

**FOR APPROVAL****PUBLIC****OPEN SESSION**

**TO:** University Affairs Board

**SPONSOR:** Sandy Welsh, Vice-Provost, Students

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**PRESENTER:** See Sponsor.

**CONTACT INFO:**

**DATE:** February 25, 2019 for March 4, 2019

**AGENDA ITEM:** 4(d)

**ITEM IDENTIFICATION:**

Operating Plans: Student Services, St. George Campus and University-wide Hart House

**JURISDICTIONAL INFORMATION:**

The Terms of Reference of the University Affairs Board provide that the Board is responsible for policy concerning student services and for overseeing their operations. Changes to the level of service offered, fees charged for the services and categories of users require the Board's approval. Section 5.1.3 of the Terms of Reference provides that the annual approval of the Hart House operating plan is the responsibility of the University Affairs Board. The Board receives annually from its assessors reports on matters within its areas of responsibility, including statements of current issues, opportunities and problems, along with recommendations for changes in policies, plans or priorities that would address such issues.

Pursuant to the terms of the *Memorandum of Agreement between The University of Toronto, The Students' Administrative Council, The Graduate Students' Union and The Association of Part-time Undergraduate Students for a Long-Term Protocol on the Increase or Introduction of Compulsory Non-tuition Related Fees* (the "Protocol"), approved by Governing Council on October 24, 1996, the Council on Student Services (or the relevant body within a division of the University) reviews in detail the annual operating plans, including budgets and proposed compulsory non-academic incidental fees, and offers its advice to University Affairs Board on these plans.

**GOVERNANCE PATH:**

1. **University Affairs Board [For Approval] (March 4, 2019)**
2. **Governing Council [For Information] (April 4, 2019)**

**PREVIOUS ACTION TAKEN:**

The Operating Plans for Hart House for the current fiscal year were approved by the University Affairs Board on March 6, 2018.

**HIGHLIGHTS:**

The 2019-20 Operating Plans for Hart House have been approved by the Hart House Board of Stewards and the Service Ancillaries Review Group (SARG).

The current fees for Hart House are as follows:

St. George Campus: \$89.40 per session (\$17.90 for part-time students)  
UTM and UTSC: \$2.74 per session (\$0.55 for part-time students)

See separate memorandum concerning consideration of the proposed plans by the Council on Student Services (COSS).

The proposed fee increases are within the limits provided by the Protocol for consideration by the Board.

The experience of this past year and plans for the coming year are summarized in the attached material from John Monahan, Warden, Hart House.

**FINANCIAL AND/OR PLANNING IMPLICATIONS:**

The degree to which Hart House anticipates achieving the objectives of the long-range budget guidelines is summarized in the 2019-20 operating plans for service ancillaries.

**RECOMMENDATION:**

BE IT RESOLVED,

THAT the 2019-20 operating plans and budget for Hart House, as presented in the documentation from John Monahan, Warden, be approved; and

THAT the sessional fee for a full-time student on the St. George campus be increased to \$97.96 (\$19.61 for a part-time student), which represents a year over year increase of \$8.56 (\$1.71 for a part time student) or 9.57% (resulting from the elimination of a 2016-17 three-year temporary increase, and a permanent increase of 15.9%); and

THAT the sessional fee for a full-time student at UTM or UTSC be increased to \$3.01 (\$0.60 for a part-time student), which represents a year over year increase of \$0.27 (\$0.05 for a part time student) or 9.57% (resulting from the elimination of a 2016-17 three-year temporary increase, and a permanent increase of 15.9%).

