BUDGET PLAN
2025-26 to 2027-28

April 2025

Prepared for the Finance Committee

UNIVERSITY of GUELPH

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Executive Summary

This document summarizes the 2025-26 to 2027-28 fiscal planning across the major operating activities of the University and presents the 2025-26 budget plan for approval by the Board of Governors. The plan charts a clear path to restoring the University's financial health and was developed in consideration of several factors, including:

- U of G's current fiscal context, and the urgent need to make targeted and fundamental changes to structures and processes across the institution.
- Provincial policies, including the tuition fee framework and operating grants.
- Projected expenses and revenues for the Guelph and Ridgetown campuses as well as the University's share of Guelph-Humber.
- Emerging opportunities and risks.
- Resources required to advance our strategic priorities and core mission

This is a consolidated plan that combines the financial structures of each fund as outlined in Appendix A, excluding research and endowments since they are self-contained and balance within their externally restricted funding sources. The plan focuses on the operating budget (refer to Appendix B for further details) and provides information on ancillary operations (refer to Appendix C), capital projects (refer to Appendix D), and our partnership with the Ontario Ministry of Agriculture and Food Affairs (OMAFA) (refer to Appendix E). Notably, the University of Guelph-Humber budget plan is developed separately and not captured directly in this document.

The 2025-26 to 2027-28 budget plan results in the following net income projections:

Table 1: 2025-26 to 2027-28 Net Income Projections

$ in millions	2022/23 Actual	2023/24 Actual	2024/25 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Projections	2027/28 Projections
General Operating Budget	**$ (16.1)**	**$ (5.3)**	**$ (4.5)**	**$ (12.7)**	**$ (9.7)**	**$ (3.7)**	**$ (12.4)**
Employee-future benefit - unfunded expense	$ (18.9)	$ (19.4)	$ (20.0)	$ (18.8)	$ (20.0)	$ (20.0)	$ (20.0)
Financial statement accounting adjustment (STO debt repayment)	$ -	$ (8.6)	$ (0.2)	$ (12.2)	$ 2.2	$ 2.2	$ 2.2
Operating Fund - total (per FS presentation)	$ (35.0)	$ (33.3)	$ (24.7)	$ (43.7)	$ (27.5)	$ (21.5)	$ (30.2)
Capital Fund	$ 8.4	$ 14.7	$ 14.1	$ 17.3	$ 14.1	$ 8.0	$ 4.7
Capital - Ancillary Impact	$ 5.9	$ 5.4	$ 5.8	$ 6.6	$ 3.1	$ 0.5	$ 3.0
Ancillary Enterprises Budget	$ 12.6	$ 6.5	$ 5.1	$ 2.8	$ 5.2	$ 9.5	$ 9.3
Research	$ 2.6	$ 1.0	$ -	$ -	$ -	$ -	$ -
Trust	$ 6.8	$ 14.6	$ (6.3)	$ (2.4)	$ (0.5)	$ 8.5	$ 10.7
Endowment	$ 17.5	$ 20.5	$ 10.0	$ 10.7	$ 13.2	$ 9.4	$ 10.5
TOTAL	**$ 18.8**	**$ 29.4**	**$ 4.0**	**$ (8.7)**	**$ 7.6**	**$ 14.4**	**$ 8.0**

- A total General Operating Budget deficit of $9.7 million in 2025-26 and slight deficit in 2026-27. The deficit projected in 2027-28 is a result of the one-time Post-Secondary Education Sustainability Fund ($14.7 million in 2026-27) that began in 2024-25 ending in 2026-27.
- Ancillary surpluses are projected throughout the 5-year plan including $5.2 million in 2025-26. These projected surpluses will be utilized to support the new student housing expansion at 78 College.
- The Endowment surpluses are driven by point in time unrealized investment gains or losses. The expected positive investment returns aligned with a 6% investment return net of fees; this assumption has historically varied significantly from negative returns to even greater positive returns.
- The Trust has a near term deficit position as it will be funding IT projects from past investment gains.

- The OMAFA fund projects deficits ranging from $1.1 million in 2025-26 and $2.7 million in 2027-28 as indicated in the agreement. The net results are not reflected in the table above as OMAFA fund surpluses and deficits flow through the balance sheet (deferred contributions).

The University has built this budget plan recognizing its current fiscal health and the financial climate we currently operate within, including the impacts of government policies on our revenue sources.

The University is committed to ensuring the long-term effectiveness and financial sustainability of the institution. Several financial health metrics, as governed by the MCU University Financial Accountability Framework (UFAF), that provide insight into the operational health of the organization and its capacity to meet its obligations provide important context to the budget plan. On April 30, 2024, the institution had healthy debt ratios: strong viability, low interest burden, and strong debt servicing ratios. This indicated a capacity to incur additional debt to support investment.

The MCU University Financial Accountability Framework targets a Net Income/Loss Ratio above 1.5% and a Primary Reserve Ratio above 90 days. As shown in the table below, the Net Income/Loss Ratio will begin to trend positively as the operating budget begins to trend towards balance. The Primary Reserve Ratio begins to stabilize in 2024-25; fluctuations will be largely driven by the external financing to support depleted cash flow given multiple years of operating deficits as well as anticipated capital renewal projects. This issuance of new external debt of $46 million in 2024/25 will increase the debt burden of the University and will not impact our ability to retain our "AA" debt rating from S&P. The limit of $200 million is estimated to be near our upper limit of debt borrowing capacity before reconsideration of our 'AA' rating, which was determined through modeling our Maximum Allowable Debt Servicing levels as determined by S&P. For a full listing of the UFAF metrics and projected results, please refer to Appendix F.

Table 2: 2025-26 to 2027-28 External Debt Projections

$ in millions	**2022/23 Actual**	**2023/24 Actual**	**2024/25 Budget**	**2024/25 Forecast**	**2025/26 Budget**	**2026/27 Projections**	**2027/28 Projections**
Operating - Net Results	$ (16.1)	$ (5.3)	$ (12.7)	$ (4.5)	$ (9.7)	$ (3.7)	$ (12.4)
Net Income Loss Ratio (Revenues less Expenses / Total	2.0%	3.0%	-1.5%	0.4%	0.7%	1.3%	0.7%
Primary Reserve Ratio (days)	140	152	140	149	154	163	157
New External Debt	$ 30.0	$ 41.0	$ 45.0	$ 46.0	$ 45.0	$ 45.0	*nil*

The chart below shows the historic (2018-19 to 2022-23) and forecasted (2024-25) operating reserves:

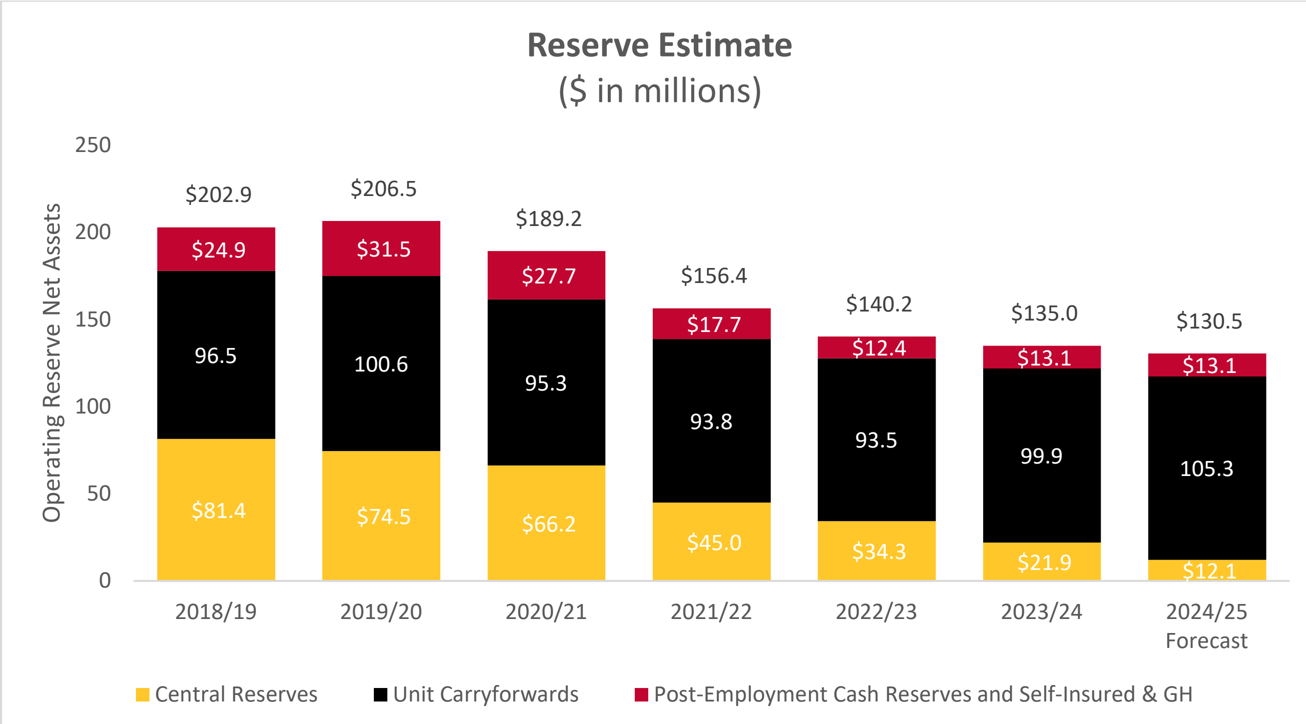


Figure 1: University Reserves 2018-19 to 2024-25

In addition to the reserves noted in the chart above, some funds have been set aside for capital projects and internally funded research. These funds are held in trust and are earmarked for specific projects or initiatives that have not yet been paid out. Details on the fund balances can be found in the 2024 Annual Financial Statements. Sponsored research funds and directed donations are similarly not accounted for in our reserve funds as they are restricted for their legally required purposes. These funds are considered deferred contributions as described by Note 8 of the 2024 Annual Financial Statements.

Continued prudent financial planning and action are required to move us to a balanced budget in the coming years. This will ensure we have the necessary resources to replenish University reserves and invest in the talent and infrastructure (physical and digital) we need to achieve our academic and research missions.

Opportunities

The Strategic Plan identifies an imperative to build a sustainable financial capacity. Achieving this goal requires us to intensify our efforts to address our fiscal challenges. Therefore, the University will continue to take an all-accounts approach to account for cost restructuring and revenue growth opportunities impacting the entire institutional financial sustainability. This will support restoration of the University's financial health and pursuit of fundamental and sustainable change across the University, always with a lens towards advancing Indigeneity and equity, diversity and inclusion on our campuses and in our processes. Our approach includes:

- Growing academic programs and transforming core service delivery.
- Streamlining and standardizing business systems and processes while aligning our workforce to support these future systems and process changes.
- Engaging in collaborative processes that promote culture change and shared accountability.

The 2025-26 plan continues to include significant investments, including:

- Enhanced revenue sharing with Colleges for undergraduate and graduate students ($61.4 million by 2027-28). Colleges will utilize this additional funding to fund their compensation inflation and grow their faculty complements.
- Enhanced capital funding, through external debt, to support physical infrastructure capital renewal (CRM) for main campus buildings and related infrastructure used for teaching, research, and service programs and Major Physical Infrastructure Development such as new buildings or major alterations, renovations and/or modernization (ARM) of existing buildings ($7.8 million by 2027-28). This will support investments required to create additional teaching spaces in support of the enrollment growth outlined.

Challenges and Risks

Just as there are opportunities for U of G to address its financial challenges, there are also significant risks identified in the budget plan, including:

- Ongoing impact of government policies, such as inflation adjusted declining provincial operating grants and the 2019 domestic tuition cut and subsequent freeze which will continue for at least three more years. Refer to Appendix G for further information concerning the current government landscape.
- Collective agreements for many bargaining groups expire during the three-year planning timeframe. These negotiations may create financial implications that vary from the assumptions in the budget plan.
- Significant funds and resources will be required to support physical and digital related infrastructure renewal.
- The budget plan is predicated on achieving strong enrolment growth through 2027-2898, growing to a 35,000 student main campus by 2027-28. Increasing competition for domestic students, given international student caps, may risk achieving this target.
- Impact of declining reserve balances.
- The threat and uncertainty around tariffs from the United States and responses to those tariffs could have a significant impact on the cost of goods and services. In addition, this could have impacts on investment market returns and the ability to maintain sustainable returns on our investments. These potential impacts have not been incorporated into this plan at this time.
- Competition globally for international students and imposed caps on international student visas. This includes government announcements to allow colleges to offer Applied Master's programs, creating additional competitive pressures on University's in the competitive post-secondary sector.
- Changes to provincial utility rebates and energy rates.

Operating Plan

The operating fund includes the unrestricted general revenues and expenses that are directly related to the mission of the University; education and activities supporting research (i.e., not restricted by an agreement or contract). This is where most of the core mission activities of the institution are recognized and the fund that has the most material impact on the University's fiscal health. The strategy of the 2025/26 budget is to invest in more Faculty to create the teaching capacity required to support our students.

The table below presents the forecasted results for 2024-25 and the expected revenues and expenses for the General Operating Budget from 2025-26 to 2027-28.

Table 3: 2025-26 to 2027-28 General Operating Budget

$ in millions	**2022/23 Actual**	**2023/24 Actual**	**2024/25 Budget**	**2024/25 Forecast**	**2025/26 Budget**	**2026/27 Projections**	**2027/28 Projections**
Revenue	$ 505.4	$ 539.7	$ 552.0	$ 572.3	$ 611.9	$ 647.0	$ 664.7
Transfers to Operating (Ancillaries, OMAFRA & debt financing)	$ 49.3	$ 47.6	$ 57.6	$ 47.3	$ 44.9	$ 44.5	$ 45.1
Transfers from Operating (Major physical capital & debt charges)	$ (23.4)	$ (25.2)	$ (29.2)	$ (19.4)	$ (31.7)	$ (33.6)	$ (35.1)
Expenses	$ (547.4)	$ (567.4)	$ (593.1)	$ (604.6)	$ (634.7)	$ (661.5)	$ (687.1)
Net Operating Results	**$ (16.1)**	**$ (5.3)**	**$ (12.7)**	**$ (4.5)**	**$ (9.7)**	**$ (3.7)**	**$ (12.4)**
Net Operating Results as % of Revenue	*-3.2%*	*-1.0%*	*-2.3%*	*-0.8%*	*-1.6%*	*-0.6%*	*-1.9%*

Over the next three years, the General Operating Budget deficit is expected to be $9.7 million in 2025-26, followed by a $3.7 million deficit in 2026-27 and then increasing to a deficit of $12.4 million in 2027-28. The increase in the deficit in 2027-28 results from the completion of the 3-year one-time provincial Post-Secondary Education Sustainability Funding which ends in 2026-27. These net results assume that enrollment growth targets as outlined in the following section are achieved. Refer to Appendix B and Appendix H for further details on the operating budget projections.

As shown in the summary above, growth in expenditures has outpaced growth in revenues in recent years. Provincially regulated tuition and government grants make up approximately two-thirds of our operating revenues and longstanding government policies have impacted our ability to increase these revenues in recent years. At the same time, expenses have continued to increase; salary and benefits costs have increased due to inflation (including the impacts of overturning Bill 124[1] legislation, which are being assessed as each collective agreement is renegotiated), and we have necessarily increased our investments to improve aging and inefficient business systems and digital infrastructure.

Given these trends, we recognize that we need to intensify our efforts and move towards restoring our financial health. We have begun to shift our focus to enrollment growth and sustainable changes to our systems and operations and these efforts are reflected in the projected net operating results outlined.

[1] Bill 124 was introduced in the Ontario legislature by the provincial government in June 2019 and in November it received royal assent. The provincial government referred to the bill as Protecting a Sustainable Public Sector for Future Generations Act, 2019. Bill 124 applied to most of the Ontario government as well as provincially funded, public corporations and agencies, including post-secondary institutions. The Act established different three-year moderation periods for represented and non-represented employees. During the applicable moderation period, salary increases were limited to one per cent for each 12-month period of the moderation period. During the applicable moderation period, incremental increases to existing compensation entitlements and new compensation entitlements, including salary increases, were also limited to a total of one per cent on average for all employees subject to the moderation period, for each 12-month period of the moderation period.

Focusing on the projected budget for 2025-26 fiscal year, the following table outlines the key drivers that are embedded in the plan. This includes expense pressures, and the activities implemented to grow revenue and achieve efficiencies and modernization savings to partially offset these pressures.

Table 4: 2025-26 Budget Projections

$ in millions		**2025/26 Projection**
Opening - Prior Year Budget (24/25)	$	(12.7)
Remove One-time	$	2.6
Remove unachieved Transformation (23/24 and 24/25)	$	(11.6)
Opening - Base Budget (25/26)	**$**	**(21.7)**
Pressures / Expense Increases:		
Capital Pressures [1]	$	(7.8)
Compensation Pressures (Salaries and Benefits) [2]	$	(31.3)
Growth Pressures [3]	$	(10.2)
Other Pressures [4]	$	(4.7)
Pressures / Expense Increases - Sub-Total	**$**	**(54.0)**
Efficiencies & Modernization:		
100% of compensation inflation to Colleges	$	21.9
College share of structural deficit	$	7.9
Efficiencies to be found from non-College units (50% Compensation)	$	4.5
Efficiencies & Modernization - Sub-Total	**$**	**34.3**
Revenue Growth:		
Tuition Growth	$	49.5
Revenue Share with Colleges (Colleges use to fund their compensation inflation) (60%)	$	(29.2)
Central Share - Tuition Growth (40%)	$	20.3
One-time - Postsecondary Education Sustainability Fund	$	10.4
Investments (interest)	$	0.5
Ancillaries	$	1.3
University of Guelph Humber - reduced profit share	$	(0.8)
Revenue Growth - Sub-Total	**$**	**31.7**
Net Operating Results	**$**	**(9.7)**

Notes:

1 - includes debt financing - JD MacLachlan & Day Hall modernization/expansion, deferred maintenance, amortization of digital capital spend from prior years

2 - for both Academic and Non-Academic units

3 - includes additional centrally funded faculty positions, college transition supports, research financial services & decisions support implementation

4 - includes 23/24 & 24/25 one-time transformation spending - debt repayment

Enrolment Plan

Everything that the University does begins with our students; as such, the 2025-26 to 2027-28 budget plan is predicated on achieving strong enrolment growth from 2024-25 in overall student enrolment growth for degree credit programs by 2027-28.

