
2024/25 BUDGET CONTEXT PRESENTATION

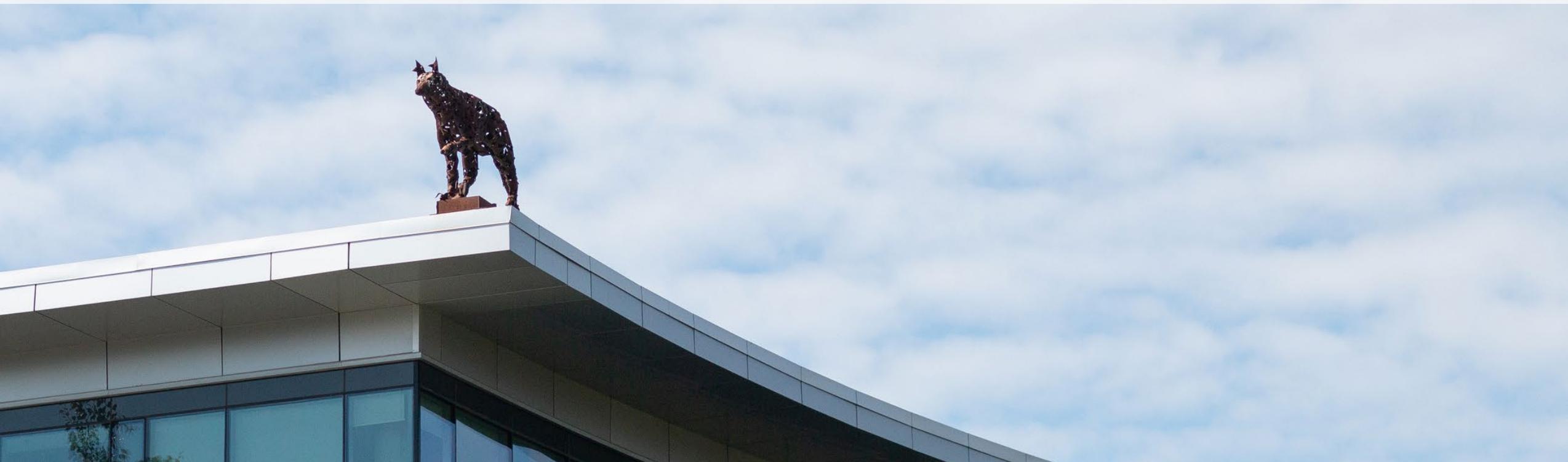
Gillian Balfour, Provost & VP Academic

Matt Milovick, VP Administration & Finance

Board of Governors | December 1, 2023



Thompson Rivers University campuses are on the traditional lands of the Tk'emlúps te Secwépemc (Kamloops campus) and the T'exelc (Williams Lake campus) within Secwépemc'ulucw, the traditional and unceded territory of the Secwépemc. The region TRU serves also extends into the territories of the St'át'imc, Nlaka'pamux, Tâilhqot'in, Nuxalk, and Dakelh, and Métis communities within these territories.



PRESENTATION OUTLINE

- Institutional Overview
- Connecting Resource Allocation to Strategy
- Demographic and Enrolment Trends
- Tuition and Fees Comparisons
- CAUBO Comparisons
- Expenditure Trends
- Budget Assumptions
- Conclusions





INSTITUTIONAL OVERVIEW

2024/25 Budget Context

2023/2024 BUDGET CONTEXT

Budget Conditions

- “Steady State Budget” - Balanced budget (\$6.1M)
- Consistent provincial operating grant – funding for CA increases
- Increases to tuition – 2% domestic, 6.9% international
- 8.3% increase to total expenditure budget
- \$2.1M ISP fund

Budget Strategy

- Plan for 3 years of sustainable budgets – move to 5-year budgets.
- Domestic enrolment recruitment & retention strategy
- Monitor international enrolment strategy; continue diversification initiatives
- Employee Recruitment & hiring campaign
- Projected surpluses restricted for TRU’s capital plan

2024/25 BUDGET CONTEXT

Budget Conditions

- Consistent provincial funding
- Decreasing on-campus enrolments
- Consistent tuition increases
- Last year of wage mandates
- Inflation stabilizing
- Second year of ISP initiatives
- Significant capital aspirations

Budget Risks

- Enrolment Management
- Ancillary operations under performing
- Student housing
- Vacant Positions
- Donor stewardship
- Capital needs outweighing Equity Reserves

Budget Strategy

- First year of 5-year planning
- Strategic Enrolment Management
- Employee Recruitment & hiring campaign
- Projected surpluses restricted for TRU's capital plan
- Resource allocation based on changing strategic priorities

STRATEGIC ENROLMENT MANAGEMENT

Domestic

- Declining rates of enrolment (75% utilization rate)
- No direct impact on tuition revenue; but not meeting mandate
- Increasing domestic enrolment is not a revenue driver for capital projects
- Redesigning budget for open learning as flexible delivery – impacts on resource allocations on campus

International

- Monitor international enrolment strategy; continue diversification initiatives
- Current SEM approve target is 4000; sitting at approximately 4600 due to IRCC approval changes
- Risks of rolling back vs risks of increased growth
 - Brand
 - Mandate
 - Caring capacity



CONNECTING RESOURCE ALLOCATION TO STRATEGY

2024/25 Budget Context

CONNECTING RESOURCE ALLOCATION TO STRATEGY

- Resource allocation according to strategic priorities : [Integrated Strategic Planning](#)
- Evidence-based assessment of impact for transfer into base funding



CONNECTING RESOURCE ALLOCATION TO STRATEGY – PHASE I

Annual Service Plan

5-year plan to outline divisional goals and proposed service improvements

Service Metric Plan

Part of 5-year plan. Current state of divisional non-teaching service delivery supported with metrics

Request for Budget Decision

Business case required for budget augmentations, demonstrating strategic alignment.

Hiring Plans

5-year plan for current commitments, known changes and filling vacancies.

