



Western
UNIVERSITY • CANADA

2023-24 Operating and Capital Budgets

March 31, 2023

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ACRONYMS used in University Budget Document

	Acronym	Description
1	AI	Artificial Intelligence
2	APF	Academic Priorities Fund
3	APPF	Academic Planning, Policy, & Faculty
4	AQ	Additional Qualification Courses in the Faculty of Education
5	B.Ed.	Bachelor of Education Program/Degree
6	B.L.U.E.	Black Student Leadership University Experience
7	CRCs	Canada Research Chairs
8	CRV	Current Replacement Value (of Buildings)
9	CSD	Communication Sciences and Disorders Program
10	DM	Deferred Maintenance
11	Ed.D.	Doctor of Education Degree
12	EDI	Equity, Diversity, and Inclusion
13	EDID	Equity, Diversity, Inclusion, and Decolonization
14	EFB	Employee Future Benefits
15	EMBA	Executive Master of Business Administration Degree/Program
16	FIMS	Faculty of Information & Media Studies
17	FRSF	Federal Research Support Fund
18	FTE	Full-Time Equivalent
19	HBA	Honours Business Administration Degree/Program
20	HR	Human Resources
21	IBA	Inflationary Budget Adjustment
22	ITIF	Information Technology Infrastructure Fund
23	LMS	Learning Management System
24	LRSP	Long-Range Space Plan
25	MA	Master of Arts Degree
26	MBA	Master of Business Administration Degree/Program
27	M.Cl.Sc.	Masters in Clinical Sciences Degree
28	MCU	Ministry of Colleges and Universities
29	MD	Doctor of Medicine Degree/Program
30	MEng	Master of Engineering Degree/Program
31	MESc	Master of Engineering Science Degree
32	MMI	Maintenance, Modernization, and Infrastructure
33	MN	Masters in Nursing Degree
34	MOS	Management & Organizational Studies Program
35	MPT	Masters in Physical Therapy Degree
36	MSc	Master of Science Degree
37	MSOF	Major Strategic Opportunities Fund
38	OT	Occupational Therapy (School/Program)
39	PARF	Provost's Academic Renewal Fund
40	Ph.D.	Doctor of Philosophy Degree
41	PT	Physical Therapy (School/Program)
42	RISF	Research Infrastructure Support Fund
43	SSHRC	Social Science and Humanities Research Council
44	SUPF	Support Unit Priorities Fund
45	U.C.	University College
46	UCC	University Community Centre
47	USC	University Students' Council
48	USRI	Undergraduate Summer Research Internship Program
49	WeLL	The Western Living Lab (in the Faculty of Health Sciences)

2023-24 Operating Budget

Western continues to be guided by the priorities outlined in our **Strategic Plan – Towards Western at 150** – and is focused on its commitment to an outstanding student experience, scholarship, research, and creativity. The dedicated efforts made by all members of our university community has enabled the university to maintain those commitments through the global pandemic – and Western has come out a stronger institution as we look ahead to a post-pandemic environment.

The last two university budgets started the process of investing in our strategic plan priorities and this budget builds on those investments.

The current budget makes additional significant investments in our strategic plan priorities including:

- Support for enrolment growth
- Faculty and staff renewal/expansion
- Scholarship/research/creativity
- Graduate student financial support
- Engaging undergraduate students in research
- Our commitment to an equitable, diverse, and inclusive community
- Infrastructure to accommodate growth

These investments are critical to Western’s ongoing commitment to pursue the various components of our mission as a leading research university.

A. Planning and Budgetary Context

The recently completed planning process leads us forward to a 3-year budget/planning cycle – spanning the period 2023-24 through 2025-26. In the summer of 2022, our Faculties and Support Units submitted Academic and Operational Plans in alignment with our strategic plan – and the priorities in those plans have formed the basis for the first year of the 3-year university plan.

At this point in time, as we reach the end of the current fiscal year, our financial situation remains strong. The “in year” position of the 2022-23 Operating Budget (i.e. the current year) is a negative deviation of about \$3.4 million largely due to lower-than-projected international undergraduate and masters enrolments. The Operating Reserve at the end of the current year is projected to be \$40.9 million compared to the budgeted figure of \$44.3 million.

Looking ahead to 2023-24, we have developed the University budget with the following general assumptions regarding revenues:

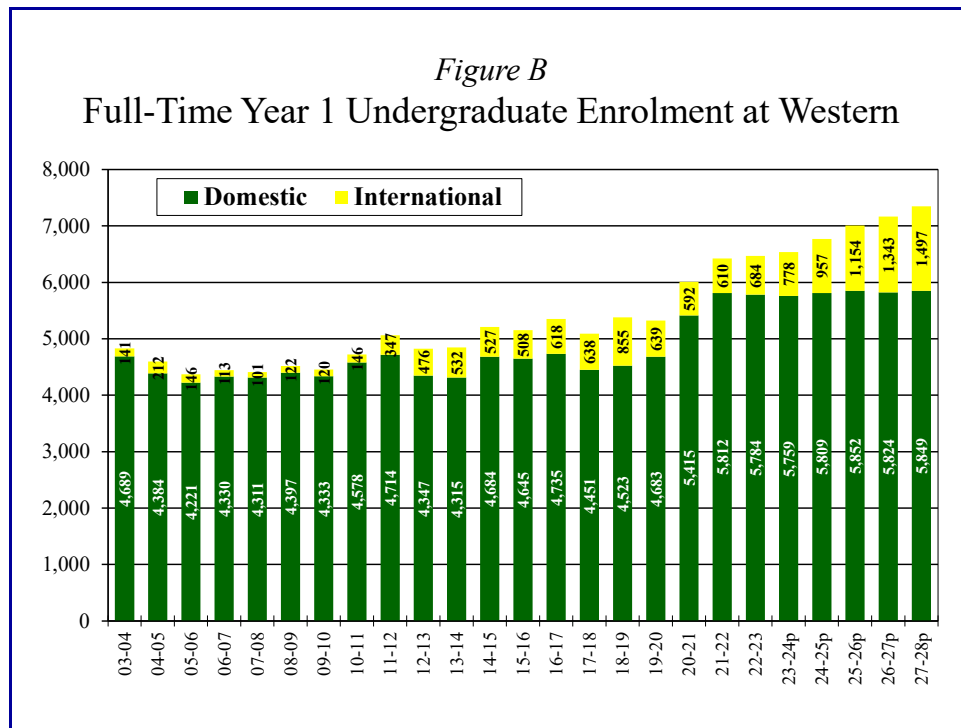
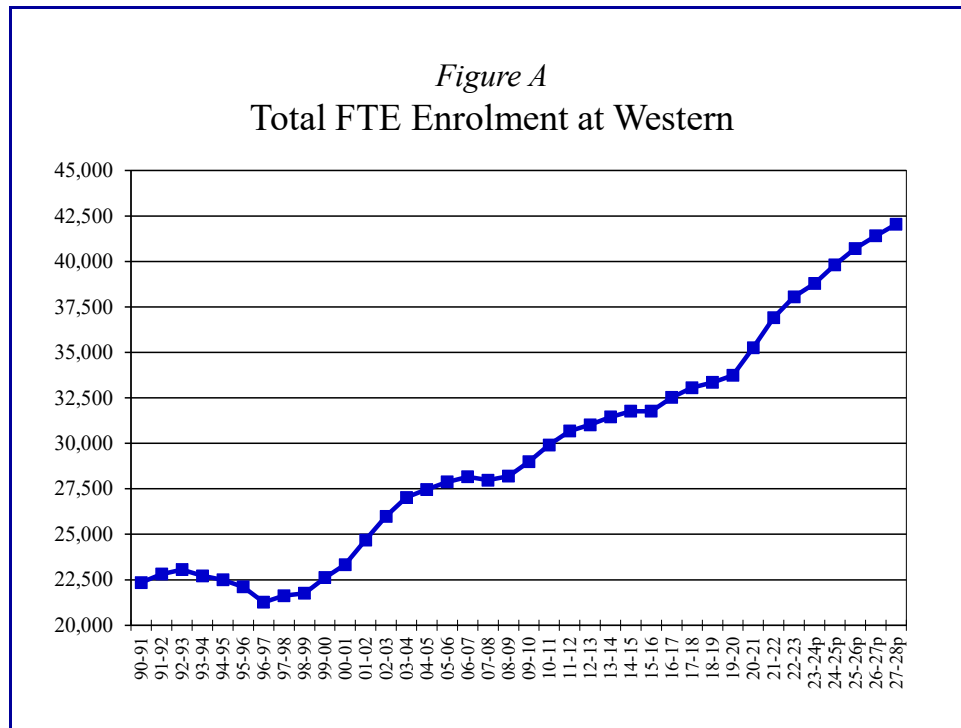
- Under the Provincial Government’s corridor-based block-grant funding system, our overall core provincial grants will remain frozen at the 2016-17 level.
- The Province’s tuition framework rolled back domestic tuition rates by 10% in 2019-20 and the rates were kept constant (at the reduced levels) in 2020-21 through 2022-23. Government has confirmed that domestic tuition rates for Ontario students will remain frozen in 2023-24.
- Enrolments are the primary driver of operating revenues. For budgetary purposes, our first-year class is expected to be about 6,540 students (which includes about 780 international students) and

the graduate enrolment plan is the aggregate of the plans developed by the Faculties – which is a growth of over 500 students and supports our research aspirations. Total full-time enrolment (undergraduate and graduate) is projected to increase by about 760 in 2023-24.

At Western, our integrated approach to planning serves us well. We continue to focus our budget planning on our strategic priorities. Our approach to enrolment planning allows us to make significant enhancements to the quality of education and the educational experience we offer our students:

- Recruitment of outstanding undergraduate students is a high priority. The average entering grade of our incoming class in the fall of 2021 was 92%, well above the Ontario average.
- About 92% of our first-year students continue into their second year. Our retention rates are amongst the highest in Canada and much higher than at our peer institutions in the United States.
- Graduation rates of our undergraduate students have been steadily increasing and they are currently much higher than the rates at our peer universities in Canada and the United States. About 85% of Western's 2015-16 entering cohort graduated within 6 years.
- We are continuing to invest in international undergraduate recruitment to grow international enrolments while also diversifying geographical source and program destination. At present, about 9.5% of our undergraduate enrolment is international. Our Strategic Plan aspires to reaching 20% international undergraduate students.
- Expansion of graduate enrolments in areas of demand and capacity continues to be a strategic priority at Western. The current plans from the Faculties show significant growth aspirations. In the current year, full-time graduate students comprise about 19% of total full-time enrolment.

We remain committed to building on the substantive gains we have made in the areas of student quality, educational quality, and student experience. Going forward, we will continue to manage our resources and target them towards the priorities identified in our new Strategic Plan.



B. Updates on Priorities and Initiatives from Last Year's Budget

The following initiatives were included in the 2022-23 Budget and involved substantial investments in alignment with the themes in our Strategic Plan.

Theme 1: Greater Impact

Growth: Enrolments

- The multi-year Engineering expansion involving a new 5-year undergraduate program that combines the core elements of Artificial Intelligence (AI) and Information & Communications Technology with any of the core disciplines in Engineering started in 2022-23 – and includes expansion of enrolments, faculty and staff complements, and space/facilities. The expansion is supported by teaching by the Faculty of Science and the Faculty of Arts & Humanities. In 2022-23, the following allocations were made:

Engineering: \$1.7 million base funding to support 8 faculty and 2 staff positions, \$800,000 one-time for faculty start-up funding, and \$2.62 million to support the construction of a new building. As of January 31, 2023, Engineering's faculty complement increased by 7 and the staff complement increased by 2.

Science: \$373,363 base funding to support 2 faculty positions and \$200,000 one-time for faculty start-up funding. Recruitment for the 2 faculty positions is underway.

Arts & Humanities: \$260,000 in base funding to support the incremental teaching of communications courses.

- A new funding program to support Faculties with PhD enrolment growth was introduced in 2022-23 – and will continue in the upcoming 3-year planning period. The program provides per-incremental-student funding to the Faculties for PhD enrolment growth (on top of the standard revenue sharing allocations) as follows: \$20,000 for Arts & Humanities, FIMS, and Music; \$18,000 for Education, Health Sciences, and Social Science; and \$14,000 for Engineering, Law, Medicine, and Science. In 2022-23, a sum of \$1.1 million has been transferred to the Faculties.

Growth: Faculty and Staff Renewal/Expansion

- Last year's budget included a number of initiatives aimed at faculty and staff renewal and expansion:
 - The creation of a \$25 million endowment to provide annual income to support the recruitment of faculty from equity-deserving groups. This funding augments the \$4 million one-time funding allocated in 2021-21 (to the Provost's Academic Renewal Fund – PARF). The PARF process resulted in the recruitment of 7 Black Scholars and 4 Indigenous Scholars.
 - The allocation of \$15 million one-time to the Endowed Chairs Matching Program.
 - The allocation of \$22.1 million (majority of the funds received through the carry-forward exchange program) to augment the Western Research Chairs (WRC) endowment.
 - The transfer of base funds as part of the carry-forward exchange program (\$2.4 million base to the Faculties in exchange for \$16 million carry-forward and \$1.5 million base to

- the Support Units in exchange for \$10 million carry-forward) aimed primarily at supporting faculty and staff positions.
- Other central base allocations – including the Academic Priorities Fund (APF) and Support Units Priorities Fund (SUPF) – to support faculty and staff positions.

The combined impact of the above allocations/initiatives is that full-time faculty complement increased by 47 and full-time staff complement increased by 67 in 2022-23 over 2021-22 (as of January 31, 2023). Recruitment for many other approved positions is on-going.

Space, Facilities, and Infrastructure to Support Growth

In order to ensure that we offer the best educational environment for our students and to support our faculty and staff with adequate state-of-the-art facilities, the 2022-23 Budget included the following one-time allocations:

- \$40 million to support our Long-Range Space Plan: \$5 million for the creation of student and collision spaces in the Social Centre; \$15 million to support the next phase of the Weldon Library modernization project; and \$20 million for the Bio-convergence Centre – an interdisciplinary research and experiential learning facility;
- \$3.75 million for the renewal of Chemistry laboratories;
- \$2.62 million (noted above) for the new Engineering Building; and
- \$900,000 to support a 4-year university-wide window maintenance program.

Activities ranging from space planning, site assessment, design, and early construction are underway for all of the above projects.

Enhancing our Research Profile and Impact

Last year's budget recommended various scholarship/research related initiatives, including:

- \$5.5 million one-time to support the renewal and expansion of clinical research facilities, infrastructure, and equipment. The funding has supported the acquisition of a Spinal Robotic Guidance Platform and Fluoroscopy Machine as well as start-up support for new faculty.
- \$1.9 million one-time to support the continuation of the Post-Doctoral Fellowship Program for another two years (i.e. 2022-23 and 2023-24). The program is continuing and supports 15 positions across campus.
- \$4.6 million one-time to the Vice-President (Research) to support university-wide research initiatives. The funding is being used to support infrastructure renewal/expansion in Animal Care Facilities and contract staffing in Research Western in the areas of knowledge exchange, bibliometrics, partnership development, and support for external grant applications.

