

## Detailed Overview of Preliminary Year-End Financial Results

City of Saskatoon General Fund – 2025 Summary				
	2025 Budget	2025 Actuals	Variance	Percentage
Revenues	(662,955,150)	(685,590,223)	(22,635,073)	(3.41%)
Expenditures	662,955,150	685,785,839	22,620,744	3.44%
<b>(Surplus)/Deficit</b>	-	<b>195,616</b>	<b>195,616</b>	<b>0.03%</b>

### 2025 YEAR-END MILL RATE RESULTS

The preliminary deficit for the year ended December 31, 2025, is \$195,616 equivalent to a 0.03% variance from budget. Included in these totals is:

- \$66,975 transfer to the Internal Audit Program Reserve;
- \$377,485 transfer to the Parks Grounds Maintenance Stabilization Reserve as per [City Council Policy C03-003, Reserve for Future Expenditures](#); and
- \$1.07 million transfer to the Saskatoon Police Service Fiscal Reserve and \$2.95 million transfer to the Saskatoon Police Service Capital Reserve.

The Administration is recommending that a transfer of \$195,616 be made from the Fiscal Stabilization Reserve to balance the year-end results. After this transfer \$16.84 million will remain in the Fiscal Stabilization Reserve which will be available to offset future operating budget deficits or challenges.

### Preliminary Year-End Comparison to 3<sup>rd</sup> Quarter Forecast

The 2025 Financial Forecast presented to the Governance and Priorities Committee meeting on December 9, 2025, estimated a surplus of \$1.4 million for the civic operating budget and a deficit of \$2.6 million for Saskatoon Police Service (SPS). The reduced civic operating surplus at year end is due to many factors with some of the larger items being:

- Lower deficit than anticipated in the Snow and Ice Management Service Line of \$474,200 due to costs being lower than expected for the snow events that occurred later in 2025.
- Higher revenues than expected of \$705,000 within Waste Handling Services at that Landfill.
- Saskatoon Fire had higher expenditures for salaries and apparatus maintenance than expected by \$662,700.
- Fines and Penalties had a higher deficit than anticipated by \$1.44 million due to lower traffic violations than anticipated.
- At the 3<sup>rd</sup> quarter report Corporate Governance was expecting a \$24,700 deficit, however this Business Line ended the year at a \$522,140 deficit. This is due to the corporate expenditures which are held in this business line for year end such as accruals for contract settlements as an aggregate partially offset by additional staff vacancies and savings in insurance, training or office expenditures.

For further information, where applicable, explanations for the significant variances by business line, and service line are provided in greater detail below.

### Arts, Culture and Events – Deficit of \$38,277

The deficit is due to lower contribution towards the Civic Buildings Comprehensive Maintenance Reserve than expected from SaskTel Centre, partially offset by lower-than-expected insurance costs which are covered by the City for the Remai Modern.

### Community Support - Surplus of \$434,150

Expenditure savings were realized due to lower uptake in waste as a utility subsidy and recreation and sport facilities grants and favorable variances in the City's property tax abatement from construction delays and lower assessment values.

### Corporate Asset Management – Deficit of \$60,619

Energy management experienced a surplus due to natural gas and electrical consumption being lower than anticipated. This was offset by a deficit within the Facilities Management group due to staffing costs that are expected to be more than budget due to overtime required from aging infrastructure and portfolio growth, increased staffing to support expanded custodial requirements, and increased security near City Hall.

### Corporate Governance & Finance – Deficit of \$589,117

This business line contains the budget for \$2.47 million of corporate items such as targeted savings due to staff vacancies which would be experienced throughout the various other business lines. The 2025 expenditures in this area include an accrual for unsettled collective agreements and the budgets for these would be held in various other business lines. Some of the other key variances in this Business Line include:

- City Solicitor's realized a favourable variance of \$1.29 million due in large part to the savings in insurance costs from revised insurance contracts and staffing vacancies.
- Technology and Transformation (formerly Information Technology) realized a favourable variance of \$762,539 due to lower Microsoft license expenditures and higher cost recoveries in the mail and printing area and computer expenses partially offset by higher staffing costs than anticipated.
- Human Resources realized a favourable variance of \$475,095 due to salary savings from vacancies.
- As per Policy, any unexpended funds, if applicable, in the Independent Office of the City Auditor program (Office) would get transferred to the Internal Audit Program Reserve or over expenditures would be funded from the reserve. During 2025, the Internal Audit program was underspent by \$66,975 largely due to staff vacancies which was transferred to the Internal Audit Program Reserve. Following the transfer to reserve, the Internal Audit Program Reserve has a balance of \$417,255 as of December 31, 2025.

