

NIPISSING

U N I V E R S I T Y

Budget Report

2024 - 2025



Executive Summary

The 2024-2025 budget is foundationally strong and carefully strategic, and its certainties are built upon the work completed, the decisions made, and results achieved in the previous two budgets. But, not surprisingly, this budget is framed and limited, too, by fixed, externally imposed, funding constraints and by enrollment projection contingencies and specific government funded allotments that to date remain unknown and unannounced, respectively.

The financial results of fiscal 2022-2023 enabled a desperately needed, albeit limited, shoring up of institutional reserves, at a time of compromised credit ratings and financial uncertainty for the University. Strategic decisions and priorities embedded in our integrated planning and budgeting process, which included a retirement incentive plan, increased residence revenues, modest gains in alternative revenue generation, very successful domestic and international recruitment results, and an unexpected injection of STEM revenues from the Province led to not only the first balanced budget in ten years but, indeed, an in year consolidated surplus realized in fiscal 2023-2024. These short strides represent a much-needed change of course towards financial sustainability in what remains to be a climate of uncertainty based upon ongoing provincial policies of austerity towards post-secondary education and the unforeseen consequences of federal measures restricting immigration to Canada. Importantly, these positive fiscal results have also led to an improvement in our DBRS Credit Rating, a reinstatement of our \$5M credit facility, and, finally, a positive shift in our Ministry of Colleges and University's Financial Sustainability Metrics.

We trust that our Strategic and Academic Planning processes invoke more certainty through the careful and strategic allocation of resources and a measured projection of revenues in 2024-2025. Operational and Academic Planning decisions will set the groundwork for full and consistent program review, annual assessments of academic program viability, and dedicated plans to increase enrollments and to ensure the stability and success of our dynamic and evolving programming across our faculties in the arts, humanities, social sciences, sciences, education, and professional studies. At the same time, we shall continue to expect modest increases in residence revenues and alternative revenue development through food services, ancillary services, event hosting, extended learning, fundraising, and alumni engagement.

Our successful enrollment strategies of 2023-24 predict a strong returning class for 2024-25, tempered by our flat projections of new enrollments both domestic and international, in part limited by the caps on international students imposed by the federal government and the tight rates of conversions between applications and registrations levied by the provincial government. We trust that tuition revenues, relying in the main on returning students, and alternative revenue generation, will offset the ever-growing inflationary costs and the continuing and compounding effects of the provincial tuition freeze, now in its fifth year, in addition to the continuing effects of what is essentially a grant freeze within the corridor funding model. 2024-25 will also be characterized positively by a stabilization in senior leadership positions, by research investments, and a refresh of our Strategic Enrollment Management plan as we continue to right size the University.

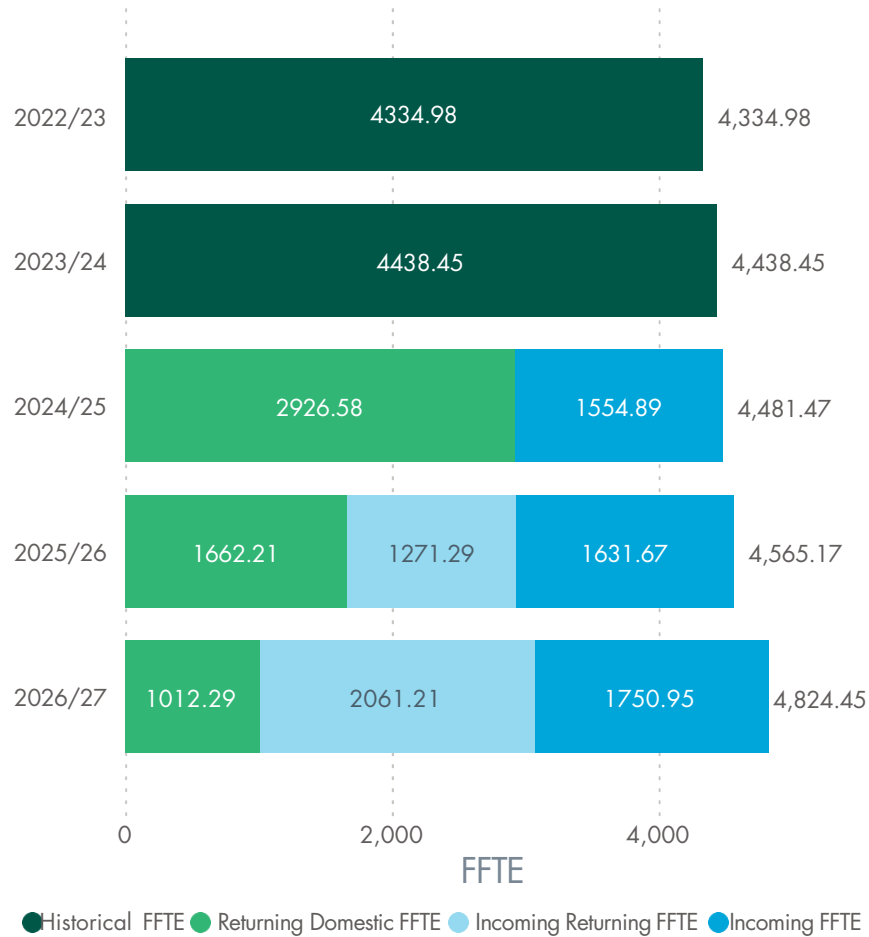
While we cannot predict the real costs of the federal imposition of international tuition caps at this point, we will endeavour to recruit towards our allotted numbers. We cannot predict with any certainty the amount of one-time funding we will receive as a result of the provincial government's response to the recommendations of the Blue Ribbon Panel, so we have not factored any such revenues into the 2024-2025 budget.

