has a total of 371 private, single bedrooms that are arranged in suite style apartments. There are 38 six-bed units, 6 five-bed units, 26 four-bed units, and 9 one-bed units. All units feature high-speed Internet access and telephone service with local calling and voicemail. The six, five, and four bed suites have two bathrooms, and a shared kitchen and living area. The one-bed units, which are self-contained, have a bathroom, kitchen and living room, and are assigned to the Residence Life Staff (Assistant to the Dean - Residence Life, and Residence Dons). The Residence also provides three study rooms, six TV lounges, a fitness room, a games room, a multi-purpose room, bicycle storage, and a laundry room. The Residence is barrier-free, and three suites have been specially designed as accessibility units. The Residence has a ten-member Residence Life Staff team comprised of an Assistant to the Dean - Residence Life, two Residence Head Dons, and seven Dons. The team provides an extensive residence life program, including counseling, mentoring, leadership, programming, and policy enforcement.



	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Revenues	5,145	5,265	1,560	2,439	4,126	4,552	6,199	6,385	6,576	6,774
Expenses	4,438	4,802	4,505	5,253	4,639	5,790	5,747	5,639	5,731	5,607
Net income	707	463	-2,945	-2,814	-513	-1,238	452	746	845	1,167
% change in revenues		*2.3%*	*-70.4%*	*56.3%*	*164.5%*	*10.3%*	*36.2%*	*3.0%*	*3.0%*	*3.0%*

In 2021-22 Woodsworth continues to struggle with the effects of the COVID-19 pandemic, but there have been some positives as restrictions to capacity limits relax. The restrictions resulted in occupancy levels of 10.5% in the summer. The budget for the fall/winter assumed the continuation of capacity limits and 35% occupancy. Fortunately, the occupancy levels as of September increased to 97%. In 2021-22, a net loss of $0.5

million is being forecasted compared to the net loss of $2.9 million in 2020-21. The 2021-22 year-end forecast shows a total fund balance of $5.3 million distributed as follows: operating reserve of $1.9 million; investment in capital assets of $2.4 million, and a capital reserve of $1.0 million.

The proposed fall/winter fee for 2022-23 represents a 5.18% increase over 2021-22 fees. Included in the fee increase is a Residence Life charge of $20, which was not previously included in the residence fees, but which was charged by the Residence Life Committee to each student living in the residence. It was agreed by the Residence Council that it would be simpler to include this charge as part of the fee structure. The full summer fee is being increased by 5%, which is in line with the increases at the other residences.

A deficit of $1.2 million is being budgeted for 2022-23. This assumes occupancy levels for the year to be approximately 98% for the fall/winter and 11% for the summer. For the summer, the assumption is that no external applicants are being accepted and residents will be limited to U of T students only. Woodsworth is budgeting a net loss of $1.2 million in 2022-23, with the April 30, 2023 fund balance budgeted to be $4.1 million, consisting of $3.2 million investment in capital assets, $1.0 million in capital renewal reserves, $1.0 million operating reserves and an unrestricted deficit of $1.1 million. The increase in the investment in capital assets is primarily due to major roof work, estimated at $1.2 million, that will be required in the summer of 2022. The capital reserve balance of $1.0 million is being maintained in the event of any major elevator enhancements.

Woodsworth continues to work with its neighboring College residences to ensure that summer operations maximize its full potential. Woodsworth also continues to ensure that the facilities are maintained to a desirable standard. The focus for the coming year will be to address deficiencies in the suites with the replacement of carpet, cabinets and countertops where required. A very recent roof assessment completed in the fall of 2021 revealed the need to replace the roof at a total of $1.8 million. The work has been split into phases – work valued at $1.2 million to be completed in the summer of 2022, and phase 2 work valued at $0.6 million to be completed by the end of summer 2023. As a result of the roof replacement, there will not be any lumpsum payments against the mortgage before 2026-27. The commitment to fully expire the mortgage by May 2027 remains.

Food & Beverage Services

The University College Food Services operates the Howard Ferguson Dining Hall and Café Reznikoff. As stated earlier in this report, the following section does not include the St. George Food & Beverage Services as this operation converted to a business ancillary as of May 1, 2021. A commentary related to this operation, and information regarding fees increases, are included in the Business Ancillaries section later in this report.

For the 2022-23 budget, University College Food Services will only meet objective 1 of the four objectives (see Schedule II for details).

University College

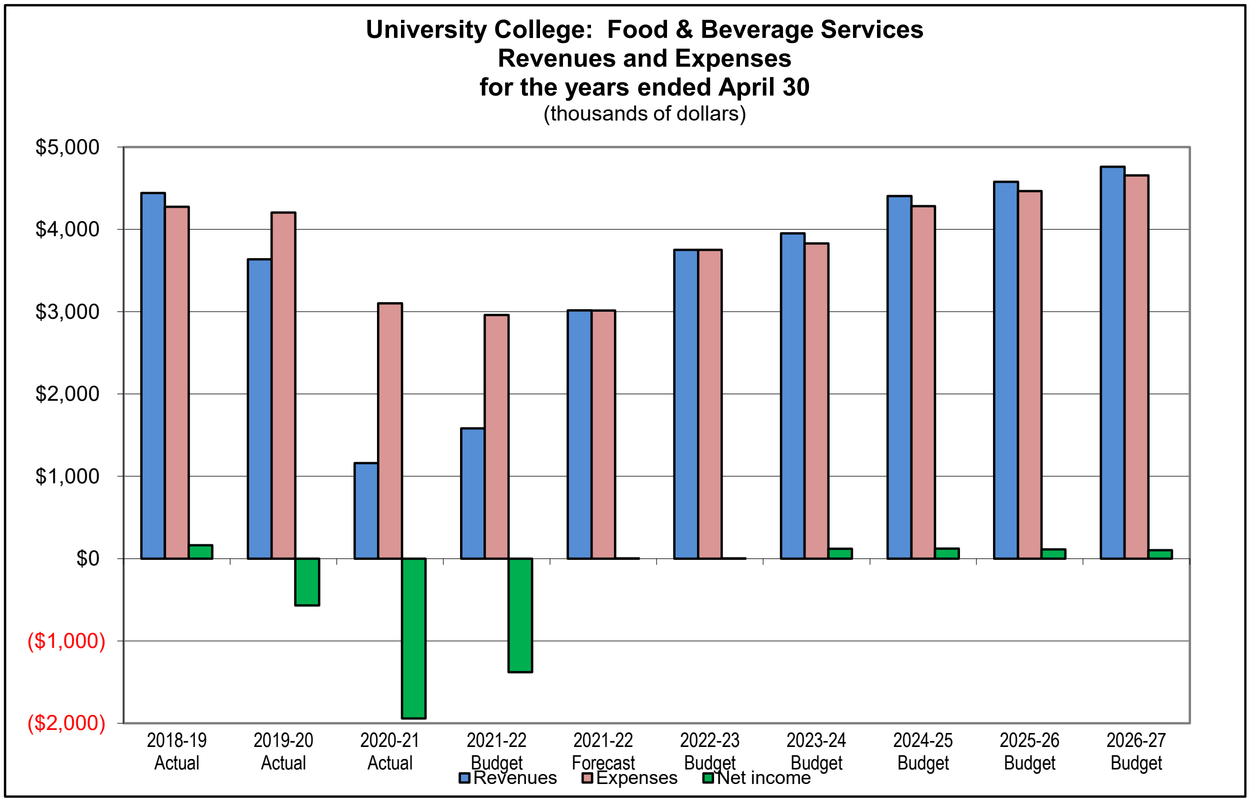
The UC Food Services provides three meals a day, seven days per week during the fall and winter sessions to the residence population of approximately 730 students housed in the University College Residences. As a self-operated food service, the key goals are always to maintain a balance of high quality, affordable pricing and a wide selection of menu choices. The Howard Ferguson Dining Hall not only provides service to UC Residence students but also serves other U of T students, faculty and staff, as well as the general public. The Dining Hall and Reznikoff's Cafe remains open during the summer term as part of the summer residence operation, providing full service, breakfast, lunch and dinner for summer operations. UC Food Services provides catering services and, while primarily utilized by UC, are offered to other U of T community members making use of meeting and lecture rooms in University College and elsewhere on campus.

