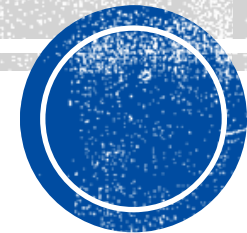


AMS 2016-2017 PRELIMINARY BUDGET

Prepared by VP Finance, Louis Retief



WHAT IS PRELIM BUDGET?

- **Deadline: No later than April 30th**
- **“Both the preliminary and the final budget shall include the budget projections adopted by Council the previous year, the actual expenditures and revenues to date, variances, and the next fiscal year’s budget projections for all the Society’s operations, including but not limited to the business operations.”**
- **Both the preliminary and the final budget shall include a statement of the amount of money in each Fund of the Society, along with a note stating that the amount of money allocated from each Fund shall not exceed the amount of money in the Fund**
- **The final budget shall provide a detailed breakdown of revenues and expenditures within each department of the Society, a department in this context meaning an individual student service, Commission, business, staff department or position, executive member, and so forth**



CONTENTS

- AMS Financial State
- AMS Overall Budgeting
- Budget Process
- Budget Features
- Preliminary Budget
- Summary
- Moving Forward



AMS FINANCIAL STATE

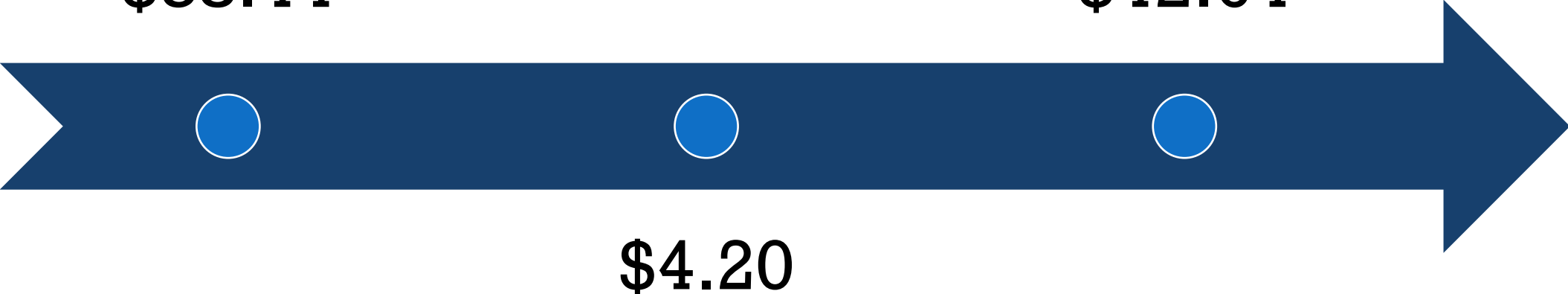
- Projected budget deficit of FY15/16: **\$96,162**
- Initial budget surplus of FY15/16: **\$230,000**
 - Reasons:
 - Businesses' Net Contribution projected decrease of \$332,600
 - Increased Expenditures
 - No more Transfers to the Budget from Funds (FY15/16 \$342,000)
 - Lack of financial flexibility
- Projected budget deficit of FY16/17: **\$397,681**
 - Ceteris paribus