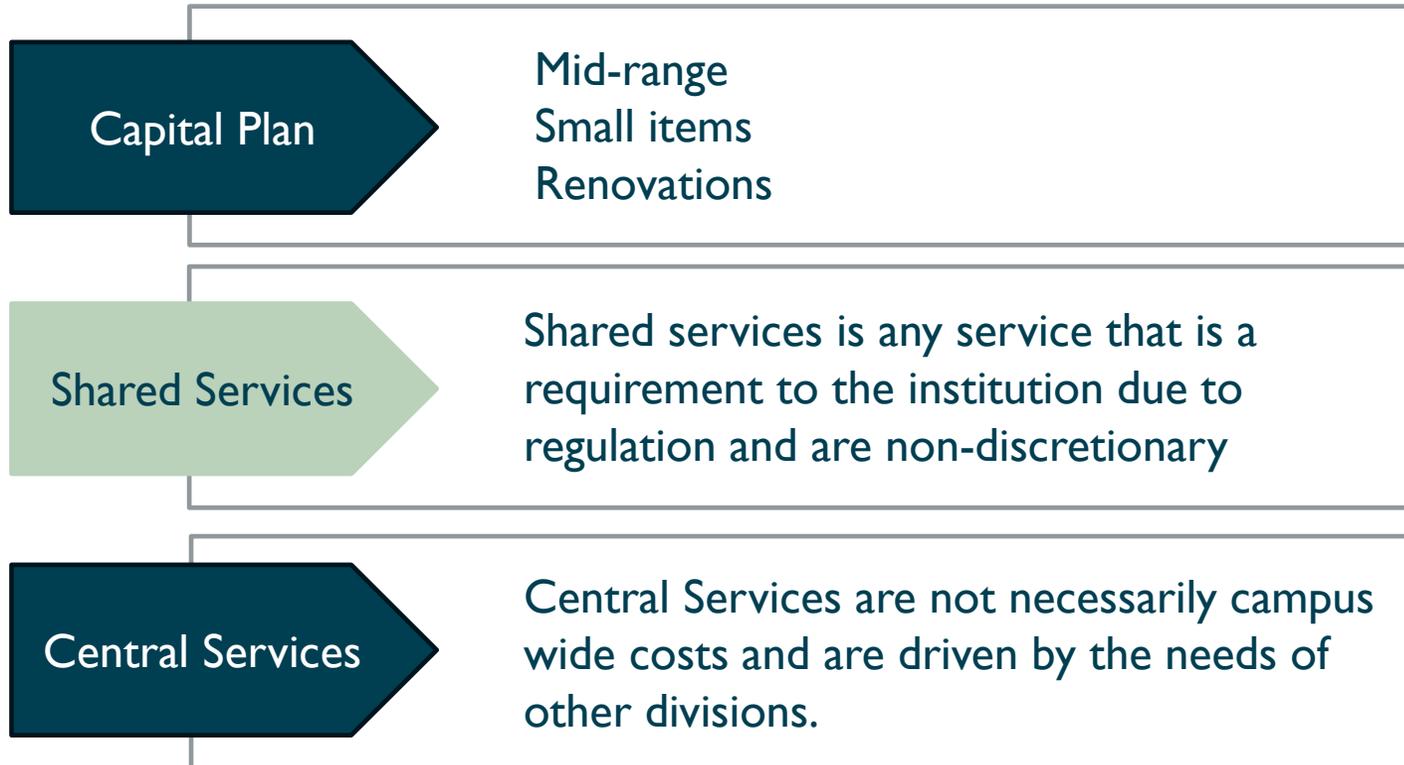
Non-Wage Metric

Expenses that have a cost per metric calculation based on activity

Non-Wage Non-Metric

Expenses that cannot be calculated using metric calculation. Estimated actual spend will be determined