As stated in the Executive Summary of the 2023-24 budget, our priority is to secure the stability of our institution, including our short and long term financial well-being evident in our capacity to negotiate long term loans, secure the confidence of our creditors and potential investors, and to demonstrate our fiduciary responsibility to provincial bodies such as the Treasury Board and the office of the Auditor General. We will, therefore, dedicate the majority of any in year surpluses to the restoration of our reserve funds. Given the uncertainties of tuition revenues and the degree of support forthcoming from the Province, it is of paramount importance to our institution's future that we increase our reserve funds to at least the peak, if not exceeding, levels extant in the previous decade. We will continue to invest responsibly and strategically towards our academic mission, while sustaining our advocacy efforts to the provincial government with respect to appropriate levels of tuition and grant funding support, and a fair allocation of Northern Grant investments which recognize the valuable contributions of the unique educational experiences and research contributions of Nipissing University.

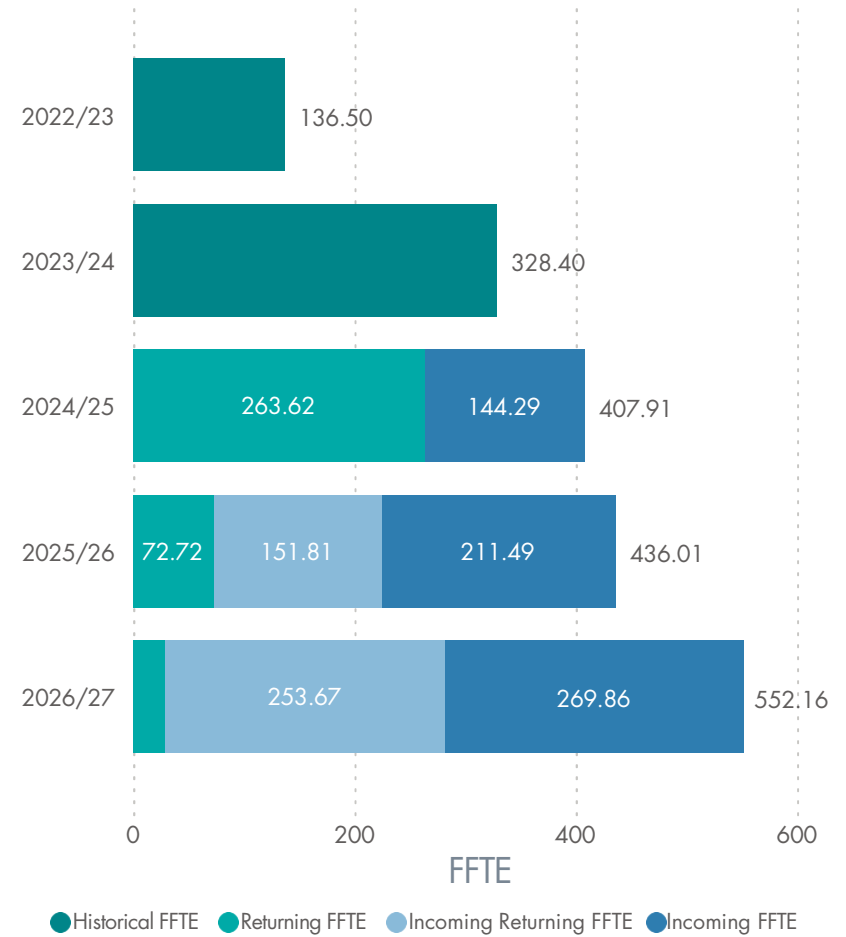
With this in mind, we are pleased to submit a balanced consolidated budget for 2024-2025.

