

LANGARA COLLEGE

**Operating and Capital Acquisitions Budgets
For the year ending March 31, 2020**

Langara College

Table of Contents

Proposed 2020 Budget

- Schedule 1 Statement of Operations
Proposed 2020 Budget**
Comparisons between the 2019 budget and 2018 actuals.
- Schedule 2 Budget Changes
Proposed 2020 Budget**
- Schedule 3 Capital Acquisitions
Proposed 2020 Budget plus Three Year Projection**
Capital plan for 2020 with projections for the period from 2021 to 2023.

Supplemental Information

- Schedule 4 Statement of Operations with Expenses by Object
Proposed 2020 Budget plus Three Year Projection**
Detailed breakdown of expenses for 2018 actuals and the 2019 budget with projections for the period from 2021 to 2023.

Langara College

Schedule 1

Statement of Operations and Accumulated Surplus Proposed 2020 Budget

	Proposed 2020	BUDGET		ACTUALS
		Approved 2019	Difference	2018
Revenue:				
Province of British Columbia grants	\$ 49,434,000	\$ 47,187,000	\$ 2,247,000	\$ 46,720,000
Contract services	918,000	1,412,000	(494,000)	1,576,000
Tuition and student fees	108,139,000	101,406,000	6,733,000	99,388,000
Sales of goods and services	5,916,000	6,112,000	(196,000)	6,109,000
Investment income	1,115,000	1,115,000	-	1,178,000
Miscellaneous income and contributions	2,233,000	1,263,000	970,000	1,871,000
Revenue recognized from deferred capital contributions	5,810,000	4,580,000	1,230,000	4,967,000
	173,565,000	163,075,000	10,490,000	161,809,000
Expenses:				
Instruction	165,319,000	154,568,000	10,751,000	131,067,000
Ancillary operations	6,636,000	6,528,000	108,000	6,422,000
Transfer to Langara College Foundation	1,610,000	1,560,000	50,000	1,654,000
	173,565,000	162,656,000	10,909,000	139,143,000
Surplus for the year	-	419,000	(419,000)	22,666,000
Accumulated operating surplus, beginning of year	94,653,000	94,234,000	419,000	71,568,000
Accumulated operating surplus, end of year	\$ 94,653,000	\$ 94,653,000	\$ -	\$ 94,234,000

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

Revenues

Grants

Increased \$2,247,000 primarily to fund increases to union and non-management salaries under the Provincial government's Economic Stability Mandate (+\$1,009,000).

Contracts

Decreased \$494,000, primarily from the Federal contracts increasing (+\$109,000) and other Miscellaneous Services contracts decreasing (-\$603,000).

Tuition and Student Fees

Increased \$6,733,000:

- **International Student RS Tuition (Overall, Current Fiscal) Revenues** were increased to match the projected FY18/19 results.
- **Domestic Student RS Tuition (Overall, Current Fiscal) Revenues** assumes a 2% fee increase.

Revenue recognized from deferred capital contributions

Increased \$1,230,000 to recognize amortization of deferred revenue received from the Provincial government to fund capital acquisitions.

Expenditures

Expenses are budgeted based on the anticipated levels of instructional activity and approved academic enhancements. Budgeted expenditures for other areas were status quo except as noted below.

Salaries and benefits

- Increased \$2,048,000 to fund new and ongoing enhancements to academic areas to support students and faculty, and to implement various aspects of the College's Strategic and Academic plans.
- Net increase of \$559,000 to reflect a new Nursing PDD program for which there are corresponding revenues.
- An increase of \$1,136,000 for the Employer Health Tax that started on January 1, 2019.
- Increased \$2,133,000 for salary increments, pay increases, and annualizations.

Budget Changes

Proposed 2020 Budget

- Increased \$1,701,000 for the ERP implementation program, including a provision for backfilling employees assigned to the project.
- Other new positions include:
 - \$120,000 in Chemistry;
 - \$105,000 in Budgets;
 - \$44,000 in Facilities;
 - \$201,000 in People Services;
 - \$66,000 in EDTC;
 - \$55,000 in Communications and Marketing;
 - \$40,000 in Psychology; and
 - \$426,000 in Student Services.

Fees and contract services

- Increased \$1,688,000 for expenses related to the acquisition and implementation of a new ERP system.
- Decreased \$1,147,000 for international agent fees to accommodate a reduced level of international students enrolled through agents.
- Increased \$25,000 for employee recruitment, engagement and wellness programs.
- Increased \$10,000 for several organizational risk assessment reviews and exercises.

Amortization of tangible capital assets

- Amortization increased \$1,139,000, with an increase of \$1,230,000 for IT and office furniture and a decrease of \$337,000 for buildings and improvements.

Facilities

- Increased \$199,000 for maintenance and repairs cost that the College can no longer fund from deferred ACA contributions from the Province as these funds have now been fully depleted.

Cost of goods sold

- Reduced \$196,000 to reflect decreased revenue in the bookstore.

Professional development and travel

- Net decrease of \$272,000 due to changes in Continuing Studies.
- Increased \$195,000 for approved additions to the Academic area.

Budget Changes

Proposed 2020 Budget

Supplies

- Net decrease of \$454,000, including a decrease \$54,000 for NCAS, a decrease of \$254,000 for CS CAT program, a decrease of \$64,000 for supply chain logistics.

Leases and rental

- Net decrease of \$1,327,000, including a decrease of \$1,400,000 for finished new office and education space.
- Increased \$93,000 for Continuing Studies.

