

# University of New Brunswick

## Highlights of the 2005-06 Budget



## University of New Brunswick

### Highlights of the 2005-06 Budget

The purpose of the 2005-06 budget is to align University operating and capital resources with institutional strategic and operational plans and priorities aimed at improving the learning environment, supporting strategic student enrolment plans and attracting and retaining quality faculty and staff.

#### Strategic Priorities and Building Blocks

Strategic plans and priorities have been shaped by the President's vision for the University which is focused on:

- sustaining and furthering UNB's role as a National university;
- advancing UNB's learning environment;
- promoting UNB's fundamental role in the economic, social and cultural well being of the Province and Atlantic Canada.

The plans, priorities and resource allocations that underpin the budget reflect a number of interconnected strategic building blocks that are in place or under development including:

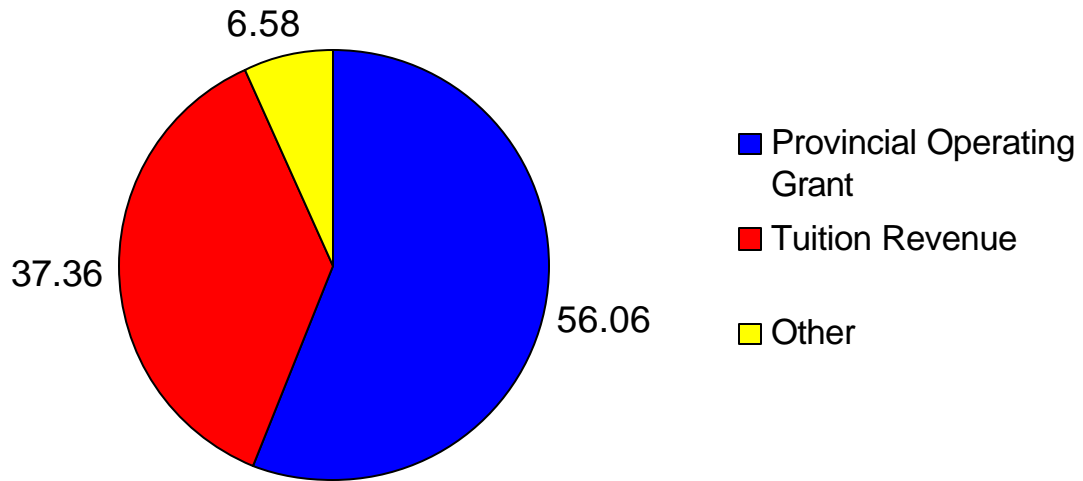
- strategic student enrolment plans;
- plans for improving the learning environment;
- academic priorities;
- research priorities;
- campus master plans;
- Forging our Futures campaign;
- collective agreements and stable complement plan;
- framework of reasonable consistent tuition fee changes.

Progress towards these priorities has been established within a very tight overall financial framework with a 3.92% increase in the operating budget. This progress has been accomplished by strategic, focused investments in areas that will have a direct impact on improving the learning environment, student services and support, scholarships and graduate student assistantships.

#### 2005-06 Operating Budget Highlights

- **Balanced budget** – the overall University and campus specific budgets are balanced.
- Operating **revenues** are budgeted to be \$150.2 million, which represents a \$5.6 million or **3.92% increase** over the 2004-05 budget.

## University of New Brunswick 2005-06 Operating Budget Revenue \$150.2 Million



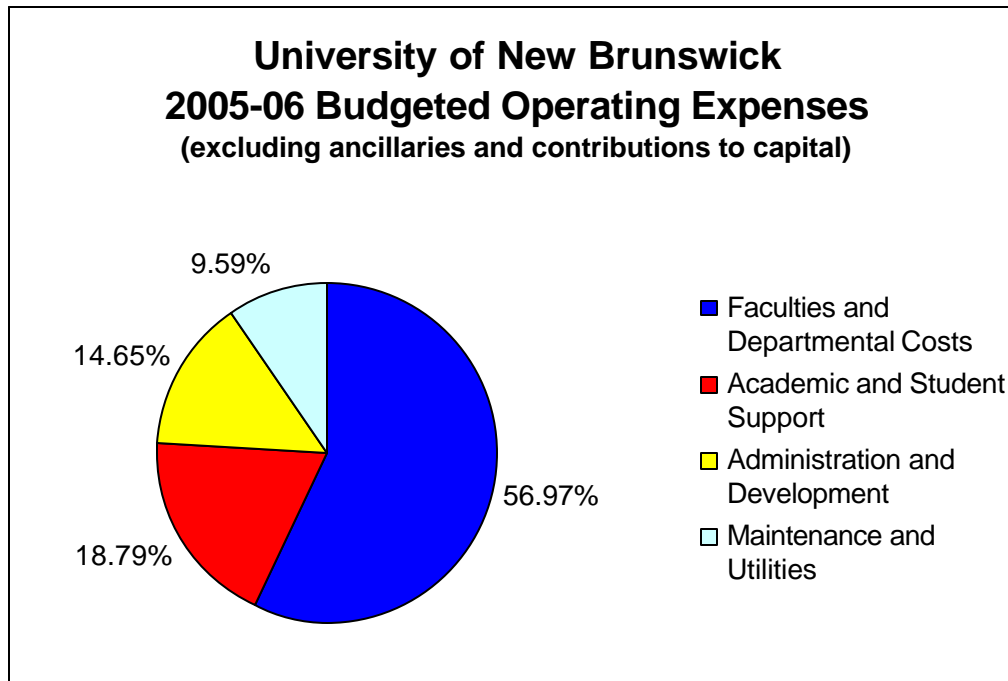
The following items are major components of the changes in operating revenues:

- The Provincial Government announced in its March 31, 2005 budget that funding to New Brunswick universities would increase by 4.6% in 2005-06. After reflecting advances against the 2004-05 and the grant allocation formula, the budget reflects a **3.39% increase for UNB.**
- The budget reflects overall student enrolment of **11,027 FTE students which is equal to the 2004-05 budget level** and about 78 students less than 2004-05 actual levels. The enrolment budget is about 350 students above our long-term outlook and reflects our strategic enrolment plan.
- A proposal for a **basic tuition fee increase of 5% is included in the budget.** This is the lowest basic tuition fee increase in the last six years at UNB and the fourth lowest percent increase in basic tuition fees over the last 25 years. Basic tuition fees were kept low for competitive reasons and to ensure that the proposed new mandatory student supplemental fee for infrastructure renewal of \$175, or 3.67%, per student was introduced in concert with a low basic tuition fee change.
- Other **income is budgeted at nearly \$10 million** which represents a 193.0% increase in the last three years.

Operating expenses **are budgeted to be \$150.2 million** in 2005-06, representing a \$5.6 million increase, **or 3.92%**, over the 2005-06 budget.

Operating expenses were strategically allocated in order to direct resources towards University and campus priorities.

The following chart summarizes the overall allocation of budgeted expenses:



Highlights of some of the priorities and investments within each expense category are as follows:

**Faculties and Departments - \$84.1 million, \$2.2 million new**

- Focus on attraction and retention of faculty through a stable overall complement plan.
- Provisions made for a continuation of the same basic financial terms of the current faculty collective agreement which expires in June 2005.
- Achievement of priorities through a redeployment of resources to promote new initiatives.

## **Academic and Student Support - \$27.6 million, \$1.5 million new**

Significant investments to improve scholarships, graduate student support, School of Graduate Studies and students with disabilities funding.

Key figures:

- envelope with the highest % budgeted increase	6.16%
- overall operating funding for scholarships	\$1.6 million, 35% increase
- overall operating funding for graduate student support	\$3.0 million, 10% increase
- growth in budget to School of Graduate Studies	10% increase
- growth in budget for students with disabilities	65% increase
- support to Fredericton campus Universal Student Bus Pass initiative	\$144,000
- increase in Library funding on Saint John campus	\$100,000, 25%

## **Administration and Development, \$21.6 million, \$918,000 new**

Focus is on ensuring appropriate strategic and operational planning processes are in place and to ensure effective and efficient utilization of resources.

The budget includes one-time investments in IT related initiatives including a review of the student registration and information system. Funding has also been allocated to marketing programs, and to the establishment of a framework for disability issues.

The budget reflects \$100,000 in additional insurance costs due to a rising insurance market and additional legal costs for property and human resource matters.

## **Maintenance and Utilities, \$14.1 million, \$764,000 new**

The budget provides funding to maintain existing operational maintenance standards which are required to properly support the learning environment and to coincide with additional capital investments in infrastructure renewal.

There are significant pressures on heating costs and electricity with rising World oil prices and recently announced power rate increases. Energy management programs continue to shelter the University operating budget from the full impact of these cost increases.

## **2005-06 Capital Budget Highlights**

The 2005-06 capital budget is \$15.6 million, nearly double the \$8 million budget last year.

The main priorities are:

### Enhancing the Learning Environment

Over **\$8.4 million** is designated for **infrastructure renewal**, part of a new **3-year program** of nearly **\$21 million** in infrastructure renewal. The budget includes a recommendation for a new **\$175 per student mandatory supplemental fee** to be used for infrastructure renewal purposes. This fee will generate new infrastructure renewal cash flow of \$2 million per year.

### Supporting Increased Research

The budget contains \$4.8 million in external funding for construction of a **new facility** on the **Saint John campus** to support research activities of the **Canadian Rivers Institute**.

### Potential for Additional Funding

There are two other potential sources of additional capital funding that are currently not included in the 2005-06 capital budget:

- \$6 million in capital assistance is available to New Brunswick universities in 2005-06. UNB has made application for up to \$4 million of these funds. A Provincial decision on allocations is expected in late April.
- The Provincial budget included an allocation of \$20 million for infrastructure projects for New Brunswick universities. Program criteria and other specifics are not yet available on this fund.

**University of New Brunswick**

**2005-06 Operating Budget**

University of New Brunswick  
**2005-06 Operating Budget**

The purpose of the 2005-06 operating budget is to align University financial resources with institutional strategic and operational plans and priorities.

**Priorities and Strategic Building Blocks**

Strategic plans and priorities have been shaped by the President's vision for the University which is focused on:

- sustaining and furthering UNB's role as a National university;
- advancing UNB's learning environment;
- promoting UNB's fundamental role in the economic, social and cultural well being of the Province and Atlantic Canada;

The plans, priorities and resource allocations reflect a number of important strategic and interconnected building blocks that are in place, or underdevelopment, for each of the two campuses. These building blocks include:

- **strategic enrolment plans** including the focus on student recruitment, additional scholarships, improving entering grade averages, and growing the number of graduate students;
- new strategies for **improving the learning environment** on both campuses including integration with campus master plans, infrastructure renewal, strategic enrolment plans, improvements to student services and food services renewal;
- **Academic planning** and priority processes on each campus;
- **research plans** and priorities including the support and environment for 14 UNB Canada Research Chairs;
- **Campus Master Plans** and the integrated importance of infrastructure renewal and strategic investments in new facilities and improvements;
- **Development plan** – Forging our Futures campaign;
- Marketing – **Making a Significant Difference Program**;
- retention and attraction of faculty as reflected in our **stable complement plan** and the nature of our current collective agreement;
- final year of a three-year framework for stable, **consistent levels of basic tuition fee increases of less than 6.0% per year** and the beginnings of a new strategic framework for tuition policies going forward;



- integration of university planning with our strategic partners, such as the **Alumni Strategic Plan**;
- strategic review of the **long-term sustainable spending rate of our endowments** and the linkage to strategic enrolment plans and overall investments in scholarships;
- strategies to **diversify and develop additional new sources of funding** for the University, including our land development plans, expansion of outreach and extended learning options and repositioning of other revenue categories.

All of these interconnected plans and strategies have impacts on University operations and, therefore, finances. The 2005-06 operating, capital and residence system budgets provide the financial framework to further develop and deliver on these plans. Other financial strategies, such as the approved plan to finance the Development campaign, our proposed partnership approach on land development and our efforts to improve the financial outlook for the Academic Pension Plan are also important initiatives that support the overall financial framework within which the operating budget is developed.

### Fiscal Framework

The 2005-06 operating budget reflects an overall increase in operating resources of 3.92%, compared to 9.91% last year and 6.07% in the previous year. The result is that the budget is very tight fiscally which required a great deal of planning focus. This degree of operating discipline was necessary in order to attain the budget parameters that are outlined below and maintain the overall level of basic tuition fee increase of 5.0%. This tightness in the operating budget was necessary in order to support the capital budget requirements including the new proposed infrastructure renewal fee. The budget continues to reflect a fiscally responsible approach by using reasonable and realistic budget assumptions.

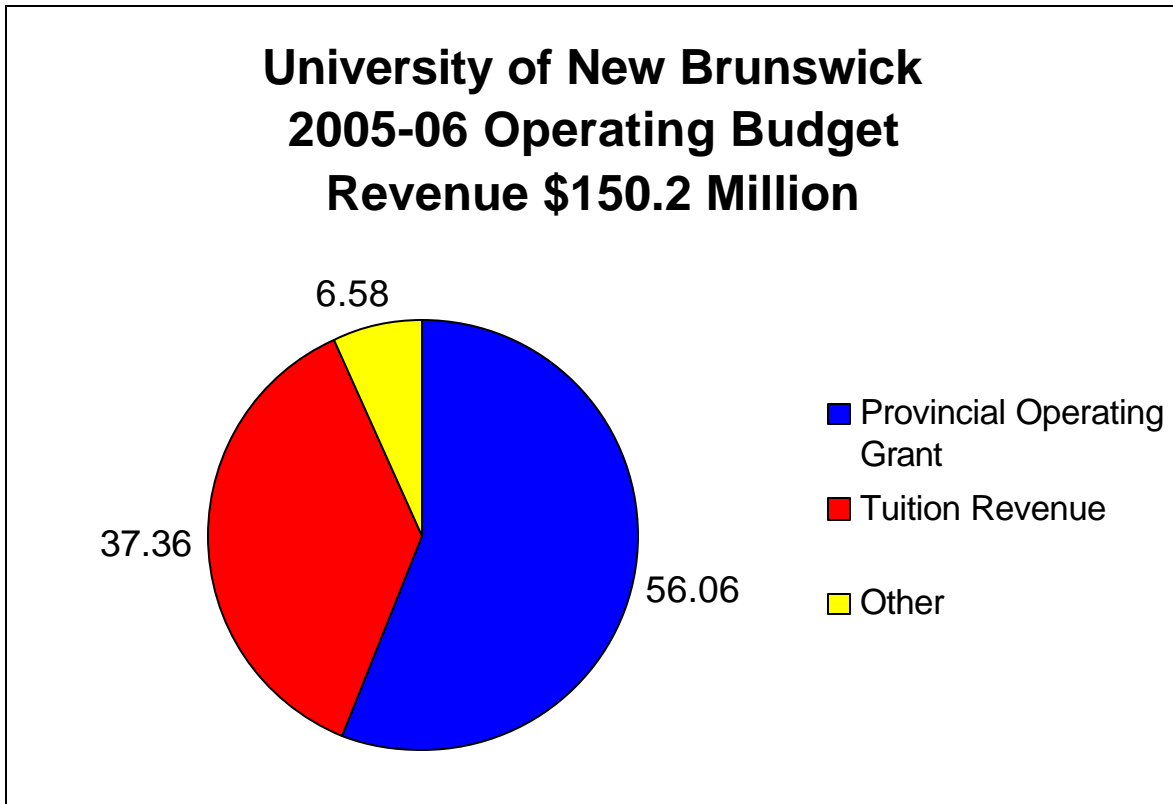
### **Budget Parameters**

The proposed budget reflects the financial parameters that were reviewed with the Finance Committee during bud get planning.

- the overall operating budget is balanced;
- each campus operating budget is balanced;
- levels of financial flexibility in the 2004-05 budget have been sustained in 2005-06
- operating budgets contain new ongoing levels of funding to be transferred to the capital budget for infrastructure renewal.
- Priority allocations have been guided by the broad long-term strategic financial parameters regarding “piece of the pie” budget allocations. Academic and Student Support have grown at a higher rate than baseline forecasts.

## Revenue

Operating revenues are budgeted at \$150.2 million in 2005-06, an increase of 3.92% over the 2004-05 budget. Revenue is comprised of the following sources:



The relative portion of each of these categories over a three-year period is:

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Provincial Operating Grant	60.74%	56.40%	56.06%
Tuition Revenue	35.02%	37.37%	37.36%
Other Income	<u>4.24%</u>	<u>6.23%</u>	<u>6.58%</u>
	<u>100%</u>	<u>100%</u>	<u>100%</u>

The following table illustrates the composition of 2005-06 budgeted revenues in comparison to the 2004-05 budget:

<b>University of New Brunswick Budgeted Operating Revenue (\$000's)</b>				
	<u><b>2004-05 Budget</b></u>	<u><b>2005-06 Budget</b></u>	<u><b>\$ Change</b></u>	<u><b>% Change</b></u>
Provincial Operating Grant	\$81,467.0	\$84,226.0	\$2,759.0	3.39%
Tuition Revenue	53,984.1	56,126.8	2,142.7	3.97%
Other	<u>9,118.1</u>	<u>9,878.9</u>	<u>760.8</u>	<u>8.34%</u>
	<u><u>\$144,569.2</u></u>	<u><u>\$150,231.7</u></u>	<u><u>\$5,662.5</u></u>	<u><u>3.92%</u></u>

Recent comparative figures for changes in revenue categories are:

	<u><b>2003-04</b></u>	<u><b>2004-05</b></u>	<u><b>2005-06</b></u>
Provincial Operating Grant	2.85%	2.06%	3.39%
Tuition Revenue	11.66%	17.28%	3.97%
Other Income	<u>9.90%</u>	<u>61.46%</u>	<u>8.34%</u>
	<u>6.07%</u>	<u>9.91%</u>	<u>3.92%</u>

In 2003-04 and 2004-05 enrolment increases provided additional sources of tuition revenue that were an important component of our overall revenue growth. While enrolments are forecast to be above long-term targets in 2005-06, declines from last year's budget are forecast for the Saint John campus. Other income in 2004-05 reflected Indirect Cost of Research funding.

Over the **last three budget** years, other income has grown by a total of **193.0%**.

An analysis of each major revenue category follows:

### **Provincial Operating Grant**

The Provincial operating grant accounts for approximately 56% of total operating budget funding for the University of New Brunswick.

There are basically two elements that determine the amount of UNB's annual operating grant:

- The level of Provincial grant for the New Brunswick university system
- How much of this system-wide grant is allocated to UNB

### **System-wide Increase**

On March 30, 2005, the government announced a 4.6% increase in the level of the Provincial grant for the New Brunswick university system. The announced increase of 4.6% fulfilled the government's multi-year funding program, announced in December 2002, which provided for a 10% increase over 3 years. The government also announced its intent to fulfill the 4-year funding plan announced in June 2003 by committing to system-wide increases of 3.0% and 3.4% in 2006-07 and 2007-08 respectively.

The following summarizes actual and expected future annual increases under these multi-year funding plans:

	<b>System-wide % Change to N.B. Universities</b>	
	3-Year Plan Announced <u>Dec 2002</u>	4-Year Plan Announced <u>June 2003</u>
2003-04 Actual	3.4%	
2004-05 Actual	2.0%	2.0%
2005-06 Actual	4.6%	4.6%
2006-07 Possible		3.0%
2007-09 Possible		3.4%
	10.0%	13.0%
4-year average	3.3%	3.25%

### **Grant to UNB**

The funding for the New Brunswick universities is allocated amongst the four institutions in accordance with a formula, 75% of the formula is fixed and 25% is variable based on the pro-rata rolling average of students in each institution.

UNB has received pro-forma information from the MPHEC that provides us with data to estimate what UNB's share of the overall grant allocation would be. In addition to this, the level of the grant increase must be adjusted to take into account that in 2004-05 UNB received an advance of .55% towards the 2005-06 grant. After these calculations, a 4.6% system-wide increase would **result in a 3.39% increase in the UNB operating grant.**

In summary:

- The announced **system-wide level of operating grant increase is 4.6%**.
- The estimated allocation to UNB after **reflecting the advance made last year is a budget-to-budget increase of 3.39%**.

**Tuition Revenue**

Tuition revenue is budgeted to increase by \$2.1 million or 3.97% in 2005-06. Proposed tuition fee recommendations, including a basic tuition fee increase of 5.0%, are forecast to grow baseline tuition revenues by approximately 5.27%. A forecasted decline in undergraduate enrolments on the Saint John campus accounts for an overall tuition revenue decrease of 1.3%. Enrolment budgets and tuition fee proposals for 2005-06 follow.

The following table illustrates budgeted enrolments in comparison with actual amounts from previous years.

**Enrolment**

The enrolment budget reflects the strategic enrolment management programs and faculty-by-faculty enrolment targets for each of the Fredericton and Saint John campuses. The University enrolment budget for 2005-06, in comparison to previous years, is outlined in the following table:

<b>University of New Brunswick Student Enrolment (FTE's)</b>							
	<u>Full-time Undergrad.</u>	<u>Part-time Undergrad.</u>	<u>Total Undergrad.</u>	<u>F/T &amp; P/T Graduate</u>	<u>Total</u>	<u>\$ Change</u>	<u>% Change</u>
2001-02 A	8,839	240	9,079	865	9,944		
2002-03 A	9,227	258	9,485	974	10,459	515	5.18
2003-04 A	9,698	231	9,929	1,099	11,028	569	5.44
2004-05 A	9,708	236	9,944	1,161	11,105	77	.70
2005-06 B	9,600	266	9,866	1,161	11,027	<78>	<.70>

*UNB definition of FTE based on December 01 MPHEC counts including Co-op, PEP, excluding Roytech, Sams and Humber*

Over the last three years, undergraduate and graduate enrolments have grown on both campuses. This growth began to slow in 2004-05. Over the longer term, the strategic enrolment plan outlines an outlook for an overall lower level of enrolment at UNB, mainly due to demographics, with a change in the student mix. This mix change includes a strategy for more graduate students and a greater diversification of international students.

The overall budget is for 11,027 FTE Students in 2005-06. This is a decline of 78 students or .70% from the actual enrolment level in 2004-05.

The overall enrolment budget includes approximately 350 FTE students that represent current enrolment levels that are above the long-term enrolment outlook. The additional revenue from enrolment levels above the enrolment corridor level is included in the budget. Funding from this has been restricted to one-time expenditures, mainly infrastructure renewal.

The operating budget includes additional funding to support strategic enrolment plans including additional scholarships, improving the learning environment, strengthening student services and a continuation of focused domestic and international student recruitment activities.

### Tuition Fees

The level of tuition fees is one of the important decisions that the Board of Governors must make as part of the 2005-06 budget. In keeping with the multi-year approach for Provincial operating funding, UNB developed a **3-year strategic framework for tuition fee increases** starting in 2003-04. The intent of the framework was to provide a consistent stable level of **basic tuition fee increases of less than 6.0% per year**, over a 3-year period. This level of tuition fee increase was aligned with the level of Provincial grant increase, the forecasted pattern of expenditures, collective agreement provisions, requirements for priority funding, and strategic enrolment plans.

At the December 2004 Finance Committee meeting, a comprehensive analyses and review of UNB tuition fee levels, policies and approaches was undertaken. This review and further discussions with the Board of Governors, at the special Board Meeting on February 2, 2005, provided input into the 2005-06 budget and, more importantly, set the stage for a new tuition fee framework for UNB in coming years.

The recommended changes to tuition fees for 2005-06 are detailed in Schedule S2. The impact of these changes on overall tuition revenues is budgeted to be 5.27%. The following table summaries the main fee recommendations.

### Summary of UNB Tuition Fee Recommendations

	<b>% Increase 2004-05 <u>Budget</u></b>		<b>% Increase 2005-06 <u>Budget</u></b>
Undergraduate tuition fees	5.75%		5.0%
Graduate Tuition Fees	5.75%		5.0%
International Supplemental Fee			
- undergraduate	9%		11%
- graduate	0%		0%
Faculty of Law Fees	5.75%	base + 1,000 Supplemental total = 23.4%	5.0%

The 2005-06 budget includes a proposal to introduce a new mandatory student supplemental fee of \$175 per year to be used for infrastructure renewal programs. For budgeting purposes, tuition fees provide funding for the operating budget. The \$175 supplemental fee, for infrastructure renewal, will flow directly into the capital budget as it is restricted for that purpose. From a domestic undergraduate or graduate student perspective, the following overall change in costs would result:

University of New Brunswick Overall Combined Impact of 2005-06 Tuition Fee Recommendations			
	<b>\$</b>	<b>\$ <u>Change</u></b>	<b>% <u>Change</u></b>
- Basic Tuition Fee	\$5,008	\$238	5.0%
- New Supplemental Fee for Infrastructure Renewal	175	175	3.66%
	<u>\$5,183</u>	<u>\$413</u>	<u>8.66%</u>

A summary of recent tuition fee changes follows:

**University of New Brunswick  
Tuition Fee Changes 2005-06 and 5 Year History**

	<u>00-01</u>	<u>01-02</u>	<u>02-03</u>	<u>03-04</u>	<u>04-05</u>	<u>05-06</u>
<b>Undergraduate Fees</b>						
\$ change from previous year	205	310	320	245	260	238
% change from previous year	5.98%	8.53%	8.11%	5.75%	5.75%	5.0%
<b>Graduate Tuition Fees</b>						
% change from previous year	5.98%	8.53%	8.11%	5.75%	5.75%	5.0%
<b>Undergraduate International Supplemental Fee</b>						
\$ change from previous year	250	310	780	350	382	420
% change from previous year	9.80%	11.07%	25.08%	9.00%	9.00%	11.0%
<b>Faculty of Law</b>						
\$ change from previous year	705	350	855	307	1,325	348
% change from previous year	20.55%	8.46%	19.06%	5.75%	23.4%	5.0%

The main recommendations are for basic undergraduate and graduate tuition fee increases of 5.0%. Basic tuition fee increases of 5.75% at UNB in 2004-05 were less than the Maritime average increase of 6.4% and higher than the Canadian average of nearly 4%.

There are several factors that will have an impact on the 2005-06 tuition fee environment in Canada:

- The Province of Ontario is in the final year of a two-year tuition fee freeze program which saw basic tuition fees frozen in return for additional Provincial funding. The RAE Report will obviously have a big impact on Ontario universities in the future and, undoubtedly, influence other Provincial policy directions. In a nutshell, the report recommends further funding for higher education and advises that universities should be able to set fees required to ensure quality operations while also providing enhanced programs to support accessibility.
- Basic tuition fee increases at Nova Scotia universities will be restricted to 3.9% for the next three years. In return, universities will be provided with enhanced levels of Provincial grant increases, starting at 5.8% in 2005-06. Schedule 3 has been enclosed which provides a forecast of what Maritime tuition fees could be in 2005-06. The model reflects a 3.9% increase for Nova Scotia universities and includes the same level of increase in 2005-06 as was made in 2004-05 for other Maritime universities. The average increase is forecast to be 4.8% compared to the UNB proposed increase of 5.0%. The overall positioning of UNB tuition fees compared to this group remains essentially in the same relative zone.
- The Province of Alberta recently announced that the Province would cover cost increases at universities so that fees would be frozen in the fall of 2005. At the same time, the Province will be injecting significant new levels of funding into higher education in order to expand capacity and quality.



- It also appears that the Province of Newfoundland is proposing to maintain University tuition fees at current levels and to provide Memorial University with the funding necessary for this to occur.
- The challenge for UNB is how to stay quality competitive with other universities, as they receive additional funding that provides them with enrichment possibilities, while at the same time also staying competitive on tuition fees.

This budget contains other tuition fee recommendations as outlined in Schedule S2. The recommendations include some fees remaining constant, undergraduate international supplemental fees recommended to increase by 11%, and a proposal to implement a new \$175 supplemental fee for infrastructure renewal.

### Undergraduate International Supplemental Fees

Most every university in Canada applies a supplemental tuition fee for International Undergraduate students. Generally, when various arrangements are put in place to restructure the level of basic tuition fee increases, there are not similar restrictions placed on international supplemental fees. In order to accomplish this goal, UNB has been phasing in catch up adjustments to gradually reposition our international fees over time. Each year, the impact of phase in is reviewed in conjunction with market conditions and the potential impacts on enrolment. The proposed increase of 11% in 2005-06 would bring UNB international supplemental fees to 102% of basic tuition fees.

An overview comparison of undergraduate international supplemental fees in 2004-05 follows:

<b>International Supplemental Fee 2004-05</b>		
	<b><u>Fee</u></b>	<b><u>% of Basic Tuition Fee</u></b>
- UNB	\$4,622	96.9%
- Average of Maclean's Comprehensive Group	6,846	161.0%
- Average of Group of 14 National Universities	6,471	152.8%
- Average of Maritime Universities	4,478	84.3%

UNB strategy for international tuition fees is to be positioned competitively regionally and nationally.

### Infrastructure Renewal Fee

The 2005-06 budget includes a proposal to implement a new mandatory supplemental student fee of \$175 per student. The funds derived from this fee, which would be applied in addition to tuition fees, would be placed into a separate fund to be used solely for infrastructure renewal purposes. It is estimated that this new fee would generate an additional \$2 million in annual cash flow for UNB, this would nearly match the level of the annual infrastructure renewal grant that is received from the Provincial Government. As discussed with the Board at the Strategic Board Meeting on February 2, 2005 and further reviewed with the Finance Committee at their March 4, 2005 meeting, this level of cash flow provides the university with a number of new options to address the significant level of

infrastructure renewal that is required at UNB. These options include, financing annual additional projects on a “pay as you go” basis, funding to service debt and thereby front-end load the infrastructure projects, or provide a source of funds to possibly lever with Provincial and/or Federal programs as required. As outlined in the capital budget, the cash flows generated in 2005-06 will be used to finance renewal projects this summer. A longer term strategy for the use of the renewal fee cash flow will be developed as Provincial plans for the recently announced \$20 million university infrastructure fund are clarified.