Overall Domestic & International FFTE Forecast

Domestic FFTE Forecast



International FFTE Forecast



NIPISSING UNIVERSITY
2024-2025 Budget - Operating

	2024-2025 Annual Budget	2023-2024 Annual Budget	Projection to 2023-2024 year end	Budget variance to projections	% Variance
Revenue					
Government Grants	\$ 36,422,619	\$ 35,515,526	\$ 38,115,526	\$ (1,692,907)	-4%
Domestic Tuition	\$ 27,573,130	\$ 26,853,274	\$ 27,291,064	\$ 282,066	1%
International Tuition	\$ 10,306,486	\$ 6,447,952	\$ 7,668,356	\$ 2,638,130	34%
Student Fees - Ancillary & Other	\$ 3,788,684	\$ 3,539,868	\$ 3,539,868	\$ 248,816	7%
Other	\$ 2,427,196	\$ 2,088,838	\$ 2,088,838	\$ 338,358	16%
Revenue Total	\$ 80,518,115	\$ 74,445,458	\$ 78,703,652	\$ 1,814,463	2%
Expenses					
Instructional Staff	\$ 30,308,595	\$ 30,059,296	\$ 29,648,350	\$ 660,245	2%
Non-Instructional Staff	\$ 19,951,775	\$ 18,814,070	\$ 18,524,122	\$ 1,427,653	8%
Benefits	\$ 10,051,829	\$ 9,765,991	\$ 9,618,958	\$ 432,871	5%
Salary recoveries	\$ (1,170,187)	\$ (1,662,758)	\$ (1,162,758)	\$ (7,429)	1%
Total salaries & benefits	\$ 59,142,012	\$ 56,976,599	\$ 56,628,672	\$ 2,513,340	4%
Non-staff expense	\$ 17,034,026	\$ 14,224,750	\$ 15,289,750	\$ 1,744,276	11%
Scholarships and Bursaries	\$ 3,320,775	\$ 3,282,385	\$ 3,282,385	\$ 38,390	1%
Expenses Total	\$ 79,496,813	\$ 74,483,734	\$ 75,200,807	\$ 4,296,006	6%
Surplus (Deficit) Before Undernoted	\$ 1,021,302	\$ (38,276)	\$ 3,502,845	\$ (2,481,543)	-71%
Transfers					
Transfers (to) from other funds	\$ (331,555)	\$ (370,982)	\$ (870,982)	\$ 539,427	-62%
Transfers Total	\$ (331,555)	\$ (370,982)	\$ (870,982)	\$ 539,427	-62%
Total Operating Surplus/(Deficit)	\$ 689,747	\$ (409,258)	\$ 2,631,863	\$ (1,942,116)	-74%

Nipissing University
2024-2025 Budget - Ancillary

	Extended Learning	Campus Sales & Services - 3rd party and internal	Residences	Conference Services (Corporate Events & Summer Accommodations)	2024-2025 Annual Budget	Projections to 2023-2024 year end	Budget variance to projections
Revenue							
Sales and Service, and other revenues	\$ 151,971	\$ 107,250	\$ 7,120,769	\$ 370,458	\$ 7,750,448	\$ 7,189,436	\$ 561,012
Revenue Total	\$ 151,971	\$ 107,250	\$ 7,120,769	\$ 370,458	\$ 7,750,448	\$ 7,189,436	\$ 561,012
Expenses							
Salaries and Benefits	\$ 226,868	\$ 98,613	\$ 1,776,851	\$ 275,595	\$ 2,377,927	\$ 2,071,543	\$ 306,384
Operating & Occupancy	\$ 9,370	\$ 157,458	\$ 2,239,001	\$ 53,140	\$ 2,458,969	\$ 1,829,082	\$ 629,887
Long term debt	\$ -	\$ -	\$ 1,175,107	\$ -	\$ 1,175,107	\$ 1,174,728	\$ 379
Expenses Total	\$ 236,238	\$ 256,071	\$ 5,190,959	\$ 328,735	\$ 6,012,003	\$ 5,075,353	\$ 936,650
Total Surplus / (Deficit)	\$ (84,267)	\$ (148,821)	\$ 1,929,810	\$ 41,723	\$ 1,738,445	\$ 2,114,083	\$ (375,638)
Transfers							
Transfers to (from) Other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (84,267)	\$ (148,821)	\$ 1,929,810	\$ 41,723	\$ 1,738,445	\$ 2,114,083	\$ (375,638)

