

# 2025-26 Budget

## Establishing Our Priorities Together

March 2025

Toronto  
Metropolitan  
University

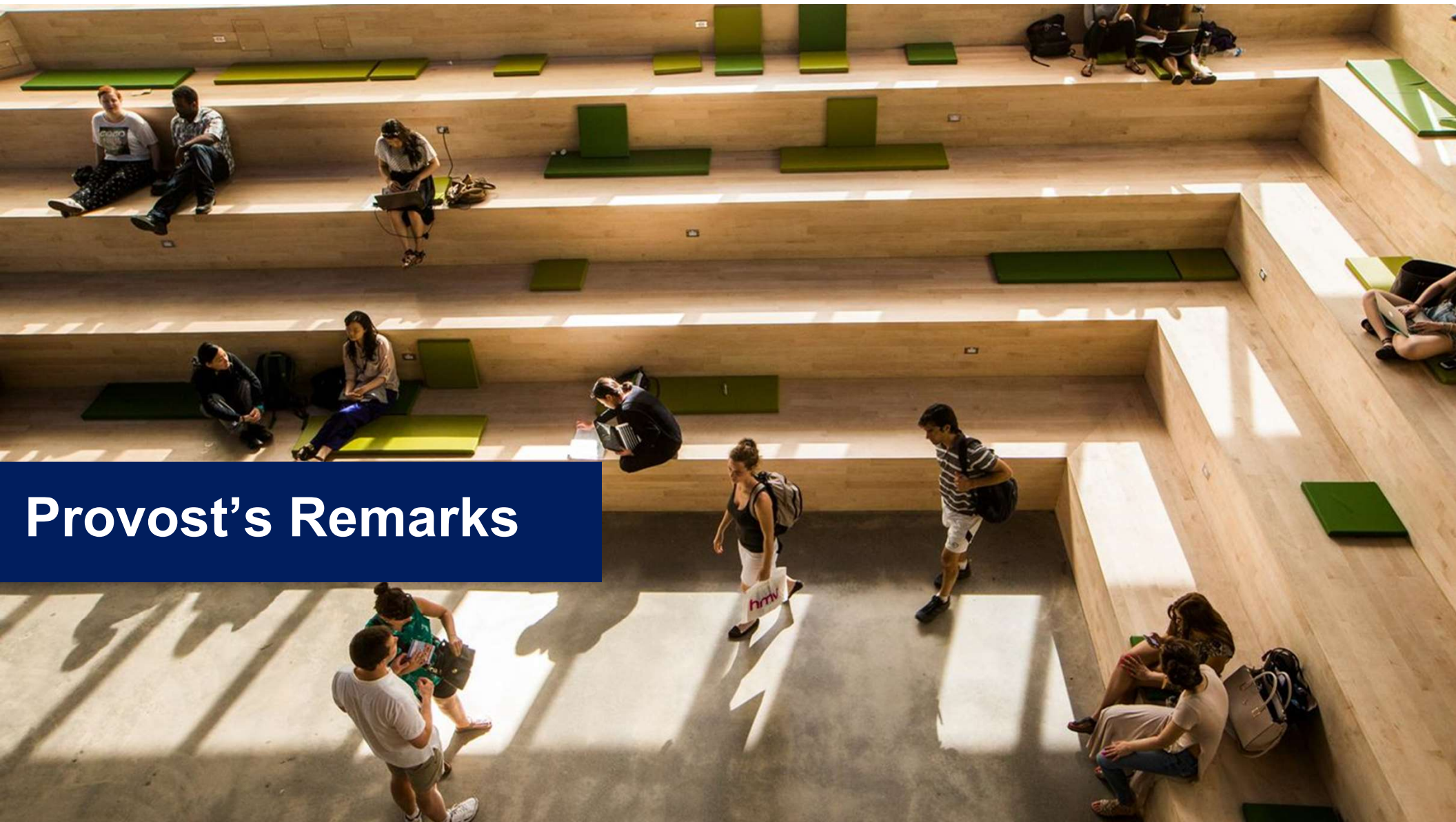






# President's Remarks





## Provost's Remarks

# Guiding Principles

1. Prioritize students
2. Protect TMU's core business of teaching, SRC and service
3. Be fair and transparent
4. Remain forward-looking
5. Conduct community-wide consultations







## Priorities for 2025-26

- Align with TMU's Strategic Vision and related plans
- Provide a high-quality experience for undergraduate and graduate students inside and outside the classroom
- Implement the university's new Academic Plan
- Launch the School of Medicine
- Advance strategic enrolment management

