

Brock

University

2020-21 TRIMESTER 2 FORECAST

September 1, 2020 to December 31, 2020



Executive summary

At the completion of the second trimester of 2020-21 Brock is projecting a fiscal year-end with a funding surplus of \$0.9 million. This is an extraordinary outcome given the impacts of the global pandemic which resulted in revenues decreasing by more than \$50 million compared to the budget that was prepared prior to the pandemic. More than half of the revenue loss is attributed to Ancillary Services following public health guidelines restricting access to campus. To put this impact into perspective, total Ancillary Services revenue is forecast at less than one quarter of their pre-pandemic budget. The second largest variance in revenue is attributed to lower enrolment offset by above average student retention rates. Student fees are forecast \$13.7 million below the pre-pandemic budget or a 7 per cent shortfall.

Our all-in headcount enrolment is forecast at 96 per cent of our pre-pandemic budget or 19,668 students. Compared to the Institutional Strategic Plan our degree-seeking enrolment is forecasted to fall short by 229 students. Offsetting this shortfall was the position of strength in which Brock began the year. Brock recorded enrolment in 2019-20 exceeding our Institutional Strategic Enrolment Plan by 2.3 per cent or 438 students.

At Trimester one a plan to mitigate the significant revenue shortfall was developed. Strict hiring controls with a savings target of \$19.2 million, or an 8 per cent reduction in personnel costs was identified. As of this forecast, the target has been exceeded with \$19.6 million savings anticipated. In addition, \$25.3 million in non-personnel operating expenditures have been mitigated with the balance of mitigation being a deferral and re-prioritization of capital expenditures of \$9.3 million. Also included in the trimester one mitigation plan was the use of our strategic reserves. With the success to date of mitigating costs and improving student retention, the updated trimester two forecast does not require the use of these reserves to fund operations. This is a significant achievement as our prior year savings for strategic purposes will flow into the upcoming 2021-22 fiscal year unencumbered and be available to support our strategic priorities and recovery from the global pandemic.

Salient to the significant expense reductions to mitigate our considerable and immediate revenue reductions are our courageous faculty and staff who quickly pivoted to online learning and student services to continue to support our students. While we experienced strong cost containment in response to the global pandemic, we recognize that Brock maintained its commitment to students with \$21.1 million in student scholarships and fellowships being spent which exceeds the pre-pandemic budget by \$0.8 million. Other key areas where spending will exceed or meet the pre-pandemic budget plans in support of Brock's strategic priorities include: Human Rights and Equity Services, Student Life and Success, and Research Services.

While we celebrate in the successes to date, there is a recognition that our future fiscal environment remains challenging. With 60 per cent of university revenue subject to no rate inflation, balancing our operations requires investments in new programs with new net positive contributions to maintain our existing operations. The next few years will be challenging, that said, with the strategic plan as our lighthouse, our budget plans will endeavor to chart a sustainable pandemic recovery while remaining flexible to invest in areas of growth. Input and recommendations for future budget decisions are encouraged and may be emailed to budgetreport@brocku.ca

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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.

On the cover

From left, Katrina Carbonara, Robert Crozier and Sophie Hamstra all met the rigorous requirements to fast-track into Brock's PhD in Applied Health Sciences.

Photo collage on page 3

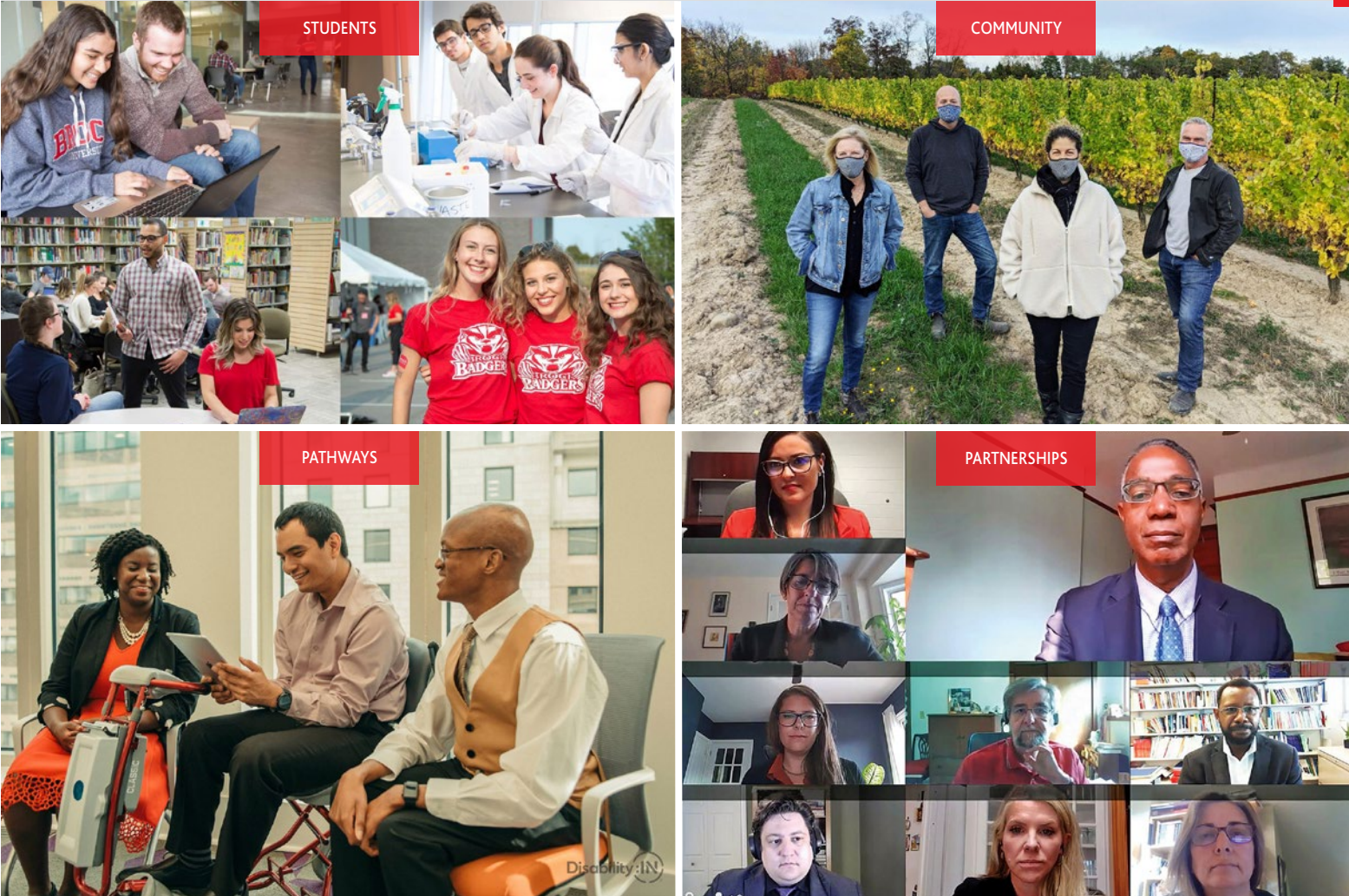
STUDENTS: Brock University has retained its No. 1 ranking for student mental health support. COMMUNITY: Future Vineland winery to support Brock students and community. In photo: Spouses Liz (BA '12) and Robert Harold (OEVC '20), along with Tracey Schenck (MA '16) and her husband Joe Schenck are endeavoring to add a boutique winery to their Hanck Vineyards property in Vineland. PATHWAYS: A new specialization in Leadership, Diversity, Community and Culture allows incoming students in Applied Disability Studies to meet personal goals in a welcoming environment. Stock photo courtesy Disability:IN. PARTNERSHIPS: Brock University made its long-time collaboration with the Niagara Workforce Planning Board (NWPB) official by signing a Memorandum of Understanding (MOU) Tuesday, Sept. 22.

Financial results

The following table illustrates the Trimester 2 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, for the 2020-21 forecast, can be found starting on **page 22 – 23**. Please note that certain reclassifications were made to the 2020-21 budget as compared to the figures presented in the 2020-21 Budget Report, noting the changes did not impact the net budget. All reclassifications will be fully reconciled in the future 2021-22 Budget Report.

Figure 1: Funding and NFPS budget and forecast

(\$000s)	2020-21 Forecast	Funding 2020-21 Budget	Difference better/(worse)	2020-21 Forecast	NFPS 2020-21 Budget	Difference better/(worse)
Revenue						
Student fees	186,511	200,202	(13,691)	187,016	200,642	(13,626)
Grant revenue	99,152	97,288	1,864	96,199	95,823	376
Internal chargebacks	3,006	8,621	(5,615)			-
Inter-fund revenue	7,532	7,042	490			-
Research revenue			-	13,034	13,253	(219)
Other revenue	20,428	54,899	(34,471)	34,750	66,330	(31,580)
Total revenue	316,629	368,052	(51,423)	330,999	376,048	(45,049)
Operating costs						
Personnel costs	(219,004)	(238,613)	19,609	(221,796)	(241,611)	19,815
Inter-fund expenses	(15,759)	(25,773)	10,014			-
Other operating costs	(81,003)	(106,313)	25,310	(112,042)	(131,106)	19,064
Total operating costs	(315,766)	(370,699)	54,933	(333,838)	(372,717)	38,879
Mitigation target		2,647	(2,647)			-
Surplus/(deficit)	863	-	863	(2,839)	3,331	(6,170)



SEPT. 01, 2020: The Faculty of Education and the Landscape of Nations 360° Indigenous Education Initiative (LON 360°) have committed to collaborate on initiatives to advance Indigenous subject matter across the Niagara region.

