

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

TO: University Affairs Board

SPONSOR: Micah Stickel, Acting Vice-Provost, Students
CONTACT INFO: Phone 416-978-3870 / Email vp.students@utoronto.ca

PRESENTER: See Sponsor
CONTACT INFO:

DATE: February 25, 2021 for March 4, 2021

AGENDA ITEM: 6 (d)

ITEM IDENTIFICATION:

Operating Plans & Fees: 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, 2021)**
2. **Governing Council [For Information] (April 6, 2021)**

PREVIOUS ACTION TAKEN:

The Operating Plans for Hart House for the current fiscal year were approved by the University Affairs Board on March 11, 2020.

HIGHLIGHTS:

The 2021-22 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: \$105.43 per session (\$21.09 for part-time students)

UTM and UTSC: \$3.23 per session (\$0.65 for part-time students)

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

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

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 2021-22 operating plans for service ancillaries.

RECOMMENDATION:

BE IT RESOLVED

THAT the 2021-22 operating plans and budget for Hart House, as presented in the documentation from John Monahan, Warden, be approved;

THAT the sessional fee for a full-time student on the St. George campus be increased to \$107.49 (\$21.50 for a part-time student), which represents a year-over-year increase of \$2.06 (\$0.41 for a part time student) or 1.95%; and

THAT the sessional fee for a full-time student at UTM or UTSC be increased to \$3.30 (\$0.67 for a part-time student), which represents a year-over-year increase of \$0.07 (\$0.02 for a part time student) or 1.95%.

DOCUMENTATION PROVIDED:

Hart House Presentation to the Council on Student Services

HartHouse
FOR YOU

**COUNCIL ON
STUDENT SERVICES
PRESENTATION**

January 12, 2020





HAPPY NEW
YEAR FROM
HART HOUSE!



HART HOUSE (STILL) FOR YOU

Our 2016-2020 Strategic Plan has continued to guide us while we adapted to meet the student needs during the pandemic.



Virtual

Combination of live (synchronous) and “anytime” (asynchronous) programs

April–November:

- 28,622 views (asynchronous) and
- 15,470 participants (synchronous)

In-Person

Combination of planned activities and study spaces (all with physical distancing and safety measures enforced)

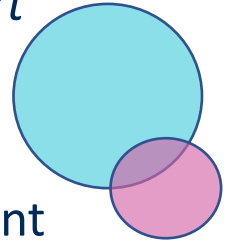
September–November:

- Approx. 4,293 participants



ACTIONS TAKEN IN RESPONSE TO PANDEMIC

- Pivoted programming and operations to 90%+ virtual
- Offered over 140 hours/month of programming through *Virtual Hart House*
- Exceeded University's Health and Safety requirements
- Introduced modified in-person programming (Fitness Centre, Student Study Spaces, Student Activities)
- Innovated ways to deliver revenue generating services on a virtual platform (Virtual Event Planning Services)



WHAT ARE WE LEARNING?

- Virtual learning and experiences are here to stay.
- Virtual engagement enables increased tri-campus collaboration.
- Mental health support is more essential than ever to students.
- Equity, diversity, inclusivity and accessibility underscore all we do for students.
- Connection and a sense of belonging is crucial in both the virtual and real world.



