



Board of Governors
May 26, 2015
Agenda Item 11.3.4.2

Saint John Campus

University of New Brunswick 2015-16 Budget



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VICE PRESIDENT'S COMMENTARY

Introduction

Overall, the base Provincial operating grant represents 51% of the proposed budget for the Saint John campus for 2015-2016, while tuition is expected to contribute 39%, and other revenues, 10%. As a result of this revenue distribution, the Saint John campus is particularly sensitive to any changes in enrolment and changes in the provincial grant.

Significant discussions took place with both the Direct Report Group in Saint John, and the Saint John Budget Committee. The Saint John Budget committee consisted of portfolio holders, representatives from the three faculties and Information Services and Systems, and an undergraduate student. These groups spent time reviewing background documentation, as well as submissions from the various units before making recommendations to the Vice-President Saint John.

Strategy for 2015-2016

For the 2015-2016 budget year, the Saint John campus is proposing a deficit budget of \$758.5 Thousand.

The Saint John campus is projecting that overall enrolment for 2015-2016 (from budgeted 2014-2015) will decrease once again. Enrolment decline continues to be the major concern for our campus.

The tuition rate and the Provincial grant have both been set at 0%. This has increased the Saint John campus deficit by \$758.5 Thousand. A differential fee of 3% for international students has been decided upon, which is estimated to contribute approximately \$53 Thousand to the Saint John Campus budget for 2015-2016.

Before any adjustments, the deficit for 2015-2016 was \$3.5 Million. After the decision was made to leave the \$758.5 Thousand as a deficit, the target to be addressed is \$2.8 Million.

A strategy was decided upon for the Saint John Campus to address the target of \$2.8 Million through a combination of base-budget reductions (42% base reductions totaling \$1,162.2 Thousand) and the use of one-time funding from risk reserves (58% totaling \$1,613.4 Thousand). Each portfolio was assigned a proportional target to contribute to the base-budget reductions.

In the academic portfolio, two faculty budget lines were put forward for reduction, in addition to some stipend reductions. Given the work currently underway by the Local Campus Committee (LCC) in Saint John, the Vice-President Saint John decided to defer this decision on the reduction of the faculty positions until the LCC has completed their deliberations. The decision was made instead to reduce Risk Capital (Priority Funding) further to offset the reduction of the two faculty positions (bringing the total risk capital reduction to \$401.3 Thousand). These positions are being held centrally, and will either be reinstated, redeployed or reduced depending upon the recommendations of the LCC and budget planning for 2016-2017.

Recommendations from the other portfolios included the reduction of three base-budget positions, non-salary and capital renewal reductions.

Despite these reductions, the structural deficit for 2015-16 is \$2.4 Million.

For 2015-2016, the Saint John campus will:

- Endeavour to support the new Recruitment model (for both domestic and international recruitment).
- Review the recommendations that come forward from the Local Campus Committee in Saint John
- Review administrative units to determine new opportunities for efficiencies in service delivery
- Determine what student retention initiatives appear to be achieving outcomes
- Closely monitor those positions that have been funded using Risk Capital funding given the reduction in this fund.

VICE PRESIDENT'S COMMENTARY

- Continue to seek external sources of funding to complement initiatives being funded from the base budget (e.g. funding from the Department of Postsecondary Education Training and Labour to support accessibility initiatives).
- Closely examine each faculty and staff vacancy, keeping in mind the opportunities that may arise with the work of the LCC and the new Branding and Recruitment initiatives.
- Continue to collaborate with partners -- Dalhousie Medicine New Brunswick, New Brunswick Community College Saint John, and Horizon Health - - to promote the development a health and life sciences research and teaching cluster at the Tucker Park campus of UNB.
- Continue to engage in community outreach activities, and seek ways to support experiential learning opportunities for students.

Investing in Infrastructure

Continued investments in campus infrastructure and upgrades have been planned for in 2015-2016.

The proposed Capital budget for the Saint John campus 2015-2016, totals \$2.1 million. The major maintenance and infrastructure renewal projects focus on accessibility, greenhouse replacement, refurbishment of a teaching lab, classroom rejuvenation, improvements to the Athletic Centre building, and other maintenance for campus buildings. These projects are funded from A&R funding, capital renewal funds from the operating budget, UDMP funding, and student facility renewal fees.

The equipment and technology projects focus on teaching lab equipment, video conferencing refresh, computer replacement in labs, fitness equipment, server upgrades and the purchase of other technical equipment. These projects are funded from the non-space budget and student technology fees (dedicated to student technology projects).

In addition to the above, planning for the Ward Chipman Building renewal will continue throughout 2015-2016.

Planning for the Future

Overall it is anticipated that 2015-2016 will be a year of self- assessment. The campus will need to support the new recruitment model in efforts to increase student enrolment at UNBSJ. In addition, the launch of the new Brand associated with the Why UNB project offers the opportunity to raise the profile of UNB and potentially drive student applications. The campus will need to embrace the new brand, and respond accordingly.

In addition, the senior leadership on the Saint John Campus will be closely monitoring our administrative units to determine where we should continue to invest efforts and what initiatives will no longer be considered a high priority. These efforts will complement those that are taking place with the local campus committee who are closely examining the academic structures at UNB Saint John.

As in the past, the campus will continue to seek to develop new and innovative programming that can bring in new sources of revenue to the Saint John campus. The LPN-Bachelor of nursing bridge program has been approved to take on a new cohort of LPN bridge students which continues to be encouraging for the Saint John Campus.

Dr. Robert MacKinnon
Vice President Saint John

BASIC OBJECTIVES AND STRATEGY

For the 2015-16 fiscal year, a proposed net deficit budget of \$758.5 Thousand is being presented for approval, for the Saint John campus.

