

Minutes

Finance Committee

Meeting #3 – January 26, 2022 – 4:30 pm to 6:00 pm

Microsoft Teams



Attended: Nicole Walker (Chair & Scribe, CSA President), Lee Anne Clarke (Business Manager), Lisa Kazuhara (VP Academic), Maya Persram (Board Director), Leila Stevens (Board Director), Justin Mihaly (Board Director)

Regrets: None

1. Welcome & Introduction

- A noted welcome was made to Lisa Kazuhara, Vice President Academic, who is taking on the VP Student Experience (VPSE) role on the Finance Committee due to the vacancy in the VPSE position as of December 6, 2021.

2. Approval of the Agenda

- The agenda was approved as presented.

3. Declarations of Conflict

- Lee Anne Clarke declared a conflict of interest during the Bullring discussions since Lee Anne has a family member that is an employee of the Bullring.

4. Approval of the Minutes from November 17, 2021

- The minutes from November 17, 2021 and January 26, 2022 will be presented to the Finance committee for approval at the March 2022 meeting.

5. Financial Update to December 31, 2021

- **Schedule of Student Fee Receipts:** It was noted that student fees are our primary source of revenue, and they were recorded above their anticipated value. The committee reviewed the student fees for the CSA and Entertainment Fee. As of December 31, 2021, the student fee revenue was 7.53% more than what we had anticipated.
- **Bullring Financial Update:** The committee reviewed the finances of the Bullring. It was noted that the Bullring Operations committee, comprising of the Bullring Manager, Business Manager, and CSA President meet on a monthly basis and maintain regular communication. In a non-COVID year the revenue of the Bullring is more than doubled what it has currently accumulated. The Bullring operation as of December 31, 2021, is in a deficit position of \$70,212.00. Public Health restrictions and operational limitations as a direct result of the Omicron variant negatively impacted daily sales and revenue from special events significantly during a peak period. The % of wages to revenue gross margin is particularly high for the month of December due to RSP payouts for contracted employees. The cost to sales margin for beverages and food is on track and short-term changes to staffing were made due to increased COVID-19 restrictions on campus. A committee member asked about how

Minutes

Finance Committee

Meeting #3 – January 26, 2022 – 4:30 pm to 6:00 pm

Microsoft Teams



the inflation of food prices and shortages will impact the Bullring. The Bullring management team closely monitors food prices, but due to do a diverse menu that includes vegetarian and vegan options, and bulk purchasing for overlapping ingredients, costs can be maintained.

- **Financial Position:** The CSA is still awaiting a completed audit for 2020-21 from our auditors. As a non-profit organization, the spending of our member equity is determined by our Bylaws, including maintaining enough cashflow until our allotment of student fees is received in October 2022. There was an increase in student fees this year, mostly due to increased enrollment over the summer 2021 semester. The Administrative fee from the Student Bus Pass was not included in the initial budget since the Bus Pass Referendum was passed in Fall 2021. There are savings in our budget due to the vacancy in the VP Student Experience Position, personnel changes, and being unable to use the Travel and conference budget lines. Overall, the CSA Operating budget (Bullring excluded) as of December 31, 2021 is projected to be in a surplus position of \$55,432.00 at year end. However, when combined with the Bullring, the CSA General Operating Budget is in a deficit situation

6. **Budget Deficit Discussion (Bylaw 3, Section 2.3) – Recommended Course of Action**

(Bullring): The impact of the Bullring operations to the CSA's Operating budget as of December 31, 2021, nets a combined CSA General Operations deficit of \$15,001. The CSA currently has a large, accumulated surplus. The Bullring is known as the living room on campus, a place where students can study, hang out, perform at open mic nights, watch live band performances, and is an integral part of the campus community. The Bullring is taking all possible measures to reduce expenses, including reduced staffing during the increased safety measures related to the Omicron Variant. Historically, the Bullring generates a large portion of revenue through hosting events such as department holiday parties and open mic night and running full hours of operation. However, the committee discussed the value of the Bullring to undergraduate students through rewarding job opportunities, campus culture, and its contributions to a positive atmosphere on campus that aligns with the CSA Mandate. A committee member mentioned the importance of creating awareness about the Bullring, and the value of the Bullring to students through a promotional campaign. With Public Health Restrictions easing, in-house dining capacities increasing, and students returning to campus, the sales at the Bullring are expected to increase significantly. Although several courses of actions were discussed, such as a fundraiser, concerns were raised that students may think the Bullring is a separate entity, when it is part of the CSA. The Finance Committee determined the best course of action to address the current CSA General Operations deficit position of \$15,001 is to focus on increasing sales at the Bullring by promoting awareness on campus.

