

Note: This meeting can be viewed in full or in part via streaming video at <http://www.usc.uwo.ca/government/council/meetings/index.asp>.

1. CALL TO ORDER

The Speaker called the meeting to order at 10:15 p.m.

2. O CANADA

The Speaker led Council in the singing of O Canada.

3. WESTERN SCHOOL SONG

The Speaker led Council in the singing of the Western School Song.

4. ROLL CALL

Speaker: Alif Karmali

Recording Secretary: Elizabeth da Ponte

5. APPROVAL OF THE MINUTES

The Speaker looked for a motion to adopt the agenda as amended.

FARFAN/Manuel/ Carried (unilateral).

6. APPROVAL OF THE AGENDA

PALIN/Saddy/Unilateral/Carried.

7. COMMENTS FROM THE CHAIR

The Speaker discussed the SPO Candidates election process.

The Speakers informed Council that the attendance records had been updated and made public. The Speaker advised Councillors to review the attendance and ensure that the records accurately reflected their attendance. Any missing regrets should be forwarded for amendments to be made.

8. PRESENTATIONS

Gazette Budget Presentation (15 mins for presentation, 15 minutes for Q&A)
see appendix presentation

Questions:

Mr. Pratt: *Special honorarium question. Increase from 2016 – to – 2017?*

Mr. Farfan: *Question with respect to the editor entertainment (\$15K) and the (\$5350 for volunteer appreciation?*

Mr. Boekhoff noted that the increase in spending was for a Christmas dinner and retreat. This increase was to the volunteer line for an appreciation dinner and regular events for appreciation.

Ms. Cheeseman noted that this was the equivalent of 98 percent of the president portfolio.

Mr. Boekhoff noted that this was being divvied for 24 full time student salaries.

Mr. Carmen questioned how many engineering students (due to high work load concerns) worked for the Gazette. He noted that there were more funds from this year versus last year.

Mr. Boekhoff noted that the Gazette has doubled its reach on all of its social media platforms. He noted that more students are getting involved, and that the first increase to the Budget was for editorials. The Gazette is seeking to keep the amount of content to the online platforms the same, and even producing more.

Mr. Boekhoff noted that there was more social media, radio shows and podcast content. As well as more student events (night and weekends) coverage.

Mr. Carman asked if the Gazette was not publishing in print, would this not free up time for editors? He further questioned how the added money would translate to added value.

Mr. Boekhoff noted that there had been additions to equipment and volunteer appreciation. He further noted that the Gazette was exploring training (12 month front staff), and noted that without the extra money, the print edition of the paper would suffer.

Mr. Carman questioned (given the increase the Gazette was seeing) would the Gazette be able to add value to students without additional funds?

Mr. Boekhoff answered in the negative.

Mr. Farfan noted the volunteer and editor (honoraria increase), stating that USC coordinators are paid a \$1,000 honorarium per year, faculty presidents were \$1,200. The USC has increased appreciation events, and sought to increase student participation by hiring more people in these roles.

Mr. Orbach-Miller: how much time is time spent per week by the editors, in order to receive \$130 per week.

Ian - Time in and out of the office. If you average this out, work around class schedule. Pay per section.

Mr. Orbach-Miller asked whether the honorarium is considered a wage.

Mr. Boekhoff noted that the editors received T4's.

The Speaker looked to Council for an extension to the allotted time. Mr. Saddy motioned to extend the discussion for 10 minutes.

Motion to increase presentation time by 10 minutes.
SADDY/Hamadache/Carries.

Ms. Hardy noted that the volunteer appreciation and entertainment line have increased for the Gazette, further noting that the Council appreciation line has not increased. What the difference is, and why if they overlap (15K).

Mr. Boekhoff noted that this should be one line.

Ms. Cheeseman sought clarification on whether the student volunteers were given T4 slips for all honorariums.

Mr. Boekhoff noted to the affirmative.

Ms. Cheeseman: *Would the printing value projection continue to decrease if you go down to a once a week print edition.*

Mr. Boekhoff noted that having two print editions per week was, in his opinion, a good investment. He further noted that reducing the number of print editions would have staffing implications, and was waiting until a manager retired to reconsider the number of print editions being run per week. Mr. Boekhoff noted that certain costs will go down; printing and delivering of the paper ran once per week, but not for the time being.

Mr. Palin noted concerns with the honorarium, noting that editors receive more than most other volunteers, and that some faculty presidents make even less. Mr. Palin questioned whether editor honorariums should be so much more, just because they make a tangible product.

Mr. Boekhoff noted that the Gazette volunteers were like a work force, and that these roles are not a volunteer position. He noted that for the amount of time and requirements to complete the work, many editors would not come back for less money.

MOTION: Cap speakers list/ Carried.

Ms. Khalili questioned the 90K Budget.

Mr. Boekhoff noted that printing charges had not gone down, due to printer charges going up.

Ms. Khalili: *Why has this not gone down?*

Mr. Boekhoff noted that the print edition had more color and was now using a better paper quality.

Mr. Noah Gerfelt, questioned whether there was a need to maintain the printing costs, with the Gazette moving to a digital format. He noted that forty (40%) percent of the advertising revenue of the print copy was gone, and questioned whether cross over packages for online and print advertising could be created.

Mr. Sussman questioned the appropriateness of the Gazette (being funded by students at large) endorsing particular elections candidates.

Mr. Boekhoff noted that candidate endorsements happen at every major newspaper. He further noted that all the candidates were invited to sit down with the editors of the Gazette.

Mr. Sussman noted that not every paper receives funding directly from the voters.

Mr. Boekhoff noted that this was editorial consistent, and that all coverage was the same. Noting that the Gazette has options on a lot of things.

Mr. Sussman: I do not agree. The Gazette does not run an endorsement for the SPO.

Ms. Patron: withdrawn

Mr. Little: *How are editors given honorariums?*

Mr. Boekhoff noted that these were weekly amounts, and performance reviewed every 2 week.