CONNECTING RESOURCE ALLOCATION TO STRATEGY – PHASE II



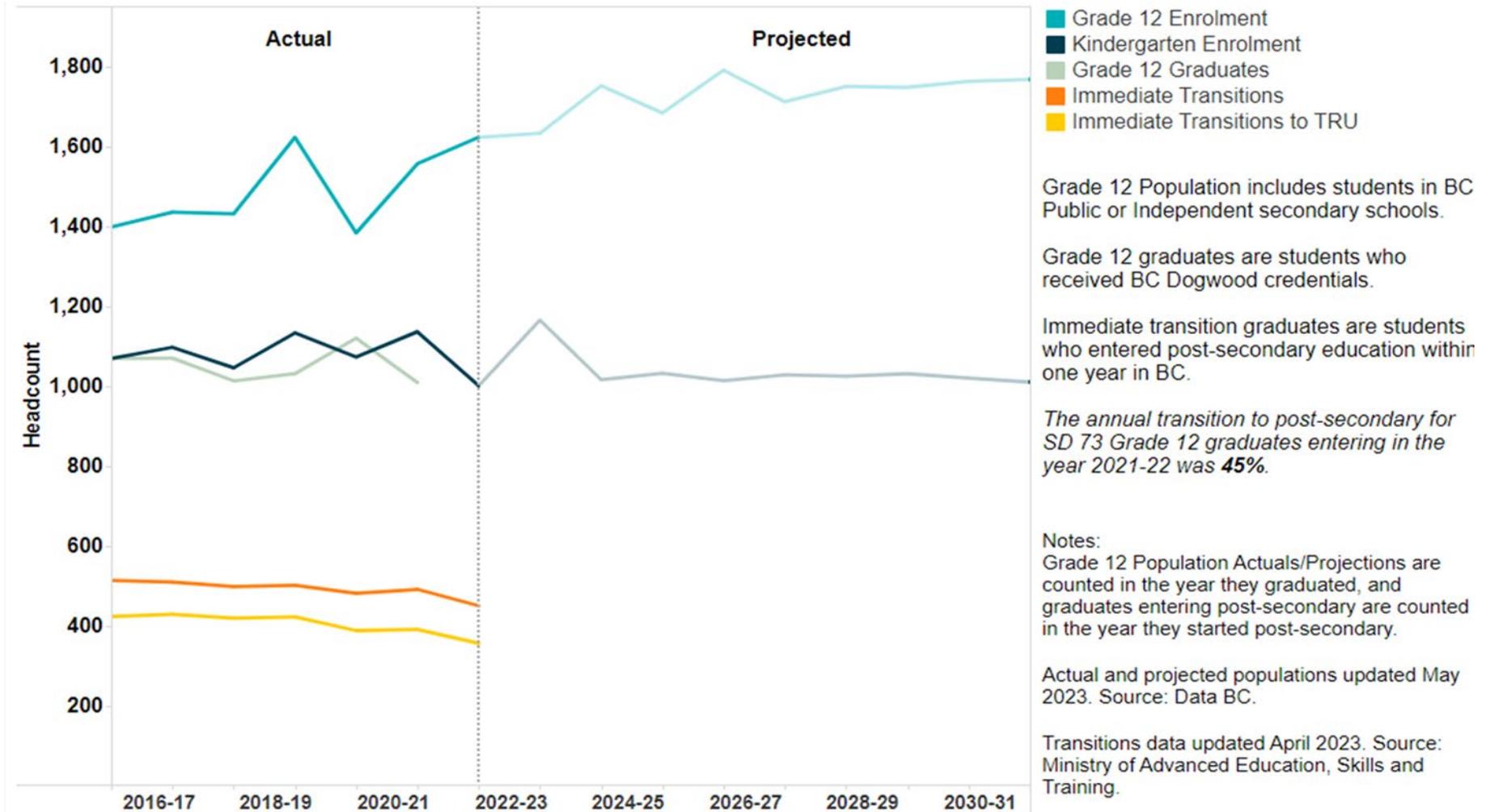


DEMOGRAPHICS & ENROLMENT TRENDS

2024/25 Budget Context

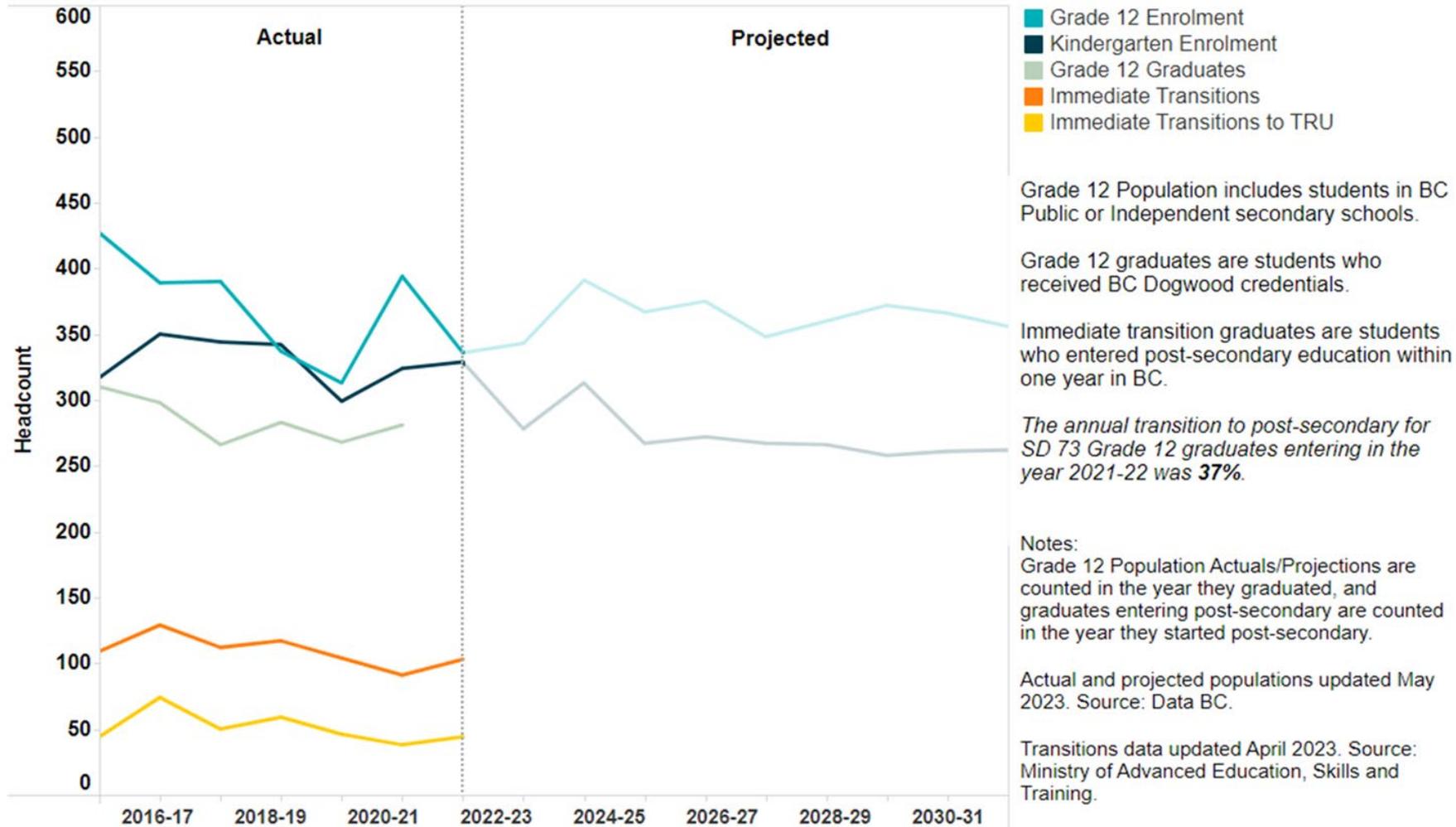
DEMOGRAPHIC TRENDS

K-12 ENROLMENT PROJECTIONS, SD73 (KAMLOOPS)



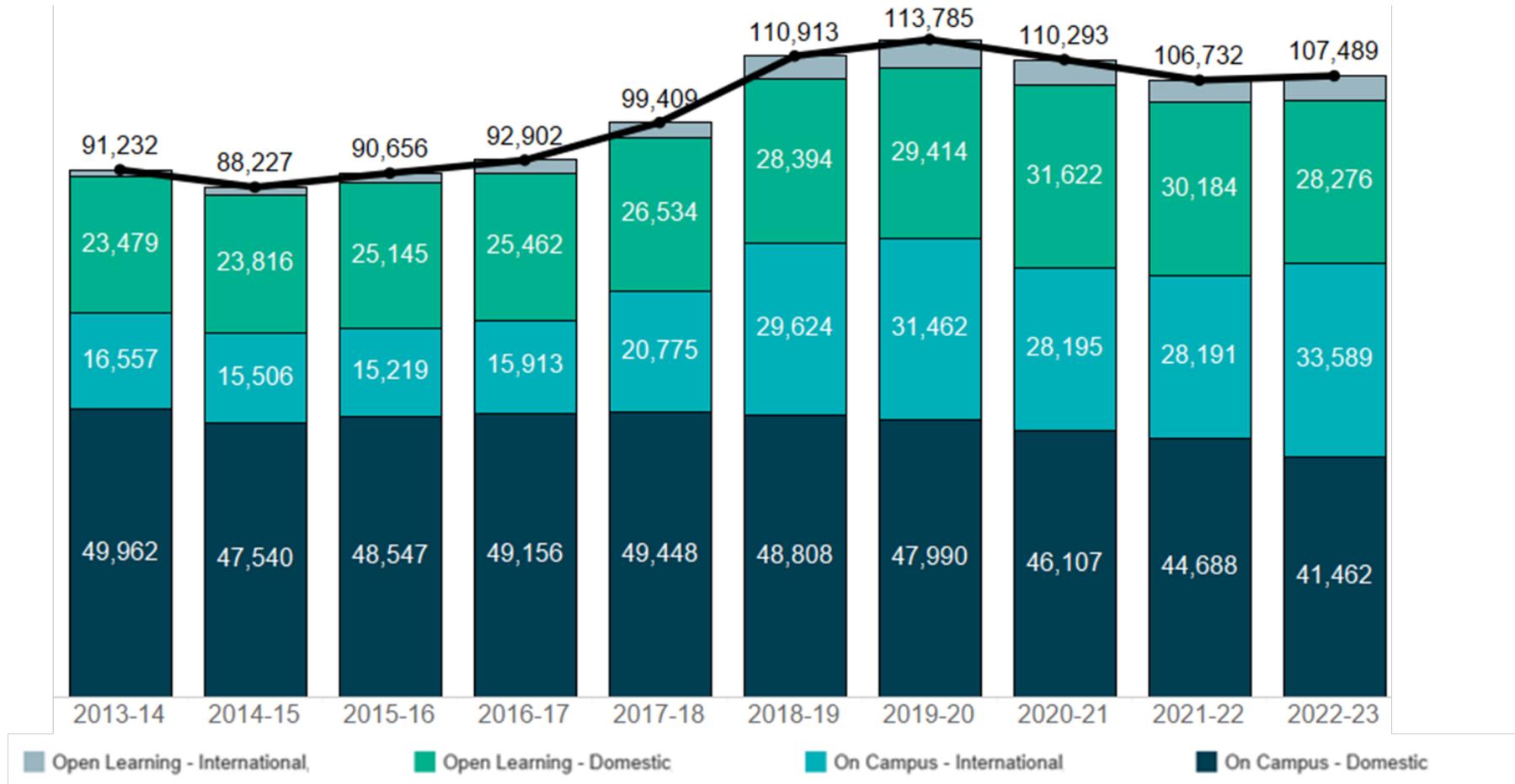
DEMOGRAPHIC TRENDS

K-12 ENROLMENT PROJECTIONS, SD27 (WILLIAMS LAKE)



