



UNIVERSITY OF
TORONTO

Budget 2017

Governing Council

April 4, 2017





Strategic Mandate Agreements

- Basis for Ontario's differentiation policy

2014

2017

2020

2023

SMA1 (14-17)

- UofT's distinct role in Ontario
- Graduate spaces
- Conversion of teacher ed.

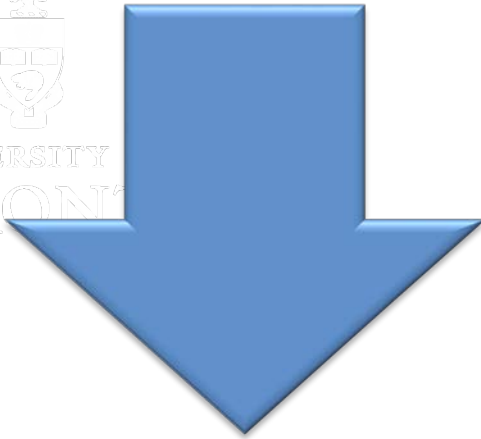
SMA2 (17-20)

- Negotiations spring 2017
- Funding formula redesign
- Revenue neutral

SMA3 (20-23)

- Operationalize differentiation metrics

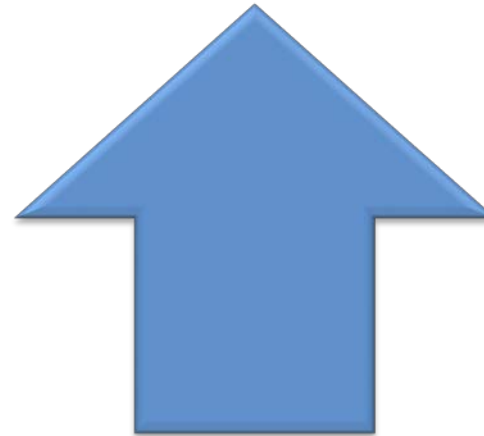
The budget is primarily a bottom-up process



