

2024/2025 Budget Status Update

June 7, 2023

2024 2025

Multi-Year Budget



Our Budget Process

June 2023 – Budget Status Update Information Report

- Inflationary Pressures
- Growth Impacts
- Identification of any base budget pressures
- Does not include any direction on changes to service levels or requests for decision-making

June to August 2023 – Business Line Reporting

- Overview of Business Lines at Special Budget Meetings
- Budgetary Options

November 2023 – City Council's Budget Deliberations

2024/2025 Budget Pressures

(March 2023 Report)

20²⁴₂₅
Multi-Year Budget

- **Pandemic Recovery**

- Expectation of a return to pre-pandemic revenues in 2024 is not occurring.

- **Base Budget Challenges**

- Contingency Targets, operating budget misalignments to actuals

- **Significant Inflationary Pressures**

- **Snow & Ice Funding**

- \$20 million in costs to repay from the 2022 Snow Event plus phase-in for future events

- **Recovery Park Operating Funding**



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)**



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.*

Downtown and Entertainment Event District (DEED)



The ongoing development of the DEED project does not contribute to the projected 2024/2025 funding gap.

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

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
 - These options alone could bring the property tax impact down to between 13% and 14%
- **Variety of additional options to be presented**



Impact of Options/Changes

Property Tax Rate	Reduction required to achieve corresponding Property Tax Impact (in millions)
13%	\$15.69
12%	\$18.52
11%	\$21.34
10%	\$24.17
9%	\$26.99
8%	\$29.82
7%	\$32.64
6%	\$35.46

Key Dates in 2023

June 14 – GPC

- Presentation of Budget Status Update

June 21 – Special Budget Meeting

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

July 19 – Special Budget Meeting

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

August 23 – Special Budget Meeting

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



Thank You for Attending

Budget-related questions?