



REPORT OF THE VICE-PRESIDENT (FINANCE & OPERATIONS) TO COUNCIL 3 DECEMBER 2015

1. PERSONAL

- I took 5 days off, from November 20th to November 24th, and as such, I have a little overwhelmed with catching up on administrative work for the past week.

2. FINANCE

Revised Operating Budget

- The Revised Budget took quite a while to complete. This was primarily due to the absence of the General Manager, who would usually do the majority of the work on the administrative and operational departments. However, it is complete and submitted for approval today!

CERF Budget

- Now that the Revised Operating Budget is done, my attention will turn to the Capital Expenditures Reserve Fund. The Comptroller, Vice-President (Clubs and Services), and I hope to prepare a budget for CERF to compliment the Long-Term Financial Plan and to ensure that the CERF will not be depleted over the long-run. This is particularly important this year as we have several capital-intensive projects going on.

Clubs

- I have created a student-staff Club Auditor position, which I'm hoping will improve the speed and accuracy of the club audits. I'm currently working on improving the audit form, and it will be sent out to clubs shortly.

Investment Portfolio

- Included below is an update on the value and yield of the portfolio year-to-date. Note that does not include accrued interest.
- As you can see, the value has increased since I last reported on the Investment Portfolio (in October), but the portfolio is still down 3.7% year-to-date.

SSMU Investment Portfolio

Period	Beginning Value	End Value	Rate of Return	Cumulative Yield since May 31, 2015
June 2015	\$ 2,924,605	\$ 2,906,497	-0.6%	-0.6%
July 2015	\$ 2,906,497	\$ 2,903,856	-0.1%	-0.7%
August 2015	\$ 2,903,856	\$ 2,855,886	-1.7%	-2.4%
September 2015	\$ 2,855,886	\$ 2,804,313	-1.8%	-4.2%
October 2015	\$ 2,804,313	\$ 2,819,524	0.5%	-3.6%
November 2015	\$ 2,819,524	\$ 2,816,223	-0.1%	-3.7%



Four Floors

- The final deficit from Four Floors has been calculated at \$8.4K. A report of actual vs budgeted amounts is below.
- As you can see, efforts were made to cut expenses (primarily security and alcohol), but it was not enough to offset the lost revenue from not selling out.

Four Floors 2015				
Budget vs Actuals				
Revenues	Budget	Actual	Var-Fav(Unf)	Notes
Sponsorship, net of commission	1,000.00	487.50	(512.50)	
Ticket sales	25,000.00	13,375.00	(11,625.00)	Budgeted 1000 tickets at \$25/ticket, sold 535.
less: tickets given away	(100.00)	(100.00)	-	Consent McGill Trivia Night 4@25
Pumpkin carving contest - admission	-	91.80	91.80	
Total Revenue	25,900.00	13,854.30	(12,045.70)	
Expenses	Budget	Actual	Var-Fav(Unf)	Notes
Cost of ticket set-up and printing	300.00	185.08	114.92	Tickets, stamp
Materials and Supplies	200.00	100.00	100.00	Pumpkins
Production costs	14,000.00	14,000.00	-	
Entertainments (DJs)	1,100.00	1,100.00	-	Made Them Lions, Chris Tan
Alcohol Service - cogs	2,000.00	1,091.00	909.00	Budgeted 1000 beer tickets, \$1.5 per unit, buffer
Coat check salaries	200.00	210.00	(10.00)	2 persons (9pm-3:30am) @ \$12 @ 7.5hrs
Pizza	-	846.00	(846.00)	
Security - McGill	1,250.00	1,250.00	**	6 agents * 7h * \$28.90 (incl tax)
Security - SSMU	3,400.00	2,269.00	1,131.00	Budgeted 19 agents * \$22.25tx/hour * 7 hours
DriveSafe	150.00	300.00	(150.00)	
Rentals	1,035.00	900.00	135.00	Radios for security
Printing	100.00	-	100.00	
Porter Charges	725.00	-	725.00	1 night porter \$200, century \$400 + tax + fringe
Conferences and Travel	50.00	-	50.00	
Postage and Courier	10.00	5.00	**	5.00
Programming	300.00	-	300.00	
Total Expenses	24,820.00	22,256.08	2,563.92	
Surplus(Deficit)	1,080.00	(8,401.78)	(9,481.78)	

** Actuals are estimated.

Accounting

- Supervising the Accounting Department continues to take up a great deal of my time. However, things have been relatively smooth lately.
- I've started seeking proposals/quotes from auditors, in order to prepare for the appointment of the auditor at the Winter 2016 General Assembly.
- Working with the President, Vice-President (University Affairs), and Comptroller to implement the appropriate financial procedures for the Happy Lights Lending Programme.

Programming Events

- I've recently had several meetings with various members of SSPN to start talking about next semester's events. We've started discussing the budget for Faculty Olympics, programming for Week 101, and the schedule and finances for Grad Frosh.



