Annual Budget Report

2026/2027

Board Approved June 19, 2026

2026/2027 BUDGET REPORT

FOREWORD

This report is intended to provide a comprehensive review and summary of the process, consultations, and results of the Trent University 2026/2027 Budget for the Operating and Ancillary Funds.

Trent's administration has attempted to pursue a budget development process that enhances the degree of transparency, communication, and input of all constituencies of the University community. This report captures the key elements and content of the development process, including consultation outcomes and specific impacts of budget decisions on the various academic, non-academic, and ancillary units of the University.

It is our intention to produce a summary report annually, and circulate it widely, in order that the budget and underlying program activity of the University can be better understood and assessed.

Your comments and feedback are welcome.

Tariq Al-idrissi, Vice President, Finance and Administration
Cheryl Turk, Associate Vice President, Finance

EXECUTIVE SUMMARY

Universities continue to operate in unprecedented context of restrictions and constraints creating a challenging fiscal environment. Government operating grant revenue, although solidified through recent funding announcements, is fixed for the next four years, domestic tuition rate increases are limited to 2% annually, government restrictions on international student study visas and work permits continue to detract international enrolment, there is a heightened competition for domestic enrolment, and costs continue to escalate. Universities are under increasing Ministry oversight with operating funding linked to enrolment and performance metrics and action plans determined by assessed financial health risks under the Financial Accountability Framework.

For 2026/2027, Trent is conservatively anticipating total student enrolment will decrease by 6.0% to 11,587 full-time equivalents (FTEs), a decrease of 737 FTEs from 2025/2026, and continue to decline in 2027/2028 until stabilizing at just over 11,300 FTEs in 2028/2029. Much of this decline relates to international enrolment, which is expected to decline over the next couple of years to around 10% of total enrolment.

For the remaining four years of its Strategic Mandate Agreement (2025-2030) with the Ministry (SMA4), Trent's corridor was increased to its 2024/2025 enrolment levels and funding is based on a standardized funding formula, with 35% of base operating funding dependent on maintaining +/- 3% of the increased enrolment corridor mid-point, 25% tied to achieving performance metrics and 5% at risk if not in compliance with reporting and other accountabilities. The University's total operating funding under SMA4 is nearly $84 million for 2026/2027 and $87 million for 2027/2028 and beyond. In addition to this funding, the University also receives Special Purpose Grants, which may change from year to year depending on Ministry priorities. In 2026/2027 only, Trent will receive its third and final allocation under the Post-secondary Education Sustainability Fund.

While the growth in funding and the permitted increase in domestic tuition rates improved the financial position, the University's financial challenges remain. Before implementing mitigating strategies, Trent was projecting operating deficits of $14.3 million, $25.2 million and $31.5 million for 2026/2027, 2027/2028 and 2028/29 respectively.

To address these financial challenges, the University is taking a multi-year, multi-faceted approach that includes strategic departmental discretionary budget reduction strategies, enrolment recovery initiatives, additional and/or alternative revenue opportunities, identification of further operating efficiencies and a comprehensive reassessment of prior year appropriations.

The approved budget reduction strategies of $11.9 million achieve a 7.6% reduction in departmental compressible operating budgets in 2026/2027. These budget reductions are strategic in nature, rather than across-the board reductions, and are guided by the following principles:

- Planning for initiatives that achieve longer-term financial sustainability.
- Protecting the academic mission, quality of programs and Trent's reputation.
- Ensuring strategies are consistent with the University's strategic priorities.
- Prioritizing the quality of the student experience.
- Preserving Trent's collaborative culture and the well-being of its faculty and staff.
- Minimizing exposure to operational, compliance, reputational, and financial risk.

The University is making modest new strategic investments of approximately $0.6 million. These investments focus on enhancing recruitment and related supporting services, maintaining student services, and supporting co-op and experiential learning.

The impact of these mitigation strategies is a net reduction in staffing of 14.0 faculty positions and 41.36 non-faculty positions. To minimize the impact on faculty and staff, many of the reductions are through retirements and resignations, the reduction of limited-term appointments, the elimination of vacant positions, and the reduction of hours. These reductions are expected to have minimal impact on students. The student to faculty ratio is expected to improve slightly from approximately 40:1 in 2025/2026 to 38:1 in 2026/2027 while the average class size is expected to remain at approximately 30.

With the approved budget reduction strategies and new strategic investments combined with the revised Ministry funding allocation and permitted domestic tuition increases, the financial outlook has improved but the financial challenges remain. The 2026/2027 Operating Budget is expected to be in a small deficit position of $1.8 million. The University will need to use its operating pressures contingency appropriation to fund anticipated operating fund shortfalls and its sinking fund contributions in the short-term. Based on the 2026/2027 approved budget and future projections and without further mitigation strategies, the operating pressures contingency appropriation is predicted to be nearly depleted by the end of 2028/2029.

Recognizing the use of operating pressures contingency funds is time-limited and does not address the on-going financial challenges, the University has begun work on a 5-year financial recovery plan with the objective of gaining financial sustainability. In addition, Trent applied to the Ministry's Priority Growth Fund. The Ministry is expected to announce the allocation of this funding in late summer or early fall 2026. Any Priority Growth funding Trent receives through this fund will also improve these projections.

Ancillary services revenues are planned to remain relatively stable while efficiencies in related expenses are gained. The overall estimated surplus from ancillary operations is about $6.3 million. As such, ancillary services are planning to contribute nearly $3.1 million to the Operating Fund and are expected to transfer nearly $3.2 million to reserves in 2026/2027.

The 2026/2027 Operating and Ancillary Budgets were approved by the Board of Governors on June 19, 2026.

FISCAL ENVIRONMENT, BUDGET DEVELOPMENT PROCESS, AND TIMELINES

The comprehensive budget planning process for fiscal 2026/2027 began in September 2025 with discussions with various groups in the University community regarding the current fiscal environment, the budget process, and timelines.

Fiscal Environment

Initial budget planning was deliberated during a challenging fiscal environment as Ministry funding was uncertain. While recent Ministry announcements have solidified funding, universities continue to operate in an unprecedented context of restrictions and constraints:

- Government operating grant revenue is fixed for the remaining four years of the University's Strategic Mandate Agreement (2025-2030) with the Ministry. While there is potential for Priority Growth Funding, universities must meet base enrolment targets before being considered for this funding, which will be determined through a competitive process in Summer 2026.
- Domestic tuition rates are governed by the Ministry's Tuition Fee Framework, which limits increases to 2% annually for three years beginning September 2026.
- Federal government announcements over the past few years have put increasing restrictions on international student study visas and work permits. These restrictions, which apply to both undergraduate and graduate students, have had an impact on Canada's reputation and ability to attract international students. This, in turn, is creating a heightened competition for domestic enrolment.
- Economic pressures persist as compensation costs and operating expenses continue to escalate.
- Universities are under increasing Ministry oversight as operating funding is linked to enrolment and performance metrics under the Strategic Mandate Agreement and the Ministry's Financial Accountability Framework determines a university's action plan and report back requirements based on certain financial health metrics.

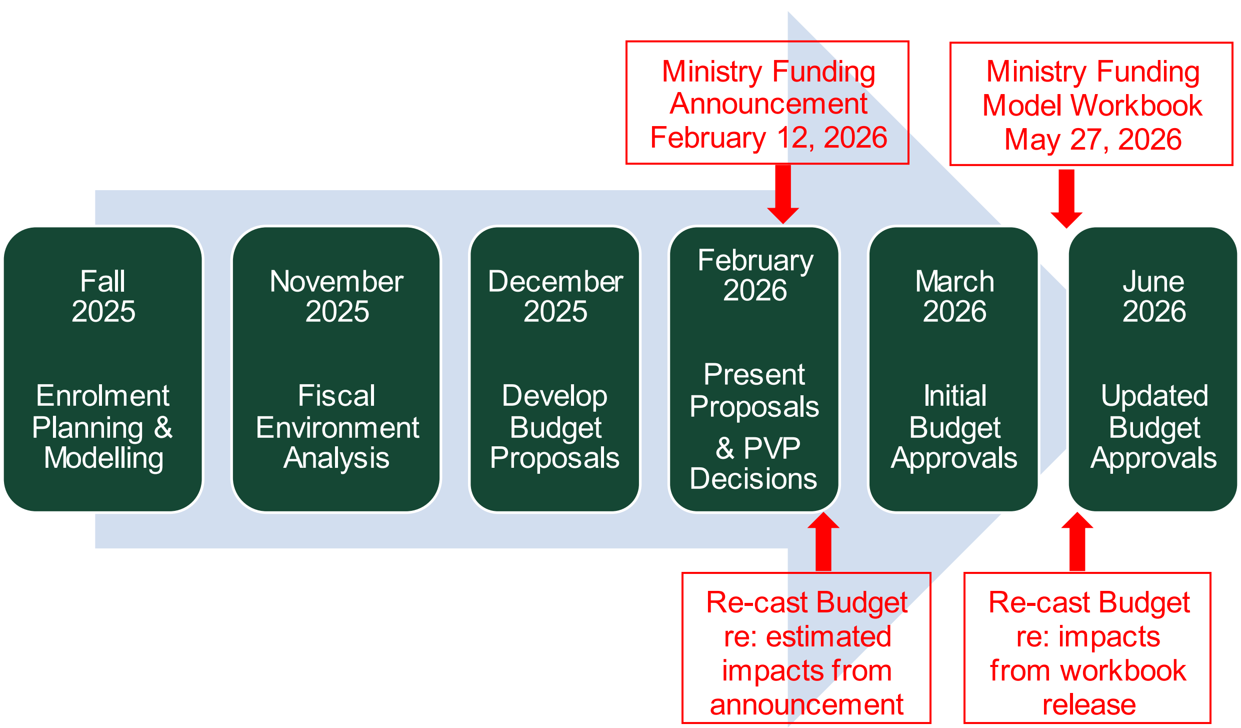
With this fiscal environment of uncertainty, it is challenging to achieve and maintain a balanced budget for this planning cycle while investing in strategic priorities. Action must be taken in 2026/2027 to avoid significant budget deficits in the near future and to remain financially sustainable for the long term.

