

# York University Board of Governors Notice of Meeting

**Tuesday, November 29, 2016, 1:30 to 4:30 pm**  
**5<sup>th</sup> Floor, Kaneff Tower, Keele Campus**

**PAGE**

## **I. CLOSED SESSION**

## **II. OPEN SESSION – 1:50 pm approximately**

1. Chair's Items (R. Waugh)
  - a. Report on Items Decided in the Closed Session
  - b. Consent Agenda Approval
2. Executive Committee (R. Waugh) *1:55 pm*
  - a. Notice of Intent to Amend the General By-Laws of the Board of Governors of York University ..... 1
3. President's Items (M. Shoukri) *2:00 pm*
  - a. Kudos Report..... 4
  - b. Presentation: New Student Centre (G. Brewer, S. Vimalachandran)
4. Academic Resources Committee (H. Wu) *2:50 pm*
  - a. Renaming of the Chair in Business History to the Richard E. Waugh Chair in Business History (For approval) ..... 8
  - b. Establishment of the Timothy R. Price Chair in Real Estate and Infrastructure (For approval) ..... 11
5. Finance and Audit Committee (O. Ibrahim) *3:05 pm*
  - a. Student Referendum Fees (For approval) ..... 14
  - b. Atkinson Building Renovation (For approval)..... 15
6. Governance and Human Resources Committee (D. McFadden) *3:20 pm*
  - a. Development of University Policy on Sexual Violence (For discussion)
7. Land and Property Committee (P. Tsaparis) *3:50 pm*
8. External Relations (J. Lassonde) *4:00 pm*

9. Other Business

10. *In Camera* Session 4:10 pm

**CONSENT AGENDA**

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# Board of Governors

## Memorandum

To: Board of Governors

From: Rick Waugh, Chair, Executive Committee

Date: November 29, 2016

Subject: Notice of Intention: Amendment of the General By-Laws of the Board of Governors

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## Notice of Intention

It is the intention of the Board Executive Committee to make the following recommendation to the Board at its meeting on 28 February 2017:

**That the Board of Governors approve an amendment to Article VII, Section 1, Subsections (c) (i) of the General B-Laws of the Board of Governors to reflect the change in name of the York University Alumni Association to the York University Alumni Board, and the concomitant change to the election or appointment of the alumni members of the Board of Governors, as set out in Appendix A.**

Article X of the General By-Laws requires that a notice of intention of proposed changes to the By-Laws must be presented to the Board at the next proceeding meeting. Therefore, the Executive Committee is conveying the required notice of intention to the Board at its meeting on 29 November in preparation for the item coming forward for debate and resolution at the February meeting of the Board.

## Rationale

The Board was briefed last year about changes to the name and structure of the York University Alumni Association prompted by the implementation of Canada's anti-spam legislation. The independent and incorporated Alumni Association has been changed to the York University Alumni Board, an advisory body to the University on alumni affairs; practically it will operate similarly to the previous Board. Changing the body into an

## Board of Governors

entity within the University realm permits it to continue with affinity programs and other commercial activities, particularly when using commercial electronic messages.

The General By-Laws of the Board of Governors of York University include a subsection specifically referencing the York University Alumni Association and its role in bringing forward nominations of two alumni to serve on the Board of Governors of York University. Changing the Alumni Association to the Alumni Board therefore needs to be reflected in the By-Laws. The amendment, set out in Appendix A, proposes replacing the name of the Alumni Association with the name of the new York University Alumni Board. It also clarifies that two York University alumni will be elected or appointed, as opposed to “two members of the York University Alumni Association” as it is not intended that the alumni recommended to serve on the Board of Governors need to be members of the Alumni Board.

## Amendment of the General By-Laws of the Board of Governors of York University

| Current wording:   | Proposed wording:  |
|--|--|
| <p>VII.1 (c) (i) Two members of the York University Alumni Association shall be appointed or elected by the Council of York University Alumni to be members of the Board. Members shall be appointed or elected every two years by such Council to serve for a term of four years from the date of such election or appointment.</p> | <p>VII.1 (c) (i) Two York University alumni shall be appointed or elected by the York University Alumni Board to be members of the York University Board of Governors. The alumni members shall be appointed or elected every two years by the Alumni Board to serve for a term of four years from the date of such election or appointment.</p> |

# THIS IS EXCELLENCE

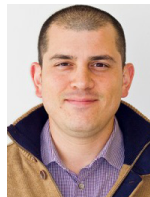
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# KUDOS REPORT

OCTOBER–NOVEMBER 2016



Schulich Arts and Media Adjunct Professor [Trina McQueen](#) received the Directors Guild of Canada's Honorary Life Member Award for her impact on Canadian broadcast media.



Biology Professor [Jean-Paul Paluzzi](#) received the 2016 Petro-Canada Young Innovator Award for his informative research on blood-feeding arthropods.



[Two exceptional individuals](#) were conferred honorary degrees at Fall Convocation:

- Paul Beeston - Sports visionary and philanthropist
- Janice Fukakusa - Financial leader, education and health services advocate



[Schulich's](#) MBA program was ranked number one in Canada by *The Economist* for the 14<sup>th</sup> straight year.



At the Canada BIM Council's annual gala on October 4, York received awards for excellence in the application of leading-edge Building Information Modeling Technology (BIM) related to the design and construction of the Bergeron Centre for Engineering Excellence. In addition to receiving the annual Owner's Award, York won the prestigious CanBIM Best in BIM Award, which recognizes the project deemed best amongst all seven awards of excellence. York has now been recognized nationally as a leader in this field. Congratulations to CSBO staff, including AVP Richard Francki, Patrick Saavedra and Irina Arsene.



# THIS IS EXCELLENCE

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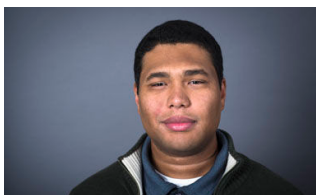
# KUDOS REPORT



The Kellogg-Schulich Executive MBA program was ranked the number one EMBA program in Canada by *The Financial Times* of London for the 10<sup>th</sup> straight year.



PhD student [Reshma Prashad](#) won a graduate scholar award for best paper at the International Conference on Health, Wellness and Society.



MA student [Darnel Harris](#) received the 2016 Green Talents award from the German Federal Ministry of Education and Research for his work advancing sustainability.



The Faculty of Liberal Arts & Professional Studies' inaugural [York World Scholars](#) program welcomed their first four international students to York University.



Faculty of Education professor [Connie Mayer](#) launched an international research initiative at the University of Manchester to enhance literacy education for deaf children.



The Faculty of Science received a \$1M USD gift for [York Science Fellowships](#) from the Simons Foundation, a charitable organization managed by Jim Simons (Hon. D.Sc.16) and his wife Marilyn.



# THIS IS EXCELLENCE

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# KUDOS REPORT



Biology professor Laurence Packer received a grant from *National Geographic* to conduct biogeographic research on Southern South American bees.



York's Fitness & Lifestyles team partnered with the Canadian Diabetes Association to launch the [Gluco-Fit Project](#), a new health and wellness program to help with diabetes management in the Jane and Finch community.



Professors [Shayna Rosenbaum](#), [Janet Jeffrey](#) and [Doug Crawford](#) won Faculty of Health awards for their achievements in teaching, service and research, respectively.



Lions men's soccer player [Jonathan Lao](#) was named the U Sports player of the year in men's soccer. He also earned a place on the first all-Canadian team along with teammate [Daniel Gogarty](#), a third-year defender from Scarborough.



Lions women's soccer players [Nour Ghoneim](#) and [Marilyn Grammenopoulos](#) were named U Sports all-Canadians at the All-Canadian Gala.



Alumnus [Daniele Zanotti](#), the newly appointed CEO of United Way Toronto and York Region, led this fall's campaign to raise \$101.5 million for more than 200 community service agencies.



# THIS IS EXCELLENCE

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# KUDOS REPORT

## APPOINTMENTS:

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Osgoode alumna [Heather L. Evans](#) (LLB, LLM) was appointed Executive Director and Chief Executive Officer of the Canadian Tax Foundation.



Alumna [Gwen Boniface](#) (BA '82, LLB '88) and alumna [Marilou McPhedran](#) (LLB '76, LLM '04) were appointed to the Senate of Canada.

## Board of Governors

### Memorandum

To: Board of Governors

From: Henry Wu, Chair, Academic Resources Committee

Date: November 29, 2016

Subject: **Renaming of the Chair in Business History to the Richard E. Waugh Chair in Business History**

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### Motion and Rationale:

**The Academic Resources Committee recommends that the Board of Governors approve the re-naming of the Chair in Business History to the Richard E. Waugh Chair in Business History.**

In accordance with the York Act, individual and program-based Research and Teaching Chairs and Professorships are formally established by the Board of Governors after consultation with Senate through its Academic Policy, Planning and Research Committee. The Academic Resources Committee is responsible for recommending approval by the Board after completing its own review and approval.

The Vice-President Academic and Provost is required to determine that a proposal is consistent with York's academic interests and all relevant policies and agreements. Confirmation of the Provost's support and details about the name change of the Chair, which is housed in the Schulich School of Business, are provided in correspondence appended to this memorandum. The Academic Policy, Planning and Research Committee of Senate concurred with the Provost's recommendation at its meeting of November 3, 2016 and will inform Senate of its decision.

### Policy and Procedures

Policy: Establishment and Designation of Research and Teaching Chairs, Professorships and Distinguished Fellowships (Policy)

## Board of Governors

<http://secretariat-policies.info.yorku.ca/policies/establishment-and-designation-of-research-and-teaching-chairs-professorships-and-distinguished-fellowships-policy/>

Procedures Establishment and Designation of Research and Teaching Chairs,  
Professorships and Distinguished Fellowships (Guidelines and Procedures)

<http://secretariat-policies.info.yorku.ca/policies/establishment-and-designation-of-research-and-teaching-chairs-professorships-and-distinguished-fellowships-guidelines-and-procedures/>

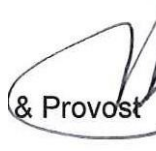
Documentation is attached as Appendix A.



## Office of the Vice-President Academic and Provost

### Memorandum

To: Chair, APPRC

From: Rhonda Lenton, Vice-President Academic & Provost 

Date: September 12, 2016

Subject: Renaming of Chair in the Schulich School of Business

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I am writing to seek the concurrence of APPRC for the re-naming of an already-established endowed Chair in the Schulich School of Business – the Chair in Business History – in accordance with university policy in this area.