Nipissing University		
2024-2025 Capital Budget		
		Total Budget
FUNDING SOURCES:		
	Facilities Renewal Program	\$ 2,125,000
	Campus Safety Grant	\$ 12,500
	Investment in Capital Assets - Ancillary	\$ 350,000
	Investment in Capital Assets - Operating	\$ 400,000
	Donations and/or government grants	\$ 600,000
	Training, Equipment & Renewal Fund	\$ 350,000
		<u>\$ 3,837,500</u>
PLANNED EXPENDITURES:		
	Campus Infrastructure	
	Outdoor Classroom	\$ 1,000,000
	Roof repairs	\$ 430,000
	Residence Building Repairs	\$ 350,000
	HVAC Replacements	\$ 420,000
	SHARED - Outdoor lights (parking lots)	\$ 12,500
	SHARED - Duchesnay Creek Upgrades	\$ 44,500
	SHARED - Metering	\$ 25,000
	SHARED - Campus Signage	\$ 15,000
	Renovation	
	Classroom Renovations	\$ 663,585
	Monastery Renovations	\$ 375,000
	Other renovation projects	\$ 151,915
	Equipment	
	Nursing Sim Lab Equipment	\$ 350,000
		<u>\$ 3,837,500</u>

Nipissing University
2024-2025 Consolidated Budget

	Operating Fund 10	Internally Restricted 11	Ancillary Fund 15	Capital Fund 40	Trust Fund (Non-Endowed) 50	Research Fund 60	Specifically Funded 70	Endowed Funds 51,80	Employee related	Total Consolidated Budget
REVENUE										
Government Grants	36,422,619					1,259,563	2,684,535			40,366,717
Student Fees - Tuition	37,879,616									37,879,616
Student Fees - Ancillary fees and other income	3,788,684									3,788,684
Sales (Accommodations, Corporate events, etc)			7,750,448							7,750,448
Other	1,862,196						259,676			2,121,872
Amortization of Deferred Capital Contributions	-			1,550,000						1,550,000
Investment	520,000				1,027,457			245,500		1,792,957
Donations	45,000				272,000					317,000
TOTAL REVENUE	80,518,115	-	7,750,448	1,550,000	1,299,457	1,259,563	2,944,211	245,500	-	95,567,294
EXPENSES										
Salaries and Benefits	59,142,012	35,000	2,377,927			1,654,263	429,647		650,000	64,288,849
Operating and Research	11,775,874	623,777	2,458,969		177,535		104,888	5,500		15,146,543
Scholarships and Bursaries	3,380,775				400,000			240,000		4,020,775
Occupancy Costs	4,192,229						2,409,676			6,601,905
Amortization of Capital Assets	-			3,700,000						3,700,000
Principal and Interest on Long Term Debt	1,005,923		1,175,107	(1,317,780)						863,250
TOTAL EXPENSES	79,496,813	658,777	6,012,003	2,382,220	577,535	1,654,263	2,944,211	245,500	650,000	94,621,322
EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUE) BEFORE THE UNDERNOTED	1,021,302	(658,777)	1,738,445	(832,220)	721,922	(394,700)	-	-	(650,000)	945,972
TRANSFERS										
Transfers from Schulich and other donations	721,922				(721,922)					-
Transfer to Fund 11 for negotiated allowances	(658,777)	658,777								-
Transfer to Research initiatives	(394,700)					394,700				-
TOTAL IN YEAR TRANSFERS	(331,555)	658,777	-	-	(721,922)	394,700	-	-	-	-
TOTAL EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	689,747	-	1,738,445	(832,220)	-	-	-	-	(650,000)	945,972