ENROLMENT TRENDS

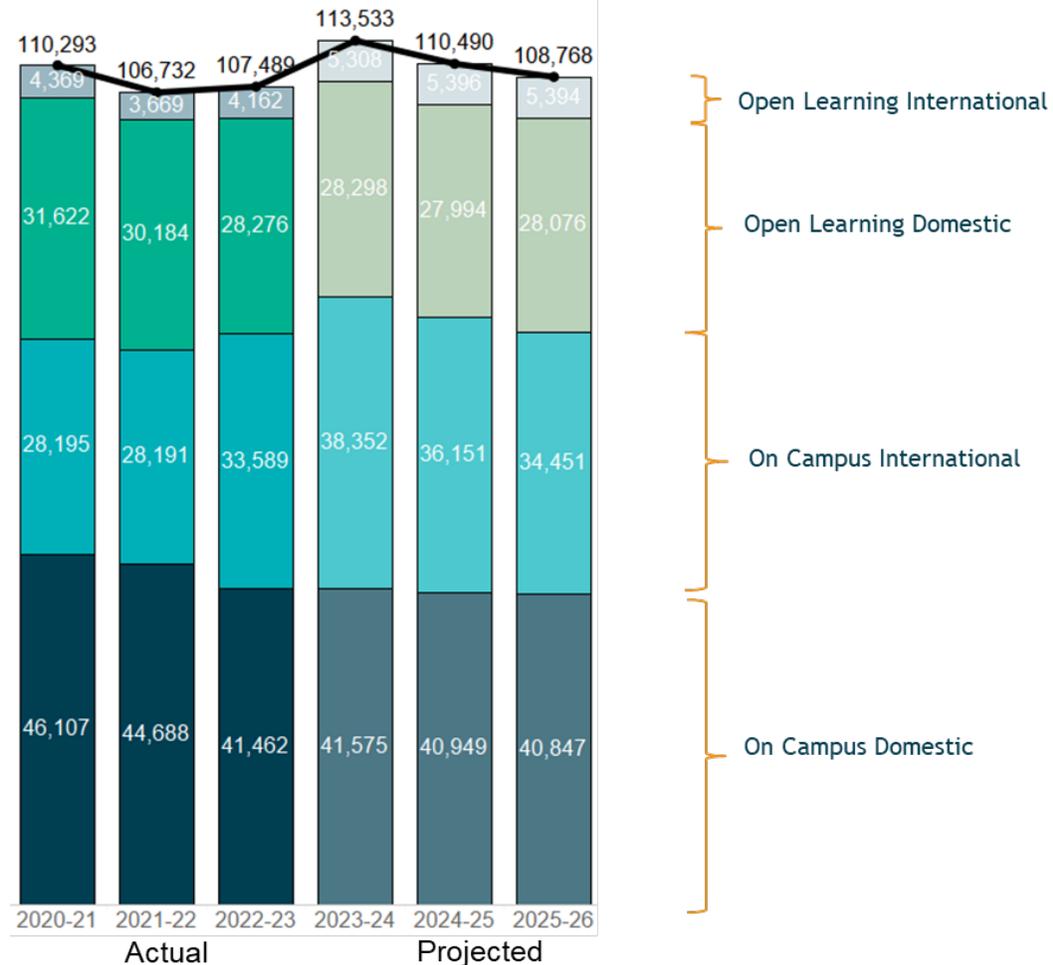
INSTITUTIONAL COURSE ENROLMENTS



Note: Regional Centres, Continuing Education and offshore activity is not included.
 Source: TRU Integrated Planning & Effectiveness enrolment reports

