

Shaping Our Financial Future

2017

**CORPORATE BUSINESS PLAN
AND BUDGET**

The *2017 Corporate Business Plan and Budget: Shaping Our Financial Future* will guide our investment activities, projects, service levels and performance measures for 2017 with a disciplined and focused approach.

The *2017 Corporate Business Plan and Budget* reflects the priority needs of the community, based on City Council and citizen input.

Shaping Our Financial Future **2017 BUDGET: At a Glance**

- A combined **Operating and Capital Investment** of \$1.1 billion
- **Total Civic Operating Expenditures** of \$477.6 million
 - Including \$459.7 million in *Tax-Supported Operating Expenditures*
- **Land Development Operating Expenditures** of \$4.5 million
- **Total Utility Operating Expenditures** of \$330.0 million
- **Capital Budget Investment** of \$261.9 million



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Message from the Mayor

“We are determined to move forward on our commitment to growing the city in both a sustainable and efficient way well into the future.”

Taking Care of Basics While Planning For the Future

The budget is a culmination of all that we need to provide the quality of life our citizens and guests have come to rely on. It includes items that will help to maintain our existing levels of service while planning for our service and infrastructure needs in the years to come.

While it is a back-to-basics budget in many ways, we are signalling new directions for a city that's ready for the future, incorporating significant changes in the way we're running a number of our core operations – technology, transit, snow and ice management, management of waste, and services for citizens.

As a result of this budget, we will be improving our transit infrastructure, refining transit routes, adding bus shelters, and planning for the Bus Rapid Transit system. Increased investment by Council, combined with funding contributions from the Provincial and Federal Governments, will allow the City to undertake a sidewalk and lead pipe rehabilitation and replacement program that has never been seen before in our city.

In addition to our on-going priority of road maintenance, City Council is also committed to improving our aging playgrounds, helping to ensure that they are there for all citizens to enjoy for years to come. To improve our environment, Council is investing in the Northeast Swale, Recovery Park (to divert waste from our landfill), and plans for energy initiatives. We continue to invest in our social well-being, homelessness, affordable housing, leisure programs and community partnerships.

Impact of Provincial Cuts

In March 2017, three months after the 2017 Budget had been set, the Provincial Government delivered its budget. This budget had a number of changes that were not anticipated or accounted for. They amounted to a total of \$9.4 million in adjustments to the City's originally approved 2017 budget from reduced revenues (\$8.4 million related to the Grants-in-Lieu) and increased expenditures (\$1.0 million due to PST changes). These cuts in revenue came mostly as a result of the removal of Grants-in-Lieu of tax payments from SaskPower and SaskEnergy that had been in place for decades. This created an unprecedented situation for City Council; we had to re-open the 2017 Budget and make changes to account for the Provincial Budget. These changes included a reduction in the budget for civic staff salary increases, an increase in some fines for parking violations, an adjustment to budgeted fuel expenditures, and an increased return in investment from our Water Utility.

These impacts from the 2017 Provincial budget will create further challenges for 2018 and beyond. We are working towards a program to replace the removal of Grants-in-Lieu in favour of a more sustainable and predictable funding relationship with the Provincial Government. We are determined to move forward on our commitment to growing the city in both a sustainable and efficient way well into the future.

A handwritten signature in black ink, appearing to read 'Charlie Clark'.

Charlie Clark
Mayor
2017

I am pleased to present the City of Saskatoon's approved *2017 Corporate Business Plan and Budget: Shaping Our Financial Future*.

Over the last several months, the Administration worked collaboratively and creatively with our new City Council to prepare and table a budget that balances the City's future needs with today's financial realities.

Our decisions are based on key Council priorities, goals set out in the City's 10-Year Strategic Plan, and importantly, extensive consultations with the citizens of Saskatoon. Our citizens told us that we need to invest more resources in our infrastructure, transportation network, emergency services, and other services to maintain Saskatoon's high quality of life. And that's what we are doing.

Through our Capital Budget, we are investing over \$104 million to improve the City's water and wastewater and electrical distribution systems. We are investing almost \$60 million to enhance mobility and safety in the City's vital transportation network.

Through our Operating Budget we are investing an additional \$2.3 million in the Saskatoon Police Service so that it can hire eight new officers to assist in enhancing public safety. And, we added an additional \$1.9 million to help in maintaining and repairing our existing roads and sidewalks. This funding increase will provide a \$60.5 million investment to our road repair and maintenance program, Building Better Roads.

Our *2017 Corporate Business Plan and Budget* was initially approved by City Council in December 2016. At that time, City Council adopted a very solid financial framework that included a 3.89 percent property tax increase. This plan would allow the City to deliver high quality services in an affordable way. However, we also knew that one of our primary funding partners, the Government of Saskatchewan was dealing with some fiscal challenges of its own.

A little over three months after the City's *2017 Business Plan and Budget* was approved, we received news from the 2017-2018 Provincial Budget that long-standing Grants-in-Lieu payments to the City were being eliminated. This decision alone would come to have an \$8.4 million negative impact on the City's 2017 Operating Budget. In addition, changes to the Provincial Sales Tax would provide another \$1 million negative impact to our budget.

In response to this fiscal challenge, City Council struck a balance by approving new expenditure reductions and adopting new revenue measures that would limit any additional property tax increases. The end result saw City Council add another 0.93 percent to the already approved property tax increase.

As the City moves forward with implementing the priorities in the *2017 Business Plan and Budget*, we will also be working with City Council to ensure that future plans and budgets provide a roadmap to achieve long-term financial sustainability. This will be done through careful asset management planning, service level optimization, and multi-year expense and revenue management strategies.

Underlying this process will be our ongoing commitment to Continuous Improvement. Innovation, efficiency, and effectiveness have become fundamental values of the City of Saskatoon's City Council and Administration. Together, we will focus on finding innovative solutions to efficiently use resources to support areas that residents have told us they value most.



Message from the City Manager

"...we will focus on finding innovative solutions to efficiently use resources to support areas that residents told us they value most."

At the same time, we cannot ignore the reality that Saskatoon's population is forecast to grow steadily and strongly over the next decade. Despite our fiscal challenges, we will need to manage and support this growth by investing in the right infrastructure at the right time so that critical assets are in place when we need them. The projects and investments in the *2017 Business Plan and Budget* reflect this reality.

To assist us in addressing this reality, the City prudently utilizes a borrowing strategy to provide the infrastructure that people and business need to thrive. With record low interest rates, partnerships with federal and provincial governments, and most importantly, the City's AAA/Stable Credit Rating, there is no better time to invest in, and shape our future.

Saskatoon is an amazing city and we want to keep it that way. The City of Saskatoon's *2017 Corporate Business Plan and Budget* is achieving what citizens want and need from their city. Despite our fiscal challenges, this plan and budget accomplishes many of the important goals that citizens told us in *Shaping Our Financial Future*.

A handwritten signature in black ink, appearing to read 'M. Totland'.

Murray Totland, P.Eng., MBA

City Manager

2017



Executive Summary

The City of Saskatoon's *Corporate Business Plan and Budget* is one of the most important and essential documents the City creates. It is influenced by many factors and strives to produce important outcomes that make Saskatoon a better city, for both today and tomorrow.

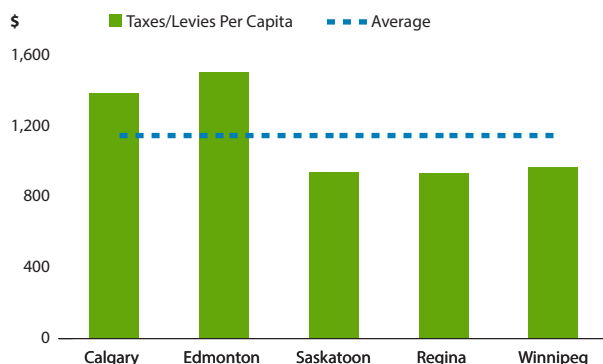
Everyone in Saskatoon has felt the energy of the last decade: a city that is growing and changing rapidly. This energy has been ignited by the thousands of new citizens that the community welcomes warmly every year. It has been supported by offering new amenities, building new neighbourhoods, and reinvigorating old ones.

To sustain this energy, the City of Saskatoon must be disciplined and responsible. It accomplishes this by striking a balance between the investments that the City needs to thrive without placing a heavy financial burden on its citizens.

Over the last decade, the City has implemented an aggressive investment plan, delivering on the infrastructure and program commitments that it has made in previous years. It cannot risk falling behind on fulfilling and maintaining these commitments as it has in previous decades.

And despite the disciplined effort in fulfilling these commitments, the City of Saskatoon collects one of the lowest amounts of property taxes (municipal portion) in Canada, on a per capita basis.

Property Taxes/Levies Per Capita (2016)



The City's approach to fulfilling and maintaining those investment plans, service, and program commitments are the result of a carefully constructed and thoughtful business plan and budget. This approach has been consistently applauded

by independent external agencies such as S&P Global (formerly Standard & Poor's), the world renowned credit rating agency.

Given this framework, the City of Saskatoon's Business Plan and Budget is one of the most important and essential documents the City creates. It is influenced by many factors and strives to produce important outcomes that make Saskatoon a better city, for both today and tomorrow.

The annual Business Plan and Budget is not just about revenues and expenditures. It attempts to reflect what City Council, businesses, residents, and the community value.

Try as it might, the annual Business Plan and Budget cannot accomplish all the great things that this collection of individuals and groups want. Instead, it charts a detailed course that the City will take over the next year, by identifying the projects, programs, and services that it will invest in and deliver to over 260,000 residents.

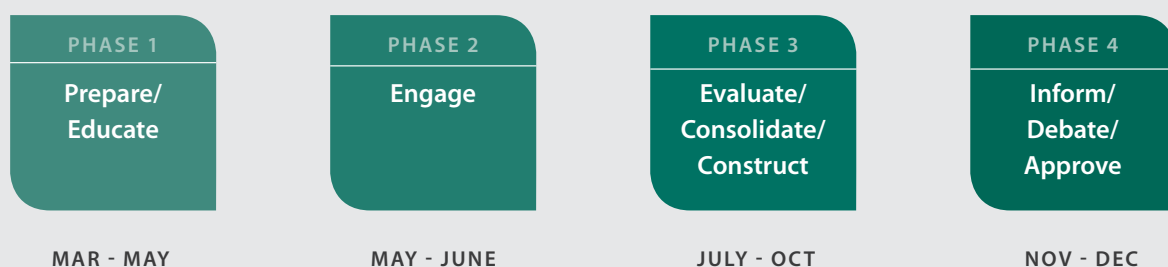
The Business Plan and Budget sets the direction that the Administration will follow to ensure that it meets the strategic objectives of City Council and the daily needs of the people it serves. The process of building the annual business plan and budget contains natural checks and balances to ensure that the path the City takes in *Shaping our Financial Future* is transparent and accountable to the public.

Shaping Our Financial Future – The Process

In April 2015, the City of Saskatoon unveiled an exciting new process to build the *2016 Business Plan and Budget*. Fundamental to this process was the inclusion of an extensive public education and engagement plan to provide the citizens of Saskatoon with the opportunity to help the City in "*Shaping Our Financial Future*".

Because this process was largely viewed as a success by City Council, the Administration and the public, it was generally followed to shape the *2017 Business Plan and Budget*. Thus, at its April 18, 2016 meeting, the Governance and Priorities Committee considered a report from the City Manager

Phases of the "Shaping Our Financial Future" Business Plan And Budget Process



2016

outlining a four-phased approach to the *2017 Business Plan and Budget*.

Page 6 provides an illustration of this process. As the graphic illustrates, a major focus of this process is on public education and engagement.

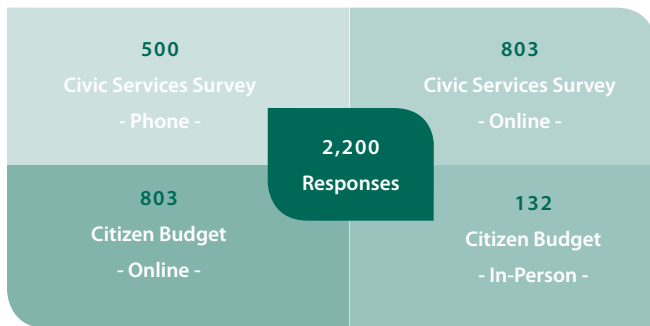
In addition, major engagement opportunities were offered between May and June 2016, and these opportunities included various ways for people to participate: the Civic Services Survey, Online Citizen Budget, and in-person surveys.

In July 2016, a summary report on the public engagement results was tabled with City Council's Governance and Priorities Committee. Subsequently, the Administration took that information and began the process of constructing the *2017 Business Plan and Budget*.

Shaping Our Financial Future – What We Heard

During the public engagement period, the City of Saskatoon received 2,200 consolidated responses – when combining all engagement opportunities – on the *2017 Business Plan and Budget*. This is an unprecedented amount of citizen participation.

Public Engagement Participation



In general, the engagement results reveal that citizens support service level increases and/or spending increases on road maintenance, affordable housing, transit, snow and ice management, and traffic management.

The consolidated engagement results from all activities are highlighted at upper right.

Although the Civic Services Survey asks broader questions about the City's service delivery and performance, it does include questions about the City's budget. More specifically, the survey asks participants to provide their preferred method to pay for City services and balance the City's 2017 Operating Budget. As the lower right table shows, most citizens prefer a combination of user fee and property tax increases to accomplish these outcomes.

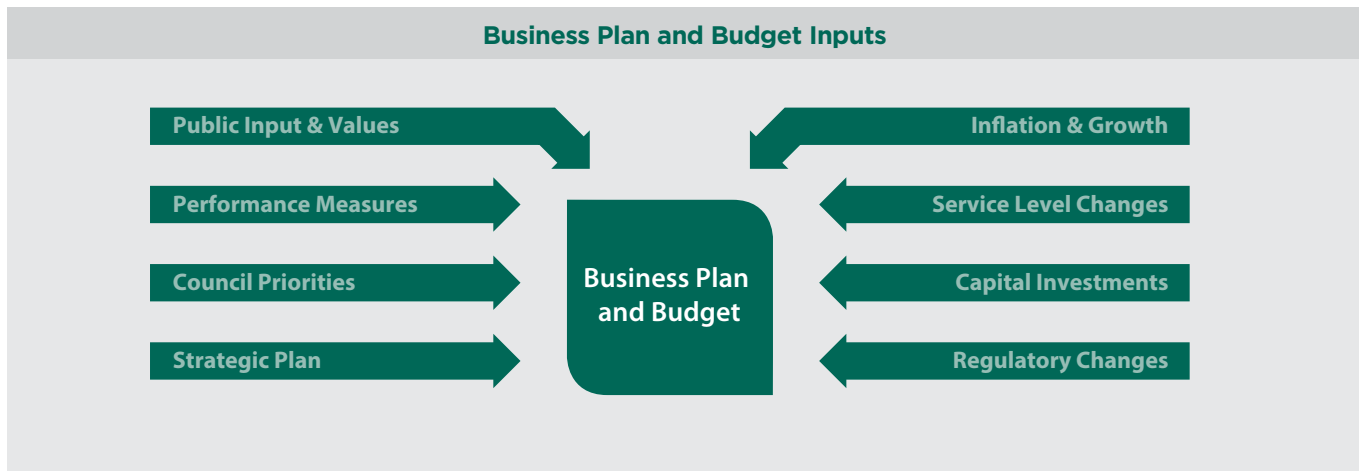
Consolidated Engagement Results 2016

	More	Same	Less	
Road Maintenance	63%	32%	5%	Strong support for more
Affordable Housing	44%	40%	19%	Moderate support for more
Transit	42%	42%	16%	Moderate support for more
Snow & Ice Management	44%	49%	7%	Moderate support for more
Traffic Management	40%	49%	11%	Moderate support for more
Police	33%	51%	16%	About the same
Community Grants	28%	53%	19%	About the same
Recreation & Culture	31%	56%	13%	About the same
Parks	21%	69%	10%	About the same
Garbage & Waste Reduction	19%	72%	9%	About the same
Planning for Growth & Development	33%	27%	41%	About the same or less
Fire	15%	31%	54%	About the same or less

Paying for Services/Budget Balancing 2016

	Telephone	Online
Combination of property taxes and user fee increases	47%	29%
Not sure/Prefer not to say	16%	31%
Reduce service levels / Discontinue a service	17%	18%
Increase existing user fees	10%	7%
Introduce new user or service fee	5%	11%
Increase property taxes	4%	4%

Note: Due to rounding, some results may not add to 100%.



In addition to the extensive and valuable public input, the Administration uses several other related inputs to build the annual Business Plan and Budget. These inputs are illustrated in the graphic above.

The left side of the graphic addresses those strategic, more “bigger-picture” inputs into the Business Plan and Budget. The Strategic Plan, City Council’s Priorities, and Performance Measures all help to provide the strategic direction for the Business Plan and Budget. These are fundamental inputs into the process as they help to ensure that the Business Plan and Budget is following some general strategic objective and not simply the Administration’s “best guess” as to where to allocate the resources.

The right side of the graphic addresses those items that have a greater financial impact on the City’s day-to-day operations. Inflation, growth, service level changes, capital investments, and regulatory changes are more operational inputs that fundamentally impact the expenditures and revenues of the City.

So how does the *2017 Business Plan and Budget* utilize public feedback and other inputs? The subsequent pages in this document show how this public feedback has been integrated into the *2017 Business Plan and Budget*.

Shaping Our Financial Future – What We’re Doing

The City of Saskatoon plays an important role in enabling a thriving business environment and supporting its citizens to enjoy and contribute to building a vibrant community that is highly livable and sustainable now and in the future. This means ensuring the right mix of programs and services are provided by the City, at the right cost.

Every day, the citizens of Saskatoon interact with their municipal government. Unlike other orders of government where the emphasis is on policy and programs, the City focuses on services, facilities, and infrastructure that people rely on as part of their regular routine.

Building, maintaining, and delivering the infrastructure, facilities, and services while achieving important City goals within an affordable budget requires that each dollar is carefully managed and wisely invested.

Planning and Budgeting

The Business Plan helps achieve the City’s long-term goals by focusing on key projects and initiatives that reflect public input and makes Saskatoon great. The allocation of fiscal resources through the Budget is aligned with City Council, the City, and public priorities and designed to drive results as measured through service performance metrics.

Accordingly, the *2017 Business Plan and Budget* advances key City Council and public priorities that continue to make Saskatoon a great place to live, work, and play. The City maintains the wide range of services residents rely on every day. From road maintenance to waste collection, from recreation and leisure programs to police and fire rescue services, from affordable housing to environmental protection, from fighting homelessness to celebrating the arts – the City of Saskatoon delivers all of this and more on a balanced operating budget every year.

Operating Budget

The City of Saskatoon’s operating budget estimates the revenues and guides the spending on civic services and programs. These are essential to the operations of the City and include police, fire protection, snow clearing, pothole repair, public transit, park maintenance, recreation centres, and others.

The operating budget ensures that the City has lifeguards, accountants, bus drivers, detectives, engineers, city planners, bylaw officers, and a variety of other employees who help the City function seamlessly.

The 2017 Civic Operating Budget has two components: (1) total operating and (2) tax-supported operating. The major distinction between these two components is that total

operating includes self-funded services/programs that have no financial implications on the property tax. Examples of these types of services/programs include Golf Courses, Building Permits, PotashCorp Playland and Land Development.

The 2017 budget approved by City Council on December 1, 2016 saw expenditures increase by \$19.0 million (4.3%) while operating revenues increased by \$11.1 million (2.5%), creating a funding gap of \$7.9 million. In order to balance the operating budget and reduce the funding gap to zero, a property tax increase of 3.89% was required in the original budget approved by City Council in December.

The Province of Saskatchewan tabled their 2017-2018 budget on March 22, 2017. The changes included in the Provincial budget had a significant impact on the City of Saskatoon's budget. Changes to the PST and the elimination of Grants-in-Lieu of taxes from SaskPower and SaskEnergy would have meant an additional \$9.0 million (4.45%) would be required from property taxes (in addition to the originally approved 3.89%). However, City Council explored a wide range of options to keep the impact on property taxes as low as possible and reduced this increase to \$1.9 million or 0.93%. Therefore, for 2017, the original funding gap of \$7.9 million plus the \$1.9 million (after City Council made reductions to minimize the Provincial budget impact) resulted in a funding gap of \$9.8 million for a final property tax increase of 4.82%.

After changes were made to accommodate the Provincial funding shortfalls, the City of Saskatoon's 2017 Operating Budget includes:

- Total operating expenditures of \$477.6 million, an increase of \$12.9 million, or 2.8%, over the 2016 approved Operating Budget, including:
 - Tax-supported operating expenditures of \$459.7 million, an increase of \$14.6 million or 3.3%, over the 2016 approved Operating Budget.

The City of Saskatoon does not, nor cannot, budget for a deficit or plan for surpluses. The property taxes and user fees the City collects are required to provide the essential amenities and mix of services that the people of Saskatoon expect from a vibrant, growing city.

To help pay for the City's operations and to ensure the budget is balanced, the 2017 Operating Budget includes a municipal property tax increase of 4.82%. The property tax increase for 2017 will generate an additional \$9.8 million for the City of Saskatoon's Operating Budget, distributed as follows:

- 0.93%, or \$1.89 million due to the reduction in provincial funding
- 1.93%, or \$3.91 million dedicated to the maintenance of roadways
- 1.96%, or \$3.99 million allocated to pay for the expenditure increases associated with all other programs and services, including police.

Capital Budget

When the City builds new recreation centres, buys new buses, constructs new bridges, overpasses and roads, it comes from the Capital Budget. The 2017 Capital Budget supports investment in key infrastructure and improvements like public transit, neighbourhood revitalization, libraries, fire and police protection, new parks and recreation facilities; all benefiting the people of Saskatoon and meeting the needs of a changing city.

The City of Saskatoon's 2017 Capital Budget provides a total capital investment of \$261.9 million. Together, the various projects that make up this total investment aim to meet the objectives outlined in the Strategic Plan and more specifically to:

- Prepare for growth
- Improve mobility
- Enhance public safety
- Increase quality of life
- Protect the environment

To meet those objectives, the 2017 Capital Budget is investing over \$104.0 million to improve the City's water and wastewater and electrical distribution systems. It also invests almost \$60 million to enhance mobility and safety in the City's vital transportation network.

Managing Debt

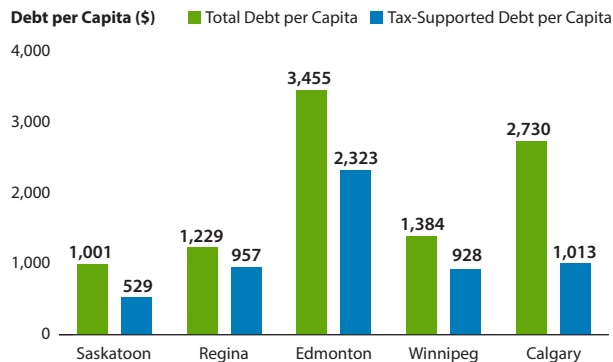
The City of Saskatoon has been growing rapidly. Maintaining existing and creating new public infrastructure is essential to fostering a growing, vibrant economy and is a key factor in attracting and retaining talent and business in Saskatoon. To keep pace, the City must make the right investments at the right time.

In fact, using debt to build roads, bridges, and buildings in the current environment makes good financial sense. With record low interest rates, partnerships with federal and provincial governments, and the City's AAA/Stable Credit Rating, Saskatoon is cautiously borrowing funds to provide the infrastructure that people and businesses need. At the beginning of 2017, Saskatoon's total debt is estimated to be \$338.0 million, well below the City's legislated debt limit of \$558.0 million.

This cautious approach to borrowing ensures that future generations are not overtly burdened by paying for the infrastructure the City builds today. Factually, as illustrated on the following page, Saskatoon has one of the lowest tax-supported debt levels per person in Canada.

However, like a homeowner, the City must determine how much of its revenue can be tied to making debt payments. *The Cities Act* sets the debt limit the City must follow. The City of Saskatoon – by policy – chooses to be more conservative than the Act allows.