The University College Residence Council (UCRC) Food Committee provides student input and suggestions formally; there is an annual residence/food services survey, and students also provide frequent informal feedback through the Dean of Students and the Food Services staff. Vegetarian, vegan, plant based as well as halal, selections are available at every meal. Some items required for special dietary needs are arranged individually as requested. The operating budget and rate changes are reviewed by the UCRC.

The forecast for 2021-22 is roughly break-even, which is a significant favourable variance compared to the budgeted net loss of $1.4 million for 2021-22. At April 30, 2022, the forecasted fund balance of negative $1.3 million consists of an investment in capital assets of $0.2 million and an unrestricted deficit of $1.5 million.

In 2022-23, the ancillary is budgeting to begin its recovery from the pandemic. With the residence returning to full occupancy or near-full occupancy, UC food services is proposing a fee increase of 3.1% to meal plans for 2022-23. This increase is required to meet increases in cost of food and other expenses. Two meal plans are available for residents: Plan A is designed for those with larger appetites and will cost $5,695 and Plan B is designed for those with slightly smaller appetites and will cost $5,027. With increase in occupancy near 90%, and anticipated increase in both cafeteria sales and catering the ancillary is forecasting an approximately break-even operating result in 2022-23 with no change to the fund balance.

The ancillary has reviewed the maintenance and replacement program for the food services equipment and budgeted for upgrades to smaller equipment. However, given the minimal space available, there is little more that can be done in the current area to increase space.



	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Revenues	4,442	3,636	1,160	1,581	3,017	3,753	3,952	4,404	4,580	4,761
Expenses	4,277	4,204	3,101	2,960	3,015	3,751	3,831	4,282	4,467	4,657
Net income	165	-568	-1,941	-1,379	2	2	121	122	113	104
% change in revenues		*(18.1%)*	*(68.1%)*	*36.3%*	*160.1%*	*24.4%*	*5.3%*	*11.4%*	*4.0%*	*4.0%*

Costs are being monitored carefully during this downturn in business. The ancillary anticipates that when international groups/summer business are again permitted, and full café and cash sales increase, they will begin to see a recovery in reserves. It was anticipated that 2021-22 and 2022-23 would be challenging years for the College's Food and Residences Services. Under the current scenario, in 2026-27 the unrestricted deficit is budgeted to be $1.0 million, showing a recovery from the low of $1.5 million in 2022-23. Should this recovery begin earlier, the reserves recover sooner. The ancillary also anticipates recovery in the cash sales businesses, Reznikoff's and the new Owlery Café, in the main building. UC Food Services will also be opening two new conference spaces, the Clarke Reading Room and the Cadario Conference Centre with a requirement to utilize UC catering for all bookings, which will help rebuild the reserves.

Hart House

As COVID-19 considerations and public health restrictions continue to have significant impact on the University landscape, Hart House has continued to adapt and respond to current conditions, while working towards normalizing the student experience as much as possible, building on lessons learned through rapid adaptation over the last 18 months.

2020-2021 presented many new challenges and opportunities as Hart House, like the rest of the University, responded to the COVID-19 pandemic. At the beginning of the pandemic, Hart House closed its doors to all students and community members as per University guidance. During this closure Hart House staff worked to transform programs and services to a virtual-only landscape. As the year progressed and stricter regulations were lifted, Hart House pivoted to a hybrid virtual–in-person model where the majority of programming and services continued to be offered online, but where limited in-person programming resumed onsite to serve the student community on campus.

As Hart House moves towards the second half of the 2021-22 academic year, and students, staff and faculty return to campus in greater numbers, Hart House continues to offer a hybrid model of virtual programs, while opening up spaces for in person activity and engagement wherever possible. At the same time, they have begun the hard work of reimagining and rebuilding the business operations shut down through the pandemic.

All of Hart House's work since the beginning of the pandemic has been guided by the ongoing commitment to enhancing the student experience and providing students – and the broader community – with opportunities to engage in arts, dialogue and wellness. Hart House has worked to create responsive programming while also creating innovative streams of revenue generation to support our commitment to students.

