



# ST. CLAIR

COLLEGE

**TO: BOARD OF GOVERNORS**

**DATE: April 26, 2016**

**RE: 2016-2017 FINANCIAL PLAN REPORT**

**SECTOR: STUDENT SERVICES & ADMINISTRATION**  
**DOLPH BARSANTI, VICE-PRESIDENT**

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## **AIM**

To obtain Board approval for the 2016-2017 Financial Plan Report.

## **BACKGROUND**

The proposed 2016-2017 Financial Plan Report incorporates the following financial information:

1. Budget Income Statement
2. Non-Committed Cash Projection 2016-2017
3. Balance Sheet
4. Financial Sustainability Metrics

The Student Fee Protocol 2016-2017 is also included.

## **RECOMMENDATION**

**IT IS RECOMMENDED THAT** the Board of Governors approve the 2016-2017 Financial Plan Report.

# ST. CLAIR COLLEGE OF APPLIED ARTS AND TECHNOLOGY

## 2016-17 Financial Plan Report

April 26, 2016

**FINANCIAL PLAN REPORT 2016-17**

**EXECUTIVE SUMMARY**

The purpose of the Financial Plan Report is to highlight the operating plan for the next fiscal year to the Board of Governors.

This report includes the following financial information:

1. Budget Income Statement
2. Non-Committed Cash Projection 2016-17
3. Balance Sheet
4. Financial Sustainability Metrics

## **1. INCOME STATEMENT**

The Mid-Year Review 2015-16 Income Statement was approved by the Board on November 24, 2015 which provided for a deficit position of \$750,000. The Budget Income Statement 2016-17 is projecting a surplus position of \$12,000 at March 31, 2017.

The Budget is predicated on a projection of 7,700 domestic students and 1,200 international students.

### **MAJOR CHANGES TO REVENUE**

The following highlights some of the major changes in revenue:

- Closure of the Summer Jobs Program
- New grant for Youth Job Connection
- Decrease in Post-Secondary Tuition
- Decrease in International Projections
- Increase in Acumen Revenue
- Decrease in Ancillary, mainly the Thames Capitol Theatre

Overall, revenue decreased \$222,000 (-0.2%).

### **MAJOR CHANGES IN EXPENDITURES**

The following highlights some of the major changes in expenditures:

- Decrease in Salary and Benefits
- Student Assistance 30% Tuition Holdback (Student Access Guarantee Obligation)
- Significant increase Utilities (Sewer Charges at South Campus & rate increase)
- Decrease in Ancillary, mainly the Thames Capitol Theatre

Overall, expenditures decreased of \$984,000 (-0.8%)

### **CHANGES IN ANCILLARY OPERATIONS**

The major change is the College is no longer managing the Thames Capitol Theatre as of June 2016.

SCHEDULE I

St. Clair College of Applied Arts and Technology

Summary: 2016-17

(\$ in 000's)

	<i>A</i> <i>MYR</i> <i>Income</i> <i>Statement</i> <i>2015/16</i> <i>\$</i>	<i>B</i> <i>Budget</i> <i>Income</i> <i>Statement</i> <i>2016/17</i> <i>\$</i>	<i>B - A</i> <i>Variance</i> <i>\$</i>
<b>REVENUE</b>			
MTCU Operating Grants	48,619	48,148	(471)
Contract Income	13,199	13,119	(80)
Tuition	35,753	34,748	(1,005)
Other	15,761	17,641	1,880
Total Operating Revenue	113,332	113,656	324
Total Ancillary Revenue	10,351	9,805	(546)
<b>TOTAL: REVENUE</b>	<b>123,683</b>	<b>123,461</b>	<b>(222)</b>
<b>EXPENDITURES</b>			
Salaries & Benefits	73,100	72,475	(625)
Non-Salary Expenditures	42,250	42,440	190
Total Operating Expenditures	115,350	114,915	(435)
Total Ancillary Expenditures	9,083	8,534	(549)
<b>TOTAL EXPENDITURES</b>	<b>124,433</b>	<b>123,449</b>	<b>(984)</b>
<b>SURPLUS / (DEFICIT)</b>	<b>(750)</b>	12	762

**SCHEDULE II**

**St. Clair College of Applied Arts and Technology**

Revenue: 2016-17

(\$ in 000's)

