



ams

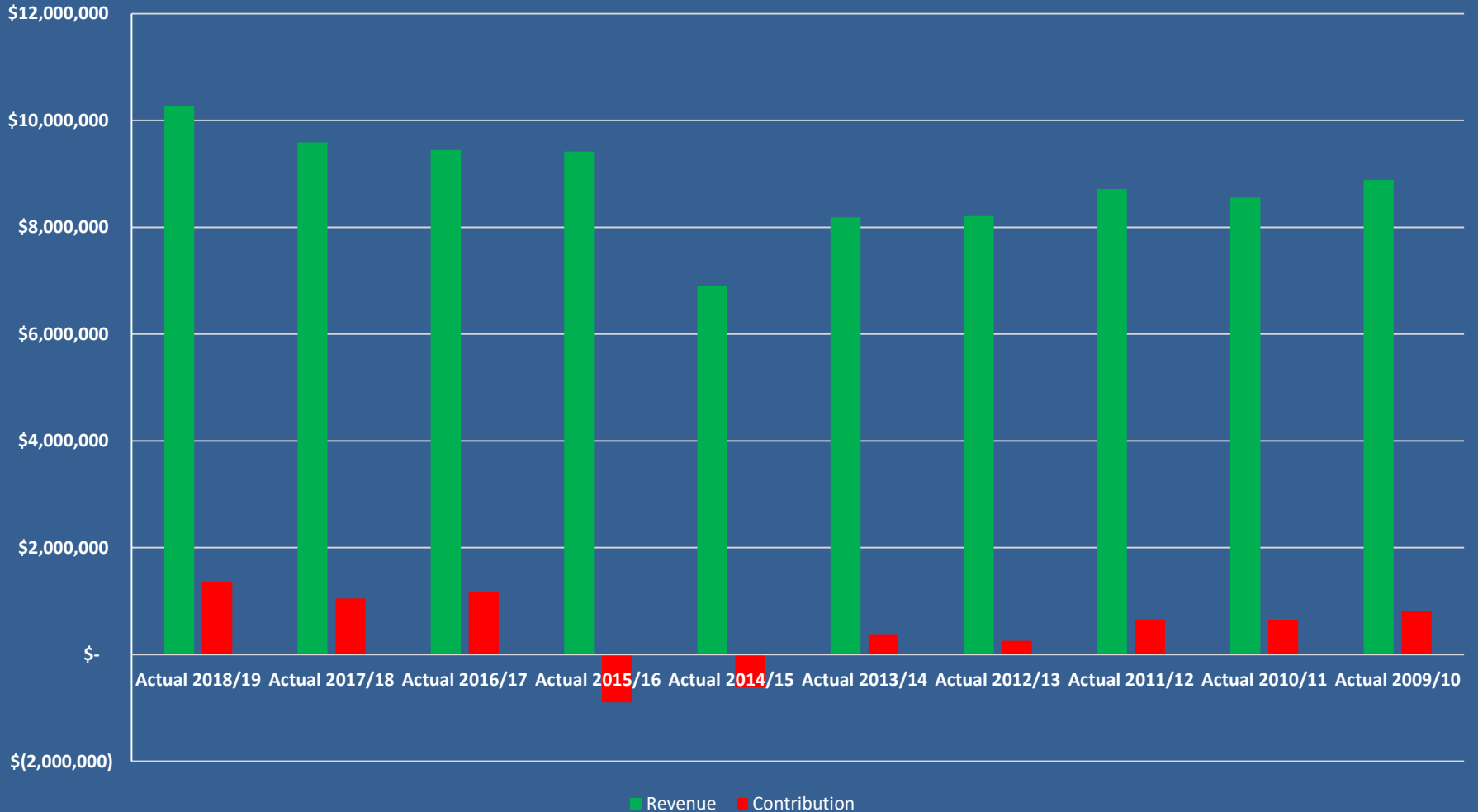
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AMS Businesses Life After Covid

