



2022/23 Consolidated Budget Presentation



Donna Murnaghan, Provost & VP Academic
Matt Milovick, VP Administration & Finance



Outline

- Budget Overview
- Budget Revenue & Expenditures
- Expenditures by Executive Portfolio
- Multi-year Projections
- Budget Summary

Overview & Highlights

2022/23 Consolidated Budget

Mission

TRU is a comprehensive, learner-centered, sustainable university that serves its regional, national, and international learners and their communities through high quality and flexible education, training, research and scholarship.

Vision

Community-minded with global conscience, we boldly redefine the university as a place of belonging - Kw'seltnknews (we are all related and interconnected with nature, each other, and all things) - where all people are empowered to transform themselves, their communities, and the world.

Values

Inclusion and Diversity
Community-Mindedness
Curiosity
Sustainability

10-year Strategic Change Goals

Eliminate Achievement Gaps.
Honor truth, reconciliation and rights.
Lead in community research and scholarship.
Design lifelong learning.

Budget Allocations

ISP Fund
Vacancy allocation
Non-salary allocation
Capital spending

Budget Highlights

- Balanced budget
- 6.7% overall budget increase
- Consistent provincial operating grant
- Additional \$5M added to operating budgets
- \$2.2M ISP fund
- Reduced capital spending

Budget Risks

- Return to Fall 2019 campus activity levels
- International student enrolment risk
- Domestic student enrolment risk
- Student Housing
- Vacant positions
- Inflation increasing

Budget Strategy

- Seeking Board approval for balanced budget
- 3-years of sustainable budgets
- Projected surpluses restricted for TRU's capital plan
- Recruitment & hiring campaign
- Budget holders continue to have autonomy over their budgets
- Respond to circumstance changes with in-year mitigation

TRU's Budget Structure

ALL FUNDS Budget



OPERATING FUND: Funds for the day-to-day needs of TRU to support teaching and administration. **75%** of the 2022/23 operating expenses are salaries & benefits.



CAPITAL FUND: Money used to fund campus infrastructure and major equipment purchases.



ANCILLARY FUND: This fund captures all of TRU's non-academic revenue generating activities such as the Bookstore, parking, food services, etc.



SPONSORED RESEARCH FUND: Funds restricted for externally funded research.



SPECIFIC PURPOSE FUND: Includes Faculty PD funds; specific purpose funds and bursaries.

2022/23 Consolidated Budget

Take-away: Fully allocated resources; surplus change by ability to meet spending plans

	2022/23 Proposed Budget	2021/22 Approved Budget	Q3 Forecast	2020/21 Year End Actual
Revenue	\$255,382	\$238,582	\$242,055	\$225,273
Compensation & Benefits	163,269	153,833	144,442	144,425
Non-Compensation	91,255	84,602	81,113	68,437
Budgeted Surplus	\$858	\$147	\$16,500	\$12,411

Proposed Budget

Budgeted Surplus of \$858K

Revenue

- Higher than 21/22 budget, Q3 & prior year
- Increased Grants
- Decreased Domestic Tuition (budget to budget)
- Increased International Tuition
- Increased Ancillary Sales

Compensation

- Higher than 21/22 budget, Q3 & prior year
- Vacancies
- CA increases held in Institution

Non-compensation

- Higher than 21/22 budget, Q3 & prior year
- Spending plans exceed pre-pandemic

Revenue & Expenditures

2022/23 Consolidated Budget

Grants \$101.9M

- Higher than prior budget & Q3
- Reserve for CA mandate
- Recognition of 21/22 one-time funding

Domestic Tuition & Fees \$39.5M

- Lower than prior budget, in-line with Q3
- 2% rate increase
- Decreased undergraduate

International Tuition & Fees \$67.8M

- Higher than prior budget & Q3
- 4.7% rate increase
- Increase on-campus grad & undergrad
- Decrease OL undergrad

Sales Revenue \$19.4M

- Higher than prior budget & Q3
- Pre-pandemic activity in most areas
- Full occupancy in all residences
- Bookstore decreases