Budget Development Process

For the 2026/2027 budget cycle, Trent continued multi-year budgeting at the budget developer level as a way to promote longer-term planning and more efficient use of critical resources required to address projected enrolment and to align with the University's strategic direction and academic plan. Multi-year planning is key for Trent to strategically plan its future financial sustainability. The fiscal years included in this planning cycle are:

- May 1, 2026 to April 30, 2027 (2026/2027)
- May 1, 2027 to April 30, 2028 (2027/2028)
- May 1, 2028 to April 30, 2029 (2028/2029)

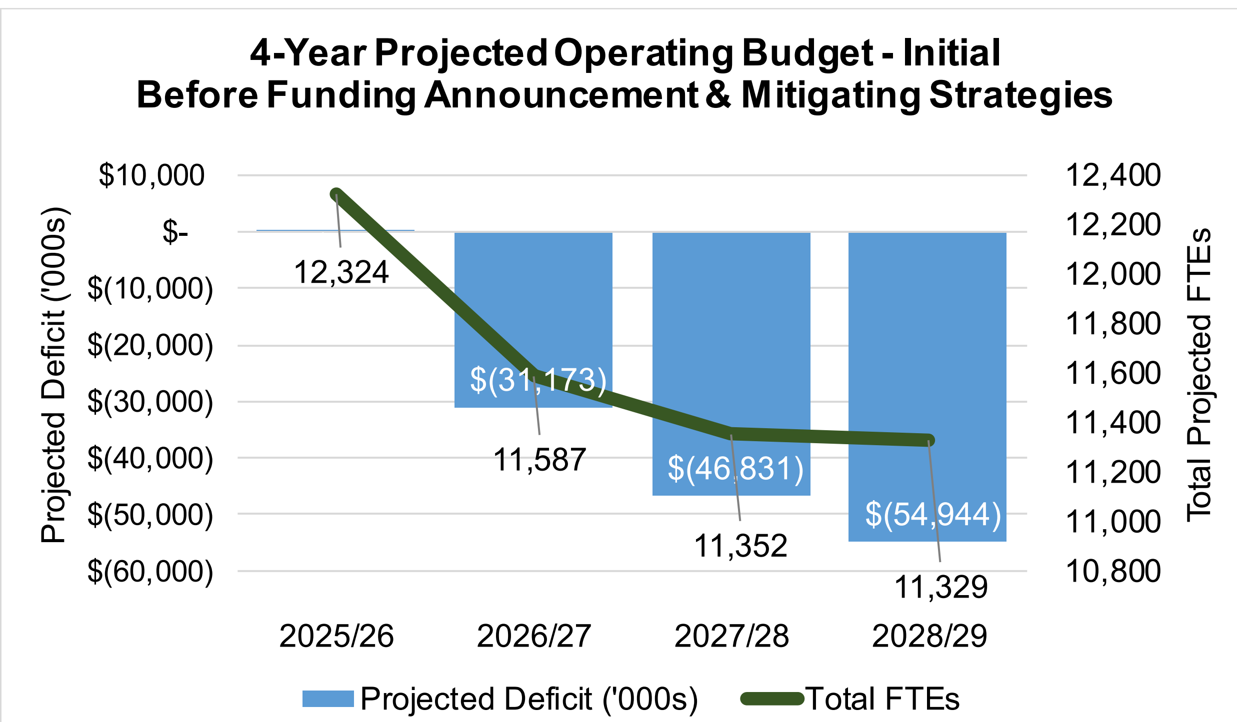
The initial year of this budget cycle includes proposals at a more detailed level as decisions focused on year one of the plan. Plans for the second and third years offer an order of magnitude for planning purposes only. Multi-year plans are subject to annual review each fall to ensure the assumptions remain reasonable and/or up to date for additional known changes or new expectations.



The budget process began in September 2025 as the University modelled enrolment projections for the next few years under various scenarios. The Enrolment Modelling Working Group, comprised of academic and administrative managers, proposed enrolment projections based on a comprehensive analysis and taking into consideration academic program changes, new challenges and anticipated factors. The Strategic Enrolment Management Committee provided strategic input and the recommended enrolment projections used for planning purposes were brought forward to the President and Vice Presidents Committee (PVP) for review and approval.

Also in Fall 2025, the University prepared an overview of the current fiscal environment, identifying a wide range of internal and external factors for consideration in determining the fiscal constraints that will challenge the University and their potential implications on budget planning. Based on the current fiscal environment, the University developed financial assumptions for budget planning purposes. Financial Services updated the prior year's base budget to reflect salary escalation, inflation and other known changes in staffing and other expenses. One-time budget adjustments, for example, time-limited investments or in-year budget reduction strategies, were removed. Revenues and associated student financial aid and other enrolment-related expenses were updated in alignment with the approved conservative enrolment projections.

Based on the key enrolment and financial planning assumptions described in more detail later in this document, the resulting initial Preliminary Base Budget indicated a significant operating deficit for 2026/2027. A sensitivity analysis for future years indicated declines in enrolment resulting in decreased net tuition revenue which will negatively impact the financial resiliency of the University if mitigating strategies are not implemented.



To address the pending financial challenges and regain financial sustainability, the University is taking a multi-year, multi-faceted approach that includes the following:

- Budget Reduction Strategies – Strategic departmental discretionary budget reduction strategies that align with established guiding principles.
- Enrolment Recovery – Program adjustments to develop new or modify existing program offerings to better align with labour market demands and enhance partnerships.
- Priority Growth Funding – Application to the priority growth funding that will be made available and assessed by the province in the summer of 2026 and that may impact the 2026-2027 budget and beyond.
- Revenue Generating Opportunities – Pursue initiatives that will generate additional revenues and/or create alternative revenue sources.
- Efficiencies – Pursue further operating efficiencies, although benchmarking indicates Trent is already one of the most efficient universities in its comparator group. (sources: COFO Benchmarking and CAUBO Financial Landscape Data)
- Review of Prior Year Appropriations – Reassess needs and identify funds that could be rediverted to the operating pressures contingency to help offset operating deficits in the short-term.

With the above in mind, operating budget owners were asked to submit three scenarios modelling budget reductions of 8%, 10% and 12% while ancillary services were asked to model similar increased contributions to the operating budget. For each reduction strategy identified, budget owners were requested to describe how the budget adjustments would be achieved, how they aligned with the guiding principles, and any potential negative impacts on the level and quality of academic programs, services provided and/or students.

Proposals for new investments were limited to those of the highest importance. For each new investment proposal, budget owners were required to identify the rationale supporting the investment, how they aligned with the University's strategic priorities, and to indicate how such new investments would be accommodated within the departmental budget. Where this was not possible, they were asked to indicate the impact and risk associated with not proceeding with the proposed new investment initiative.

Budget developers received their departmental preliminary base budget, guidelines, and key planning assumptions, including multi-year enrolment projections, in November 2025. The budget packages also included business case templates to aid in the qualitative and quantitative analysis of proposed budget reduction strategies or requested new strategic investments and a budget presentation template. Finance provided support to budget owners regarding the development of their budget proposals, as needed.

In early February 2026, budget owners presented details of their submitted proposals to PVP for their consideration. Each budget developer was required to include, in their presentation, details and rationale for proposed budget reduction strategies and strategic investments, including potential impacts, and a high-level summary of their department's

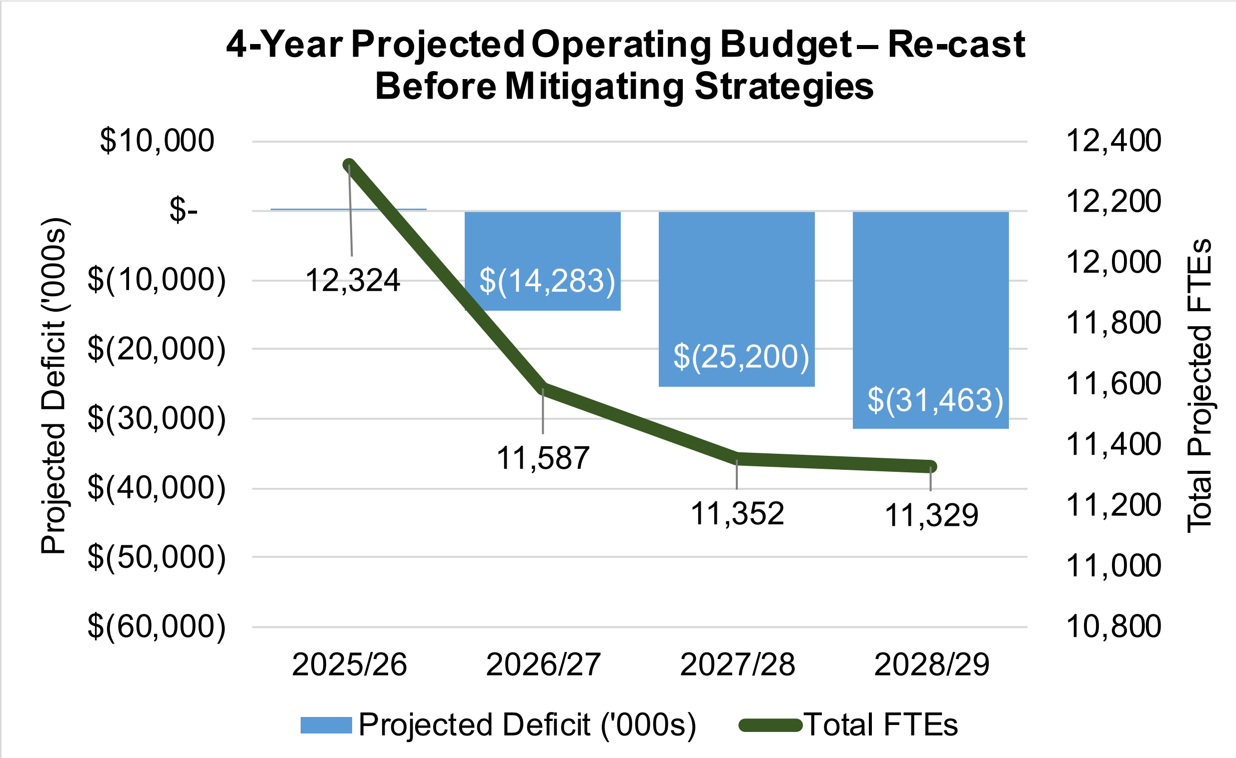
2025/2026 in-year financial performance and forecast to year end, including their proposed use of any unspent budget where a surplus was anticipated or mitigating strategies if projecting a deficit.

Before deliberating on the budget proposals, PVP reviewed the preliminary enrolment projections to confirm the validity of the underlying assumptions and adjusted the Preliminary Base Budget as appropriate to provide a more accurate estimate of the financial situation for better decision making. PVP was strategic in its decision making, accepting departmental budget reduction strategies in whole or in part at various percentage levels depending on alignment with the guiding principles and potential impacts to academic programs, services and students, and recommending new strategic investments in alignment with the University's priorities. PVP also considered broader strategies, including initiatives from the work completed by the Sustainability Working Groups and recommendations from the Efficiency and Accountability Review.