HART HOUSE'S COMMITMENT TO YOU

Student
Leadership

Tri-Campus
Engagement

Partnered
Programming

Wellness & Mental
Health Focus



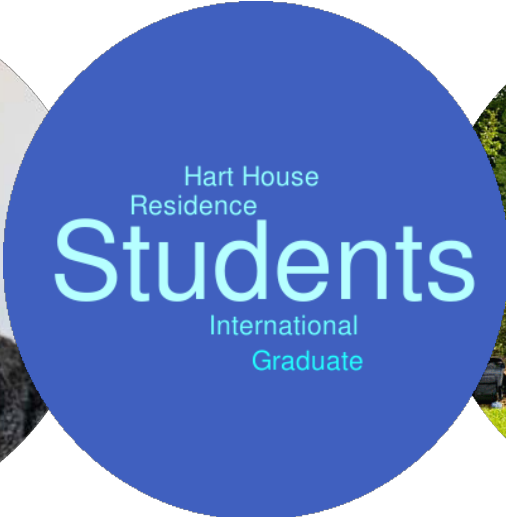
HART HOUSE'S COMMITMENT TO YOU

Access &
Accessibility

Indigenous, Black &
Racialized Student
Engagement

Multifaceted
Outreach

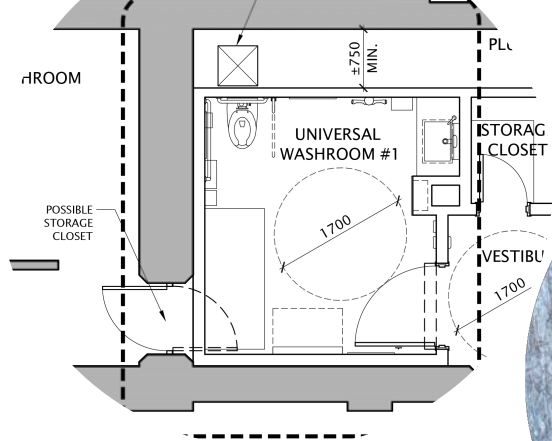
Community
Connection



ACCESSIBILITY AND RENEWAL

Accessibility Upgrades

- Arbor Room renovation is near completion.
- Construction of universal washroom in Hart House to start June 2021.
- Hart House Farm's Ignatieff House renovation completed in Summer 2020—accessible ramps and washroom, powered doors, and new flooring.



Infrastructure Renewal

- The Schematic Design phase is in progress and will be completed by Summer 2021.
- The design development phase will begin in winter 2022.



REBUILDING REVENUE TO SUPPORT PROGRAMMING

Adapting and Evolving our Services

- Virtual Events Services
- Meeting Space Rentals
- Creative LifeSchool
- Full Service “Micro-wedding” Package
- Wedding Receptions
- Virtual and On-site Fitness Classes
- Virtual and On-site Personal Fitness Training



HART HOUSE BY THE NUMBERS 2019-20



of students value opportunities to contribute to their community as a result of their Hart House experience



of students believe that Hart House is an inclusive space



Satisfaction rate across all visitors to Hart House





HART HOUSE OPERATING BUDGET

2021–2022

2021/22 Operating Budget

Hart House is proposing a balanced budget for the 2021/22 year.

Budget status update:

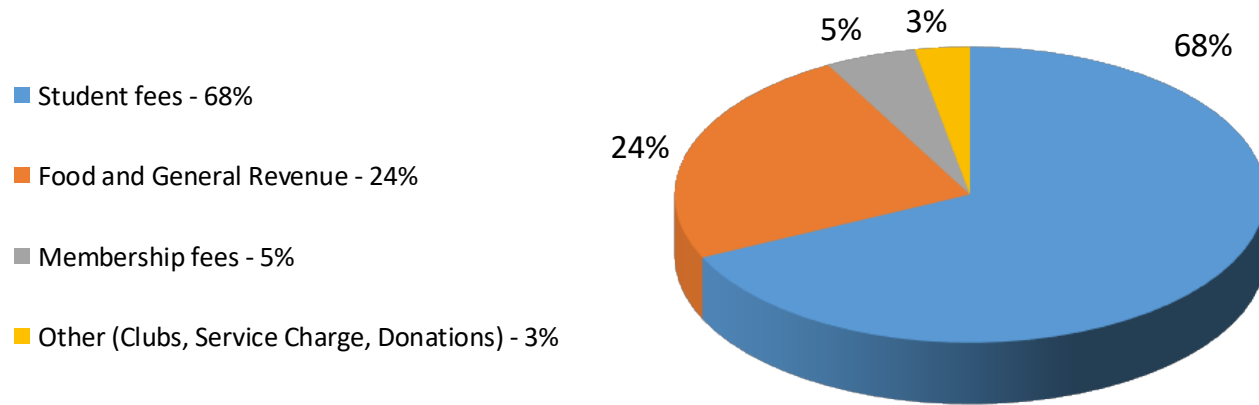
- Finance Committee Reviews and Analyzes Draft Budget: December 1st, 2020 ✓
- Board of Stewards Workshops to Review Draft Budget: December 9th and 10th, 2020 ✓
- Finance Committee Reviews and Recommends Budget for Approval by the Board of Stewards: January 5th, 2021 ✓
- Board of Stewards Reviews and Votes to Approve Budget: January 7th, 2021 ✓