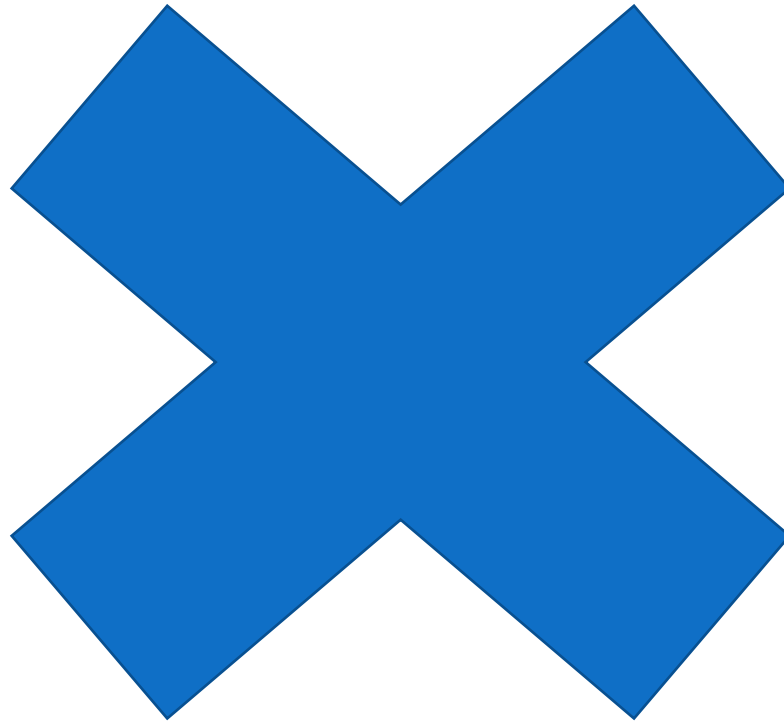
PROPOSED GENERAL MEMBERSHIP FEE REFERENDUM