Taking a closer look at some of the numbers

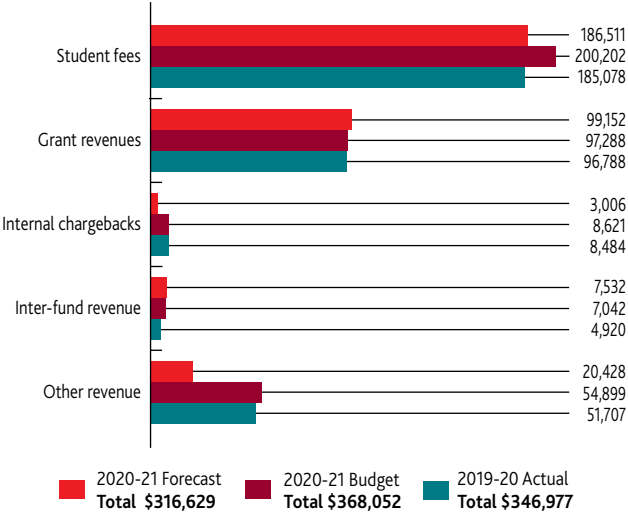
Overview

The 2020-21 Trimester 2 forecast shows a funding surplus of \$0.9 million versus the balanced 2020-21 budget, which was after the \$2.6 million mitigation target to be found in-year. This is an amazing outcome given the impacts of the global pandemic on the University resulting in a reduction in revenue by more than \$50 million compared to budget. This surplus is driven by mitigation strategies that resulted in personnel saving forecasted to be \$19.6 million under budget as well as operating costs and inter-fund expenses being forecasted below budget by \$25.3 million and \$10.0 million respectively. These savings are offset by a revenue forecast showing a shortfall of \$51.4 million below budget. These variances are more fully described in the following sections of this report.

Review of overall revenue

More than half of the revenue loss as compared to the budget is attributed to Ancillary Services in the amount of \$28.7 million following public health guidelines restricting access to campus. The second largest variance in revenue is attributed to lower than anticipated enrolment offset by above average student retention rates resulting in student fees forecast to be \$13.7 million below the pre-pandemic budget plan, or a 7 per cent shortfall. Grant revenue is forecasted to increase from budget by \$1.9 million, internal chargebacks are forecasting lower than budget by \$5.6 million, inter-fund revenue is forecast higher than budget by \$0.5 million and other revenue (excluding ancillary) is forecast lower by \$5.8 million. Student fee revenues and grant revenues are discussed in the tuition and enrolment section and the operating grant section on the following pages. As mentioned above, the lower than budgeted other revenue was driven by Ancillary Services. The largest driver of this variance related to Residence revenues which is forecasting a revenue shortfall of \$17.7 million. The other units in Ancillary Services are forecasting revenue shortfalls as follows, Campus Store \$2.4 million, Conference Services \$1.0 million, Dining/Hospitality Services \$3.6 million, and Parking Services of \$3.9 million. Investment income, which is forecasted to be \$0.75 million higher than budget, is more fully described in the Treasury section of this report. Sales and service revenue is forecast to be lower than budget by \$6.0 million, driven by lower than budgeted revenue of \$3.6 million in Brock Sports and Recreation mainly due to the cancellation of summer camps, instructional and after school programs.

Figure 2: Revenue (\$ millions)



Also contributing to the sales and services shortfall is consulting/service revenue forecasted to be lower than budget by \$0.4 million, Ontario University Application fee revenue forecast to be \$0.3 million lower than budget and various other revenue sources that were not able to be met because of the pandemic. Inter-fund revenue is forecasted at \$7.5 million, \$0.5 million higher than budget. It should be noted that the trimester one mitigation plan included the use \$10.1 million of our limited reserves to mitigate our projected deficit. With the success to date on mitigating costs and improving student retention, the updated trimester two forecast does not require the use of strategic reserves to fund operations.

SEPT. 2, 2020: As part of its plan to achieve more modern facilities in the Hamilton-Burlington-Oakville corridor, Brock University has now sold the site that has been its Hamilton campus for the past 20 years.



Tuition and enrolment

As detailed in Figure 3, students fees are forecast \$13.7 million below the pre-pandemic budget.

Figure 3: Tuition by reporting unit

(\$000s)	2020-21 Forecast	2020-21 Budget	Difference better/(worse)	Listed below
Total tuition revenue in University Global	164,148	165,935	(1,787)	(1)
Tuition revenue budgeted in respective departments				
Professional Masters Preparation Certificate (Business) (PMPC)	562	563	(1)	(2)
International Masters Business Administration (IMBA)	9,376	12,318	(2,942)	(2)
International Master of Professional Accounting (IMPAcc)	1,113	1,826	(713)	(2)
Masters Preparation Certificate in Education (MPCE)	145	485	(340)	(3)
International Masters of Education (MEd)	435	1,802	(1,367)	(3)
International Master of Science in Materials Physics (MSc)	231	317	(86)	(4)
Total international student programs (ISP)s	11,862	17,311	(5,449)	
Continuing Teacher Education – Additional Qualifications (AQ)	1,018	711	307	(3)
Adult Education	650	974	(324)	(3)
Indigenous Education Programs		37	(37)	(3)
Intensive and short term English Language Programs (IELP & SELP)	1,073	4,415	(3,342)	(5)
Total other self-funded programs	2,741	6,137	(3,396)	
Tuition revenue in respective departments	14,603	23,448	(8,845)	
Total tuition revenue	178,751	189,383	(10,632)	
Fee revenue	7,760	10,819	(3,059)	
Total student fees	186,511	200,202	(13,691)	

Departments the tuition revenue is reported in: (1) University Global; (2) Goodman School of Business; (3) Faculty of Education; (4) Faculty of Mathematics and Science; (5) Brock International.



SEPT. 3, 2020: An experiential learning opportunity and Ability Online, helped Tasia Walsh (centre) acquire the competencies she needed to become the first certified Recreation Therapist in the Northwest Territories.

Non-tuition fee revenue, mainly representing student ancillary fees, are forecast \$3.1 million lower than budget as a result of lower enrolment as well as certain fees not being fully charged to students during the year due to reduced access to campus. International student program (ISP) tuition is forecasted to be \$5.4 million below budget, driven by lower enrolment in most of the ISP programs with the majority of the losses in the Goodman School of Business International Master Business Administration (IMBA) and International Masters of Professional Accounting (IMPAcc) programs, and the Faculty of Education International Master of Education (MEd) program. Other self-funded program revenue is forecasted lower than budget by \$3.4 million, driven by lower English as a second language program revenue.

Despite the pandemic causing the majority of the universities’ programs having to be taught online this year, global tuition is forecasted to be lower than budget by only \$1.8 million or 1.1 per cent (see Figure 5). This forecast is significantly better than was projected as part of the trimester one forecast which forecasted global tuition to

be lower than budget by 7.6 per cent. Although overall enrolment was lower than set out in the pre-pandemic budget, our spring/summer session realized strong growth over 2019-20, with a gain of almost \$3.0 million. In addition, above average retention rates also assisted in offsetting the lower intake figures experienced. As evidence of the success of our online teaching platform, as detailed in Figure 5, global international tuition is forecast to exceed budget by \$1.0 million. This increase is offset by lower than budgeted domestic tuition of \$2.4 million, mainly as a result of lower first-year intake figures. Overall, enrolment is forecasted to come in at 96 per cent of the pre-pandemic budget at 19,668 students as shown in Figure 6.

Note: Although Figure 5 details global tuition by Faculty of major, the revenue and expense allocation model reports tuition based on where students take their courses (i.e. teaching Faculty). The revenue and expense allocation model is presented for year-end results within the Annual Report.

Figure 4: Global tuition billings by session (\$ millions)

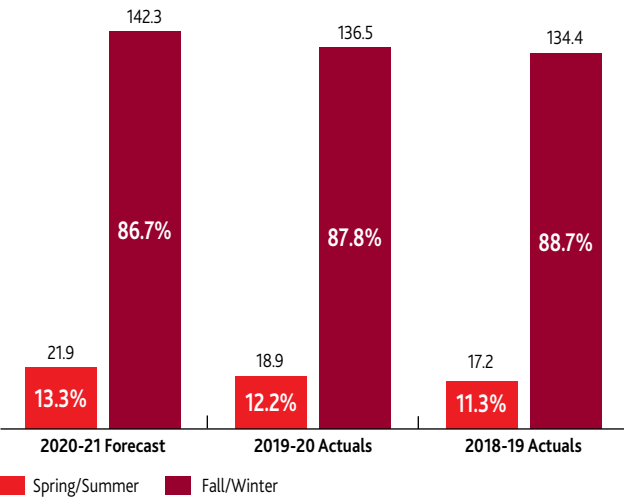


Figure 4 above, details global tuition by session – spring/summer and fall/winter for the forecast and the past two years.

