

2024-2025 Business Plan and Budget – Operating and Capital Options

ISSUE

There is currently \$4,400,000 in available funding from the Reserve for Capital Expenditures (RCE) to advance City Council priority capital projects in 2024 and 2025. This report summarizes the results of the prioritization process undertaken by the Governance and Priorities Committee (Committee) and associated recommendations.

RECOMMENDATION

That the capital projects as identified in Table 1 in the report of the Chief Financial Officer dated November 28, 2023 be approved.

BACKGROUND

At its meeting on [October 11, 2023](#), Committee received a report, attached as Appendix 1, on the Operating Options and a Capital Prioritization List of Initiatives. This report formalizes the next steps within the October 11th report to forward both the operating and capital options to the 2024-2025 Budget Review meeting.

DISCUSSION/ANALYSIS

Operating Options

The operating initiatives as shown in Appendix 1A from the October 11, 2023 meeting are for City Council's consideration. These initiatives are not included within the 2024-2025 Business Plan and Budget as presented. City Council can choose to include or phase-in any of the identified initiatives which would have an impact to the property tax rate.

Capital Options

Currently, there is a total of \$4,400,000 in available capital funding for 2024 and 2025 from the RCE. City Council has the option to allocate these funds based on the prioritization results as outlined in the following section of this report or retain any amount of the funds in reserve in anticipation of future pressures or initiatives which have not yet been identified.

Committee undertook a prioritization process to determine which projects should utilize the available RCE funding in the 2024-2025 Business Plan and Budget. A voting exercise was administered to Committee where each member ranked all initiatives. Table 1 lists the prioritized capital initiatives that fit within the available funding. Details of each initiative can be found in Appendix 1B.

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Table 1 – Prioritized Projects Within Funding Cut-Off

Project	2024 Amount	2025 Amount
Housing Strategy – Implementation	\$ 115,000	\$ 225,000
Universal Low-Income Subsidy Program	\$ 235,000	\$ 305,000
Meewasin Trail Expansion/Upgrades	\$ 187,500	\$ 187,500
City Yards Building and Site Maintenance	\$ 400,000	\$ 325,000
Solar Access and Orientation Review	-	\$ 300,000
Reconciliation, Equity, Diversity, and Inclusion Department – Initiatives	\$ 155,000	\$ 155,000
City of Saskatoon and U of S Research Partnership	\$ 50,000	\$ 50,000
Regional Plan Implementation	\$ 50,000	-
Reconciliation, Equity, Diversity, and Inclusion Department – Education	\$ 80,000	-
Integrated Civic Energy Management Program: Data Management, Appliance Upgrades and Training	\$ 290,000	\$ 290,000
Green Network - Natural Areas Program (Natural Area Management Plans Phase 3 and Natural Area Policy and Process Phase 2)	\$ 132,000	\$ 275,000
Corporate Data Governance – Capital	-	\$ 100,000
Civic Heritage Program Enhancements	\$ 50,000	\$ 50,000
SUBTOTAL	\$1,744,500	\$2,262,500
RCE Funding Available	\$2,000,000	\$2,400,000
RCE Funding Remaining	\$ 255,500	\$ 262,500

FINANCIAL IMPLICATIONS

In addition to the initiatives above, the Administration is recommending that \$255,500 in 2024 and \$262,500 in 2025 of available funds remain unallocated to be utilized for future contingency or other emerging issues and initiatives over the next several years.

City Council has the option to recommend any additional initiatives to be funded either by removing or reducing current initiatives from the list or utilizing the recommended contingency. Table 2 shows the prioritized order of the remaining projects that are below the funding cut-off.

Table 2 – Prioritized Projects Outside Funding Cut-Off

Project	2024 Amount	2025 Amount
Saskatoon Food System: Food Action Plan	\$365,000	\$ 130,000
Increase Storage for Winter Safety Materials	\$500,000	\$1,000,000
Industrial, Commercial, and Institutional (ICI) Building Energy Benchmarking Program	\$275,000	-
Feasibility Study to Design a Climate Innovation Fund	\$350,000	-
Permanent Dedicated Scattering Location (PDSL)	\$ 55,000	\$ 246,000
West Industrial Concept Plan Expanded Scope	\$200,000	-
Smart City Program (Growing Saskatoon's Smart City Capability)	\$240,000	\$ 240,000
Refreshed District Energy (DE) Feasibility Study	\$300,000	-
Promotion and Education for Public Electric Vehicle (EV) Adoption	-	\$ 140,000

OTHER IMPLICATIONS

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

NEXT STEPS

For operating budget options, if Committee wishes to bring forward any of these options for consideration, the Administration recommends the following process:

1. The Chair would first call for any questions regarding operating options included in appendix 1A.
2. Following questions, the Chair will call for any motions to add initiatives and associated costs to a consideration list. A mover and seconder would be required to add it to the list for consideration.
3. Once all motions for potential additions are tabled and the consideration list is populated, the Chair will go through motion by motion starting with the highest dollar value motions first for a final vote to determine whether they are added to the operating budget.

For capital options City Council can approve the list as recommended by the Administration or reprioritize the projects within the available funding at the 2024-2025 Business Plan and Budget Review meeting.

If City Council chooses to reprioritize the capital projects, the Administration would recommend the following process which worked well during the 2022-2023 Budget process:

1. Begin the process with the two tables proposed by the Administration in this report. The Funded (Table 1) and Unfunded Tables (Table 2);
2. Consider the Unfunded Table first by going through each individual project to determine if there is a desire to move this to the Funded Table for consideration of funding. If a motion is made and passes by a majority vote, this project would then move to the Funded Table for consideration in step 3; and
3. Once the Unfunded Table is considered, City Council should transition to the revised Funded Table which will now include the originally recommended projects as well as any projects that have been added. City Council will once again go through project by project to vote on whether they will be approved. This process will continue until every project has been considered or funding runs out, whichever comes first. Once this step is completed, the projects that have passed by a majority vote will be considered approved.

APPENDICES

1. Prioritized 2024 and 2025 Business Plan and Budget Capital Options–
October 11, 2023
- 1A. 2024-2025 Business Plan and Budget Operating Options
- 1B. 2024-2025 Capital Expenditures Options

REPORT APPROVAL

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