Undergraduate Enrolment[1,2]:

Domestic students make up most of our undergraduate enrolment, and this trend is expected to continue. Applications from domestic students remain robust, with a steady increase in first-choice applications and a rise in the total number of applications.

The University has experienced a growth trajectory, evidenced by consecutive yearly increases in enrolment since 2022-23.

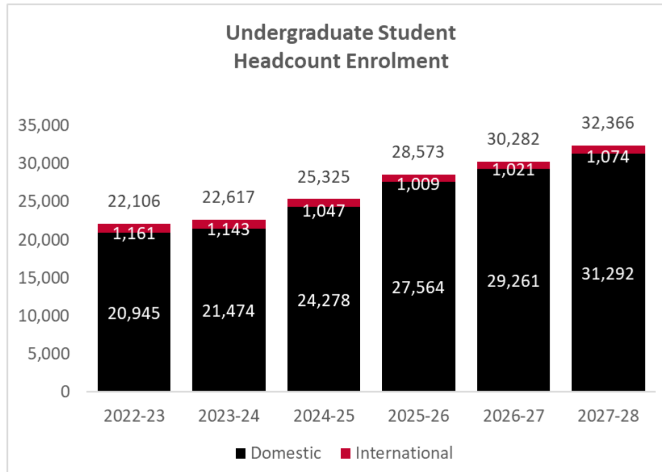


Figure 2: Undergraduate Student Headcount Enrolment

While undergraduate international enrolment continues to be a priority for the University, current trends and historical data show only modest growth in this area. Due to this and the impacts of external legislative factors, we are budgeting for undergraduate international enrolment to be slightly below 2024-25 levels in 2025-26 and show modest growth for 2026-27 and 2027-28 as shown in Appendix I.

GRADUATE ENROLMENT[3]:

Graduate students are key to our reputation as a top comprehensive and research-intensive university. As such, strong graduate enrolment continues to be a priority for U of G. International graduate student enrolment continues to expand, especially in Course-based Master's programs.

International graduate student enrolments dipped in 2024-25 but are expected to increase in 2025-26. Domestic enrolment in graduate programs increased slightly in 2024-25, with further growth expected in 2025-26.

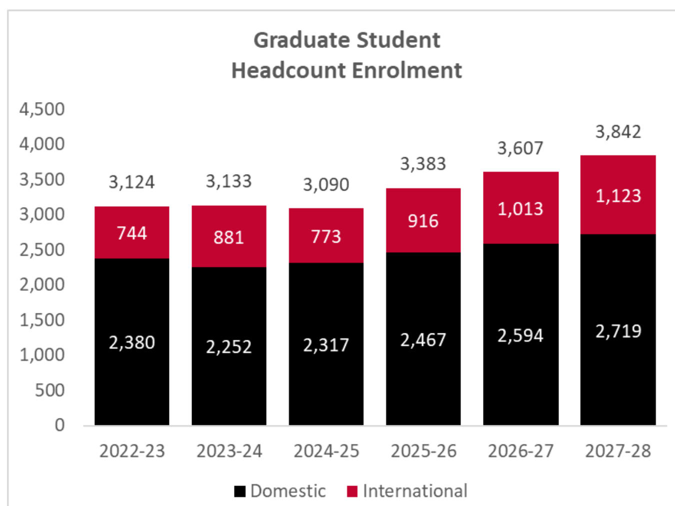


Figure 3: Graduate Student Headcount Enrolment

[1] Undergraduate domestic and international enrolment is based on student's fee-paying status as of November 1st of each year, as reported to MCU.

[2] Headcount enrolment excludes Guelph-Humber and Ridgetown. Headcount enrolment excludes students on off-campus co-op work term.

[3] Graduate domestic and international enrolment is based on student's fee-paying status as of November 1st of each year.

Plan to Balance (Savings Plan and Revenue Growth)

Starting in 2024-25 a new set of Budget Principles have been implemented to support increased transparency and accountability. These include:

1. Budget decisions need to reflect that the mission of the university is centred around activities that take place in the Colleges but that all units on campus contribute to the mission of the university.
2. We will be fiscally responsible, both as a university and as budget owners, in how we assign and manage budgets. We will prioritize working towards balancing our operating budget.
3. We will be transparent on how operating funds are made available to the university compared to how operating budgets are allocated.
4. We will embrace the goal of strategic transformation in making processes and systems more efficient, while delivering improved student experiences & outcomes, and faculty and staff engagement & enablement.
5. We will invest in opportunities to grow.
6. Budget owners are empowered and expected to make decisions on how they allocate their operating funds within their units, with an expectation they prioritize continuous improvement, improved student experiences & outcomes, faculty and staff engagement & enablement, and are aligned to the university's strategic plan.

NEW BUDGET MODEL APPROACH

Starting with the 2025-26 Operating Budget, we have transitioned Colleges into a budget funding model where they are funded based on student activity (tuition, and government funding). The current implementation is based on incremental activity, with a multi-year goal to address base activity. Incremental activity is relatively easy to model and implement, where reallocating existing budgets is extremely complicated and causes unnecessary disruption. Starting in 2025-26, Colleges will retain 60% of any changes in revenue, with the remaining 40% allocated across the rest of the university. The remaining 40% is typically allocated to non-academic units, however there is the potential to allocate funds to specific departments, schools or colleges, which can be done to slowly address identified issues with college base funding or advance strategic priority areas. Colleges are also now responsible for their expense increases (inflationary costs, changes in faculty and staff complement, etc.) unless there is a specific initiative that warrants allocation from the remaining 40%. While this presents a challenge to some academic units across campus, the new model increases the transparency of their expenses relative to their revenues. This supports distributed discussions and initiatives around transformation efforts to grow revenues. This also encourages performance-based funding and provides greater budget accountability at the college level.

In the past three years, the University has been phasing in this new budget revenue sharing approach (refer to the chart). Starting in 2024-25, undergraduate revenue share agreements were implemented to support colleges as they grow domestic enrolments. And in 2025-26 the new approach outlined above is reflected in the 2025-26 budget.

The University of Guelph's budget planning process is a comprehensive and collaborative effort that involves input from various stakeholders. Details on this process and enhancements made in recent years are outlined in [Appendix J](#).

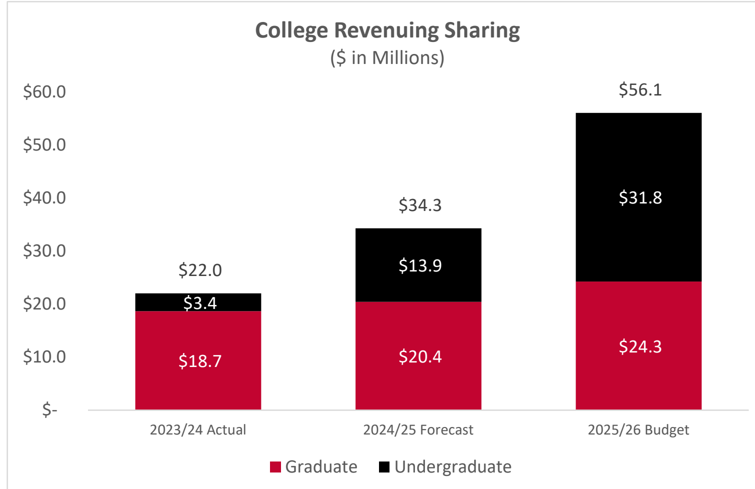


Figure 4: College Revenue Sharing

ON THE HORIZON

The following key opportunities have not been included in the budget plan, although teams are actively working to implement or advocate to the government for this support.

1. **International Student Growth**: We continue to advocate to the Federal and Provincial government for increased number of Provincial Attestation Letters (PALs). If our allocation of PALs increased 10% this would result in approximately $2 million in additional tuition. In addition, we continue to improve our conversion rate from accepted applications to students on-campus.
2. **Funding for Science, technology, engineering, and mathematics (STEM) students:** We continue to advocate for increased funding for STEM students. We currently have $15 million in unfunded STEM students.
3. **Expanded Course Based Masters Programs:** We are building programs that focus on in-demand professional training that can charge a higher tuition. Colleges are targeting not only international students, but also domestic students who are willing to pay higher tuition for training that advances their professional opportunities.
4. **Continuing education expansion:** We continue to explore opportunities for increasing the University of Guelph's continuing education enterprise, including the recent creation of the School of Continuing Studies. In addition, we are developing support relationships with colleges to enhance Distance Education offerings including fully online degrees as well as courses in large sections to facilitate flexibility for students and increased tuition opportunities.
5. **One-time HST Rebates:** We continue to work with tax consultants to claim additional HST rebates on past capital projects. Current estimates are an additional $4.5 million in one-time funding from these rebates.
6. **Investment Management fee:** Currently the University only charges the endowment fund ($260 million) a management fee of up to 1% annually. This funding is used to fund resources in Alumni Affairs and Development and the investment office resources. The balance of the investment portfolio (approximately $330 million in assets) do not attract a management fee. Staff are currently exploring the opportunity to recover overhead expenses that are currently in the operating budget (e.g. banking fees, resource support time in financial services, etc) to provide ongoing base funding in operating for these costs. This could increase operating budget recoveries ranging from $0.5 million to $1+ million.

APPENDICES

Appendix A. Fund Structure

The University's financial results and budget plan are outlined in separate funds set up for activities, with each fund comprised of its own revenue and expenses. The following funds are used:

1. **Operating Fund:** Unrestricted general revenues and expenses that are directly related to the mission of the University, education and activities supporting research (i.e., not restricted by an agreement or contract).
2. **OMAFA Funds:** Restricted revenues and expenses that are directly related to the Ontario Agri-Food Innovation Alliance (OMAFA – University of Guelph Agreement).
3. **Ancillary Fund:** Sales of goods and services by Ancillary units that provide important support services to the students and university community that are not directly associated with the delivery of academic programs. The University's five ancillary units consist of: Hospitality Services, Student Housing Services, Real Estate Division, Parking and Sustainable Transportation Services, University Centre Services. Ancillary operations are self-sustaining.
4. **Capital Fund:** Funding and expenditures for capital projects.
5. **Research Funds:** Research-related funds externally restricted by an agreement or contract for specific research purposes. The use of these funds is restricted by the donor or granting agency.
6. **Endowments:** Donations and bequests received by the University that have a nonexpendable requirement as well as other legal requirements for use as agreed upon by the donor and the University.
7. **Trust:** Funds that are restricted by donor or granting agency for capital projects or student aid.

Appendix B. General Operating

B.1 General Operating Budget Plan Summary

The table below presents a detailed breakdown of the General Operating Budget's anticipated revenues and expenses for 2025-26, as compared to the expected results for 2024-25. For details on the 3-year plan refer to Appendix H.

General Operating Budget

In Thousands	2023/24 Actual	2024/2025 Restated Budget[1]			2024/25 Forecast	2025/2026 Budget		
		Base	One-time	Total		Base	One-time	Total
REVENUES								
Provincial Operating Grants	188,818	187,274	6,159	193,433	194,556	188,094	10,388	198,482
Tuition Fees	233,691	252,117	-	252,117	260,436	300,873	-	300,873
Other Student Fees & Contracts	25,951	27,922	-	27,922	30,417	32,448	-	32,448
Sales of Goods and Services	43,466	39,716	-	39,716	42,192	41,014	-	41,014
Guelph-Humber	18,956	15,809	-	15,809	15,775	15,612	-	15,612
Other Revenues	28,836	23,007	-	23,007	28,897	23,507	-	23,507
Total Revenues	**539,718**	**545,844**	**6,159**	**552,003**	**572,273**	**601,547**	**10,388**	**611,935**
EXPENSES								
Salaries	(352,200)	(344,502)	-	(344,502)	(354,783)	(372,432)	-	(372,432)
Benefits	(87,716)	(94,284)	-	(94,284)	(96,564)	(110,147)	-	(110,147)
Scholarships and Bursaries	(26,750)	(27,738)	-	(27,738)	(28,402)	(28,938)	(253)	(29,191)
Utilities	(17,731)	(19,074)	-	(19,074)	(19,899)	(20,183)	-	(20,183)
Operating	(83,011)	(86,865)	(20,660)	(107,525)	(104,965)	(91,690)	(11,067)	(102,757)
Total Expenses	**(567,410)**	**(572,463)**	**(20,660)**	**(593,123)**	**(604,614)**	**(623,390)**	**(11,320)**	**(634,710)**
Net Position - Before Transfers	**(27,691)**	**(26,619)**	**(14,501)**	**(41,120)**	**(32,341)**	**(21,843)**	**(932)**	**(22,775)**
TRANSFERS								
From OMAFA	22,875	22,880	-	22,880	22,875	22,880	-	22,880
From Ancillaries	16,186	19,696	-	19,696	19,833	20,974	1,000	21,974
From Heritage						-	-	-
Debt Financing of Transformational Costs	8,560	-	15,000	15,000	4,555	-	-	-
Transfers to Operating	**47,621**	**42,576**	**15,000**	**57,576**	**47,262**	**43,854**	**1,000**	**44,854**
To Major Capital & Debt Servicing	(25,205)	(26,065)	(3,138)	(29,203)	(19,381)	(29,144)	(2,601)	(31,745)
Transfers from Operating	**(25,205)**	**(26,065)**	**(3,138)**	**(29,203)**	**(19,381)**	**(29,144)**	**(2,601)**	**(31,745)**
Total Transfers	**22,416**	**16,511**	**11,862**	**28,373**	**27,881**	**14,710**	**(1,601)**	**13,109**
Net General Operating Results	**(5,275)**	**(10,108)**	**(2,639)**	**(12,747)**	**(4,460)**	**(7,133)**	**(2,533)**	**(9,666)**

1. 2024/2025 budget has been restated between categories to reflect the implementation of unit budget plans following the Board of Governors approval.

B.2 2024/25 Forecast Overview

The 2024-25 forecasted deficit of $4.5 million is lower than what was anticipated in the budget. This relates to utilizing one-time HST rebates to reduce the deficit in 2024-25.

The forecasted revenues for 2024-25 are anticipated to be 4% higher than budgeted mainly resulting from increased tuition revenue resulting from the growth in undergraduate students in fall of 2024 and student fees (based on inflation and enrollment growth) and Sales of Goods and Services revenues. The student fees and Sales of Goods and Services revenues are offset with additional spending.

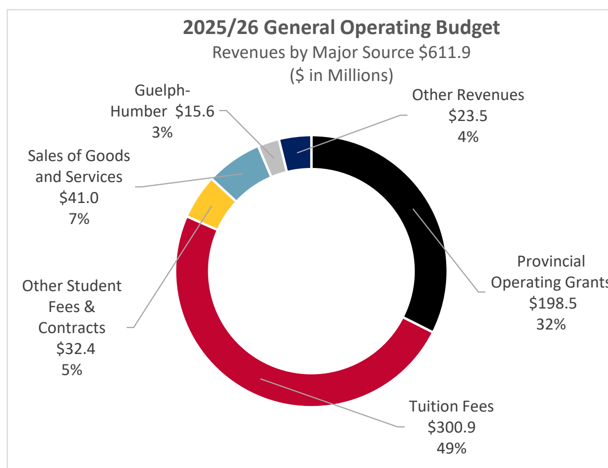
Operating expenses in 2024-25 are anticipated to be higher 2% than budget resulting from increased spending on student supports funded through student fees and Sales of Goods and Services revenues increases outlined.

B.3 Overview of Budget Plan Assumptions and Highlights

For the General Operating Budget, we are projecting a deficit of $9.7 million in 2025-26.

Compared to the 2024-25 budget, 2025-26 revenues are projected to increase by $59.9 million (11%), while our expenses are expected to grow by $41.6 million (7%). Transfers to the General Operating Budget will decrease by $12.7 million due to the completion of the one-time debt financing for transformation costs. This decreased debt financing is offset by inflationary recoveries for services provided by the University (space costs, utilities, compensation, etc.) to the ancillary units. Transfers from the General Operating Budget to capital will decrease by $2.5 million primarily due to reduced debt financing costs no longer required for transformation one-time investments.

KEY REVENUE ASSUMPTIONS FOR 2025-26:

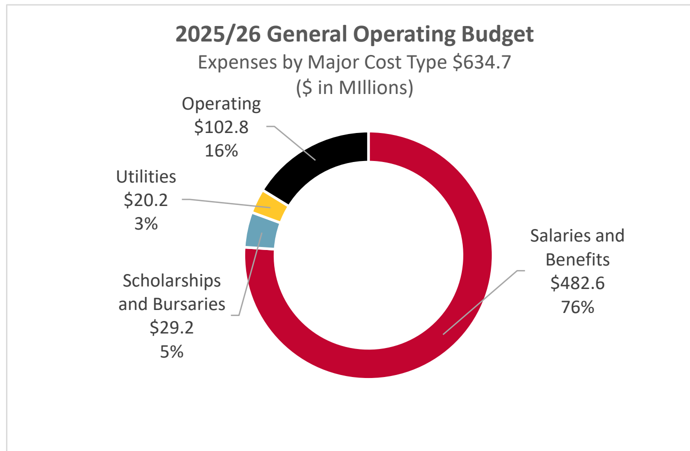


- Domestic Ontario tuition rates for provincially funded programs are confirmed to be frozen through 2026-27 and will remain at 2019-20 rates as per the tuition fee framework, with some exceptions.
- Domestic undergraduate programs with below-market tuition rates will increase by up to 7.5% for students who began in Fall 2023 or after. This adjustment applies to Business, Engineering (Biological, Environmental, Water, Systems & Computing and Undeclared majors), and Veterinary Medicine programs, with fees increasing each year until they reach the average for comparable programs, as approved by MCU.
- Domestic out-of-province tuition rates for undergraduate programs will increase by 5%.
- International undergraduate tuition rates for incoming students will increase by 9% for Business, Engineering and Computing programs; 7% for Arts & Sciences programs; 7.5% for Landscape Architecture; 5% for Veterinary Medicine; and lastly 5% for continuing international students.
- International graduate tuition rates for all professional programs will increase by 5% while doctoral and thesis-based programs will maintain their 2024-25 rates.

- Domestic undergraduate enrolment is projected to increase beyond 2024-25, while international enrolment is expected to remain around 2024-25 levels.
- Provincial operating grants are increasing by 3% in 2025-26 through the one-time Postsecondary Education Sustainability Fund.
- The University of Guelph-Humber's profit share will slightly decrease to reflect lower enrolment.

