



**REPORT OF THE VICE-PRESIDENT (FINANCE & OPERATIONS) TO COUNCIL
5 NOVEMBER 2015 (SUBMITTED 31 OCTOBER 2015)**

1. FINANCE

Financial Statements

- Finished programming the report to print a budget update for Council – will be uploading these with my report after we close each month.
- See *Appendix A* (attached) for a year-to-date budget update.
- I'm working on preparing the presentation on the 2015 Audited Financial Statements for the General Assembly.

Budget Revision

- Moving along nicely, this took up a lot of my time last week and will take up almost all of my time this coming week.
- **Executive Portfolio Budgets:** Almost done.
- **General Admin and Security:** Waiting on the draft budgets, which are being prepared by the Comptroller.
- **William Shatner Building and IT:** Working with Kimber to prepare.
- **Services:** Budgets are finished.
- **Funding and Affiliated Student Associations:** Done – these ones are easy.
- **Publications and Communications:** Meeting with the C&P Manager this week.
- **Programming:** Still need to finalize Four Floors and some other events budgets.

CERF Budget

- On hold until after the Operating Fund budget is finished.

Clubs and Services

- Things are fairly busy with Services' finances - they all appear to be extremely active at the moment.
- I'm working with several Services to improve their efficiency by having SSMU pay for things directly (e.g. opening cell phone contracts, corporate taxi accounts, purchasing domain names) so their members don't need to constantly be reimbursed and change the name on the contract every time their execs change.
- Still working to improve the club audits.



Investment Portfolio

- Included below is an update on the value and yield of the portfolio year-to-date.
 - Note: does not include accrued interest.

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%

Four Floors

- The event went smoothly, although it did not sell out.
- Because it did not sell out, it will run a deficit this year. The actual amount of the deficit is still TBD but will be reflected in the budget revision.
- When we realized it would not sell out, we responded by cutting costs, including reducing security, alcohol, supplies, programming, and food expenses.

Frosh

- SQ. Waiting for invoices from McGill.

Accounting

- Although this side of my job is fairly boring, I'm including this section because without a General Manager, such a large amount of my time is spent working to resolve accounting issues. Primarily, we've been working on:
 - Contract procedures and archiving
 - Developing more efficient purchase order procedures for Gerts and the SRC
 - Automating financial report generation
 - Fixing some technical issues with the Sage accounting software
 - Improving the archiving of club bank statements
 - Fixing some issues with accounting for interdepartmental transactions
 - Resolving some issues with accounting for building events (esp. re: taxes)
 - Implementing the new HR and Payroll software
 - Minimizing the bad debt expenses incurred by the SSMU
 - Streamlining procedures for accepting deposits on contracts



2. OPERATIONS

Gerts & SRC

- Gerts has been doing well financially. Profits in September were \$~10K.
- SRC has also been doing well. In September, it incurred a \$~16K loss. However, that was primarily due to the high salary costs involved in training so many new staff, because of the expansion of the SRC. Additionally, food costs were a little high, and catering had not really taken off yet. In October, we took measures to reduce waste (and thus reduce food cost), and catering was extremely busy. As a result, I feel optimistic about the October numbers (coming soon).
- We've been working on some promotions for the SRC, including developing a plan for naming the new operation. More details to come on this soon.

MiniCourses

- SQ, going smoothly. Starting to plan for Winter 2016.

3. COMMITTEES

Funding Committee

- Have met and reviewed Charity Fund, Club Fund, and part of Ambassador Fund. After Campus Life Fund, all the big funds will be done, and we only need to do the small funds (i.e. Green, Equity, First Year, and Space).
- Unfortunately, we lost quorum after 2.5 hours on Tuesday, so that set us back a little bit.

Financial Ethics Research Committee (FERC)

- FERC is doing really well – almost done our biannual review of the Investment Portfolio, and will be moving on to building a supplier database in order to implement the Purchasing Policy. I'm really happy about this, as the supplier database has been on hold for several years.
- Still missing one councilor!!