Mr. Little: *This is an ongoing salary?*

Mr. Boekhoff noted that this pay is performance based.

8. FOR ACTION

Motion #1 – Approval of Gazette Budget

Be it resolved, Council approve the Gazette Budget for 2016/2017 and its associated student fee.

HAMADACHE/Peterson/Carried.

Mr. Dodgson: (poi) *Where is the budget we are voting on?*

Mr. Boekhoff noted an increase of \$3.23 overall operating budget.

Mr. Dodgson: *Where is the budget?*

Mr. Farfan noted that the Budget had not been sent to Councillors, but that he had reposted the budget sent by Mr. Boekhoff on OWL.

Mr. Dodgson: What is the overall student fee?

Mr. Boekhoff noted that it is currently \$22.50.

Ms. Hardy noted concerns with the volunteer appreciation lined. Ms. Hardy put forwards that 15K for appreciation, seems extreme. She implored the Gazette to consider that these are student dollars and sought a decrease to fees for Gazette.

Ms. Patron spoke in favour of the motion, noting that Council was arguing about 2 percent of the Gazette budget.

Mr. Palin motioned to go in camera, to allow Councillors to speak freely, due to negative social media comments

Mr. English: not appropriate at this time.

Mr. Hamadache noted the opinion that this motion was in order because about the topic of conversation revolved around labour.

Ms. Helpard noted that for transparency, Council should not go in-camera.

The Speaker noted that all people present should be respectful, including those in the gallery and watching the live-stream.

Khalili: withdrawn.

Jacobi – for this motion – passes through directors.

Mr. Carman moved to freeze any fee increases other than inflation, as well as a clause included for a report to Council with student feedback on whether they believe they benefit from the Gazette.

AMENDMENT

Be it resolved that, there is no increase to student fees, apart from inflation,

Be it further resolved that, the USC put together a student report to Council with student feedback report on how students feel about extra money from their student fees going to the Gazette.

CARMAN/ Saddy

Mr. English: inaudible. Is this only for the one year?

Ms. Helpard: Approve the budget this year, and this fee increase for next year?

Mr. Carmen: No, this year.

Ms. Helpard noted that this motion was not in the same spirit as the presented motion.

The Speaker noted that in this case, Mr. Carman could bring this motion up in new business.

Mr. Saddy questioned whether the fee increase noted in the motion, could be amended to zero. And still be in the spirit of the motion.

The Speaker entertained the amendment to the fee increase to zero as an amendment to the motion.

Motion to over rule a chair.
LITTLE/Ward/Not Carried.

Mr. Saddy noted that Councillors should take into consideration what students think and stop the increase. He noted the changes in the Budget from the year before, including entertainment and volunteer appreciation.

Mr. Boekhoff noted that the fee increase approved last year had staffing implications.

Mr. Saddy asked whether the Gazette had a budget prepared in the event that they receive only an inflationary increase.

Mr. English noted that this would be budgetary amendment.

Mr. Boekhoff noted that there was no prepared budget for an inflationary increase.

Mr. Hurren noted that the Gazette had done exactly what Council had asked.

Ms. Hardy speaking to Mr. Hurren's point, noting that Council should have the opportunity to critically analyse the Gazette's budget.

Mr. Carman enquired whether there could be a restructuring, namely sub editors. Mr. Carman focused on learning opportunities for students and the valuable experience volunteer's gain. Further encourage the Gazette to fix issues without asking for more money, via more student engagement and student volunteers.

Mr. English asked whether Council was seeking to revoke what Councillor's approved the year before.

Mr. Carmen noted he was seeking to remove the increase from last year.

Ms. Helpard noted that this would be revoking the approved cost and the increase for two years, essentially taking back last year fee increase.

Mr. Carmen proposed to allot the Gazette exactly the same fee as last year and inflation.

Mr. Saddy clarifies that this would be \$19.73

Mr. Sussman: withdrawn

Mr. Carmen noted that while this was approved in the past, Council could at a later time re-evaluate the fee at their discretion.

Ms. Helpard noted that if the Budget was not passed, then the emergency budget taskforce rules could be put into effect.

Mr. Farfan: *Could they do the same thing last year that they did this year?*

Mr. Boekhoff noted that the increases were for Full time staff.

Ms. Patron: MOTION to cap the Speakers list.

PATRON/Palin. Carried.

Mr. Little spoke against the amendment.

Mr. English question whether all the proxies had been submitted to the Speaker 24 hours in advance.

Mr. Hamadache spoke in favour of the amendment, noting that this would result in a 79K savings.

Ms. Khalili (Proxy) questioned how other student newspapers run with budgets significantly lower than 600K.

Mr. Boekhoff noted that this would be a violation of the USC collective agreement. The union owns that work.

Ms. Helpard noted that issues of this nature should be discussed in-camera.

Mr. Orbach–Miller noted that in requesting a long term plan last year from the Gazette, then removing funding a year later was in bad faith.

Mr. Pratt: *Was Council provided their budget to Council?*

Mr. Carman: *If we approved the budget. Does this mean we can't change anything inside?*

English – withdrawn.

Mr. Jacobi noted that portions of the Gazette budget relating to unionized staff had legal implications and were inappropriate discussions to be having in a public meeting.

Mr. Sussman: *Should we go in camera?*

Mr. Abbot: *have we reached the limit?*

Speaker: Yes.

Ms. Hardy: (poi) *Is this the only place the Gazette could cut would be the union employees?*

Ms. Helpard clarified whether Ms. Hardy sought to cut other costs.

Mr. Jacobi suggested an amendment with no increase.

Mr. Pratt suggested the cuts come from the honorarium.

Mr. English noted that the honorarium rules set out for the Gazette were special rules for them.

Mr. Pratt noted that this was different than the rest of the USC

Ms. Khalili (PROXY): *How much is salaries to union members?*

Ms. Helpard insisted Council go in-camera with the line of questioning.

Ms. Khalili (PROXY): repeated question.