AMS Fee
\$38.44

AMS Fee
\$42.64



REFERENDUM FAILED

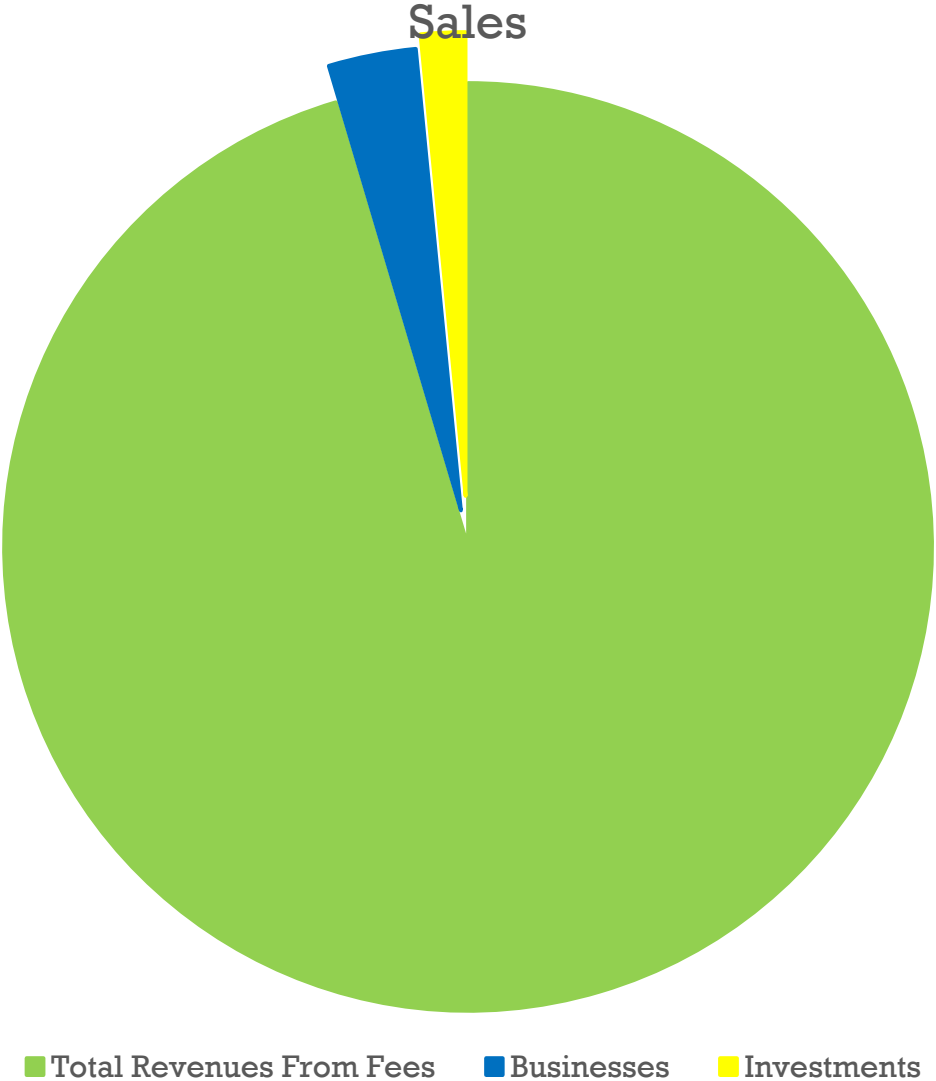


HOW DOES AMS BUDGET WORK?

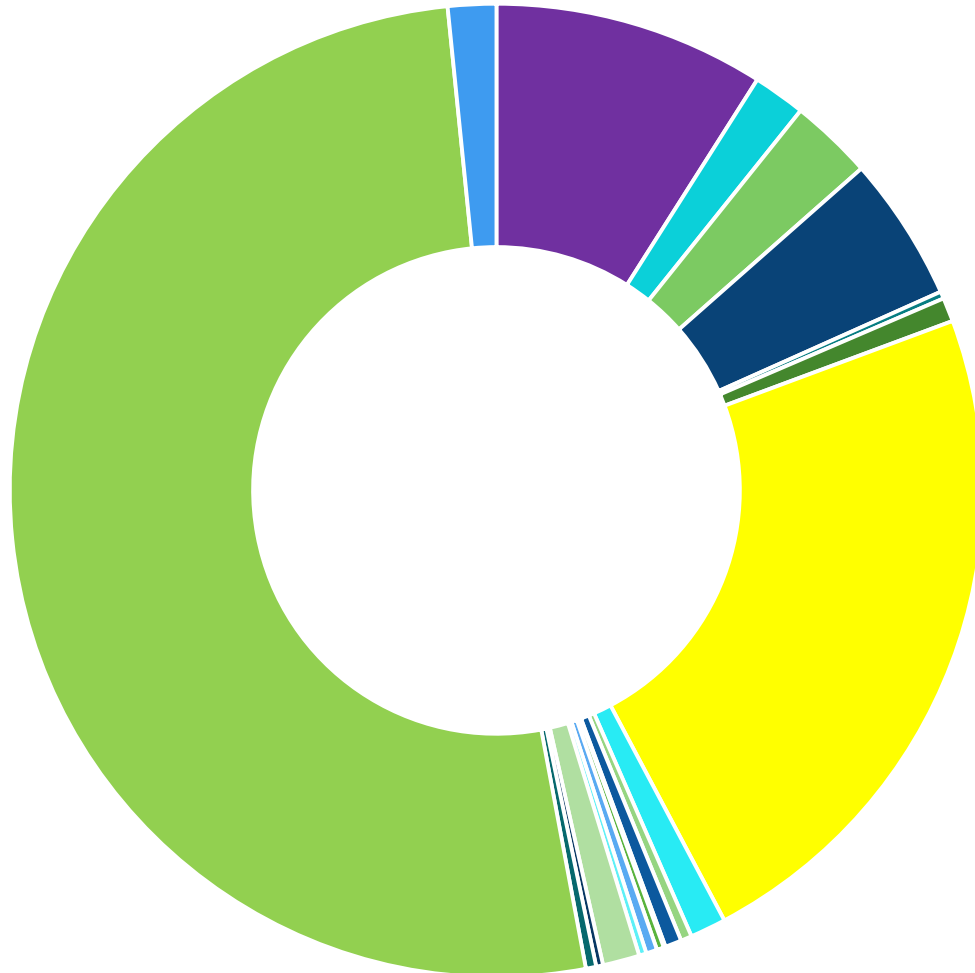


REVENUES

- **Total Fees:**
 - \$19,998,330.56
- **Business Contribution**
 - \$638,814
- **Investment Returns**
 - \$325,000
- **Total Revenue**
 - 20,962,144.56