	<i>A</i> <i>MYR</i> <i>Income</i> <i>Statement</i> <i>2015/16</i>	<i>B</i> <i>Budget</i> <i>Income</i> <i>Statement</i> <i>2016/17</i> <i>\$</i>	<i>B - A</i> <i>Variance</i> <i>\$</i>	
<b>REVENUE</b>				
Operating Grant	36,244	36,082	(162)	
International Student Recovery Growth	(710)	(1,100)	(390)	
Collaborative Nursing	7,967	7,967	-	
Performance Funding (KPI)	3,119	3,200	81	
Accessibility Funding for Disabled Students	561	561	-	
Municipal Tax Grant	840	840	-	
	598	598	-	
<b>Total MTCU Operating Grants</b>	<b>48,619</b>	<b>48,148</b>	<b>(471)</b>	<b>-1.0%</b>
Apprenticeship	3,102	3,453	351	
Canada Ontario Jobs Grant	750	882	132	
Employment Ontario	4,137	3,057	(1,080)	
Youth Job Connection	-	1,765	1,765	
Summer Jobs for Youth	534	-	(534)	
Literacy & Basic Skills	1,167	1,134	(33)	
School College Work Initiative	1,281	1,355	74	
Second Career	1,000	700	(300)	
Other: see note 1	1,228	773	(455)	
<b>Total Contract Income</b>	<b>13,199</b>	<b>13,119</b>	<b>(80)</b>	<b>-0.6%</b>
Post Secondary	27,500	26,140	(1,360)	
International	5,375	5,730	355	
Continuing Education	2,778	2,778	-	
Tuition Short	100	100	-	
<b>Total Tuition</b>	<b>35,753</b>	<b>34,748</b>	<b>(1,005)</b>	<b>-2.8%</b>
Investment Income	250	300	50	
Contract Training	600	700	100	
International Projects	1,989	1,543	(446)	
Acumen	1,200	3,000	1,800	
Other: see note 2	1,242	1,442	200	
Technology Access Fee	1,000	1,000	-	
Divisional Income	3,880	4,056	176	
Amortization DCC	5,600	5,600	-	
<b>Total Other</b>	<b>15,761</b>	<b>17,641</b>	<b>1,880</b>	<b>11.9%</b>
<b>Total Revenue Before Ancillary</b>	<b>113,332</b>	<b>113,656</b>	<b>324</b>	<b>0.3%</b>
<b>Ancillary Revenue</b>	<b>10,351</b>	<b>9,805</b>	<b>(546)</b>	<b>-5.3%</b>
<b>TOTAL REVENUE</b>	<b>123,683</b>	<b>123,461</b>	<b>(222)</b>	<b>-0.2%</b>

SCHEDULE III

St. Clair College of Applied Arts and Technology				
Expenditures: 2016-17				
(\$ in 000's)				
	A MYR Income Statement 2015/16 \$	B Budget Income Statement 2016/17 \$	B - A Variance \$	
<b>EXPENDITURES</b>				
Salaries: Administrative Full Time	5,960	5,800	(160)	
Salaries: Administrative Part Time	1,100	900	(200)	
Salaries: Faculty Full Time	27,100	27,200	100	
Salaries: Faculty Part Time	9,000	9,000	-	
Salaries: Support Full Time	14,110	14,110	-	
Salaries: Support Part Time	3,530	3,265	(265)	
Fringe Benefits	12,300	12,200	(100)	
<b>Total Salaries &amp; Benefits</b>	<b>73,100</b>	<b>72,475</b>	<b>(625)</b>	<b>-0.9%</b>
Advertising & Promotion	2,000	1,800	(200)	
Contracted Cleaning Service	2,500	2,360	(140)	
Contracted Educational Services	1,285	1,100	(185)	
Contracted Services Other	3,200	3,400	200	
Equipment Maintenance & Repairs	1,660	1,450	(210)	
Equipment Rentals	2,100	1,800	(300)	
Instructional Supplies	3,770	3,700	(70)	
Insurance	560	610	50	
Janitorial & Maintenance Supplies	1,000	800	(200)	
Memberships & Dues	600	500	(100)	
Municipal Taxes	730	675	(55)	
Office Supplies	995	825	(170)	
Premise Rental	690	815	125	
Professional Development	325	500	175	
Security Services	1,360	1,340	(20)	
Stipends & Allowances (Employment Ontario)	1,835	2,220	385	
Student Assistance 30% Tuition	1,111	1,670	559	
Travel	1,000	1,000	-	
Utilities	4,200	4,900	700	
Other: see note 3	3,129	2,975	(154)	
Sub-total	<b>34,050</b>	<b>34,440</b>	<b>390</b>	<b>1.1%</b>
Amortization	8,200	8,000	(200)	
<b>Total Non-Salary Expenditures</b>	<b>42,250</b>	<b>42,440</b>	<b>190</b>	<b>0.4%</b>
<b>Total Operating Expenditures</b>	<b>115,350</b>	<b>114,915</b>	<b>(435)</b>	<b>-0.4%</b>
Ancillary Expenditures	9,083	8,534	(549)	
<b>TOTAL EXPENDITURES</b>	<b>124,433</b>	<b>123,449</b>	<b>(984)</b>	<b>-0.8%</b>