AMS Businesses

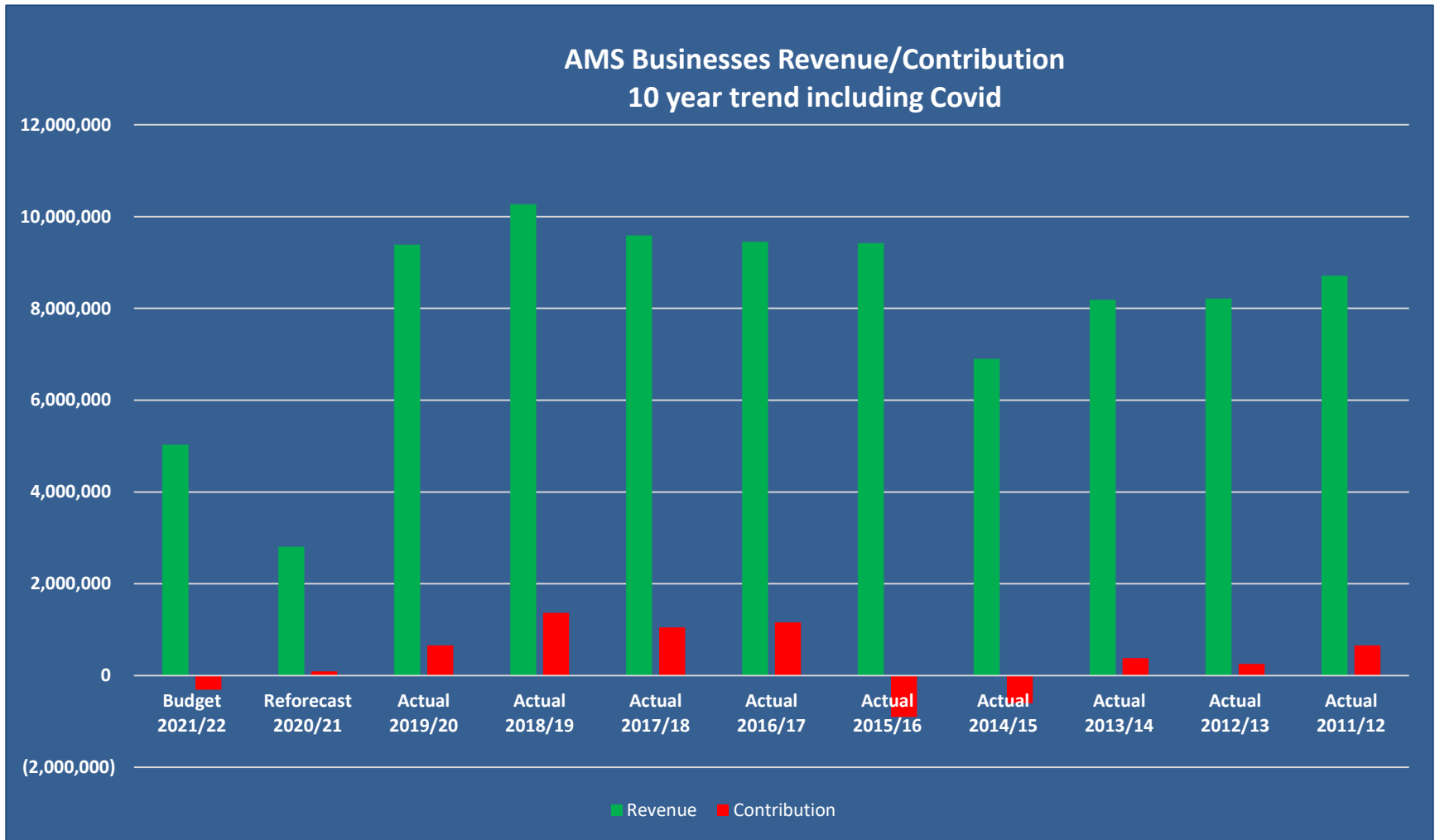
A brief history

AMS Businesses Revenue/Contribution
10 year trend



AMS Businesses

Covid effect



What we are doing now...

- Member safety
- Focus on reducing member isolation
- Limited outlet opening as a service
- Working on new menu items
- New digital menu boards
- Fit out of Blue Chip patio
- Leasing
- Loyalty & Gift cards
- Contacting all clients that have booked in last 3 years
- Contacting all Film productions

What we will be doing....

