



2024-25 BUDGET VICTORIA UNIVERSITY

April 2024

Office of the Bursar and
Chief Administrative Officer





A Message from the Bursar and Chief Administrative Officer, Ken Chan

In response to prevailing economic conditions, Victoria University has taken a prudent approach to developing the 2024-25 budget. Through careful consideration of financial imperatives, we are safeguarding long-term stability and strategically investing in key operational areas and infrastructure essential to our academic mission.

Approved by the Victoria University Board of Regents, the consolidated academic and ancillary 2024-25 budget allocates \$54.9M for expenses and forecasts \$52.2M in revenue, with a projected \$0.46M deficit. Separately, a \$3.7M withdrawal from the endowment for scholarships, bursaries and awards was approved in accordance with the Endowment Spending Policy, representing a 16% increase from 2023-24. The preceding fiscal year will conclude with a budget surplus, primarily driven by higher ancillary revenue and investment income.

The following contributed to the 2024-25 budgeted expenses:

- Earmarking \$6M for capital projects
- Recruiting new academic advisors
- Covering higher operating expenses due to inflationary pressures
- Providing enhanced salaries and wages following the repeal of Bill 124, which capped compensation at 1% for three years
- Investing in one-time strategic initiatives (e.g., University Pension Plan transaction costs and real estate planning)

The single biggest revenue source continues to be rents from university-owned properties on Bloor, Charles, and St. Thomas Streets, totaling \$12M. Projected student residence fees and meal plans are \$9.3M and \$5.1M respectively. An earmarked withdrawal of \$5.2M from the endowment will bolster academic programs and campus operations, with an additional \$3.7M designated for scholarships, bursaries and awards. The budget assumptions do not incorporate potential future growth in operating grants from the University of Toronto.

The 2024-25 budget underscores Victoria University's enduring commitment to teaching, learning, and student achievement. We extend our gratitude to our university colleagues for their dedication and collaboration throughout the budgetary planning process.



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Key Planning Assumptions



The University anticipates a return to pre-pandemic levels for academic and ancillary operations, and the following assumptions were considered when developing the 2024-25 budget:



Increased salaries and wages following the repeal of Bill 124



Higher operating costs due to inflation



Greater competitive landscape

The budget assumptions did not include any additional growth in University of Toronto operating grants as the Federation Framework Agreement financial negotiations are ongoing.

The 2024-25 Budget

The 2024-25 Budget is composed of the following:

- Academic operating budget
- Ancillary operating budget

Separately, withdrawals from the endowment for scholarships, bursaries and awards are made in accordance with the Endowment Spending Policy.

(In Thousands \$)	2024-2025 Budget	2023-2024 Budget
Revenues ¹	\$52.2	\$47.6
Expenses ¹	(\$54.9)	(\$48.6)
Interfund Transfers ^{1,2}	(\$1.2)	(\$1.6)
Use of Carry-Forward Reserves ^{1,3}	\$3.3	\$3.4
In-Year Surplus/(Deficit) ¹	(\$0.5)	\$0.8
Scholarship, Bursaries and Awards - Endowment Draw ⁴	\$3.7	\$3.2
Scholarship, Bursaries and Awards - Payments to Students ⁴	(\$3.7)	(\$3.2)
In-Year Surplus/(Deficit)	(\$0.5)	\$0.8

