2026-2029 DRAFT OPERATING BUDGET

April 2026

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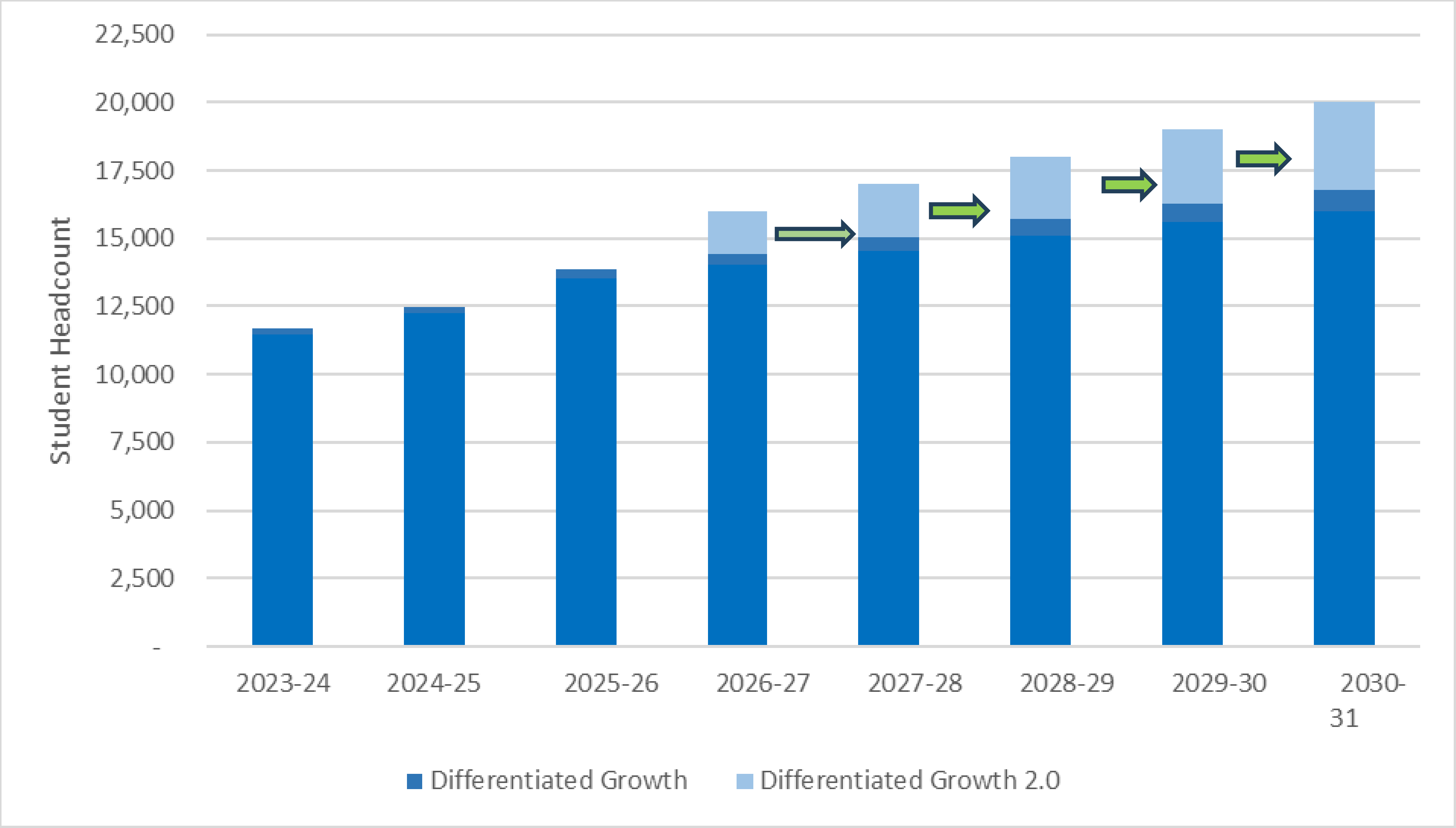
Where do we go from here?

