



**FOR INFORMATION**

**PUBLIC**

**OPEN SESSION**

**TO:** Business Board

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**PRESENTER:** Same as above.  
**CONTACT INFO:**

**DATE:** February 23, 2022 for March 15, 2022

**AGENDA ITEM:** 8

**ITEM IDENTIFICATION:**

Service Ancillaries Operating Plans, 2022-2023

**JURISDICTIONAL INFORMATION:**

Pursuant to Section 5.4(b) of the Business Board *Terms of Reference*, the Board is responsible for general financial policy on ancillary operations and monitoring of business ancillaries.

The operating plans are approved by other bodies within governance as delineated below.

**GOVERNANCE PATH:**

**St. George Service Ancillaries**

1. University Affairs Board [for approval] (March 3, 2022)
2. **Business Board [for information] (March 15, 2022)**

**UTM Service Ancillaries**

1. UTM Campus Affairs Committee [for recommendation] (January 13, 2022)
2. UTM Campus Council [for approval] (January 25, 2022)
3. University Affairs Board [for information] (March 3, 2022)
4. **Business Board [for information] (March 15, 2022)**
5. Executive Committee [for confirmation] (March 22, 2022)

**UTSC Service Ancillaries**

1. UTSC Campus Affairs Committee [for recommendation] (February 10, 2022)
2. UTSC Campus Council [for approval] (March 9, 2022)

3. University Affairs Board [for information] (March 3, 2022)
- 4. Business Board [for information] (March 15, 2022)**
5. Executive Committee [for confirmation] (March 22, 2022)

#### **PREVIOUS ACTION TAKEN:**

The UTSC and UTM Service Ancillaries were considered by their respective Campus Affairs Committee (CAC) and recommended to their respective Campus Council for approval. Under their respective Campus Council Terms of Reference, the operating plans for the campus and student services ancillaries are approved by the Campus Council and confirmed by the Executive Committee of the Governing Council.

The University Affairs Board, pursuant to its Terms of Reference, approved the Service Ancillaries Operating Plans for the St. George campus.

#### **HIGHLIGHTS:**

This report provides the Business Board with summary information on the budgets for the service ancillaries on the St. George, Mississauga (UTM) and Scarborough (UTSC) campuses<sup>1</sup> to give context when reviewing the University's audited financial statements. Service ancillaries include residences (UTM, UTSC, University College, New College, Woodsworth College, and Innis College), conference services (UTSC), food and beverage/hospitality services (UTM, UTSC, and University College), parking/transportation services (UTM and UTSC), and Hart House.

Beginning in fiscal year 2021-22, the University Development and Campus Services (UDCS) division 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 under separate cover.

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. 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

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<sup>1</sup> *The budgets and rates for each St. George service ancillary operation, and the rates only for each St. George business ancillary operation, are approved by the University Affairs Board. Budgets for UTM and UTSC service ancillaries are recommended by the Campus Council and confirmed by the Executive Committee.*

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 totalling 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 service ancillaries are expected to cover the full cost of their operations by 1) operating without subsidy from the operating budget; 2) providing for all costs of capital renewal, including deferred maintenance, furniture and equipment; 3) creating and maintaining an operating reserve at a minimum level of ten per cent of annual expenditure budgets (net of cost of goods sold, capital renewal costs and deans and dons' expenses); and 4) contributing net revenues to other activities if the operation has been successful with the three previous objectives.

For the 2022-23 budget, the service ancillaries are anticipating a net income of \$6.7 million on \$93.4 million of revenues and \$86.7 million of expenses. The \$6.7 million budgeted net income for 2022-23 represents \$2.6 million improvement from the \$4.1 million income forecasted for 2021-22. The 2022-23 budget anticipates a net income/(loss) before transfers of \$2.1 million from residence and conference services, (\$0.1 million) from food and beverage/hospitality services, \$2.7 million from parking/transportation services, and \$2.0 million from Hart House. The long-range plan projects revenues to increase by \$28.4 million (30.4%) from 2022-23 to 2026-27. Of this increase, \$18.9 million is from residence and conference services, \$3.1 million from food and beverage/hospitality services, \$2.1 million from parking/transportation services and \$4.3 million from Hart House. It should be noted that the proposed rate increases are necessary to maintain the desired levels of service and provide for annual maintenance and building improvements, and losses as a result of the pandemic are being addressed separately as described above. The 2022-23 budget projects total net assets of \$90.2 million. Net assets are expected to grow to \$273.9 million by 2026-27, an increase of \$183.7 million from 2022-23.

#### **FINANCIAL IMPLICATIONS:**

Refer to highlights.

#### **RECOMMENDATION:**

For information.

**DOCUMENTATION PROVIDED:**

*- University of Toronto Service Ancillaries Report on Operating Plans, 2022-23*



UNIVERSITY OF  
**TORONTO**

**Service Ancillaries Report on Operating Plans  
2022-23**

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# Introduction

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This report provides the Business Board with summary information on the budgets for the service ancillaries on the St. George, Mississauga (UTM) and Scarborough (UTSC) campuses<sup>1</sup> to give context when reviewing the University's audited financial statements. Service ancillaries include residences (UTM, UTSC, University College, New College, Woodsworth College, and Innis College), conference services (UTSC), food and beverage/hospitality services (UTM, UTSC, and University College), parking/transportation services (UTM and UTSC), and Hart House.

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 under separate cover. The new business ancillaries are therefore not included in this report.

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. 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

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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 totalling 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 service ancillaries are expected to cover the full cost of their operations by 1) operating without subsidy from the operating budget; 2) providing for all costs of capital renewal, including deferred maintenance, furniture and equipment; 3) creating and maintaining an operating reserve at a minimum level of ten per cent of annual expenditure budgets (net of cost of goods sold, capital renewal costs and deans and dons' expenses); and 4) contributing net revenues to other activities if the operation has been successful with the three previous objectives.

# Financial Summary

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This report includes the proposed long-range plans for the five-year cycle 2022-23 to 2026-27 and summary financial schedules. Projections for future years (fiscal years 2023-24 to 2026-27) provide the framework in which the budgets will be prepared as foreseen at the time of preparation of this report. They are provided to facilitate planning, and will be updated as appropriate each year to reflect changes in demand and the most recent information available for the ancillaries' revenues and expenses, including the anticipated timing of the end of the pandemic and the return to normal operations.

## *Budget Highlights*

In addition to the continuing impact of the global pandemic on all service ancillary operations that was discussed in the introduction, the following are additional budget highlights:

UTSC's new 750 bed residence is now under construction and is expected to be ready for occupancy by the summer of 2023. This residence will provide dormitory style accommodation, a dining hall with a mandatory meal plan and residence life services. The residence will be occupied and operated by the University for students of the UTSC. Through a ground lease with the University, the residence will be owned by a limited partnership comprised of an equity investor as the limited partner and the University as the general partner. The University will provide all of the services that apply to University-owned residences, including residence life, property management, information technology, and food services. The financial impact on the Residence operating budgets, starting in the 2023-24 year, is limited to residence life services, which will be delivered by this ancillary and funded by the limited partnership.