The Schulich School will recognize a generous gift from the Waugh Family Foundation with the renaming of the Chair in Business History as the Richard E. Waugh Chair in Business History. The previously un-named Chair was originally established in 2004 with funding from Mr. Schulich and is currently held by Professor Mattias Kipping. The Chair was created to recognize the teaching and research strengths in the area of business history in Schulich, where it is fundamental to the BBA curriculum, as well as in other areas at York such as History, Social Science, and Osgoode; and to provide a platform to consolidate and build on these strengths and develop collaborations with the wider community. Professor Kipping will continue to hold the Chair.

The York University Policy on Endowed Chairs and Professorships indicates that in such situations as this, where the proposed Chair/Professorship is consistent with an existing Senate-approved teaching program and where the other terms and conditions set out in the policy are met, the Vice-President Academic & Provost may ask for the concurrence of APPRC so that the Board of Governors might consider the proposal. By this memorandum, I confirm that the proposed Chair continues to satisfy the expectations of the University policy, and unless APPRC has questions regarding it, I ask that this matter be placed on the agenda of the Board of Governors for consideration at its next meeting.

Cc: Dean D. Horvath

## Board of Governors

### Memorandum

To: Board of Governors

From: Henry Wu, Chair, Academic Resources Committee

Date: November 29, 2016

Subject: **Establishment of the Timothy R. Price Chair in Real Estate and Infrastructure**

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### Motion and Rationale:

**The Academic Resources Committee recommends that the Board of Governors approve the establishment of the Timothy R. Price Chair in Real Estate and Infrastructure.**

In accordance with the York Act, individual and program-based Research and Teaching Chairs and Professorships are formally established by the Board of Governors after consultation with Senate through its Academic Policy, Planning and Research Committee. The Academic Resources Committee is responsible for recommending approval by the Board after completing its own review and approval.

The Vice-President Academic and Provost is required to determine that a proposal is consistent with York's academic interests and all relevant policies and agreements. Confirmation of the Provost's support and details about the Chair, which will be housed in the Schulich School of Business, are provided in correspondence appended to this memorandum. The Academic Policy, Planning and Research Committee of Senate concurred with the Provost's recommendation at its meeting of November 3, 2016 and will inform Senate of its decision.

### Policy and Procedures

Policy: Establishment and Designation of Research and Teaching Chairs, Professorships and Distinguished Fellowships (Policy)

## Board of Governors

<http://secretariat-policies.info.yorku.ca/policies/establishment-and-designation-of-research-and-teaching-chairs-professorships-and-distinguished-fellowships-policy/>

Procedures Establishment and Designation of Research and Teaching Chairs, Professorships and Distinguished Fellowships (Guidelines and Procedures)

<http://secretariat-policies.info.yorku.ca/policies/establishment-and-designation-of-research-and-teaching-chairs-professorships-and-distinguished-fellowships-guidelines-and-procedures/>


Documentation is attached as Appendix A.



## Office of the Vice-President Academic and Provost

### Memorandum

To: Chair, APPRC

From: Rhonda Lenton, Vice-President Academic & Provost 

Date: September 12, 2016

Subject: Chair in the Schulich School of Business

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I am writing to seek the concurrence of APPRC for the establishment of a term-funded (2017-2022) Chair in the Schulich School of Business, in accordance with university policy in this area. Although this is not a permanent endowed Chair, I am requesting APPRC's support for its establishment in accordance with the Senate-Board Policy.

The Schulich School will recognize a generous gift from Tim and Frances Price and the Brookfield Partners Foundation with the establishment of this Chair, to be known as the Timothy R. Price Chair in Real Estate & Infrastructure. The School will undertake a search for a senior scholar to be appointed to the Chair, which will support Schulich's strengths as a leading international business school and contribute to the School's strategic focus on teaching, learning, research and outreach in the areas of real estate and infrastructure. The proposed Chair builds on the School's longstanding interests in these areas, which resulted in the establishment of the Master of Real Estate and Infrastructure (MREI), approved by Senate last year. This program contributes to the distinctiveness of the School and responds to the needs of the industry for specialized programming in this area.

The York University Policy on Endowed Chairs and Professorships indicates that in such situations as this, where the proposed Chair/Professorship is consistent with an existing Senate-approved teaching program and where the other terms and conditions set out in the policy are met, the Vice-President Academic & Provost may ask for the concurrence of APPRC so that the Board of Governors might consider the proposal. By this memorandum, I confirm that the proposed Chair satisfies the expectations of the University policy, and unless APPRC has questions regarding it, I ask that this matter be placed on the agenda of the Board of Governors for consideration at its next meeting.

Cc: Dean D. Horvath

## Board of Governors

### Memorandum

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: November 29, 2016

Subject: Spring 2016 Student Referendum Results

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### Recommendation:

**The Finance and Audit Committee recommends that the Board of Governors approve the following referendum result:**

**Effective summer 2017, increase the Faculty of Education Students' Association undergraduate student levy from \$15.00 to \$22.00 annually indexed to the Toronto Consumer Price Index (TCPI).**

### Rationale:

With the introduction of the two-year Bachelor of Education program, the Faculty of Education Students' Association (FESA) saw a reduction in their budget. In order to continue to provide the wide range of professional development and conference opportunities, FESA sought to increase its budget through the following referendum question, which achieved quorum and passed with 70% vote in favour:

1. Currently, the Faculty of Education Students' Association receives a levy of \$15.00 per student on an annual basis. Are you in favour of increasing this levy by \$7.00 for a new total of \$22.00 and to index the levy to annually increase or decrease in accordance with the Toronto Consumer Price Index? Eligible voters: 1367; Quorum: 137; Total votes: 159; Yes: 112; No:47; Abstain: 0

This change requires moving from a 'per head' fee to a 'per credit fee' which is in line with all other undergraduate fees. The levy should be set to \$.73 per credit (\$22.00 divided by 30 credits).

The referendum was conducted in compliance with the University approved framework on Student Referendum.

## Board of Governors

### Memorandum

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: November 29, 2016

Subject: Atkinson Building Renovation

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### Recommendation:

**The Finance and Audit Committee recommends that the Board of Governors approve a three part renovation of the Atkinson Building at a total estimated cost of \$2.5M.**

### Rationale:

The project includes the following three parts:

1. Atkinson renovations for LA & PS eServices unit (approximate area 900sm)  
Expected completion: August 2017  
Estimated cost of renovations and furnishings: \$1.8M
2. Enlarge hoist way and replace North Elevator with new Class C  
Expected completion: August 2017  
Estimated cost: \$600K
3. Move eServices from Dahdaleh Building to Atkinson Building  
Expected completion: August 2017  
Estimated cost: \$65K

This renovation project is part of a larger long term plan to reconcile space allocation for the Faculty of Liberal Arts and Professional Studies (LA & PS). It includes Accessibility for Ontarians with Disabilities Act (AODA) upgrades to the south Atkinson tower, which will permit the further consolidation of LA & PS by relocating the English Department from Stong and Calumet Colleges to Atkinson. This will create space in those colleges for the accommodation of growing programs in the Faculty of Health.

## **Board of Governors**

Coincident with renovations to the lower level of Atkinson is the replacement of the North elevator, which will make all floors of the North wing accessible. The relocation of e-Services to the lower level at Atkinson provides this unit with appropriate space and puts them in the centre of the LA & PS precinct.

Space vacated by e-Services in the Victor Dahdaleh Building will become the home of the new Global Health Institute.

This project will be funded through University Capital Reserves.

## York University Board of Governors - Minutes

**Meeting:** Open Session 27 September, 2016 at 1:30 pm  
 5<sup>th</sup> Floor Kaneff Tower, Keele Campus

### Present:

Rick Waugh, Chair  
 Elisa Alloul  
 Bill Boyle  
 Jacques Demers  
 Laura Formusa  
 Sheila Forshaw  
 Bill Hatanaka  
 John Hunkin  
 Ozench Ibrahim  
 Julie Lassonde  
 Bernie Lightman  
 Earle Nestmann  
 Dan O'Hara  
 Lauren Sergio  
 Mamdouh Shoukri  
 Paul Tsaparis  
 Ajay Virmani  
 Amanda Wassermuhl  
 Randy Williamson  
 Henry Wu  
 Hana Zalzal

Maureen Armstrong, Secretary  
 Cheryl Underhill, Assistant  
 Secretary  
 Robert Everett, Assistant  
 Secretary

### Regrets:

Vijay Kanwar  
 David McFadden  
 Jane Rowe  
 Honey Sherman  
 Tony Viner

### Others:

Gary Brewer  
 Barbara Crow  
 Richard Francki  
 Wade Hall  
 Barbara Joy  
 Andrew Lennox  
 Rhonda Lenton  
 Ran Lewin  
 Alex Matos  
 Lyndon Martin  
 Jeff O'Hagan  
 Ijade Maxwell Rodrigues  
 Janet Morrison  
 Ananya Mukherjee-Reed  
 Alice Pitt  
 Trudy Pound-Curtis  
 Bud Purves  
 Liisa Stephenson  
 Tracey Taylor-O'Reilly  
 Susan Webb

Elaine MacRae, Board  
 Coordinator

## II. OPEN SESSION

### 1. Chair's Items

#### a. Report on Items Decided in the Closed Session

The Chair reported that the following items were decided in the Closed session:

- the appointment of Konata Lake and Andrew Lennox to the Board, each to serve a four-year term from October 1, 2016 to June 30, 2020
- the re-appointment of Jeffery O'Hagan as Vice-President Advancement for a five-year term from October 1, 2016 to September 30, 2021

## **York University Board of Governors - Minutes**

The Chair also advised that Rose Reisman has resigned from the Board of Governors due to professional obligations. Ms Reisman was thanked for her three years of service on the Board and her many contributions to the University.

### **b. Consent Agenda Approval**

The Board approved by consent:

- the minutes of the meeting of June 28, 2016
- the re-appointment of Dale Domian (President's nominee) and Robert Wai (Osgoode nominee) to the Pension Fund Board of Trustees each for a three-year term commencing 1 October 2016.

The Board also received the 2015 Annual Report on York University Pension Plan and Pension Fund.

## **2. Executive Committee**

At its meeting the committee discussed the topic of Board oversight of risk management, specifically a proposed new framework for risk management which will see Board Executive assume primary oversight for the function and each committee integrate the respective areas / issues of risk management on its agendas. The framework was endorsed and the committee will assess the new process after it has been in place for one full governance year. The mandates of the Finance & Audit and Executive committees will be amended as necessary to reflect the shift in oversight for risk management to the latter.

