

Minutes of the 1,245<sup>th</sup> meeting of the Hart House Board of Stewards, held on Monday, June 25<sup>th</sup>, 2012 at 6:00 pm in the Library.

Present: Dr. Bruce Kidd (Warden)  
 Ms. Anita Comella (Presidential Appointee)  
 Ms. Lucy Fromowitz (President [*ex officio*] Designate)  
 Ms. Ann McPherson (GSU Appointee)  
 Dr. Johanne Roberge (RAC Senior Member)  
 Dr. Helen Slade (Presidential Appointee)  
 Dr. Jonathan Steels (Chair)  
 Ms. Elizabeth Wooster (RAC Secretary)  
 Ms. Evelyn Smith Romero (Social Justice Committee Secretary)  
 Ms. Kay Dyson Tam (Farm Committee Secretary)  
 Mr. Munib Sassad (UTSU Representative)  
 Ms. Amanda Greener (Executive Assistant to the Warden; Recording Secretary)

Guests: Ms. Rita O'Brien (CAO)  
 Ms. Joanna Carson (Manager of Financial Services)  
 Ms. Jenifer Newcombe (Assistant Director, Programme Admin.)  
 Mr. Peter Wambera (Senior Development Officer)

Regrets: Mr. Franklin Wan (Music Committee Secretary)  
 Mr. Kenneth Davy (Governing Council Appointee)  
 Ms. Natalie Lai (Art Committee Secretary)  
 Mr. Abhishek Vaidyanathan (Debates Committee Secretary)  
 Mr. Sharanya Chander (Finance Committee Secretary)  
 Ms. Chanelle Hanlan Hudson (Literary and Library Committee Secretary)  
 Mr. Noemie De Vuyst (Farm Committee Secretary)  
 Ms. Phoebe Uguy (Theatre Committee Secretary)  
 Mr. Guled Arale (UTSC Representative)  
 Ms. Ashleigh Ingle (GSU Representative)

### **1. Approval of Agenda**

Amendment of the agenda: report of the Election Committee. Approved.

**On motion duly made and seconded THE BOARD APPROVED the agenda.**

### **2. Approval of the Minutes of the Meeting of April 26<sup>th</sup>, 2012**

**The minutes of the 1,244<sup>th</sup> meeting held of April 26<sup>th</sup>, 2012, were approved.**

### **3. Business Arising**

#### 4. New Business

##### a) Hart House 2011-12 Audited Financial Statement Approval—motion— Bruce Kidd, Warden

Professor Kidd introduced Rita O'Brien, CAO, and Joanna Carson, Manager, Financial Services, to present the motion. Ms. O'Brien explained the audited financial statement approval process, with the Finance Committee having approved the statements earlier in the day.

Ms. Carson went through the overview level of the statements, including capital assets, balance sheet of Hart House liabilities and net assets, statement of revenue and expense,

Student revenues are up due to a fee increase, and revenues have increased. Expenditure on salary, wages, and benefits is up, however, expenditure on maintenance and utilities it down \$180,000 due to a warm winter. After commitments and expenditure \$115,538 of revenue remains.

Professor Kidd noted that the auditors had no questions at all this year, finished a week earlier than in prior years, and gave Hart House a clean bill of health. He offered congratulations to the Finance team.

**On motion duly made and seconded THE BOARD UNANIMOUSLY APPROVED the Hart House 2011-12 Audited Financial Statement.**

##### b) Structural Deficit Reduction update—Rita O'Brien, CAO

Ms. O'Brien overviewed the budget setting process and discussed the approval of the budget. She explained the 2012/13 budgets and why Hart House was running a \$502K deficit in 2012/13:

- Backload of deferred and major maintenance—pipe replacement is becoming critical. It will be necessary for Hart House to undertake a major infrastructural upgrade to manage this cost.
- Greater than inflationary increases on unionized salaries per Collective Agreements
- COSS formula does not provide for real inflation
- 2012/13 budget reductions, these circumstances necessitate:
  - \$236K in cuts to programs \$172K and services \$64K
  - \$100K in decreased reserve
  - 5% reduction in student access to bookable rooms

Ms. O'Brien reminded the Board that Hart House relies entirely upon the compulsory ancillary fee (52%) and the revenue it generates from senior

memberships, catering and events (48%) to cover expenses. Hart House receives no funding from the U of T operating budget (since 1991); co-curricular education is not recognized by the provincial funding formula, either for operating or capital.

In response to this Budget shortfall Hart House is doubling its efforts to fund-raise, drive other sources of revenue, and use space strategically and effectively. Hart House fits into the overall University of Toronto Boundless campaign, and Hart House's Sr. Development Officer works closely with the Division of University Advancement to meet aggressive targets.

Challenges moving forward include:

- Hart House is not bringing in enough money to finance its expenses
- A sustainable plan to deal with the structural deficit must be developed
- A major renewal of the building (heating, air conditioning, roof and windows) must be financed
- Major maintenance spending must be increased to \$2M
- Finance new student initiative.

Discussion ensued regarding the University of Toronto's lack of funding of Hart House and Student Life. Professor Kidd explained the 1991 policy which had offloaded Hart House, Student Life, and co-curricular activities from the University of Toronto's budget. He noted that he and Ms. Fromowitz have often mentioned this issue to the senior administration. The University of Toronto feels that in these difficult financial times that they cannot afford to contribute. Until the lobbying effort at Simcoe Hall and Queens Park is successful, there will be no movement on this funding policy. Regrettably this is the world Hart House needs to function in. Despite student support for the Hart House budget proposals on the Board of Stewards, those proposals are frequently voted down by student government representatives on the Council of Student Services. The message it sends to the senior administration is that Hart House is not a student priority.

**c) Committee on Budgets—MOTION—Bruce Kidd, Warden**

The Chair of the Board proposed a deferral of the COB motion to the next meeting.

**5. Warden's Update**

Professor Kidd thanked those who came today to vote on the financial statements.

**a) COSS retreat**

The Warden noted that he was encouraged by the constructive and honest dialogue of the day.

**b) Orientation**

The Warden explained to the Board that there would be a two-part Board Orientation for 2012-2013. The first part of the orientation would explain the responsibility of governing the House and the place of HH in the U as a whole, as well as the system of budgets. The second part of the orientation would explain the responsibilities of the Clubs and Committees.

Professor Kidd solicited email suggestions as to what information students wished to be included in either orientation.

**c) Olympia as Hart House**

Professor Kidd gave several examples of the integration of sport with cultural activities, which is so integral to Hart House. He noted that these activities brought people from across the world together in culture and politics and debate, as well as popular engagement in sport and physical activity.

The Warden noted that this is what Hart House does almost every day. Hart House makes an effort to bring together those from different campuses, from all levels of engagement and study within the university including staff, faculty, students, and the public in diverse activities.

**6. Other Business and Announcements**

**7. Date of Next Meeting**

Orientation session: TBA

**8. Adjournment**

The meeting adjourned at 6:56 p.m.

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Chair

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Recording Secretary

June 25<sup>th</sup>, 2012