



Operating Budget 2017/2018

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Revenues

2016/2017 YTD	Revenues & Student Fees	2017/2018 Budget
	Student Fee	
\$646,110.00	Gazette Fee	\$551,469.81
\$646,110.00	Total Student Fee	\$551,469.81
	Local Advertising	
\$98,000.00	Gazette Local Commission Revenue	\$40,500.00
\$18,620.00	Less: Local Commissions	\$7,695.00
\$79,380.00	Net Local Advertising	\$32,805.00
	Online Revenue	
\$8,600.00	Gazette Online Ad Revenue	\$9,575.00
\$1,634.00	Less: Online Commissions	\$1,819.25
\$6,966.00	Net Online Advertising	\$7,755.75
	Westernizer	
\$80,000.00	Westernizer Revenue	\$70,000.00
\$15,200.00	Less: Westernizer Commissions	\$12,920.00
\$65,000.00	Less: Westernizer Expenses	\$38,075.00
-\$200.00	Net Westernizer Advertising	\$19,005.00
	Other Commissioned Revenue	
\$6,100.00	Other Commissioned Revenue	\$8,950.00
\$1,729.00	Less: Other Commissions	\$1,790.00
\$4,371.00	Net Other Revenue	\$7,160.00
	Non-Commissioned Revenue	
\$7,000.00	Gazette National Sales Revenue	\$0.00
\$16,500.00	Gazette Other Local Revenue	\$18,300.00
\$2,375.00	Classified Revenue	\$290.00
\$25,875.00	Total Non-Commissioned Revenue	\$18,590.00

\$755,536.00	Total Revenues	\$633,785.56

Expenses

The Gazette's expenses are divided between the Editorial department, and the Ad Office. Editorial includes all front office staff (Editor-in-Chief, etc.), writer salaries and honoraria, printing, delivery, and more. Ad Office includes salaries of full-time, non-student, staff who assist in producing the Gazette, as well as selling ads in it.

Editorial

Current situation

The Gazette's editorial side is the student and content-facing end of the outlet. The mandate is to inform and entertain Western students and keeping them in touch with their campus and city. It is led by the three full-time front office members elected each year. It involves over 20 student editors who work 25 hours on-average per week and another 250 student staff and volunteers who choose to get involved with the different aspects of media at The Gazette. The editorial end produces the newspaper, all online and radio content, as well as managing the various social media platforms.

The Gazette's editorial budget has seen a significant decrease this year with a \$85,000 reduction. This stems from a council request to review the budget in light of the student fee debate last year. Starting from January 2017, print production has scaled down to once-a-week — cutting down almost \$40,000 in costs — albeit with more pages than the twice-a-week print. Scaling down print allowed the Gazette to make decreases to some other costs such as editorial honoraria as well.

Future outlook

While changes have been made to the print end of the Gazette, the digital transition — approved by the USC in 2014 — continues on. The overall goal is to make the Gazette a well-rounded student outlet which offers all aspects of media experiential learning to Western students. Up till four years ago, the daily, four days a week print product was the main focus.

Now The Gazette is online-daily, produces multiple videos weekly, has expanded on to all student-relevant social media platforms and produces multiple podcasts among other digital products.

The online-focus has seen a phenomenal rise in student-interest both in consuming Gazette content as well as contributing to it. A new budget line — Gazette Productions — is being introduced this year to help documentary and film-making projects as well as potentially offer grants to students who might be interested in such projects but lacks the resources and expertise. Training students is one of the Gazette's core mandates and it has been improved continuously over the past three years with the largest number of intern applications in recent history received this year. By all markers, The Gazette is the fastest growing, and one of largest student media outlets in Canada and competes with peers across North America.

The Gazette editorial side has seen a change in direction over the past three years to better serve Western students. A big editorial budget overhaul was completed this year to better reflect the needs of the organization moving forward. While the budget should be analyzed each year to highlight any redundancies, the 2017/18 editorial budget should serve as a streamlined and digital-focused model moving forward.

Gazette	Budget 2016/2017	Budget 2017/2018	Explanation
Ed Salaries	\$ 120,000.00	\$ 121,917.60	Increased by inflation.
Ed Honoraria	\$ 96,240.00	\$ 82,544.80	Restructuring editorial.
Ed Travel	\$ 6,000.00	\$ 6,000.00	Status quo
Ed Staff Benefits	\$ 24,000.00	\$ 24,000.00	Status quo
Ed Meetings	\$ 500.00	\$ 500.00	Status quo
Ed Occupancy	\$ 26,784.00	\$ -	No longer charged by the USC.
Ed Advertising	\$ 2,000.00	\$ 1,500.00	Reduced to reflect need.
Ed Telephone	\$ 10,000.00	\$ 8,469.12	Reduced to reflect need.
Ed Copy Print	\$ 1,000.00	\$ 600.00	Reduced to reflect need.
Ed Office Supplies	\$ 1,000.00	\$ 1,000.00	Status quo
Ed Entertainment	\$ 5,350.00	\$ -	Moved to Staff appreciation.
Ed Misc	\$ 3,000.00	\$ 3,000.00	Reduced to match actual spending.
Delivery	\$ 21,330.00	\$ 20,000.00	Status quo as paper is now put out twice per week.
Photo Equip	\$ 1,500.00	\$ 1,500.00	Status quo
Printing	\$ 90,988.00	\$ 50,400.00	Reduced to reflect 1 issue with 16 pages per week.
Website	\$ 15,000.00	\$ 15,000.00	Status quo
Training	\$ 10,000.00	\$ 8,000.00	

