



PUBLIC MINUTES

STANDING POLICY COMMITTEE ON FINANCE

Monday, August 15, 2016, 2:00 p.m.

Council Chamber, City Hall

PRESENT: Councillor T. Paulsen, Chair
Councillor A. Iwanchuk, Vice-Chair
Councillor C. Clark
Councillor R. Donauer
His Worship Mayor D. Atchison (Ex-Officio)

ALSO PRESENT: City Solicitor P. Warwick
CFO/General Manager, Asset & Financial Management
K. Tarasoff
Deputy City Clerk D. Kanak
Committee Assistant K. Kuspira

1. CALL TO ORDER

The Chair called the meeting to order.

2. CONFIRMATION OF AGENDA

Moved By: His Worship the Mayor

1. That the letter from Vaughn Wyant, dated August 12, 2016, requesting to speak, be added to Item 7.1.1; and
2. That the agenda be confirmed as amended.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

3. DECLARATION OF CONFLICT OF INTEREST

4. ADOPTION OF MINUTES

Moved By: Councillor Iwanchuk

That the minutes of the Regular Meeting of the Standing Policy Committee on Finance held on July 18, 2016, be adopted.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

5. UNFINISHED BUSINESS

6. COMMUNICATIONS (requiring the direction of the Committee)

6.1 Delegated Authority Matters

6.1.1 Saskatoon Shines! - Meewasin Legacy (File CK. 180-6)

Moved By: His Worship the Mayor

That the information be received and forwarded to the Meewasin Valley Authority for its information.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

6.1.2 Statement of Work - Review of Operating and Life Cycle Costs in Asset Management Plans and Annual Capital Budget Cycle - PricewaterhouseCoopers LLP (File CK. 1600-12)

Moved By: His Worship the Mayor

1. That the Statement of Work for the Review of Operating and Life Cycle Costs in the Asset Management Plan and Capital Budget Cycle, be approved; and
2. That the 45 unallocated hours in the audit plan (currently designated as unallocated in 2019) be used to cover 45 of the 470 hours in this Statement of Work, with the total hours in each year of the Internal Audit Contract remaining at 1,400.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

6.1.3 Statement of Work - Multi-Year Business Planning and Budgeting Review - Consulting Project - PricewaterhouseCoopers LLP (File CK. 1600-1)

Moved By: His Worship the Mayor

1. That the Statement of Work for a Multi-Year Business Planning and Budgeting Review Consulting Project be approved, with Option Two which contemplates 2 Pilot Areas; and
2. That the Committee allocate funds for this additional internal audit project from the 2016 approved operating budget for internal audit services in accordance with Council Policy No. C02-032, Internal Audit Charter.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

6.1.4 Audit Matter – Saskatoon Land Division (File CK. 1600-24)

A report of Internal Auditors PricewaterhouseCoopers LLP was circulated at the meeting.

Moved By: His Worship the Mayor

1. That the Statement of Work for the internal audit project for the Saskatoon Land Division, be approved;
2. That the Committee allocate funds for this additional internal audit project from the 2016 approved operating budget for internal audit services in accordance with Council policy No. C02-032, Internal Audit Charter; and
3. That the Statement of Work for the proposed internal audit project be signed by the City of Saskatoon as well as the Internal Auditors.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

6.2 Matters Requiring Direction

6.3 Requests to Speak (new matters)

7. REPORTS FROM ADMINISTRATION

7.1 Delegated Authority Matters

7.1.1 Request to Sell City-Owned Property - 811 Melville Street (Files CK. 4215-1, AF. 4214-1 and LA. 4221-016-002)

A request to speak from Vaughn Wyant, dated August 12, 2016, was provided. Phillip Wyant, CFO and Michael Wyant, COO spoke on behalf of The Wyant Group, regarding the proposed terms and conditions for the sale of the property, as provided in the submitted report.

The Administration confirmed that the terms and conditions would apply for Recommendation 2 as well. The Committee discussed the addition of a condition to provide for proposals that are consistent with the surrounding uses.

Moved By: His Worship the Mayor

1. That the Director of Saskatoon Land be authorized to sell Parcel I, Plan No. 102069424, located at 811 Melville Street in the CN Industrial area through an open market (standard terms) approach in compliance with the terms and conditions outlined in the August 15, 2016 report of the CFO/General Manager, Asset and Financial Management Department;
2. That if no offers are received for Parcel I over a 30-day offer acceptance period, the parcel remain for sale over-the-counter until an acceptable market price offer is received;
3. That proceeds from the sale be used to partially fund the construction and land costs associated with building the relocated fire hall on Clarence Avenue South;
4. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal; and
5. That the Standard Terms and Conditions include a condition that the proposals be consistent with the surrounding uses.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