Building Institutional Capacity through Expanded Fundraising

In support of preparing for our next fundraising campaign through initial branding and marketing initiatives and staffing for the development of campaign plans, last year's budget allocated: \$5 million one-time to the fundraising campaign and \$600,000 one-time for the National Brand Campaign.

Expansion of staffing levels in the Vice-President (Advancement) Portfolio has started and will continue in 2023-24. Western Communications has launched a number of brand advertising initiatives and is in the final stages of developing a longer-term brand strategy.

Enhancing the Learning Experience

The 2022-23 budget allocated a sum of \$2.6 million one-time to support the continuation of the Undergraduate Summer Research Internship Program (USRI). The program has supported 368 student internships working under the supervision of 312 faculty members – and included an education and training component as part of the overall experiential research opportunity for our students.

State-of-the Art Information Technology Infrastructure

A sum of \$3 million one-time was provided in 2022-23 to support the renewal and expansion of I.T. infrastructure across campus. The funds are being used to modernize core network infrastructure and wireless technologies across campus.

Theme 2: People, Community, and Culture

Last year's budget included a number of budget allocations in direct support of our goals in the areas of Equity, Diversity, & Inclusion (EDI) and Indigenization.

- The PARF Endowment (described above) has been created.
- The University Students' Council (USC) was provided with \$800,000 (to be used over a 2-year period) to support the distribution of menstrual products to our students, and the USC has implemented the program.
- Many allocations to our Faculties and Support Units to support additional faculty and staff positions and programming initiatives in the areas of EDI and Indigenization were part of the 2022-23 budget. All the allocations have been made and the positions have either been filled or the searches nearing completion. Programming initiatives include the opening of the Wampum Learning Lodge and the Black Western Student Community Ambassadors program which involved 15 student ambassadors.

Theme 3: Western's Place in the World

The commitments under this theme were directly supported in the 2022-23 Budget through the following initiatives:

- Western's Long-Range Space Plan which included the Ronald D. Schmeichel Building for Entrepreneurship and Innovation, the University Community Gathering Hub, the Multi-Sport Field House, the Social Sciences Centre Realignment/Expansion to create student spaces, and the Open Space Strategy. All of these projects are in various stages of progress – ranging from initial assessment (including costing), site planning, design, and actual construction.
 - Planning for our new presence in London's downtown core through the acquisition of the building at 450 Talbot Street is underway. The facility is expected to house: an Indigenous Gallery managed by the McIntosh Gallery, gallery space and a black box theatre for the Department of Visual Arts, a FIMS Community Studio, the Faculty of Health Sciences' Western Living Lab (WeLL), the Faculty of Law's Community Legal Services, community outreach initiatives through the Schulich School of Medicine & Dentistry, a multi-Faculty community-engaged learning hub (Music, FIMS, Schulich), the Faculty of Social Science Local Government Program, and shared event and food/catering spaces.
 - Various university-wide campus sustainability, energy conservation, and infrastructure projects (supported through an allocation of \$21.5 million) are continuing.
 - The Ivey Business School is close to finalizing an arrangement to expand its physical footprint in
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Toronto – which is a high priority for the University. Western continues to explore options for other space in Toronto to support objectives in the areas of continuing education and life-long learning which could include offerings through all Faculties.

C. Priorities for the 2023-24 Budget and New Initiatives

The recently completed planning process identified the following high priority initiatives that are directly aligned with the three themes in our new Strategic Plan.

Theme 1: Greater Impact

Growth: Enrolments

1. A central element of “Greater Impact” is to grow strategically in areas of demand and societal need. In support of this imperative, two specific initiatives are recommended in the 2023-24 Budget.
 - As indicated in section B, a strategic Engineering expansion is underway with a fully developed multi-year plan involving expansion of enrolments, faculty/staff complements, space/facilities, and investments in other Faculties that contribute in a significant manner to the teaching of Engineering students.
 - Expansion of our undergraduate Nursing program – with grant funding support from the Provincial Government – is underway. Funding to support new/incremental teaching/clinic spaces is recommended in this budget (Table 8, line 15). Expansion of other programs in the Faculty of Health Sciences (FHS) will also benefit from these teaching/clinic spaces. All of the FHS expansion initiatives will be supported through the University’s enrolment-related revenue sharing systems and incremental transitional short-term and permanent long-term space.

Growth: Faculty and Staff Renewal/Expansion

Faculty and staff renewal and expansion, commensurate with enrolment growth, is a key priority in our Strategic Plan. In support of this, the following budget allocations are recommended:

2. The Endowed Chairs Matching Program, whereby private donations to support faculty positions through the creation of endowed chairs are matched by the University, was introduced in 2010-11. To-date, a total of \$98.5 million has been allocated for matching purposes. Of this, \$78 million has already been spent as matching funds for a total 48 chairs, leaving \$20.5 million unspent. The Vice-President (Advancement) is currently in discussions regarding 5 to 10 additional chairs in the current year which will require up to \$15 million in matching funds and the plan is to secure 5 to 10 chairs annually. It is expected that this matching program will be a central component of our next fundraising campaign, and further incremental matching funds will be required. Therefore, it is recommended that \$15 million in one-time funding (Table 8, line 2) be allocated to support the Endowed Chairs Matching Program.
3. The base budget recommendations to the Faculties and Support Units (Tables 4 and 6) include substantial allocations through the Academic Priorities Fund (APF), the Support Unit Priorities Fund (SUPF) and other targeted strategic base allocations. The Faculties’ final plans, which include these budget allocations, show an incremental growth of 59 faculty positions and 137 staff positions in 2023-24 over the current year (as of January 31, 2023).

Space, Facilities, and Infrastructure to Support Growth

4. In order to ensure that we offer the best educational environment for our students and to support our faculty and staff with adequate state-of-the-art facilities, the Strategic Plan calls for investment in facilities and infrastructure. In support of this priority, the following one-time allocations are recommended in this budget:
 - \$40 million (Table 8, line 1) to support our Long-Range Space Plan which is outlined in Table 13 – specifically in direct support of the consolidation of the Child and Youth Development Clinics in the Faculty of Education (\$4.5 million), a new building to provide incremental space for enrolment expansion in the Faculty of Health Sciences (\$20 million), and the Bio-convergence Centre (\$15.5 million);
 - \$5.66 million from the multi-year Engineering enrolment expansion revenues to support the new Engineering Building (Table 8, line 4); and
 - \$1.6 million to support technology-related modernization of general university instructional spaces (Table 8, line 7).

Enhancing our Research Profile and Impact

5. In support of the research aspirations in our Strategic Plan, under the Greater Impact Theme, the following budget allocations are recommended:
 - \$11 million one-time to provide matching funds for external grants for major research initiatives including: pathogen and vaccine development research through the ImPaKT Facility, world-leading wind research initiatives, and strategic investments in neuroscience, imaging, and global health (Table 8, line 3); and
 - \$2.6 million one-time support for a number of university-wide research initiatives – under the direction of the Vice-President Research (Table 8, line 39).

Enhancing the Learning Experience

6. A sum of \$2 million one-time is recommended to support the continuation of the Undergraduate Summer Research Internship Program (USRI) (Table 8, line 6). In 2023-24, the program is expected to support 300 student internships – and will include an education and training component as part of the overall experiential research opportunity for our students. The program will continue in each year of the 3-year planning cycle – with annual funding of \$2 million.

State-of-the-Art Information Technology Infrastructure

7. The commitment in the Strategic Plan to invest in state-of-the-art I.T. infrastructure is being supported through the recommendation of \$5 million in one-time funding to support renewal of I.T equipment across campus (Table 8, line 5). This allocation augments the on-going base budget line for I.T. Infrastructure shown in Table 7, line 7 – which includes a \$1 million base investment to support the annual licensing cost of a new Learning Management System (LMS). Funding is also being provided to support the implementation of the LMS through a one-time allocation of \$500,000 (Table 8, line 9).

Theme 2: People, Community, and Culture

8. In support of the priorities under this theme, and in direct support of our goals in the areas of Equity, Diversity, & Inclusion (EDI) and Indigenization, the following budget allocations are recommended for 2023-24:
- A sum of \$128,400 in base funding and \$75,000 in one-time funding to the Faculty of Law to support a Director of EDID position and supporting resources (Table 4, line 7 and Table 8, Line 17);
 - \$100,000 in base funding and \$400,000 in one-time funding to the Office of Indigenous Initiatives to support additional staffing, programming initiatives, and the hosting of the annual Building Reconciliations Conference (Table 6, line 7 and Table 8, line 29);
 - A sum of \$115,000 one-time to the Office of Equity, Diversity, & Inclusion to support the Black Student Leadership University Experience Initiative (B.L.U.E.) and programming initiatives (Table 8, line 36); and
 - A sum of \$455,000 in base funding to continue the expansion of scholarships aimed at recruiting Black Students and Indigenous Students (Table 5, line 1). At the end of the 3-year planning cycle, the total annual funding is expected to reach \$1.9 million.
9. In recognition of the financial pressures faced by graduate students, the following initiatives are being recommended to start in 2023-24:
- A Graduate Student Needs-based and Emergency Fund: \$500,000 one-time in each of 2023-24 through 2025-26 (Table 8, line 10). This fund augments the general bursary funds already available to graduate students and undergraduate students (Table 5, line 5).
 - Increase to the minimum funding guarantee to funding-eligible Ph.D. students from the current level of tuition plus \$13,000 to tuition plus \$17,000 – an increase of \$4,000.
 - A one-time transition grant/award of \$1,000 to all new-to-Canada international graduate students. Details of the implementation of this component are currently being developed by the School of Graduate & Postdoctoral Studies and Western International.
This one-time transition grant/award of \$1,000 is also being extended to all new-to-Canada international undergraduate students.

Theme 3: Western's Place in the World

10. The priorities under this theme are directly supported in this budget through the following first set of commitments:
- Enhancing Western's campus is a central priority in our Long-Range Space Plan (Table 13), and includes the following projects: Weldon Library Modernization, the Ronald D. Schmeichel Building for Entrepreneurship and Innovation, the University Community Gathering Hub, the new Engineering Building, the Bio-convergence Centre, a new facility to consolidate the Faculty of Education's Child and Youth Development Clinics, and new residences;
 - The on-going range of university-wide Campus Sustainability, Energy Conservation, and Infrastructure Projects support our aspiration to reduce carbon emissions for campus operations, and we are projecting expenditures of \$29.7 million in 2023-24 (Table 14, line 3); and
 - We continue to explore options for additional physical presence in Toronto.
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D. Three-Year Operating Budget Forecast

We seek approval of the 2023-24 Budget as outlined in this document. The recommendations in this document have been guided by projections of operating revenues and expenditures for all years of the upcoming 3-year planning period.

Recommendation regarding the Minimum Level of the Operating Reserve

In January 2016, the Board of Governors approved a motion that set the minimum level of the Operating Reserve at \$7.5 million – which was set when total Operating Revenue was approaching \$750 million, based on a rough-justice rule of 1% of Operating Revenue. As shown in Table 1 (line 14), we project the Operating Revenue to reach nearly \$1 billion by the end of the upcoming 3-year planning period. Therefore, it is recommended that the Board of Governors reset the mandated minimum level of the Operating Reserve to \$10 million.

Table 1 summarizes our current forecast for the upcoming 3-year planning period, and the major underlying assumptions are as follows:

Revenues

- Provincial government on-going grant funding remains constant during the 3-year planning period, consistent with the current corridor funding system and the planned move to performance-based funding.
- The federal government's Research Support Fund, which is in recognition of the indirect costs of granting-council-supported research covered by the University's operating budget, is expected to be stable.
- As required by the Province, domestic tuition rates were rolled back 10% in 2019-20 and were held constant in 2020-21 through 2022-23. The Province recently confirmed that domestic tuition for Ontario students will remain frozen in 2023-24. For the final two years of the 3-year planning period, we have assumed modest increases in domestic tuition rates for Ontario students

In 2022-23, the Province allowed for a 5% increase in tuition rates for domestic students from other provinces. Due to the lateness of last year's announcement, Western was not in a position to implement the allowable increases, but the Board of Governors approved the increases for undergraduate out-of-province domestic students (as shadow tuition rates). For 2023-24, the Province has allowed for a further 5% in domestic out-of-province undergraduate tuition rates – and this budget recommends the implementation of this 5% on top of the 5% from 2022-23.

International tuition rates are de-regulated and we propose to continue with the pattern of increases similar to recent years – which provides predictability for international students after their entry year of study.

Our proposed rate increases are shown in Tables 10, 10a, and 11.

- The Senate-approved enrolment projections and plans, which drive our tuition revenue projections, are shown in Table 12. As indicated earlier, our first-year class (for budgetary purposes) is assumed to be an intake of 6,540 students – including 780 international students.

Expenditures

- Faculty and Support Unit base budgets have been adjusted to reflect the 3% Inflationary Budget Adjustment (IBA) and augmented by allocations from the Academic Priorities Fund (APF), the Support Units Priorities Fund (SUPF), enrolment expansion funding, and Canada Research Chairs (CRCs). *Note that, for the upcoming 3-year planning period (as a pilot), the IBA calculation has been modified. The IBA is now applied only to the full-time employee compensation component of Faculty and Support Unit budgets – compared to the previous approach of applying it to the full base budget. Under this approach, at the end of the 3-year planning period, the total dollar value of the IBA is lower by \$8 million for the Faculties and \$1.2 million for the Support Units. The revised approach has been well-received by the units.*
- Enrolment-related revenue sharing with the Faculties, which transfers nearly 50% of incremental enrolment-related revenue to the Faculty budgets, continues in 2023-24.
- Non-salary costs associated with major University-wide budget items (e.g. utilities, insurance, and I.T. infrastructure) are based on the current estimates from the units that manage these expenditures.
- Central funding to cover the costs of negotiated employee compensation increases have been set aside and these funds will be transferred to Faculty and Support Unit budgets throughout the year, as the various compensation provisions are implemented.

Net Position and the Operating Reserve

- As can be seen in line 32 of Table 1, the Operating Reserve is projected to be at \$41 million at the end of the current year (i.e. 2022-23). The reserve is projected to be \$40 million at the end of the 3-year planning period (2025-26) – above the proposed Board-mandated minimum level of \$10 million.

The 3-year plan – which has been developed in the context of the external environment, internal priorities, and societal need – moves us forward with the following objectives:

1. A responsible plan that ensures fiscal health and financial stability;
2. Aligns with Western’s Strategic Plan priorities and the ambitions of our Faculties and Support Units; and
3. Supports our students, faculty, and staff.

