

2025-26 Budget

Establishing
Our Priorities
Together

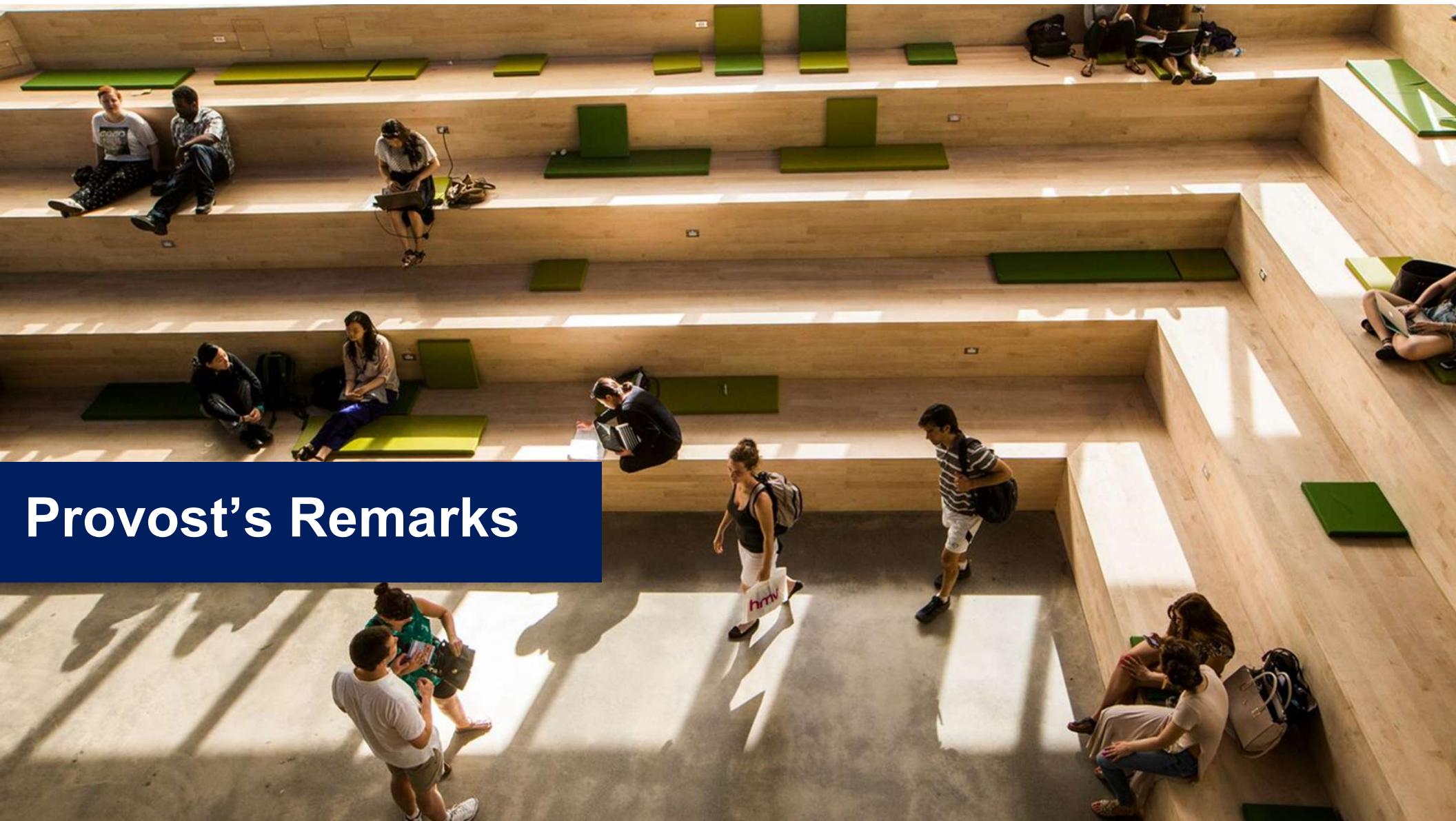
March 2025

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:

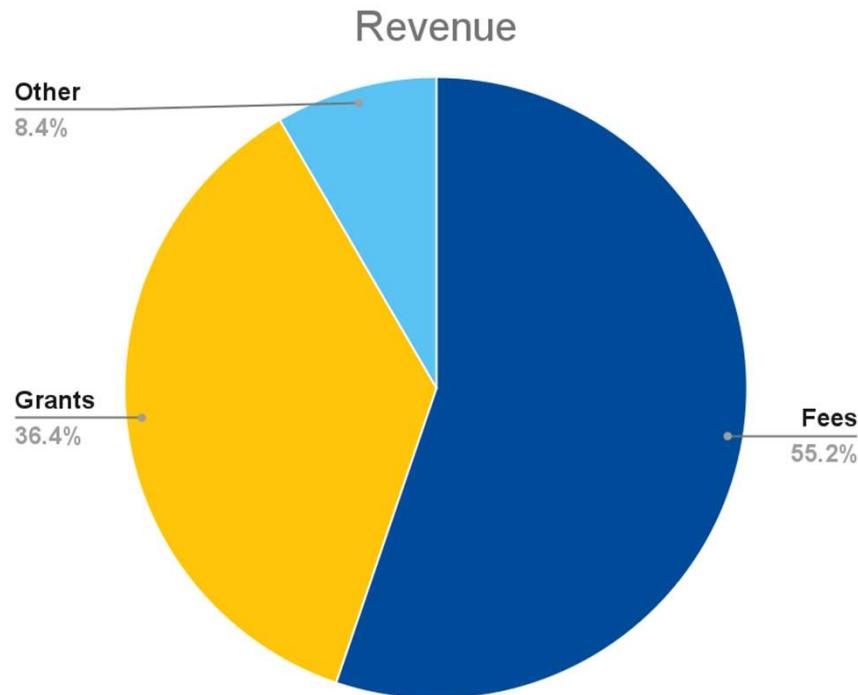
- Enhance the learning journey for greater student success;
- Create positive impact through SRC excellence and local and global collaboration;
- Support people and community;
- Continue our commitment to Truth and Reconciliation; and
- Ensure future readiness.



