

The background of the cover is an aerial photograph of a university campus. On the right side, a tall, modern, multi-story building with a grid-like facade and several antennas on top is prominent. In the foreground, there are brick buildings with green roofs and a paved walkway. The surrounding area includes green lawns, trees with autumn foliage in shades of red, orange, and yellow, and a body of water in the distance under a blue sky with scattered white clouds.

Brock
University

60
YEARS

2024-25 Trimester 2 Report

September 1, 2024 to December 31, 2024

Executive summary

At the completion of the second trimester of 2024-25 Brock is projecting a successful mitigation outcome to achieve balanced funding results, without utilizing any contingency reserve funds. This is a significant achievement as the budgeted mitigation target was initially \$10.1 million, which included a maximum use of contingency reserve of \$6.1 million. These results allow for greater flexibility in upcoming budget planning as our contingency funds remain available for future use.

Overall student fees are forecasted to be down versus budget by \$7.0 million or 3.7 per cent, mainly due to lower than anticipated international student enrolment compared to the 2024-25 Budget. Government grants are greater than budget by \$11.4 million or 10.8 per cent due to a very successful engagement plan with the government and additional unplanned funding related to the Postsecondary Education Sustainability fund (PSESF). In addition, teachers education, nursing and facilities renewal funding received from the Province materialized higher than expectations.

Ancillary and Housing Services revenue is forecasted slightly ahead of budget by \$0.7 million or 1.5 per cent. Net contribution back to the University by Ancillary and Housing Services is ahead of budget by \$1.6 million or 20.8 per cent due to additional Conference Services revenue as well as cost containment measures. Campus Store continues to see a decline in sales and revenue is below budget by approximately \$1 million or a 15 per cent shortfall. Investment income is ahead of budget by \$4.2 million due to higher interest rates and the benefit of the Guaranteed Investment Certificate ladder strategy that has benefited from renewals at higher interest rates. Building this positive trend into the 2024-25 budget was not recommended as rates could also reverse. Instead, any favourable investment income trend, such as the amount realized, would be used to support the budget mitigation target.

Budget controls to manage personnel costs have been in place throughout the year. Personnel costs, which represent approximately two thirds of the University expenditures, have been mitigated with a forecasted \$5.2 million savings compared to budget. Non-personnel costs are forecasted to be \$2.8 million higher than budget, driven by higher contracted services and professional fees, repairs and maintenance and capital replacement costs as well as utility costs.

While we experienced strong cost containment for another year, as well as additional one-time funding, we recognize that Brock, along with the entire sector, remains under significant financial pressures. With limited flexibility on revenues, ongoing efforts to manage costs while balancing investments in future revenue generating programs and enrolment growth strategies to drive new student registrations and student retention will be essential to Brock's future sustainability.

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This report contains certain forward-looking information. In preparing the Trimester 2 Report, certain assumptions and estimates were necessary. They are based on information available to management at the time of preparing the forecast. Users are cautioned that actual results may vary.

Throughout the text in this report, financial values have been rounded to the nearest thousand unless otherwise stated.

Financial results

The following table illustrates the trimester two revenue and expense forecast for the University compared to budget. The information is presented on a funding basis, which represents committed cash, and based on the audited financial statements prepared in accordance with accounting standards for not for-profit organizations (NFPS). A reconciliation of the two presentations can be found on [page 20](#).

Figure 1

(\$000s)	Funding			NFPS		
	2024-25 Forecast	2024-25 Budget	Difference better/(worse)	2024-25 Forecast	2024-25 Budget	Difference better/(worse)
Revenue						
Student fees	180,720	187,695	(6,975)	181,887	188,758	(6,871)
Grant revenue	117,050	105,604	11,446	112,830	102,025	10,805
Internal chargebacks	13,515	13,683	(168)			-
Inter-fund revenue	8,122	8,189	(67)			-
Research revenue				14,559	12,975	1,584
Other revenue	70,145	66,187	3,958	85,754	81,466	4,288
Total revenue	389,552	381,358	8,194	395,030	385,224	9,806
Operating costs						
Personnel costs	(259,101)	(264,326)	5,225	(263,540)	(268,794)	5,254
Inter-fund expenses	(18,899)	(18,932)	33			-
Other operating costs	(11,044)	(108,188)	(2,856)	(146,240)	(140,531)	(5,709)
Total operating costs	(389,044)	(391,446)	2,402	(409,780)	(409,325)	(455)
Funding surplus /(deficit)⁽¹⁾	508	(10,088)	10,596	(14,750)	(24,101)	9,351

(1) Budget funding deficit of \$10.1 million was to be eliminated through \$4.0 million in-year mitigation and \$6.1 million from contingency reserve funds.



Taking a closer look at some of the numbers

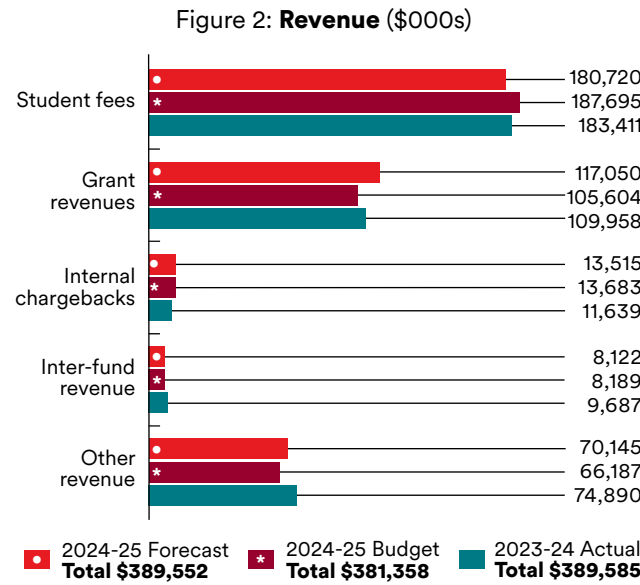
Overview

The 2024-25 trimester two forecast projects a modest funding surplus of \$0.5 million which was achieved without utilizing any contingency reserve funds. This fiscal position is a notable achievement given the \$10.1 million mitigation target identified when the budget was developed and this will allow for greater flexibility in upcoming budget planning as our contingency funds remain available for future use. These results have been achieved with increased revenue in grants and investment income as well as mitigation in personnel expenses.

Input and recommendations for future budget decisions are encouraged and may be emailed to budgetreport@brocku.ca

Review of overall revenue

As shown in Figure 2, overall revenue is forecast at \$389.6 million versus the budget of \$381.4 million, showing a variance of \$8.2 million, driven mainly by forecasted increases in grants and gains in investment income. These variances will be discussed in the following sections.



Student fees and enrolment

As shown in Figures 3 and 4, overall enrolment is forecast to be lower than budget, with 127 less students. This negative variance is seen in both undergraduate and graduate international students forecast at 5.8 per cent and 14.0 percent less than budget or 86 and 93 students, respectively. Both undergraduate and graduate domestic enrolment are forecast higher than budget, somewhat offsetting the international enrolment variance. Overall, the lower enrolment forecast translates into tuition fee revenue from credit courses showing a negative variance to budget of \$6.2 million. As shown in Figure 5, international tuition was forecasted lower than budget by \$6.2 million, which was offset by domestic tuition forecasted higher than budget by \$2.0 million. The

remaining variance to budget in tuition from credit courses is related to the additional spring/summer tuition target included in the 2024-25 budget of \$2.0 million. As shown in Figure 6, which details global tuition by session – spring/ summer and fall/ winter for the forecast and the past two years, the increase in spring/summer tuition forecasted for 2024-25 is only \$0.2 million or \$1.8 million short of the \$2.0 million that was included in the budget.