Operations Management Committee (Ops Com)

- SQ, recruiting.
- Still missing one councilor!!

Other Committees

- Fee Advisory Committee – SQ, meeting postponed again (to Nov. 6th).
- Services Review Committee – SQ.
- Building Committee – I am working on updating our events price list.
- Steering Committee – SQ, see report.



4. OTHER

Internal Regulations of the Finance & Operations Portfolio

- IR Review Committee has finished working on the FOPS IRs, so you should expect another amendment later this term, mostly just cleaning up the language for consistency.

Investment Portfolio Structure Research Project

- SQ.

Respectfully submitted,

Zachariah Houston
Vice-President (Finance & Operations)

SSMU BUDGET UPDATE - PRESENTED TO LEGISLATIVE COUNCIL

For the period of 4 months ending 9/30/2015

UNAUDITED

	ACTUAL RESULTS YEAR TO DATE (4 months) <u>surplus(deficit)</u>	FULL-YEAR BUDGET (12 months) <u>surplus(deficit)</u>	REMAINING BUDGET (12 months) <u>fav(unf)</u>	
Student fees				
3000-Non-Allocated Student Fees	892,321	1,710,198	(817,877)	
Total Student Fees	892,321	1,710,198	(817,877)	
Administration				
2000-IT	(8,676)	(23,693)	15,017	
3021-General Admin	(370,384)	(1,342,953)	972,569	
5084-Sponsorship	176	0	176	
Total Administration	(378,884)	(1,366,646)	987,762	
Food & Beverage Operations				
1590-Student Run Café	(44,769)	63,511	(108,280)	(1)
1599-Gerts	(20,490)	19,741	(40,231)	(2)
Total Food & Beverage Operations	(65,259)	83,252	(148,511)	
University Centre Operations				
1031-Events	16,681	45,480	(28,799)	
1210-Security	(18,194)	(80,191)	61,997	
2022-Shatner Building	(85,797)	(274,833)	189,035	
Total University Centre & Building Operations	(87,310)	(309,544)	222,234	
President				
4010-Presidential Portfolio	(442)	0	(442)	
4057-Elections	(749)	(7,145)	6,396	
4011-Seamless	0	(1,381)	1,381	
4082-Council & Committees	(3,606)	(3,797)	191	
4083-Executive Committee	(875)	(4,600)	3,725	
4084-General Assembly	(2)	(3,505)	3,503	
Total President	(5,674)	(20,428)	14,754	
VP Operations				
4015-VP Operations Portfolio	(288)	0	(288)	
3084-MiniCourses	17,342	21,600	(4,258)	(3)
Total VP Operations	17,054	21,600	(4,546)	
VP Internal				
4018-VP Internal Portfolio	(1,537)	0	(1,537)	
4019-Communications	(212)	0	(212)	
6036-SSMU Handbook	10,736	6,480	4,256	(4)
6050-Website	0	(1,816)	1,816	
6065-Old McGill Yearbook	9,246	0	9,246	(5)
Total VP Internal	18,233	4,664	13,569	
VP Clubs & Services				
4025-VP Clubs & Services Portfolio	(1,787)	0	(1,787)	(6)
8056-Clubs	(2,331)	0	(2,331)	(7)
8057-Services	(350)	(661)	311	
Total VP Clubs & Services	(4,468)	(661)	(3,807)	
VP External				
4037-VP External Portfolio	(681)	0	(681)	
4039-Campaigns	(5,705)	(8,619)	2,914	(8)
4080-External Affairs	(581)	(3,343)	2,762	
4085-Community Relations	19	(920)	939	
Total VP External	(6,949)	(12,882)	5,933	
VP University Affairs				
4091-VP University Affairs Portfolio	(1,530)	(32)	(1,498)	(9)
4060-Equity	83	(2,545)	2,628	
4061-Mental Health	0	(773)	773	
4076-Research & University Relations	(174)	(605)	432	
Total Governances	(1,620)	(3,955)	2,335	
Funding				
9061-Equity Fee	12,089	0	12,089	
9062-Campus Life Fee	51,857	0	51,857	
9063-Space Fee	4,972	0	4,972	
9065-Environmental Committee Fee	43,788	0	43,788	
9066-Ambassador Fee	44,764	0	44,764	
9067-Charity Fee	21,389	0	21,389	
8055-Club Subsidies	0	(50,000)	50,000	
Total Funding	178,859	(50,000)	228,859	
Programming Activities				
5080-Frosh	9,094	0	9,094	(10)
5081-Street Fest	25	0	25	
5085-Faculty Olympics	(1,028)	0	(1,028)	
5087-Franco Fete	0	(1,200)	1,200	
5096-Hip Hop Week	397	0	397	
5528-Awards Banquet	6,000	0	6,000	
5558-Activities Night	(271)	0	(271)	
5559-4 Floors	23	0	23	
5581-Sustainability Competition	0	(450)	450	
Total Programming Activities	14,240	(1,650)	15,890	