¹ Consolidated academic and ancillary operating budgets

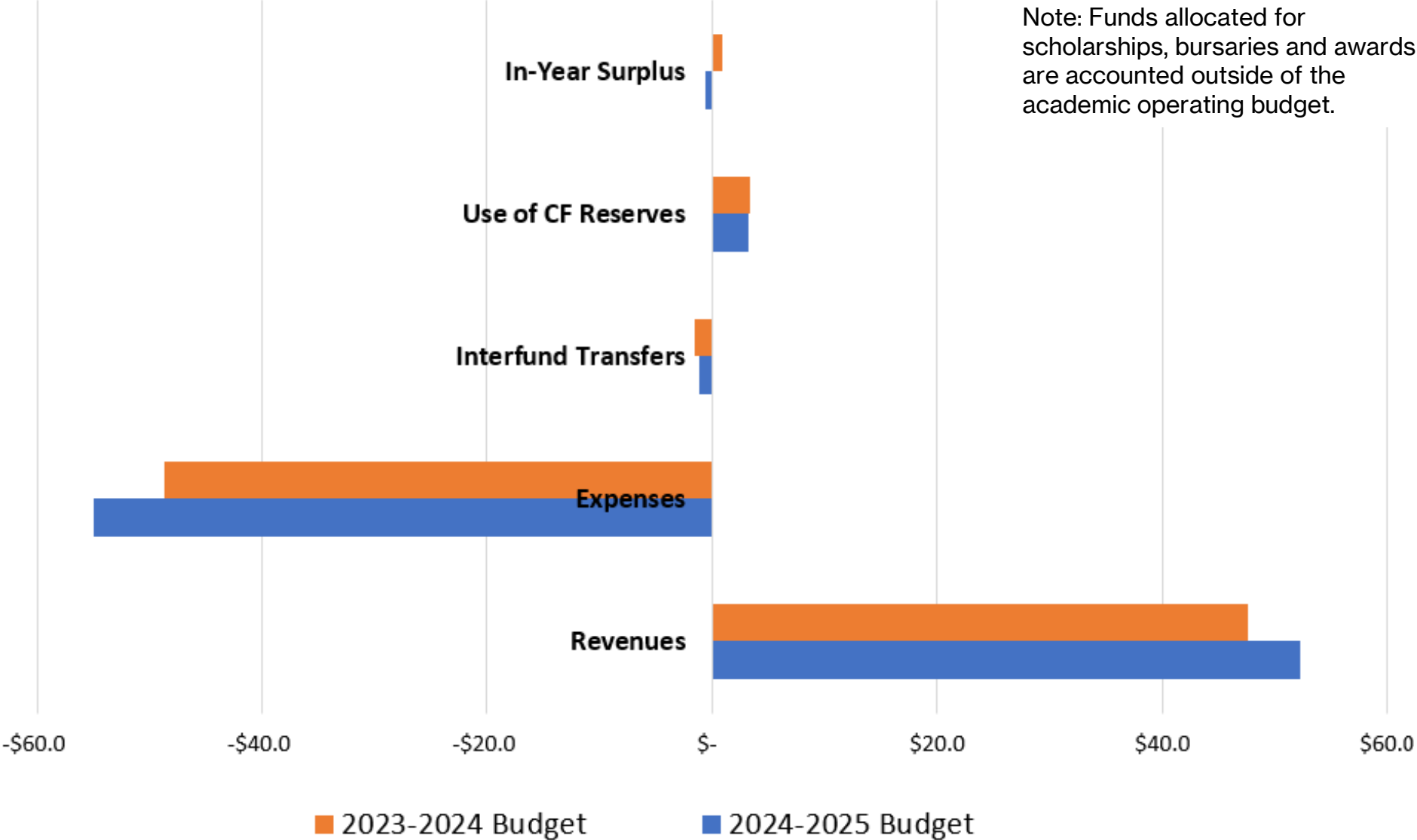
² An interfund transfer is the movement of funds within the University for various purposes

³ Carried forward reserves are a source of funds available for the University to spend in future years. A source for the reserves would be surpluses from prior years.

⁴ Withdrawals from the endowment are made annually in accordance with the Endowment Spending Policy to: (i) fund scholarships, bursaries and awards and (ii) support academic programs and campus operations. Funds allocated for scholarships, bursaries and awards are accounted outside of the academic operating budget.

