UNIVERSITY OF
TORONTO

Service Ancillaries Report on Operating Plans
2013-2014

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Summary

The service ancillaries include the residences, conference operations, food and beverage services, parking and Hart House. Collectively, these operations have experienced significant growth over a period of more than a decade, in response to growth in student enrolment on all three University of Toronto campuses, and at this time, are moving forward to recover from the high fixed costs associated with that growth. The enrolment increase required a major building program for such facilities as student residences and parking garages. The costs of additional facilities were met by borrowing with the expectation that over time, with inflation, the repayment of loans would come to represent a declining proportion of revenue. That has in fact taken place, and the operations are moving back to a break-even or in some cases a surplus situation.

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

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

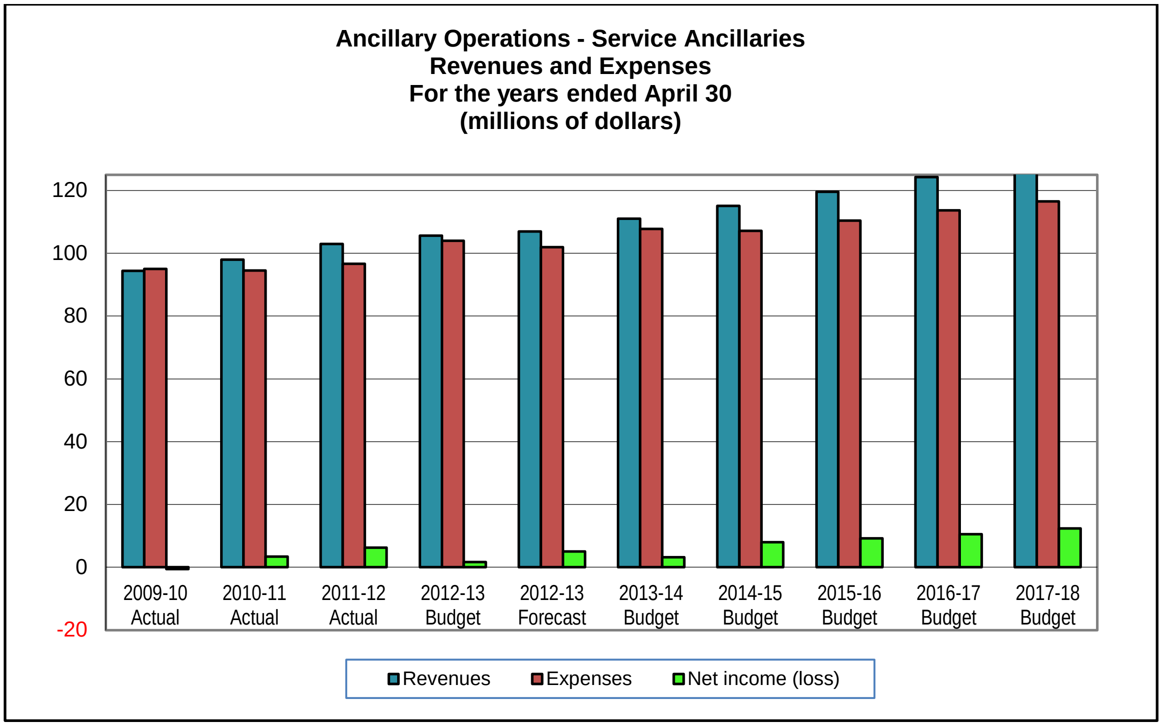
2. To provide for all costs of capital renewal, including deferred maintenance. Provision must be made for regular replacement of furniture and equipment.

3. 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.

4. Having obtained the first three objectives, service ancillaries will contribute net revenues to the operating budget*. The rate of contribution will be established by each individual campus for each individual ancillary. (*For purposes of clarification, the fourth objective relates to all contributions of net revenues made by the ancillary operation to any operating budget outside of their own operations.)

This report includes financial highlights with 2012-13 forecasts, 2013-14 budgets and long-range plans. The report also includes summary financial schedules. Copies of the detailed submissions may be obtained from the office of the Vice-Provost, Students.

Financial Highlights



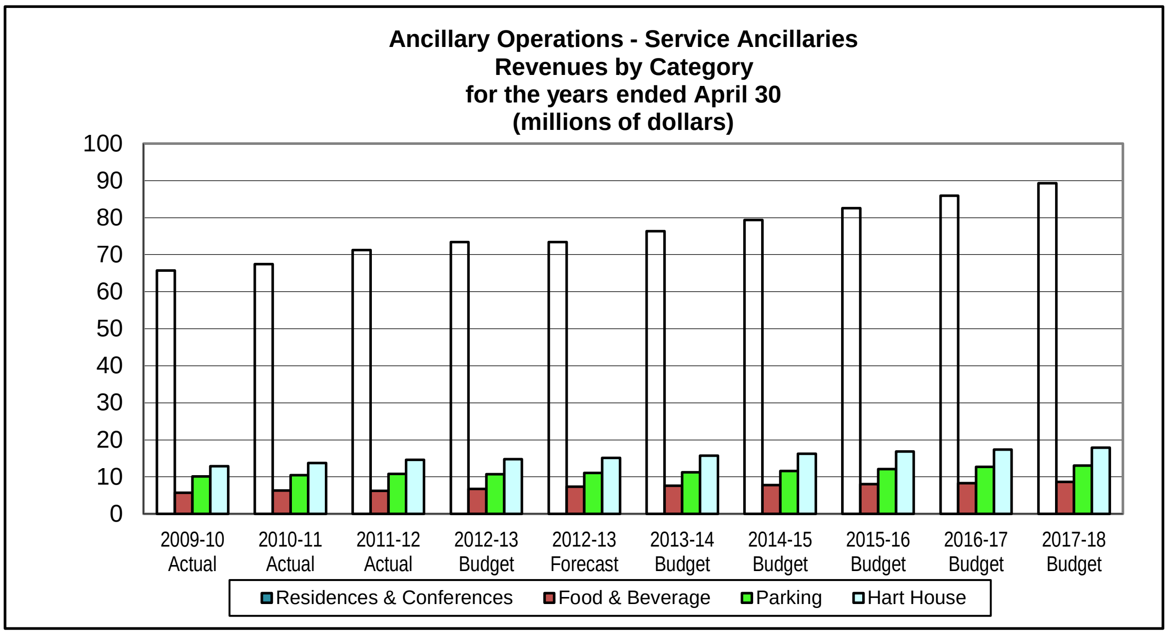
Total Ancillaries	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	94.4	98.0	102.9	105.6	106.9	111.0	115.1	119.6	124.3	128.8
Expenses	95.2	94.5	96.7	104.0	101.9	107.8	107.1	110.4	113.7	116.5
Net income (loss)	(0.8)	3.4	6.3	1.6	5.0	3.2	7.9	9.2	10.6	12.3
Revenue increase		*3.7%*	*5.1%*	*2.6%*	*1.2%*	*3.8%*	*3.7%*	*3.9%*	*3.9%*	*3.7%*

Service ancillaries are forecasting a net income of $5.0 million before transfers at April 30, 2013 on projected revenues of $106.9 million. The forecasted net income represents a $1.3 million decrease from last year's net income of $6.3 million. Compared to budget, the forecasted net income for 2012-13 was higher by $3.4 million. This favourable variance from budget is attributed to residence and conference services ($1.3M), food and beverage services ($0.7M), parking services ($0.9M) and Hart House ($0.5M) (see table on page 8). For the 2013-14 budget, the services ancillaries are anticipating a surplus of $3.2 million with $111.0 million of revenues and $107.8 million of expenses. Compared to the 2012-13 forecast, the

$3.2 million surplus represents a decrease of $1.8 million in net income with an increase of 3.8% in revenues and 5.7% in expenses.

Revenues

For 2012-13, the ancillaries are forecasting revenues to be $1.2 million higher than budget. The increases in revenues are from food and beverage services ($0.6M), parking/transportation services ($0.3M) and Hart House ($0.3M). The total forecasted revenues for 2012-13 are $4.0 million higher than 2011-12 actual. For many residences, revenues from summer business have a significant impact on their net income. UTM, UTSC, Woodsworth and New College residence services experienced a strong year in summer business, while others were negatively impacted by late cancellations of summer programs, more students chose to move-in late and conflicts with maintenance schedules reduced room availability.



Revenue	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Residences & Conferences	65.7	67.5	71.2	73.4	73.4	76.4	79.4	82.6	85.9	89.2
Food & Beverage	5.7	6.3	6.3	6.8	7.4	7.6	7.8	8.1	8.3	8.6
Parking	10.1	10.4	10.8	10.7	11.0	11.3	11.6	12.1	12.7	13.1
Hart House	12.9	13.7	14.6	14.8	15.1	15.7	16.3	16.8	17.4	17.9
Total Revenue	94.4	97.9	102.9	105.7	106.9	111.0	115.1	119.6	124.3	128.8

The majority of residences are anticipating revenue growth with rental rate increases ranging from 2.5% to 5.0% while being able to maintain their optimal fall and winter session occupancy rates. It has been the experience of University of

Toronto Scarborough (UTSC) that residence fee is very price sensitive with the on-going competition from an off-campus housing market. Due to the increasing demands of the first year guarantee, Chestnut residence expanded their double room accommodation. UTSC is planning to add a new residence in May 2016.

Food and beverage services have incorporated sales improvements due to projected increases in enrolment, service capacity, and meal plan rates. Strong sales growth also resulted from the campus-wide meal plan for non-residents. This is a new stream of revenue since food and beverage service at George campus took over the operation of the meal plan from ARAMARK.

Parking services at St. George has expanded its scope of services. This ancillary was rebranded from the University of Toronto Parking Services to the University of Toronto Transportation Services. It is projecting a small revenue increase as a result of the implementation of several equipment and patrolling changes due to the completion of a parking study. University of Toronto Mississauga (UTM) and UTSC are projecting a modest revenue growth with rate increases and better lot utilization. Both UTM and UTSC have been allocating their annual surplus to the new construction reserve since a second parking deck for UTM and a new parking structure for UTSC are planned for 2016-17.

Hart House also anticipates an increase in revenues from student fee rate and enrolment increases. However, surplus and capital renewal reserves are expected to be spent on urgent deferred building maintenance.

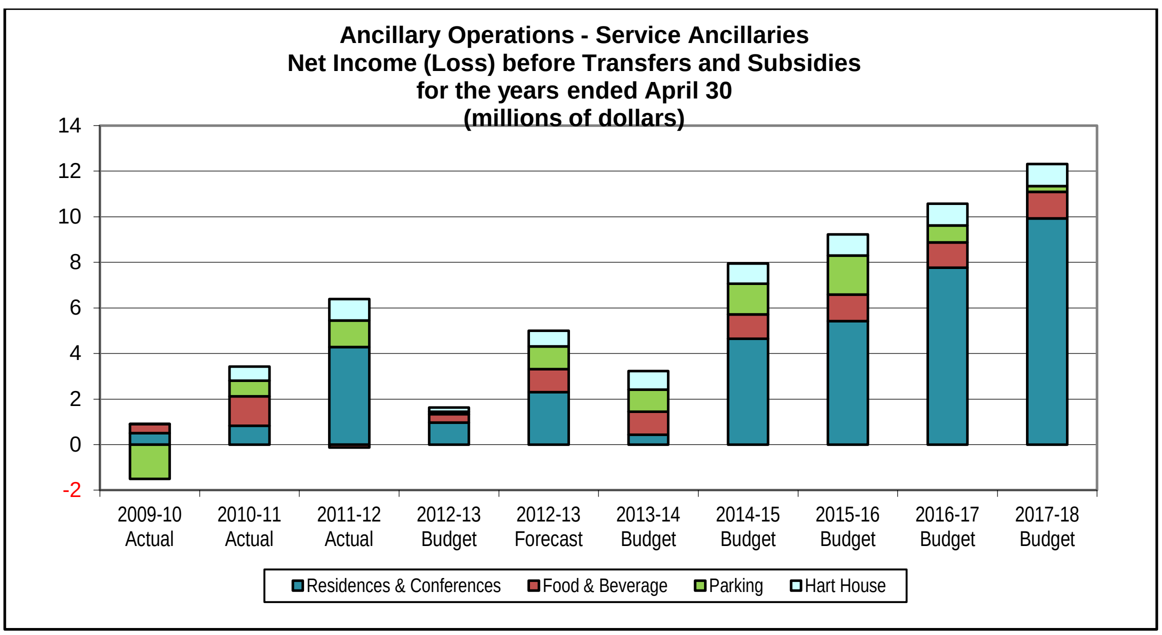
The 2013-14 budget incorporates a $4.1 million (3.8%) increase in revenues, of which $3.0 million (4.1%) is from residence and conference services and $0.2 million (2.7%) is from food and beverage services. Hart House projects a revenue increase of $0.6 million (4.0%) while parking/transportation services anticipate a moderate increase of $0.3 million (2.7%).

The long-range plan projects revenues to increase by $17.8 million (16.1%) from 2013-14 to 2017-18. Of this increase, $12.8 million will come from residence and conference services, $1.0 million from food and beverage services, $1.8 million from parking/transportation services and $2.1 million from Hart House.

Net Income (Loss)

The forecasted net income for 2012-13 is $5.0 million, which is $3.4 million better than budget, but represents a $1.3 million decrease from 2011-12. The largest contributor of the net income is the residence and conference services ($2.3 million), with the continuing optimal occupancy rates, strong summer business and savings from expenses and deferral of major maintenance. Food and beverage services, parking/transportation services and Hart House also contributed to this favourable result.

The 2013-14 budget incorporates planned major repairs and maintenance to Erindale Hall ($1.3 million), resulting in a net income budget of $3.2 million which is $1.8 million lower than the forecasted income for 2012-13. It anticipates a net income of $0.4 million from residence and conference services, $0.8 million from Hart House and $1.0 million each from food and beverage services and parking/transportation services.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Residences & Conferences	0.5	0.8	4.3	1.0	2.3	0.4	4.6	5.4	7.8	9.9
Food & Beverage	0.4	1.3	(0.1)	0.3	1.0	1.0	1.1	1.2	1.1	1.1
Parking	(1.5)	0.7	1.2	0.1	1.0	1.0	1.3	1.7	0.7	0.3
Hart House	0.2	0.6	0.9	0.2	0.7	0.8	0.9	0.9	1.0	1.0
Net income (loss)	(0.8)	3.4	6.3	1.6	5.0	3.2	7.9	9.2	10.6	12.3

The outlook on net income for the coming five years is positive since the plans include some rate increases each year while loan principal and interest repayments remain constant, as required by the original expansion plans, and which continue to be needed to restore the ancillaries to a strong financial position. The long-range plan is showing an increase of net income from $3.2 million in 2013-14 to $12.3 million in 2017-18. This is mainly due to an improvement of $9.5 million from residence and conference services. Minor improvements from food and beverage services ($0.1 million) and Hart House ($0.2 million) are offset by the anticipated loss from parking/transportation services ($0.7 million).

Ancillary Operations – Service Ancillaries
Net Income (Loss) before Transfers and Subsidies
for the years ended April 30
(millions of dollars)

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Forecast	2013-14 Budget	2017-18 Budget	Improvement 2017-18 over 2013-14	Five year planning period
Residences & Conferences								
UTM *	0.2	0.7	1.0	0.9	(1.3)	2.5	3.8	6.6
UTSC*	0.2	0.3	0.3	0.1	0.0	1.4	1.4	3.7
Family Housing	0.5	(0.6)	1.1	0.4	0.2	1.0	0.8	3.5
Innis College	0.3	0.3	0.4	0.2	0.2	0.7	0.5	2.1
Graduate House	(0.3)	0.2	0.4	0.3	0.1	0.0	(0.1)	0.6
0.6Woodsworth College	(0.4)	(0.2)	0.2	0.0	0.0	0.3	0.3	0.4
New College	(0.0)	(0.2)	0.0	(0.1)	0.0	0.4	0.4	0.9
University College	0.2	0.4	0.5	0.3	0.0	0.5	0.5	1.3
Chestnut Residence **	(0.2)	(0.1)	0.4	0.2	1.2	3.1	1.9	9.0
	0.5	0.8	4.3	2.3	0.4	9.9	9.5	28.1
Food & Beverage	0.4	1.3	(0.1)	1.0	1.0	1.1	0.1	5.5
Parking/Transportation	(1.5)	0.7	1.2	1.0	1.0	0.3	(0.7)	5.0
Hart House	(0.2)	0.6	0.9	0.7	0.8	1.0	0.2	4.6
Total Net income (loss)	(0.8)	3.4	6.3	5.0	3.2	12.3	9.1	43.2

** UTM and UTSC manage conferences as a separate ancillary while the other ancillaries combined their conference businesses with the residence ancillary.*

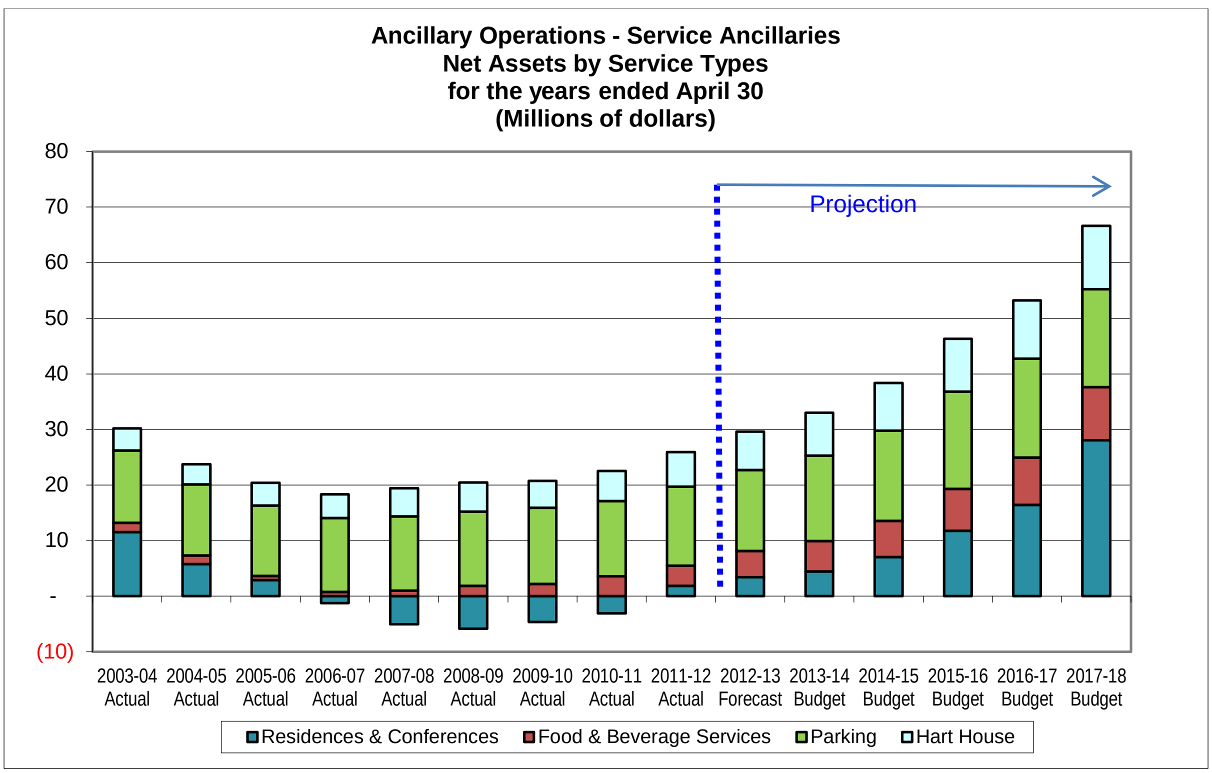
***Chestnut Residence includes revenue and expenses from Conferences, Food & Beverage and Parking.*

Net Assets

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

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

The following chart shows the history of actual net assets for service ancillaries



from 2004 to 2012 and projects the net assets in accordance with long-range plans to 2018.

The previous chart shows the impact of the major expansion of residence beds and other service ancillaries to accommodate the large increases in enrolment and student population that has occurred since 2002.

For 2012-13, the service ancillaries are forecasting total net assets of $29.6 million. The St. George Family Housing ancillary also has a trust fund of $0.6 million, which is reserved for major capital improvements based on the purchase agreement with the Ontario Housing Corporation (OHC). The 2013-14 operating plans project total net assets of $33.0 million.

Ancillary Operations - Service Ancillaries
Net Assets (Deficit) by Category
for the budget year 2013-14
(Millions of dollars)

	Unrestricted Surplus/(Deficit)	Investment in capital assets	Capital Renewal Reserve	Operating Reserve	New Construction Reserve	Total Net Assets
Residences & Conferences	(27.7)	17.0	8.9	5.6	0.7	4.5
Food & Beverage	0.4	2.1	2.0	0.5	0.3	5.5
Parking	3.0	6.6	0.8	0.9	4.0	15.3
Hart House	0.3	4.6	1.2	1.6	-	7.7
	(24.0)	30.3	12.9	8.6	5.2	33.0

The anticipated total net assets of $33.0 million for 2013-14 are the sum of $30.3 million investment in capital assets, $12.9 million commitments to capital renewal, $8.6 million to operating reserves, $5.2 million to new construction reserves partially offset by $24.0 million in unrestricted deficit (see schedule II and III for details). As depreciation is charged and funded from future revenues, the $30.3 million investment in capital assets will decrease with a corresponding decrease in unrestricted deficit. It should be noted that this report assumes that borrowing which has been internally financed with funds sourced from outside ancillary operations is treated as external financing. In the University's financial statements such internal borrowing must be recorded as a $62.6 million increase in both the investment in capital assets and unrestricted deficits with no overall change in net assets.