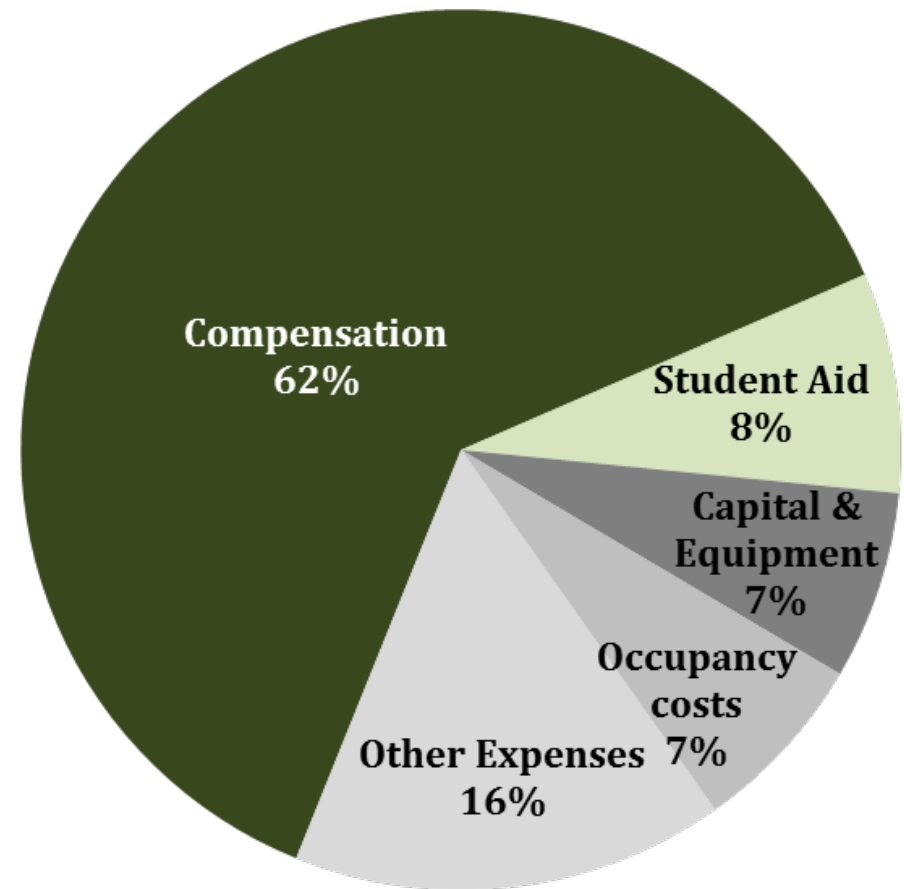
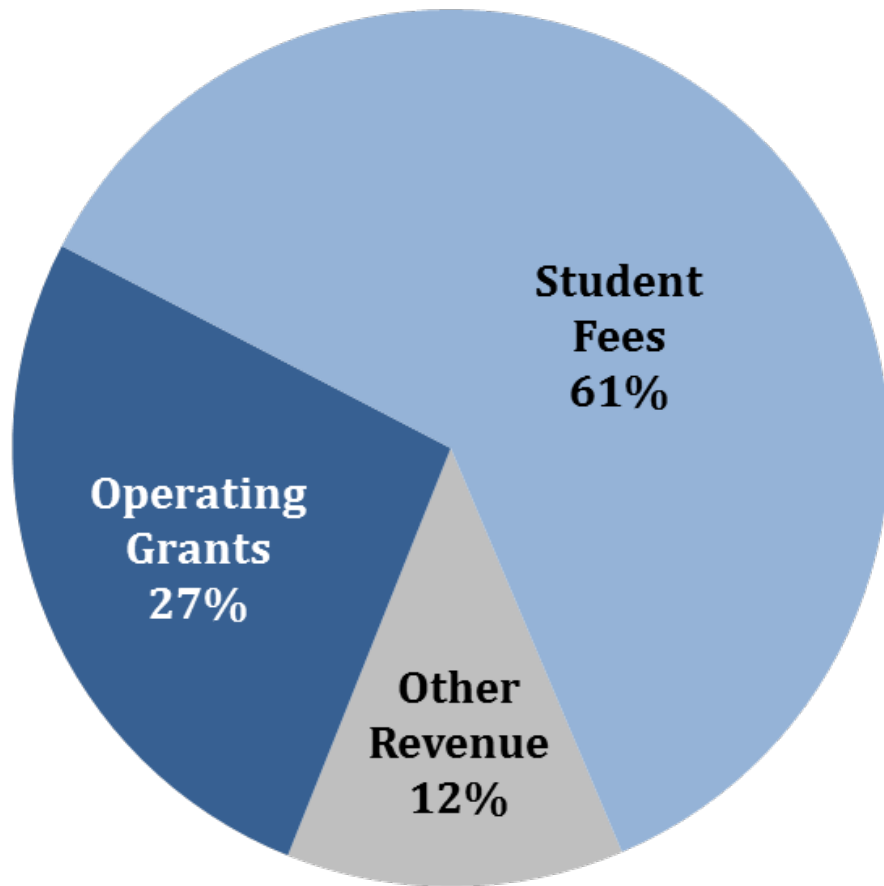
Informed by:
Global and Canadian markets
Provincial policy
University policy
Collective agreements



