



Bureau du président du conseil de l'AÉUM

Située sur les territoires traditionnels des collectivités Haudenosaunee et Anishinaabe.

SSMU Office of the Speaker

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MOTION REGARDING THE INCREASE OF THE CLUB FEE 2024-02-15

Submitted for: 2024-02-15

Submitted to:	SSMU Legislative Council	Document no.:	LEG-PUB-MOT-2024-02-15-002
Moved by:	Amina Kudrati-Plummer <i>VP Finance</i>	Current Status:	<input type="checkbox"/> FOR APPROVAL <input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> POSTPONED <input type="checkbox"/> COMMITTED <input type="checkbox"/> NOT APPROVED
Seconded by:	Aishwarya Rajan <i>Arts Representative</i>		

Issue

The Club Fund requires an increase to support increased demand for funding for SSMU Club events and operating expenses.

Background and Rationale

As per the SSMU Internal Regulations of Finance, the Club Fund is intended as a source of financial assistance for the Society's Clubs. The Club Fee may be used to support general operating expenses of a Club in addition to specific Initiatives.

In 2019, there were only 80 applications for the entire year. The Club Fund was increased in 2020 by \$0.82 in order to cover added fees due to increased food regulation and the Clubs Portal, not an increase in funding demand.¹ This is the only increase the Club Fund has ever received.

In the 2022-2023 school year, the Club Fund had a significant surplus built up due to inactivity of clubs during the COVID-19 pandemic. During the 2022-2023 year, the surplus was entirely used up by club events and operating expenses. This funding supported over 80 clubs during this year, and provided a total of \$180,585.10 in funding.

As the surplus has now been used up, the Club Fund doesn't have enough funding to support the demand from clubs in the 2023-2024 school year.



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This year, the estimated total revenue from the club fund is \$137,670.27. Despite stricter regulations on funding that were implemented this year, the club fund is already completely utilised for this year. This has been due to an unprecedented demand for funding, with a total of 79 applications approved and 102 applications in total. We anticipate that we will not be able to fund a large portion of events for the rest of this year due to lack of funds.

In order to ensure we do not have to underfund/reject applications for club events and operating expenses in future years, we need to increase the club fee.

This will allow the SSMU to continue fund events evenly throughout both semesters, given the same funding guidelines in place in the Fall 2023 semester are maintained.

Alignment with Mission

This motion is presented in accordance with the SSMU's constitutional mandate to support student groups of the McGill community, and mission to provide outstanding services, and promote social, cultural, and personal opportunities. The proposed increase to the Club Fee would allow SSMU to continue to fund club events and services in line with the SSMU's constitutional mandate and mission.

Consultations Completed

This motion is the product of consultations between the funding committee, the SSMU Vice-President (Finance), Vice-President (Student Life) and the Funding Commissioner.

The Policy and Advocacy Coordinator consulted on the motion writing process.

Risk Factors and Resource Implications

Should the proposed increase of the Club Fee fail to pass, the Club Fund will be unable to support all of the club events and operating expenses that take place throughout the year. This will lead to a reduction in events and an increase in ticket prices for events and member fees for clubs.

Financial resources for clubs will be diminished if the referendum does not pass.



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While the fairly significant fee increase may present an additional financial burden on students, the fee is opt-outable, which should minimise the impact of this.

Sustainability Considerations

This motion is presented in alignment with the SSMU's mandates to promote to minimize socioeconomic barriers, and to be of service to student groups, and initiatives. Without this increase, many students will face barriers in accessing club events, as ticket prices will increase.

Impact of Decision and Next Steps

Should this motion and the subsequent referendum question be adopted, the revised Club Fee would be as follows:

\$5.44 per semester.

This increase to the club fee would yield approximately \$75,951.15 in additional revenue.

If this motion is approved, the referendum question included will be forwarded to Elections SSMU to be included in the Winter 2024 Referendum.

Motion or Resolution for Approval

Be it resolved, that the Legislative Council approve the following question for the Winter 2024 referendum period:

“Do you agree to the increase of the opt-outable Club Fee from \$3.57, by \$1.87 per semester, raising the fee to a total of \$5.44 per semester (excluding the Summer semester), with the understanding that a majority ‘no’ vote will prevent the increase of the fee amount, impacting the ability of the funding committee to fund SSMU clubs? The updated Club Fee would be payable by SSMU Members starting in Fall 2024 and ending in Winter 2029 (inclusive), at which point it will be brought back to the Membership for renewal.”

Be it further resolved, that the Legislative Council adopts the actionable aspects of this question with the understanding that any necessary non-substantive changes will not require the approval of the Legislative Council.



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Results of the Vote

In favour	(UNANIMOUS)
Opposed	()
Abstain	()

-
1. [Motion Regarding SSMU Club Fund Fee Referendum Question 2020-02-27](#)

APPROVED



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Appendix A : Approximate Budget and Calculations

Budget (please note that none of these are new expenses for the Club Fund)

Estimated Amount	Use
\$6,000	Clubs Coordinator Salary (\$15.96 for 360 hours), adjusted for minimum wage increase
\$6,000	Club Finance Coordinator Salary (\$16.59 for 350 hours), adjusted for minimum wage increase
\$4,000	Service Coordinator Salary (\$15.96 for 250 hours), adjusted for minimum wage increase
\$12,000	Bank Charges (IRs of Finance-05.9) - this is a maximum of \$100 per club annually (which would be approximately \$24,000, but usually comes out to approximately \$12,000)
\$99,507.92	Funding for Fall 2024 Semester (based on Fall 2023 funding)
\$99,507.92	Funding for Winter 2024 Semester (based on Fall 2023 funding)
\$227,016	Total revenue needed

2023-24 Stats

\$137,607.27	Total Revenues from the Club Fee in 2023-24 (estimate, as W2024 amount has not yet been received)
\$99,507.92	Amount approved from the Club Fund in Fall 2023
\$3.57	Current Fee Amount
162 (139 approved)	Total Applications to the Club Fund in 2022-23
102 (97 approved)	Total Applications to the Club Fund in 2023-24 (applications were closed in mid-January when the fund was depleted)

Calculations

- Total Estimated Revenue Needed - 2023-24 Revenues = Total Additional Revenue Needed
 - $\$227,016 - \$137,607.27 = \$89,408.73$
- Total Additional Revenue needed/Total Students who pay the fee (provided by McGill) = Total Amount needed per student annually



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- a. $\$89,408.73/23,890 = \3.74
3. Total Additional Amount needed per student annually/2 = Total Additional Fee per semester for full-time students
 - a. $\$3.74/2 = \mathbf{\$1.87}$
4. Total Fee per student
 - a. $\$3.57+\$1.87 = \mathbf{\$5.44}$

APPROVED