

Land Development 2022-2023 Business Plan and Budget

ISSUE

City Council approval is required in order to set the Operating and Capital Business Plan and Budget for 2022 and 2023. The figures in this report are stated as 2022 and 2023 respectively, unless otherwise noted.

RECOMMENDATION

1. That the Land Development Business Line Operating Budget for 2022 totalling \$6,758,800 in expenditures and \$6,758,800 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
2. That the Land Development Business Line Operating Plan for 2023 totalling \$7,070,600 in expenditures and \$7,070,600 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
3. That the 2022 Capital Budget totalling \$51,482,000 be approved, subject to adjustments under the Business Plan Options section of the agenda; and
4. That the 2023 Capital Plan totalling \$46,901,000 be approved, subject to adjustments under the Business Plan Options section of the agenda.

BACKGROUND

The 2022-2023 Preliminary Business Plan and Budget (Preliminary Budget) was released on November 24, 2021.

DISCUSSION/ANALYSIS

Land Development Business Line Operating Budget

The Preliminary Budget includes a total of \$6,758,800 and \$7,070,600 in expenditures for the Land Development Business Line. This is a \$1,020,000 (17.8%) increase in 2022, and a projected increase of \$311,800 (4.6%) in 2023. Land Development is a self-supported business line with no reliance on the property tax.

This business line also includes an equivalent amount of non-tax revenue sources. The increases in revenue are due to adjustments in lease revenue on City owned land managed by Saskatoon Land (\$1,020,000 in 2022 and \$88,500 in 2023). In addition, increased revenues of \$223,300 in 2023 are due to administration fees collected on the sale of single family, multi-family, commercial and industrial properties.

Land Development Business Line Capital Budget

The Land Development Business Line includes \$51,482,000 and \$46,901,000 in funded capital projects, most notably:

- \$9,584,000 and \$16,463,000 for direct servicing costs attributable to Saskatoon Land development areas;

- \$36,508,000 and \$22,882,000 for offsite servicing costs of arterial roads, primary water mains, trunk sewers and lift stations; and
- \$4,793,000 and \$7,556,000 for a variety of parks in Aspen Ridge, Brighton, Rosewood and Kensington.

FINANCIAL IMPLICATIONS

The financial implications are included in this report.

OTHER IMPLICATIONS

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

NEXT STEPS

Upon approval of the Preliminary Budget, the Administration will finalize the Approved Business Plan and Budget to be released in 2022.

REPORT APPROVAL

Written by: Jeff Knittig, Financial Analyst
Reviewed by: Kari Smith, Director of Finance
Approved by: Clae Hack, Chief Financial Officer

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