



2024-25 BUDGET



LaurentianUniversity
Université **Laurentienne**

Sudbury, ON laurentian.ca

2024-25 BUDGET



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Introduction

The 2024-25 planning and budgeting process followed a similar process to the one initiated in 2022 after the emergence from the protection of *Companies' Creditors Arrangement Act* (CCAA). We also leveraged the Strategic Planning process that received input from the Board of Governors and discussions with faculty and staff about priorities and operational pressures. All these engagement activities helped align the operational budget priorities.

As part of its *Plan of Compromise and Arrangement*, the University completed the development of a multi-year *Operational Transformation Plan* that received the approval from the Board of Governors on November 1, 2023. The implementation of the *Transformation Plan* will deliver a comprehensive restructure of Laurentian's administrative processes, systems, and structure to improve the student experience and better support the academic and research mission. The University also launched its new Strategic Plan – *for Connection, Innovation and Impact*. As a result of these two initiatives, the University plans to focus new spending on these key strategic priorities.





Planning Process

The 2024-25 planning process started in the fall of 2023, with a Planning Framework and priorities presented to the Board Finance and Property Committee. Consultations with stakeholders are an important part of the budget planning process, and three planning meetings were held with budget managers from faculties and administration (+40 managers), including labour representatives from LUFA, LUSA and LUAPSA, to discuss ongoing challenges and priorities. These meetings also served to inform managers about the fiscal framework governing Laurentian's planning and budgeting process, more specifically the conditions of the *Plan of Compromise and Arrangement* and Exit Loan Financing. The loan agreement contains certain conditions and restrictions that sets boundaries on the University's resources management. As part of the Exit Loan Financing, the University provided the Ministry of Colleges and University (MCU) a five-year Financial Plan covering the period 2022-23 to 2026-27 that served as the guide to prepare the 2024-25 Budget.

The Consolidated Budget includes financials for operating, ancillary, capital, and research activities, and was prepared with the goal to continue the stabilization of the University's operations, address immediate capacity challenges, and initiate the strategic rebuilding of a financially sustainable institution. The budget discussions with managers focused primarily on the critical spending priorities, as the University does not yet have an activity-based budgeting model (e.g., Responsibility Center Management Model), necessary to properly align student enrolment and research revenues and the related expenses to faculties and administrative departments. Implementing such a model has been identified as a priority in Laurentian's Transformation Program.

In addition to the Consolidated Budget, the University is providing an Operating Budget (Appendix B) which is prepared on a different basis than the one used for financial statement reporting for not-for-profit organizations (accrual basis). The major differences

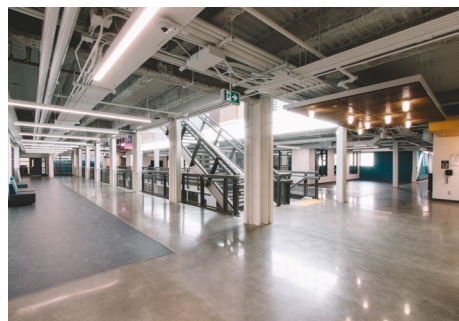
between the consolidated and the operating budget relate to the inclusion of related entities in the consolidated budget, such as MIRARCO and SnoLab, and the timing of recognition of certain transactions. For operating budget purposes, revenues are recognized when received and expenses when paid-out once eligibility requirements have been met; debt service payments and capital outlays are recognized as expenses, while depreciation and amortization expenses are not recognized as expenses in the operating budget document.

The operating budget includes the Operating Fund, which represents the resources available for teaching, student services, and academic and administrative support. It is funded by operating grants, tuition fees and other general revenues. The operating budget is divided into budgetary units, and each unit is responsible for the financial management of their department.

The Ancillary Fund represents units that are supportive of Laurentian's academic and research mission but are not directly related to its primary functions. Each ancillary service is required, at minimum, to be financially self-sustaining. This includes units such as Residence Life, Dining Services, and Parking Services. The Ancillary Budget was approved by the Board on February 16 and is included in this 2024-25 Consolidated Budget.

The Capital Fund covers new construction builds, renovations to existing space, deferred maintenance projects and large capital assets that may be funded by government grants, internal resources, and other funding received or designated for such purposes.

The Research Fund includes the receipt of externally restricted research funds, as well as internally designated research funds to support research and scholarly activities. Future funds for which activities are not reflected in the Operating Budget include endowed and special purpose donations.





Goals and Priorities

The operating priorities for 2024-25 were influenced in part by the CCAA restructuring, which created critical capacity issues in many areas of the University's operations. The priorities were also framed by the *Plan of Compromise and Arrangements* and the Exit Loan Financing, which sets financial restrictions on resource management. The 2024-25 operating priorities will also support the first year of implementation of the University's Strategic Plan.

The 2024-25 objectives and priorities include investing in critical academic, research, and administrative support to ensure that the University fulfills the obligations of its bilingual and tricultural mandate in Northern Ontario, more specifically:

1. Energizing our academic and research mission by supporting faculty renewal where Laurentian has strength and where there is program and market demand. Consideration given to re-establishing research depth and breadth which aid in attracting graduate students and postdocs.
2. Becoming the Northern university of choice and continuing to improve student enrolment, retention, and career preparedness through work integrated and experiential learning (e.g., coop programs, internships, student exchange, case competitions)
3. Enhancing our student experience and satisfaction through building strong foundation for student success and well-being.
4. Rebuilding relationships with research funding agencies including the Natural Sciences and Engineering Research Council, Social Sciences and Humanities Research Council, Canadian Institutes of Health Research, Canada Foundation for Innovation, Canada Research Chairs program, Ontario Research Fund, and others, to meet research obligations and attract new funding.
5. Renewing Laurentian's Campus Environment through a refresh of the University Campus Masterplan, including the maintenance, renewal and preservation, and sustainable development of Laurentian's academic, research, athletics, common space, natural assets and IT infrastructure and systems upgrade. The University has developed a 5-year Deferred Maintenance Plan to address critical campus upgrade. Laurentian continues to oversee these delivery of capital projects, of which the Board approves annually a list of projects that amounts to \$8.5 million.

