

INFORMATION REPORT

2024/2025 Budget Information Update – August 31, 2023

ISSUE

This report reflects the new budget starting point for 2024 and 2025 following the decisions made at the July 25, 2023 and August 15, 2023 special meetings.

BACKGROUND

At the [July 25, 2023](#) and the [August 15, 2023](#) Governance and Priorities Committee (GPC) special budget meetings, Committee made numerous decisions that impacted the 2024 and 2025 projected funding gap.

The decisions made at the July 25, 2023 meeting resulted in a reduction to the funding gap of \$21,629,400 for 2024 and \$1,588,200 for 2025 and are shown in Table 1.

Table 1 – Adjustments made at the July 25, 2023 Meeting:

Reductions/future phase-ins approved for inclusion in 2024/2025 Preliminary Business Plan and Budget	2024	2025
SL&P ROI Inflationary Reduction	(\$2,475,000)	\$495,000
Roadway Preservation Inflation	(7,650,000)	1,530,000
Saskatoon Fire Apparatus Replacement Inflation	(577,500)	115,500
Civic Building Comprehensive Maintenance Inflation	(2,014,500)	402,900
\$0.15/Liter Reduction to Fuel Estimates	(1,050,000)	(1,050,000)
Eliminate Saskatoon Fire Station Phase-In	(1,255,000)	(1,255,000)
Eliminate Transit Service Future Service Phase-In	(208,500)	(208,500)
Eliminate East Leisure Operating Phase In	(600,000)	(600,000)
40% reduction to Snow and Ice Phase-In	(644,000)	(644,000)
Eliminate Transit Bus Growth Phase-In	(1,800,000)	-
50% reduction to Negative Contingency Phase-Out	(1,939,600)	-
Increase Parking Rates by \$0.50/hour	(535,000)	-
Increase Parking App Fees	(60,000)	-
Limit City Yards Operations Security Increase to 50%	(64,000)	-
Defer Roadways Maintenance Training Positions	(83,200)	(83,200)
Defer Paved Street and Sidewalk Maintenance Positions	(22,500)	(89,600)
Defer Snow and Ice Management Positions in 2024	(115,300)	-
Defer Street Sweeping Positions	(13,800)	(80,900)
Defer Transportation Services Positions	(106,600)	(75,800)
Limit Snow and Ice Inflation to \$300K & \$350K in 2024/2025	(53,900)	(44,600)
No increase for Street Cleaning and Sweeping Inflation	(122,700)	-
No increase for Transit Bus Stop Snow Removal	(100,000)	-
No increase for Saskatoon Transit Training	(138,300)	-
TOTAL REDUCTIONS	(\$21,629,400)	(\$1,588,200)

Budgeted revenue adjustments were made, as reported in the [2024/2025 Budget Information Update](#) at the August 15, 2023 meeting, with expected increases to Saskatoon Transit revenue and Provincial Franchise Fee revenue which brought the budgetary gap to \$26,161,450 in 2024 and \$19,328,650 in 2025.

CURRENT STATUS

Additional decisions made at the August 15, 2023 meeting resulted in a further reduction to the funding gap of \$1,103,200 for 2024 and an increase of \$37,800 for 2025 and are shown in Table 2.

Table 2 - Adjustments made at the August 15, 2023 Meeting:

Reductions/future phase-ins approved for inclusion in 2024/2025 Preliminary Business Plan and Budget	2024	2025
Transportation Services Painting and Signage Inflationary Reduction	(96,400)	-
Soft Surface Median Sweep Reduced to One Sweep Every Two Years	(200,000)	-
Expansion of Parking Pay Station Zones	(85,000)	
Increase Pet Licensing Rates and Fees	(80,000)	
Increase Cemetery Rates and Fees	(30,000)	(30,000)
Reduction to Special Events Reserve in 2024 and Subsequent Increase in 2025	(200,000)	68,700
Reduce Increases and Maintain the Same Level of Funding for Grants and Community Organization Support	(85,700)	(211,300)
Defer Saskatoon Fire Asset Management Position to 2025	(140,300)	140,300
Reduce Communications Consultant Position for Saskatoon Fire	(115,700)	
Defer Saskatoon Fire Operations Dispatch Manager until mid-way through 2024	(70,100)	70,100
TOTAL REDUCTIONS	(\$1,103,200)	\$37,800

DISCUSSION/ANALYSIS

This reduces the estimated funding gap to \$25,058,250 for 2024 and \$19,366,450 for 2025. Estimated tax increase that would be required if no mitigation methods were introduced are 8.54% and 6.04% 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 which 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

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