Revenues

For 2015-16, Saint John Campus **budgeted** revenues are expected to decrease overall by \$2.09 Million (or 5.49%) over **budgeted** revenue from 2014-15. Major drivers for the overall decrease are:

- A freeze by the Provincial Government to the Provincial Operating Grant.
- A decrease in Tuition Revenues of \$1.7 Million
- A decrease in Other Revenues of \$378.3 Thousand

Expenses

Saint John Campus overall **budgeted** expenses for 2015-16 have decreased by \$15 Thousand (or 0.04%) over the 2014-15 **budgeted** expenditures.

The major driver for the .04% decrease in expenditures is related to a decrease in administration and maintenance and utilities categories, and a decrease in funding for one-time priorities

Ongoing Strategies – Priority Funding

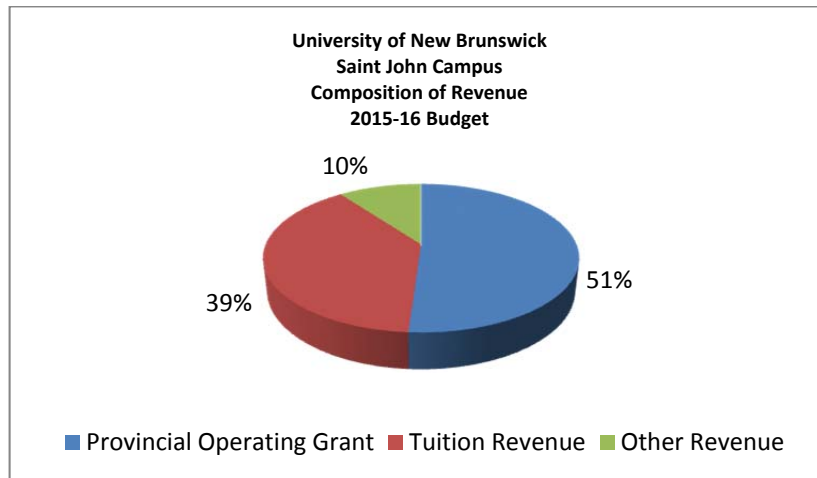
Previous year's ongoing strategies will continue to be funded in 2015-16 through Priority Funding, at a reduced amount of \$258.7 Thousand, a decrease of \$401.3 Thousand or 60.8%. The priorities include:

- Student recruitment
- Student retention
- Student support services

OPERATING REVENUE

Revenue

Overall operating revenues for the Saint John Campus are budgeted at \$36 Million. This represents a decrease of 2.09 Million (or 5.49%) over the 2014-15 budget. Revenue is comprised of the following sources:



The following table further illustrates the composition of **budgeted** revenues and provides a year-to-year comparison of each source:

Saint John Campus	Approved	Proposed	Increase(Decrease)	
	Budget	Budget		
	2014-15	2015-16	Dollars	Percent
	\$(000's)	\$(000's)		
Provincial Operating Grant	\$18,391.0	\$18,382.1	\$ (8.9)	(0.05%)
Tuition Revenue	15,660.7	13,958.3	(1,702.4)	(10.87%)
Other Revenue	4,037.8	3,659.5	(378.3)	(9.37%)
Total Revenue	\$38,089.5	\$35,999.9	\$(2,089.6)	(5.49%)

The following table provides a comparison of the relative portion of **budgeted** revenues, by source, for the last three years:

Saint John Campus	Approved	Approved	Proposed
	Budget (Restated)	Budget	Budget
	2013-14	2014-15	2015-16
	\$(000's)	\$(000's)	
Provincial Operating Grant	47.1%	48.3%	51.1%
Tuition Revenue	43.2%	41.1%	38.8%
Other Revenue	9.7%	10.6%	10.1%
Total Revenue	100.0%	100.0%	100.0%

OPERATING REVENUE

Base revenue decrease for 2015-16 includes the following key components:

- A decrease in the Tuition Revenue of \$1.7 Million or 10.9%.
- A decrease in Other Revenues of approximately \$378.3 Thousand, or 9.4%.

Provincial Operating Grant

The Provincial operating grant is the largest component of the Saint John campus operating budget funding. The total amount budgeted for the base grant in 2015-16 is \$18.4 Million.

The University of New Brunswick utilizes the same funding allocation formula to allocate the provincial grant between the two main campuses of UNB, Fredericton and Saint John. A permanent adjustment to the Saint John campus base grant amount was made in 2008-09 through a reallocation mechanism resulting from a UNB Commission on Intercampus Affairs. This adjustment continues to be reflected in campus allocations.

The following table provides a comparison of the 2015-16 budget to previous years' budgeted grants:

Saint John Campus Analysis	Budget	Budget	Proposed	Increase (Decrease)	
	2013-14	2014-15	Budget	Dollars	Percent
	(000's) Restated	(000's)	2015-16 (000's)		
Base Grant	\$16,032.6	\$16,600.9	\$16,592.0	\$ (8.9)	(0.05%)
Grant In Lieu of Tuition Increase	1,790.1	1,790.1	1,790.1	0.0	0.00%
Total Grant	\$17,822.7	\$18,391.0	\$18,382.1	\$ (8.9)	(0.05%)

In total, the Provincial operating grant for 2015-16 is budgeted to decrease by \$8.9 Thousand (or .05%) as compared to the **budgeted** grant received in 2014-15, to reflect the 2014-15 actual grant received.