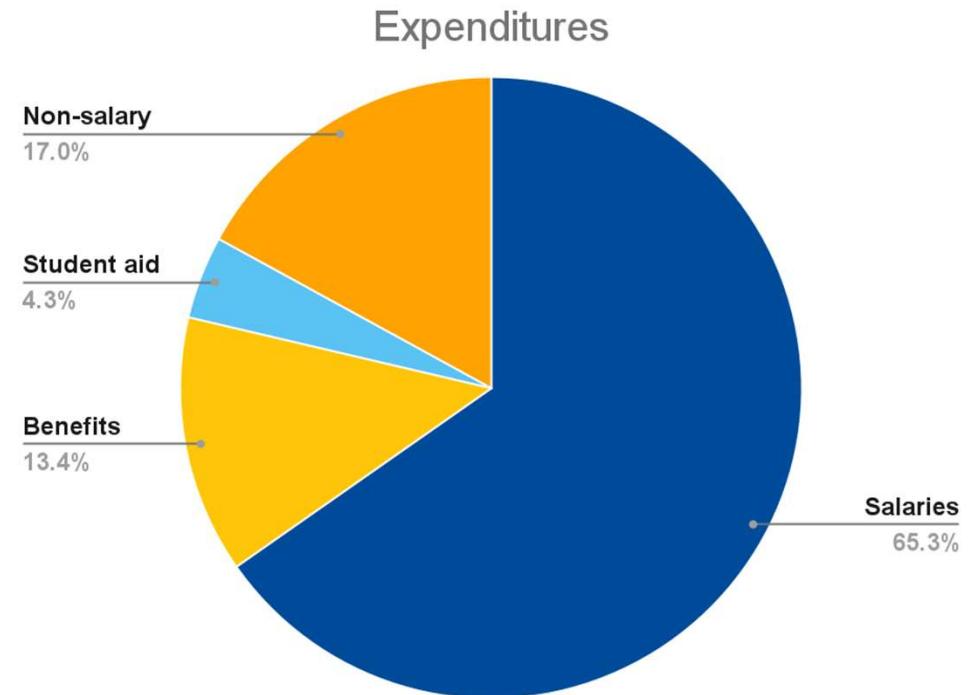
Update from University Planning



Operating Revenues & Expenditures



Grants + Fees = 91.6%



Salaries + Benefits = 78.7%

Domestic Enrolment

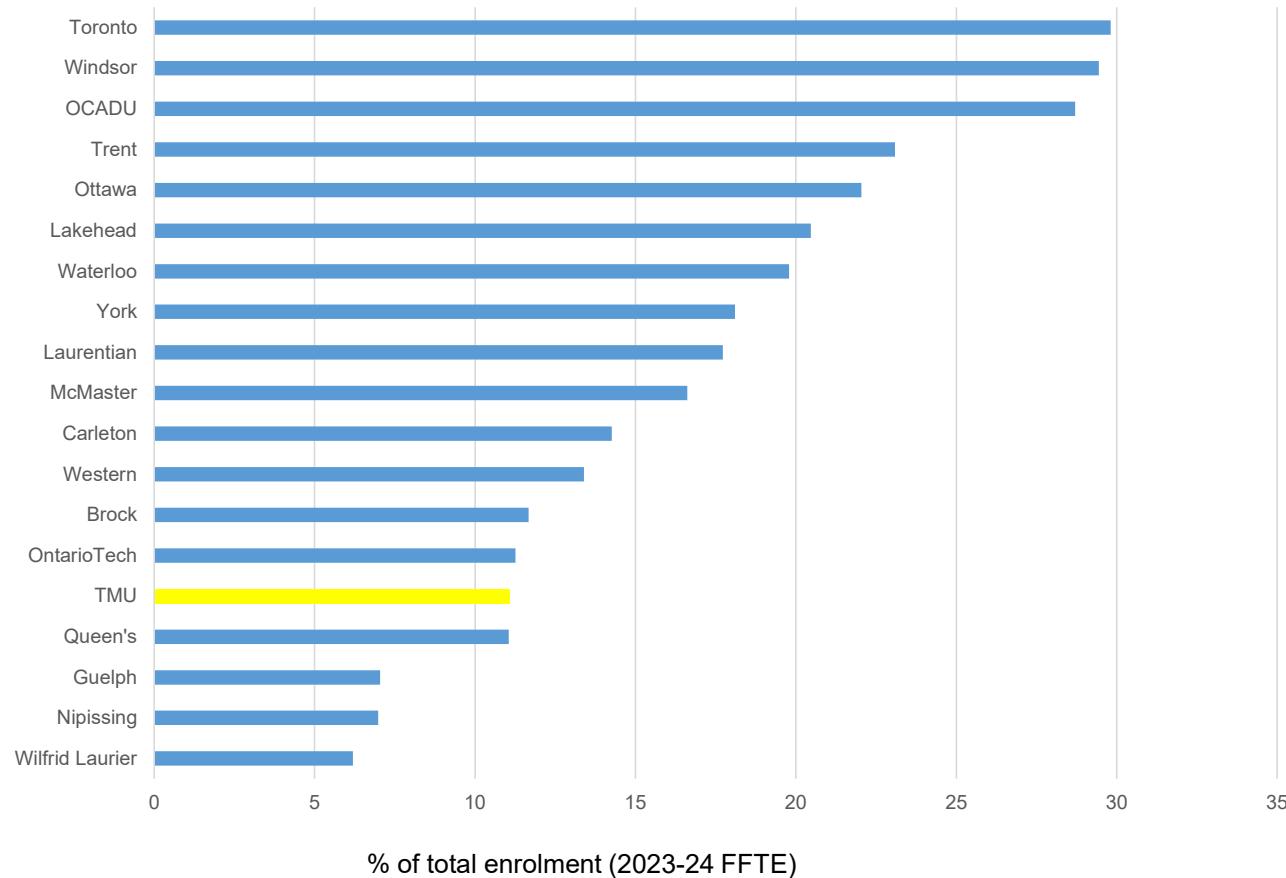
- Level of domestic enrolment for which we receive grant funding is capped by government
- Total number of domestic undergraduate students at TMU increased this year due to high demand
- Current plan:
 - Slight reduction in the number of new first-year domestic students over next few years to stay somewhat 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

