



ANNUAL BUDGET
2026-27

June 1, 2026

2026-27 Annual Budget

Executive Summary

The 2026-27 Annual Budget has been developed within a highly constrained and uncertain post-secondary financial environment, driven primarily by a sustained decline in international enrolment, ongoing cost pressures, and a provincial operating grant model that was unadjusted for inflation.

On February 12, 2026, the Ministry of Colleges, Universities, Research Excellence and Security (MCURES) announced long-awaited changes to the funding formula for post-secondary institutions. This announcement provides immediate financial relief and removes the tuition fee freeze that has been in place for the past six years. While tuition fees may now increase annually by a modest 2%, the operating grant model continues to lack indexation for inflation. The College recognizes the significance of this historic investment in the post-secondary sector by the Ontario Government; however, the announcement also reinforces the importance of continuing to prioritize the College's long-term financial sustainability.

Even with increased grant funding, the 2026-27 Annual Budget reflects the necessary and deliberate actions taken by the College to stabilize operations, contain costs, and continue investing in strategic priorities that support long-term financial sustainability.

On a Public Sector Accounting Standards (PSAS) basis, the consolidated budget projects revenues of \$405.9 million, expenditures of \$393.6 million; resulting in a net contribution of \$12.3 million for 2026-27.

Enrolment dynamics remain the most significant driver of financial risk. Total enrolment is projected to decline by 14.7% compared to 2025-26 results, with international enrolment expected to decrease by 38.4% from 2025-26 levels. While domestic enrolment declines over this period are more moderate, the overall reduction continues to place material pressure on tuition revenue which means that there is increased reliance on government grants, partially offsetting lower student fee revenue.

The 2026-27 Annual Budget includes \$47 million in Strategic Investment Priorities expenditures on a Modified Cash Flow Basis, funded through a combination of targeted grants, in-year operating surpluses, and planned draws from internally restricted net assets. These investments prioritize completion of approved major capital projects, including the R3 Student Information System, addressing deferred maintenance in information technology and physical infrastructure, and advancing initiatives aligned with government priority areas.

As of March 31, 2027, internally restricted net assets are projected to total \$123.8 million following planned in-year adjustments. The use of reserves has been carefully planned to balance immediate critical investment requirements with the need to preserve adequate capacity as the College advances its financial sustainability initiatives and looks to future capital investment requirements.

The College's financial health metrics remain sensitive to enrolment achievement and the broader economic uncertainties, and the College must continue the work undertaken in previous years and continue to ensure staffing levels are consistent with enrolment demand, that the College's program mix serves the community and aligns with government priority areas, and that service portfolios operate effectively and efficiently. Management believes the 2026-27 Annual Budget is prudent, balanced, and responsive to current conditions, and positions the College to adapt and progress toward a more sustainable financial future. The budget supports the commitments outlined in the 2026-27 Business Plan and the 2025-2030 Strategic Plan, while enabling an increased focus on long-term financial sustainability.

Financial Context

The Canadian post-secondary sector continues to experience significant disruption following federal immigration policy changes introduced in 2024, resulting in substantial and ongoing reductions in international enrolment. For Ontario colleges, these pressures are compounded by prolonged tuition constraints and a funding framework that was not indexed for inflation, as well as rising operating costs.

In February 2026, the Ministry of Colleges, Universities, Research Excellence and Security (MCURES) announced a \$6.4 billion, four-year sector-wide investment, including the lifting of the domestic tuition freeze, effective Fall 2026. While this announcement represents a positive step for the sector, it does not fully offset the enrolment-driven revenue losses faced by the College. With the grant not indexed to inflation, the additional funding does not support the long-term financial sustainability of the institution. The 2026 funding announcement also identified key priority program areas of the provincial government and identified potential additional funding opportunities for institutions to grow in the areas of science, technology, engineering and mathematics (STEM), education, healthcare, and the trades. These identified program areas often have high infrastructure requirements and therefore will require the College to make significant capital investments to achieve the competitive enrolment growth funding announced for these areas.

In this context, the College continues to take decisive action to realign its cost structure, review program and service portfolios, and advance efficiency and accountability measures aligned with Ministry priorities and the College's five-year Strategic Plan. In 2024, the College was approved to participate in MCURES' Efficiency and Accountability Fund Program, enabling the engagement of external consultants to conduct comprehensive efficiency reviews across governance, administration, student services, academic programming, physical assets, facilities, procurement, and revenue-generating opportunities. With the external consultation completed and the final report submitted to MCURES in June 2025, the College has now entered the implementation and monitoring phase of this work, which will continue over the next four years.

Effective April 1, 2026, amendments to Section PS 1202 of the Public Sector Accounting Standards (PSAS) introduced changes to the presentation of financial statements, including the requirement to present the approved budget directly within the financial statements on a PSAS basis. Accordingly, the presentation of the College's 2026-27 Annual Budget has been revised to align with these new requirements and to enhance the transparency of budget information prepared in accordance with Public Sector Accounting Standards.

