



**PUBLIC AGENDA - SPECIAL MEETING  
GOVERNANCE AND PRIORITIES COMMITTEE**

Tuesday, July 25, 2023, 9:30 a.m.

Council Chamber, City Hall

**Committee Members:**

**His Worship Mayor C. Clark, Chair**

**Councillor C. Block**

**Councillor T. Davies**

**Councillor R. Donauer**

**Councillor B. Dubois**

**Councillor S. Gersher**

**Councillor H. Gough**

**Councillor D. Hill**

**Councillor Z. Jeffries**

**Councillor D. Kirton**

**Councillor M. Loewen**

**Pages**

**1. CALL TO ORDER**

The Chair called the meeting to order on Treaty 6 Territory and the Traditional Homeland of the Métis People and confirmed roll call. He acknowledged Team Saskatchewan received 175 medals at the 2023 North American Indigenous Games.

**2. DECLARATION OF CONFLICT OF INTEREST**

**3. ADMINISTRATIVE AND LEGISLATIVE REPORTS**

A report of the Corporate Financial Services Division was provided along with the following letters:

- Request to speak:
  - Keith Moen, NSBA, dated July 19, 2023;
  - Don Atchison, dated July 24, 2023;
- Submitting comments:
  - Gary Johnson, dated June 21, 2023;
  - Susan Lukiwski, received June 28, 2023;
  - Doris Peters, received June 30, 2023;
  - Brynn Harris-Hamm, dated July 11, 2023;
  - Jason Aebig, Greater Saskatoon Chamber of Commerce, dated July 18, 2023;
  - Frank Jones, dated July 20, 2023;
  - Warren Galenzoski, dated July 21, 2023;
  - Terry Neefs, dated July 24, 2023.

**Recommendation**

That the information be received.

**Recommendation**

That a team of Council and Administration representatives meet with representatives of the Chamber and North Saskatoon Business Association (NSBA) to step through the feasibility of the NSBA and Chamber's budget recommendations and that the Administration report back on the results of those meetings.

**Recommendation**

That City Council request of the Board of Police Commissioners that the Saskatoon Police Service budget be submitted earlier than the typical process in order to align with Governance and Priorities Committee's process for budget preparations, and in order to be incorporated into civic administration's options.

**Recommendation**

That City Council request that the Saskatoon Library Board budget be submitted earlier than the typical process in order to align with GPC's process for budget preparations, and in order to be incorporated into civic administration's options.

**3.2 2024/2025 Budget Inflationary & Phase-in Decisions [GPC2023-0617]**

40 - 56

Due to time constraints at the June 22, 2023 Governance and Priorities Committee Special meeting, this matter was deferred to the July 25, 2023 Special meeting. A report of the Corporate Financial Services Division was provided along with an additional report of the Corporate Financial Services Division regarding budget reduction allocations.

The following letters were also provided:

- Ari Avivi, dated June 14, 2023;
- SeoRhin Yoo, Canadian Federation of Independent Business, dated June 14, 2023.

### **Recommendation**

1. That the Administration be directed to include option 2 in the 2024/2025 Preliminary Business Plan and Budget; and
2. That the report of the Corporate Financial Services Division regarding the 2024 and 2025 budget reduction allocations be accepted as information.

### **Recommendation**

1. That the step growth requirement for the Snow & Ice Phase in be reduced by 40% (not 50%), maintaining the 10-year timeline for the 2022 response payback and utilizing the additional 10% to build a base for future snow events.

### **Recommendation**

2. That the re-phasing of the Snow & Ice Phase-in be included in the plans for future budgets beginning in 2026.

### **Recommendation**

That the re-phasing of the Transit Bus Growth Allocation be included in the plans for future budgets beginning in 2026.

### **Recommendation**

That the 2024/2025 planned phased-in for the future fire station of \$1.26 million/year be reduced from 100% to 50% and be added back into the operating budget when the fire station opens in 2026.

### **Recommendation**

1. *That the Administration be directed to include option 2 in the 2024/2025 Preliminary Business Plan and Budget with the following amendments;*
  - *That the step growth requirement for the Snow & Ice Phase in be reduced by 40% (not 50%), maintaining the 10-year timeline for the 2022 response payback and utilizing the additional 10% to build a base for future snow events;*
  - *That the re-phasing of the Snow & Ice Phase-in be included in the plans for future budgets beginning in 2026;*
  - *That the re-phasing of the Transit Bus Growth Allocation be included in the plans for future budgets beginning in 2026;*  
*and*
2. *That the report of the Corporate Financial Services Division regarding the 2024 and 2025 budget reduction allocations be accepted as information.*

### **3.3 Business Line Reports**

#### **3.3.1 Transportation Business Line Information [GPC2023-0703]**

57 - 93

A report of the Corporate Financial Services Division was provided, along with the following letters submitting comments:

- Robert Clipperton, Bus Riders of Saskatoon, dated July 20, 2023;
- Mackenzie Burnett and Ines Sanchez-Rodriguez, Saskatoon Climate Hub, dated July 24, 2023; and
- DeeAnn Mercier, Broadway Business Improvement District, Brent Penner, Downtown Saskatoon and Randy Pshebylo, Riversdale Business Improvement District, dated July 24, 2023.

**Recommendation**

That the Governance and Priorities Committee direct Administration to include Option 1 – Increase Parking Rates by \$0.50/hour in the 2024/2025 Preliminary Business Plan and Budget.

**Recommendation**

That subject to a report back from Administration on an appropriate policy change, that the \$0.50/hour parking rate increase be directed in full to the Streetscape Reserve.

**Recommendation**

That the Governance and Priorities Committee direct Administration to include Option 2 – Implement Parking App Fees in the 2024/2025 Preliminary Business Plan and Budget.

**Recommendation**

That the Governance and Priorities Committee direct Administration to include Option 3 – Reduce City Yard Security Funding in the 2024/2025 Preliminary Business Plan and Budget.

**Recommendation**

That Option 5.a in the report be included in the 2024/25 Preliminary Business Plan and Budget.

**Recommendation**

That Option 5.b in the report be included in the 2024/25 Preliminary Business Plan and Budget.

**Recommendation**

That Option 5.c in the report be included in the 2024/25 Preliminary Business Plan and Budget.

**Recommendation**

That Option 5.d in the report be included in the 2024/2025 Preliminary Business Plan and Budget.

**Recommendation**

That Option 5.d only be included in the 2024 Preliminary Business Plan and Budget.

**Recommendation**

*That Option 5.d in the report only be included in the 2024 Preliminary Business Plan and Budget.*

**Recommendation**

That Option 5.e in the report be included in the 2024/25 Preliminary Business Plan and Budget.

**Recommendation**

That Option 5.f in the report be included in the 2024/25 Preliminary Business Plan and Budget with an amendment to read expansion of Tier 1 service to Aspen Ridge and Brighton remain at the current service level in 2024.

**Recommendation**

That Option 5.g in the report be included in the 2024/25 Preliminary Business Plan and Budget.

**Recommendation**

That Option 5.h in the report be included in the 2024/25 Preliminary Business Plan and Budget.

**Recommendation**

That Option 6 - Reduce Snow and Ice Management Program Inflation in the report be included in the 2024/25 Preliminary Business Plan and Budget.

**Recommendation**

That the snow program defer \$53,900 of the inflation impact in 2024 reducing the amount from \$353,900 to \$300,000 and \$44,600 in 2025 reducing the amount from \$394,600 to \$350,000.

**Recommendation**

*That Option 6 - Reduce Snow and Ice Management Program Inflation in the report, as amended be included in the 2024/25 Preliminary Business Plan and Budget.*

**Recommendation**

That Option 7 – Reduce Street Cleaning and Sweeping Inflation in the report be included in the 2024/25 Preliminary Business Plan and Budget.

**Recommendation**

That Option 8.a in the report be included in the 2024/25 Preliminary Business Plan and Budget.

**Recommendation**

That Option 8.b in the report be included in the 2024/25 Preliminary Business Plan and Budget.

<b>3.3.2</b>	<b>Community Support Business Line Information [GPC2023-0616]</b>	94 - 108
	Due to time constraints at the June 22, 2023 Governance and Priorities Committee Special meeting, this matter was deferred to the July 25, 2023 Special meeting. A revised report of the Corporate Financial Services Division was provided.	
<b>3.3.3</b>	<b>Saskatoon Fire Business Line Information Report [GPC2023-0618]</b>	109 - 121
	Due to time constraints at the June 22, 2023 Governance and Priorities Committee Special meeting, this matter was deferred to the July 25, 2023 Special meeting. A revised report of the Corporate Financial Services Division was provided.	
<b>3.3.4</b>	<b>Environmental Health Business Line Information [GPC2023-0701]</b>	122 - 141
	A report of the Corporate Financial Services Division was provided along with a letter submitting comments from Mackenzie Burnett and Ines Sanchez-Rodriguez, Saskatoon Climate Hub, dated July 24, 2023.	
<b>3.3.5</b>	<b>Taxation and General Revenues Business Line Budgetary Information [GPC2023-0615]</b>	142 - 155
	Due to time constraints at the June 22, 2023 Governance and Priorities Committee Special meeting, this matter was deferred to the July 25, 2023 Special meeting.	
	A revised report of the Corporate Financial Services Division was provided along with a letter submitting comments from DeeAnn Mercier, Broadway Business Improvement District, Brent Penner, Downtown Saskatoon and Randy Pshebylo, Riversdale Business Improvement District, dated July 24, 2023.	
<b>3.3.6</b>	<b>Land Development Business Line Information [GPC2023-0702]</b>	156 - 163
	A report of the Corporate Financial Services Division was provided.	



**3.3.7 Arts, Culture and Events Venues Business Line Budgetary Information [GPC2023-0614] 164 - 170**

Due to time constraints at the June 22, 2023 Governance and Priorities Committee Special meeting, this matter was deferred to the July 25, 2023 Special meeting. A revised report of the Corporate Financial Services Division was provided.

**3.4 FTE Reports**

**3.4.1 Full-Time Equivalent Municipal Comparison [GPC2023-0605] 171 - 177**

A report of the Corporate Financial Services Division was provided.

**3.4.2 Impacts of Hiring Freeze or Not Adding Future Staff [GPC2023-0605] 178 - 184**

A report of the City Manager's Office was provided.

**3.4.3 Temporary Workforce Report [GPC2023-0704] 185 - 189**

A report of the Human Resources Division was provided.

**3.5 Comparing the Growth in Federal, Provincial, and Municipal Operating Budgetary Expenditures 2017 - 2023 [CC2023-0604] 190 - 205**

A report of the City Manager's Office was provided.

**4. ADJOURNMENT**

### 2024/2025 Budget Information Update

#### ISSUE

Since the June 2023 report to the Governance and Priorities Committee (Committee) on the 2024/2025 Budget Status Update, Administration has been working through the detailed budget calculations and budget entry which have impacted the originally presented funding gap.

#### BACKGROUND

At the June 14, 2023, Governance and Priorities Committee, the Administration presented a report entitled [2024/2025 Budget Status Update](#).

#### CURRENT STATUS

The original presentation in June 2023 was based on information that was known at the time and forecasted the 2024/2025 budgetary pressures. While the special budget meetings are occurring, Administration continues to refine and update these forecasts for the 2024/2025 budget as more information becomes available.

#### DISCUSSION/ANALYSIS

A revised estimate for the tax increase that would be required if no mitigation methods were introduced has resulted in a new starting point of 17.87% and 6.69% % to fill the \$52.4 million and \$23.2 million funding gap for 2024 and 2025, respectively. This revised calculation factors in the prior year assessment growth into the denominator of the calculation, consistent with past practices and was originally excluded from the June report.

Additionally, now that the Province has finalized their year-end financial results for fiscal year 2022/2023, which include significant surpluses on many of their revenues including the Provincial Sales Tax (PST), the City has a better estimate of what Municipal Revenue Sharing (MRS) will be in 2024. The Administration had originally been forecasting a \$5.7 million increase to MRS grant in 2024 based off estimated PST revenue in the 3rd Quarter forecast for the 2022/2023 provincial budget. However, given the year-end results, the City estimates its MRS grant will be \$62.5 million, which is an increase of approximately \$7.8 million relative to 2023. The 2024 budget assumptions have been revised to reflect this new estimate. For 2025, originally projected increases of \$2.1 million for Municipal Revenue Sharing have also been increased to \$3.0 million.

The SaskEnergy rate decrease in 2023 which will impact utility charges and Provincial Franchise Fees have been adjusted for in 2024 as well as other levies, Provincial Grants-in-lieu, addition of Waste Utility Low-Income Subsidy, cybersecurity and Leisure Centre revenue for 2025 as these detailed calculations are completed. Overall, these additional adjustments increase the 2024 funding gap by \$573,800 and decrease 2025 by \$628,700.

The net impact of all the adjustments above can be seen below

	2024 (in millions)	2025 (in millions)
Original Budgetary Gap	\$52.4	\$23.2
Municipal Revenue Sharing	(\$2.1)	(\$0.9)
Other Adjustments	\$ 0.6	(\$0.6)
<b>Revised Budgetary Gap</b>	<b>\$50.9</b>	<b>\$21.7</b>

This reduces the estimate for the tax increase that would be required if no mitigation methods were introduced to a new starting point of 17.33% and 6.25% in 2024 and 2025 respectively.

### **FINANCIAL IMPLICATIONS**

The financial implications are included in the body of this report.

### **OTHER IMPLICATIONS**

There are no privacy, legal, social or environmental implications identified.

### **NEXT STEPS**

Administration will continue to refine and adjust numbers for the budget book that will be presented at the November 28, 2023 2024/2025 Business Plan and Budget meeting. Any significant changes to the funding gap will be brought forward as part of the 2024/2025 budget discussions.

### **REPORT APPROVAL**

Written by: Kari Smith, Director of Finance  
Reviewed by: Clae Hack, Chief Financial Office  
Approved by: Jeff Jorgenson, City Manager

## Lasby, Mary

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**Subject:** FW: Email - Request to Speak - Keith Moen - NSBA - Addressing the Funding Gap in the Indicative Budget Report - CK 430-72  
**Attachments:** Letter to City Council Regarding 2024\_25 budget.pdf

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**From:** Web NoReply <[web-noreply@saskatoon.ca](mailto:web-noreply@saskatoon.ca)>  
**Sent:** Wednesday, July 19, 2023 12:55 PM  
**To:** City Council <[City.Council@saskatoon.ca](mailto:City.Council@saskatoon.ca)>  
**Subject:** Email - Request to Speak - Keith Moen - NSBA - Addressing the Funding Gap in the Indicative Budget Report - CK 430-72

--- Replies to this email will go to [REDACTED] ---

Submitted on Wednesday, July 19, 2023 - 12:54

Submitted by user: Anonymous

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Wednesday, July 19, 2023

**To:** His Worship the Mayor and Members of City Council

**Pronouns:** He/him/his

**First Name:** Keith

**Last Name:** Moen

**Phone Number :** [REDACTED]

**Email:** [REDACTED]

**Address:** [REDACTED] 45 St West

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** S7L [REDACTED]

**Name of the organization or agency you are representing (if applicable):** NSBA - Saskatoon's Business Association

**What do you wish to do ?:** Request to Speak

**If speaking will you be attending in person or remotely:** In person

**What meeting do you wish to speak/submit comments ? (if known)::** July 25, 2023, 9:30 a.m. Special Budget Meeting

**Comments:**

Good afternoon,

Please see the attached letter.

**Attachments:**

- [Letter to City Council Regarding 2024 - 25 budget.pdf](#) 201.69 KB

**Will you be submitting a video to be vetted prior to council meeting?:** No

July 18, 2023

His Worship the Mayor and Members of City Council  
222 3rd Ave. N.  
Saskatoon, SK S7K 0J5

Dear Mayor Clark and Members of City Council,

**RE: Addressing the Funding Gap in the Indicative Budget Report**

On behalf of the NSBA – Saskatoon's Business Association, I am writing to address the recent indicative budget report highlighting a significant funding gap of \$52.4 million in 2024 and \$23.2 million in 2025. This financial challenge requires immediate attention and careful consideration to ensure our city's long-term sustainability and growth.

We understand the challenges posed by the funding gap and appreciate the need to find effective solutions rather than solely criticize the situation. That being said, the NSBA has carefully reviewed the budget report and has drafted several recommendations as possible solutions to bridge the funding gap. It is important to note that there is not a single silver bullet solution, therefore, a number of difficult decisions must be made across the board to achieve the desired outcome. We believe implementing these measures will be a starting point to help reduce the current financial strain. Our recommendations are as follows:

1. **Reduce staffing levels in specific departments:** We recommend conducting an external human resource audit with a goal of reducing staffing by 10 per cent. Particular areas of review should include staffing levels in departments such as Environmental Sustainability, Human Resources and Labour Relations, Communications, and Planning and Development. Assessing staffing levels based on per capita, per service, and citizen metrics compared to similar-sized cities will help identify areas for potential optimization. It is imperative that these reductions are not customer-facing, frontline positions which deal directly with the taxpayer. Limit new hires to essential roles such as police officers and firefighters, prioritizing public safety over administrative or managerial positions. Look to Edmonton, for example, where cuts at top-level positions and department shuffles are being conducted.
2. **Implement a more stringent efficiency and productivity agenda:** Although productivity has been measured and scrutinized in the past, this agenda must be pursued much higher to ensure that employees effectively manage their time and resources to the maximum extent possible for the taxpayers' benefit.
3. **Anticipate reduced revenues due to inflation and changes in spending patterns:** The NSBA believes it is time for the city to acknowledge that revenues may not return to pre-pandemic levels as anticipated, considering inflation and potential changes in spending patterns. Budgeting with this reality in mind will help avoid further financial strain.
4. **Discontinue programs that higher levels of government should fund:** It is essential to ensure that programs and services that rightly fall under the jurisdiction of higher levels of government are adequately funded by them. We noticed that cities tend to fund programs meant for other

.../2

levels of government. For example, in, 2021 City of Vancouver spent \$219 million on provincial and federal responsibilities, equivalent to almost 15 per cent of their annual operating budget. It is imperative that Saskatoon does not fall into the same trap.

5. **Postpone capital and operational expenses for green initiatives:** While we value environmental sustainability, it is necessary to temporarily postpone certain capital and operating expenses related to green initiatives. Exploring alternative funding sources from higher levels of government can help alleviate the financial burden on the city.
6. **Pause all major capital projects:** NSBA has supported some of the capital projects by the city, but at this time, we strongly believe temporarily suspending major capital projects, such as BRT, Downtown Event and Entertainment District, and the new Library should be undertaken until finances are in order. We must emphasize our support of the DEED project has not diminished or changed, but we are recommending it be put on hold for the time being. In addition, revisit the entire library project and consider it a P3 with retail, commercial and residential included as a possible model.
7. **Liquidate Greenhouses on 33rd Street and Avenue P:** Sell the land immediately for infill development and utilize the funding to offset the shortfall in the budget for the next few years. Because this is a one-time opportunity, it should not be done exclusively without the other recommendations contained in our submission.

We urge you to recognize the urgency of the current financial situation and make the necessary hard decisions. Previously our recommendations were often overlooked, even during the pandemic, when it presented an opportune time for proactive measures. It is time to learn from the past and also learn from the experiences of, not only the business leaders we represent, but also from other cities, such as Edmonton, which recently set a goal of finding \$60 million in savings in its 2023-2026 operating budget. In our case, we believe the funding gap for 2024/2025 multi-year budget can be eliminated by these recommendations above, which prioritize essential services.

Now is the time to listen, analyze, and act. We understand that these recommendations may involve difficult choices but are essential for our city's long-term sustainability and prosperity. The NSBA is ready to support City Council in any way possible during this important phase.

Thank you for your attention to this matter, and we look forward to continued collaboration for the betterment of our city.

Sincerely,



Keith Moen  
Executive Director

**Walter, Penny**

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**Subject:** FW: speaking at Governance and Priorities Committee

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**From:** [REDACTED]

**Sent:** Monday, July 24, 2023 4:18 PM

**To:** Web E-mail - City Clerks <[City.Clerks@Saskatoon.ca](mailto:City.Clerks@Saskatoon.ca)>

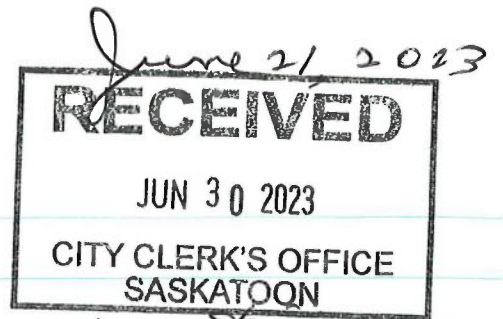
**Subject:** speaking at Governance and Priorities Committee

Good afternoon

Please put my name on the list of people wishing to address the Governance and Priorities Committee on July 25, 2023.

Donald J. Atchison





To: Mayor & City Council:

Our once lovely City is in a mess & is a mess:  
Run by incompetent - Brain-Fogged Clowns -  
mostly failed school-teachers who have  
no idea how to do a Budget - let  
alone balance it! Managing an economy?  
Bike - Lanes plus sidewalks on 2 sides  
of Double-Laned McOrmond + a 60 KPH  
Speed Limit on 4 & 6-Laned Freeway  
to the new Bridge!! (??) 60 KPH - on  
a Freeway!! no wonder it has little usage!

NOW THE NEXT BUDGET - "0" - zero  
increase - we are already way too high.  
NO 4% - or 2% increase!

ZERO Increase - do you get it?

- Already Way Too High! Out of Control!

- New Library - only the street people  
will use - no parking!

- Another NEW HOCKEY ARENA???

We already have a NEW ARENA - 30  
years old is NEW NEW!!

- Water Rates go up 20% every year  
for decades! (Hidden Tax Increase)

- We Pay for Blue Tubs, Now Green Tubs -  
which we don't use -

My Green Tub will never be used -

I compost all our Lawn Clippings, Leaves,  
Kitchen Waste etc into our large Compost Box

\* Why do we have to pay \$17/10/mo for something  
con't -

(I spread all the Compost on our Veggie Garden. (2)

WE WILL NEVER USE?

But - you shove it down our throats - Many of us would love to SHOVE IT UP YOUR A---S!! YOU A-----S!

Dandelions in City Parks Roadways etc - make my City UGLY!

You have NO idea how to run our City! We have never liked what you have been doing - but now it has become a severe HATRED to all you - except a couple guys.

NO MORE TAX

Increases - not 2%

ZERO

Balance the Budget, \$8100 is already Ridiculous

Gay Johnson  
Thumble Bros.

Oh! — Snow ③

City spent Removal —  
# 20,000,000 to remove snow  
(was it 9") which fell real  
early in the Winter! —

Ours on Lumber was hauled  
away in March — many  
months after it was plowed  
into piles — of the 4' piles  
(4 feet high piles) — had  
melted & evaporated down  
to 16" — when hauled away

What a Waste

Incompleteness  
It would have all melted in  
a couple weeks

1910-1

Dear City Council

██████████ Thiessed Co  
Saskatoon, Sask.  
STK ██████████

Re: your Financial Deficit Responsibility.

I would say, figure out how to downsize your programs, services and support staff. Keep your admission rates to fit next center and paid low so more people will use the facility. I think your revenue will increase if you lower prices and usage will increase.

Suspend/stop the building of the new library and convention center.

Lower your tax burden on your citizens; their money is being pulled away everywhere in this recession. Put more money in your citizens' pockets.

In order to revive your downtown core, increase your support of business by stopping your parking meter concept and change this to a 3 hour time limited parking zone as some tourist cities in this continent do. People repeatedly tell me that they never shop downtown because of parking costs and lack of personal safety issues. Also, your parking meter push pads also wear out and need replacing. I did report that last fall of 2022 to the supervisor of parking.

I like the green bins but they can also "heat" with decomposition! This can be a fire hazard.

You could take away my blue bin. I always managed to get blue bin items to the recycle area at Louisa Civic Centre with no problem.

Someone who had lived in Calgary when these green bins began there, said that skunks were attracted to their area especially if a person actually ~~ripped~~ the bin and dumped it on the grass/ground.

my thoughts.  
Yours truly,  
Czesław Kuciński



P.S. I attended the event at Woodlawn Cemetery on June 18<sup>th</sup>. It was wonderful. I am wondering how the entrance to the next of Kia Memorial Mile will be made to look more presentable (where the former bakery site was) are there plans to beautify this somehow?

To mayor Clark and  
councillors.

Please think - and  
~~do not~~ remind your-  
selves that these  
letters are a small  
drop of the citizens  
of Saskatoon, who  
have the same  
opinions. Please  
reconsider the people  
who can barely make  
it financially now  
and remember that  
we can't have every-

now and worry about  
payments later.

We must not continue  
this way. Remember  
you are not wasting  
and over spending  
your own money, but  
the money of the citizens  
of Saskatoon, who  
trusted you.

I am greatly disappointed  
at what you have done  
and you are apparently  
totally unrepentant.

Yours Truly

Doris E. Peters.

### Taxpayer money not city hall property

So city council wants to increase the taxpayers' tax burden to cover their horrible financial controls of spending our money? Solution: no library, no downtown entertainment centre ... hmmm. No debt. Get your heads straightened out, you guys. Remember, it's the citizens' money, not city hall's!

*Don Parenteau, Saskatoon*

### Arena responsible for financial hole

Only a few months ago councillors proclaimed that a new arena could be built without tax increases. However, we now find ourselves faced with tax increases of up to 18.6 per cent in 2024, actually more if you add in the cost of the green cart program.

Present projections are for around a \$52-million revenue gap for 2024. About \$25 million of this could have been avoided by not purchasing downtown land for the arena. But wait, councillors will be saying, that money came from the sale of city-owned land (mainly new home lots), not taxes.

Yes, but council could have used that same money to pay for any number of other capital items in next year's budget. In fact, reserve money was used to help balance the budget in other years. Some councillors think it was

irresponsible of administration to release preliminary budget projections with large shortfalls.

However, these projections are the consequences of councillors' own actions, notably their preoccupation with a second arena.

*Jonathan Naylor, Saskatoon*

### City hall to blame for big shortfalls

Mayor, council and city managers: Look for new jobs. You are obviously not fit to manage what has been entrusted to you. Surprise, we have a shortfall of \$75 million (\$52.4 million next year and \$23.2 million in 2025). You are responsible for the shortfall. Now find a way to resolve it, other than raising taxes again.

Would you run your own business not knowing what you owe? Not for long. We now need referendums on all major projects as these spendthrifts cannot control

their desires. Now, needed infrastructure will have to be paused, so your project dreams had better also be stopped. This includes the library and arena.

It's a lame excuse that the pandemic caused this, while other cities went through the same pandemic and we are led to believe they came through stronger. There are lots of things that could be done, but we have to do what must be done.

*Allan Isted, Saskatoon*

### Councillors can't be trusted with taxes

In the June 17 StarPhoenix, there were two excellent letters written by Jonathan Naylor (Arena responsible for financial hole) and by Allan Isted (City hall to blame for big shortfalls).

I have previously written to the StarPhoenix about his ongoing trend of mismanagement of our tax dollars, and spending has ballooned to an increase of \$52.4 million for 2024 and another \$23.2 million for 2025. Council and administration believe themselves to be infallible.

Their systemic and self-serving behaviour have made them experts in incompetent planning and decision making. This behaviour must be eradicated.

Here are some previous articles justifying this claim. In the June 4, 2022, StarPhoenix, it was reported that a 3.5 per cent tax hike would

provide for snow clearing. Instead of doing a proper audit of all its services to find savings, the city chose to maintain the status quo.

In the Aug. 17, 2022, StarPhoenix, the city is reporting a "\$6.5-million deficit for 2022" with a proposal of "dipping into reserves and moving capital funds into the operating budget," a shell game of diverting funds. Taxpayers cannot trust this council and administration!  
*Ron Niekamp, Saskatoon*

### Elected reps should ride off on bike lanes

All those in favour of Saskatoon city council approving additional bike lanes stretching from 45th Street west along Avenue C to the river — please say aye.

The silence is deafening. With a projected deficit of \$75 million over the next two years, I still think this project is worth considering.

The addition of this expensive bike path would allow the mayor and council to pedal their fiscally irresponsible butts to the airport after they lose the upcoming election. All those in favour of cleaning house at city hall — say aye.

*Ross Edward Nykiforuk, Saskatoon*

### Council selective about seeking input

I find it ironic that public input is being solicited on proposed boundary adjustments from residents who only managed less than 28 per cent voter turnout in the 2020 civic election.

Yet our elected officials continue to turn a deaf ear to residents who have repeatedly requested a referendum on a proposed new arena/entertainment district potentially costing hundreds of millions of dollars while projecting a \$52-million deficit.

Is this irony? You decide.  
*Arnold Cote, Saskatoon*



### **Extra charges for waste unwelcome**

I moved into Saskatoon in 2009; since then my taxes, almost without fail, have risen by almost double the rate of inflation. At first, I assumed there was some catch-up on infrastructure and was not concerned. But the increases keep coming and the city keeps spending, totally disregarding the concerns of taxpayers.

But it gets worse. When I moved into the city I had a container for recycling, which I periodically took to the recycling centre on Attridge Drive. My cost was zero. Then the city decided we all needed our own container, which now costs almost \$10 per month.

More recently the big spenders in city hall decided we all need a green cart at a cost of approximately \$6 per month. The problem is I have a garburator for my wet garbage and I mulch my grass clippings. It would take me several years to fill this bin if I chose to use it.

Yet I have no choice; I am stuck with a large container I have no space for and a cost I definitely do not appreciate. We do not need extra from our city administration; we need to end the waste and mismanagement and, hopefully, after the next election, bring in a new mayor and council.

*Dan Bachman, Saskatoon*

## Walter, Penny

---

**Subject:** FW: Email - Communication - Brynn Harris-Hamm - Various Concerns - CK 150-1

---

**From:** Web NoReply <[web-noreply@Saskatoon.ca](mailto:web-noreply@Saskatoon.ca)>

**Sent:** Tuesday, July 11, 2023 8:57 AM

**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>

**Subject:** Email - Communication - Brynn Harris-Hamm - Various Concerns - CK 150-1

--- Replies to this email will go to [REDACTED] ---

Submitted on Tuesday, July 11, 2023 - 08:56

Submitted by user: [REDACTED]

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Tuesday, July 11, 2023

**To:** His Worship the Mayor and Members of City Council

**Pronouns:** She/her/hers

**First Name:** Brynn

**Last Name:** Harris-Hamm

**Phonetic spelling of first and/or last name:** Brin

**Email:** [REDACTED]

**Address:** [REDACTED] Coldspring Crescent

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** [REDACTED]

**What do you wish to do ?:** Submit Comments

**Comments:**

Hi everyone,

I feel exhausted and sad at this point, having written to you all countless times about the mismanagement that's been happening in Saskatoon for years and years, and at every turn, it just feels like none of you ever TRULY care about trying to get the city back on track.

As always, pet projects are taking priority over core services in Saskatoon, and it's just disgraceful. The state we're in now is a disaster, and things will only get worse and worse because we are on the wrong path and have been for a long time.

A \$54 million budget shortfall in one year? Possible 18-22% property tax increase? Or even 9 or 10? Hearing some of you speak as though 9% is acceptable is infuriating beyond words. It's just offensive at this point and you've lost touch with your constituents. You guys are like the proverbial boiled frog. You are in such hot water now and somehow didn't seem to realize the temperature was rising even though the citizens of this city were expressing alarm at the top of their lungs, over and over. You always thought you knew better and were smarter than everyone else. I wish that you'd been willing, at any point, to maybe just stop and listen to your constituents who were telling you mistakes were being made. Don't any of you have the humility to stop and consider that maybe you don't always know best?

Now, to hear Harry Bailey pool may never reopen, while you WASTE our money on things like a bike lane to the North industrial district, a new library that was not necessary now, and the \$19 billion climate plan that ultimately won't do anything for our planet, is just maddening. Harry Bailey is an essential facility! Its diving boards are a rite of passage for every Saskatonians. How did we get here??

It's not that I don't care about our planet. Of course I do. We all do. But the city needs to get its priorities straight and remember its primary responsibility is providing core services to the people of this city. That means garbage pickup, street maintenance and SNOW removal, and ensuring the survival of our leisure centres. Those are the things that matter most to the vast majority of people in this city. You need to stop making decisions that cater to a small gov's minority, like cyclists who want to be able to bike up to the farmer's market! Their wants, or the wants of a few activists in the city administration, have to come after the needs of everyone else. Bike lanes are used by few, and are a luxury project for years when we have extra money to spend. I cannot even express to you how frustrating it is going downtown and seeing those stupid white poles all laying down on the asphalt all over the place, having been driven over. It's such a mess!! And then, cars don't know if they should park next to the curb, or out beside the poles. In the winter, it's even worse. You can go to 23rd street one day and see all the cars parked along the curb because the white poles are all down, and then a few days later, they are parked out in the middle of the street again. There are going to be accidents because of this mess. It's so frustrating that we have these unused bike lanes at all, but it's even worse that their execution is such a disaster. Anyway... I digress. But every time I see those poles flat as a pancake, I make a mental note to write to you all. How much blooming money are we wasting replacing the poles countless times?? Imagine if we spent that money on snow removal or Harry Bailey instead? Every dollar matters!

How is it our reality that we never budget to expect tons of snow each year, even though it always comes, and are now unable to maintain our pools??? That's absolutely insane, when you think about the things the city IS spending money on.

I'm pretty disgusted at the comments I'm seeing from council. There seems to be a lack of accountability and this "it is what it is.. we can't do anything to fix it" mindset. Of course you can! Get down to business and get real about which services and projects are TRULY essential for everyone and which are based on activist agendas. It's an easy distinction to make. Lay offs are required. Cuts need to happen in other areas too, like why do dirt employees have their darn parking paid for downtown?? No one else does! Other people spend hundreds of dollars a month to park and only get a spot if they win a lottery. Why should taxpayers have to foot the bill for extra for city employees? There needs to be a mentality of frugality implemented ASAP.

How dare you all close our leisure centres, and charge us for snow removal and garbage when you won't REALLY try to make any real cuts?? There ARE things that can be done. Why have you all been so disrespectful to Councillor Donauer, for example, at every turn, whenever he has tried to implement fiscal responsibility?? You've all been so irresponsibly with our money, spending on things like renaming streets and changing speed limits, when you should've had your eye on the ball (core services).

Reality check. People are suffering. Your constant property tax increases are unacceptable and now this train is WAY off the tracks.

How dare you speak of 9-18% property tax increases as families go to renew their mortgages up around 7%? It's a slap in the face! How can you all be so truly out of touch with people?

Homelessness is already such a huge problem in this city, and your reckless spending means more and more people in this city are being driven into poverty, and for what? Bike lanes? Can you REALLY look the ppl of this city in the face and tell us spending \$19 BILLION of our dollars is going to do ANYTHING at all for the planet? I really believe that if you did, you'd 100% be lying.

Please. Wake up.. and realize how serious this situation is and how far off track you've gone. Changes are needed in the city administration immediately. The mantra from the top needs to be fiscal responsibility and smart decision making, always having Saskatoon families in mind, first and foremost. Questions like, what's more important, a new bike lane, or Harry Bailey? Should be a NO BRAINER. Please shut down these activist projects, and we cannot afford this ridiculousness any longer.

And to those like Councillor Gough who have publicly said they "don't want to spend their summer talking about this" .. I'm just stunned. What kind of attitude is that?! You signed up for this.. and at every turn have made decisions to get us into this mess. Seriously, again I say, how DARE you? (I feel like Greta Thunberg repeating that so often). Ironic.

You're darn right you'll spend your summer talking about this, and every day of the foreseeable future, because this is your job and you have a responsibility to clean up the huge mess you've made.

I really have tried to just keep myself calm and not inundate you all with messages over the past number of months as things spiralled out of control, and I do hate to say this and truly don't want to be rude, but I think you should all be absolutely ashamed of yourselves. Making mistakes is understandable and perhaps excusable sometimes, but not when residents tell you over and over that we're on the wrong path. It's time to listen. Please. It's time to FINALLY listen. This is the time to start making smart choices, to get us back on the right path, rather than stubbornly continuing to go even further down the wrong one.

I know that leading up to the next election, a lot of us plan to mobilize and ensure the citizens of this city know each and every decision that's been made in recent years to get us to this point, and which councillor has said what on various issues. It's time for accountability to return to this city. Please remember we ARE watching, not because we want to make your lives difficult, but because you are directly impacting our lives in such substantial ways, and it's our responsibility.

Thanks for your time.

Sincerely,

Brynn Harris-Hamm

**Will you be submitting a video to be vetted prior to council meeting?: No**

## Lasby, Mary

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**Subject:** FW: Email - Communication - Jason Aebig - 2023 Budget Shortfall – Option - CK 430-72  
**Attachments:** Letter\_2023 Civic Budget\_July18.pdf

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**From:** Web NoReply <[web-noreply@Saskatoon.ca](mailto:web-noreply@Saskatoon.ca)>  
**Sent:** Tuesday, July 18, 2023 10:16 AM  
**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>  
**Subject:** Email - Communication - Jason Aebig - 2023 Budget Shortfall – Option - CK 430-72

--- Replies to this email will go to [ceo@saskatoonchamber.com](mailto:ceo@saskatoonchamber.com) ---

Submitted on Tuesday, July 18, 2023 - 10:15

Submitted by user: Anonymous

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Tuesday, July 18, 2023

**To:** His Worship the Mayor and Members of City Council

**First Name:** Jason

**Last Name:** Aebig

**Email:** [ceo@saskatoonchamber.com](mailto:ceo@saskatoonchamber.com)

**Address:** 260-536 2nd Avenue North

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** S7K 2C5

**Name of the organization or agency you are representing (if applicable):** Greater Saskatoon Chamber of Commerce

**What do you wish to do ?:** Submit Comments

**What meeting do you wish to speak/submit comments ? (if known)::** Special Budget Meeting of Council - July 25

**Comments:**

Please see attached and thank you for your consideration.

**Attachments:**

- [Letter\\_2023 Civic Budget\\_July18.pdf](#)171.58 KB

**Will you be submitting a video to be vetted prior to council meeting?:** No

July 18, 2023

Saskatoon City Council  
222 3rd Ave North  
Saskatoon, SK S7K 0J5

## **2023 Budget Shortfall – Option**

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Dear Mayor Clark and Councillors,

Thank you for leading efforts to address the City's significant budget shortfall and initiating a new approach to developing the City's 2024-2025 Business Plan and Budget. Wisely, you have given Administration and community stakeholders enough runway to discuss the challenges at hand, explore options, and propose solutions.

Concurrent with Special Budget Meetings of Council, we have solicited member feedback and discussed options – one of which is outlined below.

### **Challenging Climate**

Like many of our businesses, the City of Saskatoon is facing inflationary pressures and wrestling with higher costs for materials, supplies, fuel and labour. And, like those businesses, the City will need to make hard choices to offset those costs and reduce spending on initiatives and hires.

Scaling back plans, reducing staffing levels, innovating to deliver with less – these are the difficult steps business owners have taken to adjust to the economic climate. They expect no less from their municipal leaders.

As early as June 2020, leading economists were warning against the fiscal challenges cities are now facing – including post-pandemic inflation – forecasting that municipal shortfalls would be in the billions of dollars and that cities would need to do their part by finding workable cost reductions. (RBC, June 9, 2020)

For their part, businesses are doubling their efforts to manage shrinking margins and rising costs without passing the problem onto their clients and customers. While they are optimistic about the future, they do not have the capacity to absorb an excessive property tax increase at this time. A significant rate increase would hit small and medium size businesses hardest and undermine the safety, vibrancy and quality of life they contribute to our Riversdale, Sutherland, Broadway, Mayfair and Downtown districts.

### **7% Global Spending Cut**

As a starting point for Council's line-by-line budget review, the Chamber is recommending a 7 per cent cost reduction across all departments and city-funded agencies to avoid excessive and punitive property tax increases through 2024-2025.

/2

A mandated cost-cutting initiative across all Civic Service Expenditures would deliver over \$45M in savings as a starting point for Council's deliberations, giving Council the opportunity to discuss further reductions and adjustments and make trade-offs between priorities. Council could increase cuts in some areas to reduce cuts in others, like front-line services or investments in community safety. Importantly, it would ensure that decisions made through the budget process deliver the outcome we need: a fair and competitive tax rate that closes the gap and keeps our city growing.

### **Constraint Breeds Creativity**

A clear and manageable target for cost reductions, mandated by Council, will give city administrators the direction they need to adjust staffing levels, find savings, and propose different ways of delivering programs and services.

In some cases, hitting this target might involve reductions in staffing. In others, it might involve renegotiating the terms of contracts, identifying different suppliers, deferring new capital and equipment purchases, or eliminating professional development and travel expenses.

Those closest to departmental and program budgets are best positioned to make these choices. For anyone else – including Council and outside stakeholders – it's like trying to hit a bullseye from 30,000 feet. Senior managers and their teams are closest to the board. Set the target and challenge them to hit it.

### **Close the Gap, Keep Us Growing**

If there is a sense that the current budget process will not deliver a satisfactory outcome, we urge you to consider the option outlined above. A fair and balanced approach to cost reduction is one way to close the City's budget gap without undermining our capacity to grow our economy, expand our tax base and attract new residents and businesses.

Thank you for your leadership at this important time.

Sincerely,

Jason Aebig, CEO  
Greater Saskatoon Chamber of Commerce



## Lasby, Mary

---

**Subject:** FW: Email - Communication - Frank Jones - Various Concerns - CK 430-72

---

**From:** Web NoReply <[web-noreply@Saskatoon.ca](mailto:web-noreply@Saskatoon.ca)>

**Sent:** Thursday, July 20, 2023 6:45 PM

**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>

**Subject:** Email - Communication - Frank Jones - Various Concerns - CK 430-72

--- Replies to this email will go to [REDACTED] ---

Submitted on Thursday, July 20, 2023 - 18:44

Submitted by user: Anonymous

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Thursday, July 20, 2023

**To:** His Worship the Mayor and Members of City Council

**First Name:** Frank

**Last Name:** jones

**Phonetic spelling of first and/or last name:** [REDACTED]

**Email:** [REDACTED]

**Address:** [REDACTED] Dore cr

**Neighbourhood:** [Lawson Heights](#)

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** S7K [REDACTED]

**What do you wish to do ?:** Available to answer questions only

**If speaking will you be attending in person or remotely:** In person

**What meeting do you wish to speak/submit comments ? (if known)::** Absolutely the worst company

**What agenda item do you wish to comment on ?:** any

**Comments:**

I want each member of council to be able to explain the jobs that have descriptions that are unexplainable to me. Jobs that pay 100,000 + but are about reconciliation in the library and the community and the city then more 100000\$ in co-ordination and rejuvenation and community involvement and communication and more communication and feedback and what ? Our roads are falling apart and busting up our vehicles on side streets. Our down town looks like some zombie horror movie. You have over spent and are way off budget by 51 mill. Thanks a lot !! Now what a new big library downtown when the current one is mostly vacant except for some scary vagrants so yes lets spend more taxpayers money on something no-one needs and on top lets build an arena that is inaccessible to most accept the downtown residents.

**Will you be submitting a video to be vetted prior to council meeting?:** No

**Lasby, Mary**

---

**Subject:** FW: Email - Communication - Warren Galenzoski - Reduction of City Expenses - CK 430-72

---

**From:** Web NoReply <[web-noreply@Saskatoon.ca](mailto:web-noreply@Saskatoon.ca)>

**Sent:** Friday, July 21, 2023 9:32 AM

**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>

**Subject:** Email - Communication - Warren Galenzoski - Reduction of City Expenses - CK 430-72

--- Replies to this email will go to [REDACTED] ---

Submitted on Friday, July 21, 2023 - 09:32

Submitted by user: Anonymous

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Friday, July 21, 2023

**To:** His Worship the Mayor and Members of City Council

**First Name:** Warren

**Last Name:** Galenzoski

**Phonetic spelling of first and/or last name:** [REDACTED]

**Phone Number :** [REDACTED]

**Email:** [REDACTED]

**Address:** [REDACTED] Dulmage Crescent

**Neighbourhood:** [Stonebridge](#)

**City:** Saskatoon, Sk

**Province:** Saskatchewan

**Postal Code:** S7T [REDACTED]

**Name of the organization or agency you are representing (if applicable):** Tax payers with Common Sense

**What do you wish to do ?:** Submit Comments

**What agenda item do you wish to comment on ?:** Reduction of city expenses

**Comments:**

City Council and Administrators. Can you get any denser? IF you were serious about cutting projected city Expenses from the 72 MILLION you would FIRST of all cut 400 city employees hired within the past TWO years or so. You don't want to do this because it would upset your left wing union support. You are not really serious though are you? Also the 19 BILLION climate scam ( change) project should be scrapped completely. City council should provide the basics, road, snow removal, police and fire. The rest in WISH LIST and vast majority of people would not mind having a reduction in the FRILLS in order to be able to pay for their basics family needs such as food. I had sent a letter to you previously inviting any/ all of you to contact me but ONLY ONE councilor did explaining there is NOT ONE CITY COUNCILOR or ADMINISTRATOR QUALIFIED to deal with the Budget cuts to which I TOTALLY AGREED which also EMPHAZIES the FACT there is NOT ONE COUNCILOR or ADMINISTATOR QUALIFIED to WASTE the MILLIONS OF TAX PAYERS DOLLARS. For the most part you are ALL a DISGRACE and should resign, ALL Except perhaps, Donauer, Davies and maybe one or two more IF YOU HAD THE COURAGE to use Common sense in cutting the Budget

**Will you be submitting a video to be vetted prior to council meeting?:** No

## Walter, Penny

---

**Subject:** FW: Email - Communication - Terry Neefs - Suggestions to Reduce Proposed 2024 Budget - CK 430-72  
**Attachments:** Comments-suggestions for 2024 City Budget.pdf

---

**From:** Web NoReply <[web-noreply@Saskatoon.ca](mailto:web-noreply@Saskatoon.ca)>  
**Sent:** Monday, July 24, 2023 10:43 AM  
**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>  
**Subject:** Email - Communication - Terry Neefs - Suggestions to Reduce Proposed 2024 Budget - CK 430-72

--- Replies to this email will go to [REDACTED] ---

Submitted on Monday, July 24, 2023 - 10:38

Submitted by user: [REDACTED]

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** Yes

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Monday, July 24, 2023

**To:** His Worship the Mayor and Members of City Council

**First Name:** Terry

**Last Name:** Neefs

**Phonetic spelling of first and/or last name:** [REDACTED]

**Phone Number :** [REDACTED]

**Email:** [REDACTED]

**Address:** [REDACTED] La Ronge Road

**Neighbourhood:** [Lawson Heights](#)

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** [REDACTED]

**What do you wish to do ?:** Submit Comments

**What meeting do you wish to speak/submit comments ? (if known)::** Special Governance and Priorities Meeting to Consider Budget Matters

**Comments:**

See attached pdf document regarding comments and suggestions to reduce proposed 2024 budget

**Attachments:**

- [Comments-suggestions for 2024 City Budget.pdf](#) 265.45 KB

**Will you be submitting a video to be vetted prior to council meeting?:** No

[REDACTED]

[REDACTED]

All Saskatoon residents are feeling the pain of inflation and higher interest rates, especially those on low and fixed incomes. There are many areas of discretionary spending that city council and administration can cut back or defer. Now is the time for strong wilful leadership to make the difficult and wise fiscal decisions that will still protect and provide residents and taxpayers with some reduced services without undue hardship. However there are core services which are critical and Saskatoon also has an aging and failing infrastructure which requires attention and focus.

When businesses and residents experience budget shortfalls the first thing they do is cut discretionary spending while using a basic strategy to determine their...

### **Musts vs Needs vs Wants**

Those are also the three key criteria based on the Kepner-Tregoe system for problem solving and decision making. It is a science that has been taught for 60 years and well worth learning by leaders of any private or public organization. I spent 43 years working in big business for 6 different organizations two of which were Fortune 500 companies that used Kepner-Tregoe for critical problem solving and decision making related to operating costs or capital projects in the multi million \$\$\$. It is an objective system used to determine priorities in the order of Musts (1st), Needs (2<sup>nd</sup>) and Wants (3<sup>rd</sup>) especially when dealing with limited funds and resources. For example:

Musts (1st) -> Utilities, fire/police, and core services such as water, sewer, electrical, transit, waste removal, etc

Needs (2<sup>nd</sup>) -> Infrastructure, preventative road maintenance, etc

Wants (3<sup>rd</sup>) -> Projects such as new library, new arena, etc.

### **Opportunities to reduce expenses and future spending:**

- City of Saskatoon has more 6 figure salaries now than ever before....time for a review and potential salary freeze
- There are more FTE employees now than ever before...time for a review and potential hiring freeze
- This past winter there was snow removal done across the city to clear and truck away all windrows at great expense to taxpayers..therefore as in previous years let mother nature do the job instead
- Review the plan and costs and defer the new library
- Defer a new arena
- Infrastructure is aging and failing...focus on repair and maintenance
- Contain recurring expenses...they are the death of many organizations
- There are likely many other services that can be reviewed for reduction or non critical projects that can be deferred without causing major grief or pain

### **Opportunities to increase revenue:**

- Increase the price of services that are direct use or direct consumption (transit, leisure, parking, etc)
- Increase the price of utilities that are direct use or consumption (water/sewer, electricity, etc)

**Note** – clean fresh water is becoming a most precious resource as climate change is receding glaciers and mountain snow pack which are our primary sources of water on the prairies. Continue raising the rates but teach residents how to lower consumption and conserve while also charging over-usage penalties *such as escalating rates* (a tiered system where higher usage pays a higher rate). Low to middle income homeowners will be willing to conserve and stay in a low cost tier while the wealthy will pay the premium which will increase city revenue. Do the same for electrical. This strategy is used very effectively in other countries and cost conscious people are very deliberate to keep their usage at a lower rate level while the wealthy simply pay more without concern. Once a user enters a higher tier they must remain in that tier for a year until they prove consistent lower usage in order to return to a lower tier.

Taxpayers and residents in general are very concerned about high tax increases and will be paying close attention especially since 2024 is an election year.

### 2024/2025 Budget Inflationary & Phase-in Decisions

#### ISSUE

The City's 2024/2025 Budget is being significantly impacted by inflationary and phase-in pressures. A decision is required to determine how best to approach these pressures within the 2024 and 2025 budget. This report focuses on 11 areas that account for 53.1% of the City's \$52.4 million projected funding gap to maintain existing services heading into 2024.

#### BACKGROUND

##### History

At the August 22, 2022, Governance and Priorities Committee, while discussing [Options for Inclusion of the Transit Service Model within Indicative Budget](#), Committee resolved in part:

“That the Governance and Priorities Committee recommend to City Council that Option 3 – Inclusion of a Phased-In Transit and other Step Growth amounts be included within the Indicative Budget in each Budget Year”

As reported at the June 14, 2023 Governance and Priorities Committee ([2024 and 2025 Budget Status Update](#)) the City is facing significant inflationary pressures in 2023 that are expected to persist into 2024 and beyond. In order to maintain service levels, such as the City's 1 in 20-year treatment cycle for roadways and sidewalks in the City, inflationary allocations would be required in order to maintain the City's purchasing power in this rising cost environment. Anything less than fully accounting for inflation will lead to reduced purchasing power for the program.