UTSC is planning to build a parking structure, known as the "Retail & Parking Commons", to replace surface parking spaces which are being displaced by the new student residence (now under construction) and by the new IC2 academic building and the Indigenous House (construction of both is scheduled to begin in 2022) and by other buildings being planned on the north campus, all as per the campus master plan. The parking structure will also provide additional

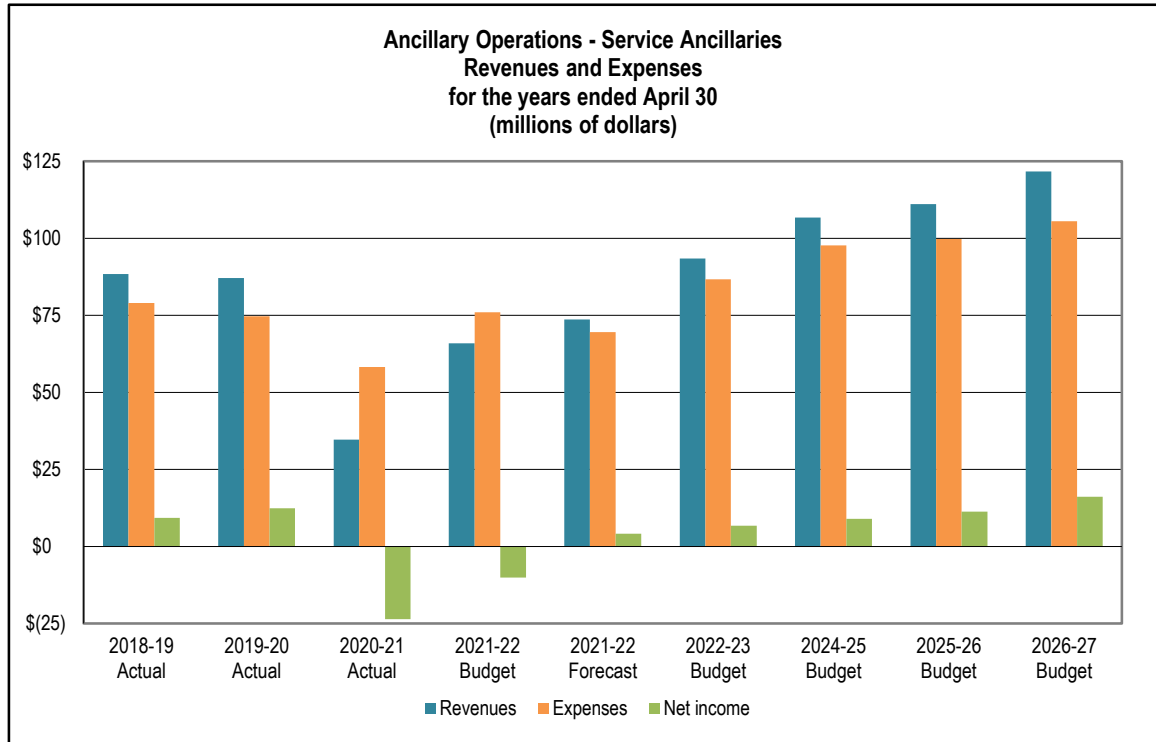
parking spaces needed for the new buildings, in compliance with City of Toronto parking by-law, and will provide access to a central shipping/receiving loading dock and tunnel to several new academic buildings including IC2, Performing Arts Centre and the Scarborough Academy of Medicine and Integrated Health (SAMIH). An application for site plan approval has been submitted to the City of Toronto. This project is scheduled to be submitted for Governance approval during the winter term. Capital funding is to be provided by a contribution from the ancillary's reserves, central debt, and a contribution from the UTSC Operating Budget as compensation for parking spaces being displaced by other capital projects on the north campus, a portion of which will be repayable. The financial implications are modelled in the budget starting in the 2024-25 fiscal year, when the Retail & Parking Commons is projected to open.

UTM Residence is proposing to construct a new residence building, planned to open in the summer of 2026, subject to the appropriate approvals. Reserves will be internally restricted to accumulate a down payment for the construction of this residence.

Hart House has received approval from the University's Capital Project and Space Allocation Committee (CaPS) to proceed with plans for its comprehensive Infrastructure Renewal Project. The Infrastructure Renewal project has three main areas of focus: design & construction, financing, and stakeholder relations. For design and construction, Hart House is currently reviewing the consultant's final package as Schematic Design is concluded. The Design Development phase is set to begin imminently, to be followed immediately thereafter by the preparation of construction documents. Hart House anticipates construction of Phase 1 to begin in the spring of 2023. For Financing, Hart House continues to work to ensure the historic investment by the Provost for the project can be fully leveraged. Lastly, for stakeholder relations, Hart House has struck a committee with 'neighbouring' partners, including Wycliffe College, who will be significantly affected by Phase 1 construction. This committee aims to keep lines of communication open and find mutually agreeable solutions to anticipated challenges.

For the 2022-23 budget, the service ancillaries are anticipating net income of \$6.7 million on \$93.4 million of revenues and \$86.7 million of expenses. The \$6.7 million budgeted net income for 2022-23 represents a \$2.6 million improvement from the \$4.1 million income forecasted for 2021-22, based on an increase of 26.7% in revenues and an increase of 24.6% in expenses. This \$2.6 million

positive variance in net income can be attributable to residence and conference services (\$0.3 million), parking and transportation services (\$0.4 million), food and beverage/hospitality services (\$1.4 million), and Hart House (\$0.5 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
Residences and Conferences	53.4	52.6	20.4	37.4	47.2	55.7	60.6	63.2	65.7	74.6
Food and beverage / hospitality	8.7	8.6	2.2	5.3	5.2	8.2	9.6	10.5	10.8	11.3
Parking / transportation	8.3	7.1	1.4	4.6	7.2	8.4	8.8	9.6	10.1	10.5
Hart House	18.0	18.9	10.7	18.7	14.1	21.1	22.3	23.5	24.4	25.4
<b>Total Revenue</b>	<b>88.4</b>	<b>87.2</b>	<b>34.7</b>	<b>66.0</b>	<b>73.7</b>	<b>93.4</b>	<b>101.3</b>	<b>106.8</b>	<b>111.0</b>	<b>121.8</b>
<b>Total Expense</b>	<b>79.0</b>	<b>74.7</b>	<b>58.2</b>	<b>76.0</b>	<b>69.6</b>	<b>86.7</b>	<b>90.0</b>	<b>97.8</b>	<b>99.7</b>	<b>105.7</b>
<b>Total Net Income</b>	<b>9.4</b>	<b>12.5</b>	<b>(23.5)</b>	<b>(10.0)</b>	<b>4.1</b>	<b>6.7</b>	<b>11.3</b>	<b>9.0</b>	<b>11.3</b>	<b>16.1</b>

The long-range plan projects revenues to increase by \$28.4 million (30.4%) from 2022-23 to 2026-27. Of this increase, \$18.9 million is from residence and conference services, \$3.1 million from food and beverage/hospitality services, \$2.1 million from parking/transportation services and \$4.3 million from Hart House.