OPERATING REVENUE

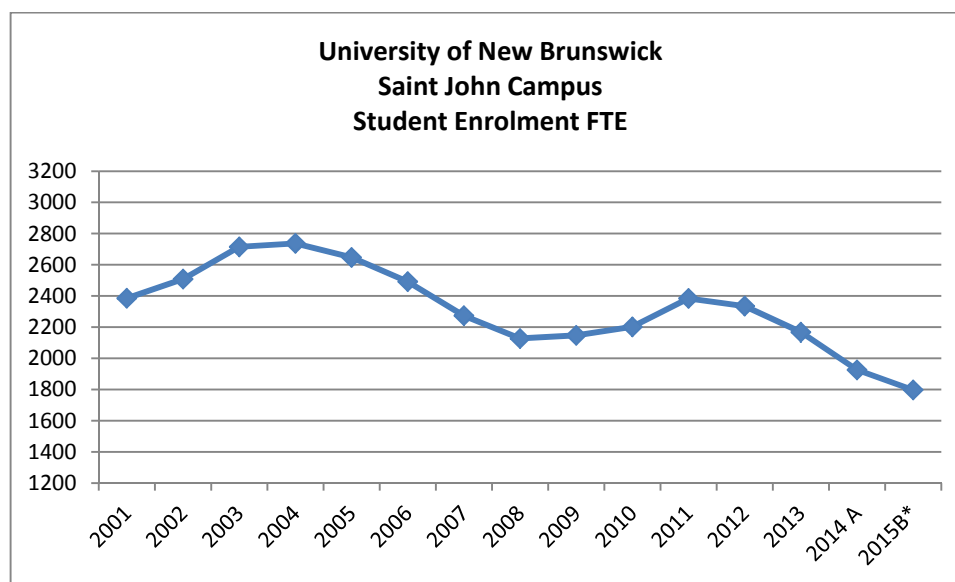
Tuition Revenue & Student Enrolment

Tuition Revenue for the 2015-16 budget is 39% of budgeted revenues on the Saint John Campus. Traditionally, tuition revenues represent about 40%. Tuition revenue is budgeted to **decrease** by \$1.7 Million (or 10.9%) in 2015-16 over 2014-15 **budgeted** tuition revenue.

University of New Brunswick Saint John Campus Student Enrolment (FTE's)					
Year	FTE Undergraduate	FTE Graduate	Total	Change	% Change
2001	2286	99	2385	0	7.1%
2002	2414	94	2508	123	5.2%
2003	2623	92	2715	207	8.3%
2004	2656	81	2737	22	0.8%
2005	2574	73	2647	(90)	(3.3%)
2006	2417	75	2492	(155)	(5.9%)
2007	2175	98	2273	(219)	(8.8%)
2008	2044	83	2127	(146)	(6.4%)
2009	2037	110	2147	20	0.9%
2010	2064	138	2202	55	2.6%
2011	2199	185	2384	182	8.3%
2012	2165	170	2335	(49)	(2.1%)
2013	1990	178	2168	(167)	(7.2%)
2014B	1955	120	2075	(93)	(4.3%)
2014 A	1791	135	1926	(242)	(11.2%)
2015B*	1677	120	1797	(129)	(6.7%)

*comparison of 2015-16 budget to 2014-15 actual

Enrolment for 2014-15 was budgeted to reflect a decrease of 4.3% from **actual** 2013-14; however the final count showed a decrease of **actual** 2014-15 enrolment by 11.2%. A decrease in enrolment from **actual** 2014-15 is expected to be 6.7% in 2015-16. **Actual enrolment for the Saint John campus has declined by 811 FTE students, or 30% over the last ten years.**



OPERATING REVENUE

Other Revenue

Other Revenue represents about 10% of budgeted revenues on the Saint John Campus. In 2015-16, Other Revenue has decreased by \$378.3 Thousand (or 9.4%). Other Revenue is comprised of the following items:

Saint John Campus	Approved Budget	Proposed Budget	Increase (Decrease)	
	2014-15	2015-16	Dollars	Percent
	Restated \$(000's)	\$(000's)		
Indirect Costs of Research	176.0	116.0	(60.0)	(34.1%)
Short-term Investment Income	500.0	500.0	0.0	0.0%
Shared Services with Fredericton Campus	252.6	252.6	0.0	0.0%
Contract Overhead (Net of Distributions)	79.4	104.5	25.1	31.6%
Contribution from Related Units	1,069.5	843.5	(226.0)	(21.1%)
External Agreements	721.2	620.8	(100.4)	(13.9%)
Parking Fees and Fines	273.6	280.5	6.9	2.5%
Application Fees	127.0	127.0	0.0	0.0%
All Other	838.5	814.6	(23.9)	(2.9%)
Total Revenues	4,037.8	3,659.5	(378.3)	(9.4%)

The major drivers of this decrease are:

- Declining Indirect Costs of Research Revenue;
- Decline in contribution from Related Units to the operating budget (Saint John College, is facing a decline in their areas of business);
- Decline in External Agreements (tenant revenue from the Bank of Nova Scotia building);
- Decline in "All Other" revenue (expiration of exclusive soft drink contract).

"Other Revenue" amounts flow to the central operating budget of the Saint John Campus and become available to offset all other operating expenditures.

OPERATING EXPENSES

Overall Allocation of Operating Expenses

Overall operating expenses for the Saint John Campus for 2015-16 are budgeted at \$38.4 Million. This represents a marginal decrease of \$15 Thousand, or 0.04% over the 2014-15 budget.

The following table illustrates the composition of budgeted Expenses and provides a year-to-year comparison of each major category:

Saint John Campus	Approved	Proposed	Increase (Decrease)	
	Budget	Budget	Dollars	Change
	2014-15	2015-16		
	\$(000's)	\$(000's)		
Faculties and Departmental Costs	\$21,698.1	\$22,256.5	\$ 558.4	2.6%
Academic and Student Support	5,428.8	5,467.0	38.2	0.7%
Administration	5,872.7	5,808.8	(63.9)	(1.1%)
Maintenance & Utilities	5,452.2	5,305.8	(146.4)	(2.7%)
Total Operating Expenses	\$38,451.8	\$38,838.1	\$ 386.3	1.0%
In Year Salary Savings	(725.0)	(725.0)	0.0	0.0%
Funding for One-time Priorities	660.0	258.7	(401.3)	(60.8%)
Total Expenses	\$38,386.8	\$38,371.8	\$(15.00)	(0.04%)

The expenditure increase facing the campus was approximately \$1.2 Million before management intervention occurred. Base budget reductions of approximately \$1.2 Million were instituted in order to address the expenditure growth.