Upcoming Meetings to Review and Approve the Budget:

- Council on Student Services (COSS): January 12th (Review); February 16th (Vote)
- Service Ancillary Review Group (SARG): January 29th
- University Affairs Board (UAB): March 4th

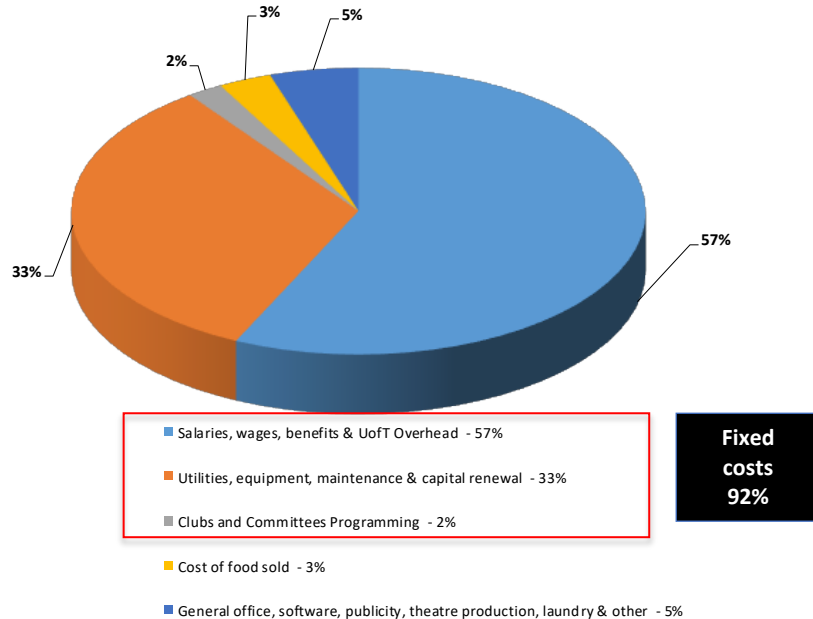
2021/22 Operating Revenue

Operating Revenue is \$18.7 million:



2021/22 Operating Expenses & Commitments

Operating Expenses & Commitments is \$18.7 million:



- Salary, wage and benefit rates (negotiated by UofT central through collective bargaining)
- UofT Overhead
- Utilities
- Clubs and Committees
- Building maintenance
- Necessary Facility improvements
 - AODA-compliant accessible ramp at the Tower Road entrance of Hart House
 - upgrades to basement and 2nd floor washrooms
 - Air conditioning in the Athletics Department
 - Theatre house lighting upgrades
 - conversion from city water-cooled to air-cooled compressors for the walk-in coolers

Assumptions – Operating Plan

2021/22 Operating Plan Assumptions

| | 2021/22 BUDGET | |
|--|-------------------|--|
| General Inflation forecast | 2.00% | |
| Enrollment increase forecast | 0.30% | Provided by Service Ancillary Operations |
| Student fee rate forecast | 1.95% | Calculated using UTI |
| Investment yield forecast | 1.65% | Provided by Central Financial Services |
| Senior Member fees rate forecast | 2.00% | CPI |
| General increase in salaries, wages and benefits | 3.50% | |

Assumptions – Operating Plan

- Gradual increase of hospitality and membership business lines with a complete return anticipated by January 2022;
- Re-build of the operating reserve to maintain 12% of our annual budgeted revenue;
- Decrease in capital project spend to enable increases to capital reserve fund for Infrastructure Renewal.