Some highlights of programs and services that have been developed since the beginning of the pandemic:

- Hart House launched **Virtual Hart House** in response to the University closure in March 2020. This online hub for virtual programming became an important tool to keep students engaged at Hart House throughout, connecting students and community members where they can engage in programs spanning the arts, dialogue, and wellness. Between May 1, 2020 – April 30, 2021, Hart House engaged 16,455 participants in synchronous programs across all areas of programming. Asynchronous programs such as podcasts, performance videos and fitness content available online at anytime were viewed/streamed 68,451 times.
- **Arts, dialogue and wellness opportunities** ran the gamut from drop-in activities offered live on Instagram such as Get Crafty, to virtual workshops and performances offered through the Hart House Theatre including their popular Spotlight series, to fitness classes offered every day of the week in real time or through online video content that can be accessed at anytime.
- Key programs such as **Hip Hop Education, Indigenous Education Initiatives** and

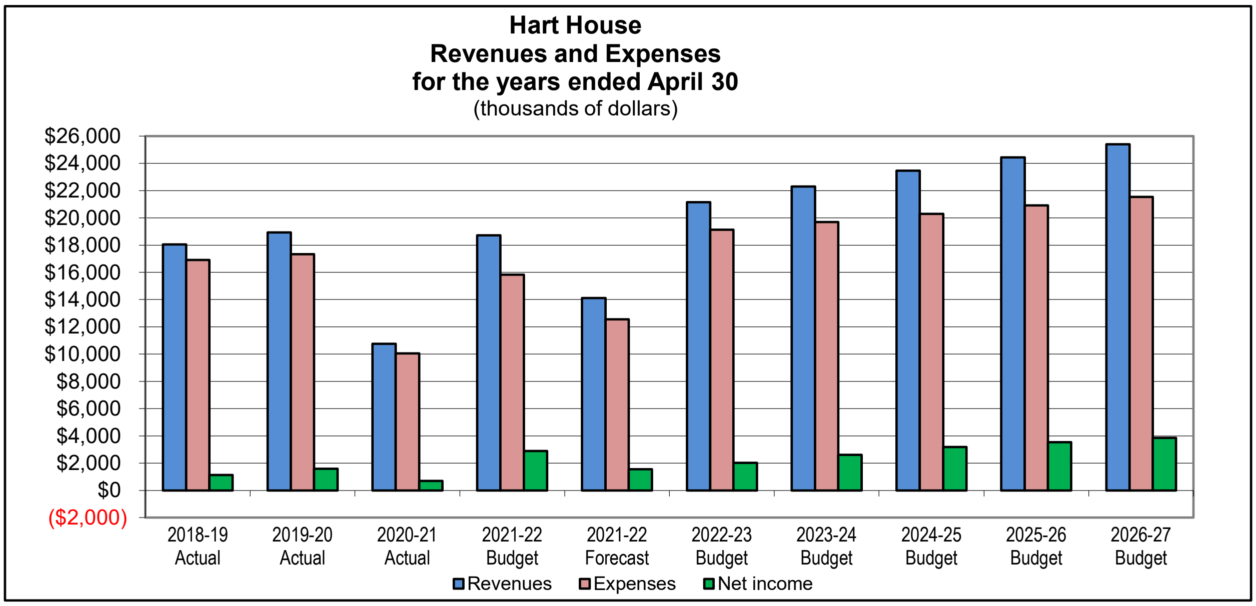
the **Hart House Mentorship** program moved online very successfully. Hip Hop Education continued to provide spaces to explore activism, creative expression and community building through performance, artist talks, and opportunities to build skills. Through an innovative job-sharing arrangement with the Centre for Indigenous Studies, Hart House was able to bring Jenny Blackbird to Hart House to lead Indigenous Education Initiatives, including participation in the annual Indigenous Education Week. The Hart House Mentorship Program doubled in size to meet the need for community-building spaces and connection during a difficult year, matching 120 mentees with mentors. The program matches graduate students and mature part-time students to mentors based on their professional pursuits and personal priorities, interests and passions.

- The **Hart House Finance Committee** is continuing its partnership with the Chartered Professional Accountants Canada (CPA) providing 14 financial literacy workshops to approximately 200 students from all three campuses and 50 high school students from our youth partnerships in 2021-22. This year Hart House is considering new areas of focus in terms of workshop content and expanding outreach to departments and student organizations within U of T.
- **Youth Access Programming** supports experiences for youth to gain insight into university life and helps to build overall life skills for those groups historically under-represented at the University of Toronto. Programming shifted to virtual-only in 2020-21 and as we move into 2021-22, programming is being offered both in-person for partners such as the 519 Community Centre while other activities remain online. Access programming is supported in part by grants and includes several placement opportunities across four (4) academic programs at U of T.
- **In-Person Programming:** when government and University protocols allowed for in-person opportunities, Hart House opened the building, with strict capacity limits and health and safety measures in place, to provide essential spaces for students serving a variety of purposes. These have included dedicated **study spaces**, **outdoor fitness programming** hosted in the Hart House Quad and Back Campus field (in partnership with KPE), an innovative public art project in the Hart House Commons call the TPZ (Tree Protection Zone) in partnership with the Art Museum, the office of Indigenous Initiatives and others and the reintroduction of bookable spaces for **student activities**. Hart House also continued to work with the Muslim Student Association to provide space for weekly Friday prayer services. In total, between **May 1, 2020 – April 30, 2021**, more than **5,194** students accessed in person opportunities.

For fiscal 2021-22, Hart House is forecasting an overall operating surplus (before commitments and transfers) of $1.6 million, compared to the budget figure of $2.9 million. Revenues are expected to fall below budget by $4.61 million (24.6%) due to the prolonged effect of COVID on key lines of revenue generating business for Hart House, mainly the Hospitality business, as well as Fitness Centre memberships. On the other hand, $3.3 million (20.6%) in savings are anticipated on the expense side to partially offset the losses in operating revenue. The main sources of savings include: salaries and benefits, cost of food and laundry/linen service, and utilities.

It is anticipated that the operating surplus will be transferred to rebuild the Operating Reserve that was depleted in fiscal 2020-21. The net increase in capital assets is forecasted to be $2.41 million, funded primarily from the Deferred & Major Maintenance reserve. Net assets are forecasted to be $22.4 million at the end of fiscal 2021-22 with $13.5 million in investment in capital assets, $5.8 million in the capital renewal reserve and the remaining balance for operating reserves and other restricted purposes.

Hart House's 2022-23 budget has been designed both to continue to support and expand co-curricular offerings for students and to support the University in achieving its highest priorities, reflected through five Strategic Plan Commitments. The 2022-23 budget plan anticipates that the primary revenue generating departments of Hart House, namely Hospitality and the Fitness Centre, will continue their recoveries to pre-pandemic levels of business. The budget plan anticipates the return of both business lines, without significant restrictions, during the twelve-month fiscal period, but with reduced revenues from certain areas due to industry trends. Hart House is proposing a student fee increase for 2022-2023 of 4.90% (see Schedule VI), the maximum allowed under the UTI protocol.