6. Commencing the implementation of the *Transformation Plan* that is an overall transformation of the University's core processes in four key work-streams – Registrar, Students Services and Admissions (RSSA), Human Resources, Finance and IT, as well as, redefining the roles, responsibilities and organizational structure of these services, and providing the supporting systems to be more efficient and effective in the delivery of services.





Budget Assumptions

Laurentian exited CCAA with significantly diminished capacity and needs to re-invest in its academic and research programs along with administrative support. The MCU 5-year Financial Plan prepared as part of the Exit Loan Financing provides a roadmap of the University's financial path in the coming year and sets a baseline for budget assumptions.

Budget discussions for 2024-25 centered around the actual 2023-24 growth in enrolment and the expected increased enrolment that can support additional expenditures in key areas of the University. Revenues are expected to be favorably impacted by better-than-expected enrolment post-CCAA, including increased demand from international students for graduate course-based programs. Concerning tuition fees, the MCU Tuition Fee Framework (TFF) for 2024-25 extends the existing tuition fee freeze for domestic students and provides flexibility to increase tuition fees for domestic out-of-province students up to 5%. The TFF also provides universities with the option to increase tuition fees for certain programs with lower-than-sector-average tuition rates, applicable to first-year incoming students and subject to approval by MCU.

Laurentian plans to increase out-of-province tuition fees by 3% for 2024-25, and have program specific increases for such programs as engineering, computer science, and MBA, starting in 2024-25. International tuition fees are planned to increase by 3%. Laurentian's approach to tuition fees will be part of the development of the Academic Plan and the Research Plan discussions to be held in 2024-25 to position Laurentian well in the future in those strategic priority areas.

Other budget assumptions include:

- New positions of 64.10 FTEs (33.90 for Academic and 30.20 FTE for Academic Support, Other Academics, Administration, and Ancillary)
- Non-salary cost increases of between 2-5%
- Others: restructuring & transformation costs of \$7.7 million, deferred maintenance expenditures of \$8.5 million (deferred maintenance, facility renewal & ancillary renewal (Appendix B), pre-CCAA deferred contributions funding of \$6.0 million (distribution pool), interest income of \$5.6 million and interest expenses of \$2.0 million (Exit Loan Financing)



Student Enrolment Projections

Budgeted total student enrolment in 2024-25 represents 6,421 Full Time Equivalents (FTEs), a small increase over the 2023-24 actuals of 6,297 however, this represents an increase of 803 FTEs over what was estimated in the MCU Financial Plan. The enrolment estimates are based on the most current data available as of March 1, 2024. Refer to Appendix D for details.

New International Students - Projections

The number of international students is estimated to decline by 150 FTE students. Over 88% of Laurentian's international students are graduate students.

While there is still a significant level of uncertainty on the international student visa process and its impact on the number of applicants, Laurentian believes that given the higher proportion of graduate students, the cost should be minimal for 2024-25. However, starting the following year in 2025-26, we will be monitoring the situation very closely and have used conservative enrolment assumptions by keeping the number of FTE students the same as the 2024-25 budget.





Consolidated Results

> Statement of Operations

For 2024-25, Laurentian expects to generate Excess Revenues over Expenses of \$540 thousands with revenues of \$201.7 million and expenses of \$193.5 million. This compares to the budgeted 2024-25 Deficit of Expenses over Revenues of (\$2.9) million in the MCU 5-year Financial Projections submitted last Fall, as part of the Exit Loan financing agreement.

Excluding the extraordinary items such as restructuring costs, prior CCAA deferred contributions, and renewal costs, the University projects for 2024-25 to realize Excess Revenues over Expenses of \$8.2 million compared to the 2023-24 forecast of \$33.2 million.

Consolidated Statement of Operations - Summary

	2023-24 Forecast	2024-25 Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues	\$ 201,925	\$ 201,710	\$ 232,472	\$ 198,729	\$ 198,477
Expenses	\$ 168,737	\$ 193,470	\$ 193,596	\$ 189,534	\$ 194,370
Excess of revenue over expenses before other items	\$ 33,188	\$ 8,240	\$ 38,876	\$ 9,195	\$ 4,107
Restructuring and CCAA, Transformation	\$ (4,400)	\$ (7,700)	\$ (7,700)	\$ (6,200)	—
Excess Excess Revenue Over Expenses	\$ 28,788	\$ 540	\$ 31,176	\$ 2,995	\$ 4,107



Consolidated Revenue

> Operating Grants and Contracts

For Laurentian, combined Government core and performance grants are expected to stay relatively stable during the planning period. Although the University would expect to see a reduction in core grants due to the lower enrolment projections, MCU's commitment to provide enrolment corridor and performance protection to Laurentian in the coming

years, to a maximum of \$22.0 million, will offset that shortfall. Operating grants and contracts are budgeted at \$80.6 million and include \$2.3 million from the MCU grant protection commitment. Year-over-year, the Grants and Contracts are relatively the same but lower by \$0.4 million.

> Tuition Fees

MCU released its 2024-25 tuition framework for domestic students last March. Domestic tuition fees for Ontario students will continue to be frozen, but out-of-province fees can be increased by a maximum of 5%. The Ministry also provided universities the option to increase domestic tuition fees for programs with lower than sector average fees for a maximum of three programs, and subject to Ministry approval. The increases would be for first-year incoming students and would be capped at 7.5% per year. Laurentian was approved to increase fees for Computer Science, Engineering, and the Master of Architecture beginning in 2024-25. For 2024-25, the University is also proposing a 3% increase in tuition fees for domestic out-of-province students, which would bring

the differential with Ontario students to 10%. The University is looking at increasing international tuition fees by 3% for most programs. International tuition fees are not part of the Provincial Tuition Fee Framework and are subject to market factors. In determining international fees, the University benchmarks its fees from the Ontario university sector, including institutions of a similar size.

Budgeted tuition revenues for 2024-25 amount to \$67.0 million compared to a forecast of \$69.1 million in 2023-24. The higher tuition revenue includes fee increases (mostly international) and higher expected enrolment.

> Research Grants and Contracts

Revenue for research grants and contracts are recognized as revenue in the year in which the related expenses are incurred. It is assumed both the research revenue and related expenses (research salaries and benefits, and research non-operating expenses) are constant throughout the forecast period. Budgeted research grants and contracts for 2024-25 total \$16.2 million compared to \$13.8 million in the previous year, and include \$4.1 million associated with pre-CCAA deferred research grants and contracts.