The context for the level of supplemental student fees at UNB in comparison to other universities is as follows:

	<b>2004-05 Supplemental Student Fees</b>		
	<u>Lowest</u>	<u>Average</u>	<u>Highest</u>
- Maritime universities	\$125	\$427	\$842
- Maclean’s Comprehensive Group	321	579	967
- Group of 14 National universities	321	731	1,116
- UNB Actual \$321			

<b><u>Breakdown of UNB Supplemental Fees</u></b>	
<b>2004-05</b>	
Student Union related fees (Fredericton example)	
- Student Union	\$84
- Brunswickan	10
- CHSR	<u>15</u>
	109
Student Health Insurance	137
Student Union Building Expansion Fee	25
Technology Fee	<u>50</u>
	2004-05 comparable 321
<b>2005-06 Infrastructure Renewal Fee</b>	175
<b>2005-06 Increases in Student Organization Fees</b>	<u>65</u>
	<u>561</u>

(Dalhousie 2004-05 \$506)

### Future Tuition Fee Policies

As discussed at the recent Strategic Board meeting and in more detail with the Finance Committee, UNB will be exploring a new framework for tuition fee policies during the 2005-06 year. Over the last three years, the policies have moved from a “one size fits all” approach to a more customized and strategic approach.

Examples of recent changes at UNB include:

- additional fee approach for the Faculty of Law and for the MBA program
- introduction of a course-based fee structure for graduate students in course-based programs
- movement of the undergraduate international student supplemental fee towards National levels
- a separate international supplemental fee approach for graduate students
- proposed introduction of a new supplemental fee for infrastructure renewal purposes.

National comprehensive universities are tending to more widely employ strategies such as differential tuition fees for various programs, charging tuition on a per course basis. UNB is currently examining what the implications of these options could be on our students, academic programs and degree requirements, administration, university finances and other areas. This review and analysis will be instrumental in shaping the next phase of the evolution of tuition fee policies at UNB.

#### Other Income

The financial framework for the University reflects that additional sources of other income are necessary in order for institutional objectives to be achieved within the existing climate for the Provincial grant, the outlook for enrolment and the competitive positioning of tuition fees.

The budgeted level of other income for 2005-06 is nearly \$9.9 million, which represents a 8.34% increase over 2004-05 budget amounts and an overall 3-year increase of 193%.

The increases in 2005-06 reflects a nearly 50% increase in net contributions from the Fredericton campus College of Extended Learning, now amounts to \$1.7 million. Parking fees have increased by between 16% and 50%, generating an additional \$100,000 in annual revenues to go towards offsetting associated costs. UNB funding from the Federal Indirect Cost of Research program of slightly over \$3.0 million is included in this budget category.

## Operating Expenses

Total University operating expenses are budgeted at \$150.2 million for 2005-06, an increase of \$5.7 million or 3.92% in comparison to the 2004-05 budget.

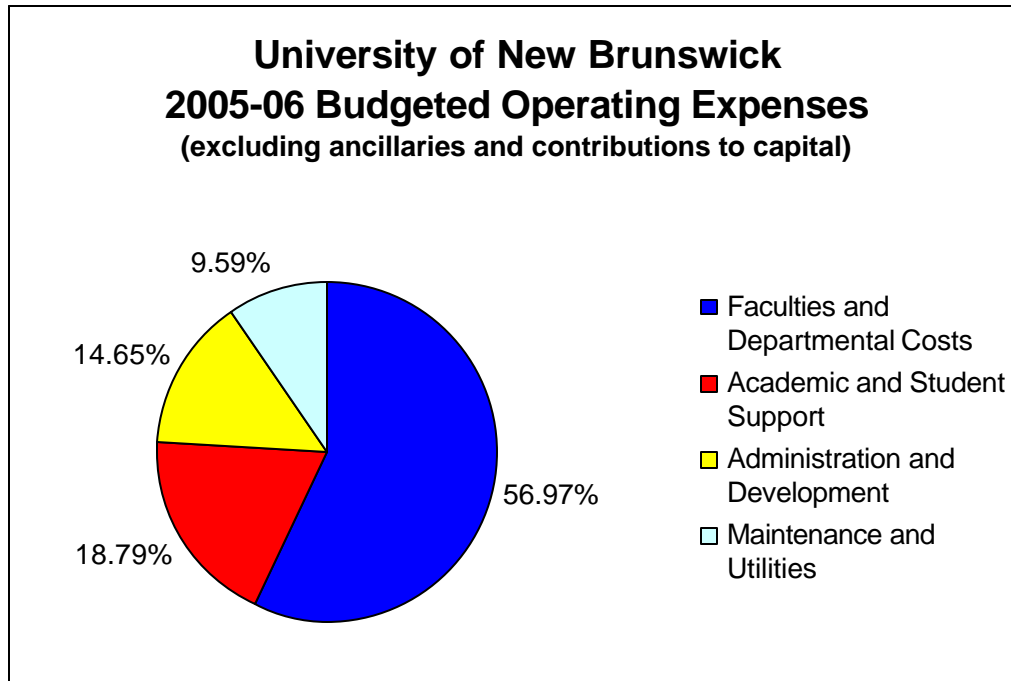
<b>UNB Budgeted % Change in Operating Expenses</b>			
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Total % Change	6.07%	9.91%	3.92%

With many strategic and operational priorities and a great deal of cost pressure in a number of areas, it was a challenge to the campus budget committees to deliver an operating budget that reflected a total budgeted increase of 3.92%. It is estimated that Nova Scotia universities will be working with operating budgets reflecting overall growth of approximately 5%. Therefore, in order to remain competitive and to continue to make progress on important University priorities, resource allocations were focused and strategic.

The following table illustrates the composition of the 2005-06 operating expense budget in comparison to the 2004-05 budget:

<b>University of New Brunswick Budgeted Operating Expenses (\$000's)</b>				
	<b><u>2004-05 Budget</u></b>	<b><u>2005-06 Budget</u></b>	<b><u>\$ Change</u></b>	<b><u>% Change</u></b>
Faculties and Departments	\$81,926.4	\$84,185.2	\$2,258.8	2.76
Academic and Student Support	26,147.4	27,757.8	1,610.4	6.16
Administration and Development	20,730.4	21,648.9	918.5	4.43
Maintenance & Utilities	13,407.9	14,172.3	764.4	5.70
Contributions to Capital Budget	2,001.3	2,075.0	73.7	3.68
Net Ancillary Operations	<u>355.8</u>	<u>392.5</u>	<u>36.7</u>	<u>10.32</u>
<b>Total</b>	<b><u>\$144,569.2</u></b>	<b><u>\$150,231.7</u></b>	<b><u>\$5,662.5</u></b>	<b><u>3.92</u></b>

The four main budget components, expressed in “piece of the pie” format, are as follows:



The following table provides a historical comparison of the envelop allocations in comparison to the proposed 2005-06 amounts:

University of New Brunswick <b>Envelope % of Expenses</b> (excluding ancillaries and contributions to capital)			
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Faculties and Departmental Costs	58.55	57.61	56.97
Academic and Student Support	17.35	18.38	18.79
Administration and Development	14.73	14.58	14.65
Maintenance and Utilities	<u>9.37</u>	<u>9.43</u>	<u>9.59</u>
	<u>100%</u>	<u>100%</u>	<u>100%</u>

Over the past three years, University priorities have included development of a strategic enrolment plan and an improved learning environment and expanding the School of Graduate Studies. Operating budgets have supported these priorities by allocating additional resources to student services, scholarships, graduate student teaching, and research assistantships, as well as additional funding for the libraries. Comparative benchmark statistics provided to the Board in the fall of 2004 also illustrated that additional investments in these areas were required in order for UNB to become more competitive with other National comprehensive universities. These benchmark reports also illustrated that the current allocation of resources to faculties and departments was higher than average. The 2005-06 budget reflects additional investments in the student-related areas, while at the same time, preserving the important position of a strong budget allocation to faculties and departments.

Campus budgets included in this package provide the details of expense priority allocations in the 2005-06 budget. These are consolidated and summarized as follows:

#### Faculties and Department Costs

This envelope represents the teaching and research activities of the University that are supported by the operating budget. Included in the envelope are the salaries and benefits for faculty and support staff and the direct non-salary operating expenses for the faculties and related departments on both the Fredericton and Saint John campuses.

#### Main Budget Inputs

The current **collective agreement with faculty expires in June of 2005**. The 2005-06 budget, therefore, includes assumptions with respect to faculty salaries. The **basic assumption** is that the current **financial arrangements will continue in the new agreement**. The provision for faculty salary increases is an estimate of the amount of semi-annual adjustments to average faculty salaries to be provided on July 01, 2005 and January 01, 2006 in accordance with the current collective agreement. . The actual amount of these adjustments is dependent on what the average level of salary increases are at 13 other specified comprehensive Canadian universities.

Provisions have been made for salary increases for unionized and non-unionized staff. The new collective agreement for unionized staff on the Fredericton campus was a 4-year contract with a total increase of 10% (0% in 2004-05, 4% in 2005-06, 3% in 2006-07 and 3% in 2007-08). The new collective agreement for unionized staff on the Saint John campus was a 4-year contract with a total increase of 10% (2% in 2004-05, 3% in 2005-06, 3% in 2006-07 and 2% in 2007-08). The budget provides for a consistent level of salary increase for non-unionized staff on each campus of 2.5% per year.

Basic statutory and non-statutory benefits, health, life and LTD, are budgeted to increase by 5.0%. Most non-statutory benefits are primarily self-insured, therefore, the actual costs will depend on the experience of the group and the costs of claims.

The budget also provides for a 5.0% increase in overall funding for the University's portion (50%) of the cost of funding the Academic Pension Plan. This increase essentially provides for the costs associated with salary increases and the raising of the Canadian Revenue Agency overall pension eligibility limits. The next actuarial valuation that must be filed for the Plan is July of 2005. Funding implications associated with the valuation would be effective July 2006. As communicated earlier to the Board, an interim valuation of the Plan was prepared as of July 01, 2004. This valuation disclosed that, after making the agreed upon changes to reduce the future level of indexing in the Plan, there is a going concern deficit of \$32.8 million. The current high pension contribution rates of 10.15% of pensionable earnings for each party that are included in the budget would be sufficient to fund this deficit but over a very long period of 15 years. The 2004 valuation also disclosed a solvency deficit of \$19.9 million. The parties to the Plan are currently working together to make the case that a fixed contribution plan, like UNB, does not need to fund a solvency deficit. Should the solvency deficit be required to be funded, it would result in an additional annual contribution of approximately \$1,000,000 per year for the University and the members of the Plan, starting in July of 2006.

### Campus Priorities

#### Fredericton

The Fredericton campus followed a process of budget reallocation in order to provide funding necessary to achieve progress on priorities outlined in the Faculty Academic plans. The priorities are listed in the campus budget and are summarized as:

- attracting and retaining National caliber faculty within an overall stable complement plan;
- reallocation of faculty positions in order to accommodate additional faculty in areas of sustained enrolment growth, Kinesiology, Arts and Administration;
- new programs to allow for the bridging of new faculty before expected retirements, to permit early establishment of the Chair in Nanobiotechnology in Engineering, and the introduction of a spousal hiring program;
- support for innovative curriculum projects for Renaissance College, College of Extended Learning, Education, Forestry and Environmental Management, Science and Kinesiology;
- support for CRC positions;
- support for international program development and international standards accreditation.

## Saint John

The campus continues to make progress on developing academic plans and priorities. The budget reflects a cautious approach ensuring that financial flexibility is retained until planning has clarified sustainable priorities.

New recurring budget allocations have been made to strengthen non-salary operating budgets, provide additional technical support and support research activities. Term positions are included for Economics, and Applied Science.

### Academic and Student Support

This budget envelope contains costs associated with student services, operating budget contributions to scholarships, graduate and undergraduate student teaching assistantships, graduate research assistantships, library operations and other academic support activities. Provisions for salaries and benefits have been made in this envelope in accordance with the staff figures outlined earlier in the budget.

Campus strategic and operational priorities include:

- improving the overall level and quality of student services
- supporting strategic enrolment plans through expanding scholarship programs
- growth in the School of Graduate Studies and providing additional levels of support to graduate students
- sustaining and improving library offerings

The forecasted baseline increase for this budget envelope was 3.5%, the proposed budget allocation after reflecting budget priority allocations is 6.16%.

Baseline budgets include the budgeted increases for staff salary and benefit increases noted earlier in the budget. Strategic priority allocations included the following:

#### Fredericton Campus priorities:

Over \$1 million in new funding allocations have been made to this envelope including:

- Undergraduate Scholarships and financial assistance	\$450,000
- Graduate Student Teaching and Research Assistantships	244,000
- Support to Universal Bus Pass Project	144,000
- Classroom Technical and Materials Support	123,000
- Library Acquisitions and Services	77,000
- School of Graduate Studies	65,000
- Student Disabilities Services and Support	63,000
- Other Student Related Services	40,000
	<hr/>
	\$1,205,000
	<hr/>



Saint John Campus priorities:

<u>New investments (recurring)</u>	
-Library acquisitions	\$100,000
-Campus health clinic non-salary	10,000
-Athletics program coaching and admin support	35,000
-Student scholarship funding	150,000
	<hr/>
TOTAL	<u>\$295,000</u>

Administration and Development

This budget contains the operating budget for overall University oversight, strategic and operating planning through the President, Vice-President (Fredericton) and Vice-President (Finance and Corporate Services), as well as centralized Human Resources, Information Technology, Financial Services, Campus Property Planning activities. The budget envelope also includes funds for development and relationship activities of the University including the operating expenses associated with the Development Office, Alumni Affairs, and Marketing. The costs associated with *Forging our Futures Campaign* are not included in this budget as a separate financing plan for this was approved by the Board.

Priorities for this include:

- ensuring that the University has appropriate strategical, operational, planning and administration to ensure effective and efficient utilization of resources and attainment of University goals and priorities;
- fostering strong relationships with our stakeholders and communities including our marketing programs;
- creating value with reliable information technology support and strategic IT leadership.

The budget includes strategic one-time investments in various initiatives that are in detailed in campus budgets including:

- student registration and information system review;
- IT business continuity plan development;
- establishment of disabilities framework
- continuation of marketing efforts similar to “Making a Significant Difference”

The budget includes provisions for staff salary and benefit cost increases as outlined earlier in the budget.

The budget also reflects an additional \$100,000, or 29%, increase in costs for insurance as the insurance market continues to experience immense cost pressure.

Legal costs have been adjusted by \$38,000, or 28%, to reflect actual utilization patterns that have developed over the last few years as a result of increasing property activity, human resource issues, including Pension, and more complex student matters.

### Maintenance and Utilities

This budget envelope contains costs of heat, electricity, water, cleaning and operations maintenance for academic, research and support buildings of the University.

- the budget for this envelope is shaped by the priority of improving the learning environment. The implications are that operational maintenance budgets on the Fredericton campus have been funded to ensure that existing maintenance and cleaning standards are sustained. While these standards are on the lower end of the scale, it was deemed important to at least maintain these standards in order to provide integration and support to the infrastructure renewal program. Standards were raised significantly on the Saint John campus last year. The budget sustains this new level.
- this budget envelope has faced significant cost pressure on the utilities component. For the 12 months ended December 31, 2004, CPI for energy costs rose by 8.1%. Utilities account for over 40% of this budget envelope. A budget provision for a 3% increase in electricity has been made as well as provisions to reflect the current level of world oil prices as energy retrofit and management programs continue to be in force and are sheltering this budget from the full impact of price increases and increases in utilization, mainly driven by a broader research agenda.

Staff salary and benefit amounts have been adjusted by provisions as outlined earlier in the budget.

### Contributions to Capital

As part of the overall infrastructure renewal strategy, it was determined that priority operating budget allocations to the capital budget were needed for infrastructure renewal purposes. There are two types of budget transfers:

- operating funds that have been earmarked to transfer to capital on an ongoing basis;
- operating funds that have been earmarked to transfer to capital on an as available basis. These funds mainly stem from revenue derived from current enrolment levels being above long-term enrolment forecasts. The proposed new infrastructure renewal student fee is intended to provide a continuing source of funds to replace this cash flow on a longer-term basis:

<b>University of New Brunswick Schedule of Transfers Capital Budget \$(000's)</b>		
	<b><u>2004-05</u></b>	<b><u>2005-06</u></b>
Fredericton Campus		
- continuing	\$0	\$250.0
- from enrolment corridor	324.5	625.0
	<u>324.5</u>	<u>895.0</u>
Saint John Campus		
- continuing	\$0	\$0
- from enrolment corridor	1,676.8	1,200.0
	<u>1,676.8</u>	<u>1,200.0</u>
Total	<u><u>\$2,001.3</u></u>	<u><u>\$2,200.0</u></u>

The reduction in transfers from the Saint John campus relates to a forecasted decline in the number of students above the long-term enrolment target.

#### Net Ancillary Operations

As outlined in the detailed campus budgets, most ancillary operations generate sufficient revenues to offset operating expenses and provide a contribution to the University budget. The exceptions to this are the Aitken University Centre on the Fredericton campus, the Residence System on the Saint John campus and the new downtown property recently received on the Saint John campus. These operations reflect strategic decisions to proceed with property-related activities that provide a value add to each campus and, therefore, requires operating budget support.

<b>University of New Brunswick Net Cost of Ancillary Operations 2005-06 Budget \$(000's)</b>	
	<b><u>2005-06 Budget</u></b>
- Aitken University Centre	\$225.0
- Saint John Residence	100.0
- New Property Downtown Saint John	50.0
- Other	17.5
	<u>17.5</u>
	<u><u>\$392.5</u></u>

**UNIVERSITY OF NEW BRUNSWICK  
CONSOLIDATED  
2005-2006 OPERATING BUDGET  
\$ (000)**

	<b>Approved 2004-2005 Budget (restated)</b>	<b>Proposed 2005-2006 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Revenue</b>				
Provincial Operating Grant	\$81,467.0	\$84,226.0	\$2,759.0	3.39%
Tuition Revenue	53,984.1	56,126.8	2,142.7	3.97%
Other Revenue	9,118.1	9,878.9	760.8	8.34%
<b>Total Revenue</b>	<u>\$144,569.2</u>	<u>\$150,231.7</u>	<u>\$5,662.5</u>	<u>3.92%</u>
<b>Expense</b>				
<b>Academic and Research</b>				
Faculties and Departmental Costs	81,926.4	84,185.2	2,258.8	2.76%
Academic and Student Support	26,147.4	27,757.8	1,610.4	6.16%
<b>Total Academic and Research</b>	<u>108,073.8</u>	<u>111,943.0</u>	<u>3,869.2</u>	<u>3.58%</u>
<b>Administration and Support Services</b>				
Administration & Development	20,730.4	21,648.9	918.5	4.43%
Maintenance & Utilities	13,407.9	14,172.3	764.4	5.70%
<b>Total Administration and Support Services</b>	<u>34,138.3</u>	<u>35,821.2</u>	<u>1,682.9</u>	<u>4.93%</u>
<b>Total Operating Expense</b>	<u>142,212.1</u>	<u>147,764.2</u>	<u>5,552.1</u>	<u>3.90%</u>
<b>Contribution to Capital</b>	2,001.3	2,075.0	73.7	3.68%
<b>Net Ancillary Operations</b>	355.8	392.5	36.7	10.32%
<b>Sub-Total</b>	<u>2,357.1</u>	<u>2,467.5</u>	<u>110.4</u>	<u>4.68%</u>
<b>Total Expenses</b>	\$144,569.2	\$150,231.7	\$5,662.5	3.92%
<b>Net Position</b>	<u>(\$0.0)</u>	<u>\$0.0</u>	<u>\$0.0</u>	

# **University of New Brunswick**

## **2005-06 Operating Budget**

### **Schedules**

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UNIVERSITY OF NEW BRUNSWICK  
Provincial Government Grants

Schedule 1

	Actual 2004-05	Budget 2005-06	Change	
			\$	%
<b>UNIVERSITY TOTALS</b>				
Unrestricted Operating Grant				
Formula Grant	\$ 80,001,812	\$ 82,692,313	\$ 2,690,501	3.36%
Fiscal transfer for STU (1)	1,465,180	1,532,578	67,398	4.60%
Total	81,466,992	84,224,891	2,757,899	3.39%
Restricted Capital				
Non-space	1,779,259	1,861,105	81,846	4.60%
Alteration & Renovation	2,004,703	2,096,919	92,216	4.60%
Total	3,783,962	3,958,024	174,062	4.60%
<b>Total Grants</b>	<b>\$ 85,250,954</b>	<b>\$ 88,182,915</b>	<b>\$ 2,931,961</b>	<b>3.44%</b>
<b>FREDERICTON CAMPUS</b>				
Unrestricted Operating Grant				
Formula Grant	\$ 67,406,829	\$ 69,674,478	\$ 2,267,649	3.36%
Fiscal transfer for STU (1)	1,465,180	1,532,578	67,398	4.60%
Total	68,872,009	71,207,056	2,335,047	3.39%
Restricted Capital				
Non-space	1,522,026	1,592,039	70,013	4.60%
Alteration & Renovation	1,746,682	1,827,029	80,347	4.60%
Total	3,268,708	3,419,068	150,360	4.60%
<b>Total Grants</b>	<b>\$ 72,140,717</b>	<b>\$ 74,626,124</b>	<b>\$ 2,485,407</b>	<b>3.45%</b>
<b>SAINT JOHN CAMPUS (2)</b>				
Unrestricted Operating Grant				
Formula Grant	\$ 12,594,983	\$ 13,017,835	\$ 422,852	3.36%
Restricted Capital				
Non-space	257,233	269,066	11,833	4.60%
Alteration & Renovation	258,021	269,890	11,869	4.60%
Total	515,254	538,956	23,702	4.60%
<b>Total Grants</b>	<b>\$ 13,110,237</b>	<b>\$ 13,556,791</b>	<b>\$ 446,554</b>	<b>3.41%</b>

Notes

- (1) The Fiscal Transfer represents the amount allotted to UNB from the MPHEC in recognition of the joint services that are provided by the Fredericton campus of UNB that also serve St. Thomas University (these include student services, medical centre, and primarily Library services). The arrangements are currently under review by UNB and STU officials.
- (2) The Provincial operating and capital grants are provided to UNB in total. Intercampus allocations reflect Board policy. The application of this policy results in an allocation that would result if the Provincial approach to allocations between Universities was also applied towards the UNB campuses.

# Tuition Fees

## Maritime Universities

Schedule 3

	Actual			Pro-forma		
	Tuition Fees	Rank	% Change 2003-04 2004-05	Tuition Fees	Rank	% Change 04-05 to 05-06
Acadia	7,468	1	6.5	7,756	1	3.9%
Mount Allison	5,810	2	8.4	6,298	2	8.4%
Saint Francis Xavier	5,750	3	8.3	5,974	3	3.9%
University of King's College	5,610	4	7.5	5,829	4	3.9%
Dalhousie University	5,610	5	7.5	5,829	5	3.9%
College of Cape Breton	5,260	6	4.8	5,465	6	3.9%
Université Sainte-Anne	5,250	7	5.5	5,454	7	3.9%
Saint Mary's	5,170	8	4.6	5,372	8	3.9%
Group Average	5,210		6.4	5,458		4.6%
Mount Saint Vincent	5,140	9	6.0	5,340	9	3.9%
N. S. Agricultural College	5,100	10	8.5	5,300	10	3.9%
N.S. College of Art & Design	5,096	11	4.0	5,295	11	3.9%
Atlantic School of Theology	4,840	12	10.0	5,028	12	3.9%
<b>UNB</b>	<b>4,770</b>	<b>13</b>	5.8	<b>5,008</b>	<b>13</b>	5.0%
Université de Moncton	4,365	14	5.8	4,618	14	5.8%
UPEI	4,350	15	6.1	4,615	15	6.1%
Saint Thomas	3,915	16	6.0	4,150	16	6.0%

SOURCE: Association of Atlantic Universities  
Based on Arts Program

•Nova Scotia universities' fee increases are governed by an MOU with the Province  
Other universities' fee increases are assumed to equal 2004-05 % change

**TABLE 1**  
**CANADIAN VERSUS FOREIGN UNDERGRADUATE TUITION FEES**  
**2004-2005 (actual)**

Maritime Universities	Canadian		International Student Differential				International	
	Lower \$	Upper \$	Lower \$	Upper \$	Lower %	Upper %	Lower \$	Upper \$
<b>UNB</b>	<b>4,770</b>		<b>4,622</b>		<b>96.9%</b>		<b>9,392</b>	
PEI	4,350		3,610		83.0%		7,960	
Acadia	7,468		5,824		78.0%		13,292	
Cape Breton	5,260		3,900		74.1%		9,160	
Dalhousie	5,610	6,360	4,830	4,830	86.1%	75.9%	10,440	11,190
King's College	5,600		4,500		80.4%		10,100	
Mount Saint Vincent	5,140		4,740		92.2%		9,880	
NSAC	5,100		5,100		100.0%		10,200	
NSCAD	5,096		6,136		120.4%		11,232	
Sainte-Anne	5,250		2,000		38.1%		7,250	
SFX	5,750		3,900		67.8%		9,650	
Saint Mary's	5,470		5,170		94.5%		10,640	
Moncton	4,365		3,108		71.2%		7,473	
Mount Allison	5,810		5,810		100.0%		11,620	
STU	3,915		3,915		100.0%		7,830	
<b>AVERAGE</b>	<b>5,314</b>		<b>4,478</b>		<b>84.3%</b>		<b>9,791</b>	
<b>Comprehensive Universities</b>								
<b>UNB</b>	<b>4,770</b>		<b>4,622</b>		<b>96.9%</b>		<b>9,392</b>	
Memorial	2,550		5,430		212.9%		7,980	
Concordia	1,668	4,401	8,100	6,477	485.6%	147.2%	9,768	10,878
Carleton	4,152	4,826	6,766	7,311	163.0%	151.5%	10,918	12,137
Guelph	4,184		5,172		123.6%		9,356	
Waterloo	4,262	5,180	11,064	11,064	259.6%	213.6%	15,326	16,244
Windsor	4,084		5,862		143.5%		9,946	
York	4,184		7,038		168.2%		11,222	
Regina	4,075		4,076		100.0%		8,151	
SFU	4,269		10,002		234.3%		14,271	
Victoria	4,239		8,256		194.8%		12,495	
<b>AVERAGE</b>	<b>4,251</b>		<b>6,846</b>		<b>161.0%</b>		<b>11,097</b>	
<b>Group of "14" Universities</b>								
<b>UNB</b>	<b>4,770</b>		<b>4,622</b>		<b>96.9%</b>		<b>9,392</b>	
Memorial	2,550		5,430		212.9%		7,980	
Dalhousie	5,610	6,360	4,830	4,830	86.1%	75.9%	10,440	11,190
Carleton	4,152	4,826	6,766	7,311	163.0%	151.5%	10,918	12,137
McMaster	4,133		6,817	8,317	164.9%	201.2%	10,950	12,450
Ottawa	4,163		7,587		182.2%		11,750	
Queen's	4,193		10,307		245.8%		14,500	
Windsor	4,084		5,862		143.5%		9,946	
York	4,184		7,038		168.2%		11,222	
Manitoba	2,700		3,000		111.1%		5,700	
Regina	4,075		4,076		100.0%		8,151	
Saskatchewan	4,416		7,066		160.0%		11,482	
Calgary	4,590		6,885		150.0%		11,475	
Victoria	4,239		8,256		194.8%		12,495	
<b>AVERAGE</b>	<b>4,235</b>		<b>6,471</b>		<b>152.8%</b>		<b>10,705</b>	

Note 1: Tuition fees are for Arts, except for NSAC which is for Engineering.

Note 2: In cases where there are both lower and upper figures, the upper figures have been used for computing averages.