- **New funding model**
- **World filled with uncertainty**
- **Moment of reinvention, change**
- **Time for long-term vision, strategic investments**

Differentiated Growth Enrolment Plan – Budget Assumptions

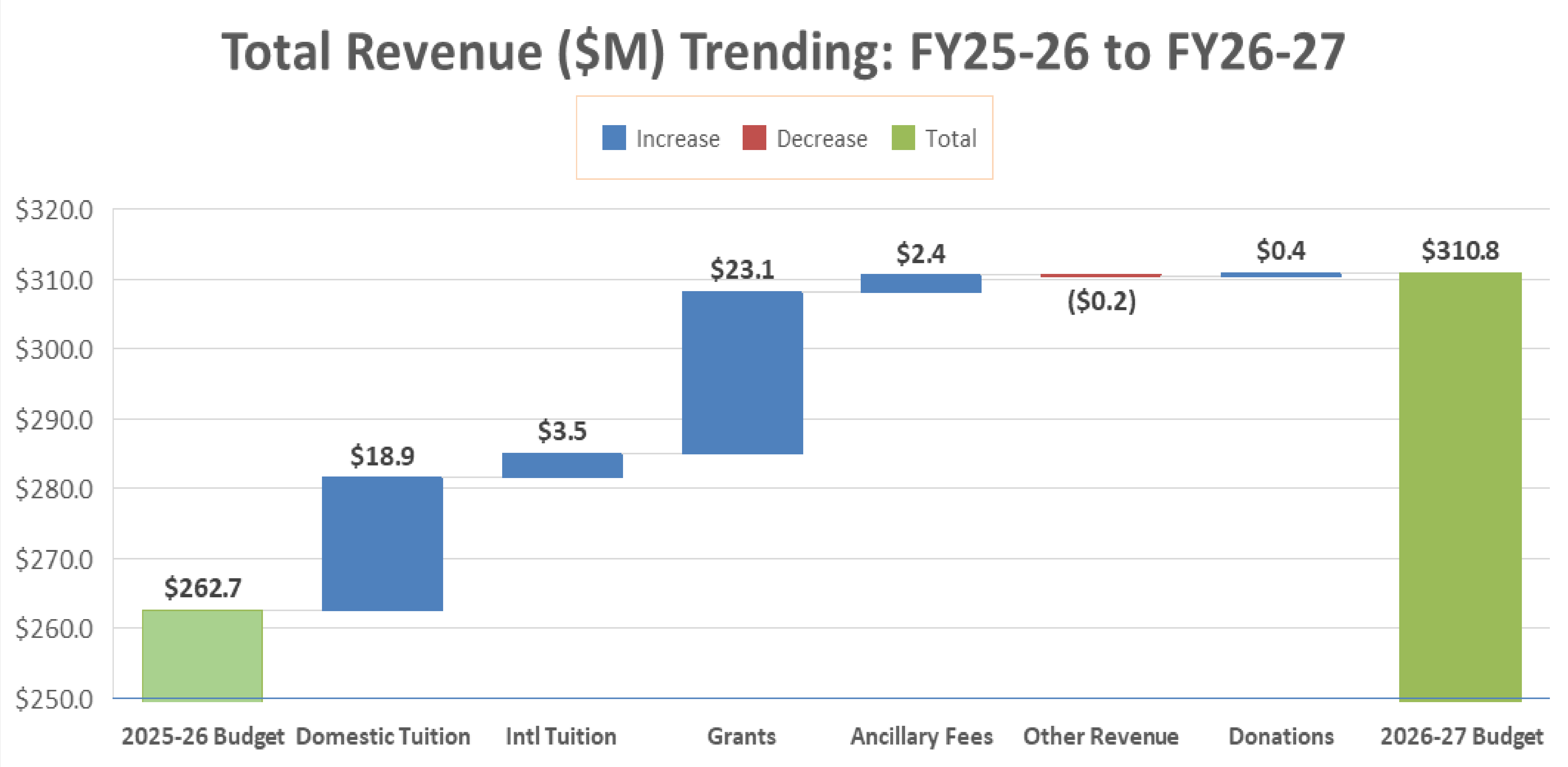


2026 – 2027 Budget Summary

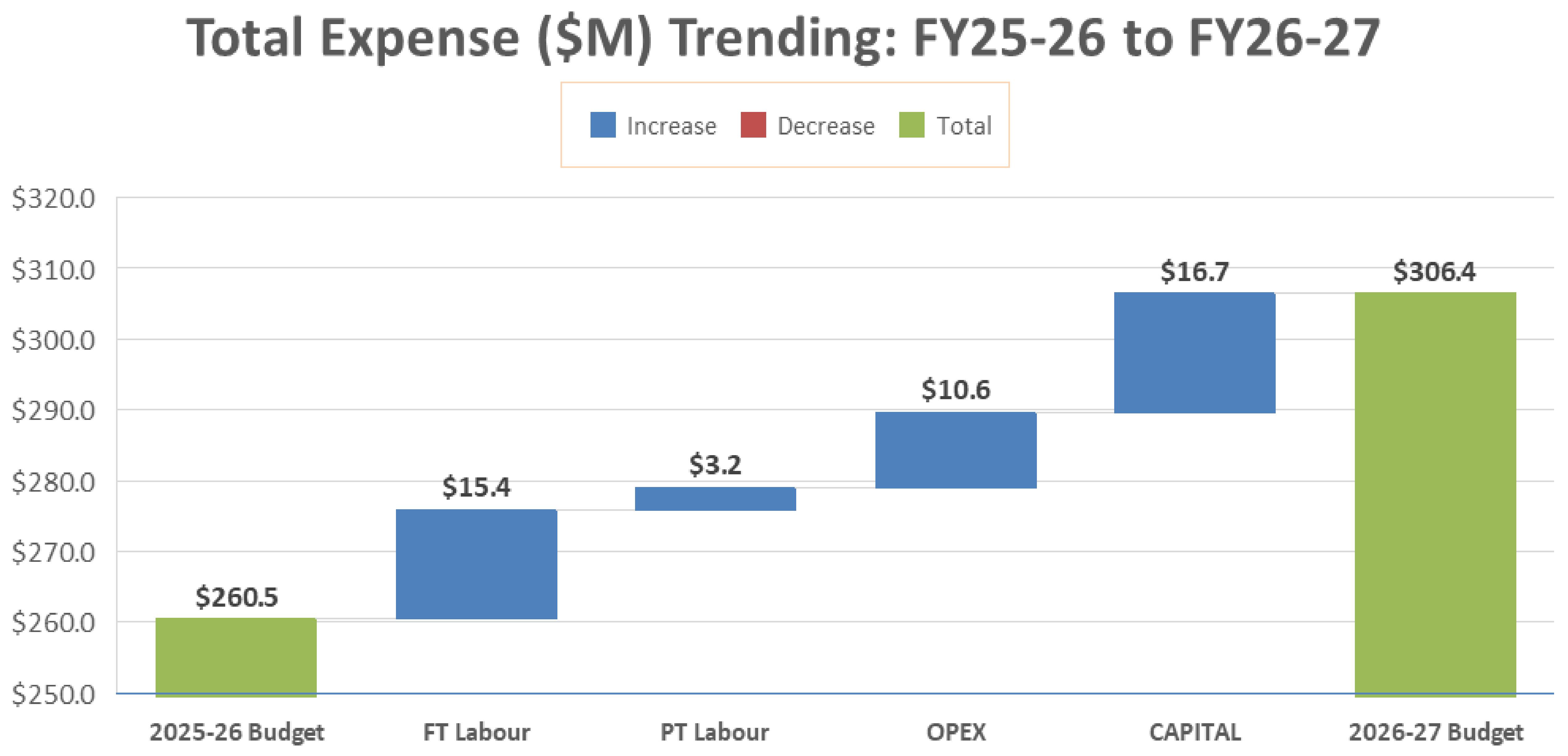
Ontario Tech University
2026 - 27 DRAFT OPERATING BUDGET