Historically, the annual budget has been presented primarily on a modified cash flow basis to highlight the annual cash impact to the College, with PSAS results shown through non-cash adjustments for transparency. In this report, Annual Budget figures are now presented on a PSAS basis to provide clearer comparability to the year-end audited financial statements, unless specifically identified as being presented on a modified cash flow basis. While PSAS reporting provides a comprehensive view of financial performance, it can also mask underlying cash flow pressures. As a result, both PSAS and modified cash flow views remain important to understanding the College's financial projections.

Challenges and Opportunities

Algonquin College continues to face financial challenges heading into 2026-27, most notably the sustained decline in international enrolment. International enrolment is projected to decrease by 38.4% year-over-year, remaining the most significant pressure on tuition revenue and overall financial stability. While domestic enrolment declines are less severe, the combined impact of enrolment reductions materially constrains revenue growth and limits the College's financial flexibility in the near term. These enrolment pressures are compounded by a provincial operating grant model that remains unindexed to inflation.

Despite recent provincial funding announcements, rising costs, particularly in salaries, utilities, software licensing, and specialized services, continue to outpace revenue growth, necessitating ongoing cost containment and careful prioritization across the organization. In addition, the 2026-27 Annual Budget continues to rely on planned draws from internally restricted reserves to fund strategic capital investments and transformation initiatives. While these draws are intentional and time-limited, prolonged reliance on reserves could constrain future flexibility if operating surpluses are not sustainably restored.

Aging infrastructure and deferred maintenance requirements further add to financial risk, requiring continued capital investment to mitigate operational, safety, and reputational impacts. Finally, external economic and geopolitical uncertainty, including volatility in financial markets and energy prices, introduces additional unpredictability, affecting both operating costs and the performance of the College's investment portfolio.

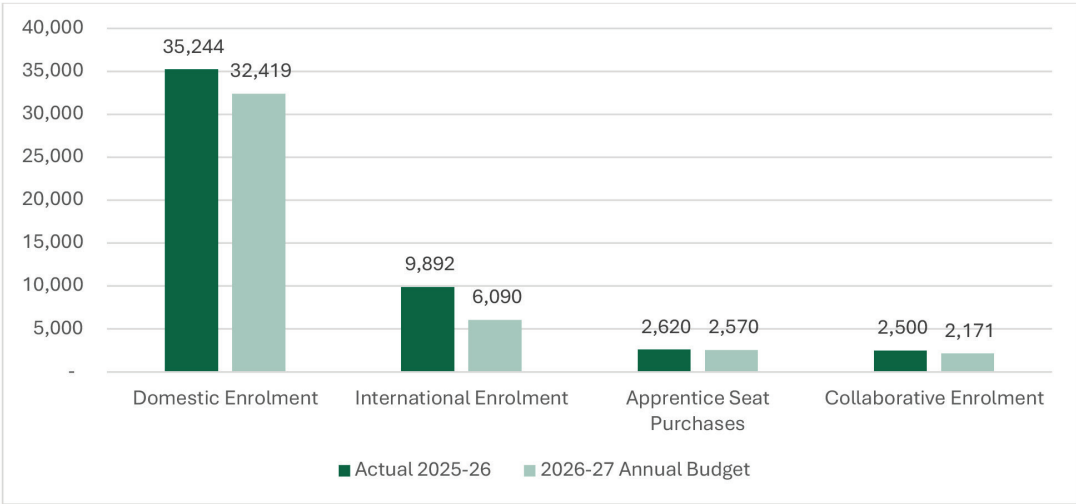
Despite these challenges, the 2026-27 Annual Budget also reflects meaningful opportunities to strengthen Algonquin College's financial sustainability over the medium term. The Province's recent commitment to a multi-year, sector-wide investment and the lifting of the domestic tuition freeze effective for the Fall 2026 term represent important steps toward stabilizing revenues, although it is important to remember that the additional grant funding is still not indexed to inflation, and the allowable tuition increase of 2% does not fully address the tuition rollback of 10% in 2019 and the tuition freeze that continued until the announcement in February. The College has also made measurable progress through deliberate cost containment, operational efficiencies, and service and program portfolio reviews, which are contributing to improved operating results compared to prior-year projections. Continued investment in strategic priorities, including the R3 Student Information System, academic space modernization, technology renewal, and greenhouse gas reduction projects, positions the College to enhance service delivery, improve the learner experience, and unlock longer-term efficiencies.

Alignment with Ministry priorities, including STEM, education, health and trades, and the College's five-year Strategic Plan provides further opportunity to focus limited resources on activities that deliver the greatest institutional impact. The February 2026 MCURES' announcement also introduced a new Priority Growth Funding envelope, which will support an additional 40,000 seats across Ontario colleges and universities. Funding for these seats will be allocated through a competitive process to be launched in spring 2026, and the College will assess potential opportunities to apply.

