



# Otago University Students' Association Budget 2021

September 2020



## ***Introduction***

The Otago University Students' Association (OUSA) provides advocacy and services to Otago students. The majority of OUSA's funding comes from a Service Level Agreement (SLA) with the University of Otago. This funding comes from students, and is gathered by the University in the form of the Compulsory Student Services Fee (CSSF) to fund both University services and the Association's own. To make up the rest of OUSA's operational costs, additional income is derived from a range of student-focused and commercial streams.

The CSSF, which ultimately funds OUSA, is no longer set by students following the introduction of Voluntary Student Membership in 2012. Instead, the University sets this fee, and the size of the portion that goes to OUSA is negotiated with the university based off consultation with students. That portion, the SLA, forms the basis for OUSA's budget for the following year.

OUSA's other income streams include investments, advertising sales, building leases, and the Dunedin Craft Beer and Food Festival. The majority of OUSA's services are not designed to make a profit. However, the Association still explores options for alternative income streams to strengthen our financial security, to account for the possibility of University funding being cut.

OUSA is committed to providing the best advocacy and services for our students. We annually assess our expenditure to ensure students are getting the most from their money. We regularly provide opportunities for feedback – the biggest being our annual survey on OUSA services which goes out during second semester.

This budget has been prepared according to the values of OUSA and the interests of University of Otago students.

Josh Meikle  
Finance Officer 2020



## ***Budget Descriptions***

The OUSA budget is broken down into sub-sections, mostly tied to service departments. Below are the descriptions of those individual budget areas and the changes in the budget for 2021. Generally the 2021 budget has been built to try minimise cost increases across the whole of the organisation. Regardless of this there will still be an overall deficit for 2021 of \$201,856. This reflects the impact that Covid-19 has had on our income as well as necessary structural and capital expenditure that will arise in 2021.

### ***Income***

OUSA's Investment Income for 2021 is reduced to reflect low interest rates and reduced interest earning capital due to the significant expenditure associated with the UBS rebuild. Our commercial income is reduced as we will not be receiving rent payment from UBS during the course of the building rebuild.

### ***Other Costs***

Other Costs encompasses administrative costs, capital expenses, membership fees for the New Zealand Union of Students' Associations (NZUSA), the Executive, and communication, design and marketing. Increased funding to the Admin M budget line represents changing corporate support staffing costs. The increased funding to the OUSA executive represents the introduction of an advisory board for OUSA. The reduction in exec campaign funding reflects allocation of some of these funds to a MOU with a soon to be formed International Students' Association.

### ***Advocacy***

Advocacy represents the Student Support Centre costs. The significant reduction in this budget line represents a lack of building maintenance costs for 2021 in light of the anticipated completion of necessary building maintenance in 2020.

### ***Employment***

OUSA pays a membership fee to Student Job Search (SJS) so that students can access their service. This fee is staying the same in 2021.

### ***Media***

OUSA produces the Critic - Te Arohi Magazine and Radio One. The media costs for next year are similar to those in 2019.



### ***Clubs & Societies***

This segment includes the Aquatic Centre and Club Development (OUSA Grants). The Aquatic Centre requires a significant investment in maintenance in 2021. The reduction in the Club Development line reflects a reduction in the Grants pool for 2021 to \$60,000 with the proviso that it will be returned to \$80,000 the next year.

### ***Events and Recreation***

Events and Recreation includes OUSA Events and the recreation programme put on by OUSA Clubs & Societies. Overall this department budget has stayed roughly the same. The reduction in Ori costs reflects venue changes that have been made necessary by Covid-19.

### ***Extraordinary Items***

#### ***Clubs & Socs Roof and Lift Replacement***

The OUSA Clubs & Societies building's roof requires maintenance. The budgeted figure represents the cost of the job.

#### ***UBS Rebuild***

In 2019, OUSA took ownership of the UBS building with a view to renovate it and produce commercial returns. The building requires an intense maintenance programme to be brought up to commercial standards. The \$3,300,000 investment into UBS maintenance has begun in 2020 with the significant expenditure beginning in 2021. The total figure will be spent progressively over the next few years as maintenance is scheduled.



