



**FOR CONFIRMATION**

**PUBLIC**

**CLOSED SESSION**

**TO:** Executive Committee

**SPONSOR:** Sandy Welsh, Vice-Provost Students

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**PRESENTER:** See Sponsor

**CONTACT INFO:**

**DATE:** March 14, 2023 for March 21, 2023

**AGENDA ITEM:** 5 (c)

**ITEM IDENTIFICATION:**

Operating Plans: UTM Service Ancillaries for 2023-24

**JURISDICTIONAL INFORMATION:**

Under Section 5.3.1.b, the Campus Affairs Committee “considers and recommends to the UTM Council for approval the operating plans for the campus and student services ancillaries.”

**GOVERNANCE PATH:**

1. UTM Campus Affairs Committee [For Recommendation] (January 10, 2023)
2. UTM Campus Council [For Approval] (January 24, 2023)
3. University Affairs Board [For Information] (March 1, 2023)
4. **Executive Committee [For Confirmation] (March 21, 2023)**

**PREVIOUS ACTION TAKEN:**

The 2022-23 UTM service ancillaries were recommended for approval by the Campus Affairs Committee, on January 10, 2022 and approved by the UTM Campus Council on January 25, 2022.

**HIGHLIGHTS:**

The UTM Campus Affairs Committee considers and recommends operating plans for all UTM service ancillaries on an annual basis. These plans include a management report that 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 also include each

ancillary's annual operating budget, as well as changes to program and levels of service, categories of users, accessibility, and compulsory or optional fees. The plans include actual financial results for the 2021-22 fiscal year, the forecast for 2022-23 and projections for the five-year period, 2023-24 to 2027-28. Only the proposed budget for 2023-24 is presented for approval.

Presented for consideration and recommendation to members are the following:

- The proposed 2023-24 Operating Plans and Budgets for the UTM Service Ancillaries, as summarized in Schedule 1 (page 18), the Service Ancillary Capital Budgets as summarized in Schedule 5 (page 24), and the Ancillary Rates in Schedule 6 (pages 25 - 27).

The detailed management reports and operating plans for each ancillary are contained in Appendix 2 (page 30 to 65).

#### Consultation:

The review and consultation processes are detailed in Appendix 1, on page 28.

A number of bodies or groups continue to be involved in consultative processes for the ancillaries prior to the operating plans being submitted to the Campus Affairs Committee. The Student Housing & Residence Life operating plan is reviewed by the Student Housing Advisory Committee (SHAC) that includes membership from all residence constituencies, including graduate and undergraduate students in residence, families in residence, student staff in residence as well as representation from UTM's undergraduate Residence Council. The Hospitality Services operating plan is reviewed by the Food Service Advisory Committee with membership of students (undergraduate, graduate, the UTM Student Union - UTMSU, and Residence Council), faculty and staff. Details of the Meal Plan component of Hospitality Services operating plan is also reviewed by the Resident Student Dining Committee drawing membership from each of the residences (including first and upper year townhouse clusters). The Parking Services operating plan is reviewed by the Transportation & Parking Advisory Committee that includes undergraduate and graduate students, faculty and staff.

All of the advisory committees (SHAC, Food Service Advisory Committee, Resident Student Dining Committee and Transportation & Parking Advisory Committee) were provided with an opportunity to review and give feedback on their respective ancillary's management plans, proposed rates and financials. While most of the discussion focused on the proposed 2023-24 year, long-term budget projections were also provided. The advisory committees had detailed discussions of the issues affecting each ancillary. In addition, the ancillary operating plans and management reports were reviewed by the University of Toronto's Financial Services Department.

#### Service Ancillaries Overview:

The service ancillaries at UTM include Student Housing & Residence Life (SHRL), Hospitality Services and Parking Services. These operations are measured over the long-term on their success in meeting four objectives: (i) to operate without subsidy from the operating budget; (ii) to provide for all costs of capital renewal, including deferred maintenance, furniture, and equipment; (iii) having achieved the first two objectives, create and maintain a minimum operating reserve of 10

percent of annual expenditures; and (iv) having achieved the first three objectives, contribute net revenues to the operating budget.

The UTM ancillaries are on track to return to pre-pandemic levels of operation this year. SHRL was the first of the ancillaries to return to pre-pandemic levels of operation in Fall 2021. Likewise, for Hospitality Services, the demand for meal plans is in line with the Residence population. In addition, Hospitality Services has had a strong year in its movie shoots business. The ancillary also had a one-time catering contract this year for the Ontario Summer Games. For Parking Services, the demand for parking spots in the summer was less than in a typical year because of the continued remote work and online learning arrangements. However, the campus saw a return to pre-pandemic levels of parking demand this fall term.

SHRL anticipates achieving budget projections in 2022-23. Summer occupancy numbers recovered to typical levels, housing for summer conference business resumed and Fall/Winter occupancy is at planned capacity. Residence waitlists demonstrate an on-going demand for additional residence housing. Major maintenance and capital renewal continue to be a top priority for SHRL. Risks to the renovation projects include escalation of costs and supply-chain delays. The SHRL leadership team manages these risks by utilizing existing resource allocations. It is anticipated that the planned townhouse renovation timeline will remain unchanged. Long-term financial goals are to continue accumulating Construction Reserve funds to be used towards funding the new residence building.

Hospitality Services is expected to approach pre-pandemic operating results this year with Residence at around 90% occupancy and with all food service outlets expected to be open and operational for the entire 2022-23 school year. The ancillary will continue to focus on ways to increase revenue while addressing the labour challenges that are affecting the food service industry by implementing self-serve options, such as self-checkout stations and a pizza vending machine. The ancillary will also focus on ways to manage price increases by providing produce to Aramark at cost. Conference Services will also approach pre-pandemic revenue levels with the increase of movie shoots and with the return of high-value conferences, such as the Ontario Summer Games, to campus.

Parking Services is anticipating a return to traditional levels of parking demand and revenue commensurate with the resumption of full-time, in-person campus activity in 2022-23. Despite significant financial challenges, the ancillary fully repaid its loan from UTM's operating budget for a second parking deck in 2021-22 as originally scheduled and continued the planned upkeep and maintenance of its capital assets to preserve their value. License Plate Recognition (LPR) technology will be implemented in 2022-23 and will bring significant enhancements to both the parking user experience, and the business intelligence available to efficiently manage the operation, while simultaneously reducing waste. Once the ancillary returns to an operating surplus position, it will be able to pursue development projects that serve to support the campus' strategic framework and sustainable growth.

2023-24 Service Ancillary Operating Plans:

The 2023-24 budget incorporates a \$3.8 million increase in revenues of which: \$2.6 million is from Residence; \$0.6 million is from Hospitality Services and \$0.6 million is from Parking Services.

2023-24 Service Ancillary Capital Budgets:

Investments in new buildings, facilities improvements and equipment purchases total \$2.0 million for Residence, \$0.7 million for Hospitality and \$0.1 million for Parking.

2023-24 Service Ancillary Rates:

Most residence rates will increase in 2023-24 by 5.5% or 8.75%, with the exception of the newly renovated Leacock Lane, which will increase by 22.4%. The adjusted rate will be on par with the rate for the other recently renovated townhouse complexes, Putnam Place and McLuhan Court. In addition, due to high demand for spaces in Oscar Peterson Hall, the ancillary will adjust the rates upwards by 14.3% for this building to be on par with the other two buildings, Roy Ivor Hall and Erindale Hall.

Meal Plans rates will increase 6.8% for Basic (tax-exempt) Funds. There will be no change to the Flex (taxable) amounts from which students will be able to choose to accompany their Basic Funds. The overall average Meal Plan rates will increase of 6.1%.

Parking permit rates will increase by 2.0% for P4/P8 permit types and 3.0% for all other permits. There will be no increase in the Pay & Display rates.

A detailed breakdown of rate increases can be found in Schedule 6.

**FINANCIAL IMPLICATIONS:**

The anticipation of each ancillary in achieving the objectives of the budget guidelines is summarized in Schedule 2.

**RECOMMENDATION:**

Be it Confirmed by the Executive Committee

THAT, the proposed 2023-24 Operating Plans and Budgets for the UTM Service Ancillaries, as summarized in Schedule 1, the service ancillary capital budgets as summarized in Schedule 5, and the rates and fees in Schedule 6, as detailed in the proposal dated December 2, 2022, be approved, effective May 1, 2023.

**DOCUMENTATION PROVIDED:**

UTM Service Ancillary Report on Operating Plans 2023-24



UNIVERSITY OF  
**TORONTO**  
MISSISSAUGA

Service Ancillary Report on Operating Plans

2023-24

December 2, 2022

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## Introduction

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The service ancillaries at the University of Toronto Mississauga (UTM) include Student Housing & Residence Life (SHRL), Hospitality Services and Parking Services.

The UTM ancillaries are on track to return to pre-pandemic levels of operation this year. SHRL was the first of the ancillaries to return to pre-pandemic levels of operation in Fall 2021. Likewise, for Hospitality Services, the demand for meal plans is in line with the Residence population. In addition, Hospitality Services has had a strong year from its movie shoots business. The ancillary also had a one-time catering contract this year for the Ontario Summer Games. For Parking Services, the demand for parking spots in the summer was less than a typical year because of the continued remote work and online learning arrangements. However, the campus saw a return to pre-pandemic levels of parking demand this fall term.

The service ancillary operations are measured over the long-term on their success in meeting the following four Service Ancillary Reporting Group (SARG) objectives:

- i. 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.
- ii. To provide for all costs of capital renewal, including deferred maintenance. Provision must be made for regular replacement of furniture and equipment.
- iii. Having achieved the first two objectives, create and maintain an operating reserve (excluding capital requirements) at a minimum level of ten percent of annual expenditure budgets (net of cost of goods sold, capital renewal costs and deans' and dons' expenses), as a protection against unforeseen events which would have a negative financial impact on the operation.
- iv. Having obtained the first three objectives, service ancillaries will contribute net revenues to the operating budget (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 operation). Each individual campus will establish the rate of contribution for each individual ancillary.

Although there is an objective of potential contributions from the ancillaries to the operating budget, at UTM, the ancillaries reinvest all positive net results to provide improved facilities, equipment and services to students, faculty and staff.

Due to the financial impact of the COVID-19 pandemic, ancillary units are permitted to carry a negative fund balance where there is a plan in place to address the shortfall in the next several years. Negative fund balances are charged interest at the 3-month T-Bill rate plus an additional

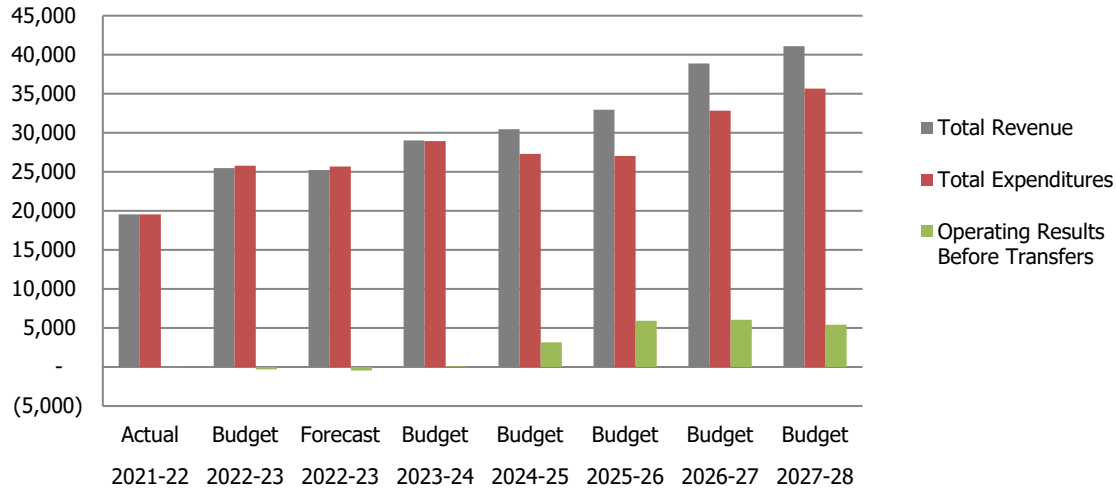


¼%. Interest charges are reflected in the 'Finance Charges' line on Schedule 1 Statement of Operations in the detailed operating schedules, where applicable.

This report includes financial highlights for 2022-23 forecasts, 2023-24 budgets and long-range plans. The report also includes summary financial schedules and the detailed operating statements and schedules.

## Budget Highlights

### Revenues and Expenditures for the years ended April 30 (thousands of dollars)



### Revenues and Expenditures for the years ended April 30 (thousands of dollars)

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Revenues								
Residence	15,829	17,378	17,567	20,123	21,224	23,442	28,926	30,889
Hospitality	1,953	3,574	3,565	4,203	4,426	4,568	4,869	5,011
Parking	1,774	4,527	4,099	4,705	4,815	4,953	5,077	5,196
Total Revenues	19,556	25,479	25,230	29,031	30,465	32,963	38,872	41,096
Total Expenditures	19,563	25,788	25,672	28,947	27,298	27,040	32,827	35,673
Operating Results Before Transfers	(7)	(308)	(442)	84	3,167	5,923	6,045	5,423

The UTM service ancillaries are forecasting Operating Losses before Transfers of \$0.4 million for the year ending April 30, 2023 on projected Total Revenues of \$25.2 million, which is \$0.3 million less than budget. The projected Total Expenditures of \$25.7 million is \$0.1 million less than budget.

Each of the ancillaries contributes to the forecasted 2022-23 Operating Losses before Transfers of \$0.4 million, as follows:

- SHRL's Total Revenues are slightly higher than budget because of higher than anticipated levels of Conference Accommodation business and higher Investment Income (due to higher interest rates). Total Expenditures are also expected to be slightly higher than budget due to higher renovation costs.
- Hospitality Services' Total Food Services Revenues are higher than budget due to a higher on-campus population than expected. The ancillary also had higher than anticipated film shoot revenues and a one-time catering contract for the Ontario Summer Games. Consequently, Total Cost of Sales & Services is forecasted to be higher than budget. Total Expenditures are forecasted to be less than budget, primarily attributed to lower depreciation costs (due to deferral of capital investments).
- Parking Services' Total Revenues are less than budget due to a number of factors, such as the continuation of hybrid work arrangements, reduced campus activity during the summer term and changes in course offerings (e.g., less full-year courses). However, despite lower summer activity, Pay & Display revenues are forecasted to be close to budget. Forecasted Total Expenditures are expected to be consistent with budget.
- The long-range plan projects Total Revenues to increase by \$15.9 million by 2027-28, of which \$13.3 million is from SHRL, \$1.5 million is from Hospitality Services and \$1.1 million is from Parking Services. The increase in SHRL's Total Revenues includes the additional revenues from the new residence building, planned for opening in 2026-27.

## Review of the UTM Ancillary Operations

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SHRL anticipates achieving budget projections in 2022-23. Summer occupancy numbers recovered to typical levels, housing for summer conference business resumed and Fall/Winter occupancy is at planned capacity. Residence waitlists demonstrate an on-going demand for additional residence housing. Major maintenance and capital renewal continue to be a top priority for SHRL. Risks to the renovation projects include escalation of costs and supply-chain delays. The SHRL leadership team manages these risks by utilizing existing resource allocations. It is anticipated that the planned townhouse renovation timeline will remain unchanged. Long-term financial goals are to continue accumulating Construction Reserve funds to be used towards funding the new residence building.

Hospitality Services is expected to approach pre-pandemic operating results this year with Residence at around 90% occupancy and with all food service outlets expected to be open and operational for the entire 2022-23 school year. The ancillary will continue to focus on ways to increase revenue while addressing the labour challenges that are affecting the food service industry by implementing self-serve options, such as self-checkout stations and a pizza vending machine. The ancillary will also focus on ways to manage price increases by providing produce to Aramark<sup>1</sup> at cost. Conference Services will also approach pre-pandemic revenue levels with the increase of movie shoots and with the return of high-value conferences, such as the Ontario Summer Games, to campus.

