



# Fall 2021 Budget Review

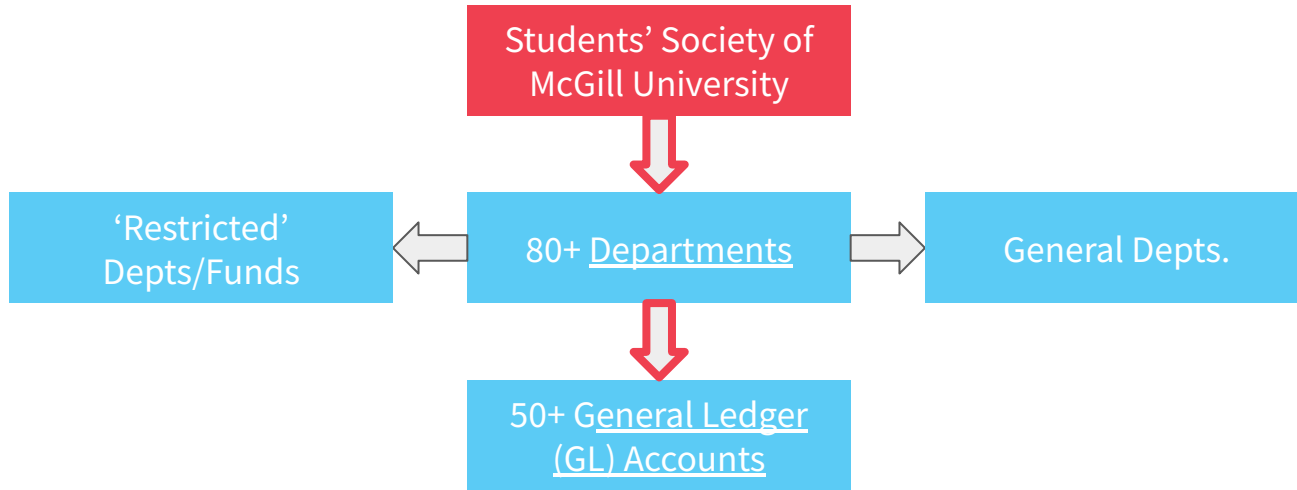
*For the Consideration of the Legislative Council*

# Fall 2021 Budget Revision Agenda

- SSMU Budget Structure
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  - GL Accounts
- The Process™
- 2021 Budget Revision Considerations
  - Budget Surplus and Shortfalls
  - Gerts uncertainty
  - Staffing requirements
- The Changes
  - General Revenue and Expenses Changes
  - Minicourses
  - Gerts
  - New Staff

# SSMU Budget Structure

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## Departments

Dept #	Department Name
1031	Events
1210	Security
1599	Gerts
2000	IT
2021	Shatner Building Moving Cost
2022	Shatner Building
2023	MAX Hygiene
2075	Building 2075 Robert Bourassa
2680	Building 680 Sherbrooke W.
3021	General Administration
3024	Governance
3084	MiniCourses
3471	Building 3471 Peel Street
3501	Building 3501 Peel Street
4010	Presidential Portfolio (Admin)
4011	SEAMLESS
4015	VP Finance (Admin)

Dept #	Department Name
5084	Sponsorship
5085	Faculty Olympics
5087	Affaires Francophones
5088	Social Justice Days
5527	SSPN
5528	Awards Banquet
5558	Activities Night
5559	Four Floors
5581	Sustainability Case Competition
6036	Student Handbook
6065	Old McGill Yearbook
7010	TVM Student Television
7015	M-SERT
7020	Midnight Kitchen
7021	Muslim Student Association
7027	Peer Support Center
7030	DriveSafe

# SSMU Budget Structure

## Departments

4016	VP Operations (Admin)
4017	Gender & Sexuality
4018	VP Internal Affairs (Admin)
4020	Black Affairs
4019	Communications
4025	VP Student Life (Admin)
4037	VP External Affairs (Admin)
4039	Campaigns
4052	First Year Affairs
4057	Elections
4060	Equity
4061	Mental Health
4062	Indigenous Affairs
4064	Anti-Violence
4065	Environment Committee