On April 30, 2023, deferred research grants and contracts amounted to \$ 37.3 million. This liability represents unspent research grants, of which \$30.5 million relates to funds received prior to

the February 2021 CCAA filing, which became potentially subject to compromise. Back in December 2020, the University set-up separate bank accounts to hold future restricted contributions but before that date, contributions were deposited in the operating bank account and have been used for other purposes. The University continues to assess the funding of the programs and activities to which these deferred contributions relate, and in 2024-25 plans to fund \$3.2 million from research and \$1.8 million from other pre-December 2020 deferred contributions. Expenses are recorded in the year incurred and associated deferred contributions revenues recognized to match the expenses.

> Amortization of Deferred Capital Contributions

Deferred capital contributions represent the unspent and unamortized amount of donations and grants received for the purchase of capital assets, which are amortized over the life of the assets. On April 30, 2023, total unspent and unamortized capital contributions

were \$123.5 million and with \$5.1 million amortized to revenue in 2023-24. In 2024-25, the University has budgeted \$5.0 million in amortization for deferred capital contributions and \$9.3 million for amortization of capital assets.

> Ancillary Operations

Sales and Services represent the University's ancillary operations, which cover Housing, Food and Campus Services, Parking, and Print Hub. Ancillary units are expected to generate sufficient revenue to cover their operating and capital costs (deferred maintenance). In addition, they should maintain operating reserves to cover contingencies. Laurentian's 2024-25 Ancillary

Budget was approved by the Board on February 16, and shows total revenue of \$9.9 million, operating expenses of \$6.5 million, and \$2.0 million for deferred maintenance projects for a budgeted Excess of Revenue over Expenses of \$1.5 million. This compares with a projected surplus of \$1.6 million in 2023-24.

> Other Fees and Income

Other Fees and Income represent administration fees, realized restricted contributions for scholarships and bursaries, compulsory fees, sponsored students, investment income, and other items. The 2024-25

Budget for these items represents \$22.9 million, an increase of \$0.7 million over 2023-24 forecasted fees and income of \$22.2 million.



Consolidated Expenses

> Salaries and Benefits

Budgeted salaries and benefits in 2024-25 amount to \$119.0 million, compared to \$103.0 in the 2023-24 forecast. The increase of \$16.0 million comes from salary increases, filling vacant positions, progress

through the ranks, and new positions. Appendix D provides details on the new academic and non-academic positions.

> Operating and Research Expenses

At \$39.2 million, budgeted operating expenses are \$8.5 million higher than in the 2023-24 forecast. Operating expenses represent costs associated with supporting academic and research activities and include faculty operations and administrative support, library services, information technology, insurance, legal, audit, and consulting, amongst others. 2024-25 operating and research expenses see the following largest increases:

- Investments in Information Technology (\$2.6 million) to address IT security, computer renewal, and software support cost increases;
- Agent Fees (\$0.8 million) to fund international recruitment activities;
- Domestic Recruitment & Marketing (\$1.0 million);
- Other increases related to library, campus safety, insurance, legal, etc.

Research and Non-Operating Expenses include pre-December 2020 deferred contributions related to funding unspent research grants potentially subject to compromise.

> Ancillary Operations

Operating expenses of \$4.7 million budgeted for 2024-25 compared to \$4.0 million for the 2023-24 forecasted expenses and related to general annual cost increases.

> Occupancy

Occupancy costs primarily include expenses related to utilities (heat, hydro, water), municipal taxes, cleaning, space rental, building maintenance (excluding deferred maintenance projects). Occupancy expenses

are projected to be \$11.0 million in 2024-25, compared to \$10.9 million in the 2023-24 forecast. The small increase relates to the ongoing inflationary costs of maintaining the campus facilities.

> Scholarships and Bursaries

Scholarships and Bursaries from Operating represent grant and tuition funded student support and including tuition set aside for bursaries and graduate scholarships amongst others. Scholarships and Bursaries from Research, Endowment and Donations

are budgeted at \$15.3 million in 2024-25, up from \$14.7 million in the 2023-24 forecast and include pre-CCAA deferred contributions and increased endowment revenue distribution.

> Amortization of Capital Assets

Capital assets are amortized on the straight-line basis over their estimated useful lives as follows: Buildings 40 years, Equipment and furnishings 7 years, and Site improvements 15 years. Construction in progress is not

amortized until the project is complete and the facilities are put in use. Budgeted amortization of capital assets represents \$9.3 million for 2024-25 compared to \$9.8 million forecasted for 2023-24.

> Transformation and Restructuring Costs

During the CCAA proceeding, Laurentian agreed to undertake an operational and governance review. The goal of that review was to identify opportunities for increased efficiency and effectiveness of the Board and Senate as well as to assess Laurentian's internal operations, including, among other things, the finance, human resources, risk, compliance, and information technology departments. The consultant's report was issued in January 2022, and included an assessment of the strategies, service delivery models, structures, processes, systems, and capabilities of key administrative functions

and a high-level summary of the work required to bring these operational functions up to a base level of efficiency and effectiveness.

The consultant estimated that the cost of such a transformation would range between \$26.0 million to \$32.5 million over three years, with additional estimated annual continuous improvement costs of \$2.0 - \$3.0 million each year thereafter. The 2024-25 Budget includes \$7.2 million in operating expenses for Transformation, and \$0.8 million in capital spending.

> CCAA related costs

The 2024-25 Budget includes CCAA restructuring costs of \$0.5 million and represent the fees and expenses of counsel to Laurentian, the Monitor and its counsel, independent counsel to the Board of Governors, with respect to the continued administration and implementation of the Plan, including the following:

administration of the resolution of Unresolved Claims, negotiation with respect to the Designated Real Estate Assets, distributions to creditors, liaising with and responding to creditor inquiries, and other activities that may be required.



Capital Budget

Laurentian plans to invest \$13.3 million for capital projects in 2024-25, made-up primarily of: Facility Renewal and Deferred Maintenance projects worth

\$8.4 million (including ancillary operations), and IT infrastructure upgrade and capital transformation of \$2.6 million. Refer to Appendix B.