Figure 5: Tuition revenue budgeted in University Global⁽¹⁾

(\$000s)	2020-21 Actuals as of Jan. 13, 2021	2020-21 Budget	Difference better/ (worse)
Undergraduate – domestic			
Faculty of Applied Health Sciences	23,954	23,526	428
Goodman School of Business	18,323	20,029	(1,706)
Faculty of Education	7,574	7,367	207
Faculty of Humanities	10,312	10,234	78
Faculty of Mathematics and Science	12,526	13,281	(755)
Faculty of Social Sciences	27,279	27,518	(239)
Other ⁽²⁾	229	199	30
Total undergraduate – domestic	100,197	102,154	(1,957)
Graduate – domestic			
Faculty of Applied Health Sciences	2,226	2,076	150
Goodman School of Business	1,491	1,747	(256)
Faculty of Education	1,026	1,317	(291)
Faculty of Humanities	361	443	(82)
Faculty of Mathematics and Science	680	650	30
Faculty of Social Sciences	2,709	2,677	32
Total graduate – domestic	8,493	8,910	(417)
Total domestic	108,690	111,064	(2,374)
Undergraduate – international			
Faculty of Applied Health Sciences	4,483	4,149	334
Goodman School of Business	16,065	14,423	1,642
Faculty of Education	178	121	57
Faculty of Humanities	2,081	2,048	33
Faculty of Mathematics and Science	11,393	11,435	(42)
Faculty of Social Sciences	16,597	17,537	(940)
Other ⁽²⁾	51	13	38
Total undergraduate – international	50,848	49,726	1,122
Graduate – international			
Faculty of Applied Health Sciences	300	198	102
Goodman School of Business	2,171	1,767	404
Faculty of Education	376	215	161
Faculty of Humanities	142	225	(83)
Faculty of Mathematics and Science	1,242	1,537	(295)
Faculty of Social Sciences	745	1,203	(458)
Total graduate – international	4,976	5,145	(169)
Total international	55,824	54,871	953
Subtotal	164,514	165,935	(1,421)
Forecasted change to April 30, 2021	(366)		(366)
Total tuition revenue in University Global	164,148	165,935	(1,787)

(1) Figures based on Faculty of major.

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



SEPT. 14, 2020: Left: Didi Mukendi (BKin '14) and Eric Mukendi (BBA '07) are paying it forward by generously donating \$30,000 to the Brock-Niagara Centre for Health and Well-Being on behalf of their company, C6 Medical, after receiving support from the Centre for years.

SEPT. 16, 2020: Right: The Canada Games Council and the 2021 Canada Games Host Society announced that they have decided to postpone the 2021 Canada Summer Games until the summer of 2022 due to the ongoing COVID-19 pandemic.

Figures 6 and 7 detail all-in headcount enrolment. All-in enrolment represents degree-seeking students, non-degree students, auditors, and those pursuing additional qualifications and certificates, including ISP programs, not budgeted in Global. Brock's enrolment forecast of 19,668 represents a 0.6 per cent decrease as compared to prior year 2019-20 enrolment and a 4.2 per cent decrease compared to the 2020-21 pre-pandemic budget.

Figure 6: All in student headcount by type⁽¹⁾

Type	2020-21 Forecast	2020-21 Budget	Difference – better/(worse)		2019-20 Actual	Difference – better/(worse)	
			#	%		#	%
Undergraduate – domestic	15,845	16,337	(492)	(3.0%)	15,970	(125)	(0.8%)
Undergraduate – international	1,857	1,990	(133)	(6.7%)	1,819	38	2.1%
Graduate – domestic	1,308	1,347	(39)	(2.9%)	1,235	73	5.9%
Graduate – international	658	848	(190)	(22.4%)	772	(114)	(14.8%)
Total	19,668	20,522	(854)	(4.2%)	19,796	(128)	(0.6%)

Figure 7: All in student headcount by Faculty⁽¹⁾

Faculty	2020-21 Forecast			2020-21 Budget			Difference – better/(worse)	
	Domestic	International	Total	Domestic	International	Total	#	%
Faculty of Applied Health Sciences	4,237	175	4,412	4,073	163	4,236	176	4.2%
Goodman School of Business	2,368	1,068	3,436	2,574	1,133	3,707	(271)	(7.3%)
Faculty of Education	1,778	72	1,850	1,852	96	1,948	(98)	(5.0%)
Faculty of Humanities	1,798	87	1,885	1,812	90	1,902	(17)	(0.9%)
Faculty of Mathematics and Science	1,969	474	2,443	2,153	532	2,685	(242)	(9.0%)
Faculty of Social Science	4,906	637	5,543	5,121	823	5,944	(401)	(6.7%)
No Faculty	97	2	99	100		100	(1)	(1.0%)
Total headcount	17,153	2,515	19,668	17,685	2,837	20,522	(854)	(4.2%)

⁽¹⁾Note: the enrolment forecast used for the 2020-21 budget and forecast is 'all-in' and includes letter of permissions, non-degree students, auditors, additional qualifications, and certificates. These are excluded in the 'degree-seeking only' enrolment as presented by the Office of the Registrar.

Operating grants

Figure 8: General operating grants

(\$000s)	2020-21 Forecast	2020-21 Budget	2019-20 Actual
Operating Grants			
Core Operating Grant	70,076	70,076	81,743
Differentiation Grant Envelope	18,925	18,925	6,045
International Student Recovery	(1,844)	(1,844)	(1,705)
Nursing Grant	2,648	2,969	2,679
Total operating grants	89,806	90,126	88,762
Specific purpose grants	9,347	7,162	8,026
Total grant revenue	99,152	97,288	96,788

Figure 8 above details grant revenue. Most of the Ministry of Colleges & Universities (MCU) operating grants are forecasted to be consistent with budget, with the exception of the nursing grant which is expected to be below budget by \$0.3 million. The MCU has confirmed that the Strategic Mandate Agreement 2020-25 (SMA3) metrics for performance-based funding will be delayed until 2021-22. Therefore, there is no anticipated change in the larger Differentiation Envelope. The increase in the specific purpose grants is mainly due to the Facilities Renewal Program Funds (FRP) grant which is forecast to be \$1.5 million higher than budget, based on an announcement from the MCU in 2020-21 and it is anticipated this funding will remain for 2021-22.



SEPT. 29, 2020: More than 3,100 students, including more than 2,000 first-year students, have taken part in the new BU101 academic skills program led by A-Z Learning Services in the fall. In photo: A-Z Learning Services Manager Maggie Whitfield working remotely.



OCT. 13, 2020: The Goodman COVID-19 Student Emergency Fund was recently established by the Business Students' Association (BSA) to support Goodman undergraduate students struggling financially because of the pandemic.

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 expected to be under budget by \$19.6 million, \$0.4 million better than the mitigation plan that was developed with strict hiring controls with a savings target of \$19.2 million. Savings were realized in both ongoing and temporary personnel groups. Ongoing personnel is forecasted to realize savings of \$13.2 million. Temporary personnel savings are forecast at \$6.4 million.

Figure 9: Personnel costs by group

Personnel Group ⁽¹⁾ (\$000s)	2020-21 Forecast			2020-21 Budget	Difference better/ (worse)	2019-20 Actual
	Salary/Wage	Benefits	Total personnel costs			
Faculty and Professional Librarians	88,808	20,162	108,970	113,011	4,041	106,836
Admin/Professional	43,489	12,052	55,541	61,881	6,340	54,310
OSSTF	7,484	2,380	9,864	10,637	773	9,790
CUPE 1295 FT	6,418	2,378	8,796	9,399	603	9,550
SAC	5,972	1,114	7,086	7,444	358	6,631
Other ongoing personnel	1,080	330	1,410	2,516	1,106	2,277
Total ongoing personnel	153,251	38,416	191,667	204,888	13,221	189,394
CUPE 4207 – Unit 1	15,014	1,645	16,659	17,691	1,032	16,141
Other temporary personnel	10,001	677	10,678	16,034	5,356	14,884
Total temporary personnel	25,015	2,322	27,337	33,725	6,388	31,025
Total personnel	178,266	40,738	219,004	238,613	19,609	220,419

(1) **Faculty and 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, CUPE 2220 & 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 and stipend transfers.



OCT. 16, 2020: Hilary Pearson was installed as Brock University's ninth Chancellor during Virtual Fall Convocation.



OCT. 21, 2020: Robyn Bourgeois, an Associate Professor from the Faculty of Social Sciences, has accepted the role of Acting Vice-Provost, Indigenous Engagement.