Key Budget Assumptions

Enrolment remains one of the most significant drivers of the 2026-27 Annual Budget, with declines, particularly in international enrolment, creating material pressure on revenue. Total domestic and international enrolment is projected at 38,509, representing a 14.7% decrease from 2025-26 actuals. International enrolment is forecasted to decline by 38.4% (3,802 enrolments), while domestic enrolment is projected to decrease by 8.0% (2,825 enrolments).

Enrolment



The 2026-27 Annual Budget is also informed by the following key assumptions:

- Tuition:** Tuition increases are budgeted to increase by 2% effective Fall 2026, consistent with the Ministry's February 2026 announcement and Board of Governor's approval on April 20, 2026. International premium increases are budgeted at 5% in all non-high demand programs that are eligible for post-graduation work permits as approved by the Board of Governors on December 8, 2025.
- Government Grants:** Operating grant revenue is budgeted at \$159.6 million, reflecting the Ministry's funding announcements in February 2026, which is preliminary and may be subject to change pending further technical work.
- Compensation:** Salary and benefit increases for unionized employees are aligned with existing collective agreements, while non-union compensation changes are consistent with broader Ontario public-sector trends.
- Inflationary Impacts:** Non-compensation expenditures reflect current and projected inflation, adjusted where market conditions or operational changes require.

Budget Overview

In reviewing the College's Annual Budget, which is presented across both Operating Activities and Strategic Investment Priorities, it is important to consider the results through both a Modified Cash Flow Basis and a PSAS basis.

On a Modified Cash Flow Basis, the College projects an overall net contribution of \$11.6 million, representing an improvement of \$21.1 million over the draft 2025-26 results. On a PSAS basis, the net contribution is projected at \$12.3 million, with an estimated Unrestricted and Internally Restricted Net Asset balance of \$124.8 million as of March 31, 2027. This year-over-year improvement is driven by the increased funding through the provincial grant which was announced in February 2026, along with continued cost containment initiatives and operational efficiencies implemented across the College. Two pro-forma years are also presented in the Statement of Operations below. These projections reflect the College's current outlook and provide a planning framework as further work is undertaken over the coming year to strengthen net contribution through financial sustainability initiatives.

Statement of Operations Summary (Modified Cash Flow Basis)

(all figures in 000's)

	Actual 2024-25	Actual (Unaudited) 2025-26	2026-27 Annual Budget	Pro Forma 2027-28	Pro Forma 2028-29
Operating Activities					
Revenue	\$ 486,548	\$ 402,873	\$ 402,782	\$ 404,003	\$ 413,160
Expenditures	437,595	378,530	353,116	358,645	367,578
Net Contribution \$	\$ 48,952	\$ 24,343	\$ 49,666	\$ 45,358	\$ 45,581
Net Contribution %	10.1%	6.0%	12.3%	11.2%	11.0%
Strategic Investment Priorities					
Revenue	\$ 7,904	\$ 9,290	\$ 8,885	\$ 8,885	\$ 7,885
Expenditures ¹	43,754	43,122	46,987	39,910	36,941
Net Contribution \$	\$ (35,850)	\$ (33,832)	\$ (38,102)	\$ (31,025)	\$ (29,057)
Total as per Modified Cash Flow Basis					
Revenue	\$ 494,451	\$ 412,163	\$ 411,667	\$ 412,888	\$ 421,045
Expenditures	481,349	421,652	400,103	398,555	404,520
Net Contribution \$	\$ 13,102	\$ (9,489)	\$ 11,564	\$ 14,333	\$ 16,525
Net Contribution %	2.6%	(2.3%)	2.8%	3.5%	3.9%
Non-Cash Revenue Adjustments	901	899	4,046	3,748	3,748
Non-Cash Expenditures Adjustments	1,388	3,896	(10,035)	(15,277)	(19,255)
Add Back: Principal Portion of Debt Payments	6,577	7,294	6,729	5,005	5,812
Net Contribution as per Public Sector Accounting Standards (PSAS)					
	\$ 21,967	\$ 2,599	\$ 12,304	\$ 7,809	\$ 6,829
Unrestricted and Internally Restricted Net Assets (Reserves)					
	\$ 119,231	\$ 109,730	\$ 124,794	\$ 139,401	\$ 155,926

¹ Strategic Investment Priorities Expenditures includes authorized and proposed spending from Internally Restricted Net Assets.

When reviewing the details behind the combined Statement of Operations (both Operating Activities and Strategic Investment Priorities) and focusing specifically on a PSAS basis for the 2026-27 fiscal year, the shift in revenue composition becomes more evident. Compared to 2025-26, there is a significant change between Grants and Reimbursements which increases and Student Tuition Fees which decrease, reflecting the impact of declining enrolment and increased reliance on government funding. The increase in Grants and Reimbursements is primarily attributable to the additional funding announced by MCURES in February 2026.