Overall 2024-25 enrolment is forecast higher than 2023-24 actual enrolment with growth in the Faculties of Applied Health Science, Humanities and Education, offset by lower forecasted enrolment in Goodman, and the Faculties of Math and Science and Social Sciences, as shown in Figure 4.

Figure 3: All in student headcount by type⁽¹⁾

Type	2024-25 Forecast		Difference – better/(worse)		2023-24 Actual		Difference – better/(worse)	
	#	%	#	%	#	%	#	%
Undergraduate – domestic	15,845	15,820	25	0.2%	15,433	412	2.7%	
Undergraduate – international	1,402	1,488	(86)	(5.8%)	1,699	(297)	(17.5%)	
Graduate – domestic	1,206	1,179	27	2.3%	1,188	18	1.5%	
Graduate – international	570	663	(93)	(14.0%)	624	(54)	(8.7%)	
Total	19,023	19,150	(127)	(0.7%)	18,944	79	0.4%	

Figure 4: All in student headcount by Faculty⁽¹⁾

Faculty	2024-25 Forecast			2024-25 Budget			Difference – better/(worse)	2023-24 Actual	Difference – better/(worse)
	Domestic	International	Total	Domestic	International	Total			
Faculty of Applied Health Science	4,235	218	4,453	4,270	213	4,483	(30)	4,330	123
Goodman School of Business	2,084	669	2,753	2,027	734	2,761	(8)	2,938	(185)
Faculty of Education	1,765	39	1,804	1,736	49	1,785	19	1,728	76
Faculty of Humanities	1,977	71	2,048	1,923	87	2,010	38	1,945	103
Faculty of Mathematics and Science	1,990	437	2,427	2,024	489	2,513	(86)	2,481	(54)
Faculty of Social Sciences	4,865	517	5,382	4,917	579	5,496	(114)	5,409	(27)
No Faculty ⁽²⁾	135	21	156	102		102	54	113	43
Total headcount	17,051	1,972	19,023	16,999	2,151	19,150	(127)	18,944	79

(1) Represents student headcount full-time (FT) and part-time (PT). For a definition refer to pg 88 of the 2024-25 Budget Report. 'All-in' headcount includes letter of permissions, non-degree students, auditors and certificates.
 (2) Includes letter of permission, non-degree students and auditors.



Figure 5: Tuition revenue⁽¹⁾

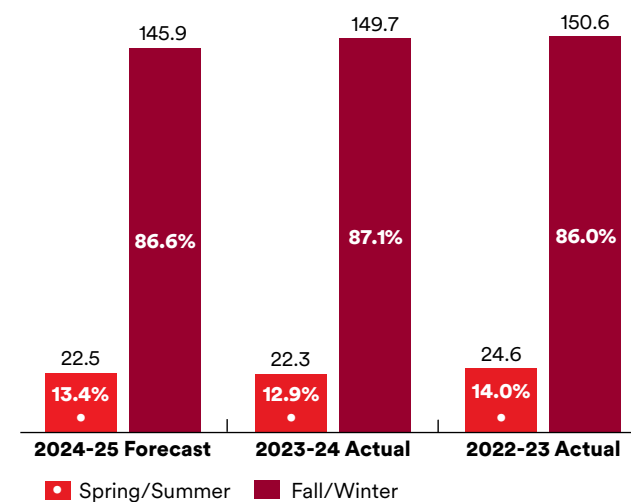
(\$000s)	2024-25 Forecast	2024-25 Budget	Difference better/ (worse)
Undergraduate – domestic			
Faculty of Applied Health Sciences	24,155	24,500	(345)
Goodman School of Business	17,280	16,363	917
Faculty of Education	11,281	10,767	514
Faculty of Humanities	11,353	11,117	236
Faculty of Mathematics and Science	12,823	13,275	(452)
Faculty of Social Sciences	27,466	26,953	513
Other ⁽²⁾	340	313	27
Total undergraduate – domestic	104,698	103,288	1,410
Graduate – domestic			
Faculty of Applied Health Sciences	3,485	3,271	214
Goodman School of Business	1,330	1,310	20
Faculty of Education	786	696	90
Faculty of Humanities	313	393	(80)
Faculty of Mathematics and Science	666	566	100
Faculty of Social Sciences	2,287	2,033	254
Total graduate – domestic	8,867	8,269	598
Total domestic	113,565	111,557	2,008
Undergraduate – international			
Faculty of Applied Health Sciences	5,817	5,688	129
Goodman School of Business	8,855	9,916	(1,061)
Faculty of Education	400	820	(420)
Faculty of Humanities	1,534	1,941	(407)
Faculty of Mathematics and Science	10,581	11,823	(1,242)
Faculty of Social Sciences	11,748	12,815	(1,067)
Other ⁽²⁾	26	13	13
Total undergraduate – international	38,961	43,016	(4,055)
Graduate – international			
Faculty of Applied Health Sciences	439	684	(245)
Goodman School of Business	12,010	13,064	(1,054)
Faculty of Education	530	573	(43)
Faculty of Humanities	285	427	(142)
Faculty of Mathematics and Science	1,566	1,609	(43)
Faculty of Social Sciences	1,032	1,639	(607)
Total graduate – international	15,862	17,996	(2,134)
Total international	54,823	61,012	(6,189)
Additional spring/summer tuition	2,000	(2,000)	
Total tuition related to credit courses	168,388	174,569	(6,181)
Tuition related to non-credit courses			
Continuing Teacher Education – Additional Qualifications (AQ)	1,100	795	305
Intensive and Short-term English Language Programs (IELP & SELP)	1,158	1,497	(339)
Professional and Continuing Studies	90	812	(722)
Total tuition related to non-credit courses	2,348	3,104	(756)
Total tuition	170,736	177,673	(6,937)
Fee revenue	9,984	10,022	(38)
Total student fees	180,720	187,695	(6,975)

(1) Figures based on Faculty of major.

(2) Includes letter of permission, non-degree students and auditors.

Figure 5 also details tuition related to non-credit courses. English as a Subsequent Language (ESL) IELP and SELP program tuition revenue is forecast \$0.3 million below budget and Professional and Continuing Studies tuition revenue is forecast \$0.7 million less than budget. Offsetting this decline is higher than budgeted tuition related to continuing teacher education of \$0.3 million. Continuing teacher education is now supported through Professional and Continuing Studies along with all non-credit programming offered.

Figure 6: Tuition related to credit courses – by session (\$ millions)



Grant revenue

Grant revenue is forecasted to be higher than budget by \$11.4 million, as shown in Figure 7, as a result of additional funding from a number of grants.