	Operating Budget	Purchased Services	Operating-REV	Ancillary Fee Budget	Infrastructure Capital	Commercial Services	2026 - 27 Proposed Budget
Revenues							
Operating Grants	84,025	-	-	-	13,500	-	97,525
Other Grants	8,963	-	3,099	221	3,170	-	15,452
Tuition	135,244	-	14,759	-	-	-	150,004
Student Ancillary Fees	2,834	2,953	188	12,005	2,692	651	21,322
Donations	10	-	2,268	205	-	-	2,482
Other Revenue	5,585	418	9,429	12	-	8,562	24,007
Total Operating Revenues	236,661	3,371	29,742	12,442	19,362	9,213	310,793
Base Expenditures							
FT Labour	(130,402)	(8,084)	(7,321)	(6,922)	-	(2,518)	(155,247)
PT Labour	(17,881)	(320)	(6,020)	(1,780)	-	(539)	(26,541)
OPEX	(34,871)	(8,764)	(16,920)	(3,299)	(16,501)	(6,061)	(86,417)
CAPITAL	(134)	-	-	(26)	(5,862)	(20)	(6,042)
Approved Base Expenditures	(183,287)	(17,169)	(30,261)	(12,027)	(22,363)	(9,139)	(274,247)
Budget Surplus/(Deficit) before Asks	53,374	(13,798)	(519)	415	(3,001)	74	36,546
Base Recommendations	(2,536)	(140)	(8)	(464)	-	-	(3,148)
OTO Recommendations	(8,148)	(292)	20	(32)	-	-	(8,452)
Capital Recommendations	358	(423)	(100)	(120)	(20,258)	-	(20,542)
Total Net New Recommendations	(10,326)	(854)	(89)	(615)	(20,258)	-	(32,142)
Total Expenditures	(193,613)	(18,023)	(30,349)	(12,643)	(42,621)	(9,139)	(306,388)
Total CY Budget Surplus/(Deficit)	43,048	(14,652)	(607)	(200)	(23,259)	74	4,404
Funded through PY restricted reserves	500	-	721	-	-	-	1,221
Total Budget Surplus/(Deficit)	43,548	(14,652)	114	(200)	(23,259)	74	5,626

Revenue YOY Changes



Total Operating Expenses YOY Changes



Expenses: Investments over 2025-2026

Labour ~$18.6M for existing contracts and new.

- $11.0M for existing contracts
- $2.9M for new positions
- $3.6M for PT teaching support
- $1.1M for revenue-funded PT staff

AI & Banner Transformation:

- $2.0M investment to pilot process automation/ enhancements
- $2.4M for Banner Transformation licenses

Financial Aid: $1.6M investment

Capital Infrastructure: $19M major projects: SHA 5th Floor & Rec Expansion

South of Conlin - SHA 5th floor 2027 - A campus gateway at Conlin Simcoe - Flexible buildings to support the ever-changing needs of learners - Shops, services, that anchor a year-round community engagement - Pedestrian friendly by shifting parking to outskirts and a new bus loop

