



Students' Society of McGill University
Association étudiante de l'Université McGill

Office of the Vice-President (Finance & Operations)
Bureau du Vice-président (finance et opérations)

SSMU Revised Budget Explanation

2009-2010

November 12, 2009



Index

- I. Fees**
- II. General Administration**
- III. Security**
- IV. Operations**
 - 1. Gerts**
 - 2. Haven**
- V. Building**
- VI. Governance**
- VII. Events**
- VIII. Media & Communications**
- IX. Clubs & Services**



I. Fees

A substantial amount of the revenues that the SSMU receives come directly from student fees. Each year, students pay six fees that go directly to the SSMU; the SSMU base fee, Referral Services Fee, McGill Tribune Fee, Midnight Kitchen Fee, Environment Fee, and the Campus Life Fund. There are other fees that students pay that do not go to the SSMU at all. The SSMU Daycare fee goes directly to the daycare, which is its own corporation. The SSMU Library & Bursaries Fee goes directly to DAR, for matching.

The number of students currently registered at McGill University for the Fall 2009 is 20,487. In the elaboration of the budget, we predict a drop of 5% in the enrolment level in the Winter of 2010, as it was done for the elaboration of the budget. The 5% drop is then distributed among the corresponding tiers of the SSMU fee: Full-time Regular (A) Faculty members, Part-time Regular (A) Faculty members, Full-time Professional (B) Faculty members, and Part-time Professional (B) Faculty members. Additionally, the opt-out rate for opt-out able fees is calculated at 13% for the entire year, after analysing opt-outs for the Fall 2009; as reported in the previous meeting of Council. Note that all departments directly funded by fees are expected to break even, with the exception of the McGill Tribune, therefore any discrepancies in the real opt-out rate is of little, if any, significance to the overall budget.

	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
REVENUES			
SSMU Base Fee	1,556,255.86	1,530,047.10	1,498,068.36
Referral Services Fee	57,509.88	62,636.93	61,244.13
McGill Tribune Fee	17,773.28	17,842.66	17,473.00
Midnight Kitchen Fee	44,038.31	44,334.02	43,415.21
Environment Fee	44,511.19	44,796.00	43,868.14
Campus Life Fund Fee	69,878.25	70,461.81	68,986.17
Alumni Donation (reversal)	=		
<i>Sub-total Fee Revenues (Note 1)</i>	1,789,966.77	1,770,118.52	1,733,055.01

II. General Administration



The General Administration department is the largest component of the SSMU. This department accounts for 1/4th of all expenditures, yet less than 7% of all revenues. This the department is the pillar of the society and includes some of the society's main expenditures such as the salary of the permanent staff and front desk employees (which account for 87% of the expenses of this department), bank charges, legal fees, insurance fees, auditors, and all of the computer & it costs.

The main reason for the low revenues-expenses ratio of the department is that the main source of revenue has traditionally been the interest earned by our bank accounts and GICs, yet interest rates are almost non-existent as you are aware. In the budgets of past years, the department has shown significantly higher revenues, but all of those were major anomalies due to very specific reasons. In response to this, austerity has been exercised in this department and we can anticipate a reduction of \$20,000 in the expenditures compared to both the budget for '09-10 and the actuals of last year.

	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
GENERAL ADMINISTRATION			
Revenues			
Interest Income	12,000.00	28,000.00	21,590.46
Admin Fees revenue	75,740.00	80,000.00	90,077.72
Other revenues	<u>6,000.00</u>	<u>5,500.00</u>	<u>10,936.28</u>
<i>Total Revenues</i>	93,740.00	113,500.00	122,604.46
Expenses			
Photocopying	8,000.00	10,000.00	7,542.28
Office operations	22,500.00	19,927.00	19,026.11
Bank charges & Interest	15,000.00	14,999.29	14,920.97
Telephones	15,150.00	17,125.00	14,688.19
Professional fees	75,000.00	75,000.00	107,831.54
Salaries and benefits	562,594.00	589,700.00	569,876.67
Network and computer expenses	25,100.00	18,500.00	10,761.75
Other expenses	<u>16,650.00</u>	<u>15,500.00</u>	<u>11,223.34</u>
<i>Total Expenses</i>	739,994.00	760,751.29	755,870.85
Surplus (deficit)	(646,254.00)	(647,251.29)	(633,266.39)

III. Security



The Security department comprises the security operations of the SSMU. This includes the salary of all agents, the equipment, clothing, phones and other peripherals required to run the operation. The cost of overnight security for the Shatner building is included in this department. However, the cost of security for Gerts and events at Gerts is not included as an expense, but rather revenue to the security department. Likewise, every time an event booked in the building requires security the revenues come into this department.