Debt Per Capita (2015)



Source: Statistics Canada, July Annual Population Estimates (based on 2011 Census Data), City of Saskatoon Population Projection

As Saskatoon develops and grows, the City needs to be more innovative and more efficient every year, keeping a vigilant eye on the budget to make to ensure each dollar is invested to support current City and resident priorities.

Improving and Innovating

Saskatoon, like other Canadian cities, provides a broad range of services and funds them from a limited set of revenue tools. Given this constraint, the City needs to be vigilant in managing its expenditures so that it can deliver affordable, yet high quality public services. To deliver true value, the City of Saskatoon is committed to constantly reviewing and improving its operations.

Innovation, efficiency, and effectiveness have become fundamental values of the City of Saskatoon's City Council and Administration. Directed by the Strategic Goal of Continuous Improvement, the City has actively developed a culture of innovation and support for innovative practices among all employees.

This culture is motivated by a Continuous Improvement Strategy that enables employees to bring forward innovative and bold ideas on how the City can serve citizens better – and this strategy is working. In 2015, with this commitment to improvement and innovation, the City realized current and future savings of approximately \$183.0 million in taxpayer dollars over the long term.

Thus, focusing on improving effectiveness and efficiency in operations helps ensure affordable and sustainable programs are delivered to citizens. It enables the City to be collaborative and responsive in its growth to half a million people. Continuous Improvement initiatives and the associated savings incorporated into the budget help to reduce potential property tax increases.

The City's efforts to improve and innovate is helping it to support a growing and resilient economy.

Supporting a Healthy Economy

A healthy economy encourages viable businesses, sustainable employment, and helps retain professionals, families, and individuals to live and work in Saskatoon. The City of Saskatoon plays a very small but important role in influencing the local or regional economy.

However, through its annual Business Plan and Budget, the City can potentially play a supporting role by ensuring that important projects, policies, and investments are advanced to maintain or enhance local economic conditions.

As the City prepares to Shape Our Financial Future, it considers and analyzes local, regional, national, and global economic factors. Understanding the necessary economic context allows the City to plan for near-term risks and uncertainties while targeting for long-term financial sustainability and resilience.

The City analyzes economic indicators in the previous and current years (2015 and 2016) so that it has good baseline understanding of what these economic indicators are saying about demographics, employment, wages, and investment. The Saskatoon Strategic Trends 2016 document provides a comprehensive review of the important economic indicators for 2015 and 2016 (and years past). Briefly, this document reveals that:

- After five years of annual average population growth of 2.5%, Saskatoon's population grew by 2% in 2015.
- Saskatoon's population is expected to grow by a similar rate as in 2016.
- After five years of annual average economic growth of 6%, Saskatoon's economy declined by 0.4% in 2015, due to falling commodity prices.
- Saskatoon's economy is expected to grow by 1.7% in 2016.

The City also looks ahead two or three years by conducting and considering various economic forecasts over this planning horizon. Although this horizon can be described as uncertain and constantly changing, Saskatoon's economic fortunes are forecast to improve in 2017.

Economic Indicators				
	2016	2017f	2018f	2019f
Real GDP (2007 \$ millions)	17,057	17,329	17,723	18,153
% Change	(1.7)	1.6	2.3	2.4
Total Employment (000)*	168.4	171.3	173.2	175.7
% Change	(0.7)	1.7	1.1	1.4
Unemployment Rate (%)*	6.9	6.9	6.7	6.5
Population (000)	315.1	323.4	329.5	336
% Change	3.2	2.6	1.9	2.0
Housing Starts (units)	1,909	1,598	1,762	1,937
Retail Sales (\$ millions)	6,920	6,962	7,114	7,287
% Change	3.5	0.6	2.2	2.4
CPI (2002 = 100)	133	134	137	140
% Change	1.2	1.4	2.2	2.1
*Source Conference Board of Canada (Saskatoon CMA data)				

of the important things that citizens told us in *Shaping our Financial Future*.

In supporting one of Canada's great cities and vibrant economies, the City will continue to deliver value to citizens. With thousands of new residents joining us every year, providing quality services, vibrant facilities and properly maintained infrastructure is crucial to sustaining that energy.

Conclusion

In the following pages of this document you will find how the City of Saskatoon, through the direction of City Council and the insight of its citizens, provides everyday value to the over 260,000 people that it serves.

The City is achieving its priorities, accomplishing its plans, and tracking its performance. The City's ongoing investments in public infrastructure, like bridges and overpasses, are more safely and efficiently connecting people to one another. Better roads and an improving transit system, coupled with enhanced cycling and pedestrian facilities, are helping people get to where they need to, however they choose.

The City's plans and budget are supporting a diverse and resilient economy that attracts talent and investment. The City is committed to making environmental sustainability a priority by investing in its water systems, electrical distribution network, and climate change mitigation strategies. It is focused on continuous improvement by providing value and innovation in the services that it delivers.

In this uncertain economic climate, the City is striking a balance by investing in key priorities while practicing good fiscal management and restraint. Because of this balanced approach, not all of the City's or the public's priorities can be funded right now.

That said, the City of Saskatoon's *2017 Business Plan and Budget* is achieving what the citizens want and need from their City. And while the City cannot satisfy the demands of all, it is very proud to say that it attempts to accomplish many

Highlights of the 2017 Corporate Business Plan and Budget

How were the public engagement results and the other inputs integrated into the *2017 Corporate Business Plan and Budget*?

Based on the public engagement results and the direction established in the City's Strategic Plan, City Council Priorities and Performance Measures, the *2017 Corporate Business Plan and Budget* includes:

- A combined Operating and Capital Investment of **\$1.1 billion**
- Total Civic Operating Expenditures of **\$477.6 million**
 - Including **\$459.7 million** in Tax-Supported Operating Expenditures
- Land Development Operating Expenditures of **\$4.5 million**
- Total Utility Operating Expenditures of **\$330.0 million**
- Capital Budget Investment of **\$261.9 million**
- An increase of **4.82%** required from property taxes, distributed as follows:
 - **1.93%** increase for the Building Better Roads Program
 - **0.98%** increase for the Saskatoon Police Service
 - **0.17%** increase for Fire Protection
 - **1.74%** increase for remaining City Operations

The City is committed to providing the services that matter most to citizens and to high standards of performance. The Continuous Improvement (CI) Strategy supports the long-term strategy to focus on the use of innovative and creative means to identify and implement workplace efficiencies, resulting in higher levels of service and reduced costs.

The CI Strategy is a formalized approach to identifying opportunities to improve the overall efficiency and effectiveness of the organization and includes three key components:

- Annual Civic Service Reviews (CSR)
- Internal Process Reviews (IPR)
- Capacity Building

Focusing on improving effectiveness and efficiency in operations helps ensure affordable and sustainable programs are delivered to citizens and enables the City to be collaborative and responsive in its growth to half a million people.

The *2017 Corporate Business Plan and Budget* incorporates approximately \$1.5 million in operational efficiencies and continuous improvement initiatives into the budget to help reduce the mill rate.

More specifically, the *2017 Corporate Business Plan and Budget* includes:

- A combined investment of approximately **\$60.5 million** to improve road conditions, through the City's Building Better Roads program.
 - The Building Better Roads program – which started in 2014 – has progressively added more resources to Saskatoon's road network and related services, including snow and ice clearing and street sweeping.
 - The investment for 2017 is about \$1.9 million higher than in 2016, and approximately \$26.2 million more than when the program started.
- An increase to the Police Budget of **\$2.3 million**, or 2.8% over 2016.
 - This includes funding for eight new officers to improve the police presence throughout the city.



The 2017 Corporate Business Plan

The City's business planning and budgeting process follows a framework that allows the City to be more adaptive and responsive to the changing dynamics in the city, the province, and the country.

Introduction

The *Corporate Business Plan and Budget* includes initiatives and projects that are aligned with the *2013-2023 Strategic Plan*. It will guide investments, projects, and service levels that the City will implement and achieve over the course of 2017. The budget provides financial plans to support the Business Plan and must consider competing requirements. Most importantly, the budget balances the increased costs of maintaining existing services and the requirements of a growing city with available funding and resources.

This Business Plan outlines City Council's priorities, strategic risks, performance measures, strategic and service outcomes, and planned initiatives for 2017 within the following 13 business lines:

- Arts, Culture and Events Venues
- Community Support
- Corporate Asset Management
- Corporate Governance and Finance
- Environmental Health
- Fire Services
- Land Development
- Policing
- Recreation and Culture
- Taxation and General Revenues
- Transportation
- Urban Planning and Development
- Utilities

The City's planning process ensures resources are provided to priority programs and services. Funding is tied to clear and achievable outcomes. The operating and capital budgets are integrated for effective resource management and to clearly show the total resources allocated for programs and services. In addition, this process provides a framework, which allows the City to quickly adapt and respond to the changing municipal, provincial, and federal environments.

Strategic Direction of the Business Plan and Budget

The 10-Year Strategic Plan

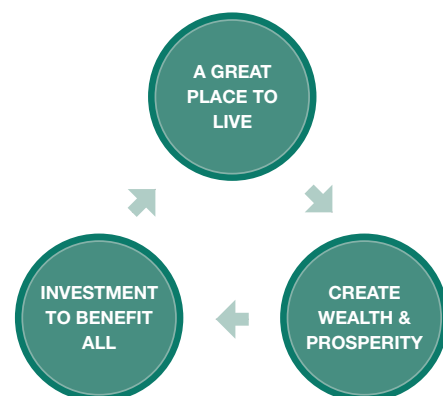
Developed with input from the Community Visioning process, the City's *2013-2023 Strategic Plan* outlines what is important in the near term and where the City of Saskatoon needs to focus its energy. It includes an overarching Mission, Values, and Leadership Commitments which define how the City conducts business and empowers its employees to embrace change.

For each of the seven strategic goals included in the Strategic Plan, outcomes are outlined through the annual Corporate Business Plan and Budget process to ensure that the City is continuously progressing towards achieving the goals. The City will continue to monitor performance as it brings Saskatoon's collective community vision to life.

Our Vision

Saskatoon is a great place to live, where sustainable growth enables the community to invest for the benefit of all.

In 2030, Saskatoon is a world-class city with a proud history of self-reliance, innovation, stewardship, and cultural diversity. Saskatoon is known globally as a sustainable city loved for its community spirit, robust economy, cultural experiences, environmental health, safety, and physical beauty. All citizens enjoy a range of opportunities for living, working, learning, and playing. Saskatoon continues to grow and prosper, working with its partners and neighbours for the benefit of all.



Our Mission

The City of Saskatoon exists to provide excellent local government through leadership, teamwork, partnership, and dedication to the community. We will be innovative and creative in the efficient and effective delivery of public

services for the economic, environmental, social, and cultural well-being of the community. Our mission statement describes why our corporation exists, who we serve, and what services we provide. The City's Business Lines link to the services we provide our citizens.

Our Strategic Goals

The purpose of the Strategic Goals, as identified in the *2013-2023 Strategic Plan*, is to emphasize the areas that the community and City Council have identified to realize the vision and accomplish the mission over the next 10 years.

Our Values

Our Strategic Goals will be achieved through the talent, creativity, and commitment of staff who demonstrate our five workplace values every day:

- Trust
- Integrity
- Respect
- Honesty
- Courage

Our Leadership Commitments

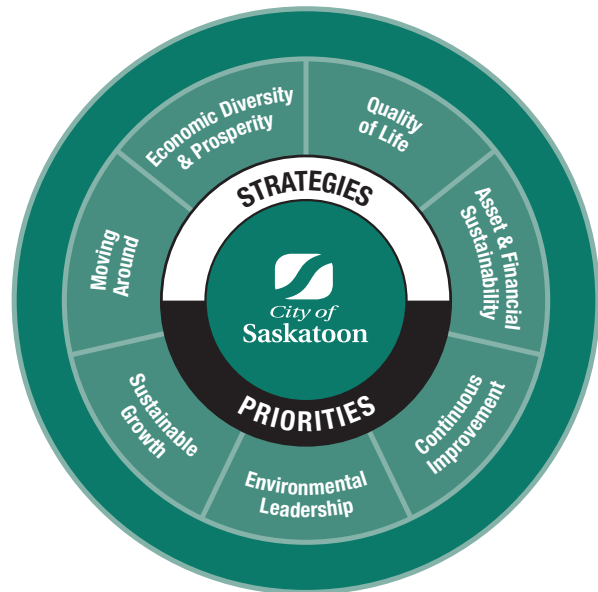
The City of Saskatoon's leadership commitments are another critical ingredient that helps to accomplish the vision and mission. We value and need people who demonstrate our four leadership commitments throughout their daily activities and in a manner that helps to achieve the Strategic Goals:

- **Reliable and Responsive Service**
As leaders, we are proud to serve the public.
- **Strong Management and Fiscal Responsibility**
As stewards, we lead.
- **Effective Communication, Openness and Accountability**
As leaders, we do what we say.
- **Innovation and Creativity**
As leaders, we generate new ideas.

4-Year Priorities and 10-Year Strategies

The *2013-2023 Strategic Plan* charts a clear course for the next several years and provides a focus for new ideas and initiatives. At the beginning of their term in 2013, City Council identified a number of priorities that were important to achieve the goals and implement strategies within the Strategic Plan.

At the end of City Council's four-year term, 86.5% of the priorities are complete or nearly complete, 11.5% are in progress and 1% (one priority) was deferred and did not start within the four-year term. Longer term initiatives that continue to be a priority for City Council and are currently in progress or nearly complete will be included in a 2017 update



of the Strategic Plan to reflect the 4-year priorities of the new City Council.

The *2017 Corporate Business Plan and Budget* is organized by business lines bringing together similar services which are identified as service lines (programs within the major business lines). Each of the 13 business lines included in the Corporate Business Plan and Budget align with the City's Strategic Plan and form the path the City will take over the next year. Individual business lines identify the Strategic Goal(s) which it serves, and incorporates the major initiatives planned for the coming year.

The major initiatives to be implemented address one of three areas of focus:

- City Council's 4-year priorities which support the Strategic Plan.
- Strategic risks identified by the business line.
- Corporate performance measures aligned with Strategic Goals.

Upon approval of the business plan and budget, action plans are developed and/or implemented to move the initiatives from planning to action. An evaluation done at the end of the year provides a status update on the 4-year priorities, strategic risks and performance measures. As an example, Service Saskatoon addresses all three areas of focus with a strategic outcome of improving overall citizen satisfaction with civic services.

Our Coordinated Approach to Service Delivery

Service Saskatoon was officially launched on April 6, 2016. This new customer service model is built on four pillars: Citizen Input, Staffing, Systems and Standards.

Providing good customer service is identified in the *2013-2023 Strategic Plan* as both a 10-year strategy and 4-year priority outlined under the Strategic Goal, A Culture of Continuous Improvement. However, the City is making a new commitment to improve the delivery of customer service.

Excellent service delivery includes taking a citizen-centered approach, providing personalized access, having skilled people committed to service excellence, engaging citizens to improve service outcomes, and employee engagement. It's about helping citizens connect to the right people and information they need from the City – quickly, easily, and seamlessly.

The goal is to eliminate the guess work for citizens when they are trying to find information about programs or services, or to request a service. Service Saskatoon isn't about a single division or department; it's about working cooperatively to provide better service. It involves a City-wide shift in the delivery of front-line services, response to requests, and improvement of services into the future.

Outcomes and initiatives supporting the four Service Saskatoon pillars have been included within the business lines in the *2017 Corporate Business Plan and Budget*. Service

Outcomes highlight the desired result for services and programs delivered by each business line. Strategic Outcomes align the initiatives within the business line to City Council's priorities, the corporate performance targets and/or strategic risks that may impact the City.

Key Strategic Outcomes related to Service Saskatoon include:

- Define service levels and develop funding strategies for key civic assets and services.
- Increase opportunities through provision of accessible facilities and amenities.
- Civic facilities, programs, and services are accessible to all demographics.
- Improve citizen satisfaction with civic services.

The City continues to find ways to engage citizens and employees to improve our customer service. A new Citizen Advisory Panel was created in 2016, and has over 1,500 citizens who have signed up to provide input on civic services. Several accomplishments relate to all four pillars of Service Saskatoon in 2016, and 2017 is shaping up to be another great year!

For more information on Service Saskatoon or to sign up to be part of the Citizen Advisory Panel, visit saskatoon.ca/servicesaskatoon.



Our Performance Improvement Plan: *Making Strides Towards The Strategic Goals*

Performance measures are a way of monitoring progress toward achieving the City's Strategic Goals, and determining whether the investments are achieving the intended results.

The City's 25 Corporate Performance Measures include 19 targets it is working to achieve and six indicators that it is watching to evaluate progress towards corporate goals. Of the 19 targets, 13 are long-term targets and six are annual targets. Long-term targets aim for goal achievement by 2023 or later, whereas, annual targets are intended to be achieved each year.

Early in 2015, approximately 500 citizens, stakeholders, and staff provided feedback to proposed measures and investment priorities. The adopted measures have been used as inputs to guide decisions in the 2017 Business Planning and Budget Process.

Progress will be regularly monitored and the necessary adjustments will be made to keep the City on the right track. A thorough performance measurement program will contribute to the City's Strategic Goal, a Culture of Continuous Improvement.

In May 2015, the City launched Saskatoon's *Performance Improvement Plan – Making Strides* to improve transparency by providing citizens with an overview of the City's progress and performance toward our strategic goals and targets, along with actions to deliver quality programs and services through continuous improvement. The *Our Performance* webpage on the City's website has three components:

The Performance Dashboard presents a snapshot of progress towards our targets, along with graphs, areas where we are succeeding, areas where we need to improve, and strategies to help us achieve our goals.

The **City Spotlight** highlights progress and achievements of divisions, teams and individuals in helping the City reach greater efficiency, savings and improvements to service.

Saskatoon: A Great Place for Special Events

Armed with the results from an internal review process, this Division could see the potential to make a significant contribution the City's Strategic Goals, including: *Quality of Life and Continuous Improvement*.

November 21, 2016 - 10:55am



The **Latest Strides** provide updates for citizens and staff on achievements that move us toward our goals.



2017 will see continued investment in water, wastewater and roadway infrastructure ensuring this work is coordinated will save about \$1.4 M.

February 21, 2017 - 2:22pm

Each business line identified initiatives to move towards the corporate performance targets. Projects supporting the City's performance measures are highlighted in the business line overviews and linked to the appropriate Strategic Goal – although some initiatives may impact several performance measures and goals.

Dashboards are used to highlight the City's progress on the performance measures.



Watching if the measure is being monitored as an indicator of progress.

- No target has been set because the City does not have direct influence on achieving a target.



On-Track if one or more of the following:

- Annual target has been met
- Improvement from the previous year.
- Minimal change is needed to achieve the target.



Neutral if one or more of the following:

- No new numbers
- No change or relatively small change from previous year or from baseline.
- Moderate change is needed to achieve the target.



Needs Improvement if one or more of the following:

- Annual target has not been met by a significant amount.
- Adverse change from baseline and from previous year.
- Significant change is needed to achieve the target.

Our Performance Measures

The boxes below provide one example for each Strategic Goal to highlight the connection between City Council's priorities, strategic outcomes, initiatives and the City's progress on these performance targets. For detailed information on performance measures, council priorities, strategic outcomes, and initiatives please refer to the business line overviews in the 2017 Approved Operating and Capital Budget.

Quality of Life



Performance Measure: Increase visits to City recreation and cultural facilities to 6,600 visits/1,000 residents and that the rate of increase in visits keeps pace with the projected growth rate.

Council Priority: Build a leisure centre located within core neighbourhoods.

Strategic Outcome: Increase recreation opportunities through provision of recreational facilities and amenities.

Moving Around

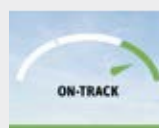


Performance Measure: Increase ridership to 62 rides per capita.

Council Priority: Establish rapid mass transit corridors for Saskatoon to guide investment, transportation, and urban planning decision making.

Strategic Outcome: Improve transit ridership.

Culture of Continuous Improvement

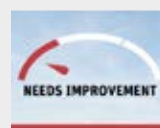


Performance Measure: Overall satisfaction with civic service of 90% or more.

Council Priority: Begin the process of implementing Service Saskatoon.

Strategic Outcome: Citizens are able to easily access information to programs and services when and how it is most convenient for them.

Environmental Leadership



Performance Measure: Divert 70% of waste from the Saskatoon Landfill.

Council Priority: Promote and facilitate city-wide composting and recycling to reduce the rate and volume of waste sent to the landfill.

Strategic Outcome: Improve waste diversion performance.

Asset and Financial Sustainability

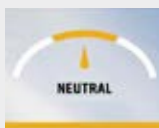


Performance Measure: Maintain key civic infrastructure at annual "B" service level.

Council Priority: Establish levels of service for rehabilitation of assets and supporting financial strategies.

Strategic Outcome: Civic facilities and infrastructure are adequately funded and meet agreed upon standards.

Sustainable Growth



Performance Measure: On a five-year rolling average, at least 25% of residential development is in infill neighbourhoods.

Council Priority: Implement the Growth Plan to Half a Million.

Strategic Outcome: Growth and development ensure Saskatoon is a healthy and sustainable community; balancing the environmental, social and economic needs of the community and region.

Economic Diversity and Prosperity



Performance Measure: A minimum one-year inventory of land for single family units, a two-year inventory of land for multi-family units, and a two-year inventory of industrial land.

Council Priority: Create "complete communities" in new neighbourhoods and existing neighbourhoods that feature employment opportunities, main streets, suburban centres, and greater connectivity, both internally and externally.

Strategic Outcome: Develop or implement Local Area, Concept, and Sector Plans.

The City will continue to keep citizens informed of the progress it is making towards achieving the targets and whether the City's investments are achieving their intended objectives through the *Our Performance* webpage at saskatoon.ca/strides.

Providing Efficient, Effective, Accountable and Transparent Civic Government

The City is committed to providing the services that matter most to citizens and to high standards of performance. The Continuous Improvement (CI) Strategy supports the long-term strategy to focus on the use of innovative and creative means to identify and implement workplace efficiencies resulting in higher levels of service and reduced costs.

The CI Strategy is a formalized approach to identifying opportunities to improve the overall efficiency and effectiveness of the organization. The CI Strategy includes three key components: Annual Civic Service Reviews (CSR), Internal Process Reviews (IPR), and Capacity Building.

The CSRs and IPRs identify opportunities to improve customer service, control expenditures, and to seek efficiencies in the delivery of municipal programs and services, examining all aspects of the service under review to ensure that every dollar is wisely spent. Options and recommendations are identified that address three service delivery questions:

- 1. Citizen-centric Service:** Would service changes improve service to citizens?
- 2. Effectiveness:** Would changes to the service help to achieve greater results within currently available resources?
- 3. Efficiency:** Would changes to the current method of service delivery reduce the total cost?

The following services and/or programs were reviewed in 2016:

- Commercial Building Permit Process
- Fleet Services – Business Model
- Urban Forestry – Tree Inventory and Maintenance Services
- Police Fleet Business Model, Staffing, and Space
- Customer Service at Public Works (will continue in 2017)
- Corporate Payroll
- Creating New Utility Accounts
- Fire Prevention Services
- Project Services – Capital Project, Interior Design, and Demolition Processes
- Recycling Services – Adding/Stopping Service

Reviews involve the identification of current processes to create a common understanding of how the service is being delivered. The teams also define how the service will be delivered in the most effective and efficient way possible to meet citizen expectations, determine the change in resources required to deliver the new service in comparison to the current service, and identify the savings.

Teams involved in the CSR/IPRs include representation from several civic divisions and provide an opportunity for collaboration and sharing of ideas for best practice solutions.

Increased communication and collaboration across divisions is proactively eliminating issues and improving service to citizens.

Improved planning on the front end of civic projects ensures that all internal and external stakeholders are following the same standards and collaborating to deliver citizen-friendly programs and services.

Employee and citizen involvement and engagement are critical to the success of the CI Strategy. Innovation coaches from each department foster innovation and creativity within all levels of the organization through the use of a five-step structured innovation process; building capacity within each department to assist in driving change.

CI initiatives are outlined annually in each business line overview and progress is tracked throughout the year. As the name suggests, continuous improvement is an ongoing effort to improve services, programs or processes. CI initiatives will result in incremental improvements that will be realized over time as well as breakthrough improvements with immediate identification of savings and/or service level enhancements.