Analysis

Operating Expenses of the Saint John Campus are budgeted at \$38.4 Million. The following table provides a comparison of the relative portion of budgeted Operating Expenses for the past three budget years, by major categories:

Saint John Campus	Approved	Approved	Proposed
	Budget	Budget	Budget
	2013-14	2014-15	2015-16
	\$(000's)	\$(000's)	\$(000's)
Faculties and Departmental Costs	56.6%	56.4%	57.3%
Academic and Student Support	14.1%	14.1%	14.1%
Administration	15.0%	15.3%	15.0%
Maintenance & Utilities	14.3%	14.2%	13.6%
Total Operating Expenses	100.0%	100.0%	100.0%

OPERATING EXPENSES

Faculties and Departmental Costs

Faculties and Departmental Costs for the Saint John Campus are budgeted at \$22.3 Million. This represents an increase of \$558.4 Thousand (or 2.6%) over the 2014-15 budget. This rate of increase compares to an increase of 2.8% in the prior year.

This category of expense includes funding for teaching and non-sponsored research activities on the Saint John Campus, including the salaries and benefits for faculty and support staff as well as day-to-day operating costs (i.e. “non-salary” expenses).

This category is subject to the normal increases related to human resources and non-salary inflationary pressures, including faculty salary increases as recognized in the AUNBT Collective Agreement.

Budgeted Change from Previous Year			
Faculties and Departmental Costs			
		Approved 2014-15	Proposed 2015-16
Year to Year Increase(Decrease)	\$(000's)	\$593.8	\$558.4
	Percent	2.8%	2.6%

Base reductions of \$212 Thousand are being proposed. The remaining \$558 Thousand expenditure growth relates entirely to wage increase adjustments.

Academic and Student Support

Academic and Student Support for the Saint John Campus is budgeted at \$5.5 Million. This represents a marginal increase of \$38.2 Thousand (or 0.7%) over the 2014-15 budget. This rate of increase compares to an increase of 3.4% in the prior year.

This portfolio is comprised of student services, scholarships, graduate student support, including teaching and research assistantships, campus recreation and athletics, as well as certain departments that directly support teaching and research activities such as the library, web, and multimedia services.

This category is also subject to the normal increases related to human resources and non-salary inflationary.

Budgeted Change from Previous Year			
Academic and Student Support			
		Approved 2014-15	Proposed 2015-16
Year to Year Increase(Decrease)	\$(000's)	\$177.3	\$38.2
	Percent	3.4%	0.7%

Base budget reductions in this portfolio amount to \$102 Thousand.

OPERATING EXPENSES

Administration and Development Services

Administrative and Development Services for the Saint John Campus is budgeted at \$5.8 Million. This represents a decrease of \$63.9 Thousand (or 1.1%) over the 2014-15 budget. This rate of decrease compares to an increase of 3.4% in the prior year.

This category of expenses includes costs of various administrative and support activities on the Saint John Campus, such as: The offices of the Vice President Saint John, Assistant Vice President (Financial and Administrative Services), and Registrar's Office.

Budgeted Change from Previous Year			
Administrative and Development			
		Approved	Proposed
		2014-15	2015-16
Year to Year Increase(Decrease)	\$(000's)	\$177.3	\$(63.9)
	Percent	3.4%	(1.1%)

The base reduction in this area is \$102 Thousand. The majority is related to reducing the base staff complement by two FTE.

Maintenance and Utilities

Maintenance and Utilities for the Saint John Campus are budgeted at \$5.3 Million. This represents a decrease of \$146.4 Thousand (or 2.7%) over the 2014-15 budget. This rate of decrease compares to an increase of 2.4% in the prior year.

The majority of this category is comprised of the costs of heat, electricity, water, cleaning and operational maintenance for all academic, research and support facilities on the Saint John Campus. While this category of expenses is generally subject to the same pressures on human resource and non-salary inflation, it is particularly sensitive to fluctuations in weather as well as the volatility of fuel prices.

The main costs associated with this category are in the area of electricity and fuel for the campus.

Budgeted Change from Previous Year			
Maintenance and Utilities			
		Approved	Proposed
		2014-15	2015-16
Year to Year Increase(Decrease)	\$(000's)	\$129.0	\$(146.4)
	Percent	2.4%	(2.7%)

The base reduction for this portfolio is \$344 Thousand. This is offset by utility cost increase of \$84 Thousand.

OPERATING EXPENSES

Ancillary Operations (Net)

Certain components of the Saint John Campus operations are accounted for as business units having separate budgets as well as profit/loss statements. These units are expected to either remain self-sustaining or generate a small contribution towards the Saint John Campus.

The budget package contains a separate section which describes the Saint John residence system, including details about revenues, proposed fees, expenses and capital investment requirements.

