

AGENDA ITEM: General Operating Fund Budget for 2018/19 and Financial Plans for Restricted and Endowment Funds for 2018/19**RECOMMENDED RESOLUTION:**

That the Board of Governors approve:

- A balanced General Operating Fund budget for the year ending March 31, 2019 based on revenues of \$663,924,000, expenditures of \$618,725,000, and net fund transfers of \$45,199,000; and
- financial plans for Restricted and Endowment Funds with revenue of \$273,039,000 for the year ending March 31, 2019.

Action Requested: Approval Discussion/Advice Information

CONTEXT AND BACKGROUND:

In advance of this submission, the Board of Governors was provided with detailed context and background information on the General Operating Fund and Restricted and Endowment Funds in the "University of Manitoba Budget Framework Document" (the budget framework). This document included the timeline required to accommodate the 2018/19 operating budget development under the new budget model, key individuals and groups supporting the process, explanation and rationale for the change in budget model as well as various data and financial information used to inform decision making. The budget framework was presented to the Board on March 20, 2018.

The 2018/19 budget is the first year applying the new budget model to the general operating funds. The three main elements of the new budget model are:

1. Academic and Ancillary Units (revenue units) – comprised of faculties, schools and ancillary units to which revenues (tuition, grants, etc.) are directly allocated in support of teaching, research and service activities. These units are generally defined by their ability to generate revenue.
2. Central Support Units – comprised of student services, research services and administrative units that support the academic goals of the University. The net expenses for these units are allocated to the Academic Units based on a set of cost allocation variables.
3. University Fund – a means of reallocating resources to address subvention, university priorities and revenue growth strategies.

As described in the budget framework, the model allocates tuition and grant revenues to academic units. These revenues support the direct expenses of academic units as well as allocated net expenses of central support units. A portion of the allocated revenue is contributed to the university fund based on the participation rate, which is set at 17.75% for 2018/19. Income from investments, Ancillary Services and the International College of Manitoba is also contributed to the university fund.

The 2018/19 budget reflects the implications of Phase I decisions, such as the reallocation of funds previously budgeted centrally for various ongoing expenditures to faculties/units. Work is ongoing in Phase II to address other outstanding items, and future years' budgets will reflect those refinements.

Central support unit budgets and plans were presented to and reviewed by the Central Unit Allocation Committee (CUAC). The CUAC consists of four Deans, four academic and administrative representatives, two faculty representatives, and the Vice-Provost (Integrated Planning and Academic Programs) as an ex-officio representative. The CUAC is responsible for reviewing and making recommendations regarding central support unit budgets to the Provost and Vice-President (Academic).

In 2018/19, the Provost and Vice-President (Academic) and the Vice-President (Administration) met with all academic unit leaders to discuss their budgets and academic plans.

As part of the budget development process, a series of meetings is also held with the President's Budget Advisory Committee. The Budget Advisory Committee is comprised of members from senior administration, Senate Planning and Priorities Committee, support staff, the Board of Governors, UMFA and student leadership. The group meets at the call of the President. Its mandate is to recommend priorities for resource allocations and review the draft operating budget to be recommended to the Board of Governors. The meetings with CUAC, the Vice-Presidents, and the Deans and Directors, along with analysis, review and information on the institutional financial position from the Financial Planning Office, form the basis of discussions of the Budget Advisory Committee. As part of this year's budget process, three meetings were held with the Budget Advisory Committee, including discussion of the draft General Operating Fund budget.

The draft General Operating Fund budget was also shared with the Deans and Directors group prior to preparing this submission.

GENERAL OPERATING FUNDS

The general operating fund accounts for revenues received for operating purposes that support the university's academic, administrative and operational costs.

As outlined in the budget framework, initial planning assumed no increase in the provincial operating grants and a tuition increase of 6.5% (1.5% CPI + 5%). Subsequent revisions to these planning parameters responded to changing circumstances and new information received, including:

- Provincial Grant Revenue – On March 12, 2018, the Provincial Government confirmed a \$3.1 million (0.9%) reduction in the University's operating grant, a \$0.5 million (10.4%) reduction in the University's ACCESS grants and, to support capital costs of the Doctor of Pharmacy program, a \$0.4 million increase in the University's capital grants.
- Research Manitoba – On March 12, 2018, the Provincial Government confirmed a \$3 million reduction in funding to Research Manitoba, which follows a \$2 million reduction in 2017/18. The University of Manitoba is the primary beneficiary of Research Manitoba funding. The 2018/19 budget allocates \$1.65 million for expenses previously supported by Research Manitoba funding.
- International Students Health Insurance – Subsequent to the Provincial budget, the University was also notified that changes to The Health Services Insurance Act will make international students, their spouses and dependents ineligible for provincial health insurance. Funding of \$2.1 million is allocated in the 2018/19 budget to assist international

students in the transition from provincial health insurance coverage to private health insurance coverage.