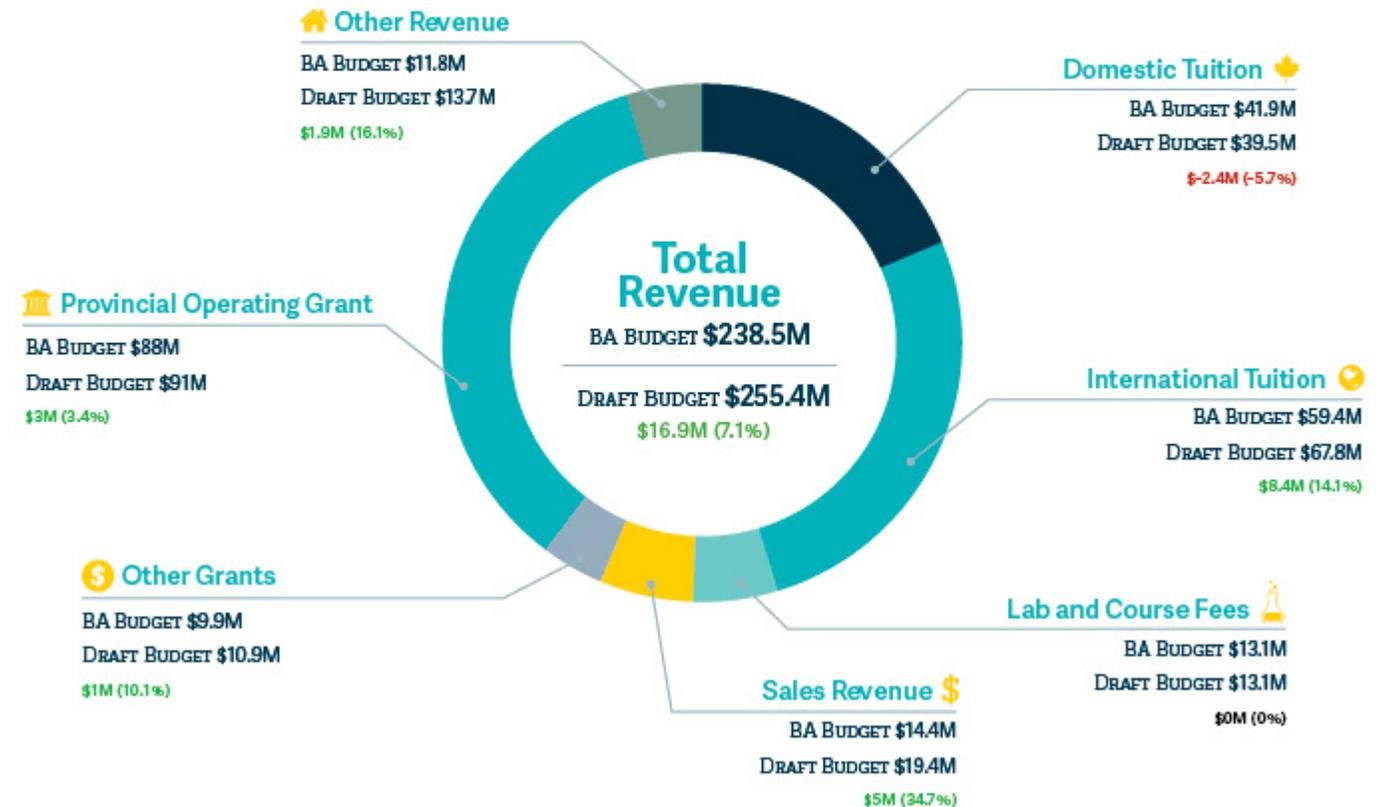
Other Revenue \$13.7M

- Higher than prior budget, in-line with Q3
- Increases in most categories

Budget to Budget Comparison

Revenue

Board Approved (BA) Budget - Reflects the approved budget for fiscal year 21/22 | Budget (Draft) - Reflects the draft budget for fiscal 22/23



Compensation & Benefits \$163.3M

- Higher than prior budget & Q3
- 64% of total expenditures
- Promotions & progressions
- Faculty & Sessional based on workload planning tool
- 163 vacancies allocated