Statement of Operations (PSAS)

(all figures in 000's)

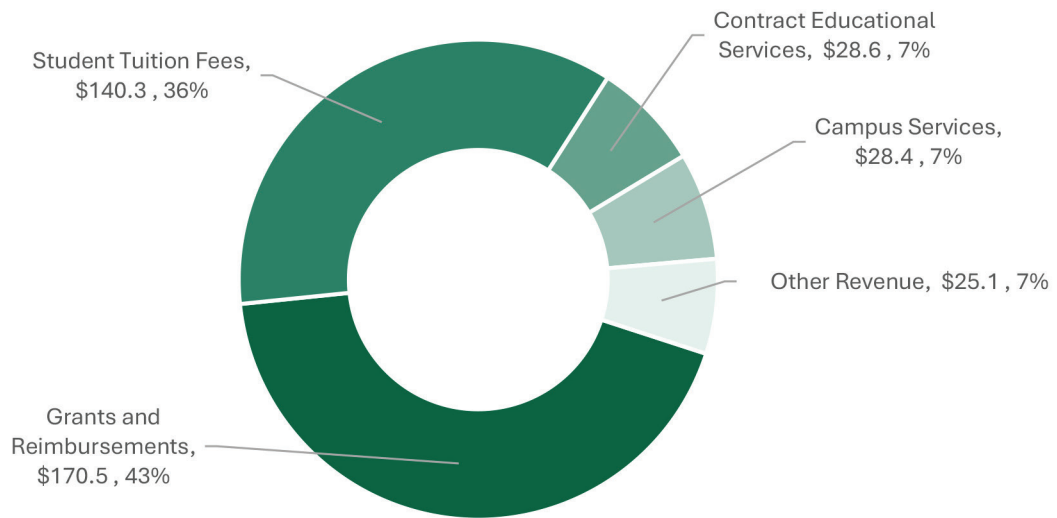
	Actual 2024-25	Actual (Unaudited) 2025-26	2026-27 Annual Budget	Pro Forma 2027-28	Pro Forma 2028-29
Revenues					
Grants and Reimbursements	\$ 109,376	\$ 113,727	\$ 175,246	\$ 172,062	\$ 171,073
Student Tuition Fees	234,549	176,317	140,322	143,776	151,062
Contract Educational Services	57,278	39,336	28,633	31,180	31,180
Campus Services	34,353	33,575	28,432	28,427	29,214
Other Revenue	41,557	32,610	25,121	23,463	24,631
Amortization of Deferred Capital Contributions	7,266	8,148	8,148	8,148	8,148
Total Revenue	\$ 484,379	\$ 403,712	\$ 405,902	\$ 407,056	\$ 415,308
Expenditures					
Salaries and Benefits	\$ 276,848	\$ 252,060	\$ 230,243	\$ 232,576	\$ 239,687
Building Maintenance and Utilities	24,083	22,561	29,701	28,994	29,372
Instructional Supplies and Equipment	9,274	8,033	8,545	7,397	7,473
Bursaries and Other Student Aid	7,208	7,074	8,575	8,096	8,216
Interest	2,196	2,051	1,967	1,808	1,637
Amortization of Capital Assets	20,513	19,989	21,741	28,512	30,512
Amortization of Long Term Prepaid - Students' Association	110	110	110	110	110
Campus Services	24,369	21,430	16,462	15,587	15,716
Contract Services	51,378	30,168	35,999	31,842	31,365
Information Technology, Software and Licenses	16,313	15,338	17,964	18,019	18,013
Other Expenditures	30,121	22,299	22,291	26,305	26,377
Total Expenditures	\$ 462,412	\$ 401,113	\$ 393,598	\$ 399,247	\$ 408,478
Net Contribution as per Public Sector Accounting Standards (PSAS)	\$ 21,967	\$ 2,599	\$ 12,305	\$ 7,809	\$ 6,829

As detailed in Appendix A, the College's projected results in the Statement of Financial Position remains relatively stable across most categories when comparing year-over-year changes. Total assets are budgeted to remain steady, and the net asset position continues to strengthen. The Statement of Financial Position reflects disciplined debt management, prudent reserve growth, and ongoing reinvestment in capital assets to support long-term sustainability.

Operating Revenue Mix (PSAS)

Within Operating Activities, the College's operating revenue base continues to shift, with declining tuition revenue offset by increased government grant funding. Student Tuition Fees revenue is budgeted at \$140.3 million (36% of total revenue), down from prior years due to enrolment declines, while Grants and Reimbursements represent the largest source of revenue in 2026-27 (\$170.5 million, or 44% of total revenue).