- Tuition Revenue – The budget reflects an increase in tuition at the Provincial maximum allowable rate of 6.6% (1.6% CPI + 5%) for the 2018/19 academic year. Combined with a budgeted 0.5% growth in enrolment, tuition revenue is budgeted to increase \$9.5 million. An additional increase of \$4.5 million is budgeted for a planned expansion of non-degree offerings. Further details on the tuition fee increases are provided in the 2018/19 Proposed Tuition and Course-Fee Submission that accompanies this budget submission.

The proposed operating budget as drafted reflects the information noted above and is presented for the Board's consideration in attachments that follow.

Attachment 1: 2018/19 Operating and Capital Grants Letter

The grant letter from Manitoba Education and Training received on March 12, 2018 indicates funding levels for the University of Manitoba's operating and capital grants for the 2018/19 fiscal year.

Attachment 2: 2018/19 University Fund Summary

Under the new budget model, the university fund becomes the source of available funds for reallocation to subvent, or subsidize, academic units and invest in the University's strategic priorities. The available funds are generated from a tax on allocated tuition and grant revenues, plus investment income, a portion of International College of Manitoba revenue and a transfer from Ancillary Services. The total funding available in 2018/19 is \$100.8 million

The majority of the university fund, \$85.2 million, is returned to faculties in the form of subvention. The subvention process enables leadership to steer the university in a direction that will ultimately benefit the institution as a whole. In this first year of implementing the budget model, subvention has been used to ensure a neutral starting point for all units. This is referred to internally as the "hold harmless" process. In this first learning year of the new budget model, the budget for Academic Units has been set according to the revenue they are allocated and generate, their allocation of Central Support Unit expenses, and their direct expenses budgeted at a level that is not lower than the 2017/18 budget.

The 2018/19 budget also allocates funding towards strategic priorities and commitments with allocations from the university fund, listed in Attachment 2 and described in the paragraphs that follow below.

Funding of \$1 million in 2018/19 continues a multi-year commitment to replace network switches. In 2016/17, a multi-year funding plan was established to support switch replacement, as it was determined that 700 network switches needed were at end of life and no longer supported. Hardware failures prevent faculty, staff, and students from accessing the network. In addition, network switching improvements enhance video conferencing and telephony services. Increasing wireless capabilities provides improved services and capacity for 24/7 accessibility as well as seasonality concerns.

A seven year research initiatives commitment was initiated in 2015/16, allocating \$1 million per year to support matching funds for large projects funded by grants from various federal agencies and initiatives such as Canada Foundation for Innovation, The Canada Excellence Research Chairs program and the Canada First Research Excellence Fund.

The 2018/19 budget allocates \$0.9 million to continue to support the objectives identified in the agreement between the Truth and Reconciliation Commission of Canada and the University.

In addition, \$0.5 million is once again allocated to the Indigenous Initiatives Fund for 2018/19. The University of Manitoba's Indigenous Initiatives Fund was created to support unit based projects that further the University's goals and priorities associated with Indigenous achievement. These funds are distributed on a competitive basis to faculties, schools, colleges, libraries and administrative units.

The University was awarded a Senior Canada 150 Research Chair that generates \$1 million each year for the next seven years from the federal government. The researcher is also expected to attract over \$17 million of in-kind contributions from other sources over the 7 years. The 2018/19 budget allocates over \$1.5 million to support this Chair's research: \$1 million for infrastructure, \$0.275 million additional research start-up funds and \$0.25 million for new faculty member salaries.

The 2018/19 budget allocates \$1.65 million for expenses previously supported by Research Manitoba funding: \$1 million for the lease of John Buhler Research Centre and \$0.65 million to replace Research Manitoba's cancelation of the bridge funding program that funds researchers who are unsuccessful in renewing their grants.

Funding of \$2.1 million is allocated in 2018/19 to assist international students in the transition from provincial health insurance. The University of Manitoba values international students and is committed to providing them with supports to help them succeed in their chosen programs.

Approximately \$6.9 million is allocated as contingency for unexpected events, including implications of the transition to the new budget model. These funds will be released for strategic allocations in 2019/20 if not required in 2018/19.

Attachment 3: 2018/19 University Wide Budget

This attachment illustrates the budgeted general operating fund revenues, expenses, and net transfers by unit for 2018/19, reflecting the new budget model elements, as well as the strategic allocations and subvention described above.

