



Financial Update

March 15/18, 2021

Topics to be discussed



- 2020-21 Operating results
- 2021-22 Operating Budget
- Capital Projects Update
- Parking Fees

COVID-19 Financial Impact (June 2020 estimates)



Scenario 1:

- September opening with increased Public Health restrictions
- Enrolment likely to decline due to safety concerns, less foreign students, residence capacity and financial hardship of some students & their families
- Revenue at Risk - \$10-\$15 million
- Estimated loss: \$6 - \$8 million

Scenario 2:

- January opening with on-line course delivery for the Fall term
- Enrolment in September likely to be lower due to on-line course delivery, residences empty until January
- Revenue at Risk - \$20-\$25 million
- Estimated loss: \$10-\$15 million

Scenario 3:

- On-line course delivery for entire 2020-21 Academic year
- Revenue at Risk - \$40-\$45 million
- Estimated loss: \$30-\$35 million

2020-21 Financial Projections



Projected loss: \$7,000,000

(Based on actual results to September 30, 2020)

Key components (variance from pre-COVID Budget):

- Full-time tuition – (\$3,100,000)
- Part-time tuition - \$1,800,000
- Residence (net) – (\$2,300,000)
- Food Services (net) – (\$1,600,000)
- COVID response expenses – (\$2,500,000)
- Athletics – \$750,000
- Other – (\$50,000)

2020-21 Financial Projections



Currently projecting to breakeven

(Based on actual results to December 31, 2020)

Key components (variance from September projections):

- Provincial Funding - \$3,646,000
- Tuition & Fees - \$1,500,000
- Academic - \$300,000
- Athletics - \$380,000
- Advancement – \$230,000
- Facilities Management - \$350,000
- General Administration - \$100,000
- Other – \$494,000

2021-22 Operating Budget



- Budget deficit of \$4,324,000
 - surplus of \$646,000 in General Operations
 - deficit of \$4,970,000 in Ancillary Services
- Actions to address deficit:
 - Continued focus on recruitment & retention
 - Seeking approval from Public Health to operate double rooms in residences
 - Cost containment (absorbing COVID related expenses into operating budgets)
 - Lobbying Province for funding for revenue shortfall

2021-22 Operating Budget



Key Budget Assumptions:

1. Government Operating Grant – 1% Increase
2. Enrolment – Assuming an increase of 100 tuitions using the 2020-21 tuition budget as a base.
3. Student Fees
 - a. Tuition increase of 3%; Other fees increasing 3%
 - b. Ancillary Fees – Room rentals increasing 1.26%; meal plans increasing 2.4%
4. Salaries – Collective Agreements increases/obligations will add 1.5-1.6% to annual salary costs. Progression through the ranks for faculty members will add approximately 2.5% to academic salary costs. Economic adjustment of 1.75% for non-union/management employees.
5. Residence Occupancy – continuation of single rooms. Total beds on campus of 1,893 converts to 1,549 single rooms. Estimating 93% or 1,444 occupancy.
6. General inflationary increases will be capped at 1.5%.
7. For almost all departments, an assumption has been made that travel will be minimal in the upcoming year. Varsity sport is being projected to start on time in the fall.

2021-22 Operating Budget



Revenue:			
2020-21 Budget	2021-22 Budget	Difference	Percent Increase
\$93,395,000	\$98,188,000	\$4,793,000	5.13%

- Tuition & Other Fees increased by 3%
- Increase in enrolment – 100 tuitions
- Funding from Endowments to pay for Advancement costs - \$1.2 million
- Funding for Equity/Diversity/Inclusion position in Academic area

2021-22 Operating Budget



Academic:			
2020-21 Budget	2021-22 Budget	Difference	Percent Increase
\$55,016,000	\$56,369,000	\$1,353,000	2.46%

- New position to focus on Equity/Diversity/Inclusion (funded)
- Funding for search and hiring of Dean of Education
- Travel budgets down based on assumption of minimal travel next year

2021-22 Operating Budget



Student Services:			
2020-21 Budget	2021-22 Budget	Difference	Percent Increase
\$11,425,000	\$11,641,000	\$216,000	1.89%

- New criteria in place for scholarships that is expected to reduce costs
- Evaluation of residence structure

2021-22 Operating Budget



Advancement:			
2020-21 Budget	2021-22 Budget	Difference	Percent Increase
\$3,825,000	\$3,799,000	(\$26,000)	-0.68%

- New position for a Digital Media Manager responsible for planning/creation of content across all digital platforms.
- Expenditures down due to travel restrictions.
- Spring convocation will be virtual

2021-22 Operating Budget



Facilities Management:			
2020-21 Budget	2021-22 Budget	Difference	Percent Increase
\$9,975,000	\$10,439,000	\$464,000	4.65%

- Increased utility costs
- Repairs and Maintenance – increased from \$500,000 to \$750,000

2021-22 Operating Budget



Information Technology:			
2020-21 Budget	2021-22 Budget	Difference	Percent Increase
\$4,640,000	\$5,567,000	\$927,000	19.98%

- Security projects
- Increase in licensing contracts
- Banner management contract \$160k
- Projects budget increased from \$408,000 to \$732,000

2021-22 Operating Budget



Administration & General:			
2020-21 Budget	2021-22 Budget	Difference	Percent Increase
\$5,324,000	\$5,445,000	\$121,000	2.27%

- Manager - Payroll, Benefits and Pension
- Regional EMO funding
- Administrative support for Risk Management area

2021-22 Operating Budget



Restricted & Non-Discretionary:			
2020-21 Budget	2021-22 Budget	Difference	Percent Increase
\$2,968,000	\$4,282,000	\$1,314,000	44.27%

- Funding for the renovation of Nicholson Hall - \$1.2 million per year for 5 years

2021-22 Operating Budget



Ancillary Services:		
2020-21 Budget	2021-22 Budget	Difference
(\$812,000)	(\$4,970,000)	(\$4,158,000)

- Loss of 350 beds due to single room occupancy
- Occupancy also impacted by lower returning student numbers (less students in residence in 2020-21 due to pandemic)
- Declines in meal plan sales and retail food service operations sales
- Conference Services down due to continuing impacts of the pandemic

Capital Project Update



- Mulroney Hall
- Alumni Plaza
- University Avenue Renewal
- Food Services – Morrison Hall
- Centre Innovation in Health
- Central Heating Plant – Electrification
- Accessibility Act

Parking Fees



- Overnight parking fee has been in place since September, 2019
- Daytime parking fee to be introduced September 1, 2021
- Parking will be enforced from 6am to 6pm daily, Monday – Friday
- Revenue will be used to pay for upkeep of parking/road network on campus
- Daytime fee: \$250 per year/\$150 per term
- Overnight fee: \$300 per year/\$175 per term
- Payroll deduction will be available