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November 23, 2026

Saskatoon City Council
City of Saskatoon
222 3rd Avenue North
Saskatoon, SK S7K 0J5

4.1 Preliminary Business Plan & Budget [CCB2026-1104]

Re: Use 2027 budget room to invest in the Office of the City Auditor

Dear Mayor Block and Members of Council,

As Council reviews its 2027 budget adjustments, we want to thank you and Administration for the work that has brought next year's proposed property tax increase down. We also want to ask you to use a small part of that new room for an investment that will keep paying back for years to come: a properly resourced municipal service audit function.

Residents and businesses have felt the 2026 budget. This year's 6.7% property tax increase was the second highest in nearly 40 years, and another major increase was approved for 2027. Administration now recommends trimming the previously approved 2027 budget by $1.19 million, which would lower next year's increase from 5.81% to 5.45%.

That extra budget room is good news. It is also an opportunity.

The real cost of perpetual increases

As a community, we have come to treat above-average property tax increases as if they were a given. They are not, and they carry real consequences. When any tax or rate (property taxes, utility rates) rises by 5% or more every year, it effectively doubles in about 15 years. Even moderate annual increases compound quickly. Over time, they make Saskatoon a less affordable place to live, raise a family and create jobs, and they weaken our competitiveness against other cities.

The answer is not simply to cut. It is to get better at finding savings inside the organization, investing in what's working, and doing more with the budgets we already have. That is exactly the job of a strong municipal audit function.

An investment that pays for itself

Municipal service audits are how a city confirms that public money is being spent wisely and that programs are delivering what they promise. A well-resourced audit office identifies waste in procurement, flags underperforming contracts, checks whether capital projects are on budget, and surfaces fraud or wrongdoing before it compounds. Done well, audit work isn't about finding fault; it's about finding better. It gives Council the evidence it needs to make smarter budget decisions, and it gives residents confidence that City Hall is accountable for every dollar.

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Just as important, a strong audit office pays its own way. Toronto's Auditor General publishes the dollar return on her office every year. From 2021 to 2025, Toronto expects more than $342 million in savings from acting on audit recommendations, a return of $9.74 for every dollar invested in the office (Auditor General's 2025 Annual Report).

Saskatoon is a smaller city, but the principle is the same. A single review of procurement, transit or a major capital project can turn up savings that cover the cost of a larger audit office several times over. Those efficiencies keep paying out year after year. That puts downward pressure on future tax increases without cutting the services residents count on.

Where Saskatoon stands today

In June 2026, the Chamber released an assessment of the City's municipal service audit function. It benchmarked Saskatoon against seven peer cities (Calgary, Edmonton, Ottawa, Vancouver, Toronto, Hamilton and Winnipeg) in five areas: governance, resourcing, planning, annual reporting and whistleblower accountability. On resourcing, Saskatoon comes last.

Our Office of the City Auditor runs with two full-time staff and an annual budget of roughly $450,000, or $1.42 per resident. The peer average is more than $2.30 per resident. Calgary has 19 audit staff and Edmonton has 17. Even Hamilton, a smaller city than Saskatoon, has eight. Saskatoon has committed to excellence in public service delivery. But we have not yet built the governance or the tools to know whether we are actually achieving it. With two people, the Office simply cannot examine the high-cost services where most of our tax dollars go.

Our Ask of Council

We urge Council to use a portion of the 2027 budget room to begin building a strong audit function. Specifically, we recommend that Council commit to **right-size the Office of the City Auditor with a mid-range operating budget of $0.70 to $0.82 million and four to five full-time staff.** That is an increase of roughly $250,000 to $370,000, well within the $1.19 million now available, leaving most of the reduction in taxpayers' pockets.

This would enable the City to launch a value-for-money audit program on a rolling three-year plan, focused on high-cost services: transit, roads, capital project delivery, procurement and housing. It would be delivered under clear performance measures for the Office itself, covering delivery, impact, quality and efficiency, so the audit function is held to the same standard it applies to others.

Service excellence starts with the intention to gain insight and to invest in success. This is a modest, responsible investment that pays for itself and could help break the cycle of significant property tax increases cycle after cycle. Council can take a step today to make sure it has the right information, at the right time, to make the right decisions.

Thank you for your leadership and service to our community. We would welcome the opportunity to discuss our recommendations with you.

Sincerely,



Jason Aebig, CEO