Parking Services is anticipating a return to traditional levels of parking demand and revenue commensurate with the resumption of full-time, in-person campus activity in 2022-23. Despite significant financial challenges, the ancillary fully repaid its loan from UTM's operating budget for a second parking deck in 2021-22 as originally scheduled, and continued the planned upkeep and maintenance of its capital assets to preserve their value. License Plate Recognition (LPR) technology will be implemented in 2022-23 and will bring significant enhancements to both the parking user experience, and the business intelligence available to efficiently manage the operation, while simultaneously reducing waste. Once the ancillary returns to an operating surplus position, it will be able to pursue development projects that serve to support the campus' strategic framework and sustainable growth.

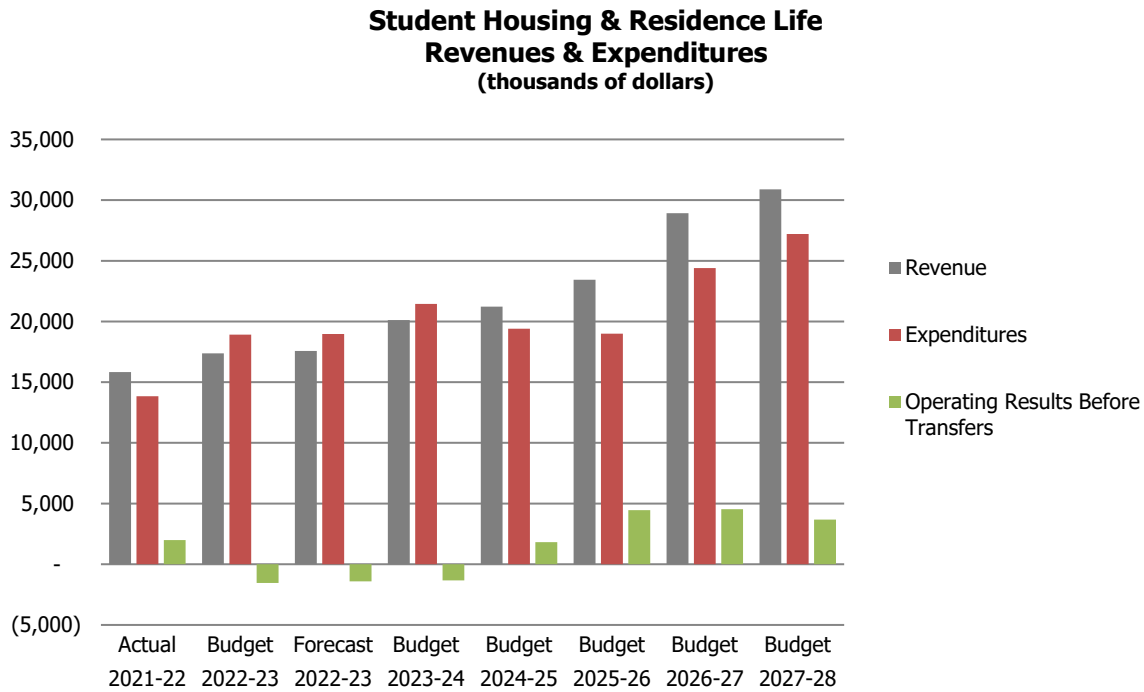
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<sup>1</sup> Aramark is the food service provider at UTM.

## Student Housing and Residence Life

SHRL provides a transformative experience for students in residence with typically over 1,500 workshops, events and programs annually. There are eight residence communities at UTM including suite-style and traditional dorm-style residence buildings and townhouse complexes. The department also provides 24-hour on-call response, 365 days a year.

For the 2023-24 budget year, the ancillary will meet three of the objectives, as it does not currently contribute to the operating budget. The ancillary reinvests all positive net results to provide improved facilities, equipment and services.



**Student Housing & Residence Life  
Revenues & Expenditures  
for the years ended April 30  
(thousands of dollars)**

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Revenues	15,829	17,378	17,567	20,123	21,224	23,442	28,926	30,889
Expenditures	13,838	18,921	18,974	21,449	19,401	18,991	24,395	27,209
Operating Results Before Transfers	1,991	(1,543)	(1,407)	(1,326)	1,823	4,451	4,531	3,680

## **2022-23 Forecast:**

While the COVID-19 pandemic had a significant operational and financial impact on this ancillary in the past, the ancillary is mostly back to regular operation and occupancy in the current fiscal year. Fall 2022 had very high demand for housing because of the high numbers of first year guaranteed students whom applied for residence.

Forecasted Total Revenues are expected to be higher than budgeted. Residence fees and family rent payments make up a significant portion of the ancillary's budgeted revenues.

Annual Building Depreciation and Interest Expenses (Mortgages) continue to dominate the SHRL operating budget.

As outlined in the Student Housing Master Plan, SHRL's top priority is the maintenance and capital renewal of existing residence facilities. SHRL is projecting to spend \$6.0 million on Major Maintenance and reinvestment in facilities this year. This is higher than originally budgeted as the cost of construction has increased significantly.

Prior to COVID-19, SHRL had several healthy reserves. The revenue shortfalls due to COVID-19 had depleted these reserves, and the short-term capital renewal plans had to be adjusted resulting in some projects being postponed or cancelled.

At end of fiscal 2021-22, the ancillary had an Operating Reserve of \$0.7 million, a Capital Renewal Reserve of \$0.1 million, and a Building Renovation Reserve of \$4.9 million. The \$4,859,059 Transfer out of Ancillary Operations represents a reversal of a transfer-in previously reported in 2020-21 of the same amount. This is to align with the University's updated policy for capital projects involving University debt, whereby the ancillary reports the transfer-in and the cost of the investment *at the end of the project*. Previously, all transfers and the cost of the investment was transferred to ancillary *as and when it occurred* (usually quarterly).

The Operating Result before Transfers is forecasted to be a loss of \$1.4 million. The Total Closing Fund Balance is forecasted to be \$9.6 million.

## **2023-24 Budget & Long-Range Plan:**

SHRL is planning on demand continuing to be high in 2023-24. The ancillary will have 79 beds offline in MaGrath Valley due to renovations. The remaining rooms will be filled at 97.5% Occupancy. The ancillary was challenged to meet the requirements of the First Year Guarantee in 2022-23; the ancillary anticipates this being a continued challenge until the new residence building opens in 2026-27.

Most residence rates will increase in 2023-24 by 5.5% or 8.75%, with the exception of the newly renovated Leacock Lane, which will increase by 22.4%. The adjusted rate will be on par with the rate for the other recently renovated townhouse complexes, Putnam Place and McLuhan Court. In addition, due to high demand for spaces in Oscar Peterson Hall, the ancillary

will adjust the rates upwards by 14.3% for this building to be on par with the other two buildings, Roy Ivor Hall and Erindale Hall.

SHRL continues to build demand for a summer residence session through marketing, promotion and process improvements to the room application process.

Mortgage-related expenses and investment in renovations are the two biggest pressures on the SHRL expenditures budget. The plans ensure positive cumulative cash flow in each year of the business plan.

The Operating Result before Transfers is expected to be a loss of \$1.3 million in 2023-24. The Total Closing Fund Balance is projected to be \$8.3 million.

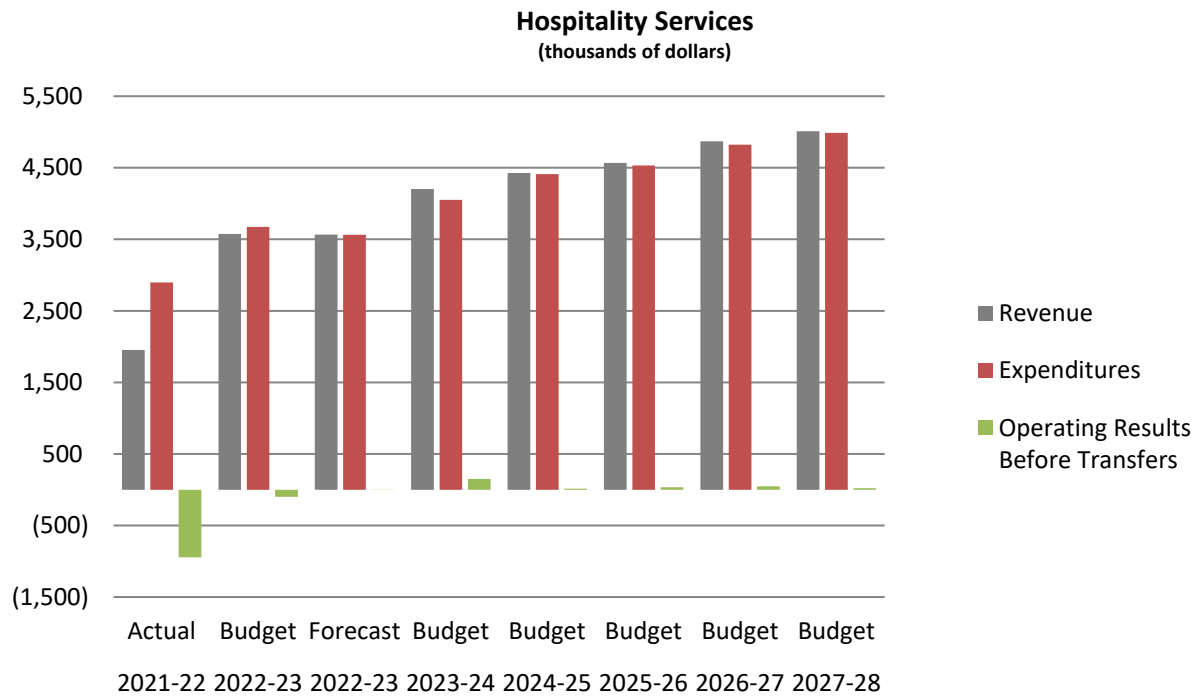
Two primary drivers impact the 5-year budget horizon. The first is the capital renewal plan for the existing residence facilities. The second is the plan for a new residence to open in the summer of 2026.

Long-term renovation plans extend beyond 2027-28. Unrestricted Surplus amounts are allocated to the Building Renovation Reserve for upcoming renovations or the Construction Reserve for the new residence build. The reserves will be used to fund the renovations, capital renewal and new build outlined in the Student Housing Master Plan.

## Hospitality Services

The Hospitality Services budget includes both Food Services and the external customer activities of Conference Services. Food Services are delivered through an independent food services provider with management oversight provided by the Executive Director of Hospitality & Ancillary Services, who works closely with the food services provider on all aspects of food service at UTM. The ancillary generates Conference Services income through the utilization of space on campus that would otherwise remain idle.

For the 2023-24 budget year, the ancillary will meet three of the objectives, as it does not currently contribute to the operating budget. The ancillary reinvests all positive net results to provide improved facilities, equipment and services.



**Hospitality Services  
Revenues & Expenditures**  
for the years ended April 30  
(thousands of dollars)

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Revenues	1,953	3,574	3,565	4,203	4,426	4,568	4,869	5,011
Expenditures	2,898	3,673	3,563	4,051	4,412	4,533	4,822	4,989
Operating Results Before Transfers	(945)	(99)	2	152	14	35	47	22



## **2022-23 Forecast:**

With the removal of all public health restrictions related to the pandemic, Forecasted Total Food Services Revenues are expected to be higher than budget due to higher than anticipated on-campus population. In addition, the ancillary had higher than expected catering business, primarily due to the hosting of the Ontario Summer Games' participants. As a direct result of higher Total Food Services Revenues, Total Cost of Sales and Services is expected to be higher than budget. Additionally, the ancillary was able to utilize the idle space on campus over the summer to increase movie shoot business.

Total Direct Expenditures are forecasted to be lower than budget. This is primarily attributed to savings from the deferral of capital investments, such as construction of the Plant-Based Food Service outlet and the Tim Hortons branding refresh.

The Operating Result before Transfers is forecasted to be \$2,189 and the Total Closing Fund Balance is forecasted to be \$4.1 million.

## **2023-24 Budget & Long-Range Plan:**

The Hospitality Services ancillary is committed to providing meal plans that provide value and are competitively priced with peer institutions. In 2023-24, food inflation is expected to be between 5% and 10%. Hospitality Services is committed to working with UTM's food service contractor to manage price increases to ensure they do not exceed inflationary increases.

Hospitality Services is assuming the following levels of Revenues in 2023-24:

- Food Services: return to pre-pandemic levels
- Catering: return-to pre-pandemic levels; decrease slightly compared to 2022-23, as the 2022 Ontario Summer Games is a non-recurring event
- Conference Accommodations: return to pre-pandemic levels
- Facility Rentals: 25 per cent decrease due to less available space on campus for events and film shoots

Total Cost of Sales and Service is expected to increase in line with the increase in Total Revenues.

Total Direct Expenditures are budgeted to increase in 2023-24 primarily due to the hiring of positions that were previously vacant and the depreciation costs from previously deferred capital investments.

The Operating Result before Transfers is expected to be a surplus of \$0.2 million in 2023-24. The Total Closing Fund Balance is projected to be \$4.3 million.

Hospitality Services is rebounding from the many setbacks during the pandemic years by refreshing and reinventing its outlets to meet the changing needs of the UTM community. Investments will continue to focus on expanding its technology and service innovations and on

working collaboratively with other campus partners to implement new sustainability initiatives to benefit the entire UTM community. Although future increases in food service space will be minimal (Hospitality Services is planning to add 2 small outlets over the next 5 years), the ancillary will invest in expansion of its services primarily through integrations with its commerce management system provider and other service innovations that will allow the Hospitality Services to build its business in an efficient manner.

## Parking Services

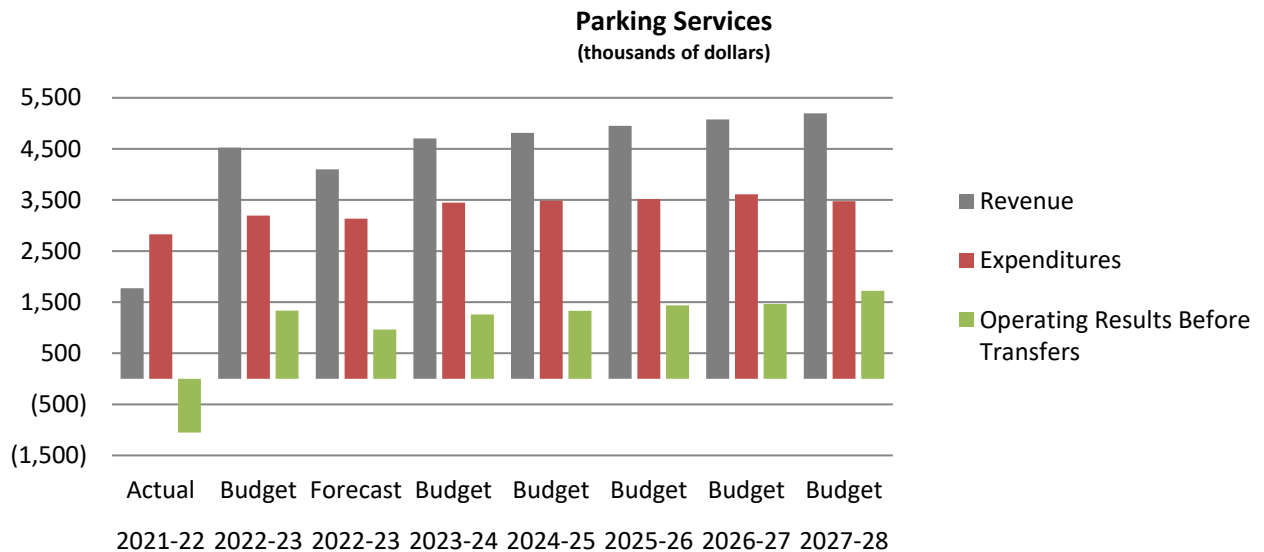
UTM is a suburban, commuter campus where the use of cars is more extensive than that of a downtown campus. Parking Services supports alternative transportation modes to ease congestion through the implementation of carpooling initiatives, a car-sharing program, various campus commuter promotions, and the UTM Shuttle Bus service.