On February 12, 2026 (before PVP deliberations were completed), the Ministry announced changes to its post-secondary education funding model, Tuition Fee Framework and the Ontario Student Assistance Program (OSAP). The new four-year funding model, effective for the 2026/2027 fiscal year, standardizes and increases base funding rates for all universities, resets corridor midpoints to 2024/2025 eligible enrolment levels, modernizes program weights to better align with delivery costs, revises funding for small, northern and rural institutions, increases and/or streamlines special purpose grants, introduces a new Priority Growth Grant and increases facilities and equipment renewal funding. Tuition fees for both undergraduate and graduate domestic students are permitted to increase by 2% annually for three years starting September 2026. The revised OSAP framework includes a significant shift away from grants as eligible Ontario students are limited to receiving a maximum of 25% of their OSAP funding as grants with a minimum of 75% of their OSAP funding as loans.

As a result of the Ministry's announcement, the University re-cast the preliminary budget incorporating the estimated impacts of the funding formula changes and permitted domestic tuition fee increases. Based on this updated information, PVP completed their deliberations regarding recommended budget reduction strategies and strategic investments, and a draft 2026/2027 Budget was presented to the Board of Governors on March 27, 2026.

On May 27, 2026, the University received its Trent-specific funding model workbook, which confirmed its newly reset base and health grant enrolment corridors and related funding for the next four years starting with the 2026/2027 fiscal year. Administration was also able to confirm other one-time funding for 2026/2027 in addition to the funding under the Strategic Mandate Agreement (2025-2030). The University once again re-cast the preliminary budget with the confirmed funding allocations. While the growth in funding and the permitted increase in domestic tuition rates improved the financial position, the University's financial challenges remain as operating deficits continue to be projected for 2026/2027 and subsequent fiscal years before implementing mitigating strategies.



Timelines

The table below sets out the timelines and consultative meetings held throughout the budget process.

Preliminary Enrolment and Financial Planning Discussions	
Enrolment Modelling Working Group	September 9, 16, 23, 2025
Strategic Enrolment Management Committee	September 16, 2025
President / Vice President Committee	September 29, 2025 October 27, 2025 November 3, 2025
Fiscal Environment, Process and Timelines Consultations	
Provost's Planning Group	November 17, 2025
Special TUFA Joint Committee (FISC)	November 20, 2025
Finance and Property Committee	November 25, 2025
Colleges and Student Services Committee	December 3, 2025
Faculty Board	December 4, 2025

Board of Governors	December 5, 2025
Special OPSEU Joint Committee	December 11, 2025
Special CUPE Joint Committee	December 11, 2025
Administrative Planning Group	December 16, 2025
Budget Preparation	
Guidelines and budget packages provided to Budget Owners	November 13, 2025
Budget submissions due to Financial Services	December 22, 2025
Compilation of submissions distributed to Vice Presidents	February 4, 2026
Presentations to President / Vice President Committee	February 9 to 13, 2026
Ministry Funding Announcement	February 12, 2026
President / Vice President Committee review of proposals	February 13 and 25, 2026
Ministry Funding Model Workbook received	May 27, 2026
Draft Budget Update Discussions	
Special TUFA Joint Committee (FISC)	March 13, 2026
Provost's Planning Group	March 24, 2026
Administrative Planning Group	March 24, 2026
Special OPSEU Joint Committee	April 8, 2026
Faculty Board	April 10, 2026
Senate	April 14, 2026
Draft Budget Approvals	
Finance and Property Committee	March 16, 2026
Board of Governors	March 27, 2026
Revised Budget Approvals	
Finance and Property Committee	June 11, 2026
Board of Governors	June 19, 2026

KEY BUDGET ASSUMPTIONS

The Operating and Ancillary Budgets are based on key enrolment and financial planning assumptions, described in more detail in this section.

Enrolment

The key driver in the University's planning is student enrolment as this generates the majority of the University's operating revenue through tuition fees and enrolment-based provincial operating grants. Resources required for academic programming are determined by the number and types of students. Other university operations and support services, as well as ancillary services, are significantly influenced by the student population.

Due to its reputation and its recruitment and retention initiatives, Trent experienced significant enrolment growth from 2016/2017 (when the corridor under the previous Ministry funding framework was first established), reaching its highest enrolment of 13,275 full-time equivalents (FTEs) in 2023/2024. Since then, various political, economic and regulatory factors (mainly impacting international student enrolment) have contributed to an overall decline in enrolment, the flow through of which will negatively impact overall enrolment over the next few years.

The international student landscape in Canada evolved rapidly, driven by various political, economic, and regulatory factors. In January 2024, the Federal government announced a Canada-wide reduction of 35% (50% in Ontario) on the number of international student study permits for undergraduate students (degree-seeking and post-graduate certificates) for the next two years and introduced a new process for Provincial Attestation Letters for students, including increased financial means thresholds. During 2025, a series of further announcements expanded the limitation on study permits to graduate students, applied a further 10% reduction on national study permits issued, placed more restrictions on student and spousal work permits, updated requirements for certificate programs to align with labour markets, and slowed the visa processing for key countries. These restrictions have resulted in negatively impacting Canada's reputation and universities' ability to attract international enrolment thereby creating a heightened competition for domestic enrolment.

The Enrolment Modelling Working Group undertook a comprehensive review of the prior year enrolment modelling and proposed revisions to the underlying assumptions and enrolment projections based on historical trending, changes in the current environment, new recruitment and retention initiatives, new and/or expanding academic programs, international recruitment successes and challenges, and other known or anticipated factors. Based on the analyses, declines in enrolment were likely to continue before stabilizing in 2028/2029.

For budget planning purposes, enrolment projections are based on a conservative approach due to continuing uncertainties and challenges of the current fiscal environment, particularly the restrictions on international student intake. This approach will allow the University to plan sufficient resources and address capacity challenges while ensuring the budget is flexible to respond to unmet enrolment targets should there be any.

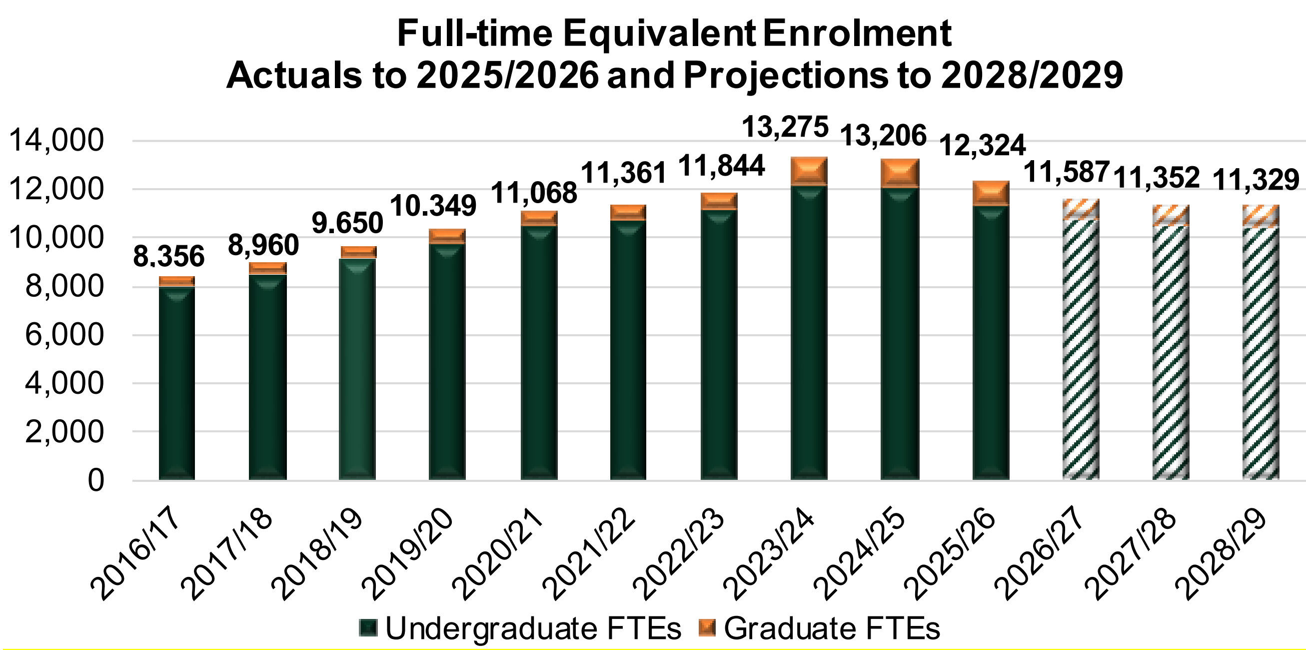
The three-year enrolment projections used for budget planning are based on the following assumptions:

1. Undergraduate Degree-Seeking
   - Domestic intake is projected to grow by 2% at both campuses for Fall 2026, followed by annual 1% increases at both campuses.
   - International intake is planned to increase by 25 students each Fall.
   - Nursing, Bachelor of Education, and Upper-Year Social Work intake will be held constant at current 2025 levels or capped enrolment, apart from some minor adjustments in Nursing.
   - Continuation rates are based on the last four full years, with conservative flowthrough for domestic students at two-thirds of the lows across the institution over that timeframe, and at the lows for international students.