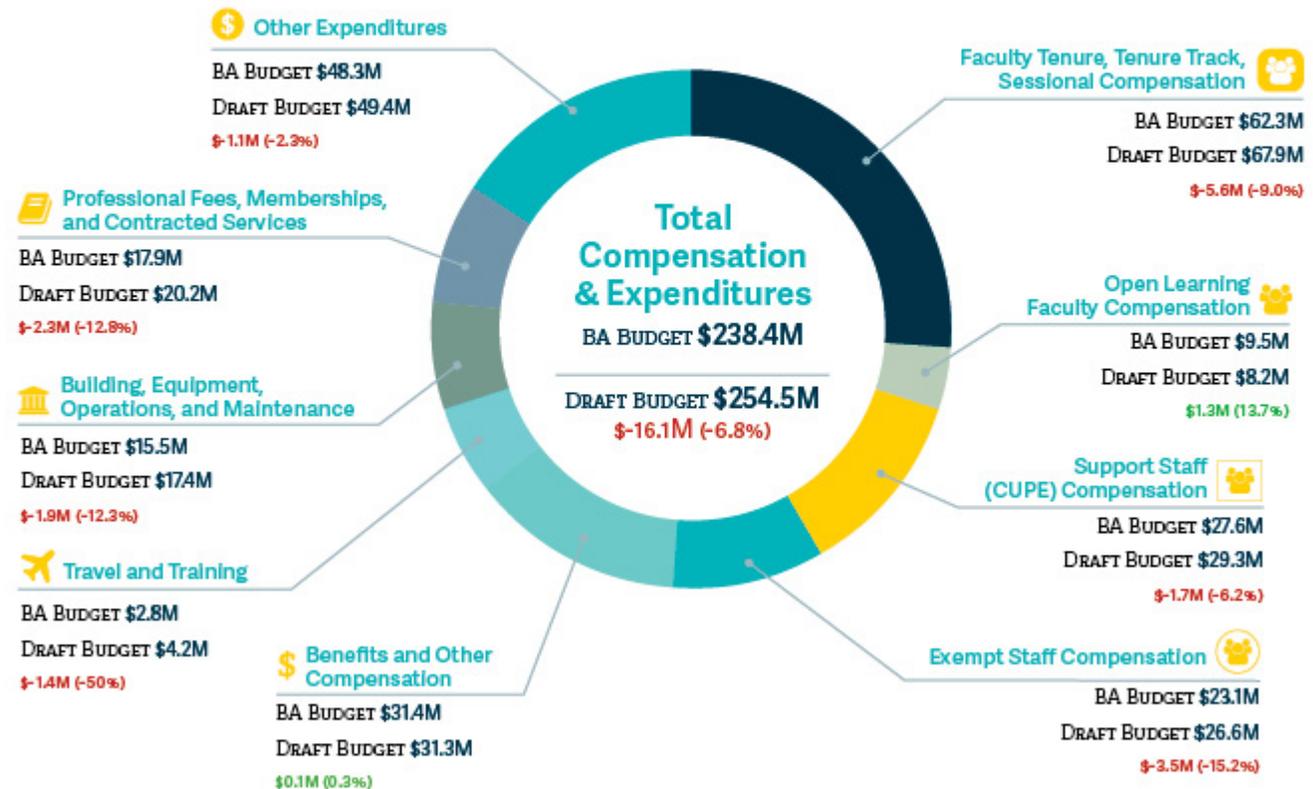
Non-compensation \$91.3M

- Higher than prior budget & Q3
- 36% of total expenditures
- 4.7% inflation
- Known contract changes
- Pre-pandemic campus activity plus spending plans
- \$2.2M ISP (Board Contingency)
- \$5.4M Reserves & contingencies

