



FOR APPROVAL

PUBLIC

OPEN SESSION

TO: University Affairs Board

SPONSOR: Professor Sandy Welsh, Vice-Provost, Students
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PRESENTER: David Kim, Warden
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DATE: February 20, 2024, for February 28, 2024

AGENDA ITEM: 6 (d)

ITEM IDENTIFICATION:

Operating Plans & Fees: Hart House

JURISDICTIONAL INFORMATION:

Section 4 of the *Terms of Reference* provides that the University Affairs Board is responsible for “policy of a non-academic nature and matters that directly concern the quality of student and campus life”. Under Section 5, the Board is responsible for compulsory non-academic incidental fees for the University, as well as St. George and University-wide student services and co-curricular programs, services, and facilities. Section 5.1.3(b) states that “[a]nnual approval of the Hart House operating plan that describes the services and programs proposed to be offered within the financial parameters set by the University's operating budget and financial policies is the responsibility of the Board” and section 5.2.1 states that compulsory non-academic incidental “[f]ees for St. George campus,... and University-wide fees that apply to the St. George, UTM and UTSC campuses, are approved by the Board”.

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 Council on Student Services reviews in detail the annual operating plans, including budgets and proposed compulsory non-academic incidental fees, of St. George and University-wide student services and offers its advice to the Board on these plans.

GOVERNANCE PATH:

1. University Affairs Board [For Approval] (February 28, 2024)

PREVIOUS ACTION TAKEN:

The 2023-24 Hart House operating plans and fees were approved by the University Affairs Board on March 1, 2023.

HIGHLIGHTS:

The current fees for Hart House include:

St. George campus: \$119.53 per session (\$23.91 for part-time students)

UTM & UTSC: \$3.67 per session (\$0.74 for part-time students)

The 2024-25 operating plans and fees for Hart House were approved by the Hart House Finance Committee and the Hart House Board of Stewards before being presented to the Council on Student Services (COSS) for consideration. Please also see the separate memorandum concerning consideration of the proposed plans and fees by COSS, included with item 6(a) on this agenda.

The experiences of Hart House this past year, and operating plans and fees for 2024-25, are summarized in the documentation provided by David Kim, Warden.

FINANCIAL IMPLICATIONS:

The degree to which Hart House anticipates achieving the objectives of the long-range budget guidelines is summarized in the 2024-25 operating plans for service ancillaries.

RECOMMENDATION:

Be It Resolved:

THAT the 2024-25 operating plans and budget for Hart House, as presented in the documentation from David Kim, Warden, be approved;

THAT the sessional fee for a full-time student on the St. George campus be increased from \$119.53 (\$23.91 for a part-time student) to \$129.39 (\$25.88 for a part-time student), which represents a year-over-year increase of \$9.86 (\$1.97 for a part time student) or 8.25%; and

THAT the sessional fee for a full-time student at UTM or UTSC be increased from \$3.67 (\$0.74 for a part-time student) to \$3.97 (\$0.80 for a part-time student), which represents a year-over-year increase of \$0.30 (\$0.06 for a part time student) or 8.25%.

DOCUMENTATION PROVIDED:

- Hart House Presentation to the Council on Student Services
- Hart House Year in Review 2022-2023

UNIVERSITY AFFAIRS BOARD PRESENTATION

February 28, 2024

HartHouse

FOR YOU

Preparing the Table

Our Five Commitments to Students

- 1** Foster a Climate of Inclusivity and Belonging in Our Spaces and Programs
- 2** Encourage Students to Explore Who They are and Who They Aspire to be Through the Arts, Dialogue and Wellness
- 3** Offer Students Rich Experiential Learning Opportunities
- 4** Deepen Student Engagement with Local and Global Communities and Issues
- 5** Steward Resources and Relationships Carefully and Creatively to Meet the Challenges of Today and the Opportunities of Tomorrow

HartHouse
FOR YOU

PREPARING THE TABLE

2021–2026 Strategic Plan for Hart House



Hart House For You

Strong Recovery from Pandemic & Community Engagement



Maamawi: Tattoo Gathering and 519 Sports Day



Acorn Tri-Campus Art Festival and Taste of Cultures at UTM

902,419 visitors to Hart House

207,241 visitors to Hart House Fitness Centre

27,707 Program participants

53 Events & outreach activities with UTM & UTSC

Data: May 2022 to November 2023

Hart House For You

Strong Recovery from Pandemic & Community Engagement

Focus on Growth



Hospitality*

Meeting & Events Services

- **5,425** event bookings
- **Achieved 100%** of pre-pandemic revenue levels



Culinary Operations

- Gallery Grill hosted over **5,210** reservations, **15,591** guests *
- The Arbor Room served **41,093** guests from March-November 2023 (*closed July & August*)



