



**Meeting of the Budget Development Group # 3
January 20, 2023
Minutes**

The following members participated: Elizabeth Fullerton, Robert Inglis, Nate Lesser, Matt Maston, Gene Ouellette, Courtney Pringle Carver and Jennifer Tomes

1. Minutes

The January 13, 2023, minutes were approved as circulated.

Action Required

- Trudy to update the President's Budget Advisory Committee section of website and upload approved minutes.

2. Updated Projection

C. Milner reviewed this year's budget projection. He said there are still a lot of unknowns including uncertainty around the government grant. Academic salaries will be confirmed soon. Known changes will roll over. All collective agreements are in place for next fiscal year which means salary increases are known. Utilities are going to go up significantly due to rate increases and changes made during COVID including addition of fresh air exchangers. We still have some soft funded positions that need to be built into the operating budget but external funding exists past 2023-24.

Unique and unusual to this year:

- Change to operating budget funding formula for government grant
- Applications different and unusual to previous years
- We are in a high inflation environment
- Flat endowment returns will impact us
- Change to Canada Research Chairs funding income
- Change in other interfunds as source of government funding has now changed and is no longer available

Bottom line is a \$2 million dollar deficit which is a big deal as this would be the fifth year in a row running a deficit. This number includes \$950,000 in internal loans, is based on an entering class of 700 students, and 3% tuition increase.

C. Milner explained how the Interfund Transfers and MY Bell funding works.

R. Inglis said it is within the committee's purview to question if we are using all of our endowment funding to the best of our ability.

3. Establish Principles and Priorities for Decision Making

C. Milner provided an overview of the guiding principles from Policy 7203 – *Budget Development Principles and Guidelines*.

Overall principle of this policy is generational neutrality. One group of students should not subsidize the education and experience of another group of students.

R. Inglis provided an explanation of what Ancillaries consist of.

Narrower guidance was given by the President this year that additions to the budget should support financial sustainability in the long term.

Action Required

- Trudy to share the memo that the president sent to deans and directors providing guidance.

A fulsome discussion was held on which guiding principles should be used by the group this year for decision making purposes and the following four were recommended:

- Institutional strategy
- Areas that are critically under resourced
- Investing for growth while maintaining exceptional student experience to retain our students
- Sustainability

4. Methodology of Choosing Recommendations

C. Milner advised this agenda item would be brought forward to our next meeting to allow J. Hennessy to participate in the conversation as well.

5. Admissions Data / Student Numbers

C. Milner provided a quick review of admissions data as of January 16, 2023. Further review of this information to be brought forward at a future meeting.

Respectfully Submitted,
Trudy Hicks