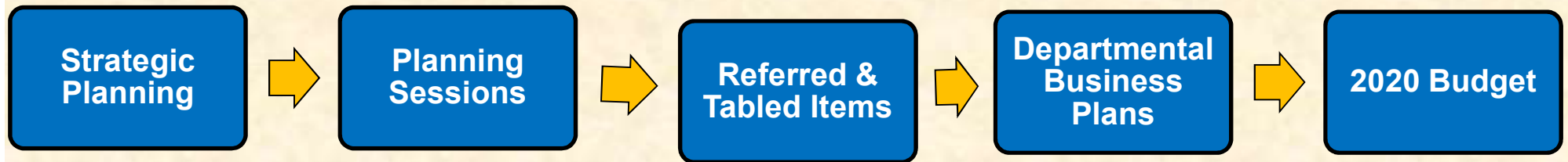




City of Moose Jaw
2020 Preliminary Budget Review
and Economic Update

THE PLANNING FRAMEWORK



2020 PROPOSED PUBLIC ENGAGEMENT

August/September

On-line Budget Survey

September

Preliminary Budget Review and
Economic Update

November

Administration Release Budget
• Presentation/News Conference

November/December

Council Deliberates on Budget
• Citizens or groups can present to
Council

EXTERNAL FACTORS

Saskatchewan Economic Forecasts			
[Annual average % change, unless otherwise noted]			
	2018	2019	2020
Real GDP	1.5	0.8	1.2
Nominal GDP	3.2	2.1	3.8
Employment	0.5	1.4	0.7
Unemployment Rate (%)	6.1	5.5	5.8
Housing Starts (000's)	3.6	2.3	4.1
Existing Home Prices	-2.3	-2.0	-0.2
Home Sales	-7.1	7.9	6.9
Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics			

*Note: Source Provincial Economic Forecast – TD Economics – TD Bank

- Modest real Gross Domestic Product Growth at 1.2%
- Small increase in employment.
- Modest improvement in housing demand.

LOCAL FACTORS

- Building Permit Activity is up compared to 2018.
- Major Land Development Projects such as Carpere and SaskPower are ongoing.
- Job creation activities such as the pilot project for immigrant employees is commencing.

FINANCIAL FACTORS

City of Moose Jaw Financial Factors Operating Budget

Assessment Growth	less than 1%
Taxation Revenue Growth	less than 1%
Other Revenues	Inflationary growth
Municipal Revenue Sharing	Minimal growth
Salary & Benefits	Inflationary growth
Inflation	Estimated to be 2%
Carbon Tax	Will impact Energy Costs

- Estimating Expenditures to exceed Revenues by approximately \$759,000 in 2020.
- This equates to a 2.60% increase in municipal taxation.
- Once one considers some modest enhancements, a municipal tax increase in the 3.00 to 3.25% range is projected.

**City of Moose Jaw
Financial Factors
Capital Budget**

2017 Provincial Budget
Reduction

Continue to impact Capital Budget

Additional Gas Tax
Funding 2019

Funds have been allocated for
additional work

Federal ICIP Funding

Approximately \$11.1 million expected
to be received

Infrastructure Levy

Administration bringing report forward
in September

GENERAL CAPITAL RESERVE SUMMARY

2019 - 2023

	2018	2019	2020	2021	2022	2023	Total
Carry over from previous year	\$ 7,010,116	\$ 6,675,897	\$ 1,822,417	\$ (7,502,054)	\$ (10,969,081)	\$ (14,468,418)	
SPC Funds Available	\$ 2,818,667	\$ 2,814,524	\$ 2,913,032	\$ 3,014,988	\$ 3,120,513	\$ 3,229,731	\$ 15,092,788
Hospital Levy	\$ 1,620,000	\$ 257,000	\$ -	\$ -	\$ -	\$ -	\$ 257,000
Taxation Revenue	\$ 3,069,761	\$ 3,583,283	\$ 3,506,860	\$ 3,640,805	\$ 3,750,029	\$ 3,862,530	\$ 18,343,506
Capital Expenditure Fund Interest	\$ 1,315,000	\$ 1,295,000	\$ 1,150,000	\$ 1,450,000	\$ 1,400,000	\$ 1,500,000	\$ 6,795,000
Land Sale Proceeds	\$ 1,530,000	\$ 910,000	\$ 910,000	\$ 1,125,000	\$ 880,000	\$ 880,000	\$ 4,705,000
Parks Dedication Reserve	\$ 82,500	\$ 20,000	\$ 98,500	\$ 39,000	\$ 39,500	\$ 40,000	\$ 237,000
Traffic Safety Reserve Cont	\$ 1,093,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Surplus	\$ 1,613,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SaskEnergy Mun. Surcharge	\$ -	\$ 912,500	\$ 930,750	\$ 949,365	\$ 968,352	\$ 987,719	\$ 4,748,686
Fundraising Contributions	\$ 206,989	\$ 296,989	\$ 329,495	\$ -	\$ -	\$ -	\$ 626,484
Transfer to Waterworks	\$ (2,193,874)	\$ (2,691,492)	\$ (2,668,666)	\$ (2,748,726)	\$ (2,831,188)	\$ (2,916,123)	\$ (13,856,194)
Uncompleted Works	\$ (5,531,900)	\$ (3,672,747)	\$ -	\$ -	\$ -	\$ -	
Capital Funding Available	\$ 12,634,137	\$ 10,400,954	\$ 8,992,388	\$ (31,622)	\$ (3,641,874)	\$ (6,884,561)	\$ 36,949,271
Transportation	\$ 6,030,800	\$ 4,468,962	\$ 12,706,200	\$ 7,464,000	\$ 7,336,930	\$ 7,661,000	\$ 39,637,092
Parks and Recreation	\$ 1,642,115	\$ 1,093,130	\$ 1,072,995	\$ 1,300,885	\$ 1,244,010	\$ 798,153	\$ 5,509,173
Other Services	\$ 3,914,222	\$ 2,546,445	\$ 1,875,247	\$ 1,452,574	\$ 1,445,604	\$ 1,430,620	\$ 8,750,490
Police Services	\$ 50,000	\$ 65,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 265,000
Fire Services	\$ 89,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Downtown Facility & FieldHouse	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Storm Sewers	\$ 800,000	\$ 405,000	\$ 790,000	\$ 670,000	\$ 750,000	\$ 840,000	\$ 3,455,000
Total Funding Required	\$ 12,526,137	\$ 8,578,537	\$ 16,494,442	\$ 10,937,459	\$ 10,826,544	\$ 10,779,773	\$ 57,616,755
Surplus/Shortfall	\$ 108,000	\$ 1,822,417	\$ (7,502,054)	\$ (10,969,081)	\$ (14,468,418)	\$ (17,664,334)	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Final Surplus/Shortfall	\$ 108,000	\$ 1,822,417	\$ (7,502,054)	\$ (10,969,081)	\$ (14,468,418)	\$ (17,664,334)	