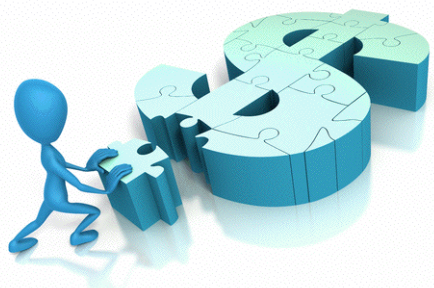
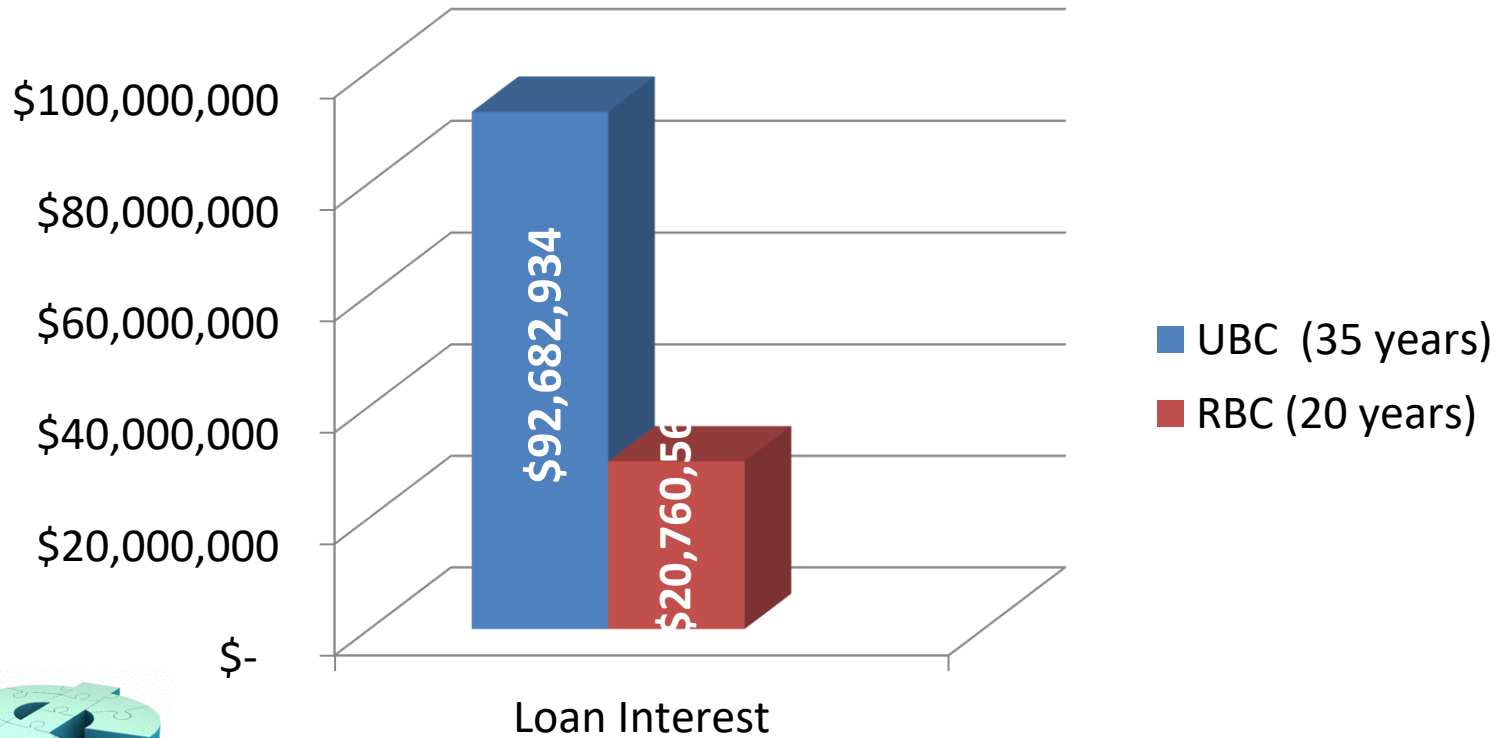
- A staggered reopening
- September 2021 current outlets
- Jan 2022 remaining outlets reopen
- Conference & Catering off campus
- Blue Chip Patio
- Digital Menu Boards
- Revised menus
- New types of food
- Value items on all menus
- Estimated recovery 2024

AMS Debt

Debt: Borrowed money (loan) owed to external party

- Building loan of \$68,000,000 @5.75% taken from UBC for 35 years
- Building Refinanced in Nov 2017 into \$70,150,000 loan @3.2%
- Current Balance : \$58,888,000
- Will be repaid in approx. 15 years

UBC vs RBC Interest on Loan



AMS Deficit

Deficit is an Excess of Expenditure over Revenue

- Current deficit \$4,247,405, of which \$4,051,786 relates to the renovation of the lower level of Life building

Debt & Deficit repayment

- Debt repayment will occur over next 14 years, paid for by SUB Renewal Fee of \$100 per student per year
- Deficit will be repaid from excess business contributions in 2022, 2023, 2024, & 2025

To Summarize.....

- Deficit \$4,247,405
- Debt \$58,888,000

Why is repaying the deficit important?

