

**University of Toronto at Mississauga  
Conference Services  
Operating Plan 2003-4 to 2007-8**

**Management Report**

**(a) Overview of Mission, Programs and Services**

**Objectives**

- To utilize campus resources that might otherwise remain idle to produce income for UTM
- 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

**Service**

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

**(b) 2002-3 Operating plan and experience**

Revenues are expected to be \$80,700 more than the original budget. This is mainly due to expansion of business from one of our major long term clients, as well as some one time only customers.

Total expenses are expected to be approximately \$67,500 more than budget. This is mainly due to the increase in food business and associated cost. Salaries, wages and benefits expense is higher than expected due to increased costs of temporary staff during the summer. This was necessary because of higher than expected volume of turnovers from one customer to the next. Annual maintenance is lower than budget as repairs to Thomas Cottage (a small house normally rented to visiting faculty or parents of students in Residence) have not yet been undertaken. Other expenses are higher than budget due to a plumbing emergency in Phase 6 and increased linen costs.

The operating result before commitments for 2002-3 is expected to be \$141,765. This is \$11,240 more than the original budget. The commitment to operating reserve of \$160,842 represents the central University requirement to set aside 50% of expenses (less Conference expense – food) as an operating contingency. The planned contribution of \$125,000 to the College's operating budget will be met. Due to the operating reserve requirement, the surplus

closing balance is a deficit of \$84,000. The total fund balance, however, will increase to \$76,838.

**(c) 2003-4 Budget**

Total revenues are expected to decrease by \$23,600 from 2002-3. This is due to a reduction in Food income which reflects a one time only customer in 2002-3. Accommodation income will increase by 2%, reflecting small price and volume increases. Facilities/Space rental will increase by 2% as well.

Total expenses will decrease by approximately \$5,900, mainly due to the decrease in food sales. Salaries, wages and benefits will increase by 3%. All other expenses will increase by 2% except annual maintenance. Annual maintenance will increase due to repairs and renovations to Thomas Cottage.

The operating result is forecast at \$124,033. The contribution to the UTM's operating budget will remain at \$125,000 and the total fund balance will be \$75,870.

**(d) Categories of Users and Accessibility**

Conference services are used by both external and internal groups. We 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 groups. Though it can often be a daunting task to handle these groups and other customers at the same time, to date we have had much success in doing so.

**(e) Long Range Plan: 2004-5 to 2007-8**

Following the decrease in revenue in 2001-2, the ancillary has already surpassed its goal of replacing lost customers and expects accommodation income to increase to \$444,200 by 2004-5. There are no significant changes in operations planned for the long range planning period, however, the addition of 196 beds in Phase 7, which opens September 2003, will help the ancillary to continue to service some of its longstanding, large customers.

Revenues and expenses are generally expected to increase 2% per year from 2004-5 to 2007-8, except for salaries, wages and benefits which are expected to increase by 3% annually.

The operating results before commitments will increase from \$132,900 in 2004-5 to approximately \$134,400 in 2007-8. Annual contributions to the operating budget of UTM will remain at \$125,000 from 2004-5 to 2007-8. The surplus will remain in a deficit position throughout the period, due to the operating reserve

requirement. The total fund balance will grow from about \$83,800 in 2004-5 to \$110,600 in 2007-8.

**(f) 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.

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Statement of Operating Results  
2002-3 to 2007-8  
in \$'s