Students Focused Services*

- **2,667** guests served over nine 5-buck lunches; **over 85%** guests are students
- **2,237** student related bookings delivered



Weddings

- **119** weddings hosted from May 2022 to November 2023
- **47** wedding bookings in 2024



“Arbor Room Cafe at the University of Toronto campus offers a welcoming atmosphere, a friendly staff, scrumptious poutine, reasonable pricing, and charming decorations. It's the kind of place where you can unwind, enjoy good food, and feel right at home.” – Hajar PB, Google Review

*May 2022 to November 2023

2024-2025 Business Plan Highlights

Operationalizing our Commitments to Students

Student Mental Wellbeing

- Full access to Fitness Centre inclusive drop-in classes
- Hart House Farm access
- Weekly Drop-in & Destress activities
- Well Being Collective
- Rest Spaces Friday
- Wellness Walks

Student Financial Wellbeing

- 608 non-appointed positions held by students and 97 work studies*
- \$20,000 commitment to initiatives tackling food insecurities
- Multiple 5-buck lunch Sept to April
- Multiple Financial Literacy Workshops for students led by Finance Committee
- The Wealth Building Series by Hart House Black Futures

*May 2022 to November 2023

Continuous Enhancement in Revenue Generation & Cost Management

- Hospitality Revenue growth
- Fitness Wellness Recreation Revenue growth
- Increased targets on Donations and Grants
- Scaled back on non-infrastructure related capital projects
- Active monitoring of steam and electricity usage to reduce utility cost



HartHouse

FOR YOU

2024-2025 Budget

...e Seneca and, most recently, the M...
...oday, this meeting place is still the h...
...from across Turtle Island and we are gr...
...the opportunity to work on this land.
... University of Toronto: Har...

Hart House Budget Approval Process



*Majority Student Voting Members

2024-2025 Budget Overview & Assumptions

ASSUMPTIONS

Revenues

- Student fees: requesting an increase of 8.25% (10.51% eligible, per protocol); built in ~2% enrolment increase, as per August 2023 enrolment model
- Hospitality revenue: adjusting menu prices to cover cost increases; anticipating increase in business volume (Catering and Arbor Room)
- Fitness Centre Revenue: reduced budget target to reflect a slower recovery in membership volume

Expenses

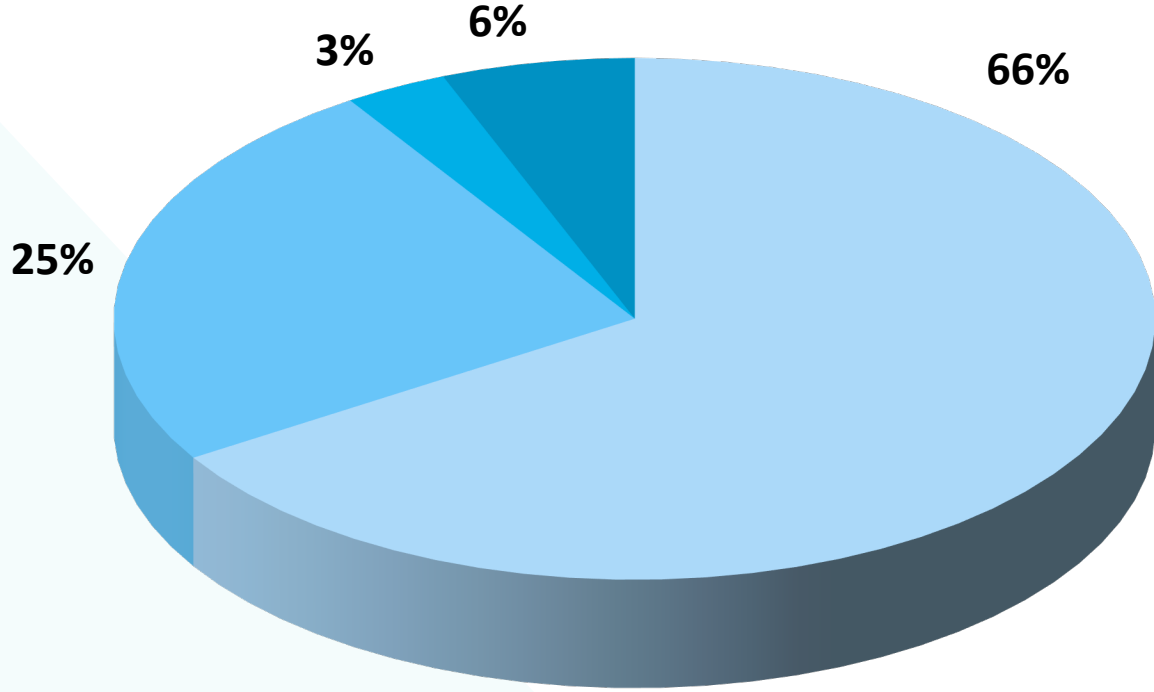
- Salary increments: assuming 2% Across-The-Board, plus 2-4% step/merit increase
- Operating expenditures: scaled up cost of business operations (food, supplies, utilities/maintenance and other related services) to accommodate increase in business volume