# Stay Focused, Work Together

Four complementary plans serve as a blueprint for the next several years:

- Academic Plan
- Strategic Research Plan
- International Plan
- Campus Master Plan

These plans are united by the Strategic Vision 2020-2030

Priorities articulated in the 2025-2030 Academic Plan:

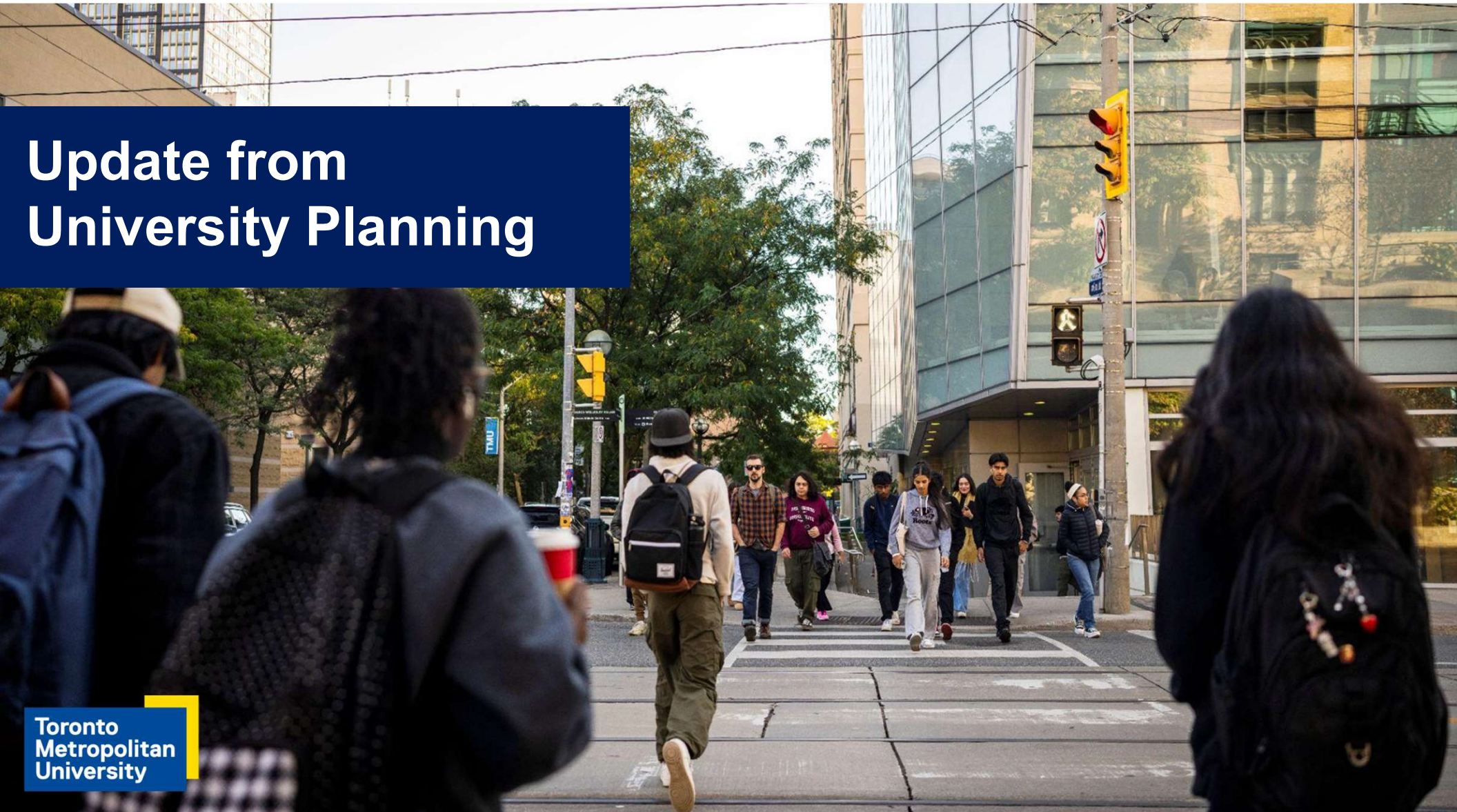
- Enhance the learning journey for greater student success;
- Create positive impact through SRC excellence and local and global collaboration;
- Support people and community;
- Continue our commitment to Truth and Reconciliation; and
- Ensure future readiness.



