



2023 Preliminary Year-End Results: Civic Operating Budget



2023 Civic Operating Budget



Beginning 2023

- Uncertainty coming out of the Pandemic and impact on revenue
- \$5.7 million in targeted savings
- \$3.0 million+ in various structural budget challenges

Administration's Approach in 2023



Discretionary Spending and Hiring Restrictions \$5.5 million in Savings

- \$900,000 from reduced training investments
- \$3.4 million from deferred hiring
- \$1.2 million from maintenance and expenditure deferrals

**2023 Temporary changes to service levels
to align to budget and address inflationary
pressures**

2023 Favourable External Financial Factors



Fewer, Smaller Scale Snow Events

- \$5.7 million in savings

Higher Interest Rate Environment

- \$1.2 million in additional Investment Revenue

Temporary Closure of Harry Bailey Aquatic Centre for Renovations

- \$1.0 million in net savings

Significant Increase in Transit Ridership

- \$3.5 million in higher than anticipated revenues

Civic Operating Results



\$9.9 million Civic Operating Surplus in 2023

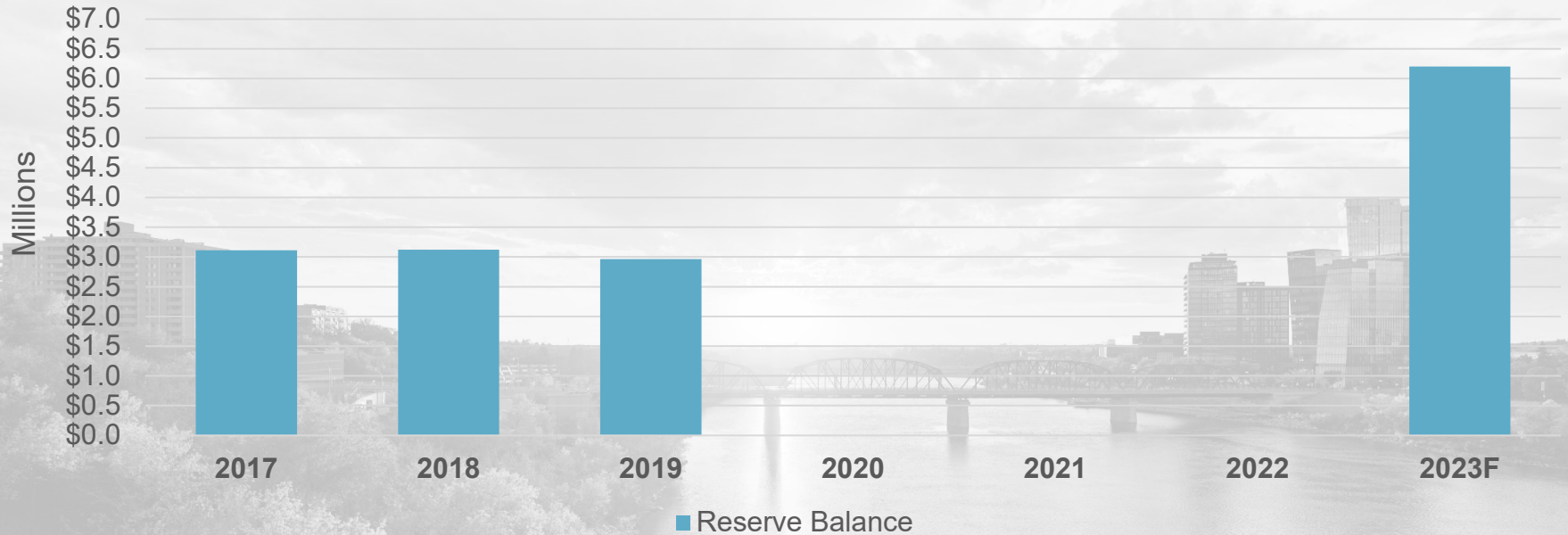
- \$5.7 million to the Snow & Ice Stabilization Reserve
- Remaining \$4.2 million to the City's Fiscal Stabilization Reserve

