

## **Finance Committee Meeting Minutes: June/15/2023**

### **Attendance**

Arhum Rana, Lawrence Liu, Abhiudai Mishra, Ian Caguiat, Hubaib Amin, Justin Lieu, Sneh Agarwal, Yi Jia Zhou Yu, Thomas Dunsmore

Esme checked in towards the end of the meeting.

Call to order: 5:04 PM

Land Acknowledgement:

### **General Discussion**

- Committee Goals
- Previously discussed goals were Financial Discipline, Addressing Deficit, Cleaning up Terms of References.
- 3 Subcommittees currently.
- Abhi says we should have some version of a financial strategic plan similar to the AMS strategic plan but specifically for the AMS' finances.
- Lawrence will finalise goals and turn into a document.
- Committee begins discussion of CampusBase payment approval.
- Invoice was found previously unpaid so Ian asks for retroactive approval of the payment Abhi and Ian made through the clubs benefit fund for CampusBase. They paid because it was unpaid for a long time and was overdue.
- Reasoning for using Clubs Benefit: Originally the budget was coming from the VP admin office. Previously the budget for software and hardware was \$55,000 now it is only \$2,500. Hence there was a need for using the Clubs Benefit Fund. This question was asked by Lawrence and answered by Ian.
- Hubaib inquired into why the invoice was left unpaid. Ian answered that the reason was likely just left behind during a busy transition. Lawrence added that the finance team last year just didn't pay it. Hubaib asked about penalties and/or late fees. Abhi said we paid the contract fee within the required payment period. Justin Lieu added

that the contract was n30. Arhum asked to clarify if the payment was n30 0 or was there a discount attached.

Be it resolved that the finance committee approves the disbursement of \$48,750 from the Clubs Benefits Fund to Campus Groups for AMS CampusBase.

Unanimous Consent: Motion Passes.

- AMS Budget Discussion: Committee went through the budget guided by Abhi.
- Abhi asked to email the document to everyone by Lawrence.
- General Note: for the final budget we are expecting 55,500 membership with an expected number for the insurance plan to be 43,000.
- Abhi states most expenditure numbers are in line with what the actuals from last year are. Major changes are a result of inflationary pressures, wage increases for student and unionised staff.
- Abhi states we are expecting a deficit of \$ 738,766.30.
- Justin mentions how adding E&I new position makes for a significant increase in ancillary services. This is offset by a decrease on the student executive side.
- Justin states, last year was a strong year on the business side for the AMS. Last year there was a strong business contribution (approx \$1.5 Million) and this was strongly influenced by C&C having a strong year financially.
- Hubabi asks what kind of investments does AMS usually do? Lawrence states that we have over \$20 Million in a variety of Bonds and then Abhi mentions that there is a 70-30 split with 70% is fixed deposits and 30% going into equities and a small percentage is also in cash. Our investment policy includes that we do not invest in anything fossil fuels related. YTD ROI is 4.4%.
- Hubaib if we have a document outlining our investments and Abhi says that the accounting team/auditors have it and then he will send it Hubaib's way.
- Hubaib expresses curiosity on why our annual investment payout is fixed when the return every year should be variable. Justin mentions that returns average year over year but for the sake of projections we are reporting \$500,000 annually as an average of what it tends to be over the years.
- Justin mentions that our current financial state is not sustainable from an organisational lens. We require different strategies as an organisation as a whole or from our businesses to operate in a more financially sustainable manner and not in a large deficit. Adding on, it isn't just about focusing on departments individually but at an organisational level we should look for new revenue opportunities, new ways to

gain capital and ways as an organisation to reduce our expenses. Adding on, it is not sustainable to run our organisation and businesses as a whole the way we have been previously.

- Lawrence expresses that it isn't appropriate to vote on the budget right now and to vote it through we can either have another meeting or have an e-vote (via email).
- Hubaib expresses his desire for another meeting given how large the budget is (\$23 million) and we should get more information and input from other team members before making a decision on it.
- Lawrence says that he will send the budget to everyone right after this meeting.
- The team discusses having additional finance committee meetings to make sure the team has time to review the information, make suggestions and then approve the budget together.
- The committee decides to meet once on Monday and once on Tuesday.
- Justin provides the following information to help people reviewing the document while the committee goes through all the different tabs on the document. The majority of the budget is collected as fees dedicated to specific funds. These fees are money we are just collecting and putting towards those funds. The only area where we can look at and make adjustments is the discretionary funds. Transfers to the budget are treated similarly to the fund fees since they are tied to services and therefore cannot be considered as discretionary income.
- Justin mentioned that the approach we are taking this year is to be more financially sustainable with our events department.
- Ian Confirms that we are doing a monday tuesday meeting to approve the budget.
- Esme and Lawrence discuss getting everyone including the councillors an appropriate amount of time to be able to go over the budget and ask the necessary questions. If the committee gets the budget approved on monday then Esme expresses that that's more ideal as it allows council time to approve it.
- In terms of meeting tomorrow (Friday) which was suggested, hubaib expressed that it doesn't provide committee members a fair amount of time to go over the budget.
- Committee discusses meetings on the weekend.
- Committee will meet on two of the following days depending on the results of a when2meet that Lawrence will send out. The days are Saturday, Sunday, Monday, Tuesday.

- The committee will make a chat and questions on the budget can be asked to Abhi, Lawrence or Justin. Esme will be added to the group chat too as a non voting member of the finance committee.
- Lawrence asks for any questions. No questions asked.
- Finance committee will also meet next thursday.

Meeting adjourned 5:55.