

2024/2025 Budget Status Update

June 14, 2023

2024 2025

Multi-Year Budget

2024/2025 Budget Status Update

A faint, grayscale background image of a city skyline, likely Saskatoon, showing various buildings and a river in the foreground.A logo in the top right corner featuring the years '2024' and '25' in a large, bold, blue font, with 'Multi-Year Budget' written in a smaller font below them.

- Forecasted Budget to Maintain Service in 2024 and Beyond
 - Based on significant Inflationary Pressures and Base Budget Challenges
- The City is not in a Significant Deficit Position for 2023
 - 2023 includes \$10 million in one-time funding
 - Spending levels have been adjusted based on funding available
- Required Decisions on the Path Forward
- This report provides the starting point

Our Budget Process

Guided by the Multi-Year Business Plan and Budget Policy (Council Policy C03-036)

- Expenditure & Revenue Estimates to Maintain Services

March GPC – 2023 – 2025 Budgetary Pressures & Trends

- Highlighted Pressures facing the 2024/2025 Budget
- Direction to create Special Budgetary Meetings throughout the Summer; and
- Confirmed process as outlined in the Budget Policy

Inflation

• Maintenance of Service Levels

- Roadway & Sidewalk Program (\$10.2M / \$2.4M)
- Saskatoon Light & Power
Operating & Capital Programs (\$3.3M in 24)
- Facility Maintenance Program (\$2.7M / \$602K)
- Fire Apparatus Replacement (\$770K / \$0K)
- Bridge Maintenance Program (\$566K)

• Payroll Costs (CPP, EI, WCB) (\$2.9M / \$551K)

• Saskatoon Police Service (\$3.79M / \$3.88M)

• Transit Services (\$1.59M in 24)



Raw Material Prices

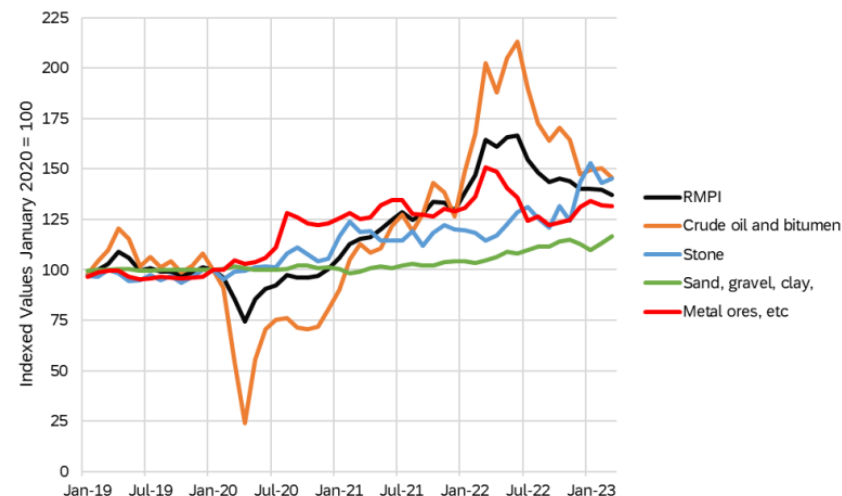
Raw Material Price Index By Selected Group

January 2020 = 100

Source: Statistics Canada Table 18-10-0268-01

Product Grouping	Jan-19	Mar-23	Percent Change
RMPI	97.4	137.2	40.9
Crude oil and bitumen	98	145.5	48.5
Natural gas	112.1	97.1	-13.4
Stone	97.2	145.2	49.4
Sand, gravel, clay,	99.5	116.7	17.3
Metal ores, etc	96.4	131.5	36.4

Raw Materials Price Index - Canada
January 2020 = 100
Source: Statistics Canada Table 18-10-0268-01



