

Property Realized Reserve Withdrawal

ISSUE

In accordance with Bylaw No. 6774, The Capital Reserve Bylaw, 1993, the Property Realized Reserve (PRR) funds expenditures from land sales and acquisitions by the City of Saskatoon (City) and other miscellaneous land development costs for preparing land for resale. As per past practice, City Council approval is being sought for the withdrawal of these funds from PRR.

RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council that a withdrawal of \$736,849.40 from the Property Realized Reserve be approved to fund miscellaneous land development and related sales costs incurred during the period of December 1, 2022 to November 30, 2023.

BACKGROUND

Annually, the Corporate Financial Services Division submits a summary of expenditures incurred on land sales and acquisitions to be funded from PRR for City Council approval. This period has been identified from December 1 of the previous fiscal year to the end of November of the current fiscal year.

DISCUSSION/ANALYSIS

The expenditures for the period December 1, 2022 to November 30, 2023 requiring City Council approval to withdraw from PRR are included in Table 1.

Table 1 – Transfer to PRR

Item	Amount
Real Estate Commissions – current year	\$ 934,739.35
Real Estate Commissions – prior year adj	(244,736.83)
Environmental Assessment	42,992.33
Subdivision	1,925.00
Land Title Registration / Search Costs	1,929.55
Total	\$ 736,849.40

The expenditures in Table 1 include an amount of \$42,992.33 in environmental remediation costs of future land development and possible land acquisitions.

The real estate commissions for the current year as in Table 1 are a result of \$20.75 million in industrial sales. The prior year adjustment for real estate commissions is a result of reclassifying sales from the PRR to Neighbourhood Land Development fund sales that were realized in the Aspen Ridge and Evergreen mixed use commercial area.

All commissions paid by the City are consistent with City Council Policy C09-015 Real Estate Commissions – Sale of City Owned Land.

FINANCIAL IMPLICATIONS

The financial implications are addressed in the body of this report. If approved, an amount of \$736,849.40 will be funded from PRR.

OTHER IMPLICATIONS

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

NEXT STEPS

No further action is required.

APPENDICES

1. 2023 Transfer to PRR Reserve

REPORT APPROVAL

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