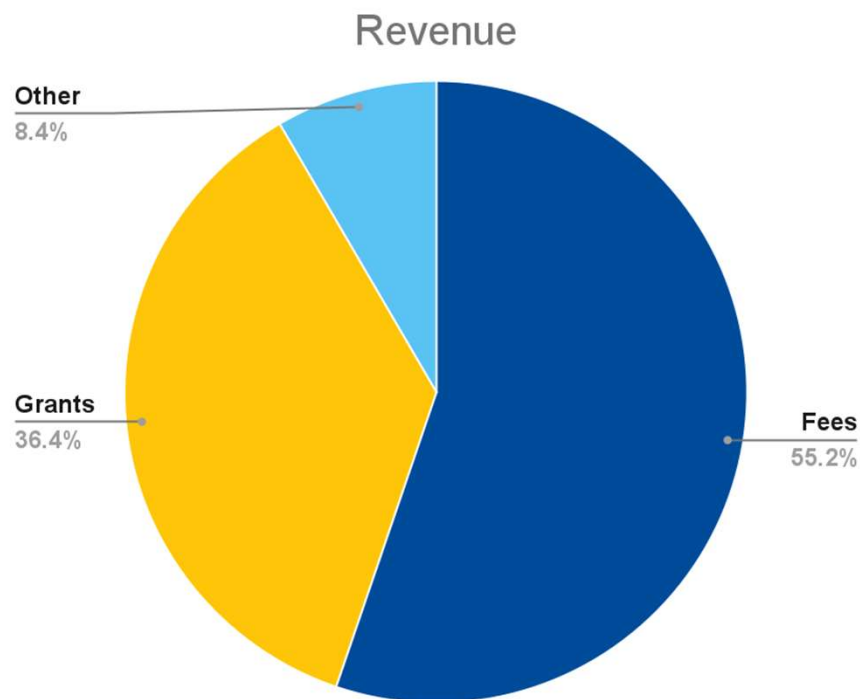


# Update from University Planning

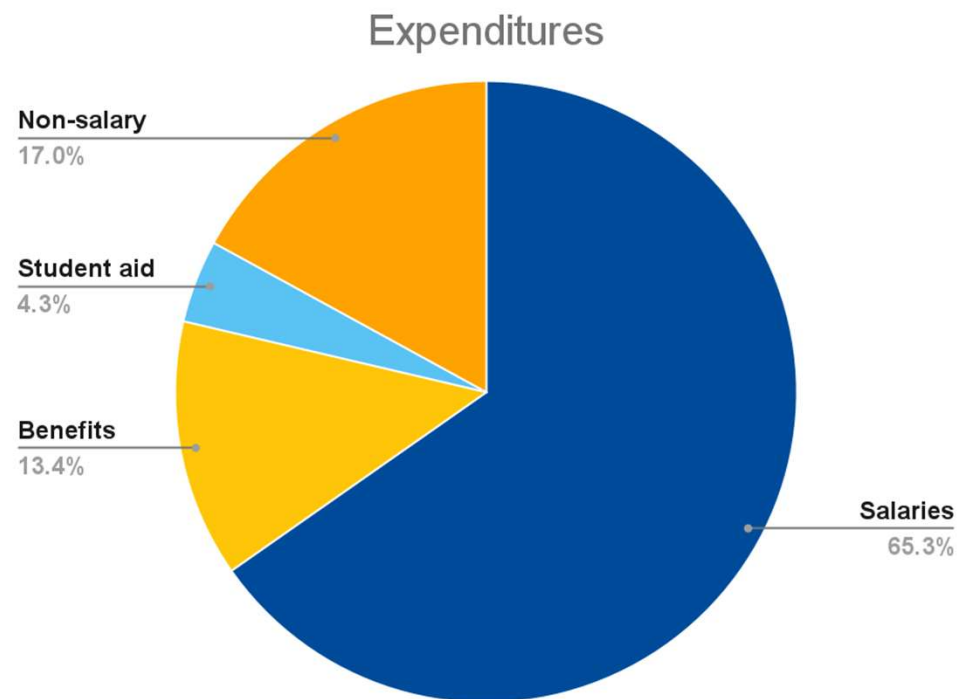
Toronto  
Metropolitan  
University



# Operating Revenues & Expenditures



**Grants + Fees = 91.6%**



**Salaries + Benefits = 78.7%**



# Domestic Enrolment

- Level of domestic enrolment for which we receive grant funding is capped by government
- Total number of domestic undergraduate students at TMU increased this year due to high demand
- Current plan:
  - Slight reduction in the number of new first-year domestic students over next few years to stay somewhat above our funded domestic enrolment levels
- Application data for 2025-26:
  - TMU remains a popular choice for students
  - Projected that we will meet domestic intake targets