	A
	2024-25 Budget
Revenue	
Student Fees	\$ 17,092,000
Food and General Revenue	6,394,661
Fitness Membership	828,400
Other (Investment Income, Donations, Gratuities)	1,474,115
Total Revenue	25,789,176
Expenses	
Salaries, Wages and Benefits	\$ 16,180,612
Operations (non-salary)	3,593,075
Building (Maintenance, Utilities, Equipment)	2,907,962
Depreciation	956,728
Total Expenses	23,638,376
Operating result before Commitments & Transfers	\$ 2,150,800
Commitments & Transfers	
Net Spending on Capital Assets	\$ 4,069,272
Add to (spend from) Other Reserves	-
Add to (spend from) Operating Reserve	322,379
Add to (spend from) Maintenance Reserve	(2,240,852)
	\$ 2,150,800

2024-2025 Operating Revenue

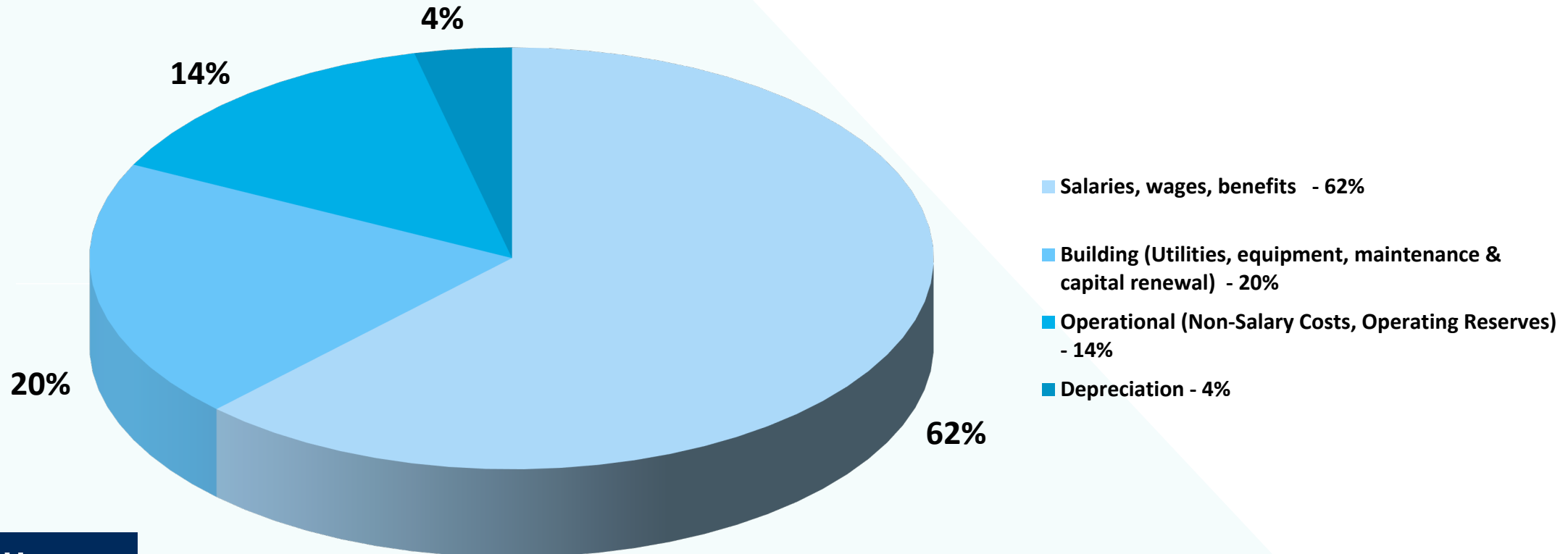
Operating Revenue is \$25.8 million:

- Student fees - 66%
- Food and General Revenue - 25%
- Membership fees - 3%
- Other (Clubs, Investments, Gratuities, Donations) - 6%



2024-2025 Operating Expenses & Commitments

Operating Expenses & Commitments is \$25.8 million:



2024-2025 Planned Capital Expenditures

Infrastructure Renewal (Start of construction)	\$ 3,500,000
Carryover Projects from 2023-24 (HH Theatre lighting, Elevator)	\$ 660,000
New Capital Projects	
Facilities Projects	\$ 300,000
Fitness Centre Equipment Upgrades	\$ 45,000
Hospitality Operations Equipment Upgrades	\$ 150,000
IT Equipment Upgrades	\$ 21,000
Contingency	\$ 250,000
Total	\$ 4,926,000

Student Fee Calculations

Adjusted Fee Base		
Fee per Session (previous year)		\$ 119.53
Less: Removal of temporary fee (three years previous)		
Adjusted fee base		\$ 119.53
CPI - Consumer Price Index		
CPI Index Percent	2.20%	\$ 2.63
\$ Amount of CPI based increase		\$ 2.63
UTI - University of Toronto Index		
Appointed Salary Expenditure Base (previous year budget)		\$ 7,264,995
Unbudgeted 2023-24 ATB Increase (9% Actual vs. 2% Budgeted)	7.00%	\$ 508,550
2024-25 Average merit/step/ATM increase/decrease for appointed staff	4.00%	\$ 290,600
Indexed salaries		\$ 8,064,144
Average Benefit Cost Rate	25.00%	\$ 2,016,036
Indexed appointed salary expenditure base		\$ 10,080,180
Casual/PT Salary Expenditure Base (previous year budget)		\$ 1,438,667
Average ATB Increase/Decrease for casual/part time staff	7.00%	\$ 100,707
Indexed salaries		\$ 1,539,374
Average Benefit Cost Rate	10.50%	\$ 161,634
Indexed Casual/PT Salary Expenditure Base		\$ 1,701,008
Indexed Salary and Benefits Expenditure Costs		\$ 11,781,189
Subtract the Amount of Net Revenue from Other Sources (previous year)		-\$ 2,502,335
Add the Non-Salary Expenditure Base (previous year)		\$ 7,791,703
Subtract the amount of the proportion attributed to UTM and UTSC (current year)		-\$ 238,600
Cost for UTI purposes		\$ 16,831,957
Divide the difference by the projected weighted FTE enrolment - 2 sessions		\$ 130,008
UTI Indexed Fee - per term		\$ 129.47
\$ Amount of UTI Based Increase (over adjusted fee)		\$ 9.94

1

Adjustment for Temporary increase from 3 years ago:
Not applicable for 2024-25

2

CPI (Consumer Price Index) based increase:
CPI is general inflation forecast used in U of T's Long-range Budget Projection Assumptions and Strategies.

UTI (University of Toronto Index) based increase:

UTI is an indexation of a service's fee; accounts for changes in:

3

- salary and benefit costs
- revenue from other sources
- non-salary expenditure
- and changes in enrolment.

UTI is calculated based on the previous year's Budget

Student Fee Calculations (Continued)

Combined Fee Increase (Eligible)			
Adjusted Fee	+	\$	119.53
CPI Based Fee increase	+	\$	2.63 2.20%
UTI Based Fee increase	+	\$	9.94 8.31%
Indexed Full Time Fee per Term (Eligible)		\$	132.10
% Increase Eligible			10.51%
Combined Fee Increase (Requested)			
Adjusted Fee	+	\$	119.53
CPI Based Fee increase (Requested)	+	\$	2.63 2.20%
UTI Based Fee increase (Requested)	+	\$	7.23 6.05%
Indexed Full Time Fee per Term (Requested)		\$	129.39
% Increase REQUESTED			8.25%

2024-2025 Hart House Proposed Fee Increase

Proposed increase to student fees: 8.25%

Campus	Student Fees Per Term 2023-24	% Net Change	\$ Net Change	Student Fees Per Term 2024-25
St. George (full-time)	\$ 119.53	8.25%*	\$ 9.86	\$ 129.39
St. George (part-time)	\$ 23.91	8.25%*	\$ 1.97	\$ 25.88
UTSC & UTM (full-time)	\$ 3.67	8.25%*	\$ 0.30	\$ 3.97
UTSC & UTM (part-time)	\$ 0.74	8.25%*	\$ 0.06	\$ 0.80

* Any difference due to rounding to the nearest percent

Key Budget Takeaways

- Hart House continues to prioritize students
- The 2024/25 operating budget addresses challenges in cost inflation (salaries and capital projects), through reasonable assumptions around revenue generation and growth
- Hart House is requesting a student fee increase of 8.25%, less than the maximum 10.51% under the Protocol
- Careful management of Reserves to support critical and imminent Infrastructure Renewal

THANK YOU!

Questions?



harthouse.ca / [@harthouseuoft](https://www.instagram.com/harthouseuoft)

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