In addition to increased activity as a result of the anticipated end of the pandemic, residence rate increases are a driver of the overall increase in revenues. All residences are anticipating revenue growth with rental rate increases generally ranging from 2.2% to 5.3% for the fall/winter sessions. Revenues from summer business are challenging and variable, with a significant potential impact on net income.

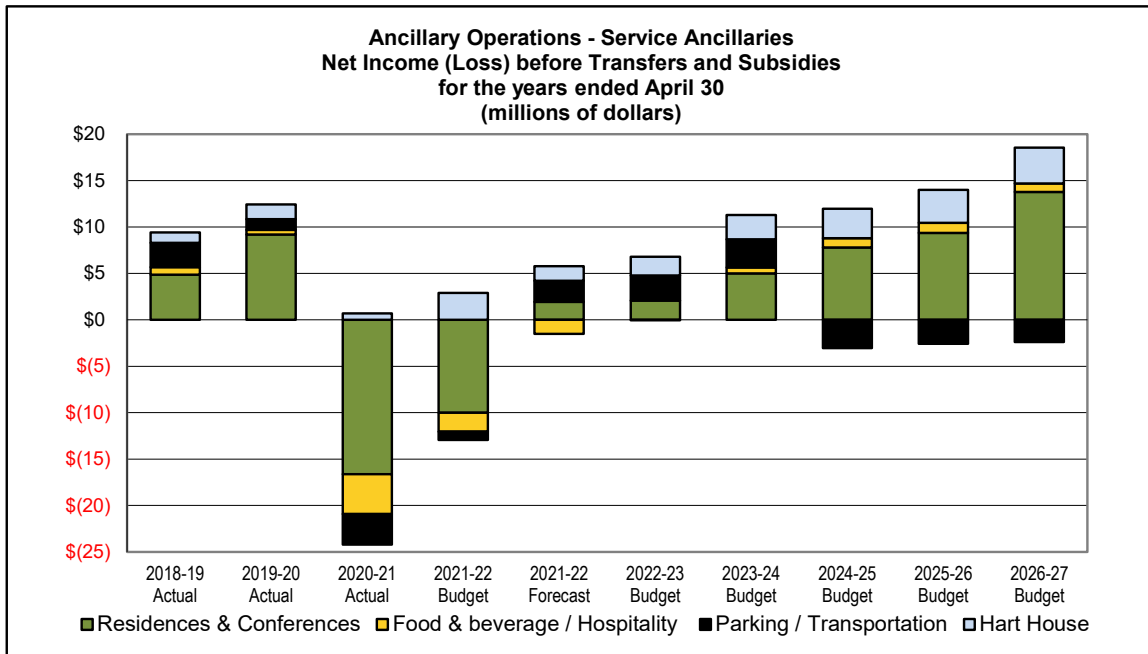
Parking/transportation services are projecting a revenue increase of 16.7% from 2021-22 to 2022-23, as it is assumed that on-campus activities will return to normal on both the UTM and UTSC campuses. Past demand trends (i.e. parking lot utilization and permit waiting lists) strongly suggest that demand for parking remains high, and this is reflected in the long-term plans. Parking/transportation services on the UTM and UTSC campuses will continue to monitor supply and demand and to build their reserves in preparation for planned/anticipated new parking structures.

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. 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.

## ***Net Income***

The 2022-23 budget anticipates net income before transfers of \$2.1 million from residence and conference services, \$2.7 million from parking/transportation services \$2.0 million from Hart House, and a net loss of \$0.1 million from food & beverage/hospitality services. The ancillary

operations generally use their accumulated reserves when there is a net loss for the year, or allocate their annual net income to capital renewal / operating / maintenance / new construction reserves, or to repay internal loans to their respective divisions' operating fund. Hart House is allocating all their annual net income to capital renewal, operating and maintenance reserves.



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 & Conferences	4.9	9.2	(16.6)	(10.0)	1.8	2.1	5.0	7.9	9.3	13.8
Food & beverage / Hospitality	0.8	0.5	(4.3)	(2.0)	(1.5)	(0.1)	0.7	1.0	1.1	0.9
Parking / Transportation	2.6	1.2	(3.3)	(0.9)	2.3	2.7	3.0	(3.1)	(2.6)	(2.4)
Hart House	1.1	1.6	0.7	2.9	1.5	2.0	2.6	3.2	3.5	3.8
<b>Total Net Income</b>	<b>9.4</b>	<b>12.5</b>	<b>(23.5)</b>	<b>(10.0)</b>	<b>4.1</b>	<b>6.7</b>	<b>11.3</b>	<b>9.0</b>	<b>11.3</b>	<b>16.1</b>

The outlook for net income over the next five years overall is positive as the pandemic is anticipated to come to an end, and with the plans including rate increases each year while principal and interest payments on outstanding loans remain constant. The exception is UTSC Parking, whose net income will be impacted by the planned construction of a new parking structure, which is estimated to cost \$132 million. The parking structure is projected to open at the beginning of the 2024-25 fiscal year; the budget model for 2024-25 and thereafter includes the revenues, operating expenses, debt service costs and depreciation expense associated with the parking structure.

The rate increases were part of the original expansion plans for the residences, and continue to be required. Rate increases are also necessary to maintain the desired level of services, and to provide for annual maintenance and building improvements. It should be noted that these are regular rate increases, and the losses as a result of the pandemic are being addressed separately as described in the introduction to this report. Many older buildings have begun to show their age. To address this, the major maintenance budgets and capital renewal budgets were substantially increased in the past years and will continue to be a large percentage of their total expenditures. The long-range plan is showing an increase in net income of \$9.4 million, from a net income of \$6.7 million in 2022-23 to a net income of \$16.1 million in 2026-27. This can be attributed to an increase of \$11.7 million from residence and conference services, \$1.0 million from food and beverage/hospitality services, \$1.8 million from Hart House, offset by a decrease of \$5.1 million from parking/transportation services.