Change in Assets and Liabilities

The University's 2024-25 budget shows expendable net assets of \$30.8 million, lower than the 2023-24 projections of \$39.1 million, and with the main difference being the funding of capital assets through

funds of the University. Laurentian plans to finish the year with cash and short-term investments of \$162.6 million compared to \$137.3 million in 2022-23.

> Assets available for Sale

The University has identified that as part of the *Plan of Compromise and Arrangement*, it would sell certain real estate assets to the Province for \$53.5 million. This arrangement is contained in a Term Sheet approved by the Government. As a result, these assets will be

considered "Assets held for sale" when the actual sale occurs within one year of a fiscal year end. The University does expect to complete the sale of some of these assets in 2024-25. The total gain of \$34.7 million is currently projected to be realized in 2025-26.

> Deferred Contributions

In 2022-23 Deferred Contributions amounted to approximately \$17.8 million. Deferred contributions represent external contributions restricted for research and other expenditures to be incurred in subsequent fiscal years and consist of research grants, other grants and contracts, and scholarship and bursaries. In December 2020, the University established separate bank accounts to hold future contributions received for restricted purposes. Previously, contributions received for restricted purposes were deposited in the operating bank account and amounted to

\$30.5 million at April 2022. The pre-December 2020 deferred contributions related to unspent research grants without corresponding funding and potentially subject to compromise. As a result of the CCAA process, the University continues to assess the funding of the programs and activities to which these deferred contributions relate to and expects to fund during 2024-25 \$5.0 million of the pre-December 2020 deferred contributions (\$3.2 million for research and \$1.8 million for others such as the Goodman School of Mines donation).

> **Ministry of Colleges and Universities (MCU) Loan Financing**

On October 21, 2022, the University finalized its Loan Agreement with the Provincial Government to obtain \$35.0 million to refinance its Debtor in Possession (DIP) Facility on implementation of the CCAA Plan. The term of the agreement requires the repayment of interest and principal over a 15-year period. In 2024-25, total debt payment will amount to \$3.6 million, including

principal of \$2.0 million and interest of \$1.6 million. The Loan Agreement is subject to various terms and conditions including financial covenants, which will influence the University management of financial resources for the term of the Agreement. The outstanding principal at the end of April 2025 will be \$31.4 million.



Appendix A - Consolidated Statements

LAURENTIAN UNIVERSITY OF SUDBURY Consolidated Projected Statement of Financial Position (thousands of dollars)					
	2023-24 Forecast	2024-25 Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Assets					
Current assets:					
Cash and short-term investments	\$ 162,618	\$ 157,280	\$ 155,036	\$ 152,716	\$ 151,513
Accounts receivable	14,654	14,654	14,654	14,654	14,654
Asset held for sale	-	43,400			
Prepaid Expenses	4,453	4,453	4,453	4,453	4,453
	181,725	219,787	174,143	171,823	170,620
Accounts receivable	188	188	188	188	188
Investments	49,299	49,299	49,299	49,299	49,299
Capital assets	245,055	205,401	209,635	214,523	218,513
Total assets	\$ 476,267	\$ 474,675	\$ 433,265	\$ 435,833	\$ 438,620
Liabilities, Deferred Contributions and Net Assets					
Current liabilities:					
Short-term loan					
Accounts payable and accrued liabilities	28,842	28,842	28,842	28,842	28,842
Accrued vacation pay	2,470	2,470	2,470	2,470	2,470
Deferred revenue	6,175	6,175	6,175	6,175	6,175
Deferred contributions	17,819	17,819	17,819	17,819	17,819
Payable to Distribution Pool		47,546			
Liabilities subject to the Plan					
Total current liabilities	55,306	102,852	55,306	55,306	55,306
Long-term obligations:					
Payable to Distribution Pool	47,546				
Long term loan	\$ 32,942	\$ 31,386	\$ 29,735	\$ 27,983	\$ 26,275
Employee future benefits liabilities	1,848	1,848	1,848	1,848	1,848
Deferred capital contributions	118,265	117,689	94,300	95,625	96,013
Total long-term liabilities	200,601	150,923	125,883	125,456	124,136
Total liabilities	255,907	253,775	181,189	180,762	179,442
Net assets (deficiency):					
Unrestricted	39,068	30,812	55,465	51,397	49,121
Employee future benefits	(1,848)	(1,848)	(1,848)	(1,848)	(1,848)
Internally restricted	1,475	1,475	1,475	1,475	1,475
Investment in capital assets	134,155	142,951	149,474	156,537	162,920
Endowment	47,510	47,510	47,510	47,510	47,510
Total net assets	220,360	220,900	252,076	255,071	259,178
Total liabilities, deferred contributions and net assets	\$ 476,267	\$ 474,675	\$ 433,265	\$ 435,833	\$ 438,620



Appendix A - Consolidated Statements

LAURENTIAN UNIVERSITY OF SUDBURY Consolidated Projected Statement of Operations (thousands of dollars)					
	2023-24 Forecast	2024-25 Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenue:					
Operating grants and contracts	\$ 81,025	\$ 80,643	\$ 80,410	\$ 80,451	\$ 80,451
Tuition fees	69,103	67,002	67,802	68,575	69,371
Other fees and income	22,219	22,921	20,406	19,718	19,131
Research grants and contracts	13,849	16,187	16,498	16,764	16,764
Sales and services	10,413	9,907	10,367	11,046	10,367
Amortization of deferred capital contributions	5,316	5,050	2,289	2,175	2,393
Gain on sale of assets	--	--	34,700	--	--
	201,925	201,710	232,472	198,729	198,477
Expenses:					
Salaries and benefits	102,680	118,742	122,380	125,911	130,347
Operating and research	30,646	39,150	38,184	31,875	31,610
Occupancy	10,939	11,011	11,237	11,471	12,211
Scholarships and bursaries	14,677	15,262	14,716	13,338	13,386
Amortization of capital assets	9,795	9,305	7,079	6,939	6,816
	168,737	193,470	193,596	189,534	194,370
Excess of revenue over expenses before other items	33,188	8,240	38,876	9,195	4,107
Restructuring costs, CCAA, TRANSFORMATION	(4,400)	(7,700)	(7,700)	(6,200)	0
Recovery from CCAA	--	--	--	--	--
Surplus (Deficiency) of revenue over expenses	\$ 28,788	\$ 540	\$ 31,176	\$ 2,995	\$ 4,107