	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Revenues	18,047	18,928	10,744	18,725	14,114	21,139	22,309	23,474	24,439	25,394
Expenses	16,922	17,334	10,047	15,832	12,563	19,121	19,698	20,294	20,909	21,543
Net income	1,125	1,594	697	2,893	1,551	2,018	2,611	3,180	3,530	3,851
% change in revenues		*4.9%*	*-43.2%*	*74.3%*	*31.4%*	*49.8%*	*5.5%*	*5.2%*	*4.1%*	*3.9%*

Hart House is budgeting a net income of $2.0 million in 2022-23. The capital budget was adjusted this year to focus on critical expenditures only. It is set at $2.0 million (not including expenditures related to the Infrastructure Renewal project) with an additional $1.0 million required for annual maintenance. Key projects anticipated include: the modernization of one of Hart House's freight elevators; renovating the South Wing's upper floor washrooms; various accessibility improvements throughout the interior and exterior of Hart House; furniture and equipment upgrades for the Hospitality business; and various other projects carried forward from the 2021/22 capital plan.

Hart House is budgeting net assets to be $24.6 million at April 30, 2023 with $17.3 million in investment in capital assets, $3.9 million in the capital renewal reserve, and the remainder in other reserves.

The long-range plan for Hart House indicates a series of balanced budgets after commitments. There is a critical need to upgrade all of the infrastructure systems at Hart House over the next several years so that Hart House can continue to deliver their educational mission and effectively serve students. There has never been a comprehensive renovation of the building since it was built a century ago, so Hart House is currently relying on 100 plus-year-old equipment for many of critical building systems, including full replacement of the thermal and electrical mechanical systems. This modernization effort is also providing an opportunity to improve accessibility and sustainability. Multiple sources will contribute to this effort through various means, including students, alumni, friends, government and UofT institutional colleagues. Given the scope and size of the Infrastructure Renewal Project, it is the intention of Hart House to 'chunk' the project in five (5) phases. Phase 1 construction is anticipated to begin in early 2023-2024, and to cost approximately $25 million. This has been built into the long range plan.

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEAR ENDING APRIL 30, 2023 **SCHEDULE I**
(with comparative projected surplus for the year ending April 30, 2022)
(thousands of dollars)

	Revenues	Expenditures	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers 2023	Forecast 2022
RESIDENCE SERVICES						
Innis College	4,175	3,793	382	-	382	96
New College	10,603	9,050	1,553	489	2,042	1,097
University College	8,370	7,396	975	(150)	825	206
Woodsworth College	4,552	5,790	(1,238)	-	(1,238)	(513)
			-		-	
Total Residence Services	27,700	26,029	1,672	339	2,011	886
FOOD & BEVERAGE SERVICES						
University College	3,753	3,751	2	-	2	2
Total Food & Beverage Services	3,753	3,751	2	-	2	2
HART HOUSE	21,139	19,121	2,018	175	2,193	1,727
TOTAL	52,592	48,901	3,692	514	4,207	2,615

SCHEDULE II

SUMMARY OF SERVICE ANCILLARY OPERATIONS LONG-RANGE BUDGET RESULTS

(thousands of dollars)

					2022 - 2023					2022 - 2023	2024-2025	2026-2027
Service Ancillaries	Objectives to be met within the 2022-23 Budget:				Projected Unrestricted Surplus/(Deficit)	Projected investment in capital assets	Projected Commitments to Capital Renewal (Schedule III)	Projected operating reserve (Schedule III.1)	Projected new constr. reserve (Schedule III.1)	Net Assets	Net Assets	Net Assets
	1	2	3	4								
Residence Services												
Innis College	yes	yes	yes	no	-	4,121	455	290	-	4,865	6,489	7,835
New College	yes	yes	yes	no	-	1,662	600	345	-	2,607	7,242	13,249
University College	yes	yes	yes	yes	605	2,688	1,044	555	-	4,891	7,029	9,649
Woodsworth College	yes	yes	yes	no	(1,079)	3,187	1,000	1,000	-	4,108	5,307	7,319
Food & Beverage Services												
University College	yes	no	no	no	(1,534)	203	-	-	-	(1,331)	(1,088)	(871)
Hart House	yes	yes	yes	no	-	17,356	3,894	3,346	-	24,595	32,985	42,967
	Summary totals				(2,008)	29,217	6,993	5,534	-	39,736	57,965	80,148

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.

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

	Forecast Balance May 1, 2022	Net increase (decrease) in commitments to capital renewal	Balance April 30, 2023	Balance April 30, 2027
RESIDENCE SERVICES				
Innis College	1,508	(1,054)	455	54
New College	-	600	600	600
University College	-	1,044	1,044	2,162
Woodsworth College	1,000	-	1,000	2,500
Total Residence Services	2,508	591	3,099	5,316
FOOD & BEVERAGE SERVICES				
University College	-	-	-	-
Total Food & Beverage Services	-	-	-	-
HART HOUSE	5,830	(1,937)	3,894	1,431
TOTAL	8,339	(1,346)	6,993	6,747

SCHEDULE III.1

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

	OPERATING RESERVE				NEW CONSTRUCTION RESERVE			
	Forecast Balance May 1, 2022	Increase or (decrease) in operating reserve	Balance operating reserve April 30, 2023	Balance operating reserve April 30, 2027	Forecast Balance May 1, 2022	Increase or (decrease) in new constructior reserve	Balance new construction reserve April 30, 2023	Balance new construction reserve April 30, 2027
RESIDENCE SERVICES								
Innis College	242	48	290	338	-	-	-	-
New College	-	345	345	800	-	-	-	11,089
University College	556	(1)	555	611	-	-	-	-
Woodsworth College	1,965	(965)	1,000	2,440	-	-	-	-
Total Residence Services	2,762	(573)	2,189	4,188	-	-	-	11,089
FOOD & BEVERAGE SERVICES								
University College	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Food & Beverage Services	-	-	-	-	-	-	-	-
HART HOUSE	3,056	290	3,346	3,856	-	-	-	-
TOTAL	5,818	(284)	5,534	8,045	-	-	-	11,089

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

	2021-2022 (Forecast)			2022 - 2023			2023-2024		
	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers
RESIDENCE SERVICES									
Innis College	96	-	96	382	-	382	1,041	(200)	841
New College	622	475	1,097	1,553	489	2,042	1,471	504	1,974
University College	206	-	206	975	(150)	825	1,207	(150)	1,057
Woodsworth College	(513)	-	(513)	(1,238)	-	(1,238)	452	-	452
Total Residence Services	411	475	886	1,672	339	2,011	4,171	154	4,325
FOOD & BEVERAGE SERVICES									
University College	2	-	2	2	-	2	121	-	121
Total Food & Beverage Services	2	-	2	2	-	2	121	-	121
HART HOUSE	1,552	175	1,727	2,018	175	2,193	2,611	1,600	4,211
TOTAL	1,965	650	2,615	3,692	514	4,207	6,903	1,754	8,657