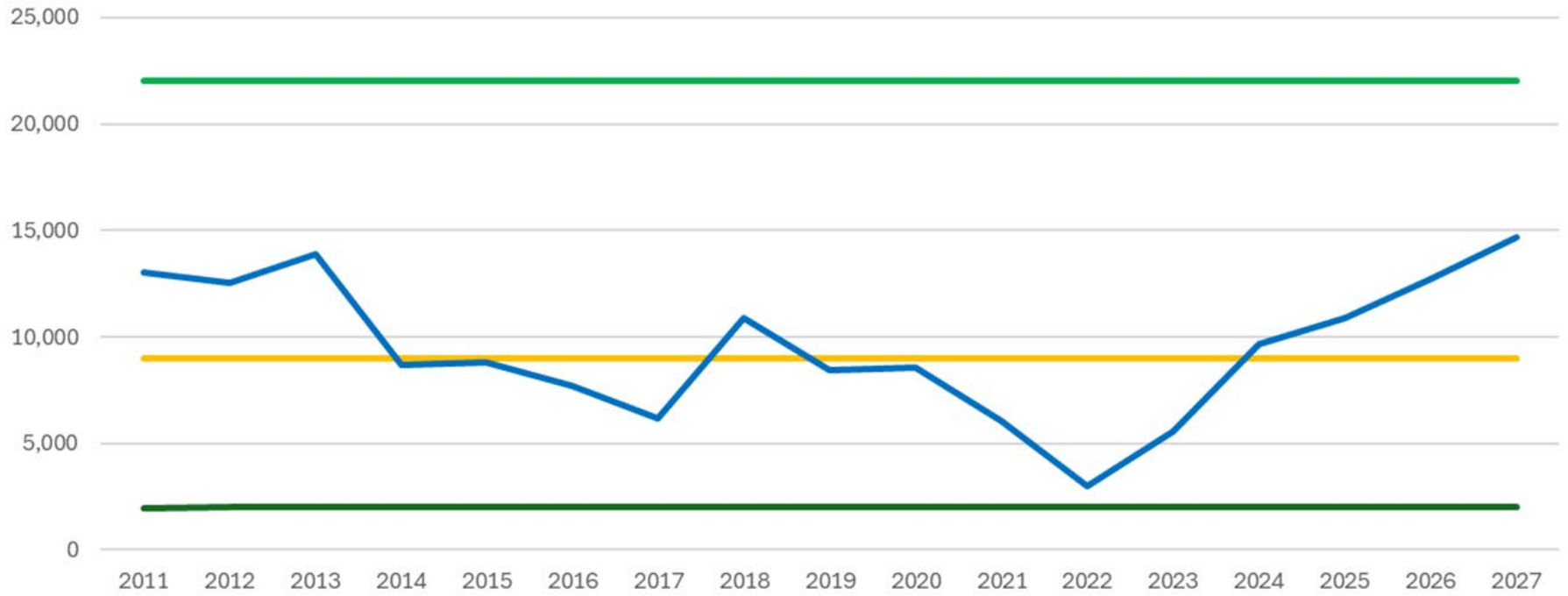
NIPISSING UNIVERSITY
Budget Projections

	Projection to 2023-2024 year end	2024-2025 Annual Budget	2025-2026 Projected Budget	2026-2027 Projected Budget
Revenue				
Government Grants	\$ 38,115,526	\$ 36,422,619	\$ 39,247,166	\$ 39,786,026
Domestic Tuition	\$ 27,291,064	\$ 27,573,130	\$ 28,719,401	\$ 30,836,733
International Tuition	\$ 7,668,356	\$ 10,306,486	\$ 12,148,347	\$ 17,056,812
Student Fees - Ancillary & Other	\$ 3,539,868	\$ 3,788,684	\$ 3,788,684	\$ 3,788,684
Other	\$ 2,088,838	\$ 2,427,196	\$ 2,427,196	\$ 2,427,196
Total Operating Revenues	\$ 78,703,652	\$ 80,518,115	\$ 86,330,794	\$ 93,895,451
Expenses				
Instructional Staff	\$ 29,648,350	\$ 30,308,595	\$ 31,596,710	\$ 34,097,554
Non-Instructional Staff	\$ 18,524,122	\$ 19,951,775	\$ 20,799,725	\$ 22,287,712
Benefits	\$ 9,618,958	\$ 10,051,829	\$ 10,688,873	\$ 11,728,135
Salary recoveries	\$ (1,162,758)	\$ (1,170,187)	\$ (1,170,187)	\$ (1,170,187)
Total salaries & benefits	\$ 56,628,672	\$ 59,142,012	\$ 61,915,122	\$ 66,943,215
Non-staff expense	\$ 15,289,750	\$ 17,034,026	\$ 19,205,710	\$ 21,365,048
Scholarships and Bursaries	\$ 3,282,385	\$ 3,320,775	\$ 3,320,775	\$ 3,320,775
Total Operating Expenses	\$ 75,200,807	\$ 79,496,813	\$ 84,441,607	\$ 91,629,038
Surplus (Deficit) Before Undernoted	\$ 3,502,845	\$ 1,021,302	\$ 1,889,187	\$ 2,266,413
Transfers				
Transfers (to) from other funds	\$ (870,982)	\$ (331,555)	\$ (870,982)	\$ (870,982)
Total Operating Transfers	\$ (870,982)	\$ (331,555)	\$ (870,982)	\$ (870,982)
Total Operating Surplus	\$ 2,631,863	\$ 689,747	\$ 1,018,205	\$ 1,395,431
	Projections to 2023-2024 year end	2024-2025 Annual Budget	2025-2026 Projected Budget	2026-2027 Projected Budget
Revenue				
Residence	\$ 6,735,528	\$ 7,120,769	\$ 7,334,392	\$ 7,554,424
Campus Sales & Services - 3rd party & Internal	\$ 76,905	\$ 107,250	\$ 110,468	\$ 113,782
Conference Services (Corporate events and Summer Accommodations)	\$ 308,603	\$ 370,458	\$ 381,572	\$ 393,019
Extended Learning	\$ 68,400	\$ 151,971	\$ 156,530	\$ 161,226
Total Ancillary Revenues	\$ 7,189,436	\$ 7,750,448	\$ 7,982,961	\$ 8,222,450
Expenses				
Salaries and Benefits	\$ 2,071,543	\$ 2,377,927	\$ 2,728,989	\$ 2,858,616
Operating	\$ 1,829,082	\$ 2,458,969	\$ 2,581,917	\$ 2,711,013
Long term debt	\$ 1,175,106	\$ 1,175,107	\$ 1,175,106	\$ 1,174,959
Total Ancillary Expenses	\$ 5,075,731	\$ 6,012,003	\$ 6,486,012	\$ 6,744,588
Net Ancillary Surplus	\$ 2,113,705	\$ 1,738,445	\$ 1,496,949	\$ 1,477,862
Capital adjustments	\$ (902,441)	\$ (832,220)	\$ (902,441)	\$ (902,441)
Employee Future benefits adjustment	\$ (650,000)	\$ (650,000)	\$ (650,000)	\$ (650,000)
Consolidated Surplus	\$ 3,193,127	\$ 945,972	\$ 962,713	\$ 1,320,852