Appendix A - Consolidated Statements

LAURENTIAN UNIVERSITY OF SUDBURY Consolidated Statement of Cash Flows (thousands of dollars)					
	2023-24 Forecast	2024-25 Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Cash flows from operating activities:					
Surplus (Deficiency) of revenue over expenses	28,788	540	31,176	2,995	4,107
Non-cash items:					
Amortization of capital assets	9,795	9,305	7,079	6,939	6,816
Amortization of deferred capital contributions	(5,316)	(5,050)	(2,289)	(2,175)	(2,393)
Gain on assets held for sale			(34,700)		
Excess of employer contributions over employee future benefits net benefit costs					
	33,267	4,795	1,266	7,759	8,530
Change in non-cash working capital					
Change in liabilities subject to the Plan	--	--	--	--	--
	33,267	4,795	1,266	7,759	8,530
Cash flows from financing activities:					
Endowment contributions					
Unrealized gain/(loss) on endowment					
Increase (decrease) in deferred contributions	--	--	--	--	--
Deferred capital contributions received	3,260	4,474	3,500	3,500	2,781
Increase (decrease) in long-term debt	(1,466)	(1,556)	(1,651)	(1,752)	(1,708)
Increase in long term debt					
Increase (decrease) short-term loan			(47,546)		
	1,794	2,918	(45,697)	1,748	1,073
Cash flows from investing activities:					
Purchases of capital assets	(9,770)	(13,051)	(11,313)	(11,827)	(10,806)
Proceeds on sale of assets			53,500		
Change in long term receivable					
Transfer of Endowments to NOSM					
Net increase (decrease) in investments	(9,770)	(13,051)	42,187	(11,827)	(10,806)
Net increase (decrease) in cash and short-term investments	25,291	(5,338)	(2,244)	(2,320)	(1,203)
Cash and cash equivalents, beginning of period	137,327	162,618	157,280	155,036	152,716
Cash and short-term investments, end of year	\$ 162,618	\$ 157,280	\$ 155,036	\$ 152,716	\$ 151,513



Appendix A - Consolidated Statements

Financial Ratios per Loan Covenants:					
i) NET INCOME/LOSS RATIO (MIN. 1.5% starting 2027-28)	14.26%	0.27%	13.41%	1.51%	2.07%
ii) PRIMARY RESERVE RATIO (MIN. 30 DAYS starting 2025-26)	88	61	107	102	95
iii) IN YEAR EXCESS OF REVENUE >0 starting 2027-28)	28,788	540	31,176	2,995	4,107
iv) EXPENDABLE NET ASSETS >0 starting 2025-26)	40,543	32,287	56,940	52,872	50,596
v) DEBT COVERAGE RATIO > 1:1 starting 2023-24	9.33	1.34	10.08	2.17	2.39
vi) NET OPERATING REVENUE (MIN. 5%, starting 2027-28)	16.47%	2.38%	0.54%	3.90%	4.30%
Interest Burden Ratio	1.32%	1.09%	1.03%	0.99%	0.99%
VIABILITY RATIO (MIN. 30%)	118.60%	98.17%	186.53%	183.67%	186.95%
					Covenant met
					Outside of covenant



Appendix B - Operating Budget

Statement 1

Laurentian University • 2023-24 to 2027-28 BUDGET In thousands (000's)

	Budget 2023-2024	Budget 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
OPERATING FUND					
REVENUES					
GRANTS	79,865	78,343	77,510	76,951	75,251
CORE & PERFORMANCE PROTECTION	1,840	2,300	2,900	3,500	5,200
TUITION	54,207	66,302	67,052	67,825	68,621
MICRO CREDENTIAL	600	700	750	750	750
CENTER FOR ACADEMIC DEVELOPMENT	797	820	845	845	845
MISCELLANEOUS & OTHER	11,530	14,169	12,250	12,161	11,575
	148,839	162,634	161,307	162,032	162,241
EXPENSES					
ACADEMIC	67,156	76,150	77,221	76,878	79,223
STUDENT SERVICES	11,385	14,131	13,174	11,833	12,081
ACADEMIC SUPPORT	17,936	18,233	17,306	17,671	18,024
NON-ACADEMIC	20,233	25,965	25,936	26,500	27,039
PHYSICAL PLANT	13,247	14,948	14,798	14,298	14,529
DEBT SERVICING (INTEREST & PRINCIPAL)	3,567	3,567	3,567	3,567	3,567
LEASE COSTS MCU	1,000	640	2,908	2,908	2,908
CORPORATE RESERVE		0	2,436	4,108	5,130
	134,525	153,635	157,348	157,762	162,502
SURPLUS (DEFICIT) DIRECT OPERATING FUND	14,315	8,998	3,959	4,270	(261)
OTHER EXPENSES					
Transformation Costs	7,200	7,200	7,200	7,200	0
CCAA related costs	1,000	500	1,000	0	0
	8,200	7,700	8,200	7,200	0
SURPLUS (DEFICIT) OPERATING FUND	6,115	1,298	(4,241)	(2,930)	(261)
CAPITAL EXPENSES SUPPORTED BY OPERATING FUND					
DEFERRED MAINTENANCE	3,446	3,046	3,046	3,046	3,046
FACILITY RENEWAL GRANT	(2,410)	(3,500)	(3,500)	(3,500)	(2,781)
FACILITY RENEWAL EXPENSES	2,410	3,500	3,500	3,500	2,781
LAB EQUIPMENT FOR STEM GRANT		(974)			
LAB EQUIPMENT FOR STEM		1,948			
CLASSROOM EVERGREENING		1,257	1,067	1,131	1,000
CAMPUS SAFETY		200	0	0	
PLANNED DISTRIBUTION POOL	0	(6,000)	0	(1,000)	0
CAPITAL - TRANSFORMATION AND IT RENEWAL	1,350	1,350	1,350	1,350	550
	4,796	827	5,463	4,528	4,596
NET OPERATING FUND AFTER CAPITAL EXPENDITURES	1,318	472	(9,704)	(7,458)	(4,857)
ANCILLARY FUND					
REVENUES	9,097	9,908	10,367	11,046	11,566
EXPENSES	5,737	6,452	6,512	6,677	6,852
SURPLUS (DEFICIT) ANCILLARY FUND	3,360	3,456	3,854	4,369	4,714
NET CAPITAL RENEWAL ANCILLARY FUND	(1,715)	(1,950)	(2,350)	(2,800)	(3,100)
SURPLUS (DEFICIT) ANCILLARY FUND	1,645	1,506	1,504	1,569	1,614
NET CASH SURPLUS (DEFICIT)	2,964	1,977	(8,200)	(5,889)	(3,243)