Table 1
HIGH-LEVEL 3-YEAR BUDGET PLAN: 2023-24 TO 2025-26

		2021-22a	2022-23e	2023-24b	2024-25p	2025-26p
1	REVENUES					
2	Government Grants					
3	Provincial: Core Operating Grant (Enrolment-based)	175.0	146.6	243.5	202.0	202.0
4	Provincial: Performance based Grant	96.2	124.7	27.8	69.3	69.3
5	Provincial: Special Purpose Grants	17.0	13.5	13.1	12.9	12.4
6	Federal: Research Support Fund (FRSF)	11.7	11.3	11.4	11.4	11.4
7	Total	299.9	296.0	295.8	295.5	295.0
8	Tuition Revenue	446.4	462.1	480.2	510.5	545.4
9	All Other Revenues					
10	Canada Research Chairs (CRCs)	8.7	8.5	8.3	8.3	8.3
11	Recoverable Salaries	27.3	27.5	27.5	27.5	27.5
12	All Other	74.7	80.9	84.2	85.9	87.9
13	Total	110.7	116.9	120.0	121.7	123.7
14	Total Revenues	857.0	875.0	896.0	927.7	964.1
15	EXPENDITURES					
16	Faculties					
17	Base Budgets	451.4	465.2	466.3	468.3	472.0
18	Revenue Sharing Allocations	0.0	0.0	3.1	4.4	11.0
19	Canada Research Chairs (CRCs)	7.6	7.4	7.2	7.2	7.2
20	All Other	47.1	49.5	49.3	49.6	50.1
21	Total	506.1	522.1	525.9	529.5	540.3
22	Scholarships and Bursaries	38.5	38.2	39.2	41.2	43.3
23	Support Areas	114.3	123.2	125.5	127.0	128.6
24	University-wide Expenditures	77.7	75.7	82.9	89.7	92.9
25	Provision for Cost Fluctuations	0.4	0.0	24.9	43.4	70.1
26	One-Time Allocations	121.3	147.2	97.8	97.9	88.7
27	Total Expenditures	858.3	906.4	896.2	928.7	963.9
28	REVENUES minus EXPENDITURES	-1.3	-31.4	-0.2	-1.0	0.2
29	OPERATING RESERVE					
30	Beginning Operating Reserve	73.6	72.3	41.0	40.8	39.8
31	Surplus / (Deficit) -- from Line 28 above	-1.3	-31.4	-0.2	-1.0	0.2
32	Ending Operating Reserve	72.3	41.0	40.8	39.8	40.0

E. Summary of the 2023-24 Operating Budget

Table 2 summarizes the 2023-24 Operating Budget, including total revenues, expenditures by area, net position for the year, and the projected operating reserve.

Line 5: Total operating revenue is projected to be \$896.0 million in 2023-24 – an increase of 2.4% over 2022-23. Details of the operating revenues are shown in Table 3.

Line 13: Total expenditures are projected to be \$896.2 million in 2023-24 – a decrease of 1.1% over 2022-23. Details of the expenditures (by area) are shown in Tables 4 through 8.

Line 14: The in-year net position is projected to be a (planned) deficit of \$31.4 million in 2022-23 and a balanced budget in 2023-24. The planned deficit in the current year (i.e. the \$31.4 million) is the result of recommended “one-time” spending in areas of strategic priority to the University – made possible by the availability of “one-time” funds in our operating reserve.

Line 17: The Operating Reserve is forecast to be \$40.9 million at the end of 2022-23 and \$40.6 million at the end of 2023-24.

Table 2**SUMMARY OF OPERATING BUDGET: 2023-24**

		<a> 2022-23 Budget (@Feb 28, 2023)	 2023-24 Budget	<c> \$ Change from 2022-23
1	Operating Revenues (Table 3)			
2	Government Grants	296,043,080	295,767,148	-275,932
3	Tuition Revenue	462,092,057	480,190,610	18,098,553
4	All Other	116,928,435	120,017,393	3,088,958
5	Total Revenues	875,063,572	895,975,151	20,911,579
6	Expenditure Budgets			
7	Faculties (Table 4)	522,143,074	525,945,914	3,802,840
8	Scholarships and Bursaries (Table 5)	38,198,525	39,217,095	1,018,570
9	Support Areas (Table 6)	123,177,624	125,450,388	2,272,764
10	University-wide Expenditures (Table 7)	75,736,005	82,890,866	7,154,861
11	Provision for Cost Fluctuations	0	24,917,713	24,917,713
12	One-Time Allocations	147,196,749	97,785,130	-49,411,619
13	Total Expenditures	906,451,977	896,207,106	-10,244,871
14	Surplus / (Deficit) - Line 5 minus Line 13	-31,388,405	-231,955	
15	Beginning Operating Reserve Balance	72,268,752	40,880,347	
16	Surplus / (Deficit) -- Line 14 above	-31,388,405	-231,955	
17	Closing Operating Reserve Balance	40,880,347	40,648,392	
18	Board-mandated Minimum Level Reserve Target	7,500,000	7,500,000	

F. Details of the 2023-24 Operating Revenue Forecasts (Table 3)

Government Grants

In 2017-18, the Provincial Government introduced an enrolment corridor-based funding system whereby the major portion of provincial grants would flow as a block grant, provided the institution maintains an overall level of domestic enrolments. In 2019-20, the Province had signaled the move to a performance-based funding system whereby, gradually, over the next 5 years (starting with 2020-21), the major portion of grant funding would be tied to ten performance/outcomes metrics. In response to the global pandemic and its impact on university operations, the Province has delayed the actual metrics-based implementation until the end of 2022-23. Starting with 2023-24, the Government has notionally presented the grants transitioning to the performance-based system, but with no change in the overall grant funding level (i.e. the sum of lines 2 and 3 in Table 3 remain unchanged).

Tuition Fees

The recommended tuition fee rates for 2023-24 are summarized in Tables 10, 10a, and 11. Tuition revenue projections are a function of tuition rates and the enrolment forecasts shown in Table 12.

Domestic Students from Ontario

As noted earlier (in section A), tuition rates for domestic students from Ontario remain unchanged.

Domestic Students from Other Provinces

As described earlier, tuition rates for undergraduate domestic students from other provinces are recommended to increase by 5% in 2023-24 – on top of the 5% increases approved by the Board of Governors in 2022-23.

International Students

Recent University budgets highlighted the fact that Western's international undergraduate student tuition rates were below the average of our peer research-intensive institutions in Ontario and it was noted that, looking forward, our recommendations for these tuition fees will seek to move Western's tuition rates to the level of our peers. The recommendations for international undergraduate tuition fees continue on the path to narrowing the gap with our peer institutions.

Starting with the fall term of 2018, tuition rates for international Ph.D. students have been set at the same rate as domestic students.

All Other Revenues

A number of other sources contribute to the University's Operating Budget. Major items to note are the Canada Research Chairs (CRCs), the Fee-for-Services Transfer from the Affiliated University Colleges, Fundraising associated with Student Financial Aid, Royalties and Licenses, and the Fee-for-Services Transfer from Ancillaries and Other Self-funded Operations.

- Table 9 summarizes the distribution of currently-occupied CRCs at Western. Our current allocation is a total of 78 CRCs. The occupancy of the Chairs turns over dynamically as terms end and begin. There are 59 occupied Chairs in the current year and we are projecting 57 occupied chairs in 2023-24, with \$8.3 million in associated revenue. An additional 21 CRCs are currently allocated and are in the selection and recruitment phase, including two Indigenous CRCs. These positions should be finalized in 2023-24.
- The Fee-for Services Transfer from the Affiliated University Colleges represents payments for services and teaching provided to their students. The transfer rate is 12% of the Colleges' grant and tuition revenue. Our current projection is that the transfer will increase to \$13.4 million in the coming year, due to enrolment increases at the Colleges.
- Fundraising for needs-based Student Awards continues to be of high priority for the University. In 2023-24, we project a sum of \$9.9 million from this source.
- The revenue from Royalties and Licenses includes patents/licenses associated with the Robarts Research Institute which flows to the Schulich School. The projected decline in 2023-24 is the result of unexpected one-time licensing activity in 2022-23 which is not expected to repeat in the coming year.
- Western's self-funded operations and ancillary units transfer substantial funds to the University Operating Budget by way of payments associated with facilities/land costs and services provided by the University. As noted earlier, our ancillary operations are expected to fully return to pre-COVID operational levels which will result in the transfers from these units returning to pre-COVID levels. This category also includes the payment from the Ivey Business School to the University for services provided by the University at-large to Ivey, a component within the funding model for the Ivey School that was introduced in 2004-05.

G. Details of the 2023-24 Expenditure Recommendations

1. Faculty Budget Recommendations

Table 4 shows the 2022-23 **base budget recommendations** for Western's Faculties. Final 2022-23 base budgets are the net result of the following:

- Starting base budgets;
- The Inflationary Budget Adjustments (IBA);
- Academic Priorities Fund (APF) allocations;
- Program expansion funding and/or targeted government allocations; and
- Funds associated with CRC positions (detailed in Table 9).

The **Inflationary Budget Adjustment (IBA)**, which reduces base budgets by 3%, is applied annually. This adjustment is required to help fund inflationary costs, which are primarily the annual employee salary increases as negotiated through collective bargaining agreements. As described in section D, the IBA mechanism has been modified – and the outcome is that the Faculty budgets (in total) benefit to an equivalent of \$8 million in base funding at the end of the 3-year planning period. *It should be noted that central funding to cover the costs of negotiated employee compensation increases will be incrementally added to Faculty base budgets (in year) as the information is available – i.e. the funds will be added to the figures shown in column <f> of Table 4.*

The **Academic Priorities Fund (APF)** shown in line 19 of Table 4 was established in 2011-12. The Provost's APF recommendations are in direct response to requests from the Faculties and are made in the context of the following considerations:

- The Faculty's overall resource situation relative to enrolments/teaching
- Plans for program expansion and/or development of new graduate and undergraduate programs
- Projected revenue sharing allocations
- Resources relative to similar programs/Faculties
- Cost structure variations among disciplines/Faculties
- Relationship between resources, enrolments, and faculty/staff complements
- Scholarship/research activities and new initiatives, including interdisciplinary or cross-Faculty initiatives
- Investments made in recent years

The **Faculty-specific APF base recommendations** for 2023-24 (shown in column <c> of Table 4) are:

- \$100,000 to the Faculty of Arts & Humanities in support of graduate student recruitment initiatives;
- \$150,000 to the Faculty of Education for a Teaching Scholar faculty position;
- \$165,000 to the Faculty of Engineering in support of two staff positions – a curriculum specialist and a lab technologist;
- \$175,000 to the Faculty of Health Sciences in support of two staff positions – a placement coordinator and an experiential learning coordinator;
- \$150,000 to the Faculty of Information & Media Studies for a probationary faculty appointment;
- \$128,400 to the Faculty of Law to appointment a Director of Equity, Diversity, Inclusivity, and Decolonization (EDID);
- \$418,000 to the Schulich School of Medicine & Dentistry in support of four staff positions in the areas of new program development and accreditation supports;

- \$100,000 to the Don Wright Faculty of Music in support of graduate student recruitment initiatives;
- \$240,000 to the Faculty of Science for three staff positions – two positions to support high-enrolment courses and an Indigenous Connector position;
- \$286,875 to the Faculty of Social Science for three staff positions – a digital technologist, a research officer, and an HR specialist.

The **Other Base Changes** for the Faculties (shown in column <d> of Table 4) consist of:

- \$717,000 to Engineering as a direct result of enrolment expansion – and this funding is expected to support 3 faculty positions and 2 staff positions;
- \$100,000 to Science in support of the incremental teaching associated with the Engineering expansion plan.

The **funding model for the Ivey Business School**, introduced in 2004-05, flows all tuition fees and government grants deriving from enrolments directly to Ivey. Under this funding model, the Ivey School does not participate in the University's other funding programs such as the APF, the Research Infrastructure Support Fund (RISF), and other targeted special funding programs, and the Faculty is responsible for all its costs, including annual employee compensation increases. Ivey also transfers an annual amount to the central budget reflecting the cost of general services provided to the Faculty by the University.

Over and above the base budget allocations, the Faculties receive substantial additional on-going funds through the **enrolment-related revenue sharing mechanism** that was implemented in 2011-12. A proportion of tuition revenue deriving from incremental enrolments flows to the Faculties, as follows:

- 50% on direct-entry undergraduate enrolments/teaching – with 30% distributed based on program enrolments and 20% based on teaching levels (measured in course registrations)
- 50% on second-entry (or professional) undergraduate enrolments
- 50% on graduate enrolments

Note: In order to support Faculties facing undergraduate enrolment pressures, the undergraduate enrolment baselines for the Arts & Humanities, FIMS, and Music were lowered by 10%.

The Faculties are projected to receive \$3.2 million in 2023-24 through the overall enrolment-related revenue-sharing mechanism, as shown in Table 4, column f, line 15. This amount is in addition to the \$3.9 million that was rolled into Faculty base budgets in 2022-23.

The Faculties also receive additional budgetary support through:

- **One-time operating budget allocations** (totaling \$11.2 million) which are detailed in Table 8 (lines 11 to 23);
- The new **PhD enrolment growth funding support program**, estimated at \$1.1million (Table 4, line 16);
- **The Research Infrastructure Support Fund (RISF)** totaling \$750,000 (Table 4, line 17); and
- Support for **Faculty-specific capital projects** through the University's Capital Budget.

A consolidated summary of the Provost's allocation recommendations for the Faculties (direct to the Faculties, from the various sources described above) is presented in Figure C. These recommendations are for the 2023-24 Budget.

Figure C

SUMMARY OF 2023-24 ALLOCATION RECOMMENDATIONS FOR THE FACULTIES

(direct allocations to the Faculties through the planning process)

		Base Allocations	One-Time Allocations	Capital Support
1	Arts & Humanities	100,000	150,000	680,000
2	Education	150,000		415,500
3	Engineering	936,117	1,087,000	205,500
4	Health Sciences	175,000	925,000	
5	Information & Media Studies	150,000	82,500	72,000
6	Law	128,400	75,000	72,000
7	Medicine & Dentistry	418,000	274,000	190,000
8	Music	100,000	353,400	144,500
9	Science	339,781	210,000	
10	Social Science	286,875	296,375	
11	Total	2,784,173	3,453,275	1,779,500

Note: These recommendations are for the 2023-24 budget -- and should be considered in the context of resource allocations made in previous recent planning cycles.

2. Scholarships and Bursaries

Base budget allocations for centrally-funded student support programs are shown in Table 5 – with a total of \$39.2 million estimated for 2023-24.

- Undergraduate scholarships are projected to increase by \$455,000 due to continued expansion of the scholarship program for Black and Indigenous students.
- The University is introducing a financial support program for undergraduate international students with a \$400,000 allocation in 2023-24.
- Fundraising for undergraduate and graduate student needs-based awards continues to be a high priority for the University. In 2023-24, we project a sum of \$9.9 million from this source.
- Western’s bursary program supports undergraduate and graduate students – with an allocation of \$2 million in the coming year.
- As the footnote in Table 5 indicates, graduate student funding is addressed through the Faculty budgets, and the Faculty plans estimate a total of \$56.2 million in 2023-24 for this priority item. Graduate students also receive additional funding through faculty members’ research grants, external student award programs (e.g. tri-agencies), and other sources. In recent years, these sources have added about \$50 million annually to overall graduate student financial support.