Figure 7: Grant revenue

(\$000s)	2024-25 Forecast	2024-25 Budget	Difference better/ (worse)
MCU Operating Grants			
Core Operating Grant	34,479	34,479	-
Differentiation Envelope (Performance/ Outcomes-based Funding Grant)	53,232	53,232	-
Special Purpose Operating Grant Envelope	4,524	3,329	1,195
International Student Recovery	(1,479)	(1,613)	134
Total MCU operating grants	90,756	89,427	1,329
Other MCU and specific purpose grants	26,294	16,177	10,117
Total grant revenue	117,050	105,604	11,446

In February 2024, the Province announced an investment over three years in the new Postsecondary Education Sustainability fund (PSESF) starting in 2024-25. At the time of preparing the budget the Ministry of Colleges and Universities (MCU) had communicated the PSESF Across-the-board funding of \$2.6 million for 2024-25. In June, the MCU communicated additional one-time PSESF Top-up funding of \$6.2 million for 2024-25, which is included in the T2 forecast. This additional funding is one-time, and it is not known if it will be added to the base grant although it is highly anticipated that the funding will be renewed. Also included in the communication from the MCU was \$0.5 million in Efficiency and Accountability funding that was to be used to support a third-party review, which has also been included in the T2 forecast. Brock has hired the third-party consultant to perform these reviews, which are aimed at identifying actions that can be taken to increase long-term sustainability. This funding is shown as part of the Other MCU and specific purpose grants in Figure 7.

At the time of preparing the budget, the Province provided no indication that they would be considering a renewal of the one-time additional Teacher Education funding of \$1.2 million received in 2023-24. In August 2024, the Province communicated that Brock would receive a one-year renewal of the additional teachers funding for 192 Bachelor of Education students, resulting in \$1.2 million, shown as part of the Special Purpose Operating Grant Envelope in Figure 7.

At the time of budget preparation, the expansion of the provincial nursing funding was not finalized, but it was assumed the majority of Brock's nursing enrolment would be funded, which resulted in a budgeted grant of \$6.0 million. As of trimester two the forecast is \$8.0 million, a \$1.9 million increase related to higher enrolment than budgeted as well as increased clinical education funding. The nursing grant is shown as part of the Other MCU and specific purpose grants in Figure 7.

Communication regarding the provincial Facilities Renewal Program (FRP) funding for 2024-25 was not received at the time of budget preparation. Consistent with prior years where FRP funding has been maintained or slightly increased, the budget assumed the same funding received in 2023-24 at \$3.6 million. It was subsequently announced by the province that the sector-wide funding would increase for 2024-25 resulting in Brock's allocation increasing by \$0.6 million; however no additional projects were

identified. The funding was allocated to projects currently ongoing that were initially funded from University funds. This strategy supports meeting the \$10.1 million mitigation target included in the approved 2024-25 funding budget.

Other additional funding from agencies as compared to the budget included: \$0.7 million from the Co-operative Education and Work-Integrated Learning Canada (CEWIL Canada), \$0.3 million from Global Skills Opportunity, as well as a \$0.4 million for a Micro-credentials grant.

Other revenue

Other revenue, as shown in Figure 8 is forecast to be \$70.1 million, \$4.0 million more than the budget of \$66.2 million.

Figure 8: Other revenue

(\$000s)	2024-25 Forecast	2024-25 Budget	Difference better/ (worse)
Housing Services fees	26,543	26,560	(17)
Other ancillary revenue	18,775	18,077	698
Total ancillary revenue	45,318	44,637	681
Investment income	6,350	2,200	4,150
Sales and services	18,477	19,350	(873)
Total other revenue	70,145	66,187	3,958

Stronger than budgeted investment income accounts for \$4.2 million of this positive variance, which is more fully described in the Treasury section of this report. Ancillary revenue is also forecasted to be higher than budget by \$0.7 million. The ancillary revenue increase is driven by higher Conference Services and Dining revenue offset by lower Campus Store and Parking sales. It is important to note that Ancillary Services is forecasting a net contribution of \$9.2 million. This net contribution exceeds the budget of \$7.6 million and also includes a funding contribution to the University's capital project budget of \$4.1 million. Offsetting these increases is sales and services forecasting lower than budget by \$0.9 million.

Review of overall costs

Personnel costs

Our people are what make everything possible at our University. Figure 9 below illustrates personnel costs in aggregate by personnel group. Overall personnel costs are forecasted to be under budget by \$5.2 million due to ongoing hiring review mitigation strategies.

Figure 9: Personnel costs by group

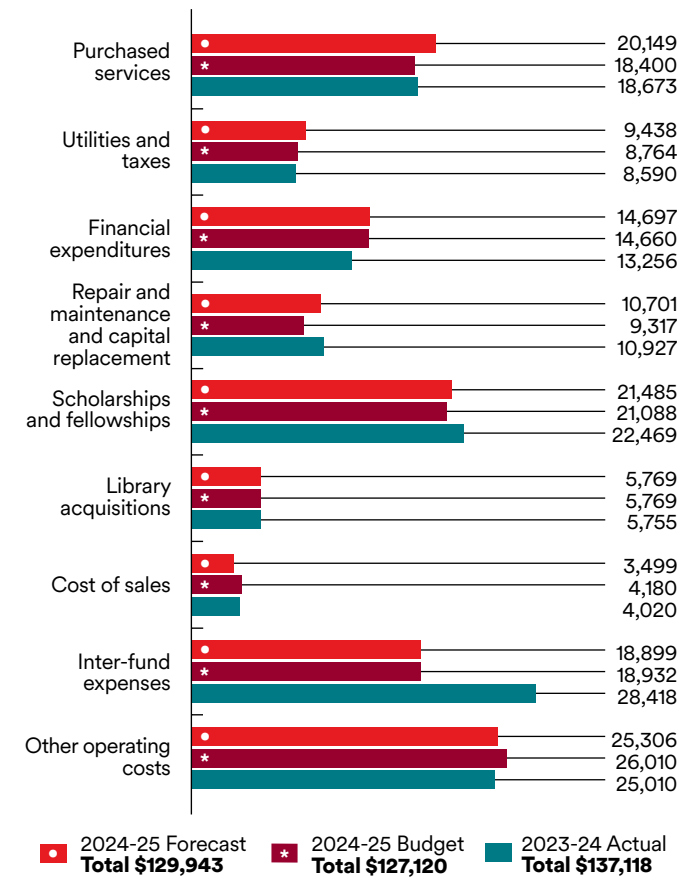
Personnel Group ⁽¹⁾ (\$000s)	Forecast 2024-25			2024-25 Budget	Difference better/(worse)	2023-24 Actual
	Salary/Wage	Benefits	Total personnel costs			
Faculty and Professional Librarians	105,667	21,247	126,914	128,723	1,809	118,205
Admin/Professional	55,114	14,370	69,484	72,063	2,579	68,501
OSSTF	6,591	2,001	8,592	9,167	575	9,019
CUPE 1295 FT	7,304	2,170	9,474	9,840	366	10,401
SAC	7,099	1,315	8,414	8,142	(272)	9,352
Other ongoing personnel	689	190	879	1,007	128	982
Total ongoing personnel	182,464	41,293	223,757	228,942	5,185	216,460
CUPE 4207 – Unit 1	16,364	1,851	18,215	17,428	(787)	18,042
Other temporary personnel	15,858	1,271	17,129	17,956	827	17,965
Total temporary personnel	32,222	3,122	35,344	35,384	40	36,007
Total personnel	214,686	44,415	259,101	264,326	5,225	252,467

(1) **Faculty & Professional Librarians** – BUFA members, Associate Deans, Associate Vice-Presidents of Research and Associate Librarian; **Admin/Professional** – ongoing administrative/professional and exempt staff; **OSSTF** – support and technical staff; **CUPE 1295 FT** – full-time maintenance, trades and custodial staff; **SAC** – Senior Administrative Council; **Other ongoing** – CUPE 4207-2, CUPE 4207-3 & IATSE; **CUPE 4207 – Unit 1** – instructors, teaching assistants, lab demonstrators, course co-ordinators and marker/graders; **Other temporary** – all other part-time teaching and non-teaching positions, Faculty overloads and stipend transfers.

