Consolidated Budget Brief 2022-2023

Approved by the AMS Board of Directors

Prepared by Tina Hu, Vice President of Operations

**Terms of Reference**

**Services - funded through mandatory fees/optional fees/user-pay services**

Refers to the 9 AMS Corporate Services: Common Ground (CGR), Food Bank (FBK), Peer Support Centre (PSC), Printing and Copy Centre (PCC), Queen’s Journal (JNL), Queen’s Student Constables (QSC), Tricolour (TRO), and Walkhome (WHS).

**Government - funded through Assembly**

Generally, refers to the 5 Commissions: Campus Affairs (CAC), External Affairs (CEA), Environmental Sustainability (CES), Clubs (CLB), Social Issues (SIC).

When budgeting, Assembly (ASY), Orientation (ORT), Ontario Undergraduate Student Alliance (OUS), Secretariat\* (SIA), and Vice President University Affairs (VPU) budgets also fall under Government.

The ORT budget falls under the CAC and the OUSA budget falls under the CEA.

**Offices – funded through AMS General Office**

Generally, refers to the 4 Offices: Communications (COM), Human Resources (HRO), Information Technology (ITO), and Marketing (MAR).

When budgeting, the AMS General Office (AMS), and Student Life Centre (SLC) budgets also fall under the Offices.

\*The Secretariat is recorded under Government for budgeting purposes as policy states that it is funded through Assembly. In practice, the Secretariat is an office that is overseen by the President.

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Consolidated Budget Overview

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| --- | --- | --- | --- | --- |
|  |  |  **BUDGET**  |  **ACTUAL**  |  **ACTUAL**  |
| **REVENUE** |  | **2023** | **2022** | **2020** |
| SERVICES |  |  $ 4,048,195  |  $ 3,006,180  |  $ 3,875,473  |
| GOVERNMENT |  |  $ 1,199,592  |  $ 1,109,158  |  $ 1,248,870  |
| OFFICES |   |  $ 5,335,378  |  $ 1,937,491  |  $ 1,834,530  |
|  |  |  $ 10,521,165  |  $ 6,052,829  |  $ 6,958,873  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  **BUDGET**  |  **ACTUAL**  |  **ACTUAL**  |
| **EXPENSES** |  | **2023** | **2022** | **2020** |
| SERVICES |  |  $ 3,956,398  |  $ 2,828,662  |  $ 3,611,991  |
| GOVERNMENT |  |  $ 1,199,592  |  $ 659,947  |  $ 909,678  |
| OFFICES |   |  $ 5,444,457  |  $ 2,099,886  |  $ 1,807,440  |
|  |  |  $ 10,600,447  |  $ 5,588,495  |  $ 6,329,109  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  **BUDGET**  |  **ACTUAL**  |  **ACTUAL**  |
| **NET SURPLUS/DEFICIT** | **2023** | **2022** | **2020** |
| SERVICES |  |  $ 91,797  |  $ (76,502) |  $ 263,482  |
| GOVERNMENT |  |  $ (0) |  $ 114,912  |  $ 252,396  |
| OFFICES |   |  $ (109,080) |  $ 1,644,730  |  $ 27,087  |
|  |  |  $ (17,283) |  $ 1,683,140  |  $ 542,964 |

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High Level Brief & Notable Changes

**Overall**

* From ~19,750 enrollment in 2021/2022 to ~20,250 enrollment this year, a 2.5% increase in enrollment
	+ Increase revenue generated by the general AMS Membership fees, as well as service-specific mandatory and optional fees
	+ **We assume that about 25% of students opt out of this fee**
* Increase in minimum wage from $15.00 to $15.50 effective October 1st, 2022 in line with Ontario legislation.
* Assuming full year in-person operations with no KFLA or University directed closures
* Increase in expenses/cost of goods due to inflation and recent supply chain issues seen globally
* 2022, 2021, and 2020 budgeted and actual numbers are used to provide context and comparison for the 2023 Consolidated Operating Budget
	+ Intention is to identify the most current trends in the student body over the past two years while forecasting increased engagement with the return to campus