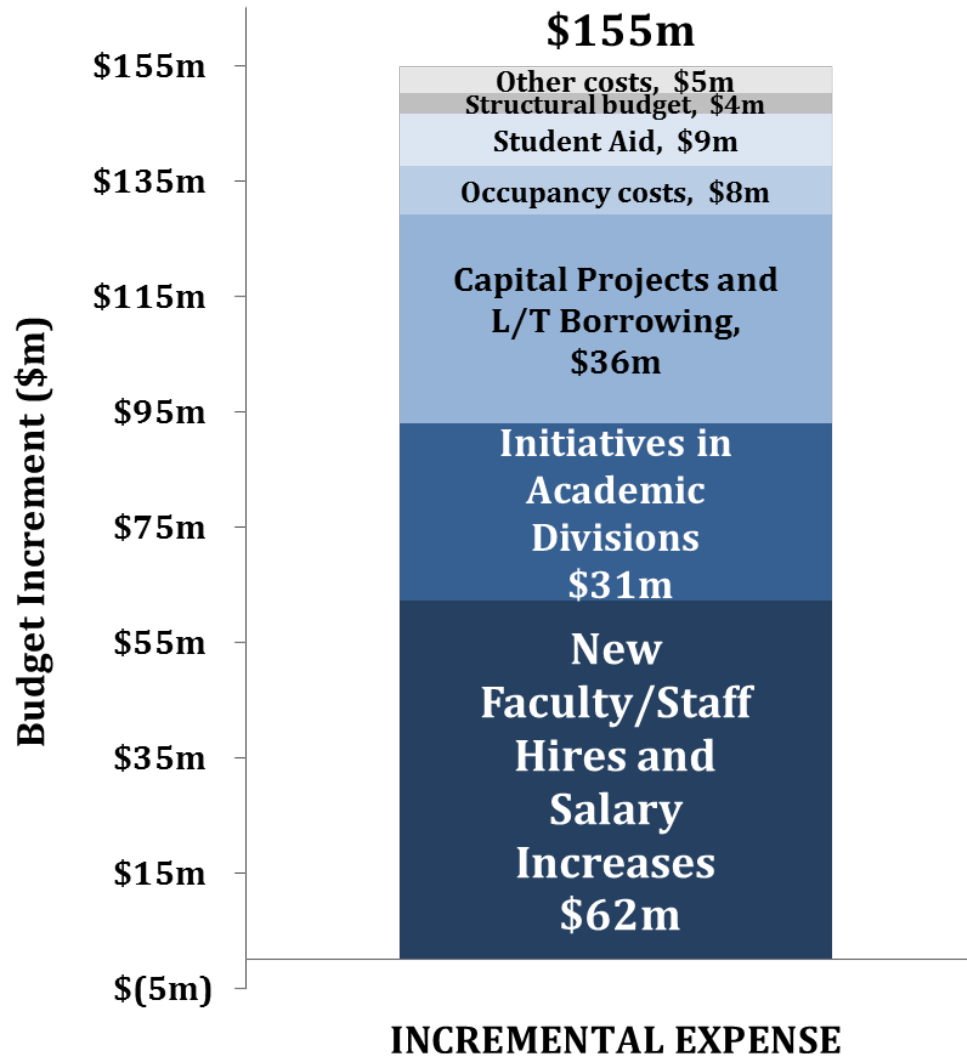
**Planning is
driven by
academic
and service
priorities**



Balanced Budget for 2017-18 - \$2.47 billion

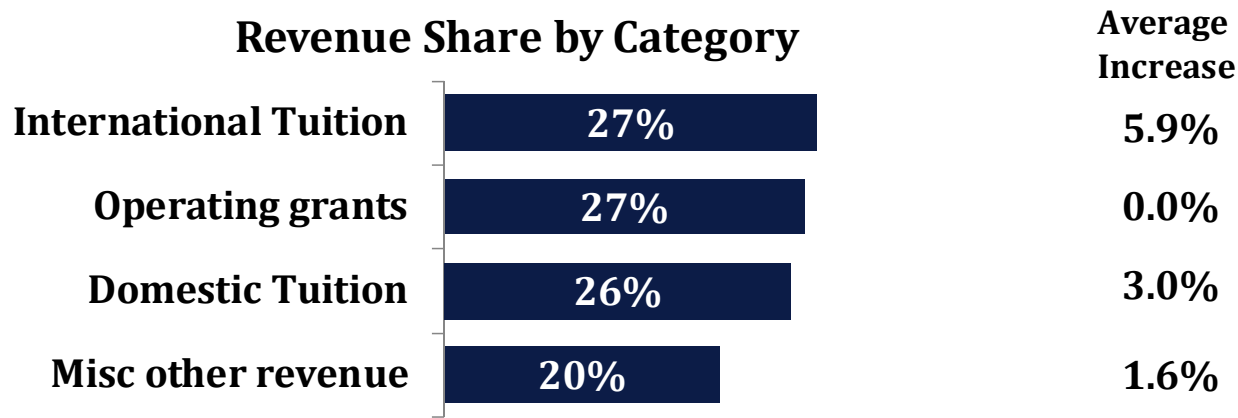


Incremental Expenses \$155m

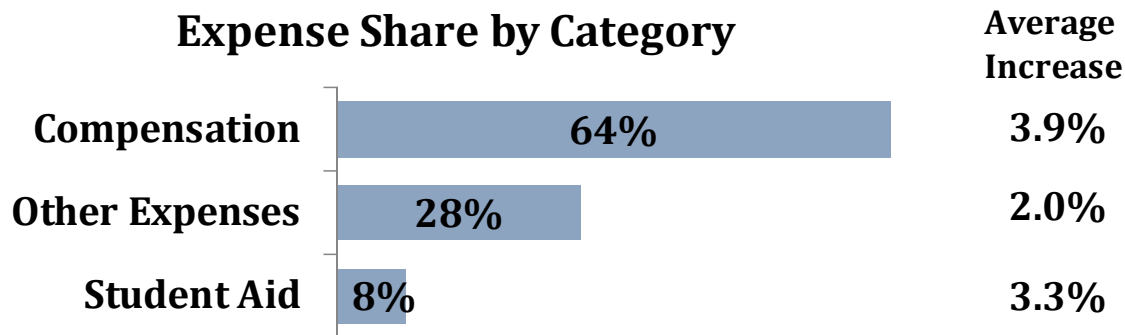


Costs Rise Faster than Steady State Revenues

(Rates of increase based on 5-year historical average)