**DOCUMENTATION PROVIDED:**

Hart House Operating Budget, 2019-20

# HART HOUSE: 2019/2020 OPERATING BUDGET



JANUARY 25, 2019 - COSS

# 2019/2020 Budget Approval Process

## Key Budget Approval Dates:

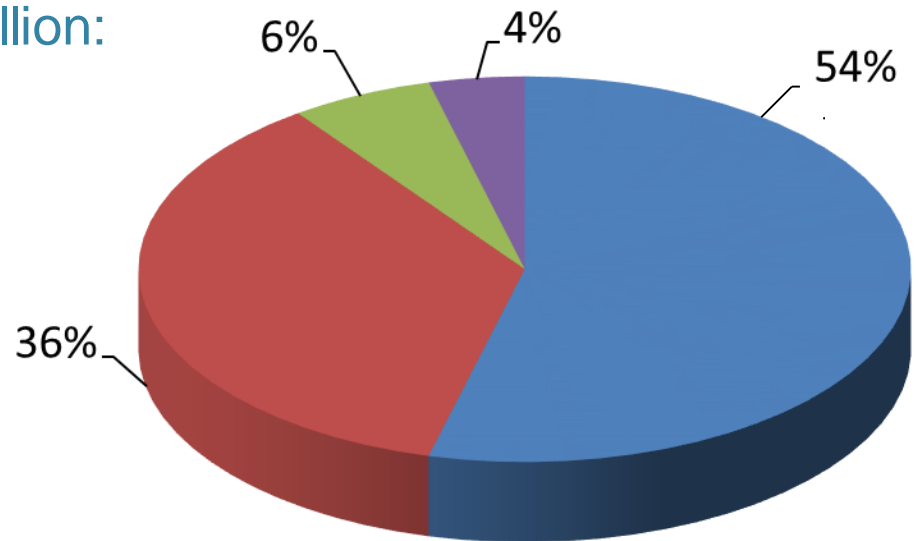
- ✓ • *Tuesday, January 8<sup>th</sup>:*  
Hart House Finance Committee
- ✓ • *Thursday, January 10<sup>th</sup>:*  
Hart House Board of Stewards (BoS)
- ✓ • *Monday, February 4<sup>th</sup>:*  
Service Ancillaries Review Group (SARG)
- ✓ • *Friday, February 15<sup>th</sup>:*  
Council on Student Services (COSS)
- *Monday, March 4<sup>th</sup>:*  
University Affairs Board (UAB)