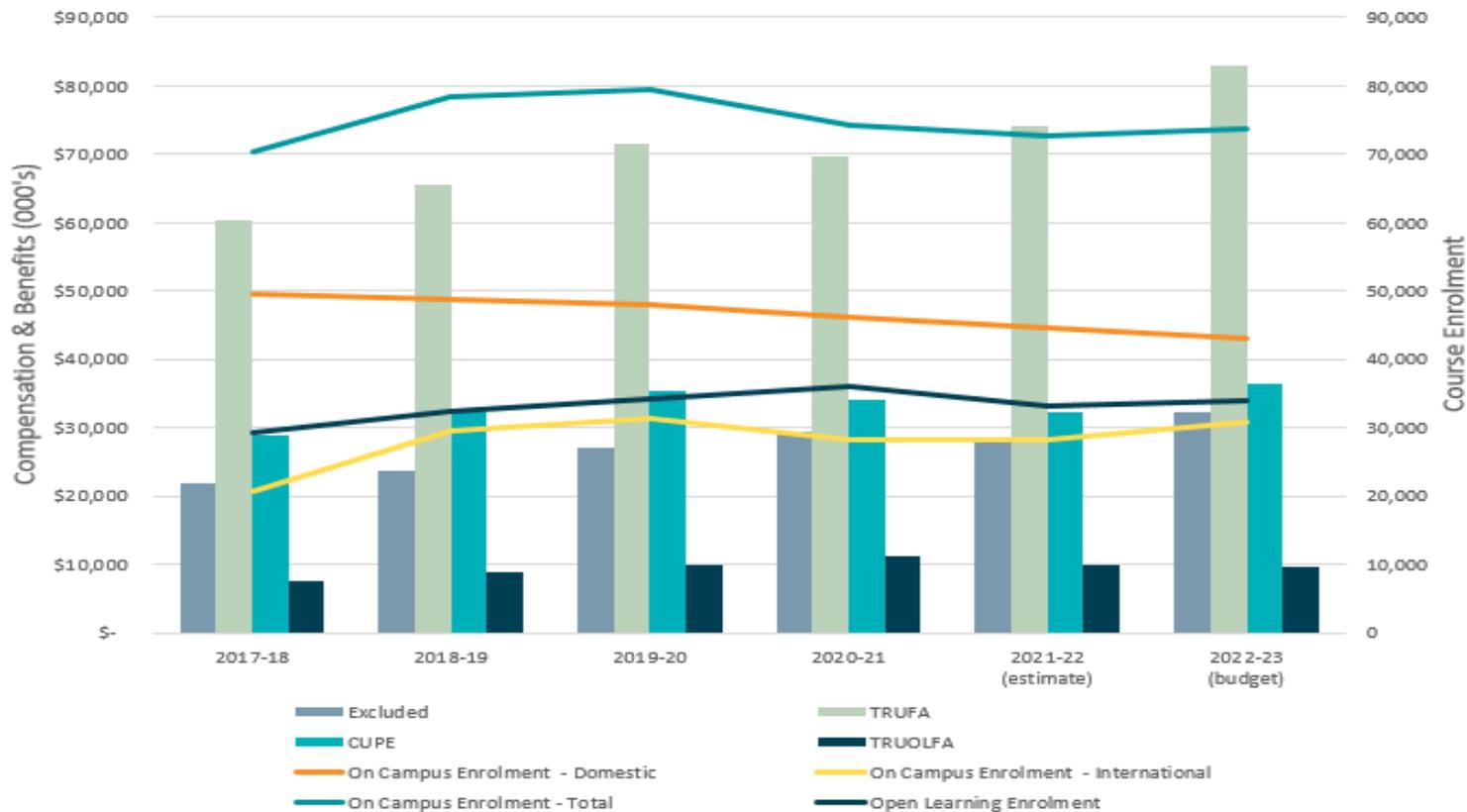
Budget to Budget Comparison

Expenditures

Board Approved (BA) Budget - Reflects the approved budget for fiscal year 21/22 | Budget (Draft) - Reflects the draft budget for fiscal 22/23



Annual Trend: Compensation Relative to Enrolments



- Projecting increases in all compensation categories in 2022/23
- International enrolment primary driver of overall enrolment increase
- On Campus Domestic enrolments declining
- OL enrolment stabilizing
- OLFM compensation trend with enrolment

Notes:

- Faculty includes LTC's and sessionals
- CUPE includes auxiliaries and students

Capital Spending Plan

Take-away: Budgeted surplus does not cover capital needs; reserve drawdown will need to be replaced.