The revenues reflect tuition and grant revenue allocated by the budget model as well as revenues budgeted directly by the units themselves. Expenses include salaries, benefits and operating expenses budgeted by the units.

Net fund transfers reflect transfers between the general operating and the restricted and special funds. For example, operating funds are transferred: to the capital fund for current year acquisitions (\$15.1 million), debt repayment (\$17.5 million) and to support renovations and projects (\$17.4 million); to the trust and endowment funds to support student scholarships and bursaries (\$10 million); to the staff benefits funds for the long term disability plan and other staff benefits (\$3.3 million); and to the research fund to support research projects and initiatives (\$7.4 million). Funds transferred into the operating fund include the annual spending allocation from the trust funds (\$6.8 million), net change in carryover (\$12.1 million), and research overhead (\$5.9 million).

The central support cost allocations reflect the allocation of the net expenses of central support units to the academic units.

The contribution to the university fund by academic units is calculated as 17.75% of allocated tuition and grant revenues. That contribution totals \$88.2 million. The remaining \$12.6 million is contributed as a direct allocation of investment income, International College of Manitoba revenues and Ancillary Services overhead.

Funds are allocated out of the university fund to Academic Units requiring subvention to balance their budget. The university fund allocations also reflect the strategic allocations listed in Attachment 2 and described earlier in this document.

Attachment 4: 2018/19 General Operating Fund Budget and 2018/19 Financial Plans for Restricted and Endowment Funds

This attachment shows the proposed General Operating Fund Budget and Financial Plans for Restricted and Endowment Funds for 2018/19, with comparative 2017/18 budget information for all fund types.

Revenues for budget and financial plans are categorized by source (tuition, donations, etc.). Total Expense and Net Inter-Fund Transfers represents anticipated transactions. As indicated in the budget framework, inter-fund transfers are necessary in certain circumstances and represent transfers between fund types.

The first page of the attachment shows General Funds, which includes the General Operating Fund, Specific Provisions Fund and Future Revenues Fund. It shows the proposed 2018/19 operating budget and reflects the planning parameters described earlier in this document.

The second page of Attachment 4, Restricted and Endowment Funds, includes the Research and Special Fund, the Capital Fund, the Staff Benefits Fund, the Trust Fund and the Endowment Fund. The Restricted and Endowment financial plan is subject to the inherent variations of these funds as explained below.

The third page of Attachment 4 combines the first two pages into a summary of all funds.

RESTRICTED AND ENDOWMENT FUNDS: 2018/19 FINANCIAL PLANS

Research and Special Fund

The Research and Special Fund is used to account for the University's revenue and expenses related to sponsored research and other special activities. The Research and Special Fund consists of contributions from a variety of sources, including federal and provincial granting agencies, industry and non-government organizations that have provided funding specifically for research and other special activities. Funds received are held by the University until they are spent by our researchers in accordance with the terms and conditions stipulated in the contracts and agreements governing each research project, and cannot be used to support general operations.

As research projects may span multiple fiscal years, the funds received in any given year for research and special activities may not all be spent in the year received. As such, any unspent research and special funding as at March 31 each year are carried forward to the following year.

Capital Asset Fund

The Capital Asset Fund consists of the University's capital assets and capital-related debt. It also consists of funding that can only be used to purchase or build capital assets, support future costs of capital upgrades or replacement, and funding to repay debt that was used to buy or build capital assets. The expenditures related to the construction of buildings or purchase of equipment are not

recorded as expenses in the Capital Asset Fund, but rather are recorded as assets on the University's balance sheet. The only expenses recognized in the Capital Asset Fund are amortization of capital assets, interest paid on debt, losses on the disposal of capital assets, and losses on capital-related loan receivables.

The University's capital-related funding is derived primarily from the federal and provincial governments, debt financing, donations, and transfers of funding from the General Operating Fund, Specific Provisions Fund, Research and Special Fund, and Trust Fund. Similar to the Research and Special Fund, capital projects may span multiple fiscal years and as such, funds received in any given year for capital-related expenditures may not all be spent in the year received so are carried forward to the following year.

Capital project contracts in excess of \$1 million are subject to approval by the University's Board of Governors. Attachment 5 outlines the University's capital spending estimate for 2018/19 and includes comparative information for 2017/18.

Staff Benefits Fund

The Staff Benefits Fund consists of funding to support the benefit plans of the University's employees, and can only be used for that purpose. It consists of employee contributions to the Long Term Disability Plan, and the University's contributions to the Long Term Disability Plan and other benefit plans offered by the University. Funding is set aside in this Fund as the University is obligated to fund these benefit plans for its employees.