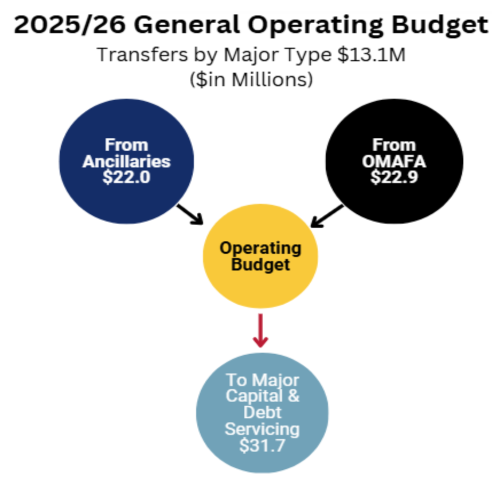
KEY EXPENDITURE ASSUMPTIONS:

- Subject to employee group collective agreements, inflation assumptions for compensation are between 3.0% and 5.0%. In addition, compensation estimates include projected market adjustments following the end of the Bill 124 moderation period.
- The central utilities budget will increase by 5.8% to account for inflation and changes in the carbon tax.
- Operating costs are expected to decrease by 4.4%. The decrease is due to the completion of the one-time transformation investment costs that are no longer required going forward.



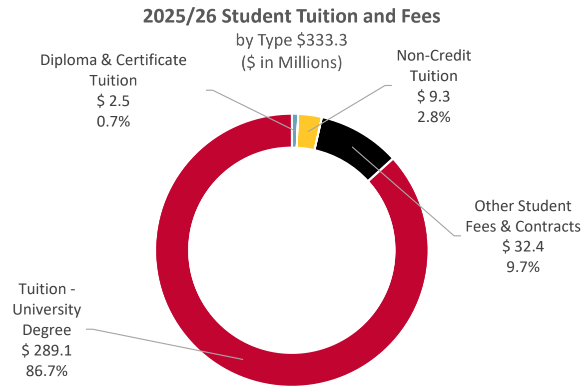
KEY TRANSFER ASSUMPTIONS:

- Transfers from Ancillaries are planned to increase to reflect inflationary impacts to university overhead costs for space occupied by ancillary units and investment in additional one-time student supports.
- Transfers from OMAFA to support indirect costs associated with the Agreement are anticipated to remain at 2024-25 budget levels.
- Transfers to Major Capital and Debt Servicing are projected to increase in 2025-26 to fund the capital renewal program, inflationary pressures and debt financing.



B.4 Revenue Generated from Student Fees

Revenue generated by student fees in the General Operating Budget includes tuition (domestic and international) and non-tuition compulsory fees charged for services. Non-tuition compulsory fees are governed under provincially mandated and board approved protocols.



In 2025-26, the projected revenue generated by tuition and non-tuition fees is $333.3 million. As shown in the 2025-26 Student Tuition and Fees chart, 86.7% or $289.1 million of the revenue is from university degree tuition. Tuition fees alone equate to 49% of our total operating revenue.

The primary factors used to determine the revenue generated by student fees are enrolment and fee rates. For most university degree-credit programs, changes in tuition fees must adhere to the Ontario Tuition Fee Framework and Ancillary Fee Guidelines (tuition fee framework). Under the framework, domestic tuition fees will remain frozen at 2019-20 rates for the next 3 years, with some exceptions (see Appendix K). For budget planning purposes, we further assume no tuition increase for Ontario domestic students 2027-28 and 2028-29.

Non-tuition compulsory fee increases are controlled either through student referenda or protocols agreed to by students. The non-tuition fees shown above (Other student fees and contracts) do not include student-led government, associations or societies as those fees flow directly to the groups[3].

Tuition Fees

The 2025-26 budget anticipates a $48.8 million increase in total tuition revenue over the previous year. Domestic tuition revenue accounts for $42.7 million of the increase. The projected increase in domestic revenue is driven by increased intake and higher tuition fees for approved programs like Business, Engineering and Veterinary Medicine programs. International tuition revenue is projected to grow by $6.1 million, driven by higher tuition fees for international students and increased international graduate student growth from 2024-25. See Appendix K for all 2025-26 tuition rates.

Tuition fees for university degree programs are classified into three major groups:

- **Provincially regulated:** This group includes undergraduate and graduate student programs that receive core operating grants, as well as domestic (permanent resident) students.
- **International programs:** This group includes undergraduate and graduate student enrolment that does not receive support under provincial policy. International tuition fee setting aims to balance accessibility and student needs with maintaining the delivery of high-quality academic programs and services for international students. The university currently continues to charge some of the lowest international

[3] Also excluded are non-tuition fees charged to students that support student-facing infrastructure, such as the Guelph Gryphons Athletics Centre. These fees flow outside of the General Operating Budget.

undergraduate tuition fees amongst our peer group. Increases in these fees are partly offset by increased allocations to scholarships and student financial aid.

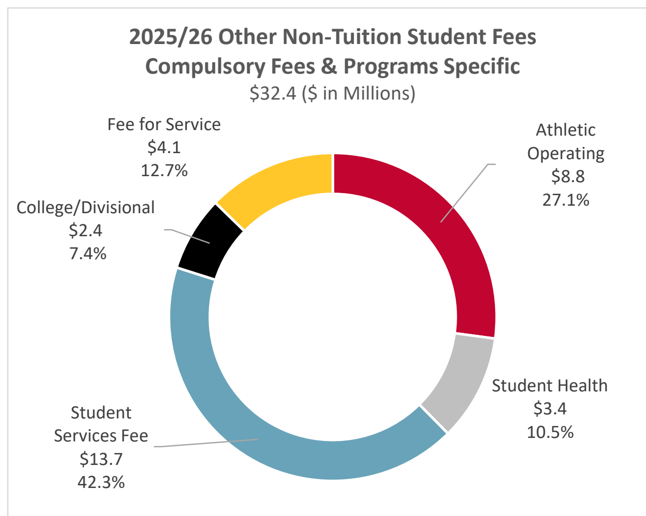
- **Full-cost recovery programs:** These are programs, mainly graduate programs, that charge sufficient tuition to recover the full costs of the program. The University of Guelph has relatively few full-cost recovery programs.

Diploma & Certificate Programs

For many years, the University has delivered a range of agricultural diploma programs. All programs are delivered by the Ontario Agricultural College (OAC) at both the Guelph and Ridgetown campuses. The associate diploma programs do not fall within the MCU tuition framework.

Other Student Fees & Contracts

In addition to tuition, students provide support to the General Operating Budget through fees charged for specific services. These fees are categorized as non-tuition compulsory fees and are charged to students as part of their registration in an academic program. Other fees, in the form of fee-for-services, are charged only if a service is used (e.g., obtaining a transcript). In accordance with provincial policy, all non-tuition compulsory fees must be initiated through student referenda.



In addition, non-tuition compulsory fee increases are controlled by student approved protocols required by the province for all universities. See Appendix L for a listing of the student fees and approved increases for 2025-26.

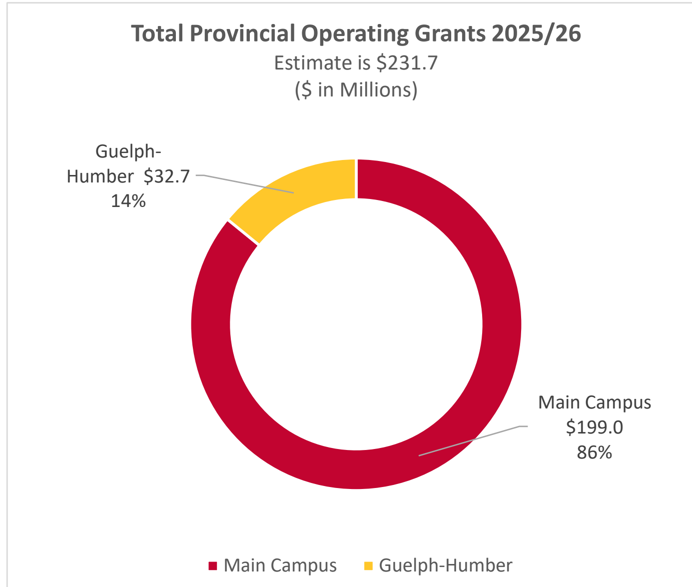
Excluded from protocols are several college-based and other fees charged for program-specific services, such as co-op placement fees, which cover direct costs incremental to programs.

The total estimated revenue from these fees is $32.4 million (refer to chart). All revenues from student fees in this category are credited to the units providing the service.

By default, fees may increase by the consumer price index (CPI; 2.4% for 2024). However, increases of up to 3% above CPI may be approved through a referendum or by the student fee advisory committees that oversee spending of these fees.

B.5 Provincial Operating Grants

The provincial operating grants provided by MCU are a major source of funding for the University's operations, representing 33% of operating revenues.



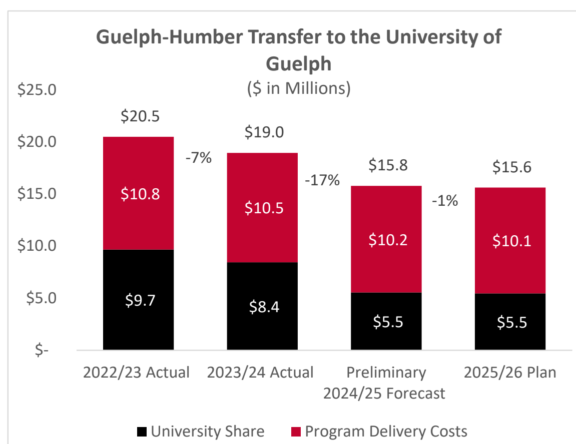
PROVINCIAL FUNDING MECHANISM

The table shows the operating grant funding expected for 2025-26. Operating funds in Ontario have been frozen in 2016-17, further limiting our capacity to raise revenues by admitting more domestic students. The increase in funding from the Postsecondary Education Sustainability Fund is included in this figure, $10.4 million in 2025-26. These funds represent one-time funding for 2025-26.

Students enrolled in Guelph-Humber programs are captured as University of Guelph students for MCU reporting and funding purposes. For 2025-26, the University of Guelph is expected to contribute $32.7 million of provincial operating grants to the University of Guelph-Humber joint venture based on Guelph-Humber's contribution to the University of Guelph's corridor midpoint.

B.6 University of Guelph-Humber

In 2002, the University of Guelph entered a joint venture with the Humber College Institute of Technology and Advanced Learning (Humber) to offer a combined university-degree and college diploma for students in the same four-year period. In 2024-25 there are more than 4,600 students enrolled in eight major undergraduate program areas. Programs are delivered on the north campus of Humber in Etobicoke in a dedicated building. All revenues (provincial grants and tuition fees) and related course delivery and support costs are credited or charged to the joint venture.



The Guelph-Humber joint venture generates approximately $15.6 million (refer to chart) for the University of Guelph in revenue transfers. Funds are earned in two ways:

- University of Guelph colleges and divisions receive about $10.1 million annually for both course delivery and academic support services provided to Guelph-Humber. This level of income, used mainly to offset direct costs, can vary depending on courses taught and service levels contracted by Guelph-Humber;
- The net income of the joint venture is shared equally between the University of Guelph and Humber.

The 2025-26 Guelph-Humber budget is projecting net income of $6.9 million, which will result in a net income share to the university of $3.5 million and the management fee of $2 million for a total of $5.5 million, which is aligned with the $5.5 million currently in the 2024-25 forecast (refer to chart). The transfers from University of Guelph-Humber partnerships have been decreasing since 2021-22 due to lower enrolment.

B.7 Inter Fund Transfers

The University uses a fund accounting structure to ensure the appropriate accountability and reporting requirements for the many different sources and uses of the revenues received. Transfers among these accounting funds may consist of revenue or expenses and are for a range of purposes such as recovering costs for providing services, providing support from operating funds to capital projects or providing support for indirect costs.

Transfers occur in two major classifications; major institutional-level transfers that are established as part of the budget process at the beginning of the year and numerous smaller transfers occurring during the year for normal procurement activity such as the equipment purchases and transfers for research support.

The table below provides details of the major institutional-level base operating transfers that are anticipated for 2025-26. Most significant are transfers from OMAFA and Ancillaries to the General Operating fund for faculty support, indirect costs, and space contributions.

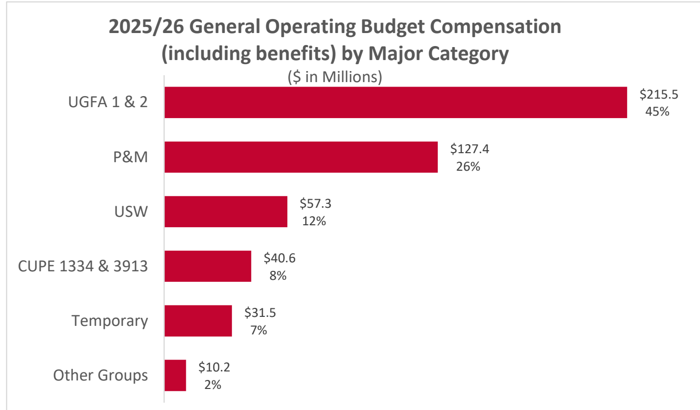
Summary of Major Interfund Transfers 2025/26 ($ in millions)

(FROM) TO	General Operating	OMAFA	Ancillary	Major Capital	Guelph-Humber	Research
RESEARCH						
OMAFA - Faculty Positions	13.1	(13.1)				
OMAFA- Indirect Costs	9.8	(9.8)				
FEDERAL - Research Support Fund	5.6					(5.6)
Other Research Indirect Support	5.6					(5.6)
Total RESEARCH	**34.0**	**(22.9)**	**-**	**-**	**-**	**(11.1)**
ANCILLARY						
Indirect Costs, Space Contributions	21.0		(21.0)			
One-time Student Support Contribution	1.0		(1.0)			
Total ANCILLARY	**22.0**	**-**	**(22.0)**	**-**	**-**	**-**
CAPITAL						
Capital Projects	(5.3)			5.3		
Debt Servicing	(23.8)			23.8		
Total CAPITAL	**(29.1)**	**-**	**-**	**29.1**	**-**	**-**
GUELPH HUMBER						
Program Delivery	10.1				(10.1)	
50% Share of Net Income & Mgmt Fee	5.5				(5.5)	
Total GUELPH HUMBER	**15.6**	**-**	**-**	**-**	**(15.6)**	**-**
TOTAL TRANSFERS	**42.5**	**(22.9)**	**(22.0)**	**29.1**	**(15.6)**	**(11.1)**

B.8 Compensation

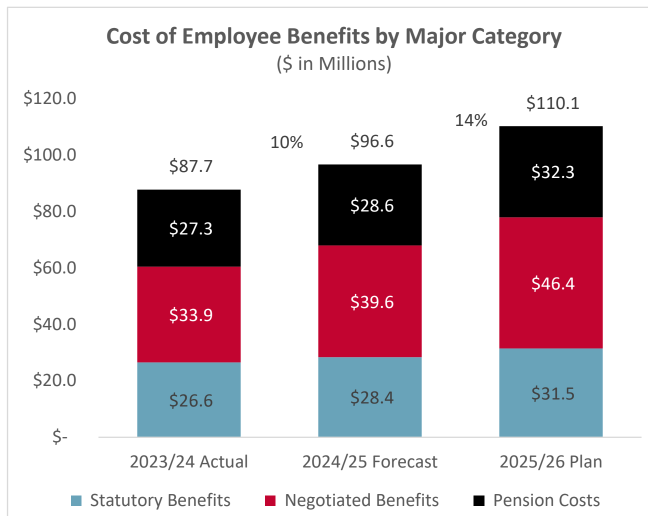
Total compensation (salaries and benefits) comprises approximately 76% of total operating expenses and therefore, is a critical factor in financial planning. For the 2025-26 fiscal year, employee agreements are in place for some major employee groups including UGFA and P&M, as well as several smaller groups.

A provision for cost increases to all employee labour groups has been estimated for all components of salary costs.[4]



Employee Benefits

With an expected total operating budget cost of $110.1 million (refer to chart), employee benefits are 18% of operating revenue and 30% of salary costs. Many negotiated benefit coverages are based on actual claims. The major benefit cost change between the 2024-25 forecast and the 2025-26 plan is for increases in benefit usage trends resulting in increased premiums expected from the provider for Extended Health Care (EHC), Dental and Long-Term Benefits (LTD) benefits and statutory benefit increases for Canadian Pension Plan (CPP) contributions.



University benefit programs provided to employees have three major cost components:

- Statutory benefits include Canada Pension Plan (CPP), Employment Insurance (EI), Employee Health Tax (EHT) and Workplace Safety Insurance (WSIB) costs. The employer contribution for CPP is expected to increase in 2025-26 with the additional maximum pensionable earnings contributions growing.
- Negotiated benefits: a variety of programs with the three largest being extended health (drug and other medical benefits), long-term disability coverage, dental plan and life insurance. Benefits are estimated to see an overall 13% increase in costs based on rate increases and usage/experience in the plans.
- Post-employment benefits for retirees comprise of both a non-pension post-employment benefit costs (mainly dental and extended health including a supplemental drug plan) and pension plan benefits. See next section for more information on Post Employment.

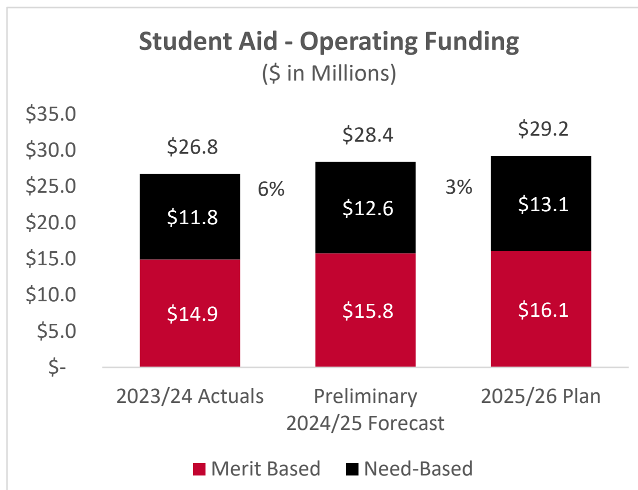
[4] Details concerning the staffing composition of the University can be found in the Fact Book https://www.uoguelph.ca/iar/fact-book

Post-Employment Non-Pension Benefit Program

The program is budgeted on a "pay-as-you go" basis, meaning only the actual annual cash costs are funded annually. In 2024-25, that annual cash cost is projected to be $8.6 million. This contrasts with the 2023-24 annual net accounting expense of $18.6 million, excluding remeasurement impact, which is based on the accrued liability for these programs estimated at $351.9 million. While the University is not required to fund the liability (i.e., set aside an equivalent value of assets), the actual cash costs are expected to increase, becoming more significant costs over the next 5-10 years.