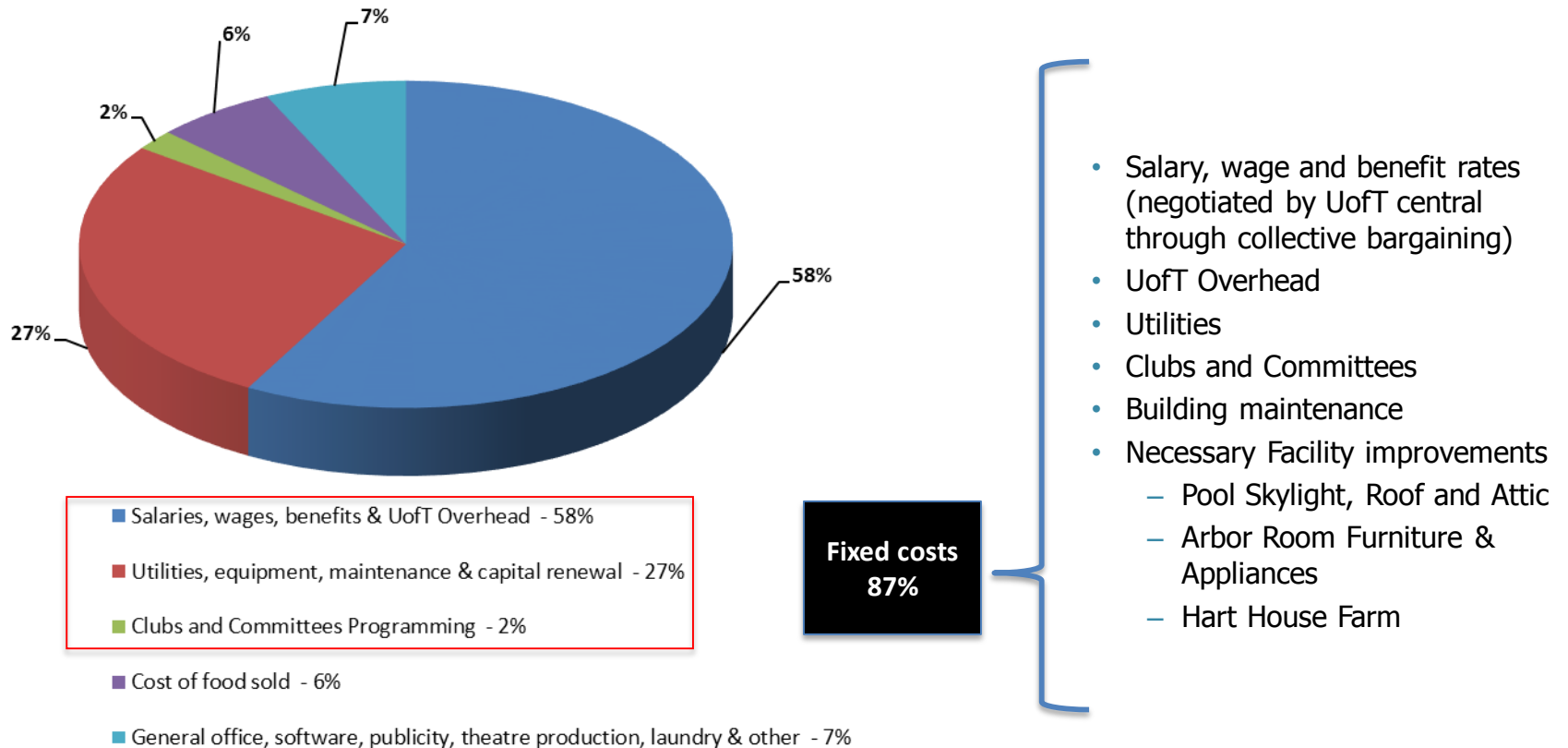
# 2019/20 Operating Revenue

Operating Revenue is \$19.7 million:

- Student fees - 54%
- Food and General Revenue - 36%
- Membership fees - 6%
- Other (Clubs, Service Charge, Donations) - 4%



# 2019/20 Operating Expenses & Commitments - \$19.7M



# Usage of Facilities

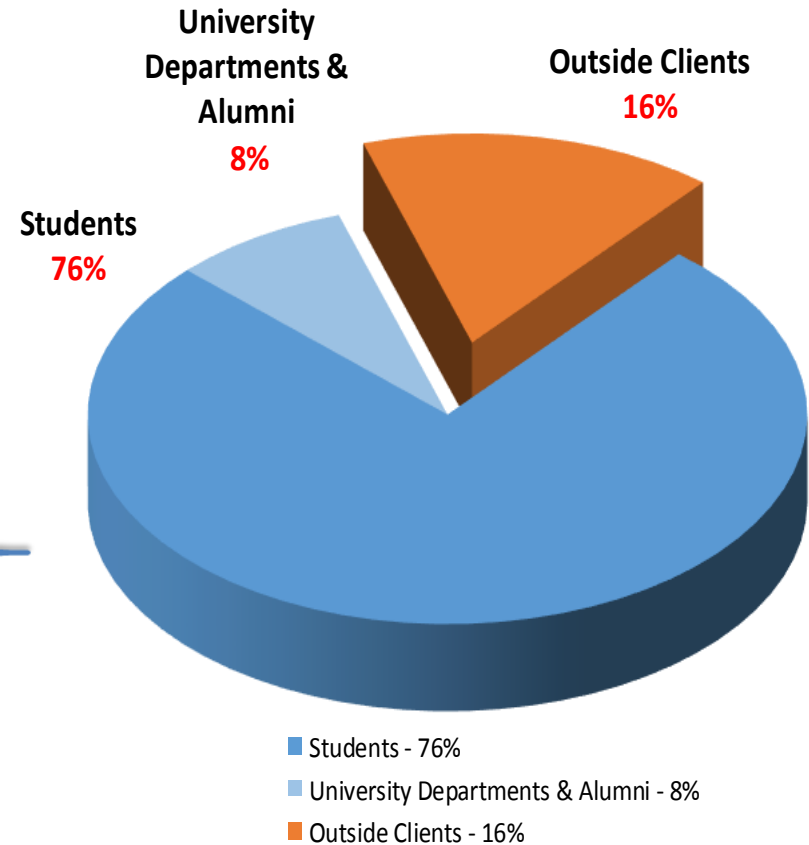
## Priority is Students

### •Co-curricular programming and activities:

- Leadership training and experiential learning
- Support for Clubs, Standing Committees, and their activities
- Staff led events, lectures, workshops and conferences
- Staff led outreach activities for all three campuses
- Creative classes (e.g. Film, Theatre, Photography)
- Drop-in and Registered Fitness Classes
- Theatre and Justina M. Barnicke student led events and activities

### •Access to:

- Free space for events/meetings
- Free audio visual equipment and technical support
- Fully equipped library
- Common spaces
- Event planning services
- Subsidized food for events / meetings
- Daily food service
- Hart House Farm