| | 2020-21 Budget | 2020-21 Forecast | 2021-22 Budget |
|---|----------------------|-----------------------|----------------------|
| Revenue | | | |
| Student fees | \$ 12,483,200 | \$ 9,918,010 | \$ 13,214,700 |
| Membership fees | 1,202,500 | 227,750 | 962,000 |
| Food revenue | 3,209,500 | 85,250 | 1,951,400 |
| General revenue | 2,286,900 | 266,208 | 1,587,500 |
| Investment income | 434,100 | 147,067 | 365,500 |
| Clubs & Committees' programming | 125,000 | 60,000 | 125,000 |
| Donations, grants & amortization | 1,043,300 | 1,025,800 | 212,500 |
| Gratuities/Service Charge | 550,400 | - | 306,100 |
| | \$ 21,334,900 | \$ 11,730,085 | \$ 18,724,700 |
| Expenses | | | |
| Salaries, wages & benefits | \$ 12,097,500 | \$ 9,081,834 | \$ 10,472,800 |
| Cost of Food | 988,100 | 38,500 | 617,300 |
| Maintenance | 1,170,700 | 679,168 | 812,300 |
| Utilities | 993,500 | 553,610 | 847,400 |
| Insurance | 137,600 | 137,600 | 147,100 |
| Depreciation, loss/gain on disposal | 952,500 | 952,500 | 853,000 |
| Clubs & Committees' programming | 439,500 | 214,500 | 439,500 |
| Theatre production costs | 60,000 | 17,500 | 27,500 |
| Sundry expense | 258,100 | 188,751 | 191,200 |
| General office | 296,100 | 115,331 | 172,000 |
| Publicity, photography, printing, prizes | 324,700 | 188,894 | 241,200 |
| Uniforms & linen laundry | 204,100 | 20,702 | 147,300 |
| Software & data processing | 111,200 | 82,333 | 90,100 |
| Equipment, supplies, equip repair & rentals | 664,500 | 300,717 | 518,400 |
| UoT overhead | 230,600 | 230,599 | 254,500 |
| | \$ 18,928,700 | \$ 12,802,538 | \$ 15,831,600 |
| Operating result before Commitments & Transfers | \$ 2,406,200 | \$ (1,072,453) | \$ 2,893,100 |
| Commitments & Transfers | | | |
| Net Spending on Capital Assets | \$ 5,400,065 | \$ 3,628,277 | \$ 206,100 |
| Add to (spend from) Reserve | | | |
| Add to (spend from) Operating Reserve | 368,311 | (1,800,000) | 2,068,436 |
| Add to (spend from) Maintenance Reserve | (3,362,177) | (2,900,730) | 618,564 |
| | \$ 2,406,200 | \$ (1,072,453) | \$ 2,893,100 |
| Excess of Revenue over Expense and Commitments | \$ - | \$ - | \$ - |

2021/22 Proposed Increase

Proposed increase to student fees: 1.95%

| Campus | Student Fees Per Term 2020-21 | % Net Change | \$ Net Change | Student Fees Per Term 2021-22 |
|-----------------------------------|-------------------------------|--------------|---------------|-------------------------------|
| St. George (full-time) | \$ 105.43 | 1.95%* | \$ 2.06 | \$ 107.49 |
| St. George (part-time) | \$ 21.09 | 1.95%* | \$ 0.41 | \$ 21.50 |
| UTSC & UTM (full-time) | \$ 3.23 | 1.95%* | \$ 0.07 | \$ 3.30 |
| UTSC & UTM (part-time) | \$ 0.65 | 1.95%* | \$ 0.02 | \$ 0.67 |