Trust Fund and Endowment Fund

The Trust Fund consists of funding that has been gifted or bequeathed to the University and can be used in its entirety, in accordance with donor restrictions. The Endowment Fund consists of resources that have been gifted or bequeathed to the University under the condition that they be held in perpetuity to support the future of the University.

Funding received in the Trust and Endowment Funds is invested in the University Investment Trust and Specific Trusts. The income earned from this investment is either reinvested to provide financial security for future beneficiaries, or used to support various undertakings by the University in accordance with a spending policy approved by the Board of Governors. Expenditures, which includes support for faculties and schools, students, professorships, chairs, research, capital projects, libraries, and athletic programs, are either recognized in the Trust Fund as an expense or are transferred from the Trust Fund to other Funds for spending.

Attachment 5: 2018/19 Capital Spending Estimate

This attachment provides the preliminary 2018/19 capital spending plan compared to projected spending in 2017/18. The total planned spending of \$142 million in 2018/19 includes completion of the Strategic Investment Fund projects (SmartPark Innovation Hub - \$34 million and the Engineering Innovation Centre - \$20 million), the Churchill Marine Observatory (\$17 million), investment in library acquisitions, equipment, furnishings, etc. from the Operating Fund (\$15.1 million) and Research Fund (\$8 million), and various other infrastructure renewals, classroom and laboratory upgrades, and renovations. The list of projects is intended to be inclusive to help share information with the Board of Governors; however, there is potential that some projects will not be completed within the year while other projects planned for subsequent years may be advanced.

RESOURCE REQUIREMENTS:

Alongside this submission, the University is requesting approval for tuition and course fees in order to balance the 2018/19 budget while continuing to achieve the University's mission and priorities. The budget projects a revenue increase of approximately \$9.5 million related to the proposed tuition and course-fees rates.

CONNECTION TO THE UNIVERSITY PLANNING FRAMEWORK:

Budget planning and decision-making occur in the context of the *Taking Our Place: The University of Manitoba Strategic Plan 2015 – 2020*, previously approved by Senate and the Board of Governors.

IMPLICATIONS:

A General Operating Fund budget for 2018/19 of:

- \$663,924,000 of revenue
- \$618,725,000 of expenditures
- \$45,199,000 of net fund transfers

and financial plans for Restricted and Endowment Funds with revenue of \$273,039,000 are proposed to the Board for their consideration and approval.

ALTERNATIVES:

In light of ongoing cost pressures, reductions in provincial funding and other external factors that have significant impact on the University, various scenarios were considered in order to balance the budget and to continue to achieve the University's mission and priorities. This proposed budget represents the recommended balance of strategic priorities, support to faculties and schools, known cost pressures, and future financial uncertainty.

CONSULTATION:

As the first budget developed under the new budget model, the 2018/19 planning process involved significant consultation with academic, ancillary and central units, in addition to the President's Budget Advisory Committee.



Routing to the Board of Governors:

<u>Reviewed</u>	<u>Recommended</u>	<u>By</u>	<u>Date</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Jinwen Fan</i>	<i>April 23, 2018</i>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Al</i>	<i>April 23, 2018</i>
<input type="checkbox"/>	<input type="checkbox"/>	<i>David Bond</i>	<i>April 23, 2018</i>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	FAHR	May 8, 2018
<input type="checkbox"/>	<input type="checkbox"/>		

Submission prepared by: Mark Walc, University Budget Officer

Submission approved by:

Attachments:

- Attachment 1 – 2018/19 Operating and Capital Grant Letter
- Attachment 2 – 2018/19 University Fund Summary
- Attachment 3 – 2018/19 University Wide Budget
- Attachment 4 – 2018/19 General Operating Fund Budget and
2018/19 Financial Plans for Restricted and Endowment Funds
- Attachment 5 – 2018/19 Capital Spending Estimate



Education and Training

Post-Secondary Education and Workforce Development Division
405 – 800 Portage Avenue, Winnipeg Manitoba Canada R3G 0N4
T 204-945-3990 F 204-945-1557
www.manitoba.ca

March 12, 2018

Mr. Jeff Lieberman
Chair, Board of Governors
The University of Manitoba
Room 312 Administration Building
Winnipeg MB R3T 2N2

Dr. David Barnard
President and Vice-Chancellor
The University of Manitoba
Room 202 Administration Building
Winnipeg MB R3T 2N2

Dear Mr. Lieberman and Dr. Barnard:

I would like to inform you of the funding decisions made by Government as part of the Budget 2018. The overall post-secondary envelope for 2018/19 is \$698.0 million. The capital envelope for 2018/19 will be maintained at \$11.6 million for major capital, renovations and equipment across the system. The grant allocations available to University of Manitoba for the fiscal year 2018/19 will be as follows:

Operating grant	\$ 348,458,500
Access grant	4,330,100
Major Capital	4,100,000
Equipment & Renovation	<u>3,020,000</u>
Total grants	<u>\$ 359,908,600</u>

The operating grant includes a provision of \$193,200 for first claims and \$208,000 for the International Educated Engineers Qualification program.