ENROLMENT TRENDS & PROJECTIONS

INSTITUTIONAL COURSE ENROLMENTS

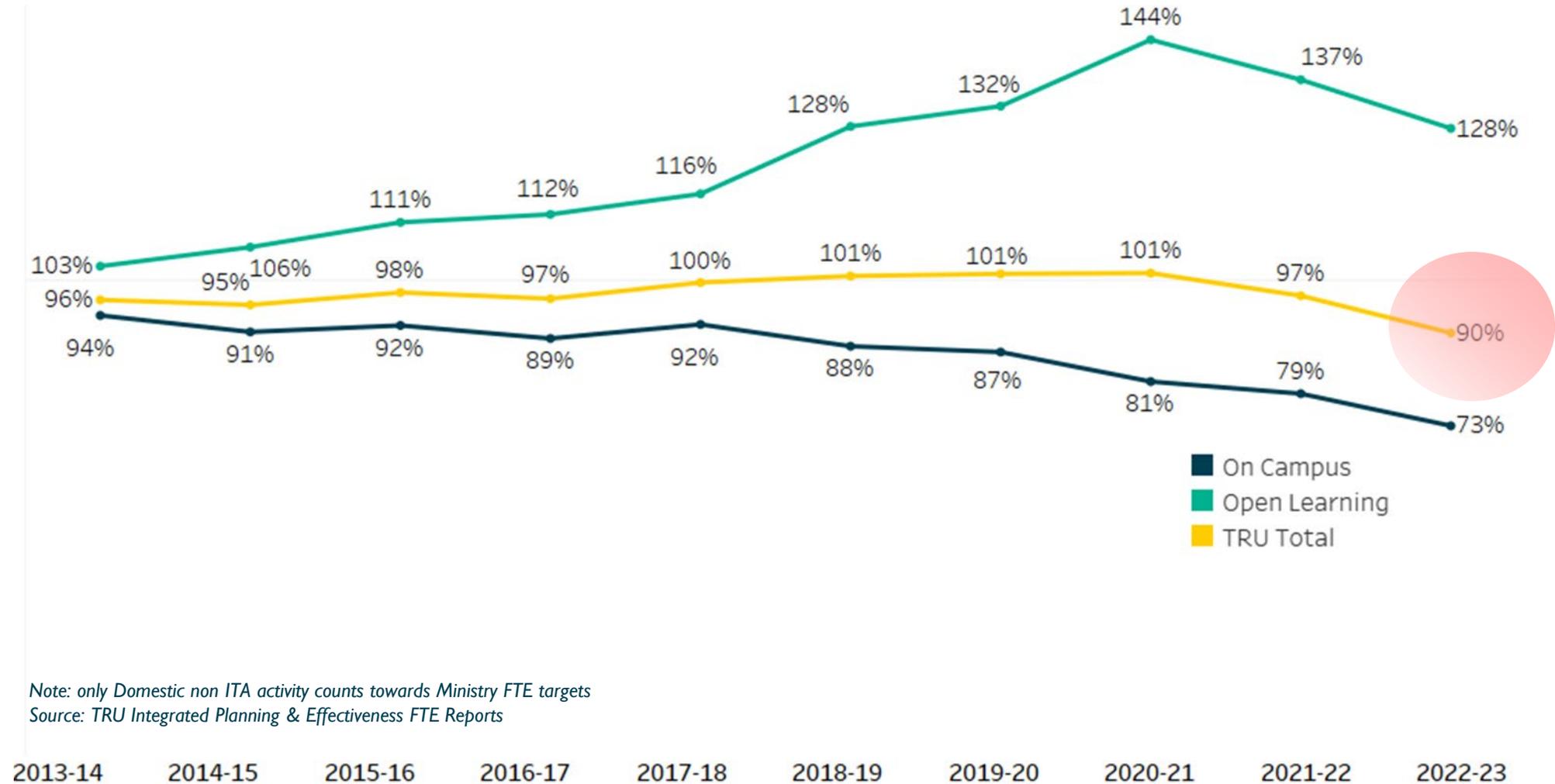


- Enrolments are continually monitored, and updated projections will be released in November. The draft projections update is currently with units for review.
- International enrolment had significant growth in Fall 2023; but is expected to be managed down over the next few years.
- Domestic enrolments kept declining during COVID and expected to remain roughly the same over next few years.

Note: Regional Centres, Continuing Education and offshore activity is not included.
 Source: TRU Integrated Planning & Effectiveness enrolment reports; October 2023 Draft Projections

STUDENT FTE UTILIZATION TRENDS

MINISTRY OF POSTSECONDARY EDUCATION AND FUTURE SKILLS



Note: only Domestic non ITA activity counts towards Ministry FTE targets

Source: TRU Integrated Planning & Effectiveness FTE Reports

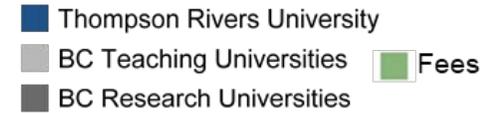
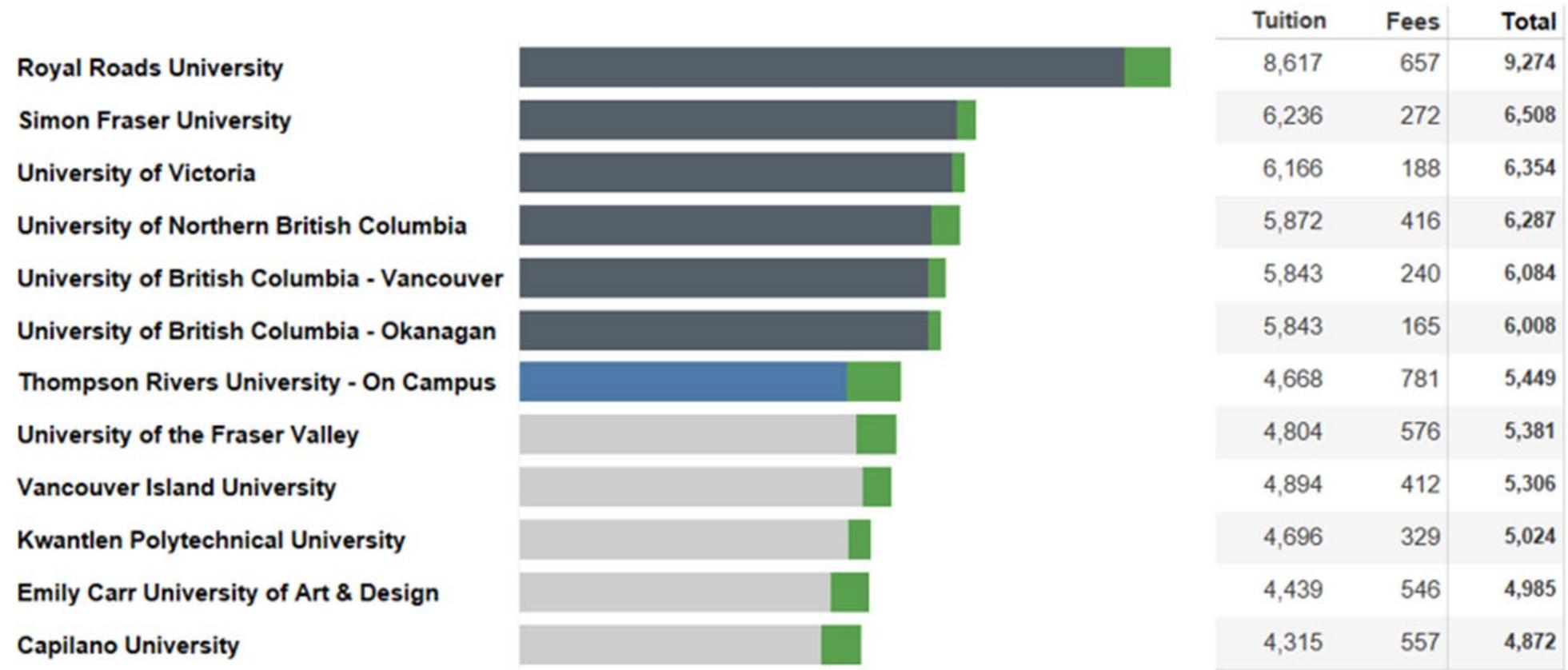


