

HOSPITALITY SERVICES

Budget Presentation 2016-2017

Introduction

- Ancillary Department - operating Food Services, University Bookstore, Conference Services, Retail Services, Mail Services
- Self funded including all operating costs, capital projects and related financing costs
- 20 food and retail locations on campus and 27 off campus partners who take the meal card

Comparative Financial Indicators

	2011/12	2012/13	2013/14	2014/15	Forecast 2015/16	Budget 2016/17
Enrolment – University Degree Programs (FTE's)	21,542	21,644	21,548	21,545	20,771	20,500
Faculty & Staff (Regular Budgeted Positions)	2,946	2,951	2,965	2,963	2,890	2,900
Residence Meal Plans	4,150	3,956	3,803	3,794	3,833	3,900
Total Revenue (in thousands of dollars)	\$34,936	\$33,959	\$33,274	\$33,983	\$34,388	\$35,119
Cost of Goods Sold % (1)	39.40%	37.90%	37.62%	36.17%	37.09%	36.90%
CPI Food (Ontario)	4.00%	1.60%	1.10%	3.50%	3.70%	3.70%
Labour %	36.87%	38.90%	39.83%	39.96%	38.44%	38.38%
Capital Expenditures (in thousands of dollars)	\$553	\$2,021	\$349	\$1,244	\$3,503	\$950
Internal Loan Balance (in thousands of dollars)	\$2,790	\$3,415	\$2,892	\$2,718	\$5,881	\$5,162
# Full Time Employees	153	143	140	143	139	137
Central Charge (in thousands of dollars)	\$2,265	\$2,306	\$2,348	\$2,392	\$2,414	\$2,456
Square Foot	99,250	99,250	99,525	99,525	99,525	99,525
Central Charge Per Square Foot	\$22.82	\$23.23	\$23.59	\$24.03	\$24.26	\$24.68

Budget Assumptions

- Revenue
 - Meal plan levels will remain at current levels
 - 3% increase in food prices to offset the increase in variable costs
 - Text sales will continue to erode (used, digital media, Trade)
 - Retail sales will continue to increase (diversification, clothing)

Budget Assumptions

- Expenditures
 - Food cost is targeted at 32.9%
 - Bookstore and Retail costs are targeted at 68.2%
 - Total labour cost is targeted at 39%
 - Institutional Charges will increase by 2%
 - Renovations – Pages, Mountain, MAC Hall,
 - Capital equipment replacement – Level 0, Creelman, LA
 - Net Transfer – Academic Buildings, Gryphon Centre, MYP2

A.4 Residence Meal Plan Rates:

Hospitality Services continues to offer students competitively priced meal plans while offering higher quality and wider variety of services.

The increase in meal plan rates reflects increased variable and fixed costs to Hospitality Services. The cost of the minimum meal plan will be \$3,795 for the academic year (2 semesters), a \$110 increase.

Residence Meal Plan Rates **per year (2 semesters)** are as follows:

	<u>2015/2016</u>	<u>2016/2017</u>	<u>\$ Increase</u>
Minimum Plan	3,685	3,795	110
Light Plan	4,275	4,405	130
Full Plan	4,805	4,950	145
Plus Plan	5,275	5,435	160
Varsity Plan	5,680	5,850	170

Comparative rates from other major universities are shown in the following table and reflect Guelph's competitive relative position.

Name of School	Plan Type	Mandatory Meal Plan Minimum Amount 2015/16	Forecasted % Increase 2016/17	Forecasted Meal Plan Minimum Amount 2016/17
Queen's University	Board Plan*	4,905	3.5%	5,077
Western University	Debit Plan	4,340	5%	4,557
Wilfrid Laurier University	Board Plan*	4,314	3%	4,443
University of Waterloo	Debit Plan	4,248	3%	4,375
University of Windsor	Debit Plan	4,150	2.5%	4,254
Trent University	Board Plan*	4,200	0	4,200
Lakehead University	Debit Plan	3,940	3%	4,058
Victoria University	Debit Plan	3,823	3.3%	3,949
University of Guelph	Debit Plan	3,685	3%	3,795
U of T at Mississauga	Debit Plan	3,699	0	3,699
Brock University	Board Plan*	3,600	0	3,600
Ryerson University	Debit Plan	3,451	**	
McMaster University	Debit Plan	3,424	5%	3,595
York University	Debit Plan	2,625	4.5%	2,743
Carleton University	Board Plan*	2,430	**	

* A board plan is where a student gets a fixed number of meals per week ie. 19. A student can eat as much as they would like at each meal but cannot remove most foods from the dining hall. Due to the nature of this type of plan usually selection is limited. If a student misses a meal they lose it but are still charged for it. In addition students are normally restricted as to where they can use their board plan on campus with no access to off campus restaurants.

** 2016/2017 rates were not available at this time

University of Guelph
Hospitality Services
2016/2017 Operating Budget
In Thousands \$

	2014/2015 Actual		2015/2016 Forecast		2016/2017 Budget	
Revenue						
Food Services	24,982	74%	25,594	74%	26,235	75%
Bookstore	6,182	18%	6,124	18%	6,021	17%
Retail Services	2,819	8%	2,670	8%	2,863	8%
Total Revenue	33,983	100%	34,388	100%	35,119	100%
Expenses						
Cost of Materials	12,292	36%	12,755	37%	12,960	37%
Personnel	13,581	40%	13,320	39%	13,477	39%
Institutional Charges	2,123	6%	2,106	6%	2,148	6%
Operating	4,132	12%	4,188	12%	4,388	12%
Travel	58	0%	68	0%	60	0%
Renovations	558	2%	364	1%	460	2%
Capital Equipment	436	1%	575	2%	490	1%
Total Expenses	33,180	97%	33,376	97%	33,983	97%
Income (Expenses) Before Transfers	803	3%	1,012	3%	1,136	3%
Net Transfer (Schedule 1)	(790)	-3%	(989)	-3%	(1,110)	-3%
Increase (Decrease) in Fund Balance	13	0%	23	0%	26	0%
Unappropriated Fund Balance	160		173		196	
Fund Balance	173		196		222	

Thank you.

