

Operating and Capital Budgets of

LANGARA COLLEGE

For the year 2016/17

With Projections for 2017/18 through 2019/20

Langara College

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Langara College

Statement of Operations
Proposed 2016/17 Budget
(in 000's)

Schedule 1

	Proposed Annual Budget 2016/17	Approved Annual Budget 2015/16
Revenue:		
Province of British Columbia grants	\$ 44,073	\$ 44,207
Contract services	898	1,872
Tuition and student fees	71,661	59,791
Sales of goods and services	6,134	5,704
Investment income	195	680
Revenue recognized from deferred capital contributions	3,222	3,218
Miscellaneous income and contributions	1,063	989
	\$ 127,246	\$ 116,461
Expenses:		
Instruction	\$ 119,296	\$ 110,192
Ancillary operations	6,936	6,269
	\$ 126,232	\$ 116,461
Operating surplus before contributions	\$ 1,014	\$ -
Transfer to Langara College Foundation	(1,014)	-
Surplus (deficit) for the period	\$ -	\$ -

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year

Revenues

Grants:

Decreased \$133,000, additional grants received to fund unionized labour contracts negotiated under the provincial government's Economic Stability Mandate are more than offset by reductions for the Administrative Savings Initiative, and grants for: Adult Basic Education, Minor Maintenance and Rehabilitation, and other temporary grants.

Contracts:

Decreased \$974,000 to better reflect anticipated contract revenue. The college has seen a significant decrease in provincially funded contract training for employment skills and similar types of programs.

Tuition and Student Fees:

Increased \$11,870,000 reflecting actual 2015/16 international enrolment levels in regular studies and factoring in the approved tuition fee increase (increased \$9,163,000), anticipated lower domestic regular studies enrolment, factoring in the approved tuition fee increase (decreased \$270,000), approved increases for other fees (increased \$325,000), and expanded offerings for Post Degree Diplomas/Certificates and other regular studies cost recovery programming (\$2,595,000).

Sales of Goods and Services:

Increased \$430,000 as a result of higher bookstore sales, with higher associated cost of goods sold, and other ancillary revenue including new services provided by the Registered Massage Therapist program.

Investment Income:

Decreased \$480,000 as planned spending on the Science and Technology Building will result in lower cash reserves.

Expenditures

Instruction:

- Increased \$1,987,000 due to the expansion of Post Degree Diploma and Certificate Programs for which there are greater corresponding revenues.
- Increased \$1,510,000 to provide for an additional 114 sections of instruction.
- Increased \$1,300,000 to fund enhancements to the budget designed to implement various aspects of the College's Strategic and Academic plans, some of these were started during the 2015/16 fiscal year.

- Increased approximately \$1,170,000 for increases to salary and benefits resulting from labour contracts negotiated under the province's Economic Stability Mandate.
- Increased \$1,010,000 for international agent fees to accommodate current levels of international enrolment in regular studies.
- Increased \$864,000 to support international enrolment recruitment.
- Increased approximately \$783,000 for salary increments, job reclassifications, and benefit costs net of the provision for vacancies.
- Increased \$546,000 for Continuing Studies operating costs, primarily for expanding the registered massage therapist program and to add two new programs, for which there are associated revenues.
- Increased \$431,000 for facilities, primarily resulting from incremental costs to operate the new Science and Technology Building.
- Increased approximately \$300,000 due to unavoidable inflation costs in Facilities, Information Technology and the Library.
- Increased \$252,000 to provide additional faculty administrative duty time resulting from increased teaching sections.
- Increased \$184,000 for a general contingency, including a provision for US exchange rate increases.
- Increased \$175,000 for one time operational cost resulting from renovations to buildings B and C.
- Increased \$100,000 for human resource initiatives and organizational development.
- Decreased \$617,000 in amortization expense to better reflect anticipated amortization expense.
- Decreased \$913,000 in contract related expenses along with associated revenues due to reduced contract funding for employment skill training programs by government.

Ancillary:

- Increased \$392,000 in costs of goods sold, for which there are higher associated revenues from bookstore sales.
- Increased \$368,000 in support costs for international related ancillary programs, this includes a transfer of positions from the instruction budget.
- Decreased \$73,000 in ancillary overhead costs.