B.9 Student Aid

Supporting student accessibility and attracting high quality students has been a key budget priority. In terms of University support, there are two major funding sources for student financial aid: the General Operating Budget and Endowments and Trusts, which include funds from external donors or funding agencies such as the federal research granting councils. Donors and other external sources tend to restrict their support for merit-based programs. Student assistance is generally categorized as either "need-based" or "merit-based" with some overlap as some individual scholarships contain elements of both need and merit-based criteria. In addition to University support, the federal and provincial governments provide financial support directly to students through the Ontario Student Assistance Program (OSAP) and various Tri-Agency awards. The definition of "need" typically begins with the OSAP criteria which are established by the province. In addition, the University expands this definition to ensure that where there are gaps in OSAP funding, University funds can be used.



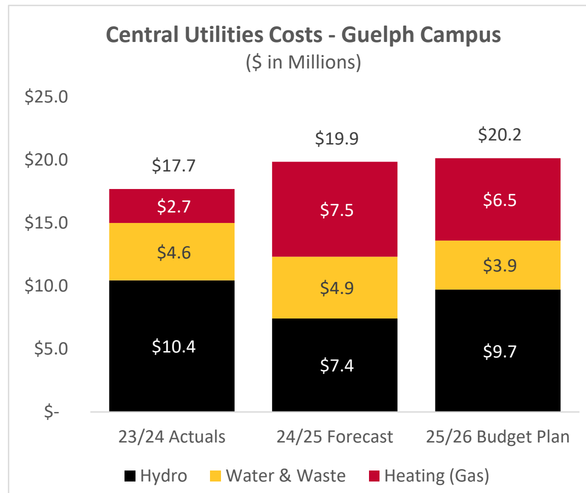
As outlined in the chart, the General Operating funding for scholarships has fluctuated in recent years. This is primarily a result of adjusting the undergraduate entrance grid in 2024-25 to better align with our competitors and reallocate funding to higher priority needs such as international entrance scholarships. In 2025-26 the budget is increasing to reflect the investment in graduate students.

B.10 Infrastructure Costs

At the University, there are central services that provide the operational platform for and are common to almost all University programs and services. Costs for these services vary not only by external price inflation or legal requirements but also by internal demand.

Central Utilities

Central Utilities are external costs for major categories of heating (natural gas) and hydro (including cooling) as well as other central services such as waste management and water costs. Central Utilities refers to the costs of the main Guelph campus provided through the Central Utilities Plant (CUP) providing heat and air conditioning for 6.6 million ft^2 (square feet) of space. Certain operations including research stations and other facilities on University land, such as those in the Research Park, provide their own utilities costs. For on-going budgeting purposes, funds are provided based on long-term estimate of natural gas pricing (main campus heating). Further impacting these costs is the addition of new space and offsets to hydro net costs because of provincial rebates.



The 2023-24 actual costs by category in the chart are slightly distorted by the changes in Ontario hydro and gas rebates.

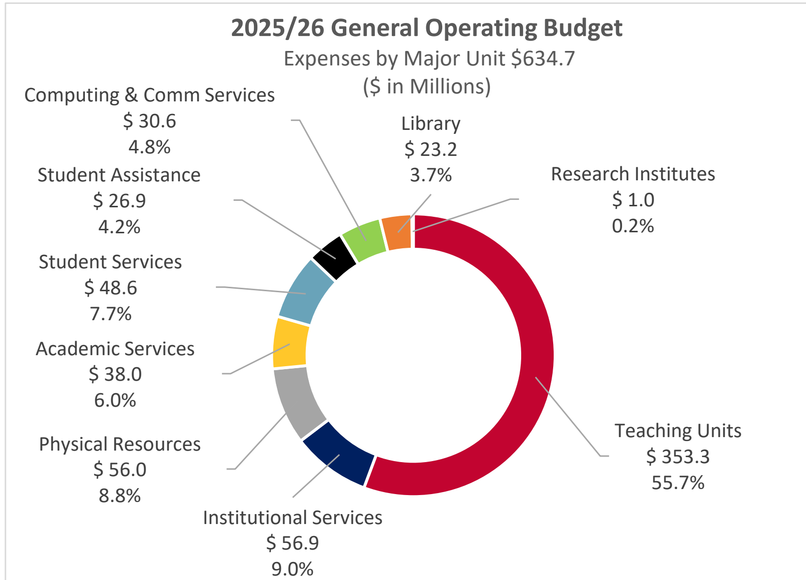
The base or on-going allocation for the central utilities budget is expected to increase compared to the 2024-25 forecast. This change is primarily the result of the carbon tax and the uncertainty pertaining to the Ontario billing system of the carbon tax. In addition, 3.5% increase on central utilities over the 2024-25 budget has been included as an estimate for inflation pressures.

B.11 Academic, Research and Activity-Based Funds

Academics

The teaching units are the largest portion of the operating budget making up approximately 55.7% of the total expenditures. This represents the university's investment in the vision of being a research-intensive and learner-centred university.

The colleges at the University deliver high-quality academic curriculum to achieve this vision through inspiring learning and inquiry.



Planned One-time Revenues / Recoveries and Commitments

The 2025-26 budget includes the following planned one-time revenues or recoveries and commitments. These items relate to past decisions or ongoing pilots. One-time costs associated with new base savings and planned investments in digital infrastructure are included.

Revenues / Recoveries

The 2025-26 budget includes one-time grant revenues from the province through the Post Secondary Education Sustainability Fund and additional student supports funding from ancillary services. For further details on the Post Secondary Education Sustainability Fund refer to Appendix G.

Planned One-Time Revenues / Recoveries:	
Post Secondary Education Sustainability Fund	(10,388)
Ancillary Student Support	(1,000)
Subtotal - Revenues / Recoveries	(11,388)
Planned One-Time Commitments:	
Operating Commitments	6,615
Digital Infrastructure Commitments	4,705
Repayment of Interest and Principle associated withTransformation Savings	2,601
Subtotal - Commitments	13,921
Total	2,533

Operating Commitments

The 2025-26 budget includes one-time operating commitments to support non-colleges with up to 50% of the compensation inflation bridging ($4.5 million), additional faculty bridge funding ($1.0 million) to provide transitional support to colleges as they grow student enrollment, seed funding for service transformation in financial services ($0.9 million) and one-time graduate scholarship supports ($0.3 million) for international students.

Digital Infrastructure (Existing Projects)

Advancing our technology and business systems is core to fulfilling the University's mission and the next few years will continue to require strategic investments in IT upgrades and new platforms. The University will continue to update and modernize systems with the goals of enhancing service, improving student experience, increasing capacity for evidence-based decision making, reducing risk, supporting research excellence, and increasing efficiencies. Projects that have been prioritized by the IT Governance Council (ITGC) include ongoing implementation of the human resource management system (HRMS), electronic CV system, data strategy and upgrades to the Student Information System. The digital infrastructure commitments shown in the table above include the amortization of past spending and do not include any future infrastructure spending that is directly funded from the operating budget.

B.12 Summary

The current budget is projected for the next 3-years as follows:

$ in millions	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Forecast	2025/26 Budget	2026/27 Projections	2027/28 Projections
Revenue	$ 505.4	$ 539.7	$ 552.0	$ 572.3	$ 611.9	$ 647.0	$ 664.7
Transfers to Operating (Ancillaries, OMAFRA & debt financing)	$ 49.3	$ 47.6	$ 57.6	$ 47.3	$ 44.9	$ 44.5	$ 45.1
Transfers from Operating (Major physical capital & debt charges)	$ (23.4)	$ (25.2)	$ (29.2)	$ (19.4)	$ (31.7)	$ (33.6)	$ (35.1)
Expenses	$ (547.4)	$ (567.4)	$ (593.1)	$ (604.6)	$ (634.7)	$ (661.5)	$ (687.1)
Net Operating Results	**$ (16.1)**	**$ (5.3)**	**$ (12.7)**	**$ (4.5)**	**$ (9.7)**	**$ (3.7)**	**$ (12.4)**

The current projected balance of central reserves as outlined in the Budget Plan is $12.1 million at the end of 2024-25. At the time of writing the budget plan, there is projected to be insufficient central reserve balances to fund the projected deficits in 2026-27 to 2027-28 as follows:

$ in millions	2022/23 Actual	2023/24 Actual	2024/25 Forecast	2025/26 Budget	2026/27 Projections	2027/28 Projections
Central Reserves[1]	$ 34.3	$ 21.9	$ 12.1	$ 2.4	$ (1.2)	$ (13.6)
Unit Carryforwards	$ 93.5	$ 99.9	$ 105.3	$ 105.3	$ 105.3	$ 105.3
Post-Employment Cash Reserves	$ 10.5	$ 11.2	$ 11.2	$ 11.2	$ 11.2	$ 11.2
Self-Insured & GH	$ 1.9	$ 1.9	$ 1.9	$ 1.9	$ 1.9	$ 1.9
Total	**$ 140.2**	**$ 135.0**	**$ 130.5**	**$ 120.8**	**$ 117.2**	**$ 104.8**

1. Assumes Central Reserves fund the projected deficits for 2025/26 budget and 2026/27-2027/28 projections.

These projected results will require commitments from the entire university community to transform the way we do business and units taking on further responsibility for compensation growth pressures by funding compensation growth through expense reductions and revenue growth.

Appendix C. Ancillaries

Ancillary units at the University provide important non-academic services to students and the University community. These units support achieving our mission of student success while offering a rich student experience and contributing to the University's financial sustainability. Student Housing Services and Hospitality Services have been recognized as leaders and best-in-class for over a decade by peer institutions. The mission to Improve Life is integrated into all that we do.

As Canada's Food University we take pride in what we serve: local, sustainable food that is cherished from farm to fork and back to farm in a circular economy. We strive to nourish students, faculty and staff with food that is culturally diverse and delicious. We work to inform and educate our staff and the UofG community with knowledge to treasure food as a precious resource.

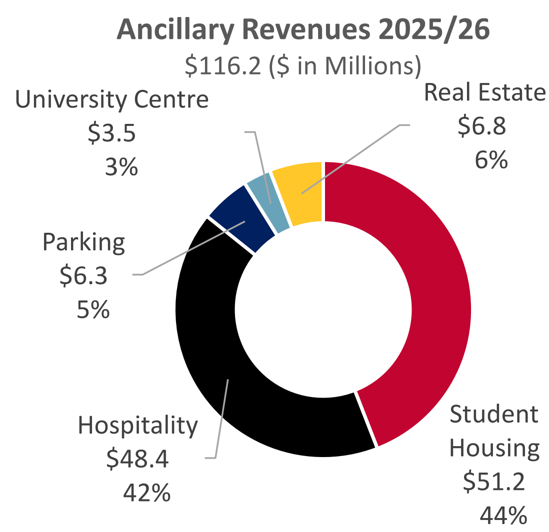
The University's five ancillary units consist of:

1. Student Housing Services
2. Hospitality Services
3. Real Estate Division
4. Parking and Sustainable Transportation Services
5. University Centre Services

Ancillary units are ineligible for support from provincial grants and are therefore required to operate as self-sustaining independent units. This means that revenue generated must cover all operating and capital costs and related financing. Revenue is mainly earned on a fee-for-service basis from both internal and external clients.

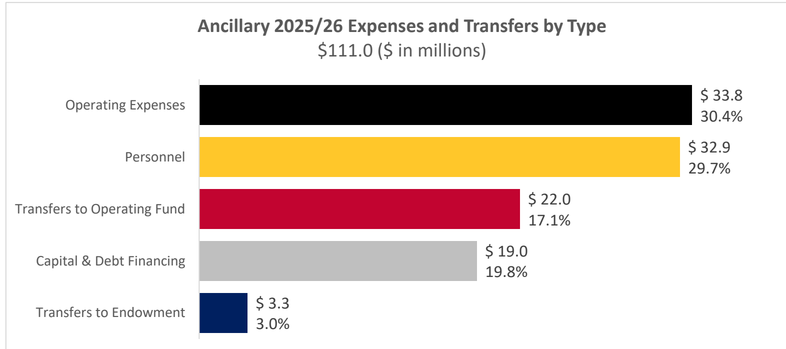
ANCILLARY REVENUE

Housing and Hospitality generate the highest proportion of ancillary revenue, while Real Estate, Parking and the University Centre also contribute meaningfully to the total revenue. Revenue is often generated from student contracts for food or residence and is charged on a per semester basis. In setting rates and service options, both Hospitality and Student Housing Services engage extensively with students through advisory committees. Budgets are reviewed in detail by these student groups to ensure support for the major underlying assumptions.



ANCILLARY EXPENSES

Expenses across all ancillary units consist of operating, personnel, capital costs and institutional transfers. The Ancillary Units, and Hospitality in particular, have high input costs as compared to the other operations on campus as they must acquire the goods that they will then sell to the community.



Most capital improvement costs, roughly 75%, are incurred by Student Housing Services to upgrade their physical structures and maintain high quality inventory.

ANCILLARY TRANSFERS

Transfers from ancillaries to the General Operating Budget are expected to increase from the prior year due to inflationary pressures and additional supports of $1.0 million starting in 2025-26.

The Ancillary Units have a long standing history of supporting the academic and research missions through having contributions more than $22.0 million to pay for space, health and wellness supports, food supports, and many other initiatives to increase the student experience.

C.1 Combined Ancillary Unit Budget Table 2025-26 to 2027-28

The following table summarizes total revenues, expenses, and transfers for the University's five ancillary units.

	2023/24 Actual	2024/25 Budget	2024/25 Forecast	2025/26 Budget	2026/27 Projections	2027/28 Projections
REVENUES						
Student Contracts (Food & Housing)	67,769	67,988	75,287	74,188	77,876	81,114
Other Sales of Goods and Services	27,517	27,947	28,895	30,304	30,851	31,708
Real Estate - Lease and Property Income	5,926	6,188	5,204	5,673	6,474	6,650
Parking Revenues	5,691	5,546	6,163	6,000	6,180	6,365
Total Revenues	**106,903**	**107,669**	**115,549**	**116,165**	**121,381**	**125,837**
EXPENSES						
Salaries	(24,965)	(24,553)	(25,700)	(26,041)	(26,632)	(27,230)
Benefits	(5,349)	(6,895)	(5,885)	(6,897)	(7,121)	(7,357)
Renovations/Capital Equipment	(5,026)	(3,908)	(5,529)	(5,750)	(5,535)	(5,219)
Debt Servicing	(5,772)	(6,623)	(6,716)	(4,701)	(2,607)	(2,235)
Utilities	(1,233)	(1,166)	(1,276)	(1,300)	(1,329)	(1,359)
Operating	(30,863)	(29,286)	(32,868)	(32,474)	(34,012)	(34,640)
Total Expenses	**(73,208)**	**(72,431)**	**(77,974)**	**(77,163)**	**(77,236)**	**(78,040)**
UNIVERSITY TRANSFERS						
To Heritage	(5,042)	(3,749)	(4,151)	(3,294)	(4,054)	(5,332)
To Operating	(16,186)	(19,677)	(19,814)	(21,973)	(21,572)	(22,191)
To Major Capital & Debt Servicing	(6,011)	(8,974)	(8,488)	(8,574)	(9,059)	(11,003)
Total Transfers	**(27,239)**	**(32,400)**	**(32,453)**	**(33,841)**	**(34,685)**	**(38,526)**
Net Operating Results	**6,456**	**2,838**	**5,122**	**5,161**	**9,460**	**9,271**
Opening Fund Balances - Unrestricted	18,985	25,441	25,441	30,563	35,724	45,184
Change	6,456	2,838	5,122	5,161	9,460	9,271
Transfers to(from) Internally Restricted	-	-	-	-	-	-
Closing Fund Balances - Unrestricted	**25,441**	**28,279**	**30,563**	**35,724**	**45,184**	**54,455**

The 2024-25 forecasted net operating result for ancillary units is better than budgeted. The increase is primarily due to increased Student Contracts due to higher enrolment through increased meal plans and a higher occupancy rate in residence than budgeted.

Total ancillary revenues are expected to increase between 3%-5% per year. Total ancillary expenses and transfers are expected to increase between 3%-5% per year as well. The fluctuation in expenses and transfers are mainly due to financing and capital renovation costs. Student Housing has several large capital projects being completed and financed in the next two to three years which is offset by external debt being extinguished at the end of three years.

The following table summarizes the net operating results projected for each ancillary unit for the next three years.

$ in thousands	2023/24 Actual	2024/25 Budget	2024/25 Forecast	2025/26 Budget	2026/27 Projections	2027/28 Projections
Student Housing	5,193	356	2,991	2,093	5,218	6,027
Hospitality	751	867	1,005	951	975	1,198
Parking	1,315	1,003	1,974	1,254	1,901	1,676
University Centre	88	8	9	103	88	68
Real Estate	(891)	604	(857)	760	1,278	302
Net Operating Results	**6,456**	**2,838**	**5,122**	**5,161**	**9,460**	**9,271**

C.2 Highlights for Ancillary Units for 2025-26

HOSPITALITY SERVICES

Hospitality Services will generate revenues of approximately $48.4 million from food sales and catering services on the Guelph campus. Other income is earned from operating the University Bookstore and conference and retail services.

The Hospitality Services annual budget is presented to the Hospitality Services Advisory Committee (HSAC) for endorsement after the financial sub-committee reviews and endorses the regular and customary increases within the budget.

For 2025-26:

- The average meal plan price will increase by 4.0% to increase buying power for students.
- Basic dollars will not increase from the previous year, resulting in only increasing the Flex dollars. This will result in students allowing more choices as these dollars are allowed to be spent off campus.
- The minimum meal plan is budgeted to be $5,500 compared to $5,200 the previous year. This price point positions the University of Guelph in the bottom third in relation to our competitors. Some institutions with higher meal plan rates than Guelph are Queen’s, Western, Wilfrid Laurier, Waterloo, and McMaster.
- Planned initiatives Hospitality has to support the University’s Strategic Plan for next year are:

  Distinct Student Experience
  - Student Nutrition Awareness Program (SNAP) promotes healthy lifestyle and offers support and outreach to students.
  - Creating a dynamic dining experience with themed days and pop-up shops.
  - Hospitality employs over 500 student staff, offering experiential learning opportunities in all areas of their operation.