Source: Statistics Canada, Tuition Fees 2004-05

OIRA: tuition fees\AP\_SC2004\_05TuitionTables1-12v2.xls



**Canadian Average  
Undergraduate Tuition Fees**

	<b>Current \$</b>				<b>% Change</b>
	<b>1990/91</b>	<b>1999/00</b>	<b>2003/04</b>	<b>2004/05</b>	<b>90-91 – 04/05</b>
Canada	1,464	3,328	4,018	4,172	185.0
Nfld/Labrador	1,344	3,373	2,606	2,606	93.9
PEI	1,874	3,499	4,133	4,374	133.4
Nova Scotia	1,941	4,262	5,556	5,984	208.3
New Brunswick	1,925	3,350	4,457	4,719	145.2
Quebec	904	1,183	1,865	1,890	108.9
Ontario	1,680	4,084	4,911	4,960	195.2
Manitoba	1,512	3,488	3,155	3,160	109.0
Saskatchewan	1,545	3,367	4,644	4,894	216.8
Alberta	1,286	3,723	4,511	4,804	273.4
British Columbia	1,808	2,568	4,098	4,735	161.9

Source: The Globe & Mail (Statistics Canada)

**BUDGETED FTE POSITIONS 1998-99 TO 2005-06**

Year	Academic Faculties and Departments								Support Service Departments and Ancillary Enterprises						
	Academic Staffing					Support Staff			Total FTE Positions (including Support Staff)	Support			Ancillary Enterprises		Physical Plant Chargeback Projects
	Tenured/Continuing	Term	Sub-total	Budgeted Stipends	Total FTE Academic	Secretarial	Technical	Support		Services	Cleaning	Sub-Total	Enterprises	Total	
	Appts.	Appts.		(FTE)	Staffing	Positions	Positions								
<b><u>Total University</u></b>															
1998-99	553.64	23.33	576.97	77.00	653.97	111.25	85.78	851.00	568.87	70.08	638.95	70.09	709.04	7.00	
1999-2000	534.26	23.92	558.18	92.08	650.26	111.25	85.16	846.67	575.53	67.58	643.11	70.32	713.43	7.00	
2000-01	569.44	20.04	589.48	73.04	662.52	111.83	88.26	862.61	589.03	67.58	656.61	69.74	726.35	10.00	
2001-02	573.58	20.97	594.55	79.58	674.13	112.83	93.34	880.30	602.35	67.58	669.93	69.47	739.40	12.00	
2002-03	586.12	18.98	605.10	64.20	669.30	112.60	92.62	874.52	595.41	70.58	665.99	69.32	735.31	12.00	
2003-04	597.12	25.13	622.25	69.67	691.92	115.90	92.12	899.94	602.35	70.58	672.93	70.32	743.25	12.00	
2004-05	612.48	25.63	638.11	71.16	709.27	115.65	95.87	920.79	609.60	70.58	680.18	71.32	751.50	12.00	
2005-06	613.48	28.85	642.33	58.46	700.79	115.15	94.58	910.52	622.45	70.58	693.03	70.32	763.35	12.00	
<b><u>Fredericton Campus</u></b>															
1998-99	437.50	21.50	459.00	48.33	507.33	97.00	73.70	678.03	504.09	56.20	560.29	62.92	623.21	7.00	
1999-2000	415.50	20.50	436.00	61.13	497.13	97.00	72.70	666.83	509.82	53.70	563.52	63.32	626.84	7.00	
2000-01	448.00	14.75	462.75	43.62	506.37	97.60	75.87	679.84	517.46	53.70	571.16	62.32	633.48	10.00	
2001-02	447.16	15.00	462.16	44.50	506.66	97.60	78.12	682.38	520.73	53.70	574.43	61.32	635.75	12.00	
2002-03	457.49	11.00	468.49	33.00	501.49	96.60	77.12	675.21	510.73	56.70	567.43	62.32	629.75	12.00	
2003-04	467.49	13.00	480.49	31.00	511.49	97.90	77.12	686.51	514.17	56.70	570.87	63.32	634.19	12.00	
2004-05	477.70	10.40	488.10	31.00	519.10	97.65	78.37	695.12	516.67	56.70	573.37	63.32	636.69	12.00	
2005-06	478.70	12.40	491.10	17.50	508.60	96.65	74.42*	679.67	525.62*	56.70	582.32	62.32*	644.64	12.00	
<b><u>Saint John Campus</u></b>															
1998-99	116.14	1.83	117.97	28.67	146.64	14.25	12.08	172.97	64.78	13.88	78.66	7.17	85.83	N/A	
1999-2000	118.76	3.42	122.18	30.95	153.13	14.25	12.46	179.84	65.71	13.88	79.59	7.00	86.59	N/A	
2000-01	121.44	5.29	126.73	29.42	156.15	14.23	12.39	182.77	71.57	13.88	85.45	7.42	92.87	N/A	
2001-02	126.42	5.97	132.39	35.08	167.47	15.23	15.22	197.92	81.62	13.88	95.50	8.15	103.65	N/A	
2002-03	128.63	7.98	136.61	31.20	167.81	16.00	15.50	199.31	84.68	13.88	98.56	7.00	105.56	N/A	
2003-04	129.63	12.13	141.76	38.67	180.43	18.00	15.00	213.43	88.18	13.88	102.06	7.00	109.06	N/A	
2004-05	134.78	15.23	150.01	40.16	190.17	18.00	17.50	225.67	92.93	13.88	106.81	8.00	114.81	N/A	
2005-06	134.78	16.45	151.23	40.96	192.19	18.50	19.50	230.19	96.83	13.88	110.71	8.00	118.71	N/A	

\* Includes Kinesiology reorganization; 3.95 FTE from Faculty to Support Services; and 1.0 FTE from Ancillary to Support Services

## University of New Brunswick

**Parking Pass Fees**

	<b><u>2004-05</u></b>	<b><u>Proposed 2005-06</u></b>
<u>Fredericton Campus</u>		
12 month	\$125	\$180
8 month faculty/staff	90	120
8 month student	60	70
4 month faculty/staff	60	82
4 month student	40	50
	\$ from fees	\$ from fees
	\$234,000	\$320,000

	<b><u>2004-05</u></b>	<b><u>Proposed 2005-06</u></b>
<u>Saint John Campus</u>		
12 month	\$95	\$130
8 month faculty/staff	60	90
8 month student	60	70
4 month faculty/staff	40	60
4 month student	40	50
	\$ from fees	\$ from fees
	\$105,000	\$135,000
Total	<u>\$339,000</u>	<u>\$455,000</u>

University of New Brunswick

**Overview of  
Planning Framework and Priorities that  
Inform the 2005-06 Fredericton Campus Budget**

The future success of the UNB Fredericton Campus is grounded in its ability to align resource investments with strategic priorities as set out in the mission and vision statements of the University, as well as the “President’s Perspectives”. The 2005-06 Integrated Operating Plan and Budget continues the approach to prudent fiscal management while focusing on achieving measurable outcomes linked to our mission.

Every operating budget presents challenges to the Budget Management Committee (BMC) and the 2005-2006 budget is no different. One of the greatest challenges impacting the budget this year was the need to pay the Provincial government back the advance of grant funding which was an integral part of last year’s 2004-2005 budget. A second significant challenge was the need to balance overall enrollment projections and tuition rates against a) our students’ capacity to pay (or greatly expand student debt), and b) competition in domestic and international student markets. The increasing pressure for UNBF to increase revenues from student enrollments, yet remain nationally competitive, is more critical than ever as recent activities by provincial governments in Newfoundland, Nova Scotia and Ontario (our larger domestic competitive markets) encourage students to ‘stay at home’. A third significant challenge was that preliminary planning indicated that increases in UNBF’s ongoing expenses would exceed new revenue. The Budget Management Committee had to find a balance between the funding of existing expenses and the investment in new strategic priorities. In order to meet these fiscal challenges all departments (academic and non-academic) and Faculties were required to reevaluate current and potential future activities in consideration of an “initial budget adjustment” process. This balancing strategy will potentially aid UNBF to develop thoughtful and manageable strategies to reduce costs in the future, preserve the level and quality of the learning environment, and attempt to grow new sources of revenue.

While our investments in new strategic areas were modest, UNBF is optimistic about the opportunities that they will garner for the Fredericton Campus. Enhanced support for academic & student support services including scholarships and financial assistance are particularly relevant for student recruitment and retention.

UNBF’s greatest asset is the community of faculty and staff who live the mission of the University and who work untiringly day after day. In addition to nationally competitive salaries and benefits, the 2005-06 operating budget invests in programs that build our community through recognition, education and professional development opportunities, and by fostering learning, creativity and innovation in a safe and modernized social and physical environment.

The 2005-06 Integrated Operating Plan and Budget continues the transition to a decentralized planning and budgeting system. This change of direction is aimed at enabling our academic and support units to integrate resources in support of priorities in education, scholarship and service. The BMC also identified the need to integrate our annual planning and budgeting throughout a renewal of its annual planning cycle, with a stronger focus on multi-year plan and budget considerations.

An overview of the priorities for the campus follows:

## Faculties and Departments

### ***Retaining and Renewing Faculty and Staff***

Perhaps the single most important factor to ensure that UNBF is able to compete for faculty, staff, students and research grants at a level appropriate for a national, comprehensive university is the ability to retain and renew outstanding faculty and staff. Although the challenges regarding faculty/staff retention and renewal are many and diverse, a number of possible solutions are common. The importance of negotiated compensation levels in these activities cannot be underscored, but meaningful application of the market-based salary adjustments, credit for prior years of experience and the president's discretionary fund are also essential elements in supporting faculty/staff complement. The necessity of ensuring funds are allocated to these programs so that UNBF can meet the challenge of complement renewal has never been greater than now, as the mandatory retirement rate for faculty approaches 2.5x the normal levels starting in 2007 and continuing until 2023.

## Academic and Student Support

### ***Promoting a Stimulating Learning Environment and Culture for All Learners***

The University of New Brunswick in Fredericton is justly known for its wide-ranging, high-quality undergraduate and graduate programs. During the past few years, creativity, change and a quest for new ways of pursuing our core objectives in education and learning have characterized our collective thinking. As a result new courses, certificates, minors and degree programs have been introduced at the undergraduate and graduate level. During this period the increasing workloads, and higher expectations in teaching, research and community service within a constrained resource environment, have made it necessary to examine a unit's available resources. The Enrolment-based Teaching Fund process provides an ongoing selective budgetary mechanism reflecting the principle area of teaching where resources flow directly to Faculties.

It is also important to recognize that UNBF must commit to promote centralized programs in support of our learning environment. Funds from the Quality Improvement Plan (Academic and Academic Service Priority Funds) were directed at promoting the learning environment with some of the more notable items including; scholarship funds, ensuring a strong library with relevant programs and materials; providing opportunities for instructors and graduate students to develop strong teaching skills; supporting students with disabilities to succeed in their university experiences; helping students with career choices; and encouraging international students to attend UNBF and feel welcome. Although a large part of student recruitment activities should continue to be aimed at attracting outstanding students from across New Brunswick, UNBF must pay particular attention to retaining undergraduate and graduate students from other parts of Canada and the world. Financial assistance and expanded student career and employment services will promote this objective for 2005-06.

Accommodation for students and Residence Life student support services play an important role in the learning environment and ability of UNBF to attract qualified students. Living in residence can be an integral part of a student's educational program and experiences. Demand for our residences has remained strong with increased demand for choice in our residence and food offerings. Planning is currently underway to move forward with a proposal to build a residence which will open in 2006 or 2007.

## ***Expanding Research and Scholarly Activity***

It is essential to UNBF's aspirations as a major national and international university to demonstrate a significant profile in innovative research in its broadest definition. Although comparability of specific data among universities is difficult to ascertain, many indicators suggest that UNBF is for the most part keeping pace in attracting substantial external research funding, and in some instances surpassing national trends. UNBF is fortunate to have outstanding scholars in many disciplines involved in individual investigator driven scholarly activity and research. A critical ingredient for a national, comprehensive university and the ability to attract highly qualified students, staff and faculty. The presence of our Centres and Institutes add immensely to the potential for success at peer reviewed national agency grants, private industry partners, and cross-disciplinary collaborations.

### Administration and Support

#### ***Ensuring Infrastructure Supports***

Historically the proportion of the operating budget allocated to expenditures for academic and student support services (including scholarships), physical plant and academic equipment renewal have been low. When reviewed in the context of our national/international competition it was concluded that the continuation of this trend could compromise the future of scholarly activity at UNBF. In addition to supporting the learning environment, many other priorities related to the provision of a safe and positive environment were addressed in the 2005-06 operating budget. Examples are staff support for UNBF's Security and Traffic Department and new funds in support of employee equity and disability services for Human Resources and Organizational Development. Integrated Technology Services (ITS) remains a priority and in 2005-06 operating budget support for longer-term integrated continuity planning, website review and service enhancements, particularly through our DATATEL system were identified as fundamental needs going forward.

The University has accumulated a need for capital renewal (or deferred maintenance) that exceeds \$100 million. Resources from the 2005-06 operating budget were directed to essential infrastructure support, in order that the campus address the risk regarding its ability to offer continuity for certain programs and immediate risks which could potentially endanger students, faculty and staff. Continuation of a multi-year university and campus strategy that oversees a portion of operating budget resources directed to maintenance, renewal and adaptation of its infrastructure and Physical Plant is fundamental to ensuring UNBF remains a destination for students/learners.

#### **Looking Forward to 2006-2007- Effective Planning Processes**

The cost structure and experience of UNBF dictate the need for a) expanded revenue sources and b) policies and strategies to better control and manage operating costs. A broad range of strategies and activities must be examined in both areas if UNBF is to meet and overcome any fiscal challenges successfully in the future.

Effective, selective investment, whether through reallocation of resources among academic units and programs or through workload adjustments for individual members of faculty, cannot be achieved without systematic, equitable, and meaningful planning parameters. UNBF currently enjoys the support of the Budget Management Committee, the Dean's Council, and the Directors Plus Group in its review of UNBF's integrated planning and budgeting process as well as an agreement to work together to develop the policy and procedures necessary as UNBF continues its transition to a de-centralized, responsibility-based planning and budgeting system.

**University of New Brunswick**

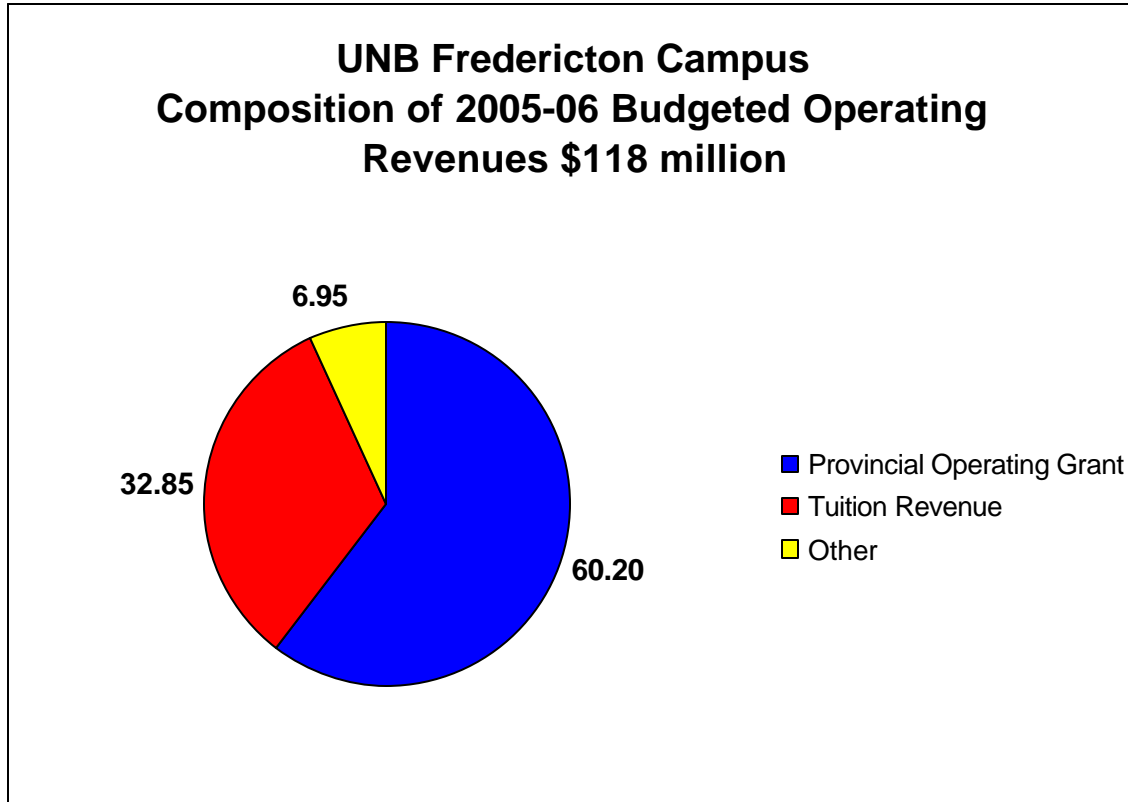
**Fredericton Campus  
2005-06 Operating Budget**



**University of New Brunswick  
Fredericton Campus  
2005-06 Operating Budget**

**REVENUE**

Overall operating revenues are budgeted at \$118.3 million, a 4.24% increase over the 2004-05 budget. Revenue is comprised of the following sources.



The relative portion of each of these categories over a three-year period is:

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Provincial Operating Grant	64.44%	60.79%	60.20%
Tuition Revenue	31.32%	32.65%	32.85%
Other Income	<u>4.24%</u>	<u>6.56%</u>	<u>6.95%</u>
	<u>100%</u>	<u>100%</u>	<u>100%</u>

The following table illustrates the composition of 2005-06 budgeted revenues in comparison to the 2004-05 budget:

<b>UNB Fredericton Campus Budgeted Operating Revenues (\$000's)</b>				
	<b><u>2004-05 Budget</u></b>	<b><u>2005-06 Budget</u></b>	<b><u>\$ Change</u></b>	<b><u>% Change</u></b>
Provincial Operating Grant	\$68,900.2	\$71,207.1	\$2,306.9	3.35%
Tuition Revenue	37,012.0	38,858.1	1,846.1	4.99%
Other Income	<u>7,562.7</u>	<u>8,221.1</u>	<u>658.4</u>	<u>8.71%</u>
	<u>\$113,474.9</u>	<u>118,286.3</u>	<u>\$4,811.4</u>	<u>4.24%</u>

Recent comparative figures for changes in revenue categories are:

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Provincial Operating Grant	3.0%	*1.96%	3.35%
Tuition Revenue	11.18%	12.81%	4.99%
Other Income	<u>.68%</u>	<u>74.52%</u>	<u>8.71%</u>
	<u>5.32%</u>	<u>8.37%</u>	<u>4.24%</u>

\*includes an advance of .55%

As the relative proportion of Provincial grant funding has been decreasing, Fredericton campus finances have been supported by a growth in other income sources, recent enrolment growth and a consistent level of tuition fee increases in the range of 5.0% - 5.75% per year. Growth in enrolment was the primary reason that tuition revenue grew by more than 10% in 2003-04 and 2004-05. Indirect Cost of Research funding provided the majority of other income growth in 2004-05.

An analysis of each major revenue category follows:

### Provincial Operating Grant

The Provincial operating grant accounts for just over 60% of operating budget financing for the campus. The Provincial Government tabled its 2005-06 operating budget on March 30, 2005 and announced that the overall increase in the Provincial grant for New Brunswick universities will be 4.6% for 2005-06. Our previous financial forecasts had been based on an increase of 2.5%.

Based on this system-wide increase of 4.6%, this budget assumes that the level of increase for UNB, which is in part determined by enrolments, will be allocated using the same basis for each of the campuses and result in, Fredericton campus 3.35% increase and Saint John campus 3.60% increase.

<b>Provincial Operating Grant Increase</b>		
	2004-05 <u>Actual</u>	2005-06 <u>Budget</u>
Overall increase for N.B. Universities	2%	4.6%
UNB Fredericton campus	1.41%*	3.35%

*\* prior to the advance*

Further information on the Provincial operating grant is included in the University-wide budget summary

### Tuition Revenue

Tuition revenue is budgeted to increase by 4.99% in 2005-06. The increase in budgeted tuition revenue essentially all stems from changes in tuition fees, as the level of overall enrolment in 2005-06 is at approximately the same level as budgeted in 2004-05. The basic level of undergraduate and graduate tuition fee increase proposed is 5.0%. Proposed increases in tuition fees for international undergraduate students is 11%.

Of the total \$38.9 million in tuition revenue, approximately \$1.3 million is estimated to relate to enrolment levels that are above the long-term outlook for the strategic enrolment corridor. Accordingly, flexibility has been built into the budget should these enrolments decline as forecasted over time.

## Enrolment

### Overall Enrolment

Budgeted enrolment levels, along with recent historical comparisons, are illustrated below:

	<b>Full-time Undergrad.</b>	<b>Part-time Undergrad.</b>	<b>Total Undergrad.</b>	<b>F/T &amp; P/T Graduate</b>	<b>Total</b>	<b>\$ Change</b>	<b>% Change</b>
2001-02 A	6,650	167	6,817	755	7,572		
2002-03 A	6,935	171	7,106	878	7,984	412	5.44
2003-04 A	7,182	153	7,335	1,000	8,335	351	4.39
2004-05 A	7,154	161	7,315	1,062	8,377	42	.50
2005-06 B	7,096	160	7,256	1,062	8,318	<59>	<.70>

*UNB definition of FTE based on December 01 MPHEC counts including Co-op, PEP, excluding Roytech, Sams and Humber*

The above figures illustrate that the Fredericton campus had significant growth in enrolment over the past three years. This level of growth began to slow in 2004-05. The actual level of undergraduate enrolment in 2004-05 was higher than budgeted by approximately 60 students. The 2005-06 budget is for the same level of students as was budgeted last year. Strategic enrolment management program estimates are that longer-term enrolments should begin to decrease, due to demographic factors, in the next three years or so. Increased efforts to improve the learning environment, provide additional scholarships, strengthen retention initiatives and a continuation of focused recruitment activities are all being used to maintain overall enrolments within a strategic corridor. The 2005-06 budget is well within the enrolment corridor. The budget reflects a consistent level of graduate student enrolment. This is considered somewhat conservative as the objective is to continuously grow the number of graduate students.

### Other Income

Other income is budgeted to increase by \$658,400 in 2005-06. This category of revenue has grown by 186% since 2003-04. Budgeted other income in 2005-06 includes the following components.

**UNB Fredericton Campus  
Other Income  
Budget  
\$(000's)**

	<u>2004-05</u>	<u>2005-06</u>	\$ <u>Change</u>
Indirect Costs of Research	\$2,836.0	\$2,878.5	\$42.5
Net Contribution College of Extended Learning	1,112.3	1,639.9	527.6
Short-term Investment Income	572.0	672.0	100.0
Shared Services	648.8	667.9	19.1
Non-space Funding	850.0	650.0	-200.0
Contract Overhead	493.8	542.5	48.7
Rental Incomes	477.5	477.5	0.0
Parking Fees or Fines	259.0	339.0	80.0
Application Fees	255.0	295.0	40.0
Other	<u>58.3</u>	<u>58.8</u>	<u>.5</u>
	<u>\$7,562.7</u>	<u>\$8,221.1</u>	<u>\$658.4</u>

The main areas of change reflect the following:

- College of Extended Learning renewed business plan and strategy for growth has resulted in additional levels of net contributions which are forecast to be sustainable.
- Short-term investment income reflects capturing revenues from projects financed by University cash flow.
- Parking fees and fines – a new fee structure for parking is proposed in the budget. The objective of this new fee schedule is to move parking rates to a full cost recovery basis over time. The incremental revenues will be used to offset related costs. Student parking rates continue to be approximately 60% of faculty and staff rates.
- The Fredericton campus operating budget has been supplemented by an annual transfer of \$850,000, or 55% of the annual non-space (equipment and technology) grant to assist with Library acquisitions. In the 2005-06 budget, \$200,000 less funding has been transferred from the non-space budget and has been replaced by general operating budget support. Library expenditures have, therefore, not been reduced.

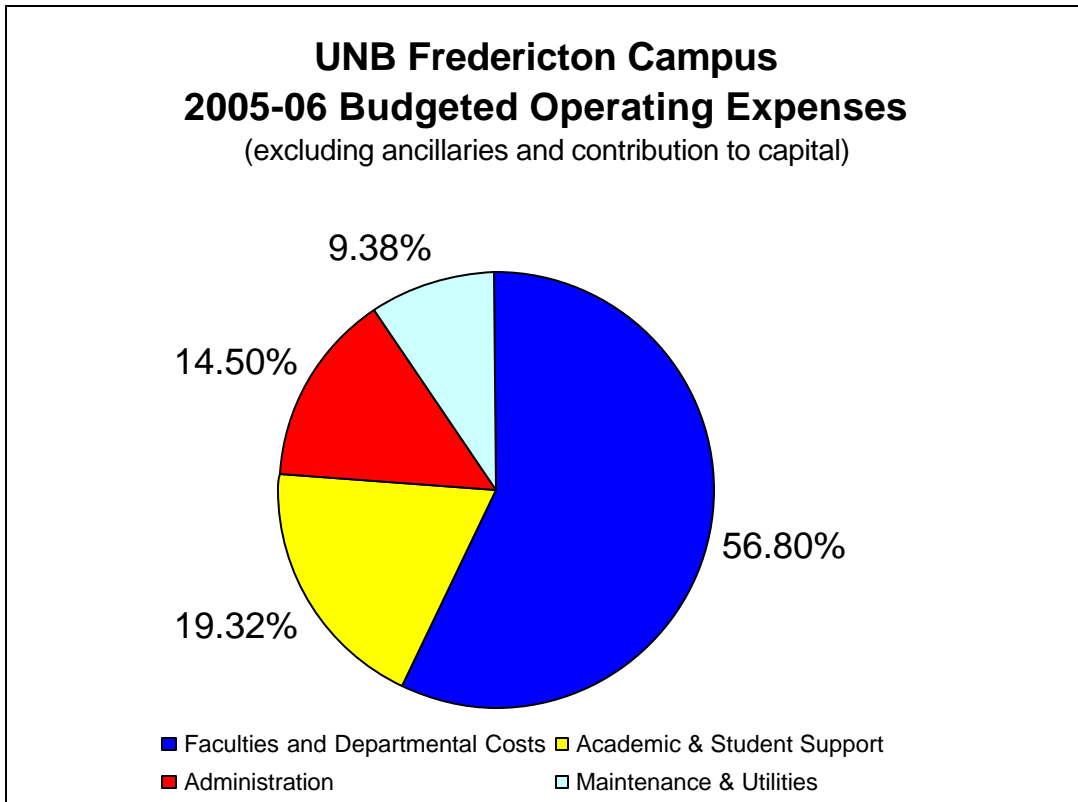
## EXPENSES

Overall operating expenses for the Fredericton campus are budgeted at \$118.3 million for 2005-06, an increase of \$4.8 million or 4.24% in comparison to the 2004-05 budget. This compares to a budgeted increase of 8.37% last year and 5.32% in the previous year.

The following table illustrates the composition of the 2005-06 operating expense budget in comparison to the 2004-05 budget:

<b>UNB Fredericton Campus Budgeted Operating Expenses (\$000's)</b>				
	<b><u>2004-05 Budget</u></b>	<b><u>2005-06 Budget</u></b>	<b><u>\$ Change</u></b>	<b><u>% Change</u></b>
Faculties and Departmental Costs	\$64,677.9	\$66,547.3	\$1,869.4	2.89%
Academic and Student Support	21,382.0	22,637.0	1,255.0	5.87
Administration and Development	16,299.8	16,988.6	688.8	4.23%
Maintenance and Utilities	10,534.9	10,995.9	461.0	4.38%
Net Ancillary Costs	255.8	242.5	<13.3>	<5.2%>
Contribution to Capital Budget	324.5	875.0	550.5	169.6%
<b>TOTAL</b>	<b><u>\$113,474.9</u></b>	<b><u>\$118,286.3</u></b>	<b><u>\$4,811.4</u></b>	<b><u>4.24%</u></b>

When the four main operating budget components are expressed in “piece of the pie” format, the following results:



The following table provides a historical comparison of the envelope allocations in comparison to the proposed 2005-06 amounts:

**UNB Fredericton Campus**  
**Envelope % of Expenses**  
(excluding ancillaries and contributions to capital)

	% of Expenses		
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Faculties and Departmental Costs	58.50	57.29	56.80
Academic and Student Support	17.61	18.94	19.32
Administration and Development	14.37	14.44	14.50
Maintenance & Utilities	9.52	9.33	9.38

## Academic and Research

The basic budget strategy for this category of campus expenses was to allocate additional resources to academic and student support areas in order to support the objective of enhancing student services, scholarships and graduate student support. Faculties and departmental cost growth was managed on an overall basis so that continuing and new priorities could be financed from available resources and so that additional investments could be made in student support areas.

### Faculties and Departmental Costs

This envelope contains operating funding for teaching and non-sponsored research activities of the Fredericton campus. Ongoing budget priorities are to maintain the diversity of programs and course offerings, consistent with the mission of the University, and to attract and retain national caliber faculty within an overall stable complement plan. The envelope, therefore, contains the salaries and benefits for faculty and support staff and day-to-day operating expenses are required for these activities. Salary and benefit provisions are outlined in the overall University-wide budget summary.

The budget includes cost recoveries of \$2.2 million related to continuing academic positions that are financed from external sources. This funding includes support for Canada Research Chairs, endowed chairs, and other research chairs.

The forecasted baseline increase for this envelope was a 4.09% increase. The actual increase, after reflecting budget reallocations, amounted to 2.89%. Over \$1 million in funding was either reallocated or deployed for baseline levels within this envelope. Approximately \$600,000 in funding was reallocated from this envelope to the Academic and Student Support envelope in order to fund priorities in that category. Approximately \$470,000 in funding was reallocated within the envelope to new priorities. The impact of the reallocations and other budget priorities resulted in the following activities:

- new faculty positions in the Faculties of Kinesiology, Arts and Administration to support increased sustained enrolment growths (\$161,000);
- bridging support to recruit faculty earlier than expected retirement dates for the Faculties of Education and Science (\$83,000);
- salary support to recruit CRC Tier II in computer science (\$30,000);
- expanded responsibility of faculty in support of Renaissance College programs (\$30,000);
- provision for spousal hiring across campus (\$58,000);
- provision for recruitment and retention initiatives through President's Discretionary Fund (\$50,000);
- recognition support for merit awards related to teaching and research (\$60,000).



One-time funding support for Faculties and Departments included:

- bridging support to recruit faculty for the nanobiotechnology chair in the Faculty of Engineering (\$50,000);
- support for innovative curriculum projects for Renaissance College and College of Extended Learning (BIS degree), Education (on-line learning), Forestry and Environment Management (new Master of Environment Studies), Science (integrated BSc/MSc project), and Kinesiology (health and wellness) (\$150,000);
- support for international program development in Engineering (\$30,000);
- support of international standards in Faculty of Administration through AACSB accreditation (\$55,000).

