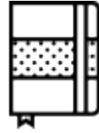


# SSMU BUDGET OVERVIEW

REPORT TO  
LEGISLATIVE  
COUNCIL





# AGENDA



**1.** INTRODUCTION INTO SSMU FINANCES

**2.** DIFFERENT STUDENT GROUPS

**3.** REVENUE STREAMS:

STUDENT FEES

SPONSORSHIP

COMMERCIAL TENANTS

**4.** OPERATIONS: SRC, GERTS, MINICOURSES,  
EVENTS

**5.** MAJOR EXPENDITURES

GENERAL ADMINISTRATION

GOVERNANCE

PUBLICATIONS AND COMMUNICATION



# INTRO INTO SSMU FINANCES



- Around **\$4,000,000** in revenues and expenses year over year
- Capital Expenditures Reserve Fund (**CERF**):
  - ~**\$5.0M** total long term investments and assets
  - ~**\$2.7M** in investments (Lester Managed)
  - Rest of CERF: Cash & Cash Equivalents, Property & Equipment, Term Deposits.
- Difference between Financial statements that are useful for Auditors & Accountants versus statements that are useful for managers and student representatives:
  - Restricted vs Non-restricted fees
  - Services Surplus
  - Clubs Surplus
- Ultimately leads to an inflated source of revenue / surplus

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# DIFFERENT SSMU STUDENT GROUPS



## INDEPENDENT STUDENT GROUPS

- Often Larger more established student groups
- Finances are not internalized by SSMU
- Still retains certain SSMU student group privileges

## SERVICES

- Finances are fully internalized – Budget, Expenditures, Admin Overhead
- Provided space in SSMU Building free of charge

## CLUBS

- Provided Bank accounts and many other support functions through VP Student Life portfolio
- Run finances independently

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# REVENUE STREAMS



**1.** Student Fees

**2.** Sponsorship

**3.** Commercial Tenants

**4.** Operations:

- Student Run Café
- Gerts Campus Bar
- SSMU Minicourses
- Events

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# FEES



## RESTRICTED FEES

Student fees that are allocated to a specific fund, project, or service

- Eg. All Funding committee funds (Ambassador, Club Fund, Equity Fund etc.), Health & Dental Reserve Fund, All Service Fees, University Centre Fee.

## UNRESTRICTED FEES

The SSMU Base fee (\$44.24 FT, \$20.77 PT)

- Can be used to fund General SSMU operations, roughly \$1.7M

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# SPONSORSHIP



## PROFITS

- 2015: Revenues: \$75,015.35
  - Expenses: \$79,824.83 (-\$4,809.48)
- 2016: Revenues: \$62,567.96
  - Expenses: \$62,350.25 (+\$567.71)

## CHALLENGES

- Balancing impact on student body with necessary revenues to make events possible and reduce overall deficit.
- Finding ways to make process more student centered.
- Explaining where funds go and why they are necessary

## RISKS

- Sponsorship contract negotiation

## OPPORTUNITIES

- More student involvement in reviewing sponsorship, finding ways add value to student life through sponsorship.

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# COMMERCIAL TENANTS



## PROFITS

- Revenues: 2015: \$214,526.83 – 2016: \$154,284.99
- Expenses: Costs absorbed by tenants

## CHALLENGES

- Admin overhead in maintaining positive tenant relationships.
- Balancing tenant revenue with cannibalization of SRC sales.
- Striking balance between student ran initiatives and commercial tenants. low sales during summer

## RISKS

- Short term leases due to MoA. Reduced traffic.

## OPPORTUNITIES

- Opportunities: finding more student groups looking for rental space

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# OPERATIONS

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STUDENT RUN CAFÉ

EVENTS & CATERING

GERTS CAMPUS BAR

SPONSORSHIP

SSMU MINICOURSES

COMMERCIAL TENANTS

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# SRC



## PROFITS

- 2015: Revenues: \$76,360,
  - Expenses: \$143,479 (-\$67,119)
- 2016: Revenues: \$221,872.
  - Expenses: \$342,668 (-\$120,796)

## CHALLENGES

- Advertising, Mandates, Costs, Admin overhead, managing staff overhead based on sales

## RISKS

- Major budget implications, more investment likely needed,

## OPPORTUNITIES

- Off campus sales
- Catering
- Card Scanners
- On-campus collaboration.

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# GERTS



## PROFITS

- 2015: Revenues: \$540,618.
  - Expenses: \$530,867. (+\$9,751)
- 2016: Revenues: \$368,901
  - Expenses: \$365,809 (+\$3,092)

## CHALLENGES

- Low student engagement,
- Managing security and server overhead based on sales

## RISKS

- Balancing Student enjoyment with Regie des alcohol regulations

## OPPORTUNITIES

- Low price point, great location,
- Increasing cooperation from student organizers around campus
- New promotions.

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# MINICOURSES



## PROFITS

- 2015: Revenues: \$540,618.
  - Expenses: \$ 530,867. (+\$9,751)
- 2016: Revenues: \$368,901
  - Expenses: \$365,809 (+\$3,092)

## CHALLENGES

- Remaining profitable among low enrollment
- HR overhead with instructor contracts
- Student Staff overhead

## RISKS

- Continued low engagement with student body will likely result in downsizing of program, or reinvestment in structure and promotion.

## OPPORTUNITIES

- More courses, more promotion, different enrolment structures.

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# EVENTS & CATERING



## PROFITS

- 2015: Revenue: \$67,809.94.
  - Expense: \$77,43.89 (+\$67,479.69)
- 2016: Revenues: \$52,360.71
  - Expense: \$1,597.24 (+\$50,763.47)

## CHALLENGES

- Limited space,
- Improving spaces to reach different customers
- Customer relationship management

## RISKS

- Major restrictions in space due to construction

## OPPORTUNITIES

- Space Improvements
- Increasing awareness among Montreal community

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# MAJOR EXPENDITURES

**UNIVERSITY CENTRE** – Cleaning, Porter Fees, Rent, Security (\$568,363 in 2016)

**GENERAL ADMINISTRATION** – Permanent Staff, Professional Fees, Printing, Photocopying (\$1.38M in 2016)

**GOVERNANCES** – VP Portfolios (\$41,426 in 2016)

**PUBLICATIONS & COMMUNICATIONS** – Handbook, Yearbook (ret.), printing, advertising & promotion (\$44,155 in 2016)

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# FY 2017 UPDATE

- **SRC** Sales increasing to over \$1,000 per day (~300 transactions)
- **Gerts** sales need improving, set \$20,0000 per week targets
- **Events** sales increasing, becoming our most profitable operation. Catering steadily improving.

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**THANK YOU FOR YOUR ATTENTION!**



QUESTIONS?