



Food Service Committee

Minutes of Meeting

Date: Thursday, December 12, 2013
Room: DV 3214
Attendees: A. De Vito, P. Donoghue, C. Graham, A. Maughn, P. Desrochers, D. Zheng, D. Ball, M. Cowan, J. Chacón, M. Theodore, K. Nañola
Regrets: R. Noronha, V. Kanelis, D. Mullings

1. **BUSINESS ARISING**

Update on Resident Student Membership on the Committee

- D. Zheng informed the committee that K. Nañola will be replacing J. Liao as one of the Resident Student representatives on the committee

Update on Pilot Project for Sourcing and Selecting Initiatives for Blind Duck

- M. Theodore reported that there was no update at this time
- M. Theodore asked about the possibility of the UTM setting up a Farmers Market for the community, similar to what is currently being done on the St. George campus
- A. De Vito replied by stating that the objectives of a Farmers Market are different than that of the Pilot Project as originally suggested by the UTMSU
- **ACTION – The UTMSU will provide an update on this Pilot Project for the next meeting**
- **ACTION – The UTMSU will provide some background information on the St. George Farmer's Market for discussion at the next meeting**

Update on Chartwells Value Meals

- A. De Vito explained that the implementation of the Value Meals by Chartwells will start in January 2014 – later than originally expected
- The Value Meals will be \$5, \$6, or \$7 from Monday to Thursday in the TFC
 - o A different combo from a different outlet in the TFC will be offered each day, but the combos will be offered from the same outlet weekly (e.g. Tandoori Tuesdays)
 - o Chartwells has guaranteed at least one \$5 value meal each week

- The Committee asked how the Value Meals will be advertised and suggested sending out a listserv to the community
 - o A. De Vito responded by stating that Chartwells will advertise the combos on their website and on digital signage in the TFC, and Hospitality and Retail Services (H&RS) will advertise the combos on its website, on its digital display in the H&RS office, and agreed to do a listserv as well introducing the program
 - o A. De Vito also added that, in the future, H&RS will be looking at using social media to communicate its information including messages relating to the Value Meals
 - o UPDATE – H&RS will also be looking into advertising the Value Meal program on the campus-wide digital display system

Update on Question Posed to Residence Dining Committee

- A. De Vito provided an update on the question “What happens with the meal plan money left over at the end of the year?” posed by R. Noronha to be forwarded to the Residence Dining Committee for discussion
 - o A. De Vito explained that students are committed to spending up to the Minimum Commitment when they purchase a Meal Plan
 - o The Minimum Commitment covers the cost of running the Meal Plan program
 - o Any Meal Plan value left over once the Minimum Commitment amount is spent is carried over into the following year
 - o With the lowering of the Minimum Commitment by \$100 in 2012-13, the amount of leftover Meal Plan value eligible for carryover has resultantly increased by \$100
- A. De Vito explained that the Residence Dining Committee brought forward no further issues on this subject
- M. Theodore asked about the possibility of being able to make bookstore purchases using the Meal Plan, similar to what is currently being done at York
- A. De Vito responded that this concept has been discussed as a possible tri-campus initiative to determine how it will work and the resultant associated costs, but the program is still in the discussion phase, particularly given the complexity of all of the factors involved in making it work at UTM and St. George and, eventually, at UTSC

2. NEW BUSINESS

Food Service Budget

- A soft copy of the 2013-14 to 2018-19 Budget and Forecast for Food Service was distributed to the Committee by email 2 days prior to the meeting
- A. De Vito explained that the Food Service Budget presentation at the meeting would be focussing on the 2013-14 and 2014-15 years
- Before presenting the budget, A. De Vito listed the following factors that played significant roles in affecting the budget:
 - o New construction: North Building Phase I, Innovation Center, Colman Expansion, Spigel Renovation

- o Loss of 2 floors of residence rooms in Erindale Hall
- o Equipment, particularly at Colman Commons, needing to be replaced sooner than anticipated
- o Delay in the replacement of the Director of H&RS and of the H&RS Clerk
- o Estimated increase in food prices by 2.8% for 2014-15 based on:
 - 1.9% food sector CPI increase projected by analysts (BMO, Bank of Canada)
 - Significant increases forecasted for meats, fish, fruits, and baked goods – food items that are used widely in Chartwells' operation
 - Annual increases in food service labour and overhead costs that put upward pressure on food prices
- A. De Vito presented the 2013-14 Forecast and highlighted several key variances:
 - o Catering was forecasted to drop dramatically from budget given the loss of residence rooms available for Conferences, the lack of event space on campus, and given the increase in summer academic programs, such as the ACE program, that are using resources typically available for Conferences (these revenues are accounted for under Meal Plans)
 - P. Desrochers indicated that, in the long-term forecast distributed to the Committee prior to the meeting, Catering Revenue, although projected to steadily increase, does not return to historical levels
 - P. Donoghue intervened by stating that, along with the increase in academic programs in the summer, summer enrolment is also rapidly increasing which also takes resources away from Conferences – P. Donoghue sees the role of the Conference and Special Events Department slowly moving away from Conferences and more towards Special Events
 - o The variance in Salary, Wages, and Benefits is attributed to the delay in hiring a Director and an H&RS Clerk
 - D. Ball asked why specifically the budget for Salary, Wages, and Benefits for 2013-14 was set so high
 - A. De Vito replied that, when the 2013-14 budget was originally set, there was an expectation to have a Director and H&RS Clerk in place plus there was also a delay in hiring some other positions for the department, such as the hiring of the Food Services Clerk in September instead of May as originally planned
 - o The higher than budgeted figures for Furniture and Equipment Repair and Non-Depreciable Assets are related to the repair and replacement of equipment that has reached the end of its useful life sooner than expected, particularly at Colman Commons
 - o Increased consultancy costs relating to the many food service construction projects on the go are the reason for the higher than budgeted Other Expense forecast
- A. De Vito presented the 2014-15 Budget and highlighted several key figures:
 - o Meal Plan revenue will decrease slightly due to the resultant effect of losing the 100 residence rooms in Erindale