### Academic and Student Support

This budget envelope contains costs associated with student services, operating budget contributions to scholarships, graduate and undergraduate student teaching assistantships, graduate research assistantships, library operations and other academic support activities.

Campus strategic and operational priorities include:

- improving the overall level and quality of student services
- supporting strategic enrolment plans through expanding scholarship programs
- growth in the School of Graduate Studies and providing additional levels of support to graduate students
- sustaining and improving library offerings

The forecasted baseline increase for this budget envelope was 3.58%. The actual budget allocation, after reflecting additional strategic investments, was the envelope in the Fredericton campus budget with the highest level of growth at 5.87%.

Over \$1 million in new funding allocations have been made to this envelope including:

- Undergraduate Scholarships and financial assistance	\$450,000
- Graduate Student Teaching and Research Assistantships	244,000
- Support to Universal Bus Pass Project	144,000
- Classroom Technical and Materials Support	123,000
- Library Acquisitions and Services	77,000
- School of Graduate Studies	65,000
- Student Disabilities Services and Support	63,000
- Other Student Related Services	40,000
	\$1,205,000

## Administration and Development

This budget envelope contains the expenses for operating various administrative and support activities that are provided through various departments including Office of the President, Human Resources, Integrated Technology Services, Vice-President Finance and Fredericton campus Property Planning, as well as developmental departments including, Development Office, Alumni, Marketing.

The forecasted baseline increase for this envelope was 2.94%. After reflecting budget adjustments for certain areas of cost increase and priority budget allocations, the actual increase for the envelope was 4.23%.

Three areas of the budget that required significant budget adjustments were:

- Insurance costs for the University rose by over \$100,000, or 29%, as a result of an increasingly costly insurance market. Options to reduce costs, such as altering coverages and deductibles, were reviewed but not changed as they form an integral part of overall risk management framework.
- Legal costs have gradually risen over the past five years as more work has been required on property-related matters, pension issues, student issues and employment-related matters. The 2005-06 budget adjusted the baseline budget by \$38,000, or 28%, to more accurately reflect the ongoing costs.
- Encaenia activities have expanded over the last few years without a corresponding increase in available funding. The 2005-06 budget reflects the budget costs for the ongoing current level of activities. The total budget has been adjusted by \$35,000 to \$70,513.
- Administrative and Support Services budgets have also been increased to reflect the following priorities:

\$45,000	-	Review of the student registration and student information system module of Datatel to determine options to improve system functionality, service and information.
\$40,000	-	Funding to Human Resources to establish a program for disability support and employment equity requirements
\$25,000	-	IT business continuity plan development
	-	The operating budget support for marketing purposes, essentially, the "Making a Significant Difference" campaign, is unchanged for 2005-06 from the 2004-05 level of \$200,000. However, this level of funding is \$155,000 less than in 2003-04.

## Maintenance and Utilities

This budget envelope contains costs of heat, electricity, water, cleaning and operational maintenance for academic and research and support buildings on the Fredericton campus. The overall budget increase for the envelope is 4.38%.

Utilities account for approximately 40% or over \$4.5 million of the budget. This category is budgeted to increase by 5.25% in comparison to the 2004-05 budgeted amounts. The overall Canadian CPI for energy costs for the year ended December 31, 2004 was 8.1%, owing mainly to the significant rise in world oil prices. While this trend has impacted UNB budgets, the effect has been lessened by a diversified fuel strategy and energy management and efficiency programs. The budget reflects the recently announced commercial electricity rate increase from NB Power of 3%. As the University pursues a higher level of research activity, utilities budgets are impacted with higher energy requirements of some specialized projects. Future pressures are expected as these activities continue to grow.

2005-06 will see a continuation of the program of self financed investments in energy retrofit and efficiency initiatives in order to provide energy savings to offset significant budget pressure due to external cost pressures from rising world oil prices and electricity costs, and enhanced research activities.

The balance of the budget envelope, approximately 60%, is for operational maintenance and cleaning activities.

Strategic and operational priorities that are supported by the budget for this area:

- Improving the overall learning environment on campus. This priority is integrated with the general direction of the Campus Master Plan with several specific elements:
  - The capital budget outlines the strategy to enhance the level of infrastructure renewal on the campus. The operating budget supports this plan by providing the funding necessary to maintain existing standards for operational maintenance and cleaning.
  - The capital budget also provides initial funding to support a continuation of smaller projects to support a beautification program on the campus. Operating personnel will be assigned these tasks as priority initiatives during the year.
  - The revenue budget includes a proposal to adjust parking fees to a cost recovery basis. Funds from this initiative will be used to offset existing parking maintenance and improvement costs. This will provide resources to begin to renew equipment related to parking activities, ploughs and trucks, as well as providing funding for improvements to parking facilities.
- Continued progress on developing processes and procedures to effectively manage campus space. This includes categorizing and inventorying campus space utilization and pilot projects to review improvement options in selected buildings.

## Contribution to Capital Budget

As was described to the Board during the Strategic Session on February 2, 2005, UNB has significant infrastructure renewal challenges. The capital budgets in each of the last three years have included additional funding for renewal purposes. The 2005-06 budget includes a proposal for a new \$175 infrastructure renewal student fee. Funding from this fee will flow directly into the capital budget. In addition, there will be two other transfers made from the operating budget to the capital budget for infrastructure renewal purposes. The variable funding transfer to the capital budget will be spent on projects in 2006-07. \$250,000 of this has been designated for disabilities related infrastructure projects. The transfers are:

<b>Operating Transfers To Capital Budget for Infrastructure Renewal \$(000's)</b>		
	<b><u>2004-05</u></b>	<b><u>2005-06</u></b>
- From Variable Funding	\$324.5	\$625.0
- Ongoing Annual Transfers	-	250.0
	<u>\$324.5</u>	<u>\$ 875.0</u>

## Net Ancillary Operations

Certain aspects of campus operations are accounted for as business units with separate budgets and profit and loss statements. The Wu Conference Centre, Residence System (separate budget), and Imaging Services are either self sustaining or generate a small contribution towards the University budget. The Aitken University Centre has an excess of operating expenses over revenues representing a net cost to the University for the flexibility and services provided by the facility. As an ancillary entity, the AUC is not eligible for any government funding including infrastructure renewal. A small budget for facilities renewal is included in the annual AUC budget, however, building assessments indicate significant renewal challenges lie ahead for this facility.

**University of New Brunswick**

**Fredericton Campus  
2005-06 Operating Budget**

**Schedules**

**UNIVERSITY OF NEW BRUNSWICK  
FREDERICTON  
2005-2006 OPERATING BUDGET  
\$ (000)**

	<b>Approved 2004-2005 Budget (restated)</b>	<b>Proposed 2005-2006 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Revenue</b>				
Provincial Operating Grant	\$68,900.2	\$71,207.1	2,306.9	3.35%
Tuition Revenue	37,012.0	38,858.1	1,846.1	4.99%
Other Revenue	7,562.7	8,221.1	658.4	8.71%
<b>Total Revenue</b>	<u>\$113,474.9</u>	<u>\$118,286.3</u>	<u>4,811.4</u>	<u>4.24%</u>
 <b>Expense</b>				
<b>Academic and Research</b>				
Faculties and Departmental Costs	64,677.9	66,547.3	1,869.4	2.89%
Academic and Student Support	21,382.0	22,637.0	1,255.0	5.87%
<b>Total Academic and Research</b>	<u>86,059.9</u>	<u>89,184.3</u>	<u>3,124.4</u>	<u>3.63%</u>
 <b>Administration and Support Services</b>				
Administration & Development	16,299.8	16,988.6	688.8	4.23%
Maintenance & Utilities	10,534.9	10,995.9	461.0	4.38%
<b>Total Administration and Support Services</b>	<u>26,834.7</u>	<u>27,984.5</u>	<u>1,149.8</u>	<u>4.28%</u>
 <b>Total Operating Expense</b>	<u>112,894.6</u>	<u>117,168.8</u>	<u>4,274.2</u>	<u>3.79%</u>
 <b>Contribution to Capital</b>	324.5	875.0	550.5	169.65%
<b>Net Ancillary Operations</b>	255.8	242.5	(13.3)	-5.19%
<b>Sub-Total</b>	<u>580.3</u>	<u>1,117.5</u>	<u>537.2</u>	<u>92.56%</u>
 <b>Total Expenses</b>	<u>\$113,474.9</u>	<u>\$118,286.3</u>	<u>\$4,811.4</u>	<u>4.24%</u>
 <b>Net Position</b>	<u>\$0.0</u>	<u>(\$0.0)</u>	<u>\$0.0</u>	

**UNIVERSITY OF NEW BRUNSWICK**  
**2005-06 OPERATING BUDGET BY PORTFOLIO**  
**FREDERICTON**  
**\$ (000)**

	<b>Approved 2004-2005 Budget (Restated)</b>	<b>Proposed 2005-2006 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Revenue</b>				
<b>Provincial Operating Grant</b>	\$68,900.2	\$71,207.1	2,306.9	3.35%
<b>Tuition Revenue</b>	37,012.0	38,858.1	1,846.2	4.99%
<b>Other Revenue</b>	7,562.7	8,221.1	658.4	8.71%
<b>Total Revenue</b>	113,474.9	118,286.3	4,811.4	4.24%
<b>Expenses</b>				
<b>Academic and Research</b>				
<b>Faculties and Departmental Costs</b>				
Operations:				
Administration	3,950.8	4,275.4	324.6	8.22%
Arts	10,250.6	10,704.6	454.0	4.43%
Computer Science	2,459.0	2,694.9	235.8	9.59%
Education	4,274.1	4,446.9	172.8	4.04%
Engineering	8,095.5	8,207.3	111.8	1.38%
Forestry	2,985.6	3,071.7	86.1	2.89%
Kinesiology	1,735.5	1,835.2	99.7	5.75%
Law	2,196.8	2,308.4	111.6	5.08%
Nursing	4,308.2	4,433.3	125.1	2.90%
Science	9,430.3	9,908.8	478.5	5.07%
Renaissance College	638.2	642.8	4.6	0.72%
IDCR	380.0	385.7	5.7	1.50%
<b>Total Operations</b>	50,704.5	52,914.9	2,210.4	4.36%
Pensions & Benefits- Academic Salaries	7,658.9	8,051.1	392.2	5.12%
Pensions & Benefits -Operations	1,578.7	1,605.3	26.6	1.68%
Non-Academic Salary Increase provision	188.1	240.4	52.3	27.80%
Budget Initiatives-One Time	334.0	371.0	37.0	11.08%
Budget Priorities-Ongoing ( unallocated)	0.0	110.0	110.0	
Quality Improvement Fund	193.5	186.2	(7.3)	-3.77%
Sabbatical Savings	-375.0	-375.0	0.0	0.00%
PDA's	780.7	811.9	31.2	4.00%
Enrollment Based Teaching Fund	757.2	442.7	(314.5)	-41.53%
Recruitment & Relocation	261.0	261.0	0.0	0.00%
Study leaves, AUNBT relief stipends ,Merit Awards	124.3	75.7	(48.6)	-39.10%
CA., PTR's	2,422.0	1,802.1	(619.9)	-25.59%
Variable Enrollment Spread Funds	50.0	50.0	0.0	0.00%
<b>Total Faculties and Departmental Costs</b>	64,677.9	66,547.3	1,869.4	2.89%
<b>% of Total Budget Academic and Student support</b>	<b>57.29%</b>	<b>56.80%</b>		

Faculty of Arts -student support ( Fine Arts)	27.4	29.5	2.1	7.76%
Faculty of Kinesiology-student support ( CR & Athletics)	1,328.3	1,364.3	36.0	2.71%
Faculty of Law - student support ( Law Library & Scholarships)	837.9	846.5	8.6	1.02%
Library	6,859.3	6,980.6	121.3	1.77%
Student Services	1,727.3	1,950.9	223.6	12.95%
ITS-Web	165.5	159.4	(6.1)	-3.68%
VP Research	1,727.7	1,755.0	27.3	1.58%
Assoc VP Learning Environment	942.6	1,060.4	117.9	12.50%
VP Fredericton (Academic)	1,345.4	1,435.6	90.2	6.70%
-Graduate student support	1,763.1	1,763.1	0.0	0.00%
-Undergraduate student support	378.9	393.0	14.1	3.72%
Graduate Studies	1,323.2	1,563.1	239.9	18.13%
Non-Academic Salary Increase provision	248.3	250.7	2.4	0.97%
Pensions & Benefits- Academic Salaries	364.2	389.5	25.3	6.95%
Pensions & Benefits-Support Salaries	2,083.7	2,233.1	149.4	7.17%
CA & PTR Academic Salaries	115.2	87.1	(28.1)	-24.39%
Budget Initiatives- One Time	144.0	375.1	231.1	160.49%
<b>Total Academic and Student support</b>	<b>21,382.0</b>	<b>22,636.9</b>	<b>1,254.9</b>	<b>5.87%</b>
<b>% of Total Budget</b>	<b>18.94%</b>	<b>19.32%</b>		
<b>Total Academic and Research</b>	<b>86,059.9</b>	<b>89,184.2</b>	<b>3,124.3</b>	<b>3.63%</b>
<b>% of Total Budget</b>	<b>76.23%</b>	<b>76.12%</b>		
<b>Administration and Support Services</b>				
<b>Administration &amp; Development</b>				
President	3,141.6	3,215.5	73.9	2.35%
VP Finance and Corporate Services	3,596.1	3,836.2	240.0	6.67%
VP Fredericton (Academic)	1,770.0	1,772.2	2.2	0.13%
Assoc VP CS & P (excluding Maintenance & Utilities)	852.2	923.0	70.8	8.31%
ITS	3,950.1	3,965.1	15.0	0.38%
Provision for Identified Risks	306.0	305.5	(0.5)	-0.17%
Non-Academic Salary Increase provision	262.3	366.0	103.7	39.53%
Pensions & Benefits- Academic Salaries	2.7	2.8	0.1	3.70%
Pensions & Benefits- Administration	2,201.0	2,277.3	76.3	3.47%
CA & PTR Academic Salaries	0.8	0.6	(0.2)	-25.00%
Budget Initiatives- One Time	217.0	324.3	107.3	49.45%
<b>Total Administration &amp; Development</b>	<b>16,299.8</b>	<b>16,988.6</b>	<b>688.8</b>	<b>4.23%</b>
<b>% of Total Budget</b>	<b>14.44%</b>	<b>14.50%</b>		
<b>Maintenance &amp; Utilities</b>				
Physical Plant	4,997.4	5,159.1	161.7	3.24%
Central Heating Plant	2,138.0	2,268.1	130.1	6.08%
Electricity	1,912.6	2,011.8	99.2	5.19%
Water	211.3	211.6	0.3	0.14%
Waste Disposal	128.2	128.2	0.0	0.00%
Non-Academic Salary Increase provision	116.3	156.0	39.7	34.14%
Pension & Benefits	976.1	1,041.6	65.5	6.71%
Budget Initiatives- One Time	55.0	19.6	(35.4)	-64.36%
<b>Total Maintenance &amp; Utilities</b>	<b>10,534.9</b>	<b>10,995.9</b>	<b>461.0</b>	<b>4.38%</b>
<b>% of Total Budget</b>	<b>9.33%</b>	<b>9.38%</b>		



<b>Total Administration and Support Services</b>	<u>26,834.7</u>	<u>27,984.5</u>	<u>1,149.8</u>	<u>4.28%</u>
<b>% of Total Budget</b>	<b>23.77%</b>	<b>23.88%</b>		
<b>Sub-Total</b>	<u>112,894.6</u>	<u>117,168.7</u>	<u>4,274.1</u>	<u>3.79%</u>
<b>Contribution to Capital</b>	324.5	875.0	550.5	169.65%
<b>Net Ancillary Operations</b>	<u>255.8</u>	<u>242.5</u>	<u>(13.3)</u>	<u>-5.19%</u>
<b>Sub-Total</b>	580.3	1,117.5	537.2	92.56%
<b>Total</b>	<u>113,474.9</u>	<u>118,286.2</u>	<u>4,811.3</u>	<u>4.24%</u>
<b>(Deficit)/Funding for priorities</b>	<u>\$0.0</u>	<u>(\$0.0)</u>	<u>\$0.0</u>	
<b>Administration and Support Services</b>				
<b>Administration &amp; Development</b>				
President	3,141.6	3,215.5	73.9	2.35%
VP Finance and Corporate Services	3,596.1	3,836.2	240.0	6.67%
VP Fredericton (Academic)	1,770.0	1,772.2	2.2	0.13%
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ITS	3,950.1	3,965.1	15.0	0.38%
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Non-Academic Salary Increase provision	262.3	366.0	103.7	39.53%
Pensions & Benefits- Academic Salaries	2.7	2.8	0.1	3.70%
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CA & PTR Academic Salaries	0.8	0.6	(0.2)	-25.00%
Budget Initiatives- One Time	<u>217.0</u>	<u>324.3</u>	<u>107.3</u>	
<b>Total Administration &amp; Development</b>	16,299.8	16,988.6	688.7	4.23%
<b>% of Total Budget</b>	<b>14.44%</b>	<b>14.51%</b>		
<b>Maintenance &amp; Utilities</b>				
Physical Plant	4,997.4	5,159.1	161.7	3.24%
Central Heating Plant	2,138.0	2,268.1	130.1	6.08%
Electricity	1,912.6	2,011.8	99.2	5.19%
Water	211.3	211.6	0.3	0.14%
Waste Disposal	128.2	128.2	0.0	0.00%
Non-Academic Salary Increase provision	116.3	156.0	39.7	34.14%
Pension & Benefits	976.1	1,041.6	65.5	6.71%
Budget Initiatives- One Time	<u>55.0</u>	<u>19.6</u>	<u>(35.4)</u>	
<b>Total Maintenance &amp; Utilities</b>	10,534.9	10,995.9	461.0	4.38%
<b>% of Total Budget</b>	<b>9.33%</b>	<b>9.39%</b>		
<b>Total Administration and Support Services</b>	<u>26,834.7</u>	<u>27,984.5</u>	<u>1,149.8</u>	<u>4.28%</u>
<b>% of Total Budget</b>	<b>23.77%</b>	<b>23.91%</b>		
<b>Sub-Total</b>	<u>112,894.6</u>	<u>117,043.7</u>	<u>4,149.1</u>	<u>3.68%</u>
<b>Contribution to Capital</b>	324.5	628.0	303.5	
<b>Net Ancillary Operations</b>	<u>255.8</u>	<u>242.5</u>	<u>(13.3)</u>	
<b>Sub-Total</b>	580.3	870.5	290.2	
<b>Total</b>	<u>113,474.9</u>	<u>117,914.2</u>	<u>4,439.3</u>	<u>3.91%</u>
<b>(Deficit)/Funding for priorities</b>	<u>\$0.0</u>	<u>(\$0.0)</u>	<u>\$0.0</u>	

University of New Brunswick

**Overview of  
Planning Framework and Priorities that  
Inform the 2005-06 Saint John Campus Budget**

Consistent with principles adopted across the institution, the Saint John campus budget has been structured to align available resources with institutional and campus strategic and operational plans and priorities.

### **The President's Vision**

The three-point vision articulated by the President continues to be the frame of reference for all planning and budget decisions.

### **The Campus Master Plan**

With the completion and approval of the campus plan this year, operating and one-time funds have been committed to capital renewal and initial steps toward implementation of the plan. In addition to commitments from capital sources, ongoing maintenance funds will contribute to the improvement of the existing physical campus.

### **The Strategic Academic Plan**

The vision, goals, and strategic objectives of a strategic academic plan are now in the first round of consultation with stakeholder groups. Goals are focused on people, programs, and places: faculty, staff and students; program restructuring and renewal; campus maintenance and development. For the coming year, faculty complement is stable, and every effort will be made to encourage the alignment of program scope and shape with the faculty resources available. A fund has been created to provide stipendiary resources where enrolments necessitate additional resources. Budget allocations for faculty complement reflect the focus on sustainability rather than growth.

In preference to creating additional faculty positions, priority was given to enhancing technical support positions for both teaching and research. Funds for library resources show a modest increase, most of which will be directed to electronic resources.

In recognition of the importance of enhanced student recruitment efforts, and to facilitate recruiting from a wider geographic area, allocations for marketing and student recruitment have been modestly increased. A more fully-developed enrolment management plan will undoubtedly have implication for longer-term allocations in these areas, for both domestic and international enrolments.

The 2004-05 budget recognized the importance of academic and student support, and these areas will continue to be a priority in the 2005-6 budget, with additional funds allocated to scholarships, athletics, and other student services. We are pleased to note the benefits already accruing from the additional support: an ambitious and successful athletics, recreation, and wellness program, increased numbers of students with high entering averages, and more effective use of support services such as counselling.

**University of New Brunswick**

**Saint John Campus  
2005-06 Operating Budget**

**University of New Brunswick  
Saint John Campus**

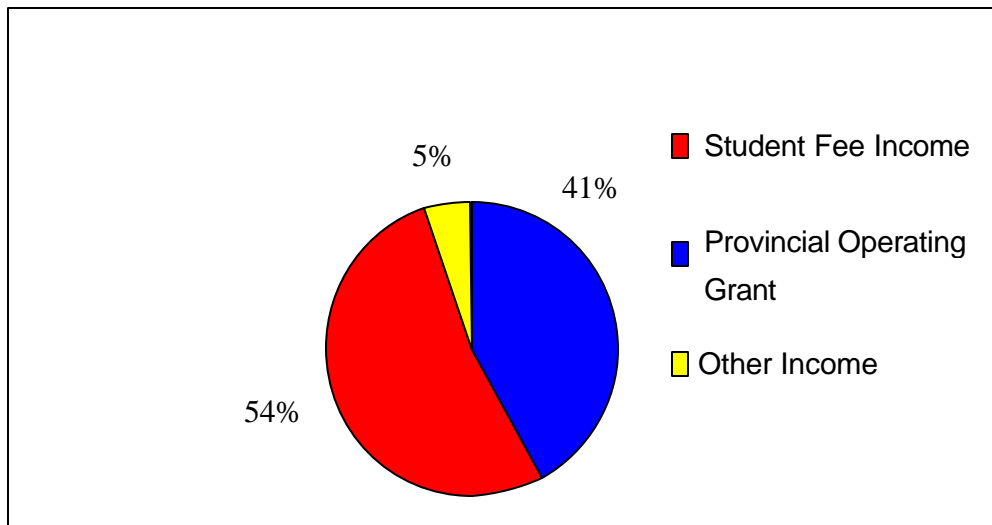
**2005-06  
Operating Budget Plan**

**UNIVERSITY OF NEW BRUNSWICK  
SAINT JOHN CAMPUS  
2005-06 Operating Budget**

**REVENUE**

Overall operating revenues are budgeted at \$31.9 million representing a 2.74 % increase over the 2004-05 budgets. Revenues are comprised of the following sources:

**UNB Saint John Campus  
Composition of 2005 - 06 Budgeted Operating Revenues**



The budgeted level of revenue growth of \$851 thousand in 2005 – 06 can be accounted for on the following basis:

	\$ (000's) <u>Change</u>	% <u>Change</u>
- Growth from baseline operations	\$1,451	4.7%
- Decrease from enrolment budget exceeding long-term targets	(\$600)	(2%)
	<u>\$851</u>	<u>2.7%</u>

The budgeted level of baseline operations growth in previous years has been:

2001 – 02	13.2%
2002 – 03	8.4%
2003 – 04	9.1%
2004 – 05	16.4%

The major contributing factor for this budget years' revenue growth can be contributed to the proposed tuition rate increase and provincial government support.

The following table illustrates the composition of budgeted revenues in comparison to the 2004-05 budgets in (\$000)'s:

	<b><u>2004 – 05 Budget</u></b>	<b><u>2005 – 06 Budget</u></b>	<b><u>\$ Change</u></b>	<b><u>% Change</u></b>
Provincial Operating grant	12,566	13,019	453	3.6%
Tuition Revenue	16,973	17,268	295	1.7%
Other income	<u>1,555</u>	<u>1,658</u>	<u>103</u>	<u>6.7%</u>
	<b><u>\$31,094</u></b>	<b><u>\$31,945</u></b>	<b><u>\$851</u></b>	<b><u>2.7%</u></b>

An analysis of each major revenue category follows:

### **Provincial Operating Grant**

The Provincial operating grant remains a major source of funding for the Saint John campus. It is important to highlight, however, the provincial grant represents 41% of the campus total revenue, less than student fee income representing 54%. This is significant from a financial exposure perspective. Student enrolment fluctuations have a relatively greater financial impact for the Saint John campus as compared to the Fredericton campus. In addition to this, our international student component represents approximately 30% of our total student body.

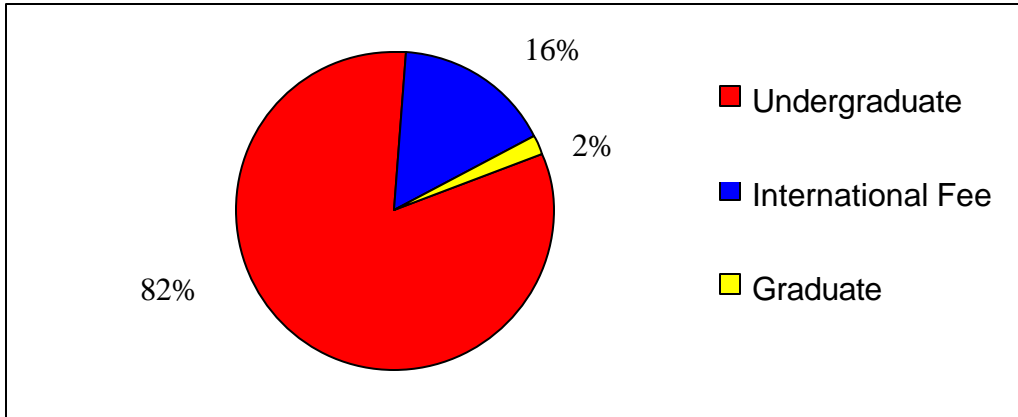
The actual Provincial grant is not known at this time, however, for planning purposes the increase of 4.6% is being used based upon the latest information available from provincial officials. This support from the Province has had a direct impact on the level of increase in tuition fees being recommended for 2005-06.

<b>Provincial Operating Grant Increase</b>		
	<b><u>2004 – 05 Actual</u></b>	<b><u>2005 – 06 Budget</u></b>
Overall Increase to New Brunswick Universities	2%	4.6%
UNB Saint John Increase	1.67%	4.48%

**Tuition Revenue**

Tuition fee income on the Saint John campus is forecast to increase by \$295 thousand or 1.7% compared to 2004-05 budget levels. The composition of the 1.7% change in student fee income is illustrated by the following table and chart:

**UNB Saint John Campus  
2005-06 Budgeted Tuition Income**

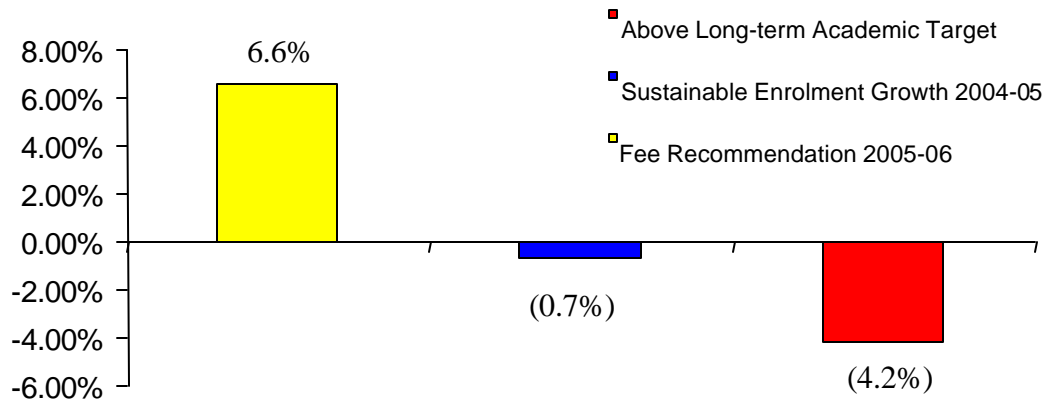


**UNB Saint John Campus  
Composition of Change in Budgeted Tuition Income  
From 2004 – 05 to 2005 – 06**

	\$ (000's) <u>Change</u>	% <u>Change</u>
- Additional income from tuition fee recommendations	\$1,001	6.6%
- Tuition fee income from enrolment decline	<u>\$(106)</u>	<u>(0.7%)</u>
Baseline change	\$895	5.9%
- Tuition fee income from budgeted enrolments above long-term academic targets	<u>\$(600)</u>	<u>(4.2%)</u>
Total Change	<u>\$295</u>	<u>1.7%</u>



**UNB Saint John Campus  
2.1% Change in Tuition Fee Income  
2004-05 Budget to 2005-06 Budget**



This chart illustrates the significant decline in student enrolments above long term academic targets on the Saint John campus. Tuition fee recommendations outlined earlier in the report of a basic increase of 5% and 11% in undergraduate international supplemental fees provides for an overall increase of 6.6%. The baseline student enrolment is not expected to change for 2005 – 06. As the comptroller’s report for 2004-05 has shown, the Saint John campus has exceeded the student enrolment levels being used for 2005-06 budgeting purposes. The additional or excess enrolment growth, representing approximately \$1.2 million, will be used for capital renewal purposes should it actually materialize.

Other Income

The majority of the increase in other income is attributable to additional parking revenue.