**Revenue**

|                                  | 2018-19<br>Budget    | 2019-20<br>Budget    | % Change<br>18/19 vs 19/20 |
|----------------------------------|----------------------|----------------------|----------------------------|
| Student fees                     | \$ 10,195,900        | \$ 11,270,300        | 10.5%                      |
| Membership fees                  | 1,129,300            | 1,132,200            | 0.3%                       |
| Food revenue                     | 3,784,600            | 3,638,400            | -3.9%                      |
| General revenue                  | 2,494,300            | 2,305,500            | -7.6%                      |
| Investment income                | 264,700              | 412,700              | 55.9%                      |
| Clubs & Committees' programming  | 125,000              | 125,000              | 0.0%                       |
| Donations, grants & amortization | 383,500              | 382,300              | -0.3%                      |
| Gratuities/Service Charge        | 590,900              | 519,200              | -12.1%                     |
|                                  | <b>\$ 18,968,200</b> | <b>\$ 19,785,600</b> | <b>4.3%</b>                |

**Expenses**

|   |                      |                      |             |
|---|----------------------|----------------------|-------------|
| Salaries, wages & benefits                  | \$ 11,000,900        | \$ 11,271,100        | 2.5%        |
| Cost of Food                                | 1,112,200            | 1,071,300            | -3.7%       |
| Annual Maintenance                          | 798,600              | 798,600              | 0.0%        |
| Facility Renewal                            | 90,000               |                      | -100.0%     |
| Utilities                                   | 1,004,600            | 1,004,600            | 0.0%        |
| Insurance                                   | 117,900              | 120,900              | 2.5%        |
| Depreciation, loss/gain on disposal         | 733,000              | 1,105,000            | 50.8%       |
| Clubs & Committees' programming             | 468,000              | 443,000              | -5.3%       |
| Theatre production costs                    | 60,000               | 72,500               | 20.8%       |
| Sundry expense                              | 164,500              | 490,100              | 197.9%      |
| General office                              | 374,800              | 333,700              | -11.0%      |
| Publicity, photography, printing, prizes    | 173,300              | 179,800              | 3.8%        |
| Uniforms & linen laundry                    | 202,100              | 194,200              | -3.9%       |
| Software & data processing                  | 165,300              | 143,800              | -13.0%      |
| Equipment, supplies, equip repair & rentals | 741,000              | 874,400              | 18.0%       |
| UofT overhead                               | 210,500              | 224,200              | 6.5%        |
|   | <b>\$ 17,416,700</b> | <b>\$ 18,327,200</b> | <b>5.2%</b> |

**Operating result before Commitments & Transfers**

|  |              |              |       |
|--|--------------|--------------|-------|
|  | \$ 1,551,500 | \$ 1,458,400 | -6.0% |
|--|--------------|--------------|-------|

**Commitments & Transfers**

|   |                     |                     |              |
|---|---------------------|---------------------|--------------|
| Net Spending on Capital Assets          | \$ 3,840,400        | \$ 1,560,800        | -59.4%       |
| Add to (spend from) Reserve             |                     | \$ (447,500)        |              |
| Add to (spend from) Operating Reserve   | \$ 127,900          | \$ 81,700           | -36.1%       |
| Add to (spend from) Maintenance Reserve | \$ (2,416,800)      | \$ 263,400          | -110.9%      |
|   | <b>\$ 1,551,500</b> | <b>\$ 1,458,400</b> | <b>-6.0%</b> |

**Total Operating Expenses and Commitments**

|  |               |               |      |
|--|---------------|---------------|------|
|  | \$ 18,968,200 | \$ 19,785,600 | 4.3% |
|--|---------------|---------------|------|

**Excess of Revenue over Expense and Commitments**

|  |      |      |  |
|--|------|------|--|
|  | \$ - | \$ - |  |
|--|------|------|--|