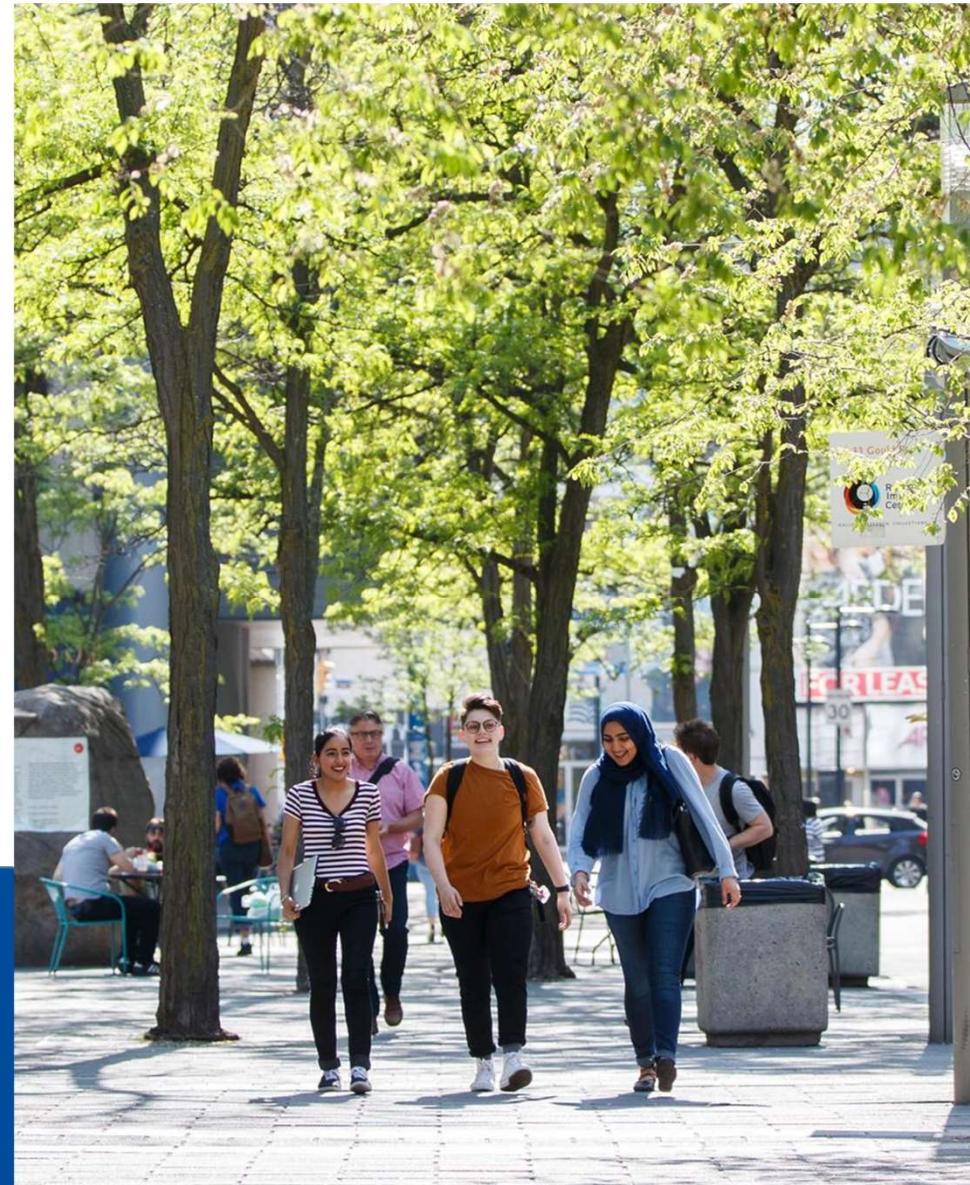
- Third-party efficiency review, required by the Ministry of Colleges and Universities' Efficiency and Accountability Fund
- Includes five areas:
 - Governance, Administrative, and Student Services
 - Academic Programming
 - Physical Assets & Facilities
 - Collaborative Procurement
 - Revenue Generation
- 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