The 2024-25 Budget

Consolidated 2024-25 academic operating budget and 2024-25 ancillary operating budget

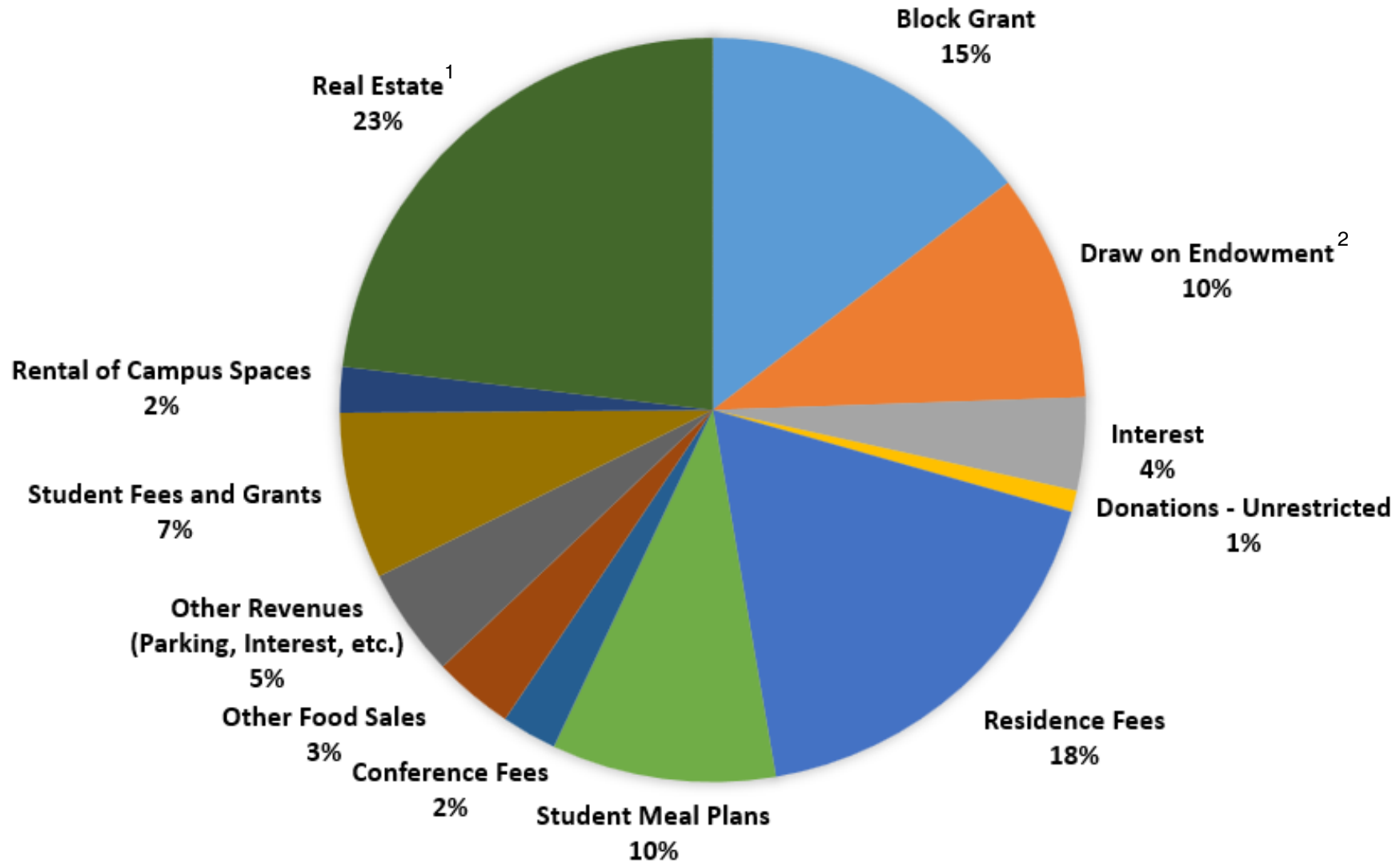


The 2024-25 Budget



- **\$16M in investments that support teaching, learning and student success.**
 - **Hiring of new Academic Advisors**
 - **Funding for the Victoria College Writing Centre**
- **\$6M to fund capital projects that improve the campus experience**
 - **Deferred maintenance repairs**
 - **Signature projects**
 - **Sustainability initiatives**

2024-25 Revenue - \$52.2M



¹. Real Estate Assets \$731M, ². Endowment Investments \$268M (Audited Financial Statements, 30 April 2023).