The committee also had a preliminary discussion of the Province's Executive Compensation Framework governing broader public sector organizations. York has established a working group to prepare a compensation program in compliance with the provincial Framework and is also participating in the COU-led planning discussions on the matter. The Governance and Human Resources Committee will have oversight of this initiative and bring forward a proposed compensation framework to the Board for approval in advance of the Province's deadline of September 2017. Progress reports will be provided to the Board in the interim.

## **3. President's Items**

The President welcomed new Deans Lyndon Martin in the Faculty of Education and Paul McDonald in the Faculty of Health. Congratulations were extended to Janet Morrison on her recent appointment as Provost and Vice-President Academic at Sheridan College, and her many years of contributions and achievements at York were acknowledged.

### **a. The Year Ahead**

## York University Board of Governors - Minutes

In his remarks, the President briefed the Board on the following matters:

- Recent funding and research successes at York
  - the Province's ongoing work on the revision of the funding formula for universities
  - the Province's establishment of a task force to examine the recommendation to create a French-only university in Toronto
  - planning for the new Markham campus, including the status of negotiations with the Province on its funding
  - the Honorary Degree recipients for the Fall 2016 convocation
  - the upcoming ground-breaking ceremony for the construction of the new student centre on October 13
- b. Kudos Report

The report as distributed was noted.

- c. School of Continuing Studies

The Provost provided a presentation on the School of Continuing Studies and its strategic plan; a copy of the presentation slides is filed with these minutes. The broad range of continuing and executive education programs at the University were coalesced under a centralized School of Continuing Studies in 2015. It is now the third largest school of its kind in Canada and experienced the fastest year-over-year enrolment growth in Canada in 2016-2017. To meet the needs of the market, it offers online and blended programming and traditional classroom-based courses on the Keele campus and at downtown locations. Expanding continuing education activities is among the University's top five priorities. To that end, the strategy includes offering programs at the new Markham campus and expanding continuing education transfer credits for students progressing to a degree program.

### 4. Academic Resources Committee

Mr Wu advised that at its recent meeting the committee received and discussed reports from the Provost and the Vice-President Research and Innovation on key initiatives in progress, including the IIRP working group reports, recent research funding success and Innovation York activities.

- a. September Report on Appointments, Tenure and Promotion

Documentation was noted. It was duly *agreed* that the **Board of Governors approve the President's September 2016 report on appointments, tenure and promotion.**

## York University Board of Governors - Minutes

### 5. External Relations

The newly appointed Chair of the External Relations committee Julie Lassonde, highlighted the items of business reviewed at its last meeting, including the committee mandate, government relations activities and campaign branding.

### 6. Finance and Audit Committee

The committee discussed several matters at its meeting the prior day. The key items were a budget update and emerging pressures, IIRP progress, risk management, and a capital projects update.

### 7. Governance and Human Resources Committee

On behalf of Mr McFadden, Paul Tsaparis briefed the Board on the matters under discussion with the Governance and Human Resources committee. Filling existing and upcoming vacancies on the Board is a central focus, as is the oversight of the University's development of its executive compensation framework. The Mental Health strategy is being launched university-wide in October; a Board presentation on the topic will be arranged for a future meeting.

### 8. Investment Committee

On behalf of the Committee Mr. Williamson reported the following to the Board:

- a fiscal year-to-date return of 6.98% on the endowment fund investments (1.02% below the bench) and a total fund amount of \$439.5M as of 31 August 2016
  - the committee's approval of the manager mandate for new currency hedge manager, TD Asset Management.
  - the Administration briefed the committee on its planned investment-related activities for the upcoming governance year, including realigning the global equity structure of the Pension Fund and possibly the endowment fund as well, achieving the full allocation of funds for the Canadian Real Estate portfolio and defining plans for the funds currently allocated to the Global Real Estate portfolio
  - An oral update was received on the work of the York University Advisory Committee on Responsible Investing
- a. Statement of Investment Policies and Procedures: Revisions

Documentation was noted. The proposed changes are minor in nature and reflect recently approved changes to the asset mix policy section of the Statement. It was duly *agreed that the Board of Governors approve the revised Statement of Investment Policies and Procedures.*

- b. Endowment Distribution Rate 2016-17

## York University Board of Governors - Minutes

Speaking to the supporting documentation Mr Williamson noted that the proposed distribution rate is based on several years of the investment performance of the endowment fund, and the reserves amassed from year-over-year investment returns. It was duly *agreed* **that the Board of Governors approve maintaining the distribution rate for 2016-17 at the current rate of 3.96% based on the Smooth Banded Inflation (SBI) approach.**

### 9. Other Business

Mr Williamson spoke briefly to recent amendments to the York University Alumni Association's governance to bring it into the University, and the establishment of the new York University Alumni Board as an advisory body to the University. The new advisory board will be the pathway for the Association's nominees to serve on the York Board of Governors. The General By-Laws of the Board of Governors of York University will be amended to reflect these changes and brought to the Board for approval.

### 10. *In Camera* Session

An *in camera* session was held. No further decisions were taken.

Rick Waugh, Chair \_\_\_\_\_

M. Armstrong, Secretary \_\_\_\_\_

## Board of Governors

### Memorandum

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: November 29, 2016

Subject: Ancillary Operations Long Term Plan

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### Recommendation:

**The Finance and Audit Committee recommends that the Board of Governors approve the attached update to the Long-Term Ancillary Plan.**

### Background

The sound management of ancillary operations continues to be an important element in managing the University's finances.

Ancillary facilities are expected to be self-funded over their life. These assets typically experience operating cycles that report operating losses, for the initial years when new assets are brought into service, until they reach a steady-state of operations that recovers the accumulated loss over a reasonable planning horizon.

In fall 2012, the ancillary plan was updated to reflect the declining trend in bookstore sales; the incorporation of the new housing strategy, which includes the 10 year building renewal plan of \$70 million for residences; the impact of reduced parking inventory due to new capital construction; a revision to the plan to extend the recovery of the original startup costs for the Executive Learning Centre from 13 years to 20 years; the favourable impact of the introduction of new food outlets in the Food and Contract Management business, and the impact of the continued decline in printing service volume.

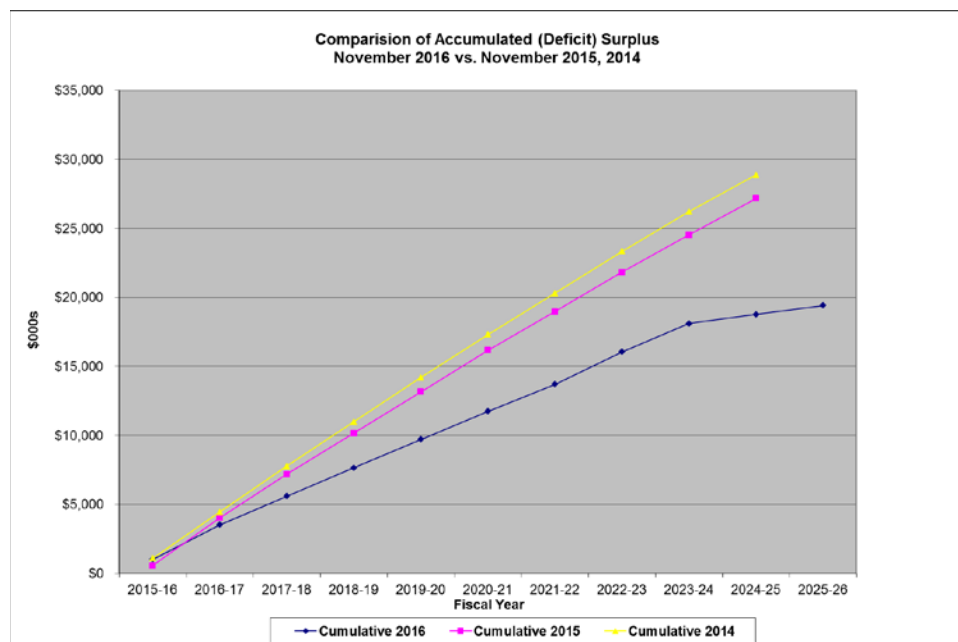
## Board of Governors

In fall 2013, the ancillary plan was updated to reflect the significant decline in course kit production due to copyright changes - resulting in reduced printing operations; increased occupancy being experienced in Housing; increased food outlets and menu concepts in Food & Contract Management, and the impact of the changing nature of the business environment, on the Bookstore, as it shifts to digital text books.

In fall 2014, the ancillary plan was updated to reflect a structural reorganization of printing operations to reflect the elimination of course kit production that requires copyright clearance.

In fall 2015, the ancillary plan was updated to reflect the impact of the introduction of the new SHARP Budget Model. The implications of the new budget model will require units to absorb additional overhead costs as well as make an additional permanent contribution to the University's operating budget. Some of the ancillaries were able to absorb these implications in their long term and thus showed no impact on their results projected in the 2014 Plan. Telecommunications was not able to absorb the impact and reduced their projected net income over their 2014 plan.

In fall 2016, the ancillary plan was updated to reflect the fact that the ancillaries have reached a cumulative balanced position and consequently could now more prudently budget for their deferred maintenance costs. The projection for in year surpluses has been reduced to reflect the annual provision for contributions to deferred maintenance reserves.



The detailed long-term plans for each ancillary operation are outlined in the attached report.

Board of Governors

**ANCILLARY OPERATIONS  
LONG-TERM PLAN**

**Report to the  
Board of Governors**

**Finance and Audit Committee  
November 28, 2016**

## Board of Governors

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  9. Other Ancillary Operations
    - Food and Contract Management
    - Printing Services
- Appendix: 2016 Long-Term Plans

## 1. Purpose of this Report

The purpose of this report is to update the Board Finance and Audit Committee on the University's long-term plan for the Ancillary Operations.

The long-term plan is consistent with the University's overall plan with respect to enrolments and the campus expansion as a result of the SuperBuild, Knowledge Infrastructure (KIP), and other capital expansion programs. The plan is updated to reflect the most current planning parameters, including up-to-date enrolment numbers.

The sound management of ancillary operations continues to be an important element of the plan to manage the Unrestricted Net Asset deficit. Each of the ancillary operations has an approved business plan that takes into consideration the impact of the budget, economic, enrolment, and staffing changes that are forecast. **This report contains a discussion of each of the business units and highlights changes in the long-term plan.** The business plans for each are presented in the Appendix along with comparisons to the net income targets that were set in the November 2015 long-term plan.

