

**University of Toronto at Mississauga
Conference Services
Operating Plan 2010-11 to 2011-12**

Management Report

(a) Overview of Mission, Issues and Services

Objectives

- To produce income for UTM through the utilization of campus resources that might otherwise remain idle.
- To cover both direct and indirect costs and produce a contribution to the operating budget annually.
- To maintain and replace campus resources which can be used for both conference and other uses.
- To maintain an operating reserve equal to ten percent of total annual expenses net of capital renewal and Conference Expense – Food.
- To further the academic mission and recruiting efforts by providing opportunities for academic and youth conferences.

Operating Challenges and Issues

- Effective utilization of space in a rapidly changing campus environment.
- Provide support of and service to increasing requests from internal departments - while UTM continues to experience a shortage of meeting and conference space.
- Increasing external sales and operating contributions:
 - while meeting the temporary use of space guidelines
 - while UTM continues to experience a shortage of meeting and conference space
- To work collaboratively with campus space planners to ensure sufficient event, meeting and conference space is made available as the campus opens new buildings and redevelops the Davis Building.

Service

Conference Services provides conference arrangements, including accommodations and food arrangements, for a very diverse group of customers, from school groups to the Toronto Argonauts.

(b) 2010-11 Operating Plan and Experience

Total revenue is expected to be \$237,787 higher than the original budget, due to an increase in food, accommodation and space rental revenue. This additional revenue is due to a number of groups confirming their conference after the submission of the budget last year.

The 2010-11 operating plan also shows the impact of the changed Conference and Event Services / Student Housing and Residence Life operating agreement with respect to the provision of accommodation for conference delegates at UTM.

Historically, Conference and Event Services have taken responsibility for the inventory of rooms available for use by conference delegates. In this regard, Conference and Event Services would assume all operating expenses related to the delivery of services to conference delegates. Conference and Event Services would also incur a utility and building cost charge for the use of this housing inventory over the conference season.

The new operating agreement has the Department of Student Housing and Residence Life managing the provision of accommodation to the Department of Conference and Event Services' clients. Accommodation fees are charged, as a wholesale rate comprised of relevant cost elements, to Conference and Event Services on a bed night basis. Conference and Event Services capture these costs, which essentially replace the costs previously paid directly, on the operating statement's accommodation line.

Salaries, wages and benefits are at the budgeted level.

The **total direct operating expenses** are \$116,313 higher due to:

- The higher Conference Food Expense is related to the increased catering revenue
- The net impact of the following expense category variances resulting from the change in the Conference and Event Services / Student Housing and Residence Life operating agreement with respect to the provision of accommodation for conference delegates at UTM:
 - Increased accommodation expense
 - Decreased supplies, furniture and equipment repair, annual maintenance, utilities and building costs, and other expenses

The **operating result before transfers** is expected to be \$185,703 which is \$119,437 higher than budget.

A transfer out of the Conference Ancillary to the University Operating Budget of \$100,000 is planned

The **total closing fund balance** is expected to be \$477,671 at the end of 2010-11.

(c) 2011-12 Budget

The Conference Services Budget for 2011-12 reflects a financial plan predicated on a reduction in the number of confirmed conference groups for the summer. Although Conference Services is awaiting final word on bids for a couple of conference groups, the budget can not assume the associated revenue. Resultantly, total revenues are projected to be \$955,040.

Salaries, wages and benefits are budgeted to remain stable at historical levels.

Total direct operating expenses are budgeted to fall below the forecasted 2010-11 level as a direct result of the decrease in budgeted sales. The expenses for this ancillary are largely variable; that is that they are directly proportional to the revenue and are reduced as the revenue is reduced. The total direct operating expenditures are budgeted to be \$759,543.

The operating result before transfers is budgeted at \$104,275.

A transfer out of the Conference Ancillary to the University Operating Budget of \$100,000 is planned.

The total closing fund balance is budgeted to be \$481,946 at the end of 2011-12.

