

Budget Adjustment – Federation of Canadian Municipalities Green Municipal Funding

ISSUE

A budget adjustment is required to add Federation of Canadian Municipalities (FCM) Funding to capital projects that were successful in their applications under the Green Municipal Fund (GMF).

RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council that the projects outlined in this report be adjusted for funding received from the Federation of Canadian Municipalities under the Green Municipal Funding.

BACKGROUND

At its regular business meeting on January 25th, 2023 while considering [FCM Funding: Deep Retrofits for Civic Facilities - Feasibility Study](#), City Council resolved, in part:

- “1. That City Council approve and direct the Administration to submit an application to the Federation of Canadian Municipalities Green Municipal Fund under the Community Buildings Retrofit initiative;
2. That, if successful, the Mayor and City Clerk be authorized to execute the agreement from FCM under the Corporate Seal;”

At its regular business meeting on June 28th, 2023 while considering [Federation of Canadian Municipalities Green Municipal Fund – Pilot Funding Nitrification Expansion](#), City Council resolved:

“That the Mayor and City Clerk be authorized to execute a funding agreement with the FCM under the Corporate Seal if the formal application to the Green Municipal Fund is approved by FCM”.

At its regular business meeting July 31st, 2024 while considering [Federation of Canadian Municipalities – Adaption in Action Program](#) City Council resolved, in part:

- “1. That the Administration be directed to submit the applications outlined in this report to the Federation of Canadian Municipalities Adaptation in Action Program;
2. That if the applications are successful, the Mayor and City Clerk be authorized to execute the agreements under the Corporate Seal;”

At its public hearing meeting September 25th, 2024 while considering [Intent to Borrow](#), City Council resolved, in part:

- “That City Council authorize the following planned borrowings:
3. Up to \$1,650,000 for the Civic Water Conservation (Capital Project P.02197)”

DISCUSSION/ANALYSIS

P.02585 Bioreactor Expansion

In January 2024 a grant application for funding the Nitrification Expansion Pilot was approved by the FCM. The Nitrification Expansion Pilot is a one-year pilot project to identify if mobile organic biofilm (MOB) is the preferred technology to achieve year-round nitrification at the H.M. Weir Wastewater Treatment Plant. Administration is recommending that Capital Project P.02585 Bioreactor Expansion budget be increased by \$476,470, funded through the FCM for the Nitrification Expansion Pilot.

P.10031 Deep Energy Civic Buildings Retrofits

In November 2024 a grant application for funding a feasibility study with the goal to identify four buildings for deep retrofits, with at least one being a community building was approved by the FCM. The study will explore pathways to reduce greenhouse gas emissions through alternative fuel sources, mechanical upgrades, renewable energy generation using solar PV, building commissioning, and reducing embodied carbon. Administration is recommending that Capital Project P.10031 Deep Energy Civic Buildings Retrofits budget be increased by \$200,000, funded through the FCM for Studying Emission Reduction Opportunities for Four Buildings in Saskatoon.

P.02197 Civic Water Conservation

In February 2025 the administration received confirmation that one of the grant applications submitted in October 2024 has been approved for funding by the FCM. The project will improve water conservation by replacing spray nozzles & improvements to controllers at spray pad sites and will improve adaptation to extreme heat events by adding shade structures, water fountains, and misting stations at 6 civic locations. Administration is recommending that the funding within Capital Project P.02197 Civic Water Conservation be adjusted by decreasing the amount of borrowing by \$700,000 and increasing FCM funding by \$700,000, resulting in a \$0 impact to the projected costs for the Saskatoon Retrofitting Spray Pads for Water Conservation and Extreme Heat Preparedness project.

FINANCIAL IMPLICATIONS

P.02585 Bioreactor Expansion

The total project cost is estimated to be \$952,950. The Green Municipal Fund is contributing 50% of eligible costs to a maximum of \$476,470. The City has sufficient funding within Capital Project P.02585 Bioreactor Expansion to cover the City's costs.

P.10031 Deep Energy Civic Buildings Retrofits

The total project cost is estimated to be \$360,000. The Community Buildings Retrofit initiative provides up to 80% of eligible costs to a maximum of \$200,000. The City's has sufficient funding within Capital Project P.10031 Deep Energy Civic Buildings Retrofits to cover the City's costs.

P.02197 Civic Water Conservation

The total project cost is estimated to be \$1,650,000. The City was approved for funding of 70% of eligible costs to a maximum of \$700,000 through the Adaptation in Action initiative. The City's share of the costs will be funded through a Green Loan as approved by City Council in September 2024.

OTHER IMPLICATIONS

There is no privacy, legal, or social implications identified.

NEXT STEPS

If approved, Administration will make the appropriate additions to the capital projects for the additional FCM funding.

REPORT APPROVAL

Written by: Kole Paziuk, Financial Analyst
Reviewed by: Kari Smith, Director of Finance
Approved by: Clae Hack, Chief Financial Officer