



# 2023/24 Consolidated Proposed Budget

Gillian Balfour, Provost & VP Academic  
Matt Milovick, VP Admin & Finance

# 2023/24 Budget Summary



## Presentation Outline

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



# Overview & Highlights

2023/24 Consolidated Proposed Budget

# 2023/24 Proposed Budget Overview

*Take-away: Steady State budget with continued investment in ISP and overt investment in Capital.*

## 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'seltknews (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

Rollover + Increments = Steady State

ISP Fund  
Vacancy allocation  
Non-salary allocation  
Surplus sharing  
Capital allocation

# 2023/24 Proposed Budget Overview

*Take-away: Steady state provides the foundation for 5-year budget planning.*

## Budget Highlights

- “Steady State Budget”
- Balanced budget (small surplus)
- 8.3% increase to total expenditure budget
- Consistent provincial operating grant (funded collective agreement mandate)
- Balanced budget with 2.1% surplus allocated to capital
- \$2.1M ISP fund
- Increases to tuition – 2% domestic, 6.9% international
- Reduced capital spending

## Budget Risks

- International student enrolment risk
- Domestic student enrolment risk
- Ancillary operations under performing
- Student housing
- Vacant positions
- Not putting enough away for capital
- Inflation

## Budget Strategy

- Seeking Board approval for balanced budget
- 3-years of sustainable budgets
- Projected surpluses restricted for TRU’s capital plan
- Recruitment & hiring campaign
- 5-year budget planning starts now

# 2023/24 Consolidated Proposed Budget

*Take-away: Fully allocated resources; surplus used for capital expenditures.*

	23/24 Proposed Budget	22/23 Approved Budget	Q3 Forecast	21/22 Year End Actual
<b>Revenue</b>	<b>\$281,798</b>	\$255,382	\$269,019	\$229,708
<b>Compensation &amp; Benefits</b>	<b>179,074</b>	163,269	155,391	145,455
<b>Non-compensation</b>	<b>96,641</b>	91,255	93,986	77,752
<b>Budgeted Surplus</b>	<b>\$6,083</b>	<b>\$858</b>	<b>\$19,642</b>	<b>\$6,501</b>

## Surplus of \$6.1M

- \$5.2M higher than 22/23 budget
- \$13.6M lower than 22/23 Q3 forecast
- \$418k lower than 21/22 yearend

## Revenue of \$281.8M

- \$26.4M higher than 22/23 budget
- \$12.8M higher than 22/23 Q3 forecast
- \$52.1M higher than 21/22 yearend

## Compensation of \$179.1M

- \$15.8M higher than 22/23 budget
- \$23.7M higher than 22/23 Q3 forecast
- \$33.6M higher than 21/22 yearend

## Expenditures of \$96.6M

- \$5.4M higher than 22/23 budget
- \$2.7M higher than 22/23 Q3 forecast
- \$18.9M higher than 21/22 yearend



