

August 10, 2023

His Worship the Mayor and Members of City Council
222 3rd Ave. N.
Saskatoon, SK S7K 0J5

Dear Mayor Clark and Members of City Council,

RE: Addressing the Funding Gap

On behalf of the NSBA – Saskatoon's Business Association, I want to extend our appreciation for the opportunity to provide input during the last special budget meeting. We also commend your continuous efforts and willingness to engage throughout the budget process. More than ever, it is important that we collaborate to find the best solutions to reduce the funding gap.

We are particularly grateful for the motion passed at the last meeting, which proposes a collaboration between Council and Administration representatives, the NSBA, and the Greater Saskatoon Chamber of Commerce. This collaborative effort to explore the feasibility of our budget recommendations is a significant step toward ensuring a well-informed and comprehensive decision-making process.

The NSBA also recognizes and acknowledges your diligent efforts to reduce the funding gap for 2024/2025, with reductions of \$21 million and \$1.6 million, respectively. These actions are appreciated; however, we believe it is important to point out that some of the solutions proposed seem to create short-term cash flow relief while adding more financial burden to future budgets. It is crucial that we not just merely shift financial burdens from one year to the next but genuinely identify sustainable savings within the budget.

In addition, while we appreciate your efforts to address the gap by generating additional revenue, we advise avoiding revenue streams that would burden businesses and residents, such as the proposed increased parking rates and fees. Though the streams will generate revenue, we believe its return will be less than its negative impact, which is reduced customer presence. That being said, if you're looking to increase revenue, we would instead suggest liquidating assets owned by the City.

As we approach the August 15 Special Budget Meeting, we would like to reiterate our seven recommendations presented at the last meeting, which we believe can be a starting point. NSBA's seven recommendations are as follows:

- 1. Reduce staffing levels in specific departments.**
- 2. Implement a more stringent efficiency and productivity agenda.**
- 3. Anticipate reduced revenues due to inflation and changes in spending patterns.**
- 4. Discontinue programs that higher levels of government should fund.**
- 5. Postpone capital and operational expenses for green initiatives.**
- 6. Pause all major capital projects.**
- 7. Liquidate Greenhouses on 33rd Street and Avenue P.**

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We are at a crossroads where we can reshape the City's financial trajectory—by making prudent decisions, prioritizing essential services and finding sustainable savings within the budget. By sticking to this, we can set the stage for Saskatoon's recovery and create an environment where businesses and residents can thrive.

Once again, thank you for your attention to this matter, and we look forward to continued collaboration with the NSBA and the City.

Sincerely,



Keith Moen
Executive Director