

Supplementary Information

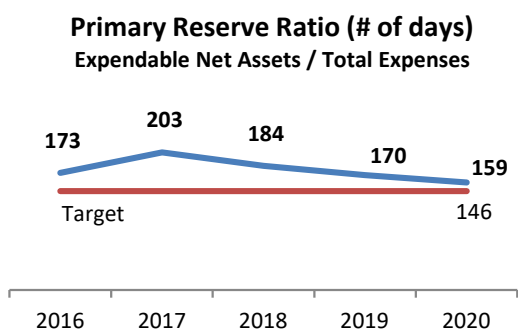
Financial Health Indicators

The following metrics use information from the audited statements¹³ to provide measures of both overall fiscal strength and more specific information related to University debt. Each metric has a “target” value intended to provide a long-term benchmark around which actual values should be expected to range. Collectively they are intended to provide an overall indication of fiscal “health” using measures of:

- Flexibility
- Capacity
- Operating performance
- Debt management

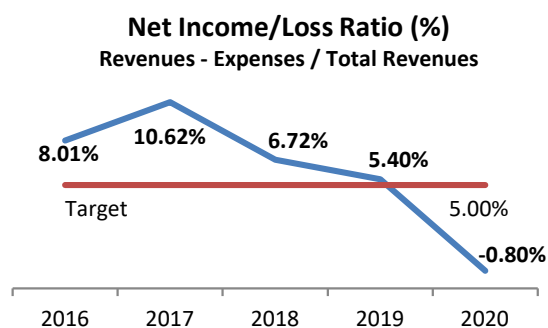
1. PRIMARY RESERVE RATIO: Summarizes financial health and flexibility by indicating how long the University could function only using its expendable reserves without relying on additional net assets generated by operations. Expendable net assets consist of internally restricted endowments and net assets and unrestricted surplus (deficit) adjusted to exclude employee future benefits net liability. A target ratio of 146 is the ability to cover 146 days of expenses.

\$000's	2020	5 Year Change
Expendable Net Assets	362,803	39,036 12%
Total Expenses	833,212	149,207 22%



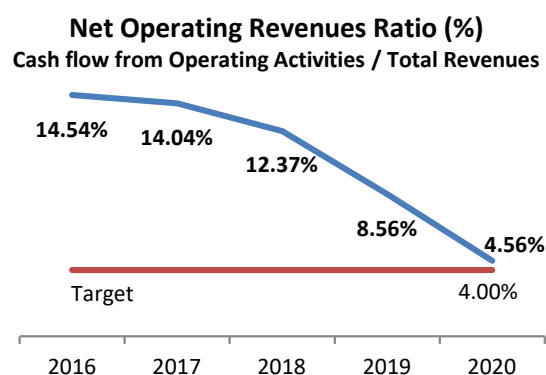
2. NET INCOME/LOSS RATIO: Measures whether the University is growing its resources over time. It compares the current year’s excess of revenues over expenses over total revenues. On a combined basis, a growth rate of 5% is expected over time. In March 2020, the market values of investments declined substantially as a result of COVID-19 negatively impacting the year’s results.

\$000's	2020	5 Year Change
Revenues – Expenses	(6,622)	(66,211) -95%
Total Revenues	826,590	82,996 11%



3. NET OPERATING REVENUES RATIO: Compares cash provided by operating activities over income over total revenues. Again, a long-term review of this ratio should be considered, as it can be volatile year over year. A 4% long term benchmark is the expected target.

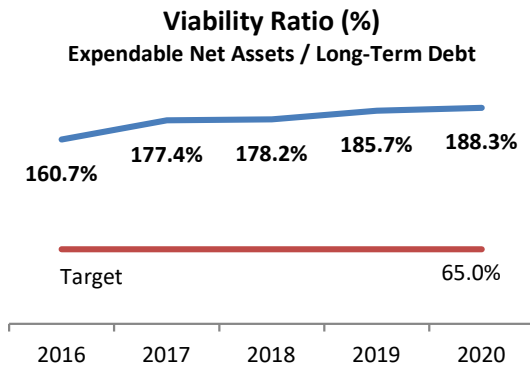
\$000's	2020	5 Year Change
Cash Flow from Operating Activities	37,685	(70,450) -106%
Total Revenues	826,590	82,996 11%



¹³ 2016 figures do not include *University of Guelph-Humber proportionate consolidation*.

4. VIABILITY RATIO: Gauges the extent to which the University has available resources to cover its debt; essentially a “wind-up” ratio for external obligations. It calculates expendable net assets over external long-term debt. The ratio assists in assessing current debt capacity and the ability to issue new debt. A ratio of 0.65 has been set as a target.

\$000's	2020	5 Year Change	
Expendable Net Assets	362,803	39,036	12%
Long-Term Debt	192,709	(8,741)	-4%



5. INTEREST BURDEN RATIO: This ratio measures the extent to which interest is a portion of total expenses excluding capital asset amortization. The objective is to stay below the target.

\$000's	2020	5 Year Change	
Interest Expense	10,543	(1,075)	-9%
Expenses – Amortization	782,546	141,386	22%