# Revenue & Expenditures

2023/24 Consolidated Proposed Budget

# 2023/24 Consolidated Proposed Budget

*Take-away: Anticipating all revenue categories to meet or exceed 22/23.*

## Grants \$112.2M

- Targeted program funding
- Anticipated CA mandate

## Domestic Tuition \$40.7M

- Decreased on-campus enrolments
- Annual tuition rate increase

## International Tuition \$79.0M

- At SEM target
- Proposed tuition rate increase

## Lab & Course Fees \$13.1M

- Trend with enrolments

## Sales Revenue \$20.5M

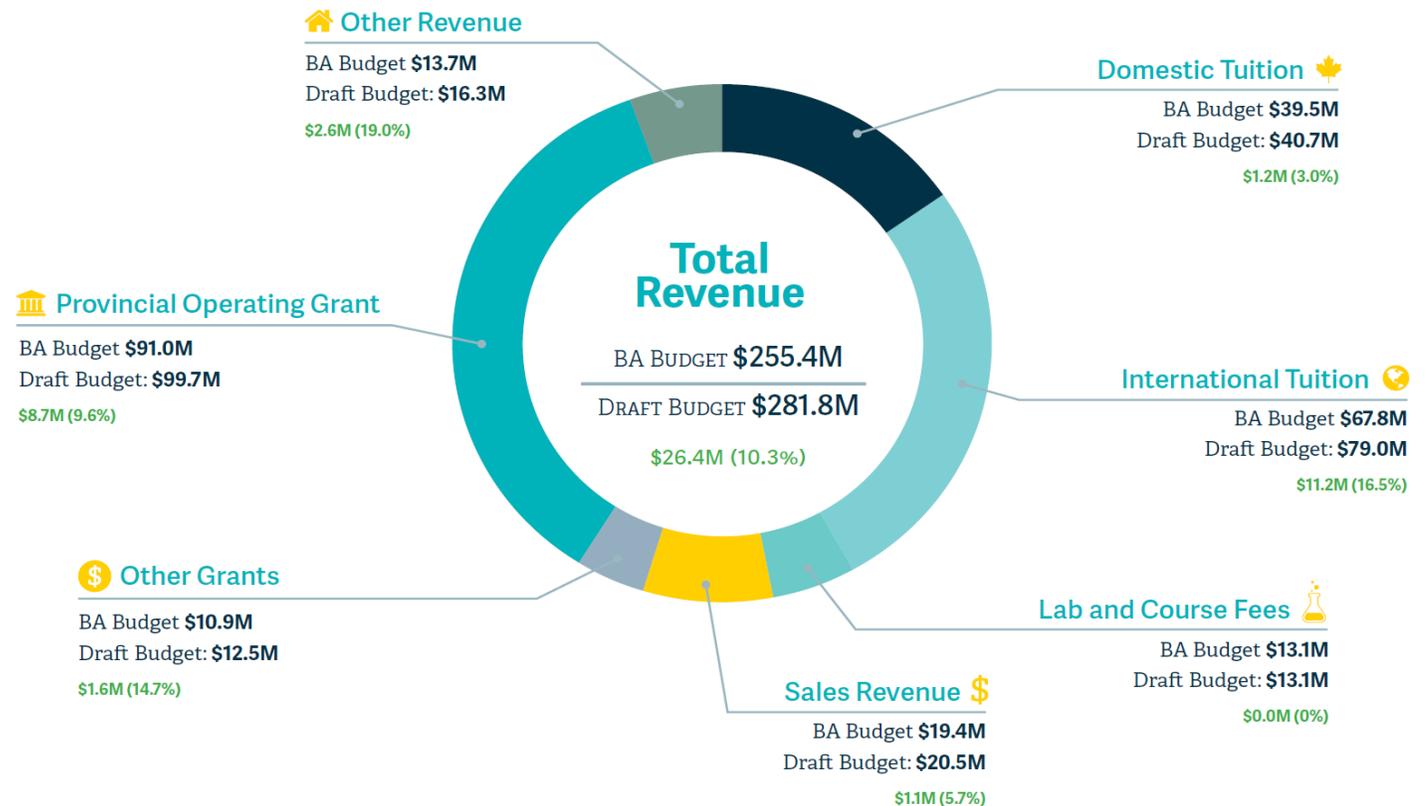
- Increased residence rates

## Other Revenue \$16.3M

- Increased contract revenue
- Increased interest revenue

## Revenue

Board Approved (BA) Budget - Reflects the approved budget for fiscal year 22/23 | Budget (Draft) - Reflects the draft budget for fiscal 23/24