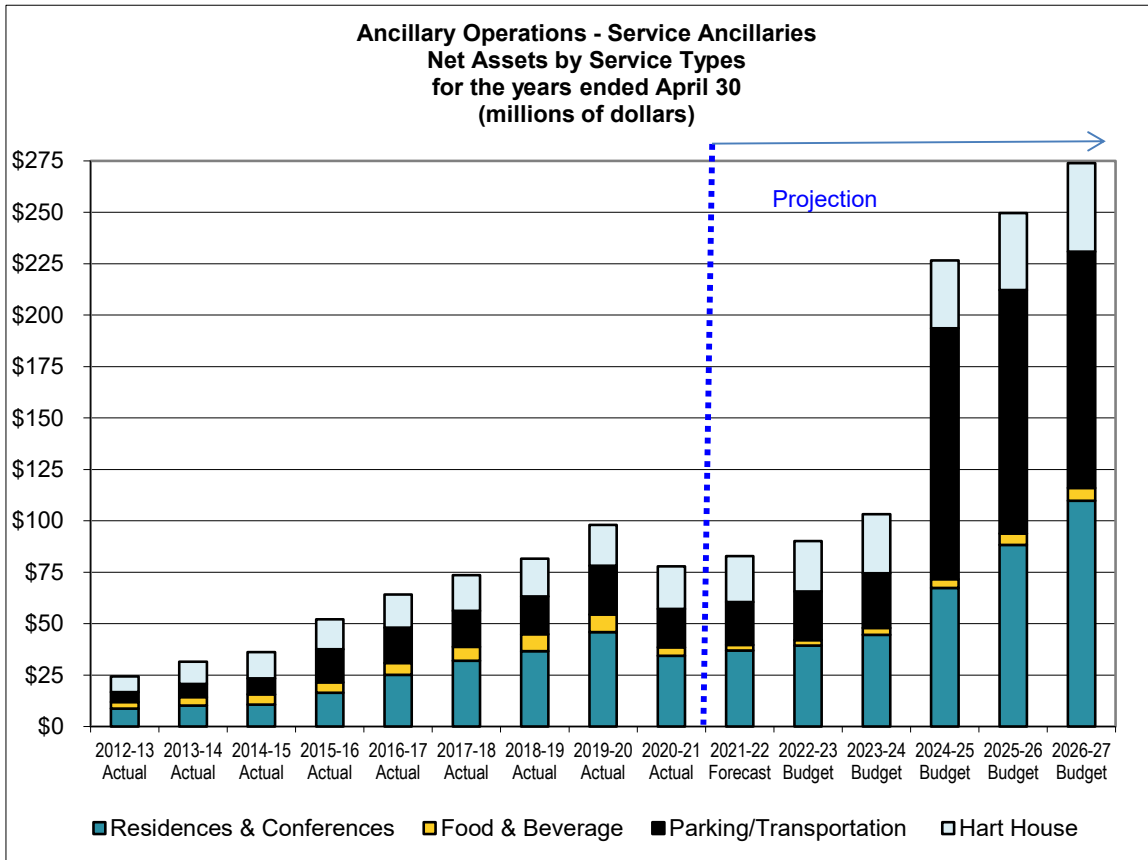
## **Net Assets**

Net assets reflect the net worth of the 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 there is an increase to this category and an offsetting decrease in unrestricted net assets. Over time, depreciation charges cause a decrease in the investment in capital assets category as the depreciation is funded from future revenues, thus increasing the unrestricted net assets category.



The following chart shows the history of actual net assets for service ancillaries from 2012-13 to 2020-21 and projects the net assets in accordance with long-range plans to 2026-27:



This chart shows the impact of the major expansion of residence beds and the growth in other service ancillaries to accommodate the large increases in enrolment and student population that have occurred over the past two decades, the severe impact of the global pandemic on ancillary services and the anticipated recovery from the pandemic, as well as the impact of planned new residence buildings, parking structures and infrastructure projects over the next five years.

**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
UTM	13.9	11.8	14.5	12.9	13.4	30.3	45.5	57.8
UTSC	6.8	6.2	8.0	9.9	10.3	10.9	11.2	13.9
Innis College	4.4	1.9	4.5	4.9	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	6.0	2.6	5.3	4.1	4.6	5.3	6.2	7.3
<b>Residences and Conferences</b>	<b>34.5</b>	<b>20.0</b>	<b>37.0</b>	<b>39.3</b>	<b>44.5</b>	<b>67.3</b>	<b>88.4</b>	<b>109.7</b>
Food and beverage / hospitality	4.2	2.5	2.8	2.7	3.3	4.3	5.4	6.3
Parking / transportation	18.6	16.3	20.8	23.6	26.6	122.0	118.4	114.9
Hart House	20.7	21.8	22.4	24.6	28.8	33.0	37.5	43.0
<b>Total Net Assets</b>	<b>78.0</b>	<b>60.6</b>	<b>83.0</b>	<b>90.2</b>	<b>103.2</b>	<b>226.6</b>	<b>249.7</b>	<b>273.9</b>

For 2022-23, the service ancillaries are budgeting total net assets of \$90.2 million. Net assets are expected to grow to \$273.9 million by 2026-27, an increase of \$183.7 million from 2022-23. This increase of \$183.7 million is attributable to an increase of \$70.4 million from residence and conference services, \$3.6 million from food and beverage/hospitality services, \$91.3 million from parking/transportation services, and \$18.4 million from Hart House.

**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
<b>Residences &amp; Conferences</b>	0.1	26.8	3.8	4.9	3.7	<b>39.3</b>
<b>Food &amp; Beverage</b>	(1.7)	3.1	0.0	0.3	1.0	<b>2.7</b>
<b>Parking/Transportation</b>	(4.4)	15.8	0.4	0.6	11.2	<b>23.6</b>
<b>Hart House</b>	0.0	17.4	3.9	3.3	0.0	<b>24.6</b>
<b>Total</b>	<b>(6.0)</b>	<b>63.1</b>	<b>8.1</b>	<b>9.1</b>	<b>15.9</b>	<b>90.2</b>

The projected total net assets of \$90.2 million for 2022-23 consists of \$63.1 million investment in capital assets, \$8.1 million commitments to capital renewal, \$9.1 million in operating reserves, \$15.9 million in new construction reserves, partially offset by \$6.0 million in unrestricted deficit (see schedules II and III on page 17 and 18 for details).

As depreciation is charged and funded from future revenues, the \$63.1 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 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 service ancillaries are projecting a total outstanding debt of \$56.4 million (on original loans issued of \$160.0 million), of which \$52.1 million is for residence services and \$4.3 million for parking/transportation services. The estimated principal and interest repayment on the debt for residence services is projected to be \$10.8 million in 2022-23, representing 21.6% of revenues for residences with outstanding debt (excluding conference services). The majority of this debt is allocated to the residence ancillaries and was the main reason many of the residence ancillaries did not break even in the past. Subsidies were provided to some ancillaries from the University's operating budget and from existing operations with a plan that they would break even annually in year five and cumulatively in year eight from inception of the building of the capital project. The long term plan includes additional debt to finance the planned parking structure at UTSC from 2024-25, and a new residence at UTM from 2026-27.