Ancillary Operations Multi-Year Financial Recovery Plan

The Multi-Year Financial Recovery Plan was developed to:

- Provide a roadmap and framework for recovering accumulated losses in ancillary revenue from prior years due to the global pandemic.
- Promote balanced budget for the academic and ancillary operating budgets.



The 2024-25 ancillary operating budget fulfils the requirements of the Multi-Year Financial Recovery Plan.

Ancillary and Real Estate Revenue

Rents from University properties

Summer camps and student housing

Events and space rentals

Parking services

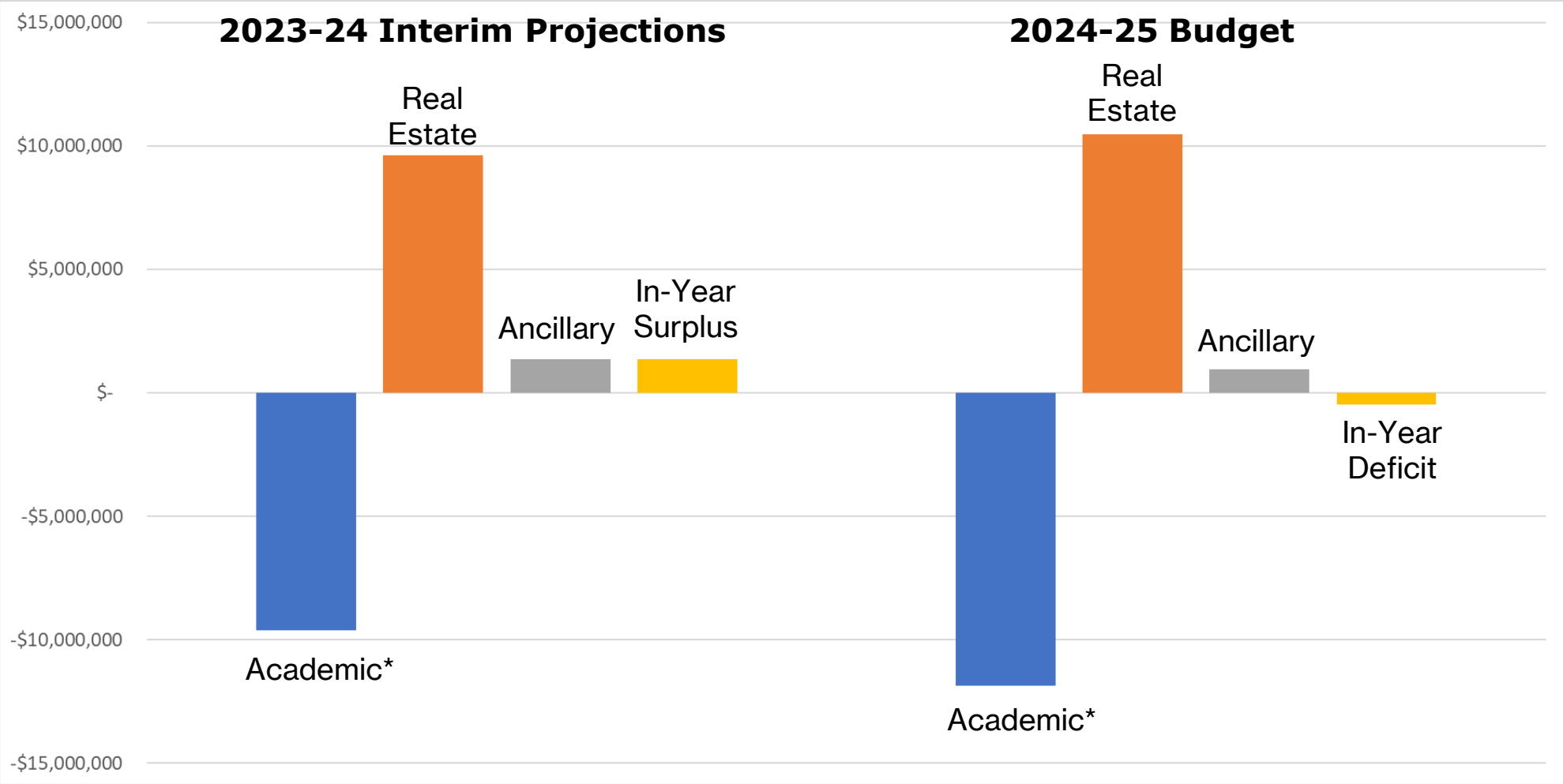
TV and movie filming

Food and beverage sales

Income generated from real estate and ancillary operations will support investments in teaching, learning and student services.

