

# HART HOUSE: 2017/2018 OPERATING BUDGET



JANUARY 23<sup>RD</sup>, 2017

**HartHouse**



# 2017/18 Operating Budget

Hart House is proposing a balanced budget for the 2017/18 year.

## **Budget status update:**

- ✓ Review, analyze and approve by Hart House Finance Committee: January 17<sup>th</sup>, 2017
- ✓ Recommend for approval by the Finance Committee to the Board of Stewards: January 19<sup>th</sup>, 2017

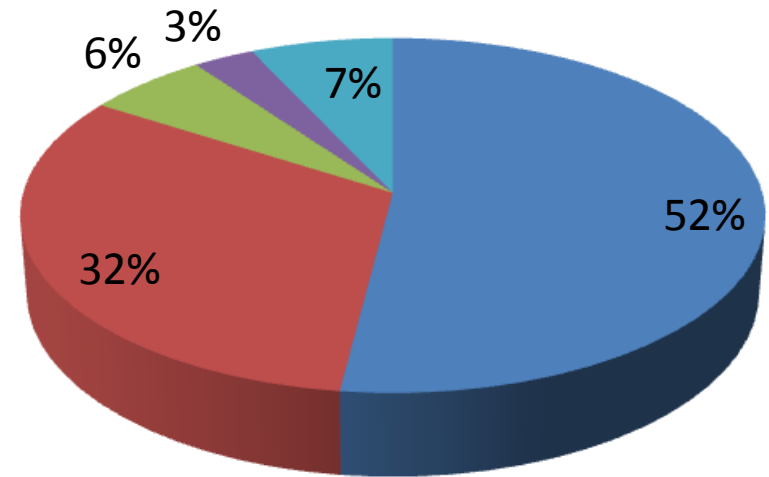
## **Approval required from the following bodies:**

- SARG – February 9th
- **COSS – February 13th**
- UAB – March 6th

# 2017/18 Operating Revenue

Operating Revenue is \$17.7 million:

- Student fees - 52%
- Revenue; food, space rental, theatre, & a/v rentals - 32%
- Faculty, staff and alumni memberships - 6%
- Registered classes and Locker & Towels Service - 3%
- Other (Clubs, Service Charge, Donations) - 7%



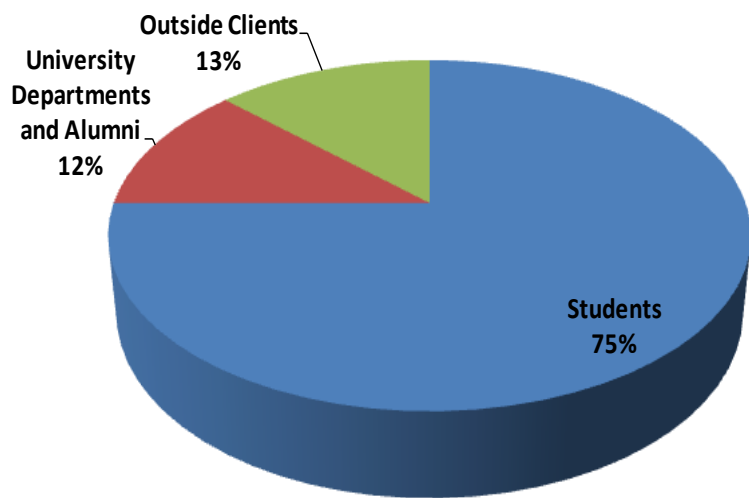
# 2017/18 Proposed Increase

Proposed increase to student fees: 2.50%

Campus	Student Fees 2016-2017	% Net Change	\$ Net Change	Student Fees 2017-2018
<b>St. George</b> (full-time)	\$ 84.27	2.50%*	\$ 2.11	\$ 86.38
<b>St. George</b> (part-time)	\$ 16.87	2.50%*	\$ 0.42	\$ 17.29
<b>UTSC &amp; UTM</b> (full-time)	\$ 2.59	2.50%*	\$ 0.06	\$ 2.65
<b>UTSC &amp; UTM</b> (part-time)	\$ 0.52	2.50%*	\$ 0.01	\$ 0.53

\* Any difference due to rounding to the nearest percent

# 2017/18 Operating Expenses & Commitments - \$17.7M



■ Students - 75%  
■ University Departments and Alumni - 12%  
■ Outside Clients - 13%