7.2 Matters Requiring Direction

7.2.1 Acquisition of Land for Future Development - Northeast Growth Area (Files CK. 4020-1, AF. 4020-1 and LA. 4020-014-004)

Moved By: His Worship the Mayor

That the Standing Policy Committee on Finance recommend to the August 18, 2016, meeting of City Council:

1. That the Administration be authorized to purchase NE 30-37-04 W3 Ext 52, SE 30-37-04 W3 Ext 0 and SW 30-37-04 W3 Ext 0 comprising of approximately 473.41 acres from Franklin Argue, personal representative for the estate of Bertrand Cathcart, at a purchase price of \$7.9M;
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal; and
3. That the Property Realized Reserve (PRR) be used as the funding source for this purchase, including legal and administrative costs and disbursements.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

7.2.2 Residential Lot Sales - 2016 Single-Family Lot Marketing Options (Files CK. 4110-36 and AF. 4001-0 x 4131-1)

A PowerPoint Presentation was provided by the Director of Saskatoon Land, Frank Long.

Moved By: His Worship the Mayor

That the Standing Policy Committee on Finance recommend to the August 18, 2016, meeting of City Council:

1. That a temporary adjustment to lot payment terms in Council Policy No. C09-006, Residential Lot Sales – General Policy, as outlined in the August 15, 2016 report of the CFO/General Manager, Asset and Financial Management Department, be approved; and

2. That a landscaping and front driveway surfacing rebate program be implemented to encourage sales of single-family lots in inventory and on lots sold by lot draw, both for the period January 1, 2016 to December 31, 2016.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

7.2.3 Incentive Application - Axiom Industries Ltd. (Files CK. 3500-13 and AF. 3500-1)

Moved By: His Worship the Mayor

That the Standing Policy Committee on Finance recommend to the August 18, 2016 meeting of City Council:

1. That the application from Axiom Industries Ltd. for a five-year tax abatement on the incremental portion of taxes at 3603 Burron Avenue, as a result of its expansion in 2016, be approved as follows:
 - 100% in Year 1;
 - 80% in Year 2;
 - 70% in Year 3;
 - 60% in Year 4;
 - 50% in Year 5; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

7.2.4 2016 Corporate Business Plan and Budget - Shaping Our Financial Future - Mid-Year Update (Files CK. 430-72 and CP. 0115-3)

A PowerPoint presentation was provided by the Director of Finance, Clae Hack.

The Committee reviewed with the Administration additional information to be provided in future reports, including investments from provincial and federal governments generated through some projects where debt is incurred and donations received on other projects, as well as information on reserves. The Administration noted that this information is provided in the major capital investments report and will look to incorporating similar information in the overall updates.

Moved By: His Worship the Mayor

That the report of the Acting General Manager, Asset and Financial Management Department and General Manager, Corporate Performance Department, dated August 15, 2016, be forwarded to the August 18, 2016 meeting of City Council for information.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

8. URGENT BUSINESS

9. MOTIONS (notice previously given)

10. GIVING NOTICE

Councillor Clark provided the following Notice of Motion:

"Take notice that at the next regular meeting of the Standing Policy Committee on Finance I will move the following motion:

That the Administration provide a report outlining the carrying costs of the land holdings of Saskatoon Land and include a calculation of the projected carrying costs associated with land purchases going forward. The report should include the gross costs and the net costs that include revenue generated from these land holdings."

11. IN CAMERA AGENDA ITEMS

11.1 Internal Audit Status Report (File CK. 1600-3)

[In Camera - Third Party Information]

11.2 Internal Audit Report (File CK. 1600-3)

[In Camera - Third Party Information]

11.3 Snow and Ice Management Program (File CK. 1600-33)

[In Camera - Third Party Information]

11.4 Land Sales (Files CK. 4215-1, AF. 4131-1 and LA. 4131-4-3)

[In Camera - Economic/Financial - Land]

11.5 Land Matter (Files CK. 4020-1, AF. 4020-1 and LA. 4020-016-001)

[In Camera - Economic/Financial - Land]

11.6 Audit Matter (Files CK. 1610-9 and AF. 1610-1)

[In Camera - Economic/Financial and Other Interests]

11.7 Internal Audit Update (Files CK. 1600-3 and AF. 1600-1)

[In Camera - Audits and Tests]

Moved By: Councillor Donauer

That the Committee move *In Camera* to consider Items 11.1 to 11.7.

In Favour: Councillor Paulsen, Councillor Iwanchuk, Councillor Clark, Councillor Donauer and His Worship the Mayor

CARRIED UNANIMOUSLY

12. ADJOURNMENT

The meeting was adjourned at 2:55 p.m.

Councillor T. Paulsen, Chair

D. Kanak, Deputy City Clerk