Many residences (except Innis College, Family Housing, Graduate House and University College) are projecting an unrestricted deficit in 2013-14 (see schedule II). Residences with accumulated deficits are charged interest on their deficits and must absorb any interest rate changes on this short-term financing of deficits (long-term loans are all at fixed rates).

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

	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
UTM	(3.2)	(3.0)	(2.3)	(2.4)	(2.4)	(0.7)	(1.1)	3.7
UTSC	2.5	2.6	2.6	2.7	3.2	4.1	4.9	6.3
Family Housing	3.8	2.7	3.6	3.3	3.4	3.7	4.1	4.6
Innis	3.2	3.2	3.3	3.4	3.6	3.8	4.3	4.8
Graduate House	2.3	2.2	2.6	2.7	3.1	3.1	3.3	3.3
Woodworth	5.5	5.0	5.5	5.4	5.4	5.5	5.6	5.9
New College	(5.9)	(5.8)	(6.1)	(6.1)	(6.0)	(5.8)	(5.6)	(5.2)
University College	4.5	4.4	4.8	4.7	4.9	5.1	5.6	6.1
89 Chestnut	(10.8)	(11.9)	(10.6)	(9.3)	(8.1)	(7.0)	(4.7)	(1.6)
Residences & Conferences	1.9	(0.6)	3.4	4.4	7.1	11.8	16.4	27.9
Food & Beverage	3.6	4.0	4.7	5.5	6.5	7.5	8.5	9.6
Parking	14.2	13.1	14.6	15.3	16.3	17.5	17.8	17.6
Hart House	6.2	6.0	6.9	7.7	8.6	9.5	10.5	11.4
Total Net Assets	25.9	22.5	29.6	32.9	38.5	46.3	53.2	66.5

Net assets are expected to grow to $66.5 million by 2017-18 reflecting an increase of $33.6 million from 2013-14. This increase consists of a growth of $23.5 million from residence and conference services, $4.1 million from food and beverage services, $2.3 million from parking/transportation services and $3.7 million from Hart House.

Ancillary Debt

For 2012-13, the service ancillaries are projecting a total outstanding debt of $228.0 million (on original loans issued of $305.3 million), of which $203.3 million is for residence services and $24.7 million for parking/transportation services. The estimated principal and interest repayment on the borrowing for residence services is projected to be $22.0 million, representing 30.7% of revenues. The estimated interest costs on borrowing will be $13.5 million or 18.8% of revenues or 19.4% of expenses. However, on an individual residence basis, principal and interest costs can be as high as 50.5% of revenues. This represents the main reason why certain residence ancillaries were not breaking even in the past. The majority of this borrowing is allocated to the residence ancillaries and, therefore, subsidies were provided to some ancillaries from the University's operating budget and from existing operations with a plan that they would break even annually in year five and cumulatively in year eight from inception of the building.

In this long-range plan, parking services at UTM and UTSC have included additional borrowings for their additional parking deck and parking structure.

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

	2011-12 Actual	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Residences:							
Chestnut Residence	60.4	58.3	56.0	53.6	51.0	48.2	45.3
UTM	48.5	46.6	44.6	42.4	40.1	37.7	35.1
New College	22.2	21.3	20.3	19.3	18.2	17.0	15.8
Woodsworth	21.2	20.5	19.8	19.0	18.1	17.2	16.2
UTSC	15.7	14.8	13.9	13.0	12.0	11.0	10.3
St. George Family Housing	14.3	13.4	12.6	11.6	10.6	9.6	8.5
University College	13.7	13.3	12.8	12.3	11.8	11.2	10.6
Graduate House	13.1	12.4	11.7	10.9	10.1	9.2	8.3
Innis	3.0	2.7	2.3	1.9	1.5	1.0	0.6
Sub-total	212.1	203.3	194.0	184.0	173.4	162.1	150.7
Parking/Transportation:							
UTM	10.3	9.9	9.5	9.0	8.6	8.1	7.5
UTM Parking Deck (new loan)						4.8	4.5
UTSC	6.6	6.4	6.2	5.9	5.6	5.3	5.0
UTSC Parking Deck (new loan)						7.0	6.6
St. George	8.7	8.4	8.0	7.6	7.2	6.8	6.3
Sub-total	25.6	24.7	23.7	22.5	21.4	31.9	29.9
Total Loan Balance	237.7	228.0	217.7	206.5	194.8	194.1	180.6

Factors such as enrolment growth, the first year residence guarantee program and demand from upper year students to return to residence has continued to sustain the optimal fall and winter session occupancy rate for residence services. The building expansion on all three campuses to increase residence spaces has put a strain on the financial viability of most residence operations. Minimal down payments for new residence buildings resulted in substantial borrowings and in turn large annual principal and interest costs. The impact of these large borrowings lead to financial deficiencies in some of the newly constructed residences and continues to impact their long-range budget plans. Residence ancillary operations with new buildings supported by partial down payments, donations or operating fund subsidies are more financially sound. Increasing repairs and maintenance costs for older buildings have led to increased operating costs for some residence operations.

All residence services have implemented strategies to address their financial issues while maintaining the highest quality of residence life for students and keeping residences viable and attractive. The followings are the key accomplishments for 2012-13:

- UTSC has completed the kitchen/bathroom renovation in Larch Hall, installed ductless air conditioning units in townhouses, introduced the new interventions and supports to residents in community living, communication and conflict resolution. Programs and services available to students continue to develop and as a result student engagement in the residence life community is on the rise.
- At St. George Family Housing, healthy occupancy levels were achieved through aggressive advertising and marketing strategies. Building improvements included concrete podium repair, cyclical renovation of vacant units and a big focus on pest control.
- Graduate House completed a fully on-line admissions process using StarRez, continued with the phased suite renovation programs, awarded a new cleaning contract through an RFP process and developed residence life programs in respond to the residence's diverse needs and interests.
- Woodsworth College continued to experience a very successful summer business and excess funds were allocated to capital renewal and operating reserves.
- New College added 78 beds when two floors of the converted office space at 45 Willcocks were returned to residence use and formulated an approach to solving the problem of finding a funding source for the academic/administrative use of 45 Willcocks. Summer business continued to be strong. Many renovation projects and upgrades were completed. They included renovation to the second floor of the Wetmore Hall, installation of high efficiency lighting and occupancy sensors, upgrade of five elevators to include accessibility and security enhancement, replacement of the broken asphalt walkway with pavers and the reinstitution of a refurbishment schedule.

- University College continued to enjoy success in obtaining donations from alumni to complete various improvements to the building.
- Chestnut Residence continued to expand double room accommodations in order to meet the increasing demands of the first year guarantee.

In 2012-13, UTM Food Service had several openings in the Davis Building. They included full and self-serve Tim Horton's, a Subway kiosk and a 6-concept food court. Although there is no new addition at UTSC campus, the ancillary is in the process of implementing a one-card payment system to provide more convenience to customers. St. George food service ancillary opened a new restaurant, The Exchange, in the new Rotman building. The outlet at OISE has been renovated and a new menu has been developed. All other ARAMARK satellite locations have received menu upgrades. Two RFPs have been issued and contracts were awarded to Innis Café and Veda.

Although the food services ancillary at St. George is not responsible for every food operation on campus, it plays an important coordinating role and has taken responsibility for implementing numerous campus-wide events and programs. Through the promotion of the campus-wide meal plan, it resulted in strong sales growth of non-residents meal plans.

New College food services reached an agreement with Ancillary Services at St. George campus for the use of their kitchen for catering business. Since two floors of office space were converted back to residence use, the commission rate from ARAMARK for meal plans has been restored back to its original value.

It has always been a challenge to increase revenues from conferences due to the shortage of meeting and conference space on campus. The opening of the Instructional Centre at UTSC provided opportunities to reach out to associations that hold weekend meetings as more classroom space became available for this purpose.

Both UTM Parking Service and Transportation Service at St. George campus have introduced many initiatives to promote a reduction in the use of cars on campus, as fewer parking spaces are available due to the higher demand. These initiatives included carpooling, car sharing, discounted TTC Metropass and shuttle services between St. George and UTM campuses. Parking Services at St. George campus has been rebranded from the University of Toronto Parking Services to the University of

Toronto Transportation Services. This ancillary conducted a full review of its operations this year with the assistance of an external consultant, and as a result, made a number of changes to enforcement routes, staffing levels and equipment, that are having a positive effect on net income. UTSC Parking Services continued to maintain quality of service with on-going capital initiatives and programs. This ancillary also made a one-time contribution of $249,961 to the East Arrival Court construction project.

Hart House has taken several initiatives to enhance the student experience and improve operational efficiency and effectiveness over the long term. These initiatives include: reupholstered Hart House theatre seats, appointed an architectural firm to undertake a green heritage renewal study, began upgrading wayfinding and signage, continued to make available a wide variety of athletic classes to students and members, continued to provide employment opportunities for students, established key co-curricular linkages between Hart House programmes and other divisions (most notably the Faculty of Kinesiology and Physical Education, the Art Department and the Faculty of Music), invested over $45,000 in new technology and began the first phase of a study for the information technology rewiring of the building.

Residence Services

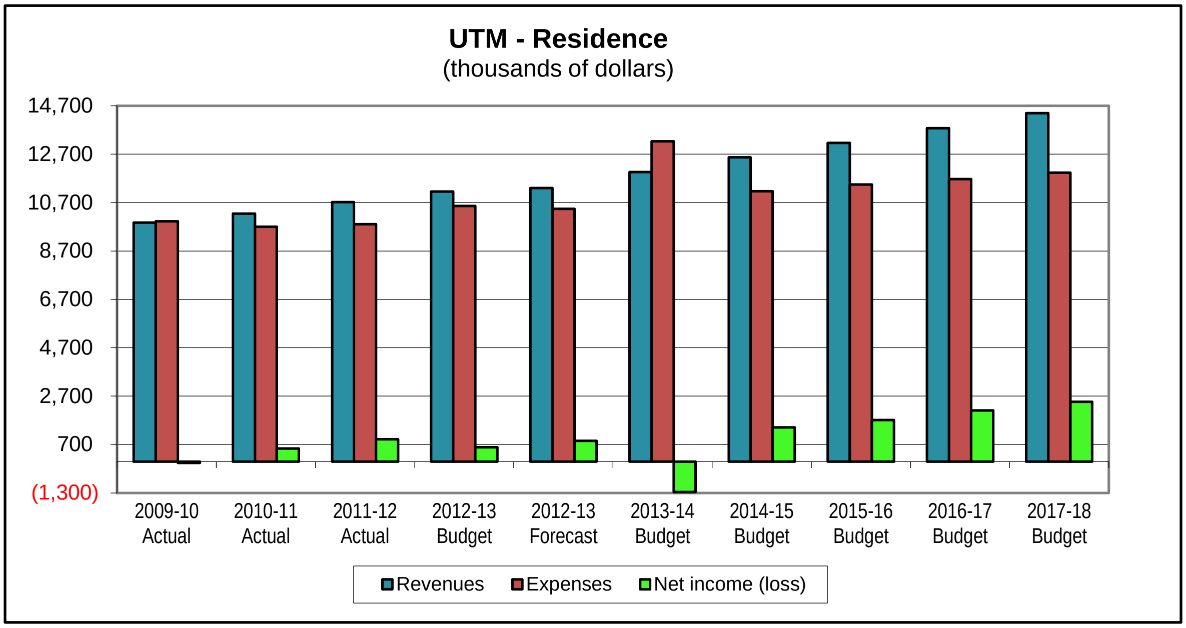
For the 2013-14 budget year, Innis College will meet all four objectives. UTSC and Family Housing will meet the first three objectives. UTM, University College, and Woodsworth College are budgeting that the second and third objectives will be met in 2013-14. Graduate House and Chestnut Residence will meet the first objective (see schedule II for details).

UTM

With 1,280 single undergraduate student beds and 121 family and graduate student units, the UTM residences provide accommodation to over 1,500 residents in eight building complexes with a multitude of options, such as 2, 3 and 4 bedroom townhouses, 2 and 4 bedroom apartment suites, and traditional style suites. The occupancy rate for 2012-2013 fall and winter is forecasted at 95% (same as budget).

The ancillary is forecasting an operating surplus of $848,540 in 2012-13, which is $256,304 higher than budget. The favourable variance is mainly due to higher summer occupancy than what was projected. The introduction of the summer Academic Culture and English (ACE) Program increased demand and availability which contributed to additional summer revenues. Savings from salaries, utilities, communications costs and major maintenance expenses also contributed to this favourable variance.

This ancillary is projecting a negative operating result in 2013-14 (year six of Phase 8 residence) and a positive total fund balance by approximately 2016-17 (year nine of Phase 8 residence). The ancillary is anticipating a $1.3 million deficit for 2013-14 due to the phase two repairs of Erindale Hall. There will be a one-time transfer of $1.3 million from the operating budget, which will be repaid in 2014-15. The UTM residences ancillary is projecting net assets to be in a deficit of $2.7 million in 2013-14, with unrestricted deficit of $5.0 million, capital renewal reserve of $0.5 million, operating reserve of $0.9 million and investment in capital asset of $0.9 million. It anticipates net assets will be positive in 2016-17.



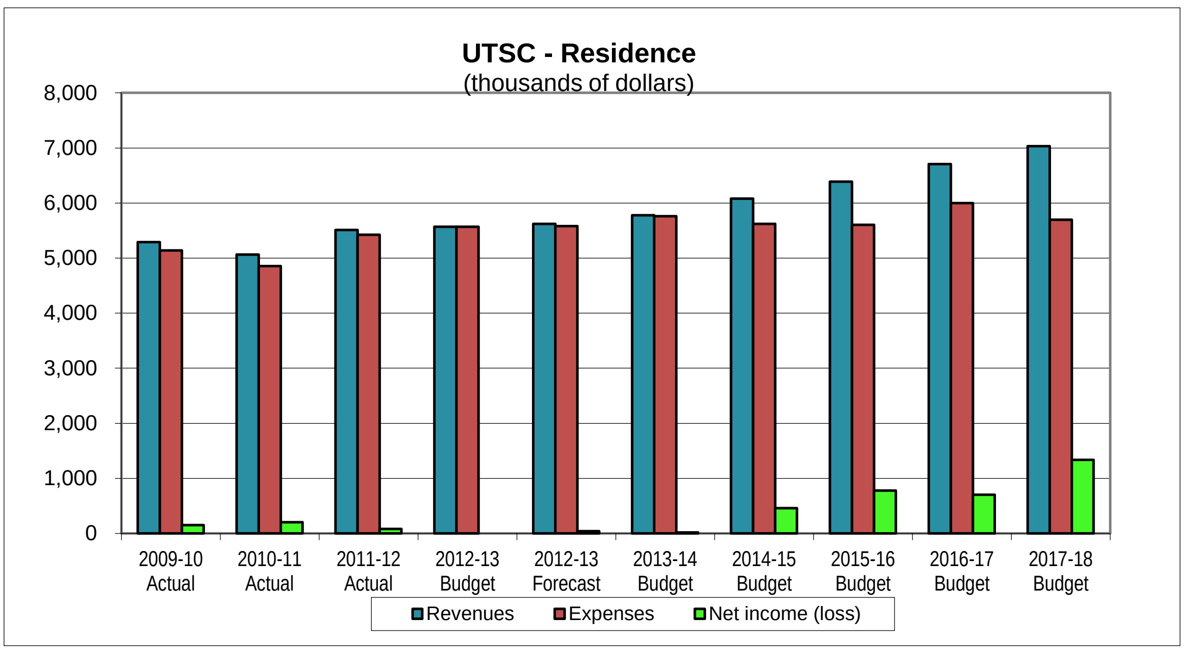
	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	9,873	10,242	10,720	11,154	11,295	11,967	12,577	13,162	13,773	14,398
Expenses	9,928	9,707	9,803	10,561	10,446	13,230	11,166	11,448	11,666	11,930
Net income (loss)	(55)	535	917	593	849	(1,263)	1,411	1,714	2,107	2,468
Percentage increase in revenues		*3.7%*	*4.7%*	*4.0%*	*1.3%*	*5.9%*	*5.1%*	*4.7%*	*4.6%*	*4.5%*

This operating plan is based on a 5% rate increase in 2013-14 assuming occupancy of 96% up from 95%. Salaries, wages & benefits reflect increases related to contractual obligations and an addition of a residence counselor. Annual and major maintenance expenses will significantly increase due to the necessary repairs to the brick and roof parapet, and repairs to 85 bathroom shower stalls for Erindale Hall. Furniture & equipment depreciation expenditures will increase as a result of furniture purchases for the conversion of MaGrath Valley townhouse units to undergraduate accommodations. This increase will also include additional amortization costs associated with the ancillary's new residential management system (StarREZ) and a new chiller compressor for Roy Ivor Hall. The UTM Residence Facilities Replacement Cycle was discontinued when responsibility for the operation of the residence facilities was transferred to UTM Facilities, Management and Planning. In its place, the UTM Facilities, Management and Planning initiated a campus-wide Facilities Audit which will be used as the primary source of information for facilities planning moving forward.

UTSC

Student housing at UTSC consists of 767 beds in 114 townhouses and 56 apartments. Five houses and one apartment are specially designed with disability access. Due to high first year demand in 2012-13, UTSC expanded the capacity to 775 beds by using bunk beds in ten rooms. First year residents have outnumbered upper year residents since 2006-07. This trend will continue as enrolment continues to grow. The initial stages of the planning process for a new residence have begun.

The key accomplishments in 2012-13 are: completed the kitchen/bathroom renovation in Larch Hall; installed ductless air conditioning units in townhouses; introduced the new interventions and supports to residents in community living, communication and conflict resolution; the ongoing development of residence life program has resulted in increased student engagement in the residence community.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	5,290	5,063	5,510	5,570	5,621	5,781	6,080	6,387	6,705	7,034
Expenses	5,138	4,858	5,426	5,570	5,579	5,762	5,621	5,606	6,002	5,700
Net income (loss)	152	205	84	0	42	19	459	781	703	1,334
Percentage increase in revenues		*-4.3%*	*8.8%*	*1.1%*	*0.9%*	*2.8%*	*5.2%*	*5.0%*	*5.0%*	*4.9%*

The residence ancillary is forecasting an operating surplus of $41,990 for 2012-13, which is $41,990 better than budget. The favourable result over budget is due to higher than budgeted occupancy rates. The revenue increase was slightly offset by financial incentives paid to upper year students to withdraw from residence, in order to support admissions targets and make room for late acceptance first year students. Net assets are forecasted to be $1.5 million, of which $0.8 million is for the capital renewal reserve, $0.6 million for the operating reserve and $1.7 million for investment in capital; leaving $1.6 million in the unrestricted deficit.

The 2013-14 budget anticipates a small surplus of $18,665. Net assets will remain at $1.5 million with a similar net asset allocation as forecasted in 2012-13. This budget projects the unrestricted fund balance will turn into surplus in 2015-16. Net assets are projected to be at $4.8 million in 2017-18 with $2.1 million unrestricted surplus.

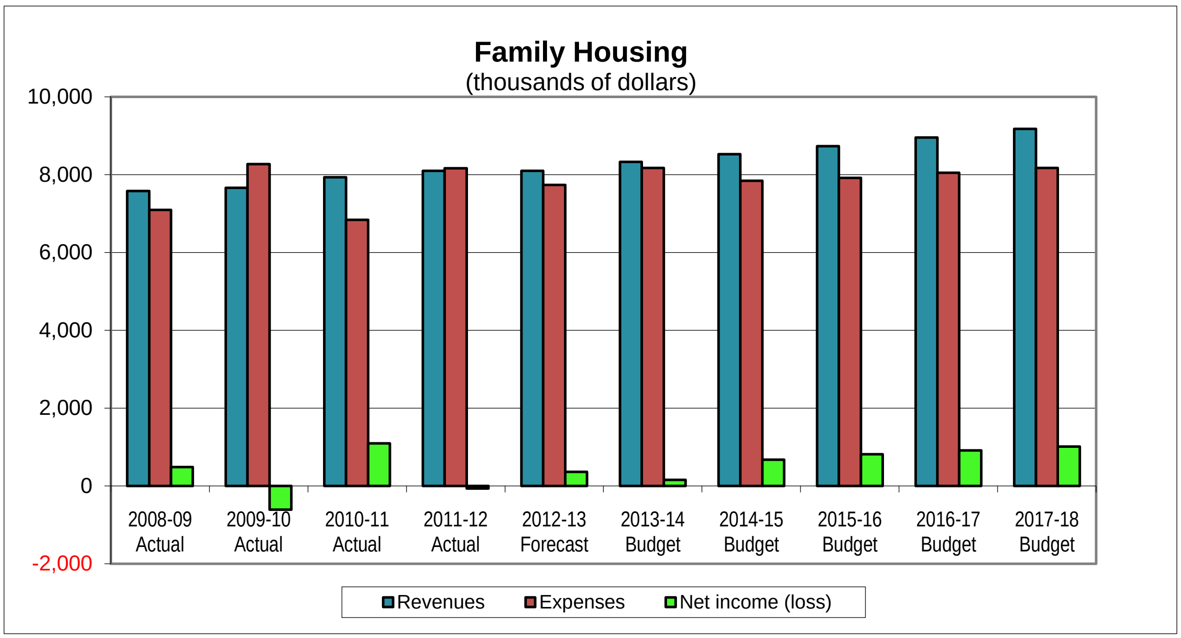
Residence fees are very price sensitive with the on-going competition from an off-campus housing market. It is challenging to fund program growth and renovation projects through sustainable fee increases. The ancillary will propose a 2.5% increase for 2013-14 fall & winter fees, and a 5.0% increase for 2014-15 through 2017-18. The occupancy rate assumption for the suite style is 99% for both fall and winter semesters. The occupancy rate assumption for all townhouses is 99% for the fall and 97% for the winter. The assumption rate for summer occupancy is 68% based on the available beds.