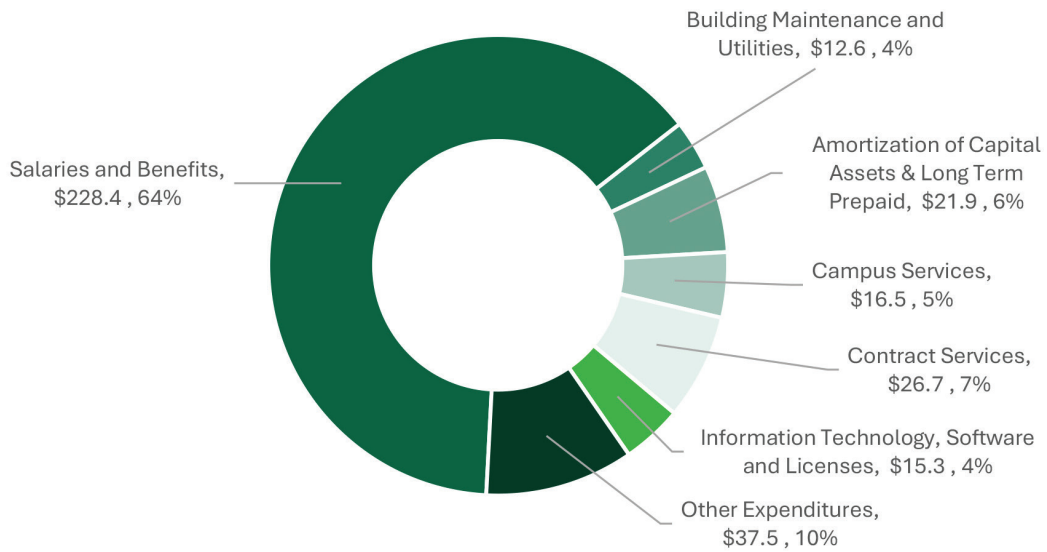
2026-27 Annual Budget Operating Activities Revenue, PSAS (millions)



Operating Activities Expenditure Profile (PSAS)

Salaries and benefits remain the College's largest expenditure category at \$228.4 million for operating activities, reflecting workforce adjustments aligned with reduced enrolment demand. Other major expenditure categories include contract services, Campus Services, amortization of capital assets and long-term prepaids, and information technology investments that support operational resilience and transformation.

2026-27 Annual Budget Operating Activities Expenditures, PSAS (millions)



Strategic Investment Priorities

On a modified cash flow basis, the 2026-27 Annual Budget includes \$47 million in Strategic Investment Priorities expenditures, funded through a combination of targeted grants (total projected revenue in 2026-27 is \$8.9 million), in-year surpluses and approved draws from internally restricted net assets.

Key investment areas include:

- Continued implementation of the R3 Student Information System, a core enterprise transformation initiative (\$13.1 million).
- Advancement of approved major capital projects for Paramedicine Program Implementation and Capital Equipment Acquisition (\$2.2 million), Pedestrian Bridge to Bus Rapid Transit Station (\$0.9 million) and the One College Campaign (\$0.8 million).
- Support for the continued development of a potential new major capital project for the Ottawa Aviation Centre of Excellence (\$0.2 million).
- Greenhouse gas reduction projects and campus infrastructure deferred maintenance (\$17.2 million).
- Investments in academic equipment and technology modernization (\$5.7 million).
- Initiatives supporting service transformation, business plan priorities, and long-term sustainability (\$6.9 million).

Strategic Investment Priorities Financial Summary, Modified Cash Flow Basis

(all figures in 000's)

	Annual Budget 2026-27
SOURCE OF FUNDS	
Apprenticeship Capital Grant	\$ 1,296
College Equipment Renewal Fund Grant - Base	901
College Equipment Renewal Fund Grant - Competitive	1,000
Facilities Renewal Grant	5,688
Miscellaneous	-
TOTAL SOURCE OF FUNDS	\$ 8,885
EXPENDITURES	
Approved Major Capital Projects	\$ 16,939
Potential Major Capital Projects	200
Other Projects	29,848
TOTAL EXPENDITURES	\$ 46,987
NET CONTRIBUTION	\$ (38,102)

These investments are essential to maintaining the quality of the learner experience while enabling future cost efficiencies and were included within the Five-Year Capital Investment Report presented to the Board of Governors on April 20, 2026.

Internally Restricted Net Assets

As of March 31, 2027, internally restricted net assets are projected to total \$123.8 million, reflecting planned in-year usage of \$19.9 million to fund approved strategic initiatives and capital projects.

The use of reserves has been carefully planned to balance investment requirements with the need to preserve adequate contingency capacity as the College advances its financial sustainability initiatives. Over time, the College has built and maintained reserve balances to support critical capital investments. In the 2026-27 fiscal year, investment activity and planned draws on reserves will continue to be focused on completing approved major capital projects—including the R3 Student Information System—as well as addressing deferred maintenance in information technology and physical infrastructure and supporting initiatives aligned with government priority areas of study.