Transfers:

- Increased \$864,000 to budget for the transfer of fees collected from students for the Building Legacy Fund to the Langara College Foundation.
- Increased \$150,000 to budget for the transfer to the Langara College Foundation funds for donation matching.

Projections:

Projections for the three years are based on grant increases under the province's Economic Stability Mandate, contracted salary and benefit increases, adjustments for onetime expenses, planned changes to Post Degree Diploma/Certificate programs, operating and amortization of the new Science and Technology Building, 2% inflation on non-salary expenses, and a provision for salary increments and benefits. Tuition revenues are projected to be stable over the period with expected 2% increase in domestic fees offset with an expected 2% drop in enrolment, changes to international tuition fees and enrolment are not projected, material fees are projected to increase 2%.

Langara College

Capital Acquisitions

Proposed 2016/17 Budget plus Three Year Projection

(in 000's)

	Approved Annual Budget 2015/16	Proposed Annual Budget 2016/17	Projected Annual Budget 2017/18	Projected Annual Budget 2018/19	Projected Annual Budget 2019/20
College Funded					
Regular Studies & Student Services	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240
Continuing Studies	40	40	40	40	40
Library	100	140	140	140	140
Facilities					
Equipment	100	100	100	100	100
Renovations	200	440	200	200	200
	300	540	300	300	300
Information Technology	4,380	3,375	2,500	2,500	2,500
International Education	-	590	-	-	-
Science and Technology Building					
Building	28,130	12,400	-	-	-
Community Amenity Contribution	870	-	-	-	-
Equipment	-	1,200	-	-	-
	29,000	13,600	-	-	-
Contingency	600	600	760	760	760
Total College Funded Capital Acquisitions	\$ 34,660	\$ 19,125	\$ 3,980	\$ 3,980	\$ 3,980
Ministry Funded					
Routine Capital	\$ 500	\$ -	\$ -	\$ -	\$ -
Renovation Capital	400	1,000	1,000	1,000	1,000
Total Ministry Funded Capital and MM&R	\$ 900	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000

Langara College
Statement of Expenses by Object
Proposed 2016/17 Budget
(in 000's)

	Proposed Annual Budget 2016/17	Approved Annual Budget 2015/16	Change
Salaries and benefits	\$ 90,477	\$ 83,758	\$ 6,719
Operating expenses	24,778	21,503	3,275
Cost of goods sold	3,228	2,836	392
Scholarships and bursaries	359	357	2
Interest on long-term debt	468	468	-
Amortization of tangible capital assets	6,922	7,539	(617)
	\$ 126,232	\$ 116,461	\$ 9,771
Transfer to Langara College Foundation	1,014	-	1,014
	\$ 127,246	\$ 116,461	\$ 10,785

Langara College

Statement of Operations
Proposed 2016/17 Budget plus Three Year Projection
(in 000's)

	Approved Annual Budget	2015/16	Proposed Annual Budget	2016/17	Projected Annual Budget	2017/18	Projected Annual Budget	2018/19	Projected Annual Budget	2019/20
Revenue:										
Province of British Columbia grants	\$	44,207	\$	44,073	\$	44,883	\$	45,729	\$	46,214
Contract services		1,872		898		898		898		898
Tuition and student fees		59,791		71,661		71,435		71,459		71,483
Sales of goods and services		5,704		6,134		6,034		5,934		5,834
Investment income		680		195		195		195		195
Miscellaneous income and contributions		989		1,063		1,063		1,063		1,063
Revenue recognized from deferred capital contributions		3,218		3,222		3,264		3,326		3,318
	\$	116,461	\$	127,246	\$	127,772	\$	128,604	\$	129,005
Expenses:										
Instruction	\$	110,192	\$	119,296	\$	123,229	\$	126,026	\$	127,790
Ancillary operations		6,269		6,936		6,836		6,736		6,636
	\$	116,461	\$	126,232	\$	130,065	\$	132,762	\$	134,426
Operating surplus before contributions	\$	-	\$	1,014	\$	(2,293)	\$	(4,158)	\$	(5,421)
Transfer to Langara College Foundation		-		(1,014)		(1,014)		(1,014)		(1,014)
Surplus (deficit) for the period	\$	-	\$	-	\$	(3,307)	\$	(5,172)	\$	(6,435)