STUDENT FEES

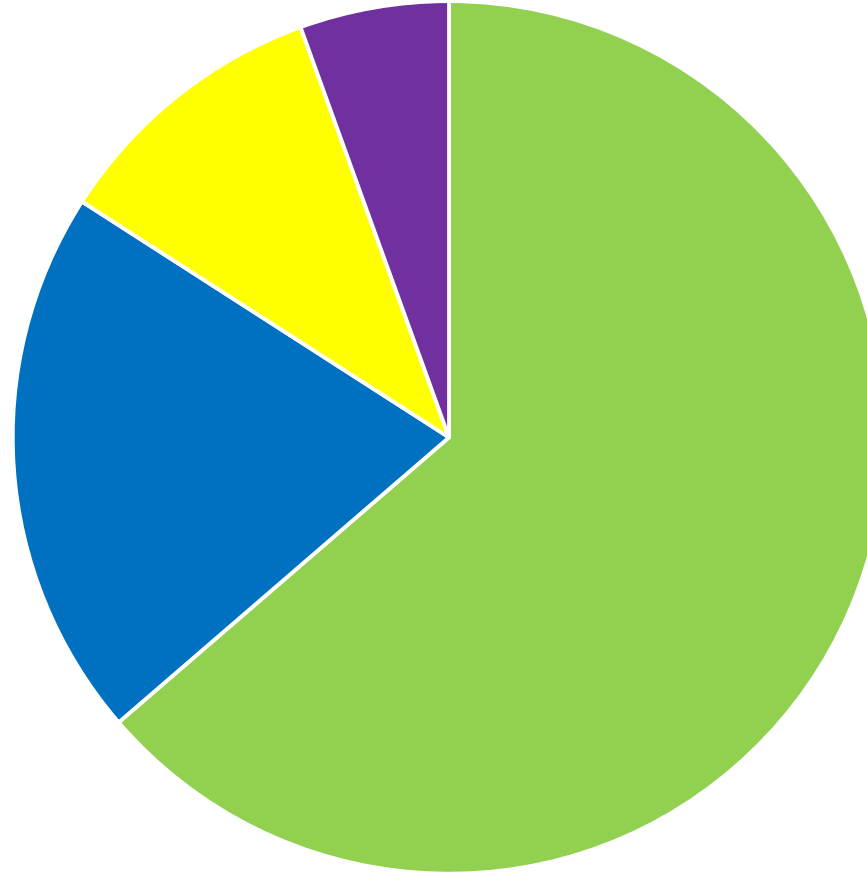


- General Fee
- CPF
- Student Aid Bursary
- Athletics and Intramural
- Ombudsperson
- SASC
- Sub Renewal Building
- WUSC
- Resoruce Groups
- Lighter Footprint
- International Fee
- Bike Kitchen Fee
- Clubs Benefit Fund
- Childcare Bursary Fee
- CiTR Fee
- Student Legal Fund
- Arts&Culture Fee
- Health and Dental Fee
- Graduating Class Fee



DISCRETIONARY FUNDS

- Non-discretionary Allocation
 - **\$18,094,650**
- Net Discretionary
 - **\$1,992,400**
- Transfers from Budget
 - **\$172,935**
- Businesses
 - **\$638,814**
- Investments
 - **\$325,000**
- Administration
 - **-\$875,094**
- Total Income
 - **\$2,165,335**