Weighted Average Increase in Revenue = 2.7%

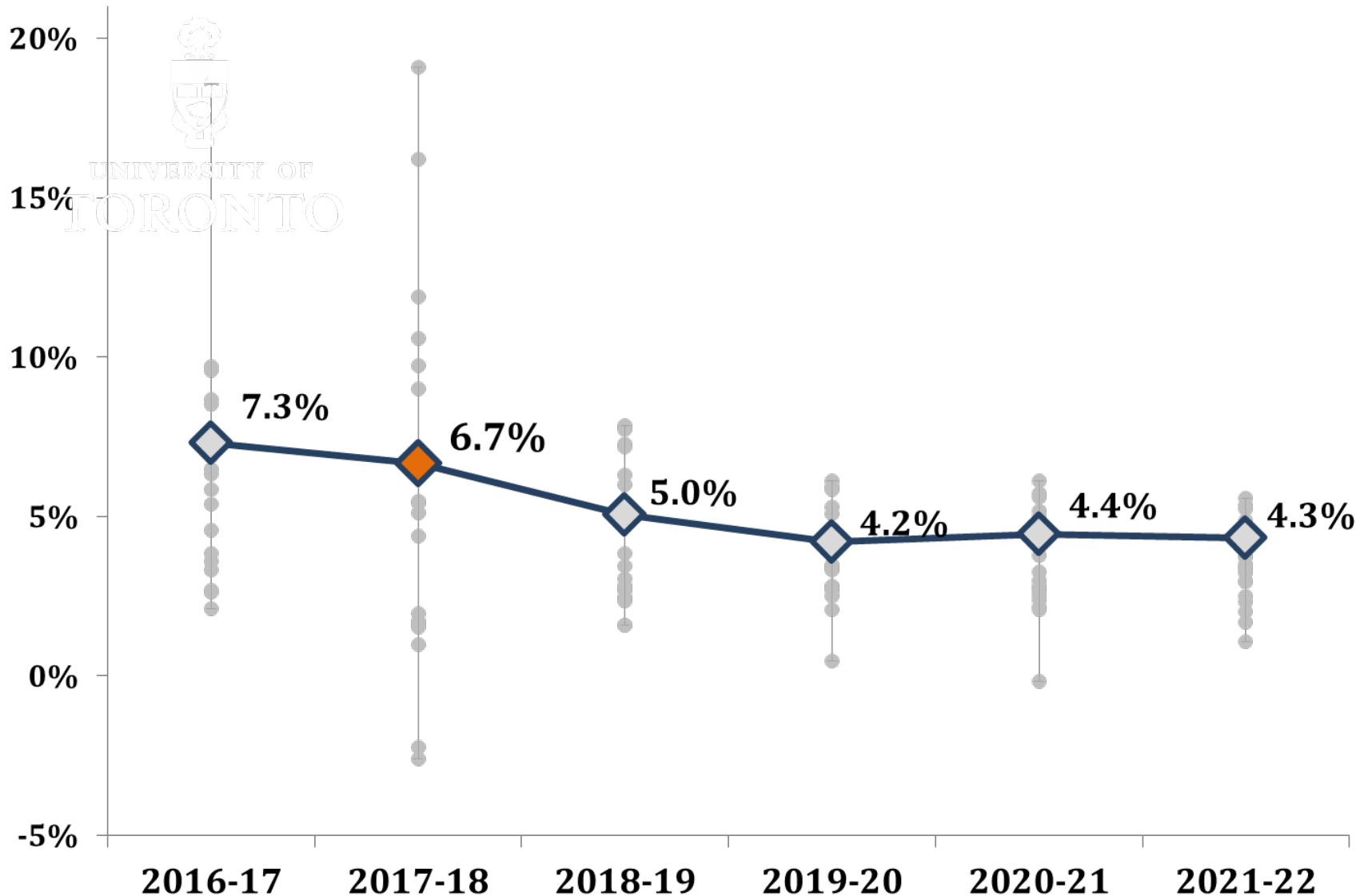


Weighted Average Increase in Expense = 3.3%

