



Operating Budget Year-End Variance Report

2024 - 2025

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2024-25 Operating Budget Year-End Results

The University ended the year with an operating surplus, before one-time transfers, of \$6.4 million. This represents 2.3% of the University's total \$281.4 million operating budget.

For the 2024-25 fiscal year, the Board of Governors approved a balanced operating budget. This was the first budget to be prepared using a 'One Budget' model, to reflect provost structure changes and full administrative integration.

Key variances between budget and actual results are listed below.

- \$3.8 million better than budgeted operating grant revenue related to historic performance funding being added to the base operating grant, and new performance funding received because of in-year enrolment growth
- \$3.0 million better than the budgeted salary savings
- \$1.8 million better than budgeted short-term investment income
- \$1.5 million related to held in-year mitigation measures
- \$1.1 million better than budgeted domestic tuition revenue
- \$0.4 million better than budgeted debt service costs
- \$(0.3) million unbudgeted expenses related to the *Unclaimed Property Act*
- \$(0.5) million worse than budgeted utility costs
- \$(0.5) million worse than budgeted costs related to athletics travel
- \$(4.0) million worse than budgeted international tuition revenue

The operating surplus of \$6.4 million was then adjusted for one-time transfers in support of the University's strategic plan. Specifically, the operating surplus was allocated to the initiatives listed below.

- \$3.7 million to capital projects (One Stop Shop and the Health & Social Innovation Centre)
- \$1.0 million to the funding reserve for Executive Administration leaves (to match the liability)
- \$1.0 million to academic growth and related strategic initiatives in the President's Office

After these one-time adjustments, the unrestricted operating surplus is \$0.7 million, which will be applied to the accumulated unrestricted operating deficit, reducing that balance from \$2.0 million to \$1.3 million.

Compared to the March 2025 forecast

At the April Finance & Properties Committee meeting, the unrestricted operating surplus was projected to be \$1.3 million before one-time transfers, a difference of \$5.1 million from the results presented above. The key differences include:

- \$1.5 million in higher-than-projected salary savings
- \$1.3 million in unadjusted mitigation measures
- \$1.3 million in better-than-projected tuition revenue
- \$0.6 million in better-than-projected short-term investment income
- \$0.5 million less was required to fund the liability associated with the *Unclaimed Property Act*