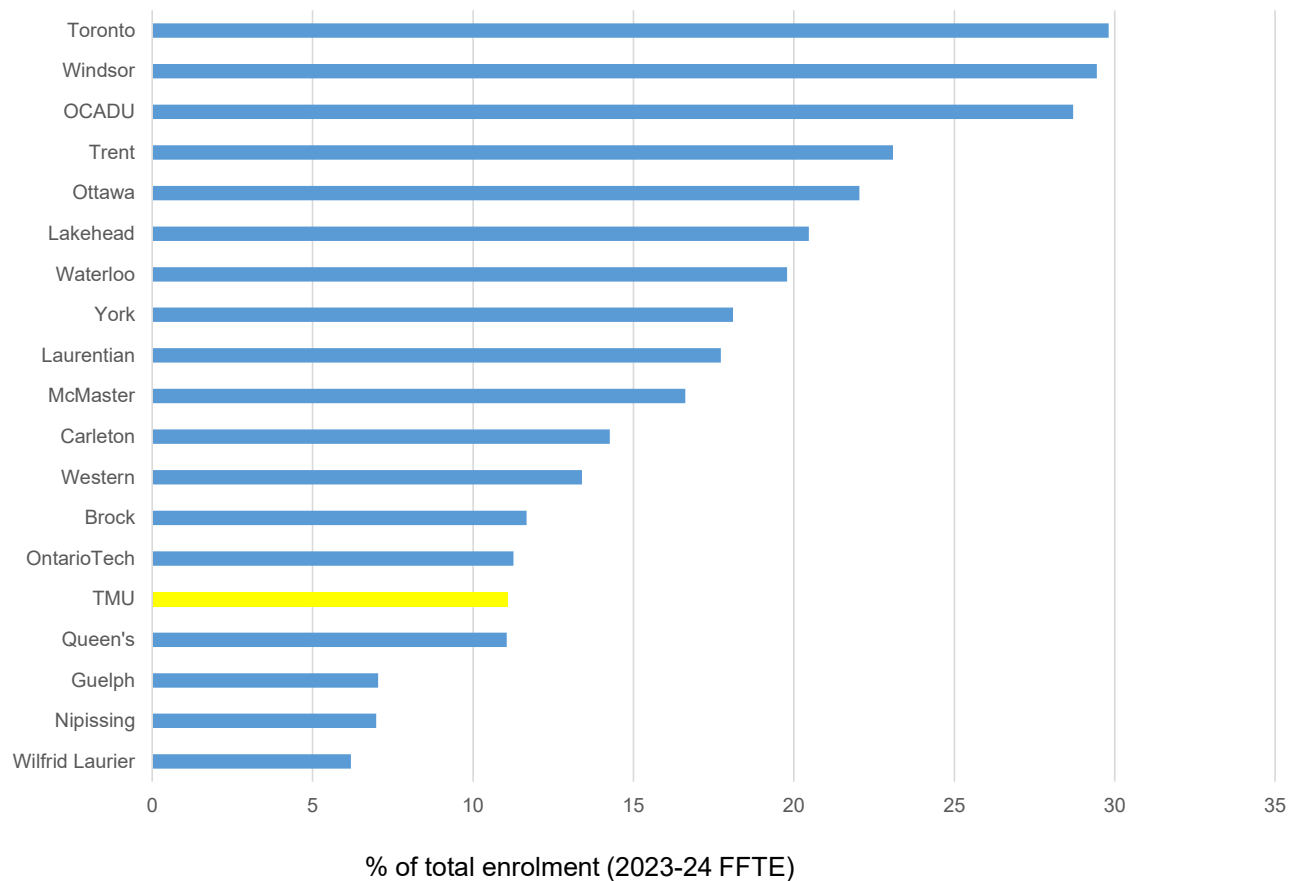


# International Enrolment

- Uncertain environment:
  - Cap in visa permit applications announced by federal government
  - Two new groups of students are included in the cap: graduate students, and international students in the country who are transferring between institutions. Last year, only undergraduate students from outside Canada were included.
  - Number of permit applications that result in new students joining us depends on federal approval rates and processing timelines
  - Reduced appeal of Canada as a destination for international students
- Launched a winter intake for international students:
  - Mitigates the impact of visa processing delays
  - Aligns with academic calendars in the southern hemisphere



# International Student Share of Enrolments by University



# Provincial Context: Tuition Fee Policy

- Uncertainty about tuition policy for 2025-26 and beyond
- In 2019-20, a decrease of 10% to domestic tuition fees in comparison to 2018-19 levels was implemented
  - Tuition for Ontario students has remained frozen since with no adjustments for inflation
- Impact of reduction and freeze will echo into future years, as any subsequent increases will be based on the lower fee level and can never be recovered