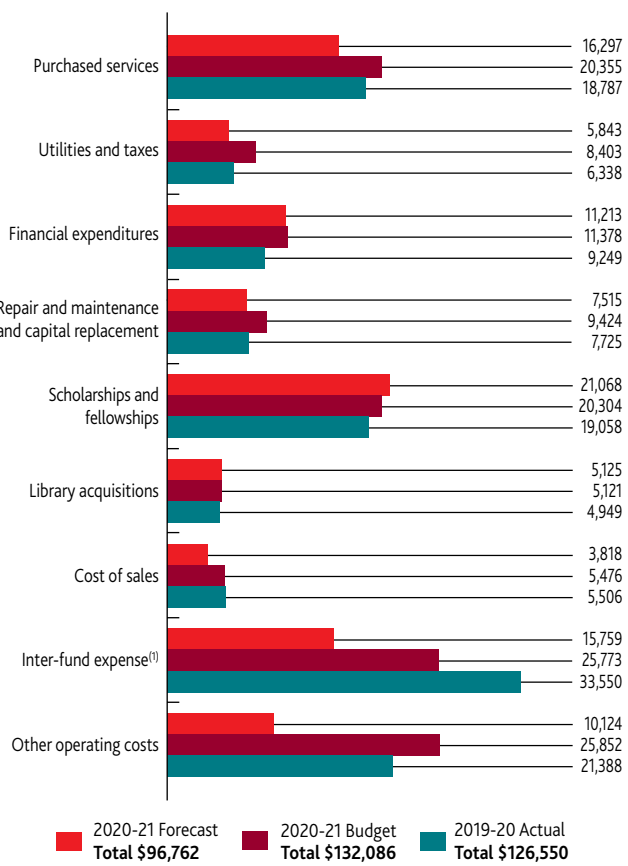
Operating costs

Operating costs are forecasted to be \$96.8 million as compared to a budget of \$132.1 million. This \$35.3 million positive variance is due to a comprehensive plan to mitigate the large revenue losses as a result of the global pandemic. Figure 10 shows a comparison of forecasted operating expenses to the 2020-21 budget and 2019-20 actuals.

Inter-fund expenses are forecasted to be \$10.0 million lower than budget. The majority of this decline is due to the pandemic mitigation plan related to the deferral and re-prioritizations of capital expenditure of \$9.3 million.

Operating costs other than inter-fund expenses are forecast \$25.3 million lower than budget. Saving were realized throughout the operating expenses with significant savings in travel, purchased services, utilities, repair and maintenance and capital replacement costs and cost of sales related to the Campus Store. While we experienced strong cost containment in response to the global pandemic, we recognize that Brock maintained its commitment to students with \$21.1 million in student scholarships and fellowships being spent which exceeds the pre-pandemic budget by \$0.8 million.

Figure 10: Operating costs (\$millions)



*2019-20 Actual inter-fund expenses include discretionary appropriations in the amount of \$7,650.

Unit and budget forecasts

Figure 11 on the following pages detail the funding by responsibility centre for the forecast and budget, grouped into one of the following categories: Teaching Faculties, Academic Support, Student Specific, Ancillary, Shared Services, Space and Global. Please note that Figure 11 includes certain reclassifications to the 2020-21 budget as compared to the figures presented in the 2020-21 Budget Report. All reclassifications will be fully reconciled in the future 2021-22 Budget Report, noting the changes did not impact the net reported budget.

Although most units experienced significant cost restraints, some key areas where spending will exceed or meet the pre-pandemic budget plans in support of Brock's strategic priorities include areas such as: Human Rights and Equity Services, Student Life and Success, and Research Services.

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

(\$000s)	2020-21 Forecast			Net	2020-21 Budget			Difference of "Net" amounts
	Revenue	Personnel costs	Non-personnel costs		Revenue	Personnel costs	Non-personnel costs	
Teaching Faculties								
Faculty of Applied Health Sciences	168	(23,023)	(694)	(23,549)	325	(24,858)	(994)	(25,527)
Goodman School of Business	11,729	(27,903)	(2,571)	(18,745)	15,865	(29,356)	(5,081)	(18,572)
Faculty of Education	2,468	(17,228)	(665)	(15,425)	4,295	(18,310)	(1,209)	(15,224)
Faculty of Humanities	547	(22,274)	(654)	(22,381)	625	(22,117)	(843)	(22,335)
Faculty of Mathematics and Science	628	(21,160)	(860)	(21,392)	719	(22,455)	(963)	(22,699)
Faculty of Social Sciences	370	(37,727)	(898)	(38,255)	384	(38,394)	(1,310)	(39,320)
Total Teaching Faculties	15,910	(149,315)	(6,342)	(139,747)	22,213	(155,490)	(10,400)	(143,677)
Academic Support								
Faculty of Graduate Studies	512	(1,358)	(133)	(979)	462	(1,350)	(173)	(1,061)
Library	304	(4,925)	(5,597)	(10,218)	172	(5,622)	(5,656)	(11,106)
Research Services	2,677	(1,864)	(3,889)	(3,076)	2,628	(2,320)	(3,020)	(2,712)
Centre for Pedagogical Innovation	262	(929)	(285)	(952)	283	(1,071)	(193)	(981)
Total Academic Support	3,755	(9,076)	(9,904)	(15,225)	3,545	(10,363)	(9,042)	(15,860)
Student Specific								
The Office of the Registrar	2,292	(4,511)	(1,044)	(3,263)	2,417	(5,168)	(1,233)	(3,984)
Aboriginal Student Services	358	(287)	(88)	(17)	359	(294)	(68)	(3)
Student Life and Success	368	(1,710)	(148)	(1,490)	587	(1,715)	(294)	(1,422)
Student Wellness and Accessibility	2,851	(3,225)	(1,298)	(1,672)	3,022	(3,400)	(1,375)	(1,753)
Brock International	1,253	(3,255)	(1,647)	(3,649)	5,742	(5,029)	(2,941)	(2,228)
Co-op, Career and Experiential Education	2,518	(3,714)	(380)	(1,576)	2,704	(3,674)	(602)	(1,572)
Residence Life		(742)	(85)	(827)	5	(1,523)	(234)	(1,752)
Brock Sports and Recreation	3,152	(3,397)	(535)	(780)	8,099	(5,557)	(3,940)	(1,398)
Total Student Specific	12,792	(20,841)	(5,225)	(13,274)	22,935	(26,360)	(10,687)	(14,112)
Ancillary								
Ancillary Operations	5,356	(2,469)	(5,432)	(2,545)	16,742	(3,287)	(9,684)	3,771
Department of Residence Operations	3,467	(1,784)	(10,633)	(8,950)	21,471	(2,144)	(14,799)	4,528
Total Ancillary	8,823	(4,253)	(16,065)	(11,495)	38,213	(5,431)	(24,483)	8,299

Figure 11 continued

(\$000s)	2020-21 Forecast			2020-21 Budget			Difference of "Net" amounts	
	Revenue	Personnel costs	Non-personnel costs	Net	Revenue	Personnel costs	Non-personnel costs	Net
Shared Services								
Senior Academic and Administration Team ⁽¹⁾	47	(3,722)	(401)	(4,076)	193	(4,867)	(974)	(5,648)
Information Technology Services	413	(5,573)	(2,004)	(7,164)	459	(6,328)	(2,213)	(8,082)
Financial Services	388	(2,994)	(742)	(3,348)	494	(3,332)	(742)	(3,580)
Human Resources	207	(3,448)	(647)	(3,888)	207	(3,727)	(769)	(4,289)
Marketing and Communications	511	(1,597)	(1,387)	(2,473)	1,448	(1,670)	(1,851)	(2,073)
Development and Alumni Relations	592	(1,112)	(487)	(1,007)	611	(1,692)	(476)	(1,557)
Human Rights and Equity Services	657	(974)	(1,049)	(1,366)	474	(950)	(873)	(1,349)
University Secretariat		(814)	(30)	(844)	5	(843)	(95)	(933)
Office of Government Relations		(452)	(124)	(576)	77	(560)	(120)	(603)
Institutional Analysis	3	(289)	(23)	(309)		(378)	(23)	(401)
Internal Audit and University Risk Management		(380)	(24)	(404)		(382)	(34)	(416)
Total Shared Services	2,818	(21,355)	(6,918)	(25,455)	3,968	(24,729)	(8,170)	(28,931)
Space								
Facilities Management	462	(11,700)	(3,327)	(14,565)	815	(12,549)	(3,794)	(15,528)
Campus Security Services	120	(1,522)	(1,064)	(2,466)	154	(1,548)	(1,208)	(2,602)
Campus Development and Community Agreements	371	(50)	(1,316)	(995)	447	(260)	(1,645)	(1,458)
Utilities, Taxes and Insurance	1,972		(8,326)	(6,354)	2,425		(10,348)	(7,923)
Financing	2,365		(7,955)	(5,590)	3,706		(9,296)	(5,590)
Total Space	5,290	(13,272)	(21,988)	(29,970)	7,547	(14,357)	(26,291)	(33,101)
Global								
Scholarships, Bursaries and Fellowships	3,405		(23,012)	(19,607)	3,330		(22,425)	(19,095)
Capital	3,253		(5,475)	(2,222)	4,711		(14,038)	(9,327)
University Global	260,583	(892)	(1,833)	257,858	261,590	(1,883)	(6,550)	253,157
Total Global	267,241	(892)	(30,320)	236,029	269,631	(1,883)	(43,013)	224,735
Total University	316,629	(219,004)	(96,762)	863	368,052	(238,613)	(132,086)	(2,647)

(1) Includes the following: the offices of the President; the Vice-President, Administration; the Provost and Vice-President, Academic; the Vice-President, Research; the Vice-Provost and Associate Vice President, Academic; Vice-Provost, Students; the Vice-Provost, Strategic Partnerships and International; the Vice-Provost, Indigenous; the Associate Vice-President Advancement and External Relations as well as the operating costs of the Board of Trustees and Senate.