2022 Emergency Snow Event

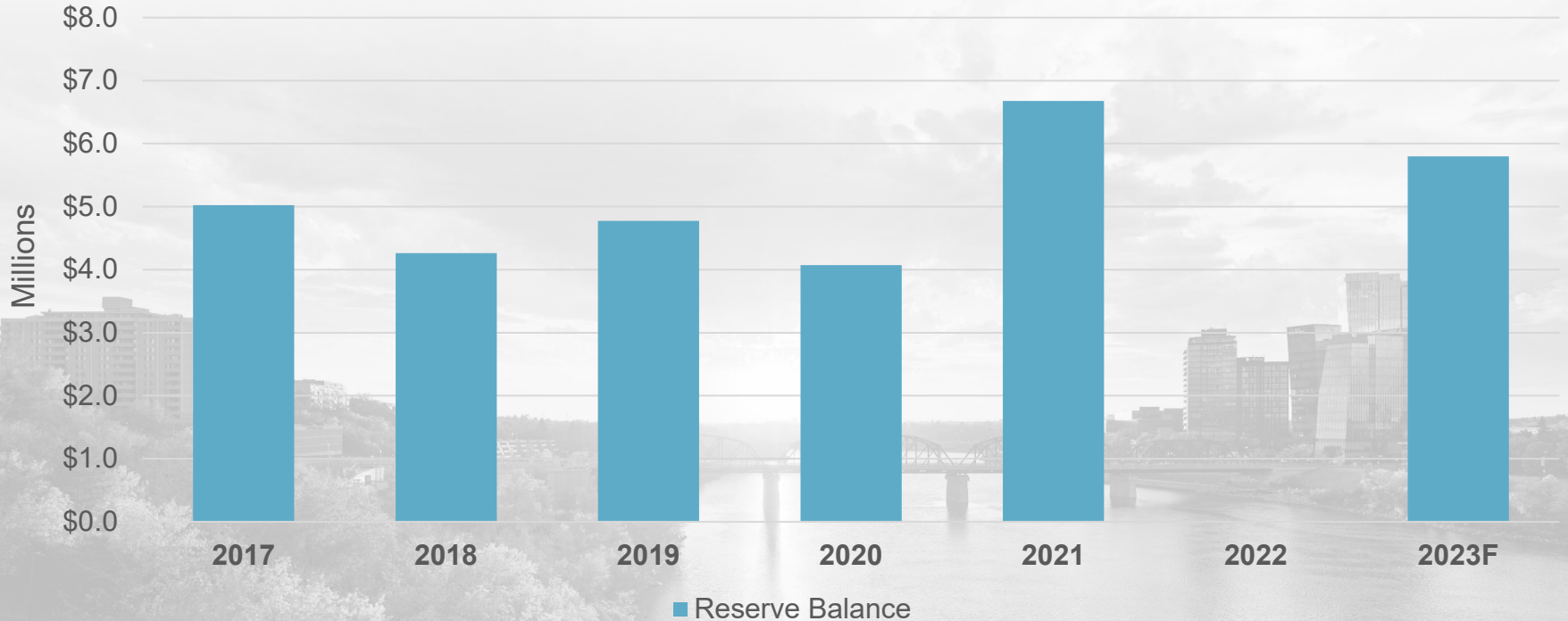
- Over \$16 million spent in 2023 on the 2022 Event
- Dealt with through borrowing and not included in the year-end figures
- Would have been a \$6 million deficit