UNAUDITED**ACTUAL RESULTS
YEAR TO DATE
(4 months)
surplus(deficit)****FULL-YEAR
BUDGET
(12 months)
surplus(deficit)****REMAINING
BUDGET
(12 months)
fav(unf)****Services (Fee-Funded)**

7010-TVM	46,810	0	46,810
7011-International Students Network	22,390	0	22,390
7015-First Aid Service	13,738	0	13,738
7020-Midnight Kitchen	45,869	0	45,869
7030-Drive Safe	18,101	0	18,101
7033-Sexual Assault Center	55,226	0	55,226
7034-Queer McGill	39,380	0	39,380
7035-McGill Nightline	12,810	0	12,810
7036-Organic Campus	18,528	0	18,528
7040-Union for Gender Empowerment	10,180	0	10,180
7050-Walk Safe Network	3,407	0	3,407
7052-F.Y.C.C.	13,800	0	13,800
7074-Black Students' Network	8,257	0	8,257
Total Services (Fee-Funded)	308,495	0	308,495

Services (Subsidized)

7026-Player's Theater	1,420	0	1,420
7038-Volunteer Bureau	401	0	401
7048-Savoy Society	6,715	0	6,715
7051-The Plate Club	2,257	(1,948)	4,205
7060-The Musician collective	377	(2,000)	2,377
7090-Bike Collective	473	0	473
Total Services (Subsidized)	11,643	(3,948)	15,591

Affiliated Student Associations

8001-P.O.T.U.S.	17,904	0	17,904
8002-Social Work	3,179	0	3,179
8003-NUS	19,993	0	19,993
8004-NUS Graduation	299	0	299
Total Affiliated Student Associations	41,375	0	41,375

TOTAL SURPLUS (DEFICIT)

932,055

50,000

882,055

Note that these results are UNAUDITED: The amounts have not been verified. It is possible that transactions, commitments, or obligations exist that are missing or not yet accounted for. For example, the SSMU does not accrue salaries at month end during the fiscal year, and interest earned on the investment portfolio is not recorded during the year.

Other notes:

- (1) Significant deficit in the SRC, as it was closed in the summer (thus we pay salaries, but have no revenue). This is normal, and the summer deficit will theoretically be compensated for by the profits during the academic year. See my report to Council for more details.
- (2) Significant deficit in Gerts, as it was closed in the summer (thus we pay salaries, but have no revenue). That said, the September profits were promising (approx \$10K), so I feel confident that this department will meet its targets. More detail to come on this when the budget is presented.
- (3) Payroll for this semester is still unpaid, thus the final surplus will be smaller.
- (4), (5) Currently resolving some errors in the way these transactions were recorded across fiscal years, so these values are not especially relevant.
- (6) SUDS conference: will be adjusted for in budget revision
- (7) Revenue for this department (from PGSS) comes in at the end of the year.
- (8) Pending funding transfer into Campaigns.
- (9) SUDS conference: will be adjusted for in budget revision
- (10) Waiting on invoices from McGill