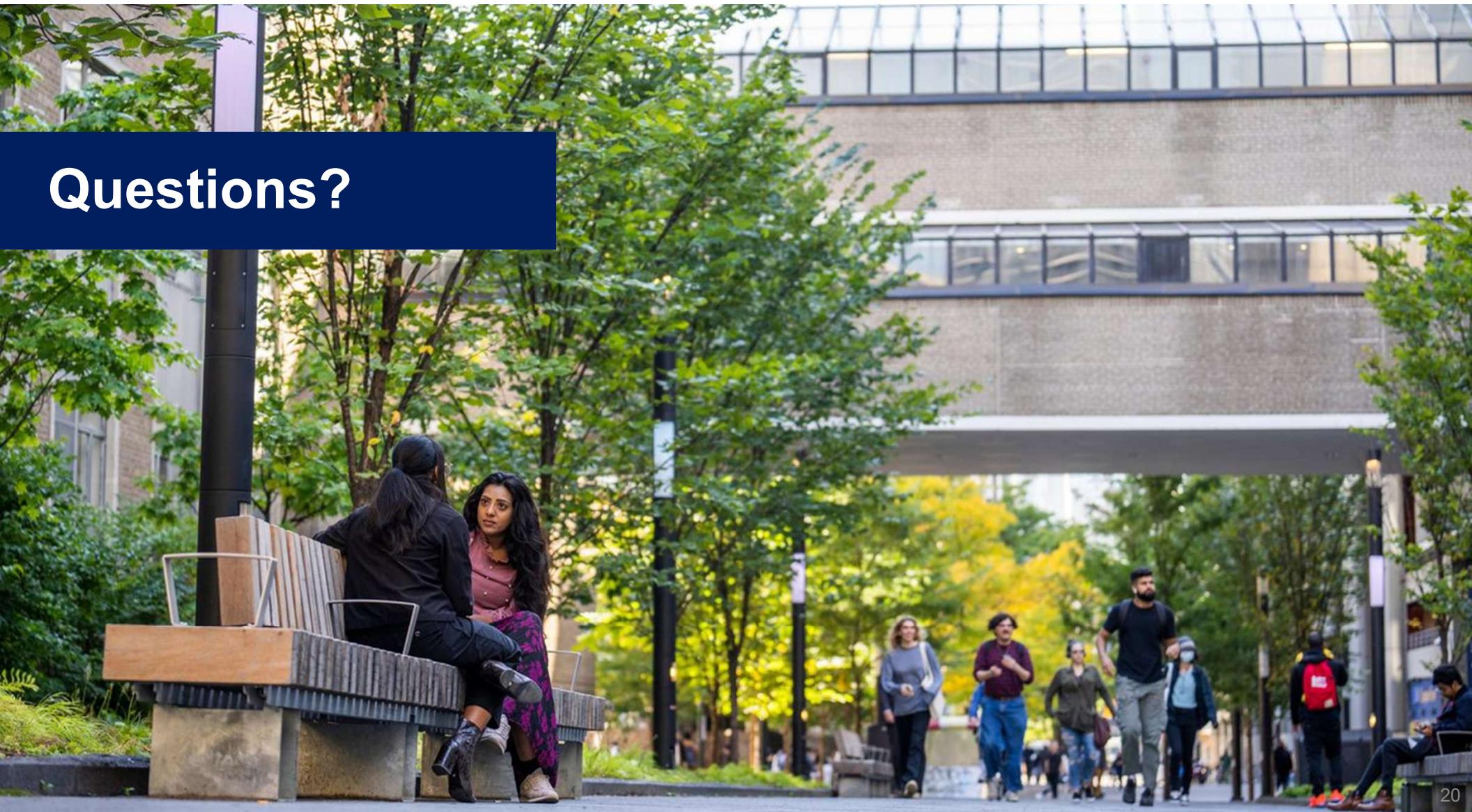
Projected base expenses over revenue (base + OTO) = \$13M Shortfall

Preliminary Financial Overview

	APPROVED BUDGET (\$M)	PROJECTED (\$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
Total Projected Revenues	690.2	692.5
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
Total Projected Expenses	690.2	715.1
Shortfall		-22.6
Notional Allocation: PSESF top-up OTO fiscal year 24-25*		9.6
Revenue (base + OTO) less base expenses		-13.0
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
 - Questions: budget@torontomu.ca