As outlined in the June 14, 2023 report several step-growth allocations have been included in the 2024 budget including building a base for future transit routes, the East Leisure Centre, Fire Station requirements and allocations to a future Emergency Snow Event Response.

##### Current Status

An overview of the most significant inflationary allocations that have been included in the Administration's forecasted costs to maintain existing services can be seen below:

- A reduction in the Return on Investment (ROI) from Saskatoon Light and Power in 2024 of \$3.3 million. This reduction is to help support the Saskatoon Light and Power (SL&P) asset management plan to retain existing buying power due to inflationary pressures where costs of materials and supplies have increased by approximately 33%. This reduction in ROI is in addition to the funding gap that was previously reported at \$7 million to achieve the required level of investment to support the asset management requirements.



- The City's road preservation/rehabilitation program targets a 1 in 20 year treatment cycle. To maintain this service level, the program must receive inflationary and growth allocations otherwise the program service level will slowly erode. Growth requirements, to account for added lane kilometers of roadways, are estimated to be \$590,000 in 2024 and \$746,300 in 2025. In terms of inflationary pressures, the program has seen significant inflationary impacts in 2023 (30% plus increases in prices) and is estimated to require \$10.20 million in additional funding in 2024 to maintain the service level and \$2.49 million in 2025 when inflation is expected to return to a closer to normal range.
- The inflationary impact on the replacement of Fire Apparatus has been significant in recent years with the cost to replace an Engine increasing from approximately \$900,000 to \$1.5 million per unit. To maintain Saskatoon Fire's (SFD) current replacement strategy, an additional \$770,000 (67% increase) is required in 2024. In addition, a smaller inflationary amount has been included in 2024 and 2025 (\$50,000) due to inflationary pressures felt by the Small Equipment Replacement Reserve.

SFD is responding to an increasing number of calls year over year, resulting in increased operating hours on fire apparatus. NFPA 1901 recommends that apparatuses greater than 15 years old that have been properly maintained and that are still in serviceable condition be placed in reserved status. Currently SFD is exceeding this and is keeping frontline apparatus operational for a minimum of 18 years.

An Alternative Response Vehicle pilot project will be proposed through the Reserve for Capital expenditures options process. The project is a green initiative involving smaller vehicles which will reduce emissions. This will reduce the fire apparatus hours, maintaining the existing useful life of large apparatus and reduce the impact on maintenance and mechanical schedules.

- The City's Civic Buildings Comprehensive Maintenance (CBCM) program targets a funding contribution of 1.2% of a buildings valuation each year as per [Bylaw No. 6774, The Capital Reserve Bylaw](#) . As per the June 6, 2023 [Facilities Asset Management Plan Update](#), this funding contribution was at 0.98% in 2021 and is at risk of falling to 0.78% based on significant increases in building valuations and associated maintenance costs. To maintain the 0.98% funding contribution from 2021, an inflationary increase of \$2.7 million in 2024 would be required.
- In 2022 the rates for gas and diesel increased significantly and at the 2023 Preliminary Business Plan and Budget Meeting, the 2023 budget for fuel was adjusted to estimated rates of \$1.60/L for gas and \$1.70/L for diesel (after a \$0.10/L reduction as approved by City Council). The estimated 2024 rates are \$1.76/L for gas and \$1.87/L for diesel and the 2025 estimated rates are \$1.94/L for gas and \$2.06/L for diesel. These rates are volatile and could vary significantly to actual rates in those years. If, in these years the actual fuel rates are lower than anticipated, any surplus in the budget can be put into the Fuel Stabilization Reserve. The Fuel Stabilization Reserve balance is currently \$0 as it was fully utilized at the 2022 year-end. From January 1 to June 3, 2023, the average rates have been \$1.32/L for gas and \$1.35/L for diesel. It is important to

note that this is only based on the first 5 months and often fuel rates are higher in the summer which may drive the 2023 average rates upwards by year-end.

City Council can choose to reduce the estimated amount in each year. If City Council would like to decrease the 2024 or 2025 projection, every \$0.05/L reduction to the rates is estimated to be \$350,000.

The second area that is having a significant impact is inclusion of step-growth pressures to address future operating requirements. An overview of some of the most significant step-growth pressures included in the 2024/2025 forecast can be seen below:

- As part of the City's Major Capital Prioritization Process, the construction and opening of two new fire stations on the west side of the city were identified as priority number one and two for Saskatoon Fire. While one of these stations will be staffed through the redeployment of an existing crew, the other station will require a deployment of a new Fire Fighter crew which is funded through the operating budget. With operations forecasted to begin as early as 2026, the annual operating budget of \$3.78 million is being recommended to be phased in from 2024-2026 with \$1.26 million included in each year. Funding contributions in 2024 and 2025 will be utilized to offset the capital cost of construction and phase-in the hiring of new Fire Fighters in 2025, until the funding is required in 2026.
- \$208,500 in each of 2024 and 2025 to begin to build a base budget for future transit service expansion to Aspen Ridge, Evergreen and North Kensington.
- \$600,000/year beginning in 2024 to build base funding for the future East Leisure Centre operating requirement expected to open in 2029. While the base funding is being allocated and not required by operations it will contribute towards the City's share of the construction cost of the facility.
- 2024 and 2025 both include \$1.61 million to phase-in funding to repay the estimated \$15 million in costs from the 2022 snowstorm event and build in a base for future responses. The current plan is for 100% of the 2024 allocation to go towards the repayment of the 2022 event which would take approximately 10 years (assuming a \$5 million allocation from the 2024-2035 Major Capital Funding Plan). The 2025 allocation would then be used as base funding towards a reserve to contribute to future events.
- Included in the budget is a \$1.80 million annual allocation to the capital reserve to ensure the City is appropriately funding the growth needs for its transit fleet. Historically the City has been very reliant on Federal Funding programs to not only replace buses but also bring on additional buses to support a growing network. This allocation would allow the City to bring on one electric bus or one – two diesel buses per year to support the growing network and increased service delivery requirements.

Another significant item included in the 2024/2025 budget is the phase-out of the Negative Contingency/Targeted Savings. Specifically, an impact of \$3.9 million is included in the 2024 forecast to phase out the Negative Contingency or Global Reduction that was added to the budget during the pandemic. As evidenced by recent

years' operating results these targets have been a contributing factor to the recent deficits.

Approaches in Other Jurisdictions

In terms of inflationary allocations, The City of Regina has a two-year budget process (2023/2024) with their 2024 budget preliminarily approved as the second year of the cycle. Included in Regina's [2023- 2024 Budget](#) on page 29, it states:

“a planned increase of approximately 3 per cent to continue to address the infrastructure gap at the City”

Saskatoon has been facing inflationary requirements of 30% plus in many of the capital contribution areas in this report (SL&P, Roadways, Facility Maintenance and Fire Apparatus). The Administration does not have any insight into whether Regina will re-visit their planned 2024 contribution to capital based on the current inflationary landscape in Saskatchewan and Canada or proceed with the originally planned 3% increase.

**OPTIONS**

The following options focus on 11 decision points related to inflationary and other impacts. Of the \$52.4 million funding gap that was presented to the June 14, 2023 Governance and Priorities Committee these 11 items account for \$27.0 million or 51.5% of the pressures facing the City heading into 2024. A high-level overview of the amounts included in the 2024 projection are outlined below:

<b>2024 Budgetary Forecast</b>	<b>Amount (in millions)</b>
SL&P ROI Inflationary Reduction	\$ 3.3
Roadway Preservation Inflation	\$10.2
Saskatoon Fire Apparatus Replacement Inflation	\$ 0.8
Civic Building Comprehensive Maintenance Inflation	\$ 2.7
Fuel Estimates	\$ 1.2
Future Fire Station Phase-in	\$ 1.3
Transit Service Future Service Phase-in	\$ 0.2
Snow & Ice Emergency Response Phase-in	\$ 1.6
Transit Bus Growth Phase-in	\$ 1.8
Negative Contingency Phase-Out	\$ 3.9
<b>TOTAL Amount include in 2024 Forecasts</b>	<b>\$27.0</b>

Options to lessen the impact of these pressures can be found below.

**Option 1 – Deferral and Planned Future Phase-in**

This option would mainly consist of adding 50% of the required inflationary impact in 2024 and 2025 and planning on phasing in the additional impacts in future years or providing the opportunity to re-evaluate the inflationary environment in future years.

## 2024/2025 Budget Inflationary & Phase-in Decisions

It would also include the deferral of many of the Step-Growth Items. A full outline of the options can be seen below:

Inflationary Items	Option	2024	2025	2026	2027	2028	2029
Saskatoon Light & Power ROI	Fund at 100% of current funding plus 50% of the projected inflationary requirements plus 100% of the added growth impact. Remaining inflation will be planned to be phased in over 5 years or reassessed if inflationary pressures subside.	\$ (1,650,000)	\$ 330,000	\$ 330,000	\$ 330,000	\$ 330,000	\$ 330,000
Roadway Preservation		\$ (5,100,000)	\$ 1,020,000	\$ 1,020,000	\$ 1,020,000	\$ 1,020,000	\$ 1,020,000
Saskatoon Fire Apparatus		\$ (385,000)	\$ 77,000	\$ 77,000	\$ 77,000	\$ 77,000	\$ 77,000
CBCM		\$ (1,343,000)	\$ (268,600)	\$ (268,600)	\$ (268,600)	\$ (268,600)	\$ (268,600)
Fuel Estimates		\$ (700,000)	\$ (700,000)	\$ -	\$ -	\$ -	\$ -
<b>Total Inflationary Change</b>		<b>\$ (9,178,000)</b>	<b>\$ 458,400</b>	<b>\$ 1,158,400</b>	<b>\$ 1,158,400</b>	<b>\$ 1,158,400</b>	<b>\$ 1,158,400</b>
<b>Other Items</b>							
Saskatoon Fire Station Phase-in	Reduce the 2024/2025 planned phase in of \$1.26M by 2/3 and add it back to the operating budget when the station opens in 2026.	\$ (837,000)	\$ (837,000)	\$ 2,929,000	\$ -	\$ -	\$ -
Transit Future Service Phase-in	Reduce the 2024/2025 planned phase in of \$208,500 by 100% and add to the operating budget when the Transit Service is required.	\$ (208,500)	\$ (208,500)	\$ 417,000	\$ -	\$ -	\$ -
East Leisure Operating Phase-in	Reduce the 2024/2025 planned phase in of \$600,000 by 100% and add it back over 5 years beginning in 2026.	\$ (600,000)	\$ (600,000)	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
Snow & Ice Phase-in	Reduce the 2024/2025 planned phase in of \$1.61 million by 50% and allocate it towards repaying the 2022 Emergency Snow Event over 10 years.	\$ (805,000)	\$ (805,000)	\$ -	\$ -	\$ -	\$ -
Transit Bus Growth Allocation	Reduce the \$1.8 million allocation for Transit Bus Growth by 2/3 in 2022 and continue to rely on Federal Funding and aging buses for growth requirements	(1,200,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Negative Contingency	Reduce the \$3.9 million phase out of the Negative Contingency/Targetted Savings in 2024 by 25% and phase that amount over 3 years beginning in 2026.	(969,800)	\$ -	\$ 323,300	\$ 323,300	\$ 323,200	\$ -
<b>Total Other Items</b>		<b>\$ (4,620,300)</b>	<b>\$ (2,450,500)</b>	<b>\$ 4,419,300</b>	<b>\$ 1,073,300</b>	<b>\$ 1,073,200</b>	<b>\$ 750,000</b>
<b>Total Combined Change</b>		<b>\$ (13,798,300)</b>	<b>\$ (1,992,100)</b>	<b>\$ 5,577,700</b>	<b>\$ 2,231,700</b>	<b>\$ 2,231,600</b>	<b>\$ 1,908,400</b>

The impacts of this options include:

- The purchasing power for Saskatoon Light & Power, Roadway Preservation, Fire Apparatus and Facilities Maintenance (CBCM) will all decrease in 2024. Work will be re-prioritized to complete as much as possible in 2024, however, it will be a decrease over work performed in the past if inflationary prices persist.
- Deferring step-growth requirements (Fire Stations, Transit and East Leisure Centre) will place additional pressure on future budgets. For example, when the next Fire Station opens (assuming 2026) the full operating impact will be required in one year.
- Deferral of the Snow & Ice Phase-in will leave enough funding to repay the 2022 Emergency Snow Event over 10 years (assuming a \$5 million allocation from the 2024-2035 Major Capital Funding Plan). Base funding to respond to future events will not be available.
- Deferral of Transit bus replacement phase-in would mean the City would not have a sustainable plan in place to continue to fund the growth requirements of the program. Existing buses would continue to be kept once replaced to service the growing demand.

**Option 2 – More Significant Deferral and Future Phase-in**

This option would increase the reductions to the 2024/2025 inflationary impacts and step-growth requirements over option 1 as follows:

Inflationary Items	Option	2024	2025	2026	2027	2028	2029
Saskatoon Light & Power ROI	Fund at 100% of current funding plus 25% of the projected inflationary requirements plus 100% of the added growth impact. Remaining inflation will be planned to be phased in over 5 years or reassessed if inflationary pressures subside.	\$ (2,475,000)	\$ 495,000	\$ 495,000	\$ 495,000	\$ 495,000	\$ 495,000
Roadway Preservation		\$ (7,650,000)	\$ 1,530,000	\$ 1,530,000	\$ 1,530,000	\$ 1,530,000	\$ 1,530,000
Saskatoon Fire Apparatus		\$ (577,500)	\$ 115,500	\$ 115,500	\$ 115,500	\$ 115,500	\$ 115,500
CBCM		\$ (2,014,500)	\$ 402,900	\$ 402,900	\$ 402,900	\$ 402,900	\$ 402,900
Fuel Estimates		\$0.15/L Reduction of Fuel/Diesel Estimates in 2024 and 2025	\$ (1,050,000)	\$ (1,050,000)	\$ -	\$ -	\$ -
<b>Total Inflationary Change</b>		<b>\$ (13,767,000)</b>	<b>\$ 1,493,400</b>	<b>\$ 2,543,400</b>	<b>\$ 2,543,400</b>	<b>\$ 2,543,400</b>	<b>\$ 2,543,400</b>
<b>Other Items</b>							
Saskatoon Fire Station Phase-in	Reduce the 2024/2025 planned phase in of \$1.26M by 100% and add it back to the operating budget when the station opens in 2026.	\$ (1,255,000)	\$ (1,255,000)	\$ 3,765,000	\$ -	\$ -	\$ -
Transit Future Service Phase-in	Reduce the 2024/2025 planned phase in of \$208,500 by 100% and add to the operating budget when the Transit Service is required.	\$ (208,500)	\$ (208,500)	\$ 417,000	\$ -	\$ -	\$ -
East Leisure Operating Phase-in	Reduce the 2024/2025 planned phase in of \$600,000 by 100% and add it back over 5 years beginning in 2026.	\$ (600,000)	\$ (600,000)	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
Snow & Ice Phase-in	Reduce the 2024/2025 planned phase in of \$1.61 million by 50% and allocate it towards repaying the 2022 Emergency Snow Event over 10 years.	\$ (805,000)	\$ (805,000)	\$ -	\$ -	\$ -	\$ -
Transit Bus Growth Allocation	Reduce the \$1.8 million allocation for Transit Bus Growth by 100% in 2022 and continue to rely on Federal Funding and aging buses for growth requirements	(1,800,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Negative Contingency	Reduce the \$3.9 million phase out of the Negative Contingency/Targetted Savings in 2024 by 50% and phase that amount over 3 years beginning in 2026.	(1,939,600)	\$ -	\$ 646,500	\$ 646,500	\$ 646,600	\$ -
<b>Total Other Items</b>		<b>\$ (6,608,100)</b>	<b>\$ (2,868,500)</b>	<b>\$ 5,578,500</b>	<b>\$ 1,396,500</b>	<b>\$ 1,396,600</b>	<b>\$ 750,000</b>
<b>Total Combined Change</b>		<b>\$ (20,375,100)</b>	<b>\$ (1,375,100)</b>	<b>\$ 8,121,900</b>	<b>\$ 3,939,900</b>	<b>\$ 3,940,000</b>	<b>\$ 3,293,400</b>

The impacts of this option would be similar to Option 1, except for the fact the impacts would be more significant as inflationary allocations are being reduced by up to 75% (but still include current funding plus growth requirements) as well as a higher level of reduction to the other items. This option will put additional pressure on future years budgets in order to bring service levels back up if inflationary pressure persists, as well as 100% of funding will be required in the year Fire Stations and Transit routes become operational.

**Option 3 – Combination**

This option would include a combination of options specific to the 11 inflationary and other items included in this report. Committee has the option of 0% - 100% reduction of the forecasted requirements for these programs. If Committee wished to proceed with this option, the Administration would recommend a process where each item is reviewed separately, and motions put forward for potential reductions for each item. Once those motions are on the floor, they would be voted on from the highest reduction to the lowest until a motion passes. Once a motion passes, the Administration would build the 2024/2025 Preliminary Business Plan and Budget based on that direction.

**RECOMMENDATION**

That the Administration be directed to include option 2 in the 2024/2025 Preliminary Business Plan and Budget.

**RATIONALE**

Option 2 is being recommended because the Administration does not see another readily available path to get the potential 2024 property tax impact under 10% without implementing this option. While this option would result in decreased purchasing power for the City over several programs in 2024 and potentially beyond due to significant inflationary pressures, the actual dollar investment would continue to be a record high in many areas as 2023 base funding would continue to be provided along with full growth allocations and some level of inflationary increases. The reduction in inflationary requirements would be planned to be phased-in in future years or reassessed if inflationary pressures were to subside.

**NEXT STEPS**

Business Line reports will continue to be brought forward to Committee throughout the upcoming special budget meetings to provide additional insight into the other financial pressures facing the City. In addition to the insight, these reports will also bring forward additional options for Committee's consideration.

**REPORT APPROVAL**

Written by: Clae Hack, Chief Financial Officer  
Reviewed by: Executive Leadership Team  
Approved by: Jeff Jorgenson, City Manager

Admin Report - 2024/2025 Budget Inflationary & Phase-in Decisions.docx

## **2024 and 2025 Budget Reduction Allocation Estimates**

### **ISSUE**

This report provides an estimate of the amount of reductions that would be required in each Business Line to achieve a 4%, 6% or 9% property tax increase for 2024 and 2025 as previously directed by City Council.

### **BACKGROUND**

At the June 14, 2023 at the Governance and Priorities Committee meeting when considering the [2024/2025 Budget Status Update](#), Committee resolved in part that:

- “ 4. Would the administration quantify the amount of changes required to have a 4% tax increase in 2024 and a 4% tax increase in 2025 in each business line. Please ensure that the Board of Police Commissioners is provided the same information.
5. Would the administration quantify the amount of changes required to have a 6% tax increase in 2024 and a 6% tax increase in 2025 in each business line. Please ensure that the Board of Police Commissioners is provided the same information.
6. Would the administration quantify the amount of changes required to have a 9% tax increase in 2024 and a 9% tax increase in 2025 in each business line. Please ensure that the Board of Police Commissioners is provided the same information.”

### **CURRENT STATUS**

To achieve a 9%, 6% or 4% property tax increase in 2024 and 2025 the following reductions would be required from the projected funding gap.

<b>Property Tax Impact</b>	<b>2024 Reduction Required</b>	<b>2025 Reduction Required</b>
9%	\$26,987,125	N/A Property Tax would already be under 9% at 7.56%
6%	\$35,460,325	\$5,296,519
4%	\$41,109,125	\$11,480,481

To assist in future Business Line reviews, the Administration has prepared forecasts on what it would require for each business line to achieve. When determining the allocations, there are several methods that could be used to illustrate the allocation. An overview of two possible allocation methods are outlined below:

#### Allocation Method Option 1 – Percentage of Operating Revenue & Expenditures

Allocation method 1 includes allocating a percentage of the required reductions based on operating revenues and expenditures. This perspective is useful as it provides insight into what an allocation across the organization would look like based on the size of their budgets and not necessarily based on the amount of pressure they are adding

**2024 and 2025 Budget Reduction Allocation Estimates**

to the funding gap since different business lines are experiencing different levels of financial pressure.

The following tables utilize the 2023 budget for the projected allocations with the following adjustments:

1. Urban Planning and Development, Recreation and Culture, Transportation and Saskatoon Land self balancing programs have been removed since they do not impact the property tax (Licenses and Permits, Building & Plumbing Permits & Standards, Golf Courses, Nutrien Playland, Gordie Howe Campsite, Riverlanding and the Impound Lot);
2. Debt Servicing has been removed from the Corporate Governance and Finance business line since there is no opportunity to adjust this expenditure; and
3. Taxation and General Revenue have not been included in the allocation since there is limited control over increasing these revenue sources (Grants-in-lieu, Franchise Fees, Municipal Revenue Sharing, etc.)

Considering these adjustments, an overview of the projected reductions required to achieve a certain property tax for each business line can be seen below:

<b>2024 Reduction Allocations (Revenue + Expenditures Allocation Method)</b>			
<b>Business Line</b>	<b>4% Property Tax</b>	<b>6% Property Tax</b>	<b>9% Property Tax</b>
Arts, Culture and Events Venues	\$ 654,224	\$ 564,327	\$ 429,482
Community Support	\$ 1,645,093	\$ 1,419,041	\$ 1,079,963
Corporate Asset Management	\$ 1,118,234	\$ 964,577	\$ 734,093
Corporate Governance and Finance	\$ 4,334,297	\$ 3,738,722	\$ 2,845,359
Environmental Health	\$ 2,252,989	\$ 1,943,406	\$ 1,479,032
Recreation and Culture	\$ 5,060,168	\$ 4,364,851	\$ 3,321,875
Saskatoon Fire	\$ 3,973,048	\$ 3,427,112	\$ 2,608,208
Saskatoon Police Service	\$ 9,383,097	\$ 8,093,767	\$ 6,159,771
Transportation	\$ 12,159,545	\$ 10,488,703	\$ 7,982,441
Urban Planning and Development	\$ 528,431	\$ 455,819	\$ 346,902
<b>Total</b>	<b>\$ 41,109,125</b>	<b>\$ 35,460,325</b>	<b>\$ 26,987,125</b>



**2024 and 2025 Budget Reduction Allocation Estimates**

<b>2025 Reduction Allocations (Revenue + Expenditures Allocation Method)</b>			
<b>Business Line</b>	<b>4% Property Tax</b>	<b>6% Property Tax</b>	
Arts, Culture and Events Venues	\$ 182,840	\$ 84,353	
Community Support	\$ 459,765	\$ 212,112	
Corporate Asset Management	\$ 312,520	\$ 144,181	
Corporate Governance and Finance	\$ 1,211,334	\$ 558,849	
Environmental Health	\$ 629,658	\$ 290,493	
Recreation and Culture	\$ 1,414,198	\$ 652,440	
Saskatoon Fire	\$ 1,110,374	\$ 512,271	
Saskatoon Police Service	\$ 2,622,355	\$ 1,209,823	
Transportation	\$ 3,389,753	\$ 1,563,862	
Urban Planning and Development	\$ 147,684	\$ 68,134	
<b>Total</b>	<b>\$ 11,480,481</b>	<b>\$ 5,296,519</b>	

It is Important to note that the 9% projection has not been provided in the 2025 forecast, since the starting point is already below that figure.

Allocation Method Option 2 – Percentage of Funding Gap

Allocation method 2 includes allocating a percentage of the required reductions based on where the funding gap pressures are coming from in 2024 and 2025. This method provides a different perspective as it provides a higher allocation to those areas that are contributing the most to the projected funding gap.

<b>2024 Reduction Allocations (Funding Gap Allocation Method)</b>			
<b>Business Line</b>	<b>4% Property Tax</b>	<b>6% Property Tax</b>	<b>9% Property Tax</b>
Arts, Culture and Events Venues	\$ 143,085	\$ 123,424	\$ 93,932
Community Support	\$ 92,883	\$ 80,120	\$ 60,975
Corporate Asset Management	\$ 5,230,084	\$ 4,511,419	\$ 3,433,421
Corporate Governance and Finance	\$ 3,062,438	\$ 2,641,628	\$ 2,010,415
Environmental Health	\$ 1,643,085	\$ 1,417,309	\$ 1,078,645
Recreation and Culture	\$ 2,862,485	\$ 2,469,151	\$ 1,879,151
Saskatoon Fire	\$ 3,647,761	\$ 3,146,523	\$ 2,394,665
Saskatoon Police Service	\$ 6,348,890	\$ 5,476,490	\$ 4,167,889
Transportation	\$ 17,910,212	\$ 15,449,172	\$ 11,757,612
Urban Planning and Development	\$ 168,203	\$ 145,091	\$ 110,421
<b>Total</b>	<b>\$ 41,109,125</b>	<b>\$ 35,460,325</b>	<b>\$ 26,987,125</b>

## 2024 and 2025 Budget Reduction Allocation Estimates

<b>2025 Reduction Allocations (Funding Gap Allocation Method)</b>				
<b>Business Line</b>	<b>4% Property Tax</b>		<b>6% Property Tax</b>	
Arts, Culture and Events Venues	\$	45,677	\$	21,073
Community Support	\$	(24,109)	\$	(11,123)
Corporate Asset Management	\$	881,166	\$	406,526
Corporate Governance and Finance	\$	910,100	\$	419,874
Environmental Health	\$	351,985	\$	162,388
Recreation and Culture	\$	1,245,628	\$	574,671
Saskatoon Fire	\$	1,025,219	\$	472,984
Saskatoon Police Service	\$	2,980,346	\$	1,374,982
Transportation	\$	3,932,908	\$	1,814,447
Urban Planning and Development	\$	131,562	\$	60,696
<b>Total</b>	<b>\$</b>	<b>11,480,481</b>	<b>\$</b>	<b>5,296,519</b>

It is important to note that 2024 and 2025 allocations in method 2 have been adjusted for the following factors:

- The Environmental Health Business Line did not include the portion related to removing the Black Bin Program (\$7.4 million) to isolate the projected increases for that Business Line;
- Corporate Governance and Finance did not include the costs of reducing the Corporate Contingency, increased payroll costs and Microsoft Licensing since those costs are required across the organization and not solely related to this Business Line; and
- Corporate Governance and Management also removed Debt Servicing since this is not directly related to the operations of this Business Line.

### Impact of Options Presented on June 22, 2023 Report

If all of the recommendations included in the June 22, 2023 report to the Special Governance and Priorities Committee were approved, they have the following impact on each business line:

## 2024 and 2025 Budget Reduction Allocation Estimates

June 22 Recommended Options 2024 and 2025 Impact			
Business Line	2024	2025 Total	
Arts, Culture and Events Venues	\$ (41,000)	\$ -	\$ (41,000)
Community Support	\$ (110,000)	\$ (30,000)	\$ (140,000)
Corporate Asset Management	\$ (2,014,500)	\$ 402,900	\$ (1,611,600)
Corporate Governance and Finance	\$ (2,744,600)	\$ (805,000)	\$ (3,549,600)
Environmental Health	\$ -	\$ -	\$ -
Recreation and Culture	\$ (600,000)	\$ (600,000)	\$ (1,200,000)
Saskatoon Fire	\$ (2,088,500)	\$ (1,139,500)	\$ (3,228,000)
Saskatoon Police Service	\$ -	\$ -	\$ -
Transportation	\$ (10,708,500)	\$ 271,500	\$ (10,437,000)
Taxation & General Revenue	\$ (3,791,000)	\$ 495,000	\$ (3,296,000)
Urban Planning and Development	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ (22,057,100)</b>	<b>\$ (1,405,100)</b>	<b>\$ (23,462,200)</b>

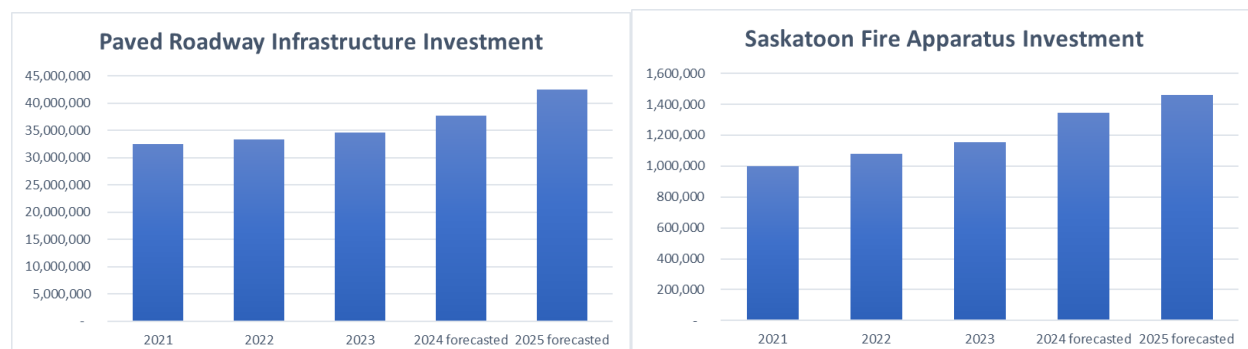
It is important to note that figures in brackets in the previous table represent reductions to the funding gap, while figures without brackets would represent increases to the funding gap if City Council chose to phase in some of the deferrals as per several of the recommendations.

### Impact of Adjustments

It is important to note, that while the impact of inflation has eroded the City's purchasing power in many areas, many of the investments such as Roadways, Facilities and Fire Apparatus will still be the largest dollar investments ever made for the City of Saskatoon.

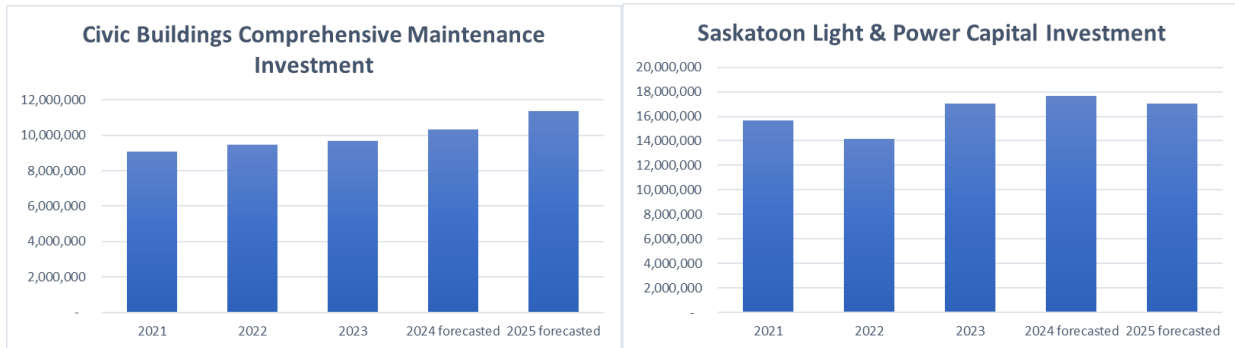
An overview of the 2021 – 2025 forecasted contributions to various reserves are outlined and graphed below:

Program	Annual Investment				
	2021	2022	2023	2024 forecasted	2025 forecasted
Paved Roadway Infrastructure	\$ 32,519,000	\$ 33,306,000	\$ 34,635,000	\$ 37,775,000	\$ 42,539,000
Saskatoon Fire Apparatus Contribution	\$ 1,000,000	\$ 1,077,000	\$ 1,152,000	\$ 1,344,500	\$ 1,460,000
Saskatoon Light & Power Allocation	\$ 15,678,000	\$ 14,145,000	\$ 17,025,000	\$ 17,646,000	\$ 17,021,000
Civic Buildings Comprehensive Maintenance	\$ 9,063,000	\$ 9,480,000	\$ 9,668,000	\$ 10,343,000	\$ 11,347,900



## 2024 and 2025 Budget Reduction Allocation Estimates

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### NEXT STEPS

This report and tables will continue to be provided and updated heading into each Special Budget meeting during the summer.

### REPORT APPROVAL

Written by: Clae Hack, Chief Financial Officer  
Approved by: Jeff Jorgenson, City Manager

Admin Report - 2024 and 2025 Budget Reduction Allocation Estimates.docx

## Walter, Penny

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**Subject:** FW: Email - Communication - Ari Avivi - Operating Deficit - CK 430-72

**From:** Ari Avivi <[REDACTED]>

**Sent:** Wednesday, June 14, 2023 4:00 PM

**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>

**Cc:** Loewen, Mairin (City Councillor)

**Subject:** Email - Communication - Ari Avivi - Operating Deficit - CK 430-72

Good day,

There is no doubt that the city is in some financial trouble. As the representatives of the residents of the city we look to you for prudent and responsible leadership. Now is the time for you as a council and individual representatives to demonstrate that. There is no doubt that there have been significant external pressures that have contributed to this situation so some tough choices are in front of you.

As a taxpayer I have quite a few questions.

1. How when a shortfall was identified over a year ago in a financial update were plans not put in place to address it. The inflationary pressures were obvious, but it seems like no actions were taken to mitigate city hall spending.
2. What projects, that may in fact have future value, can be shelved right now to avoid placing a greater burden on the taxpayers. This is not a judgement on the value of the project but a reflection of the need to focus on the immediate basic needs of all residents of the city. Of the top of my head I can think of a few.
  - a. Pause all work on the renaming of John A. Macdonald road.
  - b. Pause work / expenditures on the BRT, specifically the purchase of assets (busses, BRT rapid transit pilot station) as the actual development of BRT is well off into the future.
  - c. Pause work on the cycling initiatives. How can we afford to build new roads, for a limited segment of the population, when we can't afford to maintain the current infrastructure we have.
  - d. Pause the application of arts grants. Art is valuable, and is an enhancement, but it is also a nice to have vs a need to have (and I'm an arts supporter, but when times are tough, times are tough)
  - e. Aggressively review the city accounts receivables and make enhanced efforts to recover outstanding revenue owed.
    - i. As a side note, no company should get another city contract if they are in arrears for a previous one.
  - f. Perform a work force wide review of positions and determine what projects can be paused, and which positions can be amalgamated, or declared redundant to reduce the HR staffing costs to the city.

I hope to hear back from some of you on these suggestions / questions.

Ari Avivi

Producer

The Comedy Pit

A showcase of CLEAN stand up comedy.

[www.thecomedy-pit.ca](http://www.thecomedy-pit.ca)

I also do a podcast called The Really Bad Advice Podcast. Check it out on your favourite postcast site

[www.reallybadadvice.ca/](http://www.reallybadadvice.ca/)

## Walter, Penny

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**From:** City Council  
**Subject:** FW: Email - Communication - SeoRhin Yoo - Canadian Federation of Independent Business - Property Taxes - CK 430-72  
**Attachments:** CFIB Letter to City of Saskatoon re Property Taxes.pdf

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**From:** SeoRhin Yoo <[REDACTED]>  
**Sent:** Wednesday, June 14, 2023 2:28 PM  
**To:** Councillor's Office <[Councillors.Office@saskatoon.ca](mailto:Councillors.Office@saskatoon.ca)>  
**Cc:** Brianna Solberg <[REDACTED]>  
**Subject:** CFIB letter to City of Saskatoon re Property Taxes

Dear Mayor Clark and Council,

On behalf of the Canadian Federation of Independent Business (CFIB) and our 4,000 small and medium-sized businesses in Saskatchewan, including over 800 members in Saskatoon, we are writing to you about the City's recent funding gap, a pressing matter concerning many of our small business members. As the City deliberates this issue, we are calling on the Council to take immediate action without raising property taxes.

Please find attached our open letter with recommendations. The letter will be shared with media in the coming days.

**SeoRhin Yoo** (*S-uh-rin You*)

Policy Analyst  
[REDACTED]

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[CFIB](#) – *In business for your business*



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Open Letter

June 14, 2023

Mr. Charlie Clark, Mayor of Saskatoon  
Office of the Mayor  
222 Third Avenue North  
Saskatoon, SK S7K 0J5

**Re: CFIB recommendations to address funding gap without harming Saskatoon small businesses**

Dear Mayor Clark and Council:

The Canadian Federation of Independent Business (CFIB) is Canada's largest grassroots, non-profit, and non-partisan business association representing over 97,000 small- to medium-sized businesses across the country, including over 800 members in Saskatoon. We are writing in response to the City's announcement of a \$75 million deficit over the next two years, and to express serious concern regarding the significant property tax hikes being suggested to help cover this funding shortfall.

As you know, the past three years have been very challenging for small business owners who are still dealing with the lingering effects of the pandemic. According to recent CFIB data, 17 per cent of Saskatchewan small businesses are considering closing. Around half are still below normal sales, and 72 per cent are still carrying pandemic-related debt at an average of over \$70,000. Given the additional challenges stemming from inflation, labour shortages, supply chain disruptions, and rising interest rates, many are left to wonder whether they will ever recover.

Property taxes are particularly harmful because they are profit insensitive, meaning businesses must pay them even if they are not bringing in any revenues. In fact, 53 per cent of Saskatchewan small businesses have indicated property taxes are the most harmful tax to their operations. Not to mention, commercial property owners pay a disproportionate share of property taxes. Despite making up only 25 per cent of the municipal assessment in Saskatoon, commercial property owners pay 33 per cent of all property tax revenue – totaling nearly \$93 million.<sup>1</sup>

Given the current state of the economy, businesses and residents need cost relief, not additional taxes and cost increases. Small business owners will struggle to incorporate *any* property tax hikes at this time, not to mention the absurdly high increases that may be necessary based on the numbers recently presented.

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<sup>1</sup> Saskatchewan Government, Mill Rate Survey Results (2016-2022): <https://publications.saskatchewan.ca/#/products/72573>

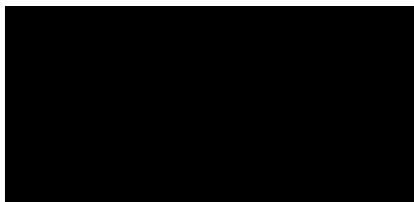
Therefore, CFIB is calling on the City of Saskatoon to take immediate action to narrow the funding gap without raising property taxes by:

- Immediately limiting operating spending growth to no more than the rate of population growth;
- Reducing operating hours for non-essential services and facilities;
- Prioritizing spending on essential services over discretionary areas;
- Implementing a temporary hiring freeze;
- Freezing compensation increases until the funding gap is closed;
- Evaluating existing City positions and adjust roles;
- Having Council and executive staff lead by example by taking pay reductions and curbing discretionary spending;
- Increasing revenues from alternative sources (i.e., sponsorships, user fees for public facilities, etc.); and
- Reviewing city assets to determine opportunities to raise capital.

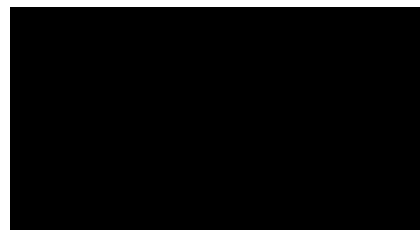
During this difficult time, we encourage Council to think like a small business. While making decisions to cut back are never easy, keep in mind these are the same trade-offs small business owners have been forced to make in order to survive the last three years.

Regardless of how Council chooses to rectify this unfortunate situation, it is imperative that the solutions do not land on the backs of already struggling small businesses. We hope we can work together on this matter to ensure an environment where local small businesses thrive. If you have any questions or wish to discuss this further, please do not hesitate to contact us at (306) 713-8071 or [Brianna.Solberg@cfib.ca](mailto:Brianna.Solberg@cfib.ca).

Sincerely,



Brianna Solberg  
CFIB Legislative Affairs Director



SeoRhin Yoo  
CFIB Policy Analyst



### Transportation Business Line Information

#### ISSUE

As the City of Saskatoon (City) heads into its planning for the 2024 and 2025 Business Plan and Budget Cycle, there continues to be several budgetary pressures the City is facing. This report will provide information and Administrative recommendations on the Transportation Business Line.

This process has been established so that City Council can provide early direction to the Administration, on what to include in the 2024/2025 Preliminary Business Plan and Budget which will be considered by City Council in November 2023 during the 2024/2025 Business Plan and Budget deliberation meeting.

#### BACKGROUND

At its March 15, 2023 meeting when considering the [2023-2025 Budgetary Pressures and Trends](#) Report, Governance and Priorities Committee (GPC) resolved in part:

“That Administration report back on a potential special budget meeting process to address some of the budgetary challenges and pressures for the upcoming two-year budget cycle. That this report include recommendations on using the existing Governance and Priorities Committee/Finance Committee meeting schedule vs. having special budget/Finance committee meetings and recommendations for organizing these special budget meetings based on departmental budgets or based on service lines or some combination.”

At its April 12, 2023 meeting when considering the [2024/2025 Business Plan and Budget Process Report](#), Governance and Priorities Committee (GPC) resolved:

“That Option 3 be approved, and the City Clerk’s office be directed to schedule Special Budget Meetings for the presentation of Business Line-based reports if the Governance and Priorities Committee Capacity does not exist as outlined in the April 12, 2023 report of the Chief Financial Office.”

#### CURRENT STATUS

The multi-year business plan and budget process includes the following key steps:

1. Develop the cost to maintain existing services considering city growth, inflation pressures, and updated revenue estimates. This step is also used to present and discuss required corrections of base budgets and phase-in of funding plans.
2. Provide a summary of the information from Step 1 to GPC.
3. Use cross-divisional teams to discuss City Council’s strategic priorities and develop options to achieve these priorities.
4. Present a list of Business Plan Options to City Council for prioritization.

## DISCUSSION/ANALYSIS

Each business line report will have the same general outline. The categories in each report will be:

1. Expenditure Overview;
2. Service Level Review;
3. Pandemic Challenges;
4. 2024/2025 Pressures; and,
5. Potential Options.

Appendix 1 includes the information for the Transportation business line. The Transportation business line includes:

1. Access Transit;
2. Bridges and Overpasses;
3. Engineering;
4. Impound Lot;
5. Parking;
6. Road Maintenance;
7. Snow and Ice Management;
8. Street Cleaning and Sweeping;
9. Street Lighting;
10. Transit Operations; and,
11. Transportation Services.

## OPTIONS

Appendix 1 provides the full information regarding the options available to Committee.

**Option 1** – Increase Parking Rates by \$0.50/hour

**Option 2** – Implement Parking App Fees

**Option 3** – Reduce City Yard Security Funding

**Option 4** - Defer Contribution to the Bridge Reserve

**Option 5** – Defer New Property Tax Funded Positions

**Option 6** - Reduce Snow and Ice Management Program Inflation

**Option 7** – Reduce Street Cleaning and Sweeping Inflation

**Option 8** – Reduce Saskatoon Transit Operation Expenditures

**Option 9** – Increase Saskatoon Transit Revenues

**Option 10** – Reduce Transportation Services Inflation

**Option 11** – Reduce Service Level of Back Lane Maintenance

**Option 12** – Reduce Snow and Ice Management Service Levels

**Option 13** – Delay or Eliminate Street Sweeping

**Option 14** – Eliminate Seasonal Decoration Program or Replacement Program

**Option 15** – Adjust Saskatoon Transit Service Levels

**Option 16** – Expand Parking Pay Station Zone

**RECOMMENDATION**

That the Governance and Priorities Committee direct Administration to include the following options in the 2024/2025 Preliminary Business Plan and Budget:

1. Option 1 – Increase Parking Rates by \$0.50/hour
2. Option 2 – Implement Parking App Fees
3. Option 3 – Reduce City Yard Security Funding

**RATIONALE**

The provided recommendations aim to strike a balance in addressing the significant cost pressures the City is facing heading into 2024/2025 with a reasonable property tax increase. While there are implications to the provided recommendations to service levels and increases in user fees, the Administration believes the recommended options provide reasonable options to reduce future costs.

**FINANCIAL IMPLICATIONS**

The financial implications of this business line will be deliberated at the 2024/2025 Business Plan and Budget Deliberations meeting.

**OTHER IMPLICATIONS**

There are no privacy, legal, social or environmental implications identified.

**NEXT STEPS**

Any direction from Committee on this report will be incorporated into the 2024/2025 Business Plan and Budget process. Decisions for 2024/2025 Business Plan and Budget will be made by City Council during the budget deliberation meeting which will be held on November 28 to 30, 2023 where the budget implications of all business lines will be deliberated.

**APPENDICES**

1. Transportation Business Line

**REPORT APPROVAL**

Written by: Jason Turnbull, Senior Financial Business Partner  
Kari Smith, Director of Finance

Reviewed by: Clae Hack, Chief Financial Officer  
Terry Schmidt, General Manager Transportation and Construction  
Lynne Lacroix, General Manager Community Services

Approved by: Jeff Jorgenson, City Manager

**Transportation Business Line**

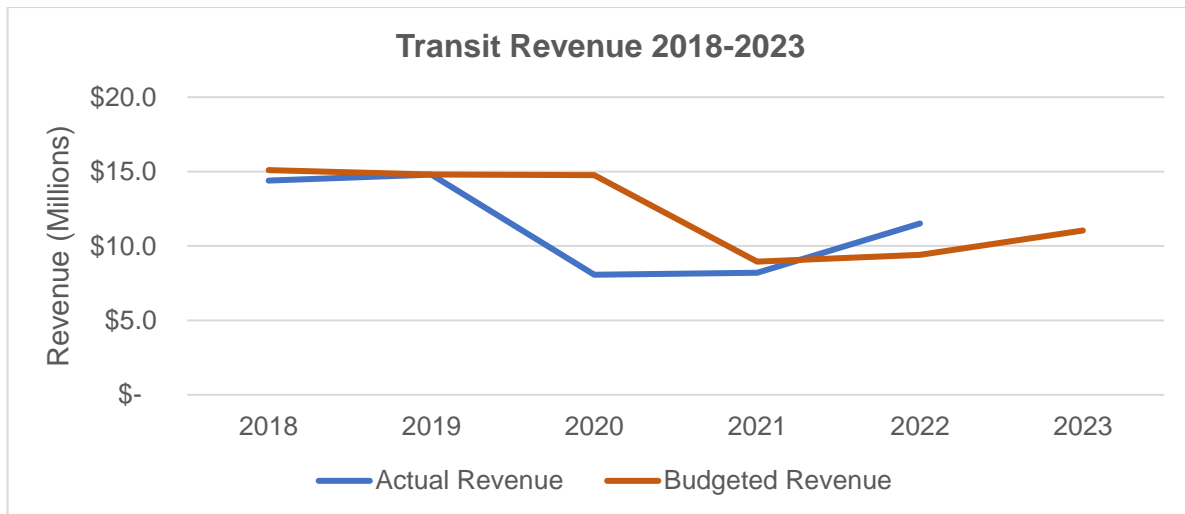
The 2023 Budget for the Transportation Business Line included \$160.07 million in expenditures and \$20.62 million in operating revenues. The remaining costs of \$139.45 million was funded by general revenues including property taxes.

**Revenue Overview**

In 2023 the Transportation Business Line was budgeted to generate \$20.62 million in operating revenue. \$11.05 and \$6.13 million was budgeted from Transit Operations and Parking respectively, which is approximately 83% of all operating revenue in this Business Line. A full breakdown of operating revenue can be seen below.

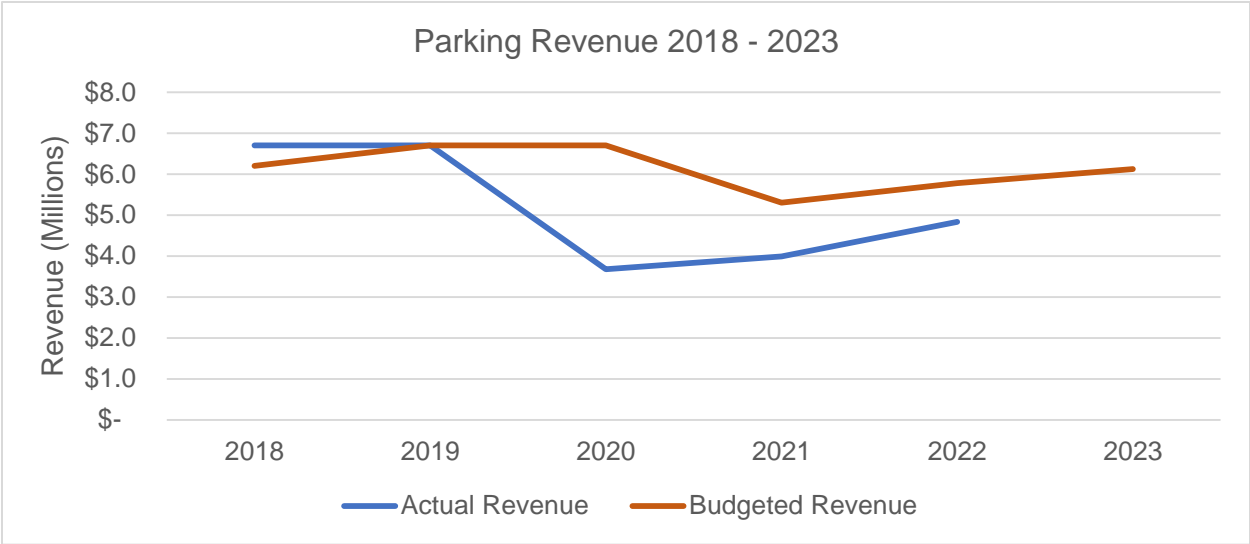
<b>Service Line</b>	<b>2023 Op Rev (in millions)</b>	<b>% of Overall Op Rev.</b>
Access Transit	\$1.08	5.24%
Bridges, Subways & Overpasses	-	0.00%
Engineering	-	0.00%
Impound Lot	\$0.46	2.23%
Parking	\$6.13	29.73%
Road Maintenance	\$1.07	5.19%
Snow & Ice Management	\$0.55	2.67%
Street Cleaning & Sweeping	-	0.00%
Street Lighting	\$0.03	0.15%
Transit Operations	\$11.05	53.59%
Transportation Services	\$0.25	1.21%
<b>Transportation Business Line</b>	<b>\$20.62</b>	<b>100.00%</b>

As outlined above Transit Revenues are one of the largest operating revenue sources in this Business Line. Although 2022 saw increases in user fee revenue, the transit industry is focusing on new realities of ridership levels. Revenues are forecasted to be approximately \$3.25 million below pre-pandemic levels in 2023 as illustrated below:



Administration continues to expect modest growth in transit user fee revenue, however a return to pre-pandemic levels is not likely to occur in the near future and the entire transit industry is re-evaluating what the new normal might be.

The other significant operating revenue source for this business line is Parking Revenues. Like Transit, this revenue source has seen a significant impact due to the pandemic and although there have seen recoveries in 2022 and 2023, a return to pre-pandemic levels in 2024 is unlikely. A five-year history parking revenue is illustrated below:



**Expenditure Overview**

The two largest service lines, Road Maintenance (\$50.17 million) and Transit Operations (\$51.65 million), make up approximately 64% of all expenditures within the Transportation Business Line. An overview of all the service lines 2023 operating expenditures can be seen below:

Service Line	2023 Op. Exp. (in millions)	% of Overall Op. Exp.
Access Transit	\$6.95	4.34%
Bridges, Subways & Overpasses	\$8.47	5.29%
Engineering	\$0.91	0.57%
Impound Lot	\$0.45	0.28%
Parking	\$4.28	2.67%
Road Maintenance	\$50.17	31.34%
Snow & Ice Management	\$15.39	9.62%
Street Cleaning & Sweeping	\$5.01	3.13%
Street Lighting	\$8.24	5.14%
Transit Operations	\$51.65	32.27%
Transportation Services	\$8.55	5.34%
<b>Transportation Business Line</b>	<b>\$160.07</b>	<b>100.00%</b>

Another way to look at this information is by Budget Category. As seen below approximately 83% of total expenditures in the Transportation Business Line are for the following: Wages and Benefits (37%), Transfers to Reserve/Capital (30%), and Contracted Services (16%).

