

Land Development 2020/2021 Business Plan and Budget

ISSUE

City Council approval is required in order to set the Operating and Capital Business Plan and Budget for 2020 and 2021. The figures in this report are stated as 2020 and 2021 respectively, unless otherwise noted.

RECOMMENDATION

1. That the Land Development Business Line Operating Budget for 2020 totalling \$5,311,300 in expenditures and \$5,311,300 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 2021 totalling \$5,892,800 in expenditures and \$5,892,800 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
3. That the 2020 Capital Budget totalling \$53,496,000 be approved, subject to adjustments under the Business Plan Options section of the agenda; and
4. That the 2021 Capital Plan totalling \$89,604,000 be approved, subject to adjustments under the Business Plan Options section of the agenda.

BACKGROUND

The 2020/2021 Preliminary Business Plan and Budget (Preliminary Budget) was released on October 30, 2019.

DISCUSSION/ANALYSIS

Land Development Business Line Operating Budget

The Preliminary Budget includes a total of \$5,311,300 and \$5,892,800 in expenditures for the Land Development Business Line. This is a \$754,900 (12.4%) decrease in 2020 and a projected increase of \$581,500 (10.9%) in 2021. 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 decreases in revenue are due to a projection of lower residential land sales, resulting in decreased administration fees.

Land Development Business Line Capital Budget

The Land Development Business Line includes \$53,496,000 and \$89,604,000 in funded capital projects, most notably:

- \$15.3 million and \$39.8 million for direct servicing costs attributable to Saskatoon Land development areas;
- \$27.9 million and \$48.8 million for offsite servicing costs of arterial roads, primary water mains, trunk sewers and lift stations; and
- \$10.3 million and \$1.0 million for a variety of parks in Aspen Ridge, Brighton and Kensington.

IMPLICATIONS

The financial implications are included in this report. There are no legal, social, or environmental implications.

NEXT STEPS

Upon approval of the Preliminary Budget, the Administration will finalize the Approved Business Plan and Budget to be released in 2020.

REPORT APPROVAL

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Approved by: Kerry Tarasoff, Chief Financial Officer

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