SCHEDULE IV

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

	2024-2025			2025-2026			2026-2027		
	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers
RESIDENCE SERVICES									
Innis College	1,083	(300)	783	1,167	(500)	667	1,179	(500)	679
New College	2,142	519	2,661	2,336	534	2,871	2,585	550	3,136
University College	1,231	(150)	1,081	1,339	(150)	1,189	1,582	(150)	1,432
Woodsworth College	746	-	746	845	-	845	1,167	-	1,167
Total Residence Services	5,202	69	5,271	5,687	-116	5,572	6,513	-100	6,414
FOOD & BEVERAGE SERVICES									
University College	122	-	122	113	-	113	104	-	104
Total Food & Beverage Services	122	-	122	113	-	113	104	-	104
HART HOUSE	3,180	1,000	4,180	3,530	1,000	4,530	3,851	1,600	5,451
TOTAL	8,503	1,069	9,572	9,330	884	10,215	10,468	1,500	11,969

SCHEDULE V

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS
SUMMARY OF 2022-2023 CAPITAL BUDGETS
(with comparative figures for 2021-2022)
(thousands of dollars)

	Budget 2022 - 2023	Budget 2021-2022
RESIDENCE SERVICES		
Innis College	1,513	265
New College	115	325
University College	20	15
Woodsworth College	1,246	-
Total Residence Services	2,894	605
FOOD & BEVERAGE SERVICES		
University College	5	5
Total Food & Beverage Services	5	5
HART HOUSE	4,472	959
TOTAL	7,371	1,569

SCHEDULE OF 2022-2023 SERVICE ANCILLARY RATES

	2022/23 RATE	2021/22 RATE	INCREASE	INCREASE	PRIOR YEAR's INCREASE
	$	$	$	%	%
RESIDENCE SERVICES					
St. George Campus					
Innis College					
Innis College - Winter	11,567	11,016	551	5.0	5.0
Innis College - Summer	3,770	3,590	180	5.0	5.0
New College					
Winter					
Residence Room - Wilson Hall & Wetmore Hall					
Double room (per bed)	9,075	8,675	400	4.6	5.4
Single room	10,925	10,425	500	4.8	5.3
Bed-over-desk double room (per bed)	6,975	6,825	150	2.2	3.5
Residence Room - 45 Willcocks					
Double room (per bed)	9,275	9,025	250	2.8	3.5
Single room	11,100	10,800	300	2.8	4.0
Summer/Single					
Continuing New College Students					
Sessional	3,218	3,125	93	3.0	8.5
45W Sessional	3,318	3,225	93	2.9	7.9
Registered Students					
Sessional	3,192	3,150	42	1.3	10.9
45W Sessional	3,292	3,250	42	1.3	10.1
Others					
Sessional	3,360	3,360	-	0.0	10.8
45W Sessional	3,460	3,360	100	3.0	10.0
Summer/Double					
Continuing New College Students					
Sessional	2,691	2,620	71	2.7	9.6
45W Sessional	2,791	2,720	71	2.6	8.8
Registered Students					
Sessional	2,576	2,550	26	1.0	11.9
45W Sessional	2,676	2,650	26	1.0	10.9
Others					
Sessional	2,772	2,760	12	0.4	11.7
45W Sessional	2,872	2,760	112	4.1	10.7

SCHEDULE OF 2022-2023 SERVICE ANCILLARY RATES

	2022/23 RATE	2021/22 RATE	INCREASE	INCREASE	PRIOR YEAR's INCREASE
	$	$	$	%	%
University College					
SDW	10,404	9,975	429	4.3	4.3
SDW Standard Doubles	9,039	8,748	291	3.3	3.3
WH Standard Singles	10,404	9,975	429	4.3	4.3
WH & SDW Alcove Singles	9,039	8,748	291	3.3	3.3
WH Doubles	9,039	8,748	291	3.3	3.3
MH Singles	11,542	10,961	581	5.3	5.3
Woodsworth College					
Woodsworth College - Winter	11,783	11,203	580	5.2	3.0
HART HOUSE					
St. George Full Time	112.76	107.49	5.27	4.90	7.6
St. George Part Time	22.55	21.50	1.05	4.90	7.6
Scarborough & Mississauga (Full time)	3.46	3.30	0.16	4.90	7.6
Scarborough & Mississauga (Part time)	0.70	0.67	0.03	4.90	7.6
FOOD & BEVERAGE SERVICES					
St. George Campus					
University College					
Plan A	5,695	5,524	171	3.1	3.1
Plan B	5,027	4,876	151	3.1	3.1

BUSINESS ANCILLARIES

Summary

University Development and Campus Services (UDCS) is a business ancillary which brings together St. George campus' Ancillary operations and the tri-campus mandate of the University's Real Estate department and Four Corners strategy, all are part of the division of Operations and Real Estate partnerships. The activities of UDCS include faculty housing, student family housing, single-student residence not affiliated with colleges, academic leasing, commercial leasing, residential and retail dining, campus events, catering and conference services, real estate acquisitions, parking and transportation, and trademark licensing.

The ancillary operations have worked hard through 2021 to provide essential campus services in an environment of continuing uncertainty. Cost mitigation has had to be balanced with public health requirements and the needs of the campus community (for example, the need for indoor seating in colder weather combined with the public health requirements for vaccine passport screens and contact tracing when seating is used for dining), and there have been many instances where measures to keep the community safe have resulted in reductions to normal service levels. Capital projects have continued where possible, but supply chain disruptions and availability of parts and labour have caused lengthy delays – and some significant associated costs.

There have nevertheless been positive developments this year. Innovation driven by necessity last year has led to permanent improvements to service and program delivery. Work is occurring throughout all departments to ensure that recovery is done thoughtfully, and that any opportunities presented by the disruption of the last 2 years are not lost. And finally, UDCS hosted a ground-breaking ceremony this year for the St. George campus' newest residence development at Sussex and Spadina - the first new residence to be built on campus in almost two decades.

The following sections provide a discussion of the operating plans and proposed fees charged to students for the operations that became business ancillaries effective May 1, 2021, including University Family Housing, Graduate House Residence, Chestnut Residence and Conference Centre, St. George Food and Beverage Services, and Transportation Services.

Residence Services

University Family Housing

University Family Housing (UFH) provides apartment-style rental housing for faculty and student families, as well as support and community services to residents. It houses more than 2,000 individuals in 850 units across 2 campus neighbourhoods, provides amenities such as community gardens, on-site childcare and gathering spaces, and offers more than 140 community development programs to its residents every year.