Included in Major Capital funding is \$419,000 to support capital costs of the Doctor of Pharmacy program. Government will provide a total of \$3.21 million over eight years to support this project.

The challenging fiscal environment will require an increased focus on effective financial management to ensure sustainability of post-secondary institutions now and in the future. Government funding to institutions is significant and there is an expectation to demonstrate efficient and effective use of the public funding while making every effort to minimize impacts on students. Following the lead of the Province and other government reporting entities to contain expenditures, institutions will be expected to review measures that:

- Take action to reduce administrative costs and increase operating efficiencies within your institution;
- Implement a 15% reduction in management administrative positions; and
- Improve collaboration between institutions to minimize and reduce duplication of programs and services.

Mr. Jeff Lieberman
Dr. David Barnard
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Please continue to provide actual billings for the principal and interest costs associated with deferred maintenance, knowledge infrastructure program, project domino, active living centre, stadium track and athletic centre rehabilitation project loans.

I look forward to working with you and your colleagues.

Sincerely,



Colleen Kachulak
A/Assistant Deputy Minister

- c. Honourable Ian Wishart, Minister of Education and Training
Mr. James Wilson, Deputy Minister of Education and Training

Attachment 2 - 2018/19 University Fund Summary
(in thousands of dollars)

	2018/19
Funding Sources	
Contribution from Academic Units	\$ 88,231
Investment income	7,627
International College of Manitoba	3,729
Ancillary Services overhead	1,257
Total Funding Available	\$ 100,844
Strategic Priorities	
Network switch replacement (year 3/6)	\$ 1,000
Research initiatives (year 4/7)	1,074
National Centre for Truth and Reconciliation (year 3/5)	900
Indigenous Initiatives	500
Canada 150 research chair - Infrastructure and start up	1,275
Canada 150 research chair - Faculty (year 1/7)	250
Support Research Manitoba funding reduction	1,650
Support international student health care	2,100
Contingency / Strategic priorities reserve	6,923
Strategic Priorities	15,672
Subvention allocated to academic units	85,172
Total Funding Allocated	\$ 100,844

Attachment 3 - 2018/19 University Wide Budget

General Operating Funds

(in thousands of dollars)

	Net Fund			Central	Contribution to University Fund		Net Surplus
	Revenue	Expenses	Transfers In / (Out)	Support Cost Allocations	University Fund	University Fund Allocations	(Deficit)
Academic Units & Ancillaries							
Faculty of Agricultural & Food Sciences	\$ 35,720	\$ 23,095	\$ 902	\$ 16,606	\$ (5,921)	\$ 9,000	\$ -
Faculty of Architecture	9,592	8,450	309	4,810	(1,603)	4,962	-
Faculty of Arts	93,479	46,387	(133)	31,335	(16,298)	674	-
School of Art	5,111	4,729	61	3,197	(861)	3,615	-
I.H. Asper School of Business	39,480	18,747	(1,111)	12,954	(6,668)	-	-
Faculty of Education	11,063	8,976	(65)	6,125	(1,907)	6,010	-
Faculty of Engineering	35,081	23,654	544	18,047	(6,031)	12,107	-
Clayton H. Riddell Faculty of Environment, Earth & Resources	18,996	9,249	102	7,064	(3,281)	496	-
Faculty of Extended Education	13,572	13,164	185	5,028	(372)	4,807	-
Faculty of Kinesiology & Recreation Management	19,881	16,105	(2,109)	7,714	(1,413)	7,460	-
Faculty of Law	7,308	5,312	(282)	3,082	(1,257)	2,625	-
Faculty of Music	3,516	5,898	371	2,836	(502)	5,349	-
Faculty of Science	89,975	37,994	(777)	36,577	(15,475)	848	-
Faculty of Social Work	12,800	9,065	49	5,272	(2,220)	3,708	-
Rady Faculty of Health Sciences	183,130	131,914	4,914	55,219	(24,422)	23,511	-
Ancillaries	38,201	26,240	(11,961)	-	-	-	-
Total Academic Units & Ancillaries	616,905	388,979	(9,001)	215,866	(88,231)	85,172	-
Central Support Cost Pools							
Academic	5,702	34,181	(2,889)	(30,868)	-	500	-
Executive (President and External)	362	14,880	1,793	(12,725)	-	-	-
Information Technology	1,414	30,892	4,058	(24,420)	-	1,000	-
Administration	1,178	28,075	1,418	(25,479)	-	-	-
Facilities	2,128	43,872	(464)	(42,208)	-	-	-
Research	10,993	15,702	(8,620)	(8,180)	-	5,149	-
Student Services	5,324	21,871	(4,192)	(18,639)	-	2,100	-
Libraries	1,610	30,553	498	(28,445)	-	-	-
General University	6,952	9,720	(29,057)	(24,902)	-	6,923	-
Total Central Support Cost Pools	35,663	229,746	(37,455)	(215,866)	-	15,672	-
University Fund	11,356	-	1,257	-	(12,613)	-	-
Grand Total	\$ 663,924	\$ 618,725	\$ (45,199)	\$ -	\$ (100,844)	\$ 100,844	\$ -