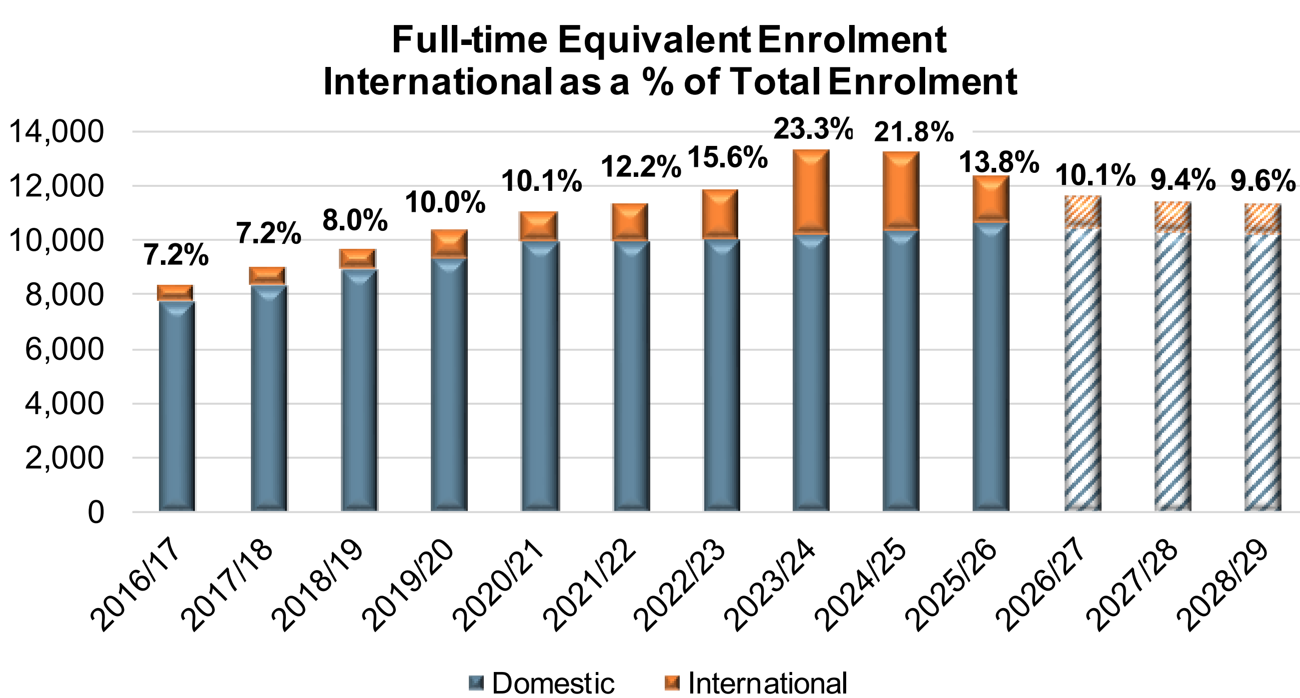
2. Undergraduate Post-Graduate Certificates (PGCs)
   - PGCs are the most impacted by the series of federal immigration announcements, having experienced a dramatic decrease in 2024 and 2025 as most of this enrolment is international. Efforts are underway to update programs and align with labour market demands to offer viable PGC pathways for international students.
   - The budget targets assume Trent has reached a new baseline for intake assumptions in future years and the impact of lower intake in 2024 and 2025 has been modelled on flow through.

3. Graduate
   - This year marks the beginning of widespread enrolment modelling at the graduate level. Applied Modelling (AMOD) and Master of Management programs continue to be the main focus for shifts (particularly international student intake), but separate work is included for domestic and international students by level.
   - Domestic intake is projected to decrease in 2026 and then remain flat for 2027 and 2028.
   - International intake is modelled at 2025 levels with a small rebound in 2027 and 2028. A new Spring 2026 AMOD international intake has been added.

Overall, Trent is projecting total student enrolment will decrease by 6.0% to 11,587 FTEs in 2026/2027, a decrease of 737 FTEs from 2025/2026. Enrolment is expected to continue to decline in 2027/2028 and stabilize thereafter at just over 11,300 FTEs.



With the continuation of restrictions on international student study and work permits, total international enrolment is expected to decline next year before stabilizing around 9% to 10% of total enrolment.



Government Grants and Accountability Agreements

The University is operating under a five-year Strategic Mandate Agreement 2025-2030 (SMA4), which commenced with fiscal 2025/2026. SMA4 is designed to advance three strategic objectives: improve education and economic outcomes of students, improve outcomes for communities, and support sector stability and accountability.

On February 12, 2026, the Ministry introduced a new long-term funding model focused on delivering programs that align with student and labour-market demand, supported by increased, predictable funding to build long-term sustainability for the sector. Funding under the new model commences with the 2026/2027 fiscal year and is applicable for the duration of SMA4.

Under the new funding formula, base operating funding is derived by multiplying adjusted funded enrolment by updated program weights by the new standardized per-student funding rate ($3,235 for 2026/2027 and $3,365 for 2027/2028 and beyond). The total Base Operating Funding is split into two funding envelopes: the Enrolment Envelope and the Differentiation Envelope.

The Enrolment Envelope, which represents 35% of the Base Operating Funding, consists of three grants:

1. Base Enrolment Grant – This grant is based on a corridor midpoint that has been reset to the realized 2024/2025 eligible (primarily domestic) undergraduate (summer, fall and winter) and graduate (fall only) FTEs measured in weighted grant units (WGUs)[1]. It excludes Nursing and Science, Technology, Engineering and Mathematics (STEM) enrolment. All existing caps for Master's and PhD programs have been increased to the final 2024/2025 values and will be capped at those values through the remainder of SMA4. Trent's adjusted midpoint under the Base Enrolment Grant is 16,979.29 WGUs.

2. STEM Grant – This grant is dedicated to the continued delivery and enhancement of Science, Technology, Engineering and Mathematics (STEM) programming at Ontario's colleges and universities. STEM base funding commenced in fiscal 2025/2026 resulting in Trent's allocation of 4,018.19 WGUs, which remains unchanged under the new funding formula.

   Trent's base enrolment midpoint combines the corridor midpoint under the Base Enrolment Grant and the STEM Grant for a total of 20,997.48 WGUs. For all universities, the enrolment corridor has a range of +/- 3% from the corridor midpoint. This funding will be reduced if enrolment falls below the corridor floor. Funding does not increase if enrolment exceeds the corridor ceiling.

[1] Weighted Grant Units (WGUs) are the basic units of measurement for per-student funding in the Ontario postsecondary system's corridor model. WGUs vary from program to program of study to reflect the relative cost of program delivery.

3. Health Grant – This new grant provides separate funding for enrolment in medical, nursing and midwifery programs. The Health Grant will have its own corridor with its own ceiling and floor of +/- 3%. For Trent, this grant will include enrolment in the collaborative and compressed nursing and Nurse Practitioner programs. Trent's corridor midpoint for the Health Grant has been set at 3,725.42 WGUs.

	Base Enrolment Corridor		**Health Grant Corridor**	
	2025/2026	**2026/2027 to 2029/2030**	**2025/2026**	**2026/2027 to 2029/2030**
Ceiling	19,672.59	21,627.40	n/a	3,837.18
Corridor Midpoint	**19,099.60**	**20,997.48**	**n/a**	**3,725.42**
Floor	7,997.89	20,367.56	n/a	3,613.66

The Differentiation Envelope, which represents 65% of the Base Operating Funding, consists of two grants:

1. Performance Grant – This grant represents 60% of the Base Operating Funding.

   Currently 25% of Base Operating Funding is tied to achieving performance targets for eight metrics which are aligned with two priority areas of the Ministry: (1) skills and job outcomes and (2) economic and community impact. Funding can be reduced if targets are not met and redistributed to other institutions that met their targets.

   While most metrics were pre-determined by the Ministry, the University established its own institutional strength/focus and institution-specific metric (the number of co-op programs). Trent is evaluated each year against its own targets based on historical performance over the three most recent years. The targets and bands of tolerance are recalculated by the Ministry on an annual basis as part of the Ministry's continuous improvement approach. The University had the flexibility to weight the metrics that best reflect its differentiated strategic goals. These weightings identify the portion of performance-based funding at risk for each metric if the University does not perform within the established band of tolerance.

<u>Skills and Job Outcomes Metrics:</u>

1. Graduate Employment Rate in a Related Field
2. Graduation Rate
3. Graduate Employment Earnings
4. Experiential Learning

<u>Economic and Community Impact Metric:</u>

5. Community/Local Impact
6. Institutional Strength/Focus
7. Investment and Innovation-Related
8. Institution-Specific Metric

2. Accountability Grant – For the duration of SMA4, the remaining 5% of Base Operating Funding is linked to accountabilities, including annual data reporting and attestations on research security, efficiency metrics, and skills and competencies assessments. Assessed annually, institutions will be asked to demonstrate how the funding is supporting maintenance or growth in priority program enrolment and keeping student expenses at reasonable levels. If any one accountability requirement is not met, the University will lose 5% of its Base Operating Funding.

In addition to Base Operating Funding, long-standing grants with stable allocations are now rolled into SMA4 to streamline special purpose funding. Priority Funding will include the following grants, which are subject to their own existing accountabilities:

1. Small, Northern and Rural Grant – This grant has been increased to support small and rural universities. Funding will be based on institution size and scaled to campus locations and their distances from urban areas.

2. Indigenous Student Success Grant – This grant, which has been increased, is provided to support institutions to develop and deliver programs and services for indigenous students.

3. Other Special Purpose Grants – Funding for the Access and Inclusion Grant, Campus Safety Grant, Credit Transfer Grant and Municipal Tax Grant will not change but are now rolled into SMA4.

Trent's total funding for the remaining four years of SMA4 is as follows:

	Year 2 (2026-27)	**Year 3 (2027-28)**	**Year 4 (2028-29)**	**Year 5 (2029-30)**
Enrolment Envelope Grant (35%)	$27,992,498	$29,117,390	$29,117,390	$29,117,390
Differentiation Envelope Grant (60%)	$47,987,343	$49,915,737	$49,915,737	$49,915,737
Includes amount tied to performance (25%)	*$19,994,726*	*$20,798,224*	*$20,798,224*	*$20,798,224*
Accountability Grant (5%)	$3,999,064	$4,159,768	$4,159,768	$4,159,768
Total Base Operating Funding	**$79,978,905**	**$83,192,895**	**$83,192,895**	**$83,192,895**
Priority Funding	$3,873,000	$3,873,000	$3,873,000	$3,873,000
Total SMA4 Funding	**$83,851,905**	**$87,065,895**	**$87,065,895**	**$87,065,895**

The Ministry has also established a new Priority Growth Fund (PGF) for the post-secondary sector to support enrolment growth of 40,000 additional seats over three years in priority areas. Funding will be provided via a new Priority Growth Grant implemented through the SMA4 based on its own corridor and subject to separate accountabilities. Institutions were invited to participate in a call for proposals in summer 2026 based on growth plans in STEM, health, education and trades programs. Trent submitted their application to the PGF on July 7. Funding decisions, which will be made in late summer/early fall 2026, will be based on institutional capacity, demonstration of labour market need and engagement, and balance across sectors, regions, credentials and programs. As funding allocations under this new PGF will not be made until late summer/early fall 2026, this budget does not assume any PGF funding.

Some targeted funding will continue to be provided in addition to the above SMA4 funding. These Special Purpose Grants align with Ministry priorities, including support for students with disabilities, mental health supports, and bursaries and scholarships, and are subject to specific accountabilities and processes. These grants are not necessarily dependent on enrolment and may change from year to year.