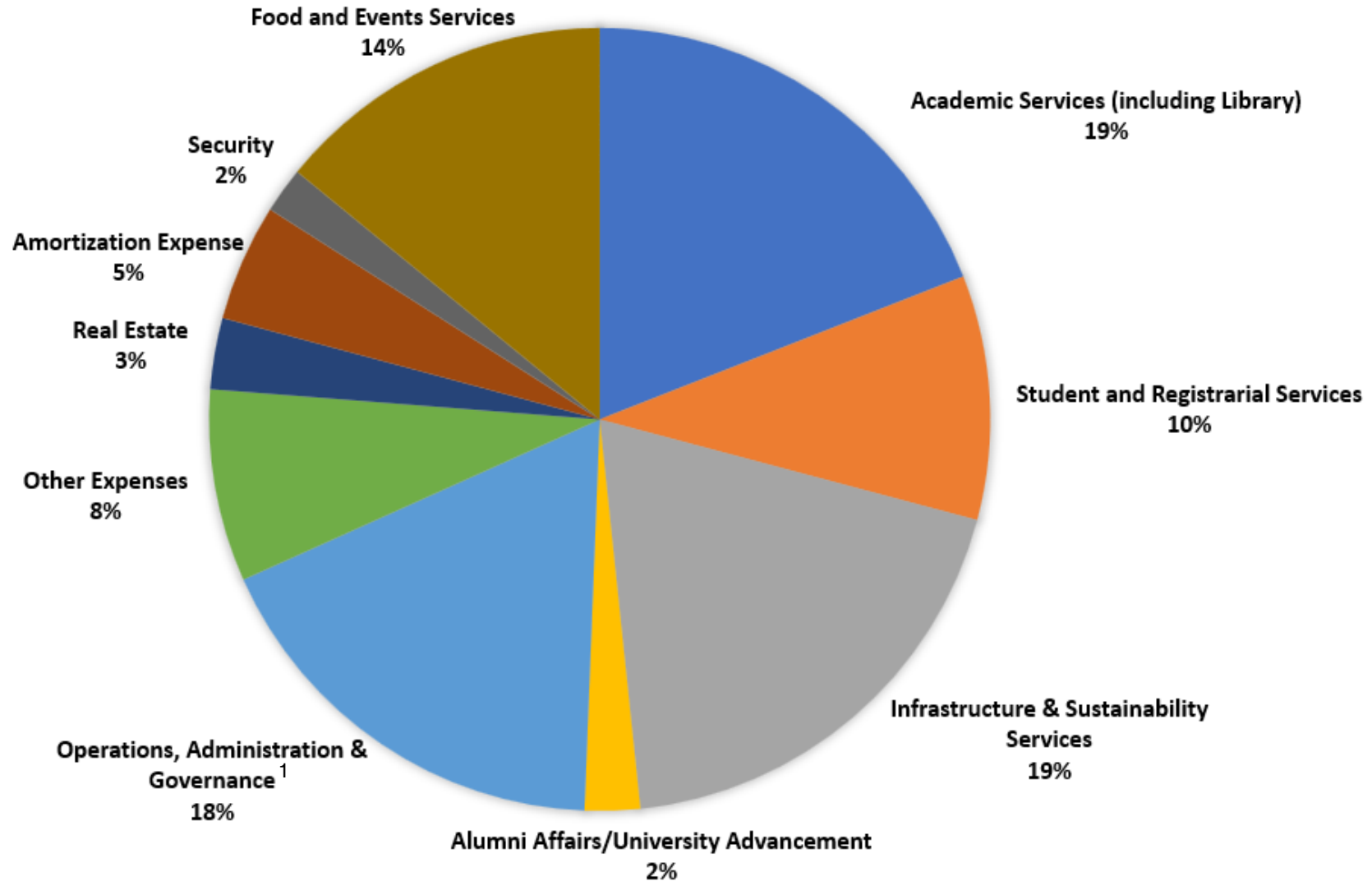


How the Real Estate and Ancillary Revenue Support the Academic Mission



*Represents academic operating budget expenditures, net of revenues, and excluding real estate income.

2024-25 Expenses - \$54.9M