The standard has been set very high. With a vision of being the best-managed city in Canada, the City of Saskatoon's focus on continuous improvement means continuously exploring and implementing new ways to improve service, increase savings, and grow our city in a sustainable way.

Focusing on improving effectiveness and efficiency in operations helps ensure affordable and sustainable programs are delivered to citizens and enables the City to be collaborative and responsive in its growth to half a million people. Continuous improvement initiatives and the associated savings incorporated into the budget help to reduce the mill rate.

Saskatoon Strides - 2015 Report on Service, Savings and Sustainability demonstrates that the City is working hard to achieve its vision of being the best managed city in Canada.

- We have improved our service in many ways, from building better roads and rehabilitating sidewalks, to implementing FlexParking pay stations downtown, to lowering prices at Leisure Centres, to opening the new outdoor children's park PotashCorp Playland at Kinsmen Park.
- With a sustained focus on innovation and continuous improvement, we realized savings of approximately \$183 million in taxpayer dollars over the long term.
- We continued to grow the City in a sustainable way by implementing initiatives that reduced greenhouse gas (GHG) emissions by 94,000 tonnes CO₂e per year – the equivalent of taking 19,000 cars off Saskatoon's roads.

- Civic programs also diverted approximately 32,000 tonnes of waste from the Saskatoon Landfill, contributing to GHG emission reductions and extending the life of the landfill.

Risk-Based Management Framework

Growth and development involves risk. Providing services to citizens also involves risks. It is important to ensure risks are managed. As a result, the City is implementing a Risk-Based Management System (RBM) that will assist the Administration to enhance intelligent risk performance in all areas of operations, ensuring continuous improvement in the way the City is managed.

RBM will assist business, budget, and strategic planning by developing an efficient, coordinated, and effective way to ensure that corporate risks do not derail the achievement of corporate goals and plans. The program will also assist departments to develop systems that help increase awareness of departmental risk and its impacts, and the options for dealing with risk.

This formalized approach to risk assessment and management promotes a proactive approach rather than reactive response and enables action prior to the occurrence of risk. An effective risk management program helps to:

- Achieve organizational objectives;
- Improve financial and operational management;
- Strengthen the planning process;
- Increase management accountability; and
- Enhance strategic decision making to mitigate risk.

Saskatoon, like all rapidly growing cities, faces both operational and strategic risks which can negatively impact the successful delivery of services and achievement of corporate goals. Operational risks are generally the result of adopting the wrong strategy, failing to execute a well thought-out strategy or not modifying a successful strategy over time to reflect changes in the business environment. Strategic risks, on the other hand, result in a lack of achievement of strategic goals or overall objectives and are associated with initial strategy selection, execution or modification over time.

Risks must be recognized in any organization before they can be managed. In 2015, a Strategic Risk Assessment was conducted with City Councillors and staff from around the organization to identify key strategic risks. An evaluation of each risk incorporated ratings for likelihood and impact and was presented to City Council. Risks were given a rating of high, moderate or low.

In 2016, risk registers were presented to the Standing Policy Committee on Finance for risks rated as high or moderate. Risk registers involved the standardized collection and reporting of the key characteristics of risks, including root

causes, impacts, current mitigation activities, and planned mitigation strategies. Understanding these factors for each significant risk ensures the development and adoption of an effective risk response.

As an example, one high risk for the City is that citizens are disengaged and uninformed. The key impacts of this risk are unrealistic expectations, an expectation gap, citizen dissatisfaction, and perception of less transparency and accountability. The outcome of managing this risk is that citizens actively and effectively participate in processes that result in better decisions that are trusted, transparent, and more widely accepted.

In order to mitigate, or minimize this risk, the City has undertaken a number of initiatives:

- Online engagement tool launched in 2014
- Online Citizen Budget tool
- New website launched in 2015
- Blue pages and website phone numbers updated
- Free public WiFi offered in civic facilities

Additional strategies planned for 2016-2017 to help mitigate the risk of disengaged and uninformed citizens include:

- Develop a strategy for a new engagement process
- Create a new online citizen panel
- Pursue additional techniques to increase participation
- Launch a communication strategy regarding the City's engagement and information sharing initiatives
- Coordinate and integrate citizen engagement based on subject matter and geographic similarities for ease of citizen access

The business line overviews within this document highlight strategic risks that may impact successful completion of strategic and service outcomes. Initiatives to help mitigate the risks are included within the business line overviews.



Summary of the 2017 Operating and Capital Budgets

IN MEMORIAM

The City of Saskatoon provides the infrastructure and delivers several programs and services necessary to improve the city's high quality of life. Roads, bridges, pathways, and public transit that move people; police, bylaws, and fire services to keep people safe; parks, waste management, and drainage to keep neighbourhoods clean and healthy; and social programs and leisure activities to make Saskatoon a great place to live, work, and visit. These core areas reflect the top priorities of the City of Saskatoon and the public it serves.

The 2017 budget approved by City Council on December 1, 2016 saw expenditures increase by \$19.0 million (4.3%) while operating revenues increased by \$11.1 million (2.5%), creating a funding gap of \$7.9 million. In order to balance the operating budget and reduce the funding gap to zero, a property tax increase of 3.89% was required in the original budget approved by City Council in December.

The Province of Saskatchewan tabled their 2017-2018 budget on March 22, 2017. The changes included in the Provincial budget had a significant impact on the City of Saskatoon's budget. Changes to the PST and the elimination of a Grant-in-Lieu of taxes from SaskPower and SaskEnergy would have meant an additional \$9.0 million (4.45%) would be required from property taxes (in addition to the originally approved 3.89%). However, City Council explored a wide range of options to keep the impact on property taxes as low as possible and reduced this increase to \$1.9 million or 0.93%. Therefore, for 2017, the original funding gap of \$7.9 million plus the \$1.9 million (after Council made reductions to minimize the Provincial budget impact) resulted in a funding gap of \$9.8 million for a final property tax increase of 4.82%.

To achieve the City's priorities, the City of Saskatoon prepares an annual business plan and budget that allocates the financial, human, and technological resources to infrastructure and various programs and services. In terms of the budget, the City of Saskatoon generally produces two distinct types of Budgets each year: (1) Operating and (2) Capital.

The City of Saskatoon's Operating Budget allocates the costs for civic services and programs that the people of Saskatoon rely on each and every day. It also matches the sources of revenue to pay for those services, including property taxes, user fees, licenses, and government grants.

The City's 2017 Operating Budget has two components: (1) total operating and (2) tax-supported operating. The major

distinction between these two components is that total operating includes self-funded services/programs that have no financial implications on the property tax. Examples of these types of services/programs include Golf Courses, Building Permits, Business Licenses, and Land Development.

The tax-supported component, by contrast, includes those services/programs that have financial implications on the property tax. Although some of these programs/services may not be funded exclusively by the property tax, they do receive some level of tax support. Access to recreation facilities and public transit are a couple of services that are paid for by both user fees and property taxes and are included in the tax-supported expenditures.

Given this distinction, the 2017 Operating Budget includes:

- Total operating expenditures of \$477.6 million, an increase of \$12.9 million, or 2.8%, over the 2016 approved Operating Budget, including:
 - Tax-supported operating expenditures of \$459.7 million for 2017, an increase of \$14.6 million or 3.3%, over the 2016 approved Operating Budget.

Tax-supported operating expenditures represent 96.2% of total operating expenditures in 2017.

As required by *The Cities Act*, the City of Saskatoon must pass a balanced operating budget each year. In other words, the legislation mandates that the City cannot budget for an operating surplus or deficit, unlike federal and provincial governments. As a result, the City collects the necessary amount of property tax required to balance the budget after applying all other revenue sources. If a revenue gap exists, then the property tax increase fills this gap. This point is illustrated in the equation below.

To help pay for the City's operations and to ensure the budget is balanced, the 2017 Operating Budget includes a municipal property tax increase of 4.82%. In 2017, 1% of the property tax is equivalent to \$2.03 million. Thus, the property tax increase for 2017 will generate an additional \$9.8 million for the City of Saskatoon's Operating Budget. The additional property tax revenue that is collected will be distributed as follows:

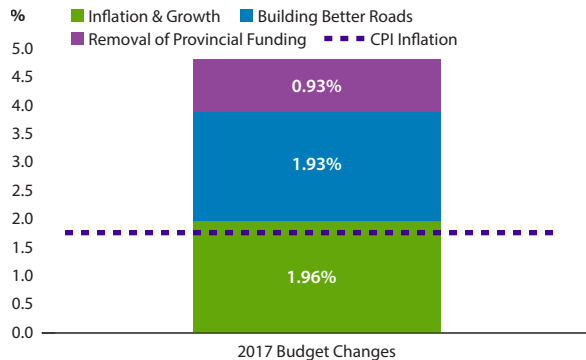
- 0.93%, or \$1.89 million due to the reduction in provincial funding
- 1.93%, or \$3.91 million dedicated to the maintenance of roadways

The Balanced Operating Budget Equation



- 1.96%, or \$3.99 million allocated to pay for the expenditure increases associated with all other programs and services, including police.

2017 Operating Budget Change



More details on the 2017 Operating Budget, including the property tax increase, is provided in the 2017 Operating Budget section of this document.

In contrast to the City's Operating Budget, the City of Saskatoon's Capital Budget provides the investments in hard infrastructure. This includes the construction of buildings (like recreation centres and libraries), transportation assets (like new roads and bridges), and neighbourhood infrastructure (like sidewalks and water lines).

For 2017, the City of Saskatoon is investing \$261.9 million in various capital projects. This is an increase of approximately \$33.2 million, or 14.5% over the 2016 approved Capital Budget.

The City utilizes a variety of revenue sources and tools to pay for the projects contained in the capital budget, such as borrowing, government grants, utility rates, and reserves to name the most prominent. Although the City's capital and operating budgets achieve different objectives, there is a relationship between the two.

For example, to pay for some of the capital projects the City of Saskatoon makes transfers from the operating budget to various reserves; these reserves are then used to help pay for the capital costs of various projects. Similarly, when the City borrows to pay for capital projects, the debt repayment comes from the City's operating budget.

Once the projects in the capital budget are fully constructed or operational, the City is required to pay for the maintenance and/or the operation of the project. For example, when the City builds a new bridge there is an obligation to ensure the bridge is maintained. When the City constructs a new recreation centre there is an obligation to ensure there is enough staff to operate the building. These obligations, therefore, will have an impact on the operating budget. This

concept coined "operating impacts" (of capital projects) is addressed in more detail in the table on page 40.

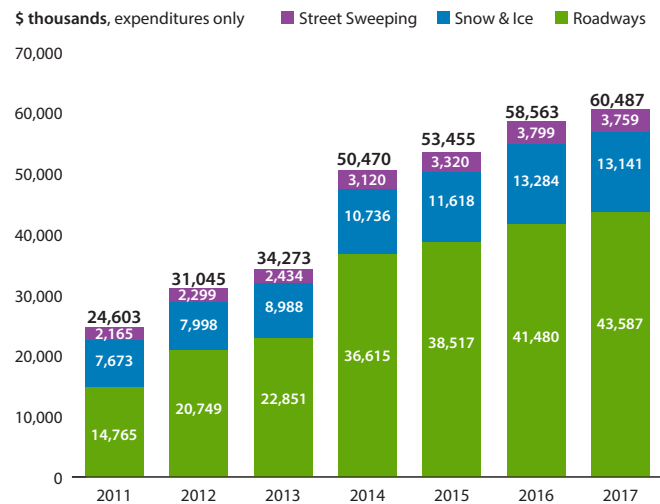
This relationship between the City of Saskatoon's Operating and Capital Budget is evident in 2017. The 2017 Operating and Capital Budgets are making a combined investment of approximately \$60.5 million to improve road conditions. This investment continues to build on the City of Saskatoon's Building Better Roads program (which started in 2014) to allocate more resources to its roadways network and their related services, including snow and ice clearing and street sweeping.

In order to accomplish the objectives of the Building Better Roads program, the 2017 Operating Budget includes a property tax increase of 1.93% that is strictly dedicated to improving Saskatoon's roadways network. 2017 is the final year of a four-year phase-in of the dedicated roadway levy to achieve the required service level established by City Council.

As noted in the graph below, the 2017 investment is an increase of more than \$1.9 million over the 2016 Budget and over two times the investment since 2011.

Total Investment in Roadways

Including back lanes and boundary roads



Target annual funding for Building Better Roads initiative to maintain roads on service level "B" status is achieved in 2017

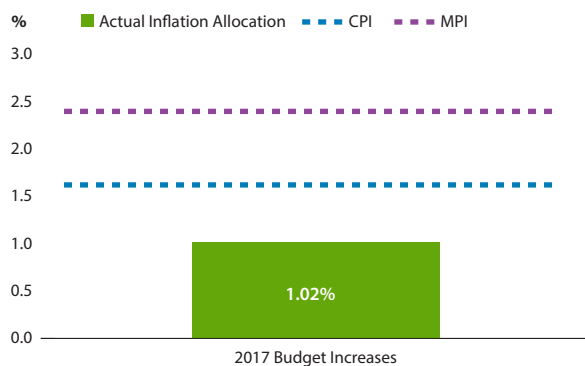


The 2017 Operating Budget

In preparation of the 2017 Operating Budget, many inputs were considered by the Administration when allocating the resources to specific programs, services, and projects. As noted in the Executive Summary, these inputs include the strategic plan, inflation, growth, service level changes, and most importantly, public input.

City Departments were given direction regarding allowable increases related to inflation, service levels, and growth and all revenues were reviewed and analyzed.

2017 Inflationary Allocation



The City has developed a Municipal Price Index (MPI) using the City's "basket of goods" such as fuel, asphalt, electricity, facility/equipment repairs, and maintenance costs. MPI is a better estimate for the City than the Consumer Price Index (CPI) because the CPI is a measure of inflation for average households and measures items such as food, household expenses, and education. Other cities in Canada have also begun calculating MPI to help understand the rising cost of municipal purchases and also to assist in the forecasting of future expenditures. The City's MPI (or inflationary increase) for 2017 is estimated at 2.4%. A total of \$4.5 million in new base dollars (excluding self-balancing programs) have been added to the 2017 Budget in order to address inflationary pressures, which equates to a 1.02% increase over the 2016 tax-supported operating expenditure budget.

In addition to inflation, the 2017 Operating Budget includes increased growth expenditure estimates of \$3.8 million for maintenance of additional hectares of parks and greenspace, debt servicing increases and the Remai Modern facility costs as well as other smaller growth adjustments. Also included in the 2017 Operating Budget is \$6.3 million for increased service levels. The City's largest service level expenditure increases in 2017 is the Building Better Roads program (\$3.9 million).

Expenditures

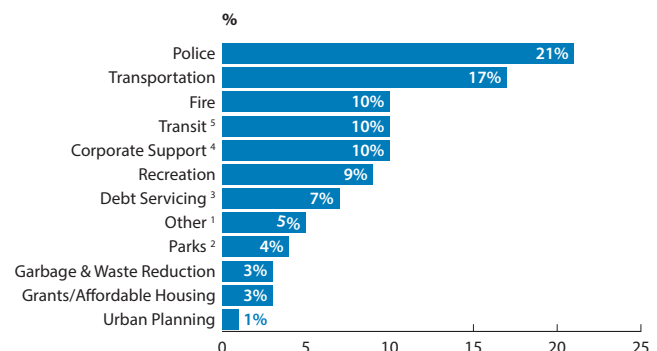
The City of Saskatoon's 2017 Operating Budget includes tax-supported expenditures of approximately \$459.7 million. Schedule II of the *2017 Approved Operating and Capital Budget* provides more details on the breakdown of these expenditures.

For the 2017 Operating Budget, tax-supported expenditures are increasing 3.28% over 2016. The increase in expenditures is made up of the following:

Building Better Roads Service Level Increase	0.88%
Inflation	1.02%
Growth	0.84%
Other Service Level Adjustments	0.54%
Total Expenditure Increase	3.28%

The figure below shows the distribution of the tax-supported expenditures by service. Policing represents the largest portion of the City's tax-supported operating expenditures at 21%, or \$95.8 million.

Tax-Supported Expenditures by Service



¹ Other includes street lighting, animal services, cemeteries and facilities, court costs for traffic violations and property annexation costs

² Parks includes urban forestry and pest management

³ Debt Servicing includes provisions for current and future debt servicing

⁴ Corporate Support includes the offices of the City Manager, City Clerks, City Solicitors, Legislative, Finance, Revenue, Service Saskatoon, Assessment & Taxation, Information Technology, Human Resources and General Administration

⁵ Transit includes Access Transit

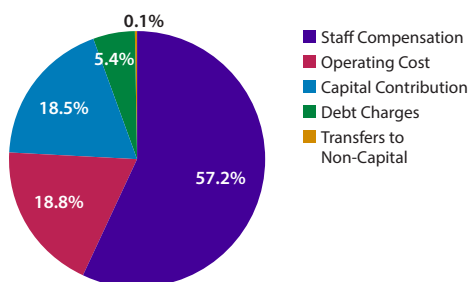
The piechart on page 26 shows the percentage share of major expense categories within the approved 2017 tax-supported operating budget.

- The majority of expenditures of the tax-supported operating budget, \$263.1 million, are for staff salaries and payroll costs.
- Capital reserve transfers to fund capital projects account for \$85.1 million of the tax-supported operating budget (includes capital down payments for funding plans).
- Debt servicing costs for internal and external loans (principal and interest) are \$24.6 million of the property tax-

supported operating budget. Debt servicing costs include both internal and external borrowing. These are funded by \$7.2 million of Federal Gas Tax and \$17.4 million from property taxation.

- 19.4 FTEs for Utilities; 2.3 are new FTEs, 0.1 is a transfer from operating, and 17.0 FTEs were transferred from capital.
- Net decrease of 11.0 Capital FTEs; 4.0 new, 2.0 transferred from Operating and 17.0 transferred to Operating.
- 9.4 net increase of FTEs for various positions.

Tax-Supported Expenditures by Category



Several additional important items are included in the 2017 Operating Budget, many of which are strategic phase-ins related to financing plans for future requirements.

Included in the operating budget are the following expenditures totaling over \$7.0 million:

- \$3,913,300 – Final year of the four-year program for the Building Better Roads campaign
- \$1,600,000 – Incremental phase-in for Civic Facilities Funding Plan
- \$832,600 – Increase in growth positions for Policing
- \$273,300 – Increased growth for Parks Maintenance
- \$268,800 – Increase in operating expenses due to previously-approved capital
- \$76,800 – Increase for additional service to Access Transit program
- \$53,600 – Incremental phase-in for Retai Modern

Staffing

The following table shows the total operating staffing requirements for the City in 2017 and the change from 2016. The 2017 Operating Budget (including all tax-supported, non tax-supported, and capital services) includes an additional 57.4 FTEs over 2016 (a 1.6% increase). The 2017 FTE increase is distributed as follows:

- Corporate Asset Management requires 9.0 new FTEs to meet required service levels of other departments.
- Transportation includes 14.1 FTEs for increase in service levels.
- 8.3 new FTEs for Policing.
- 8.2 new FTEs for Retai Modern; 5.2 of these FTE's are related to approved positions that were hired partway through 2016.

Summary of Staff Years in Full-time Equivalents (FTEs)

Full-time Equivalents (FTEs)	Budget 2016	2017 New	2017 Trfs	Budget 2017	FTE Change
Tax-Supported Services					
Civic Operations					
Community Support	30.6	–	–	30.6	–
Corporate Asset Management	229.7	9.0	–	238.7	9.0
Corporate Governance & Finance	401.7 *	6.0	–	407.7	6.0
Environmental Health	107.3	0.7	–	108.0	0.7
Fire	334.0	1.0	–	335.0	1.0
Recreation & Culture	293.1	3.7	–	296.8	3.7
Transportation	603.1	13.2	0.9 **	617.2	14.1
Urban Planning & Development	42.6	1.0	(3.0) **	40.6	(2.0)
Total Civic Operations	2,042.1	34.6	(2.1)	2,074.6	32.5
Police					
Police	644.8	8.3	–	653.1	8.3 ***
Total Police	644.8	8.3	–	653.1	8.3
Controlled Corporations					
Remai Modern	31.1	8.2	–	39.3	8.2 ****
SaskTel Centre	47.7	–	–	47.7	–
TCU Place	65.4	–	–	65.4	–
Total Controlled Corporations	144.2	8.2	–	152.4	8.2
Total Tax-Supported Services	2,831.1	51.1	(2.1)	2,880.1	49.0
Non Tax-Supported Services					
Building and Plumbing Permits & Standards	57.0	–	–	57.0	–
Business Licences	9.1	–	–	9.1	–
Golf Courses	24.8	–	–	24.8	–
Impound Lot	0.8	–	–	0.8	–
PotashCorp Playland	4.3	–	–	4.3	–
Gordon Howe Campsite	2.7	–	–	2.7	–
Land Development	17.5 *	–	–	17.5	–
Total Non Tax-Supported Services	116.2	–	–	116.2	–
Utilities					
Utilities	338.4	–	–	338.4	–
New FTEs	–	2.3	–	2.3	2.3
Operating Transfer	–	–	0.1	0.1	0.1
Transferred from Capital (Utilities)	–	–	17.0	17.0	17.0
Total Utilities	338.4	2.3	17.1	357.8	19.4
Subtotal	3,285.7	53.4	15.0	3,354.1	68.4
Capital					
Capital	315.8	–	–	315.8	–
New FTEs	–	4.0	–	4.0	4.0
Operating Transfer	–	–	2.0	2.0	2.0
Transferred to Operating (Utilities)	–	–	(17.0)	(17.0)	(17.0)
Capital	315.8	–	–	304.8	(11.0)
Total Full-time Equivalents	3,601.5	53.4	15.0	3,658.9	57.4

* The Corporate Projects 1.0 FTE, service line moved from Land Development to Corporate Governance & Finance.

** Transfers (to)/from Capital or other service lines.

*** Includes 4 constables hired in August 2016 creating an end load of 2.3 FTEs in 2017.

**** The 8.2 net increase includes 5.2 FTEs that are the 2017 endload from the 2016 approved budget, plus 8.75 new FTEs that will be hired partway through 2017 (for a prorated increase of 3.0 FTE on the 2017 budget). The 2018 endload will be 5.75 FTEs.

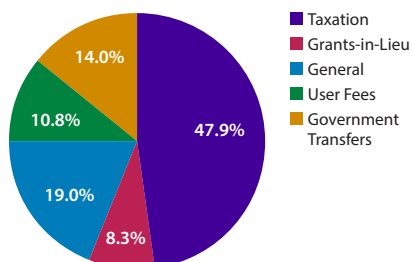
Revenues

The limited revenues available to the City of Saskatoon continue to be a challenge. As non-tax revenues have not kept pace with rising costs, such as inflation, growth, and service level changes, there continues to be added pressure on the municipal property tax to help fund the City's operating budget.

The City continues to research and examine additional revenue sources and has a formalized revenue review process that includes the documentation and review of all revenue streams for the City. The annual process identifies the basis, calculation, method, and comparison of revenues to other jurisdictions as applicable.

The following piechart identifies the percentage of revenue sources that pay for all tax-supported programs and services in the City's 2017 tax-supported operating budget. While the City of Saskatoon tries to minimize property tax increases, the reality is that it derives its revenues from very few sources. As shown, less than half of the City of Saskatoon's 2017 tax-supported operating revenues come from taxation.

Share of 2017 Tax-Supported Revenue Sources



Taxation

As required by provincial legislation, the City of Saskatoon must balance its operating revenues with its operating expenditures. As shown above, the City has a limited number of revenue sources, and any revenue shortfalls must be balanced through a property tax increase.

As noted in the introduction, the 2017 Operating Budget includes a municipal property tax increase of 4.82%, generating an additional \$9.8 million for the City of Saskatoon.