Though there are many campus initiatives to encourage the use of buses and bike to school/work campaigns, such as the student U-Pass, the Brampton Transit Express Bus and collaboration with Commute Ontario, the use of cars and the related need for a substantial number of parking spaces continues.

For the 2023-24 budget year, the ancillary will not meet any of the SARG objectives, as the ancillary is forecasting to have an unrestricted deficit balance at the end of the budget year.

However, due to the impact of the COVID-19 pandemic on ancillary operations, ancillary units are permitted to carry a negative fund balance where there is a plan in place to address the shortfall in the next several years. Negative fund balances are charged interest at the 3-month T-Bill rate plus an additional ¼%.

Parking Services is forecasting unrestricted deficit balances through to 2024-25.



**Parking Services  
Revenues & Expenditures**  
for the years ended April 30  
(thousands of dollars)

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Revenues	1,774	4,527	4,099	4,705	4,815	4,953	5,077	5,196
Expenditures	2,827	3,193	3,136	3,447	3,485	3,516	3,610	3,475
Operating Results Before Transfers	(1,053)	1,334	963	1,258	1,330	1,437	1,467	1,721

**2022-23 Forecast:**

With an almost full return to pre-pandemic levels of activity on campus in the fall of 2022, overall parking revenue is forecasted to be fairly close to budget.

The ancillary will also be installing LED lighting and Electric Vehicle (EV) charging stations in lot P8. While not specifically included in the capital budget for the current fiscal year, these capital projects are inevitable inclusions in the long-term plans, and proceeding with them now will result in significant long-term savings.

The Operating Result before Transfers is forecasted to be \$1.0 million and the Total Closing Fund Balance is forecasted to be \$3.8 million, including an Unrestricted Deficit balance of \$4.4 million.

**2023-24 Budget & Long-Range Plan:**

The ancillary anticipates a full return to normal, pre-pandemic level in sales in 2023-24.

Different permit offerings have different rates reflective of their value based on location, supply and amenities. The established permit prices echo the different levels of convenience and cost associated with parking such as: surface lots vs. underground garages, distance to buildings, maintenance, lot capacity, etc.

The ancillary proposes an increase of 2% for lot P4/P8 permits, and 3% for all others. While a 3% across-the-board (ATB) increase was originally planned, an adjustment was made in recognition of the financial difficulty being experienced by most students at this time.

Most expenses are expected to increase with inflation, contractual obligations, and some deferred costs will be realized. Overall, expenses are expected to be more in line with traditional operational spending, maintenance schedules and their associated costs.

The Operating Result before Transfers is expected to be \$1.3 million in 2023-24. The Total Closing Fund Balance is projected to be \$5.0 million, including an Unrestricted Deficit balance of \$3.0 million.

Due to the financial impact of the COVID-19 pandemic, the ancillary is anticipating the Total Fund Balance will include an Unrestricted Deficit position through 2024-25.

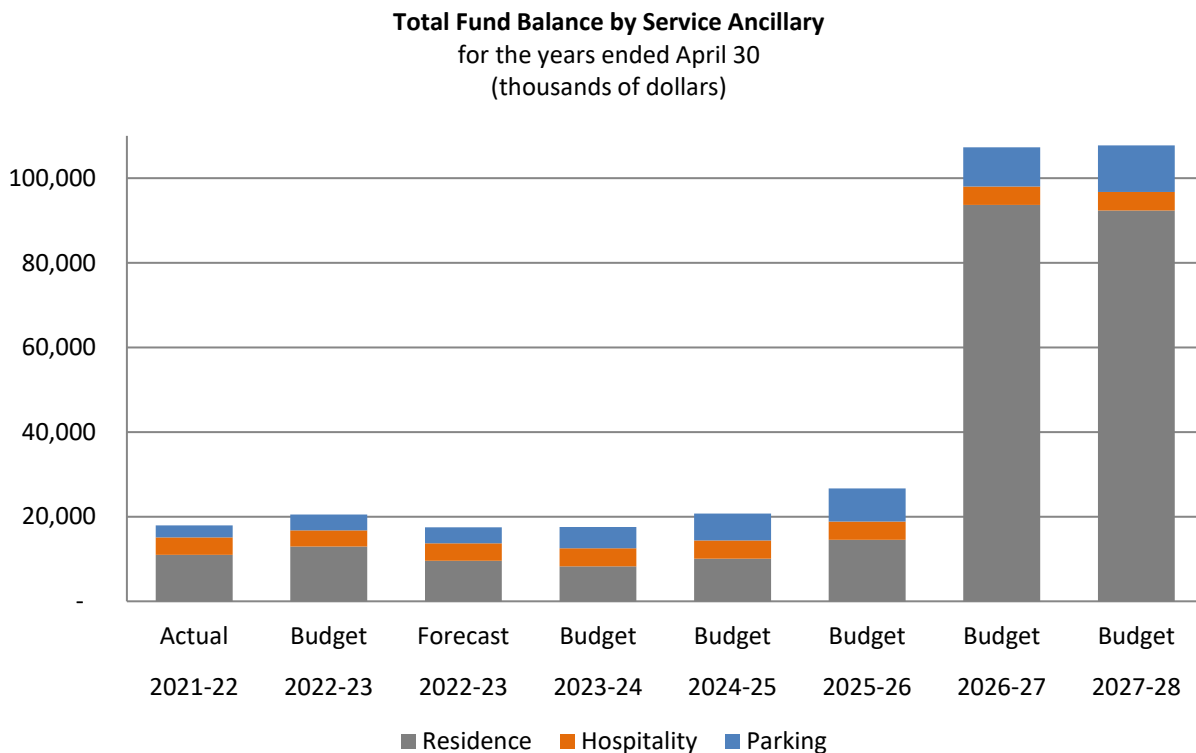
Looking ahead, several existing parking lots have been identified as potential building sites in the draft Campus Master Plan. The building of additional parking structures will be necessary to offset the potential loss of current parking as the campus continues to grow and expand. Even with impactful alternative transportation measures, it is anticipated that parking demand will eventually outweigh supply.

## Total Fund Balance

The Total Fund Balance reflects the net worth of the service ancillaries. Over time, the fund balance changes due to the Net Operating Results for the year and Transfers in or out of the Operation. The Fund Balance is divided into several sub-categories and the sum of these categories represents the total net worth of each ancillary.

- The Unrestricted Surplus/Deficit category represents fund balance that has not been set aside for any specific purpose.
- Various reserves such as the Operating Reserve, Capital Renewal Reserve, Building Renovations Reserve and Construction Reserve represent funds that have been set aside for these specific purposes.
- Investment in Capital Assets represents funds spent on capital assets *less* depreciation. A capital asset purchase results in an increase in the Investment in Capital Assets category and a decrease in the Unrestricted Fund Balance. Depreciation charges over the life of the capital asset will result in a decrease in the Investment in Capital Assets. Repayment of principal on external loans used to acquire capital assets results in an increase in the Investment in Capital Assets.

The following chart shows the Total Fund Balances for the ancillaries from 2021-22 to 2027-28.



**Total Fund Balance by Service Ancillary**  
for the years ended April 30  
(thousands of dollars)

	<b>2021-22 Actual</b>	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>	<b>2025-26 Budget</b>	<b>2026-27 Budget</b>	<b>2027-28 Budget</b>
Residence	10,993	12,932	9,586	8,260	10,084	14,534	93,665	92,345
Hospitality	4,126	3,840	4,129	4,281	4,295	4,329	4,376	4,397
Parking	2,813	3,752	3,776	5,035	6,364	7,801	9,268	10,990
<b>Total</b>	<b>17,932</b>	<b>20,524</b>	<b>17,491</b>	<b>17,576</b>	<b>20,743</b>	<b>26,664</b>	<b>107,309</b>	<b>107,732</b>

For 2022-23, the Total Fund Balance is forecasted to be \$17.5 million. For 2023-24, the projected Total Fund Balance is \$17.6 million.

The Total Fund Balance is expected to grow to \$107.7 million by 2027-28, reflecting an increase of \$90.2 million from 2022-23. This increase consists of a growth of \$82.7 million from Residence, \$0.3 million from Hospitality and \$7.2 million from Parking. This growth is attributed to the investments in capital assets being projected for each of the ancillaries. Capital assets are depreciated over their useful life. The increase in Residence is largely attributed to the cost of the new residence building, planned for opening in 2026-27.

The Total Fund Balance is made up of various reserves as set by the ancillary and/or required to ensure the ancillary meets the four SARG objectives.

**Fund Balance by Category**  
for the budget year 2023-24  
(thousands of dollars)

	Unrestricted Surplus/Deficit	Investment in Capital Assets	Capital Renewal Reserve	Operating Reserve	Construction Reserve	Building Renovation Reserve	Total Fund Balance
Residence	108	7,160	50	942	-	-	8,260
Hospitality	-	2,141	10	319	1,811	-	4,281
Parking	(2,950)	7,749	10	226	-	-	5,035
<b>Total</b>	<b>(2,842)</b>	<b>17,050</b>	<b>70</b>	<b>1,487</b>	<b>1,811</b>	<b>-</b>	<b>17,576</b>

## Ancillary Debt

Total outstanding debt for the service ancillaries is projected to be \$25.9 million (on original loans issued of \$63.5 million) for 2022-23. Estimated principal and interest repayments for Residence are \$4.2 million on an outstanding balance of \$21.6 million and for Parking (CCT underground garage) are \$1.0 million on an outstanding balance of \$4.3 million.

The estimated cost of borrowing in 2022-23 is \$1.5 million or 7.7% of expenditures for Residence and \$0.3 million for Parking, which represents 9.6% of expenditures.

### Principal Loan Balances

for the years ended April 30  
(thousands of dollars)

	2021-22 Actual	2022-23 Forecast	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Residence	24,361	21,632	18,706	16,106	13,656	31,724	28,598
Hospitality	-	-	-	-	-	-	-
Parking	5,001	4,261	3,472	2,630	1,731	773	-
<b>Total Loan Balance</b>	<b>29,362</b>	<b>25,893</b>	<b>22,178</b>	<b>18,736</b>	<b>15,387</b>	<b>32,497</b>	<b>28,598</b>

Transfers in from the UTM Operating budget represent amounts loaned from the UTM Operating budget to the ancillaries to fund the cost of certain capital projects. The UTM Operating budget will fund part of the cost of the new residence building. The ancillary will repay the principal and interest on this loan from the net positive cash flow from operating results (before transfers), until the loan is fully repaid. Annual repayments are set out in Schedule 2 of the ancillary's financial statements.

### Principal Loan Balance - from the UTM Operating budget

for the years ended April 30  
(thousands of dollars)

	2021-22 Actual	2022-23 Forecast	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Residence	-	-	-	-	-	87,526	88,621
Hospitality	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-
<b>Total Loan Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,526</b>	<b>88,621</b>



**University of Toronto Mississauga**  
**Projected Operating Results for the year ending April 30, 2024**  
 (with comparative projected surplus for the year ending April 30, 2023)  
 (thousands of dollars)

Service Ancillary	Revenues	Expenditures	Net Operating Results before Transfers	Transfers in/(out)	Net Operating Results after Transfers 2024	Net Operating Results after Transfers 2023
Residence	20,123	21,449	(1,326)	-	(1,326)	(1,407)
Hospitality	4,203	4,051	152	-	152	2
Parking	4,705	3,447	1,258	-	1,258	963
<b>Total</b>	<b>29,031</b>	<b>28,947</b>	<b>84</b>	<b>-</b>	<b>84</b>	<b>(442)</b>

**SCHEDULE 2**

**University of Toronto Mississauga  
Summary of Long-Range Budget Results**  
(thousands of dollars)

2023-24								2023-24	2025-26	2027-28			
Service Ancillary	Objectives to be met within 2022-23				Unrestricted Surplus/ (Deficit)	Projected Investment in Capital Assets	Projected Commitment to Capital Renewal (Schedule 3)	Projected Operating Reserve (Schedule 3.1)	Projected Construction Reserve (Schedule 3.1)	Projected Building Renovation Reserve (Schedule 3.1)	Fund Balance	Fund Balance	Fund Balance
	1	2	3	4									
Residence	yes	yes	yes	no	108	7,160	50	942	-	-	8,260	14,534	92,345
Hospitality	yes	yes	yes	no	-	2,141	10	319	1,811	-	4,281	4,329	4,397
Parking	no	no	no	no	(2,950)	7,749	10	226	-	-	5,035	7,801	10,990
	<b>Total</b>				<b>(2,842)</b>	<b>17,050</b>	<b>70</b>	<b>1,487</b>	<b>1,811</b>	<b>-</b>	<b>17,576</b>	<b>26,664</b>	<b>107,732</b>

**Objectives:**

Plans reflect (yes) or do not reflect (no) that the Ancillary:

1. Operates without 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 Mississauga**  
**Projected Funds to be Committed for Capital Renewal**  
 for the years ending April 30  
 (thousands of dollars)

<b>Service Ancillary</b>	<b>Balance May 1, 2023</b>	<b>Net increase (decrease) in commitments to capital renewal</b>	<b>Balance April 30, 2024</b>	<b>Balance April 30, 2028</b>
Residence	50	-	50	50
Hospitality	10	-	10	10
Parking	-	10	10	10
<b>Total</b>	<b>60</b>	<b>-</b>	<b>70</b>	<b>70</b>

**University of Toronto Mississauga**  
**Projected Funds to be Committed for Operating, Construction and Building Reserves**  
 for the years ending April 30  
 (thousands of dollars)

	Operating Reserve				Construction Reserve				Building Renovation Reserve			
	Balance May 1, 2023	Increase/ (Decrease) in Operating Reserve	Balance April 30, 2024	Balance April 30, 2028	Balance May 1, 2023	Increase/ (Decrease) in Construction Reserve	Balance April 30, 2024	Balance April 30, 2028	Balance May 1, 2023	Increase/ (Decrease) in Renovation Reserve	Balance April 30, 2024	Balance April 30, 2028
Service Ancillary												
Residence	824	118	942	1,250	-	-	-	-	2,420	(2,420)	-	-
Hospitality	280	39	319	389	1,790	21	1,811	959	-	-	-	-
Parking	-	226	226	219	-	-	-	4,864	-	-	-	-
<b>Total</b>	<b>1,104</b>	<b>383</b>	<b>1,487</b>	<b>1,858</b>	<b>1,790</b>	<b>21</b>	<b>1,811</b>	<b>5,823</b>	<b>2,420</b>	<b>(2,420)</b>	<b>-</b>	<b>-</b>

**SCHEDULE 4**

**University of Toronto Mississauga  
Long-Range Projected Operating Results**  
for the years ending April 30  
(thousands of dollars)

Service Ancillary	2022-23 Forecast			2023-24 Budget			2024-25 Budget		
	Net Operating Results before Transfers	Transfers in/(out)	Net Operating Results after Transfers	Net Operating Results before Transfers	Transfers in/(out)	Net Operating Results after Transfers	Net Operating Results before Transfers	Transfers in/(out)	Net Operating Results after Transfers
Residence	(1,407)	-	(1,407)	(1,326)	-	(1,326)	1,823	-	1,823
Hospitality	2	-	2	152	-	152	14	-	14
Parking	963	-	963	1,258	-	1,258	1,330	-	1,330
<b>Total</b>	<b>(442)</b>	<b>-</b>	<b>(442)</b>	<b>84</b>	<b>-</b>	<b>84</b>	<b>3,167</b>	<b>-</b>	<b>3,167</b>

**University of Toronto Mississauga**  
**Long-Range Projected Operating Results**  
for the years ending April 30  
(thousands of dollars)

Service Ancillary	2025-26 Budget			2026-27 Budget			2027-28 Budget		
	Net Operating Results before Transfers	Transfers in/(out)	Net Operating Results after Transfers	Net Operating Results before Transfers	Transfers in/(out)	Net Operating Results after Transfers	Net Operating Results before Transfers	Transfers in/(out)	Net Operating Results after Transfers
Residence	4,451	-	4,451	4,531	74,600	79,131	3,680	(5,000)	(1,320)
Hospitality	35	-	35	47	-	47	22	-	22
Parking	1,437	-	1,437	1,467	-	1,467	1,721	-	1,721
<b>Total</b>	<b>5,923</b>	<b>-</b>	<b>5,923</b>	<b>6,045</b>	<b>74,600</b>	<b>80,645</b>	<b>5,423</b>	<b>(5,000)</b>	<b>423</b>

