



## BACKGROUND 2025 PRELIMINARY BUDGET BREAKDOWN

### PRELIMINARY BUDGET ADJUSTMENTS

Since the November 28, 2023, meeting where the 2025 operational plan was approved by the previous City Council, there are several proposed changes to the original budget assumptions. These changes result in a proposed decrease of about \$889,000 to the approved 2025 plan for those budget areas under the City Manager's responsibility, and subject to City Council review during the upcoming budget deliberation meetings. Some of the most significant adjustments include:

#### City Administration Revenue Adjustments

The following adjustments are relative to the 2025 preliminary budget assumptions, notionally approved by City Council at its November 28, 2023, meeting:

- \$2.2 million increase in property tax revenue due to higher than projected assessment growth (addition of new properties)
- \$2.03 million increase in net revenue from investment income
- \$550,800 increase in municipal revenue sharing, due to higher than projected provincial sales tax revenue collected by the Government of Saskatchewan.
- \$500,000 reduction to budgeted franchise fee revenue due to lower-than-expected consumption growth.
- \$250,000 reduction to parking ticket revenue due to lower than projected infractions.
- \$500,000 reduction to parking meter revenue due to lower than projected demand. This has a direct impact on the Streetscape Reserve – Core BID which will be lower by \$250,000 resulting in a net budget increase of \$250,000.

#### City Administration Expenditure Adjustments

- \$733,100 net expenditure increase for Saskatoon Transit due to higher than anticipated public and employee safety measures and maintenance expenditures.
- \$493,000 expenditure increase for roadways and pothole repairs, due to widely fluctuating weather patterns generating additional road maintenance requirements.
- \$400,000 expenditure increase for software and information technology licenses.
- \$350,000 expenditure increase in Workers Compensation Board premiums due to regulated premium increases.

#### Saskatoon Police Service Adjustments

- An additional proposed net increase in City funding of \$1.64 million for SPS was approved by the [Board of Police Commissioners on September 19, 2024](#).



## Net Result

If approved, these net adjustments result in additional expenditures of \$748,900, aimed at providing crucial investments in core services, community safety and infrastructure to meet the changing needs of Saskatoon due to rapid growth.

## **ORIGINAL 2024/2025 PRELIMINARY BUDGET**

As a reminder, these adjustments are to the Original 2025 Plan that was approved by City Council at the 2024/2025 Multi-Year Business Plan and Budget deliberations. The Original 2025 Plan included an increase of approximately \$29 million in investments, with 2/3 of that investment dedicated to Transportation, Police and Fire services.

Description	Planned Increases	Examples of where the funding will go
Transportation	\$10.1 million (+6%) increase over 2024	<ul style="list-style-type: none"> <li>• \$5.15 million or 9.6% increase in the City's Road Maintenance Program</li> <li>• \$1.10 million or 6.6% increase in the City's Snow &amp; Ice Management Program</li> <li>• \$1.97 million or 3.6% increase in Transit Operations</li> </ul>
Saskatoon Police Services	\$6.98 million (+5.2%) increase over 2024	<ul style="list-style-type: none"> <li>• Approved at the October 19, 2023 Board of Police Commissioners (Board) meeting when considering the <a href="#">2024-2025 Police Operating Budget Estimates</a> report and at the November 18, 2023 Board meeting while considering a report on <a href="#">Provincial Investment for Alternative Response Office Expansion</a></li> </ul>
Saskatoon Fire	\$2.43 million (+3.9%) increase over 2024	<ul style="list-style-type: none"> <li>• \$1.19 million additional required for inflationary costs of collective agreements for Fire Services.</li> <li>• \$200,000 for maintenance of apparatus and equipment.</li> <li>• \$142,300 for an Asset Manager position to lead the Saskatoon Fire's Enterprise Asset Management Program.</li> <li>• \$115,500 increase for the contribution to the Fire Apparatus Reserve, due to increased costs.</li> <li>• \$204,000 increase related to community safety via Community Risk Reduction for salaries and operating expenses to fully fund the Saskatoon Transit Support Worker program, which transitioned six staff from the Community Support program in mid-2024.</li> </ul>



## SUMMARY

When considering the original approved 2024/2025 Preliminary Budget and the proposed 2025 adjustments, the preliminary 2025 budget proposes a 5.64% property tax increase to maintain service levels, fund strategic initiatives, and importantly, to help the City balance the operating budget, which it must do by law.

If approved, the additional \$748,900 investment and adjustments to the original 2025 plan, would result in a revised property tax increase of 5.84%.

City Council will review and deliberate the 2025 Preliminary Approved Budget and Administration's proposed budget adjustments from December 2 to 4, 2024, in Council Chambers.