<b>Budget Category</b>	<b>2023 Budget (in millions)</b>	<b>% of Overall Expenses</b>
Wages & Benefits	\$59.03	36.87%
Contracted & General Services	\$25.82	16.13%
Utilities	\$9.39	5.87%
Materials Goods & Supplies	\$16.95	10.59%
P3 Contract Payments	\$6.56	4.10%
Transfers to Reserve/Capital	\$48.77	30.47%
Other Expenses	\$0.02	0.01%
Cost Recoveries	(\$6.46)	(4.04%)
<b>Transportation Business Line</b>	<b>\$160.07</b>	<b>100.00%</b>

Some additional key observations are:

- 64% of all wages and benefits for the Transportation Business Line relate to Transit and Access Transit, mainly for operators, mechanical and other support staff.
- 49% of all Contracted Services for the Transportation Business Line are for Road Maintenance, Snow/Ice Clearing and Street Sweeping services.
- 71% of all transfers to reserve/capital for the Transportation Business Line are for the City's Road Preservation program.

Overall, since 2018, the expenditures in the Transportation Business Line have grown by 20.68% over the past five years or an average of 4.14% per year. For context, Saskatoon's population growth ([Per Stats Canada Table 17-10-0142-01](#)) plus Consumer Price Index Inflation ([Per Stats Canada Table 18-10-0005-01](#)) over this same period was 26.69% or 5.34% per year. The service lines that have experienced the largest expenditure growth over the past five years (greater than 20%) include:

- 37.90% increase in Bridges, Subways and Overpasses.
  - This increase is largely due to a \$300,000, \$330,000 and \$440,000 allocation as part of 2019, 2020 and 2021 budget deliberations to address the Bridges and Structures Asset Management Plan funding gap.
  - Other increases relate to P3 Requirements for the Chief Mistawasis Bridge and Traffic Bridge, as well as the construction of the McOrmond Drive/Highway 5 and Boychuk Drive/Highway 16 interchanges.
- 27.25% increase in Parking expenditures;
  - This increase is largely related to a significant increase as part of the 2019 budget (17.21%) mainly to correct ongoing base budget issues where expenditures such as Commissionaires costs, banking and parking app

fees and terminal maintenance were perpetually underfunded. This budget also included the addition of a Customer Support coordinator to formalize the parking customer service program to provide more timely responses to customers and other customer service initiatives. The other significant increase occurred in 2021 (8.51%) and was required to fully operationalize the software, licensing, and warranty costs for the new parking system.

- 27.72% increase in Access Transit expenditures:
  - Access Transit experienced regular increases of approximately 5% per year from 2019 to 2023. These increases were largely required for fuel increases as well as a few FTEs (3.0 FTEs for operators, 0.5 FTE for a relief supervisor, 0.5 FTE for utility, and an Occupational Therapist) to meet the demands of the expanding program.
- 25.37% increase in Transit expenditures:
  - Saskatoon Transit experienced regular increases of approximately 5% per year from 2019 to 2023. Similar to Access Transit these increases were largely required for fuel, system requirements as well as several FTEs to accommodate the growing city and expansion of Transit services into new neighborhoods.

### **Service Level Overview**

Service levels are a key driver for the City’s expenditure requirements. The following section provides an overview of key service levels for each. Of note some of the largest service level costs within the Transportation Business Line are the service hours and operator requirements for Transit and Access Transit, as well as the City’s road maintenance program and targeted 1 in 20 year treatment cycle for roadway preservation.

<b>Access Transit</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Customer Service	Customer Care Line	Monday to Friday 9:00 a.m. to 4:00 p.m.
Access Transit On Demand Trip	Booking Window	Book 3 days in advance. Goal of accommodating all requests made with 1 days’ notice.
	Pick up Window	20 minutes
	Ride Length	<=75 minutes
	Denial Rate	Saskatchewan Human Rights Commission indicates <1%
<b>Bridges, Subways and Overpasses</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Asset Management	Washing	Structures are washed annually.
	Sealing	A penetrating sealer is applied on a five-year cycle.

	Minor Maintenance	Completed on an annual basis, dealing with repairs and maintenance on structures as determined by inspections.
	Major Rehabilitations	The City utilizes inspection and deck testing data, recommendations and scenario modelling to select the optimal rehabilitation scheme and timing. The program is developed based on improving condition slowly over time by targeting the most cost-effective future treatment and performing major bridge rehabilitations approximately once every 25 years. With the current inventory an average of two rehabilitations are targeted to be completed each year.
Inspections	Safety Inspections	Each structure is inspected annually for safety concerns, maintenance programs, and to identify defects for additional investigation.
	Bridge Inspections and Deck Testing	Consultant inspections done every three years and deck testing on a six year cycle for bridges and overpasses that are over 10 years old.
<b>Impound Lot</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Vehicle Impoundment	Vehicle Retrieval	A minimum of 80% of impounded vehicles are returned to the owner.
Impound Lot Operations	Sunday and Holiday Hours	Closed
	Monday to Friday Hours	8:00 a.m. to 7:00 p.m.
	Saturday Hours	11:00 a.m. to 4:00 p.m.
<b>Parking</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Parking Permit Operations	Residential Parking Program (RPP)/ Limited Residential Parking Program (LRPP)	Deliver residential parking programs in seven zones covering 193 city blocks. Review of additional appropriate expansion areas will occur through 2023. Issue approximately 3100 to 3500 permits annually.
	Parking Program for People with a Disability	Oversee the program to issue and track approximately 3000 permits annually.
	Fringe Festival Parking Zone	Annual zone establishment and issue approximately 3800 permits annually.



	Exhibition Parking Zone	Annual zone establishment and issue approximately 3800 permits annually.
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Road Maintenance		
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Service	Sub-Service	2023 Service Level
Road Surface Maintenance	Emergency Pothole Repair	Potholes with the potential for causing damage are considered an emergency and will be repaired as quickly as possible.
	Routine Pothole Repair	Until the full spring and summer pothole blitzes are underway, only potholes that cause concern in the driving lanes of Priority 1 and 2 streets will be repaired with a temporary fill.
	Crack Filling	Performed within the first five to 10 years of a new surface to extend the service life of the road.
	Paved Back Lanes	Maintenance will be performed as crews are made available depending upon the priority of those lanes requiring maintenance.
Drainage and Flooding	Emergency	Inspect in the same business day (within 24 hours).
	Non-emergency	Inspect as soon as time permits. Typically within two to five days.
Specialized Maintenance	Guardrail Repair	Reports of damage to guardrails will be investigated within 24 hours.
Roadway Preservation	Micro surface, overlay, resurface, reconstruction	Increase condition slowly over time with a target of an average 20-year return cycle (surface treat 5% of network each year).
Sidewalk Preservation	Crack fill, trip ledge cut, overlay, remove and replace	Increase condition slowly over time with a target to coordinate with road preservation work with an average 20-year return cycle. (treat 5% of network each year).
Sidewalk Maintenance	Various safety treatments	Inspect complaints for safety as soon as possible, if warranted safety treatments are applied until the standard sidewalk preservation program arrives.

Snow & Ice Management		
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Service	Sub-Service	2023 Service Level
Snow Grading (Snow Event > 5cm)	Priority 1 Streets	Snow graded within 12 hours after a snowstorm ends.
	Priority 2 Streets	Snow graded within 36 hours after a snowstorm ends.
	Priority 3 Streets	Snow graded within 72 hours after a snowstorm ends.

Sidewalk Snow Clearing	Sidewalks adjacent to City-owned facilities, pedestrian overpasses and bridges	Cleared within 48 hours after a snowstorm ends.
School and Business Districts	Snow Removal	Windrows are removed if they exceed a height of 60 cm. Windrows will be removed outside of school hours.
Snow Removal Along Priority Streets	Snow Removal	Removal of snow piles along priority streets when storage capacity on medians, boulevards and parking lanes is reached and there is no more room to store additional snowfalls.
Winter Maintenance on Cycle Tracks	Snow Grading on Raised Cycle Tracks	Snow graded after every snow event within 48 hours of snowfall ending.
Winter Maintenance on Protected Bicycle Lanes	Snow Grading on Protected Bicycle Lanes	Snow graded after every snow event on protected bicycle lanes within 24 hours of snowfall ending.
Winter Maintenance on Multi-Way Boulevards (e.g., McOrmond Drive)	Snow Grading and Removal on New Access Road and Angle Parking	When snowfall accumulation is 10 cm or more, snow will be graded within 72 hours and removed within 2 days.
Ice Maintenance	Priority 1 Streets	Ice inspections every 4 hours.
	Priority 2 Streets	Ice Inspections every 8 hours.
	Priority 3 Streets	Ice Inspections every 12 hours.
	De-icer & Sanding	De-icer and sanding is applied as needed based on inspections.
<b>Street Cleaning &amp; Sweeping</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Street Sweeping	Median Sweep	Completed prior to the end of May.
	Priority Street Sweep	Performed once every three weeks or as needed.
	Expressway Sweep	Once per year beginning in May and targeted to finish at the end of June.
	Residential Sweep	Once per year beginning in early May and completed by the end of June.
	Business Improvement District Sweep	The sweeping takes place once per month starting in May (weather dependent) and ending in October.
	Summer Maintenance Sweep	Work is performed on an as needed, complaint driven basis.
	Bridge Wash	Structures swept and washed annually.

Dust Palliation	Dust Palliation	Strategic application of dust suppressant on high traffic gravel roads at least once per year and along Beef Research Road four applications per year.
<b>Street Lighting</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Street Lighting	Street Lighting	Maintain roadway and park lighting to illuminate surfaces for vehicle and pedestrian safety.
	Seasonal Decorations	Maintain seasonal decorations. Winter-based decorations are illuminated between November 15 and March 21.
<b>Transit Operations</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
On Time Performance (Conventional)	Departures no more than 3 minutes early or 5 minutes late from scheduled departure time	85% of total trips.
Introducing New Service	Tier 1	Neighbourhood is populated to at least 25%. 1,560 annual service hours.
	Tier 2	Neighbourhood is populated to at least 50%. 3,120 annual service hours.
	Tier 3	Neighbourhood is populated to 90%+ with high ridership thresholds met. 6,604 annual service hours.
Walking Distances	Residential Areas	450 meters (to a maximum of 1000 meters).
	Employment Areas	Maximum 1000 meters.
	High Frequency Corridor	600 meters.
Frequency	Residential Areas	15 to 60 minutes.
	Employment Areas	15 to 60 minutes.
	High Frequency Corridor	10 to 30 minutes.
<b>Transportation</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Targets</b>
Lane Marking	Centre-lines, edge lines, and lane lines	Paint all the lines once per year, approximately 950 kilometers.

Crosswalks	n/a	The objective is to paint all crosswalks twice. However over recent years only about 50% of the second application has occurred. There are 1175 crosswalks.
Other Markings	Bumps, bike sharrows, parking stalls, walk your bike stencil, chevrons (white and yellow), and arrows	The objective is to paint all these items at least once per year. This objective has not been met to varying degrees over the past six years.
Traffic Signal Repair	n/a	For intersections identified as critical the repairs begin as soon as possible. For intersections identified as non-critical the repairs begin no later than the following morning.

**Pandemic Challenges**

The most significant impacts of the pandemic for this business line is related to operating revenues and inflation.

As outlined in the operating revenue section of this Business Line, the two largest revenue sources (Transit and Parking) were significantly impacted by the pandemic.

One of the key strategies throughout the pandemic was to utilize one-time funding to offset operating revenue decreases, assist with additional Covid expenditures and ensure property tax increases were minimized. The strategy envisioned that by 2024 revenues would return to normal and one-time funding would no longer be needed. Unfortunately, operating revenues are not expected to return to pre-pandemic levels for 2024. A summary of where key revenues are projected to be compared to pre-pandemic levels can be seen below:

- Transit revenue is expected to generate \$11.6 million in revenue in 2024, an increase of \$500,000 over 2023; however still \$3.25 million short of the 2019 pre-pandemic revenue of \$14.8 million.
- Parking is expected to generate \$6.1 million in revenues in 2024, an increase of \$9,400 over 2023; however still \$480,000 lower than the 2019 pre-pandemic revenue of \$6.6 million.

In terms of inflation several of the largest inputs such as concrete and asphalt concrete in this business line have seen significant increases from 2022 to 2024. These inflationary increases have become evident in 2023 and there are several examples outlined in the 2024 budget status update that would be required in order to maintain services. The most significant impact to the City is on the City’s 1 in 20 year treatment cycle for roadways. In order to maintain this service level in 2024, an approximate

\$10.2 million increase would be required in order to offset the lost purchasing power due to inflation.

### **2024/2025 Pressures Included in the Indicative Budget**

While the Administration is still in the process of quantifying the exact pressures that the Transportation Business Line is expected to experience in 2024 and 2025, some of the known pressures today include:

- Access Transit is expecting to require \$154,800 and \$132,500 in additional funding in 2024 and 2025. \$56,800 and \$62,400 of these increases are to account for higher fuel prices. In addition, a 0.5 FTE equivalent of \$36,300 each year is estimated to be required to support growing demand on the program. The remaining increase is due to general inflationary requirements on software, materials, parts and supplies.
- The City's Bridge Program is anticipated to require an additional \$632,600 in 2024 and \$501,900 in 2025. A portion of these increases (\$206,000 in 2024 and \$280,500 in 2025) are due to the inflationary contractual obligations under the City's P3 Contract for the Chief Mistawasis and Traffic Bridges. The remaining increases (\$426,600 in 2024 and \$221,400 in 2025) is to account for inflationary pressures in the bridge maintenance program and reserve contribution (\$200,000 in 2024) due to the higher prices the City is seeing across the construction sector as well as to account for the inventory of sound walls in the City and their maintenance requirements.
- The Engineering program is expected to see a \$54,700 increase in 2024 and a \$47,900 increase in 2025. Most of these increases in 2024 and 2025 are the step-growth requirements for FTEs being added in 2025 in order to support the growing demands that have occurred over a number of years in corporate support, GIS, private development and other services.
- The City's parking program is expected to see an \$86,800 increase in requirements in 2024 and it is important to note this includes \$264,800 in new expenditures offset by a \$178,000 reduction in expenditures from lease and property tax savings from Lot 11 no longer being required for civic use. The \$264,800 increase includes a phased-in increase (\$100,000) to the transfer to the Parking Capital Reserve required to ensure the reserve is sufficient to fund parking projects, including the replacement or significant upgrading to the parking system every 10 years.

The remaining increase in 2024 is anticipated to be required to fund increased fuel costs, utilities, snow removal and the inflationary component of the Commissionaires contract. 2025 is expected to require \$60,900 and is forecasted based on a return to a normal inflationary environment and impacts for fuel, utility rates, snow removal and Commissionaire contractual requirements.

- The City's road preservation/rehabilitation program targets a 1 in 20 year treatment cycle. To maintain this service level, the program must receive inflationary and growth allocations otherwise the program service level will erode

over time. Growth requirements are estimated to be \$590,000 in 2024 and \$746,300 in 2025 to account for added lane kilometers. In terms of inflationary pressures, the program has seen significant inflationary impacts in 2023 (approximately 30% plus increases in prices) and is estimated to require \$10.20 million in additional funding in 2024 to maintain the service level and \$2.49 million in 2025 when inflation is expected to return to a more normal range.

Other road maintenance expenditures outside of the City's asset preservation program are expected to increase by \$526,400 in 2024 and \$417,600 in 2025. A large portion of the 2024 increase is to reflect the increased contract prices the City is experiencing in 2023 (15% plus) and are expected to persist into 2024 for items such as snow clearing activities, materials and supplies such as sand and aggregates for maintenance activities.

Additional resource requests are also included in the 2024/2025 budget and consist of:

- Two additional resources (one in 2024 and one in 2025) each costing \$83,200 for development and delivery of the expanded training program needed due to increased demand for mandatory corporate and safety training requirements as recommended in the Fleet Services Phase 2 Audit Report;
- An additional 0.44 FTEs (\$22,500) in 2024 and 1.44 FTEs (\$89,600) in 2025 for paved street and sidewalk maintenance. These additional resources are required to address the growing network and ensure service levels are maintained.
- The City's Snow and Ice Management budget is expected to require \$1.05 million and \$844,600 in additional funding in 2024 and 2025 respectively. A large portion of these increases is tied to growth to the City's roadway inventory with the remainder related to inflation for fuel, towing costs, contractor services and grader blades. These budgets also include the following resource/staffing requirements:
  - An additional 1.88 FTEs in both 2024 and 2025 for a total cost of \$115,300 in 2024 and \$115,300 in 2025. These FTEs are for one Utility B position (heavy equipment operator), with the remaining FTEs allocated to an increase to the City's pooled labourers. These additional resources are required to deliver the increased summer and winter maintenance activities associated with growth in the network (expanded lane kilometers).
- The City's Street Cleaning and Sweeping Program is expected to require \$237,300 and \$206,600 in expenditures in 2024 and 2025. This includes an additional 0.27 FTE in 2024 and 1.27 FTEs in 2025. \$13,800 each year in the City's pooled labour for 0.27 each year, as well as a Utility B position in 2025 for \$67,100 to account for an expanding network. Other increases are related to estimated increases in fuel costs, tow truck services and other contracted services which are experiencing increases of approximately 15% in 2023.

- The City's Street Lighting budgets require \$613,700 and \$543,200 in expenditures in 2024 and 2025. This is due to the growth and inflationary requirements to maintain and electrify the planned installations of new streetlights in 2023.
- The City's Transit Service is expected to require an additional \$4.57 million and \$1.43 million in resources in 2024 and 2025 respectively. An overview of some of the largest cost pressures with Transit Services include:
  - \$1.80 million in 2024 for increased contributions to vehicle capital reserves to allow for the purchase of buses to accommodate a growing city into new neighborhoods and increased service deliveries (example from Tier 1 to Tier 2 services).
  - \$208,500 to phase-in funding (three-year phase in) for future service expansions for Aspen Ridge, Evergreen and North Kensington in 2024 and 2025 with expected service expansions to occur in 2026.
  - \$406,200 in 2024 for the operating cost of Tier 1 service to Aspen Ridge and Tier 2 service to Brighton which includes an estimated 1.51 FTEs for operators.
  - \$720,000 and \$792,100 in 2024 and 2025 respectively is required due to fuel impacts.
  - In order to maintain existing level of service, \$99,000 and 1 FTE in 2024 is required for a service supervisor in maintenance to support night utility shift supervisory roles.
  - Transit building maintenance contract payment increases of \$277,600 and \$80,900 in 2024 and 2025 are required in accordance with the P3 agreement for CPI higher than 2%.
- Transportation Services requires \$548,700 and \$204,500 of increased expenditures in 2024 and 2025 in order to maintain current services. A few of the largest cost pressures include:
  - \$132,000 due to new provincial regulations impacting traffic signal maintenance and new installations which are mandatory.
  - \$106,600 and 1 FTE for a Traffic Signal Journeyperson in 2024 and \$75,800 and 1 FTE for an Electronics Storekeeper in order to keep up with the growth of the number of traffic control devices (signals, pedestrian crossing devices etc.) which has expanded approximately 40% since 2015 with no new FTEs to support this growth.

**Additional 2024/2025 Pressures Not Included in the Budget Status Update**

The budget status update presented is Administration's estimate on the costs to maintain existing services when considering growth, inflation, and base budget adjustments. The previous section outlined some of the significant pressures included with that estimate, however, it is important to note there are additional pressures required to move towards achieving the City's Strategic Priorities, address growing

service level expectations such as asset management funding gaps and respond to ever changing community needs.

These options will be quantified and presented in a future report which will give City Council the option to discuss and potentially add these items to the 2024/2025 Budget. For the purpose of this report a high-level contextual overview of some of these key pressures not included in the budget status update can be seen below. The most prevalent pressures are from:

- Enhanced priority street snow removal to complete all priority streets to within six weeks would require an additional \$3.0 million to be added to the base budget. Alternatively, the incremental cost associated with completing all priority streets within four weeks would require an additional \$3.5 million. This work would be completed by contractors with no additional FTE requests.
- Increased asset management plan operating contribution to the Bridge Major Repair Reserve (BMRR) of \$1.46 million to align the reserve contributions along with the required future bridge rehabilitations.
- Enhancements to the school zone snow removal program due to the number of enhancement requests received in recent years. Budgetary implications range from \$14,000 to \$314,000 to deliver an enhanced school zone snow removal program.

**Potential Options:**

If all of the options presented in this report along with the options previously presented in the [2024/2025 Budget Inflationary & Phase-in Decisions](#) report (Option 2) were approved it would reduce the Transportation Business Line by the following:

<b>Transportation 2024/2025 Budget Options Impact</b>		
	<b>2024</b>	<b>2025</b>
<b>Options from the <a href="#">2024/2025 Budget Inflationary &amp; Phase-in Decisions</a> Report</b>	\$9,658,500	(\$1,321,500)
<b>Recommended Options in this report</b>	\$659,000 (Note 1)	-
<b>Additional Options in this report</b>	\$4,663,300 (Note 2)	\$905,700
<b>Total Options</b>	<b>\$14,980,800</b>	<b>(\$415,800)</b>

Note 1 – Increased parking rates are governed by the Council approved parking formula whereby parking revenues cover expenses, then any revenue over and above is split equally between the Streetscape Reserve and General Revenue. The figures in table above represent the general revenue portion which impacts the mill-rate.

Note 2 – Depending on options, the amount may vary based on which option and which range is discussed. Example, Transit revenues has multiple different potential revenue increases depending on rate increase and price elasticity impact.

Reductions recommended in the 2024/2025 Budget Inflationary and Phase-in Decision impacting this Business Line include:

- Roadway preservation reserve inflationary impact reduced by 75% for \$7.65 million and phased in over 2025 to 2029 at \$1.53 million per year.



- Transit future service phase-in for new neighborhoods of \$208,500 in each of 2024 and 2025 deferred to 2026. This is a step-growth item so no service levels would be impacted in 2024 and 2025.
- Transit bus growth allocation reduction of 100% for \$1.80 million and continue to rely on Federal Funding and current fleet of buses for growth requirements.

An overview of all recommended options as well as options that could further reduce the funding gap are provided below.

**Recommended Options**

**Option 1 – Increasing Parking Rates by \$0.50/hour**

The current hourly rate for parking in the City’s pay parking areas is \$2.00. The current rate has been in place since 2010. An analysis and inclusion of consumer price index (CPI) inflationary increases between 2010 to present day identifies an hourly parking rate of \$2.92. Three options to increase the hourly parking rate by \$0.25, \$0.50, and \$1.00 are discussed below:

- \$2.25 – projected revenue increase of \$565,000 (net of expenditures would be \$282,500)
- \$2.50 – projected revenue increase of \$1,070,000 (net of expenditures would be \$535,000)
- \$3.00 – projected revenue increase of \$2,040,000 (net of expenditures would be \$1,020,000)

The above revenue projections do not factor in changes to parking demand that stem from a potential rate increase. However, changes in parking demand for the lower potential parking rate increases are anticipated to be minor based on industry studies. Minor one-time costs associated with programming, communications and pay station signage would be incurred resulting from any parking rate change.

A municipal scan on pay parking rates is provided below.

<b>City</b>	<b>Hourly rate</b>	<b>Notes</b>
Vancouver	\$1.00-\$8.00/hour	Demand-based pricing where fees are adjusted based on occupancy data.
Victoria	\$1.50-\$3.00/hour; Sundays - \$1.00-\$2.00/hour	
Kelowna	\$1.25 - \$1.50/hour	\$1.25 - \$1.50 per hour \$2.50 - \$3 (optional third hour).

Calgary	\$0.25 - \$4.75/hour	Demand-based pricing where fees are adjusted once per year based on occupancy data.
Edmonton	\$1.00- \$3.50/hour	Demand-based pricing; \$3.50 per hour is typically charged on event nights surrounding Rogers Place.
Regina	\$2.00/hour	
Winnipeg	\$1.75 - \$2.75/hour	Low demand rate vs high demand rate.
Prince Albert	\$1.25/hour	
Moose Jaw	\$1.00 - \$2.00/hour	\$1.00 per hour off Main Street; \$2.00 per hour on Main Street.

Most larger cities utilize a demand-based rate structure where parking rates are assessed on an on-going basis based on parking occupancy. The cost of parking on private parking lots in or near the Downtown area in Saskatoon ranges from \$1.00 to \$4.00/hour. The parking cost for most metered street parking areas and parking lot rates at the University of Saskatchewan campus is \$3.00/hour. While flat parking rates are rarer in larger cities, Administration notes that an increase of \$0.50/hour would be below natural rates of inflation and would anticipate the increase to have a minor impact on pay parking demand. That being said, Administration notes that certain land use classes, particularly Downtown office space, still exhibit higher than pre-pandemic vacancy rates.

Option 2 – Parking App Fees

The City currently incurs a \$0.15 cent charge on every transaction with the parking app (ParkedIn). After 500,000 transactions in a year, the charge decreases to \$0.13 cents per transaction. Transferring the app fee to consumers would result in an anticipated savings of \$120,000 per year (resulting in \$60,000 net of expenditures). A municipal scan was conducted on this item which did not identify a consistent approach for addressing similar app convenience fees. For a local point of reference, the app convenience fees for private parking lots ranges from \$0.00 cents to \$0.50 cents, and on University campus the convenience fee is \$0.30 cents.

For parking-related items, it is noted that parking revenue currently funds several fixed allocations, including parking operating expenses, BID grants, Community Support Program expenses and an allocation towards the Parking Capital Reserve. Once the fixed expense allocations are covered, any excess parking revenues are split equally between the BID Streetscaping Reserve and General Revenue. Thus, any additional parking revenues generated through the identified parking-related options would be allocated in the manner described above.

Option 3 – Reduce City Yard Security Funding

Included in the 2024 estimate for Yard Operations within Road Maintenance is \$128,000 for maintaining improved yard security in 2024. Over the past number of years the City has implemented measures to enhance city yard safety and security

including: completing perimeter fencing, relocating the main entrance, and controlling access 24/7 to the yards as it is a very active work zone. These safety and security measures were recommended by the Public Safety Canada Critical Infrastructure Resilience audit completed in city yards. The increased funding would maintain city yards safety and security and provide adequate on-site security 24/7. As safety and security at city yards is critical, the city yard safety and security services are currently funded as a budget pressure from the operational service lines as funding has not been included in the base budget. This option could be reduced by 50% or \$64,000 which would reduce the amount of on-site security.

Reducing this budget request would reduce the amount of security available for city yards and/or continue to be funded as a budget pressure through operational service lines due to the critical nature of these services.

### **Options that Could Further Reduce the Funding Gap**

#### **Option 4 – Bridge Contribution to Reserve Deferral**

This option would include the deferral of the \$200,000 phase-in, in 2024 to the BMRR to assist in providing funding to meet future maintenance requirements. Deferring this contribution would put additional stress on the bridge maintenance program and potentially require one time funding for the planned work on the Broadway Bridge and University Bridge arches or not allow for the preventative maintenance or major rehabilitation to occur at the optimum time.

#### **Option 5 – Deferral of New Property Tax Funded Positions**

This option would include the deferral of any of the recommended positions included in the preliminary budget forecasts.

5.a - Access Transit has 0.50 FTE equivalent of \$36,300 in 2024 and 2025 estimated to be required to support growing demand on the program. Deferral of these positions would result in an increased denial rate for customers as the program continues to see growth.

5.b - The 2023 Fleet Services Audit recommended that Administration regularly assess the current and future operator training requirements against the existing training resources and ensure that sufficient resources are available to meet the user demand for operator training. The City's Roadway Maintenance program proposes 2.0 additional FTEs (one in 2024 and one in 2025) each costing \$83,200 to develop and deliver the expanded training program needed due to increased staff levels as well as mandatory corporate and safety training requirements. Deferral of these positions may put at risk having adequately trained operators and employees available to deliver programs and meet services levels as well as meeting legislative requirements as defined by Saskatchewan Occupational Health and Safety.

5.c - An additional 0.44 FTEs for \$22,500 in 2024 and 1.44 FTEs for \$89,600 in 2025 for paved street and sidewalk maintenance. Deferring these positions will have an incremental negative impact on current service levels.

5.d - The City's Snow and Ice Management Program includes an additional 1.88 FTEs in both 2024 and 2025 for a total cost of \$115,300 each year. These FTEs are for Utility B positions (1.0 FTE in each of 2024 and 2025) which has specialized training for operating heavy equipment as well as an increase to the City's pooled labourers in each year to respond to snow events and expanded lane kilometers. Deferring these positions will have an incremental impact on service levels.

5.e – The City's Street Sweeping program includes an additional 0.27 FTE in 2024 and 1.27 FTEs in 2025. This is \$13,800 each year for pooled labourers (0.27) as well as a Utility B position (1.00) in 2025 of \$67,100 to account for an expanding network. Deferring these positions will have an incremental impact on service levels.

5.f - Saskatoon Transit includes 1.51 FTE and \$122,500 for operators to accommodate the expansion of Tier 1 service to Aspen Ridge and Tier 2 service to Brighton in 2024. Deferral of these position would delay expansion of transit services into these neighbourhoods.

5.g - Saskatoon Transit also includes \$99,000 and 1.00 FTE in 2024 required for a service supervisor in maintenance to support the utility night shift supervisory role. Additional maintenance supervisory roles were identified in the audit recommendations from the 2022 Transit service disruption audit. In 2023 FTEs were approved for additional maintenance service supervisors of day shifts which has resulted in improved efficiencies and workplace culture and enhanced shop floor support for employees. One additional FTE for a maintenance service supervisor to support the utility night shift would allow for enhanced shop floor support for night shift employees to provide improved service for bus availability to meet morning peak hour service levels.

5.h - Transportation services includes \$106,600 and 1.00 FTE for a Traffic Signal Journeyman in 2024 and \$75,800 and 1.00 FTE for an Electronics Storekeeper in 2025 to keep up with the growth of the number of traffic control devices (signals, pedestrian crossing devices etc.) which has expanded approximately 40% since 2015 with no new FTE's to support this growth. Staff have been continually struggling to meet service level targets in this area with the combination of a growing network and no associated FTE growth.

#### Option 6 – Snow and Ice Management

6.a The snow program has a \$353,900 inflation impact in 2024 and \$394,600 in 2025 due to realizing over 10% contract price increases on required contractual services in order to maintain the approved service levels pertaining to snow clearing and removal. An option would be to reduce these inflationary allocations; however, it is important to note reductions may result in delays in meeting approved service levels or no longer

removing snow on Priority 2 and 3 streets when there is no available storage for future snow events.

#### Option 7 – Street Cleaning and Sweeping

Street cleaning requires a \$122,700 increase in 2024 due to more than a 10% increase on contract services. A reduction in inflation would require a service level adjustment. The amount of sweeping on medians and park frontages would be reduced. The program would become complaint or inspection driven in regard to which medians require sweeping.

#### Option 8 – Reductions to Transit Operations

8.a In order to be able to ensure full accessibility to Saskatoon Transit conventional system, additional funding of \$100,000 in 2024 is required for snow removal at the ~1,500 bus stops. Risks of not receiving this additional funding may mean challenges for some accessing buses due to snow accumulation at stops.

8.b Corporate training for all staff at transit requires an additional \$138,300 in 2024 for all staff to be able to participate in mandatory training such as cybersecurity, privacy training and policy reviews.

8.c Transit is experiencing approximately a 12% inflationary impact on required maintenance of its assets resulting in an increase of \$268,700 in 2024 required for bus maintenance. There is an option to reduce this inflationary impact however, this could cause delays on maintenance of buses, or potentially removing the bus from service, resulting in a potential impact to meeting service levels.

#### Option 9 – Increasing Transit Revenues

Saskatoon Transit ridership levels are currently around 75% with +/-5% fluctuations of pre-pandemic levels. As the transit industry looks towards the future and determining what the new normal may be for transit systems, Administration continues to look for ways to increase ridership levels and make transit an attractive option for all. As the City moves towards implementing the bus rapid transit system, a comprehensive review will be undertaken on all of Saskatoon Transit products and fare structure as part of the proposed Universal Low Income Subsidy program approved by Council at the November 2022 Environment, Utilities and Corporate Services Standing Policy Committee meeting. Prior to making adjustments to current fare structures, Saskatoon Transit has committed to undertake an extensive customer and stakeholder engagement strategy as part of the fare review process. This would be done to support the key objectives of increasing the transit system ridership levels, supporting economic development, sustainability, the Growth Plan, and continued support for low-income customers.

When considering major user fee categories, price elasticity is a main impact to consider when proposing any adjustments. The term elasticity is a measure of the rate of change in quantity demanded in comparison to the rate of change in price. The quantity is considered elastic if the quantity demand of the product changes drastically

when its price increases or decreases. Saskatoon Transit user fees are deemed to be highly elastic, meaning when fares increase beyond what is deemed affordable, there may be a significant and long-term negative effect on ridership levels and resulting revenues.

A municipal scan on comparable transit fares is provided below. Of note, not all categories align due to small variations in ages but are categorized in basic categories for comparison purposes.

<b>Product</b>	<b>Saskatoon</b>	<b>Regina</b>	<b>Winnipeg</b>	<b>Calgary</b>	<b>Edmonton</b>
<b>Single Ride</b>					
Adult	<u>\$3.00</u>	<u>\$3.25</u>	<u>\$3.15</u>	<u>\$3.60</u>	<u>\$3.50</u>
Senior	<u>\$3.00</u>	<u>\$3.25</u>	<u>\$2.65</u>	<u>\$3.60</u>	<u>\$3.50</u>
Post Secondary*	<u>\$3.00</u>	<u>\$3.25</u>	<u>\$3.15</u>	<u>\$3.60</u>	<u>\$3.50</u>
Youth/High School**	<u>\$2.75</u>	<u>\$2.75</u>	<u>\$2.65</u>	<u>\$2.45</u>	<u>\$3.50</u>
Child (5-13)***	<u>\$2.25</u>	N/A	N/A	N/A	N/A
<b>Bulk (10 tickets)</b>					
Adult	<u>\$25.00</u>	<u>\$29.00</u>	<u>\$28.00</u>	<u>\$36.00</u>	<u>\$27.75</u>
Senior	<u>\$25.00</u>	<u>\$29.00</u>	<u>\$14.00</u>	<u>\$36.00</u>	<u>\$19.75</u>
Post Secondary*	N/A	<u>\$29.00</u>	N/A	<u>\$36.00</u>	N/A
Youth/High School**	<u>\$21.00</u>	<u>\$24.00</u>	<u>\$20.00</u>	<u>\$24.50</u>	<u>\$19.75</u>
Child (5-13)***	<u>\$16.00</u>	N/A	N/A	N/A	N/A
<b>Monthly Pass</b>					
Adult	<u>\$83.00</u>	<u>\$88.00</u>	<u>\$107.80</u>	<u>\$112.00</u>	<u>\$100.00</u>
Senior	<u>\$29.00</u>	<u>\$30.00</u>	<u>\$53.90</u>	<u>\$112.00</u>	<u>\$35.00</u>
Post Secondary*	N/A	<u>\$78.00</u>	<u>\$86.25</u>	<u>\$112.00</u>	N/A
Youth/High School**	<u>\$59.00</u>	<u>\$64.00</u>	<u>\$77.00</u>	<u>\$82.00</u>	<u>\$73.00</u>
Child (5-13)***	<u>\$50.00</u>	N/A	N/A	N/A	N/A

\*Various municipalities either don't list post-secondary passes or have UPass agreements in place. Saskatoon Transit has contracts in place for UPass and are not part of the consideration in a rate increase due to the current contract.

\*\*Youth age ranges can fluctuate upwards of 24 years of age with proof of student status. Considered as high school.

\*\*\*Majority of municipalities have made fares free for children ages ranging from 13, 12 and 11 and under. Saskatoon Transit is free for children under 5.

On average, Saskatoon Transit cash fares are 7.3% below, bulk tickets are 6.7% below and monthly passes are 39.3% below the municipalities compared. To note, Calgary's fare structure is higher than all other municipalities and by removing as a comparison, Saskatoon Transit cash fares are 6.1% below, bulk tickets are 0.3% over and monthly passes are 19.1% below averages.

The table below demonstrates the values of a 5.0%, 7.5% and 10.0% rate increase on the fares listed (rounded to the nearest \$0.05).

<b>Product</b>	<b>Current Rates</b>	<b>5.0% increase</b>	<b>7.5% increase</b>	<b>10.0% increase</b>
<b>Single Ride</b>				
Adult	<u>\$3.00</u>	<u>\$3.15</u>	<u>\$3.25</u>	<u>\$3.30</u>
Senior	<u>\$3.00</u>	<u>\$3.15</u>	<u>\$3.25</u>	<u>\$3.30</u>
Post Secondary	<u>\$3.00</u>	<u>\$3.15</u>	<u>\$3.25</u>	<u>\$3.30</u>
Youth/High School	<u>\$2.75</u>	<u>\$2.90</u>	<u>\$2.95</u>	<u>\$3.05</u>
Child (5-13)	<u>\$2.25</u>	<u>\$2.35</u>	<u>\$2.40</u>	<u>\$2.50</u>
<b>Bulk (10 tickets)</b>				
Adult	<u>\$25.00</u>	<u>\$26.25</u>	<u>\$26.90</u>	<u>\$27.50</u>
Senior	<u>\$25.00</u>	<u>\$26.25</u>	<u>\$26.90</u>	<u>\$27.50</u>
Post Secondary	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Youth/High School	<u>\$21.00</u>	<u>\$22.05</u>	<u>\$22.60</u>	<u>\$23.10</u>
Child (5-13)	<u>\$16.00</u>	<u>\$16.80</u>	<u>\$17.20</u>	<u>\$17.60</u>
<b>Monthly Pass</b>				
Adult	<u>\$83.00</u>	<u>\$87.15</u>	<u>\$89.25</u>	<u>\$91.30</u>
Senior	<u>\$29.00</u>	<u>\$30.45</u>	<u>\$31.20</u>	<u>\$31.90</u>
Post Secondary	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Youth/High School	<u>\$59.00</u>	<u>\$61.95</u>	<u>\$63.45</u>	<u>\$64.90</u>
Child (5-13)	<u>\$50.00</u>	<u>\$52.50</u>	<u>\$53.75</u>	<u>\$55.00</u>

Based on the product fares which can be adjusted (i.e., not under contract), it is estimated a 5% increase in fares could result in an additional \$327,000 in revenues. However, due to the uncertainty and high price elasticity, it is estimated a 5% user fee increase could decrease ridership levels by 3.75%, resulting in a scenario of an actual net revenue increase of \$69,400. Current ridership levels are still sensitive and recovering from the impacts of the pandemic. A revenue increase of 7.5% may result in an additional \$498,400 of revenues with a potential net increase of \$95,900 due to price elasticity. A 10.0% increase may result in an additional \$654,800 of revenues with a potential net increase of \$114,100 due to price elasticity.

#### Option 10 – Reduction to Transportation Services Request

Transportation services is experiencing a 15% inflationary impact on materials for painting and signing equating to a \$96,400 increase in 2024. Should this be reduced,

service level impacts may mean only replacing signs on an emergency basis and line painting frequencies will be impacted by only painting the most critical areas. A reduction in current levels of service targets of sign maintenance and line painting may have a negative impact on public safety and collision reduction.

#### Option 11 – Road Surface Back Lane Maintenance Reductions

The current service level includes grading of all back lanes once per year. This service could be reduced to grading back lanes only when conditions deteriorate to the point that light vehicles have difficulty travelling them. This option would result in a base budget reduction of about \$150,000.

#### Option 12 – Snow and Ice Management Service Level Reductions

##### 12.a – Remove commitment of snow removal along priority streets when there is not sufficient room on medians and boulevards to store additional snowfalls

This option consists of no longer removing snow from priority streets in residential neighbourhoods when there is no longer available storage on medians, boulevards and parking lanes for future snowfalls. The estimated base budget reduction is about \$750,000. The current budget doesn't include enough funding to remove snow once a winter from all priority streets, but this option would result in no funding available to remove snow from Priority 2 and 3 streets. The impact would be instances where the snow piles narrow the driving lanes and encroach on driveways, obstruct sight lines and reduce or eliminate on-street parking availability.

##### 12.b – Eliminate winter maintenance on protected bike lanes Downtown and the cycle tracks along Victoria Ave.

This option would reduce availability of the protected bike lanes Downtown and the cycle tracks along Victoria Avenue over the winter months. These facilities are more costly to maintain than other facilities because the snow must be graded and then picked up and hauled away. The estimated budget reduction is \$50,000.

##### 12.c -Delay sidewalk, multi-use pathway and cycle track snow clearing

This option would include extending the service level for snow clearing on the facilities to 96 hours, instead of the current 48 hours. The estimated base budget reduction for this option would be \$75,000.

##### 12.d – Extend priority street snow grading timelines

This option would double the timelines of the approved service level for priority street snow grading. Priority 1 street snow grading would be completed within 24 hours, Priority 2 street snow grading within 72 hours and Priority 3 street snow grading within 144 hours (6 days). The result would be snow and ice-covered roads for a longer period of time, which would impact mobility and safety. The estimated base budget reduction for this option is \$400,000.

##### 12.e – Adjust snow grading event declaration on priority streets

This option would include adjusting the snow event declaration trigger on priority streets from 5 cm to 8 cm. Declaration of a snow event triggers activation of snow grading



contractors to assist in priority street snow grading. The adjustment would result in a reduced number of instances when grading contractors are activated from a six-year average of six snow events per winter to an estimated four snow events per winter. The estimated base budget reduction for this option is \$200,000. The impact of this option would result in snow- and ice-covered roads for snow events between 5 cm and 7 cm until such time as city crews could snow grade all city streets or a snow event of 8 cm or more triggers a snow event to activate contractor crews to assist with the snow grading.

### Option 13 – Sweeping Program Service Level Changes

#### 13.a Eliminate soft surface median sweep

This option includes not sweeping soft surface (turf) medians. Over the fall and winter, these medians develop a buildup of winter sand materials and tree leaves. Under this option sweeping soft surface medians would be eliminated resulting in more difficult operations for Parks mowing these facilities and a higher potential to damage the turf. The base budget reduction would be approximately \$400,000. Alternatively, the service level could be reduced to one sweep every two years, resulting in a projected \$200,000 annual savings.

### Option 14 – Street Lighting Seasonal Decorations

#### 14.a Eliminate or reduce seasonal decoration program

Saskatoon Light & Power currently installs seasonal decorations on street light poles along major commercial corridors and in the Downtown area. In recent years, City Council provided additional capital funding to accelerate the replacement of aging decorations and move from a Christmas-based theme to a winter-based design. This allowed the seasonal decorations to be installed for a longer time period throughout the winter. Saskatoon Light & Power installs these decorations in November and removes them in late March. The cost of installing and removing them is \$173,100 in 2024.

An option would include either leaving the decorations installed year-round (but not illuminated between March and November) or eliminating this program altogether. Leaving the decorations installed year-round would increase the wear and tear on the decorations and the winter-theme may be seem out of place in the summer even if they are not illuminated. Eliminating this program altogether would save the installation and removal costs as well as the annual cost for replacing the decorations (a further \$48,000 annually). This would provide a saving of \$221,100.

#### 14.b Eliminate seasonal decoration material replacement program

An alternative option would be to continue installing and removing the existing seasonal decorations as has been done in the past but defer the replacement for any decorations that have not yet been upgraded. The one-time capital investment of \$200,000 in 2021 has allowed Saskatoon Light & Power to accelerate the replacement and upgrade of many of the old decorations. An operating budget amount of \$48,000 is planned in the 2024 and 2025 budgets in order to complete the upgrade. Choosing this option would defer the planned upgrades to the Doves of Peace cross streetlights on 2<sup>nd</sup> Avenue (2024) and replacing the non-illuminated Christmas-themed banners on 20<sup>th</sup> Street and on 2<sup>nd</sup> Avenue (2025).

### Option 15 – Adjust Saskatoon Transit Service Levels

Saskatoon Transit currently has a number of approved service levels which administration could undertake reviews of regarding impacts on ridership levels, base budget reductions in relation to the adjustments, plus any reductions to revenues should Council direct administration to do so.

Some of the approved service level impacts which could be reviewed are as follows:

- Introduction into new neighborhoods by adjusting the population density from 25% to a higher percentage.
- Elimination of low ridership routes and/or replacement with on-demand service.
- Decreasing frequencies on low ridership routes (e.g., if a low ridership route is currently a 30 minute service review impacts of a 60 minute service).
- Currently Saskatoon Transit offers service during the week (Monday to Saturday) until 1:00 a.m., review impacts if service is discontinued at 12:00 a.m., 11:00 p.m. or 10:00 p.m. on those days.
- Reduction of service on Sundays and statutory holidays.

Should administration be directed to fully develop any of these options, or pursue any other additional transit service level reduction, Administration would require time to report back after extensive review on the impacts to ridership levels, base budget allocations and impacts to revenues. Administration would also attempt to complete some consulting with current partners who may have a vested interest in the resulting impacts. As with many other options presented, full public engagement on impacts to service level reductions would not be able to effectively be held in time for the 2024/2025 Multi Year Business Plan and Budget deliberations.

### Option 16 – Parking Pay Station Zone Expansion

Administration reviewed an option to expand pay parking zones, incorporating additional block faces within the Warehouse District and Center Industrial areas. This would involve the addition of approximately 130 on-street parking spaces where payment for parking would be required within the following areas:

- 24<sup>th</sup> Street from Idylwyld Dr to 1<sup>st</sup> Ave N;
- 200 and 300 block of Wall Street;
- 300 bk of Pacific Ave up to 25<sup>th</sup> St E;
- 300 bk of Ontario Ave up to 25<sup>th</sup> St E;
- Northern section of 400 bk of 1<sup>st</sup> Ave N up to 26<sup>th</sup> St E; and,
- 100 bk of 26<sup>th</sup> St E.

Administration notes that street-parking within these areas currently has a high utilization rate of approximately 90%, though charging for parking in these areas could heavily impact parking behavior.

Estimated parking revenue generated through this expansion is \$200,000/year. The cost to install parking pay stations on the above-noted block faces is estimated at \$30,000 and in 2024, this would result in an estimated net parking revenue increase of \$170,000. These areas would be added to existing Parking Enforcement routes and no on-going operating cost increases would be anticipated.

## Lasby, Mary

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**Subject:** FW: Email - Communication - Robert Clipperton - Transportation Business Line Information - CK 430-72 x 1700-1  
**Attachments:** 23 07 20 Letter to G&P re Budget Deliberations.docx

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**From:** Web NoReply <[web-noreply@saskatoon.ca](mailto:web-noreply@saskatoon.ca)>  
**Sent:** Thursday, July 20, 2023 8:10 PM  
**To:** City Council <[City.Council@saskatoon.ca](mailto:City.Council@saskatoon.ca)>  
**Subject:** Email - Communication - Robert Clipperton - Transportation Business Line Information - CK 430-72 x 1700-1

--- Replies to this email will go to [REDACTED]

Submitted on Thursday, July 20, 2023 - 20:08

Submitted by user: Anonymous

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Thursday, July 20, 2023

**To:** His Worship the Mayor and Members of City Council

**Pronouns:** He/him/his

**First Name:** Robert

**Last Name:** Clipperton

**Phonetic spelling of first and/or last name:**

**Phone Number :** [REDACTED]

**Email:** [REDACTED]

**Address:** [REDACTED] 9th Street East

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** S7N [REDACTED]

**Name of the organization or agency you are representing (if applicable):** Bus Riders of Saskatoon

**What do you wish to do ?:** Submit Comments

**What meeting do you wish to speak/submit comments ? (if known)::** Governance and Priorities Committee - July 25, 2023

**What agenda item do you wish to comment on ?:** 4.3.1 Transportation Business Line

**Comments:**

Please see attached document.

**Attachments:**

- [23 07 20 Letter to G&P re Budget Deliberations.docx](#) 15.98 KB

**Will you be submitting a video to be vetted prior to council meeting?:** No

To: Mayor and Council

From: Bus Riders of Saskatoon

Re: Transportation Business Line Information Appendix 1

Bus Riders of Saskatoon appreciates the difficulty of the task ahead of Council in arriving at a balanced budget. We have confidence that Councillors will make decisions based on close consideration of the information presented to them.

**We don't believe there are significant cost savings to be found in the operations budget for Saskatoon Transit.** We would like to point out that **Transit is an essential service.** In general **Transit has been underfunded over the years.** This underfunding has at times resulted in major service disruptions. In the fall of 2014, the fleet had deteriorated to a point that Transit was unable to provide service as scheduled as there were not sufficient units in mechanical condition to put out on the road. At the budgeted replacement rate, each bus would have had to remain in service for 87 years. This underfunding was addressed with a large infusion of funds with the pre-budget adoption of the Fleet Renewal Strategy in 2015. Again in the winter of 2021-22 there were significant service disruptions due to underfunding of transit maintenance. Finally, with adoption of recommendation from the City Auditor, additional FTEs were provided to bring maintenance up to required levels. **Underfunding and the consequent service disruptions undermine public confidence in the service and adversely affects ridership and revenue.**

We applaud the cautions offered by administration regarding two potential options: 1) **Service hour reductions and route reductions.** Late night and Sunday service is already more reflective of business operations of the 1980s when retail operations were only open on Thursday evenings and were closed on Sundays. A number of employees have great difficulty getting to and from their jobs with the service as it is now. An exploration could perhaps result in ways of improving use of existing service hours. 2) **Fare increases.** Transit modelling as presented shows every increase in fares leads to a drop in ridership. History (note drops in ridership after the lockout in 2015 and during the pandemic) has shown us how long it

takes to regain user levels once people have been forced or choose to find other means to get to where they need to go.

**A suggestion for exploration:** Administration's report notes that Saskatoon is an outlier when it comes to charging fares for school aged children. In 2022 Regina eliminated fares for those in Grade 8 or under. Annual cost was projected to be only \$2000. Administration has offered to research options. Could Council direct Administration to develop this one for early consideration? Perhaps as in Regina it will come out as revenue neutral. **Free fares for children could be the one bright spot** in what is not going to be a good news budget.