Minutes

Finance Committee

Meeting #3 – January 26, 2022 – 4:30 pm to 6:00 pm

Microsoft Teams



Motion – Prioritize the development and implementation of a strategic and robust promotional campaign to increase sales at the Bullring: The committee approved the recommendation be brought forward for the February 2, 2022 Board of Directors meeting, to have the Bullring Operations Committee develop a strategic and robust promotional campaign as a CSA priority, to be implemented no later than Monday, February 14, 2022, in a concerted effort with the Promotional Services and Graphic Designer, to promote awareness of the Bullring on campus.

Noted Abstention: Lee Anne Clarke abstained from voting due to a declared conflict of interest.

7. Possible Fee Suspension 2022-2023 - Entertainment Portion of Entertainment/Media Fee:

The Media (Communications)/Entertainment Referendum was passed by undergraduate students in 1975, in which 20% each is provided to the Ontario and CFRU as the “Media” portion of the fee, and 60% is provided to the CSA as the “Entertainment” portion of the fee for the purposes of providing subsidized concerts, speakers, smaller shows, film screenings, and cross campus community events. The CSA is responsible for administering the Entertainment portion of the Media/Entertainment Fee. However, the Programmer who oversees the spending of the “Entertainment” Fee, took an early retirement in October, resulting in the current vacancy in the position. Due to the increased Public Health restrictions and impact to programming due to the Omicron variant, on-campus events are occurring in a limited capacity, and it is unlikely the annual budget surplus of funds can be used before the end of the fiscal year. Entertainment Fee Reserve bank account currently holds a balance of \$119,197, and the current budget year is projected to net a surplus of \$117,527, for a total estimated Entertainment Reserve Fund of \$224,724 by year end. The Entertainment portion of the Media/Entertainment fee in 2021-2022 is \$4.09 per student, per semester. The committee noted that the CSA’s mandate is to organize events that make university life even more fun when it is safe to do so while saving students money.

Motion – Suspension of the Entertainment Portion of the Media/Entertainment Fee for S22 and F22: The committee approved the recommendation be brought forward for the February 2, 2022 Board of Directors meeting, to suspend the Entertainment portion (60%) of the Media/Entertainment fee for the Summer 2022 and Fall 2022 semester, and for the Finance Committee to review the status of the Entertainment Fee Reserve Fund in Fall 2022 to determine if the fee should be suspended for Winter 2023.

8. Finance Committee Funding Request (Bylaw 3, Section 7.5-7.7)

- \$1,500 to hire BC Assistant (formerly BC Repair) position to April 30, 2022: A funding proposal was submitted to the Finance Committee by Julian Kuntz (Bike Centre Coordinator) and Shilik Hamad (CSA VP External) to request \$1500 to support the wages for a Bike Centre Assistant (formerly BC Repair) for the remainder of the

Minutes

Finance Committee

Meeting #3 – January 26, 2022 – 4:30 pm to 6:00 pm

Microsoft Teams



Winter Semester. The Finance Committee approved the funding proposal of \$1,500.

Note: With approved funds, the position was posted on Thursday, January 27, 2022.

9. Budget Development

- Review of Budgeting Process (Bylaw 3, Section 5.0)
- **CPI announcement for 2022-2023 is 3.5%:** This will result in an increase to CSA fees by approximately \$27,000. The anticipated CSA Fee Revenue for next fiscal year is \$795,000. Determining the revenue for the next fiscal year is the next step in developing the upcoming budget.

10. Next Meeting: Looking to schedule the Week of February 14!