TUITION & FEES COMPARISONS

2024/25 Budget Context

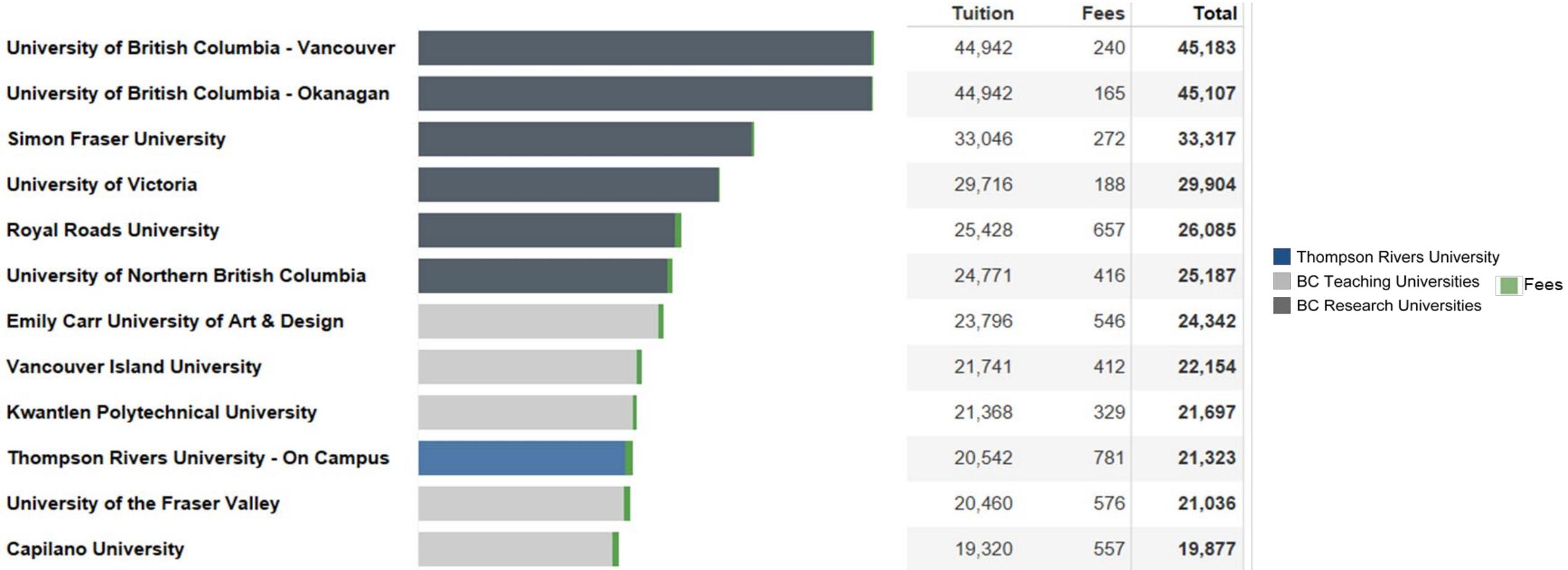
TUITION & FEES COMPARISONS

DOMESTIC, BACHELOR OF ARTS, FULL TIME, FALL & WINTER 2023/24



TUITION & FEES COMPARISONS

INTERNATIONAL, FULL TIME, FALL & WINTER 2023/24



INTERNATIONAL TUITION YEAR OVER YEAR B.C. COMPARISON

(UNDERGRADUATE, FULL COURSE LOAD)

Institution	18-19	19-20	20-21	21-22	22-23	23-24	% Change
UBC (R)	\$37,690	\$38,052	\$39,574	\$41,156	\$42,803	\$44,942	19%
SFU (R)	25,220	28,247	29,377	30,552	31,775	33,046	31%
UVic (R)	21,674	24,926	25,680	26,830	27,836	29,716	37%
Royal Roads (R)	22,590	23,040	23,501	23,971	24,450	25,428	13%
UNBC (R)	18,612	21,589	22,021	22,461	23,818	24,771	33%
Emily Carr	15,965	16,604	17,268	17,268	18,776	23,796	49%
VIU	15,240	16,680	16,680	16,680	19,227	21,741	43%
Kwantlen	19,741	19,741	20,136	20,538	20,949	21,368	8%
TRU (R)	16,800	17,304	17,820	18,354	19,216	20,542	22%
UFV	17,160	17,850	18,900	19,290	19,680	20,460	19%
Capilano	17,520	17,853	17,853	18,570	18,941	19,320	10%
Total Tuition	\$228,212	\$241,886	\$248,810	\$255,670	\$267,471	\$285,130	25%

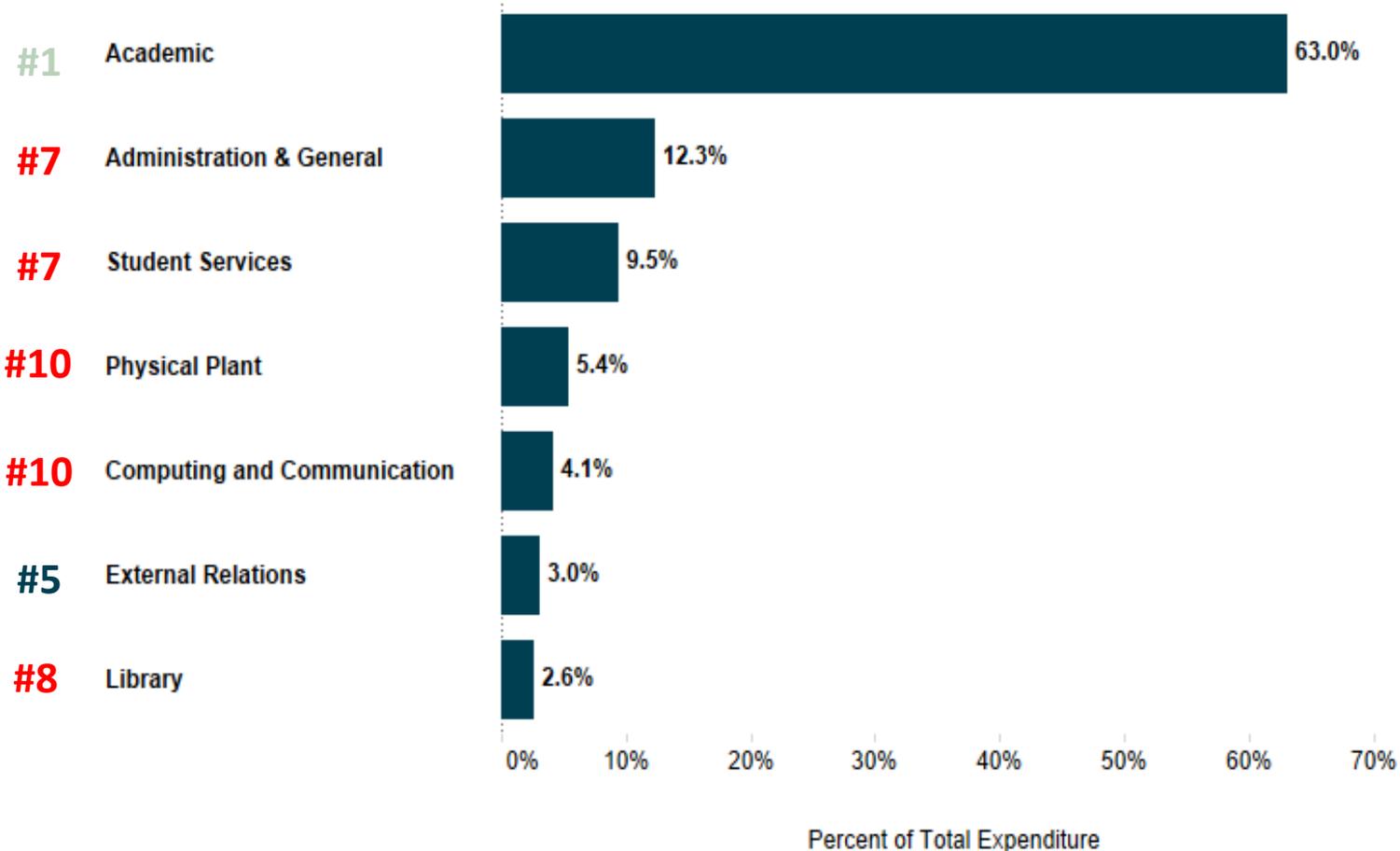
- International tuition in BC has increased by 25% since 2018/19.
- RUCBC international tuitions have increased by an average of 27% over the same period.
- TRU's international tuition has increased by only 22%