The following table illustrates the details of the 2017 property tax increase for Police, Fire, and the remaining civic services. The table shows that the property tax increase is made up of:

- 1.93% increase dedicated to roadways for the Building Better Roads Program
- 0.17% increase for Fire Protection

- 0.98% increase for the Saskatoon Police Service
- 1.74% increase for remaining City Operations

Breakdown of the 2017 Property Tax Increase

(\$000's)	Expenditures	Revenues	Budget Increase	% Increase
City Operations Before Capital & Dedicated	7,970.0	(4,181.1)	3,788.9	1.86%
Fire Services Increase	763.2	(426.1)	337.1	0.17%
Capital Contributions	505.9	(750)	(244.0)	-0.12%
Total City Operations Before Dedicated	9,239.1	(5,357.1)	3,882.0	1.91%
Dedicated to Roadways	3,913.3	-	3,913.3	1.93%
Total City Operations (Excluding Policing)	13,152.4	(5,357.1)	7,795.3	3.84%
Policing Increase	1,622.4	376.3	1,998.7	0.98%
Total Municipal Increase	14,774.8	(4,980.8)	9,794.0	4.82%

General Revenues

For 2017, general revenues from tax-supported services make up 19.0% of City of Saskatoon's total tax-supported operating revenue. General revenues include the following:

- Investment income
- Franchise fees
- Fines and penalties
- Licenses and permits
- Revenues from utilities

General revenues from utilities include a return on the City's investment from the Saskatoon Light & Power (SL&P), Water, and Wastewater utilities. Each of the utilities is also charged an administrative fee to cover the costs of providing certain corporate support services (e.g. legal, payroll, purchasing, accounts payable, etc.).

The City receives franchise fees (municipal payments) from SaskPower (10% surcharge on electricity sales). However, as previously noted, the City will no longer receive a grant from SaskPower/SaskEnergy which is a loss of \$8.4 million in revenues for 2017.

The City of Saskatoon owns and operates five utilities (Water, Wastewater, Storm Water, SL&P and Waste Services) which are self-funded programs that form an important source of revenue for the City. The Saskatoon Light & Power, Saskatoon Water, and Wastewater utilities each pay a Grant-in-Lieu of property taxes.

The chart below summarizes the utility contributions to City revenues for the 2015 to 2017 budget years. The increased revenue included in the 2017 Operating Budget is approximately \$6.9 million.

Contributions From City-Owned Utilities				
(\$000's)	2015 Budget	2016 Budget	2017 Budget	2017 Change
Waste Services Recycling	52.0	53.5	53.5	–
Admin. Fee	52.0	53.5	53.5	–
SL&P	44,249.5	44,527.3	47,785.8	3,258.5
Admin. Fee	420.2	431.1	431.1	–
Grants-in-Lieu	20,769.6	21,036.5	22,695.0	1,658.5
Return on Investment	23,059.7	23,059.7	24,659.7	1,600.0
Storm Water Management	50.3	51.8	51.8	–
Admin. Fee	50.3	51.8	51.8	–
Wastewater	6,838.4	9,491.7	11,032.8	1,541.1
Admin. Fee	3,196.9	4,369.7	4,369.7	–
Grants-in-Lieu	3,641.5	3,862.0	3,995.9	133.9
Return on Investment	–	1,260.0	2,667.2	1,407.2
Water Services	7,903.1	10,954.6	13,097.4	2,142.8
Admin. Fee	3,065.4	3,923.9	3,923.9	–
Grants-in-Lieu	4,837.7	5,290.7	5,490.7	200.0
Return on Investment	–	1,740.0	3,682.8	1,942.8
Grand Total	59,093.3	65,078.9	72,021.3	6,942.4

Government Transfers

In order to provide necessary and essential public services and programs to its residents, the City of Saskatoon receives funding from other orders of government. For 2017, 14.0% of the City's total tax-supported operating revenues come from other governments, particularly the Government of Saskatchewan.

The most significant transfer from the Government of Saskatchewan is the Municipal Revenue Sharing grant. The objective of this grant program is to provide long-term

predictable funding to municipalities to help them address the operational challenges they face as a result of growing populations and increased demands for services. The program grant is tied to the Provincial Sales Tax (PST) that grows with the economy. The PST is predictable, sustainable, and reflective of economic growth. The grant represents the equivalent of one point of the PST revenue pool. Cities receive approximately 48% of the total revenue sharing pool.

For 2017, the Government of Saskatchewan will be providing the City of Saskatoon with \$46.4 million in revenue sharing funding. This is a decrease of \$2.1 million from the 2016 funding.

Grants-in-Lieu of Taxes

This revenue source comprises 8.3% of the City of Saskatoon's projected tax-supported revenues for 2017.

Grants-in-Lieu of taxes are typically payments to municipalities from the federal and provincial governments. As these governments are exempt from paying local property taxes, these grant payments are made in place of property taxes for government-owned/managed properties.

Although the provincial government abruptly discontinued a significant portion of the Grant-in-Lieu payments related to SaskPower and SaskEnergy in 2017, the City's utilities and Saskatoon Land continue to pay a Grant-in-Lieu to the City of Saskatoon.

User Fees

User fee revenue from tax-supported services comprises 10.8% of the 2017 total tax-supported operating budget. Various services provided by the City of Saskatoon are funded in whole or in part through fees paid directly by the user. Some services are expected to be self-sufficient, while others are only expected to recover a portion of their total costs from users. For instance, for those services that directly benefit a particular user, in most cases user fees are charged. However, for those services that have social or community benefits, and where the cost to the user would be prohibitive, then the City will subsidize a portion of the cost of the service.

The table on the next page, shows a 2016-2017 comparative summary for some of the City's significant user fees. This information includes the approved fee changes effective January 1, 2017, unless otherwise noted.

Also included in the User Fees category (but not listed in the following table) are fees and charges for various other services including (not inclusive):

- Leisure facility admissions, registration, and rental fees
- Cemetery grave, interment, and monument sales
- Zoning, sub-development, and discretionary use fees
- Zoo admissions

Municipal User Fees/Rates				
	2016 Rate (\$)	2017 Rate (\$)	Change (\$)	Change (%)
Animal Services (Pet Licences) (\$21,000 additional revenue - to be approved)				
Unaltered Dogs	54.00	56.00	2.00	3.7%
Spay/Neutered Dog	27.00	28.00	1.00	3.7%
Unaltered Cat	32.00	33.00	1.00	3.1%
Spay/Neutered Cat	16.00	16.50	0.50	3.1%
Replacement Tags	5.00	5.00	–	–
Service Dogs	–	–	–	–
Spay/Neuter Program	–	–	–	–
Juvenile Dog (under 1 yr)	27.00	28.00	1.00	3.7%
Juvenile Cat (under 1 yr)	16.00	16.50	0.50	3.1%
Fee per animal retrieved (submitted to COS)	50.00	50.00	–	–
Business Licences (\$12,500 additional revenue - to be approved)				
Legalizing Existing Suites	1,500.00	1,750.00	250.00	16.7%
Saskatoon Transit (No change for 2017): Longer term fare strategy being brought forward				
Cash Fares: (per ride)	Adult	3.00	3.00	–
	Student	2.75	2.75	–
	Child	2.25	2.25	–
Tickets: (per ride)	Adult	2.50	2.50	–
	Student	2.10	2.10	–
	Child	1.60	1.60	–
Monthly passes:	Adult	83.00	83.00	–
	Student	59.00	59.00	–
	Child	50.00	50.00	–
Annual passes:	Adult	913.00	913.00	–
	Student	649.00	649.00	–
	Child	550.00	550.00	–
Senior passes:	Monthly	29.00	29.00	–
	3-month	87.00	87.00	–
	6-month	168.00	168.00	–
	Annual	313.30	313.30	–
Landfill				
Entrance fee: (per visit)	12.00	15.00	3.00	25.0%
General tipping: ¹ (per tonne)	105.00	105.00	–	–
Parking (No change for 2017)				
Meter Rates: (per hour)	2.00	2.00	–	–
Recycling and Leaves & Grass Subscription Program				
Residential recycling: (per month)	5.20	5.39	0.19	3.7%
Multi-unit recycling: (per month)	2.66	2.81	0.15	5.6%
Leaves & grass subscription fee: (per season)	55.00	55.00	–	–
Saskatoon Light & Power (Electrical): (yearly increase)	5.0%	3.5%		
Water/Wastewater: (yearly increase)	9.5%	9.5%		
The following have no increases for 2017:				
Building and Plumbing Permits				
Leisure Centres				
Special Permits				
¹ Does not factor in the discount for small loads				



Property Taxes and Bylaws

Annual Property Taxes

City Council approves a budget annually to determine how much revenue is required from property taxes to balance the budget (described in the introduction as filling the revenue gap). In addition, City Council approves a tax ratio that determines how taxes will be distributed between residential and non-residential property classes.

2017 Budget

On December 1, 2016, City Council approved the 2017 budget with a \$7.9 million increase for property taxes (or 3.89% property tax increase). The result of the Provincial budget that was announced in March of 2017, was that an additional \$9.0 million (or 4.45%) would be required to balance

the budget. City Council on April 24, 2017 approved reductions to the original budget such that only an additional \$1.9 million (0.93%) would be added to the City's budget to mitigate the impact of the 2017-2018 provincial budget. The result was an increase of \$9.8 million, or 4.82%, to property taxes.

Approved Budget Dec 2016	Provincial Budget Impact	City Council Approved Reductions	Net Increase	Total Property Tax Increase
\$7.9 million	+\$9.0 million	-\$7.1 million	=\$1.9 million	\$9.8 million
3.89%	+4.45%	-3.52%	=0.93%	4.82%

Tax Ratio/Reassessment

The City of Saskatoon adopted a Tax Ratio policy in 2001. The ratio of 1.75:1, which was phased in over a ten-year period, meant that for every \$1 of taxes paid by a residential property, a non-residential property would pay \$1.75.

2017 is a reassessment year which saw non-residential property values increase, on average, at a higher rate than residential property values. Keeping the 1.75:1 ratio would have resulted in a 5.20% property tax decrease for residential properties while increasing property taxes for non-residential by 12.65% (in addition to the budgetary tax increase of 4.82%).

In order to mitigate the large increase to non-residential properties and also allow residential properties to see a reduction, City Council adopted a 1.59:1 ratio for the current reassessment cycle (2017-2020). This new ratio results in an increase to non-residential properties of 5.52% (instead of 12.65%) while residential properties will see a reduction of 2.27%.

	Residential	Non-Residential
Property Tax Increase	4.82%	4.82%
Reassessment/ Tax Ratio Change	-2.27%	+5.52%
Final 2017 Tax Increase	2.55%	10.34%

Average Residential Taxes

As a result of the above-noted decisions, an average residential property will see an increase of \$126 (4.18%) to its total 2017 property tax bill (municipal, library and education). Although Education Property Taxes are billed by the City, all monies for education are remitted to the respective school boards.

The following table illustrates the changes in taxes from 2016 to 2017 for a residential property with an average 2017 assessed value of \$371,000.

Tax Changes for Residential Property valued at \$371,000	2016 Taxes	2017 Budget Dec 1, 2016	Net Prov. Budget Impact	2017 Shift to 1.59:1	2017 Taxes
City	\$1,702	\$64	\$15	\$(40)	\$1,741
Library	\$173	\$12	–	\$(4)	\$181
Education	\$1,144	–	79	n/a	\$1,223
Total Taxes	\$3,019	\$76	\$94	\$(44)	\$3,145
% increase 2017 taxes compared to 2016 taxes					4.18%

City Tax Distribution

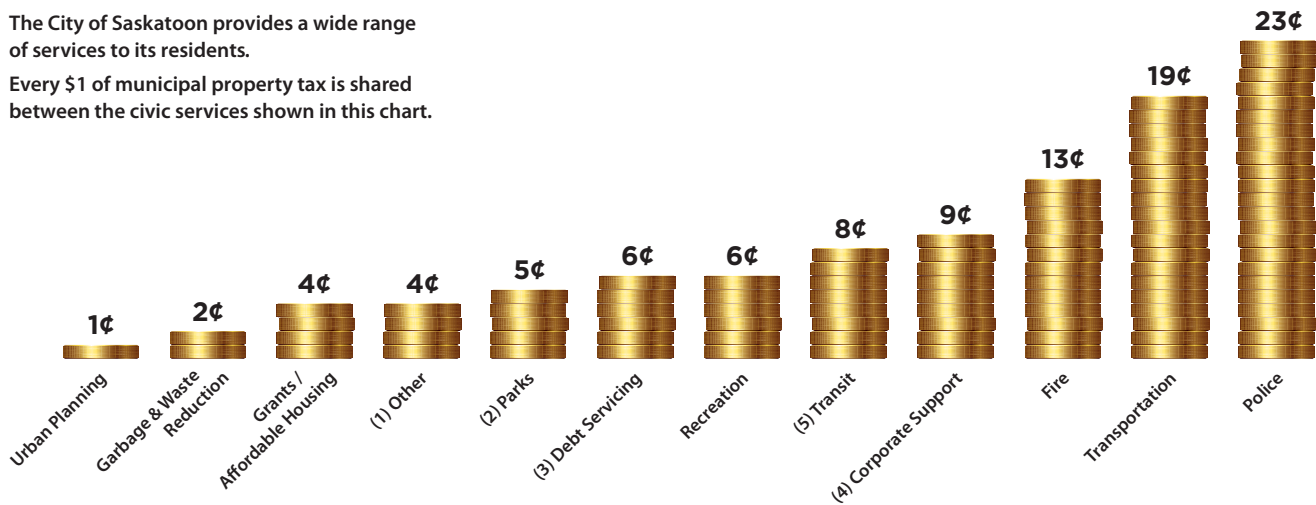
The following chart shows how the municipal property tax (City taxes only) is shared between the various services the City provides.

Total property tax and assessment information for individual properties can be found on 'The Property Assessment and Tax Tool' on the City of Saskatoon's website: saskatoon.ca/taxtool.

How Municipal Property Taxes Are Distributed

The City of Saskatoon provides a wide range of services to its residents.

Every \$1 of municipal property tax is shared between the civic services shown in this chart.



(1) Other includes street lighting, animal services, cemeteries and facilities

(2) Includes urban forestry and pest management

(3) Debt servicing includes provisions for current and future debt servicing

(4) Corporate Support includes the offices of the City Manager, City Clerks, City Solicitors, Finance, Revenue, Assessment & Taxation, Information Technology, Human Resources and General Administration

(5) Includes Access Transit

Calculation of Property Taxes

Property taxes for the City of Saskatoon and the Saskatoon Public Library, are calculated by applying the following formula to each taxable property in the city:

$$\frac{\text{Taxable assessment}}{\$1,000} \times \text{Mill Rate} \times \text{Mill Rate Factor} = \text{City of Saskatoon/Library Property Tax}$$

Education Property Taxes are calculated by multiplying the individual mill rates by the taxable assessment.

Taxable Assessment

The City, based on legislative requirements, uses mass appraisal valuation approaches when conducting residential assessments. With this approach, property values are a reflection of their market value, the most probable sale price of a property, on a given date. In Saskatchewan, property assessments are updated every four years. 2017 is a reassessment year and property values have been

updated to reflect market values as of January 1, 2015. The next revaluation will take place in 2021 using values as at January 1, 2019. The City of Saskatoon continues to lobby the Provincial government to shorten the four-year cycle.

The Province of Saskatchewan determines how much of the assessed value is taxable (also known as the Percentage of Value or POV). Taxable Assessment is calculated by multiplying the assessed value by the POV. For 2017, commercial properties have a POV of 100% and residential properties have a POV of 80%.

For more information on how properties are assessed visit saskatoon.ca/assessment.

Uniform Mill Rate

Based on Legislation, the City and Library establish a uniform mill rate sufficient to raise the amount of property taxes required to balance their budgets. A uniform mill rate is set after the budget has been approved by determining the tax required per \$1,000 of taxable assessment.

The 2017 Uniform Mill Rates shown below reflect the approved budgetary requirements of the City of Saskatoon and the Saskatoon Public Library over the past five years:

Uniform Mill Rates

Taxing Authority	2013*	2014	2015	2016	2017*
City	6.7894	7.2566	7.6300	7.9203	6.2942
Library	0.7248	0.7353	0.7657	0.8032	0.6526
Total	7.5142	7.9919	8.3957	8.7235	6.9468

* 2013 and 2017 were reassessment years in Saskatchewan. Due to an update in property values, mill rates are reduced and therefore the tax levy is not comparable to previous years' levies.

Mill Rate Factors

Mill rate factors (City and Library) are used to determine the proportion of tax revenue that each property class will pay. There are two main property classes: residential (includes condominium and multi-residential properties) and commercial/industrial.

The establishment of mill rate factors is not dependent upon establishing the uniform mill rate (which raises revenue for each taxing authority), but is based on various tax policies set by City Council. Three items impact the 2017 mill rate factors. First, the 2017 tax roll experienced growth, but not evenly amongst the different property classes. Second, in 2001 City Council adopted a Tax Ratio Policy such that non-residential properties would pay property tax at a rate of 1.75 times that of residential properties by 2010. Third, 2017 was a reassessment year. Without a change to the existing tax ratio of 1.75, residential property would have decreased by 5.22% and non-residential would increase by 12.65%.

In March of 2017, City Council approved a reduction of the tax ratio from 1.75 to 1.59. This resulted in a decrease of 2.27% for residential properties and an increase to non-residential properties of 5.2%. The 2017 mill rate factors incorporate the variances in growth between the different property classes as well as the non-residential to residential tax ratio policy of 1.59:1.

Mill Rate Factors

Property Class	2013	2014	2015	2016	2017
Residential/ Condominium	0.9411	0.9448	0.9447	0.9443	0.9321
Multi-Unit Residential	0.9411	0.9448	0.9447	0.9443	0.9397
Commercial	1.1765	1.1684	1.1676	1.1661	1.1945
Private Light Aircraft Hangar	0.6588	0.6613	0.6613	0.6610	0.7106

Education Property Taxes

Provincial legislation requires the City of Saskatoon to levy and collect property taxes on behalf of the two School Divisions within the City of Saskatoon. Education Property Taxes are set by the Province in the spring of each year. The following table shows the 2017 Education Property Tax Mill Rates.

2017 Education Mill Rates

Residential, Condominium, Multi-residential	4.12
Agricultural	1.43
Commercial/Industrial	6.27
Resource	9.68

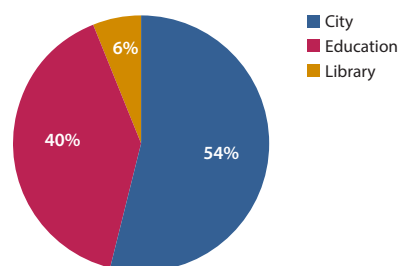
As shown in the following table, the average residence in 2017, valued at \$371,000, will pay \$1,222.82 for Education Taxes which is an increase of \$78.49, or 6.9%, over 2016. All monies levied for Education Property Taxes are paid directly to the respective School Divisions.

Education Taxes for Residential Property valued at \$371,000	2016 Taxes	Prov. Budget Impact	2017 Taxes	2017 % Tax Increase
Education	\$1,144	+\$79	\$1,223	6.9%

Total Property Tax Distribution

The following chart shows how total property tax dollars are distributed for 2017. As depicted in this chart, 40% of the property taxes collected by the City of Saskatoon are distributed to the school boards.

Distribution of the Property Tax, 2017



Property Tax Bylaws

Annually, in accordance with *The Cities Act* and *The Education Act, 1995*, the City Council passes property tax bylaws which authorize the City to levy and collect property taxes on behalf of the City, the Saskatoon Public Library and the Public and Separate School Divisions. These bylaws are usually passed by mid-May and can be viewed on the City of Saskatoon's website: saskatoon.ca by searching for the 'Saskatoon Property Tax Bylaw' or 'The School Division Property Tax Bylaw'.

A scenic view of a city waterfront. In the foreground, there is a body of water with a line of red buoys. A white riverboat with a red roof is docked on the right. In the middle ground, a large white pelican is in flight, wings spread. Behind it is a dense line of green trees. In the background, a tall stadium light tower and a large multi-story building are visible against a blue sky with light clouds.

The 2017 Capital Budget

The 2017 Capital Budget

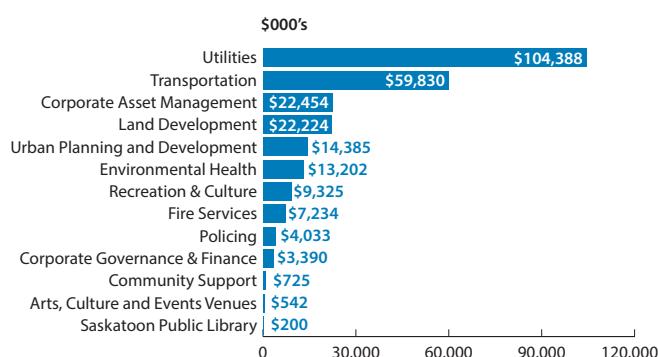
The City of Saskatoon's Capital Budget directs funding for the construction or refurbishment of major capital infrastructure projects such as roads, bridges, buildings, and water and sewer lines. The 2017 Capital Budget not only addresses the City's growth, but also its basic infrastructure needs with continued emphasis on roads, transit, water, and wastewater distribution systems.

The City of Saskatoon is continuing to develop funding plans for major infrastructure assets not only resulting from growth, but also for maintenance and replacement due to aging of the asset. One of the key funding strategies is to dedicate property tax increases, solely for the maintenance of roads as the required funding base is built to meet the long-term needs and to achieve the service levels desired by the citizens of Saskatoon.

The City of Saskatoon's 2017 Capital Budget provides a total capital investment of \$261.9 million. Together, the various projects that make up this total investment aim to meet the objectives of the strategic plan and specifically:

- Prepare for growth
- Improve mobility
- Enhance public safety
- Increase quality of life
- Protect the environment

Capital Investment by Business Line



Utility-related projects make up 39.9% of the total capital investment in 2017, including:

- Over \$56.3 million invested in upgrades and maintenance at the Water Treatment Plant for reservoir transfer pumping upgrades, rehabilitation/replacement of the water distribution system, sand separators, and Advanced Metering;
- Over \$29.1 million invested in upgrades and maintenance at the Wastewater Treatment Plant for a liquid waste hauler station, a fourth digester tank, lift station upgrades, and the

rehabilitation/replacement of the wastewater collection system; and

- Saskatoon Light & Power is investing over \$17.5 million in upgrades to electrical distribution, substations, transmission lines, and street lights.

Transportation projects represent 22.8% of the total capital investments in the 2017 Capital Budget. Some of the notable investments include:

- Traffic signal replacement and upgrades
- Sidewalk and pathway preservation
- Intersection improvements
- Continuation of the Active Transportation Plan implementation

The remaining 37.3% of the Capital Budget is allocated among various smaller projects.

Service Saskatoon

The corporation has made a new commitment to improve upon the delivery of customer service and officially launched Service Saskatoon on April 6, 2016. The new model is built on four pillars: Citizen Input, Systems, Standards, and Staffing. Four core projects have been identified for Service Saskatoon in 2017, they include:

- **Project 1364**, includes the preliminary work required to transition 200 services in Public Works to the Service Saskatoon 311/CRM model.
- **Project 1942**, to complete a corporate security plan in order to support and protect citizens and City employees who are relied on to deliver vital services to the citizens of Saskatoon everyday.
- **Project 1949**, to ensure suitable and sufficient civic accommodations in order to enhance the ongoing operations and service delivery within City Hall, Civic Square East, and other civic office buildings.
- **Project 1829**, included in the Budget to proceed on developing the Request for Proposals to enhance the technology and business process flows within the City. This project will form the backbone for the future of Service Saskatoon.

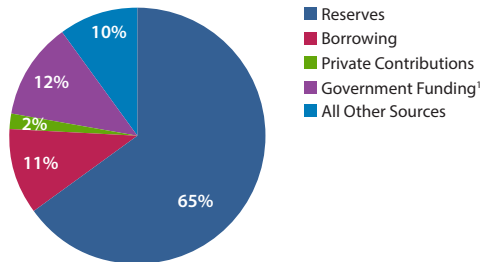
Capital Staffing

In 2017, a net decrease of 11.0 FTEs are included in the Capital Budget (see table on page 27):

- A 4.0 FTE increase for new positions: Clerk Steno (Transportation), Transportation Engineer (Transportation), Senior Project Management Engineer (Utilities), and a Project Coordinator (Urban Planning and Development).
- A 15.0 FTE decrease accounts for various positions which are being transferred to the operating budget to better align the budget with operations.