South of Conlin

- SHA 5th floor 2027

- A campus gateway at Conlin & Simcoe

- Flexible buildings to support the ever-changing needs of learners

- Shops, services, that anchor a year-round community engagement

- Pedestrian friendly by shifting parking to outskirts and a new bus loop

North of Conlin

New 450 Bed Residence
Opening Sept 2027

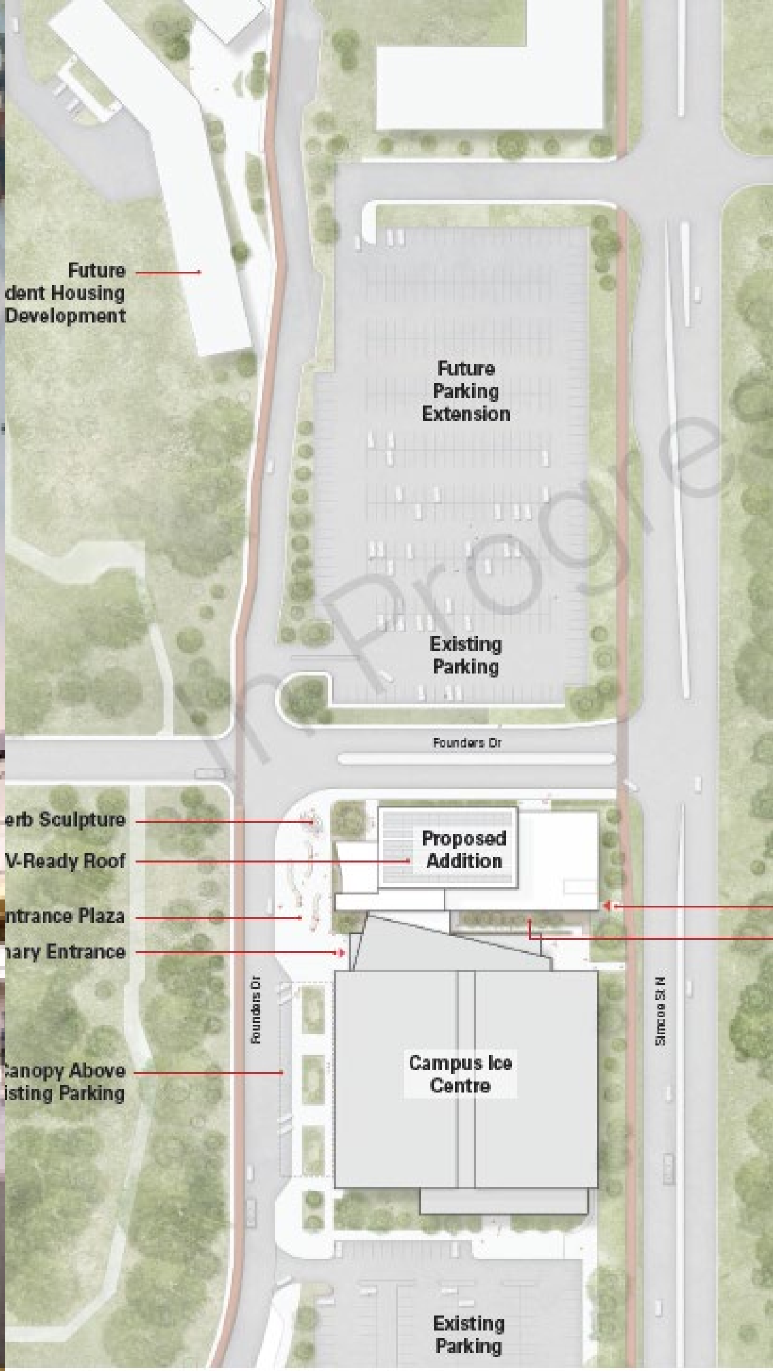
- reflect new Vision, Principles, and Goals using landscaping
- Focus on engagement with vibrant residence and recreation
- Engage partners to help leverage land assets and advance institutional objectives