  Sustainability
  - Promote the use of reusable water bottles and coffee mugs by providing customers with the lowest price when bringing their own mugs.
  - Expanding the ReUsables green container program for sustainable take-out option, to allow for payment options through meal plans.
  - Reduce food waste with a pay-by-weight system to have customers take only what they will eat.

Digital transformation
- Investigating a digital identification and wallet system, eliminating the need for physical cards.
- Planning to implement “walk-out” technology in smaller convenience stores.
- Launched the “GET” app for mobile ordering.

STUDENT HOUSING SERVICES

Student Housing Services (SHS) provides on-campus accommodation to approximately 5,105 students in ten residence facilities, and 140 apartments in two apartment and townhouse complexes dedicated to family and graduate housing. SHS revenue is expected to increase to $51.2 million in 2025-26 and $53.3 million in 2026-27. These increases are a result of planned increases in residence room rates.

A Budget Advisory Committee consisting of SHS staff and Interhall Council members comes together every year to discuss all major components of the SHS budget plan.

For 2025-26:

- Residence room rates for 2025-26 are planned to increase on average by 6% over 2024-25 rates (refer to Appendix M for proposed fees). The increase keeps U of G aligned with sector averages for residence room rates. The budgeted occupancy rate for fall 2025 is 96% and 96% for winter 2026.
- Overall expenses for 2025-26 are expected to be lower than in 2024/25. This is primarily due to the extinguishment of older external debt.
- The capital plan is a major component of the SHS budget, accounting for $101.2 million in expenses over the past decade. (2015-16 to 2024-25). The five-year budget plan projects $55.0 million in capital expenditures for SHS; including in 2025-26 renovation costs of $10.8 million which are all included in the Capital Planning process and presented to the Physical and Digital Infrastructure Committee.
- The net surplus after transfers to the University is projected to be $2.1 million for 2025-26.

This Student Housing budget plan does not account for the announced new residence build. Projections are that it may be completed by 2029, however, with too many unknowns, this has not been included in the current projections.

CAMPUS PARKING SERVICES

Campus Parking Services is responsible for the administration of 5,500 parking spaces on the University’s main campus. Revenues are derived from parking fees (i.e., permit sales, daily fees) and citations. In addition, Parking Services is also responsible for: coordinating transportation services such as Guelph Transit and Metrolinx to campus; increasing community awareness of alternative transportation options; 22 kilometers of university roadways; 56 kilometers of sidewalk; bike shelters; outdoor lighting; signage and emergency phone poles. Campus Parking Services is budgeting $6.3 million in revenue for 2025-26.

Details on proposed 2025-26 parking fees are outlined in Appendix N.

For 2025-26:

- Parking revenue is anticipated to be $6.3 million with the following rate increases and changes:
    - black permit by 3.0%

    - red permit by 2.3%
    - yellow permit by 6.1%
    - New Blue permit for staff
    - daily rates by $0.50
- Net position after transfers to the University is expected to be $1.3 million.

REAL ESTATE DIVISION

The primary goal of the Real Estate Division is to optimize revenue generation from designated properties through the Heritage Fund to support the University's mission. Main revenue sources are from rental or lease of select properties. All net proceeds are transferred to the Heritage Fund Endowment under Board policy.

A separate Board of Trustees has been delegated the responsibility for the operational oversight of the Real Estate Division activities.

For 2025-26:

- Revenue is projected to be $6.8 million, 14.9% higher than the 2024-25 forecasted revenue.
- Operating results project a profit of $4.1 million prior to the Board of Trustee approved transfer to the Heritage fund of $3.3 million which is related to the prior year's net earnings.
- Division debt is expected to decrease by $0.5 million to $2.6 million.
- Estimated unrestricted funds available for transfer to the Heritage Fund are $4.1 million to occur in 2026-27.

UNIVERSITY CENTRE

The University Centre's mandate is to provide social, recreational, and special theme events that enhance the student experience on campus. The University Centre's activities are primarily building administration, including operation of a fully licensed lounge (Brass Taps) and management of tenant leases, room reservations, digital media advertising, and special events and performances.

The University Centre has a separate University Centre Board of Governors that oversees its operations and has a direct reporting relationship to the University of Guelph Board of Governors.

For 2025-26:

- Revenues are expected to be $3.5 million, which is a 3.5% increase over 2024-25.
- Total expenses are expected to increase by 11% as increased maintenance costs are planned which are offset by lower transfers to the University's Operating Budget.
- Accumulated surpluses are estimated to be small as it operates on a break-even model.

Appendix D. Physical & Digital Capital

D.1 Physical Capital Projects

The University of Guelph is a well-established community of over 150 buildings, and one of the oldest campuses in the Ontario University system. Most buildings were constructed in the late 1960's and early 1970's and are due for significant capital renewal. Three buildings are designated as heritage buildings: Massey Hall, President's House, and Alumni House. Several other buildings are located off the main campus and require further investment to support the community adequately.

As part of the annual process of completing the Physical and Digital Capital Plan, funding requirements for major capital projects, including deferred capital renewal and (major) maintenance requirements, are reviewed for next year. Physical Resources prioritizes the objectives for a three-to-five-year timeframe - with the goal of considering up to ten years. This plan was presented on January 22, 2025, Board of Governors meeting and the approved projects at that meeting have been included in the Operating Budget.

SUMMARY 2025-26 ANNUAL Physical Capital PLAN:		Budget	Funding							
Category	**2025-2026 Capital Budget ($ million)**	**Est. Cost**	**Fundraising**	**Grants (FRP)**	**Student Fees**	**Central Reserves**	**Unit Reserves**	**Heritage**	**Financing**	**Total Funding**
Physical Infrastructure										
Capital Renewal & (Major) Maintenance (CRM)										
CRM-Based Major Capital Projects	P1 Guelph Campus Minor CRM	$23.03		$6.09					$16.94	$23.03
	P2 OVC JASAC Partial Roof Replacement	$2.75							$2.75	$2.75
	P3 MCKN Classroom Wing Renewal	$2.03							$2.03	$2.03
	P4 CUP Electrical System Renewal	$2.00							$2.00	$2.00
	P5 Athletics Minor CRM	$0.50			$0.50					$0.50
	P6 Student Housing Minor CRM	$7.00							$7.00	$7.00
CRM-Based Major Capital Projects SubTotal		**$37.31**		**$6.09**	**$0.50**				**$30.72**	**$37.31**
Renovation/ Modernization/ Adaptation (RMA/ New Development (ND)										
RMA/ ND-Based Major Capital Projects	P8 MCKN & CRSC Renovations for Classroom Enlargment	$2.05							$2.05	$2.05
	P9 Student Residence at 78 College Ave (Schematic Design)	$3.00							$3.00	$3.00
RMA/ ND-Based Major Capital Projects SubTotal		**$5.05**							**$5.05**	**$5.05**
Capital Equipment (CE)										
CE-Based Major Capital Projects	P10 Capital Equipment (and Renovation) for CFI-Based Research Initiatives	$22.39	$0.29	$20.82			$1.28			$22.39
CE-Based Major Capital Projects SubTotal		**$22.39**	**$0.29**	**$20.82**			**$1.28**			**$22.39**
Physical Infrastructure SubTotal		**$64.75**	**$0.29**	**$26.91**	**$0.50**		**$1.28**		**$35.77**	**$64.75**
2025-26 Capital Budget Total*		**$64.75**	**$0.29**	**$26.91**	**$0.50**	**$0.00**	**$1.28**		**$35.77**	**$64.75**

*Excludes Prior Approved Major Projects

A formal annual capital planning and prioritization process for major capital projects has been ongoing across the University for several years. As part of this annual process, funding requirements for major capital projects, including deferred capital renewal and (major) maintenance requirements, are reviewed for the next year in the context of available resources including the level of provincial support and debt capacity. Capital program decisions are made in the context of two major objectives: maintaining what we have and enabling new and improved programs and services. More specifically, plans are organized around the following project groupings:

1. **Physical Infrastructure Capital Renewal and (major) Maintenance (CRM)**: this refers to investments for main campus buildings and related infrastructure used for teaching, research, and service programs. For the most part, spending in this category is directed to ensuring on-going capacity, with limited program enhancements. For capital renewal planning on the Guelph campus and other major operational centres that are capital dependent (e.g., residences, parking, and athletics), rolling five-year capital renewal and major maintenance (CRM) plans are prepared each year and presented in the Annual Capital Plan. For major buildings and utility infrastructures, an extensive building and facilities condition audit is used to

determine capital priorities, project schedules and the capital investment requirements. The plan enables the University to prioritize the capital investment required to address critical CRM to reduce the likelihood of a major building or utility breakdown.

2. **Major Physical Infrastructure Renovations, Modernization and Alterations (ARM) and New Development**: this group consists of major individual projects (normally more than $2 million) such as new buildings or major renovations, modernization and/or alterations (ARM) of existing buildings. Investments in this category often include major refurbishment for adaptive reuse/repurposing and/or modernization of existing spaces that can enhance program delivery and services. Recent examples in this category include the Strategic Infrastructure (SIF) projects.

3. **Capital Equipment:** this group consists of major equipment to support research activities.

In response to the current environment, the University completed a detailed risk assessment of capital projects and is planning on completing only those projects of highest priority within the level of capital investment made available.

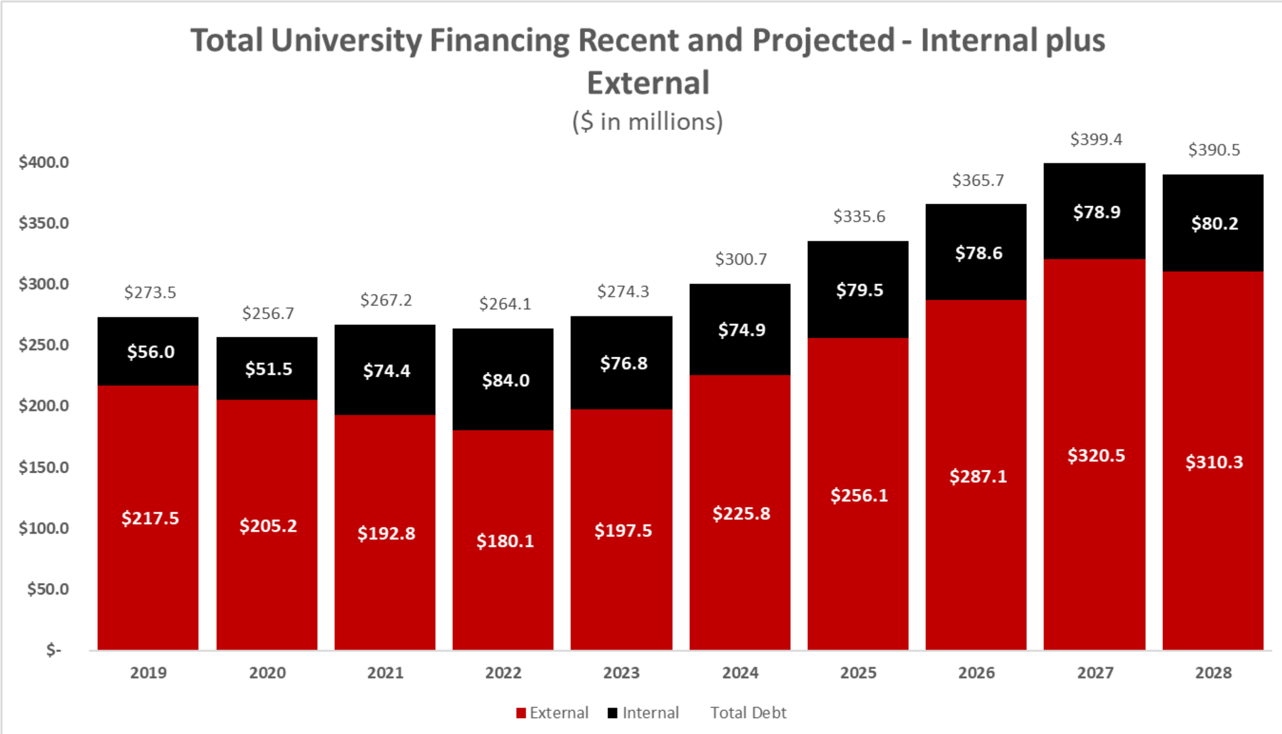
D.2 Digital Infrastructure

The capital plan as presented to the Board of Governors in January 2025, included $25.5 million in digital capital projects planned spending in 2025-26. Since the capital plan was presented, of the major projects that were contemplated to advance, HRMS Phase 2 continues to advance ($13.5 million funded from earned investment gains) while the Finance System and RAIMS digital systems are having their timelines reviewed and no new system spend are contemplated in this plan. The current budget plan includes base (ongoing spending) funding of $3.8 million to support licensing and critical support staff for digital and infrastructure projects including enhancements to student, human resources, and research management systems upgrades

D.3 Debt Capacity

For financing, the University typically has two options: 1) external debt (e.g., from any number of banks); and-or, 2) temporarily using internal cash resources. In the prior fiscal, the University sought $30 million of external debt to fund capital spending. Moving forward, the University will continue to externally finance future physical capital projects and pause or consider alternatives to using internal working capital (liquidity). Tactically, this will allow the University to preserve liquidity, a key component in many metrics (i.e. credit rating agencies) and support the ongoing strategic transformation initiative. This decision is based upon the current overall financial position the University is in with respect to funds which are not immediately required for spending while maintaining sufficient funds to maintain our core services in support of the mission.

External debt is normally applied to very large projects with extended life expectancies (e.g., new major buildings). Internal financing generally is used on lower-cost projects that have shorter expected pay-



back periods and economic impact. Capital financing decisions are made in the context of risk/return, cost/benefit of the project under consideration for approval, and projected liquidity requirements. The above chart shows the current total University projected external and internal debt for the next three years. It assumes external debt financing limited primarily to critical deferred maintenance and renovation items. It is important to note that this projection is not a plan, but a trajectory of what the current debt loads would be, given the 2025-26 Capital Plan completion and external borrowing per the strategic transformation budget. Other considerations should be Provincial guidelines, S&P Global credit ratings and University target which are not discussed.

Borrowing rates continue to remain high and will be impacted by new tariffs which may cause the market rate to increase on long-term debt. The University should continue to expect debt service costs to rise and new rates to be above 425+ BPS on long-term debt. Interest rates on 30+ year debt could rise higher if traditional debt buyers (i.e. insurance companies) no longer have an appetite for university debt; and rates would have to increase to get new debt buyers.

Term	15Y	20Y	30Y	40Y
All-In Rate	4.13%	4.19%	4.25%	4.25%

Source: BA SWAP Based on CORRA and Historic Stamping Fees

As new external debt is contemplated, the impact of new debt will be shown in the University's financial health metrics which now mirror the Province standard. The University is within major debt-management benchmarks under our policies. However, when external organizations monitor our debt metrics limits, they do not consider internal debt but focus on liquidity. Funding capital projects using internal debt will soften the liquidity ratio for both our credit rating and Provincial metrics. The lowest cost of debt will come with a strong credit rating.

D.4 Financing Costs

The total financing costs because of the 2025-26 capital plan spending, once fully completed, are estimated to be able to be included in the existing allocation to Capital from the General Operating Budget and anticipated external debt outlined in the approved budget. The debt financing costs of projects included in the 2025-26 capital plan are included in the operating budget and outlined in the following table:

$ in millions	**2024/25 Forecast**	**2025/26 Budget**	**2026/27 Projection**	**2027/28 Projection**
Transfer to Capital - from Operating:				
Base Funding (ongoing):				
Existing Debt Charges	$ 21.8	$ 21.1	$ 19.7	$ 16.7
New Debt Charges, by Project:				
P1 Guelph Campus Minor CRM		$ 0.9	$ 1.3	$ 1.3
P2 OVC JASAC Partial Roof Replacement		$ 0.2	$ 0.2	$ 0.2
P3 MCKN Classroom Wing Renewal		$ 0.1	$ 0.1	$ 0.1
P4 CUP Electrical System Renewal		$ 0.1	$ 0.1	$ 0.1
P8 MCKN & CRSC Renovations for Classroom Enlargement		$ 0.1	$ 0.1	$ 0.1
JD MacLachlan Modernization/Expansion		$ 0.8	$ 2.0	$ 2.7
Day Hall Modernization/Expansion		$ 0.5	$ 1.0	$ 1.9
Johnston Hall (South Wing Renovations)		$ 0.1	$ 0.1	$ 0.1
Future Projects to be defined		$ -	$ 0.4	$ 1.4
Sub-total - New Debt Charges	$ -	$ 2.7	$ 5.3	$ 7.8
Total Debt Charges (Principal and Interest)	**$ 21.8**	**$ 23.8**	**$ 25.0**	**$ 24.5**
Direct funding to Capital Fund	$ 4.3	$ 5.3	$ 6.2	$ 8.3
Total Base Budget (ongoing)	**$ 26.1**	**$ 29.1**	**$ 31.1**	**$ 32.7**
One-time Funding:				
Transformation Costs Debt Charges (from 23/24 & 24/25 spending)	$ 2.7	$ 2.6	$ 2.5	$ 2.4
TOTAL Transfer to Capital - from Operating	**$ 28.8**	**$ 31.7**	**$ 33.6**	**$ 35.1**

Appendix E. Ontario Agri-Food Innovation Alliance (OMAFA-UofG Agreement)

E.1 Overview

Activities under the Agreement between the Ontario Ministry of Agriculture, Food and Agribusiness (OMAFA) and the University of Guelph include operating two major animal health and food testing laboratories located in Guelph; managing extensive, state-of-the-art agri-food research centres across Ontario; supporting veterinary capacity and regulatory training; providing individual faculty-based research project funding across a range of disciplines and commodities and supporting knowledge mobilization, innovation, and commercialization.

On March 16, 2023, the University of Guelph signed a five-year renewal of the Alliance to continue the long-term collaboration for discovery and innovation. The Alliance continues to provide support for faculty, staff, research, and facilities across six major programs including Research and Innovation, Veterinary Capacity, Animal Health Laboratory (AHL), Agriculture and Food Laboratory (AFL), Property Management, and Regulatory Training.