Appendix B - Operating Budget

Statement 2

Laurentian University • 2023-24 to 2026-27 REVENUES In thousands (000's)

	Budget 2023-2024	Budget 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
GRANTS					
CORE OPERATING GRANT	22,191	19,667	19,667	19,667	19,667
CORE DECLINE	(1,800)	(2,200)	(2,800)	(3,600)	(5,100)
CORE PROTECTION	1,800	2,200	2,800	3,600	5,100
PERFORMANCE	32,557	35,297	35,297	35,297	35,297
SMA3 PERFORMANCE RISK	(40)	(100)	(100)	(100)	(100)
PERFORMANCE PROTECTION	40	100	100	100	100
BILINGUAL	8,314	8,314	8,314	8,314	8,314
NORTHERN	6,170	6,170	6,170	6,170	6,170
ABORIGINAL	806	806	806	806	806
MUNICIPAL TAXES	494	386	386	386	386
SPECIAL PURPOSE - OTHER	1,122	2,166	2,166	2,166	2,166
SPECIAL PURPOSE - DISABILITY	355	339	339	339	339
SPECIAL PURPOSE - FRENCH LANGUAGE	3,028	3,028	3,028	3,028	3,028
INTERNATIONAL STUDENT RECOVERY	(299)	(900)	(900)	(900)	(900)
NURSING GRANT	2,669	1,391	1,391	1,391	1,391
NURSING PRACTITIONER	668	768	768	768	768
FEDERAL INDIRECT RESEARCH SUPPORT	2,085	1,666	1,433	1,474	1,474
HEALTH CANADA GRANT	1,544	1,544	1,544	1,544	1,544
MINISTRY OF HEALTH	0	0	0	0	0
FACILITIES RENEWAL PROGRAM- FEDS	2,410	3,500	3,500	3,500	2,781
TOTAL GRANTS	84,116	84,143	83,910	83,951	83,232
TUITION					
DOMESTIC TUITION FEE	37,671	41,783	41,798	41,813	41,829
INTERNATIONAL TUITION FEE	17,286	25,518	26,254	27,011	27,792
MICRO CREDENTIAL	600	700	750	750	750
CENTER FOR ACADEMIC DEVELOPMENT	797	820	845	845	845
ALLOWANCE FOR BAD DEBT	(750)	(1,000)	(1,000)	(1,000)	(1,000)
DISTRIBUTION TO FEDERATED INSTITUTIONS	0	0	0	0	0
TOTAL TUITION	55,603	67,822	68,647	69,420	70,216
MISCELLANEOUS INCOME	7,330	8,569	8,650	8,761	8,875
INVESTMENT INCOME	4,200	5,600	3,600	3,400	2,700
TOTAL OPERATING REVENUES	151,249	166,134	164,807	165,532	165,022
ANCILLARY INCOME	9,097	9,908	10,367	11,046	11,566
TOTAL REVENUE	160,346	176,041	175,174	176,578	176,589



Appendix B - Operating Budget

Statement 3

Laurentian University • 2023-24 to 2027-28 EXPENDITURES In thousands (000's)

	Budget 2023-2024	Budget 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
ACADEMIC					
SCIENCE, ENGINEERING & ARCHITECTURE	19,664	22,341	23,122	23,889	24,735
HEALTH	20,890	23,043	22,919	23,833	24,559
ARTS	10,637	11,655	11,785	12,134	12,492
MANAGEMENT	6,444	7,012	7,193	7,453	7,711
EDUCATION	0	0	0	0	0
GRADUATE TEACHING ASSISTANTS	4,645	4,623	4,839	4,953	5,040
LAURENTIAN ONLINE	2,260	3,010	2,960	3,020	3,082
PROFESSIONAL ALLOWANCE & START-UP	831	1,256	1,253	1,256	1,256
GOODMAN SCHOOL OF MINES	314	322	331	340	347
TUITION REVENUE SHARING PILOT - Faculty & Academic Priorities		2,887	2,819		
	65,686	76,150	77,221	76,878	79,223
STUDENT SERVICES					
STUDENT SERVICES	6,204	7,422	6,488	6,656	6,901
TUITION REVENUE SHARING PILOT - Admin & Student Support	0	1,527	1,512	0	0
SCHOLARSHIPS	5,181	5,182	5,174	5,177	5,180
	11,385	14,131	13,174	11,833	12,081
ACADEMIC SUPPORT					
RESEARCH	2,504	2,128	2,162	2,198	2,237
LIBRARY	3,550	4,230	4,363	4,467	4,573
ACADEMIC SUPPORT & OTHER ACADEMIC	11,341	11,359	10,216	10,428	10,622
FACULTY OF GRADUATE STUDIES	541	516	564	578	593
	17,936	18,233	17,306	17,671	18,024
NON ACADEMIC					
ADMINISTRATION	10,272	12,416	12,126	12,380	12,620
INFORMATION & COMM TECHNOLOGY	6,533	9,318	9,550	9,788	10,027
EXTERNAL RELATIONS	3,283	4,086	4,115	4,187	4,247
INDIRECT RESEARCH GRANT DISTRIBUTION	145	145	145	145	145
	20,233	25,965	25,936	26,500	27,039
PHYSICAL PLANT	13,247	14,948	14,798	14,298	14,529
DEBT SERVICING (INTEREST & PRINCIPAL)	3,567	3,567	3,567	3,567	3,567
LEASE COSTS MCU	1,000	640	2,908	2,908	2,908
CORPORATE RESERVE	1,471	0	2,436	4,108	5,130
	134,525	153,635	157,348	157,762	162,502
OTHER EXPENSES					
TRANSFORMATION COSTS	7,200	7,200	7,200	7,200	0
CCAA RELATED COSTS	1,000	500	1,000	0	0
	8,200	7,700	8,200	7,200	0
CAPITAL EXPENSES SUPPORTED BY OPERATING FUND					
FACILITY RENEWAL EXPENSES	2,410	3,500	3,500	3,500	2,781
DEFERRED MAINTENANCE	3,446	3,046	3,046	3,046	3,046
IT RENEWAL CAPITAL	1,350	1,350	1,350	1,350	550
LAB EQUIPMENT FOR STEM GRANT		(974)	0	0	0
LAB EQUIPMENT FOR STEM		1,948	0	0	0
CLASSROOM EVERGREENING		1,257	1,067	1,131	1,000
CAMPUS SAFETY		200	0	0	0
PLANNED DISTRIBUTION POOL		(6,000)	0	(1,000)	0
	7,206	4,327	8,963	8,028	7,377
Ancillary Expense	5,737	6,452	6,512	6,677	6,852
Net Capital Renewal Ancillary	1,715	1,950	2,350	2,800	3,100
TOTAL EXPENDITURES	157,382	174,064	183,374	182,467	179,831



