

Annual Report

2024-25

Ministry of SaskBuilds and Procurement

Letters of Transmittal



Office of the Lieutenant Governor of Saskatchewan

I respectfully submit the Annual Report for the Ministry of SaskBuilds and Procurement for the fiscal year ending March 31, 2025.

A handwritten signature in black ink that reads "David Marit".

Hon. David Marit
Minister of SaskBuilds and Procurement

The Honourable David Marit
Minister of SaskBuilds and
Procurement



The Honourable David Marit
Minister of SaskBuilds and Procurement

Dear Minister:

I have the honour of submitting the Annual Report of the Ministry of SaskBuilds and Procurement for the fiscal year ending March 31, 2025.

A handwritten signature in black ink that reads "Rebecca Carter".

Rebecca Carter
Deputy Minister of SaskBuilds and Procurement

Rebecca Carter
Deputy Minister of
SaskBuilds and
Procurement

Ministry of SaskBuilds and Procurement Overview

Mandate

The Ministry of SaskBuilds and Procurement provides central coordination and delivery of property management, information technology, procurement, project management, transportation and other support services to government ministries and agencies. In collaboration with SaskBuilds Corporation, the ministry integrates, coordinates and prioritizes infrastructure planning and delivery for the Province of Saskatchewan and advances projects through contract oversight, innovative approaches and alternative financing models as appropriate. The ministry also provides funding to the Provincial Archives of Saskatchewan.

Mission

Where infrastructure and centralized services meet to support government in advancing its growth agenda.

Vision

Trusted partners who provide you with the best tools to do your job.

Progress on Goal 1: Coordinate client services with a one government approach for Growth Plan outcomes

Strategy: *The approach we took to achieve our goal*

Continuously enhance support services for government

Key Actions: *What we did to get there*

- Deliver infrastructure projects utilizing best practices
 - A total of 417 infrastructure projects were active during the 2024-25 fiscal year, with construction completed on several major projects, including:
 - Regina Urgent Care Centre
 - Regina General Hospital Parkade
 - Yorkton Regional High School
 - Carrot River Valley K–12 School
 - Lloydminster Comprehensive High School Renovation
 - Saskatoon Remand Correctional Centre
 - Improvements were also completed in several provincial parks, including:
 - An upgraded water system in Narrow Hills Provincial Park
 - A new service centre at Nut Point Campground
 - SBP developed design standards with a school division working group which included an architect, general contractor and cost consultant. This provided a diverse perspective on needs, architectural elements, constructability, best value and operations for new schools.
- Transform procurement processes while promoting best value
 - Developed and implemented vendor engagement and supplier debrief plans while tracking procurements, resulting in improved supplier submissions, as well as assisted suppliers in better navigating of government processes.
 - Delivered 22 in-person procurement education sessions with 303 participants from a variety of public sector organizations.
- Improve information and technology (IT) services, security and standards
 - Continued to develop application portfolio management and lifecycle reporting to support 28 ministries and agencies in IT planning.
 - Hosted feedback sessions to solicit client input to help strengthen the IT project approval process and increase project success. A client focus group was established to work on longer-term improvements based on the feedback received.
- Implement sustainable practices for the operation and maintenance of buildings and land
 - Developed and delivered a presentation on Construction Design Specifications to internal and external stakeholders for improved sustainability and life cycles of buildings.
 - Continued to improve the ministry's ability to receive real-time reporting on the status of assets, providing quicker, up-to-date information which allows SBP to enhance the accuracy and improve overall asset management.

- Introduced an energy challenge throughout the 2024 calendar year to reduce energy costs for government-owned buildings, with a goal to save \$1 million. Out of 83 participating buildings, 62 reduced their carbon footprint, with 23 reducing their carbon footprint by over 10 per cent, resulting in total portfolio savings of \$710,000.
- Deliver efficient transportation, records, mail and telecommunication services
 - Supported the continued delivery of interoffice mail, meeting client needs in the fall and winter through the postal strike, helping to minimize disruption of services and supporting efficient Government of Saskatchewan program delivery.
 - Saskatchewan Air Ambulance completed its retrofit of the Bariatric Aircraft, enhancing access to healthcare for the residents of Saskatchewan.

