



AMS Finance Committee Minutes

Alma Mater Society of UBC Vancouver
Apr 22, 2022 at 1:00 PM PDT
@ <https://us06web.zoom.us/j/91667532872>

Attendance

Members Present:

Mary Gan, Keith Hester, Kamil Kanji, Aryan Mishra, Mitchell Prost

Members Present (Remote):

Rita Jin (Staff)

Members Absent:

Francesca Kohn (SaL), Juliane Jou (SaL), Emily Covell (Staff), Archives Assistants, Cole Evans

I. Adoption of Agenda

BIRT agenda is adopted as presented

Moved by Mary, Seconded by Mitchell.

II. Approval of Minutes

BIRT Finance Committee meeting minutes for April 11th, 2022 and revised Finance Committee meeting minutes for March 18th, 2022 are approved as presented

 [April 11th, 2022 AMS Finance Committee Minutes.pdf](#)

 [March 18th, 2022 AMS Finance Committee Minutes.pdf](#)

Moved by Mary, Seconded by Mitchell.

III. SPF: Agora Cafe

BIRT \$14,700 is approved from the SPF to increase the production capacity of Agora Cafe

Cody:

Agora Cafe is a student-led restaurants that has been around for ~15 years. It was closed during COVID-19 but has opened again now. We had 60 people on our volunteer team and serve ~140 people every day. That is as busy as we could be. The grant proposal is to double the production capacity. I've met with LFSUS to share the Macmillan space. The grant can fund the electricity and storage costs. The overall impact will be about to ~5000 free meals per year. If we can get from 100 to 200 people per day, we can produce 12,000 free meals per year to the volunteers and the general community. And serving low-cost meals to UBC as a whole. The funding also helps tackle food insecurity issues on campus. One of the things about Agora is that we are making this impact without grant funding. If the grant can up those numbers, we will not require additional

funding beyond this. This is the most impactful food security work happening on campus. Is there anything I've missed?

Mary:

I know Agora is also funded by the Sustainable Food Access Fund and other funding opportunities. For this, is this a one-time funding request? Or a renewal, multi-year funding request?

Cody:

No, this will be a one-time thing. We won't need further influx of funds to continue what we do. The purpose of this is to get our infrastructure built so that we can maintain this in the long-term. So, it is a one-time thing.

Keith:

You mentioned you are getting fridges in June and expecting them to arrive by July. Where are you getting the fridge from? I'm wondering because we also ordered a fridge recently and the delivery times are super long.

Cody:

We currently have fridges in the café. A portion of that allowed for equipment upgrade. We get it from Paragon, their turn-around time is actually 3 weeks.

Keith:

Cool, and they have stock in Vancouver?

Cody:

Yes, we have the quote ready and lined up to go – if the funding is approved. What is the lag time between voting and confirmation?

Mary:

It is pretty quick. We will vote and Jason can get back to you right after.

Keith:

Are they not getting any funding for the Food Affordability Plan?

Eshana:

I don't think this is the priority for the task force.

BIRT \$14,700 is approved from the SPF to increase the production capacity of Agora Cafe

Moved by Mary, Seconded by Mitchell.

IV. SPF: Rescued Glass

BIRT \$14,850 is approved from the Sustainability Projects Fund for the Rescued Glass project

Prishita:

I'm a 3rd year Finance student. I have worked with the CUS Sustainability this year and with the UBC. Rescued Glass has people from different faculties and backgrounds. What we do at rescued glass is:

- 1) Educate people about sustainability & circular economy
- 2) Inspire them to take some sustainable action & join the circular economy

From education to action. We looked into UBC's recycling, and we realized that things actually don't get recycled because of the high contamination rates. We started collecting glass bottles from around campus and recycled them into other products like candles, glassware, etc. We are asking funding because we have seen success in the past. Even more research on other ways to upcycle glass. Specifically with SPF, student empowerment and sustainability are the two main goals that align with our project as well. Any questions?

Mary:

Where is your microfactory located?

Prishita:

There is a small one inside UBC but we want to expand the capacity.

Mary:

How many students are involved? Are staff/professors involved as well?