Mr. Palin noted that he did not think the line of questioning was helpful.

Mr. Saddy sought to split the motion.

The Speaker noted that the council could vote by part.

Ms. Cheeseman sought a freeze for next year.

Mr. Carmen: (question Jacobi) *Would the amendment eliminate risk of contractual issues?*

Ms. Hardy asked how this would work.

Mr. Carmen sought a fee freeze with no inflation for the coming year.

MOTION: Call the question

SADDY/

Be it Further Resolved, in the event the search for alternate funding models directly impacts the budget narrative of the fiscal 2017-year, a maximum of \$2500 be directed into the Capital Fund. Any additional funding and/or revenue not currently budgeted in the budget narrative be directly distributed to Western Student-Volunteer Honoraria.

CHEESEMAN/Saddy/Not Carried.

Ms. Cheeseman questioned Council whether they could allow the Budget to go through and have a third-party review the Gazette budget at a later date.

Mr. Hamadache: *What would a third party review cost?*

Mr. Saddy noted that the Gazette never formally sent the budget to Councillors.

Mr. Sussman spoke against the amendment, and was in opposition to the fee freeze. Council committed to something. Council to an arbitrary standard.

MOTION: Call the question

PATRON/A. SUSSMAN/Carried.

Ms. Patron motioned to split the vote (vote by part)

Saddy – Section 2, Section 3, Section 1

SADDY/Oliver/ Carried.

Clause 2: Does not Pass

Clause 3: Passes

Clause 1: Passes

MOTION: Called the Question (Main Motion)

PATRON / Kiteley/ Carries.

Motion #2 – Approval of 2016/2017 Budget

Be it resolved, Council approve the 2016/2017 Operating and Capital Budget of the USC as recommended by Long-Term Plan and Budget Committee of Council.

FARFAN/Ward/ Carried. (Unanimously)

AMENDMENT

Be it resolved that the CHRW fee be consistent with the fee freeze as mandated by last year’s Council, to \$13.15.

KITLEY/Farfan/ Carried. (Unanimously)

10. FOR INFORMATION

11. FOR DISCUSSION

12. ADJOURNMENT

Motion to adjourn.

CATTON/ Evertit/Carried

The meeting adjourned at 2:35 a.m.

President

Recording Secretary

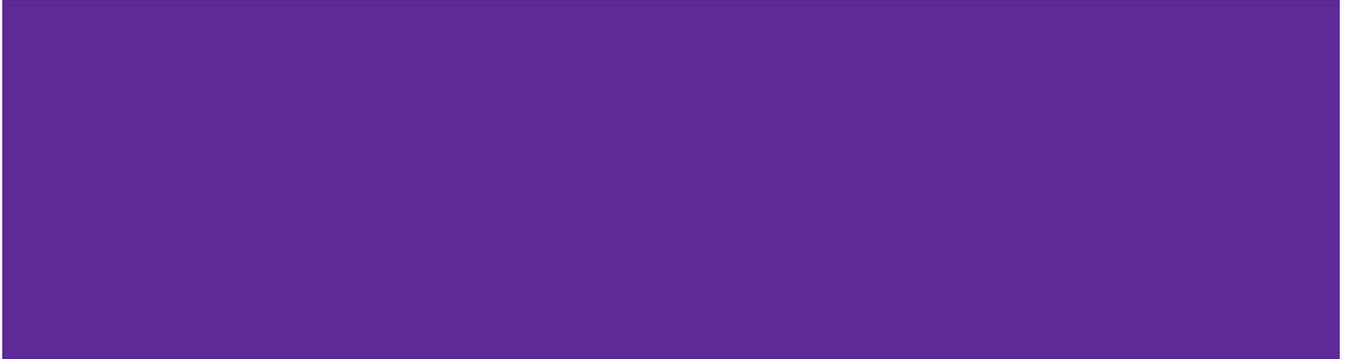
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Sign In/Sign Out

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Presentation to council

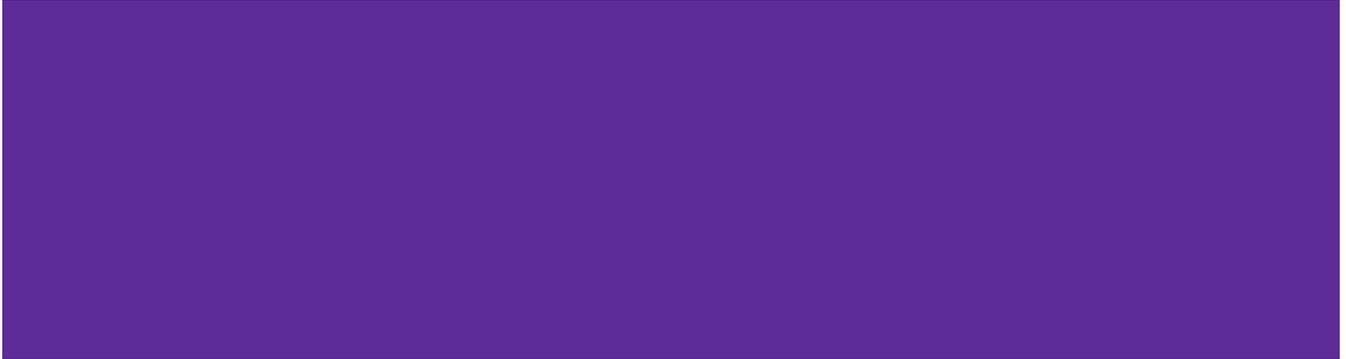
Wednesday, Mar. 8, 2016



Roadmap

- Digital transformation
- Update on transition
- Governance and accountability
- Budget and context

Who's involved and how we compare



Who's involved

- There is a team of student editors and volunteers who decide and create all content published online and in print
- There are 24 members of the editorial board
 - 3 are full-time editorial staff who are former students (similar to USC executives)
 - 21 are editors who work 30+ hours every week and are paid in honoraria (similar to AVPs)
- We have 200 student volunteers who are from all faculties and departments
- There are currently 30 interns across four sections who come in on a weekly basis to create content, whether that's writing, editing, photos, graphics or video

Who's involved

- Separate advertising/composing department does all layouts, manages IT and advises on digital tools
- Department has been cut from 8 people to 3 in the past five years, leading to severe under-staffing. This has been made up through hiring one additional staff member this year and using more USC resources
- Does more than Gazette — advertising for all USC goes through department and composers work on Westernizer during the summer, which is a USC publication
- Transition planning — manager will retire in upcoming years, we have to prepare for that. USC is doing similar things in other areas, such as finance dept.