Operating costs

Total operating costs are forecasted to be \$129.9 million as compared to a budget of \$127.1 million, which represents an increase from the budget of \$2.8 million. This increase is mainly seen in contracted services and professional fees of \$1.7 million, shown within the purchased services grouping, in part related to the Efficiency and Accountability review, funded by the MCU. Repair and maintenance and capital replacement costs are also forecasted higher than budget by \$1.4 million as well as in utilities by \$0.7 million. These increases are offset by savings in Campus Store cost of sales due to sales declines, and other operating costs of \$0.7 million each.

Figure 10: Operating costs (\$millions)



Unit and budget forecasts

Figure 11 on the following page details the funding by responsibility centre by grouping the forecast and budget into one of the following categories: Teaching Faculties, Academic Support, Student Specific, Shared Services, Ancillary, Space and Global. Please note that Figure 11 includes certain reclassifications to the 2024-25 budget as compared to the figures presented in the 2024-25 Budget Report. All reclassifications will be fully reconciled in the future 2025-26 Budget Report, noting the changes did not impact the net reported budget.

Ancillary Services forecasted a net contribution of \$9.2 million, which is \$1.6 million greater than the 2024-25 budget. Savings were realized in many other units throughout the University including some of the Faculties, Development and Alumni Relations, and Student Wellness and Accessibility.



Funding budget by responsibility centre

Figure 11 details the funding budget by responsibility centre, where all personnel costs, operating costs and revenue have been grouped by their responsibility centre, which in turn are grouped into one of the following categories: Teaching Faculties, Academic Support, Student Specific, Ancillary, Shared Services, Space and Global.

Figure 11: Funding budget by responsibility centre

	2024-25 Forecast		2024-25 Budget		Difference of "Net" amounts
	Revenue	Personnel costs	Personnel costs	Non-personnel costs	
Teaching Faculties					
Faculty of Applied Health Sciences	874	(31,632)	(678)	(584)	(435)
Goodman School of Business	971	(28,214)	(1,911)	(1,853)	309
Faculty of Education	613	(18,151)	(497)	(612)	970
Faculty of Humanities	608	(24,677)	(856)	(825)	266
Faculty of Mathematics and Science	1,979	(25,864)	(1,266)	(978)	(210)
Faculty of Social Sciences	752	(42,040)	(898)	(903)	153
Total Teaching Faculties	5,797	(170,578)	(6,106)	(5,755)	1,053
Academic Support					
Faculty of Graduate Studies and Postdoctoral Affairs	392	(2,094)	(161)	(159)	(36)
Library	8	(5,818)	(6,244)	(6,133)	204
Research Enterprise	3,235	(3,011)	(3,630)	(4,028)	180
Centre for Pedagogical Innovation	80	(1,263)	(62)	(59)	41
Professional and Continuing Studies	1,192	(561)	(780)	(493)	(104)
English as a Second Language	1,337	(969)	(280)	(352)	(99)
Total Academic Support	6,244	(13,716)	(11,157)	(11,224)	186
Student Specific					
The Office of the Registrar	2,719	(6,127)	(2,803)	(3,118)	364
Student Affairs	1	(346)	(4)	(11)	30
Hadhya'dagenhahs First Nations, Métis and Inuit Student Centre	619	(327)	(292)	(118)	15
Student Life and Success	660	(1,855)	(336)	(366)	-
Student Wellness and Accessibility	3,747	(3,712)	(1,484)	(1,424)	714
Brock International Services	319	(963)	(352)	(292)	195
Co-op, Career and Experiential Education	3,155	(3,751)	(1,045)	(316)	415
Brock Sports and Recreation	9,394	(6,789)	(4,168)	(4,145)	(150)
Total Student Specific	20,614	(23,870)	(10,484)	(9,790)	1,583
Ancillary					
Ancillary Services	18,722	(3,143)	(9,337)	(9,511)	897
Housing Services	26,959	(4,571)	(19,452)	(19,932)	682
Total Ancillary	45,681	(7,714)	(28,789)	(29,443)	1,579

Figure 11 continued

	2024-25 Forecast		2024-25 Budget		Difference of "Net" amounts
	Revenue	Personnel costs	Personnel costs	Non-personnel costs	
Shared Services					
Academic and Administrative Offices ⁽¹⁾	215	(6,273)	(1,082)	(815)	(453)
Information Technology Services	451	(6,259)	(2,452)	(1,850)	(53)
Financial Services	636	(3,027)	(467)	(526)	80
Office of People and Culture	368	(3,752)	(594)	(580)	(1)
University Marketing and Communications		(1,720)	(841)	(766)	27
Development and Alumni Relations	1,049	(1,601)	(377)	(306)	132
Human Rights and Equity Services	671	(1,313)	(209)	(204)	42
Printing Services	622	(278)	(592)	(585)	(244)
University Secretariat		(615)	(45)	(45)	(39)
Office of Government and Community Relations		(528)	(26)	(26)	46
Institutional Planning, Analysis and Performance	70	(700)	(54)	(36)	2
Internal Audit and University Risk Management		(712)	(91)	(23)	(88)
Legal Counsel		(760)	(126)	(72)	(52)
Total Shared Services	4,082	(27,538)	(6,956)	(5,834)	(601)
Space					
Facilities Management	1,826	(12,258)	(4,195)	(4,026)	(46)
Campus Safety Services	139	(1,991)	(1,124)	(1,078)	(38)
Campus Development and Community Agreements	343	(32)	(2,191)	(2,197)	32
Utilities, Taxes and Insurance	2,965	(46)	(11,568)	(10,283)	(1,387)
Financing	4,980	(11,180)	(6,200)	(11,132)	(48)
Total Space	10,253	(14,327)	(30,258)	(28,716)	(1,487)
Global					
Scholarships, Bursaries and Fellowships	3,752	(23,091)	(19,339)	(23,511)	499
Capital	8,305	(9,081)	(776)	(9,059)	642
University Global	284,824	(1,358)	(4,021)	(3,788)	7,142
Total Global	296,881	(1,358)	(36,193)	(36,358)	8,283
Total University	389,552	(259,101)	(129,943)	(127,120)	10,596

(1) Includes the following: the offices of the President, the Provost and the Vice-President, Academic; the Vice-President, Administration; the Vice-President, Research; the Vice-President, External, the Vice-Provost and Associate Vice-President, Academic; the Associate Vice-President, Indigenous Education and Community Engagement; and the Vice-Provost, Teaching and Learning.