# 2023/24 Consolidated Proposed Budget

*Take-away: Anticipating all expense categories to meet or exceed 22/23.*

## Compensation \$179.1M

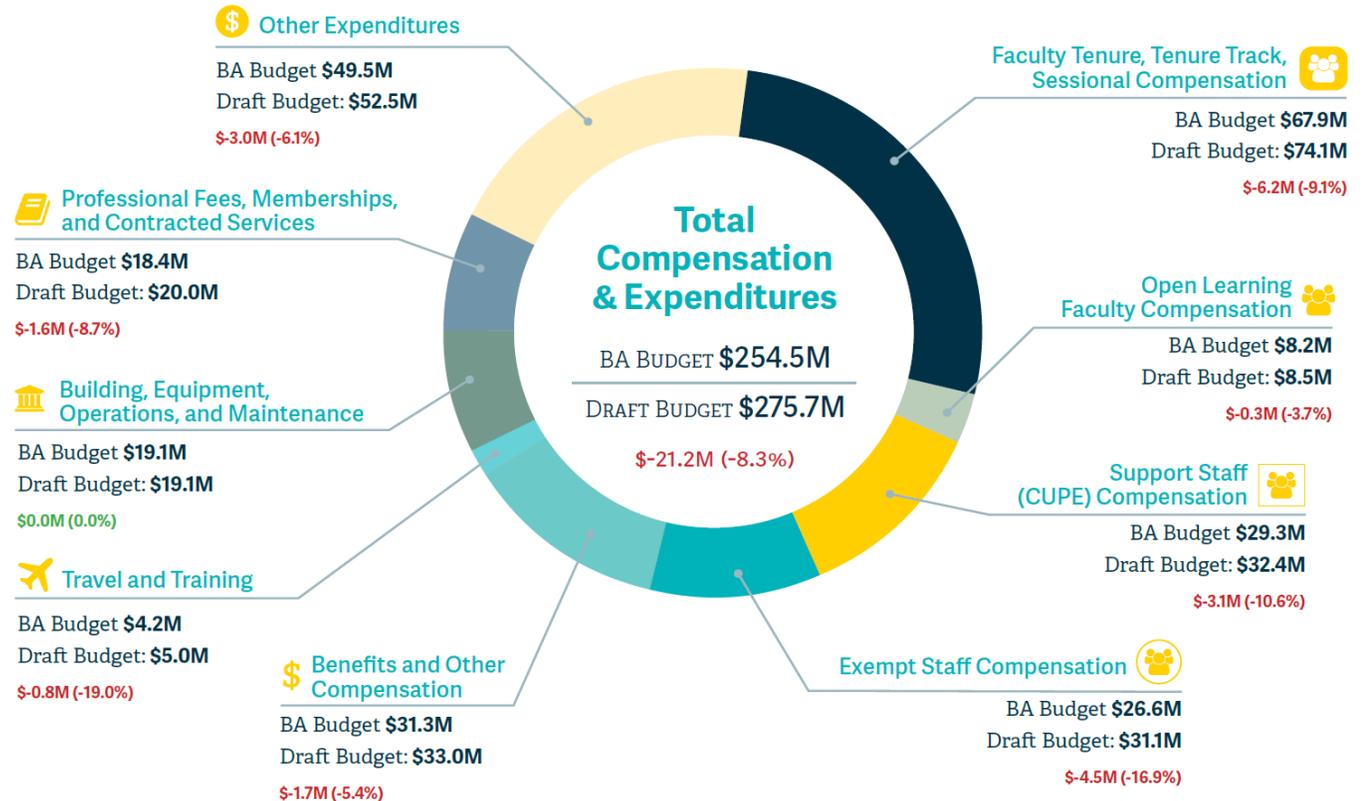
- 9.7% higher than prior year
- 100 vacancies
- Anticipated CA mandate
- Promotions & progressions

## Non-Compensation \$96.6M

- 5.9% higher than prior year
- Utilities costs
- Agent commissions
- Travel
- Software maintenance agreements
- Inflationary impact