The renewal of this landmark Agreement enables U of G researchers to continue to successfully create and apply groundbreaking, globally relevant innovation to address the challenges and opportunities in the agri-food sector and rural communities. The renewed Agreement emphasizes innovation and includes expanded access to the research centres to help businesses de-risk new technologies. Further, the renewal codifies a commitment to Indigenization, Equity, Diversity and Inclusion (IEDI), unifies all OMAFA-U of G activities under one umbrella, enhances property management practices and increases the focus on research security.

While the Alliance is segregated for accounting and reporting purposes, the level of funding and the nature of expenses supported also mean the OMAFA relationship is both complex and critical in the University's overall multi-year planning. At the University level, the OMAFA-U of G Agreement generates $106.4 million (2024-25, forecasted – refer to table in section 7.3) in total revenue. Within the University, this funding provides:

- $58.3 million annually of total research funding (32% of the total external research funding received by the University);
- 9% of the total University Faculty and College Professor positions;
- 15% of the total University regular staff appointments;
- $9.8 million for a portion of Guelph campus support costs (consisting of elements such as physical plant, library, and administration);
- $5.5 million in support of the OVC veterinary capacity development in livestock animal health and veterinary public health; and
- $25.1 million for property costs at Research Centres across the Province and the Ridgetown regional campus.

E.2 Highlights for 2025-26 (year 3 of 5):

PROVINCIAL REVENUE ASSUMPTIONS

- Revenue is expected to fall to $66.6 million in year 3 and remain at that level for years 4 and 5.

PROGRAM EXPENSE ASSUMPTIONS

- Salary and employee benefit cost increases align with existing University employee agreements in place for 2025.
- Program expense estimates include a 2% allowance for inflation across many activities.
- Additional inflationary support has been approved for the Property Management Program.

APPROVED AGREEMENT PROGRAM ALLOCATIONS

The following table summarizes the budget allocations for the term of the OMAFA-U of G Agreement. The General and Inflation Reserves will be used to balance the budget annually through the five-year funding agreement.

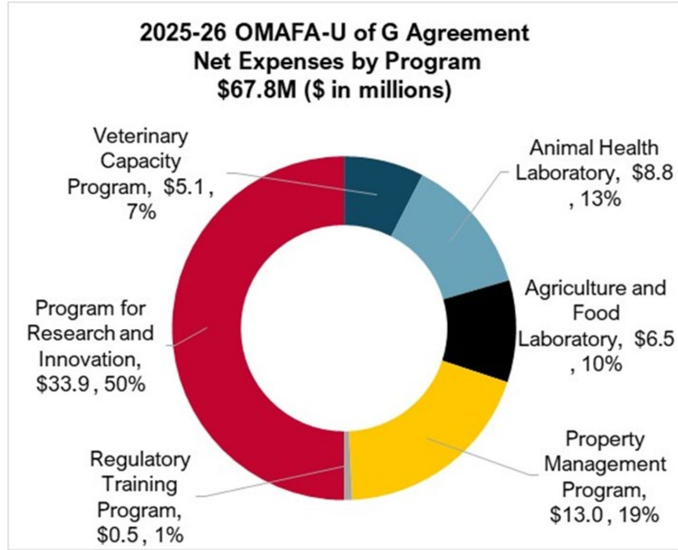
OMAFA -U of G Agreement Budget Summary ($ in millions)

	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget	2027-28 Budget
Annual Maximum Funds per Agreement	71.6	71.6	66.6	66.6	66.6
Net Program Expenses	69.9	70.4	67.8	68.5	69.3
Annual Net Surplus (Deficit)	**1.8**	**1.2**	**(1.1)**	**(1.9)**	**(2.7)**
General and Inflation Reserves [1]	4.4	5.7	4.5	2.7	0.0
Agreement Interest Fund (Exigency Fund) [2]	1.3	1.9	1.8	1.5	1.1
Total Agreement Reserves [3]	**5.7**	**7.6**	**6.3**	**4.2**	**1.1**

Notes:

1) The Agreement budget has General and Inflation Reserves held separately from Program Schedule carryforwards which are used to balance the budget in future years.
2) The University credits the Agreement with interest earned on the balance of funds advanced to the University (both prior unspent funds and current year advances). The interest income is held separately on OMAFA's behalf for the Agreement under their approval (also known as the Exigency Fund). Support for the Property Management Program has been approved from the Exigency Fund.
3) Total Agreement Reserves (uncommitted) are the sum of the General and Inflation Reserves and the Agreement Interest Fund (Exigency Fund) held in the Agreement on behalf of the Ministry. These exclude committed program funds (see OMAFA-U of G Agreement Fund Balances table below). These funds are reported as deferred contributions in the Annual Financial Statements consistent with financial reporting accounting standards.

Funds from the OMAFA-U of G Agreement are directed to each of the six programs to support their specific purposes and outcomes.



- The Program for Research and Innovation funds support discovery and applied research and knowledge mobilization.
- The Property Management Program funds support the operating costs of the ARIO-owned Research Centres at 13 locations across Ontario, as well as some main campus research infrastructure.
- The Agriculture and Food Laboratory and Animal Health Laboratory funds support the operations of food safety and animal health laboratories under contract with OMAFA.
- The Veterinary Capacity Program funding is allocated to the Ontario Veterinary College (OVC) in support of OMAFA-approved clinical experience in priority species and livestock production for veterinary students.
- The Regulatory Training Program funds support the development of critical training and certification programs for regulatory requirements governed by agricultural policy and legislation.

E.3 Agreement 2025-26 Budget & Prior Year Results

The table below summarizes the major revenue and expense components of the Alliance. Allocated funds not spent each year are retained under “Fund Balances”. The 2025-26 Budget reflects the information in the Consolidated Annual Business Plan and Budget.

OMAFA-U of G Agreement Budget – Net Results ($ in thousands)

	2023-24 Actuals	2024-25 Budget	2024-25 Forecast	2025-26 Budget	% Change Budget To Forecast
REVENUES					
OMAFA-U of G Agreement	71,646	71,646	71,646	66,646	-7.0%
OMAFA/ARIO Minor Capital	8,319	5,105	5,105	4,500	-11.9%
Interest Income	507	948	615	785	27.6%
Sales of Goods and Services	26,440	28,471	28,507	30,143	5.7%
Other Revenues	651	367	544	364	-33.1%
Total Revenues	**107,563**	**106,538**	**106,417**	**102,437**	**-3.7%**
EXPENSES					
Salaries	37,164	39,852	39,885	39,317	-1.4%
Benefits and Pension	10,387	11,903	11,499	13,137	14.2%
Scholarships and Bursaries	541	195	288	-	-100.0%
Utilities	2,920	2,991	2,579	2,873	11.4%
Operating	32,790	27,482	29,537	25,364	-14.1%
Total Expenses	**83,802**	**82,423**	**83,788**	**80,692**	**-3.7%**
UNIVERSITY TRANSFERS					
To Operating for Faculty Costs	13,045	13,045	13,045	13,045	0.0%
To Operating for Indirect Costs	9,830	9,830	9,830	9,830	0.0%
Total University Transfers	**22,875**	**22,875**	**22,875**	**22,875**	**0.0%**
Annual Operating Results	886	1,240	(246)	(1,130)	
Exigency Fund - Interest Income	1,566	1,133	1,214	706	
Exigency Fund - Approved Expenditures	(507)	(948)	(615)	(785)	
Exigency Fund - Annual Change	**1,059**	**185**	**599**	**(79)**	
Opening Fund Balances	34,205	36,150	36,150	36,503	
Closing Fund Balances	36,150	37,575	36,503	35,294	

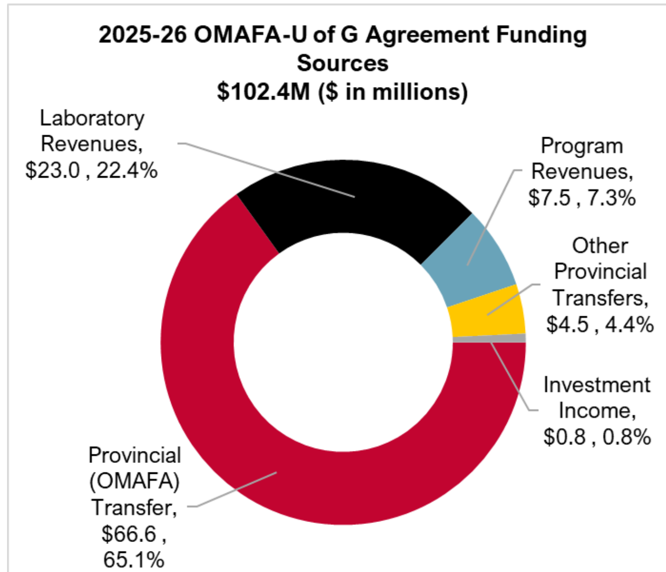
Agreement Fund Balances

OMAFA-U of G Fund Statement of Changes ($ in thousands)

Category	2023-24	2024-25		2025-26	
	Balance	Forecast	Balance	Budget	Balance
Committed Program Funds	30,407	(1,486)	28,921	-	28,921
General and Inflation Reserve Funds	4,433	1,240	5,673	(1,130)	4,543
Exigency Fund	1,310	599	1,909	(79)	1,830
Fund Balances	**36,150**	**354**	**36,503**	**(1,209)**	**35,294**

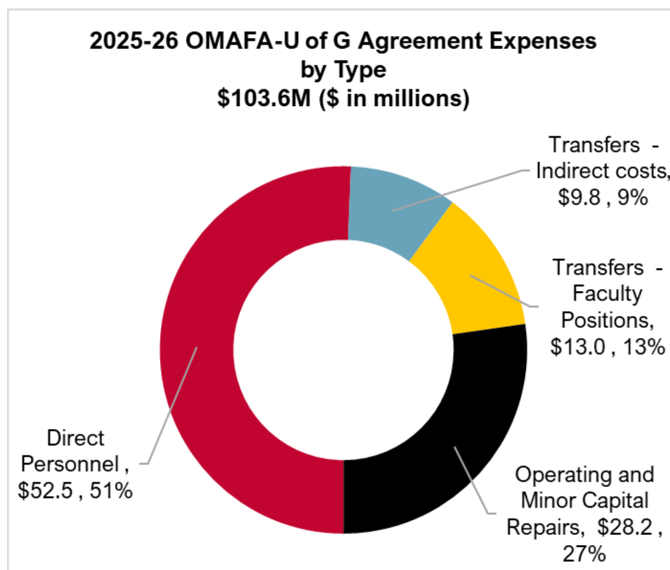
Agreement Revenues $102.4 million

For 2025-26, the Provincial Transfers from OMAFA will be $66.6 million. Additional revenue earned from the delivery of laboratory testing services (food and animal health) and property management activities are expected to increase due to higher testing fees and commodity prices.



Agreement Expenses $103.6 million

Agreement funding supports a wide range of operating expenses including the salaries and benefits for more than 400 University staff. Assumptions for compensation increases mirror those of the University. In addition, the contract provides funding in the form of fixed "transfers" into the General Operating Budget to support University faculty positions and indirect costs. These transfers of $22.9 million form a critical funding component of the University's General Operating Budget; however, it should be noted that the University's General Operating Budget covers all inflation on expenses and faculty salaries related to these transfers. Overall, expenses are expected to increase due to inflationary pressures.



Appendix F. University Financial Accountability Framework Metrics

The following metrics reflect financial ratios calculated in accordance with the University Financial Accountability Framework ("UFAF") issued by the Ministry of Colleges and Universities ("MCU"); figures are based on audited financial statements information for fiscal years 2020 to 2024 and forecast and budget plan information for fiscal years 2025 to 2028.

UFAF groups eight key metrics into three categories that reflect important aspects of financial health.

1. **Liquidity Category**: indicates ability to meet short term cash requirements and includes:
   a. **Primary Reserve Days**
   b. **Working Capital Ratio**
2. **Sustainability Category**: indicates ability to sustain operations over the long term, including having the flexibility to handle unexpected difficult situations and includes:
   a. **Viability Ratio**
   b. **Debt Ratio**
   c. **Debt to Revenue Ratio**
   d. **Interest Burden Ratio**
3. **Performance Category**: indicates ability to maintain and grow resources over time and includes:
   a. **Surplus/Loss Ratio (**also called **Net Income/Loss Ratio)**
   b. **Net Operating Ratio**

Each metric is measured against High and Medium risk thresholds then averaged across each category to assign an overall financial health risk score and corresponding action plan based on these categories. While the UFAF did not apply to years prior to fiscal 2023, metric calculations have been extended back to fiscal 2020 and projected forward to fiscal 2028 with summarized results below.

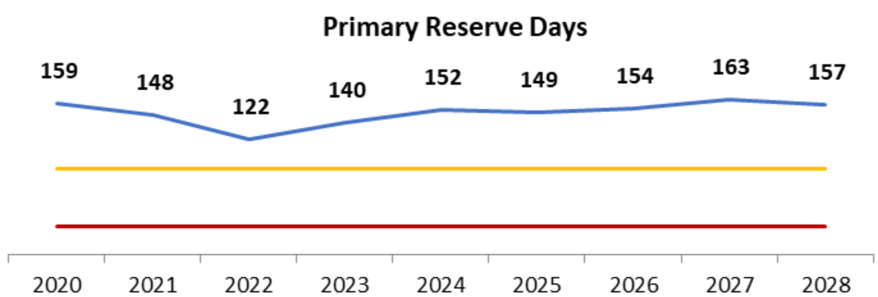
	Actual					*Forecast*	*Budget*		
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	***2026***	***2027***	***2028***
Liquidity Category	1.0	1.0	1.0	1.0	0.5	0.5	0.5	0.5	0.5
Sustainability Catego	0.25	0.25	0.00	0.25	0.25	0.25	0.25	0.25	0.25
Performance Categor	1.5	1.0	2.0	0.0	0.0	1.0	1.0	0.5	1.0
Overall Action Plan	Medium	Low	High	Low	No	Low	Low	No	Low

< 1 point - No action
=> 1 point & < 1.5 points - Low action - No reporting required (communication only)
=> 1.5 point & < 2 points - Medium action plan - Internal recovery plan
= 2 points - High action plan - Independent advisor assisted recovery plan

1. Liquidity Category Metrics

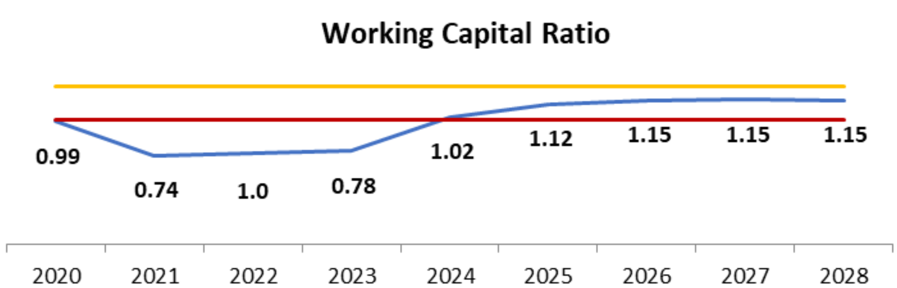
a. Primary Reserve Days: Key indicator of financial health and flexibility, reflecting how many days the University could function using only its accumulated expendable net assets without relying on additional resources generated by operations. Expendable net assets consist of internally restricted endowments and net assets and unrestricted surplus (deficit) adjusted to exclude employee future benefits net liability. The MCU high-risk threshold is below 30 days and the medium-risk threshold is below 90 days for this metric.

	Actual					*Forecast*	*Budget*		
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
Primary Reserve Days	*159*	*148*	*122*	*140*	*152*	*149*	*154*	*163*	*157*
Expendable Net Assets($M)	362.8	334.9	292.8	348.5	394.0	405.7	434.9	475.8	471.7
Total Expenses ($M)	834.5	828.3	879.5	911.6	943.2	991.3	1,028.3	1,062.8	1,093.9
Metric Score	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**



b. Working Capital Ratio: Indicates ability to meet short-term financial obligations by comparing current assets to current liabilities. The University's approach to classification of short-term versus long-term investments and the inclusion of deferred contributions for research and trust grants in current liabilities has a significant impact on this metric, like many other Ontario Universities. The MCU high-risk threshold is below 1.0 and medium-risk threshold is below 1.25.

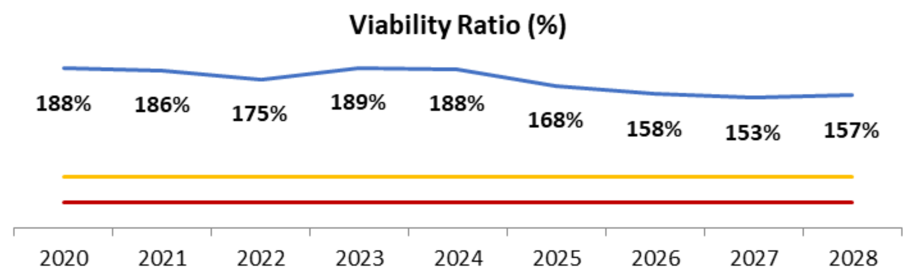
	Actual					*Forecast*	*Budget*		
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
Working Capital Ratio	*0.99*	*0.74*	*0.76*	*0.78*	*1.02*	*1.12*	*1.15*	*1.15*	*1.15*
Current Assets ($M)	272.5	242.6	241.6	262.0	357.2	384.5	394.5	395.4	395.1
Current Liabilities ($M)	275.0	325.8	317.2	337.1	350.3	343.7	343.8	344.2	344.0
Metric Score	**2**	**2**	**2**	**2**	**1**	**1**	**1**	**1**	**1**



2. Sustainability Category Metrics

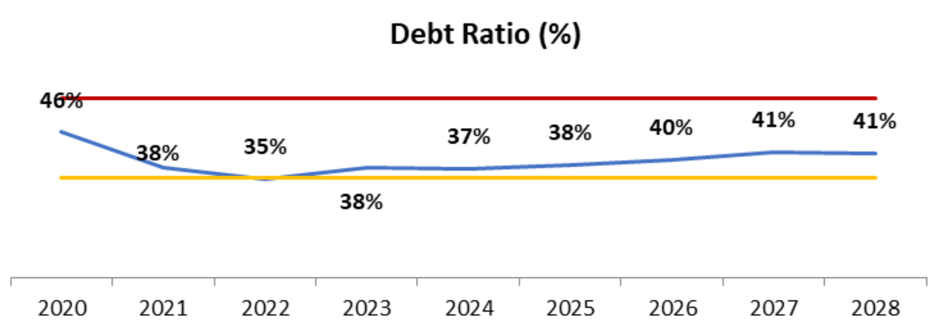
a. Viability Ratio: Gauges the extent to which the University has available resources to cover its debt, providing an assessment of current debt capacity, i.e. the ability to take on new debt. The MCU high-risk threshold is below 30% and medium-risk threshold is below 60%.