* Any difference due to rounding to the nearest percent

Historical Student Fees Increase

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|-------------------------|---------|---------|---------|---------|---------|--------------|
| Eligible Percentage | 7.78% | 2.5% | 9.56% | 9.57% | 7.63% | 1.95% |
| Actual/ Proposed | 1.97% | 2.5% | 3.50% | 9.57% | 7.63% | 1.95% |

| University of Toronto Index | | |
|--|-----------------|------------------|
| Adjusted Fee Base | | |
| Fee per Session (2020-21) | | \$ 105.43 |
| Less: Removal of temporary fee (2018-19) | - | -\$ 6.12 |
| Adjusted Fee Base | | \$ 99.31 |
| Consumer Price Index | | |
| CPI Index Percent | 2% Adjusted Fee | 101.30 |
| Adjusted Fee | - | -\$99.31 |
| \$ Amount of CPI based increase | | \$ 1.99 |
| Appointed Salary Expenditure Base (2020-21 budget) | | \$ 5,663,900 |
| Average merit/step/ATM increase/decrease for appointed staff | 3.5% | \$ 198,237 |
| Indexed salaries | | \$ 5,862,137 |
| Average Benefit Cost Rate | 23.50% | \$ 1,377,602 |
| Indexed appointed salary expenditure base | | \$ 7,239,739 |
| Casual/PT Salary Expenditure Base (2020-21 budget) | | \$ 1,380,148 |
| Average ATB Increase/Decrease for casual/part time staff | 1.00% | \$ 13,801 |
| Indexed salaries | | \$ 1,393,949 |
| Average Benefit Cost Rate | 10.00% | \$ 139,395 |
| Indexed Casual/PT Salary Expenditure Base | | \$ 1,533,344 |
| Indexed Salary and Benefits Expenditure Costs | | \$ 8,773,083 |
| Subtract the Amount of Net Revenue from Other Sources (2020-21 budget) | | -\$ 4,047,300 |
| Add the Non-Salary Expenditure Base (2020-21 budget) | | \$ 8,249,300 |
| Reduce the amount by the proportion attributed to UTM and UTSC (2021-22 projection) | | -\$ 218,040 |
| Cost for UTI purposes | | \$ 12,757,043 |
| Divided the difference by the projected weighted FTE enrolment - 2 sessions (2021-22 projection) | | 120,910 |
| UTI Indexed Fee - per term | | \$ 105.51 |
| Adjusted fee Base | - | \$ 99.31 |
| \$ Amount of UTI Based Increase (over adjusted fee) | | \$ 6.19 |
| Combined Fee Increase | | |
| Adjusted Fee | + | \$ 99.31 |
| CPI Based Fee increase | + | \$ 1.99 |
| UTI Based Fee increase | + | \$ 6.19 |
| Indexed Full Time Fee per Term | | \$ 107.49 |

Student Fees



2021/22 Calculation of Student Fees

| Year 2021/22 Budget | Student Fees Per Session 2021/22 | Projected Summer Enrolment 21/22 | Projected Fall Enrolment 2021/22 | Student Fees Summer Session | Student Fees Fall Session | Student Fees Total 2021/22 |
|---|----------------------------------|----------------------------------|----------------------------------|-----------------------------|---------------------------|----------------------------|
| St. George Full time | \$ 107.49 | 4,857 | 56,153 | \$ 522,079 | \$ 6,035,886 | \$ 12,593,900 |
| St. George Part time = 20% of full time fee | \$ 21.50 | 9,186 | 4,775 | \$ 197,499 | \$ 102,663 | \$ 402,800 |
| UTSc Full time | \$ 3.30 | 3,894 | 13,236 | \$ 12,850 | \$ 43,679 | \$ 100,200 |
| UTSc Part time | \$ 0.67 | 3,303 | 969 | \$ 2,213 | \$ 649 | \$ 3,500 |
| UTM Full time | \$ 3.30 | 2,535 | 15,399 | \$ 8,366 | \$ 50,817 | \$ 110,000 |
| UTM Part time | \$ 0.67 | 4,615 | 918 | \$ 3,092 | \$ 615 | \$ 4,300 |
| | | <u>28,390</u> | <u>91,450</u> | <u>\$ 746,099</u> | <u>\$ 6,234,308</u> | <u>\$ 13,214,700</u> |