Paying For The 2017 Capital Budget

2017 Capital Budget Funding Sources



(1) Government funding includes Federal Public Transit Infrastructure Fund (PTIF) funding as well as Federal and Provincial Clean Water & Wastewater Fund (CWWF) funding.

As illustrated above, the largest source of funding for the 2017 Capital Budget is reserves. Approximately \$170.7 million (65%) of the entire Capital Budget is funded through reserves that the City has set aside for capital replacement, enhancement, and new capital work. The remaining \$91.2 million (35%) of the Capital Budget is split among various sources.

2017 Capital Budget Funding Summary	
General Capital: (\$000's)	2017 Budget
Reserves	82,685
Borrowing	6,600
Provincial Government	-
Federal Government	15,110
Private/External Contributions	4,017
Operating Contributions	50
Other	23,560
Saskatoon Public Library Reserve	200
Total General Capital	132,222
Utility Capital: (\$000's)	
Reserves	65,175
Borrowing	22,140
Provincial Government	5,400
Federal Government	10,800
Private/External Contributions	1,185
Operating Contributions	2,460
Other	128
Total Utility Capital	107,288
Total General & Utility Capital	239,510
Land Development: (\$000's)	
Reserves/Developers	22,422
Total Capital Funding	261,932

The previous table summarizes the funding for the 2017 Capital Budget.

General Capital refers to those capital projects that are non-utilities, such as transportation capital projects. The following pages provide more details on each of these funding sources.

Reserves

Reserves accumulate funds from various sources and are used to fund many capital projects. Annual contributions are made to designated capital reserves based on formulas and provisions as described in the Capital Reserves Bylaw and City Policy. Schedule XII of the *2017 Approved Operating and Capital Budget* reflects the sufficiency of these reserves.

As shown in the table below, the balances of the City's capital and stabilization reserves heading into 2017 remain healthy, with a total estimated balance of \$152.0 million.

Estimated Reserve Balances		
Capital Reserves: (\$ millions)	Jan/16	Jan/17
General	33.5	35.5
Prepaid Services (Land Development)	(5.0)	18.1
Property Realized	27.8	21.7
Boards/Commissions (Including Saskatoon Public Library)	45.9	38.4
Capital Reserves Total	102.2	113.7
Stabilization Reserves: (\$ millions)		
Fiscal Stabilization	6.6	8.1
Land Operations Stabilization	3.4	3.4
Fuel Stabilization	1.3	1.3
Utilities Stabilization	11.5	12.4
Building Permits/Inspections Stabilization	8.0	7.9
Other	4.1	5.2
Stabilization Reserves Total	35.0	38.3
Total Reserves Balance	137.2	152.0

The Reserve for Capital Expenditures (RCE) has been established by City Council to provide funding for discretionary capital projects. In total, \$4.5 million was made available to fund the discretionary capital projects. Schedule XV of the *2017 Approved Operating and Capital Budget* lists the 2017 projects totaling \$4.3 million approved from this reserve during budget deliberations. The funds remaining in this reserve are to be used to fund future project requests. RCE is mostly funded by an annual mill rate contribution.

Reserve for Capital Expenditures (RCE) (\$000's)	2017
Projected January 1 Opening Balance	2,717
Contribution From Operating Budget	3,638
River Landing Operating Funding	(1,132)
Minimum Balance Retained	(750)
Available RCE Funding for 2017 Capital Projects	4,473

While a majority of the City's reserves are in good financial condition, there are three reserves that have been reporting deficit positions over the past number of years. City Council has authorized these deficits as an exception from the normal requirement to remain in a zero or positive balance up to the end of 2017. As of the end of 2017 all three of these reserves are projecting positive balances.

- 1) The **Infrastructure Reserve for Water and Wastewater** has been in a deficit position for the past number of years based on the advancement of flood control projects to alleviate further flooding. The plan to replenish the reserve is through a flood control levy of \$4.50 per water meter placed on utility bills.
- 2) Another reserve that has City Council's approval to remain in a deficit balance until 2017 is the **Parks Infrastructure Replacement Reserve**, to cover the higher construction costs of the WJL Harvey Park Redevelopment. The Parks Reserve has been replenished through annual contributions. The only plan to address the long-term underfunding of the Parks Infrastructure Reserve is to defer projects. There has been no impact on the mill rate to fund the reserve deficit.

- 3) The **Regional Waste Management Facility Capital Project** to upgrade and expand the landfill had a \$6 million withdrawal from the Landfill Replacement Reserve (LRR) placing the reserve in a deficit position. The plan has been to replenish the reserve over time through revenues. An equivalent amount to the LRR deficit is being held in the Property Realized Reserve to cash flow this deficit. City Council has approved this strategy in principle.

Federal Infrastructure Funding

On March 22, 2016 the Government of Canada announced \$11.9 billion in new infrastructure funding over the next five years. This funding is allocated across three major infrastructure categories, including:

- Public Transit Infrastructure
- Green Infrastructure
- Social Infrastructure

While some aspects of this program are expected to be rolled out over the next several years, phase 1 of the Public Transit Infrastructure Funding (PTIF) and the Clean Water and Wastewater Fund (CWWF), which is a segment of the Green Infrastructure Fund, have been announced.

Under the PTIF, the City of Saskatoon has a total of \$37.3 million in eligible expenditures in phase 1 related to fleet renewal and replacement, improvements of transit infrastructure, and studies that will help expand Saskatoon's transit system. The federal government is contributing 50% (\$18.65 million) of total eligible costs while the City of Saskatoon will be contributing the remaining 50%. The City has allocated these funds to the following projects:

Project	Description	2016 Budget	2017 Budget
P2541 – Growth Plan to Half a Million	Long-Term Transit Plan, Rapid Transit Design and Secondary Planning	–	\$10.5 million
P 583 – Replace/Refurbish Buses	Transit bus purchases	\$7.95 million	\$14.49 million
P2095 – Access Transit Bus Replacements	Access Transit bus purchases	\$650,000	\$910,000
P2448 – Intelligent Transportation System	Intelligent Transportation System	–	\$150,000
P1456 – Railway Crossing Safety Improvements	Rail Grade Separation and Rail Relocation Feasibility Studies	–	\$650,000
P 948 – New Sidewalks and Pathways	Improvement of access to transit corridors	–	\$1.3 million
P1963 – Corporate Accessibility Implementation	Curb Ramp installations to support transit stops	–	\$500,000
P2446 – Pedestrian Crossing Improvements	Improvements to pedestrian crossing devices to support transit	–	\$200,000
Total		\$8.6 million	\$28.7 million

Under the CWWF, the City of Saskatoon has a total of \$31.6 million in eligible expenditures for phase 1 which include the repair, replacement, and renewal of existing water and wastewater infrastructure. The federal government is

contributing 50% (\$15.8 million) of total eligible costs, while the provincial government and the City of Saskatoon are contributing 25% each (\$7.9 million). The City has allocated these funds to the following projects:

Project	Description	2016 Budget	2017 Budget
P1615 – Water Distribution	Rehabilitation of low-capacity water mains as well as accelerate water main replacements in locations where service levels are not met due to water main breaks	\$10.0 million	\$18.9 million
P1616 – Wastewater Collection	Rehabilitation of sanitary mains	–	\$2.7 million
Total		\$10.0 million	\$21.6 million

External Borrowing

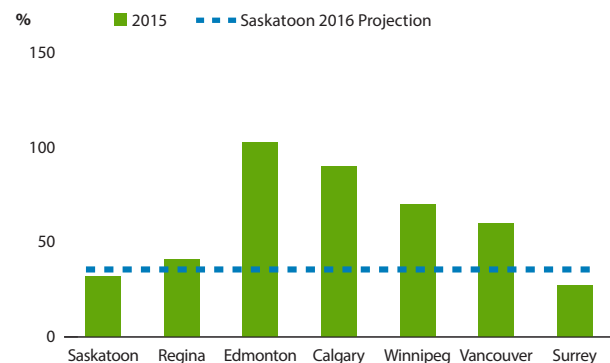
The 2017 Capital Budget contains external borrowing of \$22.6 million, most of which (\$22.1 million) is for water and wastewater projects which are funded through utility rates. The largest borrowing project in 2017 requires \$12.95 million in utility borrowing related to the Water Treatment Plants pumping and electrical upgrades. While borrowing is budgeted for projects as a source of funding, the actual borrowing is based on cash flow requirements.

The total outstanding external debt as of December 31, 2015 was \$263.1 million. The City has issued no additional new debt in 2016; however, based on the progress completed on the Civic Operations Centre and North Commuter Parkway and Traffic Bridge Replacement (P3 Projects), the City will recognize a corresponding debt allocation. With the P3 project borrowings and the planned debt repayments, the expected outstanding debt balance as at December 31, 2016 will be approximately \$316.0 million, depending on the P3 projects percentage of completion as at December 31, 2016.

As a comparison to other Municipalities, a common measure is “debt as a percentage of operating revenue” in order to adjust for population and budget size. In 2015, the City of Saskatoon’s current debt holdings were 32% of annual operating revenues. This rate is expected to climb to approximately 37% in 2016; however, even including this increase, Saskatoon continues to project as one of the most favorable ratios in western Canada.

The forecasted borrowing for the next 10 years is to increase to a peak near \$498.4 million in 2023. In 2014, City Council approved the application to the Saskatchewan Municipal Board for an increase in the City’s debt limit to \$558.0 million. Most of this increase in project debt is associated to Public

2015 Debt as a Percentage of Operating Revenue



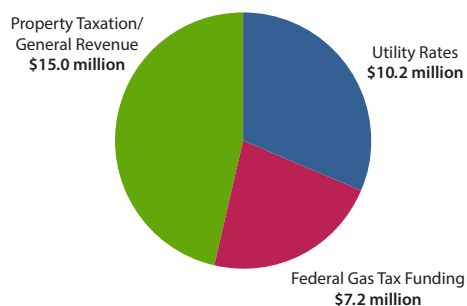
Source: Municipality Annual Reports

Private Partnerships (P3) such as the Civic Operations Centre, the North Commuter Parkway and Traffic Bridge Replacement projects. The total debt projections, including the P3 debt, are within the City’s debt limit.

Borrowing related to the utility projects will be repaid through utility rates. The repayment of external debt related to the other projects is funded through the general operating budget and through the overall borrowing strategy, using gas tax revenues from the federal government. In 2017, total external debt servicing costs are budgeted at \$32.4 million which are made up of \$25.8 million and \$6.6 million in principal and interest payments respectively. The property tax-supported funding sources for external debt is made up of \$15.0 and \$7.2 million of property tax funds and federal gas tax funding.

The total sources of funding for all City external debt servicing costs in 2017 are as follows:

2017 Budgeted Debt Servicing Costs by Funding Source



External Funding Sources

Funding from external sources includes, but is not limited to, other orders of government programs, private contributions, fundraising campaigns, and corporate sponsorship or partnership arrangements. Some of the key external funding sources are the Federal Gas Tax Fund, the Federal Public Transit Fund, and the Building Canada Fund.

In the 2012 Federal Budget, the Federal Gas Tax transfer was made a permanent source of funding for municipalities. These funds are being allocated to a number of projects as cash and/or debt repayment on borrowing for these projects.

Operating Budget Impact of Capital Investments

Capital projects contained in the 2017 capital budget will impact future City operating programs. The additional operating costs of 2017 projects for the years 2018 to 2020 are summarized in the following table:

Operating Impact (\$000's)	2018	2019	2020
Corporate Governance and Finance	35.0	–	–
Environmental Health	900.0	–	–
Fire Services	–	100.0	–
Land Development	–	126.3	57.5
Policing	139.3	–	–
Recreation and Cultural Services	106.0	28.0	–
Transportation	18.0	–	–
Urban Planning and Development	43.5	–	–
Utilities	85.0	–	–
Total	1,326.8	254.3	57.5

NOTE: Specific operating impacts are disclosed at the project level throughout the Capital Budget and summarized in Schedule IX of the Tables and Schedules Sections in the Approved Operating and Capital Budget document.

The following table depicts the 2017 operating impacts of capital projects that are included within the 2017 Operating Budget for projects approved in the years prior to 2017.

2017 Operating Impacts (Business Line)	
Project	(\$000's)
Corporate Governance and Finance	
P1883 CK-Electronic Records Management	36.0
Recreation and Cultural Services	
P2528 CY-Dog Park Development	1.0
P2349 CY-Saskatoon Minor Football Field Upgrade	76.7
P1658 CY-Parks New Satellite Maintenance Building	11.4
P1595 CY-Neighbourhood Parks Enhancements	8.4
P2354 CY-Accessible Playgrounds	44.0
P253 CY-Chief Whitecap Park	3.5
Transportation	
P1522 TU-Traffic Noise Attenuation	87.8
Total	268.8

CITY ELA

222

CITY HALL
ADDITION
BUILT JULY 16, 1942
CITY COUNCIL
1941-42
MAYOR
GEORGE E. GORDON
ALBERT H. H. H. H.
EDITH L. H. H. H.
JOHN H. H. H. H.
WILLIAM H. H. H.
MAYOR H. H. H. H.
EDITH L. H. H.
JOHN H. H. H.
WILLIAM H. H.
MAYOR H. H. H.

Business Lines



Arts, Culture and Events Venues

Service Outcomes

Remai Modern Art Gallery

- To provide a premier art gallery which celebrates the region's contributions to visual arts, serves as a hub for arts and culture, and remains accessible to the public.
- To provide a vital resource for local and regional art galleries, artist-run centres, museums, art organizations, schools, universities, and the diverse cultural communities of Saskatchewan.
- To provide a key, year-round cultural destination for residents and visitors, helping to animate the riverfront and connect with downtown.

SaskTel Centre

- To provide world-class culture, sport, and live entertainment experiences for the social and cultural enrichment of the region.
- To provide a facility suitable for hosting local, national, and international events including the Juno Awards, World Junior Hockey Championships, and the Tim Hortons Brier.
- To provide exemplary customer service, strong fiscal management, excellence in safety, and environmental stewardship.

TCU Place

- To provide a wealth of opportunities for citizens to participate in and enjoy the benefits of business and culture in Saskatoon.
- To provide cultural activities that promote individual and community well-being and contribute to an improved quality of life.
- To provide a multi-purpose facility suitable for a convention general session, a concert or theatrical performance.
- To provide technical services and catering services for gala banquets, conventions, meetings, graduations and tradeshow.

Operating Budget: \$7.3 million

Capital Budget: \$0.5 million

Strategic Goal:



Quality of Life

At a Glance

Remai Modern Art Gallery

- 220,000 visits anticipated per year.
- 2017 is the year the new gallery will open.
- Five times the collection area of the Mendel Art Gallery.
- Four stories tall.

SaskTel Centre

- 800,000 visits per year.
- 15,000 people can be seated.
- Thousands of volunteers.
- 600 contracted staff.
- 28 years of operation.

TCU Place

- 900,000 visits per year.
- 120,000 sq. ft. of multi-purpose space.
- 22,400 sq. ft. ballroom.
- 2,074 people can be seated in the Sid Buckwold Theatre.
- 800 events organized by Convention Services.
- 60 booking dates in the Theatre.

Council Priorities

- Reduce the gap in the funding required to rehabilitate and maintain our infrastructure.
- Provide opportunities for activities in a winter city.

Strategic Risks

Remai Modern Art Gallery:

- While making capital investment decisions, adequate funding for asset lifecycle costs may not be getting identified.
- Operating the gallery in a way that strengthens the arts community, makes use of the expanded space, and meets attendance and funding goals may be a challenge.

SaskTel Centre:

- An aging facility may require increased maintenance costs and innovative solutions to remain competitive in the touring market.
- Relying on touring shows for nearly 70% of event-related gross margin may make the Centre too dependent on one segment of the business.

TCU Place:

- Established in 1967, TCU Place is an aging facility with high maintenance costs which may continue to rise.
- Inadequate space to provide services for some events for more than 1,500 people may lead to a loss of booking dates.
- Increased competition with local, national, and international providers may result in a loss of business.
- Attracting quality and diversified theatre programming may become more difficult with competition coming from other local venues.

Performance Measures

Increase visits to City of Saskatoon recreation and culture facilities to 6,600 visits for every 1,000 residents and that the rate of increase in visits keeps pace with the projected growth rate.

- 2017 Target: 2% projected growth rate = 36,000 more visits to civic recreation and culture facilities

Strategic Outcomes and 2017 Initiatives

Finish building the Remai Modern Art Gallery and open the new facility.

- Complete construction of the building, including the fit-out of the Feature Gallery and the Restaurant.
- Create and implement the facility operations plan including operating protocols between the Gallery, River Landing, and the Remai Arts Centre / Persephone Theatre.
- Move staff and the Art Collection into the new facility.
- Facilitate the Food Services operations with service provider.
- Following a major public opening event, commence programs, exhibitions and bookings within the new facility.

Upgrade the SaskTel Centre and ensure financial sustainability.

- Expand the self-promoted event category to reduce reliance on major touring shows.
- Implement building and system upgrades and replacements, including: energy-efficient lighting and fixtures, parking lot upgrades, a new storage shed, retractable seating, and many updates to the finishes of the building.
- Expand the services offered to increase existing revenue streams and develop new revenue streams.

Improve the existing TCU Place facility and explore programming and expansion options.

- Upgrade the kitchen, caretaking, sound, lighting, and maintenance equipment to ensure continued service quality and to meet customer expectations.

- Work with the City to develop a new business model for future expansion or enhancement of the facility.
- Emphasize the delivery of diverse and popular programming in the Sid Buckwold Theatre in support of the “Quality of Life” strategic goal.
- Develop a cultural diversity action plan that meets the needs of changing population demographics.

Arts, Culture and Events Venues Operating Summary

	000's			Dollar Change From 2016	% Change From 2016
	Revenue	2017 Budget Expense/ Recovery	Property Tax Impact		
Rimai Modern Art Gallery	–	5,079.7	5,079.7	53.6	1.1%
SaskTel Centre	–	594.2	594.2	35.4	6.3%
TCU Place	–	1,660.4	1,660.4	38.8	2.4%
Total	–	7,334.3	7,334.3	127.8	1.8%
Staff Complement					
			2016	2017	FTE Change
Full-time Equivalents			144.2	152.3	8.2





Community Support

Service Outcomes

- To provide both human and financial supports for community groups, as well as a broad range of City-led initiatives.
- To build capacity in sport, recreation, culture, heritage, and social organizations and enhance neighbourhood-based associations.
- To provide subsidized or no-cost programs and services where cost is a barrier for families or individuals.
- To provide support to organizations leading the way in economic development, tourism and stewardship of the river valley.

At a Glance

Supports the participation in sport, recreation and culture programs:

- 937,000 visits to cultural facilities;
- 161,300 community association program participants; and
- 60,000 sport, culture and recreation program hours.

Supports and community investments provided to:

- 65 social agencies;
- 52 community outdoor rinks;
- 50 sports organizations;
- 47 community associations;
- 23 community gardens; and
- 17 major arts, cultural, and heritage organizations.

Leverages many millions in self-generated revenue as well as human resources in the community-based organizations, including 125,000 Community Association volunteer hours.

Subsidies:

- 87,200 Leisure Access visits to leisure facilities subsidized a year.
- 500 burials and 40 subsidized burials annually at Woodlawn Cemetery.
- 200 spay or neuter surgeries subsidized a year.

Operating Budget: \$14.1 million

Capital Budget: \$0.7 million

Strategic Goal:



Quality of Life

Council Priorities

- Develop partnerships and programs with Aboriginal organizations that will assist in enhancing economic, employment, and training opportunities.
- Develop age-friendly initiatives to enhance quality of life as people age.
- Implement the Immigration Action Plan.

Strategic Risks

- The City may lack the right initiatives to adequately engage and inform citizens. An expectation gap between citizens and the City may lead to dissatisfaction with services.

Performance Measures

500 new units annually across the attainable housing continuum.

- 2017 Target: 400 units

Increase visits to City recreation and culture facilities to 6,600 visits/1,000 residents and that the rate of increase in visits keeps pace with the projected growth rate.

- 2017 Target: 2% projected growth rate = 36,000 more visits to civic recreation and culture facilities

Strategic Outcomes and 2017 Initiatives

Develop partnerships and programs with Aboriginal organizations.

- Enhance and develop new partnerships and programs with Aboriginal organizations that will assist in enhancing economic, employment and training opportunities.
- Undertake initiatives to strengthen relations and partnerships with Aboriginal organizations and focus the provision of programs and services on the Truth and Reconciliation Commission Calls to Action and the Kitaskinaw Report recommendations.

Older adults can easily access programs, services and infrastructure.

- Implementation of the recommendations in the Age Friendly Saskatoon report and further development of age friendly initiatives to enhance quality of life as people age.

Civic facilities, programs, services, and infrastructure are accessible.

- Update and continue implementation of the Corporate Accessibility Action Plan, a long-range plan to address accessibility of civic facilities, programs, services, and infrastructure.

Newcomers can easily access programs and services.

- Implement the Immigration Action Plan including implementation of initiatives to support Saskatoon as

a welcoming community and facilitation of community coordination on newcomer settlement and integration.

Increase partnerships in delivery of community based recreation, sport and arts programs and provide support to Community Associations.

- Facilitate the development and enhancement of neighbourhood recreation and park infrastructure; including playground replacements, park enhancements, community gardens and outdoor rink upgrades.
- Facilitate the delivery of community based recreation, sport, and arts programs for all seasons.
- Build capacity within the community to address a broad range of issues and build consensus around collaborative responses.
- Undertake a review of grant programs and processes to confirm the purpose of the grants, to ensure we are meeting the changing needs in the community, and that there is consistency and transparency.

Implement the animal services program plan.

- Work with the SPCA to increase awareness of and expand the subsidized spay and neuter program.

Reduce racism and provide support to individuals and community organizations for social development.

- Implement the anti-racism education strategy and communication plan; including implementation of the "I am the Bridge" communications strategy and inclusion of anti-racism training and leadership competencies for civic staff.
- Develop a framework for a social development strategy that would provide long term direction to the City in addressing social development priorities.

Community Support Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Animal Services	(629.2)	1,301.3	672.1	33.5	5.2%
Community Development	(202.8)	3,505.2	3,302.4	(12.8)	-0.4%
Community Investments & Supports	–	10,083.2	10,083.2	464.8	4.8%
Cemeteries	(1,450.3)	1,498.0	47.7	(58.4)	-55.0%
Total	(2,282.3)	16,387.7	14,105.4	427.1	3.1%
Staff Complement			2016	2017	FTE Change
Full-time Equivalents			30.6	30.6	0.0



Corporate Asset Management

Service Outcomes

- To provide management services for the Corporation's extensive facilities and fleet in support of all civic programs and departments.
- To provide building operations and maintenance services for leisure facilities, fire halls, transit buildings, offices, libraries and galleries, Police Headquarters, and associated services for TCU Place and SaskTel Centre.
- To provide fleet management services for the Corporation's vehicles and equipment, including: purchasing, leasing, maintenance and repair, fuel distribution, and operator training.
- To provide oversight to ensure that all civic facilities and fleet assets are preserved, renewed and optimized for longevity.

At A Glance

- 3.5 million litres of diesel/gasoline provided per year via six separate fueling stations.
- 360,000 square meters of building area managed.
- 376 buildings valued at \$1.58 billion with contents valued at \$294.3 million.
- 92,000 square meters of parking lots.
- 29,000 park furnishings in 233 parks.
- 11,500 Facility Work Requests issued with an average of 44/working day .
- 9,800 Fleet Services Work Requests issued with an average of 39/working day.
- 9,300 assets maintained via the Comprehensive Maintenance Program.
- 1,450 radios and related infrastructure valued at \$15.0 million.
- 1,088 vehicles and equipment with a book value of \$73.0 million.
- 184 play structures valued at \$8.5 million.
- 55 user groups supported by Fleet Services within the Corporation.
- 32 paddling pools, 19 spray parks, and 10 pools.