**Attachment 4 - 2018/19 General Operating Fund Budget and
2018/19 Restricted and Endowment Fund Financial Plans
(in thousands of dollars)**

	General Funds				
	2018/19				2017/18
	General Operating	Specific Provisions	Future Revenues	Total General Fund	Fiscal Budget
REVENUE					
Tuition and Related Fees	\$ 182,145	\$ -	\$ -	\$ 182,145	\$ 168,181
Donations	1,554	-	-	1,554	2,355
Non-Government Grants	6,379	-	-	6,379	5,767
Investment Income	7,627	-	-	7,627	4,233
Miscellaneous Income	6,685	-	-	6,685	5,692
Government Grants:					
Education and Training	352,602	-	-	352,602	356,209
Other Province of Manitoba	27,665	-	-	27,665	27,946
Government of Canada	9,647	-	-	9,647	8,856
City of Winnipeg	51	-	-	51	51
Sales of Goods and Services	31,328	-	-	31,328	31,881
Ancillary Services	38,241	-	-	38,241	36,972
Total Revenue	663,924	-	-	663,924	648,143
Total Expenses	618,725	-	-	618,725	597,872
Net Revenue	45,199	-	-	45,199	50,271
INTERFUND TRANSFERS					
Employee Future Benefits	-	-	-	-	(130)
Benefit Premiums Net of Employer Contributions for Staff Benefits	(3,300)	-	-	(3,300)	(3,500)
Benefit Refunds	-	-	-	-	800
Funding of Capital Asset Additions:					
Current Year Acquisitions	(15,141)	-	-	(15,141)	(20,000)
Other Funded Projects	(10,760)	-	-	(10,760)	(12,880)
Faculty and Unit Funded Projects	(6,669)	473	-	(6,196)	(743)
Long Term Debt Repayment					
Ancillaries	(5,756)	-	-	(5,756)	(4,976)
Faculties	(1,542)	-	-	(1,542)	(1,542)
Unit Capital Development Assessment	(5,725)	-	-	(5,725)	(5,549)
Student Contributions for Technology	(3,104)	-	-	(3,104)	(2,834)
Other	(1,339)	-	-	(1,339)	(593)
Student Contribution to University Development Fund	(1,095)	-	-	(1,095)	(955)
Scholarships, Bursaries & Prizes					
Faculty and Unit Funded	(1,445)	-	-	(1,445)	(1,717)
Centrally Funded	(7,506)	-	-	(7,506)	(5,771)
Other Net Transfers	-	-	-	-	1,567
Overhead Recoveries	5,877	-	-	5,877	5,750
Funding of General Operating Expenses	10,301	(1,400)	-	8,901	-
Net Change in Unit Carryover	12,133	(12,133)	-	-	-
Funding of Research Projects	(7,438)	-	-	(7,438)	(1,218)
Transfers to Provisions: Specific Projects					
Faculty and Unit Funded	(2,790)	2,790	-	-	-
Vacation and Sick Leave Liability	100	(100)	-	-	-
Total Net Inter-Fund Transfers	(45,199)	(10,370)	-	(55,569)	(54,291)
Remeasurement Gains (Losses)	-	-	-	-	-
TOTAL INCREASE (DECREASE) TO FUND BALANCE	\$ -	\$ (10,370)	\$ -	\$ (10,370)	\$ (4,020)

**Attachment 4 - 2018/19 General Operating Fund Budget and
2018/19 Restricted and Endowment Fund Financial Plans
(in thousands of dollars)**