As described in section D.11., in recognition of the financial pressures faced by our graduate students, a Graduate Student Needs-based and Emergency Fund of \$500,000 one-time in each of 2023-24 through 2025-26 is being recommended (Table 8, line 10). This new fund augments the regular annual general bursary funds available to all students (shown in Table 5, line 5).

3. Support Unit Budget Recommendations

Table 6 shows the 2023-24 base budget recommendations for Support Units. Final 2023-24 base budgets are the net result of the following:

- Starting base budgets;
- The Inflationary Budget Adjustments (IBA);
- Support Units Priorities Fund (SUPF) allocations; and
- Other strategic and operational base allocations.

The **Support Unit Priorities Fund (SUPF)** was established in 2011-12, and the unit-specific base allocations for 2023-24 (shown in column <c> of Table 6) are:

- \$100,000 to the Vice-Provost (Academic Programs) Portfolio for an eLearning Specialist staff position;
- \$100,000 to Western Technology Services for a Desktop Specialist staff position;
- \$131,962 to Western Libraries for additional staffing;
- \$100,000 to the Student Experience Portfolio in support of enhancing summer transition programming for new students;
- \$100,000 to the Office of Indigenous Initiatives in support of two staff positions – a Web Designer and an Administrative Assistant;
- \$85,000 to the Vice-Provost (Academic Planning, Policy, & Planning) Portfolio for a Communications Coordinator staff position;
- \$100,000 to the Office of Institutional Planning & Budgeting for a staff position in the area of rankings and reputation data and analyses;
- \$100,000 to Western International for an International Student Advisor staff position;
- \$210,000 to Financial Services to sustain operations and for a Research Finance staff position;
- \$154,800 to Facilities Management for two staff positions – a Sustainability Coordinator and an Energy & Carbon Manager;
- \$164,062 to Campus Safety & Emergency Services for additional evening/weekend security services and to maintain staffing levels;
- \$23,986 to Internal Audit to sustain operations;
- \$60,000 to Legal Services for an administrative support staff position;
- \$200,000 to the Vice-President (Research) Portfolio for two staff positions – a Research Ethics Officer and an Administrative Support position;
- \$175,000 to the Vice-President (Advancement) Portfolio in support of our next fundraising campaign-related activities;
- \$205,000 to Human Resources in support of two HR Coordinator staff positions;
- \$100,000 to Western Communications in support of a Production Strategy Manager staff position;
- \$35,000 to the University Secretariat to sustain operations;
- \$30,000 to the Office of Equity, Diversity, & Inclusion to maintain staffing levels.

The Provost and the Vice-President (Operations & Finance) are also carrying forward a portion of the SUPF resources associated with their units for allocation in the future. These are shown in lines 14 and 22 of Table 6.

The **Other Base Changes** for the Support Units (shown in column <d> of Table 6) consist of:

- A series of allocations to all Support units (equivalent to 1% of the IBA) to maintain service levels;
- \$250,000 to the Libraries to expand staff capacity in order to ensure optimal library services to the University community;

- \$538,639 to Facilities Management to support the operating costs of incremental space/facilities;
- \$200,000 to Campus Safety & Emergency Services to augment the SUPF allocation in support of evening/weekend security services.

Similar to the Faculties, the Support Units also receive additional budgetary support through:

- **One-time operating budget allocations** (\$4.6 million) which are detailed in Table 8 (lines 24 through 41); and
- Support for **Unit-specific capital projects** through the University's Capital Budget.

4. University-wide Expenditures

Table 7 summarizes University-wide Expenditures. These are expenses that extend across all areas of the University.

- The increase in the University's physical plant **Utilities** is the net result of the campus returning to normal operations, projected utilities rate increases, utilization patterns, anticipated savings resulting from the implementation of energy efficiency initiatives, and the opening of new buildings.
- The **Library Acquisitions Budget** continues to be a high priority and is being increased by \$250,000 to \$15.7 million in 2023-24.
- The **Maintenance, Modernization, and Infrastructure (MMI)** transfer to the Capital Budget is being maintained at the Board-approved level of \$15.5 million. This budget item will be reviewed as part of the next multi-year planning cycle.
- The **FRSF Transfer to Capital** continues at the \$3 million level and these funds are used to support major projects in our Long-range Space Plan that involve research facilities.
- The **Information Technology Infrastructure Fund (ITIF)** supports rapidly-expanding University-wide central IT infrastructure including our networks, wireless technologies, internet bandwidth, IT security infrastructure, general university computer labs, instructional support and eLearning software applications, central university databases, the hardware necessary to run the applications and databases, and maintenance costs associated with all the hardware and software. The \$1 million new investment is to support the annual licensing cost of a new Learning Management System (LMS).
- **Contingency** is being set at approximately \$2.2 million or 0.25% of Operating Revenues, as in previous years.

5. One-Time Recommendations

As noted above, the Faculties and Support Units will receive substantial one-time funding in 2023-24. The specific one-time recommendations are summarized in Table 8 and include unit-specific items as well as allocations for University-wide initiatives.

As described earlier in Section C of this document, the following high priority university-wide initiatives are recommended for support in the 2023-24 budget – with one-time allocations totaling \$82 million:

- **Long-Range Space Plan:** \$40 million
- **The Endowed Chairs Matching Program:** \$15 million
- **Matching contribution support for Major Research Grant Proposals:** \$11 million
- Multi-year plan to fund a **new Engineering Building** to accommodate the enrolment expansion: \$5.7 million
- **Renewal of Information Technology core infrastructure** across campus: \$5 million
- Continuation of the **Undergraduate Summer Research Internship Program:** \$2 million
- **Modernization of General University Instructional Facilities:** \$1.6 million
- The **National Brand Campaign** – in support of our next fundraising campaign: \$690,000
- Additional contract staffing to support the **implementation of the new Learning Management System (LMS):** \$500,000
- Incremental resources to support **Graduate Student Need-based Bursaries and Emergency Funding:** \$500,000

Table 3
2023-24 OPERATING REVENUES

		2022-23 Budget Forecast (@Feb 28, 2023) (1)	2023-24 Budget (2)	Increase / (Decrease) Amount (3)	% Change (2) to (1)
1	Government Grants				
2	Provincial: Core Operating Grant (Enrolment-based)	146,583,480	243,534,953	96,951,473	66.1%
3	Provincial: Performance-based Grant	124,651,893	27,700,420	-96,951,473	-77.8%
4	Provincial: Special Purpose Grants	13,489,321	13,093,288	-396,033	-2.9%
5	Federal Research Support Fund (FRSF)	11,318,386	11,438,487	120,101	1.1%
6	Sub-Total Government Grants	296,043,080	295,767,148	-275,932	-0.1%
7	Tuition Revenue				
8	Undergraduate	299,530,000	306,512,742	6,982,742	2.3%
9	Graduate	65,330,000	70,450,673	5,120,673	7.8%
10	<i>Sub-Total General Programs</i>	<i>364,860,000</i>	<i>376,963,415</i>	<i>12,103,415</i>	3.3%
11	Ivey Programs (HBA, MBAs, MSc, PhD)	81,868,057	88,251,195	6,383,138	7.8%
12	International Medical and Dental Students	13,748,000	13,360,000	-388,000	-2.8%
13	<i>Sub-Total Other Programs</i>	<i>95,616,057</i>	<i>101,611,195</i>	<i>5,995,138</i>	6.3%
14	Miscellaneous Fees	1,616,000	1,616,000	0	0.0%
15	Sub-Total Tuition Revenue	462,092,057	480,190,610	18,098,553	3.9%
16	Other Revenues				
17	Canada Research Chairs (CRCs)	8,500,000	8,300,000	-200,000	-2.4%
18	Fee for Services Transfer from Affiliated University Colleges	13,260,059	13,376,426	116,367	0.9%
19	Recoverable Salaries	27,540,000	27,540,000	0	0.0%
20	Fundraising -- Need-based Student Awards and Bursaries	9,870,000	9,870,000	0	0.0%
21	Application Fees	2,412,500	2,412,500	0	0.0%
22	Research Overhead Revenues	3,100,000	3,100,000	0	0.0%
23	Royalties and Licences	6,875,000	5,375,000	-1,500,000	-21.8%
24	Scholarship/Research Initiatives in the SSHRC Disciplines	442,933	480,792	37,859	8.5%
25	Fee for Services Transfer from Self-Funded & Ancillary Operations	41,705,835	46,450,366	4,744,531	11.4%
26	Miscellaneous Revenues	3,222,108	3,112,309	-109,799	-3.4%
27	Sub-Total Other Revenues	116,928,435	120,017,393	3,088,958	2.6%
28	Total Revenues	875,063,572	895,975,151	20,911,579	2.4%

**Table 4
FACULTIES**

	<a>		<c>	<d>	<e>	<f>
	2022-23 Base Budget (@Feb 28, 2023)	IBA	APF	Other Base Changes	Canada Research Chairs	Resulting 2023-24 Base Budget **
1	Faculties					
2	Arts & Humanities	-809,234	100,000			32,570,701
3	Education	-406,024	150,000			19,161,705
4	Engineering	-891,801	165,000	771,117	180,000	39,677,750
5	Health Sciences	-815,619	175,000		170,000	36,130,851
6	Information & Media Studies	-251,339	150,000			11,685,687
7	Law	-279,530	128,400			9,701,275
8	Medicine & Dentistry	-1,333,518	418,000		-180,000	76,777,130
9	Music	-272,640	100,000			11,201,077
10	Science	-1,487,710	240,000	99,781	-170,000	68,023,302
11	Social Science	-1,539,853	286,875		-180,000	66,092,067
12	Sub-Total Faculties (excluding Business)	-8,087,268	1,913,275	870,898	-180,000	371,021,545
13	Business	94,894,519		6,365,877		101,260,396
14	Sub-Total Faculties	471,399,159	1,913,275	7,236,775	-180,000	472,281,941
15	Enrolment-related Revenue Sharing Allocation	0		3,117,158		3,117,158
16	PhD Enrolment Growth Support	1,054,000		74,000		1,128,000
17	Research Infrastructure Support Fund (RISF)	750,000				750,000
18	Faculty Recruitment Initiatives	465,150				465,150
19	Academic Priorities Fund (APF)	2,456,435	86,725			2,543,160
20	Total -- with Revenue Sharing Allocation	476,124,744	2,000,000	10,427,933	-180,000	480,285,409
21	All Other					
22	Western Strategic Success Programs	1,500,000				1,500,000
23	Education: Continuing Education for Teachers	1,297,525		30,175		1,327,700
24	Medicine & Dentistry: International Tuition and Primary Care	14,097,805		-388,000		13,709,805
25	Faculties' Share of Research Overheads	938,000				938,000
26	Faculty Scholars & Distinguished University Professors	505,000				505,000
27	Graduate and Undergraduate Program Reviews	140,000				140,000
28	Recoverable Salaries	27,540,000				27,540,000
29	Sub-Total	46,018,330	0	-357,825	0	45,660,505
30	Total Academic Units	522,143,074	2,000,000	10,070,108	-180,000	525,945,914

** Note: Funding to cover the costs of negotiated employee salary and benefits increases will be incrementally added to Faculty base budgets (in year, to column g), as the information is available.

Table 5
SCHOLARSHIPS and BURSARIES

		<a> 2022-23 Base Budget (@Feb 28, 2023)	 Changes	<c> Resulting 2023-24 Base Budget
1	Undergraduate Scholarships	8,605,297	455,000	9,060,297
2	Government-Mandated Domestic Tuition Re-Investment	16,875,244	129,939	17,005,183
3	Undergraduate International Student Financial Support	0	400,000	400,000
4	Privately-Funded Need-based Awards & Bursaries	9,870,000		9,870,000
5	Western Bursaries and Fellowships	2,005,663	33,631	2,039,294
6	Targeted MCU Bursaries	642,321		642,321
7	Global Opportunities Awards	200,000		200,000
8	Total Scholarships and Bursaries	38,198,525	1,018,570	39,217,095

Graduate student funding is addressed through the Faculty budgets. In 2022-23, this funding is estimated to be \$54.4 million and the plan for 2023-24 is \$56.2 million.

Graduate students also receive additional funding through faculty members' research grants, external student award programs (e.g. tri-agencies), and other sources. In recent years, these sources have added about \$50 million annually to overall graduate student financial support.

Table 6
SUPPORT AREAS

	<a>		<c>	<d>	<e>	
	2022-23 Base Budget (@Feb 28, 2023)	IBA	SUPF	Other Base Changes	** Resulting 2023-24 Base Budget	
1	Reporting to the Provost					
2	Academic Programs Portfolio	2,063,585	-50,038	100,000	16,680	2,130,227
3	Western Technology Services	12,479,866	-250,223	100,000	83,408	12,413,051
4	Libraries	13,256,490	-348,161	131,962	366,054	13,406,345
5	Registrar's Office	7,522,396	-160,700		53,567	7,415,263
6	Student Experience Portfolio	3,168,926	-77,816	100,000	25,939	3,217,049
7	Office of Indigenous Initiatives	1,119,696	-19,799	100,000	6,600	1,206,497
8	Office of Vice-Provost (APPF)	1,731,829	-47,047	85,000	15,682	1,785,464
9	Graduate & Postdoctoral Studies	2,151,397	-57,504		19,168	2,113,061
10	Institutional Planning and Budgeting	3,092,266	-69,982	100,000	23,327	3,145,611
11	Western International	2,467,262	-60,367	100,000	20,122	2,527,017
12	McIntosh Gallery - Operating Budget Supplement	283,566				283,566
13	Teaching Fellows Program	475,312				475,312
14	Support Unit Priorities Fund (SUPF)	1,312,345		863,845		2,176,190
15	Sub-Total	51,124,936	-1,141,637	1,680,807	630,547	52,294,653
16	Reporting to the Vice-President Operations & Finance					
17	Financial Services	5,417,917	-162,538	210,000	54,179	5,519,558
18	Facilities Management	19,097,615	-445,108	154,800	687,008	19,494,315
19	Campus Safety & Emergency Services	4,123,300	-105,399	164,062	235,133	4,417,096
20	Internal Audit	656,790	-14,865	23,986	4,955	670,866
21	Legal Services	958,653	-19,849	60,000	6,616	1,005,420
22	Support Unit Priorities Fund (SUPF)	174,227		67,152		241,379
23	Sub-Total	30,428,502	-747,759	680,000	987,891	31,348,634
24	Reporting to the Vice-President Research					
25	Animal Care/Veterinary Services - Operating Budget Supplement	3,712,300				3,712,300
26	Research Western	6,679,283	-173,083	200,000	57,694	6,763,894
27	Research Promotion Fund	1,500,000				1,500,000
28	Special Grants Support for Arts/Humanities/Social Sciences	250,000				250,000
29	Scholarship/Research Initiatives in the SSHRC Disciplines	442,933			37,859	480,792
30	Western Innovation Fund	400,000				400,000
31	Sub-Total	12,984,516	-173,083	200,000	95,553	13,106,986
32	Vice-President University Advancement Portfolio	9,216,810	-210,501	175,000	70,168	9,251,477
33	General Administration					
34	Human Resources (Including Workplace Health Services)	7,818,880	-219,129	205,000	73,043	7,877,794
35	Offices of the President and All Vice-Presidents	4,072,840	-122,185		40,728	3,991,383
36	Western Communications	5,789,876	-136,765	100,000	45,588	5,798,699
37	University Secretariat	916,165	-17,758	35,000	5,919	939,326
38	Office of Equity, Diversity, and Inclusion	825,099	-20,495	30,000	6,832	841,436
39	Sub-Total	19,422,860	-516,332	370,000	172,110	19,448,638
40	Total Support Areas	123,177,624	-2,789,312	3,105,807	1,956,269	125,450,388

Note: Funding to cover the costs of negotiated employee salary and benefits increases will be incrementally added to Unit base budgets (in year, to column e), as the information is available.