St. George Family Housing

St. George Family Housing (Family Housing) has 712 apartment units in the two buildings at 30 and 35 Charles Street West, with child care on-site operated by George Brown College's Early Childhood Education program. There is also a roof top garden at 30 Charles Street which provides additional space for outdoor events, as well as a children's garden and play area. These two buildings house approximately 2,000 people of whom approximately 50% are international students coming from over 60 different countries. The tenancy is partially covered by the Residential Tenancies Act. The ancillary is committed to providing a safe, well-maintained and affordable living environment where student families can participate in a supportive community.

Family Housing continues to experience healthy occupancy levels and maintains a moderate size wait list of applicants. This is due to aggressive advertising and marketing strategies implemented several years ago, continued partnerships with academic areas and university departments, residence life services, residence tours for applicants and the reputation of high service levels and building fabric improvements.

This year, the primary focus of the building fabric improvement is to repair the concrete podium on the north side of the building at 35 Charles Street. In addition to the cyclical renovation of vacant units, one of the biggest focus areas is pest control management. A multi-pronged strategy is used which includes comprehensive exclusion, pest treatments in apartments and common areas, and education for residents.



	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	7,577	7,659	7,931	8,097	8,096	8,328	8,523	8,736	8,955	9,180
Expenses	7,096	8,272	6,836	8,163	7,735	8,173	7,847	7,920	8,045	8,173
Net income (loss)	481	(613)	1,095	(66)	361	155	676	816	910	1,007
Percentage increase in revenues		*1.1%*	*3.6%*	*2.1%*	*0.0%*	*2.9%*	*2.3%*	*2.5%*	*2.5%*	*2.5%*

Family Housing is forecasting an operating surplus of $361,366 in 2012-13, which is $427,747 better than budget. This favourable variance is mainly due to savings in salaries, utilities, major maintenance and department overhead. The operation will end the year with forecasted net assets of $3.6 million ($1.2 million capital renewal reserve, $0.6 million operating reserve, $0.3 million investments in capital assets and the remaining $1.5 million in unrestricted surplus).

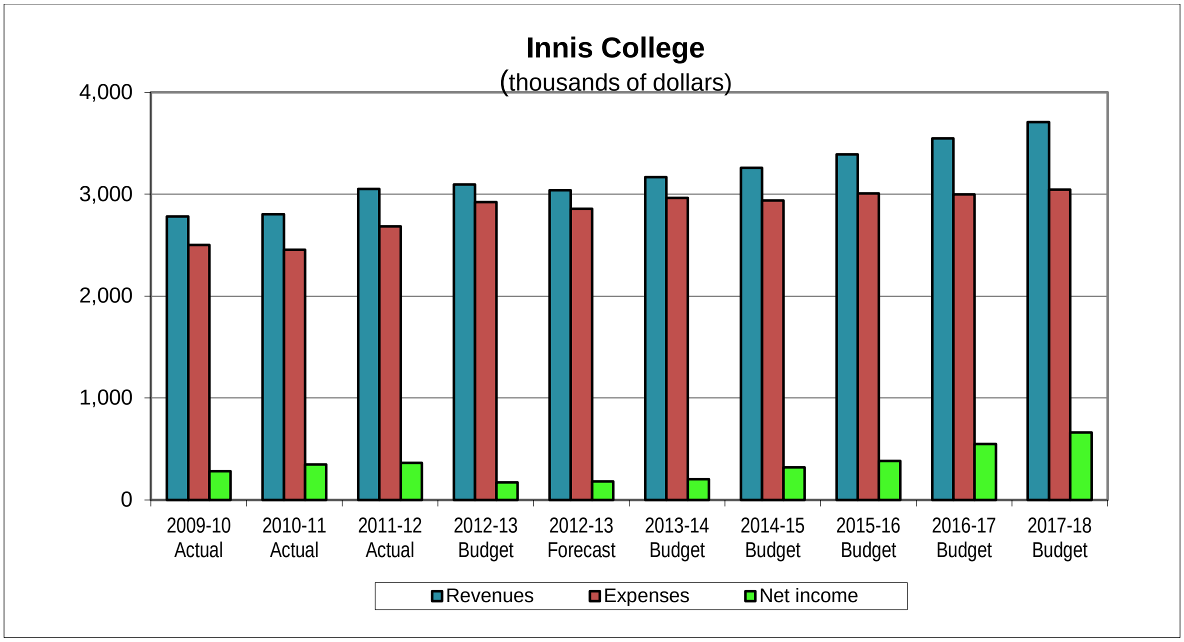
The operating plan for 2013-14 assumes a rental rate increase of 2.5% in order to maintain the desired level of services, annual maintenance and necessary improvements to the buildings. An engineering study on the two buildings has been completed and improvements outlined are included in the capital planning. An operating surplus of $154,527 is budgeted for 2013-14, but with the transfer of $0.6 million for major capital maintenance, net assets will be reduced to $3.3 million.

The long-range plans assume rent increases of 2.5% to 3% per year over the next few years. These rate increases will allow the ancillary to maintain the buildings at a level that both the University and the residents desire. In 2017-18, net assets are projected to be at $4.6 million ($1.2 million capital renewal reserve, $0.6 million operating reserve, $0.1 million investment in capital assets and leaving $2.7 million in unrestricted surplus).

Innis College

The Innis College residence opened in 1994 and has a total of 339 beds in 81 suite style apartments. The ancillary is anticipating an operating surplus of $182,452 in 2012-13, which is $11,334 better than budget. Summer revenue is down by $57,000 primarily due to last-minute cancellations. With the loss of the Summer Business Officer at the beginning of June, it impacted the ability to actively remarket the cancellations to new customers. In addition, fewer rooms were available due to the disruption of the ideal maintenance schedule. However, the loss of summer revenue is offset by projected expenditure reductions in utilities and annual maintenance. The cost for exterior insulation cladding maintenance was partially deferred to 2013-14.

This ancillary is forecasting annual operating surpluses for the next five years. The forecasted net assets for 2012-13 are $3.3 million, and are projected to increase to $4.8 million by 2017-18. For the 2013-14 budget year, this ancillary is projecting net assets of $3.3 million with unrestricted surplus of $0.4 million, $0.3 million in investment in capital assets, $2.4 million in capital renewal reserve and $0.2 million in operating reserve. The capital renewal reserve is projected to increase to $3.6 million by the end of this long-range plan.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	2,780	2,803	3,049	3,093	3,037	3,166	3,259	3,390	3,545	3,707
Expenses	2,500	2,454	2,684	2,922	2,855	2,964	2,939	3,008	2,996	3,044
Net income	280	349	365	171	182	202	320	382	549	663
Percentage increase in revenues		*0.8%*	*8.8%*	*1.4%*	*-1.8%*	*4.2%*	*2.9%*	*4.0%*	*4.6%*	*4.6%*

Summer room rates will increase by 8.0% in order to bring the summer rates up to average competitive market rate. The fall and winter room rates are budgeted to increase by 5.0% (at a 98% occupancy rate) in order to gradually provide for:

- replacement of a declining provincial government bed grant which will end in 2014-15;
- increased maintenance and repairs as the building ages; and
- sufficient future funds for replacement of major building systems.

The capital renewal reserve is being built up with reference to the *System Renewal Report* issued in the summer of 2009 where asset replacement funding (by major building system) is provided over the remaining estimated service life of the asset system on a straight line basis, adjusted for inflation. The purpose of a capital reserve is to set aside monies on an annual basis in order to provide sufficient funds for the major repair and replacement of primary building systems on a long-term basis. A capital reserve provides a mechanism to share this funding among all residents from year one through year twenty-five.

The total renewal cost of capital assets to be replaced between 2019 and 2034 is estimated to be over $13 million. Building system components that require replacement and/or maintenance prior to this renewal period have been addressed and are provided for in budget periods 2013 through 2017. Given the projected capital renewal reserve funding required over the next 5 years, the unrestricted surplus amount will be held for this purpose.

With the continued success of the residence's operation, the adequacy of its reserves and expected future positive financial performance, $125,000 will be transferred annually to the College in support of its academic mission.

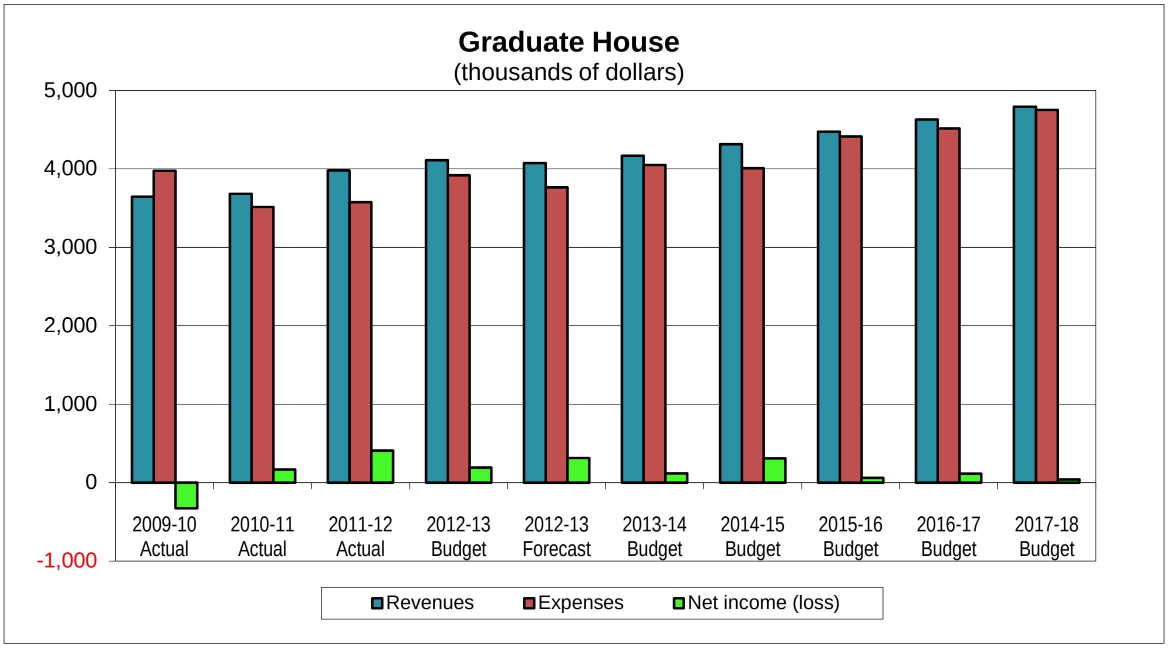
Graduate House

Graduate House opened in 2000 and is a 423-bed, suite-style residence operated by Ancillary Services in cooperation with the School of Graduate Studies as primary stakeholder. It is home to both students from the School of Graduate Studies and students from six second-entry professional faculties (Dentistry, Law, Medicine, Nursing, Education, and Pharmacy). In addition to being a home to its residents, Graduate House is also a valuable aid in recruiting and attracting the best students to the University of Toronto.

As in past years, considerable energies have been focused on the provision of a diverse and dynamic residence life program, on-going facility renewal initiatives, and continuous efforts to improve service to the residents. Key accomplishments include:

- continuation of the phased suite renovation programs;
- completion of a fully on-line admissions process using StarRez;
- residence life programs have continued to respond to the community's diverse needs and interests, and resident participation and event attendance have been strong.;
- successful completion of the cleaning contract RFP process resulted in cost reduction while maintaining the same level of staffing and service level.

The ancillary is forecasting a surplus of $313,015 for 2012-13, which is $127,277 better than budget. While late summer occupancy was lower than anticipated, this loss of revenue was offset partially by other income (deposit forfeited by applicants) and cost saving in office supplies and cleaning. Cost reduction in office supplies is a result of on-going efforts to streamline processes and to move toward electronic recordkeeping and web-based admissions and operations management. A modified approach to scheduling 'peak-time' cleaning, allowed more cleaning during the regular hours and reduced overtime costs.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	3,642	3,678	3,980	4,107	4,073	4,167	4,312	4,471	4,626	4,790
Expenses	3,972	3,512	3,575	3,917	3,760	4,049	4,005	4,411	4,513	4,751
Net income (loss)	(330)	166	405	190	313	118	307	60	113	39
Percentage increase in revenues		*1.0%*	*8.2%*	*3.2%*	*-0.8%*	*2.3%*	*3.5%*	*3.7%*	*3.5%*	*3.5%*

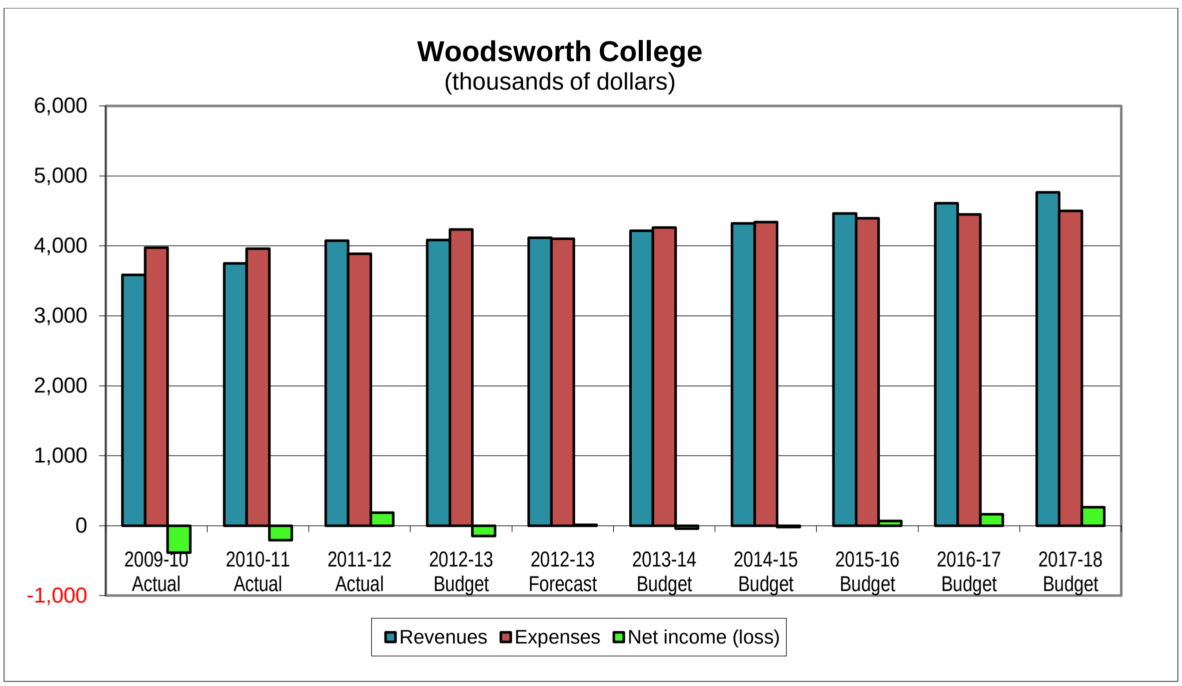
Graduate House is budgeting an operating surplus of $118,369 for 2013-14. Net assets are anticipated to increase from $2.7 million in 2013-14 to $3.3 million in 2017-18. The ancillary is budgeting a small unrestricted surplus and will begin to contribute to its operating reserve. It is anticipated that a full 20% operating reserve will be reached in 2016-17 and contributions to capital renewal reserves will begin in 2016-17.

For 2013-14, room rates will increase by approximately 3.5% for fall and winter fees and no increase is proposed for the summer rate. Revenues were based on a projected occupancy level of 97% in the winter and 72% in the summer. It is important to note that despite on-going increases in graduate enrolment there has not been an increase in demand for spaces at Graduate House. There are some indicators that demand for summer housing has started to soften.

Woodsworth College

Woodsworth College residence opened its doors in May 2004 and has a total of 371 private, single bedroom units arranged in suite-style apartments. The residence is barrier-free and three suites are specially designed with disability access. It also provides three study rooms, six TV lounges, a fitness room, a games room, a multi-purpose room, bicycle storage and a laundry room.

This ancillary is forecasting a surplus of $13,252 which is $162,859 better than budget. This favourable variance is mainly due to a very successful summer business and investment income being higher than budgeted. In addition, it is forecasting some cost savings on utilities, cleaning and overhead charged by the College to the ancillary. The ancillary is forecasting net assets of $5.5 million, of which $2.7 million is for operating reserve, $1.8 million for investment in capital assets and $1.0 million for capital renewal reserve. These funds will ensure a sound financial position as the ancillary continues its operation without subsidy from the University.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	3,587	3,751	4,074	4,083	4,117	4,216	4,322	4,465	4,612	4,764
Expenses	3,973	3,959	3,886	4,233	4,104	4,260	4,342	4,396	4,448	4,502
Net income (loss)	(386)	(208)	188	(150)	13	(44)	(20)	69	164	262
Percentage increase in revenues		*4.6%*	*8.6%*	*0.2%*	*0.8%*	*2.4%*	*2.5%*	*3.3%*	*3.3%*	*3.3%*

The 2013-14 budget includes an operating deficit of $44,078. This ancillary is projecting net assets of $5.4 million with $2.2 million in operating reserve, $1.7 million in investment in capital assets and $1.5 million in capital renewal reserve at end of the budget year.

Woodworth College has the highest fall and winter fees for its suite-style residences and its principal and interest charges on debt are currently making up 49% (forecasted 51% in 2012-13) of its budgeted revenues. The residence's annual result is expected to become positive starting in 2015-16. The fall and winter room rates are budgeted to increase by 3.5% with a 99% occupancy rate in 2013-14.

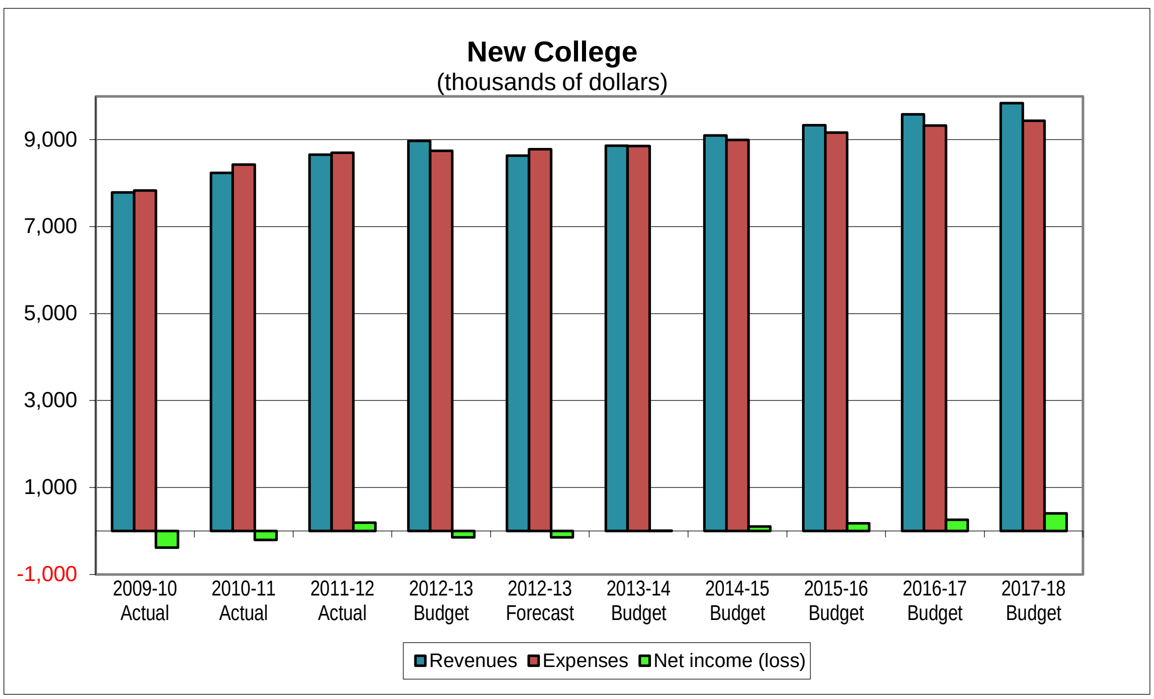
Efforts will continue to be concentrated on maximizing revenues from summer business to support the operation while minimizing costs without compromising the quality of residence life for the students.

New College

The residents of New College are housed in three buildings: Wetmore Hall, Wilson Hall, and 45 Willcocks. Wetmore Hall and Wilson Hall went into service in the late 1960's and 45 Willcocks was opened in September 2003. The dormitory design favours community living and the provision of air conditioning is an added amenity for summer residents. These three buildings house 864 undergraduate students. Two residence floors of 45 Willcocks were converted to university office space in 2008. These floors were returned to residence use in September 2012 increasing the number of beds by 78.