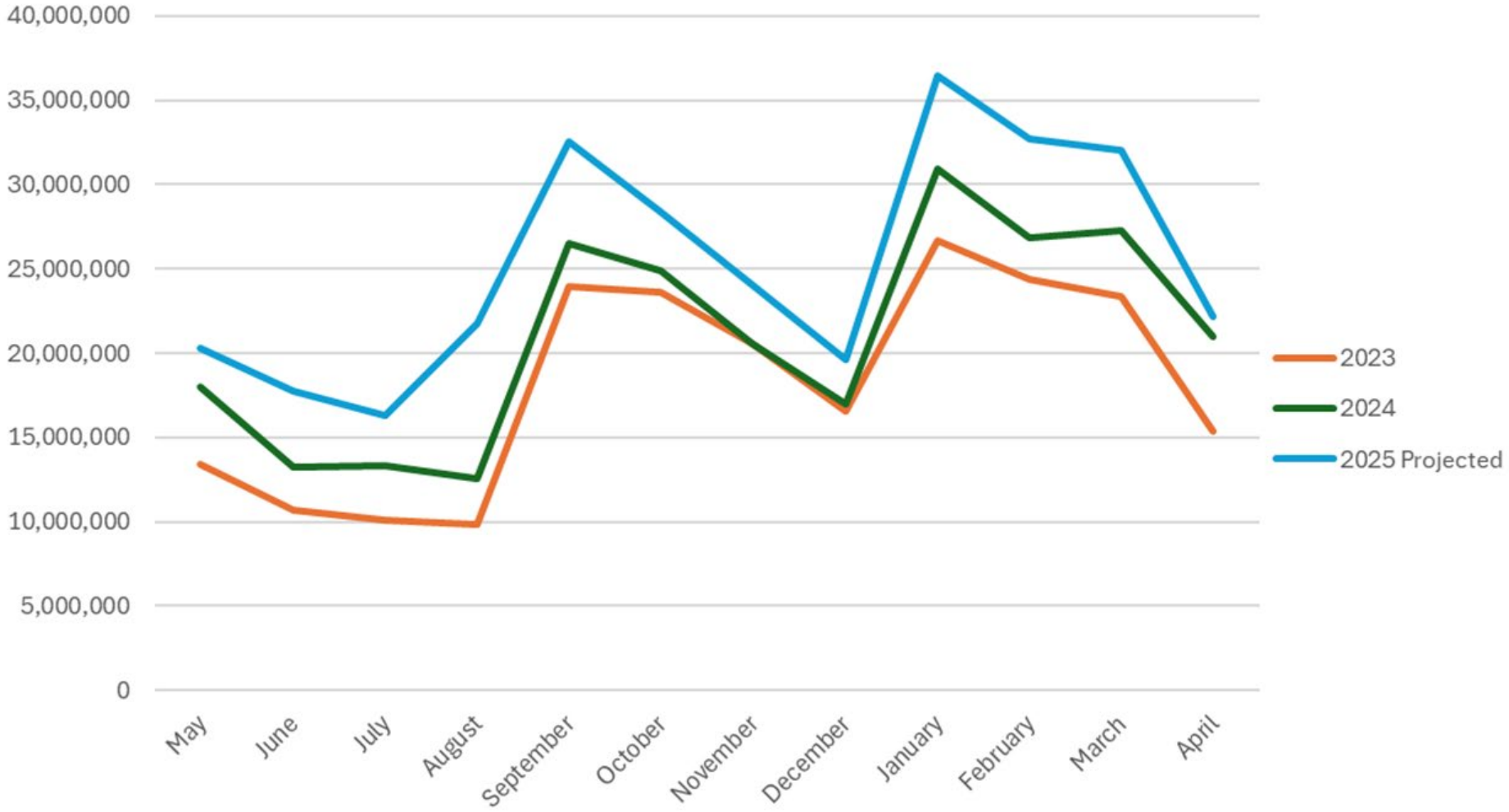
Ministry Financial Accountability Framework ratios