Operating Budget: \$8.2 million

Capital Budget: \$22.5 million

Strategic Goal:



**Asset and
Financial Sustainability**

Council Priorities

- Establish levels of service for rehabilitation of assets and supporting financial strategies.
- Investigate pricing solutions for services and infrastructure (i.e. new bridges, recreation facilities).
- Develop funding strategies for expenses related to new capital expenditures including core services, such as fire halls, roadways and underground services.

Strategic Risks

- The City may not have adequate business continuity planning and/or emergency preparedness in place.
- While making capital investment decisions, adequate funding for asset lifecycle costs may not be getting identified.
- The City may not be delivering expected level of services for buildings to citizens or internal stakeholders.
- The lack of Integrated Asset Management approach and systems may be affecting the overall process of asset maintenance.
- Financial and operational systems are not well integrated which makes it difficult to make data based decisions.
- The current investment within the overall infrastructure renewal and maintenance in fleet management over the last 10 years may not have been adequate.
- The City may not be delivering expected levels of service for fleet services to citizens or internal stakeholders.

Performance Measures

Increase Visits to City Recreation and Cultural Facilities to 6,600 Visits/1,000 Residents and that the rate of increase in visits keeps pace with the projected growth rate.

- 2017 Target: 2% projected growth rate = 36,000 more visits to civic recreation and culture facilities

Citizen satisfaction with Civic Services of 90% or more.

- 2017 Target: 88%

Reduce the City of Saskatoon's Greenhouse Gas Emissions by 30% from 2006 Levels.

- 2017 Target: 5% below 2014 levels

Strategic Outcomes and 2017 Initiatives

Complete construction and begin operations of major facilities.

- Complete the construction of the new Saskatoon Transit Operations Facility and the City's first Snow Management Facility and transition to the new Civic Operations Centre.

- Oversee the transition into the Remai Modern Art Gallery together with the Major Projects division.

Civic facilities, programs, services, and infrastructure are accessible.

- Identify opportunities within the community to improve accessibility for all citizens and incorporate accessibility into civic design standards for the built environment.
- Define the immediate and long-term space requirements and opportunities for Service Saskatoon and co-located efficiencies in civic accommodation plans.

Civic facilities and infrastructure are adequately funded and meet agreed-upon standards.

- Develop core capital renewal principles and funding strategies for facility site capital renewal, park amenities, and play structures within a long-term asset management and preservation program.
- Work with the Recreation and Community Development division to develop level of service agreements for facility cleanliness and facility maintenance to meet the expectations of users and increase their level of satisfaction.
- Develop energy management programs and strategies for effective management of water, electrical and natural gas consumption within civic facilities.
- Develop the energy management initiatives including completion of the combined heat and power projects at the Shaw Centre and Lakewood Civic Centre, energy performance contracting, and maximizing operational efficiencies through information gathered from our energy and water monitoring project.

The City is adequately prepared in the event of business interruption and/or emergency.

- Design and implement the Corporate Security Plan for all civic facilities in addressing access and emergency protocols.
- Enhance radio system to meet civic demand and provincial emergency communication networks, including work to accommodate expanded City coverage.

Protect ability to deliver core services to the citizens of Saskatoon.

- Engage the services of a Business Continuity Professional to assist Emergency Management and Corporate Risk Management in developing a plan to maintain corporate continuity to provide core services to citizens.

Corporate Asset Management Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Facilities Management	(72.3)	8,533.9	8,461.6	(41.9)	-0.5%
Fleet Services	–	–	–	–	0.0%
City-Owned Property – Land	(2,538.0)	2,265.5	(272.5)	95.0	-25.9%
Total	(2,610.3)	10,799.4	8,189.1	53.1	0.7%
Staff Complement			2016	2017	FTE Change
Full-time Equivalents			229.7	238.7	9.0



Corporate Governance and Finance

Service Outcomes

- To provide governance and financial services which support the reliable delivery of programs and services to citizens, businesses, organizations, and other stakeholders.
- To provide essential leadership resulting in the alignment of organizational performance with the City's vision, mission, and strategic plan.
- To provide legislative oversight, ensure legal compliance, and implement strategic corporate programs in support of City Council and the Administration.
- To provide corporate financial leadership including the overall development and deployment of financial plans and strategies.
- To provide risk management services to ensure that significant risks are addressed in a positive, systematic, and productive way.
- To provide support for front-line staff, facilitate community engagement, and keep citizens informed.

Operating Budget: \$56.1 million

Capital Budget: \$3.4 million

Strategic Goals:



Asset and Financial Sustainability



Culture of Continuous Improvement

At A Glance

- \$41.7 billion of assessed property in Saskatoon.
- \$33.3 billion of taxable property.
- \$458.4 million in the 2016 Civic Operating Budget (excluding utilities).
- \$228.8 million of projects in the 2016 Capital Budget.
- 70,000 parcels of land are managed in our GIS system; 5,000 devices, and 60 locations supported by Information Technology (IT).
- 3,918 permanent full-time, part-time, and job-share employees throughout the City.
- 3,602 full-time equivalent positions throughout the City.
- 2,600 citizens visited the online citizen budget tool in 2016; 803 submitted feedback.
- 1,600 Service Alerts in 2015 regarding service disruptions.
- 30 boards, commissions, and committees plus three major tribunals.
- 18 Joint Occupational Health and Safety Committees.

- 12 unions and associations within the City's organizational structure.
- 11 elected officials including the Mayor and 10 Councillors.

Council Priorities

- Begin the process of implementing Service Saskatoon.
- Develop a recruitment and retention strategy that attracts the best talent and retains employees over the long term.
- Develop funding strategies for expenses related to new capital expenditures.
- Establish levels of service for rehabilitation of assets and identify supporting financial strategies.
- Explore alternate sources of revenue to pay for ongoing operations.

Strategic Risks

- There may be limitations on non-property tax revenue options and taxing powers resulting in an over-reliance on property tax.
- The City may lack the right initiatives to adequately engage and inform citizens.
- Financial and operational systems are not well integrated which makes it difficult to make data-based decisions.
- The City may not be delivering expected levels of IT services as there may be a lack of a clear IT strategy. IT systems and hardware may be outdated resulting in inability to meet business needs which may result in higher IT costs.
- Inadequate management of privacy and security of information may be a risk. Data management may be insecure due to use of cloud services.
- Strategic initiatives may not be reviewed for key risks during the business case evaluation in a structured and comprehensive way.
- Overall succession planning, leadership development and the workforce planning process may not be adequate considering aging workforce and staff turnover which may require better talent management and retention strategies.
- The current budgeting process may make it difficult to see the "big picture" and identify priority based funding.

Performance Measures

Satisfaction with civic services of 90% or more.

- 2017 Target: 88%

Debt supported by taxes is less than \$1,750 per person.

- This is a longer term target therefore there is no annual target.

Annual municipal property tax increase equal to or less than the Municipal Price Index (MPI).

- 2017 Target: 2.4%

Zero lost time to incidents.

- 2017 Target: Lost Time Injury Frequency of 2.95

The City of Saskatoon's workforce represents the diversity of Saskatoon's population.

2017 Targets for each of the four equity groups:

- Aboriginal – 9.3%
- Visible Minority – 10.5%
- People with Disabilities – 5.0%
- Women – 39.5%

Strategic Outcomes and 2017 Initiatives

Citizens are able to easily access information to programs and services when and how it is most convenient for them.

- Increase satisfaction with civic services through implementation of Service Saskatoon and the 311/ Customer Relationship Management (CRM) initiative.
- Define the immediate and long-term space requirements and opportunities for Service Saskatoon and co-located efficiencies in civic accommodation plans.
- Build a corporate Intranet as a "One Stop Shop" for City staff to get information and ensure employees are well informed about City programs and initiatives.
- Develop the City of Saskatoon brand and brand mapping strategy to enhance consistent communication and make it easier for citizens to connect with City services.

Consolidation and integration of business processes allows the City to monitor the progress of citizens service request, communicate with citizens directly on the progress of their request, ask for feedback and provide real-time data for costing of services.

- Develop business process requirements and issue a request for proposal for an Enterprise Resource Planning (ERP) system that would standardize the City's business processes and develop a platform for future Service Saskatoon Initiatives such as a CRM.

Identify efficiencies in Corporate Governance and Finance Programs and Services.

- Investigate and identify the most cost effective way to consolidate many current financial, payroll and human resource systems.

- Develop a Corporate Project Management System to improve consistency and efficiency in all projects across the organization.
- Develop a four-year plan for Civic Service Reviews and continuous improvement initiatives in each division in line with the Internal Audit Plan and the Strategic Plan.
- Expand the purchasing cards throughout the Corporation in order to reduce processing time in accounts payable and expedite the purchasing process within each department.
- Implement a new procurement policy including protocols and templates for the organization.

Develop ways to maintain and improve the City's financial situation.

- Update the long-term financial plan in preparation of multi-year planning and budgeting to identify future challenges and opportunities, causes of fiscal imbalances, and strategies to secure financial sustainability.
- Explore alternate sources of revenues to pay for ongoing operations.
- Complete a life-cycle costing model which departments can use to provide consistent and reliable information during budget deliberations regarding major asset acquisitions.
- Review processes, systems and industry best practices to ensure taxation options are addressed more effectively and efficiently.
- Utilize external expertise to develop a coordinated strategy that will optimize revenues from naming rights, sponsorship, donations and advertising.

Align the City's long-term goals with civic programs and services and ensure investments address City Councils' Priorities, strategic risks or corporate performance targets.

- Explore multi-year budgeting and other options to align resources with the strategic plan, economic indicators, and other relevant market information.
- Update the 2013-2023 Strategic Plan to reflect the 4-year priorities of the new City Council.
- Incorporate risk management formally into the business planning and budget process.

Define service levels and develop funding strategies for key civic assets and services.

- Develop a policy and standard process for defining, establishing, and approving key asset and maintenance/operational service levels and associated costs.
- Expand the Asset Management Program (AMP) which tracks inventory condition, maintenance costs, funding strategies, and plans for achieving set service levels.

- In collaboration with other divisions, identify the cost per unit to deliver alternative levels of service as a base for more informed decisions on approved service levels.

Reduce occupational injuries and illnesses to meet the long-term target of zero.

- Audit the health and safety practices of four divisions and assist in identifying and developing an action plan to address the three top priorities.

Citizens are regularly consulted and informed on civic programs and services.

- Develop a framework for a new community engagement strategy to enable residents to participate in City decisions more often.

Attract, retain and develop talent with an emphasis on proportional representation.

- Develop a strategy to attract and retain the best available representative workforce.
- Review internal programs and services to identify and eliminate processes, policies, plans and practices that create barriers for current and potential employees.
- Implement the Diversity and Inclusion Action Plan that supports increased workforce proportions for each of the identified groups.
- Develop an Employee Rewards and Recognition Program in consultation with employees.
- Implement the Aboriginal Awareness Program which is an education program for employees that shares the history of residential schools and their impact, and opens dialogue on reconciliation within the workplace.

Improve service to citizens and connect with stakeholders through the use of technology.

- Continue the transition from manual meter reading to Advanced Metering Infrastructure.
- Explore opportunities to convert paper records to digital to reduce office storage requirements, allow for easier access, and increase security and efficiency.
- Implement a data warehouse and business intelligence tool to enable the development of workforce analytics, collective bargaining strategies, and workforce planning.
- Implement a Service Catalogue with a self-service portal as a means for customers to order pre-defined, bundled goods and services from the IT division.
- Explore options for replacement of vote counting machines reaching the end of their life expectancy and service support.
- Further define and build on the major programs and initiatives for IT that are enterprise enabled.

Corporate Governance and Finance Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Legislative	–	1,575.0	1,575.0	12.9	0.8%
City Manager's Office	–	681.7	681.7	6.3	0.9%
City Clerk's Office	(20.0)	2,667.2	2,647.2	282.8	12.0%
City Solicitor's Office	(325.0)	2,289.8	1,964.8	12.2	0.6%
Corporate Support	(70.8)	19,011.9	18,941.1	298.9	1.6%
General Services	(9,454.6)	7,951.7	(1,502.9)	1,739.3	-53.6%
Assessment & Taxation	(4.5)	3,688.0	3,683.5	35.9	1.0%
Revenue Services	(163.1)	2,108.5	1,945.4	20.0	1.0%
Financial Services	–	3,338.1	3,338.1	240.5	7.8%
Debt Servicing	(7,194.6)	29,354.7	22,160.1	1,600.3	7.8%
Service Saskatoon	–	715.4	715.4	515.4	257.7%
Corporate Projects	–	–	–	–	0.0%
Total	(17,232.6)	73,382.0	56,149.4	4,764.5	9.3%
Staff Complement			2016	2017	FTE Change
Full-time Equivalents			401.7	407.7	6.0





Environmental Health

Service Outcomes

- To provide Urban Forestry and Pest Management services, including prevention of the spread of insect and plant pests, and wildlife management.
- To provide Waste Handling Services, including: collection and landfilling of garbage.
- To provide an Environmental Program and Waste Reduction and Resource Recovery program, including: developing recycling and composting programs, reducing energy use and the emission of greenhouse gases, managing household hazardous waste, remediating City-owned contaminated sites, participating in regional water and air quality protection efforts, and developing enhanced environmental policies.

At a Glance

Urban Forest: Parks

- 110,000 trees with approximately 60% of the inventory lining city streets and 40% located within civic parks.
- 10,000 trees pro-actively pruned each year.
- 2,500 citizen requests for tree health assessments, pruning and clearing of broken/hanging branches, tree removals, and clarification of tree ownership.

Pest Management: Parks

- 94,500 hectares of land in and around Saskatoon is monitored seasonally to identify and treat for mosquito larval habitat.
- Trees within the City's Urban Forest are inspected annually for diseases such as Dutch Elm Disease (DED).

Garbage: Waste Handling Services

- 2.8 million residential containers collected each year with a 99.9% success rate.
- 112,000 tonnes of garbage received at the Landfill annually; 55% is residential garbage.
- 68,500 single-family homes and 23,000 multi-unit residential properties receive garbage collection services by a fleet of 18 garbage trucks.

Operating Budget: \$13.3 million

Capital Budget: \$13.2 million

Strategic Goal:



**Environmental
Leadership**

Environment: Environmental Programs

- \$7.3 million saved on construction projects involving contaminated soil while also improving environmental stewardship of materials of concern to human or environmental health.
- 14 civic buildings contain sophisticated utility monitoring equipment to prepare for extensive energy efficiency upgrades that will save hundreds of thousands of dollars in future annual utility costs.
- Nine waste diversion programs divert 21% of the waste generated in the community away from the Landfill.

Council Priorities

- Consider mitigation strategies for the impact of severe weather events on the City's infrastructure.
- Promote and facilitate city-wide composting and recycling to reduce the rate and volume of waste sent to the landfill.
- Identify opportunities to replace conventional energy sources with green energy technologies and find alternate ways of generating capacity to support operations.

Strategic Risks

- The City may not be delivering expected level of services for garbage collection or park maintenance.
- The City may be lacking a clearly articulated strategy on how to manage climate-change-related risks.
- The City may need to do more to create community awareness of climate change and educate to change people's attitude about their own carbon footprints.
- Absence of greenhouse gas reduction initiatives may lead to a bigger than expected carbon footprint.

Performance Measures

Divert 70% of Waste from the Saskatoon Landfill.

- 2017 Target: 23%

Reduce the City of Saskatoon's Greenhouse Gas Emissions by 30% from 2006 Levels.

- 2017 Target: 5% below 2014 levels

Strategic Outcomes and 2017 Initiatives

Improve waste diversion performance.

- Based on the results of a comprehensive community waste audit, develop a Waste Diversion Plan that outlines the specific strategies and benchmarks for increasing the waste diversion rate to 70% by 2023.
- Construct the first components of Recovery Park, a 'one-stop' waste diversion facility located west of the Saskatoon

Landfill. Components include site preparation and roadway construction, relocation of the landfill scales and transfer station, creation of a convenient facility for the drop-off of household hazardous waste, development of a recycling depot and new construction waste facility, and landscaping.

- Implement an education program to support businesses in paper and cardboard recycling in advance of anticipated changes to the Waste Bylaw banning this material from landfills.
- Implement initiatives identified through the Waste Handling Civic Service Review.

Reduce the carbon footprint of civic operations.

- Based on the results of a community greenhouse gas (GHG) emissions inventory, establish a performance target for emissions reduction across the community.
- Create a business plan that identifies the role of the City and other important stakeholders in reducing GHG emissions to achieve the Community GHG Performance Target.
- Sign an implementation contract with an Energy Service Company and begin retrofits to the City's highest energy-consuming buildings.
- Prepare a Renewable Energy Strategy identifying the opportunities for shifting away from reliance on fossil fuel energy in Saskatoon.
- Develop a Solar Energy Demonstration Project at a civic facility.

Protect the urban forest and prevent the spread and future introduction of pests and disease.

- Implement an effective Dutch Elm Disease (DED) Response Plan to help prevent the spread and future introductions of DED.
- Continue surveillance and monitoring of the City's Urban Forest for invasive pest issues and adjust established emergency response plans as required.
- Expand the current tree inventory to include all trees on public and private property.
- Develop an implementation plan for the initiatives identified through the Urban Forestry Civic Service Review including a new tree management software system.
- Complete back-lane tree-trimming Civic Service Review with all divisions that require or deliver this service.

Mitigate the impact of severe weather events on the City's infrastructure and protect private and public natural assets.

- Develop a Storm Water Management Plan to mitigate for the impact of severe weather events on the City's infrastructure, improve the quality of water being returned to the South Saskatchewan River and protect private and public natural assets such as the river and urban forest.

Increase environmental compliance and reporting.

- Expand tools and training to help civic employees with environmental compliance, reporting and improving sustainability outcomes such as increased recycling, paper reduction, energy and water conservation, and fewer releases of pollutants into the environment.

Environmental Health Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Environmental Program	–	490.4	490.4	10.0	2.1%
Urban Forestry	–	3,552.7	3,552.7	(13.1)	-0.4%
Waste Reduction & Resource Recovery	(12.4)	1,020.2	1,007.8	126.0	14.3%
Waste Handling Service	(5,920.0)	13,303.4	7,383.4	569.0	8.3%
Pest Management	(2.0)	911.3	909.3	(7.5)	-0.8%
Total	(5,934.4)	19,278.0	13,343.6	684.4	5.4%
Staff Complement					
			2016	2017	FTE Change
Full-time Equivalents			107.3	108.0	0.7



Fire Services

Service Outcomes

- To provide emergency planning and 24-hour emergency response services within the City of Saskatoon and surrounding municipalities covered by service agreements in order to protect citizens, reduce the loss of life, and limit property damage.
- To provide public education and fire prevention services, including fire investigations, with the goal of increasing the level of safety and security in the community.
- To provide a major role in the delivery of pre-hospital care to the citizens of Saskatoon.
- To provide protective services outlined in *The Fire Safety Act*, *The Emergency Planning Act*, *The Cities Act*, and *Saskatoon Fire and Protective Services Bylaw 7990*.

At a Glance

- 334 staff within the Operations, Administration, Prevention, Training, Emergency Measures, and Support Divisions.
- 12 front-line engines, two rescue trucks and two aerials are operated out of nine fire stations.
- 12,623 emergency and non-emergency calls required crews to respond, not including inspection activity or community engagement events.
- 2,363 complaints which generated 3,190 inspections and re-inspections were received by the Fire Prevention Division.
- 221 fire investigations resulting in five criminal charges.
- 24 students in Grades 9, 10 and 11 from five high schools participated in the F.I.R.E. Cadet Program, an eight-week fire training program.
- Three graduates from the F.I.R.E Cadet Program were employed with the Saskatoon Fire Department during July and August for property maintenance, fire prevention initiatives, and community relations events.

Council Priorities

- Ensure that emergency response times for the Saskatoon Fire Department (SFD) meet the needs of the entire community.

Operating Budget: \$47.0 million

Capital Budget: \$7.2 million

Strategic Goal:



Quality of Life

Strategic Risks

- The City may not have adequate business continuity planning and/or emergency preparedness in place.
- The City may lack the right initiatives to adequately engage and inform citizens. An expectation gap between citizens and the City may be leading to dissatisfaction with services.

Performance Measures

Respond to fire calls within six minutes and 20 seconds at least 90% of the time.

- 2017 Target: 83%

Satisfaction with Civic Services of 90% or more.

- 2017 Target: 88%

Strategic Outcomes and 2017 Initiatives

Ensure an emergency response approach that meets accepted standards.

- Through Fire Station Deployment Modelling, the SFD is attempting to meet response time targets identified by the National Fire Protection Association 1710 benchmark.
- The movement of Fire Station No. 3 to 2613 Clarence Avenue South is the first step in addressing response coverage for the citizens of Saskatoon. Deployment Analysis of fire apparatus response is an ongoing initiative which will see many improvements long term.
- Maintain the necessary coverage within geographic areas to meet the target for fire response 90% of the time through ongoing analysis of location and repositioning of fire stations.
- Build partnerships with Provincial Emergency Management and Fire Safety in the areas of disaster response, communications, and departmental certifications.
- Build partnerships with the Saskatoon Health Region and School Boards to better serve the citizens of Saskatoon.

Maintain the infrastructure required to meet expanding emergency response needs.

- Develop a long-term plan for building and replacement of SFD infrastructure.
- Develop a plan for future upgrades or replacement of the department training/mechanical maintenance shop.
- Conduct long-term planning for upgrades to Station Headquarters (Fire Hall #1 - Idylwyld Drive) to accommodate accessibility needs, communications, Emergency Measures Organization and larger equipment in the apparatus bay.
- Develop a plan for fee-for-service for special events.
- Evaluate Fire Service Agreements.

Address enforcement and education issues related to public safety and fire prevention.

- Develop a coordinated bylaw enforcement group to address increased property maintenance concerns within the City.
- Increase community engagement activities to create positive relationships within the community. Collaborate with the Saskatoon Council on Aging, deliver the F.I.R.E. Cadet Program, and participate in community events throughout the year.
- Optimize skill sets of SFD staff (i.e. provision of flu shots by SFD Paramedics to SFD staff). Work with Saskatoon Health Region to identify opportunities to assist in meeting the needs of the community that do not have access to services.
- Evaluate job qualifications and hiring process to address diversity and inclusion.

Protect ability to deliver core services to the citizens of Saskatoon.

- Engage the services of a Business Continuity Professional to assist Emergency Management and Corporate Risk Management in developing a plan to maintain corporate continuity to provide core services to citizens.

Fire Services Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Fire Services	(1,059.1)	47,647.1	46,588.0	390.9	0.8%
Emergency Measures	–	421.0	421.0	1.3	0.3%
Total	(1,059.1)	48,068.1	47,009.0	392.2	0.8%
Staff Complement					
			2016	2017	FTE Change
Full-time Equivalents			334.0	335.0	1.0



Land Development

Responding to the needs of a variety of customers in the housing, commercial, institutional and industrial sectors, the Land Development business line invests capital dollars in the provision of municipal infrastructure and creates demand for durable products and employment. This adds value to the economy and encourages job growth, positive net migration and other important multiplier effects.

The City of Saskatoon is unique in that it is a land developer. Saskatoon Land operates on a level playing field with the private sector. It is mandated to:

- Ensure adequate levels of serviced residential, institutional and industrial lands are available at competitive market values;
- Provide innovation and leadership in design for new growth; and
- Provide financial returns at competitive rates of return on investment to the City for allocation to civic projects and programs. Saskatoon Land is operated on a for-profit basis, with 100% of the surplus funds allocated for reinvestment in the community.

The Land Development-Capital program includes the construction of arterial roadways, trunk sewers, primary water mains, roadway interchanges, lift stations, and suburban park development. These projects are funded from the collection of off-site levies collected from all land developers and are necessary for the City to support continuous urban growth.

Operating Budget: \$4.5 million

Capital Budget: \$22.2 million

Strategic Goals:



Asset and Financial Sustainability



Sustainable Growth

Service Outcomes

- To ensure an adequate supply of new infrastructure is in place to accommodate new development and core civic services.
- To respond to the needs of a variety of customers in the housing, commercial, institutional and industrial sectors.
- To invest capital dollars in the provision of municipal infrastructure and create demand for durable products and employment, adding value to the economy and encouraging job growth, positive net migration and other important multiplier effects.
- To provide new growth areas and various infill developments throughout the City that will play a vital role in providing the serviced land that will accommodate new housing and commercial investment in the City over the next five to 10 years.