	Project Total	TRU Funded	Externally Funded
Budgeted Surplus		\$858	
Lepin & A&E Building Modernization	\$5,000	\$5,000	-
Low Carbon District Energy System	3,130	2,530	600
Research & Emergency Management Centre	2,350	2,350	-
ECE Renovations and Road Ext.	2,400	1,882	518
Routine Capital and Carbon Neutral	2,072	414	1,658
Gym Improvements	1,500	1,500	-
East Village Low Carbon Energy	1,100	700	400
Various projects	2,758	2,468	290
Budgeted Capital Spend	\$20,310	\$16,844	\$3,466
Drawdown of Reserves		\$15,986	

Capital Projects

Lepin and A&E Renovations

- Upgrade equipment
- Update building

Low Carbon District Energy

- Creative Energy
- Clean energy for the campus

Emergency Management Centre

- Provincial research centre
- Predictive Services Chair

ECE Renovation

- Updated facility
- Move from old housing on campus

East Village Low Carbon Energy

- East Village electrification

Expenditures by Executive Portfolio

2022/23 Consolidated Budget

Provost & VP Academic

- Teaching & learning
- Program & course delivery
- Academic advising
- Student support
- Enrolment services

VP Admin & Finance

- IT infrastructure
- Facilities maintenance
- Institutional reporting & analysis
- Labour relations
- Safety & risk management
(including COVID)
- Financial management

President

- Strategic direction
- University governance
- Indigenous advising

VP Research

- Research promotion
- Research funding
- Project facilitation
- Researcher support
- Graduate studies support

VP International

- International marketing &
recruitment
- International partnerships
- International student support
- International contract training

VP University Relations

- Marketing & communications
- Alumni relations
- Fundraising
- Government relations

2022/23 Expenditure by Portfolio

**Take-away: Overall
increase of 6.7%
compared to 2021/22**

President \$2.4M

- Increase of \$154K (6.9%)
- 3 vacancies

Provost & VP Academic \$133.9M

- Increase of \$9.1M (7.3%)
- 125 vacancies

VP Admin & Finance \$35.4M

- Increase of \$4M (12.8%)
- Significant inflationary increases
- 19 vacancies

VP International \$10.8M

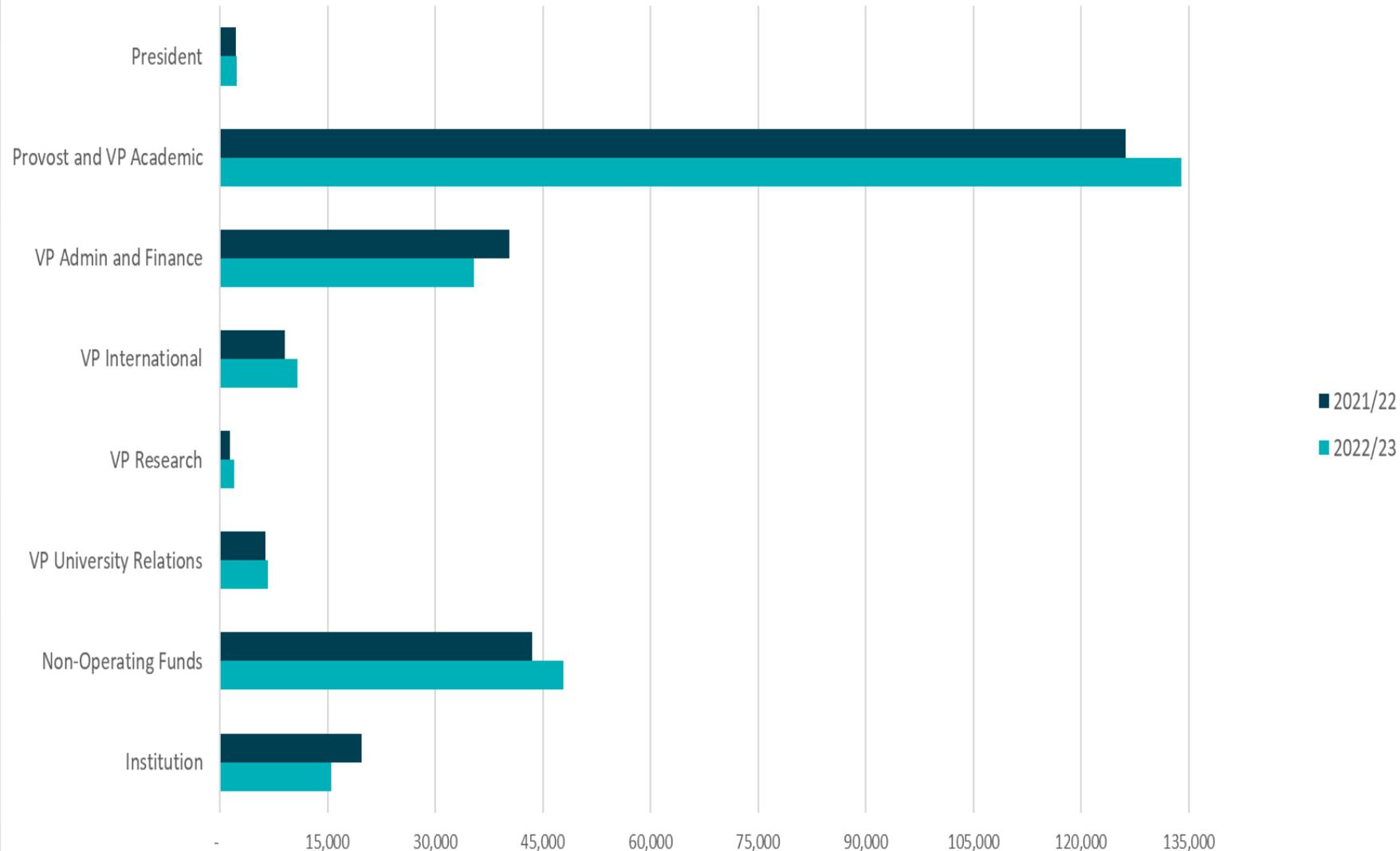
- New portfolio
- Increase \$1.7M (19.3%)
- 5 vacancies