The Gazette vs. everyone else

- Like most things Western does, we straddle the line between Canadian university culture/norms and American
- In terms of quantity and breadth of coverage, no other student newspaper in Canada can match us
 - Largest competitor is Ubysey and they went down to once a week this year
 - Every other student newspaper in Canada is once a week at most
- We are, however, not in the same league as American student newspapers who have much larger means than we ever will (see: \$3.2 million in assets for the Daily Pennsylvanian, for example)
- Our goal is to be the best student newspaper in Canada, be relevant to readers and to student volunteers

Journalism quality

- If you compare our content to that of almost any other student newspaper, we not only dwarf in quantity but also quality
- Quality wise, we offer two major distinctions: Internally, we have higher requirements than other newspapers. Externally this means we have campus-focused content with original reporting. Look at other newspapers in Ontario and you won't see the same thing
- In the past 4 years, student editors have gone on to the CBC, Globe and Mail, National Post, Toronto Star and Wall St. Journal
- Personally, I will have a job at the Globe and Mail starting in June solely because of the Gazette

Digital Transformation



Why it happened

- After the Frosh Issue crisis in August 2014, the Gazette and USC agreed to examine the Gazette's operations and find a way to prevent similar situations while providing the best student experience to both readers and volunteers
- Extensive research was done on student newspapers in Canada and the U.S. to find what comparator newspapers were doing and where they were heading
- Research was also done on the journalism industry as a whole and what skills are needed at a modern media outlet
- The Gazette was identified as being underfunded and several years behind the times when it comes to the development of its digital platforms

USC lawyer's report

- The USC commissioned lawyer John McNair to examine the 2014 Frosh Issue and the context of the crisis
- His report found the Gazette was under a variety of stresses, including:
 - The Gazette is a source of legal risk to the USC, specifically in terms of libel
 - Little to no training or transition process increases libel risk
 - Volunteer acquisition and retention problems lead to understaffing
 - Lack of staff support, full-time staff are overworked
 - Daily deadline led to hit in quality, editorial oversight

Areas of need

- Training for full-time students, editors and volunteers
- Volunteer recruitment and appreciation
- Overworked full-time staff need to have loads lightened
- Focus on staying relevant to readers and student staff

The result

- The first four year business plan encompassing both editorial and advertising/composing department needs
- Significant funding needs were identified. Funding was two-fold: first to overcome current areas of underfunding, and two, to pursue digital publishing
- In particular, volunteer recruitment, training and retention was identified as a long term risk. A similar problem is faced by the USC who have made significant investments in marketing, training and compensation
- The USC determined significant changes had to be made in order to ensure the long-term sustainability of the Gazette from both an internal operational perspective and financially

Goals of the plan

- Make the Gazette more relevant to readers
- Limit legal risk by providing better training and resources to editors and volunteers
- Implement a long-term plan and vision for the Gazette to maintain relevance and increase its training ground experience
- Make Gazette funding more in line with USC funding and policies as a whole so that it is sustainable

Financial aspect

- Two stage fee increase approved by council to complete the business plan
- The first increase was to invest in editorial needs. The second to invest in the staffing needs of the composing/advertising department and invest in a capital fund
- For this year, a \$2.10 increase to operational and \$1.90 to multimedia fee was approved by council, for a total of \$4 per student
- All of the costs are associated directly with the lawyer's recommendations, adequate staffing levels and investments in digital

How it came together

- Business plan was created by the EIC in consultation with the USC, Publications Committee, lawyer John McNair and journalism professionals
- Financial plan created by USC executive in consultation with EIC
- Editorial plan was approved by the editorial board in Jan. 2015
- Business plan and budget approved by the Board of Directors Feb. 2015
- Business plan and budget approved by Council Mar. 2015

Update on Digital Transition



Investments made

- New website CMS and redesign from a company that only services newspapers
- Multimedia equipment for reporters and editors to use on assignment
 - Mobile reporting equipment for video and audio
 - Cables to hook up cameras to an iPad so photos can be posted “live”
 - Better, more functional camera lenses
- Staffing
 - Additional full-time compositor

Challenges

- Back-to-back printer deadline
 - Our deadline for the Thursday edition is on Tuesday, which has created a major stress on our operations
- Establishing digital first workflow
 - Ensuring content goes out in a timely manner with appropriate editing
 - Getting all the pieces together — headline, photo, video, graphics, social media
- Maintaining uniformity/quality across platforms
- App
 - We invested in the development of an app with a company who has done 80 other apps for student newspapers
 - However, the company has been a little difficult to work with and the customization of the app is limited — we don’t get as much editorially out of it as we would like so we are pursuing other potential options

Online daily

- Despite not being in print four days a week, we are now publishing more than we ever have
- We are close to publishing daily throughout the academic terms, with just a few weekend days with nothing published
- Breaking news is covered when it happens, e.g. Friday night 8 p.m. was when the bus detours story was started and published
- Sports coverage happens in real time on weekends
- Publish continually throughout the day during the week online and on social media

Impact

- Chakma scandal
 - Broke new developments first that other media outlets picked up afterwards
- Ontario budget
 - One of the first to break the budget news (3 minutes earlier online than Globe and Mail) and one of the few that focused on the student perspective
 - Facebook post reached 84,000 people
- Bus route detour
 - Most students found out about the bus detour changes from the Gazette since the University did little to publicize it
 - Facebook post reached 68,000 people, well over double the number of undergraduate students at Western
- Campus focus
 - Have an even greater focus on campus news, events and students. We have featured more students and written about more student events than we have in the past five years

