



Financial Update

October 19/20, 2020

2020-21 Operating Budget (Pre-COVID-19)



Budget – (\$590,000)

Key Assumptions:

- Government Operating Grant – 1% Increase
- Enrolment – Assuming an increase of 150 students in total. This is made up of a combination a higher number of returning students as well as an increase in the size of the incoming class.
- Student Fees
 - Tuition increase of 3%; Other fees increasing 3%
 - Ancillary Fees – Room rentals increasing 1.5%; meal plans increasing 3.5%
- Salaries
 - Economic Adjustments
 - Progression through the ranks
- Residence Occupancy – 89%
- General inflationary increases 1.5%

Details available on the University's Website: https://www2.mystfx.ca/financial-services/sites/mystfx.ca.financial-services/files/StFX_Consolidated_Budget_2020-2021.pdf

COVID-19 Financial Impact (Known)



Revenue/Expense:

- Residence & Food Service Rebates - \$1,200,000
- Ancillary lost Revenue - \$2,100,000
- Information Technology costs - \$150,000

Cost Reductions:

- laid-off all casual employees
- No ramping-up of custodial and other summer staff due to loss of conference business
- Closed down Food Service operations
- Closed Saputo/Keating Centre (removed ice and drained pool)
- Lower utility costs
- Reduced garbage collection/snow removal costs
- Lower employee benefit costs (dental)
- Decreased travel expenses
- Expenses associated with Convocation Ceremonies

Estimated cost reductions through to September 1: \$2,200,000

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)

Undergraduate Enrolment – UG & ED



24 Credit FTE - YOY

	2019	2020	YOY
Full-time	3531	3438	-93
Part-time (<24)	979	1324	+345
Total*	4510	4762	+252
FTE	4013	4053	+40

Residence Occupancy



	2020/21	2019/20	Change
Total # of beds (pre-COVID)	1,850	1,850	
Total # of beds (post-COVID)	1,547		
# of beds occupied (registered)	1,374	1,650	-276
	89%	89%	

*

* Elimination of double rooms; rooms set-aside for quarantine area

COVID related expenses



Isolation Meals	525,000.00	*
Touch point cleaning	475,000.00	
Extra residence staff	390,000.00	
Information Technology	200,000.00	
Equipment, supplies, furniture, classroom barriers, etc.	225,000.00	
Communications	170,000.00	
Student Services	130,000.00	
Classroom rental (st. Ninian's)	110,000.00	
General Facilities Management	150,000.00	
Supplies, equipment, etc.	125,000.00	
	2,500,000.00	

* Assumes self-isolation requirement in January, 2021

Cost reductions



- Elimination of cost of living increases for Non-Union employees (see note below)
- Voluntary Layoffs
- Travel Costs
- Other Operational Expenses

NOTE: Unions were approached to seek reductions of 5-10% of personnel costs. All unions declined to support any cost reduction options.

Multi-Year Concerns



- Smaller incoming class (4-year flow-through impact)
- Shift from Full-time to Part-time
- Recruitment
- Residence operations (assume restrictions on double rooms will continue for at least 1 more year)
- Summer conference business (2021 likely to be impacted)
- Fundraising efforts
- Cash Flow is on-going issue/concern.

Capital Projects



- Mulroney Hall
- Alumni Plaza
- University Avenue
 - Parking Fee to be introduced in 2021/22
- Cameron & MacKinnon Halls roof replacement
- Elevator upgrade
- J. Bruce Brown
 - Heating System
 - Elevator upgrade
- Lane Hall demolition



QUESTIONS?