VP Research \$2.0M

- New portfolio
- Increase \$606K (43.9%)
- 3 vacancies

VP University Relations \$6.7M

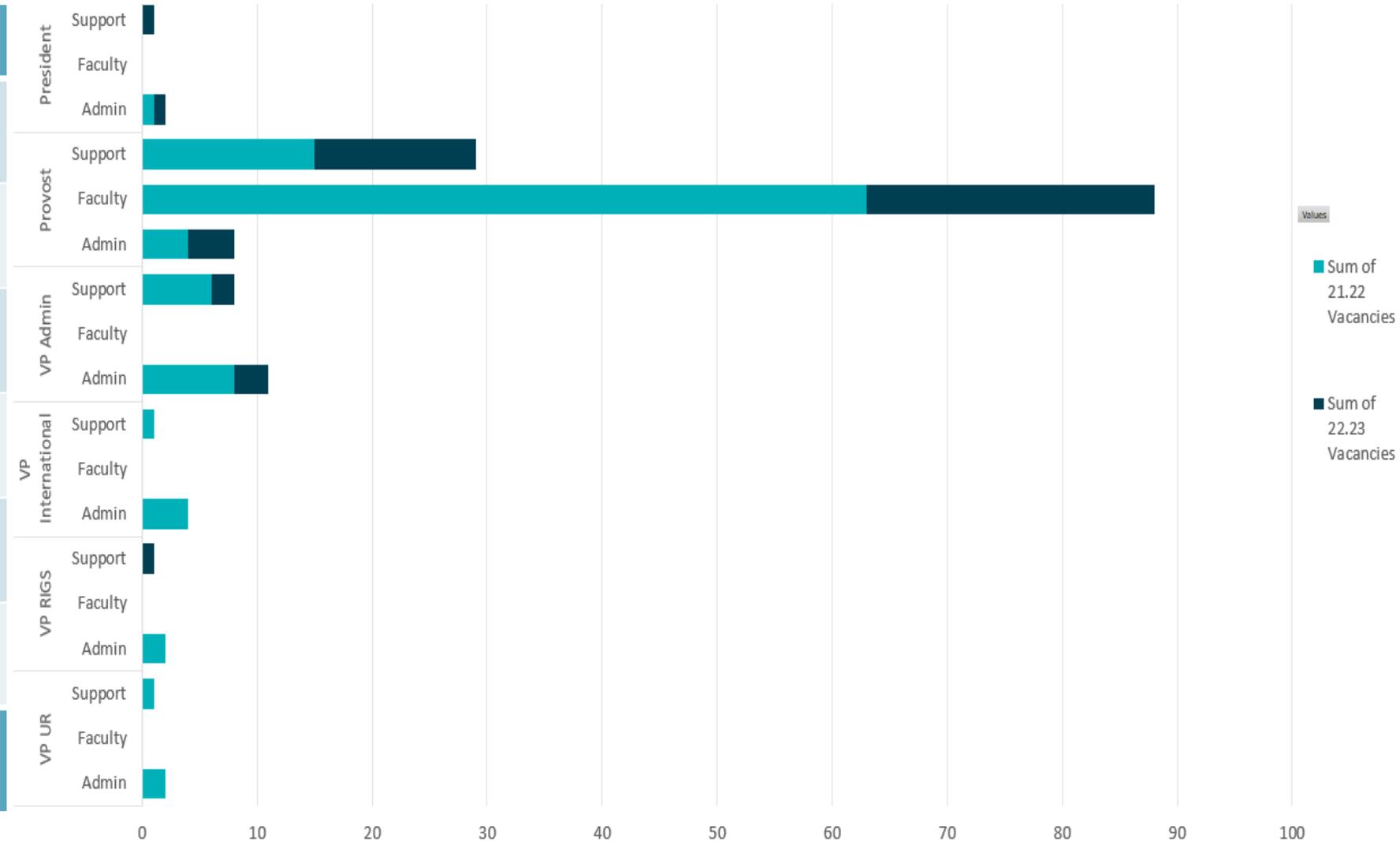
- Increase \$390K (6.2%)
- 3 vacancies



FY2022/23 Vacancies by Portfolio

Take-away: Plan for aggressive employee recruitment campaign

	21/2 Existing	22/23 New	22/23 Total
President	1	2	3
Provost & VP Academic	82	43	125
VP Admin & Finance	14	5	19
VP International	5	0	5
VP Research	2	1	3
VP University Relations	3	0	3
Total	107	51	158*



* Does not include positions held in the Institution (4) and Ancillary (1).

Multi-year Projections & Summary

2022/23 Consolidated Budget

3-Year Budget Projections

Take-away: 3 years of sustainable budgets achievable.

	Q3 Forecast	2022/23 Proposed Budget	2023/24 Projection	2024/25 Projection
Revenue	\$242,055	\$255,382	\$267,554	\$276,466
Compensation & Benefits	144,442	163,269	170,974	177,327
Non-Compensation	81,113	91,255	94,735	97,644
Accounting Surplus	\$16,500	\$858	\$1,845	\$1,495

Projections

Revenue

- Grant increase for wage mandate
- Decreasing domestic enrolment
- Increasing international enrolment
- Annual tuition rate increase