(1) Includes the following: the offices of the President; the Vice-President, Administration; the Provost and Vice-President, Academic; the Vice-President, Research; the Vice-Provost and Associate Vice President, Academic; the Vice-Provost, Students; the Vice-Provost, Strategic Partnerships and International; the Vice-Provost, Indigenous; the Associate Vice-President Advancement and External Relations as well as the operating costs of the Board of Trustees and Senate.

Treasury

Operating fund investment scorecard

The Government of Canada ten-year bond yield was 0.7 per cent at Dec. 31, 2020 (1.7 per cent at Dec. 31, 2019). This compares to the yield on the operating investment portfolio of 1.22 per cent with an average duration of 8 months (2.46 per cent yield and 8-month average duration at the same time last year). Scotiabank prime rate was 2.45 per cent on Dec. 31, 2020 (3.95 per cent at the same time last year). Yield on cash balances and short-term investments is linked to the prime rate, prime minus 165 basis points on cash, and prime minus 150 basis points on the 30 day hold investment account. Yields have dropped significantly on guaranteed investment certificates (GICs) where the rate on a 10-year GIC now compares to the rates we are receiving on the 30 day hold investment account; therefore, proceeds of matured GICs are currently being held in the 30 day hold account until rates improve. A summary of investment holdings as of Dec. 31, 2020 is

shown in Figure 15. Figure 13 outlines monthly investment income performance compared to 2019-20. As detailed in Figure 12, operating investments have achieved 87 per cent of budget as we reach 67 per cent of the way through the fiscal year. The current forecast has operating investment income, not including the sinking fund, exceeding budget.

The sinking fund outperformed during the first eight months of fiscal 2020-21 generating an annualized 18.73 per cent gain (8.28 per cent loss 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 payout of the University's \$93 million debenture and the employee future benefits reserve. The fund requires a 5 per cent annual rate of return to achieve its goal and this rate of return is aligned with the asset mix and skill of the fund manager. A new sinking fund will be established as planned in 2021-22 to provide repayment proceeds for the \$125 million series B debenture issued in 2020.

Figure 12: Summary investment income – Operating Funds

(\$000s) Unless otherwise stated	2020-21 Actuals to Dec. 31	2020-21 Budget	2019-20 Actuals	% of Budget achieved
Operating investment income	1,303	1,500	2,571	87%
Sinking fund	1,068	349	237	306%
Employee future benefits reserve	795		176	NA
Investment income	3,166	1,849	2,984	171%



OCT. 28, 2020: CCOVI to co-lead \$6.2-million national research program supporting clean plant program for grapevines. In photo: Brock University Senior Scientist Sudarsana Poojari is leading the academic team.

Figure 13: Cumulative monthly investment income performance 2019-20 vs. 2020-21 (\$000s)

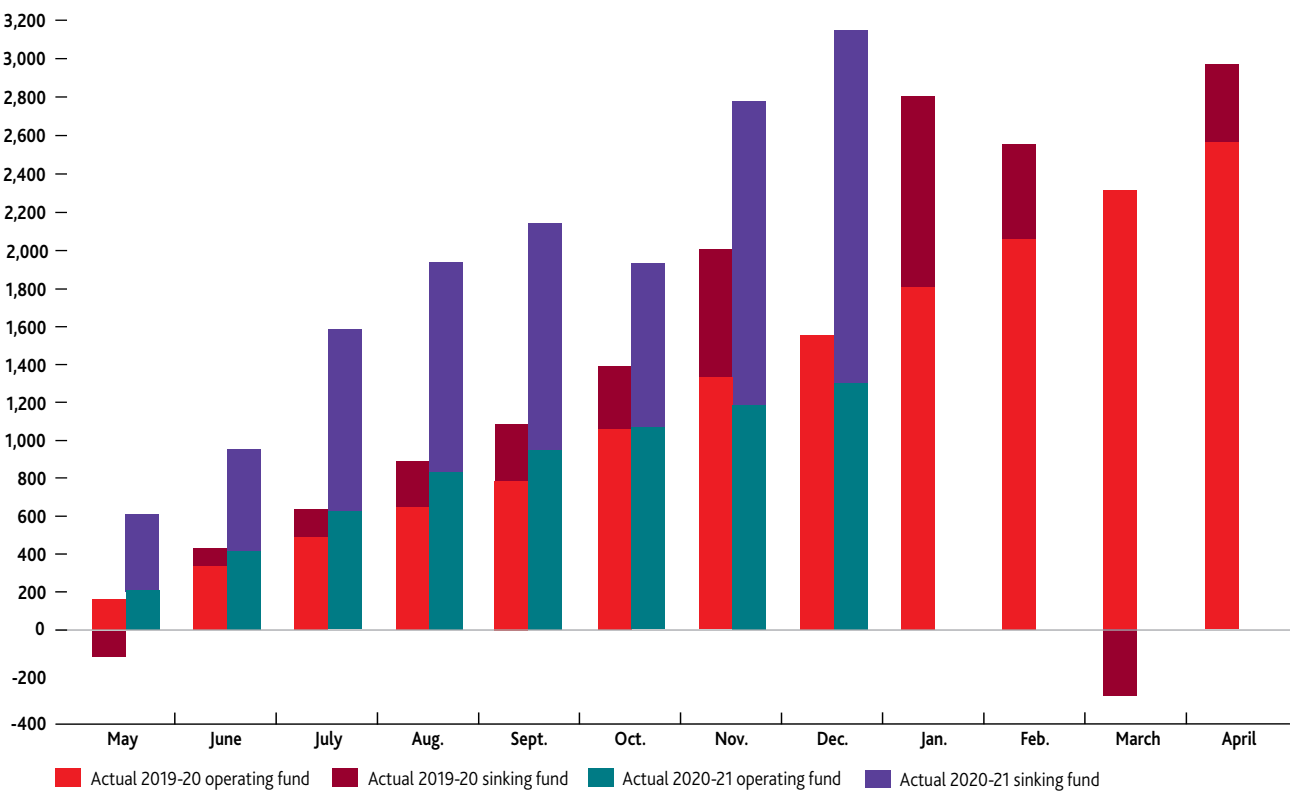
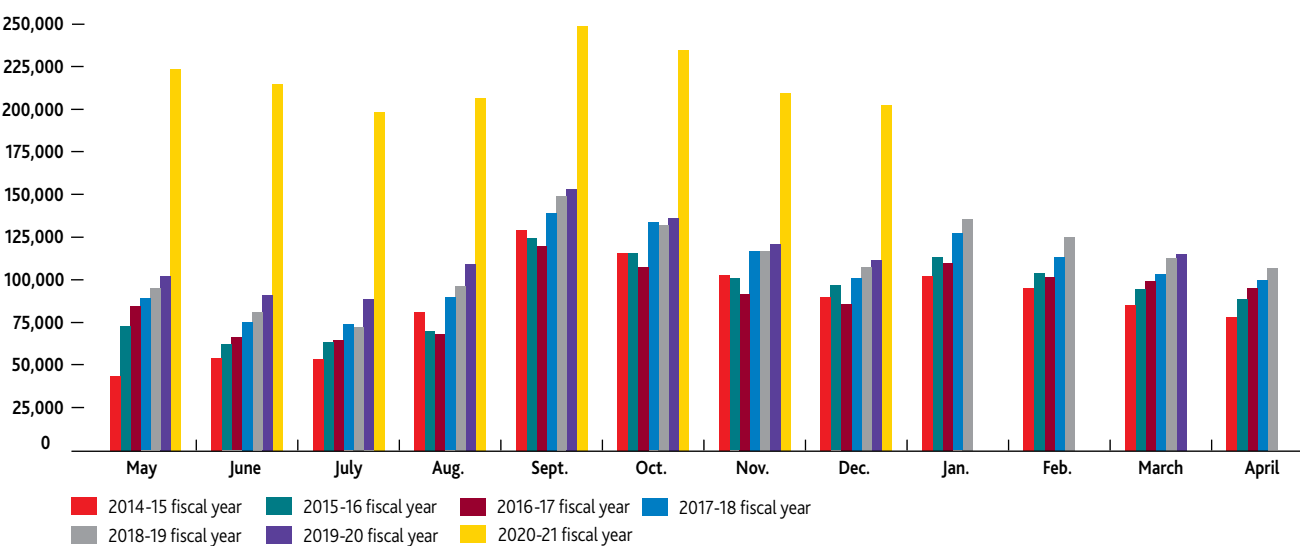


Figure 14: Monthly cash flow – historical trend month-end balances (\$000s)





NOV. 9, 2020: Associate Professor of Health Sciences Adam MacNeil and Professor of Biology Fiona Hunter were awarded \$200,000 in funding from the Canada Foundation for Innovation (CFI) to purchase equipment that will enable their team to research how humans react to coronavirus and a possible therapy to treat infection.