Following a multi-year consultation with residents, UFH completed a housing strategy in 2021 to help inform its work over the next 7 years. The key principles that form the strategy are:

- To recognize family housing as a resource that supports the University's purpose, mission and objectives while facilitating its growth through the recruitment and retention of faculty, students, researchers and staff;
- To ensure that family housing meets the physical and economic needs of a broad range of university resident groups through safe, comfortable and attainable housing; and
- To support university community life by offering programming and amenities that support all family members throughout their initial transition to the community and the duration of their stay.

UFH has experienced smaller drops in occupancy through the pandemic than other housing operations, and there were signs of recovery this year with overall occupancy very close to budgeted levels. The rent freeze legislation passed last year had a significant financial impact, as do continuing increased costs related to public health needs and managing pandemic-related staff turnover and absenteeism.

Student rates for 2022-23 are set to balance affordability with the need to fund ongoing preventative maintenance and deferred maintenance projects. The department will be spending $4 million over the next two years on large scale capital improvements, including roof replacements and elevator upgrades in both Charles Street buildings.

Last year, the Charles Street buildings implemented an apartment refurbishment plan, which was accompanied by differential rates for newly refurbished apartments. There are now 3 tiers of rental rates which are aligned with apartment status (existing tenant, refreshed, and renovated). This program will continue as apartments turnover and will help fund further improvements. There are currently 158 tenants in refreshed or renovated apartments.

Graduate House Residence

Housed in one of Toronto's award-winning architectural landmarks, Graduate House is the only residence at U of T reserved exclusively for masters- and doctoral-level students, along with the second-entry professional faculties. It offers co-ed, suite-style accommodation for 435 students with in-unit ensuite bathroom and kitchen. This provides for an authentic apartment experience and flexibility for residents. Dedicated student life staff promote community through regular activities, workshops, and events. This intellectually-engaging and academically-focused environment caters specifically to the needs of second-entry students, offering the freedom to get involved in activities while respecting the need for a quiet space to study and grow academically.

Graduate House is now in year 3 of a 5-year strategic plan which focuses on capital renewal, operational excellence, and enhanced service delivery. These plans were developed with community consultation. For 2022-23, Graduate House proposes a 4.5% occupancy fee increase to help support these costs and recover reserves to pre-pandemic levels.

Last year, the pandemic significantly impacted Graduate House's revenues, with occupancy rates falling by over 30% and the cost of pandemic related safety measures resulted in higher operating costs. Graduate House continues to be impacted by the pandemic but has shifted to the recovery phrase. One of the key fiscal priorities will be to restore reserves to pre-pandemic levels, positioning the department to weather any further unexpected events as well as undertake large and necessary capital renewal projects.

Significant ongoing capital investment is required as Graduate House is now over 20 years old. The capital plan for 2022-23 includes phase 3 of a 4-phase roof replacement project, ongoing suite renewal, and the launch of a much-anticipated kitchen refurbishment project, with construction of the first set of kitchens scheduled this fiscal year. This will include installing new appliances within residents' suites. These projects are aimed at both renewal and the enhancement of the resident experience.

A new graduate residence, New Harbord Residence, is expected to open in 2024 and connect physically to Graduate House. The capital investments at Graduate House are aimed to reduce the gap between the condition of the existing 20+ year old facility and the New Harbord Residence. Once opened, Graduate House and New Harbord Residence will be operated as a single residence community.

Chestnut Residence and Conference Centre

Chestnut Residence at the University of Toronto is home to nearly 1,150 students from all University of Toronto faculties and colleges. This diverse community of students, 75% of which are first year students and includes the highest number of Engineering students and a large international student population. Chestnut Residence offers spacious rooms, high quality meals, a vibrant residence life program and, located in the heart of downtown Toronto, it's easy to see why it's a favourite of the U of T residences. Chestnut Residence offers many unique features like a study/lounge space with panoramic views of the city and a dining hall that is consistently ranked one of the best places to eat on campus. During the summer months, accommodations are provided for students and tourists that leverages Chestnut Residences' location.

Chestnut Residence's operation has been significantly impacted by the pandemic and still faces continuing challenges in 2022-23, particularly with respect to summer business, which is critical to balancing the budget and helping fund capital improvements. The financial situation has been recovering in the current year, but it has not yet resumed to pre-pandemic levels. Despite the sharp revenue shortfalls, some critical projects continued including replacement of end-of-life in-room heating and air conditioning units, vinyl, drapery, hallway carpets, and several urgent infrastructure maintenance projects, to improve the building and residents' living conditions. Over the next 5 years the department plans to invest in significant capital improvements including further HVAC system upgrades and in-room bathroom renovations.

Chestnut Residence remains the most expensive residence on the St. George campus because of its operating costs (high square footage per student, debt service costs and amenities provided), but offers good value compared with private student residences and the Toronto rental market. Demand continues to be high, even in a year with so much uncertainty.

There was an upward trend relative to the summer of 2020 and 2021 in the Toronto market and Chestnut should be able to benefit from increased occupancies in 2022, particularly with new government programs supporting local tourism. Though there won't be an immediate recovery to pre-pandemic level, the current posted rate will be kept the same, as it remains competitive in the market. This rate is subject to revenue management work where possible, through continuous monitoring of the summer rates in Toronto and adjusting pricing in response to higher demand periods in the city.

A 5.0% increase in residence fees is proposed for the 2023 academic year, as well as a 5.0% increase in student rates for Summer 2022. A 2% increase for parking permit rates is proposed, from $191 to $195 after comparing the prices offered by other U of T parking facilities. This is price is also comparatively low relative to parking rates around the area.

Food and Beverage Services

Food & Beverage and Campus Events

Food & Beverage and Campus Events operates three residential dining halls, 30+ non-residential food service outlets, and assists the campus community and external customers with expert coordination of more than 25,000 events each year. This department has been the hardest hit of all the UDCS departments by the reduction of in-person activity on campus. Some activity resumed in the fall of 2021, with larger residence populations and more in-person classes, but overall revenues for the year remain at less than 40% of pre-pandemic levels.

Food Services undertook a review of residential dining operations this year, focusing especially on the department's relationship with students. This work resulted in the development of guiding principles in collaboration with an advisory committee of staff, students and faculty, and which are anticipated to inspire the work of the department across all of its activities, not just residential dining. These principles are: hospitality, community, accessibility, sustainability and wellness, and partnership. The final report and associated recommendations will be presented to community members in January 2022.

Rates for mandatory residential meal plans are set in consultation with the individual residences. Existing meal plans for Chestnut, New College and Knox College are increasing by an average of 2.4% and Campus One by 3% as per Campus One contractual terms.