Enrolments

Overall Enrolment

Budgeted enrolment levels along with recent historical comparisons are illustrated below:

<b>UNB Saint John Campus Student Enrolment (FTE's)</b>							
	Full-Time		Part-Time	<u>Total</u>	<u>Change</u>	<u>% Change</u>	
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate and Graduate</u>				
1998	1886	46	102	2034	-	-	
1999	1869	90	81	2040	6	0.3	
2000	2057	80	76	2213	173	8.4	
2001	2189	95	88	2372	159	7.1	
2002	2292	81	102	2475	103	4.3	
2003	2516	84	93	2693	218	8.9	
2004	2554	84	90	2728	35	1.3%	
2005 B	2504	84	121	2709	(19)	(0.7%)	

Undergraduate Enrolment

The above figures illustrate that the Saint John campus has experienced overall growth in FTE enrolments of over 650 students or 34% in the last six years.

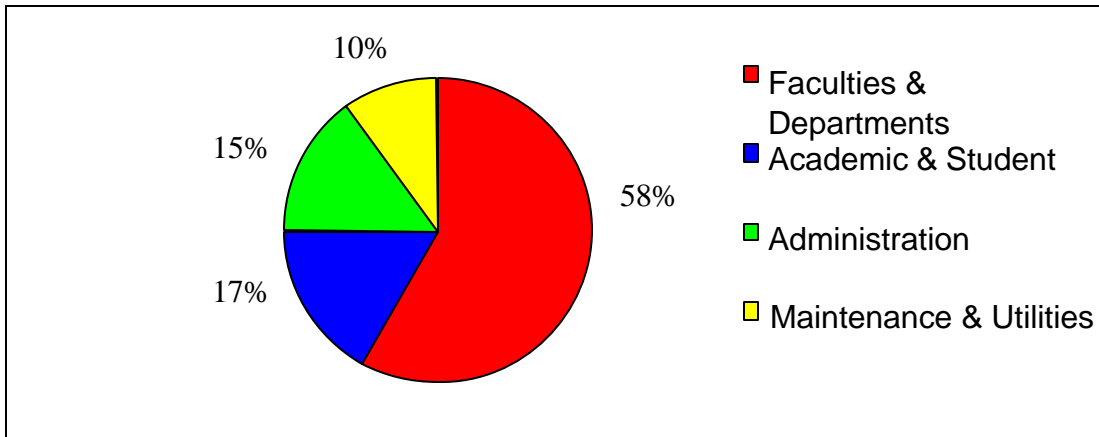
The overall budgeted level of FTE enrolments is forecast to be 2,709 in 2005 – 06 which represents a slight decrease of 19 FTE students from the actual level of 2,728 in 2004 – 05.

The baseline full time undergraduate student enrolment is 2,350. The difference of 154 full time undergraduate students represents the budgeted enrolment above long-term academic targets.

**EXPENSES**

Overall operating expenses are budgeted at \$31.9 million for 2005 – 06, an increase of \$851 thousand or 2.74% in comparison to the 2004-05 budget.

**UNB Saint John Campus  
2005-06 Budgeted Operating Expenses**



The following table illustrates the composition of the 2005-06 budget operating expenditures in comparison to the 2004-05 budget levels.

	2004 – 05 <u>Budget \$</u>	2005 – 06 <u>Budget \$</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Faculties and departmental costs	\$17,248	\$17,638	\$390	2.3%
Academic and student support	\$4,765	\$5,121	\$356	7.5%
Administration	\$4,431	\$4,660	\$229	5.2%
Maintenance & utilities	\$2,873	\$3,176	\$303	10.5%
Net ancillary operations	\$100	\$150	\$50	50%
Contributions to Capital	<u>\$1,677</u>	<u>\$1,200</u>	<u>\$(477)</u>	<u>(28.4%)</u>
<b>Total</b>	<b><u>\$31,094</u></b>	<b><u>\$31,945</u></b>	<b><u>\$851</u></b>	<b><u>2.7%</u></b>

The net ancillary cost increase relates entirely to the recent acquisition of the former Bank of Nova Scotia building.

The following table illustrates the distribution of expenditures to the main budget portfolios in comparison to the previous years' allocations.

<b>UNB Saint John Campus</b>			
<b>Portfolio % of Expenditure (excluding Ancillaries) Budget Comparison</b>			
	<u>% of Expenditures</u>		
	<u>2003 – 04</u>	<u>2004 – 05</u>	<u>2005 – 06</u>
Faculties and Departmental Costs	58.7	58.8	57.7
Academic and Student Support	16.3	16.3	16.7
Administration	16.2	15.1	15.2
Maintenance and Utilities	<u>8.8</u>	<u>9.8</u>	<u>10.4</u>
	<u>100.0 %</u>	<u>100.0%</u>	<u>100.0%</u>

As reported at previous Board meetings, these portfolios and their respective percentages are used as an integral part in formulating the operating budget. For example, the re-deployment from the administration portfolio was to begin addressing the ongoing infrastructure renewal challenge facing the Saint John campus.

**Faculties and Departmental Costs**

This portfolio represents the teaching and research costs for the Saint John campus. Included in the portfolio are the salaries and benefits for faculty and support staff, the direct operating expenses for the three faculties and related departments.

The general budget strategy for this budget portfolio was to address the academic areas that have been built up over the past few years due to the expanded research agenda and teaching taking place on campus. The strategy was to make as few as possible recurring type of expenditures in this portfolio. The campus is still in the process of preparing the academic plan and until it has been completed, the objective is to maintain the greatest amount of financial flexibility as possible. In addition, it is important to ensure the overall percentage dedicated to this portfolio did not exceed the percentage allocated in 2004-05. Increases in faculty salaries, expansion of the research agenda, and the continuation of the funding challenges of the academic pension plan have put significant pressure on this budget portfolio.

**UNB Saint John Campus  
Major Inputs to Budget Portfolio**

	<u>2004 – 05</u>	<u>2005 – 06</u>
-Salary increase for support staff in faculties, mainly members of CUPE	2%	3%
-Estimated increase in all benefits excluding faculty pension	5.3%	5%
-Forecasted increase in faculty pension costs	5.3%	5%

The strategic expenditures made in this portfolio were as follows:

<u>New investments (recurring)</u>	
	<u>\$</u>
-Computer Science part-time technician	20,000
-Academic departments non-salary	33,000
- Office of research services support	<u>35,000</u>
	<u>88,000</u>
<u>New investments (non-recurring)</u>	
-Term faculty position in Economics	40,000
-Term faculty of Science research technician	20,000
- Faculty of Arts student response assistant	30,000
- Term faculty position in Applied Science	<u>40,000</u>
	<u>130,000</u>
<b>TOTAL</b>	<u><b>218,000</b></u>

Academic and Student Support

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 portfolio was high priority for the Saint John campus and the relative percentage increase reflects this.

<u>New investments (recurring)</u>	
	<u>\$</u>
-Library acquisitions	100,000
-Campus health clinic non-salary	10,000
-Athletics program coaching and admin support	35,000
-Student scholarship funding	<u>150,000</u>
TOTAL	<u>295,000</u>

### Administration

This portfolio includes salaries, benefits and non-salary operating expenses for the Vice-President offices, registrar, shared services and safety and security.

The total new investments to this portfolio amounted to approximately \$102,000. This is comprised of additional parking lot expenditures of \$30,000, marketing material of \$25,000 and increased corporate contributions to the Fredericton campus of \$47,000.

### Maintenance and Utilities

This portfolio of expenses includes the heat, lights, water, waste disposal, as well as the maintenance, repairs and cleaning costs for the academic and research support activities on the Saint John campus. The total new investments in this area is comprised of heating price increases of \$50,000 and deferred maintenance of \$200,000.

**University of New Brunswick**

**Saint John Campus  
2005-06 Operating Budget**

**Schedules**

**UNIVERSITY OF NEW BRUNSWICK  
SAINT JOHN  
2005-2006 OPERATING BUDGET  
\$ (000)**

	<b>Approved 2004-2005 Budget</b>	<b>Proposed 2005-2006 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Revenue</b>				
Provincial Operating Grant	\$12,566.8	13,018.9	\$452.1	3.60%
Tuition Revenue	16,972.1	17,268.7	296.6	1.75%
Other Revenue	1,555.4	1,657.8	102.4	6.58%
<b>Total Revenue</b>	<u>\$31,094.3</u>	<u>\$31,945.4</u>	<u>\$851.1</u>	<u>2.74%</u>
 <b>Expense</b>				
<b>Academic and Research</b>				
Faculties and Departmental Costs	17,248.5	17,637.9	389.4	2.26%
Academic and Student Support	4,765.4	5,120.8	355.4	7.46%
<b>Total Academic and Research</b>	<u>22,013.9</u>	<u>22,758.7</u>	<u>744.8</u>	<u>3.38%</u>
 <b>Administration and Support Services</b>				
Administration & Development	4,430.6	4,660.3	229.7	5.18%
Maintenance & Utilities	2,873.0	3,176.4	303.4	10.56%
<b>Total Administration and Support Services</b>	<u>7,303.6</u>	<u>7,836.7</u>	<u>533.1</u>	<u>7.30%</u>
 <b>Total Operating Expense</b>	<u>29,317.5</u>	<u>30,595.4</u>	<u>1,277.9</u>	<u>4.36%</u>
 <b>Contribution to Capital</b>	1,676.8	1,200.0	(476.8)	-28.44%
<b>Net Ancillary Operations</b>	<u>100.0</u>	<u>150.0</u>	<u>50.0</u>	<u>50.00%</u>
 <b>Sub-Total</b>	1,776.8	1,350.0	(426.8)	-24.02%
 <b>Total Expenses</b>	<u>\$31,094.3</u>	<u>\$31,945.4</u>	<u>\$851.1</u>	<u>2.74%</u>
 <b>Net Position</b>	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	

**UNIVERSITY OF NEW BRUNSWICK**  
**2005-06 OPERATING BUDGET BY PORTFOLIO**  
**SAINT JOHN**  
**\$ (000)**

	<b>Approved 2004-2005 Budget</b>	<b>Proposed 2005-2006 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Revenue</b>				
<b>Provincial Operating Grant</b>	12,566.8	13,019.0	452.2	3.60%
<b>Tuition Revenue</b>	16,972.1	17,268.7	296.6	1.75%
<b>Other Revenue</b>	1,555.4	1,657.8	102.4	6.58%
<b>Total Revenue</b>	31,094.3	31,945.4	851.1	2.74%
<b>Expenses</b>				
<b>Academic and Research</b>				
<b>Faculties and Departmental Costs</b>				
Academic Salaries	\$12,407.7	\$12,550.0	142.3	1.15%
Operations				
Arts	515.8	521.4	5.6	1.08%
Business	421.1	448.0	26.9	6.38%
Science	1,111.9	1,249.3	137.4	12.36%
Research Matching	67.5	214.0	146.5	217.04%
<b>Total Operations</b>	2,116.3	2,432.6	316.3	14.95%
Pension & Benefits - Academic Salaries	2,179.0	2,232.2	53.2	2.44%
Pension & Benefits - Operations	284.5	302.7	18.2	6.41%
One Time Contingencies	261.1	120.3	(140.8)	-53.92%
<b>Total Faculties and Departmental Costs</b>	17,248.6	17,637.9	389.3	2.26%
<b>% Of Total Budget</b>	<b>58.83%</b>	<b>57.65%</b>		
<b>Academic and Student support</b>				
Library	1,346.6	1,434.2	87.6	6.50%
ITS	952.2	1,017.0	64.8	6.81%
Student Services	971.6	1,015.9	44.3	4.56%
VP Academic Portion	498.7	690.4	191.7	38.44%
Assoc VP Academic Portion	208.2	212.9	4.7	2.26%
Contingency	200.0	209.0	9.0	4.52%
Pension & Benefits - Academic Salaries	84.7	80.6	(4.1)	-4.83%
Pension & Benefits - Academic & Student Support	436.3	460.7	24.4	5.59%
One Time Budget Initiatives	67.2	0.0	(67.2)	-100.00%
<b>Total Academic &amp; Student Support</b>	4,765.5	5,120.8	355.3	7.46%
<b>% of Total Budget</b>	<b>16.25%</b>	<b>16.74%</b>		
<b>Total Academic and Research</b>	22,014.1	22,758.7	744.6	3.38%
<b>% of Total Budget</b>	<b>75.09%</b>	<b>74.39%</b>		



## Administration and Support Services

### Administration & Development

Vice President	919.1	963.4	44.3	4.82%
Assistant VP Financial& Administrative (excluding utilities)	1,304.1	1,359.3	55.2	4.23%
Administration (Shared Services)	657.3	704.0	46.7	7.11%
Associate VP	1,108.0	1,266.7	158.7	14.32%
Pension & Benefits	411.2	366.9	-44.3	-10.77%
One Time Budget Initiatives	30.8	0.0	-30.8	0.00%
<b>Total Administration &amp; Development</b>	<u>4,430.5</u>	<u>4,660.3</u>	<u>229.8</u>	<u>5.19%</u>
<b>% of Total Budget</b>	<b>15.11%</b>	<b>15.23%</b>		

### Maintenance & Utilities

Fuel	444.2	494.2	50.0	11.26%
Water	160.0	160.0	-	0.00%
Electricity	390.8	390.8	(0.0)	-0.01%
Physical Plant	1,603.1	1,751.4	148.3	9.25%
Pension & Benefits Physical Plant	118.4	123.6	5.2	4.41%
Deferred Maintenance	100.0	200.0	100.0	100.00%
Garbage Removal	56.4	56.4	0.0	0.05%
<b>Total Maintenance &amp; Utilities</b>	<u>2,872.9</u>	<u>3,176.4</u>	<u>303.5</u>	<u>10.56%</u>
<b>% of Total Budget</b>	<b>9.80%</b>	<b>10.38%</b>		

### Total Administration and Support Services

	7,303.4	7,836.7	533.3	7.30%
<b>% of Total Budget</b>	<b>24.91%</b>	<b>25.61%</b>		

### Sub-Total

	29,317.5	30,595.4	1,277.9	4.36%
<b>Contribution to Capital</b>	1,676.8	1,200.0	(476.8)	-28.44%
<b>Ancillaries Net of Sales</b>	<u>100.0</u>	<u>150.0</u>	<u>50.0</u>	<u>50.00%</u>

### Total

	<u>31,094.3</u>	<u>31,945.4</u>	<u>851.1</u>	<u>2.74%</u>
<b>(Deficit)/Funding for priorities</b>	<u>\$0.0</u>	<u>(\$0.0)</u>	<u>(\$0.0)</u>	

**University of New Brunswick**

**Multi-Year Financial Outlook**

**2005-06 Operating Budget**

- **University**
- **Fredericton Campus**
- **Saint John Campus**

## **Multi-year Financial Outlook**

The attached schedules illustrate the baseline summary pro-forma outlook for University and campus operating results from 2005-06 to 2007-08.

These summary forecasts have been prepared utilizing a series of basic budget assumptions which essentially reflect baseline levels of operations. The major assumptions are:

- Enrolment on the Fredericton campus remains at existing levels, which are above long-term targets. Enrolment on the Saint John campus decreases by about 60 students, 2.5% per year as the campus moves towards the long-term forecasted outlook.
- Collective agreement terms as signed for staff, non-unionized wage adjustments continue at current levels.
- The new collective agreement with faculty will provide the same level of salary scales and annual adjustments as the current agreement.
- Overall faculty and staff complement figures remain relatively consistent.
- Current level of funding for the Academic Pension Plan. Additional solvency payments of up to \$1 million per year have not been included in the forecast.
- The general economic climate is assumed to remain relatively consistent with basic CPI increasing at between 2% and 2.5% per year.
- The forecast includes the assumption that initiatives stemming from the “Forging Our Futures” campaign are self funded.
- The level of the Provincial grant increase for UNB is assumed to be approximately 3% per year.
- The forecasts illustrate what the annual financial results for the University would be, assuming that tuition fees remained at current levels.

### Summary Analysis

The figures illustrate that the financial outlook would continue to be tight as baseline expenditures would rise between 3.5% and 4% per year, while the existing revenue model would barely be sufficient to balance day-to-day operations. Strategic improvements would either need to be funded from budget reallocations, redeployments or from new sources of other income. Without an increase in tuition fees and with the level of the Provincial grant assumed to increase by 3.0% per year, the University would be exposed to significant annual and compounding operating deficits of nearly \$3 million per year. An increase in the Provincial operating grant of approximately 7% per year would be required in order for tuition fee levels to remain unchanged.

**UNIVERSITY OF NEW BRUNSWICK**  
**2005-2006 CONSOLIDATED OPERATING BUDGET**  
**MULTI YEAR PROJECTION**  
**\$ (000)**

	Approved 2004-2005 Budget (restated)	% Change	Proposed 2005-2006 Budget	Proforma Forecast Tuition increase 0%			
				% Change	2006-2007	% Change	2007-2008
<b>Revenue</b>							
Provincial Operating Grant	\$81,467.0	3.39%	\$84,226.0	3.50%	\$87,177.3	3.44%	\$90,179.3
Tuition Revenue	53,984.1	3.97%	56,126.8	-1.07%	55,526.8	-0.18%	55,426.8
Other Revenue	9,118.1	8.34%	9,878.9	0.54%	9,932.3	1.01%	10,032.5
<b>Total Revenue</b>	<u>\$144,569.2</u>	<u>3.92%</u>	<u>\$150,231.7</u>	<u>-6.13%</u>	<u>\$152,636.4</u>	<u>1.97%</u>	<u>\$155,638.6</u>
<b>Expense</b>							
<b>Academic and Research</b>							
Faculties and Departmental Costs	81,926.4	2.76%	84,185.2	3.80%	87,386.1	4.56%	91,372.7
Academic and Student Support	26,147.4	6.16%	27,757.8	2.68%	28,503.0	3.14%	29,398.7
	108,073.8	3.58%	111,943.0	3.53%	115,889.1	4.21%	120,771.4
<b>Administration and Support Services</b>							
Administration & Development	20,730.4	4.43%	21,648.9	2.86%	22,267.6	3.05%	22,946.2
Maintenance & Utilities	13,407.9	5.70%	14,172.3	3.68%	14,693.9	3.85%	15,260.3
	34,138.3	4.93%	35,821.2	3.18%	36,961.5	3.37%	38,206.5
<b>Total Operating Expense</b>	<u>\$142,212.1</u>	<u>3.90%</u>	<u>\$147,764.2</u>	<u>3.44%</u>	<u>\$152,850.6</u>	<u>4.01%</u>	<u>\$158,977.9</u>
<b>Variable One Time Funds</b>	0.0		0.0		297.5		297.5
<b>Contribution to Capital</b>	2,001.3	3.68%	2,075.0	28.92%	1,475.0	-6.78%	1,375.0
<b>Net Ancillary Operations</b>	355.8	10.32%	392.5	1.91%	400.0	1.92%	407.7
<b>Sub-Total</b>	2,357.1	4.68%	2,467.5	11.95%	2,172.5	-4.25%	2,080.2
<b>Total Expenses</b>	<u>\$144,569.2</u>	<u>3.92%</u>	<u>\$150,231.7</u>	<u>3.19%</u>	<u>\$155,023.1</u>	<u>3.89%</u>	<u>\$161,058.1</u>
<b>(Deficit)/Funding for priorities</b>	<u>(\$0.0)</u>		<u>\$0.0</u>		<u>(\$2,386.7)</u>		<u>(\$5,419.5)</u>

**UNIVERSITY OF NEW BRUNSWICK  
FREDERICTON  
OPERATING BUDGET MULTI YEAR PROJECTION  
\$ (000)**

	Approved 2004-2005 Budget (restated)	% Change	Proposed 2005-2006	Proforma Forecast Tuition Increase 0%			
				% Change	2006-2007	% Change	2007-2008
<b>Revenue</b>							
Provincial Operating Grant	\$68,900.2	3.35%	\$71,207.1	3.50%	\$73,699.9	3.44%	\$76,236.8
Tuition Revenue (baseline)	37,012.0	4.99%	38,858.1	0.00%	38,858.1	0.00%	38,858.1
All other non -departmental revenue	7,562.7	8.71%	8,221.1	1.20%	8,319.8	1.20%	8,420.0
<b>Total Revenue</b>	<u>\$113,474.9</u>	4.24%	<u>\$118,286.3</u>	2.19%	<u>\$120,877.8</u>	2.18%	<u>\$123,514.9</u>
<b>Expense</b>							
<b>Academic and Research</b>							
Faculties and Departmental Costs	64,677.9	2.89%	66,547.3	3.86%	69,117.3	3.94%	71,842.6
Academic and Student Support	21,382.0	5.87%	22,637.0	2.38%	23,176.5	3.09%	23,892.5
	<u>86,059.9</u>	3.63%	<u>89,184.3</u>	3.49%	<u>92,293.8</u>	3.73%	<u>95,735.1</u>
<b>Administration and Support Services</b>							
Administration & Development	16,299.8	4.23%	16,988.6	2.27%	17,373.4	3.07%	17,907.1
Maintenance & Utilities	10,534.9	4.38%	10,995.9	3.57%	11,388.8	3.82%	11,824.1
	<u>26,834.7</u>	4.28%	<u>27,984.5</u>	2.78%	<u>28,762.2</u>	3.37%	<u>29,731.2</u>
<b>Total Operating Expense</b>	<u>112,894.6</u>	3.79%	<u>117,168.8</u>	3.32%	<u>121,056.0</u>	3.64%	<u>125,466.3</u>
<b>Variable/One Time Funds</b>	0.0		0.0		297.5		297.5
<b>Contribution to Capital</b>	324.5	169.65%	875.0	0.00%	875.0	0.00%	875.0
<b>Net Ancillary Operations</b>	255.8	-5.19%	242.5	0.00%	242.5	0.00%	242.5
<b>Sub-Total</b>	<u>580.3</u>	92.56%	<u>1,117.5</u>	26.63%	<u>1,415.0</u>	0.00%	<u>1,415.0</u>
<b>Total Expenses</b>	<u>\$113,474.9</u>	4.24%	<u>\$118,286.3</u>	3.54%	<u>\$122,471.0</u>	3.60%	<u>\$126,881.3</u>
<b>(Deficit)/Funding for priorities</b>	<u>\$0.0</u>		<u>(\$0.0)</u>		<u>(\$1,593.2)</u>		<u>(\$3,366.5)</u>

**UNIVERSITY OF NEW BRUNSWICK  
SAINT JOHN  
OPERATING BUDGET MULTI YEAR PROJECTION  
\$ (000)**

	Approved	%	Proposed	Proforma Forecast Tuition increase 0%			
	2004-2005		2005-2006	%	%	2006-2007	2007-2008
	Budget	Change	Budget	Change		Change	
<b>Revenue</b>							
Provincial Operating Grant	\$12,566.8	3.60%	13,019.0	3.52%	13,477.4	3.45%	\$13,942.5
Tuition Revenue	16,972.1	1.75%	17,268.7	-3.47%	16,668.7	-0.60%	16,568.7
Other Revenue	1,555.4	6.58%	1,657.8	-2.73%	1,612.5	0.00%	1,612.5
<b>Total Revenue</b>	<u>\$31,094.3</u>	<u>2.74%</u>	<u>\$31,945.4</u>	<u>-0.58%</u>	<u>\$31,758.6</u>	<u>1.15%</u>	<u>\$32,123.7</u>
<b>Expense</b>							
<b>Academic and Research</b>							
Faculties and Departmental Costs	17,248.5	2.26%	17,637.9	3.58%	18,268.8	6.90%	19,530.1
Academic and Student Support	4,765.4	7.46%	5,120.8	4.02%	5,326.6	3.37%	5,506.2
	<u>22,013.9</u>	<u>3.38%</u>	<u>22,758.7</u>	<u>3.68%</u>	<u>23,595.4</u>	<u>6.11%</u>	<u>25,036.3</u>
<b>Administration and Support Services</b>							
Administration & Development	4,430.6	5.18%	4,660.3	5.02%	4,894.2	2.96%	5,039.1
Maintenance & Utilities	2,873.0	10.56%	3,176.4	4.05%	3,305.1	3.96%	3,436.2
	<u>7,303.6</u>	<u>7.30%</u>	<u>7,836.7</u>	<u>4.63%</u>	<u>8,199.3</u>	<u>3.37%</u>	<u>8,475.3</u>
<b>Total Operating Expense</b>	<u>29,317.5</u>	<u>4.36%</u>	<u>30,595.4</u>	<u>3.92%</u>	<u>31,794.7</u>	<u>5.40%</u>	<u>33,511.6</u>
<b>Net Ancillary Operations</b>	100.0	50.00%	150.0	5.00%	157.5	4.88%	165.2
<b>Contribution to Capital</b>	1,676.8	-28.44%	1,200.0	-50.00%	600.0	16.67%	500.0
<b>Sub-Total</b>	1,776.8	-24.02%	1,350.0	-43.89%	757.5	12.19%	665.2
<b>Total Expenses</b>	<u>\$31,094.3</u>	<u>2.74%</u>	<u>\$31,945.4</u>	<u>1.90%</u>	<u>\$32,552.2</u>	<u>4.99%</u>	<u>\$34,176.8</u>
<b>(Deficit)/Funding for priorities</b>	<u>\$0.0</u>		<u>(\$0.0)</u>		<u>(\$793.6)</u>		<u>(\$2,053.1)</u>

**UNIVERSITY OF NEW BRUNSWICK  
CONSOLIDATED  
2005-2006 OPERATING BUDGET MULTI YEAR PROJECTION  
\$ (000)**

	<b>Approved 2003-2004 Budget (restated)</b>	<b>Approved 2004-2005 Budget (restated)</b>	<b>Proposed 2005-2006 Budget</b>	<b>Proforma Forecast</b>	
				<b>2006-2007</b>	<b>2007-2008</b>
<b>Academic and Research</b>					
Faculties and Departmental Costs	58.55%	57.61%	56.97%	57.21%	57.30%
Academic and Student Support	17.35%	18.39%	18.79%	18.66%	18.58%
	<u>75.90%</u>	<u>75.99%</u>	<u>75.76%</u>	<u>75.87%</u>	<u>75.88%</u>
<b>Administration and Support Services</b>					
Administration & Development	14.73%	14.58%	14.65%	14.53%	14.50%
Maintenance & Utilities	9.37%	9.43%	9.59%	9.60%	9.62%
	<u>24.10%</u>	<u>24.01%</u>	<u>24.24%</u>	<u>24.13%</u>	<u>24.12%</u>
<b>Total Expenses</b>	100.00%	100.00%	100.00%	100.00%	100.00%

**UNIVERSITY OF NEW BRUNSWICK  
FREDERICTON  
2005-2006 OPERATING BUDGET MULTI YEAR PROJECTION  
\$ (000)**

	Approved 2003-2004 Budget (restated)	Approved 2004-2005 Budget (restated)	Proposed 2005-2006 Budget	Proforma Forecast	
				2006-2007	2007-2008
<b>Academic and Research</b>					
Faculties and Departmental Costs	58.50%	57.29%	56.80%	57.10%	57.26%
Academic and Student Support	17.61%	18.94%	19.32%	19.15%	19.04%
	<u>76.11%</u>	<u>76.23%</u>	<u>76.12%</u>	<u>76.24%</u>	<u>76.30%</u>
<b>Administration and Support Services</b>					
Administration & Development	14.37%	14.44%	14.50%	14.35%	14.27%
Maintenance & Utilities	9.52%	9.33%	9.38%	9.41%	9.42%
	<u>23.89%</u>	<u>23.77%</u>	<u>23.88%</u>	<u>23.76%</u>	<u>23.70%</u>
<b>Total Expenses</b>	100.00%	100.00%	100.00%	100.00%	100.00%



**UNIVERSITY OF NEW BRUNSWICK  
 SAINT JOHN  
 2005-2006 OPERATING BUDGET MULTI YEAR PROJECTION  
 \$ (000)**

	Approved 2003-2004 Budget	Approved 2004-2005 Budget	Proposed 2005-2006 Budget	Proforma Forecast	
				2006-2007	2007-2008
<b>Academic and Research</b>					
Faculties and Departmental Costs	58.74%	58.83%	57.65%	57.46%	58.28%
Academic and Student Support	16.31%	16.25%	16.74%	16.75%	16.43%
	<u>75.05%</u>	<u>75.09%</u>	<u>74.39%</u>	<u>74.21%</u>	<u>74.71%</u>
<b>Administration and Support Services</b>					
Administration & Development	16.15%	15.11%	15.23%	15.39%	15.04%
Maintenance & Utilities	8.80%	9.80%	10.38%	10.40%	10.25%
	<u>24.95%</u>	<u>24.91%</u>	<u>25.61%</u>	<u>25.79%</u>	<u>25.29%</u>
<b>Total Expenses</b>	100.00%	100.00%	100.00%	100.00%	100.00%

**University of New Brunswick**

**2005-06 Capital Budget**

University of New Brunswick  
**2005-06 Capital Budget**

The 2005-06 **capital budget is \$15.6 million**, nearly **double the 2004-05 budget of \$8 million**.

The goal of the capital budget is to support facilities and equipment requirements and priorities that align with the strategic and operational goals of the University. The 2005-06 capital budget is focused on the following priorities:

- Enhancing the Learning Environment

This priority is supported by enhanced and **significant commitments to infrastructure renewal** on both campuses. Adequately renewed facilities are a vital element in attracting and retaining students and faculty. The capital budget contains **\$8.4 million in funding** for infrastructure renewal. Included in these funds is \$1.9 million that will be derived from a proposed new mandatory student infrastructure renewal fee of \$175 per student.

- Increasing Research Activities

The capital budget includes **\$4.8 million** in external funding for construction of new facility on the Saint John campus to support the research activities of the **Canadian Rivers Institute**.