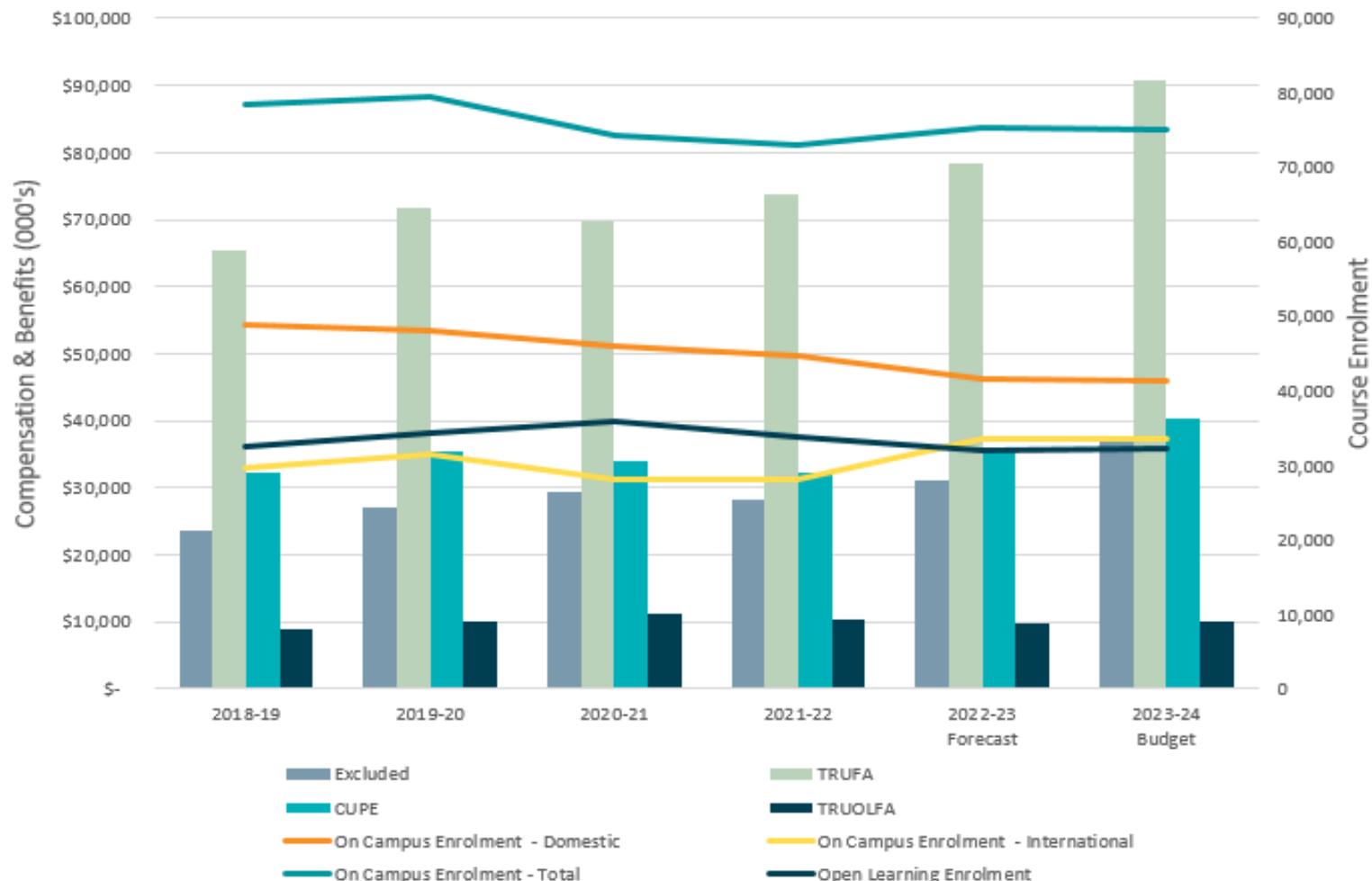
## Expenditures

Board Approved (BA) Budget - Reflects the approved budget for fiscal year 22/23 | **Budget (Draft)** - Reflects the draft budget for fiscal 23/24



# Annual Trend: Compensation Relative to Enrolments

*Take-away: Flattening enrolment with increasing costs in all employee groups*



- Projecting increases in all compensation categories for 2023/24
- Domestic On-Campus enrolments continues to decline
- Open Learning enrolments are trending to be stable
- International enrolment is projected at the SEM cap of 4000