### 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
<b>Residences</b>							
UTM	26.9	24.4	21.6	18.7	16.1	13.6	22.4
UTSC	7.7	6.8	6.0	5.0	4.0	2.9	1.7
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 College	10.8	9.5	8.1	6.5	4.9	3.1	1.2
	<b>66.0</b>	<b>59.3</b>	<b>52.1</b>	<b>44.3</b>	<b>36.6</b>	<b>28.5</b>	<b>31.5</b>
<b>Parking/transportation</b>							
UTM	5.7	5.0	4.3	3.5	2.6	1.7	0.8
UTSC	3.7	-	-	-	24.6	24.2	23.8
	<b>9.4</b>	<b>5.0</b>	<b>4.3</b>	<b>3.5</b>	<b>27.2</b>	<b>25.9</b>	<b>24.6</b>
<b>Total Loan Balance</b>	<b>75.4</b>	<b>64.3</b>	<b>56.4</b>	<b>47.8</b>	<b>63.8</b>	<b>54.4</b>	<b>56.1</b>

Factors such as enrolment growth, the first-year residence guarantee program, and demand from upper-year students to return to residence have continued to sustain the optimal fall and winter session occupancy rates for residence services (except during the pandemic). In order to increase residence spaces, the building expansion on all three campuses initially put a strain on the financial viability of most residence operations. Minimal down payments for new residence buildings resulted in substantial debt, leading to large annual principal and interest costs. The impact of this debt led to financial deficits in two residences and continues to impact their long-range budget plans. Residence ancillary operations with buildings supported by partial down payments, donations or operating fund subsidies have been more financially sound. Increasing repairs and maintenance costs for older buildings have led to increased operating costs for some residence operations. Prior to the pandemic, most of the residence operations had returned to fiscal health as the fixed principal and interest payments had declined as a percentage of total revenues and expenses.

## ***Capital Expenditures***

Individual capital projects are approved in accordance with the Policy on Capital Projects. The service ancillary operations 2022-23 capital budgets are summarized in schedule V (page 22). Major capital projects included in this 2022-23 operating plan are as follows:

- UTSC service ancillaries are budgeting life cycle replacement of furniture in the residences and a provision for capital expenditures in the townhouses (based on recommendations to come forward later this year from the student housing master plan) as well as capitalized design consultant costs for the parking structure;
- UTM Residence plans to continue to engage consultants to initiate design services to 100% schematic design for the planned new UTM residence, as well as capitalize furniture and appliances for McLuhan Court and an HVAC for Roy Ivor Hall;
- UTM Hospitality is budgeting capital expenditures in 2022-23 for various equipment purchases, as well as construction in the Davis Building Food Court and various other locations;

- At Woodsworth Residence, a very recent roof assessment completed in the fall of 2021 revealed the need to replace the roof. The work has been split into phases – phase 1 to be completed in the summer of 2022, and phase 2 work to be completed by the end of summer 2023;
- Hart House’s capital investment plan for 2022-23 includes the capitalization of design and development costs for the infrastructure renewal project, the modernization of freight elevator #2, equipment and furniture upgrades for meetings and event services, Hart House Farm improvements and accessible washrooms for the 2<sup>nd</sup> and 3<sup>rd</sup> floor south wing; and
- Innis College plans to replace the residence’s door lock hardware in 2022-23, as it is antiquated and very quickly nearing the end of its useful life. Increasing maintenance and hardware costs, as well as inflexible software, necessitate the replacement of this system.

In the outer years of the long-range budget, with the anticipation of future growth, UTM and UTSC residences, UTM Hospitality Services, and UTM and UTSC Parking Services are allocating unrestricted surplus to new construction reserves for planned or potential major capital projects, new food courts or new parking structures.

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

**SCHEDULE I**

	Revenues	Expenses	Net Income before Transfers	Transfers in (out)	Net Income (loss) after Transfers 2023	Forecast 2022
<b>RESIDENCE SERVICES</b>						
UTM	17,378	18,921	(1,543)	-	(1,543)	614
UTSC	9,129	7,063	2,066	-	2,066	1,314
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	<u>54,207</u>	<u>52,013</u>	<u>2,195</u>	<u>339</u>	<u>2,534</u>	<u>2,814</u>
<b>CONFERENCE SERVICES</b>						
UTSC	1,510	1,656	(146)	-	(146)	(542)
Total Conference Services	<u>1,510</u>	<u>1,656</u>	<u>(146)</u>	<u>-</u>	<u>(146)</u>	<u>(542)</u>
<b>FOOD AND HOSPITALITY SERVICES</b>						
UTM Hospitality	3,574	3,673	(99)	-	(99)	(1,133)
UTSC	920	879	41	-	41	(319)
University College	3,753	3,751	2	-	2	2
Total Food and Hospitality Services	<u>8,247</u>	<u>8,303</u>	<u>(56)</u>	<u>-</u>	<u>(56)</u>	<u>(1,450)</u>
<b>PARKING/ TRANSPORTATION SERVICES</b>						
UTM	4,527	3,193	1,334	-	1,334	(3,224)
UTSC	3,831	2,432	1,399	-	1,399	(858)
Total Parking/ Transportation Services	<u>8,358</u>	<u>5,625</u>	<u>2,733</u>	<u>-</u>	<u>2,733</u>	<u>(4,082)</u>
<b>HART HOUSE</b>	<u>21,139</u>	<u>19,121</u>	<u>2,018</u>	<u>175</u>	<u>2,193</u>	<u>1,727</u>
<b>TOTAL</b>	<u><u>93,461</u></u>	<u><u>86,718</u></u>	<u><u>6,744</u></u>	<u><u>514</u></u>	<u><u>7,258</u></u>	<u><u>(1,533)</u></u>

**SUMMARY OF SERVICE ANCILLARY OPERATIONS LONG-RANGE BUDGET RESULTS**

**SCHEDULE II**

(thousands of dollars)

Service Ancillaries	Objectives to be met within the 2022-23 Budget:				2022 - 2023					2022 - 2023	2024-2025	2026-2027
					Projected Unrestricted Surplus/(Deficit)	Projected investment in capital assets	Projected Commitments to Capital Renewal (Schedule III)	Projected operating reserve (Schedule III.1)	Projected new construction reserve (Schedule III.1)	Net Assets	Net Assets	Net Assets
	1	2	3	4								
<b>Residence Services</b>												
UTM	Yes	Yes	Yes	No	560	11,490	50	832	-	12,932	30,344	57,789
UTSC	Yes	Yes	Yes	No	-	3,433	658	1,121	3,594	8,806	9,810	12,840
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	-	4,892	7,029	9,649
Woodsworth College	Yes	Yes	Yes	No	(1,079)	3,187	1,000	1,000	-	4,108	5,307	7,319
<b>Conference Services</b>												
UTSC	Yes	Yes	Yes	No	-	307	14	755	44	1,120	1,090	1,046
<b>Food and Hospitality Services</b>												
UTM Hospitality	Yes	Yes	Yes	No	-	2,547	10	285	998	3,839	4,159	4,686
UTSC	Yes	No	No	No	(110)	313	-	-	-	203	1,244	2,451
University College	Yes	No	No	No	(1,534)	203	-	-	-	(1,331)	(1,088)	(871)
<b>Parking/ Transportation Services</b>												
UTM	No	No	No	No	(4,404)	7,930	10	217	-	3,753	6,562	9,732
UTSC	Yes	Yes	Yes	No	-	7,865	393	354	11,218	19,830	115,464	105,174
<b>Hart House</b>												
	Yes	Yes	Yes	No	-	17,356	3,894	3,346	-	24,595	32,985	42,967
<b>Summary totals</b>					<b>(5,962)</b>	<b>63,102</b>	<b>8,128</b>	<b>9,100</b>	<b>15,853</b>	<b>90,219</b>	<b>226,638</b>	<b>273,866</b>