Robert Clipperton, Steering Committee  
Bus Riders of Saskatoon

## Walter, Penny

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**From:** City Council  
**Subject:** FW: Email - Communication - Mackenzie Burnett - Saskatoon Climate Hub - Transportation Business Line Information and Environmental Health Business Line Information - CK 430-72 x 1700-1  
**Attachments:** Saskatoon Climate Hub Letter Regarding July 25, 2023 Special Meeting on Governance and Priorities Committee.pdf

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**From:** Web NoReply <web-noreply@Saskatoon.ca>  
**Sent:** Monday, July 24, 2023 4:32 PM  
**To:** City Council <City.Council@Saskatoon.ca>  
**Subject:** Email - Communication - Mackenzie Burnett - Saskatoon Climate Hub - Transportation Business Line Information and Environmental Health Business Line Information - CK 430-72 x 1700-1

--- Replies to this email will go to [REDACTED] ---

Submitted on Monday, July 24, 2023 - 16:26

Submitted by user: [REDACTED]

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Monday, July 24, 2023

**To:** His Worship the Mayor and Members of City Council

**Pronouns:** She/her/hers

**First Name:** Mackenzie

**Last Name:** Burnett

**Email:** [REDACTED]

**Address:** [REDACTED] 5th Avenue N, [REDACTED]

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** [REDACTED]

**Name of the organization or agency you are representing (if applicable):** Saskatoon Climate Hub



**What do you wish to do ?:** Submit Comments

**What meeting do you wish to speak/submit comments ? (if known)::** July 25, 2023 Governance and Priorities Committee Meeting

**What agenda item do you wish to comment on ?:** 4.3.1 Transportation Business Line Information [GPC2023-0703]; 4.3.4 Environmental Health Business Line Information [GPC2023-0701]

**Comments:**

Dear Mayor Clark and Councillors,

Please accept our letter regarding the July 25th, 2023 Governance and Priorities Committee Meeting. On behalf of the Saskatoon Climate Hub, thank you for your consideration and work on these vital issues.

Sincerely,

Ines Sanchez-Rodriguez, Ward 10 citizen  
Mackenzie Burnett, Ward 6 citizen




**Attachments:**

- [Saskatoon Climate Hub Letter Regarding July 25, 2023 Special Meeting on Governance and Priorities Committee.pdf](#) 104.75 KB

**Will you be submitting a video to be vetted prior to council meeting?:** No



**SASKATOON**  
CLIMATE HUB

saskatoonclimatehub@gmail.com   
Saskatoon Climate Hub   
@SaskatoonClimateHub 

July 24, 2023

Saskatoon City Council  
222 3rd Ave North  
Saskatoon, SK S7K 0J5

Dear Mayor Clark and Councillors,

We are writing on behalf of the Saskatoon Climate Hub, an organisation operating under the umbrella of Climate Reality Canada. Our objective is to unite a broad coalition of Saskatonians who are eager to address the climate crisis at the local level in order to drive local change.

Today, we are reaching out to express our concerns about the upcoming discussion related to the City's 2024-2025 Business Plan and Budget. We write to you amidst the most destructive fire season in Canadian history, one that's burned more than 25 million acres—an area larger than Portugal (1). We write to you knowing that 37% of the burned forest area in Western Canada and the United States from 1986-2021 can be traced back to 88 major fossil fuel producers and cement manufacturers (2). We write to you after facing the hottest day ever recorded, July 6th, 2023 (3).

We appreciate the initiative the City has shown through the development of its Climate Action Plan. We urge you to consider your commitments to this plan as well as to current and future Saskatonians while making decisions about the upcoming budget. We can not afford to delay climate action. If we do, it will cost the City and its citizens greatly; each additional year of delay in implementing mitigation will cost an additional 0.3–0.9 trillion dollars in the future (4).




We understand that the City is currently seeking to address a budgetary deficit and we have carefully reviewed the Public Agenda Meeting for the Governance and Priorities Committee scheduled for July 25th, 2023. What follows are our recommendations regarding the Transportation and Environmental Health Business Lines.

#### **4.3.1 Transportation Business Line [GPC2023-0703]**

To effectively reduce greenhouse gas emissions, it is crucial for the City to prioritise efforts in lowering car dependency and promoting public transportation. **Therefore, we recommend eliminating transit fares for citizens 13 and younger.**



**SASKATOON**  
**CLIMATE HUB**

saskatoonclimatehub@gmail.com   
Saskatoon Climate Hub   
@SaskatoonClimateHub 

Currently, Saskatoon Transit is only free for children under 5. In comparison, Regina, Winnipeg, Calgary, and Edmonton have all made transit fares free for children ranging for 13, 12, and 11 and under.

#### **4.3.4 Environmental Health Business Line [GPC2023-0701]**

Regarding the decision report for the Environmental Health Business Line, **we oppose the following proposed options:**

- **Options 1 and 6**, which may increase waste, resulting in higher emissions.
- **Option 9**, which may force the City to make decisions on climate change mitigation under significant uncertainty due to a lack of updated information on greenhouse gas emissions.
- **Options 7, 10, and 11**, which could hinder the city's ability to adapt to climate change, foster a culture of sustainability, and preserve green spaces.

On behalf of the Saskatoon Climate Hub, thank you for your consideration and work on these vital issues.

Sincerely,

Ines Sanchez-Rodriguez, Ward 10 citizen

Mackenzie Burnett, Ward 6 citizen

1- Chappell, B. (2023, July 21). Why can't Canada just put the fires out? Here are 5 answers to key questions. NPR. <https://www.npr.org/2023/07/21/1188618934/canada-wildfires-answers>

2- Osborne, M. (2023, July 6). Earth faces hottest day ever recorded—three days in a row. Smithsonian Magazine. <https://www.smithsonianmag.com/smart-news/earth-faces-hottest-day-ever-recorded-three-days-in-a-row-180982493/>

3- Dahl, K.A. et al (2023, May 16). Quantifying the contribution of major carbon producers to increases in vapor pressure deficit and burned area in western US and southwestern Canadian forests. *Environmental Research Letters*, 18, 064011). <https://doi.org/10.1088/1748-9326/acbce8>

4- Sanderson, B.M., O'Neill, B.C. (2020, June 8). Assessing the costs of historical inaction on climate change. *Scientific Reports*, 10, 9173. <https://doi.org/10.1038/s41598-020-66275-4>

## Walter, Penny

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**Subject:** FW: Email - Communication - Brent Penner - Transportation Business Line Information and Taxation and General Revenues Business Line Budgetary Information - CK 430-72 x 1700-1

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**From:** Web NoReply <[web-noreply@Saskatoon.ca](mailto:web-noreply@Saskatoon.ca)>

**Sent:** Monday, July 24, 2023 3:15 PM

**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>

**Subject:** Email - Communication - Brent Penner - Transportation Business Line Information and Taxation and General Revenues Business Line Budgetary Information - CK 430-72 x 1700-1

--- Replies to this email will go to [REDACTED] ---

Submitted on Monday, July 24, 2023 - 15:14

Submitted by user: [REDACTED]

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Monday, July 24, 2023

**To:** His Worship the Mayor and Members of City Council

**First Name:** Brent

**Last Name:** Penner

**Phone Number :** [REDACTED]

**Email:** [REDACTED]

**Address:** [REDACTED] 3rd Av S

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** [REDACTED]

**Name of the organization or agency you are representing (if applicable):** Downtown Saskatoon BID, Broadway BID, Riversdale BID

**What do you wish to do ?:** Submit Comments

**What meeting do you wish to speak/submit comments ? (if known)::** Special GPC Meeting - July 25, 2023

**What agenda item do you wish to comment on ?:** 4.3.1 and 4.3.5

**Comments:**

Good afternoon,

On behalf of the three City Centre BIDs of Broadway, Downtown, and Riversdale, we are opposed to the option in 4.3.1 to increase hourly parking rates from \$2.00 to \$2.50/hour. City Centre areas were the hardest hit from the pandemic and increasing rates while the recovery is still underway would be poorly timed.

We are not supportive of the recommendation in 4.3.5 to increase the early fine payment amount from \$30 to \$40. One of the objectives of pay parking is not to be punitive and we believe that keeping the early payment amount at \$30 is appropriate. The goal is to have a system of pay parking that makes it easy for people to park, have clearly displayed and understood rules, have appropriate levels of turnover, and if ticketed, have the penalty amount be one that is reasonable and be paid in a timely fashion.

With respect to the potential to charge back user costs of the app to the consumer, we want to point out that the city has wanted people to use the app. It creates an opportunity for people to easily pay to park, and top up time as necessary. This creates compliance, which is one of the critical objectives of pay parking areas. We know also that when people use the app, the cost to the city in servicing machines is lessened as fewer transactions go through the pay stations which can lead to problems with buttons, problems internally, and we know many problems happen during the winter when the pay station machines are poorly functioning in the cold. We suggest maintaining the status quo and continuing to encourage app use and not make changes so that its use declines.

We encourage the city to review the key recommendations in the 2016 Parking Study. Most of the recommendations are still waiting to be implemented. We at the City Centre BIDs are open to discussing these key recommendations made over 7 years ago.

Thank you,

DeeAnn Mercier, Brent Penner, Randy Pshebylo  
Broadway, Downtown, and Riversdale BID Executive Directors

**Will you be submitting a video to be vetted prior to council meeting?:** No

### Community Support Business Line Information

#### ISSUE

As the City of Saskatoon (City) heads into its planning for the 2024 and 2025 Business Plan and Budget Cycle, there continues to be several budgetary pressures the City is facing. This report will provide information and Administrative recommendations on the Community Support Business Line.

This process has been established so that City Council can provide early direction to the Administration, on what to include in the 2024/2025 Preliminary Business Plan and Budget which will be considered by City Council in November 2023 during the 2024/2025 Business Plan and Budget deliberation meeting.

#### BACKGROUND

At its March 15, 2023 meeting when considering the [2023-2025 Budgetary Pressures and Trends](#) Report, Governance and Priorities Committee (GPC) resolved in part:

“That Administration report back on a potential special budget meeting process to address some of the budgetary challenges and pressures for the upcoming two-year budget cycle. That this report include recommendations on using the existing Governance and Priorities Committee/Finance Committee meeting schedule vs. having special budget/Finance committee meetings and recommendations for organizing these special budget meetings based on departmental budgets or based on service lines or some combination.”

At its April 12, 2023 meeting when considering the [2024/2025 Business Plan and Budget Process Report](#), GPC resolved:

“That Option 3 be approved, and the City Clerk’s office be directed to schedule Special Budget Meetings for the presentation of Business Line-based reports if the Governance and Priorities Committee Capacity does not exist as outlined in the April 12, 2023 report of the Chief Financial Officer.”

#### CURRENT STATUS

The multi-year business plan and budget process includes the following key steps:

1. Develop the cost to maintain existing services considering city growth, inflation pressures, and updated revenue estimates. This step is also used to present and discuss required corrections of base budgets and phase-in of funding plans.
2. Provide a summary of the information from Step 1 to GPC.
3. Use cross-divisional teams to discuss City Council’s strategic priorities and develop options to achieve these priorities.
4. Present a list of Business Plan Options to City Council for prioritization.

## **DISCUSSION/ANALYSIS**

Each business line report presented through the Governance and Priorities or through the Special Budget Meetings will have the same general outline to provide information to City Council. The categories in each report will be:

1. Expenditure Overview
2. Service Level Review
3. Pandemic Challenges
4. 2024/2025 Pressures
5. Potential Options

Additionally, if the business line has Business Plan and Budget Options for operating that will be presented at the August 2023 GPC meeting there will be a summary of these items that are not included within the 2024 and 2025 Budget Status Update report that was presented at the June 14, 2023 GPC.

Appendix 1 includes the information for the Community Support business line. The Community Support Business Line is a collection of various community support related services and includes:

- Animal Services;
- Cemeteries;
- Community Development; and
- Community Investments and Supports.

## **OPTIONS**

Appendix 1 provides the full information regarding the options available to Committee.

**Option 1** – Increase to Pet Licensing Rates and Fees

**Option 2** – Increase to Cemetery Rates and Fees

**Option 3** – Various Reductions to Community Grants and Investments

**Option 4** – Various Reductions to Cemetery Operations/Budget

**Option 5** - Reductions to other Donations, Grants and Subsidies

**Option 6** – Reductions to Economic Incentives

**RECOMMENDATION**

That the Governance and Priorities Committee direct Administration to include the following options in the 2024/2025 Preliminary Business Plan and Budget:

1. Option 1 – A further 10% increase in all pet licenses
2. Option 2 – A further 3% increase to Cemetery Rates and Fees

**RATIONALE**

The provided recommendations aim to strike a balance in addressing the significant cost pressures the City is facing heading into 2024/2025 with a more reasonable property tax increase. While there are implications to the provided recommendations to service levels and increases in user fees, the Administration believes it provides reasonable options to lessen the financial impact included in the 2024/2025 budget.

**FINANCIAL IMPLICATIONS**

The financial implications of this business line will be deliberated at the 2024/2025 Business Plan and Budget Deliberations meeting.

**OTHER IMPLICATIONS**

There are no privacy, legal, social or environmental implications identified.

**NEXT STEPS**

Any direction from Committee on this report will be incorporated into the 2024/2025 Business Plan and Budget process. Decisions for 2024/2025 Business Plan and Budget will be made by City Council during the budget deliberation meeting which will be held on November 28 to 30, 2023 where the budget implications of all business lines will be deliberated.

**APPENDICES**

1. Community Support Business Line

**REPORT APPROVAL**

Written by: Teresa Quon, Senior Financial Business Partner  
Kari Smith, Director of Finance

Reviewed by: Andrew Roberts, Director of Recreation and Community Development  
Darren Crilly, Director of Parks  
Lynne Lacroix, General Manager, Community Services  
Clae Hack, Chief Financial Officer

Approved by: Jeff Jorgenson, City Manager



### **Community Support Business Line**

The Community Support Business Line is a collection of various community support related services including Animal Services, Cemeteries, Community Development and Community Investments & Supports.

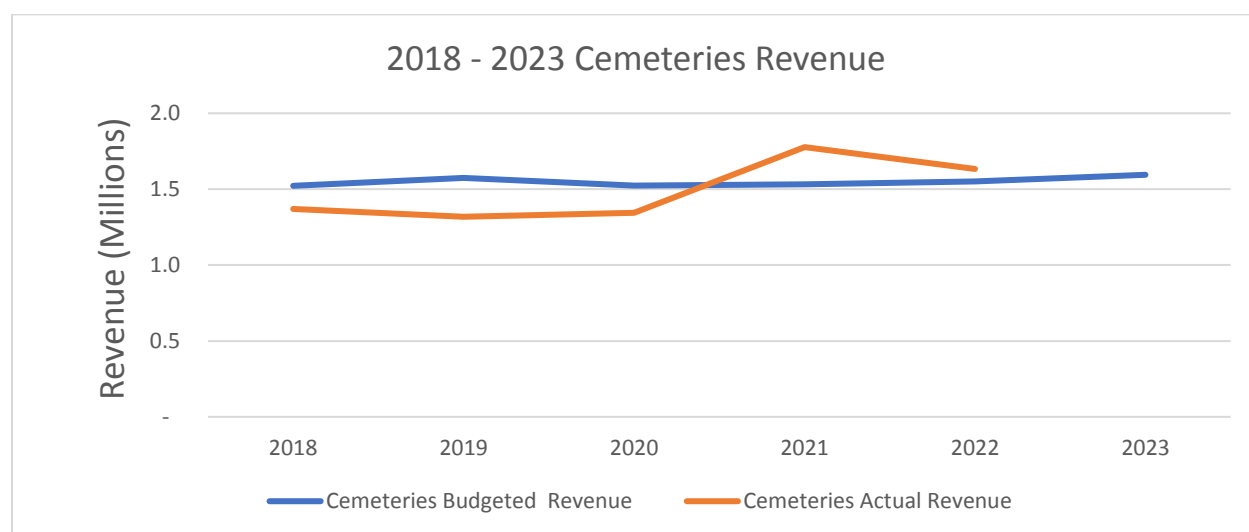
The 2023 Budget for this Business Line includes \$21.6 million in expenditures and \$2.8 million in operating revenues. The remaining costs of \$18.8 million are funded by general revenues including property taxes.

### **Revenue Overview**

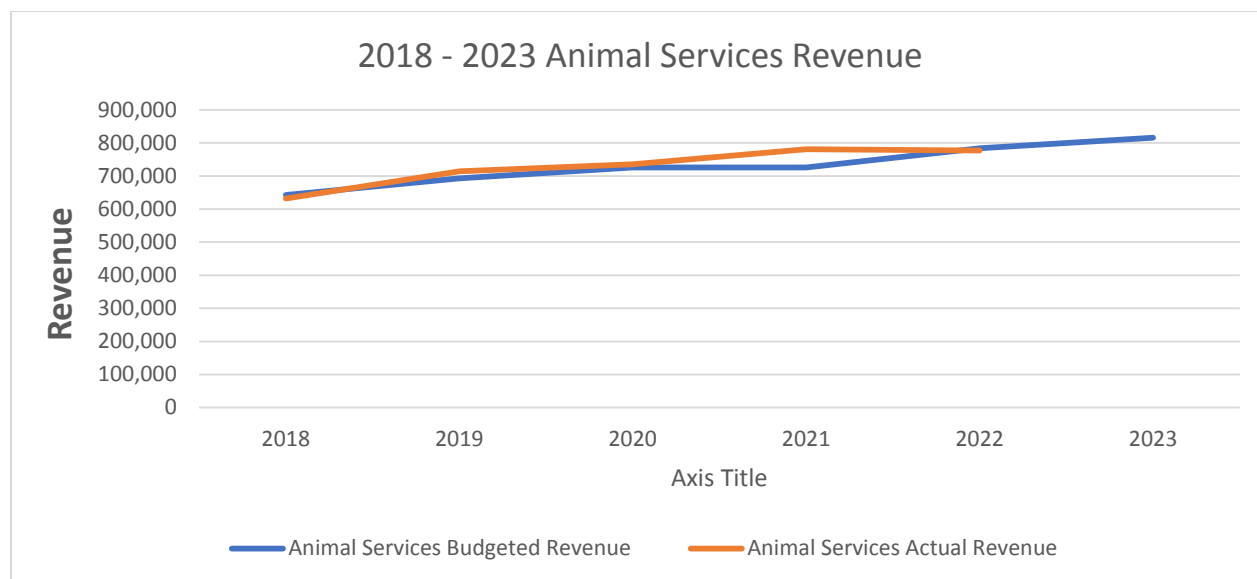
In 2023 the Community Support Business Line is budgeted to generate \$2.8 million in operating revenue. \$1.59 million comes from the Cemeteries Service line, which is approximately 57% of all operating revenue in this Business Line. A full breakdown of operating revenue can be seen below:

<b>Service Line</b>	<b>2023 Op Rev (in millions)</b>	<b>% of Overall Op Rev.</b>
Animal Services	\$0.82	29.29%
Cemeteries	\$1.59	56.79%
Community Development	\$0.39	13.92%
Community Investments & Support	\$0.00	0.00%
<b>Community Support Business Line</b>	<b>\$2.80</b>	<b>100.00%</b>

As outlined above Cemeteries Revenue is one of the biggest operating revenue sources in this Business Line. Although 2021 saw a slight increase due in part to higher than budgeted investment earning from the Perpetual Care Fund, Cemeteries revenue over the past five years has remained stable and has not seen any significant changes due to the pandemic.



Although 2020 showed an unfavorable variance from budget due to lower than budgeted number of interments, Administration expects to maintain consistent revenue increases in the future due to inflationary rate increases and implementation of the Cemetery Master Plan.



Animal Services Revenues, which are primarily comprised of pet license and pound fees, have increased by 27% over the last five years. This increase is the result of both the increasing number of pet licenses sold and rates. The largest volume increase occurred in 2021 and is attributable to the increase in pet ownership during the pandemic.

### Expenditure Overview

The two service lines with the largest expenditures are Community Development (\$4.07 million) and Community Investments & Supports (\$13.85 million), which make up 83% of all expenditures within this Business Line. An overview of all the service lines 2023 operating expenditures can be seen below:

Service Line	2023 Op. Exp. (in millions)	% of Overall Op. Exp.
Animal Services	\$ 2.05	9.50%
Cemeteries	\$ 1.62	7.50%
Community Development	\$ 4.07	18.85%
Community Investments & Support	\$13.85	64.15%
<b>Community Support Business Line</b>	<b>\$21.59</b>	<b>100.00%</b>

Another way to look at this information is by Budget Category. As seen below 83% of expenditures in the Community Support Business Line are for and Donations, Grants & Subsidies (56%) and Contracted & General Services (27%).

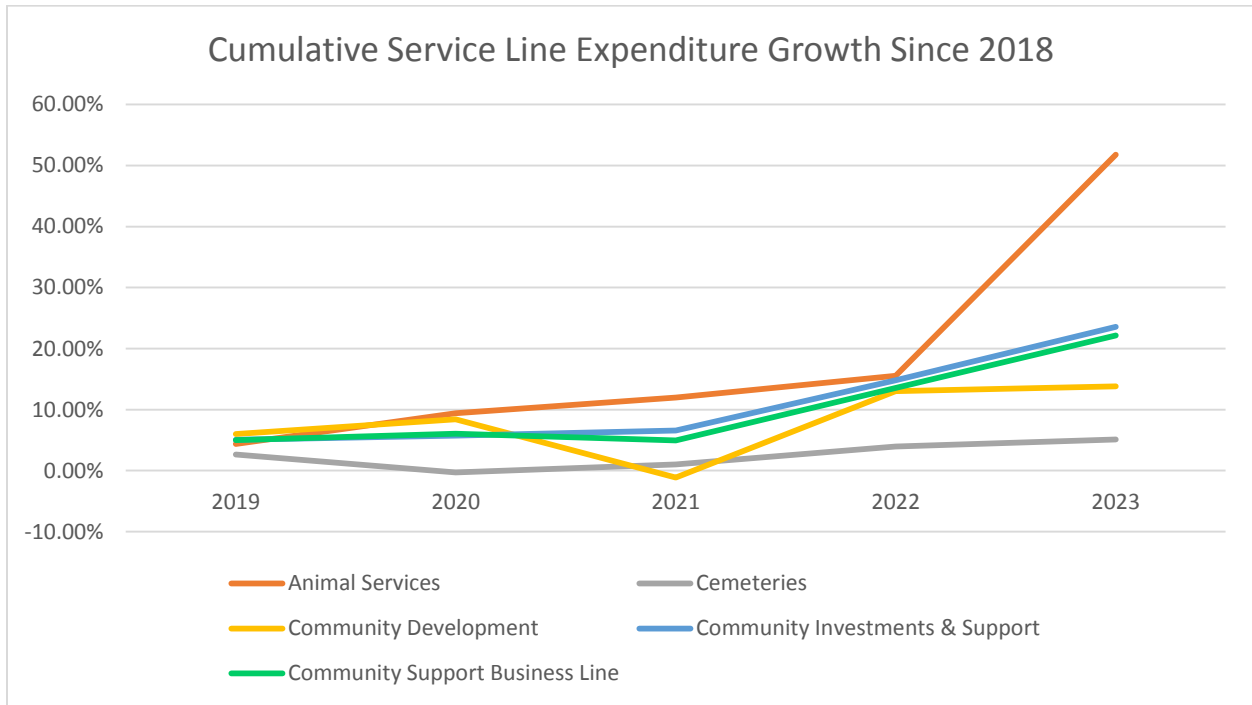
<b>Budget Category</b>	<b>2023 Budget (in millions)</b>	<b>% of Overall Expenses</b>
Wages & Benefits	\$ 2.71	12.55%
Contracted & General Services	\$ 5.81	26.91%
Utilities	\$ 0.15	0.70%
Donations, Grants, Subsidies	\$12.00	55.58%
Materials Goods & Supplies	\$ 0.18	0.83%
Transfers to Reserve/Capital	\$ 0.80	3.71%
Cost Recoveries	(\$ 0.06)	(0.28%)
<b>Community Support Business Line</b>	<b>\$21.59</b>	<b>100.00%</b>

A couple of additional key observations are:

- 71% of all wages and benefits for the Community Support Business Line relate to Community Development, and supports 18.85 FTE as per the 2023 budget, which administer programs and support community associations, the heritage program, cultural, social development, community, Indigenous and a variety of program grants.
- 92% of all Donations, Grants & Subsidies for the Community Support Business Line are for Community Investments & Support. Examples of some of the City's largest community investments & supports in 2023 include:
  - \$1.54 million for a variety of Cultural and Heritage Grants most notable for Wanuskewin Heritage Park (\$214,000) a variety of smaller application-based tax abatements (\$190,000), Cultural Participation Grants (\$653,000) and Provision of Civic Services (\$245,000);
  - \$2.72 million for Social Grants and Tax Abatements including the White Buffalo Youth Lodge (\$190,000), Leisure Centre Accessibility Subsidy (\$851,000), Detoxification Centre (\$108,000), Burial of the Impoverished (\$50,000) as well as a variety of tax abatements (\$680,000) and cash grant programs (\$574,000) to smaller organizations governed by City Council policy;
  - \$2.58 million for Sport related programs most notably \$2.3 million for Youth Sport Subsidies and \$200,000 for the Recreation and Sport Tax Abatement Program;
  - \$4.47 million for Economic Development programs including a \$885,000 grant for the Saskatoon Regional Economic Development Authority (SREDA) and \$3.58 million for a variety of application based Economic Incentives;
  - \$579,000 for a grant for Discover Saskatoon; and
  - \$2.1 million for other grants and subsidy programs including \$1.43 million for the Meewasin Valley Authority, and \$431,000 towards the Special Events Reserve.
- 90% of all transfers to reserve/capital for the Community Support Business Line are under Community Investments & Support (45%) to be used for grant and

subsidy programs and Cemeteries (45%) which are transfers to the Perpetual Care and Cemetery Assurance Funds.

The expenditures in the Community Support Business Line have grown by 22.13% over the past five years for an average of 4.43% per year. For context, Saskatoon’s population growth ([Per Stats Canada Table 17-10-0142-01](#)) plus Consumer Price Index Inflation ([Per Stats Canada Table 18-10-0005-01](#)) over this same period was 26.69% or 5.34% per year. A graphical overview of each service lines expenditure growth can be seen below:



The service lines that have seen the largest expenditure growth over the past five years (greater than 20%) include:

- 44.76% increase in Animal Services expenditures from 2018 to 2023.
  - This increase is largely due to an increase of 29.20% in 2023 related to the \$359,500 negotiated increase to the Pound Keeper Agreement.
  - Other items contributing to this increase relate to a \$15,000 increase to the transfer to the Animal Services reserve and an \$11,000 inflationary increase to the Animal Control Enforcement Contract.
- 24.41% increase in Community Investments & Support from 2018 to 2023.
  - Although the Community Investments & Support service line experienced regular increases of approximately 2.88% per year from 2019 – 2020, it saw greater increases in expenditures averaging 6.22% per year from 2021-2023, for an overall average increase per year of 4.88% for the last five years.

- The largest increase relates to an increase in the 2023 budget (8.37%) mainly due to an increase in Economic Incentives including Downtown/Affordable Housing Incentives, the Mortgage Support Program and Vacant Lot Adaptive Reuse Incentives.
- Other items include increases to the Youth Sport Subsidy program that provides for subsidies on the rental costs of facilities to deliver sports programs to youth, inflationary increase to the Meewasin Valley Authority grant and an increase to the Heritage Fund. Also included in 2023 are reductions to the transfer to the Special Events Reserve of \$68,700 and the SPCA animal cruelty investigations grant of \$77,600.

### **Service Level Overview**

Service levels are a key driver for the City’s expenditure requirements. The following section provides an overview of key service levels for each. Of note some of the biggest service levels that are driving costs within the City’s Community Support Business Line are the service hours and operator requirements for Animal Services as well as the City’s Community Investments & Support grant obligations.

<b>Animal Services</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Off Leash Recreational Areas (Dog Parks)	Dog Poop Bag Dispenser Servicing	2 times per week April through October and 1 time a week November through March.
	General Waste Collection	2 times per week April through October and 1 time a week November through March.
	Avalon and Sutherland Waste Collection	2 times per week throughout the year.
	Pathway Snow Clearing	As required after heavy snow falls.
Animal Bylaw Enforcement	Customer Service	Office hours 9am to 5pm weekdays and telephone service 24/7.
	April through October	7am to 10pm weekdays with 3 animal control officers and 1 dispatch on duty. 7am to 10pm weekends with 2 animal control officers and 1 dispatch on duty.
	November through March	7 days a week 8am to 8pm with 1.6 FTE animal control officers and 1 FTE dispatch on duty.
Pound Services	Pound Services	Minimum of 56 hours per week with the expectation that the Pound would maintain regular business hours. Telephone services 24/7.
Licensing	Licensing Locations	City Hall, the Saskatoon Animal Control Agency, the SPCA, or any participating pet license vendors.

<b>Community Development</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Community Associations Support (47 total associations)	Staff Support	8 community consultants.
	Operating Grant	Annual financial support to cover insurance, financial administration and program advertising including newsletters.
	Fall & Winter Program Supports	Fall & Winter program financial grants and rentals for elementary school gymnasiums.
Other Support	Supports to sport, culture, recreation and social serving agencies and organizations	Consultative support and advice to settlement serving agencies, arts, culture and festival organizations, social serving agencies and representing the City at partnership tables such as Saskatoon Poverty Reduction Partnership.
<b>Community Investments &amp; Support</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Cash Grants and Tax Abatements	Culture and Heritage	Major cultural organizations (\$2 per capita target), Wanuskewin Heritage Park Partnership; Provision of civic services, tax abatements and Heritage Facade Grant.
	Social	Cash grants to 48 social serving organizations (\$2 per capita target) and tax abatements to 22 agencies.
Grants	Sport	Grants to support youth sport subsidy (at a rate of 40% rental subsidy for eligible organizations) and for sport organizations to offer accessible sport programs.
	Economic Development	Funding for economic incentives and SREDA.
	Tourism	Tourism Saskatoon and Saskatoon Sport Tourism Grants.
	General	Funding to support Meewasin Valley Authority; Saskatoon Prairieland Park; SPCA.

<b>Cemeteries</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Mowing	Season	mid-May until mid-September.
	Frequency	up to 18 times/season.
Weed Trimming	Season	Mid-May until mid-September.
	Frequency	Up to 7 times/season.
Irrigation		Application of 25 MM/week inclusive of precipitation from June 1 to Aug 31.
Shrub Beds / Flowerbeds		Serviced up to 8 times.
Fertilization and Aeration		1 time per season.
Litter and Waste Management	Receptacles	Waste collected a minimum of once a week beginning of May to mid-October. Waste collected a minimum of once every three weeks mid-October to end of April.
	Turf and shrub beds	Litter is picked up in conjunction with mowing and line trimming operations.
Snow Clearing	Asphalt roadways only	Cleared within 24 hours of snowfall ending.
Landscaping of Interment Site		2 weeks after interment (May 1 – September 30) with exception of off-season (October 1 to April 30) which is completed by April 30.
Service Requests		Depending on nature of request, reviewed within 48 hours and if work is required, completed within 2 weeks.

### **Pandemic Challenges**

This business line was largely unaffected by the Pandemic as the majority of the Business Line expenditures are for Community Investments and grants which continued to be delivered throughout the pandemic.

### **2024/2025 Pressures Included in the Budget Status Update**

While the Administration is still in the process of quantifying the exact pressures that this Business Line is expected to experience in 2024 and 2025, some of the known pressures today include:

- An estimated \$271,200 increase in 2024 to Pound Services and Bylaw Enforcement required because of the recent tender process for those services and a further \$42,300 in 2025.
- The estimates include an overall decrease of \$366,800 in abatements and economic incentives in 2024 and a further \$363,000 decrease in 2025. The main contributors to these significant decreases include:
  - The value of the Saskatoon Airport Tax Abatement is based on the difference between the ad valorem property taxes for the property and the actual property taxes they pay via their agreement. As the Saskatoon Airport saw a significant decrease in their ad valorem property taxes in 2023 (\$114 million to \$72 million assessment) the calculated value of their tax abatement also decreased. Overall, this change is revenue neutral for the City as the Airport continues to pay property taxes under their existing agreement, however, from a budget perspective, the City's Property Tax Growth was adjusted in 2023 resulting in a negative impact while the abatement in 2024 will result in a corresponding positive impact to the mill rate.
  - The remainder of the change is due to the expiration of agreements under the City's Economic Incentive, Downtown/Affordable Housing Program, Other Agreements and Vacant Lot programs as well as the estimated starting of any other known new agreements.
- Increase in 2025 of \$137,500 to the Youth Sport Subsidy program based on anticipated increases in youth participation and rental rates.
- Inflationary increases to the Meewasin Valley Authority Grant of \$42,800 in 2024 and \$36,900 in 2025.
- The remainder of the increases relate to increases to grants based on population growth, a new grant and utility costs for the Pleasant Hill Rink, and small inflationary increases.
- An increase of \$182,500 has been included in 2024 for the Waste Utility Low-Income Subsidy which includes \$32,500 for 0.50 FTE to administer the program and \$150,000 for the subsidy.

**Additional 2024/2025 Pressures Not Included in the Budget Status Update**

The Budget Status Update presented is Administration's estimate on the costs to maintain existing services when considering growth, inflation, and base budget adjustments. The previous section outlined some of the significant pressures included with that estimate, however, it is important to note there are additional pressures required to move towards achieving the City's Strategic Priorities, address growing service level expectations such as asset management funding gaps and respond to everchanging community needs, that were not included. These options will be quantified and presented in a future report which will give City Council the option to discuss and potentially add these items to the 2024/2025 Budget. For the purpose of this report a high-level contextual overview of some of these key pressures not included in the budget status update can be seen below. The most prevalent pressure is from



community non-profit organizations, particularly from social serving agencies, for new and or increased grant funding from the City in response to inflation and a growing need among the community for support programs.

- i) Increased grant funding support through the Social Services Grant program, to address the growing needs in the community, with a target to provide funding levels up to \$4 per capita for the cash grant component by 2027, requires additional funding to be phased in over the next four or more years. Additional reporting on this grant program will be presented prior to budget deliberations.
- ii) Increased grant funding support for Culture Organizations with a target to provide funding levels up to \$4 per capita for the cash grant component by 2027 requires additional funding to be phased in over the next four or more years. Additional reporting on this grant program will be presented prior to budget deliberations.

**Potential Options:**

If all options presented in this report, along with the options previously presented in the [2024/2025 Budget Inflationary & Phase-in Decisions](#) report ,were approved it would reduce the Community Support Business Line by the following:

<b>Community Support 2024/2025 Budget Options Impact</b>		
	<b>2024</b>	<b>2025</b>
<b>Options from the <a href="#">2024/2025 Budget Inflationary &amp; Phase-in Decisions Report</a></b>	\$0	\$0
<b>Options Included in this report</b>	\$529,500	\$121,300
<b>Total Options</b>	<b>\$529,500</b>	<b>\$121,300</b>

Note – The “Options Included in this Report” category includes items that can range from a 0% reduction to a 100% reduction. For the purpose of this calculation the “Options Included in this Report” category includes a 10% reduction to the Provision for Civic Services and Special Events Grants Reserve as well as a 5% reduction to the Youth Sport Subsidy

**Recommended Options**

Option 1 – Increase Pet Licensing Rates and Fees

An option is to further increase the Rates and Fees for Pet Licensing. The 2024-2025 Budget Status Update includes an increase to pet licensing rates and fees with a total increase in revenues of approximately 3% annually based on the new rates and volumes. The revenue generated from pet licensing mitigates the impact to mill rate support required to deliver and maintain existing animal services when considering growth and inflation. The 2024-2025 budget includes pet licensing revenue of \$816,800 2024 and \$841,000 in 2025. An option would be to further increase the pet licensing rates to generate additional revenue. For example, a further increase in pet licensing rates of 10%, (i.e., spay/neutered dog license rate increasing from \$32 to \$35; spay/neutered cat license increasing from \$20 to \$22) with all things being equal would potentially generate an additional \$80,000. If the increase is too large, it has the potential for fewer residents purchasing a pet license, resulting in reduced volumes and the corresponding reduction in revenues. In researching the current pet licensing rates in comparison with other cities, the City of Saskatoon’s rates are on par with the

average pet licensing rates in those municipalities investigated.

### Option 2 – Increase Cemetery Rates and Fees

An option is to further increase the Rates and Fees for Cemetery services. The 2024-2025 Budget Status Update includes an increase to Cemetery rates and fees of approximately 3% in both 2024 and 2025. The 2024-2025 budget includes additional Cemetery revenue of \$30,800 in 2024 and \$31,600 in 2025. An option would be to further increase Cemetery Rates and Fees by an additional 3% in both 2024 and 2025 potentially generating an additional \$60,000 of revenue, over two years. The potential negative consequences associated with a significant additional rate increase would include reduced volumes and corresponding reduction in revenues due to the Cemeteries pricing structure being less competitive with other service providers in the Saskatoon region.

## **Options that Could Further Reduce the Funding Gap**

### Option 3 – Reductions to Community Grants and Investments

An option is to reduce contributions to any of the City-provided Community Investments and Support programs. Any reductions to Community Investments and Supports would have an impact on the amount of funding community groups receive or impact the City's ability to deliver on a particular mandate, at a time when pressures, due to inflation and increased demand for service, for non-profit organizations are increasing.

Funding provided by the City to community groups through various programs is leveraged by these organizations to deliver a wide variety of programs and services to the community. A reduction in funding support from the City could reduce the capacity for these organizations to deliver programs and services at their current levels.

Option 3A - An option within the funding provided to community groups, that is not directly tied to the annual program service delivery of community-based organizations, would be to reduce the funding provided to special events through grants and the provision of civic services. The 2023 budget includes annual funding to special events grant reserve of \$431,300 (which was reduced by \$68,700 in the 2023 budget) and to the provision of civic services of \$245,000. The annual amount could be reduced with the resulting impact being that special events would be required to address their operating costs by other means including potentially paying for civic services at some level. The impact may result in increased admission costs for residents to attend special events and/or a reduced number of special events offered for resident's enjoyment.

Option 3B - Another option would be to reduce the Youth Sport Subsidy base percentage of support. The current Council Policy [C03-034 Youth Sport Subsidy Program](#), provides essentially a 40% subsidy to offset the facility rental costs for organizations providing youth sports activities. The 2023 budget includes \$2,304,600 in funding for the Youth Sport Subsidy. The policy could be amended to reduce level of subsidy with the immediate impact being that sport organizations would be required to cover rental costs at a higher level resulting in increased user fees and/or reduced

program offerings. The resulting impact could be reduced access for youth to sport programs. In addition, sport organizations may not be able to meet the requirements for long term athlete development as per national sport governing body programs. For example, every 1% decrease in the subsidy rate would reduce the annual operating requirement by approximately \$57,500. This change could also reduce usage at recreational facilities, both city and privately owned, increasing the costs to access these facilities and potentially their long-term sustainability.

#### Option 4 – Reductions to Cemetery Operations/Budget

There are three additional potential options related to reductions within the Cemetery operating budget as noted below. Of note, the Cemetery Program is intended to be a self-balancing program, whereby revenues in excess of expenses are held in the Cemetery Stabilization Reserve; the reserve is then available to fund any situations where program expenditures exceed revenues. The Cemetery Program has not yet been in the position to contribute to the stabilization reserve and has relied on mill rate support. In 2024 the mill rate support is estimated to be \$64,400 and \$91,300 in 2025. Therefore, any Cemetery Options directed by Council that would result in a reduction to the mill rate (including Option 2) are limited to the maximum of the current estimated mill rate support noted above.

#### Option 4a – Decrease the transfer to new Cemetery Development Fund Reserve

The Budget Status Update includes a transfer to establish the new Cemetery Development Fund Reserve, recently approved by City Council. The amount of the transfer is equal to the revenue generated from the proposed rate increase, specifically \$30,800 in 2024 and \$31,600 in 2025. An option would be to reduce or eliminate the transfer to the Reserve. This would have the impact of delaying the implementation of the Cemetery Master Plan.

#### Option 4b - Reduce maintenance service levels at the Cemetery

An option is to reduce the level of maintenance service levels at the Woodlawn Cemetery. Landscape inputs such as flowers, tree and shrub replacement, water and fertilizer applications and staffing inputs could be reduced resulting in savings of approximately \$20,000 in 2024. Historical levels of landscape aesthetics would be reduced, and delays associated with the provision of cemetery maintenance would occur. The potential negative consequence associated with the proposed reduction of maintenance service levels would include customer and visitor dissatisfaction with reduction in landscape aesthetics.

#### Option 4c - Reduce Perpetual Care Fund transfer to eliminate mill rate support

Perpetual care fee revenue is transferred to the Perpetual Care Fund, where the accumulated funds are invested, and in turn earnings from the fund are transferred back to the program as revenue. In addition to the annual perpetual care fees, a flat amount of \$114,000 is transferred to this reserve to accelerate the accumulation of the investment base in order to generate higher earnings. An option is to reduce the flat contribution by an amount that offsets the mill rate support needed for the Cemetery program. The Fund would continue to receive any perpetual care fees earned during

the year through regular sales, only the additional amount would be reduced. The risk to this is that the investment base will not grow as quickly, resulting in investment earnings that support the operating budget growing at a slower rate.

#### Option 5 – Reductions to other Donations, Grants and Subsidies

Page three of this appendix provides an overview of the most significant Donations, Grants and Subsidies the City provides and this option would consider reductions to those contributions. The Administration has not recommended or provided a dollar amount under this option as any potential reductions would have impacts for the applicable organization and direction is being sought regarding interest to pursue this option prior to engagement. Potential organizations this could impact included on page three are Wanuskewin Heritage Park, White Buffalo Youth Lodge, SREDA, Discover Saskatoon and Meewasin Valley Authority. Additional work and engagement would be undertaken to understand the implications if directed by City Council.

#### Option 6 – Reductions to Economic Incentives

The City is projected to be providing \$3.58 million in Economic Incentives in 2024 and \$3.21 million in 2025. The largest portions of these incentives are related to the City's Other Incentive Agreements (Mainly Incentives for the Saskatoon Airport and Saskatoon Soccer Centre) which are projected to be approximately \$1.0 million and the Vacant Lot and Adaptive Reuse Program which is projected to provide approximately \$2.1 million in incentives. It is important to note that these budgeted figures can vary from actuals. The current agreements in progress and expiring agreements are well known, however, while new agreements may have been previously approved by the City, the timing of when these come into effect can vary based on the timing of construction. Administration forecasts which incentives are likely to come into effect, however, this can vary based on the timing of construction and assessment.

City Council has the option to reduce the number of Economic Incentives provided. However, it is important to note that this would not impact the 2024 or 2025 budget as these are based on agreements that have already been approved and put into place, however, it could impact future financial incentives and costs to the City. A more comprehensive report is being prepared by the Administration to present to City Council in the coming months regarding the effectiveness of these incentive programs and to determine the appropriate path forward. As such, no recommendation is being provided at this time.

# Saskatoon Fire Business Line Information Report

## ISSUE

As the City of Saskatoon (City) heads into its planning for the 2024 and 2025 Business Plan and Budget Cycle, there continues to be several budgetary pressures the City is facing. This report will provide information and Administrative recommendations on the Saskatoon Fire Business Line.

This process has been established so that City Council can provide early direction to the Administration, on what to include in the 2024/2025 Preliminary Business Plan and Budget which will be considered by City Council in November 2023 during the 2024/2025 Business Plan and Budget deliberation meeting.

## BACKGROUND

At its March 15, 2023 meeting when considering the [2023-2025 Budgetary Pressures and Trends](#) Report, Governance and Priorities Committee (GPC) resolved in part:

“That Administration report back on a potential special budget meeting process to address some of the budgetary challenges and pressures for the upcoming two-year budget cycle. That this report include recommendations on using the existing Governance and Priorities Committee/Finance Committee meeting schedule vs. having special budget/Finance committee meetings and recommendations for organizing these special budget meetings based on departmental budgets or based on service lines or some combination.”

At its April 12, 2023 meeting when considering the [2024/2025 Business Plan and Budget Process Report](#), GPC resolved:

“That Option 3 be approved, and the City Clerk’s office be directed to schedule Special Budget Meetings for the presentation of Business Line-based reports if the Governance and Priorities Committee Capacity does not exist as outlined in the April 12, 2023 report of the Chief Financial Office.”

## CURRENT STATUS

The multi-year business plan and budget process includes the following key steps:

1. Develop the cost to maintain existing services considering city growth, inflation pressures, and updated revenue estimates. This step is also used to present and discuss required corrections of base budgets and phase-in of funding plans.
2. Provide a summary of the information from Step 1 to the GPC.
3. Use cross-divisional teams to discuss City Council’s strategic priorities and develop options to achieve these priorities.
4. Present a list of Business Plan Options to City Council for prioritization.

## **DISCUSSION/ANALYSIS**

Each business line report presented through the Governance and Priorities or through the Special Budget Meetings will have the same general outline to provide information to City Council. The categories in each report will be:

1. Expenditure Overview
2. Service Level Review
3. Pandemic Challenges
4. 2024/2025 Pressures
5. Potential Options

Appendix 1 includes the information for the Saskatoon Fire business line. The Saskatoon Fire business line includes Emergency Management service line which includes Business Continuity, Corporate Security, Emergency Management Operations and Regional Resiliency and Fire Services service line which includes Community Risk Reduction (fire prevention, bylaw, and investigation), Operations (Emergency response and dispatch), Logistics, and Staff Development and Safety.

## **OPTIONS**

Appendix 1 provides the full information regarding the options available to Committee.

**Option 1** – Deferral of New Property Tax Funded Positions

**Option 2** - Reduce a Fire Bylaw Inspector Position

**Option 3** – Reduce a Firefighter Position

## **RECOMMENDATION**

That the Governance and Priorities Committee direct Administration to include the following options in the 2024/2025 Preliminary Business Plan and Budget:

1. Option 1A – Defer the Fire Services Asset Management Position; and
2. Option 1B – Defer the Communications Consultant.

## **RATIONALE**

The provided recommendations aim to strike a balance in addressing the significant cost pressures the City is facing heading into 2024/2025 with a more reasonable property tax increase. While there are implications to the provided recommendations to service levels, the Administration believes it provides reasonable options to lessen the financial impact included in the 2024/2025 budget.

## **FINANCIAL IMPLICATIONS**

The financial implications of this business line will be deliberated at the 2024/2025 Business Plan and Budget Deliberations meeting.

## **OTHER IMPLICATIONS**

There are no privacy, legal, social or environmental implications identified.

**NEXT STEPS**

Any direction from Committee on this report will be incorporated into the 2024/2025 Business Plan and Budget process. Decisions for 2024/2025 Business Plan and Budget will be made by City Council during the budget deliberation meeting which will be held on November 28-30, 2023 where the budget implications of all business lines will be deliberated.

**APPENDICES**

1. Saskatoon Fire Business Line

**REPORT APPROVAL**

Written by: Teresa Quon, Senior Financial Business Partner  
Kari Smith, Director of Finance  
Reviewed by: Morgan Hackl, Chief of Saskatoon Fire  
Clae Hack, Chief Financial Officer  
Approved by: Jeff Jorgenson, City Manager

Admin Report - Saskatoon Fire Business Line Information Report.docx

**Saskatoon Fire Business Line**

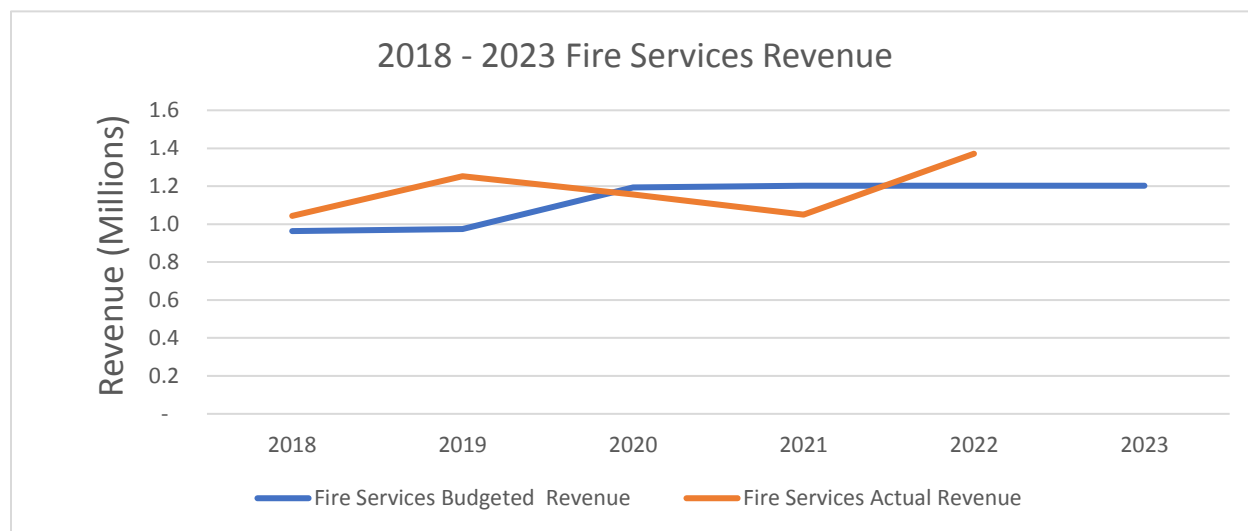
The 2023 Budget for the Saskatoon Fire Business Line included \$57.62 million in expenditures and \$1.27 million in operating revenues. The remaining costs of \$56.35 million was funded by general revenues including property taxes.

**Revenue Overview**

In 2023 the Saskatoon Fire Business Line was budgeted to generate \$1.27 million in operating revenue. \$1.20 million comes from the Fire Services service line, which is approximately 94.5% of all operating revenue in this Business Line. A full breakdown of operating revenue can be seen below.

<b>Service Line</b>	<b>2023 Op Rev (in millions)</b>	<b>% of Overall Op Rev.</b>
Fire Services	\$1.20	94.49%
Emergency Management	\$0.07	5.51%
<b>Saskatoon Fire Business Line</b>	<b>\$1.27</b>	<b>100.00%</b>

As outlined above Fire Services Revenue is one of the biggest operating revenue sources in this Business Line. This business line’s revenues were not impacted by the Covid 19 pandemic:



Revenues consist of permit and inspection fees, agreements with other municipalities for services and incident charges.

Emergency Management revenues consist of sponsorships and contributions from regional partners. In 2024 it is anticipated that this revenue will be decreased by \$19,500 to adjust for lower sponsorship revenue and removal of the contribution from one regional partner.