The consolidated revenue, expense and net income projection for all ancillary operations is provided in Figure 1. This chart illustrates that the ancillary operations operated profitably to 2002-2003. With the commencement of the operations of the Executive Learning Centre and The Pond Road Residence, as well as the operations of the two new parking structures and the success achieved in Parking and Transportation to reduce the number of single occupant vehicles on campus, the ancillary plan reported net operating losses in the years 2004 through 2006 as the significant cost impact of the new facilities was absorbed. The plan also shows a return to profitable status in 2007 and 2008, as revenues gradually came into line with the costs of the new facilities. The 2009 results reflected the unfavourable impact of the extended labour disruption and the global financial crisis which had significant impacts on the ancillary operations particularly in the Executive Learning programs. The ancillary operations returned to generating operating surpluses in the following fiscal year and have now reported seven consecutive years of operating surpluses. In fiscal 2015-16 the cumulative fund balances for the ancillaries turned positive which now provides the opportunity for these units to budget more prudently to address deferred maintenance.

The 2012 plan revisions reflected the impact of the decline in print-book bookstore sales, the incorporation of the new housing strategy, the reduction of parking inventory due to new capital project construction, a revision to the Executive Learning Centre recovery plan and the improved performance for food contract revenue have been reflected.

In the 2013 plan revisions, the impact of a further reduction in the printing operation and bookstore, increased occupancy in Housing, and changes to the Food and Contract

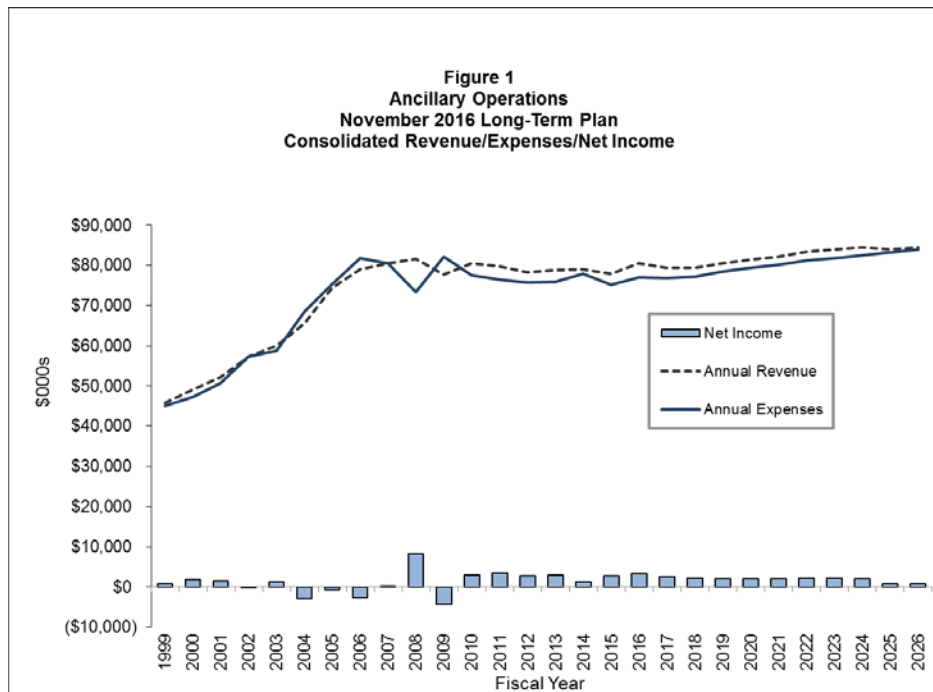
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Management business were reflected. In the 2014 plan revisions, the impact of further restructuring in printing operations resulting from the permanent reduction in course kit production were captured. In the 2015 plan revisions, the impact of the SHARP Transition Tax saw ancillaries increase their contribution to the University Operating Budget to assist in the conversion to the new SHARP Budget Model. In the 2016 plan revisions, the ancillaries are now including in their budget plans prudent allocations for deferred maintenance or capital upgrades.

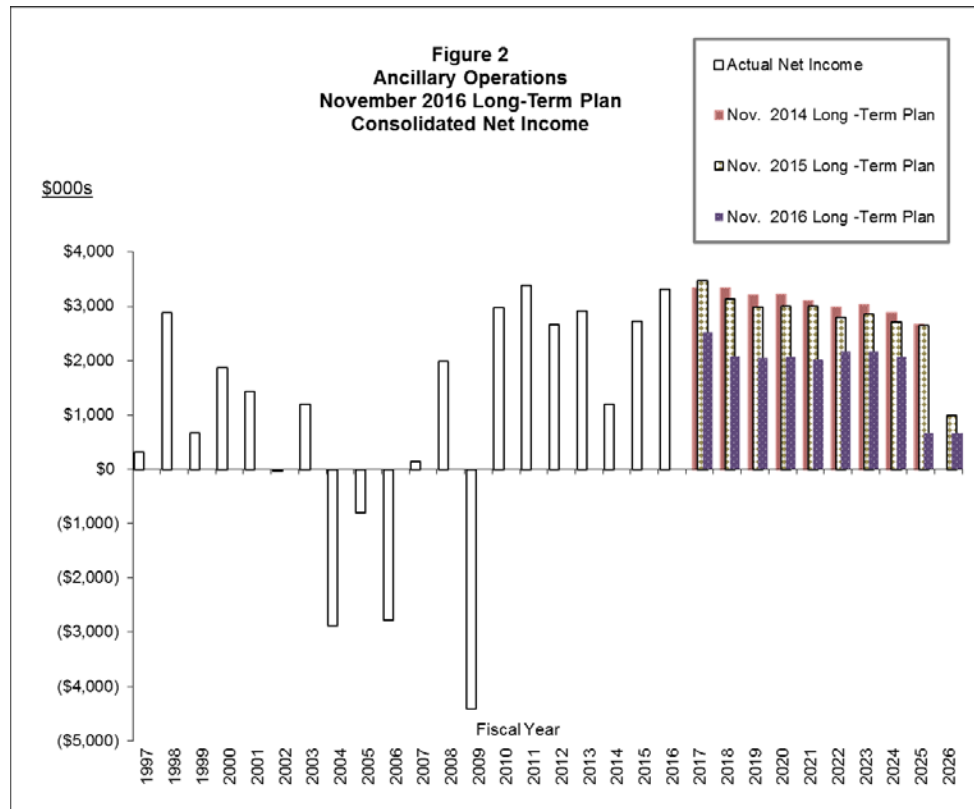
## 2. Key Planning Assumptions

As in past years, the ancillary business plans are based on assumptions regarding inflation, compensation and interest rates that are consistent across the business units. Consistent with last year's plan and given the increased volatility in energy prices, separate assumptions on electricity, heating and cooling, and water were used in the development of the ancillary business plans. The assumptions are as follows:

|                            | <u>2016-2017</u><br><u>and onwards</u> |
|----------------------------|--|
| Consumer Price index (CPI) | 2%                                     |
| Compensation               | 2%                                     |
| Heating & Cooling          | 2%                                     |
| Electricity                | 5%                                     |
| Water                      | 6%                                     |



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The planning assumptions reflect an annual general inflation rate of 2% over the planning period, with the exception of electricity and water costs which are at the rates of 5% and 6% respectively. Compensation assumptions reflect a rate established for planning purposes for future settlements. In addition to more global assumptions on inflation for compensation and energy, assumptions that are particular to each ancillary operation are factored in for each of the plans.

### 3. Bookstore

The Bookstore has four locations. The main York Lanes Bookstore is on the Keele Campus and the Glendon Campus Bookstore is in York Hall. The Bookstore assumed the operations of the Trading Floor store in the Schulich School of Business in 2013 and Osgoode's Bookstore in September 2014. The Bookstore has an active e-commerce site that enables students to order their text and course material requirements online. An on-line order and pick up in the store service was added in 2015 in keeping with retail trends. Management has been focused on enhancing operational performance, reducing base costs, and making process improvements while improving the student experience related to the Bookstore. In 2015 the main store began a full renovation which included a downsizing of approximately 23% of its space in York Lanes. The renovation is completely funded by amortizing the cost through rent over a 20 year period.

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The Bookstore's revenue is heavily weighted to course materials, and is subject to change with enrollment fluctuations as well as the movement away from traditional textbooks. Since 2011-12 sales in this category have been declining. In 2015-16 total sales were stable despite serious disruptions in the store due to the renovations. It is expected that with improved layout and design, that sales will not be affected by the reduction in space.

The Bookstore has been increasing its offerings, including the sale of digital books, and is one of the first Canadian campuses to offer a book rental program. These initiatives save students money, but also reduce the margins for the Bookstore. The Bookstore has gone from returns of 1-2% on sales to a break-even position on sales in the last three years. As in previous plans, there will be significant adjustments to labour and other operating expenses on a continuous basis to enable the bookstore to remain financially sustainable.

The current ten-year plan assumes that sales remain flat and specifically that there will be no growth in textbook revenues. The Bookstore will act as a consolidator, offering students a single point for accessing needed materials in an increasingly complex array of buying new books, used textbooks, renting books, buying or leasing digital books. The business models and profit margins for e-books are not established as the industry continues to redefine itself. There are uncertainties in building this long term plan, but it is assumed that as the campus bookstore model changes, margins may be reduced, and there will be corresponding reductions in operating costs to enable the Bookstore to remain at a break-even level.

Overall, the Bookstore's Net Income contribution over the ten years of the plan totals \$247K versus a previous planned surplus of \$2.8M. The reduction is directly related to market changes to course materials and campus enrollment and the implications of paying full overhead costs under the new SHARP budget model.

## 4. Student Housing Services

Student Housing Services provides approximately 2,680 undergraduate beds and 1,250 apartment units for York's undergraduate, graduate, law, exchange, and York University English Language Institute (YUELI) students at the Keele and Glendon campuses.

Implementation of a new Housing Strategy approved by the Board of Governors in June 2012 continues. The strategy encompasses:

- A 10 year building renewal plan costing \$70 million funded by an average annual rate increase of 3.7%
- \$33 million spent and committed for projects scheduled for 2012-16 including: internet upgrade to wireless; new furnishings and carpets; elevator upgrades;

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lighting upgrades; new roofing; washroom upgrades; window replacements; fire alarm upgrades; accessibility and safety enhancements; and replacement of building components that have gone beyond life cycle

- Initiatives to address concerns about the meal plans and food services
- A focus on 1st year students with enhanced programming and living-learning communities to promote a culture for student success
- An institutional framework to oversee the long-term planning and implementation for the new housing strategy including a Student Housing Steering Committee and a Housing Working Group
- An overarching marketing strategy to improve the recruitment and retention of students in York residences

### **The Current Situation**

After a declining trend in applications from 2007-2011, the demand for both undergraduate and apartment-style housing by York students rebounded in 2012-13 and has been sustained for the last two fiscal years. September 2015 occupancy levels reached 98% for Keele Undergraduate Residences, 92% for Glendon Residences and 97% for York Apartments. Founders Residence will reach close to 100% occupancy during the peak YUELI Destination York enrolment sessions.