Strategy: *The approach we took to achieve our goal*

Advise on and coordinate infrastructure and information technology decisions

Key Actions: *What we did to get there*

- Develop and align processes for prioritizing and delivering the annual capital planning recommendations
 - Implemented a tool to enhance capital forecasting and estimates to provide clearer data for client ministries to support capital planning and budgeting.
 - Developed a standardized Procurement Options Analysis Qualitative Evaluation Tool to evaluate and compare delivery models for major infrastructure projects between \$20-\$100 million.
- Oversee the alignment of operational and strategic asset investment priorities
 - Prioritized expenditure of both major and minor maintenance with a focus on high-impact projects. The approach ensures that strategic investments and long-term outcomes are considered to maintain government-owned buildings in good condition and to support the delivery of provincial services and programs.
 - Worked with other ministries to improve capital lifecycle management, including retiring and replacing assets more efficiently and effectively, with the goal of gathering insights on best practices and electronic solutions for managing non-building-related assets.
- Provide clear, objective and evidence-based advice to decision makers and the SaskBuilds Board
 - Continued to enhance the Capital Planning process by focusing on working with client ministries to ensure that the SaskBuilds Board has complete and accurate information when making decisions on capital expenditures.
 - Defined and communicated project delivery requirements and timelines to improve decision-making and project planning.

Performance Measure Results:

Percentage of ministry service standards on target

This ministry has implemented service standards for key client-facing services. The target for 2024-25 is to meet or exceed 70 per cent of service standards.

- The ministry surpassed the target with 85 per cent of service standards either being met or exceeded

Greenhouse gas emissions

The target is to reduce greenhouse gas emissions by 30 per cent in SBP-managed buildings by 2030 to align with the Saskatchewan Growth Plan. The 2020 baseline is 91,250 tonnes of CO₂ and the 2030 target is 61,875 tonnes of CO₂.

- SBP's overall 2024-25 result was 80,337 tonnes of CO₂.

Facility Condition Index (FCI)

FCI measures the condition of the building portfolio managed by SBP and provides the ministry with data to prioritize future investment. According to industry standards, an FCI of less than five per cent is considered good, between five and 10 per cent is fair, between 10 and 30 per cent is poor and over 30 per cent is very poor condition. The target for 2024-25 is five per cent.

- SBP overall FCI in 2024-25 was 6.12 per cent (fair).

2030 Saskatchewan Growth Plan Infrastructure Investment

The ministry is working towards the combined executive government and Crown corporation target of \$30 billion in infrastructure investment by 2030, as outlined in the *Saskatchewan Growth Plan*.

- \$16.7 billion spent as of 2024-25.

Utilization of online government programs and services

The ministry manages SaskAccount for access to online government programs. The number of citizen accounts accessing online services will be measured annually. The targets for 2024-25 are the following:

- Increase the number of individual accounts year-over-year.
 - In 2024-25 the number of individual accounts increased by 15.6 per cent.
- Increase the number of organization accounts year-over-year by 10 per cent.
 - In 2024-25, the number of organization accounts increased by 32.6 per cent.

Percentage of competitions awarded to Saskatchewan companies

The target for 2024-25 is to have 90 per cent of all procurement competitions undertaken by the ministry be awarded to Saskatchewan companies

- During the 2024-25 fiscal year, the ministry awarded more than 650 procurements valued at approximately \$689.5 million.
- 90 per cent of all procurement competitions undertaken by SBP in 2024-25 were awarded to Saskatchewan companies (based on estimated value).

Progress on Goal 2: Exceed client expectations

Strategy: *The approach we took to achieve our goal*

Invest in client relationships

Key Actions: *What we did to get there*

- Proactively engage to understand and adapt to client needs
 - Collaborated with the ministries of Social Services, Health and Corrections, Policing and Public Safety to deliver the Complex Needs Emergency shelters in Regina and Saskatoon.
- Gather and act on feedback from clients to improve services at all levels
 - Delivered the 2024 Client Satisfaction Surveys with 21 service areas surveyed. The survey had nearly 3,900 responses and the ministry achieved a satisfaction rate 83.8 per cent.
 - Tailored the Client Satisfaction surveys to properly reflect the specific client experience rather than providing a one-size-fits-all survey to all clients.