CAUBO COMPARISONS

2024/25 Budget Context

CAUBO COMPARISONS – 2021/22 ON CAMPUS



Distribution of Expenditures

- Ranking among 10 BC Institutions (#1 is highest, #10 is lowest)
- Year after year, TRU spends the most in the academic category relative to its BC peers
- Operational spending continues to lag behind in Physical Plant, Library and ITS/Communications on a comparative basis
- Student Services are down from 2020/21



EXPENDITURE TRENDS

2024/25 Budget Context

FTE TRENDS – 2018/19 TO 2022/23

EXPENDITURE TRENDS

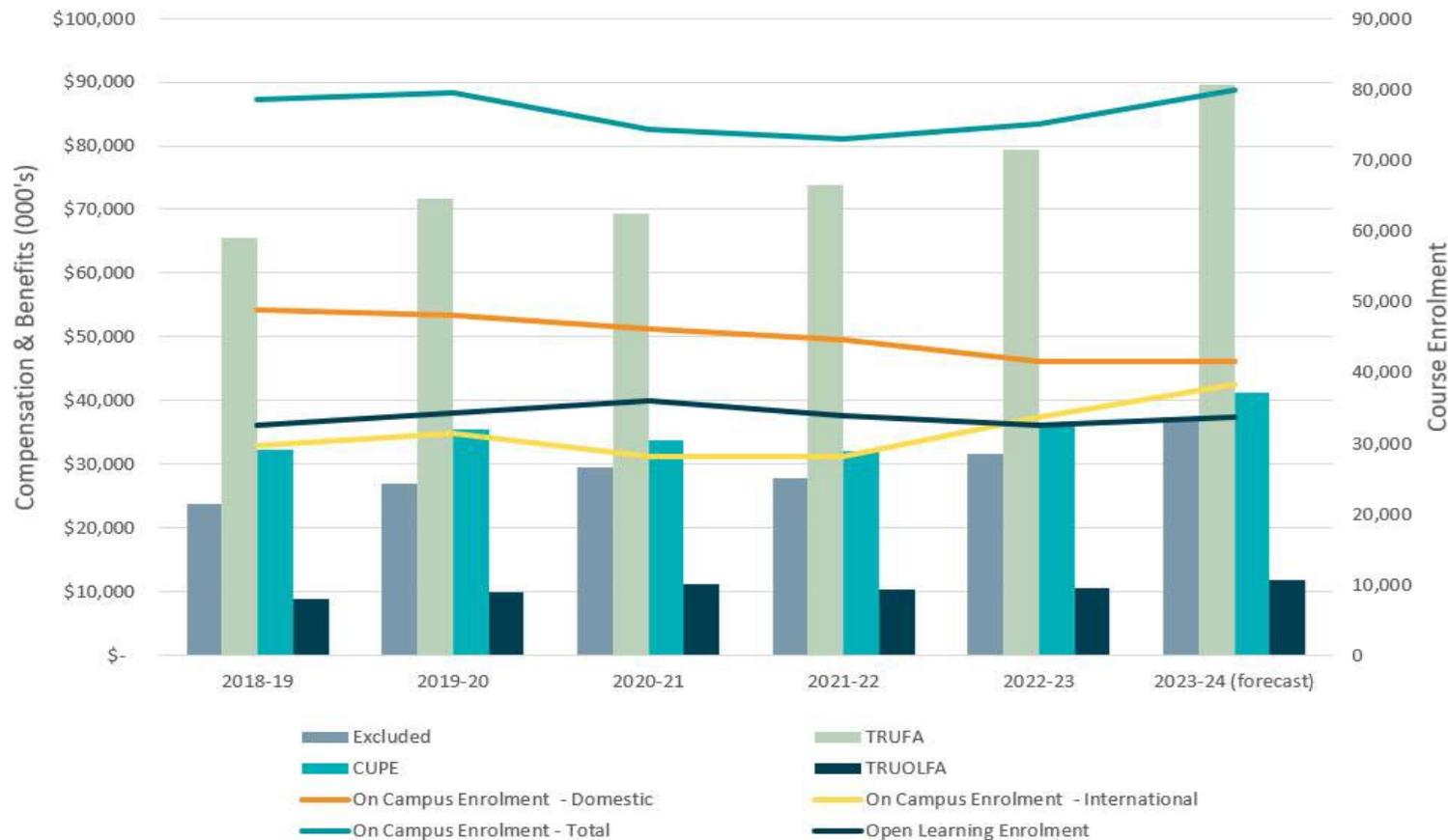
	2018-19	2019-20	2020-21	2021-22	2022-23	Change from 2018-19 to 2022-23
Admin & Management	187	201	210	217	245	+58 +31%
CUPE	515	532	483	461	501	-14 -3%
TRUFA (FT & Sessional)	179 416	181 448	185 491	200 473	172 479	+56 +9%
TRUOLFA	123	135	151	132	133	+10 +8%
Total	1,420	1,497	1,520	1,483	1,530	+110 +8%
Student FTE	13,048	13,413	12,941	12,812	13,306	+258 +2%

- 110 Employee FTE increase over 5 years.
- Five-year trend shows 8% increase in employe FTE vs 2% increase in student FTE.
- Increases in FTE in all categories other than CUPE over last 5 years.

1. Faculty includes LTC and sessionals
 2. CUPE includes auxiliary and students
 3. Student FTE is based on updated Ministry of Education methodology