**SCHEDULE 5**

**University of Toronto Mississauga  
Summary of 2023-24 Capital Budgets**  
with comparative figures for 2022-23  
(thousands of dollars)

<b>Service Ancillary</b>	<b>2022-23 Budget</b>	<b>2023-24 Budget</b>
Residence	3,797	1,990
Hospitality	753	714
Parking	174	42
<b>Total</b>	<b>4,724</b>	<b>2,746</b>

**University of Toronto Mississauga  
Schedule of 2023-24 Residence Rates**

	2022-23 \$	2023-24 \$	Increase \$	Increase %	Prior Year Increase %
<b>Undergraduate Students (Sept 1 - Apr 30)</b>					
Roy Ivor Hall	12,492	13,585	1,093	8.7%	4.7%
Erindale Hall – Single	12,492	13,585	1,093	8.7%	4.7%
Erindale Hall – Double	8,120	8,830	710	8.7%	4.7%
Oscar Peterson Hall	11,889	13,585	1,696	14.3%	4.7%
MaGrath Valley – Single	12,235	12,908	673	5.5%	4.8%
MaGrath Valley – Double	7,953	8,390	437	5.5%	4.7%
Schreiberwood	11,209	11,825	616	5.5%	4.5%
McLuhan Court	12,613	13,717	1,104	8.8%	17.6%
Putnam Place	12,613	13,717	1,104	8.8%	4.8%
Leacock Lane	11,209	13,717	2,508	22.4%	4.5%
<b>Graduate Student Housing (Sept 1 - Apr 30)</b>					
Schreiberwood - Small Bachelor	9,818	10,358	540	5.5%	4.5%
Schreiberwood - Large Bachelor	10,318	10,885	567	5.5%	4.5%
<b>Medical Student Housing (Sept 1 - May 31)</b>					
Schreiberwood - Small Bachelor	11,045	11,652	607	5.5%	4.5%
Schreiberwood - Large Bachelor	11,608	12,246	638	5.5%	4.5%
<b>Family Student Housing - Monthly Rate</b>					
Schreiberwood - 3 bedroom (May 1 – Aug 31)	1,960	2,068	108	5.5%	4.5%
Schreiberwood - 3 bedroom (Sept 1 – Apr 30)	2,047	2,160	113	5.5%	4.5%
Schreiberwood - 4 bedroom (May 1 – Aug 31)	2,031	2,143	112	5.5%	4.5%
Schreiberwood - 4 bedroom (Sept 1 – Apr 30)	2,122	2,239	117	5.5%	4.5%



**University of Toronto Mississauga  
Schedule of 2023-24 Meal Plan Rates**

	<b>2022-23</b>	<b>2023-24</b>	<b>Increase</b>	<b>Increase</b>	<b>Prior Year</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>%</b>	<b>Increase</b>
					<b>%</b>
<b>Meal Plans – First-years and Upper-years</b>					
Plus +500 flex dollars	4,850	5,150	300	6.2%	9.0%
Plus +250 flex dollars	4,600	4,900	300	6.5%	7.0%
Full +500 flex dollars	4,375	4,650	275	6.3%	8.0%
Full +250 flex dollars	4,125	4,400	275	6.7%	5.8%
<b>Meals Plans – Upper-years only</b>					
Light +500 flex dollars	3,425	3,625	200	5.8%	12.3%
Light +250 flex dollars	3,175	3,375	200	6.3%	9.5%
Minimum +500 flex dollars	2,950	3,100	150	5.1%	11.3%
Minimum +250 flex dollars	2,700	2,850	150	5.6%	8.0%

**Notes:**

**Meal Plans – First-years and Upper-years:**

These meal plans are required for all first-year resident students and for those students residing in Oscar Peterson Hall. Upper-year students may also select these meal plans.

Plus: This plan is best suited for students who live in residence and stay on campus on weekends.

Full: This plan is best suited for students who live in residence and go home on weekends.

**Meal Plans – Upper-years only:**

These meal plans are required for all upper-year resident students with the exception of Graduate Students and Students with Families.

Light: This plan is best suited for upper-year students who live in the townhomes or apartments on campus, and are around on the weekends.

Minimum: This plan is best suited for upper-year students who live in the townhomes or apartments on campus, and go home on weekends.

**Flex Dollars:** Flex dollars can be used to purchase all items that do not qualify for tax exemption and, therefore cannot be purchased using Basic Dollars. Specifically, convenience, confectionary, and grocery items can only be purchased using Flex Dollars. Flex Dollars can be used to purchase items from vending machines with card readers, the Blind Duck and the Duck Stop, participating Food Trucks on campus, Pizza Pizza and Pita Pit off-campus delivery, and Sheridan College – Trafalgar Campus (Tim Hortons – B-Block and Trafalgar Marketplace only).

**University of Toronto Mississauga  
Schedule of 2023-24 Parking Rates**

	2022-23 \$	2023-24 \$	Increase \$	Increase %	Prior Year Increase %
CCT Garage (annual)	1,453.01	1,496.60	43.59	3.0%	3.0%
Lot P1 (annual)	1,206.74	1,242.94	36.20	3.0%	3.0%
Lot P5 (annual)	1,171.59	1,206.74	35.15	3.0%	3.0%
Lot P9 (annual)	930.40	958.31	27.91	3.0%	3.0%
Lots P4 and P8 (annual)	821.18	837.60	16.42	2.0%	3.0%
Student (sessional - Lots P4 and P8)	342.15	348.99	6.84	2.0%	3.0%
Resident (annual)	1,036.81	1,067.91	31.10	3.0%	2.7%
Afternoon (annual - after 3:30pm)	241.64	248.89	7.25	3.0%	3.0%
Commercial (annual)	1,375.76	1,417.03	41.27	3.0%	3.0%
Pay & Display (daily maximum) (6:30am to 8:00am next day)					
CCT Garage	20.00	20.00	-	0%	0%
Lot P9	17.50	17.50	-	0%	0%
Lot P4 and P8	15.00	15.00	-	0%	0%
Pay & Display (evening/weekend) (5:00pm to 8:00am next day)					
CCT Garage	10.00	10.00	-	0%	0%
Lot P9	7.00	7.00	-	0%	0%
Lot P4 and P8	6.00	6.00	-	0%	0%
Pay & Display (per half hour) (6:30am to 5:00pm)					
CCT Garage	3.00	3.00	-	0%	0%
Lot P9	2.75	2.75	-	0%	0%
Lot P4 and P8	2.50	2.50	-	0%	0%
Pay & Display (per half hour) (weekdays 5:00pm to 8:00am next day; weekends & holidays)					
CCT Garage	1.00	1.00	-	0%	0%
Lot P9	1.00	1.00	-	0%	0%
Lot P4 and P8	1.00	1.00	-	0%	0%

### Review and Consultation Process

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The University of Toronto Mississauga (UTM) Campus Affairs Committee makes recommendations to the UTM Campus Council on the annual budgets related to service ancillaries. The budgets approved by the Campus Council require confirmation by the Executive Committee of Governing Council. Those plans include a Management Report that describe 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 also include each ancillary's annual operating budget, as well as changes to program and levels of service, categories of users, accessibility, and compulsory or optional fees. This year, the plans will report on actual financial results for the 2021-22, the forecasts for 2022-23 and budgets for the five-year period 2023-24 to 2027-28. Only the proposed budget for 2023-24 is for approval. The remaining budgets, actual and forecast are for comparison and information purposes.

The Student Housing and Residence Life operating plan is reviewed by the Student Housing Advisory Committee (SHAC) that includes membership from all residence constituencies, including graduate and undergraduate students in residence, families in residence, and student staff in residence as well as representation from UTM's undergraduate Residence Council.

The Hospitality Services operating plan is reviewed by the Food Service Advisory Committee with membership of students (undergraduate, graduate, UTMSU, Residence Council), faculty and staff. Details of the Meal Plan component of Hospitality Services are reviewed by the Resident Student Dining Committee drawing membership from each of the residences (including first and upper-year townhouse clusters).

The Transportation & Parking Advisory Committee reviews the Parking Services operating plan. Membership includes undergraduate and graduate students, faculty and staff.

As well, the University of Toronto Financial Services Department (FSD) reviews the operating plans and management reports submitted by each ancillary. The ancillaries address issues requiring further attention identified by FSD.

## **Review and Consultation Process**

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### **Advisory Committee Meeting Dates:**

#### Student Housing Advisory Committee

September 28, 2022

October 5, 2022

October 19, 2022

October 26, 2022

#### Food Services Advisory Committee

October 5, 2022

November 2, 2022

#### Resident Student Dining Committee

October 25, 2022

November 2, 2022

#### Transportation and Parking Advisory Committee

October 27, 2022

November 3, 2022



## **Student Housing & Residence Life Operating Plans 2022-23 to 2027-28**

### **Management Report**

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#### **1. Overview of Objectives, Issues and Services**

##### **1.1 Service Ancillary Review Group (SARG) Objectives**

- i. To operate without subsidy from the University operating budget;
- ii. To provide for all costs of capital renewal including deferred maintenance;
- iii. To create and maintain an operating reserve (excluding capital requirements) at a minimum of ten percent of annual operating expenditures as protection against unforeseen events which would have a negative financial impact on the operation;
- iv. Contribute net revenues to the operating budget, where possible.

##### **1.2 Student Housing & Residence Life Mission**

- To create a holistic student experience that promotes academic and personal success.
- To provide facilities that are safe & secure, well-maintained, and competitively priced to foster a supportive community that values diversity, equity, and inclusion.
- To offer innovative programs & services that enhance student learning & development by staying informed by research & assessment.
- To contribute to a unique and unparalleled student experience with our peer-based approach, dedicated professional staff, and collaborative attitude.

##### **1.3 Background and Highlights**

Student Housing & Residence Life (SHRL) provides a transformative experience for students in residence with typically over 1,500 workshops, events and programs annually. There are eight residence communities at the University of Toronto Mississauga (UTM) including three residence buildings and five townhouse complexes. The department also provides 24-hour on-call response, 365 days per year.

Some recent highlights from SHRL's September Transition survey:

- 87% of respondents indicate that they feel a positive sense of community in residence
- 76% of respondents indicate that they feel supported in their academic transition
- 92% indicate that they have made at least one new friendship in residence
- 95% of residence student staff have made me feel welcome
- 83% feel a sense of belonging in residence

## **2. 2022-23 Operating Forecast**

While the COVID-19 pandemic had a significant operational and financial impact on this ancillary in the past, the ancillary is mostly back to regular operation and occupancy in the current fiscal year. Fall 2022 had very high demand for housing because of the high numbers of first year guaranteed students whom applied for residence. The ancillary had an overflow of students at move-in and these students were temporarily placed in Leacock Lane (offline for 2022-23) and subsequently moved to permanent spaces as they became available (as students moved out or cancelled their residence space).

SHRL's summer revenue was lower than expected which was the result of lower-than-expected participation in the Summer ACE program and less summer demand from students. Conversely, summer Conference revenue was higher than budgeted (anticipated revenue to \$0 given the uncertainty of the conference industry as a result of COVID-19).

Forecasted Total Revenues are expected to be \$17,567,157. This is \$188,997 higher than the approved budget revenues of \$17,378,160. Residence fees and family rent payments make up 91.5% of SHRL's budgeted revenues.

Annual Building Depreciation and Interest Expenses (Mortgages) of \$4,194,674 continue to dominate the SHRL operating budget, making up 22.9% of Total Expenditures.

As outlined in SHRL's Student Housing Master Plan, the top priority is the maintenance and capital renewal of existing residence facilities. SHRL is projected to spend \$6,030,460 on Major Maintenance and reinvestment in residence facilities this year. This is higher than originally budgeted as the cost of construction has increased significantly.

Total spending on Salary, Wages & Benefits is forecasted to be \$3,131,775. SHRL delayed filling several positions during the pandemic to reduce expenses, but all roles have now been filled and the department will continue to keep roles filled whenever possible to reduce strain on staffing.

Utilities are forecasted to be \$1,284,813 (7% of Total Expenditures) and the combined University and Campus Overhead Charges are forecasted to be \$826,841 (4.4% of Total Expenditures).

Prior to COVID-19, SHRL had several healthy reserves. The revenue shortfalls due to COVID-19 had depleted these reserves, and the short-term capital renewal plans had to be adjusted resulting in some projects being postponed or cancelled. At end of fiscal 2021-22, the ancillary

had an Operating Reserve of \$691,470, a Capital Renewal Reserve of \$50,000, and a Building Renovation Reserve of \$4,905,094. The transfer out of \$4,859,059 represents a reversal of a transfer-in previously reported in 2020-21 of the same amount. This is to align with the University's updated policy for capital projects involving University debt, whereby the ancillary reports the transfer-in and the cost of the investment at the *end of the project*. Previously, all transfers and the cost of the investment was transferred to ancillary *as and when it occurred* (usually quarterly).

The Operating Result before Transfers (Schedule 1) is forecasted to be a loss of \$1,407,019. This is a \$135,609 favourable variance from the budget. The Total Closing Fund Balance (Schedule 2) is forecasted to be \$9,585,957.

### **3. 2023-24 Proposed Budget**

SHRL's proposed budget for 2023-24 shows an annual operating loss, which is primarily the result of significant renovation and re-investment in existing residence facilities. Cumulative cash flow and fund balance remain positive.

#### REVENUES

SHRL is planning on demand continuing to be high in 2023-24. The ancillary will have 79 beds offline in MaGrath Valley due to renovations. The remaining rooms will be filled at 97.5% Occupancy. The ancillary was challenged to meet the requirements of the first-year guarantee in 2022-23, the ancillary anticipates this being a continued challenge until the new residence building opens in 2026-27.

SHRL continues to build demand for a summer residence session through marketing, promotion and process improvements to the room application process.

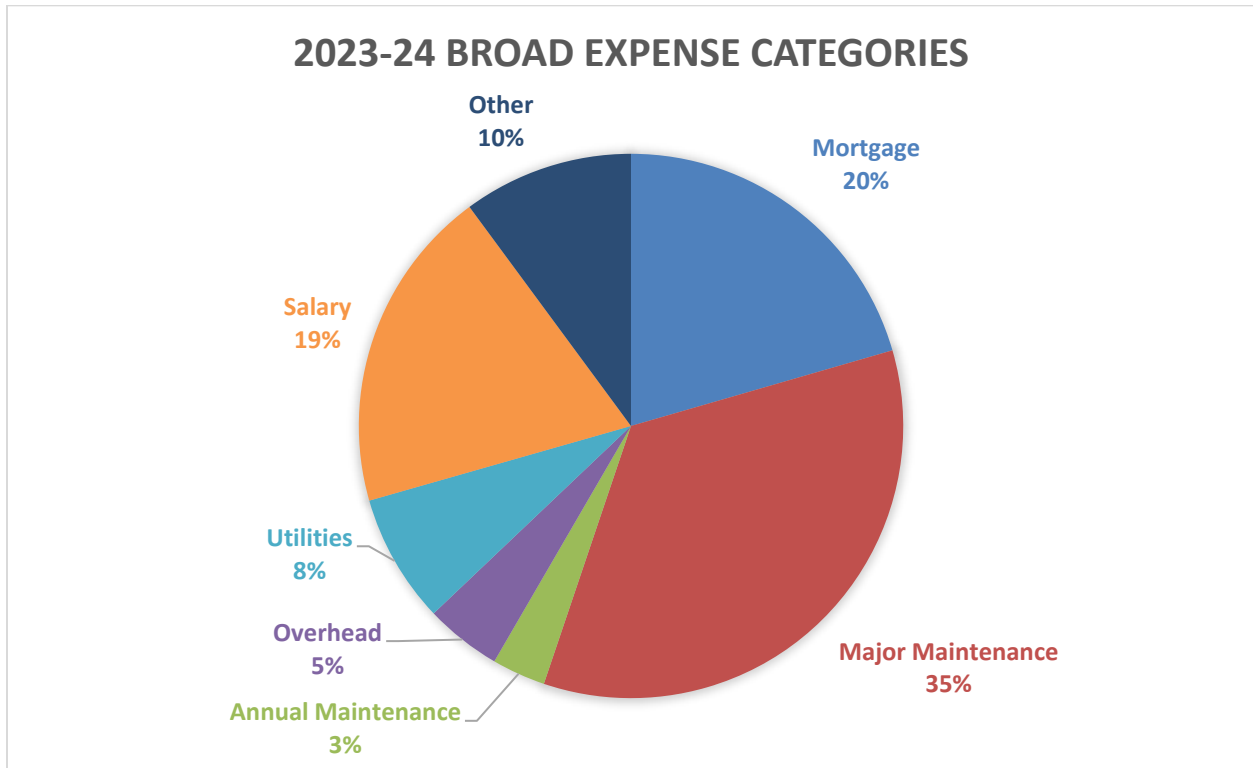
Total Revenues are budgeted to be \$20,123,185.