- Modern Equipment and Technology

The capital budget includes **\$1.7 million in funding** to be used to acquire **new technology and equipment** to support teaching research and promote efficient administrative activities.

- Campus Master Plans

The budgeted projects, with specific academic and research linkages, are guided by the framework and principles of the campus master plans:

- \$71,000 from real estate cash flow has been designated for **specific campus master plan projects**. Further progress in this area is expected in coming years as land development activity begins to crystallize.
- **A new 200-bed residence** of approximately \$11 million is currently under negotiations with an external partner, following a P3 model. No final arrangements have been made at the time of budget preparations. The model would essentially see a **private developer** undertake the majority of the capital investment and business risk for this venture. This residence would offer a new choice to students and support the expansion of the School of Graduate Studies.

## Infrastructure Renewal

The capital budget includes \$8.4 million for infrastructure renewal and facilities improvement projects, compared to \$5.6 million in 2004-05 and to baseline levels of \$2 million. This level of projects is supported by a variety of funding sources including \$2.7 million from operating budgets, transfers and capital reserves, \$1.9 million from the new infrastructure renewal fee and \$2.0 million from ongoing Provincial capital grants. Budgeted expenditures on infrastructure renewal compare to the following guidelines taken from the recent facilities condition audit.

	<u>Fredericton Campus</u>	<u>Saint John Campus</u>	<u>University</u>
- 2005-06 Budgeted expenditures	\$6.0	\$2.4	\$8.4
- Required to hold current condition	6.3	1.1	7.4
- Required to reduce backlog of deferred maintenance overtime	8.1	1.5	9.6

There are currently two sources of additional Provincial infrastructure funding that have either not been allocated or fully developed yet and are, therefore, not included in the UNB capital budget but are a likely source of additional funding over the near term. These programs are:

- Capital Assistance funding – a fund of \$6 million exists for New Brunswick universities to apply and compete for. A decision on 2005-06 allocations is expected later in the spring. UNB typically receives approximately 55% of regular ongoing capital funding. Applications for 67% or \$4 million have been submitted for this fund.
- The Premier recently announced that the Province was committing \$20 million in infrastructure funding for New Brunswick universities. No specifics from this program have been announced, however, it is believed that this funding was being put forward by the Province as part of a strategy that would see the Federal government participate in a larger university infrastructure funding program.

As these decisions and programs become clarified, UNB is positioning capital finances in order to participate in some form of matching program should this come to fruition.

We have designated approximately \$1.0 million in 2005-06 infrastructure funding as 25% matching funding for the \$4 million in capital submissions under the Capital Assistance Program. The \$1.9 million generated from the student supplemental fee in 2005-06 will be allocated to projects for completion in the summer of 2005. Future cash flows from this fee could be used in a variety of ways including financing annual projects on a “pay as you go” basis, funding to service debt and thereby “front end load” infrastructure projects, or to provide a source of funds to lever with Provincial and/or Federal programs as required.

As discussed at the February Strategic Session of the Board of Governors, the level of required infrastructure renewal at UNB is significant, with infrastructure renewal needs for academic, research and administrative buildings amounting to over \$100 million. The efforts being made by UNB, while significant, must be supplemented with Provincial and Federal programs in order for this major challenge to be overcome. The 2005-06 budget reflects UNB's commitment to this priority and is part of a **3-year infrastructure renewal plan of nearly \$21 million in funding from UNB**. This compares to the last 3 years of \$16 million in infrastructure renewal funding.

#### Canadian Rivers Institute

A briefing on this project will be made available at the next Properties Committee meeting and to the Board of Governors as the various funding partners are formalized in the interim period.

#### Technology

The budget includes over \$1.1 million in technology funding for specific items that are listed in the budget. The capital budget includes over \$540,000 in funding for technology (approximately one-half of the budget), that is financed by a supplemental technology fee of \$50 per student which was introduced several years ago. The students are part of a committee that decides upon the allocation of these funds to priorities that directly impact students.

University of New Brunswick  
**Capital Budget Summary**  
**2005-06**  
 \$(000's)

	<u>Fredericton Campus</u>	<u>Saint John Campus</u>	<u>Total</u>	<u>2004-05 Amount</u>
<b><u>Buildings and Space</u></b>				
Infrastructure Renewal				
- Major Projects	\$5,219	\$2,374	\$7,593	\$5,064
- Alterations and Improvements	784	53	837	568
	<u>6,003</u>	<u>2,427</u>	<u>8,430</u>	<u>5,632</u>
New Construction	0	4,800	4,800	0
	<u>\$6,003</u>	<u>\$7,227</u>	<u>\$13,230</u>	<u>\$5,632</u>
 <b><u>Equipment and Technology</u></b>				
Library Acquisitions	\$650	\$0	\$650	\$850
Technology	975	213	1,188	1,158
Equipment and Furniture	417	146	563	360
	<u>\$2,042</u>	<u>\$359</u>	<u>\$2,401</u>	<u>\$2,368</u>
<b>Total</b>	<u>\$8,045</u>	<u>\$7,586</u>	<u>\$15,631</u>	<u>\$8,000</u>

University of New Brunswick

**2005-06  
Capital Budget  
Schedules**

**University of New Brunswick**  
**Summary of Capital Budget by Source of Funds**  
**2005-06**

<u>Source of Funds:</u>	(\$000's)			<b>2004-05 Amounts</b>
	<u>Fredericton</u>	<u>Saint John</u>	<u>Total</u>	
<b>Buildings and Space:</b>				
<i>Ongoing:</i>				
Provincial A&R grant	\$ 1,827	\$ 269	\$ 2,096	\$ 2,091
Land revenues	71		71	41
Contribution From 2005-06 Operating Budget	250		250	
Supplemental Infrastructure Renewal Fee	1,575	357	1,932	
<i>One-Time:</i>				
Contribution from 2005-06 Academic Priority Fund	80		80	
Contribution From 2004-05 Operating Budget ( One-Time)	325	1,800	2,125	
Contribution from 2003-2004 Operating Reserves	675		675	3,500
Funding from provincial UITF #2	1,200		1,200	
Various sources for Canadian Rivers Institute		4,800	4,800	
<b>Total funds available, Buildings &amp; Space</b>	<u>6,003</u>	<u>7,226</u>	<u>13,229</u>	<u>5,632</u>
<b>Equipment and Technology:</b>				
<i>Ongoing:</i>				
Provincial non-space grant	1,575	270	1,862	1,828
Technology Fee	450	90	540	540
<b>Total funds available, Equipment &amp; Technology</b>	<u>2,025</u>	<u>360</u>	<u>2,402</u>	<u>2,368</u>
<b>Total Funds Available, Capital Budget</b>	<u>\$ 8,028</u>	<u>\$ 7,586</u>	<u>\$ 15,631</u>	<u>\$ 8,000</u>



**UNB FREDERICTON CAMPUS  
CAPITAL BUDGET  
BUILDINGS AND SPACE  
2005-06**

<u>Source of Funding</u>	<u>Major Maintenance Infrastructure Renewal</u>	<u>Alterations and Improvements</u>	<u>New Construction</u>	<u>Total</u>
<b>Ongoing:</b>				
Provincial A&R Grant	\$ 1,519,095	\$ 307,934		\$ 1,827,029
Land Revenues		71,000		71,000
Contribution from 2005-06 Operating Budget	250,000			250,000
Supplemental Infrastructure Renewal Fee	1,575,000			1,575,000
<b>Total Ongoing</b>	<u>3,344,095</u>	<u>378,934</u>	<u>0</u>	<u>3,723,029</u>
<b>One -time:</b>				
Contribution from 2005-06 Academic Priority Fund		80,500		80,500
Contribution from 2004-2005 Priority Funding		324,500		324,500
Contribution from 2003-2004 Priority Funding	675,000			675,000
Funding from Provincial UITF #2	1,200,000			1,200,000
<b>Total One-Time</b>	<u>1,875,000</u>	<u>405,000</u>	<u>0</u>	<u>2,280,000</u>
<b>Total Buildings and Space</b>	<u>\$ 5,219,095</u>	<u>\$ 783,934</u>	<u>\$ -</u>	<u>\$ 6,003,029</u>

*History*

2004-05 Budget

2003-04 Budget\*

2002-03 Budget

\$ 2,307,816	\$ 496,253	\$ -	\$ 2,804,069
\$ 5,950,603	\$ 345,635	\$ -	\$ 6,296,238
\$ 1,172,000	\$ 801,134	\$ -	\$ 1,973,134

\* Levels were enhanced due to a one-time allocation of additional Provincial infrastructure renewal funding provided in 2003-04. Chemistry Biology and Engineering laboratories will be enhanced from these funds. Expenditures made in 2004-05.

**UNB Fredericton Campus**  
**MAJOR MAINTENANCE & INFRASTRUCTURE RENEWAL**

Approved Funding

1Toole Hall Undergraduate Laboratory Renovations (UITF #2)	\$ 1,200,000
2Phase VIII Sanitary Sewer Rehabilitation	215,000
3Tunnel Upgrade	84,000
4Bailey Hall Window Installation	190,000
5Cross Connections (Toole Hall) Phase 2	55,912
6Controls Upgrade (Singer)	107,142
7Fire Alarm Upgrades MacLaggan Hall	40,768
8Utilities Master Plan	98,150
9Stained Glass at Old Arts	6,230
10Cross Connections (Head Hall) Phase 1	33,320
11Electrical Upgrade Isolators (IUC Forestry)	45,000
12Stairs & Walkway @ Archives/Biomedical Parking	10,050
13Access Hatches (HIL)	56,620
14Cross Connections (Head Hall) Phase 2	8,585
15Bailey Hall Plate Exchanger	20,791
16Head Hall Plate Exchanger	77,497
17Cooling Tower (IUC Forestry)	77,186
18Replace Flushometers (Head Hall)	40,348
19DHW Heating / Backnet Controls MacLaggan	20,000
20Secondary Electrical Upgrade (Memorial Hall)	100,605
21Replace DHW Tank (Bailey Hall)	33,320
22Underground Steam Line Replacement (L. Dunn - Incutec)	98,600
23Bailey Hall Controls Upgrade	8,500
24HIL - Replace Washroom Flush Valves	46,000
25Replace and Add Steam Valves in Tunnel	67,900
26Modifications to AHU #5 - Singer Hall	84,753
27Head Hall Transformer Vault Foundation Waterproofing	39,500
28Head Hall Entrance Door Replacement	44,713
29Carlton Hall - Replace Domestic Hot Water Tank	24,500
30Replace Retaining Walls (Beaverbrook, Pacey)	29,000
31Replace Steam/Condensate Accessories (Forestry/Geology)	5,900
32Replace Steam/Condensate Accessories (IUC Physics/Admin)	8,500
33MPHEC Matching Funds	749,901
34Pacey Drive Reconstruction *	505,610
35Infrastructure Renewal Projects (to be determined)	884,390
36Contingency	100,804
<b>Total Capital Renewal Projects</b>	<b>\$ 5,219,095</b>

\* Project Funded from new Infrastructure Renewal Fee

**UNB Fredericton Campus**  
**ALTERATIONS AND IMPROVEMENTS**

Approved Funding

1	Admin - Space Changes to Tilley/Singer Hall *	\$ 25,850
2	Admin - Smart Classromm Upgrades, Singer 302 & 304 *	11,560
3	Arts - Renovate Keirstead Room 020 *	14,600
4	Arts - Safety and Working Conditions in Anthro Lab *	37,850
5	CEL - Network Upgrade at Memorial Hall *	4,216
6	CEL - Electrical Upgrade at Memorial Hall Room 27 *	11,901
7	Computer Science - Graduate Research Laboratory *	44,540
8	Education - Undergraduate Work Space *	5,220
9	Engineering - ECE/Power Lab *	38,000
10	Engineering - Renovate ChE/ME Material Science Lab *	29,000
11	FOREM - Wildlife Upgrade - New Forestry *	22,925
12	FOREM - Entomology Lab Upgrade *	11,900
13	Kinesiology - Cardio Room to Faculty Offices *	23,784
14	Kinesiology - Convert A116 to Smart Classroom *	34,056
15	Law - Law Library Group Study Space/Conference Rooms *	37,000
16	Nursing - Storage Room to Hospital Unit + Window Film *	27,902
17	Nursing - MacLaggan Hall Auditorium Renovation *	50,000
18	Nursing - Replace Basement Lockers *	12,355
19	Science - Fume Hood Monitors and Alarms *	37,000
20	Science - Radiation Suite Alarms *	10,000
21	Science - Space Science Lab (wall for LN) *	10,000
22	Engineering - Refurbish Dineen Auditorium Chairs *	45,000
23	Arts - Computer Drops in Psychology *	5,000
24	Science - Gary Saunders Lab Renovation *	20,000
25	Arts - Upgrade Tilley Hall Room 5 *	15,000
	<b>Subtotal - Faculty Projects</b>	<b>\$584,659</b>

26	Student Affairs - Winterize Neville Homestead	5,895
27	CETL - Office Creation @ D'Avray Hall	18,780
28	Financial Services - Replace Flooring Upstairs	12,512
29	VP Research - Industry/Government Services - Space Modification	1,476
30	Student Affairs - Fireproof File Storage	2,175
31	Financial Services - Cabinet Doors	1,324
	<b>Subtotal - Academic &amp; Student Support Projects</b>	<b>42,162</b>

32	ITS - Repairs to D10 (Wiring and Floor)	66,900
	<b>Subtotal - ITS Projects</b>	<b>66,900</b>

33	Campus Master Plan Improvement Projects	<b>71,000</b>
34	Unallocated	<b>19,213</b>

**Total A&R Projects** **783,934**

**Total (Capital Renewal & A&R Projects)** **\$6,003,029**

\* Project Funded from new Infrastructure Renewal Fee

**UNB FREDERICTON CAMPUS  
CAPITAL BUDGET  
EQUIPMENT & TECHNOLOGY  
2005-06**

<u>Source of Funding</u>	<u>Library Acquisitions</u>	<u>Technology</u>	<u>Equipment</u>	<u>Furniture</u>	<u>Total</u>
<b>Ongoing:</b>					
Provincial Non-Space Grant	\$ 650,000	\$ 524,877.00	\$ 357,522.00	\$ 59,640.00	\$ 1,592,039
Technology Fee		450,000			450,000
<b>Total Equipment &amp; Technology</b>	<u>\$ 650,000</u>	<u>\$ 974,877</u>	<u>\$ 357,522</u>	<u>\$ 59,640</u>	<u>\$ 2,042,039</u>
 <b>History</b>					
2004-05 Budget	\$ 850,000.00	\$ 904,194.00	\$ 201,911.00	\$ 30,220.00	\$ 1,986,325
2003-04 Budget	\$ 850,000.00	\$ 850,998.00	\$ 114,231.00	\$ 33,065.00	\$ 1,848,294
2002-03 Budget	\$ 850,000.00	\$ 889,783.00	\$ 159,184.00	\$ 29,939.00	\$ 1,928,906

## Summary of Approved Projects - Equipment & Technology - Fredericton Campus

<u>TECHNOLOGY</u>	<u>Non-Space Grant</u>	<u>Technology Fee</u>
Computer Science - general access computers	\$ 48,300	
Forestry - Remote sensing software license	31,000	
Administration - Video conferencing	30,000	
Law - Law library computer	25,000	
Education - Peppin Lab ( Joint with ITS)	24,000	
Arts - Upgrade faculty computers	23,248	
Kinesiology - New computers	19,699	
Renaissance - Furniture & computers	17,500	
Arts - Psychology lab computers	16,787	
Forestry - Software analytical tools	7,200	
School of Graduate Studies - 2 computers	5,500	
Arts - Computers for grad lab	5,470	
College of Extended Learning - Thinkpad	2,081	
CETL - Smart mobile multimedia centre	10,000	
Registrar - New computers and printer	9,144	
Security - Occurrence reporting system upgrade	7,972	
Student Affairs - scheduling server hardware	2,785	
ITS- firewall implementation	6,602	
ITS - Hub replacements	50,000	

ITS - Hardware upgrades	30,000	
ITS - Lab renewal	22,170	
Physical Plant - Computers	10,000	
Financial Services - 15 P.C.'s	20,207	
Development - Desktop & Laptops	6,476	
Alumni - Desktop & printer	4,025	
V.P (F&C.S.) - Color Printer	3,000	
Alumni - Desktop Computer	2,875	
Alumni - Color Laser Printer	2,300	
VP (F&C.S.) - New laptop	2,296	
University Secretariat - High volume printer	2,249	
President - computer, printer & monitor	5,291	
V.P (F&C.S.) - 2 printers	787	
VP (F&C.S.) - Teleconference unit	500	
To be determined	70,413	
Specific projects to be determined by the Student Technology Fee Committee		<u>450,000</u>
<b>Subtotal, Technology</b>	<b>524,877</b>	<b>450,000</b>

**EQUIPMENT**

Science - Thin sectioning equipment	50,000
Engineering - Renovate materials Lab	30,000
Engineering - Undergraduate lab equipment	25,000

Engineering - Equipment for ECE Lab	25,000	
Science - Start-up lab equipment	25,000	
Science - Equipment for Bio-chemist	25,000	
Kinesiology - Instructional materials	23,000	
Forestry - Equipment for wood mechanics	13,500	
Kinesiology - CFI force plates	11,800	
Arts - Culture Studies/ Calssics materials	5,500	
CETL - Loaner Equipment Pool	25,000	
Intercollegiate Athletics - 2 treadmills	16,560	
Security - Storm coats	4,830	
Physical Plant - Digital Postage meter	43,224	
Physical Plant - Upgrade Honeywell interface	25,330	
University Secretariat - 2 Filing Cabinets	4,600	
Alumni - folding machine	1,150	
Alumni - Cash register	1,150	
VP (F&C.S.) - office equipment	1,143	
University Secretariat - polycom soundstation	735	
	<hr/>	<hr/>
<b>Subtotal, Equipment</b>	357,522	0

**FURNITURE**

Education - Replace furniture in 334	10,315
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Science - Graduate student spaces	7,700	
CETL - Office space for 2 people	12,786	
VP Research - Modify workstations	9,043	
Financial Services - 4 workstations	7,796	
VP(F&C.S.) - Office furniture	8,454	
Financial Services - 13 chairs	2,946	
Financial Services - Storage unit	<u>600</u>	<u>          </u>
<b>Subtotal, Furniture</b>	59,640	0

**LIBRARY ACQUISITIONS**

Acquisitions as determined by the UNB Fredericton Librarian and Committees	650,000	0
	<u>\$ 1,592,039</u>	<u>\$ 450,000</u>



UNB SAINT JOHN CAMPUS  
CAPITAL BUDGET  
BUILDINGS AND SPACE  
2005-06

	Major Maintenance Infrastructure Renewal	Alterations Improvements	New Construction	Total
<b><u>Source of Funding</u></b>				
Ongoing A&R Funding	216,498	52,568	-	269,066
Contribution from 2004-05 Operating	1,800,000	-	-	1,800,000
Supplemental \$175/student fee for Infrastructure Renewal	357,175	-	-	357,175
Canadian Rivers Institute	-	-	4,800,000	4,800,000
2005-06 Budget	<b>\$ 2,373,673</b>	<b>\$ 52,568</b>	<b>\$ 4,800,000</b>	<b>\$ 7,226,241</b>

<b><u>History</u></b>				
2004-05 Budget	2,755,877	72,073	-	2,827,950
2003-04 Budget	131,920	137,161	600,000	869,081
2002-03 Budget	226,896	34,348	9,900,000	10,161,244
2001-02 Budget	204,514	52,786	-	257,300
2000-01 Budget	208,029	44,124	-	252,153
1999-00 Budget	120,929	126,180	-	247,109

Note: The University is still engaged in securing the \$3 million financial contribution for the new residence constructed in 2003. If the University is unsuccessful in this endeavor, the impact to the Saint John campus operating budget would be approximately \$150,000 per year, amortized over 20 years.

MAJOR MAINTENANCE AND INFRASTRUCTURE RENEWAL

A& R Funding

Miscellaneous Roof Repairs	70,000	
Trap Survey & Replacement	22,448	
Masonry Work	19,415	
Greenhouse	19,415	
Facilities Management IT Upgrade	16,225	
Chemical Treatment - Heating Systems	2,921	
Building Fire Protection	9,889	
Electric Hold Devices	6,674	
Window & Louver Leaks	5,516	
Beaverbrook House - Electric Heat	21,477	
Ventilation for Tim Hortons Kitchen Area	13,348	
De-chlorination system post filter	6,122	
Unallocated	3,049	
		216,498

ALTERATIONS AND IMPROVEMENTS

A&R Funding

Construct Tool Crib & Central Store Room	21,681	
Upgrade changing rooms, shower and washrooms in Athletics centre ARW	11,031	
Remove carpet in main floor of the Athletics centre and replace with tile ARW	19,856	
		52,568

**Total Alterations & Improvements**

269,066

**Infrastructure renewal and priorities to be distributed at April 14, 2005 BOG meeting**

1,800,000

**Supplemental \$175/student fee for Infrastructure Renewal**

357,175

**NEW CONSTRUCTION**

Canadian Rivers Institute Building addition		4,800,000
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Total New Construction		<u>4,800,000</u>
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CAPITAL BUDGET  
EQUIPMENT AND TECHNOLOGY  
2005-06

<u>Source of Funding</u>	Equipment & Materials	Furnishings	Technology	Total
Provincial non-space grant	119,138	26,777	123,975	269,890
Technology Fee \$50/student	-	-	90,000	90,000
2005-06 Budget	<u>\$ 119,138</u>	<u>\$ 26,777</u>	<u>\$ 213,975</u>	<u>\$ 359,890</u>

History

2004-05 Budget	104,681	23,900	254,739	383,321
2003-04 Budget	286,427	41,740	859,057	1,187,224
2002-03 Budget	88,544	24,679	224,774	337,997
2001-02 Budget	31,948	24,535	186,224	242,707
2000-01 Budget	49,363	-	190,894	240,257
1999-00 Budget	45,805	-	188,729	234,534

**UNBSJ**

Equipment & Materials

Saf & Sec	Purchase software/computer & 4 new security cameras -	15223
ARW	Replacement of current volleyball posts and related equipment due to safety concerns	10151
Physics Lab	Setup new Physics lab in order to update and extend the Physics experiments needed for the APSC courses starting in Sept 2005	30000
ARW	Purchase and installation of six (6) gared glass basketball backboards	4000
ACR	Recruitment portfolio was designed for 2001 and has been used for 3 yrs - time to re-design & refresh material and adjust content to better serve	50000
Nurs	To replace video cameras used in communication courses with BN, BN/RN & BHS	1,764
WCL	Library resources for new faculty -	3,000
VP	Purchase of portable sound system for meetings and events	5,000

\$ 119,138

Furnishings

Fac Management	Purchase new tables for Baird dining room ( 10 @ 1500.00)	16,547
Registrar	To purchase 4 workstations	10,230

\$26,777

Technology

Soc Sci	New computer for N Ridler	1,778
Hist Pol	Computer for G Marquis	1,778
Soc Sci	Computer for R Duchesne	1,778
Hist & Pol	Computer for A Moran	1,778
Hum & Lang	Computer for V Hill	1,778
Fin & Admin	Computer for K Vanwart	1,778

ILO	Computer for student abroad program coordinator - L Montoya	1,778	
ILO	Computer for B Sudul - Off campus Housing	1,778	
Assoc VP	Computer for R Dionne - admin assistant	1,778	
FOB	Computer for secretary - T Morin	1,778	
FOB	Laptop computer for G Fleet -	1,778	
Registrar	Computer for S Carr	1,778	
CSAS	Computer for O Kayser	1,778	
Nurs	Computer for R McCloskey	1,778	
Nurs	Computer for N Logue	1,778	
Biology	Computer for M Litvak	1,778	
Nurs	Laptop for K Furlong	1,778	
Biology	Computer for S Turnbull	1,778	
Math	Computer for G Stocia	1,778	
CSAS	Computer for Dr Mahanti	1,778	
Sen Secretary	Computer for S DeVarenne	1,778	
ITS	additional smart classroom	25,000	
ITS	Replace outdated servers: Employee file server, McAfee e-Policy Orchestrator virus scanning server, software licensing & 2 print servers	42,770	
ITS	Purchase Ghost to distribute hard drive images to campus computer	7,660	
WCL	High speed specialized scanner	6,000	
REGISTRAR	To purchase laser printer to replace 9 year printer	2,390	
UNALLOCATED	To be determined	2,817	
			<u>\$123,975</u>
Technology Fee \$50/student			
	Priorities to be determined by Technology Fee Committee with student representative		<u>\$90,000</u>

**Capital Budget**  
**3-Year Program**  
**2005-06 to 2007-08**

(currently excludes projects for *Forging Our Futures* Campaign)

University of New Brunswick

**3-Year Capital Budget Program**  
**\$(000's)**

	<b><u>2005-06</u></b> <b><u>Budget</u></b>	<b><u>2006-07</u></b> <b><u>Pro-forma</u></b>	<b><u>2007-08</u></b> <b><u>Pro-forma</u></b>	<b><u>3-Year</u></b> <b><u>Total</u></b>
Infrastructure Renewal	\$8,429	\$6,237	\$6,310	\$20,976
New Construction	4,800	-	-	4,800
Equipment and Technology	2,402	2,458	2,523	7,383
Total	<u>\$15,631</u>	<u>\$8,695</u>	<u>\$8,833</u>	<u>\$33,159</u>

**UNB Fredericton Campus  
3-Year Capital Budget Program  
\$(000's)**

	<b><u>2005-06 Budget</u></b>	<b><u>2006-07 Pro-forma</u></b>	<b><u>2007-08 Pro-forma</u></b>	<b><u>3- Year Total</u></b>
Infrastructure Renewal	\$6,003	\$4,403	\$4,467	\$14,873
New Construction	-	-	-	-
Equipment and Technology	<u>2,042</u>	<u>2,090</u>	<u>2,146</u>	<u>6,278</u>
Total	<u><u>\$8,045</u></u>	<u><u>\$6,493</u></u>	<u><u>\$6,613</u></u>	<u><u>\$21,151</u></u>



**UNB Saint John Campus  
3-Year Capital Budget Program  
\$(000's)**

	<b><u>2005-06 Budget</u></b>	<b><u>2006-07 Pro-forma</u></b>	<b><u>2007-08 Pro-forma</u></b>	<b><u>3-Year Total</u></b>
	\$2,426	\$1,834	\$1,843	\$6,103
New Construction	4,800	-	-	4,800
Equipment and Technology	<u>360</u>	<u>368</u>	<u>377</u>	<u>1,105</u>
Total	<u><u>\$7,586</u></u>	<u><u>\$2,202</u></u>	<u><u>\$2,220</u></u>	<u><u>\$12,008</u></u>

**University of New Brunswick  
Capital Budget  
2005-06 Budget and Two-Year Proforma**

	2004-05 Budget	(\$000's) 2005-06 Budget	2006-07 Proforma	2007-08 Proforma
<b>Buildings and Space:</b>				
<i>Ongoing:</i>				
Provincial A&R grant	\$ 2,091	\$ 2,096	\$ 2,159	\$ 2,232
Land revenues	41	71	71	71
Contribution From 2005-06 Operating Budget	0	250	250	250
Supplemental Infrastructure Renewal Fee	0	1,932	1,932	1,932
<b>Total Ongoing</b>	<b>2,132</b>	<b>4,349</b>	<b>4,412</b>	<b>4,485</b>
<i>One-Time:</i>				
Contribution from 2005-06 Academic Priority Fund	0	80	0	0
Contribution from 2003-04 Priority Fund	3,500	675	0	0
Contribution From 2004-05 Priority Fund	0	2,125	0	0
Contribution From 2005-06 Priority Fund	0	0	1,825	0
Contribution From 2006-07 Priority Fund	0	0	0	1,825
Funding from provincial UITF #2	0	1,200	0	0
Various sources for Canadian Rivers Institute	0	4,800	0	0
<b>Total One-time</b>	<b>3,500</b>	<b>8,880</b>	<b>1,825</b>	<b>1,825</b>
<b>Total Buildings and Space</b>	<b>5,632</b>	<b>13,229</b>	<b>6,237</b>	<b>6,310</b>
<b>Equipment and Technology:</b>				
<i>Ongoing:</i>				
Provincial non-space grant	1,828	1,862	1,918	1,983
Technology Fee	540	540	540	540
<b>Total funds available, Equipment &amp; Technology</b>	<b>2,368</b>	<b>2,402</b>	<b>2,458</b>	<b>2,523</b>
<b>Total Funds Available, Capital Budget</b>	<b>\$ 8,000</b>	<b>\$ 15,631</b>	<b>\$ 8,695</b>	<b>\$ 8,833</b>
<b>Other Potential Funding Sources:</b>				
Special Provincial Capital Grant (Pool of \$6 million to N.B. Universities)			TBD	TBD
Special Funding announced from the N.B. Provincial Government (Pool of \$20 million to N.B. Universities)			TBD	TBD