## Expenditure Overview

The largest service line, Fire Services, makes up most of the expenditures in this Business line (97%) at \$56.05 million. An overview of both the service lines 2023 operating expenditures can be seen below:

<b>Service Line</b>	<b>2023 Op. Exp. (in millions)</b>	<b>% of Overall Op. Exp.</b>
Emergency Management	\$1.57	2.72%
Fire Services	\$56.05	97.28%
<b>Saskatoon Fire Business Line</b>	<b>\$57.62</b>	<b>100.00%</b>

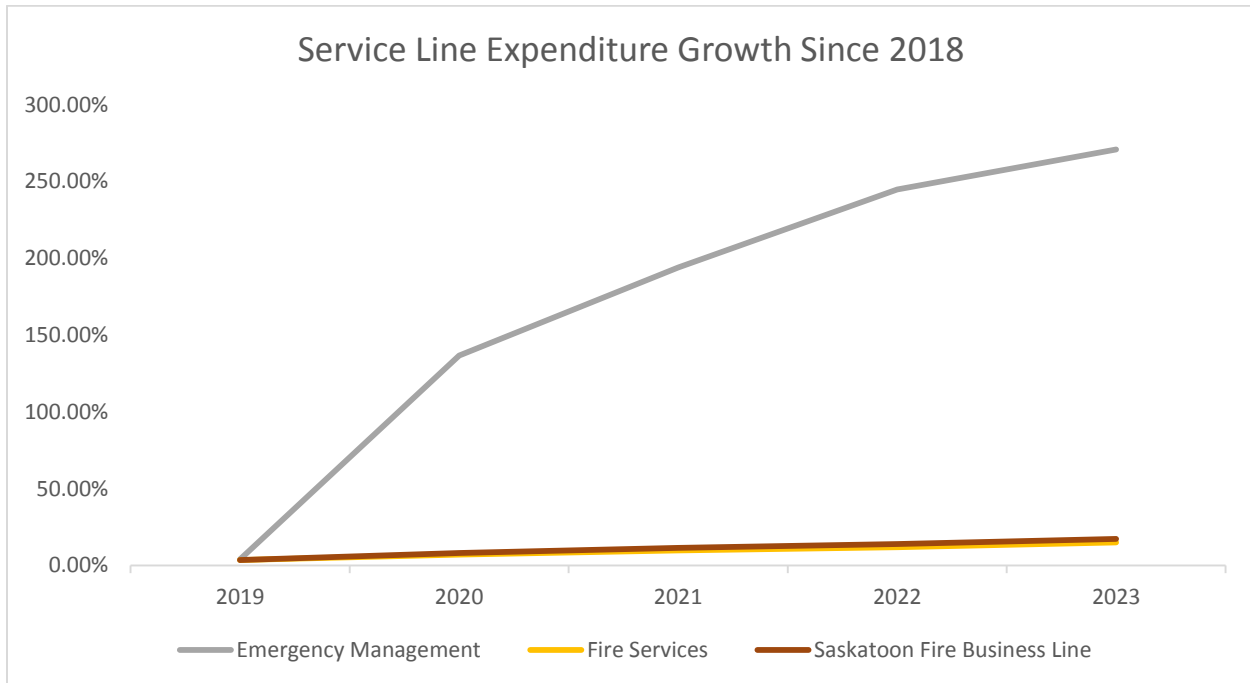
Another way to look at this information is by Budget Category. As seen below approximately 95% of total expenditures in the Saskatoon Fire Business Line are for the following: Wages and Benefits (87%) and Contracted Services (8%).

<b>Budget Category</b>	<b>2023 Budget (in millions)</b>	<b>% of Overall Expenses</b>
Wages & Benefits	\$50.13	87.00%
Contracted & General Services	\$ 4.84	8.40%
Utilities	\$ 0.07	0.12%
Materials Goods & Supplies	\$ 0.52	0.90%
Transfers to Reserve/Capital	\$ 2.11	3.66%
Cost Recoveries	(\$0.05)	(0.08%)
<b>Saskatoon Fire Business Line</b>	<b>\$57.62</b>	<b>100.00%</b>

A couple of additional key observations are:

- 83% of Wages and Benefits are for Operations (Firefighting/ Paramedics), 6% for Fire Prevention/ Fire Bylaw, 4% for Dispatchers, and 1% for Staff Development and Safety, all under the Fire Services Service Line. Emergency Management makes up 2% of the total Wages and Benefits.
- 60% of all expenses under Contracted and General Services are for the maintenance of apparatus, vehicles, equipment, and Fire Stations; 15% is a hydrant charge paid to Saskatoon Water; 6% are cross charges for Human Resources and IT services; 5% is for training, all included under the Fire Services Business Line.
- 5% of Contracted and General Services are for Commissionaires under the Emergency Management Service Line.
- Transfers to reserve/capital for the Saskatoon Fire Business Line are for replacement of large apparatus, radios and equipment, uniform purchases including turnout gear, and other capital needs.

Overall, since 2018, the expenditures in the Saskatoon Fire Business Line have grown by 17.33% or an average of 3.47% per year. For context, Saskatoon's population growth ([Per Stats Canada Table 17-10-0142-01](#)) plus Consumer Price Index Inflation ([Per Stats Canada Table 18-10-0005-01](#)) over this same period was 26.69% or 5.34% per year. A graphical overview of each service line's expenditure growth can be seen below:



There are only two service lines in this Business Line. Their increases are discussed below:

- 271% increase in Emergency Management from 2018 to 2023.
  - Although a significant percentage increase (271%) it is important to note that the Emergency Management budget was \$424,400 in 2018 and has grown to \$1.57 million in 2023.
  - This increase is largely due to a restructuring that occurred in 2020 whereby 3.0 FTE's were transferred from the Facilities Management Service Line (which saw a corresponding decrease) to Emergency Operations for Corporate Security. In addition to the restructure, 1.0 FTE for an EMO Regional Coordinator was added as part of the 2020 budget.
  - Other increases relate to the Deputy Director of Emergency Management added in 2022 and a Business Continuity Manager in added in 2023. The Deputy Director of Emergency Management will be transferred from the Emergency Management Service Line to the Fire Services Service Line in 2024 to support all aspects of the Saskatoon Fire Business Line with the position of Director of Community Relationships.
- 15% increase in Fire Services from 2018 to 2023.

- The increase in Fire Services expenses from 2018 to 2023 is largely related to staffing needs as the Service Line has grown from 333.0 FTEs in 2018 to 345.0 in 2023 in addition to negotiated collective bargaining increases. The 2022 budget saw the most significant increase with 7.0 positions added for:
  - 5.0 FTE for Firefighters to relieve the overtime pressure and support training, inspections, and other operational needs that has been existing and growing over the previous three years; and
  - 2.0 FTE for additional Fire Bylaw Inspector positions.
- Additionally, the Fire Apparatus Reserve saw increased contributions of \$75,000 each year beginning in 2018 due to rising costs of apparatus primarily due to exchange rate increases, and the Small Equipment Replacement Reserve saw increases of \$65,000 in each of 2022 and 2023 due to primarily due to the increasing cost to replace the radio system.

### **Pandemic Challenges**

The Saskatoon Fire Business Line experienced minimal budgetary pressures during the pandemic as revenues were unaffected and the majority of the Saskatoon Fire Department (SFD) proceeded with normal operations. Additional expenses were incurred to reflect the need for enhanced Personal Protective Equipment and Facility Equipment/Cleaning; however, these were funded via a corporate allocation for additional Pandemic related expenditures. The final \$1.0 million in Pandemic related expenditures is being removed from the budget as part of the overall 2024 budget forecast.

### **2024/2025 Pressures Included in the Budget Status Update**

This Business Line has two Financial Pressures that have been previously outlined and options provided in the June 22, 2023 Governance and Priorities Committee report entitled “2024 and 2025 Inflationary and Phase-in Decisions”.

- As part of the City’s Major Capital Prioritization Process, the construction and opening of two new fire stations on the west side of the city were identified as priority number one and two for Saskatoon Fire. While one of these stations will be staffed through the redeployment of an existing crew, the other station will require a deployment of a new Firefighter crew which is funded through the operating budget. With operations forecasted to begin as early as 2026, the annual operating budget of \$3.78 million was proposed to be phased in from 2024-2026 with \$1.26 million included in each year. Funding contributions in 2024 and 2025 were to be utilized to offset the capital cost of construction and phase-in the hiring of new Firefighters in 2025, until the funding is required in 2026.
- The inflationary impact on the replacement of Fire Apparatus has been significant in recent years with the cost to replace an Engine increasing from approximately

\$900,000 to \$1.5 million per unit. To maintain Saskatoon Fire's current replacement strategy, an additional \$770,000 (67% increase) is required in 2024. In addition, a smaller inflationary amount has been included in 2024 and 2025 (\$50,000) due to inflationary pressures felt by the Small Equipment Replacement Reserve.

SFD is responding to an increasing number of incidences year over year, resulting in increased operating hours on fire apparatus. NFPA 1901 recommends that apparatuses greater than 15 years old that have been properly maintained and that are still in serviceable condition be placed in reserve status. Currently SFD is exceeding this and is keeping frontline apparatus operational for a minimum of 18 years.

An Alternative Response Vehicle Pilot capital project will be proposed in 2024 and 2025. The project is a green initiative involving smaller vehicles which is expected to reduce emissions, reduce the fire apparatus hours, extend the useful life of large apparatus, and reduce the impact on maintenance and mechanical schedules.

An overview of the remaining pressures that have not been included in previous reports include:

- The 2024 preliminary budget forecast included three positions within the Fire Services Business Line. These include:
  - An Asset Manager (\$140,300) to lead Saskatoon Fire's Enterprise Asset Management, associated processes, and daily logistics, with regards to all aspects of Fire equipment and apparatus. This position will lead Saskatoon Fire towards a pro-active Asset Management process as opposed to the reactive environment today, which will result in more efficient planning, enhanced data capabilities and ensure efficient and effective maintenance and operations of Saskatoon Fire's assets.
  - An Operations Dispatch Manager (\$140,300) responsible for the Saskatoon Fire 911 call taking and dispatch services. This position will be a key contributor to the implementation and continued operations of NG911 as well as responsible for the staff who are providing emergency call taking and dispatching of fire emergencies and non-emergencies. The position will be responsible for the strategic planning, governance, policies and work towards mitigating risks. This dispatch group currently does not have direct supervision in place and recent contract changes with a 24-hour shift for operational staff will see dispatchers working a different work schedule. As of April 1, 2024, the emergency dispatch team will not have a manager or supervisor working the same schedule.
  - SFD has been supported by a temporary Communications Consultant since June 2018. This position is responsible for directing internal and external communications initiatives and strategies that support Saskatoon Fire, including crisis communications. Adding this position to the budget permanently (\$115,700) allows SFD to continue a proactive approach related to community needs, education, internal engagement,

communications, marketing, and media relations. This position was added to support several specific projects related to Strategic Planning, Equity, Diversity, and Inclusion planning, and ongoing pressures for internal and public communication. The position falls under the Communications & Public Engagement department and will be cross charged in full to Saskatoon Fire.

- The Community Support Officer Program, currently contracted to the DTN YXE Business Improvement District, is proposed to transition to the Saskatoon Fire Department beginning in 2024. This change is driven by the increasing complexity of the work which requires greater capacity and expertise to address the needs of those requiring supports. SFD can provide that expertise and are already playing a role in response and outreach for those in need. Six FTEs comprised of a supervisor and five Bylaw Officer positions are proposed to be moved from DTNYXE to the City. Due to requirements of the collective agreements and a higher cost of benefits, it is anticipated that there will be an increased cost with this change (2024 - \$55,200; 2025 - \$11,900).
- Saskatoon Fire is currently projecting a requirement to maintain Fire Stations 3 and 5 even though operations have since moved to new locations. The cost of retaining these stations is expected to be approximately \$150,000 for Fire Station 3 and \$99,300 for Fire Station 5, per year, to cover maintenance, utilities and other operating expenditures. The requirement to keep Fire Station No 3 is to provide space for the Fire Prevention team which includes the Fire Marshal and several Fire Inspectors along with equipment and the Fire Investigation vehicle. Also, space is currently being shared with Saskatoon Search and Rescue through a Memorandum of Understanding. Fire Station No 5 is required for the Maintenance team to move from the current shop at 125 Idylwyld Drive South. The current space is not adequate for Maintenance staff, equipment storage, supplies, repair area, and employee amenities. Also, a team of Fire Inspectors will work from this location as a hub. Both facilities will be temporary until an overall accommodations plan is implemented through the Strategic Facilities Plan.
- The operating impact from P.10028 Fire Communications Centre Technology of \$277,500 in 2024 and \$187,500 in 2025 has been included in the budget status update. These expenditures are required for the tariffs, licensing, and support for Next Generation 9-1-1 system.
- Remaining expenditure pressures within the Fire Services Business Line relate to increased fuel, maintenance, and software licensing costs.

### **Additional 2024/2025 Pressures Not Included in the Budget Status Update**

The Budget Status Update presented is Administration's estimate on the costs to maintain existing services when considering growth, inflation, and base budget adjustments. The previous section outlined some of the significant pressures included

with that estimate, however, it is important to note that there are additional pressures required to move towards achieving the City's Strategic Priorities, address growing service level expectations such as asset management funding gaps and respond to everchanging community needs that were not included. These options will be quantified and presented in a future report which will give City Council the option to discuss and potentially add these items to the 2024/2025 budget. For the purpose of this report a high-level contextual overview of some of these key pressures not included in the Budget Status Update can be seen below:

- Emergency Management Coordinator – \$165,800
  - Saskatoon EMO is responsible for the City of Saskatoon Emergency Management program and assists in building resiliency in both the City of Saskatoon as an organization and the community. In the last five years Saskatoon EMO has worked to establish and continue to build a whole community approach. This requires engaging additional non-traditional partners and processes. Saskatoon EMO has one Coordinator and a Director. The Director is also responsible for Corporate Business Continuity Program, Corporate Security and Regional Emergency Management. EMO has also taken on responsibility for leading and coordinating the new municipal plan for Community Safety and Well-being and Extreme Weather Response while continuing to attempt to balance traditional emergency management responsibilities. With the role of providing coordination for planning, preparedness and response to multiple complex evolving community resiliency events, Saskatoon EMO requires an additional EMO Coordinator position.
- Staff Development and Safety Manager – \$157,700
  - The opening of the Regional Training Facility, a provincial move to Declared Levels of Service for fire departments, and the corresponding training standards associated, will create new revenue opportunities for SFD. A manager is required to create an appropriate supervisory structure to oversee current internal commitments and future external opportunities.
  - Industrial, educational, transportation and safety sector interests have reached out with interest in engaging in the next steps of this training facility project.
  - Capital sponsorship opportunities exist that cannot be fully explored currently due to lack of managerial support to oversee current commitments and internal initiatives.
  - The opening of the Regional Training Facility will allow SFD to explore moving away from hiring candidates from out of province colleges. This new model will support REDI priorities by eliminating some pre-hire barriers.
- Service Coordinator- \$97,700
  - A Service Coordinator is a best-practice resource within asset management. The necessity of this position results from:
    - an increase in SFD incidences resulting in increased operating

- hours on vehicles and equipment;
- the need to support the SFD's implementation of the Enterprise Asset Management (EAM) module; and
- the need for a designated position for the ongoing EAM operation.

This model is utilized by Facilities and Roadways, Fleet & Support Services. Without this position we will be challenged to effectively implement EAM.

**Potential Options**

If the options presented in this report along with the options previously presented in the [2024/2025 Budget Inflationary & Phase-in Decisions](#) report were approved, it would reduce the Fire Services Business Line by the following:

<b>Fire Services 2024/2025 Budget Options Impact</b>		
	<b>2024</b>	<b>2025</b>
<b>Options from the <a href="#">2024/2025 Budget Inflationary &amp; Phase-in Decisions</a> Report</b>	\$1,832,500	\$1,139,500
<b>Options Included in this report</b>	\$599,700	-
<b>Total Options</b>	<b>\$2,432,200</b>	<b>\$1,139,500</b>

Reductions recommended in the 2024/2025 Budget Inflationary & Phase-in Decision report impacting this Business Line include:

- Saskatoon Fire Station Phase-in – Reductions to the 2024/2025 planned phase in of \$1.26 million by 100% and add it back to the operating budget when the station opens in 2026; and
- Saskatoon Fire Apparatus Inflationary reduction – Reducing the inflationary pressures facing the Fire Apparatus reserve in 2024 by 75% (\$577,500 reduction), with the remaining inflationary impacts phased-in over five years at \$115,500 per year.

An overview of all recommended options as well as options that could further reduce the funding gap are provided below:

**Recommended Options**

**Option 1 – Deferral of New Property Tax Funded Positions**

This option would include the deferral of any of the recommended positions included in the budget status update.

**Option 1A – Deferring the Asset Management position** (\$140,300) will defer Fire’s desired direction to more pro-actively plan and manage asset management requirements, primarily related to fleet. The present model is placing service and maintenance schedules beyond recommended cycle periods and impacting apparatus

that are required for front line operation. In the interim, existing staff will continue to strive to optimize maintenance work and take steps toward the adoption of EAM.

Option 1B – Deferral of the Communications Consultant position (\$115,700) would result in a reduced supports for Fire in the areas of both internal and external engagement and communications, social media and media relations, recruitment and marketing plans, special event planning and coordination, and crisis communication. Previous Strategic Communications Plans, Year in Review documents, Strategic Plan, and Crisis Communication Plans have been accomplished with a temporary position supporting the strategic direction of the SFD Executive Officer team.

### **Options that Could Further Reduce the Funding Gap**

#### Option 1C – Deferral of the Operations Dispatch Manager

Deferral of the Operations Dispatch Manager (\$140,300) will continue with the status quo approach. Battalion Chiefs will continue to provide oversight to this area, however, a dedicated Manager and subject matter expert for the City's Next Generation 9-1-1 initiative will not be in place. The current model does not have direct supervision and oversight related to daily operations, training, and quality assurance.

#### Option 2 – Reduce a Fire Bylaw Inspector Position (\$76,500)

Fire Bylaw Inspectors were created in 2020 to assist with Bylaw Inspections so that Fire Inspectors could focus efforts on Building and Fire Code Inspections and Investigations. Property Maintenance inspections are prioritized level 1, 2, and 3. In 2017 Property Maintenance complaints follow up timelines:

- Priority 1: 7 days
- Priority 2: 30-180 days
- Priority 3: 90-365 days

The impact of reducing a Fire Bylaw Inspector position will see an impact in service to the following: increase in backlog of property maintenance complaints, increase of timeline to address higher priority concerns that pose a risk to life safety, and an increase in the timeline to mitigate inadequate housing concerns.

In 2023 from January 1 - July 9 there is a backlog of 1,183 property maintenance concerns that have not been addressed with an initial inspection.

#### Option 3 – Reduce Firefighter Positions (\$126,900 per FTE)

SFD continues to monitor data related to NFPA 1710 through Total Response time and the components of Dispatch, Reaction, and Travel Time. Travel Time data assists SFD in strategically locating stations for relocation and greenfield development. For the past three years SFD has continued the focus on the entire community and further evaluation of areas of concern. The west end station plans are critical in travel time



reduction, improving community safety and supporting the base coverage model. The current base coverage model has over 52% of responses from Station No 1 (125 Idylwyld Dr So) and Station No 2 (3111 Diefenbaker Dr).

From 2017 through 2023 the goal of 90% compliance for a 4-minute travel time to emergencies has declined from 71% to 61%.

Firefighter positions could be removed, and each position would have an impact of \$126,900 per FTE. In order to achieve savings, Fire would change its approach to not backfill with overtime, and instead would utilize a combination of postponing scheduled training or other development work as required. Financial savings and service impact would increase with the number of staff reductions. Fire feels the current staffing allocation provides a balanced approach, and as such is not recommending staff reductions.

### Environmental Health Business Line Information

#### ISSUE

As the City of Saskatoon (City) heads into its planning for the 2024 and 2025 Business Plan and Budget Cycle, there continues to be several budgetary pressures the City is facing. This report will provide information and Administrative recommendations on the Environmental Health Business Line.

This process has been established so that City Council can provide early direction to the Administration, on what to include in the 2024/2025 Preliminary Business Plan and Budget which will be considered by City Council in November 2023 during the 2024/2025 Business Plan and Budget deliberation meeting.

#### BACKGROUND

At its March 15, 2023 meeting when considering the [2023-2025 Budgetary Pressures and Trends](#) Report, Governance and Priorities Committee (GPC) resolved in part:

“That Administration report back on a potential special budget meeting process to address some of the budgetary challenges and pressures for the upcoming two-year budget cycle. That this report include recommendations on using the existing Governance and Priorities Committee/Finance Committee meeting schedule vs. having special budget/Finance committee meetings and recommendations for organizing these special budget meetings based on departmental budgets or based on service lines or some combination.”

At its April 12, 2023 meeting when considering the [2024/2025 Business Plan and Budget Process Report](#), GPC resolved:

“That Option 3 be approved, and the City Clerk’s office be directed to schedule Special Budget Meetings for the presentation of Business Line-based reports if the Governance and Priorities Committee Capacity does not exist as outlined in the April 12, 2023, report of the Chief Financial Office.”

#### CURRENT STATUS

The multi-year business plan and budget process includes the following key steps:

1. Develop the cost to maintain existing services considering city growth, inflation pressures, and updated revenue estimates. This step is also used to present and discuss required corrections of base budgets and phase-in of funding plans.
2. Provide a summary of the information from Step 1 to GPC.
3. Use cross-divisional teams to discuss City Council’s strategic priorities and develop options to achieve these priorities.
4. Present a list of Business Plan Options to City Council for prioritization.

## DISCUSSION/ANALYSIS

Each business line report presented through the Governance and Priorities Committee Meeting or through the Special Budget Meetings will have the same general outline to provide information to City Council. The categories in each report will be:

1. Expenditure Overview;
2. Service Level Review;
3. Pandemic Challenges;
4. 2024/2025 Pressures; and
5. Potential Options.

Appendix 1 includes the information for the Environmental Health business line. The Environmental Health Business Line includes Sustainability, Urban Biological Services, Urban Forestry, Waste Handling Services and Waste Reduction.

## OPTIONS

**Option 1** – Closure of East Compost Depot

**Option 2** - Adjust Operating hours at Landfill and Material Recovery Centre

**Option 3** – Eliminate Skunk Inspection, Trapping and Relocation Services for Private Residential Properties

**Option 4** – Reduce Mosquito Control Treatment Area

**Option 5** – Discontinue Christmas Tree Drop-off Sites

**Option 6** – Further adjustments to Operating hours at Landfill and Material Recovery Centre

**Option 7** – Reduced Tree Planting

**Option 8** – Extension of Tree Pruning Cycle

**Option 9** – Eliminate GHG Management Software

**Option 10** – Eliminate Healthy Yards and Boulevards Garden Program Advertising and Support

**Option 11** – End Student Action for a Sustainable Future program contribution

## RECOMMENDATION

That the Governance and Priorities Committee direct Administration to include the following options in the 2024/2025 Preliminary Business Plan and Budget:

1. Option 1 – Closure of East Compost Depot;
2. Option 2 – Reduce Operating Hours by 1 hour per day at Landfill and Material Recovery Centre;
3. Option 3 - Eliminate Skunk Inspection, Trapping and Relocation Services for Private Residential Properties; and
4. Option 4- Reduce Mosquito Control Treatment Area to a 1km to 2km buffer.

## RATIONALE

The provided recommendations aim to strike a balance in addressing the significant cost pressures the City is facing heading into 2024/2025 with a more reasonable

## Environmental Health Business Line Information

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property tax increase. While there are implications to the provided recommendations to service levels, the Administration believes it provides reasonable options to lessen the financial impact included in the 2024/2025 budget.

### **FINANCIAL IMPLICATIONS**

The financial implications of this business line will be deliberated at the 2024/2025 Business Plan and Budget Deliberations meeting.

### **OTHER IMPLICATIONS**

There are no privacy, legal, social or environmental implications identified.

### **NEXT STEPS**

Any direction from Committee on this report will be incorporated into the 2024/2025 Business Plan and Budget process. Decisions for 2024/2025 Business Plan and Budget will be made by City Council during the budget deliberation meeting which will be held on November 28 to 30, 2023 where the budget implications of all business lines will be deliberated.

### **APPENDICES**

1. Environmental Health Business Line

### **REPORT APPROVAL**

Written by: Kari Smith, Director of Finance  
Reviewed by: Angela Gardiner, General Manager, Utilities and Environment  
Clae Hack, Chief Financial Officer  
Approved by: Jeff Jorgenson, City Manager

Admin Report - Environmental Health Business Line Information.docx

**Environmental Health Business Line**

The Environmental Health Business Line is a collection of various environmental related services including Sustainability, Urban Biological Services, Urban Forestry, Waste Handling Service and Waste Reduction.

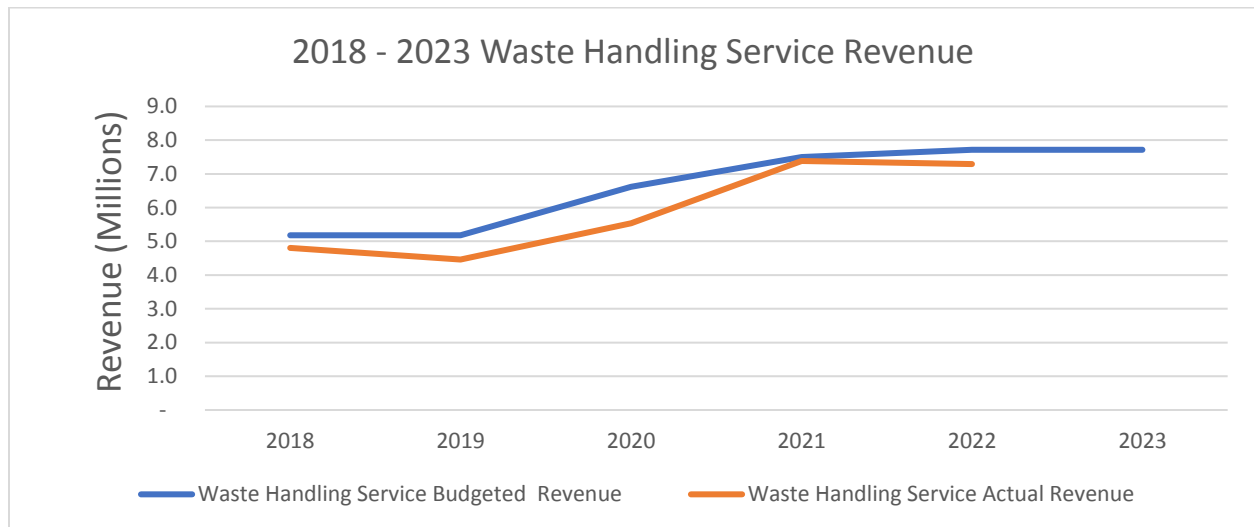
The 2023 Budget for the Environmental Health Business Line included \$25.61 million in expenditures and \$7.78 million in operating revenues. The remaining costs of \$17.83 million are funded by property taxes.

**Revenue Overview**

In 2023, the Environmental Health Business Line was budgeted to generate \$7.78 million in operating revenue; \$7.71 million comes from the Waste Handling Service line, which is approximately 99% of all operating revenue in this Business Line. A full breakdown of operating revenue can be seen below.

<b>Service Line</b>	<b>2023 Operating Revenue (in millions)</b>	<b>% of Overall Operating Revenue</b>
Urban Biological Services	\$0.00	0.03%
Waste Handling Service	\$7.71	99.07%
Waste Reduction	\$0.07	0.90%
<b>Environmental Health Business Line</b>	<b>\$7.78</b>	<b>100.00%</b>

Revenues consist of landfill fees, commercial garbage collection and compost sales. Although 2020 saw the greatest variance between actual to budget, this service line has remained stable with slight increases to both budget and actuals over the past five years.



2020 showed an unfavorable variance from budget in landfill revenues specifically which was due to decreased activity because of pandemic closures as well as ongoing

structural budget issues. Garbage collection revenues were also under budget as a result of customers shifting to private industry and decreased demand for services due to pandemic closures. The variance in 2021 was close to budgeted levels and 2022 saw a small negative variance as the Landfill's tonnages slightly decreased from expected levels.

### **Expenditure Overview**

The two service lines with the largest expenditures are Waste Handling Services (\$16.83 million) and Urban Forestry (\$4.30 million), which make up 82.5% of all expenditures within this Business Line. An overview of all the service lines 2023 operating expenditures can be seen below:

<b>Service Line</b>	<b>2023 Operating Expenditures (in millions)</b>	<b>% of Overall Operating Expenditures</b>
Sustainability	\$2.43	9.49%
Urban Biological Services	\$1.11	4.33%
Urban Forestry	\$4.30	16.79%
Waste Handling Service	\$16.83	65.72%
Waste Reduction	\$0.94	3.67%
<b>Environmental Health Business Line</b>	<b>\$25.61</b>	<b>100.00%</b>

Another way to look at this information is by Budget Category. As seen below, 84% of expenditures in the Environmental Health Business Line are for Contracted and General Services (45%) and Wages and Benefits (39%).

<b>Budget Category</b>	<b>2023 Budget (in millions)</b>	<b>% of Overall Expenses</b>
Wages & Benefits	\$10.11	39.48%
Contracted & General Services	\$11.41	44.55%
Utilities	\$0.19	0.74%
Donations, Grants, Subsidies	\$0.23	0.90%
Materials Goods & Supplies	\$1.18	4.60%
Finance Charges	\$0.63	2.46%
Transfers to Reserve/Capital	\$4.23	16.52%
Transfers to Other Operating	(\$1.42)	-5.54%
Cost Recoveries	(\$0.95)	-3.71%
<b>Environmental Health Business Line</b>	<b>\$25.61</b>	<b>100.00%</b>

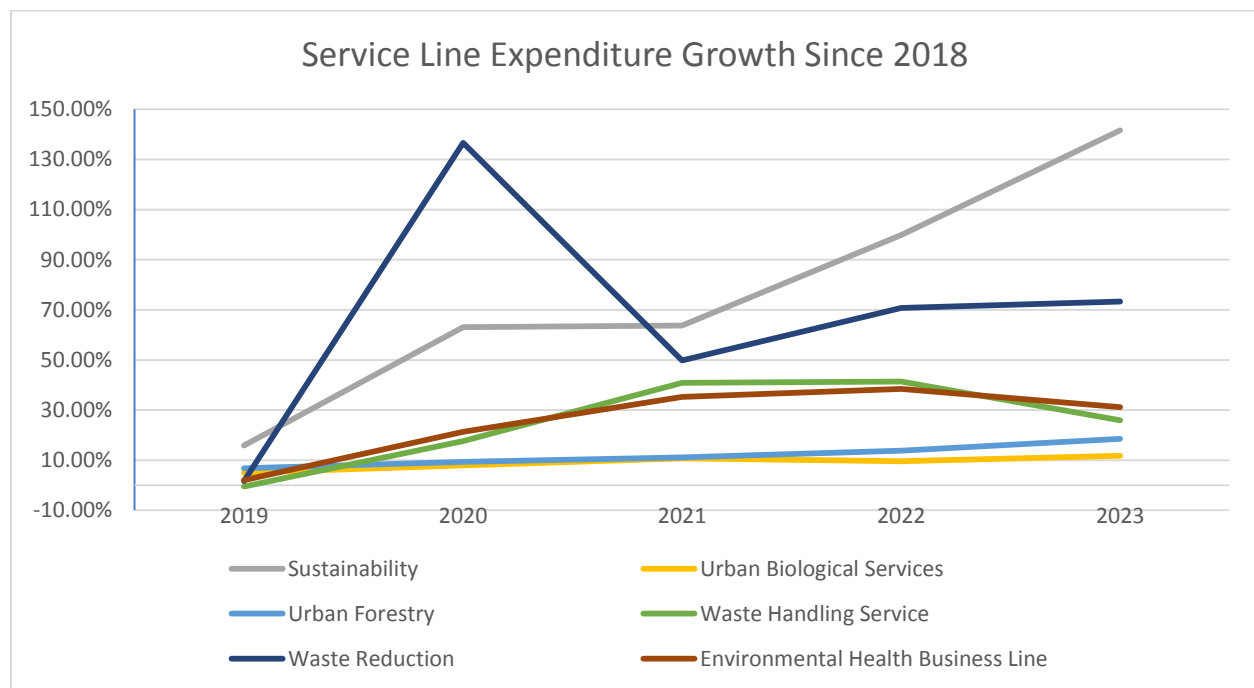
Of the Budget Category breakdown for this Business Line presented above, Waste Handling Service Line incurs the most expenditures:

- 50% of all wages and benefits for the Environmental Health Business Line relate to Waste Handling Service. In 2023, there are a total of 113.01 FTEs approved within this business line and include 12.20 FTEs in Sustainability, 11.96 FTEs in

Urban Biological Services, 26.65 FTEs in Urban Forestry, 56.50 FTEs in Waste Handling Service and 5.70 FTEs in Waste Reduction.

- 64% of all Contracted and General Services for the Environmental Health Business Line are for Waste Handling Service which includes vehicle and equipment rentals and tipping fees.
- 85% of the transfers to Reserve and Capital relate to Waste Handling Service which include annual transfers to the Landfill Replacement Reserve and Garbage Container Replacement Reserve.

The expenditures in the Environmental Health Business Line have grown by 31.14% over the past five years for an average of 6.23% per year. For context, Saskatoon's population growth ([Per Stats Canada Table 17-10-0142-01](#)) plus Consumer Price Index Inflation ([Per Stats Canada Table 18-10-0005-01](#)) over this same period was 26.69% or 5.34% per year. A graphical overview of each service lines expenditure growth can be seen below:



The service lines that have seen the largest expenditure growth over the past five years (greater than 20%) include:

- 141.63% increase overall from 2018 in Sustainability expenditures, increasing from a \$1.01M budget in 2018 to \$2.43M in 2023.
  - This Service Line has seen its expenditures steadily increasing over the last five years with average annual growth of 31.45%. The largest dollar increases of \$0.48M occurred in 2020. This increase is due to interest and principal repayments on an internal loan withdrawn to fund the Energy Performance capital work, with repayments based on utility savings. The increase in the budget within this service line is offset by reductions to utility budgets in other service lines, thereby resulting in no mill rate impact.

Additional funding to establish the Sustainability Reserve and contract costs for programs such as Household Hazardous Waste also contribute to recent increases in this service line.

- Other items contributing to this overall five-year increase occurred in 2023 when expenses increased by \$0.42M. This was due to funding allocated to the Climate Adaptation program and the Green Infrastructure program, as well for further increased contract costs associated to an increased service level for Household Hazardous Waste.
- 73.25% increase overall from 2018 in Waste Reduction, increasing from a \$0.54M budget in 2018 to \$0.94M in 2023.
  - Although the Waste Reduction service line experienced minimal increases in expenditures from 2018 – 2019, it saw a one-time increase of \$0.74M (137%) in 2020. This was largely due to the Compost depot program being transferred from the Waste Services Utility Services Line.
  - 2021 saw a decrease in budgeted expenses of \$0.47M (37%). Most of the reduction was due to a change in the Multi-Material Stewardship Western (MMSW) funding structure.

### **Service Level Overview**

Service levels are a key driver for the City’s expenditure requirements. The following section provides an overview of key service levels for each. Of note some of the biggest service levels that are driving costs within the City’s Environmental Health Business Line are Landfill Operations and Garbage Collections.

<b>Sustainability</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Student Action for a Sustainable Future	Participating classes and teachers receive in-class audits, teaching sustainability and climate science lessons, PD events and individual support for teachers, and an annual Student Showcase event to support their environmental action projects.	12 classes per year
Healthy Yards and Compost Coaches	In-person education (events, classes, workshops) on composting, water conservation, pesticide-free, and other environmentally friendly yard and garden maintenance.	80 events per year
	Rain Barrels and Compost Bin Rebates.	200 rebates available per year
	Compost coach home visits/inquiries including workshops, community garden on-site compost program, compost hotline and home visits, compost coach training and volunteer coordination.	200 visits/inquiries per year



Boulevard Garden Program	Maintain guidelines and administer application process.	1 education and communication campaign per year; all applications reviewed; all inquiries followed up on.
Environmental Dashboard		25 indicators updated annually.
Saskatoon Curbside Swap		2 city wide events, support for community events.
Household Hazardous Waste Collection Days	Events	9 collection days per year.
	Acceptable Materials	Aerosols, automotive fluids, batteries, cleaners, cylinders, light bulbs, medications, yard chemicals, vaping products, paint, and other materials.
Climate Reporting	Climate Action Progress Report, GHG inventory, and Climate Budget.	Every-second year progress report which includes a verified Climate Budget chapter included in the multi-year business plan and budget.
Integrated Waste Management Report	Calculate annual waste diversion rate and other waste reduction and diversion program performance data.	1 bi-annual report alternating with 1 bi-annual advertising campaign.
<b>Urban Biological Services</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Mosquito Control		The City conducts mosquito control inside city Limits as a main priority. Up to 10km outside city Limits is conducted as time permits. Mosquito control efforts are highly dependent on precipitation rates. If there are repeated rainfall events, treatment efforts remain focused within City limits. Adult mosquitos are tested for the presence of West Nile Virus, and these results are communicated publicly. In addition, adult mosquito populations are assessed and reported weekly on the City's website.

<p>Tree Insect and Disease Inspection</p>	<p>Dutch Elm Disease, Emerald Ash Borer, Ash Bark Beetle, Forest Tent Caterpillar, European Elm Scale, Cottony Ash Psyllid, Wasps</p> <p>Municipal Dutch Elm Disease (DED) inspectors enforce DED regulations as required by <i>The Forest Resource Management Act</i></p>	<p>City and private trees are inspected as requested, invasive insects are trapped. Requests to inspect city-owned trees are completed within 5 business days.</p> <p>All pests are identified; however no further service is provided for non-detrimental pests.</p> <p>All nursery stock is inspected for invasive insect and diseases. All private and city-owned elm trees are inspected for Dutch Elm Disease twice per year. Wasps on public property are addressed on a complaint basis.</p>
<p>Wildlife Management</p>	<p>Skunks, Raccoons, Crows, Coyotes, Rabbits, Ground Squirrels, and Pocket Gophers</p>	<p>Wildlife management follows a complaint-based model and are prioritized as follows: Injured, trapped, and diseased. Service is focused on unprotected animals (skunks, gophers, racoons, beavers) no larger than a coyote. Skunk Inspection, Trapping and Relocation Service for Private Residential Properties is also provided. Larger animals such as moose, deer, and bear are handled by the Ministry of Environment.</p> <p>Proactive control programs are provided to address areas of ground squirrel and pocket gopher activity.</p>
<p>Hard Surface Weed Control</p>		<p>Weeds are controlled on hard surfaces adjacent to arterial roadways and in tree grates within the business districts in order of priority at least two times per season.</p>

<b>Urban Forestry</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Tree Maintenance	Service Requests	Trees that pose an immediate safety risk are inspected and pruned within 24 hours.
		All other tree maintenance service requests are inspected within 10 days and service, if required is provided by the end of the year.
	Cyclical Pruning	Pruning cycles for street trees are 1:7 years.
		Pruning cycles for park trees are 1:13 years.
Tree Planting	Tree Planting in new communities and industrial areas	All identified planting sites in new communities and industrial areas that meet criteria have a tree planted.
	Tree Replacement	Requests are placed in queue and processed in the order the order received.
Tree Nursery	Tree Production	Provision of a variety of trees for tree planting programs.
<b>Waste Handling Service</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Garbage Collection	Single Family	Bi-weekly collections are year-round starting in 2023.
	Multi-Unit	Weekly collections year-round.
	Commercial	Collections provided under contract with the City.
Landfill Operations	Customer Service	24/7 dedicated customer service call centre. Emails acknowledged within 2 business days.
	Operating Hours	The Landfill is open 7 days a week, year-round with the exception of Christmas Day and New Year's Day Summer hours 7:30 a.m. to 5:30 p.m. Winter hours 7:30 a.m. to 5:00 p.m.
Cart Distribution	Minor Damage	Repaired or replaced within 3 weeks.
	New Homes	Delivered within 3 business days.
	Unusable Carts	Replaced within 3 business days.

<b>Waste Reduction</b>		
<b>Service</b>	<b>Sub-Service</b>	<b>2023 Service Level</b>
Recycling Depots	City Operated Locations	3 Recycling Depot Locations.
	Acceptable Materials	All paper, cardboard, plastics (symbol 1 - 7), aluminum foil, tin cans, milk jugs, cartons, beverage containers, glass bottles and jars.
Compost Depots	City Operated Locations	2 Compost Depot Locations.
	Acceptable Materials	Leaves, Grass, Sod, Topsoil, Garden refuse, Halloween pumpkins and non-elm branches, stumps and tree trimmings.
Christmas Tree Recycling	Recycling	Free drop off program once per year.

**Pandemic Challenges**

This Business Line is no longer largely impacted by the Pandemic as any impacted services such as Landfill, Commercial Garbage Collection and Household Hazardous Waste days have all returned to historical activity levels.

**2024/2025 Pressures Included in the Budget Status Update**

While the Administration is still in the process of quantifying the exact pressures that this Business Line is expected to experience in 2024 and 2025, some of the known pressures today include:

- The opening of Material Recovery Centre (Recovery Park) in 2023 brings increased operating costs of \$1.11 million in 2024. This includes 11.0 new FTEs for a combination of both full time and seasonal staff as well as operating costs that are partially offset by revenue for diverted materials. Total operating costs have been partially offset by transfers from other operating programs including Household Hazardous Waste days.
- The Urban Biological Services and Urban Forestry Service Lines include increases of \$68,200 in 2024 and \$79,400 in 2025 required to maintain the trees within the 18.87 hectares of new greenspace in 2024 and 16.98 hectares in 2025. Also included in the Urban Forestry Service Line is \$27,500 (2.5% increase) in each of 2024 and 2025, due to inflationary increases in contracted services.
- The creation of the Black Cart Utility program results in a net transfer from this Business Line to the Utility of \$7.36 million.
- Decreased tonnages caused by diversion and competition impact both Landfill sales and Commercial collections, resulting in lower revenues of \$648,000 (14.2% decrease).
- Remaining expenditures within the Environmental Health Business Line largely relate to increased fuel, contractor costs, maintenance and miscellaneous inflationary increases.

### **Additional 2024/2025 Pressures Not Included in the Budget Status Update**

The Budget Status Update presented is Administration's estimate on the costs to maintain existing services when considering growth, inflation, and base budget adjustments. The previous section outlined some of the significant pressures included in that estimate; however, it is important to note there are additional pressures required to move towards achieving the City's Strategic Priorities, address growing service level expectations such as asset management funding gaps and respond to everchanging community needs that were not included. These options will be quantified and presented in a future report which will give City Council the option to discuss and potentially add these items to the 2024/2025 budget. For the purpose of this report, a high-level contextual overview of some of these key pressures not included in the budget status update can be seen below:

- \$250,000 per year increased contribution to the Urban Forestry and Pest Management Capital Reserve to support the City's current and future responses to large scale tree threats such as Emerald Ash Borer, Cottony Ash Psyllid and Dutch elm disease. The increased contributions in 2024 and 2025 would raise the total annual contribution to the reserve to \$850,000 in 2025. The targeted annual contribution to this reserve is \$1M annually. For context over \$2M was required to respond to the psyllid insect that affected approximately 7,000 trees beginning in 2018.
- \$130,000 for a Triple Bottom Line Specialist to support the City of Saskatoon's approach to integrate social, environment, economic, and good governance principles in all activities and decision-making.
- \$170,000 for a Civic Commissioning and High-Performance Building Program to support the High-Performance Civic Building Policy and provide dedicated resources for the ongoing commissioning and analytics within civic buildings.

There is a risk that Multi-Material Stewardship Western (MMSW) funding may change in 2024 or 2025. MMSW funding is available since the City operates residential recycling programs in alignment with *The Household Packaging and Paper Stewardship Program Regulations* and has an agreement with MMSW, the current producer responsibility organization. These regulations were updated in March 2023 and key changes include:

- shifting to a program fully funded and operated by producers;
- adding packaging-like products to the list of designated materials;
- requiring performance targets; and
- phasing in the program over multiple years.

The program plan from the producer responsibility organization(s) is due to the Ministry of Environment on or before September 27, 2023. Engagement with municipalities is currently underway. After the plan has been approved by the Ministry, the producer responsibility organization will begin its phased-in implementation of the updated product stewardship program. Until a new program plan is approved, the existing agreement with MMSW remains in place. The full implications on the City's residential recycling programs and funding remain unknown.

**Potential Options:**

If all of the options, presented in this report along with the options previously presented in the [2024/2025 Budget Inflationary & Phase-in Decisions](#) report, were approved it would reduce the Environmental Health Business Line by the following:

<b>Environmental Health 2024/2025 Budget Options Impact</b>		
	<b>2024</b>	<b>2025</b>
<b>Options from the <a href="#">2024/2025 Budget Inflationary &amp; Phase-in Decisions</a> Report</b>	-	-
<b>Options Included in this report</b>	\$676,600	\$72,000
<b>Total Options</b>	<b>\$676,600</b>	<b>\$72,000</b>

An overview of all recommended options as well as options that could further reduce the funding gap are provided below:

**Recommended Options**

Option 1 - Closure of East Compost Depot

A closure of the East Compost Depot could result in an annual cost savings of \$142,000. With the introduction of the residential curbside organics program, there is capacity for residents to use their green cart for smaller amounts of yard waste.

The East Compost Depot provides an efficient central east side location for private contractors, residents and the Parks Department to drop off larger amounts or oversized branches, leaves, grass clippings, shrub trimmings and stumps for processing. Upon closure these groups will incur additional cost associated with the transport of the material to the West Compost Depot. Additional transport and chipping costs for the Parks Department, estimated at \$10,000, would partially offset identified savings. Commercial haulers are already required to use the West Compost Depot.

Option 2 - Adjustment of operating hours at the Landfill and the Material Recovery Centre (MRC)

The Landfill and MRC operate 363 days per year with current operating hours of 7:30am to 5:30pm in the summer and 7:30am to 5:00pm in the winter. Any adjustments to hours of operation will reduce expenditures and may reduce revenues if customers choose to dispose of materials at other landfills in the region. In addition, a reduction in hours of operation may result in more illegal dumping.

A reduction in overall operating hours at the Landfill and the MRC would result in approximately \$415 per hourly reduction each day. Therefore, reducing operations by one hour per day year-round could result in savings of \$150,000, which may be partially offset by a reduction in revenues.

Option 3 – Eliminate Skunk Inspection, Trapping and Relocation Service for Private Residential Properties

Urban Biological Services Program currently offers a skunk inspection trapping and relocation service for those residents that identify skunk activity in their yard. The Urban Biological Services program provides skunk inspection services to 50-100 private

residential properties per year including trapping and relocation services to approximately 40 locations annually. The elimination of this service would provide approximately \$25,000 of savings annually through salary, vehicle, and material and supply reductions. If the trapping service was eliminated, information about skunks including private contracted options for skunk trapping and relocation services would be provided to residents upon request. A potential impact of eliminating this service would be having an increasing number of skunks in the city due to residents choosing not to trap and relocate skunks from their property due to the cost associated with a private service and the potential of having delayed skunk and other wildlife response times in the winter months.

#### Option 4 – Reduce Mosquito Control Treatment Area

Urban Biological Services Program provides mosquito monitoring and control treatment services to small bodies of water within an area of approximately 945 square kilometers, which includes the entire city of Saskatoon and a 5 to 10 km buffer around the city. If the area of control treatment was reduced to an area that includes Saskatoon and a 1 to 2 km buffer around the city limits, \$30,000 of savings that includes salary, vehicle and chemical reductions would be realized. The potential impact of reducing the area of mosquito treatment would be increased mosquito populations impacting the quality of life for residents and increased risk of mosquito borne diseases such as West Nile.

#### **Options that Could Further Reduce the Funding Gap**

##### Option 5 – Discontinue Christmas Tree Drop-Off Sites

The City provides five drop-off locations for natural Christmas trees to be recycled. An annual savings of about \$25,000 could be achieved if this service was no longer offered. Residents could bring their Christmas trees to the (MRC) at the Landfill.

##### Option 6 – Further Adjustments of operating hours at the Landfill and the MRC

The Landfill and MRC operate 363 days per year with current operating hours of 7:30am to 5:30pm in the summer and 7:30am to 5:00pm in the winter. Any adjustments to hours of operation will reduce expenditures and may reduce revenues if customers choose to dispose of materials at other landfills in the region. In addition, a reduction in hours of operation may result in more illegal dumping.

Further options to adjust these hours are as follows:

- Closure of the Landfill and the MRC on Sundays – estimated \$100.0 K savings, which is a net of lost revenue and reduced staff time. Impact on staff would require shifting staff from full time to part time or potentially eliminating 4.5 FTEs.
- Closure of the Landfill and MRC on statutory holidays - \$32.0 K of potential savings but also may divert revenue to competition and have a negative impact on curbside residential waste collections.

##### Option 7 – Reduced Tree Planting

On average the Urban Forestry operating budget supports the planting of approximately 700 trees through the plant by request and urban reforestation programs. These tree planting programs are being leveraged in 2023 and 2024 through federal funding to

accelerate the City's tree planting activities. Contracted tree planting activities could be reduced to plant 30 fewer trees and realize annual savings of \$21K. The negative consequences associated with planting fewer trees would include, the City falling behind on its tree canopy and tree replacement targets, and the amount of Federal Natural Infrastructure Funding available to accelerate tree planting programs would be reduced.

#### Option 8 – Extension of Tree Pruning Cycle

Urban Forestry applies an industry best practice of one in seven-year pruning cycle to maintain the City's street trees. The one in seven-year cycle provides a cost-effective proactive approach to tree maintenance (tree pruning and tree removal) by minimizing the need for reactive responses that include residential clearance requirements, storm damage, general tree failure and solicitor claims. The extension of the street tree pruning cycle to one in ten years would realize annual savings of approximately \$90,000. Negative consequences associated with an extension of the pruning cycle would include:

- Potentially having to address a greater number of reactive tree maintenance responses offsetting the realized savings;
- Potentially an increased amount of deadwood in the elm population providing additional elm bark beetle habitat putting the Urban Forest at increased risk of Dutch elm disease outbreaks; and
- Increased safety concerns associated with standing dead trees remaining in neighborhoods for a longer period.

#### Option 9 – Eliminate GHG Management Software

Do not continue with the Greenhouse Gas Management Software platform (used for greenhouse gas inventories and Low Emissions Community Plan action tracking and visualization) beyond the pilot period – annual savings \$20K. If eliminated, GHG inventories and climate action progress reports would continue to be calculated manually every-second year, requiring staff time costing up to \$50,000 each time.

#### Option 10 – Eliminate Healthy Yards and Boulevard Garden Program Advertising and Support

Eliminate annual communications for Healthy Yards program and end support for the Boulevard Garden Program including application intake, guideline maintenance, and educations/communications – annual savings \$11,600. The elimination of these services is likely to decrease uptake of Healthy Yards programs and result in increased complaints to bylaw compliance about boulevard gardens that has previously been addressed through education. Permitting new gardens on boulevards may end if there is a significant increase in issues and complaints.

#### Option 11 – End Student Action for a Sustainable Future program contribution

End sponsorship of the Student Action for a Sustainable Future program starting in the 2024-2025 school year. This program has recently expanded through a co-sponsorship with Nutrien to grow from 12 classes per year to up to 24 per year. It is unknown if Nutrien's sponsorship of the program would change if the City withdrew its support.



Since the City is already in an agreement for the 2023-2024 school year, savings in 2024 are estimated to be \$40,000. Starting in 2025, annual savings are estimated to be \$72,000 per year.

## Walter, Penny

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**From:** City Council  
**Subject:** FW: Email - Communication - Mackenzie Burnett - Saskatoon Climate Hub - Transportation Business Line Information and Environmental Health Business Line Information - CK 430-72 x 1700-1  
**Attachments:** Saskatoon Climate Hub Letter Regarding July 25, 2023 Special Meeting on Governance and Priorities Committee.pdf

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**From:** Web NoReply <web-noreply@Saskatoon.ca>  
**Sent:** Monday, July 24, 2023 4:32 PM  
**To:** City Council <City.Council@Saskatoon.ca>  
**Subject:** Email - Communication - Mackenzie Burnett - Saskatoon Climate Hub - Transportation Business Line Information and Environmental Health Business Line Information - CK 430-72 x 1700-1

--- Replies to this email will go to [REDACTED] ---

Submitted on Monday, July 24, 2023 - 16:26

Submitted by user: [REDACTED]

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Monday, July 24, 2023

**To:** His Worship the Mayor and Members of City Council

**Pronouns:** She/her/hers

**First Name:** Mackenzie

**Last Name:** Burnett

**Email:** [REDACTED]

**Address:** [REDACTED] 5th Avenue N, [REDACTED]

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** [REDACTED]

**Name of the organization or agency you are representing (if applicable):** Saskatoon Climate Hub

**What do you wish to do ?:** Submit Comments

**What meeting do you wish to speak/submit comments ? (if known)::** July 25, 2023 Governance and Priorities Committee Meeting

**What agenda item do you wish to comment on ?:** 4.3.1 Transportation Business Line Information [GPC2023-0703]; 4.3.4 Environmental Health Business Line Information [GPC2023-0701]

**Comments:**

Dear Mayor Clark and Councillors,

Please accept our letter regarding the July 25th, 2023 Governance and Priorities Committee Meeting. On behalf of the Saskatoon Climate Hub, thank you for your consideration and work on these vital issues.