SECURITY	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
Revenues			
Security Revenue	<u>20,000.00</u>	<u>25,000.00</u>	<u>20,077.05</u>
<i>Total Revenues</i>	20,000.00	25,000.00	20,077.05
Expenses			
Materials & Supplies	1,000.00	1,550.00	1,940.34
Security (sub-contractors)	0.00	0.00	
Salaries	49,499.99	51,750.00	47,082.13
Equipment & Other expenses	<u>8,080.00</u>	<u>10,130.00</u>	<u>4,068.34</u>
<i>Total Expenses</i>	58,580.00	63,430.00	53,090.81
Surplus (deficit)	(38,580.00)	(38,430.00)	(33,013.76)

IV. Operations



This section includes three departments, them being each of SSMU's main operations; Gerts, Haven and Minicourses. Together, the three operations generate 34% of SSMU's revenues, not including fees, and 17% of its expenses.

Minicourses are having a fantastic year. So far we have generated over \$35,000 in revenues, which is almost equal to the amount of revenues that was budgeted for the entire year! While I am very excited about this, and confident we can be repeating the performance for the Winter and Summer term, I have decided to be EXTREMELY conservative when revising their budget. Thus, the amount in revenues is now budgeted at \$57,000, but will clearly be more than this. For the other operations, please see the subsections on each of them.

OPERATIONS	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
Revenues			
Gert's	175,500.00	139,704.00	157,577.98
Haven	254,000.00	240,000.00	214,028.81
Mini-courses	<u>57,970.00</u>	<u>44,000.00</u>	<u>57,253.00</u>
<i>Total Revenues</i>	487,470.00	423,704.00	428,859.79
Expenses			
Gert's	197,349.24	166,423.49	174,483.30
Haven	319,112.43	307,088.78	305,187.65
Mini-courses	<u>37,329.51</u>	<u>32,000.00</u>	<u>34,822.44</u>
<i>Total Expenses</i>	553,791.18	505,512.27	514,493.39
Surplus (deficit)	(66,321.18)	(81,808.27)	(85,633.60)

1. Gerts

The bar has been performing better over the years, with its deficit falling from over \$100,000 to nearly \$3,000 (net of amortization) two years ago. The frequency of



bookings this year has increased. Likewise, the amount of revenues is likely to surpass any of the past years. Overall, the bar's performance this year is significantly better than budgeted or expected. When we analysed the real numbers and expected figures for the remainder of the year it became evident that the real deficit was expected to decrease significantly, easily falling under \$10,000, which is nearly 1/3rd of what was budgeted last year. However, I have decided to reduce the "holistic" deficit by an amount substantially smaller than what is possible for a variety of reasons.

Perhaps the most striking change in the Gerts budget is the increase of Advertising & Promotions to \$13,000. In reality, I decided to increase the amount by nearly \$5,000 after we exhausted the amount budgeted for the year and observing the good results from many of the initiatives we undertook. I believe a strong advertising and promotions strategy will benefit Gerts and its profitability in the long run. The second reason for that increase is that thanks to the new beer contracts we are receiving a significant number of free promotional kegs. While some of these kegs are distributed to building events, some others go to Gerts where they could be use for a variety of things. Traditionally, free or promotional alcohol & beer has been factored in the profit margin for the year. This year, I am having these promo kegs in a separate expense account in order to improve our monitoring ability and for future reference. Furthermore, we have increased the amount we anticipate to spend on security in order to match last year's actuals; *this increase in security revenues was not factored in on the security department in order to maintain a conservative budget.*

GERTS	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
Revenues			
Beer & Liquor Sales	158,300.00	125,000.00	138,250.54
Cost of Sales	<u>(82,599.00)</u>	<u>(57,401.25)</u>	<u>(57,405.30)</u>
<i>Gross margin</i>	75,701.00	67,598.75	80,845.24
Bar Rental	6,500.00	8,204.00	10,807.26
Coat check and games revenue	5,700.00	3,500.00	5,270.18
Sponsorship Cases	5,000.00	3,000.00	3,250.00
Other revenues	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<i>Other Revenues</i>	17,200.00	14,704.00	19,327.44
<i>Profit margin</i>	92,901.00	82,302.75	100,172.68
Expenses			
Materials & Supplies	1,200.00	1,300.00	1,135.25
Repairs	1,000.00	1,000.00	5,012.46
Security	4,500.00	3,000.00	4,406.00
Advertising & Promotions	13,000.00	3,500.00	4,147.33
Salaries	75,618.24	75,618.25	80,724.10