Strategy: *The approach we took to achieve our goal*

Improve client experiences

Key Actions: *What we did to get there*

- Collaborate with clients to increase understanding of their business and to improve our processes
 - Consistently engaged with clients (through meetings, site visits, feedback surveys, etc.) to foster collaboration, which will enable better investment opportunities and management of SBP assets, while also ensuring operational needs are met effectively (i.e., operational agreement reviews, project collaboration, building assessment reviews, etc.).
 - Formed a SaskBuilds Board Governance team to assess current Board processes and address client concerns. This work resulted in an updated Terms of Reference for the SaskBuilds Board and Client Manual that will be rolled on in the 2025-26 fiscal year.
- Clarify and rationalize our processes
 - Met with clients regularly to review SBP's line of services and processes for better integration and alignment of work.
- Define and communicate roles and responsibilities
 - Formalized and implemented a standardized framework for vendor management.
- Proactively engage with Saskatchewan vendors to improve outcomes
 - Conducted market sounding to pre-communicate with potential vendors to gauge interest and gather feedback on major capital projects.
 - Hosted the Government of Saskatchewan Business Expo and Procurement Forum on June 5, 2024, with more than 250 attendees. The forum helped

- prospective suppliers learn about and prepare for upcoming public sector projects and better understand how to bid on procurement opportunities.
- Hosted three Supplier Open House sessions with more than 200 suppliers in Regina, Saskatoon and Prince Albert.

Performance Measure Results:

Overall client satisfaction with ministry services

Overall client satisfaction is measured by compiling the results of our satisfaction surveys for our client-facing services into one ministry-wide number. The target for 2024-25 is to have an overall client satisfaction of 85 per cent or higher.

- Overall, SBP client satisfaction was 83.8 per cent for client-facing services.

2024-25 Improvement and Innovation Highlights

| | |
|-----------------|---|
| <p>1</p> | <p>Waste Diversion Over the past year, waste management strategies have resulted in remarkable improvements to waste diversion in multiple properties across the province. In partnership with the Ministry of Environment, Lloyd Place received an award from the Saskatchewan Waste Reduction Council for achieving a waste diversion rate of 65 per cent (up from 25 per cent in 2013). SBP also received an award from the Saskatchewan Waste Reduction Council for achieving a waste diversion rate of 75 per cent on a construction project in Northern Saskatchewan.</p> <p>SBP increased the number of Building Owners and Managers Association Best-certified facilities that track waste data from 49 to 52. SBP will continue to monitor and action innovative ways to support the reduction of waste diversion.</p> |
| <p>2</p> | <p>Cellphone Recycling SBP provides telecommunication services to ministry and agency clients across the Government of Saskatchewan, including physical assets. SBP leveraged its cellphone recycling program in 2024-25 to collect unused assets and find ways to safely and securely recycle them. Proceeds from the recycling process were directed to the Fresh Start program to support women and children in vulnerable situations.</p> |
| <p>3</p> | <p>Application Portfolio Management Application Portfolio Management is the planning process to manage and optimize the collection of software applications used within government. In 2025-26 SBP will continue to work with ministries to plan appropriate investments that will ensure their applications operate reliably, efficiently and securely. Identification of cost savings as well as opportunities for application modernization are part of this planning process. Services to the citizens and businesses in the province depend on a well-managed application environment.</p> |

Financial Summary

SBP's 2024-25 expenditure budget (appropriation) was \$156.80 million, including \$84.58 million for capital asset acquisitions.

In addition to appropriated funds, a significant portion of the budget for the programs within SBP operates on the principles of shared services and net budgeting, which are set out in The Financial Administration Act, 1993 (the Act). In total, SBP's budgeted funding was \$887.19 million, summarized as:

Actual expenses totaled \$996.70 million, a variance of \$109.51 million compared to the budget. The variance is primarily a result of IT initiatives completed for other ministries and construction projects for external clients. Subvote and program area results are summarized in subsequent pages of the report. In 2024-25, SBP's average full-time equivalent (FTE) utilization was 1,045.1 FTEs, including 50.8 student FTEs.