Sincerely,

Ines Sanchez-Rodriguez, Ward 10 citizen  
Mackenzie Burnett, Ward 6 citizen




**Attachments:**

- [Saskatoon Climate Hub Letter Regarding July 25, 2023 Special Meeting on Governance and Priorities Committee.pdf](#) 104.75 KB

**Will you be submitting a video to be vetted prior to council meeting?:** No



**SASKATOON**  
CLIMATE HUB

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Saskatoon Climate Hub   
@SaskatoonClimateHub 

July 24, 2023

Saskatoon City Council  
222 3rd Ave North  
Saskatoon, SK S7K 0J5

Dear Mayor Clark and Councillors,

We are writing on behalf of the Saskatoon Climate Hub, an organisation operating under the umbrella of Climate Reality Canada. Our objective is to unite a broad coalition of Saskatonians who are eager to address the climate crisis at the local level in order to drive local change.

Today, we are reaching out to express our concerns about the upcoming discussion related to the City's 2024-2025 Business Plan and Budget. We write to you amidst the most destructive fire season in Canadian history, one that's burned more than 25 million acres—an area larger than Portugal (1). We write to you knowing that 37% of the burned forest area in Western Canada and the United States from 1986-2021 can be traced back to 88 major fossil fuel producers and cement manufacturers (2). We write to you after facing the hottest day ever recorded, July 6th, 2023 (3).

We appreciate the initiative the City has shown through the development of its Climate Action Plan. We urge you to consider your commitments to this plan as well as to current and future Saskatonians while making decisions about the upcoming budget. We can not afford to delay climate action. If we do, it will cost the City and its citizens greatly; each additional year of delay in implementing mitigation will cost an additional 0.3–0.9 trillion dollars in the future (4).




We understand that the City is currently seeking to address a budgetary deficit and we have carefully reviewed the Public Agenda Meeting for the Governance and Priorities Committee scheduled for July 25th, 2023. What follows are our recommendations regarding the Transportation and Environmental Health Business Lines.

#### **4.3.1 Transportation Business Line [GPC2023-0703]**

To effectively reduce greenhouse gas emissions, it is crucial for the City to prioritise efforts in lowering car dependency and promoting public transportation. **Therefore, we recommend eliminating transit fares for citizens 13 and younger.**



**SASKATOON**  
CLIMATE HUB

saskatoonclimatehub@gmail.com   
Saskatoon Climate Hub   
@SaskatoonClimateHub 

Currently, Saskatoon Transit is only free for children under 5. In comparison, Regina, Winnipeg, Calgary, and Edmonton have all made transit fares free for children ranging for 13, 12, and 11 and under.

#### **4.3.4 Environmental Health Business Line [GPC2023-0701]**

Regarding the decision report for the Environmental Health Business Line, **we oppose the following proposed options:**

- **Options 1 and 6**, which may increase waste, resulting in higher emissions.
- **Option 9**, which may force the City to make decisions on climate change mitigation under significant uncertainty due to a lack of updated information on greenhouse gas emissions.
- **Options 7, 10, and 11**, which could hinder the city's ability to adapt to climate change, foster a culture of sustainability, and preserve green spaces.

On behalf of the Saskatoon Climate Hub, thank you for your consideration and work on these vital issues.

Sincerely,

Ines Sanchez-Rodriguez, Ward 10 citizen

Mackenzie Burnett, Ward 6 citizen

1- Chappell, B. (2023, July 21). Why can't Canada just put the fires out? Here are 5 answers to key questions. NPR. <https://www.npr.org/2023/07/21/1188618934/canada-wildfires-answers>

2- Osborne, M. (2023, July 6). Earth faces hottest day ever recorded—three days in a row. Smithsonian Magazine. <https://www.smithsonianmag.com/smart-news/earth-faces-hottest-day-ever-recorded-three-days-in-a-row-180982493/>

3- Dahl, K.A. et al (2023, May 16). Quantifying the contribution of major carbon producers to increases in vapor pressure deficit and burned area in western US and southwestern Canadian forests. *Environmental Research Letters*, 18, 064011). <https://doi.org/10.1088/1748-9326/acbce8>

4- Sanderson, B.M., O'Neill, B.C. (2020, June 8). Assessing the costs of historical inaction on climate change. *Scientific Reports*, 10, 9173. <https://doi.org/10.1038/s41598-020-66275-4>

# Taxation and General Revenues Business Line Budgetary Information

## ISSUE

As the City of Saskatoon (City) heads into its planning for the 2024 and 2025 Business Plan and Budget Cycle, there continues to be several budgetary pressures the City is facing. This report will provide information and Administrative recommendations on the Taxation and General Revenues Business Line.

This process has been established so that City Council can provide early direction to the Administration, on what to include in the 2024/2025 Preliminary Business Plan and Budget which will be considered by City Council in November 2023 during the 2024/2025 Business Plan and Budget deliberation meeting.

## BACKGROUND

At its March 15, 2023 meeting when considering the [2023-2025 Budgetary Pressures and Trends](#) Report, Governance and Priorities Committee (GPC) resolved in part:

“That Administration report back on a potential special budget meeting process to address some of the budgetary challenges and pressures for the upcoming two-year budget cycle. That this report include recommendations on using the existing Governance and Priorities Committee/Finance Committee meeting schedule vs. having special budget/Finance committee meetings and recommendations for organizing these special budget meetings based on departmental budgets or based on service lines or some combination.”

At its April 12, 2023 meeting when considering the [2024/2025 Business Plan and Budget Process Report](#), GPC resolved:

“That Option 3 be approved, and the City Clerk’s office be directed to schedule Special Budget Meetings for the presentation of Business Line-based reports if the Governance and Priorities Committee Capacity does not exist as outlined in the April 12, 2023 report of the Chief Financial Office.”

## CURRENT STATUS

The multi-year business plan and budget process includes the following key steps:

1. Develop the cost to maintain existing services considering city growth, inflation pressures, and updated revenue estimates. This step is also used to present and discuss required corrections of base budgets and phase-in of funding plans.
2. Provide a summary of the information from Step 1 to GPC.
3. Use cross-divisional teams to discuss City Council’s strategic priorities and develop options to achieve these priorities.

4. Present a list of Business Plan Options to City Council for prioritization.

### **DISCUSSION/ANALYSIS**

Each business line report presented through the Governance and Priorities or through the Special Budget Meetings will have the same general outline to provide information to City Council. The categories in each report will be:

1. Expenditure Overview
2. Service Level Review
3. Pandemic Challenges
4. 2024/2025 Pressures
5. Potential Options

Appendix 1 includes the information for the Taxation and General Revenues business line. The Taxation and General Revenues Business Line includes revenue from the Municipal Revenue Sharing Grants, grants-in-lieu, fines and penalties, property taxes as well as other general revenue.

### **OPTIONS**

Appendix 1 provides the full information regarding the options available to Committee.

**Option 1** – Interest Stabilization Reserve Transfer Reduction

**Option 2** – Tax Certificate or Tax Search Fee Increases

**Option 3** – Increases to Property Tax Penalties

**Option 4** – Parking Ticket Penalty Amount Increases

### **RECOMMENDATION**

That the Governance and Priorities Committee direct Administration to include the following options in the 2024/2025 Preliminary Business Plan and Budget:

1. Option 1B – Phase out of the \$100,000 Interest Stabilization support over two years;
2. Option 2 – An increase of \$5.00 for the Manual Tax Certificate/Tax Search Fees and a \$10 increase for the Online Tax Certificate/Tax Search fees;
3. Option 3 – A 0.25% increase in the City's Current and Arrears monthly Property Tax Penalty Rates; and
4. Option 4 – An increase to Parking Ticket Penalty Amounts of \$50 to \$70 for late pay penalties and \$30 to \$40 for the reduced penalty rate for parking offences related to parking in a pay parking area where purchased time has expired.

### **RATIONALE**

The provided recommendations aim to strike a balance in addressing the significant cost pressures the City is facing heading into 2024/2025 with a more reasonable property tax increase. While there are implications to the provided recommendations to

## Taxation and General Revenues Business Line Budgetary Information

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service levels and increases in user fees, the Administration believes it provides reasonable options to lessen the financial impact included in the 2024/2025 budget.

### **FINANCIAL IMPLICATIONS**

The financial implications of this business line will be deliberated at the 2024/2025 Business Plan and Budget Deliberations meeting.

### **OTHER IMPLICATIONS**

There are no privacy, legal, social or environmental implications identified.

### **NEXT STEPS**

The 2024/2025 Business Plan and Budget meetings will be held on November 28 to 30, 2023 to deliberate budget implications for all business lines.

### **APPENDICES**

1. Taxation and General Revenue Business Line

### **REPORT APPROVAL**

Written by: Kari Smith, Director of Finance  
Reviewed by: Clae Hack, Chief Financial Officer  
Approved by: Jeff Jorgenson, City Manager

Admin Report - Taxation and General Revenues Business Line Budgetary Information.docx



**Taxation and General Revenues Business Line**

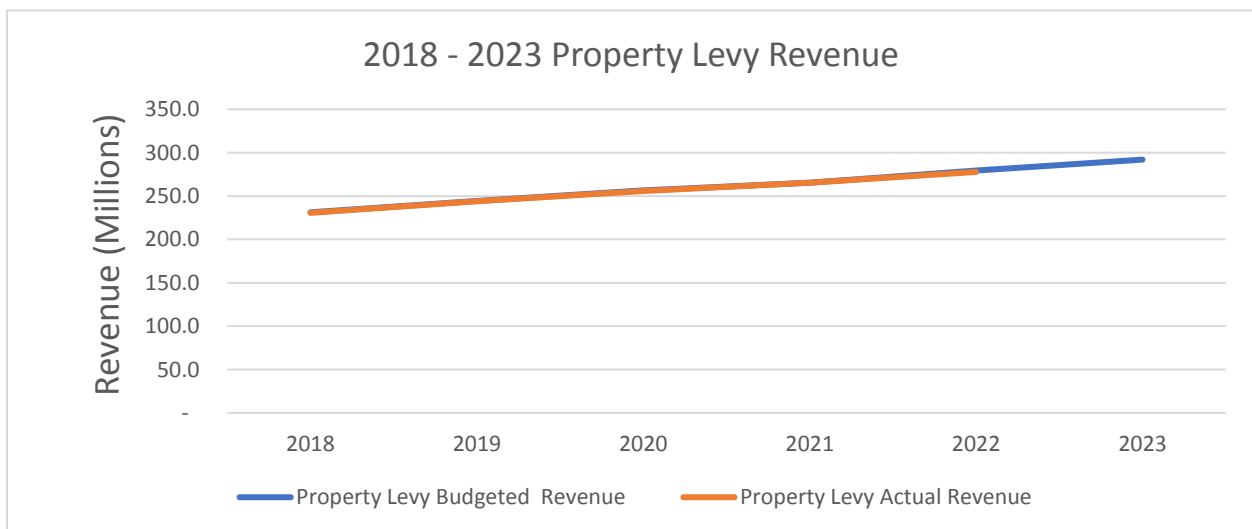
The 2023 Budget for the Taxation and General Revenues Business Line included \$5.85 million in expenditures and \$494.23 million in operating revenues.

**Revenue Overview**

In 2023 the Taxation and General Revenues Business Line was budgeted to generate \$494.23 million in operating revenue. \$292.0 million and \$83.6 million comes from Property Levy and General Revenue respectively, which makes up approximately 76% of all operating revenue in this Business Line. A full breakdown of operating revenue can be seen below.

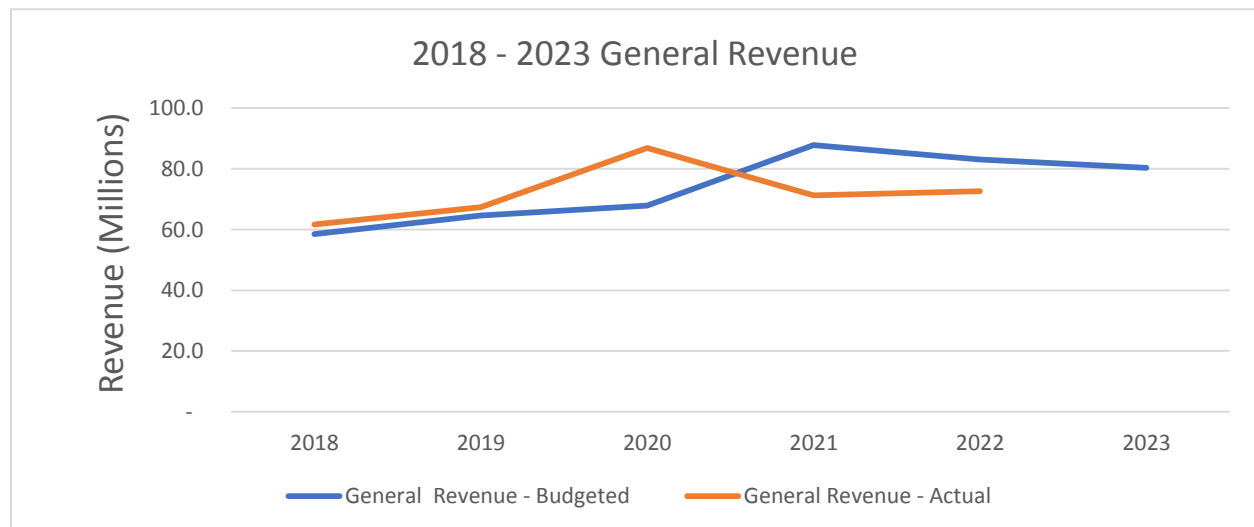
<b>Service Line</b>	<b>2023 Op Rev (in millions)</b>	<b>% of Overall Op Rev.</b>
Fines and Penalties	\$13.92	2.82%
General Revenue	\$83.62	16.92%
Grants in Lieu of Taxes	\$46.53	9.41%
Municipal Revenue Sharing Grant	\$54.67	11.06%
Other Levies	\$3.49	0.71%
Property Levy	\$292.00	59.08%
<b>Taxation and General Revenues Business Line</b>	<b>\$494.23</b>	<b>100.00%</b>

As outlined above, Property Levy Revenue is one of the biggest operating revenue sources in this Business Line. Actual revenue is equal to budgeted revenue, as this amount is based on actual known sources and the need to balance the budget, this graph has been included to show the constant steady growth of this vital revenue source:



Property Tax Levy changes are a direct result of changes to other areas of the operating budget, including growth impacts, inflation, and service level changes.

The other significant operating revenue source for this business line is General Revenue which includes returns on investments from City owned utilities, interest earnings and provincial utility franchise fees. Actual funding received in 2020 was higher than budget and higher than previous years due to unexpected Federal Safe Restart funding being received to assist the City with impacts due to COVID-19. The City used \$15.00 million in reallocated funding to offset the impacts of COVID-19 in 2020 and then utilized the Safe Restart funds in 2021 for ongoing COVID-19 impacts. The budgets for 2022 and 2023 include ongoing one-time funding from reallocated funding of \$13.85 million in 2022 and \$10.02 million in 2023 within revenues, but actuals will show them as a transfer within expenditures (negative expenditure) resulting in actuals appearing less than budget. A five-year history of this revenue source can be seen below:



General Revenue also includes Return on Investments (ROI), and Franchise Fees. ROI is funding received from Saskatoon Light and Power (SL&P), Water and Wastewater Utilities as well as Franchise Fees from the Provincial Utilities. An amount of \$36.95 million is budgeted in 2023 from the Utility ROI. Franchise Fees are funds received from the Provincial Utility and are budgeted at \$21.39 million in 2023.

The City has little control over several of the revenue sources in this business line such as Municipal Revenue Sharing, Franchise Fees, Grants-in-lieu and Supplementary Property Taxes. A summary of the projected revenue forecasts for significant areas (over \$1 million in 2023) heading into 2024/2025 can be seen below:

Revenue Source	2024 Forecasted Budget	Change from 2023	2025 Forecasted Budget	Change from 2024
Fines & Penalties	\$13.7 million	-\$200K (-1.44%)	\$13.8 million	\$50K (0.36%)
Interest Earnings	\$13.8 million	No Change	\$14.0 million	\$200K(1.45%)
Provincial Utility Franchise Fees	\$21.0 million	-\$1.1 million (-5.5%)	\$21.0 million	No Change
Civic Utility Return on Investments	\$34.5 million	-\$2.4 million (-6.51%)	\$35.5 million	\$1.0 million (2.87%)
Other Revenue	\$331K	-\$10.0 million (-96.8%)	\$331K	No Change
Grans-in-Lieu of Taxes	\$49.7 million	\$3.2 million (6.79%)	\$51.1 million	\$1.4 million (2.88%)
Municipal Revenue Sharing	\$62.5 million	\$7.9 million (14.4%)	\$65.5 million	\$3.0 million (4.80%)
Other Taxation Levies	\$3.8 million	\$300K (8.71%)	\$3.8 million	\$50K (1.32%)

Overall, these revenue forecasts are showing an overall decrease from \$201.8 million in revenue in 2023 to \$199.3 million in 2024 (1.23% decrease) and an increase in 2025 to \$205.3 million (3.01% increase over 2024).

The biggest changes included in the original forecast is the removal of the one-time pandemic funding of \$10 million in 2024 as well as a \$2.4 million reduction in Saskatoon Light and Power’s Return on Investment (6.51% reduction). These decreases are offset by revenue growth in other areas such as:

- Since the June 14, 2023 report [2024 and 2025 Budget Status Update](#) where the Administration had included an estimated Municipal Revenue Sharing amount of \$60.41 million, or an increase of \$5.74 million over 2023, the Province finalized their yearend results and the revised estimate of the 2024 Municipal Revenue Sharing is now \$62.55 million or an additional \$2.14 million over the original 2024 estimate. The 2025 estimate is also being revised to be an increase of \$3.00 million over 2024 (the original estimate was \$2.10 million increase over 2024) for total estimated revenue of \$65.55 million in 2025. Administration will make these changes for the 2024/2025 Budget book that will be presented at the November 28, 2023 budget deliberation meeting.
- Grant-in-lieu of taxes are received from Federal and Provincial governments for properties they own but are exempt from taxation as well as from the civic utilities such as SL&P, Water and Wastewater Utilities. The amount expected to be received in 2023 is \$46.53 million with expected increases of \$3.4 million in 2024 and \$1.67 million in 2025.

As shown in the information report from the special Standing Policy Committee on Finance on August 31, 2021 when discussing the [2022 and 2023 Indicative Budget – Additional Information](#), the revenues from User Fees, Government Transfers, Grants-in-

Lieu of Taxes and General Revenues have stayed consistent or decreased from 2013 to 2020. Property taxes have increased from approximately 40% of Operating Revenue to approximately 50% for 2023, while non-tax revenue has correspondingly decreased from approximately 60% in 2013 to 50% in 2023.

### **Expenditure Overview**

The largest amount of budgeted expenditures comes from the Fines and Penalties Service Line, with expenditures of \$5.98 million which is mostly used to cover contracted costs for Automated Speed Enforcement Cameras as well as maintenance and transfers to the Traffic Safety Reserve from Red Light Camera proceeds. General Revenue transfer from other operating is -\$1.57 million and is related mostly to the transfer from the Saskatoon Land Operating Surplus (\$1.85 million) which is partially offset by finance charges for interest earnings transferred to various reserves. An overview of all the service lines 2023 operating expenditures can be seen below:

<b>Service Line</b>	<b>2023 Op. Exp. (in millions)</b>
Fines and Penalties	\$5.98
General Revenue	\$(1.57)
Grants in Lieu of Taxes	\$ -
Municipal Revenue Sharing Grant	\$ -
Other Levies	\$0.77
Property Levy	\$0.67
<b>Taxation and General Revenues Business Line</b>	<b>\$5.85</b>

Another way to look at this information is by Budget Category. As seen below approximately 82% of total expenditures in the Taxation and General Revenues Business Line are for Contracted Services (\$4.79 million).

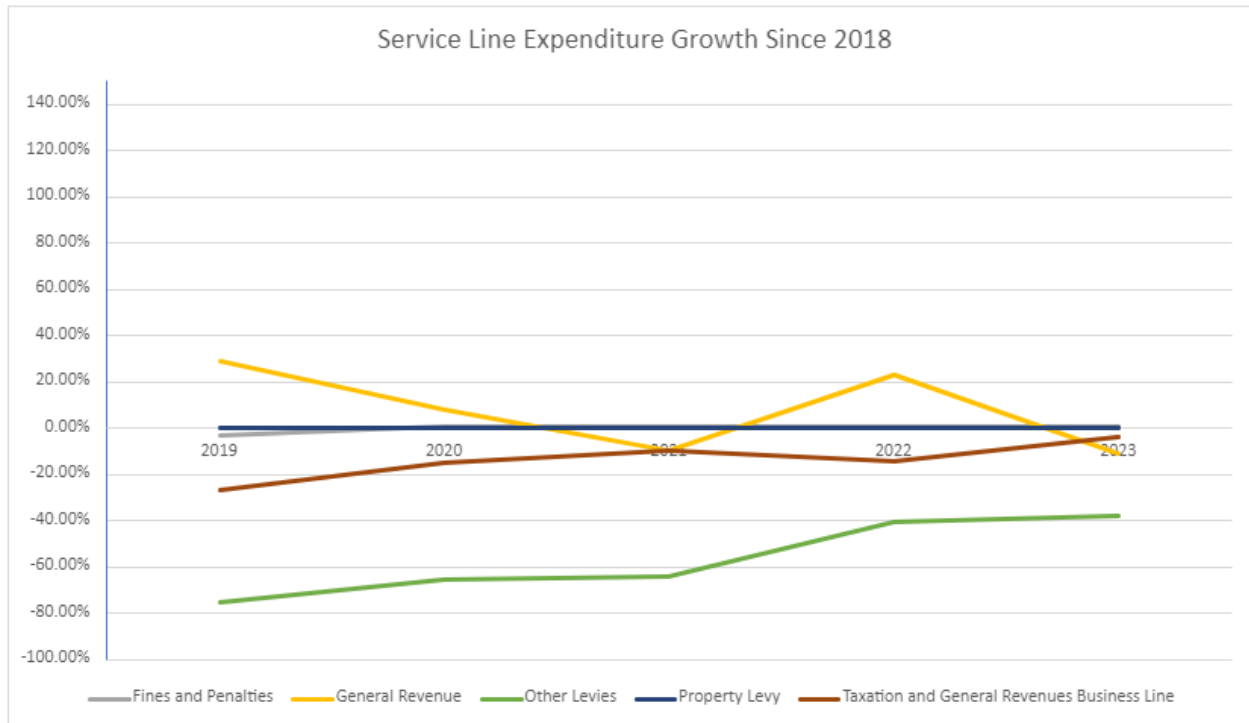
<b>Budget Category</b>	<b>2023 Budget (in millions)</b>	<b>% of Overall Expenses</b>
Other Expenses	\$0.66	11.28%
Contracted & General Services	\$4.79	81.88%
Utilities	\$0.00	0.00%
Finance Charges	\$0.39	6.67%
Transfers to Reserve/Capital	\$1.10	18.80%
Transfer to Other Operating	\$(1.09)	-18.63%
<b>Taxation and General Revenues Business Line</b>	<b>\$5.85</b>	<b>100.00%</b>

A couple of additional key observations are:

- The Contracted Services are for the Fines and Penalties Service Line. These are services required for programs such as traffic violations, automated speed enforcement and red-light camera.
- The transfers to reserve/capital of \$100,000 is a transfer from the Interest Stabilization reserve to help offset interest rate fluctuations and \$1.20 million

transfer to the Traffic Safety Reserve from the red-light camera and automated speed enforcement programs within the Fines and Penalties Service Line.

Overall, since 2018, the expenditures in the Taxation and General Revenues Business Line have decreased by 3.73% over the past five years or an average decrease of -0.75% per year. For context, Saskatoon's population growth ([Per Stats Canada Table 17-10-0142-01](#)) plus Consumer Price Index Inflation ([Per Stats Canada Table 18-10-0005-01](#)) over this same period was 26.69% or 5.34% per year.

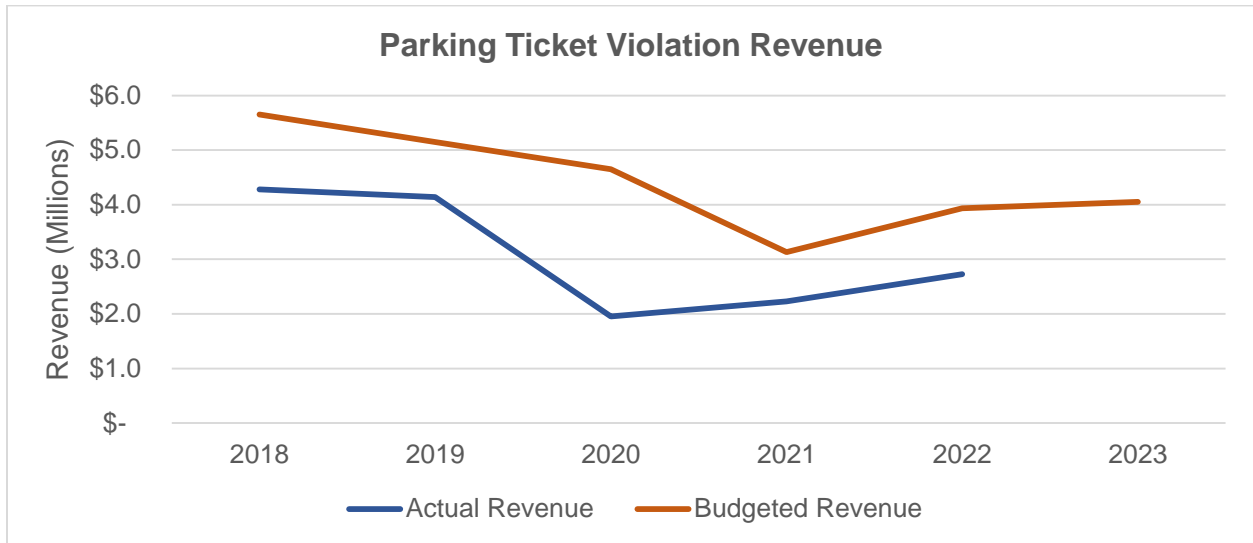


The decrease in expenditures is due in large part to a reduction in Other Levies from the expiration of the Clarence Avenue and Circle Drive Interchange loan repayment which was transferred to the Civic Facilities Funding Plan in the 2019 budget. General Revenue expenditures fluctuate based on the amount of support from the Interest Stabilization Reserve. The remaining expenditures have remained consistent.

### **Pandemic Challenges**

One of the most significant impacts of the pandemic for this business line is related to the Fines and Penalties service line which experienced a \$1.80 million deficit in 2020 due to lower traffic violations revenue from officers moving from traffic duty to patrol and public safety, resulting in less tickets being issued as well as \$2.70 million reduced revenue from parking ticket violations due mostly to reduced parking from COVID-19 restrictions (42% of budgeted revenue). The 2021 and 2022 budgeted revenues were lowered from pre-pandemic levels for parking ticket violations, however actual amounts were still lower than budget by \$905,400 (71% of budgeted revenues) in 2021 and \$1.21 million (69% of budgeted revenues) in 2022. As shown in the five-year historical graph below, even prior to the pandemic there were base budget issues in the Parking

ticket violation revenue. The 2023, 2024 and 2025 budgets all assume that parking ticket violation revenue will recover to approximately 90% of pre-pandemic amounts.



### **2024/2025 Pressures Included in the Budget Status Update**

This Business Line has one Financial Pressure that has been previously outlined and options provided in the June 22, 2023 Governance and Priorities Committee report entitled “2024 and 2025 Inflationary and Phase-in Decisions”.

- A reduction in the Return on Investment from Saskatoon Light and Power is expected in the budget in 2024 of \$3.3 million. This reduction is to help support the Saskatoon Light and Power (SL&P) asset management plan to retain existing buying power due to inflationary pressures where costs of materials and supplies increase by approximately 33%.

An overview of the remaining pressures that have not been included in previous reports include:

- An increased expenditure of \$100,000 for the transfer from the Interest Stabilization Reserve will be included in 2024 budget. This reserve is used to mitigate the fluctuations in interest earnings. As interest returns were decreasing in prior years a contribution from this reserve was being used to smooth out the impact to the property tax. As investment income has seen a significant increase amid rising interest rates, this contribution should be phased out to reduce the reliance on the reserve as the current reserve balance is \$315,521.

### **Potential Options:**

If all of the options presented in this report along with the options previously presented in the [2024/2025 Budget Inflationary & Phase-in Decisions](#) report were approved it would reduce the Taxation & General Revenues Business Line by the following:

<b>Taxation &amp; General Revenues 2024/2025 Budget Options Impact</b>		
	<b>2024</b>	<b>2025</b>
<b>Options from the <a href="#">2024/2025 Budget Inflationary &amp; Phase-in Decisions Report</a></b>	\$2,475,000	(\$495,000)
<b>Options Included in this report</b>	\$1,316,000	-
<b>Total Options</b>	<b>\$3,791,000</b>	<b>(\$495,000)</b>

Reductions recommended in the 2024/2025 Budget Inflationary & Phase-in Decision report impacting this Business Line include:

- Saskatoon Light and Power Return on Investment Inflationary reduction – Reducing the inflationary allocations to the Saskatoon Light & Power Return on Investment in 2024 by 75% (\$2,475,000 reduction) and phasing it back in over five years (\$495,000 increase in 2025 – 2029).

An overview of all recommended options as well as options that could further reduce the funding gap are provided below:

### **Recommended Options**

#### **Option 1 – Interest Stabilization Reserve Transfer Reduction**

As outlined in the report, this business line includes the elimination either in full or partial of the \$100,000 transfer from the Interest Stabilization Reserve due to the depleting balance in the reserve (\$315,521) and the fact that investment income has been rising through increased interest rates. Reducing or eliminating the reduction would mean a further reduction from the Interest Stabilization Reserve and would only defer the impact to a future budget year when this would need to be fully removed once the reserve balance is depleted. There is risk by reducing this amount for future fluctuations to have to be managed through the Fiscal Stabilization Reserve. Sub-options and impacts that could be considered are outlined below:

<b>Option</b>	<b>Impact</b>
<b>1A</b> – Maintain the \$100,000 allocation in 2024	This option would keep the \$100,000 allocation from the Interest Stabilization Reserve and reduce the reserve balance to \$215,521
<b>1B</b> – Phase out the \$100,000 allocation over two years	This option would keep a \$50,000 allocation from the Interest Stabilization Reserve in 2024 and fully phase it out in 2025
<b>1C</b> – Fully remove the \$100,000 allocation in 2024	This option would fully remove the \$100,000 allocation from the budget as included in the 2024/2025 Budget Status Update

#### **Option 2 – Tax Certificate or Tax Search Fee Increases**

There is an option to raise fees for tax certificates or tax searches, which are currently lower in Saskatoon compared to other municipalities. As shown in Table 1, the City currently charges less than other major western Canadian cities for manual and online

tax searches and certificate. It is estimated that approximately \$282,000 of additional revenue could be generated if the fees were increased to match the City of Regina. By matching the City of Regina, the fees would still be lower than many other major western Cities.

Table 1 – Tax Search and Certificate Fee Comparison

City	Manual Tax Search	Manual Tax Certificate	Online Tax Search	Online Tax Certificate
Saskatoon	\$10.00	\$30.00	\$5.00	\$25.00
Regina	\$15.00	\$35.00	\$15.00	\$35.00
Winnipeg	\$27.00	\$60.00	\$23.75	\$47.00
Calgary	N/A	N/A	\$23.00	\$52.00
Edmonton	\$22.50	\$45.50	\$18.00	\$34.50

### Option 3 – Increases to Property Tax Penalties

The City of Saskatoon currently charges a penalty rate of 1.25% per month for overdue taxes in the current year and 1.50% per month for property taxes in arrears. This option would include potentially increasing the City’s Property Tax Penalty rate which would generate increased revenue. As outlined below the City of Saskatoon has one of the lower penalty rates as compared to other Saskatchewan and Western Canadian Municipalities.

Penalty Rates Charged by Municipality		
City	Current	Arrears
Saskatoon	1.25% / month	1.50% / month
Regina	1.50% / month	1.75% / month
Prince Albert	1.90% / month	1.50% / month
Moose Jaw	2.00% / month	1.10% / month
Swift Current	1.00% / month	2.00% / month
Winnipeg	2.50% / month	2.50% / month
Edmonton	5.00% charged 3 times (July, Sept & Nov)	1.25% / month
Calgary	7.00% charged 2 times (July 1 & Oct 1)	1.00% / month

There are several options that could be considered for an increase to the City’s penalty rates. For every 0.25% increase, in the City’s current and arrears penalty rates, it is expected to generate an additional \$250,000 and \$174,000 respectively. It is important to note this projection does not include any potential increases in compliance which may be realized because of the higher penalty and decrease the revenue from this source.

### Option 4 – Parking Ticket Penalty Amount Increases

Bylaw No. 7200, The Traffic Bylaw, outlines the penalties for parking-related offences. The most common parking-related offence relates to parking in a pay parking area where purchased time has expired. The current penalty amount for this offence is \$30 if payment is made within 14 days of ticket issuance or \$50 for tickets paid after 14 days.



Options exist to increase the penalty structure and a penalty structure comparison is provided below.

<b>City</b>	<b>Specified Penalty</b>	<b>Early Payment Option(s)</b>
Saskatoon	\$50	\$30 within 14 days
Regina	\$70	\$35 with 14 days
Moose Jaw	\$50	\$20 within 15 days \$30 after 15 days but within 30 days
Calgary	\$75	\$40 within 10 days \$50 after 10 days but within 30 days
Edmonton	\$35	No early payment options
Winnipeg	\$70	\$35 within 14 days
Halifax	\$45	\$40 within 7 days
Victoria	\$40	No early payment options
Vancouver	\$50	\$25 within 30 days

An increase to the late pay penalty of \$50 to \$70 results in a projected revenue gain of \$330,000. An increase to the reduced pay penalty of \$30 to \$40 results in projected revenue gain of \$230,000, for a combined projected revenue gain of approximately \$560,000. These projections are based on current parking ticket payment ratios for reduced and late pay options and it is noted that revisions to the penalty structure may have the potential to alter these assumptions.

## Walter, Penny

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**Subject:** FW: Email - Communication - Brent Penner - Transportation Business Line Information and Taxation and General Revenues Business Line Budgetary Information - CK 430-72 x 1700-1

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**From:** Web NoReply <[web-noreply@Saskatoon.ca](mailto:web-noreply@Saskatoon.ca)>

**Sent:** Monday, July 24, 2023 3:15 PM

**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>

**Subject:** Email - Communication - Brent Penner - Transportation Business Line Information and Taxation and General Revenues Business Line Budgetary Information - CK 430-72 x 1700-1

--- Replies to this email will go to [REDACTED] ---

Submitted on Monday, July 24, 2023 - 15:14

Submitted by user: [REDACTED]

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Monday, July 24, 2023

**To:** His Worship the Mayor and Members of City Council

**First Name:** Brent

**Last Name:** Penner

**Phone Number :** [REDACTED]

**Email:** [REDACTED]

**Address:** [REDACTED] 3rd Av S

**City:** Saskatoon

**Province:** Saskatchewan

**Postal Code:** [REDACTED]

**Name of the organization or agency you are representing (if applicable):** Downtown Saskatoon BID, Broadway BID, Riversdale BID

**What do you wish to do ?:** Submit Comments

**What meeting do you wish to speak/submit comments ? (if known)::** Special GPC Meeting - July 25, 2023

**What agenda item do you wish to comment on ?:** 4.3.1 and 4.3.5

**Comments:**

Good afternoon,

On behalf of the three City Centre BIDs of Broadway, Downtown, and Riversdale, we are opposed to the option in 4.3.1 to increase hourly parking rates from \$2.00 to \$2.50/hour. City Centre areas were the hardest hit from the pandemic and increasing rates while the recovery is still underway would be poorly timed.

We are not supportive of the recommendation in 4.3.5 to increase the early fine payment amount from \$30 to \$40. One of the objectives of pay parking is not to be punitive and we believe that keeping the early payment amount at \$30 is appropriate. The goal is to have a system of pay parking that makes it easy for people to park, have clearly displayed and understood rules, have appropriate levels of turnover, and if ticketed, have the penalty amount be one that is reasonable and be paid in a timely fashion.

With respect to the potential to charge back user costs of the app to the consumer, we want to point out that the city has wanted people to use the app. It creates an opportunity for people to easily pay to park, and top up time as necessary. This creates compliance, which is one of the critical objectives of pay parking areas. We know also that when people use the app, the cost to the city in servicing machines is lessened as fewer transactions go through the pay stations which can lead to problems with buttons, problems internally, and we know many problems happen during the winter when the pay station machines are poorly functioning in the cold. We suggest maintaining the status quo and continuing to encourage app use and not make changes so that its use declines.

We encourage the city to review the key recommendations in the 2016 Parking Study. Most of the recommendations are still waiting to be implemented. We at the City Centre BIDs are open to discussing these key recommendations made over 7 years ago.

Thank you,

DeeAnn Mercier, Brent Penner, Randy Pshebylo  
Broadway, Downtown, and Riversdale BID Executive Directors

**Will you be submitting a video to be vetted prior to council meeting?:** No

### Land Development Business Line Information

#### ISSUE

As the City of Saskatoon (City) heads into its planning for the 2024 and 2025 Business Plan and Budget Cycle, there continues to be several budgetary pressures the City is facing. This report will provide information and Administrative recommendations on the Land Development Business Line.

This process has been established so that City Council can provide early direction to the Administration, on what to include in the 2024/2025 Preliminary Business Plan and Budget which will be considered by City Council in November 2023 during the 2024/2025 Business Plan and Budget deliberation meeting.

#### BACKGROUND

At its March 15, 2023 meeting when considering the [2023-2025 Budgetary Pressures and Trends](#) Report, Governance and Priorities Committee (GPC) resolved in part:

“That Administration report back on a potential special budget meeting process to address some of the budgetary challenges and pressures for the upcoming two-year budget cycle. That this report include recommendations on using the existing Governance and Priorities Committee/Finance Committee meeting schedule vs. having special budget/Finance committee meetings and recommendations for organizing these special budget meetings based on departmental budgets or based on service lines or some combination.”

At its April 12, 2023 meeting when considering the [2024/2025 Business Plan and Budget Process Report](#), GPC resolved:

“That Option 3 be approved, and the City Clerk’s office be directed to schedule Special Budget Meetings for the presentation of Business Line-based reports if the Governance and Priorities Committee Capacity does not exist as outlined in the April 12, 2023 report of the Chief Financial Office.”

#### CURRENT STATUS

The multi-year business plan and budget process includes the following key steps:

1. Develop the cost to maintain existing services considering city growth, inflation pressures, and updated revenue estimates. This step is also used to present and discuss required corrections of base budgets and phase-in of funding plans.
2. Provide a summary of the information from Step 1 to GPC.
3. Use cross-divisional teams to discuss City Council’s strategic priorities and develop options to achieve these priorities.

4. Present a list of Business Plan Options to City Council for prioritization.

### **DISCUSSION/ANALYSIS**

Each business line report presented through GPC or through the Special Budget Meetings will have the same general outline to provide information to City Council. The categories in each report will be:

1. Expenditure Overview
2. Service Level Review
3. Pandemic Challenges
4. 2024/2025 Pressures
5. Potential Options

Appendix 1 includes the information for the Land Development business line.

### **OPTIONS**

Appendix 1 provides the full information regarding the options available to Committee.

**Option 1** – Increase Lease Revenue

**Option 2** – Reductions to Land Maintenance Expenditures

**Option 3** – Additional Billboard Locations

### **RECOMMENDATION**

That the Governance and Priorities Committee direct Administration to include the following options in the 2024/2025 Preliminary Business Plan and Budget:

1. Option 1 – A \$200,000 increase to the City’s Land Lease Revenue Budget to account for signed but potentially temporary lease revenue.

### **RATIONALE**

The provided recommendations aim to strike a balance in addressing the significant cost pressures the City is facing heading into 2024/2025 with a more reasonable property tax increase. While there are implications to the provided recommendations to service levels and increases in user fees, the Administration believes it provides reasonable options to lessen the financial impact included in the 2024/2025 budget.

### **FINANCIAL IMPLICATIONS**

The financial implications of this business line will be deliberated at the 2024/2025 Business Plan and Budget Deliberations meeting.

### **OTHER IMPLICATIONS**

There are no privacy, legal, social or environmental implications identified.

### **NEXT STEPS**

Any direction from Committee on this report will be incorporated into the 2024/2025 Business Plan and Budget process. Decisions for 2024/2025 Business Plan and

## Land Development Business Line Information

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Budget will be made by City Council during the budget deliberation meeting which will be held on November 28 to 30, 2023 where the budget implications of all business lines will be deliberated.

### APPENDICES

1. Land Development Business Line

### REPORT APPROVAL

Written by: Kari Smith, Director of Finance  
Jeremy Meinema, Senior Financial Business Partner

Reviewed by: Frank Long, Director of Saskatoon Land  
Clae Hack, Chief Financial Officer

Approved by: Jeff Jorgenson, City Manager

Admin Report - Land Development Business Line Information.docx

**Land Development Business Line**

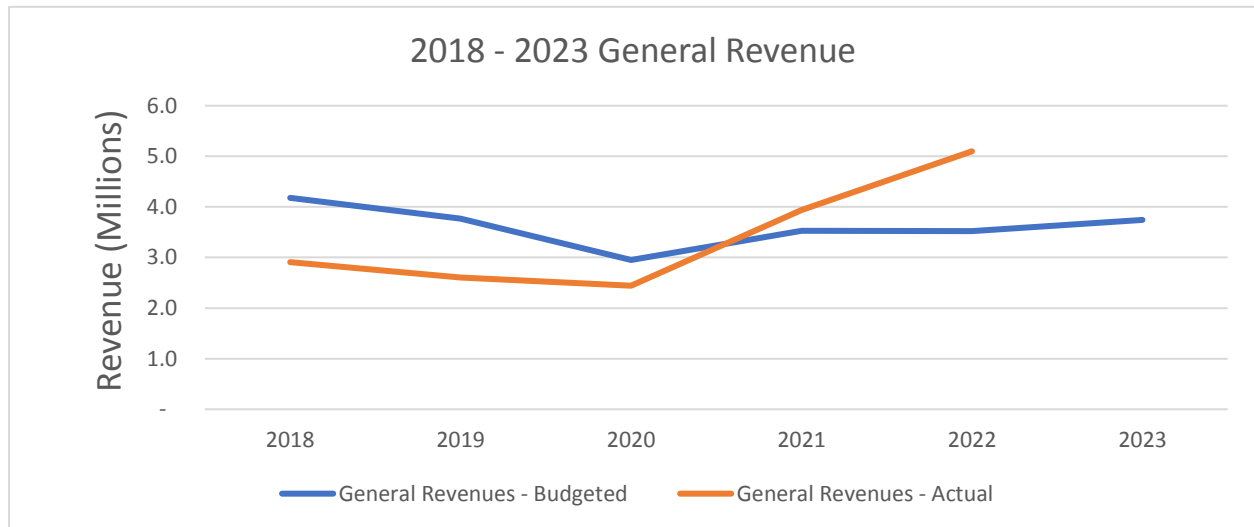
The 2023 Budget for the Land Development Business Line is comprised of Saskatoon Land Operations and City-Owned Property. The Business line is self-balancing and has \$7.07 million in expenditures and \$7.07 million in operating revenues for a net nil property tax impact but does transfer net income from City-Owned Property to General revenues.

**Revenue Overview**

In 2023 the Land Development Business Line was budgeted to generate \$7.07 million in operating revenue which is due to \$3.33 million from User Fees (Lease Revenue) and 3.74 million from General Revenues (admin fees on land sales).

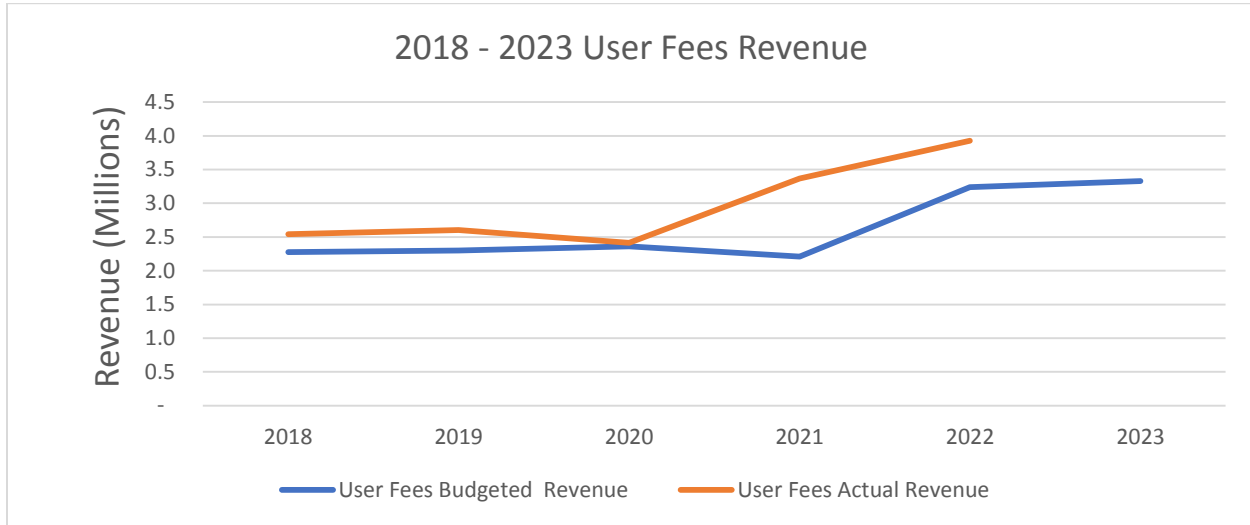
<b>Service Line</b>	<b>2023 Op Rev (in millions)</b>	<b>% of Overall Op Rev.</b>
Saskatoon Land	\$7.07	100.00%
<b>Land Development Business Line</b>	<b>\$7.07</b>	<b>100.00%</b>

As outlined above there are two revenue streams in this Business Line, General Revenue and User Fees, both of which have mostly remained quite stable over the last five years. General Revenues historically have been the larger contributor to overall operating revenue and an overview of budget to actuals can be seen below:



Although 2018-2020 showed an unfavorable variance from budget due to land sales targets not being fully achieved, Saskatoon Land has been able to continue to see growth in general revenue and surpassed budget in 2021 and 2022 due to higher than anticipated single family and Industrial land sales.

The other operating revenue source for this business line is User Fees Revenue. Like General Revenues, this revenue source has not been impacted by the pandemic and has maintained steady revenue growth over the last five years. A five-year history of this revenue source can be seen below:



It is important to note that only the net amount of user fees is transferred to General Revenue out of the Land Development Business Line from the City-owned Property cost center. General revenues exist within a self-balancing cost center and excess funds are transferred to reserves at year end.

### **Expenditure Overview**

The only service line in this Business Line is Saskatoon Land. As it is a self-balancing service line total expenses budgeted equal total revenues and no variance is expected.

<b>Service Line</b>	<b>2023 Op. Exp. (in millions)</b>	<b>% of Overall Op. Exp.</b>
Saskatoon Land	\$7.07	100%
<b>Land Development Business Line</b>	<b>\$7.07</b>	<b>100%</b>

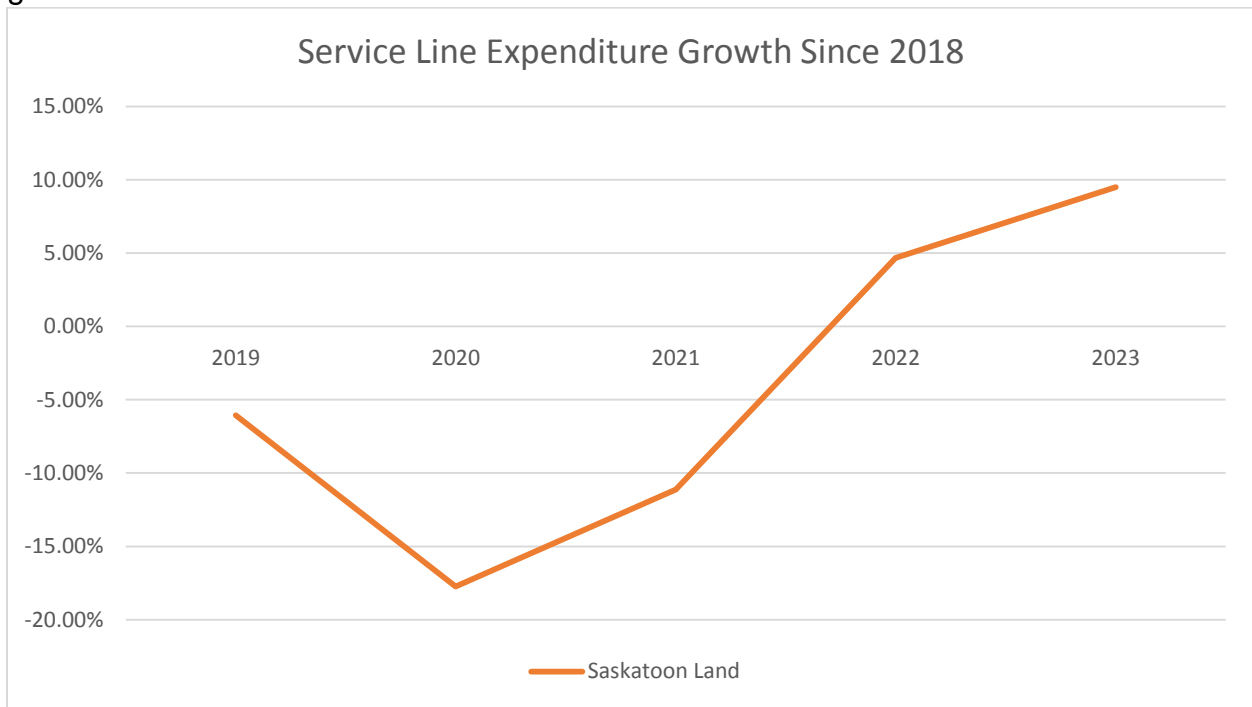
Another way to look at this information is by Budget Category. As seen below 55% of expenditures in the Land Development Business Line are for transfers to Reserves (32.39%) or Operating funds (22.77%), with the other largest expense relating to Wages and Benefits (28.43%).