Volunteer Appreciation	\$ 10,000.00	\$ -	Moved to Staff appreciation.
Publications Board	\$ 600.00	\$ 600.00	Status quo
Staff Appreciation	\$ -	\$ 10,000.00	Combines previous Volunteer Appreciation and Ed Entertainment lines.
Gazette Productions	\$ -	\$ 5,000.00	New concept.
Total	\$ 445,292.00	\$ 360,031.52	
Savings		\$ 85,260.48	

Advertising & Production Office

Current Situation

The demand for print advertising has declined drastically in the last decade. And there is little sign of compensating revenue streams on the digital side. That will grow, but it is doubtful it will ever command the sort of prices that print once did. In the media business there is a saying: From dollars in print, to dimes on the desktop, to pennies on mobile. Certainly a revenue decline has been our experience with The Gazette this year. The September to December period saw a roughly 50% drop in print display advertising. That meant that advertising revenue did not cover the cost of printing and delivery as it had done in the previous year. This drop was the driving force behind the change in January 2017 to a once a week Gazette publishing schedule. A once a week schedule puts us up squarely against Western News and our rates are designed to be competitive against theirs. National Revenue has gone to zero. A victim of moves to digital for advertising delivery, all campus newspapers have experienced this decline.

Other Local revenue is mostly composed of on-campus UWO and USC advertisers, with the occasional off-campus one-off. USC departments and student groups do not – in the main – purchase ads. Mustang Express, Purple Store and Creative Services have been the exception but even here we have seen a decline in activity compared to previous year for some of our clients. Classified revenue will see a steep decline compared to previous years. Revenue will be measured in hundreds not thousands of dollars. Decision of a property management firm to stop classified ads is the culprit here. Print still has attraction to some advertisers who realize it has a superior ability to engage with a reader and who don't see digital as a good match for their business. It will nevertheless be an uphill battle.

Online revenue has potential for growth given advertiser interest in general with digital. It looks good so far this year, but that is largely due to a \$5K buy by a single advertiser who is not renewing this year. Google ads are the competition. And they are available at various price points. Westernizer was reformatted this year and saw a large reduction in printing cost as a

result. The new format with same sales numbers as year before resulted in a \$20K surplus over printing charges. The target is to do the same this year.

Future Outlook

We will continue to support the editorial mission, providing technical expertise for print and online, but also there will be better opportunities for a more collaborative experience with student volunteers working on news design both in print and online.

Our advertising rates are being restructured to reflect a changing publication schedule and a changing advertising market. This is an attempt to find a balance that will attract advertisers and still provide adequate levels of revenue. It is also squarely aimed at enticing Western News off-campus advertisers who may be making their current choice strictly on price and publication frequency. There are still advertisers that find value in print, and print as a medium does have its strengths.

Online advertising will continue to be a developing field. We will have to examine our pricing closely and realize that we are in competition with Google and Facebook for advertising revenue. We can present ourselves as a niche product aimed at a niche market but the competition has tools to find that same niche other than just booking an ad onto westerngazette.ca. It will be a lot of experimentation to see what will work. At least we have the back end system that will allow for it, a staff member who is up to the challenge and an editorial team that is providing excellent content, which is drawing in ever increasing numbers of viewers.

2016/2017 Budget	Expenses	2017/2018 Budget
	Ad Office	
\$232,097.36	Salaries & Benefits	\$ 246,211.94
\$5,610.00	Operating Supplies	\$ 5,700.00
\$5,028.10	Occupancy	\$ 0.00
\$450.00	Advertising	\$ 500.00
\$3,000.00	Contracted Services	\$ 1,220.00
\$1,500.00	Service & Maintenance	\$ 1,595.24
\$5,100.00	Telephone	\$ 5,100.00
\$500.00	Postage & Courier	\$ 525.00
\$100.00	Copying & Printing	\$ 100.00
	Office Supplies	
\$200.00		\$ 200.00
\$200.00	Entertainment	\$ 200.00
\$0.00	Cash Over/Short	\$ 0.00
\$1,000.00	Bad Debt	\$ 1,000.00
\$765.00	Misc.	\$ 1,000.00
\$230.00	Binding	\$ 75.00

\$1,000.00	Outside Printing	\$ 1,000.00
\$96,500.00	USC Admin Expense	\$ 0.00
\$3,000.00	Artwork Services	\$ 2,606.80
\$55,289.00	Transfers Out	\$ 7,160.00
\$200.00	Bank Service Charges	\$ 2,795.00
\$411,769.46	Total Ad Off Expenses	\$ 276,988.98