Prishita:

There are mentors and professors. As well as lab researchers and doctors that partner with us for guidance but not directly in the project.

Mary:

Are you planning to put these around residences? Is there a specific type of glass you are collecting?

Prishita:

We collect all bottles. Any glass bottles, e.g. jars.

Mary:

For project research and development, there's \$2000 allocated in the budget. How will this money be spent? Pretty vague header, could you elaborate?

Prishita:

Now, when we recycle it, we started from just candles and now are spreading to other items. This process will require additional tools in order to produce more products. Mainly marketing developing costs and trying out new machineries.

Mary:

Will the products produced later be sold?

Prishita:

We want to sell the products off to fund ourselves. So yes, it will be used again.

Mitchell:

They are associated with E-Hub UBC which gives them industry accountability.

Mary:

Wonder if they will also take glass intake from the university as well. I thought the microfactory was kinda interesting. I thought cutting glass is a pretty interesting task so I guess we can sustain it.

BIRT \$14,850 is approved from the Sustainability Projects Fund for the Rescued Glass project

Moved by Kamil, Seconded by Mary.

V. AMS 2022-23 Preliminary Budget

BIRT the AMS 2022-23 Preliminary Budget is approved as presented

 [AMS 2022-23 Preliminary Budget.xlsx](#)

Mary:

Here is the preliminary budget. Right now, the deficit is at \$725,000. A lot of the cuts across the board (student executives, council, events) have been done. The comments for most of the executives have been done to be more reflective of an actual cost

breakdown. A lot of the previous concerns are regarding the businesses and the contributions not being too much help in a normal year. If anyone wants to kickstart that.

Kamil:

Yes, I can start the conversation. I appreciate all the work that has gone into it but I wouldn't be comfortable with approving the budget without more aggressive business targets. Keith, I appreciate you sitting down with me earlier in the week to discuss the infrastructure. I know a lot of other councillors also feel this way so we should discuss this here instead of at council.

Mary:

The lesser contributions we have been cutting a lot in the other areas to reduce the deficits because the businesses would be projected to not be supported as well. I would support cutting expenditures in the businesses to push the business contributions up a little more.

Keith:

Mary, can you go the business contribution breakdown tab? This year's budget has a top-line revenue of \$9.3 million. Pre-pandemic, so 2019-20, we were also doing \$9.3 million. What's gone up is the costs. Before it even went the committee, I've worked with the other managers to do a lot of the cutting. If you see the expenses line (row 15), it stands at \$554,000 from \$2.4 million in 2019-20. I've already done what you're talking about - all those cuts. Of that \$554,000, approximately \$400,000 we have to pay to UBC for janitorial fees. There is little other costs. The other cost increases, you'll see the gross margin (cost of goods) have gone down from 76% to 71%. That is \$400,000. The labour costs also went from \$4.3 million to \$5.1 million now. There is nowhere there I can cut. Unless, you want me to start letting go of staff. And we don't want to do that.

Mary:

Even with delaying hiring?

Keith:

That's already there. In the outlets, 95% of the labour costs are hourly labour. The other percentage is for supervisors or managers who are employed in various places.

Mary:

For multi-year deficits, that would carry on.

Keith:

For those multi-year deficits, that was during COVID where businesses couldn't operate. My hope is that by next year, we will get back in the place where we can make more of a business contribution. Right now, there's too much going on. Supply chain, labour cost, getting staff, etc.

Mary:

It seems like there is a lot of impact from the supply chain issues. Do you think that will continue to the next fiscal year?

Keith:

I don't know the future but that's my hope. For this year, the supply chain hasn't really hit this year. But now, the prices are starting to rise. The war in Russia and Ukraine hasn't helped because it is driving up prices and reducing availability of things like wheat which we need for bread. The inflation in Canada is 6.7% which wasn't there a year ago.

Mary:

Is there a reason for the decrease in the tenant contributions?

Keith:

We had to give them a rent break last year to keep operations. They are paying it back now.

Mary:

That will affect 2022-23?

Keith:

This year, we had to give them a rent reduction in certain locations.

Mary:

Isn't that being too lenient. The Nest is quite high traffic.

