



MEMO

From the office of the...

Vice-President (Finance) & CFO

TO: Student Representative Assembly
 FROM: Vice President (Finance)
 SUBJECT: 2017-2018 & 2018-2019 MSU Fees
 DATE: February 21, 2017

Student Representative Assembly,

It is this time of year that the MSU makes its fee recommendations for the upcoming year. This year is unique as the province has made restrictions for which we must plan our fees two years in advance due to the new net billing requirements. This ensures that every high school student who receives an offer from a post-secondary institution must be made aware of all costs and fees associated with their attendance. While the MSU has historically supported this requirement and the board was very pleased to see it come to fruition, it does require a bit more leg work on our part as this year I will be responsible for confirming our fees for the next two years.

The SRA and the Vice-President Finance can increase any fee up to CPI without going to referendum. In most cases the fees will increase by CPI which this year is calculated at 1.8%. I have highlighted in the attached table all of the changes to our fee schedule. Further I will go through each of the MSU controlled fees in the descriptions below.

Fee Title	Current Fee	2017-2018 Fee	Year (1) Percentage Increase	2018-2019 Fee	Year (2) Percentage Increase
MSU Operating fee	\$125.82	\$128.09	1.8%	\$130.09	1.8%
CFMU Fee	\$12.95	\$13.19	1.8%	\$13.42	1.8%
MSU WUSC Fee	\$1.54	\$1.57	1.8%	\$1.60	1.8%
HSR Fee	\$150.80	\$187.67	24.45%	\$206.17	9.86%
MSU - Student Centre	\$0.64 per unit	\$0.64 per unit	0.0%	\$0.65 per unit	1.8%
MSU Health Plan	\$111.25	\$106.00	-4.72%	\$108.00	1.8%
MSU Dental Plan	\$120.30	\$122.00	1.4%	\$124.00	1.6%
Marmor Fee	\$9.22	\$0.00	N/A	\$0.00	N/A

MSU Operating Fee

The MSU operating fee, the organizations main fee revenue to support services and departments within our organization is slated to increase by the full CPI increase of 1.8%. This increase is critical because it supplements our

wage increases which year in and year out have continued to be larger than our total CPI increase. I believe that it is incredibly important for our operating fee to grow at CPI to ensure our services are well supported and we have the ability to create new services and be flexible when leaders in this organization develop new ideas and run on creative platform points.

CFMU Fee

For the 2017-2018 budget cycle, the board will be proposing a new full time position split between the MSU and CFMU focused on multimedia development. This new role will be critical to the success of CFMU as it rebrands itself as digital platform that compliments radio usage. This is why for the next two years I am suggesting a full CPI increase of 1.8%

MSU WUSC Fee

As the cost of education continues to rise, the WUSC student refugee fee must increase to help compensate for these increases. As most programs increase at 3% per year as regulated by the province, a 1.8% increase actually reduces the impact of the scholarship year in and year out.

HSR Fee

The fee suggested was decided upon by student referendum.

MSU - Student Centre Fee

The Student Centre Fee is used to pay the MSU's portion of the McMaster University Student Centre operating costs. Over the last year we have run a small surplus in this fund. By keeping this fee flat and increasing it in year two we move closer to breaking even while providing enough room to ensure that if next year there is a significant gap in revenue by MUSC, the MSU will not be held liable out of our operating fund.

MSU Health Plan

For 2017-2018 we will be lowering the fee by \$5.25 or 4.72%. We have run a significant surplus in the fee and based on recommendations from our auditors and a desire to benefit students, we will be moving to lower the fee. While doing so we will be working to increase benefits at the same time. This year we will run a much larger surplus than the savings projected as we will assume an 8% increase in costs by our provider and increase benefits and work to implement a flex plan. More details to come at the next meeting will be provided. In year 2 we have assumed a CPI increase to promote flexibility.

MSU Dental Plan

A focus for the health and dental plan was to ensure we are using round numbers for ease of administration. For the dental plan we will be increasing the fee to \$122 or a 1.4% increase. This fund still exists in deficit while the

annual fee differential is in surplus. I expect a few years from now we can look at lowering this fee.

Marmor Fee

In fall of 2016, students voted to eliminate the Marmor fee. We will still be providing a Marmor to graduating students until the class of 2020 through the surpluses accumulated over the last 3 years.

If you have any questions or concerns please let me know. I am confident that these suggestions put the interests of our members first and foremost while providing opportunity for our organization to grow.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan MacDonald". The signature is written in a cursive style with a large initial "R" and "M".

Ryan MacDonald
Vice President (Finance)
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