WATER UTILITY RESERVE**2019 - 2023**

	2018	2019	2020	2021	2022	2023	Total
Opening Balance	\$8,793,648	\$18,071,573	(\$7,919,519)	\$29,018	(\$1,028,477)	(\$1,174,050)	
Contributions during the year	\$6,587,995	\$7,960,506	\$10,125,207	\$11,333,462	\$12,154,384	\$13,186,779	\$54,760,338
Loan Proceeds	\$30,000,000	\$0	\$20,000,000	\$0	\$0	\$0	\$20,000,000
less Water Works Projects	\$35,408,000	\$20,885,349	\$22,176,670	\$12,390,957	\$12,299,957	\$13,099,957	\$80,852,890
less Uncompleted Works	\$20,557,830	\$13,066,249	\$0	\$0	\$0	\$0	
Year End Balance	(\$10,584,187)	(\$7,919,519)	\$29,018	(\$1,028,477)	(\$1,174,050)	(\$1,087,228)	

SANITARY SEWAGE UTILITY RESERVE**2019 - 2023**

	2018	2019	2020	2021	2022	2023	Total
Opening Balance	(\$529,634)	\$5,568,202	\$5,149,340	\$6,038,690	\$549,147	(\$1,419,662)	
Contributions during the year	\$3,673,545	\$4,494,632	\$4,973,628	\$5,288,918	\$5,576,259	\$6,015,650	\$26,349,087
less Sewer Projects	\$4,347,688	\$3,838,494	\$4,084,278	\$10,778,461	\$7,545,068	\$2,744,832	\$28,991,133
less Uncompleted Works	\$537,252	\$1,075,000	\$0	\$0	\$0	\$0	
Year End Balance	(\$1,741,029)	\$5,149,340	\$6,038,690	\$549,147	(\$1,419,662)	\$1,851,156	

SOLID WASTE UTILITY RESERVE**2019 - 2023**

	2018	2019	2020	2021	2022	2023	Total
Opening Balance	(\$1,084,664)	\$340,344	\$2,057,649	\$3,970,244	\$5,992,679	\$7,123,835	
Contributions during the year	\$1,331,491	\$1,832,305	\$1,927,595	\$2,037,435	\$2,146,156	\$2,097,450	\$10,040,941
less Solid Waste Projects	\$2,066,000	\$15,000	\$15,000	\$15,000	\$1,015,000	\$10,015,000	\$11,075,000
less Uncompleted Works	\$3,000,000	\$100,000	\$0	\$0	\$0	\$0	
Year End Balance	(\$4,819,173)	\$2,057,649	\$3,970,244	\$5,992,679	\$7,123,835	(\$793,715)	

LAND DEVELOPMENT RESERVE**2019 - 2023**

	2018	2019	2020	2021	2022	2023	Total
Opening Balance	(\$2,016,533)	(\$2,129,352)	(\$5,276,057)	(\$4,532,524)	(\$908,991)	\$794,542	
Contributions during the year	\$2,187,066	\$3,103,100	\$743,533	\$3,623,533	\$1,703,533	\$993,533	\$10,167,232
Loan Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
less Land Dev Projects	\$4,760,000	\$0	\$0	\$0	\$0	\$0	\$0
less Uncompleted Works	\$2,499,600	\$6,249,805	\$0	\$0	\$0	\$0	
Year End Balance	(\$7,089,067)	(\$5,276,057)	(\$4,532,524)	(\$908,991)	\$794,542	\$1,788,075	

CONCLUSIONS

- Budgets brought forward to Council must be balanced while meeting Strategic Plan goals and needs of community.
- A goal in budget development is long-term fiscal sustainability of the programs and services contained in the budget.
 - Increasing taxation and non-taxation revenues.
 - Reduction of expenditures including cost savings and efficiencies.
 - Adjusting programs & services to be more efficient.
 - Strategic use of debt and reserves.

TIMELINES

September	Preliminary Budget Review & Economic Update.
August/September	Online Budget Survey with results reported back to City Council.
October	Preliminary Operating and Capital Budgets reviewed at City Council Planning Session.
November	City Administration presents preliminary budgets.
November/December	City Council deliberates on budget.
December	Budget is approved.

Discussion & Questions