Other

- Increased \$92,000 due to higher annual software licensing costs and IT related costs.

Communications

- Decreased \$30,000 mainly for budgeted lower communication costs for Facilities (-\$50,000), and higher telephony costs (+\$10,000).

Scholarships and bursaries

- Increased \$46,000 for third party awards.

Transfer to Langara College Foundation

- Increased voluntary contribution of \$50,000 to the Foundation.

Projections

Projections for the three years subsequent were based on increases to grants and salaries similar to the last 2 years under the Province's Economic Stability Mandate, adjustments for onetime expenses, 2% inflation on non-salary expenses, and a provision for salary increments and benefits.

Langara College

Capital Acquisitions
Proposed 2020 Budget

	BUDGET		PROJECTIONS		
	Approved 2019	Proposed 2020	2021	2022	2023
College Funded					
Regular Studies & Student Services	\$ 445,000	\$ 445,000	\$ 430,000	\$ 430,000	\$ 430,000
Continuing Studies	40,000	40,000	40,000	40,000	40,000
Library	158,000	158,000	158,000	158,000	158,000
Facilities					
Equipment	340,000	440,000	340,000	340,000	340,000
Renovations	645,000	975,000	350,000	350,000	350,000
Opening of Master Plan	400,000	-	-	-	-
	-	-	-	-	-
Facilities Subtotal	1,385,000	1,415,000	690,000	690,000	690,000
Information Technology	5,623,000	3,453,000	2,200,000	2,200,000	2,200,000
International Education	800,000	800,000	-	-	-
Major Items					
Building A Renovations	217,000	217,000	-	-	-
New Facilities	3,370,000	3,370,000	-	-	-
ERP System	1,530,000	6,887,000	5,340,000	1,900,000	-
Major Items Subtotal	5,117,000	10,474,000	5,340,000	1,900,000	-
Contingency	1,451,000	1,451,000	1,390,000	1,390,000	1,390,000
	15,019,000	18,236,000	10,248,000	6,808,000	4,908,000
Provincially Funded					
Renovation Capital	1,501,000	1,501,000	1,501,000	1,501,000	1,501,000
	1,501,000	1,501,000	1,501,000	1,501,000	1,501,000
TOTAL	\$ 16,520,000	\$ 19,737,000	\$ 11,749,000	\$ 8,309,000	\$ 6,409,000

Langara College

Schedule 4

Statement of Operations with Expenses by Object

Proposed 2020 Budget with projections for the period 2021 to 2023

	ACTUAL	BUDGET		PROJECTIONS		
	2018	Approved 2019	Proposed 2020	2021	2022	2023
Revenue						
Province of British Columbia grants	\$ 46,720,000	\$ 47,187,000	\$ 49,434,000	\$ 50,539,000	\$ 51,644,000	\$ 52,749,000
Contract services	1,576,000	1,412,000	918,000	238,000	238,000	238,000
Tuition and student fees	99,388,000	101,406,000	108,139,000	111,086,000	113,763,000	115,849,000
Sales of goods and services	6,109,000	6,112,000	5,916,000	5,816,000	5,716,000	5,616,000
Investment income	1,178,000	1,115,000	1,115,000	753,000	682,000	562,000
Miscellaneous income and contributions	1,871,000	1,263,000	2,233,000	2,233,000	2,233,000	2,233,000
Revenue recognized from deferred capital contributions	4,967,000	4,580,000	5,810,000	5,885,000	5,938,000	5,991,000
	161,809,000	163,075,000	173,565,000	176,550,000	180,214,000	183,238,000
Expenses						
Salaries and benefits	98,388,000	108,337,000	118,914,000	121,187,000	123,887,000	126,587,000
Amortization of tangible capital assets	8,905,000	10,227,000	11,366,000	11,602,000	11,903,000	11,549,000
Fees and contract services	11,517,000	16,840,000	17,946,000	18,163,000	18,497,000	18,838,000
Facilities	5,574,000	5,838,000	6,037,000	6,178,000	6,321,000	6,467,000
Cost of goods sold	2,806,000	3,110,000	2,893,000	2,793,000	2,693,000	2,593,000
Professional development and travel	2,307,000	3,129,000	2,857,000	2,909,000	2,970,000	3,032,000
Supplies	2,932,000	3,256,000	2,802,000	2,812,000	2,878,000	2,945,000
Leases and rental	1,144,000	2,742,000	1,415,000	1,415,000	1,415,000	1,415,000
Other	1,792,000	5,604,000	5,696,000	5,808,000	5,922,000	6,038,000
Communications	593,000	706,000	676,000	689,000	702,000	715,000
Interest on long-term debt	468,000	468,000	468,000	468,000	468,000	468,000
Scholarships and bursaries	1,063,000	839,000	885,000	885,000	885,000	885,000
Transfer to Langara College Foundation	1,654,000	1,560,000	1,610,000	1,641,000	1,673,000	1,706,000
	139,143,000	162,656,000	173,565,000	176,550,000	180,214,000	183,238,000
Surplus (deficit) for the period	22,666,000	419,000	-	-	-	-
Accumulated operating surplus, beginning of year	71,568,000	94,234,000	94,653,000	94,653,000	94,653,000	94,653,000
Accumulated operating surplus, end of year	\$ 94,234,000	\$ 94,653,000	\$ 94,653,000	\$ 94,653,000	\$ 94,653,000	\$ 94,653,000

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