### Environmental Health – Surplus of \$1.53 million

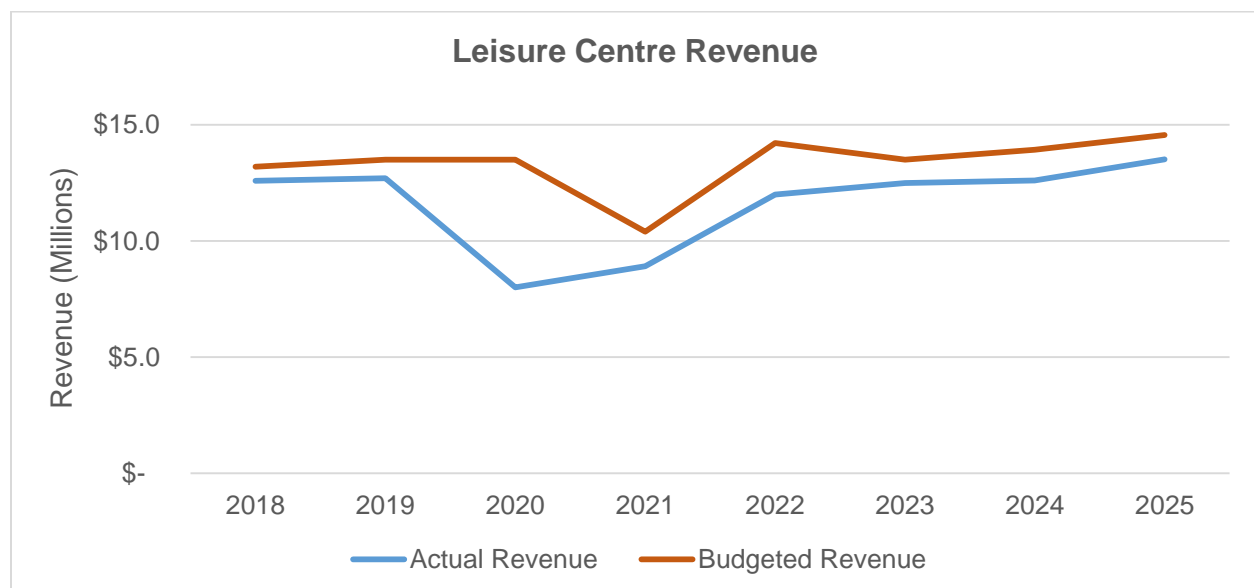
The surplus in Environmental Health is mostly due to the Waste Handling Services service line, which includes Landfill Operations, and had a favourable variance of approximately \$1.51 million due to higher revenues from overall garbage collection volumes at the landfill exceeding in both residential and commercial collection. Higher than budgeted revenues from scrap metal also contributed to the surplus.

The other components of Environmental Health such as Sustainability, Urban Biological Services and Urban Forestry all experienced minimal variance of a total of \$20,993 surplus compared to budget.

**Recreation & Culture – Surplus of \$1.63 million**

- Outdoor Pools had a surplus of \$194,520 due to increased uptake in the summer registrations as well as savings in utilities.
- Forestry Farm Park and Zoo realized a \$335,750 deficit due to higher seasonal staffing costs, veterinary expenditures and ground maintenance.
- Outdoor Sports Fields realized a surplus of \$130,471 due to higher external rental revenues as well as savings in electrical, and maintenance expenditures.
- Golf Courses ended 2025 with a surplus of \$960,460 which was transferred to the Golf Course Stabilization Reserve and the Golf Course Capital Reserve to balance the service line to \$0. This was largely a result of favourable revenues.
- Gordie Howe Campsite realized a surplus of \$17,751 due to savings in utilities and maintenance. The surplus was balanced through an increased contribution to the Campsite Reserve.
- Leisure Centres had a surplus of \$1.75 million. Overall revenues for leisure centres are below budget by \$1.04 million as shown in Chart 1. However, this revenue deficit includes reduced revenues due to the temporary closure of the Harry Bailey Aquatic Centre, starting April 1, 2023, for a major upgrade. These unfavourable revenue variances are offset, by reduced expenditures at Harry Bailey Aquatic Centre and lower utility expenditures resulting in an overall surplus for the Leisure Centres of \$1.75 million.