Table 7
UNIVERSITY-WIDE EXPENDITURES and EMPLOYEE BENEFIT COSTS

		<a>		<c>	<d>
		2022-23 Base Budget (@Feb 28, 2023)	New Investment	Other Changes	Resulting 2023-24 Base Budget
1	Utilities	24,026,013		1,966,045	25,992,058
2	Library Acquisitions	15,415,896	250,000		15,665,896
3	Transfer to MMI: Operating	15,500,000			15,500,000
4	Transfer to MMI: Ancillaries	600,000			600,000
5	FRSF Transfer to Capital	3,000,000			3,000,000
6	CRC Transfer to Capital	888,000		-16,000	872,000
7	Information Technology Infrastructure Fund	7,276,722	1,000,000		8,276,722
8	Property Taxes	2,540,925		77,850	2,618,775
9	Insurance	3,745,800		500,000	4,245,800
10	Contingency	2,183,566		56,372	2,239,938
11	Accessible Education	1,454,330			1,454,330
12	Professional Fees	1,610,000			1,610,000
13	Institutional Memberships	1,315,000			1,315,000
14	Sports and Recreation Services - Operating Budget Supplement	886,955		7,961	894,916
15	The Western Entrepreneurship Ecosystem - Operating Budget Supplement	674,207			674,207
16	Costs Associated with Employee Contracts	625,000			625,000
17	Convocation and Diplomas	338,000			338,000
18	Governance-Related Costs	177,800			177,800
19	Ombudsperson	122,424			122,424
20	University Surveys and Teaching Evaluations	75,000			75,000
21	Total University-wide Expenditures	82,455,638	1,250,000	2,592,228	86,297,866
22	Employee Benefit Plan Costs	132,845,905		8,459,095	141,305,000
23	Employee Benefit Recoveries	-139,565,538		-5,146,462	-144,712,000
24	Net Employee Benefits	-6,719,633	0	3,312,633	-3,407,000
25	Net University-wide Expenditures	75,736,005	1,250,000	5,904,861	82,890,866

Table 8
2023-24 ONE-TIME ALLOCATIONS

1	Support for Long-Range Space Plan	40,000,000
2	Endowed Chairs Matching Program	15,000,000
3	Matching Contribution Support for Major Research Grant Proposals	11,000,000
4	Engineering Expansion -- Support for New Building (multi-year plan)	5,663,197
5	University-wide IT Infrastructure Renewal/Expansion	5,000,000
6	Undergraduate Summer Research Internship Program (USRI)	2,000,000
7	Modernization of General University Instructional Facilities	1,638,000
8	National Brand Campaign	690,000
9	New Learning Management System Implementation	500,000
10	Graduate Student Needs-based Bursaries	500,000
11	Faculties	
12	Arts & Humanities: Work-Integrated Learning & Experiential Learning Specialist (\$150K)	150,000
13	Education: Support for the Center for Research on Violence Against Women and Children	55,000
14	Engineering: AI Expansion Funding (\$900K), AI Server (\$75K), Biomedical Lab Equipment Modernization (\$50K), and Modern Chemical Engineering Lab Equipment (\$62K)	1,087,000
15	Health Sciences: Clinical Education Suite (\$500K), High-Fidelity Simulation Suite (\$250K), Technology Equipment for Clinical Therapies (\$175K), Targetted Government Funding for Clinical Education (\$814K) and Nurse Practitioner Program (\$597K)	2,335,301
16	FIMS: Academic Advisor Staff Position	82,500
17	Law: EDID Initiatives	75,000
18	Medicine & Dentistry: Dentistry AV Equipment (\$274K), Targetted Government Funding for Dental Clinical Education (\$1.1M), Robarts Royalties & Licences Flowthrough (\$4.5M)	5,907,321
19	Music: Student Recruitment Initiatives (\$121K), Pianos for Teaching & Research (\$203K), Ensemble/Concert Series (\$19K), and Bassoon Reed-making Equipment (\$10K)	353,400
20	Science: Engineering Expansion Teaching Support (\$150K) and International Recruitment Initiatives (\$60K)	210,000
21	Social Science: Two International Student Counsellors (\$261K), International Student Financial Support (\$35K), Support for the Museum of Ontario Archaeology (\$50K)	346,375
22	Support for the Trois-Pistoles Program	590,546
23	Sub-Total Faculties	11,192,443
24	Support Units	
25	Academic Programs Portfolio: eLearning Specialist Staff Position in the Centre for Teaching & Learning	100,000
26	Western Technology Services: Enterprise Resource Planning and Financial Application Migration (\$100K)	100,000
27	Libraries: Public IT Equipment Upgrades	43,000
28	Student Experience: University Contribution for Artificial Turf Fields (\$235K)	234,500
29	Office of Indigenous Initiatives: Host "Building Reconciliations Conference" (\$250K), Head & Heart Fellowships -- Incremental Funding (\$50K), Mental Health Coordinator (\$50K), and Indigenous Academic Counsellor (\$50K)	400,000
30	Vice-Provost (APPF): Contract Staffing (\$72K) and Training and Development Initiatives for New Faculty (\$28K)	100,000
31	Western International: International Student Orientation Initiatives	100,000
32	Campus Safety & Emergency Services: Vehicle Purchase (\$73K) and I.T. Equipment (\$26K)	99,144
33	Facilities Management: Electric Vehicle Fleet Replacement Pilot (\$50K), Administrative Initiatives (\$125K), and Space Modernization (\$125K)	300,000
34	Internal Audit: Enterprise Risk Management (ERM) Support	50,000
35	Human Resources: Stabilize Staff Complement	100,000
36	Equity, Diversity & Inclusion: Black Student Leadership University Experience -- B.L.U.E. (\$100K) and Community Outreach Initiatives (\$15K)	115,000
37	Western Communications: Alumni Gazette Printing and Distribution	70,000
38	University Secretariat: General Non-Salary Support	15,000
39	Vice-President (Research): University-wide Scholarship/Research Initiatives	2,654,846
40	Vice-President (University Advancement): Fundraising Campaign Support	120,000
41	Sub-Total Support Units	4,601,490
42	Total One-Time Allocations	97,785,130

Table 9
CANADA RESEARCH CHAIRS -- by FACULTY (Cumulative)

		2022-23 Final						2023-24 Preliminary					
		Tier 1		Tier 2		Total		Tier 1		Tier 2		Total	
		N	\$	N	\$	N	\$	N	\$	N	\$	N	\$
1	Arts & Humanities	1	170,000	1	90,000	2	260,000	1	170,000	1	90,000	2	260,000
2	Business	1	170,000	1	90,000	2	260,000	1	170,000	1	90,000	2	260,000
3	Education	1	170,000	3	270,000	4	440,000	1	170,000	3	270,000	4	440,000
4	Engineering	5	850,000	2	180,000	7	1,030,000	5	850,000	4	360,000	9	1,210,000
5	Health Sciences	2	340,000	1	90,000	3	430,000	3	510,000	1	90,000	4	600,000
6	Info & Media Studies			1	90,000	1	90,000			1	90,000	1	90,000
7	Law			1	90,000	1	90,000			1	90,000	1	90,000
8	Medicine & Dentistry	7	1,190,000	13	1,170,000	20	2,360,000	7	1,190,000	11	990,000	18	2,180,000
9	Music												
10	Science	6	1,020,000	6	540,000	12	1,560,000	5	850,000	6	540,000	11	1,390,000
11	Social Science	3	510,000	4	360,000	7	870,000	3	510,000	2	180,000	5	690,000
12	Total to Faculties	26	4,420,000	33	2,970,000	59	7,390,000	26	4,420,000	31	2,790,000	57	7,210,000
13	Total CRC Funding		5,200,000		3,300,000		8,500,000		5,200,000		3,100,000		8,300,000

Table 10
2023-24 TUITION FEE PROPOSALS FOR UNDERGRADUATE PROGRAMS

		Domestic Ontario Students			International Students		
		Actual 2022-23 Tuition	2023-24		Actual 2022-23 Tuition	2023-24	
			Proposed Tuition	<a> % Increase		Proposed Tuition	<a> % Increase
1	First-Entry Programs 						
2	Year 1	6,050	6,050	0.0%	39,105	42,233	8.0%
3	Year 2	6,050	6,050	0.0%	37,656	40,669	4.0%
4	Year 3	6,050	6,050	0.0%	36,262	39,162	4.0%
5	Year 4	6,050	6,050	0.0%	34,918	37,712	4.0%
6	Engineering						
7	Year 1	12,294	12,294	0.0%	53,969	58,287	8.0%
8	Year 2	12,294	12,294	0.0%	51,970	56,128	4.0%
9	Year 3	12,294	12,294	0.0%	50,045	54,049	4.0%
10	Year 4	12,294	12,294	0.0%	46,470	52,047	4.0%
11	M.O.S.						
12	Year 1	6,050	6,050	0.0%	50,440	54,475	8.0%
13	Year 2	6,050	6,050	0.0%	48,572	52,458	4.0%
14	Year 3	6,050	6,050	0.0%	46,773	50,515	4.0%
15	Year 4	6,050	6,050	0.0%	43,432	48,644	4.0%
16	Nursing						
17	Year 1	6,050	6,050	0.0%	50,182	54,197	8.0%
18	Year 2	6,050	6,050	0.0%	48,324	52,189	4.0%
19	Year 3	6,050	6,050	0.0%	46,534	50,257	4.0%
20	Year 4	6,050	6,050	0.0%	44,810	48,395	4.0%
21	Second-Entry Programs						
22	Business (HBA)						
23	Year 1	25,200	25,200	0.0%	51,500	56,700	10.1%
24	Year 2	25,200	25,200	0.0%	51,500	56,700	10.1%
25	Dentistry						
26	Year 1	35,341	35,341	0.0%	111,680	120,614	8.0%
27	Year 2	35,341	35,341	0.0%	107,543	116,147	4.0%
28	Year 3	35,341	35,341	0.0%	103,560	111,845	4.0%
29	Year 4	35,341	35,341	0.0%	99,725	107,702	4.0%
30	Education (B.Ed.)	7,271	7,271	0.0%	38,532	40,073	4.0%
31	Law						
32	Year 1	20,151	20,151	0.0%	43,023	46,465	8.0%
33	Year 2	20,151	20,151	0.0%	41,429	44,744	4.0%
34	Year 3	20,151	20,151	0.0%	41,429	43,086	4.0%
35	Medicine (M.D.)						
36	Year 1	23,986	23,986	0.0%	n.a.	86,882	n.a.
37	Year 2	23,986	23,986	0.0%	n.a.	n.a.	n.a.
38	Year 3	23,986	23,986	0.0%	n.a.	n.a.	n.a.
39	Year 4	23,986	23,986	0.0%	n.a.	n.a.	n.a.

<a> The proposed 2023-24 rates would be effective May 1, 2023.

The % increase figures are calculated on the previous year of study in the previous academic year;

for example, the % increase for year 2 is the increase over the year 1 tuition in the previous academic year.

 Includes Arts & Humanities, BMedSci program, Health Sciences, Kinesiology, Music, Science, and Social Science (excl. M.O.S.).

Table 10a
2023-24 TUITION FEE PROPOSALS FOR
UNDERGRADUATE OUT-OF-PROVINCE DOMESTIC STUDENTS

	Actual 2021-22 Tuition	Board-approved 2022-23 <a>		Proposed 2023-24 		
		Tuition	% Increase	Tuition	% Increase	
1	First-Entry Programs <c>					
2	Year 1	6,050	6,352	5.0%	6,669	5.0%
3	Year 2	6,050	6,352	5.0%	6,669	5.0%
4	Year 3	6,050	6,352	5.0%	6,669	5.0%
5	Year 4	6,050	6,352	5.0%	6,669	5.0%
6	Engineering					
7	Year 1	12,294	12,908	5.0%	13,553	5.0%
8	Year 2	12,294	12,908	5.0%	13,553	5.0%
9	Year 3	12,294	12,908	5.0%	13,553	5.0%
10	Year 4	12,294	12,908	5.0%	13,553	5.0%
11	M.O.S.					
12	Year 1	6,050	6,352	5.0%	6,669	5.0%
13	Year 2	6,050	6,352	5.0%	6,669	5.0%
14	Year 3	6,050	6,352	5.0%	6,669	5.0%
15	Year 4	6,050	6,352	5.0%	6,669	5.0%
16	Nursing					
17	Year 1	6,050	6,352	5.0%	6,669	5.0%
18	Year 2	6,050	6,352	5.0%	6,669	5.0%
19	Year 3	6,050	6,352	5.0%	6,669	5.0%
20	Year 4	6,050	6,352	5.0%	6,669	5.0%
21	Second-Entry Programs					
22	Business (HBA)					
23	Year 1	25,200	26,460	5.0%	27,783	5.0%
24	Year 2	25,200	26,460	5.0%	27,783	5.0%
25	Dentistry					
26	Year 1	35,341	37,108	5.0%	38,963	5.0%
27	Year 2	35,341	37,108	5.0%	38,963	5.0%
28	Year 3	35,341	37,108	5.0%	38,963	5.0%
29	Year 4	35,341	37,108	5.0%	38,963	5.0%
30	Education (B.Ed.)	7,271	7,634	5.0%	8,015	5.0%
31	Law					
32	Year 1	20,151	21,158	5.0%	22,215	5.0%
33	Year 2	20,151	21,158	5.0%	22,215	5.0%
34	Year 3	20,151	21,158	5.0%	22,215	5.0%
35	Medicine (M.D.)					
36	Year 1	23,986	25,185	5.0%	26,444	5.0%
37	Year 2	23,986	25,185	5.0%	26,444	5.0%
38	Year 3	23,986	25,185	5.0%	26,444	5.0%
39	Year 4	23,986	25,185	5.0%	26,444	5.0%

<a> The 2022-23 rates were approved by the Board of Governors as "shadow" tuition rates. These rates are the starting point for the proposed 2023-24 tuition recommendations.