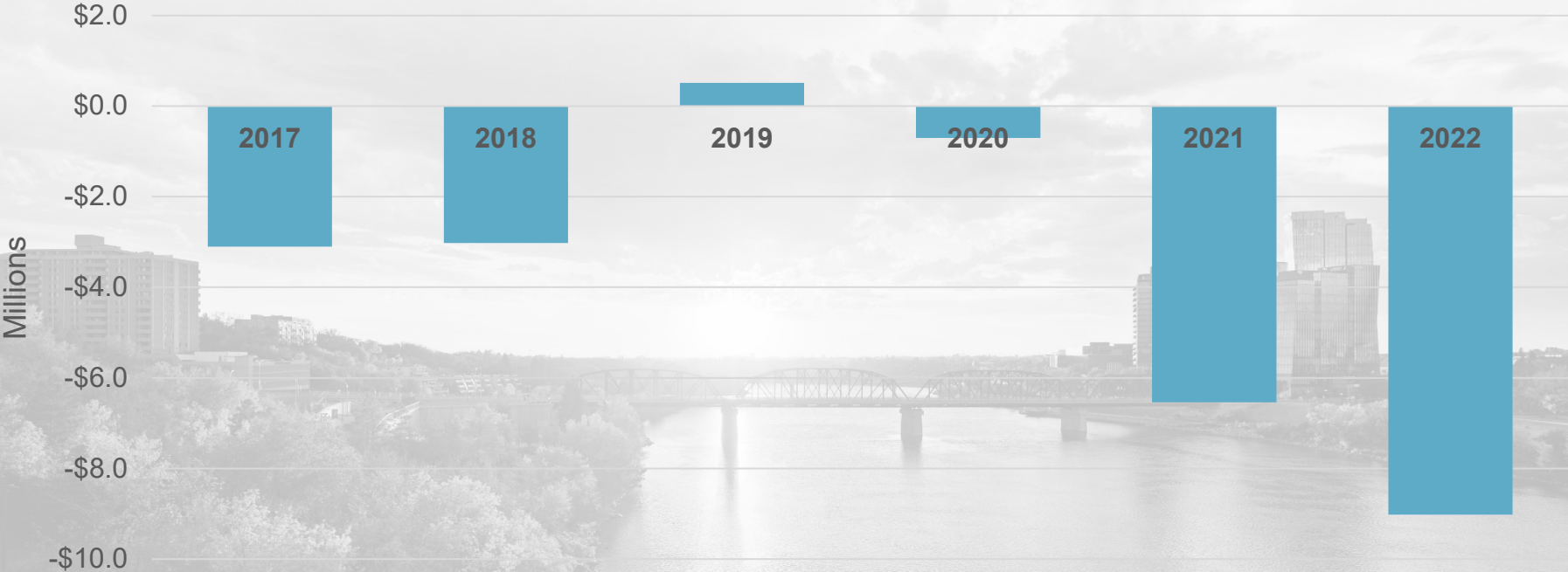
Snow & Ice Stabilization Reserve



Fiscal Stabilization Reserve



Civic Operating Budget Historical Results



2024 Budget Discussions



The potential for a 2023 Surplus was identified in Q3 Projections and at Budget deliberations in November 2023

2023 Surplus has minimal impact on 2024 Budget discussions

- We cannot budget for a future with no Snow Events
- Reality of expiring Pandemic Relief funding still exists
- Significant Inflationary Pressures
 - Budget deliberation included transparent discussion regarding service levels and associated costs



2023 Preliminary Year-End Results: Utility Budget



2023 Utility Fund Operating Results

| Utility Program | Surplus/(Deficit) |
|-------------------------|---------------------|
| Saskatoon Light & Power | \$1,432,374 |
| Storm Water Utility | (\$392,301) |
| Water Utility | \$4,544,161 |
| Waste Water Utility | \$3,669,982 |
| Waste Services Utility | \$1,707,030 |
| Total | \$10,961,247 |

Saskatoon Water/Wastewater

- 75% of overall Utility Surplus
- Highly Impacted by Weather
- Past 6 Year – 3 Deficits / 3 Surpluses
- 2018 – 2023 – Combined 1.36% Surplus



Utility Surplus Recommendations



Transferred to Stabilization and Capital Reserves

- ✓ As per Council Policy C03-003

Used to support future Water Treatment Plant Expansion

- ✓ Reduce debt requirements

Used to reduce SL&P Asset Management Deficit

- ✓ \$7 to \$10 million annual funding gap to maintain infrastructure