New College residence operations face many challenges: substantial major maintenance is necessary for the aging Wetmore and Wilson buildings, construction and design deficiencies require some major maintenance for the eight-year old New College residence at 45 Willcocks, inability to find a funding source to contribute to the costs of the academic and administrative space in 45 Willcocks, debt financing for the new building and the interest charges on the large accumulated deficit are a significant drain on the residence finances. Four major changes have been made over the past seven years to help correct the operating deficit position. The first change was to depart from a pricing policy that ensured New College's traditional position of having the lowest rates on the St. George campus. The second major change was to deal with the maintenance issues on the two older buildings by increasing the budget to more realistic levels. A third major change was to convert two floors of the residence at 45 Willcocks into office space part way through 2008-09. The lease ended on July 31, 2012. The fourth major change was to recognize that the residence ancillary budget has been subsidizing the operating budget since the new residence at 45 Willcocks went into service (12.6% share of the total building net assignable square meters was used for academic and administrative purposes). New College met with the Office of Planning and Budget, and the Faculty of Arts and Science to formulate an approach to solving this problem. A deficit will continue for 2013-14 and beyond if a funding solution for the academic/administrative use of 45 Willcocks is not found.

The new facilities management team established in 2008 has completed many renovations and upgrades to all three buildings. Continuous efforts are being made to introduce high-efficiency lighting and occupancy sensors during renovations which will reduce energy costs in the future. The ancillary has also reinstituted a refurbishment schedule to ensure that all residence floors remain in top shape. The five elevators in



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	7,787	8,239	8,658	8,971	8,634	8,861	9,096	9,337	9,586	9,841
Expenses	7,832	8,429	8,705	8,748	8,785	8,858	8,998	9,164	9,329	9,440
Net income (loss)	(45)	(190)	(47)	223	(151)	3	98	173	257	401
Percentage increase in revenues		*5.8%*	*5.1%*	*3.6%*	*-3.8%*	*2.6%*	*2.7%*	*2.6%*	*2.7%*	*2.7%*

both Wetmore and Wilson halls have been modernized to include accessibility and security enhancements.

The ancillary is forecasting an operating deficit of $151,338 for 2012-13 which is $374,422 less than previously budgeted. This negative variance is due to the inability to find a funding source to contribute to the costs of the academic and administrative space at 45 Willcocks. Excluding this item, revenues would have been higher than budget by $62,954. Direct expenditures are forecasted to be higher than budget by $41,690. Additional major renovation projects were undertaken in 2012-13 to take advantage of the central matching funds available in this fiscal year. Excluding this major maintenance undertaken, the expenditure forecast would have been $248,310 or 2.9% under budget.

The New College residence is making efforts to restore the residence ancillary back to financial equilibrium. The residence ancillary budget for 2013-14 will essentially break-even if the 45 Willcocks funding issue is resolved. Should this happen, it will break-even in spite of the expiry of the central subsidy and the loss of the financially favourable lease rental revenue from the two office floors at 45 Willcocks. However, a deficit will continue for 2013-14 and beyond if a funding solution for the academic/administrative use of 45 Willcocks is not found.

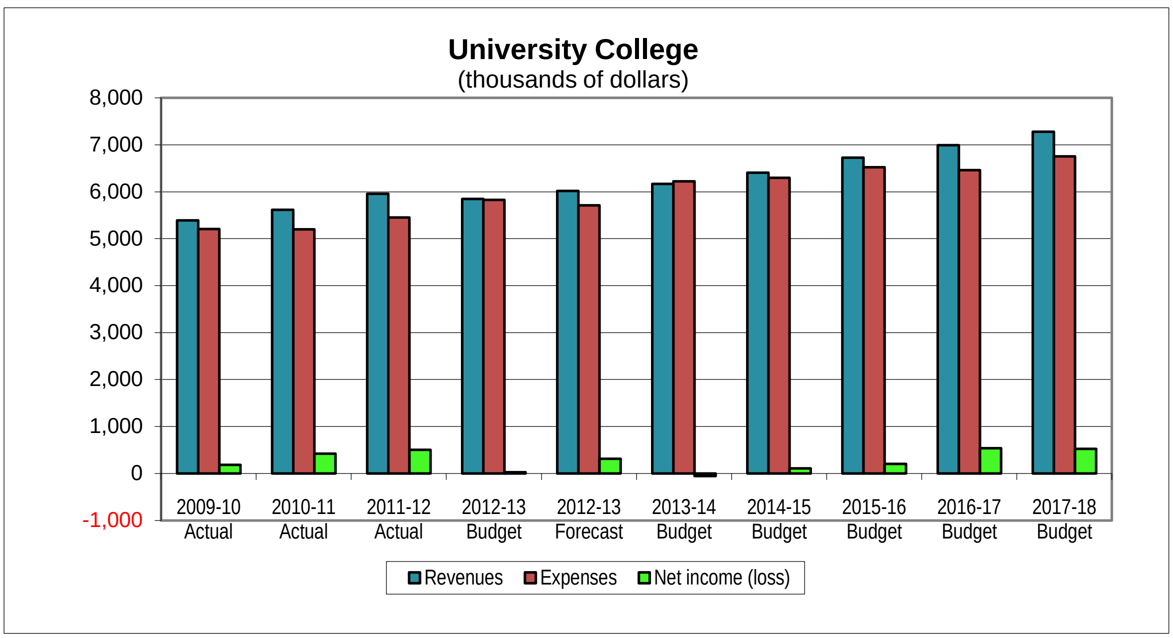
Debt service charges on the accumulated operating debt continue to be a significant drain on the available resources. Net assets for 2013-14 are projected to be in a deficit of $6.1 million, with $3.0 million in investment in capital assets, $0.6 million in capital renewal reserve and $9.7 million in unrestricted deficit. The ancillary is anticipating that the unrestricted deficit will be reduced to $7.9 million by 2017-18.

The ancillary will continue to follow the recommendation from the Residence Review Committee to implement differential room rates which was first implemented in 2009-10. For 2013-14, the fall and winter residence rates will increase by average of 3.1%. Beyond 2013-14, they will increase by 3.0%.

University College

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

The residence continues to enjoy good success in obtaining donations from alumni to complete various improvements to the building. The ancillary has followed (and the budget has provided for) the on-going program for building and equipment maintenance as outlined in the revised engineering study and has therefore avoided major problems. The budget plan provides for the maintenance and replacement of fabric and mechanical systems as outlined in the study. A positive operating result of $313,321 is anticipated for 2012-13 which is mainly attributed to the favourable variance in residence fees and saving in major maintenance, residence life expenses and other miscellaneous expenditures. Occupancy level is over 98% and the summer business remained strong for 2012-13. Summer business for 2012-13 was conducted in Morrison Hall and Whitney Hall.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	5,391	5,620	5,958	5,852	6,022	6,166	6,410	6,727	6,996	7,278
Expenses	5,209	5,199	5,453	5,827	5,709	6,221	6,302	6,526	6,459	6,756
Net income (loss)	182	421	505	25	313	(55)	108	201	537	522
Percentage increase in revenues		*4.2%*	*6.0%*	*-1.8%*	*2.9%*	*2.4%*	*4.0%*	*4.9%*	*4.0%*	*4.0%*

This ancillary is projecting an operating deficit of $54,918 for 2013-14. The main reason is the projected larger spending on major maintenance as compared to prior years. University College is budgeting net assets of $4.7 million by the end of 2013-14 and $6.1 million in 2017-18. The capital renewal reserve is budgeted at $1.8 million for 2013-14 and will remain at this level throughout the plan.

In 2013-14, the ancillary is proposing a new differentiated fee structure with increases from 3% to 4.5% depending on the type of room. This change in fee structure is necessary to be in line with fee schedules of other campus residences. This fee remains the lowest on the St. George Campus. The occupancy rate for fall and winter is expected to be at 98%. For the summer of 2013, Sir Daniel Wilson Hall residence will also be opened for summer business. The ancillary will remain competitive and offer good value to summer students, including the "dining Dollars" program.

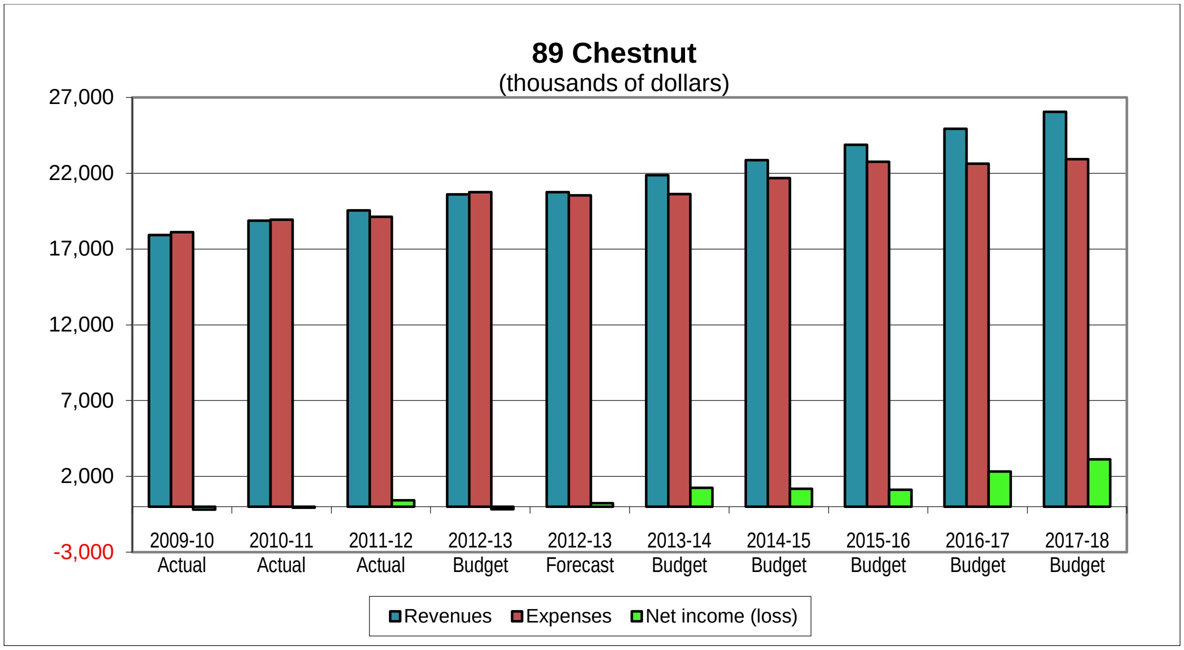
Rate increases for 2014-15 through to 2017-18 are budgeted in the 3.5% to 4.0% range. This stream of increases is necessary to ensure all essential major capital expenditures are made and the quality of residence life is maintained without any deferral of essential maintenance work. Students of the residences have been great contributors to the capital improvements of the buildings in terms of their care for the buildings.

Chestnut Residence

Chestnut Residence will continue to expand double room accommodations in order to meet the increasing demands of the first year guarantee. It is now home to 1,092 students from diverse cultural backgrounds and academic disciplines, as well as home to 21 dons and 2 residence life coordinators. There are four accessible rooms in this residence and it offers housing per term to international exchange students. Housing is offered during the winter break for an additional fee to existing Chestnut Residence students who apply in advance and have compelling academic or personal reasons for requiring accommodation. A variety of amenities is available to students and regular cleaning of rooms is also provided. Students have access to a number of part-time employment opportunities, particularly in the Food & Beverage department and the Division of University Advancement's call centre in the lower level of the building. Students at this residence also benefit from a food program designed by a chef with an international reputation. Chestnut Residence's main cafeteria is a leading participant in the Local Food Plus program, offering local sustainably produced foods. A "Green Dining" program continues to promote healthy eating, waste reduction, physical activity and environmental responsibility. The dining room adopted a "trayless service" in 2012 to promote the savings on waste and energy consumption.

The ancillary has several revenue streams in addition to the residence fee and meal plan. Revenues are generated from several commercial spaces including a call centre for the Division of University Advancement, a 370-space parking garage and a 22,000 square foot banquet and meeting facility.

The purchase of the Chestnut Residence in 2003 provided a place for all St. George campus colleges, including the Federated Colleges, to house students that could not be accommodated in their home college, as well as students from first-entry professional faculties who do not have a college affiliation or home residence. With the surge in demand for residence space and the University's first-year residence guarantee, students were previously housed in leased hotel spaces at substantial cost to the operating budget and with minimal access to the residence life programs which are so integral to the operation of residences and important to student academic success. The annual cost to the operating budget in 2003-04 for these hotel spaces would have been $5 million if Chestnut had not been acquired. Although these savings have never been expressed on the Chestnut Residence income statement over the years, they are substantial and therefore noted here. The acquisition was 100% debt financed, and the subsidy which was originally committed did not fully materialize ($7.2 million original commitment versus an actual contribution of $4.59 million). In addition, the conversion project went over budget and $1.4 million of urgent concrete repair work further deteriorated the ancillary's operating budget.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	17,923	18,867	19,543	20,592	20,757	21,873	22,849	23,869	24,936	26,051
Expenses	18,112	18,938	19,125	20,756	20,529	20,630	21,669	22,754	22,617	22,932
Net income (loss)	(189)	(71)	418	(164)	228	1,243	1,180	1,115	2,319	3,119
Percentage increase in revenues		*5.3%*	*3.6%*	*5.4%*	*0.8%*	*5.4%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*

For 2012-13, Chestnut Residence is forecasting a surplus of $228,337, which is $392,778 higher than budget. Revenues from catering fell $334,781 below budget due to continuing challenges in the economy. The ancillary lost a major client whose requirements changed to a full service hotel style and also got cancellations from several sports groups. Unbudgeted major maintenance expenses were incurred for the service areas on each residence floor due to a dictated change from the Toronto Fire Marshall's Office. This additional cost was offset by an energy rebate of $432.8K received for changes to the cooling towers and chillers. The ancillary is forecasting negative net assets of $10.6 million for 2012-13, with $3.1 million in investment in capital assets and $13.7 million in unrestricted deficit.

For the 2013-14 budget, the residence will continue to be under pressure to house more students. More rooms are planned to be converted from single to double occupancy to create additional spaces. This budget includes a 5% room rate increase and a 3% meal plan price increase. This ancillary is projecting an operating surplus of $1.2 million, which is needed to offset the considerable capital expense of the elevator refurbishment project. Chestnut residence is anticipating an investment in capital assets of $4.1 million (an increase of $0.9 million) and unrestricted deficit of $13.4 million. Net assets will be at $9.3 million deficit.

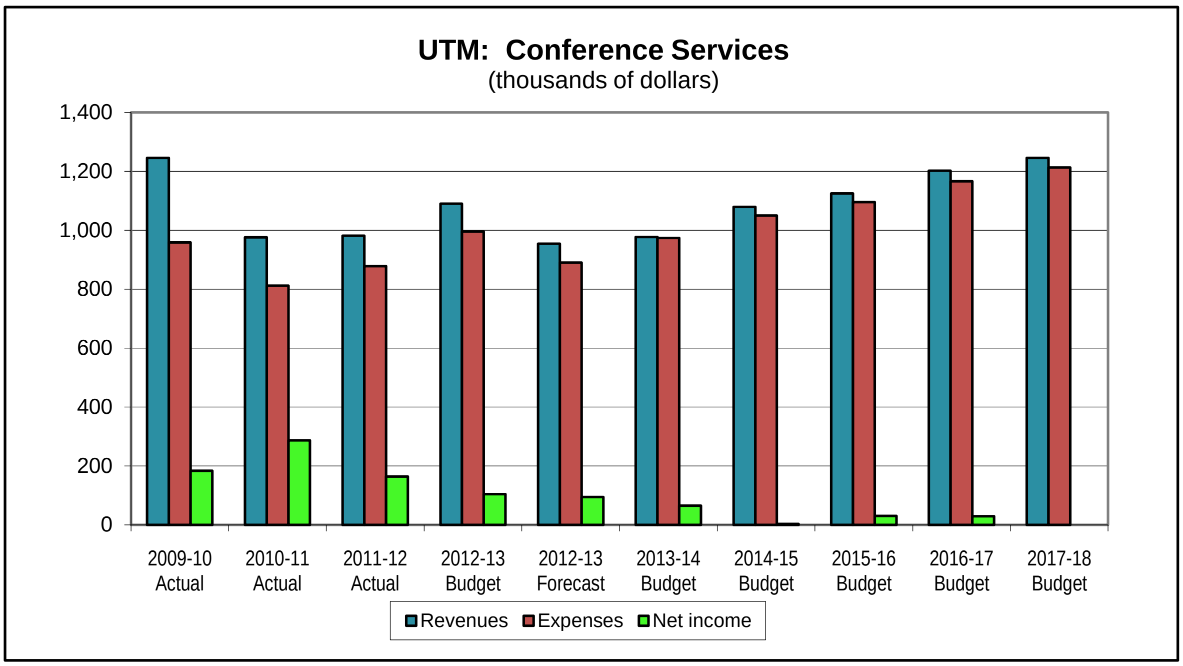
Chestnut Residence remains at the top end of the residence cost on campus, but offers great value for the level of amenities and services provided. The long-range budget assumes a 5% rate increase for accommodation, a 4% increase for food services and a 3% increase for parking fees.

This ancillary is now entering into its tenth year of operation and is facing significant challenges with building infrastructure, dated and worn finishes and furniture, and a work environment which is in serious need of improvement. This operating plan has put on hold all outlays that do not meet a direct and urgent need. However, in order to avoid costly infrastructure issues and to retain the overall "well presented and exceptionally serviced facility" for our students, our catering and parking clients, investments must be made to retain the value of the physical property. Short and long term plans will be developed and presented to the University in order to gain approval for a loan or special one-time-only funding required to maintain Chestnut as an important and viable facility for the students.

Conference Services

Most of the residences run conference operations. However, only UTM and UTSC manage their conference operations as ancillaries separate from their residence operations. The common challenge of increasing sales in a conference operation is the shortage of meeting and conference space on campus. The key to success include making cooperative efforts to optimize the available space, effective marketing and good control of operating expenses. UTM's 2013-14 budget meets all four objectives while UTSC meets the first three objectives (see schedule II for details). Instead of contributing to the operating budget, the surplus at UTSC is used to build up the new construction reserve.

UTM



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	1,246	976	982	1,090	955	977	1,080	1,125	1,202	1,246
Expenses	959	812	878	996	890	974	1,050	1,096	1,167	1,213
Net income	287	164	104	94	65	3	30	29	35	33
Percentage increase in revenues		*-21.6%*	*0.6%*	*11.0%*	*-12.4%*	*2.3%*	*10.5%*	*4.2%*	*6.8%*	*3.7%*

The Conference services operation is expecting a surplus of $65,470 in 2012-13 which is $28,306 less than previously budgeted. There were reductions in room bookings by external groups and overall reduced availability of classroom and event space on campus.

The ancillary's 2013-14 budget reflects a conservative approach to operational and financial planning. The number of accommodation units will be significantly reduced due to the required maintenance of Erindale Hall. Roy Ivor Hall will be used for UTM summer session students and a portion of the dormitory rooms in Oscar Peterson Hall will be used for academic programs. The operating results before transfers are anticipated to be break-even in 2013-14. For the four years of the long range plan, a transfer of $100,000 out from the conference ancillary to UTM operating budget is planned, hence reducing the unrestricted surplus.

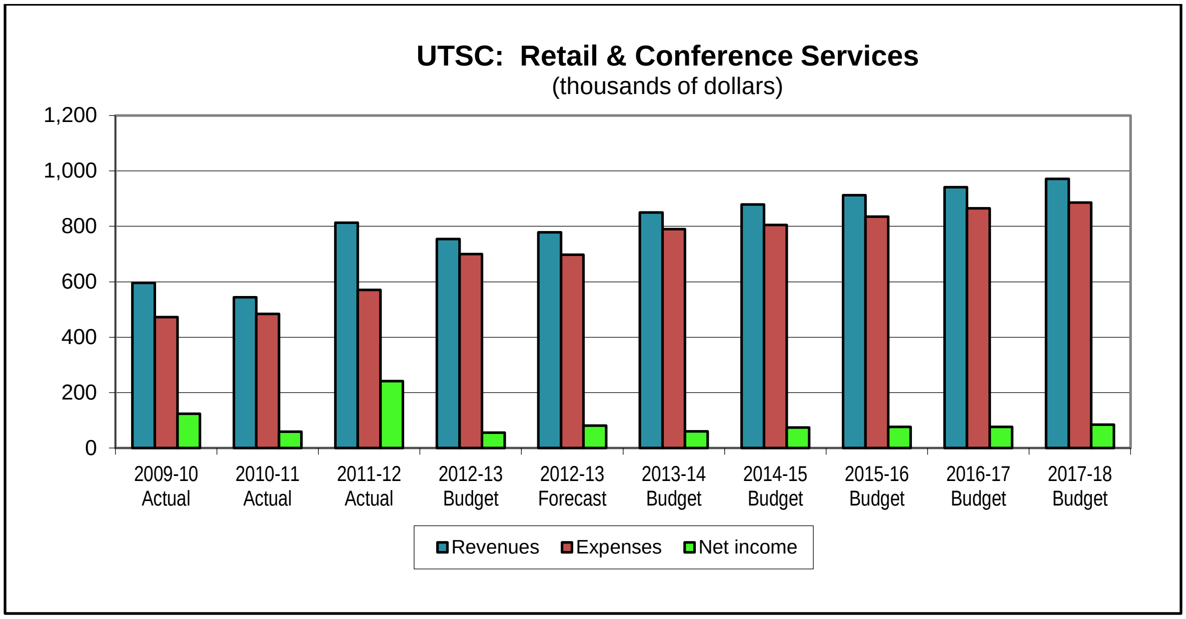
UTSC

The Green Path program (a 12-week summer English as a second language (ESL) program for recent high school graduates from China who receive offers from UTSC, subject to successful completion of the ESL courses) continues to grow. Efforts were also made to develop new sources of conference income to reduce the ancillary's reliance on the Green Path program. This international recruitment program is in the process of expanding next summer to include students from Taiwan. In addition, Green Path plans to add a summer camp style program for current high school students from China to give them a sample of what they could strive for upon graduation.