**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 ENDING APRIL 30, 2022 AND APRIL 30, 2027**  
(thousands of dollars)

**SCHEDULE III**

	Forecast Balance May 1, 2022	Net increase (decrease) in commitments to capital renewal	Balance April 30, 2023	Balance April 30, 2027
<b>RESIDENCE SERVICES</b>				
UTM	50	-	50	50
UTSC	611	47	658	574
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	3,169	638	3,807	5,940
<b>CONFERENCE SERVICES</b>				
UTSC	5	9	14	6
Total Conference Services	5	9	14	6
<b>FOOD AND HOSPITALITY SERVICES</b>				
UTM Hospitality	10	-	10	10
UTSC	-	-	-	5
University College	-	-	-	-
Total Food and Hospitality Services	10	-	10	15
<b>PARKING/ TRANSPORTATION SERVICES</b>				
UTM	-	10	10	10
UTSC	355	38	393	5,909
Total Parking/ Transportation Services	355	48	403	5,919
<b>HART HOUSE</b>				
	5,830	(1,937)	3,894	1,431
<b>TOTAL</b>	9,370	(1,242)	8,128	13,311



**UNIVERSITY OF TORONTO**  
**SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY**  
**PROJECTED FUNDS TO BE COMMITTED FOR OPERATING AND NEW CONSTRUCTION RESERVES**  
**FOR THE YEARS ENDING APRIL 30, 2022 THROUGH APRIL 30, 2027**  
(thousands of dollars)

	OPERATING RESERVE				NEW CONSTRUCTION RESERVE			
	Balance May 1, 2022	Increase or (decrease) in operating reserve	Balance operating reserve April 30, 2023	Balance operating reserve April 30, 2027	Balance May 1, 2022	Increase or (decrease) in construction reserve	Balance new construction reserve April 30, 2023	Balance new construction reserve April 30, 2027
<b>RESIDENCE SERVICES</b>								
UTM	736	96	832	1,066	2,950	(2,950)	-	-
UTSC	953	169	1,122	1,324	3,322	272	3,594	4,442
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	4,451	(308)	4,143	6,578	6,272	(2,678)	3,594	15,531
<b>CONFERENCE SERVICES</b>								
UTSC	267	488	755	909	100	(56)	44	-
Total Conference Services	267	488	755	909	100	(56)	44	-
<b>FOOD AND HOSPITALITY SERVICES</b>								
UTM Hospitality	228	57	285	349	1,246	(248)	998	1,003
UTSC	-	-	-	306	-	-	-	-
University College	-	-	-	-	-	-	-	-
Total Food and Hospitality Services	228	57	285	655	1,246	(248)	998	1,003
<b>PARKING/ TRANSPORTATION SERVICES</b>								
UTM	-	217	217	230	-	-	-	3,397
UTSC	526	(172)	354	505	10,457	761	11,218	4,339
Total Parking/ Transportation Services	526	45	571	735	10,457	761	11,218	7,736
<b>HART HOUSE</b>	3,056	290	3,346	3,856	-	-	-	-
<b>TOTAL</b>	<b>8,528</b>	<b>571</b>	<b>9,099</b>	<b>12,734</b>	<b>18,075</b>	<b>(2,221)</b>	<b>15,854</b>	<b>24,270</b>

UNIVERSITY OF TORONTO  
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY  
PROJECTED ANNUAL OPERATING RESULTS  
FOR THE YEARS ENDING APRIL 30, 2022 THROUGH APRIL 30, 2027  
(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 before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers
<b>RESIDENCE SERVICES</b>									
UTM	473	141	614	(1,543)	-	(1,543)	474	-	474
UTSC	1,224	90	1,314	2,066	-	2,066	362	-	362
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	2,108	706	2,814	2,195	339	2,534	5,007	154	5,161
<b>CONFERENCE SERVICES</b>									
UTSC	(282)	130	(152)	(146)	-	(146)	(12)	-	(12)
Total Conference Services	(282)	130	(152)	(146)	-	(146)	(12)	-	(12)
<b>FOOD AND HOSPITALITY SERVICES</b>									
UTM Hospitality	(1,133)	-	(1,133)	(99)	-	(99)	69	-	69
UTSC	(396)	-	(396)	41	-	41	448	-	448
University College	2	-	2	2	-	2	121	-	121
Total Food and Hospitality Services	(1,527)	-	(1,527)	(56)	-	(56)	638	-	638
<b>PARKING/ TRANSPORTATION SERVICES</b>									
UTM	(1,447)	(1,777)	(3,224)	1,334	-	1,334	1,352	-	1,352
UTSC	3,729	1,704	5,433	1,399	-	1,399	1,681	-	1,681
Total Parking/ Transportation Services	2,282	(73)	2,209	2,733	-	2,733	3,033	-	3,033
<b>HART HOUSE</b>	1,552	175	1,727	2,018	175	2,193	2,611	1,600	4,211
<b>TOTAL</b>	4,133	938	5,071	6,744	514	7,258	11,277	1,754	13,031

**UNIVERSITY OF TORONTO  
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY  
PROJECTED ANNUAL OPERATING RESULTS  
FOR THE YEARS ENDING APRIL 30, 2021 THROUGH APRIL 30, 2026  
(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 before Transfers	Transfers in (out)	Net Income after Transfers
<b>RESIDENCE SERVICES</b>									
UTM	1,829	15,108	16,937	3,062	12,065	15,127	4,275	8,043	12,318
UTSC	891	(250)	641	524	(250)	274	3,005	(250)	2,755
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	7,922	14,927	22,849	9,273	11,699	20,973	13,793	7,693	21,487
<b>CONFERENCE SERVICES</b>									
UTSC	(19)	-	(19)	(20)	-	(20)	(24)	-	(24)
Total Conference Services	(19)	-	(19)	(20)	-	(20)	(24)	-	(24)
<b>FOOD AND HOSPITALITY SERVICES</b>									
UTM Hospitality	251	-	251	349	-	349	178	-	178
UTSC	623	(30)	593	630	(30)	600	637	(30)	607
University College	122	-	122	113	-	113	104	-	104
Total Food and Hospitality Services	996	(30)	966	1,092	(30)	1,062	919	(30)	889
<b>PARKING/ TRANSPORTATION SERVICES</b>									
UTM	1,457	-	1,457	1,541	-	1,541	1,629	-	1,629
UTSC	(4,514)	98,469	93,955	(4,132)	(1,068)	(5,200)	(4,021)	(1,068)	(5,089)
Total Parking/ Transportation Services	(3,057)	98,469	95,412	(2,591)	(1,068)	(3,659)	(2,392)	(1,068)	(3,460)
<b>HART HOUSE</b>	3,180	1,000	4,180	3,530	1,000	4,530	3,851	1,600	5,451
<b>TOTAL</b>	9,021	114,366	123,387	11,284	11,601	22,886	16,147	8,195	24,343