Figure 15: Summary of investment holdings

(\$000s) Unless otherwise stated	Market Value as at Dec. 31, 2020	Annualized rate of return	Fees	Net annualized rate of return
Scotiabank				
General account (\$20 million average minimum balance)	47,750	0.80%	0.00%	0.80%
30 day GIC	60,000	0.95%	0.00%	0.95%
8 Month GIC	6,300	1.20%	0.00%	1.20%
9 Month GIC	6,300	1.25%	0.00%	1.25%
10 Month GIC	6,000	1.30%	0.00%	1.30%
11 Month GIC	3,500	1.35%	0.00%	1.35%
12 Month GIC	10,500	1.40%	0.00%	1.40%
14 Month GIC	8,300	1.56%	0.00%	1.56%
2 Year GIC	7,200	1.95%	0.00%	1.95%
2 Year GIC	17,300	1.50%	0.00%	1.50%
3 Year GIC	5,000	3.08%	0.00%	3.08%
3 Year GIC	2,500	2.65%	0.00%	2.65%
Total for account	180,650	1.18%	0.00%	1.18%
BMO Nesbitt Burns				
Savings Account	30	0.75%	0.05%	0.70%
2 Year GIC	1,000	2.60%	0.05%	2.55%
Total for Account	1,030	2.55%	0.05%	2.50%
TD Waterhouse				
2 Year GIC	5,712	2.47%	0.00%	2.47%
Total for account	5,712	2.47%	0.00%	2.47%
Mawer – balanced fund				
Sinking fund	8,675			
Employee future benefits reserve	6,457			
Total for account	15,132	18.73%	0.25%	18.48%
Portfolio consolidated total	202,524	2.53%	0.02%	2.52%

Our debt

Figure 16 details the current and projected external debt of the University.

Figure 16: Outstanding debt

(\$000s) (unless otherwise noted)	Actual				Budget April 30, 2021	Forecast			
	April 30, 2017	April 30, 2018	April 30, 2019	April 30, 2020		April 30, 2022	April 30, 2023	April 30, 2024	April 30, 2025
Bond	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000
Cairns building	24,863	24,109	23,319	22,491	21,623	20,714			
Residence	15,215	14,333	13,385	12,366	11,271	10,095	8,831	7,473	6,014
Marilyn I. Walker School of Fine and Performing Arts (MIWSFPA)	15,960	15,240	14,520						
Ancillary/Residence student experience projects				14,400	139,400	139,400	139,400	139,400	125,000
Total debt	149,038	146,682	144,224	142,257	265,294	263,209	241,231	239,873	224,014
Total student FFTE^{(1) (2)}	20,086	20,303	20,548	21,597	21,435	21,435	21,435	21,435	21,435
Total debt/FFTE (in dollars)⁽¹⁾	\$7,420	\$7,225	\$7,019	\$6,587	\$12,377	\$12,279	\$11,254	\$11,191	\$10,451
Debt reduction strategy									
Sinking fund	6,413	6,696	7,370	7,607	7,319	7,685	8,069	8,473	9,301
Sinking fund – Ancillary/Residence					1,903	3,848	5,833	7,846	11,260
Debt repayment reserve	2,895	4,457	6,753	384	1,884	3,384		1,500	3,000
M. Walker donation – MIWSFPA	5,326	5,470	5,617						
Other donations – MIWSFPA	717	851	932						
Total assets for debt reduction	15,351	17,474	20,672	7,991	11,106	14,917	13,902	17,819	23,561
Net debt	133,687	129,208	123,552	134,266	254,188	248,292	227,329	222,054	200,453
Net debt/FFTE (in dollars)⁽¹⁾	\$6,656	\$6,364	\$6,013	\$6,217	\$11,859	\$11,583	\$10,606	\$10,359	\$9,352

(1) Fiscal full-time enrolment (FFTE). For a definition, refer to page 88 of the 2020-21 Budget Report.

(2) Given the impact of the pandemic, the enrolment forecast is being revised. The forecast highlighted above is shown as flat to approximate calculation for debt per FFTE; however, results will change once forecast is completed.

At the beginning of this fiscal year Brock secured a series B debenture of \$125 million 3.03 per cent interest 40-year bullet, with the proceeds covering capital needs and refinancing of upcoming debt maturities. This series B debenture is in addition to the 2005 series A debenture offering with proceeds of \$93 million. This debenture strategy has been implemented to take advantage of historically low interest rates.

In 2020 as part of the University issuing its Series B \$125 million debenture, DBRS Morningstar reconfirmed Brock's current credit rating of "A (high)", with Stable trends. On Feb. 1, 2021, the university presented its financial results, strategic plan updates and financial forecast to DBRS Morningstar as part of its annual review of Brock's performance. At the time of writing this report, the results of DBRS Morningstar's credit rating update are not known; however, representatives of DBRS Morningstar advised that a material change in the University's enrolment forecast following the impacts of the global pandemic will weight negatively on the rating review. Included in the \$125 million bond proceeds is the capital

costs for the Zone Fitness Expansion. This capital project is funded from the proceeds of this bond, and the student fees estimated at \$7.4 million will be invested into a sinking fund. The investment income earned on the sinking fund would be expected to exceed the estimated borrowing costs over the 40-year term; thus, further contribute to the repayment of the bond principal. Salient to this strategy is that the estimated \$7.4 million in student fees collected over the upcoming five years could grow to \$23.3 million or \$45.2 million by 2060 with annualized rates of return of 3.5 per cent or 5.2 per cent respectively. The sinking fund repayment strategy for this bond includes operating budget contributions from Ancillary Operations beginning 2021-22 in addition to the Zone Fitness expansion fee. The existing sinking fund for the Series A Debenture issued in 2005 continues to grow ahead of schedule due to strong investment returns. The existing sinking fund requires operating budget contributions to begin 2024-25 and accelerating in 2028-29 with the debt cost for the Sunlife Residence Loan being repurposed into the sinking fund when it is fully repaid.

Figure 17: Long-term debt

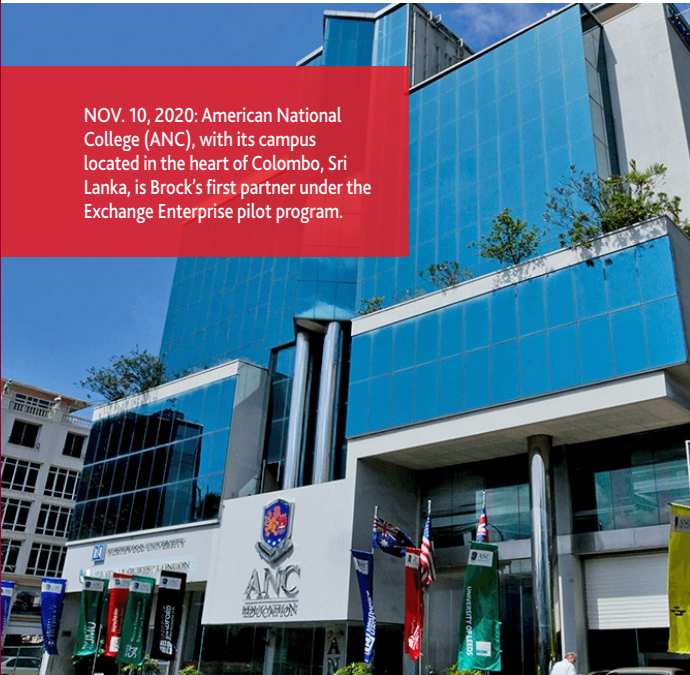
	Interest rate	Payment terms	Date to be paid in full	Annual payment (\$000s)
Earp/Lowenberger – Residence	7.200%	Monthly blended payments of principal and interest of \$162,443.70.	October 2028	1,949
Cairns Building	4.690%	Monthly blended payments of principal and interest of \$158,668.10. Interest rate swap on \$28 million. Payment based on 25 year amortization.	July 2037	1,904
Student experience projects	2.490%	Interest only payments until June 2024.	June 2024	359
Student experience projects – line of credit	Bankers Acceptance + 45 basis points	Due on demand	NA	NA
Debtenture payable (bullet)	4.967%	Interest payable semi-annually \$2,309,655.	December 2045	4,619
Debtenture payable (bullet)	3.033%	Interest payable semi-annually \$1,895,625.	May 2060	3,791