 The 2023-24 rates abide by the Provincial Government's framework for domestic out-of-province students -- and would be effective May 1, 2023.

<c> Includes Arts & Humanities, BMedSci program, Health Sciences, Kinesiology, Music, Science, and Social Science (excl. M.O.S.).

Table 11
2023-24 TUITION FEE PROPOSALS FOR GRADUATE PROGRAMS

		Domestic Students			International Students		
		Actual 2022-23 Tuition	2023-24		Actual 2022-23 Tuition	2023-24	
			Proposed Tuition	<a> % Increase		Proposed Tuition	<a> % Increase
1	Masters Category 1						
2	Arts & Humanities	6,360	6,360	0.0%	19,364	19,751	2.0%
3	Engineering (M.E.Sc.)	6,360	6,360	0.0%	19,364	19,751	2.0%
4	Health & Rehabilitation Sciences	6,360	6,360	0.0%	19,364	19,751	2.0%
5	Health Information Sciences	8,664	8,664	0.0%	27,326	27,873	2.0%
6	Interdisciplinary Programs 	6,360	6,360	0.0%	19,364	19,751	2.0%
7	Kinesiology	6,360	6,360	0.0%	19,364	19,751	2.0%
8	Law/Studies in Law	10,368	10,368	0.0%	27,284	27,830	2.0%
9	Media Studies	6,360	6,360	0.0%	19,364	19,751	2.0%
10	Medicine (Basic Medical Sciences)	6,360	6,360	0.0%	19,364	19,751	2.0%
11	Music	6,360	6,360	0.0%	19,364	19,751	2.0%
12	Nursing (M.Sc.)	7,639	7,639	0.0%	27,326	27,873	2.0%
13	Science	6,360	6,360	0.0%	19,364	19,751	2.0%
14	Social Science	6,360	6,360	0.0%	19,364	19,751	2.0%
15	Masters Category 2						
16	Master in Management Analytics	46,000	46,000	0.0%	72,000	73,800	2.5%
17	C.S.D./O.T./P.T. (MPT)	11,294	11,294	0.0%	35,973	37,412	4.0%
18	Dentistry (Orthodontics)	27,373	27,373	0.0%	85,828	89,261	4.0%
19	Education (MA)	10,877	10,877	0.0%	35,973	37,412	4.0%
20	Engineering (M.Eng.)	10,877	10,877	0.0%	41,093	42,737	4.0%
21	Environment & Sustainability	12,179	12,179	0.0%	35,973	37,412	4.0%
22	Financial Economics	30,549	30,549	0.0%	56,345	58,599	4.0%
23	Library & Information Science	10,877	10,877	0.0%	35,973	37,412	4.0%
24	M.M. in Journalism & Communication	13,543	13,543	0.0%	35,973	37,412	4.0%
25	M.N Nurse Practitioner	10,877	10,877	0.0%	35,973	37,412	4.0%
26	MA in Research for Policy & Evaluation	18,000	18,720	4.0%	32,448	33,746	4.0%
27	Master of Data Analytics	23,308	23,308	0.0%	53,180	55,307	4.0%
28	Master of Mgmt. of Applied Science	19,690	19,690	0.0%	53,180	55,307	4.0%
29	Medicine (Family Medicine)	14,322	14,322	0.0%	35,973	37,412	4.0%
30	Medicine (Pathology Assistant)	11,295	11,295	0.0%	35,973	37,412	4.0%
31	Medicine (Public Health)	32,734	33,388	2.0%	55,149	56,252	2.0%
32	Interdisciplinary Medical Sciences (MSc)	11,295	11,295	0.0%	36,400	37,856	4.0%
33	Advanced Health Care Practice (M.Cl.Sc.)	10,877	10,877	0.0%	35,973	37,412	4.0%
34	Doctoral						
35	Doctor of Musical Arts	6,360	6,360	0.0%	6,360	6,360	0.0%
36	Doctor of Education (EdD)	10,097	10,097	0.0%	35,973	37,412	4.0%
37	PhD Programs	6,360	6,360	0.0%	6,360	6,360	0.0%

<a> The proposed 2023-24 rates would be effective September 1, 2023.

 Includes Biomedical Engineering, Neuroscience, and Theory & Criticism

Table 12
ENROLMENT PROJECTIONS: 2023-24 to 2027-28

		Actual					Forecast				
		2018-19	2019-20	2020-21	2021-22	2022-23**	2023-24	2024-25	2025-26	2026-27	2027-28
1	Constituent University										
2	Full-Time Undergraduates										
3	Arts & Humanities	938	882	877	853	864	867	901	937	999	1,055
4	Business (HBA)	1,085	1,090	1,057	1,072	1,210	1,314	1,315	1,315	1,315	1,315
5	Dentistry	262	262	263	264	281	284	284	284	284	284
6	Education	716	697	677	697	703	668	668	668	668	668
7	Engineering	2,032	2,008	2,151	2,293	2,497	2,545	2,604	2,695	2,692	2,716
8	Health Sciences										
9	BHSc Program	1,227	1,251	1,339	1,424	1,437	1,442	1,443	1,456	1,497	1,544
10	Kinesiology	1,215	1,241	1,285	1,283	1,311	1,298	1,321	1,351	1,382	1,425
11	Nursing	969	974	989	1,028	1,180	1,269	1,315	1,315	1,315	1,315
12	Sub-Total	3,411	3,466	3,613	3,735	3,928	4,009	4,079	4,122	4,194	4,284
13	Law	480	485	490	482	496	510	530	550	550	550
14	MIT (Media, Information, & Technoculture)	916	895	871	899	880	881	910	928	986	1,044
15	Medicine										
16	MD Program	685	683	686	688	689	684	687	690	693	696
17	BMedSci Program	1,000	1,036	1,161	1,252	1,305	1,425	1,483	1,482	1,549	1,581
18	Music	414	449	443	434	410	395	381	386	432	451
19	Science	5,143	5,326	5,535	5,809	5,962	5,796	5,922	6,078	6,175	6,322
20	Social Science	6,497	6,503	6,882	7,348	7,677	7,801	8,055	8,299	8,527	8,735
21	Total Full-Time Undergraduates	23,579	23,782	24,706	25,826	26,902	27,179	27,819	28,435	29,063	29,701
22	Concurrent Programs	247	288	345	380	370	380	380	380	380	380
23	Medical Residents	956	936	940	968	999	940	940	940	940	940
24	Full-Time Graduates										
25	Masters	3,734	3,946	3,869	4,360	4,231	4,744	5,069	5,259	5,296	5,296
26	Doctoral	2,177	2,219	2,231	2,345	2,415	2,431	2,496	2,578	2,597	2,597
27	Total Full-Time Graduates	5,911	6,165	6,100	6,705	6,646	7,175	7,565	7,837	7,893	7,893
28	Total Full-Time Enrolment	30,693	31,171	32,091	33,879	34,917	35,674	36,704	37,592	38,276	38,914
29	Part-Time FTEs										
30	Undergraduate **	2,061	1,988	2,563	2,408	2,551	2,500	2,500	2,500	2,500	2,500
31	Education (AQs) **	456	435	447	460	450	470	475	480	490	490
32	Masters	114	110	122	128	111	110	110	110	110	110
33	Doctoral	32	32	35	29	32	30	30	30	30	30
34	Total Part-Time FTEs	2,663	2,566	3,167	3,025	3,144	3,110	3,115	3,120	3,130	3,130
35	Total Constituent FTEs	33,356	33,737	35,258	36,904	38,061	38,784	39,819	40,712	41,406	42,044
36	Affiliated University Colleges										
37	Full-Time Undergraduates										
38	Brescia	1,392	1,421	1,301	1,171	1,099	1,026	1,073	1,131	1,216	1,256
39	Huron	1,038	1,266	1,431	1,525	1,560	1,663	1,719	1,799	1,928	1,994
40	King's	3,162	3,267	3,415	3,253	3,150	3,172	3,220	3,296	3,375	3,453
41	Total Full-Time Undergraduates	5,592	5,954	6,147	5,949	5,809	5,861	6,012	6,226	6,519	6,703
42	Part-Time Undergraduate FTEs										
43	Brescia	76	73	70	72	64	68	70	72	74	76
44	Huron	64	48	57	58	35	55	55	55	55	55
45	King's	254	265	299	266	282	320	331	343	354	366
46	Total Part-Time FTEs	394	386	426	396	381	443	456	470	483	497
47	Graduate FTEs										
48	Brescia	38	40	35	31	31	31	31	31	31	31
49	Huron	5	11	13	10	7	10	12	15	15	15
50	King's	50	61	60	62	65	65	65	65	65	65
51	Total Graduate FTEs	93	112	108	103	103	106	108	111	111	111
52	Total Affiliate FTEs	6,079	6,452	6,681	6,448	6,293	6,410	6,576	6,807	7,113	7,311
53	Total UWO FTEs	39,435	40,189	41,939	43,352	44,354	45,194	46,395	47,519	48,519	49,355

**Table 12
ENROLMENT PROJECTIONS: 2023-24 to 2027-28**

		Actual					Forecast				
		2018-19	2019-20	2020-21	2021-22	2022-23**	2023-24	2024-25	2025-26	2026-27	2027-28
	Rows 54 to 88 Included above										
54	International Students										
55	Constituent Full-Time										
56	Undergraduates	2,692	2,763	2,822	2,761	2,593	2,662	2,927	3,414	3,991	4,575
57	Medical Residents	142	130	130	173	189	175	175	175	175	175
58	Masters (excluding Ivey)	717	925	695	826	818	989	1,102	1,171	1,185	1,203
59	MBA (Regular), Ivey MSc	63	81	159	199	222	234	235	235	235	222
60	Executive MBA	4	4	1	2	1	0	0	0	0	0
61	Doctoral	607	665	686	798	875	827	834	846	842	812
62	Affiliates										
63	Undergraduates	991	1,256	1,390	1,233	1,144	1,159	1,233	1,344	1,477	1,547
64	Masters	0	2	4	4	3	1	1	1	1	1
65	Year 1 Only										
66	Constituent										
67	Arts & Humanities	233	209	221	248	202	214	235	260	290	300
68	Engineering	588	586	704	774	893	840	850	850	850	875
69	Health Sciences										
70	BHSc Program	393	385	407	421	387	400	405	430	440	455
71	Kinesiology	304	339	335	351	351	350	355	375	385	400
72	Nursing	142	144	159	142	142	144	144	144	144	144
73	Media, Information, & Tech	263	252	226	270	212	235	260	275	295	310
74	MOS Program	819	768	1,072	1,052	1,151	1,180	1,220	1,240	1,270	1,290
75	Music	121	123	117	94	88	94	102	109	118	125
76	Science	1,680	1,676	1,801	2,016	2,033	2,070	2,140	2,185	2,235	2,292
77	Social Science	835	840	965	1,054	1,009	1,010	1,055	1,138	1,140	1,155
78	Total Year 1 - Constituent	5,378	5,322	6,007	6,422	6,468	6,537	6,766	7,006	7,167	7,346
79	Affiliated University Colleges										
80	Brescia	320	332	270	258	244	302	316	326	337	346
81	Huron	415	454	489	448	417	594	632	666	686	686
82	King's	834	895	968	840	721	840	860	880	900	920
83	Total Year 1 - Affiliates	1,569	1,681	1,727	1,546	1,382	1,736	1,808	1,872	1,923	1,952
84	Total UWO Year 1	6,947	7,003	7,734	7,968	7,850	8,273	8,574	8,878	9,090	9,298
85	Masters										
86	All Programs (excluding MBAs)	3,319	3,491	3,301	3,545	3,429	3,883	4,099	4,234	4,271	4,271
87	Ivey (excl EMBA)	241	285	466	665	631	687	796	851	851	851
88	Executive MBA	174	170	102	150	171	174	174	174	174	174
For Information											
89	Year 1 Constituent International Students	855	639	592	610	684	778	957	1,154	1,343	1,497

** Part-time FTEs are estimates -- and will be updated when second/January-term course registrations are finalized.

Table 13
WESTERN'S LONG-RANGE SPACE PLAN
 Note: within each category, the projects are not prioritized

	Project	Type
	Category 1 -- Projects Underway, Soon-to-Start, or in Advanced Planning	
1	Weldon Library Modernization	Modernization
2	Ronald D. Schmeichel Building for Entrepreneurship and Innovation	New Construction
3	University Community Gathering Hub -- Common/Gathering Spaces	New Construction
4	New Engineering Building	New Construction
5	Social Sciences Centre Realignment/Expansion	Adaptation / Expansion
6	The Bioconvergence Centre -- Interdisciplinary Research & Experiential Learning Facility	New Construction
7	Building Addition to consolidate Faculty of Education Clinics	New Construction
8	Undergraduate Residence -- University Drive Location	New Construction
9	Graduate and Upper-Year Housing -- Platt's Lane East	New Construction
10	Replacement of University Drive Bridge	New Construction
11	University-wide Campus Sustainability/Energy Conservation/Infrastructure Projects (multiple stages -- ongoing)	New Construction, Modernization
12	Pedestrian-friendly Campus Initiatives -- <i>Open Space Strategy</i>	New Construction, Adaptation
13	Category 2 -- Projects in Various Planning Stages	
14	Additional Space for Health Sciences -- to support Enrolment Expansion	New Construction
15	Ivey Spencer Leadership Centre Renewal	Modernization
16	New Space for the McIntosh Gallery	New Construction / Adaptation
17	Pathogen Research Centre Facility	New Construction
18	Addition to the Ivey Building	New Construction
19	Western's New Downtown Facility -- 450 Talbot Street	Modernization / Adaptation
20	Multi-Sport Field House -- with Parking Garage	New Construction
21	Category 3 -- For Future Consideration (requires funding plan)	
22	Modernization of Medical School Facilities	Modernization
23	Renewal: University Community Centre, Law Building, Spencer Engineering Building, Elborn College, Dental Facilities	Modernization or Replacement
24	Renewal/Replacement of Chemistry Laboratory Facilities	Modernization or Replacement
25	Expansion of the Support Services Building	New Construction
26	Space Realignment in the Natural Sciences Centre	Modernization / Adaptation
27	Renewal and/or Realignment of Library Facilities -- Future Phases	Modernization
28	New Research Initiatives/Partnerships at the Research Parks	New Construction
29	Multi-Level Parking Structures	New Construction
30	Residence Projects	Modernization / New Construction
31	Asset Acquisitions	Acquisition

2023-24 Capital Budget

A. The Nature of University Capital Expenditures

The Capital Budget for 2023-24 should be seen in the context of both recent trends in capital spending and the University's proposed Long-Range Space Plan as outlined in Table 13 of the Operating Budget. Table 14 sets out expenditures in the Capital Budget since 2019-20 in nine categories.