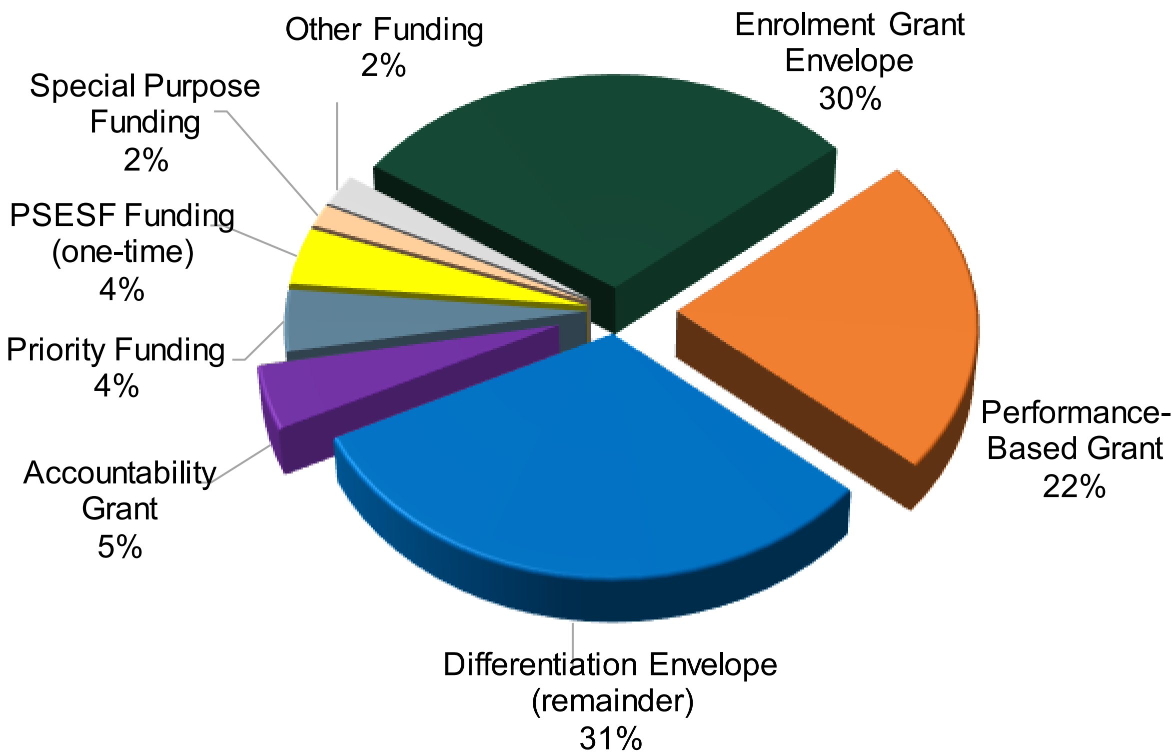
For 2026/2027, the University will also receive the third and final allocation – nearly $3.6 million – under the Postsecondary Education Sustainability Fund (PSESF). It is important to note the PSESF funding will not continue beyond 2026/2027.

The Ministry's Financial Accountability Framework for universities was implemented for the 2023/2024 fiscal year. The Framework is closely aligned with the sector's ongoing commitment to the transparency of financial information and additional commitments to proactively monitor institutional financial health. It uses eight financial metrics/ratios and the University's credit rating to measure the financial health risk of universities across four categories: liquidity, sustainability, performance, and credit rating. A university's achievement on each metric is aggregated into an overall score that is then grouped according to one of four action plans: No Action, Low Action, Medium Action, and High Action. Based on the 2024/2025 financial health risk assessment, Trent has been ranked in the No Action plan category.

For planning purposes, government grant revenue is based on the following assumptions:

- The University expects to meet all required SMA4 performance metrics targets and accountability requirements throughout this budget cycle thereby avoiding any recovery of performance-based or accountability funding.
- Priority Growth Funding is not yet known so has not been included for this budget cycle. This budget assumes no funding for enrolment growth above the corridors.
- Special purpose grants have been adjusted based on known changes at the time of planning and otherwise assumed constant.
- Other funding assumed in this budget represents the estimated annual Federal Research Support grant.

2026/2027 Budgeted Government Grants
$89.1 million



Note, international enrolment is not funded through government operating grants, and most SMA4 metrics exclude international student enrolment. The Base Enrolment Grant is reduced by the Ministry-required International Student Recovery fee of $750 per FTE for all international students.

Tuition Fees

The Tuition Fee Framework is governed by the provincial government and monitored through the annual Tuition Fee Compliance report. It applies to all publicly funded programs for all years of study for funding-eligible (primarily domestic) undergraduate and graduate students. For several years, tuition fees were held at 2019/2020 tuition rates, which were mandated to be 10% less than 2018/2019 fees.

In February 2026, the Ministry announced changes to the Tuition Fee Framework to allow institutions to apply modest tuition increases of up to 2% annually to each program and year of study for the next three years commencing in September 2026. After three years, allowable tuition increases will transition to an automatic three-year rolling average of the Consumer Price Index, capped at 2%.

Commencing in 2021/2022, the Ministry's Tuition Fee Framework gives institutions the flexibility to increase tuition rates for domestic out-of-province students in all years of study by up to 5% annually. The increase to domestic out-of-province fees does not generate material revenue for the University.

In 2023, the Ministry approved tuition adjustments for certain programs where domestic tuition rates were more than 15% lower than the sector average for comparable programs, referred to as Tuition Anomalies. For Ministry-approved programs, the University may apply an annual increase of 7.5% to domestic tuition fees until the calculated sector average across comparable programs is reached. These increases can only apply to first-year students and can continue as these students proceed to higher years of their program. The Tuition Anomalies adjustments for the three Ministry-approved programs at Trent – Undergraduate Computer Science, Bachelor of Business Administration, and Bachelor of Science: Data Science – are included in tuition revenue in this budget cycle.

International fees are not regulated by the province and are subject to Board approval. There is a need to balance student affordability with perceived quality and reputation of academic programs in order to attract international students.

Based on a comparison of 2025/2026 international tuition rates in the Business program category, Trent University's international undergraduate tuition fees for degree programs are currently fourth lowest in Ontario. In March 2026, in an effort to maintain market rates and remain competitive, Trent's Board of Governors approved the same increases to international undergraduate fees for 2026/2027 as implemented in prior years: 8% for incoming students (2021 to 2026 cohorts) and 5% for continuing students (pre-2021 cohort). These increases have been applied to each year of this budget cycle.

International rates for certificate programs were adjusted downward in 2021/2022 to be more comparable to market rates as the University strived to grow certificate programs and meet its internationalization objective. In alignment with last year's strategy, these program fees are assumed to increase by 5% each year of the planning cycle.

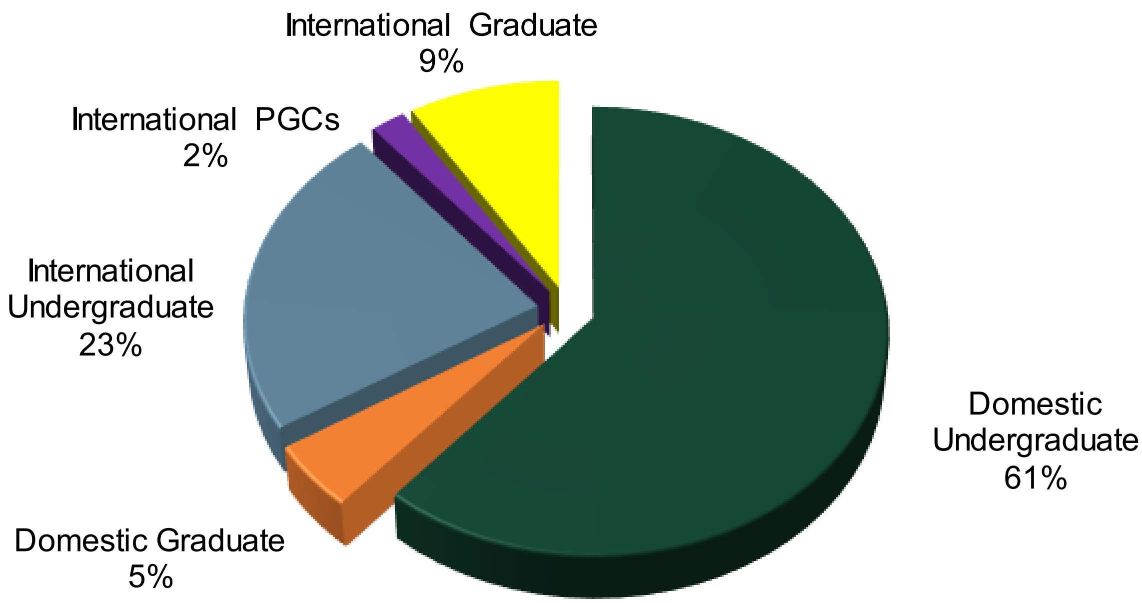
International fees for graduate programs are highly calibrated with market rates as the programs and fees were more recently established. Therefore, the Board of Governors approved an increase to 2026/2027 international graduate fees of 3% for research-based Master's programs and 5% for professional programs to remain comparable to prevailing market rates. These increases have been applied to each year of this budget cycle.

Most research or thesis-based international students receive an International Graduate Scholarship (IGS) which pays the differential between domestic and international tuition. An increase in the international tuition rate requires an increase in the IGS with a net impact on the University's financial position of nearly zero. Therefore, new in 2026/2027, the Board of Governors approved a new fee structure whereby research and thesis-based international PhD students are charged at domestic out-for-province tuition rates and the corresponding IGS is eliminated.

In addition to regular tuition and incidental fees, students in co-op programs are applied a fee of $3,750 over the duration of the program (typically 5 payments of $750) to cover the costs associated with the operating and administration of the co-op program. Such costs include providing job search skills, career advising, developing quality co-op job opportunities, maintaining employer relationships, co-op employment processes, support of work terms and some central costs.

As illustrated below, international enrolment, projected at 10% of total enrolment, is anticipated to generate approximately 34% of the estimated tuition revenue in 2026/2027.

2026/2027 Budgeted Tuition Fees Revenue
$107.5 million



Student Financial Aid and Scholarships

Student financial aid and scholarship expense is a highly variable cost dependent primarily on student enrolment and the academic qualifications (entrance grades) of the student body. As enrolment changes, so too does this expense. The University has historically provided a high level of student aid relative to comparator universities, consistently standing at or near the top of university rankings in the percentage of its operating budget expended on scholarships and bursaries.

The Ministry requires universities to reserve a portion of additional revenue resulting from tuition fee increases to eligible domestic students to ensure that institutions can meet Student Access Guarantee (SAG) requirements for need-based student aid and to provide other forms of assistance to students in need. As part of the February 2026 announcement, the Ministry identified changes to the Ontario Student Assistance Program (OSAP) which cap the share of provincial non-repayable grants a student can receive relative to their total OSAP funding at 25%. The Ministry will work with the post-secondary sector to leverage the existing Tuition Set-Aside (TSA) to enhance the current SAG to offset tuition fee increases and the shift to more loan-based OSAP funding for low-income OSAP-eligible students. For the purposes of budget planning for all three years in this budget cycle, TSA is estimated at 5.7% of tuition fee revenue for eligible domestic undergraduate and graduate students. For international undergraduate students, the University will also set aside an additional 2% of international undergraduate tuition fees revenue in each of the three years of this budget cycle for additional resources to support international students and 1.4% of international graduate tuition revenue for bursaries.