<b>Budget Category</b>	<b>2023 Budget (in millions)</b>	<b>% of Overall Expenses</b>
Wages & Benefits	\$2.01	28.43%
Contracted & General Services	\$1.07	15.13%
Utilities	\$0.05	0.71%
Materials Goods & Supplies	\$0.06	0.85%



Transfers to Reserve/Capital	\$2.29	32.39%
Transfer to Other Operating	\$1.61	22.77%
Other Expenses	\$0.05	0.71%
Cost Recoveries	(\$0.07)	(0.99)%
<b>Land Development Business Line</b>	<b>\$7.07</b>	<b>100.00%</b>

The expenditures in the Land Development Business Line have grown by 9.50% over the past five years for an average of 3.89% per year. For context, Saskatoon’s population growth ([Per Stats Canada Table 17-10-0142-01](#)) plus Consumer Price Index Inflation ([Per Stats Canada Table 18-10-0005-01](#)) over this same period was 26.69% or 5.34% per year. A graphical overview of Saskatoon Land’s service line expenditure growth can be seen below:



Saskatoon Land saw a decrease in overall expenses in 2020 and 2021 due to decreased sales projections and an offsetting decrease in transfer to reserves, however in 2023 it had grown by 9.50% mainly due to increased transfers to the Land Operations Reserve (due to increased revenue from leases and admin fees from the sale of land).

However, the increase in expenses is directly offset by the increase in revenues as this is a self-balanced service line, resulting in an overall nil net income.

**Service Level Overview**

Service levels are a key driver for the City’s expenditure requirements. Saskatoon Land is mandated to ensure an adequate supply of serviced land at competitive market values; provide innovation and leadership in design for new growth; and yield financial returns to the City for re-investment within the community. The division provides real

estate services and acquires/secures property for future development and other corporate needs as directed.

Land Development		
Service	Sub-Service	2023 Service Level
Land Supply	Single Family	One year supply of single-family lots.
	Multi-family	Two-year supply of multi-family units.
	Industrial	Two-year supply of industrial land.

### **Pandemic Challenges**

While the pandemic did bring about some operational challenges in Administration’s ability to interact with customers, construction was deemed an essential service and continued through the pandemic. In respect to City-owned Properties, the pandemic had a negative impact on parking revenue with an average reduction of \$137,000 in 2020 and 2021 which in turn reduced the transfer to General Revenues from the Land Development business line.

### **2024/2025 Pressures Included in the Budget Status Update**

While the Administration is still in the process of quantifying the exact pressures that this Business Line is expected to experience in 2024 and 2025, some of the known pressures today include:

- Higher construction costs could cause an overall slowdown in new home construction as the cost to develop the land and build new homes has increased significantly with inflation. Also, higher interest rates are increasing the cost of financing new homes and could also further slowdown the new home market. These issues could reduce revenue and increasing holding and maintenance costs of vacant land. Saskatoon Land is monitoring closely and will adjust servicing plans as required to ensure inventory levels remain at an acceptable level.
- Lease revenue is difficult to forecast and can fluctuate from year to year as new leases are negotiated and previous leases expire and/or not renewed. Over the last 10 years revenue has been stable but changing economic conditions may impact this going forward.

### **Potential Options:**

If all of the options presented in this report along with the options previously presented in the [2024/2025 Budget Inflationary & Phase-in Decisions](#) report were approved it would reduce the Land Development Business Line by the following:

<b>Land Development 2024/2025 Budget Options Impact</b>		
	<b>2024</b>	<b>2025</b>
<b>Options from the <a href="#">2024/2025 Budget Inflationary &amp; Phase-in Decisions Report</a></b>	-	-
<b>Options Included in this report</b>	\$725,000	\$-
<b>Total Options</b>	<b>\$725,000</b>	<b>\$-</b>

### **Recommended Options**

#### **Option 1 – Increase Lease Revenue**

In the last two years, some larger leases were approved under the Industrial Land Incentive Program. These leases are anticipated to generate an additional \$500,000 annually, however they have not been added to the 2024/2025 budget as the option to purchase is expected to be exercised in the next couple of years.

An option could be to increase the lease revenue in the budget knowing that this would require a reduction and create future budget pressure when the options are exercised. As such the administration would recommend only a partial realization in the 2024/2025 budget (\$200,000) to avoid significant future budget impacts.

### **Options that Could Further Reduce the Funding Gap**

#### **Option 2 – Reductions to Land Maintenance Expenditures**

An option to reduce the budgeted maintenance program for City-owned land by \$25,000. This program maintains vacant City-owned property held for future development or sale in industrial and infill areas of the City and includes weed cutting, snow removal and other holding costs. The impact of reducing this budget may result in more complaints of noxious/poisonous weeds and issues around fox tail growth.

#### **Option 3 – Additional Billboard Locations**

Currently, the City limits the amount of billboards on rights-of-way (along Circle Drive, etc.). Many of the billboards that are erected around the city are on private land. Since many of the City's rights-of-way are on high traffic/volume roadways, it is believed that these locations would be in high demand for digital billboard advertisers.

To allow for billboards along rights-of-way, several bylaw and policy amendments would be required including changes to the zoning bylaw. It is estimated the City could receive upwards of \$25,000 per digital board. As the scope and magnitude of this program is yet to be determined, an estimated \$200,000 in additional revenue is assumed at this point, pending further direction. If selected by City Council as a viable option, future reporting would be required to determine maintenance, traffic safety impacts, and potential locations. This option is not being recommended at this point due to the fact it has been reported on as an option in the past but abandoned due to traffic safety/distracted driving concerns.

# Arts, Culture and Events Venues Business Line Budgetary Information

## ISSUE

As the City of Saskatoon (City) heads into its planning for the 2024 and 2025 Business Plan and Budget Cycle, there continues to be several budgetary pressures the City is facing. This report will provide information and Administrative recommendations on the Arts, Culture and Events Venues Business Line.

This process has been established so that City Council can provide early direction to the Administration, on what to include in the 2024/2025 Preliminary Business Plan and Budget which will be considered by City Council in November 2023 during the 2024/2025 Business Plan and Budget deliberation meeting.

## BACKGROUND

At its March 15, 2023 meeting when considering the [2023-2025 Budgetary Pressures and Trends](#) Report, Governance and Priorities Committee (GPC) resolved in part:

“That Administration report back on a potential special budget meeting process to address some of the budgetary challenges and pressures for the upcoming two-year budget cycle. That this report include recommendations on using the existing Governance and Priorities Committee/Finance Committee meeting schedule vs. having special budget/Finance committee meetings and recommendations for organizing these special budget meetings based on departmental budgets or based on service lines or some combination.”

At its April 12, 2023 meeting when considering the [2024/2025 Business Plan and Budget Process Report](#), GPC resolved:

“That Option 3 be approved, and the City Clerk’s office be directed to schedule Special Budget Meetings for the presentation of Business Line-based reports if the Governance and Priorities Committee Capacity does not exist as outlined in the April 12, 2023 report of the Chief Financial Office.”

## CURRENT STATUS

The multi-year business plan and budget process includes the following key steps:

1. Develop the cost to maintain existing services considering city growth, inflation pressures, and updated revenue estimates. This step is also used to present and discuss required corrections of base budgets and phase-in of funding plans.
2. Provide a summary of the information from Step 1 to GPC.
3. Use cross-divisional teams to discuss City Council’s strategic priorities and develop options to achieve these priorities.

4. Present a list of Business Plan Options to GPC for prioritization.

### **DISCUSSION/ANALYSIS**

Each business line report presented will have the same general outline. The categories in each report will be:

1. Expenditure Overview
2. Service Level Review
3. Pandemic Challenges
4. 2024/2025 Pressures
5. Potential Options

Appendix 1 includes the information for the Arts, Culture and Events Venues business line. The Arts, Culture and Events Business Line includes the City's contributions to TCU Place, SaskTel Centre and Remai Modern. The operational revenues and expenditures of each venue are not included and are managed by each individual entity.

### **OPTIONS**

Appendix 1 provides the full information regarding the options available to Committee.

**Option 1** - Reduce the phase-in of the CBCM Contribution for Remai Modern

**Option 2** – Operating Grant Changes

### **RECOMMENDATION**

That the Governance and Priorities Committee direct Administration to include the following options in the 2024/2025 Preliminary Business Plan and Budget:

1. Option 1 - Reduce the phase-in of the CBCM contribution for Remai Modern by \$41,000 in 2024 and reassess in future budgets.

### **RATIONALE**

The provided recommendation aims to strike a balance in addressing the significant cost pressures the City is facing heading into 2024/2025 with a more reasonable property tax increase.

### **FINANCIAL IMPLICATIONS**

The financial implications of this business line will be deliberated at the 2024/2025 Business Plan and Budget Deliberations meeting.

### **OTHER IMPLICATIONS**

There are no privacy, legal, social or environmental implications identified.

### **NEXT STEPS**

Any direction from Committee on this report will be incorporated into the 2024/2025 Business Plan and Budget process. Decisions for 2024/2025 Business Plan and Budget will be made by City Council during the budget deliberation meeting which will

## Arts, Culture and Events Venues Business Line Budgetary Information

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be held on November 28-30, 2023 where the budget implications of all business lines will be deliberated. It is important to note this report does not include the Downtown Event and Entertainment District and decisions on that project will be made by City Council in the coming months.

### APPENDICES

1. Arts, Culture and Events Business Line

### REPORT APPROVAL

Written by: Kari Smith, Director of Finance  
Reviewed by: Clae Hack, Chief Financial Officer  
Approved by: Jeff Jorgenson, City Manager Report Approval

Admin Report - Arts, Culture and Events Venues Business Line Budgetary Information.docx

### **Arts, Culture and Events Venues Business Line**

The Arts, Culture and Events Venues Business Line consists of the City's three controlled corporations which are the Remai Modern, SaskTel Centre and TCU Place.

### **Expenditure Overview**

The overall 2023 Budget for the Arts, Culture and Events Venues Business Line includes only the City of Saskatoon's contribution to TCU Place, SaskTel Centre and Remai Modern and is projected to incur \$9.7 million in expenditures.

<b>Gross Expenses</b>	<b>2023 Op. Exp. (in millions)</b>
Remai Modern Art Gallery	\$7.3
SaskTel Centre	\$0.6
TCU Place	\$1.8
<b>Arts, Culture and Events Business Line</b>	<b>\$9.7</b>

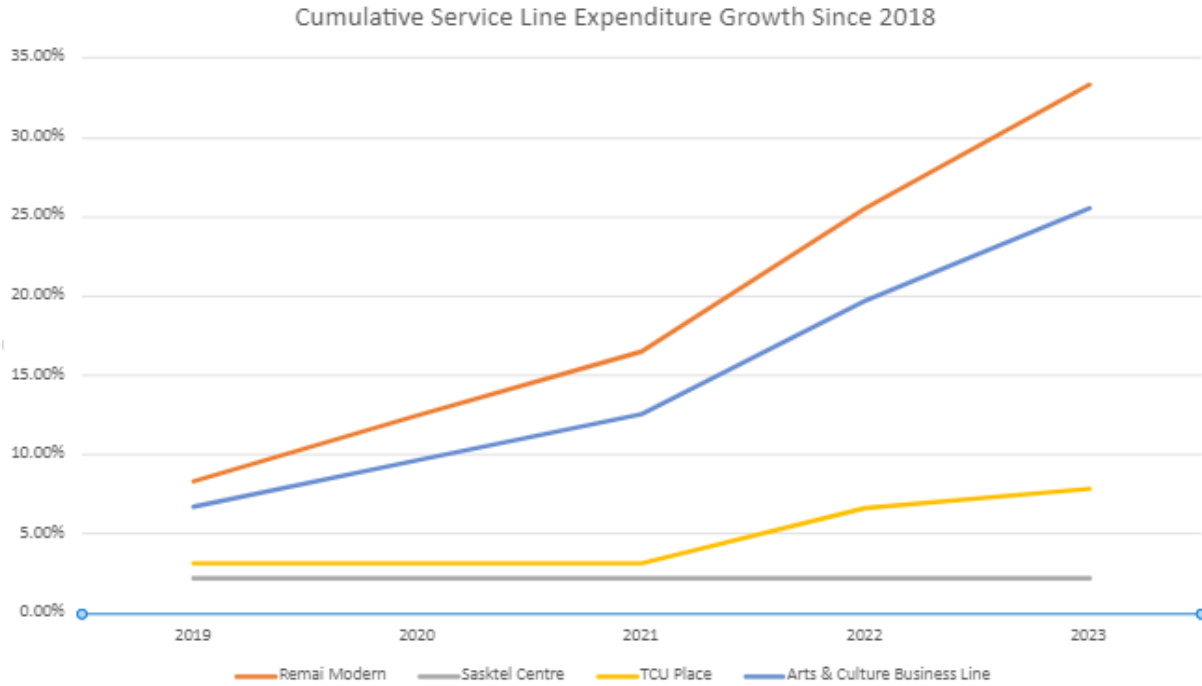
Another way to look at this information is by Budget Category. As seen below most of the expenditures are split between Contracted & General Services and Donations, Grants & Subsidies, with the remaining breakdown being attributable to cost recoveries and finance charges.

<b>Budget Category</b>	<b>2023 Budget (in millions)</b>	<b>% of Overall Expenses</b>
Contracted & General Services	\$4.9	50.8%
Donations, Grants & Subsidies	\$5.0	51.3%
Cost Recoveries	\$(0.4)	-4.0%
Finance Charges	\$0.2	1.9%
<b>Transportation Business Line</b>	<b>\$9.7</b>	<b>100%</b>

A couple of additional key observations are:

- Contracted and General Services are for Civic Buildings and Comprehensive Maintenance (CBCM) contributions, utility and risk management (insurance) expenditures.
- The Donations, Grants & Subsidies includes a \$4.5 million operating grant to the Remai Modern and \$500,000 to TCU Place.
- The cost recovery amount of \$385,000 is for the Sasktel Centre's contribution towards CBCM and is based on a minimum contribution of \$300,000 plus a percentage of any operating surplus achieved.
- The financing charges will be reallocated to other City funding plans in the 2024/2025 budget as the loan payments are completed.

Overall, since 2018, the expenditures in the Arts, Cultures and Events Venues Business Line have grown by 25.50% over the past five years or an average of 5.10% per year. For context, Saskatoon’s population growth ([Per Stats Canada Table 17-10-0142-01](#)) plus Consumer Price Index Inflation ([Per Stats Canada Table 18-10-0005-01](#)) over this same period was 26.69% or 5.34% per year. A graphical overview of each service lines expenditure growth can be seen below:



- Remail Modern saw the largest expenditure growth in the last five years of 33.32% from \$5.5 million annual expenditure in 2018 to \$7.3 million in 2023 or an average of 6% per year.
  - The Remail Modern building was opened in October 2017. Since 2018 an increase was phased-in to the budget for the required CBCM contribution for future facility maintenance which went from \$109,000 contribution in 2018 to \$944,000 in 2023. This increase is included in the \$7.3 million annual civic allocation to the Gallery and is not related to building operations or operations of the gallery.
  - The grant paid to Remail Modern increased from \$4.0 million in 2018 to \$4.5 million in 2023.
    - In addition to the operating grant the City funds approximately \$2.7 million for contributions to the Civic Buildings Comprehensive Maintenance Reserve, Utility Costs and Insurance as the Remail is a City owned property.



- Including both the operating grant and the additional contributions the City covers approximately 60% of the Remai operating expenditures with the remaining 40% funded by Gallery-generated revenue such as other grants, donations and fundraising.

### **Service Level Overview**

This Business Line relates to the City's contribution to each of the Controlled Corporation's budgets who set their own service levels.

### **Pandemic Challenges**

Although the pandemic significantly impacted the actual operating revenues of TCU Place, SaskTel Centre and Remai Modern, the operating revenue and corresponding expenditures are not included in the City's general budgets. Instead, expenditures for CBCM for the City owned buildings, risk management, utilities or grants flow through these service lines. The pandemic impact within the SaskTel Centre service line is experienced through the contribution received from SaskTel Centre for the CBCM contribution. The CBCM contribution is based upon a base amount plus a percentage of net earnings and with the decrease in revenues at SaskTel Centre over the last couple years due to the pandemic, the City has only received the base amount resulting in a shortage compared to budget.

### **2024/2025 Pressures**

While the Administration is still in the process of quantifying the exact pressures that this Business Line is expected to experience in 2024 and 2025, some of the known pressures today include:

- It is expected that the actual CBCM contribution from SaskTel Centre may continue to be short of the \$385,000 budget based on current revenue trends.
- It is estimated that increases to the CBCM contribution for the Remai will be required. The CBCM contribution has been phased-in for multiple years to reach a targeted annual reserve. The 2024 phase-in of \$41,000 will bring the annual contribution to approximately \$985,000.
- Requests for inflationary increases to Remai Modern's operating grant are expected to be 3% in 2024 (\$134,000) and 2.5% (\$115,000) in 2025. This increased investment will support the organization in maintaining staffing levels and programming outputs. Current investments are seeing increasing social and economic impacts that must continue to be invested in to ensure stability and further improve outcomes. The operating grant is complemented by a combination of self-generated revenue as well as grants funding and private philanthropy which are primarily designated for artistic and community projects.

**Potential Options:**

If all of the options presented in this report along with the options previously presented in the [2024/2025 Budget Inflationary & Phase-in Decisions](#) report were approved it would reduce the Arts, Culture & Event Venues Business Line by the following:

<b>Arts, Culture &amp; Event Venues 2024/2025 Budget Options Impact</b>		
	<b>2024</b>	<b>2025</b>
<b>Options from the <a href="#">2024/2025 Budget Inflationary &amp; Phase-in Decisions</a> Report</b>	-	-
<b>Options Included in this report</b>	\$41,000	-
<b>Total Options</b>	<b>\$41,000</b>	-

**Recommended Options**

**Option 1 - Reduce or stop the phase-in of the CBCM contribution for the Remai Modern**

The CBCM contribution has been phased-in over multiple years with 2022 and 2023 increasing by approximately \$167,000 each year to bring the total annual reserve contribution to \$944,000. The target for the annual reserve contribution is \$985,000 to get the contribution to 2023 values therefore the proposed phase-in increase for the CBCM contribution will be \$41,000 for the 2024 budget. City Council could choose to hold the CBCM contribution to the existing level with no increases in 2024/2025. This may have an impact on the reserves ability to perform the required preventative maintenance on City facilities resulting in a service level decline over the long term.

**Options that Could Further Reduce the Funding Gap**

**Option 2 – Operating Grant Changes**

As outlined in the report, most of the expenditures in this Business Line relate to operating grants provided to TCU Place and the Remai Modern. If Committee wishes to investigate possible changes that impact its three Controlled Corporations, the Administration could be directed to work with the respective Administrations on options to bring forward. As such only one option is being provided at this point since it mainly impacts the City and its ability to maintain the Facilities.

# Full-Time Equivalent Municipal Comparison

## ISSUE

Like all city governments, the City of Saskatoon uses staff to deliver services and achieve Council-approved service levels. Staffing levels are frequently measured as Full-Time Equivalents or (FTEs) whereby the number of employees is converted to an FTE based on a standard workweek hours. Comparisons between cities are often made based on a per capita basis, such as FTEs per 1,000 persons. The major challenges with these comparisons are that (a) cities have widely different governance structures, expenditure responsibilities, and service levels; and (b) there is no standard measure to indicate the optimal ratio. With that in mind, how does the City of Saskatoon compare with other Western Canadian Cities?

## BACKGROUND

At the June 14, 2023, regular Governance and Priorities Committee meeting, when considering [2024/2025 Budget Status Update](#) committee resolved in part:

“That the Administration report on the number of staff per capita at COS compared to other western cities”; and

“That the Administration include specific detail regarding the following within reporting from the June 14, 2023, Administration PowerPoint “2024/2025 Budget Status Update”, the data used to create slides 14, 15 & 16 related to Property Tax Supported FTEs”

## CURRENT STATUS

At the June 14, 2023, Governance and Priorities Committee meeting as an introduction to the 2024/2025 Budget Status Update report a PowerPoint presentation was delivered which included slides related to FTE comparisons at the City of Saskatoon. These slides included:

1. Slide 14 - Property Tax Supported FTE Municipal Comparison;
2. Slide 15 - Property Tax Supported FTE plus Saskatoon Capital Positions Municipal Comparison; and
3. Slide 16 - City of Saskatoon FTE Per Capita (per 1,000 Persons).

A copy of the slides presented as well as the data used to develop the slides can be found in Appendix 1.

## DISCUSSION/ANALYSIS

As noted, Appendix 1 provides a comparison of FTEs per 1,000 population for selected Western Canadian cities as reported in their 2023 budget document. Several measures were taken to standardize the comparisons:

## Full-Time Equivalent Municipal Comparison

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- The sample size (N=9) includes cities with populations of at least 100,000 persons and are the largest or core cities in the Census Metropolitan Area (CMA), known as a Census Subdivision (CSD).<sup>1</sup>
- Population data for each sample is based on estimates as at July 1, 2022, as reported by Statistics Canada's CSD population estimates in Table 17-10-0142-01.<sup>2</sup>
- The comparison is based on property tax-supported services as reported in each City's relative budget documents (see Appendix 1 for the sources). The reason for this is that FTEs can influence property tax-supported expenditures and thus the residual property tax increase to fill the budget revenue gap. Non-tax-supported FTEs are fully recovered by various user fees and/or regulatory charges and thus do not influence the property tax. An FTE is considered tax-supported if it is paid for either fully or partially from property tax revenue.

Despite those attempts at standardization, comparison across municipalities can be challenging and have several factors and/or limitations that affect the results:

1. **Contracted vs. in-house delivery** – Cities differ in how they deliver services to residents. While service levels and costs may be similar, the FTEs it takes to deliver the service can vary dramatically if a city has chosen an in-house model versus a contracted model. A couple of key examples are:
  - a. A municipal police service will include an FTE count while contracted RCMP services will not.
  - b. Some cities run their own water and wastewater utility which will result in FTEs while others contract out the service resulting in no FTEs. While this does not affect the tax-supported FTEs it does affect the overall FTE count of city.
  - c. Snow and ice services are done differently throughout municipalities with some relying more heavily on in-house FTEs while others may rely more heavily on contractors.
2. **Service Levels** – Cities have varying service levels which can drive FTE requirements. Understanding the service levels between them can help inform a useful comparison. Examples can include a city that has more FTEs for park maintenance if they are mowing park space twice a week versus a city with a lower FTE count because they set their service level at a lower frequency, such as mowing once every two weeks. Aggregate FTE counts will not be able to determine this.
3. **Local vs Regional vs Provincially delivered services** – When comparing municipalities/cities across provinces it is important to note differences in their mandated or legislated responsibilities. While municipalities within the same

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<sup>1</sup> A CMA is formed by one or more adjacent municipalities centred on a population centre (known as the core). A CMA must have a total population of at least 100,000 based on data from the current Census of Population Program. A CSD is the general term for municipalities (as determined by provincial/territorial legislation) or areas treated as municipal equivalents for statistical purposes (e.g., Indian reserves, Indian settlements, and unorganized territories).

<sup>2</sup> <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1710014201>

province are relatively consistent there are examples in some provinces where the provincial or regional body delivers services. In BC, for example, public transit is delivered by a provincial agency with regional satellites. Thus, transit FTEs will not be counted in the City's budget documents. Provincially provided services FTEs will not show up in a municipalities' budget books, therefore when comparing the FTE figures, it is important to understand these differences.

4. **TaxSupported vs. Non-TaxSupported** – Appendix 1 in this report focused on property tax-supported services. The City of Saskatoon delivers several services that are non-tax supported including utilities, Building and Plumbing, Parking, Licenses and Permits, Golf Courses, Impound Lot, Nutrien Playland, Gordon Howe Campsite and Land Development. The nature of tax-supported vs. non-tax-supported can vary amongst municipalities as a service provided in one municipality may be tax supported while another municipality may have it as a non-tax-supported service. The goal of the “less known adjustments for non-tax supported” column in the appendix as well as the corresponding notes is to focus this analysis on tax-supported services.
5. **Presentation Differences** – While the general definition of what an FTE is (1.0 FTE = approximately 1,900 to 2,080 annual working hours depending on collective agreement working hours) relatively consistent across municipalities, what is presented in a city's budget documents can vary considerably. There is no legislative or standardized way to present FTE information, therefore presentation is up to each city's discretion. The City of Saskatoon presents a total FTE complement regardless of funding source which includes civic services, utilities, capital, non-tax supported services, Library and Police FTEs, while some municipalities only report on civic and police FTEs. In addition, several municipalities do not report on their Utility or Capital FTEs. Understanding what is included in the published FTE figures between cities is necessary context to make reasonable comparisons.
6. **Governance/Operational Structures** – How city governments structure their operations can vary considerably. As alluded to in previous points, these structural differences can affect the reported number of FTEs a city has. While the general core of services (road maintenance, police, fire, etc.) are relatively consistent, there can be examples where a service is delivered in one city but not another. For example, Saskatoon has an electrical utility, Saskatoon Light and Power, and an in-house Land Development service, Saskatoon Land, while the City of Regina does not. While these services have provided significant returns on investment to lower the historical property tax burden in Saskatoon, they also require corresponding FTEs to run the operations and would thus be counted in the City's aggregate FTE count.

Given these factors and limitations, inter-city FTE comparisons should be treated cautiously. Appendix 1 does its best to standardize the FTE data by adjusting for all

## Full-Time Equivalent Municipal Comparison

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known differences between the sample cities to provide a tax-supported FTE perspective.<sup>3</sup>

Key observations from the analysis included in Appendix 1 are:

1. Saskatoon's Property Tax Supported FTEs of 10.3/1,000 persons, as well as Saskatoon's Property Tax Supported FTEs plus Capital FTEs of 11.5/1,000 persons, are in line with or lower than many comparable municipalities; and
2. Saskatoon's FTEs per Capita (Per 1,000 Persons) have steadily decreased since 2016. For example, Civic Operations (Tax Supported Less Police) in 2016 had 7.95 FTEs/1,000 persons whereas in 2023 it is estimated to be 7.68/1,000 persons.

A concluding point to make is there is no standard measure of what an optimal FTE per capita ratio should be. Is 10 FTEs per 1,000 persons too low or too high, or about right? Determining if a particular municipality has the right number of FTEs overall or within a specific program is difficult to do by simply looking at the FTE count. As this report explains, several nuances can impact the number of FTEs in a certain area such as service levels and outsourced vs. in-house delivery. A deep dive into a particular area to understand all these nuances and if the City is getting value for the resources provided is the best way to determine whether resources are being applied effectively and efficiently.

### APPENDICES

1. June 14, 2023, FTE Comparison and Trending Slides and Data

### REPORT APPROVAL

Written by: Clae Hack, Chief Financial Officer  
Mike Jordan, Chief Public Policy & Government Relations Officer

Approved by: Jeff Jorgenson, City Manager

Admin Report - Full-Time Equivalent Municipal Comparison.docx

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<sup>3</sup> there may be additional differences between the municipalities that the appendix does not adjust for since the adjustments were based on information available in public documents and there may be more nuances that could not be determined from these documents.

June 14, 2023 FTE Comparison and Trending Slides and Data

Property Tax Supported FTE Comparison (Slide 14 from June 14, 2023 Presentation)					
City & Budget Book Link	2023 FTE's	Less Known Adjustments for Non-Tax Supported	Tax Supported FTE's	2022 Population (Note 1)	Tax Supported FTE/1,000 Capita
<a href="#">Vancouver</a>	9,159.0	(1,244.6) Note 2	7,914.4	706,012	11.2
<a href="#">Kelowna</a>	1,060.5	(154.9) Note 3	905.6	153,385	5.9
<a href="#">Calgary</a>	16,806.0	(1,307.0) Note 4	15,498.0	1,413,800	11.0
<a href="#">Edmonton</a>	14,925.0	(540.2) Note 5	14,384.8	1,087,172	13.2
<a href="#">Red Deer</a>	1,330.6	( - ) Note 6	1,330.6	105,883	12.6
<a href="#">Lethbridge</a>	1,588.0	(276) Note 7	1,312.0	104,254	12.6
<a href="#">Saskatoon</a>	4,227.0	(1,255) Note 8	2,972.0	288,311	10.3
<a href="#">Regina</a>	3,020.9	( - ) Note 9	3,020.9	242,685	12.3
<a href="#">Winnipeg</a>	9,168.0	(1,394) Note 10	7,774.0	783,096	9.9
<b>Average</b>					<b>11.1</b>
<b>Median</b>					<b>11.5</b>

**Note 1** – Source: Population from Statistics Canada Table 17-10-0142-01

**Note 2** – Includes the removal of Engineering Utilities Waterworks, Engineering Utilities Sewers, Engineering Utilities Solid Waste, Engineering Utilities NEU and Library.

**Note 3** – Includes the removal of the Wastewater Fund, Water Fund and Kelowna International Airport

**Note 4** – Includes the removal of Utilities and Library Services

**Note 5** – Includes the removal of Public Library

**Note 6** – Red Deer only provides a total FTE Count in their budget document on page 15 so no adjustments can be made since the details are unavailable. It is also important to note that Red Deer’s data is based on 2022 since that is the most recent budget publicly available

**Note 7** – Lethbridge provides a total FTE count of 1,588.0, however, only provides the Wage & Benefit allocation by department. To remove Utilities and Library counts from the total FTE figure a 17.5% reduction was made which was equivalent to their portion of wages & benefits ((30.25 million utilities wages/benefits + \$4.86 million library wages/benefits) / \$200.37 million for total wages & benefits)

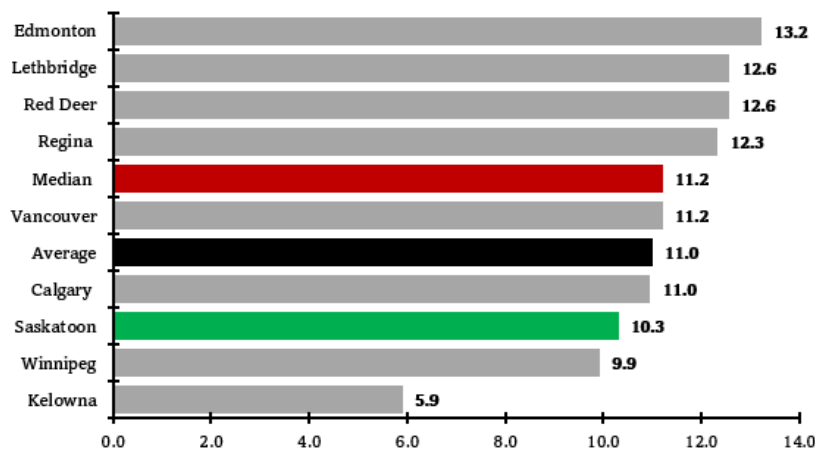
**Note 8** – Includes the removal of controlled corporations (165.5), non-tax supported services (120.2), library (206.8), capital (352.3) and utilities (410.4)

**Note 9** – No reductions have been made as Regina only provides a listing of Civic and Police Services FTE on page 18 of their budget book. There is no additional information available to determine if any of these FTEs are non-tax supported.

**Note 10** – Includes the removal of Winnipeg Fleet Management (110), Winnipeg Parking Authority (64), Water (401), Wastewater (419), Solid Waste Disposal (40), Recycling and Waste Diversion (80), Golf Services (24), animal services (27) and Libraries (256).

**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*



Property Tax Supported FTEs plus Saskatoon Capital Comparison (Slide 15 from June 14, 2023 Presentation)					
City & Budget Book Link	2023 FTEs	Less Known Adjustments for Non-Tax Supported	Tax Supported FTEs	2022 Population (Note 1)	Tax Supported FTE/1,000 Capita
<a href="#">Vancouver</a>	9,159.0	(1,244.6) Note 2	7,914.4	706,012	11.2
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**Note 2** – Includes the removal of Engineering Utilities Waterworks, Engineering Utilities Sewers, Engineering Utilities Solid Waste, Engineering Utilities NEU and Library.

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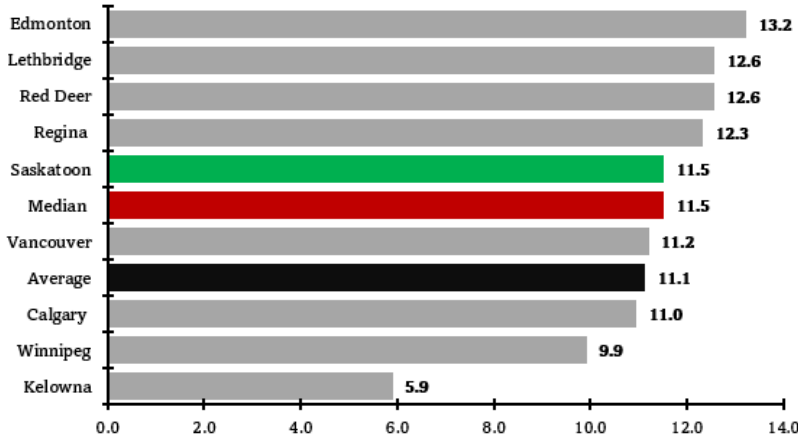
**Note 7** – Lethbridge provides a total FTE count of 1,588.0, however, only provides the Wage & Benefit allocation by department. To remove Utilities and Library counts from the total FTE figure a 17.5% reduction was made which was equivalent to their portion of wages & benefits ((30.25 million utilities wages/benefits + \$4.86 million library wages/benefits) / \$200.37 million for total wages & benefits)

**Note 8** – Includes the removal of controlled corporations (165.5), non-tax supported services (120.2), library (206.8), capital (352.3) and utilities (410.4)

**Note 9** – No reductions have been made as Regina only provides a listing of Civic and Police Services FTE on page 18 of their budget book. There is no additional information available to determine if any of these FTEs are non-tax supported.

**Note 10** – Includes the removal of Winnipeg Fleet Management (110), Winnipeg Parking Authority (64), Water (401), Wastewater (419), Solid Waste Disposal (40), Recycling and Waste Diversion (80), Golf Services (24), animal services (27) and Libraries (256).

**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**





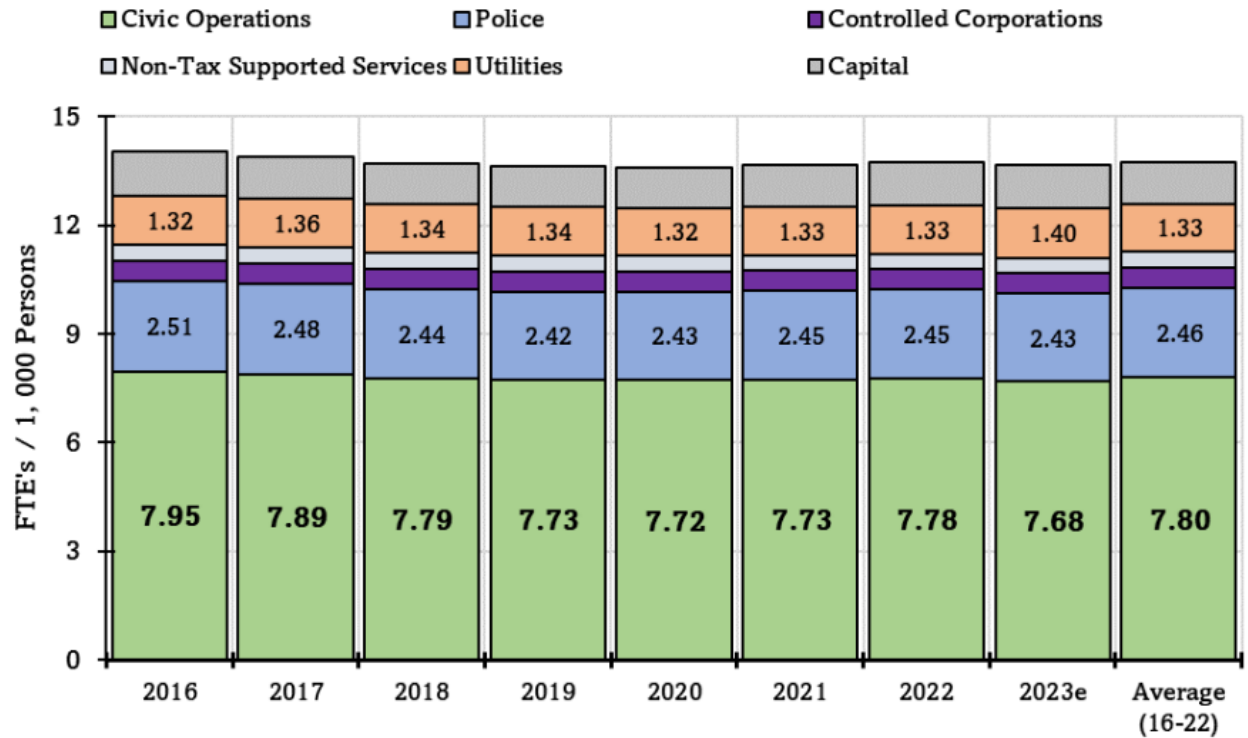
## City of Saskatoon FTE Per Capita (Per 1,000 Persons) from June 14, 23 Presentation (Slide 16)

City of Saskatoon FTE History as per the Approved Budget Book								
	2016	2017	2018	2019	2020	2021	2022	2023
Civic Operations	2,042.20	2,074.70	2,094.20	2,128.20	2,165.80	2,182.90	2,243.00	2,257.50
Police	644.80	653.10	656.50	666.50	681.50	692.30	706.30	714.30
Controlled Corporations	144.20	152.40	155.30	157.80	163.40	163.50	164.50	165.50
Non-Tax Supported Services	116.20	116.10	118.50	119.10	119.10	119.10	120.20	120.20
Utilities	338.40	357.80	361.40	367.90	370.30	374.30	382.30	410.40
Capital	315.80	304.80	299.90	307.50	314.80	327.80	344.30	352.30
<b>Total FTE Excluding Library</b>	<b>3,601.60</b>	<b>3,658.90</b>	<b>3,685.80</b>	<b>3,747.00</b>	<b>3,814.90</b>	<b>3,859.90</b>	<b>3,960.60</b>	<b>4,020.20</b>

Population	256,731	263,042	268,948	275,157	280,400	282,266	288,311	293,991
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Saskatoon FTE Per Capita (Per 1,000 Persons)								
	2016	2017	2018	2019	2020	2021	2022	2023
Civic Operations	7.95	7.89	7.79	7.73	7.72	7.73	7.78	7.68
Police	2.51	2.48	2.44	2.42	2.43	2.45	2.45	2.43
Controlled Corporations	0.56	0.58	0.58	0.57	0.58	0.58	0.57	0.56
Non-Tax Supported Services	0.45	0.44	0.44	0.43	0.42	0.42	0.42	0.41
Utilities	1.32	1.36	1.34	1.34	1.32	1.33	1.33	1.40
Capital	1.23	1.16	1.12	1.12	1.12	1.16	1.19	1.20
<b>Total FTE Excluding Library</b>	<b>14.03</b>	<b>13.91</b>	<b>13.70</b>	<b>13.62</b>	<b>13.61</b>	<b>13.67</b>	<b>13.74</b>	<b>13.67</b>

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



### Impacts of Hiring Freeze or Not Adding Future Staff

#### ISSUE

The City of Saskatoon utilizes a combination of staff and contracted services to deliver the annual Council-approved Business Plan and Budget. What would be the impact of not adding any staff in 2024 or 2025, and what would be the impact of a hiring freeze, where no staffing vacancies are filled?

#### BACKGROUND

At the June 14, 2023, regular Governance and Priorities Committee meeting, when considering the 2024/2025 Budget Status Update report, the Committee resolved, in part:

“That the Administration report back on the following:

1. What would be the impact of zero tax funded full-time equivalents (FTEs) added to the budget in both 2024 and 2025 and how would you mitigate that impact?
2. What would be the impact of a full hiring freeze for the remainder of 2023 and that being inclusive of not replacing retirees and/or people that have vacated their position?
3. What would be the impact of a full hiring freeze for 2024 and 2025, inclusive of not replacing retirees and/or people that have vacated their position?”

#### CURRENT STATUS

Staff or contracted services are expanded due to either city growth or service level changes. Examples of growth-related staff additions include transit operators due to route additions or extensions; parks staff due to city growth and added parks and green spaces to mow and maintain; and additional solid waste collection staff to collect waste from new areas of Saskatoon.

Examples of staff additions related to service level changes include transit operators required should frequency enhancements be made; enhancing snow clearing or removal service levels; or to add resources to priority areas such as Indigenous relations or cybersecurity.

The City strives for a balance of contracted services and in-house services. For example, solid waste (black bin) and organics (green bin) collections are conducted by City staff while the single-stream recycling program (blue bin) collections are conducted by contractors. City staff operate the City’s regional waste management centre, while contractors will operate the upcoming organics processing facility and the existing single-stream recycling processing facility. City staff mow and maintain parks, while contractors mow and maintain rights-of-way on freeways and expressways.

Some civic services are provided almost exclusively through contract, while others are provided exclusively by civic staff. For example, Saskatoon Transit operations and Leisure Centre operations (with the exception of instructors for fitness and specialty

## Impacts of Hiring Freeze or Not Adding Future Staff

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classes) are currently provided by civic staff, while virtually all major infrastructure renewal work related to bridges, roadways, sidewalks, buildings, and water/wastewater rehabilitation is performed by contractors.

Through the annual Business Plan and Budget process, additional staff are recommended by the Administration and considered by City Council for areas where the service is recommended to be provided internally.

### DISCUSSION/ANALYSIS

#### Impact of Zero Tax-Funded FTEs in 2024 and 2025

The impact of each position (FTE) that was included in the Administration's estimate of maintaining existing service levels for 2024 and 2025 will be included in each business line report that Committee will consider through July, August, and possibly into September.

For context, there are a total of 53.20 and 21.44 of property tax supported FTEs in the 2024 and 2025 estimates. The property tax supported cost of these positions is approximately \$3.8 million in 2024 and \$1.7 million in 2025.

For incremental growth areas such as parks, roadways, and solid waste (to name just a few examples), city growth projections are used to estimate any additional staff required. The Parks team looks ahead to the hectares of green spaces that are expected to be added each year; the Roadways team estimates the square metres of roadway that will be added; and the Solid Waste team estimates the additional number of container tips that will be required due to growth.

For example, the Parks Division has requested 1.52 and 1.84 additional FTEs in 2024 and 2025 to mow and maintain the estimated 35.85 hectares of park and green space that is expected to be added to their inventory over the next two years. Not adding these staff would require Parks to utilize existing staff to travel to and care for these new areas, which would reduce the time they have available to care for and maintain existing parks. The service level impacts would be distributed city-wide. Approved service levels would be impacted; efficiencies would be sought as they always are, but not adding staff incrementally as the City grows would put incremental pressure on the City's ability to meet service levels.

Should staff not be added to account for incremental annual growth, the Administration would re-balance existing resources and staff from across each respective area and would continue to strive to achieve approved service levels. Incidences of not being able to meet service levels would increase over time as the city grows and resources (internal or contract) are not added to account for growth. Based on the projected population growth of Saskatoon, in general terms it could be said that not accounting for growth in budgeting would result in an overall service level decrease of 1.5% in 2024 and a compounding 1.5% in 2025, for a total decrease of 3.02% heading into 2026.

## Impacts of Hiring Freeze or Not Adding Future Staff

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Included in the FTE request are staff for the Material Recovery Centre (MRC), which is expected to open in 2023. This operating impact includes 11 FTEs in the 2024 budget, required to manage the expanded service offerings within the MRC. If a hiring freeze is implemented for 2024, the MRC will not be able to operate as designed and intended. Existing staff would be utilized to provide as much of the MRC services as possible. However, without additional resources the service level is expected to reflect existing landfill operations and the diversion and contract management requirements would not be achievable.

### Hiring Freeze in 2023, 2024, and 2025 – No Vacancies Filled Externally

It is difficult to predict the impacts of this type of action, as it would substantively change the nature of working at the City. As such, past trends may not project into the future.

The motion stipulates that in this scenario, no retirements or other vacancies would be replaced. For the purpose of this report, the Administration has assumed that although no external people would be hired, the Administration would have the ability to fill key positions with internal staff, such as supervisory positions required for occupational health and safety, and water or wastewater plant operations staff, to name a few examples.

Similarly, for the purpose of this report, the Administration has assumed the intent is not to simply backfill the work with contractors or overtime, as the general context of the motion was related to cost savings and no reference was made to contracting out versus performing work in-house. As referenced above, some work is effectively performed by the City's many private-sector partners, while other work is effectively done by hiring staff.

As per the City's 2023 budget, there are approximately 4,227 FTEs at the City. Of these, approximately 3,140 ultimately report to the City Manager. The remaining 1,087 FTEs approved through City Council's Business Plan and Budget process report to agencies such as the Saskatoon Police Service (714), Saskatoon Public Library (207), and the three Controlled Corporations (166).

Staff vacancies can occur due to retirement, people moving to other positions within the City, or people resigning for various reasons or having their employment terminated by the City. Although a complete hiring freeze would change the dynamics of the City in a way that is difficult to predict, this report will attempt to project what how this scenario would unfold over time.

Overall, this approach would have an unpredictable impact on service. Where and when vacancies occur would not be equally distributed and where the actual vacancies occur will be a critical factor on the ultimate impact on a service. In large areas such as Roadways, the impacts would likely be felt incrementally over time, in contrast to a small department or niche roles that provide a specific technical service.

## Impacts of Hiring Freeze or Not Adding Future Staff

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Early in the hiring freeze phase, there would be little to no discernable impact. As each vacancy came up, a decision would need to be made by the person responsible for the area of whether or not to attempt to backfill the position internally and leave a vacancy somewhere else in the organization. The Administration would attempt to backfill positions that are legislatively required or related to public safety, but that approach would only work for a certain period of time.

Many positions at the City, such as equipment operators, facility operators, transit operators, professional staff, lifeguards, and skilled tradespeople to name a few examples, have a specific skill set and most other civic staff would not be qualified to hold those positions.

Attrition rates vary drastically by service area and can be affected by whether or not the work is seasonal or permanent full-time. For example, the attrition rate at Saskatoon Fire is lower than the attrition rate at Parks, which is largely comprised of seasonal work.

For the purposes of this report, a general assumption has been made that a net of 1 in 20 people will vacate their position in a given year.

For 2023, for positions that report to the City Manager, that would result in an estimated total of 65 vacant positions by the end of the year, which would grow to 219 by the end of 2024, and 362 by the end of 2025, or an estimated 12% reduction of the City's current workforce.

The managers who would remain at the City would re-balance workloads as much as possible to optimize service delivery with remaining staff. The below scenarios describe a few examples of the Administration's anticipated outcomes for some sample areas of the City.

1. For Saskatoon Fire based on retirement projections and history, approximately 30 of the 288 firefighters will retire from Saskatoon Fire during this period. This would be about 7 firefighters/shift. To adjust to this staffing change a rolling "brown-out" (closed for shift) approach would be implemented, rotating fire station closures throughout the City. To cover the districts that are browned-out, coverage would be provided by the closest available fire stations. Every fire apparatus requires 4 fire fighters to be in operation. Approximately 2 out of 14 fire apparatus would not be in operation every shift. With this "browning-out" of fire stations Saskatoon Fire would not meet NFPA 1710 standard of first arriving fire apparatus being on scene within 4 minutes travel time. Saskatoon Fire is currently not meeting this standard 61% of the time and this has decreased from 72% over the past 8 years.

This impact could be partially mitigated by re-assigning firefighters on an as-needed basis. Firefighters from Staff Development and Safety (4 Fire Service Instructors who are trained as a Firefighters), Community Risk Reduction (3 Fire

Inspectors who are trained as a Firefighter) and Emergency Management (1 EMO Coordinator who is trained as a Firefighter) on an as needed or permanent basis. However, those staff would be quickly absorbed into daily front-line Fire operations, and the training, inspections, investigations, and EMO would see a significant reduction or end of services. Occupational health and safety requirements and regulatory certification renewal timelines would also not be met leading to further reductions in services.

Saskatoon Fire Dispatch currently operates at 12 dispatchers with a minimum staff of 2 per shift. The loss of any dispatchers would result in significant overtime costs. Dispatchers require specialized training. Staff from other areas could be transferred with additional training and contractual requirements. Saskatoon Fire Logistics staff, 3 mechanics, 2 maintenance and 1 parts inventory coordinator provide all mechanical and maintenance support for Saskatoon Fire apparatus and equipment. As stated in the Fleet Audit Report (2023) and the City Asset Assessment Report (2023), the current work environment within the Saskatoon Fire Logistics Department is inadequate to maintain levels of service for emergency response operations. The significant rise in incidents over the last 5 years has intensified inefficiencies and significantly reduced quality assurance processes. Any loss in staff in this area is a significant risk to maintain levels of service.

2. For professional positions like Planning, Engineering, Technologist, or Solicitors, the Administration would need to make judgement decisions for each and every vacancy. Engineering and technologist roles support various areas of the City in different ways. Saskatoon Light & Power (SL&P) for example requires engineers and designers to develop designs for renewal and expansion work, and the impact of not backfilling key roles would ultimately negatively impact the rest of the workforce at SL&P. Many of the engineering, design, and inspector roles in Construction and Design support the City's Land Development Program and infrastructure renewal work. Planning work supports ongoing development in Saskatoon, so vacancies in this area would result in extended turn-around times for development reviews and approvals. Not backfilling roles in the Solicitor's area would attract increased risk to the City, as the office has an extensive role in working with Administration throughout the City to ensure contracts, policy, and program changes are made appropriately and utilizing the full latitude of the City's legislative authority to protect the City's interests.

In summary, not backfilling key positions in professional areas would in many areas attract risk to the City. Positions related to longer-term work would be eliminated first, by moving those individuals to more operational roles when they become vacant.

3. For the various operational areas of the City, the impacts would vary greatly by department. Transit operator attrition rates could total 15% or more of the total workforce vacating their position by the end of 2025, which would result in

significantly reduced transit frequency and ultimately route and frequency shortening on an incremental basis. Similarly, areas such as roadway, parks, and sidewalk maintenance work could correspondingly decrease by 15% or more over this period.

For areas like Leisure Centres, turnover rates would be more typical, with the exception of entry positions such as lifeguards and cashier receptionists. Similar to transit, the impacts early in the hiring freeze period would be minimal, progressing to a total service reduction of approximately 12% by the end of 2025, which would be addressed through changes such as operating hour changes and ultimately rotating daily closures of facilities.

The savings associated with this form of hiring freeze are difficult to predict as well. In addition to staff savings associated with pay and payroll costs, remaining managerial staff would re-allocate staff and systematically optimize the remaining resources to provide the maximum public service attainable. There would be other savings such as reduced equipment utilization and fuel, materials such as asphalt and concrete, and capital savings associated with the lack of staff able to develop and manage the procurement contracts. Assuming an average salary and payroll costs of \$85,000 per FTE and the assumption that employees will leave the organization throughout the year (not all on January 1), Administration forecasts that a compounding hiring freeze that would not replace any employees leaving the City regardless of position is estimated to generate cost reductions of:

- 2023 - \$1.4 million;
- 2024 - \$12.9 million; and
- 2025 - \$26.4 million.

It is important to note, these forecasts are only for positions that report to the City Manager (3,140 FTEs) and that the actuals experienced if this strategy is implemented will vary significantly based on actual attrition rates and the associated timing.