(d) Categories of Users and Accessibility

Conference services are used by both external and internal groups. Conference Services continue to juggle the needs of internal and external customers to maximize revenues while still providing quality service to our internal customers. UTM has a few very large customers that are children's group and, of course, the Toronto Argonauts.

(e) Capital initiatives, planning and funding

There are no capital expenditures planned for this operation over the next five years. The ancillary does not set aside a reserve for capital renewal as it has no significant capital resources. The ancillary does not benefit from any operating fund subsidies and there is no deferred maintenance.

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

Schedule 1

	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2010-11 Variance	2011-12 Budget
Revenues					
Conference Income - Accommodation	456,652	277,858	350,421	72,563	320,868
Conference Income - Food	600,902	398,432	490,004	91,572	433,172
Conference Income - Facilities/Space Rental	185,980	150,000	222,992	72,992	200,000
Other Income	1,489	-	377	377	-
Investment Income	516	1,000	1,283	283	1,000
Total Revenues	1,245,539	827,290	1,065,077	237,787	955,040
Direct Expenditures					
Salaries, Wages & Benefits	151,861	155,448	157,953	(2,505)	154,593
Conference Expense - Food	600,902	398,432	490,004	(91,572)	433,172
Supplies	36,055	42,000	15,323	26,677	19,400
Furniture & Equipment Repair	-	4,500	500	4,000	500
Annual Maintenance Expenses	533	2,000	-	2,000	-
Furniture & Equipment Depreciation	2,713	2,580	2,580	-	94
Replacement of Non-Depreciable assets	-	-	2,000	(2,000)	-
Utilities and Building costs	50,706	30,003	-	30,003	-
Accommodation	60,956	54,597	149,765	(95,168)	137,134
Telecommunications	5,791	6,700	5,811	889	6,700
Other Expenses	3,661	20,000	8,637	11,363	7,950
Total Direct Expenditures	913,178	716,260	832,573	(116,313)	759,543
Indirect Expenditures					
Central Overhead Charges	3,936	3,136	3,132	4	2,940
Departmental/College Overhead Charges	32,257	32,258	33,208	(950)	76,466
Facilities & Services Overhead Charges	9,446	9,370	10,461	(1,091)	11,816
Total Indirect Expenditures	45,639	44,764	46,801	(2,037)	91,222
Total Expenditures	958,817	761,024	879,374	(118,350)	850,765
Operating Results Before Transfers	286,722	66,266	185,703	119,437	104,275

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

Schedule 2

	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2010-11 Variance	2011-12 Budget
Total Fund Balance - Opening	205,246	330,069	391,968	61,899	477,671
Net Operating Results before Transfers	286,722	66,266	185,703	119,437	104,275
Transfers in (out) of Ancillary operations	(100,000)	(100,000)	(100,000)	-	(100,000)
Net Operating Results after Transfers	186,722	(33,734)	85,703	119,437	4,275
Total Fund Balance - Closing	391,968	296,335	477,671	181,336	481,946
Closing Fund balance is made up of:					
Investments in Capital Assets	2,674	94	94	-	-
Internally Restricted					
Capital Renewal Reserve	-	-	-	-	-
Operating Reserve	35,467	35,351	38,429	3,078	41,700
New Construction Reserve	-	-	-	-	-
Unrestricted Surplus/(Deficit)	353,827	260,890	439,148	178,258	440,246

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

Schedule 3

Description	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget
Capital Renewal - Major Maintenance	-	-	-	-
Total	-	-	-	-

Notes:

There Is No Scheduled Major Maintenance

University of Toronto Mississauga
 Conference Services
 Schedule Of Deferred Maintenance
 In \$'s

Schedule 4

Description	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget
Deferred Maintenance	-	-	-	-
Total	-	-	-	-

Notes:

There Is No Scheduled Deferred Maintenance

University of Toronto Mississauga
Conference Services
Capital Expenditure
In \$'s

Schedule 5

Description	2009-10 Actual	2010-11 Budget	2010-11 Forecast	2011-12 Budget
Capital Expense	-	-	-	-
Total	-	-	-	-

Notes:

There Is No Scheduled Capital Expenditure