The President is submitting a recommendation to the Board of Governors to approve spending from the College's Specific Reserves and Reserve Funds for Future Capital Expansion within Internally Restricted Net Assets for the following significant capital projects and initiatives in 2026-27:

CAPITAL PROJECTS AND INITIATIVES IN 2025-26			
	2026-27 Total Project Expenditures	2026-27 Expenditures funded from In-year Operations / Surpluses / External Sources	2026-27 Expenditures funded from Internally Restricted Net Assets
Alumni Affinity Reserves	\$150,000	-	\$150,000
Campus Services Renewal Projects	\$3,440,000	-	\$3,440,000
Employment Stability Initiatives ²	\$210,000	-	\$210,000
Health Services Agreement with the Students' Association	\$156,000	-	\$156,000
Information Technology and Physical Infrastructure Renewal Projects	\$7,948,624	-	\$7,948,624
Paramedicine Program Implementation and Capital Equipment Acquisition	\$2,203,000	\$1,601,500	\$601,500
Pedestrian Bridge to Bus Rapid Transit Station	\$881,456	-	\$881,456
R3 Student Information System ¹	\$13,080,000	\$6,540,000	\$6,540,000
Total Expenditures	\$28,069,080	\$8,141,500	\$19,927,580

¹ The request for the R3 Student Information System Project is not a new request. This draw from Internally Restricted Net Assets is within the allocation approved by the Algonquin College Board of Governors on February 23, 2026.

² The use of the Employment Stabilization reserve will be at the discretion of the College Employment Stability Committee and the Employment Stability Committee.

The 2025-26 year-end balance of Unrestricted and Internally Restricted Net Assets is \$109.7 million. Taking into consideration the proposed 2026-27 draws on reserves in the table above, the budgeted 2026-27 fiscal year-end total balance of Algonquin College's Unrestricted Net Assets plus Internally Restricted Net Assets are as follows:

UNRESTRICTED AND INTERNALLY RESTRICTED NET ASSETS	
Unrestricted Net Assets	\$1,000,000
Internally Restricted Net Assets	
• Specific Reserves	
o Other Projects and Initiatives	44,970,973
o Campus Services Reserve Fund	14,144,151
o Employment Stabilization Fund	512,142
o Contingency Reserve Fund	10,916,812
• Reserve Fund – Future Capital Expansion	53,250,170
Total Unrestricted and Internally Restricted Net Assets	\$124,794,248

Financial Health and Risks

Management believes that this budget is reasonable under the circumstances. Key financial risks impacting the 2026-27 budget include:

- International enrolment volatility, which remains a significant risk to revenue stability.
- Rising operating costs, including utilities, software, and specialized services, which may exceed general inflation.
- Unknown impacts from geopolitical instability, including the conflict in the Middle East, which could affect fuel, utilities, food, shipping, construction materials, equipment, and broader market conditions for prolonged periods.
- Deferred maintenance pressures, requiring ongoing capital investment to manage institutional risk.
- Investment portfolio exposure to geopolitical and market uncertainty.

The Financial Health Metrics and Thresholds outlined in Appendix B align with the updated measures established by MCURES under the College Financial Accountability Framework. These metrics are used to assess and monitor the College's financial health and provide an early warning mechanism to support timely corrective action where risks are identified. Results for 2026-27 indicate stabilization relative to 2025-26 and all metrics place the College in a low-risk category; however, the metrics remain sensitive to enrolment levels and overall revenue performance.

The College continues to operate within the second year of the Ministry's fourth iteration of the Strategic Mandate Agreement (SMA4) and with it, comes a portion of the funding, the Performance-Based Grant, which is tied to the achievement of eight key performance metrics, representing 25% of base funding. Colleges and universities must meet these specified metrics to receive their full funding allocation. For Algonquin College, this introduces a financial risk, as failure to meet targets could result in a loss of some grant funding. While successful performance on these metrics presents a modest opportunity for increased funding, it also carries a downside risk if the College does not achieve the required outcomes. However, this risk may evolve, as MCURES announced in February 2026 that SMA4 agreements will be re-issued later this year, with the inclusion of special purpose grants and growth targets.

In addition to the above, the following identifies specific financial risks for the College:

FINANCIAL RISK SCHEDULE			
Risk Identification	Impact in 2026-27	Likelihood in 2026-27	Risk Mitigation
International enrolment less than budgeted	Moderate	Possible	<ul style="list-style-type: none"> • New programs and intakes • Increased focus on conversion of applications to registrations • Contain spending • Defer capital investments
Domestic enrolment less than budgeted	Minor	Possible	<ul style="list-style-type: none"> • New programs and intakes • Increased focus on conversion of applications to registrations • Contain spending • Defer capital investments
Cash reserve balances drawn down more than budgeted	Minor	Unlikely	<ul style="list-style-type: none"> • Financial Sustainability Roadmap Initiatives • Increased rigour on new investment decisions • Reprioritizing Strategic Investment Priorities projects