Industrial Product Prices

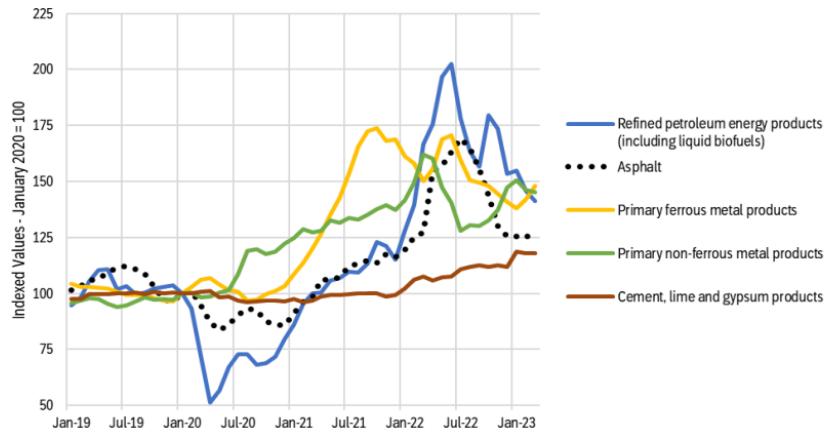
Industrial Product Price Index By Product, January 2020 = 100

Source: Statistics Canada Table 18-10-0266-01

Product Grouping	Jan-19	Mar-23	Percent Change
Refined petroleum energy products (including liquid biofuels)	94.5	141.1	49.3
Asphalt	101.6	128.9	26.9
Lubricants	99.4	136.2	37.0
Primary ferrous metal products	104.2	148	42.0
Primary non-ferrous metal products	95.6	145.2	51.9
Cement, lime and gypsum products	97.4	117.8	20.9

Industrial Product Price Index by Selected Product
Canada Jan 2020 = 100

Source: Statistics Canada Table 18-10-0266-01

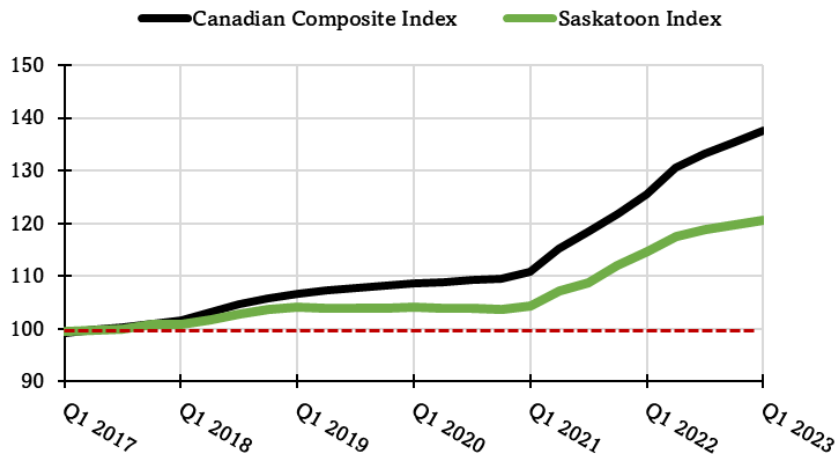


Non-Residential Building Prices

Non-Residential Building Construction Price Index

2017 = 100

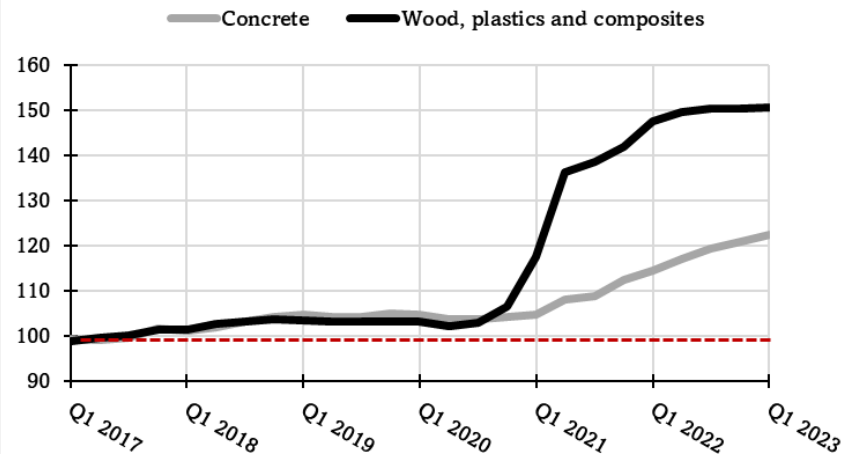
Source: Statistics Canada Table 18-10-0276-01