Impact

- Sports coverage solely Mustangs and students for the first time in over 15 years
 - We are a valuable source of information, live updates, profiles and photos for Mustang athletes and their friends and families
- We were the only media outlet covering USC election night and the only source of information for students who weren't there. We had two videos online within an hour of the results
- Western administration has told people outside the university that we have been doing a good job this year (still not sure whether this is a good or bad thing, but it's worth noting)
- We've submitted four freedom of information requests to three institutions on campus (Western x2, Brescia and Huron)

Quality

- Without the daily print deadline, we have been able to do stories we haven't been able to before — see how sports no longer has filler professional content
- Original reporting has been emphasized — we mostly write about things that are not covered anywhere else
- We have a strong editorial system that mirrors professional media. We are one of only a few places in Canada where a student can get a comprehensive journalistic experience before entering the workplace

Training

- More formal training has been implemented this year for volunteers
- Every volunteer gets an intro session and section-specific training before volunteering
- Invested in online training sessions that can be accessed anytime
- We've held workshops on specialized topics for editors and volunteers
- Alumni who work at news organizations like the Toronto Star and the National Post, have visited us to talk about their experiences and provide advice to us
- We'll be having a Skype training session with the editor-in-chief of BuzzFeed Canada next week

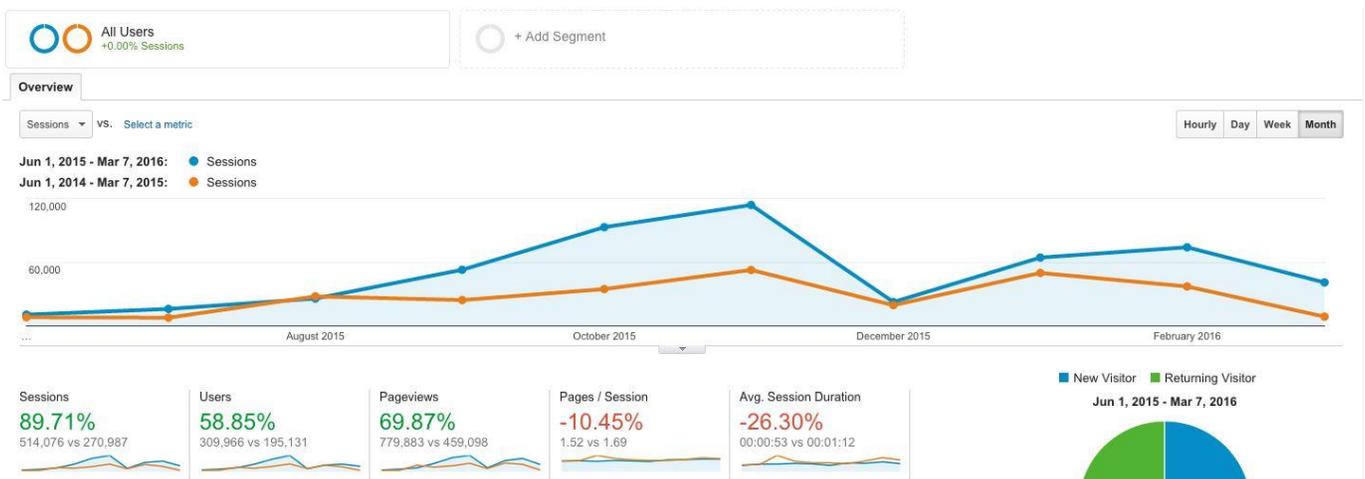
Volunteer Recruitment and Retention

- Recruiting and retaining volunteers is an increasing priority but it is a work in progress
- More work needs to be done in training them
- We also need to do a better job engaging our volunteers. We don't currently have a consistent system for communicating with them and we lose out on potential volunteers because of that

Print Metrics

- We do audits of print pickup across campus by measuring how many issues are gone vs how many were put there
- We have not seen a drop in pickup year over year
- Advertising revenue has held relatively steady even though we dropped two print editions a week

Website Metrics



Website metrics

- Best metric to gauge web engagement is number of sessions and we have almost **doubled sessions** this year
- Users have **increased over 50%**
- On track for close to **1 million page views** this year, which is also **over a 50% increase** from last year

Social Media

- Increased Facebook presence, which accounts for roughly half our site traffic
- In the past month, we've reached almost 250,000 people, engaged 90,500 people
- Since August 1, our post reach on Facebook has been **1,093,000 people**. Entirety of last year: 479,738
- Highest rate of growth on our page on Facebook of Canadian student newspapers
- Largest amount of content on Facebook of Canadian newspapers, including photo galleries, videos — **double the content** of the Ubyssy this week (124 vs 62), for example
- Created section-specific Twitter accounts like the ones you will see at other newspapers that are active and cover events live, like Mustangs games
- Expanded to Instagram. We are growing our follower base there and posting photos and short descriptions that complement our existing content

More stats

Facebook page **likes up 65%**

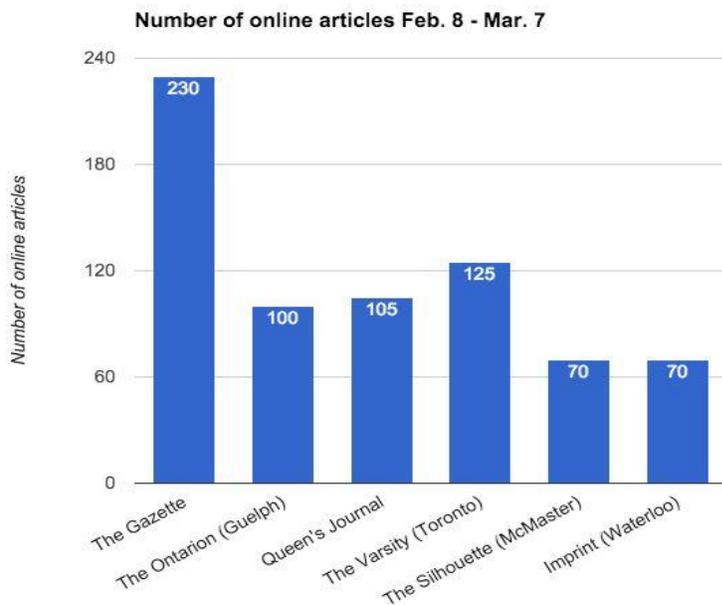
Twitter reach is **1,843,000** since August

Youtube: **50 videos** on our channel, Silhouette 15, Ubysey 45, Varsity 26, Journal 20, Imprint 25, Ontarion 0.