Appendix B - Operating Budget

Statement 4

Laurentian University • 2023-24 to 2027-28 ANALYSIS ON OPERATING BUDGET
In thousands (000's)

	Budget 2023-2024	Budget 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
SALARIES & BENEFITS	93,902	103,024	107,134	112,305	116,709
SCHOLARSHIPS & BURSARIES (Grad and Undergrad)	7,501	7,500	7,610	7,671	7,719
OPERATING EXPENSES	21,784	30,919	30,242	25,249	25,387
OCCUPANCY	7,770	8,624	8,795	8,970	9,120
DEBT REPAYMENT	3,567	3,567	3,567	3,567	3,567
TOTAL	134,525	153,635	157,348	157,762	162,502



Appendix B - Operating Budget

Statement 5

Laurentian University • FTE Projections

	Budget 2023-2024	Budget 2024-2025	Projected 2025-2026	Projected 2026-27	Projected 2027-28
Faculty	250.50	268.10	267.10	268.10	268.10
Staff and Admin	353.90	397.90	398.60	398.60	398.60
Academic & Non-Academic Senior Leaders	21.50	24.00	24.00	24.00	24.00
TOTAL	625.90	690.00	689.70	690.70	690.70



Appendix B - Operating Budget

Statement 6

Laurentian University • 2023-24 to 2026-27 ANCILLARIES
In thousands (000's)

	Budget 2023-2024	Budget 2024-2025	Projected 2025-2026	Projected 2026-27	Projected 2027-28
REVENUES					
HOUSING/FOOD/CAMPUS SERVICES	7,616	8,358	8,765	9,393	9,885
PARKING	1,200	1,325	1,352	1,379	1,406
PRINT HUB & COPIER	281	225	250	275	275
	9,097	9,908	10,367	11,046	11,566
SALARIES & BENEFITS					
HOUSING/FOOD/CAMPUS SERVICES	1,416	1,462	1,480	1,497	1,521
PARKING	132	139	142	146	149
PRINT HUB & COPIER	225	176	181	185	190
	1,773	1,778	1,803	1,828	1,860
OPERATING					
HOUSING/FOOD/CAMPUS SERVICES	3,414	3,943	3,982	4,099	4,220
PARKING	495	646	640	659	679
PRINT HUB & COPIER	55	86	88	91	94
	3,964	4,674	4,710	4,849	4,992
CAPITAL RENEWAL AND DEFERRED MAINTENANCE	1,715	1,950	2,350	2,800	3,100
RESERVE FOR ANCILLARY	0	0	0	0	0
ANCILLARY SURPLUS (DEFICIT)	1,645	1,506	1,504	1,569	1,614



Appendix C - Budget Assumptions

	Budget 23-24	Actuals forecast to YE	Budget 24-25	Projected 25-26	Projected 26-27	Projected 27-28
Tuition rates						
Domestic Tuition	0.0%		0.0%	0.0%	0.0%	0.0%
International Tuition	5.0%		3.0%	3.0%	3.0%	3.0%
Non-Ontario Resident Domestic	1.0%		3.0%	1.0%	1.0%	1.0%
Total number of students						
Domestic						
Domestic Undergrad	4,273	4,423	4,644	4,644	4,644	4,644
Domestic Graduate	561	524	576	576	576	576
Total Domestic Students	4,834	4,947	5,221	5,221	5,221	5,221
International						
International Undergrad	229	266	266	266	266	266
International Graduate	555	1,084	934	934	934	934
Total International Students	784	1,350	1,200	1,200	1,200	1,200
Total Students	5,618	6,297	6,421	6,421	6,421	6,421
International Student Recovery	725		750	750	750	750
Ancillary Revenues						
Parking Fees	0.0%		0.0%	2.0%	2.0%	2.0%
Residence Fees	0.0%		2.0%	2.0%	2.0%	2.0%
Printing	0.0%		12.5%	11.0%	10.0%	0.0%
Other Fees						
Student Fees Protocol	2.0%		2.0%	2.0%	2.0%	2.0%
Library Acquisitions increase	0.0%		2.0%	2.0%	2.0%	2.0%
Digital fees	2.0%		2.0%	2.0%	2.0%	2.0%
Cleaning	4.0%		3.0%	3.0%	3.0%	2.0%
Heating- Fuel	3.0%		3.0%	3.0%	3.0%	2.0%
Electricity	3.0%		3.0%	3.0%	3.0%	3.0%
Water	5.0%		5.0%	5.0%	5.0%	5.0%
Information Technology	3.0%		3.0%	3.0%	3.0%	3.0%
Municipal Taxes	525,600		524,600	525,600	525,600	525,600
Municipal Taxes - SOA	13,000		13,400	13,800	14,200	11,000
Space Rental	736,320		761,565	761,565	-	-
Insurance	685,000		800,000	800,000	800,000	800,000