Keith:

There is a lot of food & beverage outlets wanting to come in but that poses competition. There's not a lot of retailers interested in the space. That has a knock-on effect. The building becomes less popular.

Eshana:

You said the price of coffee and other items are increasing. To clarify, we are increasing the prices of the products to compensate?

Keith:

Yes, in September.

Eshana:

Is that how it is usually done? In September and not May?

Keith:

Yes, because it is high traffic in September and not the summer.

Mary:

How much of an increase is it for drinks and items?

Keith:

Likely, 5 to 10 cents.

Mary:

I don't think that would be too noticeable.

Eshana:

So, if the costs of the ingredients raise by 30%, we are increasing the cost of the product by 30%? Or is that lower.

Keith:

It is a bit lower because we will put the popular items up by say 5 to 10 cents and put something else up by 15 cents. The overall increase evens out.

Eshana:

I would say, to be honest, we shouldn't shy away from increasing the popular items a bit more. Because the other outlets will also be increasing their costs. It would make sense to increase the costs of the popular products more as well.

Keith:

That's good feedback.

Mary:

Yes, if we increase the costs of the unpopular items, it will drive people away from it more. Based on what I've seen, there is a big demand for coffee and such. So a higher cent increase shouldn't be too influential. Since, supplies and inflation are increasing the cost.

Keith:

Yes, thank you.

Mary:

I want to bring the preliminary budget to Council because I want to hear more thoughts on it regardless if it gets approved in Finance Committee or not.

Mitchell:

Can you check the Student Services Manager budget to see if the IT line has been updated? Okay, it seems like it has been, thank you.

Kamil:

I just find it really hard to swallow the pill that we are performing as low as we are projecting. That's how I stand with it right now. I am still uncomfortable with approving it. But we can hear more thoughts on it at Council. And a quick question, for the SSM line, for salaries what is the additional role & why is it necessary?

Mitchell:

It is the marketing & administrative coordinator for the services. The department has ~130 people involved and administrative work that can't be done efficiently. We got feedback that marketing can be improved to notify students of the services available to them so that's the reasoning for the role.

Kamil:

Cool.

Mary:

Do we have to move it for Council or can it directly be brought to Council for discussion?

Keith:

If it is for consultation, then it won't be approved.

Mary:

We can send it in to move to approve the motion but not from Finance Committee. To be honest, after April 30th, the preliminary budget will be updated to reflect the actual budget. Since the preliminary budget is just the skeleton structure. For example, if things get better with the supply chain and such. We don't have to approve it in Finance Committee explicitly. I can send this to Cole.

Kamil:

I think we should still have a vote on it for the record. And still bring it to Council.

Motion: BIRT the AMS 2022-23 Preliminary Budget is approved as presented

Motion was not passed: 2 yes, 2 no, 1 abstain.

Kamil:

If it is tie, it fails.

Mary:

Okay, we will still bring it to Council for discussion.

VI. Policy I-14 Review

 [Policy I-14.pdf](#)

Mary:

Policy I-14 is something everyone in the group can review. Bring to everyone's attention. It's basically for credit cards. It needs to be reviewed in April. It is something executives, student services, and some clubs/constituencies have. Bring people's attention to this and let me know if you have any amendments for this. I will send a revised version of this next week and review/approve it at the next Finance Committee meeting.

VII. AMS 2021-22 Finance Committee Goals Working Session

Standardize the short-term loan process for clubs. Determine methods in keeping clubs accountable to repayment of deficits and finalize a terms of repayment template
Outline the AMS Budget creation process and streamline the steps to be conducted for future years.

 [AMS Budget Preparation Process.pdf](#)

Mary:

For the goals, we have 2 things outstanding. Budget report and funds & fees review are done (able to reduce the fees this year). Another part is to outline the budget preparation process. This document outlines the recommendation of the budget preparation. Goes into some detail with the budget timelines and a section from Cole,

and some tips. Please take a look over it. This is an internal document to pass onto the next VP Finance.

We already have a short term loan template but I will provide the committee with the empty template later. We can send in an empty template later. Then, once those things are done, we can note that we have completed the goals for the committee.

Does anyone have any last comments/thoughts?

No? Okay, that's about it then. Bye!