**UNB Fredericton Campus  
Capital Budget  
2005-06 Budget and Two-Year Proforma**

	2004-05 Budget	(\$000's) 2005-06 Budget	2006-07 Proforma	2007-08 Proforma
<b>Buildings and Space:</b>				
<i>Ongoing:</i>				
Provincial A&R grant	\$ 1,763	\$ 1,827	\$ 1,882	\$ 1,946
Land revenues	41	71	71	71
Contribution From 2005-06 Operating Budget	0	250	250	250
Supplemental Infrastructure Renewal Fee	0	1,575	1,575	1,575
<b>Total Ongoing</b>	<b>1,804</b>	<b>3,723</b>	<b>3,778</b>	<b>3,842</b>
<i>One-Time:</i>				
Contribution from 2005-06 Academic Priority Fund		80	0	0
Contribution from 2003-04 Priority Fund	1,000	675	0	0
Contribution From 2004-05 Priority Fund	0	325	0	0
Contribution From 2005-06 Priority Fund	0	0	625	0
Contribution From 2006-07 Priority Fund	0	0	0	625
Funding from provincial UITF #2	0	1,200	0	0
<b>Total One-time</b>	<b>1,000</b>	<b>2,280</b>	<b>625</b>	<b>625</b>
<b>Total Buildings and Space</b>	<b>2,804</b>	<b>6,003</b>	<b>4,403</b>	<b>4,467</b>
<b>Equipment and Technology:</b>				
<i>Ongoing:</i>				
Provincial non-space grant	1,536	1,592	1,640	1,696
Technology Fee	450	450	450	450
<b>Total funds available, Equipment &amp; Technology</b>	<b>1,986</b>	<b>2,042</b>	<b>2,090</b>	<b>2,146</b>
<b>Total Funds Available, Capital Budget</b>	<b>\$ 4,790</b>	<b>\$ 8,045</b>	<b>\$ 6,493</b>	<b>\$ 6,613</b>
<b>Other Potential Funding Sources:</b>				
Special Provincial Capital Grant (Pool of \$6 million to N.B. Universities)			TBD	TBD
Special Funding announced from the N.B. Provincial Government (Pool of \$20 million to N.B. Universities)			TBD	TBD

**UNB Saint John Campus  
Capital Budget  
2005-06 Budget and Two-Year Proforma**

	2004-05 Budget	(\$000's) 2005-06 Budget	2006-07 Proforma	2007-08 Proforma
<b>Buildings and Space:</b>				
<i>Ongoing:</i>				
Provincial A&R grant	\$ 328	\$ 269	\$ 277	\$ 286
Land revenues	0	0	0	0
Contribution From 2005-06 Operating Budget	0	0	0	0
Supplemental Infrastructure Renewal Fee	0	357	357	357
<b>Total Ongoing</b>	<u>328</u>	<u>626</u>	<u>634</u>	<u>643</u>
<i>One-Time:</i>				
Contribution from 2005-06 Academic Priority Fund		0	0	0
Contribution from 2003-04 Priority Fund	2,500	0	0	0
Contribution From 2004-05 Priority Fund	0	1,800	0	0
Contribution From 2005-06 Priority Fund	0	0	1,200	0
Contribution From 2006-07 Priority Fund	0	0	0	1,200
Funding from provincial UITF #2	0	0	0	0
Various sources for Canadian Rivers Institute	0	4,800	0	0
<b>Total One-time</b>	<u>2,500</u>	<u>6,600</u>	<u>1,200</u>	<u>1,200</u>
<b>Total Buildings and Space</b>	<u>2,828</u>	<u>7,226</u>	<u>1,834</u>	<u>1,843</u>
<b>Equipment and Technology:</b>				
<i>Ongoing:</i>				
Provincial non-space grant	292	270	278	287
Technology Fee	90	90	90	90
<b>Total funds available, Equipment &amp; Technology</b>	<u>382</u>	<u>360</u>	<u>368</u>	<u>377</u>
<b>Total Funds Available, Capital Budget</b>	<u>\$ 3,210</u>	<u>\$ 7,586</u>	<u>\$ 2,202</u>	<u>\$ 2,220</u>
<b>Other Potential Funding Sources:</b>				
Special Provincial Capital Grant (Pool of \$6 million to N.B. Universities)			TBD	TBD
Special Funding announced from the N.B. Provincial Government (Pool of \$20 million to N.B. Universities)			TBD	TBD

**University of New Brunswick**

**2005-06 Residence Budget**

**University of New Brunswick**

**Fredericton Campus  
Residence Budget  
2005-06**

University of New Brunswick

**Fredericton Campus  
Residence System  
Summary of Budget  
2005-06**

- Operated as:
  - an ancillary operation for financial purposes – self contained finances, operating and capital
  - an academic support unit for residential life and student support purposes – part of Learning Environment Group led by Associate V.-P. Academic (Learning Environment)
- 13 student residences and 1 apartment building with a total of 1,448 traditional residence beds (budgeted for 96% occupancy) and 103 apartments (budgeted at 95% occupancy)
- Total budget \$11.1 million
- Budget includes \$675,000 in infrastructure renewal for buildings and \$1.556 million as phase II of food service renewal. Over the past 5 years, nearly \$10 million of infrastructure and food service renewal has taken place, financed by residence and food service operations.
- Plan to increase summer conference business by 10% with resulting contributions being used to finance Residence System enhancements.
- Currently examining a P3 model for a proposed 200 bed new residence (independent living suites targeted at more senior and grad students) for either fall of 2006, or 2007.
- Proposed traditional residence rate increase
  - Basic cost increases (room and food) 3.50%
  - Phase II of food service renewal 1.60%
  - Longer academic year/dining days 0.47%
  - 5.57%

Recent History	
2004-05 (4.25%+1.50% phase I food renewal)	5.75%
2003-04	5.50%
2002-03	5.00%
2001-02	5.50%
2000-01	4.00%
Average last five years 5.2%	

- Competitive positioning 2004-05

- |                                        |         |                                 |
|----------------------------------------|---------|---------------------------------|
| - Double room with 14 meal dining plan | \$6,088 | mid point in<br>Maritime group  |
| - Single room with 14 meal dining plan | \$7,206 | higher end of<br>Maritime group |
- Proposed apartment and conference rate increases:
    - Magee Apartments 3.0%  
(remaining competitive with neighbouring local rents)
    - Conferences (Summer 2006) 3.0%  
(remaining competitive locally and regionally)

- Challenges

System is 40 years old. Basic renewal on building envelope, electrical components, windows, roofs and washrooms, has been adequate. Food service renewal will be complete in Summer 2006. Rooms need a major refurbishment, estimated cost \$11 million.



# **RESIDENTIAL LIFE AND CONFERENCE SERVICES ANNUAL PLANNING GUIDELINES**

## **INTRODUCTION**

The University of New Brunswick-Fredericton is committed to a living and learning environment for students wishing accommodations on or near campus. This is reflected by Residential Life & Conference Services (RL&CS) being a member of the Learning Environment Group led by the Associate Vice-President Academic (Learning Environment), rather than being purely an ancillary housing operation. Similarly, our facilities (quality living and learning environment), conference (largely student/community groups), and food services (proper nutrition, community, life skills) support this learning and living environment as do key partnerships with Student Affairs & Services, other academic support units, faculties, and administrative support units.

This approach is rooted in history (students and faculty originally lived and learned in the Old Arts Building), recent residence partnerships (Renaissance College at Maggie Jean Chestnut Residence), and future planning (residence refurbishment, possible future private-public suite residence project). UNB-F currently offers thirteen student residence buildings (1,448 beds with either four or eight month contracts) and one apartment building (103 units with twelve month leases) for students pursuing studies on its Fredericton campus. Periodically, the University will also add extra off campus temporary (3 - 4 months) and permanent residences (8 months) to better support students (unable to find housing) and enrolment growth, always ensuring the necessary amenities and supports for a positive living and learning environment. Collectively, RL&CS manages residential living for 20% of the student body (50% of the first year class), 18% of total campus space, 40 full-time and 200 part-time staff, a food contract serving 34,000 weekly meals, and 26,000 conference guest nights.

Since the Maritime Provinces Higher Education Commission (MPHEC) does not provide grants for residence facilities or services, the University maintains a separate residence system budget functioning on a cost-recovery basis. The budget covers residence and apartment operations as well as conference and food services which rely heavily upon and dovetail with residence services. Income is earned from residence room and board charges, apartment rentals, conferences, food services rebates, and other sources such as commissions on coin laundries, vending, and soft drink sales. The expense budget includes staff salaries and benefits, utilities, operating supplies, food services, building maintenance, capital projects, and mortgage payments.

## **STRATEGIC PROFILE**

### **(Strengths, Challenges, Opportunities, Risks)**

RL&CS strengths are felt to be our people (students, clients and staff), high residence demand (both new and returning students), the stability/mentorship offered by returning students, fees reasonably competitive with other universities, ongoing infrastructure renewal (building systems, food services), an integrated residence management approach (residential living and operating under one unit), and our enjoying broadly-based campus support. Challenges are thought to be

current room configurations (mostly double rooms) and dated furnishings/décor, limited independent living options (apartments or suites), maintaining a reasonable campus-city rent ratio with campus living expectations being higher, and more effectively communicating and developing campus partnerships. Substantial opportunities are seen to be the new Learning Environment Group, growing graduate student enrolments, the recent review of our unit, a possible room refurbishment program, the private-public suite-style residence partnership being studied by the Associate V.-P. (Campus Services & Planning), continuing conference growth, and the strategic directions advocated in recent university planning (CAPAC Report).

As with every organization, strategic strengths, challenges and opportunities also bring risk. RL&CS considers its significant risk factors to be:

**\$ Residency Levels**

Residency levels significantly impact traditional residence (ex. 95% vs 96% = \$51,000), Magee apartments (ex.: 94% vs 96% = \$8,500) and dining plans (ex. +/- 25 diners = \$15,000). Barring major changes, UNB-F's current enrolment strategy (stable undergraduate, growing graduate population), our traditional residency (exceed 96% budgeted), and moderate fee increases suggest that our residency risk can be managed reasonably.

**\$ Residence Fee Levels**

Residence fee levels must be competitive with two markets which have very different cost structures and student/parental/university/community expectations:

Neighbouring Universities: Our room and board fees currently are mid-range for double rooms (70% of rooms) and near top of the range for single rooms (30% of rooms). We are comfortable with this university competitive position and even some upward movement for double rooms. Likewise, Magee House rents compare favourably with other universities.

Local Housing: University residences (here or elsewhere) generally have more expensive cost structures than local housing - and for good reason given support expectations, the younger population, shorter rental periods (8 vs 12 months), and higher university standards for construction and operations. Fortunately, students/parents traditionally have recognized this extra value provided at a reasonable premium. Hence, it is this reasonable premium which must be competitive in the case of traditional residences. We are comfortable with the current premium but are hesitant about much upward movement except for added value (ex.: food service renewal, ResNet, room refurbishment). Given its older constituency, Magee House must be more competitive with local rents although offering obvious advantages (location, lease flexibility for academic reasons, recent renovations). Our assessment of Magee's competitive position is similar to traditional residences.

**\$ Investment Requirements**

UNB-F has been and continues to invest significantly in its residences through capital renewal funded partially by operating funds and borrowing programs. Given the need for further major investment (ex.: room refurbishment), maintaining an appropriate balance

between operating contributions and borrowing as well as general and targeted fee increases will be a significant element of risk management.

**\$ Possible New Suite Residence**

While overwhelmingly positive, a new residence offering more desirable living space (suites with kitchens and baths) is a significant risk factor for traditional residence and, to a lesser extent, Magee House. Neighbouring universities with new residences have seen a significant impact whether privately or publicly developed. For both UNB and any developer, the risk is not only financial but also the loss of returning student mentorship in traditional residences and the new residence being filled with students not yet ready for independent living without residential life support. Key elements in managing this risk should be refurbishing of traditional residences and, as appropriate, some coordinated/cooperative strategy between any new residence and the residence community.

## **UNIVERSITY & UNIT PRIORITIES AND GOALS**

Units are asked to align their activities (and budgets) with both university and unit priorities and goals. For the university perspective, units are guided by the UNB Mission Statement, The Next Five Years: The President's Perspective document, and some specific 2005-06 budget priorities. RL&CS is supporting university priorities and goals as follows:

- \$** our traditional and expanding role in learning, personal development, and supporting diversity and internationalization to benefit both students individually and broader community learning.
- \$** a similar commitment to student leadership development and training as well as staff professional development.
- \$** active infrastructure renewal, both ongoing (building systems and food services) and hopefully expanded (room refurbishment and the new private-public suite residence being studied by the Associate V.-P.- Campus Services & Planning)
- \$** delivering and expanding customer-focussed, value-added services such as traditional residences and Magee apartments, our major residential computer network (1,500 student and lab computers), food service renewal, conference growth, and, as a supporting partner, new residence space.

Our unit's priorities for 2005-06 are as follows:

- 1) Continued quality living environment, enhanced by:
  - ongoing renewal programs (building systems, food service)
  - planning for room refurbishment program (2006-07 +)
  - support university efforts for suite-style residence (2006-07 +)
- 2) Continued quality learning environment, enhanced by:
  - more residence academic programming, partnership and presence

- expanded partnership with SAS & other academic support units
  - slight shift towards greater personal student autonomy and responsibility
- 3) Strategic Directions arising from RL&CS Review
- Res. Leadership Organizational Structure
  - Conferences & Food Services Study

The proposed 2005-06 budget supports these university and unit priorities by maintaining ongoing activities and strengthening the following areas:

- \$ increased partnership with Student Affairs & Services regarding the Counsellor-in-Residence program (fine-tuning of program, RL&CS= contribution rising by \$15,000).
- \$ a cooperative proposal by the Learning Group, including RL&CS as both a programming and financial partner (\$5,000), to pilot and evaluate internationalization programming for students and faculty under the Academic Services Priority Fund.
- \$ continued facilities renewal for traditional residences= infrastructure (\$448,000), Magee House apartment refurbishment (\$126,000), and community requested house improvement projects (\$100,000).
- \$ food service renewal moving into its second year with the renovation of DKT Dining Hall and Retail Phase II. This follows McConnell Ultimate Dining and Retail Phase I which opened in 2004-05. Food service renewal will be concluded in Summer 2006 with the McLeod Dining Hall, new LBR/Head Hall dining facility, and Retail Phase III.
- \$ Improved and more varied dining plans including Thanksgiving and March Break dining at no extra cost and term plans (ex. 200 meals/term to use whenever desired during the term) being added to traditional weekly plans (ex.: 14 meals/week which must be used or forfeited during a given week). This follows earlier improvements including guest passes with each dining plan (2004-05), more favourable off-campus dining plan pricing (2003-04), and hybrid dining plans offering both structured meals and discretionary cash (2002-03). Consideration also is being given to a (limited) halel dining plan to better meet the needs of international students.
- \$ Dining plan fees are being harmonized for 2005-06 with Aone price@ for all dining plans to encourage choice by need (not by price) and simplify administration. As per the schedule found attached, the fees for various plans traditionally have been quite similar (so no major changes) and harmonization is being accomplished by adjusting dining cash so that student dining value is not reduced.
- \$ With growing international enrolments, the holiday residence provided to students unable to return home for the Christmas break has been increasing in scale (now 40 - 50 students) and complexity (activities, support, cleaning, etc.). Hence, it has been decided to dedicate more resources to this initiative funded by a holiday residence fee (\$200 per resident).
- \$ The budget provides for continued conference growth (10%) following similar trends in the last two years.

\$ No major increases in budgeted funding are required to pursue the strategic directions arising from the RL&CS Review.

We hope to assess our progress on these university and unit priorities and goals as follows relative to university and unit benchmarks:

**\$ Enrolment Management Plan**

Residence Undergrads: Stable @ 1,400 in 2005-06  
Residence Graduate/2<sup>nd</sup>. Degree: +25 (50 to 75) in 2005-06, future growth if suites  
International: stable @ 125 with 20% returning  
increase #s & retention if suite style residence

**\$ Complement Planning**

Stable staff complement

**\$ Space Management**

American Physical Plant Association's (APPA) Recommended Spending, based on replacement value (\$61 million)

- Capital Improvement Spending:	APPA Recommendation	2.25%
	Budgeted, w/o food renewal	1.15%
	Budgeted, with food renewal	3.14%
- Maintenance Spending:	APPA Recommendation	2.00%
	Budgeted, w/o cyclical	1.69%
	Budgeted, with cyclical	2.18%

Annual Average Residency Budgeted & Traditionally Achieved (places occupied):

- Traditional Residence: 96%
- Magee House Apts.: 95%

Conference Activity: 10% growth annually

**\$ Dining (through Sodexo as our Food Service Provider)**

Missed Meal Factor (meals forfeited weekly): 28.8% reduced to 27.5%  
(typically 35% elsewhere)

Off-Campus Dining Plan Participation: 20% Growth

Retail Dining Sales: 10% Growth

**\$ Qualitative Indicators**

First Year Intercept Survey (October)  
Quality of Life Intercept Survey (February)  
Departing Residents Survey (April)  
Student Involvement (house charities, programming events)  
Student Leadership Development  
Student Satisfaction Web Survey

## **CONTINUING CAPITAL UPGRADES**

Capital improvements have been on-going since 1993 with a combination of funding through the Residence Improvement Fund, dollars from a 1998 borrowing program (\$5.0 million over five years) and funding from operating. With the borrowing plan ending in 2003, funding for facility renewal is provided solely from operating funds. However, with the campus food service renewal beginning in 2004, levels of capital spending within the residence system remains at an acceptable level. In the past five years, \$9.8 million has been committed to facility renewal for an yearly average of \$1.98 million. That level of spending continues in 2005 - 06 with the second phase of campus food service renewal included.

In 2001, an update to the 1996 residence audit was performed and reflected current costs, revisions of planned work, and necessary renovations to Magee House apartments. The revised estimated cost to complete the original (1996) capital projects totalled an additional \$3.9 million. An examination of other infrastructure requirements was also undertaken and identified additional projects totalling \$3.5 million including roof replacements, masonry repairs, and fire code upgrades projected over the next ten years.

The need for room refurbishing was also identified in the 2001 Audit and funding of approximately \$11 million over the next twelve to fifteen years is required to complete this element of facility renewal.

The residences have been included in UNB's recent deferred maintenance study. We are currently working with Physical Plant to refine the resulting report. However, it appears our current level of spending meets or exceeds the suggested spending targets outlined in the CapX report.

For the upcoming budget year, a total of \$674,285 in residence capital improvements and \$1,556,000 for the second phase of the campus food service renewal is scheduled.

## **MAGEE HOUSE**

Magee House remains popular as an alternative to traditional student housing for more senior students, including graduate students with families. Magee has 103 one, two, and three-bedroom units with 60 apartments having undergone renovations in the last eight years. A regular waiting list of over 100 + names highlights the continued popularity and attractiveness of the style of student housing. The 2005 - 2006 budget submission includes a 3 % rate increase effective September 1, 2005

## **CONFERENCE SERVICES**

A business plan was submitted In December 2002 identified potential revenues from conferences, athletic and non-athletic camps, English Language Program, and tourist and student hotel. A Conference Coordinator was recruited in May 2003 and began work in June. The focus was on improved service to conference guests and expanded client base within traditional markets. While revenues were anticipated to be modest in 2003, we realized 9.2 % growth in gross revenue that year followed by an additional 11.6 % increase last summer.

The 2005 - 2006 budget submission request the approval of a 3% increase in conference rates effective May 1, 2006

## **PROPOSED RATE INCREASE**

Recent increases to residence rates have been as follows:

2004 - 2005	5.75%
2003 - 2004	5.5%
2002 - 2003	5.0%
2001 - 2002	5.5
2000 - 2001	4.0
average last five years	5.2%

The detailed budget package (see appendices) includes a comprehensive breakdown of revenues and expenditures. The proposed fee increase for room and board amounts to **5.57 %** comprised of:

Base increase (existing services) including yearly increase for capital spending (\$25.00/student). **3.50%**

Dining Renewal Phase II (\$60.00/student) plus phasing of LBR/Head Hall dining project (\$34.00/student). **1.60%**

Longer Academic/Dining year (\$21.00). **0.47%**

**Total Fee Increase 5.57%**

**Summary of Budget Charts not available electronically.**



**CAPITAL PROJECTS 2005 - 2006**

BUILDING	Project Description	AUDIT	REVISED	FACILITY	DISCRETIONARY	FIRE
			AUDIT	REQUEST		PREVENTION
Magee House	Install zone controls	25000				
McLeod House	Install zone controls	25,000				
McLeod House	Upgrade washrooms	80,000				
Magee House	Upgrade apartments	101,510				
Jones House	Relocate and upgrade computer lab				20,000	
DKT	Upgrade Elevators			10,000		
LBR	Install condensate pumping trap	26,000				
**Maggie Jean	Convert heating system to natural gas		45,000			
Maggie Jean	Install windows(second phase)	20,000				
Aitken	Exterior Doors		18,000			
*Seven Houses	Install premise isolation		58,000			
McLeod House	Upgrade 4th floor lounge				30,000	
Magee House	Upgrade Elevators			10,000		
McLeod House	Upgrade Elevators					
Tibbits Hall	Window replacement (Purchase only)	175,775		8,000		
Mackenzie House	Pitt lounge to Study				10,000	

Neil/Neville Install doors on washrooms

453,285	121,000	28,000	12,000	674,285
			<b>72,000</b>	

Revenue/funding

Fifth year of borrowing

Ended

Contribution from operating

375,000

Res Net Revenue

175,000

Discretionary funding

100,000

650,000

Balance forward from 2004 -  
2005

24,285

674,285

0

base accounts of  
698000  
house accounts

08-Apr-05

**CAMPUS FOOD  
SERVICE RENEWAL  
CAPITAL PROJECTS**

PROJECT DESCRIPTION	BUDGET 2004 - 2005	PROJECTED EXPENDITURE 2004 - 2005	OTHER PROJECTS COMPLETED 2004 - 2005	BUDGET 2005 - 2006
Provide Ultimate Dining and building renewal	3,077,000	3,200,000		
Use available contingency		(46,000)		
Interest saving on late borrowing (2004)		(50,000)		
Contribution from operating		(27,000)		
Solona Grill			12,283	
Tim Horton's			93,201	
Upgrade kitchen facilities in residential				1,356,000
Enhance retail operations				200,000
	<b>3,077,000</b>	<b>3,077,000</b>	<b>105,484</b>	<b>1,556,000</b>

Total capital renewal to end  
of 2005 -2006 fiscal year

4,738,484

UNB RESIDENCE FEES RELATIVE TO OTHER ATLANTIC UNIVERSITIES  
(2004 - 05 FEES)  
Dec. 08/04 version (final)

MEALS ONLY (14-Meal or Medium Dining Plan)

	PLAN TYPE	IMPROVED DINING	TOTAL FEE (Meals + \$)	CASH (or Coupons)	MEALS	TOTAL +/-	MEALS +/-
UNBSJ	Declining	Yes, Recently	\$2,100	\$2,100		-\$210	-\$210
MSV	Declining	Yes, Previously	\$2,150	\$2,150		-\$160	-\$160
UNB 04-05 <b>3<sup>rd</sup> Lowest</b>	Hybrid	Yes, 2004-05 Ultimate Dining	\$2,310	\$140	\$2,170	\$0	\$0
SMU	Declining	Yes, Previously	\$2,480	\$2,480		+\$170	+\$170
DAL	Hybrid	Yes, Recently	\$2,557	\$150	\$2,407	+\$247	+\$237
STU	Declining	Yes, Previously	\$2,665	\$2,665		+\$355	+\$355
STFX	Hybrid	Yes, Recently Ultimate Dining	\$2,975	\$250	\$2,725	+\$665	+\$415
MUN	Traditional	Yes, 2004-05	\$2,792	Meal-Time Retail Equiv.	\$2,792	+\$374	+\$374
ACADIA	Hybrid	Yes, Recently Ultimate Dining	\$3,009	\$250	\$2,759	+\$699	+\$449
UPEI	Traditional	Yes, Previously New for 2004-05: Unlimited Access & Unlimited Meals/Day 7am-10pm M-F 9am-10pm Sa-Su- Vac	\$2,990 (5 days/wk) \$3,108 (7 days/wk)	\$200  \$200	\$2,790  \$2,908	+\$680	+\$480
MT A	Traditional	Yes, Recently	\$3,060		\$3,060	+\$750	+\$750
Previous Years: 2003-04: 3 <sup>rd</sup> Lowest Total Cost (#3/11), Lowest Meal Cost (#1/11) 2002-03: Lowest (1/10), both Total & Meal Costs							

UNB RESIDENCE FEES RELATIVE TO OTHER ATLANTIC UNIVERSITIES  
(2004 - 05 FEES)

DOUBLE ROOM  
(Room Only)

	RESNET/ CABLE	NO RESNET / NO CABLE	ROOM +/-	COMMENTS
MUN	\$1,734		- \$2,044	ResNet / No Cable, Res. supported from univ. budget
UNBSJ	\$2,832		-\$946	
STU	\$2,915		-\$863	Rigby Doubles Bath +\$300 so only -\$563 with
STFX	\$3,145		-\$633	
ACADIA	\$3,194 + Campus Laptop Fee		-\$584	Renovated Room Surcharges: Fully Reno: +\$598 In 2003-04, also offered Partial Reno: +\$374
UPEI	\$3,445	\$3,270 w. cable	-\$333	\$3,300-\$30 Hse Dues = \$3,270 + \$175 ResNet = \$3,445
MSV	\$3,540		-\$238	\$3,440 + \$100 Phone for
MT A	\$3,630		-\$148	
UNB	\$3,778	\$3,478	\$0	<b>3<sup>rd</sup> Highest (#9/11)</b>
SMU	\$3,985		+\$207	
DAL	\$4,725		+\$947	\$4,775 - \$ 50 Dues = \$4,725 Hse
Previous Years: 2003-04: 3 <sup>rd</sup> Highest (#9 of 11), 2002-03: 6 <sup>th</sup> Lowest (#6 of 10)				

DOUBLE ROOM WITH DINING PLAN  
(Double Room with 14-Meal or Medium Dining Plan)

	RESNET/ CABLE	NO RESNET / CABLE	ROOM +/-	COMMENTS
MUN	\$4,526		- \$1,562	ResNet / No Cable, Res. supported from univ. budget
UNBSJ	\$4,932		-\$1,156	
STU	\$5,580		-\$508	Rigby Doubles Bath +\$300 so only -\$208 with

MSV	\$5,690		-\$398	\$5,590 + \$100 Phone for
UNB	\$6,088	\$5,788	\$0	<b>Mid-Point (#5/11)</b>
STFX	\$6,120		+\$32	
ACADIA	\$6,203		+\$115	Renovated Room Surcharges: Full Reno: +\$598 In 2003-04, also offered Partial Reno: +\$374
UPEI	\$6,435		+\$347	\$6,290-\$30 Hse = \$6,260 + \$175 ResNet = Dues \$6,435
SMU	\$6,465		+\$377	
MT A	\$6,690		+\$602	
DAL	\$7,282		+\$1,194	\$7,332 - \$ 50 Dues Hse
Previous Years: 2003-04: Mid-Point (#5/11), 2002-03: 3 <sup>rd</sup> Lowest (#3/10), 2001-02: 4 <sup>th</sup> Lowest (#4/10), 2000-01: 5 <sup>th</sup> Lowest (#5/10)				

UNB RESIDENCE FEES RELATIVE TO OTHER ATLANTIC UNIVERSITIES  
(2004 - 05 FEES)

SINGLE ROOM  
(Room Only)

	RESNET/ CABLE	NO RESNET / CABLE	ROOM +/-	COMMENTS
MUN	\$2,120		- \$2,776	ResNet / No Cable, Res. supported from univ. budget
ACADIA	\$3,681 + Campus Laptop Fee		-\$1,215	Renovated Room Surcharges: Full Reno. +\$735 In 2003-04, also offered: Stage #1: +\$334, Stage #2: +\$523, Stage #3 (Full): +\$700
UNBSJ	\$3,700		- \$1,196	
STFX	\$3,930		-\$966	
MSV	\$4,190		-\$706	\$3,990 + \$200 Phone = \$4,190 for
UPEI	\$4,207	\$4,032 w Cable	-\$689	\$4,062-\$30 Hse. = \$4,032 + \$175 ResNet Dues = \$4,207
MT A	\$4,210		-\$686	
STU	\$4,365		-\$531	Rigby Singles Bath +\$300 so only -\$ with
SMU	\$4,655		-\$241	
UNB 04-05	\$4,896	\$4,596	\$0	<b>2<sup>nd</sup> Highest (#10/11)</b>
DAL	\$5,353		+\$457	\$5,403 - \$ 50 Dues = \$5,353 Hse
Previous Years: 2003-04: Upper Third (#10/11), Earlier: Not Done				

Single ROOM WITH DINING PLAN  
(Single Room with 14-Meal or Medium Dining Plan)

	RESNET/ CABLE	NO RESNET / CABLE	ROOM +/-	COMMENTS
MUN	\$4,912		- \$2,294	ResNet / No Cable, Res. supported from univ. budget
UNBSJ	\$5,800		- \$1,406	
MSV	\$6,340		-\$863	\$6,140 + \$200 Phone = \$6,340

				for
ACADIA	\$6,690 + Campus Laptop Fee		-\$516	Renovated Room Surcharges: Full Reno. +\$735 In 2003-04, also offered: Stage #1: +\$334, Stage #2: +\$523, Stage #3 (Full): +\$700
STFX	\$6,905		-\$301	
STU	\$7,030		-\$176	Rigby Doubles Bath +\$300 so +\$124 with
SMU	\$7,135		-\$71	
MT A	\$7,270		-\$64	
UPEI	\$7,197	\$6,628 w Cable	-\$9	\$7,052-\$30 Hse = \$7,022 + \$175 ResNet = Dues \$7,197
UNB 04-05	\$7,206		\$0	<b>2<sup>nd</sup> Highest (#10/11)</b>
DAL	\$7,910		+\$704	\$7,960 - \$ 50 HseDues = \$7,910
Previous Years: 2003-04: #8/11, 2002-03: Not Done, 2001-02: #6/10, 2000-01: #7/10				



**University of New Brunswick**

**Saint John Campus  
Residence Budget  
2005-06**

2005 - 2006

**PROPOSED RESIDENCE BUDGET PLAN  
UNIVERSITY OF NEW BRUNSWICK  
SAINT JOHN CAMPUS**

**Executive Summary**

The proposed residence budget is a comprehensive report of revenues, operating expenses and capital expenditures associated with the Saint John campus residence system.