- o Cafeteria Revenue is expected to increase due to the opening of the new food service locations, particularly the North Side Café
- o Salary, Wages, and Benefits will increase due to the fact that the Director and H&RS Clerk will be in place by next year
- o Furniture and Equipment Depreciation will increase due to the fact that the first 8 months of depreciation for the newly constructed/renovated spaces will be realized
- o Occupancy and Space costs will increase as a result of the increase of Food Service space on campus once the construction is complete
 - A. Maughn asked why Food Services had to pay Occupancy and Space costs
 - A. De Vito responded that these costs are related to common area costs that all departments have to pay for the services, such as caretaking, to maintain the spaces
- A. De Vito presented the proposed Meal Plan rates for 2014-15
 - o The smallest increase was to the Minimum A Meal Plan – the minimum Meal Plan to which first year students must commit
 - o The weighted average of the Meal Plan increases is 2.7%
 - A. De Vito explained that, when setting Meal Plan rates, H&RS takes two main factors into account:
 - Forecasted food price increases – in order to ensure that the students who purchase Meal Plans have the same purchasing power from year-to-year
 - Spending habits associated with each Meal Plan type – in order to ensure that, for students who select each Meal Plan type, the value of the Meal Plan is sufficient to cover all of their feeding requirements for the entire school year (i.e. the likelihood that Meal Plan students will run out of funds AND the likelihood that Meal Plan students will have to add funds prior to year-end is minimized)
 - M. Theodore asked why the increase in the Plus A Meal Plan was so high
 - A. De Vito responded that any plan above the Minimum A is optional, and, historically, those who purchase the larger plans tend to go through their plans the fastest
 - A. De Vito emphasized the fact that H&RS works really hard to set the Meal Plans up in such a fashion that students will be able to easily find a Meal Plan that best works for them for the entire year, even allowing students to try their Meal Plans out for one month, and to change to a different Meal Plan if necessary, before committing to one specific Meal Plan for the remainder of the year
 - M. Theodore asked, since enrolment is increasing every year and more people are purchasing Meal Plans, why were the UTM's Meal Plan rates not decreasing
 - A. De Vito responded by stating that there are only about 1,300 rooms that are 'meal-plan-eligible' and, unless a new residence is

built, the number of meal plans will stay consistent from year to year

- D. Ball asked which Meal Plan was the most popular
 - A. De Vito responded that the Regular A Meal Plan was the most popular
 - M. Theodore asked if there was an opportunity to eliminate the mandatory Meal Plan for residence students just like other universities that have instituted optional Residence Meal Plans
 - A. De Vito explained that the UTM made the decision about 7 years ago to include the requirement of a Meal Plan for all Residence students and, in order to have a sustainable meal plan program at the UTM, this requirement must be kept in place
 - A. De Vito also said that there are no cookie cutter approaches to Meal Plans – the Meal Plan program differs from university to university based on what each university hopes to achieve from their programs
 - A. De Vito continued by stating that, with its Meal Plan Program, the UTM hopes to achieve a sustainable program that approaches break-even on an annual basis, with any residual funds invested directly into the program
 - A. De Vito explained that sustaining a successful Meal Plan program also allows the UTM to sustain a successful food service program (or Retail program) for all Non-Residence students, staff, and other UTM community members as well
 - A. De Vito stated that the ultimate goal of the UTM in this regard is for these two programs – the Residence Meal Plan program and the Retail program – to successfully work hand-in-hand to support each other and best meet the needs of the entire UTM community year-round
- A. De Vito presented a Meal Plan rate comparison between other Ontario Universities
 - o The UTM has the second lowest average Meal Plan rate in the province and is in the middle of the rankings for Minimum First Year Meal Plans
 - o A. De Vito stated that, of all the universities in the ranking, the UTM was the smallest in terms of population
 - o A. De Vito also reviewed 2 similar universities to UTM, both with slightly more population, slightly less in food service revenue, but much higher meal plan rates
 - A. De Vito concluded the Food Service Budget presentation by showing the results summary from the 2013 CCUFSA Price Benchmarking Survey where post-secondary schools from across the country provided their prices for many standard, non-branded menu items
 - o With 0.50 being the average price index, the UTM scored 0.42, meaning that the food prices at the UTM, on average, are in the lower half of all schools who took the survey

- o A. De Vito indicated that it is important to compare food prices between universities and not to franchise restaurants or grocery stores because universities have comparable food service operating models, labour rates, purchasing power, and overhead expenses to each other

In-Camera: RFP for UTM Food Service Provider

- P. Donoghue explained that the Food Service Contract between the UTM and Chartwells will expire on April 30, 2014
- P. Donoghue confidentially explained the next steps involved in the process for the RFP for the UTM Food Service Provider, with information to be released publicly in the new year

3. **NEXT MEETING** – To be scheduled in the new year