#### EXPENSES

Mortgage-related expenses and investment in renovations are the two biggest pressures on the SHRL expenditures. The plans ensure positive cumulative cash flow in each year of the business plan.

- Major maintenance and capital renewal continue to be top priorities for SHRL. Significant renovations and enhancements are planned over the next 10 plus years.
  - Major Maintenance (see Schedule 3) primarily includes large-scale renovations to existing residence buildings.
  - Capital Renewal (see Schedule 5) are larger projects such as building enhancements and replacement of major systems. Capital Renewal projects are subject to capitalization and depreciation.

- Building Depreciation & Loan Interest Expense (Mortgages) continues to be one of the largest expenses, accounting for 20% of Total Expenditures.



## RESIDENCE RATES

The 2023-24 residence rate sheet is presented on Schedule 6. Several data points informed the development of these rates including – a rate comparison against institutional peers, demand data and feedback from the Student Housing Advisory Committee (SHAC). It should be noted that with several price points available, rates for residences at UTM compare favourably with institutional peers.

The 2023-24 rates have increased due to increased cost for goods/services, and most significantly, construction costs that affect the townhouse renovation projects and the anticipated cost of the new residence building. Due to high demand for spaces in Oscar Peterson Hall, the ancillary has increased the rates to be on par with the other two buildings, Roy Ivor Hall and Erindale Hall.

In 2023-24, the Operating Results before Transfers is projected to be a loss of \$1,325,422. The Total Closing Fund Balance for 2023-24 is projected to be \$8,260,535.



#### **4. Long Range Plan: 2024-25 to 2027-28**

Two primary drivers are impacting the 5-year budget horizon:

- The first is the capital renewal plan on the existing residence facilities outlined in more detail below.
- The second is the development of a new residence that is planned to open in summer 2026 (pending approvals). The development of a new residence building is required to maintain UTM's commitment to the first-year residence guarantee.

As recommended by the Student Housing Master Plan, the SHRL long-range plan has been designed around a multi-year re-investment in the existing housing stock. Each renovation outlined below will take one cycle and will be off-line for the renovation period.

Major townhouse renovations are currently planned as follows:

2024-25 MaGrath Valley Renovation (Phase 2)  
2025-26 Schreiberwood (Phase 1)  
2026-27 Schreiberwood (Phase 2)  
2027-28 Schreiberwood (Phase 3)

Long-term renovation plans extend through to 2030. Unrestricted Surplus amounts are allocated to the Building Renovation Reserve for upcoming renovations or the Construction Reserve for the new residence building. These reserves will be used to fund the renovations, capital renewal and new builds outlined in the Student Housing Master Plan.

#### **RISKS TO SHRL**

International recruitment is of significant risk to SHRL. Annually, approximately 50% of the residence population are international students. International students accept residence at a much higher rate than their domestic peers. Any change to UTM's international enrollment targets and source countries could have a significant impact on residence application numbers. Construction costs escalation continues to impact the renovation and new build planning. Greater Toronto Area construction costs continue to be extremely high and the ancillary's need to continue to refine cost escalation projections. SHRL has planned contingencies into its capital renewal planning.

SHRL continues to enjoy strong increases in first-year applications for residence. In the coming years, before the new residence opens (summer 2026) it will be increasingly challenging to meet the residence guarantee for all first-year students.

## APPENDIX A

### University of Toronto Mississauga Student Housing Advisory Committee Membership

Student representatives are elected (or acclaimed) from various residence sub-populations. The department wishes to thank all representatives for the time invested in consultation with SHRL leadership team.

SHRL provided considerable opportunity for student consultation on the 2023-24 budget. The Student Housing Advisory Committee (SHAC) had four (4) budget focused meetings in September and October. **SHAC supported the 2023-24 budget and the proposed residence rates as presented in Schedule 6.**

Membership is comprised of:

Three (3) Undergraduate Representatives within Residence Council (Elected by a majority of completed ballots from the Residence Council)

1. Mikas Agarwal

Two (2) UTM First Year Residence Community Representatives (Elected by majority of completed ballots from first year residents)

1. Aden Draude
2. Marta Malyk

One (1) UTM Upper Year Residence Community Representatives (Elected by majority of completed ballots from upper year residents)

1. Vacant

One (1) Graduate Student Representatives within Residence (Elected by a majority of completed ballots from graduate students living in residence)

1. Karolina Szlapa

One (1) Family Representative within Residence  
(Elected by a majority of completed ballots from family households)

1. Vilija Batten

One (1) Residence Life Don (Elected by majority of completed ballots from Don team)

1. Shereece Hall

One (1) Residence Peer Academic Leader (Elected by majority of completed ballots from PAL team)

1. Ana Divarzak

One (1) Residence Service Assistants (Elected by majority of completed ballots from Residence Service Assistants)

1. Trisha Banerjee

Students looking to share feedback or input on matters pertaining to housing services, programming for students, resources and departmental budget priorities, are encouraged to contact their area representative(s).

**University of Toronto Mississauga  
Student Housing & Residence Life  
Statement of Operating Results  
in \$'s**

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2022-23 Variance	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
<b>Revenues</b>									
Residence Fees - Fall/Winter Session	14,062,762	15,185,605	15,437,807	252,202	17,753,877	18,786,449	20,912,132	26,002,868	27,852,285
Residence Fees - Summer Session	309,819	708,866	663,801	(45,065)	834,896	876,641	920,473	966,497	1,014,822
Conference	-	-	120,473	120,473	189,036	205,949	221,125	236,824	241,561
Other Income	517,973	391,735	444,872	53,137	467,116	483,465	493,134	502,997	513,057
Investment Income	19,051	18,000	78,452	60,452	82,375	85,258	86,963	88,702	90,476
Value of Don's & Dean's Rooms	919,963	1,073,954	821,752	(252,202)	795,885	786,458	808,043	1,128,210	1,176,723
<b>Total Revenues</b>	<b>15,829,568</b>	<b>17,378,160</b>	<b>17,567,157</b>	<b>188,997</b>	<b>20,123,185</b>	<b>21,224,220</b>	<b>23,441,870</b>	<b>28,926,098</b>	<b>30,888,924</b>
<b>Direct Expenditures</b>									
Salary, Wages & Benefits	2,460,016	3,119,587	3,131,775	(12,188)	4,021,044	4,161,781	4,245,017	4,674,157	5,132,534
Supplies	98,357	102,273	102,273	-	107,387	111,146	113,369	136,450	139,180
Utilities	1,084,251	1,332,121	1,284,813	47,308	1,567,976	1,622,855	1,655,312	1,992,333	2,032,179
Garbage	7,706	33,239	33,239	-	34,901	36,123	36,845	44,347	45,234
Snow Removal, Grounds Maintenance, Engineering	368,204	386,409	366,974	19,435	385,323	398,809	406,785	489,607	499,398
Insurance	84,200	90,338	90,338	-	103,888	107,524	109,674	132,003	134,643
Communication	42,523	254,610	234,233	20,377	245,945	254,553	259,644	312,508	318,758
Annual Maintenance	387,937	620,638	620,638	-	651,670	674,478	687,968	828,038	844,599
Major Maintenance	2,805,574	5,744,466	6,030,460	(285,994)	7,088,098	5,190,951	4,835,752	2,617,079	4,228,154
Furniture & Equipment Depreciation	207,537	308,540	403,068	(94,528)	444,948	486,549	546,662	871,494	1,461,351
Building Depreciation	2,555,780	2,728,894	2,728,894	-	2,913,790	2,612,545	2,450,090	6,649,394	6,820,204
Non-Depreciable Assets	46,667	125,989	125,989	-	132,288	136,918	139,656	168,090	171,452
Loan Principal & Interest Expenses	1,638,894	1,465,780	1,465,780	-	1,280,885	1,092,806	936,776	2,236,295	2,042,261
Value of Don's & Dean's Rooms	919,963	1,073,954	821,752	252,202	795,885	786,458	808,043	1,128,210	1,184,624
Cleaning Costs	114,869	146,645	146,645	-	153,977	159,366	162,553	195,649	199,562
Residence Life Expenses	92,874	152,809	152,809	-	160,449	166,065	169,386	203,873	207,950
Advertising/Marketing/Other Commission	16,184	27,209	27,209	-	28,569	29,569	30,160	36,300	37,026
Credit Card Fees	83,844	78,150	78,150	-	87,248	90,302	92,108	110,861	113,078
Miscellaneous	164,034	302,296	302,296	-	317,411	328,520	335,090	403,315	411,381
<b>Total Direct Expenditures</b>	<b>13,179,414</b>	<b>18,093,947</b>	<b>18,147,335</b>	<b>(53,388)</b>	<b>20,521,682</b>	<b>18,447,318</b>	<b>18,020,890</b>	<b>23,230,003</b>	<b>26,023,568</b>
<b>Indirect Expenditures</b>									
Central Overhead Charges	59,825	57,130	57,130	-	67,918	70,295	71,701	86,299	88,026
Department/College Overhead Charges	554,885	576,694	576,694	-	667,350	690,707	704,521	847,961	864,920
Facilities & Services Overhead Charges	44,031	193,017	193,017	-	191,657	192,907	194,194	230,714	232,324
<b>Total Indirect Expenditures</b>	<b>658,741</b>	<b>826,841</b>	<b>826,841</b>	<b>-</b>	<b>926,925</b>	<b>953,909</b>	<b>970,416</b>	<b>1,164,974</b>	<b>1,185,270</b>
<b>Total Expenditures</b>	<b>13,838,155</b>	<b>18,920,788</b>	<b>18,974,176</b>	<b>(53,388)</b>	<b>21,448,607</b>	<b>19,401,227</b>	<b>18,991,306</b>	<b>24,394,977</b>	<b>27,208,838</b>
<b>Operating Results Before Transfers</b>	<b>1,991,413</b>	<b>(1,542,628)</b>	<b>(1,407,019)</b>	<b>135,609</b>	<b>(1,325,422)</b>	<b>1,822,993</b>	<b>4,450,564</b>	<b>4,531,121</b>	<b>3,680,086</b>

**University of Toronto Mississauga  
Student Housing & Residence Life  
Statement of Reserves  
in \$'s**

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2022-23 Variance	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
<b>Total Fund Balance - Opening</b>	<b>13,860,622</b>	<b>14,474,271</b>	<b>10,992,976</b>	<b>(3,481,295)</b>	<b>9,585,957</b>	<b>8,260,535</b>	<b>10,083,528</b>	<b>14,534,092</b>	<b>93,665,213</b>
Net Operating Results before Transfers	1,991,413	(1,542,628)	(1,407,019)	135,609	(1,325,422)	1,822,993	4,450,564	4,531,121	3,680,086
Transfers in to Ancillary Operations <sup>(1)</sup>	-	-	-	-	-	-	-	76,600,000	-
Transfers (out of) Ancillary Operations <sup>(2)</sup>	(4,859,059)	-	-	-	-	-	-	(2,000,000)	(5,000,000)
Net Operating Results after Transfers	(2,867,646)	(1,542,628)	(1,407,019)	135,609	(1,325,422)	1,822,993	4,450,564	79,131,121	(1,319,914)
<b>Total Fund Balance - Closing</b>	<b>10,992,976</b>	<b>12,931,643</b>	<b>9,585,957</b>	<b>(3,345,686)</b>	<b>8,260,535</b>	<b>10,083,528</b>	<b>14,534,092</b>	<b>93,665,213</b>	<b>92,345,299</b>
<i>Closing Fund Balance is made up of:</i>									
<b>Investment in Capital Assets</b>	<b>5,346,412</b>	<b>11,489,461</b>	<b>5,614,410</b>	<b>(5,875,051)</b>	<b>7,159,901</b>	<b>7,252,452</b>	<b>7,799,890</b>	<b>92,141,643</b>	<b>87,514,626</b>
<b>Internally Restricted</b>									
Capital Renewal Reserve	50,000	50,000	50,000	-	50,000	50,000	50,000	50,000	50,000
Operating Reserve	691,470	831,831	824,338	(7,493)	942,193	951,333	952,314	1,213,267	1,249,845
Construction Reserve	-	-	-	-	-	1,700,000	5,600,000	-	-
Building Renovation Reserve	4,905,094	-	2,419,564	2,419,564	-	-	-	-	-
<b>Unrestricted Surplus/(Deficit)</b>	<b>-</b>	<b>560,351</b>	<b>677,645</b>	<b>117,294</b>	<b>108,441</b>	<b>129,743</b>	<b>131,888</b>	<b>260,303</b>	<b>3,530,828</b>

**Notes:**

- (1) The Transfer in to Ancillary Operations in 2026-27 represents the amount loaned from the UTM Operating budget for the construction of the new residence building.
- (2) The Transfer out of Ancillary Operations in 2021-22 represents a reversal of a transfer-in previously reported in 2020-21 of the same amount. This is to align with the University's updated policy for capital projects involving University debt, whereby the ancillary reports the transfer-in and the cost of the investment at the end of the project. Previously, all transfers and the cost of the investment was transferred to ancillary as and when it occurred (usually quarterly). The Transfers out of Ancillary Operations in 2026-27 and 2027-28 represent repayments of the loans from the UTM Operating budget.

**University of Toronto Mississauga  
Student Housing & Residence Life  
Schedule of Major Maintenance  
in \$'s**

	<b>2021-22 Actual</b>	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2022-23 Variance</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>	<b>2025-26 Budget</b>	<b>2026-27 Budget</b>	<b>2027-28 Budget</b>
Major Maintenance	2,805,574	5,744,466	6,030,460	(285,994)	7,088,098	5,190,951	4,835,752	2,617,079	4,228,154
<b>Total Major Maintenance</b>	<b>2,805,574</b>	<b>5,744,466</b>	<b>6,030,460</b>	<b>(285,994)</b>	<b>7,088,098</b>	<b>5,190,951</b>	<b>4,835,752</b>	<b>2,617,079</b>	<b>4,228,154</b>

**University of Toronto Mississauga  
Student Housing & Residence Life  
Schedule of Deferred Maintenance  
in \$'s**

	<b>2021-22 Actual</b>	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2022-23 Variance</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>	<b>2025-26 Budget</b>	<b>2026-27 Budget</b>	<b>2027-28 Budget</b>
Deferred Maintenance	-	-	-	-	-	-	-	-	-
<b>Total Deferred Maintenance</b>	-	-	-	-	-	-	-	-	-

**University of Toronto Mississauga  
Student Housing & Residence Life  
Schedule of Capital Expenditure  
in \$'s**

	<b>2021-22 Actual</b>	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2022-23 Variance</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>	<b>2025-26 Budget</b>	<b>2026-27 Budget</b>	<b>2027-28 Budget</b>
Building (New Residence)	(659,940)	2,340,060	-	2,340,060	-	-	-	84,321,261	344,485
Enhancements	-	-	-	-	-	-	-	3,632,033	500,000
Furniture & Equipment	-	1,457,257	671,066	786,191	1,990,439	579,100	-	1,620,214	373,334
<b>Total Capital Expenditure</b>	<b>(659,940)</b>	<b>3,797,317</b>	<b>671,066</b>	<b>3,126,251</b>	<b>1,990,439</b>	<b>579,100</b>	<b>-</b>	<b>89,573,508</b>	<b>1,217,819</b>

**Notes:**

The amount in 2021-22 represents a reversal of a transfer-in previously reported in 2020-21 of the same amount. This is to align with the University's updated policy for capital projects involving University debt, whereby the ancillary reports the transfer-in and the cost of the investment at the end of the project. Previously, all transfers and the cost of the investment was transferred to ancillary as and when it occurred (usually quarterly).