FINANCIAL RISK SCHEDULE

Risk Identification	Impact in 2026-27	Likelihood in 2026-27	Risk Mitigation
Other revenues less than budgeted	Moderate	Possible	<ul style="list-style-type: none"> • International initiatives focus • Budgeted contingency provision and reserves • Contain spending • Defer capital investments • Alternative revenue strategies
Major cybersecurity incident	Moderate	Possible	<ul style="list-style-type: none"> • Upgraded Information Technology infrastructure • Business continuity/disaster recovery planning • Investing in cybersecurity infrastructure and applications • Cybersecurity insurance
Major capital projects exceed budget	Minor	Unlikely	<ul style="list-style-type: none"> • Project governance structure • Value engineering process • Ongoing monitoring and reporting
Operating expenses higher than budget due to aging facilities and deferred maintenance liability	Minor	Likely	<ul style="list-style-type: none"> • Contingency funds • Ongoing monitoring • Prioritization of critical projects

Conclusion

The 2026-27 Annual Budget reflects a disciplined and deliberate response to a period of sustained financial pressure across the post-secondary sector. In an environment characterized by declining international enrolment, rising cost pressures, and a historically underfunded provincial operating grant model, the College has taken decisive steps to stabilize its financial position while continuing to invest in priorities essential to long-term sustainability.

The budget demonstrates measurable improvement over prior-year projections, supported by increased provincial funding announced in February 2026, continued cost containment measures, and targeted operational efficiencies. At the same time, management remains cognizant that financial performance and key health metrics remain sensitive to enrolment levels and broader economic uncertainty. As a result, the budget continues to balance near-term financial pressures with the responsible use of internally restricted reserves to advance approved capital projects, address deferred maintenance, and enable institutional transformation.

Looking ahead, the College will remain focused on strengthening financial sustainability through the continued implementation of efficiency and accountability initiatives, careful prioritization of investments, and alignment with Ministry priorities and the College's Strategic Plan.

Overall, management believes the 2026-27 Annual Budget is prudent, balanced, and responsive to current conditions, while positioning the College to adapt and progress toward a more sustainable financial future.

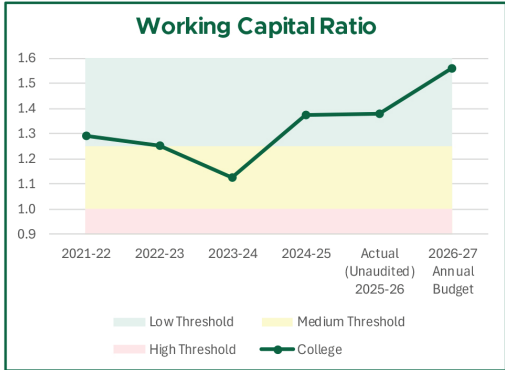
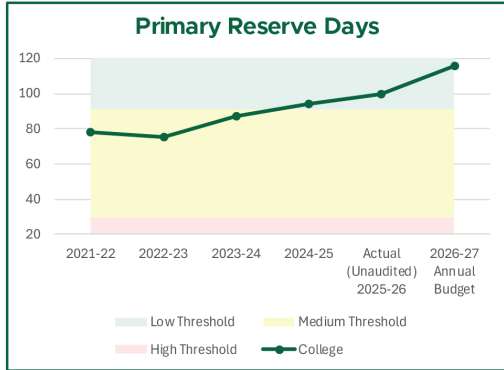
APPENDIX A – Statement of Financial Position

(all figures in 000's)

	March 31, 2026 Approved Annual Budget	March 31, 2026 Actual (Unaudited)	March 31, 2027 Annual Budget
ASSETS			
Current Assets			
Cash and Short Term Investments	\$ 108,646	\$ 114,775	\$ 134,533
Accounts Receivable	23,931	18,584	16,117
Inventory	2,000	1,446	1,400
Prepaid Expenses	9,154	8,428	7,963
	143,731	143,233	160,013
Investments	45,000	47,526	47,000
Long Term Prepaid - Students' Association	4,996	4,996	4,886
Endowment Assets	43,180	46,192	47,660
Capital Assets	341,751	339,159	320,543
Total Assets	\$ 578,657	\$ 581,106	\$ 580,101
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts Payable & Accrued Liabilities	\$ 45,768	\$ 41,512	\$ 41,887
Accrued Salaries & Employee Deductions Payable	5,267	4,232	5,017
Accrued Vacation	-	12,503	12,703
Deferred Revenue	68,000	38,986	38,000
Current Portion of Long Term Debt	4,077	4,077	2,127
Current Portion of Obligation under Capital Leases	2,653	2,653	2,878
	125,764	103,963	102,612
Long Term Debt	14,988	14,988	12,861
Obligation under Capital Leases	31,360	31,360	28,482
Interest Rate Swaps	324	267	216
Vacation, Sick Leave & Post-Employment Benefits	21,563	10,703	11,003
Deferred Capital Contributions	126,790	135,528	124,940
Asset Retirement Obligation	1,813	1,813	1,813
Net Assets			
Unrestricted	1,000	1,000	1,000
Investment in Capital Assets	160,070	148,741	147,441
Vacation, Sick Leave & Post-Employment Benefits	(21,563)	(23,206)	(23,706)
Internally Restricted	72,183	108,730	123,794
Endowment Fund	43,180	46,192	47,660
	254,871	281,458	296,190
Accumulated Remeasurement Losses	1,184	1,027	1,984
	256,054	282,484	298,174
Total Liabilities and Net Assets	\$ 578,657	\$ 581,106	\$ 580,101