SCHEDULE IV a

St. Clair College of Applied Arts and Technology				
Ancillary Operations: 2016-17				
(\$ in 000's)				
	A MYR 2015/16 \$	B Budget 2016/17 \$	B - A Variance \$	
<b><u>Ancillary: Revenue</u></b>				
Beverage Supplier	50	50	-	
Bookstore - Windsor & Thames	395	380	(15)	
Cafeteria - South Campus	30	30	-	
IRTCD Special Events	154	150	(4)	
Lockers Administration	53	50	(3)	
Parking Lots	1,360	1,400	40	
Residence	2,680	2,800	120	
Saints Store	50	50	-	
Snack Bars	15	-	(15)	
St. Clair Centre for the Arts	3,464	3,695	231	
Thames Capital Theatre	1,000	100	(900)	
Varsity Sports - Windsor	800	800	-	
Woodland Hills Golf Course	300	300	-	
<b>Total Revenue</b>	<b>10,351</b>	<b>9,805</b>	<b>(546)</b>	<b>-5.3%</b>
<b><u>Ancillary: Expenditures</u></b>				
IRTCD Special Events	121	121	-	
Parking Lots	700	900	200	
Residence	2,370	2,500	130	
Saints Store	30	35	5	
Snack Bars	8	-	(8)	
St. Clair Centre for the Arts	3,356	3,590	234	
Thames Capital Theatre	1,200	120	(1080)	
Varsity Sports - Windsor	1,000	970	(30)	
Woodland Hills Golf Course	298	298	-	
<b>Total Expenditures</b>	<b>9,083</b>	<b>8,534</b>	<b>(549)</b>	<b>-6.0%</b>



SCHEDULE IV b

St. Clair College of Applied Arts and Technology Ancillary Operations: 2016-17 (\$ in 000's)		
	A MYR 2015/16 \$	B Budget 2016/17 \$
Beverage Supplier: Revenue	50	50
Bookstore - Windsor & Thames: Revenue	395	380
Cafeteria - South Campus: Revenue	30	30
Lockers Administration: Revenue	53	50
IRTCD Special Events: Revenue	154	150
IRTCD Special Events: Expenditures	121	121
	33	29
Parking Lots: Revenue	1,360	1,400
Parking Lots: Expenditures	700	900
	660	500
Residence: Revenue	2,680	2,800
Residence: Expenditures	2,370	2,500
	310	300
Saints Store: Revenue	50	50
Saints Store: Expenditures	30	35
	20	15
Snack Bars: Revenue	15	-
Snack Bars: Expenditures	8	-
	7	-
St. Clair Centre for the Arts: Revenue	3,464	3,695
St. Clair Centre for the Arts: Expenditures	3,356	3,590
	108	105
Thames Capital Theatre: Revenue	1,000	100
Thames Capital Theatre: Expenditures	1,200	120
	(200)	(20)
Varsity Sports - Windsor: Revenue	800	800
Varsity Sports - Windsor: Expenditures	1,000	970
	(200)	(170)
Woodland Hills Golf Course: Revenue	300	300
Woodland Hills Golf Course: Expenditures	298	298
	2	2

Total Revenue	10,351	9,805
Total Expenditures	9,083	8,534
Surplus	1,268	1,271

**Notes: Revenue & Expenditures under \$500,000**

**Note 1 REVENUE: Other**

Aboriginal Counselor  
Clinical Education  
**Self Employment Assistance (ended March 2016)**  
Summer Experience  
Women Campus Safety  
WSIB  
**Youth Employment Fund (ended December 2015)**

**Note 2 REVENUE: Other**

Apprenticeship Classroom Fees  
Graduation Fees  
Miscellaneous Income  
Termination Gratuity Fees  
Unrestricted Donations

**Note 3 EXPENDITURES: Other**

Audit Fees  
Bad Debt Expense  
Bank Charges  
Building Repairs & Maintenance  
Chargeback's  
College Compensation & Appointments Council  
Field Studies  
Grounds Maintenance  
Learning Resource Material  
Long Term Debt - Interest  
Postage  
Professional Fees  
Staff Employment  
Student Scholarships: International & Athletics  
Support Allowance: LBS & Employment Ontario  
Telephone  
Vehicle Expense

**2. NON-COMMITTED CASH PROJECTION 2016-17**

The intent of this report is to provide the Board with a projected indication of our non-committed cash surplus position at the end of the College fiscal year March 31, 2017. The report also identifies the Capital projects that are funded from operating funds.