STRUCTURAL DEFICIT = 0.6%

Projected Revenue Growth Rates

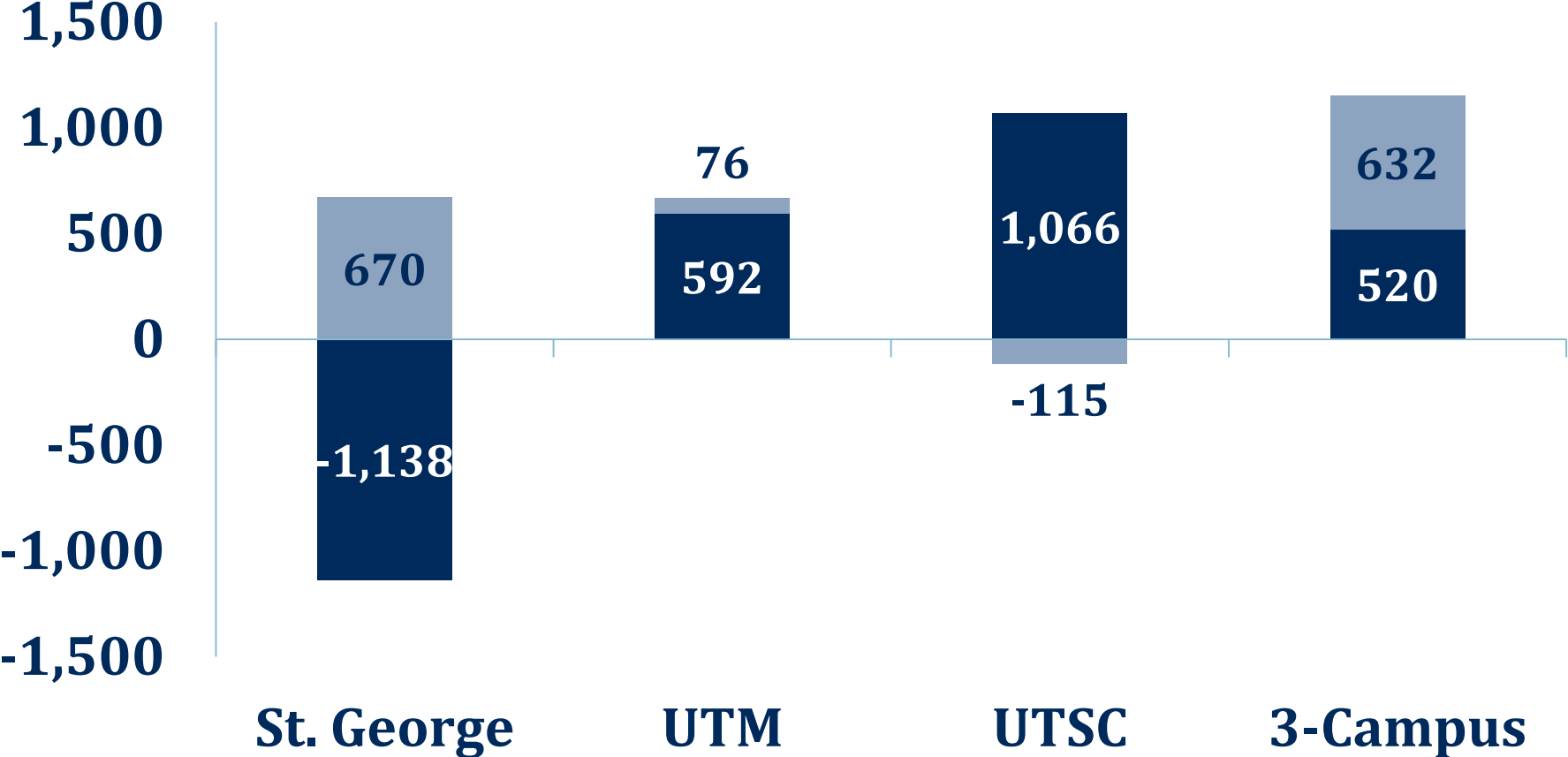
(with division-level distribution)