Budget Category	Budget name	Total budget 2020	Proposed Budget 2021	% Change
<b>Income</b>				
	Comm income	-\$79,928	-\$49,753	62%
	Investment income	-\$170,000	-\$88,761	52%
	Uni Contribution	-\$3,186,431	-\$3,239,431	102%
	Planet Media	-\$296,227	-\$308,601	104%
	DCBFF	-\$209,365	-\$235,852	113%
<b>Income Total</b>		<b>-\$3,941,951</b>	<b>-\$3,922,398</b>	<b>100%</b>
<b>Other Costs</b>				
<i>Administration</i>	Admin G	\$152,525	\$154,907	102%
	Admin M	\$660,875	\$734,154	111%
	UUL building lease	\$76,841	\$78,000	102%
	Admin total	\$890,241	\$967,061	109%
<i>Capital expense</i>	Capital	\$201,242	\$200,000	99%
<i>NZUSA</i>	NZUSA	\$45,500	\$45,500	100%
<i>Executive operating costs</i>	Exec Gen	\$163,863	\$194,395	119%
	Exec campaigns	\$12,038	\$11,000	91%
		\$175,901	\$205,395	116.77%
Communication, Design and Marketing	Comms	\$379,660	\$374,498	99%
<b>Other Costs Total</b>		<b>\$1,692,544</b>	<b>\$1,792,454</b>	<b>106%</b>
<b>Advocacy</b>				
<i>Student Support Centre</i>	SSC	\$480,896	\$421,525	88%
	SSC Queer	\$6,233	\$5,059	81%
	SSC Total	\$487,129	\$426,584	88%
<b>Advocacy Total</b>		<b>\$487,129</b>	<b>\$426,584</b>	<b>88%</b>
<b>Employment</b>				
<i>Student Job Search</i>	Student Job Search	\$15,000	\$15,000	100%
<b>Employment Total</b>		<b>\$15,000</b>	<b>\$15,000</b>	<b>100%</b>
<b>Media</b>				
<i>Critic</i>	Critic	\$346,641	\$336,477	97%
<i>Radio One</i>	Radio One	\$238,887	\$233,251	98%
<b>Media Total</b>		<b>\$585,528</b>	<b>\$569,728</b>	<b>97%</b>
<b>Clubs and Societies</b>				
<i>OUSAs Clubs and Socs</i>	Aquatic Centre	\$92,452	\$90,324	98%
	Club dev	\$89,610	\$69,701	78%
	Rec Total	\$182,062	\$160,025	88%
<b>Clubs and Societies Total</b>		<b>\$182,062</b>	<b>\$160,025</b>	<b>88%</b>
<b>Sports and Recreation</b>				
<i>Clubs and Socs Operating</i>	Recreation	\$569,821	\$583,776	102%
	Rec programme	\$0	\$0	
<b>Recreation total</b>		<b>\$569,821</b>	<b>\$583,776</b>	<b>102%</b>
<b>Events</b>				
	Events Gen	\$426,003	\$441,881	104%
	Events Ori	\$61,625	\$31,534	51%
	Events Hyde	-\$43,375	-\$43,450	100%
	Events cap	\$10,800	\$12,120	112%
	Events BOB	\$5,450	\$7,600	139%
	Events ReO	\$22,361	\$15,775	71%
	Events Art WK	\$14,600	\$9,950	68%
	Events other	\$0	\$0	
	Starters Bar	\$110,141	\$101,277	92%
	Events Total	\$607,605	\$576,687	95%
<b>Sports and Recreation Total</b>		<b>\$1,177,426</b>	<b>\$1,160,463</b>	<b>99%</b>
<b>Total Expenditure</b>		<b>\$4,139,689</b>	<b>\$4,124,254</b>	<b>100%</b>
Operating Surplus/Deficit			\$201,856	
<b>Extraordinary items: non-operating budget, to be funded from reserves</b>				
	Clubs and Socs roof and lift replacement		\$500,000	
	UBS building rebuild (full cost)		\$3,300,000	
	<b>Total extraordinary items</b>		<b>\$3,800,000</b>	