Debt retirement assets

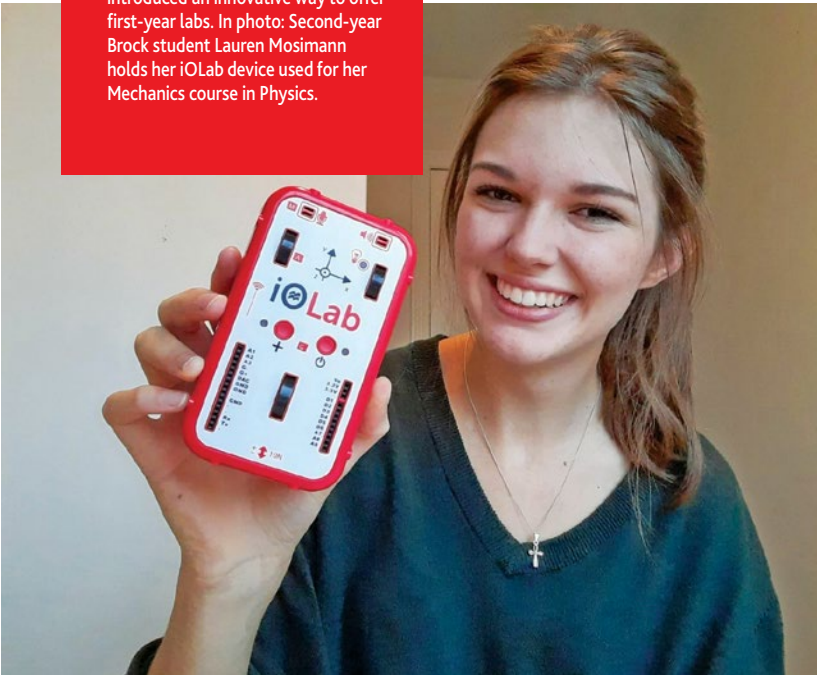
	Required rate of return	Payment terms	Date to be paid in full	Annual payment (\$000s)
Sinking fund investment	5.000%	Policy requires Brock to annually review sinking fund investment performance and required contributions.	December 2045	As per Fiscal Framework
Sinking fund investment	5.200%	Policy requires Brock to annually review sinking fund investment performance and required contributions.	May 2060	As per Fiscal Framework
Debt reduction reserve	N/A	Annual contribution (\$1,022 in 2017-18 as per fiscal framework) 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	2019-20 Fiscal year	2018-19 Fiscal year
Fiscal full-time equivalent (FFTE)		21,441	20,548
Total long-term debt/FFTE (\$)	10.000 – 15.000	6,635	7,019
Interest coverage ratio	1.3 times to 2.5 times	4.64 times	4.97 times
Surplus-to-revenue	0% to 1% (5 year average)	3.3%	4.5%



NOV. 10, 2020: American National College (ANC), with its campus located in the heart of Colombo, Sri Lanka, is Brock's first partner under the Exchange Enterprise pilot program.



NOV. 11, 2020: Brock University's Department of Physics has introduced an innovative way to offer first-year labs. In photo: Second-year Brock student Lauren Mosimann holds her iOLab device used for her Mechanics course in Physics.

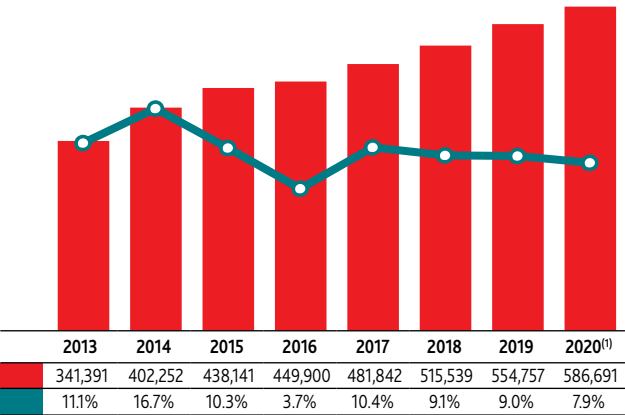


NOV. 13, 2020: David Sharron, Head of Brock's Archives and Special Collections, looks over historical documents from the Alexander Hamilton collection recently donated to the University. Valued at just under \$350,000, the collection includes about 2,500 pieces.

Pension

The actuarial valuation on the pension plan was recently updated as at Jan 1, 2020, indicating the plan was 98 per cent funded on a going-concern basis (96 per cent as at July 1, 2017) and 106 per cent on a solvency basis (105 per cent as at July 1, 2017). The going concern deficit improved from \$17.9 million in 2017 to \$12.7 million in 2020 mainly due to strong investment returns, offset by new legislation to fund a provision for adverse deviation (Pfad) which is a requirement for all single employer sponsored pension plans. This requirement to fund a Pfad is not applicable for jointly sponsored pension plans. The University sector is currently working on developing a jointly sponsored pension plan with Guelph, Queen's and the University of Toronto leading the process. The University Pension Plan (UPP) became operational Jan. 1, 2020 with a planned date of July 1, 2021 to fully transition the legacy pension plans of the three founding institutions into the new UPP. It is anticipated that the UPP will become open to new member institutions thereafter. The pension plan returns exceeded the required 6 per cent rate of return over the last three years to drive an improved funded position. This will result in a \$0.4 million annual savings in pension plan payments that are required to amortize the going concern deficit. Increased diversification of plan assets into infrastructure and real estate assets over the past three years have contributed to the strong investment

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



(1) Represents the 12 month period ended Dec. 31, 2020.

performance. Overall, employee annual contributions into the pension plan represent \$8.0 million and Brock's annual contributions represent \$16.0 million. Brock currently funds the pension at a 2.0:1.0 ratio employer to employee.

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



NOV. 18, 2020: Franklin-Luther with her dog, Layla, after successfully defending her dissertation. She is the first student in Canada to complete a PhD in Child and Youth Studies.



NOV. 19, 2020: A group of second-year students at Brock foster literacy and support mental health. In photo: Brock Political Science student Annilea Purser shows a booklet of community letters of appreciation collected by BookWorm to show gratitude for health-care workers.



NOV. 24, 2020: Abdul Rahimi, Director of Goodman Group, and Himani Dureja, Vice-President, Education and Professional Development for Supply Chain Canada, Ontario Institute, engage in a virtual high-five in celebration of a one-year partnership to offer cybersecurity courses.



Capital and related projects

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. There are currently 42 open projects related to Facilities Management, 9 Residence and Ancillary, and 33 Information Technology Services. Figure 21 illustrates the activity to Dec. 31, 2020 with respect to the type and dollar amount of projects. As already discussed in this

report, as part of the mitigation strategy for 2020-21 \$9.3 million of capital projects were deferred and re-prioritized. All projects were reviewed and those projects that were not yet started or just in the planning phase were deferred. Only projects with external funding, legislative or safety requirements were allowed to continue during fiscal 2020-21. Projects already under construction or almost complete were not deferred as they would not generate savings for the University.

Figure 20: Status of Capital Projects as of Dec. 31, 2020

	Facilities Management	Residence and ancillary services	Information Technology Services
Open projects as of April 30, 2020	58	18	34
Projects opened to Dec. 31, 2020	6		1
Projects closed/completed to Dec. 31, 2020	(22)	(9)	(2)
Remaining projects open Dec. 31, 2020	42	9	33

Figure 21: Capital and related project summary

Project type (\$000s)	Revenue/funding ⁽¹⁾	Spending to Dec. 31, 2020	Remaining to spend
Facilities Management (FM)			
AODA* Projects	387	(266)	121
Above surface/sub surface utilities, drainage, roads, parking lots, sidewalks	1,000	(619)	381
Adaptations/renovations and major renewal projects	1,824	(1,193)	631
Audits and studies	1,136	(848)	288
Buildings	1,449	(1,266)	183
Energy conservation and demand management	861	(250)	611
Major capital projects	57,331	(47,775)	9,556
New construction and replacement (under \$1 million)	250	(232)	18
FM – surplus/(deficit)	1,606		1,606
Total Facilities Management projects	65,844	(52,449)	13,395
Residence and ancillary			
Above surface/sub surface utilities, drainage, roads, parking lots, sidewalks	5,808	(3,622)	2,186
Adaptations/renovations and major renewal projects	14,651	(12,247)	2,404
Buildings	87,607	(47,089)	40,518
Residence and ancillary – surplus/(deficit)	1,604		1,604
Total residence and ancillary	109,670	(62,958)	46,712
Information Technology Services (IT)			
Enterprise software projects	8,848	(6,846)	2,002
Hardware evergreening projects	1,106	(308)	798
Hardware growth projects	396	(290)	106
IT infrastructure projects	576	(65)	511
ITS – surplus/(deficit)	42		42
Total Information Technology Services projects	10,968	(7,509)	3,459
Total capital and related projects	186,482	(122,916)	63,566

* 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

Brock University uses trimester reporting to match financial reporting with the inherent timing of the operations of Brock. 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)	2019-20 Funding actual	2020-21 Funding budget	Activity from May 1 to Dec. 31	Forecast for Jan. 1 to April 30	2020-21 Funding Forecast @ Dec. 31
Revenue					
Student fees	185,078	200,202	184,826	1,685	186,511
Grant revenue	96,788	97,288	62,613	36,539	99,152
Internal chargebacks	8,484	8,621	1,078	1,928	3,006
Inter-fund revenue	4,920	7,042	2,019	5,513	7,532
Other revenue	51,707	54,899	12,337	8,091	20,428
Total revenues	346,977	368,052	262,873	53,756	316,629
Operating costs					
Personnel costs	(220,419)	(238,613)	(137,332)	(81,672)	(219,004)
Inter-fund expenses	(25,900)	(25,773)	(7,465)	(8,294)	(15,759)
Other operating costs	(93,000)	(106,313)	(51,889)	(29,114)	(81,003)
Total operating costs	(339,319)	(370,699)	(196,686)	(119,080)	(315,766)
Mitigation target		2,647			
Funding surplus/(deficit) before discretionary appropriations	7,658		66,187	(65,324)	863
Discretionary appropriations	(7,650)				
Funding surplus/(deficit) after discretionary appropriations	8		66,187	(65,324)	863

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 90 and 91 of the 2020-21 Budget Report for detailed explanations of all the adjustments, reclassifications and eliminations. Overall these

adjustments, reclassifications and eliminations for the 2020-21 forecast were consistently applied with those of the 2020-21 budget. The following details the changes made to each adjustment (see Figure 24): Forecasts were updated for #1 course fees, #3 research spending, #4 amortization, #5 endowment & trust spending, #8 capital purchases, #9 capital and infrastructure project reserves spending and #10 post-retirement benefits; #2 was updated to the 2020-21 forecast for the Facilities Renewal Program funds; and lastly adjustment #6 was added representing the portion of the gain on sale of the Hamilton campus that will be recognized in 2020-21.