Category 1 shows all new construction, while categories 2 to 7 show renovations to existing space. Category 1 expenditures are usually funded from general University funds, the major exceptions being projects funded all or in part from external research grants, private funds, government, student contributions, and Housing construction – the latter being funded from the Housing budget. Categories 2 to 5 are funded primarily from general University funds and government, while category 6 is funded from Housing operations, and category 7 is funded by the particular Ancillary Unit undertaking the work. Categories 8 and 9 involve carrying costs and loan repayments, other expenditures such as purchases of land and buildings, and transfers from the Capital Budget for other purposes. Planned capital expenditures for 2023-24 total \$147.2 million.

Categories 2 to 5 involve **Maintenance, Modernization, and Infrastructure (MMI)** and are eligible to receive funds from the annual MMI transfer from the Operating Budget to the Capital Budget, which is budgeted to remain at \$15.5 million in 2023-24 (\$15.5 million in 2022-23). These expenditures are directed at the modification of existing space and the renewal and expansion of the utilities and infrastructure of the University.

In planning future expenditures on MMI, it is useful to review the Current Replacement Value (CRV) of our capital assets on campus. At February 24, 2023, our buildings and infrastructure have a CRV of approximately \$3,571 million, as shown in Figure D:

Figure D
CURRENT REPLACEMENT VALUE (BUILDINGS AND INFRASTRUCTURE)

		CRV (\$M)	Square Metres	Major Buildings
1	Major Non-Residential Buildings	2,262	566,821	74
2	Utilities and Infrastructure	152		
3	Subtotal, Eligible for MMI	2,414	566,821	74
4	Housing	885	266,299	14
5	Other Ancillary Buildings	272	71,676	11
6	Total	3,571	904,796	99

At February 24, 2023, the University had approximately 567,000 gross square metres spread amongst 74 major non-residential buildings. The non-residential buildings, including utilities and infrastructure, are the physical assets generally eligible for MMI expenditures. The University also has 266,000 square metres of Housing space in eleven major undergraduate residences, three major apartment buildings, and numerous smaller buildings for graduate students in Platt's Lane Estates. Other than Housing, there are many buildings which are operated largely or entirely as ancillaries: Western Student Recreation Centre, Thompson Recreation and Athletic Centre, Western Alumni Stadium, Boundary Layer Wind Tunnel, Western Day Care, the Ivey Spencer Leadership Centre, and facilities at the Research Parks.

With this background in mind, we briefly set out the nine categories of University capital expenditures.

- 1. New Construction.** This category includes projects which create new buildings, including housing, additions to existing buildings, and other new facilities such as parking structures or lots, power plants and athletic fields. It does not include projects which improve the space within existing buildings or projects which upgrade other existing facilities.
- 2. Major Building Renovations.** This category involves major maintenance and renovation expenditures on non-residential building projects, with projects generally spanning more than one year. Given that 59% of the 567,000 square metres in major buildings were built before 1980, renovations to major buildings will continue to be a part of our capital planning.
- 3. Utilities and Infrastructure Projects.** This category involves projects with values greater than \$10,000 directed at the upgrading and new installation of utilities and other infrastructure, including boilers and chillers, electrical, water, and sewer distribution systems, and sustainability and energy conservation initiatives such as deep energy retrofits. Construction of a new Chiller Plant or major Power Plant expansion would be included in category 1. As we look to increase our sustainability and energy conservation initiatives, improvements to existing infrastructure will be needed in our pursuit of net-zero carbon emissions from campus operations by 2050, or sooner.
- 4. Modernization of Instructional and Research Facilities.** This category includes the renewal and modernization of classrooms, laboratories, libraries, and other space used for instruction and research, as well as upgrades to information technology. These expenditures are critical to maintaining Western's reputation as a leader in the quality of teaching and research. These projects are sometimes funded by the units themselves with operating or research funds.
- 5. General Maintenance and Modernization Projects.** This category consists of a wide variety of maintenance and modernization projects which are not included in categories 2 to 4. Most of the projects are under \$100,000, involving such work as roof replacement, interior and exterior painting, road, bridge, and sidewalk repair, and general maintenance of structures and systems. Open Space Strategy projects, such as the work underway on UC Hill, may also be included in this category. A provision for unforeseen projects forms part of the allotment in this category.

- 6. Housing Renovations.** This category includes all maintenance and modernization expenditures on University residences and apartment buildings. Construction of a new residence or apartment building would be included in category 1. Maintenance and modernization expenditures, projected to be \$10.1 million in 2023-24, are funded from Housing revenues. Housing has always set aside adequate maintenance funds and does not have the significant deferred maintenance on its buildings which may be observed in many other University buildings.
- 7. Ancillary Projects.** This category includes capital expenditures on Ancillaries other than Housing, including Hospitality Services, the Book Store, Parking Services, student fee-funded units, self-funded support units, and self-funded research units. These units pay a charge to the University for the space they occupy.
- 8. Carrying Costs and Debt Repayments.** This category consists of principal repayments and interest on debt for capital projects.
- 9. Other Capital Expenditures.** This category includes asset acquisitions and other miscellaneous expenditures. It has been an established principle in Western's Campus Master Plan that the University pursue, as appropriate, the purchase of lands contiguous to University property as lands become available. Western will continue to seek to protect the Regional Facilities zoning around the main campus and to buy land near our campus when it comes up for sale. The University will also look to acquire strategic physical assets, such as the acquisition of 450 Talbot Street in the core of downtown London, in fall 2021.

The last twelve lines of Table 14 are labeled A to M. Line A shows total sources of funding for the Capital Budget, including debt; line B, sources of funds less expenditures; line C, the capital reserve at year-end; and line D, capital debt outstanding at year-end. Details on these items are shown in Tables 16 and 18. Annual changes in the capital reserve (line C) are driven by the differences between funding and expenditure (line B). Thus for 2021-22, line B shows a net source of \$30.4 million, the difference between funding of \$136.6 million and expenditures of \$106.3 million. The accumulated capital reserve in line C increases by this same amount of \$30.4 million.

Line E shows the replacement value of non-residential buildings and utilities and infrastructure, the assets eligible for MMI spending, while line F shows the ratio of the annual MMI expenditure to the replacement value. For example, in 2021-22, MMI expenditures were \$51.8 million, while the estimated replacement value of non-residential buildings, utilities, and infrastructure was \$2,162 million. The ratio of the two is 2.4%, as shown in line F.

Line G of Table 14 shows the annual transfer from the Operating Budget to the Capital Budget for Maintenance, Modernization, and Infrastructure (the MMI transfer). The annual transfer has been maintained at \$15.5 million since 2017-18, a funding commitment that has established Western as a leader among Canadian universities in maintaining its facilities and dealing with deferred maintenance.

Line H of Table 14 shows the ratio of the annual MMI transfer to total MMI expenditures; for example, in 2021-22, the transfer was \$15.5 million, and expenditures were \$51.8 million, so the ratio is 29.9%. This ratio will fluctuate with the level of MMI expenditure each year. Other sources of funding for MMI expenditures can include the annual capital facilities renewal grant from the Province (projected at \$6.7 million for 2022-23 and 2023-24), special Provincial grants, additional one-time allocations from the University's Operating Budget, one-time allocations from the Province, fundraising, and borrowing.

Line J contains an estimate of maintenance spending, defined narrowly as spending required to bring aging facilities up to their condition when originally built. Whenever Western undertakes a major maintenance project, there is also modernization of the facility, and whenever we carry out a major modernization project, there is generally some maintenance expenditure; it is thus difficult to separate the two. Line J is calculated on the assumption that 2/3 of the expenditures in categories 2, 3, and 5 involve maintenance (the remaining 1/3 is modernization), while 1/3 of the expenditures in category 4 involve maintenance (the remaining 2/3 is modernization). While the ratio of maintenance to modernization would vary by project and by year, Facilities Management considers them a reasonable average for the four categories over a number of years.

The value of line J in 2021-22 is \$31.6 million, or 1.5% (line K) of the replacement value in that year. A standard target in industry for this ratio is 2.0%; if large buildings last an average of 50 years, then average maintenance spending should be 2.0% of replacement value. When the actual ratio is consistently lower than 2.0%, as has been the case at Western and most Canadian universities over the last three decades, the level of deferred maintenance will grow. As Western continues to renovate aging buildings, there will be years that deferred maintenance will decline.

Table 15 outlines major capital projects, which are assigned to one of the nine categories. Where possible, the year and month of the start and end of the project(s) are shown.

The projects listed in Table 15 reflect the Long-Range Space Plan outlined in Table 13 of the Operating Budget portion of this document. These projects include new construction that will create new student and research spaces, major building renovations as well as utilities and infrastructure projects – reflecting the need to maintain and modernize Western's aging physical plant. With new building construction on campus continuing, Western is utilizing scarce developable land in the core campus. The Campus Master Plan, approved in June 2015, highlights the constraints in the amount of buildable land on our campus and the fact that new buildings are being constructed on parking lots – thus increasing the pressure on available parking and the need to create alternative spaces, such as a parking structure combined with the planned Multi-Sport Fieldhouse. We continue planning for the construction of additional parking structures at the periphery of campus – including siting, a funding plan, and the required parking fee rates to finance these structures. Campus sustainability, energy conservation, and infrastructure projects are also included on Table 15 and will play a prominent role in Western's pursuit of net-zero carbon emissions from campus operations by 2050, or sooner. Often, these projects are comprised of multiple projects completed over a number of years.

B. Sources of Funding and Capital Expenditures in 2023-24

Table 16 displays sources of funding for budgeted capital expenditures with estimates of comparative data for 2022-23, divided into six major categories: federal, provincial and municipal government grants; funds transferred from Western's Operating Budget; one-time funds from Internally Restricted Net Assets; fundraising; borrowing; and other sources.

The University must carefully balance its available resources for use in capital expenditures. For example, projects financed by debt require an ultimate funding source, and one time funding, such as allocations from the Major Strategic Opportunities Fund or Undistributed Investment Returns must be used strategically and are not a recurring source of funds.

Table 17 shows expenditures in categories 1 and 2 for 2022-23 (estimates as of March 17, 2023) and 2023-24 (current proposals).

In alignment with the priorities in our Strategic Plan, Western has embarked on an ambitious capital program in support of "growth and impact". We are closely watching market conditions for construction and have been adjusting our capital plan and related timing of projects accordingly.

Table 14
CAPITAL BUDGET SUMMARY, 2019-20 TO 2023-24
(\$000)

Category	Purpose	Actual 2019-20	Actual 2020-21	Actual 2021-22	Projected 2022-23	Budget 2023-24
	New Construction					
1	New Construction (Table 17, line 14)	6,233	13,284	31,367	43,549	55,795
	Maintenance, Modernization, and Infrastructure (MMI)					
2	Major Building Renovations (Table 17, line 25)	8,624	22,063	27,539	15,874	7,549
3	Utilities and Infrastructure Projects	4,115	4,679	7,513	8,880	29,675
4	Modernization of Instructional and Research Facilities	8,944	5,303	8,925	13,217	10,377
5	General Maintenance and Modernization Projects	7,078	5,764	7,871	13,630	30,236
	Sub-Total MMI	28,761	37,809	51,848	51,601	77,837
	Other					
6	Housing Renovations	6,747	6,914	6,682	6,840	10,095
7	Ancillary Projects	1,482	1,874	2,859	2,325	2,653
8	Carrying Costs and Debt Repayments	1,095	1,026	963	942	823
9	Other Capital Expenditures	2,733	5,196	12,543	3,893	0
	Sub-Total Other	12,057	15,010	23,047	14,000	13,571
10	Total Expenditures	47,051	66,103	106,262	109,150	147,203

Line		Actual 2019-20	Actual 2020-21	Actual 2021-22	Projected 2022-23	Budget 2023-24
	Sources of Funding, Reserves, and Debt					
A	Total Sources of Funding, Including Debt (Table 16)	33,720	164,258	136,617	97,007	67,988
B	Sources of Funding less Expenditures	-13,331	98,155	30,355	-12,143	-79,215
C	Capital Reserve, Year End (Table 18)	55,557	153,712	184,067	171,924	92,709
D	Capital Debt Outstanding, Year End (Table 18)	353,923	345,936	328,661	320,561	312,191
E	Replacement Value of Non-Residential Buildings, Utilities & Infrastructure, \$M	2,264	2,062	2,162	2,414	2,515
F	MMI Expenditures/Replacement Value	1.3%	1.8%	2.4%	2.1%	3.1%
G	Annual MMI transfer from Operating to Capital Budget	15,500	15,500	15,500	15,500	15,500
H	MMI transfer/MMI Expenditures	53.9%	41.0%	29.9%	30.0%	19.9%
J	Estimate of Maintenance Expenditure	16,193	23,438	31,590	29,995	48,432
K	Maintenance Expenditure/Replacement Value	0.7%	1.1%	1.5%	1.2%	1.9%
L	Number of Major Buildings	97	97	98	99	100
M	Total Gross Square Meters (000's)	890	894	903	905	915

Category 8 does not include carrying costs and loan repayments for Residences and Apartments, Research Park and the Ivey Business School Foundation.

Line B is equal to Line A Total Sources of Funding less Total Expenses.

The change in line C from one year to the next is equal to Line B.

Line J consists of 2/3 of Category 2, 3 and 5 and 1/3 of Category 4.