Due to the increased competition for domestic and international enrolment, the University increased its entrance and merit scholarship awards and re-instated full tuition for high achieving students in last year's budget to augment recruitment efforts. The estimated cost of the enhanced program is based on three-year historical award and renewal rates aligned to projected intake and student FTEs. In addition, undergraduate international scholarships and fee waivers are estimated to be 4.0% of undergraduate international tuition revenue based on the average of the last three years and the need for increased support due to the current fiscal and political climate. These rates are used to estimate undergraduate scholarship expense for each of the three years in this budget cycle.

Graduate scholarship expense varies significantly, depending on the program. For research and thesis-based graduate programs, the University estimates expenses for graduate scholarships, research fellowships and awards are approximately 37.3% of the related tuition revenue. This estimated rate applies to both domestic and international graduate students. In addition, graduate international fee waivers and bursaries for international graduate students in research and thesis-based programs are estimated at 69.9% of international graduate tuition revenue. Both of these rates, which are based on changes to the scholarships and financial aid model in 2024/2025, are used for planning purposes throughout this budget cycle.

Salaries and Benefits

Across-the-board compensation increases for all union employee groups are based on collective agreements, as well as progression through salary grids. The average salary rate increases including merit and step increases range from 5.8% to 6.25%, depending on the employee group. The University has also estimated increases to part-time casual salaries resulting from an assumed 2.0% raise in minimum wage effective October 2026.

The collective agreements for Trent University Faculty Association (TUFA), representing full-time faculty and professional librarians, is settled to June 30, 2028. At the time of budget planning, the collective agreement for Ontario Public Service Employees Union (OPSEU), representing all non-academic employees, except supervisors and persons above the rank of supervisor, had expired June 30, 2025. Negotiations were completed in late June 2026 at rates within the assumed budget. The collective agreement for Canadian Union of Public Employees Unit 1 (CUPE1), representing part-time employees engaged in teaching, demonstrating, tutoring, or marking in the academic programs (except registered students), is settled to August 31, 2027. The collective agreement for Canadian Union of Public Employees Unit 2 (CUPE2), which represents all employees registered as students who are regularly employed for not more than 24 hours per week as Teaching Assistants, Academic Assistants, Markers, Proctors, Lab Demonstrators, or Lab Advisors in the academic programs, is settled to August 31, 2028. Salary escalations for years beyond existing contracts but within this budget cycle are assumed at rates provided by Human Resources.

Benefit costs vary by collective agreement and employee. In accordance with estimates provided by the University's benefits consultant, extended health care and dental benefit rates are expected to increase by 15.7% and 4%, respectively, in 2026/2027 and each by 10% for subsequent fiscal years. Long-term disability benefits are expected to decrease by 5.7% in 2026/2027 and remain flat for subsequent fiscal years.

Pension Costs

Effective January 1, 2022, the TUFA Pension Plan previously sponsored by the University was converted to the University Pension Plan (UPP), a multi-employer jointly sponsored pension plan for the sector. On that date, the assets and liabilities for the TUFA Plan were transferred to the UPP, the accrual of benefits and contributions under the UPP commenced, and the TUFA Plan was terminated. Based on the average of contributions to the UPP for faculty, the budget estimates the University's normal cost at 10.5% of related payroll for the three years of this budget cycle.

The Staff Pension Plan was converted to the UPP effective January 1, 2025, with the assets and liabilities transferred to the UPP and the accrual of benefits and contributions under the UPP commencing on that date. As there was a wind-up surplus on conversion, the Staff Plan will not be terminated until such time as the wind-up assets are fully distributed. For this budget cycle, the University's normal cost for these members is budgeted at the employee level to improve the accuracy of the estimate.

On conversion of each Plan, solvency special payments were eliminated and the standby letters of credit previously used to address these payments expired. As specified in the Transfer Agreement with the UPP, Trent remains responsible for pre-conversion gains or losses relative to Trent's assets for a specified period. The budget maintains a provision related to each Plan for estimated special fund payments that may be required.

The Supplementary Retirement Agreements, which provide top-up benefits, continue to be maintained by the University. Based on an increase in the number of retirees, the budget anticipates annual benefit payments of $2.47 million will be required from Trent as the assets of the plans are depleted.

Other Non-Salary Expenses

The University relies on international recruitment agents to help attract international students. Agency commissions are highly dependent on international enrolment and tuition revenue generated by agents. The Operating Budget includes a provision for these fees of 20% of international undergraduate and graduate tuition revenue calculated on intake on a per-term basis.

Based on estimates provided by the University's energy consultants at the time of planning, the budget projects electricity and water expenses will increase by 3.0% and 11.2%, respectively, while natural gas expense is projected to decrease by 26.6%. A number of initiatives to reduce energy consumption have been implemented under the Energy Performance Contract. Savings related to the agreement will be used towards financing the project until fully paid in May 2031. Therefore, these savings will not be available to contribute to the budget during this planning cycle.

Insurance premiums are expected to increase by as much as 10.0% for property and 5.0% for liability and cybersecurity coverage based on discussions with Trent's insurance carriers. Such increases are reflective of the current fiscal environment.

With more challenging financial pressures faced by students, the University has budgeted a provision for bad debts of 0.93% of all tuition revenue based on prior year experience.

Certain non-salary expenses are subject to inflation, which has been estimated at 2.0% for this budget cycle to reflect the current economic environment. The University has assumed short-term investment returns on excess cash of 3.5% for 2026/2027, reducing to 3.0% thereafter.

In February 2017, Trent University refinanced its existing amortizing loans with non-amortizing debentures in order to provide the University with access to additional capital, to improve the overall flexibility in the Budget, and to reduce the effective cost of capital. The Board of Governors established an internally administered sinking fund with budgeted annual contributions to ensure sufficient funds are available from which to repay 100% of the principal of the debentures at maturity, February 17, 2057. Annual contributions are projected at $715,000 for each year of this budget cycle.

BUDGET STRATEGIES

Budget Reduction Strategies

Recognizing that choices would be difficult, PVP provided a shared framework for ensuring decisions were strategic, principled, and aligned with the University's long-term interests. Budget reduction and mitigation strategies developed by budget owners were guided by the following principles:

- Financial Sustainability – Plan for initiatives that achieve necessary reductions to position the University for longer-term financial health.
- Reputation and Quality – Protect the academic mission and the quality of programs, teaching and research that define Trent's reputation.
- Strategic Alignment – Be deliberate and evidence-based in identifying reductions, ensuring they are consistent with the University's strategic priorities.
- Student Experience – Prioritize the quality of the student experience.
- Culture and People – Make decisions that aim to preserve Trent's collaborative culture and the well-being of its faculty and staff.
- Risk Management – Minimize exposure to operational, compliance, reputational, and financial risk.

After careful consideration of all presentations made to the President and Vice President Committee in early February 2026, approximately $11.9 million in proposed budget reduction strategies were approved, achieving a 7.6% reduction in departmental compressible operating budgets[2] in 2026/2027. The budget reductions were strategic in nature, rather than across-the-board reductions, and considered expenses directly related to activity. Most areas were able to achieve between 4% and 12% in savings without a large impact to students and without compromising the quality of programs and services.

[2] Compressible operating budget means the total departmental operating budget less PVP-approved non-compressible amounts. Non-compressible amounts are expenses not within the control of the budget owner to reduce. Examples of non-compressible costs include fixed-price contracts that do not fluctuate based on activity or collective agreement non-salary contractual obligations.

Budget Reduction (in thousands)	Permanent	Non-Permanent	Total Reduction	Reduction as % of Compressible Budget
Sciences academics and supports	$(1,388)		$(1,388)	4.0%
Humanities & Social Sciences academics and supports	$(1,412)	$(15)	$(1,427)	4.0%
Durham academics and supports	$(1,353)	$ (2)	$(1,355)	8.6%
Nursing and Education programs	$(1,542)		$(1,542)	10.1%
Graduate studies (excluding student supports)	$ (313)		$ (313)	12.0%
Co-op and experiential learning supports	$ (151)		$ (151)	10.0%
Student supports	$(1,030)		$(1,030)	14.0%
Library, academic and research supports	$ (946)		$ (946)	10.0%
Information Technology	$ (434)		$ (434)	9.7%
Communications, external relations and advancement	$ (796)	$(11)	$ (807)	11.2%
Recruitment and admissions	$ (246)		$ (246)	8.0%
Facilities Management, security and campus safety	$(1,020)		$(1,020)	10.6%
Administrative units and expenses	$(1,290)		$(1,290)	12.4%
Total Approved Budget Reductions	**$(11,921)**	**$(28)**	**$(11,949)**	**7.6%**

New Strategic Investments

Given the financial situation, budget owners were asked to prioritize new investment requests that align with the following priorities of the University:

- Attract enrolment growth, both domestic and international.
- Generate additional net revenue for the University.
- Mitigate risk.
- Maintain or improve service.
- Maintain or enhance institutional capacity.
- Build co-op and experiential learning opportunities.
- Ensure compliance with current legislation or health and safety protocols.
- Reduce existing costs.
- Enable the avoidance of future costs.
- Achieve operating efficiencies.

The University is making modest new strategic investments of approximately $0.6 million, which represent a 0.4% increase in compressible departmental budgets.

Strategic Investment (in thousands)	Permanent	Non-Permanent	Total Investment
Co-op and experiential learning supports	$102		$102
Investment in information technology	$ 15	$ 10	$ 25
Nursing and Education programs	$ 21		$ 21
Recruitment, communications and fundraising	$384		$384
Student supports	$ 38		$ 38
Administrative units	$ 5		$ 5
Total Approved New Strategic Investments	**$565**	**$ 10**	**$575**

Impact on Staffing

The impact of these mitigation strategies is a net reduction in staffing across both faculty and non-faculty positions.