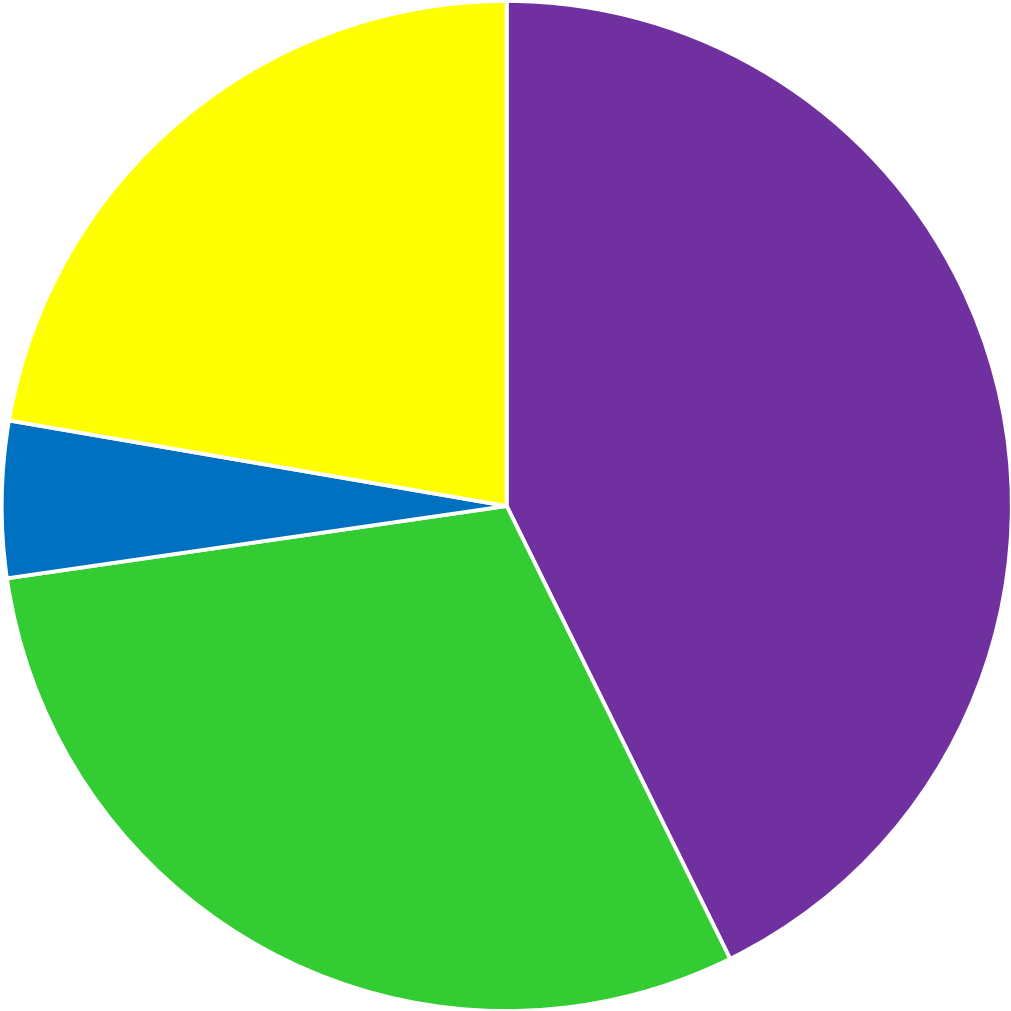


■ Net Discretionary Income ■ Businesses ■ Investments ■ Total Transfers From Funds



EXPENDITURES

- Total Student Government
 - **\$851,401**
- Total Student Services
 - **\$598,191**
- Total Programs and Publications
 - **\$444,430**
- Contingency
 - **\$99,620**
- Total Expenditures
 - **\$1,993,644**



■ Student Government ■ Student Services ■ Contingency ■ Programs and Publications



BUDGETING PROCESS

- All departments were sent an email regarding completing their budget on April 1st
- Two week deadline
- On going Consultation Times
- Had to submit an excel budget, department statement, and department overview