### **IMPLICATIONS**

The implications are included in the main body of this report. Overall, the Administration believes that a hiring freeze approach, where staff resigning or retiring are unilaterally not backfilled, would result in a scenario where the City has little control over when and where services are interrupted, as it would be dependent on where the resignations occurred. This would lead to unpredictable public service and constantly changing conditions, which would require ongoing resources to re-balance workloads and communicate service updates to the public. The Administration believes that a more strategic approach, where City Council and the Administration work together to implement cost reductions in an intentional way, is a more effective approach to reducing future expenditure pressures. Should the City ultimately reduce service in any area, attrition and hiring freezes would be utilized to obtain the desired staffing levels.

## Impacts of Hiring Freeze or Not Adding Future Staff

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Regarding overall efficiency, the City continues to implement and improve our SAP systems, processes, data, and reporting, which provide the foundation for the City's business transformation toward better data driven decision making, standardized business process, resulting in improved organizational efficiency.

### **NEXT STEPS**

City Council will consider various reports and recommendations from the Administration in July and August and will provide direction on how to prepare the Preliminary Business Plan and Budget for 2024 and 2025.

#### Report Approval

Written by: Jeff Jorgenson, City Manager  
Reviewed by: Marno McInnes, Chief Human Resources Officer  
Clae Hack, Chief Financial Officer  
Morgan Hackl, Fire Chief  
Approved by: Jeff Jorgenson, City Manager

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# Temporary Workforce Report

## ISSUE

The City's of Saskatoon (City) workforce is comprised of permanent and temporary employees. This report provides an overview of our temporary workforce, how this workforce is utilized and the types of work performed by the temporary workforce.

## BACKGROUND

At the June 14, 2023 Governance and Priorities Committee when considering the [2024/2025 Budget Status Update](#) report, the Committee resolved in part:

- “ 1. That the Administration include specific detail regarding the following within reporting:
- a) How many temporary employees exist in the organization
  - b) What is the time range that the temporary employees operate under:
    - i. shortest time frame a temporary employee has been with the City
    - ii. longest time frame a temporary employee has been with the City”

The City's workforce was 3,979 employees as of June 16, 2023. These employees are classified by the following employment statuses Active 3,844, Furlough 28 and Unpaid Leave 107. Of the 3,979 employees, 3,724 are unionized and 255 non-union employees.

The City employs two types of employees; Permanent and Temporary. Permanent and temporary employees are further broken down into employment types due to the various collective agreements: Regular (All), Availability (CUPE 59), Call in (CUPE 59), or Seasonal (CUPE 59, 47 and 859). Temporary Employees are classified using two employment types: Regular (All) or Interns (SCMMA).

The nature of the employment relationship is determined based on the service being delivered, the operational requirements, the circumstances surrounding the need for the position, and the collective agreement that covers the employees that will be performing the work.

There are numerous factors considered when determining operational needs and include considerations such as:

1. What is the most cost-effective way to deliver the service?
2. What is the nature of the service that is required? Is the service seasonal? Is there a demand fluctuation?

## Temporary Workforce Report

3. What is the reason for the position? Is the work project based? Is the work to address a demand increase? Is the work to fill a short- or medium-term absence due to sick leave or other protected leaves such as parental leave?

Operational needs will also factor in financial considerations such as the funding source and whether it is supported by operational funding, capital funding or other funding sources. In addition, permanent employees are more costly than temporary employees due to increased benefit costs and additional costs associated with ending an employment relationship should the work no longer be required due to changes in service, changes in demand or changes in funding for the position.

The City of Saskatoon's workforce is largely unionized. Services provided by the City typically align with various unions such as transit service is represented by ATU, roadways service is represented by CUPE 859, etc. Seniority is not applicable across collective agreements so the City has limited ability to move work and/or employees around resulting in each of the service areas having to rely on more temporary workers to address service requirements on a departmental basis.

### CURRENT STATUS

The allocation of employment types across bargaining units is provided in Table 1.

Table 1: Employment Type Allocation by Labour Group

	ATU 615	CUPE 47	CUPE 59	CUPE 859	IAFF 80	IBEW 319	SCMMA	Exempt	Total
Availability			188						188
Call In			83						83
Intern							21		21
Regular	405	133	1,049	398	324	147	429	255	3,139
Seasonal		5	378	164					547
<b>Total</b>	<b>405</b>	<b>138</b>	<b>1,698</b>	<b>562</b>	<b>324</b>	<b>147</b>	<b>450</b>	<b>255</b>	<b>3,979</b>

The Exempt labour group includes employees that are not included in a bargaining unit.

Table 2: Regular Permanent/Temporary by Labour Group

	ATU 615	CUPE 47	CUPE 59	CUPE 859	IAFF 80	IBEW 319	SCMMA	Exempt	Total
Regular Perm	403	124	770	394	323	142	369	232	2,758
Regular Temp	2	9	279	4	1	5	60	22	381
<b>Total</b>	<b>405</b>	<b>133</b>	<b>1,049</b>	<b>398</b>	<b>324</b>	<b>147</b>	<b>429</b>	<b>255</b>	<b>3,139</b>

## **DISCUSSION/ANALYSIS**

### Regular Employment

Regular employment can be either Permanent or Temporary and may be full-time, part-time, or job share. Employees categorized as regular employment total 3,139.

### Permanent Employment

Regular, permanent employees account for 2,758 employees (87.9%) of the regular employee population.

One hundred and forty-six (146) permanent employees are currently working in temporary assignments. While working in temporary assignments these employees are still considered permanent employees. This type of internal movement often results in multiple employee movement.

### Temporary Employment

Regular, temporary is the City's temporary workforce and accounts for 381 employees (12.1%) of the regular employee population.

Most of the temporary workforce is in the CUPE 59 (279) and SCMMA (60) bargaining units. Both these collective agreements (SCMMA and CUPE 59) permit the extension of a posted temporary position for a period of two years beyond the initial term.

In regular temporary employment, employees are usually brought into the organization to assist with short- or medium-term needs such as filling in for permanent employees who are working other assignments or on leave, or in some cases for project work or to address business needs that have a defined end period.

The City of Saskatoon utilizes temporary employees for different reasons, which can be grouped into four general categories:

#### **1. Summer Employment**

Casual employment accounts for approximately 51% of the regular temporary workforce. This workforce includes our lifeguards, building custodians and cashier/receptionist for the summer months, or other short duration needs that occur seasonally.

#### **2. Backfilling Regular Permanent Positions**

Backfilling regular positions accounts for approximately 23% of the temporary workforce and is used to backfill regular permanent positions that are vacant for extended periods of time due to disability leave or protected leaves such as parenting leaves.

#### **3. Work/Service Demand**

Work/Service demands accounts for approximately 14% of the temporary workforce and is used to address service level requirements. In these cases where a need is identified to maintain a service level and internal staffing is deemed as the most effective and efficient way to address this need, temporary

employment is secured. If the labour is required for a longer timeframe, budget is sought following the City of Saskatoon Policy C03-036 Multi-Year Business Plan and Budget.

#### 4. Projects

Project based work accounts for approximately 12% of the temporary workforce and includes temporary staffing requirement in relation to project needs. These temporary assignments can be less than a year and can be, depending on the project, up to 5 years. Examples of longer-term projects include the ERP implementation project and the (Advanced Metering Infrastructure) AMI project.

The distribution of temporary employees by service cohort is contained in the following table.

Table 3: Service Length of Term Employees

Service	Employee Count	% of Group
Less than 1 year of service	267	70.08%
1 to 2 years of service	59	15.49%
2 to 3 years of service	29	7.61%
3 to 4 years of service	9	2.36%
4 to 5 years of service	9	2.36%
5 to 6 years of service	5	1.31%
6 to 7 years of service	1	0.26%
7 to 8 years of service	1	0.26%
9 to 10 years of service	1	0.26%
Greater than 10 years	0	0.00%

The average tenure of existing temporary employees is less than one (1) year. Three hundred and twenty-six (326) (86%) have less than two (2) years of service, of which two hundred and sixty-seven (267) have less than one (1) year of service. Fifty-five (55) employees have been temporary for greater than two (2) years. Eight (8) employees have been greater than five (5) years. The longest serving temporary employee has nine years of service.

The reasons for longer term temporary positions vary and often relate the employee's specific circumstance. The employee with nine years of service started to work as a seasonal employee in 2014 as an Engineering Technologist 15 in Construction and Design and worked seasonally until 2018 when they were successful in a Project Engineer position in Construction and Design. In the fall of 2018, they applied for and were awarded a temporary Operations Engineer position in the Electronics Shop/Sign Shop in Transportation.

The City has 381 regular, temporary employees, which makes up approximately 9.6% of the City's staffing. This figure does not include interns. This percentage of temporary employment is not unusual compared to the Statistics Canada Labour Force Survey on

## Temporary Workforce Report

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Job Permanency (Table: 14-10-0072-01). In 2022, temporary employment (All Industries) was 11.91%. Temporary employment includes seasonal, term or contract positions, casual and other temporary positions.

### DATA SOURCES

City of Saskatoon: Employee Central Data June 16, 2023

Statistics Canada: Labour Force Survey on Job Permanency ([Table: 14-10-0072-01](#))

### FINANCIAL IMPLICATIONS

There is no financial impact.

### OTHER IMPLICATIONS

### NEXT STEPS

No action required.

### REPORT APPROVAL

Written by: Marno McInnes, Chief Human Resources Officer

Reviewed by: Ashlee Kaszas, Director of Client and Advisory Services

Dustin Truscott, Manager, Total Rewards

Approved by: Jeff Jorgenson, City Manager

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## INFORMATION REPORT

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### Comparing the Growth in Federal, Provincial, and Municipal Operating Budgetary Expenditures – 2017-2023

#### ISSUE

Concerns have recently been raised about the growth in the City of Saskatoon's budgeted expenditures, especially in relation to federal and provincial orders of government. As a result, this report provides a summary of operating budgetary expenditure growth by the Government of Canada, Government of Saskatchewan, and the City of Saskatoon from fiscal year 2017 to fiscal year 2023, in nominal terms, per capita terms, and real per capita terms.<sup>1</sup> In real per capita terms, City operating expenditures have declined by 9.7% over the period.

#### BACKGROUND

At its June 28, 2023, meeting, City Council considered a Notice of Motion from Councillor Donauer and resolved:

“Could the Administration report to the relevant Council Committee on cumulative year-over-year spending increases by the Government of Canada, the Government of Saskatchewan, and the City of Saskatoon from fiscal year 2017 to fiscal year 2023 and include this information on a per capita basis.”

Additional debate on the motion suggested that the City's operating expenditures should remove the Saskatoon Police Service's expenditures due to its statutory authority to prepare a budget separate from the rest of the City. This analysis includes City operating expenditures with and without the Police Service expenditures.

#### CURRENT STATUS

A budget is a fiscal policy document, or collection of documents, used by governments to lay out their plans and priorities. They include revenue and expenditure estimates about how a government intends to achieve its plans or priorities. The budget itself is not a legal document, and the revenues and program spending measures are approved by their respective legislative bodies in various ways.

Legislatures have enacted specific rules on how fiscal plans and budgets are adopted. Federally, both houses of Parliament approve the Government of Canada's spending estimates each year, by passing a bill (or bills). In Saskatchewan, the Legislative Assembly does the same for the Government of Saskatchewan. At the City of Saskatoon, the City's estimates are approved by a series of resolutions adopted by City Council.

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<sup>1</sup> Nominal means current or unadjusted spending. Per Capita means per person. Real per capita, means adjusted for inflation and population.

Despite those similarities, federal, provincial, and city spending plans are subject to various institutional rules, conventions and governance structures that make comparisons difficult. For example:

- The Government of Canada uses the full accrual method of accounting to prepare its Budget. However, the spending authorities voted by Parliament are on an expenditure basis, which uses only a partial accrual method of accounting or cash accounting. This means that certain activities of government entities are not included in the budget estimates but show up in the audited financial statements (such as pension liabilities or the operation of Government Business Enterprises).<sup>2</sup>
- In Saskatchewan, budget estimates are tabled on a Summary Financial Statement (SFS) basis, which are the statements prepared to account for the full nature and extent of the financial activities of the Government. These include all Ministries, government service organizations, and Government Business Enterprises. However, the Legislature approves the main estimates for the Ministries, or what is called the General Revenue Fund (GRF). The GRF is equivalent to the government's operating fund (or budget).
- At the City of Saskatoon, budget estimates are prepared on a cash accounting basis. As required by legislation, the City prepares annual budget estimates for operations and one for capital investments. The operating budget estimates must have revenues equal to expenditures once it is passed. This means that City Council is prohibited from approving an operating budget surplus or deficit. As a result, a property tax increase is used to fill the operating expenditure and revenue gap to ensure the budget is balanced at the time of approval.

Despite these institutional differences, it is also to consider the main spending responsibilities of each order of government.

- Federal spending focuses on three core areas: transfers to persons (e.g., income supports), transfers to other governments (e.g., health transfers), and other program spending (e.g., national defence). Transfers to persons and other governments comprise over 80% of federal spending.
- Provincial GRF spending is dominated by health care, education, and social services. On average, these three areas account for 65% of provincial GRF spending.
- City operating spending is dominated by transportation and public safety (police and fire) programs. These two areas account for approximately 60% of the City's operating spending.

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<sup>2</sup> Government Business Enterprise refers to a special type of Crown Corporation who is self-financed and requires no operating subsidy from the government's general revenues. For more on the approach see Library of Parliament:  
[https://lop.parl.ca/sites/PublicWebsite/default/en\\_CA/ResearchPublications/201541E#a5.2](https://lop.parl.ca/sites/PublicWebsite/default/en_CA/ResearchPublications/201541E#a5.2)

There is no standard agreement on how to measure government spending. Some organizations argue for the consolidated financial statement model<sup>3</sup> while others argue for a current account model.<sup>4</sup> For the purposes of this analysis, we use the latter approach or the current account model because it is the “most relevant for describing the budgetary constraints placed on fiscal policy choices with respect to setting tax rates and designing spending programs.”<sup>5</sup>

## **DISCUSSION/ANALYSIS**

Given the context established in the previous section, Appendix 1 provides several data tables and graphs to illustrate government spending trends, starting in fiscal year 2017 (or 2017/18) and ending in fiscal year 2023 (or 2023/24). It also provides a summary of the approach and methodology used to produce the analysis.

The expenditure analysis is conducted in three ways:

1. Unadjusted (or nominal) spending, which is simply budgetary expenditures as presented in the reference documents.
2. Unadjusted per capita spending. We obtain population data from Statistics Canada’s annual population estimates as of July 1 of the preceding year.<sup>6</sup> Expenditures are thus adjusted as follows. Expenditures recorded in fiscal year 2022, for example are divided by the population estimate for July 1, 2021, etc. Changes in per capita spending attempt to account for population growth.
3. Inflation-adjusted (or real) per capita spending. Here, per capita expenditures are adjusted for inflation using Statistics Canada’s All-Items Consumer Price Index CPI.<sup>7</sup> The inflation for 2023 uses the median of the forecasts from the Bank of Canada, Finance Canada, and several other private sector organizations. Per capita expenditures are adjusted to 2017 constant dollars. The point of this analysis is to determine whether spending is keeping up with population growth and rising prices. Because real per capita spending adjusts for inflation and population growth, the benchmark cumulative spending increase should be at or near zero. However, various fiscal shocks, such as pandemic responses, or unanticipated disasters can make spending rise above the benchmark.

Tables 1 and 2 in the appendix show the population and inflation data used for this analysis.

## **Key Findings**

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<sup>3</sup> See for example, <https://www.cdhowe.org/public-policy-research/show-us-our-money-fiscal-accountability-canadas-cities-2022#adopt-psas-consistent-accounting-in-budgets>

<sup>4</sup> See Ronald Kneebone & Margarita Wilkins, 2016. "Canadian Provincial Government Budget Data, 1980/81 to 2013/14," Canadian Public Policy, University of Toronto Press, vol. 42(1), pages 1-19, March.

<sup>5</sup> See *Ibid* and <https://www.policyschool.ca/wp-content/uploads/2022/01/Provincial-Government-Budget-Data-January-2022.xlsx>

<sup>6</sup> See Table 17-10-0142-01 Population estimates, July 1, by census subdivision, 2016 boundaries DOI: <https://doi.org/10.25318/1710014201-eng>

<sup>7</sup> See Statistics Canada. Table 18-10-0005-01 Consumer Price Index, annual average, not seasonally adjusted, obtained from <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000501>



Tables 3 to 5 and charts 1 to 3 in the appendix show that the City of Saskatoon has had the lowest rate of budgetary operating spending growth over the analysis period, 2017/18 fiscal year to 2023/34 fiscal year. Specifically:

- Chart 3 shows that the cumulative percent change in unadjusted spending for the Government of Canada was 61%, for the Government of Saskatchewan 25.2%, the City of Saskatoon 20.3%, and the City of Saskatoon less police at 18.63%.
- Chart 4 shows the unadjusted per capita spending by each order of government. Overall, the City's per capita spending rose by 8.5% (including police) or an average of 1.4% per year. Excluding police, City per capita spending rose by 6.8% over the period, averaging 1.1% growth per year. Provincial per capita spending, by contrast, rose by 20% over the period.
- Chart 5 shows the inflation-adjusted, or real, per capita spending in 2017 constant dollars. On a real per capita basis, City operating spending (including police) declined by 9.7% over the period as real per capita spending had fallen from \$1,487 to \$1,326. Excluding police, City operating spending fell by a cumulative 11.3% an average decline 1.9% per year. By contrast, federal spending rose 35%, while provincial spending increased by a modest 1.5%.

Clearly, the COVID pandemic had a large impact on the level of federal spending (and to a lesser extent provincial spending) and certainly skews the results. Federal budgetary spending jumped over 73% in fiscal year 2020/21, the first year of the COVID pandemic. This was well above the pre-COVID trend and altered the trajectory of federal (and provincial) fiscal spending.

Although the City of Saskatoon's operating spending growth is lower than federal and provincial operating spending, the City of Saskatoon did benefit directly from increased federal and provincial spending, especially during the pandemic. For example, the Government of Canada doubled the Gas Tax Fund (now called the Canada Community Building Fund) twice over the analysis period. It also provided operating support to provinces and municipalities through the Safe Restart Program, and the Transit and Housing Program which came in fiscal 2022.

The Government of Saskatchewan provided funding through the Municipal Economic Enhancement Program and maintained the long-standing Municipal Revenue Sharing Grants Program, which has seen double digit growth in recent years. These programs enabled the City to maintain critical public services despite large drops in non-tax supported budget revenues.

## **IMPLICATIONS**

Because this report is for information purposes, there are no direct financial or other implications emerging from the report.

## **APPENDIX**

1. Approach, Methodology and Reference Tables

Report Approval

**Comparing the Growth in Federal, Provincial, and Municipal Operating Budgetary Expenditures – 2017-2023**

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Written and Approved by: Mike Jordan, Chief Public Policy and Government Relations

Admin Report - Comparing the Growth in Federal, Provincial, and Municipal Operating Budgetary Expenditures – 2017-2023.docx

# Appendix 1: Approach, Methodology and Reference Tables

## [1] APPROACH and METHODOLOGY

Legislatures have enacted specific rules on how fiscal plans and budgets are adopted. Federally, both houses of Parliament approve the Government of Canada's spending estimates each year, by passing a bill (or bills). In Saskatchewan, the Legislative Assembly does the same for the Government of Saskatchewan. At the City of Saskatoon, the City's estimates are approved by a series of resolutions adopted by the City Council.

Despite those similarities, federal, provincial, and city spending plans are subject to various institutional rules, conventions and governance structures that make comparisons difficult. For example:

- The Government of Canada uses the full accrual method of accounting to prepare its Budget. However, the spending authorities voted by Parliament are on an expenditure basis, which uses only a partial accrual method of accounting. This means that certain activities of government entities are not included in the budget estimates but show up in the audited financial statements (such as pension liabilities or the operation of Government Business Enterprises).<sup>1</sup>
- In Saskatchewan, budget estimates are tabled on a Summary Financial Statement (SFS) basis, which are the statements prepared to account for the full nature and extent of the financial activities of the Government. These include all Ministries, government service organizations, and Government Business Enterprises. However, the Legislature approves the main estimates for the Ministries, or what is called the General Revenue Fund (GRF). The GRF is equivalent to the government's operating fund (or budget).
- At the City of Saskatoon, budget estimates are prepared on a cash accounting basis. As required by legislation, the City prepares annual budget estimates for operations and one for capital investments. The operating budget estimates must have revenues equal to expenditures once it is passed. This means that City Council is prohibited from approving an operating budget surplus or deficit. As a result, a property tax increase is used to fill the operating expenditure and revenue gap to ensure the budget is balanced at the time of approval.

However, this document makes several attempts to standardize the data, so the more applicable comparisons can be made. While we try to make this as objective as possible, the different budgetary approaches require making some judgement calls that may introduce some subjective bias into the analysis.

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<sup>1</sup> Government Business Enterprise refers to a special type of Crown Corporation who is self-financed and requires no operating subsidy from the government's general revenues.

Because the City budgets on a calendar year its fiscal year spans one year. However, the Government of Canada and the Government of Saskatchewan both budget on fiscal year starting April 1 and running to March 31 of the following year so, they span two years. We standardize this difference by including the City's fiscal year with the Canada/Saskatchewan fiscal years so that the City's 2017 fiscal year is included in the 2017/18 fiscal year and so on.

Expenditure data is standardized as best as possible so that direct operating budget expenditures are compared. This includes only those expenditures that are approved by the respective legislative bodies and those that are predominately supported directly from the tax base.

For federal expenditures, we use the budget documents that were tabled in the House of Commons by the Minister of Finance. Specifically, we use the expense outlook provided in Annex 1.<sup>2</sup> This excludes spending by enterprise Crown Corporations and any non-budgetary transactions.

For provincial expenditures, we use the Main Estimates of the GRF, as tabled by the Minister of Finance in the Legislative Assembly. Specifically, we use the Schedule of Voted and Statutory Budget Appropriation contained in the Estimates book.<sup>3</sup> This data excludes spending by enterprise Crown Corporations (e.g., SaskPower) and other non-budgetary transactions.

For City expenditures, we use the approved operating budget expenditures as shown in Schedule II of the Approved Operating and Capital Budget documents.<sup>4</sup> This excludes capital spending, utilities, and the Saskatoon Library because it has its own taxing authority. We also show City operating expenditures in two ways: (a) with police and (b) without police. This is because police expenditures are approved by an arms-length statutory board, although City Council does approve the overall City budget.

All expenditure adjustments are made using population and inflation data as described in section 2 of this document. Section 2 provides five tables that show:

- the population estimates for Canada, Saskatchewan, and Saskatoon so that per-capita adjustments can be made.
- the Consumer Price Index for Canada so that inflation adjustments can be made.
- Unadjusted budgetary expenditures for the Government of Canada, the Government of Saskatchewan, the City of Saskatoon, and the City of Saskatoon excluding Police Services.
- Unadjusted per capita budgetary expenditures for the same units noted in the previous bullet.
- Inflation adjusted (real) per capita budgetary expenditures for the same units.

Section 3 graphs the cumulative percent change for all these measures to provide a graphic representation of the trend.

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<sup>2</sup> The data is obtained here: <https://www.canada.ca/en/department-finance/services/publications/federal-budget.html>

<sup>3</sup> The data is obtained here: <https://publications.saskatchewan.ca/#/categories/886>

<sup>4</sup> The data is obtained here: [https://www.saskatoon.ca/sites/default/files/documents/2022-2023\\_approved\\_business\\_plan\\_and\\_budget.pdf](https://www.saskatoon.ca/sites/default/files/documents/2022-2023_approved_business_plan_and_budget.pdf)

## [2] Reference Tables

### 2.1 Population Estimates

Population data comes from Statistics Canada’s annual population estimates as at July 1 of each year and Table 1 shows the estimates, their annual percent change and the cumulative percent change. The City of Saskatoon is classified as a Census Subdivision (CSD) so the data is obtained from the relevant table. We use these estimates instead of Census Data because the Census is a point in time count one every five years. From 2016 to 2022, Saskatoon’s population grew by 11.7% percent, Saskatchewan by 5.1% and Canada by 7.6%.

Table 1: Population Estimates By Jurisdiction							
Jurisdiction	2016	2017	2018	2019	2020	2021	2022
<b>Canada</b>	<b>36,109,487</b>	<b>36,545,236</b>	<b>37,065,084</b>	<b>37,601,230</b>	<b>38,007,166</b>	<b>38,226,498</b>	<b>38,929,902</b>
<i>Annual Percent Change</i>	<i>N/A</i>	<i>1.2%</i>	<i>1.4%</i>	<i>1.4%</i>	<i>1.1%</i>	<i>0.6%</i>	<i>1.8%</i>
<i>Cumulative Percent Change</i>	<i>N/A</i>	<i>1.2%</i>	<i>2.6%</i>	<i>4.1%</i>	<i>5.2%</i>	<i>5.7%</i>	<i>7.6%</i>
<b>Saskatchewan</b>	<b>1,135,987</b>	<b>1,150,331</b>	<b>1,161,767</b>	<b>1,172,479</b>	<b>1,178,467</b>	<b>1,181,493</b>	<b>1,194,803</b>
<i>Annual Percent Change</i>	<i>N/A</i>	<i>1.3%</i>	<i>1.0%</i>	<i>0.9%</i>	<i>0.5%</i>	<i>0.3%</i>	<i>1.1%</i>
<i>Cumulative Percent Change</i>	<i>N/A</i>	<i>1.3%</i>	<i>2.3%</i>	<i>3.2%</i>	<i>3.7%</i>	<i>3.9%</i>	<i>5.1%</i>
<b>City of Saskatoon</b>	<b>256,731</b>	<b>263,042</b>	<b>268,948</b>	<b>275,157</b>	<b>280,400</b>	<b>282,266</b>	<b>288,311</b>
<i>Annual Percent Change</i>	<i>N/A</i>	<i>2.5%</i>	<i>2.2%</i>	<i>2.3%</i>	<i>1.9%</i>	<i>0.7%</i>	<i>2.1%</i>
<i>Cumulative Percent Change</i>	<i>N/A</i>	<i>2.5%</i>	<i>4.7%</i>	<i>7.0%</i>	<i>8.9%</i>	<i>9.6%</i>	<i>11.7%</i>

Sources: Statistics Canada Table 17-10-0142-01 Population estimates, July 1, by census subdivision, 2016 boundaries

### 2.2 Inflation Data

Inflation data is obtained from Statistics Canada’s Annual Consumer Price Index (all items) as reported in Table 18-10-0052-01. Although Consumer inflation is reported regionally, we use the national rate only because several federal income transfers are indexed to the Consumer Price Index (CPI). Because inflation data is only available to 2022, the inflation rate for 2023 is forecasted by taking the median of the various forecasts from the Bank of Canada, Finance Canada and several private sector banks and institutes. For 2023, the consumer inflation rate is assumed to rise by 3.5% relative to 2022. Table 2 shows the CPI level, the annual inflation rate, and the cumulative change in the rate from 2017-2023.

**Table 2: Canada Consumer Price Index (All-Items 2002 = 100)**

Canada	2017	2018	2019	2020	2021	2022	2023f
<b>Consumer Price Index</b>	<b>130.4</b>	<b>133.4</b>	<b>136.0</b>	<b>137.0</b>	<b>141.6</b>	<b>151.2</b>	<b>156.5</b>
<i>Annual Percent Change</i>	N/A	2.3%	1.9%	0.7%	3.4%	6.8%	3.5%
<i>Cumulative Percent Change</i>	N/A	2.3%	4.2%	5.0%	8.3%	15.1%	18.6%

Sources: Statistics Canada Table 18-10-0005-01, Consumer Price Index, annual average, not seasonally adjusted

### 2.3 Unadjusted (Nominal Expenditures)

**Table 3: Unadjusted Budgetary Expenditures by Order of Government**

Order of Government	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
<b>Government of Canada (\$Billions)</b>	<b>\$ 330.2</b>	<b>\$ 347.1</b>	<b>\$ 362.9</b>	<b>\$ 628.9</b>	<b>\$ 493.3</b>	<b>\$ 470.4</b>	<b>\$ 490.5</b>
<i>Annual Percent Change</i>	N/A	5.1%	4.6%	73.3%	-21.6%	-4.6%	4.3%
<i>Cumulative Percent Change</i>	N/A	5.1%	9.7%	83.0%	61.4%	56.8%	61.0%
<b>Government of Saskatchewan (\$Billions)</b>	<b>\$ 13.5</b>	<b>\$ 13.9</b>	<b>\$ 14.0</b>	<b>\$ 15.0</b>	<b>\$ 15.8</b>	<b>\$ 16.5</b>	<b>\$ 17.2</b>
<i>Annual Percent Change</i>	N/A	3.3%	1.0%	6.9%	5.1%	4.7%	4.3%
<i>Cumulative Percent Change</i>	N/A	3.3%	4.2%	11.1%	16.2%	20.9%	25.2%
<b>City of Saskatoon (\$Billions)</b>	<b>\$ 0.478</b>	<b>\$ 0.491</b>	<b>\$ 0.510</b>	<b>\$ 0.532</b>	<b>\$ 0.547</b>	<b>\$ 0.567</b>	<b>\$ 0.583</b>
<i>Annual Percent Change</i>	N/A	2.7%	4.0%	4.2%	2.7%	3.7%	2.9%
<i>Cumulative Percent Change</i>	N/A	2.7%	6.8%	11.0%	13.7%	17.4%	20.3%
<b>City of Saskatoon (\$Billions) Less Police Services</b>	<b>\$ 0.382</b>	<b>\$ 0.390</b>	<b>\$ 0.405</b>	<b>\$ 0.422</b>	<b>\$ 0.432</b>	<b>\$ 0.447</b>	<b>\$ 0.459</b>
<i>Annual Percent Change</i>	N/A	2.1%	3.8%	4.2%	2.4%	3.5%	2.7%
<i>Cumulative Percent Change</i>	N/A	2.1%	5.9%	10.1%	12.5%	16.0%	18.7%

Sources: Government of Canada Budget Documents, Annex 1, Expense Outlook, found at: <https://www.canada.ca/en/department-finance/services/publications/federal-budget.html>;  
Government of Saskatchewan General Revenue Fund Main Estimates found at <https://publications.saskatchewan.ca/#/categories/886>  
City of Saskatoon Operating Budget found at <https://www.saskatoon.ca/city-hall/budget-finances/20242025-multi-year-budget> and <https://www.saskatoon.ca/city-hall/budget-finances/past-budgets>

## 2.4 Unadjusted Per Capita Expenditures

Table 4: Per Capita Budgetary Expenditures by Order of Government							
Order of Government	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
<b>Government of Canada</b>	\$ 9,144	\$ 9,498	\$ 9,791	\$ 16,726	\$ 12,979	\$ 12,306	\$ 12,600
<i>Annual Percent Change</i>	N/A	3.9%	3.1%	70.8%	-22.4%	-5.2%	2.4%
<i>Cumulative Percent Change</i>	N/A	3.9%	7.0%	77.8%	55.4%	50.2%	52.6%
<b>Government of Saskatchewan</b>	\$ 11,846	\$ 12,080	\$ 12,078	\$ 12,790	\$ 13,373	\$ 13,968	\$ 14,402
<i>Annual Percent Change</i>	N/A	2.0%	0.0%	5.9%	4.6%	4.4%	3.1%
<i>Cumulative Percent Change</i>	N/A	2.0%	2.0%	7.9%	12.4%	16.9%	20.0%
<b>City of Saskatoon</b>	\$ 1,860	\$ 1,865	\$ 1,898	\$ 1,914	\$ 1,949	\$ 2,008	\$ 2,023
<i>Annual Percent Change</i>	N/A	0.3%	1.8%	0.8%	1.9%	3.0%	0.7%
<i>Cumulative Percent Change</i>	N/A	0.3%	2.0%	2.9%	4.7%	7.7%	8.5%
<b>City of Saskatoon (Less Police Services)</b>	\$ 1,487	\$ 1,484	\$ 1,507	\$ 1,532	\$ 1,539	\$ 1,584	\$ 1,591
<i>Annual Percent Change</i>	N/A	-0.25%	1.58%	1.68%	0.45%	2.92%	0.43%
<i>Cumulative Percent Change</i>	N/A	-0.25%	1.3%	3.0%	3.5%	6.4%	6.8%

Sources: Government of Canada Budget Documents, Annex 1, Expense Outlook, found at: <https://www.canada.ca/en/department-finance/services/publications/federal-budget.html>;  
Government of Saskatchewan General Revenue Fund Main Estimates found at <https://publications.saskatchewan.ca/#/categories/886>  
City of Saskatoon Operating Budget found at <https://www.saskatoon.ca/city-hall/budget-finances/20242025-multi-year-budget> and <https://www.saskatoon.ca/city-hall/budget-finances/past-budgets>  
Population data from Statistics Canada Table 17-10-0142-01

In table 4, unadjusted expenditures are adjusted as follows. Expenditures recorded in fiscal year 2022, for example are divided by the population estimate for July 1, 2021, etc. Changes in per capita spending attempt to account for population growth. If population growth rises at the same rate of expenditure growth, then the percent change in per capita spending should be zero all things equal.

## 2.5 Inflation-Adjusted (Real) Per Capita Expenditures

**Table 5: Real Per Capita Budgetary Expenditures by Order of Government (2017 Constant Dollars)**

Order of Government	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
<b>Government of Canada</b>	\$ 9,144	\$ 9,284	\$ 9,388	\$ 15,920	\$ 11,953	\$ 10,613	\$ 10,499
<i>Annual Percent Change</i>	N/A	1.5%	1.1%	69.6%	-24.9%	-11.2%	-1.1%
<i>Cumulative Percent Change</i>	N/A	1.5%	2.6%	72.2%	47.3%	36.1%	35.0%
<b>Government of Saskatchewan</b>	\$ 11,846	\$ 11,808	\$ 11,581	\$ 12,174	\$ 12,316	\$ 12,046	\$ 12,001
<i>Annual Percent Change</i>	N/A	-0.3%	-1.9%	5.1%	1.2%	-2.2%	-0.4%
<i>Cumulative Percent Change</i>	N/A	-0.3%	-2.2%	2.9%	4.0%	1.9%	1.5%
<b>City of Saskatoon</b>	\$ 1,860	\$ 1,823	\$ 1,820	\$ 1,822	\$ 1,795	\$ 1,732	\$ 1,686
<i>Annual Percent Change</i>	N/A	-2.0%	-0.2%	0.1%	-1.5%	-3.5%	-2.7%
<i>Cumulative Percent Change</i>	N/A	-2.0%	-2.2%	-2.1%	-3.5%	-7.0%	-9.7%
<b>City of Saskatoon (Less Police Services)</b>	\$ 1,487	\$ 1,450	\$ 1,445	\$ 1,459	\$ 1,418	\$ 1,366	\$ 1,326
<i>Annual Percent Change</i>	N/A	-2.5%	-0.4%	0.9%	-2.8%	-3.6%	-3.0%
<i>Cumulative Percent Change</i>	N/A	-2.5%	-2.9%	-1.9%	-4.7%	-8.3%	-11.3%

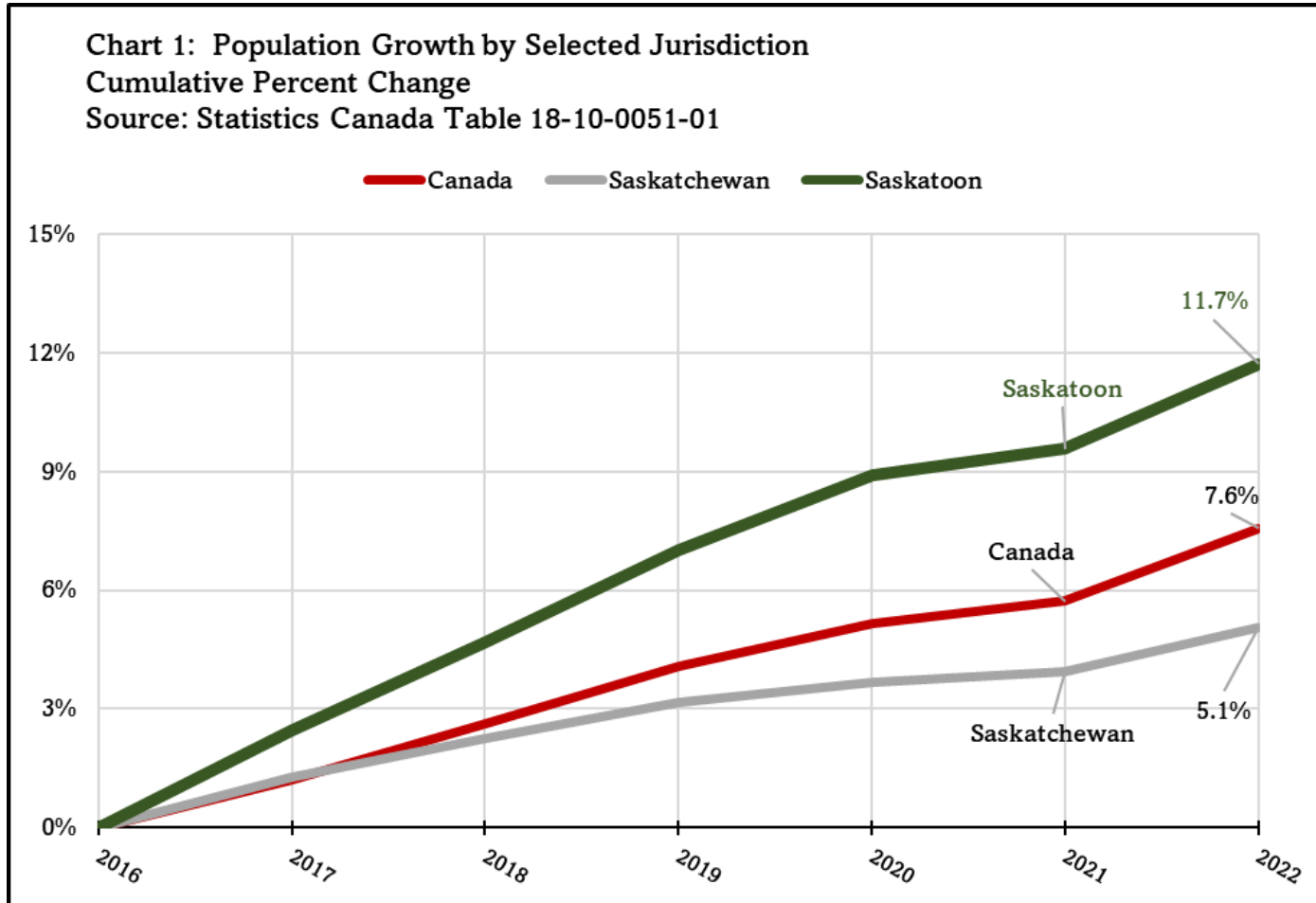
Sources: Government of Canada Budget Documents, Annex 1, Expense Outlook, found at: <https://www.canada.ca/en/department-finance/services/publications/federal-budget.html>;  
 Government of Saskatchewan General Revenue Fund Main Estimates found at <https://publications.saskatchewan.ca/#/categories/886>  
 City of Saskatoon Operating Budget found at <https://www.saskatoon.ca/city-hall/budget-finances/20242025-multi-year-budget> and <https://www.saskatoon.ca/city-hall/budget-finances/past-budgets>  
 Inflation data from Statistics Canada Table 18-10-0005-01 Consumer Price Index, annual average, not seasonally adjusted; Population data from Statistics Canada Table 17-10-0142-01

In table 5, the data from table 4 is adjusted for inflation using the CPI as listed in table 2. All per-capita expenditures are adjusted in 2017 constant dollars. Real per capita expenditures attempt to control for population and inflation. Positive expenditure growth means that spending has risen at a faster rate than inflation and population growth, likely due to some fiscal shock. On the other hand, negative expenditure growth means that expenditures have not kept pace with changes in the economy, reducing City purchasing power.

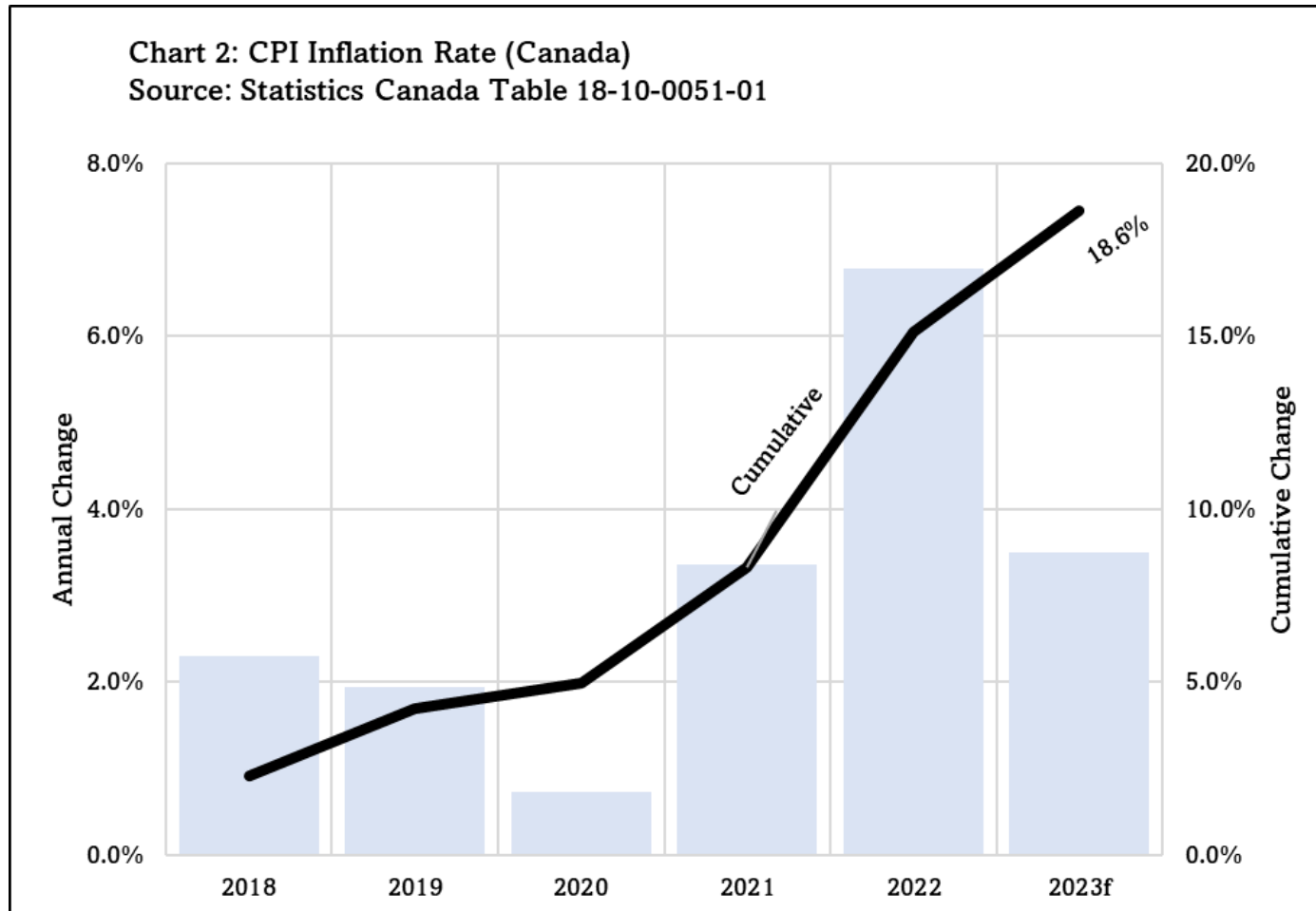


[3] Charts

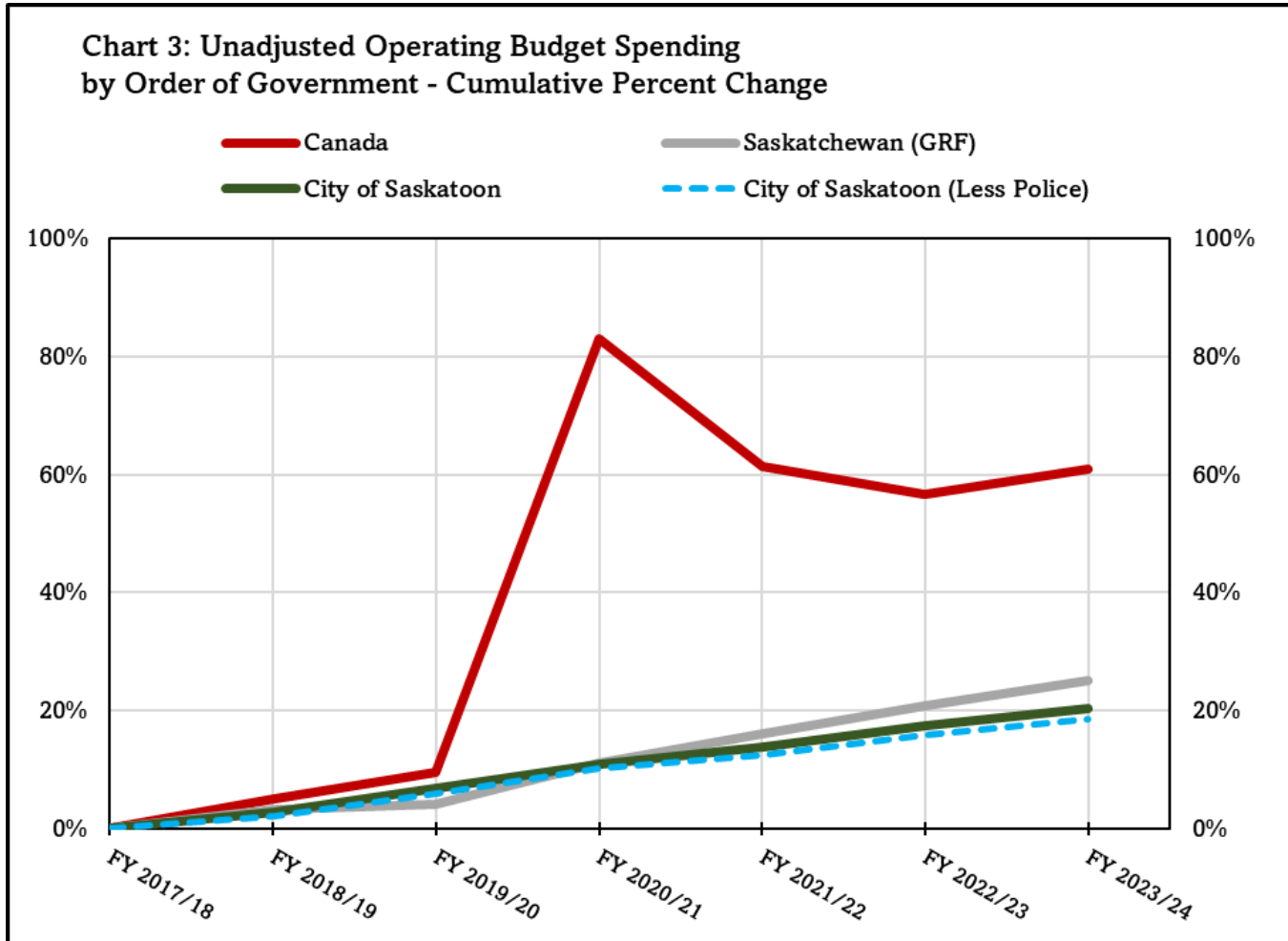
3.1 Population



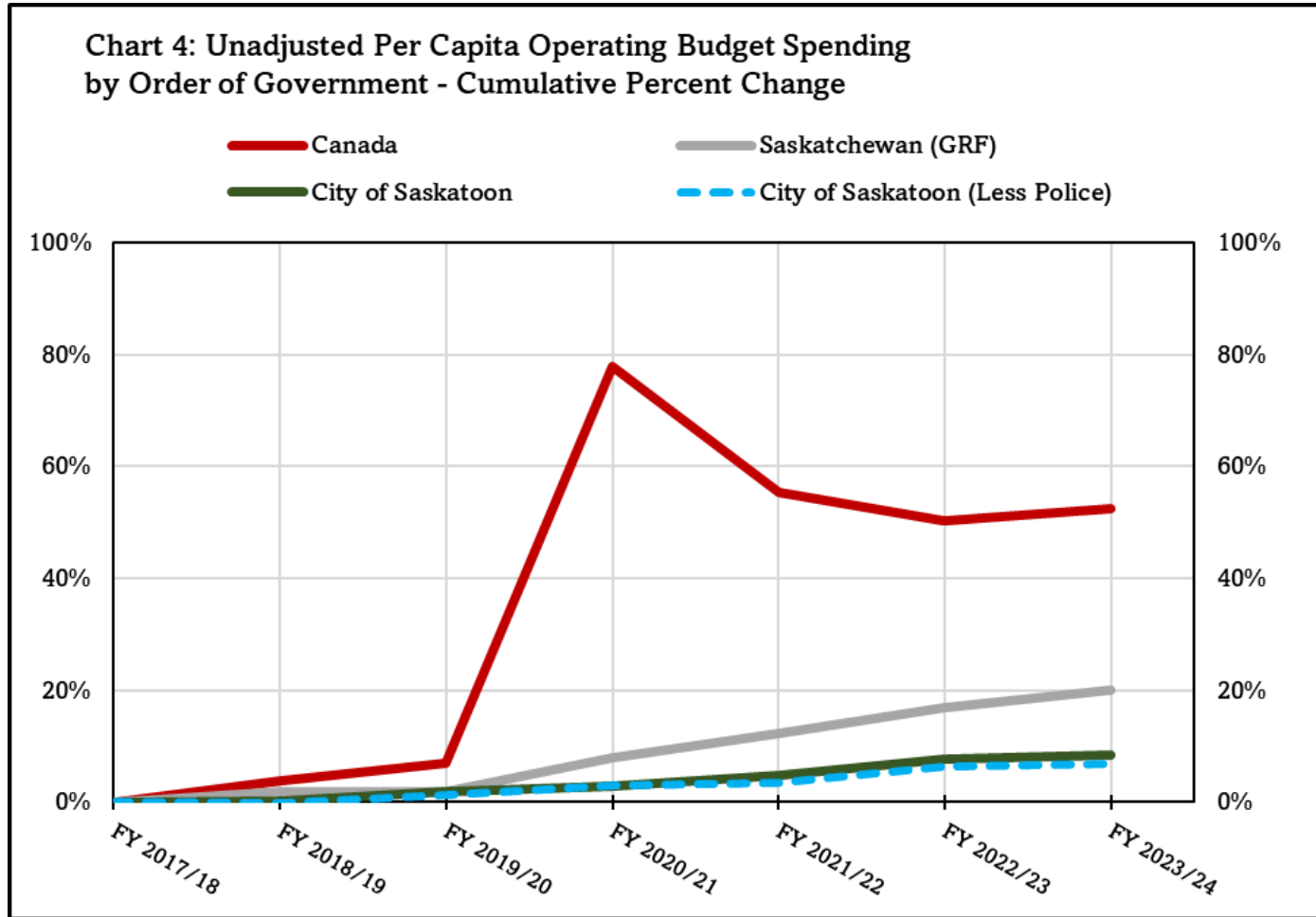
### 3.2 Consumer Price Inflation



### 3.3 Unadjusted (Nominal Expenditures)



### 3.4 Unadjusted Per Capita Expenditures



### 3.5 Inflation-Adjusted (Real) Per Capita Expenditures