# Capital Spending Plan

*Take-away: Capital requirements far exceed available reserves of \$39M*

Project	Institution/Total Spending
Low Carbon District Energy System	\$4M (\$6M total)
I-STEM Building	\$30M (\$60M total)
Gaglardi SoBE Building	\$38M (\$76M total)
Indigenous Education Centre	\$15M (\$15M total)
East Village Phase II	\$18M (\$36M total)
<b>Total</b>	<b>\$105M (\$193M total)</b>

*+ approximately \$50M more in IT renewal, deferred maintenance projects, & strategic infrastructure projects (bridge, new transit exchange)*

## Capital Investment is Critical

- Need to have projects “shovel ready” for federal and provincial programs which means planning investments now
- We have notional approval for I-STEM (need \$30M available to support that project)
- Other projects require additional grant funding, loans, surplus savings and fundraising



# Expenditures by Executive Portfolio

2023/24 Consolidated Proposed Budget

# 2023/24 Expenditure by Portfolio

*Take-away: Steady State changes due to inflation and new programming*

## President \$2.5M

- \$60k increase
- 0 vacancies (22/23 3 vacancies)

## Provost & VP Academic \$138.0M

- Increase of \$4.0M
- 66 vacancies (22/23 125 vacancies)

## VP Admin & Finance \$37.4M

- Increase of \$2.0M
- Significant inflationary increases
- 17 vacancies (22/23 19 vacancies)

## VP International \$14.0M

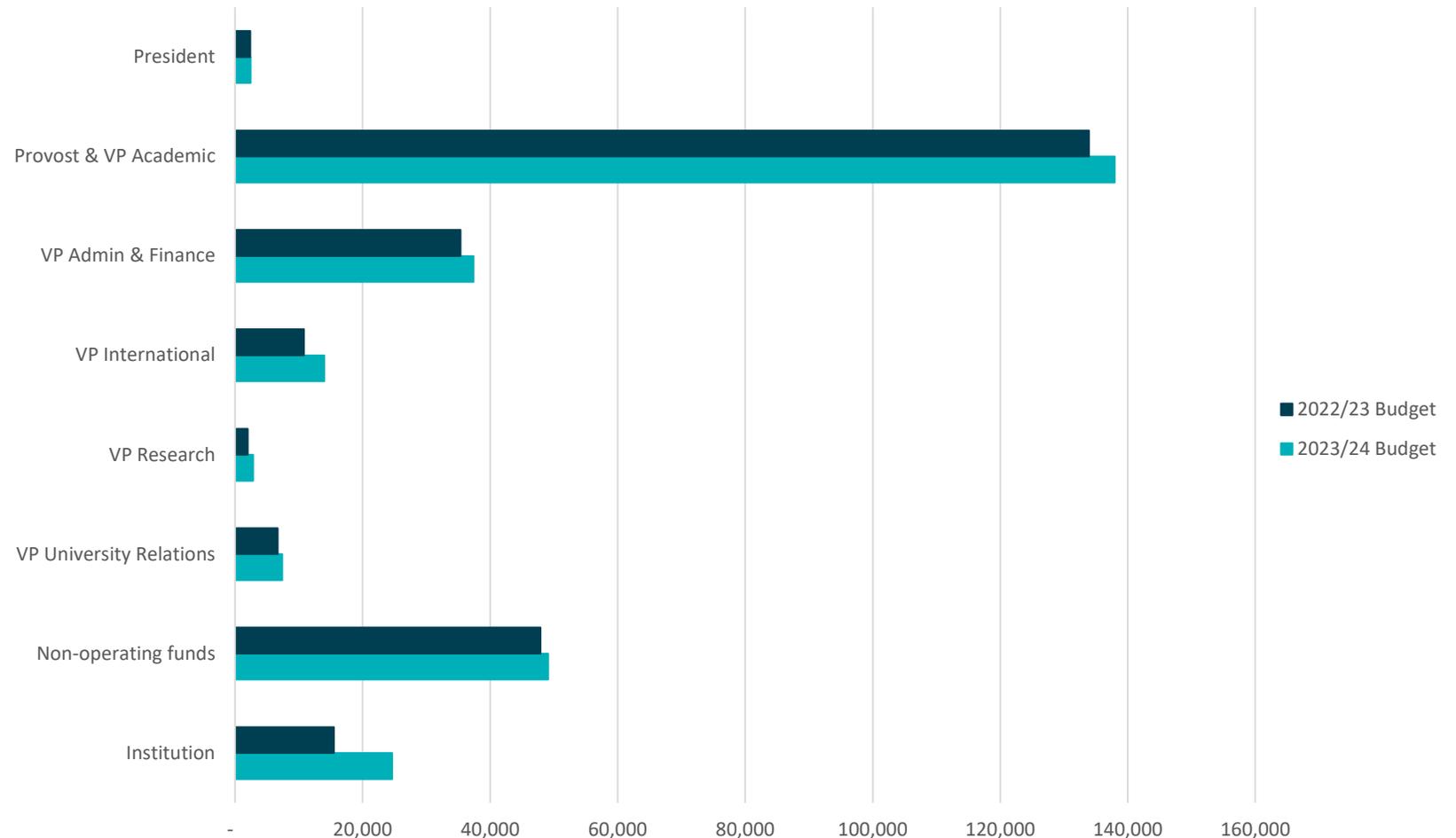
- Increase \$3.2M
- 5 vacancies (22/23 5 vacancies)