Appendix D - Operating Budget Details – FTEs

Academic & Academic Administrators	Faculty, Staff & Admin FTE Complements				
	Faculty			Staff & Admin	
	2023-24 Budget	2024-25 Budget		2023-24 Budget	2024-25 Budget
School/Department					
Faculty of Arts	42.00	45.00		7.00	8.50
Faculty of Science, Engineering & Architecture	86.50	97.10		30.00	38.00
Faculty of Education & Health	89.00	94.00		25.70	28.50
Faculty of Management	34.00	34.00		5.00	7.00
Library	6.00	7.00		-	-
Grad Studies, Registrar, Academic and Indigenous Programs	3.00	3.00		-	-
Total Academic & Academic Administrators	260.50	280.10		67.70	82.00



Appendix D - Operating Budget Details – FTEs

	Faculty		Staff & Admin	
	2023-24 Budget	2024-25 Budget	2023-24 Budget	2024-25 Budget
Academic Support				
University Librarian			1.00	1.00
Library and Archives - Operations			7.70	10.00
			8.70	11.00
Centre for Teaching & Continuing Learning			2.50	3.00
Laurentian Online			10.00	12.00
Micro-Credentials			4.00	4.00
Quality Assurance			2.00	2.00
			18.50	21.00
Student Services				
Student Success			8.60	12.80
Health Services			2.70	3.50
Accessibility			3.00	4.00
Counselling & Support Programs			3.00	3.00
Career Services			2.00	2.00
Mental Health Services & Support			3.00	3.00
Student Awards			7.00	7.00
Recreation Operations			2.00	2.00
Athletic Administration			4.00	6.00
Associate VP Indigenous AVPIP			6.00	6.00
Indigenous Student Affairs			4.50	5.00
			45.80	54.30
Graduate Studies				
Graduate Studies			3.00	3.00
			3.00	3.00
Research Services				
VP Research			2.00	2.00
Research Services			5.75	5.75
Jim Fielding Innovation & Commercialisation Space			1.00	1.00
Living with Lakes			1.00	1.00
Animal Care Facility			0.25	0.25
			10.00	10.00
Other Academic				
Consortium national de formation en santé			3.00	3.00
Initiatives francophones			3.00	3.00
Domestic Recruitment			11.00	14.00
Laurentian International			7.00	7.00
Office of Admissions			7.00	7.00
International Admission			1.00	1.00
Office of the Registrar			4.00	4.00
My Laurentian Hub			3.50	4.00
Student Records			4.00	4.00
IT - Teaching and learning			4.00	4.00
Vice-President Academic			3.00	3.00
Vice-recteur francophone			2.00	2.00
			52.50	56.00
Total Academic Support			138.50	155.30



Appendix D - Operating Budget Details – FTEs

Non-Academic (Admin)

Office of the President				3.00	3.00
Vice-President, Finance & Admin				2.00	2.00
Communications & Digital Strategy				3.00	4.00
Translation Office				2.00	2.00
Marketing				6.00	6.00
University Secretary				2.50	2.90
University General Counsel				2.50	4.00
University Advancement				9.00	10.00
Institutional Planning				4.00	5.00
Equity, Diversity and Human Rights Office				5.00	6.00
Human Resources & Organizational Development				10.75	13.75
Professional Relations				2.25	2.25
Information Technology				28.00	29.00
Financial Services				17.00	17.00
Payroll Services				5.00	5.00
Procurement and Contracts				3.00	4.00
Risk Management				1.00	2.00
Security and Occupational Health & Safety				18.00	18.00
Facilities Services				22.00	23.00
Postal Services				2.00	2.00
				148.00	160.90

Ancillary

Housing (Residences)				5.50	6.00
Events & Conference				2.00	2.00
Parking				1.70	1.70
University Press				2.00	2.00
				11.20	11.70
Total Academic Support, Non-Academic and Ancillary				297.70	327.90

TOTAL Faculty, Staff & Admin FTEs	260.50	280.10		365.40	409.90
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Appendix E - Deferred Maintenance Projects

Deferred Maintenance Projects 2024-25

Funding Sources	
University Operating	\$3,046,042
Ancillary Services - Residences	\$1,950,000
Facility renewal program - MCU	\$3,500,000
Total DM Contributions	\$8,496,042

Projects	Budget	Actual to date	Status
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Deferred Maintenance Projects - Operating			
Maintenance roof replacement design	\$29,800	\$ -	
Ceiling abatement and lighting upgrade (Parker Building)	\$452,500	\$ -	
Living with Lakes heat pump replacement	\$496,400	\$ -	
Science 1 Fumehood Audit	\$95,200	\$ -	On Track
Incoming water at SC1, piping and pump replacements	\$150,500		
RD Parker Ventilation Upgrades	\$72,000		
Facility Condition Assessment	\$80,000		
Elevator Modernization Design - PD/DA	\$53,600	\$ -	
Exterior Stair Replacement (Ben Avery and Student Rec Centre)	\$343,200	\$ -	On track
Exterior Stair Replacement (Fraser)	\$185,600	\$ -	On Track
Campus Washrooms Renewal	\$520,000	\$ -	On Track
Asbestos Management Plan Update	\$46,265	\$ -	
Ben Avery Electrical Switchgear Replacement	\$248,286	\$ -	On Track
Campus Road Replacement Design	\$60,000	\$ -	On Track
Total	\$2,833,351	\$ -	

Deferred Maintenance Projects - Residences			
Food Services renovation design	\$71,400	\$ -	
MSR elevators (Phase 1 - East car)	\$450,000	\$ -	
MSR exterior envelope sealing	\$273,600	\$ -	
Parking Gate Access Upgrade	\$68,400	\$ -	
Parking Lot Repaving Design (lot 7, part -9)	\$236,600	\$ -	
UCR basement heating piping, valves, pumps, automation and electrical	\$310,000	\$ -	
UCR Window Replacement	\$320,000	\$ -	On Track
Single Student Residence heating piping, valves, pumps, automation and electrical	\$480,000	\$ -	
Total	\$2,210,000	\$ -	

Deferred Maintenance Projects - FRP			
Science 2A mechanical penthouse and roof replacement	\$1,822,400	\$2,354,000	On Track
Parker 11th floor roof replacement	\$1,220,000	\$ -	On Track
Total	\$3,042,400	\$2,354,000	

Total Deferred Maintenance	\$8,085,751	\$2,354,000	
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LaurentianUniversity
Université**Laurentienne**

935 Ramsey Lake Rd.
Sudbury ON Canada P3E 2C6
1-800-461-4030

laurentian.ca