



AFFILIATED WITH THE UNIVERSITY OF WATERLOO

BOARD OF GOVERNORS

Wednesday, September 25, 2024

DFL (1400) | 6:00 p.m.

MINUTES - OPEN SESSION - FINAL

The minutes were approved at the November 27, 2024 meeting of the Board of Governors.

PRESENT: Jean Becker, Tim Farley, Yaacov Iland (Secretary), Marc Jerry (President), Jane Karanassiou, Thomas Littlewood, Edwin Ng, Ashton Romany, Karen Spencer (Chair), Shumiao Wang (Treasurer), Fei Wei, Marita Williams, Jeff Wilson

REGRETS: Asma Al-Wahsh, Joseph Olubobokun (Vice-Chair), Eliana Suarez

GUESTS: Kayla Blake (KPMG), Cort Egan, Kim Haley (KPMG), Brendan Lynch (RBC), Ryan Lynch (RBC), Melanie McKellar, Tanya Missere Mihas, Kristiina Montero, Jill Pauls

ADMIN SUPPORT: Lisa Kessig

TERRITORIAL ACKNOWLEDGEMENT:

With gratitude, we acknowledge that Renison University College is located on the traditional territory of the Anishinaabeg, Hodinohsyó:ni, and Attawandaran (Neutral) Peoples, which is situated on the Haldimand Tract, land granted to the Six Nations that includes ten kilometres on each side of the Grand River from mouth to source. Our active work toward reconciliation takes place in all corners of our campus through research, learning, teaching, community building, and outreach. We are guided by the work of our Anti-Racism and Decolonization SpokesCouncil, and the [University of Waterloo Office of Indigenous Relations](#).

- 1. LAND ACKNOWLEDGEMENT-** Karen Spencer
- 2. OPENING PRAYER-** Marita Williams
- 3. PRESENTATION:** Audit Findings Report & Financial Statements- Kim Haley & Kayla Blake (KPMG)

Audit Findings Report

KPMG Auditors Kim Haley and Kayla Blake provided highlights from the Audit Findings Report for YE April 30, 2024. There were no risks from management override of controls. Risk for fraudulent revenue recognition was rebutted. There were no significant unusual transactions and no control deficiencies to report. There were no new accounting standards affecting the audit. Renison is in violation of the debt covenant and a debt waiver from TD is outstanding. Until the debt waiver is received, KPMG is unable to confirm if Renison has the ability to continue as a going concern. No audit misstatements were identified for tuition and residence revenue or deferred contributions and revenue recognition. The uncorrected audit misstatement relating to a payment for Bill 124 (\$135,680) was not material to the financial statements and was not adjusted.

Financial Statements- YE April 30, 2024

Assuming the debt waiver from the bank will be received, it was a clean audit. Assets were reported at \$37.5M and liabilities of \$18.3M with a balance of \$19.2M in net assets. Renison ended the year with a deficit of \$1.8M (including amortization) which is outside the debt covenant obligation.

There was no motion to approve the financial statements pending receipt of the debt waiver letter from TD bank. An additional meeting of the Board will need to be called to approve the financial statements before they can be ratified at the Annual General Meeting October 23, 2024.

- 4. PRESENTATION:** Investment Portfolio Update- Brendan and Ryan Lynch, RBC
Fiscal 2023 (May to April 2024) saw a 7.76% rate of return (\$280K). So far this year, the portfolio is up by 7.38% and another \$8K has been added since August (\$288,635). Current breakdown of the portfolio is 3.5% cash, 36.5% fixed income and 60% equity. The portfolio is generating \$150K in income annually. As reported in the Responsible Investing Report, the energy exposure in the portfolio is reduced slightly.
- 5. WELCOME NEW PRESIDENT & ROUNDTABLE GREETINGS**

6. **APPROVAL OF THE AGENDA**

MOVED by Jeff Wilson to approve the agenda; **SECONDED by Yaacov Iland. CARRIED.**

7. **APPROVAL OF MINUTES**- June 19, 2024 Board & General Meeting

MOVED by Jeff Wilson to approve the open minutes of June 19, 2024; **SECONDED by Jean Becker. CARRIED.**

8. **BUSINESS ARISING FROM THE MINUTES** – None.