3. OPERATIONS

Gerts

- Gerts is doing well lately. Sales are lower than last year but due to reduced costs, supplier rebates, etc., the profits appear to be on track. That said, we will be looking for ways to better promote Gerts and thus to increase sales next semester.

Student Run Cafe

- I will provide additional updates during the presentation of the Revised Budget.
- Overall, the term went well. Sales are continuing to increase each month, and feedback has been relatively positive. However, sales are not yet high enough to make the SRC as profitable as it was supposed to be (as per the 2015-2016 Budget approved April 2015).
- One of the priorities next term will be focusing on consultation and promotion, with the aim of increasing sales as well as ensuring that the SRC meets the needs of our members.
- Furthermore, consultation needs to be done regarding what students would like the finances of the operations to look like (e.g. lower prices and a subsidized budget, a breakeven budget, or a profitable operation which subsidizes the rest of the Society, etc.). This will be a second focus of the Operations Management Committee next semester.
- Financially, the SRC is not yet projected to break even, although the Revised Budget projects only a small deficit. One of the biggest reasons for this is the Salaries expenses, as we currently have two full-time staff working for the SRC, which means that we have salaries expenses in the Summer, despite the SRC being closed.

MiniCourses

- MiniCourses did well this term, and profits appear to be on target. However, we identified several issues with the structure of MiniCourses, in terms of the current differentiation of responsibilities between myself, the supervisor, and the coordinators, as well as with respect to the lack of institutional memory in the Portfolio. We are currently working to address these issues and will likely be significantly altering the supervisor's and the coordinators' job descriptions. We're hoping that these changes lead to better organization, promotion, and customer service in Winter 2016.

4. COMMITTEES

Funding Committee

- The Committee has finished going through all of the applications and has now reviewed appeals.
- The Funding Commissioner is currently processing all second instalment reports.
- We managed to disburse the entire Equity Fund surplus from last year, along with this semester's fees. We also were able to dip into the Green Fund surplus that has been building up over several years.



- Space Fund, Charity Fund, Ambassador Fund, Club Fund, and Campus Life Fund were fully disbursed (as usual).
- First Year Fund was entirely used up, which was exciting, as this fund has been historically underutilized.
- We are now working on further revising the online application in order to be able to send out decisions significantly faster next semester.
- See the Report of the Funding Committee, today, for more information.

Financial Ethics Research Committee (FERC)

- FERC has completed its biannual review of the Investment Portfolio – see the Report of the Financial Ethics Research Committee, presented today.
- We have now started reviewing all the suppliers at which the SSMU spends more than \$5,000 per year. These reviews will be used to develop the Purchasing Database – a project that has been ongoing for at least several years.
- We are working on revising both the Ethical Investment Plan and the Purchasing Policy. The Purchasing Policy is not comprehensive and does not actually contain instructions for how to use the Purchasing Database, and the Ethical Investment Plan is outdated and expiring soon.

Operations Management Committee

- OpsCom has not met this term. This was partially due to the fact that it took a while for me to start recruiting members at large, and then due to a lack of interest in the Committee after I started recruiting. I have recently received three member at large applications, so I will be reviewing these as soon as possible, in order to fill the member at large seats.
- Next semester, OpsCom will begin meeting right away and will be focusing primarily on:
 - Refining or developing mission statements for the Nest, the new food operation, and Gerts
 - A consultative campaign to gather feedback regarding what students would like to see in our operations, and how we are currently performing.
 - Naming the new food operation.
- The Vice-President (Clubs and Services) and I will also be reporting to the Operations Management Committee on lease negotiations.
- **Note: there is still a vacant councilor seat!**

Ad-Hoc Finance Committee

- The Ad-Hoc Finance Committee has not met this term, due to the fact that the three Councillor seats are unfilled. I will be examining this Committee to determine whether or not it should continue to exist.

Ad-Hoc Health and Dental Review Committee

- See the Report of the Ad-Hoc HDRC, presented today.



Other Committees

- Fee Advisory Committee
 - Next meeting postponed until January.
- Services Review Committee
 - Completed reviews of all 20 Services. The Vice-President (Clubs and Services) will be presenting the report.
- Building Committee
 - The Vice-President (Clubs and Services) will be presenting the report.
 - Before the end of the year, I am hoping to bring an update to all building events-related prices for approval.
- Steering Committee
 - SQ.

5. OTHER

Investment Portfolio Structure Research Project

- This project was postponed until next semester, due to a change in the researcher's availability.

Student Fees

- Currently working with Student Accounts to update the "Where is my money going?" brochure that outlines our student fees, in order to account for fees that expired this term and the new fees being instituted next term.

McGill Memorandum of Agreement (MoA) Negotiations

- The Vice-President (University Affairs) and I have had our preliminary meeting with the Deputy Provost regarding the MoA. Actual negotiations will begin early next term.

Work Hours

- In accordance with the Accountable Leadership Policy, a log of my hours is publically available. You can view my [hours log here](#).

Respectfully submitted,

Zacheriah Houston

Vice-President (Finance & Operations)