North of Conlin

Athletic Expansion

Opening Summer 2028

New Athletic Space



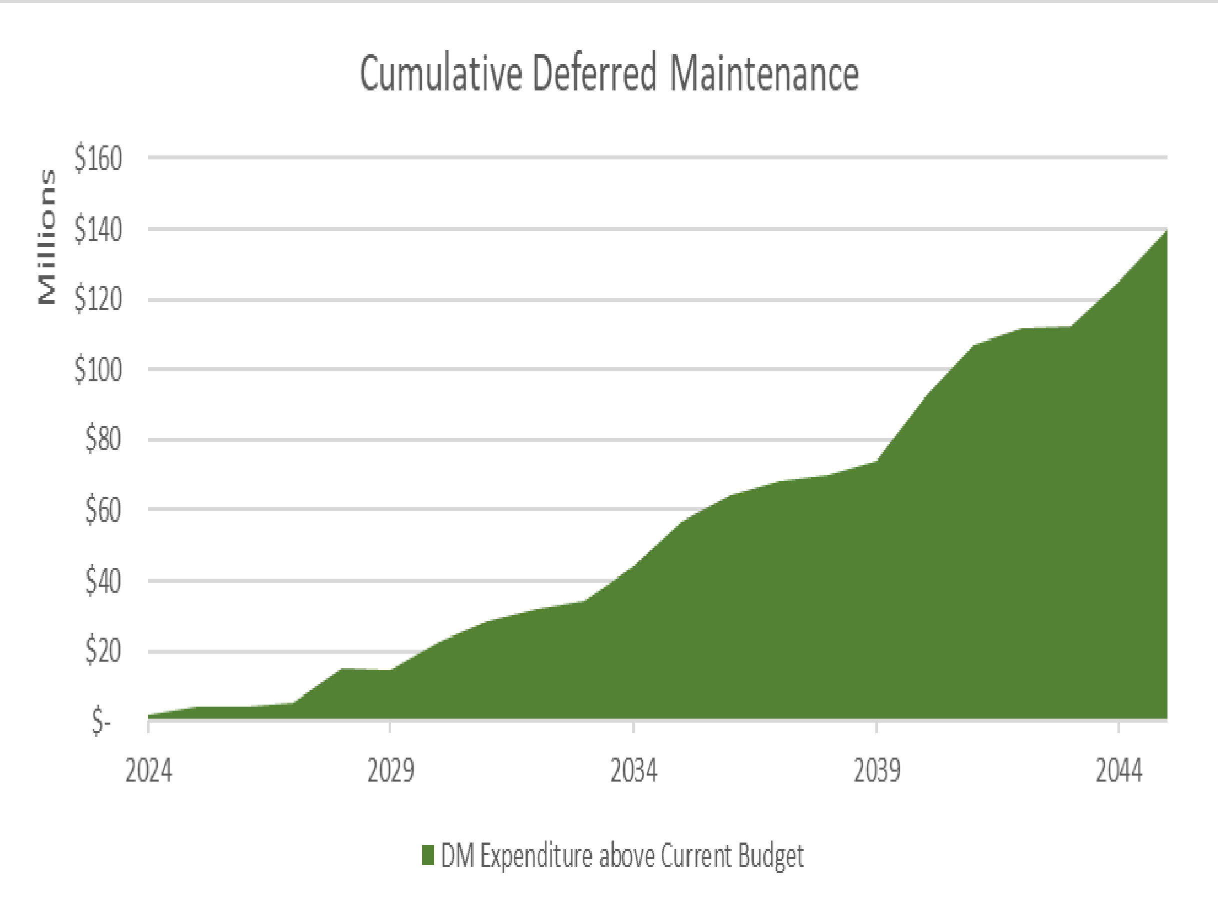
Multi-Year Budget Forecast

	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30
Total Revenue	$ 262,664,682	$ 310,792,610	$ 326,004,777	$ 336,442,515	$ 346,395,706
FT Labour	138,384,756	153,755,100	160,000,000	167,000,000	174,000,000
PT Labour	27,612,152	30,787,126	32,000,000	33,000,000	34,500,000
OPEX	84,612,286	95,261,594	105,000,000	114,000,000	120,000,000
CAPITAL	9,855,730	26,584,481	25,000,000	18,000,000	14,000,000
Total Expenses	$ 260,464,924	$ 306,388,301	$ 322,000,000	$ 332,000,000	$ 342,500,000
Net Surplus/(Deficit)	$ 2,199,758	$ 4,404,309	$ 4,004,777	$ 4,442,515	$ 3,895,706

Reserves

- Best practice: 1.5-2.5% for future capital renewal/maintenance. For Ontario Tech, that equates to $7 – 11M

- Reserve Ratio outlines a university should have over 90 days. For Ontario Tech would need almost $70 million in reserves



Efficiency & Accountability Fund

Grow to achieve economies of scale: the business model is broken. frozen grant and tuition combined with rising costs will render certain programs unsustainable without growth, course consolidation, etc.

Increase alternative revenue streams: must become less reliant on government restricted levers - broaden the diversify our income.

Enhance automation: help highly qualified personnel to move away from transactional tasks and focus on student services and strategic actions.

Budget Risk/ Risk Mitigation

- **Achieving enrolment targets**: the university normally realized enrolments within ±2% of its annual estimates. Government policies on international student caps present a significant challenge
- **Achieving SMA4 performance targets and accountability measures**: The university risks losing part of its funding if we fail to meet annual performance targets.
- **Maintaining academic quality and student success:** investments in student well-being and academic success supports continue to grow, but the diversity of our students and their expanding needs outpace the investment.
- **Financial indicators**: the university is rated lower by credit agencies than our sister institutions based on: (i) Liquidity (ii) Sustainability (iii) Performance which impacts borrowing rates.
- **Aging equipment:** the first budget areas to be reduced over the last few years was the repair and replacement of equipment. The chances of equipment failure only increase as the equipment ages.

Looking Forward .....

This is a defining moment for Ontario Tech.

- **Budget pressures still exist (i.e., rising labour costs, inflation)**
- **Time of maturation, growth for the institution**
  - Continue to grow programs, enrolments
  - Investments in academic excellence, students, campus infrastructure
    - New faculty, staff hires
    - Increased financial support for students
    - Expanding campus infrastructure