Non-Residential Building Construction Price

Index 2017 = 100 - Saskatoon Sub - Indexes

Source: Statistics Canada Table 18-10-0276-01



Growth

- **Recovery Park Opening** (**\$1.25 million**)
- **Emergency Snow Response Funding** (**\$1.61M/year**)
- **Bus Rapid Transit** (**\$550K / \$510K**)
- **Step Growth for Future Operating Impacts**
 - Expansion of future Transit service to Aspen Ridge, Kensington & Evergreen (**\$208,500/year**)
 - Future East Leisure Centre Operating Expenses (**\$600K/year**)
 - Future Fire Station Operating Expenses (**\$1.26M/year**)
- **Saskatoon Police Service** (**\$1.55M/\$1.30M**)



Base Budget Adjustments

- **Pandemic Recovery** **\$8.2 million impact**
- **Negative Contingency Reduction** **\$3.9 million**
- **Information Technology
Licensing Shortfalls** **\$1.4 million**
- **Saskatoon Police Service** **\$2.8M/\$2.21M**



Black Cart Utility Program*



Reduction to the Operating
Budget of **\$7.4 million**

**In 2024, the Black Cart Utility Program
will move to Utility notices like Green
Cart in 2023.*

Projected Funding Gap

	2024 Funding Gap (in millions)	2025 Funding Gap (in millions)
Inflation	\$30.5	\$15.0
Base Budget Adjustments	\$18.4	\$2.4
Growth	\$10.9	\$5.8
Black Cart Utility Program	(\$7.4)	-
Total	\$52.4	\$23.2

Additional Information

TOTAL OPERATING EXPENDITURES BY SERVICE

(VALUE IN THOUSANDS)



21.12% Police	.....
15.88% Transportation	.....
9.87% Fire	.....
9.76% Transit	.....
9.31% Recreation	.....
8.73% Corporate Support	.....
6.49% Other	.....
4.85% Debt Servicing	.....
4.00% Parks	.....
3.85% Garbage & Waste Reduction	..
3.08% Grants & Affordable Housing	
3.06% Urban Planning	.....

2022

\$119,710.70
\$90,029.40
\$55,955.70
\$55,347.70
\$52,781.50
\$49,482.00
\$36,765.40
\$27,480.40
\$22,696.30
\$21,823.40
\$17,452.20
\$17,368.30

\$566.9M

2023

21.36%	\$124,620.50
15.79%	\$92,127.40
9.86%	\$57,513.80
9.69%	\$56,517.20
9.25%	\$53,941.60
9.00%	\$52,528.60
6.61%	\$38,513.20
4.71%	\$27,480.40
4.00%	\$23,306.80
3.43%	\$20,022.60
3.20%	\$18,693.40
3.10%	\$18,064.10