Chart 1 – Leisure Centre Revenue



- Parks Maintenance & Design operations had a surplus of \$377,485 due to staff vacancies and lower irrigation requirements. In accordance with Council Policy

No. C03-003, the unexpended funds in Parks Maintenance & Design are to be transferred to the Parks Division Grounds Maintenance Stabilization Reserve or taken from the reserve in years of deficit to stabilize the program. A contribution of \$377,485 was transferred to the reserve resulting in a December 31, 2025, balance of \$1.81 million remaining in the Parks Grounds Maintenance Stabilization Reserve.

- Although Nutrien Playland is supposed to be a self-balancing entity, due to lower-than-expected revenues and fully depleting the Nutrien Playland Stabilization Reserve, there was a deficit of \$205,958 within this service line.
- River Landing is a service line which is balanced to \$0 with a transfer to (or from) the Reserve of Capital Expenditures (RCE). Lower than expected parking revenue was partially offset by savings in salaries and reduced advertising resulting in an overall surplus of \$37,596 which was transferred to RCE to balance this service line to \$0. As per the approved resolution from City Council at the [2026-2027 Preliminary Business Plan and Budget meeting](#) on November 25, 2025, the River Landing operating model was changed which means that starting in 2026 there will be no transfer to (or from) the Reserve for Future Expenditures and all surplus (or deficit) will stay within the City's overall surplus (or deficit).

#### Saskatoon Fire – Deficit of \$723,648

The deficit for Saskatoon Fire is partially due to additional expenditures for apparatus maintenance due to older apparatus, as well as higher salaries than expected.

#### Saskatoon Police Service – Surplus of \$4.02 million (before transfers to stabilization or capital reserves)

Saskatoon Police Service (SPS) had been projecting to be in a deficit as at Q3 2025. This was due to the impact of the collective agreement. Since Q3 there were additional vacancy savings, fuel, materials and supplies, contracts and services savings as well as a reduction in the legal contingency held by SPS.

SPS ended 2025 with a \$4.02 million surplus. The surplus has been placed in the SPS Capital Reserves (\$2.95 million) and the SPS Fiscal Stabilization Reserve (\$1.07 million) resulting in no impact to the City's overall year-end balances. Those savings will help cover future operating deficits and support Saskatoon Police capital programs.

#### Taxation & General Revenues – Deficit of \$1.65 million

- Fines & Penalties had a \$1.57 million deficit due to parking ticket violation revenue which had an unfavourable variance of \$371,069 as well as lower provincial and municipal traffic violation revenue of \$1.68 million. Since 2019 the number of tickets for traffic violations has decreased by 44%; however, the budget has not been adjusted to reflect that decrease.
- Other levies had a surplus of \$1.07 million due to additional Municipal Service Agreement revenue from the Urban Reserves as well as additional tax penalty revenue received throughout the year.
- General Revenues had a \$1.58 million deficit mostly due to lower-than-expected franchise fees from SaskEnergy and TransGas. Also, within this service line, the City realized \$25.73 million in net investment income. Of this amount,

