P3 FYEG - Financial Plan 2023 - 2024

Proposer: FYEG
Agenda item: 7. Plans - To be Published 14 April

Plan text

Note: This is the written financial plan for the budgets of 2023 and 2024. They run from:

- January 2023 - December 2023
- January 2024 - December 2024

1. Summary

FYEG’s Executive Committee and Secretariat planned the activities for 2023 as the run up toward the 2024 EU election Campaign, aiming to use this momentum to strengthen FYEG, its structures and member organisations while building the Green wave we hope to see.

FYEG was granted a much bigger grant than usual from the European Commission for 2023. After the catastrophic developments with the youth sector / Erasmus+ grant in 2022, FYEG now benefits from the CERV operational grant that offers a bigger budget and more sensible and sustainable framework for the development of its activities. This is visible in the 2023 Activity and Financial Plans that show the growth and renewed strength of FYEG as well as its path for the next two years. With its increased revenues for 2023, FYEG will have more capacity to organise more activities, also by supporting decentralisation actions through an MO grant program, and to set the path towards a successful election campaign in 2024.

FYEG’s financial plans for 2023 and 2024 are presented below. In order to increase the accessibility of the information the 2023 budget plan is first presented through a simplified version with a few important comments and then through a detailed version with both a narrative breakdown and the full budget plan in Annex. This financial plan also includes a section on gender budgeting. The 2024 budget plan annotated is presented in Annex.

2. 2023 Budget plan

Simplified Plan

Below you will find a simplified version of FYEG 2023 budget plan annotated to briefly explain the difference between the provisional budget voted by the General Assembly in 2022 and the updated budget.

Explanation of the difference between the budget voted and the budget report:

1. FYEG increased working hours in the administrative unit and hired 2 additional staff

2. Administrative expenditures will be higher because of the legal consultancy and procedures needed to update the Statutes and the Office guide

3. Expenses will increase to support FYEG’s live statutory activities

4. Expenses will increase to support bigger educational activities and a new MO grant program

5. Administrative revenues are increasing thanks to the CERV admin grant.

6. ## Detailed version

Annexed to this plan you will find a table with the detailed budget plan for 2023. The difference between the budget voted at the GA 2022 and the updated budget plan is briefly explained in the ‘Comment’ column, only when it diverges by more than 10%. Below is the detailed narrative version.

Expenditures - Category 1: Personnel costs

This budget category includes all the personnel costs for FYEG: salaries, benefits, social security and other employment tax contributions, payroll service fee, worker’s insurance, etc.

The total personnel costs for 2023 will see a significant increase compared to 2022. Thanks to the new CERV operational grant, FYEG will be able to: (1) create 2 new full time positions until June 2024 to support the 2024 Campaign and new activities; (2) raise the working hours for it’s Administrative Assistant to 27 hours/week (from 24) and for it’s Office Manager to 32 hours/week (from 27); (3) decrease working hours for full time staff from 38 to 35 hours/week while maintaining hourly rate for junior staff and maintaining monthly salary for senior staff. This brings working conditions closer to FYEG’s Political Platform and wages in line with the non-profit sector in Belgium. The raise in working hours and additional staff will allow the FYEG Secretariat to invest more in the

2024 EU Campaign and increase its support and training for Member Organisation.

Please note that under Belgian regulation, salaries are automatically indexed to follow inflation. The salary raise and the total personnel costs for 2023 were calculated to take this into account, with an estimated 5.5% indexation at the end of 2023 compared to January 2023, in line with the current inflation rate in Belgium and official projections. These calculations and the proposed budget for 2023 might however need to be adapted following the evolution of the inflation rate.

Expenditures - Category 2: Infrastructure and operating costs

This budget category includes all office-related expenses: rent, office meetings and retreats, staff training, softwares and equipment, office supplies, postal charges and utilities, etc.

The total infrastructure and operating costs for 2023 will slightly increase, mainly because of the increased expenses linked to the increased staff and to allow the Secretariat to organise a proper residential retreat after the arrival of the new Secretary General, this will help speed up the onboarding process and swift transition in leadership.

Expenditures - Category 3: Administrative expenditure

This budget category includes all FYEG’s general administrative expenses: extraordinary administrative costs (such as work-permit costs, costs related to the internships, etc.), external accountant, official registration of newly elected Executive Committee members, bank account fees and insurances.

The total administrative expenditures will double in 2023, due to the needs for one shot legal consultancy linked to the Update and publication of the new Statutes as well as the update and registration of the Office guide.