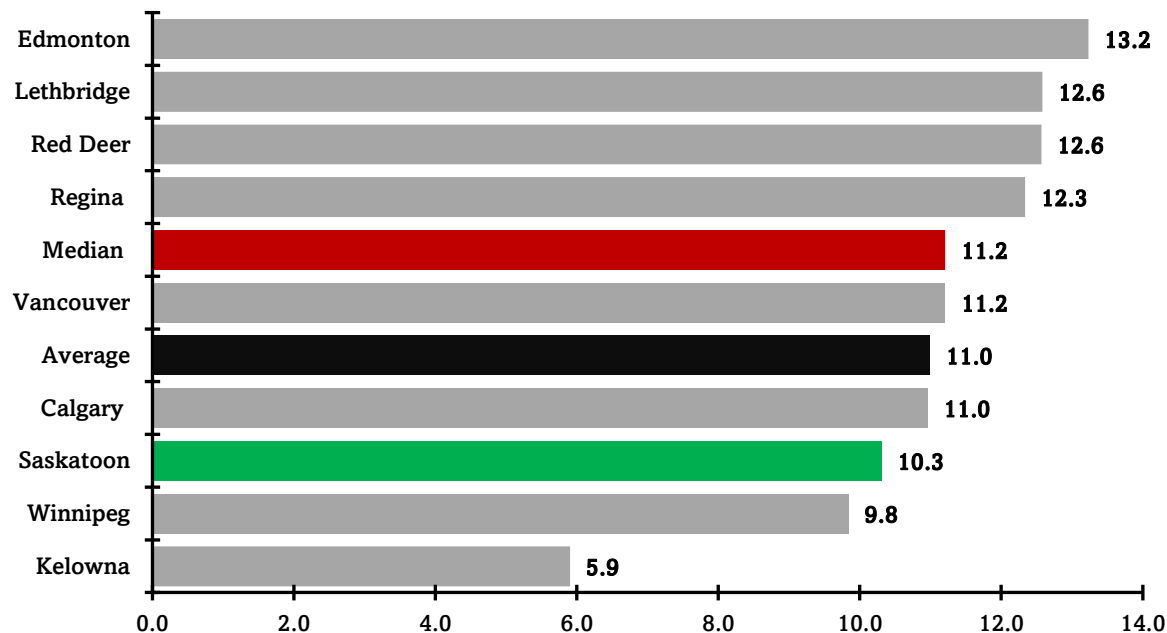
\$583.3M

- (1) Other includes street lighting, animal services, cemeteries and facilities, court costs for traffic violations, Saskatoon Land, Impound Lot, and property annexation costs
- (2) Parks includes urban forestry and urban biological services
- (3) Debt Servicing includes provisions for current and future debt servicing
- (4) Corporate Support includes the offices of the City Manager, City Clerk, City Solicitor, Legislative, Finance, Revenue, Service Saskatoon, Assessment & Taxation, Information Technology, Human Resources, and General Administration
- (5) Transit includes Access Transit

Property Tax Supported FTE

**Revised 2023 Budget Tax Supported or General Fund FTEs
per 1,000 persons ;By Selected Western Canadian Cities**

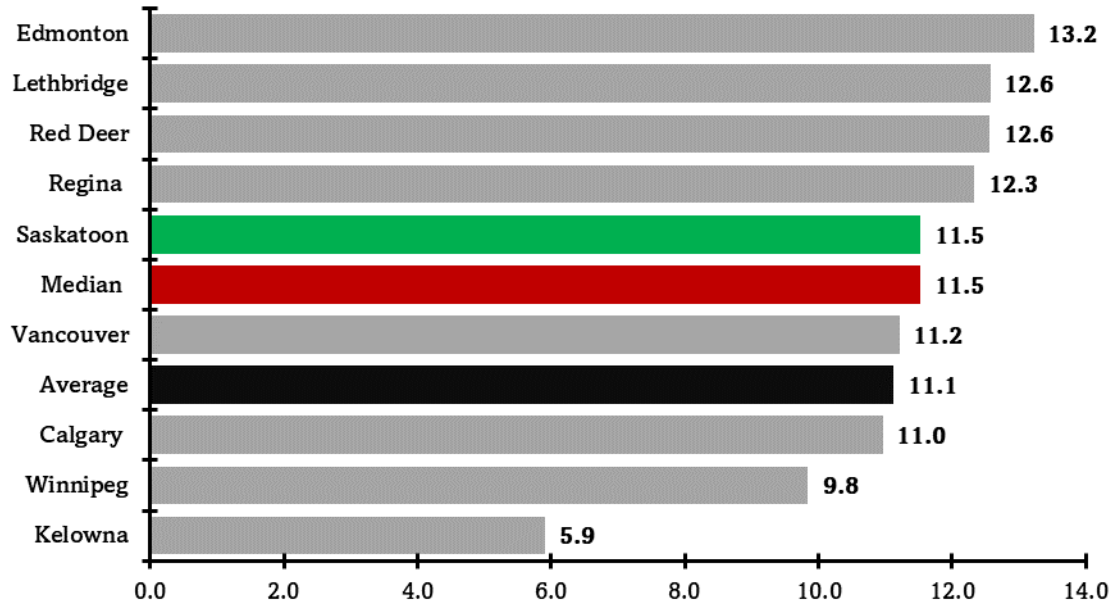
*Sources: Population from Statistics Canada Table 17-10-0142-01;
FTEs from published budget documents on City websites*