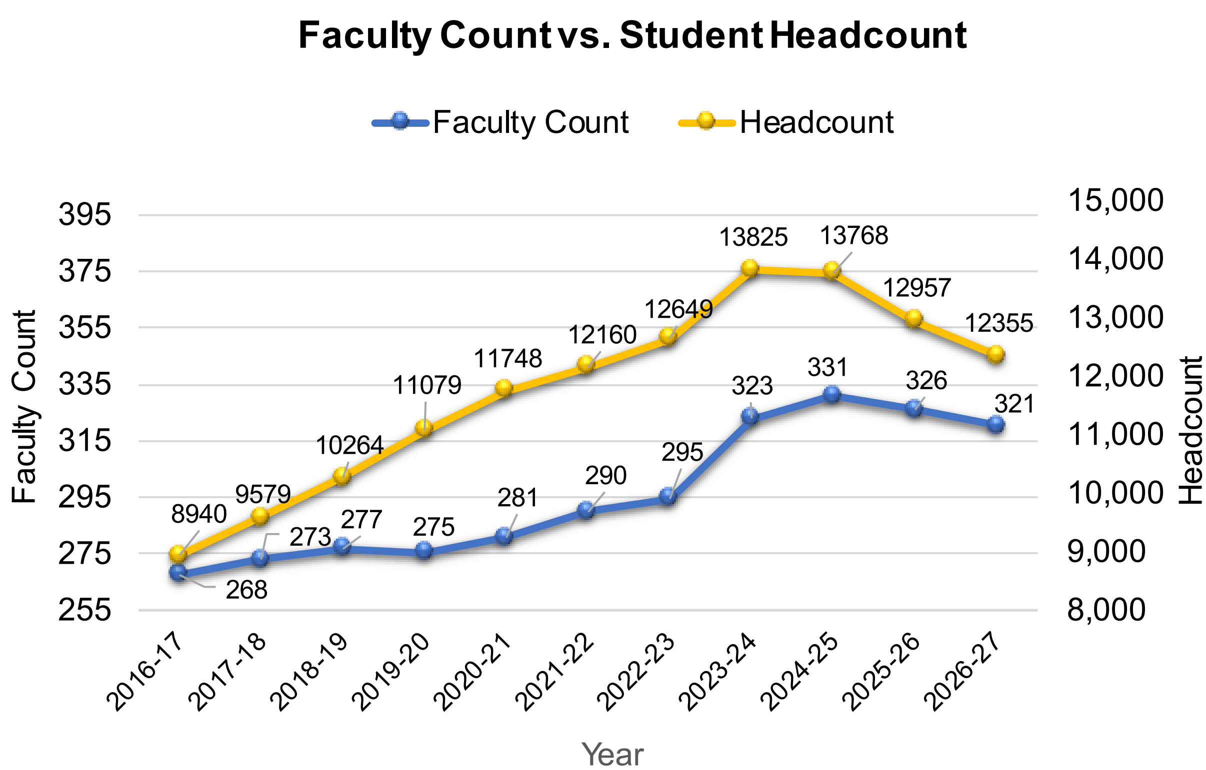
The net reduction in faculty positions is 14.0 full time equivalents, the majority of which is through retirements and resignations and the reduction of limited-term appointments (by either not renewing contracts or closing positions that are vacant) to minimize the impact on permanent faculty. It is important to note that replacement appointments will be strategically placed where there is the most need, which may not necessarily be an exact replacement of the retirement or resignation.

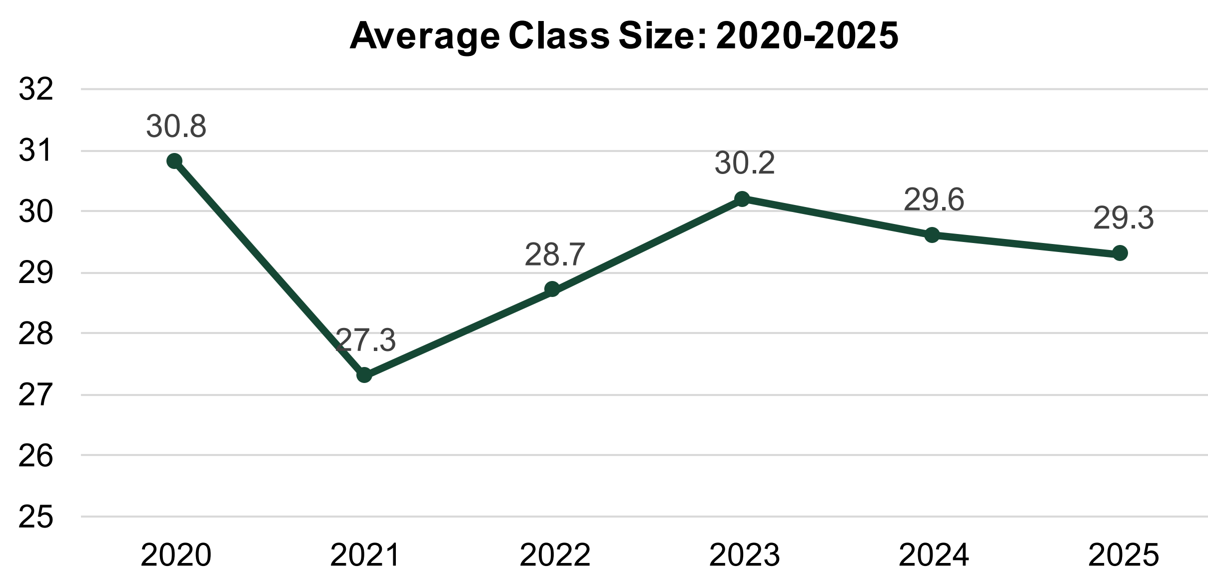
	Tenure Track Positions (TT)	Limited Term Appointments (LTA)	Total Faculty
Retirements and Resignations	-6.5		-6.5
Replacements		+1.0	+1.0
LTA contracts not renewed and vacant LTA positions closed		-8.5	-8.5
Net Reduction in Faculty Positions	**-6.5**	**-7.5**	**-14.0**

The net reduction in non-faculty staff complement is 41.36 full time equivalents, including the elimination of positions that are currently vacant and the reduction of hours for some positions to minimize the impact on existing staff. Replacement and new positions are related to strategic priorities.

	Non-Faculty Full-time Equivalents
Positions eliminated	-42.73
Reduction in hours of positions	-3.23
Replacements for retirements, resignations and closed positions	+2.00
New positions to address strategic priorities	+2.60
Net Reduction in Non-Faculty Positions	**-41.36**

One of the challenges of the 2026/2027 Operating Budget is to minimize the impact of faculty position reductions on the students. The student to faculty ratio is expected to improve slightly with the anticipated decline in student enrolment from approximately 40:1 in 2025/2026 to 38:1 in 2026/2027. The average class size is expected to remain at approximately 30.



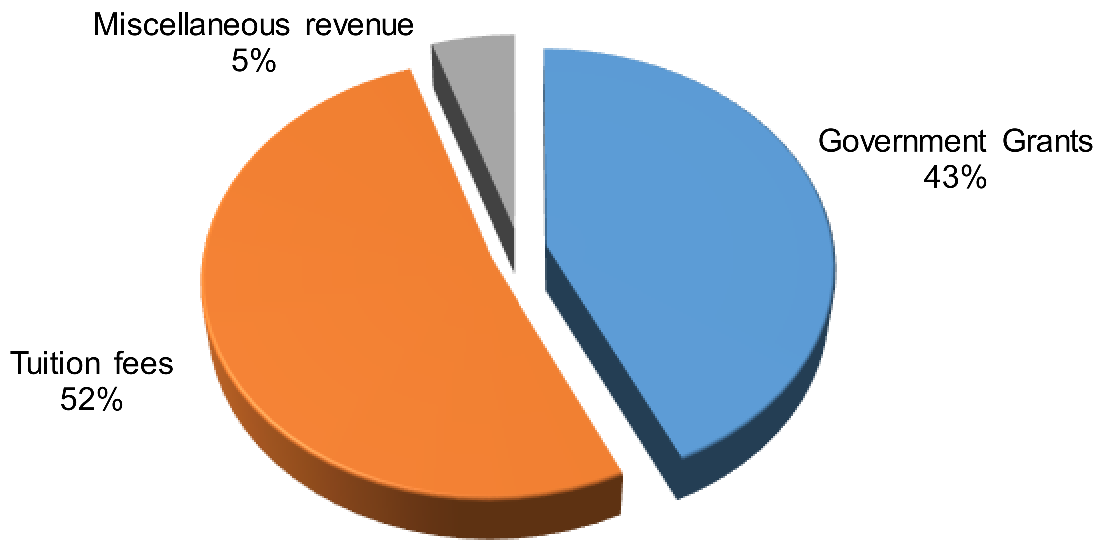


2026/2027 OPERATING BUDGET

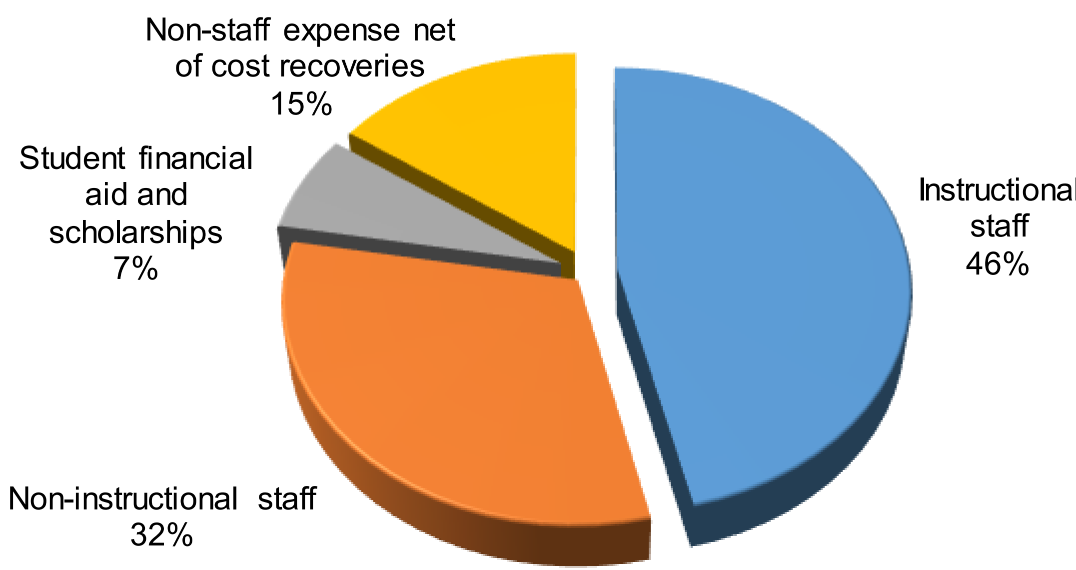
With the approved budget reduction strategies and new strategic investments combined with the revised Ministry funding allocation and permitted domestic tuition increases, the financial outlook has improved but the financial challenges remain. The 2026/2027 Operating Budget is expected to be in a small deficit position. The University will need to use some of its operating pressures contingency appropriation to balance in the short-term. The 2026/2027 Operating Budget was approved by the Board of Governors on June 19, 2026.