				2023 Confirmed			2024 Projected			2025 Projected			2026 Projected			2027 Projected		
Thresholds				Ratio calculation	Rating	Overall Category rating	Ratio calculation	Rating	Overall Category rating	Ratio calculation	Rating	Overall Category rating	Ratio calculation	Rating	Overall Category rating	Ratio calculation	Rating	Overall Category rating
	Medium-risk	High-risk	Weight															
Liquidity Ratios:																		
Primary reserve (days):	< 90	< 30	50%	23.42	2	1.5	39.04	1	0.5	42.11	1	1.0	46.22	1	1.0	49.57	1	1.0
Working Capital	< 1.25	< 1	50%	1.25	1		1.28	-		1.21	1		1.19	1		1.18	1	
Sustainability Ratios																		
Viability ratio	< 60%	< 30%	25%	18%	2	1.0	33%	1	0.8	38%	1	0.8	47%	1	0.8	57%	1	0.8
Debt ratio	> 35%	> 55%	25%	59%	2		58%	2		58%	2		58%	2		57%	2	
Debt to revenue ratio	> 35%	> 50%	25%	35%	-		33%	-		31%	-		28%	-		25%	-	
Interest burden ratio	> 2%	> 4%	25%	1%	-		1%	-		1%	-		1%	-		1%	-	
Performance																		
Net income / (loss) ratio	< 1.5%	< 0%	50%	2%	-	-	3%	-	0.5	1%	1	1.0	1%	1	1.0	1%	1	1.0
Net operating revenue ratios	< 7%	< 2%	50%	8%	-		2%	1		2%	1		2%	1		2%	1	
Credit rating																		
Third party credit rating				BBB Stable	1	1	BBB Stable	1	1	BBB Stable	1	1	BBB Stable	1	1	BBB Stable	1	1
Overall Risk Score Action Plan				Medium Action			Low Action			Low Action			Low Action			Low Action		

Spendable net assets



Cash Flows



Appendix 1: Expenses by department

NIPISSING UNIVERSITY Arts & Science

	2024-2025 Budget	2023-2024 Budget	Variance	% Variance
Expenses				
Salaries & Benefits	\$ 16,114,348	\$ 16,166,431	\$ (52,083)	-0.32%
Operating costs	\$ 142,304	\$ 107,155	\$ 35,149	32.80%
Expenses Total	\$ 16,256,652	16,273,586	\$ (16,934)	
Transfers				
Transfers to (from) other funds	\$ 246,654	\$ 217,105	\$ 29,549	11.98%
Transfers Total	\$ 246,654	\$ 217,105	\$ 29,549	11.98%
Net expenses	\$ 16,503,306	\$ 16,490,691	\$ 12,615	0.08%

NIPISSING UNIVERSITY
Education and Professional Studies

	2024-2025 Budget	2023-2024 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 21,864,474	\$ 21,000,003	\$ 864,471	4.12%
Operating costs	\$ 1,152,849	\$ 1,498,744	\$ (345,895)	-23.08%
Expenses Total	23,017,323	22,498,747	\$ 518,576	2.30%
Transfers				
Transfers to (from) other funds	\$ 226,773	\$ 199,588	\$ 27,185	13.62%
Transfers Total	\$ 226,773	\$ 199,588	\$ 27,185	13.62%
Net expenses	\$ 23,244,096	\$ 22,698,335	\$ 545,761	2.40%

NIPISSING UNIVERSITY
Academic Support & Library

	2024-2025 Budget	2023-2024 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 6,772,915	\$ 6,172,357	\$ 600,558	9.73%
Operating costs	\$ 4,146,217	\$ 2,468,642	\$ 1,677,575	67.96%
Expenses Total	10,919,132	8,640,999	\$ 2,278,133	26.36%
Transfers				
Transfers to (from) other funds	\$ 563,050	\$ 527,800	\$ 35,250	6.68%
Transfers Total	\$ 563,050	\$ 527,800	\$ 35,250	6.68%
Net expenses	\$ 11,482,182	\$ 9,168,799	\$ 2,313,383	25.23%