Excludes: Utilities,
Library, Boards/Corps
& Non-Tax Supported
Operations

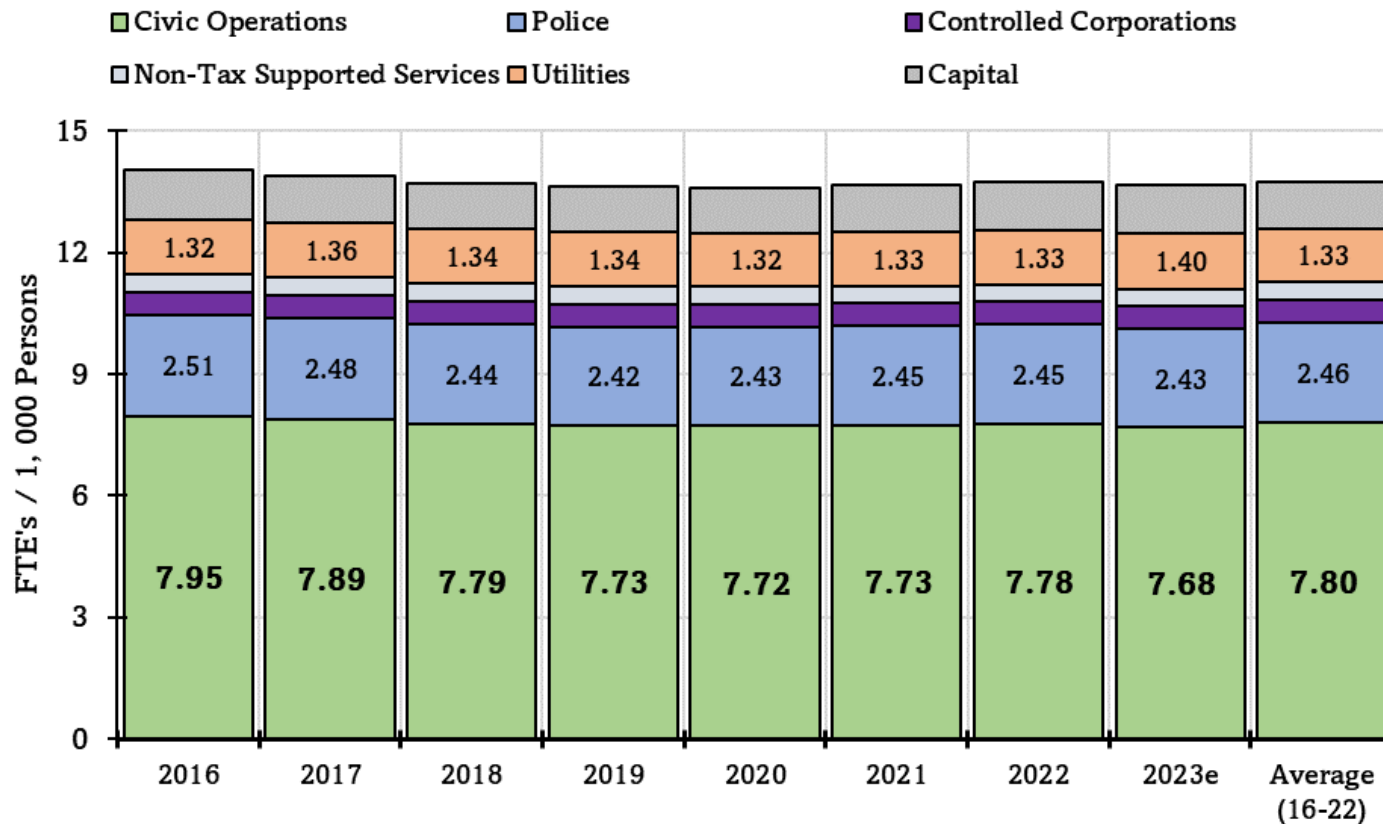
Property Tax Supported FTE

**Revised 2023 Budget Tax Supported or General Fund FTEs
per 1,000 persons ;By Selected Western Canadian Cities**
*Sources: Population from Statistics Canada Table 17-10-0142-01;
FTEs from published budget documents on City websites*