Treasury Operating fund investment scorecard

The Government of Canada ten-year bond yield was 3.2 per cent at Dec. 31, 2024 (3.1 per cent at Dec. 31, 2023). This compares to the yield on the operating investment portfolio of 4.31 per cent with an average duration of 8-months (5.68 per cent yield and 9-month average duration at the same time last year). The cash deposit rates are linked to the Bank of Canada overnight target rate plus an adjustment factor. As at Dec. 31, 2024, the deposit interest rate was 5.8 per cent for general deposits and 5.95 per cent for the 30-day notice account. Our operating investment income is on track to exceed budget by \$4.2 million. A summary of investment holdings as of Dec. 31, 2024, is shown in Figure 15. Figure 14 outlines

monthly investment income performance compared to 2023-24. As detailed in Figure 12, operating investments have achieved 235 per cent of budget as we reach 67 per cent of the way through the fiscal year. The sinking fund during the first eight months of fiscal 2024-25 has been volatile currently reporting an annualized 13.5 per cent gain (6.9 per cent gain at the same time last year). Short-term volatility is common and expected with this fund. We continue to support this fund as a long-term investment strategy to fund the 2045/2060 payout of the University's two debentures and the employee future benefits reserve. The fund requires a 5 per cent annual rate of return for the series A \$93 million debenture and a 5.2 per cent rate of return for the series B \$125 million debenture to achieve its goal and this rate of return is aligned with the asset mix and skill of the fund manager.

Figure 12: Summary investment income – Operating Funds

(\$000s) Unless otherwise stated	2024-25 Actuals to Dec. 31	2024-25 Budget/target (2)	2023-24 Actual	% of Budget achieved
Operating investment income	5,179	2,200	7,888	235%
Sinking Fund – 2005 bond	864	424	659	204%
Employee future benefits reserve	643	NA	490	NA
Sinking Fund – 2020 bond	438	237	231	185%
Investment income⁽¹⁾	7,124	2,861	9,268	249%

(1) Brock currently has 4 externally restricted segregated trust investments not included in the figures above.
 (2) Represents budget for Operating investment income and target for the sinking funds.



Figure 13: Cumulative monthly investment income performance 2023-24 vs 2024-25 (\$000s)

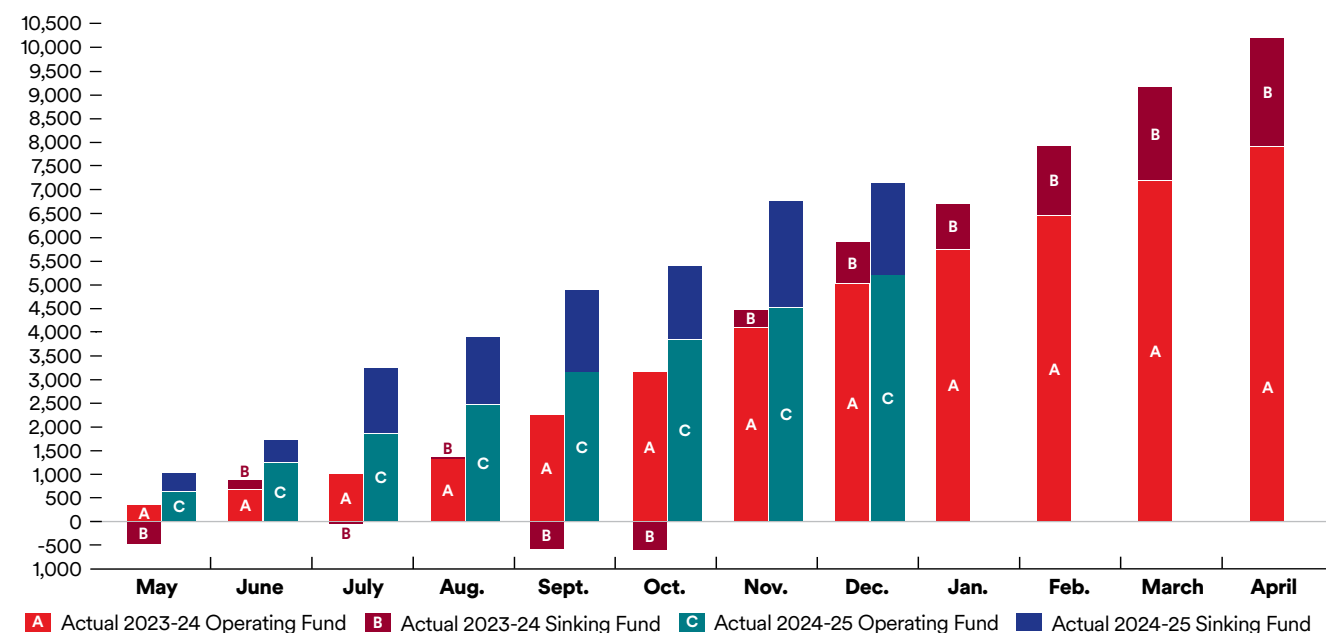


Figure 14: Monthly cash flow – historical trend month-end balances (\$000s)

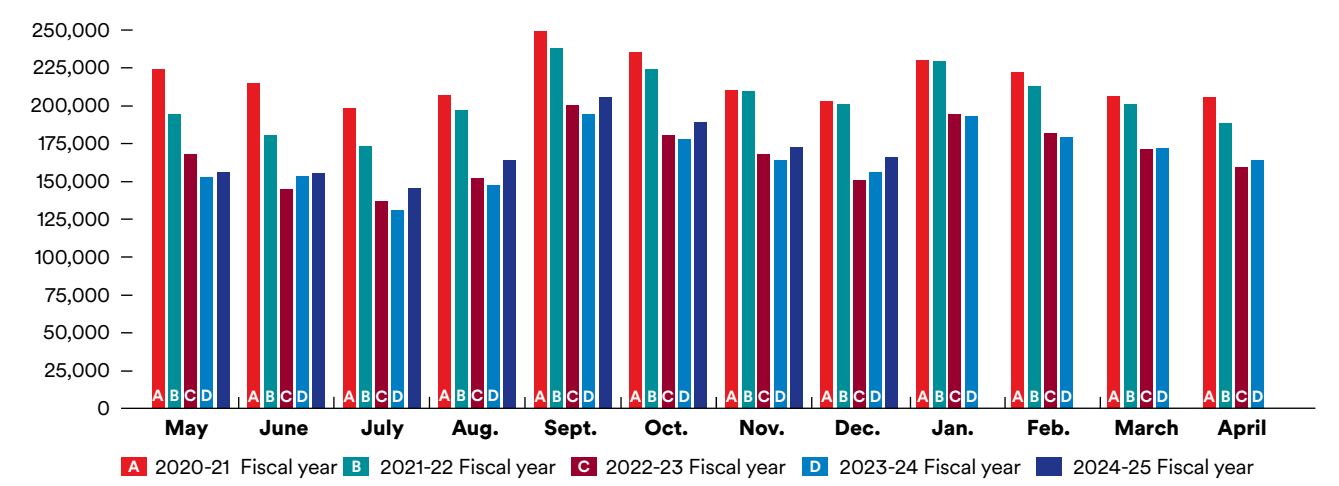


Figure 15: Summary of investment holdings

(\$000s) Unless otherwise stated	Market Value as at Dec. 31, 2024	Annualized rate of return	Fees	Net annualized rate of return
Scotiabank				
General account (20MM Avg Min Bal)	38,541	3.80%	0.00%	3.80%
30 day GIC	66,718	3.95%	0.00%	3.95%
1 Year GIC	3,000	5.33%	0.00%	5.33%
2 Year GIC	3,000	6.16%	0.00%	6.16%
2 Year GIC	2,500	6.21%	0.00%	6.21%
2 Year GIC	2,500	6.51%	0.00%	6.51%
2 Year GIC	3,000	5.34%	0.00%	5.34%
2 Year GIC	5,000	4.85%	0.00%	4.85%
3 Year GIC	1,000	4.00%	0.00%	4.00%
3 Year GIC	3,000	4.34%	0.00%	4.34%
3 Year GIC	2,500	6.28%	0.00%	6.28%
3 Year GIC	2,500	6.24%	0.00%	6.24%
4 Year GIC	2,500	6.08%	0.00%	6.08%
Total for account	135,759	4.27%	0.00%	4.27%
BMO Nesbitt Burns				
Savings Account	8	3.62%	0.05%	3.57%
1 Year GIC	2,740	5.15%	0.05%	5.10%
3 Year GIC	3,000	4.74%	0.05%	4.69%
Total for account	5,748	4.93%	0.05%	4.88%
TD Waterhouse				
1 Year GIC	1,000	5.35%	0.00%	5.35%
Total for account	1,000	5.35%	0.00%	5.35%
Mawer – balanced fund				
Sinking fund series A Bond	10,477			
Sinking fund series B Bond	7,798			
Employee future benefits reserve	5,190			
Total for account	23,465	13.48%	0.25%	13.23%
Portfolio consolidated total	165,972	5.60%	0.04%	5.57%