## Priority is Students

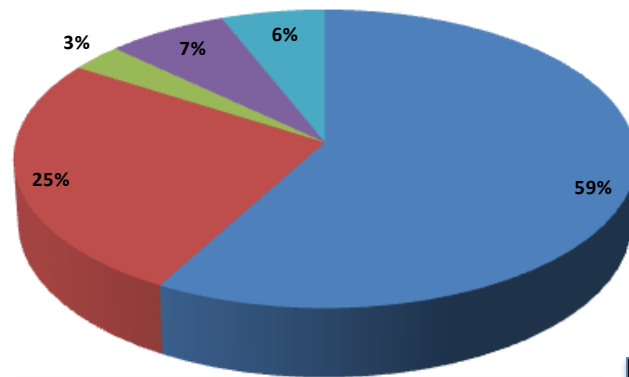
### •Co-curricular programming and activities:

- Leadership training and experiential learning
- Support for 28 Clubs , 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 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

# 2017/18 Breakdown of Expenses



- Salaries, wages, benefits & UofT Overhead - 59%
- Utilities, equipment, maintenance & capital renewal - 25%
- Clubs and Committees Programming - 3%
- Cost of food sold - 6%
- General office, software, publicity, theatre production, laundry & other - 7%

**Fixed costs  
87%**

- Salary, wage and benefit rates (negotiated by UofT central through collective bargaining)
- UofT Overhead
- Utilities
- Clubs and Committees
- Building maintenance
- Necessary Facility improvements
  - Pool Skylight
  - IT Wiring Phase 2
  - Elevator Refurbish
  - Arbor Room Renovations
  - AODA Improvements

# Assumptions

**HartHouse**

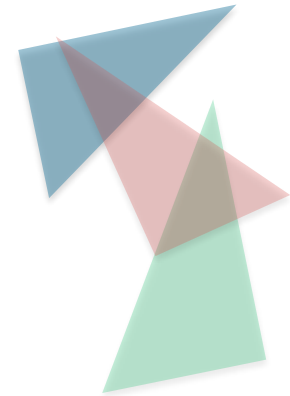


## 2017/18 Operating Plan Assumptions

January 17th, 2017

**2017/18  
BUDGET**

General Inflation forecast	2.00%
Enrollment increase forecast	2.05%
Student fee rate forecast	2.50%
Investment yield forecast	0.86%
Senior Member fees rate forecast (Joint Membership)	2.00%
General increase in salaries, wages and benefits	3.50%



**87%**

of students define Hart House as an inclusive space (NSSE, 2014)

**4,186**

rooms booked for student groups in 2015/16

**153**

fitness classes per week (2016/17)

**207,105**

student visits to the Fitness Centre (2015/16)

**8,500+**

students reached during Orientation activities (2016/17)

**262,607**

visitors to [www.harthouse.ca](http://www.harthouse.ca)

**100**

activities eligible for CCR (2015/16)

**40,612**

participants in drop-in fitness classes (2015/16)

**95%**

of students that would recommend working at Hart House (NSSE, 2014)

**107+**

University and community partners (2015/16)

**1,500**

students in clubs and committees (2015/16)

**24,000** approx.

students who see Hart House as important or essential to their U of T experience (NSSE, 2014)



	2017/18 Budget	Approved 2016/17 Budget	% Change 17/18 vs 16/17
<b>Revenue</b>			
Student fees	\$ 9,922,000	\$ 9,458,800	4.9%
Membership fees	1,118,000	1,151,300	-2.9%
Food revenue *	3,386,000	3,443,000	-1.7%
General revenue *	2,215,000	2,346,600	-5.6%
Investment income	125,000	124,200	0.6%
Clubs & Committees' programming	125,000	125,000	0.0%
Donations, grants & amortization	270,000	269,700	0.1%
Gratuities/Service Charge	507,000	491,000	3.3%
	<b>\$ 17,668,000</b>	<b>\$ 17,409,600</b>	<b>1.5%</b>
<b>Expenses</b>			
Salaries, wages & benefits	\$ 10,400,000	\$ 9,951,200	4.5%
General office	387,000	476,600	-18.8%
Cost of Food	1,069,000	1,161,700	-8.0%
Depreciation, loss/gain on disposal	598,000	632,100	-5.4%
Clubs & Committees' programming	468,000	468,100	0.0%
Maintenance & insurance	897,000	936,200	-4.2%
Utilities	1,040,000	1,054,100	-1.3%
Sundry expense	138,000	132,300	4.3%
Publicity, photography, printing, prizes	155,000	148,500	4.4%
Theatre production costs	59,000	60,100	-1.8%
Uniforms & linen laundry	201,000	207,500	-3.1%
Software & data processing	225,000	193,500	16.3%
Equipment, supplies, equip repair & rentals	592,000	561,900	5.4%
UoT overhead	207,000	200,100	3.4%
	<b>\$ 16,436,000</b>	<b>\$ 16,183,900</b>	<b>1.6%</b>
Operating result before Commitments & Transfers	<b>\$ 1,232,000</b>	<b>\$ 1,225,700</b>	<b>0.5%</b>
<b>Commitments &amp; Transfers</b>			
Net Spending on Capital Assets	\$ 3,778,460	\$ 1,786,200	111.5%
Add to (spend from) Operating Reserve	28,028	(8,600)	-425.9%
Add to (spend from) Maintenance Reserve	(2,574,488)	(551,900)	366.5%
	<b>\$ 1,232,000</b>	<b>\$ 1,225,700</b>	<b>0.5%</b>
<b>Excess of Revenue over Expense and Commitments</b>	<b>\$ -</b>	<b>\$ -</b>	