The Saint John campus has two residential buildings which can accommodate 239 students. Overall annual occupancy exceeds 94%.

**2005 – 06 Budget Preparation**

The successful experience of the residence system (239 beds) was used in preparing the 2005 – 06 financial plan.

To date, approximately 36% of the residence system is booked for the 2005 – 06 academic year, the majority being returning students. These favourable results are the direct result of the continuation of initiatives put in place last year.

It is **recommended** that the room portion of the residence fee be increased by **5%** in order to offset expected future increases in operating costs including electrical and steam heat, garbage disposal, and maintenance. The existing Saint John market and vacancy rates (see Appendix 'B') have also been taken into consideration in determining this increase in the residence fee.

It is **recommended** that the meal plan fees be increased by **5%**. There has not been an increase for the last few years, although the pricing of food service items have. For 2005 – 06, the University is also **recommending** a mandatory **\$300** meal plan for those students living in the New Residence.

The summer rates will remain the same as well as the house dues of \$50 that the University collects on behalf of the residence students. The budgeted operating expenditures are based upon the previous years' actual expenditures, with minor changes in both directions as appropriate.

The following table summarizes the 2005 – 06 fees associated with the residence system in Saint John:

**Saint John Campus  
Summary of Residence Rates  
2005 - 06**

	<u>Large Single</u>	<u>Single</u>	<u>Double</u>	<u>Two Bedroom Suite</u>	<u>Meal Plan I</u>	<u>Meal Plan II</u>	<u>Meal Plan III</u>
Sir James Dunn	\$4,215	\$3,885	\$3,135	N/A	\$1,995	\$2,205	\$2,415
†New Residence	N/A	N/A	N/A	\$4,357	\$1,995	\$2,205	\$2,415

*\* For those students living in the New Residence, meal plans I, II and III are not mandatory to purchase. The implementation of the mandatory \$300 meal plan will apply.*

**Food Plan**

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

- a) Convenience – students do not need to rush to meals served only in one dining hall. Students at UNB Saint John have the flexibility to eat in the Baird Dining Hall or at Tim Hortons, which are both operated by Aramark.
- b) 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 may miss.
- c) Students joining the meal plan are not required to pay HST.
- d) Security – students do not need to carry cash at any time on campus to enjoy a meal or a snack.
- e) 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.

The meal plans offered are as follows:

	<u>2004 – 05</u>	<u>2005 - 06</u>
Plan I	\$1,900	\$1,995
Plan II	\$2,100	\$2,205
Plan III	\$2,300	\$2,415

All plans allow students to purchase additional ‘debits’ in increments of \$25.00 should the original balance purchased reach zero. **A \$300 mandatory meal plan will be put in place for the 2005 – 06 fiscal year for all students in the New Residence.**

The implementation of the following table outlines the summer accommodation rates for 2005 - 06:

<b>SUMMER ACCOMODATION RATES</b>		
	<u>DAILY</u>	<u>WEEKLY</u>
<b>Student Rates</b>		
Single	\$25.30	\$100.00
Double	\$36.80	\$80.00
Suite	n/a	\$125.00
<b>Tourist &amp; Conference Rates</b>		
Single	\$34.00	
Double	\$47.00	
Two Bedroom Suite	\$72.00 (2 persons)*	
*\$5.00 each additional person		
All rates include applicable taxes		

## APPENDIX 'A'

### SIR JAMES DUNN RESIDENCE

#### ROOM & APARTMENT RATES

	<b>Large Single</b>	<b>Single</b>	<b>Double</b>	<b>Apartments</b>
1993-94	2,734	2,734	2,189	\$575.00 mth
1994-95	2,734	2,734	2,189	\$575.00 mth
1995-96	2,835	2,835	2,260	\$575.00 mth
1996-97	3,050	3,050	2,350	\$575.00 mth
1997-98	3,210	3,210	2,470	\$575.00 mth
1998-99	3,410	3,210	2,470	\$575.00 mth
1999-00	3,410	3,210	2,470	\$575.00 mth
2000-01	3,474	3,274	2,520	\$575.00 mth
2001-02	3,655	3,355	2,583	\$575.00 mth
2002-03	3,738	3,438	2,648	\$575.00 mth
2003-04	3,824	3,524	2,714	\$575.00 mth
2004-05	4,015	3,700	2,850	\$575.00 mth
<b>2005 - 2006</b>				
<b>Proposed</b>	<b>4,215</b>	<b>3,885</b>	<b>3,135</b>	<b>\$575.00 mth.</b>

#### NEW RESIDENCE

2003-2004	Two-Bedroom Suite	3,950 per person
2004-2005	Two-Bedroom Suite	4,150 per person

<b>2005-2006</b>		
<b>Proposed</b>		<b>4,357 per person</b>

**APPENDIX 'B'**

<b>COMPARABLE (AVERAGE) APARTMENT RENTS SAINT JOHN AREA</b>								
<b>BACHELOR</b>		<b>1 BEDROOM UNIT</b>		<b>2 BEDROOM UNIT</b>		<b>3 BEDROOM UNIT</b>		<b>ZONE</b>
<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>	
No data	381	444	429	575	554	587	571	1
No data	359	388	379	472	465	504	519	2
No data	356	424	435	523	510	554	522	3
No data	370	442	440	505	500	No data	No data	4
Saint John City (1-4)								
366	375	432	425	526	513	557	538	

Most sought after by students is **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.

<b>VACANCY RATES BY ZONES 2003 - 2004</b>								
<b>BACHELOR</b>		<b>1 BEDROOM UNIT</b>		<b>2 BEDROOM UNIT</b>		<b>3 BEDROOM UNIT</b>		<b>ZONE</b>
<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>	
5.4	7.4	8.4	4.5	3.7	3.1	3.1	10.2	1
No data	No data	9.3	9.7	5.9	6.6	4.4	6.2	2
3.9	0.9	5.2	5.1	4.3	2.9	5.8	5.6	3
9.2	No data	6.1	8.6	6.4	6.3	3.8	No data	4
Saint John City (1-4)								
5.5	5.9	7.3	6.0	4.8	4.2	4.6	6.5	

**Source of information: CMHC Rental Market Report - December 2004 - Saint John  
Canadian Mortgage and Housing Corporation  
The average rent for Saint John CMA rose by 4.5 per cent in 2004**

**University of New Brunswick**

**Summary of 2005-06  
Budget Process**

## University of New Brunswick

### **Budget Process 2005-06**

The goal of the UNB budget is to align the resources of the University with the institutional mission and priorities. This is accomplished through the budget process, which includes an overall financial and risk management framework. The process is more than just a numerical exercise. Complex factors such as fiscal responsibility, prioritization, quality competitiveness and accessibility are also balanced through the budget process.

The budget process involves a number of stakeholders whereby, through a series of meetings, committees, detailed budget submissions, priority assessments and decisions, plans and priorities are quantified into operating and capital budgets.

Appendix A1, A2 and A3 outline the basic overview of the UNB budget process.

#### **Summary of Process**

##### **Initial Planning**

- The University mission and the President's vision for achieving the mission are the key elements for establishing the University budget. This vision established the broad themes and priorities for the University that are then refined through campus specific planning exercises and balanced within a viable financial environment.
- 
- Each year, a series of one-year and multi-year financial forecasts are prepared to provide the financial outlook and context.
- Academic service department plans and priorities are developed by individual faculties and departments and discussed with various bodies including Deans Council, Vice-President's Advisory Group, and the University Management Committee. These plans and priorities are reviewed by campus Vice-Presidents to ensure alignment with overall strategic directions of the campus and by the University Management Committee to ensure alignment with overall University strategic direction.
- An assessment of the competitive environment, potential funding sources, risks, economic factors and priority requirements is done by the University Management Committee.
- From this process, a series of broad financial parameters are developed from within which the campus budgets are to be prepared. These financial parameters guide the overall availability of resources and, therefore, the level of additional revenue, budget reallocation or redeployment that will be required to achieve broad objectives.



- During the planning process, financial forecasts and outlooks are provided to the Senates on both campuses as well as to Deans Councils and Management groups. An annual presentation on the overall finances of the University is also provided to students. This information is posted on the open University website.

#### Detailed Budget Submissions/Resource Allocations

- Detailed budget submissions are prepared for each budget unit. The submissions include operational plans and priorities, planning indicators and benchmarks as well as ranked priorities.
- All operating resources are budgeted for and each budget has assigned management responsibility.
- All budgets are scrutinized by the appropriate Dean or Director as well as the responsible Vice-President and the campus Budget Management Committee.
- A presentation on each budget is made to the Budget Management Committee and a Question and Answer session is included.
- Campus Budget Management Committees and the University Management Committee assign available priority funding to the prior rankings.
- Major budget assumptions are tested as the budget progresses, these include the outlook for the Provincial operating grant, the pool of applications for the coming year and the actual status of the current year budget.

#### Budget Approval and Communication

- The final budget is reviewed by the University Management Committee before submission to the Finance Committee. Subsequent to the review by the Finance Committee, the budget is presented to the Board of Governors.
- Subsequent to approval by the Board, the University budget is posted on the open University website.

**UNB Fredericton Campus**  
**Specifics of**  
**2005-06 Budget Process**

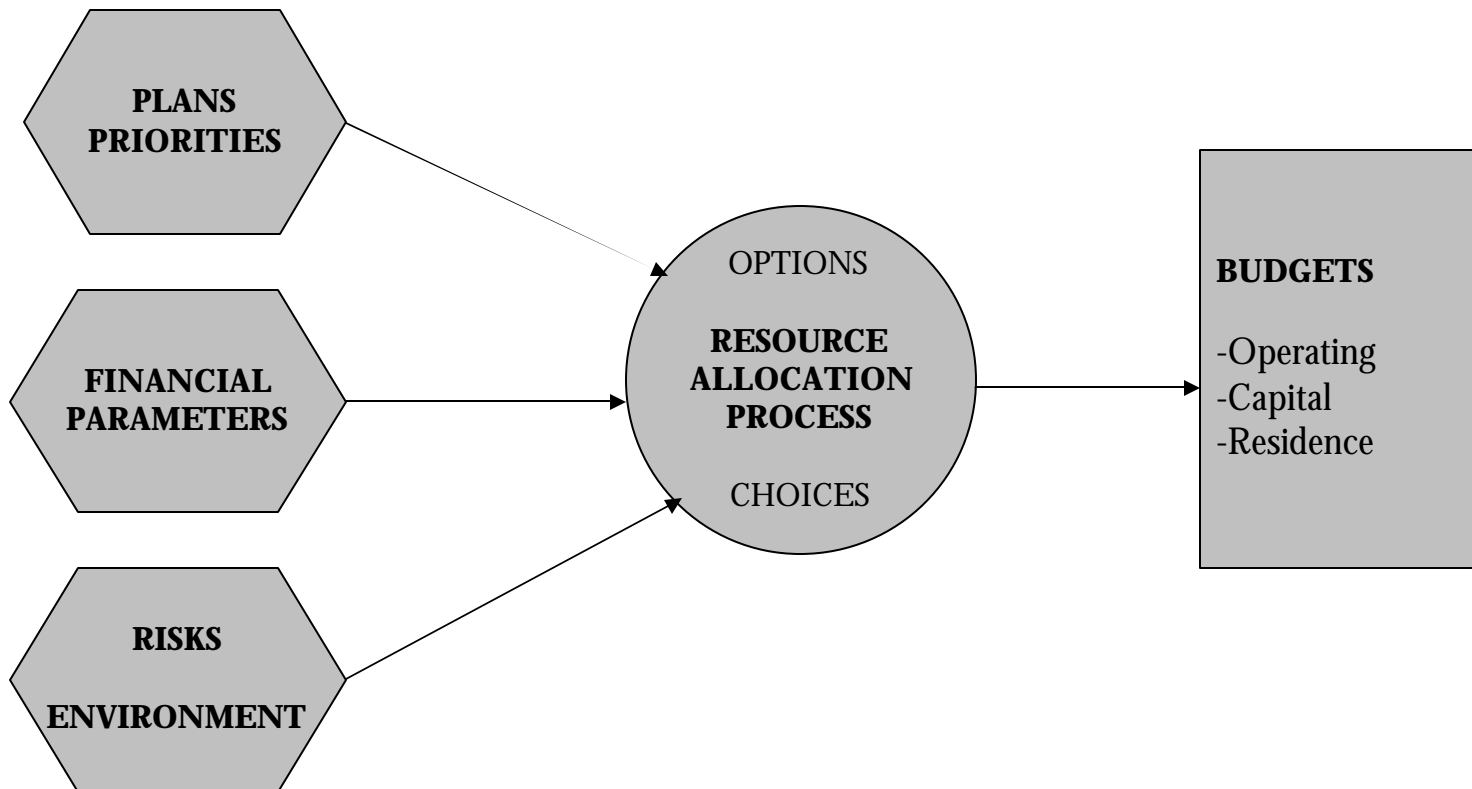
For the 2005-2006 Annual Plan and Budget System (APBS) Guidelines the assumptions underlying revenues and expenses continued to be prudent. To set the budget context for the APBS, the preliminary projections of revenue increase in 2005-06 (3.7%) were identified to be insufficient to sustain operations at current levels (with a projected cost increase of 3.8%). What was more apparent was the scarcity of operating funds (<1.5% of total budget) to support any areas of academic, operational and/or administrative priority. These revenue/expenditure assumptions prompted the unavoidable conclusion that even the most fundamental expense increases would outstrip our anticipated revenues for UNBF in the coming year.

The revenue/expenditure picture for 2005-06, and the continuing uncertainties in domestic and international student/learner markets, called for a set of budget recommendations that began with an "Initial Budget Adjustment" (IBA). As a result, budget managers developed 2005-06 budgets based on a 2.6% reduction for Faculties, Academic & Student Support units and Administrative & Operational Support units. Submissions and recently-completed planning meetings with Dean's Council and the Director's Plus Group, however, revealed that: a) operational pressures and priorities in some units were greater than in others; and b) there are a number of critically important opportunities requiring investment in areas across the Fredericton Campus. As a result, funds from the 2.6% IBA model were re-allocated across the campus (and budget envelopes) to highest priorities (30%) and the remaining funds (70%) were re-deployed back to existing budget envelopes, albeit to renewed priorities/programs.

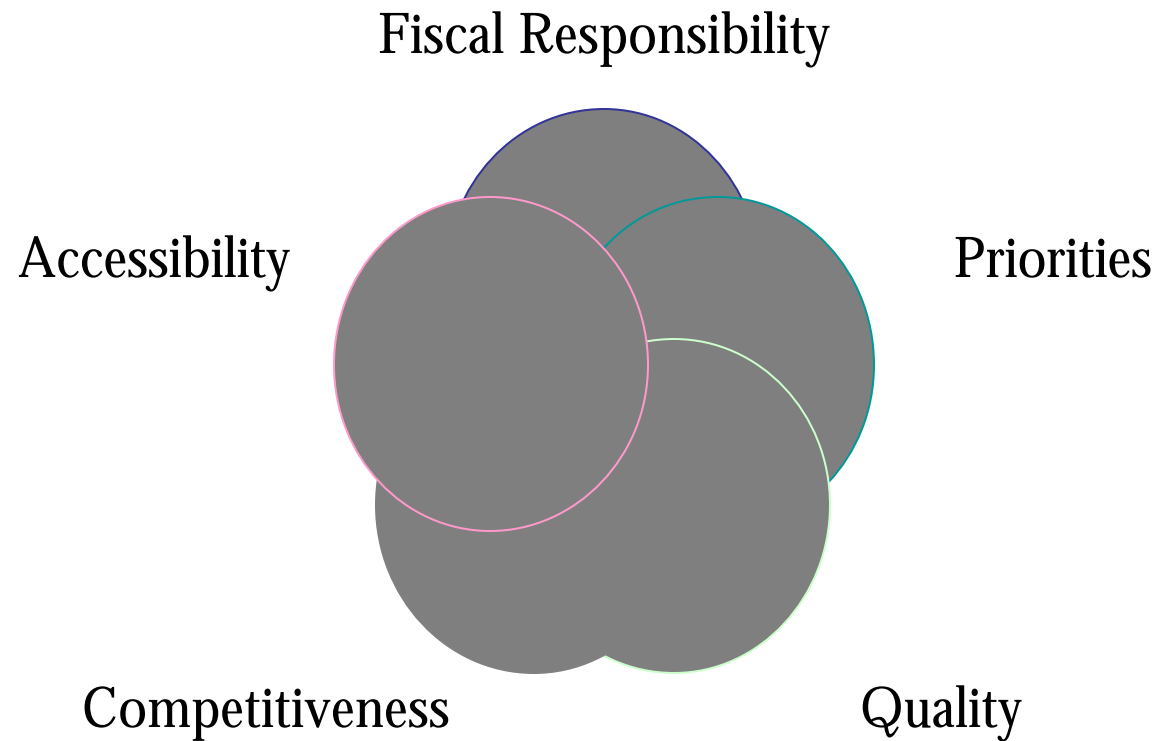
A complete understanding of the 2005-06 planning and budgeting process requires the recognition that the IBA was only a first step in the calculation of final budgets for Faculties, Academic & Student Support units and Administrative & Operational Support units. Other important elements making up their final budget allocations include negotiated faculty and staff salary/benefit increases, funds in support of teaching and research, and a 2.5% positive adjustment to non-salary funds. In spite of the 2.6% reduction in the initial operating budgets of units, operating budgets for the Fredericton Campus have increased in 2005-06 by 3.7% including a 2.9% increase in the Faculties budget envelope. It is important to recognize that projected increases in faculty salaries associated with the economic adjustment factor (pursuant to the AUNBT agreement) are investments in Faculties and their budget envelope. It is the increase of the Faculties budget envelope attributable to these salary increases which allows the budget to grow even once the IBA reduction is considered.

Even in times of revenue uncertainties and rising cost pressures it is essential that the Fredericton Campus at UNB focus on aligning resources with its highest priorities and obligations. It is not possible in a university as diverse as UNBF to implement a single funding algorithm which could be sensibly applied to academic and support service units as diverse as Renaissance College, Nursing and Physical Plant Department. Therefore the process encouraged each budget manager to align their detailed budget plans within a strategic framework, which also helped inform the budgetary decisions underlying the budget management committee recommendations.

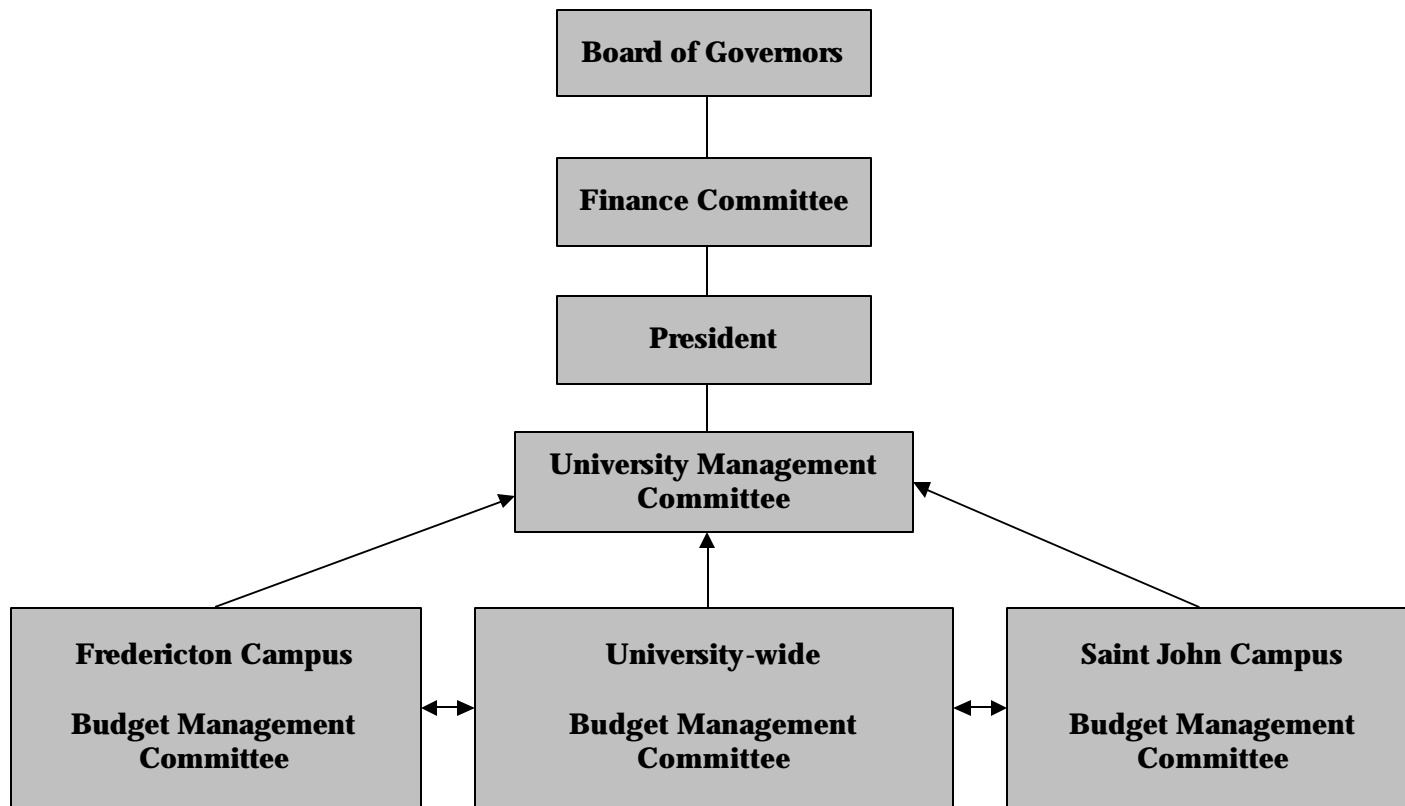
# University of New Brunswick Budget Process



# Factors to be Considered in Budgeting and Tuition Fee Decisions



# Overview of UNB Budget Responsibility



University of New Brunswick  
**BUDGET COMMITTEE MEMBERSHIP**  
**2005-06**

**Budget Management Committee Fredericton Campus**

Dr. Angelo Belcastro, Vice-President (Fredericton), Chair  
Dr. Greg Kealey, Vice-President (Research)  
Mr. Dan Murray, Vice-President (Finance & Corporate Services)  
Bruce Broster, Professor, Department of Biology, Faculty Representative  
Al Sharp, Dean, Faculty of Science, Dean's Council Representative  
Jane Fritz, Associate V.P. (Learning Environment)  
Gwen Davies, Dean of Graduate Studies & Assoc. VP (Research)  
Susan Mesheau, Director, SRIM, Director's Plus Representative  
Faisal Mahmood, Student Representative  
Tim Walker, Manager, Academic Budgets, Ex-officio  
Larry Guitard, Assistant VP (Finance & Comptroller), Ex-officio  
Mike Ryan, Associate VP (Campus Services & Planning), Ex-officio  
Trevor Gonnason, Director of Budgets & Risk Mgmt., Ex-officio

**Budget Management Committee Saint John Campus**

Dr. Kathryn Hamer, Vice-President (Saint John), Chair  
Chris Callbeck, Assistant V.P. (Finance & Administrative Services), Finance Rep  
Dr. Muhammed Kabir, Associate V.P. (Saint John)  
Dr. S. Rinehart, Dean, Faculty of Business  
Susan Collins, Director, Information Services and Systems, Ex-officio  
Dr. Robert MacKinnon, Dean, Faculty of Arts  
Tom Buckley, Registrar  
Dr. Deb MacLatchy, Dean, Faculty of Science  
Dr. Rameshwar Gupta, Professor, Faculty of Computer Science (Graduate Studies rep.)  
Brandon Zhan, VP Finance, Student Representative Council

**University-wide Budget Management Committee**

Mr. Dan Murray, Vice-President (Finance and Corporate Services), Chair  
Dr. Angelo Belcastro, Vice-President (Fredericton)  
Dr. Kathryn Hamer, Vice-President (Saint John)  
Dr. Greg Kealey, Vice-President (Research)  
Dr. John McLaughlin, President  
Dr. Gwen Davies, Fredericton Campus BMC Representative  
Mr. Chris Callbeck, Saint John Campus BMC Representative  
Mr. Larry Guitard, Assistant VP (Finance & Comptroller), Secretary, Ex-officio

## Student Organization Fees

**Recommendation:**

It is recommended that the Board approve the following student organization fees for 2005-2006:

Student Organization	Nature Of Fee	Fee per student (unless noted)		Approx. Annual Revenue
		2004-2005 Fee	2005-2006 Fee	
<b>Fredericton</b>				
UNBF Student Union	Full-time fee	\$42 per term	\$44.50 per term	\$567,000
	SUB Expansion	\$12.50 per term	\$12.50 per term	\$168,700
UNBF Student Union	U-Bus Pass	n/a	\$30 per term	\$420,000
CHSR	Media fee	\$7.50 per term	\$7.50 per term	\$101,000
Brunswickan	Media fee	\$5.00 per term	\$5.00 per term	\$67,500
ALPS	Part-time fee	\$10.00 per course to maximum of \$30.00 per term	\$10.00 per course to maximum of \$30.00 per term	\$40,100
<b>Saint John</b>				
UNB Student Rep Council (UNBSJ)	Full-time fee	\$62.50 per term	\$55.00 per term	\$269,500
	Part-time fee	\$12.50 per course to maximum of \$37.50 per term	\$12.50 per course to maximum of \$37.50 per term	\$30,890
UNBSJ The Baron	Media fee	n/a	\$7.50 per term	\$36,750
UNBSJ Campus Radio	Media fee	n/a	\$7.50 per term	\$36,750
<b>Both Campuses</b>				
Graduate Student Assoc.	Full-time fee	55	55	\$63,500 combined
	Part-time fee	16.50	16.50	
Engineering Endowment Fund (Faculty of Engineering)		\$25 per term	\$25 per term	\$62,000

**Background:**

The University, on behalf of seven recognized student organizations, collects student organization fees on the two campuses. Student organization fees are treated as compulsory fees by the University and accordingly must be approved by the Board. All recommended fees for 2005-2006 have been established in accordance with the duly ratified constitution and by-laws of the respective student organizations.

For 2005-2006 all undergraduate student organization fees will be billed to students on a term basis. This will be fairer to students who are only attending one term and reduce administrative work at Financial Services offices and at the Student Union Offices. For comparison purposes, the 2004-2005 yearly fees have been adjusted to term fees.



**Student Health and Dental Fees**

**Recommendation:**

It is recommended that the Board approve the following fees for student health and dental insurance coverage for 2005-2006:

**Supplementary Health and Dental Coverage**

		<u>2004-2005 Fee</u>	<u>2005-2006 Fee</u>
All full-time graduate and undergraduate students on both campuses (including International students)			
Health Plan	Student	\$ 137	\$ 137
	Family	163	163
Optional Dental Plan	Student	\$ 112	\$ 112
	Family	168	168

**Equivalent-to-Medicare Coverage**

		<u>2004-2005 Fee</u>	<u>2005-2006 Fee</u>
International students, both campuses			
Single		\$573	\$573
Single Parent with 1 Child		\$1,146	\$1,146
Single Parent with 2 Children		\$1,669	\$1,669
Single Parent with 3 or more Children		\$2,231	\$2,231
Couple		\$1,146	\$1,146
Couple with 1 Child		\$1,669	\$1,669
Couple with 2 or more Children		\$2,231	\$2,231

## **Background**

### ***Basic health coverage – Medicare equivalent plan for International students***

Basic health and hospital benefits for Canadian students are provided by the provincial Medicare Plan of the province of their permanent residence. International students with landed immigrant status also qualify for Medicare. However, international students studying at UNB on a student visa do not qualify. Basic health coverage for such students is provided by a fully insured Medicare-equivalent health plan administered on behalf of the University by Expert Travel Financial Security (E.T.F.S.) Inc. and underwritten by the Royal & Sun Alliance Insurance Company of Canada. This plan was introduced in 2002-2003 and replaced the former insured plan which was underwritten by the Citadel General Assurance Company. The new plan was selected following an RFP process conducted with the assistance of the University's benefits consultants, and provides more comprehensive coverage than the previous plan.

The plan year for the Medicare equivalent plan runs from September 1 to August 31. E.T.F.S. has confirmed that again this year, no rate increases will be required for 2005-2006.

### ***Supplementary Health and Dental Coverage***

The Fredericton Student Union (SU) and the Saint John Student Representative Council (SRC) jointly operate a health and optional dental insurance program for their members. The plan is fully insured, and is designed to supplement the coverage provided by provincial Medicare Plans or by the Medicare equivalent plan for international students. The plan provides students with a comprehensive set of extended health and dental benefits including 80% coverage on prescription drugs, paramedical services, ambulance services, etc.

Students providing proof of alternate coverage may opt out of the Student Health Plan. To opt out, students must sign an opt-out form and have it signed by a SU/SRC staff member. Students who opt out will be credited for the Health fee. Students may opt out of the Dental Plan without providing proof of alternate coverage.

Fees for the Health/Dental Plan are treated as compulsory fees by the University and accordingly must be approved by the Board. Fees are negotiated annually by the SU/SRC and the insurer based on utilization rates. The insurer has confirmed that again this year, no rate increases will be required for 2005-2006.