	Restricted and Endowment Funds						
	2018/19						2017/18
	Research and Special	Capital and Capital Trust	Staff Benefits	Trust	Endowment	Total	Fiscal Budget
REVENUE							
Tuition and Related Fees	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Donations	500	5,500	-	9,100	13,700	28,800	37,500
Non-Government Grants	60,431	2,500	-	-	-	62,931	67,500
Investment Income	-	4,263	530	24,400	-	29,193	33,341
Miscellaneous Income	-	2,500	3,300	-	-	5,800	5,400
Government Grants:							
Education and Training	-	7,120	-	-	-	7,120	6,701
Other Province of Manitoba	32,000	15,500	-	-	-	47,500	55,228
Government of Canada	65,650	25,995	-	-	-	91,645	112,184
City of Winnipeg	-	-	-	-	-	-	-
Sales of Goods and Services	50	-	-	-	-	50	300
Ancillary Services	-	-	-	-	-	-	-
Total Revenue	158,631	63,378	3,830	33,500	13,700	273,039	318,154
Total Expenses	157,147	68,237	4,325	26,565	-	256,274	259,388
Net Revenue	1,484	(4,859)	(495)	6,935	13,700	16,765	58,766
INTERFUND TRANSFERS							
Employee Future Benefits	-	-	-	-	-	-	130
Benefit Premiums Net of Employer Contributions for Staff Benefits	-	-	3,300	-	-	3,300	3,500
Benefit Refunds	-	-	-	-	-	-	(800)
Funding of Capital Asset Additions:							
Current Year Acquisitions	-	15,141	-	-	-	15,141	20,000
Other Funded Projects	-	10,760	-	-	-	10,760	12,880
Faculty and Unit Funded Projects	(5,000)	11,196	-	-	-	6,196	743
Long Term Debt Repayment							
Ancillaries	-	5,756	-	-	-	5,756	4,976
Faculties	-	1,542	-	-	-	1,542	1,542
Unit Capital Development Assessment	-	5,725	-	-	-	5,725	5,549
Student Contributions for Technology	-	3,104	-	-	-	3,104	2,834
Other	-	1,339	-	-	-	1,339	593
Student Contribution to University Development Fund	-	-	-	820	275	1,095	955
Scholarships, Bursaries & Prizes							
Faculty and Unit Funded	-	-	-	1,345	100	1,445	1,717
Centrally Funded	-	-	-	7,454	52	7,506	5,771
Other Net Transfers	-	-	-	(2,000)	2,000	-	(1,567)
Overhead Recoveries	(5,877)	-	-	-	-	(5,877)	(5,750)
Funding of General Operating Expenses	(2,093)	-	-	(6,808)	-	(8,901)	-
Net Change in Unit Carryover	-	-	-	-	-	-	-
Funding of Research Projects	9,638	-	-	(2,200)	-	7,438	1,218
Transfers to Provisions: Specific Projects							
Faculty and Unit Funded	-	-	-	-	-	-	-
Vacation and Sick Leave Liability	-	-	-	-	-	-	-
Total Net Inter-Fund Transfers	(3,332)	54,563	3,300	(1,389)	2,427	55,569	54,291
Remeasurement Gains (Losses)	-	-	4,000	6,855	15,995	26,850	25,200
TOTAL INCREASE (DECREASE) TO FUND BALANCE	\$ (1,848)	\$ 49,704	\$ 6,805	\$ 12,401	\$ 32,122	\$ 99,184	\$ 138,257

**Attachment 4 - 2018/19 General Operating Fund Budget and
2018/19 Restricted and Endowment Fund Financial Plans
(in thousands of dollars)**