Working collaboratively with youth and athletic groups, there is a potential to bring in new business for 2013. The Instructional Centre provides opportunities to reach out to associations that hold weekend meetings as more classroom space is made available. The proposed new undergraduate residence will also be a major factor in the growth plans especially for attracting academic conferences. The Pan-Am Games in the summer of 2015 present some positive challenges to Retail and Conference Services. On one hand, there are business opportunities in 2014 leading up to the games in 2015 offering accommodation for training teams and their families, but at the same time, care must be taken not to turn away long standing return clients.

The goal of this ancillary is to continue to grow its revenue opportunities and contributions towards expansion plans and campus initiatives. Its growth will have positive impacts on other operations such as Student Housing and Residence Life, Food and Beverage Services, Athletics and Recreation, Facilities Management, Parking Services, etc.

The forecasted operating result for 2012-13 is $81,003, $25,720 better than budget. For 2012-13, revenue increased due to increase in business volume. Net assets are forecasted at $1.1 million at end of fiscal 2012-13.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	596	544	813	755	779	850	879	912	941	971
Expenses	472	485	571	699	698	790	805	835	865	886
Net income	124	59	242	55	81	60	74	77	76	85
Percentage increase in revenues		*-8.8%*	*49.5%*	*-7.2%*	*3.2%*	*9.1%*	*3.4%*	*3.8%*	*3.2%*	*3.2%*

The 2013-14 operating plan is based on a marketing strategy that focuses on facility rentals, athletic/youth accommodation groups and full package conference groups. Revenues are anticipated to be higher than last year as a result of enrolment growth in International Programs, partnership with athletic groups and marketing efforts. This operation is projecting a surplus for the next five years. Net assets are projected to grow steadily from $1.2 million in 2013-14 to $1.5 million by 2017-18, of which $1 million will be set aside for new construction and $0.5 million for operating reserves.

Food and Beverage Services

Food Services on each of the University of Toronto's three campuses are delivered in different ways, according to the needs of each campus population as well as the practical and business considerations governing relationships with vendors. Chartwells provides food services at UTM, and ARAMARK provides food services at UTSC and at several locations on the St. George campus (including New College). Complimenting the food services provided by the contracted food providers on the campuses, each have introduced alternative food service delivery models to enhance food options and improve the quality and range of food services to their customers, i.e. food delivery trucks, small business operators. The St. George campus also has a number of additional local vendors and self-operated food outlets (including University College).

In 2012-13, UTM Food Service had several openings in the Davis Building. At UTSC, La Prep Café opened in the Instructional Centre under a lease agreement in April 2012. In 2013-14, the ancillary will implement a one-card payment system that will conveniently provide multiple services through the use of a single card. St. George food service ancillary opened a new restaurant and the outlet at OISE has been renovated. Although the food services ancillary at St. George is not responsible for every food operation on campus, it coordinated and implemented numerous campus-wide events and programs. Meal plans sold to non-residents have increased as a result of the promotion of the campus-wide meal plan. New College food services reached an agreement with Ancillary Services at St. George campus for the use of their kitchen for catering business.

For the 2013-14 budget, University College will meet all four objectives. UTSC and St. George food service budgets meet the first three objectives. New College meets the first two objectives while UTM Food Service budget meets the first and third objective (see schedule II for details).

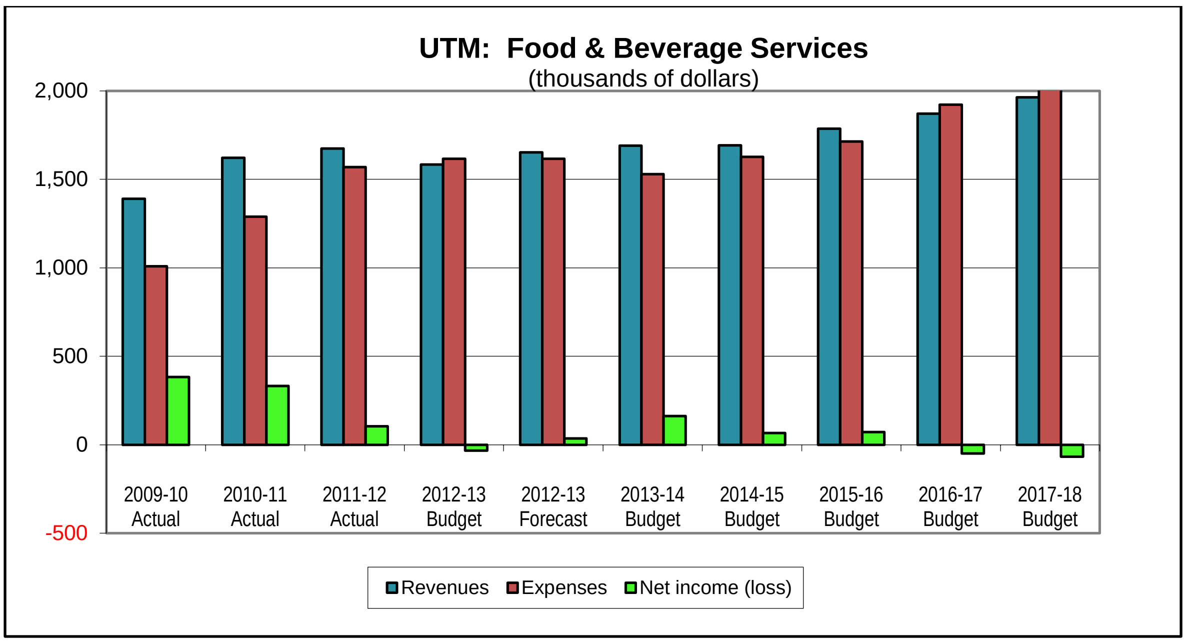
UTM

The highlights for the 2012-13 year include the following:

- The openings in the Davis Building:
    - Full service and self-serve Tim Horton's
    - Subway kiosk

- o 6-concept food court
- Participation in the University's bottle-free water initiative.
- Expansion of the Chartwells' management team at UTM.
- Development of a comprehensive design for the food service operation to be located in the redeveloped North Building.
- Continuation of the planning process for the food service expansion: the Kaneff addition, the Colman Commons expansion and the Spigel Kitchen/Commissary renovation.

Forecasted total food and beverage revenues are expected to exceed budget and net revenues are forecasted to be $1.7 million which is $68,620 higher than budget. Operating surplus before commitments is forecasted at $35,330, $68,948 higher than the budgeted deficit of $33,618.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	1,391	1,621	1,674	1,583	1,652	1,691	1,693	1,786	1,871	1,964
Expenses	1,009	1,289	1,570	1,617	1,617	1,529	1,627	1,714	1,921	2,031
Net income (loss)	382	332	104	(34)	35	162	66	72	(50)	(67)
Percentage increase in revenues		*16.5%*	*3.3%*	*-5.4%*	*4.3%*	*2.4%*	*0.1%*	*5.5%*	*4.8%*	*5.0%*

For 2013-14, this ancillary is budgeting net revenues of $1.7 million, a 2.4% increase over the 2012-13 forecast. The increase in sales is mainly due to a 4% increase in meal plan revenue and a 9.2% increase in cafeteria sales. Major maintenance expense will be significantly reduced generating a projected net income of $161,839. Net assets are anticipated to be $1.1 million with $0.6 million in investment in capital, $0.1 in operating reserves and $0.4 million in construction reserves.

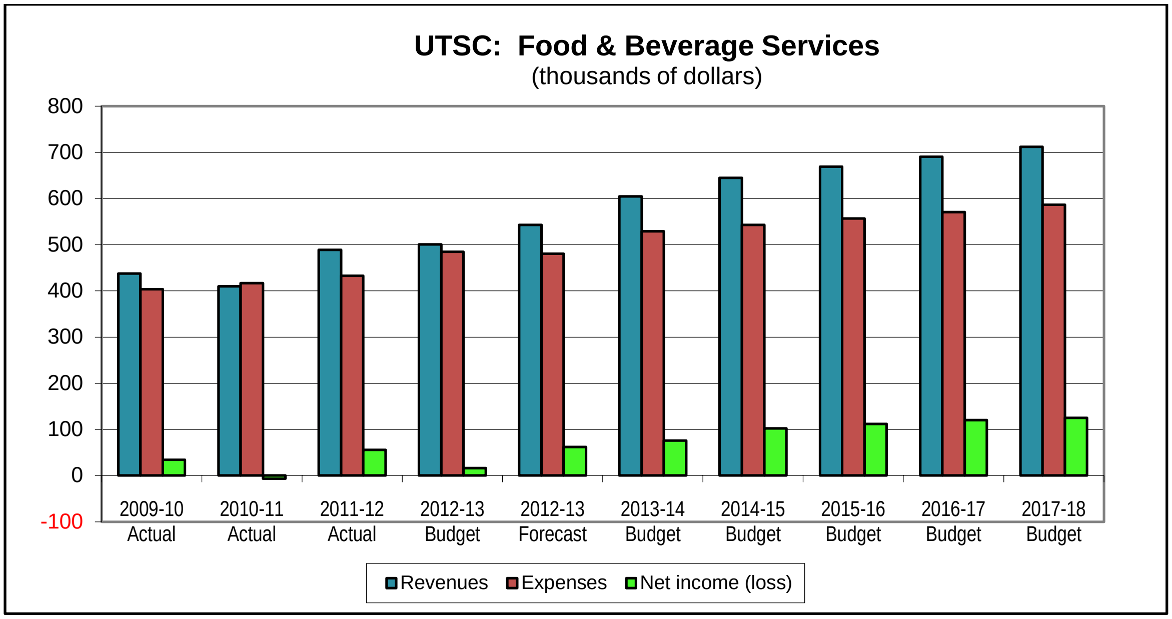
The surpluses currently being generated are required to fund the planned growth according to the campus food service master plan. The food services development plan and subsequent projected development costs over the next few years are still anticipated to be almost $3.0 million. The ancillary projects positive operating results until such time when the expenses related to the construction of the permanent Davis Building food service outlets take effect. Afterwards, the operating results become negative.

UTSC

This ancillary includes eight retail offerings in the H-Wing Marketplace, the Beechgrove Café at the Social Sciences Building, two Tim Horton's outlets and a unit leased to La Prep Café. Beechgrove Café and the two Tim Horton's units have been contracted out to ARAMARK. The contract term will expire on August 3, 2014 and the RFP process will commence in the summer of 2013. Food and Beverage Services also participated in the university wide food policy working group and have introduced the bottle-free water initiative, the halal standards program and the use of locally produced products.

Recognizing the needs and preferences of users on campus, the ancillary has emphasized franchise brands and diverse dietary requirements. Currently, revenue is primarily relying on cash outlets. Food and Beverage Services is challenged to increase volumes to a level that can meet all of its obligations and create an ability to finance substantial projects that may be associated with a new residence facility.

The ancillary is forecasting a surplus of $62,358 for 2012-13 which is $45,831 better than budget. Favourable revenues are mainly due to an increase in cash sales, improving the ancillary's contribution margin by $42,162. This forecast also included an estimated capital expenditure for implementing a One-Card payment system. This proposed implementation will support the student experience by combining access to multiple services through the use of a single card. It is believed that this convenience will encourage additional consumption of food on campus and greatly enhance the speed of service.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	438	410	489	501	543	605	645	669	691	712
Expenses	404	417	433	485	481	529	543	557	571	587
Net income (loss)	34	(7)	56	16	62	76	102	112	120	125
Percentage increase in revenues		*-6.4%*	*19.3%*	*2.5%*	*8.4%*	*11.4%*	*6.6%*	*3.7%*	*3.3%*	*3.0%*

Operating plans are based on the objectives identified in the Food Visioning exercise and decisions regarding the current food service contracts. Continued focus will be placed on improvement of the client experience with in-store purchases. For catering services, focus will be on business development, services and expanded product offerings. Capital investment for the One Card system will continue, as the project will be implemented in phases. For 2013-14, this ancillary is budgeting a surplus of $76,308 with net assets of $399,415.

In the long-range plan, following the successful completion of the RFP process (as the term of the agreement with ARAMARK expires in August 2014), it is expected that the successful applicant will contribute the required capital and make a substantial capital investment to improve existing facilities, new brands/outlets and facilities. This ancillary is anticipating a healthy growth in net income and plans to allocate its annual surplus to the new construction reserve which will bring to a balance of $588,140 by the end of 2017-18.

St. George

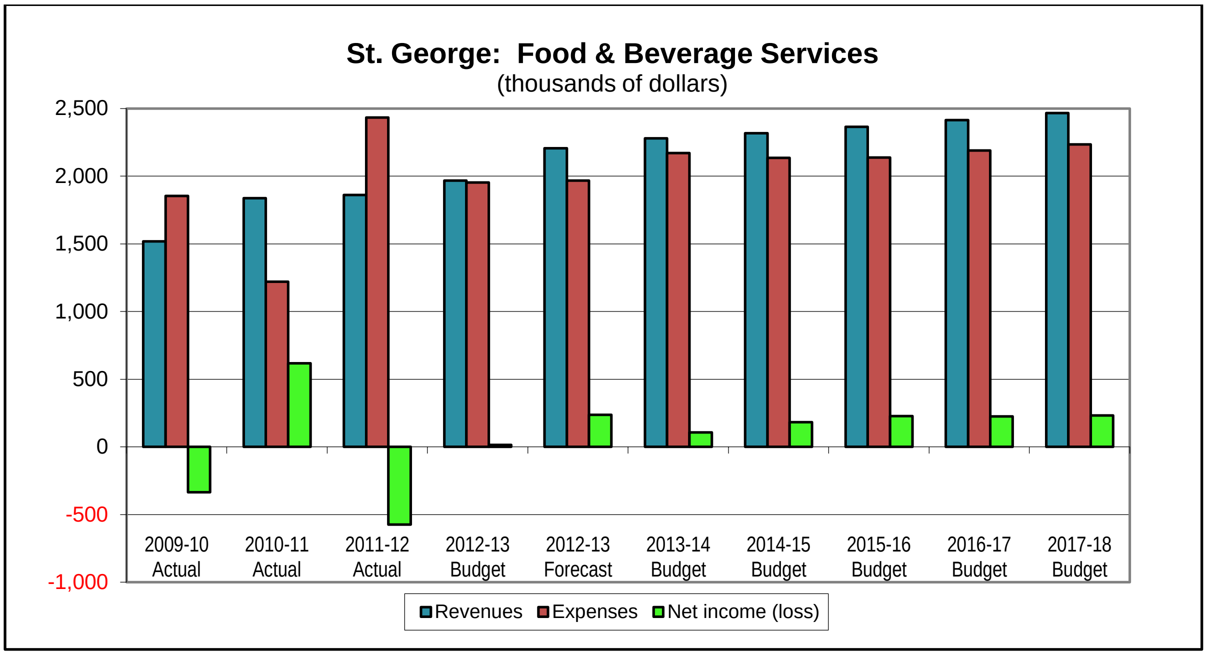
The St. George campus food and beverage ancillary oversees food services at 19 locations on campus and operates the Beverage Services department. Catering services are also provided for campus events. Eight firms manage retail food operations: ARAMARK, Sodexho, Pegasus, Innis Café, Veda, The Engineering Society, Second Cup and Imperial Vending. These services are expected to be financially and environmentally responsible. In addition, their key goals are to maintain a balance of high quality, affordable pricing and wide range selection of menus. Of equal concern are nutritional awareness, variety, convenience and availability.

Although this ancillary is not responsible for every food service operation on the campus, it does play an important coordinating role and has taken responsibility for the campus-wide meal plan program. In 2009, the “UeaT” brand was developed to give St. George campus food services a unified voice and a mechanism for marketing, communications and social media. All campus food providers are encouraged to participate in events and programs, and benefit from its marketing and communications.

In 2012-13, a couple of renovation projects have been completed. The new restaurant, The Exchange, opened in the new Rotman building. The outlet at OISE has also been renovated and a new menu has been developed. In addition, all other ARAMARK satellite locations have also received menu upgrades. Two RFPs have been issued and contracts were awarded to Innis Café and Veda. The Alumni Café was renovated and now offers a full line of Grab and Go and hot entrées.

It is evident that strong sales growth has resulted from the campus-wide meal plan. In the first two months of the academic year, 726 non-residents meal plans (equivalent to $575,000) were sold plus an additional $100,000 in departmental meal plans. The ancillary is forecasting sales of $1.0 million for 2012-13 academic year. This is a 43% increase over last year and a threefold increase in sales since Food Services took over the operation of the meal plan from ARAMARK. Currently, the administration cost of this program is greater than its incremental net revenue; however, as the program matures, it is expected to be balanced over the coming years. This campus-wide meal plan program has also increased cash sales at the residential dining halls.

The Food Advisory Committee has greatly assisted in developing the strategic goal of community building. In 2012-13, Food Services working with the Food Advisory Committee and the Food Network Committee have organized a number of special events. These events include Nutrition Week, Chinese New Year, Aboriginal Day, Black History Week, Lug A Mug, Field to Fork, Eco-Tray, Veggie Mondays and Events on Willcocks Street.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	1,519	1,838	1,860	1,967	2,205	2,279	2,317	2,365	2,415	2,466
Expenses	1,854	1,220	2,433	1,952	1,967	2,171	2,135	2,138	2,190	2,234
Net income (loss)	(335)	617	(573)	15	238	108	182	227	225	232
Percentage increase in revenues		*21.0%*	*1.2%*	*5.7%*	*12.1%*	*3.4%*	*1.7%*	*2.1%*	*2.1%*	*2.1%*

Food services is forecasting a surplus of $238,394, $223,547 better than budget. This favourable variance is mainly due to the increase in net revenue. Net assets are forecasted to be $1.4 million with $0.75 million in capital renewal reserve, $0.2 million in operating reserve and $0.4 million unrestricted surplus.

The operating plan projects a 3% to 5% growth in revenues. The ancillary is projecting a net income of $108,333 for 2013-14. Net assets will be at $1.5 million with capital renewal reserve at $0.9 million and with operating reserve and unrestricted surplus to remain at the same levels as in 2012-13.

The long-range budget assumes inflationary increases for revenues and expenses. Major maintenance and replacement of non-depreciable furniture reflects a plan for renovations and upgrades to current facilities. Future large-scale renovations will be funded through ARAMARK and other vendor and/or capital renewal reserves. Net assets are anticipated to increase from $1.5 million in 2013-14 to $2.6 million in 2017-18. Of the $2.6 million net assets, $1.5 million is for the capital renewal reserve. This significant capital renewal reserve has been intentionally budgeted to give the maximum operational flexibility when the campus-wide contract expires in 2017.

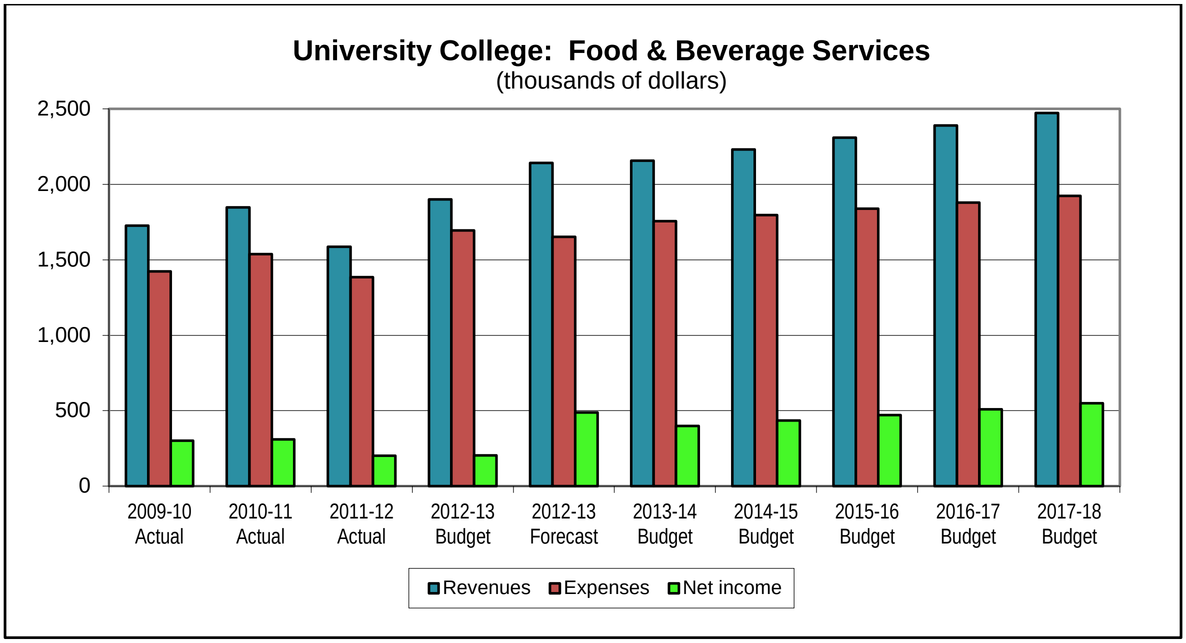
University College

The Howard Ferguson Dining Hall is a "self-operated" food service operation that not only provides services to approximately 730 residence students but also to other U of T students, faculty and staff, and the general public. Its key goal is to maintain a balance of high quality, affordable pricing and a wide selection of menu choices. Vegetarian and halal selections are available at every meal, and most meals include kosher and other offerings. Café Reznikoff is a small outlet that provides lighter meals, sandwiches, confectionary and some convenience items. It remains open during the summer term as part of the summer residence operation, providing a daily hot lunchtime meal from Monday to Friday. This ancillary also offers catering services and maximizes the use of meeting and lecture space in University College.