Revenue



Revenue

Student fees
 Membership fees
 Food revenue
 General revenue
 Investment income
 Clubs & Committees' programming
 Donations, grants & amortization
 Gratuities/Service Charge

| 2020-21 Budget | 2021-22 Budget | \$ increase 20/21 Budget vs 21/22 Budget | % increase 20/21 Budget vs 21/22 Budget |
|-------------------|-------------------|--|---|
| \$ 12,483,200 | \$ 13,214,700 | \$ 731,500 | 6% |
| 1,202,500 | 962,000 | (240,500) | -20% |
| 3,209,500 | 1,951,400 | (1,258,100) | -39% |
| 2,286,900 | 1,587,500 | (699,400) | -31% |
| 434,100 | 365,500 | (68,600) | -16% |
| 125,000 | 125,000 | - | 0% |
| 1,043,300 | 212,500 | (830,800) | -80% |
| 550,400 | 306,100 | (244,300) | -44% |
| | | - | |
| \$ 21,334,900 | \$ 18,724,700 | \$ (2,610,200) | -12% |

Expenses



HartHouse

Expenses

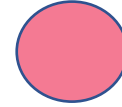
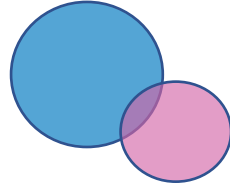
| | 2020-21 Budget | 2021-22 Budget | \$ increase 20/21 Budget vs 21/22 Budget | % increase 20/21 Budget vs 21/22 Budget |
|---|----------------------|----------------------|--|---|
| Salaries, wages & benefits | \$ 12,097,500 | \$ 10,472,800 | \$ (1,624,700) | -13% |
| Cost of Food | 988,100 | 617,300 | (370,800) | -38% |
| Maintenance | 1,170,700 | 812,300 | (358,400) | -31% |
| Utilities | 993,500 | 847,400 | (146,100) | -15% |
| Insurance | 137,600 | 147,100 | 9,500 | 7% |
| Depreciation, loss/gain on disposal | 952,500 | 853,000 | (99,500) | -10% |
| Clubs & Committees' programming | 439,500 | 439,500 | - | 0% |
| Theatre production costs | 60,000 | 27,500 | (32,500) | -54% |
| Sundry expense | 258,100 | 191,200 | (66,900) | -26% |
| General office | 296,100 | 172,000 | (124,100) | -42% |
| Publicity, photography, printing, prizes | 324,700 | 241,200 | (83,500) | -26% |
| Uniforms & linen laundry | 204,100 | 147,300 | (56,800) | -28% |
| Software & data processing | 111,200 | 90,100 | (21,100) | -19% |
| Equipment, supplies, equip repair & rentals | 664,500 | 518,400 | (146,100) | -22% |
| UofT overhead | 230,600 | 254,500 | 23,900 | 10% |
| | \$ 18,928,700 | \$ 15,831,600 | \$ (3,097,100) | -16% |
| Operating result before Commitments & Transfers | \$ 2,406,200 | \$ 2,893,100 | \$ 486,900 | 20% |

