



MEMORANDUM

TO: All Staff
FROM: Rob Maclsaac, President
DATE: March 15, 2010

On Wednesday afternoon, Mohawk's Board of Governors approved a \$158 million budget for the College's 2010-2011 fiscal year.

During a period of flat-lining revenues and increasing costs, I am pleased to announce that Mohawk has achieved a balanced budget for the coming year. Through the hard work and careful planning of many staff from across the entire College, we have eliminated a structural deficit that had left us dependent on last minute funding from the province for the past two years.

By getting our financial house in order now, we can stay focused on what we do best at Mohawk – teaching and serving students. What's more, we will be making strategic investments of \$8.8 million back in key areas that directly benefit our students. Again, it is a credit to the staff from every academic and service area who identified opportunities for reducing costs, increasing our revenues and maximizing both our human and financial resources.

Balancing the budget required us to make difficult choices. Salaries account for more than 70 per cent of our expenses at the College. Therefore, bringing expenses in line with revenues required us to reduce our salary expense by \$5.5 million. Throughout the budget process, we were committed to keeping job losses to an absolute minimum. By not filling vacant positions, by not renewing contracts and by not replacing staff as they leave the College, we are hopeful that fewer than 10 people will be affected and, if we manage the process well, we are hopeful that no one will lose their job.

Our work is by no means finished and we will be counting on everyone to reduce costs, increase revenues and maintain a balanced budget. There is no question this will be hard work with some challenging days ahead. Yet at Mohawk, we have chosen to lead the change rather than wait for change to happen. By eliminating our structural deficit, making difficult decisions and balancing our budget, we are securing Mohawk's long-term sustainability and ensuring our College continues to serve as a key driver of prosperity in the communities we serve.

Thank you for your continuing support. Because of you, Mohawk is a college on the move and our students are graduating to success.

Rob Maclsaac
President