With increases in sales while keeping costs under control, this ancillary is forecasting for 2012-13, a net income of $488,500 which is $284,735 better than budget. The capital reserve is forecasted to be $1.0 million with an operating reserve of $158,682.

The ancillary is proposing a fee increase of 2% to its meal plans for 2013-14. This increase is necessary to meet increases in the cost of food, other expenses and to maintain adequate reserves. By keeping the same summer business model and food costs under control, it is projecting an operating surplus of $399,394. The surplus will increase the capital and operating reserves moderately, while $150,000 is planned to be transferred out of Ancillary operation.

The long-range plan includes a price increase of 2% which provides for growth in unrestricted surplus from $468,819 in 2013-14 to $1,864,804 in 2017-18. An annual transfer of $150,000 to the operating fund will continue for the next four years. This ancillary plans to maintain a healthy reserve which allows for equipment replacements and increases in annual maintenance costs.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	1,726	1,848	1,587	1,899	2,141	2,156	2,231	2,309	2,390	2,473
Expenses	1,424	1,539	1,386	1,695	1,652	1,757	1,797	1,838	1,880	1,923
Net income	302	309	201	204	489	399	434	471	510	550
Percentage increase in revenues		*7.1%*	*-14.1%*	*19.7%*	*12.7%*	*0.7%*	*3.5%*	*3.5%*	*3.5%*	*3.5%*

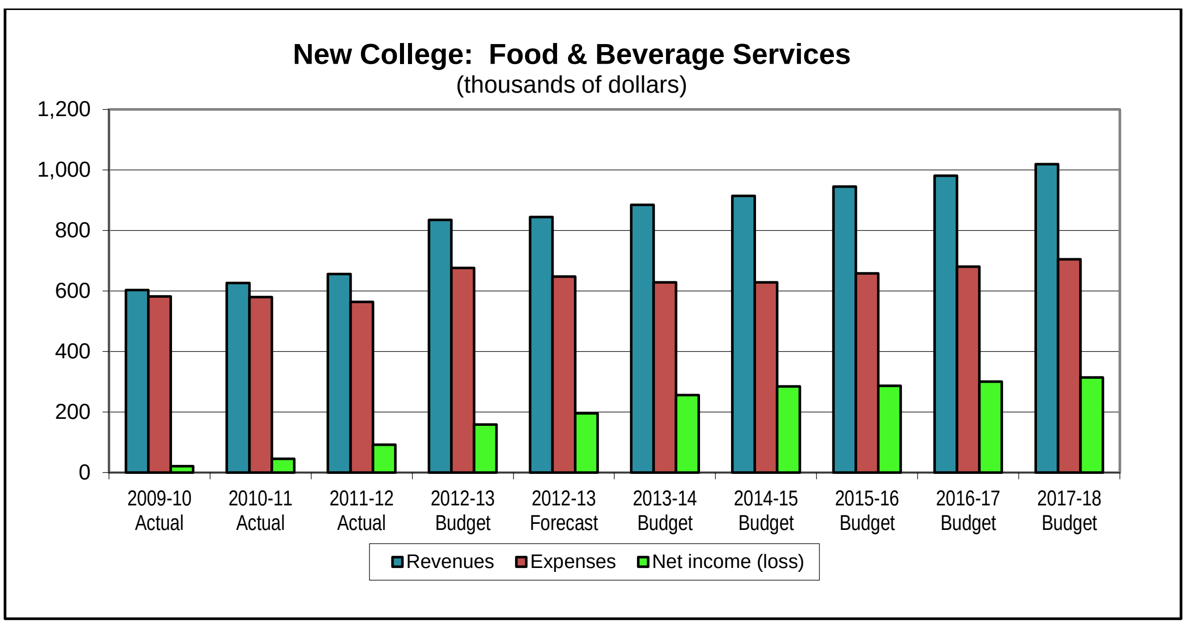
New College

New College has a compulsory meal plan for students living in residence. A number of different plans are offered, giving the students flexibility to choose the number of meals that they wish to purchase. In addition, some of the plans include “flex” dollars that allow students to eat at any food outlets on the St. George campus. Food is served in Wetmore and Wilson dining rooms on an “all you can eat” basis. The two buildings are aging despite on-going repairs and maintenance. An increased allocation for capital renewal has been included in the business model for the last five years. Much of the kitchen equipment is approaching its end of life. With the assistance of Services Ancillary at St. George, and in consultation with ARAMARK, an equipment modernization plan will be developed in 2013-14.

As part of its contract with the College, ARAMARK has funded capital improvements to the kitchen and dining rooms over the last six years. The balance of the fund will be used to improve the server areas. This work is scheduled for the summer of 2013.

Net revenues are forecasted for 2012-13 to be $843,800, which is 1.1% more than budget. This favourable variance is mainly due to additional revenue from a cost-sharing agreement with Ancillary Services for the use of their kitchen for catering business. In order to help address the large deficit that the new residence at 45 Willcocks has been incurring since its inception, two floors of that building were converted to office space. The meal plan commission rate from ARAMARK was reduced when the meal plans associated with the seventy-eight beds were taken out of service. Since both floors were converted back to residence use in September 2012, the commission rate has been restored back to its original value and this increase is reflected in the 2012-13 net revenue forecast.

Total expenses are forecasted to be $28,491 (4.2%) under budget. Annual maintenance cost is reduced when the old kitchen equipment was replaced instead of being repaired; and a new maintenance provider has helped to maintain repair costs at



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	603	626	656	835	844	884	914	945	981	1,019
Expenses	582	580	564	676	648	628	629	658	680	705
Net income (loss)	21	46	92	159	196	256	285	287	301	314
Percentage increase in revenues		*3.8%*	*4.8%*	*27.3%*	*1.1%*	*4.7%*	*3.4%*	*3.4%*	*3.8%*	*3.9%*

current year's level. An operating surplus of $196,126 is forecast for the food ancillary which is 24% better than budget.

With the meal plan program being coordinated by the St. George Food and Beverage Services, it is anticipated that non-residents meal plan sales will continue to grow. A substantial increase has been planned for the next three years for capital expenditure to modernize the kitchen. With the restoration of the ARAMARK commission rate and the revenue from the agreement with Ancillary Services, the kitchen modernization is expected to proceed much more rapidly.

The ancillary is projecting a surplus of $255,546 for 2013-14 with a fee increase in meal plan program of 3.5%. The long-range budget anticipates annual operating surpluses and the operating debt is expected to be eliminated by 2015-16.

Parking / Transportation Services

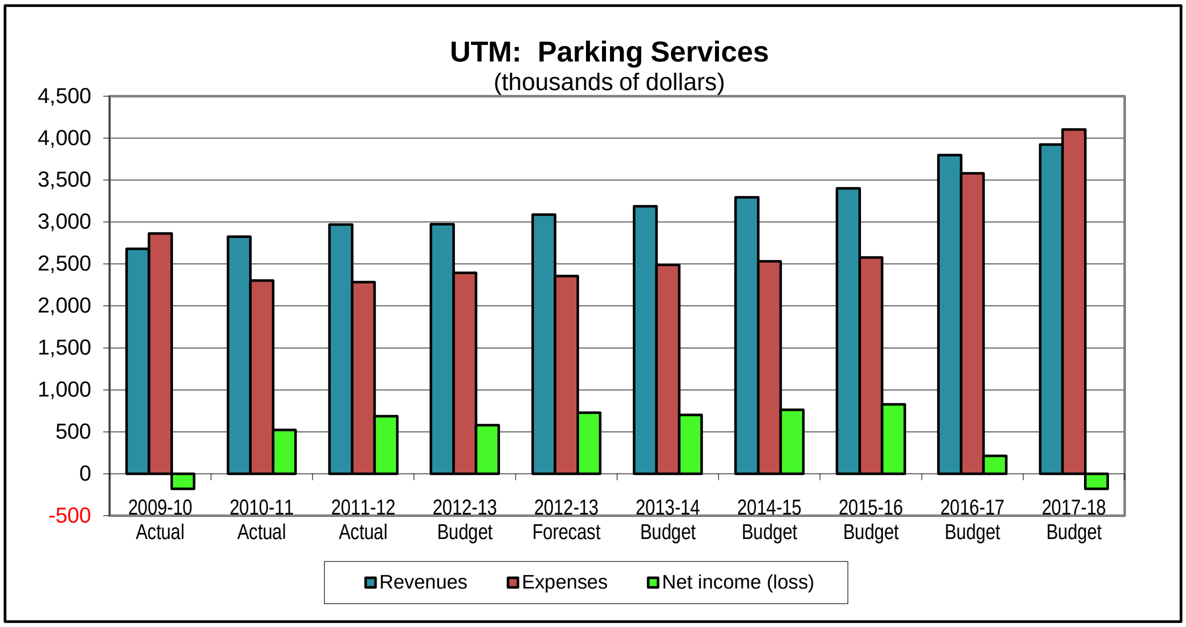
For the 2013-14 budget year, UTSC parking operations meets the first three objectives, UTM meets the first and third objective while St. George meets the second and third objectives (see schedule II for details). Both UTM and UTSC have been allocating their annual surplus to the new construction reserve since a second parking deck for UTM and a new parking structure for UTSC are planned for 2016-17 in this budget.

UTM

The UTM campus is a suburban commuter campus where the use of cars is more extensive than the downtown campus. UTM currently has 2,361 parking spaces, a marginal decrease from last year. UTM Parking is a proud member of Smart Commute which is an association that works to reduce traffic congestion and encourages the use of other sustainable modes of transportation, such as bikes. Many initiatives such as carpooling, car sharing, discounted TTC Metropass program and UPass were introduced. Despite these initiatives and the promotion to reduce the use of cars, evidence from the supply and demand of existing parking spaces and enrolment projections suggests that an additional 300 parking spaces will probably be needed for the fall of 2016. The challenge facing the Parking ancillary is that although all operating revenues in excess of expenses will be contributed to the New Construction Reserve, it will still be insufficient to cover the estimated $8.6M cost of the parking expansion and obtaining a loan from the University for the difference is uncertain.

Having a better lot utilization monitoring and reporting allows for more permits available for sales. The ancillary also forecasted some cost saving from snow removal for 2012-13. The projected operating surplus before commitments is $728,755 which is $150,011 better than previously budgeted. This surplus will be added to the New Construction Reserve bringing it to a balance of $1.6 million. The operating reserve will remain at the same level as the previous year.

The 2013-14 budget includes a 3% permit price increase and is projecting an increase in revenue from Pay and Display due to increases in enrolment and effective enforcement practices. There is no rate increase for Pay & Display. This ancillary is projecting an operating surplus of $0.7 million and net assets of $2.6 million.

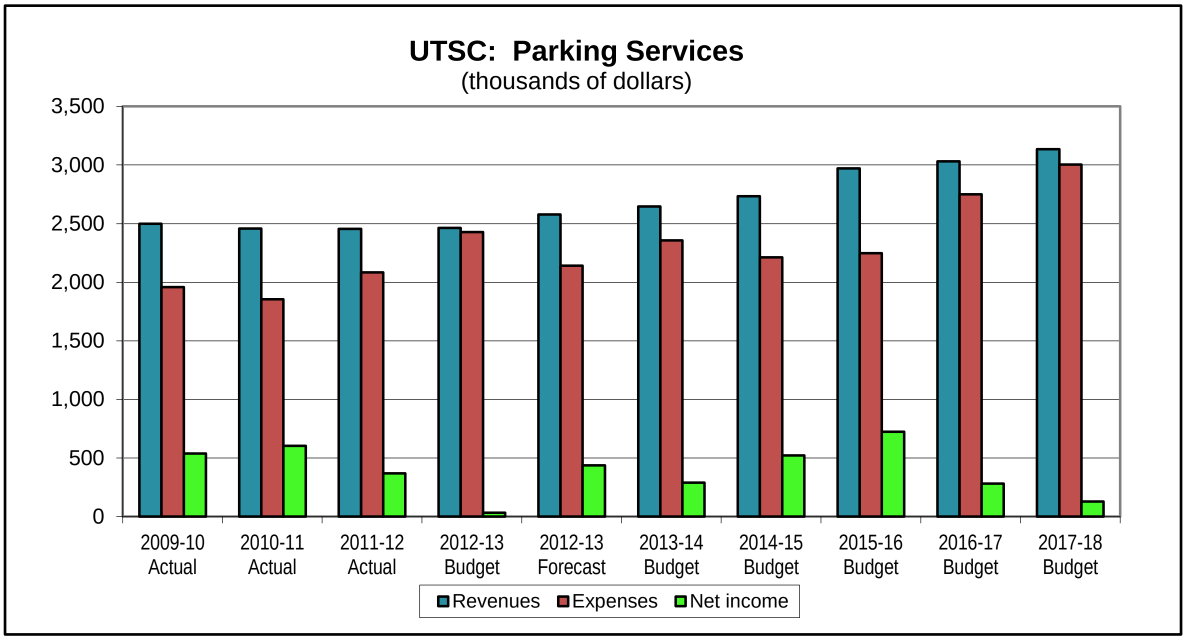


	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	2,681	2,824	2,970	2,975	3,087	3,189	3,294	3,402	3,796	3,924
Expenses	2,862	2,302	2,285	2,396	2,358	2,489	2,532	2,576	3,581	4,103
Net income (loss)	(181)	522	685	579	729	700	762	826	215	(179)
Percentage increase in revenues		*5.3%*	*5.2%*	*0.2%*	*3.8%*	*3.3%*	*3.3%*	*3.3%*	*11.6%*	*3.4%*

The long-range budget is projecting annual operating surpluses, which will be contributing to a new construction reserve fund as a down payment for a parking deck extension planned for 2016. The ancillary is projecting that $3.9 million will be accumulated by 2015-16 for the parking deck extension.

UTSC

The mission of this parking ancillary is to provide a quality parking facility and services in a safe, effective environment. On-going capital initiatives and programs are the key to maintaining the quality of service provided by Parking Services at UTSC. Accessible parking is made available at the Inner parking facility, Outer Lot 2, spaces adjacent to the S-wing main entrance, Lot G near the Instructional Centre and Lot 2 (Centennial) in North Campus for a total of 33 designated spaces. Currently, the Parking operation has 2,772 parking spaces to accommodate the parking requirements of staff, faculty, students and visitors to both U of T and Centennial HP Science and Technology Centre.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	2,498	2,459	2,454	2,463	2,579	2,645	2,733	2,971	3,032	3,134
Expenses	1,959	1,854	2,084	2,429	2,142	2,356	2,212	2,248	2,751	3,005
Net income	539	605	370	35	437	289	521	723	281	129
Percentage increase in revenues		*-1.6%*	*-0.2%*	*0.4%*	*4.7%*	*2.6%*	*3.3%*	*8.7%*	*2.1%*	*3.4%*

The ancillary is forecasting a net operating surplus of $437,338 which is $402,985 better than previously budgeted. Most of the revenue streams are expected to exceed budgets. The favourable variance is mainly attributed to $225,000 savings in major maintenance. After the transfer of $221,812 to UTSC's operating budget and a one-time transfer of $249,961 as contributions to the East Arrival Court construction project, the total net assets are forecasted to be $2.8 million at the end of 2012-13. From this $2.8 million of net assets, $0.5 million represents investment in capital asset, $0.4 million will be allocated to the capital renewal reserve and $0.3 million to the operating reserve. The new construction reserve will take the remaining $1.6 million. The transfer to the operating budget has historically been used as a notional recognition in lieu of land rent for the parking operation.

In 2013-14, the ancillary plans to do the following:

- Upon completion of the East Arrival Court project, partnerships will be sought to make use of the advertising space within the bus shelters, with the goal of creating a new source of revenue for the ancillary.
- Resurfacing of Lot F to include a concrete pad for motorcycle parking, and to increase the number of accessible parking spaces.

- Introduction of a new category of parking permit at the South lot in order to create demand for these spaces which are currently unused.
- Continued maintenance of the North campus parking facilities.

The 2013-14 budget proposes a 3% permit price increase for all categories of permits, and expects slightly lower demand for student permits. The operation is anticipating a surplus of $289,017, of which $228,466 will be a transfer to UTSC's operating budget in lieu of land rent. This ancillary anticipates $2.9 million of net assets at end of 2013-14.

The long-range budget was prepared to ensure the ancillary will remain fully self-funded, providing efficient and quality services, continue to maintain its facilities and to contribute surplus funds to fund future initiatives and to UTSC's operating budget. Future campus growth is anticipated within the next five to seven years. While firm plans for building construction are not yet available, the ancillary recognizes that the potential cost of the structure could range from $9 million to $14 million. The New Construction Reserve is projected to reach $2.2 million 2015-16. Based on the 2013-14 budget model, the maximum contribution the ancillary can fund is a $2.0 million down payment toward the parking structure. The remaining construction costs would be finance through debt.

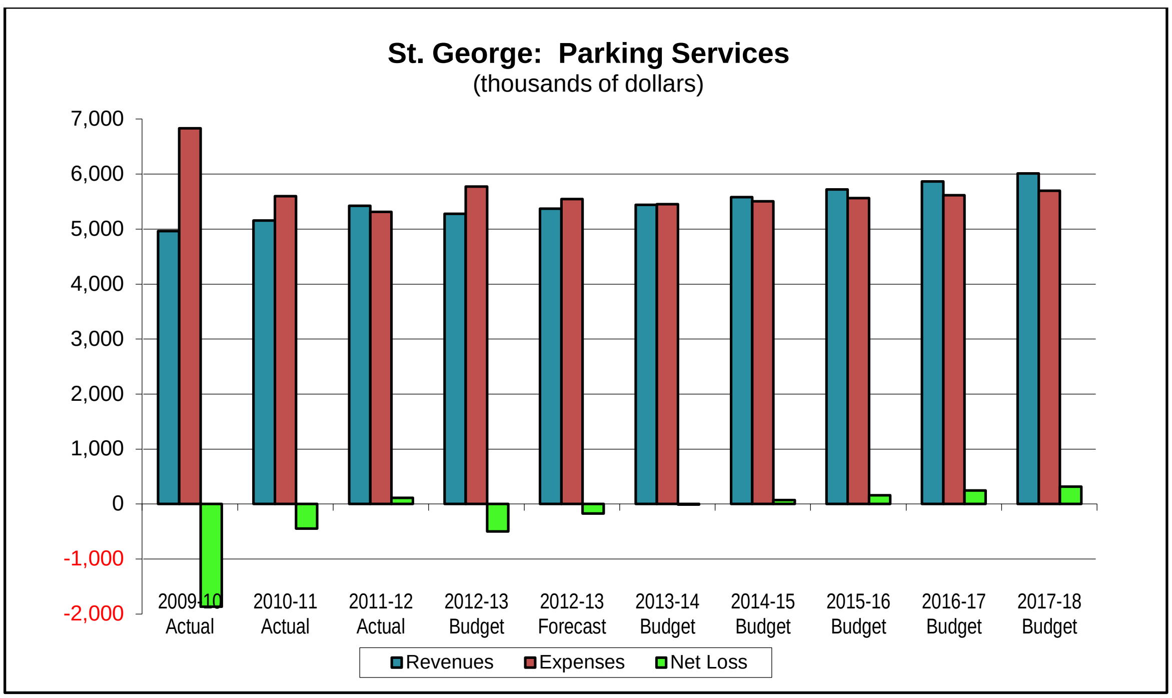
St. George

The St. George ancillary operates 40 surface lots and 9 underground garages, providing 2,272 parking spaces for students, faculty and staff. It provides parking management services to UTM, manages the sales of staff and faculty TTC Metropasses, the operation of shuttle services between the St. George and UTM campuses and partnerships with the City of Toronto in car share programs. Since the scope of services has expanded, this ancillary has rebranded from the University of Toronto Parking Services to the University of Toronto Transportation Services.

In 2012, Transportation Services commenced a review of its operations by commissioning a parking study to an outside consultant. It undertook a comprehensive review of the operations and recommended strategies to deal with the current unsustainable business model. Some of the recommendations proposed in the parking study were in the areas of: 1) parking demand and utilization analysis 2) staffing levels 3) employee relations 4) parking rates, and 5) equipment and new technology review. The ancillary has begun to implement some of these recommendations and is in the process of reviewing others. As part of the equipment and new technology review recommendations, this ancillary has upgraded the parking equipment at 107 St. George Street from a Pay & Display system (where clients purchase parking based on their estimated time needed and enforcement is required) to a Pay-on-Foot System (where clients are charged for the actual time used and enforcement is not necessary).

As a result of several equipment and patrolling changes implemented this year, the long range outlook begins to look positive. However, there is significant financial pressure related to the closure of surface parking lots. The 100 Devonshire Place parking lot closed in January 2012 and the 1 Spadina Crescent parking lot is scheduled to close in early 2013. Temporary closure of the Tower Road parking area is also scheduled for June 2013 due to the Pan Am games.