Facebook videos: **Gazette 40**, Ontarion 0, Imprint 0, Queen's 26, Varsity 1, Silhouette 4, Ubysey 14

We also had **23 radio shows** and **25 podcasts**

Online story publication



**NOTE: Includes weeklong Reading Week, no stories published. Extrapolating out for a full month = above 300 articles for Gazette

Moving forward

- The digital transformation is a work in progress and while the numbers have exceeded expectations, there is a lot more that we need to address
- Training continues to be under acknowledged — this will take 2-3 more years before it becomes standardized
- Procedures need to be formalized to ensure appropriate standards are applied at all times, to spread out the workload and modernize our workflow
- Increase attention paid to print so that only the best stuff is used and design is prioritized
- Explore alternative digital publishing platforms, like an app similar to Star Touch
- Move into our generation's social media — Snapchat, Yik Yak, WhatsApp
- Plan for eventual retirement of manager and going to once a week in print

Governance and Accountability



Publications Committee

- The Gazette now officially reports to the Publications Committee, having previously not really having any oversight
- The Committee was set up in response to the USC trying to move and downsize our office
- After national media outlets criticized the decision, the USC backed down and let us stay in our current office
- In response to this, Pat Whelan, in conjunction with the EIC, started a Publications Committee to oversee the financial and long-term strategy of the Gazette
- The Committee acts as an intermediary between the Gazette and the Board of Directors so that decisions are made based on research and consultation with professionals rather than political motives
- The digital transformation business plan came out of this committee last year

Voting members (7)

- Jay Menard, Digital Echidna
- Aron Yeomanson, editor at Globe and Mail
- Nicole MacAdam, editor at National Post
- Paul Benedetti, Western journalism professor
- Ravi Amarnath, Toronto lawyer
- Hiran Zafari, Board of Directors representative
- Jocelyn Wong, student-at-large

Policy updates

- Major policy changes occurred this year to create a cohesive set of policies and documents for the Gazette to operate under and to better clarify our position within the USC
- The front office elections policy received a major overhaul to increase the transparency of our elections and make the process more rigorous. Candidates this year had to submit written answers to questions that took five-six pages, samples of work, proof of enrolment and resumes. The voting process was also revamped
- Every policy was rewritten and updated over the Christmas break and will be going to the committee at the next meeting

Transparency

- Procedurally we have moved toward making the Publications Committee sustainable by itself
- Meetings are typically held once a month during the academic year
- Agendas and supporting documents are made public
- Financial reporting is made public
- In our financial reporting, we provide more information more often than the USC as a whole does
- For next year, a comprehensive procedure and timeline has been created to formalize the relationship of the Front Office staff to the committee, meaning more rigorous oversight of the management of the Gazette as a whole
- Things coming include an annual strategic plan, performance reviews and capital planning

Professional feedback

- Per the lawyer's recommendations, we have solicited professional feedback
- A retired Western journalism professor edits and provides feedback on our stories
- This relationship can continue to be developed and formalized but it is a good first step in maintaining and increasing our quality and consistency

Budget and context



Fee increases

- We have undergone cuts in the past five years to both editorial and advertising/composing departments that have made them unsustainable long term
- In 2012, we had a \$4 increase to our fee to make up for sustained losses
- This happened again last year and was approved for this year as well
- However, we went back and adjusted the budget to reflect what has happened in practice following the uncertainty a digital path would lead to
- Instead of a \$4 fee increase overall, it is \$3.23 — \$0.46 for inflation and \$2.77 operational increase
- We are also integrating Western TV into our operations, which requires staffing and resource needs

Our budget to date

- We are currently under budget for the editorial department and tracking in-line for the advertising/composing department
- Some high expenditures come later in the year and we'll finish closer to budget than we are currently
- We are adjusting to new digital processes and are progressively incurring costs throughout the year as needs come up. Subscription-based tools have been added throughout the year and will affect the entirety of next year's budget rather than part way through this year's
- The expected surplus will go into the USC bottom line because we are an internal admin fee

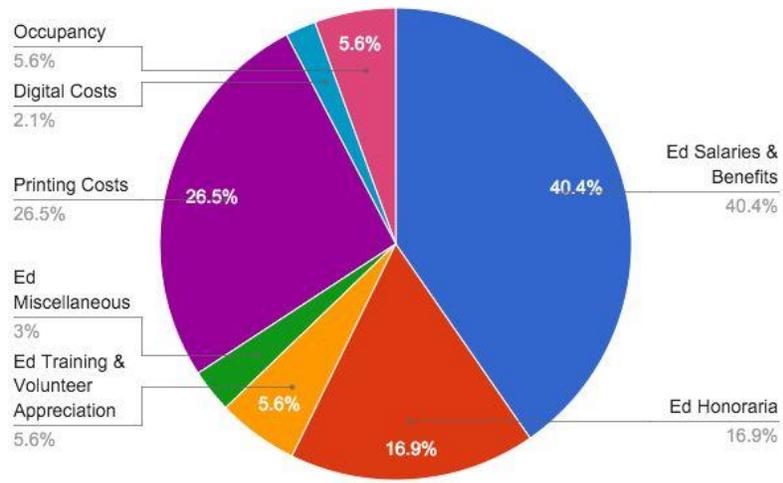
Editorial budget

- Mostly status quo, with an overall cut of \$10,600 from our budget
- \$95,000 has been moved out of editorial budget to the corporate side. This was implemented formally last year and is what the USC charges us
- Continued investments in training, volunteer appreciation, digital publishing tools
- Integration of Western TV = \$10,000+ more in honoraria
- We also need to see how integration of WTV works in practice. They've recommended 4 students to run our combined video section whereas there are 2 currently
- This budget is necessary to continue the quantity of content and the quality
- Without the structures we have in place and are continuing to implement, there will be a drop in content
- Editorial budget is still in transition and things can change over the next 2-3 years