Figure 23: Reconciliation of NFPS forecast

(\$000s)	2020-21 NFPS budget	2020-21 Funding forecast	NFPS adjustments	Notes	Eliminate inter-fund transfers	Eliminate internal chargebacks	2020-21 NFPS forecast
Revenue							
Student fees	200,642	186,511	505	1			187,016
Grant revenue	95,823	99,152	(2,953)	2			96,199
Internal Chargebacks		3,006				(3,006)	
Inter-fund revenue		7,532			(7,532)		
Research revenue	13,253		13,034	3			13,034
Other revenue	66,330	20,428	14,322	4-6			34,750
Total revenue	376,048	316,629	24,908		(7,532)	(3,006)	330,999
Personnel costs	(241,611)	(219,004)	(2,792)	3, 9-11			(221,796)
Inter-fund expenses		(15,759)	(1,628)	3, 5	17,387		
Operating costs	(131,106)	(81,003)	(34,045)	1, 3-5, 7-9		3,006	(112,042)
Total costs	(372,717)	(315,766)	(38,465)		17,387	3,006	(333,838)
Funding surplus/ (deficit)	3,331	863	(13,557)		9,855	-	(2,839)

Figure 24: Adjustments

Note	Reconciliation of NFPS adjustments (\$000s)
1	Course fee revenue 505
2	Capital grants (2,953)
3	Research, including fellowships 13,034
4	Amortization of deferred capital contributions 8,387
5	Endowment & Trust Spending 3,901
6	Gain on sale of asset 2,034
Total revenue adjustments 24,908	
3	Research spending – personnel (3,414)
3	Research spending – operating costs (9,620)
4	Amortization of capital assets (23,269)
5	Endowment & Trust Spending (3,901)
1	Course fee spending (505)
7	Principal payments 1,963
8	Capital purchases 1,375
9	Capital and infrastructure project reserves spending – personnel (598)
9	Capital and infrastructure project reserves spending – operating (1,716)
10	Post-retirement benefits (730)
11	Pension 1,950
Total costs adjustments (38,465)	

Reserves and strategic funds

Figure 25 outlines reserves that have been established for research, faculty professional development and strategic initiatives with internal funding. In total, Brock has \$23.5 million in internal research, professional development and strategic initiative support dollars for faculty and other units, including the President, Provost and Vice-President, Academic and Vice-President, Research and Faculty Deans as at Dec. 31, 2020. Included in the trimester one mitigation plan was the use of a portion of these limited reserves to mitigate our projected deficit. With the success to date on mitigating costs and improving student retention, the updated trimester two forecast does not require the use of strategic reserves to fund operations.

Figure 25: Balances by Faculty as of Dec. 31, 2020

(\$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	364	1,062	1,031	637	716	3,810
Goodman School of Business	777	55		530	1,312	2,674
Faculty of Education	75	104	89	411	55	734
Faculty of Humanities	198	115	25	498	161	997
Faculty of Mathematics and Science	610	223	358	676	2,202	4,069
Faculty of Social Sciences	698	932	1,044	990	969	4,633
Library		2		73		75
Other Units	575	280		91	5,606	6,552
Total	3,297	2,773	2,547	3,906	11,021	23,544

(1) Allocated through the Revenue and Expense Allocation model.

Appendix 1

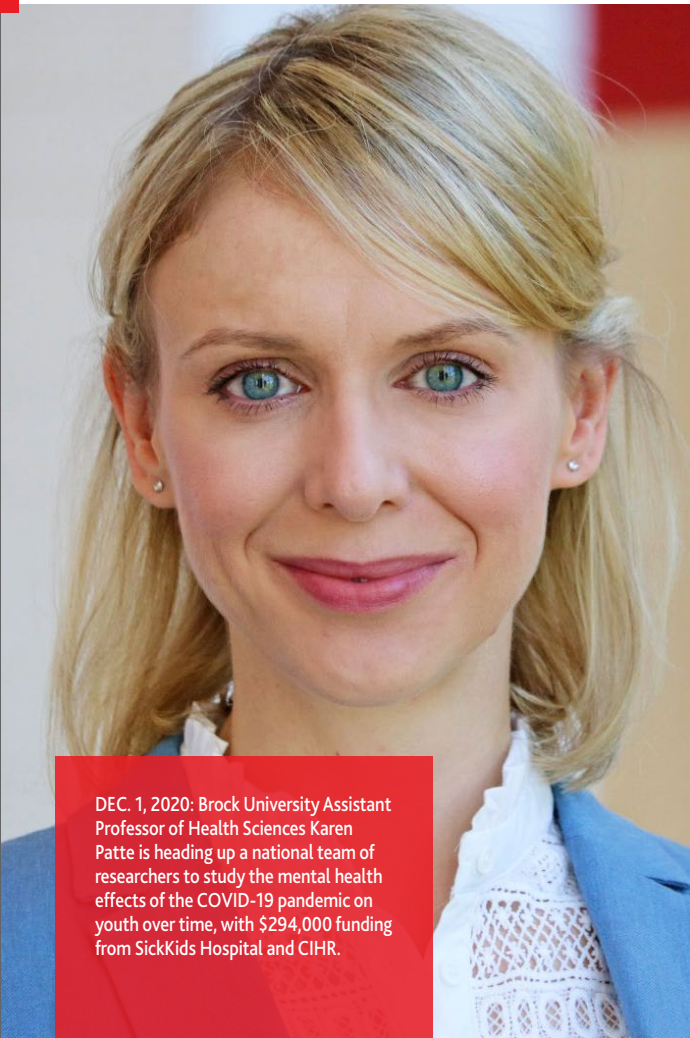
Multi-year financial results on a funding basis

Figure 26

(\$000s)	2020-21 Forecast	2020-21 Budget	2019-20 Actual	2018-19 Actual	2017-18 Actual
Revenue					
Student fees	186,511	200,202	185,078	178,067	167,446
Grant revenue	99,152	97,288	96,788	97,927	97,371
Internal chargebacks	3,006	8,621	8,484	10,055	9,426
Inter-fund revenue	7,532	7,042	4,920	6,712	3,239
Other revenue	20,428	54,899	51,707	51,333	48,600
Total revenue	316,629	368,052	346,977	344,094	326,082
Operating costs					
Personnel costs	(219,004)	(238,613)	(220,419)	(212,647)	(205,233)
Inter-fund expenses	(15,759)	(25,773)	(25,900)	(29,950)	(23,288)
Other operating costs	(81,003)	(106,313)	(93,000)	(94,993)	(92,419)
Total operating costs	(315,766)	(370,699)	(339,319)	(337,590)	(320,940)
Mitigation target		2,647			
Funding surplus/(deficit) before discretionary appropriations	863		7,658	6,504	5,142
Discretionary appropriations		-	(7,650)	(6,475)	(5,132)
Funding surplus/(deficit) after discretionary appropriations	863	-	8	29	10



DEC. 9, 2020: CCOVI Senior Lab Instructor Steven Trussler, who will be the certified instructor for CCOVI's new Foundations in Winemaking course, takes a sample of finished wine from a carboy using a wine thief.



DEC. 1, 2020: Brock University Assistant Professor of Health Sciences Karen Patte is heading up a national team of researchers to study the mental health effects of the COVID-19 pandemic on youth over time, with \$294,000 funding from SickKids Hospital and CIHR.

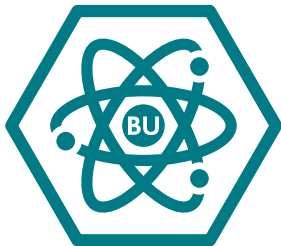


DEC. 16, 2020: Brock University Assistant Professor of Kinesiology Val Fajardo has been named Canada Research Chair in Tissue Remodelling and Plasticity throughout the Lifespan. Fajardo studies how muscles change in form and function over the course of a lifetime.

INSTITUTIONAL STRATEGIC PRIORITIES



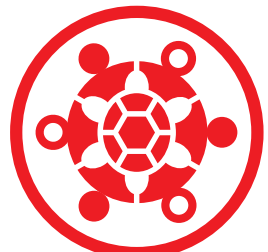
Student Experience



Research



Community Engagement



Inclusivity

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