**Notes: 2017/18 Budget**

Target for Advancement Division of Hart House 1) Restricted donations of \$250,000 2) Expendable \$100,000  
Grants related to the JMB Art Gallery not included in HH Business Operations

\* Student Discounts (\$735,000) - Food, Room Rental and Usage of A/V

# Revenue

HartHouse



January 17th, 2017

	<b>2017/18 Budget</b>	<b>Approved 2016/17 Budget</b>	<b>% Change 17/18 vs 16/17</b>
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\*Student Discounts (\$735,000) – Food, Room Rental, and Usage of A/V

University of Toronto Index		
<b>Adjusted Fee Base</b>		
Fee per Session (previous year)		\$ 84.27
Less: Removal of temporary fee (2014-2015)	-	-\$ 2.02
<b>Adjusted Fee Base</b>		<b>\$ 82.25</b>
<b>Consumer Price Index</b>		
CPI Index Percent	2%	Adjusted Fee 83.90
<b>Adjusted Fee</b>	-	<b>-\$82.25</b>
<b>\$ Amount of CPI based increase</b>		<b>\$ 1.65</b>
Appointed Salary Expenditure Base (previous year budget)	\$ 4,535,423	
Average merit/step/ATM increase/decrease for appointed staff	3.50%	
Indexed salaries	\$ 4,694,163	
Average Benefit Cost Rate	24.75%	
Indexed appointed salary expenditure base		\$ 5,855,968
Casual/PT Salary Expenditure Base (previous year budget)	\$ 1,194,191	
Average ATB Increase/Decrease for casual/part time staff	2.00%	
Indexed salaries	\$ 1,218,075	
Average Benefit Cost Rate	10.00%	
Indexed Casual/PT Salary Expenditure Base		\$ 1,339,882
Indexed Salary and Benefits Expenditure Costs		\$ 7,195,850
Subtract the Amount of Net Revenue from Other Sources (previous year)		-\$ 3,743,328
Add the Non-Salary Expenditure Base (previous year)		\$ 6,296,700
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)		-\$ 154,923
Cost for UTI purposes		\$ 9,594,299
Divide the difference by the projected weighted FTE enrolment (current year) - 2 sessions		113,228
<b>UTI Indexed Fee - per term</b>		<b>\$ 84.73</b>
Adjusted fee Base	-	\$ 82.25
<b>\$ Amount of UTI Based Increase (over adjusted fee)</b>		<b>\$ 2.48</b>
<b>Combined Fee Increase</b>		
Adjusted Fee	+	\$ 82.25
CPI Based Fee increase	+	\$ 1.65
UTI Based Fee increase	+	\$ 2.48
<b>Indexed Full Time Fee per Term</b>		<b>\$ 86.38</b>

# Student Fees

HartHouse



## 2017/18 Student Fee Schedule

Schedule 4  
January 17th, 2017

	Student Fees 16/17	Fee Drop Off	UTI Increase	CPI Increase	Student Fees 17/18	% Change	\$ Change
St. George Full time	\$ 84.27	\$ (2.02)	\$ 2.48	\$ 1.65	\$ 86.38	2.50%	\$ 2.11
St. George Part time (= 20% St.G full time)	\$ 16.87	\$ (0.40)	\$ 0.50	\$ 0.33	\$ 17.29	2.50%	\$ 0.42
UTSc & UTM Full time	\$ 2.59	\$ -	\$ 0.01	\$ 0.05	\$ 2.65	2.50%	\$ 0.06
UTSc & UTM Part time (= 20% of UTSc/UTM full time)	\$ 0.52	\$ -	\$ -	\$ 0.01	\$ 0.53	2.50%	\$ 0.01