SUMMARY STATEMENT OF OPERATING REVENUES & EXPENSES

University of New Brunswick
Saint John Campus
2015-2016 Operating Budget

	Approved Budget 2014-15	Proposed Budget 2015-16	Increase(Decrease)	
			Dollars	Percent
Revenue				
Provincial Operating Grant	18,391.0	18,382.1	-8.9	0.0%
Tuition Revenue	15,660.7	13,958.3	(1,702.4)	(10.9%)
Other Revenue	4,037.8	3,659.5	(378.3)	(9.4%)
One Time Non-Recurring Revenue	0.0	0.0	0.0	
Total Revenue	38,089.5	35,999.9	(2,089.6)	(5.5%)
Expense				
Academic and Research				
Faculties and Departmental Costs	21,698.1	22,256.5	558.4	2.6%
Academic and Student Support	5,428.8	5,467.0	38.2	0.7%
Sub-Total	27,126.9	27,723.5	596.6	2.2%
Administration and Support Services				
Administration	5,872.7	5,808.8	(63.9)	(1.1%)
Maintenance & Utilities	5,452.2	5,305.8	(146.4)	(2.7%)
Sub-Total	11,324.9	11,114.6	(210.3)	(1.9%)
Total Operating Expense	38,451.8	38,838.1	386.3	1.0%
In Year Salary Savings				
In Year Salary Savings	(725.0)	(725.0)	0.0	0.0%
Funding for One-Time priorities				
Funding for One-Time priorities	660.0	258.7	(401.3)	(60.8%)
Sub-Total	(65.0)	(466.3)	(401.3)	
Total Expense	38,386.8	38,371.8	(15.0)	0.0%
Net Position (Shortfall) before One-Time Items	(297.3)	(2,371.9)	(2,074.6)	
One Time Items				
Exceptional one time faculty retirements	133.4	0.0	(133.4)	
One time provision	0.0	1,613.4	1,613.4	
Stretch Target	419.3	0.0	(419.3)	
One time strategic investments	(419.3)	0.0	419.3	
Utilization of Internal reserves	163.9	0.0	(163.9)	
Sub-total	297.3	1,613.4	1,316.1	
Net Position (Deficit)	0.0	(758.5)	(758.5)	

CAPITAL BUDGET

Overview

The total capital budget for the Saint John campus is \$2.11 Million for 2015-16, as compared to \$2.16 Million in 2014-15.

UNB Saint John Capital Budget Summary		
	\$(000's)	
	2014-15	2015-16
Major maintenance, infrastructure renewal and improvements	\$1,710	\$1,704
New construction	0	0
Equipment and Technology	413	403
	<u>\$2,123</u>	<u>\$2,107</u>

Capital Budget Schedules

Building and Space

- Summary and Details

Equipment and Technology

- Summary and Details

Capital Budget Forecast (3 Year)

**UNIVERSITY OF NEW BRUNSWICK
CAPITAL BUDGET SCHEDULES
SAINT JOHN CAMPUS
2015-16**

CAPITAL BUDGET

**UNB SAINT JOHN CAMPUS
CAPITAL BUDGET
BUILDINGS AND SPACE
2015-2016**

	Major Maintenance Infrastructure Renewal	Alterations Improvements	New Construction	Total
Source of Funding				
Ongoing A&R Funding	0	334,106	0	334,106
Contribution from Operating	580,500	224,500	0	805,000
Facilities Renewal	350,000	0	0	350,000
UDMP funding	214,480	0	0	214,480
Total Building and Space	1,144,980	558,606	0	1,703,586

History

2014-15 Budget	1,229,880	480,506	0	1,710,386
2013-14 Budget	1,216,325	534,061	0	1,750,386
2012-13 Budget	1,660,289	526,317	0	2,186,606
2011-12 Budget	1,882,620	263,986	0	2,146,606
2010-11 Budget	2,088,227	686,072	26,000,000	28,774,299
2009-10 Budget	2,112,610	1,328,636	7,450,000	10,891,246
2008-09 Budget	1,347,166	127,720	0	1,474,886
2007-08 Budget	3,643,023	524,078	0	4,167,101
2006-07 Budget	2,505,319	243,086	0	2,748,405
2005-06 Budget	2,373,673	52,568	4,800,000	7,226,241
2004-05 Budget	2,755,877	72,073	0	2,827,950
2003-04 Budget	0	137,161	600,000	737,161
2002-03 Budget	226,896	34,348	9,900,000	10,161,244
2001-02 Budget	204,514	52,786	0	257,300
2000-01 Budget	208,029	44,124	0	252,153
1999-00 Budget	120,929	126,180	0	247,109

CAPITAL BUDGET

MAJOR MAINTENANCE AND INFRASTRUCTURE RENEWAL	AMOUNT
Capital Renewal from Operating	
Washroom Accessibility	188,000
Greenhouse Replacement	165,000
BBH Code Upgrade Phase 2 Design	18,000
High Voltage Work	40,000
Animal Care - Dechlorinated Water	77,000
GH Mech/ Elec Room Cooling	30,000
AC Programming	24,000
Campus Fire Alarm Study	38,500
	580,500
Facilities Renewal Fee	
GH 305	80,000
Classroom Utilization	100,000
Greenhouse Replacement	170,000
	350,000
UDMP	
Building Envelope	214,480
	214,480
Total Major Maintenance & Infrastructure	1,144,980
 ALTERATIONS AND IMPROVEMENTS	 AMOUNT
A&R Funding	
AC Gym Curtains	69,025
HH Duct Heaters	9,146
SUB Elevator Pressure Switch	5,243
Ceiling tile replacement	5,318
AC Signage	5,000
AC Basketball Nets	27,396
Water Fountains in KCIH	7,895
GH329 Anteroom	4,730
OH walkway	6,914
LED Lighting Upgrade	20,000
Building Automation Upgrade	25,954
Elevator Upgrades	16,292
Parking Lot Kiosk	8,000
Double Door for Mailroom Access	5,000
Steam Joint Expansion	10,000
GH Data Lines	2,963
AC Seawater Upgrade	38,000
AC Wall Coverings	20,000
AC Water Quality Study	23,054
Annex C Cameras	3,281
Whitebone Lounge	3,026
Video Conferencing refresh OH 203 & OH 120	8,114
Dell System & LCD Wall Monitor	5,428
Finish Atlas Stands	1,327
Generated Power for Server	3,000
	334,106
Capital Renewal from Operating	