7033	SACOMSS
7034	Queer McGill
7035	Nightline
7038	Volunteer Service
7040	Union for Gender Empowerment
7050	WalkSafe
7051	Plate Club
7060	Musicians Collective
7074	Black Students' Network
7075	Arab Student Network
7090	Flat Bike Collective
7095	EDRSC
8001	POTUS (PTOT)
8002	SWSA (Social Work)
8003	NUS (Nursing)

# SSMU Budget Structure

## Departments

4076	University Affairs
4080	External Affairs
4082	Council & Committees
4083	Executive Committee
4084	General Assembly
4085	Community Relations
4091	VP University Affairs (Admin)
5015	Conferences, Special Events & Concerts
5020	SSMU Town Hall
5048	Savoy Society
5079	Grad Frosh
5080	Frosh

8055	Club Subsidies (Funding)
8056	Clubs and Services
9052	First Year Fee
9061	Equity Fee
9062	Campus Life Fee
9063	Space Fee
9064	Anti-Violence fee
9065	Environment Fee
9066	Ambassador Fee
9067	Charity Fee
9068	Indigenous Fund
9161	Mental Health Fee

# SSMU Budget Structure

## GL Accounts

Dept #	Department Name
6100	Materials & Supplies
6101	Cleaning Supplies
6102	Damaged Inventory
6103	Kitchen Supplies
6104	Sets & Props
6110	Repairs & Maintenance
6111	Food & Beverages – N / S
6120	Printing
6125	Utilities Expense
6129	Birth Control & Hygiene
6130	Postage & Courier

Dept #	Department Name
6370	Rentals
6371	Room Rental (Funding Eligible)
6375	Inter Dept. Charges
6387	Coat check Revenue (Exp.)
6411	Awards Granted
6412	Sponsorship
6420	Bank Charges
6422	Payroll Charges – CERIDIAN
6431	Fines / Penalties
6433	Interest Expense
6440	Cash Over / Short



# SSMU Budget Structure

## GL Accounts

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6131	Miscellaneous
6132	Campaign Expenses Reimbursed
6133	Clothing
6135	Security
6136	Porter Charges
6137	L / D Telephone and Fax
6138	Photocopy
6139	Office Supplies
6140	Books & Publications

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6500	Equipment
6505	Computer Software / Expenses
6515	Furniture
6551	Space Fee Related Expenditures
6610	Telephones
6620	Insurance, Permits & Licences
6630	Taxes
6640	Taxes Municipales (Dept. 3501)
6645	Taxes Scolaires (Dept. 3501)

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# SSMU Budget Structure

## GL Accounts

6160	Memberships / Training	6650	Professional Fees
6305	Automobile Expense / Moving	6660	Contract Services
6306	Conferences & Travel	6661	Contract Services – Financial
6307	Coat Check	6662	Cleaning Contract Services
6320	Advertising & Promotion	6665	Administration Fees
6340	Entertainment	6880	SSMU Training (Quebec Training Fund)
6361	Honorariums		

**The Process™**

# 2021 Budget Revision Process

- The 2021 budget revision was drafted in collaboration with the VP Finance, the SSMU Accounting Team, the Managers of the Society, and the Officers of each department.
- This budget revision was focused on making changes to the existing budget based on the actuals seen over the last four months and the needs of the Society, evaluated by the various departments, Managers, and Officers.
- Originally meant to be presented in late October, The Board of Directors extended the deadline to allow the VP Finance to get a better picture of the new financial reality with the return of in-person events and considerations.
- The Finance committee was briefly consulted in early November to get a preliminary idea of what the Budget should focus on, however time constraints prevented further consultations. The committee will be integral in the creation of the 2022/2023 Budget in January and February.