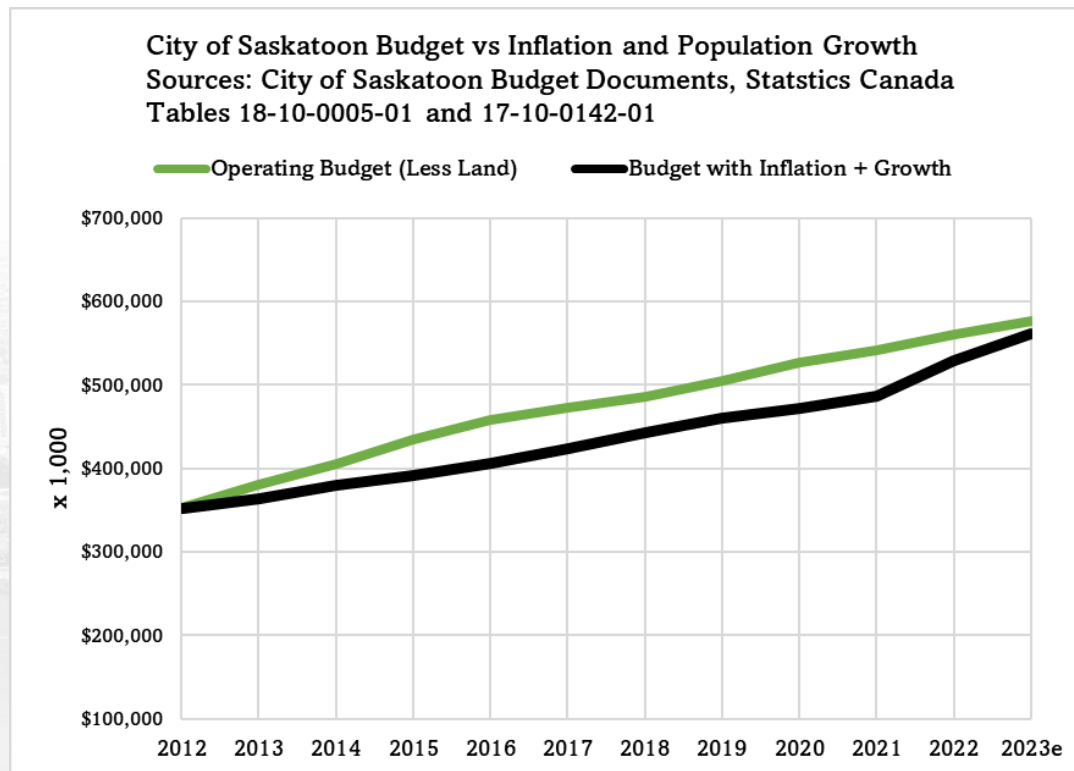


Excludes:
Utilities, Library,
Boards/Corps

City of Saskatoon FTEs Per Capita (Per 1,000 Persons)