Schedule 1	2001-2	2002-3	2002-3	Variance		2003-4	2004-5	2005-6	2006-7	2007-8
	Actual	Budget	Forecast	\$'s	%	Budget	Budget	Budget	Budget	Budget
<b>Revenue:</b>										
Conference Income - Accommodation	333,148	390,000	427,000	37,000	9.5 %	435,540	444,251	453,136	462,199	471,443
Conference Income - Food	503,729	600,000	645,000	45,000	7.5 %	612,000	624,200	636,700	649,400	662,400
Conference Income - Facilities/Space Rental	41,082	40,000	42,300	2,300	5.8 %	43,100	44,000	44,900	45,800	46,700
Other Income	2,485	1,805	2,900	1,095	60.7 %	2,987	3,076	3,169	3,263	3,360
Investment Income	2,118	7,167	2,500	(4,667)	(65.1)%	2,448	2,530	2,619	2,715	2,816
<b>Total Revenues</b>	<b>882,562</b>	<b>1,038,972</b>	<b>1,119,700</b>	<b>80,728</b>	<b>7.8 %</b>	<b>1,096,075</b>	<b>1,118,056</b>	<b>1,140,524</b>	<b>1,163,376</b>	<b>1,186,718</b>
<b>Expenditures</b>										
<b>Directs Expenses:</b>										
Salaries, wages & benefits	172,422	188,190	204,800	16,610	8.8 %	210,944	217,272	223,790	230,504	237,419
Supplies	11,374	11,424	13,800	2,376	20.8 %	14,576	14,868	15,165	15,468	15,778
Capital Renewal - non-depreciable equipment	1,539	6,120	3,500	(2,620)	(42.8)%	6,570	6,701	6,835	6,972	7,112
Capital Renewal - annual maintenance	16,959	10,000	5,000	(5,000)	(50.0)%	20,000	12,000	12,240	12,485	12,734
Capital Renewal - depreciation	2,753	2,856	2,750	(106)	(3.7)%	2,805	2,861	2,918	2,977	3,036
Conference Accommodation	27,693	40,000	40,000	0	0.0 %	40,800	41,616	42,448	43,297	44,163
Conference Expense - Food	503,729	600,000	645,000	45,000	7.5 %	612,000	624,200	636,700	649,400	662,400
Other Expenses	22,840	13,770	27,000	13,230	96.1 %	27,540	28,091	28,653	29,226	29,810
<b>Total Direct Expenses</b>	<b>759,309</b>	<b>872,360</b>	<b>941,850</b>	<b>69,490</b>	<b>8.0 %</b>	<b>935,235</b>	<b>947,609</b>	<b>968,750</b>	<b>990,329</b>	<b>1,012,453</b>
<b>Indirect Expenses:</b>										
Facilities and Services	5,414	7,243	7,243	0	0.0 %	7,388	7,536	7,686	7,840	7,997
College Overhead	20,146	26,922	26,922	0	0.0 %	27,460	28,010	28,570	29,141	29,724
Central Overhead	1,918	1,922	1,920	(2)	(0.1)%	1,958	1,998	2,038	2,078	2,120
<b>Total Indirect Expenses</b>	<b>27,478</b>	<b>36,087</b>	<b>36,085</b>	<b>(2)</b>	<b>(0.0)%</b>	<b>36,807</b>	<b>37,543</b>	<b>38,294</b>	<b>39,060</b>	<b>39,841</b>
<b>Total Expenditures</b>	<b>786,787</b>	<b>908,447</b>	<b>977,935</b>	<b>69,488</b>	<b>7.6 %</b>	<b>972,042</b>	<b>985,152</b>	<b>1,007,044</b>	<b>1,029,389</b>	<b>1,052,293</b>
<b>Operating Results before Commitments</b>	<b>95,775</b>	<b>130,525</b>	<b>141,765</b>	<b>11,240</b>	<b>8.6 %</b>	<b>124,033</b>	<b>132,904</b>	<b>133,480</b>	<b>133,988</b>	<b>134,425</b>
(I ncrease)/Decrease in Commitment to Capital Renewal	-	-	-	-	0.0%	-	-	-	-	-
(I ncrease)/Decrease in Commitment to Operating Reserve	-	-	(160,842)	(160,842)	(100.0)%	(4,991)	(4,362)	(4,480)	(4,602)	(4,728)
(I ncrease)/Decrease in Commitment to New Construction Reserve	-	-	-	-	0.0%	-	-	-	-	-
<b>Operating Results after Commitments</b>	<b>95,775</b>	<b>130,525</b>	<b>(19,077)</b>	<b>(149,602)</b>	<b>(114.6)%</b>	<b>119,042</b>	<b>128,542</b>	<b>129,000</b>	<b>129,386</b>	<b>129,697</b>