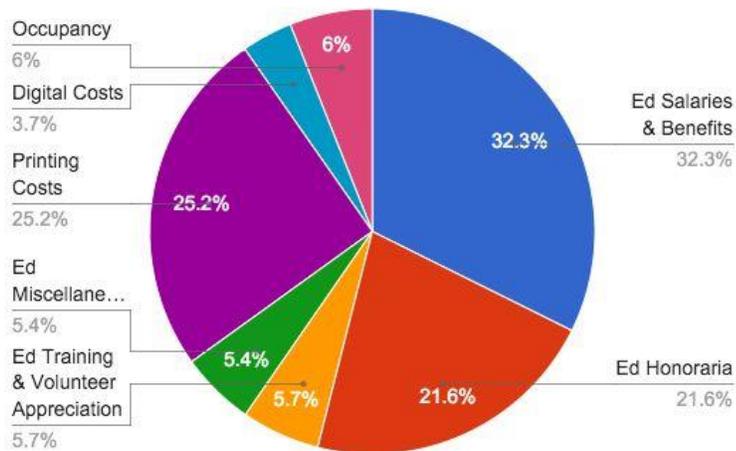
Editorial budget

- Overall, we're paying more people less money and that provides a huge advantage over professional media outlets
- We can allocate more resources to a story and cover it really well without costing nearly as much
- It is a core reason we are increasingly competitive with the London Free Press and other local media, e.g. we have beaten the Free Press to most major campus stories this year whereas in the past we would be behind
- We beat the Globe and Mail to online for the Ontario budget story because we had the resources to be there and to publish quickly

Editorial Budget Breakdown 16/17 Without Clawback



Editorial Budget Breakdown 16/17



To address some inaccuracies

Salaries and benefits

- We do not have over \$500k budgeted for salaries to “non-students.” That figure is actually \$165k to three full-time staff, which is mandated by the USC’s collective bargaining agreement that is negotiated by the president. Once a week papers in Ontario have similar sized staffs
- The single salesperson earns commission, which is again part of the USC’s union agreement. We have gone from 4 sales staff to 1 in the past 5 years.
- A further \$120k goes to three students who are typically just graduated who run the editorial department. Their salaries are tied directly to the USC executives’ salaries (the EIC’s salary is 98% of the USC president’s and has been for decades).
- Benefits are the USC’s benefits package for employees and is again part of the union agreement

To address some inaccuracies

Honoraria

- Editor honoraria is governed under the Gazette honoraria and disciplinary policy and the USC considers them employees (they are issued T4s)
- This year, instead of being paid per issue, editors are paid per week to instill a digital mindset rather than print.
- Honoraria budget is increasing just over \$10,000 to allow for the addition of Western TV editors and coordinators
- On an average week, editors are paid on average \$4 an hour for 30-odd hours of work while being full-time students. Compare to AVPs who make \$14/hr for 25 hours of work.
- Many who need the money and could take part-time hourly jobs make sacrifices so they can work at the Gazette
- USC has tackled volunteer problem by paying hourly — we have no plans to do so

To address some inaccuracies

Honoraria

- McMaster: Starting at \$11.78/hr for 18 editors, once a week paper, 70 articles
- Queen's: 28 students on honoraria, once a week paper, 105 articles
- University of Toronto: \$140k honoraria budget **NOT** \$0, 125 articles
- **Western: 21 editors on honoraria, twice a week paper, 200 articles**
- The trade-off: more students paid less or less students paid more. We produce double the content of other Ontario student papers. More students also benefit both within the Gazette and outside the Gazette, through coverage of their events and stories

Volunteer appreciation

- Queen's Journal spends \$14k

To address some inaccuracies

Our increased costs can be attributed to a few things

- Greater print frequency
- Larger student staff to maintain quality and quantity of work
- Unionized employees
- We are in line with other student media spending in almost every other case — verified this by calling 10 student newspapers across Ontario and Canada over past two days

To address some inaccuracies

- Student fees are just one aspect of support student papers receive from their student union and university
- If you look at any other newspaper in Ontario, there are numerous ads from the student union (e.g. their bar, elections advertising, etc.) and from the University (e.g. athletics dept., advertising for university events).
- We receive little in the way of advertising from the USC (CS, PS, and Mustang Express occasionally) and the University rarely advertises with us, instead choosing Western News
- Either way it comes out of student fees, we just see it directly rather than indirectly

Advertising and Composing

- Separate department of the USC from editorial
- Composing department works 8 months of the year on the Gazette
- The advertising department does more than just the Gazette; only 40% of salesperson's revenue comes from the Gazette but we have 100% of the costs
- Gazette advertising revenues have held relatively year over year — we expected a decline with less print editions. We continue to rely on print ad revenue but we have increased online advertising and are continuing to do so
- Expenses have increased due to additional digital composer and preparing to transition for manager. Manager was beyond overworked before additional staff member
- Includes slightly increased \$96,600 USC corporate charge
- Produce Westernizer for the USC during the summer

Year	Westernizer Revenues	Westernizer Expenses	Westernizer Net
2016	72,792	75,796	(3,005)
2015	101,701	86,967	14,733
2014	87,158	79,128	8,030
2013	87,259	76,786	10,472
2012	114,714	85,514	29,200
2011	88,163	82,336	5,826