	Actual					*Forecast*	*Budget*		
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
Viability Ratio	*188%*	*186%*	*175%*	*189%*	*188%*	*168%*	*158%*	*153%*	*157%*
Expendable Net Assets($M)	362.8	334.9	292.8	348.5	394.0	405.7	434.9	475.8	471.7
Long-Term Debt ($M)	192.7	180.1	167.4	184.5	209.9	241.8	275.2	310.0	301.2
Metric Score	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**



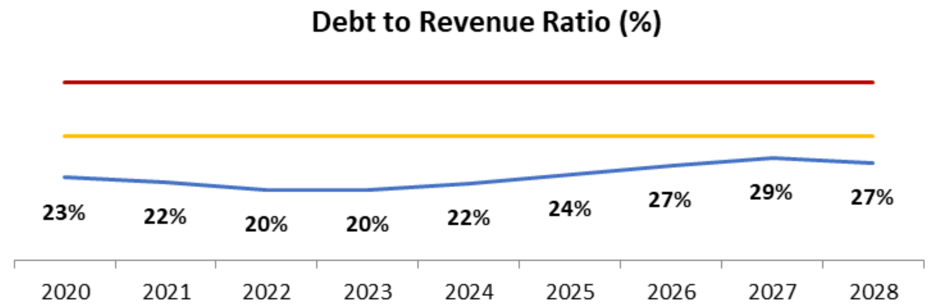
b. Debt Ratio: Measures financial leverage by comparing total liabilities, excluding deferred capital contributions, to total assets. The accounting valuation of the University's pay-as-you-go employee future benefits plan has a considerable impact on this ratio. The MCU high-risk threshold is above 55% and the medium-risk threshold is above 35%.

	Actual					*Forecast*	*Budget*		
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
Debt Ratio	*46%*	*38%*	*35%*	*38%*	*37%*	*38%*	*40%*	*41%*	*41%*
Total Liabilities less DCC($M)	990.3	832.7	746.9	844.8	873.5	918.5	971.7	1,026.7	1,037.4
Total Assets ($M)	2,130.3	2,209.4	2,158.2	2,245.3	2,349.0	2,397.9	2,446.9	2,482.4	2,511.4
Metric Score	**1**	**1**	**0**	**1**	**1**	**1**	**1**	**1**	**1**



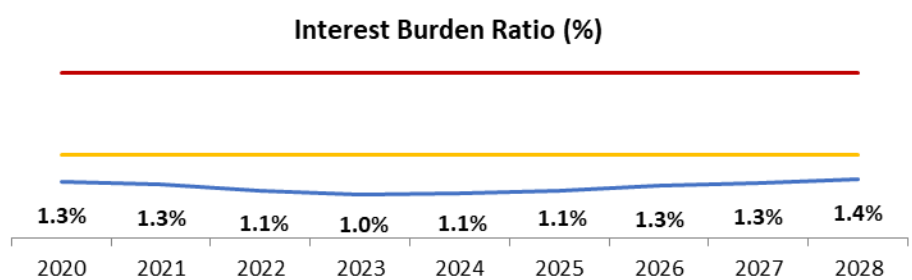
c. **Debt to Revenue Ratio**: Indicates debt capacity, measuring long-term debt over total revenues. The MCU high-risk threshold is above 50% and the medium-risk threshold is above 35%.

	Actual					*Forecast*	*Budget*		
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
Debt to Revenue Ratio	*23%*	*22%*	*20%*	*20%*	*22%*	*24%*	*27%*	*29%*	*27%*
Long-Term Debt ($M)	192.7	180.1	167.4	184.5	209.9	241.8	275.2	310.0	301.2
Total Revenues ($M)	826.6	812.5	845.6	930.4	972.6	995.3	1,035.9	1,077.2	1,101.9
Metric Score	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**



d. **Interest Burden Ratio**: Indicates cost of borrowing by measuring the extent to which interest is a portion of total expenses excluding capital asset amortization. MCU high-risk threshold is above 4% and medium-risk threshold is above 2%.

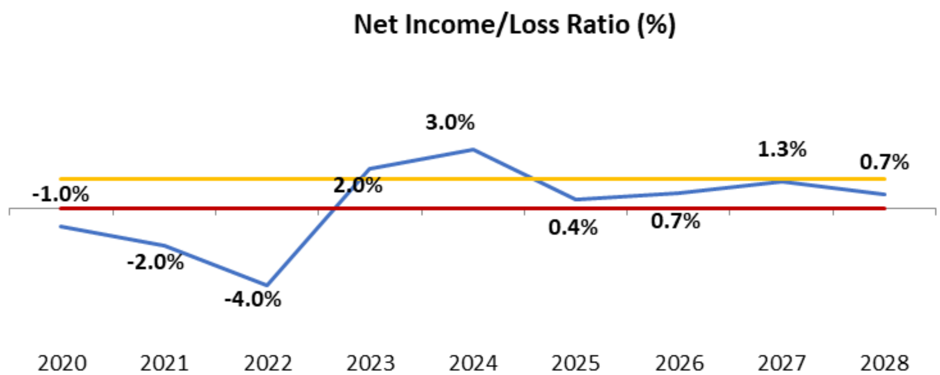
	Actual					*Forecast*	*Budget*		
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
Interest Burden Ratio	*1.3%*	*1.3%*	*1.1%*	*1.0%*	*1.1%*	*1.1%*	*1.3%*	*1.3%*	*1.4%*
Interest Expense ($M)	10.5	10.0	9.5	8.9	9.6	10.6	12.1	13.4	14.7
Total Expenses less Amort($M)	783.8	776.1	825.9	857.9	885.0	932.9	969.0	1,000.7	1,030.5
Metric Score	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**



3. Performance Category Metrics

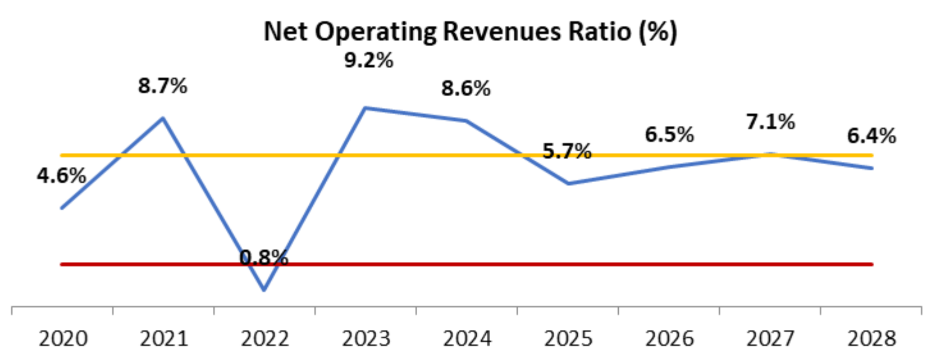
a. **Net Income/Loss Ratio**: Measures whether the University is growing its resources by comparing the current year's excess of revenues over expenses to total revenues. This metric can be volatile year to year, so a long-term view of this ratio should be taken into consideration. The MCU high-risk threshold is below 0.0% and the medium-risk threshold is below 1.5%.

	Actual					Forecast	Budget		
	2020	2021	2022	2023	2024	2025	2026	2027	2028
Net Income / Loss Ratio	*-1.0%*	*-2.0%*	*-4.0%*	*2.0%*	*3.0%*	*0.4%*	*0.7%*	*1.3%*	*0.7%*
Revenues less Expenses($M)	(7.9)	(15.9)	(33.9)	18.8	29.4	4.0	7.6	14.4	8.0
Total Revenues ($M)	826.6	812.5	845.6	930.4	972.6	995.3	1,035.9	1,077.2	1,101.9
Metric Score	**2**	**2**	**2**	**0**	**0**	**1**	**1**	**1**	**1**



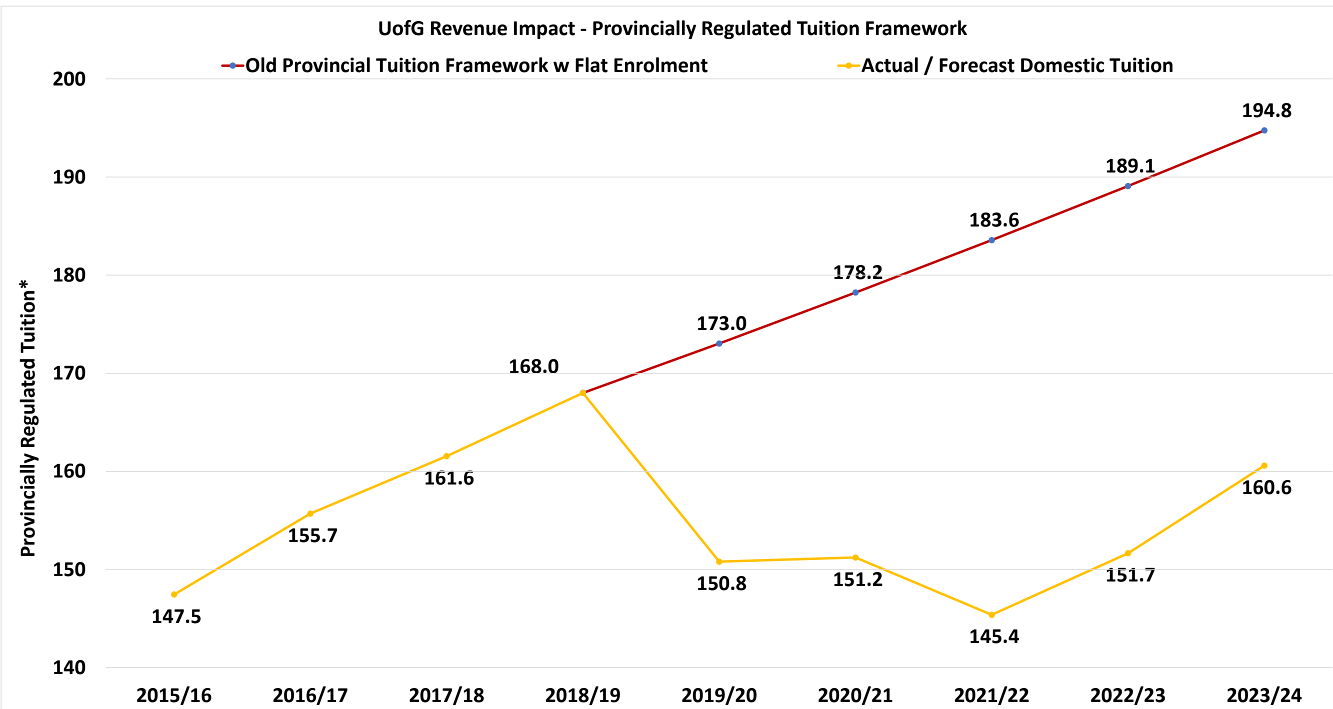
b. Net Operating Ratio: Compares cash provided by or used in operating activities, as per the cash flow statement, to total revenues. Similarly to the Surplus/Loss ratio this metric can be volatile year to year. The MCU high-risk threshold is below 2.0% and the medium-risk threshold is below 7.0%.

	Actual					Forecast	Budget		
	2020	2021	2022	2023	2024	2025	2026	2027	2028
Net Operating Ratio	*4.6%*	*8.7%*	*0.8%*	*9.2%*	*8.6%*	*5.7%*	*6.5%*	*7.1%*	*6.4%*
Cash from Operations ($M)	37.7	70.8	6.6	85.1	83.4	56.7	67.0	76.0	70.2
Total Revenues ($M)	826.6	812.5	845.6	930.4	972.6	995.3	1,035.9	1,077.2	1,101.9
Metric Score	**1**	**0**	**2**	**0**	**0**	**1**	**1**	**0**	**1**



Appendix G. Government Landscape

Provincially regulated revenues make up about two-thirds of U of G's annual operating revenue. Until recently, universities could increase domestic tuition fees by 3% annually on average and operating grants were funded based on enrolment levels. In 2016-17 the provincial government introduced a funding corridor that fixed institutions' operating grants based on student levels at the time and in 2019 tuition was reduced by 10% and has been frozen since. These policy decisions have adversely impacted the University's financial health, moving us from a surplus which enabled investment in key digital and physical infrastructure to a deficit which challenges the University to deliver on our core services. This is largely because U of G relies heavily on domestic student enrolment.



** Domestic tuition reported here is governed by the MCU tuition policy*

In March 2023, the Ontario government announced the creation of a Blue-Ribbon Panel of experts (the "Panel") to provide advice and recommendations for ensuring the long-run financial sustainability of Ontario's postsecondary education sector, specifically publicly assisted colleges and universities.

The Blue-Ribbon Panel delivered advice and recommendations in the report, [Ensuring Financial Sustainability for Ontario's Postsecondary Sector](), in November 2023.

At the end of February 2024, the Ontario government announced its response to the Blue-Ribbon Panel. Among the funding is $700 million for a Post-Secondary Education Sustainability Fund starting in 2024-25, with an additional $203 million for institutions with greater financial need. Through the Post-Secondary Education Sustainability Fund U of G received one-time funding of $6.2 million in 2024-25 and included in the budget plan is $10.4 million in 2025-26, and $14.7 million in 2026-27. In addition to the funding, it was announced that the domestic tuition freeze would continue for three more years (until at least 2026-27).

The University continues to work towards aligning operations with provincially mandated performance-based funding, a shift from enrolment-based funding first articulated in the Strategic Mandate Agreement for 2020-21 (SMA3). In 2025-26, a new Strategic Mandate Agreement (SMA4) will be in place until 2029-30. Performance-based funding in SMA4 will be allocated to institutions based on their performance on eight metrics, three of which are chosen by each institution. In the Fall of 2024, the Ministry of Colleges and Universities (MCU) confirmed that 25% of total operating funding would be performance-based in the first two years of SMA4, 2025-26 and 2026-27. The majority of the SMA4 metrics are carrying forward from SMA3 with slight changes to the definitions, and performance-based funding impacts for 2025-26 and beyond are expected to be minimal.

International Student Visas

The Government of Canada has capped the number of new study permits granted to international students. Compared to 2024, the federal government will reduce approved study permits by 10 per cent. In 2025, this decrease will result in the government granting approximately 437,000 study permits. There is expectation this policy will carry into 2026, with the 2026 cap expected to be stabilized at the 2025 value, no further information about this policy past 2026 has been given. The cap applies to new study permit applications and applies to both undergraduate and graduate students. International students who currently hold or are seeking renewal for their study permits are not impacted by this cap.

The Government of Ontario has announced it will allocate 116,740 study permits to post-secondary institutions in Ontario. The impact of the policy is reflected in the overall international student intake enrolment targets, which have been reduced in the 5-year plan, to be conservative given the uncertainty related to this change.

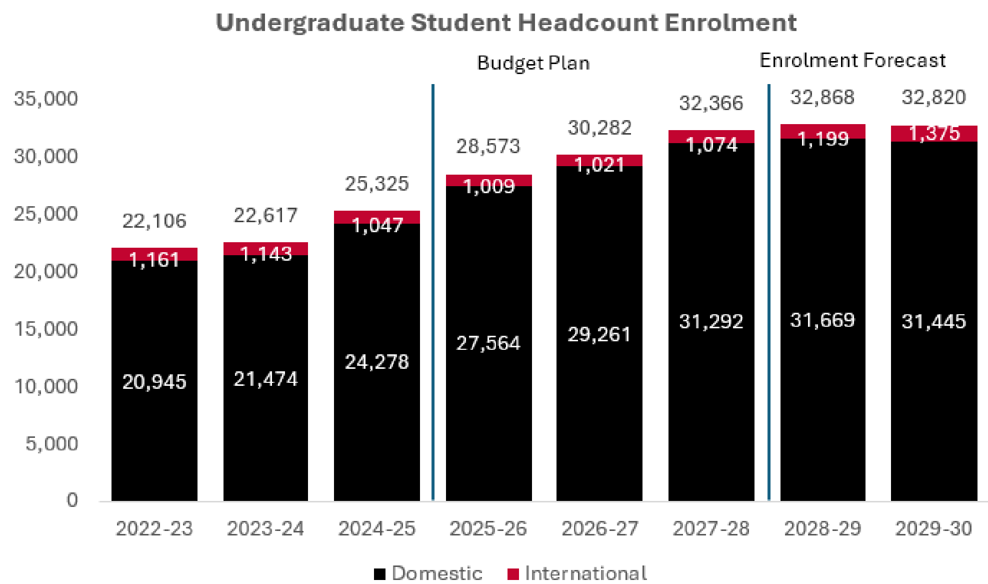
Appendix H. Detailed General Operating Budget Plan 2025-26 to 2027-28