- **A solid fiscal foundation leads to expansion/growth**

Paying down the deficit strengthens our financial position. In the past years, it is because of that strong fiscal position, we were able to expand the services our members need.

- A solid fiscal outlook provides a foundation for a thriving AMS.
- Putting the AMS on a sustainable fiscal path creates a positive environment for growth, opportunity, and prosperity.
- With a strong fiscal foundation, the AMS will have increased access to capital, more resources for growth and expansion, improved consumer and business confidence, and a stronger safety net.

Why is repaying the Deficit important?

Less flexibility to respond to crisis:

Higher amounts of debt / deficit will put us at a greater risk of a fiscal crisis with less flexibility to deal with unexpected events e.g. COVID.

For e.g. During COVID - these uncertain times, we have to be prepared for the future ahead, which entail businesses not doing well, that means no contributions from the businesses towards services.

The student fees collected does not cover the AMS services, business contributions are important. With no business contributions, this will take us into a further deficit.

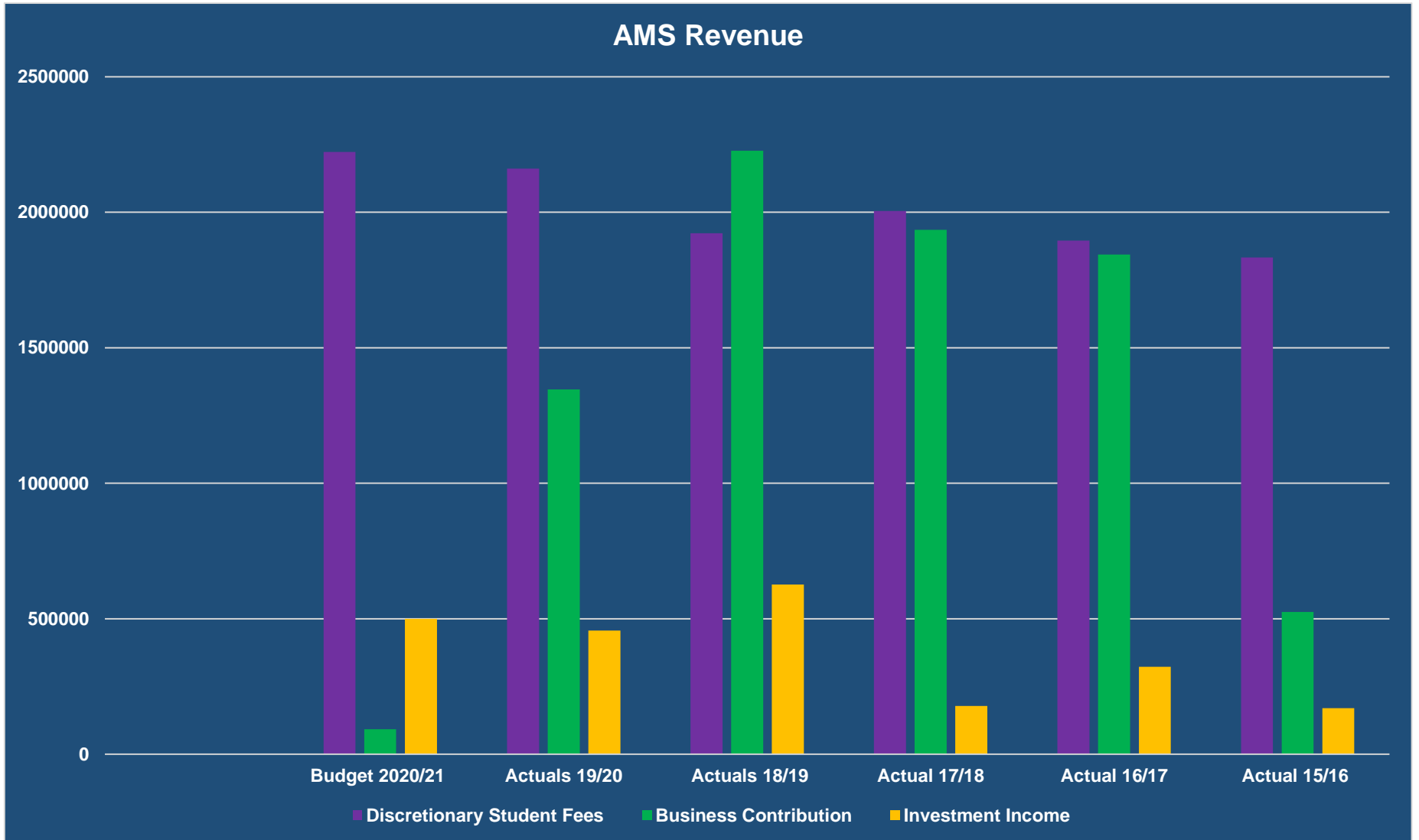
What should we do?