CAPITAL BUDGET

Locksmithing	15,000
Signage Upgrades	10,000
Card Access Control	60,000
GH Fumehood monitoring	10,000
Campus Water Study Implementation	7,000
Leak Repairs	50,000
Hazardous Materials Removal	15,000
CGS Railing Modifications Phase 2&3	57,500
	<hr/>
	224,500
Total Alterations & Improvements	558,606
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TOTAL BUILDING AND SPACE	1,703,586
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CAPITAL BUDGET

**UNB SAINT JOHN CAMPUS
CAPITAL BUDGET
EQUIPMENT AND TECHNOLOGY
2015-2016**

<u>Source of Funding</u>	<u>Equipment & Materials</u>	<u>Furnishings</u>	<u>Technology</u>	<u>Unallocated</u>	<u>Total</u>
Provincial non-space grant	87,555	47,811	178,117	0	313,483
Technology Fee \$50/student	-	-	90,000	0	90,000
Total Equipment and Technology	87,555	47,811	268,117	0	403,483

History

2014-15 Budget	64,995	12,510	335,978	0	413,483
2013-14 Budget	76,402	71,241	265,840	0	413,483
2012-13 Budget	23,789	14,916	374,778	0	413,483
2011-12 Budget	42,644	67,806	303,033	0	413,483
2010-11 Budget	89,956	68,534	247,117	0	405,607
2009-10 Budget	25,664	126,850	239,006	0	391,520
2008-09 Budget	54,424	23,668	300,092	18,066	396,250
2007-08 Budget	151,300	57,170	168,207	0	376,677
2006-07 Budget	91,467	0	275,560	0	367,027
2005-06 Budget	119,138	26,777	211,158	0	357,073
2004-05 Budget	104,681	23,900	254,739	0	383,321
2003-04 Budget	286,427	41,740	859,057	0	1,187,224
2002-03 Budget	88,544	24,679	224,774	0	337,997
2001-02 Budget	31,948	24,535	186,224	0	242,707
2000-01 Budget	49,363	0	190,894	0	240,257
1999-00 Budget	45,805	0	188,729	0	234,534

CAPITAL BUDGET

EQUIPMENT AND TECHNOLOGY 2015-2016

Equipment and Materials

Athletics	Fitness Equipment	30,752
Biology	Sea Tables	38,926
Biology	Water Quality Testing Equipment	9,289
Chemistry	Stirrer Hotplates	8,588

87,555

Furnishings

History & Politics	Benches	2,741
Education	Piano	4,934
Information Services & Systems	Lectern Tables	13,198
Facilities Management	Seawolves Garbage Cans	3,000
Facilities Management	Bench for Nursing	1,120
Facilities Management	Portable Bars	5,591
Facilities Management	Exam Chairs	9,737
Facilities Management	Garbage Can Replacement	7,490

47,811

Technology

Environmental Health, Safety & Security	CCTV Camera Servers	11,754
Information Services & Systems	Replace Cable Tester	12,610
Information Services & Systems	Replacement Servers	10,722
Information Services & Systems	Grand Hall - Mobile Projectors	5,460
Information Services & Systems	HDMI Classrooms (see A&R)	8,211
Information Services & Systems	Whitebone Lounge	3,897
Information Services & Systems	Video Conferencing refresh OH 203 & OH 120	113,778
Information Services & Systems	Video - HVAC Network	4,690
Environmental Health, Safety & Security	monitors - 3	1,204
Environmental Health, Safety & Security	Annex C Cameras (See A&R)	3,281
History & Politics	Dell System and LED Wall monitor (see A&R)	2,510

178,117

Sub-Total Equipment and Technology

313,483

Technology Fee

HH 326	2,000
HWK Commons Computer Replacement	58,500
Campus Radio Website Upgrades	7,500
Wolf Den Refresh	10,000
AV Equipment Lending Pool	2,000
Wi-Fi Allied Health	10,000

Sub-Total Technology Fee

90,000

TOTAL EQUIPMENT AND TECHNOLOGY

403,483

CAPITAL BUDGET

**University of New Brunswick
Capital Budget Forecast
Saint John Campus
3 Years - 2015-2016 to 2016-2017**

	2015-2016	2016-2017	2017-2018	
<u>Building and Space</u>	<u>Budget</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Total</u>
Ongoing				
Provincial A & R Funding	334,106	340,788	347,604	1,022,498
Supplemental Infrastructure Fee	350,000	350,000	350,000	1,050,000
Operating Budget Contribution	<u>805,000</u>	<u>555,000</u>	<u>555,000</u>	<u>1,915,000</u>
	1,489,106	1,245,788	1,252,604	3,987,498
One-time				
UDMP Funding	<u>214,480</u>	<u>0</u>	<u>0</u>	<u>214,480</u>
	214,480	0	0	214,480
Total Building & Space	1,703,586	1,245,788	1,252,604	4,201,978
<u>Equipment & Technology</u>				
Non Space	313,483	319,753	326,148	959,383
Technology Fee	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>270,000</u>
Total Equipment and Technology	403,483	409,753	416,148	1,229,383
TOTAL CAPITAL	<u><u>2,107,069</u></u>	<u><u>1,655,541</u></u>	<u><u>1,668,752</u></u>	<u><u>5,431,361</u></u>

**UNIVERSITY OF NEW BRUNSWICK
RESIDENCE BUDGET PROPOSAL
SAINT JOHN CAMPUS
2015-16**

RESIDENCE BUDGET PROPOSAL

Highlights

- 2015-16 Projected Capital Renewal of \$24,184
- 90% occupancy rate assumed.
- 4% room rate increase being recommended for Sir James Dunn Residence
- 4% room rate increase being recommended for Dr. Colin B. Mackay Residence
- Apartment rental to increase by 12.5%
- Meal Plan to remain the same - \$2,600 (declining balance)
- House dues will remain at \$70
- Expenditure cost containment based on previous year's actual expenditures.