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

	<u>2022 - 2023</u>	<u>2021-2022</u>
<b>RESIDENCE SERVICES</b>		
UTM	3,797	5,000
UTSC	1,825	590
Innis College	1,513	265
New College	115	325
University College	20	15
Woodsworth College	1,246	-
Total Residence Services	<u>8,516</u>	<u>6,195</u>
<b>CONFERENCE SERVICES</b>		
UTSC	<u>250</u>	<u>10</u>
Total Conference Services	<u>250</u>	<u>10</u>
<b>FOOD AND HOSPITALITY SERVICES</b>		
UTM Hospitality	753	956
UTSC		10
University College	5	5
Total Food and Hospitality Services	<u>758</u>	<u>971</u>
<b>PARKING/ TRANSPORTATION SERVICES</b>		
UTM	174	134
UTSC	<u>1,375</u>	<u>10</u>
Total Parking/ Transportation Services	<u>1,549</u>	<u>144</u>
<b>HART HOUSE</b>		
	<u>4,472</u>	<u>959</u>
TOTAL	<u><u>15,545</u></u>	<u><u>8,279</u></u>

**SCHEDULE OF 2022-2023 ANCILLARY RATES**

	2022/23 RATE \$	2021/22 RATE \$	INCREASE \$	INCREASE %	PRIOR YEAR'S INCREASE %
<b><u>RESIDENCE SERVICES</u></b>					
<b><u>UTM</u></b>					
<u>Undergraduate Students</u>					
Townhouses(Schreiberwood, Leacock)	11,209	10,726	483	4.5	4.5
Townhouses(McLuhan)	12,613	10,726	1,887	17.6	4.7
Townhouses( Putnam)	12,613	12,041	572	4.8	4.8
Suites (Roy Ivor Hall & Erindale Hall) Single	12,492	11,926	566	4.7	7.0
Suites ( Erindale Hall) Double	8,120	7,752	368	4.7	4.8
Dormitory (Oscar Peterson Hall)	11,889	11,350	539	4.7	4.8
Premium Townhouse MaGrath Valley (Single)	12,235	11,680	555	4.8	4.8
Premium Townhouse MaGrath Valley(Double)	7,953	7,592	361	4.8	4.8
 <u>Schreiberwood:</u>					
<u>Small Bachelors</u>					
Graduate Student Housing (Sep to Apr)	9,818	9,395	423	4.5	4.5
Medical Student Housing (Sep to May)	11,045	10,569	476	4.5	4.5
 <u>Large Bachelors</u>					
Graduate Student Housing (Sep to Apr)	10,318	9,874	444	4.5	4.5
Medical Student Housing (Sep to May)	11,608	11,108	500	4.5	4.5
 <u>Family Student Housing -Monthly Rate</u>					
<u>3 bedroom</u>					
May to Aug	1,960	1,876	84	4.5	4.5
Sep to Apr	2,047	1,959	88	4.5	4.4
 <u>4 bedroom</u>					
May to Aug	2,031	1,944	87	4.5	4.5
Sep to Apr	2,122	2,031	91	4.5	4.5
 <b><u>UTSC</u></b>					
<u>Winter</u>					
Phase I - III single	10,407	9,911	496	5.0	5.0
Phase I - small Room (1 Room)	9,327	8,883	444	5.0	5.0
Phase IV single	11,697	11,140	557	5.0	5.0
Phase I shared	7,706	7,339	367	5.0	5.0
Phase I shared basement	6,935	6,605	330	5.0	5.0
Phase IV shared	8,719	8,304	415	5.0	5.0
Centennial Residence	10,975	10,452	523	5.0	5.0
 <u>Summer</u>					
Phase I - III (May 8 - August 27)	4,930	4,695	235	5.0	5.0
Visitor Weekly Rate	308	293	15	5.0	5.0
Phase IV Foley Hall (May - August)	5,283	5,032	251	5.0	5.0
Visitor Weekly Rate	330	314	16	5.0	5.0

**SCHEDULE OF 2022-2023 ANCILLARY RATES**

	2022/23 RATE \$	2021/22 RATE \$	INCREASE \$	INCREASE %	PRIOR YEAR'S INCREASE %
<b><u>RESIDENCE SERVICES</u></b>					
<b>St. George Campus</b>					
<b><u>Innis College</u></b>					
Innis College - Winter	11,567	11,016	551	5.0	5.0
Innis College - Summer	3,770	3,590	180	5.0	5.0
<b><u>New College</u></b>					
<b><u>Winter</u></b>					
<b><u>Residence Room - Wilson Hall &amp; Wetmore Hall</u></b>					
Double room (per bed)	9,075	8,675	400	4.6	4.5
Single room	10,925	10,425	500	4.8	4.8
Bed-over-desk double room (per bed)	6,975	6,825	150	2.2	2.6
<b><u>Residence Room - 45 Willcocks</u></b>					
Double room (per bed)	9,275	9,025	250	2.8	2.8
Single room	11,100	10,800	300	2.8	3.1
<b><u>Summer - Single</u></b>					
<b>Continuing New College Students</b>					
Sessional	3,218	3,125	93	3.0	6.7
45W Sessional	3,318	3,225	93	2.9	3.0
<b>Registered Students</b>					
Sessional	3,192	3,150	42	1.3	6.1
45W Sessional	3,292	3,250	42	1.3	2.5
<b>Others</b>					
Sessional	3,360	3,360	-	-	9.1
45W Sessional	3,460	3,360	100	3.0	2.4
<b><u>Summer - Double</u></b>					
<b>Continuing New College Students</b>					
Sessional	2,691	2,620	71	2.7	5.4
45W Sessional	2,791	2,720	71	2.6	1.3
<b>Registered Students</b>					
Sessional	2,576	2,550	26	1.0	5.4
45W Sessional	2,676	2,650	26	1.0	1.1
<b>Others</b>					
Sessional	2,772	2,760	12	0.4	9.1
45W Sessional	2,872	2,760	112	4.1	1.1
<b><u>University College</u></b>					
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
<b><u>Woodsworth College</u></b>					
Woodsworth College - Winter	11,783	11,203	580	5.2	5.0
<b><u>HART HOUSE</u></b>					
St. George Full Time	112.76	107.49	5.27	4.9	2.0
St. George Part Time	22.55	21.50	1.05	4.9	2.0
Scarborough & Mississauga (Full time )	3.46	3.30	0.16	4.9	2.0
Scarborough & Mississauga (Part time )	0.70	0.67	0.03	4.9	2.0

**SCHEDULE OF 2022-2023 ANCILLARY RATES**

	2022/23 RATE \$	2021/22 RATE \$	INCREASE \$	INCREASE %	PRIOR YEAR'S INCREASE %
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**PARKING/ TRANSPORTATION SERVICES**