Some challenges facing this ancillary are the need to stay self-funded with the continued loss of parking spaces, paying for the existing loan for the B.C.I.T. parking



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	4,966	5,156	5,423	5,278	5,373	5,444	5,580	5,720	5,864	6,012
Expenses	6,831	5,601	5,312	5,776	5,546	5,455	5,507	5,562	5,619	5,698
Net Loss	(1,865)	(445)	111	(498)	(173)	(11)	73	158	245	314
Percentage increase in revenues		*3.8%*	*5.2%*	*-2.7%*	*1.8%*	*1.3%*	*2.5%*	*2.5%*	*2.5%*	*2.5%*

garage construction costs and the delivery of additional services related to different modes of transportation. It is difficult to find funding for new transportation initiatives based on parking fees alone. The only reason that this ancillary has not had a negative financial impact on the University is because it has large reserves.

The forecasted 2012-13 operating loss before commitments is $172,939, $324,632 better than the budgeted loss of $497,571. The total net assets for 2012-13 is forecasted to be $9.9 million of which $6.8 million represents investment in capital assets (funds already spent on capital assets), $0.5 million in capital renewal reserve, $0.4 million in operating reserve and $2.2 million in unrestricted surplus. The favourable variance is mainly due to savings in salary expenditures, which is the result of benchmarking our enforcement staffing levels as part of the parking study. The new Pay-on-Foot equipment eliminates the needs for weekend enforcement staff which was originally outsourced. There are capital and annual maintenance costs associated with this new system, but these costs are completely offset by the elimination of the Pay & Display machines maintenance and rental costs. In fact, there is an annual savings of approximately $100K.

The 2013-14 budget is anticipating a loss of $10,843 with net assets of $10.0 million of which $6.1 million is in investment in capital assets, $0.5 million in capital renewal reserve and $0.4 million in operating reserve, leaving $3.0 million in unrestricted surplus.

The long-range budget assumes inflationary increases for revenues and most expenses. This ancillary is projecting the operation will turn to a surplus position starting in 2014-15. In the absence of fundamental changes, net assets would remain at $10.0 million, with $3.2 million in investment in capital assets, $0.5 million in capital renewal reserve and $0.5 in million operating reserve leaving $5.8 million in unrestricted surplus in 2017-18.

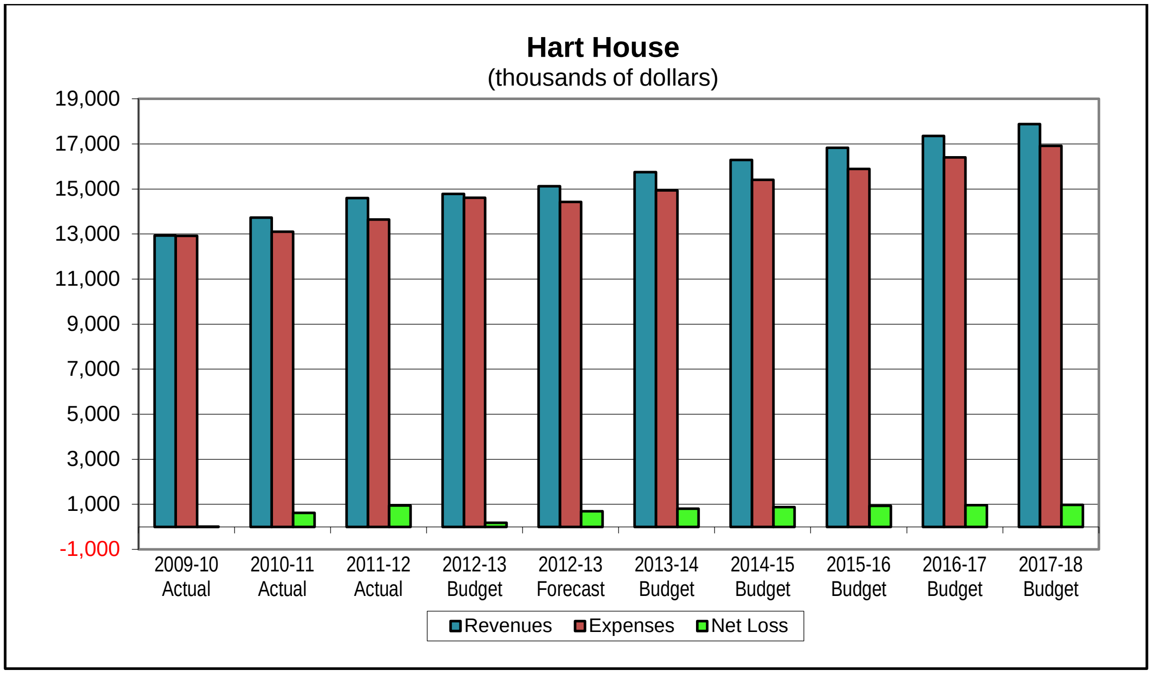
Hart House

Hart House is a multi-disciplinary educational and cultural centre at the University where students, faculty, staff and alumni engage in social, artistic, cultural and recreational activities. It is considered one of the pre-eminent centres for co-curricular education in North America. Hart House is open 365 days per year and continues to fulfill its mission as a welcoming and inclusive space on campus, providing excellent programs and services.

Several initiatives were undertaken to enhance the student experience and to improve operational efficiency and effectiveness over the long term. The major initiatives are:

- reupholstered Hart House theatre seats;
- appointed an architectural firm to undertake a green heritage renewal study
- began upgrading wayfinding and signage;
- continued to make available a wide variety of athletic classes to students and members;
- continued to provide employment opportunities for students;
- established key co-curricular linkages between Hart House programmes and other divisions (most notably the Faculty of Kinesiology and Physical Education, the Art Department and the Faculty of Music);
- invested over $45,000 in new technology; and
- began the first phase of a study for the information technology rewiring of the building.

With a forecasted net income of $684,800 for 2012-13, Hart House is projecting a balanced budget after setting reserves aside for programme and major maintenance. The forecasted income is $502,000 better than budget due to an increase of $331,265 in revenues and a decrease of $170,735 in expenses. Net assets are forecasted at $6.9 million at end of fiscal 2012-13.



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget
Revenues	12,932	13,732	14,599	14,790	15,118	15,749	16,287	16,825	17,355	17,885
Expenses	12,922	13,108	13,651	14,607	14,433	14,946	15,414	15,899	16,399	16,917
Net income (loss)	10	624	948	183	685	803	873	926	956	968
Percentage increase in revenues		*6.2%*	*6.3%*	*1.3%*	*2.2%*	*4.2%*	*3.4%*	*3.3%*	*3.2%*	*3.1%*

The 2013-14 budget was prepared to support and expand the co-curricular offerings for students and to strengthen services offered to all users. This budget anticipates a student fee rate increase of 5.2%, and a 3% increase for athletic members under the joint plan. It maintains aggressive targets in room rental revenue as a result of improved room utilization and targeted marketing efforts. With the ancillary projecting a net income of $802,600, this budget includes $2.0 million spending in capital improvements, plus an additional $938K for deferred, major and annual maintenance. Hart House is projecting net assets to be $7.7 million in 2013-14.

The long-range plan budgets for annual operating surpluses (before commitments) in each planning period. However, once surpluses are allocated to new capital assets, operating and maintenance reserves, the five-year financial plan will have a series of balanced budgets. An on-going challenge has been related to rate increases for salaries, wages, benefits and utility costs, which are much higher than the stated inflation factor upon which fees are based. Senior member fees are market-driven and need to stay competitive, and Hart House facilities are operating close to capacity. Despite repeated repairs to the building, some aspects of the fabric and infrastructure of the building are coming to an end of their useful life. The current budget model will not be sufficient to accommodate the costs associated with an infrastructure overhaul. Hart House needs to find new sources of revenue.

To address the on-going budgetary challenges, Hart House continues to focus on:

- Operational effectiveness and efficiencies.
- Increase donor base with aggressive advancement campaign.
- Develop new revenue streams.
- Pursuit of external grants for accessibility, sustainability, heritage.
- Explore additional funding sources.

Review and Consultation Process

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

The service ancillaries' annual budgets for 2012-13 and long-range plans for 2013-14 to 2016-17 were reviewed by a number of local committees and councils. Membership in these committees and councils include students who play an integral part in the overall consultation process (see page 55).

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

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

The SARG provides advice and formulates recommendations on the operating plans for all service ancillaries. The SARG process contributes to the success of the ancillary operations by providing direction and guidance on short and long-range planning. It reviews, monitors and provides recommendations on operating plans for approval. It also considers other matters that fall within its purview.

Student/Local Committees and Councils

1. UTM

Parking

Transportation and Parking Subcommittee

Resource, Planning and Priorities Committee

Erindale College Council

Residences

UTM Residence Council

Housing Sub-committee of UTM Association of Graduate Students

Resource, Planning and Priorities Committee

Erindale College Council

Food Services

Resource, Planning and Priorities Committee

Erindale College Council

Facilities Rental & Conference Services

Resource, Planning and Priorities Committee

Erindale College Council

2. UTSC

Parking

Planning & Budget Committee

Parking Advisory Review Committee (PARC)

Residences

Residences Advisory Committee

Planning & Budget Committee

Food Services

Planning & Budget Committee

Council on Student Services (approve for Alcohol Education and Monitoring Subsidy)

Food User Committee

2. UTSC

Facilities Rental & Conference Services

Planning & Budget Committee

3. St. George Campus

Residences

New College:

Priority, Planning and Budget Committee

New College Council

Innis College:

Innis Residence Committee

Graduate House:

Graduate House Council (residents)

SGS Graduate House Governing Body

University College:

University College Residence Council

Chestnut Residence:

Residence Council

Residence Board

St. George Family Housing:

Joint Committee, Management and Tenant Executive

Student Family Housing Advisory Board

Woodsworth College:

Woodsworth Residence Council

Food Services

New College Food Services:

Priority, Planning and Budget Committee

New College Council

University College Food Services:

University College Residence Council Food Committee

4. Hart House

Finance Committee

Board of Stewards

Council on Student Services

Members of the Service Ancillary Review Group

Chief Financial Officer (Chair)	Sheila Brown
Vice-Provost, Students	Jill Matus
Vice President, University Operations	Scott Mabury
Executive Director, Planning and Budget	Sally Garner

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

Student Member	Denisse Albornoz
Student Member	Aidan Fishman
Administrative Staff	Gina Maria Trubiani

Financial Services:

Financial Accounting Analyst	Justin Lim
Manager, Accounting Services	Selina Law

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEAR ENDING APRIL 30, 2014
(with comparative projected surplus for the year ending April 30, 2013)
(thousands of dollars)

	Revenues	Expenditures	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers 2014	2013
RESIDENCE SERVICES						
UTM	11,967	13,230	(1,263)	1,300	37	849
UTSC	5,781	5,762	19	-	19	42
Innis College	3,166	2,964	202	(125)	77	57
New College	8,861	8,858	2	-	2	(151)
University College	6,166	6,221	(55)	-	(55)	313
Graduate House	4,167	4,049	118	14	131	341
Family Housing	8,328	8,174	155	(506)	(352)	(147)
Chestnut Residence	21,873	20,630	1,243	-	1,243	228
Woodsworth College	4,216	4,260	(44)	-	(44)	13
Total Residence Services	74,525	74,149	376	682	1,058	1,545
CONFERENCE SERVICES				-		
UTM	977	974	3	(100)	(97)	(35)
UTSC	850	790	60	-	60	48
	1,827	1,764	63	(100)	(37)	14
FOOD & BEVERAGE SERVICES						
UTM	1,691	1,530	162	-	162	35
UTSC	606	529	76	-	76	67
St. George Campus	2,279	2,171	108	42	150	280
New College	884	628	256	-	256	196
University College	2,156	1,757	399	(150)	249	489
Total Food & Beverage Services	7,616	6,615	1,001	(108)	893	1,068
PARKING/TRANSPORTATION SERVICES						
UTM	3,189	2,489	700	-	700	729
UTSC	2,645	2,356	289	(228)	61	(23)
St. George Campus	5,444	5,455	(11)	26	16	(376)
Total Parking/Transportation Services	11,278	10,300	978	(202)	776	330
HART HOUSE	15,749	14,947	803		803	685
TOTAL	**110,996**	**107,775**	**3,221**	**272**	**3,493**	**3,642**

SUMMARY OF SERVICE ANCILLARY OPERATIONS LONG-RANGE BUDGET RESULTS

(thousands of dollars)

Service Ancillaries	Objectives to be met within the 2013-14: 1	2	3	4	2013 - 2014: Unrestricted Surplus/ (Deficit)	Projected investment in capital assets	Projected Commitments to Capital Renewal (Schedule III)	Projected operating reserve (Schedule III.1)	Projected new constr. reserve (Schedule III.1)	2013 - 2014 Net Assets	2015-2016 Net Assets	2017-2018 Net Assets
Residence Services												
UTM	no	yes	yes	no	(5,037)	872	527	900	-	(2,738)	(913)	3,661
UTSC	yes	yes	yes	no	(1,585)	1,743	783	594	-	1,534	2,774	4,811
Innis College	yes	yes	yes	yes	445	320	2,383	230	-	3,378	3,830	4,792
				125								
New College	yes	yes	no	no	(9,721)	3,025	600	-	-	(6,096)	(5,824)	(5,166)
University College	no	yes	yes	no	216	2,302	1,752	477	-	4,746	5,055	6,115
Graduate House	yes	no	no	no	8	2,682	-	55	-	2,744	3,138	3,318
Family Housing **	yes	yes	yes	no	1,142	281	1,250	579	-	3,252	3,732	4,636
Chestnut Residence	yes	no	no	no	(13,436)	4,123	-	-	-	(9,312)	(7,018)	(1,580)
Woodsworth College	no	yes	yes	no	-	1,670	1,500	2,254	-	5,424	5,473	5,899
Conference Services												
UTM	yes	n/a	yes	yes	291	-	-	37	-	328	187	56
				100								
UTSC	yes	n/a	yes	no	-	8	0	439	734	1,182	1,333	1,494
Sub-total: Residence and Conference Service					***(27,677)***	***17,027***	***8,795***	***5,565***	***734***	***4,444***	***11,768***	***28,035***
Food & Beverage Services												
UTM	yes	no	yes	no	-	666	-	107	383	1,156	1,294	1,177
UTSC	yes	yes	yes	no	-	226	7	115	52	399	614	859
St. George Campus	yes	yes	yes	no	407	66	900	156	-	1,530	2,022	2,563
New College	yes	yes	no	no	(493)	1,104	38	-	-	649	1,221	1,836
University College	yes	yes	yes	yes	469	40	1,092	166	-	1,767	2,373	3,134
Subtotal of Food & Beverage Services					***383***	***2,103***	***2,036***	***544***	***435***	***5,502***	***7,524***	***9,568***
Parking/Transportation Services												
UTM	yes	no	yes	no	-	26	-	221	2,271	2,518	4,106	4,142
UTSC	yes	yes	yes	no	-	491	333	299	1,734	2,857	3,624	3,527
St. George Campus	no	yes	yes	no	2,988	6,057	500	417	-	9,963	9,787	9,939
Subtotal of Parking/Transportation Services					***2,988***	***6,575***	***833***	***937***	***4,005***	***15,338***	***17,518***	***17,609***
Hart House	yes	yes	yes	no	316	4,579	1,234	1,575	-	7,704	9,502	11,427
	Summary total:			**225**	**(23,989)**	**30,283**	**12,897**	**8,622**	**5,173**	**32,987**	**46,311**	**66,638**

OBJECTIVES:

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

1. Operates without a subsidy from the operating budget.
2. Includes all costs of capital renewal including deferred maintena
3. Generates sufficient surplus to cover operating contingencies.
4. Contributes net revenue to the operating budget.

** Family Housing has a trust fund for major capital renewal as per purchase agreement with OHC.

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

	Balance May 1, 2013	Net increase (decrease) in commitments to capital renewal	Balance April 30, 2014	Balance April 30, 2018
RESIDENCE SERVICES				
UTM	527	-	527	527
UTSC	822	(39)	783	588
Innis College	1,894	490	2,383	3,558
New College	600	-	600	600
University College	1,721	31	1,752	1,721
Graduate House	-	-	-	70
Family Housing *	1,250	-	1,250	1,250
Chestnut Residence	-	-	-	-
Woodsworth College	1,000	500	1,500	2,000
Total Residence Services	7,813	982	8,794	10,313
CONFERENCE SERVICES				
UTM	-	-	-	-
UTSC	7	(7)	-	-
Total Conference Services	7	(7)	-	-
FOOD & BEVERAGE SERVICES				
UTM	-	-	-	-
UTSC	7	-	7	7
St. George Campus	750	150	900	1,500
New College	38	-	38	38
University College	1,000	92	1,092	1,000
Total Food & Beverage Services	1,795	242	2,036	2,545
PARKING/TRANSPORTATION SERVICES				
UTM	-	-	-	-
UTSC	347	(14)	333	715
St. George Campus	500	-	500	500
Total Parking/Transportation Services	847	(14)	833	1,215
HART HOUSE	1,335	(101)	1,234	1,973
TOTAL	**11,796**	**1,101**	**12,897**	**16,046**

* Family Housing has a trust fund set up as part of the purchase agreement whereby the ancillary contributes $600,000 annually to the fund and the major capital projects are expensed through this fund. The fund balance at April 30, 2014 is expected to be $46,306 and $23,247 in 2017-18.

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

	OPERATING RESERVE				NEW CONSTRUCTION RESERVE			
	Balance May 1, 2013	Increase or (decrease) in operating reserve	Balance operating reserve April 30, 2014	Balance operating reserve April 30, 2018	Balance May 1, 2013	Increase or (decrease) in construction reserve	Balance new construction reserve April 30, 2014	Balance new construction reserve April 30, 2018
RESIDENCE SERVICES								
UTM	858	42	900	952	-	-	-	-
UTSC	577	17	594	689	-	-	-	2,114
Innis College	227	2	230	247	-	-	-	-
New College	-	-	-	-	-	-	-	-
University College	455	22	477	515	-	-	-	-
Graduate House	-	55	55	681	-	-	-	-
Family Housing	568	12	579	621	-	-	-	-
Chestnut Residence	-	-	-	-	-	-	-	-
Woodsworth College	1,000	500	1,500	2,000	-	-	-	-
Total Residence Services	3,685	650	4,335	5,704	-	-	-	2,114
	-	-	-	-	-	-	-	-
CONFERENCE SERVICES	-	-	-	-	-	-	-	-
UTM	31	6	37	44	-	-	-	-
UTSC	425	14	439	486	676	58	734	1,005
Total Conference Services	456	20	476	529	676	58	734	1,005
	-	-	-	-				
FOOD & BEVERAGE SERVICES	-	-	-	-				
UTM	89	18	107	125	137	246	383	-
UTSC	103	12	115	135	105	(53)	52	588
St. George Campus	148	8	156	172	-	-	-	-
New College	38	-	38	38	-	-	-	-
University College	159	8	166	181	-	-	-	-
Total Food & Beverage Services	537	46	582	651	242	192	435	588
	-	-	-	-				
PARKING/TRANSPORTATION SERVICES	-	-	-	-				
UTM	215	7	221	327	1,600	670	2,271	-
UTSC	292	7	299	354	1,627	107	1,734	-
St. George Campus	410	7	417	437	-	-	-	-
Total Parking/Transportation Services	916	21	937	1,118	3,227	777	4,005	-
HART HOUSE	1,475	100	1,575	1,789	-	-	-	-
TOTAL	**7,069**	**837**	**7,906**	**9,791**	**4,146**	**1,027**	**5,173**	**3,707**

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

	2012-2013 (Forecast)			2013 - 2014			2014-2015		
	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers
RESIDENCE SERVICES									
UTM	849	-	849	(1,263)	1,300	37	1,411	(1,300)	111
UTSC	42	-	42	19	-	19	459	-	459
Innis College	182	(125)	57	202	(125)	77	320	(125)	195
New College	(151)	-	(151)	2	-	2	98	-	98
University College	313	-	313	(55)	-	(55)	108	-	108
Graduate House	313	28	341	118	14	131	307	14	321
Family Housing	361	(508)	(147)	155	(506)	(352)	676	(506)	170
Chestnut Residence	228	-	228	1,243	-	1,243	1,180	-	1,180
Woodsworth College	13		13	(44)	-	(44)	(20)	-	(20)
Total Residence Services	2,151	(605)	1,545	376	682	1,058	4,539	(1,918)	2,621
CONFERENCE SERVICES									
UTM	65	(100)	(35)	3	(100)	(97)	30	(100)	(70)
UTSC	81	(33)	48	60	-	60	74	-	74
Total Conference Services	146	(133)	14	63	(100)	(37)	104	(100)	4
FOOD & BEVERAGE SERVICES									
UTM	35	-	35	162	-	162	66	-	66
UTSC	62	5	67	76	-	76	102	-	102
St. George Campus	238	42	280	108	42	150	182	42	224
New College	196	-	196	256	-	256	285	-	285
University College	489	-	489	399	(150)	249	435	(150)	285
Total Food & Beverage Services	1,021	47	1,068	1,001	(108)	893	1,068	(108)	960
PARKING/TRANSPORTATION SERVICES									
UTM	729	-	729	700	-	700	762	-	762
UTSC	437	(460)	(23)	289	(228)	61	522	(235)	286
St. George Campus	(173)	(204)	(376)	(11)	26	16	73	(204)	(130)
Total Parking/Transportation Services	993	(663)	330	978	(202)	776	1,357	(439)	918
HART HOUSE	685	-	685	803	-	803	873	-	873
TOTAL	**4,996**	**(1,355)**	**3,642**	**3,221**	**272**	**3,493**	**7,941**	**(2,565)**	**5,376**