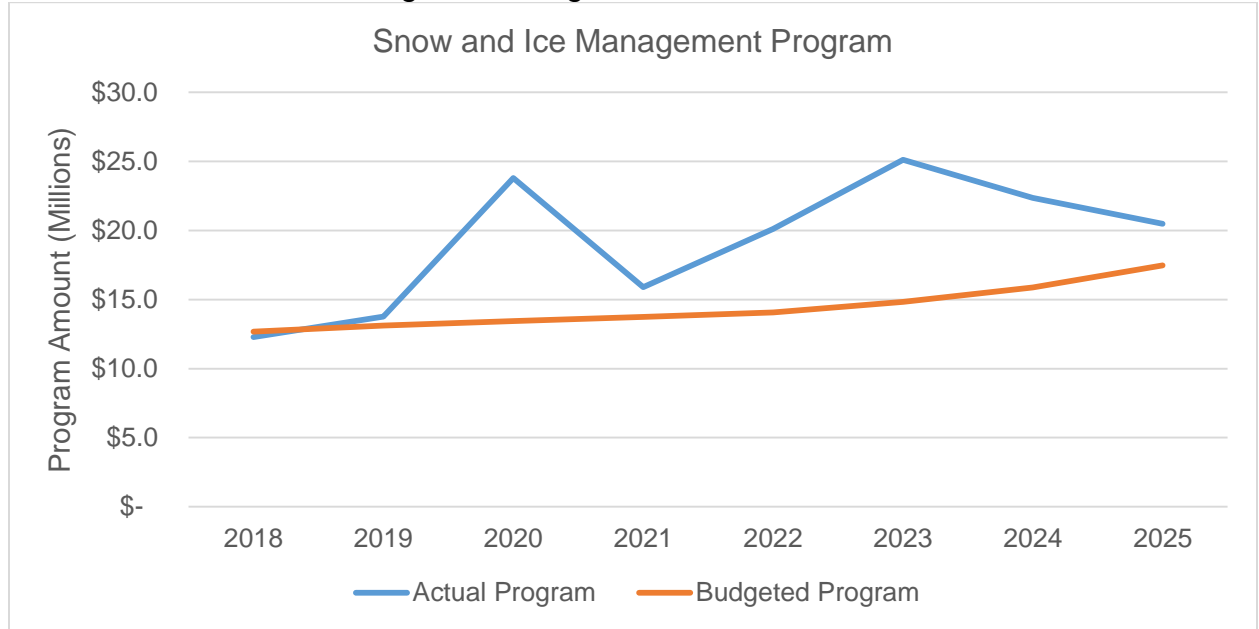
\$17.43 million has been applied to the operating budget to support civic services as approved in the 2025 budget which results in no variance compared to budget. The remaining \$8.30 million remains in the Investment Income Reserve which will be used to offset years of investment losses and/or used for discretionary allocation purposes as Policy C03-003.

- Grants-in-Lieu of Taxes (GIL) had a deficit of \$2.29 million from Saskatoon Light and Power due to lower sales volume and an expected rate increase that did not materialize and lower than expected Federal and Provincial Grants-In-Lieu from decreased assessment value.
- Municipal Revenue Sharing (MRS) revenue is received from the provincial government and is based on Provincial Sales Tax revenue. The amount received was slightly lower than budgeted by \$26,288.
- Additional supplementary assessments and supplementary property tax bills resulted in a surplus of \$2.75 million.

#### Transportation – Deficit of \$992,707

- Road Maintenance had a deficit of \$780,363 resulting from an increase in asphalt repairs and other roadwork as well as encampment cleanups.
- Access Transit and Transit Operations had a combined surplus of \$2.69 million. Revenues were very close to budget with a surplus of \$117,140. Expenditure savings of \$2.57 million were primarily due to fuel, insurance and license expenditures partially offset by higher fleet maintenance expenditures.
- Parking experienced a deficit of \$229,427. Revenues were under budget by \$835,900 due to parking revenue achieving only 88% of the budgeted revenue partially offset by higher temporary reserved parking fees. The overall deficit in revenues was partially offset by reduced commissionaire costs, reduced terminal maintenance and savings from staff vacancies. The deficit in this service line is partially offset by the reduced transfer to the Streetscape BID Reserve in the Urban Planning and Development service line.
- Snow & Ice Management experienced a deficit of \$3.03 million. There was a total of eight snow events in 2025 including the full residential snow clearing in February 2025 (compared to budget which has five snow events fully budgeted, and a sixth snow event partially funded) and 16 weather events. Administration is recommending that no transfer take place from the Snow and Ice Management Contingency Reserve leaving \$7.73 million within this reserve for future years. Chart 2 shows the variability in a program which is weather dependant and the fluctuations that can occur.

Chart 2 – Snow & Ice Management Program



**Urban Planning & Development – Surplus of \$265,690**

- Urban Design had a surplus of \$230,657 due to the reduced transfer to the Streetscape Reserve because of the reduced parking revenue as well as savings from staff vacancies.
- Attainable Housing had a surplus of \$201,612 mostly due to savings from the Public Housing Subsidy and staff savings. The surplus was transferred to the Attainable Housing Reserve.
- Building and Plumbing Permits & Standards is a self-balancing program which had a \$3.90 million surplus that was transferred to the Building Standards Stabilization Reserve mostly due to increased building and plumbing permit revenues, and staff vacancies.
- Long Range Planning, Neighbourhood Planning, Planning Project Services, Regional Planning, and Research and Mapping had a combined surplus of \$66,409 due to savings in salaries, travel and training and office expenditures.