In Thousands	2023/24 Actual	2024/2025 Restated Budget[1] Base	2024/2025 Restated Budget[1] One-time	2024/2025 Restated Budget[1] Total	2024/25 Forecast	2025/2026 Budget Base	2025/2026 Budget One-time	2025/2026 Budget Total	2026/2027 Budget Base	2026/2027 Budget One-time	2026/2027 Budget Total	2027/2028 Budget Base	2027/2028 Budget One-time	2027/2028 Budget Total
REVENUES														
Provincial Operating Grants	188,818	187,274	6,159	193,433	194,556	188,094	10,388	198,482	188,704	14,701	203,405	189,604	-	189,604
Tuition Fees	233,691	252,117	-	252,117	260,436	300,873	-	300,873	327,116	-	327,116	354,625	-	354,625
Other Student Fees & Contracts	25,951	27,922	-	27,922	30,417	32,448	-	32,448	36,341	-	36,341	40,357	-	40,357
Sales of Goods and Services	43,466	39,716	-	39,716	42,192	41,014	-	41,014	41,014	-	41,014	41,014	-	41,014
Guelph-Humber	18,956	15,809	-	15,809	15,775	15,612	-	15,612	15,612	-	15,612	15,612	-	15,612
Other Revenues	28,836	23,007	-	23,007	28,897	23,507	-	23,507	23,507	-	23,507	23,507	-	23,507
Total Revenues	**539,718**	**545,844**	**6,159**	**552,003**	**572,273**	**601,547**	**10,388**	**611,935**	**632,293**	**14,701**	**646,994**	**664,718**	**-**	**664,718**
EXPENSES														
Salaries	(352,200)	(344,502)	-	(344,502)	(354,783)	(372,432)	-	(372,432)	(389,629)	-	(389,629)	(408,007)	-	(408,007)
Benefits	(87,716)	(94,284)	-	(94,284)	(96,564)	(110,147)	-	(110,147)	(115,464)	-	(115,464)	(121,139)	-	(121,139)
Scholarships and Bursaries	(26,750)	(27,738)	-	(27,738)	(28,402)	(28,938)	(253)	(29,191)	(29,938)	-	(29,938)	(30,938)	-	(30,938)
Utilities	(17,731)	(19,074)	-	(19,074)	(19,899)	(20,183)	-	(20,183)	(20,949)	-	(20,949)	(21,742)	-	(21,742)
Operating	(83,011)	(86,865)	(20,660)	(107,525)	(104,965)	(91,690)	(11,067)	(102,757)	(96,524)	(9,034)	(105,559)	(101,494)	(3,743)	(105,237)
Total Expenses	**(567,410)**	**(572,463)**	**(20,660)**	**(593,123)**	**(604,614)**	**(623,390)**	**(11,320)**	**(634,710)**	**(652,505)**	**(9,034)**	**(661,539)**	**(683,319)**	**(3,743)**	**(687,063)**
Net Position - Before Transfers	**(27,691)**	**(26,619)**	**(14,501)**	**(41,120)**	**(32,341)**	**(21,843)**	**(932)**	**(22,775)**	**(20,212)**	**5,667**	**(14,545)**	**(18,601)**	**(3,743)**	**(22,345)**
TRANSFERS														
From OMAFA	22,875	22,880	-	22,880	22,875	22,880	-	22,880	22,880	-	22,880	22,880	-	22,880
From Ancillaries	16,186	19,696	-	19,696	19,833	20,974	1,000	21,974	21,582	-	21,582	22,212	-	22,212
From Heritage						-	-	-	-	-	-	-	-	-
Debt Financing of Transformational Costs	8,560	-	15,000	15,000	4,555	-	-	-	-	-	-	-	-	-
Transfers to Operating	**47,621**	**42,576**	**15,000**	**57,576**	**47,262**	**43,854**	**1,000**	**44,854**	**44,462**	**-**	**44,462**	**45,092**	**-**	**45,092**
To Major Capital & Debt Servicing	(25,205)	(26,065)	(3,138)	(29,203)	(19,381)	(29,144)	(2,601)	(31,745)	(31,109)	(2,486)	(33,595)	(32,738)	(2,374)	(35,112)
Transfers from Operating	**(25,205)**	**(26,065)**	**(3,138)**	**(29,203)**	**(19,381)**	**(29,144)**	**(2,601)**	**(31,745)**	**(31,109)**	**(2,486)**	**(33,595)**	**(32,738)**	**(2,374)**	**(35,112)**
Total Transfers	**22,416**	**16,511**	**11,862**	**28,373**	**27,881**	**14,710**	**(1,601)**	**13,109**	**13,352**	**(2,486)**	**10,866**	**12,354**	**(2,374)**	**9,980**
Net General Operating Results	**(5,275)**	**(10,108)**	**(2,639)**	**(12,747)**	**(4,460)**	**(7,133)**	**(2,533)**	**(9,666)**	**(6,859)**	**3,181**	**(3,679)**	**(6,247)**	**(6,117)**	**(12,364)**

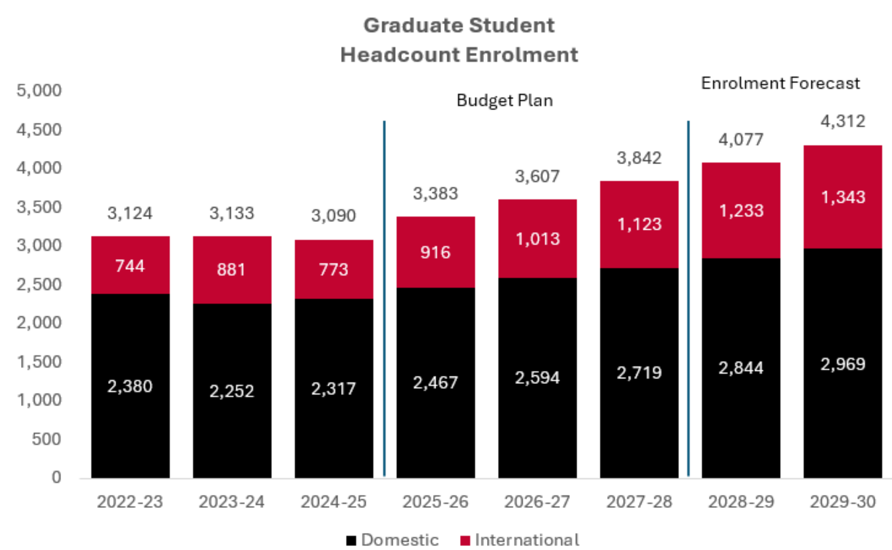
1. 2024/2025 budget has been restated between categories to reflect the implementation of unit budget plans following the Board of Governors approval.

Appendix I. Enrolment Forecast

The University is planning for undergraduate domestic enrolment to stabilize by 2029-30 and plans for conservative growth for international enrolment. Enrolment projections for three additional years are provided for information purposes, see Figure.



Graduate international enrolment growth is expected to grow by 2029-30 to 1,343 students total, driven by growth in CBM programs.



Appendix J. Planning Process Enhancements

The University of Guelph's budget planning process is a comprehensive and collaborative effort that involves input from various stakeholders. University leaders, units and departments work with the budget team to develop a budget plan that is informed by and aligns with the institution's strategic goals and priorities.

U of G recently implemented additional tools to support in-year monitoring and budget planning:

- Starting in 2020-21: two in-year budget forecast submissions (September and January) for all units. The in-year forecast submissions improve our ability to monitor in-year finances, track our results against our budgeted assumptions and make evidence-based decisions for the future.
- Starting in 2021-22: established internal governance processes to provide oversight and guidance, ensuring that we remain focused on an all-accounts approach to our finances.
- Starting in 2022-23: establishing regular monitoring of budget inputs and assumptions to assess budget scenarios.
- Starting in 2023-24: implement a five-year budget plan and monitoring tools to assess budget pressures for the five-year planning horizon.
- Starting in 2024-25: implemented comprehensive enrollment planning and resourcing plans with colleges to support enrollment growth planning (impacts of the enhanced revenue shares) and financing existing inflationary pressures in the colleges.

These additional tools have been especially critical as we navigate the shift from our historical approach to budgeting—one- to two-year budget plans—to building a comprehensive three-year budget plan that includes targeted base savings strategies.

Appendix K. 2025-26 Tuition Fee Increases

This table contains the approved changes in tuition fees by category effective Fall 2025. Listed fees are rounded to the nearest dollar and reflect two semesters for undergraduate programs and three semesters for graduate programs, unless otherwise noted. In February 2024, MCU announced a continuation of the tuition freeze for domestic Ontario students, and an allowed increase of up to 5% for out-of-province domestic students. Additionally, post-secondary institutions across Ontario had the opportunity to adjust tuition rates in select programs (see table below).

Tuition Fee Changes 2025-26

MCU tuition policy required universities to cut domestic tuition rates by 10% relative to 2018-19 levels for 2019-20 and subsequently freeze those rates from 2020-21 through 2026-27 with some exceptions.

Fees Under MCU Tuition Framework (Note #5)	Fee Increase (New Students)	Fee Increase Continuing Students (Note #4)
Undergraduate In-Province (Excl. Program Exceptions)	0.0%	0.0%
Undergraduate Out-of-Province (Excl. Program Exceptions)	5.0%	5.0%
Graduate In-Province	0.0%	0.0%
Graduate Out-of-Province	0.0%	0.0%

Fees Under MCU Tuition Framework (Program Exceptions) (Note #4)	Fee Increase 2023/24 Entering Cohorts and Later	2025-26 Rate New Students	Fee Increase 2022/23 Entering Cohorts or Earlier
Bachelor of Commerce	5.3%	$10,356	0.0%
Bachelor of Engineering (Biological, Environmental, Water, Systems & Computing, Undeclared Majors) (Note #6)	5.7%	$11,286	0.0%
Doctor of Veterinary Medicine	7.5%	$11,483	0.0%

Domestic Fees Outside of MCU Tuition Framework	Fee Increase All Students	2025-26 Rate All Students
Assoc. Diploma in Turfgrass Management- In-Province	0.0%	$6,091
Assoc. Diplomas in Turfgrass Management - Out-of-Province	5.0%	$7,404
Assoc. Diplomas (Ridgetown) In-Province	3.0%	$3,495 - $3,612
Assoc. Diplomas (Ridgetown) Out-of-Province	5.0%	$3,888- $4,018
Graduate Diploma - Accounting (Note #3)	18.0%	$10,286
Graduate Diploma in Project Management	26.0%	$12,600
Master of Project Management	5.0%	$31,500

International Fees (Note #2)	Fee Increase New Students	2025-26 Rate New Students	Fee Increase Continuing Students (Note #4)
Undergraduate 2025-26 Fee Increase			
Assoc. Diploma in Turfgrass Management	7.0%	$33,390	5.0%
Assoc. Diplomas (Ridgetown)	5.0%	$15,164 - $16,178	5.0%
Arts & Sciences	7.0%	$37,127	5.0%
Arts & Sciences - Guelph-Humber	0.0%	$31,833	0.0%
Business - Main Campus	9.0%	$46,095	5.0%
Business - Guelph-Humber	0.0%	$36,581	0.0%
Computing	9.0%	$45,907	5.0%
Engineering	9.0%	$56,206	5.0%
Doctor of Veterinary Medicine (DVM)	5.0%	$92,185	5.0%
Landscape Architecture	7.5%	$49,458	5.0%

International Fees (Note #2)	Fee Increase All Students	2025-26 Rate All Students
Graduate 2025-26 Fee Increase		
Doctoral	0.0%	$19,681
Regular Masters (MA, MSc, MASc) and Graduate Diplomas (Excl. Accounting and Project Management)	0.0%	$20,512
Professionally Oriented Graduate Programs		
Doctor of Veterinary Science (DVSc)	0.0%	$25,690
Graduate Diploma - Accounting (Note #3)	102.0%	$18,000
Graduate Diploma in Project Management (Note #3)	26.0%	$15,750
Master of Applied Nutrition	5.0%	$34,388
Master of Arts in Leadership (Note #1)	5.0%	$41,736
Master of Arts in Mental Health	5.0%	$21,538
Master of Bioinformatics	5.0%	$32,471
Master of Biomedical Science	5.0%	$32,550
Master of Biotechnology	5.0%	$32,478
Master of Business Administration (Note #1)	5.0%	$57,318
Master of Conservation Leadership (Note #1)	5.0%	$41,675
Master of Cybersecurity and Threat Intelligence	5.0%	$46,305
Master of Dairy Technology Management	5.0%	$28,350
Master of Data Science	5.0%	$44,100
Master of Engineering	5.0%	$35,750
Master of Environmental Sciences	5.0%	$28,324
Master of Fine Arts in Creative Writing	5.0%	$28,324
Master of Fine Arts in Studio Art	5.0%	$28,324
Master of Food, Agriculture and Resource Economics	5.0%	$28,863
Master of Landscape Architecture	5.0%	$34,191
Master of Planning	5.0%	$28,324

Master of Plant Agriculture	5.0%	$31,082
Master of Professional Accounting	5.0%	$31,500
Master of Project Management	5.0%	$39,375
Master of Psychotherapy	5.0%	$32,288
Master of Public Health	5.0%	$33,600
Master of Relational and Family Therapy	5.0%	$34,387
Master of Science in Food Safety and Quality Assurance	5.0%	$31,082
Master of Science in Management	5.0%	$32,445
Master of Wildlife Biology	5.0%	$31,500

Note 1: Shows full program tuition.

Note 2: For 2016- 2017 and earlier cohorts, the in course international students will have no increase in accordance with the University's past practice of a cohort fee for the length of the program. Students who entered in 2017-18 or later no longer have the cohort fee rate guarantee and will be subject to any approved fee increases.

Note 3: Graduate Diploma in Accounting and Graduate Diploma in Project Management are one term programs in the summer and the fee approved is effective Fall 2025. Due to the timing of the program, the fee will be as of Summer 2026.

Note 4: 2025-26 tuition fee rates vary for continuing students depending on their cohort.

Note 5: Only applies to students registered in Biomedical, Computing and Mechanical Engineering programs.

Note 6: Bachelor of Engineering (Biological, Environmental, Water, Systems & Computing, Undeclared Majors) tuition increase is rounded; the actual increase is 5.65%.

Appendix L. Non-Academic Student Fees – Guelph Campus

This table contains the approved fee changes starting in Fall 2025 (fees effective September 1, 2025 to August 31, 2026). The fees shown are not all our activity-related fees; only fees where revenue accrues to the University's General Operating Budget for services provided are included.

In accordance with MCU regulations, non-academic student fees can only be introduced or changed under a protocol or referendum established and agreed to by student representatives. The University and student representatives have signed such an agreement which covers the fees shown below. The compulsory fees committee may approve fee increases up to 3% above the CPI for Ontario. (Full-Time FT, Part-Time PT). The published Statistics Canada Consumer Price Index (CPI) annual average for Ontario (all items) for 2024 was 2.4%.

Guelph Campus (Note #4)	2024-25 FT Approved Fees	2025-26 FT Recommended Fees	% Increase (Note #3)
Athletic Fee (Note #2)			
Undergraduate and Graduate	$157.59	$166.10	5.4%
Athletic Building Fee (Note #1)			
Undergraduate and Graduate	$59.19	$60.97	3.0%
Student Health Services Fee (Note #2)			
Undergraduate and Graduate	$42.66	$44.96	5.4%
LANG: Business Career Centre Fee			
Undergraduate B.Comm	$65.78	$67.36	2.4%
University Centre Fee			
Undergraduate and Graduate	$18.37	$18.81	2.4%
Orientation Week Fee (Note #2)			
Undergraduate, Semester 1, Fall only	$86.16	$90.81	5.4%
Student Volunteer Connections Fee (Note #2)			
Undergraduate – Full-Time Only	$2.18	$2.30	5.4%
Graduate – Full-Time Only	$1.64	$1.73	5.4%
OUTline (Note #5)			
Undergraduate	$0.46	$0.47	2.4%

Guelph Campus (Note #4)	2024-25 FT Approved Fees	2025-26 FT Recommended Fees	% Increase (Note #3)
Unbundled Student Service Fee			
Undergraduate Students			
Student Life Enhancement Fund	$4.07	$4.17	2.4%
School of Fine Art & Music	$0.71	$0.73	2.4%
Library: Academic Support (Note #2)	$16.32	$17.20	5.4%
Student Experience: Academic Support (Note #2)	$20.46	$21.56	5.4%
Financial Aid Services	$10.49	$10.74	2.4%
Career Services (Note #2)	$8.40	$8.85	5.4%
Mental Health Services (Note #2)	$25.15	$26.51	5.4%
Centre for International Programs	$0.71	$0.73	2.4%
Graduate Students			
Student Life Enhancement Fund	$4.07	$4.17	2.4%
School of Fine Art & Music	$0.71	$0.73	2.4%
Library: Academic Support (Note #2)	$15.58	$16.42	5.4%
Student Experience: Academic Support (Note #2)	$20.02	$21.10	5.4%
Financial Aid Services	$9.79	$10.02	2.4%
Career Services (Note #2)	$8.11	$8.55	5.4%
Mental Health Services (Note #2)	$25.15	$26.51	5.4%
Centre for International Programs	$0.71	$0.73	2.4%

Note 1: This is a 30-year fee initiated in fall 2009 (until 2039) and approved through a referendum process to increase annually by 3%.

Note 2: As per the protocol, the Compulsory Fees Committee has approved an increase above the CPI, and up to an additional 3%.

Note 3: Fee increases will apply to both full-time undergraduate and graduate students and part-time undergraduate students unless otherwise noted.

Note 4: Fees are applied on a per-semester basis unless otherwise noted.

Note 5. The OUTline fee is not indexed to CPI, however the Compulsory Fees Committee approved the fee increase to align with CPI.

Appendix M. Ancillary Fees – Guelph Campus

This table contains the approved fee changes starting in Spring Semester 2025 (Fees to be effective May 1, 2025 to April 30, 2026).

Ancillary Contracts *	Year of Last Increase	% Increase	Notes
Residence Contracts			
Student Residence	2024	6.0 %	Note #1
Family Housing (New Tenants)	2024	N/A	Note #2
Family Housing (Existing Tenants)	2024	2.5 %	Note #3
Meal Plan Contracts			
Required for all Residence Students	2024	4.0 %	Note #4

* Effective May 1, 2025 to April 30, 2026

Note 1: Student housing maintains ten residence facilities and provides accommodation to approximately 5,105 students in a typical year. U of G's residence rates for traditional double occupancy was 7th among 10 other competitors (a total of 11) in the province.

Note 2: Family Housing consists of 140 apartments in one townhouse complex dedicated to family and graduate housing. Family Housing has paused on new applications as they focus on providing space for international students.

Note 3: Increases in rent at Family Housing follow the guidelines from the Residential Tenancies Act (RTA).

Note 4: On-campus Meal Plans are mandatory for students living in a traditional residence room and optional for students who live on campus in a suite style residence room. U of G's meal plan rates for a Minimum Plan was 7th highest among 10 other competitors (a total of 11) in the province.

Appendix N. Campus Parking Services– Guelph Campus

Parking fees for 2025/26 are recommended to increase as outlined in the table below.

	Year of Last Increase	2024-25 Rate	2025-26 Proposed Rate	% Increase
Parking Tier				
Black Permit	2024	$164.75	$169.75	3.0%
Red Permit	2024	$ 95.75	$98.00	2.3%
Yellow Permit	2024	$ 81.40	$ 86.40	6.1%
Blue Permit	N/A		$109.00	
Daily Rate	2024	$ 21.00	$ 21.50	2.4%
Hourly Rate	2024	$ 3.50	$ 3.75	7.1%