Table 15
MAJOR CAPITAL PROJECTS

		Category	Start	End
1	<i>Projects Underway, Soon-to-Start, or in Advanced Planning</i>			
2	Weldon Library Modernization	2	Sept 19	Jan 23
3	Ronald D. Schmeichel Building for Entrepreneurship and Innovation	1	Jun 19	Oct 23
4	University Gathering Hub -- Common/Gathering Spaces	1	tbd	tbd
5	New Engineering Building	1	tbd	tbd
6	Social Sciences Centre Realignment/Expansion	1&2	tbd	tbd
7	The Bioconvergence Centre -- Interdisciplinary Research & Experiential Learning Facility	1	tbd	tbd
8	Building Addition to consolidate Faculty of Education Clinics	1	tbd	tbd
9	Undergraduate Residence -- University Drive Location	1	tbd	tbd
10	Graduate and Upper-Year Housing -- Platt's Lane East	1	tbd	tbd
11	Replacement of University Drive Bridge	1	tbd	tbd
12	University-wide Campus Sustainability/Energy Conservation/Infrastructure Projects (multiple stages -- ongoing)	1,3&5	Ongoing	
13	Pedestrian-friendly Campus Initiatives -- <i>Open Space Strategy</i>	1&5	Ongoing	
14	<i>Projects in Various Planning Stages</i>			
15	Additional Space for Health Sciences -- to support Enrolment Expansion	1	tbd	tbd
16	Ivey Spencer Leadership Centre Renewal	2	tbd	tbd
17	New Space for the McIntosh Gallery	1&2	tbd	tbd
18	Pathogen Research Centre Facility	1	tbd	tbd
19	Addition to the Ivey Building	1	tbd	tbd
20	Western's New Downtown Facility -- 450 Talbot Street	2	tbd	tbd
21	Multi-Sport Field House -- with Parking Garage	1	tbd	tbd
22	<i>Projects for Future Consideration (requires funding plan)</i>			
23	Modernization of Medical School Facilities	2	tbd	tbd
24	Renewal: University Community Centre, Law Building, Spencer Engineering Building, Elborn College, Dental Facilities	2	tbd	tbd
25	Renewal/Replacement of Chemistry Laboratory Facilities	2	tbd	tbd
26	Expansion of the Support Services Building	1	tbd	tbd
27	Space Realignment in the Natural Sciences Centre	2	tbd	tbd
28	Renewal and/or Realignment of Library Facilities -- Future Phases	2	tbd	tbd
29	New Research Initiatives/Partnerships at the Research Parks	1	tbd	tbd
30	Multi-Level Parking Structures	1	tbd	tbd
31	Residence Projects	1&6	tbd	tbd
32	Asset Acquisitions	9	tbd	tbd

Table 16
CAPITAL BUDGET: SOURCES OF FUNDING
(\$000)

		Projected 2022-23	Budget 2023-24
1	Government Grants		
2	MCU Annual Capital Grant (Facilities Renewal Program)	6,719	6,719
3	Minister of Environment (Decarbonization Incentive Program)	0	1,226
4	MCU Capital Grant (Training Equipment and Renewal Fund)	525	175
5	Department of Natural Resources Canada (Zero Emission Vehicle Infrastructure Program)	0	120
6	Sub-Total	7,244	8,240
7	Operating Budget		
8	Operating Budget MMI Transfer - Base	15,500	15,500
9	Operating Budget MMI Transfer - Base (Ancillaries)	600	600
10	Operating Budget - FRSF Transfer	3,000	3,000
11	Operating Budget - CRC Transfer	888	872
12	Operating Budget - New Engineering Building	2,623	5,663
13	Operating Budget - The Bioconvergence Centre	20,000	0
14	Operating Budget - Weldon Library Modernization	15,000	0
15	Operating Budget - Social Sciences Centre Realignment/Expansion	5,000	0
16	Sub-Total	62,611	25,635
17	Major Strategic Opportunities Funding (MSOF) and Undistributed Investment Returns	3,970	378
18	Fundraising		
19	Ronald D. Schmeichel Building for Entrepreneurship and Innovation	0	1,727
20	Wampum Learning Lodge	300	0
21	Sub-Total	300	1,727
22	Borrowing		
23	Expansion of Residence Capacity	0	6,430
24	Sub-Total	0	6,430
25	Other		
26	Student Contribution - Western Student Recreation Centre	1,492	1,537
27	Energy Conservation Incentives (Rebates)	11	420
28	Sports & Recreation Services - Student Contribution for Artificial Turf Playing Fields	182	186
29	Unit Contributions	12,042	10,687
30	Projects Funded by Housing	6,840	10,095
31	Projects Funded by Ancillaries	2,315	2,653
32	Sub-Total	22,882	25,578
33	Total Sources of Funding (In-Year)	97,007	67,988

Table 17
CAPITAL EXPENDITURES FOR NEW CONSTRUCTION AND MAJOR BUILDING RENOVATIONS
2022-23 and 2023-24
(\$000)

		Projected 2022-23	Budget 2023-24
1	<i>Category 1: New Construction</i>		
2	Ronald D. Schmeichel Building for Entrepreneurship and Innovation	25,441	24,005
3	University Gathering Hub - Common/Gathering Spaces	500	12,508
4	Biomedical Research Facility - Phase 1 of Medical School Project	15,687	3,922
5	New Engineering Building	500	3,675
6	Undergraduate Residence - University Drive Location	0	3,250
7	Graduate and Upper-Year Housing - Platt's Lane East	0	3,180
8	Building Addition to Consolidate Faculty of Education Clinics	88	2,155
9	The Bioconvergence Centre - Interdisciplinary Research & Experiential Learning Facility	100	2,000
10	Addition to the Ivey Building	0	800
11	Multi-Sport Field House -- with Parking Garage	500	200
12	Additional Space for Health Sciences - to support Enrolment Expansion	0	100
13	Sports Facilities: Western Alumni Stadium Renewal	733	0
14	<i>Total, Category 1</i>	<i>43,549</i>	<i>55,795</i>
15	<i>Category 2: Major Building Renovations</i>		
16	Weldon Library Modernization	5,873	4,000
17	Biotron Growth Chambers Renewal	100	1,500
18	Social Sciences Centre Realignment/Expansion	88	1,067
19	Fanshawe Boathouse/Rowing Centre Renewal	170	504
20	Western's New Downtown Facility - 450 Talbot Street	567	378
21	Wampum Learning Lodge	2,804	100
22	Modernization of Thames Hall	2,797	0
23	Dental Clinics Modernization	2,000	0
24	Thompson Recreation and Athletic Centre - New Ice Rink Floor	1,475	0
25	<i>Total, Category 2</i>	<i>15,874</i>	<i>7,549</i>

Table 18
CAPITAL RESERVES AND DEBT AT FISCAL YEAR END
(\$000)

		Actual 2019-20	Actual 2020-21	Actual 2021-22	Projected 2022-23	Budget 2023-24
1	A. Capital Reserves					
2	General Capital Fund	40,437	39,633	47,218	45,952	22,655
3	Designated Capital Fund	15,120	114,079	136,849	125,972	70,054
4	Total Capital Reserves	55,557	153,712	184,067	171,924	92,709

		Actual 2019-20	Actual 2020-21	Actual 2021-22	Projected 2022-23	Budget 2023-24
5	B. Capital Debt					
6	New Construction, Major Renovations & Other	0	0	0	0	0
7	Housing	73,879	59,779	50,561	41,061	37,691
8	Research Park	25,235	24,294	12,300	11,700	11,000
9	Unused and Invested Debenture Proceeds	254,809	261,863	265,800	267,800	263,500
10	Total Capital Debt	353,923	345,936	328,661	320,561	312,191

Line 2 includes the required \$6 million general capital reserve fund.

Line 3 includes fund balances for large capital projects.

Long-Term Financial Trends

The Operating and Capital Budgets set out in Tables 2 and 14 of this document describe proposed spending of some \$1.04 billion for the single year of 2023-24. That spending will take place, however, in a long-term context which must be understood when evaluating the Operating and Capital Budgets. The Administration and Board have identified three elements of that long-term context which should be reviewed in the annual Budget of the University: capital reserves and debt, employee future benefits, and deferred maintenance.

A. Capital Reserves and Debt

Table 18 displays Capital Reserves and Debt for fiscal years ending April 30. Capital Reserves are divided into two categories:

- the General Capital Fund, which includes funds not yet designated for specific purposes and funds designated for future projects.
- the Designated Capital Fund, which has been assigned to specific capital projects.

Capital Debt is divided into the following categories:

- **New Construction, Major Renovations, Infrastructure, and Other** – represents debt on projects that are largely new construction, additions to existing buildings, other new facilities, non-residential projects that involve major maintenance, and renovations to existing space. It also includes debt on purchases of property.
- **Housing** – debt required for new construction, maintenance, and modernization projects for University residences and apartment buildings.
- **Research Park** – debt incurred by the Research Park, which is self-funding.
- **Unused and Invested Debenture Proceeds** – unused proceeds from Western’s debenture issuances that have been committed and invested until specific capital projects require the funding.

Capital Debt is viewed as part of the capitalization structure of the University and a resource that can help the University advance its Long-Range Space and Campus Master Plans. While the use of debt as a financing strategy is important in our planning, this source of financing requires an ultimate funding source. Careful consideration of the optimal capitalization levels is also required, balancing the ongoing debt burden and service costs with the University’s long-term financial sustainability.

The University has Capital Debt, acquired through debenture issuances of \$190 million and \$100 million in 2007 and 2017, respectively, and by entering into a \$100 million fifteen-year facility in 2013 to finance a 1,000-bed residence and other capital projects. The University’s debentures necessitate an annual credit rating review. Standard & Poor’s completed its annual review in February 2023 and the credit rating of AA Stable remains unchanged.

The Board of Governors has approved a Capital Debt Policy that outlines the principles used in guiding the University's overall capitalization and debt management strategy. Western is in compliance with both of its compliance ratios set out in the policy (net assets-to-debt and debt burden). The University also utilizes monitoring ratios as part of its management strategy. Figure E shows selected Capital Debt monitoring ratios for the years ending April 30.

Figure E
CAPITAL DEBT MONITORING RATIOS

	FTE Enrolment	Debt (\$M)	Debt per FTE (\$)	Revenues Available for Repayment (\$M)*	Debt / Revenues Available for Repayment (%) *
2019	33,356	362.2	10,859	1,089.2	33.3%
2020	33,737	353.9	10,490	1,022.5	34.6%
2021	35,258	345.9	9,810	1,152.7	30.0%
2022	36,904	328.7	8,907	1,110.8	29.6%
2023p	38,061	320.6	8,423	1,113.0	28.8%

*Updated in 2023 to reflect revenues available for repayment (previously total revenues)

The projected debt is based on Board-approved projects with allowance for other projects, which may be presented to the Board during the period under consideration.

B. Employee Future Benefits

Subject to eligibility rules set within various collective agreements, the University provides medical, dental, and life insurance benefits to eligible employees after their employment with Western has ended.

The obligation for these employee future benefits is projected by actuarial valuation every three years. In the years between valuations, an extrapolation of the actuarial valuation is used to determine the projected benefit obligations. At April 30, 2022, the University's accrued benefit liability relating to the employee future benefit plans was \$478.6 million (2020 - \$465.3 million). The annual expense for non-pension employee future benefits in 2022 was \$27.6 million (2021 - \$30.1 million).

A recent review of major research universities identified only four institutions with significant post-employment benefit obligations greater than \$100 million, ranging from \$229 million to \$688 million and an unweighted average of \$416 million. Western ranked second in total liability for employee future benefits.

Figure F outlines the University employee future benefits, the obligation and expense for years ending April 30.

Figure F
EMPLOYEE FUTURE BENEFITS (EFB) AS A % OF TOTAL EXPENSES

	EFB Obligation (\$M)	EFB Expense (\$M)	Total University Expenses (\$M)	EFB Expense as % of Total
2018	495.3	21.8	1,122	1.9%
2019	546.5	23.4	1,170	2.0%
2020	561.8	21.9	1,182	1.9%
2021	565.3	30.1	1,137	2.6%
2022	478.6	27.6	1,212	2.3%

C. Deferred Maintenance

Deferred Maintenance is defined as work on the maintenance of physical facilities that has been deferred on a planned or unplanned basis to a future budget cycle or postponed until funds become available. To avoid increasing the size of the deferred maintenance backlog, it is necessary to carry out replacement of facility components on an annual basis.

The estimates of deferred maintenance are different from estimates of debt or employee future benefits in the previous sections. There are actual contracts in place for the first two categories that allow us to make reasonable estimates. For deferred maintenance, this is not the case; therefore, we have to find other ways to quantify this liability. The University uses a capital-asset management system common to the sector to assess, track, and report on the condition of facilities. The system requires that each major component of a building – roof sections, classrooms, heating, ventilation, air-conditioning systems and so on – be inspected, either entirely or on a sample basis. Data on the findings of these inspections are entered into a central database. The system uses industry-standard cost and lifecycle data to forecast the timing and costs of capital renewal projects. In 2019, at the request of the Ministry of Colleges and Universities, cost-forecasting methodologies were updated in the Ontario university sector to produce a more harmonized approach for facility assessment across provincially owned and broader public sector assets. Overall, this sector wide harmonization has led to an increase in estimates of deferred maintenance, primarily due to the inclusion of soft costs, which added approximately 30% to deferred maintenance estimates. Other factors have included automatic renewal requirements to maintain assets and changes to maintenance life cycles.

The University, in coordination with all other Ontario universities, is undertaking a campus wide review of its facilities data, to further improve upon our estimates. This data review is being conducted by a common vendor across the sector and is expected to be complete by 2024-25. As the data review continues, the estimates of deferred maintenance may fluctuate from year to year.

As at February 24, 2023, the Facilities Management Division estimates that deferred maintenance at Western is \$292 million for non-residential buildings and \$78 million for residences. Approximately 53% of the deferred maintenance for non-residential buildings relates to mechanical and electrical requirements. Other major components include maintenance driven by code requirements and maintenance for roofs and windows.

A common measure for determining the overall condition of facilities is the ratio of deferred maintenance over Current Replacement Value (DM/CRV) of the facilities. The calculation as at February 24, 2023, is outlined in Figure G as follows:

Figure G
DEFERRED MAINTENANCE TO CURRENT REPLACEMENT VALUE

		Non-Residential Buildings	Combined Residences
1	Current Replacement Value (CRV)	\$2,414 million	\$885 million
2	Deferred Maintenance (DM)	\$292 million	\$78 million
3	DM/CRV	12.1%	8.8%

The average age of buildings for universities in the Province of Ontario was 53 years as of March 2023. Western's average age is 40.6 years and 56% of our buildings were built before 1980. Western's residences are funded through rents which cover maintenance; the University has never had a problem with deferred maintenance on residences. A ratio of 12.1% (Deferred Maintenance/Current Replacement Value) for non-residential buildings indicates a significant need for maintenance funding.

If the average component of a large building lasts 50 years, then on average, maintenance spending should be 2.0% of replacement value. This level of spending is a standard target in the industry. When the actual ratio is consistently less than 2.0%, as has been the case at most Canadian universities, the volume of deferred maintenance will grow. Failure to adequately address deferred maintenance results in substandard facilities and could result in the failure of critical systems. Based on the Current Replacement Value of our facilities at \$2,414 million, spending on major maintenance for campus buildings at 2.0% should be in the range of \$48 million annually.

As explained at the start of the Capital Budget, the annual maintenance transfer is used for Maintenance, Modernization, and Infrastructure (MMI). The Administration is sometimes asked by faculty and staff if the MMI transfer is too large. As lines G and E in Table 14 show, the ratio of the MMI transfer to the Current Replacement Value of our non-residential buildings, utilities, and infrastructure has been below 1% in recent years (Figure H).

Figure H
MMI TRANSFER TO CRV RATIO 2019-20 to 2023-24

		Actual 2019-20	Actual 2020-21	Actual 2021-22	Projected 2022-23	Budget 2023-24
1	MMI (\$M)	15.5	15.5	15.5	15.5	15.5
2	CRV (\$M)	2,264	2,062	2,162	2,414	2,515
3	Ratio	0.68%	0.75%	0.72%	0.64%	0.62%

Thus, the MMI transfer from the Operating to the Capital Budget is less than half of the 2.0% required to keep deferred maintenance from growing. Continuation of this MMI transfer is essential to maintaining a safe and reliable campus infrastructure, which supports modern research and teaching, and sustains faculty, staff, and student morale.

Line J of Table 14 presents an estimate of maintenance spending from all sources, with maintenance defined as spending required to bring aging facilities up to their condition when originally built. The last time the ratio was about 2.0% was 2010-11, however, current projections estimate the ratio for 2023-24 will near the 2.0% target. Additional funding, from provincial and federal sources, continues to be required to catch up and maintain the 2.0% target over the long-term. Achieving the 2.0% target over time is required to sustain the condition of Western's facilities.