Insurance permits	1,000.00	1,000.00	458.40
Equipment	1,300.00	0.00	17.97
Cleaning Services	5,500.00	6,800.00	7,180.68
Telephones	2,800.00	2,800.00	2,421.01
Other expenses	<u>8,832.00</u>	<u>14,003.99</u>	<u>11,574.80</u>
<i>Total Expenses</i>	114,750.24	109,022.24	117,078.00
Surplus (deficit)	(21,849.24)	(26,719.49)	(16,905.32)

2. Haven Books

The bookstore has also been doing way better than expected. The amount of sales has far exceeded both last year actuals and what was budgeted for the year. In spite of our inability to advertise the store on campus, the amount of students who uses the store continues to rise. Advertising to first year students has proven to be a successful strategy and the more these students use the bookstore (especially the more they consign), the more potential for success. However, the bookstore will continue to lose money this year, and the years to come. Yet, this deficit could be controlled in the long run or tackled with other business ideas. The new management has been very proactive in soliciting professors for new textbooks, organizing book drives and coming up with new business ideas. While the Haven budget could be brought down at least \$15,000, easily, I have decided to cut it by only \$2,000.

The main reason for sustaining the large deficit for Haven Books is that everyone would benefit if we make some substantial investments in the store this year, clean the house and streamline the operation by the end of the year, all of which will require increasing the man-hours from what was originally budgeted. The margins of 20% on consigned books and 12% on new books will be kept at the same level as they were since the operation started in order to continue providing the same level of benefit to our costumers, SSMU members.

HAVEN BOOKS	October 2009	Approved by	
	Revised Budget	Council April 02,09	Actuals
	2009-2010	2009-2010	2008-2009



Revenues			
Book & merchandise sales	254,000.00	240,000.00	214,028.81
Cost of Sales	<u>(199,336.51)</u>	<u>(196,200.00)</u>	<u>(206,815.29)</u>
<i>Gross margin</i>	54,663.49	43,800.00	7,213.52
Expenses			
Materials & supplies	1,300.01	500.00	1,074.37
Rent	33,053.70	33,300.00	32,537.86
Bank charges	1,237.41	1,800.00	3,551.37
Advertising & Promotions	1,250.00	1,000.00	1,495.41
Salaries	61,449.26	55,638.78	54,766.09
Insurance permits	1,233.00	700.00	854.24
Telephones	2,527.81	2,600.00	2,548.40
Computer Expenses	12,500.00	12,500.00	10.00
Contract services	531.67	0.00	0.00
Other expenses	<u>4,693.07</u>	<u>2,850.00</u>	<u>1,534.62</u>
<i>Total Expenses</i>	119,775.93	110,888.78	98,372.36
Surplus (deficit)	(65,112.43)	(67,088.78)	(91,158.84)

V. Building – William Shatner

The Building budget includes all the revenues and expenses currently generated from the William Shatner building. The rental revenues from our tenants are



included in this department; such as Liquid Nutrition, Café Supreme, Voyage Campus, MTY Group, The Daily Publications Society, and the McGill Legal Info Clinic. Some other revenues include the booking of space, such as the ballroom, and alcohol/beverage sales. This department bares the cost of all porter fees, renovations, construction, maintenance, and cleaning of the Shatner building. The budget for this department is in-line with what was budgeted for the year, actually it is expected to do it a little bit better.

UNIVERSITY CENTER	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
Revenues			
Room Rentals	15,000.00	22,000.00	17,175.59
Business rentals	238,157.45	231,000.00	215,515.00
Parking rentals	0.00	0.00	25,746.60
Porter revenues	5,000.00	0.00	4,575.01
Other revenues	<u>21,000.00</u>	<u>22,000.00</u>	<u>33,373.08</u>
<i>Total Revenues</i>	279,157.45	275,000.00	296,385.28
Expenses			
Materials & Supplies	20,000.00	20,000.00	19,656.81
Repairs & Maintenance	7,000.00	5,000.00	6,198.47
Building rent	107,499.65	107,500.00	107,526.00
Alterations	0.00	0.00	-281.25
Insurance Permits	34,000.00	34,000.00	32,722.57
Salaries	239,020.74	241,250.00	238,540.35
Contract services	85,000.00	89,000.00	76,610.73
Other Expenses	8,350.00	12,852.00	6,019.47
Sponsorship transfer	<u>(2,500.00)</u>	<u>(5,000.00)</u>	<u>(2,362.50)</u>
Total Expenses	498,370.39	504,602.00	484,630.65
Surplus (deficit)	(219,212.94)	(229,602.00)	(188,245.37)

VI. Governance



This section will comprise the portfolios of the Vp External and the VP University Affairs, SSMU Council, the expenses of all SSMU executives, and General Assemblies. This section will stay in-line with the budget allocation approved by last year's Council.