Key planning assumptions include:

- Sustained occupancy projections based on application trends including the continued use of Founders Residence by YUELI for the ten years of the plan.
- A reduced revenue projection for the Accommodation and Conference Services business segment due to major housing renovation projects and uncertainty of available and marketable space, approximately \$1.2M per annum for Keele and Glendon campuses
- Average revenue earned from YUELI students, projected at \$600,000 per fiscal year for the ten years of the plan
- Guest apartment revenues estimated at \$420,000 per fiscal year
- A 2.0 per cent rent increase for the York Apartments for 2016 and an average annual rate increase of 2% thereafter. These increases are set annually according to rent control guidelines
- Salary budget adjustments to support organizational changes and succession planning, housing audit recommendations, and other operational needs
- An additional contribution to the University operating budget commencing fiscal 17/18 totaling \$5.6M for the ten years of the plan, as ancillary units are required to pay their full overhead costs.

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Overall, Housing's Net Income contribution to the bottom line over the ten years of the plan totals \$7.1M and is consistent with its 10-year projected financial performance target to the prior year's plan.

### **5. Parking Services**

Parking Services has approximately 9,000 parking stalls at the Glendon and Keele campuses across 35 parking lots and various on-street and off-street parking areas. Weekday demand peaks remain on Tuesdays and Thursdays, with Fridays exhibiting the lowest week-day demand.

Parking continues to manage the impact of intense construction activity created by the TTC Subway, the development south of the Pond Road including the loss of parking spaces resulting from phase one of the Quad residence development, and other campus development projects. Parking control and enforcement staff continues to assist with road closures including traffic duties and pedestrian direction when required by the University.

In the near term, it is expected that monthly permit sales will decline in number due to the impact of increased use of public transit. These declines are offset by modest rate increases which are necessary to support operating and capital requirements and transportation demand management (TDM) objectives, as well as anticipated continued demand for daily parking. The current long term plan indicates monthly permit increases of 2% per year with intermittent increases to daily rates (however for payment efficiency, daily rates are typically managed in \$0.25 to \$0.50 increments). The plan has also been updated to reflect operating efficiencies that will be gained through technology renewal, student centered service improvements and attrition.

While it is difficult to forecast with certainty the impact of the subway on commuter habits, including the development of a transit parking lot north of Steeles Avenue, this plan envisions a reduction in revenue of \$500,000 for monthly permits effective 2017-18 to coincide with the anticipated completion of the subway.

Indirect overhead charges of \$364,360 per annum commence fiscal 17/18 with implementation of the new SHARP Budget Model and totals \$3.3M for the ten years of the plan. Parking Services has revised its capital renewal requirements in order to absorb this new charge, consequently the upkeep and maintenance of parking facilities will be adjusted accordingly.

Overall Parking Service's Net Income contribution over the ten years of the plan totals to \$389K, which is net of its contribution for Land Rent, indirect overhead costs and a SHARP Transition Tax and \$7.9M for CSBO Overhead. All such contributions totals to \$33.7M over the ten-years of the plan. The unit's 10-year projected cumulative surplus is largely unchanged from prior plan targets.

## **6. YU-card Program**

The YU-card program provides consistent photo identification for York University students, faculty and staff in the form of a campus “one-card” program conceived to improve the student experience by enabling convenient access to campus services and to provide cost efficiencies and opportunities for service enhancement and innovation for University departments.

Drivers for the long-term are meal plan sales, card usage related to other services and the annual license/maintenance fees for the YU-card system software and hardware. License/maintenance fees are based on the number of active cards in use during a given year and the amount of hardware installed.

The YU-card program currently absorbs all software license fees for the integration of services such as the Libraries and recreation facilities to provide a seamless cardholder experience and operating savings for participating departments. The YU-card was successfully integrated with the University’s access control system in 2014-15 and that program will continue to expand through 2018. Installation of a new mobile validation service is currently underway which will enable secure identity validation for exams and other campus events starting in winter 2017.

The YU-card debit card service has grown substantially since its introduction in 2006. In 2015-2016 the YU-card began to serve as a means to dispense bursary funds to students, which has increased card use and provided the University with administrative efficiencies by not having to produce cheques for the disbursements. The initiative has remained in place for 2016-2017 and the plan as presented is based on that practice continuing. Use of the YU-card also continues to grow organically, supported by an ongoing integrated marketing communication program which led the YU-card program to be awarded the 2016 Marketing Excellence Award by the National Association of Campus Card Users. A number of University departments and student organizations now accept YU-card exclusively for payment in order to eliminate cash handling.

Overall, YU-card’s Net Income contribution over the ten years of the plan totals \$247K, and is \$277K less than prior plan to allow for capital renewal.

## **7. Telecommunications**

The York Telecommunications revenues are used primarily to support University voice infrastructure and services, along with some elements of the University’s data network infrastructure. To the extent that a revenue surplus accumulates in Telecommunications over time, it is used to assist in balancing the overall ancillary budget for the University. Telecommunications’ operations consist of three distinct segments:

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- Telephone equipment and services to units of the University;
- Telephone equipment and services to students in residence;
- Cable TV services to students in residences.

Of these three segments, the first is the most significant in size accounting for over three-quarters of Telecommunications' revenue. Services to students in residence account for the remainder.

The changes brought forward in the updated plan reflect the inclusion of the impacts of the full overhead charges to the University Operating Budget as it transitions to a New Budget Model and more prudent budgeting for infrastructure investments. This has reduced the projected net income reported in the prior years plan. The prior year's financial targets were met.

### **8. Executive Learning Centre/Nadal Management Centre**

The attached plan includes the combined financial results for the Executive Learning Centre on the Keele Campus and the Miles S. Nadal Management Centre located in downtown Toronto.

The November 2016 Plan does not deviate from the November 2015 Plan. The November 2016 Plan continues to forecast a full recovery of the early years operating deficits at the end of 2023-2024 – 20 years from the original start date of November 2003. Each fiscal year has a positive in-year contribution, very similar to the contribution anticipated in the November 2015 Plan.

Plan assumptions:

- SSB contributions will be transferable to the ELC ancillary fund at a rate to ensure that no in-year deficits occur and that accumulated deficits will be fully recovered over the 20 years.
- Both on-going maintenance and renewal of the ELC facility are included as in-year operating expenses.

### **9. Other Ancillary Operations**

#### **Food and Contract Management**

Food and Vending Services establishes and manages contracts with third party vendors for food and vending services in order to provide students, faculty, staff and visitors with a variety of products and services. The vending contracts include laundry for student residences, ABMs, beverage and snack machines and other minor contracts in numerous locations on both campuses.

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Food Services' favourable results are due to the introduction of new outlets and regular updates to menu concepts in response to student demand, and effective management of existing locations to increase throughput. A comprehensive food service strategy has been developed and is pending institutional review. Capital costs for facility improvements are expected to be offset by related increases in revenues, reductions of repair and maintenance expenditures and third-party contributions. The success of Food Services' business plan is dependent on the implementation of new outlets in Central Square in 2017, and the impact of increased competition from retail operations in York Lanes, the Student Centre (both existing and new) and the Quad Residence.

Contract Management negotiates and manages revenue generating contracts and hosting agreements with third parties on behalf of the University. The long-term plan includes revenue sources from roof top cell antenna contracts, media advertising and Crestwood Valley Day Camp at Glendon. Revenues from other contracts that are currently managed, such as Tennis Canada, Seneca College and Computer Methods Building, flow to central University budgets. Revenues from roof top cell antennae total \$3.5M for the ten years of the plan.

Sharp Transition Tax of \$52,443 per annum commences fiscal 17/18 and totals \$472,000 for the ten years of the plan. The unit was able to absorb this charge primarily due to its strength in continually sourcing new revenue opportunities. In addition, indirect overhead costs commence fiscal 17/18, totaling to \$307,071 for the ten years of the plan.

Overall the unit's Net Income contribution over the ten years of the plan totals \$1.7M which is \$614K favourable to the prior plan.

### **Printing Services**

Printing Services provides stationery, secure printing of exams and diplomas, secure scanning and tabulation of University multiple choice examinations, printing of course materials including course kits, and a range of marketing and communication projects. Printing Services incorporates the Copyright Clearance Centre, which provides customized publishing services while ensuring that copyright royalties are respected.

The department works strenuously to improve its campus market share, however, future demand for printing depends upon independent decisions by departments and faculties to outsource or keep printing in-house.

The revenue from course kits has traditionally been 50% of total revenues. Printing Services has been a leader in the production of course kits, and is well respected for its work and the volume of titles produced- as is appropriate for the interdisciplinary approach at York University. Copies sold, as well as titles produced have been declining slightly, mainly due to the existence of alternative 'free' sources and use of instructor's websites (Moodle) to post articles. The unit provides a high level of (free) consultative services to professors in advising them on materials available to include in

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their curriculum, referring to previous books and the archive of 100s of thousands of articles, negotiating permissions for content, all in addition to the functional role of assembly and production of books for print. Printing Services has produced customized course books in digital format, and the Bookstore has developed a secure platform for selling the e-kits produced by Printing Services.

Although a gradual decline in course kit production would be expected, experience in 2011-2012 reminds us that sudden change can result in fiscal shock. Since the cancellation of agreements with Access Copyright at the end of August, 2011, in-house course kit volumes declined. Although a restructuring will occur over this planning horizon, for the long term plan it is currently assumed that there will need to be Central support of \$300K supporting institutional copyright services that were previously subsidized through course kit revenues.

In fiscal 2010-2011, Printing Services reported a profit of \$102K, but has reported substantial losses due to the copyright issue since September 1, 2011. The unit obtained funding support for copyright work in order to meet its financial obligations through to 2016-17. To regain financial control of this unit, the print production and management of the unit was reduced in 2014-15 by \$364K.

Pending the results of a business case to consider how printing services may be able to manage more of this work, the plan shows a reasonable ten-year revenue forecast which is \$2.25M less than the prior plan including the requirement to now pay full indirect overhead costs.

The unit continues to reduce operating expenses through reduced overtime and temporary staff and extending vacancies. The unit's Net Income contribution over the ten years of the plan totals \$224.5K which is \$623 less than the prior year plan to reflect reduced revenues.