¹. Includes one-time expenses (e.g., transfer of the Victoria University General Pension Plan to the University Pension Plan, and real estate planning.) 12

2024-25 Expenses

New investments:

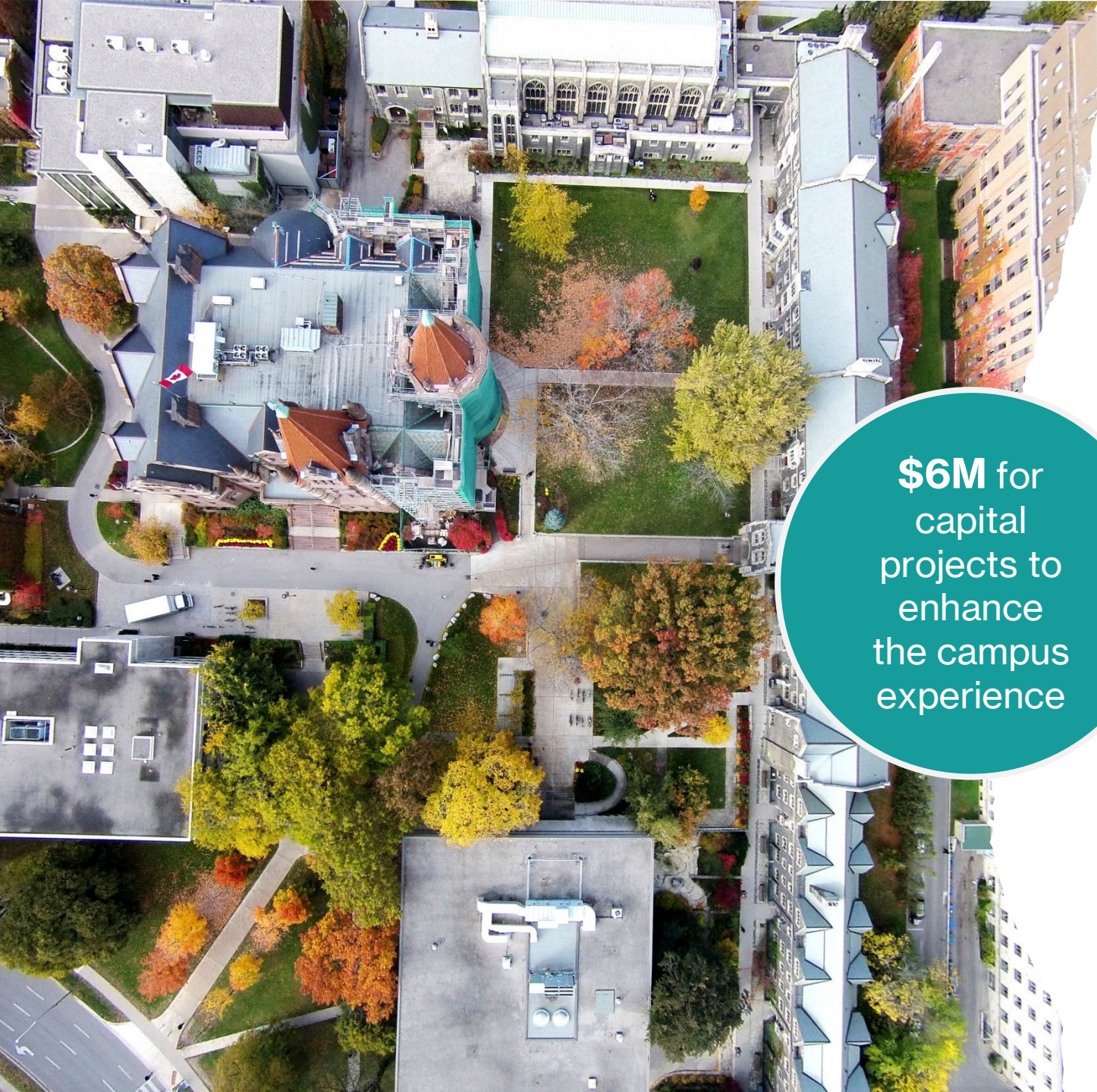
- Teaching and learning resources - \$1M
- Student success resources - \$0.4M