- Ancillary stable activity with annual rate increases

Compensation

- Increases for wage mandate
- Promotions & progressions
- No additional positions assumed

Non-compensation

- Inflation normalizing
- No additional allocations
- ISP funding

2022/23 Results Considerations

	2022/23 Proposed Budget	Potential Positive Impact	Potential Negative Impact
Revenue	\$255,382	\$2,000-3,000	\$(2,000)-(3,000)
Compensation & Benefits	163,269	8,000-10,000	-
Non-Compensation	91,255	2,500-5,000	(3,000)
Accounting Surplus	\$858	\$12,500-\$18,000	\$(5,000)-(6,000)

Factors that may Impact Result

Revenue

- Enrolment fluctuations
- Ancillary revenues
- Investment Interest

Compensation

- Ability to fill vacancies
- Bargaining Unit Settlements

Non-Compensation

- Inflation increase/decrease
- Supply chain constraints
- Actualize non-compensation spending

TRU's budget will increase by 6.7% for 2022/23.

Plan for \$2.2M ISP initiatives funding.

Plan for 3 years of sustainable budgets.

Plan for aggressive employee recruitment campaign.

Address domestic enrolment recruitment & retention strategy.

Address international pricing & enrolment strategy.



Questions

2022/23 Consolidated Budget