| | 2020-21 Budget | 2021-22 Budget | \$ increase 20/21 Budget vs 21/22 Budget | % increase 20/21 Budget vs 21/22 Budget |
|---|-------------------|-------------------|--|---|
| Revenue | | | | |
| Student fees | \$ 12,483,200 | \$ 13,214,700 | \$ 731,500 | 6% |
| Membership fees | 1,202,500 | 962,000 | (240,500) | -20% |
| Food revenue | 3,209,500 | 1,951,400 | (1,258,100) | -39% |
| General revenue | 2,286,900 | 1,587,500 | (699,400) | -31% |
| Investment income | 434,100 | 365,500 | (68,600) | -16% |
| Clubs & Committees' programming | 125,000 | 125,000 | - | 0% |
| Donations, grants & amortization | 1,043,300 | 212,500 | (830,800) | -80% |
| Gratuities/Service Charge | 550,400 | 306,100 | (244,300) | -44% |
| | | | - | |
| | \$ 21,334,900 | \$ 18,724,700 | \$ (2,610,200) | -12% |
| Expenses | | | | |
| Salaries, wages & benefits | \$ 12,097,500 | \$ 10,472,800 | \$ (1,624,700) | -13% |
| Cost of Food | 988,100 | 617,300 | (370,800) | -38% |
| Maintenance | 1,170,700 | 812,300 | (358,400) | -31% |
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| UoT overhead | 230,600 | 254,500 | 23,900 | 10% |
| | | | | |
| | \$ 18,928,700 | \$ 15,831,600 | \$ (3,097,100) | -16% |
| Operating result before Commitments & Transfers | \$ 2,406,200 | \$ 2,893,100 | \$ 486,900 | 20% |
| Commitments & Transfers | | | | |
| Net Spending on Capital Assets | \$ 5,400,065 | \$ 206,100 | | |
| Add to (spend from) Reserve | | | | |
| Add to (spend from) Operating Reserve | 368,311 | 2,068,436 | | |
| Add to (spend from) Maintenance Reserve | (3,362,177) | 618,564 | | |
| | \$ 2,406,200 | \$ 2,893,100 | | |
| | | | | |
| Excess of Revenue over Expense and Commitments | \$ - | \$ - | | |

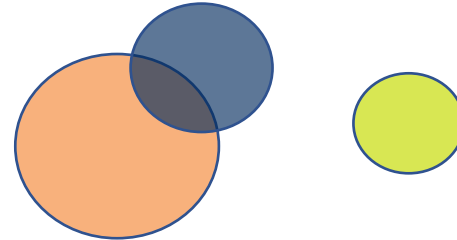
Capital Assets, Reserves & Endowment Funds

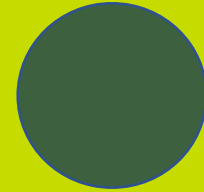
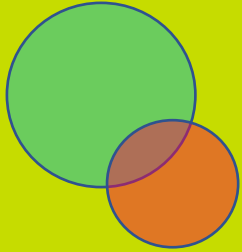
| | 2020-21 BUDGET | 2020-21 FORECAST | 2021-22 BUDGET |
|---|-------------------|---------------------|-------------------|
| Investment in Capital Assets | | | |
| Balance, beginning of year | 8,073,727 | 8,623,202 | 12,251,479 |
| Capital asset additions | 6,229,765 | 4,480,777 | 959,100 |
| Depreciation and gains/losses | (952,500) | (952,500) | (853,000) |
| Amortize of deferred capital contribution | 122,800 | 100,000 | 100,000 |
| Increase/(decrease) in commitment | 5,400,065 | 3,628,277 | 206,100 |
| Balance, end of year | 13,473,792 | 12,251,479 | 12,457,579 |
| Operating Fund (11% - 12% from budgeted revenue) | | | |
| Balance, beginning of year | 1,978,528 | 1,978,528 | 178,528 |
| Increase (decrease) in commitment | 368,311 | (1,800,000) | 2,068,436 |
| Balance, end of year | 2,346,839 | 178,528 | 2,246,964 |
| Deferred & Major Maintenance | | | |
| Balance, beginning of year | 8,992,363 | 8,587,764 | 5,687,033 |
| Increase (decrease) in commitment | (3,362,177) | (2,900,730) | 618,564 |
| Balance, end of year | 5,630,186 | 5,687,033 | 6,305,597 |
| Other Reserves (ie. Program, Art, 100th) | | | |
| Balance, beginning of year | 673,704 | 788,704 | 788,704 |
| Increase (decrease) in commitment | - | - | - |
| Balance, end of year | 673,704 | 788,704 | 788,704 |
| TOTAL RESERVES | 22,124,521 | 18,905,744 | 21,798,844 |

KEY TAKEAWAYS



- Hart House continues to **prioritize students** first and foremost;
- 2021-22 will be a year of **recovery and rebuilding** for Hart House;
- Hart House is requesting a student fee **increase of 1.95%**





QUESTIONS?



Thank you