Salaries, wages and benefits make up 55% of expenses:

- Driven by 2023 to 2026 Collective Agreement which increased salaries and wages by 9%, 2% and 1.8% over three years

\$2M one-time expenses for:

- University Pension Plan transactions
- Real estate planning



\$6M for capital projects to enhance the campus experience

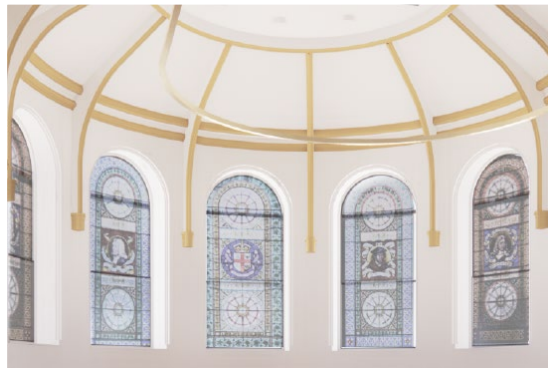
2024-25 Capital Projects

- Refurbishing the Victoria College Chapel
- Creating an Indigenous Healing Garden
- Enhancing accessibility at the Burwash Dining Hall
- Renovating Lower Burwash House and Upper Burwash House
- Modernizing the elevator at the Lillian Massey Building
- Building a Holography Lab to bridge interdisciplinary arts and science education
- Implementing clean energy and improve sustainability