APPENDIX B – Financial Health Metrics and Thresholds

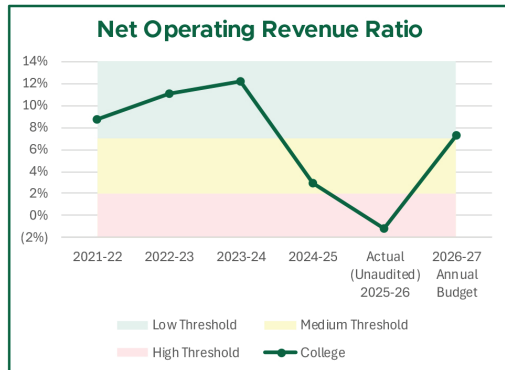
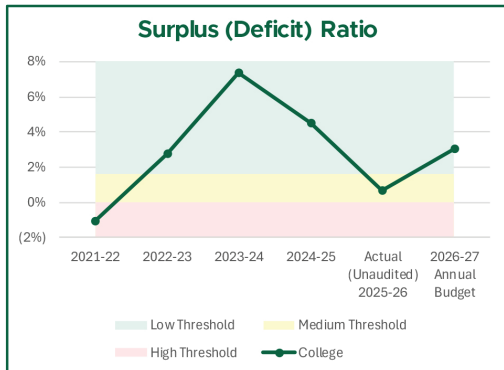
LIQUIDITY



Objective
Primary Reserve Days
 Measures how long an Institution could maintain its average level of expenditure using its available resources.

Objective
Working Capital Ratio
 Measures an Institution's liquidity which is its ability to meet its current obligations with its current assets.

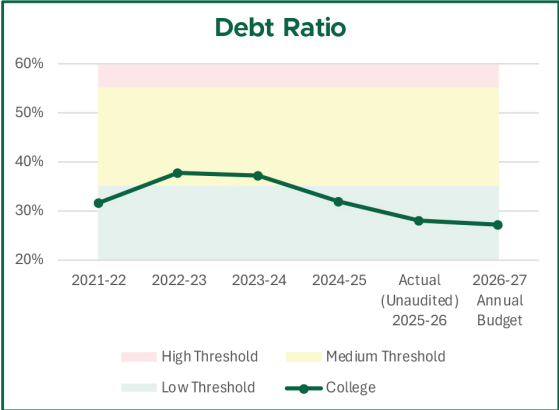
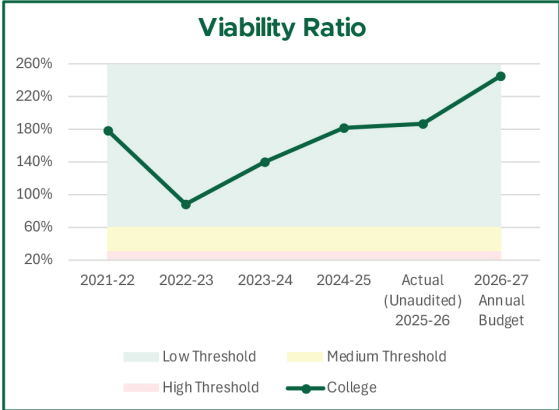
PERFORMANCE



Objective
Surplus (Deficit) Ratio
 Measures how effective an Institution is at generating profit from its revenue.

Objective
Net Operating Revenue Ratio
 Measures cash flow from operating activities as a proportion of revenue.

SUSTAINABILITY

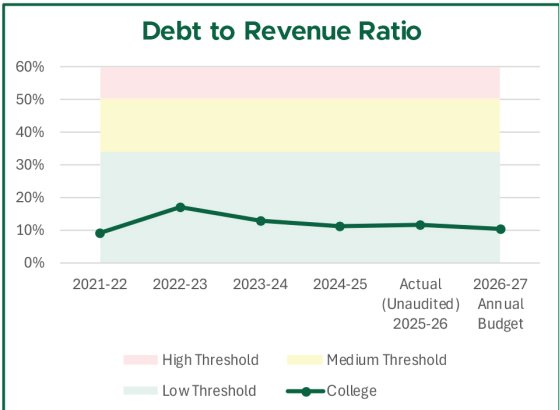


Objective

Viability Ratio
Measures an Institution's ability to meet its long-term obligations using its available resources.

Objective

Debt Ratio
Measures an Institution's ability to meet its total obligations using all of its resources.



Objective

Debt to Revenue Ratio
Measures how much of an Institution's revenue is required to pay off its debt.