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS BUDGET SUMMARY
PROJECTED OPERATING RESULTS FOR THE YEARS ENDED APRIL 30

	2015-2016			2016-2017			2017-2018		
	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers	Net Income (loss) before Transfers	Transfers in (out)	Net Income (loss) after Transfers
RESIDENCE SERVICES									
UTM	1,714	-	1,714	2,107	-	2,107	2,468	-	2,468
UTSC	781	-	781	703	-	703	1,334	-	1,334
Innis College	382	(125)	257	549	(125)	424	663	(125)	538
New College	174	-	174	257	-	257	401	-	401
University College	201	-	201	538	-	538	522	-	522
Graduate House	60	14	73	114	14	127	39	14	52
Family Housing	816	(506)	309	910	(506)	404	1,007	(506)	501
Chestnut Residence	1,115	-	1,115	2,319	-	2,319	3,119	-	3,119
Woodsworth College	69	-	69	164	-	164	262	-	262
Total Residence Services	5,311	(618)	4,693	7,659	(618)	7,041	9,815	(618)	9,197
CONFERENCE SERVICES								-	
UTM	29	(100)	(71)	35	(100)	(65)	33	(100)	(67)
UTSC	77	-	77	76	-	76	85	-	85
Total Conference Services	106	(100)	6	111	(100)	11	118	(100)	18
FOOD & BEVERAGE SERVICES									
UTM	72	-	72	(50)	-	(50)	(67)	-	(67)
UTSC	113	-	113	120	-	120	125	-	125
St. George Campus	227	42	269	225	42	267	232	42	274
New College	287	-	287	301	-	301	314	-	314
University College	471	(150)	321	510	(150)	360	550	(150)	400
Total Food & Beverage Services	1,170	(108)	1,062	1,106	(108)	998	1,154	(108)	1,046
PARKING/TRANSPORTATION SERVICES									
UTM	826	-	826	215	-	215	(179)	-	(179)
UTSC	723	(242)	480	281	(250)	31	129	(257)	(128)
St. George Campus	158	(204)	(45)	245	(204)	42	314	(204)	110
Total Parking/Transportation Services	1,707	(446)	1,261	741	(453)	288	264	(461)	(197)
HART HOUSE	926	-	926	956	-	956	968	-	968
TOTAL	**9,220**	**(1,272)**	**7,948**	**10,573**	**(1,279)**	**9,294**	**12,319**	**(1,287)**	**11,033**

UNIVERSITY OF TORONTO
SERVICE ANCILLARY OPERATIONS
SUMMARY OF 2013-2014 CAPITAL BUDGETS
(with comparative figures for 2012-2013)
(thousands of dollars)

	2013 - 2014	2012-2013
RESIDENCE SERVICES		
Innis College	-	-
New College	140	317
UTM	60	42
UTSC	321	330
University College	347	340
Chestnut Residence	1,214	613
Family Housing	-	-
Graduate House	37	32
Woodsworth College		
Total Residence Services	2,119	1,673
CONFERENCE SERVICES		
UTSC		139
Total Conference Services	-	139
FOOD & BEVERAGE SERVICES		
UTM	-	-
UTSC	58	58
New College	200	100
University College	21	18
St. George Campus	40	40
Total Food & Beverage Services	319	216
PARKING/TRANSPORTATION SERVICES		
UTM	30	-
UTSC	45	81
St. George Campus	20	90
Total Parking/Transportation Services	95	171
HART HOUSE	2,000	1,627
TOTAL	**4,533**	**3,826**

SCHEDULE OF 2013-2014 ANCILLARY RATES

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
PARKING/TRANSPORTATION SERVICES					
St. George Campus					
Permit					
Faculty of Education	101.00	105.00	4.00	4.0%	6.3%
School of Continuing Ed.	218.00	226.75	8.75	4.0%	32.1%
42 Harbord Street	101.00	105.00	4.00	4.0%	6.3%
Graduate Garage	117.00	122.00	5.00	4.3%	6.1%
OISE	120.00	125.00	5.00	4.2%	0.0%
Bedford	152.50	159.00	6.50	4.3%	5.9%
Devonshire	101.00				6.3%
St. George Garage	117.00	123.00	6.00	5.1%	6.1%
Faculty of Law	180.00	187.00	7.00	3.9%	5.9%
Spadina Crescent (west side)	101.00	105.00	4.00	4.0%	6.3%
Spadina Crescent (east side)	101.00	105.00	4.00	4.0%	6.3%
BCIT	147.00	155.00	8.00	5.4%	5.8%
McLennan Physics	175.00	182.00	7.00	4.0%	6.1%
E/S Hart House Circle	147.00	153.00	6.00	4.1%	5.8%
Triangle	180.00	187.00	7.00	3.9%	5.9%
Front Campus (KCC & HHC)	180.00	187.00	7.00	3.9%	5.9%
Simcoe Hall	147.00	155.00	8.00	5.4%	5.8%
Galbraith	180.00	187.00	7.00	3.9%	5.9%
200 College St (Rear) I.S.C	180.00	187.00	7.00	3.9%	5.9%
Tower Road - Unreserved	101.00	105.00	4.00	4.0%	6.3%
Tower Road - Reserved	180.00	187.00	7.00	3.9%	5.9%
256 McCaul Street-Reserved	189.00	196.50	7.50	4.0%	5.9%
155 College Street - Garage	195.00	203.00	8.00	4.1%	6.2%
155 College Street - Surface	189.00	196.50	7.50	4.0%	5.9%
100 College Street - Banting	101.00	105.00	4.00	4.0%	6.3%
112 College Street - Best	148.50	154.50	6.00	4.0%	6.1%
88 College Street - Women's college	148.50	154.50	6.00	4.0%	6.1%
Dentistry - Garage	180.00	187.00	7.00	3.9%	5.9%
Dentistry - Surface	175.00	182.00	7.00	4.0%	6.1%
6 King's College Road	175.00	182.00	7.00	4.0%	6.1%
Permit Misc.					
Commercial monthly	180.00	187.00	7.00	3.9%	5.9%
Commercial weekly	54.50	56.75	2.25	4.1%	5.8%
After 4pm parking	60.00	62.50	2.50	4.2%	6.2%
Summer Conference monthly	182.50	190.00	7.50	4.1%	6.0%
Summer Conference weekly	64.00	66.60	2.60	4.1%	6.2%
UTM/UTSC designated lot	40.00	41.60	1.60	4.0%	6.0%
UTM/UTSC hunting permit	65.20	67.81	2.61	4.0%	6.0%
24-Hour Reserve	218.00	226.75	8.75	4.0%	5.8%
24-Hour Reserve (256 McCaul)	229.50	238.75	9.25	4.0%	6.0%
Z-Permit (unrestricted)	180.00	187.00	7.00	3.9%	5.9%
Motorcycle	26.25	27.30	1.05	4.0%	6.1%

SCHEDULE OF 2013-2014 ANCILLARY RATES

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %	
UTM						
Permit						
Reserved (annual)	906.74	933.94	27.20	3.0%	3.0%	
Premimum Unreserved (annual - lots 4, 8, 9)	647.12	666.53	19.41	3.0%	3.0%	
Unreserved (annual - lots 4 & 8 only)	626.13	644.92	18.79	3.0%	3.0%	
Student Unreserved (sessional - lots 4 & 8 only)	260.89	268.71	7.82	3.0%	3.0%	
Unreserved Afternoon (annual - after 3:30pm)	524.51	540.24	15.73	3.0%	3.0%	
Commercial (annual - lots 4, 8 & 9)	1,049.02	1,080.49	31.47	3.0%	3.0%	
Pay & Display						
Daily maximum (6:30 a.m. - 8:00 a.m. next day)	13.00	13.00	-	0.0%	0.0%	
Evening/weekend (5:00 p.m. - 8:00 a.m. next day)	6.00	6.00	-	0.0%	0.0%	
Per half hour (6:30 a.m. - 5:00 p.m.)	2.50	2.50	-	0.0%	0.0%	
Per half hour (weekdays 5:00 p.m. to 8:0 a.m. next day; weekends holidays)	1.00	1.00	-	0.0%	0.0%	
UTSC						
South(Inner) Lot:						
Annual, South Lot Employee Premium	1,024.34	1,055.05	30.71	3.0%	33.9%	
Annual, South Lot Employee Reserved	1,403.22	1,403.22	-	0.0%	0.0%	A
Annual, Lot E employee		949.54	949.54			B
Summer Term	204.87	211.02	6.15	3.0%	33.0%	
Residence, Fall/ Winter Term	725.19	746.94	21.75	3.0%	34.1%	
Residence, Summer Term	181.30	186.74	5.44	3.0%	33.0%	
Evening Payroll, Employee Annual	472.80	486.98	14.18	3.0%	23.6%	
Athletics Members	21.46	20.40	(1.06)	-4.9%	18.5%	
Athletics Sunday Leagues	35.49	36.55	1.06	3.0%		
North(Outer) Lot:						
Annual, North Lot Payroll, Employee (Premium Lot H)	866.75	892.75	26.00	3.0%	13.3%	
Annual, North Lot Payroll, Employee	787.95	811.59	23.64	3.0%	3.0%	
Student, Fall/ Winter	629.90	648.80	18.90	3.0%	3.0%	
Fall or Winter Term	352.74	363.33	10.59	3.0%	3.0%	
Summer Term	158.05	162.79	4.74	3.0%	3.0%	
Centennial Permit (Sep - May)	652.17	684.78	32.61	5.0%	5.0%	C
Centennial Summer Permit	326.09	342.39	16.30	5.0%	5.0%	C
South(Inner)Lots						
Daily Maximum Rate - short-term and visitors	12.00	12.00	-	0.0%	0.0%	
Evening- flat rate	6.00	6.00	-	0.0%	0.0%	
Summer - Conference - daily rate	5.40	5.40	-	0.0%	0.0%	
Summer - Conference - youth bed rate	1.20	1.20	-	0.0%	0.0%	
Instructional Center Lot G						
Hourly Rate, day	3.00	3.00	-	0.0%		
Flat Rate, Evening	6.00	6.00	-	0.0%		
Flat Rate, Weekend	5.00	5.00	-	0.0%		

SCHEDULE OF 2013-2014 ANCILLARY RATES

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %	
UTSC						
Instructional Center Lot H						
Flat Rate, Day	10.00	10.00	-	0.0%		
Flat Rate, Evening	5.00	5.00	-	0.0%		
Flat Rate, Weekend	4.00	4.00	-	0.0%		
Lots 4 and 5 (North Lots)						
Daily - flat rate	7.50	7.50	-	0.0%	0.0%	
Evening - flat rate	4.00	4.00	-	0.0%	-20.0%	
Weekend - flat rate	2.00	2.00	-	0.0%	0.0%	
Daily Visitor Event Rate (Various Locations)						
Event Parking Rate, Minimum	2.00	2.00	-	0.0%		D
Event Parking Rate, Maximum		20.00				E

A New category of permit proposed in 2012-13, not used.
B New employee permit category proposed in 2013-14.
C The annual percentage increase of 5% is part of the parking agreement between U of T Scarborough and Centennial College.
D New cash rate introduced in 2012-13, with a minimum charge of $2.00/day for event parking at various campus locations.
E Maximum cash rate introduced in 2013-14, with a maximum charge of $20.00/day dor event parking at various campus locations.

SCHEDULE OF 2013-2014 ANCILLARY RATES

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
FOOD & BEVERAGE SERVICES					
University College					
Plan A	4,350	4,437	87	1.9%	3.5%
Plan B	3,840	3,917	77	2.0%	3.5%
New College					
15 Meal Plan ($300 Flex/15 passes)	4,314	4,443	129	3.0%	3.5%
330 Meal Plan ($450 Flex/8 passes)	4,357	4,488	131	3.0%	3.5%
Carte Blanche Meal plan (12 passes)	4,561	4,698	137	3.0%	3.5%
Summer Rates					
Breakfast	7.12	7.11	(0.01)	-0.1%	3.5%
Lunch	10.48	10.48	-	0.0%	3.4%
Dinner	11.71	11.70	(0.01)	-0.1%	3.5%
Brunch (weekends)	10.48	10.48	-	0.1%	3.5%
Per diem rate	28.12	28.12	-	0.0%	3.5%

Note: The majority of summer food sales is to participants in Summer Programs and in group bookings. Charges to programs and groups are negotiated depending on the time of the summer. Aramark discounts are higher during peak cafeteria time.

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
UTM					
Group A					
Plus	4,399	4,499	100	2.3%	2.9%
Regular	4,099	4,199	100	2.4%	2.6%
Light	3,849	3,949	100	2.6%	1.4%
Minimum	3,549	3,639	90	2.5%	2.6%
Group B					
Regular	2,295	2,399	104	4.5%	4.6%
Light	2,095	2,149	54	2.6%	5.0%
Minimum	1,799	1,849	50	2.8%	4.3%

SCHEDULE OF 2013-2014 ANCILLARY RATES

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
RESIDENCE SERVICES					
St. George Campus					
Graduate House (fees per month)					
Premium single	963	997	34	3.6%	3.6%
Regular single	865	894	29	3.4%	3.6%
Singles in suite 970	765	792	27	3.5%	3.5%
Singles in suite 670	833	862	29	3.5%	3.5%
Regular Double	659	682	23	3.5%	3.5%
University College					
SDW	6,732	7,035	303	4.6%	4.0%
DW Standard Doubles	6,732	6,934	202	3.1%	4.0%
SDW Super Doubles	6,732	7,035	303	4.6%	4.0%
WH Standard Singles	6,732	7,035	303	4.6%	4.0%
WH Alcove Singles	6,732	6,934	202	3.1%	4.0%
WH Doubles	6,732	6,934	202	3.1%	4.0%
MH Singles	6,732	7,035	303	4.6%	4.0%
Innis College					
Winter	7,187	7,549	362	5.0%	5.0%
Summer	2,550	2,700	150	5.9%	2.0%
New College					
Winter					
Residence Room - Wilson Hall & Wetmore Hall					
Double room (per bed)	6,610	6,800	190	2.9%	1.5%
Single room	7,685	7,925	240	3.1%	2.7%
Bed-over-desk double room (per bed)	5,550	5,625	75	1.4%	0.9%
Residence Room - 45 Willcocks					
Double room (per bed)	7,010	7,225	215	3.1%	3.7%
Single room	8,085	8,350	265	3.3%	4.5%
Summer/Single					
Continuing New College Students					
Daily	37.50	40.00	2.50	6.7%	0.0%
Weekly	185.50	196.00	10.50	5.7%	0.0%
Monthly	600.00	630.00	30.00	5.0%	0.0%
W/W Sessional (May 1 - August 24)	2,153.50	2,185.00	31.50	1.5%	0.0%
45W Sessional (May 1 - August 24)		2,385.00			
Registered Students					
Daily	38.00	40.00	2.00	5.3%	0.0%
Weekly	185.50	196.00	10.50	5.7%	0.0%
Monthly	630.00	660.00	30.00	4.8%	0.0%
W/W Sessional (May 4 - August 24)	2,262	2,240	(22.00)	-1.0%	0.0%
45W Sessional (May 4 - August 24)		2,440			
Others					
Daily	42.00	42.00	-	0.0%	0.0%
Weekly	234.50	238.00	3.50	1.5%	0.0%
Monthly	690.00	705.00	15.00	2.2%	0.0%
W/W Sessional (May 4 - August 24)	2,310.00	2,352.00	42.00	1.8%	0.0%
45W Sessional (May 4 - August 24)		2,552.00			

SCHEDULE OF 2013-2014 ANCILLARY RATES

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
New College					
Summer/Double rates - per person					
Continuing New College Students					
Daily	26.50	28.00	1.50	5.7%	0.0%
Weekly	147.00	154.00	7.00	4.8%	0.0%
Monthly	457.50	480.00	22.50	4.9%	0.0%
W/W Sessional (May 1 - August 24)	1,622.50	1,725.00	102.50	6.3%	0.0%
45W Sessional (May 1 - August 24)		1,850.00			
Registered Students					
Daily	26.25	28.00	1.75	6.7%	0.0%
Weekly	147.00	154.00	7.00	4.8%	0.0%
Monthly	472.50	510.00	37.50	7.9%	0.0%
W/W Sessional (May 4 - August 24)	1,653.00	1,680.00	27.00	1.6%	0.0%
45W Sessional (May 4 - August 24)		1,805.00			
Others					
Daily	31.50	32.00	0.50	1.6%	0.0%
Weekly	185.50	189.00	3.50	1.9%	0.0%
Monthly	532.50	540.00	7.50	1.4%	0.0%
W/W Sessional (May 4 - August 24)	1,732.50	1,792.00	59.50	3.4%	0.0%
45W Sessional (May 4 - August 24)		1,917.00			

These are list rates and are subject to market conditions and discounts for groups.
W/W = Wetmore/Wilson; 45W = 45 Willcocks

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
Family Housing (fees per month)					
Bachelor	680	697	17	2.5%	3.0%
1 bedroom (standard)	843	864	21	2.4%	3.0%
1 bedroom (20) 'B'	856	877	21	2.5%	3.0%
1 bedroom (large) 'A'	893	915	22	2.5%	3.0%
1 bedroom (19/23) 'C'	915	938	23	2.5%	3.0%
2 bedroom (standard)	1,114	1,142	28	2.5%	3.0%
Chestnut Residence					
Single	9,856	10,349	493	5.0%	5.0%
Super Single	11,372	11,940	568	5.0%	5.0%
Double	8,116	8,522	406	5.0%	5.0%
Meal Plan					
Regular Meal Plan	4,538	4,675	137	3.0%	3.0%
Carte Blanche Meals	4,795	4,940	145	3.0%	3.0%
Summer Rates per month					
Single	1,194	1,194	-	0.0%	3.0%
Super Single	1,194	1,194	-	0.0%	3.0%
Double	910	910	-	0.0%	3.1%
Breakfast and Dinner (mandatory)	360	360	-	0.0%	4.3%
Summer Rates full summer					
Single	3,724	3,724	-	0.0%	6.1%
Super Single	3,724	3,724	-	0.0%	6.1%
Double	2,351	2,351	-	0.0%	3.0%
Breakfast and Dinner (mandatory)	1,344	1,344	-	0.0%	6.2%

SCHEDULE OF 2013-2014 ANCILLARY RATES

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
Chestnut Residence					
Summer Rates full summer with discount					
Single	2,979	2,979	-	0.0%	6.3%
Super Single	2,979	2,979	-	0.0%	6.3%
Double	1,880	1,880	-	0.0%	3.1%
Breakfast and Dinner (mandatory)	1,344	1,344	-	0.0%	6.2%
Woodsworth College					
Fall/winter term	8,180	8,466	286	3.5%	2.9%
UTM					
Undergraduate Students					
Townhouses (Schreiberwood, McLuhan, Putnam, Leacock	6,733	7,070	337	5.0%	5.0%
Premium townhouses (Leacock, 2 bedroom)	7,511	7,887	376	5.0%	5.0%
Suites (Roy Ivor Hall & Erindale Hall)	7,511	7,887	376	5.0%	5.0%
Dormitory (Oscar Peterson Hall)	6,733	7,070	337	5.0%	5.0%
Premium Townhouse (MaGrath Valley)	7,511	7,887	376	5.0%	5.0%
Family & Graduate Housing:					
Schreiberwood:					
2 bedroom townhouses/ month					
May to Aug	1,105	1,160	55	5.9%	5.0%
Sep to Apr	1,160	1,325	165	14.2%	5.0%
3 bedroom townhouses/ month					
May to Aug	1,142	1,199	57	5.8%	5.0%
Sep to Apr	1,199	1,365	166	13.8%	5.0%
4 bedroom townhouses/ month					
May to Aug	1,164	1,222	58	5.8%	5.0%
Sep to Apr	1,222	1,415	193	15.8%	5.0%
Small Bachelor					
May to Aug	742	779	37	5.9%	5.0%
Sep to Apr	779	818	39	5.0%	5.0%
Large/Shared Bachelor					
May to Aug	779	818	39	5.9%	5.0%
Sep to Apr	818	859	41	5.0%	5.0%
MaGrath Valley:					
2 bedroom Townhouses					
May to Aug	1,105	1,160	55	5.9%	5.0%
Sep to Apr	1,160	1,325	165	14.2%	5.0%
Shared Bachelors					
May to Jul	779	818	39	5.0%	
Aug to Apr	818	859	41	5.0%	
UTSC					
Fall/winter term					
Phase I - III single	6,769	6,938	169	2.5%	2.5%
Phase IV single	7,396	7,581	185	2.5%	2.5%
Phase I - III shared	5,012	5,138	126	2.5%	2.5%
Summer					
Phase I - III (Academic term May 8- August 27)	3,237	3,318	81	2.5%	0.0%
Visitor Weekly Rate	202	207	5	2.5%	0.0%
Phase IV Foley Hall (Academic term May 8- August 27)	3,469	3,556	87	2.5%	0.0%
Visitor Weekly Rate	217	222	5	2.3%	0.0%

SCHEDULE OF 2013-2014 ANCILLARY RATES

	2012-13 RATE $	2013-14 RATE $	INCREASE $	INCREASE %	PRIOR YEAR'S INCREASE %
HART HOUSE					
St. George Full Time	75.43	79.39	3.96	5.2%	5.3%
St. George Part Time	15.10	15.89	0.79	5.2%	5.3%
Scarborough & Mississauga (Full time)	2.32	2.44	0.12	5.2%	5.5%
Scarborough & Mississauga (Part time)	0.47	0.49	0.02	4.3%	4.4%