## VP Research \$2.8M

- Increase \$848K
- 4 vacancies (22/23 3 vacancies)

## VP University Relations \$7.4M

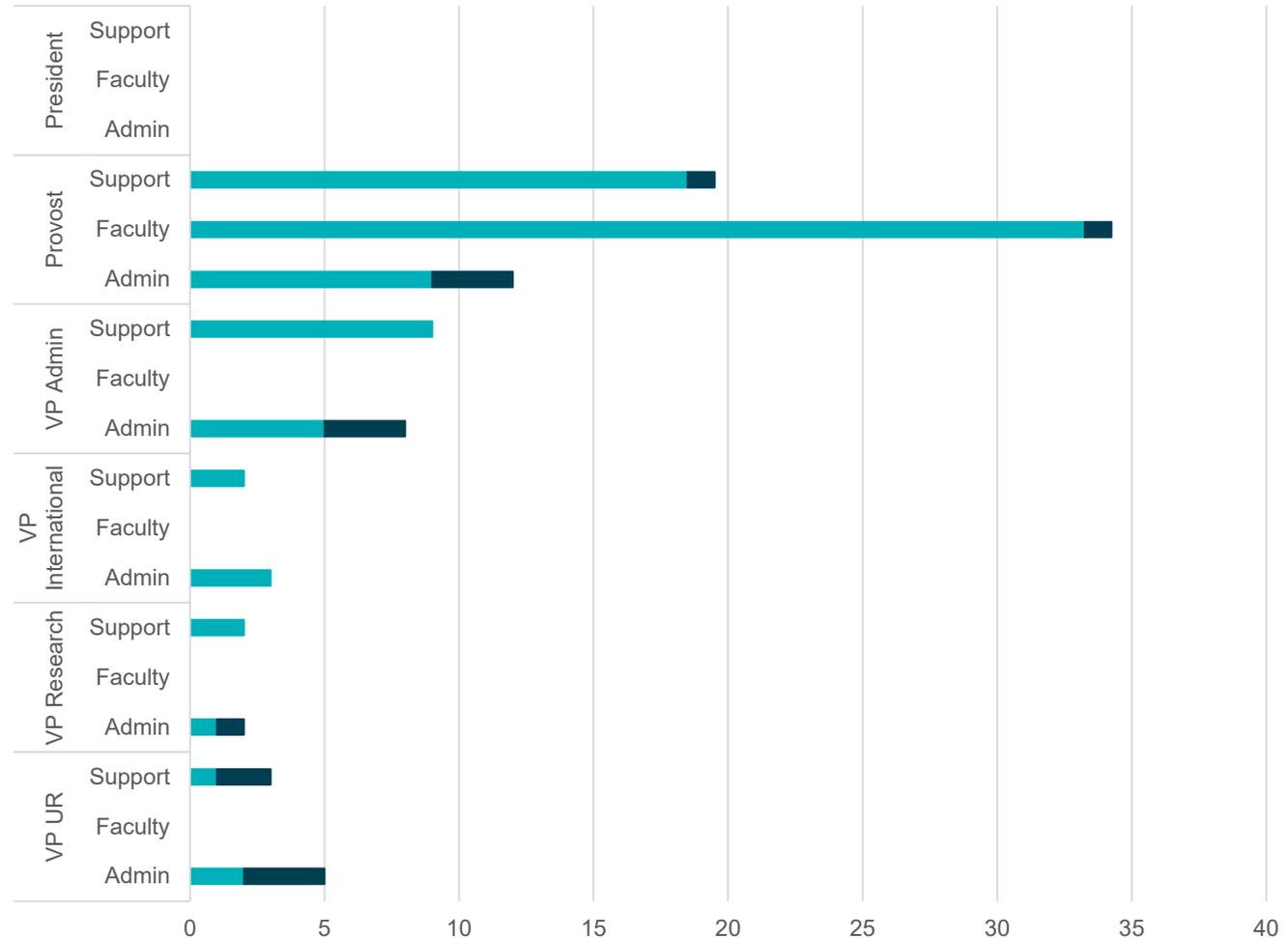
- Increase \$718K
- 7 vacancies (22/23 3 vacancies)