Expenditures - Category 4: Meeting and representation costs

This budget category includes all expenses related to the meetings of FYEG’s network and bodies, as well as representation in partners meetings: Executive Committee meetings and allowances, the General Assembly, Member Organisations training, Young Greens Forum, FCAC meeting, membership fee to EYF, contribution to CDN, visits to Member Organisations and representation to meeting of the European Green Party, the Greens/EFA Group in the European Parliament and other partners.

The total meeting and representation costs for 2023 will increase for three main reasons: (1) the increase in live EC meetings from 3 to 4 to better fit the timeline and requirements of FYEG activities; (2) the overall increase of the GA

budget (to balance with the decrease of the Spring Conference budget) that reflects higher expenses due to inflation; (3) the continued higher level of FYEG's contribution to CDN compared with 2021, permitted by the increase in membership fee and other administrative revenues; (4) the increase in representation and visit towards MOs and partners. These changes continue FYEG's focuses towards strengthening its network and membership coordination and bringing forward the youth perspective.

Expenditures - Category 5: Direct Costs: projects and campaigns

This budget category includes all expenses related to projects and campaigns: the Annual EYF work plan, the Spring Conference organised together with the General Assembly, the activities organised around COP, Study Session organised with the Council of Europe's Youth Department, Campaigns, Ad Hoc projects and working group projects.

The total direct costs for projects and campaigns in 2023 will almost double because of the increase in the size of the EYF Work Plan activities, the early start of Campaign expenses toward the 2024 elections and the introduction of a new MO grant program. All of this is made possible by the new CERV administrative grant, increased cooperation with the Greens/EFA Group in the European Parliament and funds secured through the FYEG Campaign Fund.

Ad hoc expenses in 2023 will include a live South region meeting and Ecosprinter edition.

Expenditures - Category 6: Allocations to the next year and reserves

This budget category includes allocations and reserves for next years. As of 2023 FYEG only has two strategic reserves: a campaign fund for the 2024 EU elections and a payroll safety fund as a safety net for salaries in case of a decrease in administrative grants.

The allocations and reserves for 2023 are in line with the budget plan adopted at the 2022 GA. FYEG will continue to allocate 5 000 EUR yearly to its Campaign Fund, on track to collect the 20 000 EUR planned for 2024.

Revenues - Category 1: Administrative Income

This budget category includes all of FYEG's administrative grants and revenues. The total of this category for 2023 is significantly higher than previously planned, mainly because of the new CERV operational grant.

The CERV operational grant is a four year framework program that the Secretariat had applied for in 2021. The framework partnership was confirmed and granted in 2022 but the yearly grant attached to the framework was not granted for 2022 and

FYEG was put on the reserve list for the rest of the program. Thanks to the perseverance and hard work of the Secretariat, FYEG secured the grant for 2023. This grant makes a big difference in FYEG's budget as it significantly increases administrative revenues and brings short-term stability to the budget until 2025 (as the Secretariat believes they will be able to secure the yearly grant for 2024 and 2025). However it also comes with a lot of challenges as the requirements for the yearly grant application and reporting significantly increase the Secretariat's workload and the grant only covers participants and activities within EU member states. This means that securing other revenues is essential in order to continue serving FYEG's non-EU members and participants. In this endeavour, FYEG is lucky to benefit from the EYF administrative grant that covers activities across all Council of Europe countries and raised the grant amount for 2023.

Revenues - Category 2: Projects & Campaigns income

This budget category includes all of FYEG's projects grants and revenues as well as the funds available for cooperation with the Greens/EFA Group in the European Parliament. The total of this category for 2023 is in line with the budget plan adopted at the 2022 GA. The total amount planned through cooperation with the Greens/EFA group is maintained but secured through direct cooperation.

Gender budgeting

As a feminist organisation, FYEG believes it is important to realise its budget from a Gender perspective. Through its quota systems and attention to balanced representation within all its bodies FYEG already has the essentials in place for gender budgeting. For 2023 FYEG will also continue to plan its activities and work through the gender budgeting lens by implementing the following measures:

- Ensure the basis elements of a safe space when budgeting and planning for activities;
- Improve the working conditions and workload for all its employees;
- Improve the conditions and workloads for its volunteers, especially amongst volunteers in elected positions;
- Review the use of the gender budgeting and reporting framework to better fit the needs and vision of FYEG and its member organisations.

2024 Budget Plan

In Annex to this plan you will find a table with the detailed budget plan for

167 2024.

Explanation

The tables and annexes mentioned can be found here: https://fyeg.org/s/Financial-Plan-GA24