Signature Capital Projects



Refurbishing the Victoria College Chapel



Creating an Indigenous Healing Garden

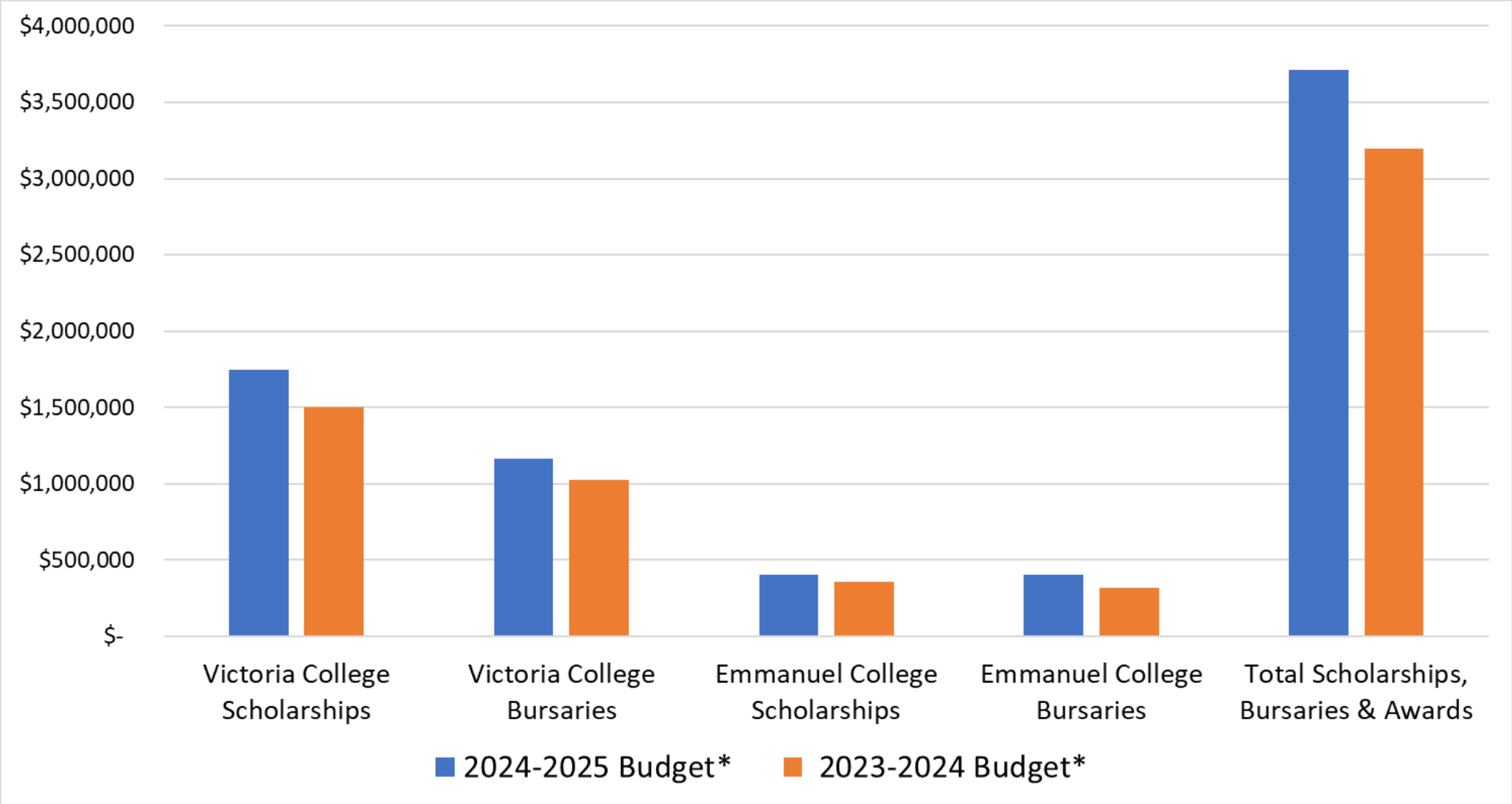


Scholarship, Bursaries and Awards

Scholarship, bursaries and awards in 2024-25 is projected to be **\$3.7M**, a **16% increase** from 2023-24.



Scholarship, Bursaries and Awards - \$3.7M



*Withdrawals from the endowment are made annually in accordance with the Endowment Spending Policy to fund scholarships, bursaries and awards. These projections do not include any additional in-year donations. Funds allocated for scholarships, bursaries and awards are accounted outside of the academic operating budget.

Summary

- In response to current economic conditions and other financial challenges, the University developed a measured and prudent budget with a moderate deficit.
- The 2024-25 budget underscores the University's commitment to teaching, learning, and student success.
- Investments in 2024-25:
 - \$16M for teaching, learning and student supports
 - \$6M for capital projects that enhance the campus experience
 - \$3.7M for scholarships, bursaries and awards



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