# Expenses

HartHouse



January 17th, 2017

**Expenses**

Salaries, wages & benefits  
 General office  
 Cost of Food  
 Depreciation, loss/gain on disposal  
 Clubs & Committees' programming  
 Maintenance & insurance  
 Utilities  
 Sundry expense  
 Publicity, photography, printing, prizes  
 Theatre production costs  
 Uniforms & linen laundry  
 Software & data processing  
 Equipment, supplies, equip repair & rentals  
 UofT overhead

	<b>2017/18 Budget</b>	<b>Approved 2016/17 Budget</b>	<b>% Change 17/18 vs 16/17</b>
	\$ 10,400,000	\$ 9,951,200	4.5%
	387,000	476,600	-18.8%
	1,069,000	1,161,700	-8.0%
	598,000	632,100	-5.4%
	468,000	468,100	0.0%
	897,000	936,200	-4.2%
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	138,000	132,300	4.3%
	155,000	148,500	4.4%
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	201,000	207,500	-3.1%
	225,000	193,500	16.3%
	592,000	561,900	5.4%
	207,000	200,100	3.4%
	<b>\$ 16,436,000</b>	<b>\$ 16,183,900</b>	<b>1.6%</b>

# Commitments & Transfers

HartHouse



January 17th, 2017

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<b>Commitments &amp; Transfers</b>			
Net Spending on Capital Assets	\$ 3,778,460	\$ 1,786,200	111.5%
Add to (spend from) Operating Reserve	28,028	(8,600)	-425.9%
Add to (spend from) Maintenance Reserve	(2,574,488)	(551,900)	366.5%
	\$ 1,232,000	\$ 1,225,700	0.5%
<b>Excess of Revenue over Expense and Commitments</b>	<b>\$ -</b>	<b>\$ -</b>	

# Reserves

## 2017/18 ANNUAL OPERATING PLAN RESERVES

### Investment in Capital Assets

Balance, beginning of year	4,356,760
Capital asset additions	4,253,660
Depreciation and gains/losses	(598,000)
Amortize of deferred capital contribution	122,800
Increase/(decrease) in commitment	3,778,460
Balance, end of year	8,135,220

### Operating Fund (10% budgeted revenue)

Balance, beginning of year	1,740,900
Increase (decrease) in commitment	28,028
Balance, end of year	1,768,928

### Deferred & Major Maintenance

Balance, beginning of year	7,724,329
Increase (decrease) in commitment	(2,574,488)
Balance, end of year	5,149,841

### Other Reserves (ie. Program, Art, 100th Anniversary)

Balance, beginning of year	1,026,132
Increase (decrease) in commitment	-
Balance, end of year	1,026,132

### UNRESTRICTED NET ASSETS

Balance, beginning of year	1,086,120
Increase (decrease) in commitment	-
Balance, end of year	1,086,120

### TOTAL RESERVES

17,166,241

### ENDOWMENTS and RESTRICTED FUNDS

Balance, beginning of year	3,384,048
Increase (decrease) in commitment	60,000
Balance, end of year	3,444,048

### TOTAL ASSETS

20,610,289

## Approved

### 2016-17 BUDGET

2017-18 BUDGET	2016-17 BUDGET
4,356,760	4,187,300
4,253,660	2,295,500
(598,000)	(632,100)
122,800	122,800
3,778,460	1,786,200
8,135,220	5,973,500
1,740,900	1,749,600
28,028	(8,700)
1,768,928	1,740,900
7,724,329	7,371,400
(2,574,488)	(551,800)
5,149,841	6,819,600
1,026,132	822,900
-	-
1,026,132	822,900
1,086,120	351,500
-	-
1,086,120	351,500
17,166,241	15,708,400
3,384,048	3,236,300
60,000	67,000
3,444,048	3,303,300
20,610,289	19,011,700



# In Development for 2017/2018

- Operational effectiveness and efficiencies;
- Increasing our donor base with an aggressive fundraising campaign;
- Pursuit of external grants for accessibility, sustainability, heritage;
- Increased focus on the wedding and corporate event markets.