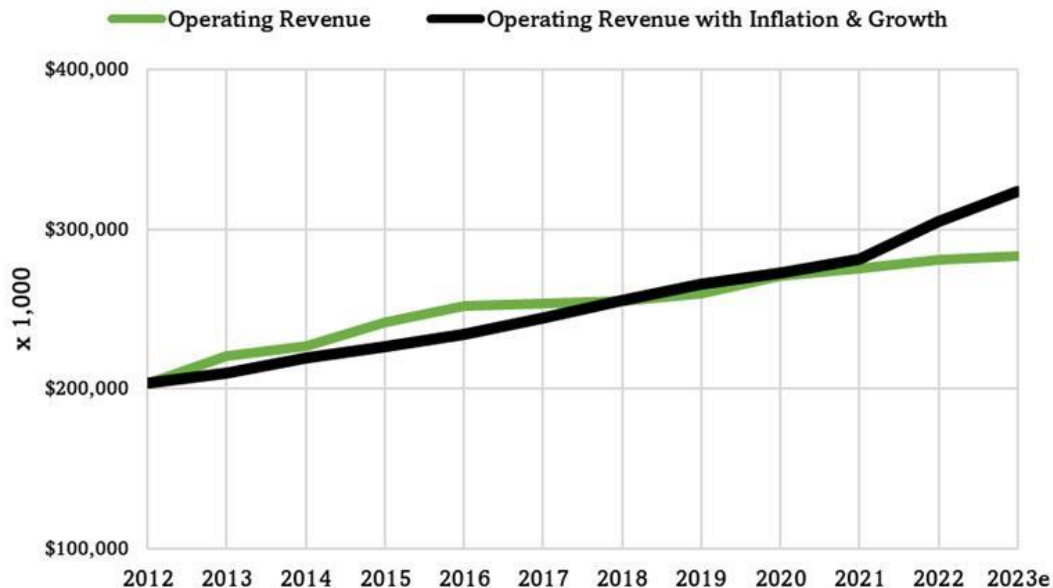
Operating Expenditure Growth



Operating Revenue Growth

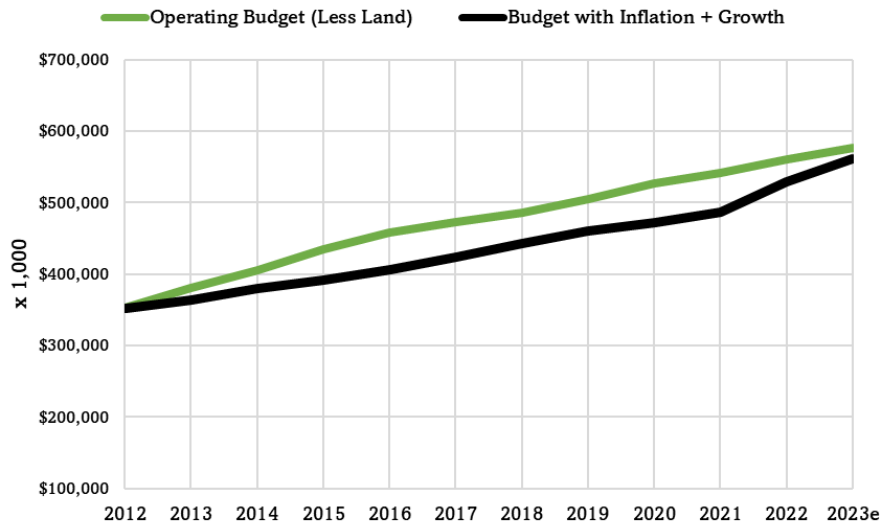
City of Saskatoon Operating Revenue Budget vs Inflation and Population Growth

Sources: City of Saskatoon Budget Documents, Statistics Canada
Tables 18-10-0005-01 and 17-10-0142-01

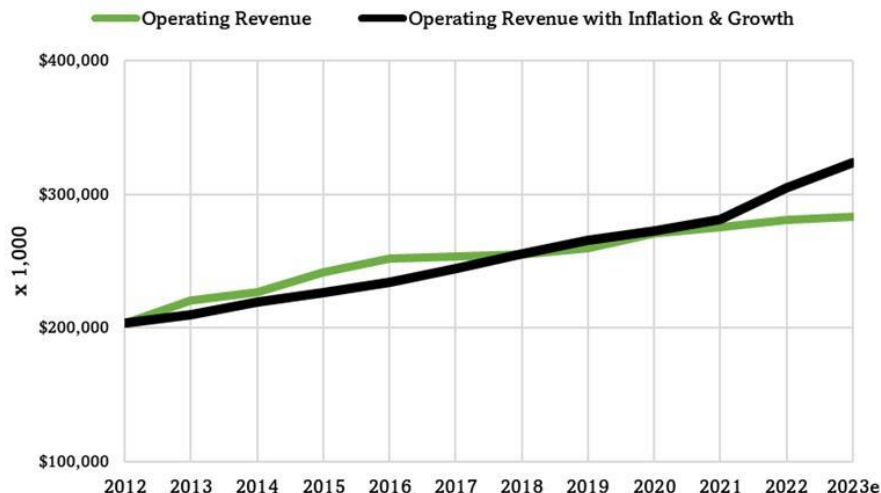


Revenue & Expenditures

City of Saskatoon Budget vs Inflation and Population Growth
Sources: City of Saskatoon Budget Documents, Statistics Canada
Tables 18-10-0005-01 and 17-10-0142-01



City of Saskatoon Operating Revenue Budget vs Inflation and Population Growth
Sources: City of Saskatoon Budget Documents, Statistics Canada
Tables 18-10-0005-01 and 17-10-0142-01



Next Steps

- **Future Business Line Reports will provide a variety of options**
 - Reducing/Deferring Phase-ins and Inflationary Impacts will be key options for consideration



June 22 Special Budget Meeting

- 24 Total Available Options for Approximately \$22.4 million
 - Additional options could be brought forward by Councillors based on additional information provided in these reports

Key Dates in 2023

June 14 – GPC

- Presentation of Budget Status Update

June 22 – Special Budget Meeting

- Fire Services, Community Support, Taxation & General Revenues & Arts, Culture & Event Venues

July 25 – Special Budget Meeting

- Transportation, Corporate Governance & Finance, Environmental Health & Land Development

August 15 – Special Budget Meeting

- Corporate Asset Management, Recreation & Culture & Urban Planning & Development

