

Transportation 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 Transportation Business Line Operating Budget for 2020 totalling \$143,706,300 in expenditures and \$24,228,500 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
2. That the Transportation Business Line Operating Plan for 2021 totalling \$147,601,500 in expenditures and \$24,299,600 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
3. That the 2020 capital budget totalling \$44,305,000 be approved, subject to adjustments under the Business Plan Options section of the agenda;
4. That the 2021 capital plan totalling \$46,595,000 be approved, subject to adjustments under the Business Plan Options section of the agenda;
5. That proposed fees for entrance and storage at the municipal Impound Lot for 2020-2021, effective January 1, 2020, as included in the 2020/2021 Preliminary Business Plan and Budget, be approved; and
6. That Bylaw No. 6774 – Capital Reserve Bylaw, 1993, be amended to specify that the Parking Capital Reserve shall be funded annually from an authorized provision in the City of Saskatoon’s Operating Budget.

BACKGROUND

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

DISCUSSION/ANALYSIS

Transportation Business Line Operating Budget

The Preliminary Budget includes a total of \$143,706,300 and \$147,601,500 in expenditures for the Transportation Business Line. Increases of \$4,418,000 (3.2%) and \$3,895,200 (2.7%) are projected, mainly due to the following:

- An additional \$1,054,400 and \$817,200 in the Road Maintenance program due to expected inflationary contract increases, as well as growth in the City’s network in order to maintain the current 1 in 20 year treatment cycle for all roadways;
- Transit Operations is projecting an increase in expenditures of \$2,070,600 and \$1,393,800 mainly due to higher fuel prices, including the Carbon Tax Impact and staff compensation based on collective agreements; and

- Other increases in the Transportation Business Line relate to a growing network of street lighting, growth impacts and other inflationary operating requirements.

This business line also includes an increase in non-tax revenues of \$84,800 and \$71,100 largely due to rate changes within the City's Impound Lot as well as modest increases to Access Transit revenue.

The projected property tax support provided to this business line is \$119,477,800 and \$123,301,900, which is an increase of \$4,333,200 (3.8%) and \$3,824,100 (3.2%). The increase in property tax support is due to net impact of the increases in expenditures and revenues as previously outlined in this report.

Transportation Business Line Capital Budget

The Transportation Business Line includes \$44,305,000 and \$46,595,000 in funded capital projects, most notably:

- \$34,463,000 and \$34,200,000 dedicated to Road Maintenance;
- \$5,350,000 and \$5,988,000 for Transportation Service related projects, which includes:
 - \$2,230,000 to implement the Active Transportation Plan;
 - \$2,425,000 for traffic control systems maintenance and improvements; and
 - \$2,360,000 for transportation safety initiatives;
- \$3,093,000 and \$2,663,000 for Transit Operations, most notably fleet maintenance and rehabilitation; and
- \$3,303,000 between 2020 and 2021 for bridge and overpass maintenance and rehabilitation.

Rate Changes

The Preliminary Budget includes recommended changes to the current fees for the Impound Lot as outlined in Appendix 1.

Bylaw Amendment

Revisions to Bylaw No. 6774 – Capital Reserve Bylaw, Parking Capital Reserve, are also recommended as detailed in Appendix 2.

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.

APPENDICES

1. 2020 and 2021 Impound Lot Fees
2. Proposed Amendments to the Capital Reserve Bylaw to Address Parking Capital Reserve Provisions

REPORT APPROVAL

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Approved by: Kerry Tarasoff, Chief Financial Officer

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