GOVERNANCE	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
Revenue			
Communications	0.00	0.00	0.00
Elections McGill	6,850.00	6,850.00	1,925.00
Equity	<u>0.00</u>	<u>0.00</u>	<u>1,140.00</u>
<i>Total Revenues</i>	6,850.00	6,850.00	3,065.00
Expenses			
Executive Portfolios	179,600.00	179,600.00	163,792.36
Elections McGill	33,850.00	33,850.00	24,923.18
FYCC	500.00	500.00	965.03
Equity	770.00	770.00	544.77
Research & University Relations	7,882.00	7,882.00	3,910.99
Campaigns	4,000.00	4,000.00	4,520.90
External Affairs	21,000.00	21,000.00	15,452.52
Community Relations	2,000.00	2,000.00	808.16
Council	14,750.00	14,750.00	16,979.95
General Assembly	7,280.00	7,280.00	7,988.94
<i>Total Expenses</i>	271,632.00	271,632.00	239,886.80
Surplus (deficit)	(264,782.00)	(264,782.00)	(236,821.80)

VII. Events / Programming Activities



This section contains all the events run by the society, including all events that run out of the office of the Vice President Internal. These include, but are not limited to, Frosh, 4Floors, and Movies in the Park. Additionally, the two events organized by the VP Clubs & Services, Activities Night and Culture Shock, are included in this category.

When revising this category, the VP Internal and myself went over the real and projected numbers of all events that have already happened and the ones to come. After revising each individual budget, we added all the projected surpluses and deficits. The net surplus resulting from the events under the VP Internal was re-allocated into the SSPN department. Additionally, I created a new department (9015 – Concerts & Conferences) where allocated \$20,000 that we had as a surplus from the good performance of many of the operations and other departments. This new department will allow the SSMU to bring well-known artists and speakers in order to increase the programming offered to our members.

PROGRAMMING ACTIVITIES	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
Revenue			
Frosh	112,156.86	129,500.00	130,446.87
IC 3	10,000.00	10,000.00	1,500.00
Affaires francophone	-	-	775.00
Social Justice Day	1,140.00	1,140.00	-
Culture Shock	-	-	162.75
Activities Night	2,500.00	2,500.00	765.00
4 Floors	14,450.00	14,450.00	23,329.25
Snow-AP	-	-	26,643.66
Movies-in-the-Park	-	-	-
Faculty Olympics	-	-	(100.00)
Athletics	<u>1,500.00</u>	<u>1,500.00</u>	<u>2,840.00</u>
<i>Total Revenues</i>	141,746.86	159,090.00	186,362.53

PROGRAMMING ACTIVITIES	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
------------------------	---	---	----------------------

Expenses



SSPN	11,720.00	8,085.00	402.80
Frosh	102,156.86	128,650.00	104,654.17
Street Fest	135.00	600.00	150.02
IC 3	10,000.00	10,000.00	2,017.61
Affaires francophone	3,663.00	2,600.00	1,635.31
Social Justice Day	2,140.00	2,140.00	3,032.81
Awards Banquet	2,200.00	2,200.00	1,910.33
Culture Shock	3,000.00	3,000.00	5,289.90
Activities Night	4,610.00	4,610.00	2,309.44
4 Floors	17,450.00	16,450.00	28,158.46
Movies-in-the-Park	325.00	300.00	175.50
Concerts & Conferences	20,000.00	-	-
Snow-AP	-	-	46,844.06
Faculty Olympics	-	-	1.08
Athletics	3,250.00	3,250.00	6,616.65
Total Expenses	180,649.86	181,885.00	203,198.14
Surplus (deficit)	(38,903.00)	(22,795.00)	(16,835.61)

VIII. Media & Communications

This section will include all of SSMU's publications: The McGill Tribune, the Handbook and Old McGill. Additionally, it includes the Communications, Website and Sponsorship departments. Some of the significant differences from the revision are that I decreased the estimated revenues from advertising for the Tribune, down \$10,000, due to a slow start of the year. However, the Communications & Publications Manager has assured me it is feasible to achieve \$80,000, which will translate into a positive flow of revenues later this year. Additionally, I have adjusted the figure for Old McGill due to



some issues that happened last year and increased the amount allocated for the website in order to do a series of improvements to it.