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## **Appendix**

### **2016 Long-Term Plans**

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## ANCILLARY OPERATIONS NOVEMBER 2016 LONG-TERM FORECAST BOOKSTORE in \$000s

|  | Actual          | Budget          |                 |                 |                 |                 |                 |                 |                 |                 |                  |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
|  | 2015            | 2016            | 2017            | 2018            | 2019            | 2020            | 2021            | 2022            | 2023            | 2024            | 2025             |
|  | 2016            | 2017            | 2018            | 2019            | 2020            | 2021            | 2022            | 2023            | 2024            | 2025            | 2026             |
| <b>Revenue</b>                               |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                  |
| Revenue from Sales                           | \$15,911        | \$16,378        | \$15,763        | \$15,767        | \$15,771        | \$15,775        | \$15,780        | \$15,785        | \$15,791        | \$15,797        | \$15,804         |
| Rent Subsidy from York University            | \$574           | \$606           | \$611           | \$588           | \$596           | \$604           | \$620           | \$629           | \$638           | \$647           | \$656            |
| <b>Total Revenue</b>                         | <b>\$16,485</b> | <b>\$16,984</b> | <b>\$16,374</b> | <b>\$16,355</b> | <b>\$16,367</b> | <b>\$16,379</b> | <b>\$16,400</b> | <b>\$16,414</b> | <b>\$16,429</b> | <b>\$16,444</b> | <b>\$16,460</b>  |
| <b>Expenses</b>                              |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                  |
| Remuneration                                 | \$2,646         | \$2,694         | \$2,363         | \$2,329         | \$2,328         | \$2,327         | \$2,326         | \$2,324         | \$2,323         | \$2,322         | \$2,322          |
| Cost of Goods Sold                           | \$11,888        | \$12,300        | \$11,809        | \$11,841        | \$11,841        | \$11,842        | \$11,842        | \$11,843        | \$11,844        | \$11,845        | \$11,847         |
| Occupancy Costs                              | \$979           | \$1,024         | \$1,000         | \$977           | \$985           | \$993           | \$1,009         | \$1,018         | \$1,027         | \$1,036         | \$1,045          |
| Other Operating Expenses                     | \$1,077         | \$1,035         | \$1,016         | \$1,021         | \$1,026         | \$1,031         | \$1,036         | \$1,042         | \$1,047         | \$1,053         | \$1,058          |
| Capital Expenditures                         | \$7             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0              |
| <b>Total Expenses</b>                        | <b>\$16,597</b> | <b>\$17,053</b> | <b>\$16,188</b> | <b>\$16,168</b> | <b>\$16,180</b> | <b>\$16,193</b> | <b>\$16,213</b> | <b>\$16,227</b> | <b>\$16,241</b> | <b>\$16,256</b> | <b>\$16,272</b>  |
| Share Services and GI Costs                  | \$0             | \$0             | \$50            | \$50            | \$50            | \$50            | \$50            | \$50            | \$50            | \$50            | \$50             |
| Transition Tax (SHARP)                       | \$0             | \$0             | \$102           | \$102           | \$102           | \$102           | \$102           | \$102           | \$102           | \$102           | \$102            |
| <b>Net Income/(Loss) for Fiscal Year</b>     | <b>(\$112)</b>  | <b>(\$69)</b>   | <b>\$34</b>     | <b>\$35</b>     | <b>\$35</b>     | <b>\$34</b>     | <b>\$35</b>     | <b>\$35</b>     | <b>\$36</b>     | <b>\$36</b>     | <b>\$36</b>      |
| <b>Net Income/(Loss) per Nov. 2015 Plan</b>  |                 | <b>\$259</b>    | <b>\$334</b>    | <b>\$345</b>    | <b>\$332</b>    | <b>\$326</b>    | <b>\$313</b>    | <b>\$308</b>    | <b>\$303</b>    | <b>\$298</b>    | <b>\$293</b>     |
| <b>Change from Nov. 2015 Plan</b>            |                 | <b>(\$328)</b>  | <b>(\$300)</b>  | <b>(\$310)</b>  | <b>(\$297)</b>  | <b>(\$292)</b>  | <b>(\$278)</b>  | <b>(\$273)</b>  | <b>(\$267)</b>  | <b>(\$262)</b>  | <b>(\$257)</b>   |
| <b>Cumulative Change from Nov. 2015 Plan</b> |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 | <b>(\$2,864)</b> |

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## ANCILLARY OPERATIONS NOVEMBER 2016 LONG-TERM FORECAST HOUSING AND CONFERENCE SERVICES in \$000s

|  | Actual    | Budget   |           |           |          |          |           |          |          |          |                  |
|--|-----------|----------|-----------|-----------|----------|----------|-----------|----------|----------|----------|------------------|
|  | 2015      | 2016     | 2017      | 2018      | 2019     | 2020     | 2021      | 2022     | 2023     | 2024     | 2025             |
|  | 2016      | 2017     | 2018      | 2019      | 2020     | 2021     | 2022      | 2023     | 2024     | 2025     | 2026             |
| <b>Revenue</b>                               | \$29,706  | \$28,680 | \$28,766  | \$29,638  | \$30,186 | \$30,756 | \$31,348  | \$31,667 | \$31,993 | \$32,326 | \$32,665         |
| <b>Total Revenue</b>                         | \$29,706  | \$28,680 | \$28,766  | \$29,638  | \$30,186 | \$30,756 | \$31,348  | \$31,667 | \$31,993 | \$32,326 | \$32,665         |
| <b>Expenses</b>                              |           |          |           |           |          |          |           |          |          |          |                  |
| Remuneration                                 | \$6,621   | \$7,713  | \$7,828   | \$7,985   | \$8,145  | \$8,308  | \$8,474   | \$8,643  | \$8,816  | \$8,992  | \$9,172          |
| Other Operating Expenses                     | \$5,863   | \$6,256  | \$6,381   | \$6,509   | \$6,639  | \$6,772  | \$6,908   | \$7,046  | \$7,187  | \$7,330  | \$7,477          |
| Energy (HVAC, Electricity, Water)            | \$5,007   | \$5,107  | \$5,304   | \$5,439   | \$5,610  | \$5,811  | \$6,027   | \$6,245  | \$6,472  | \$6,713  | \$6,958          |
| Capital Renewal                              | \$10,295  | \$5,808  | \$7,214   | \$6,903   | \$4,565  | \$4,938  | \$10,877  | \$4,139  | \$3,990  | \$3,974  | \$3,742          |
| <b>Total Operating Expenses</b>              | \$27,786  | \$24,884 | \$26,727  | \$26,836  | \$24,959 | \$25,829 | \$32,286  | \$26,073 | \$26,465 | \$27,009 | \$27,349         |
| <b>Operating Income</b>                      | \$1,920   | \$3,796  | \$2,039   | \$2,802   | \$5,227  | \$4,927  | (\$938)   | \$5,594  | \$5,528  | \$5,317  | \$5,316          |
| Share Services and GI Costs                  | \$0       | \$0      | \$1,660   | \$1,660   | \$1,660  | \$1,660  | \$1,660   | \$1,660  | \$1,660  | \$1,660  | \$1,660          |
| Transition Tax (SHARP)                       | \$0       | \$0      | \$702     | \$702     | \$702    | \$702    | \$702     | \$702    | \$702    | \$702    | \$702            |
| Contribution to/(from) Capital Reserve       | (\$2,110) | (\$168)  | (\$4,001) | (\$3,058) | (\$550)  | (\$850)  | (\$6,531) | \$0      | \$0      | \$0      | \$0              |
| Debt Service Costs                           | \$3,478   | \$3,401  | \$3,299   | \$3,120   | \$3,037  | \$3,037  | \$2,853   | \$2,853  | \$2,787  | \$2,575  | \$2,575          |
| <b>Net Income/(Loss) for Fiscal Year</b>     | \$552     | \$563    | \$379     | \$378     | \$378    | \$378    | \$378     | \$379    | \$379    | \$380    | \$379            |
| <b>Net Income/(Loss) per Nov. 2015 Plan</b>  |           | \$562    | \$577     | \$593     | \$604    | \$831    | \$846     | \$830    | \$838    | \$874    | \$503            |
| <b>Change from Nov. 2015 Plan</b>            |           | \$1      | (\$198)   | (\$215)   | (\$226)  | (\$453)  | (\$468)   | (\$451)  | (\$459)  | (\$494)  | (\$124)          |
| <b>Cumulative Change from Nov. 2015 Plan</b> |           |          |           |           |          |          |           |          |          |          | <u>(\$3,087)</u> |

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## ANCILLARY OPERATIONS NOVEMBER 2016 LONG-TERM FORECAST PARKING SERVICES in \$000s