The plan is to spend \$3,000,000 of which \$275,000 is for Campus Beautification and \$2,725,000 is allocated to deferred maintenance and capital.

The Board Reserve is \$1,000,000.

The Loaring Construction lawsuit has been settled.

# Non-Committed Cash Projection 2016-17

	<u>MYR 2015/16</u>	<u>Budget 2016/17</u>	<u>Variance</u>
<b>Prior Year, Cash Surplus</b>	\$6,000	\$7,500	\$1,500
Loaring Lawsuit Settled, April 6, 2016	-	(\$1,100)	(\$1,100)
<b>Prior Year, Cash Surplus Adjusted</b>	<u>\$6,000</u>	<u>\$6,400</u>	<u>\$400</u>
Capital Grants: AEF, FRP, CERF	\$1,368	\$1,442	\$74
Capital Expenditure: AEF, FRP, CERF	(\$1,368)	(\$1,442)	(\$74)
Toldo Funds	\$550	\$150	(400)
Health Science & Windsor Nursing Programs	(\$550)	(\$150)	400
<b>Capital funded from Operating Funds</b>	** (\$2,700)	(\$3,000)	(\$300)
	<u>(\$2,700)</u>	<u>(\$3,000)</u>	<u>(\$300)</u>
<b><u>Revenue</u></b>			
MTCU Operating Grants	\$48,619	\$48,148	(\$471)
Contract Income	\$13,199	\$13,119	(\$80)
Tuition	\$35,753	\$34,748	(\$1,005)
Other	\$15,761	\$17,641	\$1,880
Ancillary	\$10,351	\$9,805	(\$546)
	<u>\$123,683</u>	<u>\$123,461</u>	<u>(\$222)</u>
<b>Adjust for Amortization</b>	(\$5,600)	(\$5,600)	-
	<u>\$118,083</u>	<u>\$117,861</u>	<u>(\$222)</u>
<b><u>Expenditures</u></b>			
Salary & Benefits	(\$73,100)	(\$72,475)	\$625
Non-Salary Expenditures	(\$42,250)	(\$42,440)	(\$190)
Ancillary	(\$9,083)	(\$8,534)	\$549
	<u>(\$124,433)</u>	<u>(\$123,449)</u>	<u>\$984</u>
<b>Adjust for Amortization</b>	\$8,200	\$8,000	(\$200)
	<u>(\$116,233)</u>	<u>(\$115,449)</u>	<u>\$784</u>
Cash, Sub-total	<u>\$5,150</u>	<u>\$5,812</u>	<u>\$662</u>
<b>Board Reserve</b>	-	(\$1,000)	(\$1,000)
<b>Cash surplus, end of year</b>	<u>\$5,150</u>	<u>\$4,812</u>	<u>(\$338)</u>
<b><u>Capital Expenditures funded from Operating Funds</u></b>			
Cabana Road & Roundabout	\$925		
Power Engineering to room 1014	\$475		
Entrepreneurship Centre (bookstore)	\$440		
Renovations: Rooms 17, 24, 55, 1018, etc.	\$810		
Parking Gates lot K	\$50		
	** \$2,700		
<b><u>Capital Expenditures funded from Operating Funds</u></b>			
Campus Beautification		\$275	
Deferred Maintenance & Capital		\$2,725	
	**	\$3,000	

### 3. BALANCE SHEET

The intent of this report is to provide the Board with an indication of our financial position at the end of the College fiscal year March 31, 2017 in regards to Assets, Liabilities and Net Assets based on information known at the time of Financial Plan preparation (April 2016).

