



University of Alberta Students' Union

FINANCE COMMITTEE

**March 2, 2021
6:00pm
Google Hangout**

ATTENDANCE

NAME	PROXY	PRESENT
Alana Krahn		Y
Katie Kidd		Y
Lucas Marques		Y
Samar Barazesh		Y
Tyler Saretzky		Y
Kristofer Akkerman		Y
Emily Motoska		Y
Rahul Korde		N
Mohamad Burhani		N
Marc Dumouchel, GM		Y

MINUTES (FC 2020-20)

2020-20/1

INTRODUCTION

2020-20/1a

Call to Order

KRAHN: Called the meeting to order at 6:02pm.

2020-20/1b

Approval of Agenda

2020-20/1c

Approval of Minutes

2020-20/1d

Chair's Business

2020-20/2

QUESTION/DISCUSSION PERIOD

2020-20/3

COMMITTEE BUSINESS

2020-20/3a

UASU Budget Projections

DUMOUCHEL: Noted that student fee revenue has been expanding based on increases for inflation and to offset the introduction of a \$15 minimum wage. Noted that business estimates were based on a 30% return to Campus in Fall and 80% in Winter. Outlined that estimates are that SUBmart has a small loss, the PrintCentre makes 60% standard revenue, RATT will return to profit, the DailyGrind will break even at 60% standard revenue, Dewey's will have a loss, Conferencing and Events will have a loss, Week of Welcome operations will be scaled back, Services costs will remain stable, Marketing costs will be increased, SUTV revenue will fall 40% standard revenue, SUB lease revenue will fall 40% standard revenue, Facilities costs will fall, IT costs are increasing to support the website redevelopment and the Perks platform development. Noted that the SU budget loss is smaller given that the government is offering a 50% wage subsidy, sponsorship is projected to fall, Research & Advocacy costs are falling as they are being accounted for in Communications, the SU loan to itself for the Conferencing Expansion Project is being suspended temporarily, and the SU budget surplus will be used to offset the poor performance of the Involvement Endowment Fund. Suggested that staff reduction in business units may save \$70,000. Noted that, in comparison with the past, student fee revenue is increasing, business units revenue is decreasing, expenses are decreasing, print centre revenue is decreasing, RATT revenue is decreasing, DailyGrind revenue is decreasing, Dewey's revenue is increasing, Conferencing will continue to be unprofitable, Student Services costs are not changing, marketing and media costs are increasing, rent revenue is decreasing, operations costs are decreasing, administration costs are not changing, revenue amortization is decreasing, sponsorship revenue is decreasing, and employment costs are decreasing.

AKKERMAN: Inquired as to why the costs of SUTV are so small.

DUMOUCHEL: Responded that the SUTV costs were accounted for in another department.

AKKERMAN: Inquired as to the anticipated timeline for Dewey's to return to profit.

DUMOUCHEL: Responded that Dewey's is expected to return to profit in 2022-2023. Noted that RATT will be turned into a study lounge and Friday event space so Dewey's will be the only bar on Campus.

SARETZKY/MARQUES MOVED to approve the proposed 2021 UASU Budget.
CARRIED

2020-20/3b

MARQUES/SARETZKY MOVED that the Students' Council approve the financing strategy for the Horowitz Renovation and Expansion project and to authorize the Executive Committee to enter into such agreements as are

required to execute such financing, subject to the following terms: (1) Primary financing from the University of \$15.165M over a term of 25 years at a rate not to exceed 4%; (2) Use of SCF retained reserves in an amount of \$1.2M; (3) Fundraising and grants will be pursued, with a goal amount of \$1.5M or such amount as is required to complete the project; (4) Where fundraising and grants amount to less than \$1.5M or are insufficient to complete the project, borrowing the remaining funds from the Student Involvement and Endowment Fund in an amount not to exceed \$1.5M and at a term not to exceed 25 years and an interest rate not to exceed 4%; (5) All financing obligations to be funded from revenues from the Sustainability and Capital Fund levy; and, (6) Any deviations from these terms must be approved by Students' Council by no less than a 75% majority vote.

KRAHN: Inquired as to whether the 4% rate is competitive.

DUMOUCHEL: Responded in the affirmative. Clarified that lower rates exist commercially but not at a 25 year scale.

CARRIED

2020-20/3c **KIDD/AKKERMAN MOVED** to approve the Campus Recreation Enhancement Fund Funding Allocations.

CARRIED x

2020-20/3d **KRAHN/MARQUES MOVED** to approve the release of the Gateway Student Journalism Fund Operational Dedicated Fee Unit.

CARRIED

2020-20/4 **INFORMATION ITEMS**

2020-20/5 **ADJOURNMENT**

KRAHN: Adjourned the meeting at 7:11pm.

SUMMARY OF MOTIONS

MOTION	VOTES
SARETZKY/MARQUES MOVED to approve the proposed 2021 UASU Budget. CARRIED	CARRIED
MARQUES/SARETZKY MOVED that the Students' Council approve the financing strategy for the Horowitz Renovation and Expansion project and to authorize the Executive Committee to enter into such agreements as are required to execute such financing, subject to the following terms: (1) Primary financing from the University of \$15.165M	CARRIED

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<p>KIDD/AKKERMAN MOVED to approve the Campus Recreation Enhancement Fund Funding Allocations.</p>	<p>CARRIED</p>
<p>KRAHN/MARQUES MOVED to approve the release of the Gateway Student Journalism Fund Operational Dedicated Fee Unit.</p>	<p>CARRIED</p>