9. **CHAIR'S REMARKS**- Karen Spencer

A reminder that there will be more in-person Board meetings this year. Committee meetings will continue to be held virtually. The AGM in October will be in-person. The meetings scheduled in the Winter will be virtual. It is nice to have the opportunity to see people together on site at Renison.

10. **PRESIDENT'S REPORT**- Marc Jerry

This was the first Board meeting for new President Marc Jerry. Current goals include supporting people, implementing strategy, making connections and working toward financial sustainability. Work will focus on operationalizing the strategic plan framework to identify strategic priorities, issues and big questions. Community consultations will be held and in mid-November and an MDG Retreat will be held to review the input. A framework for the Board will be presented to the Board in January 2025. Last year ended in a structural deficit and this year must end in a balanced financial position.

At the AGM, our Guest Speaker will present on the Culture of Philanthropy. A Capital Feasibility study will be conducted to determine the amount Renison could expect to raise through a fundraising campaign. In Spring, we will have a report of our fundraising capacity.

Finance update- Jill Pauls

Q1 Forecast

Revenue for the year was budgeted at \$21.1M and is now forecasted at \$21M. Fall tuition and enrolment for degree and non-degree is lower than budgeted. Residence and food services are doing well. Expenses were budgeted at \$22M of which the largest component is salaries. The cost of benefits is expected to rise by 30% this year. The budgeted deficit including non-cash items was \$1.4M and the actual deficit is now forecasted at \$1.6M.

Q1 Cash Flow

The cash balance at the end of July was \$3.5M. The balance normally dips to its lowest level during the summer. Significant capital expenses include a new boiler and the unexpected expense from a major elevator repair.

Statement of Operations

YTD actual revenue at the end of July was \$3.7M compared to budget of \$3.76M. Expenses of \$1.17M were a bit higher than budget of \$1.05. The YTD actual deficit at the end of July was \$1.46M compared to budget of \$1.36M.

Figures for the KDE Hub are reported separately and are in and out amounts.

MOVED by Jeff Wilson to accept the President's Report; **SECONDED by Fei Wei. CARRIED.**

11. **COMMITTEE UPDATES**

a) **Governance**- Thomas Littlewood

The resignation of Board member Neha Chugh has been received so there is a vacancy for an elected Board member. A General Meeting could be called in January to elect a new member. The Board terms for Shumiao Wang and Thomas Littlewood end December 31, 2024. They have both agreed to continue for another term. The role of Chancellor is vacant and will remain so until the Board decides how to move forward. The Board has requested that a Chancellor Sub-committee of the Governance committee be formed to review the role of Chancellor and report back with a recommendation to the Board at the November meeting.

At the AGM the Chair will be elected. Karen Spencer has agreed to another year in the role. The Vice-Chair and Secretary need to be elected for another term to start January 1, 2025.

The initial meeting to review the Governance Policies was held and work is ongoing.

The Board Reconciliation sub-group will need to be populated so the work of the RRRSC can move forward.

b) Finance & Audit- Shumiao Wang

Appreciation to Jill and the Renison team for their hard work.

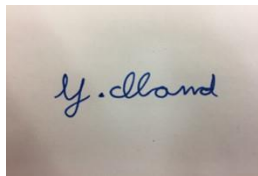
12. **OTHER BUSINESS** – None.

13. **IN-CAMERA SESSION**

MOVED by Thomas Littlewood to enter the in-camera session; **SECONDED by Yaacov Iland. CARRIED.**

14. **ADJOURNMENT**

NEXT MEETING: Annual General Meeting- Wed., October 23, 2024 | In-person

A rectangular image showing a handwritten signature in blue ink on a light-colored background. The signature appears to be 'Y. Iland'.

Yaacov Iland
Secretary, Board of Governors