NIPISSING UNIVERSITY
Office of Indigenous Initiatives

	2024-2025 Budget	2023-2024 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 758,140	\$ 729,419	\$ 28,721	3.94%
Operating costs	\$ 104,090	\$ 98,090	\$ 6,000	6.12%
Expenses Total	862,230	827,509	\$ 34,721	4.20%
Transfers				
Transfers to (from) other funds	\$ -	\$ -	\$ -	0.00%
Transfers Total	\$ -	\$ -	\$ -	0.00%
Net expenses	\$ 862,230	\$ 827,509	\$ 34,721	4.20%

NIPISSING UNIVERSITY
Student Services

	2024-2025 Budget	2023-2024 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 3,614,412	\$ 3,818,623	\$ (204,211)	-5.35%
Operating costs	\$ 2,831,946	\$ 2,633,934	\$ 198,012	7.52%
Expenses Total	6,446,358	6,452,557	- 6,199	-0.10%
Transfers				
Transfers to (from) other funds	\$ (182,000)	\$ (178,000)	\$ (4,000)	2.25%
Transfers Total	\$ (182,000)	\$ (178,000)	\$ (4,000)	2.25%
Net expenses	\$ 6,264,358	\$ 6,274,557	\$ (10,199)	-0.16%

NIPISSING UNIVERSITY
Athletics

	2024-2025 Budget	2023-2024 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 1,669,594	\$ 1,354,037	\$ 315,557	23.30%
Operating costs	\$ 1,399,249	\$ 1,261,767	\$ 137,482	10.90%
Expenses Total	\$ 3,068,843	\$ 2,615,804	\$ 453,039	17.32%
Transfers				
Transfers to (from) other funds	-\$ 39,922	\$ -	\$ (39,922)	0.00%
Transfers Total	\$ (39,922)	\$ -	\$ (39,922)	0.00%
Net expenses	\$ 3,028,921	\$ 2,615,804	\$ 413,117	17.32%

NIPISSING UNIVERSITY
Administration

	2024-2025 Budget	2023-2024 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 8,348,129	\$ 7,735,729	\$ 612,400	7.92%
Operating costs	\$ 10,578,146	\$ 9,438,803	\$ 1,139,343	12.07%
Expenses Total	18,926,275	17,174,532	\$ 1,751,743	10.20%
Transfers				
Transfers to (from) other funds	\$ (483,000)	\$ (395,511)	\$ (87,489)	22.12%
Transfers Total	\$ (483,000)	\$ (395,511)	\$ (87,489)	22.12%
Net expenses	\$ 18,443,275	\$ 16,779,021	\$ 1,664,254	9.92%

Appendix 2: Fund descriptions

Separate funds are setup for activities, with each fund comprised of its own revenue and expenses. The following funds are used:

Operating Fund (Fund 10): Revenues and expenses that are directly related to the mission of the University, education and activities supporting research.

Internally restricted (Fund 11): This fund accounts for expenses that are funded from various allowances negotiated through the collective agreement and Appointment letters such as Personal Expense Reimbursement, Research Allowance, Professional Development allowance, etc.. Transfers from the Operating fund increase the funds available in internally restricted net assets. Expenses are accounted for when expenses are incurred (i.e. conference fees, travel, etc..). Amounts in this fund are carried forward annually until fully spent or no longer available for spending.

Ancillary Fund (Fund 15): Sales of goods and services by departments that are defined as being supplementary to the University's primary operating activities of education and research. Such sales may be made to the University community and/or to external clients.

Capital Fund (Fund 40): Funding and expenditures for capital projects.

Trust (Non-Endowed) Fund (Fund 50): Donations and fundraising revenues with internal or external restrictions are recorded in this fund. Income generated from investments is also recorded as revenue in this fund. Donation revenue is recorded when expenses are incurred.

Research Fund (Fund 60): Research-related funds externally restricted by an agreement or contract for specific research purposes. The use of these funds is restricted by the donor or granting agency.

Specifically Funded (Fund 70): Funding provided by an external entity, or internally restricted by an agreement outlining expenditure of the funds and a requirement to return unspent funds at the end of the term.

Endowments (Fund 51): Donations or bequests received by the University that have a non-expendable requirement as well as other legal requirements for use as agreed upon by the donor and the University. This fund also includes internal endowments which are unrestricted donations that have been endowed by action of the Board of Governors.