|  | Actual<br>2015<br>2016 | Budget<br>2016<br>2017 | 2017<br>2018    | 2018<br>2019    | 2019<br>2020    | 2020<br>2021    | 2021<br>2022    | 2022<br>2023    | 2023<br>2024    | 2024<br>2025    | 2025<br>2026    |
|--|------------------------|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Revenue</b>                                 |                        |                        |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Revenue  | \$15,490               | \$14,932               | \$14,559        | \$14,855        | \$14,995        | \$15,138        | \$15,446        | \$15,595        | \$15,746        | \$16,068        | \$16,226        |
| <b>Total Revenue</b>                           | <b>\$15,490</b>        | <b>\$14,932</b>        | <b>\$14,559</b> | <b>\$14,855</b> | <b>\$14,995</b> | <b>\$15,138</b> | <b>\$15,446</b> | <b>\$15,595</b> | <b>\$15,746</b> | <b>\$16,068</b> | <b>\$16,226</b> |
| <b>Expenses</b>                                |                        |                        |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Remuneration                                   | \$3,293                | \$3,416                | \$3,351         | \$3,418         | \$3,486         | \$3,556         | \$3,627         | \$3,699         | \$3,773         | \$3,849         | \$3,926         |
| Cost of Sales TTC Metropasses                  | \$645                  | \$682                  | \$696           | \$710           | \$724           | \$738           | \$753           | \$768           | \$783           | \$799           | \$815           |
| Other Operating Expenses                       | \$2,905                | \$3,612                | \$3,404         | \$3,471         | \$3,540         | \$3,610         | \$3,682         | \$3,756         | \$3,831         | \$3,908         | \$3,987         |
| Capital Renewal                                | (\$53)                 | \$972                  | \$616           | \$1,099         | \$283           | \$271           | \$422           | \$409           | \$396           | \$549           | \$536           |
| <b>Total Expenses</b>                          | <b>\$6,790</b>         | <b>\$8,682</b>         | <b>\$8,067</b>  | <b>\$8,698</b>  | <b>\$8,033</b>  | <b>\$8,175</b>  | <b>\$8,484</b>  | <b>\$8,632</b>  | <b>\$8,783</b>  | <b>\$9,105</b>  | <b>\$9,264</b>  |
| <b>Operating Income Before Amort/Land Rent</b> | <b>\$8,700</b>         | <b>\$6,250</b>         | <b>\$6,492</b>  | <b>\$6,157</b>  | <b>\$6,962</b>  | <b>\$6,963</b>  | <b>\$6,962</b>  | <b>\$6,963</b>  | <b>\$6,963</b>  | <b>\$6,963</b>  | <b>\$6,962</b>  |
| Amortization - Debt                            | \$4,202                | \$4,202                | \$4,202         | \$4,202         | \$4,202         | \$4,202         | \$4,202         | \$4,202         | \$4,202         | \$4,202         | \$4,202         |
| Contribution to/(from) Capital Reserve         | \$1,841                | (\$667)                | (\$469)         | (\$805)         | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             |
| Contribution Transp/goSAFE/CCTV/Card Access    | \$1,410                | \$1,410                | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             |
| Share Services and GI Costs                    | \$0                    | \$0                    | \$1,177         | \$1,177         | \$1,177         | \$1,177         | \$1,177         | \$1,177         | \$1,177         | \$1,177         | \$1,177         |
| Transition Tax (SHARP)                         | \$0                    | \$0                    | \$364           | \$364           | \$364           | \$364           | \$364           | \$364           | \$364           | \$364           | \$364           |
| Land Rent                                      | \$1,189                | \$1,189                | \$1,189         | \$1,189         | \$1,189         | \$1,189         | \$1,189         | \$1,189         | \$1,189         | \$1,189         | \$1,189         |
| <b>Total Amortization, Reserve, Land Rent</b>  | <b>\$8,642</b>         | <b>\$6,134</b>         | <b>\$6,463</b>  | <b>\$6,127</b>  | <b>\$6,932</b>  | <b>\$6,932</b>  | <b>\$6,932</b>  | <b>\$6,932</b>  | <b>\$6,932</b>  | <b>\$6,932</b>  | <b>\$6,932</b>  |
| <b>Net Income/(Loss) for Fiscal Year</b>       | <b>\$58</b>            | <b>\$116</b>           | <b>\$29</b>     | <b>\$30</b>     | <b>\$30</b>     | <b>\$31</b>     | <b>\$30</b>     | <b>\$31</b>     | <b>\$31</b>     | <b>\$31</b>     | <b>\$30</b>     |
| <b>Net Income/(Loss) per Nov. 2015 Plan</b>    |                        | <b>\$115</b>           | <b>\$30</b>     | <b>\$30</b>     | <b>\$30</b>     | <b>\$30</b>     | <b>\$30</b>     | <b>\$17</b>     | <b>\$15</b>     | <b>\$18</b>     | <b>\$18</b>     |
| <b>Change from Nov. 2015 Plan</b>              |                        | <b>\$1</b>             | <b>(\$1)</b>    | <b>\$0</b>      | <b>\$0</b>      | <b>\$1</b>      | <b>\$0</b>      | <b>\$14</b>     | <b>\$16</b>     | <b>\$13</b>     | <b>\$12</b>     |
| <b>Cumulative Change from Nov. 2015 Plan</b>   |                        |                        |                 |                 |                 |                 |                 |                 |                 |                 | <b>\$56</b>     |

# Board of Governors

## ANCILLARY OPERATIONS NOVEMBER 2016 LONG-TERM FORECAST YU-Card Program in \$000s

|  | Actual         | Budget       |                |                |                |                |                |                |                |                |                |
|--|----------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  | 2015           | 2016         | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           | 2023           | 2024           | 2025           |
|  | 2016           | 2017         | 2018           | 2019           | 2020           | 2021           | 2022           | 2023           | 2024           | 2025           | 2026           |
| <b>Revenue</b>                               |                |              |                |                |                |                |                |                |                |                |                |
| Revenue                                      | \$926          | \$859        | \$933          | \$982          | \$1,044        | \$1,091        | \$1,150        | \$1,207        | \$1,268        | \$1,334        | \$1,403        |
| Expense Recovery - Support                   | \$100          | \$100        | \$100          | \$100          | \$100          | \$100          | \$100          | \$100          | \$100          | \$100          | \$100          |
| <b>Total Revenue</b>                         | <b>\$1,026</b> | <b>\$959</b> | <b>\$1,033</b> | <b>\$1,082</b> | <b>\$1,144</b> | <b>\$1,191</b> | <b>\$1,250</b> | <b>\$1,307</b> | <b>\$1,368</b> | <b>\$1,434</b> | <b>\$1,503</b> |
| <b>Expenses</b>                              |                |              |                |                |                |                |                |                |                |                |                |
| Remuneration                                 | \$268          | \$329        | \$334          | \$341          | \$347          | \$354          | \$361          | \$369          | \$376          | \$383          | \$391          |
| Other Operating Expenses                     | \$370          | \$388        | \$396          | \$404          | \$412          | \$420          | \$429          | \$437          | \$446          | \$455          | \$464          |
| Major Renovations/Equip/Soft Licence         | \$234          | \$214        | \$271          | \$276          | \$282          | \$287          | \$293          | \$299          | \$305          | \$311          | \$317          |
| <b>Total Expenses</b>                        | <b>\$872</b>   | <b>\$931</b> | <b>\$1,001</b> | <b>\$1,021</b> | <b>\$1,041</b> | <b>\$1,061</b> | <b>\$1,083</b> | <b>\$1,105</b> | <b>\$1,127</b> | <b>\$1,149</b> | <b>\$1,172</b> |
| <b>Operating Income</b>                      | <b>\$154</b>   | <b>\$28</b>  | <b>\$32</b>    | <b>\$61</b>    | <b>\$103</b>   | <b>\$130</b>   | <b>\$167</b>   | <b>\$202</b>   | <b>\$241</b>   | <b>\$285</b>   | <b>\$331</b>   |
| Contribution to/(from) Capital Reserve       | \$123          | \$0          | \$0            | \$24           | \$64           | \$89           | \$128          | \$163          | \$202          | \$245          | \$292          |
| Share Services and GI Costs                  | \$0            | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| Transition Tax (SHARP)                       | \$0            | \$0          | \$14           | \$14           | \$14           | \$14           | \$14           | \$14           | \$14           | \$14           | \$14           |
| <b>Net Income/(Loss) for Fiscal Year</b>     | <b>\$31</b>    | <b>\$28</b>  | <b>\$18</b>    | <b>\$23</b>    | <b>\$25</b>    | <b>\$27</b>    | <b>\$25</b>    | <b>\$25</b>    | <b>\$25</b>    | <b>\$26</b>    | <b>\$25</b>    |
| <b>Net Income/(Loss) per Nov. 2015 Plan</b>  |                | <b>\$28</b>  | <b>\$71</b>    | <b>\$104</b>   | <b>\$148</b>   | <b>\$91</b>    | <b>\$15</b>    | <b>\$16</b>    | <b>\$16</b>    | <b>\$17</b>    | <b>\$18</b>    |
| <b>Change from Nov. 2015 Plan</b>            |                | <b>\$0</b>   | <b>(\$53)</b>  | <b>(\$81)</b>  | <b>(\$123)</b> | <b>(\$64)</b>  | <b>\$10</b>    | <b>\$9</b>     | <b>\$9</b>     | <b>\$9</b>     | <b>\$7</b>     |
| <b>Cumulative Change from Nov. 2015 Plan</b> |                |              |                |                |                |                |                |                |                |                | <b>(277)</b>   |

# Board of Governors

## ANCILLARY OPERATIONS NOVEMBER 2016 LONG -TERM FORECAST UIT, TELECOMMUNICATIONS in \$000s

|   | Actual         | Budget         |                |                |                |                |                |                |                |                |                  |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
|   | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           | 2023           | 2024           | 2025             |
|   | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           | 2023           | 2024           | 2025           | 2026             |
| <b>Revenue</b>                                | \$4,619        | \$4,604        | \$4,560        | \$4,517        | \$4,474        | \$4,432        | \$4,389        | \$4,348        | \$4,306        | \$4,266        | \$4,225          |
| <b>Expenses</b>                               |                |                |                |                |                |                |                |                |                |                |                  |
| Remuneration                                  | \$1,629        | \$1,847        | \$1,884        | \$1,922        | \$1,960        | \$1,999        | \$2,039        | \$2,080        | \$2,122        | \$2,110        | \$2,078          |
| Other Operating Expenses                      | \$1,907        | \$1,671        | \$1,704        | \$1,739        | \$1,773        | \$1,809        | \$1,845        | \$1,882        | \$1,919        | \$1,900        | \$1,895          |
| Repair / Maintenance (Inventory/amortization) | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0              |
| <b>Total Expenses</b>                         | <b>\$3,536</b> | <b>\$3,518</b> | <b>\$3,588</b> | <b>\$3,661</b> | <b>\$3,733</b> | <b>\$3,808</b> | <b>\$3,884</b> | <b>\$3,962</b> | <b>\$4,041</b> | <b>\$4,010</b> | <b>\$3,973</b>   |
| <b>Operating Income</b>                       | <b>\$1,083</b> | <b>\$1,086</b> | <b>\$972</b>   | <b>\$856</b>   | <b>\$741</b>   | <b>\$624</b>   | <b>\$505</b>   | <b>\$386</b>   | <b>\$265</b>   | <b>\$256</b>   | <b>\$252</b>     |
| Contribution to/(from) Capital Reserve        | \$0            | \$572          | \$406          | \$316          | \$300          | \$218          | \$164          | \$45           | \$24           | \$15           | \$11             |
| Share Services and GI Costs                   | \$0            | \$0            | \$220          | \$220          | \$220          | \$220          | \$220          | \$220          | \$220          | \$220          | \$220            |
| Transition Tax (SHARP)                        | \$0            | \$0            | \$21           | \$21           | \$21           | \$21           | \$21           | \$21           | \$21           | \$21           | \$21             |
| <b>Net Income/(Loss) for Fiscal Year</b>      | <b>\$1,083</b> | <b>\$514</b>   | <b>\$325</b>   | <b>\$299</b>   | <b>\$200</b>   | <b>\$165</b>   | <b>\$100</b>   | <b>\$100</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>       |
| <b>Net Income/(Loss) per Nov. 2015 Plan</b>   |                | <b>\$1,088</b> | <b>\$725</b>   | <b>\$606</b>   | <b>\$486</b>   | <b>\$365</b>   | <b>\$243</b>   | <b>\$120</b>   | <b>(\$5)</b>   | <b>(\$130)</b> | <b>\$0</b>       |
| <b>Change from Nov. 2015 Plan</b>             |                | <b>(\$574)</b> | <b>(\$400)</b> | <b>(\$307)</b> | <b>(\$286)</b> | <b>(\$200)</b> | <b>(\$143)</b> | <b>(\$20)</b>  | <b>\$5</b>     | <b>\$130</b>   | <b>\$0</b>       |
| <b>Cumulative Change from Nov. 2015 Plan</b>  |                |                |                |                |                |                |                |                |                |                | <b>(\$1,795)</b> |