Alternative revenues

- We are limited in pursuing alternative revenue streams due to already existing USC departments
- Large American newspapers provide graphic services, promotional services — a natural extension of newspapers' skills
- USC has Creative Services, Promotions Department already. We are also unable to provide services due to union restrictions, e.g. students can't do design work
- Exploring reliable alternative revenue streams should be a long-term goal for sustainability

Risks/uncertainties

- Subscription-based software
 - We currently use hard copies of essential software (e.g. Adobe Suite) that have moved to subscription based at a significant cost. We will eventually have to move over
- Advertising revenues
 - Competition from Western News
 - Online ads will not make up loss
- U.S. Dollar
 - Most of our digital publishing tools are in U.S. dollar rates and most are subscription-based. The declining dollar has affected us and will continue to
- Industry uncertainty
 - We are the second largest London newspapers after Metro shut down in late 2014
 - London Free Press is bleeding money and is facing an uncertain future after Postmedia takeover
 - If they were to fold, we would be the largest newspaper in London

With inflationary increase

	Actuals			Budget				
	2013	2014	2015	2016	2017	2018	2019	2020
Student Fee	15.39	15.85	16.25	19.27	19.73	20.21	20.61	21.02
Revenues								
Advertising Revenue	272,620	296,967	320,728	257,761	338,575	338,575	338,575	338,575
Student Fee/Other Revenue	438,615	374,834	416,642	621,065	566,638	580,237	591,842	603,679
TOTAL REVENUE	711,235	671,801	737,370	878,826	905,213	918,812	930,417	942,254
Expenses								
Editorial Expenses	306,395	315,408	339,208	455,912	445,292	454,198	463,282	472,547
Advertising/Composing Expenses	416,788	387,538	432,110	467,475	534,452	536,411	538,389	540,387
TOTAL EXPENSES	723,183	702,947	771,317	923,387	979,744	990,609	1,001,671	1,012,934
Net Profit (Loss)	(11,949)	(31,146)	(33,947)	(44,561)	(74,531)	(71,797)	(71,254)	(70,681)

With \$2.10 operating increase approved by council last year

	Actuals			Budget				
	2013	2014	2015	2016	2017	2018	2019	2020
Student Fee	15.39	15.85	16.25	19.27	21.83	22.36	22.80	23.26
Revenues								
Advertising Revenue	272,620	296,967	320,728	257,761	338,575	338,575	338,575	338,575
Student Fee/Other Revenue	438,615	374,834	416,642	621,065	626,941	641,988	654,828	667,924
TOTAL REVENUE	711,235	671,801	737,370	878,826	965,516	980,563	993,403	1,006,499
Expenses								
Editorial Expenses	306,395	315,408	339,208	455,912	445,292	454,198	463,282	472,547
Advertising/Composing Expenses	416,788	387,538	432,110	467,475	534,452	536,411	538,389	540,387
TOTAL EXPENSES	723,183	702,947	771,317	923,387	979,744	990,609	1,001,671	1,012,934
Net Profit (Loss)	(11,949)	(31,146)	(33,947)	(44,561)	(14,228)	(10,046)	(8,268)	(6,435)

With \$2.77 operating fee increase

	Actuals			Budget				
	2013	2014	2015	2016	2017	2018	2019	2020
Student Fee	15.39	15.85	16.25	19.27	22.50	23.04	23.50	23.97
Revenues								
Advertising Revenue	272,620	296,967	320,728	257,761	338,575	338,575	338,575	338,575
Student Fee/Other Revenue	438,615	374,834	416,642	621,065	646,181	661,690	674,923	688,422
TOTAL REVENUE	711,235	671,801	737,370	878,826	984,756	1,000,265	1,013,498	1,026,997
Expenses								
Editorial Expenses	306,395	315,408	339,208	455,912	445,292	454,198	463,282	472,547
Advertising/Composing Expenses	416,788	387,538	432,110	467,475	534,452	536,411	538,389	540,387
TOTAL EXPENSES	723,183	702,947	771,317	923,387	979,744	990,609	1,001,671	1,012,934
Net Profit (Loss)	(11,949)	(31,146)	(33,947)	(44,561)	5,012	9,656	11,827	14,062

Long term

- Long term, we will most likely go down to printing once a week in a couple years
- We will have turnover in the advertising/composing department when our manager retires and we will have to evaluate the effect of that
- Costs are expected to decrease within 2-4 years once the business plan has been completed and the Gazette goes through its transition period and becomes more stable
- However, the majority of our costs are not centred around print. To maintain a media outlet, the majority of costs go to staffing and related costs and we're no different — without content producers, we won't have anything

Alternative paths

- Significant changes to the budget will have a cascading effect
- For example, going to once a week in print would not only affect printing costs, but delivery, honoraria and have staffing implications that we don't know the cost of currently
- It would also threaten the long-term plan for the Gazette. If we do something too quickly and without consideration, there are long-term effects, particularly when it comes to staffing — this has been done in the past and it's why we've seen fee increases
- We also need to consider legal considerations — the USC spent \$20,000 on a review by John McNair and those recommendations have been either already implemented or in the process of being implemented. Cutting funding could mean those recommendations are not followed through properly

Capital fee

- New this year is a capital fee for the Gazette
- The reason for this is so we are able to make capital investments outside of USC funding as historically we have not been adequately funded and things have fallen into disrepair and been used well beyond useful life
- Particularly with the multimedia equipment we have, we will see a regular turnover of between 3-6 years in useful life
- This fee will be governed under a terms of reference with spending decided and approved by the Publications Committee and the Board of Directors
- There will be a five year capital plan funded by the fee, as with all USC departments

Conclusion



We have followed through on the goals of the digital transformation.

We have increased our governance oversight and accountability.

We have increased training and professional feedback.

We have increased readership.

Without the funding levels we currently have, you will not have the product you see every day online and twice a week in print.

We have followed through on the plan that council voted for last year and have seen a tremendous response from students outside and within the Gazette.

Questions