Expense Summary

The following table outlines information for actual and budgeted results by subvote and program. The table also identifies the amounts allocated to ministries as internal recoveries and amounts charged to clients external to the General Revenue Fund (GRF). Significant variance explanations are provided in the notes.

Ministry of SaskBuilds and Procurement Expense Actuals

| Subvote/Allocation | 2023-24 Budget | 2024-25 Budget | 2024-25 Actual | Variance Over/ (Under) | Notes |
|--|-------------------|-------------------|-------------------|------------------------------|-------|
| Minister's Salary (Statutory) | \$56 | \$56 | \$34 | \$(22) | |
| Executive Management | 830 | 830 | 800 | (30) | |
| Central Services | 9,943 | 9,943 | 9,858 | (85) | |
| Accommodation Services | 574 | 574 | 475 | (99) | |
| Allocated to Services Subvotes | (11,347) | (11,347) | (10,380) | 967 | 1 |
| Subvote Total | \$56 | \$56 | \$786 | \$730 | |
| Property Management (SP02) | | | | | |
| Operations and Maintenance of Property | \$192,858 | \$189,047 | \$204,115 | \$15,068 | 2 |
| Accommodation Costs Incurred on Behalf of the Leg Assembly | 2,961 | 2,961 | 2,961 | - | |
| Program Delivery and Client Services | 18,037 | 18,911 | 21,768 | 2,857 | 3 |
| Property Management Allocated to Ministries | (140,025) | (141,241) | (147,107) | (5,866) | 4 |
| Property Management Charged to External Clients | (62,520) | (66,467) | (66,831) | (364) | 4 |
| Subvote Total | \$11,311 | \$3,211 | \$14,906 | \$11,695 | |

| | | | | | |
|---|------------------|------------------|------------------|-------------------|----|
| Project Management (SP03) | | | | | |
| Custody Facilities | 84,214 | 47,786 | 35,740 | (12,046) | 5 |
| Health Facilities | 207,145 | 331,245 | 360,361 | 29,116 | 5 |
| Parks Capital | 11,400 | 12,500 | 7,192 | (5,308) | 5 |
| Post-Secondary Capital | 10,677 | 9,464 | 4,166 | (5,298) | 5 |
| Other | 800 | 13,825 | 31,766 | 17,941 | 5 |
| Project Management Allocated to Ministries | (303,559) | (70,845) | (71,922) | (1,077) | 5 |
| Project Management Charged to External Clients | (10,677) | (343,975) | (367,303) | (23,328) | 5 |
| Subvote Total | \$- | \$- | \$0 | \$0 | |
| Transportation and Other Services (SP05) | | | | | |
| Vehicle Services | \$28,904 | \$28,904 | \$33,612 | \$4,708 | 6 |
| Air Services | 9,500 | 9,500 | 10,589 | 1,089 | 7 |
| Mail Services | 11,648 | 11,648 | 12,249 | 601 | 8 |
| Telecommunications Services | 331 | 331 | 264 | (67) | |
| Services Allocated to Ministries | (32,613) | (32,613) | (43,708) | (11,095) | 9 |
| Services Charged to External Clients | (17,219) | (17,219) | (10,853) | 6,366 | 9 |
| Subvote Total | \$551 | \$551 | \$2,153 | \$1,602 | |
| Major Capital Asset Acquisitions (SP07) | | | | | |
| Land, Buildings and Improvements | \$6,843 | \$6,843 | \$2,844 | \$(3,999) | 10 |
| Machinery and Equipment | 11,547 | 11,547 | 11,065 | (482) | 11 |
| Office and Information Technology | 42,475 | 66,185 | 50,497 | (15,688) | 12 |
| Remediation of Contaminated Sites | | | - | | |
| Subvote Total | \$60,865 | \$84,575 | \$64,406 | \$(20,169) | |
| Information Technology Office (SP11) | | | | | |
| IT Coordination and Transformation Initiatives | \$26,304 | \$32,694 | \$26,051 | \$(6,643) | 13 |
| Application Support | 6,826 | 6,826 | 7,897 | 1,071 | 14 |
| Interministerial Services | 54,077 | 57,077 | 142,940 | 85,863 | 14 |
| IT Allocated to Ministries | (50,896) | (53,896) | (128,914) | (75,018) | 16 |
| IT Allocated to External Clients | (4,141) | (4,141) | (9,059) | (4,918) | 16 |
| Subvote Total | \$32,170 | \$38,560 | \$38,916 | \$356 | |
| Provincial Archives of Saskatchewan (SP13) | | | | | |
| Provincial Archives of Saskatchewan | 4,330 | 4,330 | 4,330 | - | |
| Subvote Total | \$4,330 | \$4,330 | \$4,330 | \$- | |
| Infrastructure and Procurement (SP14) | | | | | |
| Infrastructure Development | \$12,875 | \$12,510 | \$16,113 | \$3,603 | 17 |
| Priority Saskatchewan | 746 | 746 | 985 | 239 | 18 |
| Single Procurement Service | 6,036 | 6,036 | 5,829 | (207) | 19 |
| Realty and Facility Assessment Services | 6,221 | 6,221 | 2,577 | (3,644) | 20 |
| Infrastructure Allocated to Ministries | - | - | - | - | |
| Subvote Total | \$25,878 | \$25,513 | \$25,505 | \$(8) | |
| Total Appropriation | \$135,161 | \$156,796 | \$151,001 | \$(5,795) | |
| Less: Asset Retirement Obligation Adjusted to Opening Accumulated Deficit | \$- | \$- | \$- | \$- | |

| | | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| Less: P3 Financing Charges Adjusted to Opening Accumulated Deficit | | | | |
| | \$(8,100) | | | \$- |
| Less: Remediation of Contaminated Sites | \$- | \$- | \$- | |
| Less: Capital Asset Acquisition | \$(60,865) | \$(84,575) | \$(64,406) | \$20,169 |
| Add: Capital Asset Amortization | 1,309 | 1,309 | 687 | (622) |
| Total Expense | \$67,505 | \$73,530 | \$87,283 | \$13,753 |

Notes:

- 1 Supplementary Estimates received in SP01 for Collective Bargaining Agreement Increases
- 2 Increase in building operating costs, client requests and land transfer
- 3 Increase due to higher volume of client requests
- 4 Variance in recoveries is a result of increased client requests
- 5 Variance is a result of client demand
- 6 Increase due to higher operating, repair costs and amortization
- 7 Variance due to higher operating costs
- 8 Increase due to higher operating costs and Canada Post labour disruption
- 9 Variance is a result of client demand
- 10 Delay in Land, Buildings and Improvements projects.
- 11 Variance due to aircraft repairs and CVA vehicles
- 12 Variance due to in-year project requirements
- 13 Savings as a result of delayed IT initiatives
- 14 Variance due to higher-than-expected operating costs
- 15 Variance as a result of higher client demand
- 16 Increased recoveries is a result of higher client demand
- 17 Variance due to increase client demand
- 18 Variance due to increased operating costs
- 19 Variance is a result of vacancy management
- 20 Budget utilized within subvote in different allocation

Revenue Summary

The majority of the revenue collected by SBP is related to the provision of commercial activities. The following table outlines information for actual and budgeted revenues.

Ministry of SaskBuilds and Procurement Revenue

| | 2023-24 Budget | 2024-25 Budget | 2024-25 Actual | 2023-24 Budget to Actual | Notes |
|--|-------------------|-------------------|-------------------|--------------------------------|-------|
| | (\$000s) | (\$000s) | (\$000s) | (\$000s) | |
| Transfers from Government Entities and Other Own-source Revenue | | | | | |
| Sales, services and service fees | - | - | (17) | (17) | |
| Transfers from Treasury Board Crown Entities | - | - | (72) | (72) | |
| Other revenues | - | - | (186) | (186) | |
| Commercial Operations | 94,557 | 431,802 | 454,046 | 22,244 | 1 |
| TOTAL | \$ 94,557 | \$431,802 | \$453,771 | \$21,969 | |

Notes:

- 1 Commercial Operations revenue is received from clients that are external to the GRF.

Additional financial information can be found in the Government of Saskatchewan Public Accounts located at <https://publications.saskatchewan.ca/#/categories/893>.