Our debt

Figure 16 details the current and projected external debt of the University, which is within financial metric ranges of the University's current credit rating. The 2022-23 Fiscal Framework Update continues with the holistic approach to Brock's capital financing strategy that allows for decisions to be made in support of strategic priorities in a fiscally sustainable manner. Maintaining the University's credit rating at A (high) or better is a strategic priority that remains in the Fiscal Framework. The impact on the University's credit rating will be considered for any new debt and will be supported by a complete repayment plan, including Board-approved assumptions for sinking fund strategies if required. On Jan. 30, 2025, Brock University presented its financial results, strategic plan updates, and financial and

debt forecast to Morningstar DBRS. Morningstar DBRS will evaluate if Brock's credit rating should change. This presentation follows Morningstar DBRS maintaining Brock's credit rating of "A (high)," with a trend of "Stable" on Feb. 22, 2024. The credit ratings are underpinned by the University's position as a midsize comprehensive university in the Province of Ontario (rated AA) with a Positive trend by Morningstar DBRS). As of the 2024 credit rating, Morningstar DBRS noted that a positive credit rating action, though unlikely, depends on a combination of sustained improvement in financial risk assessment metrics and an improvement in Morningstar DBRS' assessment of one or more critical rating factors. A negative credit rating action could arise from a significant and sustained deterioration in operating results or from a material increase in financial leverage.

Figure 16: Outstanding debt

(\$000s) Unless otherwise noted	Actual							Forecast		
	April 30, 2018	April 30, 2019	April 30, 2020	April 30, 2021	April 30, 2022	April 30, 2023	April 30, 2024	April 30, 2025	April 30, 2026	April 30, 2027
2005 Bond	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000
Roy and Lois Cairns Health and Bioscience Research Complex 3401 Schmon Parkway Residence	24,109	23,319	22,491	21,624	20,715					
Marilyn I. Walker School of Fine and Performing Arts (MIWSFPA)	14,333	13,385	12,366	11,271	10,095	8,831	7,474	11,108	9,558	8,008
2020 Bond	15,240	14,520						6,015	4,448	2,764
Scotia Loan			14,400	14,400	14,400	14,400	14,400	125,000	125,000	125,000
Total debt	146,682	144,224	142,257	265,295	263,210	255,439	252,532	259,290	255,173	250,939
Total student FFTE⁽¹⁾	20,303	20,548	21,597	21,896	21,598	21,289	21,147	21,396	21,300	21,209
Total debt/FFTE (in dollars)⁽¹⁾	\$7,225	\$7,019	\$6,587	\$12,116	\$12,187	\$11,999	\$11,942	\$12,119	\$11,980	\$11,832
Debt reduction strategy										
Sinking fund – 2005 Bond	6,696	7,370	7,607	8,843	8,437	8,954	9,613	10,499	11,429	12,406
Sinking fund – 2020 Bond					1,532	3,136	4,876	7,563	10,394	11,831
Debt repayment reserve	4,457	6,753	384	1,884	3,153					
M. Walker donation – MIWSFPA	5,470	5,617								
Other donations – MIWSFPA	851	932								
Total assets for debt reduction	17,474	20,672	7,991	10,727	13,122	12,090	14,489	18,062	21,823	24,237
Net debt	129,208	123,552	134,266	254,568	250,088	243,349	238,043	241,228	233,350	226,702
Net debt/FFTE (in dollars)⁽¹⁾	\$6,364	\$6,013	\$6,217	\$11,626	\$11,579	\$11,431	\$11,257	\$11,274	\$10,955	\$10,689

(1) Fiscal full-time enrolment (FFTE). For a definition, refer to page 86 of the 2024-25 Budget Report.

Figure 17: Long-term debt

	Interest rate	Payment terms	Date to be paid in full	Annual payment (\$000s)
Earp/Lowenberger – Residence	7.200%	Monthly blended payments of principal and interest of \$162,443.70.	October 2028	1,949
Scotia loan	4.815%	Serial amortizer loan with fixed principal payments of \$1,000,000 annually plus interest	June 2029	Approx. 2,200
University line of credit	Bankers Acceptance + 75 basis points	Due on demand	NA	NA
Debenture payable (bullet) – 2005	4.967%	Interest payable semi-annually \$2,309,655.	December 2045	4,619
Debenture payable (bullet) – 2020	3.033%	Interest payable semi-annually \$1,895,625.	May 2060	3,791
3401 Schmon Parkway	3.910%	Serial amortizer loan with fixed principal payments of \$1,550,000 annually plus interest	June 2032	Approx. 2,077

Debt retirement assets

	Required rate of return	Payment terms	Date to be paid in full	Annual payment (\$000s)
Sinking fund investment – 2005 bond	5.000%	Policy requires Brock to annually review sinking fund investment performance and required contributions.	December 2045	As per Fiscal Framework
Sinking fund investment – 2020 bond	5.200%	Policy requires Brock to annually review sinking fund investment performance and required contributions.	May 2060	As per Fiscal Framework
Debt reduction reserve	N/A	Annual contribution to an internally restricted reserve for debt repayment initially approved by the Board of Trustees on March 12, 2015.	N/A	As per Fiscal Framework