**University of Toronto Mississauga  
Student Housing & Residence Life  
Schedule of Rates  
in \$'s**

	Period	2022-23	\$ Change	% Change	2023-24	2024-25	2025-26	2026-27	2027-28
<b>Undergraduate Student Housing</b>									
Roy Ivor Hall	Sept 1 - Apr 30	12,492	8.8%	1,093	13,585	14,332	15,049	15,801	16,591
Erindale Hall - Single	Sept 1 - Apr 30	12,492	8.8%	1,093	13,585	14,332	15,049	15,801	16,591
Erindale Hall - Double	Sept 1 - Apr 30	8,120	8.8%	710	8,830	9,316	9,782	10,271	10,784
Oscar Peterson Hall	Sept 1 - Apr 30	11,889	14.3%	1,696	13,585	14,332	15,049	15,801	16,591
MaGrath Valley - Single	Sept 1 - Apr 30	12,235	5.5%	673	12,908	14,471	15,195	15,955	16,753
MaGrath Valley - Double	Sept 1 - Apr 30	7,953	5.5%	437	8,390	9,406	9,877	10,371	10,889
Schreiberwood	Sept 1 - Apr 30	11,209	5.5%	616	11,825	12,475	13,099	13,754	16,753
McLuhan Court	Sept 1 - Apr 30	12,613	8.8%	1,104	13,717	14,471	15,195	15,955	16,753
Putnam Place	Sept 1 - Apr 30	12,613	8.8%	1,104	13,717	14,471	15,195	15,955	16,753
Leacock Lane	Sept 1 - Apr 30	11,209	22.4%	2,508	13,717	14,471	15,195	15,955	16,753
New Residence Building - Single				-				15,955	16,753
New Residence Building - Double				-				10,371	10,889
<b>Graduate Student Housing</b>									
Schreiberwood - Small Bachelor	Sept 1 - Apr 30	9,818	5.5%	540	10,358	10,928	11,474	12,048	12,650
Schreiberwood - Large Bachelor	Sept 1 - Apr 30	10,318	5.5%	567	10,885	11,484	12,058	12,661	13,294
<b>Medical Student Housing</b>									
Schreiberwood - Small Bachelor	Sept 1 - May 31	11,045	5.5%	607	11,652	12,293	12,908	13,553	14,231
Schreiberwood - Large Bachelor	Sept 1 - May 31	11,608	5.5%	638	12,246	12,920	13,566	14,244	14,956
<b>Family Student Housing - Monthly Rate</b>									
Schreiberwood - 3 bedroom	May 1 - Aug 31	1,960	5.5%	108	2,068	2,182	2,291	2,406	2,526
Schreiberwood - 3 bedroom	Sept 1 - Apr 30	2,047	5.5%	113	2,160	2,279	2,393	2,513	2,639
Schreiberwood - 4 bedroom	May 1 - Aug 31	2,031	5.5%	112	2,143	2,261	2,374	2,493	2,618
Schreiberwood - 4 bedroom	Sept 1 - Apr 30	2,122	5.5%	117	2,239	2,362	2,480	2,604	2,734

## **Hospitality Services Operating Plans 2022-23 to 2027-28**

### **Management Report**

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#### **1. Overview of Objectives, Highlights and Services**

##### **1.1 Service Ancillary Review Group (SARG) Objectives**

- i. To operate without subsidy from the University operating budget;
- ii. To provide for all costs of capital renewal including deferred maintenance;
- iii. To create and maintain an operating reserve (excluding capital requirements) at a minimum of ten percent of annual operating expenditures as protection against unforeseen events which would have a negative financial impact on the operation;
- iv. Contribute net revenues to the operating budget, where possible.

##### **1.2 Hospitality Services Mission**

- To serve a variety of quality products in well-maintained, relaxing and engaging food service outlets at prices which provide value to customers;
- To produce income for the University of Toronto Mississauga (UTM) through the utilization of campus resources that might otherwise remain idle;
- To maintain and replace campus resources which can be used for both conference and other uses;
- To further the academic mission and recruiting efforts by providing opportunities for academic and youth conferences;
- To increase campus activity in the spring/summer by contributing to a vibrant campus; providing increased employment opportunities for campus service staff; and stabilizing the annual work cycle of this seasonal campus group;
- To include sustainability considerations in all purchase and program decisions.

### **1.3 Background and Highlights**

Food Service is typically provided through:

- The Tim Horton's full service outlet at the Davis Building Meeting Place
- The Davis Building Food Court
  - Rotisserie, Thai Express, Harvey's, Fusion 8, Pizza Pizza, Mongolian Grill, Revv Up, Chop n Top, Global Market, and Commissary items
- The Tim Hortons Café Express and Commissary items in the CCT Building
- The Starbucks Café located in the Hazel McCallion Academic Learning Centre
- The multi-concept Colman Commons Dining Hall located in Oscar Peterson Hall, including the Oscar Café Bar
- The North Side Bistro and Starbucks at Deerfield Hall
- The Bento Sushi, Quesada and Subway at the Instructional Centre – IB Court
- The Second Cup and Commissary items at the Kaneff/Innovation Complex
- The Fair Trade Coffee and Tea, Indigenous Menu Offerings, and Commissary items at the Maanjiwe nendamowinan Building
- The Booster Juice at the Recreation, Athletics and Wellness Centre (RAWC)
- The rotating food trucks
- An arrangement enabling students to use their student meal plans to purchase:
  - Delivery from Pizza Pizza
  - Delivery and in-store from Pita Pit and Osmow's
  - Meals at the Blind Duck in the Student Center, operated by the University of Toronto Mississauga Student's Union

In 2022-23, Food Service operations returned to full operations. Summer catering business exceeded pre-pandemic levels due to the return of in-person conferences, the hosting of food services for the participants of the Ontario Summer Games in July, and the increased availability of campus space to support movie shoots. The return to campus for students and many staff also resulted in a return to pre-pandemic levels for catering during the academic year.

## **2. 2022-23 Operating Forecast**

Forecasted Total Food Services Revenues are expected to be higher than budget by \$1,176,838 due to:

- Higher than expected catering business, primarily due to the hosting of the Ontario Summer Games' participants; and
- Higher than expected on-campus population due to the removal of all public health restrictions related to the pandemic.

As a direct result of higher-than-expected Total Food Services Revenue, forecasted Total Cost of Sales and Service is forecasted to be \$1,720,921 higher than budget.

The ancillary was able to utilize the idle space on campus over the summer to increase movie shoot business, resulting in a forecasted Total Other Revenue of \$535,758 higher than budget.

Total Direct Expenditures are forecasted to be \$108,873 lower than budget. This is primarily attributed to savings from the deferral of capital investments, such as construction of the Plant-Based Food Service outlet and the Tim Hortons branding refresh.

The Operating Result before Transfers is forecasted to be a surplus of \$2,189 and the Total Closing Fund Balance is forecasted to be \$4,128,659.

### **3. 2023-24 Proposed Budget**

The Hospitality Services ancillary is committed to providing meal plans that provide value and are competitively priced with peer institutions. In 2023-24, food inflation is expected to be between 5% and 10%. Changes to meal plan costs must follow suit with any changes in food prices to ensure that:

- UTM is abiding by government regulations defining tax-exempt meal plans; and
- Purchasing power of meal plans is maintained from year-to-year.

Hospitality Services is committed to working with UTM's food service contractor to manage price increases to ensure they do not exceed inflationary increases.

Additionally, Hospitality Services is forecasting a residence capacity increase to about 94% of pre-pandemic levels, hampered only by the impact of MaGrath Valley renovations.

Hospitality Services is assuming Cafeteria Revenues will increase as a result of the aforementioned price increases.

As a result, total Food Services Revenues are expected to increase by 5.0%.

Total Cost of Sales and Service is expected to increase in line with the increase in Total Revenues.

Conference Revenue is expected to be higher than 2022-23 levels as more conferences return to campus. Catering Revenue is expected to decrease slightly as the 2022 Ontario Summer Games is a non-recurring event. Movie shoots business will reduce due to the reduction of unused space on campus as in-person summer classes and events return to pre-pandemic levels.

Total Direct Expenditures are budgeted to increase by 13.6% compared to 2022-23 forecasted amounts primarily due to the hiring of positions that were previously left vacant and the depreciation from deferred capital investments.

The Operating Result before Transfers is projected to a surplus of \$152,319 and the Total Closing Fund Balance is projected to be \$4,280,978.

#### **4. Categories of Users and Accessibility**

Food Services are typically available and used by faculty, staff, students and visitors at the various locations and through vending machines from 7:30 am to midnight, with extended hours for purchases with the off-campus partners.

Conference Services provides event and conference planning advisory to both external and internal groups. It is anticipated that demand from internal departments and student groups will continue to increase every year, reducing the options for promoting UTM's facilities to external guests. With planned reductions in available accommodation space in Residence, the long-range plan includes a focus on long-term conference stays to maximize utilization of the accommodation space that is available. Additionally, Conference Services continues to look for new revenue streams from the use of idle campus space as part of its long-term strategy.

#### **5. Long Range Plan: 2024-25 to 2027-28**

Revenue increases will be predominantly as a result of inflationary increases in prices. Operating results will be tempered by the impacts of depreciation from the Spigel kitchen expansion, smaller renovation projects, and investments in new technology to support the campus' commerce management system. However, Hospitality Services is expected to operate close to breakeven and, due to its healthy reserves, will be able to fund its capital investments while still meeting its SARG obligations.

- For 2024-25 – Net Revenue is budgeted to increase 5.3% mostly due to inflationary increases. This increase in revenue is expected to be offset by relatively high depreciation expenses related to the Spigel Kitchen renovation and investments in the campus' commerce management system upgrades. The Operating Result before Transfers is expected to be \$13,543.
- For 2025-26 – Net Revenue is budgeted to increase by 3.2% mostly due to inflationary increases. The Operating result Before Transfers is expected to be \$34,773.
- For 2026-27 – Net Revenue is budgeted to increase by 6.6% due to the opening of Food Services in the F2 Building and due to increase in number of students with meal plans from the opening of the new residence. The Operating Result before Transfers is expected to be \$46,410.
- For 2027-28 – Net Revenue is budgeted to increase by 2.9% mostly due to inflationary increases. This increase in revenue is expected to be offset by relatively high depreciation expenses related to the investments in the F2 Building food services and in specialty vending for the new residence. The Operating Result before Transfers is expected to be \$21,676.

Hospitality Services is rebounding from the many setbacks during the pandemic years by refreshing and reinventing its outlets to meet the changing needs of the UTM community. Investments will continue to focus on expanding its technology and service

innovations and on working collaboratively with other campus partners to implement new sustainability initiatives to benefit the entire UTM community. Although future increases in food service space will be minimal (Hospitality Services is planning to add 2 small outlets over the next 5 years), the ancillary will invest in expansion of its services primarily through integrations with its commerce management system provider and other service innovations that will allow the Hospitality Services to build its business in an efficient manner.

Despite the significant negative financial impacts from the pandemic, the Construction Reserves allow for ongoing investments in the upkeep of existing operations and in sustainability projects going forward. Furthermore, the Hospitality Services ancillary maintained a strong positive Fund Balance to support the various construction projects, including the Spigel Commissary Kitchen expansion and the Davis Building renovation project. As a result, the ancillary is not projected to have an Unrestricted Deficit Balance despite its significant capital investments and, therefore, will not be in violation of any of SARG's financial objectives for Service Ancillaries.

University of Toronto Mississauga  
Hospitality Services  
Statement of Operating Results  
in \$'s

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2022-23 Variance	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
<b>Revenues</b>									
Meal Plans	4,079,113	5,528,637	6,318,591	789,954	6,883,935	7,377,908	7,620,711	8,566,425	8,783,582
Cafeteria	1,143,001	5,739,757	5,902,816	163,059	6,107,638	6,654,110	6,787,193	7,269,083	7,414,465
Catering	63,836	519,572	840,165	320,593	715,518	740,561	755,372	846,016	862,937
Vending	101,166	281,826	185,058	(96,768)	205,106	215,901	215,901	262,491	262,491
<b>Total Food Services &amp; Vending Revenues</b>	<b>5,387,116</b>	<b>12,069,792</b>	<b>13,246,630</b>	<b>1,176,838</b>	<b>13,912,197</b>	<b>14,988,480</b>	<b>15,379,177</b>	<b>16,944,015</b>	<b>17,323,475</b>
<b>Cost of Sales &amp; Services</b>									
Meal Plans & Cafeteria	4,058,474	8,803,058	10,336,542	(1,533,484)	10,090,963	10,971,895	11,250,380	12,530,964	12,781,584
Catering	49,611	418,256	676,333	(258,077)	575,992	596,151	608,074	681,043	694,664
Vending	82,695	205,733	135,093	70,640	153,830	161,926	161,926	196,868	196,868
<b>Total Cost of Sales &amp; Service</b>	<b>4,190,780</b>	<b>9,427,047</b>	<b>11,147,968</b>	<b>(1,720,921)</b>	<b>10,820,785</b>	<b>11,729,972</b>	<b>12,020,380</b>	<b>13,408,875</b>	<b>13,673,116</b>
<b>Contribution Margin</b>	<b>1,196,336</b>	<b>2,642,745</b>	<b>2,098,662</b>	<b>(544,083)</b>	<b>3,091,412</b>	<b>3,258,508</b>	<b>3,358,797</b>	<b>3,535,140</b>	<b>3,650,359</b>
<b>Other Revenues</b>									
Conference Accommodation	-	233,868	207,065	(26,803)	315,059	343,249	368,541	394,707	402,601
Facility/Space Rental	455,960	501,961	1,205,224	703,263	759,291	785,866	801,584	899,377	917,364
Investment Income	10,751	7,165	29,250	22,085	10,166	10,563	10,598	10,689	10,810
Other	289,648	187,996	25,209	(162,787)	26,891	27,832	28,389	28,956	29,536
<b>Total Other Revenues</b>	<b>756,359</b>	<b>930,990</b>	<b>1,466,748</b>	<b>535,758</b>	<b>1,111,407</b>	<b>1,167,510</b>	<b>1,209,112</b>	<b>1,333,729</b>	<b>1,360,311</b>
<b>Net Revenues</b>	<b>1,952,695</b>	<b>3,573,735</b>	<b>3,565,410</b>	<b>(8,325)</b>	<b>4,202,819</b>	<b>4,426,018</b>	<b>4,567,909</b>	<b>4,868,869</b>	<b>5,010,670</b>
<b>Direct Expenditures</b>									
Salary, Wages & Benefits	1,082,874	1,347,017	1,339,664	7,353	1,500,624	1,590,649	1,654,275	1,720,446	1,789,264
Supplies	175,991	205,496	241,107	(35,611)	303,163	463,773	473,049	482,510	492,160
Insurance	8,325	8,931	8,931	-	10,271	10,630	10,843	11,060	11,281
Communications	23,732	18,530	19,118	(588)	20,074	20,776	21,192	21,616	22,048
Conference Accommodation	-	138,094	120,473	17,621	189,036	205,949	221,125	236,824	241,561
Furniture & Equipment Repair	81,749	49,247	111,458	(62,211)	117,031	121,127	123,549	126,020	128,541
Annual Maintenance	52,938	41,347	41,899	(552)	43,994	45,533	46,444	47,373	48,320
Major Maintenance	8,742	4,346	12,000	(7,654)	12,600	13,041	13,302	13,568	13,839
Furniture & Equipment Depreciation	549,588	661,631	532,728	128,903	620,662	646,363	648,830	781,002	832,298
Non-Depreciable Assets	26,011	62,608	63,796	(1,188)	66,986	69,330	70,717	72,131	73,574
Occupancy & Space	332,020	342,936	346,681	(3,745)	368,621	399,954	407,953	424,434	432,923
Garbage & Recycling	45,196	57,551	51,350	6,201	53,918	55,806	56,922	59,222	60,406
Cleaning	20,129	23,499	27,492	(3,993)	28,867	29,878	30,476	31,707	32,341
Smallwares	29,764	48,602	12,075	36,527	12,679	13,122	13,385	13,652	13,925
Licenses/Permits	-	513	-	513	-	-	-	-	-
Advertising/Marketing	1,071	61,487	29,758	31,729	31,246	32,340	32,987	33,646	34,319
Miscellaneous	94,606	220,580	225,012	(4,432)	236,263	244,532	249,422	279,411	284,999
<b>Total Direct Expenditures</b>	<b>2,532,736</b>	<b>3,292,415</b>	<b>3,183,542</b>	<b>108,873</b>	<b>3,616,035</b>	<b>3,962,803</b>	<b>4,074,471</b>	<b>4,354,622</b>	<b>4,511,799</b>
<b>Indirect Expenditures</b>									
Central Overhead Charges	20,682	19,917	19,917	-	23,477	24,299	24,785	25,280	25,786
Department/College Overhead Charges	291,979	303,828	303,828	-	355,474	367,916	375,274	382,779	390,435
Facilities & Services Overhead Charges	52,570	57,035	55,934	1,101	55,514	57,457	58,606	59,778	60,974
<b>Total Indirect Expenditures</b>	<b>365,231</b>	<b>380,780</b>	<b>379,679</b>	<b>1,101</b>	<b>434,465</b>	<b>449,672</b>	<b>458,665</b>	<b>467,837</b>	<b>477,195</b>
<b>Total Expenditures</b>	<b>2,897,967</b>	<b>3,673,195</b>	<b>3,563,221</b>	<b>109,974</b>	<b>4,050,500</b>	<b>4,412,475</b>	<b>4,533,136</b>	<b>4,822,459</b>	<b>4,988,994</b>
<b>Operating Results Before Transfers</b>	<b>(945,272)</b>	<b>(99,460)</b>	<b>2,189</b>	<b>101,649</b>	<b>152,319</b>	<b>13,543</b>	<b>34,773</b>	<b>46,410</b>	<b>21,676</b>