MEDIA & COMMUNICATIONS	October 2009 Revised Budget 2009-2010	Approved by Council April 02,09 2009-2010	Actuals 2008-2009
Revenues			
McGill Tribune (excl. fees)	70,000.00	80,000.00	87,534.24
Handbook	70,000.00	70,000.00	58,285.00
Old McGill	35,180.00	38,195.00	87,025.77
Sponsorship	35,000.00	35,000.00	46,256.93
Website	<u>1,200.00</u>	<u>2,000.00</u>	<u>2,500.00</u>
<i>Total Revenues</i>	211,380.00	225,195.00	281,601.94
Expenses			
McGill Tribune	99,342.66	106,042.67	98,076.36
Handbook	38,000.00	40,000.00	39,997.58
Old McGill	43,000.00	38,195.00	46,597.07
Communication	7,370.00	7,200.00	15,535.95
Sponsorship	33,000.00	35,000.00	36,122.76
Webpage	<u>5,200.00</u>	<u>2,000.00</u>	<u>599.53</u>
<i>Total Expenses</i>	225,912.66	228,437.67	236,929.25
Surplus (deficit)	(14,532.66)	(3,242.67)	44,672.69

IX. Clubs & Services

We have them!

Since we are having such a good year so far, we decided to use some of the surplus we had and inject it to the Club Fund, which will now stand at **\$75,000!** Additionally, I increased the budgeted deficit of The Flat, BSN and DriveSafe who suffered major cuts in last year's budget revision. Note: Increasing the deficit of a service means more money for said service.

October 2009

Approved by



SERVICES	Revised Budget 2009-2010	Council April 02,09 2009-2010	Actuals 2008-2009
Revenue			
TV McGill	8,839.38	3,050.00	2,283.75
MISN	79,150.00	79,150.00	69,220.90
First Aid	16,195.00	15,000.00	25,386.44
Midnight Kitchen	2,200.00	500.00	474.02
Players' Theatre	15,908.00	16,208.00	17,531.44
Drive Safe	5,800.00	5,800.00	5,800.00
Sexual Assault Center	-	-	295.00
Queer McGill	3,000.00	3,000.00	5,053.01
McGill Nighline	2,500.00	2,500.00	5,822.91
Organic Campus	30,000.00	30,000.00	22,594.12
Union for Gender Empowerment	500.00	500.00	918.00
Savoy Society	25,675.00	25,675.00	17,549.41
Walk Safe	-	-	99.83
Black Students' Network	-	-	-
MRSA	-	-	-
Bike Collective	<u>1,000.00</u>	<u>1,000.00</u>	<u>4,469.85</u>
<i>Total Revenues</i>	190,767.38	182,383.00	177,498.68
Expenses			
TV McGill	10,350.00	7,900.00	1,442.47
MISN	79,150.00	79,150.00	70,858.64
First Aid	31,589.26	25,496.59	32,211.24
Midnight Kitchen	46,238.31	44,834.02	38,895.21
Ham Reduction Center	-	-	386.28
Players' Theatre	15,908.00	16,208.00	17,608.64
Drive Safe	12,175.88	9,711.58	8,861.88
Sexual Assault Center	29,962.24	29,336.73	22,631.85
Queer McGill			



Students' Society of McGill University
Association étudiante de l'Université McGill

Office of the Vice-President (Finance & Operations)
Bureau du Vice-président (finance et opérations)

	38,269.65	38,472.25	39,790.13
McGill Nighline	14,130.77	26,467.80	12,878.47
Organic Campus	30,100.00	30,100.00	22,609.75
Volunteer Program	500.00	500.00	199.42
Union for Gender Empowerment	12,844.38	12,915.27	7,597.67
Savoy Society	29,675.00	29,675.00	24,572.35
Walk Safe	6,791.44	6,649.65	5,830.47
Black Students' Network	6,000.00	4,000.00	4,499.48
MRSA	800.00	800.00	769.80
Bike Collective	<u>5,000.00</u>	<u>3,000.00</u>	<u>7,875.58</u>
<i>Total Expenses</i>	369,484.92	365,216.89	319,519.33
Surplus (deficit)	(178,717.54)	(182,833.89)	(142,020.65)