# 2023/24 Vacancies by Portfolio

*Take-away: Still plenty of vacancies but making progress on hiring*

	22/23 Existing	23/24 New	23/24 Total
President	0	0	<b>0</b>
Provost & VP Academic	61	5	<b>66</b>
VP Admin & Finance	14	3	<b>17</b>
VP International	5	0	<b>5</b>
VP Research	3	1	<b>4</b>
VP University Relations	3	5	<b>8</b>
<b>Total</b>	<b>86</b>	<b>14</b>	<b>100</b>





# Multi-year Projections & Summary

2023/24 Consolidated Proposed Budget

# 2023/24 Multi-year Budget Projections

*Take-away: Although declining surpluses, multi-year sustainable budgets.*

	22/23 Approved Budget (000's)	23/24 Draft Budget (000's)	24/25 Projection (000's)	25/26 Projection (000's)	26/27 Projection (000's)
<b>Revenue</b>	\$255,382	<b>\$281,798</b>	\$287,730	\$296,252	\$304,349
<b>Compensation &amp; Benefits</b>	163,269	<b>179,074</b>	186,703	193,229	200,093
<b>Non-compensation</b>	91,255	<b>96,641</b>	98,292	100,724	103,199
<b>Accounting Surplus</b>	<b>\$858</b>	<b>\$6,083</b>	<b>\$2,735</b>	<b>\$2,299</b>	<b>\$1,057</b>

## Multi-year Assumptions

### Revenue

- Grant increase for wage mandate
- Slight increases domestic enrolment
- International enrolment at SEM target
- Annual tuition rate increases
- Ancillary stable activity with annual rate increases

### Compensation & Benefits

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

### Expenditures

- Inflation normalizing
- No additional allocations
- ISP funding

# 2023/24 Surplus Considerations

*Take-away: Budget for fully allocated resources; actual results will vary.*



## POSITIVE IMPACTS TO SURPLUS

- Enrolment increases
- Investment Interest increases
- Ability to fill vacancies
- Reduced sessional requirements
- Inflation decrease
- Supply chain constraints
- Inability to actualize spending plans

## NEGATIVE IMPACTS TO SURPLUS

- Enrolment decreases
- Ancillary Revenue decreases
- Additional sessional requirements
- Inflation increase
- Unplanned spending
- Urgent and emergent issues

# 2023/24 Proposed Budget Summary

TRU's budget will increase by 8.3% for 2023/24.

Plan for \$2.1M ISP initiatives funding.

Plan for 3 years of sustainable budgets – move to 5-year budgets.

Plan to continue aggressive employee recruitment campaign to reduce vacancies.

Address domestic enrolment recruitment & retention strategy.

Monitor international enrolment strategy; continue diversification initiatives



# Questions