Overall, Food Services strives to align meal plan pricing across the campus while maintaining a wide range of food and beverage options to meet individual student needs. This approach provides the opportunity for residents at New College, Chestnut and Knox College to use their meal plan dining dollars at two dining hall locations and across multiple retail outlets on the St. George Campus.

For Chestnut, New College and Knox residents, options are provided across four plans with a 2.5- 3% increase on the two lower priced plans to encourage students to select the more popular middle-tiers that provide the most flexibility when budgeting throughout the year. The two most expensive tiers will increase by 2%.

Despite a challenging supply chain, Food Services maintains "scratch cooking" techniques to best make use of market availability and fresh ingredients and avoid the use of prepared foods that continue to experience fluctuations in pricing and availability, most especially during the pandemic. Food costs are rising significantly across all product categories as farmers, producers and distributors pass along costs incurred during the pandemic to their customers. It is only through careful menu planning and monitoring of weekly price fluctuations by the culinary team that the impact of these adjustments is minimized.

Prices are reflective of a comprehensive annual menu development process which takes into consideration the cost of ingredients, portion sizes, competitive analysis and sales volumes. Pricing adjustments and introduction of new menu items typically occurs once a year.

Transportation Services

St. George Transportation Services works to offer effective and convenient transportation solutions to ensure a safe and accessible campus for our community. They work to provide access and information through many modes of transportation, including cars, bicycles, electric vehicle parking, car sharing and public transportation. To accomplish this Transportation Services balances parking supply and demand, allocating parking permits to customers in a manner so that they can most conveniently carry out their business on the St. George campus, ensuring that parking rates are competitive, available, functional, safe and convenient to use, providing incidental services which generate no revenues, but which enhance the public image and objectives of the University (giving directions, traffic control, special events parking, control of tour buses, providing information for on campus events, etc.), and facilitate the university community's use of modes of transportation other than single-occupancy motor vehicles.

Transportation Services operates 37 surface lots and 11 underground garages, providing 2,043 parking spaces for faculty, staff, students, and visitors. In addition, they also have electric vehicle charging stations in a couple of parking garages and help with traffic control.

Transportation Services' revenues continue to be affected by the pandemic. Although the University started in person learning in September 2021, student permit sales have not reached pre-pandemic levels. This fiscal year, there has been a threefold increase in students purchasing permits in October 2021, compared to October 2020, however, student permit purchases are down 40% overall compared to pre-pandemic numbers.

Many University employees are continuing to work remotely on a full or part-time basis, which is having an effect on faculty and staff permit sale numbers. In September 2021, more faculty and staff returned to work and this is reflected in permit sales with a 33% increase in faculty and staff permit purchases for the month of October 2021 as compared to October 2020. However, as with student permit sales, current staff and faculty permit sales are 27% lower than pre-pandemic levels, and lower than expectations.

Transportation Services launched a flex pass program in September 2021, which provides a cost-effective parking option for community members who drive to campus regularly, but not often enough to warrant the purchase of a permit. So far, demand for this new offering has been low, but may strengthen over time as the campus population returns, and it represents another tool for managing parking demand in the future.

Costs continue to be mitigated where possible, but fixed costs represent a very high proportion of this department's structure, and enforcement, critical maintenance and snow removal must all occur whether or not there are cars in the lots. Shortfalls cannot be made up through large rate increases, as these will only serve to send parking customers to neighbouring lots. Transportation staff undertake a competitive survey every year to ensure that rates in university lots are compatible with other local lots. Cash parking rates are adjusted from time to time in response to competition, or to manage demand (to prioritize limited parking inventory for university community permit holders).

A permit rate increase ranging from 0% to 8% has been proposed for all parking permit areas. Parking permit areas/types with a higher demand and designated reserved spaces such as 2 Bedford Rd., Front Campus (which will include the Landmark Garage) and commercial permits will see a higher rate increase while lots with lower demand such as OISE, 155 College St., 256 McCaul St. and BCIT will see no permit rate increases.

SCHEDULE OF 2022-2023 ANCILLARY RATES

	2022/23 RATE $	2021/22 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
St. George Campus					
Graduate House					
Grad. House Res/month - Single - premium	1,404	1,344	60	4.5	3.0
Grad. House Res/month - Single - regular	1,257	1,203	54	4.5	3.0
Grad. House Res/month - Singles in suite 970	1,115	1,067	48	4.5	3.0
Grad. House Res/month - Singles in suite 670	1,212	1,160	52	4.5	3.0
Grad. House Res/month - Regular Double	961	920	41	4.5	3.0
University Family Housing					
Charles Street Community					
Unrenovated Units					
Bachelor	849	824	25	3.0	-
1 bedroom -Average rate	1,095	1,063	32	3.0	-
1 bedroom -Weighted Average rate	1,067	1,036	31	3.0	-
2 bedroom (standard)	1,392	1,351	41	3.0	-
Refreshed Units (Current Tenants -Aug 31st 2022)					
Bachelor	952	924	28	3.0	-
1 bedroom -Average rate	1,198	1,163	35	3.0	-
1 bedroom -Weighted Average rate	1,170	1,136	34	3.0	-
2 bedroom (standard)	1,495	1,451	44	3.0	-
Upgraded/ Renovated Units (Current Tenants -Aug 31st 2022)					
Bachelor	1,168	1,134	34	3.0	-
1 bedroom -Average rate	1,414	1,373	41	3.0	-
1 bedroom -Weighted Average rate	1,386	1,346	40	3.0	-
2 bedroom (standard)	1,711	1,661	50	3.0	-
Refreshed Units (New Tenants -Sept 1st, 2022)					
Bachelor	970	924	46	5.0	-
1 bedroom -Average rate	1,221	1,163	58	5.0	-
1 bedroom -Weighted Average rate	1,193	1,136	57	5.0	-
2 bedroom (standard)	1,524	1,451	73	5.0	-
Upgraded/ Renovated Units(New Tenants -Sept 1st, 2022)					
Bachelor	1,191	1,134	57	5.0	-
1 bedroom -Average rate	1,442	1,373	69	5.0	-
1 bedroom -Weighted Average rate	1,413	1,346	67	5.0	-
2 bedroom (standard)	1,744	1,661	83	5.0	-