**Services**

* Refer to the services consolidated review provided at July Board
* Significant increases in revenue:
	+ User-pay Services have budgeted for higher numbers on campus, along with easing COVID restrictions, and therefore higher interaction with the Services
* Significant increases in expenses:
	+ Increased number of employees – as we plan for increased in-person operations, more service staff were hired compared to last year in order to staff our services
	+ Increase in minimum wage
	+ Budget a ~10-15% increase in price of cost of goods and materials to account for inflation and supply chain issues
	+ Budget increased allocation in ‘advertising’, ‘community outreach’ and ‘printing’ lines to build back engagement with students, riding the wave of excitement coming from our return to on-campus activities & the movement of services out of the JDUC to their new locations within the Queen’s Centre and the Rideau Building.
		- Increased allocation to office and cleaning lines with the return to or settling into in-person spaces

**Government**

1. ~40% of the AMS Membership Fee is allocated to fund the Government Branch
2. Increased in-person Orientation events results in increased operational costs within the ORT and CAC (NEWTS Sub-budget) budgets
	1. In the ORT budget, the change to the ORT Team being paid (where they were previously volunteers with the exception of the Coordinator) since last year has led to a large increase in the ORT budget beyond original expectations, but revenue adjustments have been made to accommodate for the changes.
3. Predicted in person conferences for UCRU (Undergraduates of Canadian Research-Intensive Universities) and OUSA result in added transportation/meals/accommodation expenses that were only partially covered last year - reflected in CEA and OUSA budgets
4. This year, the VPUA Budget will be receiving an allocation from Assembly. The full amount of the VPUA budget last year went to account for the contractual cost of AMS Compass (previously Wellness World), however Team ETC has shifted away from that project, and the VPUA budget has been renewed for this year.
5. Grants and Bursaries
	1. SIC grants have been removed due to their new funding by a student activity fee
	2. CLB budgeted to match that budgeted in 2020 as that was the last in-person year for club events, which gave us a more accurate picture of the need for grant allocations
	3. CAC budgeted to slightly increase from 2022 grant allocations
	4. CES plans to distribute the entirety of the Sustainability Action Fund (Option Student Activity Fee)

**Offices**

1. The remaining ~60% of the AMS Membership Fee is allocated to the AMS General Office, from which the remaining offices are funded (COM, HRO, ITO, MAR, SLC, SIA).
2. Prior to 2020, the Marketing Office and Communications Office were combined as the Marketing & Communications Office
3. AMS General Office
	1. This year Bus-it program is being reinstated, you will see revenue and expenses as a part of the Offices budget
	2. AMS General expenses include significant items that support the whole of the AMS that ensure corporation longevity, reduce risk, & enhance operations
	3. Deficit is appropriate given corporation size, return to campus operations, inflation, increase of minimum wage, AND are balanced by the Services surplus. This poses NO SIGNIFCANT RISK to the organization or fee-paying users.
4. Marketing Office
	1. A notable difference can be seen in the Marketing budget from previous years. This is because we are following through on the hiring of two positions approved previously in the splitting of the Marketing and Communications Office. These two positions, alongside a general raise in minimum wage this year have increased this budget line significantly.
	2. This budget will also be higher in the coming year as marketing and student engagement is a primary pillar of Eric, Tina, and Callum’s platform. Because of this, more resources have been allocated to this office to ensure we are successful in achieving these goals.
5. Communications Office
	1. This budget line remains the same as previous years with the exception of the minimum wage increase.
	2. There are no significant line items in this budget that would be of concern as this office operates nearly just at the cost of wages.
6. Secretary of Internal Affairs Office
	1. This budget will have increased from previous years a bit more significantly, primarily due to the increase in minimum wage.
	2. Otherwise this budget line remains consistent with previous years for necessary purchases such as the voting platform used, election funding, and marketing.
7. Student Life Centre Office
	1. This budget has remained relatively consistent with previous years under the assumption that space rentals are returning to similar pre-pandemic levels.
	2. The primary change from last year to this is the wages paid to employees. This is partially due to fewer employees working in the previous year. The current numbers, however, are reflective of years prior when the SLC was able to function at full capacity.

Key Assumptions

**COVID|** Our budgets reflect our assessment of the year ahead based on a return to a ‘normal’ year.