| University of Toronto Index   |                 |                 |
|---|-----------------|-----------------|
| <b>Adjusted Fee Base</b>  |                 |                 |
| Fee per Session (previous year)   |                 | \$ 89.40        |
| Less: Removal of temporary fee (2016-2017)  | -               | -\$ 4.87        |
| Adjusted Fee Base   |                 | \$ 84.53        |
| <b>Consumer Price Index</b>   |                 |                 |
| CPI Index Percent   | 2% Adjusted Fee | 86.22           |
| Adjusted Fee  | -               | -\$ 84.53       |
| <b>\$ Amount of CPI based increase</b>  |                 | <b>\$ 1.69</b>  |
| Appointed Salary Expenditure Base (previous year budget)                                      |                 | \$ 4,950,300    |
| Average merit/step/ATM increase/decrease for appointed staff                                  | 4.0%            | \$ 198,012      |
| Indexed salaries  |                 | \$ 5,148,312    |
| Average Benefit Cost Rate   | 24.00%          | \$ 1,235,595    |
| Indexed appointed salary expenditure base   |                 | \$ 6,383,907    |
| Casual/PT Salary Expenditure Base (previous year budget)                                      |                 | \$ 1,298,400    |
| Average ATB Increase/Decrease for casual/part time staff                                      | 2.00%           | \$ 25,968       |
| Indexed salaries  |                 | \$ 1,324,368    |
| Average Benefit Cost Rate   | 10.00%          | \$ 132,437      |
| Indexed Casual/PT Salary Expenditure Base   |                 | \$ 1,456,805    |
| Indexed Salary and Benefits Expenditure Costs   |                 | \$ 7,840,712    |
| Subtract the Amount of Net Revenue from Other Sources (previous year)                         |                 | -\$ 3,607,345   |
| Add the Non-Salary Expenditure Base (previous year)   |                 | \$ 6,855,100    |
| Add the Occupancy Cost (previous year) - HH cost in Non-Salary Expenditure                    |                 |                 |
| Reduce the amount by the proportion attributed to UTM and UTSC (current year)                 |                 | -\$ 174,094     |
| Cost for UTI purposes   |                 | \$ 10,914,373   |
| Divided by the difference by the projected weighted FTE enrolment (current year) - 2 sessions |                 | 113,376         |
| UTI Indexed Fee - per term  |                 | \$ 96.27        |
| Adjusted fee Base   | -               | \$ 84.53        |
| <b>\$ Amount of UTI Based Increase (over adjusted fee)</b>                                    |                 | <b>\$ 11.74</b> |
| <b>Combined Fee Increase</b>  |                 |                 |
| Adjusted Fee  | +               | \$ 84.53        |
| CPI Based Fee increase  | +               | \$ 1.69         |
| UTI Based Fee increase  | +               | \$ 11.74        |
| <b>Indexed Full Time Fee per Term</b>   |                 | <b>\$ 97.96</b> |

# 2019/20 Proposed Fees

| Campus                            | Student Fees<br>2018-2019 | % Net<br>Change | \$ Net<br>Change | Student Fees<br>2019-2020 |
|-----------------------------------|---------------------------|-----------------|------------------|---------------------------|
| <b>St. George</b> (full-time)     | \$ 89.40                  | 9.57%*          | \$ 8.56          | \$ 97.96                  |
| <b>St. George</b> (part-time)     | \$ 17.90                  | 9.57%*          | \$ 1.71          | \$ 19.61                  |
| <b>UTSC &amp; UTM</b> (full-time) | \$ 2.74                   | 9.57%*          | \$ 0.27          | \$ 3.01                   |
| <b>UTSC &amp; UTM</b> (part-time) | \$ 0.55                   | 9.57%*          | \$ 0.05          | \$ 0.60                   |

\* Any difference due to rounding to the nearest percent

# — UTI Historical Percentage

|                         | 2016/17 | 2017/18 | 2018/19 | 2019/20      |
|-------------------------|---------|---------|---------|--------------|
| Eligible Percentage     | 7.78%   | 2.5%    | 9.56%   | 9.57%        |
| Actual/ <b>Proposed</b> | 1.97%   | 2.5%    | 3.50%   | <b>9.57%</b> |

# 2019/20 UTI

## Why are we proposing the “maximum” for next year?:

- i. Most recent Total Project Cost (TPC) of the Arbor Room renovation is 134% higher than the previous one
- ii. To help cover difference, we are dipping into Deferred & Major Maintenance Reserve Fund (“Reserve”), reducing available amount to \$5.3 by end of FY2018-2019
- iii. But: our goal is to have at least \$5.7 million available in Reserve as part of financing proposal for Infrastructure Renewal Project (IRP)
- iv. Meanwhile, either due to safety concerns (e.g. Pool Skylight) or due to business needs (e.g. IT Renewal Phase II), other major projects in the House cannot wait for IRP
- v. Failure to keep building safe, modern, inviting impacts our ability to generate income from external clients from restaurant, theatre, meetings, events, conferences

# THANK YOU!



<http://harthouse100.ca>