Introduction

The Saint John residence system consists of total accommodations for 238 students the Sir James Dunn Residence (traditional residence) and the Dr. Colin B. Mackay Residence (two-bedroom suite residence) which are operated as an ancillary operation for financial purposes. The MPHEC does not provide financial support to residence facilities and therefore the residence system budget is a cost-recovery budget which relies completely on accommodation revenue from residence students and conference services.

UNB Saint John's residence system offers students the opportunity to live on campus in modern, convenient accommodations. Our two residences offer standard house amenities that include furnished TV and study lounges, FiberOp wireless internet, along with modern free laundry facilities. Both residences foster an academic and cultural environment in non-smoking, co-ed and security card locked buildings. The residence system is supported by our residence life staff along with key partnerships with Student Services and other academic and administrative support units.

The residence system was updated in 2013 with a wireless keycard system which permits the residence students to use their student ID card as their one card for residence and meal plan. Installation of Bell Aliant FibreOp was completed in 2013, the first residence in Atlantic Canada, providing wireless high speed internet, TV and phone with free long distance within NB and 5 cents per minute in Canada, US and 40 additional countries. The Dr. Colin B. Mackay Residence had an instant hot water system installed along with installation of Glycol to our steam heating system. The Sir James Dunn Residence has a complete floor renovation which included removal of carpet, installation of laminate flooring, replacement of lights and sink/vanity in each bedroom as well as full repainting.

The proposed residence budget is a comprehensive report of revenues, operating expenses and capital expenditures associated with the Saint John campus residence system. The 2014-15 academic year occupancy rate was 98% in first term with the 2014-15 winter occupancy rate at 97%.

Our strengths in residence & conference services are our students, clients and staff, a high residence demand from new and returning students, along with recurring conference business customers. Our goal is to be continually committed to our students, university community and to maintain and grow our conference business while offering professional development to our staff/students and continued support of our residence programs with our diverse student residence population.

RESIDENCE BUDGET PROPOSAL

2015-2016 BUDGET PREPARATION

The successful experience of the residence system (238 beds) was used in preparing the 2015-2016 financial plan.

It is recommended that the room portion of the residence fee increase by 4% for the Sir James Dunn Residence and 4% for the Dr. Colin B. Mackay Residence to offset increasing operating costs and also to stay competitive in the Saint John student housing market. A summary of all room rates from the beginning of our first year of operation is attached as Appendix 'A'. The existing Saint John Market and vacancy rates (see Appendix 'B') have also been taken into consideration in determining the residence fee.

Recent History Average Last Five Years 3.2%	
2015-16	4%
2014-15	3%
2013-14	3%
2012-13	3%
2011-12	3%

The tax free meal plan fees will remain at \$2,600 declining balance plan. The \$300 and \$800 taxed meal card for the students living in the Colin B. Mackay suites will remain unchanged.

The residence house dues that the University collects on behalf of the students will remain at \$70.

The budgeted operating expenditures are based upon the previous years' actual expenditures, with minor changes in both directions as appropriate.

RESIDENCE BUDGET PROPOSAL

The following table summarizes the 2015-2016 fees associated with the residence system in Saint John:

SAINT JOHN CAMPUS SUMMARY OF RESIDENCE FEES		
	PROPOSED 2015-2016	2014-2015
<u>Sir James Dunn Residence</u>		
- Super Single (double bed)	\$5,300	\$5,096
- Large Single (single bed)	\$5,178	\$4,979
- Single	\$4,846	\$4,660
- Double	\$4,324	\$4,158
- Meal Plan	\$2,600	\$2,600
<u>Dr. Colin B. Mackay Residence</u>		
- Two Bedroom Suites	\$5,436	\$ 5,227
- Meal Plan III (taxable)	\$ 300	\$ 300
- Meal Plan IV (taxable)	\$ 800	\$ 800

ALL ROOM RATES INCLUDE FIBRE-OP INTERNET, TV AND TELEPHONE

Food Plan

The Saint John Campus residence food plan, operated by an external food contractor, COMPASS CANADA, is a 'declining balance' board plan which offers several advantages over the traditional types of plans:

Convenience – students do not need to rush to meals served only in one dining hall. Students have the flexibility to eat in the Baird Dining Hall or at Tim Horton's, which are both operated by COMPASS CANADA.

No missed meals – students who go home on weekends, play team sports or have untimely schedules for meals need not worry about paying for meals they miss.

No HST – meal plan \$2,600 is tax exempt.

Security – students do not need to carry cash at any time on campus to enjoy a meal or a snack – they just use their student ID card.

Students are not expected to eat limited menu items at precise meal times. They have the flexibility to eat at their leisure, and choose a menu that agrees with them for that meal.

All plans allow students to purchase additional 'debits' in increments of \$25.00 should their original balance purchased reach zero.

RESIDENCE BUDGET PROPOSAL

Conference Services

Conference Services is critical to the financial well-being of the Residence System and requires exploring ways to increase new revenues along with marketing and working closely with the Saint John tourism community and Sport New Brunswick. This has become increasingly more difficult over the past few years due to the construction of several new hotels in Saint John. The Canada Games Stadium has now been refurbished and it is hoped that we will now see more external provincial tournaments including major track & field events which will help to increase our summer revenue.