# **2021 Budget Revision Considerations**

# 2021 Budget Revision Considerations

- Not-for-profit Organization
  - Requires a balanced budget
- Budget Surplus and Shortfalls
  - Accruals predict an additional 300k in revenue over the year
  - Mistakes from the previous year's budget meant there was a non-existent prediction of 100k revenue from events
  - Minicourses are not occurring this year, so there was a reduction in revenues from here.
- Gerts uncertainty
  - As a new Bar, hard to predict revenues and expenses
  - Revenues are in line (if not better) than predicted, but expenses are harder to be certain of.
- Staffing requirements
  - Our staff is overworked, and thus the main priority with the budget was increasing our staff to better distribute work.

# The Changes

# The Changes: Student Fees and Past Mistakes

- Revenue from the General Membership Fees
  - 1,407,066.42\$ for Fall 2021
  - Using an Accrual rate of 92%, we predict an additional 1,294,501.11\$
  - As such, we predict a total revenue of 2,701,567.53\$ for 2021/2022
- Mistakes:
  - About 100,000\$ was predicted to come from event rentals over the year
    - This was based on pre-COVID estimates and are not even close to being reached this year.
    - As such, I removed this from the budget
  - We spent about 60k less on salaries this summer than budgeted for, so that money has been re-allocated.
  - Many categories are off by a few thousands each month based on last year's budget projection
    - These cancel each other out, and thus was not particularly relevant in the current exercise, but this is something to fix for next year.



# The Changes: Minicourses

- Due to the switch back to in-person, the Events and Operations departments have been over-exerted
  - As such, Minicourses had to be put aside for now, with them hopefully coming back in Fall 2022
  - There is a chance they are back for the Winter, but since this is far from certain, the entire budget was removed from the Revised Budget
- Important to note: MiniCourses is Revenue-Generating. As such, this removal reduced our operating budget.

# The Changes: Gerts

- Gerts' opening has been very successful!
  - Sales a bit better than we predicted, events are happening at a rapid pace, safety measures have been tested and worked
- However, some lingering logistical considerations have led to a lack of clarity on expenses. We know it has been profitable, but the extent is uncertain. As such:
  - I have kept our revenue projections the same and added a 5k/month cushion for expenses.
  - Since Gerts opened in September rather than the originally projected June, I had to remove the expenses and revenues that were budgeted for and added the slim expenses we had in the misc. expenses section.

# The Changes: New Staff!

- New staff hires to help us fulfill our mission and continue to provide quality service all members.
  - Gerts Administrative Assistant (hired)
  - Full-Time Translator (hired)
  - Full-Time Graphic Designer
  - Equity and Policy Specialist
  - Human Resources Coordinator
  - Governance Coordinator
  - Events Coordinator

# Conclusions and Important Notes

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- This revised budget comes with a deficit of 26,001.35\$
  - This is a small and manageable deficit, notably because SSMU budgets tend to exaggerate expenses rather than underestimate them.
  - We also have a 488k surplus from last year (thanks COVID?), which allows us to have a cushion in the case where we do indeed run such a deficit
- Budgets, even revised ones, are projections and not actuals
  - We often undershoot our budget expenses
  - The Executive Committee and the Board of Directors has the power to make expenses not listed in the Budget
  - SSMU's landscape can change quickly, and as such we need to be able to deviate from the budget to keep everything running smoothly

## Conclusion and Important Notes

- Even if these staffing additions are numerous, we have to keep in mind that these hires will only begin in January, and thus only cost us 5 months of salary for this budget
- For the coming year, we will ideally be able to fund it through a Membership Fee increase rather than rely on past surpluses as this is unsustainable.
  - This will be necessary regardless of these hires as inflation has been quite significant this year and thus we need to increase our funding for the coming years.
  - I have full faith in such an increase being both affordable and necessary, and it will be accompanied with a full budget as to the nature of where such an increase is going.
  - These staffing increases are also in line with the Five-Year Plan that structures our long-term planning, although not all these positions were included within it as we haven't updated the five-year plan this year as of now.