	All Funds			
	2018/19			2017/18
	General Funds	Restricted and Endowment Funds	Total All Funds	Fiscal Budget
REVENUE				
Tuition and Related Fees	\$ 182,145	\$ -	\$ 182,145	\$ 168,181
Donations	1,554	28,800	30,354	39,855
Non-Government Grants	6,379	62,931	69,310	73,267
Investment Income	7,627	29,193	36,820	37,574
Miscellaneous Income	6,685	5,800	12,485	11,092
Government Grants:				
Education and Training	352,602	7,120	359,722	362,910
Other Province of Manitoba	27,665	47,500	75,165	83,174
Government of Canada	9,647	91,645	101,292	121,040
City of Winnipeg	51	-	51	51
Sales of Goods and Services	31,328	50	31,378	32,181
Ancillary Services	38,241	-	38,241	36,972
Total Revenue	663,924	273,039	936,963	966,297
Total Expenses	618,725	256,274	874,999	857,260
Net Revenue	45,199	16,765	61,964	109,037
INTERFUND TRANSFERS				
Employee Future Benefits	-	-	-	-
Benefit Premiums Net of Employer Contributions for Staff Benefits	(3,300)	3,300	-	-
Benefit Refunds	-	-	-	-
Funding of Capital Asset Additions:				
Current Year Acquisitions	(15,141)	15,141	-	-
Other Funded Projects	(10,760)	10,760	-	-
Faculty and Unit Funded Projects	(6,196)	6,196	-	-
Long Term Debt Repayment				
Ancillaries	(5,756)	5,756	-	-
Faculties	(1,542)	1,542	-	-
Unit Capital Development Assessment	(5,725)	5,725	-	-
Student Contributions for Technology	(3,104)	3,104	-	-
Other	(1,339)	1,339	-	-
Student Contribution to University Development Fund	(1,095)	1,095	-	-
Scholarships, Bursaries & Prizes				
Faculty and Unit Funded	(1,445)	1,445	-	-
Centrally Funded	(7,506)	7,506	-	-
Other Net Transfers	-	-	-	-
Overhead Recoveries	5,877	(5,877)	-	-
Funding of General Operating Expenses	8,901	(8,901)	-	-
Net Change in Unit Carryover	-	-	-	-
Funding of Research Projects	(7,438)	7,438	-	-
Transfers to Provisions: Specific Projects				
Faculty and Unit Funded	-	-	-	-
Vacation and Sick Leave Liability	-	-	-	-
Total Net Inter-Fund Transfers	(55,569)	55,569	-	-
Remeasurement Gains (Losses)	-	26,850	26,850	25,200
TOTAL INCREASE (DECREASE) TO FUND BALANCE	\$ (10,370)	\$ 99,184	\$ 88,814	\$ 134,237

Attachment 5 - 2018/19 Capital Spending Estimate
(in thousands of dollars)

	Preliminary 2018-19	Projection 2017-18
Infrastructure Renewal Projects:		
Fire/Life Safety	2,500	2,000
Asbestos	1,500	1,400
Building Envelope	2,500	1,300
Sewers & Water		1,106
Heating, Ventilation and Air Conditioning	1,500	108
Other Projects	4,000	1,086
Miscellaneous Capital Projects	3,020	3,020
Major Capital Projects:		
SmartPark Innovation Hub Building - Strategic Investment Fund	34,000	8,500
Churchill Marine Observatory Building Construction/Canadian Foundation for Innovation	16,956	7,479
Engineering Innovation Centre - Strategic Investment Fund	19,942	6,800
Campus Day Care Addition	1,671	1,365
Tache Hall Redevelopment & Addition		1,043
Saunderson Street Renewal and Primary Dike Stabilization	750	
Faculty of Agriculture Functional Programming and Study of Expansion of Richardson Centre for Functional Foods and Nutraceuticals to relocate the Dairy Pilot Plant	250	
Renovations:		
Teaching Lab Renewal		5,000
Classroom & Learning space upgrades	6,000	3,500
Chown L100 & L200 upgrade		3,850
Administration building L100 & L200	400	2,585
Glenlea Revitalization	1,700	1,830
Max Bell - Fieldhouse upgrade		1,257
CCTV Renewal Project	500	560
T-Bldg Decanting/Demolition		450
Max Bell - Lighting		368
University College Window Replacement	2,515	286
Music Building - Centre for Advancement of Teaching and Learning		122
Fort Garry Campus-Wayfinding Signage	1,055	55
Albert Cohen Library Renovation		50
Other Projects (Faculty or Unit Funded)	2,600	6,000
Gross Anatomy Lab Renovations	4,260	
Renovation of Allen Building	2,700	
Brodie - Student Health Clinic Renovation	2,000	
International College of Manitoba / Extended Education Renovation	1,735	
University Centre-Washroom Renovation (1 & 2)	1,000	
Renovation of Research Labs in Buller and Duff Roblin	1,000	
Fletcher Argue - Arts Office Renovation	575	
Art Lab - School of Art Renovation/Furnishings	507	
Bannatyne Dining Services Renovation	1,500	
University Centre Rm 500 - Faculty of Graduate Studies Renovation	500	
Redevelopment of Machray Hall - Graduate and Undergraduate Study Spaces	250	
Duff Roblin - W216 Renovation	200	
Space Optimization Projects	500	
Machray Room 200-Office Renovation	425	
Redevelopment of Machray Hall (Math and Statistics Faculty and Staff Offices)	400	
Centre for the Advancement of Teaching and Learning	350	
ICU and Primary Care Simulation Suites - Apotex Building	100	
Operating - Equipment, Library Acquisitions, Furniture, Construction	15,141	21,500
Capital Research - Canadian Foundation for Innovation, Research Equipment, Construction	8,000	9,315
Total	142,729	91,935