

BUDGET 2016

Council meeting
25.11.2015



The structure of AYY group plan



Student activities

- Membership fees and sponsor agreements as income
- Membership services, administration, board, council costs



Support activities

- Finance, housing and property management service



Investments

- Real estate investments
- Financial investments



Real estate property

- Housing in Helsinki, Espoo



Net cost limit

Net cost limit for operations is 550-600 t€

- income from operations:
 - membership fee income
 - sponsor agreement income
 - income from events
- the costs remaining after income is used is to be financed by the result from financial investments to the limit financial committee has proposed
- for the long time perspective, limit is expected to be -500 t€

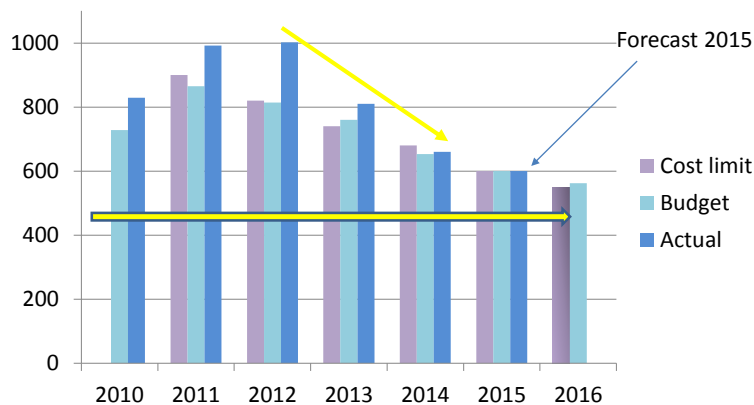
Note:

- Legal costs are considered not to be part of this cost limit

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Limit for net costs



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Cost limit

Financial committee has proposed for year 2016 net cost limit max - 550 t€

- cost limit is based on long term target result from financial investments
- in investment policy there is indicated 3,5 % return on investments, which are not tight
- 30.9.2015 financial investments without tight investments (TTE fund, other tight funds and funds of real estate companies) were total 19,2 m€
- from January to September 2015 ytd result was 1,5 %

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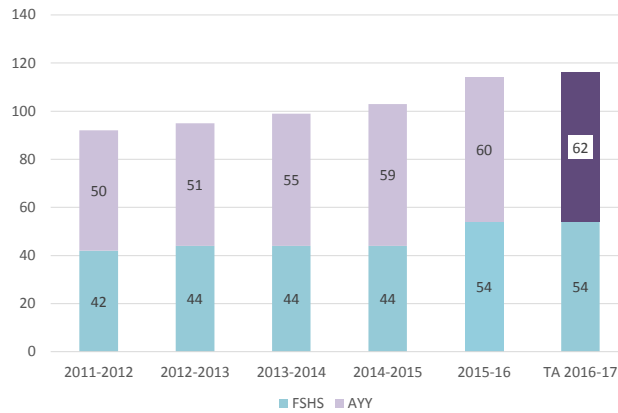
Membership fee

- Membership fee consists of two parts:
 - AYY operations funding part
 - FSHS part – no impact to AYY budget
- Membership fee is proposed to raise in budget 2016 :
 - AYY part to be raised by 2 € (FSHS no changes)

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Development of membership fee



Membership fee consists of two parts, student union part (AYY) and FSHS part, which will be accounted to FSHS

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Membership fee

Background and impact

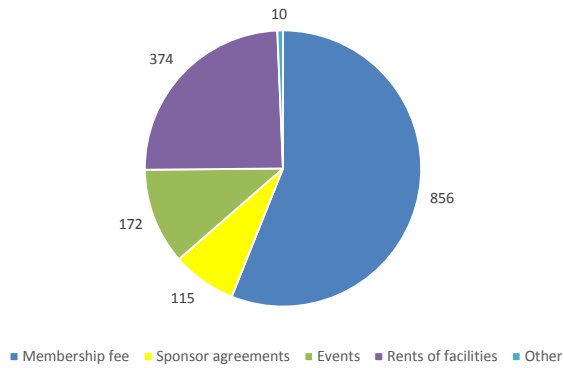
- The amount of membership fee should follow the development of costs overall
- The yearly so called index based raise of membership fee keeps the fees on right level
- The bank and admin costs which are related to collecting the membership fees, have been raised
- Paytrail taken into use year 2014 raised the costs 5-10 t€/y
- 2 € raise brings year 2016 total 14 t€ additional income -> will be impacted from the Autumn 2016
- The impact for whole year is 28 t€, beginning from 2017