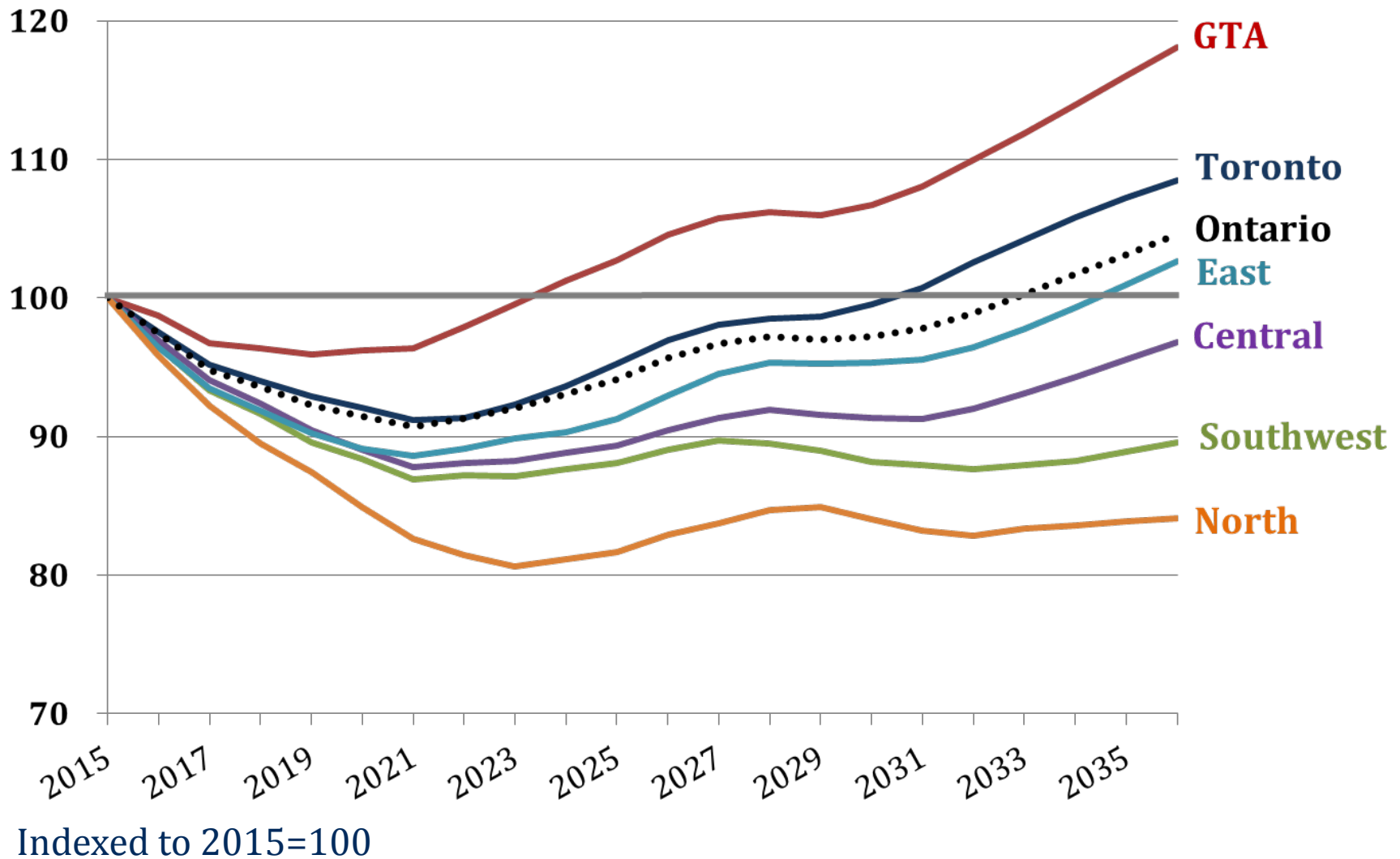


5-year undergraduate growth plan (FTE)

■ Domestic ■ International



Trend in 18-20 year-old Ontario population



What makes up university-wide costs?

2017-18 University Wide Costs: \$552 million

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Portfolio Operations
\$284 million
(51%)

Non-discretionary
\$120 million

Pension Special Payment
\$107 million

Acad & Admin Initiative Funds \$41m

UTM/UTSC spend an additional \$91m on campus service costs

2017-18 University Fund \$18 million

Advancing our Priorities

**Undergraduate &
International Experience**
TOTAL: \$3.8 million

**Diversity and TRC-
Related Supports**
TOTAL: \$4.95 million

Cities Initiatives
TOTAL: \$2.5 million

**Structural Budget &
Infrastructure**
TOTAL: \$7.1 million

Risks



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TORONTO

**Structural
deficit**

**Pension
solvency**

**Funding for
grad growth**

Cdn. \$

Opportunities

**Leverage our
location**

**SMA2-
Differentiation**

**Operating
reserves**

Cdn. \$