

AMS Preliminary Budget

2020/2021

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Overview

The presentation provides an estimate of 2020/2021 AMS Finances

1. Assumptions
2. Scenario Breakdown
3. Changes in the budget
4. Finance Committee
5. Surplus/ Deficit
6. Conclusion

1. Assumptions

Budget 1

How we created it

- Full enrollment, 55,000 students
- All 20/21 projects included
- Business Contribution \$250k
(Nest open from May)
- Investment income kept at
Budget 19/20 of \$375k

Budget 2

How we created it

- Enrolment, 49,500 students, i.e 90%
- 10% expense reduction in general AMS expenditure
- Business Contribution \$200k (Nest open from July)
- Investment income kept at Budget 19/20 of \$375k

Budget 3

How we created it

- Enrolment 44,000 students, i.e. 80%
- 15% reduction in general AMS expenditure
- Business Contribution \$150k (Nest open from Sept)
- Investment income kept at Budget 19/20 of \$375k

2. Scenario Breakdown

Assumption 1

- Full enrollment, 55,000 students
- All 20/21 projects included
- Business Contribution \$250k (Nest open from May)
- Investment income kept at Budget 19/20 of \$375k

This is the base model of the budget

Assumption 2

- Enrolment, 49,500 students, i.e 90%
- 10% expense reduction in all areas
- Business Contribution \$200k (Nest open from July)
- Investment income kept at Budget 19/20 of \$375k

Impact 1. All funds intake will decrease by 10%

Impact 2. 10% of cost will be reduced in AMS general service (ex: communications, AMS events)

Assumption 3

- Enrolment, 44,000 students, i.e. 80%
- 15% reduction in general AMS expenditure
- Business Contribution \$150k (Nest open from Sept)
- Investment income kept at Budget 19/20 of \$375k

Impact 1. All funds intake will decrease by 20%

Impact 2. 15% of cost will be reduced in AMS general service (ex: communications, AMS events)

3. Major Changes in the Budget

Budget Comparison: 2019/2020 vs 2020/2021

- \$124,318.15 increase in student services expenditure
- \$107,087.24 increase in AMS Events
- \$93,545.66 increase in Student Government

Budget Comparison: 2019/2020 vs 2020/2021

- Minimum wage increase costs an additional 400k
- Newly imposed Employer Health Tax costs an additional 150k
- Cost of goods went up 200k
- New financial analyst 65k
- New auditing company 25k

4. Finance Committee

Our Focus

Before the Final Budget is approved in June, Finance Committee will meet 2 times a week

- Reviewing funding asks from each department
- Ensuring comments are available for all budget lines
- Standardize staff benefits

5. Surplus/Deficit

Surplus and Deficit

Based on Different Scenarios

Version 1. \$38,827.03 Surplus

Version 2. (\$712,569.63) Deficit

Version 3: (\$1,156,926.45) Deficit

6. Conclusion

Conclusion

AMS Preliminary Budget

- The AMS executives feel comfortable going into a deficit next year to ensure service quality remains the same
- As more information rolls out in the summer changes will happen to this budget
- If the Nest is going to remain closed the entire summer there will be another budget submission after the first quarter to ensure proper reporting

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Thank you!