**University of Toronto Mississauga  
Hospitality Services  
Statement of Reserves  
in \$'s**

	<b>2021-22 Actual</b>	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2022-23 Variance</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>	<b>2025-26 Budget</b>	<b>2026-27 Budget</b>	<b>2027-28 Budget</b>
<b>Total Fund Balance - Opening</b>	<b>5,071,742</b>	<b>3,939,166</b>	<b>4,126,470</b>	<b>187,304</b>	<b>4,128,659</b>	<b>4,280,978</b>	<b>4,294,521</b>	<b>4,329,294</b>	<b>4,375,704</b>
Operating Results before Transfers	(945,272)	(99,460)	2,189	101,649	152,319	13,543	34,773	46,410	21,676
Transfers in (out) of Ancillary Operations	-	-	-	-	-	-	-	-	-
Net Operating Results after Transfers	(945,272)	(99,460)	2,189	101,649	152,319	13,543	34,773	46,410	21,676
<b>Total Fund Balance - Closing</b>	<b>4,126,470</b>	<b>3,839,706</b>	<b>4,128,659</b>	<b>288,953</b>	<b>4,280,978</b>	<b>4,294,521</b>	<b>4,329,294</b>	<b>4,375,704</b>	<b>4,397,380</b>
<i>Closing Fund Balance is made up of:</i>									
<b>Investment in Capital Assets Internally Restricted</b>	<b>2,184,321</b>	<b>2,546,635</b>	<b>2,048,359</b>	<b>(498,276)</b>	<b>2,141,467</b>	<b>3,614,870</b>	<b>3,708,039</b>	<b>3,797,386</b>	<b>3,038,954</b>
Capital Renewal Reserve	10,000	10,000	10,000	-	10,000	10,000	10,000	10,000	10,000
Operating Reserve	217,894	285,402	280,134	(5,268)	318,923	351,708	363,029	378,237	389,242
Construction Reserve	1,714,255	997,669	1,790,166	792,497	1,810,588	317,943	248,226	190,081	959,184
<b>Unrestricted Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**University of Toronto Mississauga  
Hospitality Services  
Schedule of Major Maintenance  
in \$'s**

	<b>2021-22 Actual</b>	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2022-23 Variance</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>	<b>2025-26 Budget</b>	<b>2026-27 Budget</b>	<b>2027-28 Budget</b>
Capital Renewal - Major Maintenance	8,742	4,346	12,000	(7,654)	12,600	13,041	13,302	13,568	13,839
<b>Total Major Maintenance</b>	<b>8,742</b>	<b>4,346</b>	<b>12,000</b>	<b>(7,654)</b>	<b>12,600</b>	<b>13,041</b>	<b>13,302</b>	<b>13,568</b>	<b>13,839</b>

University of Toronto Mississauga  
Hospitality Services  
Schedule of Deferred Maintenance  
in \$'s

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2022-23 Variance	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Deferred Maintenance	-	-	-	-	-	-	-	-	-
<b>Total Deferred Maintenance</b>	-	-	-	-	-	-	-	-	-

**University of Toronto Mississauga  
Hospitality Services  
Schedule of Capital Expenditure  
in \$'s**

	<b>2021-22 Actual</b>	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2022-23 Variance</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>	<b>2025-26 Budget</b>	<b>2026-27 Budget</b>	<b>2027-28 Budget</b>
Equipment	-	628,000	396,766	231,234	588,770	1,119,766	491,999	870,349	73,866
Construction	-	125,000	-	125,000	125,000	1,000,000	250,000	-	-
<b>Total Capital Expenditure</b>	-	<b>753,000</b>	<b>396,766</b>	<b>356,234</b>	<b>713,770</b>	<b>2,119,766</b>	<b>741,999</b>	<b>870,349</b>	<b>73,866</b>

**University of Toronto Mississauga  
Hospitality Services  
Schedule of Rates  
in \$'s**

	2022-23	\$ increase	% increase	2023-24	2024-25	2025-26	2026-27	2027-28
<b>Meal Plans – First-years and Upper-years</b>								
Plus +500 flex dollars	4,850	300	6.2%	5,150	5,325	5,425	5,525	5,625
Plus +250 flex dollars	4,600	300	6.5%	4,900	5,075	5,175	5,275	5,375
Full +500 flex dollars	4,375	275	6.3%	4,650	4,800	4,875	4,975	5,050
Full +25 flex dollars	4,125	275	6.7%	4,400	4,550	4,625	4,725	4,800
<b>Meals Plans – Upper-years only</b>								
Light +500 flex dollars	3,425	200	5.8%	3,625	3,725	3,800	3,850	3,925
Light +250 flex dollars	3,175	200	6.3%	3,375	3,475	3,550	3,600	3,675
Minimum +500 flex dollars	2,950	150	5.1%	3,100	3,200	3,275	3,300	3,375
Minimum +250 flex dollars	2,700	150	5.6%	2,850	2,950	3,025	3,050	3,125

**Notes:**

**Meal Plans – First-years and Upper-years:**

These meal plans are required for all first-year resident students and for those students residing in Oscar Peterson Hall. Upper-year students may also select these meal plans.

- Plus: This plan is best suited for students who live in residence and stay on campus on weekends.
- Full: This plan is best suited for students who live in residence and go home on weekends.

**Meal Plans – Upper-years only:**

These meal plans are required for all upper-year resident students with the exception of Graduate Students and Students with Families.

- Light: This plan is best suited for upper-year students who live in the townhomes or apartments on campus, and are around on the weekends.
- Minimum: This plan is best suited for upper-year students who live in the townhomes or apartments on campus, and go home on weekends.

**Flex Dollars:** Flex dollars can be used to purchase all items that do not qualify for tax exemption and, therefore cannot be purchased using Basic Dollars. Specifically, convenience, confectionary, and grocery items can only be purchased using Flex Dollars. Flex Dollars can be used to purchase items from vending machines with card readers, the Blind Duck and the Duck Stop, participating Food Trucks on campus, Pizza Pizza and Pita Pit off-campus delivery, and Sheridan College – Trafalgar Campus (Tim Hortons – B-Block and Trafalgar Marketplace only).

## **Parking Services Operating Plans 2022-23 to 2027-28**

### **Management Report**

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#### **1. Overview of Objectives, Highlights and Services**

##### **1.1 Service Ancillary Review Group (SARG) Objectives**

- i. To operate without subsidy from the University operating budget;
- ii. To provide for all costs of capital renewal including deferred maintenance;
- iii. To create and maintain an operating reserve (excluding capital requirements) at a minimum of ten percent of annual operating expenditures as protection against unforeseen events which would have a negative financial impact on the operation;
- iv. Contribute net revenues to the operating budget, where possible.

##### **1.2 Parking Services Mission**

- To provide cost-effective and safe parking facilities for students, faculty, staff and visitors.
- To protect the campus green space through the promotion of sustainable transportation options.
- To operate a financially viable ancillary while keeping rates as low as possible.

##### **1.3 Background and Highlights**

The University of Toronto Mississauga (UTM) is a suburban, commuter campus where the use of cars is more extensive than that of a downtown campus. UTM Parking & Transportation Services (Parking Services) supports alternative transportation modes to ease congestion and this is demonstrated through the implementation of carpooling initiatives, a car-sharing program, various commuter promotions, and the UTM Shuttle Bus service.

Though there are many campus initiatives to encourage the use of buses and bikes to get to campus such as the student UPass, the Brampton Transit Express Bus and various commuter campaigns, the use of cars and the related need for a substantial number of parking spaces continues.

The ancillary actively monitors supply and demand which is based on current information such as campus population projections, specific hourly course enrolment trends

throughout the week and net usable parking spaces at peak times. The ancillary also forecasts short and long term parking needs based on campus growth projections, institutional priorities and the overall goals of the Campus Master Plan.

- As of September 2022, UTM had 2,885 gross parking spaces on campus consisting of various surface lots, two aboveground parking decks and an underground parking garage. Approximately 151 surface parking spaces in Lot P9 and Lot P8 are temporarily unavailable in order to accommodate staging during the building of the New Science Building (estimated to open in Spring 2023).
- While campus attendance remained lighter than pre-pandemic times during the summer of 2022, a full return to in-person classes for the fall semester saw a commensurate return to parking volumes and usage in line with historical trends. Overall demand for parking remains high despite continued hybrid work schedules and shifts in patterns & behaviours. With sales at near normal levels, the ancillary is on track to return to an operating surplus position, enabling it to advance planned initiatives such as the conversion to LED lighting in the P8 lower deck, the expansion of EV charging, and the implementation of virtual permitting.
- The UTM campus will transition to virtual parking permits in 2023-24. This important modernization will increase operational efficiency, reduce waste, and vastly improve the parking user experience for students, staff, faculty and guests. Furthermore, the business intelligence provided by this new system will support more accurate, evidence-based decision making.
- Parking Services' long-term planning considers the building of a new parking structure on the south side of the campus. This project is estimated to begin construction in 2026-27 and completed for use in 2028-29<sup>2</sup>. The new parking structure will add approximately 692 net new spaces that will serve to offset the anticipated loss of surface parking already identified as potential building sites in years to come.
- Approximately 35 new surface parking spaces are currently planned to be included with the new F2 building on the north side of campus (anticipated opening in Summer 2026). However, due to the limited capacity and nature of the building, these are likely to serve as special-purpose spaces as opposed to being available for general use.
- Other possible future options to add parking spaces on campus include building an underground parking structure in Lot P9, with the capacity to support a future building above, and building a new parking deck over the existing parking Lot P8. Efforts are being made to assess the feasibility of pursuing these opportunities as part of prudent long-term planning, with a strategic payment approach to minimize the need for large fee increases.

Parking Services strives to support UTM strategic initiatives, with a particular focus on sustainability.

- Three Level 2 dual-port Electric Vehicle (EV) charging stations were installed in February of 2019 offering 4 hours of complimentary charging for electric vehicles on campus. To date, we have avoided over 67,000kg of greenhouse gas

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<sup>2</sup> The financial impacts of this project are not reflected in the 5-year plan. The increase to Investment in Capital Asset for this project will be reflected in Schedule 2 upon completion of the project in 2028-29.

emissions with this initiative. This is equivalent to planting 1,733 trees and letting them grow for 10 years<sup>3</sup>. Three additional stations are planned for installation in 2023, and the complimentary charging period will be reduced to expand availability for more users.

- Multiple carpool spaces are allocated in various lots for faculty, staff and students to encourage ride sharing and to lessen the UTM community's carbon footprint. New parking management software to be implemented in 2023 includes a comprehensive carpool module that will enable UTM community members to easily set up and manage their own carpool groups.
- The ancillary uses solar-powered parking equipment in all surface parking areas. The use of this equipment cuts power consumption and allows part of the parking operation to run "off the grid".
- The ancillary continues to offer space to Zipcar, a short-term car sharing service that provides service to the UTM community. Zipcar has struggled with inventory challenges during the pandemic; however, they anticipate a return to normal vehicle offerings on campus in the new fiscal year.

## **2. 2022-23 Operating Forecast**

With an almost full return to pre-pandemic levels of activity on campus in the fall of 2022, overall parking revenue is forecasted to be fairly close to budget.

Permit revenues are expected to be less than budget by \$397,502. This is largely due to lower CCT Garage and P5 permit sales. Many staff & faculty who would typically purchase these have instead opted for less expensive P4/P8 permits, likely due to hybrid work schedules. Decreased international student enrollment coupled with vehicle supply shortages have also likely contributed to this trend.

Pay and Display (P&D) machine revenues are expected to be less than budget by \$32,318. Decreased activity during the summer months resulted in decreased revenue, and while revenue for September was significantly above average, it remains unclear if this trend will continue through the rest of the fiscal year.

Cash Fee revenue is expected to be slightly more than budget by \$1,484. A rate increase went into effect September 1, 2022 for internal departmental sales.

Salaries, Wages & Benefits expense is forecasted to be less than budget by \$63,896. This difference is primarily due to savings from staff redeployments.

Security Services is the cost of Campus Safety, a unit that works very closely with Parking Services in enforcement, incidents and safety issues related to parking.

Annual Maintenance is forecasted to be \$14,679 over budget.

Payment Processing Fees are forecasted to be \$8,405 under budget. The difference is a direct result of slightly lower sales volumes.

Building Depreciation is based on the total parking deck cost.

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<sup>3</sup> Source: ChargePoint

The Operating Result before Transfers is forecasted to be \$963,439, an unfavourable difference of \$370,369 from the budgeted loss amount of \$1,333,808. The Total Closing Fund Balance is forecasted to be \$3,776,443, including an Unrestricted Deficit balance of \$4,425,500.

### **3. 2023-24 Proposed Budget**

It is anticipated that the ancillary will see a full return to normal, pre-pandemic level in sales in 2023-24.

Different permit offerings have different rates reflective of their value based on location, supply and amenities. The established permit prices echo the different levels of convenience and cost associated with parking such as: surface lots vs. underground garages, distance to buildings, maintenance, lot capacity, etc.

The ancillary proposes an increase of 2% for lot P4/P8 permits, and 3% for all others. While a 3% ATB increase was originally planned, an adjustment was made in recognition of the financial difficulty being experienced by most students at this time.

The CCT Underground Garage permit price will increase from the current annual price of \$1,453.01 to \$1,496.60/annum; the Lot P1 permit price will increase from \$1,206.74 to \$1,242.94/annum; the Lot P5 permit price will increase from \$1,171.59 to \$1,206.74/annum; the Lot P9 permit price will increase from \$930.40 to \$958.31/annum; Lot P4/P8 permits will increase from \$821.18 to \$837.60/annum. Lastly, Resident permits will increase from the current annual price of \$1,036.81 to \$1,067.91/annum.

