

The McMaster Students Union

PRESIDENT'S PAGE



ALEX JOHNSTON
VP (Finance)

vpfinance@msu.mcmaster.ca
905.525.9140 x24109

The McMaster Students Union (MSU) is a not-for-profit organization whose purpose is to draw into a true society all students at McMaster University. To do this, the MSU supports various events, facilitates communication between the student body, the University, and other organizations, in addition to organizing and regulating student government. MSU members are defined as full-time undergraduate students enrolled in 18-units or more, who are subject to MSU ancillary fees charged with tuition in the fall term.

In the 2018-2019 fiscal year, all MSU members paid a \$130.26 Operating Fund fee and a \$13.41 CFMU fee. However, as a result of the Student Choice Initiative, MSU members paid five essential MSU fees for 2019-2020: Health and Counseling, Academic, Recreation, Campus Safety, and Building. The essential fees for the five pillars totaled \$69.70. The remainder of the Operating Fund fee was classified into non-essential fees, and as a result, students had the option to opt-out of

\$63.56 for the Operating Fund non-essential fees and \$13.72 for the CFMU fee. The fees students pay towards the MSU go to support three dozen student services, including the peer support services, the Clubs Department, and Campus Events. Some additional MSU fees include the HSR bus pass fee that provides students with unlimited HSR trips and the MSU Health and Dental Insurance plans. Students with proof of additional insurance have the opportunity to opt-out of the MSU Health and Dental Insurance plans.

With the administration of dozens of student services through the collection of ancillary fees comes the responsibility to ensure student money is spent effectively, in a manner that is transparent to the student body. As such, at the end of every fiscal year, the MSU's finances are audited by a professional accounting firm. In June and July of 2019, KPMG audited the MSU's finances from the 2018-2019 fiscal year. At the SRA meeting on October 20, the SRA received and approved the 2018-2019 audited statements. These documents can be found online at msumcmaster.ca.

As an entirety, MSU Inc. produced a deficit of \$46,658, a positive swing upwards from last year's deficit of

\$369,514. The main driver of this upwards shift is a result of a strong performance from the MSU's marketable security investments. Additionally, the operating fund produced a deficit of approximately \$600,000. With these deficits, the MSU continues to remain in a healthy fiscal state with approximately \$2.1 million in Operating Fund reserves and \$6 million in reserves for the entire organization. It is important to note that the MSU operates using fund accounting, meaning certain reserves can only be used for specific aspects of the organization. The reserves remain within the limits set within Corporate Bylaw 3, which ensures responsible capital retention.

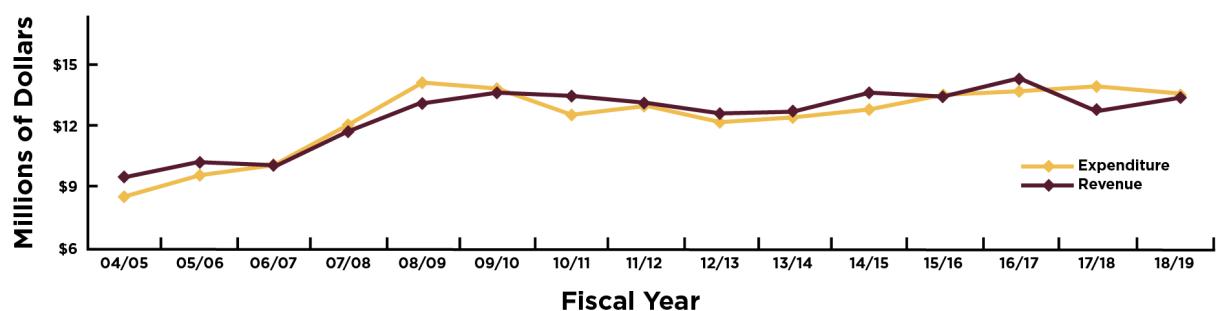
“With the administration of dozens of student services through ancillary fees comes the responsibility to ensure student money is spent effectively”

Some notable deficits incurred last year include TwelvEighty's deficit of \$276,601, The Silhouette's deficit of \$230,496, and The Underground's

deficit of \$300,356. To address these results moving forward, we have been working to implement new revenue streams and reduce overall expenses. With the expansion of The Grind and the introduction of TwelvEighty 2-Go, we should see TwelvEighty's budget trend towards the positive. To mitigate some of the deficit experienced by The Silhouette, The Silhouette's Board of Publication (BOP) reduced some of the summer print issues, as well as those circulated around the fall and winter breaks. Additionally, The Silhouette's BOP will continue to assess the winter print schedule, which should help to mitigate losses. Lastly, although The Underground experienced some staffing challenges last year, we are working to ensure the service is backed by a full team of staff.

The MSU constantly evaluates future enhancements for the students at large while balancing the fiscal risk. The results of the 2018-2019 audit and the opt-out numbers resulting from the Student Choice Initiative, will guide the 2020-2021 budget process. The full details of the audited statements can be accessed on msumcmaster.ca. For any specific questions, please email me at vpfinance@msu.mcmaster.ca or visit the MSU Main Office in MUSC 201.

MSU EXPENDITURE VS. REVENUE SINCE 2004



msu_mcmaster

msumcmaster.ca

text "MSU" to 71441

The President's Page is a space sponsored and used by the McMaster Students Union (MSU) Board of Directors (BoD) to communicate with the student body. It functions to highlight the Board's projects, goals, and agenda for the year, as well as the general happenings of the MSU.



JOSH MARANDO
President



SARAH FIGUEIREDO
VP (Administration)



SHEMAR HACKETT
VP (Education)



ALEX JOHNSTON
VP (Finance)