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Schedule 2	2001-2 <u>Actual</u>	2002-3 <u>Budget</u>	2002-3 <u>Forecast</u>	2003-4 <u>Budget</u>	2004-5 <u>Budget</u>	2005-6 <u>Budget</u>	2006-7 <u>Budget</u>	2007-8 <u>Budget</u>
<b>Commitments</b>								
<b>Planned Expenditures:</b>								
Non-depreciable equipment	1,539	6,120	3,500	6,570	6,701	6,835	6,972	7,112
Annual maintenance	16,959	10,000	5,000	20,000	12,000	12,240	12,485	12,734
Major Maintenance	0	0	0	0	0	0	0	0
<b>Total Planned Expenditures</b>	<u>18,498</u>	<u>16,120</u>	<u>8,500</u>	<u>26,570</u>	<u>18,701</u>	<u>19,075</u>	<u>19,457</u>	<u>19,846</u>
<b>Capital renewal allowance</b>	<u>18,498</u>	<u>16,120</u>	<u>8,500</u>	<u>26,570</u>	<u>18,701</u>	<u>19,075</u>	<u>19,457</u>	<u>19,846</u>
Increase/(Decrease) in Commitment to Capital Renewal	0	0	0	0	0	0	0	0
Increase/(Decrease) in Commitment to Operating Reserve	0	0	160,842	4,991	4,362	4,480	4,602	4,728
Increase/(Decrease) in Commitment to New Construction Reserve	0	0	0	0	0	0	0	0
Opening balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>160,842</u>	<u>165,833</u>	<u>170,195</u>	<u>174,675</u>	<u>179,277</u>
<b>Closing balance</b>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>160,842</u></u>	<u><u>165,833</u></u>	<u><u>170,195</u></u>	<u><u>174,675</u></u>	<u><u>179,277</u></u>	<u><u>184,005</u></u>
<b>Surplus</b>								
Operating Results after Commitments	95,775	130,525	(19,077)	119,042	128,542	129,000	129,386	129,697
Transfers								
(To)/From Operating Fund	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)
(To)/From Capital Fund								
(To)/From Restricted Fund								
(To)/From Other Ancillary								
Net Change in surplus for the year	<u>(29,225)</u>	<u>5,525</u>	<u>(144,077)</u>	<u>(5,958)</u>	<u>3,542</u>	<u>4,000</u>	<u>4,386</u>	<u>4,697</u>
Opening Balance	<u>89,298</u>	<u>50,190</u>	<u>60,073</u>	<u>(84,004)</u>	<u>(89,962)</u>	<u>(86,419)</u>	<u>(82,419)</u>	<u>(78,033)</u>
<b>Closing Balance</b>	<u><u>60,073</u></u>	<u><u>55,715</u></u>	<u><u>(84,004)</u></u>	<u><u>(89,962)</u></u>	<u><u>(86,419)</u></u>	<u><u>(82,419)</u></u>	<u><u>(78,033)</u></u>	<u><u>(73,337)</u></u>
<b>Total Fund Balance</b>	<u><u>60,073</u></u>	<u><u>55,715</u></u>	<u><u>76,838</u></u>	<u><u>75,871</u></u>	<u><u>83,776</u></u>	<u><u>92,256</u></u>	<u><u>101,244</u></u>	<u><u>110,668</u></u>

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**Schedule 3**

There is no scheduled major maintenance for this ancillary.

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**Schedule 4**

There is no deferred maintenance for this ancillary.

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**Schedule 5**

There are no capital expenditures planned for this ancillary.