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Operations

Income budget 2016, total 1.527 t€



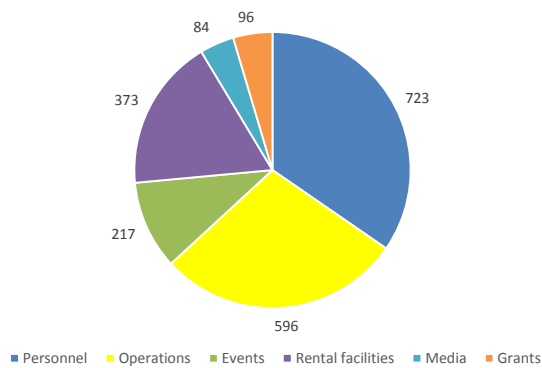
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Operations

Costs, budget 2016, total 2.089 t€



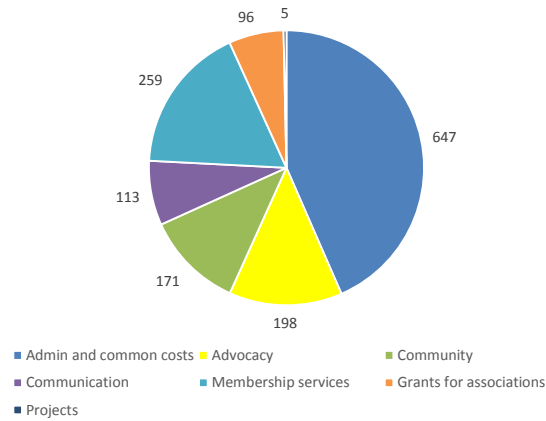
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Operations

Net costs (income-costs) by sectors



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Rental of facilities

- Facilities to be rented:
 - Servin mökki
 - Rantasauna
 - Other saunas (Gorsu and others)
 - Other rental facilities
 - Facilities rented for associations
 - New facilities:
 - OK 18 club room
 - Vaasankatu sauna and cabinet
 - OK 20 room
- As a result of renting the facilities it has been targeted zero result so that the prices for facilities has been set according to the costs

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Rental of facilities

Price changes for 2016 are:

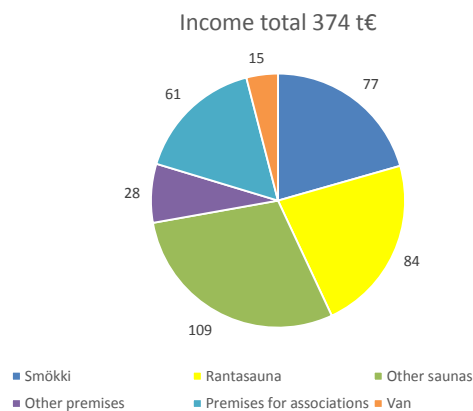
- Smökki
 - The fee for orchestras will be 50 €/occasion (earlier free of charge)
 - 250 -> 300 € members
 - 800 -> 600 € non members
 - No separate summer prices
- Rantasauna
 - from 250 € -> 300 € (members)
- Club room in Otaranta: 80 € -> 50 €

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Income from rental



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Rental of premises

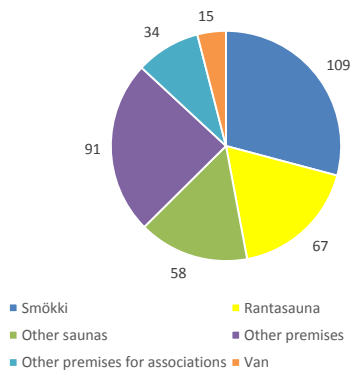
- The costs of rented premises are based on the total cost of each house. We have allocated to rented premises the percentage of cost which represents the area in use.
- As been seen in previous and next pictures, biggest income comes from other saunas and highest cost structure is in Servin mökki

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Costs of rented premises

Costs of premises total 373 t€



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AINO magazine

- The budget for AINO magazine year 2015 was 85 t€
- AINO magazine has been published 4 times per year
- Budget for personal costs has been 45 t€
- Budget for other costs like printing was 40 t€
- From AINO magazine savings will be 10 t€ per year
- New editor in chief will decide how to proceed the savings

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Grants

Tokyo ry has received grant 20 t€ yearly.

This grant has been deducted in Budget 2016 by 5 t€, so the new yearly grant to be 15 t€.

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Impact to budget 2016

There has been done changes to budget 2016 with following yearly impacts:

- Raise of membership fee by 2 € + 14t€
- Rental of facilities + 13 t€
- AINO magazine + 10 t€
- Savings in calendar printing + 7 t€
- Tokyo ry grant deduction + 5 t€
- Cost increase in translator services - 10 t€

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Support services

- No major changes in support services
- Decrease in costs concerning Housing office due to decrease of head count and due to new housing application (DOMO) on which we have invested

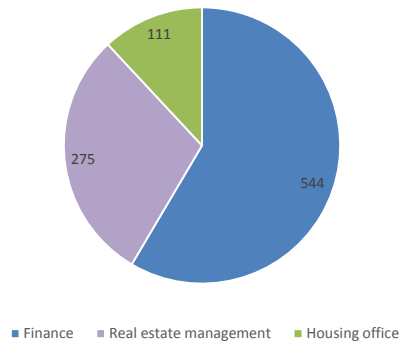
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Support services