(in thousands)	2025/2026 Approved Budget	2026/2027 Approved Budget	Change	
Government grants	$ 72,522	$ 89,140	$ 16,618	22.9%
Tuition fees	$132,013	$107,515	$(24,498)	-18.6%
Provision for lost tuition revenue	$ (3,000)	$ 0	$ 3,000	100.0%
Miscellaneous revenue	$ 10,245	$ 10,620	$ 375	3.7%
TOTAL REVENUE	**$211,780**	**$207,275**	**$ (4,505)**	**-2.1%**
Instructional staff	$ 95,692	$ 96,846	$ 1,154	1.2%
Non-instructional staff	$ 67,439	$ 65,801	$ (1,638)	-2.4%
Student financial aid	$ 14,940	$ 14,636	$ (304)	-2.0%
Non-staff expense	$ 44,433	$ 41,901	$ (2,532)	-5.7%
Sub-total	$222,504	$219,184	$ (3,320)	-1.5%
Cost recoveries	$ (9,071)	$(10,085)	$ (1,014)	11.2%
TOTAL NET EXPENSE	**$213,433**	**$209,099**	**$ (4,334)**	**-2.0%**
NET REVENUE (DEFICIT)	**$ (1,653)**	**$ (1,824)**	**$ (171)**	
Sinking fund contribution	$ (500)	$ (715)	$ (215)	
Use of operating pressures contingency to fund deficit	$ 2,153	$ 2,539	$ 386	
ANNUAL POSITION	**$ NIL**	**$ NIL**	**$ NIL**	

Breakdown of 2026/2027 Operating Revenue



Breakdown of 2026/2027 Operating Expenses



MULTI-YEAR PLANNING

The major planning assumptions for years two and three remain consistent with the key budget assumptions for the 2026/2027 fiscal year as previously outlined. The high-level budget projections for 2027/2028 and 2028/2029 have also been adjusted for salary escalation and inflation estimates, annualization of the approved budget reduction strategies and new investments in 2026/2027, and the removal of one-time amounts no longer applicable. **These future-date projections do not include any additional budget reduction strategies or new strategic investments to address changes in the enrolment projections on which these budgets are predicated**.

(in thousands)	2026/2027 Budget	2027/2028 Projection	2028/2029 Projection
Government grants	$ 89,140	$ 88,760	$ 88,650
Tuition fees	$107,515	$107,487	$111,805
Miscellaneous revenue	$ 10,620	$ 9,310	$ 8,935
TOTAL REVENUE	**$207,275**	**$205,557**	**$209,390**
Instructional staff	$ 96,846	$ 101,230	$106,402
Non-instructional staff	$ 65,801	$ 68,802	$ 71,979
Student financial aid	$ 14,636	$ 15,058	$ 15,777
Non-staff expense	$ 41,901	$ 41,542	$ 42,646
Sub-total	$219,184	$226,632	$236,804
Cost recoveries	$(10,085)	$ (9,958)	$(10,099)
TOTAL NET EXPENSE	**$209,099**	**$216,674**	**$226,705**
NET REVENUE (DEFICIT)	**$ (1,824)**	**$(11,117)**	**$(17,315)**
Sinking fund contribution	$ (715)	$ (715)	$ (715)
Use of operating pressures contingency to fund deficit	$ 2,539	$ 11,832	$ 18,030
ANNUAL POSITION	**$ NIL**	**$ NIL**	**$ NIL**

In Fall 2025, Senior Administration conducted a comprehensive review of prior year appropriations to reassess needs and identify funds that could be rediverted to the operating pressures contingency to help offset operating deficits in the short-term. These reallocated funds combined with the existing operating pressures contingency funds established through appropriation of prior years' unspent operating budgets are expected to total approximately $37.5 million at April 30, 2026.

To balance the operating budget and mitigate future expected deficits, it will be necessary to draw down on the operating pressures contingency appropriation. Based on the 2026/2027 approved budget and future projections, the operating pressures contingency fund is predicted to be nearly depleted by the end of 2028/2029.

Recognizing the use of operating pressures contingency funds is time-limited and does not address the on-going financial challenges, the University has begun work on a 5-year financial recovery plan with the objective of gaining financial sustainability. In addition, Trent applied to the Ministry's Priority Growth Fund. The Ministry is expected to announce the allocation of this funding in late summer/early fall 2026. Any Priority Growth funding Trent receives through this fund will also improve the above projections.

2026/2027 ANCILLARY BUDGET

Ancillary departments also prepared budget proposals following the same budget planning principles set out for operating budget developers.

In accordance with the Board-approved ancillary fees protocol, the allowable inflationary increase in ancillary fees without approval from Colleges and Student Services Committee (CASSC) or a student referendum is the lessor of 3% or CPI. The applicable CPI at the time of budget planning was 2.4%. Fee increases between 3% and 20% require approval from CASSC while fee increases greater than 20% require a student referendum.

For 2026/2027, the following fee increases, which were reviewed by the relevant advisory committees and approved by CASSC (where necessary), have been factored into the Ancillary Services budgets:

- **Housing** – These fees are amenities based and include a laundry fee initiated in 2018/2019 to offset the capital costs of purchasing equipment. The average fee increase in Peterborough Symons is 2.9% to align with comparable institutions. Durham residence fees will increase by 1.2% to 2.2% pursuant to a third-party agreement. Occupancy is expected to fall short of the 95% occupancy target included in the agreement. As a result, the budget includes a provision of $0.9 million covered by the Operating Fund.

- **Student Food Services** – The dining fees are comprised of a spending value, an overhead fee and a fee for orientation week meals. Any unused spending value carries forward to the next year. Traditional dining fees will increase by 8.6% and suite style plans will increase by 10.8%. Even with these increases, dining fees at Trent remain one of the lowest in the country.

- **Athletics Fees** – These fees, excluding the Athletics capital flat fee, will increase by 3.0%.

- **Colleges Fees** – These fees will increase by 5.0%.

- **Parking** – Permit fees will increase by 3.0%. Trent will also maintain a pay and display parking rate of $3 per hour and provide day permits for $15.00 per visit.

- **Student Services** – These fees will increase from 2.4% to 12.0% depending on the type of fee.

- **Convocation and Alumni Relations** – These fees will increase by 10.6% to 15%.

- **TrentU Card** – The fee for new cards will increase by 12.7% to $13.30.

Ancillary Operations Funded Primarily from Student Fees

The departmental surpluses, if any, of ancillary operations funded primarily from student fees, including Housing, Student Food Services, Athletics, Colleges, Parking, Student Health Services, Orientation, Campus Card, Durham Campus Fee and Durham Transit Pass, are set aside at year end to fund future projects or initiatives of the respective departments to provide direct benefit to students. The exception is any surpluses generated by Athletics, which contribute directly to the Operating Fund to help offset the cost of prior capital expansion and deficits borne by the Operating Budget. This year, these ancillary services expect to transfer nearly $2.0 million to their reserves.

For 2026/2027, Athletics is anticipating a deficit of $0.9 million, which has been factored into the Operating Budget.

These ancillary services are typically charged an administration overhead fee of 6.62% to help offset the cost of administrative support provided from Operations. This year, the expected ancillary administrative overhead contribution to the Operating Budget is over $3.0 million.

Ancillary Operations Contributing to the Operating Fund

The annual surplus of several ancillary operations, including Conferences/Catering, Campus Print, Campus Store, and Advanced Qualifications may be transferred to the Operating Fund or retained in reserves to help fund future equipment or capital needs. For 2026/2027, these ancillary services are expected to transfer over $1.2 million to their reserves.

For 2026/2027, it is anticipated these ancillary operations will have a net surplus of nearly $0.3 million and will contribute over $0.6 million in administration overhead fees. These amounts have been factored into the Operating Budget.

Total Ancillary Operations Contribution to the Operating Fund

Overall, ancillary services are planning to contribute nearly $3.1 million to the Operating Fund and are expected to transfer nearly $3.2 million to reserves in 2026/2027.

Ancillary Operations Funded Primarily from Student Fees

Funded by Students (in thousands)	Housing	Student Food Services	Athletics	Colleges	Parking	Other	Total
Revenue	$18,573	$10,791	$ 5,421	$ 3,088	$ 1,676	$ 3,378	$42,927
Expenses Staff Non-Staff	($ 4,894) ($10,761)	($ 953) ($8,895)	($3,849) ($2,180)	($2,056) ($ 787)	($ 580) ($ 716)	($1,515) ($1,633)	($13,847) ($24,972)
Surplus (Deficit) from Ancillary Operations	**$ 2,918**	**$ 943**	**($ 608)**	**$ 245**	**$ 380**	**$ 230**	**$ 4,108**
Administrative Overhead Contribution to Operating Fund	($1,495)	($ 597)	($ 253)	($ 243)	($ 230)	($ 201)	($ 3,019)
Transfer to Reserves	($1,423)	($ 346)	n/a	($ 2)	($ 150)	($ 29)	($ 1,950)
Surplus (Deficit) Transferred to Operating Fund	**$ 0**	**$ 0**	**($ 861)**	**$ 0**	**$ 0**	**$ 0**	**($ 861)**

Ancillary Operations Contributing to the Operating Fund

Contributing to Operating (in thousands)	Conferences & Catering	Campus Print	Campus Store	AQ Program	Total
Revenue	$ 905	$ 1,053	$ 348	$6,047	$8,353
Expenses Staff Non-Staff	($ 380) ($ 465)	($ 526) ($ 439)	($ 57) ($ 19)	($4,243) ($ 46)	($5,206) ($ 969)
Surplus (Deficit) from Ancillary Operations	**$ 60**	**$ 88**	**$ 272**	**$ 1,758**	**$ 2,178**
Administrative Overhead Contribution to Operating Fund	($ 60)	($ 72)	n/a	($ 527)	($ 659)
Transfer to Reserves	n/a	($ 16)	n/a	($ 1,231)	($ 1,247)
Surplus (Deficit) Transferred to Operating Fund	**$ 0**	**$ 0**	**$ 272**	**$ 0**	**$ 272**

Total Ancillary Operations Contribution to the Operating Fund

(in thousands)	Ancillary Services Funded Primarily by Students	Ancillary Services Contributing to the Operating Fund	Total
Revenue	$42,927	$8,353	$51,280
Expenses	($38,819)	($6,175)	($44,994)
Surplus (Deficit) from Ancillary Operations	**$ 4,108**	**$2,178**	**$ 6,286**
Administrative Overhead Contribution to the Operating Fund	($ 3,019)	($ 659)	($ 3,678)
Transfer to Reserves	($ 1,950)	($1,247)	($ 3,197)
Surplus (Deficit) Transferred to Operating Fund	**($ 861)**	**$ 272**	**($ 589)**
Total Contributions to the Operating Fund re: Administrative Overhead + Surplus (Deficit)	**$ 2,158**	**$ 931**	**$ 3,089**