SCHEDULE OF 2022-2023 ANCILLARY RATES

	2022/23 RATE $	2021/22 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
Huron Sussex Neighbourhood					
Student Housing - Unit Rates(Current Tenants Aug 31st 2022)					
1 Bedroom Units (Average)(LY approved rate: $1,674)	1,799	1,747	52	3.0	-
Laneway Houses (Average)	2,138	2,075	63	3.0	-
Student Housing - Unit Rates(New Tenants-Sept 1st 2022)					
1 Bedroom Units (Average)(LY approved rate: $1,674)	1,834	1,747	87	5.0	-
Laneway Houses (Average)	2,179	2,075	104	5.0	-
Chestnut Residence					
Single (LY approved rate: $15,289)	15,748	14,998	750	5.0	5.0
Super single	17,323	-	-	-	-
Double	12,722	12,116	606	5.0	5.0
Summer Rates per month					
Single	1,667	1,588	79	5.0	5.0
Double	1,285	1,224	61	5.0	5.0
Summer Rates full summer					
Single	5,193	4,946	247	5.0	5.0
Double	3,190	3,038	152	5.0	5.0
Summer Rates full summer with discount					
Single	4,414	4,204	210	5.0	5.0
Double	2,713	2,584	129	5.0	5.0

TRANSPORTATION SERVICES

	2022/23 RATE $	2021/22 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
St. George Campus					
Permit					
Faculty of Education (371 Bloor St. W.)	155	150	5	3	3.4
School of Continuing Ed. (158 St. George St.)	340	325	15	5	1.6
42 Harbord Street	155	150	5	3	3.4
Graduate Garage (Lot N)	175	165	10	6	3.1
OISE Garage (Lot I)	165	165	-	-	3.1
Bedford Rd. (Lot M)	225	210	15	7	2.4
St. George Garage (Lot P)	195	190	5	3	2.7
78 Queens' Park Crescent - Faculty of Law - Reserved	250	250	-	-	2.0
BCIT (Lot C)	210	210	-	-	2.4
McLennan Physics (reserved)	275	260	15	6	2.0
McLennan Physics (Lot B)	210	210	-	-	2.4
E/S Hart House Circle (Lot U)	210	200	10	5	2.6
Triangle - unavailable due to Landmark	n/a	270			1.9
Front Campus (KCC & HHC) (Lot R)	275	255	20	8	2.0
Landmark Garage	275	n/a	-	-	0.0
Landmark Garage - 24 HR Reserved	340	n/a	-	-	0.0
Lot A Garage (55 St. George St.)	325	320	5	2	0.0
Galbraith Rd.	280	270	10	4	1.9
200 College St.(Rear)/I.S.C.	280	270	10	4	1.9
Tower Road - Unreserved - unavailabel due to Landmark	n/a	150			3.4
Tower Road - Reserved - unavailabel due to Landmark	n/a	270			1.9
256 McCaul Street - Reserved	270	270	-	-	1.9
155 College Street - Garage	298	298	-	-	2.8

SCHEDULE OF 2022-2023 ANCILLARY RATES

	2022/23 RATE	2021/22 RATE	INCREASE	INCREASE	PRIOR YEAR'S INCREASE
	$	$	$	%	%
155 College Street - Surface	270	270	-	-	1.9
100 College St. (Banting)	155	150	5	3	3.4
88 College St. (Women's college)	n/a	n/a			0.0
Dentistry - Garage	260	250	10	4	2.0
Dentistry - Surface	235	230	5	2	2.2
6 King's College Road (Lot O)	280	270	10	4	1.9
167 College St.	n/a	n/a	-	-	-
730 Yonge St. Garage	n/a	n/a	-	-	-
Permit Misc					
Commercial monthly	305	290	15	5	1.8
Commercial weekly	98	92	6	7	2.2
After 4pm parking	82	82	-	-	2.5
Summer Conference monthly	250	250	-	-	2.0
Summer Conference weekly	92	92	-	-	2.2
UTM/UTSC designated lot	65	65	-	-	8.3
UTM/UTSC hunting permit	95	95	-	-	5.6
24-Hour Reserve	340	325	15	5	-
24-Hour Reserve (Lot A Garage)	360	350	10	3	2.9
24-Hour Reserve (256 McCaul)	340	325	15	5	1.6
Z-Permit (unrestricted)	280	270	10	4	1.9
Motorcycle	40	40	-	-	5.3

SCHEDULE OF 2022-2023 ANCILLARY RATES

	2022/23 RATE $	2021/22 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
FOOD & BEVERAGE SERVICES					
St. George Campus					
New College, Chestnut, Knox College					
Plan A (F2022 & 23 includes $100 Tbucks/Flex) (F2021 - Lite no Tbucks/Flex)	5665	5,500	165	3.0	6.8
Plan B (F2022 & 23 includes $100 Tbucks/Flex)	5870	5,725	145	2.5	-
Plan C (F2022 & 23 includes $100 Tbucks/Flex) (F2021 - Standard no Tbucks/Flex)	6195	6,075	120	2.0	4.8
Plan D (F2022 & 23 includes $100 Tbucks/Flex)	6680	6,550	130	2.0	-
245 College Meal Plans (declining balance program)					
Light Plan (includes $50 flex)	5860	5,690	170	3.0	3.5
Average Plan (includes $50 flex)	6115	5,935	180	3.0	2.9
Hearty Plan (includes $50 flex)	6335	6,150	185	3.0	2.9

Budget Preparation Review and Consultation Process

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

The St. George service ancillaries' annual budgets for 2022-23 and long-range plans for 2023-24 to 2026-27 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 next page).

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

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

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

Student/Local Committees and Councils

SERVICE ANCILLARIES

Residences

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

Innis College:
Innis Residence Committee
Innis College Council

University College:
Finance Committee of University College Residence Council
University College Residence Council

Woodsworth College:
Woodsworth Residence Operations Committee
Woodsworth Residence Council

Food Services

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

Hart House

Finance Committee
Board of Stewards
Council on Student Services

BUSINESS ANCILLARIES

Residences

Graduate House:
Graduate House Governing Body (GHGB)
Residence Affairs Committee

Chestnut Residence:
Residence Council
Residence Affairs Committee

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

Food Services

St. George Food Services:
Chestnut Residence Food Advisory Committee
New College Food Advisory Committee

Members of the St. George Service Ancillary Review Group

Chief Financial Officer (Chair)	Trevor Rodgers
Vice-Provost, Students	Sandy Welsh
Vice-President Operations and Real Estate Partnerships	Scott Mabury
Interim Assistant Vice-President, Planning & Budget	Jeff Lennon

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

Full-time Undergraduate Student	Evan Kanter
Graduate Student	Mozynah Nofal
Administrative Staff	Neil Chakraborty

Financial Services:

Manager, Ancillary and Benefits Accounting	Michael Ferguson
Financial Accounting Analyst	Savitha Sampathkumar