# Board of Governors

## ANCILLARY OPERATIONS NOVEMBER 2016 LONG TERM FORECAST EXECUTIVE LEARNING CENTRE & NADAL MANAGEMENT CENTRE in \$000s

|  | Actual<br>2015<br>2016 | Budget<br>2016<br>2017 | 2017<br>2018    | 2018<br>2019    | 2019<br>2020    | 2020<br>2021    | 2021<br>2022    | 2022<br>2023    | 2023<br>2024    | 2024<br>2025   | 2025<br>2026   |
|--|------------------------|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|----------------|
| <b>Revenue</b>                               |                        |                        |                 |                 |                 |                 |                 |                 |                 |                |                |
| Executive Learning Centre                    | \$5,072                | \$5,292                | \$6,072         | \$6,072         | \$6,072         | \$6,072         | \$6,072         | \$6,072         | \$6,072         | \$6,072        | \$6,072        |
| Revenue Transfer from SEEC Operations        | \$2,600                | \$2,900                | \$2,900         | \$2,900         | \$3,000         | \$3,000         | \$3,200         | \$3,200         | \$3,200         | \$1,800        | \$1,800        |
| Nadal Management Centre                      | \$1,185                | \$1,178                | \$1,178         | \$1,178         | \$1,178         | \$1,178         | \$1,178         | \$1,178         | \$1,178         | \$1,178        | \$1,178        |
| <b>Total Revenue</b>                         | <b>\$8,857</b>         | <b>\$9,370</b>         | <b>\$10,150</b> | <b>\$10,150</b> | <b>\$10,250</b> | <b>\$10,250</b> | <b>\$10,450</b> | <b>\$10,450</b> | <b>\$10,450</b> | <b>\$9,050</b> | <b>\$9,050</b> |
| <b>Expenses</b>                              |                        |                        |                 |                 |                 |                 |                 |                 |                 |                |                |
| Executive Learning Centre                    | \$5,073                | \$5,292                | \$5,292         | \$5,292         | \$5,292         | \$5,292         | \$5,292         | \$5,292         | \$5,292         | \$5,292        | \$5,292        |
| Nadal Management Centre                      | \$1,091                | \$1,127                | \$1,127         | \$1,127         | \$1,127         | \$1,127         | \$1,127         | \$1,127         | \$1,127         | \$1,127        | \$1,127        |
| <b>Total Expenses</b>                        | <b>\$6,164</b>         | <b>\$6,419</b>         | <b>\$6,419</b>  | <b>\$6,419</b>  | <b>\$6,419</b>  | <b>\$6,419</b>  | <b>\$6,419</b>  | <b>\$6,419</b>  | <b>\$6,419</b>  | <b>\$6,419</b> | <b>\$6,419</b> |
| <b>Operating Income</b>                      | <b>\$2,693</b>         | <b>\$2,951</b>         | <b>\$3,731</b>  | <b>\$3,731</b>  | <b>\$3,831</b>  | <b>\$3,831</b>  | <b>\$4,031</b>  | <b>\$4,031</b>  | <b>\$4,031</b>  | <b>\$2,631</b> | <b>\$2,631</b> |
| SHARP Budget Allocations                     | \$0                    | \$0                    | \$780           | \$780           | \$780           | \$780           | \$780           | \$780           | \$780           | \$780          | \$780          |
| Debt Service Costs                           | \$1,850                | \$1,850                | \$1,850         | \$1,850         | \$1,850         | \$1,850         | \$1,850         | \$1,850         | \$1,850         | \$1,850        | \$1,850        |
| <b>Net Income/(Loss) for Fiscal Year</b>     | <b>\$843</b>           | <b>\$1,101</b>         | <b>\$1,101</b>  | <b>\$1,101</b>  | <b>\$1,201</b>  | <b>\$1,201</b>  | <b>\$1,401</b>  | <b>\$1,401</b>  | <b>\$1,401</b>  | <b>\$1</b>     | <b>\$1</b>     |
| <b>Net Income/(Loss) per Nov. 2015 Plan</b>  |                        | <b>\$1,101</b>         | <b>\$1,101</b>  | <b>\$1,101</b>  | <b>\$1,201</b>  | <b>\$1,201</b>  | <b>\$1,401</b>  | <b>\$1,401</b>  | <b>\$1,401</b>  | <b>\$1</b>     | <b>\$1</b>     |
| <b>Change from Nov. 2015 Plan</b>            |                        | <b>\$0</b>             | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>     | <b>\$0</b>     |
| <b>Cumulative Change from Nov. 2015 Plan</b> |                        |                        |                 |                 |                 |                 |                 |                 |                 |                | <b>\$0</b>     |

# Board of Governors

## ANCILLARY OPERATIONS NOVEMBER 2016 LONG-TERM FORECAST FOOD AND CONTRACT MANAGEMENT in \$000s

|  | Actual  | Budget  |         |         |         |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|  | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    |
|  | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    | 2026    |
| <b>Revenue</b>                               | \$2,161 | \$2,197 | \$2,234 | \$2,279 | \$2,315 | \$2,350 | \$2,388 | \$2,422 | \$2,466 | \$2,507 | \$2,543 |
| <b>Total Revenue</b>                         | \$2,161 | \$2,197 | \$2,234 | \$2,279 | \$2,315 | \$2,350 | \$2,388 | \$2,422 | \$2,466 | \$2,507 | \$2,543 |
| <b>Expenses</b>                              |         |         |         |         |         |         |         |         |         |         |         |
| Remuneration                                 | \$316   | \$356   | \$362   | \$369   | \$376   | \$384   | \$391   | \$399   | \$407   | \$415   | \$423   |
| Other Operating Expenses                     | \$775   | \$852   | \$876   | \$899   | \$925   | \$954   | \$984   | \$1,016 | \$1,049 | \$1,084 | \$1,120 |
| Major Renovations/Mtce/Equipment             | \$708   | \$735   | \$673   | \$698   | \$716   | \$756   | \$780   | \$772   | \$807   | \$789   | \$785   |
| <b>Total Expenses</b>                        | \$1,799 | \$1,943 | \$1,911 | \$1,966 | \$2,017 | \$2,094 | \$2,155 | \$2,187 | \$2,263 | \$2,288 | \$2,328 |
| Contribution to/(From) Capital Reserve       | \$0     | \$0     | \$72    | \$62    | \$48    | \$4     | (\$20)  | (\$17)  | (\$48)  | (\$34)  | (\$39)  |
| Share Services and GI Costs                  | \$0     | \$0     | \$34    | \$34    | \$34    | \$34    | \$34    | \$34    | \$34    | \$34    | \$34    |
| Transition Tax (SHARP)                       | \$0     | \$0     | \$52    | \$52    | \$52    | \$52    | \$52    | \$52    | \$52    | \$52    | \$52    |
| <b>Net Income/(Loss) for Fiscal Year</b>     | \$362   | \$254   | \$165   | \$165   | \$164   | \$166   | \$167   | \$166   | \$165   | \$167   | \$168   |
| <b>Net Income/(Loss) per Nov. 2015 Plan</b>  |         | \$254   | \$234   | \$135   | \$118   | \$83    | \$65    | \$74    | \$46    | \$64    | \$60    |
| <b>Change from Nov. 2015 Plan</b>            |         | \$0     | (\$69)  | \$30    | \$46    | \$83    | \$102   | \$92    | \$119   | \$103   | \$108   |
| <b>Cumulative Change from Nov. 2015 Plan</b> |         |         |         |         |         |         |         |         |         |         | \$614   |

# Board of Governors

## ANCILLARY OPERATIONS NOVEMBER 2016 LONG-TERM FORECAST PRINTING SERVICES in \$000s

|  | Actual  | Budget  |         |         |         |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|  | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    |
|  | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    | 2026    |
| <b>Revenue</b>                               | \$2,060 | \$1,647 | \$1,627 | \$1,654 | \$1,681 | \$1,709 | \$1,737 | \$1,766 | \$1,795 | \$1,825 | \$1,855 |
| <b>Expenses</b>                              |         |         |         |         |         |         |         |         |         |         |         |
| Remuneration                                 | \$911   | \$903   | \$897   | \$915   | \$933   | \$952   | \$971   | \$990   | \$1,010 | \$1,030 | \$1,051 |
| Cost of Sales                                | \$581   | \$626   | \$584   | \$596   | \$607   | \$620   | \$632   | \$645   | \$658   | \$671   | \$684   |
| Major Renovations/Equipment                  | \$15    | \$18    | \$30    | \$30    | \$28    | \$27    | \$27    | \$24    | \$21    | \$21    | \$21    |
| Other Operating Expenses                     | \$64    | \$86    | \$91    | \$89    | \$88    | \$87    | \$83    | \$82    | \$82    | \$78    | \$75    |
| <b>Total Expenses</b>                        | \$1,571 | \$1,633 | \$1,602 | \$1,630 | \$1,656 | \$1,686 | \$1,713 | \$1,741 | \$1,771 | \$1,800 | \$1,831 |
| Share Services and GI Costs                  | \$0     | \$0     | \$0     | \$0     | \$0     | \$0     | \$0     | \$0     | \$0     | \$0     | \$0     |
| Transition Tax (SHARP)                       | \$0     | \$0     | \$1     | \$1     | \$1     | \$1     | \$1     | \$1     | \$1     | \$1     | \$1     |
| <b>Net Income/(Loss) for Fiscal Year</b>     | \$489   | \$14    | \$24    | \$23    | \$24    | \$22    | \$23    | \$24    | \$23    | \$24    | \$23    |
| <b>Net Income/(Loss) per Nov. 2015 Plan</b>  |         | \$68    | \$68    | \$72    | \$77    | \$82    | \$86    | \$91    | \$96    | \$101   | \$106   |
| <b>Change from Nov. 2015 Plan</b>            |         | (\$54)  | (\$44)  | (\$49)  | (\$53)  | (\$60)  | (\$63)  | (\$67)  | (\$73)  | (\$77)  | (\$83)  |
| <b>Cumulative Change from Nov. 2015 Plan</b> |         |         |         |         |         |         |         |         |         |         | (\$623) |