Figure 18: Debt metrics

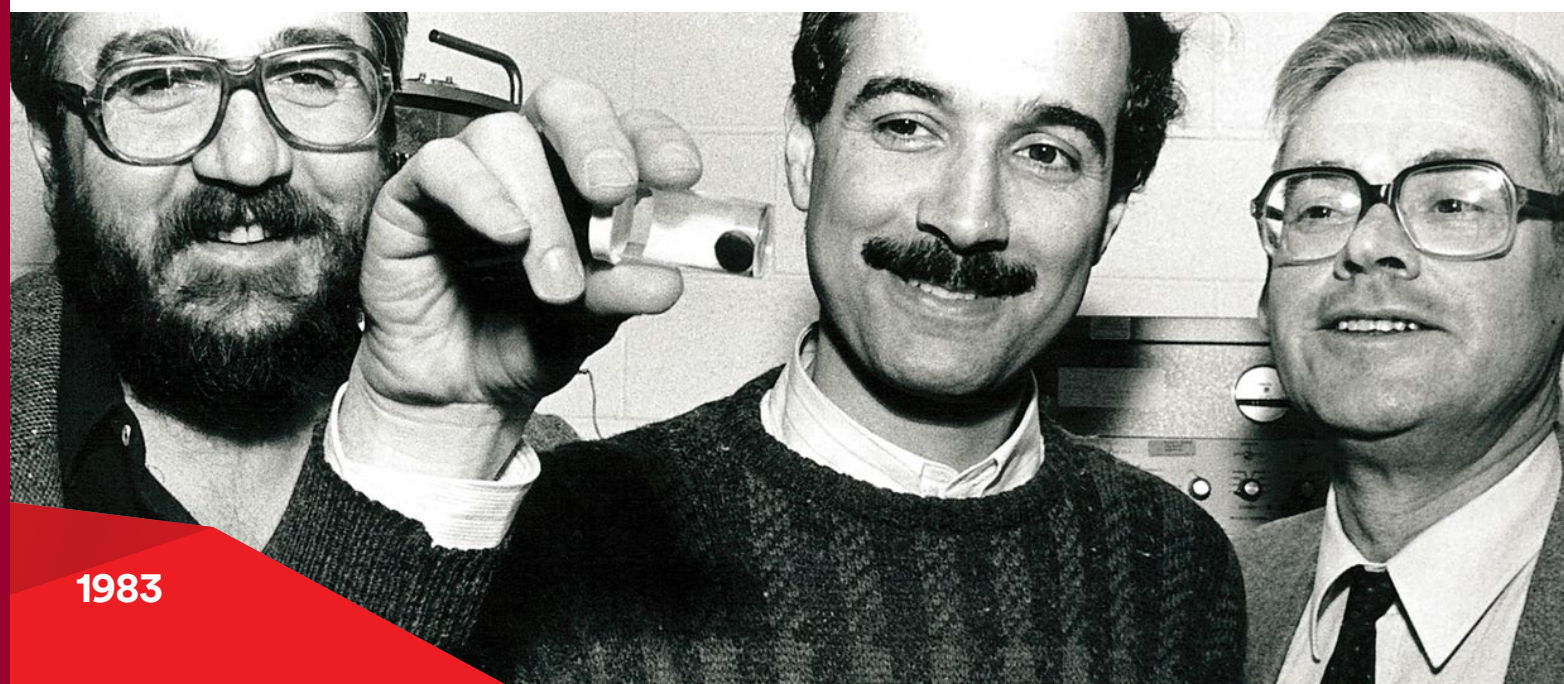
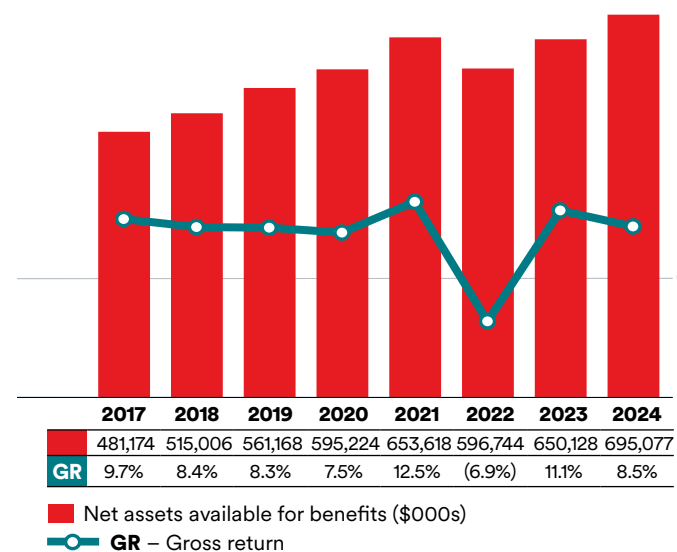
	Published range current credit rating	2023-24 Fiscal year	2022-23 Fiscal year
Fiscal full-time equivalent (FFTE)		21,147	21,289
Total long-term debt/FFTE (\$)	10,000 – 15,000	11,942	11,999
Interest coverage ratio	1.3 times to 2.5 times	1.84 times	2.68 times
Surplus-to-revenue	0% to 1% (5 year average)	0.1%	1.8%

Pension

The actuarial valuation on the pension plan completed as at July 1, 2022, indicated the plan was 99 per cent funded on a going-concern basis (98 per cent as at January 1, 2020 valuation) and 105 per cent on a solvency basis (106 per cent as at January 1, 2020 valuation). The going concern deficit improved slightly due to higher interest rates increasing the discount rate that reduces the present value of the liabilities. The actuary sets the expected rates of returns based on industry best practices guided by the Canadian Institute of Actuaries. The University has no control or influence over these assumptions used by the actuary. The going concern deficit of \$5.3 million (\$12.7 million as at Jan. 1, 2020, valuation) has required special payments into the plan of \$0.5 million representing an annual savings of \$1.0 million compared to the last valuation. In addition, current service cost payments for the plan of \$14.1 million for a total cost to the University of \$14.6 million annually. Employees also contribute to the money purchase component of the plan (defined contribution) an additional \$8.2 million resulting in an employer to employee funding ratio of 1.8 to 1.0. An updated valuation is required before the next triannual valuation date of July 1, 2025.

The investment returns and investment balance for the last eight years are detailed in Figure 19. Additional information on the pension plan may be found at brocku.ca/about/university-financials/#auditedpension-statements

Figure 19: Pension Plan as of June 30 pension year end (\$000s)



1983



2024

Capital

University infrastructure investment is ongoing as we invest in new and current space and technology to support and improve the student, academic and research experience. Figure 20 illustrates the number of open capital and related projects. These projects include all 2024-25 projects as well as uncompleted prior year projects. Note: the majority of the 2024-25 projects were opened prior to May 1, 2024. Figure 21

illustrates the activity to Dec. 31, 2024, with respect to the type and dollar amount of projects. The established 2024-25 capital and related projects budget is \$9.06 million (Information Technology Services Projects – \$4.86 million; Facilities Management Projects – \$4.20 million). As noted previously, the 2024-25 Facility Renewal Program funding from the Ministry has been increased by \$0.6 million (\$4.220 million received vs. \$3.579 million budgeted).

Figure 20: Status of capital projects as of Dec. 31, 2024

(\$000s)	Facilities Management	Residence and ancillary services	Information Technology Services
Total projects open as of April 30, 2024	74	13	41
Projects opened to Dec. 31, 2024	1	-	-
Projects closed/completed to Dec. 31, 2024	(23)	(2)	(15)
Total projects open as of Dec. 31, 2024	52	11	26

Figure 21: Capital and related project summary

Project type (\$000s)	Revenue/funding ⁽¹⁾	Spending to Dec. 31, 2024	Remaining to spend
Facilities Management			
AODA* Projects	390	(184)	206
Above surface/sub surface utilities, drainage, roads, parking lots, sidewalks	1,519	(728)	791
Audits and studies	880	(524)	356
Buildings	6,519	(2,649)	3,870
Energy conservation and demand management	7,981	(5,151)	2,830
Major capital projects	18,413	(2,246)	16,167
Vehicles and wheeled equipment	980	(844)	136
FM – surplus/(deficit)	1,382		1,382
Total Facilities Management projects	38,064	(12,326)	25,738
Residence and Ancillary Services			
Above surface/sub surface utilities, drainage, roads, parking lots and sidewalks	465	(328)	137
Adaptations/renovations and major renewal projects	551	(146)	405
Buildings	5,200	(3,002)	2,198
Residence and Ancillary Services – surplus/deficit	683		683
Total Residence and Ancillary Services	6,899	(3,476)	3,423
Information Technology Services			
Enterprise software projects	8,250	(3,515)	4,735
Hardware projects	4,489	(1,020)	3,469
IT infrastructure projects	1,863	(639)	1,224
ITS – surplus/(deficit)	168		168
Total Information Technology Services projects	14,770	(5,174)	9,596
Total capital and related projects	59,733	(20,976)	38,757

* AODA – Accessibility for Ontarians with Disabilities.