- To perform all real estate functions and activities for the Corporation including the acquisition of future development lands and all corporate land requirements, administering of both internal and external leases, coordinating and overseeing the maintenance of lands held for future development, providing valuations, and providing real estate advice to the Corporation as a whole.
- To construct arterial roadways, trunk sewers, primary water mains, roadway interchanges, lift stations, and suburban park development through the use of the Land Development-Capital program.
- To use development levies collected from pre-paid servicing rates to fund installations of trunk sewers, arterial roads, storm ponds, lift stations, park development, primary water mains and a portion of new roadway interchanges.

At a Glance

- \$123.3 million in net proceeds from land development investments in Hampton Village, Willowgrove, Evergreen, and Rosewood have been allocated by City Council to operating budgets and various capital projects since 2007.
- \$63,425,600 in total sales revenues for 2015.
- 7,000 acres of future development land is managed/maintained.
- 1,850 acres of land has been acquired over the past two years for civic projects and future development.
- 159 residential lots were sold for a total of \$23,207,900.
- 80 leases of land and buildings are managed totaling approximately \$1.925 million in annual revenue.
- 10 industrial parcels totaling 20.96 acres were sold for a total of \$11,429,000.
- Eight institutional and multi-family parcels totaling 30.17 acres were sold for a total of \$28,788,700.
- 51 internal projects were delivered and received technical services for private development from Construction and Design; servicing Major Projects, Urban Design, Transportation, Saskatoon Land, and Public Works.

New Land Development in 2016:

- 4,400m of new water mains.
- 3,810m of new sanitary sewer mains.
- 3,510m of new storm sewer mains.
- 12.6 lane kms of new local and collector roads.
- 1.7 lane kms of new arterial roads.

Council Priorities

- Explore alternate sources of revenue to pay for ongoing operations.

- Develop funding strategies related to new capital expenditures including core services such as fire halls, roadways and underground services.
- Direct expenditures toward amenities in neighbourhoods to enhance and protect property values and encourage private investment.
- Develop partnerships and programs with Aboriginal organizations that will assist in enhancing economic, employment, and training opportunities.
- Ensure commercial, industrial, and residential areas include parks, paths, and routes that encourage walking, cycling and transit use.
- Create “complete communities” in new neighbourhoods and existing neighbourhoods that feature employment opportunities, main streets, suburban centres and greater connectivity, both internally and externally.

Strategic Risks

- Sustained growth straining the City’s funding capacity for offsite services while increasing pressure on existing infrastructure.
- Implementing a contractor management system, including a process for pre-qualifying contractors to ensure contractors with the capabilities, capacity and expertise to perform required services.
- Managing the financial risk associated with investment in land development projects.
- Maintaining current pro-forma and investment return targets in the current economic climate will be challenging with rising infrastructure costs from new roadway standards and other non-traditional growth levies that may be asked to be paid for by developers.
- Implementing the next phase of the corporate accommodation plan with limited funding.

Performance Measures

At least 25% Five-Year Rolling Average of Residential Development is in Infill Neighbourhoods by 2023.

- 2017 Target: 17%

A minimum One-Year Inventory of Land for Single Family Units, a Two-Year Inventory of Land for Multi-Family Units and a Two-Year Inventory of Industrial Land.

- 2017 Target:
 - Single Family – 1,000 units
 - Multi-Family – 2,200 units
 - Industrial – 100 acres

Strategic Outcomes and 2017 Initiatives

Service land in order to accommodate new construction.

- Further phases of the Aspen Ridge neighbourhood will be serviced to accommodate new dwelling construction in the Northeast (2017 – 115 lots, 2018 - 261 lots, 2019 - 261 lots).
- A total of 22 acres of multi-family/mixed use land will be serviced in 2017, with a further two acres in 2018, and 33 acres in 2019.
- In the Southwest Industrial Area, 23 acres of industrial land will be serviced in 2017. A further 80 acres will be serviced in future years in the Marquis Industrial area.
- In Kensington, 110 single family lots will be serviced and 16 acres of multi-family land by the City in 2019.
- Future servicing decisions are linked to economic trends to ensure the City is not over-investing in infrastructure, while at the same time maintaining healthy lot inventory levels.

Obtain approval for Neighbourhood Concept Plans.

- The Elk Point neighbourhood concept plan will be submitted for approval in 2017.
- Neighbourhood Concept plans for the next new neighbourhoods in the Blairmore Suburban Development Area and University Heights Suburban Development Area will be designed and submitted to Planning and Development for initial review.
- Conduct internal process review of architectural control review process to ensure efficiencies.
- Collaborate with the Saskatoon Fire Department to develop new neighbourhood concept plans that ensure fire response times can be met. Acquire land for new fire halls based on fire hall location plans.
- Ensure neighbourhood layouts are oriented to take advantage of solar power and look for opportunities to partner with Crown utilities and home builders to advance other energy efficiencies such as solar power in City developments.

- Create “complete communities” in new neighbourhood developments that feature employment opportunities, main streets, suburban centres and greater connectivity, both internally and externally.
- Ensure new neighbourhood concept plans include parks, paths and routes that encourage walking, cycling and transit use.

Complete construction of required infrastructure to accommodate future growth.

- New arterial road construction in 2017 includes, McOrmond Drive with future year roads planned for Central Avenue, Claypool Drive, Neault Road, Taylor Street, Wanuskewin Road and McOrmond Drive south of College Drive.
- Trunk sewer extensions in the following locations for 2017 in Aspen Ridge with future services planned in University Heights, Brighton and the Marquis Industrial Area.
- Primary water mains and fill mains situated in Aspen Ridge and Marquis Industrial with additional services planned in other years within the Holmwood sector and Rosewood.
- Development of new parks in Stonebridge, Rosewood, Evergreen, Kensington and Brighton is estimated at \$3.1 million for 2017.

Collaborate with private developers to ensure sufficient quantities of serviced land are being brought into the development stream.

- Develop and implement procedures for regular update of new website and live inventory mapping, including new processes for marketing new land releases through the website.
- In anticipation of a continuation of slow land sales, explore marketing ideas and other incentives that could be used to increase sales.
- Assess infill development opportunities on select City-owned parcels where financially feasible. Examine rezoning of City-owned infill land where practical and collaborate with other civic departments to identify infill land acquisitions in support of the recently approved growth plan.

Land Development Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Saskatoon Land	(4,507.4)	4,507.4	–	–	–
Land Development – Capital	–	–	–	–	–
Total	(4,507.4)	4,507.4	–	–	–
Staff Complement			2016	2017	FTE Change
Full-time Equivalents			17.5	17.5	0.0



Operating Budget: \$86.6 million

Capital Budget: \$4.0 million

Strategic Goal:



Quality of Life

Policing

The 2015 Inshtrix Community Satisfaction Survey indicates that 92% of the respondents are satisfied with the Saskatoon Police Service (SPS). Public safety is key to this perception and is also essential in a healthy, growing community. Individuals, families, community groups, social agencies, businesses, and visitors all benefit from the many programs and services offered through the Policing business line.

Service Outcomes

- To provide service to the community in a number of core areas: Emergency Response, Quality Investigations, Traffic, and Community Involvement.
- To reduce crime and victimization by working in partnership with the community to develop collaborative strategies.
- To partner with the Saskatoon Tribal Council, Federation of Sovereign Indigenous Nations, and the Saskatoon Health Region through an Action Accord to reduce the number of intoxicated persons held in police cells.
- To take a lead position to implement community mobilization with the HUB model bringing together Social Services, Education, Health, and Mental Health, to assist high risk individuals and families.

At A Glance

- 639.61 staff members at SPS:
 - 448 police officers;
 - 58.5 special constables; and
 - 133.11 civilians.
- 261,251 calls received at by the communication centre including 78,277 911 calls and cars dispatched to 76,745 calls for service.
- 10,659 arrests processed through the detention area.
- 29,638 traffic tickets issued.

Council Priorities

- Reduce and prevent crime and provide protective services in our downtown core and neighbourhoods.
- Develop partnerships and programs with Aboriginal organizations that will assist in enhancing economic, employment and training opportunities.

Strategic Risks

- Increased vehicle traffic and road infrastructure congestion which has an impact on the number of traffic violations.

- Physical and population growth is straining the City's funding capacity while increasing pressure on human resources.
- Crime and social disorder challenges have accompanied Saskatoon's rapid population growth.
- The community, with a large marginalized population experiencing poverty, poor housing, and non-inclusion, faces contributing factors to street and gang activity such as robbery, assault, theft, and vandalism.
- SPS will require additional growth to meet the demands of an increasing population.
- Current demographics of the SPS result in salary increases attributable to (i) less turnover among senior staff, and (ii) new staff who will begin to move up the pay scale.

Performance Measures

Decrease Overall Crime Rates by 5% annually over the Previous Five-year Average:

- Redeploy police officers to focus efforts on reducing street crime, with an emphasis on robberies, thefts and mischief to achieve a 5% reduction in crime year over year.
- Percent Changes, 2015 versus 2014:
 - Crimes against the Person - 4.3%
 - Crimes against Property +7.4%
 - Drug Related Offences excluding Possession +22.5%
 - Drug Related Offences – Possession +23.9%
- The possession offences of methamphetamine are up 102.3% (included in 23.9% increase noted above) comparing 2015 to 2014. This highly addictive drug can be considered a causal factor in crime overall.

Decrease Traffic Collisions by 5% Annually:

- Collaborate with SGI and other partners to achieve a 5% reduction in traffic collisions year over year through implementing actions in the Strategic Traffic Safety Action plan. Emphasis will be on reducing aggressive, distracted, and impaired driving. Increase resources applied to the Provincial Automated Speed Enforcement Program.
- Percent Changes, 2015 versus 2014:
 - Total Collisions: + 3.1%
 - Of positive note, collisions involving a fatality were down 11.1% comparing 2015 to 2014.

Workforce Representative of the Diversity of Saskatoon's Population:

- Develop a cultural diversity action plan for police to enhance community relations, cultural recruiting and diversity training. SPS is contributing \$1,000 per year to give two awards (\$500 each) to selected applicants

participating in the Aboriginal Policing Preparation program at Saskatchewan Polytechnic.

- A bronze memorial honouring missing and murdered indigenous women was completed and is installed outside Saskatoon's police headquarters.

Strategic Outcomes and 2017 Initiatives

Reduce street crime.

- Emphasis continues to be placed on: robberies, thefts and mischief.

Complete an operational review of the entire Saskatoon Police Service.

- Contractor completed site visits (April, May, June, September and December, 2016). Contractor has conducted about 133 interviews and group discussions engaging about 200 people, about 170 of which were SPS employees, with the remainder belonging to other community stakeholder groups.
- New payroll and scheduling system – anticipated implementation in 2017-2018.

Increase the safety of all in-custody individuals, providing proper medical assessment and 24/7 emergency medical care.

- Expand contract with MD Ambulance for 24/7 monitoring of detention facility.
- Expand contract with Canadian Corps of Commissionaires to have female Commissionaire present at Detention facility.

Reduce overtime related to Special Events.

- Partnership with Prairieland Exhibition – A four-year agreement with Prairieland Exhibition to reduce the amount of police overtime required for traffic control at the Exhibition by increasing the amount of paid special duty.

Reduce underlying issues that often lead to Police Involvement.

- Strengthening Families Project (SFP) – is a family skills program designed to increase family strengths and resilience and reduce risk factors for problem behaviours in high-risk children, including behavioural, emotional, academic, and social problems. It builds on protective factors by improving family relationships, parenting skills and the youth's social and life skills. There are versions designed for both the 12-17 age group and for children aged 6-11 years old, and their families. The desired outcomes are to:
 - Reduce youth's behavioural problems (violence, delinquency, aggression, etc.);
 - Decrease the use and temptation to use drugs, alcohol and tobacco;
 - Enhance children's social and life skills;

- Improve parenting skills; and
- Increase family cohesion, communication and organization.

This program is a partnership between the City of Saskatoon, Saskatoon Police Service and the Ministry of Social Services. Funding of this program is provided by Public Safety Canada through the National Crime Prevention Center (NCPC).

- Police and Crisis Team (PACT) – Now fully staffed, the unit consists of two Police Officers and two Mental Health Workers. The Unit is reducing the number of frontline police responses to deal with mental health issues and is reducing the amount of time officers are having to spend waiting at hospitals.
- HUB – Community Mobilization Project where Police and other agencies partner to attempt to reduce the underlying issues which often lead to future police involvement.
- Predictive Analytics Laboratory - A partnership between the Government of Saskatchewan, the Saskatoon Police Service and the University of Saskatchewan. The premise of the Laboratory is that Saskatoon Police data, if analyzed by modeling experts, may improve community safety and diminish harm to victims.

Policing Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Saskatoon Police Service	(9,129.2)	95,778.2	86,649.0	2,325.1	2.8%
Total	(9,129.2)	95,778.2	86,649.0	2,325.1	2.8%
Staff Complement					
			2016	2017	FTE Change
Full-time Equivalents			644.8	653.1	8.3



Operating Budget: \$28.0 million

Capital Budget: \$9.3 million

Strategic Goal:



Quality of Life

Recreation and Culture

Service Outcomes

- To provide opportunities for residents to participate in and enjoy the benefits from sport, recreation, culture, and park activities.
- To provide paid admission programs, including: swimming, skating, fitness, recreation, life skills, golfing, the zoo, and children's amusements rides.
- To provide facilities and outdoor open spaces in support of community-based programs, festivals and special events.
- To provide services and programs that meet community needs and result in increased visits to all facilities.
- To provide recreation and parks facilities, spaces and programs directly and in partnership with other organizations.

At a Glance

- \$3.0 million dollars of public art maintained.
- 1.4 million visits to City-operated leisure centres.
- 300,000 visits to the riverfront trail at River Landing.
- 285,100 visits to the Forestry Farm Park and Zoo.
- 276,116 tickets sold at PotashCorp Playland at Kinsmen Park (2016 being the first full season).
- 130,000 participants in the summer playground programs.
- 121,200 rounds of golf played.
- 33,000 hours rented to community groups at leisure facilities.
- 20,200 visitor nights at the Gordon Howe Campground.
- 14,820 people registered in swimming lessons.
- 12,000 participants in community association and neighbourhood-based programs.
- 2,500 hectares (6,178 acres) of park/open spaces.
- 1,200 trees planted annually in park and reforestation projects.
- 283 outdoor sports fields and six leisure centres.
- 145 km of park pathways.
- 17 major arts, cultural and heritage organizations supported attracting 937,000 visits.

- 30 paddling pools, 17 spray pads, 11 youth centres, and two travelling program vans.
- 14.8 hectares (36 acres) of pathways, green space, etc. at River Landing.

Council Priorities

- Direct expenditures toward amenities in neighbourhoods to enhance and protect property values and encourage private investment.
- Provide opportunities for activities in a winter city.
- Develop partnerships and programs with Aboriginal organizations that will assist in enhancing economic, employment and training opportunities.
- Build a leisure centre located within the core neighbourhoods.

Strategic Risks

- The City may lack the right initiatives to adequately engage and inform citizens. An expectation gap between citizens and the City may be leading to dissatisfaction with services.
- The current investment within the overall infrastructure renewal and maintenance of parks and recreation over the last 10 years may not have been adequate.
- Current succession planning and leadership development may not be adequate considering aging workforce and staff turnover.
- The City may not have adequate business continuity planning and/or emergency preparedness in place.

Performance Measures

Increase visits to City recreation and cultural facilities to 6,600 visits/1,000 residents and that the rate of increase in visits keeps pace with the projected growth rate.

- 2017 Target: 2% projected growth rate = 36,000 more visits to civic recreation and culture facilities

Strategic Outcomes and 2017 Initiatives

Increase recreation opportunities through provision of recreational facilities and amenities.

- Build and/or upgrade recreation facilities located within core neighbourhoods.
- Develop off-leash dog parks on available City-owned land or park space based on the approved plan.
- Work with the Meewasin Valley Authority to complete work on the off-leash dog park at Chief Whitecap Park.

- Apply recommendations from the review of special events coordination and oversight processes to all special events in outdoor public places.
- Expand the variety of winter program initiatives to improve perceptions of quality of life throughout the year.

Citizens are able to easily access information for programs and services when and how it is most convenient for them.

- Implement new recreation management software for program registration, facility booking, and revenue collection.

Define service levels and develop funding strategies for key civic assets and services.

- Develop updated park service levels from current technical standards that can be used to communicate park services for existing parks to the public.
- Finalize and implement the landscape design and development standards for all new and/or upgraded parks and the supporting park maintenance strategies.
- Collect condition assessments of park infrastructure such as pathways, irrigation systems and plant material to develop the Parks Asset Management Plan.
- Develop capital planning, lifecycle replacement and funding strategies for sports fields, recreation facilities and recreation amenities in parks.
- Implement a new service delivery model that includes new satellite maintenance buildings and equipment located closer to parks in new neighbourhoods.
- Establish service levels for programs offered at the leisure centres and outdoor swimming pools using formalized program planning.
- Review current service level of facilities and staffing support for the playground program, outdoor water play and recreation programs.

Develop long-term plans for parks, recreation and culture and implement recommendations.

- Develop a partnership policy based on the framework in the Recreation and Parks Master Plan and explore opportunities in the near future.
- Implementation of the recommendations in the Recreation and Parks Master Plan.
- Implement the engagement strategy for the Landscape Design and Development Standards to receive feedback from residents and the development community.
- Collaborate with stakeholders to develop an Integrated Natural Area Strategy and Storm Water Management Plan.

Citizens have opportunity for and are actively engaged in arts and cultural programs and activities.

- Implement the Culture Plan recommendations with a focus on a long-term strategy to invest in and support the cultural sector in Saskatoon.
- Identify opportunities for cultural expression, including public art, in Saskatoon neighbourhoods.
- Find ways to support and enable cross-cultural arts initiatives.

Increase participation rates at Saskatoon's Leisure Centres.

- Implement a plan targeted at potential markets to increase activity space rentals during low usage periods at indoor leisure centres.
- Promote the leisure centres with new leisure card pricing, a refreshed brand and an effective campaign to increase attendance and total revenues.

Recreation and Culture Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Spectator Ball Fields	–	157.0	157.0	4.0	2.6%
Marketing Services	–	622.8	622.8	13.4	2.2%
Community Partnerships	(16.8)	434.7	417.9	65.7	18.7%
Forestry Farm Park & Zoo	(960.7)	2,561.1	1,600.4	(16.1)	-1.0%
Golf Courses	(3,922.1)	3,922.1	–	–	0.0%
Gordon Howe Campsite	(637.9)	637.9	–	–	0.0%
Indoor Rinks	(2,121.1)	2,447.4	326.3	(37.1)	-10.2%
PotashCorp Playland	(586.4)	586.4	–	–	0.0%
Outdoor Pools	(471.4)	1,353.8	882.4	36.4	4.3%
Outdoor Sports Fields	(631.2)	1,076.9	445.7	62.9	16.4%
Parks Maintenance & Design	(149.7)	13,567.4	13,417.7	408.1	3.1%
Playground & Recreation Areas	–	887.4	887.4	(17.5)	-1.9%
Program Research & Design	–	238.9	238.9	21.5	9.9%
Leisure Centres – Program	(6,618.4)	10,753.8	4,135.4	239.1	6.1%
Leisure Centres – Rentals	(6,356.6)	10,567.5	4,210.9	162.9	4.0%
Targeted Programming	(10.4)	588.8	578.4	(4.1)	-0.7%
Albert Community Centre	(157.3)	235.9	78.6	7.5	10.5%
Marr Residence	(0.5)	22.5	22.0	0.4	1.9%
River Landing	(1,210.3)	1,210.3	–	–	0.0%
Total	(23,850.8)	51,872.6	28,021.8	947.1	3.5%
Staff Complement					
			2016	2017	FTE Change
Full-time Equivalents			324.9	328.6	3.7



Taxation and General Revenues

Overview

The property levy is the amount required from property taxes to balance the operating budget. The operating budget changes on an annual basis due to service level changes, growth impacts and inflation among other variables. The 2017 budget approved by City Council on December 1, 2016 saw expenditures increase by \$19.0 million (4.3%) while operating revenues increased by \$11.1 million (2.5%), creating a funding gap of \$7.9 million. In order to balance the operating budget and reduce the funding gap to zero, an increase of 3.89% required from property taxes in the original budget approved by City Council in December.

The Province of Saskatchewan tabled their 2017-2018 budget on March 22, 2017. The changes included in the provincial budget had a significant impact on the City of Saskatoon's budget. Changes to the PST and the elimination of a Grant-in-Lieu of taxes from SaskPower and SaskEnergy would have meant an additional \$9.0 million (4.45%) would be required from property taxes (in addition to the originally approved 3.89%). However, City Council explored a wide range of options to keep the impact on property taxes as low as possible and reduced this increase to \$1.9 million or 0.93%. Therefore, for 2017, the original funding gap of \$7.9 million plus the \$1.9 million (after City Council made reductions to minimize the provincial budget impact) resulted in a funding gap of \$9.8 million for a final property tax increase of 4.82%.

Grants-in-Lieu of taxation are received from federal and provincial governments for properties they own but are exempt from taxation. These are equivalent to the property taxes calculated on these properties and application is made to the governments to pay this amount. In addition, the most significant portion of Grants-in-Lieu of taxation comes from civic utilities such as Saskatoon Light & Power, Water, Wastewater and Storm Water. Civic utilities are treated like utility corporations that would pay taxes for using property, both above and below the surface, to conduct its business.

Also included in this business line are General Revenues that are not dedicated for any particular purpose other than to fund general administration and the provision of any and all programs and services.

Operating Budget: \$(372.5) million

Capital Budget: \$0.0 million

Strategic Goals:



Asset and Financial Sustainability



Economic Diversity and Prosperity

At a Glance

Assessment Roll for 2016:

Total Assessment for Saskatoon:	\$41,734,317,200
Total Number of Properties:	92,464
Total Taxable Residential Condos:	21,144
Total Taxable Residential (less than 4 units):	63,406
Total Taxable Assessment:	\$33,276,903,590
Taxable portion:	\$25,719,347,120 (77.3% of total)
Exempt portion:	\$7,557,556,470 (22.7% of total)

Strategic Risks

- The inability of the property tax to fund a growing city.

Performance Measures

Satisfaction With Civic Services of 90% or More.

- Increase citizen satisfaction by implementing a tax estimator on the website, developing a video explaining the impact of Assessment and Taxation to citizens, increasing online payment functionality, and completing a project charter for Automated Metering Infrastructure (AMI).

Municipal Property Tax as a Percentage of Total Municipal Revenues (Indicator).

- Identify new revenue sources to reduce reliance on municipal property taxes.

Annual Municipal Property Tax Increase Equal to or Less Than the Municipal Price Index.

- Maintain the integrity of the assessment process through working with the City Solicitor's Office to mitigate for potential losses through appeals.

Strategic Outcomes and 2017 Initiatives

Implement the Following 10-Year Strategy.

- Investigate revenue sources to help alleviate pressure on the property tax levy.

Taxation and General Revenues Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Property Levy	(219,885.5)	646.0	(219,239.5)	(13,260.8)	6.4%
Grants-in-Lieu of Taxes	(38,311.6)	–	(38,311.6)	(2,572.4)	7.2%
Municipal Revenue Sharing Grant	(46,430.0)	–	(46,430.0)	2,103.3	-4.3%
General Revenue	(57,666.6)	(102.5)	(57,769.1)	1,735.7	-2.9%
Fines and Penalties	(13,571.7)	4,233.5	(9,338.2)	(1,070.0)	12.9%
Other Levies	(2,499.1)	1,094.5	(1,404.6)	(461.0)	48.9%
Total	(378,364.5)	5,871.5	(372,493.0)	(13,525.2)	3.8%
Staff Complement			2016	2017	FTE Change
Full-time Equivalents			0.0	0.0	0.0



Operating Budget: \$106.0 million

Capital Budget: \$59.8 million

Strategic Goal:



**Moving
Around**

Transportation

Service Outcomes

- To plan, design, build, maintain, operate, and regulate the City's expanding transportation systems.
- To provide fixed route service on designated bus routes as well as service for people with mobility issues.
- To provide services for maintenance and rehabilitation of all roadway assets including: roads, bridges and overpasses, sidewalks, back lanes, and pathways.
- To efficiently move people, services, and goods while minimizing the environmental impact and promoting sustainability.
- To provide services related to parking control and enforcement, traffic noise attenuation, signal operation, street lighting, seasonal lighting, sidewalk and back lane maintenance, street sweeping, and snow and ice management.
- To provide a coordinated approach to the delivery of services through strengthened collaboration between divisions.