Most expenses are expected to increase with inflation and contractual obligations, but remain in line with traditional operational spending, maintenance schedules and their associated costs.

Building Depreciation – Capital Investment reflects the depreciation of the parking deck and will continue to be budgeted during the amortization period.

The Operating Result before Transfers is expected to be a surplus of \$1,257,876 in 2023-24. The Total Closing Fund Balance is projected to be \$5,034,319, including an Unrestricted Deficit balance of \$2,950,411.

### **4. Categories of Users and Accessibility**

Parking is available to faculty, staff, students and visitors. Parking Services strives to provide sufficient parking each year; however, utilization is typically high and demanding at peak times of the day and year (i.e., September). Space utilization is carefully monitored, especially during peak times, and additional permits are released where feasible.

Barrier-free parking is available for faculty, staff, students and visitors in various lots around campus. Barrier-free parking inventory in 2023-24 continues to exceed Provincial requirements.



## **5. Long Range Plan: 2024-25 to 2027-28**

The rates and budgets for the long-range plan for 2024-25 to 2027-28 are viewed as plans and do not reflect set amounts.

Due to the financial impact of the COVID-19 pandemic, the ancillary is expecting to remain in a deficit position through 2024-25. In an effort to contain costs, non-essential spending will continue to be put on hold where feasible. It is anticipated that the ancillary will return to an Unrestricted Surplus position by 2025-26.

Part of Parking Services' long-term planning considers the addition of new parking structures. Any future construction, if planned on existing parking lots, will impact parking inventory during construction and will translate to reduced revenues and increased challenges to address demand issues. A new residence building is planned to be constructed on Lot P6, with construction expected to begin in 2024-25.

Looking ahead, several existing parking lots have been identified as potential building sites in the draft Campus Master Plan. The building of additional parking structures will be necessary to offset the potential loss of current parking as the campus continues to grow and expand. Even with impactful alternative transportation measures, it is anticipated that parking demand will continue to outweigh supply.

Every effort is made to plan future parking expansion projects during off-peak and summer timelines to alleviate negative impact on parking inventory. Ideally, additional parking supply would be built prior to planned construction to offset a reduction of current parking supply.

**University of Toronto Mississauga  
Parking Services  
Statement of Operating Results  
in \$'s**

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2022-23 Variance	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
<b>Revenues</b>									
Parking Permits	1,133,656	3,027,587	2,630,085	(397,502)	3,087,523	3,180,149	3,275,553	3,373,820	3,475,035
Pay & Display Meters	617,958	1,448,380	1,416,062	(32,318)	1,457,780	1,472,358	1,501,805	1,516,823	1,531,991
Cash Fees (Visitor Passes)	22,659	50,981	52,465	1,484	159,267	162,452	165,701	169,015	172,395
Investment Income	-	-	-	-	-	-	9,451	16,921	16,905
<b>Total Revenues</b>	<b>1,774,273</b>	<b>4,526,948</b>	<b>4,098,612</b>	<b>(428,336)</b>	<b>4,704,570</b>	<b>4,814,959</b>	<b>4,952,510</b>	<b>5,076,579</b>	<b>5,196,326</b>
<b>Direct Expenditures</b>									
Salaries, Wages & Benefits	340,851	472,765	408,869	63,896	483,816	503,169	523,296	544,228	565,997
Security Services	226,971	234,499	234,499	-	242,281	250,034	255,035	260,136	265,339
Supplies	3,375	5,760	6,828	(1,068)	6,810	7,028	7,169	7,312	7,458
Furniture & Equipment Repair	213,893	230,057	221,962	8,095	221,557	228,647	233,220	237,884	242,642
Annual Maintenance	207,266	333,090	318,411	14,679	465,835	480,742	490,357	500,164	510,167
Major Maintenance	-	-	-	-	-	-	-	-	-
Furniture & Equipment Depreciation	8,575	34,174	16,229	17,945	68,232	71,732	71,732	114,628	100,713
Non-Depreciable assets	-	1,000	-	1,000	5,000	5,160	5,263	5,368	5,475
Utilities	109,178	113,507	122,492	(8,985)	123,290	127,235	129,780	132,376	135,024
Loan Principal and Interest Expense	1,042,157	1,042,157	1,042,157	-	1,042,157	1,042,157	1,042,157	1,042,157	868,464
Building Depreciation	452,643	423,001	426,898	(3,897)	426,898	426,898	426,898	426,898	426,898
Payment Processing Fees	21,562	95,831	87,426	8,405	97,074	100,278	103,238	106,285	109,423
Finance Charges	21,036	15,306	59,803	(44,497)	47,395	18,602	-	-	-
Insurance	16,325	17,428	17,542	(114)	18,679	19,277	19,663	20,056	20,457
Telecommunications	3,666	4,654	2,382	2,272	5,164	5,329	5,436	5,545	5,656
Miscellaneous	2,913	3,100	2,864	236	16,100	16,615	16,947	17,286	17,632
<b>Total Direct Expenditures</b>	<b>2,670,411</b>	<b>3,026,329</b>	<b>2,968,362</b>	<b>57,967</b>	<b>3,270,288</b>	<b>3,302,903</b>	<b>3,330,191</b>	<b>3,420,323</b>	<b>3,281,345</b>
<b>Indirect Expenditures</b>									
Central Overhead Charges	13,022	11,678	11,678	-	12,711	13,118	13,380	13,648	13,921
Departmental/College Overhead Charges	58,957	60,223	60,223	-	73,293	75,638	77,151	78,694	80,268
Facilities & Services Overhead Charges	84,530	94,910	94,910	-	90,402	93,295	95,161	97,064	99,005
<b>Total Indirect Expenditures</b>	<b>156,509</b>	<b>166,811</b>	<b>166,811</b>	<b>-</b>	<b>176,406</b>	<b>182,051</b>	<b>185,692</b>	<b>189,406</b>	<b>193,194</b>
<b>Total Expenditures</b>	<b>2,826,920</b>	<b>3,193,140</b>	<b>3,135,173</b>	<b>57,967</b>	<b>3,446,694</b>	<b>3,484,954</b>	<b>3,515,883</b>	<b>3,609,729</b>	<b>3,474,539</b>
<b>Operating Results Before Transfers</b>	<b>(1,052,647)</b>	<b>1,333,808</b>	<b>963,439</b>	<b>(370,369)</b>	<b>1,257,876</b>	<b>1,330,005</b>	<b>1,436,627</b>	<b>1,466,850</b>	<b>1,721,787</b>

**University of Toronto Mississauga  
Parking Services  
Statement of Reserves  
in \$'s**

	<b>2021-22 Actual</b>	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2022-23 Variance</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>	<b>2025-26 Budget</b>	<b>2026-27 Budget</b>	<b>2027-28 Budget</b>
<b>Total Fund Balance - Opening</b>	<b>5,642,500</b>	<b>2,418,640</b>	<b>2,813,004</b>	<b>394,364</b>	<b>3,776,443</b>	<b>5,034,319</b>	<b>6,364,324</b>	<b>7,800,951</b>	<b>9,267,801</b>
Net Operating Results before Transfers	(1,052,647)	1,333,808	963,439	(370,369)	1,257,876	1,330,005	1,436,627	1,466,850	1,721,787
Transfers in to Ancillary operations	-	-	-	-	-	-	-	-	-
Transfer out of Ancillary operations <sup>(1)</sup>	(1,776,849)	-	-	-	-	-	-	-	-
Net Operating Results after Transfers	(2,829,496)	1,333,808	963,439	(370,369)	1,257,876	1,330,005	1,436,627	1,466,850	1,721,787
<b>Total Fund Balance - Closing</b>	<b>2,813,004</b>	<b>3,752,448</b>	<b>3,776,443</b>	<b>23,995</b>	<b>5,034,319</b>	<b>6,364,324</b>	<b>7,800,951</b>	<b>9,267,801</b>	<b>10,989,588</b>
<b>Closing Fund balance is made up of:</b>									
<b>Investments in Capital Assets Internally Restricted</b>	<b>8,333,799</b>	<b>7,929,753</b>	<b>8,201,943</b>	<b>272,190</b>	<b>7,748,813</b>	<b>7,250,183</b>	<b>6,751,553</b>	<b>6,424,507</b>	<b>5,896,896</b>
Capital Renewal Reserve	-	10,000	-	(10,000)	10,000	10,000	10,000	10,000	10,000
Operating Reserve	-	217,182	-	(217,182)	225,917	227,178	228,841	232,479	218,864
Construction Reserve	-	-	-	-	-	-	810,557	2,600,815	4,863,828
<b>Unrestricted Surplus/(Deficit)</b>	<b>(5,520,795)</b>	<b>(4,404,487)</b>	<b>(4,425,500)</b>	<b>(21,013)</b>	<b>(2,950,411)</b>	<b>(1,123,037)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes:**

<sup>(1)</sup> Transfer out of Ancillary Operations in 2021-22 is the repayment of the loan from the UTM Operating budget.

University of Toronto Mississauga  
 Parking Services  
 Schedule of Major Maintenance  
 in \$'s

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2022-23 Variance	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Capital Renewal	-	-	-	-	-	-	-	-	-
<b>Total Major Maintenance</b>	-	-	-	-	-	-	-	-	-

University of Toronto Mississauga  
 Parking Services  
 Schedule of Deferred Maintenance  
 in \$'s

	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2022-23 Variance	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Deferred Maintenance	-	-	-	-	-	-	-	-	-
<b>Total Deferred Maintenance</b>	-	-	-	-	-	-	-	-	-

**University of Toronto Mississauga  
Parking Services  
Schedule of Capital Expenditure  
in \$'s**

	<b>2021-22 Actual</b>	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2022-23 Variance</b>	<b>2023-24 Budget</b>	<b>2024-25 Budget</b>	<b>2025-26 Budget</b>	<b>2026-27 Budget</b>	<b>2027-28 Budget</b>
Car	-	39,340	-	39,340	42,000	-	-	-	-
Parking Garage	142,084	-	-	-	-	-	-	-	-
License Plate Recognition System	-	134,444	158,819	(24,375)	-	-	-	-	-
LED Lighting	-	-	103,000	(103,000)	-	-	-	-	-
Electrical Vehicle (EV) Chargers P8	-	-	49,452	(49,452)	-	-	-	-	-
Electrical Vehicle (EV) Chargers F2	-	-	-	-	-	-	-	214,480	-
<b>Total Capital Expenditure</b>	<b>142,084</b>	<b>173,784</b>	<b>311,271</b>	<b>(137,487)</b>	<b>42,000</b>	-	-	<b>214,480</b>	-

**University of Toronto Mississauga  
Parking Services  
Schedule of Rates**

in \$'s

	2022-23	\$ Increase	2023-24	2024-25	2025-26	2026-27	2027-28
CCT Garage (annual)	1,453.01	43.59	1,496.60	1,541.50	1,587.74	1,635.38	1,684.44
Lot P1 (annual)	1,206.74	36.20	1,242.94	1,280.23	1,318.63	1,358.19	1,398.94
Lot P5 (annual)	1,171.59	35.15	1,206.74	1,242.94	1,280.23	1,318.64	1,358.20
Lot P9 (annual)	930.40	27.91	958.31	987.06	1,016.67	1,047.17	1,078.59
Lots P4 and P8 (annual)	821.18	16.42	837.60	862.73	888.61	915.27	942.73
Student (sessional - Lots P4 and P8)	342.15	6.84	348.99	359.46	370.24	381.35	392.79
Resident (annual)	1,036.81	31.10	1,067.91	1,099.95	1,132.95	1,166.94	1,201.95
Afternoon (annual - after 3:30pm)	241.64	7.25	248.89	256.35	264.04	271.97	280.12
Commercial (annual)	1,375.76	41.27	1,417.03	1,459.54	1,503.33	1,548.43	1,594.88
<b>Pay &amp; Display (daily maximum)</b> <i>(6:30am to 8:00am next day)</i>							
CCT Garage	20.00	-	20.00	20.00	20.00	22.00	22.00
Lot P9	17.50	-	17.50	17.50	17.50	19.00	19.00
Lots P4 and P8	15.00	-	15.00	15.00	15.00	16.50	16.50
<b>Pay &amp; Display (evening/weekend)</b> <i>(5:00pm to 8:00am next day)</i>							
CCT Garage	10.00	-	10.00	10.00	10.00	11.00	11.00
Lot P9	7.00	-	7.00	7.00	7.00	7.50	7.50
Lots P4 and P8	6.00	-	6.00	6.00	6.00	6.50	6.50
<b>Pay &amp; Display (per half hour)</b> <i>(6:30am to 5:00pm)</i>							
CCT Garage	3.00	-	3.00	3.00	3.00	3.25	3.25
Lot P9	2.75	-	2.75	2.75	2.75	3.00	3.00
Lots P4 and P8	2.50	-	2.50	2.50	2.50	2.75	2.75
<b>Pay &amp; Display (per half hour)</b> <i>(weekdays 5:00pm to 8:00am next day; weekends &amp; holidays)</i>							
CCT Garage	1.00	-	1.00	1.00	1.00	1.25	1.25
Lot P9	1.00	-	1.00	1.00	1.00	1.25	1.25
Lots P4 and P8	1.00	-	1.00	1.00	1.00	1.25	1.25
<i>Note: Rates include HST, where applicable</i>							
<b>Rate Increases (percentage)</b>							
CCT Garage (annual)			3.0%	3.0%	3.0%	3.0%	3.0%
Lot P1 (annual)			3.0%	3.0%	3.0%	3.0%	3.0%
Lot P5 (annual)			3.0%	3.0%	3.0%	3.0%	3.0%
Lot P9 (annual)			3.0%	3.0%	3.0%	3.0%	3.0%
Lots P4 and P8 (annual)			2.0%	3.0%	3.0%	3.0%	3.0%
Student (sessional - Lots P4 and P8)			2.0%	3.0%	3.0%	3.0%	3.0%
Resident (annual)			3.0%	3.0%	3.0%	3.0%	3.0%
Afternoon (annual - after 3:30pm)			3.0%	3.0%	3.0%	3.0%	3.0%
Commercial (annual)			3.0%	3.0%	3.0%	3.0%	3.0%
<b>Pay &amp; Display - daily maximum</b>							
CCT Garage			0.0%	0%	0%	10%	0%
Lot P9			0.0%	0%	0%	9%	0%
Lot P4 and P8			0.0%	0%	0%	10%	0%

University of Toronto Mississauga  
 Parking Services  
 Comparator Rates – 2022-23

	UTM	UTSC	St. George	York	McMaster	Credit Valley Hospital
Reserved Permits:						
Most expensive	\$1,036.81	N/A	N/A	\$1,359.29	N/A	N/A
Least expensive	\$1,067.91	N/A	N/A	\$1,104.42	N/A	N/A
Unreserved Permits:						
Most expensive	\$1,285.85	\$1,451.14	\$2,070.80	\$1,231.86	\$1,011.50	\$1,725.66
Least expensive	\$726.71	\$1,451.14	\$1,646.02	\$860.18	\$406.19	\$1,725.66
Pay & Display (daily maximum)						
Most expensive	\$20.00	\$17.60	\$25.00	\$20.00	\$20.00	\$25.00
Least expensive	\$15.00	\$11.00	\$20.00	\$10.00	\$8.00	\$17.40
Pay & Display (evening/weekend)						
Most expensive	\$10.00	\$7.70	\$10.00	\$8.00	\$8.00	\$25.00
Least expensive	\$6.00	\$5.50	\$10.00	\$5.00	\$4.00	\$17.40
Pay and Display (per half hour)						
Most expensive	\$3.00	N/A	\$4.00	\$2.50	\$3.00	\$3.25
Least expensive	\$1.00	N/A	\$4.00	\$1.75	\$3.00	\$3.25
Evening Permit						
Most expensive	\$17.82	N/A	\$72.57	N/A	\$33.85	N/A
Least expensive	\$17.82	N/A	\$72.57	N/A	\$33.85	N/A