# Balance Sheet

ITEM 6.3  
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8-Jan-16                      26-Apr-16  
MTCU                              Budget  
as at                              as at  
March 31, 2016              March 31, 2017

<b>1 Assets</b>	<b>201,343,718</b>	<b>204,813,772</b>
11 Cash and Cash Equivalents	17,915,515	21,738,606
12 Accounts Receivable	10,200,000	9,500,000
14 Other Current Assets	1,071,056	1,071,056
15 CIP	297,008	297,008
<b>16 Tangible Capital Assets</b>	<b>292,168,102</b>	<b>297,028,260</b>
161 Land	7,058,485	7,058,485
162 Site Improvements	8,429,963	8,700,000
163 Building	203,931,182	207,000,000
164 Furniture and Equipment	71,478,697	73,000,000
169 Other	1,269,775	1,269,775
<b>17 Tangible Capital Asset Accumulated Amortization</b>	<b>(129,186,805)</b>	<b>(133,700,000)</b>
172 AA Site Improvements	(5,566,322)	(5,900,000)
173 AA Building	(56,479,622)	(58,000,000)
174 AA Furniture and Equipment	(66,012,667)	(68,500,000)
179 AA Other	(1,128,194)	(1,300,000)
<b>19 Investments and Other Long term Assets</b>	<b>8,878,842</b>	<b>8,878,842</b>

8-Jan-16                      26-Apr-16  
MTCU                              Budget  
as at                              as at  
March 31, 2016              March 31, 2017

<b>2 Liabilities</b>	<b>163,483,460</b>	<b>164,168,885</b>
21 Bank Indebtedness	0	0
22 Accounts Payable and Accrued Liabilities	<b>17,326,837</b>	<b>17,640,000</b>
221 Accounts Payable and Accrued Liabilities	15,184,705	15,500,000
223 Current Portion of Long term liabilities	2,142,132	2,140,000
23 Deferred Revenue	<b>10,759,215</b>	<b>10,776,701</b>
231 Deferred Revenue	4,276,701	4,276,701
232 Deferred Tuition Revenue	6,482,514	6,500,000
24 Restricted Contribution	<b>974,184</b>	<b>974,184</b>
25 Deferred Capital Contributions	<b>113,343,908</b>	<b>114,500,000</b>
26 Capital Lease	0	0
27 Debt	<b>16,801,316</b>	<b>16,000,000</b>
29 Other Long Term Liabilities	<b>4,278,000</b>	<b>4,278,000</b>
<b>3 Net Assets</b>	<b>37,860,258</b>	<b>40,644,887</b>
31 Unrestricted Net Assets	<b>(6,867,113)</b>	<b>(6,855,113)</b>
32 Internally Restricted Net Assets	<b>1,000,000</b>	<b>1,000,000</b>
33 Investment in Capital Assets	<b>35,437,809</b>	<b>38,000,000</b>
36 Restricted Contributions	0	0
37 Endowments	<b>8,289,562</b>	<b>8,500,000</b>
38 Accumulated Re-measurement Gain & Losses	0	0
<b>Assets - Liabilities - Net Assets</b>		

#### 4. FINANCIAL SUSTAINABILITY METRICS

The intent of this report is to provide the Board with an estimate of the MTCU Financial Indicators (as identified within the Strategic Mandate Agreement) at the end of the College fiscal year, March 31, 2017, based on information known at the time of the Financial Plan Report preparation (April 2016).

Both year-end March 31, 2016 and March 31, 2017 are estimates.

March 31, 2016 actual results will not be available until June 2016.



## Financial Sustainability Metrics

		ESTIMATE <u>3/31/2017</u>	ESTIMATE <u>3/31/2016</u>	Actual <u>03/31/2015</u>
<u>Annual Surplus / Deficit</u>	greater than \$0	<u>\$12,000</u>	<u>(\$750,000)</u>	<u>(\$2,631,656)</u>
<u>Accumulated Surplus / Deficit</u>	greater than \$0	<u>\$31,144,887</u>	<u>\$30,080,426</u>	<u>\$30,320,696</u>
<u>Quick Ratio</u>	greater than 1%	<u>1.83%</u>	<u>1.91%</u>	<u>1.55%</u>
<u>Debt to Asset Ratio</u>	less than 35%	<u>18.26%</u>	<u>20.70%</u>	<u>17.11%</u>
<u>Debt Servicing Ratio</u>	less than 3%	<u>1.73%</u>	<u>1.11%</u>	<u>0.50%</u>
<u>Net Assets to Expense Ratio</u>	greater than 60%	<u>119.97%</u>	<u>116.83%</u>	<u>117.38%</u>
<u>Net Income to Revenue Ratio</u>	greater than 1.5%	<u>0.01%</u>	<u>-0.61%</u>	<u>-2.11%</u>