At A Glance

Bridges and structures:

- 48 interchanges and overpasses.
- 24 pedestrian overpasses and tunnels.
- Seven river crossings.

Roads and sidewalks:

- 4,005 lane km of paved roadways.
- 1,932 km of sidewalks.
- 453 km of back lanes.
- 200 lane km of gravel roadways.
- 163,000 potholes repaired using over 2,845 tonnes of asphalt.
- 38,000 work requests issued from Public Works Customer Service Center.
- 30,340 street lights.
- 400 walkways each maintained six times between May and September.

Transportation:

- 2,800 metered parking stalls.
- 1,194 km of dedicated cycling facilities.
- 520 traffic count stations.
- 483 seasonal decorations on street lights.
- 285 traffic signals.

Public transit:

- 12 million riders used transit in 2015 over the 365 days a year.
- 188 public transit buses: 146 conventional 40-foot diesel buses (37 high floor), 26 Access Transit buses, 10 articulating buses, and six mid-sized low floor 26-foot diesel buses.
- 26 bus routes operate on 276 km of streets providing service to 1,668 bus stops.
- Proportion of workers in Saskatoon commuting to work by car, truck or van, by public transit, on foot, or by bicycle, census metropolitan areas as provided by Statistics Canada, National Household Survey, 2011: Walking – 5.1%; Bicycle – 2.0%; Public Transit – 4.4%; and, Car, Truck or Van (Driver and Passenger) – 86.5%.

Council Priorities

- Increase transit ridership by changing attitudes around public transit and provide service that is safe, convenient, reliable and affordable.
- Establish rapid mass transit corridors for Saskatoon to guide investment, transportation and urban planning decision-making.
- Establish service levels for the repair and maintenance of roads, streets, lanes, sidewalks and bridges.
- Develop a new model to address neighbourhood traffic management issues.
- Prepare a transportation plan and table a budget to develop a mix of transportation modes, address downstream effects and promote active transportation.
- Develop funding strategies for expenses related to new capital expenditures including core services, such as fire halls, roadways and underground services.
- Explore options to improve curb, sidewalk, and facility accessibility for wheel chair users and citizens with limited physical mobility.

Strategic Risks

- The current investment within the overall infrastructure renewal and maintenance for roads and sidewalks over the last 10 years may not have been adequate.
- The City may not be delivering expected level of services for road maintenance, snow removal and bridges to citizens or internal stakeholders.
- While making capital investment decisions, adequate funding for asset lifecycle costs may not be getting identified.
- The current investment within the overall infrastructure renewal and maintenance for transit over the last 10 years may not have been adequate.
- The City may not be delivering expected level of services for transit to citizens or internal stakeholders.

Performance Measures

Increase the amount of cycling-specific infrastructure by 10%.

- 2017 Target: 176 km

20% of people use cycling, walking or transit to get to work.

- 2017 Target: 14.1%

Decrease traffic collisions by 5% annually.

- 2017 Target: 5% decrease over 2016

Increase transit ridership to 62 rides per capita.

- 2017 Target: 5% increase over 2016 = 34.23

Overall Satisfaction with Civic Services of 90% or More.

- 2017 Target: 88%

Strategic Outcomes and 2017 Initiatives

Improve Transit Ridership.

- Implement the long-term transit strategy, setting out the appropriate mix of frequency versus coverage within a vision of rapid transit corridors linking neighbourhoods and creating a guide to investment, transportation and urban planning decision making.
- Implement the Intelligent Transportation System project and significant software upgrades to improve transit customer experience.
- Review and develop cost-effective improvements to service utilizing existing suites of software and industry best practice.
- Increase communications with customers through education about appropriate public transit and the role customers play in providing service.

Citizens have viable and accessible options to move around the city based on their personal choices and preferences.

- Develop a Transportation Master Plan using outputs from the Growth Plan and Active Transportation Plan that is practical and useful for vehicles, buses, bicycles and pedestrians.

Define service levels and develop funding strategies for key civic assets and services.

- Report annually on all assets to provide City Council with the policy advice so that if they choose they can reduce the gap in the funding required to rehabilitate and maintain the City's infrastructure.
- Expand the condition assessment program to establish an accurate deterioration model for the various asset classes, ultimately allowing more accurate budget needs forecasting.
- Review potential for an integrated asset management software for potential increased efficiency.
- Create a proper baseline of the complete pavement condition using automated and semi-automated data

collection allowing for better decision making and funding allocation.

- Formalize levels of service for all operations for endorsement by City Council and to enhance stakeholder awareness of the service delivery for each program.

Civic facilities, programs, services, and infrastructure are accessible.

- Explore options to improve curb, sidewalk and facility accessibility for wheelchair users and citizens with limited physical mobility.

Identify efficiencies in Transportation Programs and Services.

- Improve coordination for street sweeping between responsible divisions for boulevard/medians and developing neighbourhoods to provide for a more effective and efficient program which will provide for a cleaner roadway.
- Utilize innovative contracting to minimize impacts on traffic flows and ensure safety in work zones.
- Implement the automation of operations of the Sign Shop to better track work orders and provide more timely communication to the public on road closures.
- Outline the process and opportunities for community and stakeholder engagement for major transportation infrastructure projects.
- Investigate the feasibility of SaskFirst locates for the Electronics Shop.
- Streamline the Development Review process through collaboration of all divisions involved.

Optimize snow removal on roadways, pathways and sidewalks.

- Apply and evaluate anti-icing strategies to improve snow and ice management operations to enhance motorist safety and ease of movement.
- Improve sanding operations by monitoring application rates to improve traction during the winter and reduce spring street cleaning.
- Coordinate snow removal on pathways and sidewalks to ensure practical coverage and timely operations to ensure compliance with bylaw requirements.

Reduce energy consumption in existing street and park lighting.

- Investigate the opportunity to upgrade existing street and park lighting to utilize light emitting diode (LED) fixtures to reduce energy consumption.

Expand and improve the Flex Parking program.

- Expand and improve the Flex Parking program including improved signage, communication and marketing, as well as the addition of paying for parking using smart phones.

Improve traffic flow and enhance safety as areas continue to develop.

- Construction of the North Commuter Parkway and Traffic Bridge Replacement project.
- Support the Province on the Saskatoon Freeway project.
- Build interchanges at Boychuk Drive and Highway 16 and at College Drive and McOrmond Drive to improve traffic flows and enhance safety as the areas continue to develop.

Transportation Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Transit Operations	(15,092.1)	40,625.6	25,533.5	(701.7)	-2.7%
Access Transit	(1,205.9)	4,930.0	3,724.1	273.8	7.9%
Transportation Services	(294.7)	7,418.0	7,123.3	(979.1)	-12.1%
Road Maintenance	(278.6)	43,336.6	43,058.0	3,943.2	10.1%
Snow & Ice Management	(554.7)	13,141.1	12,586.4	(137.6)	-1.1%
Street Cleaning & Sweeping	–	3,759.2	3,759.2	(40.2)	-1.1%
Bridges, Subways, Overpasses	–	6,090.0	6,090.0	766.8	14.4%
Street Lighting	(30.8)	6,602.8	6,572.0	691.8	11.8%
Parking	(5,938.2)	2,800.8	(3,137.4)	31.5	-1.0%
Impound Lot	(536.8)	536.8	–	–	0.0%
Engineering	–	730.3	730.3	(33.8)	-4.4%
Total	(23,931.8)	129,971.2	106,039.4	3,814.7	3.7%
Staff Complement			2016	2017	FTE Change
Full-time Equivalents			603.9	617.9	14.0



Urban Planning and Development

Service Outcomes

- To provide an increasingly sustainable community and enhanced quality of life consistent with the vision and core strategies in the City's Strategic Plan.
- To provide urban renewal and sustain existing areas through local area plans, strategic investments, rejuvenation projects, Crime Prevention Through Environmental Design (CPTED) reviews and incentives for supportive and attainable housing.
- To provide support for economic development through collaboration with local and regional business organizations, assisting the start-up of new businesses, providing advice and timely review of development applications.
- To provide leadership in planning for future growth in line with the City's *Integrated Growth Plan to Half a Million* which links land use, transportation, and infrastructure in more effective, efficient and sustainable ways.
- To provide a healthy and fair marketplace and ensure the health and safety of owners and occupants through building and plumbing inspections, licensing of new and established businesses, and permit and development application reviews.
- To provide improved public spaces throughout the City through streetscape master plans and urban design projects in strategic areas, business improvement districts, and growth corridors.
- To provide an adequate supply of attainable housing choices by working with community partners, developers, and builders.
- To provide clear information to City Council, excellent customer service to clients and meaningful consultation to stakeholders.

At a Glance

- \$17.9 million in funding since 2008 produced 4,200 Attainable Housing units.
- 2,395 new licensed businesses since 2008.
- 17 new services added and 16 expanded since 2007 to meet the demands of one of the fastest growing cities in Canada.
- 13 neighbourhoods have approved Local Area Plans.

Operating Budget: \$5.7 million

Capital Budget: \$14.4 million

Strategic Goals:



Economic Diversity and Prosperity



Quality of Life



Sustainable Growth

- \$1.65 million in streetscaping projects completed.
- 10,850 licensed businesses are expected to be operating in Saskatoon by the end of 2016.
- 4,000 building permits estimated for 2016, estimated construction value of over \$850.0 million.
- 1,500 Development Permits issued.
- 560 Attainable Housing units supported through various programs in the City's Housing Business Plan.
- 500 property-use complaints estimated requiring attention in 2016.
- 82 Subdivision Applications processed reflecting strong demand for new, fully-serviced residential, commercial and industrial lots.
- 37 Official Community Plan (OCP) amendments and Rezoning Requests received.
- 21 Condominium Applications received.
- 20 Discretionary Use Applications processed including garden and garage suite applications and continued strong demand for more care homes.
- 18 CPTED reviews conducted on various parks, neighbourhoods and major capital projects to ensure safe design of buildings and sites.
- Seven Vacant Lot Incentive Applications approved in 2016 resulting in new development on chronically vacant sites and the adaptive reuse of vacant buildings in established areas.

Council Priorities

- Develop partnerships and programs with Aboriginal organizations that will assist in enhancing economic, employment and training opportunities.
- Implement the Growth Plan to Half a Million (formerly known as the Integrated Growth Plan).
- Create incentives to promote density.
- Continue to create and support a business-friendly environment and increase the non-residential tax base.
- Maintain competitive rates for residential and business property taxes within comparative jurisdictions.

Strategic Risks

- There may be limitations on non-property tax revenue options and taxing powers, resulting in an over-reliance on property tax.

- The City carries the risk of over/under investing within its future infrastructure and not being aligned to the economic scenario within the city/province.
- Lack of a regional growth plan that includes all of the City's neighbours could restrict growth in the future.

Performance Measures

At least 25% of residential development is in infill neighbourhoods by 2023.

- 2017 Target: 17%

500 new Attainable Housing units built annually.

- 2017 Target: 400

Maintain an Average Rental Housing Vacancy Rate of 3%.

- This is a longer term indicator therefore there is no annual target

Strategic Outcomes and 2017 Initiatives

Growth and development ensure Saskatoon is a healthy and sustainable community, balancing the environmental, social and economic needs of the community and region.

- Establish a range of policies and strategies to address the financial requirements of implementing the Growth Plan to Half a Million.
- Conduct the Bus Rapid Transit Detailed Functional Design as part of the 10-Year Action Plan for the Growth Plan to Half a Million.
- Renew the Official Community Plan to reflect the vision and goals of the Growth Plan to Half a Million, as well as other planning and policy initiatives.
- Pursue amendments to *The Planning and Development Act, 2007* to enable interim development in the path of future urban growth by ensuring full cost recovery for future urban services.
- Work with the Saskatoon North Partnership for Growth (P4G) to endorse a Regional Land Use Map, create a P4G Planning District and associated governance and administrative structures, adopt a Regional Plan, adopt a P4G Zoning Bylaw, and prioritize the follow-up studies needed to implement the Regional Plan.
- Work to enhance relationships and explore opportunities for partnerships with First Nations that have land development interests in the Saskatoon region through face-to-face meetings, educational materials, and events.
- Partner with the University of Saskatchewan to establish a Sector Plan to support the University's development plans.

Develop or implement Local Area, Concept and Sector Plans.

- Work with civic departments and external stakeholders to complete the Meadowgreen and Montgomery Place Local Area Plans.
- Complete amendments to the Holmwood Sector Plan to address the Suburban Centre, District Village, Phasing Plan and transportation network adjustments.
- Complete the Imagine Idylwyld Corridor Study to improve the function, safety, connectivity, and quality of Idylwyld Drive as a key gateway to the City Centre.
- Establish a redevelopment plan for the South Caswell transit facilities.

Land use planning supports a diverse economy and vibrant community, enhancing Saskatoon's natural and built environment and protecting its heritage.

- Develop a Green Infrastructure Strategy, including policy and management guidelines, in collaboration (cooperation) with Parks and Environmental and Corporate Initiatives and Meewasin.
- Work with the Saskatoon North Partnership for Growth to create strategies for adopting new land use policies, and creating servicing and phasing plans, that would enable different forms of development in the Grasswood Mixed Use Node to serve the needs of a growing population.
- Complete Planning and Developments final phase of the Neighbourhood Level Infill Development Strategy to address four unit dwellings on corner sites.
- Develop the Heritage Registry to increase awareness of valuable heritage resources.
- Implement a new Urban Design Council Policy (BID) to formalize the relationship between the Business Improvement Districts and the City with respect to communications and priority maintenance.
- Complete the Office Policy Review Project.

Reduce homelessness and ensure there are a diversity of housing options that create equitable and inclusive neighbourhoods.

- Work with community partners to implement Saskatoon's Homelessness Action Plan.
- Work with stakeholders to determine the effectiveness of financial incentives offered through the 10-year Housing Business Plan to achieve the target of 500 new units annually across the attainable housing continuum.

Protect the public health, safety and property rights of citizens through timely, consistent and effective enforcement of bylaws.

- Complete the implementation of the Building Bylaw to reflect current legislative requirements and other necessary amendments.
- Launch the Administrative Bylaw Enforcement Team to align current enforcement across the corporation and begin to develop a consistent delivery model.
- Initiate the project to develop a new drainage regulatory compliance model.
- Develop and implement new regulations around short-term temporary accommodations.
- Support legalizing existing suites that meet required standards and garage and garden suite development.
- Finalize the *Easy-to-Read Bylaw Guide* to provide residents with key aspects of community standards and expectation to empower them to be good neighbours.

Identify efficiencies in the Urban Planning and Development Programs.

- Integrate the zoning compliance staff and other bylaw staff under one service line in the coming years.
- Develop action plans to support and implement key findings from the Building and Development Permit Civic Service Reviews.
- Complete an Internal Process Review on the process of circulation and reviewing major land use applications.
- Develop a four-year action plan to increase online delivery of programs and services within the Buildings Standards division with a focus on alignment with Service Saskatoon.
- Streamline bylaw complaints and implement an enhanced data management framework with the implementation of a Customer Service Coordinator position.

Urban Planning and Development Operating Summary

	000's				
	2017 Budget			Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery	Property Tax Impact		
Attainable Housing	–	425.1	425.1	0.2	0.0%
Building and Plumbing Permits & Standards	(6,749.6)	6,749.6	–	–	0.0%
Business Improvement Districts	–	107.7	107.7	–	0.0%
Business Licenses	(1,020.1)	1,020.1	–	–	0.0%
Development Review	(829.4)	1,266.9	437.5	3.8	0.9%
Regional Planning	–	367.7	367.7	0.8	0.2%
Bylaw Compliance	(129.4)	767.1	637.7	80.9	14.5%
Long Range Planning	(0.9)	195.6	194.7	(101.4)	-34.2%
Neighbourhood Planning	–	552.2	552.2	3.2	0.6%
Research & Mapping	(17.3)	461.2	443.9	1.7	0.4%
Urban Design	–	2,485.5	2,485.5	–	0.0%
Total	(8,746.7)	14,398.7	5,652.0	(10.8)	-0.2%
Staff Complement					
			2016	2017	FTE Change
Full-time Equivalents			108.8	106.8	(2.0)



Utilities

Service Outcomes

- To provide safe, reliable electricity in a cost-effective and environmentally responsible way.
- To provide quality drinking water, collection and treatment of wastewater and storm water collection.
- To provide long term, sustainable management of Saskatoon's water and energy resources.
- To provide residential recycling and yard waste collection.
- To provide revenue for the City through fees generated by services.

At a Glance

Electricity: Saskatoon Light & Power

- 1,171 km of overhead lines in the distribution network.
- 615 km of underground power cables.

Drinking Water: The Water Treatment Plant and Distribution System

- 43 million cubic meters treated per year.
- 71,139 service connections.
- 14,302 valves.
- 7,139 fire hydrants.
- 1,147 km of water mains.

Wastewater: The Wastewater Treatment Plant and Collection System

- 33 million cubic meters of wastewater treated per year.
- 71,349 service connections.
- 11,586 manholes.
- 1,052 km of sanitary mains, 25 sanitary sewer lift stations and 49 km of force mains.

Storm Water: Drainage and Collection System

- 13,266 catch basins.
- Two storm sewer lift stations.
- 2,942 service connections.
- 724 km of storm sewers, 42 km of sub-drainage, and four km of force mains.
- 20 wet ponds, eight dry ponds, three natural ponds and two constructed wetlands.

Operating Budget: \$330.0 million

Capital Budget: \$104.4 million

Strategic Goals:



**Asset and
Financial Sustainability**



**Environmental
Leadership**

Recycling: Waste Services

- 68,500 homes provided with curbside, biweekly recycling services.
- 34,500 apartment and condominium units receive services.
- 45,000 vehicles visit compost depots annually.
- 12,500 tonnes of leaves, grass, branches, yard waste and kitchen scraps collected.
- 6,000 subscribers to the Green Cart Program for food and yard waste.

Council Priorities

- Identify opportunities to replace conventional energy sources with green technologies.
- Leverage technology and emerging trends to reach our goals, serve citizens and connect meaningfully with our stakeholders.

Strategic Risks

- While making capital investment decisions, adequate funding for asset lifecycle costs may not be getting identified.
- The lack of Integrated Asset Management approach and systems may be affecting the overall process of asset maintenance.
- Regulatory changes impacting water, wastewater and storm water sectors may result in a heavy financial burden.

Performance Measures***Divert 70% of Waste from the Saskatoon Landfill.***

- 2017 Target: 23%

Reduce the City of Saskatoon's greenhouse gas emissions by 30% from 2006 Levels.

- 2017 Target: 5% below 2014 levels

Maintain key civic infrastructure at an Annual "B" Service Level.

- 2017 Target: B Service Level

Annual municipal tax increases are equal to or less than the Municipal Price Index.

- 2017 Target: 2.4%

Strategic Outcomes and 2017 Initiatives***Improve and expand electrical infrastructure.***

- Clarify a funding strategy to address Saskatoon Light & Power infrastructure renewal issues regarding industry standards, growth requirements, priority projects, and service levels.

- Identify and design routing options for a new electrical supply point to provide a second source of power from SaskPower.
- Begin construction of the new electrical supply point in 2017 and finish in 2020.
- Complete implementation of the asset management system for Saskatoon Light & Power in order to determine optimal maintenance and renewal strategies.
- Explore options and complete viability assessments for green energy generation projects including a potential hydropower project at the Saskatoon Weir.
- Finish installing the smart electricity meters.

Improve and expand drinking water infrastructure.

- Upgrade the filter infrastructure at the Water Treatment Plant to ensure continued filtration reliability and automation of controls.
- Accelerate the cast iron water main and lead service line replacement programs.
- Complete transfer pump and electrical upgrades at the Water Treatment Plant to provide dedicated and efficient pumps to move water to the Avenue H Reservoir facility.
- Design and build a reservoir fill main in the northeast sector for the new reservoir required to service the growing northeast and east sectors.
- Proceed with the installation of smart communication modules on water meters.

Improve and expand wastewater infrastructure.

- Design and build a fourth digester at the Wastewater Treatment Plant with construction scheduled for 2018.
- Continue with the odour abatement capital project completing construction in April 2017 to reduce 76% of odour emissions.
- Design and build a liquid waste station in the north industrial area and eliminate the need for waste haulers to travel through residential neighborhoods and school zones.
- Conduct a condition assessment and hydraulic analysis of all 28 sanitary sewer lift stations and force mains to create a capital plan for lift station upgrades.
- Identify the most likely growth path for the Saskatoon region and develop a comprehensive water and wastewater plan.

Improve and expand storm water infrastructure and monitor and remediate surface drainage.

- Develop a comprehensive Storm Water Utility Business Plan including a long-term capital and funding plan for storm water infrastructure.

- Completion of the Saskatchewan Crescent and 16th Street slope remediation capital project and continual monitoring of the riverbank.
- Continuation of a storm water condition assessment study.
- Increase investment in storm sewers and ponds with a target of 1.5% of the replacement value.

Reduce energy consumption through conservation practices and increase energy efficiency and safety.

- Offer conservation education programs to help citizens understand how they can reduce costs and reduce their environmental footprint.

- Conduct an energy audit at the Water Treatment Plant and Wastewater Treatment Plant.

- Improving efficiency at civic properties and communicate the benefits to inspire residents.

Improve waste diversion performance.

- Expand the Green Cart Program

Utilities Operating Summary

	000's				
	2017 Budget		Property Tax Impact	Dollar Change From 2016	% Change From 2016
	Revenue	Expense/ Recovery			
Saskatoon Light & Power	(168,971.4)	168,971.4	–	–	–
Storm Water Management	(6,220.0)	6,220.0	–	–	–
Wastewater Utility	(70,171.1)	70,171.1	–	–	–
Water Utility	(76,969.7)	76,969.7	–	–	–
Waste Services Utility	(7,677.0)	7,677.0	–	–	–
Total	(330,009.2)	330,009.2	–	–	–

Staff Complement	2016	2017	FTE Change
Full-time Equivalents	338.4	357.8	19.4



Definitions / Explanations

Key terms, titles and references found within the summaries of the 2017 Operating and Capital Budgets are defined below.

<i>Base Adjustment</i>	This is the budgetary change to the 2017 budget that would include all inflationary changes, transfers and other adjustments to deliver the same service levels as in the previous year. (Excludes Growth and Service Level Adjustments).
<i>Business Line</i>	This is the higher categorization of major businesses that the City of Saskatoon undertakes for its citizens.
<i>Cost Recovery</i>	This is a recovery of expenses by one business line that is charged out to other business lines to recoup the costs of providing a service to that unit. The recovery is meant to be charged out at cost (in other words there should not be a mark-up in costs, otherwise this would be reclassified as revenue) and may be direct and indirect costs for that service.
<i>Growth</i>	A budgetary change as a result of population, workload or capital growth usually aimed at providing the same service level as in the previous year.
<i>Reserve for Capital Expenditures</i>	This is a reserve that is funded through an annual contribution from the operating budget as well as any other discretionary funds allocated to it that is used to fund capital projects at the discretion of City Council. These projects would normally not have a dedicated reserve as the source for funding.
<i>Service Level Adjustment</i>	This is a budgetary change to address an increase or decrease in the program's service level.
<i>Service Line</i>	This is a program or service which falls within the broader Business Line (see definition above) and has its own program definition, budget and outcomes.
<i>Staff Compensation</i>	Staff compensation includes items such as salaries, payroll costs, car allowance, uniform allowance and other direct employee costs.
<i>Unfunded Capital Projects</i>	These are projects that have been proposed although there is no source of funding or a lack of reserve funding available. These projects are presented at budget review for consideration if other funding becomes available.



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