**UTM**

CCT Garage- Annual	1,453.01	1,410.69	42.32	3.0	3.0
Lot P1- Annual	1,206.74	1,171.59	35.15	3.0	3.0
Lot P5- Annual	1,171.59	1,137.47	34.12	3.0	3.0
Lots P4 and P8- Annual	821.18	797.26	23.92	3.0	3.0
Lot P9- Annual	930.40	903.30	27.10	3.0	3.0
Student ( Sessional - Lots P4 and P8)	342.15	332.18	9.97	3.0	3.0
Resident - Annual	1,036.81	1,009.28	27.53	2.7	3.0
Afternoon - (after 3:30pm) - Annual	241.64	234.60	7.04	3.0	3.0
Commercial - Annual	1,375.76	1,335.69	40.07	3.0	3.0
Pay & Display					
Pay & Display (daily maximum) (6:30 am - 8:00 a.m. next day)					
CCT Garage	20.00	20.00	-	-	-
Lot P9	17.50	17.50	-	-	-
Lot P4 and P8	15.00	15.00	-	-	-
Pay & Display (evening/weekend) (5:00 pm - 8:00 a.m. next day)					
CCT Garage	10.00	10.00	-	-	-
Lot P9	7.00	7.00	-	-	-
Lot P4 and P8	6.00	6.00	-	-	-
Pay & Display per half hour (6:30 am - 5:00 p.m)					
CCT Garage	3.00	3.00	-	-	-
Lot P9	2.75	2.75	-	-	-
Lot P4 and P8	2.50	2.50	-	-	-
Pay & Display per half hour (weekdays 5:00pm to 8am next day; weekends & holidays)					
CCT Garage	1.00	1.00	-	-	-
Lot P9	1.00	1.00	-	-	-
Lot P4 and P8	1.00	1.00	-	-	-

**UTSC**

Permits

South Lot:

Annual, South Lot Employee Premium	1,709.33	1,553.94	155.39	10.0	10.0
Annual, South Lot Employee Reserved	2,273.42	2,066.75	206.67	10.0	10.0
Annual, Ring Road Employee	1,538.41	1,398.55	139.86	10.0	10.0
Summer Term	341.89	310.81	31.08	10.0	10.0
Residence Fall/ Winter term	1,210.15	1,100.13	110.02	10.0	10.0
Residence - Winter term	677.68	616.08	61.60	10.0	10.0
Residence - Summer term	302.55	275.05	27.50	10.0	10.0
Annual Evening	788.98	717.26	71.73	10.0	10.0

**SCHEDULE OF 2022-2023 ANCILLARY RATES**

	2022/23 RATE \$	2021/22 RATE \$	INCREASE \$	INCREASE %	PRIOR YEAR'S INCREASE %
<b><u>PARKING/ TRANSPORTATION SERVICES</u></b>					
<b>UTSC</b>					
<u>North Lot:</u>					
Annual North Lot, Premium (Lot K)	1,709.33	1,553.94	155.39	10.0	10.0
Annual North Lot, Payroll Employee	1,314.90	1,195.36	119.54	10.0	10.0
Student, Fall/ Winter	1,051.15	955.59	95.56	10.0	10.0
Monthly Student North Lot Permit	147.16	133.78	13.38	10.0	10.0
Fall or Winter Term	588.64	535.13	53.51	10.0	10.0
Summer term	263.75	239.77	23.98	10.0	10.0
Centennial Permit (Sep - May)	1,051.15	1,011.73	39.42	3.9	5.0
Centennial Summer Permit	263.75	505.87	(242.12)	(47.9)	5.0
Cash Parking					
<u>South Lots</u>					
Peak period Hourly rate	4.40	4.00	0.40	10.0	-
Flat rate- Evening	7.70	7.00	0.70	10.0	-
Flat rate- Weekend	7.70	7.00	0.70	10.0	-
Summer - Conference - Daily Rate	6.60	6.00	0.60	10.0	-
Summer - Conference - Youth bed rate	2.00	2.00	-	-	-
<u>Instructional Center Lot K: Current Permits only</u>					
Flat Rate, Day	17.60	16.00	1.60	10.0	-
Flat Rate, Evening	7.70	7.00	0.70	10.0	-
Flat Rate, Weekend	7.70	7.00	0.70	10.0	-
<u>Lots F, G and H (North Lots)</u>					
Flat Rate, Day	11.00	10.00	1.00	10.0	-
Flat Rate, Evening	6.60	6.00	0.60	10.0	-
Flat Rate, Weekend	5.50	5.00	0.50	10.0	-
<b><u>FOOD AND BEVERAGE/HOSPITALITY SERVICES</u></b>					
<b>UTM</b>					
<b>First years and Upper years</b>					
Plus +250 flex dollars (Plus +500 flex dollars)	4,850	4,450	400	9.0	2.3
Plus +100 flex dollars (Plus +250 flex dollars)	4,600	4,300	300	7.0	2.4
Full +250 flex dollars (Full +500 flex dollars)	4,375	4,050	325	8.0	3.8
Full +100 flex dollars (Full +25 flex dollars)	4,125	3,900	225	5.8	4.0
<b>Meals Plans – Upper-years only</b>					
Light +250 flex dollars (Light +500 flex dollars)	3,425	3,050	375	12.3	1.7
Light +100 flex dollars (Light +250 flex dollars)	3,175	2,900	275	9.5	1.8
Minimum +250 flex dollars (Minimum +500 flex dollars)	2,950	2,650	300	11.3	3.9
Minimum +100 flex dollars (Minimum +250 flex dollars)	2,700	2,500	200	8.0	4.2
<b>St. George Campus</b>					
<b>University College</b>					
Plan A	5,695	5,524	171	3.1	3.1
Plan B	5,027	4,876	151	3.1	3.1



# Appendix

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## Budget Preparation Review and Consultation Process

The ancillary budgets were prepared after thorough consultation with College constituents and with input from Facilities and Services. Residence fee revenues were based on a rate increase from 2.2% to 17.6% per year assuming optimal occupancy levels for the fall and winter sessions. Salaries, wages and benefit projections have been budgeted in accordance with the terms of the collective agreements, as well as the compensation package for Professionals and Managers. Proposed major maintenance and capital expenditure budgets have been assembled in conjunction with both the Facilities and Services department and the previously commissioned Capital Replacement Study.

The 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.

Following this consultation process, the Financial Services department reviews the management reports submitted by each ancillary. The Financial Services department analyzes the reports for completeness, adherence to fiscal policies and financial feasibility. Financial Services also assesses the progress made by measuring their performance against the four financial objectives established for ancillaries. Issues requiring further action will be identified and addressed through a one-on-one meeting along with members from University Operations. The St. George budgets are then reviewed by the St. George Service Ancillaries Review Group (SARG), which includes three members from the University Affairs Board. SARG provides advice and formulates recommendations on the operating plans for all service ancillaries.

Following these reviews, the University Affairs Board and the respective Campus Council at UTM and UTSC approve operating plans, capital budgets and schedules of rates or fees for all service ancillaries on an annual basis.