# Provincial Context: Post-Secondary Education Sustainability Fund (PSESF)

June 2024 announcement from the province:

- Across-the-board funding for all universities. TMU share: \$7.4M in 2024-25, \$12.5M in 2025-26
- Top-up for institutions demonstrating higher need: \$17.3M single year funding received by TMU in 2024-25, to help manage revenue shortfalls in 2024-25 and 2025-26
- This funding allowed TMU to avoid a base budget reduction in 2024-25 but is insufficient to cover ongoing cost escalations due to inflation
- Efficiency and Accountability Fund: Support provided by province to undertake a third-party review, which is in progress with findings to be reported to the Board prior to 2024-25 year-end

# Third-Party Review

- Third-party efficiency review, required by the Ministry of Colleges and Universities' Efficiency and Accountability Fund
- Includes five areas:
  - Governance, Administrative, and Student Services
  - Academic Programming
  - Physical Assets & Facilities
  - Collaborative Procurement
  - Revenue Generation
- Review will help TMU identify operational efficiencies that align with our strategic priorities. Final report due by end of fiscal year.





# Budget Planning: Managing Uncertainty



# Challenging Environment for Budget Planning

- TMU is developing its 2025-26 budget in an environment that includes:
  - Tuition fee uncertainty
  - Limited provincial operating grant funding
  - International recruitment challenges due to visa caps
  - Salary and benefits cost escalation
  - Uncertainty on future increases to funded domestic enrolment levels





# Operating Budget

- Reflects portion of overall budget that is within our discretion
- Consolidated budget includes items not within our discretion (e.g., research grants, special capital grants)
- Toronto Metropolitan University's current operating budget is \$690M
- Operating budget includes expenditures such as:
  - Academic departmental budgets
  - Student financial assistance
  - Infrastructure maintenance
  - Utilities
  - Other non-salary expenses

# 2025-26 Operating Budget: Highlights

## **Revenues projected to increase by \$11.9M or 1.7%**

### a) Projected 1.4% increase from base revenues

- Limited fee increases in selected cases (international, out-of-province, and tuition anomalies)
- Modest increase in domestic revenue, offset by decrease in international activity
- Other revenue (Chang School)

### a) Projected 0.3% increase from one-time only (OTO) revenues

- PSESF: Modest nominal grant increase from the province

## **Costs projected to increase by \$24.8M or 3.6%**

- Salary / benefit increases
- Non-salary costs

**Projected base expenses over revenue (base + OTO) = \$13M Shortfall**

# Preliminary Financial Overview

|  | APPROVED<br>BUDGET (\$M) | PROJECTED<br>(\$M) |
|--|--------------------------|--------------------|
| Projected Revenues                                       | 2024-25                  | 2025-26            |
| Operating Grants   | 260.3                    | 260.3              |
| PSESF across the board                                   | 7.4                      | 12.5               |
| PSESF top-up (7.7M of 17.3M OTO allocation)              | 7.7                      | —                  |
| Tuition Fees   | 347.8                    | 351.0              |
| Other Revenue  | 67.1                     | 68.6               |
| <b>Total Projected Revenues</b>                          | <b>690.2</b>             | <b>692.5</b>       |
| Projected Expenditures                                   |                          |                    |
| Departmental Budgets                                     | 553.3                    | 572.8              |
| Chang School   | 38.0                     | 39.2               |
| Student Financial Assistance                             | 31.4                     | 31.4               |
| Utilities & Other Expenses                               | 67.6                     | 71.7               |
| <b>Total Projected Expenses</b>                          | <b>690.2</b>             | <b>715.1</b>       |
| <b>Shortfall</b>   |                          | <b>-22.6</b>       |
| Notional Allocation: PSESF top-up OTO fiscal year 24-25* |                          | 9.6                |
| Revenue (base + OTO) less base expenses                  |                          | <b>-13.0</b>       |
| Planned departmental base budget reduction               |                          | 2.5%               |

\*Use of remaining PSESF OTO funds of 9.6M (from 17.3M allocation) to be determined



Questions?





# Next Steps

- Ongoing community consultations
  - Town halls
  - Stakeholder consultations with various groups
  - Budget development for faculties, divisions and other units
  - Senate
- Board of Governors' discussion and decisions
- Budget resources:
  - Website: [www.torontomu.ca/budget](http://www.torontomu.ca/budget)
  - Questions: [budget@torontomu.ca](mailto:budget@torontomu.ca)