BUDGET FEATURES

- **Decentralized Process**
 - Departments involved in budget process, budgets are submitted with consulting VP Finance, Budget Committee, and Executive Director
- **Bottom-up Approach**
 - Budgets prepared by head of departments
- **Ongoing Consultation**
- **Zero based**
 - Each department starts from zero; builds its budget up by justifying and revealing each expense under every item line.
- **Sustainability and Future Planning**
 - Plan ahead of time to avoid making future amendments
- **Creative Thinking**
 - Manager asked to avoid looking at previous budgets; initially they are not provided with actual spending from previous year



PRELIM BUDGET

- Initial projected budget deficit of FY16/17: **\$397,681**
- Projected Preliminary Budget Surplus of FY16/17: **\$171,691**
 - After budget Com approval
 - Due to 3 reasons
 - AMS Business Contribution
 - AMS Events Missing Line Items
 - Wage Increase Budget
 - Final Budget projected deficit~\$60,000



LARGE REVENUE VARIANCES

Description	16/17 Budgeted	15/16 Budgeted	Justification
WUSC Fee	\$255,780	\$125,328	Referendum
Arts and Culture Fee	\$73,500	\$0	Referendum
Business Contribution	\$638,814	\$350,000	Next few slides
Transfers from Budget	\$172,935.9	\$689,229	Funds depleted



LARGE EXPENSE VARIANCES DECREASES

Description	16/17 Budgeted	15/16 Budgeted	Justification
Executive Committee	\$50,228.5	\$72,250	Governance Review
Vice-President Admin	\$125,107	\$140,261	Office Restructure
Vice-President External	\$82,258	\$102,269	ABCS Fees
SASC	\$134,034	\$156,422	Donation
Block Party	\$0	\$53,474	Next few slides
Welcome Back BBQ	\$0	\$37,834	Next few Slides



LARGE EXPENSE VARIANCE INCREASE

Description	16/17 Budgeted	15/16 Budgeted	Justification
Council Orientation	\$14,150	\$1,100	President Funds, Local Location
Volunteer Avenue	\$25,551.4	\$20,088.1	Additional Assistant Coordinator
FoodBank	\$25,612.4	\$17,082.5	Additional Assistant Coordinator
SafeWalk	\$129,948.6	\$115,684	First full year of operations.
Vice-President Finance	\$123,549.5	\$106,711	VP Admin Restructure, Position start time
AMS Events	\$162,674	\$142,430	



1.AMS BUSINESSES

- Current Project Contribution for FY16/17: **\$638,814**
- Organization Chart Updates Overall Savings: **\$426,581**
- Projected Business Contribution = **\$212,233**
 - Based on revised outlet operations



2. MISSING LINE ITEMS IN PRELIM

- Block Party:
 - Huge Cost this year, we need to discuss future of block party. Current financial projects make it not feasible
 - last year we budgeted for only \$53,474 where actual projections for Block Party Cost from this year will be **\$150,000+**
- Welcome Back BBQ:
 - New Location needs to be figured out. No good estimate currently
 - Last year budgeted was \$37,834 due to location move we estimate it will be **\$50,000+**



3. WAGE INCREASE

Tier	Current Wage	Proposed Wage
Tier 1	\$10.50	\$11.25
Tier 2	\$11.25	\$12.17
Tier 3	\$12.25	\$13.16

- Proposed increase starting in May costs: **\$26,035.61**
- Proposed increase starting in September costs: **\$18,224.93**



SUMMARY

- We have made huge leaps with the budget so far but there are a number of items which still need to be included.
- Anna will be bring a presentation to council when she has a better idea of costs for Block Party and Welcome Back BBQ so we can discuss our options for these.
- We need to have a discussion regarding when to start the Tier increases for Staff if that is in September or May.



MOVING FORWARD

- Consultation Period
 - May 9th-14th 2016
 - Nest 3526 Monday-Friday, 10:00am-12:00pm + Office Hours
 - Available by email as well: vpfinance@ams.ubc.ca
- Final Budget will go to Budget Committee by June 8th
- Final Budget Sent to Council by June 22nd
- Council Approval June 29th