Costs of support services total 930 t€



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Financial investments

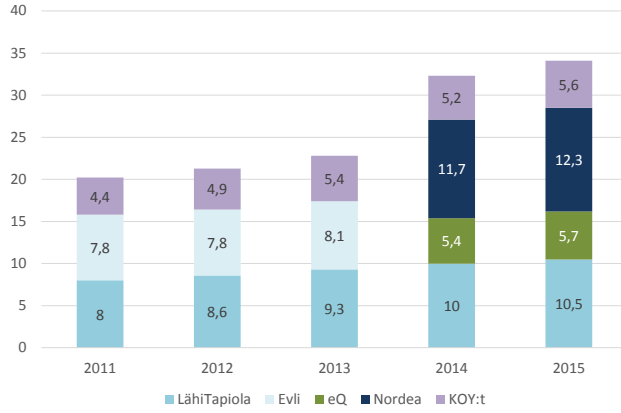
- Financial investments' result has been budgeted as earlier years: 3,5 % profit from each portfolio's market price dated 30.9.2015
- The result of real estate investments is after selling the Dipoli negative (in Malmintori lack of tenant)

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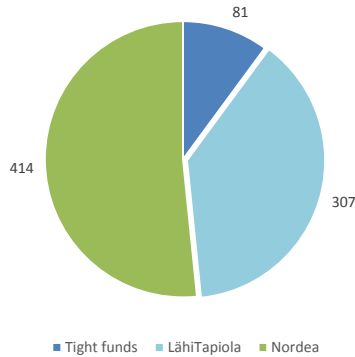
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Development of financial investments



Financial investments

Profit from financial investments total 723 t€



Housing

- Houses are separate budget units; part of the so called old Teekkarikylä is one unit because of the common energy metering
- Financing costs are allocated to houses
- On page 1 (excel) presented net result is rent income where costs have been deducted -> to be used to amortizations
- For 2016 it is proposed raise (€/sqm/month) only for five houses and those are as following:
 - Otakaari 18, new and old part (+0,20 €)
 - Kirkonkyläntie (0,25€)
 - Tuhkimontie (0,30 €)
 - Pohjavedenkatu (0,30 €)
 - Rummunlyöjänkatu 3 (0,20 €)

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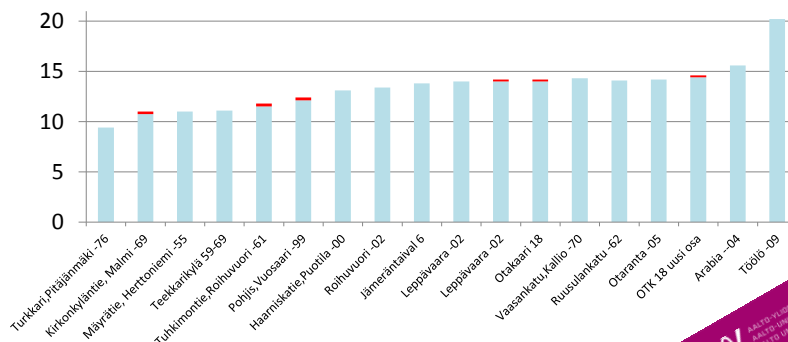


Rents in our houses

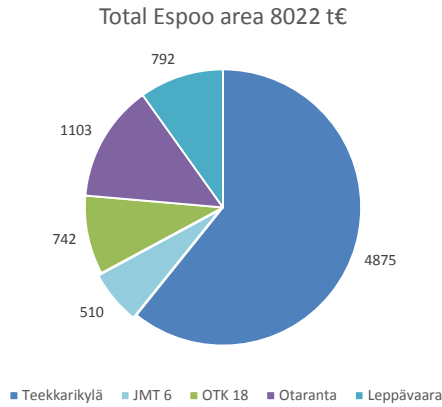
Rents to be next year. From 2015->2016 **raise** been marked by red

New proposed rents:

- Helsinki between 9,40 €- 20,20 €/sqm
- Espoo between 11,10 €-14,60 €/sqm



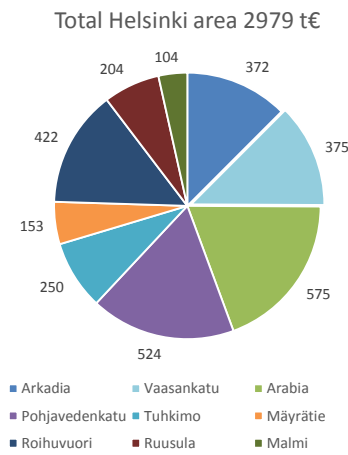
Rent income - housing



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Rent income - housing



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