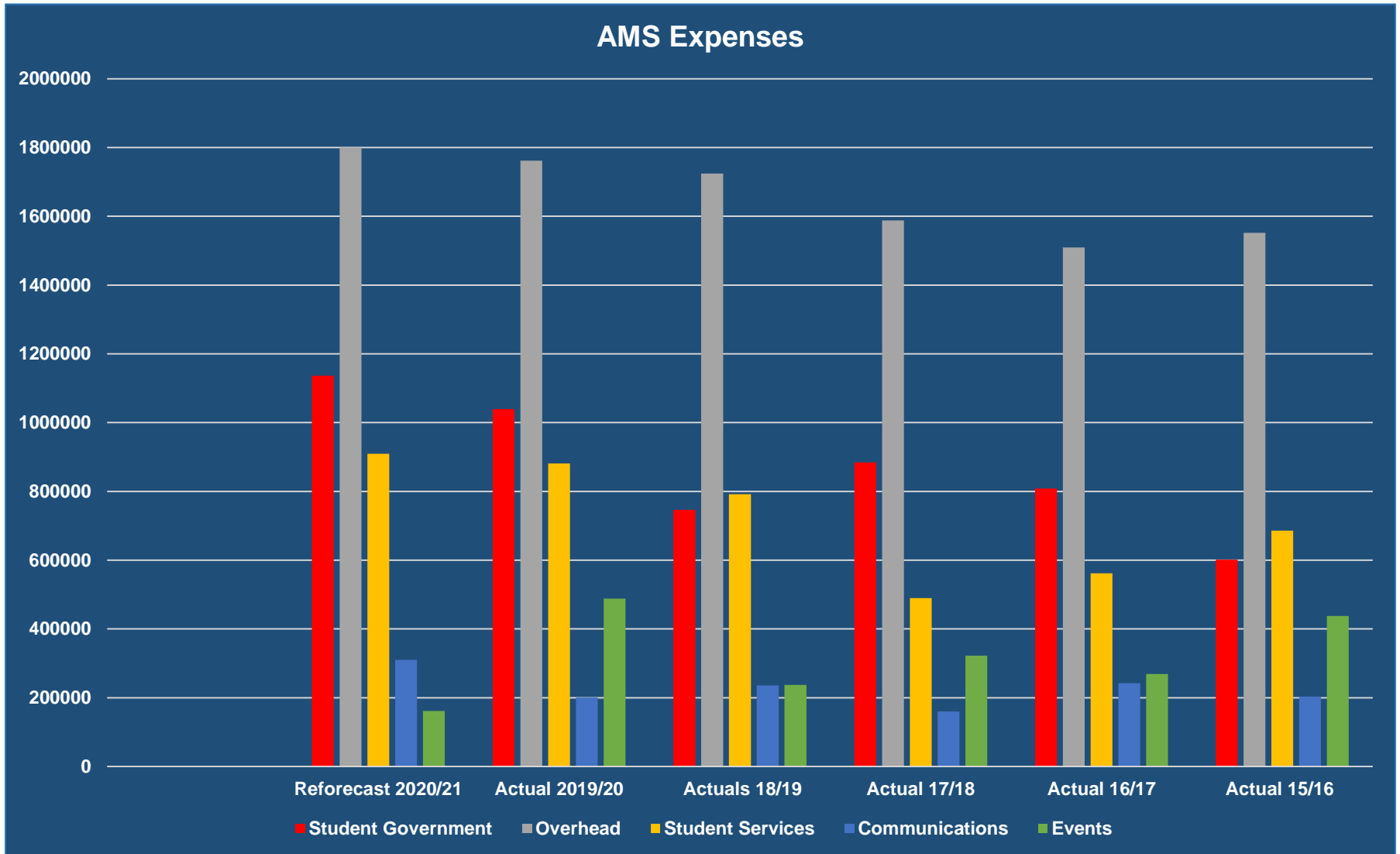
What should we do?

- **Reimagine the businesses (already happening)**
- **Maximise sources of Revenue (Tutoring, Investment returns, more off campus)**
- **Look at all expenses Society wide**
- **Repay the deficit**
- **Fee restructure**

Why we are in Deficit



Why we are in deficit



Why we are in Deficit

Combined Revenue & Expenses