The 2015-2016 summer rates are as follows:

SUMMER ACCOMODATIONS RATES		
	Daily	
Summer Hotel Rates		
Single	\$35	Plus tax
Double	\$48	Plus tax
Suite	\$75	Plus tax
Additional persons \$5.00 plus tax		
Student Rates per person	Weekly	
Single	\$115	No Tax
Two Bedroom Suite – per person	\$140	No Tax

RESIDENCE BUDGET PROPOSAL

2015- 2016 RESIDENCE BUDGET

	<u>2015-16</u>
Number of Residents	<u>238</u>
Revenue	
Students Income	\$1,130,775
Summer Income	200,000
Vacancy Allowance 10%	
Meal Plan Income	170,000
Apartment Rentals	14,000
House Fines	1,000
Total Revenue	<u>\$1,515,775</u>
Expense	
Travel Pool - Res Life	\$ 6,000
Travel Pool - Admin	2,000
Entertainment Allowance	3,500
Residence Assistant Training	8,500
Sub Total – Travel & Entertainment	<u>20,000</u>
Steam Heat	36,000
Electrical	73,000
Water	37,500
Management Fee Physical Plant	39,500
Postage	850
Photocopying	3,000
Sub Total – Chargebacks	<u>189,850</u>
Operational Supplies, Expense & Repair	108,000
Cleaning Supplies	9,000
Long Distance	2,000
Office Supplies	2,800
Bank Charges	2,600
Advertising	4,000
House Fines Spent	1,000
Sub Total – Operational Expenses	<u>129,400</u>
Salaries – Full time	145,303
Residence Assistants	39,768
Summer Students - Office	14,700
Summer Students - Cleaning	15,100
Fringe Benefits	34,017
Sub Total – Salaries & Benefits	<u>248,888</u>
Furniture & Equipment	36,000
Elevator Contract & Maintenance	7,000
Sub Total – Furniture & Equipment	<u>43,000</u>
Telephone, TV & Internet	160,000
Cell Phone Charges	3,500
Instant Electricity	2,200
Sub Total - Utilities	<u>165,700</u>

RESIDENCE BUDGET PROPOSAL

Meal Plan Expenses	174,000
Garbage Removal	12,000
Cleaning Contractor	<u>99,000</u>
Sub Total - Externally Contracted Services	285,000
Insurance	6,691
Debt Service	<u>403,062</u>
Total Expenses	<u>1,491,591</u>
Net Income	24,184
Less Capital Renewal – Sinking Fund Contribution	<u>(24,184)</u>
TOTAL REVENUE OVER EXPENSES	<u>\$ 0</u>

RESIDENCE BUDGET PROPOSAL

APPENDIX "A"

Page 1

SIR JAMES DUNN RESIDENCE ROOM & APARTMENT RATES					
Year	Super Single Double Bed	Large Single Single Bed	Single	Double	Apartments (Per Month)
1993-94		\$2,734	\$2,734	\$2,189	\$575
1994-95		2,734	2,734	2,189	575
1995-96		2,835	2,835	2,260	575
1996-97		3,050	3,050	2,350	575
1997-98		3,210	3,210	2,470	575
1998-99		3,410	3,210	2,470	575
1999-00		3,410	3,210	2,470	575
2000-01		3,474	3,274	2,520	575
2001-02		3,655	3,355	2,583	575
2002-03		3,738	3,438	2,648	575
2003-04		3,824	3,524	2,714	575
2004-05		4,015	3,700	2,850	575
2005-06		4,215	3,885	3,135	575
2006-07		4,257	3,924	3,449	575
2007-08		4,257	3,924	3,449	575
2008-09		4,257	3,924	3,449	575
2009-10	4,463	4,363	4,022	3,535	575
2010-11	4,574	4,472	4,122	3,624	400-per person
2011-12	4,665	4,561	4,122	3,805	400-per person
2012-13	4,804	4,698	4,394	3,920	400-per person 800-one person
2013-14	4,948	4,834	4,525	4,037	400-per person 800-one person
2014-15	5,096	4,979	4,660	4,158	400- per person 800-one person
Proposed 2015-16	5,300	5,178	4,846	4,324	450- per person 900-one person

RESIDENCE BUDGET PROPOSAL

APPENDIX 'A'
Page 2

DR. COLIN B. MACKAY RESIDENCE TWO-BEDROOM SUITE RATES	
Year	Rate Per Person
2003-04	\$ 3,950
2004-05	4,150
2005-06	4,357
2006-07	4,401
2007-08	4,401
2008-09	4,401
2009-10	4,511
2010-11	4,646
2011-12	4,785
2012-13	4,928
2013-14	5,075
2014-15	5,227
2015-16	5,436

RESIDENCE BUDGET PROPOSAL

APPENDIX "B"

COMPARABLE (AVERAGE) APARTMENT RENTS								
SAINT JOHN AREA								
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom	
	2012	2013	2012	2013	2012	2013	2012	2013
South-1	489	495	607	600	744	732	823	828
West-2	435	432	515	527	626	643	689	753
North-3	506	485	603	597	715	714	705	724
East-4	467	491	588	561	641	702	718	772
Saint John (1-4)	487	488	558	584	691	703	734	765

Most sought after by students is in Zone 3, and preferably within walking distance of the University (Zone 3). The above Saint John area rental charges may or may not include heat.

VACANCY RATES (%) BY ZONES								
SAINT JOHN AREA								
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom	
	2012	2013	2012	2013	2012	2013	2012	2013
*South-1	8.0	5.9	9.8	9.1	9.4	14.6	No Data	10.9
*West-2	No Data	No Data	9.9	12	7.2	18.8	5.7	8.8
*North-3	10.3	No Data	9.7	8.9	9.8	11.2	10.9	12.0
East-4	21.3	10.1	13.3	15.3	8.6	12.1	9.5	12.5
Saint John (1-4)	10.5	9.1	10.3	10.4	9.0	11.8	9.2	11.3

* Data suppressed to protect confidentiality or data is not statistically reliable.

Source: CMHC Rental Market Report, October, 2013
Saint John, Canadian Mortgage & Housing Corporation

The overall average rent increased less than 1% in the Saint John Area while the increase in average rent for two-bedroom units in the North-3 area did not increase.