5-YEAR TREND: COMPENSATION RELATIVE TO ENROLMENTS

EXPENDITURE TRENDS

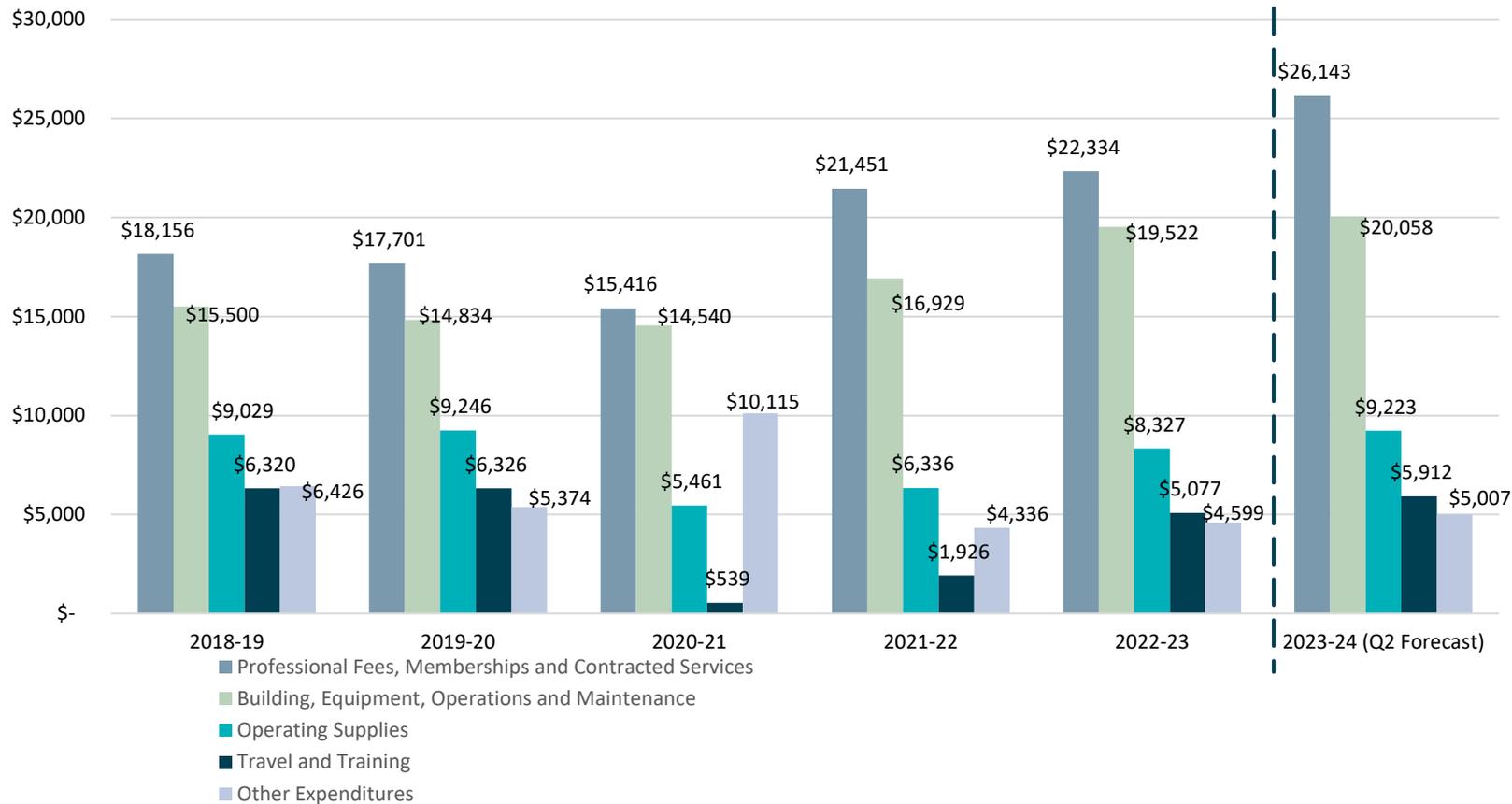


- Projecting increases in all compensation categories except OLFM in 2022/23
- International enrolment primary driver of overall enrolment increase
- Domestic on-campus enrolments continue to decline
- Consistent growth in OL enrolment

Note: Regional Centres, Continuing Education and offshore activity is not included.
 Source: TRU Integrated Planning & Effectiveness enrolment reports; October 2023 Draft Projections

5-YEAR TREND: NON-COMPENSATION EXPENDITURES (000'S)

EXPENDITURE TRENDS



- Projecting significant increases in major expenditure categories. Inflation has an impact
- Total non-compensation projected to be above pre-COVID levels
- Travel at \$4.2M, is still below 2019/20 levels



BUDGET ASSUMPTIONS

2024/25 Budget Context

MULTI-YEAR BUDGET ASSUMPTIONS

Grants

- Anticipating no change, except wage mandates

Enrolments

- Decrease in on-campus enrolment (Domestic & International)
- Flat open learning enrolments

Tuition & Fees

- Domestic as per mandate
- International blended cohort rates

Expenditures

- Wage mandates
- Inflationary increases

	2024/25	2025/26	2026/27	2027/28	2028/29
Grants	Wage Mandate				
Tuition & Fees increase – Domestic OC & OL	2.0%	2.0%	2.0%	2.0%	2.0%
Tuition & Fees – Domestic OC (enrolment)	-2.3%	-0.3%	-0.1%	0.2%	0.6
Tuition & Fees – Domestic OL (enrolment)	-1.1%	0.3%	-0.8%	-1.2%	-0.5%
Tuition & Fees increase – International OC & OL	5.0%	9.0%	3.83%	2.65%	2.2%
Tuition & Fees – International OC (enrolment)	-5.7%	-4.7%	-0.8%	-0.6%	-0.1%
Tuition & Fees – International OL (enrolment)	1.7%	0%	1.3%	2.0%	1.6%
Other Revenue	2.0%	2.0%	2.0%	2.0%	2.0%
General Wage Increase	Wage Mandate				
Promotions & Progressions	3.0%	3.0%	3.0%	3.0%	3.0%
Non-Compensation – Inflation	3.0%	2.0%	2.0%	2.0%	2.0%

MULTI-YEAR PROJECTIONS

	23/24 Q2 Forecast (000's)	24/25 Projection (000's)	25/26 Projection (000's)	26/27 Projection (000's)	27/28 Projection (000's)	28/29 Projection (000's)
Revenue	\$307,101	\$309,426	\$321,032	\$326,286	\$331,833	\$337,969
Compensation & Benefits	180,395	196,582	202,868	209,422	216,246	223,271
Non-compensation	98,586	100,839	103,487	106,668	110,382	114,149
Surplus Restriction for Future Capital	20,000	10,000	10,000	10,000	5,000	0
Accounting Surplus	\$8,120	\$2,006	\$4,678	\$196	\$205	\$549

Revenue

- Grant increase for wage mandate
- International enrolment reducing back to SEM target (4000)
- Annual domestic tuition rate increases
- International cohort-based fee model (25/26)
- 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



CONCLUSION

2024/25 Budget Context

PLANNING CONSIDERATIONS

- Resource allocation supports integrated planning
- First year of the 5-year planned budget inclusive of service plans, hiring plans, metric-based costing, space considerations
- Strategic Enrolment Management
 - Assess the impact of international enrolment as headcount exceeds SEM target of 4,000
 - Reverse the trend of declining on-campus and open learning enrolments
 - Monitor and react to potential threats to international enrolments (e.g. IRCC processes; Canada/India relations; war in the Middle East)
- Hiring campaign for faculty and “difficult to recruit for” admin/staff positions
- Monitor inflationary impacts and supply chain challenges
- Need to continue to plan for surpluses for "big capital" (e.g. buildings) and "small capital" (e.g. equipment replacement)
- Student housing....do we have enough??

Questions

