Roadmap for Discussion

1. Context
2. Budget
3. Process
4. Enrolment
Budget 101: Revenues

Government of Alberta grants 48%

Federal and other government grants 11%

Sales of services and products 9%

Student tuition and fees 18%

Investment income 4%

Donations and other grants 10%

Source: 2014-15 Consolidated Budget
Budget 101: Expenses

- Salaries: 48%
- Employee benefits: 9%
- Materials, supplies, and services: 22%
- Utilities: 3%
- Maintenance and repairs: 2%
- Scholarships and bursaries: 6%
- Cost of goods sold: 1%
- Amortization of capital assets: 9%

Source: 2014-15 Consolidated Budget
<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>-1.4%</td>
<td>-$5.9M</td>
</tr>
<tr>
<td>2016-17</td>
<td>-2.7%</td>
<td>-$11.2M</td>
</tr>
</tbody>
</table>
Provincial Capital Commitments

- Maintenance: $10.9M
- Schulich Expansion: $142.5M
- New Capital: $0.0M
Budget

We will take the time necessary to make right decisions.
Budget: Revenue – Expense Gap

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Expense</th>
<th>Gap Widens</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>Balanced</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015-16</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016-17</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Budget Shortfall

2015-16

Campus Alberta Grant

Inflationary Pressure

2016-17

Campus Alberta Grant

Inflationary Pressure

$6M
-1.4%

$10-$15M

$16-$21M

$11M
-2.7%

$10-$15M

$21-$26M

TOTAL

$37-$47M
Budget: Immediate Decision

2015-16

Executive Leadership Team: 0.0%
Senior Leadership Team: 0.0%
Accumulated Operating Surplus (as at March 31, 2014)

$536.0M

$463.2M

COMMITTED STRATEGIC PROJECTS AND INITIATIVES

Examples
-- New residences.
-- Post Doctoral and faculty hiring programs.
-- Campus-wide research lab code compliance.

$72.8M

UNCOMMITTED

-- Target amount of $65M (approximately 5% of budget).
-- Uncertainty in provincial funding.
-- Unforeseen issues.

Committed strategic projects and initiatives require Board of Governors approval

Source: University of Calgary Financial Statements for the Year Ended March 31, 2014
Key Elements in Our Process

- Eyes High to guide the process
- Data: Learn from successful institutions
- Data: Review ideas generated last time (IdeaScale)
- Consultation: internal and external
- Balance central and local input
- Provide many options for participation
- Pilot new ideas
Projected Enrolment Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Projected Growth</th>
<th>Current Enrolment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>30,537</td>
<td>30,537</td>
</tr>
<tr>
<td>2015-16</td>
<td>31,251</td>
<td>30,537</td>
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<tr>
<td>2016-17</td>
<td>31,607</td>
<td>30,537</td>
</tr>
<tr>
<td>2017-18</td>
<td>32,028</td>
<td>30,537</td>
</tr>
</tbody>
</table>
Projected Tuition Revenue Growth

- Alberta CPI
- Market Modifier
- New Enrolment

2015-16 2016-17 2017-18

Projected Growth

Current Tuition
Key Messages

2015-16 Budget Balanced

Strategically taking time to make decisions