(1) Funding revenue represents total expected funding and cash received. This amount is not reflective of all funding received to date.

Trimester 2 and remaining year activity

Figure 22 details the in-year activity and forecast on a funding basis for Trimester 2.

Figure 22: Funding in-year activity and forecast

(\$000s)	2023-24 Funding actual	2024-25 Funding budget	Activity from May 1 to Dec. 31	Forecast for Jan. 1 to April 30	2024-25 Funding forecast @ Dec. 31
Revenue					
Student fees	183,411	187,695	179,820	900	180,720
Grant revenue	109,958	105,604	64,382	52,668	117,050
Internal chargebacks	11,639	13,683	11,857	1,658	13,515
Inter-fund revenue	9,687	8,189	221	7,901	8,122
Other revenue	74,890	66,187	53,876	16,269	70,145
Total revenues	389,585	381,358	310,156	79,396	389,552
Operating costs					
Personnel costs	(252,467)	(264,326)	(164,023)	(95,078)	(259,101)
Inter-fund expenses	(28,418)	(18,932)	(13,212)	(5,687)	(18,899)
Other operating costs	(108,700)	(108,188)	(79,556)	(31,488)	(111,044)
Total operating costs	(389,585)	(391,446)	(256,791)	(132,253)	(389,044)
Funding surplus/(deficit)	-	(10,088)	53,365	(52,857)	508



Funding forecast presented in accordance with NFPS

Throughout this report financial information has been reported on a funding basis (sometimes referred to as committed cash basis). Figures 23 and 24 detail the entries and reclassifications required to convert the funding budget to be in accordance with the Canadian accounting standards for not-for-profit organizations (NFPS). Please refer to page 88 and 89 of the 2024-25 Budget Report for detailed explanations of all the

adjustments, reclassifications, and eliminations. The adjustments, reclassifications, and eliminations for the 2024-25 forecast were consistently applied with those of the 2024-25 budget with the following changes: adjustment #11 was added representing the estimated spending in the strategic funds and the remaining adjustments were updated based on estimates for trimester two. It is interesting to note that Brock is one of the only Morningstar DBRS rated University that fully reconciles and converts budget and forecast to NFPS.

Figure 23

(\$000s)	2024-25 NFPS budget	2024-25 Funding forecast	NFPS adjustments	Note	Eliminate inter-fund transfers	Eliminate internal chargebacks	2024-25 NFPS forecast
Revenue							
Student fees	188,758	180,720	1,167	1			181,887
Grant revenue	102,025	117,050	(4,220)	2			112,830
Internal Chargebacks		13,515				(13,515)	-
Inter-fund revenue		8,122			(8,122)		-
Research revenue	12,975		14,559	3			14,559
Other revenue	81,466	70,145	15,609	4-5			85,754
Total revenue	385,224	389,552	27,115		(8,122)	(13,515)	395,030
Personnel costs	(268,794)	(259,101)	(4,439)	3,8-10			(263,540)
Inter-fund expenses	-	(18,899)	(1,726)	3,5	20,625		-
Operating costs	(140,531)	(111,044)	(48,711)	1,3-8,11		13,515	(146,240)
Total costs	(409,325)	(389,044)	(54,876)		20,625	13,515	(409,780)
Surplus/deficit	(24,101)	508	(27,761)		12,503	-	(14,750)

Figure 24

Note	Reconciliation of NFPS adjustments (\$000s)
1	Course fee revenue 1,167
2	Capital grants (4,220)
3	Research, including fellowships 14,559
4	Amortization of deferred capital contributions 11,196
5	Endowment and Trust Spending 4,413
	Total revenue adjustments 27,115
1	Course fee spending (1,167)
3	Research spending – personnel (3,885)
3	Research spending – operating costs (10,674)
4	Amortization of capital assets (35,442)
5	Endowment & Trust Spending (4,413)
6	Principal payments 3,997
7	Capital purchases in operating 1,634
8	Capital and infrastructure project reserves spending – personnel (676)
8	Capital and infrastructure project reserves spending – operating (3,909)
9	Post-retirement benefits (412)
10	Pension 534
11	Spending in strategic funds (463)
	Total costs adjustments (54,876)



Reserves

Figure 25 outlines internally restricted reserve balances that have been established for strategic priorities. As at Dec. 31, 2024, Brock has \$38.6 million in unspent internally-funded research, professional development and strategic fund support dollars for faculty and other units including the President, Provost and Vice-President, Academic, Vice-President, Research, Vice-President, Administration, Vice-President, External and Faculty Deans. This amount compares to \$44.1 million available in the same accounts at this time last year. These balances are not reduced to account for future commitments.

Figure 25: Balances by Faculty

(\$000s)	Operating project accounts	Research funds with no external obligations	Start-up funds	PER and accountable allowance accounts	Strategic fund ⁽¹⁾	Total
Faculty of Applied Health Sciences	185	1,511	1,513	961	90	4,260
Faculty of Education	515	56	135	500	112	1,318
Faculty of Humanities	164	92	107	545	112	1,020
Faculty of Mathematics and Science	477	459	1,407	760	740	3,843
Faculty of Social Sciences	420	861	752	1,297	716	4,046
Goodman School of Business	160	132	91	1,109	303	1,795
Library		1		125		126
Other units	1,517	862	-	58	19,771	22,208
Total as at Dec. 31, 2024	3,438	3,974	4,005	5,355	21,844	38,616
Total as at Dec. 31, 2023	3,079	4,425	4,579	5,506	26,533	44,122
Change – increase/(decrease)	359	(451)	(574)	(151)	(4,689)	(5,506)

(1) Faculty amounts are allocated through the revenue and expense allocation model.

Appendix 1

Multi-year financial results on a funding basis

Figure 26

(\$000s)	2024-25 Forecast	2024-25 Budget	2023-24 Actual	2022-23 Actual	2021-22 Actual
Revenue					
Student fees	180,720	187,695	183,411	187,658	188,064
Grant revenue	117,050	105,604	109,958	102,306	99,780
Internal chargebacks	13,515	13,683	11,639	11,605	7,346
Inter-fund revenue	8,122	8,189	9,687	7,785	5,943
Other revenue	70,145	66,187	74,890	63,702	50,256
Total revenue	389,552	381,358	389,585	373,056	351,389
Operating costs					
Personnel costs	(259,101)	(264,326)	(252,467)	(234,390)	(221,304)
Inter-fund expenses	(18,899)	(18,932)	(28,418)	(27,225)	(28,926)
Other operating costs	(111,044)	(108,188)	(108,700)	(107,403)	(97,262)
Total operating costs	(389,044)	(391,446)	(389,585)	(369,018)	(347,492)
Funding surplus/(deficit) before discretionary appropriations	508	(10,088)	-	4,038	3,897
Discretionary appropriations				(4,037)	(3,896)
Funding surplus/(deficit) after discretionary appropriations	508	-	-	1	1

1982



2024



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Institutional Strategic Plan – Directions & Priorities



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world